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HOUSE OF REPRESENTATIVES

FRIDAY, APRIL 27, 1956

The House met at 10 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal and ever-blessed God, grant that in these days of stress and strain, of uncertainty and confusion we may have an unfaltering trust in Thy kind and gracious providence.

We humbly confess that we are often disquieted and very cowardly when confronted by new and difficult tasks and trying circumstances.

Give us a larger measure of those moral and spiritual resources which are sufficient for our many needs and adequate for all the demands that are daily made upon us.

Help us to bring our whole life under such a complete control and glad commitment to Thy Spirit that we shall always be steadfast in the face of temptation, unafraid in times of peril, and unwearied in hope.

Now unto Him, who is able to keep us from falling and present us faultless before Thy presence, be glory and honor, dominion and power, both now and forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 6162. An act to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii;

H. R. 6573. An act to authorize renewals of a lease of the Annette Island Airport to the United States;

H. R. 6703. An act to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska;

H. R. 8334. An act to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic games;

H. R. 8942. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Theater Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes;

H. R. 8959. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes; and

H. R. 9078. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 2,500 officers and members.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 1774. An act to abolish the Verendrye National Monument, and to provide for its continued public use by the State of North Dakota for a State historic site, and for other purposes;

H. R. 7186. An act to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry;

H. R. 7513. An act to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska;

H. R. 7678. An act to permit articles imported from foreign countries for the purpose of exhibition at the 11th Annual Instrument-Automation (International) Conference and Exhibit, New York, N. Y., to be admitted without payment of tariff, and for other purposes; and

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 497. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Washoe reclamation project, Nevada and California;

S. 977. An act to amend title 28, United States Code, with respect to duties of judges of the United States Court of Claims;

S. 2202. An act to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the Valley Division, Yuma reclamation project, Arizona, and for other purposes;

S. 2705. An act to authorize the Philadelphia, Baltimore, & Washington Railroad Co. to construct, maintain, and operate a branch track or siding over Second Street SE., in the District of Columbia;

S. 3025. An act to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended;

S. 3295. An act to amend the act of April 28, 1953, relating to daylight saving time in the District of Columbia; and

S. 3498. An act to extend the authority of the American Battle Monuments Commission to all areas in which the Armed Forces of the United States have conducted operations since April 6, 1917, and for other purposes.

CALL OF THE HOUSE

Mr. MASON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 35]

Ashley	Hoffman, Ill.	O'Hara, Minn.
Bailey	Jackson	Phillips
Barden	Johnson, Calif.	Powell
Boykin	Kilburn	Quigley
Chatham	Knutson	Rogers, Tex.
Davis, Tenn.	Laird	Scott
Donovan	Lankford	Sisk
Eberharter	McCulloch	Thompson, La.
Gamble	McDowell	Tumulty
Grant	Matthews	Udall
Haley	Miller, Calif.	Vursell
Healey	Mollohan	Williams, N. Y.
Hébert	Morrison	Willis

The SPEAKER. Three hundred and eighty-four Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

FEDERAL HIGHWAY AND HIGHWAY REVENUE ACTS OF 1956

Mr. FALLON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 10660, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read the first section of the bill.

Mr. FALLON. Mr. Chairman, I ask unanimous consent that the bill in its entirety be considered as read and open for amendment at any point except with respect to amendments to title II, since the rule which has been adopted by the House prohibits amendments to this section unless offered by direction of the Committee on Ways and Means.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

(The bill reads as follows:)

Be it enacted, etc.—

TITLE I—FEDERAL HIGHWAY ACT OF 1956

SEC. 101. Short title for title I.

This title may be cited as the "Federal Highway Act of 1956."

SEC. 102. Federal-aid highways.

(a) (1) Authorization of Appropriations: For the purpose of carrying out the provisions of the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), and all acts amendatory thereof and supplementary thereto, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1957, $25 million in addition to any sums heretofore authorized for such fiscal year; the sum of $750 million for the fiscal year ending June 30, 1958; and the sum of $775 million for the fiscal year ending June 30, 1959. The sums herein authorized for each fiscal year shall be available for expenditure as follows:

(A) 45 percent for projects on the Federal-aid primary highway system.

(B) 30 percent for projects on the Federal-aid secondary highway system.

(C) 25 percent for projects on extensions of these systems within urban areas.

(2) Apportionments: The sums authorized by this section shall be apportioned among the several States in the manner now provided by law and in accordance with the formulas set forth in section 4 of the Federal-Aid Highway Act of 1944, approved December 20, 1944 (58 Stat. 838): *Provided,* That the additional amount herein authorized for the fiscal year ending June 30, 1957, shall be apportioned immediately upon enactment of this act.

(b) Availability for expenditure: Any sums apportioned to any State under this section shall be available for expenditure in that State for 2 years after the close of the fiscal year for which such sums are authorized, and any amounts so apportioned remaining unexpended at the end of such period shall lapse: *Provided,* That such funds shall be deemed to have been expended if a sum equal to the total of the sums herein and heretofore apportioned to the State is covered by formal agreements with the Secretary of Commerce for construction, reconstruction, or improvement of specific projects as provided in this title, and prior acts. Any Federal-aid primary, secondary, or urban funds released by the payment of the final voucher or by modification of the formal project agreement shall be credited to the same class of funds, primary, secondary, or urban, previously apportioned to the State and be immediately available for expenditure.

(c) Declaration of intent: Recognizing it to be in the national interest to foster and accelerate the construction of a safe and efficient system of Federal-aid highways in each State, it is hereby declared to be the intent of Congress progressively to increase the annual sums herein authorized, for construction of projects on the Federal-aid primary and secondary systems and approved extensions thereof in urban areas, by amounts which in each succeeding year shall provide an increase over the total amounts authorized for each immediately preceding year of not less than $25 million, commencing with the fiscal year ending June 30, 1960, and continuing such progression in each of the succeeding fiscal years, through the fiscal year ending June 30, 1969. It is further the intent to allocate the total funds thus provided to the three categories in the same relative ratio as hereinabove provided for projects on the Federal-aid primary and secondary systems and approved extensions thereof in urban areas.

(d) Transfers of apportionments: Not more than 20 percent of the respective amounts apportioned to a State for any fiscal year from funds made available for expenditure under clause (A), clause (B) or clause (C) of subsection (a) (1) of this section, may be transferred to the apportionment made to such State under any other of such clauses, except that no such apportionment may be increased by more than 20 percent by reason of transfers to it under this section: *Provided,* That such transfer is requested by the State highway department and is approved by the Governor of such State and the Secretary of Commerce as being in the public interest: *Provided further,* That the transfers hereinabove permitted for funds authorized to be appropriated for the fiscal years ending June 30, 1958, and June 30, 1959, shall likewise be permitted on the same basis for funds which may be hereafter authorized to be appropriated for any subsequent fiscal year: *And provided further,* That nothing herein contained shall be deemed to alter or impair the authority contained in the last proviso to paragraph (b) of section 3 of the Federal-Aid Highway Act of 1944.

SEC. 103. Forest highways and forest development roads and trails.

(a) Authorization of appropriations: For the purpose of carrying out the provisions of section 23 of the Federal Highway Act of 1921 (42 Stat. 218), as amended and supplemented, there is hereby authorized to be appropriated (1) for forest highways the sum of $25 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959; and (2) for forest development roads and trails the sum of $27 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959: *Provided,* That with respect to any proposed construction or reconstruction of a timber access road, advisory public hearings shall be held at a place convenient or adjacent to the area of construction or reconstruction with notice and reasonable opportunity for interested persons to present their views as to the practicability and feasibility of such construction or reconstruction: *Provided further,* That hereafter funds available for forest highways and forest development roads and trails shall also be available for vehicular parking areas: *And provided further,* That the appropriation herein authorized for forest highways shall be apportioned by the Secretary of Commerce for expenditure in the several States, Alaska, and Puerto Rico in accordance with the provision of section 3 of the Federal-Aid Highway Act of 1950.

(b) Repeal of certain apportionments: The provision of section 23 of the Federal Highway Act of 1921, as amended and supplemented, requiring apportionment of funds authorized for forest development roads and trails among the several States, Alaska, and Puerto Rico, is hereby repealed.

SEC. 104. Roads and trails in national parks, etc.

(a) National parks, etc.: For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in national parks, monuments, and other areas administered by the National Park Service, including areas authorized to be established as national parks and monuments, and national park and monument approach roads authorized by the act of January 31, 1931 (46 Stat. 1053), as amended, there is hereby authorized to be appropriated the sum of $16 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959.

(b) Parkways: For the construction, reconstruction, and improvement of parkways, authorized by acts of Congress, on lands to which title is vested in the United States, there is hereby authorized to be appropriated the sum of $16 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959.

(c) Indian reservations and lands: For the construction, improvement, and maintenance of Indian reservation roads and bridges and roads and bridges to provide access to Indian reservations and Indian lands under the provisions of the act approved May 26, 1928 (45 Stat. 750), there is hereby authorized to be appropriated the sum of $10 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959: *Provided,* That the location, type, and design of all roads and bridges constructed shall be approved by the Secretary of Commerce before any expenditures are made thereon, and all such construction shall be under the general supervision of the Secretary of Commerce.

SEC. 105. Public lands highways.

For the purpose of carrying out the provisions of section 10 of the Federal-Aid Highway Act of 1950 (64 Stat. 785), there is hereby authorized to be appropriated for the survey, construction, reconstruction, and maintenance of main roads through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations the sum of $1 million for the fiscal year ending June 30, 1958, and a like sum for the fiscal year ending June 30, 1959.

SEC. 106. Special provisions for Federal domain roads, etc.

(a) In general: Any funds authorized herein for forest highways, forest development roads and trails, park roads and trails, parkways, Indian roads, and public lands highways shall be available for contract upon apportionment, or a date not earlier than 6 months preceding the fiscal year for which authorized if no apportionment is required: *Provided,* That any amount remaining unexpended 2 years after the close of the fiscal year for which authorized shall lapse. The Secretary of the department charged with the administration of such funds is hereby granted authority to incur obligations, approve projects, and enter into contracts under such authorizations, and his action in doing so shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof, and such funds shall be deemed to have been expended when so obligated. Any funds heretofore, herein, or hereafter authorized for any fiscal year for forest highways, forest development roads and trails, park roads and trails, parkways, Indian roads, and public lands highways shall be deemed to have been expended if a sum equal to the total of the sums authorized for such fiscal year and previous fiscal years since and including the fiscal year 1955 shall have been obligated. Any of such funds released by payment of final voucher or modification of project authorizations shall be credited to the balance of unobligated authorizations and be immediately available for expenditure.

(b) Declaration of intent: It is further declared to be the intent of Congress to continue until June 30, 1969, the authorizations for roads in the Federal domain at annual rates not less than those contained in sections 103, 104, and 105 of this act.

SEC. 107. Emergency fund.

Section 7 of the Federal-Aid Highway Act of 1952 (66 Stat. 158) is hereby amended to read as follows:

"SEC. 7. There is hereby authorized an emergency fund in the amount of $30 million for expenditure by the Secretary of Commerce, in accordance with the provisions of the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented, after receipt of an application therefor from the highway department of any State, in the repair or reconstruction of highways and

bridges on the Federal-aid highway systems, which he shall find have suffered serious damage as the result of disaster over a wide area, such as by floods, hurricanes, tidal waves, earthquakes, severe storms, landslides, or other catastrophes in any part of the United States. The appropriation of such moneys as may be necessary for the initial establishment of this fund and for its replenishment on an annual basis is hereby authorized: *Provided*, That pending the appropriation of such sum, or its replenishment, the Secretary of Commerce may expand, from existing Federal-aid highway appropriations, such sums as may be necessary for the immediate prosecution of the work herein authorized, such appropriations to be reimbursed from the appropriation herein authorized when made: *Provided further*, That no expenditures shall be made hereunder with respect to any such catastrophe in any State unless an emergency has been declared by the Governor of such State and concurred in by the Secretary of Commerce: *Provided further*, That the Federal share payable on account of any repair or reconstruction project provided for by funds made available under this section shall not exceed 50 percent of the cost thereof: *And provided further*, That the funds herein authorized shall be available for use on any projects programed and approved at any time during the fiscal year ending June 30, 1956, and thereafter, which meet the provisions of this section, including projects which may have been previously approved during the fiscal year ending June 30, 1956, from any other category of funds under the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented."

SEC. 108. National System of Interstate and Defense Highways

(a) Interstate System: It is hereby declared to be essential to the national interest to provide for the early completion of the "National System of Interstate Highways," as heretofore authorized and designated in accordance with section 7 of the Federal-Aid Highway Act of 1944 (58 Stat. 838). Because of its primary importance to the national defense, the name of such system is hereby changed to the "National System of Interstate and Defense Highways." Such National System of Interstate and Defense Highways is hereinafter in this title referred to as the "Interstate System."

(b) Authorization of appropriations: For the purpose of expediting the construction, reconstruction, or improvement of the interstate system, there is hereby authorized to be appropriated the additional sum of $1,025,000,000 for the fiscal year ending June 30, 1957, which sum shall be in addition to the authorization heretofore made for that year, the additional sum of $1,700,000,000 for the fiscal year ending June 30, 1958, the additional sum of $2,000,000,000 for the fiscal year ending June 30, 1959, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1960, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1961, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1962, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1963, the additional sum of $2,300,000,000 for the fiscal year ending June 30, 1964, the additional sum of $2,300,000,000 for the fiscal year ending June 30, 1965, the additional sum of $2,200,000,000 for the fiscal year ending June 30, 1966, the additional sum of $2,000,000,000 for the fiscal year ending June 30, 1967, the additional sum of $1,500,000,000 for the fiscal year ending June 30, 1968, and the additional sum of $1,000,000,000 for the fiscal year ending June 30, 1969.

(c) Apportionments for 1957 and 1958: The additional sum herein authorized for the fiscal year ending June 30, 1957, and the sum authorized for the fiscal year ending June 30, 1958, shall be apportioned immediately upon enactment of this act. The sums herein authorized for the fiscal years 1957 and 1958 shall be apportioned in the ratio which the estimated cost of completing the interstate system in each State bears to the estimated total cost of completing the interstate system in all of the States as set forth in the computations compiled by the Bureau of Public Roads on pages 6 and 7 of House Document No. 120, 84th Congress.

(d) Apportionments for subsequent years: All sums authorized by this section to be appropriated for the fiscal years 1959 through 1969, inclusive, shall be apportioned among the several States in the ratio which the estimated cost of completing the interstate system in each State bears to the estimated total cost of completing the interstate system in all of the States. The estimated costs shall be those set forth in the reports required to be filed by subsection (f) of this section and shall be those contained in the latest report so filed. Each apportionment herein authorized for the fiscal years 1959 through 1969, inclusive, shall be made on a date as far in advance of the beginning of the fiscal year for which authorized, as practicable, but in no case more than 18 months prior to the fiscal year for which authorized.

(e) Geometric standards: The geometric standards to be adopted for the interstate system shall be those approved by the Secretary of Commerce in cooperation with the State highway departments. Such standards shall be adequate to accommodate the types and volumes of traffic forecast for the year 1975. The right-of-way width of the interstate system shall be adequate to permit construction of projects on the interstate system up to such standards. The Secretary of Commerce shall apply such standards uniformly throughout the States. Such standards shall be adopted by the Secretary of Commerce in cooperation with the State highway departments as soon as practicable after the enactment of this act.

(f) Studies and estimates; use of revised estimates for apportionment formulas: As soon as the standards provided for in subsection (e) have been adopted, the Secretary of Commerce shall request each State highway department to make and furnish to him before July 1, 1957, a further study of the Interstate System within its boundaries and a detailed estimate of the cost of completing the same based upon such standards. Such study and estimate shall be made in accordance with such rules and regulations as may be adopted by the Secretary of Commerce and applied by him uniformly to all of the States. Upon approval of such estimate by the Secretary of Commerce, he shall within 10 days subsequent to January 2, 1958, transmit to the Committees on Public Works of the Senate and the House of Representatives a report of such study and estimate. Upon approval by affirmative resolution of the Committees on Public Works of the Senate and the House of Representatives the Secretary of Commerce shall use such estimate in making apportionments for the fiscal years ending June 30, 1959, June 30, 1960, June 30, 1961, and June 30, 1962. The Secretary of Commerce shall cause a revised estimate to be made in the same manner as stated above and shall transmit the same to the Committees on Public Works of the Senate and the House of Representatives within 10 days subsequent to January 2, 1962, and upon approval by affirmative resolution of the Committees on Public Works of the Senate and the House of Representatives, the Secretary of Commerce shall use such revised estimate in making apportionments for the fiscal years ending June 30, 1963, June 30, 1964, June 30, 1965, and June 30, 1966. The Secretary of Commerce shall cause a revised estimate to be made in the same manner as stated above and shall transmit the same to the Committees on Public Works of the Senate and the House of Representatives within 10 days subsequent to January 1, 1966, and annually thereafter through and including January 2, 1968, and upon approval by affirmative resolution of the Committees on Public Works of the Senate and the House of Representatives, the Secretary of Commerce shall use such revised estimate in making apportionments for the fiscal year which begins next following the fiscal year in which such report is filed. Whenever the Secretary of Commerce, pursuant to this subsection, requests the State highway departments to furnish studies and estimates to him, such highway departments shall furnish copies of such studies and estimates at the same time to the Committees on Public Works of the Senate and the House of Representatives.

(g) Federal share: The Federal share payable on account of any project on the Interstate System provided for by funds made available under the provisions of this section shall be increased to 90 percent of the total cost thereof, plus a percentage of the remaining 10 percent of such cost in any State containing unappropriated and unreserved public lands and nontaxable Indian lands, individual and tribal, exceeding 5 percent of the total area of all lands therein, equal to the percentage that the area of such lands in such State is of its total area: *Provided*, That such Federal share payable on any project in any State shall not exceed 95 percent of the total cost of such project.

(h) Availability for expenditure: Any sums apportioned to any State under the provisions of this section shall be available for expenditure in that State for 2 years after the close of the fiscal year for which such sums are authorized: *Provided*, That such funds for any fiscal year shall be deemed to be expended if a sum equal to the total of the sums apportioned to the State specifically for the Interstate System for such fiscal year and previous fiscal years is covered by formal agreements with the Secretary of Commerce for the construction, reconstruction, or improvement of specific projects under this section.

(i) Lapse of amounts apportioned: Any amount apportioned to the States under the provisions of this section unexpended at the end of the period during which it is available for expenditure under the terms of subsection (h) of this section shall lapse: *Provided*, That any Interstate System funds released by the payment of the final voucher or by the modification of the formal project agreement shall be credited to the Interstate System funds previously apportioned to the State and be immediately available for expenditure.

(j) Maximum axle weight limitations: No funds authorized to be appropriated for any fiscal year by this section shall be apportioned to any States within the boundaries of which the Interstate System may lawfully be used by vehicles with weight in excess of 18,000 pounds carried on any 1 axle, or with a tandem axle weight in excess of 32,000 pounds, or the maximum corresponding axle weight permitted for vehicles using the public highways of such State under laws or regulations established by appropriate State authority in effect on July 1, 1956, whichever is the greater. Any amount which is withheld from apportionment to any State pursuant to the foregoing provisions shall lapse: *Provided, however*, That nothing herein shall be construed to deny apportionment to any State allowing the operation within such State of any vehicles or combinations thereof that could be lawfully operated within such State on July 1, 1956.

(k) Tests to determine maximum desirable dimensions and weights: The Secretary of Commerce is directed to take all action possible to expedite the conduct of a series of tests now planned or being conducted by the Highway Research Board of the National

Academy of Sciences, in cooperation with the Bureau of Public Roads, the several States, and other persons and organizations, for the purpose of determining the maximum desirable dimensions and weights for vehicles operated on the Federal-aid highways systems and, after the conclusion of such tests, but not later than March 1, 1959, to make recommendations to the Congress with respect to such maximum desirable dimensions and weights.

SEC. 109. Declaration of policy with respect to reimbursement for certain highways.

It is hereby declared to be the intent and policy of the Congress to equitably reimburse those States for any portion of a highway which is on the Interstate System, whether toll or free, the construction of which has been completed subsequent to August 2, 1947, or which is either in actual use or under construction by contract, for completion, awarded not later than June 30, 1957, and such highway meets the standards required by this title for the Interstate System. The time, method, and amounts of such reimbursement shall be determined by the Congress following a study which the Secretary of Commerce is hereby authorized and directed to conduct, in cooperation with the State highway departments, and other agencies as may be required, to determine which highways in the Interstate System measure up to the standards required by this title, including all related factors of cost, depreciation, participation of Federal funds, and any other items relevant thereto. A complete report of the results of such study shall be submitted to the Congress within 10 days subsequent to January 2, 1958. It is also declared to be the policy and intent of the Congress to provide funds necessary to make such reimbursements to the States as may be determined.

SEC. 110. Acquisition of rights-of-way.

(a) Federal acquisition for States: In any case in which the Secretary of Commerce is requested by any State to acquire any lands or interests in lands (including within the term "interests in lands," the control of access thereto from adjoining lands) required by such State for right-of-way or other purposes in connection with the prosecution of any project for the construction, reconstruction, or improvement of any section of the Interstate System, the Secretary of Commerce is authorized, in the name of the United States and prior to the approval of title by the Attorney General, to acquire, enter upon, and take possession of such lands or interests in lands by purchase, donation, condemnation, or otherwise in accordance with the laws of the United States (including the act of February 26, 1931, 46 Stat. 1421), if—

(1) the Secretary of Commerce has determined either that such State is unable to acquire necessary interests in lands, or is unable to acquire such lands or interests in lands with sufficient promptness; and

(2) such State has agreed with the Secretary of Commerce to pay, at such time as may be specified by the Secretary of Commerce, an amount equal to 10 percent of the costs incurred by the Secretary of Commerce, in acquiring such lands or interests in lands, or such lesser percentage which represents the State's pro rata share of project costs as determined in accordance with section 108 (g) of this title.

The authority granted by this section shall also apply to lands and interests in lands received as grants of land from the United States and owned or held by railroads or other corporations.

(b) Costs of acquisition: The costs incurred by the Secretary of Commerce in acquiring any such lands or interests in lands may include the cost of examination and abstract of title, certificate of title, advertising, and any fees incidental to such acquisition. All costs incurred by the Secretary of Commerce in connection with the acquisition of any such lands or interests in lands shall be paid from the funds for construction, reconstruction, or improvement of the Interstate System apportioned to the State upon the request of which such lands or interests in lands are acquired, and any sums paid to the Secretary of Commerce by such State as its share of the costs of acquisition of such lands or interests in lands shall be deposited in the Treasury to the credit of the appropriation for Federal-aid highways or shall be deducted from other moneys due the State for reimbursement under section 108 of this title and shall be credited to the amount apportioned to such State as its apportionment of funds for construction, reconstruction, or improvement of the Interstate System.

(c) Conveyance of acquired lands to the States: The Secretary of Commerce is further authorized and directed by proper deed, executed in the name of the United States, to convey any such lands or interests in lands acquired in any State under the provisions of this section, except the outside 5 feet of any such right-of-way in any State which does not provide control of access, to the State highway department of such State or such political subdivisions thereof as its laws may provide, upon such terms and conditions as to such lands or interests in lands as may be agreed upon by the Secretary of Commerce and the State highway department or political subdivisions to which the conveyance is to be made. Whenever the State makes provision for control of access satisfactory to the Secretary of Commerce, the outside 5 feet then shall be conveyed to the State by the Secretary of Commerce, as herein provided.

(d) Rights-of-way over public lands: Whenever rights-of-way, including control of access, on the Interstate System are required over public lands or reservations of the United States, the Secretary of Commerce may make such arrangements with the agency having jurisdiction over such lands as may be necessary to give the State or other person constructing the projects on such lands adequate rights-of-way and control of access thereto from adjoining lands, and any such agency is hereby directed to cooperate with the Secretary of Commerce in this connection.

SEC. 111. Availability of funds to acquire rights-of-way.

(a) Advance right-of-way acquisitions: For the purpose of facilitating the acquisition of rights-of-way on any of the Federal-aid highway systems and the Interstate System in the most expeditious and economical manner, and recognizing that the acquisition of rights-of-way requires lengthy planning and negotiations if it is to be done at a reasonable cost, the Secretary of Commerce is hereby authorized, upon request of a State highway department, to make available to such State for acquisition of rights-of-way, in anticipation of construction and under such rules and regulations as the Secretary of Commerce may prescribe, the funds apportioned to such State for expenditure on any of the Federal-aid highway systems and the Interstate System: *Provided,* That the agreement between the Secretary of Commerce and the State highway department for the reimbursement of the cost of such rights-of-way shall provide for the actual construction of a road on such rights-of-way within a period not exceeding 5 years following the fiscal year in which such request is made: *Provided further,* That Federal participation in the cost of rights-of-way so acquired shall not exceed the Federal pro rata share applicable to the class of funds from which Federal reimbursement is made.

(b) Advances to States: Section 6 of the Federal-Aid Highway Act of 1944 is hereby amended to read as follows:

"SEC. 6. If the Secretary of Commerce shall determine that it is necessary for the expeditious completion of projects on any of the Federal-aid highway systems, he may advance to any State out of any existing appropriations the Federal share of the cost of construction thereof to enable the State highway department to make prompt payments for acquisition of rights-of-way, and for construction as it progresses. The sums so advanced shall be deposited in a special revolving trust fund, by the State official authorized under the laws of the State to receive Federal-aid highway funds, to be disbursed solely upon vouchers approved by the State highway department for rights-of-way which have been or are being acquired, and for construction which has been actually performed and approved by the Secretary of Commerce. Upon determination by the Secretary of Commerce that any part of the funds advanced to any State under the provisions of this section are no longer required, the amount of the advance which is determined to be in excess of current requirements of the State shall be repaid upon his demand, and such repayments shall be returned to the credit of the appropriation from which the funds were advanced. Any sums advanced and not repaid on demand shall be deducted from sums due the State for the Federal pro rata share of the cost of construction of Federal-aid projects."

SEC. 112. Prevailing rate of wage.

The Secretary of Commerce shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors on the initial construction work performed on highway projects on the Interstate System authorized under section 108 of this title shall be paid wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality as determined by the Secretary of Labor in accordance with the act of August 30, 1935, known as the Davis-Bacon Act (40 U. S. C., sec. 276–a).

SEC. 113. Relocation of utility facilities.

(a) Availability of Federal funds for reimbursement to States: Subject to the conditions contained in this section, whenever a State shall pay for the cost of relocation of utility facilities necessitated by the construction of a project on the Federal-aid primary or secondary systems or on the Interstate System, including extensions thereof within urban areas, Federal funds may be used to reimburse the State for such cost in the same proportion as Federal funds are expended on the project.

(b) Utility defined: For the purposes of this section, the term "utility" shall include publicly, privately, and cooperatively owned utilities.

(c) Cost of relocation defined: For the purposes of this section, the term "cost of relocation" shall include the entire amount paid by such utility properly attributable to such relocation after deducting therefrom any increase in the value of the new facility and any salvage value derived from the old facility.

SEC. 114. Progress reports on interstate system.

It is hereby declared to be the sense of Congress that the Interstate System should be improved to standards adequate to meet the needs of the national defense and the national economy at the earliest practicable date. The Secretary of Commerce, in addition to his annual reports, is hereby directed to submit to each Congress, beginning with the calendar year 1958, a report setting forth in complete detail an accounting of all funds expended for construction of the Interstate System, the mileage and type of segments constructed, by States, and provide such other information as will fully advise the Congress regarding the progress being made toward the completion of the Interstate System.

SEC. 115. Agreements limiting use of rights-of way.

All agreements between the Secretary of Commerce and the State highway department for the construction of projects on the Interstate System shall contain a clause providing that the State will not add any points of access to, or exit from, the project in addition to those approved by the Secretary of Commerce in the plans for such project, without the prior approval of the Secretary of Commerce. Such agreements shall also contain provisions to insure that the users of the Interstate System will receive the benefits of free competition in purchasing supplies and services at or adjacent to highways in such system, and such agreements shall also contain a clause providing that the State will not permit automotive service stations or other commercial establishments for serving motor vehicle users to be constructed or located on the rights-of-way of the Interstate System. Such agreements may, however, authorize a State or political subdivision therof to use the air space above and below the established grade line of the highway pavement for the parking of motor vehicles provided such use does not interfere in any way with the free flow of traffic on the Interstate System.

SEC. 116. Toll roads, bridges and tunnels.

(a) Approval as part of interstate system: The Secretary of Commerce is authorized to approve as part of the Interstate System any toll road, bridge, or tunnel, now or hereafter constructed which meets the standards adopted for the improvement of projects located on the Interstate System, whenever such toll road, bridge, or tunnel forms a logical segment of the Interstate System: *Provided*, That no Federal-aid highway funds shall be expended for the construction, reconstruction, or improvement of any such toll road except to the extent hereafter permitted by law: *Provided further*, That no Federal-aid highway funds shall be expended for the construction, reconstruction, or improvement of any such toll bridge or tunnel except to the extent now or hereafter permitted by law.

(b) Approaches having other use: The funds authorized under this title, or under prior acts, shall be available for expenditure on projects approaching any toll road, bridge, or tunnel to a point where such project will have some use irrespective of its use for such toll road, bridge, or tunnel.

(c) Approaches having no other use: The funds authorized under this title, or under prior acts, shall be available for expenditure on projects approaching any toll road on the Interstate System, even though the project has no use other than as an approach to such toll road: *Provided*, That agreement has been reached with the State prior to approval of any such project (1) that the section of toll road will become free to the public upon retirement of any bonds outstanding at the time of the agreement, (2) that all toll collections are used for maintenance and operation and debt service of the section of road incorporated into the Interstate System, and (3) that there is one or more reasonably satisfactory alternate free routes available to traffic by which the toll section of the System may be bypassed.

(d) Effect on certain prior acts: Nothing in this title shall be deemed to repeal the act approved March 3, 1927 (44 Stat. 1398), or subsection (g) of section 204 of the National Industrial Recovery Act (48 Stat. 200), and such acts are hereby amended to include tunnels as well as bridges.

SEC. 117. Definition of construction.

The definition of the term "construction" in section 1 of the Federal-Aid Highway Act of 1944 is hereby amended to read as follows:

"The term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction or reconstruction of a highway, including locating, surveying, and mapping (including the establishment of temporary and permanent geodetic markers in accordance with specifications of the Coast and Geodetic Survey in the Department of Commerce), cost of rights-of-way, cost of relocation of building tenants, cost of demolition of structures or removal of usable buildings to new sites, including the cost of such sites, and the elimination of hazards of railway grade crossings."

SEC. 118. Archeological salvage.

Such part of the funds authorized by this title to be appropriated, as may be approved as necessary by the governor or duly authorized highway officials of any State, may be used for the purpose of archeological salvage in that State in compliance with the act entitled "An act for the preservation of American antiquities," approved June 8, 1906 (34 Stat. 225), and State laws where applicable.

SEC. 119. Mapping.

In carrying out the provisions of this title the Secretary of Commerce shall, to the fullest extent practicable, authorize the use of photogrammetric methods in mapping, and the utilization of commercial enterprise for such services.

SEC. 120. Information from States.

(a) In general: All departments and agencies of any State and of the executive branch of the Government shall furnish, to the Committee on Public Works of the Senate or of the House of Representatives, or to a subcommittee of either such committee, such information, books, records, correspondence, memoranda, papers, and documents which are in their possession relating to the construction of the Interstate System as such committee or subcommittee shall request.

(b) Effect of noncompliance: No funds appropriated pursuant to the authorization contained in section 108 shall be paid to any State which has failed or refused to furnish to the Committee on Public Works of the Senate or of the House of Representatives, or to a subcommittee of either such committee, such information, books, records, correspondence, memoranda, papers, and documents which are in their possession relating to the construction of the Interstate System as such committee or subcommittee has requested. If, after having once refused such a request, a State subsequently complies therewith, funds authorized for fiscal years beginning after such compliance may be apportioned to such State. Any amount which is withheld from a State under this section shall lapse.

SEC. 121. Relationship of this title to other acts.

All provisions of the Federal-Aid Road Act approved July 11, 1916, together with all acts amendatory or supplementary thereto, not inconsistent with this title, shall remain in full force and effect and be applicable hereto. All acts or parts of acts in any way inconsistent with the provisions of this title are hereby repealed.

TITLE II—HIGHWAY REVENUE ACT OF 1956

SEC. 201. Short title for title II.

(a) Short title: This title may be cited as the "Highway Revenue Act of 1956."

(b) Amendment of 1954 code: Whenever in this title an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1954.

SEC. 202. Increase in taxes on diesel fuel and on special motor fuels.

(a) Diesel fuel: Subsection (a) of section 4041 (relating to tax on diesel fuel) is amended by striking out "2 cents a gallon" and inserting in lieu thereof "3 cents a gallon."

(b) Special motor fuels: Subsection (b) of section 4041 (relating to special motor fuels) is amended by striking out "2 cents a gallon" and inserting in lieu thereof "3 cents a gallon," and by adding after paragraph (2) the following:

"In the case of a liquid sold for use or used as a fuel for the propulsion of a motorboat or airplane, the tax imposed by paragraph (1) or by paragraph (2) shall be 2 cents a gallon in lieu of 3 cents a gallon. If a liquid on which tax was imposed by paragraph (1) at the rate of 2 cents a gallon by reason of the preceding sentence is used as a fuel for the propulsion of a motor vehicle, a tax of 1 cent a gallon shall be imposed under paragraph (2)."

(c) Rate reduction: Subsection (c) of section 4041 (relating to rate reduction) is amended to read as follows:

"(c) Rate reduction; On and after July 1, 1972—

"(1) the taxes imposed by this section shall be 1½ cents a gallon; and

"(2) the second and third sentences of subsection (b) shall not apply."

SEC. 203. Increase in tax on trucks, truck trailers, buses, etc.

So much of paragraph (1) of section 4061 (a) (relating to tax on trucks, truck trailers, buses, etc.) as precedes "automobile truck chassis" is amended to read as follows:

"(1) Articles taxable at 10 percent, except that on and after July 1, 1972, the rate shall be 5 percent—."

SEC. 204. Increase in taxes on tires of the type used on highway vehicles; tax on tread rubber, etc.

(a) In general: Section 4071 (relating to tax on tires and tubes) is amended to read as follows:

"SEC. 4071. Imposition of tax.

"(a) Imposition and rate of tax: There is hereby imposed upon the following articles, if wholly or in part of rubber, sold by the manufacturer, producer, or importer, a tax at the following rates:

"(1) Tires of the type used on highway vehicles, 8 cents a pound.

"(2) Other tires, 5 cents a pound.

"(3) Inner tubes for tires, 9 cents a pound.

"(4) Tread rubber, 3 cents a pound.

"(b) Determination of weight: For purposes of this section, weight shall be based on total weight, except that in the case of tires such total weight shall be exclusive of metal rims or rim bases. Total weight of the articles shall be determined under regulations prescribed by the Secretary or his delegate.

"(c) Rate reduction: On and after July 1, 1972—

"(1) the tax imposed by paragraph (1) of subsection (a) shall be 5 cents a pound; and

"(2) paragraph (4) of subsection (a) shall not apply."

(b) Tread rubber defined: Section 4072 (defining the term "rubber") is amended to read as follows:

"SEC. 4072. Definitions.

"(a) Rubber: For purposes of this chapter, the term 'rubber' includes synthetic and substitute rubber.

"(b) Tread rubber: For purposes of this chapter, the term 'tread rubber' means any material—

"(1) which is commonly or commercially known as tread rubber or camelback; or

"(2) which is a substitute for a material described in paragraph (1) and is of a type used in recapping or retreading tires.

"(c) Tires of the type used on highway vehicles: For purposes of this part, the term 'tires of the type used on highway vehicles' means tires of the type used on—

"(1) motor vehicles which are highway vehicles, or

"(2) vehicles of the type used in connection with motor vehicles which are highway vehicles."

(c) Exemption of certain tread rubber from tax: Section 4073 (relating to exemptions) is amended by adding at the end thereof the following new subsection:

"(c) Exemption from tax on tread rubber in certain cases: Under regulations prescribed by the Secretary or his delegate, the tax imposed by section 4071 (a) (4) shall not apply to tread rubber sold by the manufacturer, producer, or importer, to any person for use by such person otherwise than in the recapping or retreading of tires of the type used on highway vehicles."

(d) Technical amendment: The table of sections for part II of subchapter A of chapter 32 is amended by striking out

"SEC. 4072. Definition of rubber."

and inserting in lieu thereof

"SEC. 4072. Definitions."

SEC. 205. Increase in tax on gasoline.

(a) Increase in rate: Section 4081 (relating to tax on gasoline) is amended to read as follows:

"SEC. 4081. Imposition of tax.

"(a) In general: There is hereby imposed on gasoline sold by the producer or importer thereof, or by any producer of gasoline, a tax of 3 cents a gallon.

"(b) Reduced rate in certain cases: Under regulations prescribed by the Secretary or his delegate, in the case of gasoline sold by the producer or importer thereof, or by any producer of gasoline, to any person for use by such person otherwise than as a fuel in a highway vehicle, the tax imposed by subsection (a) shall be 2 cents a gallon in lieu of 3 cents a gallon. This subsection shall not apply to gasoline which (within the meaning of paragraphs (1), (2), and (3) of section 6420 (c)) is sold for use on a farm for farming purposes.

"(c) Rate reduction: On and after July 1, 1972—

"(1) the tax imposed by this section shall be 1½ cents a gallon; and

"(2) subsection (b) shall not apply."

(b) Technical amendment: Section 6420 (a) (relating to gasoline used on farms) is amended by striking out "4081" in paragraph (2) and inserting in lieu thereof "4081 (a)."

SEC. 206. Tax on use of certain vehicles.

(a) Imposition of tax: Chapter 36 (relating to certain other excise taxes) is amended by adding at the end thereof the following new subchapter:

"Subchapter D—Tax on use of certain vehicles

"Sec. 4481. Imposition of tax.
"Sec. 4482. Definitions.
"Sec. 4483. Exemptions.
"Sec. 4484. Cross reference.

"SEC. 4481. Imposition of tax.

"(a) Imposition of tax: A tax is hereby imposed on the use of any highway motor vehicle which (together with the semitrailers and trailers customarily used in connection with highway motor vehicles of the same type as such highway motor vehicle) has a taxable gross weight of more than 26,000 pounds, at the rate of $1.50 a year for each 1,000 pounds of taxable gross weight or fraction thereof.

"(b) By whom paid: The tax imposed by this section shall be paid by the person in whose name the highway motor vehicle is, or is required to be, registered under the law of the State in which such vehicle is, or is required to be, registered.

"(c) Proration of tax: If in any year the first use of the highway motor vehicle is after July 31, the tax shall be reckoned proportionately from the first day of the month in which such use occurs to and including the 30th day of June following.

"(d) One payment per year: If the tax imposed by this section is paid with respect to any highway motor vehicle for any year, no further tax shall be imposed by this section for such year with respect to such vehicle.

"(e) Period tax in effect: The tax imposed by this section shall apply only to use after June 30, 1956, and before July 1, 1972.

"SEC. 4482. Definitions.

"(a) Highway motor vehicle: For purposes of this subchapter, the term 'highway vehicle' means any motor vehicle which is a highway vehicle.

"(b) Taxable gross weight: For purposes of this subchapter, the term 'taxable gross weight,' when used with respect to any highway motor vehicle, means the sum of—

"(1) the actual unloaded weight of—

"(A) such highway motor vehicle fully equipped for service, and

"(B) the semitrailers and trailers (fully equipped for service) customarily used in connection with highway motor vehicles of the same type as such highway motor vehicle, and

"(2) the weight of the maximum load customarily carried on highway motor vehicles of the same type as such highway motor vehicle and on the semitrailers and trailers referred to in paragraph (1) (B).

Taxable gross weight shall be determined under regulations prescribed by the Secretary or his delegate (which regulations may include formulas or other methods for determining the taxable gross weight of vehicles by classes, specifications, or otherwise).

"(c) Other definitions: For purposes of this subchapter—

"(1) State: The term 'State' means a State, a Territory of the United States, and the District of Columbia.

"(2) Year: The term 'year' means the 1-year period beginning on July 1.

"(3) Use: The term 'use' means use in the United States on the public highways.

"SEC. 4483. Exemptions.

"(a) State and local governmental exemption: Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed by section 4481 on the use of any highway motor vehicle by any State or any political subdivision of a State.

"(b) Exemption for United States: The Secretary may authorize exemption from the tax imposed by section 4481 as to the use by the United States of any particular highway motor vehicle, or class of highway motor vehicles, if he determines that the imposition of such tax with respect to such use will cause substantial burden or expense which can be avoided by granting tax exemption and that full benefit of such exemption, if granted, will accrue to the United States.

"(c) Certain transit-type buses: Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed by section 4481 on the use of any bus which is of the transit type (rather than of the intercity type) by a person who, for the last 3 months of the preceding year (or for such other period as the Secretary or his delegate may by regulations prescribe for purposes of this subsection), met the 60-percent passenger fare revenue test set forth in section 6416 (b) (2) (L) (i) as applied to the period prescribed for purposes of this subsection.

"SEC. 4484. Cross reference.

"For penalties and administrative provisions applicable to this subchapter, see subtitle F."

(b) Mode and time of collection of tax: Section 6302 (b) (relating to discretion as to method of collecting tax) is amended by inserting "section 4481 of chapter 36," after "33,".

(c) Technical amendment: The table of subchapters for chapter 36 is amended by adding at the end thereof the following:

"Subchapter D. Tax on use of certain vehicles."

SEC. 207. Floor stocks taxes.

(a) Imposition of taxes: Subchapter F of chapter 32 (special provisions applicable to manufacturers' excise taxes) is amended by renumbering section 4226 as 4227 and by inserting after section 4225 the following new section:

"SEC. 4226. Floor stocks taxes.

"(a) In general:

"(1) 1956 tax on trucks, truck trailers, buses, etc.: On any article subject to tax under section 4061 (a) (1) relating to tax on trucks, truck trailers, buses, etc.) which, on July 1, 1956, is held by a dealer for sale, there is hereby imposed a floor stocks tax at the rate of 2 percent of the price for which the article was purchased by such dealer. If the price for which the article was sold by the manufacturer, producer, or importer is established to the satisfaction of the Secretary or his delegate, then in lieu of the amount specified in the preceding sentence the tax imposed by this paragraph shall be at the rate of 2 percent of the price for which the article was sold by the manufacturer, producer, or importer.

"(2) 1956 tax on tires of the type used on highway vehicles: On tires subject to tax under section 4071 (a) (1) (as amended by the Highway Revenue Act of 1956) which, on July 1, 1956, are held—

"(A) by a dealer for sale,

"(B) for sale on, or in connection with, other articles held by the manufacturer, producer, or importer of such other articles, or

"(C) for use in the manufacture or production of other articles,

there is hereby imposed a floor stocks tax at the rate of 3 cents a pound. The tax imposed by this paragraph shall not apply to any tire which is held for sale by the manufacturer, producer, or importer of such tire or which will be subject under section 4218 (a) (2) or 4219 to the manufacturers' excise tax on tires.

"(3) 1956 tax on tread rubber: On tread rubber subject to tax under section 4071 (a) (4) (as amended by the Highway Revenue Act of 1956) which, on July 1, 1956, is held by a dealer, there is hereby imposed a floor stocks tax at the rate of 3 cents a pound. The tax imposed by this paragraph shall not apply in the case of any person if such person establishes, to the satisfaction of the Secretary or his delegate, that all tread rubber held by him on July 1, 1956, will be used otherwise than in the recapping or retreading of tires of the type used on highway vehicles.

"(4) 1956 tax on gasoline: On gasoline subject to tax under section 4081 which, on July 1, 1956, is held by a dealer for sale, there is hereby imposed a floor stocks tax at the rate of 1 cent a gallon. The tax imposed by this paragraph shall not apply to gasoline in retail stocks held at the place where intended to be sold a retail, nor to gasoline held for sale by a producer or importer of gasoline.

"(b) Overpayment of floor stocks taxes: Section 6416 shall apply in respect of the floor stocks taxes imposed by this section, so as to entitle, subject to all provisions of section 6416, any person paying such floor stocks taxes to a credit or refund thereof for any of the reasons specified in section 6416.

"(c) Meaning of terms: For purposes of subsection (a), the terms 'dealer' and 'held by a dealer' have the meaning assigned to them by section 6412 (a) (3)."

(b) Technical amendment: The table of sections for subchapter F of chapter 32 is amended by striking out

"Sec. 4226. Cross references."

and inserting in lieu therof

"Sec. 4226. Floor stocks taxes.
"Sec. 4227. Cross references."

SEC. 208. Credit or refund of tax.

(a) Floor stocks refunds: So much of section 6412 (relating to floor stocks refunds) as precedes subsection (d) is amended to read as follows:

"SEC. 6412. Floor stocks refunds.

"(a) In general:

"(1) Passenger automobiles, etc.: Where before April 1, 1957, any article subject to the tax imposed by section 4061 (a) (2) has been sold by the manufacturer, producer, or importer and on such date is held by a dealer and has not been used and is intended for sale, there shall be credited or refunded (without interest) to the manufacturer, producer, or importer an amount equal to the difference between the tax paid by such manufacturer, producer, or importer on his sale of the article and the amount of tax made applicable to such article on and after April 1, 1957, if claim for such credit or refund is filed with the Secretary or his delegate on or before August 10, 1957, based upon a request submitted to the manufacturer, producer, or importer before July 1, 1957, by the dealer who held the article in respect of which the credit or refund is claimed, and, on or before August 10, 1957, reimbursement has been made to such dealer by such manufacturer, producer, or importer for the tax reduction on such article or written consent has been obtained from such dealer to allowance of such credit or refund.

"(2) Trucks and buses, tires, tread rubber, and gasoline: Where before July 1, 1972, any article subject to the tax imposed by section 4061 (a) (1), 4071 (a) (1) or (4), or 4081 has been sold by the manufacturer, producer, or importer and on such date is held by a dealer and has not been used and is intended for sale (or, in the case of tread rubber, is intended for sale or is held for use), there shall be credited or refunded (without interest, to the manufacturer, producer, or importer an amount equal to the difference between the tax paid by such manufacturer, producer, or importer on his sale of the article and the amount of tax made applicable to such article on and after July 1, 1972, if claim for such credit or refund is filed with the Secretary or his delegate on or before November 10, 1972, based upon a request submitted to the manufacturer, producer, or importer before October 1, 1972, by the dealer who held the article in respect of which the credit or refund is claimed, and, on or before November 10, 1972, reimbursement has been made to such dealer by such manufacturer, producer, or importer for the tax reduction on such article or written consent has been obtained from such dealer to allowance of such credit or refund. No credit or refund shall be allowable under this paragraph with respect to gasoline in retail stocks held at the place where intended to be sold at retail, nor with respect to gasoline held for sale by a producer or importer of gasoline.

"(3) Definitions: For purposes of this section—

"(A) The term 'dealer' includes a wholesaler, jobber, distributor, or retailer, or, in the case of tread rubber subject to tax under section 4071 (a) (4), includes any person (other than the manufacturer, producer, or importer thereof) who holds such tread rubber for sale or use.

"(B) An article shall be considered as 'held by a dealer' if title thereto has passed to such dealer (whether or not delivery to him has been made), and if for purposes of consumption title to such article or possession thereof has not at any time been transferred to any person other than a dealer.

"(b) Limitation on eligibility for credit or refund: No manufacturer, producer, or importer shall be entitled to credit or refund under subsection (a) unless he has in his possession such evidence of the inventories with respect to which the credit or refund is claimed as may be required by regulations prescribed under this section.

"(c) Other laws applicable: All provisions of law, including penalties, applicable in respect of the taxes imposed by sections 4061, 4071, and 4081 shall, insofar as applicable and not inconsistent with subsections (a) and (b) of this section, apply in respect of the credits and refunds provided for in subsection (a) to the same extent as if such credits or refunds constituted overpayments of such taxes."

(b) Special cases: Section 6416 (b) (2) (special cases in which tax payments considered overpayments) is amended by striking out the period at the end of subparagraph (I) and inserting in lieu thereof a semicolon, and by adding at the end thereof the following:

"(J) In the case of a liquid in respect of which tax was paid under section 4041 (b) (1) at the rate of 3 cents a gallon, used or resold for use as a fuel for the propulsion of a motorboat or airplane; except that the amount of such overpayment shall not exceed an amount computed at the rate of 1 cent a gallon;

"(K) In the case of gasoline in respect of which tax was paid under section 4081 at the rate of 3 cents a gallon, used or resold for use otherwise than as a fuel in a highway vehicle; except that (i) the amount of such overpayment shall not exceed an amount computed at the rate of 1 cent a gallon, and (ii) this subparagraph shall not apply in respect of gasoline which was (within the meaning of paragraphs (1), (2), and (3) of section 6420 (c)) used or resold for use on a farm for farming purposes;

"(L) In the case of a liquid in respect of which tax was paid under section 4041 or 4081 at the rate of 3 cents a gallon, used in vehicles while engaged in furnishing scheduled common carrier public passenger land transportation service along regular routes; except that (i) this subparagraph shall apply, in respect of any liquid used during any calendar quarter or such other period as the Secretary or his delegate may by regulations prescribe, only if at least 60 percent of the total passenger fare revenue (not including the tax imposed by section 4261, relating to the tax on transportation of persons) derived by such person doing such period from scheduled service along such regular routes was attributable to fares which were exempt from the tax imposed by section 4261 by reason of section 4262 (b) (relating to the exemption for commutation travel, etc.), and (ii) the amount of such overpayment for such period shall not exceed an amount which bears the same ratio to the amount computed at the rate of 1 cent a gallon as the passenger fare revenue derived during such period from such fares exempt from tax for such scheduled service bears to the total passenger fare revenue (not including the tax imposed by section 4261) derived during such period for such scheduled service;

"(M) In the case of tread rubber in respect of which tax was paid under section 4071 (a) (4), used or resold for use otherwise than in the recapping or retreading of tires of the type used on highway vehicles."

SEC. 209. Highway trust fund.

(a) Creation of trust fund: There is hereby established in the Treasury of the United States a trust fund to be known as the "Highway Trust Fund" (hereinafter in this section called the "Trust Fund"). The Trust Fund shall consist of such amounts as may be appropriated or credited to the Trust Fund as provided in this section.

(b) Declaration of policy: It is hereby declared to be the policy of the Congress that if it hereafter appears—

(1) that the total receipts of the Trust Fund (exclusive of advances under subsection (d) will be less than the total expenditures from such Fund (exclusive of repayments of such advances); or

(2) that the distribution of the tax burden among the various classes of persons using the Federal-aid highways, or otherwise deriving benefits from such highways, is not equitable,

the Congress shall enact legislation in order to bring about a balance of total receipts and total expenditures, or such equitable distribution, as the case may be.

(c) Transfer to trust fund of amounts equivalent to certain taxes.—

(1) In general: There is hereby appropriated to the trust fund, out of any money in the Treasury not otherwise appropriated, amounts equivalent to the following percentages of the taxes received in the Treasury before July 1, 1972, under the following provisions of the Internal Revenue Code of 1954 (or under the corresponding provisions of prior revenue laws)—

(A) 100 percent of the taxes received after June 30, 1956, under sections 4041 (taxes on diesel fuel and special motor fuels), 4071 (a) (4) (tax on tread rubber), and 4081 (tax on gasoline);

(B) 20 percent of the tax received after June 30, 1956, and before July 1, 1957, under section 4061 (a) (1) (tax on trucks, buses, etc.);

(C) 50 percent of the tax received after June 30, 1957, under section 4061 (a) (1) (tax on trucks, buses, etc.);

(D) 37½ percent of the tax received after June 30, 1956, and before July 1, 1957, under section 4071 (a) (1) (tax on tires of the type used on highway vehicles);

(E) 100 percent of the taxes received after June 30, 1957, under section 4071 (a) (1), (2), and (3) (taxes on tires of the type used on highway vehicles, other tires, and inner tubes);

(F) 100 percent of the tax received under section 4481 (tax on use of certain vehicles); and

(G) 100 percent of the floor stocks taxes imposed by section 4226 (a).

In the case of any tax described in subparagraph (A), (B), or (D), amounts received during the fiscal year ending June 30, 1957, shall be taken into account only to the extent attributable to liability for tax incurred after June 30, 1956.

(2) Liabilities incurred before July 1, 1972, for new or increased taxes: There is hereby appropriated to the trust fund, out of any money in the Treasury not otherwise appropriated, amounts equivalent to the following percentages of the taxes which are received in the Treasury after June 30, 1972, and before July 1, 1973, and which are attributable to liability for tax incurred before July 1, 1972, under the following provisions of the Internal Revenue Code of 1954—

(A) 100 percent of the taxes under sections 4041 (taxes on diesel fuel and special motor fuels), 4071 (a) (4) (tax on tread rubber), and 4081 (tax on gasoline);

(B) 20 percent of the tax under section 4061 (a) (1) (tax on trucks, buses, etc.);

(C) 37½ percent of the tax under section 4071 (a) (1) (tax on tires of the type used on highway vehicles); and

(D) 100 percent of the tax under section 4481 (tax on use of certain vehicles).

(3) Method of transfer: The amounts appropriated by paragraphs (1) and (2) shall be transferred at least monthly from the general fund of the Treasury to the trust fund on the basis of estimates by the Secretary of the Treasury of the amounts, referred to in paragraphs (1) and (2), received in the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(d) Additional appropriations to trust fund: There are hereby authorized to be appropriated to the trust fund, as repayable

advances, such additional sums as may be required to make the expenditures referred to in subsection (f).

(e) Management of trust fund—

(1) In general: It shall be the duty of the Secretary of the Treasury to hold the trust fund, and (after consultation with the Secretary of Commerce) to report to the Congress not later than the first day of March of each year on the financial condition and the results of the operations of the trust fund during the preceding fiscal year and on its expected condition and operations during each fiscal year thereafter up to and including the fiscal year ending June 30, 1973. Such report shall be printed as a House document of the session of the Congress to which the report is made.

(2) Investment: It shall be the duty of the Secretary of the Treasury to invest such portion of the trust fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose such obligations may be acquired (A) on original issue at par, or (B) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the trust fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 percent, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest. Advances to the trust fund pursuant to subsection (d) shall not be invested.

(3) Sale of obligations: Any obligation acquired by the trust fund (except special obligations issued exclusively to the trust fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

(4) Interest and certain proceeds: The interest on, and the proceeds from the sale or redemption of, any obligations held in the trust fund shall be credited to and form a part of the trust fund.

(f) Expenditures from trust fund:

(1) Federal-aid highway program: Amounts in the trust fund shall be available, as provided by appropriation acts, for making expenditures after June 30, 1956, and before July 1, 1972, to meet those obligations of the United States heretofore or hereafter incurred under the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented, which are attributable to Federal-aid highways (including those portions of general administrative expenses of the Bureau of Public Roads payable from such appropriations).

(2) Repayment of advances from general fund: Advances made pursuant to subsection (d) shall be repaid, and interest on such advances shall be paid, to the general fund of the Treasury when the Secretary of the Treasury determines that moneys are available in the trust fund for such purposes. Such interest shall be at rates computed in the same manner as provided in subsection (e) (2) for special obligations and shall be compounded annually.

(3) Transfers from trust fund for gasoline used on farms: The Secretary of the Treasury shall pay from time to time from the trust fund into the general fund of the Treasury amounts equivalent to the amounts paid before July 1, 1973, under section 6420 of the Internal Revenue Code of 1954 (relating to amounts paid in respect of gasoline used on farms) on the basis of claims filed for periods beginning after June 30, 1956, and ending before July 1, 1972.

(4) Floor stocks refunds: The Secretary of the Treasury shall pay from time to time from the trust fund into the general fund of the Treasury amounts equivalent to the following percentages of the floor stocks refunds made before July 1, 1973, under section 6412 (a) (2) of the Internal Revenue Code of 1954—

(A) 40 percent of the refunds in respect of articles subject to the tax imposed by section 4061 (a) (1) of such code (trucks, buses, etc.);

(B) 100 percent of the refunds in respect of articles subject to tax under section 4071 (a) (1) or (4) of such code (tires of the type used on highway vehicles and tread rubber); and

(C) 66⅔ percent of the refunds in respect of gasoline subject to tax under section 4081 of such code.

(g) Apportionments not affected: Nothing in this section shall limit the amount of the apportionments made under any authorization in title I of this act or in any act heretofore or hereafter enacted which amends or supplements the Federal-Aid Road Act approved July 11, 1916.

SEC. 210. Investigation and report to Congress.

(a) Purpose: The purpose of this section is to make available to the Congress information on the basis of which it may determine what taxes should be imposed by the United States, and in what acounts, in order to assure, insofar as practicable, an equitable distribution of the tax burden among the various classes of persons using the Federal-aid highways or otherwise deriving benefits from such highways.

(b) Study and investigation: In order to carry out the purpose of this section, the Secretary of Commerce is hereby authorized and directed, in cooperation with other Federal officers and agencies (particularly the Interstate Commerce Commission) and with the State highway departments, to make a study and investigation of—

(1) the effects on design, construction, and maintenance of Federal-aid highways of (A) the use of vehicles of different dimensions, weights, and other specifications, and (B) the frequency of occurrences of such vehicles in the traffic stream.

(2) the proportionate share of the design, construction, and maintenance costs of the Federal-aid highways attributable to each class of persons using such highways, such proportionate share to be based on the effects referred to in paragraph (1) and the benefits derived from the use of such highways, and

(3) any direct and indirect benefits accruing to any class which derives benefits from Federal-aid highways, in addition to benefits from actual use of such highways, which are attributable to public expenditures for such highways.

(c) Coordination with other studies: The Secretary of Commerce shall coordinate the study and investigation required by this section with—

(1) the research and other activities authorized by section 10 of the Federal-Aid Highway Act of 1954, and

(2) the tests referred to in section 108 (k) of this act.

(d) Reports on study and investigation: The Secretary of Commerce shall report to the Congress the results of the study and investigation required by this section. The final report shall be made as soon as possible but in no event later than March 1, 1959. On or before March 1, 1957, and on or before March 1, 1958, the Secretary of Commerce shall report to the Congress the progress that has been made in carrying out the study and investigation required by this section. Each such report shall be printed as a House document of the session of the Congress to which the report is made.

(e) Funds for study and investigation: There are hereby authorized to be appropriated out of the Highway Trust Fund such sums as may be necessary to enable the Secretary of Commerce to carry out the provisions of this section.

SEC. 211. Effective date of title.

This title shall take effect on the date of its enactment, except that the amendments made by sections 202, 203, 204, and 205 (a) shall take effect on July 1, 1956, and the amendment made by section 205 (b) shall apply only with respect to gasoline purchased after June 30, 1956.

TITLE III—SEPARABILITY

SEC. 301. Separability.

If any section, subsection, or other provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of this act and the application of such section, subsection, or other provisions to other persons or circumstances shall not be affected thereby.

The CHAIRMAN. The bill is open for amendment at any point except the section specified in the consent request.

Mr. COOPER. Mr. Chairman, there are no amendments to be offered to title II.

Mr. DONDERO. Mr. Chairman, I do not know whether there are any amendments to the bill before page 24, section 112; but if not, I have an amendment on the Clerk's desk to that section.

Mr. MULTER. Mr. Chairman, I have an amendment to a portion of the bill prior to that section.

The CHAIRMAN. The amendment offered by the gentleman from New York can be considered no matter where it is in the bill.

Mr. JONES of Alabama. Mr. Chairman, may I ask the gentleman from Michigan [Mr. DONDERO] if he prefers to offer his amendment first?

Mr. DONDERO. Not necessarily.

Mr. JONES of Alabama. Then I will say in order to save time that I will offer an amendment on which there is agreement in the committee and dispose of that amendment if it is agreeable to the gentleman from Michigan.

Mr. DONDERO. That is all right.

Mr. JONES of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Alabama: On page 25, line 19, strike out the period following the word "project", insert a semicolon, and add the following: *"Provided*, That Federal funds shall not be apportioned to the States under this section when the payment to the utility violates the law of the State or violates a legal contract between the utility and the State."

Mr. JONES of Alabama. Mr. Chairman, this was the amendment that was discussed on yesterday during general debate. It has as its purpose the protection of the States in their statutes and contracts on reimbursement for

utilities whose facilities are required to be removed from the public thoroughfare.

This would mean that the State statutes would remain unimpaired, and so would the contracts between the States and the utilities giving the utilities the use without cost of the rights-of-way of public thoroughfares and requiring their poles, structures, and appurtenances to be removed at utility expense.

As stated on yesterday, there are 42 States which either by statute or contract permit the utilities to locate their facilities on the public rights-of-way, provided that if there is necessity for the enlargement of the highway they will remove the poles and appurtenances of the utility without cost to the State.

The section as now proposed is an invitation for the States to give up their historical and traditional role in the aid program and force them to come in and have the expense borne by the Federal Government. It would abrogate not only States' laws but it would also violate contracts which have been agreed on by the utility and the States. The testimony before our committee and the estimate of cost under the existing section of the bill indicated it would cost the Federal Government approximately $1,500,000,000 during the life of this program and would subject the States to the payment of utility relocation costs in those States where Federal assistance is now being granted. I am quite sure that this committee does not intend to put the States that are already overtaxed and burdened with gasoline and excise taxes to this disadvantage in order to keep up their road system. It would mean that every urban community, and 90 percent of their roads have been constructed with State funds, would become the victim of the cost of relocating utilities. Thereby it would place a tremendous burden on the States, a burden that the States could not hope to fulfill in repayment to the utilities.

Mr. Chairman, my amendment would continue the historical and traditional policy of the Federal Government of having an aid program, and not resort to the uncertainties of the laws in trying to bring about uniformity of State laws with respect to the acquisition of the rights-of-way or the distribution of funds and the repayment of utilities. I assure you that the program has worked well. During the years from 1949 through 1954 we spent some $2 billion in Federal aid programs which meant that there was in excess of $4 billion of road construction during that period. The Federal Government was only charged $652,000 for the utilities' relocation costs.

Mr. Chairman, the States do not want the existing provision in the committee bill. There is not a single highway director in the United States who has not voiced opposition to the provision as it exists. I hope, therefore, that the Committee will accept this amendment and that we will preserve the rights, the authorities, and the sovereignty of the various States.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Tennessee.

Mr. BAKER. Do I understand that under the language of the bill as reported, even if a State in its contract with a utility giving them a license to use rights-of-way provides that in the event of relocation the utility shall pay for it and that under this bill as reported the State, regardless of that contract, would have to pay for relocating that utility?

Mr. JONES of Alabama. No; I do not understand that situation exists.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

(By unanimous consent, at the request of Mr. JONES of Alabama, he was allowed to proceed for 3 additional minutes.)

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Ohio.

Mr. McGREGOR. It is my interpretation of this particular amendment, and it has been given many hours of study, that it is simply a clarifying situation. In the bill as written there was some question as to whether or not we were interfering with any existing law of the various States. If I understand the gentleman's amendment correctly, and we have carefully gone over it, this is simply a reiteration of a practice that is now in existence; is that correct?

Mr. JONES of Alabama. That is entirely correct, because the amendment attempts to keep the status quo. Now, if this amendment does not prevail and the cost is imposed on the States to reimburse the utilities and the cost amounts to $1.5 billion or $2 billion, it is not provided for in the tax section of the bill to pay these moneys for this kind of activity. So, that is one item that you must consider, because the Committee on Ways and Means did not impose taxes for the purpose of reimbursing the utilities.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Michigan.

Mr. DONDERO. This was one of the provisions in the bill that gave the committee a considerable amount of trouble. We argued for many, many hours. The proposed amendment offered by the gentleman from Alabama does two things that the bill does not do. First, it recognizes the law of the State where that State has a provision not to reimburse. We do not in any way violate that. Second, where a State does not have any law to reimburse the utility but does have an agreement which has been carried on through the years, that agreement is recognized by the gentleman's amendment.

Mr. JONES of Alabama. And the Supreme Court decisions of that State.

Mr. DONDERO. So that as written, the bill as amended by the gentleman's proposal meets the many objections of the States who would be otherwise adversely affected. I think it is a good amendment. I am going to support it, and I hope the House supports it.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Maryland.

Mr. FALLON. May I say to the gentleman I think this could almost be considered a committee amendment, because a majority of the committee sat down in the last day or two and prepared this amendment since the bill was reported to the House.

Mr. JONES of Alabama. I want to say this, that this amendment was prepared by the gentleman from Texas, Mr. GENTRY.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. JONES].

The amendment was agreed to.

Mr. DONDERO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DONDERO: Page 24, strike out all of section 112, beginning in line 25, and insert the following:

"All laborers and mechanics employed by contractors and subcontractors on the initial construction work performed on highway projects on the Interstate System authorized under section 108 of this act shall be paid wages at rates not less than those prevailing on the same type of work in the immediate locality. Such prevailing wages shall be predetermined by the State highway department or other proper State agency, and shall be set out in each project advertisement for bids and each bid proposal form, and shall also be made a part of the contract covering each project."

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Chairman, section 112 of the bill, known as the Davis-Bacon provision for the payment of prevailing wages, has caused more trouble, longer debate, and more argument, than any other section of the proposed highway bill. The amendment which I offer proposes to continue practically what we are doing today, that is, determination by the several States of the prevailing wage, and not by the Federal Government. Since 1916, 40 years now, the States have determined what the prevailing wage should be. In all of that time, as far as I know, very little difficulty and very little trouble has arisen over that cooperative Federal-State arrangement. Having worked so successfully for the benefit of the people of our country, I certainly cannot see any reason why it should be changed now. The only excuse that is offered for doing so is just this: that we are paying a little more money percentagewise by the Federal Government than we have heretofore for the construction of the Interstate System. That is the only reason. In my judgment, that should not be the determining factor. The determining factor, in my opinion, should be whether or not the present Federal and State arrangement is satisfactory; working successfully; and the roads are being built.

We are now presenting to the people of the country the largest roadbuilding program in the history of the entire world, not alone our own Nation.

If this provision remains in the bill, it will be a further encroachment on the States by the Federal Government. If you vote to retain the provision in the

bill, what you are saying to the 48 States is, "You are no longer competent, nor are you the proper body, to fix the prevailing wage."

I want to point out what I think is going to cause a lot of trouble. If the Davis-Bacon provision remains in this bill, the people who work in the building of the interstate system will be working under a wage fixed by Washington, and the people working on the primary and secondary roads being built in the same area or intersecting the interstate highway, will be working for a prevailing wage fixed by the States. The two will not be alike. The result will be confusion, difference of opinion, argument, delay, and strikes. There will be no end of trouble. If the Davis-Bacon Act is made applicable to the interstate system now, it will ultimately be made applicable to the entire highway system.

Who is better able to judge what the prevailing wage is in a certain area? The word "immediate" perhaps will not deceive too many people. The word has a rather flexible meaning. But who is better able to judge, the people living in the area where the road is to be built, or Washington—the Secretary of Labor—hundreds of miles away? When the Secretary of Labor makes a finding in Washington there is no review, there is no appeal. The experience up to the present time of the Federal Government has been that where we are building roads in the forests, in the parks, or through Federal domain where the prevailing wage has been fixed by the Secretary of Labor, it has been about 50 percent higher than the prevailing wage in the area.

Nobody on this floor will argue that the Davis-Bacon provision is going to save money to the taxpayer. Everybody admits that the cost is going to be greater. The lowest figure that has been given to me is that it will increase the cost 5 percent. Other estimates are that it will increase the cost 15 percent. If you take a middle-of-the-road figure, or an average of 10 percent, on a program as large as this, it means that the increased cost of the roads will be $3 billion or more.

What is the necessity for it? There is none, whatever. If the program that we have now were not working as it should, we would look upon this proposal differently. When you vote on this amendment you will determine whether your State is going to continue to say what the wage shall be or whether the Federal Government shall determine it for you. This is the simple issue. It cannot be argued that the Secretary of Labor would determine lower wage rates. They are going to be much higher, and nobody denies it. Why do it? What is the necessity for it?

Oh, you will say, the Federal Government will be putting more money into this. The proportion is 90 cents on the dollar by the Federal Government and 10 cents on the dollar by the States. The Federal Government is now paying 60 cents on the dollar while the States contribute 40 cents without the Davis-Bacon Act. That is the only reason you have why the Davis-Bacon provision should be included in the bill.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. HAYS of Arkansas. I wanted to ask about the significance of the phrase "immediate locality." I believe that "immediate" is generally defined as "nothing intervening." In other words, if the gentleman's amendment prevails, would it prevent the wage-fixing body from jumping over areas and going some distance to relate a local wage to a distant area?

It seems to me that this is consistent with the goal we have all had in mind, that is, of preventing the Federal Government from undermining or failing to do something that would preserve a stable and good wage structure in that it simply says that the wages generally in that area shall prevail without jumping over an area to relate them to a distant area. Is that the gentleman's purpose, and does it not tend to meet some of the objections that have understandably sprung up?

Mr. DONDERO. The gentleman means the amendment just offered?

Mr. HAYS of Arkansas. Yes.

Mr. DONDERO. It is, but I hope the word "immediate" is not going to be interpreted in a flexible manner so that it might be some area 200 miles from the place where the prevailing wage was taken. That is what is now being done here in Washington. We have several cases in Maryland and in Virginia where the prevailing wage fixed by the Federal Government was not the prevailing wage in the area. In one case it was higher by 77 percent.

Mr. HAYS of Arkansas. I thank the gentleman.

Mr. WITHROW. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Wisconsin.

Mr. WITHROW. I think there ought to be something definitely understood, that in the present Davis-Bacon provisions of the law there is no wording such as "in the immediate locality."

Mr. DONDERO. I think that is correct. The amendment which I offer leaves it to the States to fix the prevailing wage in the area where the work is to be done. The wage should be fixed there.

Mr. WITHROW. In the bill before us today, H. R. 10660, there is the wording "in the immediate locality," so in reality you are not changing that at all.

Mr. DONDERO. We are not changing that wording. However, I might say that has been abused more than once.

There is another thing I want to call to your attention. If this provision remains in the bill, you can bid goodby to the principle of collective bargaining. There will be no such thing back in the States between the contractors, labor, and the State as there is now. I do not know what is done in your State, but certainly in my State they get together; the laboring men, the union, the contractors, and the State highway department or other departments of the States that have jurisdiction over the subject, and agree before work is started. There has never been any trouble worth mentioning.

The States are fully capable of making fair wage determinations, and there has been no showing before us that they are not. State agencies are more familiar with wage and employment conditions within the State than a Federal agency in Washington far removed from the scene. It cannot be claimed that the State agencies determine wages lower than the prevailing rate, as I have said before. A frequent occurrence in the past has been that wage determinations by the Federal Government follow the wage structures in the metropolitan areas.

I hope this amendment will be adopted. I think it is to the interest of the wage earner, the American people, and this fine road program.

Mr. SMITH of Mississippi. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a strange analogy for me to be rising apparently in support of one of the so-called labor proposals. But, I want to speak primarily in order to get the legislative history of this amendment straight. If you were to hear some of the opponents of this provision of the bill talk, this is a bugaboo which would allow the Secretary of Labor to act without any restrictions. I want to make it clear that the provision, as written in this bill, has a number of qualifications that do not exist in any existing provision in regard to Bacon-Davis. I also want to make clear some of the dangers involved in the substitute offered by the gentleman from Michigan. I will not quarrel with anyone who proposes to strike out this entire paragraph, but I will quarrel very strongly with anyone who proposes to substitute the language offered by the gentleman from Michigan, which, when you talk about States' rights, would impose a requirement upon all 48 States to set up wage-fixing agencies in those States to establish prevailing wage scales whereas 20 some States have no such department or no such ability to do so today. This would be required by law if you write in the proposal of the gentleman from Michigan. I suggest that each one of you who is disturbed about what would be done by the so-called Bacon-Davis provision, turn to page 32 of our report and read the proposed substitute offered by the gentleman from Michigan.

Mrs. ST. GEORGE. Will the gentleman yield for just a very brief question. I want to ask the gentleman whether it is not a fact that the Davis-Bacon provision has been in the law for many years, and we have never heard any objection to it until now.

Mr. SMITH of Mississippi. All of our committee, including the gentleman from Michigan has voted many times for bills which include Bacon-Davis on items where there was far larger local participation.

Mrs. ST. GEORGE. I thank the gentleman.

Mr. DONDERO. Mr. Chairman, will the gentleman yield since he has mentioned my name? Would the gentleman yield to me for a question?

Mr. SMITH of Mississippi. I cannot yield unless I get more time. I would like to make a statement for the RECORD.

Mr. DONDERO. I will be glad to help the gentleman to get more time. May I ask this question? Is there a dollar's worth of a Federal contract in this entire program?

Mr. SMITH of Mississippi. Mr. Chairman, I have declined to yield.

Mr. MACHROWICZ. Mr. Chairman, a point of order, the gentleman has declined to yield.

Mr. SMITH of Mississippi. As I was saying, this amendment offered by the gentleman from Michigan says that, "Such prevailing wages shall be predetermined by the State highway department or by the proper State agency and shall be set out in each project advertising for bids and in each bid proposal form and shall also be made a part of the contract covering each project."

The Bacon-Davis provision which is in this bill is limited to the interstate system. This limits the State action to the interstate system, but every one of you knows that if a State agency or a State highway department had set up prevailing wages for any type of work on the highways within the State that it would be a matter of acceptance—and a matter of pressure which within a very short time would bring about a situation—perhaps, in point of time, immediately—where the States would have to set up a prevailing wage for all types of work within the State and would be spread down to the counties and the municipalities, and there would soon be a situation where it would also extend to all local construction or any type of construction within the State where the State participated in any form through State aid or any type of authorization. That is the danger involved of trying to buy this new substitute blindly. I think it imposes far more upon the rights of the States by requiring them to use this procedure than any proposal which is included in the bill.

But, to go back again to this abuse, alleged or real, of Bacon-Davis. I do not doubt but that there have been some very serious abuses. But let me point out in the abuses that have occurred in regard to the Bacon-Davis provision with the sort of qualifying limitations that are in this bill—the abuses under Bacon-Davis which have been mentioned come under a law where there is no provision in regard to the phrase "immediate locality."

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. SMITH of Mississippi. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. SMITH of Mississippi. Let me set forth the limitations that have been put in here. I want them set forth so that they will be in the legislative history, so that if there are any abuses in the future it will be clear what the intent of the committee was in writing in those limitations.

First of all, the application is limited to the Interstate Highway System.

Second, it is limited to the initial construction of that highway—not the maintenance or repair of the highway.

Third, the words "immediate locality" are added. That is not in the law where we have had these so-called abuses before.

Fourth, "similar construction" is added.

The last limitation that was put in before the bill was voted out is contained in the words "on the same type of work," in line 6.

I think it should be made clear that these amendments will limit some of the actual abuses that may have occurred under the Davis-Bacon law in the past, but I want to make it clear that these bugaboos that have been raised may have been in regard to other types of Davis-Bacon contracts but not this.

I do not want the implication to go out here to give some future Secretary of Labor any idea that he can override these limitations. I think we should carefully check and make sure that it is spelled out and written out, in order to avoid any unnecessary abuses in the future.

I hope the committee will think very carefully before they blindly accept the substitute offered by the gentleman from Michigan [Mr. DONDERO].

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. MACK of Washington. Mr. Chairman, I rise in opposition to the amendment, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MACK of Washington. Mr. Chairman, I am very much surprised that the gentleman from Michigan, the ranking Republican member on this committee, should introduce this amendment. I am surprised because the Davis-Bacon law is an old Republican statute and not a Democratic one. The Davis-Bacon law was enacted in 1931, during the Hoover administration. The two authors of the Davis-Bacon law were Senator Davis, a Republican of Pennsylvania, and Representative Bacon, a very conservative Republican Congressman from the State of New York. A Republican House and a Republican Senate passed the Davis-Bacon law and a Republican President, Herbert Hoover, signed it.

So the Davis-Bacon provision we are talking about today is a 25-year-old Republican law.

When the first Davis-Bacon law was enacted 25 years ago it applied only to Federal hospital construction. Today, this Davis-Bacon law has been extended until it applies to almost all types of Federal construction works.

There are a dozen different types of Federal construction that I can think of at this time on which this prevailing wage provision of the Davis-Bacon law apply. These include:

First. The Federal Airport Act.

Second. School Survey and Construction Act of 1950.

Third. Hospital Survey and Construction Act.

Fourth. Slum clearance and urban-renewal program in the Housing Act of 1954.

Fifth. National Housing Act.

Sixth. Multifamily rental housing under the FHA.

Seventh. Defense Housing and Community Facilities and Services Act of 1951.

Eighth. Lease Purchase Contracts Act of 1954.

The Davis-Bacon prevailing-wage provision also operates where Federal forest roads, or trails are built and it is enforced by statute wherever Federal parkway roads are built. Also the Davis-Bacon provision applies to contracts let by the United States Army engineers for flood-control and navigation projects. These flood-contract navigation projects during the past 10 years cost billions of dollars.

The Davis-Bacon prevailing-wage provision has been in force in some cases for 25 years and it has not hindered in any way the carrying out of Federal works in the many fields in which it is in effect. Why discard from this legislation a provision, as the Dondero amendment would do, that has worked so well for so long a period of time.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. Yes, I yield.

Mr. DONDERO. Why has it not been placed in the contracts for the building of roads within the last 40 years?

Mr. MACK of Washington. It for years has been in all contracts for the construction of forest highways, and for the building of Federal park roads.

Mr. DONDERO. Those are Federal contracts, but there is not a dollar's worth of Federal contract in this whole program.

Mr. MACK of Washington. The Federal Government will supply 90 to 95 percent of all the money that goes into interstate road construction jobs. If the Davis-Bacon provision is a good law where the Federal Government provides 100 percent of the money, it certainly is a good law where the Federal Government supplies 90 or 95 percent of the money.

The gentleman from Michigan manifests concern that this law will promote strikes and cause labor unrest and dissension.

In all veterans' hospitals construction contracts the Davis-Bacon statute has been the law of the country for 25 years. There have been no strikes in the construction of these veterans' hospitals. The Davis-Bacon provision will not raise the cost of this roads program. The wages paid on road construction on county roads and State roads are the prevailing wages. The wage now paid is the wage that the Secretary of Labor will determine to be the prevailing wage.

What this Davis-Bacon provision really does is to keep wages where they are—keep wages at the prevailing rate—but it does have the salutary effect of preventing wage-cutting contractors from coming into a high-wage area from a low-wage area and breaking down the existing or prevailing wage rates. The Davis-Bacon provision does not raise

wages but it does prevent wage cutting and it is wage cutting and labor standard lowering that we wish to prevent. That is why many of us favor a Davis-Bacon clause in this bill.

I am against this amendment because I think its passage will promote labor trouble rather than lessen it. I also am against this amendment because every member of the State highway commission in the State of Washington is opposed to this amendment and wants the Davis-Bacon provision retained in this bill.

Let me read a letter signed by the five members of the highway commission of the State of Washington:

WASHINGTON STATE
HIGHWAY COMMISSION,
DEPARTMENT OF HIGHWAYS,
Olympia, January 18, 1956.

HON. RUSSELL V. MACK,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR SIR: With the matter of a Federal highway bill again under congressional consideration, the Washington State Highway Commission at this time wishes to compliment you for your vote upon this issue at the first session of the current Congress and for your stand in support of prevailing wage provisions.

The application of predetermined prevailing wage rates in the contracting procedures under any such highway program will contribute to the provision of a fair and uniform basis for bidding. We feel this is an important principle and urge that you maintain your stand on this issue.

Very truly yours,
WASHINGTON STATE HIGHWAY COMMISSION,
E. C. HUNTLEY.
R. E. HENSEL.
H. E. MORGAN.
O. E. STONE.
R. A. MOSIO.

Mr. MACK of Washington. Mr. Speaker, I ask unanimous consent to proceed for 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. MACK of Washington. This letter, endorsing the Davis-Bacon provision, is signed by all five members of the highway commission of the State of Washington. The Washington State Highway Commission is not composed of labor leaders. One of the members of that commission until his recent retirement from business was manager of one of the world's largest lumber mills which employs several thousand workers. Another is a large grain grower and for many years a State senator. A third is a retired engineer and a leader in the good-roads movement in our State. Another is the head of a great labor organization.

The members of this board have seen the Davis-Bacon provision in actual operation in our State. Washington has a large stake in this bill for under its provisions the Federal Government will spend $496 million in Washington State during the next 13 years on highway projects. Few States receive so much in this bill in Federal grants. The highway commissioners of Washington, most of them businessmen, want as many highways built in our State as these millions will build. They tell me in their letter that the Davis-Bacon provision will help our State not harm it and urge me to support this Davis-Bacon provision which I am glad to do.

I will point out to you that the Davis-Bacon issue now before us has been fought out 5 times by this Congress in the past 16 months. Last year the highway bill was considered in full committee and the full committee overwhelmingly voted the Davis-Bacon provision into the bill. When the highway bill came to the floor last year, the gentleman from Michigan [Mr. DONDERO] offered a substitute bill that did not include the Davis-Bacon provision. I offered a Davis-Bacon provision amendment to the Dondero substitute and my amendment carried overwhelmingly.

The Dondero substitute was defeated and then the House considered the original committee, or Fallon bill, which did have a Davis-Bacon provision in it. An amendment was offered to strike out the Davis-Bacon provision in the Fallon bill of last year. The House rejected this amendment. Thus, three times last year the House affirmatively said it wanted the Davis-Bacon provision in the highway bill.

This year the Subcommittee on Roads approved inclusion of the Davis-Bacon provision in the highway bill and later the full Committee on Public Works voted the Davis-Bacon provision into the highway bill that is here today.

I hope this sixth attempt to kill inclusion of the Davis-Bacon prevailing wage law in the pending highway legislation will be defeated here today so that labor may know that it is the intent of the Congress to treat it fairly in all contracts let to carry out this $51 billion highway program, which is the greatest public-works undertaking in history.

The Davis-Bacon provision has been on the statute books for 25 years in its application to most types of Federal construction. It is time tested and has worked well. The Davis-Bacon provision should remain in the bill as recommended by a large majority of the committee.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield.

Mr. NICHOLSON. These State highway contracts are signed by the States, are they not?

Mr. MACK of Washington. The State makes the contract; yes.

Mr. NICHOLSON. Why then should the State not have the opportunity of establishing what the minimum wage shall be on its highways?

Mr. MACK of Washington. The Federal laws and their enforcement should be uniform all over the country, especially in view of the fact that the Federal Government is supplying from 90 to 95 percent of the cost.

Mr. NICHOLSON. Does the gentleman want to hand over to the Federal Government the prerogatives of the States in highway matters?

Mr. MACK of Washington. What about veterans' hospitals? The Davis-Bacon provision has been enforced in bills authorizing Federal VA hospital construction.

Mr. NICHOLSON. The Federal Government pays all the expense of those and maintains the buildings after they are built, but the States will have to maintain the highways after the highways are completed.

Mr. MACK of Washington. The State maintains them.

Mr. NICHOLSON. And we have to then say what the minimum wage or prevailing wage rate will be when we have to repair the roads, and that will mean that we will have to take whatever the Federal Government says and make that the low figure after we take it over.

Mr. MACK of Washington. This Davis-Bacon provision has been in the law covering Federal construction work for 25 years, and in my estimation it has worked well and should be continued here.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Indiana.

Mr. MADDEN. I want to commend the gentleman for his stand on the Bacon-Davis Act. I would like to have him also comment on the fact that when the Federal Government constructs these highways they will issue contracts for maybe 5 or 10 mile strips to various contractors. What confusion it would bring about if one contractor had a certain salary scale but the next contractor 5 miles away had another salary scale, and a third contractor 15 miles away had still a different salary scale. It would completely confuse the whole Federal highway operation.

Mr. MACK of Washington. The gentleman is correct.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I would like to commend the gentleman from Washington for his stand on the Davis-Bacon provisions. Would he explain what the difference is in this particular provision submitted by the committee from his own provision in his amendment last year?

Mr. MACK of Washington. My amendment is the same provision that is in the highway bill presented before us today.

Mr. FULTON. Do you have it limited to the immediate vicinity in your amendment?

Mr. MACK of Washington. Yes.

Mr. ALGER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Michigan [Mr. DONDERO] and I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ALGER. Mr. Chairman, I am for the amendment offered by the gentleman from Michigan [Mr. DONDERO] and opposed to the Davis-Bacon provision in this bill, to clear that up in your mind if you have any doubt.

Mr. Chairman, I shall direct my remarks solely to what appears in the

hearings. It is a pity that these hearings were made available only yesterday morning at 9 o'clock. I can assure you that many Members would feel differently than perhaps they do today, if they could read those hearings and become informed of what we were privileged to hear. Therefore, I direct my remarks solely to what was learned as I sat as a member of the Committee on Public Works. Apparently we erroneously consider ourselves experienced in labor matters and we are now bringing that wisdom here for your consideration.

Yesterday I endeavored to point out that the Committee on Education and Labor should have held hearings on this bill. Further, there is no precedent in United States history to have the Davis-Bacon Act provision included in situations where the States under contracts order highway construction. That is a matter of fact.

Mr. Chairman, as I stated previously yesterday, there were extreme misrepresentations in the hearings before our committee. They may have a good case, I do not know. I was there to learn and what I learned assured me they did not. The facts as presented were contrary to inclusion of the Davis-Bacon Act provision and that prompts me to support the Dondero amendment at this time. I do not believe that Congress should be subjected to the testimony to which we were subjected in our ignorance as members of the Committee on Public Works in place of members of the Committee on Labor. I submit the hearings to you to read. I will furnish, if any of you are interested, the page number and reference to any of the things on which I shall dwell now as well as yesterday.

Furthermore, it looks to me that we are now replacing collective bargaining, if we are really for the worker, with Federal mandate. I do not believe that is good for labor, and I believe we will live to regret this day if we do not adopt the Dondero amendment.

Mr. Chairman, I wish to direct my attention to several things that were stated yesterday. There were a number of slurs cast on the contracting business. Now, I have no affiliation with contractors, I am not a contractor myself. It was said yesterday that the contractors were paying less than a living wage. The contractors of this country do not pay less than a living wage. As a matter of fact, they are glad to pay good wages. To support that argument I refer to testimony in the hearings, pages 292 to 294 where there appears Bureau of Labor statistics pointing out what the wages in this country are today, if you are really interested. I can tell you flatly and without contradiction that the workers on highway construction are getting equal to or more than the workers in industry throughout this country. The figures appear on those pages if you care to look at them. You know too that these contractors are paying good wages and the workers in your districts throughout this country are getting good wages. We have never had it so good and this includes highway construction workers.

Mr. Chairman, everyone agrees these workers ought to have the prevailing wage, but apparently we are getting ourselves at cross purposes simply over who is going to set the prevailing wage. There is no dispute about the fact that the men should get the prevailing wage.

The labor representatives themselves testified on pages 344 and 365 that prevailing wage is all they want—the setting and the proper determining of a prevailing wage. The Dondero amendment includes this language. It seems to me that we would really want to keep our State sovereignty. Maybe that is not the case, but I really believe it is up to the States to set these wages; we do not want to shrink our various State departments by putting the authority in Washingon. Think of the wage classifications to be set by the Secretary of Labor on 10,000 or more contracts every year, what it will require in manpower that does not go into the pay envelopes of the workers. Correspondingly, we shrink the State's powers when we do that. We could be destroying our State highway departments who are now the ones that set the wages, if there is not a wage-fixing official in the State. I call that to your attention so that the argument proposed by the gentleman from Mississippi, stating that we would have to set up a State wage-setting official or bureau, is not supported by the evidence. Does anyone here or does anyone in this country really believe that our States, using Federal money, will underpay their own people? It seems to me that this one thought alone would demonstrate that our State agencies can take care of the proper paying of prevailing wages.

Now, I might call your attention to the discrepancy that exists even now. I mentioned it yesterday to a limited attendance, and I want to call it to your attention again and repeat it. Section 112 begins this way:

> The Secretary of Commerce shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors—

And so forth. The Secretary of Commerce, as I read this, is the man to enforce the payment of these wages.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Michigan.

Mr. DONDERO. I think it should be pointed out—and I forgot to do it—that every contract issued under this program will be a State contract. The State must see to it that the contract is carried out, fulfilled and enforced, not the Federal Government. The Federal Government will not build a foot of road, and neither is there $1 worth of Federal construction in here.

Mr. ALGER. I appreciate the remark of the gentleman from Michigan.

I want to continue to point out to you that contrary to the language of the bill authorizing the Secretary of Commerce to enforce wage payments, on page 13 of the report you will see in the final paragraph this wording:

> In discharging his responsibilities, the Secretary of Labor will have, with respect to the labor standards specified in the bill, the authority and functions set forth in Reorganization Plan No. 14—

And so forth. It states here that the Secretary of Labor is charged with the enforcement of the policy of construction under the Davis-Bacon Act, and the bill says the Secretary of Commerce. So, we already have a discrepancy in the interpretation of the law. This is further evidence of the inapplicability of the Davis-Bacon Act to the interstate highway construction and consequently the Dondero amendment should carry.

Finally, let me call to your attention that we have a precedent here, in one sense, of what we are doing. In fact, Congress has seen fit in its wisdom to amend the only other law on the subject, the twin law known as the Walsh-Healey Act. The Walsh-Healey Act sees to it that the Secretary of Labor requires certain wages to be paid in the case of Government contract on procurement, whereas the Davis-Bacon Act provides to construction. The Walsh-Healey Act has already been amended so that people who have a just grievance can go into court. Do you realize that in this act, providing for the biggest single appropriation bill in the country, we are not permitting the people the right to go to court in cases of dispute? I suggest to you that if we do not pass the Dondero amendment so that we can let our people have a court review, then we ought to amend the Davis-Bacon Act entirely so that we could have a court review. Is that asking too much? We have three branches in our Government, the executive, the legislative, and the judicial. Is it our intention to saddle the kind of a proposition onto a bill that will affect the lives of all of us, not to let our people go into court? This is further reason why the Davis-Bacon provision should be removed from this bill and the Dondero amendment substituted. If there are any disputes by contractor or worker alike, who is going to arbitrate them? Mr. Chairman, think of this. The Secretary of Labor is the prosecutor, the judge and the jury in a matter of wage determination. To you it may not seem important as we look at the overall scope of this bill, but if you direct your attention to that feature, I think you will agree that we do not intend to deny to our people their right of access to the courts. The Davis-Bacon denies such access to the courts. Therefore I urge that you support the Dondero amendment which would replace the Secretary of Labor in setting the prevailing wage and leave that to the States where it now resides and is so adequately taken care of.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Michigan.

Mr. JOHANSEN. If I understood the gentleman's answer to the question of the gentleman from Michigan [Mr. DONDERO], there are no contracts to be awarded under this highway bill by the Federal Government, is that correct?

Mr. ALGER. That is correct.

Mr. JOHANSEN. Does the gentleman know of any instance where the Davis-Bacon Act applies to contracts awarded solely by the States?

Mr. ALGER. Not in highway construction. In answer to the gentleman's question let me point out that these highways are going to be built in our rural areas. The other projects were limited just to a particular locality, where it is easier to set a wage rate.

Mr. COLE. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from New York.

Mr. COLE. I should like to compliment the gentleman on his fine presentation and his attitude toward this problem. It is my understanding—and I ask the gentleman to say whether it is not correct—that this is the first time that any Federal law has sought to attach to Federal aid given to the States the principle of the Davis-Bacon Act. There has been no other Federal aid bill—that word is used advisedly—Federal assistance to the States in the matter of construction, or anything else, where the Davis-Bacon Act has been attached. I understand this is the first time.

Mr. ALGER. Let me point this out. I have limited my comments yesterday and today solely to what I know to be the facts. If the gentleman wants to go historically into what has happened under the Davis-Bacon Act, I cannot answer the question. But here you have the 48 States as the contracting parties in the building of the highways. Never before have the 48 States been the contracting parties in the building of the highways using the provisions of the Davis-Bacon Act. Therefore, I ask for support to the Dondero amendment.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GENTRY. Mr. Chairman, I rise in support of the Dondero amendment.

Mr. GENTRY. Mr. Speaker, I ask unanimous consent to proceed for 5 minutes additional.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GENTRY. Mr. Chairman, just who wants section 112 of this bill to become law? Do the highway departments of the States want it? There is only one highway department in all the United States that wants this provision, and that is the Washington State Highway Department. They have endorsed it solely because one of the members of the highway commission is an A. F. of L. official. All highway departments except 3 or 4 are strongly opposed to it.

Do the citizens of the States want section 112 of this bill? I have seen no indication of that, as a member of the Committee on Public Roads. Does the Bureau of Public Roads, a Federal agency which has worked for decades with the States want it? The Bureau of Public Roads is opposed to it and its officials so testified before our committee. Do the contractors of our country who build our roads want it? Literally hundreds of telegrams and letters have been received from contractors by our committee in which there is unanimous expression of disapproval of section 112 of this bill. I wonder if either of the major parties want this provision. I doubt it. At least the present administration does not want it because the Secretary of Commerce testified in opposition to any change in the historic relationship between the Federal Government and the States with regard to this program.

It is worthy of note that it is also opposed by the public works and highway departments of States which generally accept the unions' recommendations regarding wages because they feel it would seriously interfere in securing decisions with dispatch on wage rates to be inserted in contracts. That is true in a State like Massachusetts, which has a very fine labor department, as do many other States. Mr. Volpe, the public works director of the State of Massachusetts, testified before our committee that he could get a wage decision from his State labor department within 24 hours, whereas if it were transferred to the Federal Government under the historic pattern of Federal Government decisions it might take even weeks.

So far as I am able to understand, it appears that the only people, almost, outside of Congress supporting this proposal are the four international labor unions which testified for it. I wonder if each of us should not ask ourselves the question, Who in my district and in my State has asked me to begin stripping my State of its authority in highway matters? Who, in fact, has asked us to take this authority from Minnesota, from Pennsylvania, from North Carolina, from Tennessee, and exile it to Washington? Are Minnesota, Pennsylvania, North Carolina, and Tennessee, and all the other States, asking to be stripped of their authority of having anything to say about what their own employees, their own State citizens, under their own State contracts are paid? Just why should we in this House want to start the disintegration of our State highway departments? Today we are asked to give Washington the sole authority to establish wages in a particular part of the highway program. If we do so, tomorrow we will be giving Washington the same authority in the regular Federal-aid program. And if you do not think so, just wait 1 or 2 years, and on some distant day we will give Washington such authority on any highway program, regardless of how small the contribution of the Federal Government.

Then what if the international labor unions want Washington instead of the States to select the workers who get the wages? If Washington can set the wages, certainly there is no reason why it cannot select the men who are paid the wages. That is even more important. You see, the international labor unions might want Jim and Dan to be employed instead of Ivan and Fritz, or it might just happen that the international labor unions might want Ivan and Fritz, instead of Jim and Dan. And they also might want Washington to select the workers on the job in order to see that they belong to the right organization, particularly a union and the right union, and even more particularly one of the 4 international labor unions, instead of the United Mine Workers. If you had heard the testimony before our committee and you had been impartial, you would certainly be impressed with this.

Maybe someone will say that we would not do that. Before deciding that, I would suggest that we had better wait at least until the international labor unions are heard from. We may want to do it.

Just why should we take this authority from the States in this good year of 1956? Have not the States shown the capacity to do the highway job to the satisfaction of practically everyone? Are they not doing it at least as well as that being done by the Government? Just what has happened in the highway field in 1940 or 1945 or 1950 or 1955 to cause this 84th Congress to take an important, traditional, and constitutional authority of the States away from the States and give it instead to Washington, to be exercised by one man, a Federal official of temporary tenure? This official usually occupies a hot seat, and the political weather surrounding him is such that he sometimes does not occupy it very long.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield for a question?

Mr. GENTRY. I yield.

Mr. McGREGOR. I wonder if the gentleman would go into detail and explain the fact that the Davis-Bacon provision prevails only on the Interstate System and it is not applicable under this existing law or any law which is now on the statute books, to the intrastate system. So you would have possibly two different wage rates and possibly more.

Mr. GENTRY. That is eminently correct. But, of course, it would be applied to them. When the next Congress meets, if it is applied here, it is going to be applied all the way down the line as far as Federal aid is concerned but, naturally, it would not apply as far as existing contracts are concerned and there would be conflict there which would cause a lot of confusion and a lot of difficulty in many localities over the States.

The passage of this provision would establish a precedent in the application of Davis-Bacon. It has not yet been applied in any case where the 48 States, as States, were primarily affected. It had not occurred to me that an attempt would ever be made to make this application when the States were primary parties, and especially so when their highway departments were the delegated contracting agencies. I had thought that the constantly improving record of service to the people by these highly stable and efficient departments of the States would be sufficient to thwart any attempt to take away their sovereignty.

The representatives of the four international labor unions appearing before our committee emphasized that they requested this because of the 90 percent contribution of the Government to the interstate program. Since their concern regarding it solely relates to wages, is not the Government's 90-percent contribution all the more reason why any such concern is unjustified? In the first place it is a little difficult to conceive at

this late date of a State being less interested in the welfare of its citizens than is Washington. But beyond that, why would a State unjustly treat its own citizens when the Federal Government is paying more than 90 percent of the bill and when Congress is obligated to keep the money coming until all the Interstate System is completed. The allocation in this program is by need and not by formula which ought to remove all elements of doubt concerning the ampleness of wages that will be paid. Does not this one basic fact remove all purported reasons for the inclusion of this provision? It would seem that no reason for its passage might remain except possibly to please the 4 international labor unions.

There is still one more aspect of this situation that should be considered. The State highway departments construct and maintain highways in every county of every State of the Union. These departments have employees in every county of the United States. The officials and employees of the departments have intimate knowledge of wages and working conditions in all parts of their States. We have in this country vast expanses far removed from metropolitan areas and, in many cases, considerable distances from cities and towns of any size. Certainly officials and employees of State highway departments, by the very nature and scope of their work, have more knowledge of wages in these areas than the Secretary of Labor can possibly have. On this basis alone, irrespective of issues of State sovereignty and overcentralization of Government, this amendment should prevail.

I must admit that Washington is not quite the endearing name to me that it seems to some. There is one thing I have decided about Washington and about Congress which I am prompted to say because of this and other recent legislation. Something had better be done about the lobbying situation here. You almost have to fight your way into a committee and into this House these days through a swarm of lobbyists. The doors are becoming blocked everywhere. One day it is the truckers who bar your way. The next day it is the railroads, and still the next one it is the four international labor unions. And every day it is the utilities. I hope the time will not come when we have to have legislation entirely by lobby.

Mr. Chairman, the authority in any highway program should rest with the States. If Congress is determined to transfer important authority to Washington, because it thinks the Government can do a better job, then it ought instead to confiscate the program, remove the States from any operation concerning it, and have a Federal agency do it. We should not make a mongrel of State highway departments, neither should we make them a mere appendage of the Federal Government at the behest of anybody.

Mr. WITHROW. Mr. Chairman, I rise in opposition to the Dondero amendment.

Mr. Chairman, yesterday I made the point that this measure, H. R. 10660, relating to the Bacon-Davis provision, had been greatly improved in that the words "in the immediate locality" had been added. I do not believe any responsible governmental agency would now attempt to set up a prevailing wage scale in Washington for Richmond, Va. That was the contention which was made yesterday. I believe that argument is ridiculous and that the addition of the words "in the immediate locality" is a great improvement over the present Bacon-Davis Act. Now, as to the abuses, which in reality are possibly mistakes.

I remember that in the committee there were about seven so-called abuses or mistakes called to our attention made in the administration of the Davis-Bacon Act. I call to your attention that under the Davis-Bacon authority there have been thousands of determinations made every year. So, in reality, the fact that they have made only 7 or 8, possibly, mistakes that have been brought to our attention, that possibly are not mistakes at all when we know the facts, it seems to me they have made an excellent record.

As to cost, it has been stated by the gentleman from Michigan [Mr. DONDERO] that the additional cost would probably amount to 10 percent. I am entirely in agreement with the distinguished gentleman from Washington [Mr. MACK] when he told you that his highway commission had determined that the cost would not be any greater than it is now. I desire to join him at this time in telling you that the responsible road people in the State of Wisconsin declare that the cost under the Davis-Bacon Act as it is at the present time would not be any more than it is now. So the argument that it would greatly increase the cost of building roads is entirely a ghost and a phantom and is not substantiated by the facts.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I yield to the distinguished gentleman.

Mr. MORANO. I wish to associate myself with the remarks of the gentleman from Washington [Mr. MACK] and the gentleman from Wisconsin, and to say that I am opposed to this amendment offered by the gentleman from Michigan [Mr. DONDERO], and favor the Davis-Bacon provision as written in the bill.

Mr. WITHROW. I thank the gentleman.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I yield to the distinguished gentleman.

Mr. JONES of Alabama. The gentleman never heard any complaints about the administration of the Davis-Bacon provision on flood control and river and harbor projects being constructed throughout the country?

Mr. WITHROW. No. I have not heard any complaints.

Mr. JONES of Alabama. So all that work has been done with the Davis-Bacon provision throughout the years, and we have had no complaints about the administration of that act?

Mr. WITHROW. I think it is a remarkable act. I think it is realistic. I believe that these arguments as to costs and abuses are greatly exaggerated by people who desire to defeat the Davis-Bacon Act.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I yield.

Mr. NICHOLSON. Has the gentleman heard any complaints from State highway commissioners in his State, or any other State, relative to the price they set?

Mr. WITHROW. I have not heard any complaints, no.

Mr. MACK of Washington. Mr. Chairman, will the gentleman yield?

Mr. WITHROW. I yield.

Mr. MACK of Washington. There has been discussion that the Davis-Bacon provision transgresses States rights. In this bill there is a provision that the Secretary of Commerce shall enforce standards as to the width of these highways, the kind and quality of material used on these road jobs. Is it not just as important that the Secretary of Labor should insist upon reasonable wages being paid on these construction projects as it is that the Secretary of Commerce insist that certain standards in their construction be observed?

Mr. WITHROW. I think the gentleman is entirely right.

I have listened with keen interest to the argument that a Federal prevailing wage requirement would increase the present costs of highway construction.

This argument has no foundation in the RECORD or otherwise. The committee's bill provides that prevailing rates of wages for laborers and mechanics must be determined, i. e., the rates of wages actually being paid to local craftsmen on highway-construction projects in the immediate locality of the project, in accordance with the provisions of the Davis-Bacon Act, which provides that the area shall be the village, town, county, or other civil subdivision of the State in which the work is to be performed. Certainly, this cannot increase the cost over present highway costs, for if the project is constructed in an urban area the urban rates shall be determined, and with equal force rural rates in rural areas.

We have lived with a Federal prevailing wage requirement for the past quarter century. It is a part of all direct Federal construction programs, and all federally assisted programs developed since 1931. We watched it facilitate the building of gigantic cantonments and other defense projects during the Second World War, in record time, without dispute. It applies now and shall apply to highway construction where the Government contributes 100 percent of the funds. We have heard no complaints. We know it has protected the living standards and livelihood of the worker, regardless of whether he lived in the city or country. We know that it provides equality of bidding opportunity for all contractors. Here is a time-tested and accepted humanitarian method in operation now, issuing thousands of determinations a year, directly responsible to the President and the Congress of the United States.

We are prepared to embark on the greatest peacetime construction program

in the entire history of mankind where Congress recognizing that local and State resources cannot cope with an emergency of national proportions, shall assume primary responsibility for the development of the Interstate System, and contribute 90 percent of the funds. This is a Federal program and Congress has the responsibility of insuring that all craftsmen, contractors, and local communities alike be afforded the equal protection of the Federal prevailing wage.

The proposed amendment calls upon the Federal Government to abdicate its long-standing and time-tested policy, and delegate the responsibility to 48 State highway departments, with no standards at all for determining the rates, and no standards for enforcement.

It is a sad fact which the present State wage requirements point up glaringly that many State highway departments are in no way sympathetic to protecting the standards of a working man, and would completely emasculate any expression of congressional intent. We would have a multiplicity of highway commissions and a diversity of procedures which would produce conflicting decisions just as certainly as if we had different laws.

Let us look at the record of present State wage determinations for highway work. Some States determine a minimum rate as low as 40 cents per hour, others designate none at all. Some States determine only three rates while others establish rates on a craft or intercraft basis. Most States have neither the facilities, staff, budget, nor experience to determine prevailing wages. Entire new departments will have to be created, and confusion would be compounded. This must not be permitted.

Congress must not shirk its responsibility. It must keep faith by preserving and affirming its long-standing policy of the last quarter century. It must not turn the clock back to the 1920's.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. WITHROW] has expired.

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BLATNIK. Mr. Chairman, the Federal prevailing wage principle was adopted by Congress in 1931 as its public policy in the expenditure of Federal funds. It was selected as the means best suited to promote the welfare of contractors, craftsmen, communities, and the Nation as a whole. It provided equality of bidding opportunity to all contractors. It enabled fair contractors, recognizing local wage conditions built up as a result of private collective bargaining or practice through the years, employing local labor to compete on a truly competitive level. It removed the price of labor from the area of competition and restricted competition to ability and know-how. It prevented the exploitation of craftsmen by maintaining the local wage structure. It protected the livelihood of the construction worker in the community, eliminating the cause for importing distant cheap labor. It encouraged collective bargaining and promoted industrial peace. It protected the community by insuring employment of its citizens and guaranteeing to it the benefits of its citizens' earnings. In short, it stabilized the industry in the areas affected by Federal construction.

The law requires that all contracts include in their specifications the condition that wages must be paid to the various classifications of laborers and mechanics at rates not less than those prevailing in the locality where the work is to be performed.

The law worked well, as the experience of a quarter century readily demonstrates, for it has been applied—time and again—to every federally assisted program developed in the past quarter century, including contracts for school, hospital, housing, and airport projects constructed with Federal-aid funds.

Prevailing wages will be required on the Interstate Highway System where the Government will be contributing 90 to 95 percent of the funds. Labor standards normally applicable to Federal construction should also apply to this great arterial system. Federal prevailing wage requirements apply presently to highway construction where the Government absorbs the entire cost. Five to ten percent less does not distinguish the situation, because the Federal contribution is much less percentagewise on the other federally assisted programs where Federal prevailing-wage requirements apply now. On the insured programs, subject to prevailing wages, the Government absorbs none of the actual construction costs. This is a Federal program, and the Federal Government has the responsibility of insuring that all craftsmen, contractors, local communities, and States affected by this program should be afforded the equal protection of the prevailing-wage principles. Congress must not abandon this time-tested and accepted prevailing wage principle in the greatest peacetime program in the history of mankind, but should preserve and affirm its long-standing policy in matters of Federal expenditures. The Government should not employ its purchasing power in a manner that would depress the purchasing power of its citizens. A prevailing-wage requirement would furnish a vigorous crop of purchasing power to our dynamic economic system.

There is a continuing need for prevailing-wage safeguards. If prevailing-wage requirements are omitted, it will enable contractors to come into an area and upset stabilized relations, built up over a long period of years, between craftsmen and contractors, by undercutting the prevailing wages and conditions in that locality, and importing cheap labor to complete the project. In other areas, there is no prevailing wage at the present time with many different rates being paid in the same locality on highway projects.

The machinery for determining wage rates is in existence at the present time in the Department of Labor, supported by a quarter century of experience in developing and applying uniform standards of determination and enforcement. Hundreds of thousands of determinations have been issued over the years with only a handful of protests distributed between labor and management.

The response to all the arguments raised against the time-tested prevailing-wage requirement lies in the quarter century of experience. It has not delayed any program, and will not delay the highway program. During World War II, the construction industry marshalled its forces to build gigantic cantonments and other defense facilities throughout the land in record time. Credit for facilitating this amazing performance and avoiding disputes was in great measure attributed to the prevailing-wage requirement.

The increased cost argument is fallacious, for the cost would not be increased over present highway construction costs, since the Secretary of Labor would be required to determine the prevailing rates on highway construction in the immediate locality where the work is to be performed.

It would not infringe upon States rights. The interstate system under the Constitution, is so closely related to commerce as to be in fact a part of commerce itself. A labor dispute on the system will be governed by the processes of the National Labor Relations Act.

A prevailing wage provision will benefit contractors, craftsmen, and communities alike. It will benefit union, nonurban, urban, and rural craftsmen without distinction.

Congress should affirm its time-tested policy because it is the only proven method by which the Federal Government can eliminate the clear and present threat to existing wage standards.

So, Mr. Chairman, I think the arguments on the Davis-Bacon provision are quite clear. It has been the law of the land for about a quarter of a century, a law which has been repeatedly not only affirmed by the Congress of the United States but continually expanded as additional Federal participation in construction projects has been approved by the Congress. The need for it and its purpose is well known and old history; in view of the miserable conditions, predatory unscrupulous operators exploiting labor unfairly undercutting responsible contractors, and raising havoc with the economies of localities throughout the country. It was a Republican administration and Republican authors who initiated this legislation and enacted it at the insistence of reliable contractors, craftsmen, workmen, organized and unorganized, and communities and States throughout the country. That is the reason we have the Davis-Bacon Act as the law of the land for 25 years.

The question was raised: Who wants it? Those are the people who want it and those are the people who had their Representatives put it on the law books.

What is the record? The Davis-Bacon Act has been applied in project after project regardless of the amount of money involved, whether the Federal funds were 100 percent, 60 percent, 40 percent, or zero as long as the Federal Government is a party to any undertaking, even in the guarantee of construc-

tion loans, or lease-purchase, the Davis-Bacon Act applies in the matter of wage rates with one lone exception, and that exception is the State highway program. So this is the picture, Mr. Chairman.

On page 27 of the minority report in opposition to the Davis-Bacon provision the statement is made that this Davis-Bacon provision will be used as a vehicle for promoting union warfare in the South and the West particularly.

As a member of the Public Works Committee for the past 10 years and chairman of the Rivers and Harbors Subcommittee for the past 2 years I have had occasion to go through most of the South and much of the Far West. Here we saw panoramic picture after picture of the following scene: a large river winding through several States in the South and West with civilian workers deepening channels for navigation, being paid prevailing wages determined by the Secretary of Labor. The workers on the levees on the banks in flood control work, civilian workers, being paid prevailing wages determined by the Secretary of Labor. Just across over yonder lies a civilian or municipal airport in which State, local, and Federal funds are involved. The concrete workers, the pipefitters, the carpenters and all other workers are getting wages determined by the Secretary of Labor. A few miles away is one of the most gigantic military air base installations in the continental United States, and that military construction is on a prevailing wage base determined by the Secretary of Labor.

Then there is Veterans' Administration hospital, a huge apartment building down here, a low-income housing project, slum clearance projects, and in every case the wages were determined by the Secretary of Labor as directed on the basis of the Davis-Bacon provision.

No one has raised objections that the use of the Davis-Bacon provision in the construction of this great multiplicity of federally aided projects of great magnitude has been responsible for any union warfare, or has detracted from or infringed on the rights of any State. So why this fuss about the interstate highway construction infringing on States rights? I ask the opposition to name just one instance of any such infringement, and I am sure they cannot do so.

This is not a question of taking away from the States any of their rights, Davis-Bacon protects the States rights. It protects those States and their responsible contractors that have maintained decent conditions within their boundaries and keeps out the unscrupulous, predatory contractors that made such a miserable record in the 1920's. Davis-Bacon also protects human rights, and I think that is the issue here.

Mr. Chairman, to say that this is going to increase the organizational activities of labor is a clear and utter misstatement of fact. The Davis-Bacon Act has nothing to do with jurisdictional disputes or with the organization of labor. The men who will get the primary benefits of it will be the most helpless people in the world, those on the lowest rung of our economic ladder, those who have no other place to go except to the Congress of the United States for help—the unorganized construction workers of the country.

Areas in the South and West have benefited most by such Federal or federally aided construction, and all of this had the Davis-Bacon Act provision. So if all of this previous construction never gave rise to any complaints of "union warfare," how can it be said today that this additional Federal construction—the interstate highway program—will bring any such problems?

I urge the Congress to continue this time-tested and time-after-time reaffirmed principle of protecting the working men and women who need our protection.

In conclusion may I say that there is a great responsibility resting upon the shoulders of all of us. I hope this great body this afternoon will not become party to an operation that will use the tremendous economic impact of this gigantic civilian construction program, involving an expenditure of over $35 billion in a period of 13 years, and when added to the State responsibility resulting in a total of $52 billion, the biggest economic potential in the history of peacetime America, to bear down upon these people of America, the unorganized construction workers, and permit them to be beaten down to minimum subsistence levels with the few unscrupulous contractors exploiting all and everyone they can only for their own selfish ends.

Mr. Chairman, there have been more millionaires made during the recent war and after the war on Government contracts than at any time in our history. I have yet to see any working man or woman become a millionaire by taking part in any construction paid for by the Federal Government.

Mr. Chairman, I believe we should include this Davis-Bacon Act provision in the highway bill. Let us keep it as we have during a quarter century of progress.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I would like to associate myself with the gentleman's argument and with his sterling appeal just made. May I say to him that I shall support him in opposition to the Dondero amendment.

Mr. BLATNIK. I thank the good lady from Illinois.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CRETELLA. Mr. Chairman, I rise in opposition to the Dondero amendment and in favor of the bill including the Davis-Bacon amendment. A great deal has been said on this floor in opposition to the inclusion of the provisions of this act in this highway bill, but it appears to me that the fears that have been expressed are ill-founded and without justification in fact.

The Davis-Bacon bill has been on the books as the law of the land, as applied to contracts where Federal funds are used, for about 25 years. It has worked well and with the least amount of trouble or dispute. In my own State of Connecticut not only has it worked well in the construction of many institutions, buildings, and projects with Federal funds, but has been accepted and desired by the general contracting business.

I think it is shameful to jeopardize this highway program with the inclusion of such a provision, as the amendment would undertake to do. For many years roads which have been built entirely with Federal funds and those that have been built through national parks have all been subjected to provisions of this bill, and in none of those situations has there been any cause for criticism or complaint.

I heartily endorse the inclusion of the Davis-Bacon bill in H. R. 10660 and shall oppose the Dondero amendment when we vote on it.

Mr. BALDWIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to oppose the amendment submitted by the gentleman from Michigan [Mr. DONDERO]. It seems to me that the principle that was recognized by this Congress many years ago that it is our obligation to protect the wages paid to laborers and workingmen when Federal funds are primarily involved is a principle that we must recognize today. Certainly, if it was recognized by this Congress in expenditures made on much smaller projects, as it has been recognized over the past 20 years, we would be negligent in our duty if today, when we have a project before us that involves $24.8 billion of Federal expenditures on our Federal Interstate System, we then turned our backs and said that we should not take the same precautions to protect the wages of the workingmen that we have taken time and time again on much smaller projects. This is the largest case that we have ever had, other than defense expenditures, involving the Davis-Bacon provisions. We have today a situation where we are embarking upon a program that is going to extend over 13 years, that is going to involve hundreds of thousands of workingmen over that period of time, and it seems to me that we have an obligation to those workingmen to see that they are paid fair wages and that their working conditions are protected.

Mr. BLATNIK. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from Minnesota.

Mr. BLATNIK. I agree with the excellent statement made by the gentleman. In referring to those hundreds of thousands of workmen, is it not a fact that of the 48 States only 15 now have prevailing-wage laws that apply to highway construction? How is it going to be determined in the other 33 States what the prevailing wage is to be? There is such a variety and irregularity among States that no clear pattern exists today. Furthermore, some of the State laws provide for judicial review. There will be an endless array of a whole variety of

cases bringing about litigation and delay and jurisdictional conflicts, so that all of the confusion to which the opposition makes reference in connection with Davis-Bacon will instead be brought about by their very own amendment, offered by the gentleman from Michigan, if it is adopted.

Mr. BALDWIN. I thank the gentleman and agree with the statement he has made.

The main point that has been made by the people who are supporting the Dondero amendment is the point that the Davis-Bacon provisions in this bill might increase the cost of highway construction. It seems to me that the Davis-Bacon provision boils down to this: If the workmen in your State on a highway job are now paid prevailing wages, then it will not increase the cost of construction of that highway over what they are now paid. If, for any reason, in any State, there now exists a condition where the workers on highways are not paid prevailing wages, then the Davis-Bacon provision says we will not be a party to that condition, and if it is necessary for us to increase the cost of construction to some degree to bring the wages up to proper prevailing wages, then it is our obligation and duty to recognize that we should do that. If the State now has proper laws under which prevailing wages are paid to these workmen, there will not be a dime increase in the cost of these highways under the Davis-Bacon provisions as set forth in this act. As I mentioned yesterday, the best estimate of both the highway department and department of public works of the State of California is that there will not be a single cent increase in cost under the Davis-Bacon provisions in the highways constructed in that State.

As I say, we have an obligation here when we are setting forth on the most tremendous public works program in the history of this country. We have an obligation to say we will pay prevailing wages and be fair to all segments of our country; we will not only be fair to the motorists who will use this road, we will not only be fair to the contractor who is going to construct the road, but by all means we must be fair to the laborer, the man upon whom we have to rely for the completion of this highway program so that the rest of the people of this country may use these roads.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from New York.

Mr. BECKER. The question has been asked many times, Has this Davis-Bacon provision been written into any other Federal act? Now, I sought the information, and I now have here 6 or 7 different acts of the Federal Government, starting with the Hill-Burton Hospital Construction Act, public school construction aid money, Defense Housing Act, Airport Defense Act of 1946—at least 6 or 7 other different acts, in which we have the Davis-Bacon provisions now in the law.

Mr. BALDWIN. I thank the gentleman.

Mr. FALLON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. FOGARTY. Mr. Chairman, I object.

Mr. FALLON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto conclude in 45 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. FORAND. Mr. Chairman, I object.

Mr. HOFFMAN of Michigan. Mr. Chairman, I object.

Mr. FALLON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto conclude in 45 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Maryland.

The motion was agreed to.

Mr. McGREGOR. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McGREGOR. It is my understanding that there are 1 or 2 amendments now on the Clerk's desk relative to this particular section. Did the motion of the gentleman from Maryland [Mr. FALLON] include those two amendments?

The CHAIRMAN. The motion of the gentleman from Maryland related only to the pending amendment and amendments thereto.

Mr. McGREGOR. I thank the Chair.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN of Michigan moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The gentleman from Michigan is recognized for 5 minutes on his preferential motion.

Mr. HOFFMAN of Michigan. Mr. Chairman, presumably the basic purpose of the highway legislation is to get the greatest number of miles of the best possible highway out of the tax dollars authorized to be levied by the bill.

Permit me to compliment our colleague from Texas [Mr. ALGER] on the statement he made to the House. All will recall that several times during his statement he said that he was talking only about facts disclosed by the evidence given before the committee and only about things he knew.

Our colleague courageously gave us a clear, concise, logical argument in support of the amendments he favored. No doubt had we all heard the testimony, as did he, had we given that testimony the careful consideration which he gave it, did we exhibit like courage, we might well have accepted his views.

By his statement on this occasion, he has undoubtedly expressed the views of his constituents, had they the same opportunity to be acquainted with the facts—the merits, the demerits, the implications carried in this bill as it is written and presented here today.

One basic issue back of this proposed legislation is whether the Congress by its action shall extend the power of the Federal Government. During the last few weeks we have heard a great deal about the decisions of the Supreme Court. Many Members seem to have been very greatly disturbed because the Court was taking away what has heretofore been assumed to be the authority of the States.

Is it not true that, if the Court sticks to its present line of reasoning, and we provide here in this bill that the Federal Government shall through an agency fix the wages, all State laws which have anything to do with, which have any bearing at all upon, the construction of the highways, will be declared by the Supreme Court to be invalid because the Congress has legislated in that field?

Somebody said something about the desires and welfare of the unions or of the members of organized labor. I realize that some of us do not exactly fear but take into consideration the power of the unions at the polls. I know I am very, very greatly disturbed about the political effect of the unions' pronouncements.

Someone suggested a while ago that this amendment was unfair to organized labor. Organized labor is not a little man. It is a great and powerful corporation not subject to antitrust laws—many times exercising monopolistic power.

Do not forget that one union which operates out of Michigan more extensively than in any other State has a liquid surplus of more than $40 million, and that through their affiliates they use that money as they please, much of it for political purposes. You see why I am fearful of the political power of some unions?

Do not worry about hurting the unions' power in politics if this amendment is adopted. Nor about the income of those who work on the projects authorized. I recall very distinctly that not so long ago organized labor in Michigan, more accurately, 1 or 2 of the leaders of the UAW–CIO, by force, took over the conventions, county and district, of the Democratic Party. I make this statement and I challenge anyone to dispute it from the record.

In Michigan there is no real Democratic organization. The work there, the political maneuvering, the real effective work, is under the control of the CIO-UAW's political leaders.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. The gentleman can speak on his own time. I have only this very brief time. I refuse to yield. Gus Scholle is the boss—and everyone who comes from Michigan and participates in political activities knows that to be a fact.

Mr. DINGELL. Mr. Chairman, will the gentleman yield? We have had considerable distortion of fact here today.

Mr. HOFFMAN of Michigan. What was that? The gentleman made some

statement about distorting the facts, and I want those words taken down, if that is what he said.

Mr. DINGELL. Mr. Chairman, will the gentleman yield now?

Mr. HOFFMAN of Michigan. No, I do not, but he made a statement here that I was distorting the facts.

The CHAIRMAN. The Chair did not hear it.

Mr. HOFFMAN of Michigan. Oh, thank you. It is all right with me if no one heard such a statement.

Now let us go back. The basic issue here is whether we are to legislate so as to enable the court to hold that it is our purpose to give the Federal Government authority to take over more of the functions, contractual and administrative of the States.

That seems to be a logical conclusion because the present trend of the thinking of the Supreme Court seems to be that, if the Congress has entered any field of legislation, that field of legislation cannot be entered by the State; that any legislation existing or enacted in that field would be unconstitutional.

Permit a reference to the arguments offered in opposition to some of the amendments which have been or will be proposed, and which probably will be rejected by the committee.

The purpose of the Dondero amendment, if my understanding is correct, is to give to the States, through their highway departments, the authority to establish the prevailing wage which shall govern those who construct the highways which will be built under the provisions of this legislation.

The bill provides—page 25, lines 3 to 9, inclusive—that those employed on the initial construction work performed on the highways authorized under the bill "shall be paid wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality as determined by the Secretary of Labor, in accordance with the act of August 30, 1935, known as the Bacon-Davis Act."

If memory serves correctly, the words "immediate locality" have not been carried in previous legislation which made the act applicable to construction work.

The volume of work imposed upon the Secretary of Labor by this provision is appalling. No one has offered any figures which would in any way indicate the number of new employees who will be required to comply with this provision. It will either be necessary for the Secretary of Labor to accept the judgment of some individual or official in the "immediate locality" or to send his own man into that locality to make inquiry; then pass on his, the subordinate's, judgment of what he thinks the local individual he contacted meant, whether that local individual's experience and judgment were sufficiently wide and sound to enable him to come up with a fair and accurate opinion.

How much easier it would be to have this duty of determining the prevailing wage—and no one is asking that that provision be eliminated—determined by those already in the field, already authorized by each of the 48 States to collect and coordinate the facts bearing upon an accurate solution of the issue.

Let us look for a moment at one of the reasons which apparently is back of the demand of the leaders of organized labor.

The Department of Labor was created in 1913 by act of Congress—Thirty-seventh United States Statutes at Large, page 736; title 5, United States Code, section 611—which expressly provides that:

> The purpose of the Department of Labor shall be to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment.

Inasmuch as this statute makes it the duty of the Department—and the Secretary of Labor is its spokesman—to protect and advance the interests of the worker, it is only natural and to be expected that the worker's desires, his welfare—and that seems to be inevitably tied up with an ever-increasing wage—will receive favorable consideration.

The leaders of organized labor recognize that, with their headquarters here in Washington, with their lobbyists, their spokesmen, their legislative agents always on the job, through their daily contact with Members of the Congress—and organized labor employs only the most able and experienced lobbyists and attorneys for it has unlimited funds to pay professional fees—it is far easier, far more effective, to present convincing arguments, exert, if you please, political pressure, and to influence the judgment of the Congress than it is to follow a like course in 48 States before the legislatures of those States. It might well be said and, as a matter of fact, it is admitted, that legislation can be more easily influenced—shaped so as to meet the desires of the representatives of organized labor by argument and pressure here at Washington, than at the State Capitol.

One has but to refer to the recent statements showing the thousands of dollars contributed by organized labor or its affiliates toward the reelection of Members of the other body to understand at least one of the reasons why organized labor's officers and legislative representatives and lobbyists want questions such as this resolved here in Washington by the Congress, by the head of an executive department, instead of in the 48 States by officials more directly responsible to the voters.

Two or three times during the debate it has been charged that those supporting the Dondero amendment are charging the Secretary of Labor with being dishonest. That is not a fair nor is it a logical argument. If it were, then well might it be said that those opposed to the amendment—those supporting the provision that the Secretary of Labor determine the prevailing wage in the immediate locality—are charging the officials of each of the 48 States with being dishonest. That apparent argument as made by the opponents of the pending amendment is not sound.

No one, so far as I know, is charging the Secretary of Labor with being dishonest or even unfairly biased. As stated, he has duties to perform and one of those duties is to "foster, promote, and develop the welfare of the wage earners" and that, of course, as construed by practically all, means an increase whenever possible in the wage paid the worker.

Another statement made in opposition to the adoption of the amendment was that on several, if not many, occasions, contractors—I think it was said, from the South—went into certain localities with workers they had recruited, bid on, were awarded, and constructed a section of highway for less than it would have been built for had what was said to be a prevailing wage been paid.

Our colleague from Texas [Mr. ALGER], cited the record, the hearings, to prove that such a charge had been recklessly made, was not accurate. To him we are indebted for that repudiation of an assumption not justified.

But assume that some contractor was, because his bid was lower, and because it was lower because of a lesser wage, awarded a contract and constructed a section of the highway at less cost to the taxpayer, does it follow that such a procedure was not proper? Is it not the purpose of the bill to, as stated in the beginning, get the most miles of the best highway for the least possible cost to the taxpayers, provided, of course, that no coercion or undue pressure is exerted? The argument that someone has been or will be forced to work for a substandard wage appeals to the emotion but it has no basis in fact, nor is there reason to fear it.

Does this argument not resolve itself into the question of whether we are appropriating money to build highways or whether we are appropriating money to provide jobs? If the latter be the purpose, then we are back to the boondoggling days with only this difference that the construction of highways will give the taxpayer more out of his dollar than he was ever able to receive in the leaf-raking, picture-making, storytelling days.

Permit me here again to repeat the argument that this legislation which permits the Department of Labor to prescribe at least one of the terms of every contract entered into between a State and an individual or corporation for the construction of a highway may well be used by the Supreme Court of the United States as the basis for a decision that the Federal Government—not the States—has exclusive jurisdiction over the construction of these highways.

In my judgment, the bill is inflationary, under its terms the cost will be excessive; it does not provide within several billion dollars funds sufficient to pay for its construction; it saddles upon future generations a tax burden for a facility designed for present use.

It is with extreme reluctance that I will vote for it, if I do—and if I do, only because the money is the money of the taxpayers and apparently they are demanding its contruction.

In my judgment, a system of toll roads, constructed and operated by either the States or private enterprise, would be far better, but apparently there is no prospect of such a program being adopted.

Mr. FOGARTY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the basic issue involved here today is whether or not we are going to repeal the Davis-Bacon Act. That is the basic issue that we are talking about this morning, and let us make no mistake about it. I say to my colleagues on the Republican side that this is one of the good things that was done in your administration in 1931. If you vote for the Dondero amendment today, you are voting to repudiate the Republican Senator and Representative who sponsored this law in 1931. You are voting to repudiate your Republican President who was President in 1931, and you are voting to repudiate your own administration here in Washington at the present time under the Secretary of Labor, Mr. Mitchell. I have never heard it claimed that he was the captive employee of any international labor union in this country. In my experience with the Secretary of Labor, I have found him to be a fair, honest individual doing his best for all the people of the country. When the insinuation is made here today that these wage determinations are going to be made by Washington, you are implying that they are going to be made by a dishonest individual, the Secretary of Labor, who is your Secretary and mine. He is the Secretary of Labor for all the people in this country. As long as he maintains the office that he has, and as long as this responsibility rests with him, I am sure that he is going to give fair and honest consideration to all of these wage determinations for which he is responsible. Wage determinations are not made by Washington. They are made in the local community where the work is being done.

Why did we have this law enacted in 1931? We had it enacted because of a few unscrupulous contractors in this country—just a few.

And we have some of them today in our country at the present time despite what the gentleman from Texas represented here a little while ago. I know because I have dealt with them and I have worked with them. I know the price they pay on some of these jobs. That was the reason this law was passed in 1931. I say to every State in the Union, if you adopt the Dondero amendment today, you are issuing an invitation to every unfair and unscrupulous contractor in the country to come into your State and gobble up all these contracts and not pay the prevailing wage—no, not even a minimum wage. What will you be able to do about it? Nothing. The only thing you can do about it is to allow him to complete the job—steal all the work away from your local contractors—steal all the work away from the legitimate contractors in this country, and at the same time exploit the men who are working for him in order to do what? To save the Federal Government any money or the taxpayers? No. Every dime that he takes out of the pockets of his employees goes into his own pocket, not back to the taxpayers or back to the States. The illegitimate, unscrupulous contractor is the only one who will gain by such action as is being proposed here this morning. If you want that condition to exist in your State, if you want a contractor from a low-pay area in our country to come into your State and into my State and import 200 or 300 of his low-paid employees and prevent that work from going to your people and your State, then vote for this amendment. If you want to keep on the statute books of this country an amendment that has worked for the benefit of all for 25 years, vote against the Dondero amendment.

The Bacon-Davis Act applies to many other Federal contracts. In the field of hospital construction with which I have had some experience it has worked very well. The States award the contracts. The State is the awarding, contracting agency in many of these projects.

When we have had the provision in these contracts that they pay the prevailing wage, we have had no trouble. Hospitals have been built with no labor trouble, and the Davis-Bacon provisions have given protection to the State and to the taxpayer.

Because of the fine history of the operation of the Davis-Bacon Act over the past 25 years, I have long been convinced that its provision should be greatly extended. As a result a year ago, on March 2, 1955, I introduced in the House of Representatives a bill for that purpose, H. R. 4566. This bill reads as follows:

A bill to amend the Davis-Bacon Act, and for other purposes

Be it enacted, etc., That the act of March 3, 1931 (46 Stat. 1494), as amended August 30, 1935 (49 Stat. 1011), June 15, 1940, (54 Stat. 399), and as amended act of March 23, 1941 (55 Stat. 53) (U. S. Code, title 40, sections 276a to 276a–7 inclusive), and as may have been heretofore amended from time to time, is hereby amended to read as follows:

"SECTION 1. The specifications for every contract in excess of $2,000 for construction, alteration, repair, installation, painting, decorating, completion, demolition, conditioning, reconditioning, or improvement of public buildings or public works of the United States or the District of Columbia within the geographical limits of the States of the Union, the Territory of Alaska, the Territory of Hawaii, or of the District of Columbia or other building, structure, improvements, or works financed in whole or in part from Federal funds or in accordance with or as a result of guaranties or insurance of a Federal agency or undertaken for the purpose of carrying out an agreement with a Federal agency or financed from funds obtained as a result of any agreement of a Federal agency to make loans, payments, grants, or contributions, and which requires or involves the employment of mechanics and/or laborers shall contain a provision stating the minimum wages to be paid various classes of laborers and mechanics which shall be based upon the wages that will be determined by the Secretary of Labor to be prevailing for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the city, town, village, or other civil subdivision of the State, or the Territory of Alaska, or the Territory of Hawaii, in which the work is to be performed, or in the District of Columbia if the work is to be performed there and every contract based upon these specifications shall contain a stipulation that—

"(1) the contractor or his subcontractor shall pay all mechanics and laborers employed directly upon the site of the work, unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account, the full amounts accrued at time of payment, computed at rates not less than those stated in the specifications; and, with respect to hours of work in excess of specified hours in any 1 calendar day or on more than specified consecutive days or in excess of specified hours in any workweek or for hours worked on Saturday or Sunday or holidays or at specified periods during the day, such payments shall at least include amounts computed at a rate not less than 1½ times the basic rate of pay for all hours worked in excess of 8 hours in any 1 calendar day or on more than 5 consecutive days or in excess of 40 hours in any workweek or for hours worked on Saturday or Sunday or holidays; and

"(2) with respect to all remuneration for employment paid in any medium other than cash and with respect to the reimbursement for expenses or any payments which are not wages within the meaning of this act, the contractor or his subcontractor shall conform to the practices prevailing for the corresponding classes of laborers and mechanics employed on projects similar to the contract work in the city, town, village, or other civil subdivision of the State, or the Territory of Alaska, or the Territory of Hawaii in which the work is to be performed, or in the District of Columbia if the work is to be performed there. Such stipulation shall also specify that such amounts shall be paid regardless of any contractual relationship which may be alleged to exist between the contractor or subcontractor and such laborers and mechanics, and that the scale of wages to be paid and practices to be followed shall be posted by the contractor in a prominent and easily accessible place at the site of the work; and the further stipulation that there may be withheld from the contractor so much of accrued payments as may be considered necessary by the contracting agent to pay with respect to laborers and mechanics employed by the contractor or any subcontractor on the work the difference between the amounts required by the contract to be paid with respect to laborers and mechanics on the work and the amounts received and not refunded to the contractor, subcontractor, or their agents; and a further stipulation that the Secretary of Labor or his authorized representatives may enter and inspect such places and such records (and make such transcriptions thereof), question such employees and investigate such facts, conditions, practices or matters as he may deem necessary or appropriate to determine whether any person has violated any stipulation of a contract required by this act or which may aid in the enforcement of the provisions of this act.

"SEC. 2. Every contract within the scope of this act shall contain the further provision or stipulation that, in the event it is found by the Secretary of Labor or his authorized representative that with respect to any laborer or mechanic employed by the contractor or any subcontractor directly on the site of the work covered by the contract, amounts paid or being paid are less than the amounts required by the contract to be paid as aforesaid, or that any other breach or violation of the stipulations required by this act has occurred, the contracting agent may, by written notice to the contractor, terminate his right to proceed with the work, or such part of the work as to which there has been a breach or violation of the stipulations required by this act and prosecute the work to completion by contract or otherwise, and that the contractor and his sureties shall be liable to the contracting agent for any excess costs occasioned the contracting agent thereby.

"SEC. 3. (a) The Comptroller General of the United States is hereby authorized and directed to pay directly to laborers and mechanics from any accrued payments withheld under the terms of a contract of a

Federal agency any amounts found to be due laborers and mechanics pursuant to this act and, as a condition of any financing guarantee, insurance, loan, payment, grant, or contribution, each Federal agency shall ensure that the contracting agent other than a Federal agency shall similarly make or cause to be made such payments from amounts similarly withheld; and the Secretary of Labor is authorized and directed to distribute a list to all Federal agencies giving the names of all persons or firms whom he or his authorized representative has found to have disregarded their obligations to laborers or mechanics or subcontractors as assumed or imposed pursuant to this act or whom he has found to have breached or violated the contract stipulations required by the provisions of this act. No contract shall be awarded by any Federal agency or entered into pursuant to financing, guarantees, insurance, loans, grants, payments or contributions by any Federal agency, with respect to persons or firms appearing on this list or with respect to any firm, corporation, partnership, or association in which such persons or firms have an interest until 3 years have elapsed from the date of publication of the list containing the names of such persons or firms.

"(b) If the accrued payments withheld under the terms of the contract, as aforesaid, are insufficient to reimburse all the laborers and mechanics with respect to whom there has been a failure to pay the amounts required pursuant to this act, such laborers and mechanics shall, in the case of a contract of a Federal agency, have the right of an action and/or of intervention against the contractor and his sureties conferred by law upon persons furnishing labor or materials, and in such proceedings it shall be no defense that such laborers and mechanics accepted or agreed to accept less than the required rate of wages or payments or voluntarily made refunds. Each Federal agency shall as a condition of any financing, guaranty, insurance, loan, payment, grant, or contribution insure that the contracting agent, other than a Federal agency, has adequately provided for a similar right of action against the contractor and for satisfactory sureties with respect to labor and materials.

"SEC. 4. (a) The Secretary of Labor is hereby authorized and directed to administer the provisions of this act and to utilize such Federal officers and employees and, with the consent of the State, such State and local officers and employees as he may find necessary to assist in the administration of this act and to prescribe rules and regulations with respect thereto. Subject to applicable civil-service laws and any other laws applicable to the employment and compensation of officers and employees of the United States, the Secretary of Labor shall appoint such officers and employees as he may from time to time find necessary for the administration of this act. The Secretary of Labor or his authorized representatives shall have power to make investigations and findings and prosecute any inquiry necessary to his functions. The Secretary of Labor shall have such authority from time to time to make, amend, and rescind such rules and regulations as may be necessary to carry out the provisions of this act or to aid in the enforcement thereof.

"(b) Every Federal agency shall require compliance with this act as a condition of any agreement to finance in whole or in part any contract specified in section 1 of this act, or as a condition of an agreement to guarantee or to insure or to make loans, payments, grants, or contributions enabling any such contract.

"SEC. 5. Except as otherwise specifically provided, this act shall not be construed to supersede or impair any authority otherwise granted by Federal law to provide for the establishment of specific wage rates.

"SEC. 6. (a) The fact that any contract authorized by this or any other act is entered into without regard to section 3709 as amended of the Revised Statutes of the United States, or upon a cost-plus-a-fixed-fee basis or otherwise without advertising for proposals, shall not be construed to render inapplicable the provisions of this act if otherwise inapplicable to such contract.

"(b) As used in this act—

"(1) The terms 'wage' and 'wages' means all remuneration for employment but shall not include remuneration paid in any medium other than cash;

"(2) The terms 'Federal' and 'Federal agency' means the United States and the Territories of Hawaii and Alaska, the District of Columbia, all executive departments, independent establishments, administrative agencies, and instrumentalities of the United States, such Territories and of the District of Columbia, including corporations, all or substantially all of the stock of which is beneficially owned by the United States, or such Territories, or by the District of Columbia or any of the foregoing departments, establishments, agencies, and instrumentalities.

"(3) The term 'contracting agent' includes any Federal agency and means any person, firm, corporation, partnership, association, or public authority entering into a contract subject to this act with a contractor, as such term is used in this act.

"SEC. 7. In the event of a national emergency the President is authorized to suspend the provisions of this act.

"SEC. 8. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act."

SEC. 2. (a) This act shall take effect 90 days after its date of enactment. Nothing in this act shall in any way affect the validity or continuing applicability of the act of March 3, 1931 (46 Stat. 1494), as heretofore amended (the Davis-Bacon Act), or of the acts of August 1, 1892, June 19, 1912, March 3, 1913, March 4, 1917, September 9, 1940 (27 Stat. 340; 37 Stat. 137, 138; 37 Stat. 726, 727; 39 Stat. 1192; 54 Stat. 884) (the 8-hour law), or of any statutes heretofore applying or extending such laws or acts to additional laborers and mechanics or otherwise providing for the determination by the Secretary of Labor, of prevailing wages for additional laborers and mechanics as any such acts, laws, or statutes relate to any contract existing on the effective date of this act or to any contract entered into pursuant to invitations for bids outstanding on the date of enactment of this act, but any such acts, laws, or statutes shall, notwithstanding the enactment of this act, continue in full force and effect with respect to such contracts.

(b) Except as otherwise provided in subsection (a) of this section, any provision of law applying or extending the act of March 3, 1931 (46 Stat. 1494), as heretofore amended (the Davis-Bacon Act), to laborers and mechanics to whom apply the provisions of this act, or otherwise providing for the determination by the Secretary of Labor of prevailing wages for such laborers and mechanics, are hereby repealed.

(c) Except as otherwise provided in subsection (a) of this section, the acts of August 1, 1892, June 19, 1912, March 3, 1913, March 4, 1917, September 9, 1940 (27 Stat. 340; 37 Stat. 137, 138; 37 Stat. 726, 727; 39 Stat. 1192; 54 Stat. 884) (the 8-hour law), shall not apply with respect to laborers or mechanics to whom apply the provisions of the act of March 3, 1931 (46 Stat. 1494), as amended by this act.

(d) Nothing in this act shall be construed to repeal Reorganization Plan No. 14 of 1950 (Public Law 109, 81st Cong.), or to diminish the authority of the Secretary of Labor thereunder.

I would like to point out that this bill which I have sponsored is designed to accomplish four major objectives:

First. Insure that the Federal Government on direct Federal construction projects and other construction projects made possible by Federal loans, grants, and lease purchases—Federal buildings and post offices constructed through lease-purchase contracts—and so forth, does not become a party to or lend itself toward breaking down existing prevailing practices regarding wages, hours of work, health, welfare and retirement benefits, overtime payments and working conditions which have been privately negotiated between contractors and construction craft unions.

Second. Correct existing inequities of the Davis-Bacon Act and the prevailing wage provisions of various Federal construction laws.

Third. Confer full enforcement authority upon the Secretary of Labor.

Fourth. Eliminate existing unfair bidding advantage of unscrupulous contractors over fair contractors on direct Federal construction and federally assisted construction projects.

Specifically the bill would broaden the scope of applicability of the Davis-Bacon Act so that the Secretary of Labor would predetermine prevailing wages of construction laborers and mechanics not only on direct Federal construction but also on other construction projects financed from Federal funds. Federally assisted programs not now subject to the act, such as the multi-billion-dollar road program, to multibillion rural electrification program, and other similar federally assisted construction programs would be subject to the act.

This provision is aimed at making the Federal Government construction prevailing wage policy uniform in its application. For example, the School Construction Act of 1950, the Federal Airport Act, and the Hospital Construction Act all require the Secretary of Labor to predetermine wage rates. Why not the construction of roads which are also to be built with Federal funds under this bill which we are today debating?

The bill requires the Secretary of Labor to predetermine not only the hourly prevailing wage of each laborer and mechanic but also all other cash remuneration found to be prevailing practice in the area. This would include when found to be the prevailing practice, such cash payments as travel time, subsistence allowances, vacation pay, and so forth, which have been established as a result of collective bargaining between contractors and craft unions.

In addition, all contractors subject to the act would be required to conform to prevailing practices regarding wages other than cash remuneration. This includes such items as employee health, welfare, and retirement contractor financed plans. The bill does not specifically require the Secretary of Labor to predetermine such noncash employee remuneration.

It requires the Secretary of Labor to predetermine prevailing practices regarding hours of work and overtime payment with the specific provision that at

least time and one-half the basic hourly wage rate shall be paid for (a) hours in excess of 8 per day, (b) hours in excess of 40 per week, (c) work in excess of 5 consecutive days, (d) work on Saturday, Sunday, or legal holidays.

These provisions are aimed directly at placing all Federal contractors on an equal bidding basis and also to prevent the Federal Government from becoming a participant in destroying prevailing employee benefits arrived at through privately negotiated collective bargaining.

Lastly, the bill confers authority upon Secretary of Labor to make investigations with full and complete enforcement power to carry out the provisions of the act. Such authority which is now vested in each Federal contracting agency has been so lax as to encourage widespread violations.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the motion offered by the gentleman from Michigan [Mr. HOFFMAN].

The motion was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. MCCONNELL].

Mr. MCCONNELL. Mr. Chairman, I had intended to go into this whole matter a little more in detail, but it has been pretty well covered and I find it is not necessary.

At the outset I want to say I am opposed to the Dondero amendment. The Davis-Bacon Act has been in operation for many years. First of all, I know of no one who is opposed to paying workers on Federal projects the prevailing wage in the locality as a minimum rate. That is No. 1.

No. 2: The reason that the Davis-Bacon provisions are considered in this particular bill is that for the first time the Federal Government will be paying 90 percent of the cost of the construction of the interstate highway system. You will find, if you will analyze the general theory back of all this, that on Federal construction work; on types of work where the Federal Government is putting up at least more than 50 percent of the money, then it is believed that the Government should be supervising the minimum rate of wages being paid. It is no desire to control the project. It is based on the fact that in 1931 Congress said in a law that on Federal construction work workers are to be paid not less than the prevailing wages in the vicinity, the town, or the village, of the State where the work is to be performed. Therefore, when the Federal Government starts to move predominantly in a financing way into the field, as they will be doing in the interstate highway system under this bill, then I think it is important that we place in there the provisions of the Davis-Bacon Act.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. MCCONNELL] has expired.

Mr. WIER. Mr. Chairman, I ask unanimous consent to yield the gentleman the time allotted to me.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, a point of order. They gagged us on debate. So I object.

The CHAIRMAN. The gentleman from Pennsylvania has been recognized.

Mr. MACK of Washington. Mr. Chairman, I ask unanimous consent that the time allotted to me be given to the distinguished ranking member of the House Committee on Labor.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that that is not the proper procedure.

The CHAIRMAN. Then the gentleman objects?

Mr. HOFFMAN of Michigan. I do.

Mr. MCGREGOR. My name is on the list as one to be entitled to recognition. I thoroughly have enjoyed the statements made by the gentleman from Pennsylvania and I yield to him.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make objection that the gentleman cannot do that unless he takes the well of the House.

The CHAIRMAN. The gentleman from Minnesota [Mr. WIER] made request, and there was no objection to his request, that his time be allotted to the gentleman from Pennsylvania. Therefore the gentleman from Pennsylvania is recognized for an additional 1½ minutes.

Mr. MCCONNELL. Mr. Chairman, I think it is important to state something else that I think was not mentioned earlier, or if it was it was not mentioned correctly. There was discussion of school construction. The Davis-Bacon provisions apply to the Federal-impacted-area type of school construction. Last year and more recently the administration sent to the Education and Labor Committee the administration school construction bill. It is now pending before the Committee on Rules.

In that administration school construction bill were the provisions of the Davis-Bacon Act. It has been stated here that they had not been in the highway construction bill that came from the administration. I can say very definitely that they were in the administration school construction bill.

This act has been on the books since 1931. It does give discretion to the Secretary of Labor. That I admit.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The gentleman from California [Mr. ROOSEVELT] is recognized.

Mr. ROOSEVELT. Mr. Chairman, I would be glad to yield to the gentleman from Pennsylvania.

Mr. HOFFMAN of Michigan. Mr. Chairman, I object.

The CHAIRMAN. The objection is not in order because the gentleman from California was recognized and has a perfect right to yield to anybody he desires.

The objection is not sustained.

Mr. MCCONNELL. I am certainly sorry I am causing all this controversy; I do not mean to be controversial, but I think it is very important that we look at some of the laws that have been passed here in Congress and apply them to the present situation. In those laws the Federal Government provides the money along with the States, but the States and local areas handle the contract arrangements with the contractors. In this bill the Federal Government is not contracting directly with contractors; the Federal Government is providing money either to the district or to designated agencies or officials of a State, and those officials are the ones who let out the contracts. I think that should be remembered.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. MCCONNELL. I will be glad to yield to the gentleman from Kentucky.

The CHAIRMAN. The gentleman from Pennsylvania does not have the right to yield. The gentleman from California may yield if he wsihes.

Mr. ROOSEVELT. Mr. Chairman, I will be happy to yield to the gentleman from Kentucky.

The CHAIRMAN. The gentleman from California yields to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I wish to compliment the distinguished gentleman from Pennsylvania [Mr. MCCONNELL] and associate myself with him in opposing the amendment offered by the gentleman from Michigan [Mr. DONDERO]. I am glad the gentleman from Pennsylvania pointed out that the Davis-Bacon provision has worked well in the school-construction legislation. Our Government has expended more than $600 million since Public Law 815, 81st Congress, was enacted, providing for school construction in certain Federal affected areas. In addition to the $600 million, the non-Federal share amounted to approximately $250 million. It seems to have been the policy many years for the Government to accept the Davis-Bacon provision where more than 50 percent of the funds have been provided by the Federal Government. Many of these school buildings have been constructed off of Federal property and the contracts awarded by the local school districts. The Davis-Bacon provision was applicable in every school district where the local school district awarded contracts for construction of the school buildings. I must say there has not been any complaints against the Davis-Bacon provision from the local school districts receiving Federal money for school construction. The provision should be in the present highway-construction bill, and the amendment of the gentleman from Michigan should be turned down.

The CHAIRMAN. The time of the gentleman from California has expired.

The gentleman from Indiana [Mr. MADDEN] is recognized.

Mr. MADDEN. Mr. Chairman, I do not want to go into the fact that our past President, Mr. Hoover, was President when this Davis-Bacon law was passed, but he also had the help of Democratic Members of the House. Nor do I want to take up my time reiterating all of the Government projects to which the Davis-Bacon Act has been applied, or the fact that 90 percent of this money is paid by the Federal Government. I would like to call the attention of the Members to a situation in road construc-

tion that happened in my district this year. The Indiana toll road construction is now in Congress. Thousands of workers and their trucks have migrated to this road work from all over the Nation. When this great $30 billion project gets underway contracts will be let to a great number of contractors. Inexperienced road contractors will spring up by the thousands. Some of them will underbid the wage scale of the contractor who has contruction adjoining him. Maybe one contractor will take 10 miles, another 20 miles, a third 5 miles. Just imagine what turmoil there would be if we did not have some kind of formula like the Davis-Bacon Act to compel contractors to pay the prevailing wage. In my district we have thousands of wetbacks and other immigrant labor who would be glad to work for a few dollars a day. This work will last for the next 15 years. If unemployment should become general a low wage State might lose its highway labor to an adjoining high wage State. Let us keep our standard of living high. This Davis-Bacon Act was originally sponsored by legitimate contractors who lost money by unnecessary strikes and work stoppages caused by contractors competing for low wage labor. I wish to commend the public works committee for its long and productive work on this much needed highway construction bill. The Dondero amendment which would bill the application of the Davis-Bacon Act in this bill should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. DONDERO].

Mr. ALGER. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield to the gentleman from Texas.

Mr. ALGER. Mr. Chairman, I would like to call to the attention of the membership that I see no reason to discuss this historically.

Mr. HOFFMAN of Michigan. Mr. Chairman, I make the point of order that the gentleman from Michigan [Mr. DONDERO] will have to retain the floor.

The CHAIRMAN. That is true.

Mr. HOFFMAN of Michigan. Mr. Chairman, may the gentleman retain the floor by sitting down?

The CHAIRMAN. No.

Mr. ALGER. Mr. Chairman, I would like to cite an example that happened before our committee and this appears on pages 275, 318, and 346 to 370, also the court record appears on pages 374 and 380.

I am directing my remarks just to the facts in the so-called Aliquippa case. Contentions of similar nature were given here today as were given by AFL–CIO representatives before our committee that a company brought in 300 men from a low-wage area in North Carolina. The fact is that 5 key men were imported. The charge was made, secondly, by the AFL–CIO that the contractor refused to deal with unions. The fact of the matter is that the contractor had a contract with the United Construction Workers of the United Mine Workers in district 50. The charge of low wages was erroneous since union wages were paid.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Chair recognizes the gentleman from California [Mr. YOUNGER].

Mr. YOUNGER. Mr. Chairman, a question has been raised as to participation in other Federal-aid programs. The Hill-Burton Act has been passed by this House more than once and almost by unanimous vote. It requires every State in presenting its plan for funds to provide for prevailing wages in its contracts.

A question also has been raised about the States objecting to this program. I hold in my hand a telegram which is as follows:

SACRAMENTO, CALIF., *April 24, 1956.*

HON. J. ARTHUR YOUNGER,
House of Representatives,
Washington, D. C.:

We approve and endorse Federal highway bill H. R. 10660. The allocation formula for the interstate system is fair and equitable and should not be changed. Passage of the bill is vital to California. We urge your favorable support.

GOODWIN J. KNIGHT,
Governor of California.
RANDOLPH COLLIER,
Chairman, Senate Transportation Committee.
LEE BACKSTRAND,
Chairman, Assembly Committee on Transportation Commerce.
FRANK B. DURKEE,
Director of Public Works and Chairman, California Highway Commission.
GEORGE T. MCCOY,
State Highway Engineer.
CHARLES P. SALZER,
President, County Supervisors Association of California.
O. W. CAMPBELL,
President, California League of Cities.

The CHAIRMAN. The time of the gentleman from California has expired.

The Chair recognizes the gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Chairman, I wish to rise in support of section 112 of the highway bill, which contains the prevailing rate of wage provision, known as the Davis-Bacon provision.

This section is intended to preserve the labor standards that have been achieved in the various communities throughout our Nation, by requiring that all laborers and mechanics employed on the interstate highway projects financed with Federal funds be paid at wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality.

This provision is fully consistent with the principle which was outlined by Congress over a quarter of a century ago. At that time, Congress clearly stated that the Federal Government ought not to be a party to the lowering of labor standards throughout the Nation. The original Davis-Bacon Act applied to construction contracts to which the Federal Government was a party, and this application continues to this very day.

In addition, however, the provisions of the Davis-Bacon Act have been applied to several acts of Congress where the Federal Government is not directly a party. These acts included the Housing Act of 1937 and 1949, the Defense Housing and Community Facilities and Services Act of 1951, the National Housing Act, the School Survey and Construction Act, the Hospital Survey and Construction Act, and the Federal Airport Act.

Our long experience with the application of the principle embodied in the Davis-Bacon Act has proved, I believe, beneficial to the country as a whole. It has prevented the Federal Government from contributing to the breaking down of existing prevailing rates. It helped to stabilize the industry and promoted better labor-management relations by eliminating unfair competition based on substandard wage rates. It put a brake on the activities of those shortsighted contractors who would attempt to secure contracts either by importing cheap labor to given localities where the work was to be performed, or by otherwise disrupting the wage scales prevailing in such localities.

It is my belief that the provisions of the Davis-Bacon Act ought to be incorporated in the highway bill before us. The projects to which these provisions would apply are to be financed to the extent of 90 percent by Federal funds. It is proper, therefore, that the Federal Government apply the same standards to this construction that it has applied to other projects financed with public funds.

The Congress will be turning the clock back if it fails to apply the Davis-Bacon provisions at least to the interstate portion of the highway bill before us. This must not be allowed to happen. The Federal Government ought not to become a party to the disruption of labor relations and human relations presently existing in the communities throughout our land.

I earnestly urge my colleagues to support section 112 of the highway bill of 1956.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. BURNSIDE].

Mr. BURNSIDE. Mr. Chairman, I oppose the Dondero amendment.

Mr. Chairman, I also have a wire from the State highway department saying that it is the prerogative of Congress to set the standard of fair labor practices; that they do not wish to try to interfere with the prerogatives of Congress. I feel that this is the attitude of many of the State highway departments. This is quite in contrast to what the gentleman from Texas [Mr. GENTRY] said.

I want to ask this one question: Do the Members—and I am sure they do not—want to pay less than prevailing wages to people all over this country? Of course they do not.

Now, here is one other thing we have experienced in this country, the unscrupulous contractors doing what is known in the contracting business as skinning. They go out and get subcontractors to bid; they use this subcontractor's bid which is incorporated in their own bid. They make the bid and get the contract. Then they go to unscrupulous contractors that are known as skinners and get them to bid lower than legitimate contractors. Well, the prices of

goods are already set, so the skinners take it out of the hides of the workers that will take these low wages, and that is what we are trying to prevent by setting prevailing wages in the different localities.

The Davis-Bacon Act is used in flood control, and it has been very successful; no opposition. And it has been well administered. We have used it in airport construction as well as in hospital construction and military construction.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. MURRAY].

Mr. MURRAY of Illinois. Mr. Chairman, I rise in opposition to the Dondero amendment and in support of the Davis-Bacon provisions as written within the proposed legislation. The argument that the Davis-Bacon provisions encroach upon the authority of the State in contracting for the construction of the Federal highway system is destitute of substantive merit. The Dondero amendment, in effect, says that the financer of a construction project has no right to control his investment. It is like saying that the bank which finances the construction of a home ought not to be allowed to establish building loan requirements. Labor is a most important contribution to a good highway system. We ought to insure the safety of our Federal investment and the adequacy of our Federal highway system. We must be sure that skilled craftsmen and laborers construct our highways. The enactment of the Davis-Bacon provisions in this highway-construction bill will accomplish that end.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Chairman, I want to speak in opposition to the amendment offered by the gentleman from Michigan [Mr. DONDERO] to the highway bill now before us. This bill includes a provision commonly called the Davis-Bacon provision which requires the Secretary of Labor to determine the prevailing wage rate to be paid on all contracts for the construction of the interstate sections of this road-construction program. The Public Works Committee of this body placed the Davis-Bacon provision in this bill by a 2 to 1 vote, 18 to 9.

This amendment offered by Mr. DONDERO would strike this Davis-Bacon provision from this measure. To listen to some of the debate on the floor one might be inclined to believe that the Davis-Bacon provision is an untried, revolutionary and dangerous provision. Many of my colleagues seem to view its effect with great fear and foreboding to the future of the American free-enterprise system and as a vicious assault upon States' rights. I do not intend to attempt to trace in detail the history of the Davis-Bacon Act and its application in construction throughout our Nation.

But first, I would like to point out the identity of these gentlemen, Bacon and Davis, for whom this legislation was named 25 years ago.

Bacon was Robert Bacon, a Republican Congressman from Long Island, N. Y. He was generally recognized as a very able and conservative statesman. Davis who is mentioned in the Davis-Bacon bill was Senator Davis, Senator Jim Davis, from Pennsylvania, who served as Secretary of Labor under President Hoover. I am proud to say that he lived a considerable part of his life in my State and worked in the mills at Elwood, Ind. He was affectionately known among the Hoosiers as Puddler Jim Davis.

The Davis-Bacon bill was signed by President Herbert Hoover. Frankly, I failed to find any great revolutionary tendencies in the history or application of this provision. Incidentally it might be of interest as to why the Davis-Bacon bill was originally passed.

I understand that there was a veterans' hospital constructed in Robert Bacon's district in New York. An irresponsible contractor received the contract and he imported generally cheap and incompetent labor. Later many of these laborers remained in that district and became a charge on the community. The purpose of the Davis-Bacon provision in this highway bill is only to cause contractors on the interstate parts of the highway construction to pay the prevailing wage of that community.

It does not even apply to the construction within the State where the Federal Government only pays 50 percent of the costs.

I believe I am correct in stating that all Federal construction is under this provision. I believe the Hill-Burton Act, which provides the construction of hospitals has incorporated it in the provisions of the Davis-Bacon Act.

Not only are the provisions of the Davis-Bacon Act used in all Federal construction, they are being used in construction where the Federal Government does not put up any of the money. A specific example of this is in the Federal Housing Act where the Federal Government merely guarantees the mortgages for multifamily rental housing. I could go on and on using incidents similar where the provisions of the Davis-Bacon Act have been successfully used for many years, but my time is limited.

The State of Indiana has for many years followed generally the intent of the Davis-Bacon Act where the State fixes the prevailing wage. Labor, the contractors, and the officials of the highway department of Indiana would be against going back to the old cutthroat fighting between contractors where the low bidder succeeded in getting the contract by cutting the pay of the laborer so that they could underbid contractors who paid decent wages.

If the Davis-Bacon provision becomes a part of this Federal road construction program a contractor on any section of our interstate highway will know exactly what he will pay for any type of labor. Competition will be just as strong; the selfish contractor cannot get contracts by merely cutting wages below the prevailing wages of that community. A legitimate contractor will not be in the difficult and untenable position of making a construction bid at the prevailing wage in that immediate locality with the constant fear of having a competitor come from other States and bring in labor at a greatly reduced pay. Opponents of the Davis-Bacon provision state that it will unnecessarily raise labor costs on highway construction. I do not see how this could be the case unless they expect contractors to vie against each other cutting the pay of the workmen down and down. Others maintain that this Davis-Bacon provision in the bill would make a uniform labor rate of pay throughout the country or at least throughout the State. The very wording of this provision eliminates that possibility for it states that the wage shall be fixed at the prevailing wage in the immediate locality of the section of the interstate highway in question. Still other opponents to the Davis-Bacon provision state that the matter of all wage regulation should be left entirely to the State. I cannot see the justification to this stand when the Federal Government is putting in 90 percent of the money in these interstate highways. Another argument against this provision is that the Secretary of Labor would be unfair and would not arrive at a fair wage rate but instead would place a wage rate unfairly high. Those who are opposed to the Davis-Bacon provision for this reason certainly lack a confidence in the Government which I do not feel is justified. This provision has worked successfully in Federal construction for 25 years.

I doubt that this provision will change the situation a great deal in Indiana for we operate generally under similar provisions to the Davis-Bacon provision. But I certainly do not want to deny the Federal Government the right of this provision to insure fair pay when the Federal Government is putting up 90 percent of the money.

The Davis-Bacon provision in this Federal highway bill will, in my opinion, not only insure fair pay to labor, but will eliminate the unfair competition of irresponsible contractors who want to make their profit out of and unfairly compete against other contractors by cutting the wage rate lower than that prevailing in that immediate locality.

The Davis-Bacon provision in this bill will benefit both labor, contractors, and the community generally; and it will lend stability to our roadbuilding program.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. BENNETT].

Mr. BENNETT of Michigan. Mr. Chairman, I rise in opposition to the amendment by my colleague from Michigan [Mr. DONDERO].

I have always favored the provisions of the Davis-Bacon Act and have voted to include it in many Federal aid programs during my years of service in the House of Representatives.

I think the provisions of the Davis-Bacon Act should be retained in the pending bill exactly as it was written by the committee.

The Davis-Bacon Act has worked satisfactorily in Federal construction programs for more than 25 years. It will help rather than hinder the highway construction program. These provisions were designed to protect the workingman against unjust discrimination in wage rates and our workers are entitled

to that protection under this program. Therefore, I shall vote against the pending amendment. I hope it will be rejected, and that this vital legislation, which is so badly needed to improve the Nation's highways, will be passed by an overwhelming majority.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. DINGELL].

Mr. DINGELL. Mr. Chairman, I rise in opposition to the amendment now before us.

I preface my remarks by expressing my great personal affection for the distinguished gentleman from Michigan [Mr. DONDERO] who I know yields to no one in his affection for service to the common man of this country.

It has been said on the floor of this House that this will mean a $2 billion to $4 billion increase in the cost of the road system. I do not agree that the cost would be raised. But, if that argument is valid, it means to me that people could be compelled to work for less than fair wages. And that is the best argument in the world for the enactment of the bill as it stands now with the Davis-Bacon provision.

The argument makes it clear that we must have this provision to protect the people of our country from unscrupulous contractors who would otherwise construct roads with underpaid labor. Those who use this argument as justification to vote against the bill as it is today are voting against the best interests of our people. This amendment or similar amendments make it possible for a few unscrupulous contractors to squeeze excessive profits from the greatest public-works program of all time and for a minority of unscrupulous contractors to sweat those excessive profits out of the hides of the working people of this country.

I cannot conceive how this great country, in expending $23.5 billion on such a huge road program could be so fearful that the small working people of this country should receive proper compensation for their honest labor.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD; and I also ask unanimous consent that all Members desiring to do so may extend their remarks on this amendment at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RIEHLMAN. Mr. Chairman, I am opposed to the Dondero amendment which seeks to strike from this legislation the Davis-Bacon provision. I believe I am correct in saying that this provision, as now incorporated in the bill, pertains to the construction of interstate highways and does not affect our present State authority to regulate prevailing wages on all other federally supported highway projects. It has never been my desire to allow the Federal Government to usurp any of the States rights. This, however, appears to me to be an entirely different situation. Although my State of New York has the proper facilities now in being to deal with this matter, it is my understanding that many other States would have to set up the proper machinery to handle this type of situation. In this case, it appears to me to be a burden and additional work cast upon these States.

Mr. Chairman, I enthusiastically support this legislation as it originally came from the committee. I think it is one of the most important matters this Congress will act upon. Our President, last year, requested such legislation so that we might start immediately to construct a highway system in this Nation which would meet the needs of our people. With the death toll constantly climbing on our crowded highways, I can think of nothing that we can do in a more effective way to eliminate this problem than by the Federal Government bringing into being this great highway program. Not alone will it be of assistance in the abovementioned problem, but it certaintly will add to the defense of our Nation and to our economy. I hope that this legislation passes the House unanimously, and will be concurred in by the other body, and soon sent to the White House for the President's signature so that it may become law.

Mr. FEIGHAN. Mr. Chairman, I am opposed to, and urge the defeat of the amendment offered by our distinguished, able colleague from Michigan [Mr. DONDERO]. The provisions of the Davis-Bacon Act which has been in effect during the past 25 years have proved to be fair and equitable and have contributed to the maintenance of a fair standard of living in every community in which its provisions have been operative. Elimination of the provisions of the Davis-Bacon Act would tend to upset and adversely affect the living standards in communities by permitting the use of cutrate labor which might be imported to work in a community, thus also depriving the local workers of an opportunity for employment.

Several years ago a committee of Congress uncovered a situation where a construction contractor in New Jersey employed foreign ship-jumpers at a wage level far below the prevailing wage rate. We should not permit contractors to exploit wage earners either by threat of exposure or by bidding for workers in an economic slave market.

I not only oppose the amendment by the gentleman from Michigan [Mr. DONDERO] but I also feel that in ascertaining what is the prevailing wage, there should be taken into account and included therein, fringe benefits that accrue to workers. It is my hope that this amendment will be defeated.

Mr. VANIK. Mr. Chairman, I rise in opposition to the Dondero amendment—its enactment would constitute a backward step in employment on public construction.

Congress has long recognized the need of prevailing wage legislation on Federal grant-in-aid construction programs and insured or guaranteed programs. The Davis-Bacon Act has been made applicable to the Federal Airport Act, School Survey and Construction Act of 1950, Hospital Survey and Construction Act, Slum Clearance and Urban Renewal Act of 1954, National Housing Act, multifamily rental housing under FHA, Defense Housing and Community Facilities and Services Act of 1951, Lease Purchase Contract Acts of 1954.

The provisions of the Davis-Bacon Act are fair and essential legislation which must be retained in this highway act. The Dondero amendment must be defeated.

Mr. TOLLEFSON. Mr. Chairman, I consider it essential that sound Federal-aid highway construction legislation include a provision requiring prevailing wage standards as outlined by the Davis-Bacon Act. This act provides a sound and fundamental concept of the role of Government in Federal programs sponsoring construction. The principle of the law is time-tested and has been valuable as a remedial measure to protect contractors and craftsmen from unfair contract bids. Failure to include it is manifestly unfair to law-abiding contractors who may be underbid by other contractors paying below local existing wages. It is a necessary measure to eliminate existing unfair bidding advantages of contractors who pay low wages in areas where union rates prevail. The Davis-Bacon provision in the highway-construction measure would provide a proper wage scale.

This provision would prevent the Federal Government from becoming a party to the breaking down of existing prevailing practices regarding wages, hours of work, health, welfare, pensions, overtime provisions, and other working conditions which have been privately negotiated between contractors and construction craft unions.

Originally, the Davis-Bacon Act was enacted in 1931 because the Congress of the United States realized the seriousness of the labor problems created by Government construction contracts which, at that time, were operating to the advantage of the lowest bidder and creating an imbalance in the labor market when nonunion workers were brought into a State to work for exceedingly low wages.

Since 1931, however, when the Davis-Bacon provision has been applied by the Congress it has to its credit the following accomplishments:

First. Equality of bidding opportunity has been guaranteed to all contractors. It protects them against unfair competition and restricts the area of competition to economy and efficiency.

Second. Local employment has been assured by the provision because no advantage can be gained by importing workers from lower wage rate areas.

Third. It protects the standard of living of the local craftsmen.

Fourth. It has fostered industrial peace wherever it has been applied because it removes the prime cause of disputes on these projects.

Fifth. Collective bargaining has been encouraged by it.

Sixth. It has prevented the disturbance of local economies.

Seventh. Through this provision contractors have been able to receive an adequate supply of skilled, experienced, and competent construction craftsmen at the wage rate contained in the contract specifications.

Federal acts which have provided for a prevailing wage clause include the following:

Housing Act of 1937, as amended by the 1949 act;

Federal aid for public airport development of 1946;

Hill-Burton Facilities and Hospital Construction Act of 1946;

School survey and construction of school facilities in federally affected areas of 1950;

Defense Housing and Community Facilities and Service Act of 1951;

Slum clearance and urban renewal program in the Housing Act of 1954;

Multifamily rental housing under the Federal Housing Administration Lease Purchase Contracts Act of 1954.

In my opinion, it would be an act of gross neglect for the Congress, in the light of these facts, to enact legislation for a large highway-construction program without the Davis-Bacon provision. This would seriously hamper the program and the interests of labor.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK] for 1½ minutes.

Mr. McCORMACK. Mr. Chairman, I want to congratulate the full Committee on Public Works for the wonderful work they have done in bringing out this very difficult bill and particularly to pay tribute to the gentleman from Maryland [Mr. FALLON] and the members of his subcommittee, upon whom that arduous task in particular devolved.

We all know the history of this bill, the journey that was taken last year. I want to congratulate both sides of the aisle for the bipartisan support of this very important bill for the best interests of our country, which bill incorporates the Democratic policy of last year.

With respect to the Dondero amendment, may I say that while I know that my friend from Michigan does not intend it—there is no finer Member of Congress with whom I have served than my friend the gentleman from Michigan [Mr. DONDERO]—the result of his amendment would be to bring about cheap labor so far as this great program is concerned. The Committee on Public Works wisely considered this, and by a great majority of the members of the committee the provisions of the present bill were favorably reported.

I sincerely hope that all amendments that may be offered to the provisions of the bill will be defeated and that the bill will be adopted by the House.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Several Members who were recognized by the Chair yielded back their time. Is that time to be divided among those who have not been called?

The CHAIRMAN. There was a time limit fixed in the motion of the gentleman from Maryland [Mr. FALLON]. When that time is reached, debate will conclude. We have endeavored to divide the time so that each Member desiring to speak would be recognized for approximately 1½ minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. What then becomes of that unused time?

The CHAIRMAN. I am sure there will not be any unused time. The Chair recognizes the gentleman from Washington [Mr. MACK] for 1½ minutes.

Mr. MACK of Washington. Mr. Chairman, in my earlier statement on this amendment I said that this Davis-Bacon prevailing wage provision was a Republican law. The authors of that act were two Republican Members of Congress. The bill was passed by a Republican Congress. It was signed by a Republican President. I think the gentleman from Indiana [Mr. MADDEN] unwittingly was in error when he said that the Davis-Bacon law was passed by a Democratic Congress while John Nance Garner was Speaker. The Davis-Bacon law was enacted by the Congress in February 1931 during the first Congress of the Hoover administration. That first Congress of the Hoover administration was a Republican Congress.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. MACK of Washington. I yield to the gentleman from Indiana.

Mr. MADDEN. I will accept that correction because the Congress did not change until March 4.

Mr. MACK of Washington. It was in February 1931 that the Davis-Bacon Act was passed.

I have been a member of the Committee on Public Works for 10 years. During that period about $7 billion has been expended by the Federal Government on flood-control and river-and-harbor work. All of this work has been carried out under the Davis-Bacon provision of the law, and there has been no strife and no complaints from the Army engineers or from any Member of Congress that the Davis-Bacon provision created labor trouble or that it increased costs.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I rise in opposition to the Dondero amendment and in support of the section which provides that the Davis-Bacon Act shall be in the bill.

In the time allotted to me I can answer only one argument that has been made. I believe the gentleman from Texas [Mr. ALGER] said that the Davis-Bacon Act was to substitute a Federal mandate for collective bargaining. I can answer that argument by saying that, in those areas where collective bargaining obtains, the prevailing wage rate has already been set by the collective-bargaining method and only then can it be recognized by the Federal Government. In those areas where the wages have not been set by collective bargaining, a perusal of the wage records paid for that type of work is the criterion the Federal Government uses in determining the wage rate of the local area.

Therefore, the adoption of the Dondero amendment would guarantee that every area which had a lower rate of wage than the community involved would have a labor-use advantage, and the prevailing wage would not be paid in each particular locality. Cheap labor would be transported from a cheap-labor area into a higher labor-cost area. Thus each area would be at the mercy of a cheaper labor area.

Mr. PRICE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Chairman, in debating the issue of applying the Davis-Bacon principle to the construction of highways built largely or substantially with Federal funds, we are discussing a very simple issue. It is whether we shall allow the use of Federal fund in operations that, unless safeguarded, will depress the actual prevailing wages for highway projects area by area all over the country.

We are not discussing whether "local labor" shall be employed on the highway projects. We are not discussing whether farmers who want to get temporary jobs on such projects shall or shall not be employed. The only thing we are discussing is whether, if employed, they shall be paid substandard wages or adequate wages, equal to those already prevailing in their communities and areas. It is simply whether they shall be underpaid or paid decently.

The Davis-Bacon Act does not require the employment of union labor or nonunion labor. It does not say who shall or shall not be employed. It says that a contractor who wins a contract for certain Government-financed construction projects must pay the going prevailing wage in the area of construction, as determined after findings of fact.

The logic behind the law is clear and it is well-established. It has been deemed socially undesirable for Federal funds to be spent in operations that might tend to lower wages, depress purchasing power and undermine the established pattern of wages in local areas.

This same principle is embodied in the Walsh-Healey Act that governs Federal expenditures for the vast quantities of material the Government, through its many branches, buys from private industry. These laws have been on the statute books for many years and they are essential to the protection of the American standard of living. The impact of Federal expenditures is great. Without the safeguard of the prevailing-wage concept of the Davis-Bacon and Walsh-Healey Acts, a corner-cutting contractor could underbid all competitors and take the cost out of his workers' hides. And the effect would be to burrow under the wage standards carefully developed, out of experience and mutual agreement, in community after community as right and fair.

What would happen if we refuse to apply the Davis-Bacon principle to this highway-construction program? We would be giving a license to unscrupulous contractors to roam the country, bidding

on project after project with the clear knowledge that they intended to underpay their workers, and win the bids. Then they would either import labor from other sections—labor allegedly willing to work for their substandard wages—or they would hire local labor and underpay these local workers, too.

What would happen if, as we should, we retain the Davis-Bacon principle in the bill? All contractors, whether or not they employ union workers, would still be free to bid. They could still hire local labor, still hire farmers who want to pick up some money by working on these projects we are proposing to finance with enormous outlays of Federal funds. They would be forbidden just one thing: They would be forbidden to undercut the prevailing construction wages in paying their workers. A contractor would be given fair notice that he has to pay prevailing wages, that he cannot cut corners in his bids by scheming to pay substandard wages, that he must invent his efficiencies and economies in some other field.

Let us face a simple fact: American prosperity depends very largely on widespread purchasing power. It depends on the take-home pay of millions and millions of people, who are eager consumers of the products of American industries and farms. Slash their pay, take away from them the prevailing wage scales they have won, and you deprive them of the power to buy food and fibers, refrigerators, washing machines and television sets. If we want to vote the country into a recession that becomes a depression, the way to do it is to pass laws that undermine wage scales.

It is morally, socially, and economically desirable for the Federal Government to regulate its expenditures so that they will not have a depressing effect on wages. And we are involved now in a discussion of the expenditure of billions of dollars in Federal funds over a long period.

These expenditures should be regulated in such a way that they will not undermine area-by-area prevailing wages that already exist. And the way to do this is simply to apply the Davis-Bacon principle.

If the principle is right on other construction projects financed with Federal money, it is right on the construction of highways. If the Walsh-Healey provision of prevailing wages on Government purchases from private industry is right, it is right and correct for highway building. There is nothing special about highway construction that justifies us in saying to a contractor, "Oh, all right, go ahead and undercut your competitors in your bids, and we shall just close our eyes to the fact that you intend to do it by depriving your workers of an adequate wage."

A vote against the Davis-Bacon provision for highway construction is simply a vote to undermine existing wages, no matter how sincere a person may be in thinking that way. A vote to retain the Davis-Bason principle in this bill is a vote in favor of decent wages, as worked out voluntarily in areas, and it is a vote to say that Federal expenditures shall not be used to scuttle decent wages.

I hope very much that local labor and farmers shall benefit generously from the vast road-construction program we seek to authorize and finance. I hope workers and farmers in the district I have the honor to represent will obtain their fair share of the expanded employment this bill would provide. But I want them to be adequately paid for their toil. I want them to get what they are entitled to in wages, not to be victimized by cornercutting on contractors' bids. I very much hope that this House will not make the tragic mistake of striking out the Bacon-Davis protection of workers contained in the bill as it came from committee.

I urge the defeat of the Dondero amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. McGREGOR].

Mr. McGREGOR. Mr. Chairman, I yield to the distinguished gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, in answer to what seems to be a point of confusion in the minds of many people, may I say that there is nothing in this amendment which takes away the rule of the prevailing wage. We all want the prevailing wage to be paid to labor. Nobody in this House on either side of the aisle desires otherwise. All we ask is that the States do it as they have in the past, and not the Federal Government. That is the only difference. You want one man to do it. I want the 48 States to do it. They have done it for the last 40 years on road construction, fairly and successfully.

Mr. BLATNIK. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I might say that I know my good friend has a water pollution bill before our committee with the Davis-Bacon law in it.

Mr. McGREGOR. I yield to the gentleman from Minnesota.

Mr. BLATNIK. The point was raised earlier that only 15 States of the 48 today have prevailing wage laws that apply to this kind of construction. How will wages be predetermined in the rest of the States? You are going to ask the Federal Government to turn over this tremendous responsibility to the States without knowing?

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. GRAY].

Mr. GRAY. Mr. Chairman, I stood in this well yesterday and gave a bouquet of roses to my distinguished friend, the ranking minority member on our committee, the gentleman from Michigan [Mr. DONDERO], for his distinguished service in this House. However, I feel today that he has offered an amendment that is not in the public interest. I ask all my colleagues to oppose it because if the Dondero amendment is adopted you are opening up the door, you are taking the chance of displacing laborers in your own congressional districts. If they do not have a good State prevailing wage, they can import Mexican wetbacks or anyone else they want to into your districts to build highways. I have 51,000 people in my district on relief. We need the work. We need southern Illinois people building roads in southern Illinois. We do not need somebody imported from somewhere else.

I ask you to vote down the Dondero amendment. Let us give a prevailing wage that will be equal throughout the United States.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. FISHER].

Mr. FISHER. Mr. Chairman, I would like to ask the gentleman from Michigan [Mr. DONDERO] for some further clarification of his amendment. There seems to be some misunderstanding. I have heard it said here that, if his amendment is adopted, it would result in starvation wages being paid. Somebody said that they would be paying $2 a day to build highways. Could the gentleman reiterate just what his amendment does with respect to prevailing wages?

Mr. DONDERO. Yes, sir; it leaves to the States the fixing of prevailing wages. And anybody who says that if the amendment is adopted the States will allow the payment of low wages, is certainly indicting every State in the Union and every labor organization of his State, that is, the labor departments and also the highway departments. I have never heard that claim made as to the 48 States, and it will not be made now.

Mr. FISHER. In other words, the gentleman feels that the States are in a better position to determine the prevailing wage for their own people in their own States where the labor is recruited than would be possible through Washington.

Mr. DONDERO. That is exactly so.

Mr. FISHER. I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Michigan [Mr. DINGELL] has already obtained that permission for the gentleman.

Mr. HOFFMAN of Michigan. I understood the gentleman from Michigan to say all those who so requested.

The CHAIRMAN. The gentleman is now making the request and the Chair assumes that the permission granted would cover the gentleman's request as well.

Mr. HOFFMAN of Michigan. Then I get both?

The CHAIRMAN. Yes. Without objection, it is so ordered. There was no objection.

Mr. ALGER. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. ALGER. Mr. Chairman, I have heard a lot of talk——

Mr. LONG. Mr. Chairman, I object.

Mr. HOFFMAN of Michigan. You cannot do that.

Mr. ALGER. Mr. Chairman, I have heard a lot of talk reflecting the wisdom of the Members of this House. I am not going to name any. I have no bouquet to present to this House, as was presented yesterday. But, I do present the galley proofs of the hearings which I have read three times in addition to

not having missed a hearing. These contain the facts substantiating our legislative efforts. Here are the hearings and yet I am hearing arguments today different from what was actually presented before our committee. How about the alleged "unscrupulous contractors"—there was not one case substantiated in our committee. It is all here in the record. How about some of the other cases relative to jurisdictional disputes? I say again read page 370 through 380 which includes the court records which I think may be illuminating, which may give some illuminating information. How about the New Hampshire unscrupulous contractor? It turned out that the accused contractor was never in the State at all. Then there was the Massachusetts case of 300 workers who were imported. It turned out later there was no case at all. On page 318, and on page 365. Now about the misrepresentation. Maybe labor has a good case and I will go with them if they have. I am a newcomer. I listened to the facts in my committee and I hear distortions and I hear outright lies as far as I can determine. I merely feel myself that the kind of organization behind intentional misstatements to this great body, this national forum, must have an ax to grind that they have not told us about. Necessarily I must believe the facts. Further than that, how about the local economies? There will be a great disrupting influence by the imposing of Federal wage fixing alongside the existing State law. Obviously the two cannot exist together. Therefore the proponents of Davis-Bacon Federal wage control will extend their influence to all roads. In this and in other measures we do not confront the problem squarely but legislate obliquely away from what is right and fair.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Louisiana [Mr. LONG].

Mr. LONG. Mr. Chairman, I rise in opposition to the Dondero amendment.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. LONG. I yield.

Mr. ROOSEVELT. I appreciate the gentleman yielding to me. I wanted to make sure it was understood that I rose previously in opposition to the amendment, but I did not get the time to say it. I do also want to point out something I think we should emphasize—and that is, this Dondero amendment would mean that each of the 48 States, except for the 15 that now have the machinery, would have to put up machinery in order to comply with the proposed amendment. Many of the States only have machinery which is confined to minimum wages.

Thus, instead of having a prevailing wage, they would have a minimum wage. I am sure the gentleman does not want that, and I am sure this House does not want that. Therefore I think it strikes a deadly blow to the amendment offered by the gentleman from Michigan [Mr. DONDERO]. There is a real moral question here. This proposed amendment would destroy all the great gains made under the Bacon-Davis Act. We must continue to protect the employment and purchasing power of all craftsmen without distinction. We must protect local citizens and local communities. We must protect the overwhelming majority of honest contractors. Finally, we must discourage industrial disputes and encourage sound collective bargaining. All this the Bacon-Davis Act, with a quarter of a century of experience proves it does. Defeat of this proposed amendment keeps us from turning the clock back to some of the worst of the worst evils of the 1920's.

The CHAIRMAN. The time of the gentleman from Louisiana [Mr. LONG] has expired.

The Chair recognizes the gentleman from Michigan [Mr. MACHROWICZ].

Mr. MACHROWICZ. Mr. Chairman, last year when I was still a member of the Public Works Committee it was my pleasure to introduce the Davis-Bacon amendment that is now being considered. I agree wholeheartily with what our majority leader has said. I have a high respect for my colleague, the gentleman from Michigan [Mr. DONDERO], who has a very honorable record in this House. Less than a year ago he supported the very Davis-Bacon amendment which he is now opposing.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. MACHROWICZ. I yield.

Mr. DONDERO. I think the gentleman is mistaken. I rose on the floor and simply said I had no objection.

Mr. MACHROWICZ. That is correct. And in the committee the gentleman voted for it, and in the bill which he introduced he included the Davis-Bacon amendment.

Of course he is not here to oppose any prevailing wage legislation, but the effect of his amendment is to do that. All those who are opposing the prevailing wage to be paid are also supporting the Dondero amendment. It is very evident that this amendment would kill the Davis-Bacon amendment. I note also that some brickbats have been thrown at the building contractors' profession. I am happy to say that I have many letters from honorable contractors in my area supporting the Davis-Bacon amendment.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. MACHROWICZ] has expired.

The Chair recognizes the gentleman from California [Mr. MCDONOUGH].

Mr. MCDONOUGH. Mr. Chairman, I am opposed to the Dondero amendment and rise in favor of retaining the provisions of the Davis-Bacon Act in the highway bill we are now considering.

The vast scope of this highway bill which will extend to all parts of the Nation, and the large sums of Federal funds which will be expended will require that the Secretary of Labor must act as the administrator and enforcing officer of the Federal Government to see that fair and prevailing wages are paid to the workers and thus remove the confusion that would otherwise prevail if it were left to the States as proposed by the gentleman from Michigan [Mr. DONDERO].

I have always favored fair and adequate wages for employees and I believe that the only certain way that this can be done under this bill will be to retain the provisions of the Davis-Bacon Act.

This act was authorized by two outstanding Republicans and passed by a Republican Congress, and whenever it has been applied where Federal funds have been used in construction work it has been a great help to the workers and has removed chiseling by unscrupulous contractors and reduced confusion to a minimum. For this reason I am opposing the Dondero amendment and supporting the Davis-Bacon Act provisions in this bill. I urge the Members of the House to do likewise.

The CHAIRMAN. The gentleman from Michigan [Mr. KNOX] is recognized.

Mr. KNOX. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KNOX. Mr. Chairman, on February 23 I introduced H. R. 9498, which would, in effect, increase the total mileage of the Interstate Highway System to 42,300 miles, which would be an increase of 2,300 miles beginning at some point on the existing highway system in the eastern portion of the northern peninsula of Michigan and extending across that peninsula running in a general westerly direction through Wisconsin, Minnesota, North Dakota, Montana, and Idaho and ending in Everett, Wash.

Since I introduced my bill I have been joined by Congressman JOHN BENNETT, of Michigan; ALVIN O'KONSKI, of Wisconsin; Mrs. COYA KNUTSON, of Minnesota; and LEE METCALF, of Montana, as well as all of the Senators in the States along this proposed route.

This proposed route would run parallel with the northern border of the United States and have a direct connection with the Alcan Highway. This entire area along the northern perimeter of the United States was not included in the designation of the Interstate Highway System.

In recent years there has been a tremendous growth of industries—lumber, minerals, oil, and nuclear in the States along this route.

In justification of this authorization to increase the Interstate Highway System by 2,300 miles is a 4-lane highway bridge under construction across the Straits of Mackinac connecting the 2 great peninsulas of the State of Michigan. The only highway designated under the Interstate Highway System in northern Michigan is from this bridge across the Straits of Mackinac to Sault Ste. Marie, Mich., where such highway terminates at the international border.

It is a well-known fact that the northern perimeter of the United States is the defense line of our country. Located along the northern perimeter are vast installations of radar stations that, in my opinion, should be directly connected through this proposed route in order that we may have adequate access to these installations in time of emergency.

I request favorable consideration by the Public Works Committee for an early hearing on this new authorization to provide additional mileage to the Interstate Highway System which we are considering on the floor of the House today. The proposal is in the best interest of the traveling public and the military in periods of peace or emergency.

On behalf of myself and my colleagues sponsoring this bill, I urge that this proposal be given every consideration and approval so additional mileage can be added to the strategic highway system in the United States.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. McGREGOR].

Mr. McGREGOR. Mr. Chairman, I agree in a portion of the statement made by the gentleman from Michigan [Mr. MACHROWICZ]. I feel certain that no one has intentionally accused the overall contracting group of being unfair. There are possibly some people in most every organization who do not do everything they are supposed to do. I concur in the statement made by the gentleman from Michigan as to the profession of contractors generally—they are a fine, honest group of people—and are doing their part to make an honest living, and giving the people dollar value for dollar received.

The CHAIRMAN. The Chair recognizes the gentleman from New York, [Mr. KEATING].

Mr. KEATING. Mr. Chairman, I am opposed to the Dondero amendment. My opposition stems from several sources.

In the first place, there are definite, well established and sound precedents for the inclusion of Davis-Bacon provisions in this bill. The Davis-Bacon Act now applies to all direct Federal construction as well as to Federal-aid projects involving schools, hospitals, housing, and airports. Federal prevailing-wage requirements at present apply to all highway construction where the Government is the contracting party.

It seems logical, therefore, that since the greatest part of the interstate system is to be financed by Federal funds, the labor standards normally applicable to Federal construction should also apply to this great undertaking in highway construction. My conviction is doubly strengthened by the fact that the Federal contribution in this case is greater, percentagewise, than in other federally assisted programs where Federal prevailing-wage requirements now apply.

Secondly, it is manifestly clear to me that since the Federal Government is so deeply involved, we should guarantee equal application of the laws in all States. This safeguard is provided for in the highway-construction bill by inclusion of the Davis-Bacon Act provision.

Mr. Chairman, I see no reason for departing from precedent or from rules of fair play and justice in the legislation under consideration. Therefore, I oppose the amendment offered, without doubt in all sincerity, by the gentleman from Michigan.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. BURNSIDE].

Mr. BURNSIDE. Mr. Chairman, I want to agree with my colleague from Ohio in his statement. There are only a few of them who are causing this trouble, most of the contractors have a good record.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. BOYLE].

Mr. BOYLE. Mr. Chairman, I, too, rise in opposition to the Dondero amendment. Since that great friend of labor, the gentleman from Indiana [Mr. MADDEN], did not have an opportunity to develop his argument, I yield to him now.

Mr. MADDEN. Mr. Chairman, when I was interrupted by the termination of time I wanted to call attention to a situation which arose in Indiana. We are building a large toll road through my district, and thousands of workers are coming from all over the Nation, some with trucks, to work on that toll road. We have already had wage trouble between contractors on that toll road. On a 15-year project like this, with $30 billion being expended, there will be more building road contractors than there are lawyers and doctors in this country, because they will bob up overnight, and if unemployment should go down you will find competition among those contractors to see how cheap they can hire labor. You would be surprised at the hundreds of thousands of people who may want to go into the road-building business on a $30 billion project like this.

Unless the provisions of the Davis-Bacon Act are applied in order to control certain unscrupulous contractors, one State may tie up work in another State because of wage differentials in the two States. It is difficult to estimate the hundreds of thousands of workers who will work on this National Highway System over the next 15 years. Let us not hamper the great program at the start by allowing certain unscrupulous contractors to take advantage of a possible heavy labor market by underbidding their fellow contractors for cheap labor.

The CHAIRMAN. The gentleman from California [Mr. SHELLEY] is recognized.

Mr. SHELLEY. Mr. Chairman, I rise in opposition to the amendment proposed by my distinguished colleague from Michigan, and in support of the Davis-Bacon provisions contained in section 112 of the bill. I intend to vote against this amendment and I urge all my colleagues on both sides of the aisle to do likewise.

Mr. Chairman, the Committee on Public Works by a majority vote has seen fit to write the provisions of the Davis-Bacon Act into the legislation which we are now considering. This decision was arrived at after lengthy hearings and much testimony. It would seem to me that the committee was totally correct when it stated that it could not see why an exception should be made in the highway-construction program when the Davis-Bacon provisions apply to all direct Federal construction as well as to contracts for schools, hospitals, housing, as well as other projects built with Federal money. The highway program is to be largely financed by Federal funds and I am convinced that, under these circumstances, the Congress should state here and now that the prevailing rate of wages in the immediate locality must be paid to people employed under contracts which come into existence as a result of the Federal Highway Act.

The provisions of the Davis-Bacon Act as they are written into this bill are of benefit both to the contractors as well as to the workers engaged in highway construction. They specify that contractors holding Government contracts must pay their employees the prevailing wage existing in the community in which they are working on a given project. This is now a generally accepted requirement among all legitimate contractors who deal with the Federal Government. Any opposition to this requirement generally stems from a certain few unprincipled operators who attempt to submit low bids for Government contracts at the expense of their badly paid employees. Naturally, their bids are a good deal lower than that of the conscientious businessman who is making a real effort to see that his employees are enjoying the same high standard of living as they are entitled to in a country such as this.

The Davis-Bacon provisions offer important protection to the working people of the United States—and I happen to believe what benefits the majority of the people in this country benefits the country as a whole. It protects workers as well as employers from exploitation by a few unscrupulous operators as well as from low wages in the largest single public-works program which this country has seen to date. The merit of such a formula is proved by the fact that almost every Federal contract in operation for a number of years now has included this provision. Moreover, the Davis-Bacon provisions in section 112 guarantee a fair and uniform administration, as well as the recognition that wage scales vary throughout the country. It can be looked at as merely an attempt to adhere to the scale prevailing in given areas.

The CHAIRMAN. The gentleman from California [Mr. SCUDDER] is recognized.

Mr. SCUDDER. Mr. Chairman, as I advised the House yesterday during general debate, I feel that the committee has given to the Congress a good bill, one which we can support, a bill which will give us the highways we need in the country. I do not believe that the pending amendment is conducive to good relationships in this program. I believe that the provision should remain and I am against the adoption of the pending amendment.

The CHAIRMAN. All time for debate has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. DONDERO].

The question was taken; and on a division (demanded by Mr. FOGARTY) there were—ayes 77, noes 192.

So the amendment was rejected.

Mr. ALGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

On page 24, line 25, immediately before "The" insert:

"(a) Prevailing wages."

On page 25, immediately after line 9, insert:

"(b) Judicial review under Davis-Bacon Act: Section 7 of the Davis-Bacon Act (40 U. S. C., sec. 276a–6) is amended to read as follows:

"'SEC. 7. (a) Notwithstanding any provision of section 4 of the Administrative Procedure Act, such act shall be applicable in the administration of section 2 and the first section of this act.

"'(b) All wage determinations under the first section of this act shall be made on the record after opportunity for a hearing. Review of any such wage determination, or the applicability of any such wage determination, may be had within 90 days after such determination is made in the manner provided in section 10 of the Administrative Procedure Act by any person adversely affected or aggrieved thereby, who shall be deemed to include any contractor or subcontractor who is in any industry to which such wage determination is applicable.

"'(c) Notwithstanding the inclusion of any stipulations required by any provision of this act, any interested person shall have the right of judicial review of any legal question which might otherwise be raised, including, but not limited to, wage determinations and the territorial applicability of determinations of the Secretary of Labor.'"

Mr. MACHROWICZ. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MACHROWICZ. Mr. Chairman, I make the point of order that this proposed amendment tends to amend another act of this Congress, namely, the Davis-Bacon Act.

The CHAIRMAN. What is the point of order?

Mr. MACHROWICZ. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MACHROWICZ. Mr. Chairman, is this amendment in order in that it attempts to amend other legislation collateral in this bill?

The CHAIRMAN. Is the gentleman making the point of order that this amendment is not germane to the bill?

Mr. MACHROWICZ. That is correct.

The CHAIRMAN. Does the gentleman care to be heard on the point of order?

Mr. MACHROWICZ. Mr. Chairman, as I read the amendment, it attempts to make new provisions in the Davis-Bacon Act, an act which is not germane to the bill which we are now considering.

Mr. BLATNIK. Mr. Chairman, this amendment is completely out of order. It is an attempt to amend basic labor legislation which originated in the Labor Committee.

The CHAIRMAN. Does the gentleman from Texas [Mr. ALGER] care to be heard on the point of order?

Mr. ALGER. Briefly, Mr. Chairman.

There are two acts of Congress at the present time that are primarily important in the field of Government contracts, the Davis-Bacon Act which relates to contracts for construction, and the Walsh-Healey Act which relates to procurement contracts. Both acts are substantially similar in content in that they require that Government contracts contain a stipulation that contractors with the United States pay wages at rates determined by the Secretary of Labor to be the rates prevailing in the locality with respect to which the determination is made.

In 1939 the United States Supreme Court, in the case of *Perkins* v. *Lukens Steel Company* (310 U. S. 106), held that certain persons challenging the validity of wage determinations made by the Secretary of Labor under the Walsh-Healey Act did not have standing to sue. Because of this decision, section 4 of the Administrative Procedure Act provided that matters relating to public contracts were to be excluded from the operation of that act.

On June 30, 1952, the Defense Production Act Amendments of 1952 became law. Section 301 of that act, commonly known as the Fulbright amendment provided, by an amendment to the Walsh-Healey Act, that the Administrative Procedure Act should be applicable in the administration of the Walsh-Healey Act, and provided for judicial review of determinations made under that act. The Fulbright amendment has been held to confer standing to sue upon certain parties challenging wage determinations of the Secretary of Labor in the case of *Mitchell* v. *Covington Mills* (229 F. 2d 506), and to that extent, overrides the decision of the Supreme Court in Perkins against Lukens Steel Co.

H. R. 10660, in section 112, provides that the prevailing rate of wages, as determined by the Secretary of Labor, shall be paid in the case of certain construction on the interstate system. The amendment proposed to section 112 is substantially identical in form to the Fulbright amendment to the Defense Production Act Amendments of 1952, and will make the procedures presently applicable to determination under the Walsh-Healey Public Contracts Act also applicable to determination under the Davis-Bacon Public Contracts Act.

In other words, the amendment will bring symmetry into the law of Government contracts.

The CHAIRMAN. The Chair is ready to rule.

The effect of the amendment would be to amend two acts of the Congress, one reported by the Committee on Education and Labor, and the other the Administrative Procedure Act which, it so happens, I was responsible for. The Chair feels that the orderly, proper, and legal way to amend this act is by an amendment to the act itself and not indirectly by amending collaterally.

The Chair therefore sustains the point of order.

Mr. ALGER. I made that statement simply because I knew it had been done that way before, and apparently a point of order had not been raised in the other body.

The CHAIRMAN. There had been no point of order raised, and I am sure, had it been raised in the instance cited by the gentleman as a precedent, the point of order would have been sustained.

Mr. ALGER. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. ALGER:

On page 24, line 25, immediately before "The" insert:

"(a) Prevailing wages."

On page 25, immediately after line 9, insert:

"(b) Procedure for wage determinations:

"(1) Applicability of Administrative Procedure Act: Notwithstanding any provision of section 4 of the Administrative Procedure Act, such Act shall be applicable to the wage determinations by the Secretary of Labor under subsection (a) of this section.

"(2) Hearings and judicial review: All wage determinations under subsection (a) of this section shall be made on the record after an opportunity for a hearing. Review of any such wage determination, or the applicability of any such wage determination, may be had within 90 days after such determination is made, in the manner provided in section 10 of the Administrative Procedure Act, by any person adversely affected or aggrieved thereby, who shall be deemed to include any contractor or subcontractor who is in any industry to which such wage determination is applicable.

"(3) Questions reviewable: Notwithstanding the inclusion of any stipulations required by the Secretary of Commerce in any contract subject to this section, any interested person shall have the right of judicial review of any legal question which might otherwise be raised, including, but not limited to, wage determinations and the interpretation of the term 'immediate locality'."

Mr. BLATNIK. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLATNIK. The amendment is out of order on the ground that it applies to basic legislation which originated in another committee of the House, the House Committee on Education and Labor, and this manner of amending that basic legislation should not be allowed to prevail. The amendment is not germane to the bill under consideration, the title of which reads in part "To amend and supplement the Federal-Aid Road Act."

Mr. ALGER. Mr. Chairman, this amendment is quite different from the preceding amendment in that the preceding amendment would have amended the entire Davis-Bacon Act. This amendment is directed solely at this bill and the wages paid on the Interstate System, which is all the Davis-Bacon provision is to apply to. Therefore, it seems to me that it is very much germane and certainly should be considered by this body, since it extends to the American people the thing which I believe we all must agree to, that they ought to have the right of court review; that the Davis-Bacon Act should not deny them the right to be heard in court, a right which they do not now have, and I challenge the membership to cite me to the contrary and to so prove it.

The CHAIRMAN. The Chair is of the same opinion with reference to this proposed amendment as it was with respect to the last one, and therefore the point of order is sustained.

Mr. DEMPSEY. Mr. Chairman, I move to strike out the last word.

Mr. DEMPSEY. Mr. Chairman, as a member of the Committee on Public Works, I thought it advisable to make an explanation of a portion of this bill.

There has been a lot of controversy over the relocation of utilities. I have had several people ask me today on the floor how far it went, who had authority, and so forth. Our committee made a report, which was written by our staff, in cooperation with the Bureau of Public Roads. The Bureau of Public Roads had the belief, in which I concur, that it should have some authority from Congress to continue the cooperation with the States in using road funds for the moving of utilities. The Bureau thought that in this bill, which I think is one of the best road bills this Congress has ever had before it, we should clarify this situation and that is what we tried to do in our report. I shall read just the last two lines of the report, which was unanimous. This report reflected the unanimous feeling of the members of the committee and the Bureau of Public Roads. I think everyone who spoke here today tried to emphasize that. But I want to be sure that our chairman feels that none of the amendments offered would in any way change the intent of the language of this report. This is what our committee said unanimously:

> There is no requirement in this section, either express or implied, that a State must pay all or any part of utility relocation costs.

That statement is clear. It means that the State determines what percentage, if any, the State shall pay and what percentage the Federal Government shall pay in the matter of relocation of utilities. I do not think anything could be less objectionable than what we say in our report, and I am sure what was said in the report is what we mean.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I yield to the gentleman from Maryland.

Mr. FALLON. I think the gentleman is concerned with whether the Jones amendment would change the intent as outlined in the report. The Jones amendment makes it even more clear that the language of the report shall be carried out.

Mr. DEMPSEY. Mr. Chairman, the statement I have just read from our committee report, as I understand it, means that the States determine whether or not they shall contribute and to what extent.

Mr. FALLON. That was the reason for the Jones amendment. It made even clearer the language we reported out of the committee.

Mr. DEMPSEY. I think that is as plain as we can make it. I thank the gentleman very much.

Mr. BALDWIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BALDWIN: On page 26, after line 4, insert the following new subsection:
>
> "(d) Maximum limit on Federal reimbursement: It is provided, however, that in no case shall Federal reimbursement under the provisions of this section exceed 50 percent of the cost of relocation of utility facilities involved."

Mr. BALDWIN. Mr. Chairman, during the deliberations by the Subcommittee on Roads and by the Committee on Public Works relative to the utility section, two problems were raised at various points that have been of concern to some of the members of the committee. One of the questions raised has been solved by the Jones amendment. That is the question that we want to be sure that we do not do anything that would cause any violation of State laws or State contracts. That has been solved by the Jones amendment and I supported that amendment today.

The other question that some of us raised in the subcommittee and in the full committee is that this section on reimbursement of utilities is expanding the available Federal contribution on Federal interstate roads from a lower limit that now exists to a 90-percent limit. At the present time, if a State reimburses utilities, the Federal Government, on primary and secondary roads, under present procedure of the Bureau of Public Roads, may reimburse up to 50 percent. We have a 50-percent provision in our presently existing highway laws. On interstate roads at present the Federal contribution is limited to 60 percent if the State does reimburse the utilities, but this section in the present bill is now making an increase available of Federal funds up to 90 percent in case the State does provide in its State laws for 100-percent reimbursement.

The thing that has concerned me about this, and I think it has been of concern to some others, is the fact that we are setting up a situation where there can be great pressure upon the State legislatures from people representing utility companies who can go to those State legislatures and say, "If you pass a law providing for 100-percent reimbursement of utility relocation on Federal interstate highways it will only cost your State 10 cents on the dollar. The other 90 cents will come from the Federal Government. Therefore, under those circumstances we would like you to pass that type of law."

The purpose of the amendment I have submitted is similar to set a maximum ceiling beyond which the Federal reimbursement cannot go, that maximum ceiling being 50 percent. I would like to point out that this amendment does not in any way change the fact that we are limiting the remainder of the section to State laws. This maximum-ceiling limitation will not in any way contravene any State laws. This states the limitation beyond which the Federal contribution will not go.

If the State at the present time is only reimbursing a utility 50 cents on the dollar, then under our highway formula of 90 percent reimbursement on interstate highways we would still reimburse 45 cents out of the 50. But if the State has pressure brought to bear on it to go up to 100 percent reimbursement, the Federal contribution will be restricted to a maximum of 50 cents and no more. Therefore, in my opinion, this amendment would reduce the pressure that is going to occur on the State legislatures to modify their laws and go up to 100 percent reimbursement on Federal interstate highway utility relocations.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield.

Mr. SMITH of Mississippi. The gentleman's amendment would have the effect of invalidating State laws in certain States where they now make complete reimbursement, such as the State of New Jersey. Would it be proper for you, just to take care of a situation of possible pressure in California, to set down a rule for all the other 47 States, including the fact that you would invalidate laws among a large number of States? I think the gentleman's amendment is very discriminatory. It is an attempt to write in provisions for all the other 47 States to take care of a situation that might develop in Califronia.

Mr. BALDWIN. This in no way modifies any State law. It simply is limited to the Federal contribution. A State that provides 100 percent reimbursement now can continue to have that law stand as it is at 100 percent reimbursement. All this does is say that the Federal contribution will be limited to a maximum of 50 percent and no more. The State can continue its law at 100 percent from now on. There is nothing in this wording that in any way imposes this law on the 48 States.

Mr. JONES of Alabama. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

Mr. Chairman, the committee this morning adopted an amendment which would leave the whole problem to the States. If this amendment is adopted, you undo all that the committee has done in adopting the amendment which I offered this morning. Here is the situation. We gave recognition this morning to the principle that the States would resolve this question and the Federal Government would keep out of the field of deciding whether or not the State wanted to reimburse the utilities that have to be removed from public thoroughfares. This amendment proposes that the State reimburse them in the amount of 50 percent. This is almost the same amendment which was rejected unanimously last year by the committee with the exception that there is no limitation in the amendment to the 2 percent of the total amount of funds made available which was carried in last year's bill.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. BALDWIN. I would like to read the provision again to the gentleman because I do not believe you followed the wording carefully. It does not modify State laws whatsoever. It says:

> *Provided, however,* That in no case shall Federal reimbursement under the provisions of this section exceed 50 percent of the cost of relocation of the utility's facilities involved.

It does not state that any State should make any changes in its laws. It is simply limited to the proposition that the Federal contribution shall not exceed 50 percent.

Mr. JONES of Alabama. Of course, I disagree with the gentleman because this is an invitation for the utilities to go to the States and to have the State change its statutes and modify its contracts in

order that they can get 50 percent participation of the funds made available and apportioned to the State through the Federal aid assistance program for the construction. Now the committee has gone over this. It went over it last year and it is going over the same thing this year. If this amendment prevails, it will mean that the amendment which you heretofore adopted will be vacated and that we will have a 50 percent formula in matching. Let me say to the gentleman from California, and I presume the reason he offered this amendment is that you have a State statute in California on contracts permitting a 50 percent relocation reimbursement to the utilities, that I think the committee was very generous in reserving to the States their own formulas as to how they wanted to apportion the payments to the utilities for relocation. Why do you insist on this formula which already applies in your own State and try to impose it on other States?

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. DEMPSEY. Do not many States have agreements with municipalities when they build a road over existing utilities, the State and Federal Government must pay for the entire moving of the utility?

Mr. JONES of Alabama. Of course, as I explained yesterday, we took a sample year—the fiscal year 1953 and we made inquiry of the State highway departments as to how much the States had reimbursed the utilities during that period of construction. It cost the utilities for relocation $35 million. The States reimbursed the utilities for better than $8 million. Yet, the Federal charge was only $260,000. Here you come back here with this amendment and you would make the States liable for approximately $17½ million under this provision. The gentleman is defeating the very thing that he states he is advocating here, and that is leaving it with the States.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield.

Mr. CRAMER. Is it not true under the present provision, as adopted by the committee, the States can put up more than 50 percent if they see fit in fixing how much shall be reimbursed?

Mr. JONES of Alabama. They can decide on 5 percent, 10 percent, or 100 percent. But let us leave that to the States. You want to come in and undo what you have already done.

Mr. CRAMER. Now, will the gentleman answer the question which I directed to the gentleman from California [Mr. BALDWIN] previously. Is it not true that the amendment adopted by the committee would have the effect initially of limiting it to 50 percent and make it possible for the States which do not now reimburse and have laws against it, to reimburse 50 percent?

Mr. JONES of Alabama. Oh, there is no attempt to deal with laws that have been passed heretofore.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. JONES] has expired.

Mr. McGREGOR. Mr. Chairman, I rise in opposition to the amendment. I regret exceedingly to take the floor in opposition to the amendment offered by my colleague, the gentleman from California [Mr. BALDWIN], who has sincerely and honestly worked hard on this legislation, but I want to call attention to the fact that this morning we adopted an amendment after some debate. It was clearly brought out in that debate that by the adoption of the Jones amendment we were leaving it entirely to the States.

I would like to call your attention to page 14 of the report:

> There is no requirement in this section, either expressed or implied, that a State must pay all or any part of utility relocation costs.

In order to clarify the situation to a greater degree so that there would be no question about it, there were a number of members of our committee who worked hours and hours to get an equalization of minds, so to speak, so that we would make certain that the entire control would be in the hands of the States. That is exactly what we did when we adopted the Jones amendment this morning, and I read the amendment that this committee adopted by a very, very large majority. The Jones amendment we adopted provided that:

> Federal funds shall not be apportioned under this section when the payment to a utility violates the law of the State or violates a local contract between the utility and the State.

Now if we accept the amendment offered by the gentleman from California [Mr. BALDWIN], we are in my opinion taking negative action on the very thing that we did this morning when we accepted the Jones amendment.

Mr. WRIGHT. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. WRIGHT. In the midst of all this talk about States rights, it seems to me we are losing the point of the amendment. Is it not true that all this amendment does is to limit the amount the Federal Government can pay on a utility bill, whereas, under the present law, the Government could pay 90 percent? Is that not the fact and is that not the only difference?

Mr. McGREGOR. No; not in my opinion, for the reason that the amendment offered by the gentleman from California [Mr. BALDWIN], according to the interpolation of some attorneys is making the States that are paying 100 percent or those that are not paying anything come under the provision of the 50 percent.

May I again read the amendment adopted this morning:

> Federal funds shall not be apportioned under this section when the payment to a utility violates the law of the State or violates a local contract between the utility and the State.

Mr. McGREGOR. There is no question that if you adopt this amendment you are making null and void the very amendment we adopted this morning.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield.

Mr. BALDWIN. I do not believe either of the gentlemen who are opposing this have read this amendment very carefully. It says it is strictly limited. It says Federal reimbursement cannot go beyond 50 percent.

Mr. McGREGOR. I disagree with the gentleman and I compliment him in his fine work in our committee—he is most sincere in his endeavors.

I hope that we defeat this amendment. It certainly will confuse the issue of States rights, and who has the authority.

Mr. Chairman, under leave, I would like to insert at this point letters and views on this subject:

NATIONAL ASSOCIATION OF RAILROAD AND UTILITIES COMMISSIONERS,
Washington, D. C., April 24, 1956.

Hon. J. HARRY MCGREGOR,
House Office Building,
Washington, D. C.

DEAR MR. MCGREGOR: I am writing to call attention to the concern of our members, the regulatory commissions of the country, over the importance of section 113 of H. R. 10660 to utility users. It is the responsibility of these commissions to protect the utility users from unjust charges. Therefore, it is a matter of grave concern whether or not the construction of Federal-aid highways will result in higher rates having to be charged to users of utility services because of the necessity of relocating facilities.

Unless section 113 or some comparable provision is included in the bill, there is serious danger that the ability of some utilities to provide adequate service will be impaired and only through substantially increased rates could they survive financially.

Our position on this problem has been presented to the Congress by resolutions and by testimony presented to the Public Works Committee of both the House and the Senate by our General Solicitor and myself. In brief we submit that:

1. Public rights-of-way are owned and maintained by the public for all of the purposes that the public necessity requires. These purposes include the provision of utility services as well as transportation over the highways. The improvement of highways for the benefit of surface transportation should not be at the expense of the other public services which do not benefit from having to relocate their facilities.

2. The absence of a provision for reimbursement will mean that the ratepayer—the user of the service—will be forced to pay twice for the proposed improvement of highways, once in taxes and again in utility rates.

3. The burden of relocation costs falls inequitably. Less than 3 percent of the utility operations of the country suffered costs approximating $24 million in 1953. Since highway improvements are for the benefit of the public as a whole, relocation costs should be paid by those who benefit and not by comparatively few utility users whose service is not improved by road construction.

4. The Federal Government is causing roads to be constructed in the interest of national defense and interstate commerce. Section 113 would merely authorize the use of Federal funds appropriated for construction of these roads to pay for the utility facilities, whenever a State in its discretion decides to pay such costs.

Respectfully yours,

H. LESTER HOOKER,
Chairman, Committee on Legislation.

CHICAGO, ILL., *April 24, 1956.*

Congressman J. HARRY MCGREGOR,
House Public Works Committee,
Washington, D. C.

DEAR CONGRESSMAN MCGREGOR: Because of our deep belief that many of the 4,991 independent telephone companies and their subscribers will suffer if the Federal highway construction bill does not provide for reimbursement of a utility company's expense of relocating facilities on public rights-of-way we have prepared the attached editorial for publication in the May issue of Telephone Engineer and Management.

I am taking the liberty of sending you an advance copy of this editorial as I believe its contents will be of interest to you as a member of the House Public Works Committee.

Best personal regards.

Cordially,

JOHN G. REYNOLDS,
Managing Editor.

[From the Fortnightly Telephone Engineer of May 1, 1956]

TIME TO STATE YOUR POSITION

Like many others we have no bone to pick with those who favor the Federal aid highway construction program. It takes nothing more than a Sunday drive to convince us the time for modernizing our Nation's highways is long overdue.

But there is one part of the program that in our opinion represents a real threat to independent telephone companies and the subscribers they serve.

That threat, as we see it, lies in the fact that unless the present reimbursement provisions are retained in the Fallon bill (H. R. 8836), the full cost of necessary relocation of telephone facilities must be borne by telephone companies.

Last year the provision covering reimbursement costs for relocation of public utility facilities failed to pass the House. The evidence indicates the measure failed because of an apparent lack of knowledge by Members as to the impact of relocation costs on users of utilities.

This year the House Public Works Committee has reinstated in the highway construction bill a provision covering reimbursement costs for relocation of public utility facilities. This provision was reinstated last month on a motion by Representative GEORGE A. DONDERO (Republican, Michigan) ranking Republican member of the committee.

It would provide, in cases where the interstate highway system forces utilities to relocate, that the Federal Government pay 90 percent of the cost if the State agrees to pay the other 10 percent, and in the case of other Federal-State financed roads, the Federal share would be 50 percent if the State agrees to pay the other 50 percent.

As we see it the new reimbursement provision deserves more than casual attention from members of independent telephone industry.

In reality it is a second breathing spell—one that might well end unless all industry members contact their Senators and Representatives and explain the true position of their companies and their subscribers.

That position may be summarized as follows:

Any expanded program of Federal aid for highways should provide for reimbursement of utilities' expense of relocating facilities on public rights-of-way because—

(a) The program of Federal aid is for the benefit of the public as a whole—all costs, including relocation costs, should be borne by those who benefit.

(b) The burden of relocation expense should not fall only on users of the service of a utility.

(c) Unless reimbursement is provided these users of utility services will contribute twice to the cost of new highways—once in taxes and again in rates.

(d) This expense of relocation as a percentage of highway program is insignificant, but the impact on affected utilities can be disastrous. It could wreck some utilities.

(e) Use of public rights-of-way, in countless instances, makes possible the rendition of vital utility services that could not otherwise be provided if private rights-of-way had to be purchased. Therefore, utilities should not be required to subsidize highway projects because of such use.

(f) Without this expanded Federal-aid program to promote national defense and interstate commerce, the utility users would not be faced with these burdensome relocation costs.

(g) Existing State requirements that utilities must pay their own relocation expense are the products of another era. Today's changed conditions place a crushing burden on utility users and relief from this burden through reimbursement constitutes no intrusion upon State sovereignty.

We well know many industry representatives have passed such facts on to their Congressmen. However, the evidence indicates the good work of those who have spoken now needs the added voice and support of those who have remained silent. We hope that support will be quickly forthcoming.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GROSS. Mr. Chairman, I move to strike out the last word. I take this time to see if I can clarify some language in the Jones amendment since it is a continuing topic of discussion.

The Jones amendment reads as follows:

Provided, That Federal funds shall not be apportioned to the States under this section when the payment to the utility violates the law of the State—

I emphasize those words "the law of the State"—

or violates a local contract between the utility and the State.

The question I should like to ask the gentleman from Michigan [Mr. DONDERO] and the gentleman from Maryland [Mr. FALLON] is whether this language "the law of the State" means that a State would be precluded from hereinafter enacting a law that would be binding in dealing with the apportionment of funds.

Mr. DONDERO. I do not think that would be so.

Mr. GROSS. The gentleman says, "I do not think." I have been talking with several attorneys about this thing and I get the same answer: "I do not think" the language of the amendment would preclude future binding action by a State legislature. Cannot the gentleman from Michigan give me a firmer answer?

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GROSS. In just a moment I will yield.

Mr. DONDERO. After reading the amendment I think the answer I gave the gentleman is the correct answer. No one knows what a State will do. We do not preclude a State from passing a law after this bill is passed by the Congress.

Mr. GROSS. And the gentleman is confident, then, that this would not invalidate a law hereinafter enacted by a State legislature dealing with this proposition?

Mr. DONDERO. No, sir.

Mr. HOFFMAN of Michigan. What the gentleman is doing is asking those who have been licensed to practice law and who also serve in the House what some court will hold. In view of what the Supreme Court has been doing how can anyone answer that question?

Mr. GROSS. Let me say to the gentleman that I have taken the floor specifically for the purpose of getting into the RECORD the intent of Congress so that the courts, if called upon to act may, if so minded, take cognizance of that intent. I simply ask the question and ask the gentlemen on each side of the aisle, who are in charge of the bill, to go on record as saying that a law could be enacted by the States and such law would be binding.

I now yield to the gentleman from Maryland [Mr. FALLON] to answer the same question. I want to get on record the sentiment of this Committee with respect to the Jones amendment in regard to those particular words.

Mr. FALLON. The Jones amendment does not preclude any State from enacting any law.

Mr. GROSS. Then it is the gentleman's opinion that any law hereinafter enacted by any State legislature dealing with this subject matter would be binding.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. JONES of Alabama. I would like to point out to the gentleman that the amendment which I offered and which was debated in the Committee this morning places us in the same situation as we were under the existing laws, laws that have been in effect since 1916.

Mr. MCGREGOR. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. MCGREGOR. I think it was the intent of our committee not to preclude any other laws, and I am not an attorney as the gentleman knows; but you would say then to the utility: "Well, it is the existing law." We have left out the word "existing" which certainly, then, leaves it wide open for any future legislation.

Mr. GROSS. Of course the gentleman understands that the Jones amendment was not a committee amendment and probably never was considered in committee.

Mr. MCGREGOR. I am sure the content of the amendment was considered in the committee a number of times, because we went over this particular subject hour after hour.

Mr. GROSS. I am glad to have the assurance that the words "the law of the State" does not preclude any State legislature from approving legislation in the future which would be binding with respect to apportionment or nonapportionment of funds under section 113 of the bill and the Jones amendment thereto.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was rejected.

Mr. VANIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. VANIK: Strike out section 113 on pages 25 and 26 of the bill.

Mr. VANIK. Mr. Chairman, the amendment which I have proposed strikes out the entire section relating to the payment of Federal funds for utility relocation.

I do not believe that the issue of States rights is involved in this matter. The rights that are involved are the rights of the people who are going to pay the new highway taxes. The only question is: Should the highway users be taxed to pay the expenses of public utilities in relocating their facilities in order to carry out a highway improvement?

Without this amendment this bill provides that the Federal Government would pay 90 percent of utility relocation. Some publicly owned utilities would benefit, but the large group of privately owned public utilities would benefit most.

The public utilities use the highway rights-of-way without cost, and if it were not for the license which they get from the public authorities, they would not have the right to use the right-of-way to repair and service their lines. By constructing their facilities along the highway right-of-way, they have access roads to their facilities. I think we are doing enough for the public utilities of this country.

Why should the highway user assume the added cost of relocating these public-utility facilities? Most public utilities operate on a cost-plus basis. They simply pass their charges on to the consumer. It is said that the highway user and the utility user are one and the same persons. That is not so, because the people of 47 States are made to pay for a utility relocation in one State. Furthermore, there are highway users who derive absolutely no benefit from the relocation of public utilities along the public highway system.

There is an even more important objection to this legislation. This legislation would create new and unseen obligations on the part of all of the governments throughout the country to assume all costs of public utility relocation and the burden ultimately will result in the public expenditure of billions of dollars. I have read through the testimony before the committee, and I fail to find testimony which supports this language in the bill. It is my judgment that the cost to the highway users of America may be close to 10 or 15 percent instead of the 1 or 1½ percent that is mentioned. Instead of this being a $51 billion highway program, it may end up as a $41 billion highway program, with $10 billion being used to relocate public utilities.

The Jones amendment which was submitted to sweeten this bill does not cover the bitter principle involved.

The Jones amendment still makes it incumbent upon the highway users of America to contribute to the cost of relocating the public utilities of the country necessitated by highway improvement.

My amendment simply eliminates the use of funds of the Federal Government toward the relocation of the public utility facilities along the highway. I know that my colleague, Mr. FEIGHAN, of Ohio, concurs in this position and has inserted a statement of his views which appears in yesterday's CONGRESSIONAL RECORD.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. The municipalities also have utilities. I would like to point out to the gentleman they do not participate. The unincorporated cities of the States may contribute to the relocation cost of utilities. Would the gentleman preclude those communities from having any State funds with Federal matching, because the gentleman's position is based upon the apprehension and fear that a great amount of money will go to relocation cost under my amendment?

Mr. VANIK. In my own city we have a waterworks that is going to be affected. If that waterworks must go to the expense of relocating its facility, that is a proper charge assessable to the water users of the community. I certainly think that the Federal Government should not pour its money into that relocation.

Mr. JONES of Alabama. Does the gentleman want to decide that question here or let the local people decide it out there?

Mr. VANIK. I do not want Federal moneys dissipated all around the country to pay for a lot of public utility relocations. I want the money used for roads.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Ohio.

Mr. McGREGOR. I happen to have the privilege of living in a small town. We had about an 18-foot highway through the village. We have on one side of the street a storm sewer and on the other side of the street waterworks lines. I am sure nearly every Member within the sound of my voice has a similar situation. If the gentleman's amendment were to carry, you would be forcing every one of those small villages to assume every dollar of cost of the moving of the storm sewers and the waterworks, and, in my opinion, that would be most unfair. They are not responsible for this new highway and yet my friend from Ohio [Mr. VANIK] wants to force them, the property owners, to pay for the relocation. Now, I understand that is what the gentleman from Ohio wants; is that correct?

Mr. VANIK. In answer to the gentleman from Ohio, I would like to say that I hope it will be the plan of the Federal Bureau of Roads to route the highways around the little towns, if it is going to do a good job, in building the highway system which we need.

Mr. McGREGOR. Then my friend from Ohio is recommending that small towns be bypassed, forgotten if you please. That philosophy certainly is not fair to the residents and business places located in small towns of this country. They are loyal American citizens and should be treated as such.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think the committee is fully acquainted with the facts. We could go on for hours and point out the inconsistencies of the amendment offered by the gentleman from Ohio [Mr. VANIK] which strikes out the entire section relative to paying any costs of relocating any utilities, small telephone companies or small municipal utilities. The gentleman from Ohio [Mr. VANIK] does not want to help them in any way.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. McGREGOR. I yield to the gentleman from Maryland.

Mr. FALLON. Mr. Chairman, the committee sat for many, many hours listening to testimony on this very subject, and I do say that it was a hard thing to resolve. We had many amendments offered in committee trying to work out the situation that is taken care of under the Jones amendment. This committee almost unanimously decided that the Jones amendment was the best language that we could come up with after many, many weeks of study. The committee has decided on it once today, and I urge the defeat of the amendment.

Mr. Chairman, I too, urge the defeat of the amendment of the gentleman from Ohio [Mr. VANIK]. Let us give the small utilities—telephone companies and people living in small villages the same opportunities and same consideration that others enjoy.

Mr. Chairman, I would like to insert an editorial from the Cleveland (Ohio) Plain Dealer on this very subject:

THE PUBLIC ALWAYS PAYS

Who should pay the cost of relocating utilities in the proposed $51½ billion Federal road network? Should Federal funds be used to meet 90 percent of the cost, as the bill provided when it went to the House, or should the utilities be required to pay the cost themselves?

This issue promises to evoke heated debate in the House, with one faction contending it would be a horrible giveaway if Federal funds were used to finance the utilities' relocation.

We are not greatly concerned over this issue, however, because, regardless of the outcome, the public will pay the bill, as it always does.

The cost of relocating utilities has been estimated at $1½ billion. If this money came out of Federal funds, the cost would be paid by Federal taxpayers. If the utilities were required to foot the bill, the cost would become part of their operations and would be reflected in their rate structures, in which case the utility users eventually would pay the relocation cost.

Nowadays there is no difference between utility users and Federal taxpayers. They're all members of the public. But there are demagogs who like to pretend that they are doing the public a service if they can "soak" utilities for something for which the public is going to pay anyhow. So let them have their fun.

Mr. DINGELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it bothers me as much as anyone else in this House to give the utilities one red cent, and I would

like to start out my remarks in that particular vein.

Mr. Chairman, I rise in opposition to the amendment. Our Public Works Committee in this Congress is as conscientious a group of men as you will find anywhere in the world, and there is not a man on that committee who is influenced one way or the other by the public utilities. I want to tell you why we put this particular section in the bill and why it should stay in. First of all, as it stands now, this bill does not offer any bonanza to the big utilities.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. If I thought it did, I certainly would not support the amendment I offered, because the amendment I offered assures the committee that there will not be a dissipation of Federal funds to pay the utilities of this country, and it leaves with the States entirely the question of whether or not the utilities will be reimbursed.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Michigan.

Mr. DONDERO. Is it not a fact that in our State of Michigan we have some 130 small telephone companies, some of whom will be affected by this relocation of the road system? How can they pay for relocating their lines without any reserves whatever? And we know they do not have any.

Mr. DINGELL. I agree with the gentleman. All of these small utilities will be affected.

Now let us analyze this. The big utilities are strictly regulated in our country. The big utilities will simply go to the regulatory bodies of the States and say, "We are compelled to raise our rates because of additional cost because of relocation of facilities." And they will get their rate raise. I want the Membership of this House to remember that this does not only apply to those utilities which occupy rights of way free of cost; it also applies to those which go across the country today and which will be affected by new roads cut through, and there will be a substantial number of those new roads cut through. Let us all remember that this will affect the small municipalities; it will affect the TVA; it will affect the REA co-ops; as my distinguished colleague, the gentleman from Michigan [Mr. DONDERO] has said, it will affect the small telephone companies as well as the small co-ops. All of these people will be affected. There is not a sewer or water main in the country or my State of Michigan which will not be affected.

Mr. Chairman, I ask the membership of this committee to see to it that the bill is passed in exactly the form that it is now in regard to relocation of utilities.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VANIK].

The amendment was rejected.

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: Page 4, line 14, insert: "It being in the national interest to preserve and expand full and free competition, it is further declared to be the intent of Congress to realize this goal that the actual and potential capacity of small business be encouraged and developed by permitting this segment of our economy to aid in the construction of such a safe and efficient system of Federal highways, and that in order to carry out these policies and the intent of Congress the Government should aid, counsel, assist, and protect, insofar as possible, the interest of small business concerns in order to preserve free competitive enterprise, to assure that a fair proportion of the contracts awarded in the construction of a safe and efficient system of Federal-aid highways, and that a fair proportion of the total contracts and purchases for supplies and services for such Federal-aid highways be placed with small business enterprises to maintain and strengthen the overall economy of the Nation."

Mr. FALLON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. FALLON. Mr. Chairman, I might say that the language in the gentleman's amendment is certainly about as inoffensive as one could write. It states a policy which I think is very good. But my point of order is that these contracts are not let by the Federal Government; they are let by State governments and here we are directing the State governments on how they should award contracts.

The CHAIRMAN. Does the gentleman from New York [Mr. MULTER] desire to be heard on the point of order?

Mr. MULTER. Yes, Mr. Chairman. The bill before the House already has a similar provision affecting what will be done with these highways after they are constructed. I refer you to page 27 of the bill and pages 14 and 15 of the report. In the report under "Free Competition" you will find recognition of the principle in part. This is merely an extension of that same principle, and a further declaration that we should aid small business.

The CHAIRMAN. In the opinion of the Chair this is not a direction. It is merely an indication of the intention of the Congress. It is not binding on anybody and for that reason the point of order is overruled.

The gentleman from New York [Mr. MULTER] is recognized on his amendment.

Mr. MULTER. Mr. Chairman, this amendment to the second section of the bill is an additional policy statement, indicating the desire of Congress to aid and assist small business, the backbone of our economy. It is my opinion that when this great highway bill is enacted into law, small business must be given an opportunity to participate in this important program. Small business should be given a fair proportion of the contracts and subcontracts by which these vital highways will be built.

The Federal highway bill and its various ramifications have received my careful consideration. All agree that its enactment into law is vital to the future of America, both to the national defense and the national economy.

It has always been the declared policy of Congress that our Government aid, assist, and protect, insofar as possible, the interest of small business. It is in the Nation's interest to preserve and expand full and free competition. It is also in the Nation's interest that the free-enterprise system be encouraged in connection with the construction of a safe and efficient highway system.

To accomplish this important objective the potential of small business must be encouraged and utilized. This bill, when enacted into law, will have a great impact on our industry and economy. Every industry throughout the length and breadth of the Nation will be affected. It is because of this great impact that I have proposed this amendment. It will indicate that the small-business concerns, a most important segment of our American economy, will be permitted to share in this program.

Small business has failed to share on a relatively equal basis with big business in this allegedly boom period. There is no evidence that the future holds out to the small-business concerns any substantial hope that they will fare any better. It is urgent that these highways be built quickly and efficiently, but it is also essential that our small-business concerns participate in this vital project. To accomplish that the Congress must unequivocably state its desire that a fair proportion of the total contracts and subcontracts for purchases and supplies and services for such federally aided highways be placed with small-business enterprises, and in that way maintain and strengthen the overall economy of the Nation.

The members of the House Small Business Committee have approved this amendment.

Mr. Chairman, this proposed amendment has been submitted to the members of the House Small Business Committee and they all agree that this is a good amendment.

Mr. FALLON. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Maryland.

Mr. FALLON. I made the point of order to get a ruling from the Chair on whether this is binding on the States. Since the ruling on the point of order that it is not binding on the States, we have no objection to the gentleman's amendment.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Colorado.

Mr. HILL. Mr. Chairman, I am thoroughly in accord with the proposal of the gentleman from New York [Mr. MULTER] to include a declaration of policy with respect to small and independent business in this vitally important highway bill.

We should in our action here reaffirm the policy of the Congress that small and independent business concerns have every consideration as well as opportunity to participate in the building of our national system of Federal-aid highways.

The Congress has consistently included strong declaration of policy with respect to small business in every important piece of legislation for many years past.

We should always remember and be guided by the fact that under our system of free enterprise the broadest possible participation of small business concerns in all public works is fundamental and essential to our total economy.

I understand that the proposed amendment is acceptable to the committee which has brought this legislation before us, and I sincerely hope it will meet with the approval of the House.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Ohio.

Mr. McGREGOR. I should like to get the gentleman's interpretation of this part of the amendment. Certainly I do not think anyone here is opposed to the intent, but I should like to call to his attention this language: "That a fair proportion of the total contracts and purchases for supplies and services for such Federal-aid highways be placed with small-business enterprises to maintain and strengthen the overall economy of the Nation."

Is that a commitment that we are saying to the States they have to give small business a fair proportion, and who is to determine that fair proportion?

Mr. MULTER. It is a suggestion to the States that they should follow the same policy statewide as we do nationwide and help small business.

Mr. McGREGOR. It is just suggested that a fair proportion of the total contracts and purchases of supplies be awarded to small business rather than making it an intent?

Mr. MULTER. As already indicated, we cannot compel the States to do this; we can only suggest to them that they do it. That is why this is a declaration of policy only.

Mr. McGREGOR. Then the gentleman is saying that the States are not being bound, it is only an expression of intent, such, for instance, as that we are all against sin?

Mr. MULTER. I hope it will amount to more than that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. BOGGS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the question has been raised as to when the floor stock taxes imposed by this bill are to be paid. The point was discussed before the Committee on Ways and Means and it was generally agreed by the members of the committee that sufficient time would be permitted for the dealers and others to pay this floor-stock tax under the regulations prescribed by the Treasury Department and the Internal Revenue Service. My recollection of the matter in executive session was that it was pretty generally understood that these people would have from 60 to 90 days in which to pay those taxes.

The fact that H. R. 9075 does not contain a specific provision relating to the time when the floor-stock taxes imposed by the bill are to be paid is not unusual. As a matter of fact, this problem has seldom been dealt with specifically by statute in past legislation. For example, the floor-stock taxes on matches, tires, and inner tubes in the 1941 act, and on gasoline in the 1951 act, contained no provision designating the time of payment for such taxes, but the regulations required payment to be made within the same 2-month period then required for tobacco products. This follows because of the one-shot nature of floor-stock taxes, which, as you know, are generally required to be reported in a special return.

The time for payment and the nature of the return required for the reporting of floor-stock taxes have by custom been left to regulations issued by the Secretary of the Treasury. The Treasury and the Internal Revenue Service are in a better position to work out a solution satisfactory to the parties concerned under the latitude afforded by the regulatory power than they would be under a specific legislative provision, which, because of it, changing circumstances might prove too restrictive.

I understand and appreciate the desire of tire dealers to have at least 90 days, or until October 1, 1956, to pay the floor-stock taxes imposed by H. R. 9075, and I understand from conversation with the staff that neither the Treasury nor the Internal Revenue Service is presently considering any period shorter than 60 days. However, until the bill becomes a law, and the Treasury and the Internal Revenue Service have been given an opportunity to study the question, no assurance can be given on the question unless the bill is amended.

No further action is contemplated by the Committee on Ways and Means on H. R. 9075 and, as you point out, it is customary to secure a closed rule on a revenue measure of the magnitude of H. R. 9075. Nevertheless, it occurs to me that the Senate Finance Committee might want to add a specific provision to the bill requiring at least 90 days in which to pay the floor-stock taxes imposed by the bill.

It was my understanding from the information developed during the course of the executive sessions held in connection with the bill that at least 90 days would be permitted in which to pay the floor-stock tax. During the course of floor action on the bill I plan to provide the necessary legislative history on which to base the 90-day period. Therefore, even if the Senate fails to include a specific provision in the bill on this point the record will at least make specific my intent.

It was not my intention, and I am sure that it was not the intention of any other member of the Committee on Ways and Means, that anything less than a reasonable time be granted to dealers in which to pay the floor-stock tax on tires. I am sure that the Treasury and the Internal Revenue Service realize the need for a reasonable length of time, and I have every confidence that the regulations under H. R. 9075 will provide a period of time satisfactory to all concerned.

Mr. RAYBURN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RAYBURN:

On page 14, line 20, strike out "Committee on Public Works of the."

On line 23, strike out "on Public Works."

On line 24, after the word "Representatives", insert "to which referred."

On page 15, lines 4 and 5, strike out "Committees on Public Works of the."

On lines 7 and 8, strike out "on Public Works."

On line 8, after the word "Representatives", strike out the comma and insert "to which referred."

On lines 14 and 15, strike out "Committees on Public Works of the."

On lines 18 and 19, strike out "on Public Works."

On line 19, strike out the comma and insert "to which referred."

On page 16, line 2, strike out "Committees on Public Works of the."

On page 30, strike out lines 12 through 18 and insert "furnish to the Congress such information, books, records, correspondence, memoranda, papers, and documents which are in their possession relating to the construction of the Interstate System as the Committee on Public Works of the Senate or of the House of Representatives, or any subcommittee thereof, shall request."

Strike out beginning with line 21 through the period in line 3 on page 31, and insert "shall be paid to any State which has failed or refused to comply with a request made pursuant to subsection (a)."

Mr. RAYBURN. Mr. Chairman, this amendment has been very carefully drawn—I hope. Its purpose is not to rob anybody of any authority which they think they should have. But a short while ago there began to grow up in the House the practice of including provisions in bills saying that the departments should report to committees of Congress. The only thing this amendment does is to provide that they shall report to the Congress. Then whoever may be Speaker of the House will refer them to the proper place. I just feel that it would be a little more dignified if these matters were referred to 435 Members instead of 25 or 30.

Mr. McGREGOR. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. McGREGOR. As ranking Member on the minority side of the committee, I would certainly concur in the fairness of the distinguished gentleman from Texas and our Speaker, and that we recognize that it should be within his jurisdiction. At this point, if the gentleman will yield further, I want to personally pay my respects to the leadership of the House, both to the gentleman from Texas and his assistants, as well as to our minority leader on this side, for the patience they have shown, not only to the gentleman from Ohio but to the committee as well, in endeavoring to bring this legislation on the floor of the House for consideration.

Mr. RAYBURN. I might say also that before I offered this amendment I conferred with the gentleman from Massachusetts [Mr. MARTIN], the ex-Speaker, and it is agreeable to him.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. RAYBURN. I yield.

Mr. COOPER. I merely want to point out that in title II of the pending bill it is provided that reports are to be made to the Congress.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. RAYBURN].

The amendment was agreed to.

Mr. McCARTHY. Mr. Chairman, I move to strike out the last word.

Mr. McCARTHY. Mr. Chairman, I supported committee action on the financing provisions of this bill but with reservations. Although there is some record of Congress appropriating funds for roads in the early days of the Nation, it is generally accepted that the Highway Act of 1916 represents the pioneer legislation in the field, and the act which set up the principle of Federal grants for highways. The 1916 bill was reported by a House Committee on Roads. It empowered the Secretary of Agriculture on behalf of the United States to aid the States in the construction and maintenance of rural post roads, roads over which rural mail is or might be carried outside of towns or cities over 2,000 population. The report on the bill emphasized that it was constitutional for the Federal Government to assist in the building of roads.

It was established that expenditures for highway construction are a legitimate use of the general revenue and that funds should be made available from the Federal treasury for this use regardless of the source of these funds.

This use of the general revenue for this purpose was defended by many Members of the 64th Congress.

Congressman Farr, Republican, of Pennsylvania:

> Indeed, good roads are of such inestimable value to all classes that it is folly to attempt to particularize as to whom they will benefit.

Congressman Byrnes, Democrat, of South Carolina, later to enjoy such a full career of public service in every branch of Government called the law one "which will do more to promote the prosperity and the happiness of the people of the country as a whole than any other measure pending before this Congress."

The committee report on the bill and the discussion in the House made it clear that the common good was being advanced by the passage of highway legislation, not the particular good of certain segments of our society. In fact, speaking specifically to this point, Congressman Wood, Republican, of Indiana, had this to say:

> It has been offered as an objection to this character of legislation that the rich automobilist is the one most interested in the construction of good roads, but I undertake to say that this gentleman has not as much real interest in the construction of roads as the workingman in the great commercial centers, who, perchance, never travels upon country roads at all.

The Members of the 64th Congress seemed agreed that the cost should be met out of the general revenue fund.

The so-called user tax was only obliquely referred to by Mr. Saunders, Democrat, of Virginia, when he rejected that principle by saying:

> I do not know of any system of taxation under which the expenditures in a community are limited to the taxes paid by the community.

Nevertheless it is quite clear that general revenue from all sources would finance the road improvements which would bring general benefit to the whole society.

In 1921 another road bill was passed, but it is not regarded as a milestone since it was largely an extension of the 1916 act. The 1944 act definitely enlarged the highway program, made more classes of roads eligible for Federal money, and authorized greater expenditures.

The lack of highway construction during the war years had, of course, placed a severe strain on our national highways. There was general agreement on the need for accelerated construction and repairs. It was also acknowledged that improved highways would assist any future defense effort. As to financing highway construction, the idea that general revenue would take care of the expense was then accepted. Many references were made to amounts collected by the Treasury from the gasoline taxes, apparently in order to show that more was being contributed to the general revenue fund through the gasoline tax than would be taken out through the construction of highways. The user tax principle was hinted at, but was not accepted by the Congress in any formal sense.

Cost of road improvement, or road system improvement has been accepted as a legitimate expenditure of Government funds derived from the general revenue and subject to established appropriations procedures of the Congress.

In 1955, the President, in his budget message proposed a 10-year expanded highway program and stated his belief "that as large a proportion as possible of the expenditures of the Government should be borne by those directly benefiting therefrom." He recommended that the user charge principle should be further extended. Later the President sent a special highway message to the Congress and stated:

> A sound Federal highway program, I believe, can and should stand on its own feet, with highway users providing the total dollars necessary for improvement and new construction.

In my opinion, the press of the country did not give this departure from traditional policy as much attention as it deserved.

Now the President's proposal became known as the Clay Committee report. This report was much heralded as a $101 billion plan and was considered by the Senate Committee on Public Works. In the Senate the financing program in the plan came under serious fire from such fiscal experts as the chairman of the Senate Finance Committee. The Senate agreed that the financing provisions were unworkable, and possibly unconstitutional and possibly largely for that reason, the Clay Committee report and its highway program was rejected by the Senate. While testifying in support of the Clay report the President's Secretary of the Treasury made reference to the exclusive use of certain tax receipts for road financing. The Secretary made these statements before both Senate and House committees.

Of course, as we all know, the Fallon bill reported last year contained financing provisions. That bill was defeated in the House. This year the financing section of the bill was drawn up in the Ways and Means Committee. It contains provision for setting aside revenues from certain taxes for highway purposes.

Mr. Chairman, although the word is not used, I consider this to be a step toward earmarking of tax revenues. This is a step to be considered carefully.

First, earmarking substitutes an indefinite yield from a single tax for a specific appropriation from general revenues based upon current needs.

Second. Earmarking gives excess revenues to some functions and starves others.

Third. Earmarking destroys the flexibility of the revenue structure, making it difficult for legislatures to adjust financing to meet changing conditions.

Fourth. Earmarking infringes on the policymaking powers of legislative bodies by removing certain governmental activities from periodic review and control.

At least some of the fiscal difficulties in which our State governments find themselves are accounted for by the tendency to earmark funds. According to a publication by the Tax Foundation, in 1954 50 percent of the total State tax collections were earmarked. This means that State legislatures exert control over only 50 cents of each tax dollar, and imparts an unhealthy rigidity to State budgets. In my opinion, the Congress should seriously inquire if earmarking or fiscal straitjacketing is to be adopted in the Federal tax system.

There is a second important consideration involved. No matter how carefully stated, user taxes are plain and simple excise, consumption, or sales taxes. Sales taxes are known to be regressive. User taxes are also regressive. The effect of having a substantial outlay of Government funds financed by user, or sales taxes is to cause the burden to fall on those less able to pay to a greater degree than at present. This step, when the expenditure of funds for highway improvement has been long recognized as a legitimate expenditure of general revenue is indeed a radical one.

While the adoption of the principle of earmarking at the Federal level is a serious step, and while the adoption of sales taxes on a vastly increased scale at the Federal level is a serious step, the combination of the two present us with a new problem. Suppose the time comes when the Federal tax collections are higher than the Federal expenditures. With the high level of taxes these days we should not be surprised if agitation follows for a tax reduction. As we all know, that possibility has crossed all of our minds as we scan the reports of the Secretary of the Treasury on the relation of receipts to expenditures. Should a tax reduction be voted, we can expect that it would be in the general revenue section of the receipts. The highway financing fund would probably be untouched. Now since the majority of the revenue for the general fund comes from the income tax which is proportional, any reduction in taxes would probably come from decreases in the income tax. The highway fund revenue comes exclusively

from sales taxes but no reductions are forthcoming here. That means that tax reduction would be progressive, but tax retention would be regressive.

This is a serious question. Income-tax rates as now provided by law increase from 20 percent on the first $2,000 of income to 91 percent on an amount over $200,000 for single taxpayers and over $400,000 for married taxpayers filing a joint return. This tax rate is based on the principle of increase in ability to pay. But these high marginal rates give an improper notion of the true impact of our tax laws on those taxpayers whose unadjusted gross income is in these higher brackets. The fact is that as the ability to pay taxes increases the ability to avoid payment of taxes is also increased. This phenomenon is explainable by the fact that persons in the higher brackets may retain counsel to advise them on the best tax-cost policies for them to follow in their affairs. In addition there are certain leakages in the rate structure which allow certain kinds of income to escape taxes or to be subject to lower taxes than the so-called normal. A few examples of these leakages are the exemption of interest earned on State and local bonds, the exemption of interest upon savings invested by individuals through life-insurance companies, the percentage-depletion provisions for income earned in certain kinds of occupations, the deduction for the taxpayer of a number of personal consumption expenditures, the splitting of family income and family partnerships, and the capital-gains treatment accorded some income. Because of these devices Mr. Randolph Paul, noted tax authority, estimated that the effective rate for taxpayers with earnings above $100,000 is on the average about 45 percent, and maybe even lower.

What this means, of course, Mr. Chairman, is that our progressive tax system is really not as progressive as we sometimes think. Further data in support of this statement can be found in the careful study by Musgrave on the incidence of the taxes prepared for the Joint Committee on the Economic Report and published in the excellent compendium put out by that committee. According to the Musgrave study based upon 1954 income figures, the Federal system is progressive throughout the scale, although the degree of progression appears to be quite moderate over the lower and middle ranges. The addition of a new series of sales taxes to raise an additional $12 billion as contemplated in this bill would have the effect of moderating progression in the lower income range and perhaps causing it to become regressive.

The study of tax burdens on persons in the various income groups cannot be restricted to the Federal taxes alone. Any such study must consider total tax burden and include State and local taxes as well. In the Musgrave study we find that the State and local taxes are distinctly regressive so that the progressive effect of the Federal system is lessened. This tending must be resisted at the Federal level especially because of the announced policy of this present administration to transfer to lower echelons of government responsibilities for services formerly borne by the Federal Government. If the State and local tax burden is increased the compensating progressivity of the Federal system will be needed even more than now. Under these conditions, the increase of the Federal Government excise taxes on such a large scale is extremely dangerous.

Taxes, as we know, Mr. Chairman, are most equitable if levied either on the basis of ability to pay or benefits received. The case in favor of the benefits-received theory would be clearer if it could be established as to who actually benefits from a modernized highway system. Of course, those who view tax legislation merely as a result of a contest among private interests have no difficulty with this problem. The interests concerned are primarily the railroads, the trucks, and the private-car drivers. If the result comes out a heavy tax on trucks, the rails win. If the result is a decision to pay the highway expenses from the general fund, the truckers have won. I am sure I do not have to emphasize that taxes are not that simple.

Sound taxation still demands that consideration be given to the demands of justice, to the economic effects of the taxes, to the ease of administration and compliance, and to the revenue. Even if it is decided that the benefits-received theory should be the basis for tax imposition, we must then be certain we know who benefits. Taxes for duck stamps are used for the benefit of hunters. This can be quite easily established. Social-security taxes are used for protection in our later years. Highway improvement benefits many. The man who did not become a fatality because of better traffic control is a beneficiary. The man who drives to work, and because his ride to work is faster and more pleasant, benefits. The producer whose goods are sped to market more rapidly, causing him to save on transportation and storage costs, benefits. Consumers benefit; all citizens benefit. Any attempt to make those who benefit from highways pay the cost would have to take into consideration many more factors than ton-mile statistics.

In view of the difficulty of validly determining benefits received, I believe that the policy of financing highway-assistance bills from general revenue should not have been so completely abandoned. I fear that the Congress has been too ready to adopt the earmarking principle in order, apparently, to obtain the support of an administration which has shown remarkably little understanding or appreciation for sound taxation principles. The Federal tax system should continue to depend principally on progressive taxes to compensate for regressiveness at lower levels of government instead of abetting this regressiveness through the imposition of additional excise taxes.

Mr. BLATNIK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLATNIK: On page 29, after line 20, insert a new section, as follows:

"SEC. 118. The Secretary of Commerce is hereby authorized and directed to conduct a comprehensive study on all phases of traffic safety, which study shall embrace the causes of accidents on streets and highways, the adequacy of accident records, the economic losses resulting from such accidents, and various factors contributing to the advancement of safey on streets and highways, including, but not limited to, the design and physical characteristics of highways, uniformity of motor vehicle laws and regulations, law enforcement, traffic control, driver behavior, characteristics of motor vehicles, and traffic conditions. The Secretary of Commerce may carry out the authority granted in this section, either independently or in cooperation with any other branch of the Government, State agency, authority, association, institution, corporation, or any other organization or person. For the purposes of carrying out the provisions of this section there shall be available from funds authorized for administrative and research purposes under section 21 of the Federal Highway Act approved November 9, 1921 (42 Stat. 212), as amended, an amount not to exceed $500,000 in fiscal year 1957 and like amounts in fiscal years 1958 and 1959. A report setting forth the results of such study, together with recommendations concerning measures which may be taken to assist in eliminating such accidents or reducing their frequency and severity, shall be transmitted by the Secretary of Commerce to the Congress as soon as practicable, but not later than March 1, 1958, and a final report by or before June 30, 1959."

Renumber the remaining sections of title I accordingly.

Mr. BLATNIK. Mr. Chairman, the number of American men, women, and children killed and being killed on our Nation's highways, roads, and streets is appalling.

Since 1900, more than twice as many Americans have lost their lives in automobile accidents in 56 years than have American soldiers in all wars in the 180 years of our history—since 1776.

In the past 7 years, more Americans were killed and maimed in auto accidents than were soldiers in the entire World War II.

Each year we now continue to kill and maim more Americans than were soldiers in the 2½ years of the Korean war. In fact, except for the gas rationing years of World War II, highway accidents have been killing between 30,000 and 40,000 a year for the past 22 years.

These tragic kills are not only continuing, but do so in steadily increasing numbers.

The recent monthly release from the National Safety Council reports that traffic deaths in February totaled 2,630—an increase of 16 percent over the same month 1 year ago. The March figures continue this trend, and may reach 12 percent over a year ago.

Furthermore, February represented the 12th consecutive month in which traffic deaths have increased over the comparable month a year ago. Unless there is a drastic improvement in the accident situation, this year of 1956 will record the highest traffic death toll in history—surpassing the previous peak of 39,969 fatalities in 1941. At this present rate, 42,000 Americans will be killed this year in traffic accidents, compared with last year's 38,000; to say nothing of the almost 1½ million who will be wounded or crippled, many for life.

In addition to these tragic human losses, the economic losses are nearly $4.5

billion each year—almost double the annual cost of the highway program before us.

The death rate per 100 million vehicle miles of travel, which reached an all-time low of 6.3 in 1954, and moved up a fraction last year, has started to climb for the first time since 1949.

If, as has been estimated, traffic volume increases by 50 percent in the next 10 years, accidents at the present rate will take 55,000 lives a year.

Even when the proposed "up to standard" highways and roads are completed, some 12 years from now, auto fatalities will probably be reduced only by some 40 percent on the interstate network. There are many other accident factors involved, especially the complex "human factor," about which too little is known today. Only further research and study can give us the information necessary from which to develop an effective, broad, long-range, safety program.

I am convinced, Mr. Speaker, that this Congress, in authorizing the investment of billions of dollars in the rebuilding of our highway network—which I earnestly hope it will do without delay—desires at the same time to do everything it properly can to insure the safest possible use of that network by the American public. The attitude of this House on the subject already has been demonstrated, I think, in the enactment, without dissent, of the excellent resolution sponsored by my distinguished colleague from Alabama, Mr. ROBERTS, calling for an investigation of the accident problem by the Committee on Interstate and Foreign Commerce. I am in complete accord with the purpose of that resolution. The amendment I am proposing today would make available for such research competent personnel resources, and additional facts without the necessity for any new appropriations. It also would provide more time for a thorough and comprehensive investigation.

The amendment, which was drafted at my request by the Bureau of Public Roads of the Department of Commerce, makes available for these important studies funds which are authorized for administrative and research purposes in the Federal Highway Act, limiting expenditures for this purpose under the amendment to $500,000 per year for 3 years. In response to my inquiries, the Bureau has assured me that the study is feasible, and that personnel and facilities are available.

I am proud of the fact that my own State of Minnesota consistently has been a leader among the States in the reduction of traffic accidents. It has a good program. But it is still far from good enough. I have been advised by Governor Freeman, who is giving the program dynamic leadership, by my good friend Art Rohweder, the president of the Minnesota Safety Council and others at home that the research which this amendment would make possible is of paramount importance in the development of an adequate safety program.

All recognized national experts and organizations active in highway safety say the same thing—so far as I know without exception. On March 27, 1956, the Research Committee of the Advisory Council to the President's Committee for Traffic Safety adopted a resolution asking this Congress to provide in current highway legislation for such research. With 21 of its 28 members in attendance, this distinguished group specifically recommended that the project be undertaken by expansion of the research activities of the Bureau of Public Roads.

Represented in this committee are major business and industry organizations, highway user associations, virtually all leading safety agencies and institutions, as well as universities active in safety research. This resolution is significant.

It was adopted on March 27, 1956, by the Committee on Research of the Advisory Council to the President's Committee for Traffic Safety, calling upon the Congress to provide in highway legislation an expanded program of safety research by the Bureau of Public Roads.

The text of this resolution was as follows:

It is the consensus of the Research Committee that the Bureau of Public Roads should broaden its current activity in the field of traffic safety research; and further, that this expression be conveyed to the appropriate committee of Congress, and that they be asked to make specific provision for this in current highway legislation, so that traffic safety research may keep pace with the contemplated acceleration in the national highway program.

The chairman of this committee is Mr. Merwyn A. Kraft, director of the department of personnel and accident prevention of the American Transit Association. Other members of the committee are as follows:

Secretary, Charles W. Prisk, Bureau of Public Roads.

S. A. Abercrombie, National Commission on Safety Education.

Earl Allgaier, American Automobile Association.

J. Stannard Baker, Northwestern University Traffic Institute.

Don Blanchard, Society of Automotive Engineers.

Dr. Mark Blumberg, Acting Chief, Health Conservation Section, Department of Health, Education, and Welfare.

Thomas N. Boate, Association of Casualty and Surety Companies.

Dr. Joseph M. Bobbitt, National Institute of Mental Health.

Dr. Leon Brody, New York Center for Safety Education, New York University.

Norman Damon, Automotive Safety Foundation.

Dr. P. N. DeVere, American Optometric Association.

James P. Economos, American Bar Association.

Dr. Theodore W. Forbes, American Institute for Research.

Harold V. Gaskill, representing National Research Committee.

L. S. Harris, American Association of Motor Vehicle Administrators.

Fred W. Hurd, Bureau of Highway Traffic.

A. E. Johnson, American Association of State Highway Officials.

Dr. Colin MacLeod, New York University School of Medicine.

Prof. J. H. Mathewson, Institute of Transportation and Traffic Engineering.

Kenneth G. McWane, Highway Research Board.

Thomas C. Morrill, State Farm Mutual Automobile Insurance Co.

Karl Richards, Automobile Manufacturers Association.

William J. Simon, National Highway Users Conference.

G. D. Sontheimer, American Trucking Association, Inc.

J. C. Stennett, National Association of Automotive Mutual Insurance Companies.

Sidney J. Williams, National Safety Council.

Dr. Fletcher D. Woodward, American Medical Association.

I am advised that 21 of the 28 members of this group attended the committee meeting, and that the above resolution was approved unanimously.

The amendment to the pending Federal highway bill which I have submitted is directed to this worthwhile purpose.

The amendment provides that a comprehensive study shall be made of highway traffic safety problems, and authorizes the amount limited to $500,000 for the next 3 years for this research work, which will be undertaken by the Federal Bureau of Public Roads, in cooperation with the many existing agencies and safety organizations, private, independent, and public.

The purpose of this amendment is merely to provide for further research and coordinating the research activities that are going on, to give us additional facts, now still unknown.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield.

Mr. ROBERTS. I would like to say to the gentleman that the House passed House Resolution 357, which authorizes an overall study by the Committee on Interstate and Foreign Commerce. Your amendment does not conflict with that resolution. In fact, I want to commend the gentleman for his amendment and to say that I will support it. We realize that in this bill which we will pass we will be spending over $50 billion, and the gentleman's amendment would spend about one one-hundred-thousandth of that amount for research. When we realize we are killing 40,000 people a year, and we are crippling more people in 1 year than we have had casualties in all of our wars from the Revolution down through the Korean conflict, I certainly feel the gentleman's amendment has merit.

Mr. BLATNIK. I thank the gentleman for his splendid statement.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield.

Mr. BOGGS. I am sure the amendment has merit, but I am interested in the gentleman's cost estimates on it.

Mr. BLATNIK. The cost estimates are $500,000 per year for 1957, 1958, and 1959, whereupon it is terminated, and the reports of the findings shall be submitted to the Congress.

Mr. BOGGS. But the amount comes out of administrative funds?

Mr. BLATNIK. Yes. These do not come out of these funds. They come out of the administrative and research funds.

Mr. BOGGS. So it would not have any effect on the totals we have set forth in the studies?

Mr. BLATNIK. That is correct.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. BLATNIK] has expired.

Mr. DONDERO. Mr. Chairman, I do not intend to detain the Committee unduly, but it seems to me that the subject that has been discussed by the gentleman in his amendment was before our committee and we considered it at length and concluded that we had enough agencies in the country now studying the subject of safety, and that there was no need for this amendment at this time and the expenditure of more money.

Mr. BLATNIK. Mr. Chairman, will the gentleman yield?

Mr. DONDERO. I yield.

Mr. BLATNIK. These agencies are the ones represented on the President's Advisory Committee, and are the ones who are asking for this Federal participation.

Mr. DONDERO. However, we did discuss this quite fully in our committee.

Mr. FULTON. I would like to ask whether the committee took action, and if so what it was.

Mr. DONDERO. We rejected it.

Mr. BLATNIK. The vote was 14 to 15, because there was no limitation on expenditures. Several members who voted against it at that time said that if there was a limitation on it, such as we now have, they would go along with me.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, insofar as the alinement of highways within a State connecting up with the Federal highway system is concerned, it is my understanding that such is a prerogative of the State; in other words, the various State highway or road commissions determine the alinements of these highways through their respective States.

Will the chairman of the committee comment on that at this point for the purpose of the record?

Mr. FALLON. I will say to the gentleman that all plans of location for highways are first made by the bureaus in the States, in many States the State road commission. The plan then is submitted to the Bureau of Public Roads. Unless there is something wrong in the engineering or something like that it is usually agreed to.

In the case of the interstate system it operates as it has for the past 40 years: It originates in the State, comes to Washington for decision and in the matter of contracts the contracts are made by the State or the highway commission.

Mr. CANFIELD. That is my understanding and the Bureau of Public Roads here in Washington has always made it clear it respects and accepts a State's alinement unless it is patently objectionable and infeasible on engineering and economical grounds.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Tennessee.

Mr. PRIEST. The amendment offered by the gentleman from Minnesota, I feel, is a good amendment. The House very recently authorized and directed a subcommittee of the Committee on Interstate and Foreign Commerce to make a study of safety on our highways. That subcommittee will undertake that job in the near future.

I feel since this has become such a tremendous national problem that the approach made by the gentleman from Minnesota in this amendment is a very sound one. I think it would be helpful to the subcommittee which is to be set up to study it.

I hope the amendment will be adopted.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to know what the gentleman from Maryland can tell us about the impact of this accelerated construction program on the production of cement and steel? Is there the capacity to meet this program without causing serious dislocations in distribution and prices?

Mr. FALLON. I may say to the gentleman from Iowa that before this bill was reported by the committee we had a report of a task force which studied this situation since the Clay report was written. That consisted of interviews with producers, engineers, contractors, and all groups of industry that would produce material needed for this highway; also the availability of engineers and the skilled know-how of contractors. This task force reported to us and has given us assurance that every segment of business and industry that will have to do with the construction of these highways will be available when necessary.

Mr. GROSS. What brought this to my mind is the fact that in the State of Iowa last year the paving program was retarded through lack of cement, and I am wondering what effect this accelerated program will impose upon cement manufacturing facilities in particular.

Mr. FALLON. I might say to the gentleman that in the first 2 years there will not be very much pavement laid. Most of that time will be required in the acquisition of rights-of-way and planing. We have notified the manufacturers and suppliers of this country that we are launching this program and they will be able to set up the necessary equipment so that they can furnish what is needed to carry out the program.

Mr. GROSS. Does the gentleman expect that in the near future cement companies and perhaps steel companies will be asking for rapid tax writeoffs to expand their facilities?

Mr. FALLON. No, I do not expect that.

Mr. GROSS. That would be an additional, indirect charge upon the taxpayers.

Mr. FALLON. I do not think that will happen.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. SMITH of Mississippi) there were—ayes 67, noes 163.

So the amendment was rejected.

Mr. DONOHUE. Mr. Chairman, I earnestly hope that this House will give concentrated study and keen attention to improve, as much as possible, by proper amendment this vitally important Federal highway construction legislation before us and then enact it.

The foremost authorities in the Nation on this problem have all been currently heard in testimony before the House Committees on Public Works and Ways and Means. Unanimously, they have emphasized the absolute need of improving the roads and highways of this country and urged immediate legislative action.

There are 3,343,000 miles of roads in the United States and less than half of these miles are in adequate condition. Of the 672,000 miles that are included in the Federal highway-aid system over 429,000 miles required repairs in November of 1953, according to the American Association of State Highway officials. With the estimated 58 million vehicles on the roads now, which is expected to jump to at least 70 million by 1965, it is obvious that the highway problem is going to become progressively more acute.

There are three fundamentally important factors involved in this overall highway problem, the safety factor, the defense factor, and the economic factor.

With respect to the safety factor, we have already killed more than a million people in 50 years with automobiles. Thirty million more have been injured. Automobile accidents have taken twice as many American lives as we have lost in all our wars. The number injured in traffic accidents is 25 times the number of men wounded in wars since the first Minutemen fell at Lexington, 179 years ago. It would, therefore, be un-Christian, uncivilized, and inhuman to continue to disregard the appalling loss of life and limb to American citizens by any further delay in taking steps to prevent this mounting holocaust on the Nation's highways.

With respect to the defense factor, let us dwell for a moment on what would happen if war suddenly broke out. In this age of the H-bomb there is no longer safety in digging in. It would be necessary to evacute the great industrial cities within range of the Communist air force. How could they possibly be evacuated when, even on a normal peacetime day, our roadways and highways are jammed.

If the bomb ever comes our chances for survival will depend on our mobility, the speed with which we can evacuate these urban areas and the facility with which we can shift our defense forces and get our battered industrial plants back into operation. It is obvious then that if we want to call ourselves truly prepared for any threatening atomic aggression we must promptly improve our highways.

With respect to the economic factor, a huge and sensibly planned increase in road building is necessary if the national economy is to continue expansion

and if the Nation's living standards are to continue upward.

Future highway construction must be planned to serve an economy which the President has estimated will rise to $500 billion worth of goods and services annually within 10 years. At present it is conservatively estimated by the authorities that the lag in highway construction is costing the Nation about $5 billion a year.

In consideration of our progressing economy and this tremendous financial loss, the obvious answer is that we cannot continue to afford to throw away $5 billion annually by failing to provide safe-guarded highways for the more than 70 million motor vehicles that most probably will be on our United States highways by 1965. It is time for action.

Mr. Chairman, a year ago this House rejected a proposed Federal highway bill because of a background of committee jurisdictional dispute, vague and objectionable finance provisions, Senate disregard of Davis-Bacon Act prevailing wage inclusion and the harried and hurried atmosphere surrounding the debate and consideration of the measure.

Happily now the committee jurisdictional uncertainy has been completely adjusted with the cooperation of the House Ways and Means and the House Public Works Committee. In the writing of this present bill both of these committees have worked long and earnestly to place before us the best program possible for the majority of both committees to agree upon.

While I am appreciative of the intense study Committee members devoted to the measure, I earnestly hope that improving amendments and suggestions for a more equitable financing of the necessary revenue will be offered and approved. The recommended imposition of additional sales taxes instead of financing from the general revenue is to my mind of seriously questionable merit, because it would appear to inflict a greater proportionate burden upon the low-income groups than seems just and rightful.

I also earnestly hope and urge that this House will whole-heartedly approve of the retention in this measure of the Davis-Bacon Act formula requiring minimum prevailing wage-rate determinations by the Secretary of Labor to projects on the Interstate System. Any other course would be a shocking denial and repudiation of the established fair labor standards of which we so proudly boast to the rest of the world.

Section 113 permitting Federal funds to be used to pay Federal pro rata share of the cost of utility relocations on any of the Federal-aid systems whenever a State pays for such cost should be analyzed and clarified before any consideration of its acceptance should be extended by this House. It would equitably appear that there is no just or substantial reason why this section should be retained. Basically the money to be appropriated here is for Federal aid to the States for the improvement and completion of the Federal-aid road systems and I believe every taxpayers' dollar so appropriated should be strictly conserved and applied to the purpose for which it is intended.

In summary, the urgent and paramount need for an immediate beginning on the improvement of our national highway system is undeniable. It is unquestionably in the greater interest of the Nation as a whole and for the good of all Americans. Its primary objectives are designed for the safety of American lives, for the security of the Nation, and for the progress of our economy. We should then here this afternoon strive our utmost to agree upon a reasonable and equitable bill, and without further prolonged delay grant it our conscientious approval.

Mr. OSTERTAG. Mr. Chairman, I want to take this opportunity to commend the Public Works Committee and the Ways and Means Committee on having developed a sound highway program. This much needed legislation will provide funds and machinery for an expanded highway program which is so essential to our economy and vital to the safety of our millions of highway users.

Specifically referring to the question of labor standards and the application and effect of the Davis-Bacon Act, I believe it to be fair and proper to retain these provisions in H. R. 10660. In the absence of uniform and sound prevailing wage laws among all the States of the Union, I do not see how we can accept the proposed amendment as offered by the gentleman from Michigan [Mr. DONDERO]. The Interstate System as provided in this program is the responsibility of the Federal Government to the degree of 90 percent of all costs. To open the door for exploitation or disregard to the principles of the Davis-Bacon Act would be most unfortunate. This is a national highway program and we must therefore make certain that no State or section of the country departs from the intent and purpose of the prevailing wage act which has so successfully worked over the years in the use of Federal funds.

Mr. Chairman, I feel compelled to oppose this amendment and support the labor standards provision embodied in H. R. 10660.

Mr. WHARTON. Mr. Chairman, the highway bill now under consideration in the House is undoubtedly one of the most important measures that has been debated before this body during my experience in Congress. It not only provides for an estimated 40,000 miles of improved interstate roads, but also takes into consideration much needed improvements for our vast system of secondary roads. We have been told that the country has 3 million miles of highways, 700,000 miles of which are paved and that 70 percent of the country's economy now moves on our highway system.

Our alarming and ever-increasing death rate of four persons in each hour of the day, plus numerous injury cases of all degrees speaks for itself. The latter, of course, involve lost time, medical and hospital expenses running into the millions of dollars.

It is astounding to learn that reliable surveys show that 25 percent of the operators' gasoline is wasted in congested areas waiting for traffic lights and in traffic bottlenecks. This item alone would justify the present bill which I have computed roughly to cost the average motorist about $10 per year while the person who drives his car very little could count the cost in pennies.

Revenue of $51.5 billion for this 13-year project is to be derived mainly from a 1-cent increase in the Federal gas tax and the funds are earmarked for highway purposes which is a fact that the people of my State have wanted for many years. There are other taxes for heavy trucks which also meets with general approval.

I note that this bill provides for approaches and bridges in connection with the Interstate System and I can think of half a dozen locations in my district that are in urgent need of improvements of that nature at the present time. Then we have community growth and the ever-increasing number of motor vehicles on the highways.

I am not in complete agreement with some provisions of this legislation but the good features in my opinion outweigh its defects.

In supporting this bill in which even a small tax increase of any nature has been most carefully scrutinized, I am frank to say that I intend to continue my efforts toward a reduction in personal income taxes all along the line and the prospective savings to the budget hereunder, will encourage such action in the not far distant future.

Finally I should like to point out that a recent survey in my district has favored a Federal highway bill and the supporting tax by a 2 to 1 margin, and I am happy at this time to be able to support the majority of my constituents by an affirmative vote for this measure.

Mr. ANFUSO. Mr. Chairman, I am going to vote for the highway bill, because the national highway system is needed for our traveling public and also as a matter of defense. I know also that it will be paid for only by those who use our highways. However, these motorists should not be taxed twice, nor should States which proceeded without Federal aid to construct interstate highways meeting Federal standards be now required to support other States which did not show the same initiative.

New York State was one of those pioneering States. It spent more than $1 billion for its State Thruway alone. The distinguished chairman of the Public Works Committee, the Honorable CHARLES A. BUCKLEY, a native New Yorker, knows this, and I admire him for having previously asked that New York State receive a $650 million credit for its highway construction. I am told, however, that the bill's $25 billion appropriation for Federal authorization for new interstate highways did not cover such credits. I know that the Public Works Committee worked diligently for several months to bring out a highway bill acceptable to the Nation, and arrived at a compromise which is found on page 18 of the bill under section 109. This section provides:

It is hereby declared to be the intent and policy of the Congress to equitably reimburse those States for any portion of a highway

which is on the interstate system, whether toll or free, the construction of which has been completed subsequent to August 2, 1947, or which is either in actual use or under construction by contract, for completion, awarded not later than June 30, 1957, and such highway meets the standards required by this title for the interstate system. The time, method, and amounts of such reimbursement shall be determined by the Congress following a study which the Secretary of Commerce is hereby authorized and directed to conduct, in cooperation with the State highway departments, and other agencies as may be required, to determine which highways in the interstate system measure up to the standards required by this title, including all related factors of cost, depreciation, participation of Federal funds, and any other items relevant thereto. A complete report of the results of such study shall be submitted to the Congress within 10 days subsequent to January 2, 1958.

For the time being I shall accept this compromise, but I shall watch carefully that the study is made and soon completed. The people of the State of New York will hold to account anyone connected with this bill who has promised these reimbursements if they are not forthcoming.

Our New York State Democratic delegation in Congress has shown consistency in support of legislation, which is not only good for the State of New York, but for the entire country as a whole. We have never been provincial in the matter of national legislation, but the people of the State of New York who contribute nearly one-fifth of the tax collections of the United States cannot and will not surrender rights and privileges which are inherently theirs. They have no intention of playing Santa Claus. Here are the actual figures:

Internal revenue collections for the entire country in 1954 were $69,920,000,000, of which New York State contributed $13,169,000,000, amounting to 19 percent of the total.

This highway bill will be an issue in the New York State gubernatorial and senatorial elections in 1958, and I will make it such unless the refunds rightfully due the State of New York are made before that time under the declared intention of this bill.

To protect our laboring people from New York State, I wish to also register my opposition to the Dondero amendment, although I have the highest respect for the gentleman who introduced it.

Mr. FLOOD. Mr. Chairman, a quarter of a century ago Congress determined that it would be the policy of the United States to preserve the labor standards that have been achieved in each community in the United States, and that the Federal Government would not be a party in the deterioration of these standards. To accomplish this desirable end Congress passed the Davis-Bacon Act. This act has consistently received bipartisan support. It bears the name of two past Republican Members of Congress and was approved by a Republican President, but it received the support of Democrats and was amended and expanded under a Democratic President. The original application of this act has been expanded under both Republicans and Democrats.

ACHIEVEMENT OF DAVIS-BACON ACT

Briefly, the act has achieved two purposes.

First, it has helped construction workers by assuring that the prevailing rates which they have been receiving in their communities would be paid to them on Federal Government projects.

Second, it has helped contractors by providing for a predetermination of the prevailing wages on contracts, so that they could ascertain the approximate labor costs on Government contracts prior to submission of their bids. This helped in the stabilization of the construction industry and in the achievement of better labor-management relations in industry. The Davis-Bacon Act has thus not only received bipartisan support, but it has been favored by labor as well as by fair-minded contractors.

It also helps the community. Unscrupulous contractors frequently achieve their nefarious ends by importing cheap labor in the communities where higher wage standards prevail. The importation of low-cost labor not only affects the wages of the local workers who would be engaged in the construction contracts, but causes general deterioration of wage standards in the community. Furthermore, workers who are imported to new areas create social and economic problems in the localities where they are working, and frequently become drags on the community when the temporary construction jobs are completed.

We must not allow the extensive federally sponsored interstate highway construction program which we are planning to become a source for disturbing labor standards throughout the country.

MANY PRECEDENTS EXIST FOR APPLICATION OF DAVIS-BACON

I, therefore, believe that the Davis-Bacon provisions must be applied at least to the interstate portion of any highway program which we are going to adopt.

There is nothing new in this proposed legislation. Ample precedent exists for the extension of the Davis-Bacon Act to the interstate highway program. The act has been rightly applied to the Federal Airport Act, School Service and Construction Act of 1950, National Housing Act, urban renewal program of 1954, and many other items of legislation.

Furthermore, we have close to a million blue-collar workers on the Federal payroll. The executive agencies employing these workers are required by act of Congress to review their wages periodically and to assure that wages paid to these Federal employees did not lag behind the wages received by comparable workers in private industry. Now that we are embarking on an extended highway program, I cannot see why we should not apply the same minimal fair and just rules to the men who build our interstate roads, even if the States contribute about a dime on every dollar to the building of these highways.

Indeed, we would be guilty of turning the clock back if we did not apply the excellent and sound provisions of Davis-Bacon to the interstate highway program.

PRESENT LEGISLATION UNREALISTIC

You may ask, but why not leave the regulation of wages in highway construction to the States? This is exactly what we do now. The United States Secretary of Commerce requires that each State determine the rates for skilled, semiskilled, and unskilled workers on federally sponsored highways. We know the results of this system. In some States the required minimum wage is below decent levels and has remained unchanged over the years. Joshua, the Bible tells us, stopped the sun from setting for a few hours, but some of our State highway officials try to improve on this miracle, by trying to stop progress over many years.

Furthermore, wage determination limited to three grades, skilled, semiskilled, and unskilled, is as realistic today as building a bridle path as a means of expediting interstate transportation. Present-day highway construction is a highly complex affair and requires a multitude of skills and occupations. A study of Davis-Bacon rate determination discloses that there are a few dozen distinct and different occupations in the complex business of building a highway.

A realistic wage policy must recognize the distinction between occupations and reward those who do the complex work commensurably with their degree of skill. The decline in the number of skilled workers during recent years has become a matter of concern as far as national policy and national defense are concerned. We must encourage the proper rewards for skills and maintain the differentials between occupations so as to encourage our youth to try to learn more skillful occupations. This means spelling out rates for each job, which is required under the Davis-Bacon Act and ignored under the current Federal Aid Highway Act.

SPURIOUS ARGUMENTS AGAINST APPLICATION OF DAVIS-BACON

The arguments against applying the provisions of Davis-Bacon to the interstate highway program appear to me spurious. They are based upon ignorance, and I am sorry to say, even misrepresentation.

The argument we hear most frequently claims that my proposal would increase costs. This is not correct. It assumes that the Secretary of Labor will not carry out his legal duties. Under the Davis-Bacon Act the determination of wage rates by the Secretary of Labor is guided by rates paid to laborers in similar jobs on comparable projects in the immedate locality. If comparable jobs do not exist in the immediate area, the survey of wage rates is extended as a practical matter beyond the immediate area from which labor will be supplied.

Obviously, this would not increase the cost of labor if contractors would be ready to pay the prevailing rates in each locality. The only way that the application of Davis-Bacon to the interstate highway construction program would increase the cost of labor would be to allow contractors to import low-cost labor to areas where higher rates prevail and thus gain advantage over contractors who pay the established rates in the lo-

cality. But even if this were allowed, I still do not believe that the cutting of wages, causing a deterioration in the living standards of communities, would bring about real savings. In the long run, it will increase costs and multiply problems.

I am also told that opponents of Davis-Bacon argue that the application of the act to the interstate highway program would infringe upon State powers. Now, I yield to no one in opposing the Federal Government's taking over the proper areas of control which rightfully belong to the State. But I have shown that most States have not exercised proper authority in this area and have not passed any realistic legislation. Furthermore, this is a Federal program, sponsored with Federal funds in which the States participate only to a very small extent. It is, therefore, a proper area for congressional action.

It is also argued that the application of Davis-Bacon will add Governmental redtape and delay in the building of our highways. Like the previous argument, this one tries to appeal to our general abhorrence of expanding the powers of Government. But we may as well argue against the inconveniences caused by traffic regulations. The application of Davis-Bacon to the interstate highway program is just that. It prevents the improper traffic of cheap labor and the harmful effects that it brings about locally as well as nationally.

CONCLUSION

In summary, I believe that a modern highway construction program needs modern labor relations and human relations. We should not want to build our highways at the cost of the people who are going to construct them and to harm the communities which the roads are to serve.

I urge that we apply the Davis-Bacon provisions to the interstate highway program.

Mr. PHILBIN. Mr. Chairman, the very able, distinguished, and popular gentleman from Maryland [Mr. FALLON], the chairman of the committee, and his colleagues on the committee have rendered a very distinct, commendable public service in bringing this bill to the floor, and particularly in eliminating the grounds for several substantial objections that have impeded consideration and passage of the measure in the past.

By his skillful, able, parliamentary handling of the bill on the floor the gentleman from Maryland [Mr. FALLON] has greatly accelerated the debate and thus insured speedy, expeditious passage in the House.

I am not entirely satisfied with this bill, but, because of its great importance to the Nation, the States, and the American people, I am constrained to give it my solid support.

The House has settled the principal points of difference and controversy. Public utility and labor questions have been discussed and settled by majority opinion.

I do not like the revenue section of this bill.

The Federal Government is conducted on the basis of paying its expenses out of the general revenue. There are many sound reasons for this practice which I will not discuss now. But I want to emphasize that under our system it has not been the theory or the practice to impose use taxes in order to pay the cost of carrying out national policies, projects, and objectives authorized by the Congress.

This Government has disbursed billions of dollars to foreign nations and these huge sums have been paid out of the general revenue. It has never been proposed that special taxes should be levied to acquire these funds.

The Congress has, over the years, voted billions of dollars to support farm prices and these funds have been paid out of general revenue. The same is true of public power, flood control, reclamation, and a multitude of Federal expenditures, in fact, it is true of virtually every Federal expenditure.

Pending in the House Rules Committee is a bill for school-construction assistance to the States, but there are no use-tax provisions attached to this bill—and, of course, there should not be—which would require that the cost of this worthy program be met out of taxes levied against the parents of the children who will use the schools to be constructed by Federal assistance. These funds will, like the others I have mentioned, come out of general revenue. And that is the way it should be.

Why should this bill depart from the time-honored practice of paying the general expenses of the Federal Government, the cost of authorized Federal purposes, out of general revenue?

It is unfair and inequitable, in my opinion, to put the entire burden, the huge cost, of providing a national road system and improving State roads upon certain selected classes of the people alone.

I can find no validity to this practice in legal precedent, in past practice or in the realm of common justice. So far as I am concerned it is entirely indefensible for the Federal Government and this Congress to load the brunt of this heavy burden on to the straining backs of the automobile owners of the country and their families.

The funds involved are really stupendous—exceeded only by very few Federal outlays. New roads confer a national benefit. They help the entire Nation. They expand and develop every section, every State, every community where they pass. New federally aided roads are undoubtedly a distinct benefit to every man, woman, and child in the country—a great boon and stimulus as well as a permanent improvement of the national well-being and prosperity.

Since new roads benefit all, all should pay for them through their contributions to the general revenue. It is a great injustice, I think, to place onerous use and excise taxes upon limited classes of Americans to pay for the cost of this great national program which benefits the whole country.

Notwithstanding these sincerely felt objections, I am so strongly approving of the purposes of this bill that I will wholeheartedly support it, and I express the hope that it will pass the Congress, be signed by the President and implemented at an early date.

Mr. RABAUT. Mr. Chairman, we are discussing here today a most pressing piece of legislation—the Federal highway bill. It seems to me that too many people are not aware of the absolute necessity of some form of comprehensive, long-range building program. Highways are not merely strips of concrete to be used occasionally. They are, in conjunction with the automobile, the very life's blood of our great Nation. Were it not for highways, we would all probably be crowded into a few coastal cities.

In the last 20 or 30 years, there has been a trend for the average family to move to the suburbs. This has been possible only with the aid of the automobile and adequate roads. The exodus to the country was orderly up to the time of the Second World War. The factories and shipyards brought thousands back to the city. However, with the cessation of hostilities, the movement to the suburbs resumed once again and has grown beyond our wildest expectations. Where do we go from here? The people living in the suburbs must have decent roads as 85 percent of workers living 10 miles from their jobs depend on passenger cars. The farmer must be able to bring his commodities to market. The majority of our roads were built many years ago for light traffic and light vehicles. The neglect of war years, coupled with increased traffic of heavier trucks and cars, makes some of our present highway system as out of date as the horse and buggy. We are literally being strangled by our roads.

In addition to traffic congestion and personal inconvenience, many segments of our economy are being injured by poor roads. One of the most important industries affected by this situation is the automobile industry.

When the automobile industry suffers, the whole country will ultimately suffer. Steel is the economic yardstick, and the automobile industry is the largest purchaser of steel. In 1954, the automobile industry consumed 39 percent of sheet steel. When people stop buying cars because there is no place to drive or park them, it will not be long before countless allied businesses are affected.

We must keep the automobile industry healthy for more reasons than I have time to enumerate. Seventy-three percent of the world's passenger cars are in the United States, paying $4,165,000,000 a year in automobile insurance premiums. To give you some idea of the impact the automobile industry has on our economy, 9,800,000 people are employed in highway transport industries, or 1 out of every 7 people employed in the United States. Think of the trucking concerns, gasoline service stations, and auto repair garages that are dependent on good roads and the automobile industry. Do you know there are 45,704 car and truck dealers in communities throughout the country? In addition to the millions of dollars that pour into the Federal tax coffers, from the automobile, special motor-user taxes contribute 30 percent of total State tax

revenues. Taxes, of one kind or another, take 24 cents of every automobile dollar. The facts listed here are something to think about. The automobile industry is a vital link in the welfare of this country and must have good roads if it is to prosper and grow.

Mr. MINSHALL. Mr. Chairman, the bill before us has much merit, but it also contains marked deficiencies.

When the Committee on Ways and Means reported out title II of the bill providing revenue for these highways, several members of that distinguished committee advised us that we would be diverting approximately $5 billion from the general fund by taking the revenues now received from highway user's excise taxes and putting them in the highway fund. These foresighted members also predicted that the revenue raised by the provisions of title II of this bill would not be sufficient—even with the diversion of this $5 billion from the general fund—to pay for the construction authorized by title I. This is deficit financing.

It was surmised that these two specific deficiencies would require new taxes of an equivalent amount to make up this loss of revenue in the general fund or would prevent the Congress from reducing individual and business taxes by that amount.

It is my firm belief, Mr. Chairman, that after we raise highway taxes to pay for roads, our people will have no patience with any further attempts to increase any other taxes. We must therefore even further reduce general expenditures by the amount of this anticipated loss and advise the public that by enacting this highway bill we have postponed for some time a like reduction in their taxes.

In this regard, I wish to cite the results of a recent opinion poll mailed to over 60,000 homes in Ohio's 23d Congressional District, which I am privileged to represent in the Congress:

Regarding the proposed 40,000-mile interstate highway system, check one:

	Percent
(a) Approve such a highway program and pay for it by issuing Government bonds	28.1
(b) Approve such a highway program and pay for it by increasing the highway user's tax, i. e., gas tax, rubber tax, etc	25.0
(c) Approve such a highway program and finance it with a combination of (a) and (b)	36.7
(d) Oppose any new Federal interstate highway program	10.2

These people who responded to the poll are also of the overwhelming opinion that we should balance the budget and reduce the national debt before granting any reduction in taxes, but as the figures I cite would indicate, the consensus of opinion in the 23d District does not favor the methods of highway financing proposed by title II of this bill.

There are several provisions of title I, the part of the bill which sets forth the conditions under which the road program will operate, that also raise serious questions.

We in Ohio, a State which has just completed a large segment of the Interstate Highway System in the construction of the Ohio Turnpike, question section 109 of the bill, which, in nebulous terms, might reimburse States for highways which are a part of the Interstate Highway System that have already been constructed.

We question other provisions of the bill which we are about to vote.

But, Mr. Chairman, the cardinal question we must consider during our debate on this bill is whether we want a highway bill with deficiencies and questionable features, or whether we will once more tell the American people that there will be no road program of any kind.

The latter alternative is entirely unacceptable. Eighty-four and two-tenths percent of the 23d Congressional District residents last year said they wanted Congress to enact President Eisenhower's interstate highway system program. Only 8.6 percent said they did not want such a program and 7.2 percent professed no opinion.

Questionnaires conducted by my colleague showed similar results: The American people need and want better highways.

Our Committee on Public Works graphically told us why our people want more and better highways in quoting figures to show that 42,000 Americans will be killed on the highways this year and that in addition to these tragic human losses, the economic losses—wage losses, medical expenses, property damage, to say nothing of the temper losses—are nearly $5 billion each year.

There is no doubt that we need better highways. There is no doubt that we should approve the bill before us—even with its deficiencies and questionable features. I, for one, am proud to say that I will vote for this bill on final passage.

Mr. MARTIN. Mr. Chairman, I move to strike out the last word to ask the majority leader what the program for next week is.

Mr. McCORMACK. Mr. Chairman, on Monday House Joint Resolution 501, authorizing participation in NATO Conference will be called up, also H. R. 7500, Commission on International Rules of Judicial Procedure, and S. 2972, crimes and offenses, to damage or destroy aircraft.

If any rollcalls result they will go over until Wednesday.

On Tuesday the Private Calendar will be called. Of course, if any of the bills to which I have made reference are not disposed of on Monday, their consideration will follow on Tuesday.

On Tuesday there will also be considered H. R. 2840, libraries, rural areas, Federal aid. If any rollcall is demanded, that will be postponed until Wednesday on account of primaries.

For Wednesday, Thursday, Friday, and Saturday, there will be the Department of Commerce and related agencies appropriation bill for 1957 and H. R. 8901, to establish a District of Columbia transportation system.

Any further program will be announced later. Conference reports may be brought up at any time.

Mr. MARTIN. I notice the gentleman did not mention one subject that is at the forefront of Congress and the country. I refer to the farm legislation. The gentleman did not make any mention as to when that matter will come up? The gentleman's program does not preclude action if either one of the two committees act?

Mr. McCORMACK. It is not on the program I have announced. Of course, any further program will be announced later.

Mr. MARTIN. The planning is still going on.

Mr. McCORMACK. I understand there are hearings and consultations.

Mr. GROSS. Mr. Chairman, may I ask, What would be the purpose of putting over a vote from Monday until Wednesday?

Mr. McCORMACK. There is a primary in Alabama on Tuesday.

Mr. GROSS. That is scarcely applicable to Monday.

Mr. McCORMACK. If the gentleman were a Member from Alabama and he had a primary, I am sure he would appreciate the fact that we gave consideration to him on that day.

Mr. GROSS. There is one bill I would like to have a roll call on that may come up here on Monday and I would not like to be euchered out of that rollcall. I simply want to make my position clear to the gentleman.

Mr. McCORMACK. I assure the gentleman, as far as the gentleman from Massachusetts is concerned, he would not be any party to euchering.

Mr. GROSS. I will say to the gentleman from Massachusetts that that very thing has happened.

Mr. McCORMACK. But the gentleman from Iowa, I am sure, will exonerate the gentleman from Massachusetts.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. The Rules Committee this morning reported out this rule for a continuation of the transportation system in the District of Columbia which does require very prompt and emergency treatment. I was wondering, and I have conferred with the chairman of the subcommittee, if there would not be time on Monday to dispose of that matter.

Mr. McCORMACK. I would not think so. I imagine that is a bill that many Members would be interested in. There is a lot of criticism about the bill. I noticed, in talking with Members, that there is a lot of skepticism about the bill reported out of committee. I think I programed it very rapidly.

Mr. SMITH of Virginia. What the gentleman says is entirely correct. There is a lot of skepticism about the bill and about any bill that you are going to report on that subject. I was just hoping that we might be able to get it over to the other body so that we could get along.

Mr. McCORMACK. I think in programing it for this coming week I am putting it down as early as possible.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield to the gentleman from Massachusetts.

Mr. HESELTON. I would like to say that a minority report on that particu-

lar bill willl be filed before midnight tonight. Another bill has been filed today, and I understand under the rules will be in order as a substitute bill. I hope there will be no scheduling of the bill so that full consideration cannot be given.

Mr. McCORMACK. I am scheduling the bill after the Department of Commerce and related agencies appropriation bill, and I am scheduling that for Wednesday.

Mr. MARTIN. I want to remind the majority leader of something which I am sure he has in mind, that unless we have this soil bank in by May 15, it will not be as useful to the producers of corn as it might.

Mr. McCORMACK. I am sure if there had not been any veto, the farmers would get $3 billion more this year.

Mr. MARTIN. That is simply a statement of the gentleman from Massachusetts.

Mr. McCORMACK. Well, that is my opinion.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, pursuant to House Resolution 485, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time.

Mr. HOFFMAN of Michigan. Mr. Speaker, I demand the reading of the engrossed copy of the bill.

Mr. Speaker, the reason for the demand for the reading of the engrossed bill was that though there was 5 hours general debate yesterday, I was unable to obtain time, and today during the reading of the bill under the 5-minute rule—and we came in at 10 o'clock when the amendment offered by the gentleman from Michigan [Mr. DONDERO] to strike the Davis-Bacon provision from the bill was under consideration—more than 20 Members were limited to a minute and a half in which to express their views either for or against that amendment by the adoption on voice vote of a limitation of the debate. Nor is today the first occasion that such a procedure has been followed. I realize that some of the Members desire to get away on Thursday, have no rollcalls until Tuesday of the following week, thus being enabled to have what amounts to a 4-day recess. While I sympathize with that desire, when the net result is to deprive Members of a fair opportunity to debate an important bill, a bill which in this case is legislation extending over 13 years and calling for an expenditure of better than $50 billion, I cannot go along. It is my purpose hereafter to take advantage of every parliamentary maneuver which will force a recognition of the right of the individual Member to be heard when proposed important far-reaching legislation is up for passage. I just object to being gagged. I do not believe that the application of a gag will save any time.

The SPEAKER. There will not be any time saved in this process, either.

Mr. HOFFMAN of Michigan. That may be true, Mr. Speaker, in connection with the disposal of this particular bill. However, in the future it is my purpose to try out the procedure of asking for the reading of an engrossed copy before a vote is had whenever, in my humble judgment, the Committee considering a bill denies a fair opportunity for debate. That procedure will in my judgment save time and it will in any event give us better legislation. Mr. Speaker, due to the requests and the pressure exerted and the intimation from my minority leader, his assurance that hereafter adequate debate will not be shut off, I withdraw my request for the reading of an engrossed copy of the bill.

The bill was read the third time.

Mr. ALGER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ALGER. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ALGER moves that the bill be recommitted to the Committee on Public Works for further study.

Mr. FALLON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. FALLON. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 388, nays 19, not voting 26, as follows:

[Roll No. 36]

YEAS—388

Abernethy	Auchincloss	Berry
Adair	Avery	Betts
Addonizio	Ayres	Blatnik
Albert	Baker	Blitch
Alexander	Baldwin	Boggs
Allen, Calif.	Barrett	Boland
Allen, Ill.	Bass, N. H.	Bolling
Andersen, H. Carl	Bass, Tenn.	Bolton, Frances P.
Andresen, August H.	Bates	Bolton, Oliver P.
Andrews	Baumhart	Bonner
Anfuso	Beamer	Bosch
Arends	Becker	Bow
Ashley	Belcher	Bowler
Ashmore	Bell	Boyle
Aspinall	Bennett, Fla.	Bray
	Bennett, Mich.	
	Bentley	
Brooks, La.	Harden	Mumma
Brooks, Tex.	Hardy	Murray, Ill.
Brown, Ga.	Harris	Murray, Tenn.
Brown, Ohio	Harrison, Nebr.	Natcher
Brownson	Harrison, Va.	Nelson
Broyhill	Harvey	Nicholson
Buckley	Hays, Ark.	Norblad
Budge	Hays, Ohio	Norrell
Burdick	Hayworth	O'Brien, Ill.
Burnside	Healey	O'Brien, N. Y.
Bush	Hébert	O'Hara, Ill.
Byrd	Henderson	O'Konski
Byrne, Pa.	Herlong	O'Neill
Byrnes, Wis.	Heselton	Osmers
Canfield	Hess	Ostertag
Cannon	Hiestand	Patman
Carlyle	Hill	Patterson
Carnahan	Hillings	Pelly
Carrigg	Hoeven	Perkins
Cederberg	Hoffman, Mich.	Pfost
Chase	Holifield	Philbin
Chelf	Holland	Phillips
Chenoweth	Holmes	Pillion
Chiperfield	Holt	Poff
Christopher	Holtzman	Polk
Chudoff	Hope	Powell
Church	Horan	Preston
Clark	Hosmer	Price
Clevenger	Huddleston	Priest
Colmer	Hull	Prouty
Coon	Hyde	Quigley
Cooper	Ikard	Rabaut
Corbett	Jackson	Radwan
Coudert	James	Rains
Cramer	Jarman	Ray
Cretella	Jenkins	Reece, Tenn.
Crumpacker	Jennings	Reed, N. Y.
Cunningham	Jensen	Rees, Kans.
Curtis, Mass.	Johansen	Reuss
Curtis, Mo.	Johnson, Wis.	Rhodes, Ariz.
Dague	Jonas	Rhodes, Pa.
Davidson	Jones, Ala.	Richards
Davis, Ga.	Jones, Mo.	Riehlman
Davis, Tenn.	Judd	Riley
Davis, Wis.	Karsten	Rivers
Dawson, Ill.	Kean	Roberts
Dawson, Utah	Kearney	Robsion, Ky.
Delaney	Kearns	Rodino
Dempsey	Keating	Rogers, Colo.
Denton	Kee	Rogers, Fla.
Derounian	Kelley, Pa.	Rogers, Mass.
Devereux	Kelly, N. Y.	Rogers, Tex.
Dies	Keogh	Rooney
Diggs	Kilday	Roosevelt
Dingell	Kilgore	Rutherford
Dixon	King, Calif.	Sadlak
Dodd	King, Pa.	St. George
Dollinger	Kirwan	Saylor
Dolliver	Klein	Schenck
Dondero	Kluczynski	Scherer
Donohue	Knox	Schwengel
Dorn, N. Y.	Knutson	Scott
Dowdy	Krueger	Scrivner
Doyle	Landrum	Scudder
Durham	Lane	Seely-Brown
Eberharter	Lanham	Selden
Edmondson	Lankford	Sheehan
Elliott	Latham	Shelley
Ellsworth	LeCompte	Sheppard
Engle	Lesinski	Short
Evins	Lipscomb	Shuford
Fallon	Long	Sieminski
Fascell	Lovre	Sikes
Feighan	McCarthy	Simpson, Ill.
Fenton	McConnell	Simpson, Pa.
Fernandez	McCormack	Sisk
Fino	McDonough	Smith, Miss.
Fisher	McDowell	Smith, Wis.
Fjare	McGregor	Spence
Flood	McIntire	Springer
Fogarty	McVey	Staggers
Forand	Macdonald	Steed
Ford	Machrowicz	Sullivan
Fountain	Mack, Ill.	Taber
Frazier	Mack, Wash.	Talle
Frelinghuysen	Madden	Taylor
Friedel	Magnuson	Teague, Tex.
Fulton	Mahon	Thompson, Mich.
Garmatz	Mailliard	
Gathings	Marshall	Thompson, N. J.
Gavin	Martin	Thompson, Tex.
George	Mason	Thomson, Wyo.
Gordon	Meader	Thornberry
Granahan	Merrow	Tollefson
Gray	Metcalf	Trimble
Green, Oreg.	Miller, Md.	Tumulty
Green, Pa.	Miller, Nebr.	Udall
Gregory	Miller, N. Y.	Utt
Griffiths	Mills	Vanik
Gross	Minshall	Van Pelt
Gubser	Morano	Van Zandt
Gwinn	Morgan	Velde
Hagen	Morrison	Vinson
Hale	Moss	Vorys
Halleck	Moulder	Vursell
Hand	Multer	Wainwright

Walter	Wier	Wolcott
Watts	Wigglesworth	Wolverton
Weaver	Williams, Miss.	Wright
Westland	Williams, N. J.	Yates
Wharton	Wilson, Calif.	Young
Whitten	Wilson, Ind.	Younger
Wickersham	Winstead	Zablocki
Widnall	Withrow	Zelenko

NAYS—19

Abbitt	Gary	Robeson, Va.
Alger	Gentry	Siler
Burleson	Jones, N. C.	Smith, Kans.
Cole	McMillan	Smith, Va.
Dorn, S. C.	Passman	Tuck
Flynt	Pilcher	
Forrester	Poage	

NOT VOTING—26

Bailey	Grant	Miller, Calif.
Barden	Haley	Mollohan
Boykin	Hinshaw	O'Hara, Minn.
Celler	Hoffman, Ill.	Teague, Calif.
Chatham	Johnson, Calif.	Thomas
Cooley	Kilburn	Thompson, La.
Deane	Laird	Williams, N. Y.
Donovan	McCulloch	Willis
Gamble	Matthews	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Celler for, with Mr. Bailey against.

Until further notice:

Mr. Donovan with Mr. Johnson of California.
Mr. Deane with Mr. McCulloch.
Mr. Chatham with Mr. Teague.
Mr. Haley with Mr. Williams of New York.
Mr. Boykin with Mr. Gamble.
Mr. Miller of California with Mr. Hinshaw.
Mr. Barden with Mr. Hoffman of Illinois.
Mr. Willis with Mr. Laird.
Mr. Thomas with Mr. Kilburn.
Mr. Grant with Mr. O'Hara of Minnesota.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. FALLON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. WESTLAND. Mr. Speaker, in enacting the highway construction bill last week the House of Representatives took a long stride toward making the lives of many Americans safer and more enjoyable.

The prospect of having 80 million cars, a decade hence, jammed together on today's highways was unappealing and frightening. The program we have started will provide a network of improved roads from the interstate to the local level.

In my State of Washington, the Federal Government will be spending $35.1 million in 1957. Primary, secondary and urban roads will receive $11.7 million, which will be matched dollar for dollar by State funds. Highways 99 and 10, our two interstate arteries, will receive $23.4 million plus a 10 percent payment by the State. Highway experts estimate about 4,000 new jobs will be created in my State over a period of the next 13 years. In all, some $498 million will be spent in the State of Washington during the construction period.

I believe one of the salient features of this bill is its provision for more primary and secondary road funds. As the topography of our State and its highway development limit us presently to two interstate highways, much of the beneficial effect of this bill would have been lost without the changes in the State's role. Under the new bill, the States portion of interstate road construction is lowered and the consequent savings can be matched dollar for dollar by Federal money for those roads that our citizens use in traveling from farm to market, from town to home or from town to town.

Our State has done an outstanding job in developing its highway system under the stress of financial limitation prompted by the rapidly expanding need for roads and the slower expansion of the revenue base. We have the best roads, commensurate with construction funds available. Now the State can go ahead with plans for new roads for congested areas and restoration of roads which require expensive renovation projects.

It is my belief that the President's bond-financed program would have been a more sound, better financed, generally superior plan for solution of the highway problem. However, it was obvious that the leadership of the committees which considered this bill would not have brought out another bill had this one been rejected, thus it was this bill or none.

I am not in accord with all of the revenue-producing features of this bill, but I believe in the long run its ultimate benefits will outweigh the poor and in some ways inequitable taxation portions it contains. With this in mind, I joined in support of this measure and am in hope the Senate will see fit to complete early and favorable action on it so our program can be started soon.

Mr. MACK of Illinois. Mr. Chairman, I strongly favor this legislation as it is essential that we have a sound highway system throughout our entire country. It is vital to our commerce and industry, and it is necessary for the Federal Government to take the leadership in developing an adequate system of interstate highways. I have always favored a sound interstate highway system and I have consistently supported all sound proposals to attain this goal. However, I did not feel justified to vote for the highway proposal submitted during the last session of Congress, as the financing provisions of this legislation were not equitable.

I feel that the committee has done a remarkable job in considering this legislation. They have included the best features of the highway proposals and have endeavored to equitably distribute the load to pay for the highway program. They have used extremely sound judgment in including the Davis-Bacon provisions in this legislation as this provision will have a stabilizing effect and will protect the individual communities when the construction program is under way.

Mr. Chairman, our highway system is today entirely inadequate. It has not only contributed to highway accidents but has actually formed a roadblock for commerce throughout the country. This bill with its long-range aspects will eliminate most of the present inadequacies and will contribute much in the further development of our country.

DISTRICT OF COLUMBIA TRANSPORTATION SYSTEM

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 489, Report No. 2075) which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, and all points of order against such bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without intervention of any point of order the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

REFUGEE RELIEF ACT OF 1953

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, last week I introduced a bill which would extend the Refugee Relief Act of 1953. Today I am introducing another bill to do substantially the same thing.

Although the bill I introduce today will do much that the earlier bill will do, today's measure is principally aimed at helping and encouraging those who escape from Communist countries. Its main purpose is to facilitate the entry of those who have escaped or who will escape, and it does this in a number of ways.

It has an important function of showing, by the policy of our country toward refugees, that this country still recog-

nizes her duty to receive those who flee persecution. To further that end, this bill substantially relaxes the requirements for admission of certain refugees, more commonly called escapees, who have fled Communist persecution. It is my hope and prayer that it will not only help those who have already fled, but also those who will flee from Communist persecution in the future. Its passage will furnish encouragement to the peoples behind the Iron Curtain.

It will increase the number of visas which will be issued under the Refugee Relief Act of 1953, and it will enlarge considerably the provisions for adjustment of status of aliens who have heretofore entered the United States as bona fide nonimmigrants.

Provisions for admission of escapees from Communist, Communist-dominated, or Communist-occupied areas would be liberalized in several ways. The allocations of visas for such escapees in different areas would be combined and the total number authorized would be increased from 45,000 to 50,000. These escapees would no longer be subject to the requirement that they must produce assurance from citizens of the United States that they will be suitably employed and housed without displacing other persons.

The allocation of visas for Italian refugees would be increased from 45,000 to 65,000, and for Greek refugees, from 15,000 to 25,000. An additional 1,500 orphan refugees would be admitted, and the age limit for eligible orphans would be raised from 10 years to 12.

To prevent the separation of families, not more than 1,000 refugees who are afflicted with tuberculosis would be admitted to this country. To avail himself of this exception, an alien would have to be a member of a family group consisting of qualified applicants for visas under this act, and arrangements would have to be made to insure that he would not become a public charge or endanger the public health.

Aliens who have heretofore entered this country as bona fide nonimmigrants would be given a new opportunity to apply for adjustment of status until June 30, 1957. The deadline for entrance into this country in order to qualify for such adjustment is changed from July 1, 1953 to July 1, 1954. Adjustment of status would be permitted even if the alien has not continued to maintain the status in which he entered the United States. The number of adjustments authorized would be increased from 5,000 to 10,000.

I call upon the Congress to give early and favorable consideration to this bill.

ON ISRAEL'S EIGHTH ANNIVERSARY

Mr. MULTER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEOGH] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEOGH. Mr. Speaker, it is a privilege and an honor to have this opportunity to join with my colleagues, even though belatedly, to congratulate the people of Israel on the occasion of the eighth anniversary of their independence and establishment of state.

All of us realize how important it is for the security of the free world that democracy be established on a firm and secure basis in the Middle East. But such felicitations would be an empty gesture, indeed, if we ignored the day-by-day developments affecting the security and defense of Israel, the only democracy in that part of the world.

I do not have to emphasize how important peace is not only for the Middle East but for the whole world. But I think that we should take a long, slow look at the latest statement from Moscow on the Egypt-Israel situation. In my judgment, we have to be very careful not to relax just because Moscow has changed its tone at this time. This is not the first time the Russians have tried to take advantage of our desire for peace for a maneuver that they might convert to their own benefit. In spite of the fact that Russia has been trying for centuries to get into the Middle East, this is the first time that they might succeed unless we wake up to what they are doing.

The immediate danger of conflict may have been halted by the Kremlin's statement, but nothing has been changed in the conditions that brought Egypt and Israel to the brink of war. The Russians are still furnishing deadly offensive weapons to Egypt. Only a few days after the statement the press reported the delivery of Czech torpedo boats to Cairo. The Egyptian army now has time to complete its training in the use of Communist torpedo boats and Communist jet fighters and bombers.

There is a kind of parallel in the Middle East today to the Communist pattern that we saw in Korea. At that time it took about 7 months between the delivery of Communist jet MIG fighters and their first appearance on the Korean battlefront. If that timetable is being followed in the Middle East, it means that the greatest danger of war in the Middle East will come this summer. It could mean that the Kremlin's decision to call for the maintenance of the boundaries between Israel and Egypt is nothing more than a stall for more time in which to train the Arabs. This may be of a piece with Moscow's concern over the Arab refugees, for whose relief they have not contributed a single penny.

There is considerable danger that in our eagerness to see nothing but good in the Russian move, we shall hold back from Israel the arms and planes she must have for her defense. We must not allow this to happen. If we are really determined to keep the peace in the Middle East, then now is the time that we should be sending to Israel the jet planes and antitank weapons that will make her strong enough to prevent war. Egypt will not gamble on war if she knows that Israel has the weapons to defend herself.

We know that Israel wants peace as much as we do. We have had ample evidence to convince even the most skeptical persons that when Israel says she wants peace, she means it. We have also had enough evidence that Egypt backed by Communist weapons is the aggressor in the Middle East. There have been times in the last 8 years when Israel had the military power to end the border war that the Arab States were waging against her. But the people of Israel, like ourselves, are a peace-loving people, who want to be allowed to continue without interference the amazing progress they have made since 1948.

Israel needs peace to build the only free democratic nation in the Middle East and to keep it strong. But the truth of the matter is that unless we help Israel to buy the arms she needs to defend herself against the Communist-trained forces of Egypt, there will be war, not peace, in the Middle East. Unless the present administration shows by its actions that it will not stand by and let Israel be undermined by Communist aggression, we shall lose the respect and confidence of the free nations all over the world.

We cannot gain that respect by such action as the report last week that we gave our approval to Japan to sell munitions to Syria. That report says that we have approved the sale, but under controls that would limit Syria to using this ammunition for defense. Syria is a military ally of Egypt. Her guns are trained only on Israel and she has said that she intends to use them to prevent Israel from digging a canal and from fishing in the Sea of Galilee. I would like to know very much how we propose to control Syria's use of this ammunition once she has it.

Time has begun to run out in the Middle East and we can no longer delay in granting Israel's request to buy defensive arms to divert war without endangering our own national interests as well as those of Israel. Egypt stirred up trouble for France in North Africa and played a leading part in the trouble in Jordan that led to the ousting of General Glubb. Egypt has been trying in every way possible to force the United States into turning its back on Israel.

While Communist jet planes and torpedo boats are being delivered to Cairo and while our own country gives permission for Cairo's ally, Syria, to buy howitzer shells and other ammunition, Israel's request to buy arms for defense is still kept on the waiting list. Apparently this administration is not afraid of an arms race where Syria is concerned, but suddenly dreams one up when Israel makes her request.

Today Israel stands in the way of a dictator's ambition to dominate the Middle East. Israel stands in the way of an invasion of communism in the Middle East. Israel is fighting our battle in the Middle East. On this eighth anniversary of Israel, we shall be letting ourselves down if we let Israel down. We, as well as Israel, are on the spot today, and the free world is waiting to see what action we will take.

FISHERIES POLICY BILL

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, I have spoken on this floor on numerous occasions concerning the difficult problems which beset the tuna fisheries of the United States, 70 percent of which lie in my district of San Diego. Many of these same problems face the other great sea fisheries of the Nation in the Pacific Northwest, the Gulf of Mexico, the South and Middle Atlantic area, and in New England.

Since the problems are general to the fishing industry of the country, it is likely that their solution must be general also and applicable to all of it. With this in mind, and in consultation with a number of my colleagues from other coastal districts, I prepared and introduced on January 3 a bill (H. R. 8001) which was designed to meet these needs. Twenty-five of my colleagues from eight States introduced identical bills on succeeding days.

In this legislation we sought to do these things:

First. State a clear and comprehensive policy for the fisheries of the country on behalf of the Congress which could act as a guidepost to the Executive.

Second. Erect in the executive branch of the Government an agency on the policymaking level which would have the primary responsibility for carrying out this policy, and

Third. The granting to this new agency of sufficient functions so that it could carry out and implement this policy.

We did not think that the fishing industry could be brought back into being a thriving, prosperous branch of the economy overnight or by a single piece of legislation, but we did hope by this means to reverse the tide that was sweeping this oldest of all industries in the country toward economic destruction.

H. R. 8001 and the 25 companion bills served most admirably the purpose of stirring up interest in this subject in the administration, in the Congress, and in the fishing industry itself. All of the fishery trade journals have editorialized on the subject and had articles about it for the past 3 months. The Fishing Gazette in particular has conducted an extensive inquiry among all the branches of the fishing industry and for the past 2 months has been publishing the results of its findings.

During February Senators MAGNUSON and KUCHEL introduced legislation—S. 3275—in the Senate which had similar objectives, but sought to meet them in somewhat different ways. The Senate Interstate and Foreign Commerce Committee held extensive public hearings on S. 3275 between March 19 and 24. As a result of those hearings, Senator MAGNUSON prepared a quite new bill which he caused to be printed as a committee print on March 30 as a substitute for S. 3275.

This new bill was circulated broadly throughout the fishing industry, and expert opinion from every section of the country has been obtained upon it. I am reliably informed that there is a high degree of unanimity of thought in the industry that this new formula will meet the needs of the whole fishing industry about as well as any single piece of legislation can do.

Accordingly, Mr. Speaker, I am most pleased to join with many of my colleagues from other coastal districts in introducing similar legislation today. In doing so I wish to thank all of those Members who joined with me early in January in stimulating interest in this subject by introducing companion bills to my H. R. 8001 and to compliment those Members of the Senate and House who have been working on this subject for the thoroughly bipartisan approach which all of them have brought to this problem.

PROPOSAL ALLOTS $55 MILLION FOR KANSAS ROADS

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD concerning legislation approved today, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I am inserting at this point in the RECORD a newspaper article that appeared in the Wichita Eagle, Wichita, Kans., under date of April 22. It was written by the Washington reporter of the Wichita Eagle Bureau, Mr. William P. Helm. Mr. Helm is one of the highly respected members of the press. He has a reputation for care and accuracy in the preparation of his news articles.

It is observed this statement is also a carefully prepared one. It indicates the manner in which Kansas would fare under the legislation that has just been approved by the House. It is observed Kansas gets a small share of the total allocations provided under this legislation as compared with other States indicated in this article.

Of course, there was no opportunity to amend the present bill to adjust allocations. I hope when this legislation is considered in the other body, Kansas will be treated more equitably.

WASHINGTON, April 21.—For Kansas, approximately $55,988,000 in Federal grants has been allotted for roads and highways in the 2-year period starting July 1, next.

The Eagle correspondent was given this figure today by the House Committee on Public Works which has just approved a $51 billion highway bill to be acted on by the House next week. The House figure differs from that which would be provided under the Senate-passed Gore bill of last year, but the difference is not substantial on an annual grant basis.

Here, according to the House figures, are the Federal grants the 2 fiscal years to Kansas by road classifications:

Primary Federal-aid highways, $8,272,000 each year.

Secondary roads, $5,799,000 each year.

Urban highways, $1,797,000 each year.

Interstate Highway System, $24,252,000 for the 2-year period.

Under the House bill, Kansas would have to match the first three allocations named above dollar for dollar. In other words, Kansas would have to put up the sum of the three, or $15,868,000 annually, in order to get those Federal grants.

The interstate allotment would be on a 90–10 basis, the Federal Government contributing 90 percent of the cost and the State 10 percent. To match Uncle Sam's $24,252,000 grant over the 2 years, the State would have to put up $2,695,000.

THIRTY-THREE MILLION DOLLARS

For the 4 separate headings the State's matching funds would amount approximately to $15,686,000 a year for 2 years plus $2,695,000, or a total of $33,431,000.

On that basis, road and highway construction in the State would be financed approximately to the extent of $55,988,000 in Federal funds and $33,431,000 in State funds, or a total of $89,419,000 over the 2-year period; an average annual construction program of nearly $45 million for Federal-aid construction alone.

Because of a new apportionment formula embodied in the House bill, Kansas will be far down the list of States when it comes to grants for the interstate system. Over the 13-year life of the program, fiscal 1957–69, the State would receive Federal grants totaling $220,942,000 for the interstate system alone, according to House figures furnished this correspondent.

Not a great deal of the proposed interstate system is in Kansas. Much more is in certain other States, Eastern and Midwestern plus California. Those States would receive far greater interstate-system grants over the 13 years.

Here, for instance, are some of the proposed grants:

Kansas, $220,942,000.

California, $2,477,535,000.

Illinois, $1,136,985,000.

Michigan, $1,382,752,000.

New Jersey, $1,449,780,000.

New York, $1,427,438,000.

Ohio, $1,452,263,000.

Nearby States would receive the following Federal grants, under the House bill, for the interstate system within their boundaries over the 13 years:

Missouri, $638,002,000; Oklahoma, $402,165,000; Nebraska, $114,195,000; Colorado, $166,327,000; Iowa, $295,417,000; New Mexico, $250,732,000; Texas, $930,938,000.

FORMULA

The wide divergence among these proposed allotments is due, it is explained to your correspondent, because of the new apportionment formula contained in the House bill. The Senate-passed bill retains the present formula.

Present formula of apportionment is based on 3 factors: Population, 4 parts out of 6; area of the State and its postroad mileage, 1 part each. The ratio of apportionment is the State's share, in each factor of the total as related to the entire country.

That formula is retained in the House bill so far as the primary, secondary, and urban highways and roads are concerned.

For the interstate system—the bulk of the $37 billion grant, or $25 billion will be for the interstate system—the formula proposed in the House bill is a so-called "needs" formula. That it considers the needs of each State for interstate system construction according to interstate system mileage within the State, and the needs of the entire country. Each State would be allotted its proportionate share of the money according to its needs as compared with those for the country as a whole.

DISSATISFACTION

This arrangement already has contributed to sharp differences among the various State delegations in Congress. Those receiving small allotments in some cases point to the lavish contributions to be made certain other States and are voicing varying degrees of dissatisfaction over the method proposed for dividing up the grant.

The feeling probably will be more sharply demonstrated in the Senate when the House

bill reaches that body. The apportionment formula promises to be one of the chief bones of contention between House and Senate in adjusting differences and a modification may result when the bill goes to conference. Such a modification, it is said in Senate circles, would be aimed at giving a larger share of interstate system grants to States now marked to receive relatively small shares.

There are other points of differences between Senate and House bills which would have to be adjusted. The former calls for a 5-year program, the latter for 13 years. Adjustment can be made probably without much trouble, Senate informants tell this correspondent.

When the bill comes to the Senate, the Finance Committee will assume jurisdiction, under present planning. The committee will consider the tax provisions of the House bill alone, it is now planned. The other provisions, setting the authorization, the time of the program, conditions of the grant and so on, may be considered by the Senate Public Works Committee and may be modified and made a part of the Finance Committee report to the Senate.

They may not, however. It is entirely possible, according to Senate sources, that the Finance Committee will report its recommendations as to taxes and strike out all provisions of the House bill, substituting the provisions of the Senate-passed Gore bill. In that way the measure could go to conference. It can hardly go to conference otherwise (unless the Finance Committee embodies changes of the Senate Public Works Committee in the report to the Senate) under a quirk in the Constitution that requires all tax legislation to originate with the House.

TECHNICAL ISSUE

As the House bill provides for taxes—the Senate bill does not—it must bear a House bill number, according to present rulings of parliamentarians. Otherwise it is open to attack on unconstitutional grounds. The Gore bill bears a Senate number, S. 1408. Ordinarily the House would use that number, striking out the text of the Gore bill and substituting the text of the House bill. But a tax bill, it is held tentatively, cannot bear a Senate bill number.

Therefore, unless the situation is changed, the House would be debarred from taking the Senate bill number and asking for a conference with the Senate, it is held, immediately after passage of the House bill.

This is a parliamentary gimmick that calls for solution and none other than courses outlined above has occurred as yet to those in authority.

General belief here is that the House will enact the House bill, probably late next week or early in the week following. In the Senate, public hearings probably will be held by the Finance Committee on the tax and debt provisions with attacks from some quarters on both regarded as certain.

In the end, it is believed, there will be highway legislation at this session of Congress. But Senate acceptance of the House bill in all its provisions is regarded as doubtful. A compromise seems more likely.

TERRITORY OF ALASKA

Mr. BARTLETT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 234) to authorize the Territory of Alaska to incur indebtedness, and for other purposes.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is requested to return to the House of Representatives the enrolled bill (H. R. 4781) to authorize the Territory of Alaska to incur indebtedness, and for other purposes. If and when said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing said bill shall be deemed rescinded; and the Clerk of the House is authorized and directed, in the reenrollment of said bill, to make the following correction: In section 4 of the bill strike out the figure "$12,500,000" and insert in lieu thereof the figure $20,000,000."

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CALENDAR WEDNESDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week and the following week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ADJOURNMENT OVER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

JAPANESE COMPETITION IN THE TEXTILE FIELD

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, with leave to extend my own remarks in the RECORD, I am asking consent to include therewith a news item from Fall River, Mass., dated April 23, dealing with the liquidation of a textile mill employing 400 persons in that city:

MARTIN CONFIRMS LUTHER MANUFACTURING CO. MAY BE LIQUIDATED

FALL RIVER, April 23.—Lester Martin, president of Luther Manufacturing Co., today confirmed a report the plant was running out stock in process and probably would be liquidated.

Liquidation, Mr. Martin said, is contingent on whether or not assurance is given from Washington that some relief will be had from Japanese textile imports.

Such assurance must be announced before May 15, Mr. Martin said at his New York office, to avoid liquidation of the plant.

Furthermore, he said, he had failed to receive an answer to two letters written the Secretary of Commerce on the Japanese import situation. The Luther Manufacturing Co. employs 400 operatives. Mr. Martin said it was impossible to compete with Japanese wages of 17½ cents per hour.

Mr. Speaker, I deem it my duty to call the attention of the House once again, as others have done, to the fact that the textile industry of the United States is being liquidated because of fabric and apparel importations from low-wage foreign nations.

The most recent concrete evidence of this most alarming situation comes in the above press report from Fall River, Mass., where the management of the Luther Manufacturing Co. confirmed that the mill is running out stock in process and probably will be liquidated.

Liquidation, according to the plant's ownership announcement to the public, is contingent on whether or not assurance is given from Washington that some relief from the impact of Japanese textile imports will be forthcoming. To avoid the permanent closing of Luther Manufacturing Co., such assurance must be announced prior to May 15, the officials of the firm said.

We are informed, moreover, that the company's owners had failed to receive, as of the 25th of April, any reply to two letters addressed to the Secretary of Commerce with regard to the Japanese import situation. In other words, official Washington apparently stands idly by while a plant which employs some 400 men and women and which has provided jobs in a New England community more than a half a century moves toward the brink of liquidation.

The present management, which has owned and operated Luther Manufacturing Co. for 10 years, states that it is impossible to compete with Japanese wages of 17½ cents an hour.

It should be perfectly obvious, Mr. Speaker, that no company geared to American wages and operating costs, and paying American prices for raw materials, can go on trying to compete indefinitely with the products of an oriental industry which pays Asiatic wages to people who operate western-type machinery and can buy American-grown cotton, or American-type fiber, at firesale rates.

What is happening to the Luther Manufacturing Co. of Fall River is a tangible, tragic warning of what is already happening throughout this country's textile manufacturing industry—even though it is a more gradual and more insidious slow death for the majority.

Imports of velveteen from Japan are now supplying 70 percent of the domestic United States market for that fabric. Japanese producers are taking 30 percent of the cotton-blouse market and about 30 percent of the gingham market. This does not mean, Mr. Speaker, that a corresponding amount of American machinery and employment is lopped off suddenly. Instead, managements try to shift their production to other lines, different kinds of products. Thus the impact of unfair foreign competition is spread out, adding to the burdens and troubles of other manufacturers. But the time is bound to come, as in the case of Luther Manufacturing Co., when a breaking point is reached.

A year ago, when the Congress renewed the Reciprocal Trade Agreements Act, it did so with the understanding and intention of preventing hardship to a basic industry such as textile manufacturing. It did so with assurance from the White

House itself that no American industry would be forced to suffer injury from concessions or decisions made under the reciprocal-trade program.

But even at that time, Mr. Speaker, Japan was being handed a gilt-edged invitation by our Government and by the General Agreement on Tariffs and Trade to help herself to the home markets of the American textile industry. Japan still has that invitation. With the textile tariff structure all but demolished as a result of GATT actions at Geneva last year, Japan is in a position to take over as much, or all, of the United States cloth and apparel market as she wants, and when she chooses.

This is an intolerable situation, which unless corrected can lead only to the needless ruin of an industry basic to our national economy. And I say, Mr. Speaker, that it is a stupid situation, the result of a foreign economic policy which invites the products of low-wage industries overseas to be funneled into the United States, the one region of plenty where they are least needed, while bypassing the areas of scarcity where goods made by cheap labor are desperately needed.

In my opinion, the Congress should see to it that the administration and its agencies of international economic policy, such as the State Department and GATT, take positive steps toward bringing sanity into the foreign trade policies and programs of this Government.

My deep conviction is, also, that the Congress should move promptly to establish a sound, reasonable and workable system of quota controls to regulate the inflow of goods from abroad when any major industry of our country is in serious jeopardy.

TRANSIT LEGISLATION

The SPEAKER. Under previous order of the House the gentleman from Massachusetts [Mr. HESELTON] is recognized for 30 minutes.

Mr. HESELTON. Mr. Speaker, yesterday the following statement was made publicly:

> If the Congress falls for the lobbying of the Capital Transit Co., even in the interest of campaign contributions, it will do a great disservice to the people of the District of Columbia.

In my considered judgment that statement should never have been made by anyone who was not able and willing then and there to support it with wholly credible evidence.

It so happens that I have today filed a bill dealing with mass transportation in the District of Columbia, which I intend to offer, if I am recognized, and if it is in order, as a substitute for the bill which has been reported by the Committee on Interstate and Foreign Commerce, of which I am a member. I could not accept the responsibility for having filed that bill or the minority report I intend to file before midnight tonight, in the light of that statement made publicly, if I did not disassociate myself from it emphatically and completely and if I did not express my conviction that there is no foundation whatsoever for the statement and that it should have been recognized that it would have been interpreted as a reflection upon fine, decent, and honorable Members of this body whom I respect and whom I will defend on any occasion if any other statement is made here on the floor of the House or elsewhere to that effect.

When I asked for this special order, I intended to discuss the bill I have filed, which is H. R. 10871, the minority report I intend to file today and certain other factors I believe are relevant and important in connection with the consideration of H. R. 8901, as reported by the Committee on Interstate and Foreign Commerce, which is scheduled for House action next Wednesday.

However, I think this statement of mine should stand by itself. I hope that those who are interested in a possible alternative to H. R. 8901 will send for a copy of H. R. 10871 and of the minority report. If it seems necessary or advisable to discuss the bill or the report or other factors bearing upon the problem before us prior to Wednesday, I shall ask for another special order early in the week.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HIGHER INTEREST RATES—RAISING DISCOUNT RATE BY FEDERAL RESERVE BOARD AGAINST PUBLIC INTEREST

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, on Tuesday, April 17, I took the floor to speak critically of the Federal Reserve's drastic interest rate increase approved April 13. For the benefit of my colleagues who were not present at the time I would like to repeat my earlier warning and call upon the Federal Reserve to stop the interest rate spiral before it is too late.

FIFTH RAISE IN YEAR

What are the likely effects of this Federal Reserve action going to be? Is it what the Board has publicly stated it hopes to get? Or is it more likely to produce higher costs, curtail expansion, and thereby increase the inflationary danger? I stated in my original remarks on the floor of this House that I doubted whether the Board's action would accomplish what they set out to do. I was therefore interested to learn that similar doubts are being expressed elsewhere. For example, the current issue of Iron Age—April 26—has a lead editorial titled "It Isn't Necessarily So," which points out that all the previous discount rate increases—this is the fifth raise in the past year "did not check inflation nor did they affect borrowing."

As the editorial notes:

> The Board's move makes it more expensive for the regular everyday businessman to carry on.

It is the small-business man, as the editorial observes, "who usually has a tough time in any period; who has to pay more now to carry what he considers is a proper inventory loan."

In this connection I might point out that the typical interest rate on small business bank loans in the East, prior to this latest Federal Reserve action, was 6 percent.

For the information of my colleagues I am including in the CONGRESSIONAL RECORD the full text of the Iron Age editorial:

IT ISN'T NECESSARILY SO

Everyone hopes—and many people assume—that the recent move of the Federal Reserve Board will be successful. The latest boost in the discount rate on loans to member banks is the fifth such action in the past year.

The theory is that by making it costlier to get a loan there will be less borrowing and perhaps a check on inflation. Federal Reserve people have been worried privately about the increase in debt for some time. These sudden increases in the discount rate are the combined result of the Board's anxieties.

Since the "Fed" isn't—and never should be—what we would called sacred, let's look at the other side of the picture. We can recall that all the discount rate raises did not check inflation nor did they affect borrowing.

It takes a lot of money to keep the economy going. Marginal borrowing may be discouraged but the Board's move also makes it more expensive for the regular everyday businessman to carry on.

Take the case of the small-business man who usually has a tough time in any period; he has to pay more now to carry what he considers is a proper inventory loan. Also, he must pay more when he borrows for legitimate needs.

At present we are in one of the biggest industrial expansion periods in history. Every major business, it seems, is expanding in order to make more products, eliminate shortages and supply what the trade wants—or thinks it needs. This expansion in various industrial areas is increasing capacity—a move that in itself is essentially anti-inflationary.

But all these businesses—large and small—must now pay more for expansion money. And those who use their credit to buy things that keep industry going will also pay more because of the Board's action.

The point here: it isn't necessarily true that what the Board is doing will have the effect it hopes to get. It is entirely possible that these increased rates will produce nothing more than higher cost money for those must expand and carry on their businesses.

Mr. Speaker, in my original remarks I also pointed out that there were a number of weak sectors in the economy which belied the threat of runaway inflation pictured by the Federal Reserve Board.

WHERE IS THE INFLATION?

I called attention to the steady decline in new housing starts since the first quarter of 1955. I pointed to the weak demand for automobiles. Since then the weakness in automobile demand has been aggravated. The New York Journal of Commerce on April 23 states:

> Car producers feel that the car market has been suffering from the tight-money policy

of the Federal Reserve which is aimed at checking inflation. * * *

Car makers insist that credit conditions are sound in auto financing. They point to the extremely small number of repossessions as indications that buyers can well afford to buy cars. * * *

It would not be easy to convince executives of Studebaker-Packard Corp. that the auto industry's big problem at present is fighting inflation. Studebaker-Packard is fighting to survive in a keenly competitive market.

Mr. Speaker, Studebaker-Packard has recently been turned down by the bankers for needed capital. What is the use of our passing antimerger legislation when repeated doses of Federal Reserve hard-money policy leaves many independent companies with no other way out but to merge?

In addition to these weaknesses which I said contradicted the Board's picture of inflation I wish to point out certain other facts which suggest that the tight-money policy is restricting economic growth. The Federal Reserve Board's industrial production index for March 1956 stood at 142 of the 1947–49 base. This was below the 143 plateau of the last 6 months and was no higher than September 1955. But since September 1955 business has been investing at record rates in new plant and equipment. They have been steadily expanding productive capacity month after month. This sharp rise in plant and equipment spending took up much of the slack resulting from the tight money cutbacks in housing and autos. But now, although productive capacity has increased, production is lower than it was 6 months ago. This means that our resources are not as fully employed as in the latter part of 1955. In other words it was evident in March before the Federal Reserve tightened up that the result of such action might be to produce a rise in unemployment and adverse business conditions. But the Board apparently was willing to run this risk in order to maintain the fiction of stable prices.

ADEQUATE CREDIT NOT AVAILABLE

Our economy is being starved for adequate credit. Through February 1956 the money supply had increased only 1 percent over the previous year. The maintenance of full employment calls for economic expansion. We cannot expand unless the Federal Reserve permits more growth in the money supply. Instead the Federal Reserve has chosen the opposite course. It has raised interest rates in the expectation that this will curtail bank lending. Some expansion projects have been deferred recently. We may see a repetition of the 1953 recession.

Mr. Speaker not all groups will suffer from this latest Board action. Indeed some will profit handsomely. I call attention to the following quote from the weekly letter of the Aubrey G. Lanston Co., which describes the bonanza yields from United States Treasury securities. Think of it—yields as high as 5.10 percent on riskless Government securities. As bond prices fall these yields will go still higher. And since Government securities set the floor to interest rates all other borrowers will have to pay far higher money costs.

THE BANKERS IN THE KNOW

Mr. Speaker the banks, mainly the big ones, who are in the know will make millions on the fluctuations in bond prices and on the higher interest rates. Small country banks may not do so well. They are somewhat far removed from the New York Federal Reserve Bank—the center of open market operations—and do not get the signals as quickly as the big eastern banks.

INTERENT RATE INCREASE RACKET

The parodoxical situation with respect to rising money rates and falling Government bond prices is reflected in the confused behavior of bank stockholders. The April 23 issue of the Journal of Commerce, which I include in the CONGRESSIONAL RECORD, explains this paradox and in the process reveals some interesting facts which may serve to enlighten my colleagues about this interest rate increase racket.

[From the New York Journal of Commerce of April 23, 1956]

BANK STOCKS—BOND LOSS FEARS REPRESS PRICES

(By Ed Tyng)

Rising money rates are focusing attention upon the bank stock market, which paradoxically persists in going down or barely holding its position when, by all the rules of investing, it should be rising to new highs. Last week's bank stock market could best be described as "dismal."

Current increases in interest rates, sequels to the fifth round of higher rediscount rates, are going to mean millions of dollars of increased gross and net incomes to the Nation's banks. In fact, the changed money market is going to lift bank profits to a new historical high, and probably will result, later this year, in some higher dividends.

BUYING POWER LACKING

Yet bank stocks act, marketwise, like proverbial cats and dogs; buying power is lacking; there is some selling in thin markets, and no matter how good the news the bank shares just cannot rally.

The explanation is more interesting than the paradox.

What is happening is that bank stockholders, and particularly those who hold, buy, and sell large blocks of such shares, cannot see the forest for the trees. Their eyes are focused not upon the gross and net incomes but upon the bond losses higher money rates bring.

TWO FIELDS OF ACTIVITY

The banking business is primarily concerned with two fields of activity: lending money and investing in securities. When loan demand is high, banks do more lending and less investing. When credit demand is light, they invest heavily.

Today all bank stockholders can see in rising money rates is the depression such an occurrence produces in the Government and corporate bond market. This, in their view, means bigger writeoffs on investments.

That it also means higher profits which eventually will provide the funds for the writeoffs is overlooked.

There are something more than 200,000 directors of commercial and savings banks in this country, and each is circulating actively as an individual bear argument on the stock of the bank of which he is a director. Many of these directors also are on boards of investment companies and insurance companies which, like banks, have security losses to write off (and also the higher income rises in the costs of money bring).

TALE OF WOE BUILT UP

As these directors circulate, the cumulative tale of woe that is built up is enough to frighten those who do not pay so much attention to the mechanics of the money market and the banking business.

The facts of life in the banking business, which should be learned by every bank stock investor, is that operating income of banks, rising to new highs every quarter—and promising to take a big leap forward in the second quarter of 1956—is what counts both as regards market value and as to dividends.

What may be won or lost in a given quarter on Government securities or on tax exempt State or municipal and corporate bonds is a side issue.

The reasons, upon analysis, are quite obvious:

1. Losses do not have to be taken, even though good accounting may require a reserve against them to be set up from earnings. Whether securities are sold at a loss depends upon the advantages that may accrue to a bank in the form of tax credits (the Government pays 52 percent of all losses) and the advantage that may accrue from reinvesting the money at a higher rate which will spell higher current operating income in the future.

2. In most banks losses and profits on securities are handled through surplus or undivided profits or reserve accounts, which means that they do not figure in earnings.

3. Losses do not have to be permanent. If they are not taken in a given period they will be made up in future years. Today there is a widespread feeling, particularly among country banks, that they cannot win as a result of the various steps taken by the Federal Reserve banks to tighten credit.

The point is that as soon as Federal Reserve objectives are attained and money turns easier, portfolio losses of banks on bonds will be regained, while current income from interest on loans and yields of investments will turn downward.

As conditions are today, the bank stock market is one of the most shellshocked segments of the investment market and can see no further than its nose, which has almost lost the capacity to smell.

I would counsel my colleagues that they heed the advice given here and focus their attention on the "millions of dollars of increased gross and net income that the current increases in interest rates are going to mean to the Nation's banks."

FEDERAL RESERVE NOT REVIEWED IN 40 YEARS

The time has come for Congress to look into the credit control policies that have been introduced by the administration and the Federal Reserve in the past 3 years. I call attention to the fact that we have not reviewed the Federal Reserve in 40 years. The Federal debt is 10 times the size it was 20 years ago. The liquidity of a great many financial institutions is tied into the Federal debt and the prices of Federal securities.

The Federal Reserve is operating under regulations and employing practices that reflected the conditions of the 1920's and the 1930's. Our economy is vastly different today from what it was 20 years ago. New institutional arrangements have sprung up, particularly the increased role of consumer credit. Life insurance companies now control vast amounts of savings—their investment policies strongly affect the money market. Mr. Speaker, the Federal Reserve instruments which include the rediscount rate, reserve requirements, open

market purchases moral suasion, and the like all need to be reassessed in the light of present-day requirements of the American economy. Delay may result in unpleasant consequences. It is urged that a congressional commission be appointed to look into the whole debt and credit picture and to subject the Federal Reserve System to a complete and thorough audit. I am inserting an article from the April 23, 1956, New York Times, as follows:

CONGRESS URGED TO START STUDY TO UPDATE OLD POLICIES ON CREDIT

A congressional commission to study the problems of credit control created by the economic, political, and social changes of the last 20 years is proposed in a bulletin titled "A New Approach to Credit Control." Dean G. Rowland Collins, director of the Institute of International Finance of New York University, and Dr. Marcus Nadler, research director, suggest the study.

Federal Reserve authorities formulating credit policies must consider the obligations imposed on the Government by law to prevent a sharp decline in business activity and widespread unemployment, the bulletin says. There are indications, it declares, that the controls at the disposal of the Federal Reserve are inadequate to cope with the problems confronting it.

Despite the sharp changes that the economy of the United States has undergone, the major laws and regulations on which the activities of the system are based are governed by economic and social conditions that prevailed in the 1930's, the bulletin says.

The Federal debt is 10 times the figure of 20 years ago and the liquidity of financial institutions and business corporations today relies primarily on short-term Government obligations, according to the bulletin. The Treasury is faced with the weekly roll-over of bills as well as the problem of refunding other obligations that constantly mature.

Regardless of the degree of independence of the Federal Reserve System, these refunding operations have an impact on the credit policies of the Reserve authorities, the bulletin says.

The Reserve authorities have no power over the lending and investing policies of life insurance companies, the bulletin continues. It says the investment of life insurance reserves has a strong impact on the capital and mortgage markets.

The credit policies of the Reserve have little influence on the activities of the savings and loan associations, except that a tight credit policy may make it more difficult for them to warehouse mortgages with commercial banks. Mutual savings banks are subject to little influence by general credit control, the report says.

Sales finance companies have been able to counteract a Federal Reserve policy of credit restriction by offering easier terms on purchases of automobiles and other durable consumer goods.

Were it not for the record increase in consumer debt and home mortgages, the credit restrictive measures that the Reserve imposed last year could have been milder in form and less adverse to those segments of the economy that were not booming, the bulletin asserts.

A congressional investigation, the report says, should consider the present system of commercial bank reserve requirements, the discount and open market policies of the Federal Reserve System, the restoration of Federal Reserve power to control consumer installment credit, and the strengthening of its powers to regulate real estate credit.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HINSHAW, from 1:15 o'clock p. m. today for the balance of the day, on account of urgent family matters.

Mr. MCCULLOCH (at the request of Mr. MCGREGOR), for today, on account of serious illness in immediate family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. HESELTON for 30 minutes today.

Mr. HOLIFIELD on Monday for 30 minutes.

Mr. DORN of South Carolina on Monday next for 60 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. MCGREGOR to revise and extend the remarks he expects to make in the Committee of the Whole today and include certain charts and graphs.

Mr. POWELL (at the request of Mr. MULTER) and to include extraneous matter.

Mr. FLOOD.

Mr. RAINS (at the request of Mr. FORRESTER) and in each to include a speech.

Mr. FULTON (at the request of Mr. FORRESTER).

Mr. FASCELL and to include extraneous matter.

Mrs. HARDEN and to include a newspaper editorial.

Mr. BOW (at the request of Mr. MARTIN) and to include an editorial.

Mr. CANNON and to include extraneous matter.

Mr. SHEEHAN (at the request of Mr. MARTIN) and to include extraneous matter.

Mr. DAVIS of Wisconsin (at the request of Mr. MARTIN) and to include extraneous matter.

Mr. VAN ZANDT (at the request of Mr. MARTIN) and to include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table, and under the rule, referred as follows:

S. 977. An act to amend title 28, United States Code, with respect to duties of judges of the United States Court of Claims; to the Committee on the Judiciary.

S. 2202. An act to authorize the Secretary of the Interior to enter into an additional contract with the Yuma County Water Users' Association with respect to payment of construction charges on the Valley division, Yuma reclamation project, Arizona, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2705. An act to authorize the Philadelphia, Baltimore & Washington Railroad Co. to construct, maintain, and operate a branch track or siding over Second Street SE., in the District of Columbia; to the Committee on the District of Columbia.

S. 3025. An act to amend paragraph (2) of subdivision (c) of section 77 of the Bankruptcy Act, as amended; to the Committee on the Judiciary.

S. 3295. An act to amend the act of April 28, 1953, relating to daylight saving time in the District of Columbia; to the Committee on the District of Columbia.

S. 3498. An act to extend the authority of the American Battle Monuments Commission to all areas in which the Armed Forces of the United States have conducted operations since April 6, 1917, and for other purposes; to the Committee on Foreign Affairs.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6162. An act to provide for longer terms of office for the justices of the supreme court of Hawaii and the circuit courts of Hawaii;

H. R. 6227. An act to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests;

H. R. 6573. An act to authorize renewals of a lease of the Annette Island Airport to the United States;

H. R. 6703. An act to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska;

H. R. 8334. An act to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic games;

H. R. 8942. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Theatre Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes;

H. R. 8959. An act to permit articles from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes; and

H. R. 9078. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 2,500 officers and members.

BILLS AND A JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 6162. An act to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii;

H. R. 9078. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 2,500 officers and members;

H. R. 10754. An act to authorize the Honorable SAM RAYBURN, Speaker of the House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines; and

H. J. Res. 457. Joint resolution for the relief of certain relatives of United States citizens.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 54 minutes p. m.), under its previous order, the House adjourned until Monday, April 30, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1795. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation entitled "A bill to amend the District of Columbia Traffic Act, 1925, as amended"; to the Committee on the District of Columbia.

1796. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to authorize the Secretary of the Interior to convey to Indian tribes certain federally owned buildings, improvements, or facilities on tribal lands or on lands reserved for Indian administration"; to the Committee on Interior and Insular Affairs.

1797. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated December 29, 1955, submitting an interim report, together with accompanying papers and illustrations, on a survey of harbors and rivers in southwestern Alaska submitted in partial response to the authority for a preliminary examination and surveys of harbors and rivers in Alaska in the interest of navigation, flood control, hydroelectric power, and related water uses, authorized by the Flood Control Acts approved June 30, 1948, and May 17, 1950. It is also submitted in final response to the authority for a preliminary examination and survey of upper Evichak River, Alaska, authorized by the River and Harbor Act approved March 2, 1945 (H. Doc. No. 390); to the Committee on Public Works and ordered to be printed, with five illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HESELTON: Committee on Interstate and Foreign Commerce. Part 2, minority views on H. R. 8901. A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes (Rept. No. 2034). Referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.; without amendment (Rept. No. 2074). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 489. Resolution for consideration of H. R. 8901, a bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes; without amendment (Rept. No. 2075). Referred to the House Calendar.

Mr. PRESTON: Committee on Appropriations. H. R. 10899. A bill making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2076). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHMORE:

H. R. 10870. A bill to amend the Agricultural Adjustment Act of 1938 with respect to cotton acreage allotments; to the Committee on Agriculture.

By Mr. HESELTON:

H. R. 10871. A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BERRY:

H. R. 10872. A bill to provide for extension of the time during which annual assessment work on unpatented mining claims held in certain portions of the United States may be made, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. COON:

H. R. 10873. A bill to recognize and confirm the authority of arid and semiarid States relating to the control, appropriation, use, or distribution of water within their geographic boundaries, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CRAMER:

H. R. 10874. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. COOLEY:

H. R. 10875. A bill to enact the Agricultural Act of 1956; to the Committee on Agriculture.

By Mr. POAGE:

H. R. 10876. A bill to enact the Agricultural Act of 1956; to the Committee on Agriculture.

By Mr. DAVIS of Wisconsin:

H. R. 10877. A bill to amend sections 204a and 216 of the Interstate Commerce Act, so as to provide that shippers may designate the routing of property transported by motor carriers in cases where two or more through routes have been established, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL:

H. R. 10878. A bill to amend the Refugee Relief Act of 1953 to extend for 1 additional year the period during which visas may be issued thereunder, to increase the number of such visas which may be issued to certain classes of refugees, to permit the admission (subject to adequate safeguards) of certain aliens afflicted with tuberculosis, and for other purposes; to the Committee on the Judiciary.

By Mr. GATHINGS:

H. R. 10879. A bill to amend the Agricultural Adjustment Act of 1938 to provide a 2-price system for rice for 2 years, and for other purposes; to the Committee on Agriculture.

H. R. 10880. A bill to amend the Agricultural Adjustment Act of 1938 with respect to acreage allotments for rice and the reestablishment of the United States historic share of the world rice market; to the Committee on Agriculture.

By Mr. HAGEN:

H. R. 10881. A bill to amend the National Housing Act, as amended, to assist in the provision of housing for essential civilian employees of the Armed Forces; to the Committee on Banking and Currency.

By Mr. HOLMES:

H. R. 10882. A bill to provide for protecting Soap Lake, Wash., in connection with the Columbia Basin project, Washington; to the Committee on Interior and Insular Affairs.

By Mr. KLEIN:

H. R. 10883. A bill to amend an act entitled "An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes," approved June 29, 1938, as amended; to the Committee on the District of Columbia.

By Mr. MURRAY of Illinois:

H. R. 10884. A bill to amend chapter V of the Servicemen's Readjustment Act of 1944 to extend the period during which World War II veterans may obtain guaranteed loans; to the Committee on Veterans' Affairs.

By Mr. RAINS:

H. R. 10885. A bill to amend section 404 of the Housing Amendments of 1955 to facilitate the acquisition by the military departments of housing covered by mortgages insured under the military housing insurance program; to the Committee on Banking and Currency.

By Mr. THOMPSON of Louisiana:

H. R. 10886. A bill to amend the Agricultural Adjustment Act of 1938 with respect to acreage allotments for rice for 1957 and 1958, to correct certain inequities in such allotments for 1956, and to reestablish the United States historic share of the world rice market; to the Committee on Agriculture.

By Mr. THOMPSON of Texas:

H. R. 10887. A bill to amend the Agricultural Adjustment Act of 1938 to provide a 2-price system for rice for 2 years, and for other purposes; to the Committee on Agriculture.

H. R. 10888. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. YOUNG:

H. R. 10889. A bill to amend the Trading With the Enemy Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. PRESTON:

H. R. 10899. A bill making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the General Court of the Commonwealth of Massachusetts memorializing Congress to pass legislation preserving to the States the right to enforce legislation against treason, sedition, and subversive activities; to the Committee on Un-American Activities.

By the SPEAKER: Memorial of the Legislature of the Virgin Islands, memorializing the President and the Congress of the United States relative to bill No. 236 adopted by the Legislature of the Virgin Islands on April 23, 1956; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIS of Massachusetts:

H. R. 10890. A bill for the relief of Lawrence K. Palder; to the Committee on Veterans' Affairs.

By Mr. DAVIS of Wisconsin:

H. R. 10891. A bill for the relief of Col. Jack C. Jeffrey; to the Committee on the Judiciary.

H. R. 10892. A bill for the relief of Mrs. Gisela Martin; to the Committee on the Judiciary.

By Mr. DEROUNIAN:

H. R. 10893. A bill for the relief of Beddo Terzian; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 10894. A bill for the relief of Giuseppe Calabro; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 10895. A bill to authorize the advance on the retired list of 1st Lt. Nicholas Mainiero, United States Marine Corps Reserve (retired), to the grade of captain; to the Committee on Armed Services.

H. R. 10896. A bill for the relief of Teruko Iwamoto Bartoll; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 10897. A bill for the relief of Francesco Pizzo; to the Committee on the Judiciary.

By Mr. RAYBURN:

H. R. 10898. A bill for the relief of Mr. and Mrs. Randall McMahon; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

962. By Mr. BUSH: Petition of Williamsport Typographical Union, Local No. 141, Williamsport, Pa., protesting the continuance of the 20-percent amusement tax imposed upon the entertainment industry, and urging its repeal; to the Committee on Ways and Means.

963. By Mr. CRETELLA: Resolution of the Connecticut Society of the Sons of the American Revolution, urging return to gold standard; to the Committee on Banking and Currency.

964. By Mr. HENDERSON: Petition of William A. Daugherty, president, and James Burden, secretary, Ohio Glass Workers Protective League, Newark, Ohio, expressing the opposition of the league to H. R. 5550 which would authorize United States membership in the Organization for Trade Cooperation, and instead to bring the General Agreements on Tariffs and Trade before the Congress of the United States in accordance with the treatymaking provisions of the Constitution; to the Committee on Ways and Means.

965. By Mr. HORAN: Petition of P. L. Houts and four others of Spokane County, Wash., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

966. By Mr. MORGAN: Petition of Mrs. E. M. Caseber and 123 other residents of Houston, Pa., and surrounding communities in support of legislation to prohibit the transportation of alcoholic-beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

967. By Mr. SHORT: Petition of H. E. Hurlbut and other citizens of Wright County, Mo., urging immediate enactment of a separate and liberal pension for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

968. By Mr. VORYS: Petition of 45 residents of Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

969. Also, petition of 20 residents of Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

970. By the SPEAKER: Petition of the assistant city clerk, Los Angeles, Calif., recommending passage of H. R. 10660, relating to highway construction; to the Committee on Public Works.

EXTENSIONS OF REMARKS

Statement by Cecil Harden on Farm Bill

EXTENSION OF REMARKS
OF
HON. CECIL M. HARDEN
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Friday, April 27, 1956

Mrs. HARDEN. Mr. Speaker, my personal viewpoint on the farm bill sponsored by the majority party and vetoed by President Eisenhower is contained in the following statement published April 11 on the front page of the Attica (Ind.) Ledger-Tribune. The preliminary remarks were written by that newspaper's publisher, Mr. Don Montgomery. The statement follows:

STATEMENT BY CECIL HARDEN ON FARM BILL

The following telegram was received from Congresswoman CECIL M. HARDEN who not only expresses her own opinion of the pending farm bill but the opinion of many others who have followed this bill closely. The statement follows closely the opinion of Governor Pyle, of Arizona, who addressed the Hoosier State Press Association, last Saturday noon in Indianapolis. The telegram follows:

"LEDGER TRIBUNE,
Attica, Ind.:

"The House just passed the catch-all farm bill approved by House-Senate conferees. I voted against it after first voting to recommit it to committee with instructions to delete most harmful sections.

"I am convinced this bill is a bad bill, that it would hurt Indiana farmers and that the President will veto it if it passes the Senate in the form approved by the House.

"The bill is undoubtedly attractive to the commercial wheat interests in the West, to corporation-size farms and to the big cotton growers in the South. It would be of no help to the family farmer in the 6th Indiana District.

"The Democrats, who control this Congress, deliberately held up action on farm legislation for 15 months. Because of this delay, the good features of the bill, particularly the soil bank, could not now be placed in operation in time for this year's crop season in the Midwest.

"Today's action proves that the interest of the Democrat leaders of this Congress lies not in solving the farm problem but in keeping the farm issue alive for use on election day. They are depending on a Presidential veto. I doubt that Indiana farmers will be misled by these tactics.

CECIL M. HARDEN."

Salute to Capital Airlines and Its Loyal Employees on the Capital Team

EXTENSION OF REMARKS
OF
HON. JAMES G. FULTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, April 27, 1956

Mr. FULTON. Mr. Speaker, on April 26, 1956, one of America's foremost airlines celebrated its 29th anniversary. Hearty congratulations on this happy occasion, and best wishes for the continued success of this fine organization.

Capital Airlines began its first scheduled operation April 26, 1927, over a 127-mile route from Pittsburgh to Cleveland. Its home base was at Bettis Field, Pittsburgh, an airport that then was little more than cleared pasture land. The fleet of airplanes that this airline operated consisted of three single-engined open-cockpit Waco biplanes.

In those early days passenger business was not solicited. Airmail was the chief source of revenue to all the fledgling airlines. But as aircraft became larger and faster, with comfortable cabin accommodations, travelers began to take advantage of this new type of travel.

Capital Airlines' routes expanded slowly at first. During the 1930's, when air travel began to increase in popularity, Capital spread its system map east and west and south until today close to 6,000 miles of airlanes make up this great company.

Although Capital is noted for many innovations throughout its long history, two events are outstanding contributions to the development of commercial aviation. The first was the introduction of the low-fare aircoach to domestic scheduled travel in 1948.

The second major event was the lead Capital took in bringing the jet age of commercial air travel to United States air transportation. Today Capital Airlines is the only United States airline to fly jet-prop transport airplanes.

The fleet of jet-prop Viscounts serving Capital's routes has brought a new concept in flight to America. This is one of the chief reasons why Capital's 29th anniversary carries such significance. The Viscounts have launched a new era of air transportation promising air travelers more comfort, more speed, and greater dependability than ever before.

Capital Airlines is particularly fortunate in its top-flight management team: Mr. George Hann, chairman of the board, a prominent forward-looking attorney of Pittsburgh, Pa.; President

James H. "Slim" Carmichael, under whose administration Capital Airlines has made such excellent progress; and his assistant, Jennings Randolph, former Congressman from West Virginia. Congratulations to these men on their fine leadership of the Capital team, and congratulations to the employees on their courteous, efficient, and safe air service.

Federal Assistance Is Needed To Deal With the Pockets of Unemployment That Here and There Mar the Nation's General Industrial Prosperity

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, April 27, 1956

Mr. VAN ZANDT. Mr. Speaker, one of the major problems still pending before this Congress is that of providing Federal assistance to depressed areas which represent pockets of unemployment despite the fact that our Nation is enjoying a period of unparalleled prosperity.

As the representative of the 20th Congressional District of Pennsylvania where pockets of unemployment exist, I appeared before the House Banking and Currency Committee, April 26, 1956, in support of my bill, H. R. 8223, designed to provide Federal assistance to depressed areas.

My statement follows:

STATEMENT BY HON. JAMES E. VAN ZANDT, OF PENNSYLVANIA, APRIL 26, 1956, BEFORE THE HOUSE COMMITTEE ON BANKING AND CURRENCY REGARDING THE NEED FOR FEDERAL ASSISTANCE TO DEPRESSED AREAS

Mr. Chairman, it is a pleasure to have the opportunity of appearing before this committee in support of legislation to provide Federal assistance to depressed areas.

As you probably know, over a period of several years I have sponsored legislation on this subject. However, today I am appearing in support of my bill, H. R. 8223, which I introduced on January 9 of this year. In my opinion, H. R. 8223 is an improvement over the bills I introduced previously in the 83d Congress and during the first session of this Congress.

H. R. 8223 is a bill to assist areas to develop and maintain stable and diversified economies by a program of financial and technical assistance and for other purposes. In a few words, the bill provides a $50 million revolving fund for making loans in areas of substantial and persistent unemployment for industrial development projects worked out on a local level and approved by the State.

The loans would be used for (a) preparing land for industrial use; (b) constructing new factories; and (c) modernizing old factories. In addition, a fund of $1½ million would be authorized to provide technical assistance, including studies evaluating the needs of and developing potentialities for economic growth in such areas.

My interest in legislation of this type stems from the fact that I represent a congressional district in Pennsylvania whose economy is dependent upon the coal and railroad industries. Years ago substitute fuels and modernization of railroads gave indications that unemployment would result in these two basic industries. World War II and the Korean war simply postponed the day of reckoning. However, following World War II and until the Korean conflict, unemployment became a vexing problem with the Korean war absorbing the unemployed until a truce was declared.

Since the end of the Korean war, the stark specter of unemployment again began to rear its ugly head and for a period of over several years 18 percent of our employables were unemployed with the result that the United States Department of Labor classified my congressional district in group 4–B because of having a very substantial labor surplus. This condition brought hardship and suffering to thousands of good Americans.

During the period when my congressional district was classified in group 4–B, thousands of my constituents were forced to exist on unemployment insurance and when their eligibility for such benefits expired, they were compelled to rely on public assistance. To supplement the small benefits received through the public assistance program, thousands of them received surplus commodities and it may be of interest to you to know that at one time nearly 30 percent of the residents of my congressional district were eligible to receive surplus food. Words are inadequate to explain the hardship and suffering caused by this unemployment.

Mr. Chairman, I am happy to report that we have experienced a marked recovery in my congressional district to the extent that unemployment varies between 6 percent and 8 percent of our employables. This unemployment can mostly be found in one of my counties whose basic industry is coal. It truly represents a pocket of unemployment that is distressing in its effects.

At the present time, over 36,000 of the residents of this particular county or about 40 percent of the total population are eligible and are receiving surplus commodities. This is truly a blighted area that is in need of the assistance that would be provided under my bill, H. R. 8223.

While there are smaller areas in my congressional district that represent pockets of unemployment, yet I want you to know that every single community in my congressional district faced with unemployment organized, some years ago with my assistance, an industrial development committee.

These committees were financed by the local citizens who, in addition to cash contributions, gave freely of their time and effort to bring new industries to their communities as a means of providing employment.

These industrial development committees have been instrumental not only in attracting new industries to my congressional district but by their activities and their faith in the future have created an atmosphere of hope and confidence with the result that in the last 2 years existing and new industries have increased the industrial capital investment in that area by over $100 million. These industrial development committees are to be commended for the leadership they have provided in trying to solve the unemployment problem.

Mr. Chairman, our experience in the central Pennsylvania area has convinced us that we cannot do this job alone. If we are going to lick these little depressions that stem from pockets of unemployment, we need State and Federal assistance in coordinating our efforts.

Already the Commonwealth of Pennsylvania has enacted a $5 million industrial-development program to aid communities in their efforts to attract industry. All that is left to be done is for Congress to implement the State action by enacting my bill H. R. 8223, which will provide Federal assistance to distressed areas.

Mr. Chairman, the people whom I represent are good Americans, thousands of whom have suffered as the result of distress in the coal and railroad industries. Modern-day progress in these two industries brought about this distress. By the facts that I have given you, my constituents without Federal or State financial aid have given of their own money as well as their own time and effort to lick this economic problem. As I have stated, some progress has been made down the long, hard road but they need a helping hand to attain their objective.

Mr. Chairman, in concluding this statement and speaking for the people of my congressional district, if this Congress will enact a program similar to the program contained in my bill, H. R. 8223, I am confident that economic stability will be restored to the blighted areas of my congressional district and these little depressions resulting from pockets of unemployment will be a thing of the past.

While not all of the communities have been successful, we can point with pride to the fact that hundreds of new jobs have been created in the central Pennsylvania area through community effort.

Outstanding in the effort is the city of Altoona, Pa., where through the Altoona Enterprises, Inc., a subsidiary of the Altoona Chamber of Commerce, to date 10 new industries have been secured representing employment for 3,500 persons with an increased annual payroll for the area of approximately $15 million.

The $750,000 contributed by Altoona residents to finance this effort represents contributions on the part of a cross section of Altoona's population. In addition, it was necessary to borrow funds from the local banks. At this moment, the Altoona group has exhausted its borrowing capacity and this is a specific instance where my bill, H. R. 8223, will be of assistance.

Besides praising Altoona, Pa., I should like also to commend Curwensville, Coalport, Clearfield, DuBois, Tyrone, Philipsburg, Martinsburg, and Houtzdale, because these communities are also pulling themselves up by their own bootstraps.

Even though the unemployment situation has improved, we still have pockets of unemployment that cannot be ignored; hence, we have a long, hard road ahead of us to build a stable and diversified economy capable of meeting the menace of unemployment.

The Republican Candidates and Union Labor

EXTENSION OF REMARKS
OF
HON. TIMOTHY P. SHEEHAN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, April 27, 1956

Mr. SHEEHAN. Mr. Speaker, on Saturday, April 21, I had the privilege of delivering the principal address at the luncheon meeting of the Young Republican Organization of Illinois, which had assembled at the La Salle Hotel in Chicago, for its annual convention. Under leave to extend my remarks, I include the text of my address, which was as follows:

In spite of the fact that there are still many problems which the Republican administration has to resolve, no one can gainsay the fact that during the 4 years of Republican administration the country has reached its greatest heights of prosperity, peace has been attained, and we have not been involved in a shooting war. In every

direction, we have been making great progress—economically, socially, and in welding our own people together.

Even with prosperity, peace and progress, and with the great popularity of President Eisenhower, there is grave question in many minds that the cumulative effect of all these factors might not be enough to capture control of the next Congress. From a review of the actions of the present 84th Congress, none of us can labor under the delusion that the Democrats will support President Eisenhower's policies. The Democrats only support Mr. Eisenhower's policies when it suits their political advantage, otherwise they are diametrically opposed to him and his program, even though they pay lip service to the principle that they want to support the President.

Knowing this audience is composed of people who are ready, willing, and able to carry a message to the people, I feel it is necessary to talk to you about a phase of the coming election which most politicians and citizens would like to forget about. It is a problem which confronts the Republican Party and all Republican officeholders, and is the opposition to the Republican Party and Republican principles voiced and carried out by union labor spokesmen. Naturally, I am speaking from the standpoint of a resident of Illinois and of the industrial North. I am speaking of the very real problem confronting us whereby labor union leaders distort the truth by means of hoodwinking the labor union workers about the Taft-Hartley Act. And here I want to strongly emphasize that I am speaking only of labor union leaders. By no means are my remarks here today aimed at the rank and file of union membership, because over the years it has been proven that when the working people go to the polls they vote as Americans, supporting the best qualified candidates and keeping in mind the general welfare of the country.

The majority of union labor leaders knowingly try to sell the proverbial "bill of goods" by promoting the false idea that only the Democrats are friends of the working people. When I note the firm grip that labor union leaders like Walter Reuther and James Carey have on the Democrat political leaders, I have grave misgivings regarding the motives of these few men, as it seems to me that they are personally more interested in achieving political power and in taking over control of the Democratic Party than they are in the welfare of labor.

However, in all fairness, it must be noted that some union labor leaders do not follow the herd. Dave Beck, president of the International Brotherhood of Teamsters, in February said he thought organized labor should not get into politics any more than is absolutely necessary on issues confronting it in the economic fields. Maurice Hutchinson, of the International Brotherhood of Carpenters, said that neither political party has "the labor vote sewed up." He stated (February 17, 1956) that "labor will not latch onto the shirttails of any political party in 1956," and further said, "the Democrats have more people in favor of antilabor legislation than the Republicans."

If the majority of union labor leaders were interested in disseminating the truth, they would not continue to hoodwink the rank and file of union workers about the Taft-Hartley Act. They would not continue telling their members and the voters to defeat Republican candidates for the Legislature and to elect Democratic candidates on the promise that the Democrats will repeal the Taft-Hartley Act.

Let us look at the record. The Democratic Party, since the passage of the Taft-Hartley Act back in 1947, has continually promised to have it repealed. You do not have to be reminded that in the Democratic Party platform and in the Democratic campaign speeches of 1948 and 1952, they promised to "tear the Taft-Hartley Act out of the books." I do not have to remind you that in the congressional and senatorial elections of 1950 and 1954, you heard practically every one of the Northern industrial Democratic legislative candidates promising to repeal the Taft-Hartley Act.

Since the passage of the act, the late Senator Taft, various labor unions, and also the general public have recognized that some changes in it were necessary and called for, and on two separate occasions the Republican leadership has considered enacting some of these proposed amendments to the law. On both occasions the solid block of Democratic votes has stopped enactment of those needed revisions. Such action by the Democrats makes it clear that they are willing to sacrifice the best interests of labor in the mistaken belief that the Taft-Hartley Act will provide them with a continuing campaign issue.

On the first occasion, in the 81st Congress, when amendments to the act were presented on the floor of the House in the Wood bill, 193 Democrats voted against the proposed improvements to the law, while nearly every Republican voted to pass them. In 1954, when amendments were considered in the Senate, every Democrat voted for recommittal. The recommittal motion carried, thus killing any chances of improveing the law in that session of Congress. Here again, I should like to point out that almost every single Republican Senator voted in favor of those proposed amendments. During that session, extensive hearings on amendments to the Taft-Hartley Act were conducted by the House Education and Labor Committee, but after noting the action in the Senate, the committee realized that there was no chance for clarification or refinement of the act in that Congress and took no further action. The Democrats have again—as you will recall they did before the November 1954 elections—told the people that they would repeal the Taft-Hartley Act. So far while they have controlled Congress during this past 2 years now, there have been no hearings in the House of Representatives to attempt to either clarify or repeal the law as a whole.

The Democrats have controlled the 81st, 82d, and 84th Congresses since the Taft-Hartley Act was passed. In 6 out of the 8 years since the enactment of that law, the Democrats had full control of both Houses of Congress and all committees. The very least they could have done, if they had wanted to be honest with union members, was to bring out of committee and onto the floor a bill for the repeal of the Taft-Hartley Act. They had the necessary control and the opportunity to act—they failed to do so. It is a 100-to-1 bet they will again campaign on this false issue and, I regret to say, they will again hoodwink some of the union people.

In labor legislation, as in civil rights, it seems to me that the Democrats are very long on promises and short on performance. The voters will have to judge this themselves in the coming election, and disregard Democrat promises which do not result in Democrat performance. In my opinion, the Democratic Party is divided on labor issues and will not, in the foreseeable future, repeal the Taft-Hartley Act.

In the 1956 campaign, we will again be faced with the same hoodwinking and the same rash promises by labor-union spokesmen in cooperation with the Democrat politicians.

On Wednesday, April 3, the Cook County Branch of Labor's League for Political Education asked permission to use membership lists of the Chicago Federation of Labor in order to get out the vote on labor's side in the coming national election. The chairman of the league appealed for aid from the federation unions in electing a Congress that would repeal or amend the Taft-Hartley Act. How far can union labor leaders demagog? How can they continue to hoodwink their own membership, especially when you look at the record as it has been recited here today. It seems to me that if the union-labor leaders are really interested in the welfare of their organizations and in the welfare of the workingman, they would face the facts and tell the membership exactly what has happened to the laboring man during the past 4 years of Republican administration. Among a great many things they would—if they were honest—have to bring out:

(1) An alltime high in people employed: At the present time we have the greatest peacetime employment in the history of our country. The 1955 Republican peacetime average of 63.2 million is 3.8 million above the highest Democrat peacetime high of 59.4 million in 1948, and 1.9 million more than the highest Democrat wartime high of 61.3 million in 1952.

(2) Cost of living stability: Since 1933, the cost of living has continuously gone up and in practically every year since that time under a Democrat administration the increase in the cost of living has offset the gains in wages that the workingman received. The stability of the cost of living in terms of real wages, as indicated by the Consumer Price Index for 1955 and up to the present time, has meant that when the workers won wage increases in this period the extra money made it possible for them to buy more consumer items instead of merely being able to buy the same number of consumer items as previously but at a higher price. In the year 1955, there was a 10-cent total increase in wages, which resulted in an actual real increase of 9 cents. This is a record of which the Republicans can be very proud because it clearly demonstrates that the cost of living has been stabilized. The Democrats and the labor-union leaders certainly cannot point to any such record in any comparably recent year of Democratic administration.

(3) Average pay at an alltime high: From the Bureau of Labor Statistics of the United States Department of Labor, the figures show that under the Republican administration and Republican leadership the average weekly earnings of factory workers have reached an alltime high, being at $78.59 in March.

(4) Facts about the Taft-Hartley Act: In all fairness, should not the labor union leaders reveal to the union man the fact that the Democrats have never lived up to their promises to repeal the Taft-Hartley Act, even though they controlled Congress 6 out of 8 years since the law was enacted. In the earlier part of my speech, I detailed the lack of action on the part of the Democrats. Why do not the union leaders give their membership these details? In spite of the fact that union leaders and the Democrats have seen fit to call the Taft-Hartley Act the "slave labor law," why doesn't common honesty force the union labor leaders to reveal to the rank-and-file union workers that union membership rolls have increased year by year and are at a record high; that the loss of time due to strikes is at a minimum; that the union treasuries are more prosperous than they have ever been; that the various unions are building palatial million-dollar structures, as evidenced by the fact that during the past 1 to 2 years seven new million-dollar union buildings have gone up in the Washington area. If the Taft-Hartley Act is destroying labor unions, how come this growth and how come this prosperity of the unions? Why do not the labor leaders reveal these facts to their members?

When President Eisenhower and the Republican administration have given the working people of the United States full employment, a stabilized cost of living, an alltime high in their earnings, and have developed a climate wherein the unions have made their greatest progress, how—in the name of common decency and justice—can

so many of the labor union leaders continue to misrepresent the facts? We can all be thankful that the rank and file of union members have such good sense and are still able to see and know the truth.

I have, as you realize, spent a lot of time on this single issue because I feel it is a very vital one, and unless good citizens like yourselves have the facts you will not be able to intelligently counteract the false propaganda which the labor union leaders, in conjunction with many Democrat politicians, will spread between now and the November election. Those men realize that it will be an impossibility to defeat President Eisenhower and consequently are concentrating on capturing control of both Houses of Congress. You are a vital factor in helping to counteract this false propaganda, and if you will but remember some of these facts you will be of inestimable help to President Eisenhower, the Republican Party and the general welfare of the country in the coming months.

Bradley Commission Endorses Principal of H. R. 10469 Extending GI Home Loan Guaranty Program

EXTENSION OF REMARKS
OF
HON. DANTE B. FASCELL
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Friday, April 27, 1956

Mr. FASCELL. Mr. Speaker, 2 weeks ago, I introduced a bill which would extend the GI home-loan guaranty program for a maximum of 3 years. This bill, H. R. 10469, is before the Veterans' Affairs Committee and the chairman has already requested reports on the measure from the Veterans' Administration and the Bureau of the Budget.

With reference to this legislation, I would like to call to the attention of the Members a report which is available as House committee print No. 236, titled "Veterans' Benefits in the United States," and which was submitted to the President by Gen. Omar N. Bradley, who served as Chairman of the President's Commission on Veterans' Pensions. This group was appointed last year to conduct a comprehensive study of the laws and policies pertaining to veterans' pensions, compensation, and related nonmedical benefits. The purpose of this study was to bring up to date and correlate these benefits and services so that appropriate legislative action could be taken to insure that our veterans and their survivors will receive equitable treatment in the years to come, "consistent with the orderly development of public policy in this important area."

General Bradley's recommendation No. 45 calls for an extension of our GI home-loan guaranty program "to avoid a last-minute rush and allow an orderly termination of the program," pages 312–313.

These home-loan guaranty benefits for our veterans are due to expire on July 25 next year. The opinion of the Bradley Commission is that this home-loan guaranty program has enabled our veterans to readjust to civilian life by providing them with the opportunity to purchase their own homes and at the same time helped to overcome the national housing deficit we faced at the end of the war. I respectfully submit that H. R. 10469 is in step with the Bradley Commission recommendation toward insuring an orderly termination of this program; offsetting the serious impact which the July 1957 cut-off date will have upon our economy; and allowing our veterans the time they need to take full advantage of these benefits. I am hopeful the Members of the House will share my enthusiasm for this legislation and that the Veterans' Affairs Committee will give speedy and favorable consideration to the bill.

I am not opposed to an overall housing program. Such a program has been suggested by some of my colleagues, recommended in the Bradley report and by others.

But it is extremely doubtful that the extensive study necessary to predicate such legislation can be completed this year in sufficient time to be acted on by the Congress.

It is obvious that a July 1957 abrupt termination will cause a serious setback in our entire economy. Manufacturers, wholesalers and retailers, of furniture, electrical appliances, builder supplies, and all other household items whose business it is to supply the homeowners are undoubtedly already considering cutback of their production. This cutback must begin no later than January of next year if legislation to extend the GI home-loan guaranty program is not enacted before the close of this session of Congress.

H. R. 10469, therefore, eliminates the abrupt ending and provides for a gradual termination over a conservative period of time; thereby allowing ample opportunity for us who want to consider an overall housing program, to prepare adequate and effective legislation for this all important measure.

A Bill To Amend Section 404 of the Housing Amendments of 1955

EXTENSION OF REMARKS
OF
HON. ALBERT RAINS
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Friday, April 27, 1956

Mr. RAINS. Mr. Speaker, I am introducing today a bill to amend section 404 of the housing amendments of 1955. This section is to facilitate the acquisition by the military departments of housing covered by mortgages insured under the military housing insurance program, commonly known as the Wherry housing program.

As the new title VIII military housing program rolls into high gear, it will inevitably increase the competitive pressure upon existing Wherry projects with attendant hardship upon the sponsors. We must find some means to prevent this hardship which at the same time will protect the interests of the Government as well.

Existing law governing the purchase of Wherry housing has proved unworkable. Several bills on this subject have been introduced but in my judgment, based upon careful study of the staff of our subcommittee on housing, none of them answers the principal objections being made to these pending bills by the various interested parties.

I must agree with what others have said about the high cost of Wherry housing under the long-term lease arrangement. I also agree with statements made to the effect that tremendous future savings will be made possible if this housing can be acquired by the military departments on an equitable basis.

My bill would clearly establish the intent of Congress in this field for it would make quite clear to the military departments that they should acquire these projects. It also provides authority for the military departments to alter or improve such projects, if necessary, so that the units may be made adequate under appropriate and reasonable standards for use as public quarters. No one can dispute the fact that some of these Wherry projects do not provide the living area that our military personnel are entitled to nor is it comparable with other types of housing operated by the military department.

I feel rather strongly that all housing being used by our military departments on base should be operated as public quarters, and insofar as practical, all such housing should be comparable whether it has been built with appropriated funds, or under any other program. The provisions of my bill would permit the necessary alteration of such housing if and when acquired. In order to give the military departments some latitude in this respect, I have included a provision in the bill which though authorizing the assignment of this housing as public quarters would permit its assignment on a rental basis, without loss of quarters allowance to military personnel if the Secretary of the military departments concerned determined such housing to be inadequate for assignment as public quarters. However, these units could be rented to military personnel for only such time that was required to alter or improve them so that they could be determined acceptable for assignment as public quarters.

Perhaps the knottiest problem is the question of how to arrive at a fair purchase price. I agree with many of the charges made by the sponsors of Wherry projects that the present law does not contain an acceptable formula for determining the value of the sponsor's interest. It is important that any formula for determining the price to be paid for the sponsor's interest in this type of housing must be fair to him. But equally important the interest of the Federal Government must also be protected.

In developing the formula contained in my bill, our studies show that in some instances the fair-market-value formula contained in the present law, although equitable for some projects, would be completely unfair to most of the Wherry projects, particularly those with a high vacancy ratio. On the other hand, a formula using only adjusted cost would not

produce the desired results either since we have been reliably informed that a large proportion of Wherry housing was constructed prior to the inauguration of the cost certification requirement, and, in these instances, cost records have long since been destroyed. I believe the formula contained in my bill, developed after consultation with informed persons in this field, will produce a fair price for these properties—fair to the present owners and fair to the military departments.

A number of you have spoken to me regarding the problem of Wherry housing, problems facing both the military and the sponsors under present law. I urge you to examine this proposal carefully and any suggestions you may have to improve this proposed legislation will receive my careful consideration.

I feel that my bill will provide a workable solution to the problem and hope that it will receive early and favorable attention by the Banking and Currency Committee.

Mr. Speaker, I am attaching a brief summary of this bill which follows:

AMENDMENT OF SECTION 404 OF THE HOUSING AMENDMENTS OF 1955

This proposal would amend section 404 of the housing amendments of 1955 by—

1. Establishing the intent of Congress with respect to the acquisition of "Wherry housing projects" by the military departments and authorizing the military departments to acquire them through purchase, donation, or through condemnation.

2. Establishing a formula to determine the price to be paid for the sponsors' interest in such housing. Such formula would make use of the technique of fair market value as determined by an independent appraisal; actual cost of such housing as determined by the Commissioner of the FHA, and adjusted to current costs; or the Commissioner's estimate of replacement cost of such housing at the date of final endorsement for mortgage insurance adjusted to current cost level. Both adjusted actual cost and adjusted replacement cost would be reduced by the value of improvements installed or constructed with appropriated funds and by an appropriate allowance for physical depreciation.

3. Authorizing the Secretary of the military department concerned to rent the housing acquired under this section (where it is not assigned as public quarters) to military or civilian personnel without loss to military personnel of quarter allowances.

4. Authorizing an appropriation up to $50 million for the purposes of carrying out the provisions of this section.

The Class I Milk Price

EXTENSION OF REMARKS
OF
HON. FRANK T. BOW
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. BOW. Mr. Speaker, members of the Ohio delegation are gratified by the prompt action of the Department of Agriculture in accepting our suggestion for an immediate increase in the farmer's class I milk price. The decision announced yesterday may mean as much as $5 million additional income to Ohio dairy farmers in the months of May, June, and July. This is a badly needed adjustment at a time when the normal seasonal decline in prices has added to the difficulties dairy farmers are experiencing.

Immediately following our return from the Easter recess, those of us who represent rural districts met in the office of J. HARRY MCGREGOR to discuss the growing distress we had encountered in our dairy areas. Present in addition to Mr. MCGREGOR and myself were PAUL F. SCHENCK, WILLIAM M. MCCULLOCH, CLIFF CLEVENGER, CLARENCE J. BROWN, JACKSON E. BETTS, OLIVER P. BOLTON, A. D. BAUMHART, JR., WILLIAM H. AYRES, JOHN E. HENDERSON, and the dean of our delegation, THOMAS A. JENKINS, who presided. This was the morning of April 10.

We called in representatives of the Secretary of Agriculture and presented the dairy problem to them, asking for immediate emergency action to suspend the seasonal decline in the Federal milk marketing orders in Ohio. Though precise amounts vary between areas, this request meant a 45-cent increase in the class I price of milk in the Cleveland-Akron-Stark County area served by farmers in my district, and corresponding amounts in the other areas. We presented at this time a telegram from the Ohio Milk Producers Federation in which the same request was made.

On April 13 the Department announced it would hold a public hearing in Columbus April 20 to consider the appeal.

Meanwhile we learned that the situation in Toledo, being near the Detroit area, was critical and that farmers there could not wait for the hearing procedure. When this special problem was presented to the Department, the Department responded with an immediate 65-cent increase for the Toledo area, effective April 16, to bring this area into a better relationship with nearby markets.

I have had extremely complimentary remarks concerning the conduct of the milk hearing in Columbus last Friday. The hearing officer permitted all interested parties to file additional briefs with the Department before midnight April 24. These were received, considered, and action taken on April 25.

To me this demonstrates that the Federal milk-marketing order system can function properly and effectively under emergency conditions. In an orderly fashion, complying with the law, the Ohio dairy farmers and the Republican Members of Ohio's congressional delegation were able to accomplish their objective in just 2 weeks.

On behalf of the delegation, I want to compliment the directors of the Dairy Division at the Department of Agriculture and Roy W. Lennartson, Deputy Administrator for Marketing Services, who must have spent many hours overtime in the past few weeks to take care of the many dairy problems, including those of Ohio.

It may be that additional adjustments will be needed in the various areas as this year's situation develops, and we intend to keep in close touch with our dairy farmers, the producers' associations, and the Department of Agriculture to take care of any new problems that may arise. Meanwhile we trust that the adjustments made will assure a continued orderly and ample supply of milk to all Ohio consumers and a measure of relief to the producers who have done so splendid a job in the past.

Israel Independence Day

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me on the eighth anniversary of the birth of the State of Israel:

ISRAEL INDEPENDENCE DAY, APRIL 27, 1956

It was in 1948 that the new State of Israel was established. Today, on the eighth anniversary of its birth, we pause to commemorate its record of progress and advancement. Examining the course of events which helped mold this record, we are amazed at how much Israel has realized against a backdrop of discord and international tension. We feel a great humility in confronting these great achievements chiseled out of the hard rock of adversity and salute the nation that accomplished them.

We also salute our Government's enlightened decision in 1948 to recognize the new State of Israel promptly. In part this House itself may claim credit for this. In 1945, you will recall, it passed a resolution favoring the establishment in Palestine of a national home for the Jewish people. This resolution, in part, reads as follows:

"Resolved by the House of Representatives (the Senate concurring), That the interest shown by the President in the solution of this problem is hereby commended and that the United States shall use its good offices with the mandatory power to the end that Palestine shall be opened for free entry of Jews into that country to the maximum of its agricultural and economic potentialities, and that there shall be full opportunity for colonization and development, so that they may freely proceed with the upbuilding of Palestine as the Jewish national home and, in association with all elements of the population, establish Palestine as a democratic commonwealth in which all men, regardless of race or creed, shall have equal rights."

As you will all understand, I am proud to have been the author of this resolution.

The resolution, if I may repeat, looked forward to the establishment of Israel as a democratic commonwealth. Our policy of promoting this democratic commonwealth, however, is being rapidly frustrated. Disruptive problems within Israel and outside pressures and conflict have deflected our good intentions and Israeli national aspirations. The State of Israel has never been in greater peril of national annihilation, and it is primarily the responsibility of the United States to prevent such an act. I explained in 1945 that my resolution reflected a long series of "authoritative expressions of American policy and the views of the American people on the subject of Palestine." Today those same American people are faced with the responsibility of advocating yet another authoritative policy regarding Israel. This time, however, our decisions must be based

on more than humanitarian desires; we must base them on the imperatives of international politics. The realities of world politics demand strong and immediate action to halt the drift toward war in the Middle East, with all its risks of spiraling into an even bigger war, engulfing, perhaps, the whole world.

The first question we ask is: What are the realities of the international crisis revolving around Israel? Superficially the events leading up to the present crisis consolidate into three major phases: (1) The rise of Israel; (2) the Arab-Israeli war; and (3) the truce.

Accurate as these phases may be, however, they are local and restrictive, whereas the broader political implications involve major world powers whose foreign policies need to be keyed to preserving the balance of power in the Middle East. Our own Government, therefore, must adopt a statesmanlike, constructive policy, providing not only security and peace for Israel but also for the world. In 1945 on the floor of this House I stressed the evolutionary and humanitarian elements underlying our promotion of the creation of the State of Israel. I repeat the words I then used: "As in so many fields of international policy, so here also the issue is not between nations but between emerging world democracy and the forces of reaction, hate, and decay." Numerous historical incidents have buttressed my contention, and I insist, as before, we have had and still do have the mandate of human conscience to promote Israeli national interests. This same mandate compels us today to use every available means to bring peace to the Middle East. Only with peace may Israel develop, advancing further along the road of modernization and democracy.

Eleven years ago the United States Government's primary reason for supporting the creation of the new Israeli state was to seek the establishment of a democratic commonwealth evolved through the trials of time and circumstance. It was never our intention, as I pointed out then, to "create overnight a political entity." Yet from the beginning the United States Government intended that this new nation, once founded, should remain a permanent one within the community of nations. We sensed the potentialities that Israel possessed for serving as an outpost for Western civilization; we felt her existence was a positive affirmation of our own democratic values and concepts. We were aware that a new nation would likely suffer with growing pains, struggling to get on its infant feet. We also were aware that nationalist feelings would probably erupt, causing stresses within the Middle Eastern political framework. After all, the Arab States of the Middle East are also new stars in the firmament of world powers; the head-on collision of Israel and the Arab States was a calculated international risk. Fully aware of the possibilities for international tension another new nationalistic group would doubtless unleash, we, nevertheless, welcomed the rise of Israel as a victory for advancing Western idealism and triumphant democratic idealogy. We espoused the establishment of a new democracy, not as a narrow triumph for a religious or cultural group but as a broad triumph for our own faith in international morality and justice. On Christmas Eve in 1945 I remarked to this House: "The cause of freedom for a race and for a people is at all times a cause to be sponsored and proposed and fought for by Christians." At the present time I repeat that the right for the Israeli nation to exist is a cause we must continue to fight for.

Today the matter of primary concern to the world, however, is not one between nations—nor between religions—but one between ideological doctrines. Before World War I the Middle Eastern area was primarily of strategic or military concern to interested world powers. Since that time the complex ideological forces of nationalism and communism have been added to complicate the picture. Soviet Russia's new and dynamic entrance into Middle Eastern politics is far more dangerous to the underlying democratic objectives of the Western World than many realize. To lose the battle of men's minds in another area of the world could spell final defeat for basic beliefs of Western civilization. Other areas of the world, for example, in which nationalist groups are becoming more articulate and aware may throw in their lot with the Communists if the West, especially the United States, fails to give its support toward stabilizing the fluid power structure of the Middle East. Especially Israel deserves the backing of the United States Government whose firm, decisive foreign policy could act as the realistic guaranty of the triumph of democracy. Our continuing expressions of sympathy for the material and social successes of Israel are no substitute for the diplomatic support our original policy implied when advocating its creation. The United States must exert her influence immediately for the forces of democracy before Soviet Russia makes still another vital area of the world an ideological captive.

"America," I declared in 1949, "will always be a friend at the crossroads of the world—turbulent and seething birthplace of man in the Middle East." I still do not think that our work is done as Christians or as individuals who believe in the victory of the human spirit and the ideals of brotherhood until we face up to our international obligation in this area, effectively implementing our basic democratic goals with a forthright policy. In this way alone can the State of Israel, along with the other Middle Eastern countries, feel the strength of freedom and democracy at the moment when those strengths need most to be felt. It has been truly said that we can strike no more effective blow in defense of our way of life than to do everything possible to make Israel a strong bastion of freedom in the Middle East and through it to reach the Arab World in the true spirit of our freedom. I insist, therefore, that we reaffirm at this time our own faith in democracy by championing it in Israel.

Japan

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, April 27, 1956

Mr. POWELL. Mr. Speaker, April 28, 1956, marks the fourth anniversary of the signing of the peace treaties between the United States and Japan. In observance of the event I wish to extend my sincere felicitations to the people of Japan, Emperor Hirohito, and His Excellency Masayuki Tani, Ambassador of Japan.

There is a new atmosphere in Japan today and it is an atmosphere in keeping with liberal democracy elsewhere in the free world. In the years since the termination of the Second World War, Japan has adopted a new approach in the realm of government, and accordingly has enacted a new democratic constitution based upon the principle of human rights. It seems quite clear that the new constitution has functioned well and that the new postwar democracy has been an educative and enlightening force. Japan is in no danger of reverting to the "good old days." Although the ancient trappings of feudalism are not entirely eliminated, they are mostly on the way out. Political democracy has brought about many valuable changes.

Over 10 years have passed since the end of World War II, and we may now take stock of Japan's amazing recovery from the havoc wrought by that unhappy conflict. Few scars are left today to tell the story of that great catastrophe. Cities and towns have been rebuilt, new factories have sprung up, and the wheels of industry and commerce set in motion. Japanese ships again plough the seas. Japan's recent accession to second place among the shipbuilding nations of the world again puts the country's shipyards in the position of leadership they enjoyed before the war.

Prime Minister Hatoyama outlined the social goals of his government in a speech on January 30, 1956, to the Diet in which he said: "stabilization of national life is indispensable to the attainment of real independence." In addition to the modernization of industry, bringing labor and management closer together, and promotion of international trade, the Prime Minister pledged social-security improvements, tax reduction, housing, and election revision.

Economically, Japan has set her feet soundly in the paths of progress and it is reasonable to expect that her economic advance will be accelerated. It is true that there are still some towering difficulties to be surmounted but when we recall the utter ruin of a decade ago we have good reason to believe that the next 10 years will witness equally great rewards for Japan's efforts.

In the international field, Japan has been received back into the comity of nations. Although Japan has not yet become a member of the United Nations, she is a contributing member of many of the special agencies sponsored by the international organization. There are more than 100 UNESCO associations working in Japan. The Japanese National Commission has cooperated with UNESCO Headquarters in translating representative literary works, carrying out oceanographic research, and conducting studies in social tensions and other matters.

Foreign Minister Shigemitsu in his address to the Diet on January 30, 1956, expressed his conviction that the world's quest for peace will ultimately succeed. In outlining the foreign policy aims of Japan he placed cooperation with this quest at the head of the list:

> We cannot accomplish the task of building up a new Japan as a free and democratic country without cooperating closely with the free and democratic nations of the world. This is why our Government, in conducting the independent diplomacy of its own, considers cooperation with the United States as the basis of national policy.
>
> With the United States we are maintaining cooperation along all lines, including national defense. This cooperative relationship is essential to the consummation of our independence and to the advantage of our international position, and the necessary measures must be carried out under

thorough mutual understanding and intimate contact.

His Excellency Masayuki Tani, Ambassador to the United States in discussing what he had learned at the Bandung Conference has laid particular stress on help to the underdeveloped nations to block Communist opportunity for propaganda and intrigue. Further, Ambassador Tani declares:

In order to stem the fast-rising tide of communism in these regions military preparedness on the part of free nations is, of course, necessary. But the Communist peace offensive has to be countered with a peaceful campaign of education and with programs for economic development. It is here that Japan can play an important role * * * Japan has joined the Colombo plan. She has plans of her own for contributing to the economic development of Southeast Asia, but she cannot carry them out without cooperation from the United States.

Looking ahead, one feels satisfied that the prospects for an increasingly better life for the Japanese people are good insofar as they are within Japan's own control. The conduct of her neighbors, of course, must needs influence any picture one attempts to draw. Japan's role must be one of peace and we must hope that the signs of lessening of international tension now perceivable on world horizons are not false but will grow greater until they usher in a new era of assured prosperity.

Air Force Under Secretary Douglas Speaks at Third Annual Airpower Banquet at Madison, Wis.

EXTENSION OF REMARKS

OF

HON. GLENN R. DAVIS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. DAVIS of Wisconsin. Mr. Speaker, Madison, Wis., the capital of the Badger State, is the host city for Truax Air Force Base. Thanks to a series of commanding officers at Truax who have been community-relations conscious, and to the presence in Madison of a group of younger leaders of the community who have served Truax both in and out of uniform, the Madison-Truax relationship has served as an example for air defense bases throughout the Air Force. A day-to-day understanding between Truax and the city of Madison has probably reached its most solid effectiveness under the present base commander Col. Frederick Nelander. Leaders in fostering community understanding have been Collins Ferris, a Madison banker who doubles as chief of staff of Wisconsin's Air National Guard, and was Truax's first commanding officer after its reactivation following the outbreak in Korea; Arlie Mucks, Jr., of the Madison Chamber of Commerce and Foundation, an Air National Guard officer; and Robert Skuldt, manager of the Madison Municipal Airport, also an Air National Guard officer.

For the past 3 years, the Madison Chamber of Commerce and Foundation has sponsored an annual airpower banquet at which the civilian and military leaders of the community have been brought together. The speaker at the first banquet in 1954 was one of the Badger State's native sons, Air Force Chief of Staff Gen. Nathan Twining. The 1955 speaker was Gen. Benjamin Chidlaw, then commanding general of the Air Defense Command. This year's speaker was the Honorable James H. Douglas, Under Secretary of the Air Force.

I have been honored with an invitation to each of these three airpower banquets, and this year was privileged to introduce Mr. Douglas.

Mr. Speaker, it is my pleasure to insert herewith the text of Secretary Douglas' remarks at Madison on April 24, preceded by my own introductory comments:

Tonight I want to tell you a story.

Once upon a time—it seems so very long ago—when skies were dark and clouds hung low upon the earth, a fair maid named Truax met and kept steady company with a handsome young man named Madison. It was a wartime affair, and when necessity no longer threw them together, it faded fairly quickly. Truax packed her trunks and returned to her mother in Washington. Madison, glad to be free from his wartime obligations, went his carefree, growing way. He grew ever taller, always stronger, happier, and more prosperous than ever before. People liked his company. A well-known national magazine said he was about the finest company to be found anywhere.

But then the skies darkened and clouds hung low upon the earth again. Lightning struck half way around the world in a remote place that few people outside the University of Wisconsin knew much about—Korea.

And one morning a very grim-looking woman with a Washington accent stood on Madison's doorstep. There were no pleasantries, there wasn't time for pleasantries. Her message was brief: "Madison, you remember my daughter Truax. She needs you, you and your neighbors need her. I'm on my way to Korea. Take good care of her."

Madison was a man of honor, and so he and Truax were married. Some folks said it was a shotgun wedding. Others said it was strictly a marriage of convenience. In either case, they said, it couldn't, wouldn't last.

But this has been a most successful union, as those of us gathered in this third family reunion will testify.

The marriage has not always been serene, of course not. But what marriage is?

There have been misunderstandings to be sure. But what marriage doesn't have misunderstandings?

Day by day, and for the most part, there has been understanding, respect, appreciation, determination to make a go of it. And what marriage ever succeeded without them?

This is not a fairy tale, it doesn't have a "they lived happily ever after" ending. This is a story of a successful marriage, the kind that members of the family work at and keep working at.

Madison, like most handsome, high-spirited men, doesn't like to be ignored by his mother-in-law. He didn't like it last month, for instance, when his mother-in-law visited Truax without bothering to look him up or to speak to him. But did he sulk in silence or rant in rage? Happily he did not. Rather he sent two of his favorite and ablest sons, Bob and Arlie, to Washington to call on his mother-in-law, make a few suggestions relating to family etiquette, remind his mother-in-law, first, of his need to be kept informed, and second, that he had some important investments and interests that needed to be protected.

Since that time, another outstanding member of the family, Fred, who is closely tied to his mother, and always wears a favorite uniform furnished by his grandmother—but who is nevertheless a great favorite of his father—called a family meeting which has done a great deal to improve the understanding and good feeling of all the family.

And so as a friend of the family, it is my pleasure to congratulate you on the success of your family relationship and to thank you for inviting me to attend this third family reunion.

Our speaker tonight, in terms of this story, might be referred to Madison's brother-in-law. Certainly he is one of the Air Force's finest, most devoted sons. A native of our neighboring Iowa, he is a resident of our neighboring Illinois. A lawyer by profession, a businessman in practical experience, he is a public servant out of a keen sense of public responsibility.

Along his busy pathway he has followed the course of civic duty. World War I found him in uniform; 1932 found him as Assistant Secretary of the Treasury. World War II found him as a colonel in the Air Force, Chief of Staff of the Air Transport Command.

Among his varied business interests he has found time to serve as a trustee of the University of Chicago, a member of the executive board of the Boy Scouts of America, and other positions of high civic responsibility.

In March of 1953, President Eisenhower designated him as Undersecretary of the Air Force, a position which he has continued to hold under two Secretaries.

He is one of the Air Force's most devoted servants, and it is my pleasure to welcome the Honorable James H. Douglas to the Second District of Wisconsin and to the city of Madison tonight.

REMARKS BY THE HONORABLE JAMES H. DOUGLAS, UNDER SECRETARY OF THE AIR FORCE, BEFORE THE CHAMBER OF COMMERCE ANNUAL AIRPOWER BANQUET, MADISON, WIS., APRIL 24, 1956

Ladies and gentlemen, I am honored by your invitation to attend this annual airpower banquet, and I welcome the opportunity to report on our Air Force, and Air Force problems, to a community that is as airminded as is Madison. For those of us who spend pretty long days in the Pentagon in planning and justifying and explaining requirements, it is always a healthy and rewarding experience to get to an Air Force installation, and to get a little acquainted with the community upon which the officers and airmen of a wing or squadron rely for the neighborly interest and encouragement that we all find essential to satisfactory living. This is particularly so when one finds not only a keen interest in airpower, so evident in this audience, but also the active day-to-day support that you give to Air Force activities at Truax Field. We in the Air Force greatly admire your fine contribution to this cordial and constructive base-city relationship. And we hope you share the pride we take in what has been accomplished. We in the Air Force regard the Madison-Truax partnership as something to be sought after and achieved at scores of bases across the Nation where high-performance aircraft are operated close to residential areas. This

community-interceptor base relationship problem recalls a clipping I found on my bureau one evening during the efforts of my wife to instill in me a higher tolerance, and perhaps affection for cats. The clipping read: "No man likes a cat until a smart cat likes a man, then he becomes a cat lover." Perhaps no community likes interceptors until a smart interceptor squadron likes a community, makes its defense mission understood, and makes an intelligent effort to minimize noise and hazards. Then perhaps the community becomes an Air Force lover.

The community-Air Force partnership has never been more at a premium than it is today. The development of atomic weapons and long range aircraft have created a new situation. For the first time in the history of our Nation we find ourselves within range of the atomic striking force of a potential enemy. This potential enemy has an overwhelming strength on the ground, and has little dependence upon sea lanes, so the one instrument of military force upon which we can rely as a deterrent to Soviet military aggression, and for survival in the event of attack is air atomic striking power and air defense.

So long as a potential enemy has the capability to inflict great damage upon us we must accept the heavy burden imposed by the cost of a modern Air Force in terms of manpower, money, and national resource. This is no small matter as at present the service departments account for more than half of the national budget, and the Air Force for nearly half of that amount. The objective of our program is first of all to develop and maintain an air atomic striking force so powerful that no potential enemy can resort to full scale war as a rational means of achieving his goal. We are adding to this deterrent a strong air defense comprising fighter interceptors, and Air Force and Army ground-to-air missiles. And the striking force is supplemented by a tactical Air Force which supports our ground forces and may be particularly useful in meeting limited aggression.

Our organizational or program goal for these forces is 137 wings, including 11 troop carrier wings. Let me review our progress toward meeting this goal. As an Air Force consists primarily of men, bases and aircraft and missiles, we must look at three principal areas of activity. First, the development of a personnel force that is sufficiently large, skilled and dedicated to perform a wide range of difficult and challenging jobs. Second, the development of a system of bases so located and constructed as to support the effective use of our personnel and aircraft; and third, the development and rapid introduction into operational use of new and improved aircraft and missiles.

In the personnel field we are moving ahead with our program to procure, train, and hold the people who have the stamina, aptitude and skill needed to maintain and operate the intricate aircraft and electronic components which provide the basis for modern airpower. We have talked a lot about this increasing skill requirement over the past several years, as there are still those who think of military training as physical training and close order drill. This is no longer the case in any of the services, and I think we find the greatest requirement for technical skills in the Air Force. There are enough tubes and bulbs in one of the F–89 aircraft used by your National Guard squadron here to make 80 home radio sets. The maintenance crews on this plane must deal with an electrical system that is just as complex as the combined circuits of a city power station. In the cockpit of a B–47 the aircraft commander and his copilot have about 350 switches and controls to operate and check compared to 130 for the B–29. There are endless examples, but these will leave no doubt that we have a vastly greater need for technical knowledge and skills than we had 10 years ago. Also, when we consider the increased cost and speed and striking power of today's combat aircraft, we realize that there is less margin for indecision or error in judgment on the part of our pilots and other aircrew members than there has ever been.

Our number one problem is technical skills. In order to bring our newly enlisted airmen into their first productive assignment as quickly and economically as possible, we have streamlined our training programs. For the 65 percent of our recruits who are selected to attend formal technical schools we have shortened the period of formal basic training from 11 to 6 weeks. At the technical schools they are taught to perform specialized duties in the repair and maintenance of specific powerplant or communizations equipment—a procedure which enables them to qualify for productive assignments early in their first enlistment. Those who choose an Air Force career are later selected to attend advanced courses where they can acquire a broader knowledge of career fields in which they can progress to the highest grade.

Our improved reenlistment rates during the past year have produced a tremendous saving in training cost. For instance we were able to reenlist 11,000 more airmen during the first 4 months of this fiscal year than during the corresponding period of the preceding year. It is hard to put a sure cash value on this accomplishment, but I am advised that such reenlistment meant that we were able to retain skills which cost us about $160 million to produce. The cost of the pay raise for the same period was less than $50 million so we may be said to have paid for the pay raise three times over. In addition to the pay raise we have taken many constructive steps over the past year to increase the attractiveness of an Air Force career. Among other things we are providing better choice of assignment, fewer transfers and additional payment for the cost of transfers.

The problem of retention of skilled airmen is far from solved. We have not been able to achieve a satisfactory reenlistment rate among our people who are highly skilled in such technical fields as electronics and aircraft maintenance. Industry competition is too strong. We must continue to provide inducements that will increase the attractions and satisfactions of an Air Force career.

Although the matter of retaining our technically skilled airmen has been and is our most critical problem, we are also trying to reduce the separation rate of commissioned personnel—especially those who are completing their first period of service and represent a large investment as pilots and crew personnel. To keep pace with the increased complexity and performance of aircraft, we have had to raise the level of qualifications and proficiency for our pilots. They receive more preflight instruction; more flying time; and the demands upon them are constantly increasing as faster and more advanced aircraft enter the Air Force inventory. Inducements aimed at this group include better BOQ's and more adequate family housing, more stable assignments and the proposed increase in the number of our regular officers.

As a final comment on the personnel element of our buildup, I want to emphasize that the highly trained, skilled and career-minded, officer and airman are the all important factor in the airpower equation. Today the airmen who operate radar equipment guarding the approaches to cities packed with millions of people are charged with a tremendous public trust. Also, the responsibility of the aircraft commander of a B–52 may well give us pause. His aircraft represents a cost of more than $8 million, and in the event of war he might be called upon to deliver nuclear weapons against the aggressor. There are factors that account for our emphasis on quality as we build to our 137 wings and 975,000 officers and airmen.

One of our most acute problems in carrying out our expansion program is that of developing an adequate base system to support Air Force training and operations at home and overseas. Since 1950 nearly $5 billion of construction has been completed, and nearly $2 billion of work is under contract. The 1957 military construction program will authorize an additional $1.2 billion for Air Force base construction. This immense program serves two vital needs: to support of the Air Force expansion from some 48 wings in 1950 to the programed 137, and also to accommodate conversion from World War II aircraft to the fast, heavy jet aircraft of today. We will have homes for the 137 wings when that goal is reached in June of 1957, but there will be deficiencies in operational facilities, in recreational facilities and particularly in family housing.

Family facilities at most of our bases today are inadequate and many of our people have to rent or buy homes at a considerable distance from their work and often homes unsuitable to their needs. Progress is being made to remedy this situation. Overseas, more than 14,000 units are under construction or planned. And nearly 50,000 are programed in this country. The first of these are under construction under FHA title 8 financing. More than 500 title 8 units are programed for your local base.

In the field of weapons development we have introduced an impressive number of new and improved aircraft into combat units during the past year. Our first B–52 wing is in training at Castle Air Force Base in California. The performance of this plane has exceeded our expectations. Equipped with a nuclear bomb, the B–52 is clearly the single most significant weapon in our whole military arsenal. My respect for the B–52 was enhanced by a flight in one several months ago, which included an effortless climb to 40,000 feet in a matter of minutes and refueling contacts with a tanker at 15,000 feet.

Also during the year we have equipped several tactical wings with the B–57 light bomber and with F–100 Super-Sabres, the first operational model of the century series aircraft, and the fastest of our operational fighters.

The F–101 has completed it testing and is on order. This is the long-range fighter that can carry nuclear weapons, fly escort or reconnaissance missions, or act as a long-range interceptor. It is a big fighter, and weighs about as much as the old B–17, our World War II flying fortress.

The F–102, a Delta-wing interceptor, with electronic equipment that will guide it to bomber aircraft under all conditions of weather, day or night, has shown up well in tests and is getting into substantial production. Armed with rockets which can destroy an attacking bomber, these planes are scheduled for delivery to the Truax interceptor units.

In the day-fighter class we have the F–104. This latest air-superiority weapon has performed well at supersonic speeds in its long period of tests and in the public demonstration this month. I believe it is the fastest, highest-flying fighter in the air.

The F–105 is a supersonic fighter bomber and in flight testing. It will be a highly effective weapon for the tactical mission.

During 1955 the C–123 went into operation as an up-to-date troop carrier aircraft capable of using rough fields for landing and takeoff. This modern troop-carrier plane is being supplemented by the larger turbo-prop C–130.

In the transport field the C–133 will fly shortly. It has a range of 3,500 nautical miles, a payload capacity of more than 50,000 pounds and a speed much higher than that of our C–124 Globemaster. The C–133—in spite of its great size—can use fields suitable for present transports.

Great progress has been made in the guided missile field, and the major share of public interest in recent months has focused on the intercontinental ballistic missile and intermediate range missile development. In the ICBM field the Atlas has been under development by the Convair Division of the General Dynamics Corp., San Diego, Calif., for a number of years. The Titan is being developed by the Denver Division of the Martin Co. of Baltimore, Md. For the IRBM or Thor program, the Douglas Aircraft Co. of Santa Monica, Calif., has been assigned development responsibility.

In the airbreathing category we have under development two intercontinental missiles, the North American Navaho and the Northrup Snark. These have a range and destructive potential comparable to the ICBM's, but might soon be vulnerable to air defense weapons.

Our own progress in relation to Soviet airpower is today receiving careful examination. Particularly serious concern has been expressed regarding our long-range missile program and Soviet developments in that field. And we are not unaware of Khrushchev's statement made only yesterday.

You can be sure that we recognize the tremendous potential which long-range missiles have for the delivery of nuclear explosives, and the importance of having them available in our arsenal at the earliest time. You can also be sure that we are bending every effort to the development of both the intercontinental and intermediate range ballistic missiles, and also toward the early availability of Snark and Navaho. Perhaps the ballistic missile approaches being the absolute weapon. It has our highest priority. But I think it falls into perspective when I say we do not foresee a situation in which it will completely supplant our manned aircraft.

Also it does not appear that achievement of a Soviet IRBM ahead of us would necessarily greatly damage our deterrent position. The Soviet already has sufficient short- and medium-range striking power to accomplish near its borders what could be accomplished with the intermediate-range ballistic missile. Even their achievement of the ICBM would not immediately affect our ability to inflict vast damage with manned bombers. And our striking power should remain an effective deterrent so long as it is judged capable of inflicting unacceptable damage.

Now, let me summarize briefly what kind of airpower, and what level of airpower, we have achieved through the programs I have just discussed.

At the beginning of this calendar year we had 128 wings operational, 116 of which are apportioned among our 3 major combat elements: the Strategic Air Command, the Tactical Air Command, and the Air Defense Command. This force is supported by nearly 300 major bases in this country and overseas.

In the Strategic Air Command, which is our most powerful agent of deterrence, we have today the ability to destroy an enemy's warmaking capacity and his will to fight.

In the Tactical Air Command we have a highly mobile light bomber and fighter-bomber force that can destroy enemy troop concentrations and lines of communications and can employ atomic weapons. These units can also—from forward bases and by refueling—supplement strategic strikes against interior targets with their atomic armament.

In the Continental Air Defense Command we have a constantly increasing capability to detect, intercept, and destroy invading bomber aircraft before they reach our vital target centers. Behind a network of radar which guards our northern approaches and coastal flanks, our manned interceptors, such as those here at Truax and the Army anti-aircraft missiles and artillery are ready for instant action against an attacker. The Navy as well as the Army plays an important part in our air defense.

Troop carrier and Military Air Transport Service supplement each other in providing tactical airlift for the Army and an overseas lift to meet the D-day requirements for all the services. The Military Air Transport Service, comprising more than 500 4-engine aircraft, is extremely useful in serving our forces overseas in peacetime and is necessary to meet the logistic requirements of modern warfare.

Your Air Force is making progress in bringing advanced aircraft and weapons into operational units. Its combat potential is expanding. We should not, however, for a moment be complacent about our situation or our program. We have unsolved problems. We have need to reexamine requirements frequently. We are strong today. We must be alert to stay strong for tomorrow. We must move ahead fast in developing new and improved air weapons and in converting them rapidly into operational use. For this task we are fortunate in the experience and wisdom of our Chief of Staff, General Twining, of Secretary Quarles, the Secretary of Defense, and our Commander in Chief, the President.

A Farm Letter

EXTENSION OF REMARKS

OF

HON. CLARENCE CANNON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, April 27, 1956

Mr. CANNON. Mr. Speaker, under leave to extend remarks, I include in the CONGRESSIONAL RECORD a copy of a letter written by my colleague, Hon. PAUL C. JONES, of Missouri.

Mr. JONES represents one of the great agricultural districts of the Mississippi Valley and has long been a member of the Committee on Agriculture and is considered to be an authority on the subject which he discusses in the accompanying letter.

The letter is as follows:

APRIL 19, 1956.

ST. LOUIS GLOBE-DEMOCRAT,
St. Louis, Mo.

DEAR MR. EDITOR: I have just read two of your editorials, A Very Bad Bill and Veto the Farm Bill, both published before President Eisenhower's veto of the farm bill, and I think both of these editorials emphasize the fact that you know as little about the farmer's problems as does the President.

I note particularly your statement, "the reason the overwhelming majority voted for General Eisenhower was because he represented integrity in America." It appears that you omitted two very important words from that statement which should have included the words "they believed" between the words "because" and "he". I say this advisedly, for there is no question but that the farmers of America believed the President when he said at Brookings, S. Dak. on October 4, 1952, "The Republican Party is pledged to the sustaining of the 90 percent parity price support, and it is pledged even more than that to helping the farmer obtain his full parity, 100 percent parity, with the guaranty in the price supports of 90."

How can you justify the use of the word integrity when the President has done nothing to carry out the pledge he made to the farmers in his election campaign of 1952?

Like so many of our city friends you accept the false premise that the high prices paid by the consumer are a result of "high" prices received by the farmer, and there are no facts to bear out this statement. For instance, 10 years ago wheat was selling at $3 per bushel in the United States and the average price of bread was 13.8 cents per pound, whereas today with wheat bringing about $2 per bushel, you are paying approximately 18 cents per pound for bread. This is just one of many examples which could be presented. Never before in the history of the world have consumers been able to buy so much food for an hour's labor, and the farmer's share of this same food dollar was never less.

You, like so many others who have gone off on a tangent, and the further you go the further you are from the truth, insist on referring to 90-percent price supports as "high" supports. If the subscription price of your paper was $10 a year which it is not, would you consider that you were getting a high price if I sent you a check for $9 to cover a year's subscription? Yet, when you ask a farmer to accept 75 percent of parity, he wouldn't even have the $7.50 to pay for a subscription.

Farmers are not asking "parities up to the ceiling" of 100 percent. They are asking that they be treated in a manner that will permit them to at least keep their heads above water. Farmers are not demanding subsidies despite the fact that they have been contributing to subsidies for other segments of our economy, including your own newspaper for many long years. They are giving something in return for a guaranteed price-support program, agreeing to bring production in line with demand. This administration has failed miserably in its efforts—because it has made no effort—to bring about consumption of an overabundance of production. There is no surplus of food in the world today; there is no surplus of fiber, but there is an underconsumption because of an administration that has devoted all of its efforts to prove that a farm program that has enabled the farmer to enjoy some of the comforts of life will not work.

If the President is not playing politics, why did he at the time he vetoed the farm bill which would have helped all farmers, raise the price supports for wheat, grown principally in an area which is traditionally Republican; why did he raise the price supports on corn with no limitation on production to influence the farm vote in Iowa and other traditionally Republican areas; when he stated at the same time that higher supports would encourage greater production and add to the surplus?

And while I am asking questions, why don't you change your masthead to tell the truth that the Globe-Democrat is the same Republican newspaper that it has always been, beating the drums for the GOP?

Democratically yours,

PAUL C. JONES,
Member of Congress, 10th Missouri District.

SENATE

MONDAY, APRIL 30, 1956

(Legislative day of Thursday, April 26, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Richard L. Collins, Aenon Baptist Church, Elm City, N. C., offered the following prayer:

Eternal God, our Heavenly Father, in humility of soul and spirit we bow to give thanks for the blessings of this life and the hope of the life yet to be. We thank Thee for wisdom which comes from above and for responsibilities which challenge the best in us in the discharge of our duties to Thee and our fellow men. May we be impressed to apply the spirit and rule of Thy Son, our Saviour, in all our deliberations, and activities at home and abroad, with full realization that there is no respect of persons with Thee. May our purpose in living be so to conduct ourselves that when we stand before Thee in the great day of judgment we may hear Thee say, "Well done."

May Thy presence bless and guide the officials and people of this great Commonwealth and may our influence for good be felt to the ends of the earth.

This we ask in the name of Jesus Christ our Lord who taught His disciples to pray:

Our Father which art in heaven, hallowed be Thy name. Thy Kingdom come. Thy will be done in earth, as it is in heaven. Give us this day our daily bread. And forgive us our debts, as we forgive our debtors. And lead us not into temptation, but deliver us from evil: For Thine is the kingdom, and the power, and the glory, forever. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., April 30, 1956.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. FREDERICK G. PAYNE, a Senator from the State of Maine, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. PAYNE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BIBLE, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, April 26, 1956, was dispensed with.

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under authority of the order of the 26th instant, the following message from the House of Representatives was received by the Secretary of the Senate:

On April 27, 1956:

The message announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 6162. An act to provide for longer terms of office for the justices of the Supreme Court of Hawaii and the circuit courts of Hawaii;

H. R. 6227. An act to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests;

H. R. 6573. An act to authorize renewals of a lease of the Annette Island Airport to the United States;

H. R. 6703. An act to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska;

H. R. 8334. An act to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic games;

H. R. 8942. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Theatre Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes;

H. R. 8959. An act to permit articles from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes; and

H. R. 9078. An act to provide that the authorized strength of the Metropolitan Police Force of the District of Columbia shall be not less than 2,500 officers and members.

REPORTS OF COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE SUBMITTED DURING RECESS

Under authority of the order of the Senate of the 26th instant, the following reports were submitted:

On April 27, 1956:

By Mr. MAGNUSON:

S. 3674. A bill to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television; without amendment (Rept. No. 1873).

By Mr. POTTER:

S. 3108. A bill to encourage the construction of modern Great Lakes bulk cargo vessels; without amendment (Rept. No. 1874).

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on April 27, 1956, the President had approved and signed the following acts:

S. 1736. An act to amend section 5146 of the Revised Statutes, as amended, relating to the qualifications of directors of national banking associations;

S. 2587. An act to amend the Public Health Service Act to authorize the President to make the commissioned corps a military service in time of emergency involving the national defense, and to authorize payment of uniform allowances to officers of the corps in certain grades when required to wear the uniform, and for other purposes; and

S. 2755. An act to designate the reservoir above the Monticello Dam in California as Lake Berryessa.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed a bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 234) requesting the return of the enrollment of H. R. 4781 by the President to the House of Representatives for the purposes of reenrollment, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Acting President pro tempore:

S. 31. An act for the relief of certain aliens;

S. 83. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of three aliens;

S. 1212. An act for the relief of Dr. Lincoln Roy Manson-Hing, Mrs. Joyce Louise Manson-Hing, Collin Manson-Hing, and Jennifer Lynn Manson-Hing;

S. 1255. An act for the relief of Brigitta Poberetski and Nickolas Menis; and

S. 1905. An act for the relief of Winston Bros. Co. and the Utah Construction Co. and the J. A. Terteling & Sons, Inc.

AMENDMENT AND SUPPLEMENTATION OF FEDERAL-AID ROAD ACT—REFERENCE OF BILL

Mr. BIBLE. Mr. President, before the Senate proceeds further with routine business, I ask unanimous consent that the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, just received from the House of Representatives, be considered as having been read twice; that it be referred to the Committee on Public Works for the consideration by that committee of title I, the so-called Federal Highway Act of 1956; that when it is reported to the Senate it be immediately referred to the Committee on Finance for the consideration by that committee of title II, the so-called Highway Revenue Act of 1956; and that when reported by the latter committee the bill be placed on the calendar.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. BIBLE, and by unanimous consent, the Air Forces Subcommittee of the Committee on Armed Services was authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. BIBLE. Mr. President, I ask unanimous consent that, following a brief executive session, there may be a morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that statements in connection therewith be limited to 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of executive business, and take up the nominations on the Executive Calendar, starting with "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

Livingston T. Merchant, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Canada, vice R. Douglas Stuart; and

Kenneth A. Byrns, of Colorado, and sundry other persons, for appointment and promotion in the foreign and diplomatic service.

By Mr. O'MAHONEY, from the Committee on the Judiciary:

Arthur Wilbur Crocker, of Maryland, to be First Assistant Commissioner of Patents, to fill an existing vacancy.

The ACTING PRESIDENT pro tempore. If there be no further reports of committees, the nominations on the Executive Calendar will be stated.

DEPARTMENT OF DEFENSE

The Chief Clerk read the nomination of Floyd Sherman Bryant to be an Assistant Secretary of Defense.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL CIVIL DEFENSE ADMINISTRATION

The Chief Clerk read the nomination of Lewis E. Berry, Jr., to be Deputy Federal Civil Defense Administrator.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ARMY

The Chief Clerk read the nomination of Lt. Gen. George Henry Decker to be a general.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

ARMY NOMINATIONS PLACED ON THE VICE PRESIDENT'S DESK

The Chief Clerk proceeded to read the nominations of Kenneth M. Abagis and 4,888 officers for promotion, transfer, or appointment in the Regular Army of the United States, which nominations had been placed on the Vice President's desk without printing.

Mr. BIBLE. Mr. President, I ask unanimous consent that the Army nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Army will be considered en bloc, and, without objection, they are confirmed.

Mr. BIBLE. Mr. President, I ask that the President be immediately notified of the nominations today confirmed.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. BIBLE. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

AUTHORIZATION FOR TERRITORY OF ALASKA TO INCUR INDEBTEDNESS — RETURN OF ENROLLED BILL

The ACTING PRESIDENT pro tempore laid before the Senate the concurrent resolution, House Concurrent Resolution 234, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is requested to return to the House of Representatives the enrolled bill (H. R. 4781) to authorize the Territory of Alaska to incur indebtedness, and for other purposes. If and when said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing said bill shall be deemed rescinded; and the Clerk of the House is authorized and directed, in the reenrollment of said bill, to make the following correction: In section 4 of the bill strike out the figure "$12,500,000" and insert in lieu thereof the figure "$20,000,000."

Mr. KNOWLAND. Mr. President, it is my understanding that this concurrent resolution relates to a bill in which the figures were changed in two places, but that in the third instance the bill was not made to conform with the action already taken. Is that correct?

Mr. BIBLE. That is exactly correct; the purpose is simply to make the correction in the third instance.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 234) was agreed to.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON OVEROBLIGATION OF AN APPROPRIATION

A letter from the Secretary of Defense, reporting, pursuant to law, on the overobligation of an appropriation (with accompanying papers); to the Committee on Appropriations.

DISPOSITION OF GOVERNMENT-OWNED SYNTHETIC RUBBER RESEARCH LABORATORIES, AKRON, OHIO

A letter from the Director, National Science Foundation, Washington, D. C., transmitting a draft of proposed legislation to provide for the disposal of the Government-owned synthetic rubber research laboratories at Akron, Ohio (with accompanying papers); to the Committee on Banking and Currency.

UNITED STATES PARTICIPATION IN INTERNATIONAL BUREAU FOR THE PUBLICATION OF CUSTOMS TARIFFS

A letter from the Secretary of State, transmitting a draft of proposed legislation to authorize an appropriation to provide for certain costs of United States participation in the International Bureau for the Publication of Customs Tariffs (with an accompanying paper); to the Committee on Foreign Relations.

CONVEYANCE TO INDIAN TRIBES OF CERTAIN FEDERALLY OWNED BUILDINGS, ETC.

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to convey to Indian tribes certain federally owned buildings, improvements, or facilities on tribal lands or on lands reserved for Indian administration (with an accompanying paper); to the Committee on Interior and Insular Affairs.

ADDITIONAL POSITIONS IN PROFESSIONAL AND SCIENTIFIC RESEARCH, DEPARTMENT OF THE INTERIOR

A letter from the Administrative Assistant to the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the creation of additional positions in the professional and scientific research field in the United States Department of the Interior (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on the Judiciary:

"House Concurrent Resolution 8

"Concurrent resolution making an application to the Congress of the United States pursuant to article V of the Constitution of the United States for a convention for proposing an amendment to the Constitution of the United States

"Resolved by the house of representatives (the senate concurring), That the Legislature of the State of Michigan, pursuant to article V of the Constitution of the United

States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States in lieu of article V:

" 'Article —

" 'SECTION 1. The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or on the application of the legislatures of two-thirds of the several States shall call a convention for proposing amendments; or the legislature of any State, whenever two-thirds of each house shall deem it necessary, may propose amendments to this Constitution by transmitting to the Secretary of State of the United States and to the secretary of state of each of the several States a certified copy of the resolution proposing the amendment, which shall be deemed submitted to the several States for ratification when certified copies of resolutions of the legislatures of any 12 of the several States by two-thirds of each house shall have been so transmitted concurring in the proposal of such amendment; which, in any case, shall be valid to all intents and purposes as part of this Constitution when ratified by the legislatures of three-fourths of the several States: *Provided,* That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

" 'SEC. 2. The act of proposal, concurrence in a proposal, or ratification of an amendment, shall not be revocable.

" 'SEC. 3. A proposal of an amendment by a State shall be inoperative unless it shall have been so concurred in within 7 years from the date of the proposal. A proposed amendment shall be inoperative unless it shall have been so ratified within 15 years from the date of its submission, or shorter period as may be prescribed in the resolution proposing the amendment.

" 'SEC. 4. Controversies respecting the validity of an amendment shall be justiciable and shall be determined by the exercise of the judicial power of the United States'; and be it further

"*Resolved,* That such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States; and be it further

"*Resolved,* That as the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Michigan hereby declares the following basic principles with respect thereto: That the power of the sovereign States to amend the Constitution of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend, and the delegates to such convention are without power to act except within the limitations and provisions so prescribed; and be it further

"*Resolved,* That such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"(1) That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania on the first Monday of the first December following transmission to the Senate and the House of Representatives of the Congress of the United States of application for such convention by the legislatures of two-thirds of the several States and, in honor of the Nation's founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"(2) That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to 3 delegates thereat and that each of such delegates shall be entitled to 1 vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate, the president of the senate pro tempore or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the 2 highest officers of its legislature shall be such delegates, which 2 delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third delegate from such State to such convention; that in case of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled by the Governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated;

"(3) That such convention shall be limited and restricted specifically to the consideration and proposal of such amendment to article V, the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order thereat, the determination of any issue respecting the seating of delegates, adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose not have any other power, and the delegates thereto shall have no power other than within the limitations herein prescribed;

"(4) That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"(5) That the powers of such convention shall be exercisable by the States, represented at such convention by duly constituted delegates thereat, by majority vote of the States present and voting on such proposal, and not otherwise; and be it further

"*Resolved,* That this application shall constitute a continuing application for such convention under article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and the manner herein provided; and be it further

"*Resolved,* That proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to 60 days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications; and be it further

"*Resolved,* That as this application under article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, it is requested that receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress; and be it further

"*Resolved,* That certified copies of this resolution be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"Adopted by the house March 22, 1956.

"Adopted by the senate April 4, 1956."

A bill (No. 236) petitioning the Congress of the United States to appropriate funds for the improvement of the harbors at Charlotte Amalie, St. Thomas, and Christiansted, St. Croix, Virgin Islands of the United States, adopted by the Legislature of the Virgin Islands; to the Committee on Appropriations:

"Bill No. 236

"Resolution petitioning the Congress of the United States to appropriate funds for the improvement of the harbors at Charlotte Amalie, St. Thomas, and Christiansted, St. Croix, Virgin Islands of the United States

"Whereas the dredging of the harbor of Charlotte Amalie, St. Thomas was, upon recommendation made by the Chief of Army Engineers, authorized by Congress in the Rivers and Harbors Act of 1937, pursuant to House Document No. 200, 75th Congress, 1st session, to consist of: (a) Provision of an entrance channel 36 feet deep and generally 600 feet wide; (b) removal of Scorpion Rock to a depth of 36 feet; (c) provision of an anchorage area 33 feet in depth; and (d) breakwater 700 feet long between Rupert Rock and the mainland; and

"Whereas the improvement of the Christiansted, St. Croix Harbor was, upon recommendation of the Chief of Army Engineers, authorized by Public Law 516, 81st Congress, pursuant to House Document No. 771, 80th Congress, to consist of a channel of 25 feet

deep, below mean, low, water and 300 feet wide from deep water in the Caribbean Sea to a turning basin of the same depth about 600 feet wide and 900 feet long; and

"Whereas the Appropriation Act for the fiscal year which ended June 30, 1951, appropriated the sum of $1 million for the St. Thomas project, but the appropriation was impounded by the Bureau of the Budget because of the outbreak of war in Korea; and

"Whereas both projects are imperative from both the strategic and economic points of view; and

"Whereas both the Army and Navy have indicated that the improvement of both harbors would contribute materially to the national defense and would improve the value of the harbors as a hurricane refuge in this area; and

"Whereas the improvement of both harbors would be a boon to the ships of the United States Navy as well as to cruise ships which are entering the harbor; and

"Whereas many large commercial cruise ships are anxious to come to the islands, but are unable to do so because of the inadequate harbor facilities; and

"Whereas the improvement of both harbors is of the utmost importance to the economic stability of the islands; and

"Whereas the improvement of both harbors will greatly enhance the development of tourism in the Virgin Islands: Now, therefore, be it

"Resolved by the Legislature of the Virgin Islands, in session assembled, That the Congress of the United States be and it is hereby petitioned to appropriate, pursuant to the authorizations provided for in the acts of Congress hereinbefore referred to, the necessary funds for the completion of the aforementioned projects at both Christiansted, St. Croix, and Charlotte Amalie, St. Thomas, Virgin Islands; and be it further

"Resolved, That copies of this resolution be forwarded to the President of the Senate, the Speaker of the House of Representatives, the chairman of the House Subcommittee on Interior Appropriations, the chairman of the Senate Subcommittee on Interior Appropriations, the Secretary of Defense, the Chief of Army Engineers, the Secretary of the Interior, and the Governor of the Virgin Islands.

"Thus passed by the Legislature of the Virgin Islands on April 23, 1956.

"Witness our hands and the seal of the Legislature of the Virgin Islands this 23d day of April A. D. 1956.

"WALTER I. M. HODGE,
"President.
"JORGE RODRIGUZ,
"Legislative Secretary."

A resolution adopted by the Alderpoint Grange, No. 516, Humboldt County, Calif., favoring the enactment of legislation to provide funds for flood control on the Mad and Eel Rivers, South Fork of Eel River, Redwood Creek, Klamath, Mattole, and Van Duzen Rivers, Calif.; to the Committee on Appropriations.

A resolution adopted by the Gloversville, N. Y., Chamber of Commerce, relating to the Hoover Commission recommendations (with an accompanying paper); to the Committee on Government Operations.

A resolution adopted by the Zonta Club of Honolulu, T. H., favoring the enactment of legislation to amend the Hawaiian Organic Act, relating to the reapportionment of the Legislature of Hawaii; to the Committee on Interior and Insular Affairs.

A resolution adopted by the City Council of the City of Los Angeles, Calif., favoring the enactment of House bill 10660, the Federal Aid Road Act; to the Committee on Public Works.

THE NATIONAL HIGHWAY SYSTEM—MEMORIAL

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a memorial signed by Byron Knutson, and sundry other citizens of Harlow, N. Dak., remonstrating against the enactment of the so-called Boggs highway bill, relating to the tax on automobiles and trucks, and so forth.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

HARLOW, N. DAK., *April 24, 1956.*

Hon. WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR MR. LANGER: As a railroad employee, I urge you to oppose the Boggs highway bill. This bill does not appear to be a fair deal, and the millions of owners of private automobiles, small farm trucks, and the like are not being justified by the passage of this bill, as it is upon this class that the extra tax burden would be placed. The aforementioned class receives a much less ton mileage per gallon of gas than do the trucking companies, with their large tractor and trailer-type trucks rolling down the highways creating traffic hazards and being greatly responsible for the short life span of our highways and the increase in maintenance. We desperately need legislation which would provide for a diesel-fuel tax which is at least 50 percent higher than the gasoline tax, a special tax on large truck tires, an increase in their annual license fees, and a reasonable and sensible size and weight limitation on these trucking companies, who are not sharing a fair amount of the expense while at the same time are responsible for the expenses.

I also believe that the railroads should have the right to compete under the free-enterprise system and that the power of the ICC to suspend freight rates be confined to rare and extreme cases. It does not seem to be a fair shake to our railroad system to be 100 percent fully regulated in this respect, while approximately only 35 percent of the trucking firms or truckers are under the Federal regulations.

Today there are about 750,000 less railroad employees and the railroads haul about only 50 percent of the dollar volume of freight than they did 35 years ago, the balance being hauled by trucks, airlines, and barges, which means that we are subsidizing this group with our taxes while the railroads still pay their own way. Therefore, I earnestly plead for your support in taking steps to remedy the situation and to bring forth legislation that will be justifiable to the class of people that make up the majority of the population of our great United States.

Thank you, and with kindest personal regards, I am,

Yours truly,

BYRON KNUTSON.

GRAND FORKS COUNTY (N. DAK.) DEVELOPMENT FARM—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Grand Forks County Farm Development Committee, relating to the establishment of an irrigation development farm in Grand Forks County, N. Dak.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION FOR THE ESTABLISHMENT OF A GRAND FORKS COUNTY DEVELOPMENT FARM ADOPTED BY THE GRAND FORKS COUNTY FARM DEVELOPMENT COMMITTEE, MARCH 14, 1956

Whereas there are about 250,000 acres of potentially irrigable land in Grand Forks County that can be developed under the Garrison diversion project; and

Whereas the Grand Forks County farm development committee consisting of 48 members representing the area proposed for irrigation in said county under the Garrison diversion plan was established to provide an organization through which information on irrigation and the Garrison diversion project could be brought to the farmers in the area; and

Whereas there is a need for the establishment of an irrigation development farm located in the potentially irrigable area in Grand Forks County to provide the farmers in this area an opportunity to see irrigation practiced and to learn of the problems and benefits that will result from this type of farming; and

Whereas there is no development farm that is readily accessible to the farmers in Grand Forks County and that would serve to demonstrate irrigation farming on soil representative in this area; and

Whereas it is desirable that an irrigation development farm be established in Grand Forks County now in order to allow several years of operation prior to the actual development of irrigation in the county during which time the desired information could be obtained and demonstration of irrigation farming conducted; and

Whereas the farmers of Grand Forks County living in the irrigable area in the county are vitally interested in obtaining all information possible pertaining to irrigation in their county: Now, therefore, be it

Resolved by the Grand Forks County Farm Development Committee, That Congress of the United States be requested and urged to authorize that the establishment of an irrigation development farm in Grand Forks County, N. Dak., and appropriate funds for its operation of an irrigation farm; and be it further

Resolved, That copies of this resolution be sent to Senator Milton R. Young and Senator William Langer and Congressman Otto Krueger and Usher L. Burdick, Gov. Norman Burnsdale, the Garrison Diversion Conservancy District, the United States Bureau of Reclamation, and the North Dakota State Water Commission.

ED. EASTGATE,
Secretary, Grand Forks Farm Development Committee.

RESOLUTIONS OF ASSOCIATION OF AMERICAN PHYSICIANS AND SURGEONS, INC.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD resolutions adopted by the Association of American Physicians and Surgeons, Inc., at their annual meeting at Columbus, Ohio, on April 7, 1956.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS OF ASSOCIATION OF AMERICAN PHYSICIANS AND SURGEONS, INC.

OMNIBUS REAFFIRMING RESOLUTION

Whereas the Association of American Physicians and Surgeons, Inc., in one or more regular sessions assembled in the past, has adopted resolutions which clearly stated the association's position on certain legislative proposals and other issues, and gave sound reasons for its position: Therefore be it

Resolved, That we, the members of the Association of American Physicians and Surgeons, Inc., in regular session assembled this 7th day of April 1956 reaffirm our actions on the following:

1. Support of the Bricker amendment (S. J. Res. 1 of the 84th Cong.);

2. Unequivocal opposition to legislation for universal military training and any similar type of legislation;

3. Support of legislation to amend the Veterans' Administration Act to provide medical and hospital care to veterans with service-connected disabilities only;

4. Unalterable opposition to mortgage insurance for medical facilities and any other form of direct or indirect Federal subsidy of health plans and facilities;

5. Petitioning the President and the Congress of the United States to amend the Social Security Act to eliminate all compulsory taxation and coverage and place the social security system on a completely voluntary basis;

6. Unalterable opposition to Federal health reinsurance and other legislation which would establish Federal reinsurance or direct Federal subsidization of the voluntary and private health plans;

7. Opposition to medical care for military dependents furnished by physicians in the Armed Forces, except where private care is not available, and support of the American Medical Association's position that dependents receive medical care in military facilities only if private facilities are not available;

8. Support of the proposed 23d amendment (H. J. Res. 123);

9. Recommendation for withdrawal of the United States from the International Labor Organization;

10. Recommendation for the Congress of the United States to investigate the activities of tax-exempt foundations;

11. Request to the President and the Congress of the United States to rescind the provisions of sections 106 and 222 of Public Law 761 and substitute the plan of the American Medical Association for pension rates to be based on the best 10 income years of a worker (this recommendation in no way implies acceptance of the social security system and we reaffirm our opposition to compulsory taxation and coverage of the social security system);

12. Opposition to the principle of Federal subsidies for medical schools, either direct or indirect, and opposition to legislation which would provide Federal subsidies for medical schools, for school construction and expansion, and Federal subsidies for any similar purposes; and

13. Unalterable opposition to H. R. 7225 (social security amendments of 1955); be it further

Resolved, That the Association of American Physicians and Surgeons, Inc., urge all State and county medical societies and all physicians and their fellow citizens to work diligently to accomplish the objectives embodied in this reaffirming resolution.

RESOLUTION ON THE INTERNATIONAL LABOR ORGANIZATION AND SENATE JOINT RESOLUTION 97

Whereas this association is on record as advocating the withdrawal of the United States of America from membership in the International Labor Organization for valid moral reasons; and

Whereas the International Labor Organization is now controlled by the Communists; and

Whereas Senate Joint Resolution 97 proposes to raise the ceiling for the United States contribution to the International Labor Organization from $1,750,000 a year to $3 million a year: Therefore be it

Resolved, That the members of the Association of American Physicians and Surgeons, Inc., in regular session assembled this 7th day of April 1956, (1) reaffirm their recommendation that the United States of America withdraw from the International Labor Organization, and (2) that they vigorously oppose Senate Joint Resolution 97; be it further

Resolved, That the legislative committee of the Association of American Physicians and Surgeons, Inc., is hereby directed to work toward this objective.

RESOLUTION ON HOOVER COMMISSION

Whereas the Association of American Physicians and Surgeons, Inc., has complete confidence in the Hoover Commission and in its recommendations; and

Whereas the implementation of these recommendations would result in estimated savings of $7½ billion annually: Therefore be it

Resolved, That the members of the Association of American Physicians and Surgeons, Inc., in regular session assembled this 7th day of April 1956 urge both legislative and executive branches of the Government to adopt all possible measures to implement the recommendations at the earliest possible time; be it further

Resolved, That the President and all Members of Congress be informed of this action.

Adopted by the assembly and delegates of the Association of American Physicians and Surgeons, Inc., at their annual meeting held in Columbus, Ohio, on April 5, 6, and 7, 1956.

CHARLES W. PAVEY, M. D.,
President.

Attest:

WILLIAM L. BAUGHN, M. D.,
Secretary.

IRRIGATION DEMONSTRATION FARM, RANSOM COUNTY, N. DAK.—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD, a resolution adopted by the board of directors of the Ransom County Crop Improvement Association, favoring the establishment of an irrigation demonstration farm in Ransom County, N. Dak.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas the survey in southeastern North Dakota by the Bureau of Reclamation shows that there is a large acreage of irrigable land; and

Whereas farmers in this area are showing more interest in irrigation than any other area in the State; and

Whereas there is no irrigation demonstration farm in southeastern North Dakota and Ransom County is located in the center of a large irrigable area, comprising several counties; and

Whereas the diversity of farming and variations is soil type needed on this kind of a demonstration farm: Now, therefore, be it

Resolved by the board of directors of the Ransom County Corp Improvement Association, That we ask that such an irrigation demonstration farm be established in Ransom County and that copies be mailed to North Dakota's representatives in Congress, the Missouri Souris Projects Association and the Bureau of Reclamation.

Unanimously adopted by the Crop Improvement Association at their annual meeting at Lisbon, N. Dak.

Dated this 24th day of April 1956.

ALFRED WILLIAMSON,
President.

Attest:

EARL S. SULENED,
Secretary.

ABOLITION OF THE RURAL ELECTRIFICATION ADMINISTRATION—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by members of the Sioux Farmers Union, local 639, of Cartwright, N. Dak., protesting against the abolition of the Rural Electrification Administration, as recommended by the Hoover Commission.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas we, as members of Sioux Farmers Union, Local No. 639, of Cartwright, N. Dak., in meeting here assembled this 14th day of April 1956, hereby wish to voice our opposition to the plan of the Hoover Commission in wanting to abolish the REA and set up a corporation in its place and force the REA co-ops to borrow money for their needs from private banks at a much larger rate of interest.

We believe this plan would mean the failure of many REA co-ops and force their sale to private power companies who would immediately raise the price of electricity to the members, making a hardship upon them. Most of the REA co-op members are farmers and are already hard hit by falling prices for farm products and rising prices for manufactured goods and cannot stand a rise in electric service.

We also believe the preference clause must be kept in the laws so the REA's can be assured of an abundant supply of cheap power. If this is done we believe the local REA co-ops will be able to pay off their obligation to the Federal Government 100 percent.

RAYMOND SKORPIL,
ROY N. JOHNSON,
D. E. NABTAM,
Resolution Committee.

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by Indianapolis Post, No. 4, the American Legion, Department of Indiana, relating to the Immigration and Nationality Act.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas this post, at its regular February 1956 meeting, in order to have a reasonable understanding of the provisions of the Immigration and Nationality Act, did appoint a committee of five members to study the act and report their findings at the regular March 1956 meeting of the post; and

Whereas this committee was also to study and report on proposed amendments to the act now in process of consideration by Senate and House Judiciary Committees; and

Whereas, after a careful consideration and report by the committee at the March meeting, the membership of this post resolved on the following:

Resolved, That Indianapolis Post, No. 4, American Legion, Department of Indiana, is fully and completely in accord with the intent and purposes of the provisions of the Immigration and Nationality Act, commonly referred to as the McCarran-Walter Act; that the intent and purposes of the provisions of this act, as it now stands, must be preserved; and this post does hereby register its complete opposition to any amendments that would in any way weaken, nullify, or emasculate any of the provisions of this act; be it further

Resolved, That the adjutant and commander of this post be authorized, and they are hereby directed, to send a copy of this resolution with an appropriate letter of transmittal to each member of the Senate and House Judiciary Committees, each Indiana Senator and Member of Congress from the 11th Indiana District.

This resolution was duly passed by membership of Indianapolis Post, No. 4, American Legion, Department of Indiana, assembled

in regular meeting this 21st day of March 1956.

WILLIAM R. WILSON,
Commander.

Official:

PAUL H. MCGAULEY,
Adjutant.

PROHIBITION OF ALCOHOLIC BEVERAGE ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a petition, signed by Donald Patterson, and sundry other citizens, of Okolona, Ark., favoring the enactment of legislation to prohibit liquor advertising in interstate commerce.

There being no objection, the petition was ordered to be printed in the RECORD, without the signatures attached, as follows:

OKOLONA, ARK., *April 22, 1956.*

Senator WILLIAM LANGER,
Washington, D. C.

DEAR SENATOR: We, the undersigned members of the Methodist churches of the Okolona circuit, Okolona, Ark., respectfully request that you give favorable consideration to, and vote for, the banning of interstate advertising of alcoholic beverages, which we have been advised are likely to come before the Senate soon.

Respectfully submitted.

DONALD PATTERSON.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAVEZ, from the Committee on Public Works, without amendment:

H. R. 6769. A bill to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended (Rept. No. 1877).

By Mr. CHAVEZ, from the Committee on Public Works, with amendments:

S. 1358. A bill to authorize modification of the flood-control project for Missouri River Agricultural Levee Unit 513-512-R, Richardson County, Nebr. (Rept. No. 1876).

By Mr. RUSSELL, from the Committee on Armed Services, with an amendment:

H. R. 9429. A bill to provide medical care for dependents of members of the uniformed services, and for other purposes (Rept. No. 1878).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 764. A bill for the relief of Robert Gartenberg (Rept. No. 1881);

S. 832. A bill for the relief of Jonas Dercautan (Rept. No. 1882);

S. 2507. A bill for the relief of Shun Wen Lung (also known as Van Long and Van S. Lung) (Rept. No. 1883);

S. 2750. A bill for the relief of Frank Sevcik, Jr., also known as Frantisek or Francesco Sevcik (Rept. No. 1884);

S. 2801. A bill for the relief of Brigitte Lechner Wagner (Rept. No. 1885);

S. 2834. A bill for the relief of Yue Yin Wong (also known as William Yueying Wong) (Rept. No. 1886);

S. 2838. A bill for the relief of Antonia Soulis (Rept. No. 1887);

S. 2843. A bill for the relief of Dr. Shou Soon Kwong (Rept. No. 1888);

S. 2874. A bill for the relief of Ethel Kallins (Rept. No. 1889);

S. 2888. A bill for the relief of Elisabeth Dummer (Rept. No. 1890);

S. 2931. A bill for the relief of Oksanna Oztemel (Rept. No. 1891);

S. 2941. A bill for the relief of Lotte Windschild (Rept. No. 1892);

S. 2953. A bill for the relief of Maria Cedrone De Rubeis (Rept. No. 1893);

S. 3361. A bill for the relief of Egbert Carlsson (Rept. No. 1894);

H. R. 1488. A bill for the relief of Mrs. Esther Reed Marcantel (Rept. No. 1895);

H. R. 1913. A bill for the relief of Mrs. Anna Elizabeth Doherty (Rept. No. 1896);

H. R. 2423. A bill for the relief of the city of Sandpoint, Idaho (Rept. No. 1897);

H. R. 3526. A bill for the relief of the estate of Neil McLeod Smith (Rept. No. 1898);

H. R. 4634. A bill for the relief of Lt. Col. George H. Cronin, United States Air Force (Rept. No. 1899);

H. R. 5633. A bill for the relief of John L. Boyer, Jr. (Rept. No. 1900);

H. R. 5951. A bill for the relief of Samuel E. Arroyo (Rept. No. 1901);

H. R. 6622. A bill for the relief of certain rural carriers (Rept. No. 1902);

H. R. 6706. A bill for the relief of Gay Street Corp., Baltimore, Md. (Rept. No. 1903);

H. R. 7114. A bill for the relief of Frank G. Gerlock (Rept. No. 1904);

H. R. 8306. A bill for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy (Rept. No. 1905);

H. R. 8307. A bill for the relief of Nathan A. Kahn (Rept. No. 1906);

H. R. 8308. A bill for the relief of Arthur E. Weeden, Jr. (Rept. No. 1907);

H. R. 8310. A bill for the relief of Chief Warrant Officer George C. Carter (Rept. No. 1908); and

H. R. 8311. A bill for the relief of Daniel O. Hulse, Jr. (Rept. No. 1909).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1938. A bill for the relief of Hildegard L. McNabb (Rept. No. 1910);

S. 2048. A bill for the relief of certain former employees of the Inland Waterways Corp. (Rept. No. 1911);

S. 2840. A bill for the relief of Anniemae M. Swanson and Armylee V. Swanson (Rept. No. 1912);

S. 2883. A bill for the relief of Dr. Yong Whan Kim (Rept. No. 1913);

S. 2944. A bill for the relief of William Jeffrey Jonas (Rept. No. 1914);

H. R. 1016. A bill for the relief of Mrs. Ida Bifolchini Boschetti (Rept. No. 1915);

H. R. 2284. A bill for the relief of Maj. Robert D. Lauer (Rept. No. 1916);

H. R. 2893. A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio (Rept. No. 1917);

H. R. 2904. A bill for the relief of Maj. Orin A. Fayle (Rept. No. 1918);

H. R. 3268. A bill for the relief of Comdr. George B. Greer (Rept. No. 1919);

H. R. 3957. A bill for the relief of Pauline H. Corbett (Rept. No. 1920);

H. R. 4026. A bill for the relief of James C. Hayes (Rept. No. 1921);

H. R. 4640. A bill for the relief of James M. Wilson (Rept. No. 1922);

H. R. 5237. A bill for the relief of Mrs. Ella Madden and Clarence E. Madden (Rept. No. 1923);

H. R. 5535. A bill for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr. (Rept. No. 1924);

H. R. 6184. A bill for the relief of Lt. P. B. Sampson (Rept. No. 1925); and

H. R. 7164. A bill for the relief of Lt. Michael Cullen (Rept. No. 1926).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 422. A bill for the relief of William C. Irvine, chief warrant officer, United States Air Force (Rept. No. 1927);

S. 2785. A bill for the relief of Elsa Emelina Rosado y Rodriguez de Brower (Rept. No. 1928);

H. R. 6137. A bill for the relief of Mr. and Mrs. Herman Floyd Williams and Mr. and Mrs. W. C. Segers (Rept. No. 1930); and

H. Con. Res. 201. Concurrent resolution approving the granting of the status of permanent residence to certain aliens (Rept. No. 1929).

By Mr. O'MAHONEY, from the Committee on the Judiciary, without amendment:

S. J. Res. 105. Joint resolution authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week (Rept. No. 1931).

By Mr. O'MAHONEY, from the Committee on the Judiciary, with an amendment:

H. R. 2057. A bill for the relief of Edwin K. Stanton (Rept. No. 1932).

By Mr. O'MAHONEY, from the Committee on the Judiciary, with amendments:

H. R. 3366. A bill for the relief of Mary J. McDougall (Rept. No. 1933).

By Mr. GEORGE, from the Committee on Foreign Relations, without amendment:

H. R. 8547. A bill to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the Saint Lawrence River at or near the city of Ogdensburg, N. Y." (Rept. No. 1939); and

H. R. 8807. A bill to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress (Rept. No. 1940).

IMPERIAL AGRICULTURE CORPORATION—REFERENCE OF BILL TO COURT OF CLAIMS

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution to refer the bill (H. R. 5285) for the relief of the Imperial Agricultural Corp., to the Court of Claims, and I submit a report (No. 1880) thereon.

The ACTING PRESIDENT pro tempore. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 252) was placed on the calendar, as follows:

Resolved, That the bill (H. R. 5285) entitled "A bill for the relief of the Imperial Agriculture Corp.," now pending in the Senate, together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same, in accordance with the provisions of said sections, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimants.

CITATION OF ROBERT SHELTON FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution citing Robert Shelton for contempt of the Senate, and I submit a report (No. 1934) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 253) was placed on the calendar, as follows:

Resolved, That the president of the Senate certify under the Seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Robert Shelton, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Robert Shelton may be proceeded against in the manner and form provided by law.

CITATION OF SEYMOUR PECK FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution citing Seymour Peck for contempt of the Senate, and I submit a report (No. 1935) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 254) was placed on the calendar, as follows:

Resolved, That the President of the Senate, certify, under the Seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Seymour Peck, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Seymour Peck may be proceeded against in the manner and form provided by law.

CITATION OF PAULINE FEUER FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution certifying the report of the Committee on the Judiciary regarding the refusal of Pauline Feuer to testify, and I submit a report (No. 1936) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 255) was placed on the calendar, as follows:

Resolved, That the President of the Senate certify, under the Seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Pauline Feuer before the Subcommittee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Pauline Feuer may be proceeded against in the manner and form provided by law.

CITATION OF ALDEN WHITMAN FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution citing Alden Whitman for contempt of the Senate, and I submit a report (No. 1937) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 256) was placed on the calendar, as follows:

Resolved, That the President of the Senate certify, under the Seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Alden Whitman, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Alden Whitman may be proceeded against in the manner and form provided by law.

CITATION OF WILLIAM A. PRICE FOR CONTEMPT OF THE SENATE

Mr. EASTLAND. Mr. President, from the Committee on the Judiciary, I report an original resolution citing William A. Price for contempt of the Senate, and I submit a report (No. 1938) thereon.

The ACTING PRESIDENT pro tempore. The report will be received and the resolution will be placed on the calendar.

The resolution (S. Res. 257) was placed on the calendar, as follows:

Resolved, That the President of the Senate certify the report of the Committee on the Judiciary of the United States Senate as to the refusal of William A. Price to answer questions before the Senate Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, said refusal to answer being pertinent to the subject matter under inquiry together with all the facts in connection therewith, under the Seal of the United States Senate to the United States attorney for the District of Columbia, to the end that the said William A. Price may be proceeded against in the manner and form provided by law.

REPORT ENTITLED "INTERNATIONAL AIR AGREEMENTS" (S. REPT. NO. 1875)

Mr. SMATHERS. Mr. President, last week, the Committee on Interstate and Foreign Commerce strongly endorsed and adopted as its own a report on international air agreements submitted by a special subcommittee consisting of myself, as chairman, the Senator from Nevada [Mr. BIBLE] and the Senator from Ohio [Mr. BRICKER].

This report is highly critical of the handling by the State Department and the Civil Aeronautics Board of negotiations leading to international air agreements. The matter was brought to a head by the granting of routes to the German airline Lufthansa for which the Germans had not even asked. It was brought to the attention of the committee by strongly worded protests from our domestic air carriers. The full committee, and then later the special subcommittee, held extensive hearings.

We found that the United States had given away, we believed needlessly, valuable rights with little, if any, consideration to their effect on the United States flag carriers. We also found that American industry had been treated brusquely and in fact brushed aside. This attitude on the part of our Government, when we consider that foreign airlines are arms of their governments, as compared to our independent privately owned and operated carriers, is shocking to say the least. This report which I am submitting makes specific recommendations for handling these international negotiations. The principal ones being that an industry representative be a member of the negotiating teams and that the industry be kept informed of the progress and of the possible routes involved.

The United States is the most sought-after air-traffic market in the world. As an example, 70 percent of all travelers to and from the United States are residents of the United States, yet our carriers handled only 51 percent of the trans-Atlantic passengers in 1954 as compared with 83 percent in 1946. It seems obvious to the committee that the giveaway attitude of our Government officials in this field of transportation is seriously jeopardizing the future of our air industry.

It pleases me, Mr. President, to report to the Senate that when the Interstate and Foreign Commerce Committee adopted this report as its own, it also instructed the staff of the committee to prepare proposed legislation effectuating our recommendations. This we hope to present to the Senate in the very near future.

The ACTING PRESIDENT pro tempore. The report will be received and printed.

REPORT ENTITLED "A STUDY OF THE ANTITRUST LAWS" (S. REPT. NO. 1879)

Mr. O'MAHONEY, from the Committee on the Judiciary, pursuant to Senate Resolution 61, 84th Congress, 1st session, as extended, submitted a report entitled "A Study of the Antitrust Laws," containing the staff report of the Subcommittee on Antitrust and Monopoly, which was ordered to be printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SYMINGTON (for himself, Mr. HENNINGS, Mr. DOUGLAS, and Mr. DIRKSEN):

S. 3749. A bill to authorize the modification of the existing project for the Mississippi River between the Ohio and Missouri Rivers by the construction of a dam at Chain of Rocks; to the Committee on Public Works.

(See the remarks of Mr. SYMINGTON when he introduced the above bill, which appear under a separate heading.)

By Mr. COTTON:

S. 3750. A bill to amend section 207 of the Legislative Reorganization Act of 1946 to provide that boards for the correction of military or naval records shall take into account evidence relating to the character and conduct of persons subsequent to their discharge from the service in determining whether their records should be corrected; to the Committee on Armed Services.

By Mr. DOUGLAS:

S. 3751. A bill for the relief of Berta Cabrera Vigil Frohlich; and

S. 3752. A bill for the relief of Cacilie Emilie Eichmann; to the Committee on the Judiciary.

By Mr. NEUBERGER:

S. 3753. A bill to increase the number of visas authorized to be issued to eligible orphans under the Refugee Relief Act of 1953, and for other purposes; to the Committee on the Judiciary.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. WELKER:

S. 3754. A bill to amend the Dependents Assistance Act of 1950, as amended, so as to provide punishment for fraudulent acceptance of benefits thereunder; to the Committee on Armed Services.

By Mr. GREEN:

S. 3755. A bill for the relief of Nazzarena Mancini; to the Committee on the Judiciary.

By Mr. FULBRIGHT.

S. 3756. A bill to amend the Agricultural Adjustment Act of 1938, as amended, so as to establish a two-price plan for rice; and

S. 3757. A bill to amend the Agricultural Adjustment Act of 1938, as amended, with respect to the national acreage allotment for rice; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Fulbright when he introduced the above bills, which appear under separate headings.)

By Mr. MUNDT:

S. 3758. A bill to assist the American farmer by providing for the use of motor fuels of alcohol manufactured from agricultural products grown upon farms in the United States; to utilize grains in surplus; to balance consumption with production of certain agricultural products; to the Committee on Finance.

By Mr. SMATHERS:

S. 3759. A bill establishing certain qualifications for persons appointed to the Supreme Court; to the Committee on the Judiciary.

(See the remarks of Mr. SMATHERS when he introduced the above bill, which appear under a separate heading.)

By Mr. DANIEL (for himself, Mr. O'MAHONEY, Mr. EASTLAND, Mr. WELKER, Mr. BUTLER, and Mr. PAYNE):

S. 3760. A bill to provide for a more effective control of narcotic drugs, and for other related purposes; to the Committee on the Judiciary.

(See the remarks of Mr. DANIEL when he introduced the above bill, which appear under a separate heading.)

By Mr. DIRKSEN (by request):

S. 3761. A bill for the relief of the Florida Dehydration Co.; to the Committee on the Judiciary.

RESOLUTIONS

The following resolutions were submitted or reported, and referred, as indicated:

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "STUDY OF THE ANTITRUST LAWS"

Mr. O'MAHONEY submitted the following resolution (S. Res. 251), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on the Judiciary not more than 10,000 additional copies of the Report No. 1879, 84th Congress, of the Committee on the Judiciary to the Senate on its study of the Antitrust Laws.

Mr. EASTLAND, from the Committee on the Judiciary, reported the following original resolutions, which were placed on the calendar:

S. Res. 252. Resolution to refer the bill (H. R. 5285) for the relief of the Imperial Agricultural Corp., to the Court of Claims;

S. Res. 253. Resolution citing Robert Shelton for contempt of the Senate;

S. Res. 254. Resolution citing Seymour Peck for contempt of the Senate.

S. Res. 255. Resolution certifying the report of the Committee on the Judiciary regarding the refusal of Pauline Feuer to testify;

S. Res. 256. Resolution citing Alden Whitman for contempt of the Senate; and

S. Res. 257. Resolution citing William A. Price for contempt of the Senate.

(See the remarks of Mr. EASTLAND when he reported the above resolutions from the Committee on the Judiciary, which appear under the heading "Reports of Committees.")

MISSISSIPPI RIVER DAM AT CHAIN OF ROCKS ABOVE ST. LOUIS, MO.

Mr. SYMINGTON. Mr. President, on behalf of myself, the senior Senator from Missouri [Mr. HENNINGS], the senior Senator from Illinois [Mr. DOUGLAS], and the junior Senator from Illinois [Mr. DIRKSEN], I introduce, for appropriate reference, a bill to authorize modification of the existing navigation project for the Mississippi River between the Ohio and Missouri Rivers by construction of a rock-fill dam across the Mississippi River at the upper limits of the Chain of Rocks above St. Louis, Mo.

I ask unanimous consent to have printed in the RECORD a statement prepared by me explaining the purpose of this proposed legislation.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the statement will be printed in the RECORD.

The bill (S. 3749) to authorize the modification of the existing project for the Mississippi River between the Ohio and Missouri Rivers by the construction of a dam at Chain of Rocks, introduced by Mr. SYMINGTON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Public Works.

The statement presented by Mr. SYMINGTON is as follows:

STATEMENT BY SENATOR SYMINGTON

On behalf of myself, the senior Senator from Missouri [Mr. HENNINGS], the senior Senator from Illinois [Mr. DOUGLAS], and the junior Senator from Illinois [Mr. DIRKSEN], I introduce, for appropriate reference, a bill to authorize modification of the existing navigation project for the Mississippi River between the Ohio and Missouri Rivers by construction of a rock-fill dam across the Mississippi River at the upper limits of the Chain of Rocks above St. Louis, Mo.

The estimated cost of the proposed dam is $5,810,000, and the bill authorizes the necessary appropriation to complete the project.

The report of the Chief of Engineers is being prepared in accordance with the authority of a resolution by the Committee on Public Works of the United States Senate adopted December 6, 1955.

After receipt of that resolution, the district engineer of the St. Louis district, Corps of Engineers, held a public hearing at St. Louis on January 17, 1956, to determine the views and desires of local interests relative to the needs of navigation in the river section between St. Louis and lock and dam No. 26 at Alton, Ill.

The district engineer has completed his studies and investigations of this project. His report thereon was approved by the division engineer of the Lower Mississippi Valley Division and is now before the Board of Engineers for Rivers and Harbors for review as required by law. After completion of that review and receipt of the comments of the affected States, the interested Federal agencies, and the Bureau of the Budget, the report will be transmitted to Congress.

Since this is an urgent matter, I am introducing this bill in order to expedite authorization of the project and its eventual completion, and to permit the people using our Inland Waterway System to plan for the future.

This emergency condition has been created by erosion of the river channel below lock and dam No. 26 on the Mississippi River, which during periods of low flows reduces the clearance over the lower lock sill to below the authorized 9-foot depth, thereby necessitating loading barges to drafts of 6½ to 7 feet, with consequent loss of cargo capacity.

To alleviate this condition, the Corps of Engineers recommends construction of a rock-fill dam across the Mississippi River about 900 feet below the Chain of Rocks Highway Bridge. The dam would form a broad-crested weir with a depressed spillway section capable of passing the minimum recorded flow of 40,000 cubic feet per second at a stage that would provide project depth of 9 feet over the lower sill at lock No. 26. The estimated first cost of this improvement is $5,810,000 with annual maintenance of $302,000. Construction of the project at Federal expense is recommended and no local contribution will be required.

The public hearing at St. Louis was attended by 165 persons, representing State and municipal agencies, shippers of grain, petroleum products, bulk chemicals, and coal; Inland Waterways operators; small-boat club officials and riparian landowners.

Those present expressed deep concern over the existing obstruction to navigation presented by inadequate water depths over the lower lock sills at lock and dam No. 26 during periods of low water, such as have been experienced in the past, and which have persisted during the latter part of 1955. This deficient channel depth causes light loading of barges with resultant loss of efficiency in barge loading; causes some increased damage to barges; requires use of more barges to maintain normal delivery schedules, thus creating a scarcity of barges; and causes serious delay in passing through lock No. 26 by reason of lightering loads and double tripping.

Other direct results of deficient channel depths at Alton have been a shortage of materials and supplies in certain localities, either because of inability to ship or because of delayed shipments, and loss of revenue to waterways operators because of diversion to other means of transportation and, in some instances, reallocation of tonnages from original shipping point to an alternate shipping point.

These low water conditions have prevailed many times over the past few years, principally during the late summer, fall, and winter months, when the main stem dams on the upper Missouri River are only discharging

the power flows. During late 1955, these low water flows and channel deficiencies occurred over a period of 100 consecutive days.

The waterway operators and the District engineer report the revenue losses during low water approximate $1 million per month. The Federal Barge Lines have estimated their loss alone at approximately $166,000 per month during these periods.

These losses are occasioned by either bringing a loaded barge to the vicinity of lock and dam No. 26, where a portion of the cargo is placed on another barge or transshipped, or by partially loading the barge at its original shipping point to a draft sufficient to pass through the lock.

It can very easily be seen how much cargo capacity is lost by loading a 9-foot barge to 6½-foot draft at Houston, Tex., for shipment to Chicago, Ill.

The District Engineer estimates the benefit-cost ratio for this project to be 5.0, which is exceedingly high for a project of this magnitude.

It is recognized, however, that with the great growth of water traffic in the past few years, which will probably continue at an increased rate in the future, the project will completely return its investment over a period of a few months of channel deficiencies, by reduction of revenue losses. Continuation of these losses can only result in higher transportation costs to the shipper, who would inevitably pass such charges on to the consumer.

The former bottleneck in the Mississippi River at the Chain of Rocks has been removed by the completion of the Chain of Rocks Canal and lock. Practically all the traffic now passes through that canal. The bottleneck that now exists at lock 26 is the most serious one between New Orleans and Chicago, and between Pittsburgh and Minneapolis.

The recommended low-water dam at Chain of Rocks is not a new proposition. Its construction was recommended by the District Engineer in his report dated December 15, 1938, published as House Document No. 231, 76th Congress. In that report construction of the Chain of Rocks Canal was recommended, and the fear expressed that low-water flows as a result of operations in the basin upstream therefrom would become sufficiently small to limit the draft of vessels using the Alton lock, and would eventually necessitate construction of a movable low-head dam near the Chain of Rocks Bridge. The authorization and construction of the dam, if and when necessary, was recommended.

In view of the urgency of this situation, the early construction of this dam is the necessary solution to the navigation problem in the Chain of Rocks area. The project is urgently needed now. It will take at least 18 months to complete the project after construction is initiated. Its authorization at the earliest practicable date will permit expeditious planning, rapid completion, and realization of the full benefits that will accrue therefrom.

AMENDMENT OF REFUGEE RELIEF ACT OF 1953

Mr. NEUBERGER. Mr. President, I am deeply concerned that the provisions of the Refugee Relief Act, which have allowed thousands to begin new lives with hope in our country, will expire at the end of this year.

One of the most urgent needs in our world today is homes for thousands of orphans who face a bleak future in their homeland. Many of these orphans should be the direct responsibility of our people and Government, since they were fathered by American military personnel. An excellent recent article in the March 1956 Cosmopolitan magazine reports:

Few children in the world have futures as bleak as those of the 4,000 GI babies left in Japan by our Army of occupation. Because the Japanese believe that their race is unique and that it has remained unsullied by foreign blood for at least 6,000 years, any child who is of mixed blood faces cruel discrimination and abuse. And illegitimacy worsens the GI babies' plight, for without a father's name on his birth record, it is almost impossible for a person to marry or get a decent job in Japan.

The situation is far more desperate for the estimated 1500 American-Korean orphans fathered by our military personnel. These children are not accepted by the Koreans. They are mistreated, humiliated. Other children point their fingers at them and call them GI babies. I understand that many of these babies have been totally abandoned.

Mr. President, Harry Holt, of Creswell, Oreg., has symbolized to me the Biblical Good Samaritan by his good deed in adopting and bringing to his fine home eight small children of mixed blood from Korea. I had the honor and privilege of sponsoring legislation in the Senate which allowed Mr. Holt to bring these children into the United States. But Mr. Holt has not stopped there, he is helping hundreds of American families make arrangements for these Korean war orphans and he is now in Korea, his second trip this year, making these arrangements.

Mr. President, I ask unanimous consent that an editorial entitled "Mr. Holt 'Moves the World' " from the Oregonian of April 9, 1956, appear at this point in my speech.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. HOLT "MOVES THE WORLD"

"Man is the master of his fate," the poet has assured us. But at times it must appear to the individual man of the 20th century that he has precious little mastery of the material things of which life is composed. The elements continue to defy control. Social injustices persist. The very weight of population and the complexity of man's affairs discourage any idea that a single man can work his will against the massive inertia of human society.

A property of greatness is the ability to reject these intimidating forces and push ahead, alone, if necessary, with the tasks that conscience directs. Henry Holt of Creswell possesses such a quality. Sitting in a lecture audience a year and a half ago, he was inspired by what he heard, that hundreds of Korean-American orphans were doomed to a life of misery and early death unless they could be brought to this country.

Unlike so many of us, Mr. Holt did not permit his concern to stop somewhere short of action. Within a few months he was in Korea, and, after a struggle against what seemed an insurmountable mountain of red tape, he tunneled through and returned to America with 12 orphans in tow, 8 of them destined to become full and equal members of Mr. Holt's happy family.

So heartening was the Holt story, that it brought appeals from 1,000 additional American families willing to make homes for orphans. Mr. Holt left his plow and began the enormous task of shepherding the hundreds of remaining half-caste children across the North Pacific before the termination of the Refugee Act December 31. Last Saturday he arrived with his first contingent of 12, to be sent on to foster parents in the East and Midwest. He hopes to have found homes for several hundred more by year's end, for all of the Korean-American waifs if possible.

Of course, Mr. Holt has had considerable help. World Vision, Inc., a missionary service with headquarters in Portland, has administered the program. But the spark of initiative and the flame of determination were Mr. Holt's. Without his personal efforts it can be doubted that more than a few orphans would have been brought to this country. He has virtually given life to hundreds of children. Given his example, can anyone doubt the power of the individual?

Mr. NEUBERGER. Mr. President, our country has always helped the poor and downtrodden and certainly there can be no nobler aim than to help thousands of unfortunate orphans who are born into such a bleak environment and whose futures are so clouded.

Because of the great and urgent need, I introduce, for appropriate reference, a bill to extend the provisions of the Refugee Relief Act as it applies especially to orphans. My bill extends the time for issuing visas under section 5 of the Refugee Relief Act from December 31, 1956, to December 31, 1959. Equally important, my bill would increase the number of visas authorized in section 5 from 4,000 to 9,000, which would mean there would be at least 5,000 authorized visas for the 3-year extension of the section applying to orphans. My bill would also raise the age limitation of eligible orphans from 10 to 14 years. An increase in the age limitation, together with an increase in the number of authorized visas, together with an extension of the time for issuing visas, has been recommended by the American branch of the International Social Service, Inc.

I have felt for some time that the Children's Bureau of the Department of Health, Education, and Welfare should have an official role in administering the orphan provisions of the Refugee Relief Act. I understand that the Children's Bureau has given advice informally to the Refugee Relief Administrator, but I think that their role can be officially formalized by statute.

Many orphans are adopted abroad by American families and subsection (e) of my bill provides an official role for the Children's Bureau and tightens up existing provisions which allow orphan adoptions in foreign countries. Under my proposal, no visa shall be issued to orphans adopted abroad under the laws of a foreign country by a United States citizen and spouse without the prior approval of the Chief of the Children's Bureau, in accordance with regulations prescribed by the Secretary of that Department after consultation with the Administrator of the refugee relief program. It is my feeling that such regulations should take into consideration the urgent needs of these orphans, and such standards must necessarily be flexible.

Mr. President, I ask unanimous consent that the bill may be printed in the RECORD as a part of my remarks and I also ask unanimous consent to have

printed in the RECORD, following the bill, an article from the Eugene Register Guard of April 9, 1956, by Jack Brown, entitled "Child Census in Korea Ordered," and an article from the Oregonian of April 8, 1956, headed "Oregon Farmer Brings 12 More Orphans From Korea for New Homes in America." I also desire to have printed in the RECORD an article by Thomas J. Fleming from the March 1956 issue of Cosmopolitan magazine entitled "The Children We Left Behind," and I regret that the excellent and gripping pictures accompanying the article must be omitted.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and articles will be printed in the RECORD.

The bill (S. 3753) to increase the number of visas authorized to be issued to eligible orphans under the Refugee Relief Act of 1953, and for other purposes, introduced by Mr. NEUBERGER, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) section 5 (a) of the Refugee Relief Act of 1953 is amended (1) by striking out "four thousand" and inserting in lieu thereof "nine thousand", and (2) by striking out "ten years" and inserting in lieu thereof "fourteen years."

(b) Section 5 of such act is amended by adding at the end thereof the following new subsections:

"(d) Any visa issued under this section to any eligible orphan who has been lawfully adopted abroad by a United States citizen and spouse while such citizen is serving abroad in the United States Armed Forces, or is employed abroad by the United States Government, or is temporarily abroad on business, shall be valid until such time as the adoptive citizen parent returns to the United States in due course of his service or business.

"(e) No visa shall be issued under this section to any eligible orphan adopted abroad under the laws of a foreign country by a United States citizen and spouse without the prior approval of the Chief of the Children's Bureau, Department of Health, Education, and Welfare, in accordance with regulations prescribed by the Secretary of that Department after consultation with the Administrator of the Refugee Relief Administration. Such regulations shall take into consideration the purpose of this act to alleviate the urgent needs of these orphans."

SEC. 2. Notwithstanding any other provision of the law, visas may be issued under this section to eligible orphans until December 31, 1959.

[From the Eugene Register Guard of April 9, 1956]

CHILD CENSUS IN KOREA ORDERED—HOLT GAINS RHEE'S HELP IN WAIF JOB

(By Jack Brown)

President Syngman Rhee has ordered a door-to-door census of South Korean homes to locate what Harry Holt estimates to be nearly 1,500 American-Korean orphans, the Creswell farmer said Saturday night.

Quite rested up after his flight home from Seoul Friday, Holt said he had every hope that the remaining youngsters could be brought to the United States before the 1953 Refugee Act expires at the end of this year.

"In planning our adoptions," Holt said, "we are not counting on the Refugee Act being renewed. We are going right ahead, cutting as much redtape as we can. And, believe me, it's a difficult situation when you are working in two languages.

FRIENDS IN SEOUL

Adoption papers have to be processed in both American and Korean languages, and carbons can't be used on the Korean papers. The Koreans say that it takes 240 hours to process the papers for 1 child, Holt said. "We're going to have to get that figure down to 2 or 3 hours or we're not going to be able to handle all those children."

At present friends of Holt, Harry Larson and his wife, are in Seoul and are maintaining an adoption office to work with officials there.

In Creswell, Holt says he has received 1,500 applications from parents who want to adopt the mixed-blood children. Each of these families must be screened as part of the adoption procedure, and that's one job Holt cannot do himself.

However, he said that a nationwide investigating service is doing it for him at cost. They're doing an excellent job, Holt said, because the National Korean Foundation in Seoul told him the papers on parents who are seeking adoptions were more complete than those they have heretofore been used to.

WAIFS IN SEATTLE

The Creswell farmer landed in Seattle Friday after babysitting with 12 Korean waifs who are to be adopted by United States families. Holt said he had been asked by International Social Service to accompany the youngsters to America. Holt left the children in Seattle. They will be bound now for homes in New York, Massachusetts, Indiana, California, and Washington State.

Holt will return to Korea late in May. He is taking with him Roy Wolfe, a photographer and worker with World Visions, Inc. Holt feels that pictures of the children still remaining in Korea will give people a better idea of the work that is left to be done there.

More than 600 of the children of American-Korean parentage are in orphan centers and many are in hospitals all over South Korea, Holt said. They are suffering from malnutrition and other diseases, but he believes that they will be well enough before the end of the year to be taken to the United States.

With the new census action by President Rhee, many Korean mothers are bringing their children, fathered by American soldiers, into Holt's office in Seoul. Eight mothers came to him in one day.

"If we can just cut the considerable amount of redtape that has been slowing down the adoption process, we'll take care of every child they bring in," he said.

[From the Oregonian of April 8, 1956]

OREGON FARMER BRINGS 12 MORE ORPHANS FROM KOREA FOR NEW HOMES IN AMERICA

Another dozen Korean "GI orphans" arrived at Portland airport Saturday, shepherded by kindly, diaper-changing Harry Holt, the 50-year-old Creswell farmer and mill owner, who has taken on the mission of bringing hundreds of the children to homes in this country.

Holt left the Northwest Airlines plane here to fly to his home, and the children—ranging in age from 3 to 8 years—continued on to homes in various parts of the Midwest and East.

The children and Holt were met by Dr. Frank Phillips, executive secretary of World Vision, Inc., the Portland-headquartered missionary organization which paid the $250 transportation and $50 child placement fee for five of the children. Holt himself is paying for another five. The transportation and placement charges are being paid by foster parents who are able to do so, Dr. Phillips said.

Holt is seeking to bring all the children to the United States that he can before expiration—at the end of this year—of the emergency Federal legislation which allows bringing in more than two orphans.

"The whole Korean Republic, from the President on down, is helping with this project," he said in an airport interview. They're conducting a national census, knocking on every door."

Holt said the American Embassy estimates there may be 1,500 of the babies born to Korean mothers and unidentified United Nations military personnel, but he thought the number might be considerably less than that figure.

"The children are not accepted by the Koreans," he said. "They are mistreated, humiliated. Other children point their fingers at them and call them 'GI babies.'"

GI LABEL STICKS

Holt said orphanage personnel had tried to change the designation of the children to "U. N. orphans," because the fathers are not all United States military forces members, but that the "GI" label is sticking in the public mind.

Holt showed emotion in describing an aspect of the orphan roundup which revealed his devotion to the task and the individual Korean heartbreak behind each child coming to this country.

"I brought in five of the children to the gathering center," said Holt. "I talked to their mothers."

"Did they want to give up the children?" asked a girl reporter at the press conference.

MOTHERS' VIEWS MIXED

"Would you want to give up your baby?" Holt asked gently. "But gradually they are realizing that their children have no chance for a happy life in their home country. They know they'll do better over here, and many of the mothers bring their children to the orphanages."

Holt said that he and Roy Wolfe, director of publications and artist for World Vision, will go to Korea the last of May to bring back another planeload of children.

The Creswell man and his wife made national news last fall when they adopted 8 of the war orphans, and Holt then went to Korea to bring back 12, 4 of them going to other foster parents.

Two of those children were at the airport with their foster parents, Mr. and Mrs. William Collier, 1314 Southeast 55th Avenue, Saturday to see the newcomers.

In addition to the 8 orphans they have taken into their homes, the Holts and their children are supporting 33 others in Korean orphanages at $10 a month for each.

Holt said Harry Larson, an ex-used car salesman, is now working in Korea for him on the "baby lift" project, and Mrs. Larson is doing "baby paperwork" in the Holt home at Creswell.

[From Cosmopolitan magazine of March 1956]

THE CHILDREN WE LEFT BEHIND—AMERICANS ARE RACING AGAINST TIME TO RESCUE JAPAN'S "GI BABIES" BEFORE THEIR MIXED BLOOD AND ILLEGITIMACY MAKE THEM EMBITTERED SOCIAL OUTCASTS

(By Thomas J. Fleming)

Few children in the world have futures as bleak as those of the 4,000 GI babies left in Japan by our army of occupation. Because the Japanese believe that their race is unique and that it has remained unsullied by foreign blood for at least 6,000 years, any child who is of mixed blood faces cruel discrimination and abuse. And illegitimacy worsens the GI babies' plight, for without a father's name on his birth record, it is almost impossible for a person to marry or get a decent job in Japan.

Some of these children are illegitimate because of moral irresponsibility on the part of their American fathers, but by far the largest proportion of them were born out of wedlock because of the unreasonable and unwise law against marriages between Americans and Japanese which was in effect during the first 7 years of the occupation. Proof of this is the fact that, during the brief periods when such marriages were permitted, almost 8,000 GI's rushed to legitimatize their unions with Japanese girls.

SOME ARE BEING SAVED

Fortunately, many Americans feel we have a moral, if not a legal, responsibility to these children, and have been working hard to rescue them from their tragic future. The American Joint Committee for Assisting American-Japanese Orphans has been scouring Japan to search them out. Last year the International Social Service, an agency which has long specialized in adoptions between different nationalities and races, sent an executive secretary to Tokyo to work with the Joint Committee. Through their efforts the children have been included in the quota established under the Refugee Relief Act, which provides that 4,000 war orphans from all parts of the world may be placed for adoption in the United States. But after the Refugee Relief Act expires in December 1956, bringing the children into the United States will be almost impossible, because Congress will have to pass a separate bill to admit each child—a procedure that now takes from 4 to 12 months.

So far, only a pitiful trickle of these children have been brought from Japan for adoption in the United States. But over 300—like Jimmy-san have been adopted by families of American servicemen and other Government personnel living in Japan. As one chaplain explained: "It takes a little courage to adopt one of these kids. But when you see first hand the problems they're up against, the trouble it will take to save them seems small by comparison."

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938—TWO-PRICE PLAN FOR RICE

Mr. FULBRIGHT. Mr. President, I introduce, for appropriate reference, a bill to amend the Agricultural Adjustment Act of 1938, as amended, so as to establish a two-price plan for rice. This plan was included in the farm bill recently vetoed by the President.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3756) to amend the Agricultural Adjustment Act of 1938, as amended, so as to establish a two-price plan for rice, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938—NATIONAL ACREAGE ALLOTMENT FOR RICE

Mr. FULBRIGHT. Mr. President, I introduce, for appropriate reference, a bill to amend the Agricultural Adjustment Act of 1938, as amended, with respect to the national acreage allotment for rice. This bill embraces the same provision which was carried in the farm bill which was recently vetoed, with regard to the freezing of acreage of rice.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3757) to amend the Agricultural Adjustment Act of 1938, as amended, with respect to the national acreage allotment for rice, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

BENEFITS FOR SURVIVORS OF SERVICEMEN AND VETERANS—AMENDMENT

Mr. GREEN submitted an amendment, intended to be proposed by him, to the bill (H. R. 7089) to provide benefits for the survivors of servicemen and veterans, and for other purposes, which was referred to the Committee on Finance, and ordered to be printed.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

Mr. STENNIS. Mr. President, I submit an amendment, intended to be proposed by me to the bill (H. R. 7225) to amend title II of the Social Security Act, and ask that it be referred to the Senate Finance Committee which now has this legislation under consideration.

This amendment provides for exemption from coverage under Social Security of part-time agricultural employees who work less than 60 days for the same employer during the calendar year, but would require retroactive coverage for the employee dating back to the first day of employment if the employee has worked over 60 days. This is a modification of my bill, S. 1279, and if adopted would greatly simplify the burdensome and expensive recordkeeping. I strongly feel that this should be the minimum standard for coverage for part-time agricultural workers under the social security legislation.

The $100 a year criterion in the present law brings into the picture a large number of persons who are not really a part of the farm labor force, such as a farm boy working for a neighbor on Saturdays, or a high-school boy working a few weeks during summer vacation, or local people who work for a couple of weeks in helping harvest the cotton crop, or a strawberry crop, and a number of other situations where the work is extremely temporary in nature. I do not believe that any real purpose is accomplished by including this very casual type of employment.

A second major problem is that associated with so-called day-haul labor. For example, during the cotton season or during the very short fruit harvest season, a farmer may need to employ about 20 workers for a period of 4 or 6 weeks. He may send his own trucker, or contract a truck to go to the local city each morning to haul workers to his farm. The daily turnover of such is very heavy—quite normally 50 percent—and on many occasions up to 100 percent. Thus during a 2-month period, a farmer may actually employ 500 or 600 workers, even though the number of workers on his farm at any one time is not over 20.

Therefore, if the farmer is to be certain that he does comply with the law, he must keep a record of how much money is paid out to each of these 500 or 600 workers. This involves a recordkeeping operation extremely difficult to work into the established pattern of harvesting operations in many areas. As a result of all this recordkeeping, the employer may not actually pay any social-security tax at all because no individual worker earns as much as $100. In other instances, the amount of the social security tax will be a few dollars. We have here a situation whereby the cost to the employer of collecting the tax may be many, many times greater than the amount of the tax itself.

In order to provide the basis for a constructive approach to this problem the amendment which I offer at this time provides for what might be called a qualification period; that is, a period of employment that will be completely covered by social-security tax provided the 40-day criterion is fulfilled. Those who qualify by working the required number of days will then be considered to be covered by social security from the very first day of employment. It is my belief that this proposal will eliminate a great bulk of recordkeeping required by the present legislation and yet fulfill the primary objectives of the 1954 amendment.

This certainly appears to be a sound and constructive approach to this important problem, and I urge the Finance Committee to include this provision in their committee bill.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and appropriately referred.

The amendment was received, referred to the Committee on Finance, and ordered to be printed.

OHIO RIVER BRIDGES NEAR CANNELTON AND LAWRENCEBURG, IND.—ADDITIONAL COSPONSOR OF BILLS

Mr. CAPEHART. Mr. President, I ask unanimous consent that my colleague, the junior Senator from Indiana [Mr. JENNER], may join with me in the sponsoring of the bill (S. 3724) creating the City of Cannelton Bridge Commission, defining the authority, power, and duties of said commission; and authorizing the commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Cannelton, Ind., and Hawesville, Ky., and for other purposes, and the bill (S. 3729) creating the City of Lawrenceburg Bridge Commission, defining the authority, power, and duties of said commission; and authorizing the commission and its successors and assigns to construct, maintain, and operate a bridge across the Ohio River at or near Lawrenceburg, Ind., and Boone County, Ky., and for other purposes, the next time the bills are printed. He was to have been a cosponsor, but inadvertently the matter was overlooked.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BEALL:

Address delivered by him at dedication of new synagogue of the Northeast Hebrew Congregation, at Mount Rainier, Md., on April 29, 1956.

NOTICE OF HEARING ON SENATE BILL 3760 BY SUBCOMMITTEE ON IMPROVEMENTS IN THE FEDERAL CRIMINAL CODE

Mr. DANIEL. Mr. President, notice is hereby given that the Subcommittee on Improvements in the Federal Criminal Code, of the Committee on the Judiciary, will hold a public hearing on the bill (S. 3760) to provide for a more effective control of narcotic drugs, and for other related purposes, in room 424, Senate Office Building, on Friday, May 4, 1956, at 10 o'clock a. m.

NOTICE OF HEARING ON SENATE JOINT RESOLUTION 165 BY COMMITTEE ON FOREIGN RELATIONS

Mr. GEORGE. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that a public hearing will be held on Tuesday, May 15, 1956, in the committee room, on Senate Joint Resolution 165, approving the relinquishment of the consular jurisdiction of the United States in Morocco.

AINSWORTH (NEBR.) UNIT, MISSOURI RIVER BASIN PROJECT

Mr. ANDERSON. Mr. President, on Wednesday, April 26, the Senate passed Senate bill 2206, a bill to provide for the construction and operation by the Secretary of the Interior of the Ainsworth unit of the Missouri River Basin project. At the time we overlooked the fact that a similar House bill was on the desk. I have several requests to make, which have been approved by the Parliamentarian.

The ACTING PRESIDENT pro tempore. The Chair is advised that the House bill was pending in committee, and not at the desk.

Mr. ANDERSON. At least, the House bill is here.

I have several requests to make, which will straighten out the parliamentary procedure.

First, I ask unanimous consent for the reconsideration of the vote by which the Senate on April 26 passed S. 2206, to approve the report of the Secretary of the Interior on the Ainsworth unit, Missouri Basin project.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ANDERSON. I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from further consideration of H. R. 9132, to approve a report of the Secretary of the Interior on the Ainsworth unit, and that the Senate proceed to consider the House bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senate proceeded to consider the bill (H. R. 9132) to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

Mr. ANDERSON. Mr. President, I ask unanimous consent to amend H. R. 9132 by striking all after the enacting clause and inserting in lieu thereof the text of S. 2206, as amended, in the nature of a substitute, with a further amendment as follows: Page 2, line 9, strike "any participating" and insert "the."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The ACTING PRESIDENT pro tempore. Without objection, Senate bill 2206 is indefinitely postponed.

MUST AMERICAN AGRICULTURE BE A CONTROLLED INDUSTRY?—ADDRESS BY SENATOR EASTLAND, OF MISSISSIPPI

Mr. AIKEN. Mr. President, on April 19, 1956, the senior Senator from Mississippi [Mr. EASTLAND] delivered an address before the National Institute of Animal Agriculture, Purdue University, at Lafayette, Ind., on the subject "Must American Agriculture Be a Controlled Industry?" The address is one of the clearest expositions I have read of the basic issue confronting American farmers, and the whole country as well. I ask unanimous consent that the address by the Senator from Mississippi be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR JAMES O. EASTLAND BEFORE THE NATIONAL INSTITUTE OF ANIMAL AGRICULTURE, PURDUE UNIVERSITY, LAFAYETTE, IND., APRIL 19, 1956

It is a great honor and privilege to be asked to speak to the Institute of Animal Agriculture. You have assigned me a challenging subject—"Must American Agriculture be a Controlled Industry?"

I am interested in this subject as a farmer, a cotton farmer. I am also interested in this question as a citizen—because whatever political-economic forms are developed in agriculture will have a profound influence on other aspects of our society. And I must necessarily be interested as a Senator and as a member of the Senate Agriculture Committee. In my political capacity I have a serious responsibility—one that I do not regard lightly. However, it is primarily as a cotton farmer that I want to talk to you frankly here this evening.

Let me begin by asking what we mean by "controlled industry." There are many and varying degrees of control. Conceivably Government control of agriculture can extend to the point that production and marketing of all commodities will be regulated. At the present time we have very tight controls of production and marketing for 5 of the 6 basic commodities and these 5 represent about 19 percent of total agricultural production. For the remaining 81 percent no significant degree of centralized control of production and marketing is now in effect. Just exactly what is involved in the term "controlled industry" is somewhat academic. The real question is—which direction are we going? Will national policy involve gradual expansion of Federal authority to new crops? Will Federal policy involve regulation, by one means or another, of the size of farm operations? Or will national policy trend in the direction of reducing the present scope of Federal regulation.

I'm sure that we who have thought through this matter would like to base our solutions on sound economics; however, if we are realistic, we know that this is also a political question. Most Members of Congress vote the way they think their constituents want them to. Right or wrong, most of the Congressmen who voted for or against the farm bill were voting the way they thought their farmer constituents wanted. This is not 100 percent true, since there are some overall political issues involved. Some Congressmen voted with their party. Some Congressmen voted on the farm bill in accordance with the advice of their labor-union advisers. I'm happy to say that most Congressmen try honestly and sincerely to vote their convictions. But in general, most Congressmen are not much wiser than their constituents urge or permit them to be.

This is why I so welcome the opportunity to speak to you. The extent to which agriculture will become dependent upon and controlled by Government in the future will be determined by farm people. Every one of you present can and I hope will participate in your particular field in bringing about a better understanding of the issues and consequences involved.

Part of the answer to the question would appear to be found in the experience we have had to date. It is my judgment that the extreme Federal intervention in the case of the so-called basics has been harmful to the long-time interest of the producers of those commodities. The outlook for producers of these commodities—and I'm sure this is true with regard to cotton—is far more gloomy today than it would be if we had had less Federal intervention in the pricing and marketing of our commodities during the past 10 years. It is not accidental that the big income-depressing surpluses in Commodity Credit stocks consist almost entirely of commodities for which the Federal Government has followed a rigid price-support policy, that has held prices at levels higher than effective demand. Certainly, this is true in the case of cotton, where prices have been and are considerably above those of our competitors.

As to the question, Must agriculture be a controlled industry?—if we look at the economics of the problem it would be my conviction that agriculture will be better off economically if the scope and extent of Federal intervention in the price and marketing picture is reduced rather than expanded.

To me, it is somewhat appalling to note, among many farmers, among much of the press, among many of my colleagues in the Congress, the bland assumption that higher price supports mean higher farm incomes.

It seems to me this is not true—that it is tragically not true. Yes, high price supports help farmers in any particular year. But the long-range consequences of this policy, carried forward year after year, have disastrous effects upon the ability and opportunity of farm people to earn good incomes. We need to distinguished between short-run benefits and long-run consequences.

As farmers, as producers, we must be interested in net income. Farming is a business, it is a most complicated business. The net income of any business is dependent on the volume sold times the price received minus expenses paid. You will note in this formula that price is only one of the com-

ponents. Admittedly, it is a very important part, but in my judgment we have given entirely too much emphasis to this one part of the formula, with gross neglect of the other parts. I know this is true with regard to cotton. In fact, as far as cotton is concerned, farm policies based only on price will in the long run destroy the industry. Cotton farmers have enjoyed 90 percent of parity. What has been the result of their being in this select category? They have experienced a 40 percent reduction in acreage. On the 60 percent that they are permitted to plant, the 90 percent price support gives them 54 percent of parity income.

Let me review briefly for you what happens when the Federal Government commits itself to support the price of a commodity at a rigid high level, irrespective of the supply-demand situation and the competition it faces.

The first thing that happens is that production of the commodity is stimulated. Don't let anybody sell you the fairy story that the level of farm production, the level of production of any particular commodity—is not affected by price. It was price more than any other factor, which brought about the extraordinary increase in farm production during the war years, despite shortages of labor, equipment and materials. It is Government price supports which have held production of basic commodities high during postwar years. There is no question but what the tremendous expansion of cotton produced in the West was directly the result of extremely profitable prices resulting from Government supports. Not only that the support price was fixed at profitable levels, but that it would remain there sufficiently long to recover the costs of converting to irrigated cotton production from other crops. This same price assurance helped to provide credit to develop new production areas and to expand production in foreign countries who have operated with assurance in the world cotton market under the umbrella of our domestic price supports and cotton export sales policies.

The second thing that happens is that domestic demand is curtailed. Demand is not constant—it varies with price. At each price, demand will be different. Since the discovery of synthetic fibers through 1955 these fibers have displaced 4,800,000 cotton bales equivalent, which now equals one-third of the domestic fiber market. Nine hundred and seventy-eight thousand bales of this was during the last calendar year. This tremendous expansion was brought about because of the fiber price relationship which rayon has enjoyed due to fixed prices of cotton.

The third thing that happens is that foreign production is stimulated. The United States Government has not only held a floor under United States farm prices—but under farm prices in other countries. And they have responded in the most natural way in the world—by increasing acreage and production of those crops for which the United States fixed at high levels the price at which the commodity will move in world trade.

Cotton acreage in foreign countries has constantly expanded during the last 10 years when price supports have been fixed at the high war-time levels in this country. Not only has expansion taken place in the old producing areas, but new areas of production have been brought in. In some countries the acreage is now ten times as much as it was before World War II. During this period the increase in foreign cotton acreage—mind you, just the increase—is more than the total acreage which cotton farmers are permitted to grow in the United States. Foreign production of cotton is expanded to the point where it is within less than two million bales of total foreign demand. A tremendous expansion has also taken place in the production of synthetic fibers in foreign countries, primarily on the basis of the price advantage which they enjoy. During the 6-year period 1949–1955 foreign synthetic fiber production more than doubled, totaling the equivalent of 9 million bales of cotton. In fact, total world consumption of synthetic fibers now exceeds the total American production of cotton for both domestic consumption and the export market. On the basis of average production per acre in the world this synthetic production has displaced almost 25 million cotton acres.

The fourth thing that happens is that export sales decline and the United States becomes the residual supplier for world markets. Inevitably when the United States Government supports the price of farm products at a level which encourages increased production and surpluses result, United States prices are held above the world market. This permits the rest of the world to sell its production just under the United States price leaving the United States farmer only that part of the market which foreign producers do not and cannot fill. Again I can illustrate this best by using cotton, as I know first-hand what has happened in this case.

The increased production of foreign cotton and synthetics already referred to has taken its toll on the traditional export markets for United States cotton. Since the late thirties until recently we normally exported about 5 to 6 million bales. If we go back to the twenties we find our cotton exports averaging 8 to 9 million bales. This year the Department of Agriculture estimates that cotton exports will be below 2 million bales. This would be the smallest quantity exported in the last 100 years, except during the Civil War, World War II and their aftermaths. In the last quarter of a century our share of the world export market has declined from 60 percent to less than 30 percent. This in large part accounts for the fact that the acreage which we grew last year under strict acreage controls was the smallest since 1883. There is a further reduction in cotton acreage allotments this year which again curtail cotton net income, with the outlook for additional drastic cuts in 1957 and 1958.

Put these things together, increased production here and abroad, reduced sales here and abroad, and what do we get? Surpluses. The $12 billion borrowing authority granted to Commodity Credit for price-support programs is inadequate to take care of Federal commitments during the next harvest season. Cotton is a big part of the problem. Today the Commodity Credit Corporation owns or has made loans on a total of 14 million bales of cotton, valued at $2.4 billion. This is equal to what we think of as a normal year's domestic consumption but exceeds by about three million bales the quantity which will be consumed and exported this year. Corn accounts for $1.9 billion, and wheat $2.9 billion. These surpluses were created by our program. They will be created by any program whereby the price of a commodity is fixed by Government—irrespective of demand-supply relationships or cost of production.

These surpluses disastrously affect farm incomes, for a number of reasons. First, they compel production controls, and this reduces farm incomes. We have seen earlier how under 90-percent price-support programs cotton farmers are getting only 54 percent of cotton-parity income because of acreage curtailment. Farmers are denied the opportunity to produce and sell to markets they might have held. Second, the acreage taken out of controlled crops is not left idle—it goes into the production of other crops and primarily into feed and forage for livestock. This tends to create overproduction and reduced prices for these other commodities.

Agriculture is all interrelated. What happens to one commodity inevitably affects other commodities. A farmer's basic resources are soil, water, and his own labor. He can enhance the productive capacity of these basic resources by the application of research information, conversion to mechanical operation, and by adopting improved techniques. If he is prevented from using these resources to produce one commodity, he will divert them to other commodities. Every livestock producer has an interest in the cotton problem, because much of the resources that were used for cotton production have gone into livestock production. During the period of high livestock prices, many southern cotton farmers made this change. If livestock prices had been fixed by Government at high rigid levels, they would have remained in. However, the reduction of prices caused many of these farmers to change back from livestock to price-supported crops, and the livestock industry is back on the road to stable and satisfactory prices. Exactly the opposite is true of the new cotton-growing areas of the West, because, regardless of the supply, Government has fixed a profitable price. The acres coming out of cotton and changing back from livestock in the South are going into price-supported soybeans, feed grains, and, with irrigation, corn production is becoming more profitable, as indicated by the increase in production per acre and also the 300-bushel record established by a Mississippi 4–H Club boy in 1955.

The expenditure of public funds which contribute to the solution of the farm problem can, I think, be justified, provided they really make a contribution. But, unfortunately, our farm-price policy has operated to expand the agricultural plant; whereas any realistic appraisal of the situation indicates that a contraction of our agricultural plant is imperative.

Total agricultural production has been running perhaps 5 percent in excess of total use, even through a great deal has been done to encourage the expansion of domestic and export markets. This 5 percent has been going into CCC stocks.

I am for the soil-bank proposal because I know that before we can improve the agricultural outlook we must bring about a better balance between total supply and total demand for farm products. The soil-bank approach will assist in further reducing production without reducing net farm income by providing rentals to offset sales income.

The basic purpose of the soil-bank program is to bring about at the earliest feasible date a balance between annual supply and effective demand and begin to make some progress toward the liquidation of current surplus stocks.

Long continued Government price fixing and production controls will create an inefficient agriculture. There is a tendency both in the law, in the regulations and in the natural sympathy of the County Committee administrators, to avoid heavy cuts on small farmers and to allocate the right to produce to farmers who have little or no history of a particular crop. This is understandable. But let us note the end result. This is most strikingly illustrated in the case of burley tobacco. The number of farms producing burley tobacco has expanded significantly, and the acreage per farm has declined. Thus to compare 2 years, 1944 and 1955, we find that the total acreage of burley tobacco has declined 47 percent, the number of growers has increased 26 percent, the average allotment in 1955 is 58 percent smaller than in 1944. Three out of four burley tobacco allotments in 1955 were below 1 acre.

This is not an efficient way of producing burley tobacco. It is going to be more and more difficult for the United States burley tobacco industry to compete in foreign markets against competitors who are not hogtied by production control programs.

It seems to me that one of the inevitable consequences of long continued production

controls is to divide the right to produce among more and more people on an equal per capita basis.

I do not think this is the road toward an efficient, prosperous agriculture. This is not an agriculture offering an ambitious young man the opportunity to grow and expand his operations.

I am convinced that the economic law of supply and demand will inevitably prevail. It will eventually write the civil law. The Government has partially suspended the operation of the laws of economics temporarily in the price support and production control laws with the resulting confusion in the market and supply situation we face in agriculture today. Faced with the dilemmas created by the farm program, a great many alternative proposals are being advanced.

One which has a great deal of appeal is the idea of production payments, or compensatory payments. Under this proposal each producer would receive a payment on each unit produced equal to the difference between the price standard and the average market price. This proposal has many theoretical advantages. But what happens when we mix up a little politics with the proposal?

Politically the price standard would be fixed at an attractive level. This level would encourage production, lower the market price, and increase the payment per unit. The cost of the program would soon become prohibitive. Under these circumstances an economist would simply reduce the price standard. But this is not the political answer. The political answer is to reduce the maximum payment made to any one farmer. We would seek an equitable means of dividing the payments. And how do you distribute public money to the electorate on an equitable basis? The ultimate and inevitable answer would be on an equal basis—one vote, one share—equal shares.

This is the way to create a peasantry—to convert independent farmers to wards of Government. This is not the ambition I have for the future of American agriculture. The American farmer must come to understand the basic economic facts upon which his welfare depends. He needs to understand that Government cannot assume all of the responsibility and provide all of the answers without his cooperation. The national farm organizations must try hard to get these facts over to their membership. The membership of many of the affiliate State farm organizations refuses to accept sound decisions based upon economics and oppose the position taken by the national organizations with resulting confusion in the Congress.

I want to commend the livestock industry generally for not succumbing to the lure of price fixing by Government. Sound price-support programs are helpful for storable commodities and can contribute to orderly marketing. The original purpose of price support programs was to aid the orderly marketing of farm products rather than for the Government becoming a market. But price supports on livestock products would be administratively impractical and would be harmful to livestock producers. It is particularly imperative in the case of livestock that current production be currently marketed. It takes price flexibility to accomplish this. If action were taken to prevent price from performing its normal function of balancing supply and demand for livestock products, it is apparent that livestock products would pile up in Government hands to high levels in an extraordinarily short period of time.

I don't know what the latest figures are, but I have heard that it takes seven times as much land to feed people an animal protein diet as a grain diet. Confronted as we are with an expanded agricultural plant, it is important to all farmers that every conceivable means be utilized to maintain livestock consumption at a high level. By such means the consumer eats up the products of more acres than he does with a smaller percentage of livestock products in his diet. We need to do everything reasonably feasible to develop imaginative and forceful programs to expand demand for livestock products and in doing so we will be doing a favor to the consumer due to the "protective" value of livestock products in the diet.

I am sure everyone would agree there is a need for a program to expand consumption of animal products. If there is anything I could say to impart a feeling of urgency about this, to stimulate your imagination to acomplish this objective, I would feel my time here to be extremely well spent, not only in the interest of livestock people generally, but in the interest of agriculture.

So in conclusion may I say to you in the most serious way I can—the answer to the question, "Must American agriculture be a controlled industry," is—we who are interested in a free and independent farmer citizenry, we who are for a prosperous agriculture, must do all we can to steer a course away from centralized control and Government intervention in the production and marketing process.

It is not an easy task to change this course. We can only do it a little at a time. And it can be done only with the understanding and support of farm people. We have to start from where we are. It's going to take a geat deal of dedication to pull agriculture out of the swamp of Federal dependence, on the edges of which it is now floundering. Each of us needs to ask ourselves the question, are we going to be a part of the answer, or are we going to be part of the problem? I am confident that all of you can make a contribution toward finding sound answers and that in so doing you will be prompting progress and freedom in America.

SOIL AND WATER CONSERVATION PROGRAMS IN MARSHALL COUNTY, KANS.

Mr. CARLSON, Mr. President, Marshall County, Kans., is carrying on one of the outstanding soil and water conservation programs in the State, and in a recent issue the Marysville Advocate printed a soil conservation section.

Mr. Fred A. Prell of Bremen, chairman of the Marshall County Soil Conservation Committee, presented a very fine report of the work done in the county at a meeting of the Bankers Annual Award Night, at which time six outstanding farmers were honored for outstanding service in soil and water saving practices.

Those receiving the certificates of award were Marvin Roepke, Waterville; Melvin Stohs and his father, Rudolph Stohs of Bremen; Harold Snell of Summerfield; Joel Spiller of Frankfort and August Kathe of Marysville.

The awards were presented by Mr. John Mollinger, representing the bankers of the county and the program was presided over by Frank Stanton, of Vermillion, the association president.

Marshall County, which is in district IV under the soil conservation district law, is one of the five districts in the State. This law was enacted in 1955 for soil and water conservation.

Marshall County was one of the early counties to participate and plan programs which are under construction under the Hope-Aiken Water Facilities Act, which was approved in the 83d Congress. This work is under the direction of Mr. Fred Sykes of the State Soil Conservation Service and local organizations. These projects were listed by Congress as pilot projects and are being watched with great interest as to their effect on soil conservation and flood control.

Mr. Fred A. Prell, chairman of the Marshall County Soil Conservation Committee, made an excellent report to those in attendance at the annual meeting. I ask unanimous consent that the report as submitted be printed in the RECORD as a part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

"The most important thing that confronts all our people is to conserve our soil, water, and fertility resources," he charged. "We must manage and operate and try to prosper with this remaining good topsoil in nailing down the cultivated acres with good waterways and terraces. We must build more ponds for stock water and build more dams and larger detention reservoirs to impound torrential floods to reduce the damages downstream to lands and roads and stop the erosion and damage by runoff of our upland fields in watersheds."

He said that 25 years ago in Marshall County there were 3,300 farms of 3 acres and up. The last census showed less than 2,300 farms or a loss of 1,000 units. He also cited that the farm population has dwindled along with the change in the farming scene.

"The only other choice we have is to neglect our duty as good stewards of the land we control by permitting the serious erosion on unprotected land to continue, letting the ditches and gulleys grow wider and deeper and causing the land to lose its fertility. Water resources will be diminishing—finally forcing us to lose title to the land and driving us from our homes and possessions. That, in short, is as closely as we are tied to good fertile soil and water resources.

"It is encouraging to note that landowners and tenants in our district and the landowners living in other States or distant from Marshall County fully realize this and the importance of this program. Many are determined to do something about it. Let me assure you your district and neighbors fully appreciate this fine cooperation. Moreover the established conservation practices now on farms are demonstrating and proving that conservation pays good dividends and safeguarding the toil and investment in the lands," he continued.

"When most of the needed practices are established on farms good neighbors embark on the next venture and begin to set up watershed projects in their communities. They are not on a taxed basis, but on a voluntary and combined neighborly approach as is being carried out in the Snipe Creek Pilot Watershed project, where nearly every farm unit in the area is cooperating in completing the conservation job on his farm.

"Here are some of the figures at the close of the year in Snipe Creek: 393 miles of terraces planned, with 362 completed; 532 seeded waterways planned, 459 acres established; 70 stockwater dams planned, and 43 have been built; 70 road-control structures planned, and 44 built; 1,759 acres of pasturelands out of 4,757 acres needing treatment, and 562 acres have been carried out.

"There are now eight large floodwater retarding dams planned. Five of these are completed, except a few are not yet seeded, and the sixth is about 75 percent done. We hope the other two can be finished. The 8 detention dams as originally planned would impound 931 acre-feet of water and 437 acre-

feet are now in them, and we hope the rains will come. It would be a grand achievement indeed if all lands in the district were as far along as Snipe Creek.

"According to latest figures available, there are 2,297 farm units in Marshall County, covering 563,995 acres of farmland. Forty-seven basic plans were written during the year. Forty-five new applications for services were received. Total applications received to date are 1,940, and 1,576 farm plans have been written with cooperators to date.

"I shall now give you the practices applied by cooperators in 1955, to date and remaining to be carried out, and the goals we hope to reach in 1956—this year.

"List of conservation practices

	Unit	Practices SCS last year	Applied now on land	Needs remaining	Goals 1956
Conservation crop rotation	Acre	5,657	178,289	207,056	20,000
Contour farming	do	2,754	84,787	211,891	3,000
Contour strip crop	do	0	916	20,508	280
Improved water application	do	272	1,188	7,630	500
Irrigation water management	do	0	916	7,902	500
Land clearing	do	5	58	145	50
Stubble mulching	do	4,303	214,776	100,975	20,000
Waterway development	do	205	10,181	15,151	200
Brush control	do	205	1,306	106,051	5,000
Deferred grazing	do	1,118	45,687	53,423	1,000
Pasture planting	do	135	9,135	9,865	1,000
Proper use	do	928	91,732	61,920	700
Range seeding	do	153	14,105	23,510	1,000
Tree planting (FS)	do	0	1,000	2,000	15
Tree planting (FS)	do	0	777	954	10
Rotation grazing	do	72	26,013	31,856	500
Fish pond improvement	Number	30	41	470	50
Wildlife area improvement	Acre	0	157	497	200
Diversion construction	Mile	4.6	113	259	5
Irrigation reservoirs and dams	Number	1	1	49	3
Irrigation reservoirs and dams	Acre-foot	18	18	1,000	60
Diversion ditches and dikes	Mile	0	25	250	10
Farm drainage	Acre	68	1,250	2,451	500
Floodwater retention structure	Number	2	5	224	30
Floodwater retention structure	Cubic yard	40,359	138,401	5,159,641	80,000
Floodwater retention structure	Acre-foot	133	450	58,367	500
Open drains	Mile	1	13	24	5
Open drains	Cubic yard	6,400	83,771	193,600	30,000
Pond construction	Number	64	565	4,488	80
Roadside erosion Sont	Mile	0	10	60	1
Sprinkler irrigation system	Number	3	7	87	5
Sprinkler irrigation system	Acre	157	1,077	4,343	100
Stability structure (b)	Number	2	310	3,308	200
Stability structure (f)	do	25	334	3,286	50
Terracing	Mile	158	2,218	13,478	500
Stock wells and springs	Number	1	1,001	499	25
Diversion dams	do	0	50	500	10
Diversion dams	Cubic yard	0	5,600	400,000	8,000
G. E. detention dams	Number	2	5	224	30
Farms benefited	do	8	31		
Acres benefited	Acre	160	335		
Cropland to grass	do	285		17,715	800
Cropland to woods	do	0		560	15
Grass and woods to crops	do	23		121	50
Cropland to wildlife	do	0		1,320	67
Check dams	Number	0	500	2,600	25
Irrigation pumping plants	do	4	9	177	8
Irrigation pumping plants	Acre	115	1,125	8,885	300
Fencing	Rod	0	70,000	192,000	7,600

"The goals we have set for this year are: Increasing waterway development by 200 acres; building 200 miles of terraces; adding 20,000 acres in crop rotations; moving 80,000 yards of earth for detention dams among the many other conservation measures planned to be established.

"We may well ask ourselves when and how will we get this enormous job done in time to prevent the continued serious erosion on what precious soil we have left? There is only one answer. By people. People living on the land operating their farms, tenants working with landowners, nonresident landowners working with their tenants will do it. People buying land that the former owner sold or neglected through misfortune or otherwise are all doing their part in establishing the conservation practices.

"To quote a few statistics taken from the 1954 farm census and released in August last fall. They are not to prove that farming is big business—which it is, but to show what our agriculture and farming means to the economy—business and employment to our towns and cities in Marshall County and to our country. There were 3,108 tractors and attachments—2,567 automobiles, 1,225 trucks, 1,122 cornpickers, 505 pickup balers, 1,288 grain combines, 2,000 farms had electricity plus modern utensils and equipment, 1,019 feed grinders, 484 home freezers, 1,882 telephones, 988 farms with piped-in water to say nothing of the cattle, swine poultry, and other things. Farmers bought $470,000 worth of fertilizer, and spent $994,880 for gas and oil and paid a goodly portion of the taxes. The average farm consists of 268 acres with buildings and improvements listed at $23,281.

"No average businessman directly or indirectly employs the services and products of so many people as does the farmer. Moreover, these production dollars pass through the hands of mercantile, machinery, car dealers, gas, and other suppliers of goods and services, with the banks performing the intermediate services of extending credit and safeguarding the surplus and profits.

"It is, therefore, true that the town and city dwellers and the farmers are very closely interdependent.

"The townspeople depend upon the farmer for a big share of the market as well as the food they eat and the clothes they wear to say nothing of the added employment that is created to handle the farmers's product.

"It is readily apparent that all our people have a direct interest and stake in conserving our annually new wealth producing soil and ever mounting demands for water resources that have to be met, and the utmost importance to maintain soil fertility in our cultivated lands, and protect our grasslands from overgrazing. Conservation farming and ranching directly enables the farmer in assuring the increased production from these lands, which not only feeds his town and city neighbors, but even more important it enables him to buy more city-made goods and services and manufactured items, thus keeping industry humming and stabilizing labor and our economy. Especially is this true, if the crops are good and his production is on a profitable basis.

"Who is the man that can honestly say all our people do not have a tremendous stake in this program and the need to conserve this God-given heritage over which the farmer first hand holds and exercised stewardship, and produces the new wealth that accelerated all business enterprises and industry in what he buys and what he produces, and supporting the schools and churches that build better communities and utilities that serve them.

"At this time, Mr. Chairman, our board of supervisors wish to express our sincere thanks and the Marshall County Bankers Association of Marshall County for the fine program and banquet you have arranged this evening for the award winners and their wives and the contribution you are making to assist in conserving these precious resources in Marshall County.

"In closing I would like to say in this entire program we are concerned with people—many times we divide them in three classes—the pessimist—the optimist—and the opportunist.

"In citing these three individuals in this program, we shall use the wolf that slowly but surely steals the soil and fertility from the land and widening and deepening the gulleys in the fields.

"Now the pessimist spends all his time worrying about the wolf—how to keep him from his door. The optimist simply refuses to see that wolf that is robbing him until he seizes him by the pants and drives him from his land. The opportunist is the man that knows the wolf is there—works out his plan with the district and so invites him in, and next day comes out with a new fur coat.

"We have set our aims high for 1956 to assist in driving this wolf off the land, we hope good weather will prevail—so that these can be reached, and even more accomplished.

"We must—we will and we are demonstrating that we can do this job for ourselves and our communities."

POLISH CONSTITUTION DAY

Mr. BUSH. Mr. President, May 3 marks the 165th birthday of one of the most remarkable documents known to western civilization, the Polish Constitution. In its aspirations for a free people it compares favorably with this Nation's own great Declaration of Independence and our charter of liberties, the United States Constitution.

Polish people everywhere, people of Polish descent, and friends of Poland will mark this day as a milestone in the long and arduous road leading to a regained freedom.

Those who live outside the Iron Curtain which now surrounds that glorious and tragic country can openly pay tribute to Poland. The others, who are locked behind that Iron Curtain, can only pray once more for their deliverance from Communist slavery.

Perhaps there is just a little glimmer of hope in the announcement on April 23 by the Polish Communist Premier that there would be more democracy and justice through a true parliament with a new spirit of debate, discussion, criticism, and creative scrutiny. In his speech the Premier promised to right the wrongs of those who were unjustly convicted and to compensate them for wrongs done.

We are not being deceived that through such confession of past wrongs and a

promise to right these wrongs the Polish people will know freedom as we know it and as they knew it under their own free Polish Government. We are all too aware of the present tragedy in which approximately 60 million people are subjugated to Communist imperialism from which few escape. We are all too aware that nothing is known of the 16 Polish underground leaders arrested 10 years ago after fighting the German Nazis. Communist Russia never made good its promise for the inclusion of resistance leaders in the Soviet-sponsored Lubin Polish Government, nor its pledge for free elections throughout Poland.

Our own Constitution was only 2 years old when May 3, 1791, the first constitution for Poland was enacted—a constitution which proclaimed the principles of religious toleration, the secret ballot, and freedom of thought.

Is it any wonder, then, that with those principles, the glory of Poland so closely parallels the glory of our own country? No doubt, it was because of this love of freedom that great Polish patriots, such as Gen. Casimir Pulaski and Gen. Thaddeus Kosciusko, joined our own patriots in fighting for American liberty.

Poland gave to the world men of arts, such as Chopin and Paderewski, who later became Premier of his native country. Poland gave to the world the great astronomer, Copernicus. In the field of education, the University of Cracow is the second oldest University in Europe.

There is no field of human endeavor that does not find Poland in the forefront, despite her tragic history of division and redivision.

During the last World War, brave Polish sons fought side by side with the Allies from the shores of England and to the shores of Italy; from Normandy to Arnheim.

It has been said that the true measure of a people's greatness is in its fidelity to its native ideals. If this be true, then the Polish people are without peer.

So it is fitting that we recall Poland's magnificent heritage. It has ever been her glory that her people have never ceased their struggles to be free and independent.

Our cause is her cause, and we can never sacrifice her noble people to permanent slavery behind the Iron Curtain.

Let us pray that the day will soon come when we can celebrate this great Polish Constitution Day with a free people, when we can celebrate the day when the flag of Poland will fly from every Polish housetop, when the songs and dances of a free Polish people will echo and reecho across the world.

Then Poland will come into her true heritage, the freedom and liberty which now live within each Polish heart, a flame that can never be destroyed.

ONE HUNDRED AND FIFTY-FIRST ANNIVERSARY OF BIRTH OF HANS CHRISTIAN ANDERSEN

Mr. LEHMAN. Mr. President, April 2 marked the 151st anniversary of the birth of Hans Christian Andersen, the Danish author whose fairy tales and children's stories have made his name immortal. His life is an unparalleled example of a man who rose above poverty and a lack of opportunity to bring endless hours of happiness to children and their elders throughout the world.

Of all of the great American heritage for which we owe thanks to Denmark, none is more treasured or more lasting than that left to us by Hans Christian Andersen. Of course, he was not only a great Dane, he was a universal man, like Dante, Tolstoy, and Shakespeare.

We in America would do well to remember, however, the story of his life, as well as the stories he told. His was a heroic struggle to achieve great heights, starting as he did from the very depths of poverty and difficulty. He left to us all—to the whole world—a legacy of kindliness and delight. The Danish people have a right to be proud on the anniversary of his birth. Would that all the legacies of all great men of all countries were as constructive as that left by Hans Christian Andersen.

To show our gratitude for the great contributions of this great son of Denmark, it is our obligation to advance the cause of the universality—the cause of peace—to which Hans Christian Andersen contributed so much. He knew that in every land there are little children to whom the story of conquest by the forces of good over the forces of evil would give the same thrill of pleasure. We adults of today—the children of yesterday—must renew our resolve to conquer the forces of evil abroad in the world. But at the same time, we must bear in mind that the legacy that we wish to leave to our children is one of peace, justice, and security for all nations, great and small.

For the last century, the Scandinavian nations have been an example to the world of righteous and peace-loving nations. We Americans would do well to study carefully the lessons which can be learned from the people, the institutions, and the way of life of the countries of Scandinavia.

MILITARY LEADERS TAKE TOP POSITIONS IN INDUSTRY

Mr. CHAVEZ. Mr. President, the Evening Star for today contains an editorial entitled "Peanuts for People," the quotation being from Brig. Gen. Horace Wade, who made the statement that the Government has been spending "billions for equipment and peanuts for people."

The first paragraph of the editorial reads:

> General LeMay was not speaking for himself alone when he told Senator SYMINGTON'S subcommittee that the shortage of skilled manpower is the "most critical deficiency" in his strategic air command.

Mr. President, there is only one reason for the existence of West Point and Annapolis; that is, to provide Army officers and Naval officers.

I ask unanimous consent to have printed at this point in my remarks in the body of the RECORD a very appropriate article entitled "Business Taps Generals and Admirals for Top Jobs," published in the U. S. News & World Report for April 27, 1956; and also the editorial entitled "Peanuts for People," published in today's Washington Evening Star.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the U. S. News & World Report of April 27, 1956]

BUSINESS TAPS GENERALS AND ADMIRALS FOR TOP JOBS

Gen. Alfred M. Gruenther, in leaving the job in Europe that Dwight Eisenhower held before running for President, is headed for a high position in American industry.

General Gruenther is to join the long list of generals and admirals who have moved from military service into business and industry over the years since World War II. At 57, after 40 years in the Army, the General will turn over his post as head of the armed forces of the North Atlantic Treaty Organization to Gen. Lauris Norstad, aged 49, of the Air Force.

Large businesses in America are tending more and more to look to the Armed Forces as a recruiting ground for top-ranking executive talent.

In the case of General Gruenther, many job offers are reported to have been received that include salary and stock options running into six figures. A particularly attractive offer is understood to appeal to the General and to have influenced his decision to step out of military service. General Gruenther is one of President Eisenhower's closest personal friends and the President did not feel that he could stand in the way of the General's wish to retire.

CALLS FROM MANY FIELDS

The current interest in military men for nonmilitary jobs is not new and is not confined to business. The American people turned to a general to serve as President. Several high-ranking military officers are holding high positions in the field of education. Some are heading up research organizations. Soon after World War I, generals and admirals began to appear here and there in industry. Large organizations of many kinds have been attracting them for years.

How the trend is accelerating is shown in the lengthy listing of generals and admirals who have retired at relatively early ages and moved into industry jobs, nearly all of them since World War II. Here, on page 56, are about 40 individuals, in a list that is representative but far from complete.

Modern military leaders, industry is discovering, get wide, practical experience in handling large operations. General Gruenther, like General Eisenhower, has had intensive experience in dealing with governments. Diplomacy is developed to a high degree in any successful military leader, at this level. All are trained to operate and get results from a big, diverse organization. Each is used to taking on jobs that might awe most executives.

The result is a big and growing demand by industry for experienced military leaders, to administer nonmilitary organizations at salaries often above $50,000, sometimes above $100,000, and frequently with generous expense accounts and stock options thrown in.

HOW SALARIES COMPARE

The contrast in pay is often spectacular. Base pay of generals and admirals ranges from $11,608 for those with one-star rank to $15,316 for those with four stars. Their maximum allowances, in addition to salary, come to $4,827 in the case of General Gruenther, $6,807 in that of an Air Force officer such as Gen. Curtis E. LeMay, who draws flight pay.

Take Gen. Lucius D. Clay. He retired, after drawing four-star pay, to become chairman of the board of Continental Can Co., at an annual salary and bonus reported to be $108,000 plus "allowances." In addition, the company agrees to pay him $30,000 a year after he retires.

Few military men in industry get this much in "base pay" alone. General of the Army Douglas MacArthur, for example, is reported to draw $68,000 a year in salary, plus other perquisites, as board chairman of Sperry Rand Corp. Lt. Gen. Leslie R. Groves, wartime director of this country's atom-bomb project, is serving as a vice president of the same firm at $42,000 in basic salary.

Some retired officers draw considerably more, however. Adm. Ben Moreell, for one, has a reported salary of $150,000 a year as board chairman of Jones & Laughlin Steel Corp.

Well known military figures, of general and admiral rank, thus are appearing more and more among top level United States business executives, as board chairmen, presidents and vice presidents. But the trend does not stop there.

LOWER RANKS PROFIT, TOO

Lesser-known military leaders, with valuable executive experience in uniform but not so much rank, are being hired in much greater numbers for middle grade administrative jobs in industry.

Some measure of the offers being used by business to attract this ready-trained executive talent is shown in an official study by the Defense Department of comparable salaries of men, at the executive level, in and out of uniform.

Lieutenant generals and vice admirals, for example, draw salaries of only $14,116 in uniform, but can expect $38,000 a year in base salary, on the average, if they get jobs in private industry with comparable responsibilities. That is in addition to expense accounts and devices such as stock options, which may increase the differential considerably.

Major generals and rear admirals, in turn, draw $12,916 in pay now, can expect an average offer of $30,000 in salary alone for a comparable job in industry.

Brigadier generals and commodores, the study goes on to show, get military of $11,608, but can anticipate average salaries of about $24,000 in civilian jobs with similar responsibilities.

Colonels and Navy captains, also in great demand in some segments of United States industry, draw salaries of $9,734 a year, can expect average pay of $14,000 if offered comparable jobs in industry.

MANY FRINGE BENEFITS

Another less-apparent inducement being used by business is the chance to build up an estate, through stock-purchase plans and even outsized insurance benefits. Military officers rarely find themselves able to save much from their incomes. And the widow of even a full general draws a maximum of $69.60 a month if her husband dies while on active duty.

The lures of industry, as a result, are being heeded in this boom period by a large percentage of Army, Navy, Air Force, and marine officers as they retire from active duty, often in their 50's and in robust health.

Resignations from the services by military officers who decide to take lucrative jobs in industry, moreover, are becoming common enough to worry the Armed Forces.

In the last year alone, more than 2,000 "career" officers left the services to take better-paying jobs in industry. They can be found in large numbers in administrative and technical jobs with aircraft firms, civilian airlines, electronics concerns, automobile companies, shipbuilding firms, oil concerns, public-relations organizations, among others.

Military leaders, in other words, are being "discovered" by American industry at this time as a major source of talent for all kinds of jobs calling for executive experience. The military services themselves are beginning to wonder if slogans such as, "Join the Navy and see the world," should not be changed to "Join the Armed Forces and get a top job in industry."

MILITARY MEN WHO NOW HOLD BIG JOBS IN INDUSTRY

Brig. Gen. Milton W. Arnold, vice president, Air Transport Association.

Rear Adm. James D. Barner, vice president, Gyrodyne Company of America, Inc.

Rear Adm. Frederick J. Bell, executive vice president, National Automobile Dealers Association.

General of the Army Omar N. Bradley, board chairman, Bulova Research & Development Laboratories, Inc.

Maj. Gen. Claire L. Chenault, board chairman, Civil Air Transport, Inc.

Gen. Benjamin W. Chidlaw, vice president, Thompson Products, Inc.

Gen. Lucius D. Clay, board chairman, Continental Can Co.

Lt. Gen. Laurence C. Craigie, vice president, Hydro-Aire, Inc.

Maj. Gen. Alden R. Crawford, vice president, Republic Aviation Corp.

Adm. Louis E. Denfeld, consultant, Sun Oil Corp.

Gen. Jacob L. Devers, assistant to the president, Fairchild Engine & Airplane Corp.

Lt. Gen. James H. Doolittle, vice president, Shell Oil Co.

Col. Irving A. Duffy, vice president, Ford Motor Co.

Lieut. Gen. Ira C. Eaker, vice president, Hughes Tool Co.

Vice Adm. E. Dorsey Foster, vice president, Radio Corporation of America.

Lieut. Gen. Leslie R. Groves, vice president, Sperry Rand Corp.

Fleet Adm. William F. Halsey, president, International Telecommunication Laboratories.

Rear Adm. Lloyd Harrison, vice president, McDonnell Aircraft Corp.

Lieut. Gen. Doyle O. Hickey, executive vice president, Continental Motors Corp.

Gen. John E. Hull, president, Manufacturing Chemists Association.

Lieut. Gen. William E. Kepner, executive vice president, Bell Aircraft Corp.

Maj. Gen. Francis H. Lanahan, Jr., vice president, Federal Electric Corp.

Vice Adm. Emory S. Land, consultant, General Dynamics Corp.

Maj. Gen. Charles T. Lanham, vice president, Penn-Texas Corp.

Commodore Robert C. Lee, executive vice president, Moore-McCormack Lines, Inc.

General of the Army Douglas MacArthur, board chairman, Sperry Rand Corp.

Brig. Gen. Alfred W. Marriner, vice president, Federal Electric Corp.

Maj. Gen. Russell L. Maxwell, vice president, American Machine & Foundry Co.

Gen. Anthony C. McAuliffe, American Cyanamid Co.

Gen. Joseph T. McNarney, president, Convair.

Vice Adm. Earle W. Mills, president, Foster Wheeler Corp.

Adm. Ben Moreell, board chairman, Jones & Laughlin Steel Corp.

Maj. Gen. Edward M. Powers, vice president, Curtiss-Wright Corp.

Adm. DeWitt C. Ramsey, president, Aircraft Industries Association of America, Inc.

Gen. Matthew B. Ridgway, board chairman, Mellon Institute for Industrial Research.

Gen. Walter Bedell Smith, vice chairman, American Machine & Foundry Co.

Maj. Gen. Robert L. Walsh, consultant, Fairchild Engine & Airplane Corp.

Maj. Gen. Leroy H. Watson, vice president, Fletcher Aviation Corp.

Gen. Albert C. Wedemeyer, vice president, Rheem Manufacturing Co.

[From the Washington Evening Star of April 30, 1956]

PEANUTS FOR PEOPLE

General LeMay was not speaking for himself alone when he told Senator SYMINGTON'S subcommittee that the shortage of skilled manpower is the most critical deficiency in his Strategic Air Command.

Only a few days ago Defense Secretary Wilson wrote in similar vein to the President. The Defense Secretary's letter, which the President forwarded to Congress with his own strong endorsement, made it clear that all the services are faced with a critical problem in trying to stem the loss of trained officers and enlisted men. Quite understandably, they are leaving the services for jobs in private industry, where pay is much higher and fringe benefits much better. In effect, the Army, Navy, Marine Corps, and Air Force are becoming a training ground—a very expensive training ground—from which private industry is recruiting its personnel. The question is how to stop this trend.

General LeMay and his personnel chief, Brig. Gen. Horace Wade, had an impressive story to tell. The SAC commander warned that while we are slipping back, the Russians, by making their Air Force a kind of "elite" corps, are improving in technical efficiency. At the rate things are going, he said, the time may come when we are not going to be able to man the planes we have, and that could easily mean the difference between success and failure in event of war.

General Wade said that we have been spending billions for equipment and peanuts for people. He estimated that the Air Force alone, figuring in training costs, lost $634 million last year from this exodus of trained manpower. Both he and General LeMay said that adoption of an adequate program of incentives, designed to encourage reenlistments, could actually save money while making possible a truly professional Air Force.

They advocate such improvements as better pay, adequate family housing, complete care for dependents, restoration of cheap prices at commissaries and post exchanges and greater educational benefits for those electing to stay in the service.

This is something which ought to command the most earnest attention of Congress. For unless military service is made more attractive economically the loss of personnel to civilian industries paying from twice to six times as much is bound to continue. And our national defense is bound to suffer in corresponding degree.

UNITED STATES FOREIGN AID PROGRAMS

Mr. MARTIN of Iowa. Mr. President, the Commission on Foreign Economic Policy, familiarly known as the Randall Commission, made an exhaustive study of United States foreign aid programs. In its report to the President and the Congress the Commission stressed the necessity of furthering the flow of private investment abroad. Their study conclusively shows that economic development in the long run can only be achieved through a greatly expanded flow of private investment. The Commission realized, however, that some economic aid may be required in order to enhance the security of the United

States. The Commission said—and I am now quoting from its report:

The Commission recommends that economic aid on a grant basis should be terminated as soon as possible. No further aid is justified unless it contributes to the security of the United States. Our security involves defense against Communist aggression or infiltration here and all over the free world. The greatest expenditures are now for military defense, but our security must take into account many political and economic considerations. The security of the United States is bound up with that of the free world (p. 8).

In other sections of this report the Commission recommends steps that should be taken to assist underdeveloped countries in obtaining an adequate flow of capital from the United States without resort to grants-in-aid. In cases where our security is importantly involved the Commission believes that moderate grants-in-aid may serve the national interest of the United States.

The Commission recommends further that where support is needed to maintain military forces or to conduct military operations connected with our own security beyond the economic capacity of a country to sustain, grants should be made, not loans (p. 9).

It is clear that the Randall Commission believes that foreign aid can only be justified where it contributes to our own security. This is the basis for the recent request by President Eisenhower for an expanded long-term foreign aid program for Asia and the Far East.

If these programs are to contribute to our security, it would seem that they must be bilateral. The security of the United States would not be enhanced through participation in a multilateral aid program administered by the United Nations. Such a program necessarily would invite technicians from the Soviet bloc into many of the underdeveloped countries.

For many years there has been constant agitation within the United Nations for the establishment of a Special United Nations Fund for Economic Development, known as SUNFED. Our Government has consistently opposed the formation of SUNFED.

Mr. Robert F. Loree, the Chairman of the National Foreign Trade Council, on February 29, was instructed by the board of directors of the Council to advise Secretary Dulles of the Council's continued objection to United States participation in SUNFED. The question of SUNFED will arise again at the summer meeting of the United Nations Economic and Social Council at Geneva. I wish to have Mr. Loree's letter to Secretary Dulles included in the RECORD at this point. I commend it to the attention of my colleagues, and trust there will be no change in our position on SUNFED. The text of Mr. Loree's letter follows:

The National Foreign Trade Council is deeply concerned over various steps being taken under auspices of the United Nations to establish a Special United Nations Fund for Economic Development (SUNFED). In this connection, it is noted that the last session of the General Assembly adopted a resolution requesting the Secretary-General to invite governments that are members of the United Nations to transmit to him not later than March 31, 1956, their views as definitely as possible relating to the establishment, role, structure and operations of such a fund.

The National Foreign Trade Council and numerous National Foreign Trade Conventions have expressed strong opposition to participation by the United States in the proposed Special United Nations Fund for Economic Development.

The opposition of the council to the proposal is based both on principle and on the deep-seated conviction that the proposed special fund is not only unnecessary but that its establishment would not be in the best interests of either the United States or of underdeveloped countries. The council holds that private capital provides the best and most effective means of promoting economic development. It believes, further, that the capital required for the economic development of underdeveloped countries can and will be provided by private enterprise if such countries adopt measures and policies designed to assure protection and fair treatment of such capital.

The proposed special fund, by encouraging underdeveloped countries to believe that their needs for development capital would be met from international public funds provided through grants or on easy terms, would remove the compulsion on these countries to establish the proper environment if they are to attract the investment of productive private capital. And, without such capital and its wealth-producing capacities, there is no assurance that underdeveloped countries would ever be able to become economically self-sustaining.

By placing reliance for economic development on private capital underdeveloped countries would gain enormous advantages. Private capital brings with it the managerial and technical resources and skills essential for its productive application; and, in the course of its operations, it trains local workers in managerial and technical skills and thus helps to provide underdeveloped countries with the trained personnel required for their economic development. Private capital possesses the training and experience required to determine whether potential development projects are economically feasible, and thus provides the best assurance that the projects which it undertakes will have the capacity to operate successfully and to cope with any competition which may be encountered.

If underdeveloped countries will give proper encouragement and establish an environment conducive to private enterprise, then private capital, local and foreign, will produce the wealth and establish the credit which will enable such countries to provide the facilities required for their own economic development and social advancement.

The National Foreign Trade Council strongly believes that the United States should not participate in the proposed Special United Nations Fund for Economic Development. It further believes that our Government should not be represented on the ad hoc committee provided for in the above-mentioned General Assembly resolution to analyze the replies and comments of governments concerning the establishment role, structure and operations of the proposed special fund, or participate in any other activities looking to the establishment of such a fund. The council feels that such participation may be regarded by other countries as at least a moral commitment by the United States to accept the special fund proposal.

Such United States Government aid to underdeveloped countries as our national interest requires should be provided directly by this country. Extension of aid in this manner would be under our control and could provide assurance that the aid would be used for productive purposes and that it would promote our foreign policy objectives.

Adlai Stevenson, in addressing the American Society of Newspaper Editors on April 21, proposed that all of our foreign aid should be channeled through the United Nations. This is not a new idea with Adlai Stevenson. He got it from Walter Reuther, who on Saturday, March 24, called on the United States to spend $8 billion a year for a quarter of a century in a global relief program. Walter Reuther proposed that 2 percent of the gross national product be spent for peace, prosperity, and progress. His program contained these points:

First. The 2-percent contribution over a 25-year period; contributions to be made without qualifications.

Second. Program to be administered through the United Nations and multilateral agencies.

Third. Economic aid from the world fund to be available to unalined as well as alined nations.

Fourth. United States aid to be made available at once through existing multilateral agencies such as SUNFED and the Colombo plan, pending the U. N.'s consideration of the creation of the world fund.

Adlai Stevenson's proposal, which he plainly borrowed from Walter Reuther, would place an intolerable burden on the United States taxpayer, without any return in enhanced security. I am convinced that we must help create a climate for private investment if the people of the underdeveloped countries are to really advance their standard of living. If they look to SUNFED, instead of creating the conditions at home to stimulate private investment, they will have missed a golden opportunity.

THE ORGANIZATION FOR TRADE COOPERATION

Mr. MARTIN of Iowa. Mr. President, on many previous occasions I have commended the Secretary of State for refusing to participate in the work of the Commission on International Commodity Trade, which was established in 1954 by the United Nations Economic and Social Council, after we voted to oppose its formation.

The report to the Congress by President Eisenhower on United States participation in the United Nations for the year 1954 reviews our activities in connection with the Commission on International Commodity Trade. This portion of President Eisenhower's report reads as follows:

The Economic and Social Council at its 18th session, in the summer of 1954, adopted a resolution constituting the Commission on International Commodity Trade, which at its 17th session in the spring it had decided, over United States opposition, to establish. This Commission's main task is to recommend measures "to avoid excessive fluctuations in the price of and the volume of trade in primary commodities, including measures aimed at the maintenance of a just and equitable relationship between the prices of primary commodities and the prices of manufactured goods in international trade." In the United States view, these terms of reference are altogether too broad and vague to make likely effective action on the part of the new Commission. At the resumed 18th session of the Council in December, 18 U. N. member countries were elected to the Commission for stag-

gered terms of 2, 3, and 4 years. Subsequent elections will be held annually for 3-year terms for 6 of the 18 seats.

Though not a candidate for election to the Commission, the United States was elected for a 2-year term. The United States representative in the Economic and Social Council stated after the election that the United States was not prepared to participate in the work of the Commission on International Commodity Trade (CICT) but that it wished to be kept closely informed of this work as it developed, in the hope that the United States might be of assistance. The United States, he added, would be prepared to reexamine the question of its eventual participation after the Commission's terms of reference and its scope of activities had been more clearly defined.

Last summer, at the 1955 meeting of the Economic and Social Council at Geneva, the United States Alternate Representative, the Honorable Nat King, advised the Economic and Social Council that the United States would not accept the seat to which it had been elected on the Commission and suggested that the Council elect another government to take our place. He said:

Our views with respect to the Commission on International Commodity Trade are well known and were expressed at the 18th session of the Council and also in comment submitted to the Secretary General. Nothing has occurred since then to cause us to change our point of view.

As the committee is aware, my Government has not occupied the seat on the Commission to which it was elected. We continue to question seriously whether the Commission can contribute significantly to the solution of international commodity problems. After most careful consideration, we have regretfully reached the conclusion that we will not find it possible to participate in the work of the Commission. Accordingly, my Government would welcome the election of some other government on the Commission in its place.

Mr. Robert F. Loree, chairman of the National Foreign Trade Council, wrote to Secretary Dulles on February 14, to reemphasize the position of the Council in its opposition to United States participation in the Commission on International Commodity Trade. Apparently the Council became concerned over a newspaper report that the United States Government was considering reversing its policy of nonparticipation in new commodity agreements.

Mr. President, I ask unanimous consent that a copy of Mr. Loree's letter to the Secretary of State be included at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL FOREIGN TRADE COUNCIL, INC.,
New York, N. Y., February 14, 1956.

Hon. JOHN FOSTER DULLES,
Secretary of State,
Washington, D. C.

DEAR MR. SECRETARY: The National Foreign Trade Council wishes to reemphasize its opposition and that of the National Foreign Trade Conventions to United States participation in attempts that are being made under auspices of the United Nations and other international agencies to stabilize commodity prices through intergovernmental commodity agreements and by other means.

The council is especially concerned over a recent newspaper report that our Government "is understood to be considering reversing its policy of nonparticipation in new commodity agreements." It is also deeply concerned regarding the activities of the Commission on International Commodity Trade, set up by the United Nations early in 1955, whose primary function is to instigate international action designed to stabilize the prices of primary commodities and also to stabilize the relationship of prices of primary commodities to the prices of manufactured products. The council is gratified that the United States has not joined the United Nations Commission on International Commodity Trade, but it regards as undesirable the policy of our Government in having an observer attend meetings of the Commission because of the implication that may thus be conveyed of United States support for the objectives of the Commission.

As the council and national foreign trade conventions have repeatedly declared, agreements and other devices which are designed to establish controls over the production, distribution, or prices of commodities moving in international trade violate the principle of freedom of the market place, and should find neither support nor toleration from the Government of a Nation which is dedicated as the United States is dedicated, to the system of free, private, competitive enterprise. The solution of the problem of either overproduction or underproduction, in a private enterprise economy, is to be found in the operation of the law of supply and demand, and any action in contravention of the principles implicit in that law serves to aggravate, rather than to solve, the very problem with which it seeks to deal.

The council urges in the strongest terms that our Government not only refrain from participating in intergovernmental commodity agreements, but that it maintain its stand in refusing to become a member of the United Nations Commission on International Commodity Trade. The council believes that any serious attempt under auspices of the Commission, not only to stabilize the prices of primary commodities but to stabilize the relationship of prices of primary commodities to the prices of manufactured products, would lead inevitably to regimentation extending over the whole range of the economies of the participating nations. It holds that such regimentation would be damaging both to the economies of the industrially advanced nations and to the economies of countries principally engaged in the production of primary commodities.

The council wonders whether, in light of the experience of the United States program for supporting domestic prices of primary commodities, it has not been conclusively demonstrated that such programs tend to increase artificially the cost of such commodities to such extent that they cannot be disposed of in world markets, to establish surpluses which have a continuing depressive influence, to entail burdensome costs of operations, and to create a situation from which there is no retreat.

Copies of this letter are being sent to Ambassador Lodge, the Secretaries of the Treasury, Commerce, and Agriculture, and to committees of Congress that may be concerned.

Very sincerely yours,

ROBERT F. LOREE,
Chairman.

Mr. MARTIN of Iowa. Mr. President, the administration has asked the Congress to support the Organization for Trade Cooperation, and has emphasized that it will not deal with commodity agreements. Chapter VI of the defunct Havana Charter providing for these agreements should not be brought back to life by any direct or indirect approval.

On June 20, 1955, in discussing the President's request for congressional approval of United States membership in the Organization for Trade Cooperation on the Senate floor I said:

I have no doubt whatsoever that the present administration means exactly what it said in the statement explaining the difference between the Organization for Trade Cooperation and the defunct International Trade Organization. However, the OTC agreement provides in part 4, article 16, that "amendments to this agreement shall become effective, in respect of those members which accept them, upon acceptance by two-thirds of the members of the Organization and thereafter in respect of each other member upon acceptance by it."

I have no fear that this administration would ever accept an amendment to the OTC agreement that would compromise its stated position. Unfortunately, some future administration may not be so dedicated to these principles. Therefore, I shall support United States participation in OTC, provided the resolution, which I know we shall adopt, contains a reservation that any new obligation to be imposed upon the United States as an amendment to this agreement can only be accepted by the United States with the concurrence of the Congress.

The House Committee on Ways and Means, in reporting H. R. 5550, adopted an amendment which meets my principal objection to the original OTC bill. The amendment reads as follows:

(f) Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States accept any amendment to the agreement on the Organization for Trade Cooperation.

This amendment will make it impossible for any future administration to attempt to turn the Organization for Trade Cooperation back into the International Trade Organization.

ADDRESS BY WHEELER McMILLEN

Mr. CAPEHART. Mr. President, Mr. Wheeler McMillen, vice president of Farm Journal, Inc., a fine farm magazine, published in Philadelphia, Pa., addressed 75 Members of Congress, both Senators and Representatives, recently. I ask unanimous consent that his speech be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY WHEELER MCMILLEN, VICE PRESIDENT, FARM JOURNAL, INC.

Prosperous America provides the perfect proof that scientific research pays off.

On every hand we see and enjoy the products of research. Making and selling those products creates the incomes to buy them.

In daily use we command scores of new conveniences. We have seen huge new industries grow up out of research discoveries.

We hear the leaders of very old companies report that most of their sales income derives from products not in existence a decade or so ago.

Characteristic of every growth industry is a relentless search for new uses for its products, for new products to make, and new markets.

Suppose that the petroleum industry had never sought to make and sell anything except kerosene, gasoline, and lubricants. Suppose the electrical equipment makers had been satisfied to sell motors and light bulbs. Suppose the chemical companies had been content with a few acids and salts.

I mention these things in order to emphasize a comparison between modern industry and modern agriculture.

Agriculture has, indeed, benefited tremendously from research. Tractors, power equipment, rubber-tired machines, electrification, hybrid seed corn, antibiotics, new weed and bug killers, new livestock medicines—all these are products of research which farmers have eagerly accepted.

Every one of these research products helps to increase the total farm output, usually at less cost per unit.

Like an army in action, progress advances in salients. Agriculture has made astonishing gains on the production salient. That is where most research has been directed. It has paid well.

Now the pressing need is to find more ways to consume the output. It is on this utilization salient that equal and in fact greater research effort has become urgent.

That industry itself depends vitally upon research for its own profits and expansion is well known. Industry researches for new products and new uses—researches to sell as well as to produce.

The electrical equipment industries, investing nearly $800 million yearly in research, do not appear to be troubled by surpluses.

The aircraft industries, spending more than $750 million a year for research, do not worry about surpluses.

The chemical industries, investing more than $310 million in research annually, appear to be selling all the products they make.

The petroleum industries spend for research about $150 million a year; the primary metal industries about $60 million; rubber industries about $54 million; stone, clay, and glass products, about $40 million. They are all prosperous.

In comparison, the most liberal estimates indicate that the huge agricultural industry has for all its research purposes not more than $300 millions, originating about equally from public funds and from private expenditures.

A substantial fraction of this goes for routine inspection and similar activities which are not really research.

By far the largest amounts go for purposes which result in increasing the total output without consideration of how the output can profitably be sold.

The privately financed research in agricultural fields has, quite naturally, been directed toward finding products which can be sold to farmers. A very small proportion has been devoted to enlarging the markets for farm output or to finding new uses for crops.

Farmers themselves believe strongly in research. This has been demonstrated by the avidity with which they seize upon new methods and incorporate them into farm practice.

Through cooperatives and by other means farmers themselves finance research out of their own pockets to the extent of 3 or 4 millions annually.

A survey of several thousand Ohio farmers listed 11 different approaches to the surplus problem, and asked that those considered most promising be indicated. Research for new uses and new markets topped the list with approval by more than 70 percent of those who responded.

The American economy has an insatiable appetite for products other than food.

To whatever extent this appetite can be satisfied by organic materials, originating from the annual growth of crops, agriculture has field for expansion. Research can explore these fields in three directions.

It can seek new industrial, nonfood uses for the crops now grown.

It can hunt out new crops to supply materials needed in industry.

It can undertake to find profitable markets for the agricultural wastes and residues which now cannot be sold.

These have been the three basic areas of farm chemurgy.

Without attempting to chart particular studies, it may be noted that the Nation's building industries consume enormous quantities of materials from cellar to roof to paint. There may be new markets here for farm products. Demand presently exceeds supply in the paper industries. May not more abundant and perhaps cheaper sources of cellulose be developed in agriculture, whether by way of more efficient trees, by bamboo, or by annual cellulose crops? The fast-growing plastic industries demand a tremendous variety of materials; lately, thanks to utilization research by USDA laboratories, they have started to use substantial quantities of our inedible fats and oils. Nearly every industry offers some potential market for farm products—the problem of research is to fit the product to the potential.

Nature creates in plants an infinite variety of chemical compounds. A few of these, or substitutes for them, can be synthesized cheaply. Agriculture has lost some markets because its own research failed to beat the synthetics. But the natural compounds—agriculture's starches, sugars, proteins, fats, celluloses, and others—do afford limitless industrial possibilities.

The four utilization laboratories now operated by the Department of Agriculture have produced commercial results justifying their costs many times over. They have been able to scratch the surface. Their studies have developed innumerable new questions which call for exploration. The need now is to do on an adequately large scale what has proven profitable on a small scale. All sorts of fertile scientific minds need to be engaged, whether they work in government, in universities, in independent institutions, or private agencies. Such minds will bring to bear fresh approaches and broad experiences.

Industry has proven its readiness to work hand in hand, and to adopt every advance it can put to economic use.

If you ask me what industrial uses may emerge from greatly multiplied research effort, I must answer that I don't know.

When Du Pont authorized a major research outlay to investigate the behavior of something called long polymers no one there knew that the end product was to be nylon—and still less did anyone expect that in time a lot of nylon would be made out of corncobs.

The priest who, 30 years ago, amused himself by investigating the properties of acetylene gas, was amazed to be told that his discoveries had made possible the first synthetic rubber.

The wartime effort to put oranges into powdered form for the Armed Forces did not anticipate its eventual result—the frozen citrus concentrates that have vastly extended the market for the whole citrus industry.

We do know that science has accumulated an enormous arsenal of facts. We do know that an ever-increasing variety of techniques for discovery has been developed. We know that hundreds of industries constantly expand their sales because they invest liberally in research.

What Golcondas and Spindletops the vegetable kingdom still conceals from man no one can guess.

A dozen plant species yield four-fifths of the food the human race consumes. About 200 species engage all commercial agriculture. Only about 1,500 species are known to have any human use. This leaves about 300,000 species whose potentials are relatively unknown.

Only one important species has been added to agriculture since man began to record his history. That is rubber. Stone Age man, who had few tools and no laboratories, selected all the others.

Except for rubber and soybeans, possibly for cotton and oranges, the full resources of modern science have been brought to bear on very few plant species.

Among the neglected wild plants of the world new riches undoubtedly await discovery—new medicines, new flavors, new aromas, new oil seeds, better livestock feeds, new industrial materials—perhaps a new product as useful and important as rubber.

New crops, sufficiently attractive and profitable to take over a few thousands of our present acres, could prevent surpluses from being grown.

As evidence, look at the soybean, ancient in Asia but new in America—and imagine the surpluses of corn and oats we would certainly have now had not that new crop been established.

The oil industry goes wildcatting for new sources. Other industries seek new markets to supply. Should not agriculture follow such profitable examples?

It is almost redundant for me now to add that I most heartily favor S. 3503, the bill which Senator CAPEHART and 33 other Senators have sponsored. Every prospering, expanding industry in America testifies that the principles which S. 3503 proposes to apply to agriculture are effective principles. I can assure you that every thoughtful farmer will favor its support.

There is, I believe, no serious criticism of the principle that research for agriculture must be mainly a public responsibility and that it is in the interest of all the people.

The surplus problem will not disappear quickly. Currently agriculture produces around 5 percent above effective demand. Because the techniques of production are improving so rapidly, despite the steady population increase, indications are that 10 years hence production can outrun demand by 10 percent, and that it may take 30 years for population's requirements to overtake agriculture's output.

Even though research results may come slowly, they will still be needed.

If the Congress will adopt the principles of this bill and will provide adequate funds through the years, it will have taken the longest and soundest possible step toward making agriculture a permanently prosperous, expanding industry.

It will add new products for the American standard of living. It will build new factories and create new jobs for the years ahead.

It will provide for American industry unfailing sources of raw materials, materials which will be ever renewable, annually reproducible, as long as soil and water are conserved.

It can in time remove, probably forever, the urgency for agricultural subsidies.

It will work toward making American agriculture the growth industry that farmers want it to be. It will provide expanding opportunity for the family farm. It will make it possible for more of our fine farm boys and girls to live and prosper on the land they love.

This proposal offers, in short, an infallible plan toward a richer rural civilization and, therefore, toward a better America.

ILLINOIS RURAL ELECTRIFICATION COOPERATIVES

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the RECORD a statement which I have prepared relating to the activities of the Illinois rural electrification cooperatives.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DIRKSEN

Rural electrification is a gigantic enterprise. The REA has been doing business for about 20 years. In that time this amazing business of dispelling darkness in rural America has involved about $3½ billion in loans, the construction of 1½ million miles of line, servicing nearly 5 million rural customers, and selling more than 18 billion kilowatts of electric energy.

One of the very happy attributes of this operation is that delinquencies of all kinds on principal and interest in excess of 30 days is only about $400,000. This is indeed a real record.

Rural electrification brings not only electric power to American farms but telephone service as well. Few services performed with aid of the Federal Government have brought such rich dividends to a vast segment of this Nation in the form of comfort, relief from drudgery, farm modernization, and greater efficiency. But the larger aspect of this program is that it has truly integrated the Nation and made this in every sense a unified land.

While the Federal Government has contributed greatly to the program in the form of loans and administrative expenses to make rural electrification possible, even then this great enrichment of the Nation could not have been consummated and certainly not with such speedy progress had it not been for a great host of dedicated men and women who serve as managers, directors, and advisers of the Rural Electric Cooperatives through which the Federal Government operates.

These cooperatives are created under a charter which enables them to borrow funds, construct generating and transmission facilities and do the other necessary things to make electric and telephone service a reality. In simplest terms they consist of men and women of rural America who have waited long and patiently for the day when the benefits of the electric age could be brought to the farm and who were willing to labor in achieving this objective.

These cooperatives are managed and directed in the main by farm people who with little or no reward have labored early and late to make these enterprises successful and who have but one thought in mind and that is to keep these cooperatives solvent and to expand the facilities to meet rural electric and telephone needs.

In Illinois today there are 27 such rural electrification cooperatives. They have handled more than $85 million in borrowed funds and now serve more than 146,000 rural families by means of 46,000 miles of electric line. They have also made a substantial beginning in the rural telephone field so that every rural family might have the benefit of efficient and up-to-date telephone service.

To make their efforts most effective and to better meet their common problems these cooperatives organized the Association of Illinois Electric Cooperatives. The manager of the association is Mr. A. E. Becker, who has brought to his task a high sense of responsibility and a capacity for sound management in advising the members of the association and giving their joint efforts the best possible direction.

Several years ago the association held a dinner in the Nation's Capital and served as host to the members of the Illinois delegation in Congress. They came to discuss with the Senators and Congressmen the problems and needs of their various cooperatives. It was indeed a fruitful and constructive meeting and since that time this annual dinner has become a regular and pleasant event.

This year the dinner was held on March 26. The association devoted much time to the program which it intended to present, and addressed itself to certain problems and fears which developed as a result of the report of the second Hoover Commission. The commission made a number of recommendations with respect to power and telephone rates, reserves, interest rates, tax exemption, administrative expenses, private financing and certain other items. It was to this that the Illinois group addressed itself, and the meeting was conducted in splendid fashion.

After an introductory statement by Mr. L. C. Groate, manager of the Spoon River Electric Cooperative, who explored the ground carefully, seven other managers and officers of the cooperatives then presented brief statements on these various items, after which the whole program was carefully summarized by Mr. A. E. Becker. To say the least, it was an impressive and persuasive presentation.

Carl Edwards, president of the Coles-Moultrie Electric Cooperative, discussed the question of adequate reserves. One of the most persuasive facts presented by him was a comparison showing that whereas a private utility in that area was servicing 8,000 consumers in a municipal area of 4 square miles, their cooperative was servicing 4,500 consumers in 4,000 square miles, and so pointed up the heavier servicing costs and the difficulty of operating on a basis comparable to a private utility and still expanding their facilities on the basis of present rates. He pointed out also that an increase in rates might tend to reduce rather than increase revenues on a per consumer basis.

Joseph H. Heimann, manager of the Clinton County Electric Cooperative, discussed the question of whether or not the payment of administrative expenses for REA out of the Federal Treasury was justified. Mr. Heimann set forth that rural electrification was the moving force in the expenditure of more than $14½ billion for wiring and electrical equipment and appliances, in addition to the social and economic gains which redounded to the benefit of the whole national economy. Perhaps I should point out in this connection that the Federal Government pays all administrative expenses for the venture in the field of crop insurance, and it was justified on the ground that there would be economic gains generally and that such expenditure contributed to the health of the whole economy.

Mr. Robert Wagner, president of the Western Illinois Electric Cooperative, discussed the subject of the effect on the farmer and brought to the attention of the delegation the many ways in which electrification and rural telephone service was not only bringing comfort to the farm, but making it an efficient way of life.

Mr. Fred Harms, vice president of the Rural Electric Convenience Cooperative, discussed the subject of whether REA lost money on the 2 percent interest charge. His recital was persuasive indeed because he made two very convincing points. The first was that from 1936 to 1954 REA had a net income from all lending operations of more than $47 million. His second point consisted of a comparison of REA interest rates from its inception with the interest rate on marketable securities of the Federal Treasury. In the 20-year period of REA operations, the interest rate has ranged from 3 percent to 2 percent. Rates on Federal securities on the other hand have ranged from a high of 2.525 percent to a low of 1.718 percent over a period of 16 years, and indicated that REA rates are certainly not out of line.

Mr. Floyd Ruble, manager of the Illinois Valley Electric Cooperative, discussed the allegation that because of the so-called 5 year moratorium period on interest payments on borrowed funds by cooperatives that they were thereby being subsidized. Mr. Ruble amply demonstrated from the very language of the contract which cooperatives enter into with REA that this 5-year period was designed to give cooperatives a chance to make a vigorous beginning without too many initial burdens and that over the 35 year life of the contract, interest on the 5-year period would also be paid on the accumulated interest charge.

Mr. H. G. Downey, manager of the Tri-County Electric Cooperative, addressed himself to the effect of higher interest rates on cooperatives and Mr. Everett R. Read, vice president of the Jo-Carroll Electric Cooperative, undertook a discussion of the effect of higher interest rates on generating and transmission loans. Both of them made very effective cases and demonstrated that higher interest rates would certainly mean increased power rates to farm consumers and seriously disturb the continuing development of the Coops as they seek to meet all fixed charges of principal and interest and continue the improvement of lines and facilities to better serve their rural areas.

In connection with the program which was presented, an observation by Mr. Ancher Nelson, Administrator of the Rural Electrification Administration, is certainly in point. Mr. Nelson has brought to his job real ability, fine administrative capacity and a sharp sense of service. In his comment on the proposals of the Hoover Commission, Mr. Nelson said, "The Commission's recommendations would result in termination of the rural telephone loans program with less than half of the Nation's farms having telephones, and slight prospect for alleviating the situation. Further progress in rural electrification through REA loans—connection of unserved farms and system improvements to serve expanding loads—would be drastically curtailed under the Commission's recommendations."

In closing the meeting Mr. A. E. Becker, the Association manager, said, "The 1954 report from REA showed that our Illinois Electric Cooperatives made $18,724,221 in principal and interest payments, and in addition, had made advance payments on their loans in the amount of $4,591,833." Here then is an impressive, well presented case, and I am certain that the Illinois delegation in the House and Senate will make every endeavor to support this program and aid in improving the facilities and capacity of the Illinois Cooperatives in meeting the needs of the rural areas of our State.

FACILITIES FOR PARKING OF AUTOMOBILES NEAR POST OFFICES

Mr. LANGER. Mr. President, I ask unanimous consent that an editorial published in the Seattle Post-Intelligencer be printed in the body of the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

1956 POST OFFICE—1916 PARKING

An interesting local tale—with national implications—hangs by a couple of bills now in Congress.

One is H. R. 9135, introduced by Congressman THOMAS H. PELLY; the other is S. 3375 introduced by Senators WARREN G. MAGNUSON and HENRY M. JACKSON. The gist of both bills (they are identical) is that "the Post Office Department shall be required to provide adequate off-the-street automobile parking for patrons and postal employees within a radius of two ordinary city blocks" at any postal annexation requiring a force of 200 or more employees.

The suggested remedial legislation, which the Post-Intelligencer hopes will get favorable action, grows out of an unhappy situation at our recently built Terminal Annex Post Office.

Originally, the parking committee of Seattle Post Office Union Local 28 requested adequate patron and employee parking. With its somewhat customary disdain for the modern facts of life, the Post Office Department ignored this request. Now that the annex has been built, the Department states that it has neither the authority nor the funds to correct the situation.

Meanwhile some 1,400 employees of the annex have a serious problem. So do thousands of regular patrons of the annex. And surrounding business establishments, vital to the economy and services of our community are literally "chocked off" by such postal employees and patrons as are successful in finding parking places.

Now the situation is being complicated further by the gradual and necessary establishment of time zones by the traffic department.

The situation is not restricted entirely to our new terminal annex. As Mr. Clarence Seeliger, chairman of Local 28's parking committee, points out: "Beautiful and adequate streets and highways must be supplemented by adequate off-street parking at destination if our overall traffic problem is to be solved satisfactorily on a national basis."

We must agree with this wise summation, exemplified so clearly in the case of our new post office annex with no place to park.

The Post Office Department can, of course, hide behind its original short-sightedness by pointing to its lack of authority and funds to correct the error.

The bills now in Congress would solve the problem.

THE CALENDAR

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, under the unanimous-consent agreement, the Senate will proceed to the call of the calendar for the consideration of bills and other measures to which there is no objection. In accordance with the agreement, the call will begin where the last call was concluded.

BILL PASSED OVER

The bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, was announced as first in order.

Mr. BIBLE. Mr. President, it is obvious that this measure is not calendar business. Therefore, I ask that the bill be passed over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

CONSTRUCTION OF IRRIGATION DISTRIBUTION SYSTEMS

The bill (H. R. 8535) to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems was announced as next in order.

The ACTING PRESIDENT pro tempore. The Chair calls attention to the fact that Calendar No. 1824, House bill 8535, is the unfinished business.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the call of the roll be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Is there objection to the present consideration of House bill 8535?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

REFERENCE OF S. 282 TO THE COURT OF CLAIMS

The resolution (S. Res. 247) referring S. 282 to the United States Court of Claims was considered and agreed to, as follows:

Resolved, That the bill (S. 282) entitled "A bill for the relief of the Tom Hollander Co., Superior, Nebr.," now pending in the Senate, together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same, in accordance with the provisions of said sections, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

ATHANASE G. POLITIS

The bill (S. 1812) for the relief of Athanese G. Politis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of the Immigration and Nationality Act, Athanase G. Politis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GREGORIO SPIROS FERENTINOS

The bill (S. 2064) for the relief of Gregorio Spiros Ferentinos was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Gregorio Spiros Ferentinos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

JUSTIN G. MAILE AND THEODORE R. HILBIG

The bill (H. R. 907) for the relief of Justin G. Maile and Theodore R. Hilbig was considered, ordered to a third reading, read the third time, and passed.

ARTHUR K. JEFFERSON

The bill (S. 1143) for the relief of Arthur K. Jefferson was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. BARRETT. Mr. President, I should like to have an explanation of the bill.

Mr. EASTLAND. I suggest that that bill be passed over temporarily.

Mr. ERVIN. I believe I can give an explanation of the bill. This is a case in which a soldier was operated on in an Army hospital and during the operation a towel was sewed up in his stomach. It remained there for 12 months before its presence was discovered. The bill would authorize the payment of $7,500 to the soldier to compensate him for the injury he sustained by reason of the towel being sewed up inside him.

Mr. BARRETT. I note that he has been paid compensation amounting to about $18,000 up to the present time, and that the total amount may approximate $56,000. The question I have in mind is whether the soldier is totally disabled as a result of this malpractice.

Mr. ERVIN. Perhaps we should let the bill go to the foot of the calendar. I am unable to give that information. All I know is that the purpose of the bill is to give compensation to the soldier for the malpractice of the Army doctors in sewing up the towel in his stomach. He is 100 percent disabled.

Mr. BARRETT. I understand he is 100 percent disabled. I wonder whether his disability was occasioned wholly by reason of the malpractice of the doctors.

Mr. EASTLAND. That is correct.

Mr. BARRETT. Is he able to work at the present time?

Mr. ERVIN. He is totally and permanently disabled as a result of the operation.

Mr. BARRETT. Under that explanation, I withdraw any objection I may have had to the consideration of the bill.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 6, after the word "of", to strike out "$20,000" and insert "$7,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur K. Jefferson, of Baltimore, Md., the sum of $7,500 for compensation for permanent injuries sustained by him as the result of an operation performed on him on July 3, 1945, at the Fort Belvoir Hospital, Va., while a member of the United States Army, in which a United States Army Medical Department towel was negligently left in his stomach and so remained

until discovered and removed during a subsequent operation on March 13, 1946.

SEC. 2. The sum appropriated by this act to the said Arthur K. Jefferson shall be in addition to any benefits to which he is entitled under the laws providing benefits for veterans.

SEC. 3. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. SYLVIA SIMONSON

The Senate proceeded to consider the bill (S. 1178) for the relief of Mrs. Sylvia Simonson, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 to Mrs. Sylvia Simonson, of East 13216 Fourth Avenue, Opportunity, Wash., in full settlement of all claims against the United States for personal injuries and medical and hospital expenses sustained as a result of an accident while directly serving the Armed Forces as an instructor pilot for the training school rendering training instruction to the 319th College Training Detachment, Pullman, Wash., on December 28, 1943: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrosed for a third reading, read the third time, and passed.

JAMES RICHARD HOGAN

The bill (S. 2240) for the relief of James Richard Hogan was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. BARRETT. Mr. President, I should like to have an explanation of the bill.

Mr. ERVIN. The bill involves the case of a child who was struck and seriously injured by an Army truck. The truck had been loaned to the National Guard, and at the time of the accident was being driven by a National Guardsman. The family of the child sought legal advice, and were informed by counsel that the National Guardsman could not be construed to be an employee of the Federal Government, and therefore the case did not come within the purview of the Federal Tort Claims Act. That was mistaken legal advice, I may say. However, as a result of that advice the family did not bring suit. The purpose of the bill is to permit the bringing of a suit under the Federal Tort Claims Act in behalf of the child, and to waive the statute of limitations in the case.

Mr. BARRETT. I understand the child was about 3 years of age and was injured very seriously and permanently. The Calendar Committee on this side of the aisle is not disposed to object to the bill, but we hope the passage of the bill will not be considered to be a precedent for bills of this character.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 9, after the word "vehicle", to strike out "operated by an employee of the United States Army", so as to make the bill read:

Be it enacted etc., That, notwithstanding any statute of limitation or lapse of time or any provision of law to the contrary, suit may be instituted against the United States in the United States District Court for the District of New Mexico within 1 year after the date of enactment of this act for damages resulting from James Richard Hogan, of Albuquerque, N. Mex., being struck by a Government vehicle on the premises of the National Guard Armory, Socorro, N. Mex., on May 5, 1950. In any such suit brought pursuant to this act proceedings shall be had in accordance with the provisions of law applicable in the case of tort claims against the United States, but nothing in this act shall be construed as an inference of liability on the part of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALOMON BENVENISTE

The Senate proceeded to consider the bill (S. 2271) for the relief of Salomon Benveniste, which had been reported from the Committee on the Judiciary with an amendment in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Salomon Benveniste shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MR. AND MRS. THOMAS V. COMPTON

The bill (H. R. 1866) for the relief of Mr. and Mrs. Thomas V. Compton was announced as next in order.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HRUSKA. Let the bill go over.

Mr. ROBERTSON. Mr. President, will the Senator withhold his objection?

Mr. HRUSKA. I am glad to withhold it.

Mr. ROBERTSON. This bill has twice been passed by the House. It is for the relief of Mr. and Mrs. Compton, for damages sustained by them in the construction of the Buggs Island Dam. No one has ever questioned the fact that they were damaged. As a matter of fact, they were able to prove damages, in the opinion of the junior Senator from Virginia, in excess of what the House allowed and what the Judiciary Committee of the Senate approved.

The Army engineers expressed great sympathy for the Comptons in this matter, and admitted that the Comptons had been damaged. However, they said because the engineers had not actually taken their land, they had no authority to recommend compensation.

Recently, at a hearing conducted by a Subcommittee of the Committee on Public Works I asked Maj. Gen. Emerson C. Itschner, of the Corps of Army Engineers, who has had some 30 years of service with the Army, if in connection with the construction of a reservoir or a dam he had ever known of a similar instance of anyone having been damaged as the Comptons were damaged without the actual taking of land. The general said he had never heard of a similar instance.

The Justice Department objected to the bill on the ground that it would set a precedent for paying damages to an owner who did not have a compensatory interest in the land, or whose land was not actually taken.

The Army engineers have now recommended to the Committee on Public Works that they be given authority to pay damages in such a case as this, even though the owner does not have a compensatory interest in the land itself, but has been damaged nonetheless. The only suggestion made by the Department of Justice was with regard to the highway aspect. The bill would not set any precedent in that regard, because the Federal Government does not build highways, except on federally owned land.

Therefore, according to the General Itschner, this is the first instance of the Federal Government, by the construction of a dam and reservoir, ruining the mercantile business of a small country merchant by relocating a highway in such a way that the merchant practically lost his business.

The amount in the bill is the minimum amount necessary for the Comptons to acquire new land and to build a new store. With all due deference, I suggest that the worst possible precedent the Congress could set would be for the Government knowingly and wilfully to injure a citizen and then refuse to pay him.

Payment is being refused Mr. Compton on the thin technicality that his land was not actually damaged. Army engineers have told me that the man should

be paid. They wanted to pay him, but they did not have the authority. On two occasions the House has said, "We will see that he is paid."

Mr. CHAVEZ. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield.

Mr. CHAVEZ. I agree with the Senator from Virginia. Some 2 years ago the Bureau of Public Roads undertook to change the right-of-way in a small town in my State. There was one citizen with a $10,000 home, and another one with a $25,000 home. At one place there was a man with a filling station. If the right-of-way was changed the people involved would have to locate elsewhere and build new houses. That is the reason why a hearing must be had in that community.

I think the Senator from Virginia has something of importance in his bill.

Mr. ROBERTSON. I thank my distinguished colleague.

Mr. President, what I am discussing is really a pathetic case. Here is an old man, a little country merchant, who had a good business, but he had not been able to save very much. His business has been ruined. The land was flooded all around him, but his store was not flooded. His access road has been taken away, and his business has gone. I hope that when we vote, not $6,000, but $6 billion, to help underprivileged persons all over the world, we will not sit here and say, "Although the Government has injured one of our citizens, we will not compensate him." I hope the bill will pass.

Mr. HRUSKA. Mr. President, the point which is bothering us is simply this: There is danger of this bill establishing a precedent which, notwithstanding the merits of the case, will have a tremendous impact, particularly in view of the highway bill which is in the offing, and which will involve a great many instances of relocations of principal highways and a great many locations of highways with limited access, resulting in countless instances such as the one now under discussion. It seems to me it is certainly a sufficiently important subject to be fully debated, and we should not get off to a false start and deal with cases on an individual basis when they could be handled under a general policy.

Mr. ROBERTSON. Mr. President, I have had a great deal of experience with highway work in Virginia. I was a member of the commission whose duty it was to lay out a State highway system. I was a joint sponsor of the bill which created the highway department. I got through the first law under which State roads have been constructed. Never in Virginia, or anywhere else that I know of where, of necessity, we relocated a road and took property away from a filling station, have we failed to pay the filling-station operator.

In the instant case, the man's property is left on an island. He was left one little road affording access to the main highway, where traffic and business are to be found. His business has been ruined. An Army engineer told me that he had never known of a similar instance in 30 years of experience. If this is the first instance in 30 years which involves a flooding operation, it has no relation to highway cases.

We usually do not pay damages to anyone when a road is changed. When a man located on a road he assumed the hazard, and that has been always recognized.

I think my colleague's fears are ungrounded. If we place this man in a position where he can have a store on the new highway we shall not set a precedent. This is probably the last time such a case will arise. The man has been damaged, and there is no question about the damages sought being reasonable, but some are afraid we shall set a precedent.

Mr. HRUSKA. Mr. President, I am sympathetic with the purpose of the bill, but, under the circumstances, I think it should be taken up on motion rather than considered on a call of the calendar. I ask that the bill be passed over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

SETTLEMENT OF CLAIMS FOR RESIDENTAL STRUCTURES ON THE GROUNDS OF PUBLIC HEALTH HOSPITAL, CARVILLE, LA.

The Senate proceeded to consider the bill (H. R. 5787) to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service Hospital, Carville, La., which had been reported from the Committee on the Judiciary with an amendment, on page 1, after the enacting clause, to strike out "That there is hereby authorized to be appropriated for the fiscal year ending June 30, 1956, not to exceed $25,000" and insert "That there is hereby authorized to be appropriated not to exceed $25,000, to remain available until June 30, 1958."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

M. P. HUGGINS, JR.

The Senate proceeded to consider the bill (S. 2169) for the relief of M. B. Huggins, Jr., which had been reported from the Committee on the Judiciary with amendments, on page 1, line 6, after the word "of", to strike out "$5,000" and insert "$8,196.37"; and on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to M. B. Huggins, Jr., of Timmonsville, S. C., the sum of $8,196.37. Such sum shall be in full satisfaction of his claim against the United States for compensation for medical expenses and loss of earnings incurred as the result of a serious injury suffered by him on March 4, 1955, while assisting two investigators of the Alcohol and Tobacco Tax Division of the Internal Revenue Service, United States Treasury Department, in effecting the arrest of an alcohol tax violator: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 202) favoring the granting of status of permanent resident to certain aliens, which had been reported from the Committee on the Judiciary with amendments, on page 2, after line 10, to strike out:

A-7044355, Vujosevic (Vujosevich), Nikola Mirko.

On page 3, after line 15, to strike out:

A-6776849, Choukanoff, Boyan Petkoff.
A-6776848, Choukanova, Ekaterina Boyanova.

And on page 4, line 15, after "A-6438029", to strike out "Gavrilovic" and insert "Gavrilovich."

The amendments were agreed to.

The concurrent resolution, as amended, was agreed to, as follows:

Resolved, etc., That the Congress favors the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 4 of the Displaced Persons Act of 1948, as amended (62 Stat. 1011; 64 Stat. 219; 50 App. U. S. C. 1953):

A-6954184, Horesovsky, Bohumil Rudolf.
A-7415111, Horesovsky, Jr., Bohumil Rudolf.
A-7415110, Horesovsky, Jan Josef.
A-6938802, Balaits, Janis Alberts or John Alberts Balkits.
A-6848040, Chang, Victor Chao-Lung.
A-6620889, Chen, Pem Ching alias Robin Chen.
A-6361214, Dow, Tsung-I.
A-7086975, Hinko, Ladislav.
A-7439056, Hinko, Ladislav, Gustav.
A-7439057, Hinko, Eva.
A-6442478, Javor, Pal, or Paul.
A-6450409, Javor, Olga (nee Landesmann).
A-3153623, Peros, Peter Milan.
0300-442350, Ting, Ah Wong.
A-6819093, Chalme, Sara Moise (nee Sutton).
A-6472673, Ernst, Adolf.
A-6760795, Moncauska, Julijonas.
A-6472150, Ravasz, Rudolf.
0300-416646, Shing, Sam also known as Lem Shing.
A-6377623, Sneed, Myla also known as Myla Szaladini.
A-6847792, Tung, Cheng-Kang.
A-6377623, Sneed, Myla, also known as Myla Szaladini.
A-6847975, Fang, Theresa Chihsun.
A-6851302, Fu, Chi-Hsiung.
A-6534357, Isakowitz, Robert Meier.
A-9559796, Lam, Yin or Yim Lam.
A-6173176, Li, Pa Chun also known as Pat Li.
A-6703332, Li, Choi Chee Lou also known as Jennie Li.
A-8196502, Lung, Dong Ah.
A-6437027, Mitt, Rudolf.

A-6491926, Mitt, Olga (nee Ulenan).
A-6159696, Papp, Frank.
A-6159698, Papp, Valeria (nee Stritz).
A-6159697, Papp, Jr., Frank.
0300-408013, Roziskovich (Boziskovich), Josep or Joe.
A-6967286, Shen, Florence Tse-Yun Kao.
A-6609116, Tsang, Zue-Tze.
A-6971753, Uustalu, Juri Arnold.
A-2797209, Ching, Chen Pak also known as Manuel Ching.
A-5411126, Chu, Dai Poy also known as Dai Poy Chew; professional name, T. B. Chew, Jr.
A-6848515, Han Paul Shu Tung, formerly Han Shu-Tung.
A-9771293, Lee, Chay Kun also known as Lee, Choy Kun.
A-6415037, Liu, Victor.
A-6847717. Loh, John Chu Fei.
1300-128711, Yuk, Lau also known as James Low.
A-7828457, Moy, Sun Show.
A-6923191, Rannala, Harry.
A-9825276, Tarabocchia, Martin.
A-7863005, Tipans, Ansis.
1300-74259, Wong, Gee Yiao.
A-6702180, Yen, Shee-Mang or Yen Shee Mang.
1300-74263, Yong, Wah Hing.
E-8394, Kroneroff, Geza.
A-8021280, Smits, Paul.
A-7941090, Barbarini, Antonio.
A-6848234, Bergman. Ibolya (nee Lebowitz).
A-7863011, Bondarenko, Vladimir Ivanovich or Vsevolod Ivanovich Abromov.
A-6438029, Gavrilovich, Mira.
E-086531, Cerineo, Branko.
A-8039898, Chan, Mong Chu.
A-68515114, Chang, Ching-Tung.
A-6652186, Cohen, Nadji Murad or Maji Murad Cohen.
0300-308450, Fat, Chang Han.
0300-363107, Fook, Cheong Chung.
A-6438028, Gavrilovich, Oscar.
A-6931603, Iwaniszyn, Helena.
A-6403580, Liang, Florence Kiang.
A-9765847, Lizzul, Giuseppe or Joseph Lizzul.
A-6894879, Philibosian, Emil Herant.
A-9767788, Randoja, Hanus.
A-6772096, Strupl, Milos.
A-6673276, Wung, Tam Bing.
A-6674085, Hung, Loo Shirt.
A-6250123, Zakkay, Victor Haron.
A-6960369, Filipescu, Aurelia.
A-6662152, Fulga, Alfred Dimitru also known as Alfred or Fred Fuuga.
A-8065669, Hong, Ng.
A-6960370, Istrate, Steliana.
A-7962159, Pauska, Aleksander.
A-6594757, Rejlek, Frantisek also known as Frank Rejlek, alias Raym.

WINIFRED A. HUNTER

The bill (S. 2008) for the relief of Winifred A. Hunter was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Winifred A. Hunter, of San Antonio, Tex., the sum of $6,500. The payment of such sum shall be in full settlement of all claims of the said Winifred A. Hunter against the United States for reimbursement for damage to her personal and household effects sometime between December 7, 1946, and March 7, 1947, at Bilbao, Spain. Such damage was incurred when the said Winifred A. Hunter, while employed as a clerk in the Foreign Service of the Department of State, was transferred from the American Embassy at Managua, Nicaragua, to the American Embassy at Madrid, Spain: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

WILLIAM F. FRIEDMAN

The bill (H. R. 2068) for the relief of William F. Friedman was considered, ordered to a third reading, read the third time, and passed.

RALPH BENNETT AND OTHERS

The Senate proceeded to consider the bill (H. R. 3639) for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 10, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JAMES EDWARD ROBINSON

The Senate proceeded to consider the bill (S. 1414) for the relief of James Edward Robinson, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 6, after the word "of", to strike out "$500" and insert "$1,000"; and on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James Edward Robinson, of St. Louis, Mo., the sum of $1,000. Such sum shall be in full satisfaction of all claims of the said James Edward Robinson against the United States for compensation for the injury he sustained to his right hand on February 15, 1954, while performing the duties assigned to him as an inmate of the United States Penitentiary, Terre Haute, Ind., and which necessitated the amputation at the distal joints of the index and middle fingers of his right hand: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 1671) for the relief of Clement E. Sprouse was announced as next in order.

Mr. BARRETT. Over, Mr. President.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

GEORGE D. HOPPER

The Senate proceeded to consider the bill (H. R. 1989) for the relief of George D. Hopper, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 6, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

Mr. BARRETT. Mr. President, may we have an explanation of the bill?

Mr. ERVIN. Mr. President, Mr. George D. Hopper entered the consular service in 1918. After he had been in it only 6 months, the American consul in Stockholm, Sweden, became ill, leaving Mr. Hopper and 3 Swedish clerks in charge of the consulate at Stockholm. The consulate received a check, with an order from a probate court in Connecticut to pay $710.28 to certain legatees in Switzerland who bore the name of Carlson, which is a name, I understand, that is very prevalent in Sweden. Mr. Hopper made diligent efforts to find the persons to whom the money was due, but while he was so engaged some imposters came forward, with false documents, representing themselves to be beneficiaries of the check, and Mr. Hopper paid the money to them.

This bill is to reimburse Mr. Hopper for the principal amount of what he paid. He was receiving a very low salary and he had to repay the money in installments over a 2-year period. The purpose of the bill is to reimburse Mr. Hopper the principal amount without interest.

In 1930 a bill was introduced to provide for this reimbursement. The bill failed of passage at that time. The committee called on the State Department for its reaction to the bill. The State Department wrote a diplomatic letter. The letter said, in part:

> Mr. Hopper, whose service record is meritorious, was required to make restitution by the Department and the commendatory manner and spirit in which it was done are deserving of attention by your committee, should it be disposed to consider reimbursing him.

The committee at that time took the position that the State Department ought to have recommended one way or the other, so the committee did not act on the bill.

I am informed that in the next Congress another bill was introduced to provide for the repayment of the money to Mr. Hopper. I have not been able to find any record of this, but Representative GEORGE SHUFORD, who introduced the bill in the House, has informed me that Mr. Hopper stated at that time that the committee suggested the bill should be amended so as to provide payment of the principal only, and not the interest, and that he was not willing at that time to accede to that suggestion, so the bill was never acted on.

Mr. BARRETT. The point which is disturbing the minority members of the committee is that the claim originated some 30 or more years ago. Even the committee in its report indicates that

the matter was brought rather belatedly to its attention.

I understand that even the records in the State Department have all been disposed of, and that that Department is in no position to make any explanation of the delay and of the facts in connection with the matter.

Did I understand the Senator from North Carolina correctly to say that there were previous bills introduced on the same subject?

Mr. ERVIN. Yes; neither of which was acted upon. The bills, as I understand, died in committee.

Mr. BARRETT. Were they introduced rather shortly after the loss occurred?

Mr. ERVIN. No. The first one was introduced in 1930. The State Department does have a record of its letter at that time, in which the Acting Secretary of State said that Mr. Hopper's record was very meritorious. When the Acting Secretary of State was asked his opinion of the bill, he made a very diplomatic answer, in which he praised Mr. Hopper, and said his record was meritorious. He also said that the Department would like to have the committee know they thought the claim should be approved, should the committee be so disposed. I understand that was the first time Mr. Hopper ever presented his claim. It was never disapproved, as I understand; it simply failed to receive action.

Mr. BARRETT. The point which is disturbing us is that 12 years went by before Mr. Hopper first asked for reimbursement through Congress, and some 35 years have elapsed since the claim was originated.

Mr. ERVIN. Contemporaneous letters bear out my understanding. One was from the Consul General, Albert Halstead, who made a statement to the State Department recommending payment.

I think the State Department originally took the position that the reimbursement of Mr. Hopper was a moral obligation, not a legal obligation.

Mr. BARRETT. I think that is quite true. We are not disposed to object to the bill. However, we do not want to have this action to be taken as a precedent, because such a long period of time has intervened. Furthermore, we are impressed by the explanation which has been given by the Senator from North Carolina.

Mr. ERVIN. I agree with the Senator from Wyoming that this should not set a precedent. This is what we lawyers would call a rather stale claim. In this instance, Mr. Hopper first tried to get reimbursement from the State Department. He did not know until 1930 that he could resort to Congress.

Mr. BARRETT. In any case, he might otherwise be denied relief because of laches.

Mr. ERVIN. That is correct.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HERMAN F. GIERKE, JR.

The Senate proceeded to consider the bill (H. R. 3725) for the relief of Herman F. Gierke, Jr., which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF TITLE 28, UNITED STATES CODE, RELATING TO THE CUSTOMS COURT

The Senate proceeded to consider the bill (S. 584) to amend title 28, United States Code, relating to the Customs Court, which had been reported from the Committee on the Judiciary with an amendment, on page 2, after line 18, to insert:

SEC. 4. Nothing contained in this act shall be construed in any way to limit or alter the jurisdiction heretofore conferred upon the United States Customs Court by any provision of law.

So as to make the bill read:

Be it enacted, etc., That section 251 of title 28, United States Code, is amended by inserting after the first sentence thereof a new sentence as follows: "Such court is hereby declared to be a court established under article III of the Constitution of the United States."

SEC. 2. Section 292 of title 28, United States Code, is amended by inserting at the end of such section a new subsection, as follows:

"(f) The Chief Justice of the United States may upon presentation to him by the chief judge of the Customs Court of a certificate of necessity, designate and assign temporarily any district judge to serve as a judge of the Customs Court."

SEC. 3. (a) Section 293 of title 28, United States Code, is amended by inserting at the end of such section a new paragraph, as follows:

"The Chief Justice of the United States may designate and assign temporarily a judge of the Customs Court to perform judicial duties in a district court in any circuit upon presentation of a certificate of necessity by the chief judge or circuit justice of the circuit wherein the need arises."

(b) The first paragraph of section 295 of title 28, United States Code, is amended by inserting at the end thereof a new sentence, as follows: "No designation and assignment of a judge of the Customs Court in active service shall be made without the consent of the chief judge of such court."

SEC. 4. Nothing contained in this act shall be construed in any way to limit or alter the jurisdiction heretofore conferred upon the United States Customs Court by any provision of law.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF BANKRUPTCY ACT TO INCREASE SALARIES FOR PART-TIME AND FULL-TIME REFEREES

The bill (H. R. 4791) to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees was considered, ordered to a third reading, read the third time, and passed.

COL. JOHN A. O'KEEFE

The Senate proceeded to consider the bill (S. 2984) for the relief of Col. John A. O'Keefe, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 2, after the word "purpose", to insert a colon and *"Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Col. John A. O'Keefe (O–277514), retired, the sum of $1,653 in full satisfaction of all claims of the said *John A. O'Keefe* v. the *United States* for compensation for the services performed by him as Adjutant General of the District of Columbia National Guard in the grade of colonel for the period from October 10, 1949, to December 13, 1949, inclusive, no compensation having been received by him for such services because of the unavailability of appropriated funds for such purpose: *Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOSEPH RIGHETTI AND MARJORIE RIGHETTI

The bill (H. R. 1470) for the relief of Joseph Righetti and Marjorie Righetti was considered, ordered to a third reading, read the third time, and passed.

CHARLES F. BRICKELL

The bill (H. R. 1500) for the relief of Charles F. Brickell was considered, ordered to a third reading, read the third time, and passed.

BERNARD L. DENN

The bill (H. R. 2465) for the relief of Bernard L. Denn was considered, ordered to a third reading, read the third time, and passed.

JOSEPH GANGEMI AND ANTHONY GANGEMI

The bill (H. R. 4852) for the relief of Joseph Gangemi and Anthony Gangemi was considered, ordered to a third reading, read the third time, and passed.

MRS. HELEN BARSA

The bill (H. R. 4872) for the relief of Mrs. Helen Barsa was considered, ordered to a third reading, read the third time, and passed.

FRED MAZAN

The bill (H. R. 5626) for the relief of Fred Mazan was considered, ordered to a third reading, read the third time, and passed.

WILLIE C. PICKETT AND OTHERS

The bill (H. R. 5634) for the relief of Willie C. Pickett, George Williams, and Herman L. Looney, was considered, ordered to a third reading, read the third time, and passed.

NATHAN L. GARNER

The bill (H. R. 6282) for the relief of Nathan L. Garner was considered, ordered to a third reading, read the third time, and passed.

CHARLES F. BULLETTE

The Senate proceeded to consider the bill (H. R. 2338) for the relief of Charles F. Bullette, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 1, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GILES P. FREDELL AND WIFE

The Senate proceeded to consider the bill (H. R. 2717) for the relief of Giles P. Fredell and wife, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 7, after the word "of", to strike out "$464.78" and insert "$458.17."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

DAVID J. DAZE

The Senate proceeded to consider the bill (H. R. 2924) for the relief of David J. Daze, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 2, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JOSEPH H. WASHBURN

The Senate proceeded to consider the bill (H. R. 3638) for the relief of Joseph H. Washburn, which had been reported from the Committee on the Judiciary, with an amendment on page 1, line 6, after the word "of", where it appears the first time, to strike out "$2,500" and insert "$1,182.21."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MARTIN F. KENDRIGAN

The Senate proceeded to consider the bill (H. R. 4902) for the relief of Martin F. Kendrigan, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 14, after the word "Act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

WILLIAM H. FOLEY

The Senate proceeded to consider the bill (H. R. 6452) for the relief of William H. Foley, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, at the beginning of line 4, to insert "and hospital."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MARY VIOLA JONES

The Senate proceeded to consider the bill (H. R. 7583) for the relief of Mary Viola Jones, which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 4, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ROY M. BUTCHER

The Senate proceeded to consider the bill (H. R. 2736) for the relief of Roy M. Butcher, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 6, after the word "of", to strike out "$1,953.53" and insert "$1,842.95"; and in line 11, after the word "act", to strike out "in excess of 10 percent thereof."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

F. DELIZIA CO., INC.

The bill (H. R. 2898) for the relief of the F. Delizia Co., Inc., was considered, ordered to a third reading, read the third time, and passed.

ALLEN POPE—BILL PASSED OVER

The bill (H. R. 3054) for the relief of Allen Pope, his heirs or personal representatives, was announced as next in order.

Mr. HRUSKA. Mr. President, I ask that the bill go over to the next call of the calendar.

The ACTING PRESIDENT pro tempore. The bill will be passed over until the next call of the calendar.

STANLEY RYDZON AND ALEXANDER F. ANDERSON

The bill (H. R. 4865) for the relief of Stanley Rydzon and Alexander F. Anderson was considered, ordered to a third reading, read the third time, and passed.

BOARD OF COMMISSIONERS OF SEDGWICK COUNTY, KANS.

The Senate proceeded to consider the bill (H. R. 1835) for the relief of the Board of Commissioners of Sedgwick County, Kans., which had been reported from the Committee on the Judiciary, with an amendment, on page 2, line 16, after the word "taxes", to insert a colon and *"Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

Mr. HRUSKA. Mr. President, may we have an explanation of the bill?

Mr. EASTLAND. Mr. President, the bill would pay the sum of $259,925.09 to the Board of Commissioners of Sedgwick County, Kans., for delinquent realty taxes due by the United States for the year 1947.

The land in question was deeded by a Government corporation to the United States, subject to the taxes for the years 1944, 1945, 1946, and 1947.

The Government declined to pay the taxes and on a suit in the Court of Claims was held responsible for the years 1944,

1945, and 1946. This bill is for the taxes for the year 1947.

The Government assumed possession and dominion over the land in April 1947, at which time no taxes for that year were due. The Government's position is that when it assumed dominion the land came off the tax rolls since the State cannot tax the Government. The deed, however, would seem to control, in which deed, as stated the Government took the land subject to the taxes for that year. For this reason the committee believes the Government is responsible and recommends payment of the claim.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

REV. BONIFACE LUCCI, O. S. B.

The Senate proceeded to consider the bill (H. R. 3975) for the relief of the Reverend Boniface Lucci, O. S. B., which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PAYMENT OF CERTAIN IMPROVEMENTS IN THE MISSOURI RIVER BASIN PROJECT

The Senate proceeded to consider the bill (S. 1622) to authorize the Secretary of the Interior to make payment for certain improvements located on public lands in the Rapid Valley unit, South Dakota, of the Missouri River Basin project, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments, on page 2, line 3, after "(a)", to strike out "the Synod of the Presbyterian Church of South Dakota, a South Dakota corporation, the sum of not more than $18,383 for its improvements on parcel No. 10, constituting a church camp owned by said corporation" and insert "The Synod of the Presbyterian Church of South Dakota, a South Dakota corporation, a sum of not more than $18,383 as reimbursable for the removal of its improvements, constituting a church camp on parcel No. 10 and the necessary relocation thereof;", and, on page 3, line 24, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is authorized to pay, out of any moneys available for construction of the Rapid Valley unit, South Dakota, of the Missouri River Basin project, to the following-named persons the amounts set forth opposite their names for the purposes there specified, the parcel numbers in each case referring to tracts of public lands of the United States within the boundaries of the said Rapid Valley unit:

(a) The Synod of the Presbyterian Church of South Dakota, a South Dakota corporation, a sum of not more than $18,383 as reimbursable for the removal of its improvements, constituting a church camp on parcel No. 10 and the necessary relocation thereof;

(b) The Pactola Methodist Assembly Park Association, Rapid City, S. Dak., the sum of not more than $14,880 for its improvement on parcel No. 13 constituting a church camp owned by said association: *Provided*, That in order to assist in the relocation of said camp the Secretary may also sell at appraised values or, in lieu of making the payment above provided for, may exchange and sell at appraised values improvements on other lands of the United States acquired or administered by him in connection with the Rapid Valley unit;

(c) Pactola School District, No. 5, the sum of not more than $1,449.79, as reimbursement for the actual cost of moving its school buildings from parcel No. 22 and relocating them on a site outside the area required for the construction, operation, or maintenance of the Rapid Valley unit;

(d) Hilda M. Coon, a widow, the sum of not more than $2,000 for a summer home owned by her on parcel No. 25; and

(e) Berry Marvel O'Harra and Cecile Matrux O'Harra, husband and wife, Wayne G. O'Harra and Mary Bland O'Harra, husband and wife, and Mariam Pollock, a widow, the sum of not more than $2,200 for a summer home owned by them on parcel No. 18.

Said payments, and the ratification hereby of other like payments which have heretofore been made to N. M. Bratton and Mrs. N. M. Bratton, his wife ($2,000 for a summer home owned by them on parcel No. 23) and to L. E. Reemsta and Hanna Reemsta, his wife ($2,000 for a summer home owned by them on parcel No. 24), shall constitute a full and complete settlement of any claims which the said parties may have or assert against the United States with respect to their use or occupancy of the tracts in question, their improvements thereon, or the disposition of such improvements or their removal therefrom but shall not constitute an admission by the United States of the legitimacy of any such claim: *Provided*, That no part of any amount provided for in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and any such payment, delivery, or receipt shall, any contract to the contrary notwithstanding, be unlawful. Any person paying, delivering, or receiving such excess amount shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined in a sum of not more than $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TERMINATION OF PROHIBITION AGAINST EMPLOYMENT OF MONGOLIAN LABOR ON RECLAMATION PROJECTS

The bill (H. R. 1603) to terminate the prohibition against the employment of Mongolian labor in the construction of reclamation projects was considered, ordered to a third reading, read the third time, and passed.

CONVENTION OF GREAT LAKES FISHERIES—BILL PLACED AT FOOT OF CALENDAR

The bill (S. 3524) to give effect to the Convention on Great Lakes Fisheries signed at Washington, September 10, 1954, and for other purposes, was announced as next in order.

Mr. BARRETT. Mr. President, I wonder if we could be informed as to what the cost, annually, would be if the bill should be passed.

The ACTING PRESIDENT pro tempore. An explanation is requested of Senate bill 3524.

Mr. BIBLE. Mr. President, although I am a member of the Committee on Interstate and Foreign Commerce, I am not clear as to what the exact amount of the cost would be. I believe the commissioners under this particular Great Lakes convention between the United States and Canada serve without cost. I am informed that they serve without pay.

Mr. BARRETT. Mr. President, I ask that the bill go to the foot of the calendar.

The ACTING PRESIDENT pro tempore. The bill will go to the foot of the calendar.

AMENDMENT OF MERCHANT MARINE ACT, 1936, RELATING TO COMPUTATION OF 10-YEAR RECAPTURE PERIOD

The bill (H. R. 4118) to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period was considered, ordered to a third reading, read the third time, and passed.

AUTHORIZATION FOR OFFICERS OF THE COAST AND GEODETIC SURVEY TO ACT AS NOTARIES

The Senate proceeded to consider the bill (S. 3266) to authorize officers of the Coast and Geodetic Survey to act as notaries in places outside the continental limits of the United States and in Alaska, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 1, line 3, after the word "That", to strike out "in Alaska and"; in the same line, after the word "places", to strike out "beyond the continental limits of the United States" and insert "where the Coast and Geodetic Survey is serving which are not within the jurisdiction of any one of the several States"; and on page 2, line 3, after the word "acts", to insert "The powers hereby conferred shall be limited to acts performed in behalf of the personnel of the Coast and Geodetic Survey or in connection with the proper execution of the functions of that agency.", so as to make the bill read:

Be it enacted, etc., That, in places where the Coast and Geodetic Survey is serving which are not within the jurisdiction of any one of the several States, commanding officers of Coast and Geodetic Survey vessels, and such other officers of the Coast and Geodetic Survey as the Secretary of Commerce may designate, may exercise the general powers of the notary public in the administration of oaths for the execution, acknowledgment, and attestation of instruments and papers, and the performance of all other notarial acts. The powers hereby conferred shall be limited to acts performed in behalf of the personnel of the Coast and Geodetic Survey or in connection with the proper execution of the functions of that agency.

SEC. 2. No fee of any kind shall be paid to any officer for the performance of any notarial act herein authorized. The signature without seal together with indication of grade of any officer performing any notarial act shall be prima facie evidence of his authority.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to authorize officers of the Coast and Geodetic Survey to act as notaries in places outside the United States."

BILL PASSED OVER

The bill (S. 3113) to amend section 9 (c) of the Merchant Ship Sales Act of 1946, as amended, was announced as next in order.

Mr. HRUSKA. Mr. President, may we have an explanation of the bill?

The ACTING PRESIDENT pro tempore. An explanation of Senate bill 3113, is requested.

Mr. ERVIN. Mr. President, since the chairman of the Committee on Interstate and Foreign Commerce is not present, I suggest that the bill go over to the next call of the calendar.

The ACTING PRESIDENT pro tempore. The bill will go over to the next call of the calendar.

FILING OF VESSELL UTILIZATION AND PERFORMANCE REPORTS

The bill (S. 3265) to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That title II of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1111–1127), is amended by inserting after section 212 (46 U. S. C. 1122), a new section 212 (A) to read as follows:

"SEC. 212. (A) The operator of a vessel in waterborne foreign commerce of the United States shall file at such times and in such manner as the Secretary of Commerce may prescribe by regulations, such report, account, record, or memorandum relating to the utilization and performance of such vessel in commerce of the United States, as the Secretary may determine to be necessary or desirable in order to carry out the purposes and provisions of this act, as amended. Such report, account, record, or memorandum shall be signed and verified in accordance with regulations prescribed by the Secretary. An operator who does not file the report, account, record, or memorandum as required by this section and the regulations issued hereunder, shall be liable to the United States in a penalty of $50 for each day of such violation. The amount of any penalty imposed for any violation of this section upon the operator of any vessel shall constitute a lien upon the vessel involved in the violation, and such vessel may be libeled therefor in the district court of the United States for the district in which it may be found. The Secretary of Commerce may, in his discretion, remit or mitigate any penalty imposed under this section on such terms as he may deem proper."

SALE OF CERTAIN WAR-BUILT CARGO VESSELS

The joint resolution (H. J. Res. 513) to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes was considered, ordered to a third reading, read the third time and passed.

INSURANCE AGAINST FLOOD DAMAGE—BILL PASSED OVER

The bill (S. 3732) to provide insurance against flood damage, and for other purposes, was announced as next in order.

Mr. BIBLE. Mr. President, I ask that the bill go over. It is the intention of the acting majority leader to make that bill the unfinished business at the conclusion of the call of the calendar.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED OVER

The bill (S. 1574) to provide for payments by the Secretary of the Interior to owners of non-Federal water-use facilities for hydro-electric-power benefits realized by the United States therefrom, and for other purposes, was announced as next in order.

Mr. ERVIN. I request that order No. 1887, Senate bill 1574, go over.

The ACTING PRESIDENT pro tempore. The bill will go over.

EXTENSION FOR 2 YEARS THE ADVISORY COMMITTEE ON WEATHER CONTROL

The bill (S. 2913) to extend for 2 years the Advisory Committee on Weather Control was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 10 (a) of the act entitled "An act to create a committee to study and evaluate public and private experiments in weather modification," approved August 13, 1953 (67 Stat. 559, 561), is amended by striking out "June 30, 1956" and inserting in lieu thereof "June 30, 1958."

PERMANENT CERTIFICATION FOR CERTAIN AIR CARRIERS

The bill (S. 3164) to amend section 401 (c) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska was announced as next in order.

Mr. BARRETT. Mr. President, may we have an explanation of the bill?

Mr. ERVIN. Mr. President, there are certain airlines which have been operating between the United States and Alaska under a temporary system whereby they receive permits of a limited period of time, 3 years. They have been so operating for a number of years. The bill would give them permanent certificates, which are necessary in order to enable them to be financed properly. The bill is similar to the one the Senate passed the last year with respect to the so-called feeder lines in the United States. It puts the airlines to which I have referred on the same basis.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 3164) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 401 (e) of the Civil Aeronautics Act of 1938, as amended (49 U. S. C. 481 (e)), is amended by adding at the end thereof the following:

"(4) If any applicant who makes application for a certificate within 120 days after the date of enactment of this paragraph shall show that, from January 1, 1956, until the effective date of this paragraph, it, or its predecessor in interest was an air carrier continuous operating as such (except as to interruptions of service over which the applicant or its predecessor in interest had no control) under a temporary certificate of public convenience and necessity authorizing it to engage in air transportation with respect to persons, property, and mail between points in the continental United States and points in the Territory of Alaska, the Board, upon proof of such fact only, shall, unless the service rendered by such applicant during such period was inadequate and inefficient, issue a certificate or certificates of unlimited duration, authorizing such applicant to engage in air transportation with respect to persons, property, and mail between the terminal and intermediate points between which it or its predecessor so continuously operated between January 1, 1956, and the date of enactment of this paragraph."

REGULATION OF INTERSTATE TRANSPORTATION OF MIGRANT FARM WORKERS

The bill (S. 3391) to provide for the regulation of the interstate transportation of migrant farm workers, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 203 (a) of part II of the Interstate Commerce Act, as amended (49 U. S. C. 303 (a)), is further amended by adding at the end thereof the following new subsections reading as follows:

"(22) The term 'carrier of migrant workers by motor vehicle' means any person, including any 'contract carrier by motor vehicle,' but not including any 'common carrier by motor vehicle,' who or which transports in interstate or foreign commerce at any one time three or more migrant workers to or from their employment by any motor vehicle other than a passenger automobile or station wagon, except migrant workers transporting themselves or their immediate families.

"(23) The term 'migrant worker' means any individual proceeding to or returning from employment in agriculture as defined in section 3 (f) of the Fair Labor Standards Act of 1938, as amended (29 U. S. C. 203 (f)), or section 3121 (g) of the Internal Revenue Code of 1954 (26 U. S. C. 3121 (g))."

SEC. 2. Section 204 (a) of part II of such act, as amended (49 U. S. C. 304 (a)) is amended by adding a new subsection as follows:

"(3a) Notwithstanding any other provision of section 203 (b), to establish for carriers of migrant workers by motor vehicle reasonable requirements with respect to comfort of passengers, qualifications and maximum hours of service of operators, and safety of operation and equipment. When such requirements are established, the term 'motor carrier' shall be construed to include carriers of migrant workers by motor vehicle in the administration of sections 204 (c); 205; 220; 221; 222 (a), (b), (d), (f) and (g); and 224."

SEC. 3. Section 13 (b) (1) of the Fair Labor Standards Act, as amended (29 U. S. C. 213 (b) (1)) shall not apply in the case of any employee with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service solely by virtue of section 2 of this act.

PERMANENT CERTIFICATION FOR CERTAIN AIR CARRIERS

The Senate proceeded to consider the bill (S. 3163) to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating in Hawaii and Alaska, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 1, line 9, after the word "service", to strike out "exclusively"; and on page 2, line 4, after the word "service", to strike out "solely", so as to make the bill read:

Be it enacted, etc., That section 401 (e) of the Civil Aeronautics Act of 1938, as amended (49 U. S. C. 481 (e)), is amended by adding at the end thereof the following:

"(4) If any applicant who makes application for a certificate within 120 days after the date of enactment of this paragraph shall show that on such date it was an air carrier, furnishing service within either the Territory of Hawai or the Territory of Alaska (including service between Alaska and adjacent Canadian territory) authorized by certificate or certificates of public convenience and necessity issued by the Civil Aeronautics Board to render such service within such Territory, and that any portion of such service between any points or for any class of traffic was performed pursuant to a temporary certificate or certificates of public convenience and necessity issued by the Civil Aeronautics Board, the Board shall, upon proof of such facts alone, issue a certificate or certificates of indefinite duration authorizing such applicant to engage in air transportation within such Territory between the same points and in the same manner and for each such class of traffic as temporarily authorized by such certificate or certificates as of the date of enactment of this paragraph."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 3072) to require the inspection and certification of certain vessels carrying passengers was announced as next in order.

Mr. BARRETT. I ask that the bill go over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 7952) to require the inspection and certification of certain vessels carrying passengers was announced as next in order.

The ACTING PRESIDENT pro tempore. That is a companion bill to Senate bill 3072.

Mr. BARRETT. Mr. President, I ask that the bill go over.

The ACTING PRESIDENT pro tempore. The bill will go over.

The bill (H. R. 483) to amend the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947, as amended, so as to provide for appointment of doctors of osteopathy in the Medical Corps of the Army and Navy, was announced as next in order.

Mr. BARRETT. Over.

The ACTING PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF UNITED STATES CODE RELATING TO FRAUD BY WIRE, RADIO, OR TELEVISION

The bill (S. 3674) to amend section 343 of title 18, United States Code, relating to fraud by wire, radio, or television, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1343 of title 18, United States Code is amended to read as follows:

"§ 1343. Fraud by wire, radio, or television.

"Whoever, having devised or intending to devise any scheme or artifice to defraud, or for obtaining money or property by means of false or fraudulent pretenses, representations, or promises, transmits or causes to be transmitted by means of wire, radio, or television communication in interstate or foreign commerce, any writings, signs, signals, pictures, or sounds for the purpose of executing such scheme or artifice, shall be fined not more than $1,000 or imprisoned not more than 5 years, or both."

BILL PASSED OVER

The bill (S. 3108) to encourage the construction of modern Great Lakes bulk cargo vessels was announced as next in order.

Mr. BARRETT. Over, by request.

The ACTING PRESIDENT pro tempore. The bill will go over. That completes the call of the calendar.

Order No. 1880, Senate bill 3524, went to the foot of the calendar. Is there objection to the consideration of the bill?

CONVENTION ON GREAT LAKES FISHERIES

There being no objection, the Senate proceeded to consider the bill (S. 3524) to give effect to the Convention on Great Lakes Fisheries signed at Washington, September 10, 1954, and for other purposes, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 2, line 22, after the word "Lakes", to insert "of whom one shall be an official of a Great Lakes State"; on page 3, line 1, after the word "section", to strike out "may" and insert "shall"; and in line 5, after the word "shall", to insert "make its selection for each State from a list proposed by the Governor of that State; and shall", so as to make the bill read:

Be it enacted, etc., That this act may be cited as the "Great Lakes Fishery Act of 1956."

SEC. 2. As used in this act, the term—

(a) "Convention" means the Convention on Great Lakes Fisheries between the United States of America and Canada signed at Washington, September 10, 1954;

(b) "Commission" means the Great Lakes Fishery Commission provided for by article II of the convention;

(c) "United States Section" means the United States Commissioners on the Commission;

(d) "Great Lakes State" means any of the following States: Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, or Wisconsin.

(e) "Great Lake" means any of the following bodies of water: Lake Ontario (including the St. Lawrence River from Lake Ontario to the 45th parallel of latitude), Lake Erie, Lake Huron (including Lake St. Clair), Lake Michigan, or Lake Superior.

SEC. 3. The United States shall be represented on the Commission by three Commissioners to be appointed by the President, to serve as such during his pleasure, and to receive no compensation for their services as such Commissioners. Of such Commissioners—

(a) one shall be an official of the United States Government; and

(b) two shall be persons residing in Great Lakes States, duly qualified by reason of knowledge of the fisheries of the Great Lakes, of whom one shall be an official of a Great Lakes State: *Provided, however,* That the Commissioners appointed under this subsection shall not be residents of the same State.

SEC. 4. (a) The United States Section shall appoint an advisory committee for each of the Great Lakes, upon which committee each State bordering on the lake may be represented by not more than four members. In making such appointments, the United States Section shall make its selection for each State from a list proposed by the Governor of that State; and shall give due consideration to the interests of—

(1) State agencies having jurisdiction over fisheries;

(2) the commercial fishing industry of the lake;

(3) the sports fishing of the lake; and

(4) the public at large.

(b) A member of the advisory committee for one lake may also be a member of the advisory committee for one or more other lakes.

(c) The members of the advisory committees shall receive no compensation from the Government of the United States for their services as such members. Not more than five members of all the committees, designated by the committees and approved by the United States Section, may be paid by the Government of the United States for transportation expenses and per diem incident to attendance at each meeting of the Commission or of the United States Section.

(d) The members of the advisory committee for each lake shall be invited to attend all nonexecutive meetings of the United States Section relating to that lake and at such meetings shall be granted opportunity to examine and be heard on all proposed recommendations, programs, and activities relating to that lake.

SEC. 5. Service of any individual appointed as a United States Commissioner pursuant to section 3 (b), or as a member of an advisory committee pursuant to section 4 (a), shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, and 434 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99) except insofar as such provisions of law may prohibit any such individual from acting or receiving compensation in respect to matters directly relating to the convention or this act.

SEC. 6. In order to carry out the obligations of the United States under the convention, the United States Section is authorized—

(a) to acquire any real property, or any interest therein, by purchase, exchange, gift, dedication, condemnation, or otherwise;

(b) to construct, operate, and maintain any project or works designed to facilitate compliance with the provisions of the convention relating to the sea lamprey control program; and

(c) to enter into contract or agreement with any State or other public agency or private agency or individual for the construction, operation, or maintenance of any such project or works.

SEC. 7. The Secretary of the Interior is authorized, upon the request of the United States Section—

(a) to transfer to the United States Section any lamprey-control project or works under his jurisdiction now existing or now under construction; and

(b) to act for or on behalf of the United States Section in the exercise of the powers granted by this act.

SEC. 8. The United States Section shall, for the purposes of those provisions of title 28, United States Code, Judiciary and Judicial Procedure, relating to claims against the United States and tort claims procedure, be deemed to be an agency of the United States.

SEC. 9. At least 30 days before approving a proposal to utilize a lamprey-control measure or install a device in any stream, the United States Section shall cause notice of such proposal to be sent to the official agency having jurisdiction over fisheries in each of the States through which the stream flows.

SEC. 10. The Secretary of State shall upon the receipt from the Commission of any recommendation of a conservation measure made in accordance with article IV of the convention transmit a copy of the recommendation with his comments thereon to the governor of each Great Lakes State for consideration and such action as may be found to be appropriate. The Secretary of State shall also inform such other public agencies as he may deem appropriate.

SEC. 11. Any agency of the United States Government is authorized to cooperate with the United States Section in the conduct of research programs and related activities and, on a reimbursale or other basis, to enter into agreements with the United States Section for the purpose of assisting it in carrying out the program for the control of lamprey populations.

SEC. 12. Nothing in this act shall be construed as preventing any of the Great Lakes States from making or enforcing laws or regulations within their respective jurisdictions so far as such laws or regulations do not conflict with the convention or this act.

SEC. 13. There is hereby authorized to be appropriated from time to time such sums as may be necessary for carrying out the purposes and provisions of the convention and this act.

SEC. 14. If any provision of this act or the application of such provision to any circumstances or persons shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other circumstances or persons shall not be affected thereby.

Mr. ERVIN. Mr. President, the distinguished Senator from Wyoming [Mr. BARRETT] asked for an explanation of the bill a while ago. The main object of the bill is to enable some constructive action to be taken to eliminate the lamprey eel in the Great Lakes. It authorizes the Commissioners, who are to serve without pay, to provide plans for eradicating the lamprey eel. It is an authorization measure, not an appropriation bill. The Commissioners cannot tell what the cost will be until after they devise plans. The distinguished Senator from Michigan [Mr. POTTER] is very much interested in the bill.

Mr. BIBLE. Mr. President, I have been advised that the distinguished Senator from Michigan is on his way to the Senate Chamber. If we defer discussion of the bill for a few moments, it may be that he will get here in time to make an explanation.

Mr. BARRETT. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senate has under consideration Calendar No. 1880, Senate bill 3524; and the Senator from Wyoming [Mr. BARRETT] has requested an explanation as to the cost of the bill.

Mr. POTTER. Mr. President, the bill implements the Great Lakes Fisheries convention or treaty, which the Senate adopted unanimously in the early part of the present session.

The administrative cost to the American section of the Commission is $15,000. The bill authorizes, for American participation in such research, an appropriation of $600,000, or a little more than was spent last year. Of course, representatives of the Commission will have to appear before the Appropriations Committees, to justify the proposed appropriations, which, if approved by the Appropriations Committees, will constitute an item in the appropriation bill for the Department of State, rather than in the appropriation bill for the Department of the Interior. In the past, this item has appeared in the latter bill.

As I have stated, the bill merely implements the convention or treaty which the Senate adopted in the early part of the present session.

Mr. BARRETT. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I am delighted to yield to the Senator from Wyoming.

Mr. BARRETT. The Republican calendar committee was very much of the impression that the bill proposes desirable legislation, and we appreciate the explanation given by the distinguished Senator from Michigan. Our only concern was with the item of cost.

Mr. POTTER. I thank the Senator from Wyoming. Actually, as a result of the treaty, the cost to the United States will, I believe, be less in the future than in the past, because henceforth there will be a cooperative effort with Canada. In that way, I think it will be possible for us to accomplish much more for a smaller amount of money than has been required in the past.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

The ACTING PRESIDENT pro tempore. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3524) was ordered to be engrossed for a third reading, read the third time, and passed.

CERTIFICATION OF REPORT OF SENATE COMMITTEE ON THE JUDICIARY CONCERNING MARY KNOWLES

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1784, Senate Resolution 240.

The motion was agreed to; and the Senate proceeded to consider the resolution (S. Res. 240) certifying the report of the Senate Committee on the Judiciary concerning Mary Knowles.

Mr. EASTLAND. Mr. President, Mary Knowles appeared before the Internal Security Subcommittee, pursuant to a subpena, on July 29 and September 15, 1955. Although the presiding Senator specifically directed her to answer certain pertinent questions, Mrs. Knowles refused to do so.

Moreover, Mrs. Knowles expressly declared that she was not invoking her privilege against self-incrimination under the fifth amendment.

As a result of Mrs. Knowles' refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly, the Committee on the Judiciary recommends that Mary Knowles be declared in contempt of the United States Senate.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution. The resolution (S. Res. 240) was agreed to as follows:

Resolved, That the President of the Senate certify, under the seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Mary Knowles, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Mary Knowles may be proceeded against in the manner and form provided by law.

CERTIFICATION OF REPORT OF SENATE COMMITTEE ON THE JUDICIARY CONCERNING HERMAN LIVERIGHT

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1785, Senate Resolution 241.

The motion was agreed to; and the Senate proceeded to consider the resolution (S. Res. 241) certifying the report of the Senate Committee on the Judiciary concerning Herman Liveright.

Mr. EASTLAND. Mr. President, Herman Liveright appeared before the Internal Security Subcommittee, pursuant to a subpena, on Monday, March 19, 1956. Although the chairman of the committee, who was presiding specifically directed him to answer certain pertinent questions, Liveright refused to do so.

Moreover, although he submitted a lengthy statement setting forth alleged reasons for his refusal, Liveright expressly declared that he was not invoking his privilege against self-incrimination under the fifth amendment.

As a result of Liveright's refusal to answer the questions propounded by the chairman and by the chief counsel of the subcommittee, the Internal Security Subcommitte has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly, the committee on the Judiciary recommends that Herman Liveright be declared in contempt of the United States Senate.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution (S. Res. 241) was agreed to, as follows:

Resolved, That the President of the Senate certify, under the Seal of the United States Senate, to the United States attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Herman Liveright, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Herman Liveright may be proceeded against in the manner and form provided by law.

INSPECTION AND CERTIFICATION OF CERTAIN VESSELS CARRYING PASSENGERS

Mr. MAGNUSON. Mr. President, during the call of the calendar, Calendar No. 1893, House bill 7952, was passed over. I ask unanimous consent that we revert to that measure, so that I may explain it to the Senate.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Washington? The Chair hears none, and it is so ordered.

Mr. MAGNUSON. Mr. President, as the Chair well knows, on Wednesday the Senate Committee on Interstate and Foreign Commerce reported a great number of bills, and some of them are on the calendar. I appreciate that there has not been a great deal of time since then for Members of the Senate to examine all those bills.

However, this bill is a very important one. I hope it will be passed today, because it involves inspection by the Coast Guard of ships, over a certain tonnage, which take passengers for hire.

I have just been informed that the Calendar Committee had no objection to the bill but that some inquiries had been made as to what the bill would do.

The Senate will remember the tragedy which occurred on Chesapeake Bay last summer, as a result of which several persons were drowned. Those drownings occurred because of a lack of inspection. A similar tragedy occured off the shores of Long Island. Frequently citizens pay fees so that they may fish from boats which are for hire, and sometimes the boats are overloaded.

Now that the fishing season is commencing, I think it most important that this bill be passed promptly, so as to permit inspection of such vessels by the Coast Guard. In its report, the House committee has listed a number of tragedies of this sort which have occurred.

Enactment of the bill will not work a hardship on ordinary fishing vessels, about which the present occupant of the chair [Mr. PAYNE] and I were somewhat worried. The bill will affect only vessels which take aboard citizens who pay a fee for the fishing trip.

Mr. POTTER. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. POTTER. I wish to concur in what the Senator from Washington has said. I also wish to state that the Coast Guard has requested enactment of such a measure.

At one time there was some objection from the fishing industry, but I believe the bill now meets that objection in a satisfactory way.

So I wish to say to my Republican colleagues who have received some inquiries from their constituents who are in the fishing business, that I believe they can assure their constituents that the bill now before the Senate meets all the objections which in the past have been raised.

Mr. MAGNUSON. Yes; and the Senator from Michigan will recall that the House amended the bill, and then passed it unanimously. Furthermore, all the objections or suggestions that the bill would affect adversely the fishing industry have been met.

Mr. POTTER. Yes; at the present time they have been met.

Mr. MAGNUSON. Furthermore, the fishing season is now commencing; and we wish to be sure that fishing vessels which take fishermen on board for a fee are inspected so that further tragedies may be averted.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MAGNUSON. Mr. President, there are two bills on the calendar which deal with the same subject, namely, Calendar No. 1893, House bill 7952, and Calendar No. 1892, Senate bill 3072. The bills would accomplish the same purpose. I shall ask for the consideration of the House bill. If the House bill is passed, I shall move to postpone the Senate bill indefinitely.

Mr. President, I ask unanimous consent for the present consideration of House bill 7952, Calendar No. 1893.

The ACTING PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 7952) to require the inspection and certification of certain vessels carrying passengers.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the committee report be printed in the RECORD at this point, so that the RECORD will show an adequate explanation of the bill.

There being no objection, the report (No. 1872) was ordered to be printed in the RECORD, as follows:

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (H. R. 7952) to require the inspection and certification of certain vessels carrying passengers, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of this bill is to require that certain vessels which carry more than six passengers for hire shall be subject to inspection and certification by the United States Coast Guard in the interest of safety. The smaller types of commercial passenger-carrying vessels, such as party fishing boats and small excursion craft, are not now subject to inspection and certification as to seaworthiness. At present the law only requires that mechanically propelled vessels of 15 gross tons and less, carrying passengers for hire, shall be subject to minimum safety requirements. Similarly, sail vessels of 700 gross tons or less and non-self-propelled vessels of 100 gross tons or less must conform only to the very minimum of safety standards.

While the provisions of the Motorboat Act of 1940 and the regulations thereunder are considered to be necessary minimums for pleasure craft, they are deemed to be wholly inadequate for the safety of motor vessels carrying passengers for hire. Yet, there are in the United States well over 8,000 small passenger-carrying vessels of less than 15 gross tons which are not subject to inspection. Two of the most tragic accidents of recent years occurred off Montauk Point, Long Island, in 1951, involving uninspected vessels of this category, resulting in the loss of 56 lives.

The first of these casualties occurred on June 10, 1951, to the uninspected gasoline-propelled motorboat *Jack*, powered with a 40-horsepower motor. The vessel, which was 33 feet in length and of 9 gross tons burden, had been built in 1912 and was purchased by the owner and operator in June 1950. Even though the vessel was found to be structurally defective after its purchase, no effective repairs were made. At the time of the accident, the vessel, with 13 passengers aboard, departed for a fishing excursion, notwithstanding the broadcast of small-craft warnings. Before she could return to port the *Jack* opened up and almost immediately foundered, with the loss of 11 lives. The Marine Board of Investigation found that the hull was in poor condition, and had the vessel been subject to inspection, a certificate of inspection would not have been issued.

The second of these tragedies occurred in September 1951, and involved the motorboat *Pelican* which had been built in 1940 for service as a passenger-carrying vessel in the fishing and recreation business. Since she admeasured only 14 gross tons, she was not subject to annual inspection and certification under the law. Hence, she could be legally operated in the passenger-carrying business without adequate supervision with respect to safety standards.

On the day of the accident the *Pelican* embarked for a fishing excursion with 2 crew members and 62 passengers in the face of impending bad-weather warnings. The

Commandant of the Coast Guard testified that a boat of the *Pelican's* dimensions and type could not ordinarily be expected to carry more than about 30 persons with safety in the service in which she was engaged. After confronting worsening weather conditions it was decided to return to port, but due to difficulty with the propulsive machinery, she made only 6 miles in 2½ hours. While rolling heavily, two successive heavy seas hit the *Pelican*, causing her to capsize. Forty-five lives were lost. Investigation of the disaster disclosed that, although life preservers were located in 2 lockers on the deck of the vessel and were accessible with 1 exception, no life preservers were worn by anyone, due to the suddenness of the capsizing and the lack of safety instructions from the operator. Measurements of the deck space available for passengers disclosed that had the *Pelican* been subject to Coast Guard inspection, she probably would have been permitted to carry not more than 20 passengers.

As a result of these two casualties, several bills were proposed to Congress, calling for increased safety and inspection requirements on small mechanically propelled passenger-carrying vessels for hire. H. R. 7952 evolved from these early bills. Subsequent to the preparation of the legislation, the tragic foundering of the sailing vessel *Levin J. Marvel* in the Chesapeake Bay in August 1955 pointed up the need for requiring inspection and certification of other types of passenger-carrying vessels, such as sailboats and barges. H. R. 8267, introduced by Mr. LANKFORD, of Maryland, was designed to accomplish this.

The *Levin J. Marvel* was a wooden sail vessel of 183 gross tons, built in 1891 at Bethel, Del. In recent years the vessel was used in carrying passengers for hire on pleasure voyages in the Chesapeake Bay area. Existing law and regulations did not require inspection of such sailing vessels of less than 700 gross tons. None of the crew had any certificates of competency from the Coast Guard, nor were they required to have such certificates under the law. This vessel would not have been permitted to operate in the service in which she was engaged if she had been subject to Coast Guard inspection.

In its consideration of the need for additional safety legislation the committee held its hearings on the broad problem and considered both H. R. 7952 and H. R. 8267, finally consolidating the purposes of the two bills in H. R. 7952, as here reported.

It was clear from the testimony that adequate inspection of small passenger-carrying vessels is needed, because existing requirements are insufficient to provide safeguards against the causes of most marine casualties, i. e., (1) lack of seaworthiness, and (2) overloading. In the words of the Commandant of the Coast Guard, "Lack of seaworthiness and overloading have been the basic causes of some of the more serious casualties—among the small uninspected passenger-carrying vessels." During the course of the hearings, statistics were introduced to show that, in recent years, casualties on inspected vessels have been relatively minor as compared with those on uninspected vessels. In the light of this background, your committee believes that lack of adequate inspection standards for small craft have largely contributed to unnecessary loss of human life. It, therefore, considers that the bill, H. R. 7952, as amended, should be enacted into law.

Estimates show that in 1955 as many as 25 million persons participated in recreational boating throughout the country. At the hearings, some witnesses evidenced concern over the fact that the bill does not cover all vessels carrying passengers, and advocated that Federal inspection extend to "any boat for hire." While your committee is in accord with the principle that the broadest possible coverage is desirable, it does not deem it feasible at this time to recommend that Federal inspection be extended to those vessels which carry six pasesngers or less. However, it is believed that State and municipal governments should devote more attention to the adequacy of their own laws relating to motorboat inspection, particularly since small-boat operation probably represents the largest segment of comparatively unregulated traffic in the country.

During the hearings, the House committee heard from Members of the Congress, representatives of the United States Coast Guard, and the small-boat industry, including private-yacht men. All agreed upon the need for legislation of the kind recommended herein.

ANALYSIS OF BILL AND AMENDMENTS

In order to make provision for inspection of certain sail vessels and barges, the House committee adopted several amendments designed to accomplish broader coverage than the bill, as introduced, which applied only to mechanically propelled vessels. Hence, the bill would require inspection and certification of—

(1) Mechanically propelled vessels of 15 gross tons and less, those of more than 15 gross tons and less than 100 gross tons that do not exceed 65 feet in length;

(2) Sail vessels of 700 gross tons and less;

(3) Barges of 100 gross tons and less.

The bill excepts from the definition of a passenger-carrying vessel, any public vessel of the United States or of any foreign state, or any lifeboat forming part of a vessel's lifesaving equipment.

It should be noted that the inspection envisioned is to be administered triannually, and applies only to those vessels which carry more than six passangers for hire.

Analysis of several of the more important sections of the bill, follows:

Section 1 (a) defines "passenger" as every person carried on board a passenger-carrying vessel with certain exceptions. Among those excluded are the owner or his representative, the master and members of the crew, certain employees of the owner or bareboat charterer, nonpaying guests when the boat is used exclusively for pleasure purposes, and nonpaying persons on board certain vessels documented and used for tugboat or towboat services. The latter category was added in order to exempt from inspection certain tugboats and towboats which occasionally carry more than six nonpaying guests for such purposes as harbor and dock inspection trips.

Section 2 (a) provides for an inspection at least once every 3 years. This subsection does not prevent more frequent inspections, as circumstances may require.

Section 3 vests in the Secretary certain rule-making authority to determine standards designed to make the vessel safe with respect to its condition, type of operation, number of passengers, manning requirements, and qualifications of its operators and crew.

Section 4 (a) prohibits the operation of a passenger-carrying vessel until a certificate of inspection has been issued to the vessel indicating compliance with the act or rules and regulations established thereunder.

Subsection (b) requires that when such certificate is issued, the vessel shall continue in full compliance thereof.

Section 5 imposes a civil penalty of not more than $1,000 for each violation of the act or the rules and regulations established thereunder, upon any owner, master, or person in charge of a vessel subject to inspection. In case the penalty imposed is not satisfied, provision is made for the vessel's seizure.

Section 7 (a) repeals the act of January 18, 1897 (29 Stat. 489; 46 U. S. C., 520), entitled, "An act providing for certain requirements for vessels, propelled by gas, fluid, naphtha, or electric motors," as being obsolete. The provision of this law has been superseded by and incorporated into subsequent laws.

Subsection (b) would except mechanically propelled vessels more than 15 gross tons and not more than 65 feet in length, carrying more than 6 passengers, from section 4426 of the Revised Statutes, as amended (34 Stat. 193; 46 U. S. C., 404). This was done in order that such vessels would be subject to the full provisions of inspection and certification as provided in H. R. 7952.

Subsection (c) amends section 7 of the act of April 25, 1940, as amended (54 Stat. 165; 46 U. S. C. 526f), in order to extend provisions of law concerning operators' licenses for motorboats carrying passengers for hire to cover vessels propelled by machinery other than steam of 15 gross tons or less, which are more than 65 feet in length.

The departmental reports submitted to the House Committee on Merchant Marine and Fisheries are as follows:

TREASURY DEPARTMENT,
Washington, January 25, 1956.

HON. HERBERT C. BONNER,
Chairman, Committee on Merchant Marine and Fisheries, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to the request of your committee for the views of the Treasury Department on H. R. 7952, to require the inspection and certification of certain mechanically propelled vessels carrying passengers, and H. R. 8267, to require the inspection and certification of certain vessels carrying passengers.

The principal purpose of both H. R. 7952 and H. R. 8267 is to provide for the inspection and certification when carrying more than 6 passengers, of mechanically propelled vessels of 15 gross tons and less and those of more than 15 and less than 100 tons that are not more than 65 feet in length. In addition, H. R. 8267 would provide for the inspection of sail vessels when carrying more than six passengers. There are certain differences in the technical provisions of the two bills.

H. R. 7952 is identical to the draft bill transmitted to your committee with a recommendation for its consideration, by the Secretary of the Treasury by letter dated October 14, 1955. The draft bill was submitted in lieu of a report on H. R. 5570, 84th Congress, that had been requested by your committee.

The sinking of the sail vessel *Levin J. Marvel* in Chesapeake Bay on August 12, 1955, with the loss of 14 lives, points up the need for subjecting to inspection sail vessels of 700 tons and less carrying more than 6 passengers, which are not now required to be inspected. Moreover, it is considered essential to bring under inspection barges of 100 and less carrying more than 6 passengers. These barges are not now required to be inspected. Therefore, it is recommended that H. R. 7952 be amended to include the above-described sail vessels and barges. Proposed amendments to H. R. 7952 to effect this inclusion are set forth in the attached memorandum.

The Treasury Department favors the enactment of H. R. 7952 with the proposed amendments, in lieu of H. R. 8267.

In view of the hearings to be held on the bill, it has not been possible to obtain the customary Bureau of the Budget clearance on the submission of this report.

Very truly yours,

DAVID W. KENDALL,
Acting Secretary of the Treasury.

JANUARY 24, 1956.

MEMORANDUM RE H. R. 7952, TO REQUIRE THE INSPECTION AND CERTIFICATION OF CERTAIN MECHANICALLY PROPELLED VESSELS CARRYING PASSENGERS

It is recommended that H. R. 7952 be amended as follows:

1. The title of H. R. 7952 is amended to read: "A bill to require the inspection and certification of certain vessels carrying passengers."

Explanation: With the proposed inclusion of sail vessels and barges, the words "mechanically propelled" no longer accurately describe the bill.

2. Section 1 (a) of the bill is amended by deleting the words "mechanically propelled" (line 6, page 1 of the bill), and inserting in lieu thereof the words "passenger-carrying".

Explanation: With the proposed inclusion of sail vessels and barges in the bill, the words "mechanically propelled" are no longer appropriate.

3. Section 1 (b) of the bill is amended to read as follows:

"(b) The term 'passenger-carrying vessel' means any vessel which carries more than six passengers, and which is—

"(1) propelled in whole or in part by steam or by any form of mechanical or electrical power and is of 15 gross tons or less;

"(2) propelled in whole or in part by steam or by any form of mechanical or electrical power and is of more than 15 and less than 100 gross tons and not more than 65 feet in length measured from end to end over the deck excluding sheer;

"(3) propelled by sail and is of 700 gross tons or less; or

"(4) non-self-propelled and is of 100 gross tons or less;

except any public vessel of the United States or of any foreign state, or any lifeboat forming part of a vessel's lifesaving equipment. The term includes (1) any domestic vessel operating on the navigable waters of the United States, or on the high seas outside of those waters and within the normal operating range of the vessel, and (2) any foreign vessel departing from a port of the United States."

Explanation: The *Marvel* disaster has made it clear that certain sail vessels carrying passengers should be brought under inspection and certification. Moreover, certain barges carrying passengers, which are not now subject to inspection, should be brought under inspection. There is a considerable number of these uninspected barges carrying passengers. The sail vessels to be covered by this bill should be limited to those of 700 gross tons or less and the barges to be brought under inspection should be limited to those of 100 gross tons or less. The reason for this is that sail vessels of more than 700 gross tons carrying passengers and barges of more than 100 tons carrying passengers are now subject to inspection under section 4417 of the Revised Statutes. There is no sufficient reason for amending existing law with respect to them.

4. Section 1 (d) of the bill is deleted and section 1 (e) is redesignited as section 1 (d).

Explanation: In view of language changes proposed herein, section 1 (d) is no longer necessary.

5. Section 2 (a) of the bill is amended by striking the words mechanically propelled vessel carrying more than six passengers (lines 12 and 13, p. 3) and inserting in lieu thereof the words 'passenger-carrying vessel."

Explanation: This amendment is required by the changes in the definition of section 1 of the bill.

6. Section 3 of the bill is amended by deleting the words "mechanically propelled vessels carrying passengers" (lines 4 and 5, p. 4), and inserting in lieu thereof "passenger-carrying vessels."

Explanation: This amendment is required because of the change in definition in section 1 of the bill.

7. Section 4 (a) of the bill is amended by striking the words "mechanically propelled" (line 22, p. 4) and inserting in lieu thereof the words "passenger-carrying."

Explanation: This amendment is required because of the change in definition in section 1 of the bill.

THE SECRETARY OF COMMERCE,
Washington, February 1, 1956.

Hon. HERBERT C. BONNER,
Chairman, Committee on Merchant Marine and Fisheries, House of Representatives, Washington, D. C.

DEAR MR. CHAIRMAN: This letter is in reply to your request of January 12, 1956, for the views of this Department on H. R. 8267, a bill to require the inspection and certification of certain vessels carrying passengers; your request of January 5, 1956, for the views of this Department on H. R. 7952, a bill to require the inspection and certification of certain mechanically propelled vessels carrying passengers; and your request of April 14, 1956, for the views of this Department on H. R. 5570, a bill to require the inspection and certification of certain vessels carrying passengers.

H. R. 8267 would apply to vessels, domestic or foreign, propelled by steam or by any form of mechanical or electrical power, less than 100 gross tons, which are not more than 65 feet in length, and to vessels, domestic or foreign, similarly propelled, of 15 gross tons or less, irrespective of length. The bill would not apply to public vessels of the United States or of a foreign nation and to approved motor lifeboats. The Secretary of the Department in which the Coast Guard is operating would be required to inspect once every 3 years the hull of each such vessel and each vessel propelled primarily by sail carrying more than 6 passengers to satisfy himself that the vessels is (1) of a structure suitable for its employment, (2) is equipped with proper lifesaving and fire-protection appliances, (3) has suitable accommodations for passengers and crew, and (4) may be navigated safely as a passenger-carrying vessel. Existing laws prescribe inspection and safety regulations with respect to larger passenger vessels.

H. R. 7952 and H. R. 5570 would require the inspection and certification of vessels carrying more than 6 passengers, if such vessels are propelled by steam or by any form of mechanical or electrical power, are of 15 gross tons or less, or more than 15 and less than 100 gross tons and not more than 65 feet in length. Domestic vessels operating in the navigable waters of the United States or on the high seas outside those waters, and foreign vessels departing from the United States would be included in the term "mechanically propelled vessels." Public vessels of the United States or of a foreign state, motor-propelled lifeboats, and sailboats would be excepted.

The Department recommends enactment of H. R. 8267 rather than H. R. 7952 or H. R. 5570 in order to require passenger-carrying vessels propelled by sail to be inspected.

H. R. 8267 would also amend section 404 of 46 United States Code which deals with ferryboats, canalboats, yachts or other small craft, propelled by steam, to provide that vessels of above 15 gross tons carrying freight for hire, and vessels of above 15 gross tons and in excess of 65 feet in length carrying passengers for hire, shall be subject to inspection and be navigated by a licensed engineer and a licensed pilot. At present this section includes only vessels of above 15 gross tons carrying freight or passengers for hire, but not engaged in fishing as a regular business.

Section 526 (f) of 46 United States Code (Motorboat Act of 1940) would be amended by adding a provision that no vessel of 15 gross tons or less propelled by machinery other than steam, and no vessel propelled primarily by sail, carrying passengers for hire shall be operated except in charge of a person licensed for such service.

The said Secretary is authorized to prescribe fees for inspection and licenses and to issue rules and regulations with respect to the construction, repair, and equipment of the vessels subject to the provisions of the act. Special provision is made for vessels carrying fishing parties.

Such a provision appears to be in accord with title V of the Independent Offices Appropriation Act, 1952 (65 Stat. 290; 5 U. S. C. 140). The Coast Guard does not at present impose fees for inspection and certification of vessels. Although to impose a fee for such services, in the absence of fees for comparable services to other classes of vessels than the vessels mentioned in the bill, appears to be discriminatory, we recommend this measure as a first step toward a general system of fees for vessel inspection by the Coast Guard in accordance with the above-mentioned policy of the Congress.

No vessel subject to the provisions of the act shall be operated until a certificate of inspection is issued showing compliance with the provisions of this act. The certificate may be suspended or revoked for noncompliance with the requirements of this act or the regulations established thereunder.

This Department supports the intent of H. R. 8267 as a measure to promote safety in marine transportation. Experience gained by the United States Coast Guard in investigating marine casualties indicates that the operation of uninspected vessels presents an unnecessary hazard to passengers for hire.

We understand that requiring inspection of vessels carrying more than 6 passengers (sec. 2 of bill) and the provision requiring inspection of vessels carrying passengers for hire (sec. 6 of the bill) would involve inspection of somewhat more than twice as many vessels as would a provision requiring inspection of vessels carrying 12 or more passengers for hire. Your committee might wish to give consideration to whether the lessened burden on the Coast Guard and the operators would justify limiting the bill to vessels carrying 12 or more passengers for hire.

Subject to your consideration of these comments, we recommend favorable consideration of the bill. The policies of prescribing broad discretionary authority to the officer responsible for administering the law and granting a reasonable period of grace for shipowners to comply with the law are specifically endorsed.

We have been advised by the Bureau of the Budget that it would interpose no objection to the submission of this report to your committee.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill as reported are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italics; existing law in which no change is proposed is shown in roman):

ACT OF JANUARY 18, 1897

(29 Stat. 489; 46 U. S. C. 520)

An act providing for certain requirements for vessels propelled by gas, fluid, naphtha, or electric motors

[That all vessels of above fifteen tons burden, carrying freight or passengers for hire, propelled by gas, fluid, naphtha, or electric motors, shall be, and are hereby, made subject to all the provisions of section forty-four hundred and twenty-six of the Revised

Statutes of the United States, relating to the inspection of hulls and boilers and requiring engineers and pilots; and all vessels so propelled, without regard to tonnage or use, shall be subject to the provisions of section forty-four hundred and twelve of the Revised Statutes of the United States, relating to the regulation of steam vessels in passing each other; and to so much of sections forty-two hundred and thirty-three and forty-two hundred and thirty-four of the Revised Statutes, relating to lights, fog signals, steering, and sailing rules, as the Board of Supervising Inspectors shall, by their regulations, deem applicable and practicable for their safe navigation.]

SECTION 4426 OF THE REVISED STATUTES, AS AMENDED

(34 Stat. 193, U. S. C., 1952 ed., supp. 2, title 46, sec. 404)

4426. The hulls and boilers of each ferryboat, canal boat, yacht, or other small craft of like character propelled by steam, shall be inspected under the provisions of [Title 52 of the Revised Statutes.] *this title.* Such other provisions of law for the better security of life as may be applicable to such vessels shall, by the regulations of the [Commandant of the Coast Guard] *Secretary of the department in which the Coast Guard is operating,* also be required to be complied with before a certificate of inspection shall be granted, and no such vessel shall be navigated without a licensed engineer and a licensed pilot: *Provided,* [however,] That in open steam launches of ten gross tons and under, one person, if duly qualified, may serve in the double capacity of pilot and engineer. All vessels of above fifteen gross tons carrying freight [or passengers] for hire, *and all vessels of above fifteen gross tons and in excess of sixty-five feet in length carrying passengers for hire,* but not engaged in fishing as a regular business, propelled by gas, fluid, naphtha, or electric motors, shall be subject to all the provisions of this section relating to the inspection of hulls and boilers and requiring engineers and pilots, and for any violation of the provisions of title 52 of the Revised Statutes applicable to such vessels, or of rules or regulations lawfully established thereunder, and to the extent to which such provisions of law and regulations are so applicable, the said vessels, their masters, officers, and owners shall be subject to the provisions of sections [494–498 of this title.] *4496, 4497, 4498, 4499, and 4500 of the Revised Statutes, as amended (46 U. S. C. 494–498),* relating to the imposition and enforcement of penalties and the enforcement of law: *Provided, however,* That until June 30, 1956, no vessel registered or licensed as a vessel of the United States of fifteen gross tons or less on December 31, 1953, shall be deemed to be subject to the inspection provisions of this section notwithstanding the fact that such vessel may thereafter be found to have a tonnage in excess of fifteen gross tons, unless such finding results from an alteration in the length, breadth, or depths effected after December 31, 1953. [All vessels of fifteen gross tons or less propelled in whole or in part by gas, gasoline, petroleum, naphtha, fluid, or electricity, and carrying passengers for hire, shall carry one life preserver, of the sort prescribed by the regulations of the Commandant of the Coast Guard, for every passenger carried, and no such boat while so carrying passengers shall be operated or navigated except in charge of a person duly licensed for such service by the Coast Guard. No examination shall be required as a condition of the obtaining of such a license, and any such license shall be revoked or suspended by the Coast Guard for misconduct, gross negligence, recklessness in navigation, intemperance, or violation of law on the part of the holder, and if revoked, the person holding such license shall be incapable of obtaining another such license for one year from the date of revocation. (As amended August 31, 1954, ch. 1171, 68 Stat. 1047.)]

SECTION 7 OF THE ACT OF APRIL 25, 1940, AS AMENDED

(54 Stat. 165, U. S. C., 1952 ed., title 46, sec. 526)

SEC. 7. No such motorboat, *and no other vessel of fifteen gross tons or less propelled by machinery other than steam,* while carrying passengers for hire, shall be operated or navigated except in charge of a person duly licensed for such service by the [Coast Guard.] *Secretary of the department in which the Coast Guard is operating.* Whenever any person applies to be licensed as operator of any motorboat, *or of any other vessel of fifteen gross tons or less propelled by machinery,* carrying passengers for hire, the [Coast Guard] *Secretary* shall make diligent inquiry as to his character, and shall carefully examine the applicant orally as well as the proofs which he presents in support of his claim, and if [it] *the Secretary* is satisfied that his capacity, experience, habits of [life] *living,* and character are such [as] to warrant the belief that he can safely be entrusted with the duties and responsibilities of the station for which he makes application, [it] *the Secretary* shall grant him a license authorizing him to discharge such duties on any such motorboat, *or on any other vessel of fifteen gross tons or less propelled by machinery,* carrying passengers for hire, for the term of 5 years. Such license shall be subject to suspension or revocation on the same ground and in the same manner [and] with like procedure as is provided in the case of suspension or revocation of licenses of officers under the provisions of section [239] *4450* of [this title] *the Revised Statutes,* as amended (U. S. C. 1952 edition, title 46, sec. 239): *Provided,* That motorboats *and other vessels of fifteen gross tons or less propelled by machinery* shall not be required to carry licensed officers except as required in this [subchapter] *Act: And provided further,* That licenses herein prescribed shall not be required of motorboats *or of any other vessels of fifteen gross tons or less propelled by machinery* engaged in fishing contests previously arranged and announced.

Mr. POTTER. Mr. President, I ask unanimous consent that a statement prepared by the Senator from Connecticut [Mr. PURTELL], who has been very much interested in this bill, be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PURTELL

This bill would require certain self-propelled or sail vessels carrying more than six passengers for hire, to be subject to inspection and certification by the United States Coast Guard.

The report calls attention to accidents in 1951 involving small passenger-carrying vessels off Montauk Point, Long Island, with the loss of 56 lives; also, the foundering of the sailing vessel, *Levin J. Marvel,* a wooden ship of 183 gross tons built in 1891, in the Chesapeake Bay in August 1955.

Smaller types of commercial passenger-carrying vessels are not now subject to inspection and certification as to seaworthiness, the present law requiring only that mechanically propelled vessels of 15 tons or less carrying passengers for hire shall be subject to minimum safety requirements and sail vessels of 700 gross tons or less and non-self-propelled vessels of 100 gross tons or less must conform to minimum safety standards. While the Motorboat Act of 1940 provided necessary minimums for pleasure craft, the report states these are wholly inadequate for the safety of motor vessels carrying passengers for hire.

There are over 8,000 passenger-carrying vessels of less than 15 gross tons not now subject to inspection.

The report states that the vessel *Marvel* would not have been permitted to operate had it been subject to Coast Guard inspection.

Enactment would tend to provide safeguards against lack of seaworthiness and overloading.

This legislation is favored by the small-boat industry and the Coast Guard.

Mr. MAGNUSON. Let me say briefly, in view of the insertion in the RECORD by the distinguished Senator from Michigan [Mr. POTTER] of the statement prepared by the Senator from Connecticut [Mr. PURTELL], that the Senator from Connecticut has not only been active, but alert with respect to this problem.

The reason why we propose to ask that the Senate bill be indefinitely postponed is that by accepting the House bill which is similar to the original proposal of the Senator from Connecticut, the bill will be passed in time for the opening of the fishing season. However, I wish to give credit to the Senator from Connecticut for doing what he has done in this connection.

Mr. POTTER. The Senator from Connecticut planned to be present, but other official business prevented him from being in the Chamber at this time. The statement which I have had printed in the RECORD is the statement which he would have made if he had been present.

The ACTING PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 7952) was ordered to a third reading, read the third time, and passed.

Mr. MAGNUSON. Mr. President, I move that Senate bill 3072, Calendar No. 1892, be indefinitely postponed.

The motion was agreed to.

TRANSPORTATION SYSTEM TO SERVE THE DISTRICT OF COLUMBIA

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1816, Senate bill 3073.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on the District of Columbia with amendments.

Mr. BIBLE. Mr. President, although Senate bill 3073 has been made the unfinished business, it is not the intention of the acting majority leader that the Senate fully consider the bill today.

PAUL CUNNINGHAM, PRESIDENT OF THE AMERICAN SOCIETY OF COMPOSERS, AUTHORS, AND PUBLISHERS

Mr. LANGER. Mr. President, I send a statement to the desk and ask unanimous consent that the clerk may read it to the Senate. I am unable to read it myself because of the condition of my eyes. Both the majority and minority leaders have agreed that this may be done.

The PRESIDING OFFICER. Without objection, the clerk will read the statement.

The Chief Clerk read the statement, as follows:

Mr. LANGER. Mr. President, last Thursday the board of directors of the American Society of Composers, Authors, and Publishers—ASCAP—elected Mr. Paul Cunningham as its president. The election of Mr. Cunningham to this post gives public recognition to his tireless efforts on behalf of the Nation's outstanding composers, to secure for them a measure of economic security and the protection for their creative property to which they are entitled under the Constitution. Along with Mr. Cunningham's numerous friends in Washington, I should like to congratulate the society on the excellent choice it has made.

Mr. Cunningham has been a member of ASCAP since 1921, a director of the society since 1945, and secretary of the board from 1951 to 1953. Since 1953 he has planned and carried out numerous worthy public service projects, in cooperation with the Defense Department, the Veterans' Administration, and other official groups. In 1955, he organized and produced the first ASCAP overseas unit, consisting of 8 ASCAP songwriters and 4 professional entertainers, who took a musical message from home to Americans in uniform at numerous hospitals and bases throughout Germany, France, and North Africa. The response of our boys in uniform, most of whom had never before seen a real, live composer in person, was tremendous. President Eisenhower personally met with the members of this unit and expressed his deep appreciation to them and to ASCAP for the fine job they did.

Among the hundreds of songs Paul Cunningham has written are such outstanding compositions as I Am an American; Please Take a Letter, Miss Brown; Have a Smile for Everyone You Meet; All or Nothing at All; The Bible on the Table and the Flag Upon the Wall; From the Vine Came the Grape; and When I Was Your Age. Among his most effective compositions is the official State song North Dakota, a stirring march with inspiring words dramatically portraying the great State of North Dakota, which it was my privilege to suggest as a worthy subject for his pen.

It is my sincere belief that under the administration of Paul Cunningham, ASCAP will take further steps to foster and safeguard the talents of creators of musical works, while continuing to render important public services to the Nation.

VISIT TO THE SENATE BY LATIN-AMERICAN DELEGATES TO INTER-AMERICAN BAR ASSOCIATION CONFERENCE RECENTLY HELD AT DALLAS, TEX.

Mr. GREEN. Mr. President, I should like to draw the attention of yourself and my colleagues to the fact that we have distinguished guests with us today.

It is well known that there has recently been held in Dallas the Inter-American Bar Association Conference. A group of some forty of the Latin-American delegates to that conference are now in Washington, and have visited the Capitol, and are now here in the gallery of the Senate.

I desire on behalf of the Senate to bid them welcome, and I ask that my colleagues give them a gesture of greeting. [Applause, Senators rising.]

ANNOUNCEMENT OF VISIT TO THE SENATE BY VICE PRESIDENT OF BRAZIL

Mr. KNOWLAND. Mr. President, I should like to make an announcement on behalf of the majority leader and myself. At between 2:30 and 2:45 today the Vice President of Brazil will come to the Senate and will be asked to make some remarks to the Senate. We hope all Senators will be advised. There will be a quorum call shortly before that time. I hope as many Senators as possible will be present, so that we may appropriately welcome the Vice President of Brazil.

QUALIFICATIONS FOR APPOINTMENT TO SUPREME COURT

Mr. SMATHERS. Mr. President, I introduce for appropriate reference a bill relating to the appointment of Justices to the United States Supreme Court. The purpose of this proposed legislation is to require that all future appointees to the Supreme Court have at least 5 years judicial experience in a lower Federal Court, or in the highest court of a State.

At this time I should like to make a brief statement concerning this proposal with respect to its constitutionality, the need for such legislation, and the benefits which will be derived from it.

First, its constitutionality. Is this a proper subject for legislation by statute, or is a constitutional amendment necessary to give it effect?

Article III of the Constitution vests the judicial power of the United States in one Supreme Court and such inferior courts as Congress may from time to time ordain and establish. Article II, section 2, authorizes the President to nominate, and, by and with the advice and consent of the Senate, to appoint judges of the Supreme Court.

The Constitution, then, lays down no qualifications for appointment to the office of Supreme Court Justice. Does this mean that Congress, therefore, is precluded from doing so? This is the only constitutional question that is involved. To my mind the answer to this question is clearly in the negative.

The Constitution recognizes a distinction between the creation of an office and its regulation, on the one hand, and appointments to be made thereto, on the other. While Congress has no control over the appointments to be made to offices other than in the matter of Senate confirmation, it is authorized to legislate concerning such offices by virtue of its power to pass all laws necessary and proper for carrying into execution the powers which the Constitution vests in the Government of the United States.

In this connection I should like to quote from a famous dissenting opinion by Mr. Justice Brandeis in the case of Myers against United States. The issue in this case was whether or not Congress could impose limitations upon the President's power to remove from office certain categories of postmasters. The majority held that it could not, and that an act requiring the advice and consent of the Senate to effect such removals was unconstitutional. The statement of Mr. Justice Brandeis which I am about to quote is not directly concerned with the power of removal which was the issue in that case. It is merely dicta; but it is the most comprehensive statement a member of the Court has made concerning the imposition of qualifications on candidates for appointive office.

The statement appears in 272 U. S. at pages 264–274. Justice Brandeis there stated:

> The assertion that the mere grant by the Constitution of executive power confers upon the President as a prerogative the unrestricted power of appointment and of removal from executive offices, except so far as otherwise expressly provided by the Constitution, is clearly inconsistent * * * with those statutes which restrict the exercise by the President of the power of nomination. There is not a word in the Constitution which in terms authorizes Congress to limit the President's freedom of choice in making nominations for executive offices. It is to appointment as distinguished from nomination that the Constitution imposes in terms the requirement of senatorial consent. But a multitude of laws have been enacted which limit the restrictions imposed, may prevent the selection of the person deemed by him best fitted. Such restriction upon the power to nominate has been exercised by Congress continuously since the foundation of the Government. Every President has approved one or more of such acts. Every President has consistently observed them. This is true of those offices to which he makes appointments without the advice and consent of the Senate as well as those for which its consent is required.
>
> Thus, Congress has, from time to time, restricted the President's selection by the requirement of citizenship. It has limited the power of nomination by providing that the office may be held only by a resident of the United States; of a State, of a particular State; of a particular district; of a particular territory; of the District of Columbia; of a particular foreign country. It has limited the power of nomination further by prescribing specific professional attainments, or occupational experience. It has, in other cases, prescribed the test of examinations.

It has imposed the requirement of age; of sex; of race; of property; and of habitual temperance in the use of intoxicating liquors. Congress has imposed like restrictions on the power of nomination by requiring political representation; or that the selection be made on a nonpartisan basis. It has required in some cases, that the representation be industrial; in others, that it be geographic. It has at times required that the President's nominees be taken from, or include representatives from, particular branches or departments of the Government. By still other statutes, Congress has confined the President's selection to a small number of persons to be named by others.

In footnotes to this passage Justice Brandeis has inserted several hundred citations to instances in which Congress has laid down qualifications and limitations on the President's power of appointment. Among these is a citation to the Judiciary Act of 1789, which required that the Attorney General and district attorneys be learned in the law—First United States Statutes at Large, pages 92, 93.

While Justice Brandeis' remarks were directed at executive offices, not judicial, the rationale applies with equal vigor to both. Appointments to both types of office are mentioned in the same clause of the Constitution—without any distinction drawn between them. Yet Congress has laid down innumerable qualifications concerning offices in the executive branch of the Government.

The present Judicial Code—title 28, United States Code, section 44 (a)—provides that "except in the District of Columbia, each circuit judge shall be a resident of the circuit for which appointed at the time of his appointment and thereafter while in active service."

The Constitution provides specifically for the existence of the President and Vice President, Senators and Representatives, Judges of the Supreme Court, and Ambassadors, other public ministers and consuls. A distinction may be drawn between these officers, and all of the other officers established by law, by calling the former constitutional officers, and the latter legislative officers.

The ultimate issue upon which the constitutionality of my proposal must be decided is: Whether Congress may legislate concerning the qualifications of constitutional officers. There is no question that it may do so concerning legislative officers.

I would answer this question first by a brief argument drawn directly from the Constitution; and second by citing an instance in the past where Congress has legislated concerning the qualifications of a constitutional officer.

First, the fact that the Constitution specifically provides for the existence of a Supreme Court is no reason to preclude Congress from prescribing standards of qualifications for its members. It was necessary for the drafters of the Constitution to provide specifically in that instrument for a judiciary with one Supreme Court, because to do so was fundamental to their intent to establish a tripartite system of government with a separation of powers. The records of the Constitutional Convention disclose no other purpose.

Second, the Congress has legislated concerning the qualifications of constitutional officers when in the act of March 1, 1855—Tenth United States Statutes at Large, section 9—it required:

That the President shall appoint no other than citizens of the United States, who are residents thereof, or who shall be abroad in the employment of the Government at the time of their appointment, as envoys extraordinary and Ministers Plenipotentiary, secretaries of legation, dragomen, interpreters, consuls, or commercial agents.

Thus, although Ministers and consuls are constitutional officers, concerning the citizenship and residency of whom the Constitution is silent, Congress has legislated in these matters, and prescribed qualifications for appointment.

Mr. President, the Constitution did not establish the Supreme Court. It merely provides for its existence. It was left up to Congress to put the Court into being. As the Supreme Court itself has said, in *Rhode Island* v. *Massachusetts* (12 Peters, 657, 721):

It was necessarily left to the legislative power to organize the Supreme Court, to define its powers consistently with the Constition, as to its original jurisdiction; and to distribute the residue of the judicial power between this and the inferior courts, which it was bound to ordain and establish, defining their respective powers, whether original or appellate, by which and how it should be exercised.

Mr. NEUBERGER. Mr. President, will the Senator from Florida yield?

Mr. SMATHERS. I shall be happy to yield.

Mr. NEUBERGER. I read with interest in the press this morning the Senator's very original and attention-arresting proposal concerning the Supreme Court, and I wonder if I may ask him several questions about it.

Mr. SMATHERS. I shall be happy to have the Senator ask me questions.

Mr. NEUBERGER. Would the distinguished Senator think it perhaps might be equally advisable to provide, for example, that no one may serve as President of the United States who has not had previous experience as a governor of one of the 48 States?

Mr. SMATHERS. No; I would not think that would be advisable. I would say to the Senator that, obviously, we have by the Constitution ways and means of protecting ourselves with respect to a President who seeks to invade either the legislative field or, perhaps, even the judicial field. The electorate can adequately cope with its elective officers. However, it is a different situation with respect to members of the Supreme Court of the United States with life tenure and who never have to go before the people to receive approval of their acts. Congress may and should prescribe certain qualifications and require that they have experience in the field to which they are assigned.

Mr. NEUBERGER. I thank the Senator.

Would the Senator from Florida believe it to be advisable to enact legislation providing that no person could serve in either House of the Congress of the United States unless he had had earlier experience in a State legislature?

Mr. SMATHERS. No, I certainly would not for the same reasons I have stated. In many instances many Members of the House and many Members of the Senate have had previous legislative experience. However, there are many well qualified exceptions. I believe the distinguished Senator from Oregon is one of them. In any event, that is a case where the people of the States from which Members of Congress come have a right to pass judgment on their qualifications.

In the case of a Supreme Court Justice, the President of the United States chooses a particular person to serve, and the people, of course, have no way whatsoever to pass judgment on that particular person. I think it is an entirely different relationship which exists with respect to Supreme Court Justices on the one hand, and those who serve in the legislative field on the other.

Mr. NEUBERGER. Would the able Senator believe it advisable to provide that no person may be appointed to the circuit court of appeals bench unless he has had experience on an inferior Federal court, such as a Federal district court?

Mr. SMATHERS. No, I would not, because, as the Senator has indicated in his question, I believe there is only one court below on which we could require him to have had experience, and that is the district court or the State supreme court. In addition these are not courts of last resort. Appeals can be taken and often are taken to the Supreme Court of the United States.

Mr. NEUBERGER. Is the distinguished Senator aware that when a Supreme Court appointment by the present President of the United States was before the Senate some time ago confirmation was opposed by a good many distinguished Senators from some of the States of the Union, even though the appointee had had previous experience on the bench?

Mr. SMATHERS. Of course, that will always be true. This particular proposal would not affect the constitutional provision that such appointments must be made by and with the advice and consent of the Senate.

There have been many instances, about which I shall speak later, of able jurists sitting on the Supreme Court who actually did not have previous court experience. Chief Justice Marshall had no previous judicial experience; neither had Chief Justice Hughes or Justice Brandeis.

Nonetheless, I think the Supreme Court would have been of higher caliber if those who sat on that Court had been selected from an area in which they had acquired experience in legal matters and completely understood the function which they were supposed to have performed as members of the Supreme Court.

Mr. NEUBERGER. I was about to ask the distinguished Senator concerning some of those whose names he has mentioned and who had been appointed to the Supreme Court without previous judicial experience, but he himself has premeditated me on that point. I was going to add such names as Justice

Brandeis, Chief Justice Warren, and others.

I thank the distinguished Senator for his courtesy in yielding to me in the middle of his very interesting speech.

Mr. SMATHERS. I thank the distinguished Senator from Oregon for asking me these questions, because they are points with which we ought to be particularly concerned.

In the case of *Chisholm* v. *Georgia* (2d Dallas, pp. 419 to 432), there is the following statement, referring to the Supreme Court:

> None will deny that an act of legislation is necessary to say, at least, of what number the judges are to consist; the President, with the consent of the Senate, could not nominate a number at their discretion. The Constitution intended this article so far, at least, to be the subject of a legislative act. Having a right thus to establish the Court, and it being capable of being established in no other manner, I conceive it necessarily follows that they are also to direct the manner of its proceedings.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Nevada.

Mr. MALONE. Does the Constitution provide that the members of the Supreme Court shall be attorneys?

Mr. SMATHERS. There is no limitation whatsoever as to qualifications of persons who are appointed to the Supreme Court.

Mr. MALONE. Then the limitation of 5 years experience on the bench would amend the Constitution. I thank the Senator.

Mr. SMATHERS. No. A constitutional amendment is not necessary. Legislation as I propose is adequate.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. SMATHERS. I am happy to yield to the Senator from Michigan.

Mr. POTTER. Is it not true, as the Senator himself stated, that in the past many distinguished members of the Supreme Court were men who had no prior experience on a court?

Mr. SMATHERS. Yes, the Senator is correct.

Mr. POTTER. I think it will be found, in examining the records of the bar profession today, that many of the most distinguished lawyers have never served on any court. Although the Senator is making an excellent speech, it seems to me that his bill would disqualify a very well qualified and eminent portion of the bar for appointment to the Supreme Court, where they could render great service.

Mr. SMATHERS. I appreciate the remarks made by the able Senator from Michigan; I have great respect for his judgment. However, I believe and hope that I shall be able to answer the point raised by the Senator from Michigan as I proceed with my argument. I might anticipate a little, in the event the Senator is unable to wait to hear all of it.

It is true there have been very distinguished members of the Supreme Court who had no previous judicial experience. I named some of them a moment ago: Chief Justice Marshall, Chief Justice Hughes, and Justice Brandeis.

On the other hand, some very able justices were experienced jurists. Justice Oliver Wendell Holmes was a member of the Massachusetts Supreme Court and Justice Benjamin N. Cardozo, one of the outstanding jurists in the history of the United States, was a member of the New York Court of Appeals.

I cannot help believing that it would be desirable to narrow the area of appointment, so as to exclude any political consideration whatsoever, and to limit the selection of justices of the Supreme Court to those who have proved to be able jurists on either the lower Federal courts or on the highest court of a State. Where else can they be found than among those who have a prior record of service on the bench of these courts?

It is true that by such limitations it will not be possible to reach into the Senate and to appoint an able Senator who, during his service in the Senate, demonstrated that he had a very fine legal mind. It is true that the bill would make it impossible to appoint such an eminent practicing attorney as the late John W. Davis, or someone else of his caliber, who had a great legal mind.

But the improvement which would be brought about, I think, would be that at no time would the President of the United States feel that he was under a political obligation to appoint a Member of the Senate or a good friend or a good friend of a good friend, or someone in that category, because he would be limited in his selection to persons who had proved and established records as capable jurists on the bench.

Mr. POTTER. Does the Senator's bill provide that the selection or appointment must be of a person who is a sitting judge, or does the bill provide that the person appointed must have had tenure on the bench?

Mr. SMATHERS. He must have had tenure of 5 years on the bench of the lower Federal courts or the highest court of a State.

Mr. POTTER. The bill does not necessarily provide that such a person must be a sitting judge, does it?

Mr. SMATHERS. It contemplates that the person so appointed may have been a judge, but may have returned to the practice of law, or have sat in a legislative body, thereby educating himself further. He will know there are three separate and distinct branches of the Government. He will understand completely that it is not the province of the judge to intrude into the legislative field and to undertake to establish policy or to legislate from his court bench, thus infringing on the prerogative of the legislature. He will understand, if he has had judicial experience of 5 years on any Federal or State supreme court, that his function is merely to interpret the Constitution and the laws passed in relation thereto. In other words, he will understand that he is to be a jurist and not a politician.

Mr. POTTER. Mr. President, will the Senator further yield?

Mr. SMATHERS. I yield.

Mr. POTTER. I plan to remain to hear the rest of the remarks of the distinguished Senator, because when the junior Senator from Florida speaks, there is always much good to be gained from listening to what he says.

Mr. SMATHERS. I thank the Senator.

Mr. POTTER. What I am about to suggest may be answered by the Senator later in his remarks. Nevertheless, I shall propound my question. Not only would the Senator's bill discriminate against some very able members of the legal profession who have never served on the bench, but also it would discriminate against professors of law, would it not? Have not some of our able Supreme Court judges in the past been drawn from some of the great universities and other institutions of learning? Would they not also be discriminated against by the Senator's bill?

Mr. SMATHERS. I am certain that Senators who have had judicial experience would agree that while one may have a very brilliant legal mind and may have served as the dean of Harvard Law School or, possibly, of the Law School of the University of Michigan, or an institution of that type, nevertheless, such experience, in and of itself, would not necessarily qualify such a person as an able member of the Supreme Court bench, or even as a member of a lower court.

The purpose of the bill is to provide the Supreme Court of the United States with the best trained judicial minds it is possible to obtain, because that Court decides cases involving the most important questions of the day. For that reason, I think the selection of persons for the Supreme Court should be from an area of proven experience, namely, the lower courts of the judiciary.

My proposal might be compared somewhat with the farm system in baseball. I may compare it with a farm system, such as the New York Yankees employ, to bring up new players. I dislike to make such comparison; but it is somewhat apropos. Men appointed to the bench of the Supreme Court need previous judicial experience, so that they know what their functions are and are trained to perform their duties.

That is not to say that all men who have not had such experience are not good men, but I think we could help the President of the United States appoint men of a generally higher caliber if we made it incumbent upon him to select men who had prior judicial experience.

Mr. POTTER. Mr. President, will the Senator from Florida yield for a question?

Mr. SMATHERS. I am happy to yield.

Mr. POTTER. Is it not a fact that the Supreme Court gains by having diversification of background and experience on the court? If there is on the court a person who has had experience as a professor in the legal profession, he can make a contribution to the court because of his vast experience. Another member of the court may have extensive administrative experience, which can also be of great value to the court as a whole. I am wondering if the limitation proposed by the distinguished Senator from Florida would result in the

Court's losing some valuable experience which could be given to it.

Mr. SMATHERS. I appreciate very much the remarks of the very able Senator from Michigan. I think I am correct when I state, and I believe the Senator from Michigan will agree with me, that, after all, in the case of the Supreme Court we are not looking for broad experience in the sense that we look for broad experience here in the Senate, where Senators make policy, create new programs, or act in matters of that nature. In the Supreme Court, as a specific part of the three branches of our Government, interprets the Constitution and the laws which Congress enacts in relation to the Constitution. I think it might be said that what is needed is a Supreme Court comprised of the finest legal talent available. The most essential element ought to be that individuals appointed have a background of judicial experience, because that is their primary function. If we are looking only for men of broad wisdom, men to help determine policy, men to legislate, those are the men who ought to run for public office. In the legislative field they are required to go before the people of the country and have their judgment passed on periodically. Supreme Court Justices have a life tenure and of course are not required to do this. There is great danger that men who do not understand their functions as jurists will begin to invade the other branches of Government, if there is no control over their actions for the rest of their lives. Therefore, it is important that those who compose the Supreme Court, which is a specialized type of job, should understand clearly what their job is, and should be trained in that job. By considering men from that area of trained personnel, we would have a higher caliber of men, and it would result in our Government working even better than it has up to this time.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. MALONE. I believe the distinguished Senator from Florida said the Constitution does not require the appointment of lawyers as members of the Supreme Court.

Mr. SMATHERS. That is correct.

Mr. MALONE. Would it require a constitutional amendment to provide that anyone appointed to the Supreme Court would have to be a lawyer?

Mr. SMATHERS. No. I have been reading about six pages which set forth what I believed to be persuasive precedents and legal decisions as to why the Congress does have authority to prescribe limitations as to men who are going to serve on the Federal judiciary.

Mr. MALONE. Nevertheless, the Constitution of the United States does not specify that they must have legal training?

Mr. SMATHERS. No, it does not.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. STENNIS. I wish to commend the Senator from Florida highly for the very fine bill he has prepared and the splendid argument he is making in connection with the subject matter. I agree wholeheartedly with the purposes of his bill. I think some of the arguments made against the bill, arguments which have some logic and point, can be met in a practical manner by yielding in part with respect to the provision that all the men to be appointed to the Supreme Court shall be men of judicial experience and seasoning, and providing that at least half of the number must meet those requirements. That would not detract one bit from the Senator's bill.

I think the great problem the Senator is presenting is that of giving the Supreme Court, and perhaps the other courts, the benefit of men who have had some seasoned judicial experience. Such experience is gained the slow, hard way. No man can be picked out even from among good lawyers with any assurance that he is capable of becoming an outstanding justice, any more than a man can be picked out from among a group of doctors with assurance that he will make a fine surgeon. It is not done that way.

I commend the Senator, and urge him to follow through with his ideas. I shall help him in every way I can, and also as author of a bill on the same subject matter, which has a little different approach and a little different avenue of solution. I hope he will continue his very fine undertaking.

My studies have led me to realize very clearly that the selection of judges is the most neglected subject matter in connection with our entire constitutional history. We have had no system. It is strange that we have gotten along as well as we have.

I have no derogatory remarks to make of the members of the Supreme Court. They are eminent men who have made fine marks in various fields. But at least a majority of them should have gone through the process of judicial seasoning and judicial experience, which is almost the only way to make an outstanding jurist who is wedded to the system of precedents, for without that, the common law, as we know it, has no meaning.

Mr. SMATHERS. I thank the able Senator from Mississippi for his remarks. I think they are particularly persuasive in view of the fact that the Senator from Mississippi himself was a great jurist for a number of years in his own State, and very fully understands and very much appreciates the fact that, as a general proposition, in order to become a great jurist, one must have experience.

Mr. MORSE. Mr. President, will the Senator from Florida yield to me?

The PRESIDING OFFICER (Mr. LAIRD in the chair). Does the Senator from Florida yield to the Senator from Oregon?

Mr. SMATHERS. I yield.

Mr. MORSE. I do not intend to debate this question today; but let me say that I am very glad the Senator from Florida has raised this issue. It is one which has been raised from decade to decade in the past.

I suggest that we study the Constitutional Convention, and recognize that, by design, the constitutional fathers did not require that members of the Supreme Court even be members of the bar, much less that they be judges.

I am always interested in the tendency for us to read mystery into the judicial process, and to assume that only by means of wearing the robe for a period of time, does one obtain judicial ability.

Of course, as the Senator from Florida knows, I do not think much of the rule of seniority, anyway. Certainly I would not wish to have a rule of seniority applied in the case of qualification for membership on the Supreme Court of the United States, nor do I agree at all with my very dear friend, the Senator from Mississippi [Mr. STENNIS], who stated that the correct application of the judicial process is obtained by following precedent. I do not agree, because that would mean the dead hand of the law—the idea that stare decisis has to be given some mysterious shibboleth or almost the standing of an idol, in connection with American jurisprudence.

I thank God that the Founding Fathers had the vision to keep our Constitution a dynamic instrument, not the dead hand of the law.

The thesis of the Senator from Florida is threshed out in every law school, year in and year out; and it is always a fascinating subject.

I wish to say that when we come to consider the bill, I shall be glad to participate in the debate and to present the other point of view. I am quite confident there is no danger that the Senate will pass a bill which in my judgment would sanction the adoption of a rule which I believe would be based on an undesirable interpretation of the Constitution, under a rule of seniority.

Mr. SMATHERS. Mr. President, I am always glad to have the benefit of the remarks of the distinguished senior Senator from Oregon. Of course, he has been a law school professor, and has had a great deal of experience in the legal field. However, I think it is well established that our good friend, the Senator from Oregon, is almost always one of the dissenters. He has an original and a brilliant mind, but I think it is obvious that on many occasions those who know him and love him best do not agree with him. In fact, I think that in many instances a majority of the Senate disagrees with him, although it has great respect for him as a person.

So I think that in this case it will be found that a majority of the Senate disagrees with him.

I think we have reached a point where most Members of the Senate and certainly many of the American people would prefer that we begin to get better trained legal minds to serve us on the Supreme Court of the United States.

Mr. MORSE. Mr. President, will my good friend, the Senator from Florida, yield to me, to permit me to make a brief comment?

Mr. SMATHERS. Certainly.

Mr. MORSE. Of course I deeply appreciate the remarks of the Senator from Florida. Although I may be a dissenter on this particular matter, I think he will have to agree with me that I am standing with the decision of the constitutional fathers. If that is dissension in

1956, let me say I am proud of that kind of dissension.

Mr. SMATHERS. Mr. President, let me say to the Senator from Oregon that it is true the constitutional fathers made no provision of this sort. They simply provided for the existence of the Supreme Court, and left it to the Congress to bring it into being.

As I shall state in a few moments, on numerous occasions in the past, Congress has changed the number of justices on the Supreme Court, and has provided qualifications for those who serve as circuit court judges. Evidently, the Founding Fathers intended that Congress should have something to say about those matters. I think that logically—and I have tried to point it out thus far in my remarks today that since they left to the Congress the important matter of determining the number of members of the Supreme Court, I believe they also left to Congress the right to enact legislation prescribing qualifications of membership on the Supreme Court.

It has been argued—and can be argued now, as the Senator from Oregon has pointed out—that by not making definite provisions in that connection, the constitutional fathers did not intend that any qualifications should be imposed. However, as we study this matter, we see there is considerable authority for holding that the constitutional fathers intended that Congress should take some action with respect to the qualifications of those appointed to the Supreme Court.

Mr. CARLSON. Mr. President, will the Senator from Florida yield to me?

Mr. SMATHERS. I am happy to yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, I wish to commend the Senator from Florida for bringing up the question of the qualification of members of the judiciary.

I do not wish to let this opportunity pass without saying that, although I realize the importance of this matter, I believe we must keep in mind the fact that the President of the United States must fulfill his responsibility in selecting good men for membership on the judiciary; and I would not wish to place myself in the position of attempting to draw so limited a line that the appointment of outstanding men who have not served in the courts would be prohibited.

The Senator from Florida has referred to a very important matter; but I wish to say that in the United States there are outstanding attorneys who have judicial minds, and I would not wish anything done to make it impossible for them to be appointed to the judiciary. Certainly I believe it to be important to have good men on the bench.

Mr. SMATHERS. Mr. President, I thank the Senator from Kansas. Of course, I appreciate very much his remarks, and I have a very high respect for him.

I may say to him that we both know of many outstanding Justices of the Supreme Court who did not have previous experience on the bench; but we also know of many, many instances of men who have served on the Supreme Court of the United States without previous judicial experience who have not been particularly outstanding Justices of the Supreme Court. We cannot help but believe that the overall caliber of Justices would be raised if there were selected as members of the Supreme Court men who actually had at least some judicial experience on either the lower Federal courts or the highest court of a State. There are some 600 well-qualified jurists who are today active in those particular fields. I cannot help but think that if we had been appointing men to the Supreme Court for a long period of time from that particular category we would probably not have some of the difficulties we have today. We would probably have a more efficient Supreme Court thus far. However, I thank the Senator very much for his remarks.

Mr. CARLSON. Mr. President, will the Senator further yield?

Mr. SMATHERS. I yield.

Mr. CARLSON. It occurs to me that judicial temperament is most important in the selection of a judge. I think there might be those outside the courts who would not only be capable, but have the judicial temperament to decide the issues, based upon many factors, not absolutely all in the law. There must be the necessary judicial temperament to deal with these problems.

Mr. SMATHERS. The best way to determine whether a person is possessed of judicial temperament is by examining his prior judicial experience on the bench. We can look at the record of a judge and say, "This man was an outstanding judge on the State Supreme Court of Kansas, or the State Supreme Court of Michigan, or he was an outstanding United States circuit court of appeals judge." A man with such a record would be one of whom we could feel proud. From his record we could be fairly certain that he would be an intelligent jurist who would understand the functions he must perform as a Supreme Court Justice.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. MORSE. This discussion fascinates me. I should like to invite the Senator's attention to two points.

First, it seems to me that he is proceeding upon the very general assumption that we have not fared well with the process and procedure we have been following. I think that calls for a bill of particulars. I think we should have from the Senator, as the debate progresses, the names of judges who have not risen to the responsibilities of their roles. I happen to be one who has never taken the point of view that judges should be selected on the basis of a certain political philosophy, whether conservative or liberal. I have always said, and I say today, that if we consider one person in a list of selectees for the bench, if we assume that we are starting with a pretty high caliber person, when we put the robes on him and repose him in the great trust of the bench, we find that he does a very responsible job. I think that is the record of the Justices of the Supreme Court. So before I am asked to vote for some change in the procedure, I must see a bill of particulars with respect to the bad judges and the decisions they have made which were so bad.

The second point I wish to make in this part of the discussion is that, as the Senator from Kansas [Mr. CARLSON] implied, it is very important that we select men for the bench who have the judicial temperament. It does not follow, as the Senator from Florida seems to imply, that we must therefore select someone who has already sat on the bench.

Let me point out some of the dangers of that policy. Take, for example, some member of the circuit court of appeals, the district court, the State supreme court, or whatever bench we may take him from. He has behind him a line of decisions on constitutional questions. When he is selected, we know pretty well the position he will take on certain constitutional questions.

I do not believe that a President should be placed under that kind of handicap. We talk about political influences in the selection of the judiciary. If we adopt the proposed requirement there will be a tendency for a President to go shopping among the decisions of judges on constitutional questions; and if the President is of a certain school of political thought in the field of constitutional law, there will be a tendency to weigh the court with that particular point of view.

I do not think that is what the constitutional fathers intended. If the Senator will consult the constitutional debates, he will see that the Founding Fathers were pretty clear in their discussions that they did not want to lay down any hard and fast rules with respect to these qualifications.

Let me make one further point, in conclusion. We talk about political factors. When judges are selected in the first instance, whether on the State level, or for the district court, or a Federal court, they make a record of decisions. If there is a political factor, it enters at that point. However, let me say again that I think it is to the everlasting credit of the American judiciary that, by and large, it rises above political considerations. Nevertheless, to the extent that there is a political philosophy in the field of constitutional law, when men who sit on the bench lay down that philosophy, and the President is required to select from among members of the bench, it seems to me that we give greater assurance that there will be a play of politics, than if we adopt the position of the constitutional fathers and select to serve on the Supreme Court anyone in the American citizenry who has the judicial temperament, even though he may not be a member of the bar.

Mr. SMATHERS. Mr. President, as I said earlier, I always appreciate the fine contributions of the Senator from Oregon to a discussion of this nature. Having had the experience which he has had, he is particularly well qualified to present his views on a question of this kind.

In advocating the proposed legislation, I am merely saying that I think the time has come when we should obtain the very best Supreme Court it is possible for us to obtain. We should

select the best qualified men to sit upon that body. I think the able Senator from Oregon will agree that in some instances certain members who have served on the Supreme Court were probably not the best men who could have been selected for the particular job. If we were to go through the entire list, we could find some among the 87 who have thus far served who were probably not the best qualified men available.

If we had always drawn the membership of the Supreme Court from the lower Federal courts, or the highest courts of a State, and had always obtained well qualified, proven men, we would probably have had a more efficient operation of the Supreme Court.

Mr. MORSE. Mr. President, I wish to make it perfectly clear that I am satisfied. I do not share the dissatisfaction of the Senator from Florida. I believe that throughout American history a remarkably good job has been done in the selection of members of the Supreme Court. I do not think there is cause or justification for the proposed change. All I am suggesting to the Senator from Florida is that he give me a bill of particulars as to the great shortcomings of members of the Supreme Court. I do not know exactly what he means by "best qualified men." I deny his major premise that the best qualified men are necessarily men who have worn the judicial robes. I do not accept that premise. I still insist that we ought to find out who are the bad judges and how frequently we have had bad judges, before being asked to vote for a change. I think the burden of proof is on the Senator from Florida to show that the selective process we have been following throughout our history has given us bad judges.

(At this point Mr. SMATHERS yielded to Mr. KNOWLAND, and there ensued ceremonies incident to the visit to the Senate of the Vice President of Brazil, the report of which appears in today's RECORD following the remarks of Mr. SMATHERS.)

Mr. SMATHERS. Mr. President, prior to the visit of the Vice President of Brazil, the senior Senator from Oregon [Mr. MORSE] was making the argument that, in view of the fact that the Constitution of the United States made no provision for limitations with respect to qualifications of men to be appointed to the Supreme Court, it necessarily followed that they intended that there should never be such limitations.

It is clear that at the time the Constitution was adopted a requirement such as that which I now propose could not have been made, because at that time the Congress of the United States had not created any district courts or circuit courts. No judicial system had been created by the Congress. The clear inference was that the Congress of the United Sates was to do something about it. It was for that reason that between 1789 and 1869, by various statutes, the Congress of the United States changed the number of members who comprised the Court. The number varied from 5 to 10.

The act of September 24, 1789—First United States Statutes at Large, page 73—fixed the membership of the Court at 6.

The act of February 15, 1801—Second United States Statutes at Large, page 89—reduced the number to 5.

The act of February 24, 1807—Second United States Statutes at Large, page 421—increased the membership of the Court to 7.

It was increased to nine members by the act of March 3, 1837—Fifth United States Statutes at Large, page 176. The act of March 3, 1863—Twelfth United States Statutes at Large, page 794—further increased the membership of the Court to 10.

By act of July 23, 1866—Fourteenth United States Statutes at Large, page 209—the membership was reduced to seven.

The latest statute dealing with the membership of the Court was enacted on April 20, 1869—in Sixteenth United States Statutes at Large, pages 44, 45. This act, among other things provided that the Court be comprised of 9 members, 1 of whom shall be a Chief Justice.

The only difference between the Supreme Court and the inferior courts, which were to be established by the Congress pursuant to article III, with respect to the power of Congress to create and establish, is that Congress was required to establish a Supreme Court, but only such inferior courts as it saw fit, and, as Justice Story pointed out in *Martin v. Hunter*, 1 Wheaton 304, Congress was required to establish some inferior courts. The difference then is not that the Constitution created and established a Supreme Court, and left it to Congress to create and establish other courts, but that the Constitution required Congress to establish a highest or Supreme Court and lower or inferior courts, but allowed Congress to determine how many lower courts should be established, and in what manner the judicial power should be distributed among them. Since Congress created and established both the Supreme Court and lower courts as required by the Constitution, it can prescribe reasonable qualifications for persons appointed to any of such courts as an incident of its power to create and establish.

I turn now to a discussion of the need for this legislation and the benefits which will be derived from it by both the Court and the country.

Alexander Hamilton, writing in the Federalist, No. 78, predicted that there would be "but few men in the society, who will have sufficient skill in the laws to qualify them for the stations of judges." He made this statement in the course of arguing in defense of lifetime appointments for Federal judges—that is, for good behavior as the tenure of office. One of the reasons Hamilton put forward was the accumulation of laws and precedents which would develop with the passage of time, which would have to be mastered in order to have a sufficient command of the law to administer it. These were prophetic words, indeed, when one considers the great bulk of American law as it exists today. Superimposed upon 48 systems of codes and common law, there exists a Federal law of ever-increasing scope, magnitude, and complexity. Each member of the United States Supreme Court must be ready to assume the burden of giving judicial attention to this great storehouse of knowledge. The duties of this high office require that we exert all efforts to obtain individuals possessing the highest legal qualifications.

In addition to the development in the great body of the law, consideration should be given to the role the Supreme Court has come to play in our present day affairs. Most of the great cases it has decided in recent years have been concerned with matters touching the rights and privileges of the private individual, emanating from the Bill of Rights, and the 14th amendment. At the same time it still has the responsibility of deciding the outcome of issues of great national importance.

The responsibility resting upon each individual sitting upon the court is all the more startling when one considers that the great issues laid before it may be, and often are, decided by a majority of one, or, in some instances, where a judge disqualifies himself, by an equally divided court.

The responsibility which rests in the Supreme Court has grown, along with those of the legislative and the executive, as the country has grown, from 13 young States almost isolated in the wilderness to 48 States, possessing an integrated and complex national economy. Some action has been taken to assure that the Congress and the executive branch of the Government are equipped to meet these increased responsibilities. The Congress has worked out a system of rules and acquired expert staffs to aid it in its duties. The Executive Department is in a constant state of reorganization. But what of the Supreme Court? Granted, it too has been diligent in adopting its own housekeeping rules. But what action has Congress taken to improve the Court? It has taken no action, other than in the matter of defining the Court's appellate jurisdiction, and in establishing the size of the Court.

We are living in an age of specialization and selectivity. Witness the great lengths to which industry and Government have gone in developing the personnel policies and procedures. This spirit has even permeated the armed services. There is so much emphasis on placing the right person in the right position. Of course, I do not advocate selecting Supreme Court Justices on the basis of aptitude tests. But I am for doing whatever is legitimate and proper to ensure that these positions will be filled by the best legal minds available.

What, then, is a good standard for judging the qualifications of a candidate for the office of a Supreme Court Justice? I can think of none better than his conduct and experience in another judicial office.

The proposal which I am offering today will not hinder the President in the exercise of his appointing power. It will be of great benefit to him, for it will take the exercise of the power out of the political arena, where it has all too often fallen. It will relieve the President of

any obligation which he might feel compelled to satisfy with a Supreme Court appointment. He will be free to make his appointments solely on the basis of merit from the best qualified group of men in the country—those who have acquired mature judgment through years of judicial experience. I am sure that any President would welcome the opportunity to be able to make his appointments to the court on this basis, with politics wielding little or no interference in the exercise of his judgment.

There have been many regrettable instances in the past in which the finest types of men, who had proven themselves in the lower courts, have of necessity been overlooked and passed over because of political expediency. It is a pity that it had to be so. I need cite only the single example of Learned Hand, retired circuit judge of the United States Court of Appeals for the Second Judicial Circuit, and who is recognized as one of the greatest of all English-speaking jurists, who should have been but was never appointed to the Supreme Court.

It has been common throughout the history of the country to appoint men with prior judicial experience to the Court. This practice has been followed in well over half of the vacancies which have been filled. However, it has been less noticeable in recent decades. There are only three members of the present Court who had any judicial experience before their appointment. Together, their prior judicial experience totals approximately 10 years. One was a Federal circuit court judge for 8 years, another held a similar post for a year, and a third member was a minor court judge for a year and a half.

Mr. President, our Supreme Court, with its tremendous undefined powers should be staffed with the finest judicial talent this country has to offer. It should be composed only of men who have the greatest facility in the law and the utmost in respect for it. I am confident that my proposal, if adopted, would result in vast benefits to the judiciary and the country as a whole. After all, judges are only human. The morale and performance of the members of the bench, Federal and State, would improve, with the realization that the judicial efforts might be recognized and rewarded by an appointment to the Supreme Judiciary of the Nation. The chance may be small in any given case, but the principle should be firm. I submit that if we want judges on our Supreme Court, we do not have to trust to luck, for the bench both Federal and State is full of men who have already proven their capacity and fitness for higher responsibility.

Since it is true that many of the outstanding Justices of the Supreme Court, numbered among them being the great minds of Chief Justice John Marshall, Chief Justice Charles Evans Hughes, and Justice Louis Brandeis, did not have judicial experience prior to their appointments, the argument is advanced—and has been advanced this afternoon on the floor—that the qualification which I propose with respect to future appointments would deprive the Court of the valuable services of this type of individual. While this is true to a degree, the danger of staffing the Court with mediocre talent is too great a risk to run under present-day conditions. I believe that had we always required an experienced judicial background for our Justices, we would have had an even more illustrious Court, and one in which the people of the Nation would have had even more pride.

The Court is presently composed of nine members. From its inception there have been a total of 87 appointments, 55 of which had prior judicial experience. Under existing conditions, the President's power of appointment is, of course, unlimited. My proposal would narrow his selection of individuals to a field of eligible jurists sitting on the lower Federal courts and the highest courts of the State. There are today a total of 212 United States district court judges, and 65 United States court of appeals judges. The total number of judges sitting on the highest courts in the States is 307. The grand total of jurists sitting on the Federal courts and the highest courts of a State is 584. This number appears to me more than adequate from which to select future Supreme Court Justices.

For the sake of preserving unlimited freedom in the President's power of appointment, I do not subscribe to the theory that we should run the risk of taking mediocre justices along with the good ones and the great ones. In my opinion, it is the duty of the Congress to strive toward reducing this risk to a minimum, and it can do this by adopting the qualifications herein proposed. The President then would have a choice of selecting from some 584 Federal and State court judges whose record of service on the bench and judicial capabilities is a matter of public knowledge. From this wide selection I feel confident that only those jurists of outstanding qualifications would be nominated. When such men as Oliver Wendell Holmes, Benjamin N. Cardozo, William Howard Taft and others, all of whom had prior judicial experience of the type called for in this proposal were nominated for appointment, the President, the Congress, and the country, all knew, that there was no risk involved in that each of them had well-known and established reputations for service on the bench. All of us know that their outstanding service on the Supreme Court attests to that fact.

I feel that the advantages to be gained by requiring that subsequent appointments be limited to men of prior judicial experience far outweigh those that could be derived from the preservation of the freedom which the President now enjoys in this field.

The Supreme Court should not be a refuge for political appointees drawn from the ranks of politicians, of good friends of good friends, be they scholarly theorists, economists, or just plain professors. It should be comprised of the finest collection of trained and experienced jurists capable of being assembled. Men who desire to determine policy and legislate should seek endorsement of their views from the people by running for public office. Men of that disposition should seek seats in the United States Senate. The men who serve on the Supreme Court of the United States should clearly understand the theory of our three separate and distinct branches of Government, with each one having its specific functions. Certainly the men who constitute the Court should not labor under the erroneous belief that it is their duty to legislate or determine policy, or in any way invade the legislative field. That job, of course, is for the Congress. The Court members should understand the danger to our system of Government when men who are appointed for life, who do not have to seek the endorsement of the voters, go into the field of writing the law. The great jurists of the past have always evidenced an understanding that the Court's sole function is to interpret the law in the light of the provisions of the Constitution. The Court should be reserved for judges; politicians should remain in the Senate, or in the Governor's chair, or in the legislative field where periodically their views are up for approval or disapproval on the part of the people they represent.

The time has come when some effort should be made to guarantee that our judiciary will be led by none but the ablest of jurists. I trust and hope that this matter will receive the consideration of the Congress which it deserves, and that action will be taken on it soon.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 3759) establishing certain qualifications for persons appointed to the Supreme Court, introduced by Mr. SMATHERS, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 1 of title 28, United States Code, is amended by adding at the end thereof a new paragraph as follows:

"From and after the date of enactment of this paragraph no person shall be appointed to the office of Chief Justice of the United States or to the office of Associate Justice of the Supreme Court, unless, at the time of the appointment, he shall have had at least 5 years of judicial service. For the purpose of this paragraph, 'judicial service' means service as a justice of the United States, a judge of a court of appeals or district court, or a justice or judge of the highest court of a State."

SEC. 2. (a) The title of section 1 of title 28, United States Code, is amended to read as follows:

"SEC. 1. Number of justices; quorum; qualifications."

(b) The analysis of chapter 1 of title 28, United States Code, is amended by striking out "1. Number of justices; quorum.", and inserting in lieu thereof "1. Number of justices: quorum; qualifications."

VISIT TO THE SENATE BY HIS EXCELLENCY JOAO GOULART, VICE PRESIDENT OF BRAZIL

During the delivery of Mr. SMATHER'S speech,

Mr. KNOWLAND. Mr. President, will the Senator from Florida yield to me

with the understanding that he will not lose his right to the floor, in order that I may suggest the absence of a quorum? The Vice President of Brazil is now at the Capitol Building.

Mr. SMATHERS. I yield with that understanding.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Without objection, it so ordered.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the senior Senator from Georgia [Mr. GEORGE] and the senior Senator from California [Mr. KNOWLAND] be appoined as a committee to escort the Vice President of Brazil into the Chamber.

The PRESIDING OFFICER. Without objection, it is so ordered; and the Chair appoints the President pro tempore, the senior Senator from Georgia [Mr. GEORGE], and the minority leader, the senior Senator from California [Mr. KNOWLAND], as a committee to escort our distinguished visitor into the Chamber.

Mr. FULBRIGHT. Mr. President, I move that the Senate now stand in recess, subject to the call of the Chair.

The motion was agreed to; and (at 2 o'clock and 34 minutes p. m.) the Senate took a recess subject to the call of the Chair.

At 2 o'clock and 40 minutes p. m., the Senate reassembled when called to order by the Vice President.

Mr. FULBRIGHT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I move that the Senate now stand in recess subject to the call of the Chair.

The motion was agreed to; and (at 2 o'clock and 47 minutes p. m.) the Senate took a recess subject to the call of the Chair.

The Senate being in recess,

His Excellency Joao Goulart, Vice President of the United States of Brazil, escorted by the committee appointed by the Vice President, and by the State Department interpreter, Mr. A. José de Seabra, entered the Chamber and took the seat assigned to him immediately in front of the Vice President.

[Applause, Senators rising.]

The members of the party accompanying the Vice President of Brazil, including His Excellency the Honorable Jaoa Lima Teixeira, senator from the State of Bahia; Hon. Roberto Silveira, lieutenant governor of Rio de Janeiro; Senor Geraldo Eulalio Nascimento e Silva, Foreign Service officer, Ministry of Foreign Affairs; were escorted into the Chamber and took the seats assigned to them to the left of the Vice President's desk.

The VICE PRESIDENT. Members of the Senate, and our guests in the galleries, it is my great privilege to present His Excellency Joao Goulart, Vice President of the United States of Brazil.

[Applause, Senators rising.]

ADDRESS BY HIS EXCELLENCY, JOAO GOULART, VICE PRESIDENT OF THE UNITED STATES OF BRAZIL

Vice President GOULART. Senhor Vice Presidente, Dignissimos Membros do Senado Norte Americano, profundamente sensibilizado, agradeço a acolhida que neste momento me faz o Senado Norte Americano—e estendo êsse agradecimento às autoridade e ao povo dêste país, que quizeram testemunhar, de maneira tão significativa, a sua simpatia pelos brasileiros na pessoa do seu Vice Presidente da República.

Como sabem VV. Excias., Srs. Senadores, sou um modesto representante, na política a na administração de meu país, de novas tendências de ação e de idéias. Por isso mesmo, trago comigo uma nova mensagem que, confirmando a nossa tradição secular de amisade, une mais ainda—consciente e deliberadamente—brasileiros e americanos de hoje, não só para as tarefas presentes, como naquelas que o futuro vier a reservar aos nossos povos e governos.

Sr. President, Srs. Senadores:

Fomos sempre unidos pela geografia, pela história, pela formação política, pela convivência panamericana e até mesmo pelos sentimentos. Fomo amigos na paz e irmãos na guerra. A ordem antiga nos somou na unidade continental: a nova ordem nos terá de multiplicar na comunhão mundial.

Mas os laços que nos unem não serão ùnicamente os da herança—terão de ser também os da consciência, pois uma missão comum nos chama e nos espera. Dada a organização política dêste grande país, de que a nossa é igual, o êxito da liderança que exercem os Estados Unidos reside em grande parte na sabedoria e na visão de VV. Excias., Srs. Senadores. É o Senado, em nossas instituições, a agente maior e responsável do povo e ante o povo, da política exterior dos governos. E é porisso que reconyecemos e proclamamos—nós, os brasileiros—que esta tem sido uma Casa a serviço da confraternioaçao internacional. Aqui, grandesie generosas iséias, custosas iniciativas, sacrifícios incontáveis da economia e da vida do povo americano, foram deliberados e adotados por VV. Excias., visando ao bem estar, à dignidade e à independência dos demais povos. Essas atitudes do Senado Americano e essas iniciativas do Govêrno desta Nação tiveram sempre profunda repercussão e acolhida na opinião pública do Brasil—e são olhadas com sincera esperanca pelas novas geraçoes marcadas pela inquietação contemporânea, eminentemente nacionalista e social.

Srs. Senadores:

O meu país ingressou num período fecundo de renovação política, econômica e social, inaugurado pelo grande e inesquecível Presidente Getúlio Vargas. Nos últimos trinta anos uma substancial modificação de estrutura se vem processando na sciedade brasileira, que deixou de ser formada por uma pequena classe proprietária e dirigente e por uma populacão politicamente passiva e econômicamente dependente. Somos hoje um povo onde o operariado dos campos e das cidades, juntamente com as classes médias, toma ciência dos problemas coletivos, defende os seus direitos dentro da lei e do respeito à liberdade—e assim participa ativamente da vida política e econômica do país, apresentando suas reivindicações com a consciência cada vez mais clara dos interêsses comuns.

Não é difícil aos Nobres Senadores avaliar o quanto de dificuldade temas à nossa frente. O problema comunista, por exemplo, que para os Estados Unidos constitui sobretudo uma ameaça externa—a ser constantemente afastada pela ação conjunta de sua diplomacia e de sua organização de defesa civil e militar—para os países latino-americanos, como o Brasil, afigura-se mais de ordem interna, já que deita suas raízes nas aflições popularies a se fortalece à custa das desigualdades sociais.

Entendo que o modo específico e mais eficás de enfrentarmos o problema, no campo da política externa, está em unirmo-nos sinceramente às nações democráticas amantes da paz. Ao mesmo tempo, no campo interno, lutarmos pelo desenvolvimento econômico intensivo do nosso país, acelerando o crescimento da renda nacional e praticando uma política de amplas oportunidades para todos e de salários dignos, que nos permita inclusive colher os frutos da extraordinária experiência dos Estados Unidos na fase de sua industrialização.

Tenho lutado sempre, ao lado do meu Partido—o Partido Trabalhista Brasileiro—como lutei ao lado do seu grande Chefe e fundador—contra as formas de dominação econômica que criam obstáculos ao desenvolvimento e fortalecimento geral de nossa Pátria. Essa luta é a mesma que tantas vezes tem sido conduzida, dentro dos Estados Unidos, pelas suas duas Casas do Congresso e pelos grandes Presidentes que lhe têm liderado os destinos.

Nesta oportunidade, Sr. Presidente e dignos Senadores, entre aqueles grande homens, seja-me dada a honra de saudar, em nome do Govêrno e do povo brasileiro, resumindo na sua figura tantos outros que desejaria evocar, o extraordinário Chefe republicano General Eisenhower, a quem o mundo livre está ligado por imorredoura dívida de gratidão. E ao fazê-lo, quero também reverenciar a memória do inesquecível Chefe democrata Franklin Roosevelt, com quem o povo e o Govêrno do meu país tão estreitamente colaboraram nos anos decisivos da luta contra as potências totalitárias.

O povo brasileiro acha-se ligado ao povo norte-americano por uma indestrutível afinidade de princípios e de ideais politicos. A nossa história, desde as lutas da independência, sofreu a salutar influência das idéias e das atitudes dos grandes homens que fundaram

a soberania e a grandeza dos EE.UU. E ainda hoje, num munda dividido entre tendência totalitária e tendências democráticas, é nesse último campo que se inscrevem os brasileiros de tôdas as classes e partidos, irmanados pelo anseio de preservação das liberdades públicas.

Sr. Presidente, Srs. Senadores:

Para um homen simples como eu, constitui uma grande honra estar nesta Casa—um dos mais augustos recintos da vida política do Ocidente—hóspede da vossa hospitalidade e da generosa acolhida do meu ilustre e presado colega, o Vice Presidente RICHARD NIXON. Trago a VV.Excias., Srs. Senadores, as efusivas saudações do Presidente de meu país, o eminente Sr. Juscelino Kubitschek de Oliveira, a quem ainda recentemente o povo e o govêrno desta grande Nação tributaram o mais caloroso acolhimento, numa reafirmação da tradicional amizade que une americanos e brasileiros. Trago, também, a mensagem fraternal de um povo bravo e bom, que na luta inclemente dos trópicos constróe com sacrifício uma civilização cristã e democrática.

Agradecendo a VV.Excias., Sr. Presidente e Srs. Senadores, do fundo do coração, em nome de todos os brasileiros, formulo os meus mais sinceros votos pela felicidade do povo norte-americano e pela grandeza dos EE.UU. da América.

The address delivered by the Vice President of Brazil was interpreted by Mr. A. José de Seabra, of the State Department, as follows:

Mr. Vice President and honorable Members of the Senate of the United States of America:

I feel deeply moved, as I express my thanks for the welcome being given me by the Senate of the United States. I extend those thanks both to the people and to the Government of the United States for the significant manner in which they are showing to the Vice President of the Republic of Brazil their friendliness toward the Brazilian people.

As you know, honorable Members of the Senate, I represent, though in a modest way, in the administration and the political life of my country, the new trends and tendencies in actions and ideas. For that very reason, I bring with me a new message, a message which, confirming our great tradition of friendship, will unite in a more conscious and a more deliberate way Brazilians and Americans of today, not only to undertake the tasks of the present, but any other tasks, as well, as the future may hold them in store for our peoples and our Governments. [Applause.]

Mr. President of the Senate and honorable Senators, our countries have always been united because of geography. We have been united in the pages of our history, in our political traditions, in the pan-American ideal which we share; and we have always been united by our common feelings.

We have been brothers in peace, and we have been brothers on the battlefield. The ancient order has joined us in a continental unity. The new order will make us ever greater and more significant in the world community. But the ties which bind our countries are not merely those of historical heritage. We must also be united by the bonds of our conscience, because we are answering a common call.

Considering the political organization which is typical of your great country, to which our own political organization is similar, the degree of success which the United States has achieved and the leadership which it wields in the world today are a direct consequence, to a very great extent, of the wisdom and the foresightedness of the Members of the Senate.

In our Government, it is the Senate which bears the greatest share of responsibility on behalf of the people and before the people in achieving the foreign policy of our Government. For that reason, we Brazilians recognized with admiration the guidance which this very Senate, where I am today, has always given on behalf of international brotherhood and understanding. Here great and generous ideas, noble undertakings, numberless sacrifices, which created hard tasks for the economy and the lives of the American people, were deliberated and adopted by Senators, always keeping in mind the lofty ideals of the well-being, dignity, and independence of the other countries. Those tasks carried out by the American Senate, and those initiatives taken by the Government of this Nation, have always had great repercussion in and have always been favorably welcomed by the public opinion of Brazil, and they are being considered and looked up to with sincere hope by the new generations in the world of today, generations which are restless and imbued of a deep sense of social welfare.

Honorable Senators, my country has just entered upon a fruitful era of political renovation, and also of renovation in certain economic fields, which had been started by the great and unforgettable President Getulio Vargas. In the last 30 years, Brazilian society has experienced deep changes in its structure. This society of Brazil is no longer formed, on the one hand, by a small class of wealthy owners and leaders, and, on the other hand, by a large population which is, from the economic standpoint, politically passive, indifferent, and dependent. Honorable Members of the Senate, today we are a nation where the workers of the fields and the cities, together with the great middle class, are fully aware of the collective problems and are defending their rights within the limits of the law and the respect for liberty, and thus are taking an active part in the political and economic life of the country. They are presenting their claims and their aspirations with an ever greater realization of the common interests.

Of course, it is not difficult for you gentlemen to realize the great number of difficulties which lie on our path. Let us take, for example, the problem of communism. For the United States it is mostly an external effort, which can be and is being kept away from the shores of this country by the joint action of our diplomacy and the organization of our military and civil defense; whereas for the Latin-American countries, such as Brazil, it is chiefly a domestic problem, because it has roots in the hardships which beset large segments of the population, and which draws much of its strength from certain unavoidable social inequalities.

I understand that the most specific and efficient way of opposing that problem and fighting it in the realm of foreign policy is to become sincerely united together with the democratic, peace-loving nations. At the same time, in the realm of domestic policies, we must fight and struggle for an intensive economic development of our country, trying to build up, as fast as possible, national income, and carrying out policies which will give ample opportunities to all, and which will give decent wages, so we shall be in a position to harvest the rich fruits of the great experience gathered by the United States during its ever-growing industrialization.

I personally have always been a fighter within our party, as I had always been fighting right next to its great leader, the Federation of the Brazilian Workers Party, against all forms of economic domination, which can only create obstacles to the development and the general strengthening of our country.

That struggle is the same struggle that has always been carried in the United States within both Houses of Congress, and which has been led and inspired by the great Presidents who have been entrusted with the defense of this Nation.

At this time, Mr. President and honorable Senators, I would like to salute among those great leaders of the United States—and I would like to salute him on behalf of the Government and the people of Brazil—the great Republican chief, General Eisenhower, who embodies in his person all those whom I also want to salute at this time—a man to whom the free world owes a great, imperishable debt of gratitude. [Applause.] And in doing so I also want to pay reverent tribute to the not forgotten Democratic chief, Franklin Roosevelt [applause], with whom both the people and the government of my country worked in such close association in those decisive years of the struggle against the totalitarian powers.

The Brazilian people are bound to the American people by very strong affinities in the principles of political ideas. Our history, from the very beginning of our struggle for independence, was along the lines of the constructive influence of the ideas and attitudes of the great men who founded the sovereignty and the dignity of the United States.

And even today, in a world that is divided between totalitarian and democratic tendencies, of course we are in the camp of the democracies. All Brazilians of all classes and all parties are joined by the hope of preserving and strengthening civic liberties.

Mr. President and honorable Senators, for a humble man like myself, it is indeed a very great honor to be here on the floor of this House, one of the most important and revered forums of political life in the western world, and to be here enjoying your hospitality and the most generous welcome which was given to me today by my very distinguished and esteemed colleague, the

Vice President of the United States, RICHARD NIXON.

I bring to you honorable Senators the most cordial salutations from President Juscelinko Kubitschek, to whom very recently the people and the Government of this great Nation rendered a most enthusiastic and warm tribute, reaffirming once more the traditional ties of friendship which unite Americans and Brazilians.

I also bring to you a fraternal greeting from a noble and good people, a people who, under the hardships of the tropics, and at the cost of great sacrifices, are waging a struggle to build a democratic and a Christian civilization.

Thanking you gentlemen, and you, Mr. Vice President, from the very bottom of my heart, on behalf of all Brazilians, I bring you my most sincere wishes for the happiness and prosperity of the people of the United States and its everlasting greatness.

[Applause, Senators rising.]

The VICE PRESIDENT. Mr. Vice President, I know I speak for all the Members of this body and our guests in the gallery when I say we are deeply appreciative of your very eloquent words, setting forth the traditional bonds of friendship between the largest and most populous country in North America and the largest and most populous country in South America, the United States of Brazil.

We know that this is your first visit to our country. We are happy that not only are you to see our Nation's Capital, as you are doing today, but that you will visit other parts of our country, as well. We wish to have an opportunity to know you better, as we have begun to do today, as a result of hearing your words and the expression of some of your philosophy; and we also want you to know our country and our people better than you do at this time.

Consequently, as you travel throughout our Nation, I am sure you will receive a warm greeting and hospitality everywhere you go; and I know that at this time you will welcome the opportunity to meet each Member of this body, all of whom represent States of the Union, some of which you will visit and some of which you will not have an opportunity to visit. All Members of the Senate will be most happy to meet you personally and to extend their best wishes to you and to the people of your great country.

The President pro tempore and the minority leader of the Senate will now escort you to the floor of the Senate, where all Members of the Senate will be pleased to greet you personally.

Thank you very much.

The Vice President of Brazil, escorted by Senator GEORGE and Senator KNOWLAND, proceeded to the floor of the Senate, and was greeted by the Members of the Senate.

Following the informal reception, the Vice President of Brazil and the distinguished visitors accompanying him were escorted from the Chamber.

At 3 o'clock and 19 minutes p. m., the Senate reassembled, when called to order by the Presiding Officer (Mr. GORE in the chair).

THE CONTROL OF THE ILLICIT DRUG TRAFFIC

Mr. DANIEL. Mr. President, by Senate Resolution 67, adopted March 18, 1955, the Senate authorized the first nationwide investigation of the illicit narcotics traffic, including foreign sources, narcotic smuggling operations, drug addiction, treatment of drug addicts, and related matters.

The aim of the inquiry was to find "ways and means of improving the Federal Criminal Code and other laws and enforcement procedures dealing with the possession, sale, and transportation of narcotics, marihuana, and similar drugs."

The task was assigned by the chairman of the Senate Judiciary Committee, the late Senator from West Virginia (Mr. Kilgore), to the Subcommittee on Improvements in the Federal Criminal Code, of which the junior Senator from Texas has had the honor to serve as chairman. Other members of the subcommittee are the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Idaho [Mr. WELKER], the Senator from Mississippi [Mr. EASTLAND], and the Senator from Maryland [Mr. BUTLER].

Mr. President, since its initial organization meeting on May 27, 1955, the subcommittee has conducted 37 days of open hearings in Washington, Philadelphia, New York, Austin, Fort Worth, Dallas, Los Angeles, San Francisco, Chicago, Detroit, and Cleveland. Special hearings, lasting 3 full days, were held in New York, devoted exclusively to the causes, treatment, and rehabilitation of drug addicts. In addition, the subcommittee examined the Mexican border situation in hearings held in San Antonio and Houston.

The subcommittee has heard 345 witnesses, including Federal, State, and local officials, and many addicts, smugglers, and other narcotic violators, for a total of 8,667 pages of testimony.

In addition, evidence and innumerable practical recommendations have been obtained through a series of questionnaires mailed to 52 attorneys general of the States and possessions; 94 United States attorneys; 1,120 county sheriffs; and 1,336 chiefs of police in cities and towns over 10,000 population.

Based on the authoritative testimony we heard, and on all the evidence before us, the subcommittee has drafted legislation which it is my privilege to introduce at this time on behalf of myself and the other members of the subcommittee named and the Senator from Maine [Mr. PAYNE]. We are convinced that the proposals included in our bill—which was prepared with the active counsel and assistance of Federal departments and agencies—will be the greatest assault on traffickers in illicit drugs since the passage of the Harrison Anti-Narcotic Act in 1914.

The subcommittee's proposed legislation—cited as the "Narcotic Control Act of 1956"—provides for the establishment of an entirely new chapter in title 18 of the Federal Criminal Code. This chapter—chapter 68, entitled "Narcotics"—includes substantial new controls and penalties for persons who deal in the illicit narcotics traffic. Briefly, some of the more significant provisions of this bill are as follows:

Heroin would be outlawed completely in the United States. Our subcommittee has found that heroin is the most deadly of all narcotic drugs and that it is used by 80 percent of all drug addicts in the United States. Moreover, we have found that it has no medical use which cannot be served better by other drugs. Our bill provides, therefore, that heroin now lawfully held must be surrendered to the Federal Government and the owners fairly and justly compensated. If it is not surrendered, the heroin is to be declared contraband and seized and forfeited to the United States.

Penalties for the smuggling and sale of heroin would be increased. A first offender, convicted of smuggling heroin into the United States or convicted of selling heroin smuggled into the United States, would receive from 5 to 10 years imprisonment; a second offender from 10 to 30 years; and a third offense would be punishable by life imprisonment or death upon the recommendation of the jury.

The subcommittee found that heroin purchased abroad for $3,000 will bring $300,000 when finlly cut, packaged, and sold in the United States. Our hearings brought out the fact that with the prospect of such enormous profits, criminals are exploiting every weakness in our national and international control systems and the only thing they respect is high, mandatory penalties for narcotic law violations.

A special penalty is provided for the sale of heroin to juveniles. Our subcommittee came to the unanimous conclusion that extraordinarily severe sentences were justified after hearing direct testimony of juvenile addiction to heroin, and after testimony by Sheriff Owen W. Kilday, of Bexar County, Tex., disclosed that a drug peddler in San Antonio had systematically enticed 40 to 50 boys and girls of high-school age to begin using heroin. The bill we are introducing, therefore, calls for a $10,000 fine and a minimum sentence of 10 years' imprisonment and a maximum death penalty upon the recommendation of the jury in specially aggravated cases, for any person who sells or gives heroin to any person under 18 years of age.

Smuggling of marihuana into the United States would be punishable as a distinct offense, carrying a minimum penalty for the first offense of 5 to 10 years' imprisonment as compared with the present penalty under the general smuggling statute of 1 day to 5 years. The members of our subcommittee were considerably disturbed to learn that narcotic traffickers could smuggle marihuana into the United States and, if caught in the act, be charged under the provisions of the general smuggling statute which provides for totally unrealistic penalties in view of the seriousness of the crime. This particular weakness in the law fails to discourage a thriving marihuana smuggling racket along the Mexican-American border.

Authority for Federal law-enforcement officers to intercept telephone calls between narcotic traffickers, providing that

prior permission is obtained from a Federal court. Senators will recall that the subcommittee reported in January that "the big-time traffickers in illicit narcotics are seldom caught and convicted, because their operations are almost wholly limited to the telephone. Federal agents are not permitted to intercept their communications or to use such evidence in court. As a consequence, the United States Government is unwittingly giving narcotics violators, especially the large racketeers and wholesalers, a great advantage over Federal law-enforcement officers in their effort to stamp out the illicit narcotics traffic." The authority which our bill would grant is strictly controlled by administrative and judicial safeguards, including a sealed court order to insure its limited and proper use.

Additional authority for the Bureau of Narcotics and the Bureau of Customs, including the right to carry firearms, execute and serve search and arrest warrants, and make arrests without warrant for violations committed in their presence. The purpose is to give these law-enforcement officers status comparable to that now held by agents of the Federal Bureau of Investigation and other Federal enforcement officers.

Along the same line, our bill would speed and effectuate the issuance of search warrants in narcotics cases. As Senators know, under present rules, a Federal law-enforcement officer cannot obtain a night search warrant unless he can swear to an affidavit that he is positive that narcotic drugs are in the place to be searched. It is obvious that with 9 out of 10 narcotic violations occurring after dark, this rules, as it applies to narcotic cases, is totally unrealistic and gives the drug peddler a distinct advantage over the officers in their efforts to apprehend him.

The bill would give the Government the right to appeal from lower-court orders suppressing evidence in narcotic cases. The subcommittee found, during its investigation, that the liberal grant of motions to suppress the evidence has lost the Government many good cases against flagrant narcotic violators. The Government now has no right of appeal if it believes the suppression of evidence was in error.

Drug addicts and narcotic-law violators would be prohibited from crossing the borders of the United States without obtaining special permits at border customs stations upon leaving the country, and surrendering the permits upon reentry. This would give legal effect to the records now being kept at some customs stations, and the subcommittee strongly believes that such registration would stop much of the overland smuggling of heroin and marihuana by known drug addicts who are now crossing the borders in great numbers.

Mr. President, other provisions in our bill include an amendment to the Immigration and Nationality Act to make the illegal possession of narcotic drugs, as well as the conspiracy to violate any narcotic law, additional grounds for excluding or deporting alien narcotic offenders from this country.

The bill provides for the establishment of a central unit in the Federal Bureau of Narcotics to gather and maintain records on all narcotic addicts and violators. Such information would be made available to Federal, State and local law enforcement agencies engaged in efforts to stamp out illicit narcotics trafficking. Moreover, the Bureau of Narcotics would be authorized to set up special training programs as needed throughout the country to train State and local law enforcement officers in narcotics investigation and control.

Finally, the subcommitee's bill would correct and improve present laws with respect to venue in marihuana cases.

Mr. President, it is high time that the Congress and the country declared the type of open warfare on the illicit narcotics traffic that will stop the destruction of lives and commission of crimes now attributable directly to this cancerous menace within our country. Our new proposals are designed to accomplish this result.

As I have previously stated, this legislation is the result of hearings on the entire narcotics problem. It is based on recommendations developed from departments and agencies of the Federal Government and from law enforcement officials throughout the Nation. For this reason, certainly we have every reason to expect early action on the bill in the Committee on the Judiciary and, when it is reported, early action in the Senate.

Moreover, the Senate subcommittee has worked closely with the House Ways and Means Committee which has conducted a similar investigation under the able chairmanship of Congressman HALE BOGGS, of Louisiana. It is anticipated that as a result of its own extensive investigation, the Boggs committee will introduce similar legislation in the House. With both Senate and House committees working together on this problem, there is every reason to expect action at this session which will assist our law enforcement officers in the detection and punishment of narcotics offenders.

I ask unanimous consent that the text of the bill may be printed in the RECORD at this point, as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3760) to provide for a more effective control of narcotic drugs, and for other related purposes, introduced by Mr. DANIEL (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Narcotic Control Act of 1956."

TITLE I

SEC. 101. Part I of title 18 of the United States Code is amended by inserting after chapter 67 the following new chapter:

"CHAPTER 68—NARCOTICS

"Sec.
"1401. Definitions.
"1402. Heroin—penalties.
"1403. Sale of heroin to juveniles—penalties.
"1404. Smuggling of marihuana—penalties.
"1405. Second or subsequent offenses—procedure.

"CHAPTER 68—NARCOTICS—Continued

"Sec.
"1406. Surrender of heroin—procedure.
"1407. Telephonic interception, evidence.
"1408. Additional authority for the Bureau of Narcotics and Bureau of Customs.
"1409. Motion to suppress—appeal by the United States.
"1410. Issuance of search warrants—procedure.
"1411. Border crossings—narcotic addicts and violators.

"§ 1401. Definitions

"As used in this chapter—

"The term 'heroin' shall mean any substance identified chemically as diacetylmorphine or any salt thereof.

"The term 'marihuana' shall have the meaning given such term in section 4761 of the Internal Revenue Code of 1954.

"The term 'United States' shall include the District of Columbia, the Territory of Alaska, the Territory of Hawaii, the insular possessions of the United States, the Trust Territory of the Pacific, and the Canal Zone.

"The term 'person' shall include any partnership, association, company, corporation, or one or more individuals.

"§ 1402. Heroin—penalties

"Notwithstanding any other provision of law, whoever knowingly imports or otherwise brings any heroin into the United States, or causes any such heroin to be imported or otherwise brought into the United States, or receives, conceals, buys, sells, or in any manner facilitates the transportation, concealment, or sale of any such heroin after being imported or brought in, knowing the same to have been imported or brought in contrary to law, or conspires to commit any such act or acts shall, except as provided in section 1403 of this chapter, be fined not more than $3,000 and imprisoned not less than 5 nor more than 10 years. For a second offense, the offender shall be fined not more than $5,000 and imprisoned not less than 10 nor more than 30 years. For a third or subsequent offense the offender shall be fined not more than $10,000 and imprisoned for life, except that the offender shall suffer death if the jury in its discretion shall so direct.

"Whenever on trial for a violation of this section, the defendant is shown to have or to have had the heroin in his possession, such possession shall be deemed sufficient evidence to authorize conviction unless the defendant explains his possession to the satisfaction of the jury.

"§ 1403. Sale of heroin to juveniles—penalties

"Notwithstanding any other provision of law, whoever knowingly sells, gives away, furnishes, or dispenses, facilitates the sale, giving, furnishing, or dispensing, or conspires to sell, give away, furnish, or dispense any heroin unlawfully imported or otherwise brought into the United States, to any person who has not attained the age of 18 years, shall be fined not more than $10,000 and imprisoned for life, or for not less than 10 years, except that the offender shall suffer death if the jury in its discretion shall so direct.

"Whenever on trial for a violation of this section, the defendant is shown to have had heroin in his possession, such possession shall be sufficient proof that the heroin was unlawfully imported or otherwise brought into the United States unless the defendant explains his possession to the satisfaction of the jury.

"§ 1404. Smuggling of marihuana—penalties

"Notwithstanding any other provision of law, whoever, knowingly, with intent to defraud the United States, imports or brings into the United States any marihuana contrary to law, or smuggles or clandestinely introduces into the United States any marihuana which should have been invoiced, or receives, conceals, buys, sells, or in any man-

ner facilitates the transportation, concealment, or sale of such marihuana after importation, knowing the same to have been imported or brought into the United States contrary to law, or whoever conspires to do any of the foregoing acts, shall be fined not more than $3,000 and imprisoned not less than 5 nor more than 10 years. For a second offense, the offender shall be fined not more than $5,000 and imprisoned not less than 10 nor more than 20 years. For a third or subsequent offense the offender shall be fined not more than $10,000 and imprisoned for life.

"Whenever on trial for a violation of this section, the defendant is shown to have or to have had the marihuana in his possession, such possession shall be deemed sufficient evidence to authorize conviction unless the defendant explains his possession to the satisfaction of the jury.

"§ 1405. Second or subsequent offenders—procedure

"(a) Upon conviction of any of the offenses defined in section 1402 or 1403 hereof, or upon a second or subsequent conviction of the offense defined in section 1404 hereof, execution of sentence shall not be suspended, and the provisions of section 4202 of title 18 of the United States Code shall not apply, and in the District of Columbia the provisions of the Act of July 15, 1932 (47 Stat. 697, D. C. Code 24–201 and the following), as amended, shall not apply.

"(b) For the purpose of this chapter, an offense shall be considered a second or subsequent offense, as the case may be, if the offender previously has been convicted of any of the offenses defined in section 1402, 1403, or 1404 hereof, or if he has been convicted of any other Federal offense involving the unlaw importation, transportation, purchase, dispensing, distributing, sale, or concealment of heroin or marihuana or of conspiracy to commit any such act or acts. After conviction, but prior to pronouncement of sentence, the court shall be advised by the United States attorney whether the offense is a first or a subsequent offense. If it is not a first offense, the United States attorney shall file an information setting forth any prior convictions. The offender shall have the opportunity in open court to affirm or deny that he is identical with the person previously convicted. If he denies such identity, sentence shall be postponed for such time as to permit a trial before a jury on the sole issue of the offender's identity with the person previously convicted. If the offender is found by the jury to be the person previously convicted, or if he acknowledges that he is such person, he shall be sentenced as prescribed in this chapter.

"§ 1406. Surrender of heroin—procedure

"(a) Any heroin lawfully possessed prior to the effective date of this act shall be surrendered to the Secretary of the Treasury, or his designated representative, within 120 days after the effective date of the act, and each person making such surrender shall be fairly and justly compensated therefor. The Secretary of the Treasury, or his designated representative, shall formulate regulations for such procedure. All quantities of heroin not surrendered in accordance with this section and the regulations promulgated thereunder by the Secretary of the Treasury, or his designated representative, shall by him be declared contraband, seized, and forfeited to the United States without compensation. All quantities of heroin received pursuant to the provisions of this section, or otherwise, shall be disposed of in the manner provided in section 4733 of the Internal Revenue Code of 1954, except that no heroin shall be distributed or used for other than scientific research purposes approved by the Secretary of the Treasury, or his designated representative.

"(b) Any heroin or marihuana introduced into the United States in violation of section 1402, 1403, or 1404 hereof shall be summarily forfeited to the United States without the necessity of instituting forfeiture proceedings of any character. All quantities of heroin so forfeited shall be disposed of in the same manner as provided in subsection (a) hereof, and all quantities of marihuana so forfeited shall be disposed of in accordance with the provisions of section 4745 of the Internal Revenue Code of 1954.

"§ 1407. Telephonic interception, evidence

"Notwithstanding any other provision of law, information obtained by any Federal law enforcement officer or agent, authorized individually or by regulation by the Secretary of the Treasury, as a result of the interception of any telephonic communication in the course of any investigation to detect or prevent a violation of section 1402, 1403, or 1404 hereof, or section 2 of the Narcotic Drugs Import and Export Act, or a violation of the Internal Revenue Code of 1954 the penalty for which is provided in section 7237 (a) of such code, as amended, shall be deemed admissible in evidence in any criminal proceedings involving any such sections: *Provided*, That prior to such interception (1) such officer or agent shall make application to the United States attorney or his designated assistant in the district where the contemplated interception is to be made, for approval of such interception, such application to be supported by affidavit showing sufficient facts to warrant reasonable belief that the contemplated telephonic interception is necessary to obtain evidence relating to the violation of any such sections, and (2) upon such approval, such application and affidavit accompanied by a petition alleging that there exists reasonable grounds to believe that the contemplated interception is necessary in the public interest to gather information of a violation of any such sections, shall be brought to the attention of a judge of the courts of the United States within his territorial jurisdiction by the said United States attorney or his designated assistant. Said judge shall consider such petition and issue an order authorizing such interception to be made if satisfied that reasonable grounds do exist. Said order shall specify therein the particular telephone number or numbers to be intercepted if known, the name of the subscriber or subscribers if known, and the address, or the addresses of the premises from which any telephonic communication to be intercepted shall either emanate or be received.

"Any order authorized pursuant to the provisions of this section shall be effective for 90 days from the date of issuance unless renewed for an additional period of 90 days, after a determination that reasonable grounds for continued interception have been shown.

"Within 5 days of the date set for the trial of a defendant charged with a violation of any of the above enumerated acts, the Federal law-enforcement officer or agent to whom an order has been granted to gather information of such violation in accordance with the provisions of this section shall file with the court a verified report listing the number of interceptions made and the dates thereof.

"The judge issuing an order pursuant to the provisions of this section shall direct that it, and all papers and documents pertinent thereto, be sealed and impounded by the clerk of the court in a suitable place, and its contents disclosed by no person until such time as the Federal law enforcement officer or agent shall file his report as required by this section, or unless pursuant to a direct order of the court.

"Any Federal law enforcement officer or agent who intercepts and divulges any telephonic communication in any manner not in accordance with the provisions of this section shall be liable under any existing Federal statute prohibiting the interception and divulging of any such communication, and nothing contained in this section shall be construed to give authorization to any person to intercept and divulge any such communication contrary to existing law for any purpose other than the purpose of detecting or preventing a violation of sections 1402, 1403, or 1404 hereof or section 2 of the Narcotic Drugs Export and Import Act or a violation of any of the provisions of the Internal Revenue Code of 1954, the penalty for which is provided in section 7237 (a) of such code, as amended.

"§ 1408. Additional authority for the Bureau of Narcotics and Bureau of Customs

"The Commissioner, Deputy Commissioner, Assistant to the Commissioner, and agents of the Bureau of Narcotics and Bureau of Customs may carry firearms, execute and serve search warrants and arrest warrants at any time of the day or night, serve subpenas and summonses issued under the authority of the United States, and make arrests without warrant for violations of any law of the United States relating to narcotic drugs (as defined in the first section of the Narcotic Drugs Import and Export Act (21 U. S. C. 171)) or marihuana (as defined in section 4761 of the Internal Revenue Code of 1954) where the violation is committed in the presence of the person making the arrest or where such person has reasonable grounds to believe that the person to be arrested has committed or is committing such violation.

"§ 1409. Motion to suppress—appeal by the United States

"In addition to any other right to appeal, the United States shall have the right to appeal from an order granting a motion to suppress evidence or return seized property made prior to the trial of a person charged with a violation of sections 1402, 1403, or 1404 hereof or section 2 of the Narcotic Drugs Import and Export Act, or of any of the provisions of the Internal Revenue Code of 1954, the penalty for which is provided in section 7237 (a) of such Code, as amended: *Provided*, That the United States attorney shall certify to the judge granting such motion that the appeal is not taken for purposes of delay and that the prosecution is unable to go forward without the evidence suppressed. Any such appeal shall be taken within 30 days after the decision or order has been entered and shall be diligently prosecuted.

"§ 1410. Issuance of search warrants, procedure

"Notwithstanding the provisions of rule 41 (c) of the Federal Rules of Criminal Procedure, in any case involving a violation of sections 1402, 1403, or 1404 hereof, or section 2 of the Narcotic Drugs Import and Export Act, or any of the provisions of the Internal Revenue Code of 1954, the penalty for which is provided in section 7237 (a) of such code, as amended, (1) a search warrant may be served at any time of the day or night if the judge or the commissioner issuing the warrant is satisfied that there is probable cause to believe that the grounds for the application exist; and (2) a search warrant may be directed to any officer of the Metropolitan Police of the District of Columbia authorized to enforce or assist in enforcing a violation of any of such sections.

"§ 1411. Border crossings—narcotic addicts and violators

"(a) In order further to give effect to the obligations of the United States pursuant to the Hague convention of 1912, proclaimed as a treaty on March 3, 1915 (38 Stat. 1912), and the limitation convention of 1931, proclaimed as a treaty on July 10, 1933 (48 Stat. 1571), and in order to facilitate more effective control of the international traffic in narcotic drugs, and to prevent the spread of drug addiction, no citizen of the United

States who is addicted to or uses narcotic drugs, as defined in section 4731 of the Internal Revenue Code of 1954, as amended (except a person using such narcotic drugs as a result of sickness or accident or injury and to whom such narcotic drug is being furnished, prescribed, or administered in good faith by a duly licensed physician in attendance upon such person, in the course of his professional practice) or who has been convicted of a violation of any of the narcotic or marihuana laws of the United States, or of any State thereof, the penalty for which is imprisonment for more than 1 year, shall depart from or enter into or attempt to depart from or enter into the United States, unless such person registers, under such rules and regulations as may be prescribed by the Secretary of the Treasury, with a customs official, agent, or employee at a point of entry or a border customs station. Unless otherwise prohibited by law or Federal regulation such customs official, agent, or employee shall issue a certificate to any such person departing from the United States; and such person shall, upon returning to the United States, surrender such certificate to the customs official, agent, or employee present at the port of entry or border customs station.

"(b) Whoever violates any of the provisions of this section shall be punished for each such violation by a fine of not more than $1,000 or imprisonment for not less than 1 nor more than 3 years, or both."

"SEC. 102. The analysis of part 1 of title 18 of the United States Code, immediately preceding chapter 1 of such title, is amended by adding "68. Narcotics" after "67. Military and Navy."

TITLE II

SEC. 201. (a) Section 212 (a) (23) of the Immigration and Nationality Act is amended to read as follows:

"(23) Any alien who has been convicted of a violation of, or a conspiracy to violate any law or regulation relating to the illicit possession of, or traffic in narcotic drugs, or who has been convicted of a violation of, or a conspiracy to violate any law or regulation governing or controlling the taxing, manufacture, production, compounding, transportation, sale, exchange, dispensing, giving away, importation, exportation, or the possession for the purpose of the manufacture, production, compounding, transportation, sale, exchange, dispensing, giving away, importation, or exportation of opium, coca leaves, heroin, marihuana, or any salt derivative or preparation of opium or coca leaves, or isonipecaine or any addiction-forming or addiction-sustaining opiate; or any alien who the consular officer or immigration officers know or have reason to believe is or has been an illicit trafficker in any of the aforementioned drugs;".

(b) Section 241 (a) (11) of such act is amended to read as follows:

"(11) is, or hereafter at any time after entry has been, a narcotic drug addict, or who at any time has been convicted of a violation of, or a conspiracy to violate any law or regulation relating to the illicit possesssion of or traffic in narcotic drugs, or who has been convicted of a violation of, or a conspiracy to violate any law or regulation governing or controlling the taxing, manufacture, production, compounding, transportation, sale, exchange, dispensing, giving away, importation, exportation, or the possession for the purpose of the manufacture, production, compounding, transportation, sale, exchange, dispensing, giving away, importation, or exportation of opium, coca leaves, heroin, marihuana, any salt derivative or preparation of opium or coca leaves or isonipecaine or any addiction-forming or addiction-sustaining opiate;".

(c) Section 241 (b) of such act is amended by adding at the end thereof the following additional new sentence: "The provisions of this subsection shall not apply in the case of any alien who is charged with being deportable from the United States under section 241 (a) (11) of this act."

SEC. 202. Section 8 of the act entitled "An act to create in the Treasury Department the Bureau of Narcotics, and for other purposes", approved June 14, 1930 (46 Stat. 587), as amended, is amended to read as follows:

"SEC. 8. (a) The Secretary of the Treasury shall cooperate with the several States in the suppression of the abuse of narcotic drugs in their respective jurisdictions, and to that end he is authorized (1) to cooperate in the drafting of such legislation as may be needed, if any, to effect the end named, (2) to arrange for the exchange of information concerning the use and abuse of narcotic drugs in said States and for cooperation in the institution and prosecution of cases in the courts of the United States and before the licensing board and courts of the several States, (3) to conduct narcotic training programs, as an integral part of narcotic law enforcement for the training of such local and State narcotic enforcement personnel as may be arranged with the respective local and State agencies, and (4) to maintain in the Bureau of Narcotics a 'Division of Statistics and Records' to accept, catalog, file, and otherwise utilize narcotic information and statistics, including complete records on drug addicts and other narcotic law offenders which may be received from Federal, State, and local agencies, and make such information available for Federal, State, and local law-enforcement purposes. Any law to the contrary notwithstanding, Federal agencies of the United States shall make available to the Bureau of Narcotics the names, identification, and any other pertinent information which may be specified by the Secretary of the Treasury, or his designated representative, of all persons who are known by them to be drug addicts or convicted violators of any of the narcotic laws of the United States, or any State thereof. The Commissioner of Narcotics shall request and encourage all heads of State and local agencies to make such information available to the Bureau of Narcotics.

"(b) As used in this section, the term 'Federal agencies' shall include (1) the executive departments, (2) the Departments of the Army, Navy, and the Air Force, (3) the independent establishments and agencies in the executive branch, including corporations wholly owned by the United States, and (4) the municipal government of the District of Columbia.

"The Secretary of the Treasury is hereby authorized to make such regulations as may be necessary to carry this section into effect."

SEC. 203. Section 4744 (a) of the Internal Revenue Code of 1954 is amended to read as follows:

"(a) Persons in general: It shall be unlawful for any person who is a transferee required to pay the transfer tax imposed by section 4741 (a) to acquire or otherwise obtain any marihuana without having paid such tax, or to receive, conceal, buy, sell, or in any manner facilitate the transportation, concealment, or sale of any such marihuana, knowing the same to have been acquired contrary to law, or to conspire to commit any of such acts in violation of the laws of the United States; and proof that any person shall have had in his possession any marihuana and shall have failed, after reasonable notice and demand by the Secretary or his delegate, to produce the order form required by section 4742 to be retained by him shall be presumptive evidence of guilt under this section and of liability for the tax imposed by section 4741 (a)."

SEC. 204. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remaining provisions of this act, or the application of such provisions to other persons or circumstances, shall not be affected thereby.

Mr. DANIEL. Mr. President, in view of the fact that we have held extensive hearings over the entire United States, and have heard from all Government departments concerned and have heard from all the witnesses already enumerated, it is not contemplated that the subcommittee will have any extensive hearings before action by the full Senate Judiciary Committee. However, in order that anyone who cares to be heard further in reference to this bill, especially anyone who is in opposition, may have such an opportunity, the Subcommittee on Improvements in the Federal Criminal Code has set a hearing for 10 o'clock next Friday morning, at which time we will hear anyone who cares to be heard on this proposed legislation.

TRANSPORTATION SYSTEM TO SERVE THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, which had been reported from the Committee on the District of Columbia with amendments.

AUTHORIZATION FOR SIGNING OF BILLS AND RESOLUTIONS AND FOR RECEIVING MESSAGES DURING RECESS

Mr. BIBLE. Mr. President, I ask unanimous consent that during the recess of the Senate following today's session, the Vice President or the President pro tempore be authorized to sign bills and resolutions passed by the two Houses which have been duly enrolled, and that the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES TO FILE REPORTS DURING RECESS

Mr. BIBLE. Mr. President, I ask unanimous consent that committees be permitted to file reports during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT ON RUBBER REQUIREMENTS AND RESOURCES—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER. The Chair lays before the Senate a message from the President of the United States, relating to the Nation's rubber requirements and resources which, having been read in the House of Representatives, with the accompanying report, will be

referred to the Committee on Banking and Currency.

(For President's message, see House proceedings of today.)

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 30, 1956, he presented to the President of the United States the following enrolled bills:

S. 31. An act for the relief of certain aliens;

S. 83. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of three aliens;

S. 1212. An act for the relief of Dr. Lincoln Roy Manson-Hing, Mrs. Joyce Louise Manson-Hing, Collin Manson-Hing, and Jennifer Lynn Manson-Hing;

S. 1255. An act for the relief of Brigitta Poberetski and Nickolas Menis; and

S. 1905. An act for the relief of Winston Bros. Co. and the Utah Construction Co. and the J. A. Terteling & Sons, Inc.

CONSIDERATION OF UNFINISHED BUSINESS ON THURSDAY—RECESS TO THURSDAY

Mr. BIBLE. Mr. President, as was stated earlier, at the conclusion of the call of the calendar, the pending business on Thursday next will be the District of Columbia transit bill. It is the hope of the leadership that an early disposition of this important measure may be possible. If successful in disposing of the transit bill on Thursday, it is the hope of the Senate leadership that the Senate will then go over until Monday next.

It is my present intention to make a motion to recess until next Thursday. It is certainly the hope of the majority leadership, and, I am sure, it is equally the hope of the minority leadership, that during the recess committees will report as many bills as may be possible so that the Senate can move steadily forward in this legislative year. I think it should be commented that many, many bills have been acted upon up to this time.

Mr. President, if no other Senator desires to address the Senate at this time, I move that the Senate stand in recess until next Thursday at 12 o'clock noon.

The motion was agreed to; and (at 3 o'clock and 50 minutes p. m.) the Senate took a recess until Thursday, May 3, 1956, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 30, 1956:

DEPARTMENT OF DEFENSE

Floyd Sherman Bryant, of California, to be an Assistant Secretary of Defense.

FEDERAL CIVIL DEFENSE ADMINISTRATION

Lewis E. Berry, Jr., of Michigan, to be Deputy Federal Civil Defense Administrator.

ARMY OF THE UNITED STATES

The following-named officer, under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Lt. Gen. George Henry Decker, O15950, Army of the United States (major general, U. S. Army), to rank as general.

IN THE ARMY

Promotions, appointments by transfer, and appointments in the Regular Army of the United States:

The nominations of Kenneth M. Abagis and 4,888 other officers for promotion, transfer, or appointments in the Regular Army of the United States, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947, which were confirmed today, were received by the Senate on April 18, 1956, and may be found in a complete list, in the Senate Proceedings of the CONGRESSIONAL RECORD for that date, under the caption, "Nominations," beginning with the name of Kenneth M. Abagis, which is shown on page 6514, and ending with the name of James Zoubandis, which appears on page 6532.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 30, 1956

The House met at 12 o'clock noon.

The Reverand George Bean, chaplain, United States Military Academy, West Point, N. Y., offered the following prayer:

O God, give us strength to change what can be changed. Serenity to accept what cannot be changed and wisdom to know one from the other.

Make us instruments of Thy peace.
Where there is hatred, let us sow love.
Where there is injury, pardon.
Where there is discord, union.
Where there is despair, hope.
Where there is doubt, faith.
Where there is darkness, light.

O Divine Master, grant that we may not so much seek to be consoled, as to console; to be understood, as to understand; to be loved, as to love; for it is in giving, that we receive.

It is in pardoning, that we are pardoned.

It is in dying, that we are born to eternal life. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Friday, April 27, 1956, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On April 23, 1956:

H. R. 8107. An act to amend the Armed Forces Reserve Act of 1952, as amended.

On April 27, 1956:

H. R. 1179. An act for the relief of Salih Hougi, Bertha Catherine, Noor Elias, Isaac, and Mozelle Rose Hardoon;

H. R. 2793. An act for the relief of Mrs. Khatoun Malkey Samuel;

H. R. 2948. An act for the relief of Guglielmo Joseph Perrella;

H. R. 3276. An act for the relief of George E. Bergos (formerly Athanasios Kritselis);

H. R. 4466. An act for the relief of Lois O. Jennings;

H. R. 4588. An act for the relief of Antonio Penna;

H. R. 6078. An act for the relief of Alison MacBride;

H. R. 6712. An act to amend section 1237 of the Internal Revenue Code of 1954;

H. R. 8957. An act to extend the time within which the District of Columbia Auditorium Commission may submit its report and recommendations with respect to the civic auditorium to be constructed in the District of Columbia; and

H. J. Res. 444. Joint resolution to authorize and request the President to issue a proclamation in connection with the centennial of the birth of Woodrow Wilson.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed concurrent resolutions of the following titles, in which the concurrence of the House is requested.

S. Con. Res. 72. Concurrent resolution favoring appropriate observance of National Hospital Week; and

S. Con. Res. 73. Concurrent resolution relative to the fight against mental illness and to observe National Health Week.

NARCOTICS

Mr. POFF. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. POFF. Mr. Speaker, I have today introduced a bill as a companion to S. 1043 previously introduced in the Senate. This bill would add a new chapter to the criminal section of the United States Code which would provide increased penalties for violations of the present narcotics laws, increase the authority and jurisdiction of enforcement officials and make certain other changes in the organic law.

Drug traffic in the United States has trebled since World War II and today exceeds $500 million a year. Addicts were in the ratio of 1 to 10,000 persons at the end of World War II. At the present time, the incidence is about 1 to every 3,000 persons, with an average of 2,000 persons arrested in the United States each month on narcotics charges. We have today about 60,000 narcotic addicts, 13 percent of whom are under the age of 21 years. The human misery of the individual addict is not the only tragedy reflected in these statistics. Indeed, the real national tragedy is the terrible impact of drug addiction upon the social, cultural, and economic fabric of the country. It has been estimated that at least 50 percent of the major crimes committed in America can be traced, either directly or indirectly, to narcotics traffic. Drug addiction has also been responsible in some measure for the growing incidence of divorce, child abandonment and other domestic difficulties.

Moreover, sworn testimony before congressional committees, setting forth names, dates, secret codes, methods of smuggling, and drug seizures chemically analyzed, prove beyond any doubt that Red China is producing and exporting opium and heroin as an established policy of its governing officials. This is further confirmed by reports of the United Nations Commission on Narcotic

Drugs. The United States is one of the principal targets of this vicious illicit traffic in drugs as the Peiping regime seeks, first, to obtain dollars to purchase strategic materials and to pay foreign operatives; and, second, to demoralize susceptible individuals in our military services and in the general population.

While the Federal Bureau of Narcotics has done and is doing a most commendable job with the tools available, the tools are too few and too dull. For instance, narcotics agents have no statutory authority to carry firearms, serve search warrants, or make arrests in certain circumstances. Present penalties for narcotics violations, which are only 5, 10, and 20 years, respectively, for first, second, and third offenses, are not commensurate with the gravity of the crimes and are insufficient deterrents to future violations. The purpose of a good criminal law is not only to punish but to discourage the commission of a crime.

To increase the number and to sharpen the tools available to our narcotics agents, my bill includes the following provisions:

First. Whoever participates in the importation or sale of a narcotic drug would be subject for the first offense to a fine of not more than $3,000 and a jail sentence of not less than 5 nor more than 10 years. For a second offense, the penalty would be a fine up to $5,000 and a jail sentence of 10 to 20 years. For a third offense, the penalty would be life in prison. For second and third offenders, the penalty would not be subject to suspension and the offender could not be considered for probation.

Second. Whoever sells a narcotic drug to a person under the age of 21 years would be subject to imprisonment for 20 years for the first offense. For a second offense, the penalty would be death unless the jury recommended clemency, in which case, the penalty would be life imprisonment not subject to probation.

Third. Officers and agents of the Bureau of Narcotics would be authorized to carry firearms, execute and serve search warrants and arrest warrants, serve Federal subpenas and summonses and make arrests without warrants when a drug law violation is committed in their presence or where there are reasonable grounds to believe that such a violation has been committed or is being committed.

If passed, this bill should put some teeth in our antidrug laws. It would enable the enforcement officers to apprehend criminals who are now beyond their reach. It would enable prosecutors to convict criminals who can now avoid punishment. It would make the punishment commensurate with the gravity of the crime committed. It would serve as a real deterrent to those contemptible human scavengers who feed on the flesh of human weakness and adolescent gullibility.

INTERNATIONAL RULES OF JUDICIAL PROCEDURE

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 477 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7500) to establish a Commission and Advisory Committee on International Rules of Judicial Procedure. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. THORNBERRY. Mr. Speaker, the resolution provides for an open rule and 1 hour of general debate on the bill H. R. 7500.

This bill would create a Commission composed of 7 members—3 public members to be appointed by the President, 2 representatives of the State Department, and 2 representatives of the Department of Justice—to investigate and study existing international judicial procedure and make recommendations for the improvement of international legal practices and methods of procedure.

The bill also provides for the establishment of an Advisory Committee of 15 members to be drawn from lawyers, judges, and other persons whose backgrounds qualify them for Advisory Committee membership.

The 3 members appointed by the President shall receive $50 per diem when actually performing Commission duties. The governmental members will receive no compensation other than their salaries as regular members of Government departments. The members of the Advisory Committee will serve without compensation but shall receive travel and subsistence expenses.

Since 1945 there has been a large volume of litigation with international ramifications and it has been found that due to the conflict of laws in foreign countries many procedural problems arise. These have emphasized the need in the international field of the same study and codification as has been completed in recent years in Federal civil, criminal, and administrative law.

The enactment of this legislation has been recommended by the Secretary of State and the Attorney General, and the Bureau of the Budget has indicated no objection to its enactment.

I urge the adoption of House Resolution 477 so the House may proceed to the consideration of H. R. 7500.

Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, there is no opposition on this side to the rule.

Mr. THORNBERRY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to; and a motion to reconsider was laid on the table.

RUBBER REQUIREMENTS AND RESOURCES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 391)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Armed Services and ordered to be printed:

To the Congress of the United States:

Section 10 of the Rubber Producing Facilities Disposal Act of 1953 requires that "at the expiration of 1 year after the transfer period or as soon thereafter as the Congress is in session, the President shall report to the Congress concerning the Nation's rubber requirements and resources, and the need, if any, for further research by the Government relative to the production or use of synthetic rubber and its component materials."

DISPOSAL OF SYNTHETIC RUBBER PLANTS

A year has now elapsed since the transfer to private owners, April 29, 1955, of 24 of the 27 Government-owned synthetic rubber producing facilities. During this year two additional facilities have been disposed of, in accordance with amendments to the Disposal Act, and legislation has recently been enacted which authorizes sale of the only remaining Government plant, now under lease.

In my message to the Congress of April 14, 1953, recommending rubber producing facilities disposal legislation, I pointed out that such disposal must be consistent with three objectives:

> In the first place the Government should realize their full fair value; secondly, disposal should be effected in such a way as to insure to the consuming public, and to large and small rubber fabricators, the benefits of fair competition; and, finally, to insure against the hazards of unforeseeable contingencies, the facilities must be sold on such terms as will guarantee their ready availability for the production of synthetic rubber in time of emergency.

I am pleased to be able to report to the Congress that all three of the above objectives of the disposal program appear to have been achieved to a highly satisfactory degree.

As respects the first point, the synthetic rubber facilities were built during World War II at a cost of approximately $700 million. After plant operations over the years and disposal of some of the facilities in the 1946–50 period had recovered more than half of this investment, the recent disposal of 26 plants for $285 million has resulted in the recovery of the entire remaining investment, and, beyond this, yielded to the United States Treasury an additional $22,500,000. This does not include such additional returns as may come from the sale or lease of the alcohol butadiene plant at Louisville, and disposal of the Government laboratories at Akron. Plant disposal, signaling the end of Gov-

ernment production and marketing of synthetic rubber, has also freed approximately $162 million of working capital formerly committed to plant operations.

From the all-important security angle, not only have all sales been made with a national security clause which guarantees availability for rubber production in time of emergency, but the plants, in general, are now operating intensively and already have effected marked increases in capacity. Synthetic rubber has become a highly viable private industry; facilities are being expanded and technical advances and progress toward the development of new rubbers are being made.

Government agencies having responsibilities relative to this industry and its consuming public have been alert to note any adverse effects of the substitution of private for Government supply. To date, only two requests for assistance have been received. Both of these were handled with suppliers to the satisfaction of the customers.

The details of the Nation's rubber requirements and resources have been reviewed, as background for this report, by an ad hoc Rubber Committee of the Office of Defense Mobilization, on which were staff members of the Departments of Commerce, Defense, Interior, and Treasury, the Rubber Producing Facilities Disposal Commission, and the National Science Foundation. The findings of this committee constitute appendix A of the attached report to me from the Director of the Office of Defense Mobilization.

Appendix B is a report on research needs and the future relationship of the Government to rubber research. This report was made to the National Science Foundation by its Special Commission for Rubber Research and was approved by the National Science Board in December 1955.

RUBBER REQUIREMENTS AND RESOURCES

According to the estimates prepared by the ODM ad hoc Rubber Committee, total United States requirements for new rubber—natural and synthetic—may by 1960 reach a level of about 1,700,000 long tons annually. As of December 31, 1955, the United States productive capacity for synthetic rubber was already more than 1,250,000 tons. By January 1, 1958, reported planned expansions would bring synthetic capacity to about 1,700,000 tons—or equal to total new-rubber requirements, for both synthetic and natural, as estimated for 1960.

The planned expansions referred to are to some degree dependent on the growth of demand in this country and overseas. They include commitments already reduced to definite contracts; but also less definite expectations which may not come to fruition. In a broad sense, however, these steps reflect the policy of the industry to assure that the future supplies of synthetic rubber will be ample to meet all demands.

At the present time a part of the rubber requirements of the United States can be met only by natural rubber. Use of natural rubber in the United States has become of secondary magnitude, however, compared with its use abroad. Should the world natural rubber supply not be large enough to meet both United States and foreign requirements, there are such possibilities for increasing foreign use of synthetic rubber, either through larger export from an abundant American supply or through construction of foreign capacity, that there should be no enduring shortage of natural rubber available for the United States. If such a shortage should nevertheless occur, American industry would have the alternative of further increasing its use of synthetic rubber.

Under the Strategic and Critical Materials Stock Piling Act, the United States is maintaining a stockpile of natural rubber adequate to supply military and essential civilian requirements during an emergency notwithstanding interruptions of supply. This stockpiled natural rubber, plus the potential output of our synthetic plants, will be ample for rubber mobilization needs as very recently estimated by ODM.

Although the United States has overcome one of its gravest pre-World War II strategic weaknesses by establishing an industry for producing synthetic rubber and a strategic stockpile of natural rubber, it must not be overlooked that natural rubber is still the world's chief rubber resource, supplying over two-thirds of the world's new rubber requirements. Even the United States, where 60 percent of the rubber now used is synthetic, imports and consumes as much natural rubber as before World War II.

In view of the ever-expanding needs of rubber consumers, the synthetic-rubber industry is bound to continue rapid growth in the immediate future; because new synthetic capacity can be created in one-third the time required to bring rubber trees to maturity, and some of the demand for additional rubber will come too early to be met by expansion of natural rubber production. In the long run, however, the greatly improved techniques now available for natural rubber production should make it possible for producers of natural rubber to share in supplying the ever-growing rubber demand.

RUBBER RESEARCH

The report to the National Science Foundation from its Special Commission for Rubber Research—entitled "Recommended Future Role of the Federal Government With Respect to Research in Synthetic Rubber"—is addressed primarily to the question as to what should be done with respect to two phases of the Government's synthetic-rubber program, both presently the responsibility of the Foundation: First, Government support of rubber research conducted by universities and other research organizations; and second, the Government Laboratories at Akron, which have been engaged in developing the production characteristics and feasibility of new types of rubber.

The National Science Foundation's Special Commission holds that increasing financial support of fundamental research by the Federal Government is essential to the national interest, but that the Foundation should not request funds from the Congress for research specifically for rubber or the rubber industry. It feels that a far better focus for Government research would be polymers in general (of which rubber and elastomers generally are only examples).

The Commission therefore recommends termination of National Science Foundation's program of Government-sponsored rubber research projects as such, but conservation of some of the human and scientific assets developed, through early inauguration by National Science Foundation of a more general research program.

The Commission found that, although the Akron Laboratories include large-scale pilot plant facilities, these are not unique in the rubber industry. The Commission therefore recommended disposal of the laboratories.

This recommendation and that to terminate the Government-sponsored rubber research program now administered by the National Science Foundation have my approval.

SYNTHETIC "NATURAL" RUBBER

In its report, the special Commission goes beyond the subject of research and urges that immediate consideration be given, at the highest Government levels, to the questions as to whether the national security requires governmental action to foster the industrial development of the new processes of synthesizing natural rubber. The Commission had earlier observed that three companies have reported success in synthesizing material with composition and properties similar to natural rubber.

Inasmuch as the United States already has an adequate stockpile of natural rubber, there is, in this connection, no immediate security problem. In the long run, however, maintenance of security would be vastly simplified if we could—if need be—produce types of rubber domestically which could take the place of natural rubber in large truck, bus, and airplane tires. The newly synthesized rubbers hold this promise.

It is believed that we can rely upon the private synthetic rubber industry to move from laboratory synthesis to commercial production of synthetic "natural" rubber. Pilot plants are already being constructed on private initiative. The nature of the problems which may arise when quantity production is contemplated is as yet undefined.

The Government has available a number of means for assisting industrial development and expansion where such aid is found to be essential to national security. It is not now expected that any unique measures, such as would require new legislation, will need to be taken with reference to the development of capacity to produce synthetic "natural" rubber.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 30, 1956.*

ESTABLISHING A COMMISSION AND ADVISORY COMMITTEE ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

Mr. CELLER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the

State of the Union for the consideration of the bill (H. R. 7500) to establish a Commission and Advisory Committee on International Rules of Judicial Procedure.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7500, with Mr. BOLLING in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New York [Mr. CELLER] will be recognized for 30 minutes and the gentleman from New York [Mr. KEATING] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill aims to set up a Commission on International Rules of Judicial Procedure.

The end of World War II saw an avalanche of litigation in our Federal and State courts, many of them with international complications. There were cases where judicial documents had to be served abroad. Great difficulties attended upon that type of service. There were cases where witnesses had to be examined within foreign states, and great difficulties attended upon that procedure. There were cases where proof had to be offered of the law prevailing in foreign jurisdictions. This involved great difficulties. They were all baffling problems. Those difficult problems alone emphasize the need of some expert study and codification of the kind that was so helpful to litigants in the domestic field. That was manifest in such historical reforms in Federal procedure over the last two decades. An illustration of that is the publication of the Federal Rules of Civil Procedure in 1938. Those Federal rules were evolved as a result of a study commission of the type we aim to set up in the instant bill.

Then there are the Federal Rules of Criminal Procedure enunciated in 1945. Likewise those Federal Rules of Criminal Procedure were the result of a study by a commission set up by this Congress. Then there was the very important, the highly important Administrative Procedures Act of 1946, likewise set up after an exhaustive study made by a commission established by this Congress. It is appropriate that the benefit of simplified and codified procedure should now be extended to the international practice.

The Marshall plan and similar agencies and activities concerning foreign aid resulted in closely involving the citizenry of the United States in the commercial and financial life of Europe and deeply involved Americans in private ventures and enterprises abroad.

For example, to give you an idea of this situation, be advised that in 1939 there were resident in Europe 13,239 American citizens. By 1952 that number of a little over 13,000 increased to more than 500,000, and I venture the assertion that in 1956 the number will reach 650,000. These Americans abroad and our position as a world power cause and will continue to cause endless litigation of international ramifications. There were and still are myriads of alien property disputes in which the United States is a party. Lawyers have found that procedural problems in these various countries of Europe to which we have extended our activities and where so many Americans reside are obnoxious and costly. These countries have different procedures, their law is founded on different precepts than ours. We have in this country the basic Anglo-American common law system while Latin America and various continental countries have developed under various modifications of the civil law. The civil law system has at its base the ancient Roman law and the Code Napoleon.

These differences have served to point out the difficulties of lawyers and judicial officers operating under these various systems, for they are bound to misunderstand each other's procedures.

The international group this bill envisages would help untangle the procedural mess.

In addition some countries operate under Islamic law, while for instance, India, Indonesia, Pakistan, Burma, and Israel have adopted procedural systems quite different than ours; they are a combination of several different systems. I would say that in Israel, for example, they have a combination of the French, the English, and the American systems.

This same commission must be established with sufficient prestige and authority to make a comprehensive study of this aspect of international law, this conflict of laws. It is too important to be accomplished by some foundation or some law school or some institute. As I said before, the Commission must have standing and importance to be able to win the confidence of the lawyers and representatives of the various governments and bar associations concerned in various countries. Be advised that no powers are granted to this commission. It only has the right and it is suggested to the commission that it in turn propose treaties or conventions or executive agreements or legislation so as to unravel the difficulty to which I have adverted. It has no power at all to legislate, actually make treaties. Its functions are purely advisory. It can only recommend.

The commission is to be composed of 7 members, 3 to be appointed by the President, 2 from the Department of Justice, and 2 from the Department of State. There is to be a director and his staff. There is also to be an advisory committee of 15, to be composed of lawyers and judges appointed by the commission.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Iowa.

Mr. GROSS. While I do not agree with all the provisions of this bill, and I think it is rather loosely drawn in some places, I do want to commend the gentleman for the statement he has made pointing out the complexities and the wide divergence in legal procedures as between the United States and foreign countries. I say again the complexities and our lack of understanding and our knowledge of the legal procedure in various foreign countries. Certainly the gentleman from New York, wise and intelligent as he is, has no sinecure upon legal knowledge, and in view of his knowledge of the situation I am unable to understand how the other body could possibly have ratified the Status of Forces Treaties and Agreements, knowing as little as it did at that time about legal procedures in foreign countries. I am glad the gentleman pointed up that fact.

Mr. CELLER. I thank the gentleman.

Also there is grave difficulty, procedurewise concerning prosecution of our security cases.

It appears that the provisions of the Federal Judicial Code and of the practice acts of the States for the personal service of judicial documents abroad cannot be utilized in many countries. Inability to serve judicial documents and to take depositions abroad may seriously impede the prosecution of crimes against our internal security. More than in the case of ordinary crime, prosecutions for security violations may require the service of documents and the procuring of evidence abroad. Prosecutions could be impeded or frustrated by any of the following:

First. Lack of agreements with foreign countries for service, under sections 1783 and 1784 of the Judicial Code, of subpenas and orders to show cause upon witnesses found in their territory.

Second. Prohibitions by certain foreign countries of interviews with or interrogations of prospective witnesses.

Third. Prohibitions and limitations by many countries on the taking of depositions under Federal Rule of Criminal Procedure 15.

Fourth. Lack of means in all civil-law countries to compel unwilling witnesses to testify in deposition proceedings and in some civil-law countries to compel unwilling witnesses to testify in the execution of letters rogatory from American courts.

Fifth. Difficulty or impossibility of proving foreign public records under Federal Rule of Criminal Procedure 27 and section 1741 of the Judicial Code.

Sixth. Difficulty or impossibility of proving foreign private records under sections 3491–3494 of the Criminal Code.

The American Bar Association, through its president, Lloyd Wright, in a letter addressed to me April 26, 1955, said in part as follows:

> A primary condition of that proof is that it must be usable in the court in Illinois, or the effort to secure it will be wasted. If the testimony is taken solely in accordance with the law of Holland, and in such fashion that it would be usable in the courts of Holland, but not in a fashion which will make it admissible in the courts of Illinois, it might just as well not be taken. How then can the testimony be taken in Holland so as to conform to the procedural requirements of Illinois?
>
> The converse of the case presents the identical problem. If the action is pending in Amsterdam and the testimony is to be taken of witnesses in Chicago, how can the testimony be taken so as to conform to the procedural requirements of Holland?

This simple, normal, and intensely practical procedural question illustrates the type of material with which the proposed Commission must deal. Can these problems be solved other than by international agreement? What kind of agreement should be proposed? What machinery and techniques should be provided?

The need for an integrated study is obvious. With 49 separate procedural jurisdictions in the United States (48 State courts systems and the Federal system) a unitary approach is the only solution. We can hardly expect the Government of Holland to look favorably on a program of separate negotiation with the representatives of each of the 48 States and with the representatives of the Federal Government. The problems must be solved through a single, unified set of discussions, the results of which will be effective for all of the 49 jurisdictions.

The practical importance of the problem to the private practitioner is easily illustrated. Assume that an action is brought on a commercial transaction in the State courts of Illinois. The plaintiff is a Netherlands corporation, and the action involves a claim for breach of contract arising out of an international purchase and sale of goods. A basic issue of fact revolves around the inspection of the goods on arrival in Holland, the discovery of the alleged defects, and the giving of notice to the vendor. The amount in controversy cannot justify the expense of travel of 10 or 12 essential witnesses from Amsterdam to Chicago. How will the plaintiff prepare his proof for submission at the trial?

A primary condition of that proof is that it must be usable in the court in Illinois, or the effort to secure it will be wasted. If the testimony is taken solely in accordance with the law of Holland, and in such fashion that it would be usable in the courts of Holland, but not in a fashion which will make it admissible in the courts of Illinois, it might just as well not be taken. How then can the testimony be taken in Holland so as to conform to the procedural requirements of Illinois?

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Foreign courts are said to find equally unsatisfactory the judicial assistance which American courts render them. They would ask for reciprocity, if they are to help us. Neither the Federal Rules of Civil Procedure nor the Federal Rules of Criminal Procedure contain any provision relating to assistance to foreign courts.

Many bar associations approve, among them the American Society of International Law, the Maritime Law Association, International Bar Association, Chicago Bar Association, Philadelphia Bar Association, and finally, both the Department of Justice and the State Department approve.

Mr. KEATING. Mr. Chairman, I yield myself 5 minutes.

Mr. KEATING. Mr. Chairman, in view of the great increase in business and commercial ties which our citizens have throughout the world because of the way our world is shrinking, this legislation seems to be very desirable, particularly since the end of World War II.

Our citizens have increased their business and commercial ties with the rest of the world in this period.

As a direct result, and particularly since the end of World War II, there has been an enormous development of private international litigation and international claim cases. Naturally, this global aspect of legal activity has made it necessary for American lawyers to seek evidence or judicial documents abroad and to obtain proof of foreign law suitable for introduction in our courts.

Unfortunately, all too often our lawyers have found that procedures to procure this information or to perform such acts are cumbersome and time consuming. Occasionally, the result has been that from a practical standpoint there is no workable procedure available.

The situation is further complicated by the fact that foreign legal systems often involve procedures which differ markedly from those followed in the United States. That which appears to be simple and direct to an American lawyer may, therefore, be misunderstood or completely unheard of in another country. The conclusion to be drawn is that available forms of international legal procedure have not kept pace with the needs of our lawyers today.

It is my feeling that the measure before the House today presents the best means for unravelling the many and complex problems presented by the varying legal systems of the world. H. R. 7500 provides for the establishment of a Commission and Advisory Committee to study existing practices of judicial assistance and cooperation with a view to bringing about improvements.

The Commission is to consist of seven members, representing the public, the Department of State and the Department of Justice. It will have no power other than to gather information and do research necessary for the drafting of recommendations it deems appropriate to meet and solve the problems of international legal procedure.

The Advisory Committee is to be made up of qualified lawyers, judges, and other persons who, because of their knowledge and experience, are competent to advise the Commission in its work. The committee will play an important role in the formulation of the Commission's proposals and will closely supervise and consider the work of the Commission.

It is also contemplated that tentative drafts of proposed rules of procedure will be given wide circulation in legal circles in order that suggestions and comments may be elicited. I feel this is the best way to assure that the Commission's proposals for improvements in international legal procedure will best serve the interests of our citizens and implement the expeditious conduct of legal matters in the courts of the land.

The approach provided for in H. R. 7500 has been urged by the American Bar Association and is supported by the Department of State and the Department of Justice.

I feel that this proposed legislation is sound and is the positive approach which must be taken to solve the difficult problems now being encountered by our lawyers in the international field.

Mr. CELLER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALTER].

Mr. WALTER. Mr. Chairman, I think that we might well compare the legislation before us with the procedures that we adopted at the time the rules of civil and criminal procedures were adopted. As you recall, with those measures there was a commission consisting of judges and others learned in the law who prepared recommendations for legislation. These recommendations were subsequently submitted to the Committee on the Judiciary where we considered them carefully, reading each word in each of the recommendations, and then at the end of the time fixed, these recommendations, as amended by our committee, became the law.

The purpose of this bill is to establish a commission and advisory committee on international rules of judicial procedure.

The bill would not in itself effect any particular reform or change of procedure. It will merely create an agency for the study of existing problems of international judicial assistance, and to make recommendations for the improvement of international practice and procedure. After its investigation the Commission would report its recommendations along with draft treaties proposed, procedures, model conventions, or draft statutes to the President for appropriate action.

As the distinguished chairman of our committee and the distinguished minority member pointed out, we have participated in all kinds of activities everywhere in the world, and unless we know where we are going—that is, when I say "we," I mean the citizens of the United States who are involved in activities throughout the world—then, of course, there will be confusion, and worse than that, our people will suffer largely through ignorance of the laws.

The foreign commerce and investments of the United States have increased tremendously in the postwar period. As a result the lawyers of the United States have found that to an increasing degree they are involved in litigations which have some international facet. However, the very fact that foreign law and procedure must be considered in connection with litigation has proven a very serious stumbling block. This is significant not only for the American lawyer who is faced with the immediate problem of trying to serve his client, but it is also important to the American businessman and to the Nation. We have a large stake in the strength and economic well-being of the

free world. American trade and investment abroad are an important source of economic strength for all of the free nations. The fact that legal arrangements, negotiations, and litigation are a necessary part of the orderly conduct of American business abroad demonstrates the importance of the study as is contemplated by this legislation.

The bill originated as a proposal by the Attorney General. In his communication to the Congress, the Attorney General referred to some of the difficulties being encountered in these matters. As an example of instances where these difficulties occur, the Attorney General listed the following:

First. Lack of agreements with foreign countries for service, under sections 1783 and 1784 of the Judicial Code, of subpenas and orders to show cause upon witnesses found in their territory.

Second. Prohibitions by certain foreign countries of interviews with or interrogations of prospective witnesses.

Third. Prohibitions and limitations by many countries on the taking of depositions under Federal Rule of Criminal Procedure 15.

Fourth. Lack of means in all civil law countries to compel unwilling witnesses to testify in deposition proceedings and in some civil law countries to compel unwilling witnesses to testify in the execution of letters rogatory from American courts.

Fifth. Difficulty or impossibility of proving foreign public records under Federal Rule of Criminal Procedure 27 and section 1741 of the Judicial Code.

Sixth. Difficulty or impossibility of proving foreign private records under sections 3491–3494 of the Criminal Code.

Problems in connection with international legal procedure are compounded by the fact that almost every nation of the world has a slightly different procedural system. When we consider how each State of our Union has differences in its legal procedures it is not very hard to understand the complexity of the problems involved. The study-commission approach is the only practical way to deal with these questions, and to formulate proposed procedural rules. The bill has the support of the Department of Justice and the Department of State. The American Bar Association, speaking for its membership of lawyers throughout the country, has given the bill its unqualified support.

Mr. Chairman, this Commission, as anticipated, has no authority whatsoever. It will be advised by the larger advisory committee consisting of the leading legal lights in the Nation, and then it will, in turn, make the kind of recommendations that in the judgment of these experts are so essential.

In that connection I would like to call your attention to a letter written on the 25th of January by an Assistant Attorney General of the United States to the chairman of the joint legislative committee on interstate cooperation in the State of New York. In this letter the assistant to the Attorney General makes it very plain that the President will appoint people from all sections of the United States and will make an attempt to put together the finest kind of an advisory board possible. The letter reads as follows:

JANUARY 25, 1956.

ELISHA T. BARRETT,
Chairman, Joint Legislative Committee on Interstate Cooperation, State of New York, New York, N. Y.

DEAR MR. BARRETT: This is in reply to your letter of December 8, 1955, to the Attorney General, concerning H. R. 7500, 84th Congress, to establish a Commission and Advisory Committee on International Rules of Judicial Procedure.

We have given careful consideration to your suggestions with respect to the composition of the Commission and Advisory Committee for which the pending bill provides. We are in full accord with your view that the States have an important and substantial interest in the work of those bodies, which necessitates the active participation of persons fully familiar with State procedural problems. We agree, too, that such participation will tend to obviate unwarranted fears or concern over State-Federal relationships, which should have no place in this unitary project looking toward the improvement of international judicial procedures.

To meet those objectives we would be willing to recommend to the President, if the legislation is enacted, that 1 of the 3 public members be selected from persons qualified to afford direct State representation. In that event, we would also be pleased to have you and the Council of State Governments, which has made a similar suggestion, submit for consideration recommendations of persons so qualified. It may be assumed that the Advisory Committee to be appointed by the Commission would be similarly constituted. We think that such procedure would insure full representation of State interests and at the same time avoid either enlargement of the Commission or restrictive requirements on presidential appointments, both of which seem undesirable to us in this legislation.

We shall be glad to have your reaction to this suggestion.

Sincerely yours,

J. LEE RANKIN,
Assistant Attorney General,
Office of Legal Counsel.

I reported this proposed legislation to the House at the request of the Department of Justice, only after I made a very complete study of what they said their objectives were and was convinced that in nowise will any commission usurp any of the authority of the Congress of the United States.

The fears that the Department of State might negotiate under this legislation a bad treaty and submit it to the United States Senate for ratification, are entirely groundless. As a matter of fact, the Department of State could negotiate a good or a bad treaty today and submit it to the United States Senate for ratification.

However, under this legislation, recommendations for a treaty, if found advisable to be negotiated, would be made by a body infinitely better qualified than our regular State Department negotiators, and the Senate will have the benefit of this Commission's study.

It seems to me, and I am thoroughly convinced, that the enactment of this proposed legislation will lessen the possibility of the Senate of the United States entering into the kind of treaty that many of us think is improper and not in the best interests of the United States.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WALTER. I am glad to yield to my distinguished friend from Iowa.

Mr. GROSS. Is it not also true that without this legislation, the Department of State today could iron out the difficulties which it is sought to iron out by virtue of this Commission?

Mr. WALTER. No; the Department of State by itself could not, because, as we envisage what would happen here, this committee will come up with proposals with respect to the methods of production of certain records in foreign nations; and that is the principal objective. It might recommend through our State Department to all of the nations with which we are doing business that these nations adopt the kind of practice recommended. If this Commission makes the kind of a recommendation to the United States, that will go through orderly procedures, meaning that if there is any legislation to follow, it would be considered in the usual way. The Committee on the Judiciary would then probably recommend amendments either to the Administrative Procedure Act or the provisions of the other titles of the United States Code.

Mr. GROSS. If the gentleman will yield further, the gentleman surely is not saying that the only part of the State Department will play in the activities of this Commission is to furnish records?

Mr. WALTER. I did not say that the Department of State would furnish any records. I am now thinking of a case of the settlement of a decedent's estate where it would be necessary to furnish proof of the heirs, for example, in a court of the United States. Then this Commission will have worked out the best methods to furnish documentary proof that would be acceptable assuming, of course, that the United States would accept their recommendations. Then the presentation of that evidence would have the same force and effect as the production of a deposition taken in a court in some State of the United States.

I wish to include now in the RECORD a memorandum prepared by the American Bar Association:

H. R. 7500

WHO IS SPONSORING THIS BILL

This bill has the sponsorship of the Secretary of State, the Attorney General, the American Bar Association, and many State and local bar associations.

The impetus of the bill has come from the practicing lawyers of the United States who need assistance in connection with their private litigation in which acts have to be done outside the United States. The Department of Justice is also interested in its capacity as the trial counsel in cases in which the United States is a party and where acts have to be done outside the United States.

WHAT KIND OF FOREIGN ACTIVITIES ARE WITHIN THE SCOPE OF THE BILL?

The bill concerns itself with a very limited field of activity outside the United States. It deals only with questions of judicial assistance. This means securing the assistance of foreign courts and lawyers to help in connection with cases pending in the United States. In reverse, it also means help from United States courts and lawyers to foreign lawyers in connection with their cases pending in their courts.

WHY IS ANY LEGISLATION NECESSARY IN THIS FIELD?

Excellent statements of the need for the legislation can be found in the statement of

the Attorney General, the statement of the Secretary of State and the statement of Mr. Lloyd Wright, then president of the American Bar Association which appear in the record of the Judiciary Committee hearings, and are published as part of Report No. 1363 on this bill. Additional support for the bill can be found in the testimony of representatives of the Attorney General, the Secretary of State, and the American Bar Association who testified before Subcommittee No. 1 of the Judiciary Committee.

In substance, these statements point out the very large amount of judicial assistance of various kinds which is needed in connection with litigation where something must be done in a foreign jurisdiction. For example, it may be necessary to serve a paper on someone residing abroad. It may be necessary to secure the testimony of a witness, either an American citizen or an alien who resides somewhere abroad. It may be necessary to get proof of foreign law for use in a case pending in the United States.

Perhaps the problem of taking testimony abroad presents the most striking illustration. Certain countries in Western Europe forbid any taking of testimony of their nationals in the absence of formal treaty arrangements. Other countries forbid examination of witnesses by the methods normally used in the United States courts. Many countries insist that the testimony must be taken in the form required by their own local procedure even though this may mean that the testimony will be useless when it is returned to the United States because its form will violate the rules of evidence of the court where the action is pending.

The principal difficulty arises because of fundamental differences in the concept of legal procedure in the common law countries, in the civil law countries, of the Roman law tradition, of the Islamic law countries, and of the countries of the Far East. The problem is further complicated, in federal countries like the United States and Canada, by the fact that there is both a federal system of procedure as well as State and local systems of procedure which are often quite different.

All who have worked in this field are agreed unanimously that the matter can be effectively handled, in the United States, only on a national scale since the problem is necessarily national in scope and must deal both with procedures in the Federal courts as well as procedures in the State and local courts.

WHAT IS THE PURPOSE OF THE COMMISSION SET UP IN THE BILL?

If, as has just been pointed out, this matter can be handled only on a national level, the best and most obvious method is to follow the highly successful technique that was used in drafting the Federal Rules of Civil Procedure and the Federal Rules of Criminal Procedure.

The Commission proposed by the bill with representatives of the Department of Justice, the Department of State and the legal profession, with the assistance of a competent staff and an advisory committee of experts in the field, will devote itself to the whole basic problem of judicial assistance in all its ramifications, will study all available proposals for practical solutions of the problems and will propose suggested Federal legislation, suggested State legislation, and suggested treaties which they will recommend to the appropriate bodies for passage.

WILL THE COMMISSION HAVE ANY POWER EXCEPT TO STUDY AND RECOMMEND?

Absolutely none. The Commission will have no power except to gather the necessary information, to do the necessary research and drafting, to reach conclusions as to the most effective devices which the Federal Government and the State governments might adopt and to recommend their adoption. Other than this the Commission will be without any power or authority.

DOES THIS BILL HAVE ANY IMPACT ON THE TREATY POWER OF THE UNITED STATES?

None whatever. As just mentioned, all that this Commission can do is study and recommend. If it recommends that, for example, a treaty should be made with Switzerland providing methods for the taking of testimony in Switzerland in aid of American litigation or for the taking of testimony in the United States in aid of pending Swiss litigation, the actual negotiation of such a treaty would be carried out in routine fashion by the Department of State and it would come before the Senate for ratification in normal course.

The only connection which the Commission would have with such a treaty would be a Commission recommendation or perhaps even a tentative or proposed draft which the Commission might prepare.

WOULD THE SCOPE OF THIS BILL BEAR ON ANY SUCH QUESTIONS AS THOSE RAISED BY THE STATUS OF FORCES TREATY?

None whatever. The work of this Commission has nothing to do with the jurisdiction of courts. It has nothing to do with the powers of courts in the United States or elsewhere.

This Commission deals only with legal procedure in connection with pending lawsuits and deals only with problems which may arise because something must be done in connection with that lawsuit in some foreign country where you may have a conflict of systems which will create procedural difficulties. A careful reading of section 2 of the bill makes this very clear.

DOES THE BILL ALSO DEAL WITH CRIMINAL PROCEDURE?

Certainly. There may be many instances where a prosecution may be pending, for example, in a State court in Missouri where an essential witness is, for example, in Costa Rica and refuses to appear in the local court to testify. He is, however, willing to have his testimony taken in Costa Rica for use either by the prosecution or the defense in the pending Missouri proceedings. It is expected that the work of the Commission would also propose techniques by which the testimony of that witness in Costa Rica could be taken in such a way as to make it admissible in the pending Missouri criminal proceedings.

It would be entirely unjustified and unreasonable to propose a comprehensive and competent method to take testimony abroad in civil cases pending in the United States and provide no method at all for taking testimony in criminal cases.

However, as pointed out above, this has absolutely nothing whatever to do with the question of the jurisdiction of courts in criminal cases. It deals only with the question of assistance in one country with respect to legal proceedings pending in another.

WHAT ARE THE DIFFERENCES BETWEEN H. R. 7500 AND THE ORIGINAL BILL SUBMITTED BY THE DEPARTMENT OF JUSTICE AND THE DEPARTMENT OF STATE?

Most of the differences are minor. The principal difference is in the makeup of the Commission. The original proposal was for a Commission of 5 members of which the Attorney General would designate 3 and the Department of State 2. In addition, the Commission was described in the original bill as "the Attorney General's Commission." H. R. 7500 broadens the scope of the Commission by providing for 7 members, 2 appointed by the Attorney General, 2 appointed by the Department of State, and 3 public members appointed by the President.

Similarly, the original bill provided that the director of the Commission, as well as the advisory committee, were all to be appointed by the Attorney General. H. R. 7500 provides that the director and the advisory committee are to be appointed by the Commission itself.

The original bill provided for an indeterminate life for the Commission with power in the President to terminate its activities whenever he deemed that the Commission was no longer necessary. H. R. 7500 provides for a specific terminal date.

HAVE THE ATTORNEY GENERAL AND THE SECRETARY OF STATE APPROVED THESE CHANGES IN THEIR ORIGINAL BILL?

Yes.

Mr. KEATING. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland, [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HYDE. Mr. Chairman, I have in my hand a pamphlet which I assume all of us have recently obtained called A Guide for Positive Action. It is put out by the National Small Businessmen's Association. In the pamphlet are the legislative recommendations of the National Small Businessmen's Association. For many, many months, I might say for years, our friends on the Democratic side have said that they, not the Republicans, are the champions of small business. Only they really have the interest of small business at heart.

Here are some of the legislative recommendations of the National Small Business Men's Association. Let us look at some of them.

Under the head of "Labor" they recommend that we ban industrywide collective bargaining, on a national basis.

That membership or nonmembership in a labor organization shall not be a condition of employment.

That all antitrust and monopoly laws be amended to cover labor organizations when acting in restraint of trade.

To prohibit secondary boycotts.

Under "Taxes" they advocate the elimination of double taxation on corporate dividends, and the amendment of the Constitution of the United States to provide a maximum rate for all taxes.

They recommend that the Federal Government be prohibited from engaging in any business in competition with private enterprise.

They recommend a return to the gold standard.

They recommend that the Constitution be amended to provide that all treaties shall be subordinate to the laws of the United States.

They recommend the elimination of Federal aid to education.

They oppose all forms of Government subsidies.

These, Mr. Chairman, are the legislative recommendations of the National Small Businessmen's Association. So my query to my friends on the Democratic side is: Just how many of these legislative recommendations of the small-business men do you support? Here is your chance to tell them. You have said you are the champions of the small-business men and opposed to the

big-business men, that we Republicans are the ones who are fighting the small-business men. Here are their recommendations. You have your chance now to tell them just how many of these recommendations you support. That will indicate just how much you are in favor of the small-business men.

It is no answer, I may say, to come back to me and ask me how many of these recommendations I support. I have not been one of those who have been standing up here with my heart bleeding and protesting that I am the only one that supports the small-business men. No, I would say to my friends on the Democratic side of the aisle that you are the ones who say you are the friends of the small-business men. Here is their legislative program. How much of it do you stand for?

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from California.

Mr. ROOSEVELT. May I ask the gentleman if he knows how many or how much of small business this particular organization represents?

Mr. HYDE. I have no way of knowing that, but it is the National Small Businessmen's Association, with national headquarters and executive office in Evanston, Ill., and other offices in Washington and New York. I assume that it represents the usual proportion of this business that most of these national organizations represent.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I will be glad to yield to my distinguished chairman.

Mr. CELLER. I take it the gentleman is in favor of small business, but would he say that all those proposals would be in aid of small business?

Mr. HYDE. I imagine the small-business men are probably the best judge of what is best for them, and this is what they recommend.

Mr. CELLER. Mr. Chairman, I have no further requests for time on this side.

Mr. KEATING. Mr. Chairman, I yield 2 minutes to the gentlewoman from Michigan [Miss THOMPSON].

Miss THOMPSON of Michigan. Mr. Chairman, I wish to associate myself with the passage of the bill H. R. 7500. I believe it is a good bill and hope it will be enacted.

Mr. KEATING. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

ESTABLISHMENT OF THE COMMISSION ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

SECTION. 1. There is hereby established a Commission to be known as the Commission on International Rules of Judicial Procedure, hereinafter referred to as the Commission."

PURPOSE OF THE COMMISSION

SEC. 2. The Commission shall investigate and study existing practices of judicial assistance and cooperation between the United States and foreign countries with a view to achieving improvements. To the end that procedures necessary or incidental to the conduct and settlement of litigation in State and Federal courts and quasi-judicial agencies which involve the performance of acts in foreign territory, such as the service of judicial documents, the obtaining of evidence, and the proof of foreign law, may be more readily ascertainable, efficient, economical, and expeditious, and that the procedures of our State and Federal tribunals for the rendering of assistance to foreign courts and quasi-judicial agencies be similarly improved, the Commission shall—

(a) draft for the assistance of the Secretary of State international agreements to be negotiated by him;

(b) draft and recommend to the President any necessary legislation;

(c) recommend to the President such other action as may appear advisable to improve and codify international practice in civil, criminal, and administrative proceedings; and

(d) perform such other related duties as the President may assign.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall consist of seven members. The President shall appoint 3 public members, the Secretary of State shall appoint 2 representatives of the Department of State, and the Attorney General shall appoint 2 representatives of the Department of Justice. The Commission shall elect a chairman from among its members.

(b) Vacancies in membership of the Commission shall be filled in the same manner as in the case of original designation.

(c) Five members shall constitute a quorum.

(d) Members of the Commission who are appointed by the Secretary of State and the Attorney General shall serve without compensation in addition to that received for their services in the Government.

(e) The public members of the Commission shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other expenses incurred by them in the performance of such duties.

(f) Service of an individual as a member of the Commission or employment of an individual by the Commission shall not be considered to be service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask some member or members of the committee a question or two concerning this bill. On page 2 it is provided:

(a) draft for the assistance of the Secretary of State international agreements to be negotiated by him;

(b) draft and recommend to the President any necessary legislation;

(c) recommend to the President such other action as may appear advisable to improve and codify international practice in civil, criminal, and administrative proceedings; and

(d) perform such other related duties as the President may assign.

I would like to ask the chairman of the committee if that is not broad language.

Mr. CELLER. All that the language implies is that the Commission would draft for the assistance of the Secretary of State. That is simply making a recommendation and putting it in the form of writing.

Mr. GROSS. I understand that perfectly, but I do not find that it is very well tied down to the purpose of this bill, which is apparently to straighten out certain legal procedures between this country and foreign countries.

Mr. CELLER. If the gentleman will read section 2, on page 1, under the heading "Purpose of the Commission":

The Commission shall investigate and study existing practices of judicial assistance and cooperation between the United States and foreign countries with a view to achieving improvements.

Nowhere do we find any authorization to bind the Congress or to bind foreign countries. It is purely exploratory. That is, their powers, if there are any, are purely exploratory, and then to make recommendations.

Mr. GROSS. But these would be recommendations. I assume some recommendations were made by somebody when the other body ratified the Status of Forces Treaties and Agreements.

Mr. CELLER. I cannot conceive that the State Department would be a rubber stamp or the President would be a rubber stamp or the Congress would be a rubber stamp. In line 14 we have the words "the Commission shall draft and recommend to the President any necessary legislation"; and in line 16 "recommend to the President such other action as may appear advisable to improve and codify international practice in civil, criminal, and administrative proceedings."

It is purely in the nature of recommending and advising; nothing more than that.

Mr. GROSS. I will say to the gentleman that I think there was a great deal of rubber stamping, perhaps 100 percent rubber stamping, when the Status of Forces legislation was ratified. I do not know who recommended those treaties and agreements. I assume it was the State Department, and there was rubber stamping, because it was not until after the other body ratified and gave authority to foreigners to try American servicemen and their dependents in foreign courts and incarcerate them in foreign prisons that there was any thought of a mission going abroad to find out the nature of foreign legal procedures and the condition of foreign prisons in which Americans would be incarcerated.

Mr. CELLER. Would the gentleman not say that this colloquy we are having certainly nails down and limits whatever powers this Commission would have?

Mr. GROSS. I would hope so, but I rose to ask the question whether it does or not. A representative of the American Bar Association who, I believe, appeared before your committee in behalf of this legislation did call to your attention that this language on page 2 is broad and in his opinion might not be confined exclusively to the implementation of what you here seek to do, but could go further than that.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. WALTER. I think the gentleman is referring to the testimony of Mr. Amram. That related to the original bill, H. R. 5061. The bill before us now is the amended superseding bill, what

we call clean bill. Instead of amending the old bill we introduced a new bill, H. R. 7500. We thought we met the objection he made. After all the recommendations of this Commission will be to two different branches of the Government, the legislative and the executive branches. It was necessary to extend the membership of the Commission.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

(By unanimous consent, Mr. GROSS was granted 5 additional minutes.)

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. CELLER. I would like to say to the gentleman that we followed this language on previous occasions when we set up the commission to devise Federal rules of civil procedure, for instance; and that was the bill of the gentleman from Pennsylvania [Mr. WALTER].

We have used substantially this language in the setting up of the commission to establish rules of civil procedure. We did the same thing and used similar language with reference to the Administrative Procedure Act; and the commissions that recommended those three procedures were empowered exactly as we are now intending to empower this commission which will work in the international field.

I do not think the gentleman should have the slightest qualms about this. They have no power to do anything except make recommendations.

If the gentleman is worried about the use of the word "draft" they do not make any final draft, they suggest certain procedures in a draft that would have to be submitted either to the State Department or the Department of Justice or the President or to Congress.

Mr. GROSS. I understand that perfectly.

Mr. CELLER. I do not think the gentleman need have any concern with that whatsoever; and this debate, I am sure, is an indication that is could not go beyond that type of recommendation.

Mr. GROSS. I appreciate the gentleman's statement. I am glad to have it in the RECORD.

Now I should like to ask the gentleman from Pennsylvania to clarify in my mind whether it was this bill, H. R. 7500, which was on the Consent Calendar.

Mr. WALTER. Yes, this is the bill which was on the Consent Calendar. The bill was reported out by the Judiciary Committee unanimously, and it was objected to by the gentleman from Iowa.

Mr. GROSS. Then I may say to the gentleman that this is the same bill which the representative of the American Bar Association spoke of. He agreed with me that this language on page 2, in his opinion, was rather loosely drawn in relation to the stated purpose of the bill.

Mr. WALTER. I think the gentleman must have misunderstood Mr. Wright, the president of the American Bar Association, because he submitted a statement to our committee on behalf of this bill.

I wish again to call the gentleman's attention to an additional fact: The bill that the Department of Justice sent up here originally, H. R. 5061, did not provide for any public member of the Commission. That was another very important change that we made.

Mr. GROSS. I thank the gentleman.

Mr. WALTER. May I read part of the letter from Loyd Wright, president of the American Bar Association, the man to whom the gentleman from Iowa referred. He said:

> Representatives of the section of international and comparative law of our association will be available to present the views of the association in greater detail and to discuss some of the specific aspects of the broad problem.
>
> May I respectfully urge the prompt approval and passage of the legislation.

That is the man about whom the gentleman from Iowa was talking.

Mr. GROSS. I do not recall the name of the representative of the American Bar Association with whom I discussed this matter. I still think the language on page 2 goes beyond the requirements of this bill to accomplish the result the committee seeks.

Of course, the whole bill is the outgrowth of a foreign policy that finds us meddling in the affairs of foreign countries all around the globe. If we were not cast in the role of being the fairy godfather and godmother of every country all over the world we would not be called upon to pass this kind of legislation; and the sooner we get out of the business of thinking we can take care of the affairs of all the people all over the world, and maintain an increasing army of American citizens all over the world at taxpayer expense, the sooner we will be able to dispense with this kind of legislation.

Mr. Chairman, I yield back the balance of my time.

The Clerk read as follows:

THE DIRECTOR AND STAFF

SEC. 4. (a) The Director of the Commission shall be appointed by the Commission without regard to the civil-service and classification laws, and his compensation shall be fixed by the Commission without regard to the Classification Act of 1949, as amended.

(b) The Director shall serve as the Commission's reporter, and, subject to the direction of the Commission, shall supervise the activities of persons employed under the Commission, the preparation of reports, and shall perform other duties assigned him within the scope of the functions of the Commission.

(c) Within the limit of funds appropriated for such purpose, individuals may be employed by the Commission for service with the Commission staff without regard to the civil-service and classification laws, and services may be procured as authorized by section 15 of the act of August 2, 1946, as amended (U. S. C. 55a), but at rates for individuals not in excess of $50 per diem.

ESTABLISHMENT OF THE ADVISORY COMMITTEE

SEC. 5. (a) There is hereby established a Committee of 15 members to be known as the Advisory Committee on International Rules of Judicial Procedure (hereinafter referred to as the "Advisory Committee"), to advise and consult with the Commission. The Advisory Committee shall be appointed by the Commission from among lawyers, judges, and other persons competent to provide advice for the Commission.

(b) Members of the Advisory Committee shall not be deemed to be officers or employees of the United States by virtue of such service and shall receive no compensation. Members of the Advisory Committee who are not otherwise officers or employees of the United States shall be entitled to travel and subsistence expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U. S. C. 73b–2), for persons serving without compensation, in accordance with the provisions of the Travel Expense Act of 1949, as amended (5 U. S. C. 835–842).

GOVERNMENT AGENCY COOPERATION

SEC. 6. The Commission is authorized to request from any department, agency, or independent instrumentality of the Government any information it deems necessary to carry out its functions under this act; and each such department, agency, and instrumentality is authorized to cooperate with the Commission and, to the extent permitted by law, to furnish such information to the Commission, upon request made by the Chairman or other member designated to act as Chairman.

ADMINISTRATION

SEC. 7. (a) For administrative purposes only, the Commission and the Advisory Committee shall be attached to the Department of Justice.

(b) The Commission shall render to the President annual reports for transmission to the Congress.

The Commission shall submit its final report and the Commission and Advisory Committee shall terminate and wind up their affairs prior to December 31, 1957.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions of this act.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask 1 or 2 questions of the chairman of the Committee on the Judiciary about section 5, and I quote from that section:

> The Advisory Committee shall be appointed by the Commission from among lawyers, judges, and other persons competent to provide advice for the Commission.

Is it assumed by the chairman that this advisory committee will be independent of the Commission?

Mr. CELLER. It will be appointed by the Commission. I take it that the type of individuals who would be appointed will be from among a roster of distinguished lawyers and judges. I take it that they would not bow in slavish obedience to the Commission and would be independent.

Mr. SPRINGER. Is it assumed—it is rather indefinite from a reading of this language—that they shall meet separately from the Commission?

Mr. CELLER. Yes, they would meet separately from the Commission, but they will be in constant liaison with the Commission. According to lines 22 and 23 of the bill they are to advise and consult with the Commission.

Mr. SPRINGER. I did not see anything in this bill which provided that they were to meet separately. That is what gave rise to these questions.

Mr. CELLER. I take it that they would certainly meet separately. They

would probably subdivide into subcommittees; then after they came to conclusions and were ready to recommend they would then consult with the Director of the Commission first, then with members of the Commission.

Mr. SPRINGER. I take it then this is to be the group that does the intellectual thinking and if any differences arise their duty would be to keep the Commission straight on this problem, is that right ?

Mr. CELLER. They would do the real intellectual spadework; yes.

Mr. SPRINGER. I thank the gentleman.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7500) to establish a Commission and Advisory Committee on International Rules of Judicial Procedure, pursuant to House Resolution 477, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed, and a motion to reconsider was laid on the table.

COMMITTEE ON AGRICULTURE

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture of the House may have until midnight tonight to file a report on the bill (H. R. 10875) to amend the Agricultural Act.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CIVIL-RIGHTS LEGISLATION

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I urge early action on the part of the Committee on Rules as soon as H. R. 627 is reported to them. May I make clear that, while full opportunity should and will be given to the Committee on Rules to act on the measure, if such action should fail to be forthcoming from the Committee on Rules, necessary steps to initiate a discharge petition will be taken in order to insure an opportunity for the House to vote on H. R. 627. It is also well to point out that action must be early enough to enable the Senate to have ample opportunity to consider the measure at this session of the Congress.

In this connection, last Friday I delivered to the White House a letter, a copy of which, under unanimous consent, I insert at this point in the RECORD:

HIS EXCELLENCY THE PRESIDENT OF THE UNITED STATES,
White House, Washington, D. C.

DEAR MR. PRESIDENT: In spite of every possible delaying tactic, the House Committee on the Judiciary has favorably reported H. R. 627 by the Honorable EMANUEL CELLER of New York as amended by the proposals of the Honorable KENNETH B. KEATING, of New York.

You are undoubtedly aware that this proposed civil rights legislation contains practically all of the recommendations made to the Congress by your Attorney General, together with some of the less controversial of Mr. CELLER's excellent proposals. This bill is in fact, a bipartisan compromise measure by reasonable men. It is now before the Committee on Rules from which it can be successfully reported only if a majority of the Republican Members join with the four Democratic Members who are unquestionably in favor of this legislation.

In view of the fact that your Attorney General's recommendations did not carry any direct endorsement from you, may I respectfully urge and request full Republican support in both the House and the Senate to secure passage of this civil rights legislation.

In our overall fight against the fallacies of the propaganda of communism there is no single weapon that would be more convincing and more effective to sustain our leadership of the free people of the world than the enactment of this legislation.

Partisan politics have been and will be played with this measure unless you as President of the United States exert your individual leadership to prevent it. Lack of affirmative action by the Republican members of the Committee on Rules and by the Republican leadership of both the House and the Senate would be a clear indication to the people of this country of a callous disregard for the basic rights of human dignity and the privileges of American citizenship for some of our people which are guaranteed by the Constitution for all of our people.

May I sincerely say, Sir, that I am but one of millions of Americans who look to you for early and decisive action.

Respectfully and sincerely,
JAMES ROOSEVELT,
Member of Congress.

PRESIDENT OF THE REPUBLIC OF INDONESIA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Thursday, May 17, 1956, for the Speaker to declare a recess subject to the call of the Chair for the purpose of receiving in joint meeting the President of the Republic of Indonesia.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

KHRUSHCHEV—H-BOMB THREAT—CIVIL DEFENSE

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. HOLIFIELD] is recognized for 30 minutes.

Mr. HOLIFIELD. Mr. Speaker, the Russian bear is a temperamental animal. At the present time, in the persons of Khrushchev and Bulganin, it is ambling through Europe, as it ambled through Asia, in a seemingly friendly manner. It has a terrible temper, however, and flashes of this temper crash through the surface smiles often enough to warn the prudent against getting within close range of its sharp claws. We remember many occasions when the smile, lately assumed at Geneva, has been suddenly replaced by the growl of the bear.

We were again given a demonstration of the real temper which lies behind the smiles of Khrushchev and Bulganin on April 23 in London. Nettled by the jeers of British citizens, who are not deceived by the Geneva smiles, the Communist Party boss, Mr. Khrushchev, lashed out at his British hosts. Here are the words as reported by the Tass Soviet News Agency:

> We have seen fists shaken at us. I would remind the man with the fist that attempts have been made previously to speak to us in that manner. Never shake your fist at a Russian. Hitler tried to attack us with a clenched fist and now he is in his grave.

And then Khrushchev showed the full venom of his real feelings:

> We shall have in the near future a guided missile with an H-bomb which can hit every point in the world.

There you have the real temper of the Russian bear. The temper that operates ruthlessly behind the Iron Curtain in the periodic purges of its own leaders who fall into disfavor.

The temper which operates the slave-labor camps behind the Urals.

The temper that lashed out at the capitalist imperialists throughout their recent Asiatic tour and now is again displayed in hot-tempered resentment against the British crowds who apparently are skeptical of the smiling bear.

The great British poet, Rudyard Kipling, many years ago wrote a gripping poem whose title was "The Truce of the Bear." It told of the warning voice by a blind and mutilated beggar who had followed a marauding bear for 2 long days until finally he was at his heels. But let Rudyard Kipling's verse tell the story:

Two long marches to northward, at the fall of the second night,
I came on mine enemy Adam-Zad all panting from his flight.
There was a charge in the musket—pricked and primed was the pan—
My finger crooked on the trigger—when he reared up like a man.

Horrible, hairy, human, with paws like hands in prayer,
Making his supplication rose Adam-Zad the bear!
I looked at the swaying shoulders, at the paunch swag and swing.
And my heart was touched with pity for the monstrous, pleading thing.

Touched with pity and wonder, I did not fire then * * *
I have looked no more on women—I have walked no more with men.
Nearer he tottered and nearer, with paws like hands that pray—
From brow to jaw that steel-shod paw, it ripped my face away!

Sudden, silent, and savage, searing as flame
the blow—
Faceless I fell before his feet, 50 summers ago.
I heard him grunt and chuckle—I heard
him pass to his den.
He left me blind to the darkened years and
the little mercy of men.

When he shows as seeking quarter, with paws
like hands in prayer,
That is the time of peril—the time of the
truce of the bear!
Over and over the story, ending as he began:
There is no truce with Adam-Zad, the bear
that looks like a man!

So today, as we see the nation whose national characterization is the Russian bear, let us remember the warning of Kipling's blind beggar. Let us not be beguiled by smiles, handshakes, and "with paws like hands in prayer."

We deal with a cunning and clever foe to the cause of freemen wherever they may be.

We deal with the most powerful foe to human dignity, to the principles of human liberty and freedom, which has—to this day—been organized.

It is because I am convinced that our Nation is not prepared as it should be to meet the threat implied in Khrushchev's impetuous and intemperate words of April 23 that I rise to speak today on a subject which has long burdened my mind and, yes, my conscience.

I say my conscience because the responsibility which knowledge lays upon my conscience as a United States Representative in the Congress must be discharged.

During the month of March 1952 on an island in the South Pacific, our scientists and engineers proved the fact that it was possible to explode an atomic-hydrogen bomb.

In August 1953, somwhere behind the Iron Curtain, the Soviets exploded a hydrogen weapon or device.

These two events brought into existence, in the free world and in the Communist world, a new and terrible group of mass-destruction weapons. The ability to release energy jumped from a few thousand tons of TNT to millions of tons of TNT.

In World War II, 40,000 allied bombers dropped a total of so-called blockbuster-type bombs estimated to have released energy amounting to 2,650,000 tons of TNT. One of our hydrogen bombs, which was exploded in the recent South Pacific weapon tests, released approximately 4 times this amount of energy—over 10 million tons of TNT equivalent power.

Bombs which release destructive energy measured in millions of tons of TNT power can destroy large cities like Los Angeles in a single explosion.

This is the grim reality facing the people of the world should atomic-hydrogen war break out. I speak authoritatively on this hazard, as I have served for 10 years as a member of the Joint Committee on Atomic Energy of the United States Congress. The development of atomic energy for both wartime and peacetime use has been one of my heaviest responsibilities on that committee.

As I have watched the development of man's ability to destroy millions of people in a single surprise attack, I have realized that the greatest and most urgent goal for men everywhere must be the establishment of universal peace. There is no alternative in the face of these terrible mass-destruction weapons if the human race is to survive; if civilization, built to its present state through centuries of human endeavor, is to survive.

Our diplomats are negotiating for peaceful agreements daily. Up to now we have no firm agreements which include safeguards guaranteeing that war will not occur.

In the meantime, the race for weapon advantage in numbers, variety and maximum destructive power goes on. Stockpiles of atomic-hydrogen weapons grow in the free nations and in the Soviet Union and its satellites.

In the face of this arms race and in the absence of a guaranty against atomic-hydrogen war, we must take every precaution to protect our Nation. This means our military strength must not and cannot be weakened in the face of the increasing Soviet strength. It means that our defensive military barriers against enemy attack must be maintained.

However strong we may be militarily we know, from the testimony of our military chiefs of staff, that we cannot prevent the breakthrough of many enemy planes carrying atomic-hydrogen bombs.

There remains, besides the two areas of military offense and defense, a very important gap in our posture of national preparedness against a potential attack by a first rate airpower using atomic-hydrogen weapons.

I speak of the area of nonmilitary defense—commonly referred to as civil defense.

Civil defense, as I refer to it, means the establishment, by wise planning and proper implementation, of a program designed to save the lives of millions of men, women, and children who now live in metropolitan areas—and the surrounding countryside—of great target complexes. It is estimated that 56,928,098 people reside in 33 thickly populated metropolitan areas. Most, if not all, of these populated centers are considered targets for enemy air attack. Attacks on these centers of population, transportation, and industrial production would be disastrous if the people remain in their present state of unpreparedness. Casualties would inevitably run into millions. On the other hand, if we had a well organized and implemented civil defense program 70 to 80 percent of these casualties could be prevented.

The Subcommittee on Military Operations, of which I am chairman, has been holding exploratory hearings since January 1956 on our Federal civil defense program. Our witnesses have been of the highest caliber of scientists, doctors, industrialists, and all of the chiefs of staff of the Department of Defense. We have also received written statements from the governors of many of our States, and the mayors and civil defense directors of most of our great cities and States.

Their letters, statements, and testimony has given us a large and valuable mass of information on the problems of civil defense and the plans to meet these problems. Our subcommittee has visited the Strategic Air Command Headquarters at Omaha, Nebr., where for 10 hours we were briefed by Gen. Curtis LeMay and his staff on the missions of our great, offensive striking force of nuclean weaponed longrange airplanes. We also visited our Continental Air Defense Command at Colorado Springs, Colo., where again we were briefed for a full day on the mission of that part of our Air Force, whose duty it is to defend our country against enemy attack to the best of their ability.

We have been thoroughly briefed, both at the Air Force headquarters in the Pentagon and at our greatest air-missile base at Patrick Air Base in Florida, on the status of our guided- and nonguided-missile program. As a member of the Joint Committee on Atomic Energy, I am fully informed as to the status of atomic-hydrogen-weapon development in being and our probable developments in the next few years.

Based on this background of research, information, and testimony from knowledgeable and unimpeachable witnesses before our subcommittee, I believe that I can make a series of categorical statements which are factual and cannot be refuted:

First. The United States and the Soviet Union possess now both atomic and hydrogen weapons which range in power from a few thousand tons of TNT energy release to many millions of tons of TNT equivalent energy release.

Second. A full-scale atomic-hydrogen-weapon type of war between these two great air powers would destroy the principal cities of both nations and casualties would probably exceed 100 million people.

Third. No guaranty exists today that will insure the people of both nations that such a war will not occur.

Fourth. There is no adequate defense in a military sense against the overwhelming power of a full-scale offensive attack by either the United States on the Soviet cities or a similar Soviet attack on the cities of the United States.

Fifth. Surprise attacks could be launched by either the United States or the U. S. S. R. which would entail only 2 or 3 hours' warning if launched by air and probably only a few minutes if launched by submarine air missile.

Sixth. No adequate civil-defense program exists in our Nation today for orderly evacuation of target-area populations to shelter or safe distances.

Seventh. No adequate civil-defense program to shelter the 56 million people in our largest 33 metropolitan areas from the blast, heat, or lethal radiation of atomic-hydrogen weapons is in existence in our Nation today.

The same shelter deficiency no doubt exists in the U. S. S. R. as far as their metropolitan centers are concerned, but

we must realize that their planned dispersal of industrial centers, their larger land areas, and so forth, gives them a comparative advantage on this point over our situation.

Eighth. Our vulnerability to atomic-hydrogen weapon attack can be appreciably reduced so that our casualties would decrease by a factor of 70 to 80 percent. These percentages are estimates based on evasive and protective methods approved by our scientists, military, and civil-defense experts.

Ninth. The cost of giving millions of people in our urban population centers a 4-to-1 chance to survive instead of possibly a 100-to-1 chance of sure death would be about one-third of our military budget for 1 year.

Tenth. Unless leadership of an unusual type is exerted soon to develop a program of civil defense which meets the challenge of atomic-hydrogen war directed against urban centers, there will be a gap in our ring of total defense which will be disastrous when and if war should come.

Someone must take that necessary leadership soon. The responsibility now rests in the executive department. If an effective program of civil defense is not brought forth soon by the executive branch, it must be developed by Congress.

Congress has its responsibility too and we cannot stand idly by in the face of possible nuclear war. We are also responsible for the lives of 50 to 60 million people now living in primary target areas. The Subcommittee on Military Operations will continue its hearings on the status of our civil defense and will bring before the Congress a complete set of hearings and a carefully considered report before adjournment.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to my distinguished colleague from California.

Mr. ROOSEVELT. May I first congratulate my colleague on the very encouraging and very inspiring message on a subject which I feel has been long overlooked in the national planning of our security. The gentleman will perhaps remember that some 6 years ago, during a political campaign in California, some of these subjects were touched upon. At that time I had the privilege of outlining a proposal which would go to the heart of your points 6 and 7. I cannot help but believe that this House having just passed a long-range national road building program could well emphasize that this would be the time to tie that road program in to an overall program of what we are going to do with the civilian population of our country in the case of a massive attack such as you have described. I hope the suggestions the gentleman has made today will be acted upon and that a concrete program, either by the Executive or by the Congress may be forthcoming shortly.

Mr. HOLIFIELD. I thank the gentleman for his contribution. I know of the gentleman's interest in this matter, as he says, as far back as 6 years ago.

I might point out that in February 1950 I introduced House Joint Resolution 419 to take care of this matter. Again in 1951 I introduced a resolution on this subject. In the intervening years I have introduced resolutions. I introduced a resolution in April 1954, and again in January 1955. Hearings have not been held in connection with those resolutions, but as we go into this atomic hydrogen age we are spending $35 billion every year on military offense and defense, and certainly 60 million people who live in the target area, which would be the target area that the enemy would attack, are now in the frontline of the battle. No longer can the people of America in their cities hide behind the fancied security of the ocean and distance. The advent of the supersonic devices and bombers and the delivery of city vaporizing weapons by these instruments of transportation, has occurred within the last 3 years. It was only in the middle of 1953 when the first hydrogen weapon was exploded behind the Iron Curtain. We saw in the May Day flight over the red square in Moscow bombers of the most advanced type, as advanced as our B–52's, which are continent-spanning. So we have no further right to hide behind the fancied security of distance.

In Sunday's paper there was a picture of a submarine launching a missile and a story of our own Navy's ability to launch a missile up to 400 miles from a submarine. I do not comment on whether this is true or not, but we do know we are entering into the age of the missile, both guided and nonguided.

We know that the German V–1's and V–2's that were sent over into England came a distance of 100 to 150 miles in 1944 and 1945. It would be foolish to think that we have not advanced from that stage over the past 10 years with the hundreds of millions of dollars we have spent and are spending on this development.

So we sit here in Washington today whether we realize it or not, a possible target for a guided missile or a nonguided missile from a submarine out off the continental shelf in the Atlantic, with no warning time. And I say to you today that there are inadequate picket ships, there is inadequate submarine patrol, there are an inadequate number of Texas towers, and the so-called Warning Dew Line across the north is also incomplete. So you have no guarantee of apprehension or of interception.

Our Nike batteries and our interceptor fighters can knock down only a few of a possible attacking force. I know of no military expert that would hazard the estimate that we could knock down over 20 percent of the planes of an incoming attack by air. That means that 80 percent will get through and in this day and age with 80 percent getting through, if one gets through for each of the 33 target centers you have chaos in America. There is no full defense, as I say, against this type of attack; but there are things that can be done. Testimony before my committee has shown that at this time shelters can be made, shelters that have been tested in the Nevada explosions—and we have estimates ranging from $62.50 per person to $120 per person—to give the population of the cities in the United States a chance to survive. That would mean an expense to protect the people in 33 key cities of approximately $10 to $13 billion for concrete shelters 3 feet underground which would give them an 80 percent chance to survive.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I gladly yield to the distinguished gentleman from Pennsylvania.

Mr. FLOOD. The gentleman from California has been one of the leading advocates of this whole subject of civil defense from the beginning. As the gentleman knows, I sit on the Defense Subcommittee for Appropriations. In view of the nature of the attack that the gentleman describes having the result he forsees, if—God forbid—this Nation were attacked by enemy action, in view of the nature and quality of that attack and the nature of the weapons we have in mind, what does the gentleman have to say with reference to the declaration of martial law if and when such a situation did arise? And whether or not the chaos and the disaster would be of such widespread catastrophic nature that perhaps the best interests possibly could be served by a declaration of martial law either for offensive or defensive action?

Mr. HOLIFIELD. I am glad the gentleman brought that question up because this has been a matter of consideration by our committee. In Operation Alert of 1955 when the national civil defense exercise took place, suddenly without warning martial law was declared by the President. There has been great interest in this matter since that occurred, and for that reason I had before our committee Dr. Charles Farman, professor of law at Harvard University, who has written books on the subject. He was very much disturbed by this declaration of martial law, the way it was handled, and the attitude which the military took at the time and have taken since.

I also had before me Adm. Arthur Radford, Chairman of the Joint Chiefs of Staff; Gen. Nathan F. Twining, Chief of Staff, Department of Air; Adm. Arleigh A. Burke, Chief of Naval Operations; Gen. Maxwell D. Taylor, Chief of Staff, Department of the Army. They testified on this and related subjects and I can give you in a capsule the result of their testimony.

The result of their testimony was they had not anticipated this declaration of martial law, they had made no preparations for it and since that time they have not built up a military organization capable of taking over the civil defense responsibilities of the Nation. They also say that they cannot build up a military organization without impairment of their primary mission, which is military offense and defense. They were unanimous in the position that this is a job that must be built up as a civilian type of organization. They say that when the bill rings the military, land, sea and air, will have a primary mission to carry the offense to the enemy and to defend in a military sense the Nation and that they will not have the personnel, organization or equipment to give to the civilian economy. Therefore, to this good day I can tell you they have not built up any military department and organ-

ization to do this. They are studying it, they are thinking about it, but their testimony remains on my record that they do not want the job, they are not equipped to handle it, they will have all they can do in a military way and if civil defense is to be effective it must be done by a civilian organization which will perform all of the complicated duties which pertain to our great modern cities.

Mr. FLOOD. Some months ago I was on one of these national panels with Mr. Peterson, the Administrator of the Civil Defense operation. During the course of our discussion we were touching upon massive evacuation. Keeping in mind what the gentleman has just said with reference to the military defense and martial law, keeping in mind the experience of Western Europe over 100 years under enemy attack, keeping in mind the refugee evacuation problem and the fact that our great arteries, important roads and communication are jammed with hundreds of thousands of refugees, I wonder if the gentleman in his study of this problem with the military is giving attention to what may and undoubtedly would develop in the great centers of population in continental United States under enemy attack and how, under what circumstances and who would handle this appalling jam of military highways that are communication areas, this massive evacuation with or without control of civil defense or of the civilian refugees.

Mr. HOLIFIELD. The question of evacuation, of course, has been before our committee, and while our committee is not as yet ready to come forward with its conclusions and findings, because we have some 2 months of hearings yet on certain phases of the matter, I can say to the gentleman that there is less and less enthusiasm for the theory of evacuation of large cities.

In the first place, you have this traffic problem, this traffic-jam problem, which the gentleman from Pennsylvania has so graphically described. Anyone who knows anything about the movement of millions of people on our holidays and the breakdowns that occur on highways and the bottlenecks that jam our traffic in time of peace can imagine what terrible confusion and chaos would exist in time of panic, with millions of people trying to flee from a populated center on the few roads that might be open to them.

I hold in my hand a map of the city of Los Angeles. It shows that there are only 2 main highways leading north out of the city and 2 main highways leading south out of the city and county of Los Angeles. If you were to try to evacuate that many people, you would find it impossible to move 4 or 5 million people out of the city on the 4 or 5 highways to get them any distance from the city in 2 or 3 hours. This, of course, is just sheer fantasy. It could not happen. And we are facing the rapid development of missile warfare—the 5,000-mile rocket, the ICBM, intercontinental ballistic missile, which is supposed to span the distance from Moscow to New York in a period of less than an hour in the air. So the time of warning is decreasing each hour as we go by, and the likelihood of evacuation is decreasing just as rapidly. It will be impossible to evacuate these large cities, in my opinion, in the available warning time, and that means that we are going to have to look for something else, and I think it must be in the field of shelter. I think the best possible shelter must be devised.

The SPEAKER. The time of the gentleman from California has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HOLIFIELD] may proceed for 3 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I congratulate the gentleman from California [Mr. HOLIFIELD] and his subcommittee on the very searching inquiry his subcommittee is making in this important field. I am well acquainted with it. I would like to ask my friend a question that seems very pertinent to me. What is the gentleman's view as to the public opinion in America? Does the gentleman think that the American people have an appreciation of the potential and imminent danger that confronts us?

Mr. HOLIFIELD. I certainly do not. I think that the people of America do not have a realization of the facts which I have given today, and I dare any person to challenge the facts, the 10 points that I have given here. I say that the people of the United States do not know those, and I sometimes wonder if the Members of Congress, who undoubtedly know these facts, really appreciate their significance, when I see the lack of interest on the part of the people of the Nation and the executive branch and up to this time even Congress on this particular matter.

Mr. McCORMACK. We have been pretty much lulled to sleep and complacency in the last several months.

Mr. HOLIFIELD. Yes. I think the smiles at Geneva, the so-called smiles of the Russian bear, as I said at the beginning of my remarks, have deluded too many people, and I think we are in more danger today than we have ever been. The potential danger has increased tremendously in the last 3 years.

Mr. McCORMACK. How we can enter into any understanding or harmonious or compatible relationship with atheistic communism, as long as it adhers to its policy of world revolution, is beyond my power to understand. They are still intent on world revolution and world domination; they have shown no departure from that; they have handed out a few smiles and some pats on the back, and then they leave the people to respond to their hopes and not to a realism or their objective judgment.

I am very much disturbed with the complacency, as the result of lack of interest, that has developed in the last several months in the minds of so many of our American people. They are responding to hopes, not to realism. The same old sinister mind is still bent upon world revolution, yet you cannot argue it, you cannot debate it. I recall back in the days before World War II, when Hitler was in power, when those of us who recognized the immediate danger, tried to warn the people, we were accused of being this or that. We have pretty much the same situation now, except we have more powerful weapons of destruction. And, I am very much concerned with the attitude of complacency. Why, I was visiting a college recently, and I learned to my amazement, for example, that in the freshman class there was 30 precent less enrollment in the ROTC at the college than there had been in past years. That is a voluntary enrollment college. I wonder how extensive that is among other voluntary enrollment colleges and universities. I wrote a letter to the Secretary of Defense seeking information on that matter. That happened only this year; and I am referring to the freshman class.

Mr. HOLIFIELD. Along that same line, the gentleman knows that only 20 percent of the young men expected under the 6-month voluntary enlistment program have materialized.

Mr. McCORMACK. Exactly.

Mr. HOLIFIELD. Twenty percent instead of the 100 percent that we expected. This same feeling of complacency and apathy and indifference pervades the whole area of our American life today. Unless leadership is given at a top level to stir the people out of their apathy and indifference, in my opinion we stand unprotected in the face of the greatest hazard this country could face. I agree with the gentleman with reference to the hazard of the Soviet purpose. I believe it is more hazardous today than ever before because they are hiding it behind a smile today. The American people are prone to look upon a smile as a genuine evidence of friendship. We know in this case it is not.

Mr. McCORMACK. As a matter of fact, from the top leadership utterances have been had which have produced the complacency.

Mr. HOLIFIELD. I regret to say that the so-called spirit of Geneva which was hailed as a great diplomatic triumph has, in my opinion, caused our allies in NATO and the people of the United States to put down their guard and to relax. We see evidences of it in the failure of the implementation of the NATO military agreements by Germany, by France, by Italy. We see a drawing back from their NATO commitments of a strong, unified free world force. We see that every day.

The SPEAKER. The time of the gentleman from California has again expired.

SURPLUS FOOD CERTIFICATE ACT OF 1956

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DINGELL. Mr. Speaker, it is a pleasure to sponsor a bill which faces up to one of the most distressing enigmas of our time, namely, the existence of inadequate food in millions of American homes at a time when great surpluses are stored in warehouses throughout the land. The Surplus Food Certificate Act of 1956, as outlined in the bill which I am introducing today, would provide a means for moving these surplus stocks of food directly to the people who most need them, namely, to persons who are in need, are dependent upon public assistance or are receiving unemployment insurance payments. Under this bill such low-income families would receive an additional $10 per month in the form of food certificates which can be used through normal channels of trade to buy food which has been declared to be in surplus by the Secretary of Agriculture.

In this manner we will be helping about 7 million low-income families in this country who now have inadequate diets, a purpose which is, of course, the most important aspect of the proposal. At the same time, according to estimates which have been prepared, we would increase purchasing power by between $1.5 or $2 billion, increase dollar sales volume of grocery and other food and retail stores, and raise the total net income of farm operators by more than 5 percent. Finally, it would provide another built-in stabilizer which, like our unemployment insurance plan, would buttress purchasing power when need increases and decline in periods of prosperity.

In my opinion this proposal richly deserves the wide support it has received from farm groups, from labor groups, from State welfare officials, and from the American people. Indeed, the only opposition which has so far appeared comes from the Department of Agriculture, the Bureau of the Budget, and the Department of Health, Education, and Welfare. This opposition if, I may say so, rests on the flimsy argument that surplus foods are already available in bulks form to those States which ask for them.

Now what is wrong with the present plan? We have had some experience with it in Detroit. Indeed, we are one of the 4 cities which have tried to put these bulk surpluses into the homes of our needy people, and we are continuing to do so in spite of the many difficulties which are involved in the present process. Under the present plan limited supplies of storable surplus food are made available at a warehouse. The Welfare Department is thus made responsible for the packaging, the storing, the refrigeration, and the distribution of this food to retail outlets. Surplus foods thus received are available only twice a month in Detroit, because of the difficulties in getting the commodities out of the warehouse and into the stores. According to figures presented by Daniel J. Ryan, superintendent of welfare of the city of Detroit, the cost to the city of Detroit of going through this process in 1955 was $172,000 or about 10 percent of the value of the food distributed. Moreover, because of this involved process, only 139 of the 7,000 grocery stores in the Detroit area are participants. I agree with Mr. Ryan that the present cumbersome arrangement is responsible for the fact that only four cities are trying to administer this program whereas, under the method proposed in my bill, all large cities and small communities as well would find it possible to distribute a wider variety of foods to those who need them. All stores could participate every day of the week, and more surplus products would be available because the plan is keyed to normal retail stocks.

Mr. Speaker, the stamp plan proposed in my bill is sound and equitable because it uses the normal trade channels, thus bringing the food within the reach of all eligible persons without setting up a cumbersome and expensive government operated distribution channel. Secondly, it has the advantage of not being limited to storable commodities, but of being applicable at any time to any farm products which are in surplus.

Finally, the stamp plan makes it possible to increase consumption of food because food stamps are spendable as increased income.

As the Reverend James L. Vizzard, of the National Catholic Rural Life Conference has said, in endorsing this proposal:

> We have the food. Our brethren are hungry. The demands of justice and charity we believe are clear and urgent. On very few issues do the dictates of our conscience and of our self-interest coincide as strongly as here.

Surely in such a cause the Congress must act speedily and with good conscience so that our abundance can be shared with those of us who need it most.

ALGER HISS

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 30 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, following along the line on which our colleague from California [Mr. HOLIFIELD] was speaking, I wish to make a few remarks.

When it was my privilege to come to Washington as a Representative from the Fourth Congressional District of Michigan, I made the acquaintance of Willard Edwards who was a reporter on the Washington staff of the Chicago Tribune, then published by that great American, Colonel McCormick.

Then, as today, Willard Edwards possessed those qualities which are characteristic of all great reporters. He was able. He was conscientious. He was a competent observer. His ability to distinguish facts from rumors, to recognize the truth, to give proper perspective to current events was outstanding. His memory was prodigious. He had a keen insight into human nature and he, without exception, clearly, concisely, and as he saw it, accurately reported the facts as distinguished from personal comment.

Because of his assignment to activities carried on by those who, for one reason or another, were dissatisfied with the constitutional government inherited from our forefathers, he worked in a reportorial field which gave him an opportunity to learn and judge the activities of the Communists.

That task he performed faithfully and today he is probably the outstanding authority on the activities of the Communists in our Federal Government in Washington.

Recently he made a fair, factual evaluation of Alger Hiss and his sayings and doings when Hiss was connected with the Federal Government here in Washington.

Speaking at Princeton on April 25 last, where the next day Hiss was to deliver a lecture, Edwards warned the students of Hiss' ability, his powers of persuasion, and gave them facts sufficient to enable them to discount whatever false statements Hiss might make.

On that occasion, among other things, as is reported by William Fulton in the April 26 issue of the Chicago Tribune, Edwards said, and I read:

> WARNS PRINCETON TO BEWARE OF HISS—WILLARD EDWARDS CALLS HIM MAN OF INFINITE GUILE
>
> (By William Fulton)
>
> PRINCETON, N. J., April 25.—Willard Edwards, of the Chicago Tribune, in a speech prepared for delivery tonight, warned Princeton students to beware of Alger Hiss, former key figure in the State Department, as a convicted liar and man of infinite guile. Hiss will speak here tomorrow night.
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> Edwards, assistant chief of the Tribune's Washington bureau, was invited here to deliver an Aquinas Foundation lecture on the Meaning of Alger Hiss before a meeting open to the entire university community. The foundation is a Catholic organization directed by the Reverend Hugh Halton, who has criticized the proposed Hiss appearance.
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> QUESTION OF HONESTY
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> Declining to enter into the raging controversy over whether Hiss should be allowed to speak here, Edwards said the question still remained whether the convicted felon was a truth-telling, honest, and trustworthy witness on foreign affairs.
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> Edwards charged Hiss had damaged the prestige of the State Department as no other man in history. He recalled that Hiss was an adviser at the 1945 Yalta Conference which resulted in generous concessions to the late Generalissimo Stalin, of Russia, laying the groundwork for many of this country's troubles in international affairs during the last decade.
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> "So I do not think it unfair or heartless to utter a warning of caution when a man convicted of lying to conceal complicity in Soviet espionage chooses a career in which he seeks to instruct the American people in the meaning of our relations with the Soviet Union," stated Edwards.
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> ASKS SIGNS OF REPENTANCE
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> The speaker said he sympathized with any efforts by Hiss to rehabilitate himself, but added he wished the felon would express "repentence for the crime."
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> Edwards also expressed the hope that tomorrow night's appearance would not furnish the precedent for a parade of men with prison records and convicted Communist leaders on Princeton's lecture forums.
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> Hiss, making his first public appearance after serving 3 years and 8 months of a 5-year sentence for denying he passed Government secrets to a Soviet espionage ring, will talk on the Meaning of Geneva. The invitation was issued by the American Whig-Cliosophic Society, a debating group. A violent storm of protests followed.
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> Princeton officials, uncomfortable over the publicity, have restricted broadcasts of both talks to local closed-circuit radio. It was learned two large national networks were

turned down on requests to film the appearance for television.

As excitement spread over the campus, Princeton's President Harold W. Dodds delivered a public plea that students behave with reasonable conduct during the next 2 days while the institution has the national spotlight fixed on it.

Meanwhile, extraordinary precautions were being taken against any demonstration that might mar the ancient dignity of Old Nassau.

HALL AREA CORDONED

It was announced that the doors and windoys of both McCosh Hall, where the Edwards speech was scheduled to be given, and Whig Auditorium, where Hiss is to speak, would be locked until an hour before the programs were to start. McCosh Hall was cordoned off with ropes tonight and cars were not allowed to park in the immediate area.

A spokesman for the university said a careful search would be made of Whig Hall immediately after it is opened tomorrow night. He did not state the object of the search.

RECALL GRAHAM INCIDENT

However, it was recalled that last April 8 local police and university proctors made a hurried search of Alexandra Hall when a report was circulated that a time bomb was set to go off there while Billy Graham, the evangelist, was speaking.

University authorities said no local or State police would be called in tonight or tomorrow night. The eight campus proctors under Michael C. Kopliner, head proctor, and the normal staff of campus guards would be responsible for security, it was said.

PARTIAL TEXT OF SPEECH

A partial text of Edwards' speech follows:

"I come here as a reporter of facts gathered from official records. It is my assignment to appraise, in the light of those facts and my own observations over a period of years, the credibility of Alger Hiss who comes to Princeton tomorrow night to discuss The Meaning of Geneva.

"Those who have sponsored this meeting think it proper that the opinions of Hiss be considered in the reflection of his background and character. They believe that the context should be set for his remarks so that listeners may judge his qualifications as an unbiased and truthful expert on American foreign policy."

CONVICTED PERJURER

"I think this review of Alger Hiss' career and a study of his moral attitudes is important. It has been proposed that I confine my discussion to the Yalta Conference and ignore an analysis of the Hiss record with which, it is implied, everyone is familiar. I could not agree to that restriction.

"When Hiss appears to present his views on foreign policy in a public forum, there should be recalled not only the fact that he is a convicted perjurer but a man of infinite guile—a perilously plausible advocate who has proved to the satisfaction of many supporters to this day that black is white.

"I assure those of you who will see Hiss in action tomorrow night that he will give a dramatic performance. You will be observing as brilliant, as adroit, as charming a personality as I have witnessed in more than 30 years of newspaper experience. He will fascinate you. He will be plausible and seemingly sincere."

RETAINS BOYISH APPEAL

"Although he is now 51 years of age, he retains a certain boyish appeal of which he is not unconscious. He is the very picture of the All-American boy grown up. You will find it difficult to believe that you are listening to a man convicted by a jury of willful perjury to conceal his role as a traitor and a spy.

"The lean good looks of Alger Hiss, coupled with a winsome personality and a pleasing voice, have been among his most valuable assets in a career which led him to high places before his downfall.

"Alger Hiss and I came to Washington about the same time in the early thirties. We did not move in the same circles. He was one of the brightest of the bright young men imported into the Government on the recommendation of Professor Frankfurter, who himself joined Washington society as a Supreme Court Justice in 1939."

CHAMBERS TRIES TO TELL

"Neither I nor any other newspaperman knew that in 1939 another man came to Washington—a fugitive from the dark underworld of Soviet espionage. This was Whittaker Chambers who had revolted a year earlier from service as a spy for the Russian secret police.

"Chambers came to the capital to unburden his conscience. He tried to see the President but was shunted off by a White House secretary to Assistant Secretary of State A. A. Berle, then in charge of State Department security. To the astounded Berle, Chambers gave his story of communism in the Government. He named names and one of those names was that of Alger Hiss.

"Berle did not know whether to believe Chambers but he thought that the charges should certainly be investigated. But influential friends of Hiss rallied to his defense, as they again rallied many years later, and joined in enthusiastic indorsements of the rising young diplomat. An unbelieving President, who thought Communists were something you saw under the bed at night, scoffed at Berle's report."

NOTHING SLOWS HIS RISE

"Nothing can really be kept secret in Washington for long and inevitably rumors about Hiss were whispered in the years that followed. But nothing disturbed his rise to power. Dumbarton Oaks, Yalta, San Francisco—Hiss pursued his smiling career. He became principal adviser to the American delegation at the United Nations. Then, in 1947, he resigned to become president of the Carnegie Endowment for International Peace, a position carrying great prestige and a $20,000 salary.

"Eighteen months later, the storm broke over his head. The House Committee on Un-American Activities stumbled accidentally upon the existence of Chambers and summoned him to testify, utterly unaware of the bombshell he carried with its 9-year-old sputtering fuse.

"Wearily, knowing that he was destroying his own career, Chambers repeated his charges against Hiss, this time in public before a congressional committee where no Government censorship could apply."

CONVINCING AS WITNESS

"It was my duty in the next 3 years to cover the Hiss affair in all its dramatic ramifications. I have calculated that I spent more than 500 hours in that period, watching Hiss in action, listening to him testify at hearings and court trials.

"I watched him as he made an impressive first appearance before the House committee, evoking almost unanimous sympathy as he indignantly denied the Chambers allegations. I never witnessed a more convincing display of righteous wrath as he swore that he had never laid eyes upon Whittaker Chambers. He blinked at a photograph of Chambers in utter amazement. He had never laid eyes on this man. The whole story was a monstrous fabrication.

"Less than a month later, Hiss, confronted with Chambers himself, was to confess that he had, indeed, known the man and known him intimately. He had entertained him a number of times as an overnight guest in his home and had given him an automobile."

INJURED INNOCENCE

"But where another man would have been covered with confusion, near a breakdown, Hiss was unembarrassed, the picture of injured innocence, profuse in explanations of why he had failed to recall a man whose appearance was exactly that of the man in the photograph shown him.

"It was at this point that I began to realize that Alger Hiss was a dangerous man. Despite this devastating exposure of his own prevarications, his protests were plausible enough to keep many persons convinced that the Chambers' charges were false.

"This is why I think these details are highly important. You might remember that Hiss is a convicted perjurer as he talks to you tomorrow night but your memory should also be refreshed about the many lies he told before he was finally brought before the bar of justice. The denial that he knew Chambers was the first big lie in the frantic campaign of Hiss to avoid exposure. It set the pattern for what was to follow."

A BOLD GAMBLER

"When Hiss tells you tomorrow night, as he will tell you on the basis of his published writings, that the Russians, not the western powers, made concessions at the Yalta Conference; that we gained a great diplomatic triumph instead of suffering a disastrous defeat, let his first denial that he ever laid eyes upon Whittaker Chambers be remembered.

"Hiss proved himself also to be a bold gambler. In a calculated bluff, which well might have proved successful, he challenged Chambers to repeat, outside the immunity of the committee room, the charges he had made. If this was done, there would be a suit for libel and slander, he said, which would forever clear his record.

"Unfortunately for him, Chambers called the bluff and promptly repeated his charges on a radio program. There followed a period of 4 weeks during which Hiss took no action. Editorial murmurs began to arise, even among the pro-Hiss newspapers. Where, they asked, was the libel suit? Finally, a $75,000 action was filed in Baltimore."

DIGS OUT PROOF

"Up to this point, Chambers had testified only that he knew Hiss as a Communist. He had never mentioned espionage. Now, faced with possible loss of his property and savings, Chambers dug out of a dusty hiding place 65 typewritten pages of secret State Department documents and 3 rolls of microfilm, laid away 10 years earlier against just such a contingency.

"The typewritten copies, according to evidence later at the trial, were proved to have come from a typewriter in the Hiss home. Chambers also produced four memoranda in Hiss' handwriting, conceded as such by the defense when they were placed before a jury.

"The typewritten pages were produced by Chambers at a pretrial hearing of the libel suit which promptly began to wither away. He hid the microfilm temporarily in a pumpkin on his farm, producing it later for the House committee amid a national uproar."

GUILTY, JURY DECIDES

"The powerful corps of believers in Hiss could no longer help him stave off the inevitable outcome. Some 15 months and 2 trials later, in January 1950, he heard a jury pronounce him guilty.

"There is no need to review here the exciting developments of those two trials. They constitute an absorbing chapter in the history of espionage in the United States.

"But the behavior of the defendant in the courtroom is worthy of discussion as we now examine his qualifications to speak out on matters of public policy, affecting the welfare of the United States.

"Hiss was consistently contemptuous of the evidence against him. He had the best

lawyers in the land and a defense fund reported at $40,000 contributed by secret donors. He had, at the first trial, a jurist who was openly hostile to the Federal prosecutor and his witnesses. When the jury deadlocked, he was calmly confident that his innocence would soon be established."

EXPLAINS CONTRADICTIONS

"As the evidence piled up against him at the second trial, presided over by a veteran jurist of utter impartiality, Hiss remained smiling and assured. Confronted in cross-examination by discrepancies in his own testimony, he was the urbane man of charm, flashing his smile at the jury as he explained away annoying contradictions.

"There was much testimony at the trial about the psychopathic personality of Chambers, a man, the Hiss experts said, with an irresistible tendency to make false accusations. The typewritten documents, the typewriter itself, the handwritten notes, the microfilmed evidence—all could be ignored. Chambers somehow had forged them.

"The Government called no psychiatrists. But surely one of these experts, after questioning and observing Hiss, would have come up with a verdict that he was a man of passionate and almost pathological convictions of his own rectitude regardless of overwhelming evidence of guilt."

YALTA VIEW PUBLISHED

"After he had been sentenced, he stood up and announced in loud, clear tones, tinged with scorn: 'I am confident that in the future the full facts of how Whittaker Chambers was able to carry out forgery by typewriter will be disclosed.' He was still making that claim when discharged from prison 17 months ago.

"I do not know what Hiss will have to say about Geneva but there is no mystery about his views on Yalta. He has written a lengthy article, published in pocketbook form last October, entitled 'Yalta—Modern American Myth.'

"The theme of this work is that the American people have been deluded for 10 years about the Yalta Conference. Instead of doleful conclusions that the decisions of Yalta paved the way to the Soviet conquest of China and Eastern Europe, there should be jubilation, Hiss says. It was a famous victory.

"Just as Hiss lightly dismissed the weighty evidence at his trial as psychopathic in origin and forged in content, he now pictures this Nation as the victim of a grand hallucination about the deal at Yalta.

SHINING FEAT, HISS SAID

"When Mr. Roosevelt made vast concessions to Stalin to secure Russia's entry into the war against Japan, at the price of a betrayal of our ally, China, it was in reality, Hiss tells us, a shining diplomatic feat.

"Incredible? I assure you that all this will be made to seem very plausible tomorrow night.

What did we give and what did we receive at Yalta? In the Far East, Russia was given the south half of Sakhalin Island, the Kuriles, restoration of the Soviet lease on Port Arthur, a joint share in the Chinese eastern and south Manchurian railroads, and the intenationalized port of Dairen.

"Germany was to be dismembered and jointly occupied by the victorious powers, a decision from which we are suffering deeply to this day. Poland was carved up and the Soviet-sponsored Lublin government, already installed in the ruins of Warsaw, was endorsed. Plans for the founding of the United Nations were laid and the United States agreed that the Soviet Union should have 3 votes to its 1."

FOUGHT LAST 6 DAYS

"In return for all this, Russia agreed to enter the war against Japan at some vague future date, fixed as 'within 2 or 3 months' after Germany surrendered. As we know, Russia belatedly rushed into the Pacific war to fight the last 6 days of a conflict that lasted 1,347 days. That was the service it rendered for one of the great bribes of history.

"The main argument in behalf of this bribe, coupled as it was with the sell-out of China, was that military leaders at the conference believed that the war against Japan would last another 18 months and that Soviet participation was absolutely essential.

"If this was true, was the bribe necessary? The record now discloses that Stalin, 2 years earlier, at the Moscow Conference of 1943, had promised Secretary of State Hull that he would join the war against Japan when Germany was defeated. Even Stalin, keenly aware as he was of American gullibility, did not think at that time of exacting a price for this pledge of support to a nation which had helped save Russia from the German hordes with a tremendous outpouring of arms and materials. He repeated this pledge, again without naming a price, in October 1944, 4 months before Yalta."

NO ONE REMINDED HIM

"No one reminded him of those pledges at Yalta and it can be imagined with what secret amusement Stalin placed his services on the auction block and listened to the bidders. The Kremlin must have rocked with laughter when Stalin gave his reasons for demanding concessions. Gravely, the great dictator told Roosevelt and Churchill that it would be hard for him to 'persuade' the Russian people to war against Japan.

"Thus, Stalin was given the gains, which enabled the spread of Soviet dictatorship to one-third of the human race, in return for a pledge already freely given—and never necessary.

"Hiss now makes the astounding contention that Nationalist China's interests were 'furthered' at Yalta because a basis was laid there for a Chinese-Soviet treaty that Chiang Kai-shek 'greatly desired for the enhanced domestic and international prestige that it gave him.'

"It is hard to understand why, if Chiang was to be transfixed with delight by the Yalta agreements, that it was thought best to keep those agreements secret from him, with Mr. Roosevelt engaging to persuade him eventually of their desirability."

WHY WITHHELD?

"Why the dark secrecy which enveloped Far East agreements at Yalta for so long? If it was a superb triumph of diplomacy, as Hiss contends, why was the full text of the agreement withheld for 2 years, long after the shooting had stopped, and why were the details of the negotiations themselves withheld for 10 years?

"As I read the statements of Hiss about Yalta, I thought back to the many scenes in courtrooms and committee rooms in which I heard him defend himself against charges of treason. There is a reminiscent flavor about his present writings. Just as he fumed about psychopathic accusers then, charging them with grotesque and lurid tales, he now writes that the American public has been 'lured to confusion and panic by fanciful dark tales of duplicity and greed' at Yalta.

"The pattern is consistent. The evidence at his own trial was forged and the product of diseased minds. The evidence at Yalta has been twisted and distorted into a myth and delusion. In Hiss' mind, the Crimean folly was a magnificent effort at a sound postwar peace. American statesmen bamboozled Stalin into entering a war against his own convictions. Black is white. War is peace. Freedom is slavery. Ignorance is strength. The slogans of Orwell's totalitarian world of 1984 are coming upon us.

"The whole truth about Yalta is yet to be told. Last October, an attempt was made to forcibly retire two State Department historians, men of the highest standing in their field. One of them, Prof. Donald M. Dozer, is still fighting to retain his post. The Civil Service Commission ordered him reinstated but he was again fired and is arguing his second appeal. The other historian was Bryton Barran, a State Department veteran of 30 years, who eventually accepted retirement on a pension.

"I believe that the controversy and dispute which have arisen over this affair have done much to alleviate the danger that Hiss' statements will be swallowed unthinkingly and without consideration of his past record and present motives. I hope this meeting and this review of his past career will complete the job of removing that danger.

"It may be said that he has paid the price for his crime and should be listened to in a spirit of forgiveness. I am completely sympathetic with the efforts of Hiss to make a living and to rehabilitate himself in society.

"In this country when a man takes the platform to advise us on matters affecting our national security we give that amount of respect to his words which he has earned by his deeds. Surely it is not inhuman to suggest that Alger Hiss be judged by this standard."

ANTI-STALIN MOVEMENT IN RUSSIA AND HER SATELLITE AREAS

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, we are now advised that there is some kind of a change in atmosphere in the Soviet and satellite areas with reference to an anti-Stalinist movement. As you know, Mr. Speaker, several years ago I served upon the House Committee To Investigate the Katyn Massacre. For 9 months in this country and various part of Europe that committee of this House investigated the massacre of some 15,000 Polish reserve officers in Europe, in the early years of the war. This committee of this House placed the blame for that massacre upon Communist Russia.

The testimony we took in Frankfurt, Germany, and London, England, from members of the London-Polish Free Government in exile detailed conversations that members of that government had with Stalin himself in the Kremlin.

Mr. Speaker, I propose that the Secretary of State direct and order the American delegation to the United Nations to bring, as this House requested in its report, to the United Nations the resolution of this House and submit it to the United Nations with the request and the demand of our delegation that the United Nations consider the report and the resolution of this House on the Katyn Massacre Committee findings and that we recommend to the Polish Red Government at Warsaw and to the Russian Soviet Government at Moscow that we will place in their hands, especially the Red Polish Government, who now are preparing to conduct an investigation of the Katyn massacre, the report, the testimony, and the findings of this House with our compliments.

Nikita S. Khrushchev's desanctification of Stalin offers the free world its greatest opportunity since the Bolshevik Revolution.

If the American Government does not avail itself of the tremendous possibili-

ties which range from the propaganda field to the possibility to roll back the Iron Curtain, the United States of America, the leading Nation in the world today, will rightly have lost its claim as the leader of the free world.

This is the situation in a historical moment which calls more than any other moment in the history of American-Soviet relations for the greatest vision, initiative, and the swiftest action on various fronts of the cold and semihot war. Let Mr. Dulles state directly to Mr. Khrushchev that if he really wants to undo Stalin's betrayal, which he surely must if the world is to believe in the sincerity of his exposure of Stalin, then permit the satellite peoples of Lithuania, Estonia, Latvia, Bulgaria, Rumania, Poland, Albania, and East Germany to freely elect their own governments and to further give us the entire history and the whole truth about the phony confessions of the Moscow trials of the 1930's.

But beyond these matters, Mr. Speaker, I stress today Stalin's guilt in ordering the Katyn massacre of the Polish officers, and also, Mr. Speaker, I ask that the Secretary of State invite Mr. Khrushchev to admit Stalin's and Beria's guilt in the massacre of 15,000 brave Polish officers during the war, of whom more than 4,000 were found in the mass graves of Katyn, a guilt established beyond the shadow of any doubt by the great investigation undertaken by the select committee of this House, of which I have the honor to be a member.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MACHROWICZ, for 30 minutes, on May 3.

Mr. BAILEY, on tomorrow, Tuesday, for 30 minutes.

Mr. HOFFMAN of Michigan, for 30 minutes, today, and to include additional remarks.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MACHROWICZ and to include extraneous matter.

Mr. PELLY.

Mr. THOMPSON of New Jersey (at the request of Mr. WIER) and to include extraneous matter.

Mr. GUBSER (at the request of Mr. TEAGUE of California).

Mr. ANFUSO (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. VANIK.

Mr. CELLER.

Mr. HAYS of Arkansas.

SENATE CONCURRENT RESOLUTIONS REFERRED

Concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. Con. Res. 72. Concurrent resolution favoring appropriate observance of National Hospital Week; to the Committee on the Judiciary.

S. Con. Res. 73. Concurrent resolution relative to the fight against mental illness and to observe National Mental Health Week; to the Committee on the Judiciary.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 31. An act for the relief of certain aliens;

S. 83. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of three aliens;

S. 1212. An act for the relief of Dr. Lincoln Roy Manson-Hing, Mrs. Joyce Louise Manson-Hing, Collin Manson-Hing, and Jennifer Lynn Manson-Hing;

S. 1255. An act for the relief of Brigitta Poberetski and Nicholas Menis; and

S. 1905. An act for the relief of Winston Bros. Co. and the Utah Construction Co. and the J. A. Terteling & Sons, Inc.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on April 27, 1956, present to the President, for his approval, bills of the House of the following titles:

H. R. 6227. An act to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests;

H. R. 6573. An act to authorize renewals of a lease of the Annette Island Airport to the United States;

H. R. 6703. An act to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska;

H. R. 8334. An act to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic games;

H. R. 8942. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Theatre Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes; and

H. R. 8959. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes.

ADJOURNMENT

Mr. HOLIFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 1, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1798. A letter from the Acting Chairman, Federal Power Commission, transmitting a copy of its newly issued publication entitled "Regulations under the Natural Gas Act"; to the Committee on Interstate and Foreign Commerce.

1799. A letter from the Director, the American Legion, transmitting the final financial statement of the American Legion up to and including the period ending December 31, 1955, pursuant to Public Law 47, 66th Congress; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. H. R. 10875. A bill to enact the Agricultural Act of 1956, with amendment (Rept. No. 2077). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII public bills and resolutions were introduced and severally referred as follows:

By Mr. VINSON:

H. R. 10900. A bill to amend the act of August 5, 1953, chapter 321 (67 Stat. 363); to the Committee on Armed Services.

By Mr. AUGUST H. ANDRESEN:

H. R. 10901. A bill to provide that rental income from farming, and amounts received under the soil bank program, shall constitute net earnings from self-employment for purposes of the Federal old-age and survivors insurance system; to the Committee on Ways and Means.

By Mr. BENNETT of Florida:

H R. 10902. A bill to provide that enlisted men shall be retired by the Navy, Marine Corps, and Coast Guard in the highest grade or rank satisfactorily held by them in any of those services, and for other purposes; to the Committee on Armed Services.

By Mr. DINGELL:

H. R. 10903. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of certificates to be used in the acquisition of surplus agricultural food products; to the Committee on Ways and Means.

By Mr. GATHINGS:

H. R. 10904. A bill to provide for the modification of the White River Backwater project, Arkansas; to the Committee on Public Works.

By Mr. HAYWORTH:

H. R. 10905. A bill to authorize a program of grants for the construction of medical and dental educational and research facilities; to the Committee on Interstate and Foreign Commerce.

By Mrs. KEE:

H. R. 10906. A bill to provide for the establishment of a fish hatchery in the State of West Virginia; to the Committee on Merchant Marine and Fisheries.

By Mr. MAGNUSON:

H. R. 10907. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 10908. A bill to provide for protecting Soap Lake, Wash., in connection with the Columbia Basin project, Washington; to the Committee on Interior and Insular Affairs.

By Mr. MARSHALL:

H. R. 10909. A bill to promote the welfare of the American Indian citizens of Minnesota, and to establish the Minnesota Indian

Administration, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PELLY:

H. R. 10910. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. POFF:

H. R. 10911. A bill to amend title 18 of the United States Code by adding a new chapter defining crimes and providing penalties for possession, transportation, and sale of narcotics, and for other related purposes; to the Committee on the Judiciary.

By Mr. REUSS:

H. R. 10912. A bill to amend the Internal Revenue Code of 1954 to establish corporate tax rates of 22 percent normal tax and 32 percent surtax, and to increase the amount of the exemption from such surtax; to the Committee on Ways and Means.

By Mr. RHODES of Pennsylvania:

H. R. 10913. A bill to amend sections 2 and 3 of the act of October 30, 1951 (39 U. S. C., secs. 289a and 290a–1) with respect to certain rates of postage on second- and third-class mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROBSION of Kentucky:

H. R. 10914. A bill to amend the National School Lunch Act so as to permit donations of agricultural commodities, in certain cases, to schools above the high school level; to the Committee on Education and Labor.

By Mr. SISK:

H. R. 10915. A bill to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of Mississippi:

H. R. 10916. A bill to provide a library of captioned films for the deaf and hard-of-hearing; to the Committee on House Administration.

By Mr. MASON:

H. J. Res. 612. Joint resolution proposing an amendment to the Constitution of the United States relative to taxes on incomes, inheritances, and gifts; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States, relative to article V of the Constitution of the United States for a convention for proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 10917. A bill for the relief of Luis Torres; to the Committee on the Judiciary.

By Mr. HEALEY:

H. R. 10918. A bill for the relief of Samuel John Edgecombe; to the Committee on the Judiciary.

H. R. 10919. A bill for the relief of Peter O'Hara; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 10920. A bill for the relief of Dudley Cheesman (also known as Dudley T. Whittaker); to the Committee on the Judiciary.

By Mr. ROBSION of Kentucky:

H. R. 10921. A bill to extend Federal recognition posthumously to Lt. Col. Lee J. Merkel, Air National Guard of the United States, as a colonel, Air National Guard of the United States, and for other purposes; to the Committee on Armed Services.

By Mr. YATES:

H. R. 10922. A bill for the relief of Mrs. Georgia Pulos; to the Committee on the Judiciary.

By Mr. LANE:

H. Res. 490. Resolution providing that the bill, H. R. 6365, and all accompanying papers shall be referred to the United States Court of Claims; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

971. By Mr. BUSH: Petition of Skiff-Bower Post 1536, Veterans of Foreign Wars, Sayre, Pa., containing 584 signatures, urging immediate enactment of a separate and liberal pension program for veterans of World War I, and their widows and orphans; to the Committee on Veterans' Affairs.

972. By Mr. DAGUE: Petition of Isabel F. Tyson and 38 other residents of Pottstown, Parker Ford, Spring City, and Glen Moore, Pa., urging enactment of H. R. 4627 to bar alcoholic advertising in interstate commerce and its broadcasting over the air; and H. R. 8000 to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

973. Also, petition of Mr. and Mrs. William H. McGlaughlin and 64 other residents of Pottstown, Paoli, Royersford, Parker Ford, Phoenixville, and Spring City, Pa., urging enactment of H. R. 4627 to bar alcoholic advertising in interstate commerce and its broadcasting over the air; and H. R. 8000 to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

974. Also, petition of Marian Scholten and 50 other residents of Pottstown, Douglassville, Chester Springs, Pa., urging enactment of H. R. 4627 to bar alcoholic advertising in interstate commerce and its broadcasting over the air; and H. R. 8000 to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

975. Also, petition of Mr. and Mrs. George Mohler and 55 other residents of Spring City, Pottstown, Phoenixville, Glen Moore, Kimberton, and Parker Ford, urging enactment of H. R. 4627 to bar alcoholic advertising in interstate commerce and its broadcasting over the air; and H. R. 8000 to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

976. By Mr. DONDERO: Petition of citizens of Oakland County, Mich., protesting the advertising of liquor on radio, television, and in magazines and urging the enactment of H. R. 4627; to the Committee on Interstate and Foreign Commerce.

977. By Mr. GROSS: Petition of W. L. Powers and 40 other residents of Marshall County, Iowa, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

978. Also, petition of R. L. VanNote and 116 other residents of Mason City, Iowa, and vicinity urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

979. Also, Cliff H. Doly and 29 other residents of Charles City, Iowa, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

980. Also, petition of Mr. and Mrs. H. O. Robinson and 43 other residents of Marshalltown, Iowa, and vicinity urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

981. By the SPEAKER: Petition of Cecilia Perez Sandoval, Guadalajara, Jal., Mexico, requesting that she be permitted to reenter the United States in order to support her children; to the Committee on the Judiciary.

982. Also, petition of Monico Ornelas Ramírez, Guadalajara, Jal., Mexico, requesting that he be permitted to reenter the United States in order to support his wife and children; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

The German-Polish Boundaries

EXTENSION OF REMARKS
OF
HON. THADDEUS M. MACHROWICZ
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, April 30, 1956

Mr. MACHROWICZ. Mr. Speaker, in his remarks published in the CONGRESSIONAL RECORD of February 8, 1956, which were called to my attention recently, the gentleman from Tennessee [Mr. REECE], while criticizing the separation from Germany of territories to the east of the Oder and Neisse Rivers, deals at length with the particular problem of East Prussia. He supports in this connection the views expressed in an attached memorandum of Dr. Richard Sallet, a native of that province. Congressman REECE's conclusion is:

That the Government of the United States as well as the Governments of the United Kingdom and the French Republic, should not leave the shadow of a doubt that East Prussia and the other German provinces east of the Rivers Oder and Neisse are, according to international law, a part of Germany within her boundaries of December 31, 1937, that are today still under wartime Red Polish and Soviet administration. The Government of the United States should seize upon a proper moment to restate the legal position in no uncertain terms.

As a general remark may I remind my colleague that the actual territorial changes between Poland and Germany have taken place as a result of the outcome of World War II. This war was provoked on September 1, 1939, by Hitler's brutal assault on Poland. In violation of international law, large parts

of Poland were incorporated to the Reich and the population expelled from there to the so-called General Government, formed out of the remaining parts of the country then under German occupation. An unprecedented reign of terror prevailed throughout the whole war in German-occupied Poland during which over 3½ million people were tortured in concentration camps and executed. Warsaw, the capital of the country, was razed to the ground, private property confiscated, and Polish culture systematically destroyed.

At Potsdam the United States, United Kingdom, and the U. S. S. R. arrived at the decision to place under the administration of the Polish state the territories east of the Oder-Neisse. They recognized at the same time in article XII the right of transfer of the German population to Germany.

In execution of the latter provision the Inter-Allied Control Committee in Berlin accepted, on November 20, 1945, a detailed plan which stipulated in article 1 that the entire German population to be removed from Poland—3½ million persons—should be admitted to the Soviet and British zone of occupation. In article 3 points (a) and (b) it was further stated that 2 million Germans should be directed to the Soviet zone and 1½ million to the British.

Millions of Germans having already left the country at the approach of the Soviet armies, the number of 3½ millions indicated by the Inter-Allied Committee covered practically the majority of those who had so far remained on those territories.

It is therefore evident that a de facto situation has been thus created with the consent of the three major powers.

The final settlement of boundaries at the Peace Conference can therefore be only envisaged as a formal recognition of the existing state of affairs. The more so, as since 1945 those lands have been repopulated by millions of Poles who have contributed through their efforts to the economic postwar reconstruction and industrial development of this territory.

To ask the United States Government—as suggested—for a declaration on German frontiers, based on the status of 1937, seems to be outside the scope of a realistic approach. Such a declaration would in fact alienate the people of Poland and other captive countries while playing in the hands of Communist propaganda.

It would do no good to our international position and be a heavy blow to our prestige.

It seems strange that the case of East Prussia has been chosen to support German revisionistic aims in the United States, as the history of that province was marked by the "Drang nach Osten" policy, one of the main causes of both World Wars.

Concentration of Economic Power

EXTENSION OF REMARKS
OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1956

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I insert herewith an address I made before the Economics Society, the City College of New York, on April 27, 1956:

CONCENTRATION OF ECONOMIC POWER

(Speech of Representative EMANUEL CELLER, Democrat, New York, before Economics Society, the City College of New York, April 27, 1956)

I am pleased to discuss with you the problems posed to both our competitive economy and to our political institutions by the increasing concentration of economic power in the United States. Increasing control over a growing percentage of American business life by a relatively few corporate empires is one of the critical developments in our postwar society.

As Chairman of the House Committee on the Judiciary, at the beginning of this session of Congress, I established a subcommittee concerned exclusively with antitrust problems. Early in the first session, the Antitrust Subcommittee, of which I am chairman, conducted extensive hearings into current antitrust problems facing the country.

During these hearings the subcommittee heard testimony from 52 witnesses representing all points of view on numerous economic problems. Nearly every one of these witnesses discussed in some degree the problems flowing from the economic fact that today a preponderance of the economic life of the country in many fields has been garnered by a few large corporate organizations.

There are two main reasons why I am concerned about the concentration of economic power in the United States. First, is that concentration of business, if it progresses sufficiently far, unavoidably will lead to some kind of state socialism, dictatorship, or some other form of excessive governmental control over the lives of individuals. Such extensive governmental supervision and regulation is not in the heritage of the American people and, I am convinced, it is not the desire of the American people. The other reason for my concern is that a concentrated industrial system is inefficient when compared with the flexibility which this country has demonstrated flows from a business community competitively organized.

We have only but to look at the history of the other industrial countries in the Western World to ascertain the political results caused by the channeling of the business life into the hands of a few. The unrestrained growth of monopolies and cartels inevitably has resulted in the development of private concentrations of power so strong that necessarily the issue became whether big business would control the government or whether the government would have to seize control of big business. This was the history in Germany and in Italy. In Germany the business interests thought they could take over the government by using Adolf Hitler as the puppet. As a result, the German people found that a system of private monopoly led to dictatorship and ultimately to disaster.

As to the efficiency argument, I believe it is misleading to argue that a high degree of industrial concentration is the price of technological progress. This is illustrated by Mr. T. K. Quinn, a former vice president of the General Electric Co. in charge of the appliance division, in his book, Giant Business, Threat to Democracy. Mr. Quinn says "original inventions are no more plentiful, proportionately, in big than in small organizations." Citing concrete examples, Mr. Quinn argues that "in the electrical appliance industry, the better clothes-washing machines have not been produced by the monster companies but by the relatively small, independent companies specializing in one or two products. This is also true of ranges, vacuum cleaners, radios, toasters, mixers, home freezers, fans, clocks, heaters, air conditioning units, etc." The accomplishments of the giants lie not in the field of inventing, but in using their capital advantage for the purpose of moving in, buying out, and absorbing the smaller creators. In Mr. Quinn's opinion the prospects of technical progress are greater where the centers of initiative are diffused, where thousand of individuals and organizations have the incentive to work and think for the future.

Following World War I the economic growth of the country during the 1920's led to increased concentration in business. That pattern has been followed in the industrial expansion succeeding World War II.

Since the war numerous studies have been made which demonstrate that our economy is tending to become more controlled by a handful of giant corporations.

The Senate Judiciary Committee in the 81st Congress reported an industrial concentration in the United States as follows:

"The extent to which the American economy has become concentrated and centralized in the hands of a few giant corporations was strikingly revealed before this committee in figures presented by Dr. Wilfred I. King, professor emeritus of economics at New York University. The figures which he presented reveal an extraordinary level of concentration. Thus, his figures show that in 1946, the latest year for which such data are available, one-tenth of 1 percent of the total number of all American corporations—the giant firms with assets of $100 million and over—owned 49 percent of the assets of all American corporations; 2 percent of the number of corporations owned 78 percent; 8 percent of the number owned 89 percent of the assets; and 12 percent owned 92 percent of the assets. At the other end of the scale, 45 percent of the number of corporations—the small firms with assets of $50,000 or less—owned less than 1 percent of the assets."

At the end of 1952, corporations with more than $100 million of assets had 52 percent of all the assets of manufacturing corporations. Two and one-half years later, 57 percent of the assets were held by corporations of this size. If this rate is not checked it will take about 20 years for all of the manufacturing assets of the country to become concentrated into such giant corporations.

The growing domination of the marketplace by larger corporations and its effect on small business was recently highlighted by the Senate Small Business Committee which reported these facts: "While the prosperity of 1955 brought a profit rate of 14.4 percent to the biggest corporations (those of assets over $100 million) the smallest corporations (those with assets of less than $250,000) reported earnings in the first 6 months of 4.5 percent. * * * Between the first halves of 1952 and 1955, while the giant companies' earnings 'went through the roof' the smallest manufacturing plants' profits headed for the cellar. Expressed in percentages the earnings of the small concerns fell off 27.4 percent between the two periods while the earnings of the large companies increased by 58.5 percent. * * *

"There is an ominous significance" the report concludes, "in an economic atmosphere which makes it possible for the Nation's mammoth corporations to reap profits while

the general run of small enterprises are worse off than they were 3 years ago."

This industrial concentration is perhaps most graphically expressed by the following:

At the present time 3 companies make more than 90 percent of all our silk; 3 companies make over 95 percent of our tin cans and tinware; 3 companies make 90 percent of our linoleum. Three huge corporations control cigarettes, whisky and automobiles.

Prof. Adolph Berle in the statement to the Antitrust Subcommittee remarked on the industrial structure becoming characteristic of American business. He said: "In industry you find a standard pattern of not less than 2, nor more than 5, large corporations which have 50 percent or more of the volume of that industry between them." This pattern Mr. Berle said "is typical of more than half of American industry, and the most important half."

An important aspect of the pattern of concentration in the United States is that rarely is an industry controlled by a single firm, a monopoly in the popular or classical sense of the term. Where an industry is dominated by a concentrate of a few large companies, however, their actions in many instances result in the same bad effects as a true monopoly.

More and more it is apparent that in those industries in which relatively few, large-scale, heavily financed companies of comparable size are dominant in production and distribution, there is not active price competition in the industry. In many industries where this condition prevails there appears to be a "follow the leader" policy in pricing and selling. Each member of the industry, both the large and smaller concerns, individually elects to follow the policy of not changing his prices until the "leaders" change their prices. When prices do change, each company, strangely enough, individually elects to charge precisely the same prices as the leaders.

Although the effect upon the consumer of this practice is the same as in the case of a monopoly, it is a difficult condition to correct under the antitrust laws. If the Government can establish the existence of an actual or tacit agreement among the various companies in the industry to adhere to and to follow the prices or other market practices of a leader, then the companies can be charged with conspiracy or combination to monopolize or restrain trade. In many instances, however, it is not possible to find evidence of an actual agreement and the courts have been reluctant to infer the existence of a conspiracy in the absence of some direct evidence of an agreement. This is one of the problems of concentration that has been plaguing antitrust enforcement officials in dealing with this problem.

Because of the difficulties surrounding attempts to correct abuses of concentration by means of antitrust laws, some people have advocated alternative proposals to deal with the problem of concentration. It is significant to note that most of these alternative proposals, although emphasizing the benefits of competition, nevertheless call for an increase in the supervision and regulation by the Federal Government over economic behavior.

Prof. Louis B. Schwartz, of the University of Pennsylvania, for example, recommends the creation of a free enterprise commission to take over the antimonopoly functions of the Federal Trade Commission. Such a free enterprise commission would have the power by regulation to define and prohibit anticompetitive practices; and to prohibit integration and mergers unless specifically approved. Such a commission also would have the power to compel reorganization of excessively large enterprises as well as other broad regulatory powers over the economy.

Other witnesses before our subcommittee recommended legislation comparable to the Public Utilities Holding Company Act be enacted in order to empower agencies of the Government to compel, in appropriate instances, the dissolution of the giants in the economy to smaller economic units.

Whether concentration has progressed to a degree which requires such far-reaching proposals at this time is debatable. I would much prefer that the solution to the problem of concentration be reached within the basic framework of our existing antitrust legislation. I am reluctant to impose additional supervisory, regulatory, or planning authority over the economy unless the growth of large-scale firms precludes any other solution for adequate protection of the public.

Another aspect of the problem of consolidation of economic power which needs emphasis is the role of the Government itself in contributing to increased concentration. The Government, by its administrative decisions, influences in a significant manner whether industrial capacity shall be concentrated in the hands of a few or whether economic power shall be sufficiently dispersed so as to provide a favorable climate for free enterprise. The procurement policies in both World War II and the Korean war are cases in point.

During World War II, for example, in military procurement the 100 largest corporations received 66⅔ percent of the prime contracts awarded. More than 51 percent of such contracts went to the top 33 corporations. During this period the top 10 corporations got fully 30 percent of the war contracts.

Moreover, the major portion of subcontracts also went to the largest companies. It is significant that in 1943 prime and subcontract records of 252 of the nations largest corporations, receiving the bulk of the prime contracts, showed that these companies subcontracted only 34 percent of the value of their contracts and three-fourths of the value of those subcontracts went to firms with over 500 workers.

In the first year of the Korean war the concentration of defense contracts was even greater. According to the findings of the Senate Small Business Committee, the top 50 corporations got almost two-thirds of the dollar volume of defense contracts while the top 10 corporations got 40 percent of the total. For the 5-year period from July 1950 through June 1955, 100 companies and their subsidiaries received 62.6 percent of the military prime contract awards. In the 2-year period from July 1953 through June 1955 the top 100 companies received 65.4 percent of military prime contract awards. And in the 6-month period from January through June 1955 the top 100 companies received 68.4 percent of the military prime contract awards.

There are several reasons underlying the flow of Government defense contracts to the larger corporate organizations. Defense orders, for one thing, tend to be heavy in industries already dominated by a handful of large companies. In the short run at least, procurement officials have little choice but to make use of the facilities and know-how of the giant organizations. Moreover, it is the easiest course for military procurement officials to deal with one large firm than it is to deal with a multitude of small firms.

Further, large enterprises enjoy certain obvious advantages in getting Government business. They can afford to employ agents in Washington who keep them informed about pending governmental action, the considerations that are likely to influence such action, and, most important, the persons who are likely to make important decisions. Unlike smaller operators, they can afford to assemble information to support their interests and make sure this data is in the hands of appropriate people at the proper time. The consequence is that Government officials become more familiar with the point of view of big business and imperfectly informed about the point of view of smaller concerns.

Another illustration of the type of Government action which contributes to increasing industrial concentration is found in the surplus-property-disposal programs following World War II. The War Assets Administration reported that the 250 largest manfacturing corporations in 1946 had acquired 70 percent of the total surplus disposals. Since these companies owned and operated 67 percent of the Nation's manufacturing facilities before the war, it is apparent that the agency's plant disposals helped increase industrial concentration above the already excessive 1939 level.

In the field of antitrust enforcement itself administrative decisions sometimes result in weakening the volume of competition in the economy and crystallizes the pattern of industrial concentration. The recently negotiated consent decree between the Government as plaintiff and the American Telephone & Telegraph Co. and the Western Electric Co. as defendants is a case in point.

In that case, the Government in 1949 filed an antitrust complaint designed to put an end to the Western Electric's illegal manufacturing monopoly which had been developed and existed under the protection of the monopoly enjoyed by the American Telephone & Telegraph as a public utility. While the operations of American Telephone & Telegraph are subject to public utility regulation, the manufacturing functions of its wholly owned subsidiary, Western Electric, were not so regulated.

In its complaint the Government charged type of activity least susceptible to effective regulation. The benefits flowing from competition in a free enterprise system are generally considered to be most readily realized in the manufacturing area of the economy.

In its complaint the Government charged that Western Electric manufactured and supplied more than 90 percent of all telephones, telephone apparatus, and equipment sold in the United States. It also charged that American Telephone & Telegraph required its operating companies as well as its long lines department to buy substantially all of its equipment from Western Electric. The significance of this is indicated by the fact that American Telephone & Telegraph owns and operates more than 98 percent of the long distance telephone facilities in the United States, and owns and controls operating companies which furnish approximately 85 percent of the country's local telephone service.

To remedy the almost complete lack of competition in the manufacture, distribution, and sale of telephone equipment, the complaint sought a separation of Western Electric from American Telephone & Telegraph and a dissolution of Western Electric through competing manufacturing concerns. Relief of this kind was the principal reason the case was brought.

In the consent decree terminating this case on January 23, 1956, however, attempts to secure this kind of relief were abandoned. Instead of separating Western Electric from A. T. & T., the decree solidifies Western Electric's subordination to A. T. & T. and gives Government sanction to the very monopoly which the complaint was designed to break up. Western Electric is left with some 80 to 90 percent control of the manufacture and sale of telephonic equipment, and A. T. & T. will purchase its equipment only from Western Electric.

If Western Electric had been separated from the domination and control of A. T. & T., being a strong, substantial entity in its own right with ample resources for independent research and development, it would have been in a position to give effective competition to RCA and to Westinghouse in many electronic manufacturing

fields. Competitive rivalry in these fields could not but have resulted in benefits to the public.

Under the decree, however, we are faced with the specter of these corporate organizations of planetary magnitude by Government fiat restricted to separate majestic orbits in their own spheres of the economy. Further, by extending the public utility concept from A. T. & T. to include Western Electric's manufacturing operations, the decree requires the Antitrust Division of the Department of Justice and the courts to take the role of regulatory bodies. This is a role foreign to their primary functions and which they are ill equipped to perform. By extending such regulatory functions to manufacturing, the decree abandons the competitive principles underlying our free enterprise system and is contrary to the most basic philosophies of antitrust enforcement.

Another instance where Government antitrust action contributed to maintenance of monopolistic condition and increased concentration of economic power is found in the Attorney General's approval, in September 1954, of the Iranian Consortium. In his approval the Attorney General permitted the same companies named as defendants and participants in a pending monopoly case to combine and carry out a joint operation in Iran. In the Oil Cartel case, filed April 21, 1953, the Attorney General charged these companies have since 1928 engaged in a conspiracy to control the petroleum trade of the world. According to the complaint the defendants have: Agreed to eliminate competition among themselves by establishing market quotas, fixing prices, curtailing production, and limiting facilities, secured and maintained control of foreign petroleum production; divided among themselves foreign production and marketing territories; and monopolized pipeline transportation facilities, tankers and patented processes relating to refining.

The Iranian Consortium is an organization composed of the major international oil companies, who produce at least 87 percent of the free world's oil, created to reestablish the Iranian oil-producing industry.

In essence, what occurred was this: The Iranian Government decided to nationalize the properties of Anglo-Iranian Oil Co. (now renamed British Petroleum Co.) which for years had an exclusive concession to produce oil in Iran. The British Government owns more than 50 percent of the stock of that company.

Nationalization culminated the disagreement over the amount to be paid Iran and other terms of the concession. Western oil governments and the other oil companies having concessions in the Middle East countries, supported the British.

Iranian public feeling, however, made it necessary that the British monopoly be at least partially displaced. The new international cartel was the answer. Perhaps it was the right answer, from the military-diplomatic point of view, despite some indications that we may have succeeded in diverting a portion of Iranian ill will from the British to ourselves, and despite rumblings of protest heard in Europe against the economic consequences of the Near-East oil cartel.

Prof. Louis Schwartz described the effect of the approval of the consortium to both the Antitrust Subcommittee and the Attorney General's Antitrust Committee as follows:

"Objections to the plan from the standpoint of American antitrust policy are formidable. Here were huge enterprises already established on various concessions in the Middle East with more than adequate reserves of oil. Some of them had already been officially accused of conspiring to maintain an artificially high price for this cheap middle eastern petroleum. The Wall Street Journal reported the open secret that one of their main concerns in entering this pool was to see to it that Iranian production should not return to the world market too rapidly so as to hurt the world price. Only the antitrust laws stood in the way. This obstacle was surmounted by an extraordinary dispensation granted by the executive department, without sanction of any statute of Congress. Moreover this executive exemption contained no conditions designed to safeguard the public interest or the interest of American oil refiners who must buy foreign crude. When the American Five and their European partners meet to discuss Iranian production policy they must inevitably take into account their production and sales from other concessions and even at home. Discussion of production becomes in the end discussion of the market and of price. No representative of the American public sits in on these discussions. There is no guarantee of any sort that this private cartel coordinating production of the world's cheapest oil will give the public the benefits of its low costs."

During our investigation into current antitrust problems, our subcommittee attempted to evaluate the arrangements made in the Idanian consortium. The subcommittee, however, has been unable to secure copies of the contracts and arrangements among the oil company participants in the consortium necessary for such an evaluation. Even though the contracts are between private companies, distinguished from governments, the Secretary of State informed the subcommittee, "it would not be in the interest of the United States to divulge their contents at this time, since making them public would affect adversely the foreign relations of the United States."

The Secretary of State informed the subcommittee that he had conferred with the Governments of Iran, Great Britain, France, and the Netherlands and has ascertained that all of these Governments strongly objected to the disclosure of the various documents among the oil company participants. In view of this objection the subcommittee has been unable to make a definitive analysis of antitrust aspects of this matter. It is clear, however, that approval of the consortium has reinstituted the control of the major internation oil companies over this important natural resource in Iran.

During this session of Congress, the Antitrust Subcommittee is conducting an investigation of monopoly problems in industries which are under the jurisdiction of the Federal regulatory agencies. These hearings were instituted as a result of the frequent allegations made in our hearings on current antitrust problems, that, in operation, Federal regulatory agencies had become unduly industry-oriented and had sanctioned excessive economic concentration in the industries subject to their jurisdiction. The purpose of the investigation is to determine whether or not it is true that public regulation has gradually shifted its objective from protecting the public interest to protecting the monopolies created under its aegis.

Thus far, the subcommittee has received information from representatives of the Department of Justice, and from various academic experts in this field. We have also probed deeply into the activities of the airlines industry and its regulatory agency, the Civil Aeronautics Board. Since the investigation is incomplete with additional evidence still to be received, the subcommittee is not in a position to come to any conclusions as to these problems. Sufficient testimony has been adduced thus far, however, to make one question the wisdom of increasing the scope of regulation by the Government in additional areas of the economy.

The problems involved in maintaining effective supervision in the public interest over the operations of regulated industries by public agencies are formidable. While it is still too early to assert that governmental regulation by commission or board has failed to adequately protect the public interest, I am firmly convinced that to the maximum extent possible, the public interest in the long run will be better served if the impersonal forces of competition are the determining factors in establishing prices and controlling the growth of business opportunities.

One of the most basic values of free competition is that it minimizes governmental intervention. Competition is a viable, self-perpetuating system within which men conduct their economic activities free from dictation by the government. It is an institutional arrangement consistent with our historical concept of limited government. In view of our experience with direct government intervention in economic matters, it doesn't seem to me that the best answer to the problem of economic concentration is to broaden government regulation over industry. A far less dangerous course would be to assure that automatic forces of competition in the market place be the determining factor in the solution of this problem.

In conclusion, I think that you will all agree that the problems presented by increasing concentration of economic power in the United States, are most intricate. Further, the problems are of such gravity that no precipitous action should be undertaken on any particular phase. Tinkering with the economic processes without a full comprehension of the results likely to ensue could create more problems than are solved.

I am convinced that it is essential to maintain in full vigor enforcement of the antitrust laws to cope with these problems even though in some respects results to date have not been fully satisfactory. It is clear that without the existence of antitrust legislation and enforcement, the problem of concentration would be much more acute than it presently is. Monopolies in the classical sense long since would have become the rule in most of our major industries.

I am also convinced that much can be done under existing antitrust legislation to solve the special problems presented by the current pattern of economic development we have discussed. If proceeding in this manner is inadequate, however, and further Government regulation is required, I am convinced a great deal more consideration must be given to assure that the regulatory bodies are surrounded by sufficient safeguards to protect the interest of the general public.

Tenth District, California: A Story of Growth and Growing Pains

EXTENSION OF REMARKS
OF
HON. CHARLES S. GUBSER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 30, 1956

Mr. GUBSER. Mr. Speaker, this is a story of progress, growth, and growing pains. Some time ago, I requested various communities in my congressional district to furnish me with statistical information to help me keep my records up to date. I was much intrigued by a brochure issued by the Chamber of Commerce of the City of Sunnyvale which, at the bottom of a list of figures, carried this notation: "Warning: Sunnyvale statistics become obsolete hourly."

This, Mr. Speaker, is literally true, and it applies not only to that one locality,

but to all of the county of Santa Clara in which it is located, and to the wonderful, amazing tricounty district I have the honor to represent. So rapid is the progress in almost every phase of human endeavor, so staggering the changes that are taking place before our wondering eyes from day to day, that I know my colleagues are interested in hearing about it. To illustrate the miraculous progress of the 10th Congressional District of California, I will have to quote figures. I assure you that they are as recent as I have been able to obtain. In all fairness, however, I, too, wish to add this paraphrased warning: Statistics pertaining to the 10th District of California become obsolete hourly.

Growth and progress are expressed in many ways. The use of land, the modernization of communications, greater soil productivity, and increased output of our manufacturing plants are some of them. So are the quality of housing, the availability of schools, and the whole list of items that come under the general heading of "Standard of Living." Progress can be quantitative and qualitative. In the 10th District of California you will find all of these.

Above all, growth is measured in people. Let me tell you about the fantastic migration of population to our area. In 1940, a year before Pearl Harbor, there were 175,000 people living in Santa Clara County which reaches from the south shore of San Francisco Bay up the green and fertile Santa Clara Valley. It is separated from California's great Central Valley by the Mount Hamilton Range of mountains on the east, and protected from the Pacific by the Santa Cruz Mountains on the west. During the war and immediate postwar years, our popution climbed from 175,000 to 290,000, but this proved merely a beginning. By 1953, there were 355,000, in 1954 there were 370,000. Santa Clara County had 407,000 residents on January 1, 1955, just a little over a year ago. On January 1, 1956, our population exceeded 456,000, a growth of 12 percent in a single year and 57.2 percent since April 1950. The estimate on the 1st of April of this year was 461,900.

People, needless to say, are not merely statistics. They are human beings who work and earn and produce and create assets. Taxes provide a good yardstick for the latter. In 1940, the assessed valuation of property in Santa Clara County, Calif., was a little over $159 million. In 1950, it was nearly $350 million. The net assessed valuation for the current 1955–56 fiscal year is $623,921,820. And as industry keeps coming into the county the valuation keeps growing steadily, too.

Industry—that more than probably anything else is the word that changed the face of Santa Clara County and is still changing it. In a way, all the other changes are byproducts of industrialization. Yet, Santa Clara County is historically an agricultural region, and even today it ranks 20th in the entire Nation, with an agricultural production of $88 million in 1954. More than 80,000 acres alone are still covered with orchards which have made this area one of the greatest fruit and nut growing centers in the world. Of all the fruit crops, prunes account for almost one-fifth of the dollar value, followed by strawberries, pears, cherries, and apricots. More than 18,000 acres are planted in vegetables. Other important crops are hay, barley, sugar beets, and, to a lesser degree, wheat, oats, and alfalfa.

The orchards still fill the valley with bloom in spring, but nearer the bay of San Francisco, along the rail lines of the Southern Pacific and Western Pacific railroads, an industrial community is growing with giant strides. For years, the city of San Jose, hub of this empire, has been a cannery center unequaled anywhere. In addition, such industries as Food Machinery & Chemical Corp. and Permanente Cement Corp. have provided industrial payrolls and are contributing immensely to the economy of the area. To these we can now add a continuously growing list of corporations whose names read like the Who's Who in American Industry: Ford Motor Co., General Motors, Westinghouse Electric, Lockheed Aircraft, IBM, Eastman Kodak. With them come supplier industries and service organizations. With them, too, come work forces, men and women and their children, people who build homes and buy food and clothing and attend churches and who belong to service clubs, lodges, and the PTA.

Stanford University is fast becoming the medical center of the West, with a $21 million VA hospital scheduled for construction, and the Stanford Medical School expanding its activities. Stanford Research Institute is called upon for work by all of the American industry. The electronics industry is gravitating more and more to the Palo Alto area.

Mr. Speaker, this growth, astounding as it is, is only beginning. Contrary to many other areas, we have a long way to go before we reach the saturation point. Just to cite one example, of nearly 600 acres zoned for light industry in the city of Mountain View, about 65 percent is still vacant and available.

Growth cannot take place without also creating problems. One of our most pressing problems is that of water. The fertile soil of our valley needs water to produce its crops. Water, too, is needed by the industries moving in. And water—in ever-increasing quantities—is needed by the rapidly increasing population for domestic use. With characteristic vigor, the people of my district have taken measures to conserve every drop of water that can be stored during the short months of winter rainfall. Two great water-conservation districts, formed many years ago, have with their own resources constructed reservoirs and dams. The northern district alone has invested some $10 million to date in water-conservation works. At the present time their total storage capacity is 143,700 acre-feet, but only 91,000 acre-feet per year can be percolated, and current pumping amounts to some 125,000 acre-feet per year. This rate is rising. Back in 1945, 85 percent of the water used in the district was for agricultural use. This is now down to 70 percent, since industry and domestic use takes an even larger share of the water resources.

Yet, the water table continues to sink. Where in World War I days, the water table was less than 40 feet below the ground, it has fallen more than 150 feet at the end of recent irrigation seasons. With local efforts at a maximum, importation of water has become a necessity. Even now, the Army engineers are constructing a model of San Francisco Bay and its tributaries as part of a comprehensive survey to study barrier plans. The Bureau of Reclamation of the United States Department of the Interior has requested funds for an engineering survey to determine the feasibility of integrating Santa Clara County and neighboring San Benito County to the south in the Central Valley project. I have also introduced legislation which would modify the 1914 Raker Act to permit sale of Hetch Hetchy water, now in surplus supply, to utilities in my district.

Mr. Speaker, water may be the gravest single problem. There are, of course, many others. The new population centers pose growing demands on transportation and communications, too. State and counties are doing what they can to construct highways which are adequate to carry the enormous traffic flow of our motorized society. The city of San Jose, with aid from the Federal Government, has developed a first-class airport which is rapidly becoming the third major landing field in the San Francisco Bay area. And even here, there are problems since every parcel of land needed to lengthen the runways and to construct maintenance and passenger facilities is also coveted by industry ready to move into every available parcel of vacant land. Recent floods created another serious problem that will be solved by cooperative efforts of local, State, and Federal agencies.

And again, the human problem gains overriding importance. The tanned, healthy children growing up in our sunny climate require schools, and in spite of almost constant school construction, our school districts are hard put to provide sufficient classroom space. More than 13,500 elementary pupils attended double sessions in Santa Clara County this last term. Total elementary school enrollment was 72,800 last fall, as compared to just 39,400 in 1950. Similar problems confront our high schools, junior colleges, and the four major institutions of higher learning, Leland Stanford, Jr. University, the University of Santa Clara, San Jose State College, and Lick Observatory of the University of California.

One would think that the huge influx of industrial workers would also find reflection in organizational ferment. I am very happy to state that the contrary is true. Labor-management relations in the 10th district of California set an excellent example of sensible moderation and mutual respect. Organized labor is as much a part of our community and industrial life as is any other form of organization. Employment is high. So are wages. Practicing wise moderation, both labor and management have achieved a harmony which has greatly aided the continued prosperity of our area.

The face of the valley changes from day to day. Thousands of new homes

now cover many areas which were meadows or woods or orchards only a scant few years ago. Shopping centers flank brand-new roads. New plants, new churches, new hospitals, new recreation areas and parks, indeed, entirely new cities have grown and incorporated and continue to grow. In the eastern foothills and along the west valley slopes, new residential districts offer the livability which is not the least of the attractions our area offers to individuals and corporations alike.

All these things, Mr. Speaker, are indications of the explosive growth of Santa Clara County, Calif. It stands to reason, that the shockwaves travel well across county lines. In this age of high-speed transportation and communications, events cannot take place in one city or sector without causing repercussions in others which are within easy driving distance. It certainly is true in the 10th District of California. Beyond the range of the Santa Cruz Mountains, washed by the waters of the Pacific Ocean and Monterey Bay, lies Santa Cruz County. To the south, between the Diablo and Gabilan Ranges, stretch the rich pastures and agricultural lands of San Benito County. Here, too, progress is felt wherever you go.

This is a brief sketch of the 10th Congressional District of California, the area in which I was born and reared and which I have now the honor to represent in this House. Those of us in and out of public life who take an active part and interest in the development and growth of these counties are, of course, attempting to project the events of the past and the trend of the present into the future. We know that only far-sighted planning and long-range preparation will eventually help us to meet all the challenges confronting us as a result of the changes now taking place. Yet, while we are able to project ourselves into 1960 or even 1975, there is no ceiling, no limit in sight.

We can easily visualize our district as part of a solid urban and suburban metropolitan area extending in the shape of a "V" along both sides of San Francisco Bay, with San Jose as the southern hub, and San Francisco and Oakland, respectively, forming the northern points. We can foresee the need for rapid transit, for additional 6-lane or 8-lane freeways, for jet-age airports, and for the water, the utilities, the housing and schools for 600,000–700,000 or even 800,000 people.

A few years ago, I expressed the conviction that some day, San Francisco could be referred to by the people of my district as the little city to the north of San Jose. Facetious as this may sound, the phrase is well on the way of becoming true. No other area in northern California has had the rate of growth we have experienced, and few other areas have the potential we possess for the future. Santa Clara County, Santa Cruz County, and San Benito County, Calif., are not resting on the laurels of the past. With confidence, they are looking toward a future which we all feel can be described in two words: "Opportunities unlimited."

The Administration at Last Seems Ready To Support SUNFED

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, April 30, 1956

Mr. THOMPSON of New Jersey. Mr. Speaker, this morning the Associated Press reports an interview with United States Ambassador to the United Nations, Henry Cabot Lodge, which is most heartening to those of us who have urged United States support for the Special United Nations Fund for Economic Development—SUNFED. Long urged by the Scheyven Committee in reports to the U. N., it was asked for repeatedly but in vain by the representatives of the "have not" nations who comprise the majority of the world's population, now determined to achieve economic development in the shortest possible time.

Ambassador Lodge's statement, spelling out as it does a similar statement made April 10 by Assistant Secretary of State Francis O. Wilcox, seems to mean that the United States is now prepared to support the financing through the United Nations, by grants and loans, of basic development projects, such as harbors, highways, water and sewage systems, irrigation, schools, and hospitals, and so on, which are essential to carry agricultural and industrial development programs beyond the preparatory education and training stages.

As I stated December 15, 1955, in a letter addressed to President Eisenhower:

Without SUNFED, point 4 and other technical assistance programs may turn out to have educated, trained, and improved the health of millions and dressed them up with no place to go to work, either on the land or in industry.

I include in the CONGRESSIONAL RECORD the text of my letter to President Eisenhower under date of December 15, 1955, and a report from the Washington Post and Times Herald of April 30, 1956. Also, because of their long and steadfast advocacy of SUNFED, I am including here excerpts from the 1955 resolutions adopted by the United Auto Workers as well as the AFL–CIO. These great labor organizations, along with many other national organizations devoted to the support of international economic cooperation, have seen the vital importance of SUNFED as part of the necessary kit of tools for building a durable peace of, by, and for free men.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., December 14, 1955.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: I am taking the liberty of writing to you to call to your attention the need for strong support on the part of the United States of the Special United Nations Fund for Economic Development (SUNFED), a proposal which has lacked the endorsement of our country and in which the United States has not participated. Members of the U. N. are again being asked to state their position in regard to the proposed special U. N. body and members of the New Jersey Delegation are interested in having the United States give wholehearted support to the early establishment of this very worthwhile organization.

With billions of dollars being appropriated for military security and military aid to other nations, the United States should immediately make known to the world its support of SUNFED as a prime essential for providing more production, more jobs, more purchasing power and higher standards of living for the people of the underdeveloped areas of the world. Without SUNFED, point 4 and other technical assistance programs may turn out to have educated, trained, and improved the health of millions and dressed them up with no place to go to work, either on the land or in industry.

The recent course of Soviet Russia in its relations with other nations make two things abundantly clear. One, we can expect no relaxation of Soviet efforts to achieve their objective of world domination and, two, they are making every effort to win the minds and hearts of the uncommitted people of the world by a whole complex of methods, among the most important of which is economic aid on a large scale. We can, and indeed must, block their efforts in this direction, even as we have thus far succeeded in blocking their attempts at domination through a preponderance of military power.

SUNFED is not a new idea, since last session I joined with other Members of Congress in asking support for the proposal. SUNFED and other multinational programs, by their very nature, cannot be smeared as vehicles for new efforts at colonialism. In fact, as compared with bilaterial proposals being made by Communist traveling salesmen, such programs can fairly be recommended as anticolonial and essential for strengthening and maintaining healthy nationalist movements of liberation, self-determination and self-government.

Therefore, I do feel that it is of the utmost importance that the United States lift its long-standing veto against SUNFED, which is most desired by the so-called "have-not" nations in those areas of the world where the contest between Communist imperialism and Democracy is going to be won or lost in the months and years immediately ahead.

At this time when major administration policy for the coming year is being drafted and approved, I earnestly hope that you will find it possible to recommend United States participation in this program. Such participation by our country would be strong evidence that we stand ready to do our share in fighting communism with adequate measures for military security and, of equal importance, with economic means as well.

Sincerely yours,

FRANK THOMPSON, Jr.,
Member of Congress.

[From the Washington Post and Times Herald of April 30, 1956]

LODGE ASKS AID THROUGH U. N.

(By Rex Harrelson)

UNITED NATIONS, N. Y., April 29.—Ambassador Henry Cabot Lodge, Jr., said today the present world situation requires the United States to channel a larger share of its foreign aid through the United Nations.

In meeting the challenge of the new Soviet competition, he said, such a move would offer "some real advantages over a program sponsored by the United States alone."

"Multilateral aid," Lodge added, "offers a way to prevent the so-called auction which some are trying to promote between the United States and the U. S. S. R. as to which will spend the most in an underdeveloped country."

The chief United States delegate outlined his views when asked about the current reappraisal of the foreign aid program now

under way in Washington. His statement was the strongest indication to date that the Eisenhower administration might divert substantial amounts of economic aid through the U. N.

UNITED STATES CHIEF SUPPORTER

It had been known, however, the administration was concerned both by the stepped-up program of Communist economic aid and by increasing criticism of the United States bilateral aid program.

Asian leaders have been pressing for a new emphasis on multilateral programs, particularly those of the U. N. technical-assistance program and the proposed special U. N. Fund for Economic Development.

Up to now the United States, although the major supporter of the U. N. aid program, has channeled only a tiny segment of its foreign aid through this medium. Russia has given little more than token contributions.

The United States, for example, gave $15.5 million toward the 1956 U. N. technical-assistance program in comparison with $153 million spent on its bilateral point 4 program. Russia contributed nothing to the program until 1953 and has since given only about $1 million a year.

BID TO RUSSIA TOO

Lodge's statement was a bid for Russia, as well as the United States, to join in pooling more of their aid under U. N. supervision. He expressed the belief the proposed move would offer special benefits to the recipient countries.

One advantage, he said, is that a sound multilateral program would provide "no cover for engaging in political penetration, which is what the Communists do and which we are unjustly suspected of wanting to do."

Lodge suggested that U. N. technicians, sent into the underdeveloped countries, might be given special uniforms which would make it difficult for them to engage in "surreptitious political activity."

The Russians have supplied few technicians under the U. N. program. In 1955, for example, out of 564 experts supplied by the U. N. only 5 were Russian. The United States supplied 95 and Britain 84.

Lodge said the United States should maintain both bilateral and multilateral programs.

POINTS TO WORLD STATUS

"But," he added, "the present world situation is one which requires our giving new emphasis to multilateral programs. We can do this without any additional expense by diverting a percentage of our foreign aid funds to multilateral channels."

Allocation of substantial increases to the U. N. would raise several questions in Washington and in the world organization.

In the past, the United States has insisted on a matching arrangement under which it would contribute no more than 53 percent of the total technical assistance. A question, therefore, would be whether the United States would raise or abandon this ceiling in the event other countries would match larger United States contributions.

Another would be whether the United States would drop its opposition to the U. N. Special Development Fund and start it off with a substantial contribution. Refusal of countries like the United States and Britain to support the fund has been responsible for the long delay in its establishment.

FROM UAW INTERNATIONAL RELATIONS RESOLUTION ADOPTED APRIL 1, 1955, CLEVELAND, OHIO

It should be abundantly clear that our chances of avoiding atomic war, or, if such war should come, our chances of winning it, will depend upon the kind of leadership which the free world is able to provide to the millions of people who are at this moment in open revolt against hunger and oppression. We must make obvious by deeds and action that there is a democratic alternative to the false hopes held out by Communism. We must establish again by deeds and action our faith and our belief in the right of all people to win freedom from despotism, whether it be imposed by other nations which bind them to colonial status or by foreign corporations which extract their wealth without just compensation or by their own ruling classes which monopolize their land and exploit their workers. To the struggling people of the Middle East, Africa and Asia, we must demonstrate that we are on their side in support of their aspirations for genuine political and national independence.

Representatives of 30 Asian and African nations will soon gather in Bandung, Indonesia, to consider these vital matters. We urge the President of the United States and the Congress to continue and expand our technical and economic aid directly and through the United Nations to the underdeveloped and uncommitted countries of the world. Such concrete action will be fresh proof that the American people do not look upon these peoples as merely forces against Communist imperialism but that we have a deep and genuine concern with their well-being.

We strongly urge Congress to approve and provide the $80 million for the Special United Nations Fund for Economic Development (SUNFED) in order to further demonstrate the deep concern of the people of America to take immediate and practical steps toward world peace.

FROM AFL–CIO 1955 CONVENTION RESOLUTION ON FOREIGN POLICY ADOPTED DECEMBER 7, 1955

Resolved, conscious of our responsibilities at this crucial period, the AFL–CIO herewith declare their support of the following guiding principles for an effective American democratic foreign policy and sound international labor relations:

1. Effective foreign policy cannot be improvised and piecemeal. It must have a clear and definite orientation and be consistent, sustained, and vigorous in its application. Its motivating and paramount aims must be the mobilization of all our moral and material resources for developing a system of international relationships to maintain peace, protect freedom and national security, and enable a growing population to enjoy a rising standard of living.

2. Integration of our foreign political and economic policies is essential, if the great technical resources and mighty industrial potential of the United States are to be geared to increasing the productivity, raising the purchasing power, and improving the living standards especially of those economically underdeveloped countries which are devoted to human liberty and peace.

3. Undeveloped and underdeveloped continents and regions where many hundreds of millions nurse their grievances and their hopes constitute a fertile field for Communist operations. In dealing with rudimentary human problems the world over, we must be concerned primarily with two immediate needs—the need for food, health, and irrigation in the underdeveloped countries and the burning desire for independence and equality. By ministering to such fundamental needs we will be on firmer ground as we seek to win new adherents to the free world.

4. We know that communism is a false solution; we believe that democracy is the true solution. Communism is weakened when democracy is strengthened. The representatives of democracy must go out into the underdeveloped regions with specific plans, programs, and projects to help raise living standards, for helping to end all colonialism, for winning these peoples as equal members of the free-world community. Thus, we will make it possible for them to have a stake in the defense of a civilization worth defending.

5. Our country has done some of this. UNRRA was a beginning. American labor supported the Marshall plan because it was conceived and largely administered in this spirit. Point 4 was an imaginative gesture in the same direction, but tragically all too little. Toward the same end, the Special United Nations Fund for Economic Development (SUNFED) provides real possibilities for developing and expanding worthy projects for the fundamental improvement of the economic conditions of the needy peoples. Our responsibilities include, but are not limited to, a firm and effective military defense of established positions against Communist subversion and aggression. Positive measures for social and economic betterment are an indispensable part of the program for the defense and victory of the free world.

Underemployment in Rural Sections as Well as Unemployment in Industrial Localities Should Be Embraced in Legislation for Government Aid to "Distressed Areas"

EXTENSION OF REMARKS

OF

HON. BROOKS HAYS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1956

Mr. HAYS of Arkansas. Mr. Speaker, there is pending before the House Banking and Currency Committee a bill introduced by the distinguished chairman, the gentleman from Kentucky, Mr. SPENCE, to provide Government aid for distressed areas. The bill, while containing many admirable features, does not include rural areas suffering from underemployment but in its present form is confined to industrial situations. On previous occasions I have called the attention of the House to the economic difficulties of rural areas caused by underemployment, and yesterday I was given the privilege of appearing before the Committee on Banking to urge that economic difficulties in the rural sections be embraced in pending legislation. Under leave to extend my remarks, I include excerpts from my statement to the committee as follows:

Mr. Chairman, I am happy to appear in support of the bill to provide Government aid to industrial regions which are not sharing in the general economic advance of the country. I appreciate the courtesy of the Committee in giving me this opportunity. I am most concerned, however, over the fact that the bill's present wording does not give significant attention to the very real problems of rural areas of underemployment as distinguished from unemployment. Before I go into a detailed discussion of this matter, I wish to make it very clear that I would not lend my support to any measure that would cause unemployment in any other region of the country by providing Federal funds to redistribute existing industrial potential. The rural areas, however, are entitled to share more equitably in the continuing expansion of American industry and they do

not wish to profit at anyone's expenses by taking away something he now has.

The Joint Committee on the Economic Report has pointed out the paradox of modern economic society, that geographic pockets of chronic unemployment and underemployment remain during periods of full employment. This problem is particularly acute in certain agricultural regions of the country where the farmers are unable to earn an adequate income from their small holdings. Available data from the Bureau of Agricultural Economics, Information Bulletin No. 108, June 1953, indicates that 37.7 percent of the commercial farms of the United States are classified as low-production farms, defined as farms with a $250 to $2,499 value of sales in 1949 with the operator working off farm less than 100 days and farm sales exceeding the value of other farm incomes. The percentage of farm-operator families receiving under $1,000 per year net money income (in 1949) was 28.1 percent with an additional 24.8 percent receiving between $1,000 and $1,999 (Columbia University Study, 1955). Whatever income increase has taken place since 1949 has easily been offset by the rise in the cost of living and therefore from 25 to 50 percent of our farm families are in a relatively low-income bracket, with regard to constant dollar purchasing power.

I should like to propose an amendment to the Spence bill to include such rural underemployed areas within the bill's coverage. With loan funds made available as well as technical assistance, rural areas could be aided in increasing their per capita or family incomes. This would be in accord with the joint committee's recommendations in its report of January 5, 1956, on low income population that the Federal Government aid, by means of technical assistance and Federal loan guarantees, recognized and approved local groups engaged in attracting new industry into the area, and also develop other ways of providing off-farm employment. It is my belief that such loan funds would provide a real stimulus to private investment in such areas which have particular economic advantages not now being realized. The industries I have in mind are the food-processing ones which could be designed for part-time labor in conjunction with farm operations. The establishment of such small industries would not only give employment to people who prefer to live on the farms, but would also provide ready markets close to the farmer. A good example of this in Arkansas is the Atkins pickle plant which enables the farmers to enjoy extra income from a good crop of cucumbers. The payroll has been a boon to farm people and the business interests of the community. Encouragement of more such activity would benefit the entire country without causing any damage to any existing industries. The Secretary of Agriculture, in his report on the problems of low-income farmers in April 1955, said that "measures should be taken to bring low-income-farms areas into full consideration in industrial expansion," and I can see no better way to start this process than by including underemployed agricultural regions in the assistance provided by this bill.

Mr. Chairman, a few days ago a distinguished constituent of mine, Mr. Winthrop Rockefeller, was in Washington. He is chairman of the Arkansas Industrial Development Commission and in describing the commission's work he emphasized the fact that he shares my views regarding food and timber processing plants. He stressed the lack of capital for this purpose now available in Arkansas and other States.

I am joined in this effort by Senator FLANDERS, of Vermont, who, I am advised, will introduce a similar amendment to bills pending in the Senate dealing with the problems of unemployment. This should be convincing evidence that there are no elements of sectionalism in this proposal. Above everything, Mr. Chairman, I am eager for the committee to understand that we do not wish to take away from any area any part of the industrial strength that they enjoy. We believe that the industrial areas have a stake in the sound and balanced economic life for the agricultural sections, and it is in that spirit that we press for consideration of the rural industries idea.

Address by Hon. J. Glenn Beall, of Maryland, at Dedication of Northeast Hebrew Congregation Synagogue

EXTENSION OF REMARKS
OF
HON. J. GLENN BEALL
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Monday, April 30, 1956

Mr. BEALL. Mr. President, I recently had the great privilege of participating in the dedication of the new synagogue of the Northeast Hebrew Congregation, in Mount Rainier, Md. Although the event was a happy one, and our prayers were for peace, our thoughts were inevitably drawn to the sorrow and tension of the Middle East. Perhaps some day we shall be able to dedicate our synagogues and churches in an atmosphere untainted by trouble and hatred. At present, however, we must face the existence of such things, and must determine that all of our places of worship shall stand as symbols of our continuing hope for friendship and peace. I ask unanimous consent to have my remarks included in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR BEALL AT DEDICATION CEREMONIES FOR THE SYNAGOGUE OF THE NORTHEAST HEBREW CONGREGATION, 4601 EASTERN AVENUE, MOUNT RAINIER, MD., ON APRIL 29, 1956

I am very happy to be here at the dedication ceremonies of your new synagogue and religious school.

I understand that although you were organized about 7 years ago, you will now for the first time be occupying a building of your own—in which, however, some bank or mortgage company may have a slight interest.

The addition of a house of worship to any locality is a cause for celebration, not only by the members of that congregation, but also by the whole community which it serves.

No principle is more fundamental in our system of government than the one expressed in the phrase: "separation of church from state."

Its meaning, however, must not be misunderstood or misinterpreted.

What our Constitution guarantees is that no church shall become the state; that no form of religious worship is to be hindered or prejudiced; and that no church or denomination is to be extended benefits and privileges not offered on an equal basis to others.

It was never intended, however, that the state should or would separate itself from the moral principles which religion teaches, nor from the ethical ideals which the church or synagogue or temple—each in its own way—seeks to impress on its members.

Such a view would be contrary to the entire historical development of our country.

Our Founding Fathers received a great deal of inspiration and guidance from the Bible, and our American tradition is rooted in its teachings.

To the extent that the church or synagogue performs its functions of introducing into the lives of its people the divine purpose in life, the state—which means in essence your neighbors of whatever faith—is a direct beneficiary.

As you create in the minds and hearts of your worshipers an appreciation of spiritual values and higher ethical conduct, the moral tone of the community as a whole rises, and it becomes a better place to live in.

By its own means, the state can only exercise a negative influence in raising standards of conduct.

It can threaten punishment for violations, and it can then punish those violators which are caught.

Therefore, to some degree it might reach the conduct of the individual, but very rarely, if at all, does it affect the standards.

The synagogue and the church, on the other hand, have the capacity to exert a positive influence.

Their task is to develop the proper moral and ethical beliefs which will reject a course of conduct which is contrary to them.

Put into practical terms, that means less crime, less juvenile delinquency, less unethical business conduct, and less conflict between economic classes, or between any groups which divide along lines of race, religion or color.

It means less meanness and less oppression, and greater tolerance and understanding of your fellow man.

In a world now dominated in large part by a Godless faith, communism, where true freedom of worship and religious teachings are denied, and where only recently we saw countries in which every synagogue was gutted and destroyed, the dedication of a Jewish house of worship represents a triumph of our Bill of Rights and our democratic principles.

The struggle for liberty is a never ending one.

Undoubtedly you are all acquainted with the great fight which was made in the Maryland Legislature by Thomas Kennedy, of Washington County, to remove the bar against Jews holding office.

The struggle, initiated by Solomon Etting and Barnard Gratz, in 1797, was taken up by Christian legislators in 1816, and for 10 long years Tom Kennedy, with his valiant band of devoted and dedicated men with a passionate love of liberty, kept up the battle.

In 1826, the bill was finally passed, thereby advancing the cause of religious freedom everywhere.

While we are accustomed to measuring achievement and progress in terms of industrial growth, increased productivity, economic expansion, or scientific development, such conquests gained in the realm of the spirit are the lasting ones.

Today the battle for liberty is on another front.

As men and women in a free country with individual opinions, we are bound to have differences.

Uniformity and unanimity exist only in a totalitarian state.

It is of the essence of a democracy that a diversity of views may exist.

However, under our system of government, our Constitution, as interpreted by the Supreme Court, is the law of the land.

When that Court has ruled, we obey, regardless of how violently we may disagree with the opinion.

I know, and I can well understand, the great revolution which the recent decision of the Supreme Court represents in the customs, habits, and beliefs of many of our fellow Americans.

Consequently, we should not ignore the great progress which the enlightened citizens of our great Nation have already made in advancing the civil rights of their colored population.

I believe, too, that the Supreme Court recognized the problems involved and, therefore, directed that we must aim toward the change; but that it need not be made—in fact, should not be made—with such haste as to destroy the very objective we seek to achieve.

I believe that the position taken by the Honorable Simon E. Sobeloff, Solicitor General, in recommending this procedure to the Supreme Court, was a very sound and sensible one.

It followed neither the course of those who would nullify the decision of the Supreme Court nor of those who would seek to put it into effect at once, without giving the communities involved the opportunity to adjust and condition themselves to the change over a period of time.

I have, therefore, fought for the confirmation of Solicitor General Sobeloff as a Judge of the Court of Appeals for the Fourth Circuit, and I shall continue to fight for that confirmation.

I believe that the opposition has been unfair to a man who is not only a great jurist, but who also possesses an enormous amount of common sense and an abundance of the human quality.

A few days ago marked the eighth anniversary of the independence of the State of Israel.

Speaking on an occasion such as this, it could hardly be proper not to allude to that event.

According to recent newspaper reports, a cease-fire has apparently been agreed upon between Egypt and Israel.

However, let us not delude ourselves.

Unless there is some radical change, this will be only one more temporary armistice which will falter because the basic conditions for its permanence have never been satisfied.

For 7 years since the armistice, Israel has been trying to sit down at a peace table with its antagonists to arrange for a just settlement of grievances, but to no avail.

We all know too well of the various economic and military pressures against which the fledgling nation had to contend in its early days.

Now the situation is infinitely more menacing.

Each week we hear new reports that the Communists are sending arms to the Arab nations, and each day we feel the tension mounting.

There is no need to ask ourselves why Russia is interested in the Middle East.

The motives of the Reds are frightfully obvious.

Behind the friendly overtures which are flowing from the Kremlin to Cairo and its sister cities is one central purpose—Communist expansion.

The roadblock is Israel, conceived in a spirit of freedom and dedicated to its preservation.

From the very beginning I have made my position clear.

I am, and have been, an advocate of mutual security pacts between our country and any nations in the Middle East that are willing to refrain from aggression.

I am not speaking in generalities.

Although the words I use might have lost some of their original impact through constant repetition, they nevertheless express the hard fact that this Nation must supply help—and I mean that word to include the very latest arms—to offset whatever aid is poured into the area for purposes of aggression.

This is not merely the only just thing we can do; it is also the only practical thing we can do.

Such a combination of incentives should leave us without the slightest doubt concerning our path.

Our thoughts during the past few minutes have been turned to turmoil, but behind them have been our hopes and prayers for peace.

This beautiful edifice that you are dedicating today is a symbol of the peace which we are seeking, and I therefore congratulate you and wish you Sholom.

What the Postal Workers Want and Should Get

EXTENSION OF REMARKS
OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, April 30, 1956

Mr. ANFUSO. Mr. Speaker, it was my distinct privilege and personal pleasure to address the annual rally of the joint conference of Affiliated Postal Employees, held in New York City on Sunday afternoon, April 29. I discussed some of the current problems and the objectives presently being sought by the postal workers, as well as the need for early enactment of these measures.

Under leave to extend my remarks in the RECORD, I want to insert the text of my address on the above occasion:

ADDRESS BY CONGRESSMAN VICTOR L. ANFUSO AT JOINT CONFERENCE OF AFFILIATED POSTAL EMPLOYEES, NEW YORK, SUNDAY APRIL 29, 1956

President Dave Silvergleid, Roy Hallbeck, and all my good friends in the postal service, it is always a great delight for me to join with you at these public rallies and to have the opportunity to exchange a few thoughts. Let me thank you first for extending the invitation to be here with you today and to address this fine gathering.

During the years that I have come to know your leaders and your membership more intimately, I have found that you are an alert group, always prepared to speak your mind freely, forcefully and intelligently. You do not hesitate to speak up and to criticize where criticism is needed. And this is the way it should be in a democracy.

You may have heard the story of the two German fishermen who were trying their luck on opposite banks of the Rhine River. The one on the bank of the American zone was hauling in plenty of fish, but the one on the Russian side couldn't get a bite. Finally, the fisherman on the Russian side got disgusted and he shouted:

"How do you manage to catch so many fish, while I get none?"

"Very simple," replied the man on the American side. "The fish over here aren't afraid to open their mouths."

In a democracy like ours we are not afraid to speak our minds and to say what we please—Even if we are Government workers. Your rally today is an excellent example of that freedom, of bringing your gripes into the open, of criticizing, and of seeking the means to improve your lot, your working conditions, your benefits, and your security in life.

Last year, the question of a salary increase was uppermost in your mind. That matter has been resolved, though not as satisfactorily as I had hoped. You may recall that I advocated an $800 increase for all postal and Federal employees, and I voiced the opinion that anything less than a 10 percent pay increase would be inadequate. I still feel as strongly about it today as I did a year ago, and it is my sincere hope that in the not too distant future Congress will rectify the shortcomings of last year's pay increase. Your request for a $600 increase is justifiable. I need not tell you that I shall be glad to support it. It will not be an easy task to reach this goal. As a good friend of yours I must tell you that you are facing an uphill fight, and you must therefore gird yourself well if you want to be successful.

This year, other problems and other objectives are holding your attention. I refer specifically to such matters as the need for a better and more liberal retirement system, recognition of employee organizations, the establishment of a system for merit promotion, and seniority established by law. Every one of these objectives is a good one and should have been enacted a long time ago. I know that you and your families are vitally interested in achieving these objectives in the near future. With the proper campaigns and push—as I know from experience that you postal workers can do—you ought to be successful before very long.

The one that stands the best chance for early achievement, it seems to me, is the retirement bill (S. 2875) by Senator OLIN JOHNSTON, chairman of the Senate Post Office and Civil Service Committee. As you undoubtedly know, the committee gave its unanimous approval to this measure recently, and the chances appear to be quite good that it may still be enacted during this session of Congress.

I don't want to go into a lengthy discussion of the major provisions of this bill. I am sure that most of you are by now generally familiar with these provisions. Suffice it to say, that the average retirement annuities would be increased by about 25 percent; retirement would be possible at any age after 30 years of service; benefits for the disabled would be increased substantially; survivors benefits would also be considerably increased, and a number of other important benefits. Let me assure you that there is not an employee in the Federal service, regardless of his salary or his age, who would not benefit greatly through the enactment of this bill.

No wonder the measure is described as "the greatest forward step in Federal employee legislation in 30 years." I regard it as the most far-reaching step in the revision of our retirement system in many years. This measure meets head-on most of the retirement needs of all those who are now on the Government payroll.

Let me caution you, however, as a good friend, that as long as the bill has not been enacted there are always dangers. In this instance, too, there are some hurdles which must still be crossed before it becomes law. The biggest of these is the fact that the Republican administration is opposed to the retirement bill, primarily on the old lame excuse of economy.

You must remember also that we still have to push it through Congress. I want you to know that I am not only for it and will strongly support it when it comes before the House of Representatives, but I have done more than that. I have personally talked to Congressman MURRAY, the chairman of the House Post Office and Civil Service Committee, and to several members of the committee regarding the bill. I have their assurance it will be given prompt and proper consideration. This measure is among the top bills on my list for this session.

Incidentally, let me assure you that in my talks with Mr. MURRAY and other committee members, I also mentioned other legislation in which postal workers are vitally interested. For example, I stressed the importance of recognizing employee organizations, like yours and others of similar type. It is most unfortunate that Federal employees do not enjoy certain rights in the field of labor-management relations as do employees in private industry. Government workers

have a right to join unions of their choice, but the unions cannot impose upon them an obligation to strike against the Government. There is also no requirement that the Government recognize such unions as spokesmen for Federal employees. Thus, effective labor-management relations are practically nonexistent in Government service.

This is an injustice which needs to be corrected. Several bills have been introduced which call for practical machinery to deal adequately and fairly with labor-management problems which come up in Government service. They provide official recognition of employee unions, the requirement that departments and agencies deal with the unions on personnel matters and employee grievances, and also recommend arbitration of disputes. While as yet there has been no action on these bills, I am happy to know that the Senate Post Office and Civil Service Committee will begin hearings on May 15. I do hope such legislation will be enacted at an early date. The principles and objectives of union recognition are reasonable and just. I regard this legislation as among the most important Federal employee measures now before the Congress.

As for the question of merit promotion, all I will say at this time is that we should have had it a long time ago. A sensible and workable program for the promotion of employees on the basis of merit is long overdue. Unfortunately, there is a disposition in certain quarters to discredit the civil service merit system and to wreck it by filling positions on the basis of political endorsement. It is wrong and it is harmful all around. The whole present system is not working satisfactorily. I know this from the letters I receive at my office, and I know it from the views expressed to me by employee organizations which are sponsoring this legislation. Senator JOHNSTON has recently introduced a bill (S. 3456) along these lines, and I am all in favor of its enactment into law.

In conclusion, let me assure you that Congress is working hard on various phases of legislation and I am certain that the end of the session will show a fine record of accomplishments. Gradual progress is being made in the field in which you are interested, not only in the problems I discussed with you today, but also in others, such as the question of seniority, health insurance for Government employees at no additional cost to you, and other matters.

You have many good friends in Congress who are constantly on the alert for your interests. But your organization and similar organizations cannot let up for a minute. You too must pitch in and get behind us with enthusiasm. I know you can do it, when you want to. It is like the old saying: Even if you are on the right track, you will get run over if you just sit there.

The Dedication of the New Passenger Terminal at the Cleveland Hopkins Airport, April 28, 1956

EXTENSION OF REMARKS
OF
HON. CHARLES A. VANIK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, April 30, 1956

Mr. VANIK. Mr. Speaker, permit me to call the attention of my colleagues in Congress to the dedication of the new passenger terminal at the Cleveland Hopkins Airport in Cleveland, Ohio, on April 28, 1956. This new $3,500,000 passenger terminal is the latest phase of a $22 million modernization program which is designed to place Cleveland's air terminal in the front ranks of America's airports.

The city of Cleveland has every right to be proud of this new terminal. It is an exemplary step forward in the field of air travel in our rapidly shrinking world. The construction of this terminal was made possible by the passage of a local bond issue paid for by the citizens of Cleveland although the airport serves the entire metropolitan area.

Of particular interest to the air traveler is the big new parking lot providing adequate accommodations for the commuter who leaves his motorcar at the airport for a day's business in another city.

The next items for construction on the agenda at the Cleveland Hopkins Airport are two privately financed airplane hangars estimated to cost $4 million and a new north concourse soon to get underway.

Federal contributions have been a great factor in the construction of the airport facilities in Cleveland, but the local citizens have made every effort to contribute their fair share toward this important community asset.

The Discharge Petition and Home Rule

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, April 30, 1956

Mr. PELLY. Mr. Speaker, occasionally I have found constituents who desired information on the procedure in the House of Representatives to prevent a House committee having absolute control over legislative bills referred to it.

It is generally known that the rules of the House of Representatives provide for discharging a committee from consideration of a bill, but the details of this rule and how it works are not always fully understood. In essence, of course, a discharge petition is a House motion to order a standing committee to desist from holding a particular bill for consideration and calling the measure to the floor of the House for deliberation so the will of the majority of the House may prevail as against the will of a committee.

Under unanimous consent, of course, any Member if recognized by the Speaker for that purpose, may make a motion to discharge any committee from further consideration of a bill. To supplement this procedure and force bills out of reluctant committees there is the so-called discharge rule XXVII, clause 4, of the Rules of the House.

Under this latter parliamentary procedure the first and only bill ever to become law, I am advised, was the wage and hour bill in 1938 in the last session of the 75th Congress. Others, however, have been passed under such a threat. The Bill Digest Section of the Legislative Reference Service of the Library of Congress at my request compiled some statistics on the motion-to-discharge rule. From the 61st Congress to date, 788 discharge motions have been filed; 29 motions obtained sufficient signatures to be printed on the Discharge Calendar; 21 of these were granted discharge hearings under the rule; 19 bills were discharged from committees, and 15 of these passed the House.

Six distinct forms of discharge rules have been adopted since the first one in 1910. The present one was adopted in 1931.

When any Member wishes to discharge a committee from further consideration of any bill, he or she must file a written petition at the Clerk's desk. A majority of the House membership or 218 signatures are required before discharge may be successful. When the necessary signers are obtained the petition and names of signers are printed in the RECORD and referred to Calendar of Motions to Discharge Committees.

Any bill or resolution must have been referred to a committee at least 30 days before a motion to discharge the committee from further consideration can be filed; or in connection with a resolution to discharge the Committee on Rules the bill must have been referred at least 7 days prior to such referral.

When a motion to discharge a committee is brought up before the House, it will be debated for 20 minutes—10 minutes for proponents, 10 minutes for opponents—hardly sufficient time, I submit, to make a full argument pro and con.

Discharge rules must be printed on the calendar at least 7 days, and during this time the committee having jurisdiction of the bill can make a report on the bill to the House and thereby block consideration of the discharge petition unless it is the Rules Committee. After such a report, if a bill is not otherwise privileged, it may stay on the calendar until adjournment unless a resolution to grant privileged status is introduced and then discharged from the Rules Committee by the regular procedure.

Furthermore the leadership by arranging a plan of recessing day by day instead of adjourning before discharge day arrives can block consideration.

What does this amount to? It means the House of Representatives has a unique procedure in case a committee refuses to make a report on a measure at least 30 days before the committee, and on which a majority of Members desires a vote. The purpose is to retain for the majority a possible power as against the program of leaders—committee or otherwise.

To sum up, the operation of the discharge rule works like this. Any Member may file a petition at the Clerk of the House's desk requesting recall of a measure from a committee to which it was referred when such committee refuses to make a report on that measure after it has been before it for 30 days—or 7 days if it is the Rules Committee. If and when 218 Representatives sign the petition, it is placed on the Discharge Calendar. After 7 days on that calendar, any signer may move, on the 2d and 4th Mondays of the month, that the House consider the motion. Then if the vote is

affirmative the measure is recalled and either goes on the House Calendar or is immediately considered as previously explained.

The discharge rule is subject to wide conflict of opinions by the membership. Experience indicates that the rule gives leadership a means of obtaining consideration for bills it favors, but where leadership opposes a measure which is favored by a large segment of House membership, the procedure generally fails.

Many legislators oppose the procedure of the discharge rule as dangerous, and many Members personally observe a practice of not signing any discharge petitions. Why?

One reason given against signing discharge petitions is that consideration of bills without public hearing and full committee consideration is believed to lack proper safeguards and to constitute a dangerous practice.

It seems to me, Mr. Speaker, that an exception to the above as far as safeguards is concerned would be a bill such as S. 669, the home-rule bill for the District of Columbia which the Senate passed 59 to 15 on June 29, 1955, after committee consideration and public hearing. Now the bill reposes in the House committee as it has in past years with no action scheduled. Since it could be that the southern Democratic-dominated House committee is not representative of the thinking of the full House membership—and I judge this to be the case—and since a similar measure has been given hearings on three separate occasions and passed the Senate in 1949, 1951, and 1955, I think every other avenue has failed. It is time to force the Democratic leadership to live up to its platform and Republican like myself who favor home rule should act.

Therefore, Mr. Speaker, after much thoughtful consideration I have determined, in this instance, to sign the petition at the Clerk's desk to discharge the Committee on the District of Columbia from consideration of S. 669. I have previously declared my support for this legislation.

If other Republicans would join me and with liberal Democrats we succeeded in securing the necessary signatures, it would soon smoke out who is responsible for burying this legislation.

Today, May 1, 1956, after 82 years of disenfranchisement the residents of the District of Columbia have enjoyed limited voting rights and are balloting for delegates to their respective national political conventions.

It has seemed to me an appropriate day, believing as I do in the right of self-government, to sign the discharge petition on S. 669, the so-called home-rule bill.

At least I have felt it a symbolic act signifying personal belief in the constitutional right of suffrage and civil rights even though I have some objection to the parliamentary procedure necessary to accomplish the objective.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 1, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, we beseech Thee to give us this day the wisdom to make the right decisions and courage to maintain them steadfastly.

Inspire us with the glad assurance that Thou art our refuge and strength, a very present help in time of trouble, and that righteousness cannot fail.

Show us how we may keep sacred and inviolate our glorious heritage and may we be blessed with that sense of serenity and security which comes to those who put their faith in Thee.

Grant that we may be true for there are those who trust us; may we be pure for there are those who care; may we be strong for there is much to suffer; may we be brave for there is much to dare.

We thank Thee for the life and character of Thy servant who has entered the house of the Lord and now dwells with Thee in eternal blessedness. Thou hast opened unto him the doorway to the larger life and received him into Thy nearer presence.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H. R. 907. An act for the relief of Justin G. Maile and Theodore R. Hilbig;

H. R. 1470. An act for the relief of Joseph Righetti and Marjorie Righetti;

H. R. 1500. An act for the relief of Charles F. Brickell;

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 2068. An act for the relief of William F. Friedman;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2898. An act for the relief of the F. Delizia Co., Inc.;

H. R. 4118. An act to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period;

H. R. 4791. An act to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees;

H. R. 4852. An act for the relief of Joseph Gangemi and Anthony Gangemi;

H. R. 4865. An act for the relief of Stanley Rydzon and Alexander F. Anderson;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 5634. An act for the relief of Willie C. Pickett, George Williams, and Herman L. Looney;

H. R. 6282. An act for the relief of Nathan L. Garner;

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers;

H. R. 8535. An act to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems;

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes; and

H. Con. Res. 234. Concurrent resolution requesting the return of the enrollment of H. R. 4781 by the President to the House of Representatives for the purposes of reenrollment.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a concurrent resolution of the House of the following titles:

H. R. 1835. An act for the relief of the Board of Commissioners of Sedgwick County, Kans.;

H. R. 1989. An act for the relief of George D. Hopper;

H. R. 2338. An act for the relief of Charles F. Bullette;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

H. R. 2736. An act for the relief of Roy M. Butcher;

H. R. 2924. An act for the relief of David J. Daze;

H. R. 3638. An act for the relief of Joseph H. Washburn;

H. R. 3639. An act for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs;

H. R. 3725. An act for the relief of Herman F. Gierke, Jr.;

H. R. 3975. An act for the relief of the Reverend Boniface Lucci, O. S. B.;

H. R. 4902. An act for the relief of Martin F. Kendrigan;

H. R. 5787. An act to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service hospital, Carville, La.;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 7583. An act for the relief of Mary Viola Jones;

H. R. 9132. An act to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project; and

H. Con. Res. 202. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 584. An act to amend title 28, United States Code, relating to the Customs Court;

S. 1143. An act for the relief of Arthur K. Jefferson;

S. 1178. An act for the relief of Mrs. Sylvia Simonson;

S. 1414. An act for the relief James Edward Robinson;

S. 1622. An act to authorize the Secretary of the Interior to make payment for certain improvements located on public lands in the Rapid Valley unit, South Dakota, of the Missouri River Basin project, and for other purposes;

S. 1812. An act for the relief of Athanase G. Politis;

S. 2008. An act for the relief of Winifred A. Hunter;

S. 2064. An act for the relief of Gregorio Spiros Ferentinos;

S. 2169. An act for the relief of M. B. Huggins, Jr.;

S. 2240. An act for the relief of James Richard Hogan;

S. 2271. An act for the relief of Salomon Benveniste;

S. 2913. An act to extend for 2 years the Advisory Committee on Weather Control;

S. 2984. An act for the relief of Col. John A. O'Keefe;

S. 3163. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating in Hawaii and Alaska;

S. 3164. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska;

S. 3265. An act to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States;

S. 3266. An act to authorize officers of the Coast and Geodetic Survey to act as notaries in places outside the United States;

S. 3391. An act to provide for the regulation of the interstate transportation of migrant farmworkers;

S. 3524. An act to give effect to the Convention on Great Lakes Fisheries signed at Washington September 10, 1954, and for other purposes; and

S. 3674. An act to amend section 1343 of title 18, United States Code, relating to fraud by wire, radio, or television.

COMMITTEE ON RULES

Mr. THORNBERRY. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

THE LATE HONORABLE ALBEN W. BARKLEY

The SPEAKER. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, it is my very sad duty to announce the death on yesterday of Kentucky's most distinguished citizen, Senator ALBEN W. BARKLEY. Senator BARKLEY served his State and his Nation with great ability and great distinction for 43 years. He was a superb statesman and an unselfish patriot. Death came while he was addressing a college audience which was holding a mock Democratic convention.

Senator BARKLEY, like Abraham Lincoln, was born in a log cabin in Kentucky. And, like Abraham Lincoln, he had to overcome these disadvantages. Because of his poverty he was compelled to earn his bread while he received his education. His genial personality, his kindly and companionable nature endeared him to all the people of Kentucky. He had a delightful wit that loved to play, not wound. Today Kentucky has a heavy heart because of his death. He had lived more than 3 score years and 10, but it is sad that men of his character and his ability should pass away while they are in possession of their fine faculties and judgment.

He served in this House for 14 years, and then he went to the Senate where he was serving his fifth term. In the Senate he became the majority leader where he displayed splendid ability and highest quality of leadership. He then became Vice President of the United States, which gave the people of the Nation an opportunity to know him. I am sure they had somewhat the same affection for him as the people of his native State. We have indeed sustained a great loss. He died as I know he would like to have gone—not from a bed of pain and suffering and sickness, but with his spirits high and the applause and laughter of his audience ringing in his ears. He fell as the mighty unbending oak falls before the whirlwind in the forest.

His last words were a prayer. He said, "I would rather be a servant in the house of the Lord than sit in the seat of the mighty." He was a faithful servant to the people he represented through his long career. He will be a faithful servant in the house of the Lord, and I know that the light of the countenance of his Master will shine upon him and give him peace.

To his devoted wife and his family, I extend my deepest sympathy.

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Kentucky.

Mr. CHELF. Mr. Speaker, this is a sad day for Paducah, a sorrowful day for McCracken County, an unhappy day for all of Kentucky, and a horrible blow for the Nation and the world. We down in Kentucky have lost not only a great man, an outstanding citizen, a foremost American, an extraordinary legislator, but one of the finest, one of the sweetest, one of the most lovable persons who ever walked under the broad, blue canopy of God's own heaven.

Senator BARKLEY's life was indeed a story of Horatio Alger. Born of humble parents in a log cabin down in western Kentucky, his father in the great panic of 1890 lost his farm and became a tenant farmer. Young BARKLEY was inspired by reading the lives of Lincoln, Washington, and other great Americans. He wanted to make something of his life, and his friends encouraged him and they advised his father to send him away to school. Since his father was not able to do so Alben worked his way through by doing the job of janitor on the school buildings. One of the old buildings of the college, that is today being used as a hotel, now has a sign out that reads: "BARKLEY swept here." At the age of only 20 years he won his first oratorical contest.

Shortly thereafter his good friends and neighbors, the people of McCracken County, honored him by electing him their county attorney, then their county judge. Later he ran for a seat in this great body and was sent here for 14 years—7 different terms. Then he decided he would try for the governorship of Kentucky, and that, Mr. Speaker, is the only race in which he ever suffered a bitter disappointment. He was nosed out by a few votes. But he came back the very next year with his determination, his grit, with his ability, and by that time he was better known statewide, and he won the Democratic nomination for United States Senator and was elected in that November by one of the greatest majorities any Kentuckian has ever rolled up running for office.

He served in the Senate for 22 long, fruitful years, during 11 of which, Mr. Speaker, he bore upon his back and upon his conscience the majority leadership. This was during the war years, when it was necessary to get the money for planes, tanks, and the guns to equip our boys. He was fighting for our freedom and Christianity and all that it means, just as surely as our boys were fighting in the war for it. His assignment as majority leader was enough to kill any 10 men, but, Mr. Speaker, ALBEN BARKLEY put his shoulder to the task and his heart to the challenge, and he came through, as you know, with flying colors, and history has so recorded it.

Mr. Speaker, there is very little I can add. The people of Kentucky loved him, the people of the Nation respected and admired him because they elected him Vice President of the United States, and he served ably and well in that high office.

Mr. Speaker, somehow I feel today that but for his character, his honesty, he could have been President of the United States. Why? Because when the challenge came, when courage was needed, he saw fit to take issue with the then President. He did so and he was unafraid. He made a speech on the floor of the Senate in which he violently disagreed with the then President over a tax veto. In my humble opinion, from the bottom of my heart, I believe that this cost him the Vice Presidential nod and therefore later the very Presidency itself. I later said to him when I was talking to him about it: "Senator, you could have been President if you had not made that speech, and if after making it you had not resigned as majority leader of the United States Senate." He said: "Frank, I know in my heart that I was right, and I would rather be right than to be President of the United States of America."

That was the creed and that was the belief that was the life of ALBEN W. BARKLEY. And as my great and distinguished friend the gentleman from Kentucky [Mr. SPENCE] has just said, the folks wanted him to continue in office. He wanted to retire back home in Kentucky with his friends and his family. Friends of Mr. SPENCE and myself, friends of every Member of the Kentucky delegation were asking us to ask him to run again. They wanted to see him back on the Hill, they felt that they needed at this time, of all times in our history, a man of courage, honor, one of ability; one with know-how—he did run. He was nominated by an overwhelming majority and he defeated a fine Kentucky Republican to win back again his old Senate seat.

Senator BARKLEY, the one and only great "Veep," died as I know he wanted to, with his boots on. He had almost finished his speech. And there is another thing that stands out indelibly on his magnificent record of achievement—with diamond words emblazoned in a golden book on silver pages, his great love for his fellow man, his love for young people. He was appearing at a mock convention to help these young college

students to learn more about the government of our great country—how our great two-party system operates and how it has succeeded.

Mr. Speaker, I could go on, but suffice it to say that we have lost a great American. I would like to say to you that when he came down to campaign in my great Fourth District in 1954, I went with him on every stump. Yes, we campaigned together. We had a lot of fun. He was a wonderful companion and my dear friend, and I like to call him not only my friend, but also my buddy. To show how considerate he was of others—he often told me that I should not work so hard making so many speeches for him. He would say: "Frank, you have no opposition at all—you are just out of the hospital and major surgery—take it easy, my boy." It was an inspiration to just be with him. I would hold my side and my scars when he was not looking—and proceed to pour it on as best I could for him. He carried my district by over 10,000 votes. We both were so pleased over it.

One of the stories he told I think is apropos to tell here because everyone knows how he would feel if he were here now. He would want us not to feel bad today, believe me, and I say that from the bottom of my heart. This is one of the stories he told that everyone loved so well, and it was one of his favorites.

Back many years ago when he was a boy on the farm, his father needed a timepiece, a clock. It was a long way to the county seat, Paducah. In those days you had to use a horse and buggy to get there. So his father sent him over to the adjoining farm to borrow a clock from one of his neighbors who had several clocks. He brought it back home. But they were always in a state of confusion over the clock. They could not tell the time by that clock. Finally Senator BARKLEY took the clock back to the neighbor and told him about it. His neighbor said, "Alben, I am sorry about that clock. You know, I forgot to tell you that when both hands point to high noon and the clock strikes 3, that means it is 6 o'clock."

Yes, that was one of his favorite stories. I could go on and tell you many great things about this great individual. He has so conducted himself amongst his fellow man, he has let his light so shine, that his fellow man might plainly see his good works and glorify our Father who is in heaven. He has created with his own hands, his high station in life. He has built a monument higher, brighter, whiter, and more beautiful, if you please, than the Washington Monument, in my opinion.

Mr. Speaker, I extend to his good wife, Mrs. Barkley, to his children and his grandchildren my deepest sympathy and may God rest him and keep him in peace. The Master would say: "Well done, thou good and faithful servant; enter into the kingdom. I have a special place for you."

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Speaker, the news of ALBEN BARKLEY's death last night was a shock to the whole world. Senator BARKLEY was a dear friend to all peace-loving nations.

I, like all Kentuckians, received this news with the deepest of sorrow. I readily realized not only the great loss the State of Kentucky had sustained but also the Nation. The same feeling was being expressed by every Kentuckian that I met last night in Ashland after we received this sad and shocking news. All Kentuckians loved ALBEN BARKLEY. They loved him because he was a man of principle and an individual the ordinary layman could look to for inspiration.

It will serve no useful purpose for me to mention the outstanding and unexcelled contributions that ALBEN BARKLEY has made in the field of government, except I want to say that, in my judgment, this country has never produced a greater public servant and statesman than Senator BARKLEY, or a man that has contributed more to the general welfare of all the people in this Nation.

Kentucky, as well as the Nation, has suffered an irreparable loss. Senator BARKLEY's last words, "I am willing to be a junior. I am glad to sit on the back row, for I had rather be a servant in the house of the Lord than sit in the seat of the mighty," preceding his untimely and unexpected death, discloses not only his Christian qualities but that he was a man of unimpeachable integrity.

I have been a close personal friend of ALBEN BARKLEY's since 1932, and I loved him just like hundreds of thousands of other Kentuckians. I recall distinctly when he first displayed his oratorical ability in my hometown in the year of 1923 when he was a candidate for the Democratic nomination for governor. He was a companionable person, which I feel is a great asset to one in public service; a public servant that you could go to for advice and always receive wise counsel.

Mr. Speaker, the untimely passing of Senator BARKLEY has not only aggrieved and left me with an overwhelming sense of personal loss but has brought the same feeling to all the people in Kentucky, which ALBEN BARKLEY loved with all his heart.

We all take pride in paying tribute to our great public servants. America and Kentucky never have had a more sincere or devoted public servant.

To his wife and all the members of his family I extend not only my deepest sympathy but the deepest sympathy of all the people that I am privileged to represent who knew and loved Senator ALBEN BARKLEY better than any other man in public life in this day and age.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Speaker, I rise to pay humble tribute to the memory of my friend and fellow Kentuckian, ALBEN W. BARKLEY. His death removes from this earth one of Kentucky's great statesmen, and a man recognized throughout the world as a leader of men and a man of public spirit. He was a great orator, and a perfect gentleman. A kind, considerate man whose exemplary life influenced his own generation and succeeding generations.

Senator BARKLEY served for over 40 years in the Congress of the United States before being elected Vice President on November 2, 1948, for the term beginning January 20, 1949. A man of fine judgment with the courage to carry out his convictions, a true public servant. As a great Kentuckian and public servant he again answered the call of his people after his term for Vice President expired when he was elected to the United States Senate for the term beginning January 3, 1955. Throughout his long career as a legislator he was a friend of the farmer, the working people, small business, industry, our professions, and the veterans. In private life he gained success as a lawyer and a farmer. In every position he held, either private or public, he achieved distinction. His service in all of his assignments was marked by a high sense of conscience and duty. He loved people, and they, in turn, loved him. The qualities which endeared ALBEN W. BARKLEY to those who knew him were his devotion to his family and friends, his rugged integrity, and his unfailing sense of humor and good commonsense. His contributions to better government were many and will long be remembered.

The Commonwealth of Kentucky and the United States have lost a great statesman and leader. I have lost a true friend. A friend who lived his life fully and served his country well. To his wife, his children, and grandchildren, Senator ALBEN W. BARKLEY left a proud heritage. I extend to them my deepest sympathy in their bereavement.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. GREGORY] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. GREGORY. Mr. Speaker, you know that the hearts of all Kentuckians are heavy and our heads are bowed in grief over the passing of our most illustrious native son. I particularly am grieved over the loss of this great and good friend. He was a resident of the great First District of Kentucky, which I have the honor to represent and which he made a great district as an illustrious Member of the House, as a distinguished Senator from Kentucky, and later as the Vice President. His last words were typical of him and typified his life both as a citizen, as a neighbor, and as a public official. I am sure that I have known him longer than any Member of either body as I knew him when I was a small boy and witnessed his climb in public affairs from county office to the pinnacle in national affairs in his party and in his Nation.

ALBEN BARKLEY was born in the small community of Lowes, in Graves County, Ky. He never forgot his beginning in humble surroundings and his loyalty to that community and his devotion never wavered.

I felt that it would be appropriate that the flag which was flown at half mast over the House from which he started his rise to fame should be sent

to the high school at Lowes, Ky. I have sent this flag to the Lowes, Ky., High School with the accompanying letter:

To the Students of Lowes High School, Lowes, Ky.:

The hearts of all of us in Kentucky and, in fact, throughout the Nation are heavy and our heads are bowed in sorrow over the sudden passing of the late Senator ALBEN W. BARKLEY whose life has for so many years been dedicated to unselfish public service to his fellow man.

I know that in his birthplace of Lowes his loss is probably felt more keenly, if possible, than elsewhere. His loyalty and devotion to the Lowes community never wavered. Your forebears knew him as a schoolboy and knew of his ambition, character, and determination to be of service to his fellow man. He realized this ambition and achieved the second highest honor in the world in becoming the most popular Vice President in the history of the United States.

Coming from a modest beginning and having achieved these many great honors by the application of industry and honesty—fortified by character and unselfishness, his life was and will always be a beacon light of inspiration to young men and women possessing these traits.

The Congress of the United States paid just tribute to him. All flags were flown at half mast when his passing was announced. Since he started his rise to fame as a Member of the House of Representatives, I feel that the flag flown over the House of Representatives at half mast should be presented to you to hang in your school as a constant reminder to you and the students of the generations yet to come that great good can be achieved by you if you emulate his great life. I am sure that this will be an inspiration to you.

I have secured this flag and am sending it to you today together with a certificate of the Clerk of the House that this is the authentic flag flown over the House at half mast as a token of grief and deep respect which not only the Congress felt but which was shared by peoples of the entire world.

So long, Mr. Speaker, as character and devotion are honored among men, so long as courage of conviction may be cherished among men, so long as unselfish service to humanity is appreciated—just so long will the memory of ALBEN W. BARKLEY occupy a hallowed place in the minds and hearts of all Americans.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Kentucky [Mr. SILER].

Mr. SILER. Mr. Speaker, it was the poet, Alfred Tennyson, who gave us those lines Crossing the Bar:

Sunset and evening star,
And one clear call for me!
And may there be no moaning of the bar,
When I put out to sea.

But such a tide as moving seems asleep,
Too full for sound and foam,
When that which drew from out the boundless deep
Turns again home.

Twilight and evening bell,
And after that the dark!
And may there be no sadness of farewell,
When I embark;

For though from out our bourne of Time and Place
The flood may bear me far,
I hope to see my Pilot face to face
When I have crossed the bar.

Mr. Speaker, my fellow Kentuckian was a good man and I am confident that as he goes out to meet his Pilot face to face, he will be able to give a good accounting of his stewardship and of a life well spent and work well done.

Mr. SPENCE. Mr. Speaker, at this time I yield to the distinguished gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, all of us here today, on both sides of the aisle, are touched with sadness at the death of one who had been a beloved colleague for so many years, first in this Chamber and then in the other body.

ALBEN BARKLEY was a stalwart and honorable warrior of the political arena whose devotion to his country was unquestioned by all who knew him.

ALBEN BARKLEY took the responsibilities of his office seriously, which was fitting and proper.

But he never let the burdens of public service overwhelm his wonderful sense of humor.

He was a charming companion, whose colorful personality and gift for story telling will long be remembered by all who were fortunate enough to enjoy his acquaintance.

Those of us who have fought this battle longest will best appreciate ALBEN BARKLEY'S loyalty to the cause in which he believed.

We will best appreciate and understand his rugged partisanship, which gave way only when, in his opinion, such deviation was dictated by the national welfare.

We on the Republican side honored and respected ALBEN BARKLEY as a fair and worthy opponent.

We admired his many talents, and we felt a great affection for him as a generous, kindly, and thoughtful friend.

We shall miss ALBEN BARKLEY. Yet the shock of his sudden passing is eased somewhat in the knowledge that his was a long and distinguished career—which is a privilege not all of us can hope to enjoy—and that the end, when it came, was apparently without great suffering or heavy pain.

Mr. SPENCE. Mr. Speaker, Senator BARKLEY and the Speaker of this House served long together. I know Senator BARKLEY had a very great devotion and warm friendship for our Speaker. I know that was reciprocated by Speaker RAYBURN.

At this time I yield to our distinguished Speaker.

Mr. RAYBURN. Mr. Speaker, in 1913 ALBEN BARKLEY and I stood in this well and took the oath of office. We were assigned to the same committee, the Committee on Interstate and Foreign Commerce, where he served with me for 14 years. He went to the Senate, and in 1937 when I was elected majority leader of the House of Representatives he was elected majority leader of the Senate. I became presiding officer in the House and he became the presiding officer in the Senate. That is the parallel that he and I discussed many times and always with great pleasure, because he knew of my deep devotion to him and I knew of his deep devotion to me.

ALBEN BARKLEY had the good elements mixed in him I think, as many as any man it has been my privilege to know. God gave him a sturdy stature physically and mentality that was big, and he did things with his physical and his mental capacity. I think that ALBEN BARKLEY was probably the greatest orator we have produced in a quarter of a century. He had a way about him of getting his story over in sincerity and with sound judgment.

He was a statesman of the first order. He will rank and deserves to rank with the great men who have lived in America and have helped to make and keep it great.

Today I feel as if an anchor, one whom I could reach out and touch when I needed friendly advice, a wonderful companion, has left me, and he will not return. But in the years to come, however, many may be allotted to me; I will cherish and memory will be green when I think of my old friend.

Added to his great capacity as a statesman, he was also a gentleman of the first order, kindly, with no venom. His weapon was his argument and the way he could assemble and put his facts before the people. He was a great leader of men.

He was a great family man. I have known all of his children and practically all of his grandchildren. Both of his lovely helpmeets I knew, and they were friends of mine, because they knew I was a friend of the great man who walked hand in hand with them. Few times in our lifetime—it matters not how long it is—do we see his like. I may not see his like again, but I know this today, that out there somewhere where the mighty spirits are gathered, the approach of ALBEN BARKLEY was received with open arms, because he was the equal of the mightiest spirits that assemble wherever that land or that clime may be. God bless his memory. God comfort his loved ones—God comfort me.

Mr. SPENCE. Mr. Speaker, I yield to our distinguished majority leader the gentleman from Massachusetts [Mr. MCCORMACK].

Mr. McCORMACK. Mr. Speaker, the country in the death of Senator ALBEN BARKLEY has lost one of its greatest citizens of all times. His life is an inspiration for all to follow and a heritage that brings great consolation to his loved ones. Kentucky today has a heavy heart, as my friend the gentleman from Kentucky [Mr. SPENCE] well said. I agree with him; I might add that the country has a heavy heart, for his death leaves a gap that will take long to fill. ALBEN BARKLEY and I were very close friends. There is no one I admired more than I admired ALBEN BARKLEY.

During World War II, ALBEN BARKLEY and I served as majority leaders of our respective bodies. I can testify to his greatness and his courage as evidenced by the meetings of the leaders with the late Franklin D. Roosevelt and of ALBEN BARKLEY'S wise advice on many occasions in the best interest of our country. In the 1952 Democratic National Convention, I spoke and voted for the nomination of ALBEN BARKLEY as the Democratic nominee for president. That will always be one of the most satisfactory and happy occasions and votes that I have ever made or will ever make. ALBEN BARKLEY was a great Democrat. He firmly believed in the two-party system as the most effective means for our people to express their

political views in the best interests of our country. He believed in the unity and solidarity of the Democratic Party which he loved with a great devotion and a lifetime of service. He abhorred disservice and disunity. He condemned the policy of some that either they rule or they ruin. No matter how trying the situation was ALBEN BARKLEY, a strong disciple of Thomas Jefferson, believed that party came first. But, over and above his strong party adherence, ALBEN BARKLEY stood for his country first. He always raised his voice and his influence within the Democratic Party so that the Democratic policy, whether a Democrat or a Republican President was in the White House, should strengthen the national interests of our country and always be for the best interests of our people.

In the years preceding World War II, ALBEN BARKLEY was a bulwark of strength in frustrating and later defeating Hitler and nazism. At the very moment of his death he was a bulwark of strength in the fight against atheistic communism. Throughout a lifetime of public service he was a great progressive, always in his vision of progressive measures trying to preserve and strengthen America and its family life.

One could go on endlessly talking about ALBEN BARKLEY. ALBEN BARKLEY'S name in American history is established for all time. The name of ALBEN BARKLEY is now included among the great Americans of yesterday.

I extend to Mrs. Barkley and her loved ones my very deep sympathy in their great loss and sorrow. I also extend my sympathy to my colleagues from Kentucky.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Virginia [Mr. HARRISON].

Mr. HARRISON of Virginia. Mr. Speaker, it has fallen to my lot to have been the only Member of either the House or the Senate to have been with the Vice President on his last day on earth. As a matter of fact, since last Thursday he and I have conducted a sort of tour of my district. On Thursday he attended the Apple Blossom Festival in Winchester at which his granddaughter presided as queen. On Sunday he was back again and spent the day with Senator BYRD at a party at his home in Clarke County; and then again on yesterday at the mock convention at Washington and Lee University. During all that time I have never known him to be in finer fettle or more himself. I suppose he told a thousand stories and shook the hands of thousands of people. And he entered into the spirit of each occasion where he was.

Washington and Lee University for nearly 50 years has conducted these mock conventions. They hold regular conventions and they put a great deal into it. Yesterday Senator BARKLEY and I drove through a 2-hour parade, and from every window of the small town of Lexington loudspeakers blasted the virtues of Adlai Stevenson, Estes Kefauver, and Governor Harriman. It was obvious that he was enjoying himself immensely.

When he was introduced to the convention, in which every State was represented by delegates, he was received with great enthusiasm. The occasion called for him to make a partisan Democratic speech, and he rose to the occasion nobly. He made a ripsnortin', old-fashioned, rootin' tootin' Democratic speech that delighted his audience. He began with the early days of the Republic and came down to the present day and held forth on the theme that every good thing that was ever accomplished in the history of this country was due to the Democratic Party and every bad thing that had ever befallen the country was due to the machinations of the Republican Party. And I might add, Mr. Speaker, that he almost proved it. And yet he did it in a way that had no sting, or would give offense to anyone.

During the course of his talk he recited the number of Democratic Conventions he had attended—every one since 1920, and he said he had been thinking about not going to this one, but because of the spirit of this occasion the old fire horse felt that he could not stay away. He led up to the words that have been quoted here by saying that in looking at the floats—there were floats for Harriman, for Kefauver, and for Stevenson—that if he had not known before he came there he would have learned from the floats that he was not a candidate for President this year.

Someone called out: "What about the old firehorse?"

He replied "All the old firehorses are gone; the departments now are run by motor vehicles."

A few minutes before the end, I felt that he was hurrying his speech to a conclusion.

Then he recited his career as a junior Member of the House, as a senior Member of the House, as a junior Senator and as a senior Senator, majority leader, Vice President, and now again a junior Senator.

Then he closed with the words that have been quoted.

He fell to the floor. He suffered no pain. He gasped a few times and he was gone.

I would like to say one more word, and that is that during her ordeal his charming and gallant widow conducted herself with a courage and a grace that he would have wanted and expected of her.

We went back to the home of the President of Washington and Lee University and there they were recording in the guest book that he had signed that day at lunch the exact verbiage of his closing words. She asked me if that was in accordance with my recollection: "I would rather be a servant in the house of the Lord than sit in the seat of the mighty."

I said: "Now, Mrs. Barkley, he sits on the right hand of God."

She smiled through her tears and said: "No, not yet; I doubt if he has finished telling St. Peter his stories."

There is something very fitting about all this and the way he went. He was twitted during the day because he had graduated in law at a rival institution, the University of Virginia; and here this son of Lincoln's Kentucky in his closing speech defended his education at Jefferson's University of Virginia, and he fell and died at the university endowed by and named for George Washington, and his body was taken to rest in the home of Robert E. Lee.

I feel that he would have wanted all that.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. WATTS] may extend his remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. WATTS. Mr. Speaker, the death of ALBEN BARKLEY comes as a profound shock to all of us. It seems that in His plan of things the Almighty has provided that each generation will have an outstanding leader in a particular chosen field—an individual endowed with talent so extraordinary that he stands above comparison. It seems that this individual is especially touched by the hands of the Creator to be the example and the goal toward which all who would succeed must steer their course. Such a man was ALBEN BARKLEY. But, Mr. Speaker, ALBEN BARKLEY was an exception to this exceptional rule. ALBEN BARKLEY excelled in statesmanship. He was possessed of an overabundance of those traits of character and human qualities from which flow the true spirit of Christianity and reflect the personification of gentlemanly principles.

ALBEN BARKLEY died while pronouncing the rule by which he lived. Measured by material wealth, his origin was laid deeply in the lower echelons. Measured by those intangibles of spiritual and character-building qualities, his origin was unsurpassed in its richness. He came from pioneer stock of the early Kentuckians. His boyhood and his early manhood were cloaked in an environment requiring long days of hard and arduous toil for mere survival. Throughout the whole of this, Mr. Speaker, the light of ALBEN BARKLEY'S exceptional qualities shone with the brilliance of the sun. The pinnacle that he achieved was willed to him by the people whom he served and whom he loved in an effort to evidence their respect, their esteem, and their affection for him.

Mr. Speaker, this Nation has suffered a terrific loss. Because of his vast experience in Government, his firsthand knowledge of international and domestic problems, his impeccable character and his love of country, the Nation was afforded a guarantor of its security and a defender of its freedoms that will be difficult to replace.

Yes, Mr. Speaker, ALBEN BARKLEY was great, but he was humble. Truly, today he must be "a servant in the house of the Lord."

I join with a saddened and mournful Nation in extending heartfelt sympathy to the members of his family.

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. CHELF. I would like to say, Mr. Speaker, that the reason the gentleman from Kentucky [Mr. GREGORY] is not here at this particular time to pay his

tribute is because he is with the Senator's family trying to help and console them as best he can. I ask unanimous consent therefore that Mr. GREGORY be given permission to extend and revise his own remarks at this point in the RECORD.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks on the life, character, and public service of the late ALBEN W. BARKLEY at this point in the RECORD and that all Members may have 5 legislative days in which to extend their remarks on this subject.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. EVINS. Mr. Speaker, the good Lord in his infinite wisdom last evening called to his side one of the truly great leaders of our time. The loss of Senator ALBEN BARKLEY will be felt in this Nation and the Halls of our Congress for years to come.

His warm, human, and colorful personality and quick intellect gathered him a host of friends during his fruitful life and he will be greatly missed by all.

The New York Times of this morning contains an editorial in memory of the great Democratic leader from Kentucky and, under unanimous consent, I ask that this editorial be printed in the RECORD, together with my own brief but sincere remarks of admiration for this great American:

ALBEN W. BARKLEY

"I would rather be a servant in the house of the Lord than sit in the seat of the mighty" was the sentence ALBEN BARKLEY had just completed when death claimed him in the middle of an address he was delivering at Washington and Lee University. In his lifetime ALBEN BARKLEY had, indeed, sat in the seat of the mighty, but this United States Senator and former Vice President never lost the humility and common touch of a servant in the house of the Lord as he served the American people in their legislative halls.

History will remember ALBEN BARKLEY for his sponsorship of, and leadership in putting through, much of the important and beneficial social legislation of the thirties. It will remember him for his leadership in such grave matters as lend-lease and ratification of the United Nations Charter. It will remember him for the high offices he has held, for the good work he has done in those high offices, and for the powerful influence he bore in getting opposing factions to compromise their differences in times of emergency.

But now we think of him for his warm, human, colorful qualities, for the respect and affection he evoked in others, not least of whom were the voters of Kentucky who elected him time and again to office. A vital man, he had much still to give his country, even at the age of 78. He will be sorely missed and long remembered.

Mr. ALBERT. Mr. Speaker, I take this means of imparting to the House an impression which I have always had of Senator BARKLEY. He was a man of tremendous accomplishments, but it is not of these that I speak. I admired him as I admired few men, not because he was the best storyteller I ever heard; not because he was campaign orator and stump speaker without a peer in this generation; not because he was elected Congressman, Senator, and Vice President; but because, through his life and ideals, he gave dignity and sublimity to the concept of public service. It is an honor to hold public office because ALBEN W. BARKLEY held public office.

Mr. EDMONDSON. Mr. Speaker, it is difficult to add anything of beauty or of substance to the eloquent tributes we have heard today to the memory of the great Kentuckian, Senator ALBEN W. BARKLEY.

In the hearts of Oklahomans, whom he had inspired and challenged on many speaking occasions, he was one of the real giants of this century—a peerless orator, a courageous statesman, and a man in every noble sense of the word.

In 1952, at the Democratic National Convention in Chicago, he received the votes of Oklahoma for nomination as our presidential candidate—and no higher tribute can be paid by a State.

I am proud of the fact that the Sooner State recognized and honored the greatness of ALBEN BARKLEY. The grief and sadness in the hearts of Senator BARKLEY's loved ones, and of Americans everywhere, are fully shared in Oklahoma.

Mr. PRIEST. Mr. Speaker, measured by all standards, Senator BARKLEY was truly a great man, a stalwart statesman, and a public servant wholly devoted to the welfare of the people of this country and to the cause of peace in the world.

There was in his last moment an element of quiet drama, sometimes found in fiction, but seldom in life.

We are saddened in this hour because ALBEN BARKLEY'S quality of friendship was of such character that it was cherished as a very personal thing by all who knew him.

Death has hushed a vibrant voice that embellished with brilliance the oratorical annals of our time.

But the lingering overtones of that voice and the presence of his personality shall be felt long after his body is laid to rest under a canopy of bluegrass in his old Kentucky home.

To his widow and his family I extend my sincerest sympathy.

Mr. REED of New York. Mr. Speaker, the sudden passing of Hon. ALBEN W. BARKLEY, United States Senator from Kentucky, came as a great personal shock to me. He is a man whom I have known ever since I have been a Member of Congress and for whom I have always entertained the highest esteem and affection. I regard Senator BARKLEY as one of the outstanding statesmen of all time and a man who had few if any enemies.

It was only a short time ago that I appointed him to undertake a most important mission in Dubrovnik, Yugoslavia, to meet with the Council of the Interparliamentary Union. Associated with him was Senator A. WILLIS ROBERTSON, of Virginia. Both of these distinguished men undertook this trip as a patriotic duty and used their Easter vacation to perform a herculean task in the field of statesmanship. They were successful on their mission, which was to keep Red China from becoming a member of the Interparliamentary Union until such time as it should become recognized by the United Nations. Both Senators had to meet with terrific pressure from Communist countries, but I repeat they were successful.

I am deeply disturbed that this long trip which Senator BARKLEY was perfectly willing and anxious to make may have pressed heavily on his limited strength.

I want to say in conclusion that his passing is a source of great grief to all who knew him and my sympathy goes out to his wife and family in this terrible bereavement.

Mr. BURDICK. Mr. Speaker, a giant tree in the forest has fallen. The winds and storms of 50 years of public service, with extra burdens demanded by the people, loosed the roots of this great tree and it fell among its fellows, leaving a vast void where it once stood.

ALBEN BARKLEY was endowed by nature with extraordinary gifts. He could reduce complicated questions to such simple terms that all men who were fortunate enough to hear him could understand. Opponents on legislative and legal questions took no offense at his position and applauded the manner in which he maintained his case.

Though one of the most sincere and earnest men in public life for half a century, he did not fail to see humorous things. His powers of ridicule and invective were devastating, and storied applications in his arguments were powerful and convincing. As an advocate of public and legal questions he had, in this era, no superior, and in defending questions which he conceived to be for the best interests of the people he was a master.

While circumstances prevented him from becoming President of the United States, he was bigger than Presidents in the times in which he lived.

His last earthly utterance, "I would rather be a servant in the house of the Lord than sit in the seat of the mighty" summed up his life. This utterance will be a motto for human conduct long after the present generation shall have passed into the shadows of the Great Unknown, and for as long as the principles of this great Republic shall endure.

One of the truly great men of our generation has made his last speech and in it has left for all future generations a perfect definition of a public servant.

Mr. MACK of Illinois. Mr. Speaker, yesterday this Nation lost a great and courageous statesman with the death of ALBEN W. BARKLEY, of Kentucky.

His splendid record of more than 50 years of public service stands as a monument to his unselfish dedication of his life to the welfare of his fellow man and to his country.

His loss will be keenly felt by all of us, and memories of his valued service will stand as a challenge to all who are dedicated to public service.

Mr. GRAY. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. GRAY. Mr. Speaker, I rise today with a sorrowing heart to join with all my colleagues, the beloved Speaker, and

the people of the entire United States in mourning the passing of ALBEN W. BARKLEY. I was born and raised just a few miles across the Ohio River from Paducah, Ky., and since a small child I have learned to love, respect, and admire ALBEN BARKLEY. He was a very personal friend of mine. He was a guiding hand to me.

As I stand here today I think of those words, "Greater love hath no man than this, than he who is willing to lay down his life for his friends."

ALBEN BARKLEY was that type of man. It made no difference when you went to him, day or night, he was always willing to help you and to give you a little advice or to come into your district or to assist you in any manner he possibly could.

I may say that his home at Paducah is separated from my district only by the width of the Ohio River. My people in southern Illinois join me with bowed heads and sorrowing hearts at the passing of this great American.

At this time I think of those words once again:

Man that is born of a woman is of a few days, and full of trouble.
He cometh forth like a flower, and is cut down; he fleeth also as a shadow, and continueth not.

So we must all expect the inevitable, but we are never willing to give up such good friends, such great statesmen as was ALBEN BARKLEY.

In closing, I want to join with all of my colleagues and all Americans in extending the most sincere sympathy to Mrs. Barkley and the other members of the family. I know that words we utter here today will not ease the grief that is theirs, but I would like to say that this country is greater, its people are greater, because ALBEN W. BARKLEY passed this way. God bless all of us in this hour of sorrow.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from North Carolina.

Mr. COOLEY. Mr. Speaker, for many years I have enjoyed the friendship of the great man whose memory we at this moment honor. I have been very closely associated with our beloved colleague and I have known him intimately and well; I have admired and loved him through the years.

ALBEN W. BARKLEY was a citizen of the world, and today the liberty-loving people of the universe are mourning his death. This great man was not only loved in Kentucky; he was not only loved in America; but he was loved and admired by the men of many races in all parts of the world.

Because of our mutual interest in the welfare of the tobacco farmers of our Nation and of our mutual interest and activities in the Interparliamentary Union, we have been very closely associated with each other. Mr. BARKLEY, as chairman of the American group of the Interparliamentary Union, designated me as a delegate to the first meeting of that great organization, which I attended approximately 10 years ago. It was because of his great interest in the activities and the affairs of that organization that I became interested and finally was elected as a member of the nine-man executive committee of the Interparliamentary Union, in which the lawmakers of 46 nations of the world are now participating.

I recall with pleasant memories our visit together to the Holy Land, the place where Christ was born, en route to Cairo for the first postwar meeting of the Union. Our distinguished colleague was loved and respected and held in high esteem by members of that great organization which has labored through the years for peace and a better world understanding. He is the only member of the American Senate to my knowledge who has served on the executive committee of the Interparliamentary Union. When I was elected to the executive committee, I, of course, deemed it a great honor. During the Easter holidays the executive committee met in Dubrovnik, Yugoslavia. It was an important meeting; but as chairman of the House Committee on Agriculture, it was necessary for me to remain in Washington and to forego this meeting in Yugoslavia because the farm bill was in conference. I knew that Red China was seeking admission to the Interparliamentary Union and that the petitions of Red China would have the support of Russia and all of its satellites. The State Department had urged me to attend this meeting, but I considered the farm problems of America of paramount importance and could not abandon my post of duty here.

In this situation I turned to my beloved friend, the distinguished statesman of the world, ALBEN W. BARKLEY. I discussed the matter with him in the Democratic cloakroom in the Senate, and he agreed with me that under no circumstances should I leave Washington because of the importance of the farm bill. I then asked him if he would go as my alternate and substitute to attend this very important meeting. Mr. BARKLEY said, "I will talk it over with Mrs. Barkley; and if I can possibly do so, I will."

He finally advised me that he would represent me at the meeting of the executive commitee in Yugoslavia. I went to the airport to see them off and to bid them bon voyage. On that day the Barkleys were happy and lighthearted as we waved to them on their last voyage together across the sea.

Mr. BARKLEY was successful in his efforts at the meeting at Dubrovnik.

This great man, whom we honor at this moment, could not have died more gloriously nor could he have lived more magnificently. When I think of his political life and the political campaigns in which he has engaged, I know that he was always guided and directed by the impulses and sentiments expressed in these brief words:

When the one great Scorer comes to write against my name,
He will write not that I won or lost but how I played the game.

I also think of a poem:

Oh, heart of mine, we shouldn't worry so
What we've missed of calm we couldn't have, you know!
What we've met of stormy pain and of sorrows driving rain
We can better meet again if it blow!
For we know not every morrow can be sad;
So forget all the sorrow we have had.
Let us fold away our fears and put by our foolish tears,
And through all the coming years just be glad.

I am glad that I knew ALBEN W. BARKLEY: May we through all the coming years just be glad that we have known and loved this great man and have worked and labored with him here in the Halls of Congress.

We need not build a monument to the memory of ALBEN W. BARKLEY. He has built for himself many magnificent and beautiful monuments in the hearts of his friends throughout the world. His life was a blessing and a benediction to all mankind.

Mr. Speaker, I extend to his lovely and devoted wife and to all the members of his family my very deep and profound sympathy. May God bless them all.

Mr. SPENCE. Mr. Speaker, I yield to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, yesterday the United States of America and the world received a crushing blow. When the porter on my train called me this morning he said, "Mrs. ROGERS, don't you think we have lost a wonderfully fine man and a great Senator? He was never bitter." We have lost more than words can convey in the death of ALBEN BARKLEY, one of the greatest Americans we have ever known, one of the greatest Christians we have ever known, and one of the greatest friends we have ever had.

Mr. Speaker, I mourn with you and all the Members his passing, and I mourn with his gallant and beautiful wife that he loved dearly and his family that he loved so much, and I mourn with his beautiful State of Kentucky.

Mr. BOGGS. Mr. Speaker, in the market place of public affairs good men and great men have influence far beyond their own knowledge. Most of the time they themselves are unaware of their own impact. Such a man died on Monday last, ALBEN W. BARKLEY.

I saw a great deal of Senator BARKLEY in the last 10 days of his life. For him I am certain that they were happy days as, I believe, were most of his days. Beginning on Saturday, April 21, I saw him and listened to him at the Democratic testimonial dinner for Woodrow Wilson. There he delivered, in his usual magnificent style, a moving tribute to a great American who had undoubtedly greatly influenced ALBEN W. BARKLEY himself.

On the following Monday I went to a luncheon in the Senate where he gave a report on the approaching meeting of the Interparliamentary Union in Bangkok, Thailand. I marveled at his knowledge of world affairs, his approach to the problems of other peoples and

other governments, and his sustaining interest in public affairs.

And then on Wednesday night of last week at the annual Press Club party for the Members of the Congress he stole the show—his wit, his humor, his humility, his understanding brought him a standing ovation from members of the press and from his colleagues of both parties in both branches of the Congress.

On Saturday last, April 28, the National Broadcasting Co. was celebrating the 10th anniversary of its famous program, Meet the Press. The principal speaker was Senator BARKLEY. His attendance at that program was his last public appearance in the Capital of the country that he loved and served so well. On that night he spoke of our basic freedoms of press and our right to information. He emphasized the importance of an informed electorate in a democracy. He told how the dictators, either of the left or of the right, invariably suppress information. And on that night he did something that I had seldom heard him do—he reminisced. Normally he looked to the future in discussing the problems of the present. But he talked about his years in Congress dating back to 1913—years of service which covered the rise to greatness of the United States of America.

And on Monday, fully in character, talking to young Americans he died saying, "I would rather be a servant in the house of the Lord than sit in the seat of the mighty." He wrote his own magnificent epitaph.

Mr. Speaker, this man shall live in the hearts of all Americans. His life portrayed the man—his sincerity of purpose, his humility—his love of party, his paramount love of country.

I believe those of us who serve in public office appreciate more than others sincerity of purpose. Unfortunately there are some who come to public office who, in pursuit of the sensational, the headlines, and the acclaim of the moment, sacrifice sincerity and objectivity. Their colleagues get to know them and they cease to have any influence.

Yes, Mr. Speaker, Senator BARKLEY was the epitome of the American ideal of public service. He understood the greatness of America and the goodness of America, and because of him our country is stronger and better and happier.

Mr. ROONEY. Mr. Speaker, I was profoundly shocked this morning when I heard of the tragic passing of Senator ALBEN W. BARKLEY, of Kentucky.

He was one of the finest men I ever knew, and I am sure that his place in the hearts of many of us will never be filled. When he suddenly fell near the end of a speech at Washington and Lee University's mock Democratic Convention, he apparently died almost instantly. It is fitting to note that his passing occurred in an atmosphere he loved best—the political forum. He always enjoyed and liked young people, and he was idolized and deeply admired by them as they saw in him the personification of those qualities we have always sought in our national leaders.

In September of 1948 it was my great privilege to accompany Senator BARKLEY to Europe to attend an Interparliamentary Union Conference in Rome. We visited Madrid, Paris, and Berlin, and I can well recall the trip as one of the highlights of my life.

The Senator was a man whose courtly manners and gallantry added much to the happiness and public life of our country. He was a real southern gentleman, and his penetrating intellect, wit, and wisdom endeared him in the hearts of the American people. His passing is not only a great loss to the Nation but also to the entire civilized world. His distinguished career as a Congressman, Senator, and a great Vice President has never been surpassed.

I join with my colleagues in mourning this lovable and outstanding public servant and extend to his widow, children, and grandchildren, my deepest sympathy in their hour of bereavement.

Mr. ZABLOCKI. Mr. Speaker, the news of the sudden passing away of Senator ALBEN BARKLEY brought deep and sincere sorrow not only to his colleagues, and to the people of the State of Kentucky, but to our entire Nation.

In the turbulent decades of our recent history, the name of ALBEN BARKLEY became known in every household across the land. ALBEN BARKLEY—whose entire life was devoted to public service—became the personification of the wise and benevolent statesman that boys dream of becoming, and that men strive to emulate. His dedication to the public interest; his gracious manner; and his inimitable art of story telling endeared him to the hearts of the American people.

In the death of our beloved Veep, we have lost more than a distinguished public servant. We have lost a part of Americana that may never be duplicated again. We have lost a man, a leader who came from the best tradition of the past but who looked to the future and who strove with all the energy at his disposal to fashion a better Nation and a better world for all of us to enjoy.

We are aggrieved by his death, but proud that we have lived in the same age with him and known him. His name shall go down in history for he has served his country well.

I wish to extend my deepest sympathy to his widow and his family in their bereavement. May they be consoled in their loss in the thought that the good Lord has chosen him to be among His very own.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 907. An act for the relief of Justin G. Maile and Theodore R. Hilbig;

H. R. 1470. An act for the relief of Joseph Righetti and Marjorie Righetti;

H. R. 1500. An act for the relief of Charles F. Brickell;

H. R. 2068. An act for the relief of William F. Friedman;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2898. An act for the relief of the F. Delizio Co., Inc.;

H. R. 4118. An act to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period;

H. R. 4791. An act to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees;

H. R. 4865. An act for the relief of Stanley Rydzon and Alexander F. Anderson;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 5634. An act for the relief of Willie C. Pickett, George Williams, and Herman L. Looney; and

H. R. 6282. An act for the relief of Nathan L. Garner.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 584. An act to amend title 28, United States Code relating to the Customs Court; to the Committee on the Judiciary.

S. 1143. An act for the relief of Arthur K. Jefferson; to the Committee on the Judiciary.

S. 1178. An act for the relief of Mrs. Sylvia Simonson; to the Committee on the Judiciary.

S. 1414. An act for the relief of James Edward Robinson; to the Committee on the Judiciary.

S. 1622. An act to authorize the Secretary of the Interior to make payments for certain improvements located on public lands in the Rapid Valley unit, South Dakota, of the Missouri River Basin project, and for other purposes; to the Committee on the Judiciary.

S. 1812. An act for the relief of Athanase G. Politis; to the Committee on the Judiciary.

S. 2008. An act for the relief of Winifred A. Hunter; to the Committee on the Judiciary.

S. 2064. An act for the relief of Gregorio Spiros Ferentinos; to the Committee on the Judiciary.

S. 2169. An act for the relief of M. B. Huggins, Jr.; to the Committee on the Judiciary.

S. 2240. An act for the relief of James Richard Hogan; to the Committee on the Judiciary.

S. 2271. An act for the relief of Salomon Benveniste; to the Committee on the Judiciary.

S. 2913. An act to extend for 2 years the Advisory Committee on Weather Control; to the Committee on Interstate and Foreign Commerce.

S. 2984. An act for the relief of Col. John A. O'Keefe; to the Committee on the Judiciary.

S. 3163. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating in Hawaii and Alaska; to the Committee on Interstate and Foreign Commerce.

S. 3164. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938 in order to authorize permanent certification for certain air carriers operating between the United States and Alaska; to the Committee on Interstate and Foreign Commerce.

S. 3265. An act to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States; to the Committee on Merchant Marine and Fisheries.

S. 3266. An act to authorize officers of the Coast and Geodetic Survey to act as notaries in places outside the United States; to the Committee on Merchant Marine and Fisheries.

S. 3391. An act to provide for the regulation of the interstate transportation of migrant farm workers; to the Committee on Interstate and Foreign Commerce.

S. 3524. An act to give effect to the Convention on Great Lakes Fisheries signed at Washington, September 10, 1954, and for other purposes; to the Committee on Merchant Marine and Fisheries.

S. 3674. An act to amend section 1343 of title 18, United Code Code, relating to fraud by wire, radio, or television; to the Committee on the Judiciary.

THE LATE HONORABLE ALBEN W. BARKLEY

Mr. SPENCE. Mr. Speaker, I offer a resolution (H. Res. 491) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. ALBEN W. BARKLEY, a Senator of the United States from the State of Kentucky; formerly Vice President of the United States and a former Member of the House of Representatives from the State of Kentucky.

Resolved, That the Clerk communicate these resolutions and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of eight Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The resolution was agreed to.

The SPEAKER. The Chair appoints as members of the funeral committee the following Members on the part of the House: Mr. SPENCE, Mr. GREGORY, Mr. CHELF, Mr. PERKINS, Mr. WATTS, Mr. ROBSION, Mr. NATCHER, Mr. SILER.

The Clerk will report the remainder of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect to the memory of the deceased the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 12 o'clock and 58 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 2, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred, as follows:

1800. A letter from the Chief Justice, Supreme Court of the United States, transmitting the report of the proceedings of a special meeting of the Judicial Conference of the United States, held at Washington, D. C., March 13–14, 1956 (H. Doc. No. 392); to the Committee on the Judiciary and ordered to be printed.

1801. A letter from the Director, National Science Foundation, transmitting a draft of proposed legislation entitled "A bill to provide for the disposal of the Government-owned synthetic rubber research laboratories at Akron, Ohio"; to the Committee on Armed Services.

1802. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to provide for settlement and entry of public lands in Alaska containing coal, oil, or gas under section 10 of the act of May 14, 1898, as amended"; to the Committee on Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7190. A bill restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes; with amendment (Rept. No. 2080). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 7896. A bill to provide for the conveyance of certain land in the city of Hogansville, Ga., to the city of Hogansville; with amendment (Rept. No. 2081). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 8225. A bill to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota; without amendment (Rept. No. 2082). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 9207. A bill to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands; without amendment (Rept. No. 2083). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 9451. A bill to provide that certain lands shall be held in trust for the Seminole Indians and to provide that certain lands shall be designated as a reservation for Seminole Indians; with amendment (Rept. No. 2084). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 492. Resolution for consideration of H. R. 10875, a bill to enact the Agricultural Act of 1956; without amendment (Rept. No. 2085). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 9377. A bill to provide for the sale to the Eagle Rock Young Men's Christian Association of certain real property located in Los Angeles County, Calif.; with amendment (Rept. No. 2078). Referred to the Committee of the Whole House.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 9671. A bill to provide for the conveyance of certain property of the United States to the village of Carey, Ohio; with amendment (Rept. No. 2079). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under Clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAKER:

H. R. 10923. A bill to clarify the Internal Revenue Codes of 1939 and 1954 with respect to the allowance of percentage depletion in the case of sand and gravel extracted from navigable waters; to the Committee on Ways and Means.

By Mr. CHRISTOPHER:

H. R. 10924. A bill to amend title 18 of the United States Code so as to allow compensation to counsel assigned by the court in criminal cases; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 10925. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. HOPE:

H. R. 10926. A bill to amend section 5 (b) of the Farm Credit Act of 1937, as amended, so as to permit an officer or an employee of the Farm Credit Administration, or any officer or employee of any corporation operating under the supervision of the Farm Credit Administration, to be elected to membership on a farm credit board; to the Committee on Agriculture.

By Mr. McCARTHY:

H. R. 10927. A bill to extend for 1 year the existing privilege of free importation of book bindings and covers by certain institutions; to the Committee on Ways and Means.

By Mr. MAILLIARD:

H. R. 10928. A bill to amend the act of July 1, 1870, to provide for the return by the United States to the heirs of Gen. John C. Fremont of certain land in San Francisco taken by the United States from said General Fremont without payment of just compensation therefor, for the return by the United States of certain land to the city and county of San Francisco, and for other purposes; to the Committee on Armed Services.

By Mr. SHELLEY:

H. R. 10929. A bill to amend the act of July 1, 1870, to provide for the return by the United States to the heirs of Gen. John C. Fremont of certain land in San Francisco taken by the United States from said General Fremont without payment of just compensation therefor, for the return by the United States of certain land to the city and county of San Francisco, and for other purposes; to the Committee on Armed Services.

By Mr. MATTHEWS:

H. R. 10930. A bill to amend the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. POLK:

H. R. 10931. A bill to strengthen the Nation by providing auxiliary credit resources required to preserve the family-size farm, providing additional credit for farm enlargement and development, refinancing of existing indebtedness, expansion and simplification of farm ownership and operations credit programs by amendment of the Bankhead-Jones Farm Tenant Act, and extension and simplification of emergency and disaster farm credit by amendment of the acts of April 6, 1949, as amended, and of August 31, 1954, and for other purposes; to the Committee on Agriculture.

By Mr. SISK:

H. R. 10932. A bill to provide that when poultry is procured for use of the Armed Forces the producer thereof shall receive not less than the parity price thereof; to the Committee on Armed Services.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Memorial of the Rhode Island General Assembly memorializing the Senators and Representatives from Rhode Island in the Congress of the United States with relation to the establishment of a national cemetery in the State of Rhode Island and Providence plantations; to the Committee on Interior and Insular Affairs.

By the SPEAKER: A memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to pass legislation preserving to the States the right to enforce legislation against treason, sedition, an subversive activities; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRUMPACKER:

H. R. 10933. A bill for the relief of William F. Kempe; to the Committee on the Judiciary.

By Mr. DODD (by request):

H. R. 10934. A bill for the relief of Stavros Manousos; to the Committee on the Judiciary.

By Mr. HAYS of Ohio:

H. R. 10935. A bill for the relief of Eugenio Frascari; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 10936. A bill for the relief of Chieh-Chuan Li (also known as Leslie K. Lai); to the Committee on the Judiciary.

By Mr. McDOWELL:

H. R. 10937. A bill for the relief of Speros Evangelatos; to the Committee on the Judiciary.

H. R. 10938. A bill for the relief of Constantinos Platounaris; to the Committee on the Judiciary.

By Mr. MILLER of California:

H. R. 10939. A bill for the relief of Ema Goncalves Da Silva; to the Committee on the Judiciary.

By Mr. PERKINS:

H. R. 10940. A bill for the relief of Girard Kinner Harman; to the Committee on the Judiciary.

By Mr. RHODES of Arizona:

H. R. 10941. A bill for the relief of Luciana Papa Powell; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 10942. A bill for the relief of Romeo (Casabuena) Celestial; to the Committee on the Judiciary.

By Mr. YOUNG:

H. R. 10943. For the relief of John Russell Sinclair; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

983. By Mr. DAGUE: Petition of Edwin Noble and 67 other residents of Spring City, Parker Ford, Pottstown, Pa., urging enactment of H. R. 4627, a bill to bar alcoholic advertising in interstate commerce and its broadcasting over the air; and H. R. 8000, a bill to prohibit the serving of alcoholic beverages to passengers on aircraft in flight; to the Committee on Interstate and Foreign Commerce.

984. By Mr. POLK: Petition of Anthony J. Lung, Batavia, Ohio, and 116 other citizens of Clermont County, Ohio, and surrounding area, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

985. By Mr. SMITH of Wisconsin: Resolution adopted by the Kenosha County Board of Supervisors, in support of an amendment to the Social Security Act whereby women at the age of 62 might retire on full pension; to the Committee on Ways and Means.

986. By the SPEAKER: Petition of John D. Wysong and others, the Joint Activity Council of Townsend Clubs, 4th District, Miami, Fla., requesting that the necessary number of Members of the House of Representatives sign the discharge petition to bring the bill H. R. 4471 before the House for debate and a vote; to the Committee on Ways and Means.

987. Also, petition of Hermenegildo V. Santos, New York, N. Y., relative to his pending petition No. 608177, filed April 24, 1952, asking for naturalization; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 2, 1956

The House met at 12 o'clock noon.

Father Aloys G. Selhorst, St. Patrick's Catholic Church, Lexington, Va., offered the following prayer:

O Almighty and Eternal Creator, look with favor upon us gathered for this august assembly today. Do Thou, who has visited us, grant, that Thy word, Thy grace, and Thy love, may not be to our loss; but that it may work our pardon and salvation.

May the love of Thee be to us and to all assembled here the armor of our faith, the strength of our wills, and the shield of our morals.

May the love of Thee, our God, be the destruction of our vices, as well as the fulfillment of our patience, our humility, and all our virtues. May it be the perfection of our motives—both spiritual and temporal. For in Thee, the one true God, we live and are and have our being.

We pray Thee, O God of might, wisdom, and justice, through whom authority is rightly administered, laws are enacted, and judgments decreed, assist, with Thy holy spirit of counsel and fortitude, the President of these United States, that his administration may be conducted in righteousness, and be eminently useful to Thy people, over whom he presides, by encouraging due respect for virtue and religion; by a faithful execution of the laws in justice and mercy; and by restraining vice and immorality let the light of Thy divine wisdom direct the deliberations of Congress, and shine forth in all the proceedings and laws framed for our rule and government; so that they may tend to the preservation of peace, the promotion of national happiness, the increase of industry, sobriety, and useful knowledge, and may perpetuate to us the blessings of equal liberty.

We pray Thee, O Lord of mercy, to remember the souls of Thy servants departed who are gone before us with the sign of faith, and repose in the sleep of peace; the souls of our parents, relations, and friends; of those who, when living, were Members of this assembly and particularly of such as are lately deceased. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On April 30, 1956:

H. R. 5310. An act to quiet title and possession with respect to certain real property in the city of Pensacola, Fla.;

H. R. 8728. An act to authorize the burial in national cemeteries of the remains of certain commissioned officers of the Public Health Service;

H. R. 9428. An act to provide for the procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes; and

H. R. 7058. An act to amend the act of May 29, 1928 (45 Stat. 997), in respect of the compensation of Supreme Court Justices and circuit court judges.

On May 2, 1956:

H. R. 3152. An act for the relief of Waymon H. Massey.

SOCIAL-SECURITY WAGE CREDITS FOR MILITARY SERVICE

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 8615) to provide wage credits under title II of the Social Security Act for military service before July 1, 1959, the termination date for inductions into the Armed Forces, and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of servicemen dying overseas before such date.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 217 (e) of the Social Security Act (relating to benefits in case of veterans) is amended by striking out "April 1, 1956" each place it appears and inserting in lieu thereof "July 1, 1959."

SEC. 2. The last sentence of section 202 (i) of the Social Security Act (relating to lump-sum death payments) is amended by striking out "April 1956" and inserting in lieu thereof "July 1959."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, H. R. 8615 provides for the continuation through June 30, 1959, of the existing

provisions of title II of the Social Security Act, relating to, first, old-age and survivors insurance wage credits for military service; and, second, the payment of lump-sum death benefits where a serviceman dying overseas is reburied in this country.

Under existing law these provisions do not apply to service or deaths after March 31, 1956.

Under the old-age and survivors insurance system, individuals who have served in the active military or naval service of the United States at any time since September 14, 1940, are, under certain circumstances, provided wage credits under the system of $160 per month for each month, or part thereof, of such service. Present law provides for these credits without any payment of taxes or the appropriation of funds to the old-age and survivors insurance trust fund. Under the existing provisions of law these wage credits will be provided only for service performed prior to April 1, 1956. H. R. 8615 extends this provision so that it will apply to service performed prior to July 1, 1959, the termination date for inductions into the Armed Forces.

H. R. 8615 also extends the provision of the old-age and survivors insurance system under which the 2-year period for filing claims for lump-sum death payments in the case of reburial in this country of servicemen dying overseas, begins to run from the date of reburial in this country instead of from the date of death overseas. This provision under existing law applies only in the case of deaths prior to April 1, 1956. H. R. 8615 extends this provision to cases of death occurring before July 1, 1959, the termination date for inductions into the Armed Forces.

In view of the fact that H. R. 7089 which in part provided for placing military personnel under a contributory status with respect to old-age and survivors' insurance passed the House on July 13, 1955, and is presently pending in the Senate, it was the considered opinion of the Committee on Ways and Means that the extension of these provisions is desirable as a temporary measure. In addition, H. R. 7089 would also provide for the reimbursement of the old-age and survivors' insurance trust fund from the general fund of the Treasury for costs to the trust fund attributable to the $160 wage credits which have been granted military personnel for service since September 1940.

The Departments of Treasury, Defense, and Health, Education, and Welfare, expressed support of legislation providing for the participation of military personnel in the old-age and survivors insurance program.

The Committee on Ways and Means voted unanimously to report H. R. 8615 favorably to the House.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, H. R. 8615, introduced by the distinguished chairman of the Committee on Ways and Means the gentleman from Tennessee [Mr. COOPER] provides a continuation through June 30, 1959, of the existing provisions of title II of the Social Security Act relating to OASI wage credits for military service and the payment of lump-sum death benefits where a serviceman dying overseas is reburied in this country. The present authority expires April 1, 1956.

The bill was unanimously reported by the committee and the Departments of Treasury, Defense, and Health, Education, and Welfare, have expressed support of legislation providing for the participation of military personnel in the old-age and survivors insurance program.

CRUDE AND CALCINED BAUXITE

Mr. COOPER. Mr. Speaker, by direction of the Committee on Ways and Means, I ask unanimous consent for the immediate consideration of the bill (H. R. 8228) to suspend for 2 years the duty on crude bauxite and on certain calcined bauxite. I may say that this bill was favorably reported unanimously by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That effective with respect to articles entered, or withdrawn from warehouse, for consumption during the 2-year period beginning July 16, 1956, no duty shall be imposed upon bauxite, crude, not refined or otherwise advanced in condition in any manner, or upon calcined bauxite when imported for use in the manufacture of firebrick or other refractories under such regulations as the Secretary of the Treasury shall prescribe.

With the following committee amendment:

Page 1, line 7, strike out "when imported for use in the manufacture of firebrick or other refractories under such regulations as the Secretary of the Treasury shall prescribe."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to suspend for 2 years the duty on crude bauxite and on calcined bauxite."

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Tennesseee?

There was no objection.

Mr. COOPER. Mr. Speaker, H. R. 8228, as amended, provides for the suspension of the import duty on bauxite, crude, not refined or otherwise advanced in condition in any manner, and bauxite, calcined, regardless of the purpose for which it is imported. The period for the suspension would be for 2 years through July 15, 1958.

Public Law 499 of the 83d Congress suspended the duty for 2 years effective July 16, 1954, on crude bauxite, and on calcined bauxite, when imported for use in the manufacture of firebrick and other refractories.

The Committee on Ways and Means adopted an amendment to H. R. 8228 which would make the temporary suspension of duty on bauxite applicable to that form of calcined bauxite known as abrasive grade. We have been informed that the situations with respect to abrasive grade bauxite and refractory grade bauxite are sufficiently similar to warrant the same tariff treatment. The chemical compositions of the ores are similar. Both materials have been called into use to replace other material in extremely short supply, corundum in the case of the abrasive grade and diaspore clays in the case of the refactory grade.

Crude bauxite, not refined or otherwise advanced in condition in any manner, was originally dutiable under paragraph 207 of the Tariff Act of 1930 at $1 per long ton. The duty was reduced to 50 cents per long ton effective January 1, 1948. Calcined bauxite was originally dutiable under pragraph 214 of the Tariff Act of 1930 at the rate of 30 percent ad valorem. The duty on calcined bauxite was reduced to 15 percent ad valorem effective January 1, 1948. Public Law 852 of the 81st Congress prescribed a duty of $1 per long ton for "bauxite, calcined, when imported to be used in the manufacture of firebrick, or other refractories." Other imported calcined bauxite remained dutiable under paragraph 214 at the modified rate of 15 percent ad valorem. The effect of the prescription of a duty of $1 per long ton on calcined bauxite for use in the manufacture of refractories was to reduce substantially the amount of duty collectible on this product.

Approximately four-fifths of the bauxite used in the United States is converted to aluminum. It is essential that America have ample supply of this commodity in the interest of our national security. Bauxite is included in our strategic stockpiling program. The termination of this suspension at the end of 2 years will enable us periodically to reexamine the desirability of continuing such a suspension in the future.

The enactment of this legislation was supported by the Departments of State, Treasury, Commerce, Labor and Interior.

The Committee on Ways and Means voted unanimously to report H. R. 8228 favorably to the House.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, H. R. 8228, introduced by my distinguished colleague on the Committee on Ways and Means [Mr. BOGGS], suspends

for 2 years the duty on crude bauxite and on certain calcined bauxite.

The committee adopted an amendment which would make the temporary suspension of duty on bauxite applicable to that form of calcined bauxite known as "abrasive grade." The committee was informed that the situations with respect to abrasive grade bauxite and refractory grade bauxite are sufficiently similar to warrant the same tariff treatment.

The committee unanimously joined in reporting the bill and the Departments of State, Treasury, Commerce, Labor, and Interior have expressed endorsement of the legislation.

TERRITORY OF ALASKA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States:

To the House of Representatives:

In compliance with the request contained in the resolution of the House of Representatives (the Senate concurring therein), I return herewith H. R. 4781 entitled "An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes."

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 2, 1956.*

COMMITTEE ON THE JUDICIARY

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from Kentucky [Mr. CHELF], I ask unanimous consent that the subcommittee of the Committee on the Judiciary to investigate the Shubert Theater incident in Boston may sit during general debate today while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISTRICT OF COLUMBIA TRANSIT LEGISLATION

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the District of Columbia transit legislation.

The SPEAKER. The Chair years ago made a ruling that if a request was made to extend remarks in the RECORD at a point before the business of the day was taken up, if the extension contained more than 300 words it would not be accepted.

Mr. HESELTON. I believe this extension would come within that rule, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I have been advised by the House Parliamentarian that H. R. 10871, the legislation I filed last week, which would create an interim transit authority in the District of Columbia for a period of 3 years, cannot be offered as a substitute for the substitute recommended by the majority of the House Committee on Interstate and Foreign Commerce.

However, if the committee substitute is rejected, I am advised it will be in order to offer H. R. 10871 as a substitute for the original bill, H. R. 8901. Of course, I urge that the committee substitute be rejected. If the House takes this action, I shall seek recognition to offer the interim authority bill as a substitute for H. R. 8901.

I think many of my colleagues may have read the article in last night's Washington Evening Star, from which I quote the following paragraph:

> One leading Member of the House, who did not want to be quoted, said: "This is a serious proposition concerning the people of the District of Columbia. If there are those Members of the House who want to take an irresponsible position as to their responsibilities toward the riders of mass transportation in the District, that is up to their own conscience. Frankly, we do not know what will happen after next August 15 when, by act of Congress of last summer, in the closing days of that session, Congress decided to revoke the franchise and charter of the Capital Transit Co. next August."

If this is a correct quotation, I hope it will be possible for the author to accept responsibility for it. I cannot believe that any one of our colleagues would be willing to attack anonymously the sincerity of those who believe an alternative to returning the franchise to the Wolfson group, largely upon their own terms, is both desirable and definitely in the public interest.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATIONS, 1957

Mr. PRESTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10899) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Ohio [Mr. CLEVENGER] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. GROSS. Mr. Speaker, reserving the right to object, and I shall not object; am I to understand that this bill comes to us without a closed rule?

Mr. PRESTON. Yes; we have never brought this bill to the floor since I have been a member of this subcommittee with a rule.

Mr. GROSS. I commend the gentleman for not asking for a rule waiving points of order. Apparently, this subcommittee is not trying to put any supergrade employees on the payroll.

Mr. PRESTON. The gentleman is correct. I thank the gentleman for his comment.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Georgia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10899, with Mr. HAYS of Arkansas in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. PRESTON. Mr. Chairman, I realize we have before us this afternoon, following the conclusion of this bill, a very important agricultural bill. I shall undertake to be as brief as possible and shall at this time run through several of the items in the report explaining the committee action.

Before commenting on the items in the bill, I would like to take this opportunity to express my personal appreciation for the splendid cooperation I have had from the members of my subcommittee. There are 10 members of our subcommittee. It is a rather large subcommittee, perhaps, as large as we have in the Committee on Appropriations. We kept our schedule for the hearings. We finished on time, and that was possible only through the splendid cooperation of the Members on both sides of the aisle. I want to express my appreciation to the gentleman from Ohio [Mr. CLEVENGER], the ranking minority member of this subcommittee who at all times gave me the fullest cooperation. Of course, I can say the same thing for all the other members of the minority and for my colleagues on the majority side. It is a difficult thing to create and bring to the floor an appropriation bill. It requires a great deal of study on the part of the members of the subcommittee and it requires lengthy hearings. I have found that all members of the Committee on Appropriations have the earnest desire to limit appropriations to the barest minimum.

I find no evidence on the part of Members to try to strengthen any particular agency merely to see it grow. On this bill, we earnestly strove to reduce appropriations at all times, but not affecting the important functions of the various agencies involved.

I would like to point out that we have brought to you a bill that is $96 million less than 1956. It is $140 million less than the budget estimate. We think this is a significant fact. We think that this represents a great deal of effort on the part of the subcommittee to pare governmental expenditures and to require the agencies for which we appropriate to justify in the strictest sense their requests.

There may be some reductions in this bill that will require bringing to the Congress a supplemental request at a later date. We think it is in the best interest of economy to do this. We think it not good practice to appropriate funds that we realize cannot be used in the immediate future, merely to have them to the credit of the agency involved.

Speaking to the specific items in the bill, we have made some increases. There are some increases to meet pay costs that the Congress has passed. We find that in all the bills that are brought to the floor.

In General Administration there is an increase of only $112,500 over the appropriation for 1956, and a reduction of $75,000 in the budget estimate. This allows a very small increase to expand the staff services and administrative operations.

In the Bureau of the Census the sum of $7,413,000 was recommended for 1957. This is an increase of only $10,000 over 1956, and a reduction of $207,000 in the budget estimate.

We have certain censuses that are historically taken that we are dealing with. The committee has recommended $1,750,000 to initiate a census of governments for 1957. We have recommended to the House $1 million for the national housing inventory. This is $800,000 less than the budget request, but we think it is adequate to take a sample of the 25 or 35 larger metropolitan areas in the United States.

We have a budget estimate and have an appropriation of $150,000 for expenses necessary to prepare for the 1958 census of business, transportation, manufactures, and mineral industries, as authorized by law. We have recommended budget language authorizing the transfer of $900,000 from "Census of Agriculture" to complete the 1954 census of business, manufactures, and mineral industries. This is part of $1 million unused, and will in no way affect the completion of the agriculture census.

The next item I wish to call attention to is the Civil Aeronautics Administration. I am sure we all realize the tremendous importance of this agency in dealing with every aspect of civil aviation in this Nation, and to some extent in countries abroad. We have recommended a total of $125 million for the fiscal year 1957 under the category of "Operation and Regulation." This represents an increase of $12,360,000 over the 1956 appropriation, and a reduction of $3,500,000 under the budget estimate. The major portion of the increase is required to permit the commissioning of new facilities now under construction, which will come into operation during 1957.

I call attention to the fact that aviation is becoming more and more complex. Traffic is greater, travel has increased, planes are faster, more safety devices have been created. To protect the safety of the public we have to install various navigational facilities around the country, and it calls for constantly enlarging the staff of the CAA in order to man these installations. We are now having to deal with the problem of higher altitude operations. We are going to have to provide a separate set of individuals to regulate traffic in altitudes above 25,000 feet.

The coming of jet aircraft certainly will call for additional equipment and additional people to deal with the situation.

Aviation is constantly changing; in fact, it has been changing faster than we have been able to anticipate; and, frankly, this is the first time in several years that we have been able to appropriate comparable to the swift changes that have taken place not only in aircraft themselves, but also in the safety devices used in guiding aircraft and making them safe in operation.

We have provided in this bill $37,500,000 for the establishment of air navigation facilities. The statement I just referred to related to the furnishing of people to operate the facilities.

This item is only $2,500,000 below the budget estimate. It provides for the creation of new facilities, improved radar devices, and VHF omniranges that are so essential to the accurate navigation of aircraft. Last year we cut this item some $10 million, and I am fearful that we cut it too much. This year we are trying in some degree to compensate for that cut. We aim to bring our ground installations up to a point of efficiency to match the equipment being installed by commercial airlines, so that each will complement the other and bring about a safe aviation system throughout the Nation.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Iowa.

Mr. GROSS. A few days ago the Secretary of Commerce appeared before the House Committee on the Post Office and Civil Service in behalf of a postal rate increase bill in the interest of balancing the budget of the Post Office Department. At that time I suggested that perhaps the Secretary could do more than he has to balance the budget in the Department of Commerce by charging for services which the Department of Commerce performs for the public, including airline aids of the CAA, services that are measureable. I hope that this particular appropriations subcommittee will next year go into the matter of fees charged for public service performed in the Department of Commerce and see whether some of those fees cannot be increased commensurate with the cost to the Government.

Mr. PRESTON. I thank the gentleman. I think he has raised a very interesting question, and one that deserves consideration by the Congress. What we have done in the past has mainly been to create civil aviation and get it established. I think it is established now, and I think it is time we began to give thought to what we can charge for the services we have established through the expenditure of these countless millions.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Ohio.

Mr. BOW. Would it not be proper to say that in this great navigation aid system which we are providing in this country perhaps 90 percent is used by the military and Government agencies, and that the allocation actually to the commercial airlines to which we have referred is very small in the overall picture?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. GROSS. The Secretary of Commerce testified before our committee only a few days ago that some 50 percent of the navigational aids is the allocation that was measurable to be charged to the military, not 90 percent, but 50 percent.

Mr. PRESTON. I do not know exactly; the gentleman may be entirely correct about that. But at any rate it would seem that the commercial operations are now sufficiently well established that they should be able to bear a share of the cost of these special facilities.

Mr. GROSS. I would go further. I am thinking in terms of the census. Perhaps some charge might be made to business in this country for information developed through the census, although I am not too sure about that. However, I hope that the gentleman and his subcommittee will go into all the ramifications of fees charged for services by the Department of Commerce.

Mr. PRESTON. A great deal of the information prepared by the census is published and sold through the Government Printing Office. A lot of it is furnished free to the users.

The next item, which I know there is considerable interest in, is the grant-in-aid program for the Air Force. We have provided the budget estimate of $30 million which is as much as the CAA contemplates will be required to liquidate contract authorizations during the fiscal year 1957.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I am wondering if the committee was advised or knew that in connection with aid to airports terminal buildings which was authorized in the act last year that came from the Committee on Interstate and Foreign Commerce of which I am a member through administrative ruling the funds are being denied for building terminals which provide separate facilities in accordance with State laws? I have recently had an experience of that type in connection with aid which had been approved. The contracts had been let and everything was in order with respect to the application for repairs to the terminal building at Jackson, Miss. At the top level in the Department of Commerce inquiry was made as to whether it was contemplated that there would be separate facilities for white and colored patrons. The State of Mississippi requires that in accordance with State law. We were advised that cannot be done, therefore the State of Mississippi will not share in this Airports Act. I wonder if the committee took that into consideration in arriving at this figure for the present year's appropriations and if perhaps they do not think we should cut down on account of the States which will not receive aid?

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Ohio.

Mr. BOW. Is it not a fact that the act of the Committee on Interstate and Foreign Commerce last year in the law that the gentleman refers to takes away all of the jurisdiction of the Appropriations Committee to consider that matter and puts it in the position where we now write the check for the bill which comes from the Congress to this committee? In other words, we no longer have control that the gentleman is speaking of.

Mr. WILLIAMS of Mississippi. The gentleman knows that the Appropriations Committee has control of appropriations.

Mr. BOW. We do not in this case, Mr. Chairman.

Mr. PRESTON. What the gentleman from Ohio [Mr. Bow] says is true. We simply liquidate the contract authority granted by the Congress to the agency. This is the first the committee has heard of the question that the gentleman from Mississippi raises. I may say to the gentleman that, although you would not qualify for the terminal facilities, you would qualify for extension of runways and for the establishment of additional Air Force aids, such as light facilities and other things of that nature.

Mr. WILLIAMS of Mississippi. Attempts were made to amend that act in committee and if I recall on the floor to do the very same thing that they are now doing by regulation. The proponents of that kind of provision were roundly defeated both in the committee and in the House. The action taken by the Civil Aeronautics Administration is contrary to law and directly contrary to the will of this Congress. I think that either the gentleman's committee or the appropriate subcommittee of the Commerce Committee should look into this business of legislating by administrative action.

Mr. PRESTON. Well, I am sure that the Committee on Appropriations could not write any language in the bill that would cure that situation. That certainly would be legislation on an appropriation bill. It is an appropriate matter for the legislative committee, however.

Mr. WILLIAMS of Mississippi. I know the gentleman is sympathetic to the cause I am also supporting.

Mr. PRESTON. Indeed, I am.

Mr. WILLIAMS of Mississippi. I am wondering, in arriving at the figure that the committee recommends, if this figure includes some $40,000 for a terminal building at Jackson, Miss., which we will not receive.

Mr. PRESTON. The program for 1957 has not been released by the Department of Commerce as yet. The committee is not aware of what it embraces. We have no opinion whatsoever on the 1957 program, I may say to the gentleman. The money in this bill is to liquidate contracts entered into in the 1956 fiscal year.

Mr. WILLIAMS of Mississippi. I thank the gentleman.

Mr. PRESTON. The 1957 program is due to be released approximately May 15.

Now, the next item is the Civil Aeronautics Board. There is an appropriation of $4,550,000, an increase of $160,000 over 1956 and a decrease of $150,000 in the budget estimate.

The committee recommended the sum of $15 million for payments to air carriers. This is a reduction of $5 million in the budget estimate. This is in addition, of course, to a $14 million carryover from fiscal 1956 into the fiscal year 1957. In carrying out the program for the next fiscal year, the committee has recommended that the needs of the local service carriers should be given priority of recognition.

There has been a small increase in the Coast and Geodetic Survey. In the Business and Defense Services Administration there is an increase of $600,000 over 1956. That is a cut of $300,000 below the budget estimate.

In the Bureau of Foreign Commerce there is an increase of $269,500 over 1956 and a small decrease in the budget estimate.

The Office of Business Economics includes $1 million for the coming year, an increase of $40,000 over 1956 but a decrease of $200,000 in the budget estimate.

The next item we have is maritime activities. This item has caused some concern in certain quarters, and the committee certainly wishes to make its position very clear on it. We have made a very sizable cut in this item. But we have done so only after the most careful consideration and a most intense questioning of the officials of the Administration, and we feel that a case was not made to justify the amount requested; certainly not at this time. This bill includes $54.8 million for the ship construction program in the Maritime Administration. This is $31,650,000 below the 1956 appropriation and is $96.8 million less than the budget estimate. The largest request in this area was under the ship construction differential subsidies. We found upon examination of the Maritime Administration that firm contracts had not been entered into to replace existing ships that were contracted to be replaced under the operating differential subsidy program. In the absence of firm contracts, we concluded that we would not allow the $88 million requested but cut that down to $40 million. They could produce not one single firm signed contract. Their testimony was, to begin with, that they felt absolutely certain of eight ships. Then the following day they came back and amended that by saying they felt certain during 1957 they would contract for 18 ships. We think, in view of the fact that there is a $23 million carryover from fiscal 1956, with no contracts yet executed on that amount of money, that the sum of $40 million added to it, giving a total of $63 million for fiscal 1957, would be adequate for anything in the foreseeable future. Now, should they have a sudden onslaught of contracts coming into finalization, then, of course, they can always come back with a supplemental request, and we will give consideration to it. But I think this will place some emphasis on the necessity for the Maritime Administration to insist that the shipping companies carry out the provisions of the contracts made under the operating differential subsidy provisions. This is a broad purpose activity. In giving operating subsidies we require that these ships when they reach a certain age—20 years—be traded in, that new ships be built to replace them, in order to maintain a strong merchant fleet. When the contracts are not complied with, when the ships are not traded in and new ones built, then the purpose of the program is defeated. By our action we are placing emphasis on the necessity of carrying out the intention of the Merchant Marine Act and to a greater degree accomplishing what we sought to do when it was passed by Congress.

For the Patent Office, we have provided an increase of $2½ million over the 1956 fund. This represents an effort on the part of the committee to bring the work of the Patent Office as current as possible. It now takes 4 years to obtain a patent from the time it is filed by an inventor. We are making an effort to provide more patent examiners so that this lag can be brought down to 12 months. It would be desirable if we could make it 6 months. But it would certainly be helpful if we could change the 4-year lag to one of 12 months. We think this increase will go a long way toward doing that. It is actually doubtful that the Patent Office can use all these funds during the coming fiscal year, but the committee is anxious to make certain that they do have sufficient funds to recruit additional patent examiners.

With reference to the Bureau of Public Roads, the committee has cut the item by $25 million. I realize that this is a token cut; but this is a matter of the liquidation of contract authority. The budget request was $800 million for this purpose, money owed the States for contracts fulfilled. We trimmed it by the small amount of $25 million.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I gladly yield to the gentleman from Illinois.

Mr. SPRINGER. As I understood it from the Committee on Public Works last year, it was their intention that all the money that was raised by the gasoline tax, in the future, was to be devoted to the road program. May I ask the gentleman this question. How does $775 million compare with the estimated receipts from taxes over the same period of time?

Mr. PRESTON. I would have to look that up in the hearings for the gentleman, and it would take some time. I should be glad to do that at the conclusion of my remarks and furnish the information to the gentleman. I could not turn to it at the moment.

Mr. SPRINGER. I should like to know if the long-time policy of the Committee on Appropriations is to appropriate all of that money and return it to the States.

Mr. PRESTON. The Committee on Appropriations, of course, only carries out the legislative committee's action. They have given contract authority. We simply pick up the check for it; that is all we do. We have no control over this item.

Mr. SPRINGER. There has been no policy on the part of the Committee on Appropriations on this point; that is what I would like to know.

Mr. PRESTON. The gentleman is correct. There is no policy as far as we are concerned. We are simply the paying agents for the legislative committee.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. The Committee on Appropriations, though, does look over the items to be sure that they are correctly in that category; is that correct?

Mr. PRESTON. The Committee on Appropriations does not look at the items in this particular appropriation, because it involves thousands of contracts all over the United States.

Mr. CURTIS of Missouri. Of course, I did not mean each item, but the committee does take cognizance of them and could make spot checks and probably does make spot checks; is that correct?

Mr. PRESTON. No; we do not make spot checks. We rely on the good offices of the General Accounting Office for that. It is not really within our province to deal with these things because of the broad power that has already been granted the Bureau of Public Roads by the legislative committees and by the Congress.

Mr. CURTIS of Missouri. Under our new highway bill, I presume the gentleman's committee will not have any real jurisdiction over that, either, the way it has been set up?

Mr. PRESTON. My understanding is that we probably will not.

Mr. CURTIS of Missouri. I thank the gentleman.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Minnesota.

Mr. MARSHALL. Is it not a fact that the only possible way the Committee on Appropriations can take care of a situation of this kind is by writing legislation on an appropriation bill?

Mr. PRESTON. The gentleman is correct, and we do not write legislation on appropriation bills if we can possibly avoid it.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. May I make an additional observation along that same line: It is my opinion that insofar as the road bill is concerned we will have even less jurisdiction on that proposed legislation than we have at the present time.

Mr. CURTIS of Missouri. That was my understanding. I thank the gentleman.

Mr. PRESTON. The next major item the committee has dealt with is the National Bureau of Standards. The committee has approved an amount of $8,750,000 for the coming fiscal year, which represents an increase of $1,336,500 over 1956 and a reduction of $250,000 in the budget estimate.

The committee did this for two reasons: First, the importance of this Bureau to the rapidly advancing scientific developments in this country is increasing year by year. Second, in order to promote a stable and effective program, it is important that the Bureau finance a larger portion of its work from direct appropriation, rather than from transfers from other agencies.

It is interesting to note that the Bureau of Standards obtains perhaps twice as much funds from transfer from other agencies as it does from direct appropriation in this bill. That is essential work it is doing for the Defense Department and some other agencies, such as the Atomic Energy Commission. But we think that more emphasis should be placed on the type of work for which the Bureau was created rather than work done under transfer of funds.

We have provided that they report to the Congress the major programs undertaken for other agencies from transferred funds before entering upon them so that we can be sure that the effort of this Bureau is along the line the legislation contemplated when it was created.

Not enough is known about the operation of this agency, but it is of tremendous importance. It performs very useful services for industry, and it has to its credit the creation of many ingenious devices that have meant a great deal to American industry in many of its techniques now employed. They have contributed to the wonderful assembly line production and the interchangeability of parts and that sort of thing. So we feel we were justified in taking the action we did in this connection.

The committee has deferred appropriating any money for the construction of a new building for the Bureau of Standards. We have not heretofore appropriated any money for planning; consequently the plans that were presented to us were rather vague. The exact location of the new site was not known at that time. Firm figures as to how much it would cost to install specialized equipment so necessary for the Bureau of Standards could not be given. For that reason and others, we decided that it would not be wise to appropriate at this time. We felt that some planning should be carried on which would give us more concrete figures.

We did not allow any funds for planning. Perhaps we should have. It is my personal position—and I do not speak for the committee—that if the other body sees fit to place a small amount, some reasonable figure, in the bill for planning for this purpose, I would be disposed to approve it. We must have something concrete to look at before we make a decision with reference to this building. The Bureau now occupies some 84 buildings. They are scattered around, and it makes for a very loose operation. It should be under one roof with a central powerplant and many other features which are so essential to the successful operation of the Bureau of Standards.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. SISK. Would the gentleman return for a moment to the provision under the Bureau of Public Roads. I would like to ask a question with reference to forest highways. I notice that the committee has proposed a decrease of $25 million below the budget estimate. I wonder if the gentleman could tell me whether or not any decrease is coming out of what may have been proposed for forest highway use. Is the gentleman aware of that or not?

Mr. PRESTON. Does the gentleman mean to refer to the payments to counties under the timber sales?

Mr. SISK. I refer to the funds which are provided to the States and to the counties to be used specifically for forest highways as distinguished, of course, from park service roads, and so forth.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. FLOOD. The answer is "No"; that is not being taken out of that fund. In other words, the flat answer to the gentleman's question is "No; it is not."

Mr. SISK. So far as the gentleman knows, there is no cut in the moneys proposed to be set aside for that specific purpose?

Mr. FLOOD. I do not believe that was the gentleman's question.

Mr. PRESTON. This is what we have done. We have provided all the money that the Bureau of Public Roads could use in the fiscal year. There is no action against the forest highways here whatsoever.

Mr. SISK. I appreciate that statement very much. I am rather concerned in my area with reference to some forest highway construction and the people are particularly concerned, of course. The information I get through the Bureau of Public Roads and others is that there is a lack of funds and that is given as the reason that some of these roads cannot be extended or built. Of course, I was concerned about that. I appreciate the gentleman's statement. So far as you know, certainly, there was nothing taken from that fund.

Mr. PRESTON. Let me say this to the gentleman: This is a liquidation of contract authority. It will provide for all the funds contracted for in fiscal year 1956, and it will pay about one-third of commitments made in fiscal 1957. The amount appropriated is as much as could be completed in fiscal 1957.

Mr. SISK. I thank the gentleman.

Mr. FLOOD. Mr. Chairman, if the gentleman will yield, I might add that this committee, as you will see, gave the full budget request. As to the allocation of appropriated funds that comes under the jurisdiction of the Bureau of Public Roads. We have nothing to do with that. But, we gave what they asked for. We gave the full budget request for the forest roads.

Mr. SISK. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I think the gentleman is coming next to the Weather Bureau item?

Mr. PRESTON. The gentlewoman is correct.

Mrs. ROGERS of Massachusetts. Will the gentleman explain how much additional money has been given for the Weather Bureau in order that we may have notice of hurricanes, floods, and cyclones?

Mr. PRESTON. I will be glad to do so. I have a memorandum on this matter. I would like to point out to the gentlewoman and to the committee at large that the Weather Bureau has had exceptionally fine treatment at the hands of the Committee on Appropriations. In the bill before us, we have an increase for salaries and expenses of $1,250,000. What we did in 1956 is most significant. We gave an increase in 1956 over the 1955 figure of $9,400,000 which is the largest increase the Weather Bureau has had in its history. We have tried to provide for every type of warning that they would wish to install—for storms, hurricanes, tornadoes, and that sort of thing. This year we even increased the funds for continued research in that regard. I realize the trouble that the gentlewoman has had in her area with storms. We know the problem of flash floods. We feel we have provided sufficient funds for the Weather Bureau to perform its service.

Mrs. ROGERS of Massachusetts. I am very grateful, because we felt that if we had had earlier warnings the damage would not have been so great.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. WIGGLESWORTH. I would like to ask the gentleman 2 or 3 questions. Would the gentleman prefer that I do it now or in my own time?

Mr. PRESTON. I will be glad to have the gentleman ask them now, if he will.

Mr. WIGGLESWORTH. I thank the gentleman.

As one who is strongly in favor of the President's maritime construction program, I was concerned, as the gentleman knows, by the slash that has been made in the President's request by the subcommittee.

However, I have talked with the distinguished gentleman from Georgia and other members of the subcommittee off the record, and I want to ask 2 or 3 questions to make sure that my understanding is correct, on the record.

First, I understand that there is no desire whatsoever on the part of the subcommittee to cripple the President's maritime construction program, and that the action of the committee is largely based on a question of timing.

Mr. PRESTON. The gentleman is absolutely correct. There is no desire on our part to hamper or hinder the effective operation of the Maritime Act and ship-replacement program.

Mr. WIGGLESWORTH. Secondly, I further understand that the construction of the 3 prototype vessels at a cost of $37.9 million has been deferred because of the possible lack of legislative authorization for the appropriation; that the Committee on Merchant Marine and Fisheries is ready to consider this matter immediately and that in the event of authorization by that committee the chairman of our subcommittee anticipates no difficulty in securing the necessary funds.

Is that understanding correct?

Mr. PRESTON. We have received a statement from the distinguished chairman of the Committee on Merchant Marine and Fisheries, Mr. BONNER, that he will proceed to have hearings on that matter. The committee has not said it would approve the ships if the legislative committee acts. It has said it would give serious consideration to the matter. We did not consider the wisdom of building the ships. We deferred the action because of lack of legislative authorization.

Mr. WIGGLESWORTH. The subcommittee deferred action solely because of possible lack of legislative authority.

Mr. PRESTON. The gentleman is correct.

Mr. WIGGLESWORTH. My third question is this: Is my understanding correct that the balance of the cut made in the construction funds requested was made for the most part in the belief that $23 million in carryover, plus $40 million in new money, a total of $63 million, should be sufficient to meet the requirements foreseeable at this time, particularly in view of the fact that no contract has yet been concluded against the $23 million carryover made available last year; and that if and when further needs are justified, either at the other end of the Capitol in connection with this bill or in connection with a supplemental bill, the chairman of the subcommittee anticipates no difficulty in securing the necessary funds?

Mr. PRESTON. The gentleman is entirely correct. There was no disposition on the part of the committee to deny funds because of any criticism of the program. We believe in the program. We think it is necessary. We think it is essential to keep our shipyards in operation and to have trained personnel so that they can be utilized in the event of an emergency.

It is a very important program. We felt that there was no need for a larger appropriation in the foreseeable future, in the absence of any contracts having been entered into. Perhaps it would emphasize to the shipping companies that they should live up to their operational subsidy and replace these old ships.

Mr. WIGGLESWORTH. I thank the gentleman for his assurance, and I can only express the hope that the Maritime Board, which is apparently not happy in the action taken, will present its case fully and fairly at the other end of the Capitol in order that there may be no possibility of crippling the program. I am sure the House does not want to be a party to that action.

Mr. PRESTON. I thank the gentleman.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from North Carolina.

Mr. BONNER. I would like also to call this to the attention of the gentleman from Massachusetts.

The Merchant Marine Committee of the House, the full committee, has no desire to do other than carry out an active vigorous building program, but we want to carry it out in an approved manner.

Last fall we asked the Maritime Administration to send down their program in time that we would have it in January at the beginning of this session so we could hold hearings, and act on such proposals as might be desired. Again we wrote a letter that insured that both majority and minority of the committee were anxious to have such views as the administration cared to offer, so that proper legislation and proper procedure would be carried out.

There is no desire on the part of the committee to cripple the administration in its building program.

With respect to the nuclear ship, this House has passed a bill providing for such a ship, and the bill is in the Senate. I have been informed that the bill in the Senate is going to be referred back to the proper committee and that action will be taken on it. So as I say, as of this date, the Merchant Marine Committee has not received the bill from the Maritime Board. We are ready to and will hold hearings immediately if the chairman of the Maritime Board will send down a bill. I think I will be substantiated in this statement by the ranking member of the committee, the gentleman from California [Mr. ALLEN] who is just as enthusiastic about this program as is the chairman of the committee.

Mr. ALLEN of California. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from California.

Mr. ALLEN of California. My chairman has stated the facts exactly. The attitude of our committee is that we are desirous that the Maritime Board send the legislation to us. As the chairman has indicated, there will be an immediate hearing, and the temper of the committee is to encourage in the fullest the proper amount of shipbuilding and ship construction in this country.

Mr. WIGGLESWORTH. If the gentleman will yield further, I would like to say that I am aware of the keen interest of both of the distinguished gentlemen who have just spoken in reference to the construction program, and that I appreciate the assurances they have given on behalf of the Merchant Marine and Fisheries Committee.

Mr. BONNER. There is no desire to delay.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Iowa.

Mr. GROSS. In connection with this shipbuilding proposal, the appropriations subcommittee deserves the commendation of the House for declining to proceed without authorization on the part of the proper legislative committee. I want to commend the subcommittee for taking the position it has. In this connection the gentleman well knows that I have been very critical of certain recent usurpations of legislative authority by the Appropriations Committee.

Mr. PRESTON. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I note with pleasure that there is no cut in the money for the Maritime Training School.

Mr. PRESTON. No cut, none at all. There is an increase of $15,000 for the Maritime Academy.

Mrs. ROGERS of Massachusetts. I thank the chairman of the committee again. I am very glad.

Mr. BONNER. Mr. Chairman, will the gentleman yield at that point?

Mr. PRESTON. Certainly.

Mr. BONNER. With respect to the section Maritime Affairs, on page 16, line 5, I discussed this matter with the gentleman. I merely want to ask a question with reference to the meaning of the word "activation." Does that mean that ships may be taken from the reserve fleet on request and activated for charter?

Mr. PRESTON. Ships may be taken from the reserve fleet after hearings have been held by the Maritime Board and justifiable need shown.

Mr. BONNER. I merely wanted to clear this up because the distinguished gentleman from Georgia came to me on this subject and I made a report to the Merchant Marine Committee that we had discussed it, that a situation now exists, and I would say it is acute, where in all probability there should be some augmentation of the available American-flag fleet for bulk cargo, and I have no objection to its being in a deficiency bill, because I know it is an acute matter.

I have also, with the cooperation and approval of the gentleman from California [Mr. ALLEN], the ranking member acting on the committee, notified the Maritime Board that they should send down legislation to take care of situations like this so we could properly authorize it. There are reasons why this should not be done in a harum-scarum sort of manner without first giving the industry a chance to come in.

With the assurance from the gentleman that the funds in this appropriation bill will not be used until proper authorization is given to the legislation, I shall not object or raise a point against the language here.

Mr. PRESTON. May I say to the gentleman that I had hoped to have an opportunity to discuss the matter with him further before the bill came to the floor this morning. Unfortunately I have been away on some speaking engagements.

Mr. BONNER. The gentleman is acting in good faith, I am sure.

Mr. PRESTON. I simply want to call the gentleman's attention to this pertinent fact. The gentleman is correct in stating his position.

Mr. BONNER. We would not raise a point of order in a supplemental appropriation bill.

Mr. PRESTON. I will discuss the matter with the gentleman further, but I am afraid I am going to be put in the position of acting in bad faith if I offer a committee amendment to strike the language since I prevailed upon the conferees in the supplemental appropriation bill to put this same language in that bill in order that we might solve the crisis that exists in shipping. I told them it was in the 1957 bill and that we would merely adopt the same language for the remaining portion of the present fiscal year. It may complicate what has already been done. But I would like to discuss the matter with the gentleman further before we reach a decision.

Mr. BONNER. I certainly will discuss the matter. I do want the RECORD to show that these funds will not be used for this purpose until the Maritime Board has sent down proper legislation to the committee which will be promptly acted on. I am sure that the action of the Committee on Merchant Marine and Fisheries will take place before these funds can become available.

Mr. PRESTON. That would please me very much. I certainly have the greatest desire to maintain the prerogatives of the legislative committee. I do not wish to encroach upon those prerogatives. I hope that whatever we do today, we will not jeopardize the language we have put in the supplemental bill now in conference, because the situation is so acute. Space on American ships is at such a premium today that we need to take some small number of these ships out of mothballs in order to solve the problem and allow American exports, American companies, to deliver the goods they have contracted for abroad and for which they have performance bonds executed.

Mr. BONNER. May I say it will depend on the Maritime Board sending legislation promptly to our subcommittee or to our committee so that we can properly act on this matter before the present appropriation becomes available.

Mr. PRESTON. May I say to the gentleman that the chairman of the Committee on Merchant Marine and Fisheries is a Member of high standing in this body and recognized by everyone as having excellent judgment. The gentleman does not mean to say he is going to wait upon a Government agency to submit legislation before he acts, does he? Why can the gentleman not introduce the legislation irrespective of what the Maritime Administration says?

Mr. BONNER. The point of it is that the Maritime Board should have come to our committee instead of going to the Appropriations Committee. The gentleman knows that a point of order will hold against this matter?

Mr. PRESTON. I acknowledge that.

Mr. BONNER. The gentleman concedes that. I want to be fair. I appreciate the gentleman's situation. But I want to bring this activity back in line so its conduct will be such that it will not bring about improper management.

Mr. PRESTON. Suppose the Maritime Administration does not send such a request to the gentleman's committee, are you going to be left without the language?

Mr. BONNER. I feel they will. We have requested that they offer the legislation.

Mr. PRESTON. The gentleman from North Carolina would be in the position of preventing us from using the revolving fund to take ships out of moth balls to meet the challenge of the shortage of space for cargo that exists today in this country.

Mr. BONNER. The situation might clear up in 10 days or a week. That is something that should be looked into.

Mr. PRESTON. Every indication is that this situation will prevail for at least 2 years or longer. I do not see why we should quibble over who does it when a situation is serious. It is so serious that foreign-flag tramp vessels are charging more money today to carry American cargoes than the regular subsidized American lines.

Mr. BONNER. I agree with the gentleman.

Mr. PRESTON. If the Maritime officials do not do it, then it is up to those who are in a position in the House and in the Congress to do it. So I hope the gentleman from North Carolina will not stand back on the niceties of the situation and wait until the Administrator comes in with hat in hand and makes the request.

Mr. BONNER. He does not have to come in hat in hand. If he will only carry out his directives and the obligations that are placed on him in accepting the position that he holds, this situation would not have arisen. I am going to cooperate with the gentleman.

Mr. PRESTON. And I shall cooperate with the gentleman, also.

Mr. BONNER. But I want this record to show it, and I want the administration to read this record.

Mr. PRESTON. I quite agree with the gentleman.

Mr. CRETELLA. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Connecticut.

Mr. CRETELLA. On page 9 of the report, under the heading "Weather Bureau," this language appears:

> The total of $35,400,000 is included in the bill for the coming fiscal year * * * the amount proposed will permit the strengthening of the general weather services.

I wonder if the gentleman can give me some information as to what extent New England, and the State of Connecticut particularly, is going to be benefited by that appropriation. What is provided in the bill for New England and Connecticut for Weather Bureau improvements?

Mr. PRESTON. These two items are related. The next item provides for the establishment of meteorological facilities. This increase of $9.6 million over 1955 cannot be spent all in 1 year. It is spent in a number of fiscal years, perhaps 2 or 3. Some of the funds in this fiscal year will actually be spent in 1957. With what we are adding to that, we are simply strengthening what they had last year, which was the highest in history. I wish to point out that 13 additional surveillance radar installations for detecting and tracking major storms were added, and this is in addition to what we have already provided.

Mr. CRETELLA. I have run into the situation in New Haven, where we have

had terrific storms and hurricanes, where I am told by the department that because of lack of funds it cannot provide facilities and the proper personnel to help out in that station. I wonder why.

Mr. PRESTON. Well, you know, there is something about these agencies that I have learned since I have been on the Committee on Appropriations. When you go to fatten them up, they are not satisfied. We gave them this big increase of $9 million plus last year, and when the director, Dr. Reichelderfer, came back from Europe, he was so amazed at this big increase, that he decided to send up a supplemental request last year, and we did not allow it. Now they are telling people they have no funds. They have more money than they ever had before; $9 million more than the year before.

It is strange to me, may I say to the gentleman, that they give you people in New England that sort of information. I think our committee would be interested in having them come before us and telling us why they do not have funds to give some assistance. We recognize the need for it.

Mr. CRETELLA. That is what I have been told, and I had to beg to get a mere telephone installed in the New Haven station, a tape recorder to record the Weather Bureau reports for the public. That is the extent of the help we get there.

Mr. PRESTON. Does the gentleman mean to say you have no weather station in New Haven?

Mr. CRETELLA. We have, but we do need additional facilities and additional personnel, and we have not been able to procure them.

Mr. PRESTON. The gentleman's question hinges on increased personnel in a weather station that has been operating, and whether it is satisfactory. But in the area of providing facilities in the storm areas, there is no justification for their not being able to do it.

Mr. CRETELLA. We are in the middle of a storm area and have been and probably will be for a long time.

Mr. PRESTON. What additional will these facilities do to improve what you already have?

Mr. CRETELLA. All it is is a tape recording so that when you call the Weather Bureau you get a tape recording of the weather conditions in the area, no matter what the purpose of your call may otherwise be.

Mr. PRESTON. I will say in conclusion that the other items in the bill are relatively small. We have appropriated the budget estimate for the Small Business Administration. That estimate has not been cut. It is adequate now to meet the needs of the Agency.

Mr. CLEVENGER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the chairman of our committee has done his customary thorough job of explaining this bill to the Committee.

Mr. Chairman, the total of the appropriations carried in this bill for the Department of Commerce and related agencies is $1,382,003,000. The amount recommended is $140,670,000 below the total of the budget estimates and is $96,995,500 below the amount appropriated for the current fiscal year.

The budget estimates for the Department of Commerce, including funds for the Civil Aeronautics Board total $1,453,568,000. The total amount recommended in the bill for the Department of Commerce is $1,313,153,000. The three largest items are the Bureau of Public Roads, the Maritime Activities, and the Civil Aeronautics Administration. These 3 activities alone account for over 86 percent of the total funds in this bill.

For the Bureau of Public Roads the Committee recommends $799 million. This is $30,730,000 less than for the current fiscal year but when the amount appropriated for the Inter-American Highway is deducted since no funds were requested therefor this year, the amount provided for comparable items is actually $32,250,000 over the funds appropriated for the current fiscal year.

The sum of $196,847,000 is included in the bill for maritime activities. Of this amount $54,800,000 is for ship construction; $124 million is for operating-differential subsidies; $15,187,000 for salaries and expenses; $2,200,000 for maritime training; and $660,000 for State marine schools.

The committee has included the sum of $196,118,000 in the bill for the Civil Aeronautics Administration. This represents an increase of $26,797,500 over the amount appropriated for the current fiscal year for this Agency. The largest part of this total, $125 million, is for operation and regulation; $37,500,000 is for establishment of air navigation facilities; and $30 million for grants-in-aid for airports—liquidation of contract authorization.

A total of $10,313,000 is included in the bill for the Census Bureau. Of this amount $7,413,000 is for salaries and expenses; $1,750,000 for a census of governments and $1 million for a national housing inventory. There is also included $150,000 for preparation for the 1958 census of business, manufacturers, and mineral industries.

The committee recommends $17 million, the full amount of the budget estimate for the Patent Office in an effort to eliminate the backlog of patent applications existing at the present time so as to cut down the length of time it takes to obtain a patent.

The total amount of $37,900,000 is included in the bill for the Weather Bureau, of which $35,400,000 is for salaries and expenses and $2,500,000 for establishment of meteorological facilities. The amount allowed for salaries and expenses will provide an increase of over $1 million on hurricane, tornado, and related research.

The committee has allowed a total of $9,200,000 for the National Bureau of Standards. The request for $2,750,000 for the acquisition of lands and design of facilities to be constructed for this Bureau was not allowed. The chairman acquainted you with the reasons for that.

The sum of $10,800,000 for salaries and expenses for the Coast and Geodetic Survey is included in the bill. This is an increase of $76,000 over the current fiscal year. The sum of $3,400,000 is also recommended for designing, constructing, equipping, and outfitting a new surveying ship.

For Business and Defense Services Administration there is included in the bill $7,200,000, an increase of $600,000 over the amount appropriated for the current fiscal year and a decrease of $300,000 in the budget estimate. A total of $2,400,000 is included for salaries and expenses of the Bureau of Foreign Commerce and $1 million for the Office of Business Economics.

The sum of $2,425,000 is included in the bill for salaries and expenses, general administration, which includes the Office of the Secretary.

A total of $19,550,000 is contained in the bill for Civil Aeronautics Board, of which $15 million is for payments to air carriers and the remainder for salaries and expenses.

The sum of $15,410,000 is recommended for operating expenses, Canal Zone Government, an increase of $462,000 over the current fiscal year but a decrease of $250,000 in the budget estimate.

For the Small Business Administration the sum of $7 million, the full amount of the budget estimate is recommended for salaries and expenses. Of this amount $1,890,000 is a direct appropriation and the remainder is obtained by transfer. Also recommended is the sum of $50 million for the revolving fund for this Agency.

I may say that during this late emergency in the storm areas this Agency has performed a notable service. There should not be a tendency for everybody to regard this as a giveaway Agency, from which we can just reach in and get money for everybody, but the committee feels that they are doing an excellent job in their authorized activities. By way of passing may I remind you that this committee took a look 3 years ago and 2 years ago at the air subsidies, and the action of the committee resulted in the saving of some $37 million by directing the attention of the Board to a matter of air subsidies.

The committee recommends $1,550,000 for the Tariff Commission, a reduction of only $5,000 in the budget estimate.

I have not covered every single item in the bill nor have I gone into more detail inasmuch as the chairman of the committee has covered most of them and the committee report sets forth the action in each instance.

In my experience in the committee I do not know of a more conscientious and thorough job than our chairman has done on this present bill.

While there may be items in the bill on which each of us on the committee had a little different idea, I believe that in general we have a pretty good bill, and urge its passage.

Mr. PRESTON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. REUSS].

Mr. REUSS. Mr. Chairman, the Appropriations Committee deserves the highest praise for reducing the subsidy payments to air carriers to $15 million, from the budget request of $20 million,

and for urging the Civil Aeronautics Board to further curtail subsidy payments, while recognizing the needs of local service-type carriers for priority of such subsidies as are given.

I should like to add my voice to that of the committee to urge the CAB to save every penny possible from the $15 million of new money contained in this appropriation bill. I point out that last year, with an appropriation of $52,500,000, $14,369,838 remains unspent. Of the more than $29 million available for 1957 under this appropriation bill, together with the carryover from the 1956 appropriation, at least $6 million can and should be saved for the taxpayers by prudent administration on the part of the CAB.

This $6 million is presently programed for subsidy payment by the CAB to Pan American World Airlines as subsidy for its international operations. The question which the CAB must repeatedly ask in the next fiscal year is: Is this $6 million subsidy to Pan American really necessary?

Certainly America's hard-pressed taxpayers have a right to insist that the CAB ask the prudent and proper questions before turning over the $6 million, or any part of it, to Pan American. America's taxpayers are being told by the administration that they cannot have a tax reduction this year because of the need for balancing the budget. If taxpayers are to be asked to pay taxes at their current rates, they at least have the right to insist that the expenditure of this $6 million subsidy to Pan American be given a critical reexamination.

Here are some of the questions which ought to be thoroughly answered before CAB pays out one further penny of taxpayers' money to Pan American:

First. Is Pan American not big enough and has it not been subsidized long enough, so that we can take it off the taxpayers' back? Our policy over the last decades of encouraging American air carriers has been highly successful. Since 1928, Pan American has received $417 million in mail pay—including $42 million paid to its subsidiary, Panagra—of which a large part was subsidy. During 1946–54 alone, Pan American received $213 million—including $14 million paid to Panagra—as subsidy in addition to its mail pay. During this period Pan American increased its traffic from 97 million revenue ton-miles annually to 320 million revenue ton-miles annually. Total revenues for the period 1946–54 have exceeded $1 billion. Of the 10 American-flag carriers in the international field, Pan American alone carries more than 60 percent of the traffic, 4 times the amount carried by its nearest competitor, Trans-World Airlines. Yet several of these smaller international carriers, such as TWA, Delta, and Northwest, are operating completely subsidy free, despite annual revenues far smaller than Pan American. Nevertheless, out of the approximately $7 million proposed 1957 international subsidy, Pan American is to receive more than $6 million, leaving less than $1 million for subsidy for the remaining 8 international carriers. Congress, in the Civil Aeronautics Act of 1938, set up as a criterion for CAB regulation "competition to the extent necessary to assure the sound development of an air transportation system properly adapted to the needs of foreign and domestic commerce of the United States, of the postal service, and of the national defense"—section 2 (d). Certainly we do not help other flag carriers to compete against Pan American by further subsidies to this giant.

Second. Why should estimates of revenue increases be used to reduce subsidies for small domestic local service-type carriers, yet not be used to reduce or eliminate the subsidy for Pan American? In fixing the subsidies for certain local service-type carriers, such as North Central and Ozark Airlines, both of which serve my constituency in Milwaukee, Wis., the CAB has projected past revenue increases into the future and reduced the subsidy accordingly—perfectly properly, in my opinion. Between September 30, 1954 and September 30, 1955, Pan American's transportation revenues increased by $30 million. The CAB used this, in December 1955, to reduce Pan American's subsidy from $22 million in 1954 to $10 million in 1955. If the same rate of improvement continues into 1956, Pan American's subsidy can and should be eliminated entirely. If a subsidy reduction is in order for a small local service-type carrier, it should likewise be in order for Pan American.

Third. What evidence is recorded before the CAB that Pan American's subsidized routes, with their present scheduled frequencies, are so necessary to this country as to be worth the subsidy? It is sometimes pointed out that certain of Pan American's routes, such as the routes to Scandinavia with 3 flights weekly, and Africa with 2 flights weekly, are costly to maintain, but are necessary in the national interest. Have the Department of State, the Department of Defense, and the Post Office Department currently filed with the CAB requests that these routes, with the scheduled frequencies, be maintained by Pan American, as essential to our national defense or foreign commerce?

Fourth. Has the CAB offered to assign Pan American's subsidized routes to some of the nonsubsidized American carriers, such as TWA, Delta, and Northwest? There is every reason to believe that all three of these would gladly operate any of Pan American's subsidized routes without a cent of cost to the Government, thus saving the taxpayers $6 million a year. Incidentally, one of the best ways I can think of to start making Pan American as efficient as its unsubsidized competitors is to remove the crutch of subsidy and make it start walking for itself.

Fifth. Is the CAB justified in paying Pan American another penny of subsidy without conducting a thoroughgoing audit of Pan American on a systemwide basis? The Appropriations Committee "specifically recommends that further comprehensive studies be made during the coming year with respect to subsidy requirements, fares and rates." Surely this study should include a comprehensive audit of Pan American before, not after, the money is paid out. Included in the audit should be a thoroughgoing look at Pan American's vast network of affiliated companies, in at least two fields:

(A) Foreign air carriers, in 13 of which Pan American has a substantial stock interest and an interlocking agreement concerning ticket sales. For example, Pan American has a 38-percent interest in Avianca, a Colombian airline, and a 48-percent interest in Panair do Brasil, a Brazilian airline. Any profits that Pan American makes from these investments in foreign air carriers should of course be used to reduce the subsidies that American taxpayers are asked to contribute. Yet until CAB gets busy and audits the books of these subsidiaries, there is no way of telling how much of their profits are being drained off or otherwise short-stopped before they ever get to Pan American's coffers. Moreover, these Pan American affiliates are in sharp competition, particularly in Latin American areas, with American-flag carriers such as Braniff and Delta. Do we wish to continue subsidy by American taxpayers, without benefit of audit, to Pan American to the tune of $6 million a year, only to permit subsidized competition by Pan American and its foreign-flag affiliates with American carriers? Yet this is exactly what we are doing today.

(B) Pan American owns Intercontinental Hotels Corp., which operates luxury hotels throughout the world. Since we have no audit of this hotel operation, we cannot tell to what extent these hotels are being milked of funds which, were the funds available to Pan American, would make a subsidy unnecessary. We do know that on July 14, 1953, Pan American made an interest-free loan to its subsidiary, Intercontinental Hotels Corp., of $2 million. At 4 percent interest the normal return on a loan like this would be $80,000 a year. To the extent that these hotels escape the eye of CAB, American taxpayers are forced to kick in this $80,000. I cannot believe that these foreign hotels serve any valid United States interest. For example, the Victoria Plaza at Montevideo, Uruguay, advertises "cocktail lounge and sapphire room offer Montevidean interpretations of an enchanted evening." The Hotel Reforma in Mexico City advertises "the international society that congregates in the Reforma adds a further dash of color and excitement to a thrilling visit in Mexico City." The Hotel Grande at Belem, Brazil, announces that its "spacious guest rooms reflect the magnificence of the days of the Amazon throne, yet incorporate every modern facility for comfort and repose, with such features as tile baths, handsome appointments, and deeply comfortable beds." The Hotel Tequendema in Bogotá, Colombia, boasts a "magnificent kidney-shaped pool where people may sip our fine drinks in comfort."

Sixth. Is it not time to stop a rather conspicuous governmental policy of favoring Pan American? The unjustified subsidy is merely one aspect of what seems almost to be a national policy of favoring Pan American. In January 1955 the President, reversing a unanimous decision of the CAB, attempted to remove Northwest Airlines from the west coast-

Hawaii route and give a monopoly to Pan American, even though Northwest was off of subsidy and Pan American was being subsidized to the tune of some $22 million annually. There were outraged protests and the President had to beat a hasty retreat. But without the protests Pan American would have garnered another unfair advantage over its competitors. And as recently as last January the White House directed the CAB to set down for hearing Pan American's application to compete with Northwest's Seattle-Tokyo route, at the same time refusing Northwest's request to compete with Pan American's California-Tokyo routes.

Mr. Chairman, I hope that the CAB will ask these questions searchingly and will give the Appropriations Committee next year the benefit of the answers obtained.

Mr. PRESTON. Mr. Chairman, we have no further requests for time.

Mr. CLEVENGER. Mr. Chairman, we have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Payments to air carriers: For payments to air carriers of so much of the compensation fixed and determined by the Civil Aeronautics Board under section 406 of the Civil Aeronautics Act of 1938, as amended (49 U. S. C. 486), as is payable by the Civil Aeronautics Board pursuant to Reorganization Plan No. 10 of 1953; $15,000,000, to remain available until expended.

Mr. FLOOD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLOOD: On page 7, line 1, strike out "$15,000,000" and insert "$7,245,504."

Mr. FLOOD. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. FLOOD. Mr. Chairman, the purpose and the object of my amendment is very clear and very simple, and at least, in my opinion, not at all complicated. The figure which I asked to substitute is on page 7, line 1, instead of $15 million it will be $7,246,000. What I want to do there is to prevent the taxpayers' money from being used to pay income taxes for certain airlines. Now what is the matter with that? I want to make it very clear that I am not striking, at least at this point, at the idea of subsidies. I want to make it very clear that this committee has done a gigantic and commendable job down through the years in eliminating, so far as it has been reasonable and possible under the circumstances, year by year, subsidies to airlines. They are to be commended. This goes back to the days when I sat on this subcommittee when the gentleman from New York [Mr. ROONEY] was chairman; when it was then the State, Justice, and Commerce bill. Under the chairmanship of the gentleman from Georgia [Mr. PRESTON], it is the Subcommittee on Commerce, upon which I now sit. Under the chairmanship of the distinguished gentleman from Ohio [Mr. CLEVENGER], who also commendably led and joined in this fight to cut down, as far as reasonably possible under the circumstances, subsidies to airlines.

This year, gentlemen, some important new information has appeared on what the CAB intends to do with the subsidies.

Unfortunately, the CAB did not supply this document until some two weeks after our subcommittee had marked-up the bill on April 13. This is a document worthy of our attention because it accounts for almost two-thirds of the CAB request for new money for subsidies which is now before us.

I regret that the CAB did not make this information available to our subcommittee prior to the markup, but at least we have gotten this particular piece of information out of them, for the first time in history.

The information is buried at the very back of the printed hearings on the Department of Commerce on page 1011. It is a table inserted by the CAB—at the request of the distinguished gentleman from New York [Mr. ROONEY] on page 825 of the hearings—indicating that of the subsidies being requested by CAB—consisting of $20 million of new money and language authorizing the spending in 1957 of a leftover of $14,369,838, for a total of $34,369,838—the huge sum of $12,754,496 of these subsidies would, if enough money is appropriated by the Congress, be used to pay the Federal income taxes, at the public expense of certain private airline companies. Of this tax subsidy, approximately 76 percent would go to Pan American World Airways System, Inc.

Mr. Chairman, I insert the tabulation at this point in the body of the RECORD:

Information on Federal income-tax estimates

	Income taxes for calendar year 1955 as reported by carriers to CAB on form 41	Portion of subsidy estimated to cover Federal income-tax liability	
		Fiscal year 1955	Fiscal year 1957
	(1)	(2)	(3)
Colonial	$61	[1]	0
Continental	390,038	$255,090	$590,000
Northeast	124,893	410,000	410,000
Allegheny	0	[1]	0
Bonanza	502	[1]	0
Central	0	0	0
Frontier	73,119	74,627	74,627
Lake Central	0	0	0
Mohawk	0	79,023	80,000
North Central	18,000	0	0
Ozark	−272	[1]	0
Piedmont	35,966	[1]	133,512
Southern	13,516	0	0
Southwest	58,565	78,483	104,000
Trans-Texas	97,801	78,922	115,791
West Coast	0	[1]	0
Helicopter	61,569	11,734	12,000
Los Angeles	90,680	56,481	60,000
New York	49,704	83,199	85,000
Alaska Airlines	0	0	0
Alaska Coastal	0	9,380	9,380
Byers	4,947	1,219	1,219
Cordova	24,137	5,921	4,794
Ellis	20,650	28,516	28,516
Northern Consolidated	124,045	36,505	47,542
Pacific Northern	413,359	[1]	150,000
Reeve	49,999	5,754	5,754
Wien	139,602	29,933	37,361
Hawaiian	0	0	0
Trans-Pacific	8,112	0	0
Braniff	1,653,000	1,267,666	687,000
Caribbean	7,740	8,120	18,000
Panagra	400,000	[1]	800,000
Pan American	7,220,000	[1]	[2] 9,310,000
Total	11,079,733	2,520,483	12,754,496

[1] Final mail rates not yet established for all or part of fiscal year 1955.
[2] 76 percent.

Let me add this: Under no circumstances do I want you to think that I am striking at small feeder lines or helicopter lines. Quite the contrary. The smaller they are the better I like them. This is not to be construed as an attempt to remotely injure the small airlines. As a matter of fact, in this report of the subcommittee today you will find language which expressly indicates in the distribution and payment of subsidies to airlines, priority—and the word is the committee's word—priorities shall be given in the payment of all subsidies to the small feeder airlines, including small helicopter lines. So eliminate that from your minds at once. If you are worried about the little fellow getting hurt, forget about it. As far as I am concerned, I am the last man in this House who would want to hurt him.

If you will refer to the testimony in the hearings before this subcommittee, you will find, at page 1011, where, at the request of the gentleman from New York [Mr. ROONEY] the Civil Aeronautics Board for the first time provided this House with a list of airlines who received subsidies, and the amount they received. There you will find a list of the lines getting these subsidies, some of them getting a small amount, but Pan American, the big boy, gets $9 million—nearly $10 million of subsidy given to the Pan American Airline to pay its income tax.

It is patent and obvious, I am not against subsidies to Pan American. I am not against a subsidy to any line under certain circumstances, when I know what the circumstances are. All this amendment does, Mr. Chairman, is to eliminate in the payment of subsidies, the earmarking of any taxpayers' funds to pay the income tax for any airline, including nearly $10 million for Pan American.

I have nothing against Pan American. If I were going to Europe tomorrow, either at the expense of the taxpayers or at my own expense, I think I would probably fly Pan American. It is a great airline. If that makes them happy to have me say so, I do not mind saying it. If there is any way they can make money and I can help them, I would be glad to do it. If they want a certificated line to Florida, I hope they get it. They are talking about a line from Boston to Miami in competition with National and some others. If certification is going to make them money and take them off the backs of the taxpayers, I hope they get that line, and it will help the city of Philadelphia as well.

I will tell you what else you can do. You can take the business off of MATS, which is now in competition with our airlines.

Now if you want to give PanAm or some of these other people an opportunity to make money—and I think they should have it—take MATS, take the Military Air Transport Service out of competition with private business. The Defense Department says, "Let's take the Armed Forces out of competition with private business;" so we have eliminated the Defense Department from being in competition on hot-dog stands, beauty parlors, shoeshine parlors, coffee bars, and all that cat and dog business, but if you really want to take them out

of competition—and I am sure my friends over here do on behalf of big business and all kinds of business—take MATS out of competition, give the airlines this business that the Government is doing itself but which private business people should have. Then you will not need this subsidy.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from New York.

Mr. CELLER. Does the gentleman know that this morning before the Judiciary Committee testimony was given by the Comptroller General of the United States to the effect that there has been no general fare investigation by the Civil Aeronautics Board since 1938? And the Comptroller General said that the failure of the Civil Aeronautics Board to conduct a general fare investigation was most unfortunate, and that furthermore testimony was given by that distinguished gentleman, operating an independent agency, with reference to the Pan American Corp. that that company controls a number of affiliates and subsidiaries operating in foreign countries; that when it comes to auditing the income of the Pan American Corp., the Comptroller General of the United States and the CAB run into great difficulties. It would appear that services and cost thereof rendered by Pan American to its foreign subsidiaries and affiliates can be subject to complete audit but, vice versa, services and invoices thereof rendered to the mother company by its subsidiaries and affiliates in foreign lands cannot be audited or investigated. The Comptroller General deplored this inconsistency and implied it gave rise to uncertainties and doubts. I would say that this inability thoroughly to check and properly audit these activities presents an anomoly and is not conducive to the public interest.

The Comptroller General also stated that his agents could check and audit the cost of services rendered by Pan American to its affiliates and subsidiaries in foreign countries but could not audit the invoices—and basis for same—for services rendered by such affiliates and subsidiaries for Pan American. The Comptroller General had to accept invoices but could not go behind these invoices rendered to the mother company to see if they were justified. This, of course, is a most anomalous situation, both for CAB and the Comptroller General and not conducive to the public welfare.

Mr. FLOOD. May I interrupt? Will not the gentleman take 5 minutes of his own time on this amendment? I will be delighted to hear whatever contribution he has to make, and the gentleman, chairman of such a powerful committee, certainly should have a great deal to add.

I want simply to add this: Mr. Chairman, it is clear now that there is no duty and no obligation by law under the Civil Aeronautics Act upon this House to pay a profit through subsidy; there is nothing under the law, and I challenge any Member here now to show me where under the law or the decisions of the United States Supreme Court interpreting this basic law a profit must be paid and where the lines have a right to a profit by subsidy. That is not the law. There is no doubt that the law has been tortured and that the CAB has been torturing the law to sustain the argument that a profit must be paid. That is not the law.

Mr. Chairman, I place in the body of the RECORD at this point a very clear and compelling legal opinion replete with citations from court cases, pointing out that there is no obligation on the part of the Congress to appropriate subsidies to be granted air carriers to enable them to pay their Federal income taxes. We can do it if we want to, but we do not have to.

THE LIBRARY OF CONGRESS,
Washington, D. C., June 14, 1955.

To: Hon. PAUL H. DOUGLAS,

From: James P. Radigan, Jr., senior specialist in American law.

Subject: Is Congress obligated to appropriate subsidies to enable the Civil Aeronautics Board to provide allowances to carriers to pay their Federal income taxes?

There is no obligation on the part of the Congress to appropriate subsidies to be granted air carriers to enable them to pay their Federal income taxes.

To assume the creation of such an obligation would require disregarding the results of Parliament's long struggle with the Crown for control of the purse strings and surrendering one of the prohibitions of article I, section 9 of the United States Constitution, viz, the restriction upon the disbursing power of the executive department carried in clause 7 of said section. See *Cincinnati Soap Co.* v. *United States* ((1937) 301 U. S. 308).

The projection of the authority to provide subsidies granted under the terms of section 406 of the Civil Aeronautics Act of 1938 (52 Stat. 998; 49 U. S. C. 486) across the separation of powers barrier, by transporting such authority into a delegation of plenary power to the Civil Aeronautics Board, to require the Congress to appropriate all sums subjectively determined by the Board as needed by air carriers to enable them to develop, fails to consider the realities involved in arriving at the estimates of subsidies.

The estimates for subsidies submitted by the Civil Aeronautics Board are composed of the amounts estimated as needed in the coming year by the carriers to enable them to develop to the extent required for the commerce of the United States, the postal service, and the national defense, and the amounts needed to adjust upward previously granted subsidies.

It is certainly ingenious rationalization of the factual situation and the applicable law to allege that the part of estimates requested 1 year for subsidy appropriations for the next year is equivalent to a request for payment of obligations for the cost of transporting mail under contract. How could there possibly be a fixed amount of obligations to pay when the services have not been rendered?

It certainly requires a plethora of legal talents to transform into fifth amendment just compensation obligations that part of the estimates for subsidy appropriation requested for supplemental payments for mail already transported under an established rate.

If the Civil Aeronautics Board has no authority on the basis of the carriers' needs to make rates retroactive past the date of the filing of the petition for the establishment thereof, *Transcontinental & Western Air, Inc.* v. *Civil Aeronautics Board* ((1949) 336 U. S. 601), a fortiori, it has not right to obligate the Congress to appropriate all amounts of subsidies it subjectively determines the carriers need. If no mandamus or other legal remedy lies against any officer of the Treasury Department on a claim against the United States where no appropriation to pay it has been made, *Reeside* v. *Walker* ((1850) 11 How. 272), a fortiori, the Civil Aeronautics Board cannot obligate the Congress to appropriate subsidies. The absolute control of the moneys of the United States is in Congress, and Congress is responsible for its exercise of this great power only to the people. *Hart's* case ((1880) 16 Ct. Cls. 459, 484, affirmed 118 U. S. 62). An appropriation of money by Congress for a specific object is an implied authority for the President to do the thing, provided it can be done within the limits of the appropriations (6 Op. Atty. Gen. 26 (1853)). Nothing more than the right to include subsidies within the mail rate and within the appropriations therefore is granted.

The foundation upon which the air carrier subsidy edifice has been erected is the so-called need clause of the second sentence of section 406 (b) of the Civil Aeronautics Act of 1938 (49 U. S. C. 486). That the Congress did not expressly delegate its exclusive basic appropriating powers to the Civil Aeronautics Board by the terms of this provision is beyond question. To contend that Congress impliedly delegated the power, which must be contended to support the thesis of obligatory appropriations, requires a "dreamed-up" legislative intent for section 406, which, to say the least, does not appear from the background circumstances which brought the problem before the Congress or from the legislative history of the enactment that is discoverable from the committee reports and the debate.

A statute should not be construed as making an appropriation unless the language is sufficiently explicit to clearly justify it; and authority to use public moneys shall not rise by inference without very clear terms requiring it (18 Op. Atty. Gen. 174, 176 (1885)). We do not have such explicit or clear language in section 406.

If this section does, in effect, delegate the appropriating power of Congress to the Civil Aeronautics Board, as is contended by the proponents of obligatory appropriations, then it is probably unconstitutional. Congress has the exclusive power to appropriate Federal funds, *Ohio* v. *United States Civil Service Commission* ((1946) 65 F. Supp. 776); *Neustein* v. *Mitchell* ((1943) 52 F. Supp. 531); and such legislative power may not be delegated. *Marshall Field* v. *Clark* ((1892) 143 U. S. 649); *Panama Refining Co.* v. *Ryan* ((1935) 293 U. S. 388). It is for Congress, proceeding under the Constitution, and not for the Civil Aeronautics Board, to say what amount may be drawn from the Treasury in pursuance of an appropriation. *Hooe* v. *United States* ((1910) 218 U. S. 322). It is essential to the successful working of our Government that the persons entrusted with powers in one branch shall not be permitted to encroach upon the powers confided to another branch, but that each shall, by the law of its creation, be limited to the exercise of the powers appropriate to its own branch and to no other. *Kilbourn* v. *Thompson* ((1880) 103 U. S. 168).

Another ground upon which the proponents of the theory that the Congress is obligated to appropriate subsidies estimated by the Civil Aeronautics Board as required by air carriers seems to emanate from the mandatory duties imposed upon the Postmaster General and the air carriers under the terms of the Civil Aeronautics Act. Granting arguendo that air carriers are entitled to reasonable compensation for services performed, it does not follow that the Congress is obligated to appropriate the subsidies estimated as needed for estimated future service.

Today's estimates of tomorrow's subsidies are not today's obligations for yesterday's subsidies.

Federal income taxes may well be, as the GAO report indicated, an allowable business expense in computing the service mail pay which is paid out by the Post Office Department from the Postal appropriation which we have already passed. There the Post Office is in the same position as a person who buys a ticket on the airline; the price of the ticket is based on all the expenses of the airline and so the customer is paying a few cents out of the price of his ticket toward the tax burden. The Post Office is doing the same thing but the Post Office is doing it only in proportion to the amount of service which they receive from the airlines. Since the Post Office uses less than 15 percent of the space on airlines, there would be very little logic in saddling the mail pay with 100 percent of the tax burden of the airlines, so Uncle Sam pays the whole thing.

Now that is what the CAB is trying to do in the subsidy program they have laid before us, and I am against it. Pan Am and the others will get this service mail pay from the Post Office, including what contribution is in there toward their tax burden, in proportion to the amount of service which they actually render.

Let these airlines do more work for the Post Office, let them have a bigger share of this 1 billion a year of Defense traffic which is now riding on MATS. Let it be done that way. But let us not make anybody a gift of money to cover their taxes.

They can get the tax allowance from the service mail pay of the Post Office instead, or from the passengers and shippers who patronize the line.

Most airlines in the country get no assistance whatsoever from the CAB in paying their taxes. They pay the taxes themselves. Of the few airlines in the country who are still on subsidy, the amount which CAB is planning to give them to help them pay their taxes is piddling. For example, Allegheny Airline, which operates in my State, is getting about $1,600,000 in subsidy and no extra money at all for the purpose of helping them pay their Federal tax. Here is Mohawk, one of the outstanding local service airlines who, for very good reasons, are receiving some $653,000 in subsidy, of which only $80,000 is to help pay their income tax. New York Airways is receiving some $421,000 subsidy for a very good reason, but could probably scrape up the necessary $85,000 to pay their Federal income taxes. Here is another outfit on the list, Byers, who get the magnificient sum of $1,219. I feel sure they could pay it themselves.

Now we come to the real bonanza in this whole racket of using the taxpayers' money to pay income taxes. Pan American, who under the proposed appropriation, would receive $9,310,000 as a straight gift of subsidy from the CAB to pay their income taxes. At this time of year I wish there was a bureau to which Members of Congress could go to receive subsidies to help pay our income taxes. I imagine there are a lot of other citizens who feel the same.

I have no doubt that the CAB can play Santa Claus and give companies additional subsidy to cover their income taxes if we give them enough money to dish out. But I think it is a pernicious practice and it ought to be stopped. I think the average taxpayer in this country would be horrified to hear that part of the money which he has to pay over to the Collector of Internal Revenue is then used by the Government to pay the income taxes of some giant corporation.

One third of the entire CAB subsidy spending program seems to be devoted to helping a few companies with small amounts, and one company with huge amounts, to pay their taxes. That is unfair to nonsubsidized lines who pay their own taxes, and it is an unjustified burden on the taxpayers.

I therefore move to subtract from the CAB subsidy appropriation the entire amount listed on page 1011 of our hearings which the CAB intends to pay over to the would-be recipient companies for income-tax allowances.

If just this special tax subsidy were subtracted:

Money requested by CAB	$20,000,000
Tax subsidy (rounded off to nearest $1,000)	−12,754,000
Would be the only new money needed in the 1957 appropriation	7,246,000
New money	7,246,000
Carry over (rounded off to nearest $1,000	+14,370,000
Available for subsidy spending in 1957, or just slightly less than the amount reported by House appropriations 2 years ago (H. Rept. 1242, 83d Cong., 2d sess., Feb. 25, 1954)	21,616,000

I should like to point out, Mr. Chairman, that I did not attempt to subtract the tax subsidy of $12¾ million from the $15 million reported by the committee but have subtracted instead from the $20 million in the budget estimate or the amount requested by the CAB for new money appropriations.

This page 1011 is the first time in the history of this committee that we have sweated out of CAB and obtained for the public record a statement of just how much money they are planning to give to what company to pay their income taxes. This is information which, unfortunately, our subcommittee did not have at the time of our markup on April 13.

Gentlemen, does it not now come down to this: Do we want to use $12¾ million money collected from the American taxpayers to pay the taxes of a giant corporation like Pan Am, and a handful to some other companies?

I say these companies ought to do like everyone else, and dig down in their own pockets, and pay their own taxes.

Gentlemen, I move to reduce the appropriation requested by CAB by the entire amount of this proposed tax subsidy and therefore to subtract from the requested appropriation of $20 million the entire $12,754,496, leaving $7,246,000 in new money.

Mr. BOW. Mr. Chairman, I rise in opposition to the amendment.

(On request of Mr. MILLER of Maryland, Mr. Bow was allowed to proceed for 5 additional minutes.)

The CHAIRMAN. The gentleman from Ohio is recognized for 10 minutes.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Georgia.

Mr. PRESTON. Mr. Chairman, I would like to undertake to fix time on this amendment, if I may.

Mr. Chairman, I ask unanimous consent that all debate on the pending amendment conclude in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BOW. Mr. Chairman, I rise in opposition to this amendment.

I can understand that the amendment and the argument that is made is one that might have appeal to many people if not fully understood, but I think that we have got to look at it carefully from the standpoint of sound legislation and doing that which this House is called upon to do.

The gentleman's amendment would reduce this amount $15 million, which was appropriated by the Appropriations Committee, to seven-million-some-odd-hundred-thousand dollars. He says it is an attempt to keep the payment of Pan-Am's income-tax from being a subsidized amount. What the gentleman has failed to tell you is that under the pending amendment you would take from any number of small service carriers—he says he does not want to hurt the small carriers—the payments which keep them alive and keep them in operation. There are many of these small service lines depending upon subsidies. They serve the small communities that you and I represent. I have some in my district and I believe there are some in the district of every Member on this floor. If you cut this subsidy so we cannot keep those small service lines in operation, you will have a flood of complaints in your offices that you have not seen for a long time. The people of every community, particularly the small communities that want airline service, will be seriously affected.

What are the facts? Under section 406 of the Civil Aeronautics Act, Congress provided that the present and future needs of the foreign and domestic commerce of the United States, of the postal service and the national defense are essential. Under that we have authorized the CAB to set up a subsidy program. With this subsidy program in our country we have built one of the greatest aviation industries in the world.

What has happened in the past? I can say to you that as of today 95 percent of the airlines are subsidy free, speaking domestically. Now, we talk about income taxes. In that industry which we have built up there were income taxes alone paid into the Federal Treasury by the airlines of this Nation the total sum of $82,480,000. That is in income taxes paid into the Treasury of the United States last year by these lines which are now operating 95 percent subsidy free.

When you determine the question of subsidy these funds are not earmarked for the income taxes of any of these companies. It is the same as with the public utilities of your various States—the gas company, the electric company. When the rate is figured it is figured on the total cost of doing business, including new equipment, operations and taxes. That is what is done here. In figuring the subsidy to be paid, the entire operation cost is taken into consideration and whether this money is going to be used for the payment of income tax or new equipment of the company to which the gentleman has referred, which incidentally has on order $300 million of new jet equipment, we do not know. We do not know where this money is going. It is not earmarked for income taxes. It may be for operations, it may be for the payment of salaries.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Here is what I would like to point out to the gentleman. He drew an analogy between public utilities and this CAB rule, when you pay a public utility a payment for the allocation of income taxes by that public utility, and if you buy a streetcar ticket that contributes only a fraction to what the company pays for income taxes. There is no analogy between public utility income taxes being figured into cost and this case of subsidy of the airlines. There is no relationship at all.

I occasionally hear CAB say that including income taxes is a common practice with public-utility commissions. That may be so. However, this is a world of difference here because public utilities make charges to the public and are not subsidized by Uncle Sam. Furthermore, the rates which the public pays, which rates may include some contribution toward the tax burden of the utility, are in proportion to the amount of service which the customer uses. Take a trolley car, for example. Suppose some of us climbed aboard a trolley car. Each of the tokens which we dropped in the box would contain a few mills or perhaps a penny or two toward the tax burden of the company. But those of us who do not go for a ride on the trolley car would, properly, be making no contribution at all toward paying the taxes of this public utility.

Here we have a situation where Uncle Sam uses regularly no more than 15 percent of the seats on the trolley car, yet along comes somebody who proposes that instead of 15 percent, Uncle Sam should pay 100 percent of the company's tax burden. I say that is all wrong. It is not right and it is entirely out of proportion. We have no obligation to do this.

The fact that we in the Congress are under no obligation to provide subsidies to guarantee a profit to Pan American, let alone still additional subsidies to pay for their Federal income taxes, is underlined by the opinion of the Court in the case of *Capital Lines, Inc.* v. *Civil Aeronautics Board* (171 F. 2d 339), reading:

> The act, with its regulatory provision, is not intended to underwrite profitable operation of a carrier's business, any more than statutes imposing regulation of public utilities are intended to insure them a net revenue. *Federal Power Commission* v. *National Gas Pipeline Co.* ((1942) 315 U. S. 575, 590, 62 S. Ct. 736, 86 L. Ed. 1037) and cases cited.

I thought that this quotation from the Court decision is especially relevant since it mentions "public utilities," the very words used by the gentleman from Ohio [Mr. BOW] but the Court came to the opposite conclusion from that reached by the gentleman from Ohio.

Mr. BOW. The gentleman has made his point. Of course, I do not agree with him at all.

I will not yield further to the gentleman, because you take the entire tax problem and it goes into the over-all, whether it is salaries, new equipment, or whatever it may be, and then you determine that the lines will earn 9 percent income on their total investment, and that is the problem that we have before us.

Now, this committee, under the chairmanship of the gentleman from Georgia [Mr. PRESTON] and under the minority leadership of the gentleman from Ohio [Mr. CLEVENGER], has whittled away on the question of the audits of Pan American and their subsidiaries and has insisted that they must be made. We have given the CAB the money. The gentleman from Texas [Mr. THOMAS] last year insisted that we give the money and that they have the auditors to do the job. Unfortunately it has not been completed. But, the gentleman from Texas said "We want this job done, and we will give them the auditors to do it." And, I hope the CAB continues it and makes that audit so that we know what they have. This amendment strikes at the operation of the service lines, at the continuation of the small operators in this country, and it is not a question, I say to my colleague, of the payment of income taxes only.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Georgia.

Mr. PRESTON. Is it not a fact that the law as written by the Congress employed the same pattern that is employed by the various utility regulatory agencies in arriving at what is a fair return on investment in a public utility for income-tax purposes?

Mr. BOW. The gentleman is exactly right. It is in the overall picture, in all of this.

Now, what will happen? Let us assume we reduce it to this amount and the CAB goes ahead under its contracts with the lines and allows subsidies over and above what we appropriate. Then it becomes an obligation of the country, and if the House does not appropriate, it then becomes subject to a suit in the Court of Claims for recovery. We cannot by this legislation reduce the amount to be paid to these carriers. We have to meet the bill under our contract.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Washington.

Mr. HORAN. I want to state further that the General Accounting Office made an investigation of this matter and they concluded that the CAB was handling this income-tax matter, in this payment here, in exactly the same manner as other regulatory bodies.

Mr. BOW. Here is what the General Accounting Office said:

> In our opinion, there is no question that the Board has authority under the act to treat Federal income taxes as allowable costs in fixing rates of compensation for the transportation of mail, whether such rates are compensatory only or include subsidy.

Now, the General Accounting Office said it was proper under that finding. Then, on the question of whether there is a windfall, the General Accounting Office said:

> It appears doubtful that a subsidized carrier may receive an advantage in the nature of a windfall by reason of the fact that the income tax allowed for mail pay may be greater than the final tax liability.

That is the language of the General Accounting Office saying it is proper to consider these matters; that there is no windfall. And, I say to you, my colleagues, if you want to preserve the small feeder lines in this country, if you want to build up the service to the small communities, you will vote against this amendment and permit us to continue so that they can gradually get off the subsidy, as we have done with the large carriers who, as I have previously said, are 95 percent subsidy free.

Mr. PRESTON. Mr. Chairman, if the gentleman will yield further, I would like to point out that the Supreme Court has said that the regulatory pattern includes all elements of cost, including taxes. That is the construction of the Supreme Court.

Mr. BOW. I thank the gentleman.

Further, on the payments to air carriers:

PAYMENTS TO AIR CARRIERS

The Appropriations Committee has recommended to the House the sum of $15 million for payments to air carriers for subsidy purposes. The committee believes that this amount, along with a carryover from the 1956 appropriation of approximately $14 million, will be sufficient for the Civil Aeronautics Board to meet its obligations during the next fiscal year. I would like to make a few remarks with respect to this item.

It is important to keep in my mind the purpose of these subsidy payments—why the Federal Government makes them as a matter of public policy, and to know who gets them and in what amounts.

The Congress, in enacting the Civil Aeronautics Act of 1938, determined that an air transport system adequate to serve the present and future needs of the foreign and domestic commerce of the United States, of the postal service, and of the national defense was essential. Congress further decided that assistance to air carriers in the form of subsidy was in the public interest, where need for it

existed, in order to provide such an air transport system.

At the outset, every segment of the airline industry was in need of substantial subsidy to develop its capabilities. Today, with the trunklines virtually free of subsidy, the need still exists in four parts of the system—and there to a lessening extent each year. The areas in which the need is now concentrated are the local service carriers, the international carriers, the territorial carriers, and the helicopter services.

The first group, the local service carriers, provide a service to the smaller communities which it is clearly in the public interest to support. The House wholeheartedly approved permanent certification of these airlines only last year in recognition of their important contribution. These are the airlines who provide the only air service 250 of our smaller cities receive. It is in order to note that these carriers now receive well over one-half of their total revenues from commercial revenues, with both mail pay and subsidy accounting for a lower percentage each year. This is important when compared with the situation only a few years back when as much as three-quarters or more of their total revenues came from the Federal Government.

American-flag international airlines carry our flag all over the world and make significant contributions to all of the objectives of the act of 1938—commerce, postal service, and national defense. Today, we cannot afford to have the second best. Our carriers in the international field, like the local service airlines, have also greatly reduced their dependence on subsidy. Several are entirely subsidy free today—such carriers as TWA and NWA and others. Others are subsidy free on many of their routes. As a group, the international carriers now receive less than 4 percent of their total revenues from subsidy, as opposed to almost 14 percent in 1951. And in many cases these carriers are in direct competition, not only with each other, but with foreign government-owned or wholly subsidized airlines.

Another group, the territorial carriers, have been invaluable in developing the areas they serve. Alaska, without highways and railroads as we know them here, has been a spectacular example.

The helicopter services are new, experimental, and hold great promise for the future.

These, then, are the classes of carriers this money is for. At this point I would like to introduce for the record a table prepared by the CAB, for the Appropriations Committee, showing by air carrier groups, and by individual airline, the comparative subsidy figures for fiscal years 1954 through 1957.

These figures demonstrate a number of things. First, they show that the level of subsidy has been sharply reduced. For instance, during fiscal 1954, a total of $66,178,044 accrued to air carriers in the form of subsidy. For 1957, this figure is estimated at $46,486,000.

Second, the table shows who will get subsidy, and in what amount. Of a total anticipated actual expenditure of $34,369,838 in 1957, $24,080,738 is designated for the local service carriers. Territorial carriers account for another $7,270,000, with the balance going to domestic trunklines—only two—helicopters, and international airlines.

What is not shown by this table is the tremendous increase in the volume of service provided, and mail carried, at the same time the total subsidy and mail pay cost to the Government has been substantially reduced.

It might be useful to explain the difference between subsidy accruing to air carriers during a fiscal year and the amount actually paid out in cash to the carriers during the year. For example, although the Board estimates that $46,486,000 in subsidy will accrue to the carriers during 1957, the expenditure estimate is $34,369,838. The difference between these two figures results from, first, the fact that subsidy accruing during the last month of a fiscal year is actually paid out during the following fiscal year; and, second, that certain credits against payments to carriers result from such things as the capital gains realized from the sale of capital assets and the recovery of excess funds paid out prior to the setting of a final subsidy rate.

The Board's appropriation request is for the amount of money it will actually need during the fiscal year to make payments to air carriers, less any carryover resulting from the previous year's operations. This year, then, the Board has estimated that it will need a $20 million appropriation, which, when added to its $14-million carryover from last year, will enable it to make the actual payments becoming due and payable to the carriers during fiscal 1957. The committee, in reducing the $20 million to $15 million, was of the opinion that certain additional reductions not reflected in the Board's estimates might be possible during the coming year.

Another point on which confusion or misunderstanding arises has to do with the use of subsidy money to pay income taxes due from the carrier. In this connection, I believe the following excerpts from a recent audit report made to Congress by the GAO regarding the CAB explain this situation and answer the questions which may be in the minds of some members on this subject. This report, I might add, is printed in full in the hearings on this bill, on pages 754–811, and the portion I am quoting from appears on pages 771 and 772 of the hearings.

The following are excerpts from the General Accounting Office audit report to the Congress:

[Excerpt from GAO audit report to Congress on CAB]

FEDERAL INCOME TAXES

A review of the Board's past appropriation hearings indicates congressional interest in the allowance of Federal income taxes by the Board in fixing mail rates. Our discussion which follows generally covers the two major issues involved: (1) whether income taxes are properly allowable in computing mail pay rates and (2) whether a subsidized carrier can enjoy a so-called windfall from taxes allowed.

TAXES AS ALLOWABLE EXPENSE

In our opinion, there is no question that the Board has authority under the act to treat Federal income taxes as allowable costs in fixing rates of compensation for the transportation of mail, whether such rates are compensatory only or include subsidy. The fair and reasonable rates of compensation for the transportation of mail by aircraft, as provided for by the act, necessarily must be computed on the basis of net income to the carrier after all expenses, including taxes.

In determining the mail pay for an airline, the Board considers and allows certain elements of cost and, in addition, an amount which will provide a predetermined return on the carrier's investment. To establish this return, the Board must treat the computation of income tax expense as a separate and distinct step. This tends to highlight the tax amount allowed, and lends to it a sense of unwarranted importance, although it is merely one of many items of expense considered.

TAXES AS POSSIBLE SOURCE OF WINDFALL

It appears doubtful that a subsidized carrier may receive an advantage in the nature of a windfall by reason of the fact that the income tax allowed for mail pay may be greater than the final tax liability.

In attempting to match the income tax allowance with the actual tax liability there would be present the task of determining the amount of tax applicable to mail revenue and nonmail revenue. Such determinations would be based largely upon assumptions which would be difficult to support and probably the subject of dispute. Therefore the adjusted income tax liability as finally accepted by the Treasury Department would be of little assistance in answering the question presented. An analysis and study of each income tax return and supporting information, as well as underlying records, would have to be made in order to reach any satisfactory comparison between income tax allowances included in airmail pay and the adjusted income tax liability for each airline. Even with this information it might not be possible to arrive at a reliable conclusion, primarily because of the assumptions inherent in the allocation of expenses between mail and nonmail revenue.

Under section 406 (b) of the Civil Aeronautics Act, the Board is required to provide an amount of mail pay sufficient to cover the carrier's total need, and not merely the element of need resulting from income-tax expense. As a general rule the actual income-tax liability will not be less than the estimated income tax allowance unless the carrier's actual total need increases beyond the need as estimated for rate purposes. It follows, therefore, that a decrease in income tax liability generally reflects an increasing rather than a decreasing total need.

For every dollar of tax allowed in a rate, the forecasted earnings would be about $2, at 52 percent income tax rate. In an open rate period, income tax expense, while allowable, is not normally included in temporary mail payments, but the actual tax paid is included in the final rate established for that period. In a closed rate period a subsidized carrier who uses less than the amount of tax allowance forecast, theoretically, at least, has experienced reduced earnings. Hence the need of such carrier would have been underestimated in the mail rate and the carrier would be compensated for only 50 percent of its additional need by the overestimate of the tax allowance. Under these conditions the carrier generally petitions the Board for a higher rate, for future periods, to cover the increase need. Conversely, if the carrier's actual earnings

should increase above the forecast, the estimated tax allowance then would be less than the actual tax liability. In this instance the Board, on its own initiative, would reopen the rate because of increased earnings.

In view of the foregoing, we are of the opinion that while there may be differences between the estimated income-tax allowances for mail-pay purposes and the final tax liability applicable to mail pay, such differences could be either higher or lower, because of the necessity for forecasting revenue and expenses in a ratemaking process. In fixing a future rate based upon past performance and future forecast, all elements of revenue and expenses are subject to fluctuations beyond the control of the Board and, in some instances, the carrier. The protective feature in the act, however, is the authority of the Board, upon its own motion, to reopen a rate case at any time it is of the opinion that the return to the carrier is exceeding the amount which was contemplated at the time such rate was established.

Civil Aeronautics Board—Payments to air carriers, by carrier, showing estimated subsidy accrual and subsidy payments for the fiscal years 1954 through 1957

	Estimated subsidy accrual for air carrier operations during the fiscal year					Payments (expenditures) during the fiscal year			
	1954		1955	1956	1957	Actual, 1954 [1]	Actual, 1955	Estimate, 1956	Estimate, 1957
	Total	CAB [1]							
Domestic trunklines:									
Braniff	$732,454	$732,454	$678,246				$1,824,207	−$413,507	
Colonial	518,441	475,944	410,554	$412,000	$409,000	$427,719	341,348	492,431	$409,000
Continental	761,285	603,140	186,851			552,936	69,310	167,745	
Northeast	1,867,588	1,536,982	1,783,669	1,781,000	1,778,000	1,365,716	1,820,995	1,754,940	1,778,000
Total	3,879,768	3,348,520	3,059,320	2,193,000	2,187,000	2,346,371	4,055,860	2,001,609	2,187,000
Local service operations:									
Allegheny	1,718,847	1,345,662	1,717,361	1,685,000	1,682,000	1,132,734	1,767,411	1,677,878	1,704,000
Bonanza	921,820	684,414	838,427	1,093,000	1,092,000	602,079	788,542	1,127,220	1,094,000
Central	1,709,248	1,263,674	1,913,942	2,095,000	2,094,000	1,240,427	1,645,269	2,197,920	2,099,000
Frontier	2,780,076	2,109,725	2,502,386	2,534,000	2,531,000	2,067,051	2,441,714	2,409,346	2,536,000
Lake Central	1,509,281	1,128,379	1,439,647	1,461,000	1,459,000	1,098,417	1,325,416	1,474,193	1,462,000
Mohawk	1,020,464	788,534	679,286	653,000	652,000	713,933	611,546	736,341	654,000
North Central	2,294,231	1,666,472	1,767,065	1,841,000	1,837,000	1,566,164	1,771,617	1,770,756	1,842,000
Ozark	1,882,417	1,394,668	1,805,519	2,424,000	2,421,000	1,396,638	1,493,505	2,477,044	2,465,000
Piedmont	2,011,284	1,643,667	1,978,078	2,122,000	2,061,000	1,100,839	2,212,763	2,099,143	2,211,000
Continental (Pioneer)	1,295,240	1,035,052	1,348,953	1,051,000	859,000	907,899	1,147,258	1,284,848	878,000
Southern	1,900,994	1,414,391	1,706,334	1,744,000	1,742,000	1,228,473	1,743,020	1,736,232	1,746,000
Southwest	1,101,362	795,430	974,705	946,000	943,000	684,692	989,835	956,608	945,000
Trans Texas	2,636,219	1,983,331	2,467,507	2,535,000	2,532,000	1,705,202	2,509,893	2,542,653	2,537,000
West Coast	1,765,029	1,415,001	1,900,891	1,904,000	1,903,000	1,043,919	1,401,692	2,603,281	1,907,738
Wiggins	23,383								
Total	24,569,895	18,668,400	23,040,101	24,088,000	23,808,000	16,488,557	21,849,481	25,093,463	24,080,738
Helicopters:									
Helicopter	431,906	318,933	423,485	421,000	418,000	275,549	387,835	462,034	418,000
Los Angeles	683,907	543,128	816,384	952,000	947,000	344,901	928,375	952,236	948,000
New York	1,457,702	1,102,770	1,417,198	1,441,000	1,438,000	498,926	1,767,812	1,564,230	1,439,000
Total	2,573,515	1,964,831	2,657,067	2,814,000	2,803,000	1,119,376	3,084,022	2,978,500	2,805,000
States-Alaska operations:									
Alaska	1,164,785	871,091	998,970	793,000	789,000	823,019	1,044,071	724,971	789,000
Pacific Northern	859,418	662,654	1,139,069	1,155,000	1,146,000	448,178	1,123,247	1,281,298	1,147,000
Pan American (Alaska division)	1,367,119	1,018,117	1,255,173	1,204,000	1,377,000	781,382	1,297,771	1,290,137	1,361,000
Total	3,391,322	2,551,862	3,393,212	3,152,000	3,312,000	2,052,579	3,465,089	3,296,406	3,297,000
Intra-Alaskan operations:									
Alaska	1,060,826	889,731	919,328	863,000	854,000	851,743	940,632	801,684	855,000
Alaska Coastal	342,400	254,179	336,613	314,000	312,000	217,119	339,590	320,083	312,000
Byers	55,978	42,098	53,832	49,000	49,000	32,754	55,025	53,151	49,000
Cordova	349,921	258,548	358,819	273,000	270,000	213,129	358,070	294,168	271,000
Ellis	270,171	197,065	253,680	236,000	236,000	153,901	251,652	260,192	236,000
Northern Consolidated	1,136,522	922,901	944,545	750,000	742,000	904,219	991,965	653,322	743,000
Pacific Northern	481,718	371,429	503,526	467,000	460,000	251,211	519,673	529,071	461,000
Reeve	90,894	60,832	57,335	28,000	20,000	55,552	56,680	30,935	21,000
Wien	1,156,115	957,206	1,102,584	743,000	731,000	840,421	1,111,631	783,738	732,000
Total	4,944,545	3,953,989	4,530,262	3,723,000	3,674,000	3,520,049	4,624,858	3,726,344	3,680,000
Hawaiian operations:									
Hawaiian	442,911	315,569	241,953	243,000	243,000	364,475	267,784	146,263	243,000
Transpacific	241,564	180,806	50,700	50,000	50,000	221,344	160,127	−104,965	50,000
Total	684,475	496,375	292,653	293,000	293,000	585,819	427,911	41,298	293,000
Transatlantic operations:									
Pan American (Atlantic division)	1,299,444			635,000	2,273,000	4,139,180	746,226	114,888	−2,297,294
Trans-World						173,287	−173,287		
Total	1,299,444			635,000	2,273,000	4,312,467	572,939	114,888	−2,297,294
Trans-Pacific operations:									
Northwest	2,247,770	1,188,122				2,546,482	1,825,011	−185,471	−2,997,900
Pan American (Pacific division)	6,471,446	4,317,551	377,508			5,246,899	3,520,113	−1,311,247	−2,760,706
Total	8,719,216	5,505,673	377,508			7,793,381	5,345,124	−1,496,718	−5,758,606
Latin American operations:									
Braniff	2,318,577	1,980,388	1,267,666	801,000	687,000	1,237,024	1,837,046	993,984	606,000
Caribbean	93,257	68,028	92,825	49,000	49,000	56,408	78,660	70,785	49,000
Colonial (Bermuda)	41,067	29,030				28,843	47,249	−47,062	
Pan American (Latin American division)	11,481,141	8,594,177	6,939,254	4,302,000	6,227,000	7,414,633	10,275,134	3,558,664	4,254,000
Panagra	2,181,822	1,635,719	1,854,652	1,187,000	1,173,000	1,572,037	1,837,336	1,160,998	1,174,000
Total	16,115,864	12,307,342	10,154,397	6,339,000	8,136,000	10,308,945	14,075,425	5,737,369	6,083,000
Total, all carriers	66,178,044	[1] 48,796,992	47,504,520	43,237,000	46,486,000	[1] 48,527,544	57,500,709	41,493,159	34,369,838

[1] Covers the 9-month period Oct. 1, 1953, through June 30, 1954. Under Reorganization Plan No. 10 of 1953, subsidy accruing to air carriers for the months of July through September 1953 is payable by the Post Office Department.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FLOOD].

The amendment was rejected.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is well for the Members to know that, for example, this morning before the House Committee on the Judiciary testimony was given by the Comptroller General of the United States. He presides over an independent agency of the Government that does the general auditing for the Government. The Comptroller General stated that there had been no general investigation by the Civil Aeronautics Board concerning the tariffs charged by the various domestic trunkline operators and airline operators. The import of his testimony was that this failure of inquiry was most unpardonable and that, in addition, there was no standard of auditing practice concerning a review of the figures submitted by various airlines to the Civil Aeronautics Board.

One line follows one practice, another line follows another practice. And, in the opinion of the Comptroller General, that failure of the Civil Aeronautics Board to lay down definite rules and criteria as to auditing was likewise a grave error and a fault of the Civil Aeronautics Board.

In addition thereto, it would appear that some of the airlines actually charge capital expenditures as operating expenses. Mr. Chairman, if I did that or if you did that on our income-tax return, we would be hailed before the court for a violation of the income-tax law. And yet the CAB, as a result of the fumbling and ineptitude and incompetency and apathy have failed to check and prevent that kind of practice, namely: allowing capital expenditures to be charged as operating expenses.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman is making a very important point. In the examination of the CAB members before our subcommittee it was brought out that there has been no fare investigation by CAB of carriers since 1942; and there has been no rate investigation of fares charged by the major carriers at all. Here we have a situation where the carriers are protected as public utilities under a theory of regulated monopoly. They are protected against outside competition because they are supposed to be regulated as to their rates of fare and service. If, in fact, they are not being regulated as to rates and service and are nevertheless being protected against competitors, it is a distortion of the principle under which they are supposed to be regulated.

Mr. CELLER. There is no doubt that what the gentleman has said is as right as rain. The airline companies when they get below a certain profit are given subsidies. There is a floor below which their profits may not go, but there is no ceiling on their profits.

The testimony of the Comptroller General was to the effect that their profits have been more than substantial latterly and that in and of itself would warrant a general fare investigation. And yet the CAB has been most derelict in that regard.

In addition to that, the Comptroller General deplored the increase in passenger fares of $1 when anyone makes a 1-way trip and, if it is a round trip, the increase is $1.90, a 5-percent reduction. There was no reason for that increase. The airline companies got together and said, "Let us get a little more money." In substance, that is what it amounted to. They made their application to the CAB which just rubber-stamped it.

The Comptroller General also said that there was no good reason whatsoever for the airlines, the domestic trunk lines filching from the public that travels by air the $1 for each 1-way trip and $1.90 for a round trip, regardless of distance traveled. It makes no difference whether the person is going from New York to San Francisco or from Pittsburgh to Philadelphia. Regardless of all miles traveled the increase is a flat dollar and for a round trip, $1.90.

I repeat, the increase was not based on mileage. Every single ticket was issued for an increased price of $1, a round trip $1.90. The Comptroller General said they did that when their earnings were the highest in the history of the airline companies.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I want to read this language from a United States Supreme Court decision in the case of *Transcontinental & Western Air, Inc.* v. *Civil Aeronautics Board* ((1949) 336 U. S. 601, 606):

> Petitioners' reading of the act (Civil Aeronautics Act) would in practical effect have the tendency to transform it into a cost-plus system of regulations, a construction which would not harmonize with the apparent design of the act.

I should also like to read from the opinion of the Legislative Reference Service:

> There is no obligation on the part of the Congress to appropriate subsidies to be granted air carriers to enable them to pay their Federal income taxes.
>
> To assume the creation of such an obligation would require disregarding the results of Parliament's long struggle with the Crown for control of the purse strings and surrendering one of the prohibitions of article I, section 9 of the United States Constitution, viz, the restriction upon the disbursing power of the executive department carried in clause 7 of said section. See *Cincinnati Soap Co.* v. *United States* ((1937) 301 U. S. 308).

This makes it very clear that there is no obligation on the part of Congress and no agency of this Government can create one to make Congress appropriate such subsidies.

Mr. CELLER. I asked that question as to whether or not an airline could pay its income tax out of a subsidy, and my answer from the responsible officials of the Civil Aeronautics Board was to this effect: "We do not care what they do with the subsidy. They can pay income tax out of the subsidy or they can do anything they please with it. If their income is below a certain amount, below 7 percent or 8 percent we pay them a subsidy. We care not as to what happens with the money involved in that subsidy."

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Illinois.

Mr. YATES. I am sure the gentleman will be pleased to see the recommendation of the committee as it appears on page 5 of the report, as follows:

> The committee is pleased to note that the Board is making efforts to curtail subsidy payments. It feels that continued efforts along this line are needed, and specifically recommends that further comprehensive studies be made during the coming year with respect to subsidy requirements, fares, and rates.

Certainly the Civil Aeronautics Board has been derelict in not adequately pursuing its ratemaking and service functions.

Mr. CELLER. Of course, the inference can be drawn, and very properly so, that that is no fare investigation. If any of the air carriers get more than they are entitled to, that is an invisible subsidy, and other airlines, if they do not charge proper rates or go below what they could charge are placed at a very serious disadvantage.

Mr. FLOOD. The gentleman is a distinguished lawyer. He knows that if a claim is made against an official of the United States Treasury Department neither mandamus nor other compelling act will lie in the courts to compel such official to pay any claim unless an appropriation has been made for it. That is the law. Certainly the Civil Aeronautics Board under no circumstances or no law could create such an obligation. It would be clearly unconstitutional to compel this House to make payment of any subsidy.

I want to make a very careful distinction now and that is between authority and obligation. There is no question in my mind that the Congress has authority to appropriate subsidies at the public expense for the purpose of paying the Federal income taxes of a private commercial airline. But as the legal opinion which I have inserted so clearly shows, there is no obligation upon the Congress to do so. The Congress could, for example, include in the appropriations for the United States Information Agency subsidies to be given to deserving radio commentators to pay their taxes for them at the public expense. But Congress is under no obligation to do so. Congress can play Santa Claus if it wants to, but it does not have to. And I think it is a very extraordinary situation which would not be appreciated by the average taxpayers who this very week are filling out their returns if they knew that part of their tax money was going to be used as a gift to Pan American in order to

help them pay their income taxes. It would be considered strange indeed, for example, if a veteran showed up at the Veterans' Administration and said, "I have to pay $1,200 of income taxes on April 15, so please give me $1,200 so I can go over to the tax collector and pay it." I do not think the Veterans' Administration would let any veteran get away with a gimmick like that, but it appears from the evidence that Pan American is getting away with it with the Civil Aeronautics Board.

The distinguished gentleman from New York [Mr. CELLER] has alluded to profits and has made a very good point.

The Maritime Administration recaptures from subsidized shipping lines all excess profits over 10 percent.

However, it should be noted that the CAB has no similar recapture provision.

If a shipping line makes over 10 percent in profits, they pay no taxes on the one-half that is not recaptured by the Government provided their one-half of the excess profits are paid into a special reserve fund for the purpose of buying new ships. The one-half of the excess profits over the 10 percent which the shipping line can keep is tax free only while it remains sterilized in this special reserve fund. The moment a company draws the money out of this special reserve fund—as the Cuban American Mail Line recently did—they then have to pay taxes in full on the money.

The CAB has no such restriction on the ultimate use of the tax benefits which it provides.

Appropriating this extra subsidy money, this $9,310,000 for Pan American's taxes, would encourage the CAB to find ways and means of spending it instead of return to the more thrifty interpretation of the law which was evident in the early years of the CAB. In this connection, Mr. Chairman, I insert in the body of the RECORD at this point some quotations from an excellent article from the Louisiana Law Review of March 1947:

> The mail rate provisions were not interpreted as bestowing upon the Board the role of a benevolent Santa Claus heedlessly distributing bonanzas to a deserving industry. Instead the emphasis in the early cases was on using airmail compensation as a device to develop efficient and economical management which through expansion of nonmail revenues could develop soundly financed air carriers relying upon a paying public acceptance of air transportation of passengers and property rather than on Government payments.
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> In the early cases, enough airmail compensation was given so that the carrier could break even and a little more if its expenses were reasonable. In order to make a more substantial profit, the air carrier had to build up its passenger and property revenues. This policy was designed to encourage developments and efficiency on the part of the carriers. The emphasis on efficient management in the early mail rate cases led to a critical examination of every item of expense that would be considered in determining the need. In such cases as *Inland Air Lines—Mail Rates*,[1] *United Air Lines—Mail Rates*,[2] and *T. W. A.—Mail Rates*[3] literally every expense was closely scrutinized.

I might note, incidentally, going by the tabulation on page 850 of our hearings, which was inserted by the Civil Aeronautics Board at the request of the distinguished gentleman from Texas [Mr. THOMAS], that the subsidies for fiscal year 1946 were only $19,730,000, and for 1957, 10 years later, even on the reduced basis proposed by the committee, the subsidies, including the language in the bill to spend the carryover, would be $29,369,000, or more than $9,500,000 higher than they were 10 years ago when the increase in subsidies spending prompted the above article.

To straighten out the record:

Referring to page 845 and page 846 of our hearings on the Civil Aeronautics Board's request for airline subsidies, I regret to say that the witness for the CAB, Mr. Mulligan, gave me a very evasive and misleading answer. My point is this: That 9 days after the House cut the total subsidy appropriation last year by $23 million and before the Holland amendment was passed by the Senate, the CAB issued, on June 2, 1955, CAB order E 9267 proposed to reduce the subsidy in the Latin American division of Pan American to $2,755,000.

It has frequently been brought out at this committee that there is a lot of business between the United States and Latin America, and it is odd that in such a profitable area subsidies should be required.

Some of us also feel that if the subsidies were raised above the House figure, as it subsequently was by the Holland amendment adopted by the Senate and almost entirely adopted in the conference committee, that then the CAB would find ways and means of forgetting about its own proposal in order E–9267 to make this reduction on Pan Am's Latin American division.

Our fears were entirely realized in that, given a larger appropriation by Congress than first appeared possible, the CAB subsequently issued another order which, instead of proposing a subsidy for Pan Am's Latin American division of only $2,755,000 in order E–9267 of June 2, 1955, then boosted that same subsidy to $6,396,000 in order E–9869 of December 22, 1955.

Right there is an increase of $3,600,000.

Mr. Mulligan, of the CAB, at the hearings kept ducking my question and stated:

> I am not aware of any cut based on an appropriation reduction.

Mr. Mulligan is appearing to hide behind a technicality. He is right. No cut was made by the CAB, but the CAB did issue a show-cause order to make such a cut 9 days after the House cut the total appropriation. Later, when the Holland amendment had increased the total subsidy appropriation, the CAB changed its mind and issued a new proposal for a subsidy for Pan Am's Latin American division $3,600,000 larger than they themselves had previously proposed.

Of course it might be the merest coincidence that after the total appropriation was cut they issued a show-cause order reducing the subsidy and that after the total subsidy was increased they issued another show-cause order increasing the subsidy, but I think we have all of us been around here long enough to understand what they have been doing and my definite impression is that the CAB knows where a good deal of fat is in this subsidy picture and when pushed by the Appropriations Committee has proposed, and will again propose, to cut it out. But, if we continue to be generous with the CAB they are naturally going to continue to be generous with the recipient airlines and I think the course of action for us to follow is to cut the subsidy, much deeper than we are now doing, and force some economies.

So in conclusion, while the Congress has made commendable reductions in the subsidy, having saved the taxpayers $34,600,000 over the last 2 years since subsidies were separated from mail pay, and has made some reduction this year. Congress has a chance to make still further progress, by taking the burden of paying Pan American's income tax of $9,310,000 off of the backs of the American taxpayers.

The Clerk read as follows:

> Vessel operations revolving fund: Hereafter the vessel operations revolving fund, created by the Third Supplemental Appropriation Act, 1951, shall be available for necessary expenses incurred, in connection with protection, preservation, maintenance, acquisition, or use of vessels involved in mortgage foreclosure or forfeiture proceedings instituted by the United States, including payment of prior claims and liens, expenses of sale, or other charges incident thereto; for necessary expenses incident to the redelivery and lay-up, in the United States, of ships now chartered under agreements which do not call for their return to the United States; for activation, repair and deactivation of merchant ships chartered under the jurisdiction of the Secretary of Commerce; and for payment of expenses of custody and husbanding of Government-owned ships other than those within reserve fleets: *Provided*, That not to exceed $5 million of the funds of the vessel operations revolving fund may be used during the fiscal year 1957 for the purposes set forth in this paragraph.

Mr. BONNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BONNER: On page 16, line 3, after "chartered", insert "for limited emergency purposes during the fiscal year 1957."

Mr. BONNER. Mr. Chairman, the language on page 16, line 5, "for activation, repair and deactivaton of merchant ships chartered under the jurisdiction of the Secretary of Commerce" is subject to a point of order. The Maritime Administration and various boards have been criticized from time to time. This language is subject to an interpretation which could open Pandora's box. It could cost this Government a lot of

[1] 1 C. A. A. 155 (June 7, 1939).
[2] 1 C. A. A. 752 (June 22, 1940).
[3] 2 C. A. B. 226 (Sept. 19, 1940). Under the Reorganization Act of 1939, the "Authority" was changed to the Board and the economic and regulation functions were put under the Board. The administrative functions of the Civil Aeronautics Act were continued in a separate agency—the Civil Aeronautics Administration (CAA).

money. It was the responsibility and duty of the Chairman of the Maritime Board to come to the Committee on Merchant Marine and Fisheries and bring this to their attention. That has not been done. From time to time, I have asked the Chairman of the Board to bring down his legislative programs in time so that the committee could take proper jurisdiction and bring out such legislation as might be necessary. I want to call your attention to a situation which could take place under this language. Certain ships that have been chartered are supposed to be returned to the fleet at the expense of the charterer. By this language, the question I raise is whether you are going to make not only the activation free of cost, but also the deactivation free of cost. I have discussed this matter with the chairman of this committee and it was first understood that this language would only be put in a deficiency bill covering only the remainder of the current fiscal year ending June 30, 1956, so that the Committee on Merchant Marine and Fisheries of the House could open hearings on this subject and bring in legislation which would provide the way that this should be done. Now, you come into this situation where I understand, and I know and I recognize, that a particular emergency does exist. It is a case, with all charity and fairness to the Committee on Appropriations, where this thing should not be done in this way. I am not going to press the point of order because I appreciate the situation which exists. But, my amendment provides that this provision shall only be operative during the coming fiscal year, 1957, and only in limited circumstances.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. PRESTON. I think the gentleman's amendment is in reality a safeguard and so far as I am concerned, I think it represents a fair compromise on the question which was discussed in general debate. It is perfectly agreeable to me to accept the gentleman's amendment.

Mr. BONNER. The interpretation of this amendment—and I want the administration to pay attention to this when this bill becomes a law—the interpretation of this amendment is for ships that can be classified as an emergency in this situation—not ships that are already chartered—not ships that may be chartered for a long-range program, but only ships that are chartered to meet a limited and specific emergency shall be activated and deactivated under the provisions of this language.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. MILLER of Maryland. I understand our distinguished chairman, the gentleman from Georgia, has indicated that he would accept this amendment. I am glad to say as far as this side of the aisle is concerned, we concur in that. I think the gentleman from North Carolina knows that this committee has attempted in every way possible to get out of the parliamentary wrangling as to points of order and what not that might be raised on this bill, and that we are in full accord with the chairman of the Committee on Merchant Marine and Fisheries to have that committee take full jurisdiction of the matters that are properly in its charge. So we are very glad to accept the amendment.

Mr. BONNER. I thank the gentleman for his contribution. I want the committee to know I have discussed this with the minority members of the Committee on Merchant Marine and Fisheries. They feel just as I do—Mr. ALLEN of California, Mr. TOLLEFSON, the gentleman on the floor, Mr. PELLY, and others of our committee. I again say that this is just another case where by legislating on an appropriation bill, it is going to weaken our activity in supervising the administration of the 1936 act.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do so to ask the chairman of the subcommittee a question. Is there any money whatever in this bill for the construction of a bridge between the States of Virginia and Maryland?

Mr. PRESTON. There are no funds in this bill whatsoever for that purpose.

Mr. GROSS. I thank the gentleman, and I yield back the remainder of my time.

Mr. BUDGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time in order to direct a question to some member of the committee. It is my understanding that in the Bureau of Public Roads orders have gone forward to transfer design engineers, who design roads throughout the national forests, from the areas in which they have been serving for a great many years, to areas which would be several hundred miles away from the forests where the designing work is to be done for these roads. I am wondering if there are any funds in this bill for the transfer of those design engineers, or whether the committee has approved of that order which has gone out.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. BUDGE. I yield to the distinguished gentleman from Ohio, a member of the committee.

Mr. BOW. Speaking for myself and from my recollection of the hearings, I know of no funds in this bill for moving the offices of the Forest Highways Section of the Bureau of Public Roads to which the gentleman refers. My understanding is that the headquarters are now in the heart of the areas served by the agency and I would see no reason for moving them at this time. May I ask the chairman of our subcommittee if I am right, that there are no funds in this bill for the removal of that function.

Mr. PRESTON. If the gentleman will yield, there was no discussion in the hearings on the matter which the gentleman has raised. I am unable to say what the Bureau of Public Roads is planning to do, but it was not brought to our attention.

Mr. BUDGE. I appreciate the responses of the gentleman from Ohio and the gentleman from Georgia. I hope the subcommittee will if possible stop any such move by the Bureau of Public Roads. It seems ridiculous to me to take those engineers away from the immediate area where the national forests are located and move them several hundred miles away from the forests in which they are to design the roads and highways. I would most strenuously oppose the appropriation of funds for such purpose as I also would the actual move itself.

Mr. PRESTON. Will the gentleman yield.

Mr. BUDGE. I yield to the distinguished chairman of the committee.

Mr. PRESTON. If the gentleman will furnish us with a memorandum on this subject, the committee will be glad to pursue it and obtain the desired information and perhaps the desired results which the gentleman is seeking.

Mr. BUDGE. I thank the gentleman.

Mr. ANDREWS. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ANDREWS. Mr. Chairman, last Monday the Supreme Court indefinitely postponed a ruling on the legality of the 1950 Communist registration law.

Yesterday the Subversive Activities Control Board suspended all pending cases because of the Supreme Court's action.

Justice Clark in a minority opinion stated that the Court disregarded its plain responsibility and duty to decide important constitutional questions, and, further, that the action of the Court was nothing more than a procedural maneuver designed to gain time before the Communist Party must register as a subversive organization.

Justice Department lawyers said they were astounded by the majority opinion. Some Justice Department lawyers, according to the Washington Post this morning, declared that last Monday's opinion may prove to be the most important Communist victory in the courts of the past decade.

Mr. Chairman, how much longer will this Congress continue to permit the Supreme Court to usurp the powers of Congress, write the laws of this land, destroy States rights, and protect the Communist Party?

The Clerk read as follows:

WEATHER BUREAU

Salaries and expenses: For expenses necessary for the Weather Bureau, including maintenance and operation of aircraft; purchase of three passenger motor vehicles for replacement only; not to exceed $25,000 for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and not to exceed $10,000 for maintenance of a printing office in the city of Washington, as authorized by law; $35,400,000: *Provided*, That during the current fiscal year, the maximum amount authorized under section 3 (a) of the act of June 2, 1948 (15 U. S. C. 327), for extra compensation to employees of other

Government agencies for taking and transmitting meteorological observations, shall be $5 per day; and the maximum base rate of pay authorized under section 3 (b) of said act, for employees conducting meteorological investigations in the Arctic region, shall be $6,500 per annum, except that not more than 5 of such employees at any one time may receive a base rate of $9,000 per annum, and such employees may be appointed without regard to the Classification Act of 1949, as amended.

Mr. FOGARTY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to inquire of the committee if there are any increases for the Weather Bureau this year in these appropriations?

Mr. PRESTON. I may say to the gentleman that there is an increase this year under the heading "Salaries and Expenses" of $1,250,000.

Under the heading "Establishment of meteorological facilities" there is an appropriation of $2,500,000 which, when added to the $7,500,000 that we appropriated for the fiscal year 1956, gives them a capital fund of $10 million.

Mr. FOGARTY. So we are increasing the appropriations for the overall work of that bureau.

Mr. PRESTON. If the gentleman will yield further, I will recall that it was the gentleman from Rhode Island who last year was responsible for a large increase in Weather Bureau appropriations.

Mr. FOGARTY. With the gentleman's help and the help of the rest of the committee; but I would like information as to this year's appropriations, because it has been brought to my attention that it would take another $2,400,000 to man about 1,000 more flash-flood centers in our country at the present time, and I was wondering if any discussion of this had come before the gentleman's committee during the hearings that were held on this bill.

Mr. PRESTON. There are funds in the bill that would provide for some research in this field, and we know that some is going on in the matter of flash-flood warnings at the present time.

Mr. FOGARTY. I understand there is a million for investigation in the field of flash floods and hurricanes.

Mr. PRESTON. Slightly over a million.

Mr. FOGARTY. Would it be possible to inquire when witnesses come before the gentleman's committee again as to how much it will take to see to it that all sections of our country are given the same forecast centers that other sections have at the present time, and what it would cost?

Mr. PRESTON. I may say to the gentleman from Rhode Island that, in view of his interest in this, the committee would welcome his appearance before our committee at the time of our next hearings and give us the benefit of his views in the matter of flash-flood warnings.

Mr. FOGARTY. If my distinguished friend from Georgia is in such a good mood today I would be glad to offer an amendment to place some money in this bill now.

Mr. PRESTON. I am not in that good a mood today. Last year the gentleman from Rhode Island got his amendment through. I am sure he does not intend to offer an amendment here today. May I say that we have doubled the appropriation for the Weather Bureau since 1947. There are very few agencies of the Government that have received such treatment. We have provided adequately for them when we gave them $9,400,000 more than they had in 1956. We do not want to kill these people with kindness.

Mr. FOGARTY. I appreciate what the committee has done, but I think most of that has been recommended by advisory committees. The committee in general has done a good job. As long as the gentleman is not in a position to accept an amendment at this time I will not offer one, but I do hope that by the time this bill is reported back to us from the Senate or by your committee a year hence, we will have all sections of the country that are vulnerable to flash floods which are causing loss of life, adequately covered in next year's appropriation even though it means another increase over what the Bureau of the Budget allows.

Major floods in New England and in California during the past year have taken a heavy toll of lives and inflicted severe property damage. Many lives could have been saved and some property damage prevented with better flood forecasts and warnings.

River forecast centers staffed with trained hydrologists and engineers were established a few years ago to serve the Susquehanna, Ohio, upper and middle Mississippi, Missouri, Arkansas, and Columbia River Basins. Similar centers were established during the past year at Hartford, Conn., to serve New England, and at Augusta, Ga., to serve the Southeastern States.

To complete coverage of the United States, additional river forecast centers are required for the lower Mississippi, the west Gulf States, California, the Great Lakes drainage, and the Colorado and Great Basins.

Flood forecasts for the major streams can be prepared in these centers, but time is not sufficient between rainfall and floodcrest to provide warning service to the flash-flood areas. With the help of radar now available, and with cooperation from those communities subject to flashfloods, a method of alerting can be developed which will make possible evacuation of people and, in some cases, movable property. Several communities on the smaller streams in southern New England are now being covered by a flash-flood warning service, but hundreds of other communities that are potential flash areas throughout the United States have not been covered.

The remainder of the country can be covered by river forecast centers and flash-flood warnings provided for over 1,000 communities for $2,400,000.

The Clerk read as follows:

Not to exceed $315,000 shall be available for administrative expenses which shall be computed on an accrual basis: *Provided*, That said funds shall be available for services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not to exceed $100 per day: *Provided further*, That the Corporation's funds shall be available for the purchase of not to exceed three passenger motor vehicles (two for replacement only).

Mr. ROOSEVELT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I note first that, as is probably true with many Members of the House, there have been on the part of small business concerns a good many complaints that they have not been able to receive the necessary attention in the field offices of the SBA, and in many instances their applications for loans were a waste of time and their efforts to get assistance in procurement matters were also a waste of time, not because the individuals in the field offices did not want to give them help but because they were just overburdened. Therefore, I would like to have the present situation clarified, and I would like to ask the chairman of the committee a question. In this particular instance there can be no question that the full amount of money requested by the SBA in order to perform their services to small business in the form of administrative expenses has actually been allocated to them. And, further, if I read the hearings correctly on page 916, bottom of the page where the gentleman from Georgia [Mr. PRESTON] asked the specific question whether funds could be allocated from the revolving fund for administrative expenses, the answer was in the affirmative. Therefore, there is absolutely no excuse for field offices not to be sufficiently staffed and if that is correct then the responsibility now rests upon the administration to fully satisfy the needs of small business. Am I correct?

Mr. PRESTON. The Congress, of course, reserves the right to say how much can be transferred from the revolving fund for administrative purposes. In the case of disaster loans they do transfer readily from the revolving fund for administrative purposes. That is necessary because of the suddenness with which these things happen. They are unexpected. But now with reference to the general administration of the loan program, Congress must say and must retain the right to say how much they can use for administrative purposes. If we did not do that, we feel this agency, as many other agencies would do, would use an unfair and disproportionate amount of the revolving fund for administrative purposes instead of for lending purposes.

Mr. ROOSEVELT. The full amount of money requested by the Small Business Administration was granted to it as approved by the Bureau of the Budget. Were there any intimations from the Small Business Administration that this was not an adequate amount to adequately do the job?

Mr. PRESTON. We were assured by the Administrator that this was an adequate amount, and we, for the first time, allowed them every penny they requested both for administrative purposes and for lending purposes.

Mr. ROOSEVELT. I thank the Chairman.

Mr. FLOOD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on this question of the Small Business Administration, I feel

some sense of obligation here. I have always severely criticized the Small Business Administration in the last few years. I know of instances before our committee when it was shown that they had used more money for administrative purposes than they had for making any loans over an entire stated period. But, now, fair is fair, and I say this, Mr. Chairman, certainly in this last year it is my opinion and it was the feeling of our committee that, give the devil his due, this Small Business Administration has improved immeasurably in the granting of loans and in the entire administration of its organization. I believe the feeling was almost unanimous in the House about the way the Small Business Administration rose to the emergency in the series of acts of God and the widespread disasters all over the Nation in the last year. Their efforts could not have been improved upon by any Government agency, and I feel I should say this word for many of my colleagues who benefited in their areas. My area was severely damaged; the areas of neighboring colleagues of mine were severely damaged in the mountains of Pennsylvania. These people did everything reasonable and possible to meet the circumstances with the proper expenditure of funds. I feel as well that under the general operation of granting of loans the whole atmosphere there has been changed. This man, Mr. Wendell Barnes, who is running the office down there now I believe is a sincerely dedicated man to this operation. Of course, all the people in my district that want loans are certainly not getting them, and I am very unhappy about that, but I do feel that nobody has criticized or beat this horse over the head longer or more severely than have I. However, I think they have seen the error of their ways. The legislative committee and the Committee on Banking and Currency have done a great job on both sides of the aisle to speed this up and to improve it, and certainly we have come a long way recently in the granting of loans and in the administration of this Small Business Administration.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from California.

Mr. ROOSEVELT. I think the gentleman will agree, however, if you have visited many of the field offices such as I did last summer, that in many of the field offices the burden on the staff in relation to what is coming in and going out is almost an impossible burden.

Mr. FLOOD. Let me say this. There is absolutely no question about that. For instance, in my area of Luzerne County, Pa., which is under the Philadelphia district office, that office has to rob Peter to pay Paul to send men up to assist my area. They just do not have the help. I am sure, from the gentleman's much greater experience than mine in the regional offices and the district offices they do not have sufficient personnel to meet this great increase in loans, especially under this new special loan program up to $15,000. You are quite right, and I want to help them get it. However, we did give them every penny they asked for and the people they asked for and I am sure they are trying to do a good job.

Mr. ROOSEVELT. I thank the gentleman, and I agree with him.

The Clerk concluded the reading of the bill.

Mr. PRESTON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HAYS of Arkansas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10899) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to, and that the bill as amended do pass.

Mr. PRESTON. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PRESTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

1956 FARM BILL

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 492 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956. After general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. SMITH of Virginia. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 37]

Allen, Calif.	Green, Oreg.	Matthews
Barden	Griffiths	Miller, Calif.
Bennett, Fla.	Gubser	Mollohan
Betts	Gwinn	Morrison
Blitch	Haley	Nelson
Bolton, Oliver P.	Herlong	O'Hara, Minn.
	Hillings	Passman
Bowler	Hoffman, Ill.	Powell
Boykin	Holifield	Prouty
Carlyle	Jenkins	Rains
Chatham	Jensen	Reed, N. Y.
Cole	Johnson, Calif.	Staggers
Dawson, Ill.	Jones, Ala.	Taylor
Deane	Kearns	Teague, Tex.
Donovan	Kelly, N. Y.	Vursell
Eberharter	Lane	Williams, N. Y.
Fisher	Lankford	Wilson, Calif.
Gamble	McDowell	Wolcott
Grant		

The SPEAKER. On this rollcall 376 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

1956 FARM BILL

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Oregon [Mr. ELLSWORTH], and at this time I yield myself such time as I may consume.

Mr. SMITH of Virginia. Mr. Speaker, House Resolution 492 makes in order the consideration of H. R. 10875, the 1956 farm bill.

The resolution provides for an open rule and 2 hours of debate on the bill.

The bill authorizes one billion two hundred million a year for the soil bank. A maximum of seven hundred and fifty million a year for the next 4 years is provided for payments to farmers to reduce the acreage of wheat, cotton, corn, peanuts, rice, tobacco, and feed grains. Also, a conservation reserve program is set up which is designed to remove acreage from crop production on a semipermanent basis. Under this program payments approximately equivalent to the rental value of the land would be made, with an annual limit of $450 million.

No provision is made for advance payments to farmers, and the compulsory features proposed in other soil-bank legislation were not included in this bill. Limits have been put on the amounts which can be spent on specific crops, thus assuring an equitable disposition of funds. Provision is made for the protection of tenants and sharecroppers.

Another feature presented for the first time is a program designed to bring stability to a deteriorating feed-grain situation by cutting down the acreage of feed grain and giving producers support prices of approximately 81 percent of parity, if they comply with the acreage reduction.

Title II contains provisions to deal with the disposal of surplus commodities including the processing of food commodities, authorization to pay ocean freight on surplus commodities donated abroad, authorization to the President to make agreements limiting imports, and authorization for studies by the Department of Agriculture to determine other means of disposing of surplus food.

Title III provides for marketing quotas and acreage allotments, and title IV contains provisions to encourage tree planting and reforestation in the States.

The committee reports comply with the Ramseyer rule, and I urge the adoption of House Resolution 492.

Mr. ELLSWORTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Virginia [Mr. SMITH] has explained the rule and the nature of the bill which the rule makes in order. I can only add that it is an open rule, it has no special provisions in it of any kind and, in my opinion, should be agreed to.

Mr. Speaker, I yield such time to the gentleman from New York [Mr. KEATING] as he may consume.

Mr. KEATING. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include an editorial comment on the entire farm problem.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. Speaker, I wish to insert in the body of the RECORD some interesting and pertinent editorial comment entitled "Farm Snare," by Lester Tanzer:

WASHINGTON.—Hardly a day passes now that some new episode isn't added to this city's most exciting, and often confusing, political drama. It's called: "The Democrats' Dilemma, or How to Seem to Help the Farmer Without Actually Doing So."

The curtain went up a fortnight ago when President Eisenhower vetoed the gimmick-laden farm bill. Ever since, the Democrats have been scrambling to make the most of what they figured should have been a politically demoralizing action for the GOP. But the party's strategists, usually adept at politicking, have pulled one tactical boner after another until the advantage that once seemed theirs has slipped away.

After discarding a succession of plans, the Democrats look like they've settled finally on their strategy. This week they pushed through the House Agriculture Committee, a bill built around the soil-bank program for paying farmers not to grow surplus crops. The proposed measure also includes all the features of the vetoed farm bill which the President didn't specifically object to.

"But the Democrats carefully removed from the soil-bank plan the payment-in-advance feature Mr. Eisenhower recommended as a way of advancing $500 million to farmers early this fall for simply signing a contract to take part in the scheme. "By God," a leading Democratic Senator was heard to exclaim the other day, "they'll mail out money to farmers before election day over my dead body."

DEMOCRATIC MANEUVERS

The Democrats' strategy, quite patently, is to pass a bill that will bring little immediate aid for farmers; the soil bank, stripped of the prepayment provision, would do little good until next year. That way, a party chieftain privately admits, "the Republicans won't be able to say we blocked farm legislation this year. And there won't be enough aid paid out before November to help the Republicans with the farm voters."

But whatever the outcome of the Democrats' latest maneuver, it's clear they are in a political box right now. To understand just how the Democrats have gone about snatching defeat from the jaws of victory, in Washington at least, consider the background and the earlier episodes of the drama:

Ever since the farm fight began back in January, the Democrats had been pointing toward a Presidential veto. Forcing Mr. Eisenhower to reject a bill that might have brought some fast relief for growers, party leaders reckoned, would sew up the farm vote they thought was moving their way anyhow.

With the aid of farm-State Republicans, the Democrats nursed high price-support bills through the Senate, a House-Senate conference committee, and then through both Houses the last time around. When Mr. Eisenhower vetoed the measure, as expected, the Democrats were jubiliant.

But when the smoke cleared, the Democrats' position wasn't as strong as it first seemed. Mr. Eisenhower's nationwide broadcast in explanation of the veto took much of the edge off his action. In his message he announced the administration, on its own, was boosting price supports on major crops. And the Chief Executive also unveiled the advance-payments plan, concocted at the last minute by his politically astute White House advisers.

Then the Democrats pulled a boner when they tried to override the veto in the House, which originally voted for the farm bill by 237 to 181. Democratic leaders conceded they couldn't muster the necessary two-thirds vote to pass the bill over the President's veto but they figured a decisive majority vote would embarrass the administration even more.

MAJOR MISCALCULATION

But the Democrats miscalculated. Farm area Republicans, impressed by the aid Mr. Eisenhower offered farmers in his veto message, stayed in the fold. Big-city Democrats, aware of the overwhelming approval with which urban folks greeted Mr. Eisenhower's broadcast, sided with the administration. Result: The Democrats couldn't even raise a simple majority, losing 211 to 202.

GOP leaders quickly moved to keep the Democrats on the defensive by introducing the soil-bank program again, this time with the President's advance-payments scheme. Phone calls from the White House went out to Republicans who had bolted the administration to make sure they lined up behind the soil-bank scheme.

The Democrats countered by contending the President could have set up a soil-bank plan under existing legislation—that all he needed was the money. The idea was to make it seem that the Republicans, not the Democrats, were delaying the soil bank. To dramatize this argument, the Democrats in the House Appropriations Committee quickly voted $1.2 billion for Agriculture Secretary Benson. Of course, if Mr. Benson couldn't legally spend this money to help the farmer, as the farm chief claimed, that was all to the good, thought the Democratic strategists.

But the vote in the Appropriations Committee backfired. House Republicans promptly moved to tie specific authority to set up a soil bank to the new spending money voted Mr. Benson. Sensing defeat, the Democrats dropped their efforts in the Appropriations Committee and cast about for more direct legislation.

DITCHED SCHEME

First the Democrats proposed combining the soil-bank plan, without the advance-payments feature, with a sort of Brannan plan. Uncle Sam, according to this scheme, would pay the farmers direct handouts covering the difference between the going support rate and 90 percent of parity. But it soon became obvious to Democratic leaders they couldn't get enough Republicans to go along to pass such a bill.

So the Brannan plan cash payments came out. In its place entered a host of minor provisions first included in the vetoed farm measure that would do farmers little good right away but which might let the Democrats claim the new catchall as their bill. This is the position the Democrats are now assuming.

Whether the Democrats will be able to push their bill all the way through Congress without surrendering to Republican demands for prepayments under the soil bank is open to question.

What's certain, though, is the political jockeying for position on farm legislation is likely to go on clear through summer and into the fall. In fact, it may not be until next November 6 before the final curtain comes down on the Democrats' dilemma.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Speaker, I said from the Well of this House on three other occasions within the last month that I have been supporting the soil-bank plan for over 3 years. I have been supporting it because it means a great deal to agriculture and especially to the areas which have price-supported crops.

May I say to those who are not familiar with the terms of the soil-bank plan that it provides the first method I have ever seen in this House of reducing acreage and thereby reducing supply, without in fact, reducing the farmer's income.

It is true this plan will not increase the farmer's income per acre over what he would have received had he planted a crop. But we can say that the soil-bank plan will not reduce his income. What is most important now is that farm income per acre does not continue to slide. That is feature No. 1 of the soil-bank plan.

Feature No. 2, and far more important, is the fact that within a 2- or 3-year period we should be able to bring supply somewhere in balance with demand, if this program is properly administered. Now, why is this second point so important to just the average corn farmer? For this reason. When supply is reduced, almost automatically the demand goes up and the price of corn rises in the open market place. The effect of the soil-bank plan by raising the price for the farmer in the open market place is the best long-run result I can think of. When the farmer gets a fair price in the market place, all other problems seem to disappear.

The soil bank has this third feature: We have been paying subsidies over a long period of time. The soil-bank plan, by reducing acreage and supply, offers the first opportunity for the farmer to get away from the subsidy and parity payment. When his price rises to a fair

figure, whether he comes under the acreage program and complies or not, it means that he will be able to sell his produce to the consumer. It will not be necessary for the Government to take it, store it and to pay the farmer for it.

Mr. Speaker, for these three reasons this bill ought to pass. First, it will reduce acreage. Secondly, it will eventually increase the price to the farmer in the open market place as the program becomes effective. In the third place, it will mean a definite reduction eventually in the payments from the Government Treasury to the farmer himself. All of these are good reasons why we should have a soil-bank plan enacted into law in 1956.

Had we had a soil-bank plan in 1955 and had it been put into effect in 1955, my prediction is that we would not be here arguing for some of the legislation which we have already voted on this spring. In my estimation, this is constructive legislation recognized by every farm expert and economist as in the best interests of long-term agriculture.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Pennsylvania.

Mr. FULTON. On page 2 of the committee report there is the statement that none of the provisions contained in this bill were assigned by the President as reasons for the veto. I have had inquiry whether that is true. Is that correct?

Mr. POAGE. Mr. Speaker, if the gentleman will yield, I do not have the veto message before me, but I remember no provision which he assigned as a reason for vetoing the bill, which is contained in this bill we have before us today.

Mr. SPRINGER. If I understand the gentleman, this is practically the same portion for the soil bank plan that was within the old bill.

Mr. FULTON. I want to make sure of that point.

Mr. POAGE. I can say to the gentleman it is not practically the same; it is word for word the same, and there is absolutely no word changed in this soil bank title of the bill.

Mr. FULTON. But there is no provision in this bill to which the President objects, is the point I want to nail down.

Mr. SPRINGER. I am not sure about that point but I believe there is no major objection.

Mr. POAGE. I am sure you know more about what the President wants than I do but he did not state in his veto message that he objected to any provision we have carried in this bill.

Mr. ELLSWORTH. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN].

Mr. AUGUST H. ANDRESEN. Mr. Speaker, this bill, as I understand it—and I have tried to study it—contains the same language that we had in the conference report, but has had removed those features of the bill that were objected to by the President. Title 101 was stricken from the bill. That had to do with 90 percent rigid supports. Personally, while I voted for the conference report, I have long felt that neither rigid nor flexible supports are the answer to a solution of the farm problem. I might say further that the soil bank which I favored is a measure which, if it works, will actually help remove the surpluses in this country. I should like to see a separate vote on the soil bank because I feel that is the important thing that the President wants to put in operation here, leaving out even the other features of the bill, most of which are good and most of which I favor. Whether we will have that chance or not I do not know at this time. But let me remove any doubt that some may have here about there being new language in this bill because it is my understanding that this measure, which has been studied, contains the identical language, and the unobjectionable features of the identical language in the conference report on which we spent nearly 2 weeks, and which was debated both in the House and in the Senate.

There should not be much debate on this bill, because we have considered it for so long. We ought to pass the rule very quickly and get into the general debate and then consider such amendments as may be offered. I do not favor many of them, if any. But we should pass this bill and get it over to the Senate so that the program may go into operation this year, 1956, so it can at least begin operating to take care of the fall-sown crops, the winter wheat and the other winter grains. It will probably be too late to take care of corn.

The minority members of the committee, together with the majority, have devoted a great deal of time since the veto message, to the drafting of a satisfactory bill. I voted to sustain the veto because I do not want the farm problem thrown into politics. Farm legislation should not be a political issue. It is a decided political issue throughout the Midwest. If I could do anything to take farm legislation out of politics, I would do it by the passage of this proposed legislation. We in Congress here should be big enough to treat this on a strictly economic basis rather than a political one. Farmers no doubt have suffered in many parts of the country, particularly in my section where farm income and farm prices have dropped 25 percent or more. Our farmers do not like it when they see wages in industry going up by leaps and bounds and the cost of everything going up. They are wondering what is happening in this country.

Mr. LOVRE. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from South Dakota.

Mr. LOVRE. Mr. Speaker, I want to commend the gentleman for the statement he has made. Certainly this is strictly an economic and not a political problem. May I ask the gentleman, is it not true that every member of the House Committee on Agriculture will say that it is an economic problem and should not become a political problem in any sense of the word?

Mr. AUGUST H. ANDRESEN. In the years I have been a member of the committee, and they are a few, we have always tried to consider farm legislation as a nonpolitical question. That is the way it should be.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield to the gentleman from Pennsylvania.

Mr. FULTON. If the major purpose of this bill is to reduce acreage, why is the corn acreage increased 9 million acres this year to 51 million acres?

Mr. AUGUST H. ANDRESEN. If the gentleman will read further in the bill he will find that at least 15 percent of that corn acreage goes into the soil bank.

Mr. FULTON. So that actually if it is 15 percent they must reduce it about 7 million to 7,500,000 acres? That is a net increase of about 1,500,000 to 2 million acres in corn acreage.

Mr. AUGUST H. ANDRESEN. The corn-acreage allotment for this year was so low that in many instances if the farmers want to comply they cannot raise enough corn to feed their livestock on the farms. I think that is a good feature of the bill.

Mr. FULTON. Will this bill result in an increase of prices to the farmers who will be buying feed in the East?

Mr. AUGUST H. ANDRESEN. If it does increase his price, I do not think it will materially. But in the gentleman's area there has already been a 45- to 50-cents-per-hundred-pounds increase on the price of milk to the producers at a time when there is a flush season in milk production.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. POAGE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10875, with Mr. PRIEST in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. COOLEY. Mr. Chairman, I yield myself 20 minutes.

Mr. Chairman, I shall not attempt to discuss the history of the bill that is now being presented. I assume that almost every Member of this House is entirely familiar with what has transpired up until this day.

We have moved along right rapidly since the veto of H. R. 12. The bill before you was introduced last Friday. The Committee on Agriculture, by a unanimous vote, reported the bill on Monday. On Tuesday we obtained the rule. On Wednesday, today, the bill is being debated, and tomorrow the votes will be taken.

It has not been the purpose of the House Committee on Agriculture to delay farm legislation even for an hour. I do feel justified in reminding you, who, in turn, might like to remind your constituents, that H. R. 12 was introduced on January 5, 1955, and was considered and passed by this House more than a year ago. Certainly no Member of the House

can be blamed for having delayed consideration of farm legislation. While I am not willing to capitulate, nor am I willing to abandon my firm belief in the 90-percent price-support program for basic agricultural commodities when such commodities are under acreage allotments and marketing quotas, I think the time has come when all of us must be realistic. We know that the President, in the exercise of the powers of his high office, vetoed H. R. 12, which had passed this House and the other body by a substantial majority. I do not suppose any of us would be justified in criticizing the Chief Executive of this great Republic. I understand in addition to the veto of H. R. 12, the President has vetoed bills numbering about 61. I have no desire to impugn his motives.

I am perfectly willing to believe the President followed the promptings of his own heart. But, I cannot help believing that he was not well advised in exercising the veto power. Realizing, as our committee did, that the President had objected to several important provisions in H. R. 12—one, the price-support provision, another, the dual-parity part of it, the domestic parity for wheat and the two-price system for rice.

I think those are the four important provisions on which the President based his veto message. The price-support provision plus the dual-parity provision would have meant more than $1¼ billion to the farmers of America. But that went out with the veto. The President did have something further to say about the section dealing with corn and small grains. But I do not believe that that was of major concern to him.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HALLECK. I had understood that there was a fourth matter which the President objected to in the veto message by specific message, and that was the matter of the inclusion of feed grains.

Mr. COOLEY. I did mention that.

Mr. HALLECK. I did not understand the gentleman to list that in his statement.

Mr. COOLEY. I did mention that just before I yielded to the gentleman. I said he had some comments on feed grains but I do not believe that that was of major importance.

Mr. HALLECK. I would like to ask one further question. Certainly, the report contains this statement through some error of inadvertence. The report says that not one of the provisions contained in this bill were assigned by the President as a reason for the veto.

Mr. COOLEY. That might be slightly in error because while the President had some objections to the corn provisions, and I am sure there are Members of the House who have some misgivings about that provision, we eliminated all of the provisions to which the President objected except the one the gentleman has just mentioned. We are bringing you a bill here now which was taken bodily from the conference report. It is not Mr. Benson's bill—not by any means. It is the bill which was written here in this Capitol by 5 Senators and by 5 Congressmen. The bill before you now has passed this House and has passed the other body.

Except for the one item which was mentioned by the gentleman from Indiana, it has not met with the President's disapproval. This bill contains many things of great value.

As I pointed out, when we were considering H. R. 12, there are many provisions here in addition to the soil bank. We are giving to the President the soil bank of the type he recommended. It is entirely voluntary. If the President wants the soil bank, here is an opportunity for him to have it.

I shall not enumerate the other 12 or 14 very valuable sections, but I do want to say that in one section we give the President $500 million to add to section 32 funds. In another section we increase to $500 million the amount the President may use under title II of Public Law 480. We give him a bipartisan board, which we hope will be composed of five experts, to study and develop new industrial uses for agricultural commodities. We have authorized the processing of grain for domestic relief distribution and the paying of ocean freight on surpluses sent to relieve distress abroad. We have tightened the control programs with an increase in the penalty on peanut quota violations, and other provisions which we think are very much worth while.

One provision I particularly want to mention, and that is the section which authorizes the President to negotiate agreements looking toward limiting the textile imports into our market. There was a gentleman here from Japan who wanted to reach an agreement with some official of our Government by the terms of which Japanese textile imports into the United States would be limited. The man stayed around here for weeks and weeks, and no official of the executive branch of the Government would even confer with him. We did not want him to go home and report to the Japanese people that he had visited Washington and had not been received by any official who was willing to even sit down and discuss this very important and disturbing problem with him. This man represented all of the cotton textile spinners of Japan.

So in this bill we authorized the President to negotiate with this man, and perhaps with others, regarding the imports into our market. I think that is an important section. When the President receives this bill he can direct someone in the State Department to sit down with this man and discuss the problems which are vital to the economies of both great countries. Japan is our best cotton customer. Of course Japan must earn some money in our markets if Japan is going to continue to consume cotton that is grown on our farms.

There are many other good things in this bill. The feed grain provision—while it may need some adjustment—is an important first step toward the solution of an increasingly serious problem. The provision permitting a farmer not to plant his allotted acreage and still receive "history" for it will help the surplus situation.

We bring you a bill in good faith, believing that this is the very best bill that could possibly be presented to the House at this time.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. May I just go into one question I would like to propound to you?

Mr. COOLEY. Yes.

Mr. H. CARL ANDERSEN. First, may I say that I wish to congratulate the Committee on Agriculture on the splendid job it has done in presenting this bill to us. As I understand, the bill itself is subject to amendment, is it not?

Mr. COOLEY. It is.

Mr. H. CARL ANDERSEN. Preceding speakers have very aptly pointed out that this bill before us is designed to meet an economic need of agriculture—not for any political purpose. I cannot place too much emphasis on that term "economic," for we are here today discussing a soil-bank bill specifically designed to overcome in large measure the economic problem in agriculture without which there would be no need for this legislation.

Let us not in the heat of debate or in our enthusiasm for this proposal lose sight of the basic objective of this bill, and that is to take productive land out of surplus production and retire it to a conservation status. Perhaps too much has been said about the amount of payments farmers would receive for their participation, which would lead some to believe that such payments were the primary purpose of the legislation. Let me remind you that the payments are merely the vehicle, so to speak, on which we hope to arrive at the greater objective which is better balance between production and consumption.

I believe we are all agreed that this better balance between production and consumption we seek to attain through the operation of a soil-bank program is an absolutely essential element to a prosperous economy in American agriculture. We seek by this bill to authorize the appropriation of a billion dollars or more to the Secretary of Agriculture and to give him broad authority to use that money for the reimbursement of farmers participating in the soil-bank program. We say that he shall set payment rates high enough and take such other steps as may be necessary to encourage participation in the program, and we say in debate that we want the maximum productive acreage brought into the program as quickly as possible.

It has been said repeatedly that this program is not compulsory and that everything has been done to facilitate participation. But I would point out to the gentleman and to the Committee that there is one little section, innocuous in appearance, which, if left in the bill, will tend to defeat its very purpose in the major corn-producing areas of the Nation. I refer to the provision in section 214 which provides that—

No person shall be eligible for payments or compensation under this title with re-

spect to any farm for any year in which * * * or (3) the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn.

I should remind the gentleman that last year only about one-half of the farmers in the commercial corn area stayed within their corn allotments. Now, a situation has arisen as a result of the announcement by the Secretary of Agriculture that such corn produced by noncooperators in the commercial corn area will be supported this year at $1.25 per bushel. In other words, the Secretary has advised our corn farmers in my district and throughout the commercial corn area that they may produce all the corn they like and it will be supported at the $1.25 per bushel rate. That means that cooperation or compliance with corn allotments will surely fall away to almost nothing.

Had I known, may I say to the gentleman from North Carolina, that this situation existed at the time that I introduced a companion bill, as I did on April 16, I certainly would have insisted on keeping out of the bill that subsection (3) of section 214.

I believe, and from the debate here today and previous discussions with members of the Committee on Agriculture I am sure you share that belief, that under the general terms of a soil bank we do not want to throw any impediments in the way of any farmer or any great number of farmers to prevent them from coming in on this great program.

I am not criticizing the Secretary of Agriculture for announcing this support rate on noncompliance corn, as it will mean millions of badly needed income dollars in my district. However, I must point out that the combination of the two will most certainly defeat the soil bank and its objectives in our area.

As we have agreed earlier, this problem is economic and the economics of this particular situation are such as to compel our corn farmers to stay out. As a result, we will proceed to a considerable expansion of our corn acreage and will not be permitted under the terms of this bill as now written to put any of our acreage in the acreage reserve.

Literally hundreds of thousands of farmers in the most productive section of this Nation are involved. Their farm lands comprise the very acreage we seek and we hope to retire from production under this legislation.

You recognize under the section questioned by the gentleman from Indiana the interrelationship between corn and other feed grains. You know that farmers in other sections of the country who place part of their corn or other feed grain acreage in the soil bank will be denied the full benefit of such action on the market by our failure to do likewise. At best, we will only maintain status quo on total feed grain production and we might end up with increases. What we seek is a decrease to bring production and consumption more nearly into balance for a better market condition.

From a dollar and cents standpoint, we simply cannot afford to comply with even the increased corn base under the terms of this bill in order to become eligible for the soil bank. I say to you, that we cannot economically benefit in any measure from such action and actually our farmers would suffer sizable income losses if they did so. The result will be, as I have said, that the very land you seek to place in conservation reserve will by this minor technicality in the bill be kept in full production.

The provision I refer to tends to defeat the very fundamental objectives of the bill. I intend to offer an amendment tomorrow to strike subsection (3) of section 214 from the bill.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. Certainly.

Mr. COOLEY. I just want to say to the gentleman that that is about the only controversial section in this bill. I do not know of anybody who could possibly have worked any more diligently or more faithfully on that section than the gentleman from Texas [Mr. POAGE], who stayed here throughout the entire Easter recess working morning, afternoon, and night with Congressmen from the corn-growing area in an effort to work out a satisfactory provision. It seems to me it would be a good idea for the gentleman to confer with the gentleman from Texas [Mr. POAGE], and other members of our committee from the great Corn Belt; and certainly it is my purpose to accept any amendment that Mr. POAGE and his subcommittee recommend. But we have to bring it to the House as it is, because we could not bring it here otherwise.

Mr. H. CARL ANDERSEN. May I say to the gentleman from North Carolina that I think he has done the right thing writing the bill as he has, lifting it out of the conference report in so many aspects, because the contents of this bill have been gone over so thoroughly by both the House and the Senate. I think you have done a splendid thing in doing so. This situation, however, that I bring up now has occurred since H. R. 12 was debated on the floor and I sincerely believe if we permit this subsection to stay in there will be very little compliance in the huge Corn Belt with the soil-bank provision. That would be regrettable. I appreciate the gentleman's letting me have this time, but I do not want to see our Minnesota farmers prevented from putting land in the soil bank because of this section 3 of the bill. I would appreciate if the gentleman from Texas [Mr. POAGE] would give consideration to that.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Texas.

Mr. POAGE. In connection with corn, in order to be eligible for the $1.50 price support you would have to put in 15 percent of any cropland. You do not have to use corn land to reduce your total crop acreage by 15 percent to be eligible. The Nation has a base under the terms of this bill of 51 million acres for corn, whereas under the Presidential announcement on which he predicated support of unlimited corn production at $1.25, he did that on the theory—I do not agree with the theory, but certainly he did it on the theory—that without this bill you would have a 43-million-acre national base for corn, or some 8 million acres less than you would have under the terms of this bill. The President unquestionably felt with that small base he would find relatively few corn producers complying with the base. But we raised the base in this bill by 8 million acres.

Mr. H. CARL ANDERSEN. That will not do the job anyhow in my area nor throughout the commercial corn area. Read the language, please, under subsection 3. It definitely excepts from receiving any money out of title I of this act any farmer who overproduces his quota allowance or his farm acreage allowance.

Mr. POAGE. The quota allotments are going to be substantially larger than if we do not pass the bill. The important part is if we do not pass this bill, the quota allotments will be only 43 million acres. If we do pass this bill, the quota allotments will be 51 million acres, and each individual is going to gain in the same proportion. It is a tremendous difference because corn has never taken a substantial cut, and even under the 51 million acres, allotment corn is not taking a cut comparable to other crops we have in here. Cotton, for instance, has a cut of more than 36 percent, peanuts have taken a cut of more than 52 percent, but corn is taking, even under the terms of this bill, a cut of about 4 million acres out of 55 million acres.

Mr. H. CARL ANDERSEN. I will discuss that with the gentleman personally later.

Mr. COOLEY. I hope you gentlemen will get together, and if you can offer anything better than we have in the bill, I certainly would have no objection to having it considered.

Mr. HOPE. Mr. Chairman, I yield myself 25 minutes.

Mr. Chairman, I feel it is not necessary to take a great deal of time to discuss this measure, for the reasons that the distinguished chairman of this committee has already given. There is nothing in this bill which was not contained in the bill which came to us in the form of a conference report on H. R. 12. It has been pretty well considered and pretty well explained, and I sincerely hope that the House will accept this measure which has been approved by the Committee on Agriculture and which is, let us say, at least 95 percent non-controversial.

This bill contains everything which was contained in the conference report on H. R. 12 except title I and title V. Title V contains the so-called two-price system for wheat and rice. Those were controversial questions. We left them out. Title I contained the provision relating to 90 percent price supports and dual parity and some milk provisions. These were controversial, and we left them out.

Now, there remains in the bill as it has been reported one provision that was objected to by the President in the veto message. It was not, in my opinion, considered as a major objection, but it was referred to, and that was the provision relating to mandatory price supports on feed grains.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. Can the gentleman advise us as to the provisions in the bill that affect shade-grown tobacco? Will the growers of shade-grown tobacco be allowed to participate in the soil bank?

Mr. HOPE. I am not enough of a tobacco expert to know whether shade-grown tobacco is included in the tobacco provisions of the soil bank or not. I would like to have the gentleman from North Carolina answer that.

Mr. SEELY-BROWN. Will the gentleman advise me as to whether the growers of shade-grown tobacco will be able to participate in the soil bank.

Mr. COOLEY. In the first place, I doubt whether the producers of shade-grown tobacco would be interested in the soil bank at all. I do not think any of my burley producers or flue-cured producers or others would be interested in it except in very rare instances where they have very small acreage and they might turn some of it in. But, the shade-grown people I do not suppose would be interested in this. They have never been interested in any soil bank program. I think they will not be attracted to it, and I do not think any of my producers will be attracted to it.

Mr. HOPE. Let me say further, that the shade-grown tobacco producer could undoubtedly come in under the provisions of the conservation reserve, but I would not anticipate he would want to do so, because the payment he would receive under the conservation reserve is small as compared to the amount he receives per acre of tobacco and would offer no inducement.

I do not see shade-grown tobacco in the acreage reserve provision unless it is represented by some type number that I do not identify. Does the gentleman know what numbered type of tobacco refers to shade grown?

Mr. SEELY-BROWN. I wanted to go into the matter, but I will bring it up tomorrow under the 5-minute rule.

Mr. HOPE. If the gentleman will refer to section 103 of the bill, he can see the types of tobacco listed and can ascertain whether shade grown is included in those provisions. I doubt very much, however, if the gentleman's tobacco producers, with such a high return per acre on shade-grown tobacco, would want to come in under the program.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Massachusetts.

Mr. HESELTON. It so happens that I have a considerable amount of shade-grown tobacco in my area, and it is a fact that because of the development of this homogenized wrapping tobacco they have undertaken a program of voluntary cutback which is very substantial. I am not aware of what their position may be, but I hope it will be possible for the chairman of the committee and the gentleman to advise us tomorrow as to what the committee's intentions are with reference to that particular crop.

Mr. HOPE. I should be very happy to comply with the gentleman's request and I am sure the distinguished chairman of the committee also will be happy to do so.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield, I did not hear the request.

Mr. HOPE. The gentleman's request, as I understood it, was that he would like to be advised whether shade-grown tobacco is included in the types of tobacco which are listed in the bill.

Mr. COOLEY. I am quite positive it is not. I do not believe that shade producers would be at all interested in it because it is a very expensive crop and the limited fixed in the bill would not indicate that it would be applicable to shade-grown tobacco because under no circumstances could they pay more than $300 an acre.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. It is my understanding that they may well feel the effect of this homogenized tobacco product. The effect it will have on shade-grown tobacco will be felt and the producers of this tobacco may wish to be included in the soil bank.

Mr. COOLEY. I shall try to get accurate information on that in a few minutes for the gentleman.

Mr. AVERY. Mr. Chairman, would the gentleman yield?

Mr. HOPE. I yield to the gentleman.

Mr. AVERY. I wonder if my colleague would refer to page 7 of the committee report, section 120. There seems to be a misprint there when it refers to the authorization of funds of the Commodity Credit Corporation to carry out provisions of the soil bank and provides that after June 30, 1947, such funds may not be expended unless authorized by Congress. This might be important if it remained in the committee report and were taken as an interpretation of the intent of the committee.

Mr. HOPE. That undoubtedly is a typographical error. I had not noticed it.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman.

Mr. BUDGE. I am wondering if there are any limitations in this proposed legislation on the amount which may be paid for specific acreages. I am thinking offhand of irrigated acreages where the cost to the farmer of retiring them from production would be much greater than the cost would be in non-irrigated areas. Is there any limitation on the amount which the Department may pay to the farmer per acre?

Mr. HOPE. There are overall limitations as to amounts that may be spent for the various commodities. The legislation itself does not establish any maximum payments per acre. If the gentleman will look in the appendix to the conference report on H. R. 12 he will note there a statement furnished by the Department in which is stated maximum and minimum amounts that may be paid in the case of individual commodities. I would suggest that the gentleman examine the original conference report which contains the maximum and minimum amounts that may be paid in the case of any commodity.

For instance, in the case of cotton it is estimated that the amount that might be paid per acre would run from $48, to $60; in the case of wheat it would run from $18 to $25; in the case of corn from $36 to $50; in the case of other feed grains from $15 to $50; in the case of rice from $60 to $75; in the case of peanuts from $50 to $70, and in the case of tobacco from $100 to $300.

Those are estimates pure and simple. They are not final in any way but they are the best estimates the Department could compile at the time the conference report was filed.

Mr. BUDGE. Mr. Chairman, will the gentleman yield further?

Mr. HOPE. I yield to the gentleman.

Mr. BUDGE. Would it be proper to assume that if the Department in its discretion determined that a figure higher than the approximate cost per acre to which the gentleman from Kansas has referred in the conference report were necessary to retire acreages it could do so within the total limits on the amounts to be spent under each program? Could the Department fix that higher cost per acre?

Mr. HOPE. There is nothing in the bill and nothing in the report which would in any way inhibit the Department from making higher payments. I think we all have to keep in mind that this is a new program. The immediate purpose, of course, is to take land out of the production of surplus commodities, under both the acreage reserve and the conservation reserve. The long-range purpose is to further conserve our agricultural resources.

I think it is going to be something in the way of a trial-and-error process. Careful studies will have to be made before the Department determines just what payments will retire the amount of land it is hoped to retire. That will have to be determined by surveys made among the producers of the commodity. It will be determined somewhat by whether or not alternative uses can be made of the land. It is something that I do not believe can be fully determined down here in the Department of Agriculture; it will have to be determined out in the field to a certain extent. But I am sure that the Department is very anxious to have this program succeed and that it will offer what amounts may be necessary to secure substantial reductions.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Illinois.

Mr. YATES. Is there any limitation in the bill on the amount of money that may be paid to any individual landowner?

Mr. HOPE. No, there is not. I am glad the gentleman asked that question. I will say that there were some limitations in the Senate bill but in the conference the committee eliminated that language, for the reason that under the general purpose of this legislation it is hoped to retire a considerable amount of land. It was felt that putting any limi-

tations on payments might thwart this purpose.

We know that many small farmers feel that they cannot take any of their acreage out of production. They feel that it is necessary for them to retain the acreage they have to obtain the fullest use of their equipment. So I anticipate that if we get substantial reductions a good deal will have to come from the larger farms. If we put a limitation upon the amount that may be paid, we are going to prevent these reductions on the larger farms and to that extent we will limit the success of the legislation.

Mr. LOVRE. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from South Dakota.

Mr. LOVRE. I wanted to make this clear: Are the contracts that will be entered into under the soil bank program negotiable or assignable? In other words, can a producer go to a bank and make a loan and put up this contract as collateral?

Mr. HOPE. Yes the language of the bill in section 105 on page 10 specifically provides for this procedure.

Mr. POAGE. Certainly.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. HOPE. Mr. Chairman, I yield myself 5 additional minutes.

Mr. LOVRE. The reason I asked that question is that we are encountering a little trouble with wool certificates. We had a great deal of trouble determining whether or not they were assignable.

Mr. HOPE. I do not recall the language in the wool legislation. Does the gentleman recall the language in the wool bill?

Mr. LOVRE. No; I do not.

Mr. HOPE. I do not recall the language in the wool bill as to whether it was similar or not.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. JONAS. All compulsory features have been eliminated and there are none in this proposed legislation?

Mr. HOPE. There are no compulsory features in the legislation except the provisions with respect to corn and feed grains. In that case, the farmer in order to secure the benefits of the soil bank must stay within his acreage allotments.

Mr. JONAS. I have a lot of small cotton farmers in my district. I do not think many of them will be able to afford to put much acreage in the soil bank at the amount of return estimated. Would it be correct to assume that they might expect some benefits from this program, however, at the time that they get rid of the surpluses and in anticipating an increase in the price in the market place for their cotton?

Mr. HOPE. Yes; I am glad the gentleman asked that question. It is a point I meant to cover, but I might not have done so if the gentleman had not asked the question. That, I think, is the principal benefit which will flow from this legislation. There will be a great many farmers, both large and small, and I think more particularly the small farmers, who will not feel that they are able to come into the program. But, if we can secure an adequate reduction in acreage and production under this legislation, we will achieve in time a balance between production and consumption which will redound to the benefit of every farmer in the country whether he actually comes in the soil bank or not or finds himself unable to do so. That is the purpose of the legislation—not primarily to make payments to the farmers—that is necessary in order to get the reduction, but the fundamental immediate purpose is to achieve a balance between production and consumption so that we can get rid of these surpluses. Until we are able to eliminate the surpluses we are not going to have a healthy agricultural situation in this country.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. REES of Kansas. The gentleman has explained that all this soil bank thing is optional on the part of the farmers. He can take it or not.

Mr. HOPE. With the exception of corn and feed grains.

Mr. REES of Kansas. Yes, except for that. I would like to ask the gentleman this question. In respect to the present Executive order as compared with this legislation, is not the corn farmer better off under the present Executive order whereby he gets $1.25 per bushel on all the corn that he wants to grow than he is under this bill?

Mr. HOPE. I think that is a question which every corn producer will have to decide for himself. I am expecting that most corn farmers probably will take that view of the matter.

Mr. REES of Kansas. So that there will not be very much curtailment in the production of corn?

Mr. HOPE. It is my impression that with this price support of $1.25 per bushel without requiring any adjustment of acreage, will largely nullify any benefits this year from a soil bank, as far as corn is concerned. But we have to consider that the legislation comes along at so late a date that there probably would not be an opportunity for very much reduction in any event.

Mr. REES of Kansas. In respect to wheat, what advantage is there in this act compared with the present Executive order?

Mr. HOPE. Of course, wheat is somewhat different. There is no compulsion as far as wheat is concerned.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. HOPE. Mr. Chairman, I yield myself 3 additional minutes.

Every wheat farmer will have to decide for himself whether he will be better off financially to come into the program and reduce his acreage or go ahead and plant his full acreage allotment. I am referring to the acreage reserve, and under that he must underplant his allotment in order to receive any benefits.

Mr. REES of Kansas. In respect to products, for instance, is not the dairyman just as well off under the present Executive order as he is under this legislation?

Mr. HOPE. He is not affected by this legislation.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield briefly.

Mr. SEELY-BROWN. I want to thank the gentleman for his courtesy. With reference to the question which I had asked earlier, the language on page 4, lines 2 and 3, is a satisfactory answer to the question which I asked earlier, and I thank the gentleman.

Mr. HOPE. I am happy that we have reached an understanding on that matter.

Mr. KNOX. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield briefly.

Mr. KNOX. Can the gentleman inform the House as to the penalty provisions that are provided under the soil bank that would have to do with grazing or harvesting of crops that were under contract under the provisions of this bill?

Mr. HOPE. They are exactly the same provisions as contained in the conference report on the other bill (H. R. 12).

Mr. KNOX. They are the same provisions that were stipulated in the conference committee's report?

Mr. HOPE. That is correct. That means, of course, that a person who grazes or harvests any crop will not only lose his payments but he will suffer a 50-percent penalty in addition.

Mr. KNOX. Of course he would lose the total payments under the provisions of the contract, plus a 50-percent penalty?

Mr. HOPE. That is correct.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield.

Mr. H. CARL ANDERSEN. The gentleman stated to the gentleman from Kansas [Mr. REES] that in his opinion the corn farmer would accept in all probability the $1.25, and very few of them would come under the provisions of the soil bank. Am I stating the gentleman's reply to Mr. REES perfectly?

Mr. HOPE. That is my opinion, based not so much upon my own personal judgment and observation as that of people in the Corn Belt who I am sure have better knowledge of the situation.

Mr. H. CARL ANDERSEN. I think the gentleman is entirely correct in his answer to the gentleman from Kansas, Mr. REES, and that is why I am suggesting that we simply take out subsection 3 on page 24 so as to make it possible to put perhaps three or four million more acres of feed grain lands under the soil bank than otherwise we will not obtain. I am thinking of my own personal situation. Hundreds of thousands of corn farmers are going to be attracted by this $1.25 raise-all-the-corn-you-want price.

I am thankful for that; it means millions of dollars to my congressional district. But thinking about this soil bank and the effect upon this soil bank if subsection 3 stays in this bill, there will be millions of acres of land that will not come under the soil bank; and that, in my opinion, would be very much to be deplored.

Mr. HOPE. I would like, of course, to see as much land go into the soil

bank as possible. But the Department has followed two conflicting theories here, it seems to me, in setting up this provision for price supports on corn that is not within the program, and in establishing the soil bank. I doubt if they can be harmonized.

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct; but we are faced with a fact accomplished, so to speak, whatever the term in law is, and we cannot help now through the enactment of this bill the fact that the Secretary of Agriculture has made this $1.25 anouncement on all the corn in the commercial which might be produced. I can produce 369 acres of corn on my farm and not have the opportunity to put a single acre of my feed grain land into the soil bank simply because this innocuous looking subsection 3 is in this bill.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. H. CARL ANDERSEN. Will not the gentleman take a couple of additional minutes?

Mr. HOPE. I do not think I should take any more time as I have requests for time from a number of Members.

The CHAIRMAN. The gentleman from Kansas has consumed 25 minutes.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, this is the best bill that can be brought to the floor of the House in view of the fact that the President of the United States has found objection particularly to title I and title V. Title I and title V are deleted from the provisions of this bill as it is before you today.

From October 1933 through February 29, 1956, on all agricultural products handled by Commodity Credit Corporation, which is the very last report dated February 29, 1956, the total losses are $2,937,455,692.

Let me call your attention to the fact that on basic commodities the total losses were only $560,763,769. While we are talking about basic crops, let us look at cotton. Cotton shows a profit of $233,975,126; that is profit on cotton since the beginning of the operation of the CCC, a sizable gain. Cotton has helped to blot out some of the losses from other commodities.

Why do I give you that information? Because in June 1954, when the gentleman from Kansas [Mr. HOPE] was Chairman of the Committee on Agriculture, a Government subsidies historial review was undertaken by the House Committee on Agriculture. That report shows that the reconversion cost of business in the United States was $40,787,864,000; yet you hear so much about the losses on the farmer's crops, that the farmer is the culprit. He has been reconverting, yes, but the business reconversion was at a cost of near $41 billion.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield for a little additional information on that point?

Mr. GATHINGS. I yield gladly to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. A lot of people forget that since the close of World War II we have sent $45 billion abroad to help other peoples.

Mr. GATHINGS. I appreciate the gentleman's contribution. I did not go into that subject. It is mighty good of you to bring that to the attention of the committee.

Now let us look for a moment at the situation with respect to rice.

Since deleting title V the two-price theory on rice and the two-price plan for wheat have been thrown out. It is not in the bill. There was a freeze for 1957 on rice acreage in title V contained in the conference report on H. R. 12 that the House voted on and which overall bill was rejected by the President. There was a reason to freeze the rice acreage in 1957 as was carried in that "one package bill." That was because of the fact the total acreage of rice in 1954—that is the last year before controls were invoked—was 2,600,000 acres. In 1956 instead of 2,600,000 there were 1,600,000 acres allotted for 1956, a cutback of approximately 1 million acres, some 38 percent, although I have not figured it out. The rice farmer cannot take an additional cut in 1957 and 1958.

It is hoped that in this legislation we can have a freeze written in similar to that provided for cotton. That is, the cotton acreage for 1957 and 1958 shall be the same as in 1956, as carried in the bill. I think that rice ought to also be included in the freeze which for 1957 alone was included in the conference report brought here and approved by both Houses.

Let us look for a moment at the value of the production of cotton in 1955. The total value of the 1955 lint cotton—that is what was realized by the farmer—was $2,420,529,000. Under the 82½ percent parity figure that the President recommended the value of the cotton crop would be reduced from $2,420,529,000 to $1,836,000,000. That means millions of dollars less income for cotton farmers. That is the one way we can get an increased income in the farmers' hands by maintaining fair and stable prices for farm crops. These figures are on one commodity to which that great cutback occurs. This reduces appreciably the income in some 14 States. This decreased value of lint cotton affects millions of people. This Congress can do something about it, that would be to increase the 82½ percent support level on cotton. We speak of helping the farmer by passing legislation, this will do it.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. CHIPERFIELD].

Mr. CHIPERFIELD. Mr. Chairman, while I intend to support this measure I feel the bill I introduced, H. R. 10657, has some features that would accomplish more for the farmer than the bill now under consideration.

I feel it is imperative that this Congress enact a soil-bank program immediately and as I have said, for that reason I am supporting it. However, my bill would not only establish a soil-bank program as does this pending measure, but provides better control over diverted acres. Under my bill in order for a farmer to be eligible for price supports he must put a percentage of his cropland in the soil bank. This would have the effect of putting acreage into a soil bank which in the past has been taken out of price supported crops and dumped onto producers of other crops and in the main feed grains.

As a matter of fact in the years 1954 and 1955 there was the equivalent of 800 million bushels of corn produced on acreage that was taken out of wheat and cotton. My bill is designed to put real controls on diverted acres. To my mind this is of vast importance and benefit to the farmers in the corn-hog area of the Middle West.

There is no question but what we must deal immediately with the surplus problem facing agriculture. The soil bank approach which the farmers of Illinois have had a great part in developing is sound and I think would be of real assistance in solving the problems of surpluses.

It is my understanding, although I have no official approval, that the Farm Bureau is backing legislation containing provisions similar to those in my bill and I had hoped such a measure would be adopted.

But it is evident after considerable consideration by the Agriculture Committee that the bill before us is the only one that has a possibility of passing. I certainly want to do everything I can to aid the farmers and feel this bill is an important step in the right direction.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. MCINTIRE].

Mr. MCINTIRE. Mr. Chairman, every one of us who is interested in agriculture, regardless of where he may be from, has an interest in this legislation. Many of us come from areas where basic commodities are not the principal items of production. We are all interested in a sound agriculture and we recognize that in this day and age everything that is done in one particular area has a direct or an indirect effect in other areas.

Those outside of the basic commodity-producing areas have been very much interested in the problem of diverted acres and those of us who come from areas which consume a great deal of manufactured feeds are, of course, interested in the level of supports in relation to the ingredients of those feeds.

In H. R. 12, it is interesting to note that in my State of Maine the bill would have increased the dairy income about $100,000 and would have increased the feed costs to those same dairymen $5 million per year. I want to point out that we all have an interest in this legislation.

This bill which we have before us will increase the feed costs some in every area which is dependent on other areas which produce the ingredients of that feed. However, this bill would increase those costs somewhat less than H. R. 12, and we have an interest in shaping up constructive legislation, so we will seek for the best balance which can be obtained in any legislation presented to the House.

I wish to agree with our colleague the gentleman from Illinois [Mr. SPRINGER] in his statement that in his opinion the soil bank is an approach somewhat different than past legislation in this relationship of the management of acres to the Government's interest in the total picture. I think that it approaches this problem of seeking this appropriate balance in a constructive manner. It deals also with the problem of developing a vehicle to handle the inventories in the hands of the Government in a manner in which they can be decreased in quantity. It does not deal, however, with the problem confronting the farmer who is handling a surplus situation resting in his own hands.

The act of 1949 has 3 titles in it, 1 of which deals with the support vehicle on the so-called basic commodities. Title II deals with the support vehicle on the nonbasics but requires mandatory support on the part of the Secretary. Title III deals with the remaining portion of the commodities and leaves it discretionary with the Secretary as to the level of supports, if any, which shall be maintained.

Now, in this group of commodities in title III among those which are being supported are flax, soybeans, dried beans, oats, barley, and grain sorghums. There may be a few others, but those are the essential ones. Now, this bill provides that oats, barley, and grain sorghums may be brought into the framework and participate in both the acreage reserve and the conservation reserve features of the bill. True, all commodities come within the framework of the conservation reserve, but the point I wish to make is that we are entering into this title III area and including commodities for participation in the acreage reserve which are neither in title I, the basics, nor in title II, the mandatory support group.

I offered an amendment in the Committee on Agriculture which I thought was a constructive one which would permit the Secretary of Agriculture to bring in, at his discretion, other commodities which may be in surplus and permitting the use of this vehicle of acreage reserve for other producers than those who are in the basic commodity group or those who are being supported by the vehicle of price support levels, and permit other producers to have the privilege of this same tool of bringing their acreage into balance with needs. However, that amendment was defeated in the committee. It is my sincere belief these growers are entitled to more equitable consideration in this legislation.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. POAGE. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Chairman, I think every member of the Committee on Agriculture has done his very best to bring to the floor of the House a bill which they think is appropriate and acceptable not only to the House but to the other body and to the President. There are some of us who feel that the veto was unfortunate, and I am one of them. There are some who do not feel that way about it. Now that the committee has eliminated those features which were controversial, I hope that by this time tomorrow we can conclude our work by bringing to the farmers something which will be good and something which we hope the administration and the members of the other body will accept.

Without criticizing anyone, Mr. Chairman, I am one of those who is not too impressed with the idea of the soil bank.

I am going to vote for it. I voted for it before and I shall vote for it again tomorrow; but I am concerned with what is going to happen to the land which is taken out of the production of crops and put into the bank. And certainly the amount of money which will be paid to farmers in lieu of crops on allotted acreage put into the bank will not be sufficient to cover the cost of putting the banked acreage into soil-building or soil-preserving crops and at the same time leave farmers enough to live on. The money being insufficient, I am concerned about that land going to waste, growing up in weeds, and being subjected to the winds, the storms, and the elements, every day and every week.

Then, too, the soil bank idea has the effect of paying farmers for doing nothing. Good farmers do not want pay for doing nothing. They prefer activity and actual farming. They do not like the idea of seeing their land lie out, idle, and playing no part in agricultural productivity.

I am also concerned with the effect which it is going to have on the merchants in the little farm communities of our Nation. Almost all of the smaller communities of our country are surrounded and sustained by active farming operations. In these communities down my way you will find a little country bank, cotton warehouses, a few gins, and so forth. Up in the Corn and Wheat Belts you will find similar operations. They are very heavily dependent upon crops produced from nearby farms. On these crops they lend money; they handle, process, store, and transport them. When the lands go into the bank there will be just that much less wheat to be milled, there will be that much less cotton to be ginned, there will be less business at the bank, there will be less business at the country store. Not only will these people feel the effect of reduced production but all people of the community will feel the effect of it.

Maybe it will not work out that way, I hope not. On the other hand there are many who have some concern about this so-called soil bank and its general effect on the community life. They have expressed the identical fear of its effect.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I think the gentleman made a statement a minute ago he might want to qualify. He said he expected to vote for the soil bank tomorrow. I think he meant to leave the impression that he expected to vote for this bill.

Mr. ABERNETHY. Of course, the entire bill which embodies other provisions.

Mr. JONES of Missouri. I do not think the gentleman would vote for the soil bank just as that.

Mr. ABERNETHY. No; I am for the entire bill. The gentleman from Illinois [Mr. YATES], asked a question a moment ago. I think the answer ought to be developed further. In doing so we must assume that the soil bank is a fine thing; and it may be, I am not sure about it.

He asked the question if there was to be a dollar ceiling on the amount any farmer would receive from the bank. I imagine that which prompted the question was to be assured that any farmer who might own a very large farm would not be getting too many dollars from it. The gentleman's premise may be sound, but I doubt it. The No. 1 objective of the soil bank is to reduce the surplus. The theory is that acreage put into the bank will be taken out of crops and production reduced below demand. Then the crops that are now in storage will gradually be siphoned off to meet the demand. The advocates contend that sometime in the future, a year or two or more, the surplus would soon be exhausted. So, if a ceiling is placed upon any amount of acreage that a farmer puts in the bank then to that extent the very purposes for which the bank is created is defeated. The more acreage a farmer puts in the bank the less the production; and the less the production the sooner the surplus will disappear.

Down my way we have hundreds of small farmers. They cannot very well afford to participate. But the small farmer will benefit indirectly by way of a reduction in the surplus brought about through the large farmers' participation. The object is to remove the surplus. A ceiling on participation would defeat the objective.

There is another thing in this bill that I am concerned about. The bill permits the first year of operation to be financed with funds of the Commodity Credit Corporation. Personally, Mr. Chairman, I think an appropriation should be made for such. Why siphon off the capital assets of the Commodity Credit Corporation?

The Commodity Credit Corporation was established for the purpose of providing money for price-support operations and for that alone. Through other inappropriate authorizations, we are now gradually depleting the capital assets of the Commodity Credit Corporation. They are showing up in the balance sheets of the Corporation as a loss to the price-support program when as a matter of fact they are not such a loss.

Something has been said about the $1.25 to be paid for corn, that is, the unlimited production at $1.25 per bushel. I do not live in the commercial Corn Belt but I am tremendously concerned about the possible effect. The Department of Agriculture has told us that the trouble with corn today is that we have too much, so they have proposed the soil bank to get rid of it. Yet on the other hand just a few days ago, and it was not a part of the President's original recommendation, the Department announced that it is going to support the unlimited production of corn at $1.25 a

bushel. I believe you heard the gentleman from Kansas [Mr. HOPE] say, and I think I am quoting him correctly, that he had some concern about this inasmuch as he was afraid that the Corn Belt would really turn to corn. The Secretary also has told our committee, and I think he is right—this is one time I agree with him—that the reason we have had cheap cattle and cheap hogs is that we have had too much corn, cheap corn. If the Corn Belt should turn to corn at $1.25 a bushel, and I think it will, that means a tremendous surplus of corn. That means the warehouses will eventually be filled with it and that means a depressed price. It further means that eventually the surplus will be disposed of at heavy loss to the Government, with added troubles for corn farmers as long as the surplus exists.

From what I know about corn, and I do not know much, I have been told and I have read that the price of hogs follows the price of corn. If corn is cheap hogs will be cheap. If corn is cheap cattle will be cheap. I am concerned about it. I thought we were trying to get rid of the surplus. Surely this is not the way to do it. A high support price on unlimited production will undoubtedly increase the surplus.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Texas.

Mr. POAGE. It is pretty well known that cheap corn always makes cheap hogs.

Mr. ABERNETHY. That is what I have been told.

Mr. POAGE. And that cheap hogs never improve the likelihood of high-priced feed.

Mr. ABERNETHY. That is exactly what I have been told.

Mr. POAGE. Are we not certain to have cheap corn if we deliberately go out and put a premium on overproduction?

Mr. ABERNETHY. That is also what I have been told.

Mr. POAGE. Does the gentleman remember any other time when we have been talking about wanting to cut down that we have gone out and tried to reduce our production by deliberately encouraging production by paying a pretty substantial support on unlimited production?

Mr. ABERNETHY. When you put a substantial support price on unlimited production it always makes for trouble. As I said a moment ago, I represent thousands of small farmers. The average cotton allotment in my district is only about 8 acres to the family. But you give them a comparable support price for cotton, with unlimited production, that which has now been given corn, and they will fill the warehouses of this country with cotton. It would wreck cotton farmers. It could, and may, wreck the Corn Belt.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. YATES. Will the gentleman tell us whether or not establishing this price of corn at $1.25 a bushel will be an incentive or a detriment to farmers to put their land in the soil bank?

Mr. ABERNETHY. I can only answer that on the basis of what some of them from the Corn Belt have said to me—that it would be an incentive to put their acreage in corn and not in the bank. In turn, the overall objective—reduction of surpluses—would be defeated.

Mr. HILL. Mr. Chairman, I yield 12 minutes to the gentleman from Indiana [Mr. HARVEY]

Mr. HARVEY. Mr. Chairman, I have listened to the debate with much interest.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. YATES. Will the gentleman, coming from the Corn Belt, answer the question which I asked the gentleman from Mississippi? If the Department of Agriculture establishes a price of $1.25 a bushel, will that be an incentive or a detriment for the corn farmers to use the soil bank?

Mr. HARVEY. If the gentleman will pardon me, I will attempt to cover that during the course of my remarks.

Mr. Chairman, this whole farm situation has been moving along rather rapidly. In fact, so fast recently that I found it difficult keeping up with it. I will say quite frankly, from a very discouraging situation a few days ago, I have been tremendously impressed with the willingness on the part of nearly everyone to get together on a version of the farm bill which will do the job and a farm bill that we can all live with. There are so many factors and factions involved and so many cross-currents of thinking and public opinion as between the different geographical sections and between the different segments of our economy, producers and consumers, that I have a tremendous respect for the leaders on both sides of the aisle who have been able to bring about this final draft. I think it will get pretty wide acceptance when we vote on it tomorrow.

Mr. Chairman, I want to address myself briefly in the time I have here to the subject of one commodity—corn, which has received a great deal of discussion. I have been intrigued with some of the theories that have been advanced concerning corn. You see there are two types of producers of corn. This is a fact that is not very often recognized. There is the cash corn grower and the grower who produces corn for his livestock feed. The producer of corn for cash is usually in a geographical area—mostly northwestern Indiana, certain sections across Illinois and Iowa. In these areas, corn is produced as a cash crop just as wheat would be produced, and it goes into the channels of trade for all the various commercial uses that corn finds. The other 80 percent of the corn growers are on farms where it is fed to livestock. The farmers who have been complying with the corn acreage reduction and securing the benefit of the price-support program are the ones in the cash corn area. It fitted into their scheme of farming. It did not fit into the scheme of farming for the livestock man. But during the past 3 years there has been no change in the corn acreage. During that time the price-support program has been in effect. This past year, 1955, the yield of corn was just about average, a little over 3 billion bushels, total. Since the 1938 act was passed, corn and livestock have been in pretty good balance. With a good easy program to administer, livestock prices stayed in relative even balance. Then what happened? A whole variety of things. I will not dwell on them, but we had coming into the picture the supplemental feed grains in a proportion that had never happened before. They all went into the feed grain pool. The chief increase in production came from grain sorghum, and we had a lot of production. In fact, the increased production attained about 25 percent of the total production of corn today. So we find ourselves confronted with a situation that is not really created in the Corn Belt, but it is here and must be dealt with.

It is also common knowledge that many of these acres that are just recently being devoted to these so-called supplemental feed grains are marginal acres that we hope will be taken out by the soil bank. So this provision in section 308 (d) is designed to encourage these marginal acres that are presently being devoted to production of supplemental feed grains to go into the soil bank. I cannot emphasize this too much. I am going to say that as a midwestern corn farmer, the general sentiment of the farmers in my area would be to ignore and not recognize the entrance of these supplemental feed grains into the picture. They prefer to ignore them in the hope that they will go away. I do not think they will. They are here and they must be recognized. This recent increase of feed grain is producing the greatest amount of meat that the public has ever consumed. The public is using it. Beef consumption is running at the rate of 80 pounds per person per year, pork in recent months almost as high. The sum total of the other supplemental products that come from livestock means that the American people have never in their history consumed so much good food of a protein nature. So it is all a part of the constantly changing and developing economic pattern. As our standard of living increases so the standard of food requirement increases, and not the least of these is the consumption of meat. I am not at all pessimistic about the present situation. But we do have a little surplus of feed grain, including corn.

The Secretary announced just recently that he would support the price of noncompliance corn at $1.25, and immediately a great many comments were heard, and people, without thinking, in some instances concluded that there was some skulduggery going on. Actually, what the Secretary did was to say to these farmers who produce corn for feed purposes that he would support their corn at the same rate of parity at which he was also supporting the other supplemental feed grains. It is as simple as that.

It is, I think, equitable recognition of an economic fact, and no more. We cannot ignore the importance of bringing the whole feed grain pattern into a unified sort of treatment, and that is what this bill attempts to do, to treat equitably

all of the producers in recognition of the actual facts of life so that we can continue to guarantee to the people of this country of ours a good supply at a decent price of that good food, meat.

In reply to the question raised by the gentleman from Mississippi [Mr. ABERNETHY] I want to say that I think this attempt to stabilize the price of feed grains will ultimately help stabilize the price of livestock, and if it does it will mean more in terms of dollars to the farmer than any other single thing. Sixty percent of the farm income of this country is from livestock. If you can stabilize that income you are automatically going to do a great deal for the farmers of this Nation.

I do not think this recent move or the provisions of this bill are going to bring upon us a surplus of feed grains. I think it is constructive support that will bring the feed grain supply into balance with requirements.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. SPRINGER. The gentleman will recall what he said in a certain conference when I asked him a question. He went into considerable detail. I want to compliment the gentleman on his excellent presentation of that particular matter, which I think has largely been misrepresented, because it is in the livestock and the hog market that it is important to get this matter stabilized; is not that true?

Mr. HARVEY. That is right. I thank the gentleman.

Mr. POAGE. Mr. Chairman, I yield 4 minutes to the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Chairman, I think there has been a lot of conjecture about certain features of this bill. I read from a publication that I think comes to everyone's desk, the Legislative Daily, in which it says that the administration continues to press for its soil bank brand of prepayments to farmers this year; and it goes on to say that that statement was made known yesterday by Representative HALLECK, House GOP floor leader, following the regular weekly meeting of Republican congressional leaders and President Eisenhower.

I think it is most unfortunate—and I hope it will not happen—that we are getting into the position of trying to make this a partisan bill because I do know that in our committee we have tried to give the President the thing that he seems most intent upon having enacted in this bill, and I know that some of us who are not impressed with the value of the soil bank have been willing to go along with the soil bank on a voluntary basis as long as we could have included some of the other features of the conference report which had been adopted by the House and by the other body and which, unfortunately, was vetoed by the President. We have tried to bring in here the things that were not criticized by the President and which we have reason to believe will be signed if adopted. I was pleased to hear the former distinguished chairman of our committee, the gentleman from Kansas [Mr. HOPE] say that he had hopes this bill would be adopted. I hoped that I interpreted his remarks correctly that he was supporting the bill, H. R. 10875, in its present form, a bill reported unanimously by our committee yesterday.

The gentleman from Minnesota [Mr. AUGUST H. ANDRESEN], one of the ranking Members on the Republican side, said that he thinks this is a fair bill but indicated he might favor an amendment. I find myself in this position as I listened to the gentleman from Illinois [Mr. SPRINGER] a few moments ago. He said it was not denied by anybody that the soil bank would not reduce the income of any farmer. That is a statement that might be accepted as it refers to the individual farmer, but I will say that at least in the area I have the privilege of representing, the total farm income would be reduced if we have the soil bank on a mandatory basis. I do not think it will affect us if it is put on a voluntary basis because I do not believe many people will go into it. If it were placed on a mandatory basis or if certain inducements were offered to the participants, I know the farm labor income would be reduced, as the gentleman from Mississippi [Mr. ABERNETHY] points out. The rural economy would be adversely affected. At the same time there may be some areas of the country in which the soil-bank proposition will work and for that reason I think many of us are willing to go along with it. What I hope we will not do here tomorrow is to try to force upon this House a soil-bank bill with nothing but the soil bank in it, because, frankly, I cannot support such a bill, and I know there are many people like myself. Particularly is that true, if it included a prepayment feature in the bill.

This bill as drawn would permit the payment of some funds this year when there is proof of compliance. Some people I think object to the wording of the provision section (b), page 11, where it is stated:

> No compensation shall be paid.

Maybe they would like an affirmative statement that "compensation will be paid." I have no objection to paying the compensation where there is compliance this year on a crop grown this present year, but I have very strenuous objection to paying a man something this year for a service that will be performed next year. This would put the farmer in the position of having obtained money this year that he will not have earned until next year; then find himself next year in the position and having his income reduced by a comparable amount. I think he would be in a more distressing position than if he had not obtained any relief at all this year.

Mr. POAGE. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I have requested this time in order to express my sincere thanks to the Committee on Agriculture for including section 211, page 41, in the legislation we are now considering. I refer to the processing of donated food commodities, as provided in legislation sponsored by the distinguished gentleman from Virginia [Mr. JENNINGS], a member of the committee.

You will recall that a group of Congressman residing largely in the coal-producing areas spent about 3 years getting the Committee on Agriculture interested in processing flour and wheat for distribution to the hungry people in the critical unemployment areas of the United States. This is the first recognition that the committee has made of this legislation on a permanent basis. I think their action will be favorably received by a large group of the Members of the Congress like myself who appreciate the fact that we are supplying a few more surplus foods to these hungry people.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. LAIRD].

Mr. LAIRD. Mr. Chairman, this bill was reported out of our Committee on Agriculture, and it was my understanding at the time it was reported out that there would be perfecting amendments offered to section 308 (d). It was my understanding that section 308 (d) was not approved as drafted but would be perfected by a committee amendment. I would like to ask the distinguished gentleman from Kansas [Mr. HOPE] whether under the provisions as included on page 50 of this bill, the support level of feed grains expressed in terms of cash costs will not be increased by approximately 11 percent. It is my understanding that under H. R. 12 as it passed the House the supports were raised from 70 to 85 percent or an increase in cash value of about 21 percent because of the corn support level established in that bill and also because of the dual parity provison included in that bill. As I understand this bill, the increase has been changed from about 21 to around 11 percent. Is that correct?

Mr. HOPE. It is rather difficult for anybody to say how much the actual feed costs to the purchasers of feed might be increased by using percentage points.

Of course, costs that are paid by the consumer of feed grains may or may not be in the same proportion as the price support program might increase the loans that could be secured by the producers of those grains. The gentleman is going on the assumption, I take it, that whatever the price support on feed grains may be there will be an equal increase in the cost to the consumer of feed grains. That is the asumption he is going on?

Mr. LAIRD. Yes. I think perhaps the increase could have been greater under H. R. 12 if a lot of the land was placed in the soil bank, but we cannot estimate how much land will actually be placed in the soil bank. For that reason I used the 20 percent figure as a conservative estimate.

Mr. HOPE. Going on that assumption—I do not say that it is a valid assumption, but if you go on that assumption at the present time and in the present bill the increase that would take place in the price of feed grains would be considerably less than in the bill that was originally passed by the House and the Senate. That is for two reasons.

One reason is that in that bill there was a provision for dual parity which would have increased the support price on corn, and the support price on the other feed grains is directly tied in with the price of corn. At the present time, with the bill vetoed and no dual parity provision in this bill, if the bill were passed, corn would be on a transitional parity or 5 percent less than it would have been under the dual parity provision. In addition to that, the provisions in this bill provide that in the case of the small grains, for grains other than corn, the support price will be at a percentage of parity which is 5 percentage points less than the support price announced on corn. The support price announced on corn is 86 percent instead of 90 percent, so that the support price, according to the terms of this bill, on the other feed grains would be 81 percent rather than 85 percent, as would have been the case if H. R. 12 had become law. Does that answer the gentleman's question?

Mr. LAIRD. Yes.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. LAIRD. I yield to the gentleman from Indiana.

Mr. HARVEY. I think it is worthy to note here that the final price level at which the Secretary has fixed compliance for corn is less than it was last year, and since actually most of the other feed grains have a tendency in their price level to gravitate around the price of corn, that it is a safe assumption that the price of feed grain in the gentleman's area, which is a grain-deficit area, will be less than it was last year.

Mr. LAIRD. I am glad the gentleman understands my concern over H. R. 12. This makes a great deal of difference to the Wisconsin farmer. Most people realize the State of Wisconsin is a feed-deficit area. Our farmers purchased last year $130 million of feed. The increased feed cost support provided in H. R. 12 as it passed the House was estimated at a 20 percent increase, and the only 2.5 percent on milk supports was not realistic or equitable to the family type dairy farmer. Everyone realizes that feed grains have a great bearing on seed costs and other farm costs which are of major importance in grassland farming.

Mr. POAGE. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. JOHNSON].

Mr. JOHNSON from Wisconsin. Mr. Chairman, I want to correct the statement made by the gentleman from Wisconsin [Mr. LAIRD]. He is assuming that our Wisconsin farmers are buying all oats, corn, and barley to feed their dairy cows, livestock, hogs, and poultry. I think it is a known fact that Wisconsin farmers buy high protein concentrates to mix with their home grown corn, oats, and barley. Only a small percentage of the corn, oats, and barley is bought from sources outside of Wisconsin, and this represents a very small percentage of the $130 million feed bill.

It is also an established fact—as I pointed out to the House on April 23—that Wisconsin farmers raise 90 percent of the corn, oats, and barley that they mix with high protein concentrates. Corn may influence the price of oats and barley, but the price of concentrates is based on the supply and demand of the ingredients used in compounding concentrates. I talked with a feed dealer in my district just the other day and he tells me that in the last 5 years he has bought no corn and oats outside of the State of Wisconsin. In fact, he says that the farmers in his area have learned to buy fertilizer and they can raise all the corn and oats that they need.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Wisconsin. I yield to the gentleman.

Mr. LAIRD. I am afraid the gentleman misrepresents my statement as well as the facts. Students of markets who follow the market structure for the protein meals, mill feeds, and tankage know that as prices of feed grains go up the price of these basic protein feeds will also move up correspondingly, sometime even more rapidly. If the gentleman from the Ninth District of Wisconsin wants the facts I will be very happy to show him the record on feed cost history at any time.

Mr. POAGE. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee [Mr. BASS].

Mr. BASS of Tennessee. Mr. Chairman, I do not care to discuss the merits of this bill we have before us other than to say this. I feel this bill is the half loaf. We passed a good bill here a couple of weeks ago and the President saw fit to veto it, so we have had to come back now with just half a loaf for the farmer.

I would like to say this, that this idea of prepayment that the Republican Administration has come up with is the most preposterous idea I have ever heard in my life. I do not believe the American farmer is stupid enough to buy such a political scheme. It is believed that it will cost $1.2 billion to carry out the provisions of the soil bank. So they are coming before the Congress tomorrow I understand with an amendment asking this Congress to authorize the payment of $600 million of the taxpayers' money to buy farm votes next year.

This soil bank is earth; it is dirt. In my opinion, if this idea goes across, if we allow $600 million of the taxpayers' money to be spent in advance payments for something that we do not know whether they are going to comply with or not—I suppose all they will have to do is sign a certificate that they are going to vote for Ike next year and get their money—then I say to you that I think it is a scheme of dirty dollars.

Mr. POAGE. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I should like to address myself to an item that was considered on page 50 of the conference report on H. R. 12. Members will recall that in the bill passed by the other body there was a provision in regard to an export program on cotton. The conferees took this language out of the bill and substituted, as I understand it, a paragraph on page 50 of the conference report on H. R. 12, stating that the Commodity Credit Corporation and the Secretary of Agriculture had the right to carry out this program, that it was being engaged in successfully.

I note that the report of this bill before us today does not have similar language as was contained in the conference report on H. R. 12. My assumption, however, is that the Committee on Agriculture still understood that the Agriculture Department would carry on this export program under existing authority, and that it was believed in the committee that 5 million bales of cotton would be exported in the current year and at least this much in future years, according to the pronouncement made by the Secretary, and according to the very successful start that has been made on the export program so far. I would appreciate it if the gentleman from North Carolina would give me the opinion of the committee in regard to this.

Mr. COOLEY. I can give the gentleman my own opinion about it.

You will recall that during all of last year Members of Congress were conferring with the Secretary of Agriculture, and many of them were urging him to embark upon an export-subsidy program for cotton. You also recall that they had a big conference at the White House. I had maintained all along, and I maintained at the White House conference, that the Secretary of Agriculture admitted or contended that he had all the authority he needed to initiate and to prosecute an export-subsidy program on cotton. He did not start an export program on cotton last year. I have contended that as a result of his failure to have a positive program for cotton we probably lost 3 million bales of cotton in the export markets.

He announced last fall that in January he would start a program and would announce it. He did announce it, and I understand that within about 40 days he disposed of about 1 million bales. I have every reason to believe that the Secretary will go forward with the program in which the gentleman from Mississippi has been so greatly interested. I hope that he will prosecute it vigorously and that we will be able to dispose of some of this surplus cotton. But unfortunately Secretary Benson has now postponed the decision until August, so he has already ended one phase of the export-subsidy program and has said that we will have another one when the month of August comes around. Is that the gentleman's understanding of what the situation is, may I ask the gentleman from Kansas?

Mr. HOPE. Yes; in general. As I understood the gentleman from Mississippi, he was inquiring as to what possible considerations were taken into account by the conferees in deleting some language in the Senate bill relating to the disposal of cotton surpluses. In that connection, I am glad to see that my recollection is substantially as the gentleman from North Carolina has related, that we understood and were assured that the Secretary of Agriculture had that authority already and it was unnecessary to give him additional authority.

Mr. COOLEY. The difference involved here is whether or not Congress would direct him to use the power, mak-

ing it mandatory upon him to do so, or whether we would use the language we used in this report and recognize the fact that he was going forward with the program and that it was operating successfully.

Mr. HOPE. That is my recollection of the discussion that went on at that time.

Mr. BAILEY. If the gentleman will yield, I should like to make an inquiry of the distinguished chairman of the Committee on Agriculture. Under the cotton-export program, should we approve H. R. 5550, to take us into the General Agreement on Tariffs and Trade, and article XI of that agreement is a negation against the setting up of export subsidies or any other kind of subsidies and the fixing of quotas, will it be necessary for us to go to Geneva to get permission to pay subsidies?

Mr. COOLEY. It certainly will not be necessary for me to go to Geneva or to do anything about it, but I do not think that matter is before us at the moment. Unless we subsidize exports or give them away, it is going to be difficult to do anything about the surplus problem we have.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. HARRISON].

Mr. HARRISON of Nebraska. Mr. Chairman, I want to associate myself with those Members who have said that the soil bank is the answer to our burdensome surpluses as of today. However, in legislating for this particular soil-bank program, I want to make sure our language in the program is understood. I hope the chairman will listen because I have a couple of sentences here which I think we need to tie down to make sure the people we are trying to legislate for do not have loopholes through which they can do more than was intended by the law. As you know, in trying to legislate against any particular group, there is always that group that is looking for a loophole so that they can defeat the purpose of the legislation. My first question to the gentleman from Kansas [Mr. HOPE] is this. I refer to page 4, line 7. Does this language, "To be eligible for such compensation the producer (1) shall reduce his acreage of the commodity below his farm acreage allotment or farm base acreage" mean that a producer must underplant his allotment? If it is not on a planted basis, vast sums of money would be paid out for doing nothing. In the dry areas, a producer could plant his entire acreage and then if for some reason a poor yield developed, not harvest it and claim an acreage reserve payment. This would be a gross abuse of public funds.

Mr. HOPE. Yes, I think that is very clear. That is it means that he must underplant either his allotment or his base acreage in the case of corn or other feed grains. The term "base acreage" applies to corn and other feed grains and the term "allotment" applies to other basic commodities.

Mr. HARRISON of Nebraska. If that is what the language means, I think we have nothing to fear. However, it is possible that he could plant his acreage and something might happen and he was not allotted any particular acreage, he might take his whole farm out of production.

Mr. HOPE. Of course, the acreage reserve applies only to commodities upon which there is an allotted acreage, so that in the case of any other commodities, he would have to come in under the conservation reserve rather than the acreage reserve.

Mr. HARRISON of Nebraska. I think that clears that up. Is it your understanding or intention that he must underplant in order to get his payment?

Mr. HOPE. In order to get the benefit of the acreage-reserve payments.

Mr. HARRISON of Nebraska. That is right.

Section 105 (a) deserves special comment. I particularly refer to the next to the last sentence thereof which appears on page 11, beginning on line 11, and reads as follows:

> The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than 1 year.

I feel reasonably sure that every Member of this House will agree that, as set forth in the declaration of policy in section 102, the purpose of the Soil Bank Act is to cut down on the production of excessive supplies of agricultural commodities which are depressing the prices and incomes of farm families. I am sure that no one would want this program to have the net effect of increasing production and further burdening an already overburdened market. There are vast acreages of land in the Great Plains area of the United States stretching from Canada almost to Mexico, which presently are being cropped continuously year after year. The total amount of production from these lands over a 2-year period could be increased if half of the lands were allowed to remain idle and catch moisture so that the following year when this land is devoted to the production of a crop, the effect would be to increase the yield. Certainly, it is not the intention of the Congress to pay out substantial funds for compensating a producer in 1 year to adopt practices which will considerably increase production the very next year.

There are also vast acreages in the humid area of the United States which do not contain the optimum amount of humus to retain moisture most effectively. The plowing down of green manure crops can greatly increase the amount of humus in the soil. Again, I am sure it is not the intention of Congress to so handle payments for a 1-year program that farmers will be paid for increasing production the next year. Accordingly, in order for the sentence to which I have referred to make sense, producers should be encouraged, as reflected in the rates of payment offered by the USDA, to enter into agreements for more than 1 year so that the acreage taken out of production will be withheld a sufficient length of time to make a real substantial contribution to help bring supplies into line with demand. A farmer who is willing to keep acreage out of production 3 years and thereby make a real contribution to bringing supplies into line with demand, should be paid a higher rate of payment than one who holds his acreage out of production only 1 year and actually contributes to building up greater surpluses.

While $750 million has been made available for the acreage reserve part of the soil bank and only $450 million for the conservation reserve part, this should not be taken to mean that we consider the acreage reserve part of the program more important than the conservation reserve part. As a matter of fact, the conservation reserve program calling for the withholding from production for at least 3 years, is by far the more desirable of the two approaches if we want to cut down on surpluses and I am sure we all do.

The relief that farmers want and need is the removal of the surpluses and a sound program that does not encourage again the building up of additional price and income destroying surpluses. If this act is administered with this primary thought in mind, the program has a reasonable chance of success.

I would like to have either the chairman or the gentleman from Kansas [Mr. HOPE] comment on that.

Mr. COOLEY. If the gentleman is propounding a question to me, I would observe that I would not like to see this bill changed in any particular. I know there will be some efforts made to amend it, but the bill in its present form has weathered the storm in the House. It passed the Senate and it passed the House, and I do not think the President in his veto message pointed out any objections to the provisions that the gentleman has mentioned.

Mr. HARRISON of Nebraska. Does the gentleman feel there is any fear that we might run into a condition where we would increase production rather than decrease production by doing what we are doing in this particular area?

The CHAIRMAN. The time of the gentleman from Nebraska [Mr. HARRISON] has expired.

Mr. HOPE. I yield the gentleman one additional minute. I did not understand his question.

Mr. HARRISON of Nebraska. Whether or not there is a possibility, because of the great area in the West between Canada and Mexico that is more or less of a semi-arid area which is planted year after year, if it came under this particular provision where they could take half of it out and still be within the acreage allotment, would it not have a tendency to produce more instead of less?

Mr. HOPE. I do not think that is a significant matter, because practically all of that acreage which is susceptible of being summer fallowed is being summer fallowed at this time. I do not think there will be any notable increase in the summer fallow acreage.

Mr. POAGE. Will the gentleman yield?

Mr. HARRISON of Nebraska. I yield.

Mr. POAGE. I think the summer fallow man might put the land in reserve, but his payments on that are only half as much as the payments to the man who has been growing a crop every year. Consequently, the rental on that

land is only about half as much as if it were in.

Mr. HOPE. I am sure that is correct.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. HOPE. Mr. Chairman, I yield such time as he may desire to the gentleman from Indiana [Mr. BEAMER].

Mr. BEAMER. Mr. Chairman, I want to support this measure.

Mr. Chairman, in considering H. R. 10875, a bill which is known as the Agriculture Act of 1956, it is well that a brief review of farm legislation be given.

In 1953, when the Republican administration was inaugurated, it inherited certain existing farm legislation which by statute would not expire until the end of 1955. Extensive hearings were held by the House Agriculture Committee throughout the United States during 1953 and, especially, after the adjournment of the Congress. As a result of these hearings and studies, in 1954 a bill embodying the principles of the flexible price support plan was presented to the Congress and approved by the House and the Senate. This bill could not become effective until the previous legislation expired at the end of 1955, or with the marketing of the 1955 crops which would be at the end of that calendar year.

In the meantime, surpluses of farm commodities continued to increase with a daily storage cost alone of more than $1 million per day. These surpluses continued to depress prices of farm products as they had been doing since 1951.

In 1955 the Democrats regained control of the Congress with a majority in both the House and the Senate. This new 84th Congress in 1955 in the House of Representatives passed H. R. 12 that would restore high rigid price supports that had been the cause of the depressing situation—and even before the flexible program of the 83d Congress had an opportunity to become effective.

The Senate did not act on H. R. 12 in 1955.

Early in 1956, President Eisenhower sent his agricultural message to the Congress. This message outlined a 9-point program including the highly desirable soil-bank conservation measure. This one provision could have put $1.2 billion into the farmers' income and, at the same time, would have reduced or eliminated the huge surpluses which had depressed the prices of farm commodities.

To become effective in 1956, early action was urged but the Senate Agriculture Committee delayed consideration and then prolonged action on these proposals.

Finally, when it reached the Senate floor some 30 days of debate—filibuster some people called it—ensued. H. R. 12 finally emerged from the Senate as an omnibus bill which included the desirable soil bank and other worthy features. However, it also included many objectionable and depressing amendments which had been added to H. R. 12. In fact, many have said that it was a hodgepodge of contradictions—something like sowing thistles with wheat.

Then, the Easter recess delayed action in the House. However, the Senate and House conferees remained in Washington during the Easter recess to prepare a report. Four days after the return from the Easter recess, a vote was taken on the conference report. The first vote was on a recommittal motion to send the bill back to the conference committee with instructions to remove the objectionable features.

This recommittal motion failed. Those of us who voted for recommittal did so in the hope of securing an honest and nonpolitical approach to farm legislation. The bill then passed.

The question then was whether the worthwhile features outweighed the objectionable ones. President Eisenhower decided in the negative and vetoed the bill. Republicans and Democrats joined in sustaining his veto by an overwhelming majority.

The response from farmers and others connected with the farming situation supported the President's point of view. The status of this same legislation at that time meant that the farm legislation of 1954 could become effective. Its principles had been applied to the dairy industry where marked improvements quickly were made. Under this law, the President announced three immediate actions: First, price supports for wheat, corn, cotton, rice, and peanuts at not less than 82½ percent—this should insure wheat at $2 per bushel and corn at $1.50 per bushel; second, support price of manufacturing milk at $3.25 per 100 pounds, and of butterfat at 58.6 cents per pound; third, more than $400 million of Agricultural Department funds will be used to strengthen prices of perishable commodities.

However, as a conservationist, and as one who is keenly interested in the preservation of our national resources, I joined others who were hopeful that the present Congress would approve some soil-bank legislation. It is for this reason that I support H. R. 10875.

First of all, three provisions to which the President objected in H. R. 12 have been removed from the present bill. The first provision is 90 percent of parity price supports; second, alternate parity computations; and third, the domestic parity—two-price support—programs for wheat and rice.

The soil bank, in all fairness, should include some advance payments to the farmers because the Congress delayed action for such a long time that the provisions of the soil bank could not be applied to farming operations this spring. If the Congress is really interested in placing money into the pockets of the farmers in order to strengthen their economy then this would seem a most economical and fair method to employ.

The soil-bank program provides that none of the farmers' income should be reduced because certain acreage is removed from production.

There are numerous worthy features and among these I would like to suggest that the proposal to facilitate surplus disposal abroad and in this country is one of the most worthy aims. It is necessary that supply should be brought in line with demand. Once this is accomplished the farmer will not be plagued with the overproduction problem which has been encouraged during the past several years. It further is hoped that studies for the further utilization of farm products can be given the needed impetus.

Mr. HOPE. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I take this time to propound 2 or 3 questions concerning this bill to the gentleman from Kansas [Mr. HOPE].

Do I understand that under this bill corn and other feed grains are treated on a similar basis, so far as supports are concerned?

Mr. HOPE. Yes. Under this bill all feed grain, including corn, is treated as an entity. In other words, we recognize they are interchangeable as far as their use is concerned. So the contract that is being worked out in this bill for corn and other feed grains is similar.

Mr. REES of Kansas. What is the support price, percentagewise, on wheat at the present time, and is the support price affected under this bill?

Mr. HOPE. It is not covered by this bill, as a matter of fact. The gentleman will recall that the Secretary of Agriculture announced that the support price on wheat for 1956 would be 84 percent of parity.

Mr. REES of Kansas. So the support price of 84 percent of parity will prevail whether this legislation is approved or not?

Mr. HOPE. Yes. It will not be affected in any way by this legislation.

Mr. REES of Kansas. What is the situation with respect to corn?

Mr. HOPE. With respect to corn, the Secretary has announced a support price of 86 percent of parity.

Mr. REES of Kansas. And what is it with respect to dairy products?

Mr. HOPE. The Secretary announced an increase in price of 10 cents per hundredweight for commercial dairy products. If I am wrong about that I hope someone will correct me, but the Secretary did announce an increase in the case of commercial dairy products of 10 cents per hundredweight, and a small increase in the price of butterfat.

Mr. REES of Kansas. And that price would prevail irrespective of this legislation.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. POAGE. The support price on butter is 58.6 as announced by the President; and the support on manufactured milk is $3.25 a hundred.

Mr. HOPE. That represents an increase in both cases.

Mr. POAGE. Yes; from $3.15 to $3.25; and from 56.2 to 58.6.

Mr. REES of Kansas. And do I understand that cotton is presently supported at 86 or 87 percent of parity.

Mr. POAGE. He cut cotton down to 82.5.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. COOLEY. I would just like to call attention to the fact that I think cotton is the only commodity that the President did not increase. He increased all the other support levels except with regard to cotton.

Mr. REES of Kansas. I was given to understand that the Secretary was expecting to support the level for cotton at about 86 or 87.5 percent.

Mr. COOLEY. That is exactly what we understood; that he gave assurances that he would do that if he could retain the flexible price support feature. After the President vetoed H. R. 12 instead of supporting cotton at 86 or 87.5 he lowered the boom on cotton down to 82.5.

Mr. REES of Kansas. And it is presently at 82.5?

Mr. COOLEY. Yes.

Mr. HOPE. If the gentleman from Kansas will yield, as the gentleman from Kansas now speaking understands it, the proposal of the Secretary was that, if the Senate would put certain provisions into the then pending bill, that the price support would be something like 86 or 87 percent of parity. One of those requirements was that the staple length upon which the price support was based be changed from seven-eighths of an inch to the average staple. That in itself makes a difference of 2 or 3 cents a pound, perhaps more than that.

The bill which was passed did not include that provision. That provision had not been put into effect. Price supports this year will be on the basis of seven-eighths length staple.

Therefore I think it is not fair to say that the Secretary made a proposal and then later backed away from it, because the proposal is not entirely incorporated in the legislation.

Mr. REES of Kansas. I was given to understand it was intended to be supported at 86 or 87.5 percent, provided certain requirements of the Department were complied with.

It would appear then that for the year of 1956 corn and other feed grains are supported at 36 percent of parity; wheat at 84 percent of parity; and cotton that meets requirements of the Department could be supported at 86 or 87½ percent of parity, otherwise 82½ percent.

It seems to me that, if announcements recently made concerning increases in support prices, were made several weeks ago, the controversy over farm prices would have been considerably lessened.

Mr. HOPE. Mr. Chairman, I have no further requests for time.

Mr. COOLEY. Mr. Chairman, I yield the remainder of my time to the gentleman from Texas [Mr. POAGE].

The CHAIRMAN. The gentleman from Texas is recognized for 10 minutes.

Mr. POAGE. Mr. Chairman, it has been very gratifying to see the serious effort that has been made this afternoon to try to secure farm legislation on which we can get some kind of substantial agreement—an effort to bring out a bill which we can pass promptly and again bring something before the Nation that we hope may be of some help to the farmers.

This bill that I trust we will pass tomorrow morning does not do for agriculture what I had hoped this Congress would do. This bill is a far cry from the help that we on both sides of the aisle have talked about giving to our farmers, but I guess our farmers are pretty well accustomed to hearing officials of the Government talk about trying to help the farmer and then coming up with rather little.

I recall that they were told 4 years ago a great deal about what was going to happen if they voted for a certain great general. They voted for the general. He got in and they did not get 90 percent like they were led to believe. I am not going to quote anybody's statement, I am not going to show pictures or anything of that kind, I am not going to mention any town in either Minnesota or South Dakota, but I do not think there is a farmer in the United States who will not agree he was led to believe, and that it was intended that he should believe, he was going to get 90 percent if perchance he was able to elect the general President of the United States. He carried out his part of that contract, but he has not received 90 percent from that day to this and he is not going to get it under the terms of this bill.

I recognize that it seems futile for us to insist that the farmers of the United States should be treated at least nine-tenths as well as the rest of the people. I suppose that eight-tenths is about as good as the cotton farmer can expect. If he lived in a State where there was a reasonable chance that the general might carry the State again he might get 86 percent or something of that kind.

The price supports announced after the veto established an average of about 85 or 86, between 85 and 86 percent, for those who live in areas where there is some political doubt and where the higher price support might have some political implications. For those of us who live in areas where we have firmer political convictions, we are to be happy with 82½ percent. That is all we get out of the President's prostitution of Mr. Benson's conscience.

I had hoped that the Congress might see fit to accept the argument of the President as to why he said he needed some flexibility. He made an argument that had some appeal to me and I am sure some appeal to you when he said: "If you will let cotton, wheat and other commodities sell at a lower price in the world market more of them will move into the market and less into warehouses and we want to prevent an accumulation of surpluses." So I introduced a bill, in January of this year, that related only to cotton. I said, let the support price drop to 75 percent. That will make cotton move in the world market just as the President asked but it will give the farmer a return that will bring him his income from his cotton up to 90 percent. Just pay him the difference between the 75 percent and the 90 percent. You have all of the advantages then, of so-called flexibility, you have the advantage of letting your commodities move freely, you have the advantage of keeping your commodities out of the warehouses, but you would still maintain a living income for our farmers. But we were told that did not meet with the plans of the President.

So we now have a bill before us that says to all of the farmers of the United States, and particularly to the farmers of the deep South, you are not entitled to have nine-tenths of a fair return for your products, but something less. We were told, now, that will keep some of your commodities out of the warehouses and get them into the world market. So, again, I proposed a bill providing that we accept every support figure that the President of the United States announced—82½ percent on cotton, 84 percent on wheat, 86.2 for corn—accept them all, but let us just pay the farmers the difference between those figures and 90 percent of parity.

Mr. Chairman, immediately I heard a loud cry, and I saw in all of the newspapers the statement that this was the Brannan plan. Let us see if it is the Brannan plan. I think Mr. Brannan did talk about some features of such a plan. But Mr. Benson put it into law; Mr. Benson and the Republican Congress enacted it into law, and they are today paying 106 percent of parity to the producers of wool; they pay 98 percent of parity on sugar. Somehow or other, that is a sort of laudable undertaking, but if we attempt to do it for other people, that procedure is all wrong. I cannot understand that. As I grow older, I learn more and more about some of these things, and I think I now understand flexibility, but I still do not understand the morality of making direct payments to some producers if such payments are immoral when made to other producers.

Within the last 2 or 3 weeks I have come to understand that flexibility in price supports means that you can have extremely high supports in an election year and for the other 3 years you can flex them down. That is flexibility. It also means that there is geographic flexibility. It seems that the higher supports are to be used in those areas where they might secure some votes; you can flex them high in those regions of doubtful voting, and you can flex them low where you do not think you are going to get any votes. That, of course, saves the Government money, and that is a very smart idea, I am sure, but it is rather rough on cotton farmers. Yes, you could pay those whose support you hoped to win in advance. That might be part of flexibility, too, to allow you in election years to borrow from the years beyond and charge it to the nonelection years. I understand that that kind of flexibility may be suggested. Even the President of the United States was not smart enough to think that one up. It had to come, as I understand, from some of our colleagues here on the floor of the House and possibly will be presented to us in detail tomorrow.

Mr. Chairman, I want to bring these remarks to a head by pointing out that the legislation that I proposed day before yesterday, and which I proposed before the Committee on Agriculture as late as yesterday, did make provision to pay the farmer enough direct payment to bring his income up to 90 percent. It did not interfere with what the President said was his principle of not supporting commodities at 90 percent, because I want

him to enjoy his principles. I do not want to ask any man to give up his principles. But he said it was a matter of principle that we should not put these commodities in the warehouse at a high price. So we suggest they move into the market at exactly the figure at which he said they should be supported. Then we suggested, as a matter of principle, our principle that the farmer be paid enough to give him at least nine-tenths of a livelihood, but somebody found out that the President's principles objected to giving the farmer as much as nine-tenths of a fair income. So if we cannot get nine-tenths of a fair income for the farmer, it is my feeling that we must go along and get all that we can. This bill will give the farmer something. It will save some scraps. It will let the farmer at least come in to the banquet table and, like the dogs of old, to creep down under the table and pick up the scraps that are dropped. Well, I would rather the farmer have the scraps from the rich man's table than nothing at all, and that is about what this bill gives him. Rather than deny him even those scraps, I am going along tomorrow with what I hope is an overwhelming majority of the House to try to pick up those few minor things that are of importance to farmers over the country. There are a whole lot of things in this bill that are good. It is undoubtedly the best bill we can pass and hope that the President will approve. But the great big thing that is of major importance to the farmers and to city people, that is, the maintenance of farm income, simply is not in here. It is not here, and I am sure that, in spite of all that was said in 1952, it is not going to be put in here. I regret that that is the disposition of such a large group of the membership of the House and of their leadership downtown. I had hoped that the membership would be willing to use our own judgment and make our own decisions, which would have been far more favorable to farmers; but since it is apparent that we must accept the judgment of the Executive, I can only urge that we pass this bill and thereby secure what we can get at this time, and hope that in a bright new year we may be able to again make a first-class citizen of our farmer.

The CHAIRMAN. The time of the gentleman from Texas has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Agricultural Act of 1956."

Mr. POAGE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRIEST, Chairman of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10875) to enact the Agricultural Act of 1956, had come to no resolution thereon.

AMERICAN FRIENDSHIP BEYOND PRICE

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include a short editorial and a short news story.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, a few days ago I made a speech on the floor of the House regarding an address by Ambassador Carlos Romulo on the occasion of the Bataan Day dinner commemoration at the Mayflower Hotel. The Washington Post of April 14 carried an editorial under the heading "Philippine Bond" which is particularly timely and I commend its reading to the Members of the House. The editorial dealt with some of the criticisms on both sides in our relations with the Filipinos and, in urging the importance of removing causes of mutual irritation, emphasized the continuing mutuality of the friendship of our peoples.

We have spent approximately $2 billion in aid for the Philippines. This is but a token of the fact that we look upon our Filipino allies as stanch partners in the free world's struggle to remain free. Actually, every dollar that we spend in the Far East to help the peoples of that area remain free is money spent indirectly for the benefit of the Philippines as well as ourselves. As a member of the Committee on Foreign Affairs which has considered much of the legislation affecting projects for the Philippines, I was particularly happy that the nuclear research center will be located in Manila. Because of our strong friendship for the Filipinos and the particularly close and friendly relationship between our peoples, the choice of Manila was, I am convinced, an auspicious and extremely wise one. Location of the nuclear research center in Manila is another evidence of the confidence and admiration we have for the Filipino people.

Americans will never forget the heroism of the Filipinos who fought and died during the war. Both our countries are fortunate at this time in having Gen. Carlos Romulo as Ambassador of his great people in Washington. I recall that Americans' regard for this distinguished public servant has been shown in the award of the Silver Star, the Purple Heart, and the Legion of Merit, Order of Commander. I am making this statement today because I wish to tell the Filipino people that we have an abiding admiration for what they did in Bataan, which is something that is enshrined in every American heart. Their sending of troops to Korea is another proof of their loyalty to democratic ideals. They are indeed fortunate in having as president a leader of the stature of President Magsaysay whose outstanding efforts against communism have won the respect of the freedom-loving world. The criticisms and irritations referred to in the Washington Post editorial relate to questions which can and will be settled by good will and understanding between the representatives of our governments. As the Post editorial says:

> It is perhaps natural for the Filipinos to look to their mentor for extra sympathy and understanding; and criticism between close friends is sometimes sharper than it would be in other circumstances.

Filipino loyalty has been tested in the crucible of war and peace. Our own actions have furnished proof to the Filipinos of our lasting friendship and interest in their well-being.

With the permission of the House I will insert first, the editorial of the Washington Post; and, second, an article written by an ace reporter of the International News Service, Mr. Herb Gordon, one of the most distinguished correspondents in this capital city where he relates in a dispatch with his byline and sent to more than 800 INS subscribing newspapers all over the world how the Bataan Day dinner commemoration was made the focal center for an important message from our Filipino friends.

[From the Washington Post of April 14, 1956]

PHILIPPINE BOND

Ambassador Carlos Romulo did a service to Philippine-American relations in his Bataan Day speech by noting that recent Filipino criticism of the United States has not stemmed wholly from politics. It is perhaps natural for the Filipinos to look to their mentor for extra sympathy and understanding; and criticism between close friends is sometimes sharper than it would be in other circumstances. What is important is to remove the cause of irritation wherever possible.

There is some substance to the Filipino complaint, for example, that a portion of the items sent as American military aid is obsolete. Perhaps without adequately explaining our policy we have allowed the impression to arise that we are pawning off old stuff for which we no longer manufacture spare parts. The unsettled legal status of American bases in the Philippines in a source of friction that, despite the problems involved in bargaining, ought to be clarified. Probably some of the attacks on American aid represent efforts by critics to frustrate President Magsaysay's land-reform program which we have supported vigorously; we can be proud of our role on this point. But there is obviously ground for Filipino alarm at the ill-advised threat of an American Congressman to restrict Philippine sugar quotas because of import restrictions on Virginia tobacco.

Allies, even in the family relationship that has existed between the United States and the Philippines, can never afford to take each other for granted. Some exploitation of American aid in political harangues probably is inevitable; in the main American assistance to the Philippines has been generous and enlightened as in the plan for an atomic-reactor center. But it is well to take to heart the gentle warning by General Romulo: "I suppose it is a natural human impulse to pay closest attention to those who waver rather than to those you trust; to give greater help to the uncertain—the neutralists, if you will—than to the committed. * * * It is not a device of Philippine politics to remind America of the continuing mutuality of our friendship." Undoubtedly the remedy is as much psychological as material.

ROMULO CALLS ATTENTION OF UNITED STATES TO MANILA UPROAR

(By Herb Gordon)

WASHINGTON, April 14.—A gem of a public relations job was done here in Washington by the Philippines the other day and it is the talk of the town. Diplomatic, official,

and newspaper circles are still talking about it.

The Philippine Ambassador was confronted by a difficult problem. There was an uproar in Manila against American inertia and indifference regarding extension of United States aid to the Philippines. There were other sources of friction and misunderstanding that needed to be aired.

Politicians made torrid speeches in Manila but, excepting for a 3-inch story and an editorial in one New York paper, the American press ignored it completely. Not one line appeared in any of the Washington papers.

Gen. Carlos P. Romulo, who in his speeches since his return last September had been warning the American public of a growing deterioration in Filipino-American relationship, wanted the American people to know the current uproar in Manila.

He chose Bataan Day as the appropriate time.

Together with the Philippine Association, he organized a gala dinner and selected the grand ballroom of the Mayflower Hotel. Two thousand invitations were issued to all the important people in Washington.

It was one of the best organized dinners ever staged in this Capital City.

More than 200 Congressmen came, 54 Senators, 7 Justices of the Supreme Court, Cabinet members, all the top echelon of the State Department, and the other executive departments, the White House advisers, and special assistants, publishers and newspapermen.

It was just the crowd that could serve as the focal center from which would radiate an important message for all America.

Romulo took advantage of the opportunity and delivered his message. All the wire services carried his speech.

IMMIGRATION AND NATIONALITY ACT OF 1952

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CRETELLA. Mr. Speaker, I am pleased to have been one who has signed discharge petition No. 1, 84th Congress, for action on H. R. 501, to amend and revise the Immigration and Nationality Act of 1952.

The Third District of Connecticut, which I represent, has a large proportion of naturalized American citizens who, in the majority of cases, find it virtually impossible to hope for reunion with members of their families and loved ones from foreign countries. This is because of the stringent and discriminatory provisions of the McCarran Act which, in my estimation, was designed to make it more difficult for aliens of certain countries to gain the privileges of American residence and citizenship. Those countries, such as Italy, Greece, Poland, and others in southern and eastern Europe have suffered the ravages of World War II and these nationals are most in need of a new life of economic opportunity and security, yet the quota numbers available for those from this part of Europe are pitifully low, while other nations, such as England and Sweden accumulate unused numbers year after year. There can be no justifiable argument by the proponents of the McCarran Act that America remains strong only by the admission of aliens who enjoy living standards similar to ours and that such "desirables" are easily assimilated into American society. If this were the case, the dramatic transition of our country since its origin into the "melting pot of the world" would be not a reality, but a myth.

In a world of modernized media of communication, and transportation, peoples of different lands and languages have quite naturally been drawn together. Interdependence among nations has become an essential to amiable and progressive international relations and the fostering of a lasting peace. Exchange of diverse cultures, ideas, and innovation has stimulated a climate of friendship among nations of the free world, where a common ground has been cleared for problems and concepts indigenous to all participants. In short, isolationism has taken its last breath in an ever-shrinking world.

Yet we have an immigration policy which is in part isolationist and wholly iniquitous, and one which lags behind the demands and ignores the phenomena of a world in motion.

History has proven that naturalized Americans, and those who were the sons and daughters of immigrant stock of all countries have made gigantic contributions to the United States in their communities, businesses, and government. In retrospect, we are all descendants of immigrants.

H. R. 501 is a genuine and sincere attempt to base our immigration laws on the premise that each person deserving American citizenship, regardless of race, color, or creed is to be judged according to his ability, fitness, and capabilities of becoming a good citizen of this country. Its overall purpose is to provide a fair law and one which can be administered with a minimum of entanglements and inconsistencies for which the McCarran Act is infamous.

Since my election to Congress in 1952, I have introduced legislation, H. R. 3415, to revise the McCarran Act, as have many of my colleagues but such requests, it appears, have fallen on deaf ears, as the Judiciary Committee has seen fit not to act. Similar inaction is apparent in another bill I submitted, H. R. 9171 to revise the Refugee Relief Act of 1953, and extend its provisions through 1959.

President Eisenhower in a special immigration message on February 8, strongly stressed the need for new guidelines and standards for determination of immigration quota numbers. His first recommendation was for a change from 1920 to 1950 as the census year upon which quota allotments are made. The great influx of aliens from countries such as Italy, Greece, Poland, Czechoslovakia, and the like occurred after 1920 and as a result of the 1920 census provision, nationals, escapees, and expellees of these countries face long years of waiting before obtaining preference and nonpreference quota visas. The President also asked that all numbers made available, as a result of this change, over and above 154,657, be distributed among countries in proportion to their immigration to the United States since the establishment of the quota system in 1924.

He recommends pooling of unused quota numbers to be given to aliens throughout the world who have special skills or qualify for preference status. The President in his message had many more far-reaching recommendations to make, which would both strengthen our immigration law and at the same time humanize it so that all intending immigrants will be treated fairly and equally.

Countries such as Latvia, Poland, Greece, and Lithuania and other so-called indigestible blocks have their quotas mortgaged for hundreds of years to come, in some cases, because of admissions to America under the Displaced Persons Act of 1948.

The issuance of a visa is under the control of one person in each consulate who, from experiences I have had in such matters, often displays signs of disinterest and lack of imagination and flexibility in administration of the law. There is little or no recourse for the alien than to abide by a decision which may arise from personal dislike or prejudice.

The stigma of second-class citizenship is a notorious disservice of the act. Naturalized citizens can have their rights to citizenship jeopardized in many instances, such as temporary absence from the United States, where native-born Americans lose their citizenship only by renouncement or swearing allegiance to a foreign nation.

The Immigration and Naturalization Act of 1952 is filled with thoughtless and harsh regulations with no apparent concern for the fact we are dealing with people rather than quotas and other intangibles. It is a blight on the American concept of fair play, democracy, and humane understanding.

It is difficult to reconcile our endeavors as a leader of equality and justice in the free world and an immigration law which fosters none of these principles. Our prestige abroad could be greatly enhanced if this law were liberalized for all to see that America welcomes on an equitable basis, aliens who have shown a keen desire to seek opportunity and security in our country.

I fervently hope many more of my colleagues will give their sympathetic consideration to this pressing human need by signing this petition to bring H. R. 501 before the House for a vote.

HARDWOOD PLYWOOD INDUSTRY

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include a statement of the Hardwood Plywood Institute.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Speaker, I have today introduced H. R. 10945, a bill to amend the Tariff Act of 1930, by placing thick veneers, suitable only as plywood corestock, on the free list.

This legislation is supported by the hardwood plywood industry, comprising

some 122 companies employing about 18,000 workers in small communities in 23 of our States.

I have asked the Hardwood Plywood Institute to prepare a statement outlining the need and importance of this legislation to the industry. Under unanimous consent, I include it at this point in the RECORD, as part of my remarks:

STATEMENT OF THE HARDWOOD PLYWOOD INSTITUTE ON H. R. 10945

Veneers of wood are thin sheets of natural wood which are used as plies to build up a plywood panel. Veneers of wood range in thickness from one-eightieth of an inch to one-fourth of an inch.

Veneers of wood are classified for duty purposes under paragraph 405 of the Tariff Act of 1930, the present duty is 10 percent ad valorem. The duty was reduced from 20 percent to 10 percent under a trade agreement made at Geneva in 1948.

H. R. 10945 will divide veneers of wood into two categories for duty purposes, (1) less than ⅛-inch thick and (2) one-eighth inch and thicker. The division on the basis of ⅛-inch thickness is derived from the use of the veneer in the building of a plywood panel. Veneers less than ⅛-inch thick, called thin veneers, are used as faces whereas veneers one-eighth inch and thicker are used as inner plies (corestock and crossbanding). H. R. 10945 provides that veneers less than ⅛-inch thick shall remain under paragraph 405 with the duty 10 percent. Veneers one-eighth inch and thicker are transferred to paragraph 1803, the free list.

In the building of a plywood panel, three or more plies of wood veneer are used. These plies are designated the faces and inner plies. The number of inner plies are increased to build up the thicker panels. The faces are the plies that are exposed and are made of the more expensive veneers to assure a decorative, smooth and close-grained surface. The logs from which face veneers are cut are the most expensive of all logs and, therefore, the veneers are customarily cut one-twenty-eighth inch, one-twenty-fourth inch, or one-twentieth inch thick in order to secure the maximum yield and to produce a face ply which can be priced for use in plywood. The exact opposite situation exists for the inner plies, although a good, smooth, close-grained wood is required, it need not be of the more valuable or decorative species and must be thicker in order to build a panel to the required thickness. For example, the ¼-inch plywood panels which represent the principal thickness, is made with a ⅛-inch core and 2 faces of one-twenty-fourth inch.

The division at one-eighth inch as provided in H. R. 10945 divides veneers on the basis of uses, thin veneers, the faces, and thicker veneers, the inner plies.

H. R. 10945 does not change the duty on face veneers. The reason no change is suggested in the duty on face veneers is that there is a substantial domestic industry engaged in the production of face veneers from our native species of logs. These companies also produce face veneers from the valuable and exotic logs grown in other countries. A reduction in the duty on face veneers would not be beneficial to the face veneer industry.

The domestic situation for thicker veneer for inner plies is entirely different. The cost of American logs has increased tremendously since World War II. This increase in cost has made it imperative that veneer manufacturers cut logs to secure the largest surface square foot yield of veneer. A much greater yield is obtained by cutting thin veneers (one twenty-eighth of an inch, one-twentieth of an inch, and one twenty-fourth of an inch) and others less than one-eighth of an inch in thickness. For example (disregarding a waste factor), 1,000 board feet of log yields 8,000 square feet surface measure of ⅛-inch veneer, or 24,000 square feet of 1/24-inch veneer, or 3 times as much in surface coverage. The greater volume of coverage provided by cutting thin veneer provides a higher dollar return per 1,000 board feet of log. With the cost of logs, labor and freight increasing steadily, the veneer manufacturer has been driven to production of thin veneers, as a consequence the production of the thicker veneers (one-eighth of an inch and thicker) has decreased steadily. Today the production of thick veneers is wholly inadequate to meet the minimum needs of the plywood industry. The American producers are not interested in producing the quantities of thicker veneers required for plies by the American hardwood plywood industry.

The costs of the domestic hardwood plywood manufacturer have steadily increased; raw material (logs, veneer, adhesives) costs have increased since the war as much as 100 percent, labor costs, including fringe benefits, have increased 30 to 40 percent, and freight costs 100 percent. During the same period, the sale price of hardwood plywood has increased approximately 30 percent. On March 1, 1956, the increase in the minimum wage became effective and in the South the labor costs increased as much as $4.50 for 1,000 square feet of plywood.

In 1951, under a trade agreement, the duty on the bulk of plywood was cut the 50-percent maximum permitted by the Trade Agreements Act, the balance having been reduced prior to that year. As a result of this reduction, the plywood imports have increased from 67 million square feet in 1951 to 618.5 million square feet in 1955. Japan accounts for approximately 69.3 percent (428.8 million square feet) of the plywood imported into the United States. In 1955 the imported plywoods absorbed 42 percent of the American market. The imported plywoods competitive advantage is due solely to the ability to undersell the American producer by reason of low costs due to a low wage scale. Japanese plywood is made by labor receiving 11 cents an hour for a 10-hour day; this is approximately one-tenth the minimum average wage in an American plywood plant. As the result of the low wage scale, the Japanese plywood is sold in the United States at prices less than the costs of production of the American producer.

The Japanese Ministry of International Trade and Industry on February 26, 1956, issued a minimum pricelist for plywood exported to the United States. On this list the price of ⅛-inch Lauan plywood is $44 per 1,000 square feet, f. o. b. Japan; a comparable grade of ⅛-inch gum plywood made in the United States, f. o. b. factory, is $110 per 1,000 square feet.

The hardwood-plywood industry has pursued the escape-clause remedy provided by the Trade Agreements Act. The Tariff Commission denied its application for relief on the ground that the damage suffered by the industry could not be attributed wholly to the increase in imports, as there was a general recession in 1953–54.

The American industry is efficiently operated, our plants are equipped with modern machinery, and costs are watched closely. It is a progressive industry, modern in all respects, and engaged in spending substantial sums to promote the sale of its products. The use of hardwood plywood has materially increased, but a large portion of this market has been taken over by the cheaply priced imports.

It has long been recognized in the domestic industry that a new and cheaper source of thicker veneers was needed if the hardwood plywood industry is to survive the competition of imported plywoods. In the past 2 years plants in Africa and South and Central America have begun the production of thicker veneers which are suitable for inner plies in plywood panels. Various species of veneers have been tried, and a few have proved satisfactory. The production of veneers in foreign countries has been encouraged by our governmental agencies operating the foreign-relief and technical-aid programs. Thicker veneers can be produced in the countries where the trees grow for less. Labor in the foreign countries is less. The freight on veneer is 50 percent less than on logs, as in the freight weight of logs there is 40 percent water and 15 percent waste material. Therefore, there can be a substantial savings in cost to the American producer through the procurement of thicker veneers from foreign countries. A 10-percent reduction in cost to the American producer will provide a necessary savings and will establish a large market in the United States for such veneers. In addition, it will encourage the investment abroad in additional plants and thus increase in production of this material in foreign countries. A much-needed reduction in cost for the American plywood producer, plus a material benefit to friendly foreign countries, will accrue from H. R. 10945.

Wood veneers ⅛ inch and thicker produced in Africa, Central and South America can be purchased at prices ranging $30 to $35 a thousand square feet surface measure, F. O. B. United States port. The placing of the thicker veneers on the free list would effect a 10 percent, or $3, or more saving. This would mean a minimum reduction in costs of $3 a thousand square feet for hardwood plywood. This is not an inconsequential amount, such a saving in many instances is the difference between a profit and a loss for the American producers. The effecting of such savings may well be a determining factor in whether the hardwood plywood industry is to survive or be driven from our markets by foreign competition.

The question of whether H. R. 10945 will affect other domestic industries has been given careful consideration. The staff of Commerce and the Tariff Commission have been consulted. The division line between thin and thick veneers on the basis of ⅛ inch was reached after consideration of the following factors:

Veneers less than ⅛ inch thick include all face veeners which are not made in thicknesses of ⅛ inch and over. There are a number of reasons for this, the principal ones are: Expensive logs must be cut to secure the highest surface measure yield in order to recover costs; this can only be done by cutting thin veneers. Secondly, thicker veneers of exotic or high-priced logs would have to be priced beyond the range of economic use in plywood; and, thirdly, panel construction requires thin faces. Face veneers are customarily cut 1/28 inch, 1/24 inch, and 1/20 inch with some custom cutting in thickness up to ⅛ inch. The American producers of face (thin veneers) will not be affected by H. R. 10945.

The domestic producers of veneers for inner plies will not be affected by H. R. 10945 for the reason that production for the past several years has not and will not in the future approximate the demand. The domestic producer is required to produce thin veners in order to secure a yield in surface square feet which will bring a return equal to cost of logs and labor. By cutting thin veneers less than ⅛ inch thick the veneer producer has approximately three or more times as much material to sell. Secondly, the plywood producers cannot secure a price for plywood which would permit the payment of a price for thick veneers over ⅛ inch equal to the return the veneer producer can secure and must secure for the thin veneers. The shift to cutting to thin veneers is the result of the increases in log and labor costs. The scarcity of domestically produced thick veneers will increase each year. This trend cannot be altered as the demand for logs steadily increase and there is no possibility

of lower domestic log prices or lower labor costs.

Producers of veneer for inner plies have been consulted. It has been stated by them that they cannot meet the demand for thicker veneers and are not interested in producing them as it is uneconomic. This condition has in some instances forced hardwood plywood producers to buy thin veneers and glue two thin veneers together to secure the thicker ply required; this practice increases costs of the plywood producer unnecessarily and affects his competitive position in the market.

H. R. 10945 will not affect the domestic manufacturers of the inner plies veneers, as their present and preferred production is in thicknesses less than one-eighth in thickness.

There is another type of veneer produced in the United States which is made for use in boxes and fruit baskets; this is called shook. Shook is produced from low-grade logs, it is rough surfaced, and knotholes and other defects are permitted. Shook cannot be used to manufacture plywood as it is not precision cut nor of a grade sufficiently high to comply with the minimum requirements of the commercial standards. Shook is made in thicknesses less than one-eighth inch. In a few specialty items it could be thicker, but that is not customary. The high price of logs, plus the advent of the paperboard carton, has materially curtailed the use of shook. Shook sells for a price approximately one-third of the price of veneer used in plywood. Imports of thicker veneers will not affect the shook producers as the thicknesses are greater than that used in boxes, etc., and also the price of the imports would prohibit the economic use in boxes, etc.

The hardwood plywood industry is composed of approximately 122 companies producing hardwood plywood for the domestic market. In 1951 there were 142 companies. Of these, 55 companies are in the States of Virginia, North Carolina, South Carolina, Florida, Georgia, and Alabama; 23 in the States of Tennessee, Arkansas, Kentucky, Mississippi, and Texas; 22 in the Lake States; 15 in the State of Maine, New Hampshire, Vermont, and New York, and 11 in the States of Washington and Oregon. The industry employs about 18,000 workers, with the average for a typical plant being 150 workers. The companies with the exception of five companies are privately owned small businesses. The plants are located in small communities where the plywood plant payroll is a sustaining factor in the economy of the community.

The hardwood plywood industry having been seriously damaged by imports, has been meticulous in considering the effect of this bill on other American industries. The hardwood plywood manufacturers after careful study, represent that the placing of thick veneers on the free list will be a substantial help to its industry and also to the manufacturers of thin veneers for plywood. If the plywood producers cannot effect reductions in cost, their product will be forced from the market and their plants closed. The veneer producers would then lose a substantial proportion of the market for thin veneers and many of the plants would be forced to close down. Substantial damage to the face veneer producers has already been suffered by the competition of low priced imported plywoods.

The seriousness of this situation cannot be overemphasized, the hardwood plywood industry needs assistance. The method of granting this assistance, in part, will not damage other American industries. The customs revenues will not be affected, as thick veneers have not been imported in any substantial quantities.

It is respectfully requested that favorable consideration be given H. R. 10945 at an early date.

ASCAP AT THE PRESS CLUB

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, yesterday I had the privilege of attending the musical matinee presented at the National Press Club by the American Society of Composers, Authors, and Publishers—ASCAP. A group of talented creators, members of that fine organization, performed the songs they themselves have written before a capacity audience. The show, entitled "A Calendar of Song Hits 1896–1956," ranged all the way from Sweet Rosie O'Grady, sung by its composer, a charming lady now in her 80th year, to Mr. Wonderful, from the currently successful Broadway musical of that name, performed by a brilliant young composer still in his thirties.

The songs that America sings reflect our hopes, dreams, and beliefs. Listening to this great array of popular songs, extending over 60 years' span, I could not help but feel a renewed pride in being an American. Although these songs of past and present varied widely in theme, mood, and era, they were alike in one respect: Their wholesomeness and that buoyant optimism which is an important facet of our national character. Surely the composers of ASCAP can be rightfully proud of their fine and constantly growing repertory of musical Americana. They can also take justified pride in the encouragement ASCAP offers to talented creators by providing them with economic incentives, in the protection ASCAP affords to their musical property rights, and in the many public services for which this great association is noted.

It is my understanding that the show was recorded in its entirety by the Voice of America, in order that it may be broadcast under the auspices of the United States Information Agency to listeners in other lands, as an example of the richness and diversity of our native musical talent. This is a very good move because we have not heretofore adequately utilized in our overseas program the wonderful influence of our popular music.

For the benefit of those who unfortunately could not attend yesterday's ASCAP show, I should like to describe the program briefly. Maude Nugent Jerome, the 80-year old lady of whom I spoke, performed Sweet Rosie O'Grady with the charm with which she first introduced it at Tony Pastor's in 1896. Ernie Burnett, assisted by the talented songstress Fran Russell, performed a few of his many hits, including Melancholy Baby and Please Take a Letter, Miss Brown. Harry Woods, whom the Commonwealth of Massachusetts proudly claims as a native son, played and sang a few numbers from his large repertory of hits, including Little Street Where Old Friends Meet, River Stay Away From My Door, When the Moon Comes Over the Mountain, When the Red Red Robin Comes Bob Bob Bobbin' Along, I'm Looking Over a Four Leafed Clover, and the immortal Side by Side. J. Fred Coots, an able performer in addition to his ability as a composer, performed a medley of his most popular songs, ending with the song children sing at Christmastime all over the world: Santa Claus is Coming to Town. Miss Dana Suesse, who rejoices in a double gift of being able to create classical as well as popular music, displayed her considerable ability as a pianist. Her charming songs, including My Silent Love, were ably interpreted by the brilliant young tenor, Bobby White. Dick Noel, famed singer on Chicago's Breakfast Club, feelingly sang a number of splendid ASCAP songs, including the moving I Believe. The program concluded with two noted composers of Broadway musicals performing their own hit tunes—Burton Lane, composer of Finian's Rainbow, and George Weiss, composer of Mr. Wonderful. All of the performances were superb and spirited and evoked spontaneous acclaim.

The audience which packed the auditorium of the Press Club could not get enough of this wonderful ASCAP music, and enthusiastically joined in with the performers, singing the beloved melodies of yesteryear and the currently popular tunes of today. ASCAP's president Paul Cunningham, himself a noted songwriter, acted as master of ceremonies with dignity and good humor, contributing much to the success of the show, which he had organized and produced. I will comment later on his contributions.

All who were present owe a debt of thanks to these songwriters, who received no compensation for their generous gesture except the prolonged applause that greeted them. It was an occasion I shall long remember. As a result, I am sure all of us will have a warmer spot in our hearts for these talented creators, and for the public-spirited society of which they are members.

So far as I am concerned, I have always been a great admirer of the ASCAP group and modern American composers. Their talents never cease to fill me with wonder and amazement. Their impact upon American life is continuous and beneficient, since they furnish the American people, not only with true spiritual refreshment, but that relaxation so desirable in this age of rush and tumult. They are architects of much of the American social and cultural structure.

It has been my good fortune to know many of these composers real intimately and well. Frankly, I know of no finer, no better, no kinder, more considerate, or more loyal Americans. Unselfish and generous with their time, money, and talent, the members of this great musical organization are widely noted for patriotic civic and charitable service. It has been my observation that they have been especially eager and zealous in serving a host of good causes, regardless of demands upon their time and energy, and out of the goodness of their hearts, without regard to compensation.

It is a long step from venerable Maude Nugent Jerome and "Sweet Rosie O'Grady" to George Weiss and "Mr. Wonderful." It represents, in a sense,

popular music since the turn of the century. The performance yesterday showed the development of this popular music. But it showed something far more significant than that—the spirit, genius, dynamic drive and enthusiasm, which seemed to inspire all these talented artists, young and old.

In my opinion, these men and women not only compel the admiration, but richly deserve the appreciation of the entire American people. The Congress should be prepared to see to it in every way we can that this group, which has contributed and is contributing so immeasurably to the national well-being and culture, shall never be exploited or penalized in their professional activities as the result of Federal laws, which may adversely affect them.

Congress must always treat them justly and fairly and be considerate of their problems as they relate to Federal legislation, not only because we are interested in doing justice generally to all classes of Americans but also because it must be our purpose always to encourage and promote artistic talents, which are so closely related to our way of life and our culture.

I wish that I could elaborate more upon the individual performances and contributions of those who appeared yesterday at the Press Club. That is not possible now. But I cannot let this occasion pass without making some reference to the master of ceremonies of the matinee performance, the distinguished new president of ASCAP, my valued friend, Mr. Paul Cunningham.

It is most fitting and propitious that Mr. Cunningham should be selected as president of ASCAP. Possessed of great gifts and talent which brought him fame and success in show business and music writing, Mr. Cunningham has long been interested in a sincere, deep, and effective manner in the problems of artistic people. He has devoted himself with rare ability, conviction, and unselfishness to a multitude of varied projects in the interest of his group and to public manifestation of its patriotic, civic, and charitable objectives.

By virtue of his forceful personality, amiable qualities, generous impulses, high motivation, and able leadership, he has won the respect of all those who have had occasion to observe his work, and has endeared himself to his associates, his colleagues, and his many friends. His ever-present consciousness of high ideals and high standards in and out of his profession, his unfailing courtesy and dignity, his humane nature, and his understanding of and devotion to fundamental American principles admirably fit and qualify him to preside over the destinies of the great American organization which has selected him as its president.

He succeeds a long line of illustrious, outstanding predecessors, and I have every confidence that he will continue their work and strengthen and advance the functions of ASCAP not only respecting its membership but in even extending and increasing its service and contributions to the American people and to the world. He is already assured of fullest, most enthusiastic cooperation, and I wish for him a most successful and happy administration of his office.

One of the composers who appeared yesterday is an old college friend of mine, Mr. Harry Woods, famous son of Massachusetts, whom I regard with great admiration and affection. I wish I had time here to recount his life story, because it is in truth a very inspiring American story complete with brave struggle and phenomenal success. He has written many songs which have become part of popular musical literature and will be standards for generations to come. His contribution is great, indeed, and for the benefit of the House I am inserting as part of my remarks a brief biographical sketch of this noted composer and dear friend of mine.

I also desire to express to ASCAP and to the Press Club my sincere personal thanks for making it possible for me to be present on this most enjoyable occasion, and to my able friend, Mr. Richard Borwick, for his kindness and diligence in preparing and furnishing me with the program data I have been privileged to use in presenting these remarks.

Woods, Harry M., composer, author; born North Chelmsford, Mass., November 4, 1896. ASCAP 1925. Education: Chicago public schools; Harvard University. Always musical, sang in churches; played piano to work way through college. Brief experience as farmer, Cape Cod. World War I, in Armed Forces. While in service completed groups of songs. Success of When the Red Red Robin Comes Bob Bob Bobbin' Along, turned his career from farming to songwriting. Three years in England songwriting; one of first songwriters to join staff of Hollywood producers. Songs: Just an Echo In the Valley; Little Street Where Old Friends Meet; River, Stay Way From My Door; It Looks Like Love; When the Moon Comes Over the Mountain; Man From the South; A Little Kiss Each Morning, A Little Kiss Each Night; Heigh-ho Everybody, Heigh-ho; My Old Man; Since I Found You; I'm Looking Over a Four Leafed Clover; Take in the Sun, Hang Out the Moon; Your Flag and My Flag; What's a Feller Gonna Do; Where Is My Old Girl Tonight; Paddlin'; Oh, How She Can Love; Spread a Little Sunshine As You Go; Who'd Be Blue Tentin' Down in Tennessee; You're So Easy to Remember; That Lonely Little Bluebird; You Darlin'; Hang Out the Stars in Indiana; Loveable; The Voice In the Old Village Choir; I Nearly Let Love Go Slipping Through My Fingers; I've Just Eyes for Susie; Poor Papa; The Whistling Waltz; Side by Side; I Hear Bluebirds; We Just Couldn't Say Goodbye; Me Too; I'll Never Say "Never Again" Again. Home: Glendale, Ariz. Address: c/o ASCAP.

OFFICIAL REPORTERS OF DEBATES

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 494) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That, effective May 1, 1956, the basic compensation of the official reporters of debates, House of Representatives, shall be at the rate of $8,800, each, per annum. The additional amounts necessary to carry out this resolution shall be paid out of the contingent fund of the House, until otherwise provided by law.

The resolution was agreed to; and a motion to reconsider was laid on the table.

HOUR OF MEETING TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

TWELVE SMALL BUSINESS ORGANIZATIONS ADOPT RESOLUTION TO SUPPORT H. R. 9067

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. PATMAN. Mr. Speaker, I am informed that a number of small business organizations met together in Washington this week to consider and discuss the various bills which have been introduced to give tax relief to small business and to agree, if possible, upon a single tax bill which all of these various small business organizations would support. I am today informed that at the conclusion of their meeting 12 separate, independent small business organizations unanimously adopted a resolution in support of the tax bill which I introduced, H. R. 9067. This information comes to me by letter from Mr. Robert I. Black, who was named acting secretary and coordinator or a newly formed independent and small business coordinating committee for the 12 organizations.

In addition to these 12 organizations, I am also informed by Mr. George J. Burger that the National Federation of Independent Business has also adopted, by a vote of its membership, a resolution in support of the H. R. 9067.

I am sure that the Members will be interested in Mr. Black's letter as well as the resolution adopted by the small business organizations. These, along with the names of the various organizations adopting the resolution are as follows:

INDEPENDENT AND SMALL
BUSINESS COORDINATING COMMITTEE,
May 2, 1956.

Hon. WRIGHT PATMAN,
Chairman, Select Committee on Small Business, House Office Building, Washington, D. C.

DEAR CONGRESSMAN PATMAN: At a meeting of leaders of independent and small business held in Washington, D. C., this week, the group unanimously agreed to urge support for the bill H. R. 9067 which would provide some tax relief for independent and small-business concerns.

I am enclosing a copy of the resolution unanimously adopted at the meeting and the names of those who were present or represented. The members of the committee who drafted the resolution that the whole group adopted were:

John P. Carleton, chairman, Manchester, N. H., Smaller Business Association of New England;

Joseph D. Noonan, secretary, Boston, Mass., Smaller Business Association of New England;

Miles Pennybacker, Norwalk, Conn., National Association of Independent Business; and

William J. Franz, Cleveland, Ohio, Smaller Business of America, Inc.

The group further agreed to adopt the name of Independent and Small Business Coordinating Committee, and to conduct all of its operations and activities in support of tax-relief legislation for independent and small business under this name.

The committee wants to be helpful in every way that it can to obtain enactment of vitally needed tax legislation for independent and small business. We will appreciate advice from you and other Members of Congress as to what steps we should take and what we should do in order that we may be most effective and helpful in our work.

The committee already has decided that one of its first activities will be to supply all independent and small business associations and organizations of all types throughout the United States—national, regional, State, and local—with copies of H. R. 9067 along with material that will enable them to become thoroughly familiar with the proposed legislation and thus be in a better position to intelligently advocate its enactment.

We will appreciate you and other Members of Congress advising individuals and organizations who are interested in the objectives of the bill to communicate with the committee so that we can all coordinate our efforts and influence in this important undertaking that means so much to the future sound operation and survival of more than a half million independent and small business enterprises in the United States.

With warmest personal regards and best wishes, I am,

Sincerely,

ROBERT I. BLACK,
Acting Secretary and Coordinator for the Committee.

The group unanimously adopted the following resolution:

"RESOLUTION

"Whereas present Federal corporate income taxes impose an unbearable hardship on small business because they do not permit the creation of the working capital essential not only to growth but to its very existence; and

"Whereas it is generally recognized that relief is imperative; and

"Whereas there are several worthy bills now pending in the Congress on this subject; and

"Whereas H. R. 9067, known as the Patman bill, combines many of the fine features of the other bills and appears most likely to be considered first on the floor of the House; and

"Whereas the relief afforded by the Patman bill will result in no loss of revenue to the Federal Government and will afford some relief to most business corporations except the very largest: Be it

"*Resolved*, That the members of this group recommend to their own organizations and to all small business concerns that all small business unite in support of H. R. 9076 known as the Patman bill."

The names of the organizations adopting this resolution, as well as the names of individuals who attended the meeting are as follows:

INDEPENDENT SMALL BUSINESS ORGANIZATIONS

The Smaller Business Association of New England: A. Dudley Bach, president, New England Metallurgical Corp.; Howard D. Williams, president, Washington Mills Abrasive Co.; S. Abbott Smith, president, Thomas Strahan Co.; Arthur E. Swanson, president, New England Insulation Co.; Ralph A. Fletcher, president, H. E. Fletcher Co.; L. J. Sweetland, Nichols Poultry Farm, Inc.; John P. Carleton, McLane, Carleton, Graf, Green & Brown; Joseph D. Noonan, executive secretary, Smaller Business Association of New England; J. Wayne Fein.

National Association of Independent Business, New York: Miles Pennybacker, president, Voltare Tubes, Inc.; Herbert Barchoff, president, Eastern Brass & Copper Co., Inc.; Norman Rodlich, vice president, the Durst Manufacturing Co.; Raymond Watts, general counsel, National Association of Independent Business.

United Businessmen's Association of Philadelphia: C. R. Green, assistant to the president, United Businessmen's Association; Julius Hoffman, president, United Businessmen's Association of Philadelphia.

Smaller Business of America, Inc., Cleveland; S. S. Parsons, president, Parsons Engineering Corp.; W. J. Franz, president, W. J. Franz & Co.

St. Louis Small Business Council: Jules Schweig, president, Security Fire Door Co.; Lester Barrett, president, Barrett Electric Co., and National Electrical Distributors Association.

American Association of Small Business, New Orleans: Joseph D. Henderson, national managing director, American Association of Small Business.

Federation of Businessmen's Associations of the District of Columbia: Arthur Clarendon Smith, Sr., chairman, Smith's Transfer and Storage Co.

American Business Association: Frederick Levy, president, Frederick's Men's Store.

National Small Business Organization of Washington, D. C., and Oakland, Calif.: Jess M. Ritchie, president, Pioneers, Inc.

Independent Business Council of America, Washington, D. C.: Robert I. Black, president, Independent Business Council of America.

Maryland Small Business Council, Baltimore: William I. Shuman, builder and developer.

Small Defense Industries Association of Los Angeles: Hampden Wentworth, president, Longren Aircraft Co.; William H. Brown, president, Aluminum Paper Milling Co., Inc.

INDIVIDUALS

Laurence Henderson, assistant to the president, North American Airlines, Inc.; former staff director of the United States Senate Small Business Committee, member of the National Association of Independent Airlines.

John E. Horne, administrative assistant to Senator JOHN SPARKMAN; former Administrator, Small Defense Plants Administration.

Robert Grant, South Bend, Ind., representing independent and small-business organizations in the Middle West; former Member of Congress and a member of the House Ways and Means Committee.

Walter Ploeser, president, Ploeser, Watts & Co., St. Louis, Mo.; president of Mississippi Valley Association, former chairman of the United States House Small Business Committee.

T. K. Quinn, president, the Monitor House and T. K. Quinn Co.; former senior vice president, General Electric Co.; economic authority and author of books: Giant Corporations—Challenge to Freedom and Giant Business—Threat to Democracy.

Dewey Anderson, executive director, Public Affairs Institute; former executive secretary of the United States Senate Small Business Committee.

THE SELECT COMMITTEE ON SMALL BUSINESS, HOUSE OF REPRESENTATIVES, PAST AND PRESENT

The SPEAKER. Under previous order of the House, the gentleman from Colorado [Mr. HILL] is recognized for 45 minutes.

Mr. HILL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, there have been a number of occasions in the 84th Congress which have made me wonder whether or not I was a member of the Select Committee on Small Business.

I have thought at times that by some magic process I had simultaneously become a member of every committee in the House.

This is because of the number of investigations which, in my opinion, are properly within the province of standing committees.

The invasion of the jurisdiction of other committees on subject matter not even remotely connected with our committee can only be described as fishing expeditions made in the hope of political gain.

As a small-business man for the most part of my life, I cannot go along with a lot of the nonsense in which our committee has been engaged in the name of small business.

Maybe a clever lawyer could justify the connection, but certainly I cannot.

I was very gratified, 10 years ago, when it was my good fortune to be chosen as a member of the Select Committee on Small Business.

My inclination and experience made me feel that I could be of help in some small measure in keeping our free enterprise system functioning properly.

SHORT HISTORY OF THE COMMITTEE

The House Small Business Committee has made a lasting contribution to small business in Congress after Congress.

Let us take a brief look at the history of the committee.

The Select Committee on Small Business of the House of Representatives has its roots in the period when war clouds were forming over Europe prior to the outburst of World War II.

The Honorable CHARLES A. HALLECK, a Representative from the State of Indiana and a member of the Republican Party, was the guiding spirit in bringing together a group of Republican Members of the House to wage a fight for small business in a growing wartime economy.

This Republican Small Business Committee was composed of 16 representative

Republican Members of the House from many parts of the country.

The announced purpose of the committee was to investigate the dangers now confronting small business in America.

Our distinguished minority leader and former Speaker of the House, the gentleman from Massachusetts [Mr. MARTIN], in a public announcement on August 11, 1941, stated in part:

> In these chaotic days there is grave danger unless Government policies are reversed that small business will be wiped out. This would be a deadly blow for America * * * America's small enterprises which have provided a livelihood for millions, and made possible the prosperity of the Nation, are hanging on the ropes—the committee proposes to do a wholly constructive job to the end that the efficiency and volume of national preparedness work can be increased with a minimum of damage to small business. Everything necessary must be done to prevent the destruction of our time-tried system of private enterprise.

Among those serving under the chairmanship of the gentleman from Indiana, our former distinguished majority leader [Mr. HALLECK], to carry out this small-business mission was the Honorable Leonard W. Hall, of New York, now the very distinguished chairman of the Republican National Committee.

Mr. Hall was, and still is, one of the best friends small business ever had, in or out of Congress.

He was a member of the Select Committee on Small Business when it was first established in the 77th Congress.

The base charge that the Republican Party is not diligent in its efforts to advance the cause of small business is refuted by the very facts which I have just related.

Republicans initiated the small-business movement in the House and the very men who initiated the movement occupy high and influential positions in our party's councils.

Moreover, we are honored today to have with us as our colleagues others who were members of the Republican Small Business Committee.

They are the gentleman from New York [Mr. COLE], the gentleman from Illinois [Mr. ARENDS], the gentleman from Michigan [Mr. HOFFMAN], the gentleman from North Dakota [Mr. BURDICK], and the gentleman from Ohio [Mr. BAUMHART].

As I have indicated, the announced purpose of these Republican Members of the House was to see that small-business concerns took part in the defense effort and that those engaged in the retail and wholesale business received a proportionate supply of civilian products to share amongst their customers.

The Democrats were in power in Congress and were quick to take advantage of this fine idea.

The present chairman of the Small Business Committee, the gentleman from Texas [Mr. PATMAN], introduced a resolution providing for a select committee on small business.

As many of us know, the resolution was adopted by the House on December 4, 1941, 3 days before Pearl Harbor.

The committee, as originally established, was composed of 7 members and the 3 minority members appointed to the committee were Charlie Halleck, Len Hall, and Walter Ploeser.

From that date to the beginning of the 84th Congress, the committee, with the exception of a few minor lapses, has operated as a nonpartisan and nonpolitical body.

For the most part, the members who have served on the committee during the past 14 years or more have been proud of their service and have zealously guarded the integrity of the committee as well as the nonpartisan concept of its operations.

I shall not attempt here to recite every accomplishment of the committee over the years.

I shall not dwell on the service of the committee to Members of this House and their constituents.

These services to individuals and groups have over the years literally been numbered in the thousands.

The service features of the committee when properly rendered are equally as important to small business as many of the worthwhile investigations which have been conducted.

You will note that I say "worthwhile" investigations.

It is a remarkable achievement, I believe, that the House Small Business Committee has successfully sponsored three agencies of the Government, established for the specific purpose of taking care of small-business problems.

This committee, under the chairmanship of the gentleman from Texas [Mr. PATMAN], and I give him full credit for his initiative, sponsored the Smaller War Plants Corporation in World War II.

We all recall the difficulties besetting small business during that period.

The Smaller War Plants Corporation supplied a great need.

It was too bad, in my humble opinion, that at the end of the war and following V–E and V–J Days, that the Smaller War Plants Corporation was not immediately recreated as a peacetime agency to take care of the problems of small and independent business during the critical years between World War II and Korea.

If the Truman administration and the Democrats in Congress who profess their great love for small business had wanted this done, it would have been accomplished.

But, what happened?

The segments of the Smaller War Plants Corporation were scattered throughout other agencies.

The Department of Commerce got a piece of it, the Reconstruction Finance Corporation took over its lending powers, and goodness knows what happened to the rest of it.

At any rate, the Smaller War Plants Corporation, its personnel, and records were sunk without a trace.

In almost less time than it takes to tell the story, small business had no place to go in Washington, or in the farflung reaches of these United States, where it could find a sympathetic ear for its difficulties and its dealings with its own Government.

As a result of this shortsighted policy, when the Korean war burst upon us the only places that small business had to go were the Small Business Committees of the House and the Senate.

All members of these committees worked hard and earnestly in seeking solutions connected with the shortage of materials—price controls, wage controls, and every other kind of control.

The Small Business Committees of both branches of Congress were literally overwhelmed with a staggering number of situations, both individual and collective, which needed attention.

The answer seemed to be another agency for small business.

Every member of the committee joined with the chairman in introducing individual but identical bills to establish the Small Defense Plants Administration.

There was no partisanship here.

There was a united effort to solve the problems confronting small business.

There was no thought of building up a monopoly on information.

There was a free interchange of ideas.

The ranking minority member, Mr. HALLECK, and the chairman of the committee [Mr. PATMAN] appeared together before the Committee on Banking and Currency in the summer of 1951 and offered the bill to create the Small Defense Plants Administration as an amendment to the Defense Production Act.

Each made a strong plea for its inclusion in the pending legislation.

This was done, and with the support of the minority, this Agency achieved an independent status and was not affiliated with or within any other agency or department of the Federal Government.

POLITICS AND SMALL BUSINESS

At the beginning of the 83d Congress, when it appeared that the SDPA had outlived its usefulness, I introduced a bill to create the first peacetime small-business agency in our Government.

This became the Small Business Administration.

I do not know what motivates continued attacks on this Agency unless these attacks are political in their conception.

I assume that most of us here in the House have an interest in partisan politics.

I assume also that all of us here can lay aside partisanship when the welfare of our Nation is at stake.

It is more than certain that when any of us use our positions on committees of this House as political sounding boards the results are extremely dubious.

I do not think there can be any doubt that the Small Business Committee in the 84th Congress has been used as a political vehicle.

There are exceptions.

There are Democrats on the Small Business Committee who have sincerely tried to do a constructive and workmanlike job for small business, and I give them full credit for their efforts.

The political nature of many of the committee's actions seems to be centered around the theme that Republicans lack interest in the fate of small business.

The Small Business Administration, particularly, seems to have been chosen to prove this contention.

We shall deal with this erroneous contention as well as the Small Business Administration in proper order.

This administration, the Eisenhower administration, has more accomplishments to its credit in the interest of small business and our free-enterprise system than any administration in the past 20 years.

It is sheer fantasy to concoct phony charges based on phony statistics in a pitiful effort to prove that this Eisenhower Republican administration has not utilized every resource at its command to strengthen and preserve our American system of free enterprise.

SMALL-BUSINESS COMMITTEE IN THE 84TH CONGRESS

The Small Business Committee in the 84th Congress has been engaged in the greatest shell game of the century.

House Resolution 114 of the 84th Congress recreated the Select Committee on Small Business to conduct a study and investigation of the problems of small business and sets forth that—

The committee is authorized and directed to conduct a study and investigation of the problems of all types of small business, existing, arising, or that may arise, with particular reference to (1) the factors which have impeded or may impede the normal operations, growth, and development of the potentialities of small business; (2) the administration of Federal laws relating specifically to small business to determine whether such laws adequately serve the needs of small business; (3) whether Government agencies adequately serve and give due consideration to the problems of small business; (4) whether priorities and preferences established and allocations made by the Federal Government with respect to scarce materials adequately serve the needs of small business; and (5) methods of solving the special problems of small business arising by reason of the existing national emergency: *Provided*, That the committee shall not invade any subject matter under active investigation by any standing committee of the House.

That, in essence and fact, is the authority of the committee except for the housekeeping and procedural authority contained in the resolution.

House Resolution 114, as may be seen, precludes the committee from going into matters in which standing committees are actively engaged.

Under no circumstances does House Resolution 114 authorize the Small Business Committee to invade the jurisdiction of standing committees at any time, except in the study and investigation of small-business problems.

Now, then, I want to talk about some of the questionnaires which have been forwarded, not only to Government agencies but to industrial and other business organizations.

Some of the questionnaires, although innocent enough in appearance, were nevertheless outside the scope of the committee's activity and were used as side-door entrances into matters of little or no concern to the Small Business Committee.

For example, the Federal Power Commission questionnaire dealt with personnel matters but the hearings dealt entirely with the Dixon-Yates contract.

Many of these questionnaires repeat the same questions, but the questions, of course, vary to some extent from agency to agency, and group to group.

I am not going to read them all, but I shall put 1 or 2 of them in the RECORD.

Here is an example.

I hold in my hand a questionnaire sent to the Federal Communications Commission on December 21, 1955.

Now, hear this:

Have any surveys been made of the Federal Communications Commission since January 1953?

If a survey or surveys have been made, please submit (a) copies of the survey; (b) any action taken as a result of the surveys; (c) the individuals involved in making the survey; (d) the cost of the survey; and (e) the name of the person or persons with whom the proposal to make the survey originated.

Where do we find any small business in that question?

Why since January 1953?

What purpose is intended in asking this question, which might be properly asked by the Committee on Government Operations, but certainly not properly asked by the Small Business Committee.

Now, listen to this one:

List the names of the Chairman and the Commissioners from January 1953 to date, stating the date any such persons' services with the Commission were terminated and the date of the appointment of each successor, and state the salaries of each.

List the names, the position, and the salary of each person at Grade GS–7 or above in the following offices, divisions, or bureaus, (a) as of July 1, 1953, and (b) as of the date of this inquiry.

List the name, position, grade, and salary of each person newly employed by the Federal Communications Commission at grade GS–7 and above since July 1, 1953, and state the nature of the job last held by each such person and the amount of last salary earned before employment in the Federal Communications Commission.

Again we find the magic date, January 1953.

Just exactly what interest does small business have in the terminations, appointments, salaries, the nature of the jobs, and other personnel matters?

Certainly the Committees on Post Office and Civil Service, Government Operations, Appropriations, and on Interstate and Foreign Commerce may have a lively interest in these matters.

But where is the small-business angle?

At another point in this dubious document to the Federal Communications Commission the committee wants the chronological history of TV cases before the Commission since July 1953 in which an initial or final decision was rendered by the Commission.

But this is not all.

They want the decision and the name of the examiner in each case.

They want an identification of each "staff report, memorandum, or notes" that were prepared for the Commissioners, or any Commissioner.

They want to know the dates of arguments and the names of the Commissioners who were present.

They want to know whether any informal or straw vote was taken and the names of the Commissioners voting.

They want to know whether any preliminary decisions or opinions were prepared for the Commissioners, and, if so, who prepared them, and the date such person was instructed to prepare a decision or opinion, and the date on which it was submitted to each of the Commissioners.

In the interest of time, I shall not continue with this particular review of the question as to how the Commissioners of the Federal Communications Commission arrived at decisions, nor the implications contained in the question that the decisions may have been made outside of the Commission by the staff or by persons not in the employ of the Commission itself.

The questionnaire to the Federal Communications Commission, which I have noted will be made a part of my remarks, contains 20 questions.

The entire document probes into matters which I know have no small-business implications, and certainly there is a grave doubt of the propriety of any committee asking some of these questions.

I want to cite one more example in this Federal Communications questionnaire because to me the question itself is derogatory and is a reflection upon the integrity of every member of the Federal Communications Commission, be he a Democrat or be he a Republican.

Here is the question:

Since January 1953, for any expenses incurred or honorariums or gifts received by any Commissioner, the General Counsel and the Director of each Bureau, the Executive Director and the Secretary of the Commission, which were paid or given by any person, association, organization, or group which had any interest, direct or indirect, in past or pending matters before the Commission, including, but not limited to, trade associations and/or organizations, conventions and/or conferences, and publications connected with the communications industry, have each Commissioner and member of the Commission above stated individually prepare and submit a notarized itemized statement showing (a) the nature and the amount or value of any such expenses, honorarium, or gift, (b) for what specific items the expense was incurred or for what reason the honorarium or gift was given, and (c) the date, method, and by whom the expense was paid or the honorarium or gift given and the nature of his or their interest.

As you will note, we again have that magic date, January 1953.

Apparently in the minds of the authors of this questionnaire nothing happened before January 1953.

But that is not the important consideration.

The important point is, if the committee is in possession of evidence of wrongdoing why has it not taken proper, instead of improper, steps to bring any evidence of wrongdoing to light?

Why do they tar the Commission and its chief legal and executive personnel with implications and innuendoes of skulduggery?

Think carefully of this violation of our American sense of justice and fair play. Think carefully on this demand that high officials of our Government come before a committee of Congress with their hat in one hand and a notarized, itemized statment in the other, and in which they say "we have taken nothing of value nor

accepted any expenses, honorarium or gifts since January 1953."

Of course, there is the added implication which our friends on the other side of the aisle should also think about and that is that before January 1953, such things were all right.

I think you will agree that a careful study of the questionnaire to the Federal Communications Commission will reveal that it was written by an expert in the communications field.

It appears to be the work of a disgruntled employee of FCC, or someone outside of FCC with a particular ax to grind, but if that is so, I hate to see the committee used as a grinding stone.

In reply to a questionnaire addressed to officials in the Department of Commerce on January 5, the Secretary on February 7, 1956, addressed the committee, in part, as follows:

While we earnestly desire to cooperate with your committee, I respectfully suggest that your inquiries on matters of this nature should be directed to those officials who hold and exercise policy and action responsibility rather than to subordinate personnel. On the other hand, I hasten to add that if you should at any time have evidence or any other indication of wrongdoing on the part of any person at any level in this Department, I should like to have it and you have my personal assurance that it will be immediately and thoroughly investigated and acted upon. * * *

You have further raised the question as to whether I would refuse to supply your committee with the complete records of the deliberations of staff level and other advisory committees even after the pertinent policy went into effect and/or your committee agreed to maintaining their confidentiality * * * there are here involved considerations of security classification as well as the possibility of crediting improper opportunities for financial advantage. In addition it has always seemed to me that the general release or disclosure of working papers and other advisory materials prepared by staff subordinates, frequently conflicting and necessarily tentative, could only serve to discourage candid expression of views and ideas by career employees so essential to good administration and proper policy determination.

The letter of the Secretary of Commerce went on to describe a survey into the steel scrap situation which was apparently to be on a long-range basis. Finally the Secretary said:

In line with long-established departmental practice dictated, in my judgment, by sound policy and administrative reasons, I regret that I cannot accede to your request for the names of the firms involved in those inquiries. I should explain that this Department and its several bureaus have for many years carried out their statutory duties by handling with extreme care and discretion confidential information requested and received from American businessmen. It would not only be unfair to them to breach this confidentiality as to information already furnished, but also, I believe, it would impair our ability to obtain complete and reliable information necessary for our future operations.

An examination of the remarks of the Secretary of Commerce in his letter of February 7 discloses an added interest by the committee staff in what subordinate officials said to each other or wrote to each other.

This interest actually seems to border on a morbid sense of curiosity with implied accusations of wrongdoing.

I have other questionnaires similar in nature addressed to the Federal Trade Commission, the Civil Aeronautics Board, and the Federal Power Commission.

I am sure there are many others, but since the minority members are not in the confidence of the committee we only learn of new questionnaires or investigations by accidental exposure to them.

We know that questionnaires have been sent to all members of the cement industry.

I have a copy of that questionnaire, but I want the House to know that the committee did not furnish me with this copy.

The minority members of the Small Business Committee in the 84th Congress have to scrounge around for information anywhere they can find it.

The cement companies were asked to bare their souls and their business secrets.

I understand they have complied with the committee's request.

I hope the committee will keep the information confidential as to individual companies.

Questionnaires were also sent to a number of respondents, defendants that is, involved in actions before the Federal Trade Commission.

This seems to the minority on the committee to be an invasion of the rights of business concerns in an attempt to substitute the committee's judgment, at least in part, for that of the Federal Trade Commission.

In fact, on January 5, 1956, a report of the committee staff was released to the press entitled "Summary of Federal Trade Commission Antitrust Complaints."

A statement by our committee chairman was also released on that date and placed in the CONGRESSIONAL RECORD.

This statement was based on the staff report—a staff report which read "of the committee" rather than "to the committee."

Since when have we changed the rules of this House giving authority to committee staffs to make reports on their own motion?

Of course, we have not changed the rules.

HEARINGS AND REPORTS

We all agree, I know, that normal and orderly committee procedure requires hearings and reports.

We know also that it is customary in committee work to keep members of a committee informed on pending investigations and hearings.

It is the only method by which duly elected Members of Congress, regardless of party affiliation, can properly carry out their duties and responsibilities.

Most of us here have at one time or the other been majority members as well as minority members.

The rules of this House and its precedents are part of our American heritage.

If we were to reach a point where the rights of the minority were not respected, legislative chaos would be the result.

On the other hand, if the Members belonging to the minority party did not recognize the responsibility of the majority and cooperate with the majority in the interest of our Nation's welfare, we again would be faced with an indescribable and undesirable situation.

It borders on the ridiculous when the majority on any committee, regardless of whether it is a Republican or Democrat majority, chooses to withhold information from the minority on committee business.

I am sure that the integrity of this great legislative body demands no less than cooperation with the majority and consideration and respect for rights of the minority.

We have 5 subcommittees of the Small Business Committee, each composed of 2 majority and 1 minority member.

In this connection, I want to make it clear that some of the subcommittee chairmen have given the minority their cooperation and have kept the Republican members of these subcommittees fully informed.

My criticism is directed toward the general problem which we Republicans on the Small Business Committee have faced.

In the past year, the Small Business Committee has received appropriations in the amount of $330,000.

There have been submitted to the minority members three brief formal reports for approval.

All three of these reports received the unanimous approval of the Republican members on the committee.

One of the reports contained supplementary views by a majority member.

The number of press releases, published letters and staff reports, which have been issued without consulting the members of the minority have been voluminous.

In each instance these reports and statements are ascribed to the committee.

They are construed as the findings of the committee.

The right of a Member of this House to insert material in the CONGRESSIONAL RECORD for which permission has been granted is not questioned.

That privilege is not our concern.

We do strenuously object, however, to reports and statements which create the erroneous impression that the committee, as a whole, has approved them.

On August 25, 1955, a report entitled "The Chairman's Report" appeared in the CONGRESSIONAL RECORD and was written up in the Wall Street Journal literally as a report of the committee.

None of the minority had an opportunity to read that report until it was placed in the CONGRESSIONAL RECORD, and we certainly did not agree with a great deal of its content.

However, Congress had adjourned.

The Members had gone home and there was not appropriate forum for a reply.

As previously related, on January 5, 1956, a statement was placed in the CONGRESSIONAL RECORD, based on a report of the staff of the committee entitled "Summary of Federal Trade Commission Antitrust Complaints." This statement and the staff report were released to the press.

This particular staff report contained a great deal of misinformation and at an appropriate time we shall point out these errors.

We do not quarrel with staff reports. We think that they serve a useful purpose to members of a committee when they are produced as assembled facts relating to a given subject.

We do not object to staff members expressing their opinions in such reports, but before they are released every member of a committee should have an opportunity to review these opinions and ascertain for himself whether the information contained in the staff report squares with the factual situation involved.

We have gone into several hearings in the past year in which it was quite evident that the conclusions had been drawn before the hearing was held.

Statements were made from the chair which announced the alleged purposes of the hearings but also stated unequivocal conclusions.

The announced purpose of these hearings has been seldom followed, and at times they have been concluded after touching on practically every subject but without proper exploration of the announced subject.

I want to give 1 or 2 examples of just what I mean.

In the hearings of the operation of the Federal Power Commission it appears to me from the record that the Dixon-Yates contract matter received more attention than any other subject.

Another example was the hearings which were held last fall on the enforcement of the Robinson-Patman Act and related matters.

Actually we spent very little time exploring the provisions of the Robinson-Patman Act and the enforcement of that act by the Federal Trade Commission.

We did, however, conduct hearings on lobbying which occurred back in the late forties.

A number of witnesses were brought in to identify a secret document, which was purported to be very hush-hush as well as infamous in its approach to the problems involved.

It was finally identified and its coauthor said he was proud of his work.

The document proved nothing except that it supported views which were contrary to those of some members of the Small Business Committee, and to those of some members of the committee staff.

In this hearing we spent hours and days on the report of the Attorney General's National Committee To Study the Antitrust Laws.

We heard the same witnesses who had been heard by the Antitrust Subcommittee of the House Committee on the Judiciary, the Antitrust Subcommittee of the Senate Committee on the Judiciary, and the Senate Small Business Committee.

In these hearings there was continued criticism of the Small Business Administration.

In my opinion, most of the critical statements were unwarranted and biased.

We also heard additional criticism of the Federal Trade Commission, and particularly of Reorganization Plan No. 8 which had been adopted and put into effect by a Democratic Congress, the 81st, under a Democratic President.

This whole subject had previously been given a considerable scouring by one of the Small Business Subcommittees.

The only conclusion that I could draw from all of the discussion was that the appointment of a permanent Chairman of the Federal Trade Commission, as required by the reorganization plan, was a fine idea when made by a President who was a Democrat, but when the appointment was made by a Republican President, it was a bad idea.

It does prove the point, I think, that you cannot tell from where you sit how your picture's going to look.

I well recall the enthusiasm of my friends of the opposite party when Reorganization Plan No. 8 and similar ones, were written into law.

Objection now, based on trivial and frivolous reasoning would seem to be in very bad grace.

I want to take a few minutes here to comment on the hearings that were held in connection with the aluminum shortage.

These hearings, off and on, occupied a period of several months and the investigation has been underway for more than a year.

But, from my look at the record, we never did learn whether or not the 20,000 or more small manufacturers of aluminum products were in trouble.

The reason we did not learn anything about their situation was that they, apparently, had not been invited to testify.

We did get testimony from 2 or 3 groups which demonstrated that aluminum was in short supply.

But we also got testimony that every effort was being made to correct the situation.

However, I notice in the transcript that the first witness, who at one time had been with the Department of Justice, spent a great deal of time on a case which still was within the jurisdiction of the Federal courts.

I was also somewhat mystified regarding the stream of statements and releases which were made on the subject of aluminum until two members of the subcommittee set the record straight by a joint release.

Although several months have elapsed since the hearings were concluded, we do not as yet have a report.

It is true we have been threatened with one for several months.

But it is so secret, that the minority members apparently are not deemed worthy to be let in on the contents of the report. This, perhaps, also applies to some of the majority members.

This investigation into the aluminum situation, the record will show, provides a perfect example of the minority being ignored throughout the investigation.

Think of it, a whole year of activity, a large expenditure of funds and yet no answer to a problem which was considered to be of the direst importance in early 1955.

Just what is the matter with the aluminum situation?

I, for one, would like to know.

At this point, I intend to spend a few moments on the question of overlapping and invasion of subject matter which properly comes within the jurisdiction of standing committees.

The Small Business Committee has a wide area in which it can operate in the interest of small business.

It is not necessary to go into matters entirely foreign to what the committee's objectives should be.

Earlier, I pointed out examples of investigative snooping entirely outside the committee's normal investigating areas.

In order to pinpoint the question of overlapping and invasion of jurisdiction I cite as an example questions which were submitted to the Federal Trade Commission.

The FTC was asked about management and cost justification surveys.

They were grilled on Reorganization Plan No. 8.

They were asked to tell all on the regrading, promotion, demotion, resigning, and dismissing of personnel by name, title, grade, and salary.

The FTC was asked to tell the committee regarding assignments of attorneys and economists by name, grade, and salary.

They were questioned on the use of appropriated funds by various offices and bureaus, including personnel, travel expenses, investigations, and so forth.

They were questioned on the delegation of authority to the staff by the Commission.

The committee wanted to know the costs on the rearrangement of offices.

And, now get this!

The committee wanted to know from the FTC what partitions had been removed and replaced, what rugs they had bought, and what other items had been purchased, plus the painting costs of offices in moving from location to location in the FTC building.

The committee inquired about the assignment of cases to the Commissioners and also inquired particularly regarding the man-hours and other data in working with the Attorney General's Committee To Study the Antitrust Laws.

There were in all some 77 or more formal questions as well as a myriad of telephone and other requests.

Many of the questions appeared to be probes for information in limited areas, probably prompted by gossip or suspicion.

Other questions reflected an intimate knowledge of operations or decisions which in all probability could only have been known to participants in the particular operation or decision, such as the question on trade-practice rules for the plumbing and heating industry.

Many of the questions were so limited in scope that only a nonobjective study and report could result unless supplemental data were in the possession of the committee or provided by the Commission.

Illustrative were those questions dealing with the management survey reorganization of the Commission as to the

cause for the decision to make a survey or have a survey conducted.

There appeared to be no interest in the possible improvements which were anticipated or that have resulted from the reorganization of the Commission.

Certainly the questions on personnel matters were a clumsy effort to show that the latest reorganization of the Federal Trade Commission was purely a political one.

Strangely enough, with few exceptions, employees of many years service in the Commission were the ones favored in the reassignment of top positions.

The volume of material requested from the Federal Trade Commission and the nature of this material was tantamount to persecution.

Moreover, the cost in tax dollars to the Federal Trade Commission has not been accurately estimated, although a request for an estimate has been made.

We are not objecting to the proper type of investigation of the Federal Trade Commission by the Small Business Committee, but we do want to emphasize that many of the inquiries to this agency had no possible connection with the operation of the Commission or with small-business matters within the jurisdiction of the Commission.

The investigation of the Federal Trade Commission was extremely partisan in concept, and up to this time, so far as we know, has proved nothing, because there have been no printed hearings and no report.

At least, there has been no report submitted to the minority members.

Once again the minority would appreciate some lucid answers to the questions posed in the name of the committee.

This pattern to a greater or less degree has been followed with the Civil Aeronautics Board, the Federal Communications Commission, and the Federal Power Commission.

We, as Members of Congress, often complain about waste and inefficiency on the part of executive departments.

But the duplication which we have seen in the 84th Congress by the Small Business Committee strikes me as being more than wasteful and somewhat less than efficient.

POSITION OF THE MINORITY

The Republicans in the House have always supported the Small Business Committee whether they were in the majority or in the minority.

We Republicans feel that the successful operation of the committee makes an important contribution to our business economy.

As I pointed out earlier, in a real sense Republicans in the 77th Congress were responsible for the establishment of the committee.

Republican members of the committee, since its establishment, have been faithful and persevering in advancing the work of the committee.

This is true of the Republican members of the Small Business Committee in the 84th Congress.

However, the committee's activities have been so different and the objectives sought so obscure, there is grave doubt that some members of the majority are truly interested in small-business problems.

At least, with one or two exceptions, we cannot say that the committee's operations are other than political.

We want to extend credit where credit is due.

I am glad to say there are some subcommittee chairmen and majority members who have gone about the job of investigating small-business problems in an eminently fair and cooperative manner.

I am addressing my remarks more particularly to the overall operation of the committee.

From the very beginning the minority members of the committee have not been supplied with current information on the committee's activities.

The minority has not been consulted in advance on proposed hearings nor the objectives sought in holding such hearings.

We have not been consulted as to witnesses, the issuance of subpenas, or the information which the committee desired, nor for what purpose the information was desired.

There have been a number of investigations which have been carried on and which the minority learns about only accidentally.

Some of these investigations, as we understand from information which has come to us, will not be supported by public hearings.

We do not know what the objectives of these investigations were because we were not advised or consulted about them.

It is possible that some of them were entirely proper, and upon that point we have no opinion, since we have no knowledge.

As noted above, the committee has received appropriations in this Congress in the amount of $330,000.

The minority was not consulted beforehand on any of these requests for funds.

Because the funds were for the Small Business Committee, and because it has been our constant hope that the committee would get back on the track, we have supported these resolutions. And, I may say, actively supported them.

In this stand we may have been in error in some particulars, but I want to say again that we were motivated by sound considerations and what has proved to be a vain hope, namely, that the committee would finally get down to the business for which it was established.

The Republican members on the Small Business Committee stand ready to cooperate 24 hours a day, if necessary, on any constructive program in the interest of small and independent business.

Where does it profit anyone to stand on the floor of the House time and time again and indulge in carping criticism of efforts by this administration to assist small business?

Why is this criticism voiced at all?

Is it because our friends in the opposition are admitting to 20 years of failure in the strengthening of our free-enterprise system?

We in the minority have sponsored and supported every affirmative program of the Small Business Committee since it was established.

The tragedy has been that they either were never carried out or were not put on a sound and lasting basis.

Until President Eisenhower was inaugurated in January 1953, no lasting small-business program was ever given the support it needed to assure maximum success.

A CONSTRUCTIVE PROGRAM FOR SMALL BUSINESS

First of all, any constructive program of study and investigation for small and independent business when sponsored by the Small Business Committee must be approached on a strictly nonpartisan basis.

I would say that the 5 million small-business men in the United States do not care a continental dam about the politics of the members of the Small Business Committee.

I doubt very much whether they care which Members of Congress are serving on the committee.

What they do care about is whether the committee does a good job.

And, let us not kid ourselves, small-business men are just as smart as we are.

They know whether we are doing a good job or not, and they know whether we are trying to play politics with their business problems.

And my guess is that any party in power which takes the Small Business Committee and transforms it into a political Frankenstein monster will sooner or later have to endure the wrath of the small-business men of this country.

I have stated before, and I repeat, that credit for work well done should be given.

The hearings held on the operations of the Small Business Administration in March 1955, and the report resulting from those hearings were valuable contributions.

The inquiry into the situation surrounding lessee dealers of petroleum products was extremely fair and worthwhile.

The report, as the result of the investigation and hearings relating to lessee dealers, was a unanimous report and fairly represented the findings and conclusions which were accurately based on testimony received in the hearings.

I may have failed to mention that the report on the Small Business Administration was agreed to by the subcommittee chairman and the minority member, but that were supplementary views by the other majority member of the subcommittee covering several areas of disagreement.

There is only one way for the Small Business Committee to operate if it is intended to carry out the will of the House as embodied in the resolution creating it.

The committee and its staff must be resolute in their determination to carry on studies and investigations fairly, impartially, and cooperatively.

The members of the committee, both majority and minority, must have full and free access to all information which comes into the possession of the committee or its staff.

The committee and its staff must conduct their own business without inter-

ference or the assistance of self-appointed partisans who have no official connection with the committee.

The committee and its staff, as a standard of conduct, should refuse the doubtful assistance and advice of disgruntled employees or ex-employees of Federal agencies.

The committee and its staff should avoid the counsel of persons who have a special reason, real or fancied, for getting even with somebody.

Every witness before the committee should have the right to proceed with a prepared statement if they so desire.

Every person whose name is mentioned in any hearing should during the course of the hearing have the inalienable right of appearing before the committee and placing in the record his version of the incident, circumstances, or situation which had brought his name into the hearings of the committee.

The minority insists that the Small Business Committee of the House constitutes a forum for small business.

We are here to listen to the problems of small business and to take appropriate action on such problems.

The staff of the committee is, or should be, the servant of the committee and the House in the highest sense.

The staff has no power except that which the committee, through its chairman, delegates to it, and that delegated power is for no other purpose than to study and investigate the problems of small business in accordance with a fixed program and to report what it finds to the members of the committee.

It is not within the province of a staff member to browbeat witnesses or inquire into their political activity, or to make demands on Department personnel for unauthorized information or material.

I think the history of the relationship between members of committees and their staffs will show few instances of situations which have prevented full and free discussions and mutual respect.

I, for one, have a great regard for the hard working, dedicated staff members who have long and faithfully performed their duties in the public interest, regardless of which party was in power.

Finally, we need in any constructive program for small business a studious avoidance of sneak attacks on persons, Government agencies, or corporations under the guise of helping small business.

THE EISENHOWER ADMINISTRATION AND SMALL BUSINESS

The activities and efforts in the interest of small and independent business in the administration of President Eisenhower have surpassed any previous administration in history.

President Eisenhower signed into law the act creating the first peacetime agency for small and independent business.

The Small Business Administration was not a war baby forced upon the executive branch of our Government by the Congress.

The Small Business Administration has had the full support of the President.

When this is compared to what happened to the Smaller War Plants Corporation, which was handed over to Henry Wallace and the Department of Commerce to carve into little bits, we can readily compare the difference in attitudes and objectives.

The Small Defense Plants Administration created in 1951, a year after the Korean war broke out, was another instance of too little and too late.

Some members of the majority in the 84th Congress, and particularly our distinguished chairman of the Small Business Committee, appear to resent the existence of the Small Business Administration.

Perhaps this is because they are conscious of their grievous error in not making certain that small business had its own continuing agency after hostilities ceased in World War II.

Perhaps also they realize that the creation of the Small Defense Plants Administration should have taken place at the same moment the numerous wartime agencies were created under the Defense Production Act of 1950.

A bill for that purpose was introduced in which every Republican member of the Small Business Committee joined by introducing identical bills.

But it was a year later when the chairman and the ranking minority member were forced to go before the Committee on Banking and Currency and offer the Small Business Committee's bill as an amendment to the Defense Production Act Amendments of 1951.

I take the time to relate these few facts because I firmly believe the approach to the problems of small business should be cooperative and nonpartisan as I have heretofore stated.

It does small business no good and it does not help to assail Government agencies and to continually quote statistics which are either erroneous or distorted.

I would be the last person to say that any agency of the Government is perfect in its operation no matter which party may be in power.

The Small Business Administration is no exception, but we must be fair in our criticism and we must aid this small-business agency in reaching its maximum efficiency.

We will deal with the work of the Small Business Administration on the basis of its record, and I assure you the facts and statistics will be ones which cannot successfully be challenged.

In order to understand the plain facts of business life, it is necessary to start from the beginning.

We all like to talk about "free enterprise," "competition," "big business versus small business," and "antitrust laws," and other factors which make up the American way of business life.

I know that we believe in free enterprise and I know we realize that our business economy is the great force which, together with agriculture, is responsible for the higher standard of living which we enjoy in the United States.

Demagogs and pretty politicians constantly work in an effort to aline larger business operations against smaller business ventures.

Today they falsely claim that the Republicans and the Eisenhower administration favor one segment of American industry over another, and that smaller operations have not fared as well.

Nothing could be more untrue.

The facts are that our Nation is enjoying prosperity and progress in a time of peace unequaled in our previous history.

Of course, the Eisenhower administration is helping business—all business.

We Republicans can be justifiably proud of the approach of the Eisenhower administration to the many problems affecting small-business concerns.

This administration has been engaged in a continuing effort to remove the impediments which have blocked the roads to small-business growth and expansion in former administrations.

In many messages to the Congress, the President has placed particular emphasis on the welfare of small and independent business.

The concern of President Eisenhower is demonstrated in his state of the Union message of January 5, 1956, in which the President said:

> An integral part of efforts to foster a strong and expanding free economy is keeping open the door of opportunity to new and small enterprises, checking monopoly, and preserving a competitive environment.
>
> In the past year the steady improvement in the economic health of small business has reinforced the vitality of our competitive economy. We shall continue to help small-business concerns to obtain access to adequate financing and to competent counsel on management, production, and marketing problems.
>
> Through measures already taken, opportunities for small-business participation in Government procurement programs, including military procurement, are greatly improved. The effectiveness of these measures will become increasingly apparent. We shall continue to make certain that small business has a fair opportunity to compete and has an economic environment in which it may prosper.

Further evidence of President Eisenhower's interest in the position of small business is contained in the Economic Report of the President submitted to Congress in January of this year.

There are certain passages in this report which command especial attention. They are as follows:

> Today we believe as strongly in economic progress through free and competitive enterprise as our fathers did, and we resent as they did any unnecessary intrusion of Government into private affairs * * * the basic drive of the expansion came from private citizens, who were willing to risk accumulated savings on many new tools of production, to borrow as well as to save, to work longer hours and in increasing numbers, and to spend freely on new homes and current consumption in order to meet the better their aspirations for good living * * * the Government can strengthen competitive markets by helping small and medium-sized businesses overcome impediments to their expansion. In our modern economy, with its heavy capital requirements, high taxes, and emphasis on national markets, small concerns are subject to serious handicaps in many lines of endeavor. Yet the continuance of small and medium-sized businesses, and their ability to prosper and grow, are vital to the Nation's welfare * * * when the Government helps smaller concerns to overcome some of the hindrances to their growth, it is acting in the interest of the whole economy.

As I said previously, record of the work of the Small Business Administration will be given you shortly.

Moreover, we shall straighten out the tangled and dangling figures which have been paraded before you on business failures.

There is also the matter of the small-business share of Government procurement, particularly military purchases.

Our friends would have us believe that small business has not fared as well in the past 3 years under the Eisenhower administration as it did under the Truman administration.

Once more figures have been used to prove this point which leave the story only half told.

I assure you we will give you figures, and very soon, which will give you the whole story without evasion or concealment.

Meanwhile, what next?

Will the House Small Business Committee get on with the job of assisting small business, or will the committee continue with extraneous matters miles outside of its jurisdiction?

Will the committee continue its political flights of fancy or will it decide to get down to earth and consider the numerous small-business problems which are always with us?

Is the committee to continue its personal curiosity in the affairs of persons or will the committee permit its curiosity to be concerned with solving the individual problems and broader fundamentals which affect the welfare and well-being of small business?

The minority would like to be informed.

And, the answer lies within the will of the majority.

Two of the questionnaires referred to in my remarks, namely, the one to cement-producing companies and the one to the Federal Communications Commission, follow:

SELECT COMMITTEE ON
SMALL BUSINESS OF THE
HOUSE OF REPRESENTATIVES,
84TH CONGRESS,
Washington, D. C., December 21, 1955.

FEDERAL COMMUNICATIONS COMMISSION,
Washington, D. C.

GENTLEMEN: As chairman of Subcommittee No. 1 of the Select Committee on Small Business of the House of Representatives, of which the Honorable SIDNEY R. YATES and the Honorable WILLIAM M. MCCULLOCH are members, I am submitting the following questions to the Federal Communications Commission. For your convenience the questions have been segregated into several categories:

SURVEYS PRIVATELY MADE AT THE FEDERAL COMMUNICATIONS COMMISSION

1. Have any surveys been made of the Federal Communications Commission since January 1953? If a survey or surveys have been made, please submit (a) copies of the survey; (b) any action taken as a result of the survey; (c) the individuals involved in making the survey; (d) the cost of the survey; and (e) the name of the person or persons with whom the proposal to make the survey originated.

FEDERAL COMMUNICATIONS COMMISSION ORGANIZATION AND PERSONNEL

2. List the names of the Chairman and Commissioners from January 1953 to date, stating the date any such persons' services with the Commission were terminated and the date of the appointment of each successor, and state the salaries of each.

3. List the names, the position, and the salary of each person at grade GS–7 or above in the following offices, divisions, or bureaus, (a) as of July 1, 1953, and (b) as of the date of this inquiry.

(1) Personal services: (a) Offices of the Commissioners. (b) Office of Opinions and Review. (c) Office of Hearing Examiners. (d) Office of Reports and Information.
(2) Office of Administration.
(3) Office of Secretary.
(4) Office of the Chief Accountant.
(5) Office of the Chief Engineer.
(6) Office of the General Counsel.
(7) Common Carrier Bureau.
(8) Safety and Special Radio Services Bureau.
(9) Broadcast Bureau.
(10) Field Engineering and Monitoring Bureau.

4. List the name, position, grade, and salary of each person newly employed by the Federal Communications Commission at grade GS–7 and above since July 1, 1953, and state the nature of the job last held by each such person and the amount of last salary earned before employment in the Federal Communications Commission.

5. List by docket number and with the names of the parties each comparative TV case before the Commission since July 1953, in which an initial or final decision was rendered by the Commission, and show for each case its chronological history, which should include, but not be limited to, the following:

(1) The decision and name of the examiner.

(2) Whether any staff reports, memoranda, or notes on the case were prepared for the Commissioners or any Commissioner, and if so an identification of each such staff report, memorandum, or notes.

(3) The date of arguments, if any, before the Commissioners, and the names of the Commissioners present.

(4) Whether an informal or straw vote was taken, and if so the names of the Commissioners voting and the date.

(5) Whether any informal or preliminary decisions or opinions were prepared for the Commissioners, and if so, the names of the person and/or persons preparing any such preliminary decision or opinion, the date such person was instructed to prepare any such decision or opinion, and the date any such decision or opinion was submitted to each of the Commissioners.

(6) The final decision of the Commissioners, the date thereof, the Commissioners participating in the decision, and whether the decision followed or reversed (a) the examiner's initial decision, and (b) any informal or straw vote of the Commissioners or any informal or preliminary decision or opinion prepared for the Commissioners.

(7) The number of decisions of the Commission appealed to the Federal courts, with copies of the Court's decision and whether the Commission's decision was confirmed, reversed, or criticized.

(8) Any information or statements concerning or related to the case communicated outside the record to any Commissioner or any member of the Commission by any person, persons or party not a member of the Commission, identifying the person, persons, or party making any such communication or statement and stating the circumstances under which it was made and whether it was oral or written.

6. Submit copies of all bulletins and directives to the staff of the Commission which were in effect or issued after January 1953, stating which directives or bulletins are currently in effect and which have been amended or withdrawn.

7. Please supply all staff reports or analyses on the problem of television allocation, with specific reference to, but not limited to, any recommendations for revised allocation plans, deintermixture, the 5-mile rule, minimum and maximum limits of power, and antenna heights.

8. State what action, if any, was taken by the Commissioners on the basis of such reports.

9. Classify the ownership of, first, VHF and, second, UHF television stations in the United States; (a) by network, (b) by newspaper interests, (c) by manufacturers, (d) by theatrical interests, (e) by educational institutions, and (f) by others.

10. List all TV stations under multiple ownership.

11. What was the amount of Commission funds spent for travel by each of the Commissioners, the General Counsel, and the Director of each Bureau, the executive director and the secretary of the Commission for fiscal years (a) 1954 and (b) 1955, stating for each trip made the date, time, place, purpose, accomplishment, and expense?

12. Since January 1953, for any expenses incurred or honorariums or gifts received by any Commissioner, the General Counsel, and the Director of each Bureau, the executive director and the secretary of the Commission, which were paid or given by any person, association, organization, or group which had any interest, direct or indirect, in past or pending matters before the Commission, including, but not limited to, trade associations and/or organizations, conventions and/or conferences, and publications connected with the communications industry, have each Commissioner and member of the Commission above stated individually prepare and submit a notorized itemized statement showing (a) the nature and the amount or value of any such expense, honorarium, or gift; (b) for what specific items the expense was incurred or for what reason the honorarium or gift was given; and (c) the date, method, and by whom the expense was paid or the honorarium or gift given and the nature of his or their interest.

13. For all years in which reports were made to the Commission list the television profits and the total revenues of (a) NBC, (b) CBS, (c) ABC, (d) DuMont, and (e) others.

14. List separately for every year for which data is available, the number of UHF stations, their television profits or loss, and their total revenues.

COMMON CARRIER BUREAU

15. What proportion of (a) the Commission's staff and (b) the Comission's funds are allocated to the Common Carrier Bureau?

16. What porportion of (a) the Commission's staff and (b) the Commission's funds are allocated to the Broadcast Bureau?

17. Since January 1953, how many investigations have been initiated by the Commission into Carrier's operation, including rates, services, and contractual relationships, management, etc.

18. What personnel were assigned to work on each such investigation, what was the nature of each such investigation, and what were the results of each such investigation, and the length of time required for each such investigation?

19. Supply the same information as requested in the immediately preceding question in relation to investigations initiated by Carriers or other than by the Commission.

RULEMAKING PROCEEDINGS

20. State whether any information or statements concerning or relating to any rulemaking proceedings have been communicated outside the record to any Commissioner or any member of the Commission by any person, perons, or party not a member of the Commission, identifying the person, persons, or party making any such communication or statement and stating the cir-

cumstances under which it was made and whether it was oral or written.

In addition to supplying answers to the above questions for the benefit of the study of my subcommittee, it would also be appreciated if the Commission will supply a statement as to the general overall effect of the changeover in operation and procedure and efficiency at the Commission since putting into effect the reorganization plans for the Commission as embraced in the Hoover Commission proposals for the Federal Communications Commission.

In view of the studies underway of the operation of the independent agencies of our Government by this subcommittee, an early response to this questionnaire is urged and will be greatly appreciated.

With kindest regards, I am,

Very sincerely yours,

JOE L. EVINS,
Member of Congress, Chairman, Subcommittee No. 1.

QUESTIONNAIRE SENT TO ALL CEMENT COMPANIES OCTOBER 1955 BY THE HOUSE SMALL BUSINESS COMMITTEE

1. Please specify the full name of your company, the name of the State in which it is incorporated, and the date of the incorporation.

2. Specify the location of the principal office of your company and the names of any of its subsidiary or affiliated corporations engaged in producing or selling Portland cement, and show for each the name of the State in which it was incorporated and the date of the incorporation, and the location of its principal office.

3. Provide a copy of the company's annual statement of its operations for 1950, 1951, 1952, 1953, and 1954.

4. Has the productive capacity at any of your company's plants been increased since 1945?

If so, specify for each such plant:

(a) What was done to increase the capacity?

(b) When?

(c) The extent:

(1) In terms of the amount of the cost of improvements?

(2) Increase in annual rated capacity in terms of barrels per year?

5. Has the company adopted any definite plans for enlargement or expansion of any of its existing facilities?

If so, specify for each plant:

(a) The date the plans were adopted.

(b) The name and location of the plant involved in the plans.

(c) What is provided for in the plans in the nature of improvements.

(d) How much of an increase in terms of barrels per year in rated capacity is involved in the plans.

(e) What is the estimated cost of the proposed improvements.

(f) State the dates when the expansion of facilities are expected to be available for increases in output and give the date and the amount of each expected increase in output.

6. Has the company adopted any definite plans for the erection of new plants?

7. Specify the location of each of the company's existing plants.

8. What is the present rated capacity of each plant?

9. What has been the actual production of finished cement by each plant by months for the past 5 years?

10. In the event that any of the differences in the rate of production for any 1 of the plants in 1 period distinguished from the rate of production in another period has been due to a breakdown, a strike, or any other like factor, please specify the nature of the event and the period over which it extended.

11. Submit a map showing for each plant the outlines of the territory into which shipments have been made as a part of the normal business operations during the past 2 years.

12. Specify the time, the destination, and the amount of shipment involved in any transaction which provided for shipment of 100,000 barrels or more of cement during any 12-month period from any 1 of your plants to any destination beyond the limits of that plant's normal shipping territory, at any time during the past 5 years.

13. Show the amount of finished cement on hand for each month at each plant for the past 2 years.

14. Show the amount of clinker on hand for each month at each plant for the past 2 years.

15. Show for each plant for each month during the past 2 years the amount of its backlog of unfilled orders for cement.

16. Specify the approximate amount of time that elapsed between the date of orders and the date of shipments on the shipments made from each of your plants during last month.

17. Specify for each existing plant whether prices are quoted f. o. b. mill or on a delivered basis.

18. Submit a copy of a typical quotation currently in use in connection with the business of each plant showing the terms and conditions of sale and whether the price is f. o. b. your plant or at destination.

19. In instances where quotations provide for delivery at plant, show the terms and conditions of sales when deliveries are made:

(a) To railway cars.

(b) To trucks.

20. In instances where quotations provide for delivery at destination, show the terms and conditions of sales when deliveries are made—

(a) by railways.

(b) By trucks.

1. When furnished by the company.

2. When furnished by the buyer.

21. If sales are made on a delivered basis show for your plan for the last fiscal year:

(a) The number of barrels of cement involved in sales on a delivered basis and shipped by railroad and the amount of freight paid for transporting that cement;

(b) The number of barrels of cement involved in sales on a delivered basis and which were transported by trucks owned or hired by your company and show the cost to your company for transporting that cement by truck.

22. Submit a statement showing for each plan for each of the past 5 years the average net price per barrel realized on its shipments.

23. Submit a statement listing the names of the trade associations of which your company is a member and show for each the period of time such membership has existed.

GENERAL AGREEMENTS ON TARIFFS AND TRADE

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 20 minutes.

Mr. BAILEY. Mr. Speaker, on April 10 my colleague the gentleman from Maine [Mr. HALE] and I introduced identical resolutions authorizing the House Committee on Ways and Means to conduct a study of the General Agreement on Tariffs and Trade—GATT.

The purpose of the resolutions was to bring the GATT before Congress so that the membership might have a good look at it before voting on H. R. 5550 which is the bill that calls for United States membership in the Organization for Trade Cooperation—OTC. Since an affirmative vote on OTC membership would commit us to GATT, it appeared to us that Congress should have an opportunity to examine GATT before deciding whether we wished to support it with our vote.

The resolution was sent to the Department of State by the gentleman from Arkansas [Mr. MILLS] for comment. The reply was printed in the CONGRESSIONAL RECORD on Monday of last week. I wish to take a few minutes, in turn, to comment on the reply.

First, Mr. Speaker, I ask unanimous consent to include in my remarks at this point House Resolution 459.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia.

There was no objection.

Mr. BAILEY. Mr. Speaker, the resolution is as follows:

House Resolution 459

Resolved, That the Committee on Ways and Means, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete investigation and study of:

(1) The legislative authority for negotiations of the General Agreement on Tariffs and Trade (GATT), signed for the United States by the Department of State on October 30, 1947, in Geneva, Switzerland;

(2) The source of authority for each of the 35 articles of the same agreement (GATT), to determine—

(a) whether the Trade Agreements Act of 1934, as amended and extended, was the sole authority for the negotiation of each article, and if so

(i) what doctrine of delegation of powers from the legislative to the executive was relied upon to justify negotiation of the so-called trade rules or the substantive provisions of the agreement; while if not

(ii) what other legislative or nonlegislative sources of authority were invoked to justify negotiation of each article authority for which was not found in the Trade Agreements Act of 1934, as amended and extended;

(3) The power of self-amendment contained in article XXX of said agreement (GATT), in order to determine the extent to which the contracting parties thereof may themselves, independently of any restrictions on the powers of the proposed Organization for Trade Cooperation, amend the existing agreement toward the enlargement of its scope and jurisdiction without further reference to Congress;

(4) What barriers, if any, would approval of the articles of the proposed Organization for Trade Cooperation create against the recapture and retention by Congress of its power to regulate foreign commerce in view of—

(a) the renunciation of import quotas under article XI of the General Agreement of Tariffs and Trade (GATT), which would be administered by said Organization;

(b) the power of self-amendment conferred upon the contracting parties of the General Agreement on Tariffs and Trade (GATT) under article XXX, referred to in paragraph (3) hereof;

(c) the practice of the contracting parties of the said general agreement to agree to the binding of tariff rates at specified levels and the freezing of items on the free list;

(5) The status of the General Agreement on Tariffs and Trade should the Organization for Trade Cooperation be established, to determine the extent to which the said general agreement could be carried out independently of any reservations attached to membership in the Organization for Trade Cooperation by any member; and the extent to

which any such reservations must be compensated by concessions to other member nations and the extent to which the necessary waivers by other members permitting such reservations might be merely temporary and subject to withdrawal;

(6) The extent to which the provisions of the General Agreement on Tariffs and Trade operate toward the binding of a future Congress against the exercise of its constitutional authority to determine the policies that are to govern our foreign trade and the level of our import duties, by action of a preceding Congress or by action of the President in exercising the powers delegated to him in the Trade Agreements Act of 1934, as amended and extended, or otherwise;

(7) The extent to which the provisions of the General Agreement on Tariffs and Trade are in conflict with the provisions of sections 6 and 7 of the Trade Agreements Extension Act of 1951 (that is, the so-called escape clause); with section 8 of the same act (that is, amendment to section 22 of the Agricultural Adjustment Act); with the provisions of section 7 of the Trade Agreements Extension Act of 1955 (that is, the so-called national security provision); the American selling price and other valuation provisions of the Tariff Act of 1930; the Antidumping Act; the Buy American Act; the cargo preference law (that is, the 50–50 preference for American merchant shipping); the mixing regulations of the Rubber Act of 1948; with export subsidies, and to what extent, if any, membership in the Organization for Trade Cooperation would deter or bar action by the United States Government toward the enforcement of these statutes;

(8) The source of the presumed or assumed power of the contracting parties of the General Agreement on Tariffs and Trade under which they have acted to grant a waiver to the United States to continue in effect import quotas on various agricultural products established under section 22 of the Agricultural Adjustment Act, including an examination of the doctrine of delegation of power by which the said contracting parties became possessed of sufficient authority to come into a position of granting such a waiver;

(9) The meaning of the stated objectives and purposes of the General Agreement on Tariffs and Trade insofar as they may conflict, upon implementation, with the constitutional authority of Congress to regulate foreign commerce and to establish and adjust tariff rates; and the extent to which the Organization for Trade Cooperation, if established, would operate to carry into effect such objectives and purposes.

(10) The extent to which approval by the Congress of United States membership in the Organization for Trade Cooperation would ratify the General Agreement on Tariffs and Trade (GATT) and thus nullify the congressional caveat adopted in various trade agreements extension acts.

The committee shall report to the House (or to the Clerk of the House if the House is not in session), as soon as practicable during the present Congress, the results of its investigation and study, together with such recommendations for legislation as it deems advisable.

For the purposes of this resolution the committee or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places within the United States, its Territories, and possessions, whether or not the House is in session, has recessed, or has adjourned, to hold such hearings, to require the attendance of such witnesses and the production of such records, documents, and papers, to administer oaths, and to take such testimony as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee, or by any member designated by such chairman, and may be served by any person designated by such chairman or member.

Mr. Speaker, I now ask unanimous consent to include the statement by the gentleman from Arkansas [Mr. MILLS] which includes a reply by the State Department on this matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, this statement is as follows:

GENERAL AGREEMENT ON TARIFFS AND TRADE

(Mr. MILLS asked and was given permission to address the House for 1 minute and to include an analysis of House Resolution 459.)

Mr. MILLS. Mr. Speaker, several days ago I asked that House Resolution 459, relating to the General Agreement on Tariffs and Trade and the proposed Organization for Trade Cooperation be analyzed by the executive department and questions raised by the resolution answered.

Such an analysis has been prepared within the departments and transmitted to me by Mr. Robert C. Hill, Assistant Secretary, Department of State, and is as follows:

DEPARTMENT OF STATE,
Washington, April 18, 1956.

Hon. WILBUR D. MILLS,
House of Representatives.

DEAR MR. MILLS: In accordance with your request, I enclose a memorandum prepared by the Department of State analyzing the provisions of House Resolution 459, relating to the General Agreement on Tariffs and Trade and the proposed Organization for Trade Cooperation.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary.

(Enclosure: Memorandum on provisions of H. Res. 459, relating to GATT and OTC.)

"ANALYSIS OF HOUSE RESOLUTION 459, 84TH CONGRESS

"The resolution (H. Res. 459) introduced by Representative BAILEY with respect to the General Agreement on Tariffs and Trade and the Organization for Trade Cooperation, raises a number of questions with respect to the legal basis for American participation in the general agreement and the effect of congressional approval of the Organization for Trade Cooperation. The present memorandum analyzes and answers these questions.

"1. The resolution first raises the question as to the legislative authority for the participation by the United States in the General Agreement on Tariffs and Trade. Such legislative authority is contained in the Trade Agreements Act of 1934, as amended and extended, which specifically authorizes the President to enter into foreign trade agreements for the purpose of expanding American exports. The General Agreement on Tariffs and Trade is such a trade agreement.

"2. More specifically, the resolution inquires regarding the source of authority for each article of the general agreement, and whether there are any articles of the agreement which are not based on the authority of the Trade Agreements Act. The Trade Agreements Act authorizes the President to make and secure the commitments contained in each article of the general agreement. The act recites the broad purpose of expanding markets for products of the United States and authorizes action by the President if he finds that measures are burdening and restricting the foreign trade of the United States, and that this broad purpose will be promoted thereby. Accordingly, the act specifically authorizes the President to enter into foreign-trade agreements without any qualification on the content of such agreements other than that they shall relate to foreign trade. Moreover, the act authorizes the conclusion of such agreements when duties or other import restrictions of the United States or a foreign country are adversely affecting our foreign trade, and authorizes the President to proclaim modifications of duties and other import restrictions, additional restrictions, and the continuance of customs or excise treatment in order to carry out such agreements.

"The report of the Ways and Means Committee on the original trade-agreements legislation, which was made a part of the Senate Finance Committee report on the same bill, stated that it was noteworthy that in negotiating with respect to a complex situation relating to trade the President could deal not merely with customs duties but with other import restrictions. The report also emphasized that the authority covered various types of measures for the retardation of trade (73d Cong., 2d sess., H. Rept. 1000, 15 and 16; ibid., S. Rept. 871, 18 and 19).

"Secretary of State Hull in appearing before the Ways and Means Committee had emphasized the need for 'broad authority to face other countries with their network of ever-increasing devices of every kind and description and name.' He submitted for the record a list of devices to which he had referred, including import quotas, license restrictions, exchange controls, clearing agreements, mixing regulations, consular and other administrative fees, marks of origin, and sanitary measures. (Ways and Means Committee (House), reciprocal trade agreements: Hearings on H. R. 8430, pp. 8, 9, 13, and 19 to 21.)

"The report of the Ways and Means Committee also throws light on the scope of the trade agreements which it was intended the President would enter into under the new legislation. In two places, when discussing the constitutionality of the legislation and when referring to the existing most-favored-nation commitments of the United States, the committee recognized that many agreements relating to trade had been entered into by the President in the past (73d Cong., 2d sess., H. Rept. No. 1000, pp. 10 and 55; ibid. S. Rept. No. 871, pp. 13 and 18). Various of these earlier agreements had contained provisions relating to the reasonableness of restrictions and fees affecting imports, to export taxes (1891 agreement with Brazil), to sanitary restrictions and statutory rights to retaliate against them (1891 agreement with Germany), to customs and consular regulations, valuation for customs purpose, the review of customs rulings, and import documentation (1907 agreement with Germany), and to most-favored-nation treatment with respect to import and export duties and other charges, of transit, warehousing, and other facilities, and of licensing and import and prohibitions (1924 agreement with Greece). Thus by 1934 the term 'trade agreement' had come to mean an agreement covering a wide range of trade controls relating to importation and exportation.

"The specific term 'duties and other import restrictions' is defined by the Trade Agreements Act itself to include, in addition to rates of duty, the 'form of import duties and classification of articles' and 'limitations, prohibitions, charges, and exactions other than duties, imposed on importation or imposed for the regulation of imports' (sec. 350 (c) (1)).

"The substantive trade undertakings provided for in the General Agreement on Tariffs and Trade consist of (1) those relating to nondiscriminatory trade treatment (arts. II, XIII, XVII); (2) those relating to national treatment with respect to internal measures affecting imports (art. IV); (3) those relating to tariff concessions (arts. III and XXVIII); (4) those relating to customs administrative matters (arts. V, VI, VII, VIII, IX, and X); (5) those relating to elimination or administration of quantitative and exchange restrictions on trade (arts. XII, XIII,

XIV, and XV); (6) those relating to subsidies upon the exportation of goods (art. XVI); and (7) exceptions from these various undertakings (arts. XVIII, XIX, XX, XXI, XXIV, and portions of other articles already cited).

"Each of the articles of the general agreement falls within one or more of the authorizations under the Trade Agreement Act described above. Each is authorized by the Trade Agreement Act of 1934, as amended and extended.

"3. The resolution inquires as to the extent to which the powers of the proposed Organization for Trade Cooperation can be enlarged, without the approval of Congress, through the exercise of the so-called self-amending power of the General Agreement under Article XXX of that agreement.

"There is no self-amending power in the General Agreement. Amendments enter into force only by virture of acceptance by individual governments. Moreover, no amendment to the General Agreement can have any effect on any country which does not accept the amendment. In other words, it would not be possible for other governments to adopt an amendment and then force that amendment upon the United States.

"The participation of the United States in the General Agreement rests upon the authority of the President under the Trade Agreements Act. The authority of the President under the Trade Agreements Act does not enable him to accept amendments to the General Agreement on Tariffs and Trade which would have the effect of broadening the scope of the Organization for Trade Cooperation, without the approval of the Congress, to include matters other than those which relate to governmental barriers to trade. Specifically, the President could not, under the Trade Agreements Act, accept amendments to the General Agreements on Tariffs and Trade on behalf of the United States which would broaden it to include international codes relating to such matters as full employment, private restrictive business practices, economic aid to underdeveloped countries, or commodity control schemes closely regulating international trade and prices of commodities. Agreements such as the International Wheat Agreements of 1949 and 1953, the International Sugar Agreement of 1953, and the Coffee Agreement of 1940 have been approved by the Senate as treaties.

"4. The resolution inquires concerning what barriers, if any, would approval of the Organization for Trade Cooperation create against the recapture and retention by Congress of its power to regulate foreign commerce. The resolution suggests that this question is asked because of the inclusion in the general agreement of a provision aimed at eliminating import quotas, of a provision for self-amendment, and of provisions incorporating tariff concessions which the parties to that agreement have negotiated.

"The answer to this is that the Congress is constitutionally free now and would remain constitutionally free after approval of H. R. 5550, to regulate the foreign commerce of the United States. It has chosen to exercise a portion of this power by delegating limited authority to the President to enter into trade agreements, one of which is the General Agreement on Tariffs and Trade. That agreement, like the 29 bilateral trade agreements entered into pursuant to the authority of the Trade Agreements Act, record tariff concessions and limit the use of import quotas on foreign trade. The provisions of the general agreement relating to quotas are of special importance to American export trade. Without them our agriculture, industry, and labor occupied in the production of goods for export would not be adequately safeguarded. Nevertheless, the Congress is free at any time, if it so chooses, to enact legislation affecting imports into or exports from the United States and any such legislation would have the force of law in this country, notwithstanding the General Agreement on Tariffs and Trade. This freedom would remain unaffected by enactment of H. R. 5550 and subsequent United States participation in the OTC.

"5. The question is raised as to the extent to which the general agreement could be carried out 'independently of' any reservations attached to membership in the Organization for Trade Cooperation, the extent to which such reservations must be compensated for by concessions to other countries, and the extent to which waivers permitting reservations may be withdrawn.

"The concept of a reservation to an international agreement is that of a counteroffer, which must be agreed to by the other party or parties before any agreement is reached with such party or parties. Once it has been agreed to, the reservation becomes a part of the contract between the country making it and the countries which have agreed to it. Of course we cannot, by ourselves, modify the general agreement pursuant to a reservation, but we could make agreement by other countries to a reservation affecting our obligations under the general agreement a condition of our acceptance of the Agreement on the Organization for Trade Cooperation. By its terms, the OTC agreement cannot enter into force without its acceptance by the United States, and consequently the United States could make agreement to such a reservation a condition for the establishment of the organization.

"If the United States should attach to its acceptance of the agreement on the Organization for Trade Cooperation a reservation which would reduce our obligations under the general agreement, it would be quite natural for other countries to attach comparable reservations, with the result that the price for obtaining agreement to our reservation might be that we would have to accept, as a condition to the acceptance of our reservation by others, reservations of other countries adversely affecting our benefits under the general agreement. Such a situation is basic to international bargaining.

"There has never been any attempt to withdraw a waiver granted under the general agreement. Many waivers contain a time limitation or a statement of circumstances under which they might be reexamined. It would be the position of this Government, if the question should ever arise, that no waiver may be withdrawn, without the consent of the country to which it was granted, except in accordance with the terms of the waiver itself. The waiver accorded to the United States with respect to import restrictions and fees on agricultural products under section 22 of the Agricultural Adjustment Act, as amended, contains no time limitation.

"6. The resolution inquires as to the extent to which the provisions of the General Agreement on Tariffs and Trade bind a future Congress against the exercise of its constitutional authority to determine the policies that are to govern our foreign trade and the level of our import duties.

"The Congress has exercised its constitutional authority, through the enactment of the Trade Agreements Act, authorizing the President to enter into trade agreements containing provisions relating to duties and other import restrictions. The General Agreement on Tariffs and Trade is such an agreement. Nevertheless, the Congress is constitutionally free to adopt legislation which would nullify the effect of any international agreements entered into by the United States. The constitutional power of the Congress has not been, and cannot be, taken away.

"Consequently there is no basis for concluding that the general agreement deprives Congress, whether the present Congress or a future Congress, from exercising its constitutional authority to determine our trade policies.

"7. The resolution lists many provisions of our law, such as the escape clause of sections 6 and 7 of the Trade Agreements Extension Act of 1951, the national security provisions of our trade agreements legislation, valuation on the basis of American selling price, the Antidumping Act, and the Buy American Act (all of which are discussed below), and asks to what extent the general agreement is in conflict with them, and to what extent, if any, membership in the Organization for Trade Cooperation would deter or bar action by the United States toward the enforcement of these statutes.

"The following are the domestic laws referred to in the resolution together with a statement as to whether the general agreement is in conflict with them:

"(a) Escape-clause provisions of Trade Agreements Extension Act of 1951. The escape clause in article XIX of the general agreement would permit any action required or appropriate under the escape clause of the Trade Agreements Extension Act of 1951.

"(b) Action imposing fees or quotas to protect agricultural programs under section 22 of the Agricultural Adjustment Act, as amended. Action taken under this section would come within either the exception for agricultural quotas in article XI, paragraph 2 (c) of the general agreement or under the section 22 waiver granted to the United States.

"(c) National security provision in section 7 of the Trade Agreements Extension Act of 1955. Depending on the circumstances, either the escape clause in article XIX, the conservation exception in article XX (g), or the security exception in article XXI, would enable action to be taken under this legislation without involving conflict with United States obligations under the general agreement.

"(d) American selling price and other valuation provisions of the Tariff Act of 1930. There is no conflict between the American selling price and other valuation provisions which do not conform with article VII of the general agreement, since they come within the exception in the protocol of provisional application for legislation existing on October 30, 1947.

"(e) Antidumping Act. The antidumping provisions of article VI of the general agreement are consistent with the Antidumping Act.

"(f) Buy American Act. There is nothing in the general agreement inconsistent with the Buy American Act. Article IV, paragraph 8 (a) excepts from the national treatment provisions of that article procurement by Government agencies.

"(g) Fifty-fifty shipping provisions of cargo-preference law. The general agreement contains no provisions relating to shipping.

"(h) Mixing regulations of the Rubber Act of 1948. Article IV paragraph 6 permits mixing regulations no more restrictive of imports than those existing on a date shortly after the close of the war. A note to this article permits the imposition of comparable restrictions on imports to implement such a mixing requirement. Article XXI would prevent the general agreement from conflicting with the imposition of more stringent mixing regulations in case of war or international emergency, and article XX (j) would similarly apply to such regulations imposed in short supply situations. Consequently, there is no inconsistency between this legislation and the General Agreement on Tariffs and Trade.

"(i) Export subsidies legislation. The provisions of article XVI relating to export subsidies on agricultural products reflect the policy applied by the United States in carrying out legislation for the subsidization of exports of such products. The provisions

relating to export subsidy on other products do not prevent the imposition of subsidies existing in 1955.

"Consequently, there is no conflict between the general agreement and any of the legislation referred to in the resolution.

"Membership of the United States in the Organization for Trade Cooperation would have no effect on any of these legislative measures relating to foreign trade, or on any other trade legislation of the United States, or on the relationship of the general agreement to any such legislation.

"8. The resolution asks, how did the contracting parties of the General Agreement on Tariffs and Trade acquire the power to grant to the United States a waiver in order that we might continue in effect our import quotas on agricultural products under section 22 of the Agricultural Adjustment Act.

"Agricultural import quotas established by the United States are made effective pursuant to American law, and the contracting parties to the general agreement have no power to set aside or modify the application or enforcement of such quotas.

"The waiver was granted not in order to empower the United States to apply these quotas but in order to remove an inconsistency between the quotas and obligations which the United States had, by voluntary action, earlier assumed under the general agreement. The authority of the contracting parties to the general agreement to waive obligations is not presumed or assumed, as implied in the House Resolution 459. It is explicitly provided for in article XXV of the general agreement and would be transferred to the OTC in accordance with article 13 of the OTC agreement.

"The waiver provisions of the general agreement and of the OTC were included on the initiative and insistence of the United States and are a valuable safeguard to American industry, labor, and agriculture. To suggest that these waiver provisions should not be in the general agreement or in the OTC is like suggesting that our trade agreements should not contain an escape clause comparable to the escape clause in our trade agreements legislation.

"9. The resolution asks two questions about the stated objectives and purposes of the General Agreement on Tariffs and Trade and the Organization for Trade Cooperation.

"It is asked first, how may these objectives conflict, upon implementation, with the constitutional authority of Congress to regulate foreign commerce and to establish and adjust tariff rates.

"The stated purposes and objectives of the General Agreement on Tariffs and Trade and the Organization for Trade Cooperation do not conflict with the Trade Agreements Act. Furthermore, these stated purposes and objectives neither are nor can be a source of authority of the President with respect to matters going beyond the authority explicitly given to him by the Congress in the Trade Agreements Act.

"The second part of this question is, to what extent would the Organization for Trade Cooperation, if established, operate to carry into effect these objectives and purposes? The Organization for Trade Cooperation could not carry into effect, insofar as the United States is concerned, any measures affecting the regulation of the foreign commerce of the United States without the express consent and approval of the United States. As has been explained above, the authority of the President in this field is based upon the authority granted to him by Congress under the Trade Agreements Act. Congress, therefore, is ultimately in control. Moreover, no amendment to the Organization for Trade Cooperation could apply to the United States unless it were accepted by the United States.

"10. Finally, the resolution inquires, to what extent would approval by the Congress of the United States membership in the Organization for Trade Cooperation ratify the General Agreement on Tariffs and Trade? Congressional approval of the agreement on the Organization for Trade Cooperation would not ratify or enact the General Agreement on Tariffs and Trade.

"The General Agreement on Tariffs and Trade is not before the Congress for approval. It is a trade agreement, like the 29 bilateral trade agreements, entered into by the President pursuant to the authority granted to him by the Congress and within limits established by the Congress. Such trade agreements are not submitted to Congress for its approval or ratification. To do so would be to nullify the whole purpose of the Trade Agreements Act. Accordingly, enactment of H. R. 5550 cannot have the effect of enacting or ratifying the trade provisions of the General Agreement on Tariffs and Trade.

"APRIL 18, 1956."

Mr. Speaker, in addition, the Department of State at my request has supplied a reply to the suggestion that the functions of OTC may be broadened through amendment of GATT, which follows:

"REPLY TO SUGGESTION THAT FUNCTIONS OF OTC MAY BE BROADENED THROUGH AMENDMENT OF GATT

"H. R. 5550 as reported by the Committee on Ways and Means provides that 'Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States accept any amendment to the Agreement on the Organization for Trade Cooperation.'

"OTC is intended to be an organization whose functions will be limited solely to international trade, its major responsibility being the administration of the General Agreement on Tariffs and Trade. The purpose of the provisions of H. R. 5550 quoted above is to make sure that this limited responsibility of the OTC will not be broadened, without the approval of the Congress, to cover wide responsibilities in the international economic field, such as codes relating to full employment, investment and various types of direct assistance for economic development, private restrictive business practices and commodity control schemes regulating international trade and prices. In short, the purpose of this provision is to assure that the OTC will not become an organization such as the International Trade Organization, which was once proposed, unless the Congress approves such action.

"Now it is being suggested in some quarters that this limitation in H. R. 5550 could be circumvented by the President through the simple expedient of amending the General Agreement on Tariffs and Trade. In other words, it is being suggested that the President could literally change the nature of the proposed OTC by amending the General Agreement so as to give to the OTC these broad functions not now contemplated.

"This is groundless fear.

"First, no amendment to the General Agreement on Tariffs and Trade can have any application to the United States unless the United States accepts that amendment. It would not be possible, therefore, for other governments to broaden the OTC by an amendment to the GATT and then force that amendment on the United States against its will.

"Secondly, United States participation in the General Agreement is based upon the authority contained in the Trade Agreements Act. That act relates solely to governmental barriers to trade. It does not authorize the President to accept amendments to the General Agreement with respect to matters relating to codes on full employment, investment, private restrictive business practices, commodity control schemes and the other broad provisions of the old ITO charter.

"There is no basis for the fear, therefore, that in approving OTC we shall be setting in motion a project to recreate the old ITO without the approval of the Congress."

I was struck by the uncompromising character of the reply. In this respect it was in keeping with what those of us who are interested in maintaining fairness of import competition with the industries, farmers, and workers in this country have come to expect from the State Department. The Department has become very dogmatic in asserting its views on the trade-agreements program.

One would think from a perusal of the reply, signed by Mr. Robert C. Hill, Assistant Secretary of State, that the Members of Congress who have questioned the Department's use of the delegated power are intrusive and making objectionable inquiry into State Department operations.

The first question in the resolution related to the legislative authority for the negotiation of GATT. The reply is peremptory. It says that Congress in the Trade Agreements Act of 1934 authorized the President to enter into foreign trade agreements for the purpose of expanding American exports. GATT is such a trade agreement.

That is all there is to it. The State Department has spoken. Who should make so bold as to question the Department?

Pardon me if I take exception to this growing totalitarian internationalism.

I am opposed to it and shall resist it with all the vigor at my command.

The State Department's reply has pitched the battle clearly on the issue of what branch of the Government is supreme in looking after the interests of the people back home in the matter of foreign competition. Mr. Hill says that the Trade Agreements Act "specifically authorizes the President to enter into foreign trade agreements without any qualification on the content of such agreements other than that they shall relate to foreign trade."

H. R. 1, the Trade Agreements Extension Act of 1955, contained a provision that was worded specifically to extend the President's authority. It provided that trade agreements might include provisions relating to quantitative import and export restrictions—that is, quotas, custom formalities, and other matters relating to trade.

This provision was protested widely and was eliminated from the bill in the Senate and was not in H. R. 1 when it passed Congress.

Furthermore in 1949 when H. R. 1612 was before the Senate Finance Committee the State Department was asked to show under what authority each of the 35 articles of GATT was negotiated. A tabulation was furnished by the Department showing that the authority for 15 of the 35 articles was attributed wholly or in part to the general authority of the President to conduct the foreign affairs of the United States. The authority for the other articles was attributed to the Trade Agreements Act.

What happened between 1949 and today to bring about the changed interpretation of the State Department. The attempt to bridge the gap in the deficiency of authority that was contained in

H. R. 1, did not succeed. It was defeated by the Congress.

Now the State Department overlooks this defeat and brushes aside the action of Congress. This is only one more example of the Department's attitude toward Congress and its constitutional authority. Hereafter Congress would be well advised to scrutinize with the greatest care any further delegation of power through the President to the State Department.

Assistant Secretary Hill also denies that GATT has the power of amending itself. No GATT amendment, he says, "can have any effect on any country which does not accept the amendment." The fact is, however, that acceptance by the United States can be, as it already has been, given by the Department of State without reference to Congress and without the knowledge of Congress.

It is true that the Committee on Ways and Means did amend the OTC bill to make it clear that any amendments to the OTC must be approved by Congress. This was not in the original bill. But this amendment does not touch GATT itself. An amendment to GATT requires only the affirmative vote of two-thirds of the members. The acceptance by the United States would be delivered by the affirmative vote of the State Department representative speaking for the United States in the conference.

The secrecy of the proceedings at these conferences is such that perhaps not one person out of a million in this country knows the nature of the amendments until after they are adopted.

Under No. 4 of his reply the Assistant Secretary says that Congress is constitutionally free now and would remain free after approval of H. R. 5550 to regulate the foreign commerce of the United States. He adds that Congress has delegated "limited authority to the President to enter into foreign trade agreements, one of which is the General Agreement on Tariffs and Trade."

Let me point out that previously he has said, as already quoted above, that the Trade Agreements Act had authorized "the President to enter into foreign trade agreements without any qualification on the content of such agreements other than that they shall relate to foreign trade."

Now he says, as just quoted, that Congress has delegated "limited authority to the President to enter into foreign-trade agreements."

Mr. Hill should tell us which of these two versions is the correct one.

This statement is not to be regarded as an attack on Mr. Hill. I believe that his reply reflects faithfully the attitude of his Department. It is that attitude that I am concerned about. The Department has set itself up as the supreme arbiter in the matters of tariff and trade. All considerations of the domestic economy are to be subordinated to it, including our farm program. Now to make sure that Congress will be unable to reach the seat of decision-making power, the Department wants to move it overseas where the Department alone will be the voice of America.

The strategy is obvious. Leave to Congress the theoretical right to regulate the foreign commerce of this country but allow the State Department to make agreements according to the economic views of Department representatives. Thereafter Congress may protest as loudly as it can. It will be too late. The name of the United States has been signed. Our word has been pledged.

This has been the Department's game and in my judgment the game should be broken up. The Assistant Secretary's reply only reinforces my resolve that GATT should be thoroughly studied before a vote is taken on H. R. 5550.

Mr. MACK of Washington. Mr. Speaker, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Washington.

Mr. MACK of Washington. Mr. Speaker, because there are a number of industries in my district which are affected by unfair import competition, I am greatly concerned with the broad changes in our tariff and trade policy which the State Department is attempting to carry out under the General Agreement on Tariffs and Trade. The welfare of the workers in my district who are engaged in the production and sale of lumber, plywood, hardboard, aluminum shingles, paper, filbert nuts, cherries, flower bulbs, and fishery products such as tuna, salmon, oysters, crab meat, and other products, requires that I give the closest attention to the effect of congressional action on the proposed Organization for Trade Cooperation because of its Siamese twinship to GATT.

For this reason I have read with considerable interest the State Department's analysis of House Resolution 459. I am disappointed with that statement. For example, the analysis, in a paragraph No. 7, refers to many provisions of our domestic law which a number of organizations have said are contradicted by provisions of GATT. The analysis discusses each of them briefly and then concludes that there is no conflict between the general agreement and any of the legislation referred to in the resolution.

Mr. Speaker, the State Department's analysis of these laws is in direct conflict with the facts as I understand them. Its conclusion is unsupportable and I will proceed to show why.

First, as to the escape clause provisions of our domestic law. The State Department's memo declares that the GATT escape clause would permit any action required or appropriate under the domestic escape clause. Now, the language of the GATT escape clause is patterned closely after the escape clause which was provided for by a Presidential Executive order prior to 1951. In the Trade Agreements Extension Act of 1951 the Congress made a number of changes in that escape clause. The Congress directed that if as a result in whole or part of a trade agreement concession a product is being imported in such actual or relative increased quantities as to cause or threaten serious injury to a domestic industry, relief can be granted by the President in the form of, first, a withdrawal or modification of the concession; second, its suspension in whole or part; or, third, the establishment of import quotas. The GATT escape clause does not authorize a change if injury results only in part from a trade agreement concession or if the increase in imports is a relative one in comparison with domestic production rather than an absolute one. So the conditions that must be met before relief can be granted under the GATT escape clause are more difficult to bring together than under our domestic law. Next, and possibly more important, the GATT escape clause does not authorize the use of import quotas to correct injury caused to domestic industries by imports. Indeed, GATT prohibits the use of quotas.

There are other differences. A prerequisite to relief under the GATT escape clause is that injury must be due to unforeseen developments as well as an increase in imports, and so forth. Furthermore, and this is of crucial importance to our domestic industries, our domestic law makes it clear that the domestic industry involved in an escape-clause case is only that part of the producing organizations which makes the competitive domestic product. In other words, for relief to be granted under our domestic law it is not necessary that an entire industry be brought to its knees. This, however, would be required under the GATT escape clause.

With all of these differences—and some of them are of substantial importance, Mr. Speaker—it is absurd for the State Department to submit to Members of Congress a so-called analysis of the differences between our domestic laws and GATT in such a way as to imply or indicate that any action permissible under our domestic law would also be permissible under the GATT.

Second. The State Department analysis indicates that action taken by our Government to impose fees or import quotas on agricultural products to protect our various agricultural programs are not in conflict with the general agreement. Now I say that this is patently absurd also. The major effort of the State Department during the ninth session of the contracting parties of the General Agreement on Tariffs and Trade was devoted to negotiating a limited waiver which would permit the United States to follow our domestic law in the face of the contradictory provisions of GATT. Now, this waiver obliges the United States to remove each import fee or quota as soon as possible. Furthermore, the United States by the terms of the waiver is required to submit an annual report to GATT explaining why any restrictions of this type continue to be applied and what steps it is taking to secure their removal. It does not require a genius to see through the words and phrases used in putting together the text of this waiver. What the waiver actually means is that the other members of GATT agree for the time being to let the United States go through the motions of obeying its own domestic laws so long as everybody clearly understands that we are not to do this very often and that when we do do it, we are to bring it to an end just as soon as we can.

Third. Last year the Congress was so concerned about the effect of imports on our essential defense industries that

there was placed into our domestic law a provision which would require the President to take suitable action to limit imports whenever they were found, after an investigation, to threaten to impair our national security. Now, the State Department does not seem to be very happy about this amendment. Some State Department officials appear concerned that this measure will prove too much of an umbrella to shield our essential industrial capacity from the damaging effects of import competition. The provisioning of the sinews of war to keep our domestic economy great and strong to meet any challenge of this age is not the primary responsibility of the State Department in its "analysis". The State Department says that the escape clause of GATT or a conservation exception in GATT or a security exception in GATT would permit the United States to follow the dictates of the national security provision of our own law. This in my opinion, is not so. The escape clause of GATT does not have any provision in it that refers to action required in the interests of national security. The so-called conservation exception by its terms would force the United States to limit domestic production at the same time it attempts to limit imports. Now, I ask the Members if they can explain to me how there can be any sensible approach to the problem of building up essential domestic productive capacity if you have to impose limitations on domestic production. It is the opposite that would be required—expanding domestic capacity rather than limiting it.

The so-called security exception of GATT says that the only kinds of import restrictions which are permitted on security grounds are those taken in time of war or other international emergency, those relating to fissionable materials, and those relating to traffic in arms, ammunition, and so forth. Now, the problem the United States has is to keep its industrial mobilization capacity in a state of readiness in this so-called period of peace. The GATT amendment seems tailored to the proposition of letting imports eat away at essential industries in times of peace, the very time when you need to be especially watchful that industrial capacity is kept at a level necessary to meet the immediate needs of a sudden and unexpected war emergency.

Fourth. A number of our industries whose protection is provided in the form of ad valorem tariff duties are concerned about the repeated efforts which have been made to change the customs valuation provisions of the Tariff Act of 1930. GATT requires every such provision of our domestic law to be changed. Some of them, like the American selling price, it outlaws entirely. Others it would change so drastically that they would be virtually eliminated. The use of foreign value, for example, is one of these. The State Department has tried once to secure the enactment of legislation that would eliminate the American selling price. An attempt to justify that legislation was made a few years ago on the ground that it was necessary to bring United States law into line with our commitments under GATT. Just about every year for the last 5 years the Executive Department has come before Congress with a bill to change all of the other value provisions of the Tariff Act. While they have conjured up a number of explanations for the necessity of changing these provisions that have served the country for more than 30 years, the Tariff Commission's report to the congressional committees exposed these changes as being measures which would bring United States law into conformity with GATT.

The only answer the State Department's "analysis" offers for the conflict between GATT's provisions and our domestic law in this area is that the so-called protocol of provisional application under which GATT is presently in effect permits the United States not to comply with GATT where its laws on the statute books as of October 1947 are in conflict with GATT. What the State Department has not mentioned, however, is that GATT by its terms provides for the agreement to come into full and definitive application at that moment in the future when nations representing 85 percent of world trade have become parties to the agreement. This day is close at hand. At the ninth session of the contracting parties the United States and the other members of GATT agreed on a resolution that expressed the desire of those countries that GATT come into definitive application as soon as possible. Recognizing that this would be difficult for those countries whose laws are in conflict with GATT, the United States and these other countries agreed that GATT as revised at that session could be signed by the various countries for definitive application with a reservation as to their domestic laws which were in conflict. However, this resolution expresses the agreement of all of the parties that this domestic legislation should be brought into line with GATT's provisions as soon as possible. It imposes an obligation on the United States and other countries similarly situated to make an annual report to GATT of the progress it is making in changing its laws. Furthermore, at the end of 3 years this resolution will require the United States to come before GATT's members and to make a full report on its progress in eliminating its domestic laws that are inconsistent with GATT, including the American selling price and a number of other laws intended to protect domestic industries against unfair import competition. By the terms of this resolution the members of GATT will make an assessment of the progress the United States has made. They have the power under this resolution to make appropriate recommendations. In diplomatic lingo the words "appropriate recommendations" means some censure or economic sanction which may be imposed by the members of GATT against the United States if it has not eliminated enough of its domestic laws that conflict with GATT to satisfy the other members of GATT.

If there were no conflict between GATT's provisions and our domestic laws, why did the United States enter into such a waiver? On numerous occasions the State Department, through its representatives, has admitted to committees of Congress that some of our laws conflict with GATT's provisions. To imply the contrary as is done in this analysis of the State Department, is not in conformity with my understanding of the issue.

Fifth. The Antidumping Act is a major piece of legislation adopted by the Congress after years of experience with the unfair practices of foreign industries who are determined to dispose of their surplus production in our markets. The State Department says that the provisions of GATT relating to antidumping are consistent with our domestic law. Members of Congress should not be fooled. The GATT rule limits antidumping findings to situations where imported products are introduced into the commerce of a country below their normal value where the effect is such as to cause or threaten material injury to a domestic industry. Our domestic law permits a finding of dumping whenever injury or the likelihood of injury—mind you, not material injury such at GATT requires—would occur to an established industry. The executive department of our Government has tried to bring our law into conformity with GATT in the past by adding the word "material" to injury in our law. The Congress has not gone along with it simply because it would mean a substantive change in the test which is applied. Fair value under our law for a long time was construed by our courts to mean the foreign market value of the merchandise concerned. The Treasury Department has put out a regulation which purports to change that definition somewhat. In my opinion this brings our actual practices into line with GATT. In my opinion this regulation is of questionable validity. It is certainly incorrect to say, as the State Department's analysis does, that the provisions of the GATT article are consistent with our Antidumping Act.

Sixth. Mr. Speaker, the State Department's analysis makes no reference at all to the countervailing duties provision of our law. Section 303 of the tariff act provides for an additional duty to be imposed on imported goods whenever they are being sent into the United States with the aid of a bounty or subsidy or grant from a foreign country or instrumentality. Our public policy is that regardless of whether or not injury is being caused to one of our domestic industries, this kind of a method of overcoming the effect of our tariff rates will not be tolerated.

What does GATT provide? It says that the member countries shall not impose countervailing duties unless the effect of the imports which are aided by the subsidy or bounty is to cause material injury to the domestic industries of the member country.

Now, there can be no question about this. The State Department has been forced on a number of occasions to admit that the GATT countervailing duty provision is contradictory of our domestic law because it requires injury to domestic industries before action can be taken.

Seventh. Coming as I do from the State of Washington, I am deeply interested in the domestic legislation

which protects our merchant marine and our shipbuilding industries from the death and destruction which would surely follow from low-wage, low-cost foreign competition. Our merchant marine is one of our foremost national defense resources. We have learned that lesson over and over in every emergency, in every war in which our country has fought, and yet the smoke will hardly be cleared from the battlefields before strident voices are raised at home to do away with legislation which insures in times of peace the maintenance of a merchant fleet adequate for our defense needs in time of war. We now have a so-called 50–50 shipping law—that is a law that requires that at least 50 percent of the cargoes financed by United States funds for shipment abroad must be carried in American-flag ships. One would think that this law would be interpreted as a measure of generosity in which the United States was limiting in effect its own flagships to only half of tax-financed cargoes. Instead, this law is a rallying point for cries from foreign shores of niggardliness by the United States in excluding foreign-flag carriers, who carry the majority of the world's cargoes anyway, from our small part of the cargoes that originate in the United States. I urge Members of Congress who want to inform themselves on this important issue that they read and study House Report No. 1818 of this Congress with the greatest of care.

Mr. Speaker, I could go on at considerable length discussing other provisions of GATT which run afoul of our domestic legislation, such as the right to use internal taxes on imports and the right to use mixing regulations which specify use of domestically produced raw materials. Time does not permit. There is one very important point which I do want to make in conclusion, however. The State Department analysis says categorically that each of the articles in the General Agreement falls within the Executive authority under the Trade Agreements Act. A most effective refutation of this contention, which has been made by the State Department before, is contained in the brief submitted to the Ways and Means Committee by the Synthetic Organic Chemical Manufacturers Association. I insert at this point in the RECORD just that portion of this very comprehensive brief together with the footnotes referred to in the text which thoroughly document the fact that many of the substantive provisions of GATT have never before been used in United States trade agreements and are, by the State Department's own admission, outside of the authority of the President in the trade agreements legislation:

CONGRESSIONAL APPROVAL OF UNITED STATES PARTICIPATION IN OTC WOULD RATIFY THE UNAUTHORIZED ADHERENCE OF THE UNITED STATES BY EXECUTIVE ACTION TO CERTAIN PROVISIONS OF GATT

The State Department has taken a variety of positions with regard to the authority of the President of the United States to commit the United States to GATT.

In 1947 this took the form of an admission that there were provisions in the draft of GATT which would be outside the scope of the President's authority under the Trade Agreements Act.[1] These provisions, it was acknowledged, would have to be brought to the Congress for approval,[2] though an occasional attempt was made to suggest sui generis power in the President as Chief Executive to commit the United States internationally to such provisions.[3]

The provisions of GATT as it was entered into in 1947 by the United States and other countries did not, however, differ materially from those contained in the draft which the State Department representatives admitted were, at least in part, in excess of the Presidential authority.[4]

The provisions in GATT for which the President was then believed to have authority were described as of the type customarily included in this country's bilateral trade agreements to protect the value of the concessions received by the United States from the other parties to the agreements.[5]

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[1] In hearings conducted in 1947 by the Senate Finance Committee regarding the proposed International Trade Organization, Senator MILLIKIN, then chairman of the committee, inquired repeatedly of State Department witnesses what legal authority existed for the President to sign the then proposed General Agreement on Tariffs and Trade. Mr. Charles Fahy, legal adviser of the State Department, appeared specially for the State Department to answer those inquiries. He rather carefully skirted the question in his colloquy with the members of the committee, but he did make the following admissions (hearings, p. 175):

"Those provisions [referring to the draft of GATT] will need very careful going over by the United States before it is willing to accede to them under existing authority in the Trade Agreements Act. They have to be reviewed under the light of sound judgment as to what is permissible without further authorization of Congress.

* * * * *

"I can say this much now, Senator, that in the form in which it has been proposed, including, by reference, bodily, so many provisions of the proposed charter of the more permanent organization, it will not be approved—not in the form in which it now is.

"Certain reservations were specifically made when it was originally drafted as a working paper. It is still a working paper. We have analyzed the provisions in terms of existing laws of the United States. I will be glad to leave with the committee a memorandum.

"Some of them certainly, I think, are not presently authorized by the laws of the United States."

The memorandum on GATT submitted to the Senate Finance Committee by the State Department appears in part 2 of the printed hearings, pages 1380 to 1384. After a brief description of the articles of GATT, in which the valuation provision (then art. V, now art. VII) was not referred to at all, a note appears, which begins with the following statement: "Certain of the provisions described above would, in their present form, appear to be inconsistent with existing laws of the United States." After discussing a few of the inconsistencies, the note concludes as follows:

"There may be other conflicts or possible inconsistencies between the provisions of the agreement as it is presently drafted and existing laws of the United States. Among the procedures which might be followed to resolve these inconsistencies would be the modification of the text to eliminate the particular language which is inconsistent with our legislation, or the insertion by the United States of an express exception or reservation relative to the particular items involved. Whatever method of dealing with these matters may be used, there is no intention of obligating the United States beyond the power of the executive authority."

[2] Clair Wilcox, Director of the Office of International Trade Policy, Department of State, in 1947, and one of the principal architects of GATT, testified before the Senate Finance Committee in the 1947 hearings. When he was asked by Chairman MILLIKIN about the authority for United States entry into GATT, he replied (p. 75, hearings, pt. 1):

"Well, Senator, the executive branch of the Government would not at Geneva enter into any arrangement which was beyond its authority, including that provided for by the Reciprocal Agreements Act. Any part of this program that would go beyond that authority would be referred to Congress."

[3] During Mr. Fahy's testimony before the Senate Finance Committee in 1947 he stated (p. 175, hearings, pt. 1):

"I must say, however, that I am sure the Senator will recognize, the President himself has powers in this field which are distinct from acts of Congress. * * *"

He later appeared to withdraw this claim of sui generis authority for the President, stating of GATT (p. 176, hearings, pt. 1):

"It is now being negotiated under the President's power to negotiate, principally the powers which Congress has given to the President in the Trade Agreements Act. That is, the obligations should not exceed those powers. That is what it is. You want to know the position on particular provisions."

[4] The draft text of GATT referred to by Mr. Fahy appears in pt. 2 of the hearings at pp. 1385–1402. Though the text was subsequently revised somewhat, the revisions were either in the form of mere language changes or the addition of new substantive provisions which left unimpaired the substantive rules stated in the draft referred to by Mr. Fahy and the State Department memorandum. This is particularly true of the rules which appeared in the draft, and which were retained in GATT as finalized, which are detrimental to the members of this association and inconsistent with United States laws (i. e., those dealing with customs valuation, antidumping, countervailing duty, escape clause, internal taxes on imports, mixing regulations and quotas). Consequently the State Department did not live up to its promise to Congress that the United States would not be obligated to such provisions.

[5] Clair Wilcox, Director, Office of International Trade, State Department, in his testimony to the Senate Finance Committee in 1947, had the following exchange with Chairman MILLIKIN concerning GATT (p. 71, hearings, pt. 1):

"The CHAIRMAN. My point is, what is your legal authority for entering into an agreement of that kind without bringing it to the Congress first.

"Mr. WILCOX. Well, this would be a trade agreement and the only text of the charter that would be included in it would be the type of material that always is included in trade agreements, which is necessary to protect the tariff concessions."

A similar exchange took place a few moments later. Mr. Wilcox had described the GATT as incorporating the commercial policy chapter of the ITO Charter, which he also described as the heart of the charter. He had also acknowledged that the ITO Charter itself would have to be brought before Congress for approval. Chairman MILLIKIN asked Mr. Wilcox if he were not "doing provisionally, without the consent of Congress, in substance, the same thing that [he] admitted must have the consent of Congress" (p. 73). The chairman emphasized the importance of clearing up the question, stating:

"The CHAIRMAN. Because, if the Congress feels it should have the main charter come back to it as a treaty for the approval of both Houses, surely it would not abandon

When public notice was given by the President's designated agency (the Committee for Reciprocity Information) soliciting the views of interested parties on the articles proposed for trade agreement negotiation at the 1947 meeting in Geneva, at which GATT was to be established, no reference was made to the possibility or intention that unprecedented substantive rules of the type for which authority was admittedly lacking would be included in the agreement. Rather, the notice said: "Views concerning general provisions of a nature customarily included in trade agreements may also be presented." [6]

The Tariff Commission in its analysis of the substantive provisions of GATT as it was executed in 1947 identified the following provisions, among others, as the type which had never before been incorporated in bilateral trade agreements of the United States: [7]

In its comparison of the general provisions of GATT, in the form in which that agreement was entered into on October 30, 1947, by the United States and other countries, with those of earlier United States trade agreements, the Tariff Commission epitomized GATT's provisions as follows (p. 43):

"The general provisions of the multilateral agreement negotiated at Geneva are much more extensive than the corresponding provisions which appear in any other trade agreement which the United States has signed. * * * Some general provisions of the Geneva agreement deal with matters not dealt with in any pre-Geneva agreement. Since the objectives sought by the Geneva agreement closely parallel those sought in the proposed charter for an International Trade Organization, most of the general provisions are identical with, or similar to, corresponding provisions of the proposed ITO charter."

Part II of GATT contains the substantive rules, including those to which our association objects. Of part II the Tariff Commission said in its 1949 report (p. 45):

"Part II deals with a wide range of matters of international trade policy * * *. To carry out many of these provisions would require changes in existing United States laws * * *. Accordingly, the Geneva agreement cannot become fully effective unless and until enabling legislation is enacted."

1. A commitment against the use of taxes on imported articles which are directly competitive or substitutable for domestic articles not taxed; [8]

2. Prohibition against the use of protective internal requirements such as mixing regulations (recall those pertaining to synthetic rubber a few years ago); [9]

3. Limitation of antidumping duties to cases of material injury, and the limitation of countervailing duties to cases of injury; [10]

4. The requirement that customs valuation be on the basis of actual value (which hits at several existing value provisions of the tariff act), and forbidding the use of value of articles of national origin (American selling price); [11]

5. A prohibition against marking requirements which increase the cost of imported goods, or reduce their value; [12]

6. The prohibition against the use of import quotas (which applies to all imports, not just the products covered by GATT reductions in duty); [13]

7. A commitment to notify other contracting parties if subsidies are used to reduce imports, and to discuss their limitations.[14]

In 1954 and 1955 the executive department made an effort to get specific congressional authority under which the legality of these unauthorized substantive provisions could be established by Presidential action. This was attempted by the following provision of H. R. 1 (84th Cong., 1st sess.) in the form in which it was introduced as an administration measure:

"(A) To enter into foreign trade agreements with foreign governments or instrumentalities thereof containing provisions with respect to international trade, including provisions relating to tariffs, to most-favored-nation standards and other standards of nondiscriminatory treatment affecting such trade, to quantitative import and export restrictions, to customs formalities, and to other matters relating to such trade designed to promote the purpose of this section similar to any of the foregoing: *Provided*, That, except as authorized by subparagraph (B) of this paragraph, no such provision shall be given effect in the United States in a manner inconsistent with existing legislation of the United States.

"(B) To proclaim such modifications of existing duties and other import restrictions, or such continuance, and for such additional import restrictions, or such con-

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the right to have something which does the same thing come back to it.

"Mr. WILCOX. Well, suppose, Senator, that we were to enter into a series of bilateral reciprocal-trade agreements each of which contained provisions limiting the freedom of the other contracting parties. Those in effect prevent evasion of the tariff concessions that they have made to us, by using other types of restrictive devices. Would this question apply?

"The CHAIRMAN. Well, you are arguing that by evasion you could keep this subject from coming back to Congress. I do not care to front that kind of argument, and I should not think you would.

"Mr. WILCOX. We made no such suggestion. We have 28 reciprocal-trade arrangements [sic] and all of them, in general, contain provisions which are designed to prevent an escape from a commitment with respect to one type of trade practice by resorting to another type of trade practice.

"The CHAIRMAN. I think the answer to your question, in general terms, is that when you make a trade agreement under Reciprocal Trade Act, you make it in accordance with what you conceive to be legal authority you have under the act.

"Mr. WILCOX. Yes, sir.

"The CHAIRMAN. But I challenge you to produce to the committee legal authority to enter into this provisional world organization with the power which you have described without the consent of Congress. That is the whole point."

[6] Public notice, Committee for Reciprocity Information, Washington, D. C., November 9, 1946.

[7] U. S. Tariff Commission, Rept. No. 160, 2d series, Operation of the Trade Agreements Program, pt. II (1949), pp. 42, and following.

[8] This prohibition is also contained in art. VI of GATT (proposed art. IV). Of it the Tariff Commission stated (p. 45):

"The provisions for national treatment with respect to taxation are broader than similar provisions of pre-Geneva agreements in that they include a commitment against the use of taxes not only on imported articles which are 'like' domestic articles but also on those which are not 'like' domestic articles but which are 'directly competitive' with or 'substitutable' for domestic products which are not similarly taxed."

[9] This prohibition is also contained in art. III of GATT (proposed art. IV). Concerning it the Commission stated (p. 45):

"Art. III prohibits the use of protective internal requirements such as mixing regulations, i. e., regulations which require the admixture of at least a certain percentage of domestic materials with imported materials. This prohibition also is new. The pre-Geneva agreements contain a prohibition of the use of quantitative restrictions on the sale of imported products on which specified tariff concessions were made (scheduled products). The prohibition in the Geneva agreement of mixing and similar regulations not only is much broader respecting the devices which it restricts but also applies to all products, whether or not tariff concessions have been made on them."

[10] See note 28 [of brief] for a description of the differences between the United States antidumping law and art. VI of GATT; refer to note 29 for differences between the United States countervailing duty provision and art. VI of GATT. The Tariff Commission said of GATT's art. VI (p. 46):

"This article has no counterpart in pre-Geneva agreements and could not be completely put into effect without a change in the United States law relating to countervailing duties. Present law provides for the assessment of such duties without any requirement of finding of injury to domestic industries."

[11] Art. VII of GATT will prohibit the use of the American selling price valuation provision on coal-tar chemicals as well as require basic changes in other customs valuation provisions of United States law. These changes and their severe effect upon the members of this association are discussed in some detail in the brief at pages 16 to 27. The Tariff Commission made the following comment on art. VII of GATT (p. 47):

"This article has no counterpart in the pre-Geneva agreements; to put it into effect would require several important changes in United States law."

[12] This prohibition is found in art. IX of GATT. Of it the Tariff Commission said (p. 47):

"This article has no counterpart in pre-Geneva agreements, and would require some changes in United States law."

Some of the required changes in United States law were carried out in the Customs Simplification Act of 1953 (act of Aug. 8, 1953, 67 Stat. 508). The Congress declined to amend sec. 304 of the Tariff Act of 1930, the general marking requirement, in 1953 so as to conform fully to the GATT article; consequently, despite the changes already carried out in the Customs Simplification Act of 1953, congressional policy, as expressed in sec. 304, as amended, is not in conformity with art. IX of GATT.

[13] So far as chemicals and other manufactured articles are concerned, this prohibition against the use of import quotas is contained in art. XI of GATT. Arts. XII through XV pertain to exceptions to that general prohibition which are not material to imports of chemicals and other manufactured articles into the United States. The Tariff Commission's comment on art. XI of GATT is as follows (p. 48):

"The most important difference between the provisions of art. XI and corresponding provisions of pre-Geneva agreements is that art. XI generally prohibits the imposition of quantitative restrictions on imports of all products (subject to important exceptions set forth in this and other articles), whereas the pre-Geneva agreements include this prohibition only with respect to products listed in the schedules. Some pre-Geneva agreements include in the schedule of concessions granted to the United States liberalizations of quotas on imports from the United States of certain articles of special interest to this country. In such cases a minimum quota on imports from the United States is usually specified. The concession schedules of the Geneva agreement contain no provisions regarding quotas on individual articles. Under the Geneva agreement quota regulation is governed solely by the general provisions."

[14] The obligation to consult with other contracting parties with reference to the use of subsidies is contained in art. XVI of GATT. The Tariff Commission said of this article (p. 50):

"The pre-Geneva agreements contain no counterpart of art. XVI, but they do contain provisions for consultation respecting matters concerning the nullification or impairment of any object of the agreements."

tinuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder."

The same kind of a provision was included in the administration's similar bill in the preceding Congress, H. R. 8860 (83d Cong. 2d sess.).

Congress refused to grant this authority, however, and the provision was eliminated from the bill. In its place there was inserted the customary caveat disclaiming approval or disapproval of the GATT.[15]

Under H. R. 5550, Congress won't have a direct opportunity to decide whether GATT's rules or United States laws are to prevail. The State Department declines to submit GATT to Congress. It now claims that the Trade Agreements Act authorizes the President to accept GATT in its entirety.[16]

It should be obvious that this is not so. As the State Department itself pointed out when GATT was in its formative stages (at a time when the Department confidently expected the Congress to approve the charter for an international trade organization, whose commercial policy section comprised the substance of GATT), the trade agreements authority is limited to those kinds of substantive provisions which have been customarily included by the United States in its bilateral trade agreements in order to protect the value of the concessions the United States secured from the other parties to these agreements.[17]

The following provisions of GATT, of major concern to us, were never before included in United States trade agreements,[18] and cannot conceivably be considered as of this type:

1. American selling price. The use of this value base for coal-tar chemical imports antedates United States trade-agreement legislation by 12 years.[19] United States duty reductions on coal-tar chemicals have been premised on its use. A ban now on its continued use (art. VII), therefore, has nothing to do with protecting the benefit of those reductions to other countries. The benefit of concessions received by the United States or any other country could only be impaired by a change in the methods of valuation after concessions were granted. Protection against that kind of impairment is provided by article II of GATT.[20] Therefore article VII cannot be justified as a measure required to protect the value of the concessions received by the United States.

2. The ban against import quotas;

3. The ban against internal taxes on imports; and

4. The ban against internal mixing regulations.

These provisions of GATT apply not only to the products on which concessions were granted, they also apply to all imports of the member nations regardless of whether or not they are the subject of a concession.[21] Hence, they are clearly not defensible as measures required to protect the value of the concessions received by the United States.

5. Antidumping duties and countervailing duties. Our domestic law does not now require any finding of injury as a condition precedent to the application of countervailing duties. The GATT, however, adds such a requirement. This and the change made by GATT in requiring a finding of material injury in antidumping cases were conceded by the State Department in 1947 and 1950 to be plainly contrary to our domestic laws [22] and hence beyond the scope of the President's trade-agreements authority.[23]

6. Customs valuation provision. The prohibition in GATT against the use of arbitrary or fictitious values for customs purposes has been interpreted by our State Department to apply to certain principles used in connection with foreign value, United States value, and cost of production as those terms are defined in section 402 of the Tariff Act

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[15] Section 3 (a): [(a) (1) (A)], Trade Agreements Extension Act of 1955: *"Provided,* That the enactment of the Trade Agreements Extension Act of 1955 shall not be construed to determine or indicate the approval or disapproval by the Congress of the executive agreement known as the General Agreement on Tariffs and Trade."

[16] Department of State Publication 6268, Commercial Policy Series 155, released January 1956, states (p. 13):

"The GATT itself was not submitted for congressional approval, because Congress has already given the President the authority to enter into trade agreements with other countries. This authority is in the Trade Agreements Act, which has been in effect since 1934."

Secretary of State Dulles testified to the Ways and Means Committee on March 1, 1956, as follows:

"The United States has participated in the General Agreement [on Tariffs and Trade] for 8 years under the Trade Agreements Act, which authorizes the President to 'enter into foreign trade agreements.' * * *

* * * * *

"The President has already acted to revise the trade agreement rules in the general agreement. Within the limits of the authority granted to the Executive by the Trade Agreements Act, the United States has negotiated and accepted a series of amendments to the general agreement * * *."

* * * * *

"* * * Any substantive undertakings by the United States with respect to its trade regulations must either be entered into by the President under the Trade Agreements Act or be specifically approved by Congress. * * *"

* * * * *

"The General Agreements on Tariffs and Trade has not been submitted to the Congress for approval because, as I have indicated, the authority to enter into trade agreements without referring them back to the Congress is found in the Trade Agreements Act. The general agreement, therefore, is in the same status as any of the many other trade agreements which have been entered into by the President.

"* * * Congress is not being asked to approve the detailed provisions of the general agreement—to endorse the detailed actions which the President has taken in exercising the authority which Congress granted to him in the Trade Agreements Act."

[17] See note 5 above. In the hearings on H. J. Res. 236, a joint resolution providing for United States membership in the International Trade Organization, conducted by the Committee on Foreign Affairs of the House of Representatives in 1950, then Secretary of State Acheson stated that (p. 11, hearings):

"The core of the charter (for an International Trade Organization) is the chapter on commercial policy (ch. IV)."

He also testified that (p. 13):

"Some changes in domestic laws will be required for full compliance with it (the charter)."

During those hearings, Willard Thorp, Assistant Secretary of State, submitted a memorandum to the committee entitled "United States Laws Inconsistent With the ITO Charter." It stated, among other things, that (p. 68, hearings):

"Of the 9 chapters of the charter, only 1 (ch. IV) contains provisions with which the United States laws are inconsistent."

The provisions of that chapter on "commercial policy" comprise the general provisions of GATT, as previously documented in note 5. Ch. IV of the ITO Charter consisted of 30 articles. All but seven of these are contained substantially in GATT. (These seven pertain to export subsidies, primary commodities, state trading, and statistics—not of significant interest in the problem under consideration.)

The United States laws specifically discussed in the State Department memorandum (pp. 68–72, hearings on H. J. Res. 236, 81st Cong., 2d sess.) as being inconsistent with the ITO Charter include the following provisions of GATT. (If they are illegal or contrary to United States law in ITO, they are equally so in GATT.)

Art. 18 of ITO (which corresponds to arts. III and IV of GATT (proposed art. IV of GATT)) pertaining to internal taxes and internal regulation, such as mixing regulations;

Art. 20 of ITO (which corresponds to art. XI of GATT) pertaining to quotas;

Art. 34 of ITO (which corresponds to art. VI of GATT) pertaining to dumping and countervailing duties;

Art. 35 of ITO (which corresponds to art. VII of GATT) pertaining to customs valuation, prohibiting the use of American selling price, requiring discontinuance of foreign value, changes in United States value and cost of production value now contained in section 402 of the Tariff Act of 1930, and changes in the definition of usual wholesale quantities used in our statutory value bases;

Art. 37 of ITO (which corresponds to art. IX of GATT) concerning marks of origin.

The point of this is that the State Department has on two occasions in the past, admitted that provisions now found in GATT were contrary to United States law, and would require statutory changes before the United States could be committed to them. Now, all this is waved aside with the sweeping assertion that GATT need not be brought before Congress because in its entirety it is something the Executive can commit the United States to under the trade agreement authority.

[18] See notes 8 to 14, above.

[19] The American selling price value base for coal-tar chemicals was first provided in United States law in the Tariff Act of 1922.

[20] Art. II (proposed art. III) reads as follows:

"No contracting party shall alter its method of determining dutiable value or of converting currencies so as to impair the value of any of the concessions provided for in the appropriate schedule annexed to this agreement."

[21] Art. XI of GATT: "No * * * restrictions other than duties, * * * whether made effective through quotas, * * * or other measures, shall be * * * maintained by any contracting party on the importation of any product * * * of any other contracting party."

Art. III of GATT (proposed art. IV): "2. The products of * * * any contracting party imported into the territory of any other contracting party shall not be subject * * * to internal taxes * * * in excess of those applied * * * to like domestic products. * * *"

"5. No contracting party shall * * * maintain any internal quantitative regulation relating to the mixture * * * of products in specified amounts * * * which requires * * * that any specified amount * * * must be supplied from domestic sources."

[22] Exhibit XX, hearings on ITO, Senate Finance Committee, 80th Cong., 1st sess., pt. 2, p. 1384; hearings on H. J. Res. 236, Committee on Foreign Affairs, House of Representatives, 81st Cong., 2d sess., p. 70.

[23] This is the clear inference of the note in the State Department memorandum and the testimony of the Department's Legal Adviser Fahy, referred to in footnote 1 above.

of 1930.[24] A recent GATT survey shows that the United States alone of GATT's members uses such valuation principles.[25] Hence, they could not have been put in GATT to protect the value of the concessions granted to the United States because no nation other than the United States uses them.

The issue, therefore, is quite plain. The executive department is asking the Congress to authorize the United States to participate as a member in an international organization whose principal function is to administer (by way of complaint, ruling, decision, and sanctions) a multilateral trade agreement which contains provisions which have been agreed to in behalf of the United States by the executive department in excess of any authority now possessed by the executive department.

Approval by the Congress of United States participation in that international organization will plainly and simply mean that Congress intends the United States to live up to those obligations.[26]

Approval of H. R. 5550 would, therefore, be tantamount to a ratification by the Congress of the executive department's unauthorized action in purporting to commit the United States to those substantive rules of GATT which have never heretofore been included in a United States trade agreement.[27]

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[24] State Department memorandum, "United States Laws Inconsistent With the ITO Charter," hearings, op. cit. supra, note 17, at pp. 71, 72.

[25] "Comparative Study of Methods of Valuation for Customs Purposes," GATT, Basic Instruments and Selected Documents, Third Supplement, pp. 106, 107; pp. 118–125, col. 1.

[26] In an earlier day, the State Department had less reluctance to acknowledge that the organizational provisions of GATT were indeed intended to accomplish a policing of the agreement. Mr. Fahy testified in 1947 (hearings, on ITO, Senate Finance Committee, 80th Cong., p. 173):

"Now, you first have the question, which I understand the committee has been concerned about, whether the act authorizes multilateral agreements. Assuming for the moment that it does, and a multilateral trade agreement is entered into, containing detailed schedules of duties and concessions; and tariff provisions, or comparable provisions, customs provisions, it follows that the Government of the United States on its part, and other governments on their part, have to have some administrative machinery or means of, I use it reluctantly, 'policing' the agreement."

[27] One candid student of the executive department's maneuvers on GATT and OTC (a member of the United States delegation to ITO and GATT conferences) has commented pungently on the unalterable fact that OTC approval carries in its train GATT approval. He states:

"It would have been simpler to have a single text rather than two. It would have been more candid to recognize that the power to define obligations differs only in shadowy degree from the power to impose obligations. * * *

"The device of two separate agreements rather than one does serve certain practical political functions once the decision is made to seek a clearer congressional mandate for a permanent international trade organization. Congressmen who are cool to GATT, but not outspokenly hostile, might find it easier to vote to accept an administrative agreement than to endorse explicitly the substantive text of GATT. Moreover, congressional acceptance of the OTC agreement without formal action on GATT would leave the administration free to negotiate amendments of GATT from time to time as an exercise of Executive power." Bronz, An International Trade Organization: The Second Attempt, 69 Harvard Law Review 440, 479 (1956).

Currently more diplomatic language is used, but it means the same thing. State Department Publication 6268, Commercial Policy Series 155, released January 1956, says (p. 15) that OTC will generally devote itself to the efficient operation of [GATT].

Mr. MACK of Washington. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include a brief that was filed with the Committee on Ways and Means relative to certain phases of the General Agreement on Tariffs and Trade.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. BAILEY. I thank the gentleman from Washington.

Mr. Speaker, I yield to the gentleman from Georgia [Mr. LANHAM].

Mr. LANHAM. Mr. Speaker, I have said before on this floor that I will oppose so far as lies in my power the further encroachment of the Executive on the legislative authority. I repeat that sentiment and in pursuance of it wish to support the gentlemen from West Virginia [Mr. BAILEY] and Maine [Mr. HALE] in their admirable effort to see that GATT, the General Agreement on Tariffs and Trade, and all that it stands for, are exposed to a complete inquiry by the Committee on Ways and Means of this House, before we undertake to vote on H. R. 5550, the OTC bill.

I am not surprised to find the State Department stubbornly ranging itself against such an inquiry. The Department has every reason to fear an inquiry into its doings under GATT; but that should give us all the more reason for insisting upon it. Every Member of this body should be concerned about the loss of our power to the executive, and to the judiciary. I have spoken at length on other occasions on the latter. At this time in the short time that I have I wish to address myself to certain aspects of the OTC–GATT proposal.

Other speakers have responded on various parts of the reply sent by the State Department to the gentleman from Arkansas [Mr. MILLS]. I wish to give particular attention to the addendum to the letter. This is a separate reply to the question of whether the functions of the OTC could be broadened by amendments to GATT. This question arises because the Ways and Means Committee adopted certain amendments to H. R. 5550 which would prevent any newly proposed powers that might be offered to strengthen the OTC from applying to the United States unless they were approved by Congress. That was of itself a precautionary measure taken by the committee and the committee is to be congratulated.

However, attention is called to the failure of any of the amendments to H. R. 5550 to reach GATT itself. The State Department has this to say:

> Now it is being suggested in some quarters that this limitation in H. R. 5550 (that is, that no new obligation could be imposed upon us without congressional approval) could be circumvented by the President through the simple expedient of amending the General Agreement on Tariffs and Trade. In other words, it is being suggested that the President could literally change the nature of the proposed OTC by amending the general agreement so as to give the OTC these broad functions not now contemplated.
>
> This fear is groundless.
>
> First, no amendment to the General Agreement on Tariffs and Trade can have any application to the United States unless the United States accepts the amendments. * * *
>
> Secondly, United States participation in the General Agreement is based upon the authority contained in the Trade Agreements Act. That act related solely to governmental barriers to trade. It does not authorize the President to accept amendments to the General Agreement with respect to matters relating to codes on full employment, investment, private restrictive business practices, commodity control schemes, and the other broad provisions of the old ITO charter.

Several comments are in order. There seems to be a confusion of the powers of the OTC to amend itself with the self-amending powers of GATT.

The power of self-amendment by the OTC has been taken care of by the Ways and Means Committee amendment of H. R. 5550 already referred to; but as already pointed out, that amendment leaves GATT free to amend itself according to its own articles of agreement. This is set forth in article XXX. A two-thirds vote is all that is necessary.

The United States has no reservation such as the amendment to H. R. 5550 that would require the approval by Congress of any amendment to GATT. This is a very important point, and it is this loophole that upsets completely the State Department contention.

The point is this, and I ask you whether or not it is an important one: No amendment to the OTC could apply to the United States unless it were accepted by the United States. Thanks to the Ways and Means Committee amendment to H. R. 5550, acceptance by the United States could be obtained only through congressional approval. No amendment to GATT could apply to the United States unless it was first accepted by the United States; but—and this is the distinction—the State Department could give this approval and it would not be placed before Congress. There is no amendment to our membership in GATT such as the one adopted by the Ways and Means Committee limiting the amending powers of the OTC.

Therefore when the State Department says flatly that the fear of GATT expanding its scope, possibly even to the extent of calling for full employment, developing the full use of the resources of all the members, and so forth, is groundless, it is simply making a statement.

Look at it this way. The OTC would be established to administer and achieve the "purposes and objectives" of GATT. These objectives and purposes are very broad and provide a sufficient umbrella to cover codes of full employment, commodity agreements and much else.

Should the Congress approve the OTC we would be members of an organization devoted to carrying out the provisions of the General Agreement, as it is now or as it might become in the future.

GATT, let us say, by two-thirds vote, the State Department concurring, would agree on some plan of full employment, international commodity control or what not. This would be sufficient. There is nothing anywhere that says that such

an amendment must be approved by Congress.

No limitation on the OTC can change article XXX of GATT. Only a renegotiation could do that. The net of it is that GATT would be wide open to amendment by itself despite any amendments attached to H. R. 5550 by Congress. Since United States acceptance of amendment would be determined by the State Department without the least consultation of Congress, it is clear that Congress would be neatly bypassed.

Seeing the State Department temper and noting its conception of its powers under the Trade Agreements Act, from the letter to the gentleman from Arkansas [Mr. MILLS], the Congress would be well advised indeed to be doubly cautious. Once we had given our consent to OTC under these circumstances Congress for all practical purposes could close its doors so far as its power to regulate commerce is concerned.

I say let us not be so unwary as to walk into such a trap. The State Department explanations smack of pure sophistry. Their hope of gaining their goal of controlling our tariff and trade policy lies in the gullibility of Congress. I am convinced that their hopeful calculations are wrong. I for one do not expect to fall before such hoodwinking. Let us assure ourselves of our course by studying the many aspects of the OTC-GATT question before committing ourselves.

Mr. BAILEY. I thank the gentleman from Georgia.

Mr. Speaker, I yield to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Speaker, I rise in support of this resolution.

The State Department's analysis of House Resolution 459 makes the point that the trade rules of the General Agreement on Tariffs and Trade—GATT—are authorized by the Trade Agreements Act of 1934, as amended.

The facts do not support such a conclusion. The record shows that the State Department itself, when placed under cross-examination by congressional committees interested in getting to the bottom of this matter of authority to commit the United States to GATT, has in the past been far more cautious.

In 1947, when GATT was negotiated, the State Department was challenged by the Senate Finance Committee as to its authority to enter into GATT, which was then being negotiated. The Department admitted that the draft of GATT contained many provisions which were outside the scope of the President's authority under the Trade Agreements Act.

Under sharp questioning by the chairman of the Senate Finance Committee, the State Department also admitted that some of GATT's provisions would have to be brought to Congress for approval. The Department made an attempt in those days to claim that the President had some inherent power to make such an international commitment, but it also admitted that GATT should not contain any provision which would not be covered by the authority of the Trade Agreements Act.

However, instead of deleting these questionable provisions from GATT, the State Department went ahead and agreed to them at Geneva in 1947 and persuaded other countries to do likewise.

The State Department has always sought to justify the provisions of GATT by saying that they are no different from the provisions included in our bilateral trade agreements to protect the concessions which we receive from the other parties to the agreements. Even the public notice which the State Department gave of its intention to enter into a trade agreement in 1947, which culminated in GATT, asked for views only with respect to general provisions of a nature customarily included in trade agreements—that is, the previous bilateral agreements.

Fortunately Congress has an independent body to advise it concerning customs and tariff matters. The Tariff Commission has analyzed the provisions of GATT, and in a published report it identified the following provisions as being in GATT but not in any of the bilateral trade agreements preceding GATT:

First. A commitment against the use of taxes on imported articles which are directly competitive or substitutable for domestic articles not taxed;

Second. Prohibition against the use of protective internal requirements such as mixing regulations—recall those pertaining to synthetic rubber a few years ago;

Third. Limitation of antidumping duties to cases of material injury, and the limitation of countervailing duties to cases of injury;

Fourth. The requirement that customs valuation be on the basis of actual value—which hits at several existing value provisions of the Tariff Act—and forbidding the use of value of articles of national origin—American selling price;

Fifth. A prohibition against marking requirements which increase the cost of imported goods, or reduce their value;

Sixth. The prohibition against the use of import quotas—which applies to all imports, not just the products covered by GATT reductions in duty;

Seventh. A commitment to notify other contracting parties if subsidies are used to reduce imports, and to discuss their limitation.

Here then are seven differences between GATT and the bilateral agreements preceding GATT and they show how far the State Department wandered in going from the bilateral to the multilateral system represented by GATT.

On two occasions preceding the present one the Executive Department has tried to get Congress to ratify what it has done in GATT. The first was in H. R. 8860 of the 83d Congress, when the Executive Department included a provision in the trade agreements extension bill that would have authorized the President not only to enter into trade agreements for the purpose of reducing duties but also provisions dealing with nondiscriminatory treatment, quotas, customs formalities, and something vaguely defined as other matters relating to international trade.

That bill went nowhere and the executive department tried again in 1955. H. R. 1 in the form in which it was introduced contained the same type of a provision. That was the second attempt. Congress refused again to grant the sweeping authority asked for. The provision was overtly eliminated from H. R. 1. Instead a caveat was placed in the bill disclaiming any intention of Congress that its action in extending the trade agreement authority was to be interpreted as an approval of GATT.

The record then was something like this:

The State Department convinced no one when it claimed that the President had inherent authority to commit the United States to GATT. Then it got nowhere when it tried to amend the Trade Agreements Act with a provision that would have broadened the trade agreements authority enough to cover GATT.

Now it seizes the only position left to it and claims that the authority to permit the President to accept GATT in behalf of the United States is found in the Trade Agreements Act itself. This claim is based in large part on the other claim, upset by the Tariff Commission report summarized above, that GATT is no different from the previous bilateral trade agreements.

The claim that the Trade Agreements Act itself gave full authority to the President to negotiate GATT is therefore obviously a claim born of desperation and yet, if the Congress unwittingly approves H. R. 5550, it will rescue the State Department from its position of desperation.

The summary treatment given these problems in the State Department's analysis in reply to House Resolution 459 does not shed any light on them at all. The action called for by the resolution is appropriate and necessary if the House is to be in a position to act in a responsible manner with a full understanding of H. R. 5550.

Mr. BAILEY. I thank the gentleman from Indiana.

Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. VAN ZANDT].

Mr. VAN ZANDT. Mr. Speaker, the OTC question interests me as much as GATT itself.

I have risen many times on this floor to question the wisdom of clothing the Department of State with powers that belong to Congress and should be exercised by Congress.

While I was not one of those who spoke in support of House Resolutions 459 and 460 introduced by the gentleman from West Virginia [Mr. BAILEY] and the gentleman from Maine [Mr. HALE] which call for a study of GATT by Congress before voting on the OTC, I do strongly favor such action.

There is every reason why Congress should review the operations of the State Department under the delegation of authority extended to the President.

A bitter dispute has arisen over how much power was actually delegated by Congress and how much power has been exercised by the State Department as an arm of the executive branch. One of the purposes of the resolution was to make such a determination.

Now we have a reply to the resolution from the State Department itself, signed by Assistant Secretary Robert C. Hill.

Such a reply is, of course, no substitute for an inquiry and study by the Ways and Means Committee such as the resolution calls for; but it is worthy of attention and comment.

The State Department letter undertakes to answer the questions raised in the resolution.

Altogether it establishes very clearly what the ideas and notions of the Department are as to its power under the Trade Agreements Act.

The letter is a remarkable document as a reflection of what can happen to a grant or delegation of power.

The State Department, armed with the delegated power as interpreted by itself, has, so to speak, entered the House of Congress in tariff and trade matters and crowded us out into the street; and has now figuratively so long resided here that when we seek to reenter the premises we are challenged by the squatters.

They say we gave them the key and the permission to do as they please and cannot properly now call them to account.

As the gentleman from West Virginia [Mr. BAILEY] has quoted the State Department, they claim that Congress gave the President the authority to make trade agreements "without any qualification on the content of such agreements other than that they shall relate to foreign trade."

Did Congress really do that or has the State Department grown bold by feeding on the delegated power?

If Congress extended powers such as those described by Assistant Secretary Hill, we abdicated our responsibilities to an incredible degree.

I do not believe that we did and the State Department has not always said so. They acknowledged their limitations under questioning before the Senate Finance Committee, as has already been stated on this floor.

Even now, after saying that trade agreements can be made by the President without any qualification on the character of such agreements so long as they relate to trade, the State Department in what seems a contradiction says in the letter:

> Consequently there is no basis for concluding that the general agreement (i. e., GATT) deprives Congress, whether the present Congress or a future Congress, from exercising its constitutional authority to determine our trade policies.

I confess that I am lost by such a juxtaposition of doctrine.

It can only mean that if Congress does not like what the State Department has done in a trade agreement we can kick over the agreement.

This would mean that even though, with our general consent, as given in the Trade Agreements Act, the State Department agreed in the General Agreement—GATT—that we will not establish or maintain import quotas—with certain exceptions applying so far as we are concerned only to agricultural products—Congress is nevertheless free to establish import quotas on any item it wishes.

Mind you, the State Department has signed an international document, an agreement, pledging that we will not impose or even maintain import quotas.

Yet, according to the State Department Congress is free, notwithstanding the signature of Uncle Sam to the contrary, to go ahead and impose such quotas.

I ask you what kind of morality does that represent?

Whom does the Department intend to fool, us or other governments?

Obviously it should not undertake to do either and it is shocking to have such evidence as the State Department's letter provides.

Naturally the question arises, if the Department has placed itself into a position of having to fool someone, what reason is there to believe that we ourselves will not be the victims of the deception?

In other words, we are to believe that Congress is free to carry out its constitutional mandate but at the same time will wake up to find that the State Department has promised the world that we will not do thus and so, such as impose an import quota, raise an individual tariff rate, or sell farm products at world prices.

In what dubious and unfavorable light does the State Department seek to place this country?

Either Congress is coerced and bows to State Department intimidation or it overrides the international agreement.

The choice is neither pleasing nor acceptable. Congress must remain free to legislate without breaking the word of this country. Any other path is dishonorable.

How such coercive power over Congress could grow out of a delegation of power to the Executive would be a mystery but for the fact that we see it before our eyes.

To say that Congress is free under the conditions under which it would be forced to act, namely, tearing our international agreements to shreds, is to treat common intelligence and honesty with contempt.

I am sure that the State Department's position is untenable.

It is a position that it could hold neither before the world nor the people of this country.

I am sorry that the Department has seen fit to work itself into such an untenable position. That probably explains better than anything else the inflexible character of the letter sent to us by the Department.

One final example will throw further light on the peculiarity of position the Department must take in order to defend itself.

One of the questions asked in the resolution is how the contracting parties of GATT came into possession of the power which they exercised when they granted this country a waiver on our import quotas on certain farm products, with the result that we may keep them, but only on the promise that we will remove them as soon as we can and that we report our progress in this direction once a year to GATT.

The State Department letter says that our import quotas are the product of our own legislation, which is true, and that GATT has no power to set aside or modify the application of such quotas.

If this means anything it means that our international agreement is worthless to other signatory countries unless the State Department can coerce Congress by using this very GATT commitment as a weapon to prevent the imposition of quotas.

This necessity of mixing a dream world with the real world and jumping from one to the other according to the needs of the argument is the direct result of first excessive State Department ambition; second, State Department and/or congressional carelessness; or, third, State Department explanations fabricated after the fact in keeping with the principle that a strong offense is the best defense.

I am convinced that the OTC legislation is crucial in the history of legislative delegation of power and we should make all necessary inquiry into its meaning before we vote on the bill. This certainly includes an exhaustive study of GATT.

Mr. BAILEY. I thank the gentleman from Pennsylvania.

OVERTON WATERWAY, LA.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Louisiana [Mr. BROOKS] is recognized for 30 minutes.

Mr. BROOKS of Louisiana. Mr. Speaker, President Dwight Eisenhower appeared before the convention of the National Rivers and Harbors Congress, of which I am president, 2 years ago and proclaimed the fact that the development of our water resources was our No. 1 domestic problem. After this, he set up a Cabinet committee for the purpose of studying our water policies and making recommendations regarding improvements. This action of the President made everyone realize that the development of our inland streams and waterways has been long neglected and that the time is at hand when we must seriously consider further action looking toward water transportation.

Inland water transportation in the Mississippi Valley largely started in the States of Ohio, Indiana, Kentucky, and Tennessee. The Ohio River has seen vast development throughout the years until it is recognized by everyone as a major artery of commerce, the loss of which would be disastrous to this Nation. The development of the Mississippi Valley extended farther downstream, with the building of levees along the lower Mississippi, the elimination of many of its bends and curves, the channel improvement and bank stabilization, and the construction of giant reservoirs far upstream; but these steps, while gradual, have been effective in building a vast inland water empire, the value of which to our people beggars description. The Intercoastal Canal, the Erie Canal, and a network of inland waterways throughout the 48 States have all brought to us an era of navigation. But in spite of this, relatively few people are aware of the amazing progress made in transportation through use of canals.

Tugboats have failed to inspire writers of song and story. The old river steamboat, "coming 'round the bend," pro-

vided ideal setting for romance. But no second Mark Twain has appeared between book covers to recount adventures of a fictitious Tom Sawyer on a tugboat or a Huck Finn trotting atop cargo on a string of barges a quarter of a mile long.

But if you are interested in the phenomenal progress of inland navigation, if you are interested in the increasing percentage of freight that is being moved by tugboats and barges, amazing facts are easily available to you.

I call your attention to only a few figures, and those will pertain primarily to what is happening in Louisiana. These raw facts are so convincing that I am wholeheartedly determined to do all I can to bring the Overton Red River Waterway into reality. There is no reason for further delay.

In 1951, 56,652 tons of cargo moved to and from Baton Rouge by tugboat and barge transportation. Two years later, tonnage jumped to 139,146 tons. A report of the Corps of Engineers, Department of the Army, discloses that in 1954 there were 716,838 tons of seashells moved in barges along the Baton Rouge area, and that same year barges and tugboats moved to and from that city 3,245,400 barrels of crude petroleum.

I hope I am not unfair in quoting these figures from the Baton Rouge area, although that city is the deepest and farthest inland fresh water harbor in the United States. It is also the junction point for oceangoing vessels and barge transportation.

Through the courtesy of the Greater Baton Rouge Port Commission I get these figures: Total tonnage on the Mississippi River for 1946 was 41,308,475. In 1954 it was 82,404,001. To explain these figures, Mr. Wallace, manager of that commission, says:

> All of the traffic on the Mississippi River is barge except for ocean traffic which goes to New Orleans, Baton Rouge and points having ocean docks between those two cities.

For the Intracoastal Waterway I get these figures: 20,400,923 tons moved through the canal in 1946, whereas for 1952 the figure is 42,139,672. Regarding these canal figures, Mr. Wallace said:

> The entire Gulf Intracoastal Waterway traffic is by barge.

Many years ago Charles Gayarre, a well-known historian, called Louisiana the Holland of America. In making this comparison he was considering the natural waterways of Louisiana, its labyrinth of bays, bayous, lagoons, estuaries, and rivers; his comparison had no reference to human effort that was being made to improve those natural liquid highways for modern navigation. The Dutch have far outstripped us in developing this particular resource for cheap and dependable transportation. But with the Intracoastal Gulf Waterway which now crosses the southernmost border of Louisiana, and with the construction of the Overton Red River Waterway to feed cargo into that great artery of transportation, we will be rapidly approaching the Netherlands in maximum use of inland navigation.

It is with pride that I exert my efforts to bring reality and fruition to the proposed Overton Red River Waterway, for the project was named in honor of my uncle, the late Senator John H. Overton. But not for this alone am I addressing you today. I see, in the completion of this project, great benefits to the Nation as a whole.

My State is blessed with natural resources which should move at the least possible cost to all parts of the United States.

Listen to this astounding declaration: One-third of all the natural gas in the United States is either controlled or distributed through firms that operate in my home city, Shreveport, La. It is estimated that cost of total tonnage of petroleum products shipped out of that area over the proposed Overton Red River Waterway to various parts of the United States would save approximately $1 million per year. Saved on shipment of cotton, a half million dollars annually. Saved on shipment of automobiles into the area, at least a million dollars.

These items alone are sufficient to convince you that this is not a project for the benefit of local people only. This proposed canal would feed cargoes of raw products into the Atlantic coastal system which extends from the Mexican border, through Texas, through Louisiana, through Florida, and on to Boston, and along the way spreading out through tributaries would reach St. Louis, Kansas City, Minneapolis, and Pittsburgh.

To refresh your memories, let me review, very briefly, the history of this project, and bring you up to date on what has been done.

First, the United States engineers suggested that natural streams and existing canals in the lower Mississippi Valley be improved by the construction of lateral canals. In their opinion, Red River improvement for navigation was not feasible because of the character of the stream. It is very crooked; it passes through alluvial soils that were planted there throughout the centuries by action of the stream itself; consequently these soils are high in silt content and the banks of the river are constantly peeling off and caving into the channel.

In 1947, Gen. R. G. Crawford, senior member of the Board of Engineers for Rivers and Harbors, said:

> An adequate waterway for modern barge navigation can be provided by improvement of Old River and the lower section of Red River and thence by construction of a lateral canal with requisite locks. * * * In the opinion of the Board, prospective benefits of such an improvement are sufficient to justify the expenditure required.

The 1940 engineers estimated that 1 million tons of freight would have moved through the canal that year. Today, 16 years later, it is estimated that more than 2 million would be transported in the year 1956 if we had the canal in use.

In the blueprint stage it is recommended that the canal have a minimum depth of 9 feet and a minimum width of 100 feet; that 9 navigation locks be constructed along the canal so as to maintain constant necessary depth. Certain portions of Old River and Red River are to be used, but in the main the artificial channel will parallel Red River to within 31 miles of its junction with the Mississippi River.

United States engineers have approved the project and are eagerly supporting it, for they know, perhaps better than anyone else, the advantages of providing the Southwest with low-cost barge traffic, and they also know that industry and commerce depend upon cheap transportation.

An appropriation of $364,800 has been made to cover cost of making maps and initial surveys. Request has been made for an additional appropriation of $300,000 to continue the preliminary work. Engineers estimate the total cost of the project to be $85 million, eighty-one million from Federal funds, and the remainder from the State of Louisiana and the eight parishes involved. Under provisions of the act of Congress authorizing preliminary work on the canal, local and State agencies must furnish the right of way, meet the cost of relocating highways, and also provide and operate ports and port facilities.

Any sort of Federal project needs and deserves local cooperation. In Louisiana I find eager response from individuals and there is enthusiasm and determination in those organizations that have been formed for no other purpose than to turn a dream of barge transportation into a performing reality.

Perhaps the most active of these organizations are the Red River Valley Improvement Association and the Red River Navigation Commission. Organized by the citizens of Caddo and Bossier Parishes for the specific purpose of preparing a way for local participation in the construction of the Overton Red River Waterway, the Red River Valley Improvement Association is already in business, having sent a questionnaire to each candidate for the Louisiana Legislature in order to ascertain whether or not he will support a bill for necessary appropriations to meet the State's quota. You can believe me, gentlemen, when I say this procedure will get the job done.

A person from Louisiana, particularly one from Shreveport, would hardly dare talk about navigation without mentioning in deepest reverence the name of Capt. Henry Shreve, for whom that city was named. Through his energy, training, experience and determination he cleared Red River of debris that clogged the stream a total length of 80 miles. In 1835 he established a camp for himself and his laborers on the west bank of Red River, the present site of the great city of Shreveport.

I am thinking of a certain pseudonym, which may, long ago, have been used to denote opprobrium, but which in later years had become an expression of affection. It is with that feeling that I use it now. If the great State of New Jersey can supply Louisiana with a few more "damnyankees" like Henry Shreve, we will not have to wait for the Overton Canal to be built, nor will we send a long string of barges after those "damnyankees." We will supply them with jet transportation.

And there are a lot of northern, eastern, and western young men flying jets over Shreveport this very day. They work, live, and train at Barksdale Air Base. They help make Shreveport a good place to live, although they reside

in an ideal city of their own—Barksdale Air Base.

The importance of a less costly mode of transportation for this area was made plainly evident during November and December this last year when 140,000 soldiers participated in the Operation Sagebrush maneuvers in the area that will be served by the Overton Red River Waterway. Millions of tons of tanks, guns, equipment and supplies were moved into the Fort Polk maneuver area from all over the United States. Most of this was transported by rail at a high cost to the Government. I saw, at one time, some 3,000 railway cars of heavy equipment standing on sidings in the Fort Polk area to be unloaded. Later, I saw a similar number of these cars, now empty, waiting for the maneuvers to end to be again loaded with equipment and shipped to depots around the country. Demurrage on these cars alone ran into a small fortune for the average salaried Louisianian. In addition to this heavy equipment, many millions of tons of food, clothing and other rudiments of war had to be freighted to Louisiana. The total expense of this operation to the Government would have been greatly reduced had the Overton Waterway been functioning.

Fort Polk is now a permanent post and is the home of the 1st Armored Division. Maneuver rights on 7 million acres of fine Louisiana land has been obtained for at least 15 years by the Army. This fort is less than 50 miles from Alexandria, La., one of the chief ports of call on the Overton Canal. The total saving to the Government for the supplying and maintenance of this post and future military activity in Louisiana alone, it is felt, is justification for the construction of this waterway.

In this age of mystery you can stand beside a flowing oil well on the Barksdale Air Base and sanely calculate that under your feet lies the crude oil that in a few weeks will be powering those jets you see overhead, darting across the sky. It is with deep pride that I remind you that over $8 million have flowed into the United States Treasury through leases and royalties from crude petroleum that once lay undisturbed beneath the several thousand acres of farmland which the people of my city bought at a cost of $1½ million, and donated it, without reservation, to the United States Government. It is estimated that $8 million is a mere stipend of what the Government will receive from oil and gas that is buried beneath ground in proximity to those runways on what was once cotton and alfalfa fields.

Should you intimate to any Shreveporter that the cost of Barksdale Air Base to local taxpayers exceeds the benefits brought to them, you would precipitate a heated argument. Folks in my city are proud of Barksdale. They particularly enjoy recounting to visitors or strangers such honors as those won during the past 3 years by the Second Air Force under the leadership of General Armstrong:

First. Three times winner of the Mackay trophy.

Second. First winner of the outstanding unit award.

Third. First organization in the world to create an all-jet bomber force.

Fourth. First to fly jet bombers nonstop over the Pacific.

Fifth. First to fly B–47's overseas.

Sixth. First to fly jet fighters over the Pacific.

During November and December of last year 140,000 soldiers participated in the Operation Sagebrush maneuvers in the area that will be served by the Overton Red River Waterway. In January of this year a 2,000 unit housing project, to cost an estimated $27 million, was approved for construction at recently activated Fort Polk, located within a few miles of the city of Alexandria, which will be one of the principal ports on the canal. The new housing project will include 300 houses authorized for the Air Force base at Alexandria.

Had the Overton Red River Waterway been in use during the Sedgebrush maneuvers, the cost of moving tanks, guns, and heavy materials into the area would have been considerably reduced. Use of the proposed canal would have prevented damage to highways, some of which were not designed and built to withstand the tremendous strain put upon them.

Perhaps I am indulging too freely in pride for my city and State when I say that Louisiana seems so essential to the national well-being; Louisiana seems such a necessary part of this great Nation of ours. But in presenting raw facts that prove justification of the proposed Overton Red River Waterway, I have tried to be conservative in my choice of words and phrases lest I be accused of exaggerating. Nevertheless, it should be known and remembered that the area to be served by this artificial channel is the greatest military training ground in the world. During World War II, 20 million acres of land were turned over to the Army. One-half of the Army personnel in that war received the maneuvers phase of their training in this region which so very much needs cheap and dependable transportation.

Freely admitting that cheap barge transportation will bring new industries to Louisiana and will assure greater economic balance to a section that largely depends upon agriculture, I have tried to present to you a broad view of what this project will mean to the Nation and to all the people of the Nation.

Mr. Speaker, the Overton Red River Waterway project was approved by this Congress in 1946. It has been fully supported by the Army engineers as financially justified. Large sums have already been appropriated by this Congress for planning purposes; and it is now in shape as to need further planning money for going forward with this project. It has the full backing of the great mass of the people who live in the Red River Valley and it is an internal project which cries loudly for attention and consideration by a sympathetic Congress.

This project means a great deal for the Red River Valley and the State of Louisiana, one that was approved in 1946 as a navigation project, called the Overton Waterway.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. BROOKS of Louisiana. I yield to my distinguished friend, the gentleman from Texas, whose district adjoins mine.

Mr. PATMAN. Mr. Speaker, I want to commend the gentleman for his efforts in getting the Overton Waterway approved. He has worked constantly and aggressively over the years in behalf of this great project. It will bring navigation to the Red River Valley. It will be worth a great deal to our national defense program. Within a few years the population of our country will be 200 million people. At that time we will need every possible means of transportation. We will need not only railroads and waterways and trucks and buses, but we will need navigation more than ever before, to carry certain types of freight. I think the gentleman has demonstrated vision and foresight in working for this great project, and I congratulate him on continuing his efforts in its behalf.

Mr. BROOKS of Louisiana. I thank the gentleman very much. I want to thank my friend who lives also in the Red River Valley in Texas, and as such he represents a district that will be tremendously benefited by water transportation. He has developed his own congressional district to the point where he amazes his constituents in that area with the progress that has been made. He amazed me when through perseverence he worked out an arrangement that resulted in the construction of a huge steel plant at Dangerfield in Texas. That plant is operating now and the plant will be able to utilize the advantages of this waterway when it is completed. I think the waterway when completed will have the effect of a tremendous stimulus to all parts of central and southwest Louisiana, parts of east Texas, and south Arkansas, and will be a great boon to those communities in that area.

PROPOSED ATOMIC ENERGY PLANT AT UNITED STATES CAPITOL NOT JUSTIFIABLE FROM STANDPOINT OF COST

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, as a member of the Joint Committee on Atomic Energy, I have had an opportunity to familiarize myself with a great deal of the work that has been accomplished and is projected in the field of nuclear fission.

From this vantage point I have learned of many of the potentialities of the atom, and perhaps it is for this reason that I have become so enthusiastic about what can and will be done by our scientists and engineers in this field.

Peacetime uses of the atom promise a better life not only for America, but for whatever other countries of the

world are desirous of utilizing it as a constructive agent.

I consider it an obligation of the United States Government to participate to whatever extent is necessary and feasible in the development of the peacetime atom.

Were it possible to divulge all of the information that classified Government work has brought about within the past decade or so, and at the same time to isolate the Atomic Energy Commission's military endeavors, then I would be inclined to surrender all nonmilitary work on the part of the Federal Government in favor of development by private enterprise.

Under the circumstances, however, it would be entirely impracticable and, in fact, foolhardy for the Government to relinquish its interest and participation in the job of helping to unfold the many marvels contained in this budding newly-discovered resource.

My colleagues are fully aware of my zeal for the atom as a peacetime agent.

I have not only taken part in every meeting of the joint committee which it has been possible for me to attend, but I have also devoted considerable other time to talking with various members of the Atomic Energy Commission in order that I might gain a better understanding of the subject.

I have agreed to and supported the program to establish experimental reactors in various parts of the country for the purpose of generating electric power through the atom.

I feel that this type of electrical plant will become an important supplement to the generating capacity of traditional plants as we approach the close of this century.

I do not anticipate that the impact will be sudden; on the contrary, in the years immediately ahead of us only a very small portion of the total output of electricity will come from reactors.

Perhaps by the year 1975 10 percent of the total capacity will lay in atom plants.

Thus this new form of energy will not in any way affect detrimentally the markets for coal and other conventional fuels.

Last year 143 million tons of coal were consumed in the electric utilities industry.

By 1975 the figure is expected to exceed 400 million tons irrespective of the atom's progress.

The atom will be used primarily in areas far removed from coal-producing fields.

As for other conventional fuels, the atom will create no problem whatsoever, as their markets will continue to spiral upward so long as they are available.

In an attempt to appraise objectively the accomplishments of the Joint Committee on Atomic Energy, I cannot but conclude that its work is no less than remarkable.

I feel that the decisions and recommendations made by the committee have invariably been made entirely without political regard, and I have come to experience an intense pride in being associated with such hardworking, conscientious, earnest, and sincere Senators and Representatives.

Nonetheless, there has been a proposal originated within this committee that I feel impelled to oppose at this time.

While I am confident that the full committee will reject the measure as impractical, illogical, uneconomic, and extravagant, it has nevertheless received so much mention outside the committee that I think it necessary to call public attention to its basic fallacies.

Otherwise, when and if the committee decides to reject the bill, widespread misunderstanding might develop.

I refer to H. R. 9076 and S. 3146, the bills authorizing surveys and studies bearing upon possible use of atomic energy for utility service requirements of buildings and grounds under the Architect of the Capitol.

The cost of the study is estimated at $200,000, which in itself is a sizable sum to be appropriated for so unrealistic a project.

Rather than undertake to expend $200,000 in this direction, Congress need only examine the facilities through which the Capitol is now obtaining electric power, and perhaps take a look at our own equipment here on Capitol Hill.

If you as a homeowner are approached with the idea of purchasing a new furnace, there is a good chance that you will be able to decide against such a recommendation—particularly if your present heating service is satisfactory—without calling in a corps of consultants to make a study of the situation.

In our case the powerplants now providing our electricity are serving us in the most satisfactory and economical manner, and I do not believe it is going to be necessary for Members of Congress to bother going down into the basement before arriving at a decision.

For the record, however, let us make an inspection of the old furnace before giving our answer to the salesman who wants us to buy a new one.

In 1904 the 58th Congress provided for the construction of a heating, lighting, and powerplant to supply the needs of the Capitol building and grounds.

The Capitol powerplant was constructed by the superintendent of the Capitol building and grounds under the direction of the House Office Building Commission.

Existing law now places the plant under the direct supervision of the Architect of the Capitol, subject to the control of the House Office Building Commission.

The plant went into operation on December 1, 1910 and over the years supplied heat, light, power, and air-conditioning refrigeration for the Capitol and for the Senate and House Office Buildings; heat, light, and power for the Library of Congress buildings, United States Botanical Gardens, the Supreme Court Building, and the legislative garage; light for the Capitol grounds flood, park and streetlighting systems; and steam heating for the Government Printing Office and the Washington City Post Office.

These buildings and grounds were for a long time entirely dependent upon the Capitol powerplant, which is located at a site bounded by E Street, Virginia Avenue, New Jersey Avenue, and North Carolina Avenue in Southeast Washington.

The original equipment in the powerplant consisted of two 2,000-kilowatt steam turbine-driven 6,600 volt, 25-cycle generators.

In 1913 two 6,000-kilowatt turbine generators were added.

The Capitol Hill plant served satisfactorily for about four decades, but in 1950, when demand had outrun the capacity of the Capitol powerplant, Congress authorized the Architect to procure power from the Potomac Electric Power Co.

At this point all of the Capitol powerplant turbines and generators were shut down, and all the electricity used subsequently has been purchased from the Potomac Electric Power Co.

Meanwhile the Capitol plant boilers have been used to provide heating steam, and steam to operate the air-conditioning equipment.

The power now purchased from the Potomac Electric Power Co. amounts to about 45 million kilowatt-hours per year, with the average annual cost totaling $472,500.

Now I should like to digress by way of referral to a current news story which explains why there has been a tendency to discontinue use of private electric generating plants.

On April 24, the Chicago Tribune noted that whereas 850 companies in the Chicago area had plants supplying 525,000 kilowatts immediately after World War II, today only 300 companies have their own plants—these with a combined capacity of only 285,000 kilowatts, a decline of 45 percent.

Meanwhile the Commonwealth Edison Co., chief supplier in the area, has gained 70 percent of capacity in the postwar period—increasing from 2,300,000 to 3,900,000 kilowatts.

The reason for the trend away from private generation of electricity is that rising power demands make it more economical to buy from a public utility than to attempt to extend the individual electric power facilities.

The several large companies presently supplying a part of their own power continue to keep their generators going because they built the facilities when such a system was cheaper than to buy power from a utility and now they are able to use their own generating units for peakload operations while obtaining the electricity needed for average requirements from Edison.

A big independent power user that recently converted to the Edison system was the village of Hinsdale which had a municipal powerplant for some 60 years. I might add that five of the Commonwealth Edison plants are 100 percent on coal, and that coal comprises a preponderance of the total fuels used in the other five plants of the company.

In other words, more power is now being purchased from public utilities because in most cases this is the most efficient way of doing business today.

Such is the situation on Capitol Hill.

Now then, let us look into this proposal for a survey to determine whether it would be possible to obtain our electric power by use of atomic energy.

As I have said, the bills in question call for a $200,000 outlay for a survey alone.

This survey, it is stipulated, would provide for a study of the construction of an underground, modified pressurized light-water reactor type at an initial cost roughly estimated at $50 million.

The initial rough estimate of power cost is set at 30 mills.

If the plant were to be built above ground, the estimated cost of the plant—according to the proposed blueprint—would be approximately $25 million.

The power estimates are for direct operating cost and do not reflect any amortization; if amortization is added, it is estimated to be an additional 10 mills per kilowatt-hour for above-ground construction and about 15 to 20 mills for underground construction.

Let me point out that the power now being purchased from the Potomac Electric Power Co. is costing the Government an average of 10½ mills.

Thus, even if the atomic power is produced at the lowest estimated rate, 15 mills, plus 10 mills for amortization, then the Government will spend over $2½ million per year for this power, compared to the present $472,500.

Let me read from a joint committee report pertaining to H. R. 9076 and S. 3148:

> It is estimated by the architect, and the AEC concurs, that an engineering study of this problem to develop design criteria and to sharpen up estimated cost of construction and costs of power would require 10 man-years of work. At the rate of $20,000, the current price of an engineer man-year, it will require $200,000 to finance this study.
>
> One big cost and engineering problem is the location of the plant in relation to the large amount of cooling water required. This water must be transported from either the Anacostia or Potomac River—1¾ to 3 miles away. Relatively high temperatures of the water in these rivers in summer make for lowered efficiency of the proposed plant, in addition to the cost of transporting the large volumes required.
>
> The AEC indorses this study and is willing to assist in any way. It feels the plant can be built and successfully operated within range of its estimates of costs (15 to 30 mills per kilowatt-hour plus amortization costs of 10 to 20 mills) and further believes it would have great psychological value as an exhibit of atomic power for the visitors to the Nation's Capitol.

Mr. Speaker, therein lies all the testimony necessary to dispel any idea that Congress should appropriate the proposed sum for the survey of atomic-energy facilities on Capitol Hill.

Simple calculations disclose that the rough estimate cost of the underground reactor plant would pay the power bills—based on present figures—for more than 100 years.

I do not believe that our taxpayers will find any justification in these for bringing atomic energy to the Capitol.

We have appropriated the funds for the Atomic Energy Commission to erect experimental reactors and conduct whatever scientific research and study are necessary in other areas.

It has been said that the publicity value to the atom is a factor to be considered in the proposed plant at the National Capitol.

I am in accord with the views of those who would make every effort to let the world know of America's determination to maintain the leadership in the development of the atom for peacetime uses.

I think that we have followed this course successfully for several years.

I find it entirely unnecessary, however, to construct for display purposes a generating plant, at vast unnecessary cost, that would bring about the disemployment of a great number of our coal industry and transportation workers.

The power which we purchase from the Potomac Electric Power Co. is produced by bituminous coal.

Much of that coal comes from central Pennsylvania, an area which has suffered extensively for almost 10 years as a result of great losses sustained from the influx of residual oil from foreign refineries.

The coal business has picked up somewhat in the past 15 months.

I do not see any reason why we should now permit our working people to be subjected to further job losses through the formulation of an unnecessary program of this caliber.

Fantasies promulgated for publicity purposes cannot be tolerated if they portend hardship and poverty and distress.

The electric utilities industry has become the largest purchaser of coal, surpassing even the steel industry and all other industrial customers.

The increase in tonnage moving to generating stations accounts for the employment of many thousands of miners and for the actual subsistence of their wives and children.

Railroad workers on coal-hauling lines are equally dependent upon coal production for economic survival.

If we must put on a three-ring circus for our friends around the universe, be certain that it is not at the expense of our own citizens who happen to live outside the tent.

Mr. Speaker, the proposed atomic energy plant at the Capitol cannot be justified from the standpoint of cost.

It cannot be justified from the standpoint of experimentation, for when research is to be conducted it should not take place in an area where demand for power is steady and where a breakdown might suspend vital Government operations.

For reasons already stated, I believe we are justified in constructing experimental nuclear plants which are uneconomic when such plants will furnish valuable research information.

But a true research and experimental plant must be one which can be shut down for such periods of time as are necessary for the research purposes.

We cannot realize the research potential from a plant where power demands require that it be kept in constant operation.

Further, until we have more information about control of hazards, it would appear unnecessary to invite sabotage by locating an experimental plant in the Nation's Capitol.

Finally, it would be entirely unfair to the miners and railroaders who produce the energy and transport it into this area for conversion into the electric power which we enjoy here today.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. DEROUNIAN (at the request of Mr. MARTIN) for the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered was granted to:

Mr. BAILEY, for 30 minutes, on today.

Mr. POWELL (at the request of Mr. ALBERT), for 30 minutes, today.

Mr. MAGNUSON, for 5 minutes, today.

Mr. BROOKS of Louisiana, for 30 minutes, today.

Mr. ROOSEVELT, for 20 minutes, on Monday, May 7, 1956.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. FLOOD and to include extraneous matter.

Mr. CRUMPACKER and to include extraneous matter.

Mr. BOW and to include charts and other extraneous matter in his remarks on the Department of Commerce appropriation bill today.

Mr. BALDWIN.

Mr. PHILLIPS.

Mr. PELLY in two instances.

Mr. PATTERSON and to include extraneous matter.

Mr. FALLON and to include a table showing allocations to States under the highway bill.

Mr. THOMPSON of Louisiana.

Mr. VAN ZANDT and to include extraneous matter.

Mr. MAGNUSON.

Mr. LONG (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. MCCORMACK (at the request of Mr. ALBERT) and include extraneous matter.

Mr. MCDONOUGH.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes;

H. R. 4852. An act for the relief of Joseph Gangemi and Anthony Gangemi;

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers.

H. R. 8535. An act to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems; and

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on May 1, 1956, present to the President, for his approval, bills of the House of the following titles:

H. R. 907. An act for the relief of Justin G. Maile and Theodore R. Hilbig;

H. R. 1470. An act for the relief of Joseph Righetti and Marjorie Righetti;

H. R. 1500. An act for the relief of Charles F. Brickell;

H. R. 2068. An act for the relief of William F. Friedman;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2898. An act for the relief of F. Delizia Co., Inc.;

H. R. 4118. An act to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period;

H. R. 4791. An act to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees;

H. R. 4865. An act for the relief of Stanley Rydzon and Alexander F. Anderson;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 5634. An act for the relief of Willie C. Pickett, George Williams, and Herman L. Looney; and

H. R. 6282. An act for the relief of Nathan L. Garner.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 37 minutes p. m.) the House, pursuant to its previous order, adjourned until tomorrow, Thursday, May 3, 1956, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1803. A letter from the Attorney General, transmitting the First Report of the Attorney General on Competition in the Synthetic Rubber Industry for the Period May 1 Through December 31, 1955, pursuant to Senate Report 117, 84th Congress; to the Committee on Armed Services.

1804. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1805. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952, (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1806. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1807. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1808. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to extend the Renegotiation Act of 1951 for 2 years"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PRIEST: Committee on Interstate and Foreign Commerce. H. R. 9048. A bill to amend the Public Health Service Act so as to improve the mental health of the Nation through grants for special projects to develop improved methods of care, treatment, and rehabilitation of the mentally ill; without amendment (Rept. No. 2086). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 8102. A bill to provide for the disposition of moneys arising from deduction made from carriers on account of the loss of or damage to military or naval material in transit, and for other purposes; without amendment (Rept. No. 2087). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 8709. A bill to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended; without amendment (Rept. No. 2088). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 2603. A bill to increase the area within which officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia may reside; with amendment (Rept. No. 2089). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 6782. A bill to amend section 7 of "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes", approved July 1, 1902, as amended; with amendment (Rept. No. 2090). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 10375. A bill to amend the act entitled "An act to provide recognition for meritorious service by members of the police and fire departments of the District of Columbia," approved March 4, 1929; without amendment (Rept. No. 2091). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 10768. A bill to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public school teachers in the District of Columbia," as amended; with amendment (Rept. No. 2092). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 2822. An act to authorize and direct the Secretary of the Interior to transfer approximately 9 acres of land in the Hualapai Indian Reservation, Ariz., to School District No. 8, Mohave County, Ariz.; with amendment (Rept. No. 2093). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBESON of Virginia: Committee on Merchant Marine and Fisheries. S. 743. An act to authorize biennial inspection of the hulls and boilers of cargo vessels, and for other purposes; without amendment (Rept. No. 2094). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBESON of Virginia: Committee on Merchant Marine and Fisheries. S. 1378. An act to clarify and consolidate the authority to require the establishment, maintenance, and operation of aids to martime navigation on fixed structures in or over navigable waters of the United States; without amendment (Rept. No. 2095). Referred to the Committee of the Whole House on the State of the Union.

Mr. KLUCZYNSKI: Committee on Merchant Marine and Fisheries. H. R. 5790. A bill to amend the Federal Aid to Wildlife Restoration Act, as amended; with amendment (Rept. No. 2096). Referred to the Committee of the Whole House on the State of the Union.

Mr. KLUCZYNSKI: Committee on Merchant Marine and Fisheries. H. R. 9822. A bill to provide for the establishment of a trout hatchery on the Davidson River in the Pisgah National Forest in North Carolina; with amendment (Rept. No. 2097). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 10060. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended; without amendment (Rept. No. 2098). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROBESON of Virginia: Committee on Merchant Marine and Fisheries. S. 460. An act to amend section 4482 of the Revised Statutes, as amended (46 U. S. C. 475), relating to life preservers for river steamers; without amendment (Rept. No. 2099). Referred to the House Calendar.

Mr. ROBESON of Virginia: Committee on Merchant Marine and Fisheries. S. 1790. An act to amend section 4153 of the Revised Statutes, as amended, to authorize more liberal propelling power allowances in computing the net tonnages of certain vessels; without amendment (Rept. No. 2100). Referred to the House Calendar.

Mr. ROBESON of Virginia: Committee on Merchant Marine and Fisheries. S. 1791. An act to amend section 3 of the act of April 25, 1940 (54 Stat. 164), relating to the lights required to be carried by motorboats; without amendment (Rept. No. 2101). Referred to the House Calendar.

Mr. KLUCZYNSKI: Committee on Merchant Marine and Fisheries. H. R. 5256. A bill to provide for the redemption of certain unused stamps; with amendment (Rept. No. 2102). Referred to the Committee of the Whole House on the State of the Union.

Mr. KLUCZYNSKI: Committee on Merchant Marine and Fisheries. H. R. 8810. A bill authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont.; with amendment (Rept. No. 2103). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAGNUSON:

H. R. 10944. A bill to amend the Communications Act of 1934, so as to direct the Federal Communications Commission to provide for the licensing of television reflector facilities and VHF translator facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRNES of Wisconsin:

H. R. 10945. A bill to amend the Tariff Act of 1930, so as to modify the duty on the importation of veneers of wood, and for other purposes; to the Committee on Ways and Means.

By Mr. BARTLETT:

H. R. 10946. A bill to provide for the disposition of surplus personal property to the Territorial government of Alaska until December 31, 1958; to the Committee on Interior and Insular Affairs.

By Mr. BROYHILL:

H. R. 10947. A bill to provide particular designations for the highway bridge over the Potomac River at 14th Street in the District of Columbia; to the Committee on the District of Columbia.

By Mr. CARNAHAN:

H. R. 10948. A bill to provide for the establishment of the Wilson's Creek Battlefield National Park, in the State of Missouri; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 10949. A bill to amend section 633 of title 28, United States Code, prescribing fees of United States Commissioners; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 10950. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FORD:

H. R. 10951. A bill to authorize the Postmaster General to acquire space for off-street parking facilities in connection with United States post offices; to the Committee on Post Office and Civil Service.

By Mr. GUBSER:

H. R. 10952. A bill to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HERLONG:

H. R. 10953. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. JOHNSON of California:

H. R. 10954. A bill affirming that title to certain tracts of land in California vested in the State of California on September 28, 1850; to the Committee on Interior and Insular Affairs.

By Mr. McDONOUGH:

H. R. 10955. A bill to provide for advancement on the retired list of persons retired for disability after 30 years' service or more; to the Committee on Armed Services.

By Mr. METCALF:

H. R. 10956. A bill to provide a 1-year moratorium on loan contracts executed between the United States and certain farmers, ranchers, and stockmen; to the Committee on Agriculture.

By Mr. MORANO:

H. R. 10957. A bill to provide for the free entry of certain stained glass or prefabricated panels of stained glass imported for use in the construction of a new sanctuary and auxiliary buildings for the First Presbyterian Church of Stamford, Conn.; to the Committee on Ways and Means.

By Mr. PHILBIN:

H. R. 10958. A bill to provide for the issuance of a special postage stamp to commemorate the Military Order of the Purple Heart; to the Committee on Post Office and Civil Service.

By Mr. REUSS:

H. R. 10959. A bill to amend title II of the Social Security Act to provide that a minor child shall be deemed dependent upon an insured individual at the time required for entitlement to benefits if such individual (pursuant to court order) was then legally obligated to contribute to his support; to the Committee on Ways and Means.

By Mr. SISK:

H. R. 10960. A bill to revise the boundary of the Kings Canyon National Park, in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TALLE:

H. R. 10961. A bill to provide that for the purposes of clause (6) of section 203 (b) of the Interstate Commerce Act, butter shall not be held to be a manufactured product; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of Texas:

H. R. 10962. A bill to amend section 203 (b) (2) of the National Housing Act to provide a new and more liberal housing program; to the Committee on Banking and Currency.

By Mr. THOMPSON of Louisiana:

H. R. 10963. A bill to establish the Federal Maritime Board as an independent agency, and for other purposes; to the Committee on Government Operations.

By Mr. WRIGHT:

H. R. 10964. A bill to provide for municipal use of storage water in Benbrook Dam, Tex.; to the Committee on Public Works.

By Mr. ZELENKO:

H. R. 10965. A bill to provide a deduction for income-tax purposes, in the case of a disabled individual, for expenses for transportation to and from work; and to provide an additional exemption for income-tax purposes for a taxpayer or spouse who is physically or mentally incapable of caring for himself; to the Committee on Ways and Means.

By Mr. HAYWORTH:

H. R. 10966. A bill to declare certain rights of all persons within the jurisdiction of the United States, and for the protection of such persons from lynching, and for other purposes; to the Committee on the Judiciary.

H. R. 10967. A bill outlawing the poll tax as a condition of voting in any primary or other election for national officers; to the Committee on House Administration.

H. R. 10968. A bill to prohibit discrimination in employment because of race, color, religion, national origin, or ancestry; to the Committee on Education and Labor.

By Mr. SADLACK:

H. R. 10969. A bill to amend section 14 of the Bankruptcy Act; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. R. 10970. A bill to direct the Board of Regents of the Smithsonian Institution to proceed with the acquisition of works of art as authorized by the joint resolution of May 17, 1938, and to provide for the display of such works of art in galleries and museums throughout the United States; to the Committee on House Administration.

By Mr. MADDEN:

H. Con Res. 235. Concurrent resolution to provide that the United States delegation in the United Nations request free elections in the Slovak Nation; to the Committee on Foreign Affairs.

By Mr. BROOKS of Louisiana:

H. Res. 493. Resolution to print as a House document the report entitled "The Panama Canal, Sea-level Project, and National Security"; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the Speaker: Memorial of the Legislature of the State of Kentucky, memorializing the President and the Congress of the United States relative to house resolutions 3, 11, and 12, which were adopted by the Kentucky Legislature during its fourth extraordinary session for 1956; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 10971. A bill for the relief of Magda Frankl; to the Committee on the Judiciary.

By Mr. BOYLE:

H. R. 10972. A bill for the relief of Maria Elena Domantay; to the Committee on the Judiciary.

H. R. 10973. A bill for the relief of Emanuel Iliadakis; to the Committee on the Judiciary.

H. R. 10974. A bill for the relief of Katie L. Merritt; to the Committee on the Judiciary.

By Mr. BROYHILL (by request):

H. R. 10975. A bill for the relief of Utha Gray Smith; to the Committee on the Judiciary.

By Mr. FASCELL:

H. R. 10976. A bill for the relief of Lutgarda Garcia Keen; to the Committee on the Judiciary.

By Mr. FERNÓS-ISERN:

H. R. 10977. A bill for the relief of Apolonia Quiles Quetglas; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 10978. A bill for the relief of Elio Mezzetta; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 10979. A bill for the relief of Otto Wiesner; to the Committee on the Judiciary.

H. R. 10980. A bill for the relief of Miss Carolyn Foster; to the Committee on the Judiciary.

H. R. 10981. A bill for the relief of Mrs. Maria Concepcion Delgado Mendez; to the Committee on the Judiciary.

By Mr. MOLLOHAN:

H. R. 10982. A bill for the relief of Dominique Candele; to the Committee on the Judiciary.

By Mr. POAGE:

H. R. 10983. A bill for the relief of P. R. Cox; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 10984. A bill for the relief of Nikolai E. Khokhlov; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 10985. A bill for the relief of Eleni Anastasiou; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

988. By Mr. BYRNES of Wisconsin: Petition of Noble-Strauble Post No. 2037, Veterans of Foreign Wars of Green Bay, Wis., containing 270 signatures, urging a separate and liberal pension for World War I veterans; to the Committee on Veterans' Affairs.

989. By Mr. DAGUE: Petition of Joseph G. Maxwell and 89 other members of Sahler-Sedan Post 287, VFW, Coatesville, Pa., urging the enactment of a separate pension program

for World War I veterans; to the Committee on Veterans' Affairs.

990. By Mr. HARRISON of Nebraska: Petition of William Finn and 90 other residents of Wayne, Wakefield, and Winside, Nebr., urging enactment of a separate and liberal pension program for World War I veterans; to the Committee on Veterans' Affairs.

991. By Mr. WESTLAND: Petition of Mr. and Mrs. Harold Curtis and 19 other residents of Ferndale, Wash., urging enactment of the Siler bill, H. R. 4627, a bill to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

992. By the SPEAKER: Petition of the secretariat, the Council of State Governments, the National Association of Attorneys General, relative to a statement developed and approved by five members of the National Association of Attorneys General on April 11, pertaining to H. R. 3 and S. 3143 now pending in the Congress; to the Committee on the Judiciary.

993. Also, petition of D. R. Bailey, California Almond Growers Exchange, Sacramento, Calif., requesting that H. R. 5550 not be enacted, etc.; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Opinion Poll Report

EXTENSION OF REMARKS
OF
HON. S. J. CRUMPACKER, JR.
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. CRUMPACKER. Mr. Speaker, during the past several weeks, in accordance with my annual custom, I have been conducting an opinion poll among my northern Indiana constituents on some of the important issues currently confronting Congress.

Early in April, using a mailing list established from previous opinion polls, approximately 12,000 ballots were sent to voters in the Third District counties of St. Joseph, Elkhart, La Porte, and Marshall. Questionnaires also were printed in several district newspapers and readers were asked to fill them out and return them to me with their answers.

The response this year was well above the average for similar mail surveys. More than 4,000 ballots have been returned so far and they are still coming in.

Many voters added comments to their ballots explaining or qualifying their replies. Others expressed views on issues not covered in the poll. These have been carefully noted and have been helpful to me in determining the sentiment of my constituents on current problems.

The results of my 1955 poll are given below. Within the limitations implicit in any survey of this nature, they reflect the opinions of a substantial cross-section of voters in a typical midwestern congressional district.

	Percent		
	Yes	No	Not voting
1. Do you favor the Eisenhower administration program of flexible price supports for basic farm products?	78	17	5
2. Do you favor the transfer of unused immigration quotas from western European countries such as England and the Scandinavian nations to southeastern European countries such as Italy and Greece where immigration quotas are heavily oversubscribed?	30	64	6
3. In spite of the all-out effort of Postmaster General Summerfield to economize and obtain more efficient operation of the Post Office Department, the postal deficit is again approaching ½ billion dollars a year, and post-office buildings and facilities are steadily becoming more antiquated and inadequate. In view of this, do you favor an increase in postal rates to meet the postal deficit and to provide better post-office buildings, equipment, and service where needed?	74	22	4
4. Do you favor the granting of arms aid to Israel in the present Arab-Israeli dispute?	26	61	13
5. Do you favor the continuance of our foreign-aid program generally?	50	44	6

A separate tabulation of farmers voting on the first question revealed a vote of 66 percent in favor of the Eisenhower price-support program, 30 percent in opposition, and 4 percent undecided, amongst farmers alone.

In order to stimulate interest in public affairs among future citizens of my district, I also conducted a separate poll this year among high-school students. More than 1,000 students took part, voting on the issues in class under the supervision of instructors after a discussion of the pros and cons. Here are the results of the voting among high-school students:

	Percent		
	Yes	No	Not voting
1. Do you favor the Eisenhower administration program of flexible price supports for basic farm products?	56	31	13
2. Do you favor the transfer of unused immigration quotas from Western European countries such as England and the Scandinavian nations to Southeastern European countries such as Italy and Greece where immigration quotas are heavily oversubscribed?	27	67	6
3. In spite of the all-out effort of Postmaster General Summerfield to economize and obtain more efficient operation of the Post Office Department, the postal deficit is again approaching ½ billion dollars a year, and post-office buildings and facilities are steadily becoming more antiquated and inadequate. In view of this, do you favor an increase in postal rates to meet the postal deficit and to provide better post-office buildings, equipment, and service where needed?	63	31	6
4. Do you favor the granting of arms aid to Israel in the present Arab-Israeli dispute?	19	67	14
5. Do you favor the continuance of our foreign aid program generally?	70	22	8

Results of Questionnaire mailed by Hon. John F. Baldwin, Jr., of California, to Residents of the California Sixth District

EXTENSION OF REMARKS
OF
HON. JOHN F. BALDWIN, JR.
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. BALDWIN. Mr. Speaker, early this year I issued a questionnaire to each family of registered voters in my district, which is the Sixth District of California. It has been most encouraging to receive such a fine response to this questionnaire. My constituents not only answered the questionnaire, but wrote additional comments on the back of the questionaire or on supplementary attached sheets. I have read all of these replies personally, and they have been most helpful to me.

The tabulation of the questionnaire is summarized below:

1. The Navy has proposed to acquire as a safety barrier more than 4,500 acres of property within a 2-mile radius of the loading piers at the Port Chicago naval magazine. This would include the town of Port Chicago, the town of Nichols, and portions of Clyde and Shore Acres.

Answers from Port Chicago residents: Do you favor (a) That the Navy be authorized to acquire the property, 28.3 percent; (b) That the Port Chicago naval magazine be removed from Contra Costa County, 53.4 percent; (c) That the Navy be denied its request to acquire the property, but the Port Chicago naval magazine be allowed to continue to operate within the confines of its present property, 15.5 percent; no opinion, 2.8 percent.

Answers from all of Contra Costa County: (a) 26.5 percent; (b) 30.9 percent; (c) 39.1 percent; no opinion, 3.5 percent.

2. The Army has proposed to acquire 22,000 acres of property in the Potrero Hills area near Suisun for use as an Army Outloading Ammunition Terminal.

Answers from Fairfield-Suisun residents: Do you favor (a) That the Army be authorized to acquire the property and funds be appropriated for this purpose, 53.4 percent; (b) That the Army be denied its request to acquire the property, 44.3 percent; no opinion, 2.3 percent.

Answers from all of Solano County: (a) 60.1 percent; (b) 33.8 percent; no opinion, 6.1 percent.

3. Present farm surplus production, and resulting lower prices, is now receiving much study. One proposal now under consideration is a soil bank plan. Are you in favor of the soil bank plan? 40.6 percent; or opposed to it, 50.4 percent; no opinion, 9 percent.

4. Congress now has under consideration a social security bill which would (a) lower the age at which women could receive benefits, from 65 to 62 years; (b) lower the age at which physically disabled people could receive benefits, from 65 to 50; (c) extend social security coverage to dentists, lawyers, osteopaths, chiropractors, veterinarians, and optometrists, and (d) provide for a one-half percent increase in the social security payroll tax on both employees and employers. Do you favor, 71.3 percent; or oppose, 24 percent, this measure? no opinion, 4.7 percent.

5. Congress now has under consideration a highway plan which would expand Federal expenditures for construction of Federal interstate highways, with the view to making these four-lane, divided highways. The expanded program would be paid for primarily by increased Federal taxes on highway users (the increase in Federal gasoline taxes might amount to about 1 cent per gallon). Do you favor, 81.3 percent, or oppose, 14.7 percent, the proposed expanded Federal highway construction program? No opinion, 4 percent.

6. Two alternate plans have been under consideration by Congress for the development of power in Hells Canyon of the Snake River between Oregon and Idaho. Do you favor (a) Federal construction of a high dam in Hells Canyon? 31.1 percent; (b) construction by a private utility company of three smaller dams in Hells Canyon? 31.1 percent; or (c) do you have no preference on it? 37.8 percent. (The results on this question were quite unusual. Of 11,687 tabulated responses, there was practically an exact tie between those who favored Federal construction of a high dam, and those who favored construction of 3 smaller dams by a private utility. There were 3,636 who favored Federal construction, 3,635 who favored private construction, and 4,416 who had no preference.)

7. The Veterans' Administration has proposed to close the Oakland Veterans' Administration hospital, which serves the veterans of the East Bay, including Contra Costa and Solano Counties. In its place the Veterans' Administration proposes to build a new hospital. The following two general areas are under consideration as a site. Please check which site you would favor: (a) Contra Costa County, 80.8 percent; (b) Palo Alto, 10.1 percent; no opinion, 9.1 percent.

"TVA Never Claimed To Be a Yardstick for Private Industry," Said Mr. Clapp

EXTENSION OF REMARKS
OF
HON. JOHN PHILLIPS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. PHILLIPS. Mr. Speaker, one of the claims most frequently made by proponents of the Tennessee Valley Authority is that it was set up as a "yardstick" against which private utility rates and methods could be measured. There has of course been no justification for this claim, as TVA operates with benefits and subsidies which a private utility does not have.

It is interesting therefore, Mr. Speaker, to read the hearing on the Government corporations appropriation bill for fiscal year 1948—H. R. 3756—80th Congress, 1st session, at page 132. Mr. Clapp, the Chairman of the Board for the TVA, was being questioned by a member of the Senate committee. The question was asked, regarding TVA:

At one time, was it not supposed to be used as a yardstick for private industry?

To which Mr. Clapp replied:

Well, there have been claims made that the TVA power system would set up a yardstick. The TVA has not developed or elaborated on that or made that claim.

That, Mr. Speaker, should quiet that particular fallacy about the benefits of the Tennessee Valley Authority under the existing system.

A Bill To Establish Federal Maritime Board as a Separate Independent Agency in the Executive Branch of the Government

EXTENSION OF REMARKS
OF
HON. T. A. THOMPSON
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. THOMPSON of Louisiana. Mr. Speaker, I have today introduced a bill to establish the Federal Maritime Board as a separate independent agency in the executive branch of the Government. It is appropriate, therefore, that I make this brief statement in explanation of the reasons why I believe this legislation should be enacted.

Under the Merchant Marine Act of 1936 there was established the United States Maritime Commission. The Commission was vested with authority to carry out not only the regulatory powers contained in the several shipping acts, but also the operational and promotional responsibilities created by the 1936 act itself. As the years went by, serious deficiencies of administration were disclosed by several investigations of the Maritime Commission. As a result, the Commission was legislated out of existence by Reorganization Plan No. 21, which set up the Federal Maritime Board and the Maritime Administration in the Department of Commerce. The Board was composed of three members and was charged with responsibility for carrying out the regulatory functions performed by the former United States Maritime Commission. It also was vested with authority to perform the functions relative to the awards of subsidy and related matters. Maritime Administration, on the other hand, was charged with responsibility for carrying out all the other functions previously carried out by the Maritime Commission. This separation of functions was a step in the right direction, but unfortunately it did not go far enough. The main deficiency in the organization established by Reorganization Plan No. 21 was in the fact that the Chairman of the Maritime Board was made ex officio the Maritime Administrator. This fact alone has served to defeat the very purpose underlying the separation of the functions previously performed by the Maritime Commission. In submitting his plan to the Congress, former President Truman referred to the conclusion of the President's Advisory Committee on the Merchant Marine, which in 1947 stated:

It appears to the Committee that the organizational structure of the Maritime Commission as set up in the Merchant Marine Act of 1936 is wholly inadequate for the efficient conduct of the multitude of diverse activities for which the Maritime Commission is now responsible. The deficiencies of the statutory organization for administrative action are regarded by the Committee to be the most serious obstacle standing in the way of the development of the merchant marine of this country.

Experience in the workings of the two agencies, the Board and the Administration, since their creation in 1950, has demonstrated that the regulatory functions which suffered by reason of the limitations necessarily placed on the one individual who attempts to serve in both capacities. This was a mistake from the beginning. If the job to be done was too big for the five-man Maritime Commission, how could one man give the necessary time and attention to directing the activities of the Board and of the Administration?

During the past 8 months, I have served as chairman of a special subcommittee set up to consider the activities of foreign-freight forwarders and brokers. These are activities which are subject to regulation by the Federal Maritime Board under the Shipping Act of 1916. We have held extensive hearings and investigations into this subject, and though the conclusions of the subcommittee have not yet been crystalized, it has been apparent to all the members that this field has been sadly neglected by the Maritime Board. I say this not so much in criticism of the Board, because I feel that the workload presently imposed upon the Chairman of the Board, who is also the Maritime Administrator, is beyond the capabilities of any one single individual no matter how capable he might be.

Only recently, there appeared in the press a story which illustrates how incongruous the situation can become where the one man tries to wear two hats. The Maritime Administrator is presently appealing to the Board for its ruling on some matters which are acted upon by the Administrator. So in effect, the Administrator is appealing to himself and to other members of the Board.

The bill which I have introduced would amend Reorganization Plan No. 21 so as to remove the Maritime Board from the Department of Commerce and make it an independent agency in the executive branch. This independence, I believe, is essential to the efficient performance of duties by a regulatory body of the nature of the Maritime Board. Under this organizational setup, the personnel and facilities of the Board would be entirely independent of the Maritime Administration.

One other change of significance which would be made under my bill is to lengthen the terms of the members of the Board to 6 years. This would serve a twofold purpose in that it would be more attractive as an office in the Federal Government. And also it would

give a degree of permanence to the Board which it has lacked since its establishment in 1950.

In closing, I might say that I have discussed this bill with the chairman of the Merchant Marine and Fisheries Committee, Mr. BONNER, and he has assured me that as soon as the executive branch has had time to adequately consider the proposal, he will assist in arranging early hearings on it. I might add also that in my discussions of this proposal with other members of the committee and with representatives of the maritime industry, I have received overwhelming support for the principles encompassed in the bill.

Commissioner E. M. Webster's Views Opposing H. R. 4090

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. PELLY. Mr. Speaker, I urge Members of the House to oppose H. R. 4090, which was reported out by the Rules Committee yesterday. The bill would require the installation of an automatic radio alarm system on United States cargo vessels of 1,600 gross tons or more carrying less than 2 radio operators. If Members will read the 130 pages of testimony, it will be apparent to them that the issue here is not safety at sea.

The Commerce Department report recommended against enactment of this legislation. The Federal Communications Commission's report stated there was no justification for making the device mandatory.

It is important to note the comments of Commissioner E. M. Webster, not only because of his position as a FCC Commissioner, but because of his vast experience in maritime radio safety matters. Commissioner Webster presented the FCC position on this legislation, the technical aspects of which were based upon laboratory tests of the proposed device. The Commission's comments were supplemented by personal views of the commissioner.

The gist of the FCC position was that ships on the high seas must operate under a common international formula for safety radio purposes; that so far as is known the present formula functions effectively; and that such formula had been reexamined and confirmed as recently as 1948 internationally, and 1954 domestically. The proposed requirement would superimpose upon this international system an additional procedure of ship alerting applicable to United States-flag vessels only. The situations to which the additional procedure would apply were found either not to occur often enough to be a problem; to duplicate a present function, or to cause unnecessary and widespread alerting.

In addition, the Commission found from its laboratory tests that the device does not meet the requirements of the bill from the standpoint of its false response performance. Further, that various additional regulations involving transmission speed of radio signals, the standardization of signal characteristics and so forth, or the compulsory installation of ancillary automatic devices would be required in order to create conditions such that the true response performance would be sufficiently reliable.

On his own behalf, Commissioner Webster stated:

> I feel duty bound to tell you what I think based upon that experience and background. * * * All of these conferences, treaties, meetings, and legislation have had the one objective of producing a workable radio safety system which will be uniform all over the world. * * * Only through an international common standardized system can this be accomplished.

Commissioner Webster then listed five reasons why he opposed the legislation and concluded by stating:

> Drawing on my experience and knowledge, I cannot help but conclude that it [the call selector requirement] is unnecessary and premature.

Briefly summarized, the five reasons advanced by the Commissioner were that: First, there can be no assurance of operational reliability since there are no international criteria nor is there uniformity among radio operators in the way they send dashes and dots; such criteria have not even been discussed on the international level; second, no device should be made compulsory until after there has been sufficient experience and acceptance upon which to base an intelligent evaluation and decision; third, that whatever merit there is to the proposed devise, the features are those of convenience and should not be required as part of the safety program; fourth, the additional cost would discriminate against our merchant marine and cannot be justified as part of the safety system; and fifth, that the present international radio safety and distress system is performing its job satisfactorily.

Struggle for Polish Freedom

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. McDONOUGH. Mr. Speaker, on this May 3 people of Polish ancestry throughout the world join in spirit with the people of Poland in observing the anniversary of the Polish Constitution which was adopted in 1791, just 2 years after the adoption of our Constitution of the United States.

Poland gained freedom only through the valiant efforts of the Polish people who through the ages have struggled against tyranny and oppression. At the end of World War II they had high hopes that freedom would be reestablished, and that Poland might regain her rightful place in the family of free nations.

The infamous Yalta agreement dashed these hopes, and the people of Poland have been forced to remain subject to Russian enslavement.

We in the United States have tremendous admiration for the courage, the patience, and the fortitude the Polish people have displayed in their struggle to regain their independence.

As a nation dedicated to the principles of liberty and individual freedom, the United States maintains the right of the Polish nation to independence and will never be reconciled to Poland's subjugation by Russia.

On this Polish Constitution Day, we Americans join with the people of Poland and those of Polish ancestry in a prayer for Polish independence and the restoration of individual freedom for the citizens of Poland.

May the struggle of the Polish people against oppression triumph, and may their confidence and faith in the might of justice and the destiny of Poland culminate in the reestablishment of Poland as a free nation.

Loyalty Day

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. FLOOD. Mr. Speaker, the Veterans of Foreign Wars have served their country well in establishing Loyalty Day as an occasion on which every loyal citizen may "stand up and be counted." In place of the shrill whinings and rumbling threats of a few Communists and fellow travelers, following the Red flag in a May Day parade, we have the full-throated shout of millions of citizens, united in their love of the flag of the United States of America. On this day we can show, to ourselves and to the world, the strength of a people devoted to freedom.

Almost 25 centuries ago Herodotus wrote:

> While the Athenians were ruled by tyrants, they were no better in the things of war than any of those that dwelt round about them; but when they were rid of tyrants, they became the best by far. From this it is plain that while they were held under, they fought ill purposely, as men that work for a master, but when they were set free, each one was eager to accomplish somewhat for himself.

Through the centuries it has been true, and it is true today. The man who fights for freedom, and, in freedom, the man who fights for himself and his family, who fights for his neighbor and side by side with his neighbor, is the most formidable of warriors. This fierce love of freedom is no matter of oratory or easy platitude, but a strength that, unspoken, fills the very food we eat, the ground we walk on, and the air we breathe. The American hears it in every voice of nature, from birdsong to thunderbolt. It

is good to take this occasion to let the world hear, from our 150 millions, the ringing slogan, "Loyalty means liberty."

Hon. Victor Wickersham

EXTENSION OF REMARKS
OF
HON. GEORGE S. LONG
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. LONG. Mr. Speaker, being a former Oklahoman and member of the House Committee on Veterans' Affairs, I would like to praise one of our Oklahoma colleagues and include an address honoring VICTOR WICKERSHAM, Member of Congress from Oklahoma.

At a special ceremony in the Armed Services Committee room of the United States House of Representatives at 9:45 a. m., May 1, 1956, the District of Columbia department, Veterans of Foreign Wars, made its annual Loyalty Day award to Congressman VICTOR WICKERSHAM, of Oklahoma.

A plaque was given to the Congressman for "exhibiting those qualities in private and public life that make for a greater America."

Rutherford Day, chairman of the department Loyalty Day committee, presented the award following an address in which he said that loyalty to one's country is best reflected in "the work we do and the manner in which we do it." He also said the annual award is made to a figure of national prominence who does his work not as a means of personal aggrandizement but in a way that reflects interest in the end to be sought and reached rather than for gain of fame, and that this is the highest test of reputation and meaning of loyalty.

Mr. Day's address follows:

ADDRESS BY RUTHERFORD DAY, LOYALTY DAY CHAIRMAN, DEPARTMENT OF THE DISTRICT OF COLUMBIA, VETERANS OF FOREIGN WARS, DELIVERED 9:45 A. M., TUESDAY, MAY 1, 1956, AT THE ARMED SERVICES COMMITTEE ROOM, UNITED STATES HOUSE OF REPRESENTATIVES

Today the Nation and the world is saddened to receive the news that we have lost a friend, Alben W. Barkley, a Senator of this Congress and former Vice President of the United States.

On this few acres of ground we call Capitol Hill are focused the eyes and fond remembrances of our countrymen.

Once more history's page turns and once more those who march across this small stretch of land take that march from reality to the ages. The line of the column often passes into the realm of our national tradition, seeming without pause, and the marching of shadows is joined from time to time to form a great company of those we have loved and watched and those farther shadows who we remember only by their works and for their very shadow-substance itself.

Clay, Webster, Pinckney, Taft, are names to us now, but are, for all that, realities today as they were in a different and current sense in earlier times.

So it is fitting that today we meet to honor one who labors in the busy and fruitful vinyards of our national life—that person is VICTOR WICKERSHAM.

The Veterans of Foreign Wars want to introduce a man, a friend, Congressman VICTOR WICKERSHAM, to some who may not have made his acquaintance—this is the purpose of our award.

Loyalty Day is a day we celebrate a rededication to the principles of America and our loyalty to our country.

Loyalty is shown in many ways and we feel that one of the most, if not the most important means of demonstrating loyalty to our country, is the work we do and the manner in which we do it.

Thus we feel an award should be made to one who does his work, not as a means of personal aggrandizement, but rather in a way that reflects interest and honesty in approach, with thought of the end to be sought and reached rather than for gain of fame.

This is the highest test of reputation and is in the highest sense, the meaning of loyalty.

Mr. Speaker, the ceremonies were recorded for broadcasting overseas by the Voice of America. Robert L. Redeen, special events officer, said the Voice was covering the nationwide celebration sponsored by the Veterans of Foreign Wars as a method of showing the world the work of national patriotic groups.

Omar B. Ketcham, national legislative director of the VFW, broadcast a talk on the meaning of Loyalty Day, pointing out that the VFW sponsored the celebration, which is held in every State in the Nation, as a means of gaining publicity for those who hold their loyalty to this country uppermost and as a means of balancing and counteracting the May Day celebrations of Communist groups which are traditionally held on this date.

Congressman WICKERSHAM, in reply to Mr. Day and Francis Wood, department commander, VFW, stated that he received the award not only for himself but also for the people of the State of Oklahoma in tribute to those from that State who served in the Armed Forces of the United States and are still so serving. He also stated that the VFW was doing a fine job in aiding the side of the United States in the battle for men's minds.

The Rule of H. R. 4090 Should Be Defeated

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. PELLY. Mr. Speaker, I use this means of calling Members' attention to the impending consideration by the House of H. R. 4090, to require an automatic radio alarm device on United States cargo vessels of 1,600 gross tons or more carrying less than 2 radio operators.

I opposed granting a rule to H. R. 4090 in the Rules Committee, and hope the rule will be defeated when it comes up for consideration in the House. I am informed this will be early next week.

In summary, the objections of the shipping industry are as follows:

First. As stated by the Coast Guard, Federal Communications Commission, Department of Commerce, and Defense Department in testimony on a similar bill (H. R. 6004) in the 83d Congress in 1954, the present mandatory internationally accepted auto-alarm device is more than adequate from the safety standpoint to receive distress calls and cyclone warnings on off-watch hours.

Second. The expense of hiring two more radio operators on cargo vessels, which as a practical matter is what would result if this bill is enacted into law, on the average per ship will amount to $12,000 per year straight-time pay and $2,500 for welfare per year, plus $3,500 overtime pay. A radio room on a ship now costs about $8,500 per year. By the terms of this bill, the cost will be $26,500 approximately. It is this sort of featherbedding that drives operators to transfer their cargo ships to foreign registry, where they employ low-wage foreign crews. My interest in this subject is in preserving an American merchant marine.

Third. This automatic radio call selector device duplicates existing equipment; it bypasses international safety and communications conventions; it bypasses section 602 (e) of the Communications Act of 1934 which specifically provides a method of approval of equipment in the field of marine radio.

In the presentation to the Rules Committee last week the impression was gained that these devices had come into use since hearings on the bill in March, May, and June 1955. This misapprehension was due to two apparently conflicting statements: the statement that only 1 prototype device had been built, and the statement to the effect that 8 units were in use by the Moore-McCormack Steamship Co. The explanation is that a similar two-signal model was installed by Moore-McCormack in 1947 for convenience and commercial functions, not safety, but was found mechanically defective and the report of the hearings shows this company's unfavorable testimony.

A more complicated five-signal device is called for by this legislation. But the prototype model of it has never been tried out under operational conditions—as far as I know.

The argument in the Rules Committee by the sponsor of this bill in support of a rule was that the shipping industry has always opposed safety measures and means of increasing safety at sea.

On the other hand in testifying before the Commerce Committee on H. R. 4090 the industry stated without challenge that the shipping industry is safety conscious. It pointed out with pride that it incorporates millions of dollars in safety features into American vessels. It stated with pride that it spends millions of dollars in operational measures and devices to increase safety of life at sea. As a matter of fact, as the hearings state, new technical specifications for the auto-alarm presently used internationally were supported by the shipping industry at the Safety of Life at Sea Conference in London in 1948.

Improved auto-alarm devices to overcome atmospheric and interfering signals are now undergoing tests by the Federal Communications Commission as the hearings show. But such features are not incorporated in the proposed call selector device which would become mandatory under H. R. 4090.

As to the criticism that the industry has always opposed safety I think the voluntary installations of direction-finding equipment 20 to 25 years in advance of compulsion contradict such a statement. Radar, depth sounders, loran, gyrocompasses and gyropilots and similar devices installed but not required by law, indicate the irresponsible nature of such undocumented arguments. Steamship interests supported a program for merchant ships today to have internationally improved lifeboat radio equipment. And besides, if there were a basis of truth for the charge, the argument is hardly germane to the merits or lack of them with respect to H. R. 4090.

A Commerce Committee member before the Rules Committee referred as a similar case to airline opposition to imposition of a new air safety system. I submit that testimony regarding safety devices in the field of aeronautical control is completely irrelevant. The charge is often made that scientific testing such as is conducted by the Federal Communications Commission is slow. If I had patents and was hopefully awaiting approval I would feel that way. But if the safety of my family and friends, and myself, was at stake I would want thorough testing under all conditions. The patented device under H. R. 4090 has never had such a test. What is the hurry? This is being a bit overanxious to hand a signed order in blank to the patent owner, saying if you can make this device work here is an order forcing more than 1,000 American ships to install a $2,500 or $3,000 piece of equipment, and this without finding out if the present internationally accepted system can be adapted to the same purpose.

This measure has the voice of Jacob, but the hands are the hands of Esau; and the House may be misled into giving its blessing to the wrong object. This is special legislation. It is dangerous to allow the high and highly emotional motive of safety-at-sea to be considered hastily with only one hour of debate.

I urge when the rule on H. R. 4090 is debated on the floor of the House that it be defeated so the great Committee on Interstate and Foreign Commerce can restudy the measure in the light of the evidence.

Apportionment to States of Federal Highway Funds Pursuant to H. R. 10660 and Federal-Aid Highway Act of 1956

EXTENSION OF REMARKS
OF

HON. GEORGE H. FALLON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. FALLON. Mr. Speaker, the Committee on Public Works has been receiving numerous inquiries concerning the apportionment of Federal highway funds to the various States under the provisions of the Federal-Aid Highway Act of 1956 (H. R. 10660), which passed the House April 27, 1956.

The following table sets forth the approximate amounts which will be apportioned to each State for the fiscal years 1957, 1958, and 1959:

Approximate apportionment of Federal highway funds pursuant to H. R. 10660 and Federal-Aid Highway Act of 1954

PRELIMINARY—SUBJECT TO SUCH REVISION AS MAY BE REQUIRED TO CONFORM TO SEC. 108 (f) OF H. R. 10660

[Millions of dollars]

State	Fiscal year 1957			Fiscal year 1958			Fiscal year 1959		
	Primary, secondary, and urban ($725)	Interstate ($1,200)	Total ($1,925)	Primary, secondary, and urban ($750)	Interstate ($1,700)	Total ($2,450)	Primary, secondary, and urban ($775)	Interstate ($2,000)	Total ($2,775)
Alabama	14.7	19.6	34.3	14.9	26.7	41.6	15.5	31.4	46.9
Arizona	9.0	11.2	20.2	9.2	15.3	24.5	9.6	18.0	27.6
Arkansas	10.9	11.4	22.3	11.1	14.8	25.9	11.5	17.4	28.9
California	38.8	112.1	150.9	40.1	169.7	209.8	41.4	199.6	241.0
Colorado	11.3	9.2	20.5	12.0	11.4	23.4	12.3	13.4	25.7
Connecticut	6.6	26.2	32.8	6.9	40.6	47.5	7.1	47.8	54.9
Delaware	3.0	4.0	7.0	3.1	4.8	7.9	3.3	5.6	8.9
Florida	12.0	24.7	36.7	12.3	36.2	48.5	12.8	42.6	55.4
Georgia	16.9	34.9	51.8	17.2	51.2	68.4	17.7	60.2	77.9
Idaho	7.3	6.4	13.7	7.5	7.8	15.3	7.7	9.2	16.9
Illinois	32.1	55.1	87.2	33.0	77.9	110.9	34.1	91.6	125.7
Indiana	17.4	42.4	59.8	17.7	63.4	81.1	18.3	74.6	92.9
Iowa	15.9	15.7	31.6	16.1	20.2	36.3	16.6	23.8	40.4
Kansas	15.1	12.3	27.4	15.3	15.1	30.4	15.9	17.8	33.7
Kentucky	13.0	24.9	37.9	13.3	36.0	49.3	13.8	42.4	56.2
Louisiana	11.5	24.5	36.0	11.9	36.0	47.9	12.2	42.4	54.6
Maine	5.5	7.9	13.4	5.6	10.7	16.3	5.8	12.6	18.4
Maryland	7.8	21.3	29.1	8.0	31.8	39.8	8.3	37.4	45.7
Massachusetts	13.2	40.6	53.8	13.7	61.2	74.9	14.1	72.0	86.1
Michigan	24.9	63.3	88.2	25.5	94.7	120.2	26.3	111.4	137.7
Minnesota	17.6	25.2	42.8	17.8	35.4	53.2	18.4	41.6	60.0
Mississippi	11.7	13.7	25.4	11.9	18.0	29.9	12.3	21.2	33.5
Missouri	20.4	31.1	51.5	20.7	43.7	64.4	21.4	51.4	72.8
Montana	11.5	9.2	20.7	12.2	11.2	23.4	12.6	13.2	25.8
Nebraska	11.9	7.1	19.0	12.5	7.8	20.3	13.0	9.2	22.2
Nevada	7.1	5.1	12.2	7.5	5.4	12.9	7.7	6.4	14.1
New Hampshire	3.2	4.1	7.3	3.3	4.9	8.2	3.4	5.8	9.2
New Jersey	13.5	63.7	77.2	14.0	99.3	113.3	14.4	116.8	131.2
New Mexico	9.5	12.5	22.0	9.9	17.2	27.1	10.3	20.2	30.5
New York	45.6	71.1	116.7	47.1	97.8	144.9	48.7	115.0	163.7
North Carolina	17.5	15.3	32.8	17.9	18.0	35.9	18.5	21.2	39.7
North Dakota	8.6	6.6	15.2	8.6	7.8	16.4	9.0	9.2	18.2
Ohio	28.7	67.3	96.0	29.6	99.5	129.1	30.6	117.0	147.6
Oklahoma	14.1	19.7	33.8	14.3	27.5	41.8	14.8	32.4	47.2
Oregon	11.0	16.3	27.3	11.3	23.3	34.6	11.7	27.4	39.1
Pennsylvania	34.1	42.7	76.8	35.7	55.6	91.3	36.8	65.4	102.2
Rhode Island	3.9	6.5	10.4	4.1	9.0	13.1	4.2	10.6	14.8
South Carolina	9.3	10.4	19.7	9.5	13.4	22.9	9.7	15.8	25.5
South Dakota	9.2	6.3	15.5	9.2	7.0	16.2	9.5	8.2	17.7
Tennessee	15.3	20.4	35.7	15.6	27.7	43.3	16.1	32.6	48.7
Texas	44.2	48.3	92.5	45.4	63.7	109.1	46.9	75.0	121.9
Utah	7.0	12.1	19.1	7.3	17.3	24.6	7.6	20.4	28.0
Vermont	3.0	8.9	11.9	3.0	12.9	15.9	3.2	15.2	18.4
Virginia	13.8	28.6	42.4	14.4	41.7	56.1	14.8	49.0	63.8
Washington	11.7	23.4	35.1	12.2	34.2	46.4	12.6	40.2	52.8
West Virginia	7.9	13.5	21.4	8.1	18.9	27.0	8.4	22.2	30.6
Wisconsin	16.6	18.1	34.7	17.0	23.6	40.6	17.6	27.8	45.4
Wyoming	7.1	14.7	21.8	7.5	21.6	29.1	7.7	25.4	33.1
Hawaii	3.3	----------	3.3	3.4	----------	3.4	3.5	----------	3.5
District of Columbia	4.2	7.8	12.0	4.4	11.1	15.5	4.5	13.0	17.5
Puerto Rico	5.1	----------	5.1	5.2	----------	5.2	5.3	----------	5.3

The approximate apportionments of interstate system funds authorized under H. R. 10660 for the fiscal years 1957 through 1969—subject to such revision as may be required to conform to section 108 (f) of the bill—are as follows:

Interstate funds, fiscal years 1957–69, inclusive ($24,825,000)

Alabama	$389,752
Arizona	223,425
Arkansas	215,977
California	2,477,535
Colorado	166,327
Connecticut	593,317
Delaware	69,510
Florida	528,772
Georgia	747,232
Idaho	114,195
Illinois	1,136,985
Indiana	925,972
Iowa	295,417
Kansas	220,942
Kentucky	526,290
Louisiana	526,290
Maine	156,397
Maryland	464,227
Massachusetts	893,700
Michigan	1,382,752
Minnesota	516,360
Mississippi	$263,145
Missouri	638,002
Montana	163,845
Nebraska	114,195
Nevada	79,440
New Hampshire	71,992
New Jersey	1,449,780
New Mexico	250,732
New York	1,427,438
North Carolina	263,145
North Dakota	114,195
Ohio	1,452,263
Oklahoma	402,165
Oregon	340,103
Pennsylvania	811,778
Rhode Island	131,573
South Carolina	196,118
South Dakota	101,783
Tennessee	404,648
Texas	930,938
Utah	253,215
Vermont	188,670
Virginia	608,213
Washington	498,983
West Virginia	275,558
Wisconsin	345,068
Wyoming	315,278
Hawaii	-------
District of Columbia	161,363
Puerto Rico	-------

Television for Isolated Communities

EXTENSION OF REMARKS
OF
HON. DON MAGNUSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. MAGNUSON. Mr. Speaker, today I have introduced a bill, H. R. 10944, which would direct the Federal Communications Commission to provide for the licensing of low-power television reflector facilities and VHF translator facilities to provide television reception to geographically isolated communities and individuals.

These automatic facilities are the cheapest and most satisfactory method yet devised to bring television programs into the homes of the people living in "shadow" areas behind hills and mountains where the rigid television signals do not reach. At least 70 reflector facilities or VHF translator facilities are known to be in operation throughout the country, and the number may be as high as 200. I have received reports of their use in the States of Arizona, California, Colorado, Idaho, Montana, New York, Oregon, South Dakota, Washington, and Wyoming. There undoubtedly are other States where reflectors have been used or contemplated.

Most of these facilities are constructed and maintained through spontaneous community action in the finest American tradition. They provide very satisfactory television reception at a very moderate cost. In no case that I know of does one of these facilities cause objectionable interference with anyone's reception of television or with any other use of radio-energy transmissions.

In spite of the obvious advantages of these facilities, the Federal Communications Commission consistently and obstinately has sought to shut them down. Within the past month at least one reflector facility in the State of Washington has stopped transmitting because of the issuance of a Commission cease-and-desist order. Another community, Bridgeport, Wash., has appealed from a Commission cease-and-desist order to the Court of Appeals for the District of Columbia, and that case is pending before the court. Cease-and-desist proceedings have been instituted against additional reflector facilities in the State of Washington. Reports I have received indicate that Commission representatives actively are engaged in starting cease-and-desist proceedings in other sections of the country.

The Commission's unwillingness to license or otherwise permit the operation of reflectors and VHF translators stems from its unwillingness to adopt flexible administrative procedures under which applications for the facilities can be considered on a case-by-case basis. The Commission prefers simply to deny hundreds of small communities throughout the country the benefits of television reception rather than face up to the task of finding a practicable method for fitting them into the national television system.

I am convinced that the Commission never will get around to licensing reflectors and VHF translators on its own initiative. I also believe that a favorable court decision in the pending case will not bring about a change of heart by the Commission, and that it still will attempt to proscribe these facilities, by one means or another. Consequently, I have been forced to the conclusion that only by the enactment of legislation such as that which I have introduced will the smaller isolated communities of this country be able to provide themselves with satisfactory television reception through the most practicable and inexpensive method yet developed.

Briefly, these facilities consist of a simple receiving antenna constructed on a hillside near the town where the signals of the originating station can be received, a small amplifier, and a simple transmitting antenna which retransmits the programs down into the valley. The residents of the community can receive the programs on ordinary television sets with the use of standard antennas. A reflector facility retransmits on the same channel as the originating station; a VHF translator retransmits a VHF signal on another VHF channel.

The facilities operate on a very low power. The one at Bridgeport, Wash., for example, has a power output of less than 1 watt. The usable signal from the facility extends over a cone-shaped area which in one case is as small as 2 miles long and 2 miles at its widest point. The facilities work automatically and require only occasional maintenance. Power can be supplied by an ordinary 110-volt line, by battery or by a gasoline-motor-driven generator. I have been told that for the facility in a small town in the Black Hills of South Dakota one of the townspeople goes up every afternoon and puts enough gasoline in the motor to keep the transmitter on the air until around midnight.

The cost of the facilities is very low. A typical installation in the State of Washington provides reception on two channels at a cost of $1,500. One battery-powered reflector was constructed for $500. I believe the costs vary up and down from these figures depending on the nature of the equipment, the strength of the original signal and the area sought to be covered.

In every instance that I know of, the facility has been constructed by a group of interested individuals in the community sought to be served. The money is raised by public subscription. In some instances the association has been very informal; in others, a nonprofit community corporation has been organized. Several owners of licensed television broadcast stations have indicated a willingness to construct reflector facilities in order to extend the service of the station to small valley communities.

To date, the Commission has come up with no practicable solution to the problem of providing the geographically isolated communities with satisfactory television service. Recently the Commission proposed rules and regulations under which certain UHF translators would be licensed. These UHF translators would retransmit the original signal over 1 of the UHF channels from channel 70 through channel 83.

I do not feel that these proposed UHF—ultra high frequency—translators are a practicable solution to the problem, and I feel they should be required only when the considerably less expensive and more satisfactory reflector facilities and VHF—very high frequency—translators cannot be employed.

There are a number of very serious objections to the UHF translators. First, where a reflector can be built for $500 to $750, the UHF translator unit alone will cost $2,750, to which must be added the costs of the receiving and transmitting antennas and the power system. This cost is out of the question for many small communities. Moreover, each set owner in the community will have to spend $20 to $50 for a converter to enable his set to receive the UHF signals or buy a more expensive set, and also will have to install a more expensive rooftop antenna.

Second, the UHF picture is less clear and more subject to distortion than a VHF picture. The difficulties increase with the increase in the frequency of transmission. There are 13 of the lower VHF channels; there are 70 of the higher UHF channels. The Commission proposal is to compel the UHF translators, serving the small communities, to transmit on the top 14 channels. These are the least desirable channels.

Third, the UHF translator will not cover the same surface area which would be covered by a reflector or VHF translator. The higher the frequency, the more rigid the signal and the more unaccountable its behavior. It has been estimated, for example, that if one community in the State of Washington were to substitute a UHF translator for the reflector now in use, half the people of the community who now receive television from the reflector would be unable to pick up the translator programs. In such a case, the community would have to build one or more subsidiary UHF translators to retransmit the main translator signals.

Undoubtedly, television from a UHF translator is better than no television at all—where the community can afford the cost. However, I think it is obvious that the cheaper and eminently more satisfactory on-channel reflectors and VHF translators should be permitted where they can operate without interfering with any other use of the radio-energy spectrum. Since the Commission has demonstrated its determined refusal to allow reflectors and VHF translators to operate, the only remedy is enactment of a bill such as that which I have introduced.

There follows a section-by-section analysis of the bill:

Section 1 redefines the term "broadcasting" in the Communications Act to exclude transmissions by television reflector and VHF translator facilities. This will eliminate certain statutory requirements applicable to ordinary broadcasting stations and permit simplified procedures in granting licenses.

Section 2 defines "television reflector facilities" and "VHF translator facilities." The definition specifically limits the use of these facilities to those communities prevented by geographical barriers from receiving television reception, and provides they shall retransmit the original programs without significant alteration.

Section 3 directs the Federal Communications Commission to prescribe rules and regulations for the granting of licenses to reflector and VHF translator facilities where their use does not cause harmful interference with any form of licensed television or radio reception. It provides that such "rules and regulations shall be devised, and licenses shall be granted thereunder, so as to promote the extension of satisfactory television reception to the smaller communities and isolated individuals at a reasonable cost."

Section 4 eliminates the requirement of a prior construction permit for reflectors and VHF translators.

Section 5 provides that any reflector or VHF translator in operation on or before May 1, 1956, may continue in operation until the operator has had a reasonable time to comply with the licensing regulations. It directs the Commission to draft and publish the first set of proposed rules and regulations within 6 months of the effective date of the act.

The Imperative Need for a Flash-Flood Warning System

EXTENSION OF REMARKS
OF
HON. JAMES T. PATTERSON
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 2, 1956

Mr. PATTERSON. Mr. Speaker, I have had so many requests from Congressmen and others for copies of the letter I recently sent to the chairman of the Subcommittee on Appropriations in regard to the Department of Commerce Weather Bureau appropriations that I would like to insert in the RECORD at this time a copy of the letter:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 1, 1956.

The Honorable PRINCE H. PRESTON,
Chairman, Department of Commerce, Subcommittee of the Appropriations Committee, House of Representatives, Washington, D. C.

DEAR MR. PRESTON: I have just finished reading the recently issued hearings before the subcommittee of the Committee on Appropriations, in regard to the appropriations for the Department of Commerce Weather Bureau for the year 1957.

In the accompanying subcommittee report and bill reported to the House of Representatives, I note with dismay that absolutely nothing is provided to meet one of the major weather problems now confronting our Nation, namely, the menace of flash floods.

It seems incredible—after the most costly flood disasters in the history of North America—that it nevertheless is intended that no provision whatsoever should be made by Congress to provide our citizens with any better protection against the deadly flash floods.

I do not believe that the elected Representatives of these States which have been stricken by the disastrous floods of the past few years will remain quiet and do nothing this year after they have been informed how most of the loss of life and how much of the loss in property can be eliminated by an up-to-date flash-flood protective system.

The total savings possible, on a nationwide basis, could be enormous. For example, in my own State of Connecticut last year, in a single flash flood, dozens of lives and millions of dollars worth of property could have been saved with a fully developed, modern high-water-warning service. Within a short period of months similar large losses could have been avoided in Pennsylvania, New York, California, and other States.

The size of the flood-loss problem is highlighted by the fact that the annual property loss from floods in major river basins of the United States averages more than $300 million a year. Engineers and flood experts have estimated that the amount of property loss which has been avoided through adequate flood-warning services averages about 10 percent of the total flood loss, which means about $30 million of prevented loss a year. Despite the huge flood losses mentioned above, and the large savings possible through adequate warning, there is not a single valley in America that is protected by a modern flood-warning system. Even in the Naugatuck Valley of Connecticut, which was flooded in a few hours by the heavy rains of Hurricane Diane, a pilot flash-flood-warning project is just now getting started and already suffers from lack of funds. And let us not forget that there are more than 2,500 valleys in the United States subject to flash floods.

My travels through flooded areas of New England have prompted me to ask Congress again to do something to protect our people from the disastrous flood menace that confronts almost every State of our country.

Recently I have talked with engineers, meteorologists, hydrologists, and river experts on the flood problem and they have assured me that for only $3 million (that is less than 1 percent of the real annual flood loss) it has now become possible to establish a modern flash-flood-warning service that will provide the protection needed along every river in the United States.

If it is acceptable to you and the other members of the Appropriations Committee, I would be pleased to offer a floor amendment to the Department of Commerce Weather Bureau appropriations for the fiscal year 1957 that would increase the expense item by an amount of $3 million for the establishment of an improved flood-warning service throughout our entire country; or perhaps you may deem it advisable to offer a committee amendment to accomplish this purpose.

If this added amount of $3 million was made available by the Congress, it would enable the Weather Bureau to take the following recommended action:

(1) Establish five additional district river forecasting centers.

This increase of 5 district river forecasting centers would make a total of 14 such centers, and would thereby provide adequate flood forecast coverage for the entire country.

The river valleys to be provided this new and additional flood-warning service, and the locations of the respective district river forecasting centers, are as follows:

1. Lower Mississippi Valley: Vicksburg, Miss.
2. West Gulf and Rio Grande Valley: Austin, Tex.
3. California: Sacramento.
4. Colorado and Great Basin: Salt Lake City.
5. Great Lakes: Lansing, Mich.

(2) Establish 5,000 cooperative river and rainfall observation stations in flash flood valleys, with necessary observation equipment and reporting facilities.

(3) Establish an adequate research and development program in regard to the forecasting of flood-producing rains and water supply, in cooperation with other Federal and State agencies and universities.

(4) Install 20 additional modified surplus radar stations in flash flood areas which are now more than 150 miles from established or planned radar storm detection locations.

(5) Strengthen professional river stage and flood study staffs at existing river forecast centers by two or more persons.

The river forecasting stations include Hartford, Conn.; Harrisburg, Pa.; Augusta, Ga.; Cincinnati, Ohio; Knoxville, Tenn.; St. Louis, Mo.; Kansas City, Mo.; Portland, Oreg.; and Tulsa, Okla.

Your support of this proposed measure will be greatly appreciated by the millions of Americans who live in the flood-hazard valleys of America and who should no longer be denied the flood-warning services that modern technology can now provide. I earnestly solicit your sympathetic consideration of this matter.

Sincerely yours,

JAMES T. PATTERSON,
Member of Congress.

Address by the Honorable Sinclair Weeks, Secretary of Commerce, Before the 44th Annual Meeting of the Chamber of Commerce of the United States, May 2, 1956

EXTENSION OF REMARKS
OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. VAN ZANDT. Mr. Speaker, the following address was delivered by the Honorable Sinclair Weeks Secretary of Commerce, before the third general session, 44th annual meeting, Chamber of Commerce of the United States, Hotel Statler, Washington, D. C., May 2, 1956:

TEXT OF ADDRESS BY SECRETARY OF COMMERCE SINCLAIR WEEKS BEFORE THE THIRD GENERAL SESSION 44TH ANNUAL MEETING, CHAMBER OF COMMERCE OF THE UNITED STATES, PRESIDENTIAL ROOM, HOTEL STATLER, WASHINGTON, D. C., MAY 2, 1956

On the general theme of preserving private enterprise you have heard some very interesting discussions concerning the businessman's responsibilities in such fields as promoting economic understanding and informed governmental action at all levels. I am informed that my own contribution to this session will be most useful if I discuss the necessity for a close working relationship between businessmen and men in public office.

This is a difficult assignment, especially in an election year, when some people, in search of an issue, call it a mortal sin when close relationships between business and government are encouraged. Even without this added complication, the job of describing the importance—in fact, the utter necessity—of close relations is difficult.

As a former businessman and a present public official I've been on both sides of the fence—and sometimes in the middle. The experience is educational, even though occasionally painful. But nothing compares with the reward—a sense of participation in public service. And this is particularly true in an administration under such dedicated leadership as that of our truly great President, Dwight D. Eisenhower.

Because your policy committee has made its recommendation and because its passage means much to the program of President Eisenhower, may I divert for a moment to the bill (H. R. 5550) now pending before the Congress to authorize the President to accept United States membership in the Organization for Trade Cooperation (OTC).

Let me say first that reciprocal trade treatymaking is the settled policy of this Government. The process originated with a proposal of President McKinley—the motion was seconded by Theodore Roosevelt, William Howard Taft, Warren G. Harding, and many others. In my opinion it is a better method of tariff ratemaking than the process of log rolling historically in operation.

Obviously the job can be well done or badly done.

In connection with reciprocal trade agreements one hears from time to time of an outfit known as GATT. GATT objectives closely correspond to established principles of American commercial policy—principles which include the most favored nation treatment, for example, which the United States in its own interest has long urged upon other nations. Generally speaking, in my judgment, as far as GATT is concerned, it is better from every standpoint to have 35 nations join in 1 agreement than to have to go through the motions 35 separate times with 35 separate agreements finally arrived at.

The combination of such negotiations produces results not possible in a series of separate bilateral agreements and to my mind, certainly makes it possible for the United States to obtain greater trade benefits than could otherwise be achieved.

The Department of Commerce has an important interest in the Organization for Trade Cooperation (OTC) and because of this, I have carefully reviewed the proposal for it from every angle. Both as a member of the President's Cabinet and as a former manufacturer, I earnestly hope that the Congress will approve this vital legislation promptly.

I have personally examined very carefully the criticisms made against OTC which have led to honest doubts in the minds of some businessmen. I want to say that as far as I am concerned there is no foundation for these doubts.

The agreement for the OTC has been so drafted that United States interests are fully safeguarded. OTC would not be supranational. It could not change a single tariff rate. It could not impose new obligations on the United States without our consent.

So long as it is the policy of this Government to carry on foreign trade under the aegis of reciprocal trade agreements and to do it by the GATT process, I am convinced that the creation of the OTC will enable American industry and trade to derive additional and increased benefits from the GATT and the tariff concessions we have received.

Now to get on with my subject—let us first consider the impact of government on private industry.

When prosperity is rolling along on a high plateau—like today—some nearsighted businessmen may deceive themselves into assuming that, because our economic momentum is so strong, it makes little difference what signals are called in Washington.

In my judgment such an attitude is slightly shortsighted.

History clearly reveals that, from the industrial revolution to the present, rulers and parliaments have used their power both to help business up and to push business down. Governments have plagued business with red tape; burdened it with heavy taxes; strangled it with controls and—behind the Iron Curtain—have completely destroyed it.

If it makes scant difference to our economic system who sits at executive desks and in legislative chambers, why are so many left wingers trying to force so much antibusiness legislation through the Congress?

Why are so many radical politicians bursting their lungs with tirades against business and businessmen in government?

Why are so many left wing groups planning campaigns to oust public officials from both parties who support sound economic principles?

We as a nation are not going to preserve private enterprise if local, State and national governments are run by people who misunderstand private enterprise, mistrust private enterprise, and mistreat private enterprise. You cannot raise sheep in a den of wolves.

Speaking as a member of the Eisenhower administration, I assure you that our mission in the economic field is to preserve private enterprise. Its record is proof of its value to all Americans. Look at this amazing record: Under private enterprise this Nation has advanced to history's highest standard of living.

A century ago 94 percent of all work was by human and animal muscle. Today only 6 percent is done by physical labor of man and beast—all the rest is by machine. A century ago the average worker toiled a full 70-hour week. Today the workweek is around 42 hours and most labor is easier.

Since 1900 our population has doubled but our per capita production has tripled. Even after allowances for price changes, our national income today is 7 times what it was at the start of the century. I think it is hardly any wonder, as a consequence, that we of this administration rely on free enterprise and the unchecked flow of its dynamic power to continue to bring material well-being to the American people.

From its very inception over 3 years ago, this administration's objective has been to let the free enterprise system run itself. Controls were dropped. The tax system was redesigned to raise taxes and not to change the social order. A policy of trying to get the Government out of business was instituted. The results I think speak for themselves, including the report the other day of the Council of Economic Advisers announcing the gross national product for the first quarter of 1956 at a new high—at an annual rate of $399 billion.

But ours is not a negative, hands-off approach. We recognize that the Federal Government in this century of giant industrialism and long-range guided missiles cannot shirk its responsibility in the economic field. Desertion could permit an eventual drift to inflation or depression. Both extremes would be bad for business, bad for defense, and bad for America.

We believe that the purpose of private enterprise is to create wide prosperity fairly shared. Else why is our economy so geared that competition continually drives the price down and down until the products of private enterprise—the only real wealth we have—are distributed to our people on an ever-widening scale.

We set barbed-wire fences beyond which Government should not go in the field of private industry. But we do not hesitate to use persuasion and the power of Government to do what needs to be done for the national welfare which the private factor of the economy cannot or will not do itself.

That policy is neither socialism nor standpatism.

It is dynamic conservatism.

It is economic commonsense.

In our desire to do what is best for 167 million Americans, we have brought to Government able talent of all kinds. We have picked some of the best from science, technology, agriculture, labor, finance, and industry—each person contributing his experience and brains in managing honest, forward-looking Government.

At first the individual business man in government undergoes a new bewildering, and frustrating experience—the strange gobbledygook language of bureaucracy—the duplication and the age-crusted redtape—the gigantic size and complexity of government.

Every conscientious executive wants to keep on top of his job—not only to manage properly but to think things out. There are never hours enough in the day to get things done.

One of the time-consuming jobs is the search for qualified top-rank executives for important posts in Government. Their skills are urgently needed. But, unless a prospect is independently well-off, the pay scale is often far too low to attract the cream of the crop.

The readjustments involved in scaling down personal finances, missing out on promotive priority, giving up established homes, and breaking into educational commitments are substantial hurdles.

Amongst business executives who come to Washington, the Nation has been fortunate to have the services of volunteer experts, called WOC's because they are loaned by private industry and serve without compensation. These men are helping to gear Government-industry participation in mobilization preparedness and in the current defense

and atomic-energy programs—so that our military might will be a strong deterrent to war.

Surely these experts and technicians deserve well of this country. But what do they get from some circles?

It shocks anyone aware of the hazards of these times and anyone with a sense of fair play to find the chairman of a House investigating committee pouring out misrepresentations about WOC's and advocating a reckless course of action which could deprive the defense program of these urgently needed industrial specialists.

I don't believe the American people want the national defense effort made more difficult just to gratify the spite of those—in or out of Government—who hate private enterprise and who always are ready to smear any businessman anywhere in Government.

I think instead that the American people are everlastingly grateful to these able and honest businessmen who are serving their country in the cause of peace.

While I praise the contribution of businessmen to Government in this day and age, I would add that it is my sincere belief that this Nation needs something more from businessmen than aptitude in any particular field. It needs business statesmanship. It needs the positive leadership of businessmen in keeping our country on the right road.

The more I study modern conditions the more I am convinced that the way to preserve private enterprise is to preserve sound government. I doubt that we can keep government sound unless the champions of priate enterprise spend just as much time fighting for sound policies in government as they do in making and selling a product.

Businessmen are able to sell a product but they are infants in the task of selling an idea—and remember well that it is ideas, sound or otherwise, which have most to do in influencing the direction in which we as a nation shall travel.

But here comes the rub. Here's where a bit of human perversity enters the picture. Most of us businessmen—and I used to be one—are red-hot defenders of good government and free enterprise—in principle. Yet too often some businessmen want to make an exception in their own particular case.

Generally speaking, they're all for private enterprise—until their own ox is gored. At the first pinch of metal scarcity they want controls restored. They're for balanced budgets—but not if it requires them to pay at least the cost of special Government services indispensable to their operation.

Postal rates in large part have not increased in 24 years. Most business is willing, but some business fights tooth and nail to keep from paying its fair share of the cost of operating the Post Office Department. How many other costs of business have remained static in this quarter century period?

Let me make this point clear. We welcome hearing the views of businessmen on any subject that concerns their own business or the economy. That's our job: to listen, to advise—and where possible—to help. In fact, the bulk of our operation—at the Commerce Department—is a great service station for businesses of all sizes. And we pass along industry views to other areas of Government, including the Congress.

However, cooperation between business and Government should be a two-way street.

If we as a nation are to preserve private enterprise, we must preserve initiative and research and competition and free markets and sound money and credit policies of Government. Of course, it is natural for a businessman to exercise self-interest because if he did not pay attention to his own shop, he could not stay in business.

If we are to keep prosperity and foster long-range economic growth, however, businessmen also must be economic statesmen with a vision and a sense of duty that embraces the well-being of the entire Nation.

For if businessmen—of all people—neglect or fail to champion private enterprise and the Government policies that encourage private enterprise, how can private enterprise continue to survive The alternative to free enterprise is captive enterprise. It is the fall of conservatism and the rise to power of radicalism with its jargon of class warfare, its dangerous ideologies, and its chains for business.

This administration will continue to do what it can to preserve private enterprise by carrying forward sound programs to strengthen the economy—by fighting for the soil bank and other measures to give the farmers a better chance—by proposing to Congress new assistance, including certain loans, to enable communities with chronic unemployment to help themselves.

We shall continue to advance programs for economic growth, such as necessary aids to small business; inducements to home building; commercial atomic power; establishment of the Organization for Trade Cooperation to spur world commerce; additional air traffic control facilities for safer air travel; construction of the great national highway program, and other plans for building a prosperous future.

We welcome the vigorous cooperation of business in our fight to maintain a climate in which business will continue to flourish, employment will expand, and other fruits of healthy economic growth will be harvested by all of the American people.

The Nickel Situation in the United States

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 2, 1956

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks, and complying with his request, I include a letter I received from the Honorable Sinclair Weeks, Secretary of Commerce. On several occasions I have placed information in the RECORD concerning the complex and aggravating problems respecting the nickel situation in the United States. The following letter of April 30, 1956, from Secretary Weeks explains in considerable detail some of the facets of the complex subject from his point of view:

THE SECRETARY OF COMMERCE,
Washington, April 30, 1956.

The Honorable JOHN W. McCORMACK,
House of Representatives,
Washington, D. C.

DEAR MR. McCORMACK: In response to your letter of April 10, I am glad to have the opportunity to comment on Mr. Willard F. Rockwell's letters to you of March 23 and April 2 regarding the current situation on the supply and distribution of nickel. Since we are receiving many requests for information on this subject, I hope you will publish this letter in the CONGRESSIONAL RECORD. I shall endeavor to explain the nickel situation in detail, and enumerate the actions the executive branch has taken and is taking to meet the problems arising out of an insufficient national supply of nickel to meet all of our domestic requirements. A complete disclosure of all pertinent facts, however, is somewhat limited by security considerations applying to the national strategic stockpile and consumption of nickel for defense purposes.

Government allocation of nickel in the civilian market was discontinued in November 1953. Since the passage of the Defense Production Act in 1950, priorities have been in effect on the delivery of nickel for military and atomic-energy production and construction programs. Suppliers of nickel are required to fulfill all defense-rated orders in accordance with existing regulations. The balance of the supply is distributed, by nickel producers, to consumers for nondefense purposes.

The fundamental problem that both Government and industry face with respect to nickel is very simply stated. There is not enough nickel available to the United States market to satisfy actual total demand for defense and nondefense purposes. The demand for nickel has exceeded the supply since 1951. Under authorizations granted in the Defense Production Act, the Government has taken direct action to expand supply from several sources, including the Government-owned nickel-producing facilities in Cuba. This Government-sponsored and private industry expansion of supply has not kept pace with the increases in requirements for military production purposes, the needs of the national strategic stockpile, and the supplying of the requirements of a growing industrial economy. To offset the increase in military requirements, which otherwise would have further reduced the supply available for nondefense uses, the Government, early in 1955, authorized the diversions of deliveries from the national stockpile for industrial consumption. Such diversions total 24.3 million pounds in 1955; 12.3 million and 19 million pounds for the first and second quarters of 1956, respectively. With these diversions, total domestic consumption of nickel for all purposes during 1955 amounted to 216 million pounds, including 6 million pounds from consumers' inventories. On the basis of current stockpile diversions, it is estimated that new nickel availability during 1956 will approximate 260 million pounds. Due to the uncertainty of the defense requirements for the full year 1956, we cannot predict if the increased total available new nickel during 1956 over 1955 will actually benefit consumers of nickel for nondefense purposes. It is, indeed, fortunate that the Government undertook several years ago to underwrite the expansion of production of nickel.

To achieve an expansion of supply, it was necessary for the Government to either pay or guarantee a price, for delivery to the Government, that would make it economically feasible to utilize low-grade ores and maintain high-cost mining operations. In the case of NICARO, the Government invested considerable funds in the expansion of production and processing facilities. The initial deferments from stockpile deliveries, including nickel oxide from NICARO, were sold to industry at established prices, later diversions involved premium price nickel. The civilian economy is currently paying 3 prices for available nickel, a so-called market price of about 60½ cents for sinter (nickel oxide); 64½ cents for electro or cathode (metallic) nickel; a price ranging from $1 to $1.30 for Government set-aside supplies (diverted from scheduled deliveries to the stockpile); and $2.50 to $3 a pound for open-market supplies. Most of the latter is composed of nickel recovered from nickel scrap and imports.

With reference to Mr. Rockwell's complaint that his April allotment was cut 15 percent, he fails to indicate that this refers only to his market price nickel. He will, in fact, receive a quantity of the Government set-aside premium price nickel which will make up for approximately the 15 percent deficit about which he complains. We may add that the

amount of market price nickel available each month is becoming progressively less due to the continually increasing defense requirements which consume only market price nickel.

Mr. Rockwell refers extensively to the so-called gray market in nickel and indicates that this market is supplied by those who procure nickel for defense purposes, and sell it in the open market, and consumers who are able to buy in excess of their needs for nondefense purposes and place the excess in the open market. As to the first alleged source of supply in the open market, I want to describe the extent to which we have maintained surveillance of the validity of defense-rated orders.

The defense materials system, under which priority deliveries of nickel for defense purposes are regulated, is administered by this Department. I can assure you that we have been continually checking and investigating the validity of the rated orders for nickel placed upon nickel suppliers. We have constantly taken measures designed to prevent the illegal or unwarranted diversion or escape of material purchased on military ratings. In March and June of 1954 we amended BDSA Regulation 2 to require purchasers of rated nickel who found that it was no longer needed to fulfill military requirements to hold such nickel for other military uses or return it for the benefit of the nondefense segment of the economy. Significant quantities were salvaged through these amendments.

Individual cases have been investigated as indications of violations have come to our attention and suitable action has been taken, in some cases by reference to the Department of Justice for criminal prosecution. In November of 1955 letters (copy enclosed) were addressed to all of the principal suppliers of the plating industry calling pointed attention to the strict requirements of the priority rating system and urging their full cooperation. The result of this action was gratifying. On the heels of this action surveys were initiated of all purchases of rated nickel in all areas of consumption. By comparison of the rated purchases reported by nickel suppliers with the defense needs of their customers, it was possible to determine with reasonable accuracy where unauthorized or excessive purchasing was taking place. Where this was found, directives were issued to the suppliers prohibiting their acceptance on a priority basis of further rated orders from designated customers and requiring that future orders be referred to BDSA for validation. While it is impossible to state precisely how much nickel was saved by means of this procedure, we estimate that 50,000 to 100,000 pounds a month may have been so conserved. This is in the plating area alone. We have had occasion to investigate 46 cases in areas other than plating of which 10 remain under study. Action will be taken in these cases if warranted.

Recently, after careful study and with the full concurrence and cooperation of the Office of Defense Mobilization, Department of Defense, and Atomic Energy Commission, directives were issued to all further converters and primary producers of steel controlled materials, including all nickel-bearing steels, requiring identification of further converters' orders for military use with the special symbol "FC." While this was not strictly a compliance action, we believe it will have important consequences in preventing slippage on nickel-bearing steel obtained by further converters under their specially authorized set-asides for defense purposes.

We believe that the recital of the foregoing measures should demonstrate that there has been no lack of energy in our compliance and enforcement program. We believe we have reduced any such illegal diversion to an absolute minimum. It is our estimate that the quantity of nickel moving in violation of our DMS regulations amounts to less than one-half of 1 percent of the total nickel available to the industrial economy. As to sale of excess nickel by purchasers for nondefense uses, it may well be that this takes place. It certainly is not illegal for them to do so. However, the nickel suppliers endeavor to keep very close check, so far as this is possible, on their customers' requirements and use of nickel products. It certainly is not to the advantage of the suppliers for their customers to be reselling nickel at premium prices and I believe that these suppliers would make every effort not to supply their customers who practice such resale tactics. As a matter of fact, all of the complaints have to do with an insufficiency of supply to consumers.

Mr. Rockwell states that the management of the company which supplies him with alloy steel, which he says is the fourth largest in the country, has informed him that 75 percent of their requirements is purchased in the market at premium prices. Through a review of the order and shipping records of practically all of the alloy steel producers, we have not been able to confirm this statement. We find it very difficult to believe that what is evidently a large alloy steel producer would find it necessary to purchase this proportion of their nickel requirements at premium prices. As heretofore explained, however, there is a fair supply of nickel available from imports and from secondary sources such as nickel and nickel-alloy scrap. Nickel steel producers not only use their own scrap but purchase scrap from either dealers or the customers to whom they supply nickel steel products. Obviously some portion of the nickel consumed by steel mills in the manufacture of nickel-bearing steels may be at prices commensurate with the open quotations for imports and nickel obtained from secondary sources.

As to the prices paid for nickel diverted from shipment to the stockpile, I should say that the domestic industry is indeed fortunate to be able to purchase nickel at these prices. If the Government had not undertaken an expansion program, which I have mentioned heretofore, there would not have been this nickel available at any price. Generally the lowest price nickel is being consumed for defense purposes. This is of direct benefit to the taxpayer since it reduces the cost of military procurement. I might add that I believe it is commendable that the producers of nickel have maintained a stable price situation irrespective of the demand which would indicate that much higher prices could be obtained. I would call your attention and that of Mr. Rockwell to what has happened pricewise with respect to copper in recent months.

Mr. Rockwell raises a question as to why his company was not consulted in connection with our investigations of the distribution of nickel. It was not necessary to solicit information from all users of nickel since the information needed was available in the offices of the producers and suppliers. In our investigation we were concerned with two basic matters: First, the validity of rated defense orders for nickel; and, second, the method by which producers and suppliers distributed nickel to consumers for nondefense purposes after the defense requirements had been met. We satisfied ourselves that the suppliers were keeping very close track of the needs of all of their customers and so far as possible adjusting their sales to meet changing conditions in the affairs of their individual customers.

I will not make any specific comment or express an opinion on Mr. Rockwell's observations with regard to the national strategic stockpile. I am a member of the Defense Mobilization Board which advises the Director of the Office of Defense Mobilization who has direct authority from the President to establish and maintain the strategic stockpile. I and other members of the Defense Mobilization Board are in accord with the current stockpile program.

In his letter to you Mr. Rockwell states, "We have absolute proof that some steel companies have sold nickel which they received in excess of their requirements for military orders." We are not sure just what Mr. Rockwell means by this statement. If a steel company was producing nickel-bearing steel only for military uses and so rated their orders, then any nickel sold in excess of their needs would be a violation of law. If this is the situation for which Mr. Rockwell has proof, it is his duty as a citizen to come forward with any information which would aid us in eliminating such illegal practices. We are going to request Mr. Rockwell to furnish us with information to support his statement.

If Mr. Rockwell refers to situations in which a steel company produces nickel-bearing steel for both defense and nondefense purposes, obviously the company would receive a total amount of nickel for both purposes in excess of its requirements for defense-rated orders. If such a company should have an excess of nickel for nondefense purposes, there is no law or regulation which prohibits the company from selling such nickel to other users. However, we seriously doubt that any nickel-steel producer is indulging in this practice. The requirements for nickel for military purposes have been on an upward trend for many months. These requirements reached a peak for the month of April this year. We do not expect a reduction for the next few months. In fact there may be an increase. If there is a substantial increase in the military requirements, it could result in a further reduction of the availability of nickel for nondefense purposes.

I apologize for the length of this letter but I felt that in view of the general interest of many industries in this subject I should try to explain the situation as fully as possible. Having been associated in the past with manufacturing companies which used nickel, I am fully aware of the problems faced by manufacturers in trying to conduct their operations in the face of an insufficient supply of a raw material. We in the executive branch have tried conscientiously to take every action which would benefit industry and at the same time not jeopardize our defense production and our long-run national security. It has been advocated by some that the Government should reimpose controls on the use and distribution of nickel for all purposes. I should be very reluctant indeed to undertake this since Government controls would not increase the total supply of nickel, and the Government would be placed in the position of interfering directly in the private affairs of a great many business firms. Furthermore, with Government controls, it would probably be necessary to restrict or prohibit the use of nickel for decorative or nonfunctional purposes. If this should be the case, the Government would be making the decision as to which private business establishments were more important than others to the national welfare, which is a function of Government quite contrary to our basic concepts of a private enterprise economy. Those who advocate Government controls in this particular case should examine their own particular situation since they might find that under Government controls they would not be permitted to consume nickel.

If there is any further information on this subject that you desire, please let me know.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

DEPARTMENT OF COMMERCE,
BUSINESS AND DEFENSE
SERVICES ADMINISTRATION,
Washington, November 21, 1955.

GENTLEMEN: You have directed certain questions to this office concerning the acceptance by your company of orders for

nickel which purport to carry a priority rating. In order to assist you in determining what orders may properly be regarded by you as entitled to priority we are advising you as follows:

The basic rules of the priorities system are set forth in BDSA (formerly NPA), regulation 2. Additional regulations relating to the use of priority ratings are DMS regulations 1 and 2. Marked copies of these regulations are enclosed. Under unusual circumstances ratings may be placed under certain other regulations but for all practical purposes you may expect that any lawful ratings will require certification under one of the three regulations designated above.

You will note that in addition to the requirement of inclusion of the appropriate program identification symbol there is a requirement that every rated order be certified and signed by the customer. The certification must be in the form "Certified under [here insert appropriate regulation]." Orders not carrying this formula are of questionable validity as rated orders. It is a futher requirement that rated orders specify a delivery date.

We understand that some of your customers have sought to identify their orders as rated orders without complying with the formalities required by the regulations. In our opinion this is an irregular practice and orders in this form should not be treated as entitled to priority. We point out that orders not properly rated are junior to rated orders. Properly rated orders must be filled first, irrespective of the degee of shortage.

We should like also to draw your attention to section 18 of BDSA (formerly NPA), regulation 2. Under this section, if you know or have reason to believe that the material which you are delivering will be tion of any regulation of this agency, you accepted, redelivered, held, or used in violation of any regulation of this agency, you are neither required nor authorized to deliver on such order. It has come to our attention that in certain cases orders have been placed by customers who may, to your knowledge, not have facilities adequate to process or use the materials ordered by them on priority ratings. We regard this as a suspicious circumstance and as one which justifies withholding delivery until the validity of the purported rating has been established to your satisfaction or to that of this agency.

An additional circumstance which gives rise to question as to the authenticity of a rated order is purported certification under a nonexistent regulation such as CMP Regs. 1, 2 and 3. These regulations have long since been revoked and have not been in effect since the controlled materials plan was superseded by the Defense Materials System in 1953. Another suspicious circumstance is the use of nonexistent program identification symbols. The only symbols currently in effect are A through E followed by a single digit.

Because of the critical shortage of nickel an incentive exists to resort to illegal practices and subterfuges to obtain it. Nickel obtained by these practices at normal market prices can be resold in the "black" or "gray" market at exorbitant figures. The priorities accorded to military and AEC orders under the regulations of this agency are to all intents and purposes the equivalent of currency and must be safeguarded against counterfeiting or falsification just as currency is safeguarded. While experience has demonstrated that we can largely rely upon the good faith and integrity of the business public to assist us in protecting the priorities system against raids we are nevertheless prepared when necessary to take appropriate measures against willful violators.

You are in a position to make a significant contribution to the welfare of the Nation and of your industry by assisting in the prevention of violations. We urge you to insist upon strict observance on the part of your customers with the requirements of the system and to refrain from accepting or filling, on a priority basis, "rated" orders which are either irregular in form or of such doubtful validity as to create a reasonable doubt of the customer's authority to employ the rating. You are further requested to communicate the contents of this letter to all personnel in your organization who are charged with the soliciting of orders from customers and the processing of orders received from customers so that they may be fully apprised of your policy to insist upon adherence to the requirements of law.

Sincerely yours,

JONATHAN B. RINTELS,
Enforcement Attorney for Business and Defense Services Administration.

SENATE

THURSDAY, MAY 3, 1956

(Legislative day of Thursday, April 26, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Peter Jacobs, assistant pastor, St. Margaret's Church, Seat Pleasant, Md., offered the following prayer:

O Lord, creator of heaven and earth; enlighten, guide, strengthen, and console this great lawmaking body. Inspire us in what we ought to do, and then command us to do it. Lord, make us instruments of Thy peace; where there is hatred, let us sow love; where there is doubt, faith; where there is despair, hope; where there is darkness, light; and where there is sadness, joy.

O Divine Master, grant that we may not so much seek to be consoled as to console; to be understood, as to understand; to be loved, as to love; for it is in giving that we receive; it is in pardoning that we are pardoned; and it is in dying that we are born to eternal life. Amen.

MESSAGE FROM THE HOUSE RECEIVED DURING RECESS

Under authority of the order of the Senate of April 30, 1956,

The following message from the House of Representatives was received by the Secretary of the Senate:

The message communicated to the Senate resolutions of the House, adopted as a tribute to the memory of Hon. ALBEN W. BARKLEY, late a Senator of the United States from the State of Kentucky; formerly Vice President of the United States and a former Member of the House of Representatives from the State of Kentucky.

The message announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 7500. An act to establish a Commission and Advisory Committee on International Rules of Judicial Procedure;

H. R. 8228. An act to suspend for 2 years the duty on crude bauxite and on calcined bauxite;

H. R. 8615. An act to provide wage credits under title II of the Social Security Act for military service before July 1, 1959 (the termination date for inductions into the Armed Forces), and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of service men dying overseas before such date; and

H. R. 10899. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 907. An act for the relief of Justin G. Maile and Theodore R. Hilbig;

H. R. 1470. An act for the relief of Joseph Righetti and Marjorie Righetti;

H. R. 1500. An act for the relief of Charles F. Brickell;

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 2068. An act for the relief of William F. Friedman;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2898. An act for the relief of the F. Dalizio Co., Inc.;

H. R. 4118. An act to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period;

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes;

H. R. 4791. An act to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees;

H. R. 4852. An act for the relief of Joseph Gangemi and Anthony Gangemi;

H. R. 4865. An act for the relief of Stanley Rydzon and Alexander F. Anderson;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 5634. An act for the relief of Willie C. Pickett, George Williams, and Herman L. Looney;

H. R. 6282. An act for the relief of Nathan L. Garner;

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers;

H. R. 8535. An act to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems; and

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred as indicated:

H. R. 7500. An act to establish a Commission and Advisory Committee on International Rules of Judicial Procedure; to the Committee on the Judiciary.

H. R. 8228. An act to suspend for 2 years the duty on crude bauxite and on calcined bauxite; and

H. R. 8615. An act to provide wage credits under title II of the Social Security Act for

military service before July 1, 1959 (the termination date for inductions into the Armed Forces), and to permit application for lump-sum benefits under such title to be made within 2 years after interment or reinterment in the case of servicemen dying overseas before such date; to the Committee on Finance.

H. R. 10899. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

REPORTS OF COMMITTEES SUBMITTED DURING RECESS

Under authority of the order of the Senate of April 30, 1956,

The following reports of committees were submitted:

On May 1, 1956:

By Mr. KERR, from the Committee on Finance:

H. R. 6143. A bill to amend the Internal Revenue Code of 1939 to provide that for taxable years begining after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts were paid; with amendments (Rept. No. 1941).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 2582. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended (Rept. No. 1942);

S. 3472. A bill for the relief of Patricia A. Pembroke (Rept. No. 1943);

H. R. 4051. A bill to provide for the relief of certain Army and Air Force nurses, and for other purposes (Rept. No. 1945);

H. R. 8187. A bill for the relief of Wright H. Huntley; (Rept. No. 1946);

H. R. 4536. A bill for the relief of John J. Cowin (Rept. No. 1947);

H. R. 4633. A bill for the relief of Crosse & Blackwell Co. (Rept. No. 1948);

H. R. 5495. A bill for the relief of Arthur H. Homeyer (Rept. No. 1949); and

H. R. 6395. A bill for the relief of Thomas W. Bevans and others (Rept. No. 1950).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

H. R. 4162. A bill for the relief of Kahzo L. Harris (Rept. No. 1951).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

H. R. 3964. A bill for the relief of Kingan, Inc. (Rept. No. 1944).

On May 2, 1956:

By Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce:

H. R. 7471. A bill to provide for the conveyance of certain lands of the United States to the Board of Commissioners of St. Johns County, Fla.; with amendments (Rept. No. 1952).

LEGISLATIVE PROGRAM

Mr. HAYDEN. Mr. President, because of the sudden death last Monday of our beloved colleague, Senator ALBEN W. BARKLEY, of Kentucky, it is not contemplated that any business will be transacted by the Senate today further than action on a resolution to be submitted in a few minutes.

It is planned that the next session of the Senate will be held on Monday next. Under the rules of the Senate, the so-called District of Columbia transit bill will retain its status as the unfinished business, and its consideration will be proceeded with on that day.

I therefore ask unanimous consent that when the Senate adjourns today, it be to meet on Monday next.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DEATH OF SENATOR ALBEN W. BARKLEY, OF KENTUCKY

Mr. HAYDEN. Mr. President, in behalf of the Senator from Kentucky [Mr. CLEMENTS], who is absent from the Senate, attending the funeral of the late Senator BARKLEY, in Paducah, Ky., I submit a resolution, and ask for its present consideration. It is the purpose that at a later time a day will be set aside upon which appropriate eulogies may be pronounced by the colleagues of the late Senator in the Senate, and at this time I merely ask for action on the resolution.

The PRESIDENT pro tempore. The resolution will be read.

The legislative clerk read the resolution (S. Res. 258) as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. ALBEN W. BARKLEY, late a Senator from the State of Kentucky and a former Vice President of the United States.

Resolved, That a committee be appointed by the President of the Senate, who shall be a member of the committee, to attend the funeral of the deceased Senator at Paducah, Ky.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arizona?

There being no objection, the resolution was considered and unanimously agreed to.

The PRESIDENT pro tempore. Pursuant to the second resolving clause, the Chair appoints, as the committee to attend the funeral of the late Senator, in addition to the Vice President, the Senator from Nevada [Mr. BIBLE], the Senator from Indiana [Mr. CAPEHART], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Idaho [Mr. DWORSHAK], the senior Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the junior Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the senior Senator from Alabama [Mr. HILL], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Texas [Mr. JOHNSON], the senior Senator from South Carolina [Mr. JOHNSTON], the senior Senator from Tennessee [Mr. KEFAUVER], the Senator from Oklahoma [Mr. KERR], the junior Senator from West Virginia [Mr. LAIRD], the Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], the senior Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from Connecticut [Mr. PURTELL], the Senator from Kansas [Mr. SCHOEPPEL], the junior Senator from Alabama [Mr. SPARKMAN], the junior Senator from Mississippi [Mr. STENNIS], the Senator from Missouri [Mr. SYMINGTON], and the junior Senator from South Carolina [Mr. WOFFORD].

Mr. HAYDEN. Mr. President, I move that, as a further mark of respect to the memory of the deceased, the Senate stand in adjournment until Monday next at 12 o'clock noon.

The motion was unanimously agreed to; and (at 12 o'clock and 4 minutes p. m.) the Senate adjourned until Monday, May 7, 1956, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 3, 1956

The House met at 11 o'clock a. m.

Rev. Valerian S. Karcz, Assumption Church, New Chicago, Ind., offered the following prayer:

O Thou who dost preside over the destinies of men and nations, Lord God of Hosts, reverently we lift up our eyes to Thee to bestow Thy abundant blessing upon our beloved country, as we again proclaim and establish the ideals and principles of a God-fearing democracy.

On this 165th anniversary of the adoption of the progressive and liberal constitution of the 3d of May by freedom-loving Poland, we solemnly pause to call upon the testimony of history and all free peoples to vindicate the rights of our ever-glorious ally.

Devoted sons of chivalrous Poland everywhere in the world today prayerfully raise their hearts to Thee, Eternal Father, to restore to the people of Poland in keeping with Thy divine designs their inalienable rights to liberty and justice.

O Thou, blessed Saviour of mankind, who didst die on the cross and through suffering and death didst open the gates of heaven, deign to grant to the peoples of Poland and of all nations, suffering and persecuted, courage to persevere in their Christian ideals and to attain the triumphant glory of the resurrection.

And Thou, O Holy Spirit, bountifully endow the President of the United States, and the Members of Congress, and all who hold positions of leadership and authority throughout the world, with Thy septenary gifts that they may courageously pursue the paths of true and enduring peace, established upon Thy eternal law. We ask Thee, O God, to hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE POLISH CONSTITUTION OF 1791

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, today, May 3, many friends of the Polish people join in celebrating the anniversary of the promulgation of an instrument which, in its day, symbolized a noteworthy step toward freedom—the Polish Constitution of 1791. Another famous instrument of that period comes to mind: The American Declaration of Independence of 1776, which proclaimed that man was endowed with certain inalienable rights and that for the protection of these rights "governments are instituted among men, deriving their just powers from the consent of the governed." The Polish Constitution closely follows our own form of representative government as initiated by our Founding Fathers.

Poland has for a long time been the battleground of Europe. The courageous stands of the Polish people in the face of tyrants and aggressors on innumerable occasions have been illustrations of courage unparalleled in history.

Well over a century and a half have passed since that era when freedom seemed to blow like a fresh wind through old Europe and what was then the New World. In those days men pledged their fortunes, their honor, and their very lives to the sacred cause of liberty—and more often than not were called upon to fulfill their pledges. Polish patriots fought for liberty in the United States and American patriots applauded when ancient tyrannies seemed to be on the wane in Poland.

Today Poland languishes under the heel of an old enemy, the Soviet Union. Employing new forms of totalitarianism, the Soviet Union has sought to enslave not only the bodies but the minds and hearts of the Polish and other subject peoples.

The new tyranny is more subtle, all-pervasive, and stronger than any Poland has ever been called upon to endure. It imposes upon that unhappy nation a dictator government maintained by a Soviet-dominated secret police and Soviet-dominated armed forces. It forces the Polish economy to fit into the pattern of Soviet needs to the impoverishment of the Polish people. Worst of all, it constantly assails the minds and souls of the people of Poland with a pagan Communist philosophy.

However, on this 165th anniversary of the Polish Constitution a burning desire for freedom remains a prime quality of the Polish people, nourished by decades of resistance to cruelty and oppression. Those of us who are familiar with the true spirit of the Polish people know that they will find ways to overcome this, as they have other tyrannies. Even now, as the bloody dissensions of the Stalin dictatorship are revealed, the flame of hope flickers into new life. This confusion of their slavemasters may bring new opportunities for freedom to all Soviet-subjected peoples.

I join with Americans of Polish descent and friends of Poland throughout the free world in looking forward to happier days—days when the Polish people will have overthrown alien domination, when their God-given rights to think and act as they desire are protected by their own freely elected government.

POLAND'S CONSTITUTION DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, seeds of democracy have been scattered somewhat sparsely in various places, at different times, and under differing circumstances. We in the free world would like to think of the West as the natural habitat of democratic ideas and ideals; certainly this has been true in the case of Western Europe and in some of its offshoots in the Americas. In the course of the 18th century when such invigorating and infectious ideas were spreading like wildfire in many parts of the West, governments of Eastern Europe, particularly countries governed by autocratic monarchs, were trying hard to build dams and raise curtains against such dangerous ideas. In the midst of such reactionary rulers, liberal and progressive leaders of Poland tried to evolve, early in the last decade of the 18th century, a document which by the standards of those days was a model democratic constitution.

That constitution was enacted into law on May 3 of 1791, a date memorable in the annals of Poland's modern history. By its very terms many progressive social and political reforms were introduced into the governmental machinery. The powers of the King were reduced and circumscribed while those of the elected Chamber of Deputies were enhanced and enlarged. Serfs were given personal liberty and guaranteed equality of rights. Peasants were given the right of representation in the national government and the towns were also given certain rights. In short, one finds the beginnings of numerous future social, economic, and political reforms in that constitution. For its progressive provisions this document was heartily approved by Edmund Burke, perhaps the leading political thinker of the Anglo-Saxon world at the time. Unfortunately, however, the turns of international events prevented the realization of these ideals.

The adoption of this constitution seemed to have alarmed Poland's envious and avaricious neighbors. Realizing that by this constitution Poland might become strong, and thereby a real force in the politics of Eastern Europe, Austrian, Prussian, and Russian autocrats at once decided to put an end to the Polish state by dividing it among themselves. Of course, the poor Poles could not forestall such a combination of powers, and in a short time independent Poland was no more. But the ideas and ideals of the constitution of May 1791 lived on in Poland for more than 100 years; and they were fully realized in the regenerated republican Poland in 1918. At the beginning of World War II those ideas had to be shelved once more, and since then their only safe abode seem to be the hearts of the freedom-loving and stout-hearted Polish people.

Today in celebrating the 165th anniversary of that constitution, we all hope and pray that soon those fine and noble democratic ideas, so plainly embodied in that constitution, will be planted once more on the fertile soil of Poland, there to live and grow and blossom.

GENERAL LEAVE TO EXTEND

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks at this point in the RECORD on Poland's Constitution Day.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MACDONALD. Mr. Speaker, today marks the 165th anniversary of the adoption of the Polish Constitution. Back on May 3, 1791, the people of Poland instituted their constitution. Like our own Federal and State constitutions, that document is one of the great monuments which men have erected from time to time in support of the human right of self-determination and equality before the law. This constitution expressed the Polish people's belief in individual liberty. It contained this clear, true statement:

> All power in civil society is derived from the will of the people.

Today even though Poland has been subjugated to the might of godless communism, people throughout the world still look on the Polish Constitution as a symbol of the day when Poland will again be free. In my Eighth Congressional District of Massachusetts, we have many fine citizens—outstanding citizens—of Polish descent who are completely steeped in the principles of freedom and who are bitterly unhappy over the continued denial of freedom to their friends and relatives behind the Iron Curtain. Our present laws of immigration and red tape make it difficult if not impossible for escapees from Communist terror behind the Iron Curtain to be admitted into the United States. This naturally rankles our Americans of Polish descent because of the implication that Polish people who want to come here provide some kind of special security risk. No such implication is justified. It is because these Poles love freedom so deeply that they try to escape from behind the Iron Curtain. People so imbued with a love of freedom make, and have made, outstanding citizens of our free country.

What do the Poles think of their Communist overlords? Any of you who know the Polish people who are in America today realize that communism is alien to the basic nature of a Pole. At this very moment, Poland is under the domination of an ideology foreign and repugnant to the great bulk of her people.

As a nation the Poles are proud of their great deeds and accomplishments, and they are fully justified in that pride.

Not only are they well known as diligent and skillful workers, but they are equally well known as accomplished masters in the arts and the sciences. They are no less famous as brave and courageous warriors. The names of all the Poles who have staked their lives for freedom and liberty are too numerous to mention. Of the many Poles who have taken an active part in struggles for liberty, two that perhaps are best known to the people of our country because of their roles in our Revolutionary War, are Kosciusko and Pulaski.

Mr. Speaker, the people of Poland have the right to know that we in America, who owe so much to those of Polish birth, cherish the thought that a free and sovereign Poland will one day rise again. Today, when liberty-loving Poles celebrate their national holiday and the anniversary of their constitution, they should be plainly given the encouragement that is inherent in the simple fact that we have not forgotten them.

This anniversary of the Polish constitution of 1791 provides a proper occasion for us to rededicate ourselves to the cause of oppressed Poland. To a great extent this cause of Poland is our cause, because it has its roots in a desire for freedom. And, so long as Poland and the other oppressed nations of the world do not enjoy the blessings of liberty, the world itself will never know peace, security, and progress.

Mr. PRICE. Mr. Speaker, May 3 marks the anniversary of one of the great human documents of the age of democracy, the Polish Constitution of 1791—a document including guaranties of religious toleration and freedom of thought that compare favorably with the guaranties in our own Constitution.

The Polish people have been victimized beyond the experience of most European peoples by conquest, partition, invasion, oppression across centuries. They are held today as the creatures of a government satellite to the Soviet Union and maintained in power only by the Red army.

But under the successive oppressions of the past the Polish people never lost their sense of nationalism and never lost their dedication to the principles of freedom. These emotions were so strong within them that after nearly a century and a half of foreign occupation, Poland rose again. Poland will rise yet once more as an independent nation, capable of asserting her right to self-government.

Poland sent her finest spirits, General Pulaski and General Kosciusko, to fight with the armies of George Washington and to help the infant States of America win their freedom.

Poland has given great creative artists and composers, scientists, and philosophers, to help build the modern nature of the Western World. Polish armies fought bravely on many fields of conflict in World War II, as they had fought previously in earlier wars of liberation, for the principle of independence and the overthrow of tyranny.

The Poles have been used most evilly in their present subservience to Moscow. It is important that in whatever manner we can we speak the words that, when transmitted, will let the Polish people know that they are not forgotten, that they have friends here in America and other democratic countries who will never forget them.

The reestablishment of Poland as a truly sovereign nation, free to guide her own destinies, is an objective that we must never allow too far from our thoughts and memories. When the day comes again that Poland is free, the celebration of her great Constitution Day will be a celebration in which all of aspiring mankind can share.

Mr. FRIEDEL. Mr. Speaker, it is my privilege at this time to invite your attention to the fact that today marks the 165th anniversary of the institution of Poland's Constitution. Let us in America take note of a nation that remains even today a symbol of man's eternal fight for individual liberty.

I say even today because, as we all know, Poland is at present under the cruel shadow of her Communist oppressor, the Soviet Union. Let us remind ourselves of Poland's recent tragic past. The German attack on Poland on September 1, 1939, was the first application of the Nazi's blitzkrieg. Poland soon found herself under German rule and her people had then to go underground to resume their fight for freedom. In a series of heart-rending events, the Nazi yoke over Poland fell into the hands of the Communists. Additional tyranny was heaped upon these courageous people.

A Communist puppet government was then set up, holding the people in its vice-like grip and following the devastating pattern of Communist totalitarianism. Today, freedom is completely suppressed in Poland. The Polish army is at the command of the Soviets who run it with thousands of Soviet officers. The school system, the youth organizations, the trade unions, and universities have all become parts of the Soviet machine. Wholesale arrests and mass murder keep the Communist Party in power. The Poles are tortured in mind and body by their totalitarian masters.

We in America have a deep sympathy and concern for the Polish people. Surely no people on earth have demonstrated more clearly over the years their undying love of liberty than the Polish people.

We hear much in these days about coexistence; the word coexistence was first of all mouthed by the hyprocritical Soviets probably in the hope that the Western World would relax its attitude of vigilance; but now we hear it expressed as the pious hope of some of our own people who are dreaming of an easy way out of our present difficulties. The Polish people know from sad experience that there is no easy way out and no true coexistence with communism. We in our mature judgment surely realize that we cannot exist peacefully with murders, oppressors, with men in whom there is no sense of honor, or with an ideology whose only goal is the death of liberty.

Neither the Polish people nor we in America can ever accept the present condition of Poland's existence. A nation enslaved calls for our help. We continue to look to total freedom as the goal for the Polish Nation. The American people will never cease to work for this goal. We know that the tyrant will be thrown off.

I count it a great privilege to send words of warm and prayerful encouragement to these noble folk on this their great anniversary.

THE PATRIOTISM AND STABILITY OF THE POLISH PEOPLE

Mr. DONDERO. Mr. Speaker, in their long history the Polish people have had little opportunity to enjoy freedom, yet they have constantly and valiantly struggled to attain it. Despite the sufferings of invasions, partitions, and occupations, Polish patriotism has never faltered.

It was love of liberty denied them in their homeland that brought many Poles to our shores. Poland's loss was our gain, for their contributions in our struggle to earn and retain our freedom were vital.

Since the days of the American Revolution Polish blood has been shed for the preservation of American liberty. Such patriots as Thaddeus Kosciusko and Casimir Pulaski and almost a thousand other Polish patriots fought for the Continental Army. During the Mexican, Civil, and Spanish-American Wars Americans of Polish descent died for the preservation of American freedom. More recently, during World War I, 300,000 Polish-Americans served in defense of their adopted country, and in World War II more than 900,000 served.

As Polish patriotism contributed to the security of our country their stability aided in its development. The Polish immigrants come to America endowed with a capacity for assiduousness and a love of God. The Poles are not afraid of work. They cultivated our soil; constructed our railroads; developed our coal, iron, and copper mines; and as they gained proficiency, contributed to the expansion of our industry. Their religious faith has also made them peaceful, loyal, and law-abiding citizens.

Our Polish-Americans have helped in building American civilization and culture. The cultural achievements of Poland have become part of the varied culture of America. The Poles have also contributed to the spiritual and religious growth of our country.

Today, the anniversary of Polish Constitution Day, is an appropriate occasion for all Americans to express their appreciation to all Polish-Americans for their contributions in the defense and development of our great country. It is also an opportune time to assure Americans of Polish descent that we will join in their prayers for their enslaved relatives and friends in their native land.

Mr. ADDONIZIO. Mr. Speaker, May 3 marks the anniversary of one of the great landmarks in humanity's struggle for liberty. On that date in 1791 the statesmen of Poland signed the document now famous as the Polish Constitution of May 3. The great constitution incorporated in its articles a sense of justice and protection of liberty theretofore unknown in eastern Europe. But the liberal ideas that had blossomed among the Polish people and finally culminated in a democratic constitution alarmed the ruling monarch of powerful

Russia. Soon Russian troops invaded Poland, crushed the small army of Polish troops that managed for 3 months to valiantly defend their homeland, and brought an end to the Polish experiment in democratic government.

But the spirit of the document could not be broken by force of arms. It lived on in the hearts of the Polish people, strengthening them in their resistance to tyranny and sustaining them in their dark hours. It surged up in the fateful year of 1939 when the Polish people stood up with great valor to defend their institutions against Hitler's cynical invasion. And even now, over 160 years since its inauguration, the spirit of the constitution of May 3 continues to provide the oppressed people of Poland with a spiritual sustenance to resist the new tyranny of Soviet Russia. In spite of the brutal liquidation of political opposition, the relentless persecution of the church, and the ruthless imposition of communism, we know from all reports that the brave people of Poland still cherish their principles of national independence and human liberty.

The decanonization of Stalin by the current rulers of the Kremlin must seem ironic indeed to the Polish people. As victims of Stalin's inhuman treatment, they have been decrying all along what only now the new crop of Soviet leaders seem to have discovered. But the new oppressors are overly optimistic if they think they can erase the memory of the Katyn massacre or the subsequent harsh Soviet domination of Poland by shoving all the blame upon the corpse of Stalin. Only when the Polish people are again free to direct their own destinies, to freely engage in their traditional political, cultural, and religious activities, will the West begin to believe that the Kremlin has really changed its policy.

It is my fervent hope on this anniversary of the Polish constitution of May 3 that the courageous Polish people will be shortly rewarded for their faith in the noble principles embodied in that great document and for their perseverance in pursuing their ideals.

Mr. GARMATZ. Mr. Speaker, today marks the 165th anniversary of the adoption of the Polish Constitution, a constitution adopted a few years after ours and patterned after ours. While we jealously guard the rights and privileges granted to us under our Constitution, the Polish people have lost all rights, all privileges, all independence bestowed upon them 165 years ago, and have become an enslaved nation.

Information coming to us from Poland leads us to believe that the younger generation has become one of the mainstays of resistance against the Communist Government. Even though most of their education has been along Communist lines, their positions as civil servants, engineers, officers of the armed forces, Government officials, and so forth, have given them an opportunity to learn firsthand what Communist "democracy" is, and they have been very much disillusioned. The Communist line will never replace the fierce patriotism which burns in the hearts of the Polish people.

In addition to its youth, the Polish workers, peasants, and members of the Catholic Church are further bulwarks against the Communist government. Let us not be misled by statements of collaboration with the so-called People's Government, by various groups in Poland. Such statements are made for propaganda purposes only, but cannot deceive those who know the Polish people and the Polish spirit of resistance, demonstrated so remarkably in the fight against Hitler's invading forces in 1939.

Our Government must do everything possible to encourage these people in their resistance and refusal to bow to their captors. The present Soviet rulers pretend to be aghast at the atrocities and injustices carried out by the Stalin government. Let us take advantage of their new attitude and urge them to release all political prisoners; admit their guilt in the Katyn Forest massacre, in which 15,000 Polish officers were murdered; free Poland and other nations enslaved during the Stalin regime by giving them an opportunity to hold free elections under the supervision of the United Nations, so they may decide their own form of government and choose those persons whom they would have lead their countries as free and independent nations.

This is the greatest opportunity we have had since the close of the war to further the cause of the enslaved nations. Let us take advantage of it and do everything possible to force the Soviet rulers to prove that they are sincere in their abhorrence of Stalin's crimes or to prove to the world that their present pious protestations are mere hypocritical statements, intended to mislead and deceive the free nations of the world.

I strongly urge the administration to take advantage of this golden opportunity which would strengthen the hopes and beliefs of the captive nations and their continued resistance to Soviet rule, as nothing else could. Such action by our Government would speed the day when Poland and other enslaved nations would again join the free nations of the world.

Mr. McVEY. Mr. Speaker, May 3, 1791, 165 years ago today, marks a memorable date in the history of Poland. It was on that date that the Polish Constitution was adopted, and it is on such an anniversary as this that all of the peoples of the free world are prone to reflect the struggle and sacrifice made by this nation to preserve the principles of freedom and human dignity contained in that historic document.

Even though Poland has been subjugated several times by foreign aggression since the adoption of its constitution, its spirit of independence and its devotion to God have never wavered. I am, therefore, certain that with the continuance of these ideals, Poland will surmount the Communist tyranny with which it is confronted today and will rise once again as a free nation.

It is with this hope that I today join all of the Americans of Polish ancestry in their observance of Polish Constitution Day.

Mr. WAINWRIGHT. Mr. Speaker, on the third of May 1791, on this day, 165 years ago, barely 3 years after our adoption of the creed of liberty and freedom of man took place, the Polish Constitution was promulgated. The people of Poland threw off the chains of antiquated government and embraced a document that embodied those liberties for which they had long striven.

In retrospect, we realize that the years following the signing of the Polish Constitution have not been easy for this brave country. Torn by bloodshed, maimed by war, crippled by the bonds placed upon her by despotic rulers, Poland has been conquered but courageous always. The words of Talleyrand after the Council of Vienna may still be made applicable to the future heritage of the Polish Nation:

> The Poles no longer have a common country, but they have a common language. They will remain, then, united by the strongest and most durable of bonds. They will arrive, under foreign domination, to the age of manhood, and the moment they reach that age, will not be far from that in which, emancipated, they will all be attached once more to one center.

This historic day marks the incipience of the struggle of the Polish Nation against the exponents of injustice and tyranny, against the dominating influence of its geographical neighbors, and against the forces of political enslavement. The fight is not yet over. But through the never-ending, always burning spirit of the people of Poland, she will once again be free—free to live in the democracy born on May 3, 1791—born never to die.

Mrs. KELLY of New York. Mr. Speaker, May 3 is the 165th anniversary of the Polish Constitution Day. I would like to send my best wishes to Polish Americans on the occasion of the celebration of that glorious day. Unfortunately, however, the land of their ancestors will not be openly celebrating this event; for today Poland is temporarily enslaved by the godless Communists. I say temporarily, for a Nation having such a tradition for love of liberty, justice, and freedom of worship will never be permanently subjugated by this ruthless tyranny.

Periodically Poland has been enslaved by oppressors. However, history shows that the conquerors have never been successful in keeping the gallant Poles under subjugation long.

Concrete evidence of Poland's refusal to yield to foreign despots was her courageous revolt against the Prussian and Russian invaders shortly after the first partition of her country in 1772. Each successive partition has been countered with equally vigorous resistance.

Today, the fifth partition of the country by the Communists has forced the Polish people to relinquish, once again, their fundamental freedoms. The Reds, conscious of Poland's valiant struggles in the past to retain her liberty, concentrated their attack on the ruthless suppression of nationalism and religion.

To accomplish this, the Communists attempted to impose the doctrines of Marx and Lenin on the Polish people. By the elimination of Polish culture and replacing it with Soviet ideology, the Reds hoped to insure loyalty to the state.

The propagation of communism was followed by the persecution of religion; for the Kremlin was aware that unless atheism supplanted the worship of God, Sovietization would never be complete.

However, despite terror tactics of slave labor, deportation, and genocide employed by the Reds to accomplish these ends, the Polish people have never lost their desire for freedom and they have kept their faith. Incessantly, they continue to resist complete Communist indoctrination by the atheistic Kremlin.

I wish to take the opportunity on this anniversary of Polish Constitution Day to express my confidence that the present enslavement of Poland will not endure. As in the past, Polish nationalism and love of liberty, justice, and freedom of worship will prevail over despotism.

Mr. RODINO. Mr. Speaker, the Polish Constitution, which is commemorated today was adopted more than a century and a half ago. In the year 1772 the states of Prussia, Russia and Austria fell upon Poland and, in what is known as the first partition, despoiled her of about one-fourth of her territory. This event had a strong effect on Polish opinion and when certain international developments presented a favorable opportunity the Poles took vigorous measures to strengthen their government. The result was the convening of the "Four Years' Diet" in 1788.

This famous Diet voted a series of fundamental reforms and on May 3, 1791, just 4 years after the American Constitution was written, it accepted one of the first written constitutions of Europe. This document abolished many vestiges of the old political system and converted Poland into a hereditary monarchy with ministerial responsibility.

The constitution of 1791, which was based upon the American Declaration of Independence and the French Declaration of the Rights of Man, is one for which the Polish people should be commended and praised. It embodied some of the most liberal governmental concepts of its day. It recognized greater privileges for the townsmen and the peasants and established religious toleration.

The constitution was written with the hope of giving enough stability to Poland to discourage aggressive plans of neighboring powers. However, within the space of a few years, Russia, Prussia and Austria divided up Poland in two successive partitions and destroyed its independence.

No people in all history have demonstrated a greater appreciation of freedom than the Polish people. Nor have any sacrificed more, or will sacrifice more for freedom. The fires of liberty for Poland still flame in the hearts of her people, despite their present subjection to the Communists. These fires will grow and grow; until, once again, they sweep away the oppressors of Poland. Righteousness cannot be permanently obscured by the oppression of despotism. Justice and liberty cannot be destroyed, and while Poles live, Poland will live.

Let us remember the first Polish Constitution was supported and defended by the Polish King Stanislas Augustus II, a man of rare wisdom and a patriot who said that his ideas on the constitution were "only the dreams of a good citizen." Let us thank God his dreams came true. The spirit of the Polish people in 1791 has continued throughout these 165 years and many obstacles have been encountered and overcome, and will be overcome by the gallant Polish people. They shall rise again, as no nation as freedom loving and with the earnest devotion to the cause of liberty as they are, can be permanently enslaved.

Mr. CELLER. Mr. Speaker, I wish to join on this day with all those who mark May 3 as the day of the anniversary of Poland's Constitution. It is my hope that the world will pause to commemorate it, so that all those still enslaved in Poland's confines will hear the echo of the celebration, and will take hope therefrom.

The words embodied in Poland's Constitution echo the principles contained in the Magna Carta and the Declaration of Independence. The ideals of freedom and of individual liberty expressed are similar to ours. With such a heritage to remember, the disastrous plight of the Polish people living behind that impenetrable Iron Curtain, must be decried, and the hope instilled that the day will come when Poland will once again be a free nation.

With the recent changes of face that have marked the propaganda of the Soviet rulers, word has come that many thousands of political prisoners in Poland have been given their freedom. Perhaps through such an impulse, the will toward liberty will be strengthened in the Polish people.

May Poland's Constitution see a day of celebration in the land of its origin.

Mr. VANIK. Mr. Speaker, I concur in the remarks of our distinguished majority leader, the Honorable JOHN W. MCCORMACK, of Massachusetts. The world is today reminded of the occasion of Poland's Constitution Day. It is fitting that the Congress of the United States—the world's greatest symbol of freedom—should reflect upon the circumstances of enslavement which exist in other parts of the world.

It is well that we are reminded of the Soviet-Communist domination of the Polish people at a time when Soviet leadership is attempting to delude the free world into thinking that all is well behind the Iron Curtain.

Mr. Khrushchev and Mr. Bulganin may smile and ask us to be friends, but they cannot hide the ruthless treatment of people and the relentless nature of their program. They have not released the Polish people from captivity, and they have not indicated that the new look on their faces reveals a new look at their motives. They have taken a new look at their policy of force and now believe they can achieve the same goals by fakery and deceit.

It behooves us to recognize Soviet deception and to say to the freedom-loving peoples everywhere that we will not be fooled by empty words. Debunking the Stalin legacy of oppression does not create moral integrity in his successors.

Now is the time to renew our pledge to resist Communist aggression in whatever form it appears. Today is the day to say to our Polish brethren we have not forgotten—and we will not forget.

It was fitting that the beautiful prayer in the House of Representatives today was delivered by the Reverend Valerian S. Karcz, of Hobart, Ind., in commemoration of Polish independence and the cause of freedom in the world.

Mr. ASHLEY. Mr. Speaker, I deem it a privilege to share in the commemoration of the 165th anniversary of the Polish Constitution—and in free Poland's national holiday. It is most fitting that we of the Congress of the United States grant due recognition to the historic date of May 3, 1791, the date of the birth of democratic constitutional government in Poland.

The bond between freedom-loving peoples is a strong one, Mr. Speaker, and the United States and Poland have long shared this common bond.

It is well for us to remember that as early as 1347, Poland established the first complete code of laws of Christian Europe. In 1413, Poland and Lithuania executed an agreement proclaiming for the first time in history the brotherhood of nations. In the year 1430 Poland's law—2½ centuries before England's habeas corpus—guaranteed security of the person, and recognized and safeguarded religious liberties.

The entire civilized world owes a great debt to the generations of loyal and devoted Polish people, for they have enriched western civilization beyond measure.

Today, we witness Poland's struggle against the chains of communism which, by subterfuge, duplicity, and subversion, have been cast upon her by the Soviet Union. In the name of justice and with the help of God, we must rededicate ourselves to the eventual liberation of the peoples of Poland from the yoke of tyranny. To this end, all free peoples must be unequivocally committed.

Mr. ANFUSO. Mr. Speaker, on this day, May 3, I take this opportunity to salute the people of Polish descent on the occasion of the 165th anniversary of the Polish Constitution of 1791.

That famous document is one of Poland's great contributions to the development of the idea of human freedom. Not only is May 3, 1791, a memorable date in Poland's history, but it is also a landmark in the development of constitutional government. As such, the Polish Constitution is one of the outstanding documents of all times in the annals of human progress and democracy. It ranks with our own Declaration of Independence and with the Magna Carta. Poland was among the first nation to have a written democratic constitution seeking to establish and preserve the concept of liberty for the people.

Yet through the years that followed, Poland has experienced one invasion after another, tyranny and oppression, but the spirit of the Polish people remains indomitable in the face of all this suffering. The desire for human rights and justice, for freedom and religious

toleration, is stronger today than it has ever been in the history of mankind.

America, to which the citizens of Polish extraction have contributed so much toward its greatness, must continue to give hope and the fullest measure of moral and spiritual support in their hours of anguish over the fate that has befallen their ancestral land. Our sympathy and prayers go out to the people of Poland in their present tragic plight.

Unfortunately, the heroic Polish Nation is unable to speak for itself at this time. The Communist oppressor has stamped out every form of expression in Poland, except for blind loyalty to the slavemasters. Nevertheless, the will to resist the oppressor remains strong and the hope still lingers in the hearts of the people to become liberated at an early date.

We must do everything possible to strengthen that will on the part of the people in Poland and to encourage that hope in their hearts. On this anniversary, I extend my sincerest greetings and fondest hope that Poland will soon be liberated.

THE UNITED STATES HAS A MORAL OBLIGATION TO CONTINUE TO FIGHT FOR POLISH FREEDOM

Mr. DONOHUE. Mr. Speaker, on this Polish Constitution Day all Americans of every racial descent join with the people of Poland in a prayer for Polish independence and a renewed pledge to continue to work for the restoration of liberty and freedom to Poland and the rest of the enslaved Christian world.

No one who understands the great contribution to our own independence of the immortal Polish heroes of the Revolution or who has read of the glorious history of Poland in defense of Christian principles can help having tremendous admiration for the courage, patience, and fortitude of the Polish people in their current struggle to regain independence.

Heroic Poland gave us the best and most inspiring modern example of sacrifice for Christian principle in that terrible engagement with the Communists in 1920. The Polish people proved then to the world that they were among the very, very few who early recognized the planned and determined Kremlin objective of reducing the free world to pagan slavery. Would that we had wisely learned from their example and the recent years of too much appeasement and too often retreat, of developing world confusion and of increasing turmoil might well have been avoided.

The price the Polish people paid for their early courageous resistance to Communist attack was catastrophic and the blow was even more severe when it appeared that their supposed allies turned their backs upon and heads away from their cruel plight under Soviet subjugation and tyranny. The debt the free world owes to heroic Poland for her courageous struggle against the Communist horde 36 years ago still remains unpaid and will remain as a blot upon the moral integrity of this country and the United Nations until it is paid.

That is why we as Americans must never relax our efforts to help the Polish people to reestablish their freedoms under their own chosen government. As a nation dedicated ourselves to the democratic principles of personal liberty and individual freedom, the United States Government has an obligation to unceasingly maintain the right of Poland to her independence and persevere, both as an individual nation and as a member of the United Nations, in demanding that the Communist leaders grant freedom and independence to Poland. We can do no less and still call ourselves a Christian democratic country while we join in prayer that the day will soon come when Poland, and all the other enslaved nations, will once again happily enjoy their personal and national freedom.

Mr. KEARNEY. Mr. Speaker, the self-termed "collective leadership" of the Soviet Union have good reason to fear the date of May 3. The 3d day of May is the Polish Constitution Day, the day of unity of though and action for all Poles worth of the Polish heritage of freedom.

Press dispatches on April 20 brought out that Poland's Communist regime had fired or demoted the Minister of State farms, the prosecutor general, and the chief military prosecutor general.

Press dispatches of April 21 announced the dismissal of the minister of justice and the downgrading of the minister of culture by Poland's Communist regime.

Press dispatches on April 22 pointed to the freeing of 30,000 Poles and the reduction of prison sentences to 70,000 others by Poland's Communist regime.

What is the meaning of this shift in command among Poland's servile Communist leaders?

In my opinion, Shakespeare best expressed the meaning of this readjustment when he wrote in Macbeth, "It is a tale told by an idiot, full of sound and fury, signifying nothing."

Tools of the Stalin Communist faction in Poland have merely been replaced by tools of the Communist collective leadership faction. It is highly probable, also, that those who have been released from prison by the alleged amnesty are either Communists or true Poles, so broken in mind and body, that they are no longer considered a threat to their Communist oppressors.

Buried deep in the news dispatch of April 22 is the real cause of the feverish activity among Communists in Poland.

Reuters quotes the Communist Polish radio as saying:

> Emigre criminals will be pardoned if they return to Poland before July 22, Polish National Day.

July 22 is the day the Communists of Poland want to impose on the Polish people as their day. It is no true Polish holiday.

May 3—Polish Constitution Day, the day Communists fear—is the day all true Poles honor.

The Polish Constitution of May 3, 1791, was inspired by the awakened consciousness of human rights, the same awakening which led to the adoption of the French Declaration of Rights and the Constitution of the United States.

The May 3 constitution of Poland was adopted in an hour of utmost national peril. Even as the men who formed it were deliberating, the absolute powers of Russia, Prussia, and Austria were preparing for the final partition of Poland. In spite of the success of absolutism over freedom, the May 3 constitution remained, with its lofty ideals of liberty and national and individual integrity, as a beacon for guidance—a living testament for future generations of Poles that it was their God-given right to be free.

After the rebirth of Poland in 1918, a new, a more modern constitution was enacted. Nevertheless, May 3—the day of the 1791 constitution—was proclaimed as the national holiday. It remained the national holiday throughout World War II. It was abolished as such only when the Communist regime gained complete control over Poland in 1945.

We of the United States have been aware that Poland has been under Communist domination since 1945. We are, also, aware that any attempts at active resistance by the unarmed Polish people would be instantly and brutally crushed by their Communist oppressors. But, we are also strongly aware that, although overt resistance is impractical, passive resistance continues with uninterrupted force.

The Catholic Church—free under the May 3 constitution—is a glowing lamp of liberty.

The Catholic Church and its adherents, representing 95 percent of the total present-day population of Poland—has always been identified with Polish patriotism and with Poland's unrelenting fight for independence.

What has been the Communist attitude toward the Catholic Church in Poland?

Communist propaganda maintains that there is freedom of religion in Poland.

The truth is that there have been frontal attacks against the Catholic Church by the Communists since 1945. Both Stalinist and collectivist Communist leaders have tried in vain to impose thought control in religious matters upon the Polish people. When they failed to sway the Polish people from their deep-rooted beliefs, they began to systematically persecute the church leaders. Cardinal Wyszynski was imprisoned. Prison gates clanged behind Bishop Adamski, and his brother bishops, Bieniek, Bednorz, Kaczmarek, Baraniak, and Bernacki. Hundreds of minor parish priests met the same fate. Still more hundreds were deprived of their right to carry out church duties.

What has been the end result of this planned campaign to paganize Poland?

Today, churches are overcrowded. There has been no material drop in the percentage of communicants in the Catholic Church in Poland. In fact, because the Communists oppose the Catholic Church, church attendance is one sure way for the true Pole to assert his anti-Communist feelings.

The May 3 constitution allowed free Polish to cross the boundaries of their nation at will.

In 1956, the Communist oppressors have to watch the frontiers. Guarding these frontiers are long stretches of

barbed wire, mine fields, police-dog patrols, searchlights, and thousands of soldiers. These warlike preparations are not designed to protect Poland from outsiders. Rather, they are created to prevent Poles from leaving their native land for the free West.

Have these police-state methods succeeded?

The answer is a resounding, "No." Notwithstanding these elaborate precautions, flights from Poland take place every day. Those who seek and find sanctuary in the free West represent every strata of Polish population. There are university professors among them. Government officials, soldiers, peasants, workers, and students daily risk their lives in the pursuit of liberty.

Polish seamen are specially eager to be free. The number who have run the Communist gantlet runs into hundreds, even thousands. Only a few weeks ago, a group of Americans of Polish ancestry financed and equipped a ship whose crew, for the most part, is composed of seamen who have jumped ship from vessels of the Communist Polish merchant marine.

This ship is named *Wolna Polska*—meaning free Poland.

The May 3 constitution firmly established the right of the Polish peasant to own land.

The Communist regime in Poland has tried to introduce the system of agriculture prevailing in the Soviet Union—to deprive the peasants of their land, to coerce them into joining collectives. The favored peasants who still keep their land must pay taxes approximating half of their income. In addition to this tax, the peasants are forced to turn over to their Communist oppressors staggering quotas of grain, milk, livestock, and potatoes. Quite recently, the Communists have admitted that peasants are often forced to buy grain on the free market in order to meet this compulsory quota. What is more, the peasants have to pay four times the official price for this free-market grain.

In spite of this fierce pressure, the Polish peasants still resist collectivism. So strong has been this resistance that the Communist regime has only succeeded in collectivizing 9 percent of the arable land.

The Polish peasant does not want to be a farmhand on a collective farm. He wants to be free to work his own land—his by right of inheritance, his by the letter and spirit of the May 3 constitution.

The May 3 constitution encouraged self-expression among Polish musicians, artists, and writers.

The Communist regime halted all intellectual progress. Art, and particularly literature, has been under strict supervision from the outset of the Communist occupation. It has been under the restriction of the principles of the so-called socialistic realism since 1949. This Communist doctrine orders all creative artists, in their productions, to carefully avoid showing the true picture of life as they see it. Instead, they are ordered to produce a distorted picture of life, designed solely for use by the Communists for propaganda purposes. Directly due to these restrictions during the 11 years of Communist occupation, there has been a steady decline of original and worthwhile Polish art.

The creative artist had one choice to make. He had to chose between the Communist line and starving to death. Some abandoned their art entirely. Others created only to survive.

Resentment grew in the minds and hearts of these Polish creative artists. Finally, during the March 1956 meeting of the Art and Culture Council, which controls all art in Poland, this resentment came to a head. After a bitter debate, these artists surmounted their fear of reprisal by the Communist regime and condemned the unnatural principles of socialistic realism.

The creative artists of Poland had reverted to the freedom spelled out in the constitution of May 3, 1791.

The Communist oppressors of Poland well know the anti-Communist feeling of Polish peasants, workers, priests, and professional people.

As a result, they have falsified election results, outlawed free political parties, suppressed the opposition press, and denied the Polish people access to news of the outside world.

More than anything else, however, they have tried to stamp out the memory of the May 3 constitution. May 3 was, and is, the rallying point of all free Poles. They are even willing to bribe Poles who have fled their Communist oppressors with false liberty, provided they return by July 22. They hope that July 22 will erase May 3.

It never will.

The people of Poland cannot celebrate May 3 in the open in 1956.

Let us in the United States, we who are free, honor that day for them. Let us honor our own Constitution as we honor that of the people of Poland. Without our Constitution we could never have attained true freedom. With our Constitution, true freedom can never be lost.

Let us bow our heads and think of Poland on May 3.

Mr. WILLIAMS of New Jersey. Mr. Speaker, I would like to call to the attention of the Congress the fact that May 3, the occasion of Poland's Constitution Day, is a particularly fitting time to recall Poland's historic struggle to regain her lost freedom through generations of oppression and rule by conquerors. Today the changing atmosphere behind the Iron Curtain quickens the hearts of Poles everywhere in the hope that their beloved homeland may once again see freedom.

From the time Poland reached full-grown statehood in the 14th century ideas of democracy, freedom, religion, toleration, intellectual culture have been of first importance in that nation. These ideas are the traditions of the people rather than of the state. During the 19th century, when no Polish state existed, the nation nonetheless endured tenaciously, and, indeed, the people, lacking a state, clung all the more closely to their traditions. Not what the Polish state has been and has done but what the Polish people have been and still are—these are the components of that great tradition. It has been carried on by men and women, not by governmental bodies or agencies. The achievements resulting from the tradition are personal, not official, and those persons who achieved much during former glorious centuries remain vivid in the memories of their descendants, state or no state. When Poland was restored in 1918 that tradition sprang at once into national and political effectiveness, as witness the turning back of the Bolshevik invasion.

During Poland's golden age, in the 16th century, much of the Polish tradition took shape. Time and again, far oftener than most of us today trouble to recall, the Poles were the eastern defenders of Christianity, order, and civilization itself. The eastern hordes of Tartars, Turks, and—in the 20th century—Bolsheviks were turned back by the valor and sacrifice of Poles whose bodies today lie in the soil fought over a hundred times.

Of few national traditions can Poles be more proud than that of tolerance—chiefly in the religious and political spheres, but also as a personal trait of the individual. In tolerant Poland of the middle ages the Jews found refuge from the persecutors who pursued them in other nations of Europe. In the 16th century, Poland was the only place that gave the Protestant revolution a just hearing. Jan Zamoyski, perhaps the greatest of all Poles, expressed this religious tolerance when he called together his friends who had left the Catholic Church; he would gladly give half his remaining life to see them return to the church, he said, but rather than see them return under compulsion he would lay down his life.

The Polish political tradition of nonaggression was clearly evidenced in the 15th and 16th centuries when Poland increased her territory threefold and her population twofold without intimidation, terror, or bloodshed. Her characteristic tolerance made other groups, the Lithuanians and Ruthenians, desire to join Poland.

The fate of Poland, the traditional friend of the United States, will always be of primary interest to Americans, if only in remembrance of the heroic work of Kosciuszko and Pulaski in helping the American colonies to win their independence.

Today, the Polish struggle for liberation is widespread. It is being waged on the national, social, cultural, and moral levels, where human mind and feeling often play a greater role than that of bayonet, prison, or concentration camp. The characteristics of national temperament of which I have spoken undoubtedly will help the Polish people endure the present Soviet occupation. The tradition of individualism constitutes an obstacle to the subordination of Poland to the Communist system which disregards the dignity and freedom of man.

We will never rest easily, never forget the Poles' justifiable and burning desire for freedom until the yoke of Soviet enslavement and brutality has been lifted. We look to the day when Poland will again emerge a strong, free, prosperous, and happy nation. We know the people will never give up their hope for the arrival of that day. With the help

of courage, perseverance, and faith in freedom, that day will come. I know.

Mr. REUSS. Mr. Speaker, there are certain landmarks in the history of mankind's efforts toward a society of liberty under law which Americans can never forget. Just because Americans are drawn from the peoples of every part of the world, in a special way they find their inspiration in the history of those peoples.

On May 3 we mark the 165th anniversary of the Polish Constitution of 1791. It is a sobering thought that for most of those 165 years the Polish people have not been their own masters, least of all today, when they must bear their enslavement by the Communist tyrants. Yet, the spirit of freedom has always burned fiercely in Polish hearts, and the constitution which they adopted on May 3, 1791, is a shining example of the embodiment of democratic principles.

No celebrations will be allowed in Poland today, but we in America can commemorate this day by reaffirming our own dedication to the fundamental precepts of the Polish Constitution of 1791 and by restating our determination that the Polish people shall once again be free.

Mr. WIER. Mr. Speaker, I consider it an honor to participate in the celebration of the anniversary of Polish independence and to pay tribute to a heroic people. Today all people of Polish extraction greet this eventful date with a song on their lips, the Third of May Mazurka, and I am sure that even though the Iron Curtain alters the tones and distorts the words, the echo repeats from all sides: "Poland is not dead yet, while we are alive."

On May 3, 1791, Poland guaranteed freedom to all her citizens by adopting a constitution, and became the first nation in Europe to have a written democratic document proclaiming the principles of human liberty.

On September 1, 1939, Poland was the first nation to take up arms to resist Nazi aggression—the first who had the courage to say, "No" to Hitler. Poland in her international policy was faithful at all times, not only to the letter but also to the spirit of her treaties, and did not allow herself to be led astray by the Nazi proposal to take part in an attack on Soviet Russia, and refused to cooperate in any anti-Soviet plot, abiding by her neutrality and striving for peace. Yes; Poland was first to fight, and for this honor paid dearly with the blood of her soldiers, not only in Poland during the September campaign but on all Allied fronts—in Norway, France, in the Battle of Britain, Africa, Italy, Belgium, Normandy, Holland, Germany—on the seas, and in the skies over Europe.

Poland was the first ally. While Poland was the "mother of the United Nations," she was excluded from the Conference of the United Nations, convened on April 25, 1945, at San Francisco. Yet the thought that was to guide the work of the San Francisco Conference was expressed by a Polish king in 1750—Stanislaw Leszczynski, one of the early protagonists of international cooperation, who wrote a memorandum on strengthening the general peace. The thought underlying his plan was that the community of nations should go to the assistance of any country attacked. Likewise, in 1833, Poland's greatest poet, Adam Mickiewicz, proclaimed in his works the ideal of the common brotherhood of man—a genuine international organization.

The Polish people have always been brave to the point of folly and they have always been believers in freedom. Time and again they have been found defending the rights of men and women to live their own lives in their own way. The Polish people fought against a German invader trying to steal other peoples' lands as far back as the year 963. In 1241 they saved Europe from the invading Tartar hordes. In 1685 it was Sobieski and the gallant Poles who protected and saved Christianity from the ravages of the Mohammedan sword and stopped the infidel hordes from overrunning Europe and destroying the Christian people. The liberty-loving Poles came to the aid of our American Colonies in the Revolutionary War. Wherever liberty and justice are at stake, the sons of Poland never fail to rally. Thousands of Polish boys from my State fought courageously on the battlefields of Korea.

Poland has always been devoted to the cause of humanity. Her contributions to human liberty and free institutions are glorious. She is a symbol of freedom and of peace.

In observing this anniversary of a great event in the history of Poland, let us recognize that the fate of this old, brave, great nation still disturbs the world and America. At Yalta, Teheran, and Potsdam, we played a role not entirely compatible with our ideals. Let us all hope and pray that Poland, the first nation in Europe to adopt a democratic form of government, will be permitted to work out her own destiny under a government of her own, chosen by her own people.

Mr. KLUCZYNSKI. Mr. Speaker, it was a warm and pleasant day in Warsaw on that May 3, 1791, when the Sejm—Parliament—was called to meet. Quite a few of the deputies were still vacationing on their private estates, scattered all over the country. Some citizens and the gentry who had gathered around the tables in Fukier's wine cellar, knew that something was brewing at the Sejm—what exactly, they did not know.

An old politician from out of town remarked, "The King is going to talk on some very important matter." He elaborated further, "that they will give equal rights to the peasants, commoners, and Jews."

Someone yelled from the back, "That will be the day." And deep in the corner lying under the table a nobleman reached for his sword declaring: "That will never happen, never, as long as I live."

It was close to 11 a. m. on that memorable morning. The tension of the crowd assembled in the Sejm seemed to mount. In the galleries, spectators were chattering, men and their ladies dressed in their finest outfits were looking at one another, trying to read each others thoughts as to the big question: "Are you for, or against the new idea?"

What this great new and progressive idea was we will not repeat here. Year in and year out, we have hailed this great Polish Charter. It was equal to any other democratic legislature in existence in those days. We have mentioned its democratic character throughout, and I doubt that there is any need for repetition.

With the sound of the bell striking 11 o'clock at St. John's Church, King Stanislaw August Poniatowski, followed by a train of some 200 noblemen, officers of the guard, and royalty, entered the Sejm. Dressed in his favorite uniform of the cadet corps, he slowly proceeded toward the throne. Those opposed to the proposed program had threatened to take drastic measures in case a new order should be adopted. The chamberlain of the court and many a nobleman kept their hands ready on the hilt of their swords in case of disorder. The throne was protected by guards of the court and Ulan lancers. At the center door also, at the end of the assembly hall, stood the Sejm's marshal, and right behind him Prince Gen. Joseph Poniatowski and General Golgowski, guarding the exit against anyone who might try to get away after having caused the slightest disturbance. As the King ascended to the throne, the people in the galleries rose to their feet to get a glimpse of him. Some person yelled, "Long live the King," and the crowd in a spontaneous outburst began to hail their monarch. The opposition remained silent. Their facial expressions were hostile, as if judging a foe on the battelefield.

Malachowski, the president of the assembly, announced its opening by pounding his large cane three times against the floor, and the historical session began. To emphasize the gravity of the political situation, telegrams from Polish envoys abroad were first read. An outburst of the opposition was heard and some of them tried to leave the place but were forced back to their seats. When finally, after almost 7 hours of debating, someone rose to read the newly adopted constitution, a violent exchange of words began. At last they were interrupted by the King, who rose to his feet.

"The King behind his nation and the nation behind its King," could be heard from the galleries. Soon this phrase was picked up by the entire crowd, with the exception of a few hostile deputies. King Stanislaw August rose to his feet and solemnly swore to adhere to the constitution:

Juravi Domino, no me poenitebit—I swore to God and will not regret it—and now I call upon those who dearly love their fatherland to follow me into the church and there take an oath with me praying that God will let us succeed and see to it that we will achieve our great task.

While a great crowd with its king assembled in the church of St. John, some deputies of the opposition remained in the Sejm, arguing over their defeat, and the merits and disadvantages of the new charter. But there were not more than about 50 altogether against the 350 deputies assembled there before, they

calmly dispersed and went to their homes.

Mr. Speaker, today, 165 years after this great event, we once again bow our heads toward Poland, and its gallant nation. Although, in the last year alone some great political changes have taken place behind the Iron Curtain and the new anti-Stalin drive is in full swing, let us not be fooled by this treacherous new line. Many top-ranking Communists perished under Stalin's purges and others are now being rehabilitated and vindicated. Not one shadow of doubt remains in my mind, that this is a new trick and diversion directed at the western powers. It is a new policy of smokescreen, largely written up in our press. But who are the people leading this new policy? Are they newcomers? All of them were the closest collaborators of that tyrant, Stalin. Without them, one man could never have succeeded in wiping out entire populations, jailing others, humiliating and disgracing them. Bulganin, Khrushchev, Malenkov, Zukov, Rokossowski, and so forth, are not new names to us. They have come up ever since Stalin's became known here. And how about their protectors? General Serov, of the infamous MVD, the mass murderer of the Baltic Nations? I hope that this time we shall not repeat mistakes of the past, and will not be fooled by the "angels of Russia's new regime." The only way we will be able to save other thousands of human beings behind the Iron Curtain from further unwarranted cruelty and punishment, is to follow the spirit of the May 3 constitution, to preserve the liberty, and integrity of the Polish people.

Mr. WIGGLESWORTH. Mr. Speaker, I am happy on the occasion of the 165th anniversary of the adoption of the Polish Constitution to join in tribute to the people of Poland and the indomitable spirit which they have shown throughout the centuries.

No one can turn the pages of history without realizing the brilliant contribution which the Polish people have made to mankind in the field of literature, in the field of music, in the field of science, in the military and other fields.

No one could travel throughout Poland, meeting some of its outstanding leaders, as it has been my privilege to do in days gone by, without sensing the genius of the people.

We in America are fortunate in having some 6 million fellow citizens of Polish descent. They have contributed greatly to the life of the Nation in time of peace and in time of war, and are today playing their part in the struggle in which we are engaged for freedom and independence in a peaceful world.

America and Poland have had much in common in their love of liberty, justice, and peace and have evidenced their friendship in experience shared, and in mutual assistance rendered in time of need.

During the Revolutionary War, it was General Kosciusko and General Pulaski who came to the assistance of America.

During and after the First World War, our national leaders contributed greatly to the rebirth and rebuilding of Poland.

During the Second World War, the soldiers of Poland fought brilliantly in many theaters of the war. They fought on land, they fought in the air, their aviators winning especial renown. They fought on despite unbelievable suffering inflicted upon those at home.

We all appreciate the unbelievable suffering which those in the homeland have experienced under the yoke of Communist aggression.

We are confident, however, that the spirit of Poland which proved indomitable despite 150 years of partition by the forces of three empires will again prove indomitable despite the circumstances by which Poland is today confronted.

We look forward to the day when the ideals and courage of the Polish people will be rewarded by a government which is again independent, playing its proper role among the free nations of the world.

Mrs. CHURCH. Mr. Speaker, on May 3, which is the anniversary of the adoption of the Polish Constitution of 1791, I would like—since that heroic nation is unable to speak for itself—to commemorate for its people this significant occasion marking the former freedom and democratic practices of that nation; and also to express the hope felt by myself and millions of others in our own free land and that the future will bring to the Poles behind the Iron Curtain a release from their present bondage and an opportunity once more to function as free men in true national freedom. Not only is this the hope of individual Americans and of Americans like ourselves who represent the people of the United States in the Congress: The State Department, in a statement issued yesterday, pointed out that in recent years May 3 has become something more than the day Poles and their friends celebrate as Poland's National Day. "It has become a day on which the United States reaffirms its assurances that it is not reconciled to the bondage of Poland."

We look forward with the Polish people to the day when they can again celebrate this great occasion as a free nation.

Mrs. FRANCES P. BOLTON. Mr. Speaker, on May 3 the free people of the world pay homage to Polish Constitution Day, which the Poles themselves are prevented from observing because of the Communist conspiracy that presently dominates their land. Since the current tactical maneuvers of the Soviet Union are leading people to expect some changes in its policies toward the satellite countries, it would be well to examine the situation with reference to Poland.

The Polish Constitution was brought into force on May 3, 1791—just 2 years after our own, and was inspired by the same faith in freedom. Shortly thereafter Poland was again occupied by a foreign aggressor and remained occupied until 1918. The freedom after World War I was short-lived because the conspiracy of Hitler and Stalin showed its first fruits in the brutal partition of Poland. Stalin—and now his heirs—have prevented Poland from regaining its freedom until today.

But what of Soviet Russia's new tactics—their talk of reducing tensions and of peaceful coexistence? There are some palace revolutions occurring in Poland these days which follow the pattern of Moscow itself in removing those Communists of the Stalin cult. These changes, rather than giving the people their rights, are merely shifting the rank of certain Communists.

When Boleslaw Bierut, chairman of the Polish Communist Central Committee, died recently, the world wondered who would succeed him as the top Polish Communist. His successor was Edward Ochab, whose previous record forecasts little change for the better.

But throughout the Communist domination the gallant Poles have never lost hope of eventually realizing their legitimate ambitions for independence and the right to form a government in accord with the popular will of the people. All the information we have confirms the fact that the Poles are as bitterly opposed to communism as they were to any foreign domination.

These people must not be allowed to lose hope. They must feel certain that we who still hold freedom dear have not forgotten them. They need such reassurance that we are giving in the Congress today. And you may feel certain that our words and sentiments circulate rapidly through the Polish nation.

While being cautious of the Soviet Union's new tactics, we can still utilize them. Let us repeat over and over again that we are awaiting some positive results of their propaganda words. Let us encourage the enslaved peoples to maintain their pressures on their Soviet rulers. Eventually the irresistible forces that topple all tyrants must sweep the Communist conspiracy out of every corner of the earth.

Mr. BARRETT. Mr. Speaker, on May 3, friends of Poland celebrate the 165th anniversary of an instrument that marked a milestone in the history of a brave people—the Polish Constitution of 1791. The constitution was an attempt to do away with an outmoded government and replace it with a modern parliamentary system. By instituting drastic reforms it afforded the possibility of sound, progressive national life. In the light of the years which have followed it can be considered one of the greatest achievements in Polish history.

But in celebrating Polish Constitution Day in 1956 the true friends of Poland do not dwell overlong on the victories of the past—they examine the present and look toward the future.

The present times are indeed times of trouble. Poland today has been made the satellite of an ancient enemy, Soviet Russia. It has been subjected to ruthless, thorough, relentless sovietization. It has been flooded with Soviet propaganda, its press forced to reproduce Soviet articles, its moving-picture theaters to exhibit Soviet pictures. Soviet specialists and technicians swarm over Poland. The Polish economy has been twisted and bent to meet Soviet needs. Soviet officials occupy key positions in the army, in the secret police, and in the administration.

The teaching of religion has been suppressed, in line with Communist philosophy. Hundreds of the adherents of religious orders have been thrown into prison. The Catholic Church has been completely subordinated to the sovietized Polish Government. The children of Poland are being taught to turn their backs on the God of their fathers. They are being made to forget the ancient cultural traditions which have been the glory of their homeland.

But though the present may be dark, the future is not without hope. The year 1956 may, indeed, bring new opportunities for greater freedom undreamed of a short time ago. The latest revelations of the Stalin reign of terror in the U. S. S. R. have turned the spotlight on a fundamental weakness in any regime based on forced labor, oppression, and murder: the dictators' haunting fear of being liquidated, just as they themselves have liquidated others.

Nothing should instill more hope in the hearts of an appressed people than the knowledge that their slave masters are divided amongst themselves. In the words of an old saying "When knaves fall out, true men come to their own."

The heartfelt wish of the American people, and of their representatives in Congress, is that the day may not be far distant when the true, freedom-loving people of Poland "come to their own."

Mr. GREEN of Pennsylvania. Mr. Speaker, this is the 165th anniversary of the adoption by the people of Poland of their Constitution of May 3, 1791. That constitution, following so closely upon ours of the United States of America, was a triumph of democratic principles which has remained as a guiding light through all the hard, harsh years of Poland's oppression.

Today, as for most of the time that followed the adoption of her constitution, Poland writhes in the grip of aggressive tyranny. The country is a prisoner, but the minds and hearts of the men and women of Poland remain free. The magnificent ideals of the constitution of May 3, 1791, are firmly held and proudly believed. The day will surely come when Poland shall again stand forth as the land of freedom, peace, and prosperity.

On this anniversary I proudly join in honoring and saluting a courageous people, a country magnificent even in oppression, and a document that ranks with the world's finest expositions of the principles of human liberty and dignity.

Mr. FALLON. Mr. Speaker, I am delighted to have the opportunity to join with my colleagues in paying tribute to the noble people of Poland on this historical occasion—the 165th anniversary of the Polish Constitution of May 3, 1791.

This constitution was greeted by the people of Poland with open arms, for its adoption brought with it tolerance, equality, and justice. The constitution of May 3, 1791, was truly a sincere effort on the part of Polish statesmen to better the existing conditions of the people by establishing a constitutional democracy. This document represented the will of the people and although it is not the law of the land in Poland today, it will never be forgotten.

In World War II, Poland, despite her unpreparedness, struck back at the overwhelming forces of the Nazis with great courage. After their nation was occupied, the Polish people attempted to do all they could to fight for the cause of freedom and the dignity of man. Polish forces were organized outside their homeland, and they fought in battles in France, Italy, Belgium, and Africa.

World War II ended over a decade ago, and the first nation to stand up to the aggressor in the global conflict still remains under the chains of slavery. I am reminded of the statement once made by Lincoln, "Those who deny freedom to others deserve it not for themselves." Poland and her noble people live under a regime that completely ignores the rights and the dignity of man. The conditions under which the Poles live today are appalling and incompatible with the principles of freedom and democracy.

Poland's hour of darkness has been a tragically long one, and today, more than ever, her people need a word of encouragement and of inspiration, to fortify them in their continuous struggle for freedom. On this auspicious occasion, we have the opportunity to tell the Polish people and others who have been enslaved, that we are not resigned to their present fate. We are confident that Poland is not lost forever and that she will again achieve her rightful position among the free nations, to contribute her efforts in the cause of peace and security.

INTERNAL REVENUE CODE OF 1954

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

Mr. SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, today I have introduced a bill to amend the Western Hemisphere provisions of the Internal Revenue Code of 1954. This is a companion bill to S. 3672, introduced by Senators CAPEHART and FREAR. The purpose of this bill is to permit small business to be on an equal competitive basis with big business in the markets in the Western Hemisphere. On February 26, 1954, the Ways and Means Committee adopted unanimously a motion I made that the Treasury Department undertake a study of the taxation of Western Hemisphere trading corporations so as to eliminate the discrimination between the large and small countries conducting business in the Western Hemisphere.

In the Ways and Means Committee report on the Internal Revenue Code of 1954 with respect to the Western Hemisphere trade corporation, section 921, it is stated:

> Although your committee believes that the present Western Hemisphere trade corporation provisions produce some anomalous results, it has retained those provisions in order to avoid any disturbance at the present time to established channels of trade. (H. Rept. No. 1337, 83d Cong., 2d sess., pp. 77, 78.)

The reason for this language in the committee report was based upon the testimony of the State Department officials who expressed concern that our South and Central American friends would misinterpret any amendment to the Western Hemisphere trading act, particularly as a conference of the Western Hemisphere countries was about to take place in Caracas, Venezuela. The only reason the Ways and Means Committee did not actually adopt an amendment to the Western Hemisphere provisions was to avoid any misunderstanding.

After the Caracas convention, it was reported that an informal understanding was reached with the other countries in the Western Hemisphere in regard to possible amendment of the Western Hemisphere trading act to eliminate these discrepancies and it was reported that these countries would have no objection to such amendments. It is my understanding that the Senate Finance Committee was prepared to go ahead to amend the Western Hemisphere provisions of the Internal Revenue Code of 1954 along these lines but that a dispute arose over the drafting of the technical language to be used to accomplish the purpose. Since that date there have been many attempts made to provide proper language to eliminate these discrepancies against the smaller companies. The language of the bill I have introduced, which is a companion to S. 3672, appears to be language which will accomplish this objective. This matter has remained dormant all too long and I am very hopeful that this bill will be enacted into law.

PRIVATE CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order on Monday next for the Private Calendar to be called.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. JONES of Missouri. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 38]

Ashley	Grant	Miller, Calif.
Barden	Gregory	Mollohan
Blitch	Griffiths	Morrison
Bowler	Gubser	Nelson
Boykin	Haley	Norblad
Broyhill	Hayworth	O'Hara, Minn.
Burdick	Hoffman, Ill.	Passman
Byrd	Jenkins	Prouty
Carlyle	Johnson, Calif.	Rains
Chatham	Kearns	Simpson, Pa.
Cole	Lane	Staggers
Diggs	Lankford	Taylor
Donovan	McDowell	Utt
Eberharter	Matthews	Williams, N. Y.

The SPEAKER. Three hundred and ninety-three Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1957

Mr. MAHON, from the Committee on Appropriations, reported the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes (Rept. No. 2104), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. WIGGLESWORTH reserved all points of order on the bill.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had adopted the following resolution (S. Res. 258):

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. ALBEN W. BARKLEY, late a Senator from the State of Kentucky and a former Vice President of the United States.

Resolved, That a committee be appointed by the President of the Senate, who shall be a member of the committee, to attend the funeral of the deceased Senator at Paducah, Ky.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I take this time to inquire of the majority leader if he can inform the House as to the program for the rest of this week and next week.

Mr. McCORMACK. The program for this week will be completion of the bill now pending before the House. When that is completed today I shall ask unanimous consent that the House adjourn over until Monday. That will complete the legislative program for the present week.

On Monday the Consent Calendar will be called. There are no suspensions. After call of the Consent Calendar, bills on the Private Calendar will be called, after which the following bills will be called up for consideration:

S. 2972, a bill out of the Interstate and Foreign Commerce Committee in relation to damage and destruction of aircraft.

House Joint Resolution 501, authorizing participation in the NATO Conference on a parliamentary level.

There are primaries on Monday in Maryland so that if there are any rollcalls demanded the rollcalls will go over until Wednesday.

On Tuesday the following bills will be considered:

H. R. 2840, the library bill for rural areas.

H. R. 8901, to create and establish a District of Columbia transportation system.

There are primaries in five States on Tuesday, so that any rollcalls on that day will go over until Wednesday. In other words, any rollcalls demanded on Monday and Tuesday because of primaries will go over until Wednesday.

On Wednesday, Thursday, Friday, and Saturday if necessary, the Defense Department appropriation bill for 1957 will be called up and considered.

There are the usual reservations that any further program will be announced later and conference reports may be brought up at any time.

1956 FARM BILL

Mr. COOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 10875, with Mr. PRIEST in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read section 101 of the bill. If there are no amendments to that section the Clerk will read.

The Clerk read as follows:

TITLE I—SOIL BANK ACT

Short title

SEC. 101. This title may be cited as the "Soil Bank Act."

Declaration of Policy

SEC. 102. The Congress hereby finds that the production of excessive supplies of agricultural commodities depresses the prices and income of farm families; constitutes improper land use and brings about soil erosion, depletion of soil fertility, and too rapid release of water from lands where it falls, thereby adversely affecting the national welfare, impairing the productive facilities necessary for a continuous and stable supply of agricultural commodities, and endangering an adequate supply of water for agricultural and nonagricultural use; overtaxes the facilities of interstate and foreign transportation; congests terminal markets and handling and processing centers in the flow of commodities from producers to consumers; depresses prices in interstate and foreign commerce; disrupts the orderly marketing of commodities in such commerce; and otherwise affects, burdens, and obstructs interstate and foreign commerce. It is in the interest of the general welfare that the soil and water resources of the Nation be not wasted and depleted in the production of such burdensome surpluses and that interstate and foreign commerce in agricultural commodities be protected from excessive supplies. It is hereby declared to be the policy of the Congress and the purposes of this title to protect and increase farm income, to protect the national soil, water, and forest and wildlife resources from waste and depletion, to protect interstate and foreign commerce from the burdens and obstructions which result from the utilization of farmland for the production of excessive supplies of agricultural commodities, and to provide for the conservation of such resources and an adequate, balanced, and orderly flow of such agricultural commodities in interstate and foreign commerce. To effectuate the policy of Congress and the purposes of this title programs are herein authorized to assist farmers to divert a portion of their cropland from the production of excessive supplies of agricultural commodities, and to carry out a program of soil, water, forest, and wildlife conservation. The activities authorized under this title are supplementary to the acreage allotments and marketing quotas authorized under the Agricultural Adjustment Act of 1938, as amended, and together with such acreage allotments and marketing quotas, constitute an overall program to prevent excessive supplies of agricultural commodities from burdening and obstructing interstate and foreign commerce.

Substitute A—Acreage reserve program

Terms and Conditions

SEC. 103. (a) Notwithstanding any other provision of law, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops of wheat, cotton, corn produced in the commercial corn-producing area, other feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats), peanuts, rice, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43, and 44, respectively (hereinafter referred to as "the commodity"), under which producers shall be compensated for reducing their acreages of the commodity below their farm acreage allotments or their farm base acreages, whichever may be applicable. To be eligible for such compensation the producer (1) shall reduce his acreage of the commodity below his farm acreage allotment or farm base acreage, whichever may be applicable within such limits as the Secretary may prescribe, (2) shall specifically designate the acreage so withdrawn from the production of such commodity (hereinafter referred to as the "reserve acreage"), and (3) shall not harvest any crop from, or graze, the reserve acreage unless the Secretary, after certification by the Governor of the State in which such acreage is situated of the need for grazing on such acreage, determines that it is necessary to permit grazing thereon in order to alleviate damage, hardship, or suffering caused by severe drought, flood, or other natural disaster, and consents to such grazing. Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary. The reserve acreage shall be in addition to any acreage devoted to the conservation reserve program authorized under subtitle B of this title. The acreage reserve program may include such terms and conditions, in addition to those specifically provided for herein, in-

cluding provisions relating to control of noxious weeds on the reserve acreage, as the Secretary determines are desirable to effectuate the purposes of this title and to facilitate the practical administration of the acreage reserve program.

Before any producer is entitled to receive any compensation for participating in the acreage reserve program, he must first enter into a contract with the Secretary, which contract, in addition to such other terms and conditions as may be prescribed by the Secretary, shall contain provisions by which such producer shall agree:

(i) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

(ii) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract as the Secretary may determine to be appropriate.

(b) (1) There is hereby established for each year for which an acreage reserve program is in effect for corn a total base acreage of corn for the commercial corn-producing area proclaimed under section 327 of the Agricultural Adjustment Act of 1938, as amended, of 51 million acres. The total base acreage of corn for the commercial corn-producing area shall be apportioned by the Secretary among the counties in such area on the basis of the acreage of corn in such counties during the 5 calendar years immediately preceding the calendar year in which the apportionment is made (plus, in applicable years, the acreage diverted under previous agricultural adjustment, conservation, and soil-bank programs), with adjustments for abnormal weather conditions, for trends in acreage during such period, and for the promotion of soil-conservation practices: *Provided,* That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 percent of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of corn (planted and diverted), tillable acreage crop-rotation practices, types of soil, and topography.

(2) This subsection (b) shall become inoperative after 1956 if in the referendum conducted pursuant to section 308 (b), producers do not vote in favor of the program provided in subsection (c) of such section.

(c) For each year in which an acreage reserve program will be in effect for corn, a farm base acreage shall be established for feed grains. For 1956, in the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, and oats, for the 3 years 1953, 1954, and 1955; and outside the commercial corn-producing area, such farm base acreage for feed grains shall be the average acreage on the farm planted to grain sorghums, barley, rye, oats, and corn, for the 3 years 1953, 1954, and 1955. For 1957 and subsequent years in which an acreage reserve program will be in effect for corn, there is hereby established a total base acreage for feed grain (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats). Such total base acreage for feed grains shall be the average acreage planted to such feed grains for the 3 years 1953, 1954, and 1955, adjusted to reflect any change in the commercial corn-producing area. The total base acreage of feed grains shall be apportioned by the Secretary among the States on the basis of the acreage of feed grains (planted and diverted) in such States for the 5 calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions and for trends in acreage during such period. The base acreage of feed grains for each State, less a reserve of not to exceed 3 percent thereof for apportionment as provided by this subsection, shall be apportioned by the Secretary among the counties on the basis of the acreage of feed grains (planted and diverted) in such counties for the 5 calendar years immediately preceding the calendar year in which the apportionment is made, with adjustments for abnormal weather conditions, for trends in acreage during such period, and for the promotion of soil-conservation practices: *Provided,* That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 percent of the total base acreage that would otherwise be apportioned to the county. The base acreage for the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of past acreage of feed grains (planted and diverted), tillable acreage, crop-rotation practices, type of soil, and topography. The reserve set aside herein shall be apportioned to farms on which feed grains have not been planted for any of the crops for the 3 years immediately preceding the year for which the apportionment is made (such farms are hereinafter called new feed grain farms). Producers shall not be eligible for compensation under the acreage reserve program for feed grains on new feed-grain farms. For purposes of this subsection, section 114, and section 308 (d) the terms "plant" or "planted," as used with respect to feed grains, other than corn, shall mean plant or planted for harvest as grain.

Extent of Participation in Program

SEC. 104. For purposes of the acreage-reserve program the Secretary shall establish a national reserve acreage goal for the 1956, 1957, 1958, and 1959 crops of each commodity specified in section 103 (a). The limits within which individual farms may participate in the acreage reserve program shall be established in such manner as the Secretary determines is reasonably calculated to achieve the national reserve acreage goal and give producers a fair and equitable opportunity to participate in the acreage reserve program, taking into consideration their acreage allotments or farm base acreages, whichever may be applicable, the supply and demand conditions for different classes, grades, and qualities of the commodity, and such other factors as he deems appropriate.

Compensation of producers

SEC. 105. (a) Producers shall be compensated for participating in the acreage reserve program through the issuance of negotiable certificates which the Commodity Credit Corporation shall redeem in accordance with regulations prescribed by the Secretary (1) in cash upon presentation by the producer or by any holder in due course or (2) at the option of the producer in the case of certificates issued with respect to grains and upon presentation by him, in grains (such grains to be valued by the Secretary at such levels as he determines will not materially impair the market price for such grain yet will, to the maximum extent practicable encourage acceptance of payment in grains in lieu of cash): *Provided,* That disposition of quantities of stocks hereunder in any 1 year shall be limited to not more than two-thirds of such quantities of such commodities as the Secretary determines would be a reasonable estimate of what would have been produced for marketing during such marketing year on the acreage withheld from production under the provisions of this title: *And provided further,* That such stocks shall not be released prior to the end of the normal harvesting season for the particular commodity being released. Compensation under this section shall be at such rate or rates as the Secretary determines will provide producers with a fair and reasonable return for reducing their acreage of the commodity, taking into consideration the loss of production of the commodity on the reserve acreage, any savings in cost which result from not planting the commodity on the reserve acreage, and the incentive necessary to achieve the reserve acreage goal. The Secretary shall make an adjustment in yields for drought, flood, or other abnormal conditions in estimating the loss of production for purposes of establishing rates of compensation. The rates of payment offered under this section shall be such as to encourage producers to underplant their allotments more than 1 year. Commodities delivered to producers in redemption of such certificates shall not be eligible for tender to Commodity Credit Corporation under the price support program.

(b) No compensation shall be paid to any producer for participating in the acreage reserve program for any year until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

(c) The total compensation paid producers for participating in the acreage reserve program with respect to any year's crops shall not exceed $750 million, and with respect to any commodity for any year shall not exceed the amount shown below: Wheat, $375 million; cotton, $300 million; corn in the commercial corn-producing area, $300 million; other feed grains, $175 million; peanuts, $7 million; rice $23 million; and tobacco, $45 million. The total amount available for the acreage reserve program for any year's crops shall be apportioned among the various commodities on the basis of the amounts required to achieve the reserve acreage goal for each commodity established under section 104.

Effect on Acreage Allotments and Quotas

SEC. 106. (a) In the future establishment of State, county, and farm acreage, allotments under the Agricultural Adjustment Act of 1938, as amended, or base acreages under this title, reserve acreages applicable to any commodity shall be credited to the State, county, and farm as though such acreage had actually been devoted to the production of the commodity.

(b) In applying the provisions of paragraph (6) of Public Law 74, 77th Congress (7 U. S. C. 1340 (6)), and sections 326 (b) and 356 (g) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1326 (b), 1356 (g), relating to reduction of the storage amounts of wheat and rice, the reserve acreage of the commodity on any farm shall be regarded as wheat acreage or rice acreage, as the case may be, on the farm.

Subtitle B—Conservation reserve program

Terms and Conditions

SEC. 107. (a) To effectuate the purposes of this title the Secretary is hereby authorized to enter into contracts for periods of not less than 3 years with producers determined by him to have control for the contract period of the farms covered by the contract wherein the producer shall agree:

(1) To establish and maintain for the contract period protective vegetative cover (including but not limited to grass and trees), water-storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses on a specifically designated acreage of land on the farm regularly used in the production of crops (including crops, such as tame hay,

alfalfa, and clovers, which do not require annual tillage).

(2) To devote to conserving crops or uses, or allow to remain idle, throughout the contract period an acreage of the remaining land on the farm which is not less than the acreage normally devoted only to conserving crops or uses or normally allowed to remain idle on such remaining acreage.

(3) Not to harvest any crop from the acreage established in protective vegetative cover, excepting timber (in accordance with sound forestry management) and wildlife or other natural products of such acreage which do not increase supplies of feed for domestic animals.

(4) Not to graze any acreage established in protective vegetative cover prior to January 1, 1959, or such later date as may be provided in the contract, except pursuant to the provisions of section 103 (a) (3) hereof; and if such acreage is grazed at the end of such period, to graze such acreage during the remainder of the period covered by the contract in accordance with sound pasture management.

(5) Not to adopt any practice, or divert lands on the farm from conservation, woods, grazing, or other use, to any use specified by the Secretary in the contract as a practice or use which would tend to defeat the purposes of the contract.

(6) (A) In the event that the Secretary determines that there has been a violation of the contract at any stage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, to forfeit all rights to payments or grants under the contract, and to refund to the United States all payments and grants received by him thereunder.

(B) In the event that the Secretary determines that there has been a violation of the contract but that such violation is of such a nature as not to warrant termination of the contract, to accept such payment adjustments, forfeit such benefits, and make such refunds to the United States of payments and benefits received by him, under the contract, as the Secretary may determine to be appropriate.

(7) To such additional provisions as the Secretary determines are desirable and includes in the contract to effectuate the purposes of this title and to facilitate the practical administration of the conservation reserve program, including provisions relating to control of noxious weeds.

(b) In return for such agreement by the producer the Secretary shall agree:

(1) To bear such part of the cost (including labor) of establishing and maintaining vegetative cover or water-storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, on the designated acreage as the Secretary determines to be necessary to effectuate the purposes of this title, but not to exceed a maximum amount per acre or facility prescribed by the Secretary for the county or area in which the farm is situated; and

(2) To make an annual payment to the producer for the term of the contract upon determination that he has fulfilled the provisions of the contract entitling him to such payment. The rate or rates of the annual payment to be provided for in the contracts shall be established on such basis as the Secretary determines will provide producers with a fair and reasonable annual return on the land established in protective vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, taking into consideration the value of the land for the production of commodities customarily grown on such kind of land in the county or area, the prevailing rates for cash rentals for similar land in the county or area, the incentive necessary to obtain contracts covering sufficient acreage for the substantial accomplishment of the purposes of the conservation-reserve program, and such other factors as he deems appropriate. Such rate or rates may be determined on an individual farm basis, a county or area basis, or such other basis as the Secretary determines will facilitate the practical administration of the program.

(c) In determining the lands in any area to be covered by contracts entered into under this section, the Secretary may use advertising and bid procedure if he determines that such action will contribute to the effective and equitable administration of the conservation-reserve program.

(d) A contract shall not be terminated under paragraph (6) of subsection (a) unless the nature of the violation is such as to defeat or substantially impair the purposes of the contract. Whenever the State committee believes that there has been a violation which would warrant termination of a contract, the producer shall be given written notice thereof by registered mail or personal service, and the producer shall, if he requests such an opportunity within 30 days after the delivery or service of such notice, be given an opportunity to show cause, in an informal proceeding before the county committee under regulations promulgated by the Secretary, why the contract should not be terminated. If the producer does not request an opportunity to show cause why the contract should not be terminated within such 30-day period, the determination of the State committee made in accordance with regulations of the Secretary shall be final and conclusive. If the producer within such 30-day period requests an opportunity to show cause why the contract should not be terminated, the county committee, at the conclusion of the proceedings, shall submit a report, including its recommendations, to the State committee for a determination, on the basis of such report and such other information as is available to the State committee, as to whether there has been a violation which would warrant termination of the contract. The producer shall be accorded the right, in accordance with regulations promulgated by the Secretary, to appear before the State committee in connection with the State committee's determination of the issue. The producer shall be given written notice by registered mail or personal service of the State committee's determination. If the producer feels aggrieved by such determination, he may obtain judicial review of such determination by filing a complaint with the United States district court for the district in which the land covered by the contract is located, within 90 days after the delivery or service of notice of such determination, requesting the court to set aside such determination. Service of process in such action shall be made in accordance with the rule for service of process upon the United States prescribed by the Rules of Civil Procedure for the United States District Courts. The copy of the summons and complaint required to be delivered to the officer or agency whose order is being attacked shall be sent to the chairman of the State committee. The action in the United States district court shall be a trial de novo to determine whether there has been a violation which would warrant termination of the contract. If the producer does not seek judicial review of the State committee's determination within the 90-day period allowed therefor, the State committee's determination shall be final and conclusive. The terms "county committee" and "State committee" as used herein refer to the county and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

Conservation Reserve Goal

SEC. 108. (a) The Secretary shall not later than February 1 of each year determine and announce the national conservation reserve goal for such year. Such goal shall be that percentage which the Secretary determines it is practicable to cover by contracts during such year of the number of acres, if any, by which (1) the acreage used for the production of agricultural commodities during the year preceding the year for which such determination is made, plus any acreage then in the acreage or conservation reserve program or retired from production as a result of acreage allotments or marketing quotas, exceeds (2) the acreage needed during the year for which such determination is made for the production of agricultural commodities for domestic consumption and export and an adequate allowance for carryover. As soon as practicable after the enactment of this title the Secretary shall determine the national conservation acreage goal for 1956.

(b) In distributing the national acreage goal among the various States and major crop production regions, the Secretary shall give due regard to the respective needs of the various States and regions for flood control, drought control, and other conservation benefits; the desires of producers in particular States or regions to participate in the conservation program; the diversion of acreage from crops under acreage allotments or marketing quotas; and the need to assure adequate production of agricultural commodities and products not in surplus and to discourage the production of agricultural commodities and products in surplus.

(c) The Secretary shall transmit to the Congress on or before March 15 of each year a report of the scope of the conservation reserve program for the preceding year and the basis for participation in such program in the various States and major crop-production regions of the country.

Authorized Period of Contracts and Expenditures

SEC. 109. (a) The Secretary is authorized to formulate and announce programs under this subtitle B and to enter into contracts thereunder with producers during the 5-year period 1956–1960 to be carried out during the period ending not later than December 31, 1969, except that contracts for the establishment of tree cover may continue until December 31, 1974.

(b) The period covered by any contract shall not exceed 10 years, except that contracts for the establishment of tree cover may extend for 15 years.

(c) In carrying out the conservation reserve program, the Secretary shall not enter into contracts with producers which would require payments to producers, including the cost of materials and services, in excess of $450 million in any calendar year.

Termination and Modification of Contracts

SEC. 110. (a) The Secretary may terminate any contract with a producer by mutual agreement with the producer if the Secretary determines that such termination would be in the public interest.

(b) The Secretary may agree to such modification of contracts previously entered into as he may determine to be desirable to carry out the purposes of this title and to facilitate the practical administration of the conservation reserve program.

Conservation Materials and Services

SEC. 111. (a) The Secretary may purchase or produce conservation materials and services and make such materials and services available to producers under the conservation reserve program to aid them in establishing vegetative-cover or water-storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B, may reimburse any Federal, State, or local Government agency for conservation materials and services furnished by such agency, and may pay expenses necessary in making such materials, and services available, including all or part of the costs incident to the delivery, appli-

cation, or installation of materials and services.

(b) Notwithstanding any other provision of law, in making conservation materials and services available to producers hereunder, the Secretary may make payments, in advance of determination of performance by the producers, to persons who fill purchase orders covering approved conservation materials or who render services to the Secretary in furnishing to producers approved conservation materials or services for the establishment by the producers of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under contracts authorized by this subtitle B. The price at which purchase orders for any conservation material or service are filled may be limited, if the Secretary determines that it is necessary in the interest of producers and the Government, to a fair price fixed in accordance with regulations prescribed by the Secretary.

Effect on Other Programs

SEC. 112. Notwithstanding any other provision of law—

(1) insofar as the acreage of cropland on any farm enters into the determination of acreage allotments and marketing quotas under the Agricultural Adjustment Act of 1938, as amended, the cropland acreage on the farm shall not be deemed to be decreased during the period of any contract entered into under the conservation reserve program by reason of the establishment and maintenance of vegetative cover or water storage facilities, or other soil-, water-, wildlife-, or forest-conserving uses, under such contract; and

(2) the acreage on any farm which is determined under regulations of the Secretary to have been diverted from the production of any commodity in order to carry out the contract entered into under the conservation reserve program shall be considered acreage devoted to the commodity for the purposes of establishing future State, county, and farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended, and base acreages under this act.

Geographical Applicability

SEC. 113. This subtitle B shall apply to the continental United States, and, if the Secretary determines it to be in the national interest, to one or more of the Territories of Alaska and Hawaii, the Commonwealth of Puerto Rico, and the Virgin Islands, and as used in this subtitle B, the term "State" includes Alaska, Hawaii, Puerto Rico, and the Virgin Islands.

Subtitle C—General provisions

Compliance With Acreage Allotments

SEC. 114. No person shall be eligible for payments or compensation under this title with respect to any farm for any year in which (1) the acreage of any basic agricultural commodity other than wheat or corn on the farm exceeds the farm acreage allotment for the commodity under title III of the Agricultural Adjustent Act of 1938, as amended, or (2) the wheat acreage on the farm exceeds the larger of the farm wheat acreage allotment under such title or 15 acres, or (3) the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn or the farm acreage allotment, whichever is in effect, or (4) the acreage planted to feed grains on the farm exceeds the farm base acreage for feed grains, except that such requirement for compliance with the farm base acreage for feed grains shall not apply for 1956. For the purpose of this section, a producer shall not be deemed to have exceeded his farm acreage allotment or farm base acreage, unless such producer knowingly exceeded such allotment or base acreage and, in the case of wheat, unless such producer knowingly exceeded the farm acreage allotment or 15 acres, whichever is larger.

Reapportionment Prohibited

SEC. 115. No acreage diverted from the production of any commodity subject to acreage allotments as a result of participation in the acreage reserve or conservation reserve programs shall be reapportioned or allotted to any other farm.

Certificate of claimant

SEC. 116. Subject to the provisions of section 105 (b), payment or compensation authorized by this title may be made upon the certificate of the claimant, in such form as the Secretary may prescribe, that he has complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief.

Utilization of local and State committees

SEC. 117. In administering this title in the continental United States, the Secretary shall utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

Utilization of other agencies

SEC. 118. With respect to conservation aspects of any program under this title, the Secretary shall consult with the soil-conservation districts, State forests, State game and fish agencies, land-grant colleges, and other appropriate agencies of State governments, and with the Fish and Wildlife Service, in the formulation of program provisions at the State and county levels. The technical resources of the Soil Conservation Service, the Forest Service, the land-grant colleges, the State foresters, State game and fish agencies, the Fish and Wildlife Service, and other appropriate technical services shall be utilized, so far as practicable, to assure coordination of conservation activities and a solid technical foundation for the program.

Utilization of land use capability data

SEC. 119. In administering this title the Secretary shall utilize to the fullest practicable extent land use capability data, including capability surveys as developed by the Soil Conservation Service, and shall carry forward to completion as rapidly as possible the basic land inventory of the Nation.

Financing

SEC. 120. (a) The Secretary is authorized to utilize the facilities, services, authorities, and funds of the Commodity Credit Corporation in discharging his functions and responsibilities under this title, including payment of costs of administration for the programs authorized under this title: *Provided*, That the Secretary shall, prior to February 1, 1957, or such earlier date as may be practicable, submit to the Congress for immediate reference to the Committees on Appropriations of the Senate and House of Representatives a full program of all operations under this title which will require the making of expenditures during the fiscal year ending June 30, 1958; and, after June 30, 1957, the Commodity Credit Corporation shall not make any expenditures for carrying out the purposes of this title unless the Corporation has received funds to cover such expenditures from appropriations made to carry out the purposes of this title. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this title, including such amounts as may be required to make payments to the Corporation for its actual costs incurred or to be incurred under this section.

(b) All funds available for carrying out the purposes of this title shall be available for transfer to such agencies of the Federal or State governments as the Secretary may request to cooperate or assist in carrying out this title; and for technical assistance in formulating and carrying out the programs authorized by this title. The Secretary may make such payments in advance of determination of performance.

Finality of determinations

SEC. 121. The facts constituting the basis for any payment or compensation, or the amount thereof, authorized to be made under this title, when officially determined in conformity with applicable regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any producer who is entitled to any payment or compensation dies, becomes incompetent, or disappears before receiving such payment or compensation, or is succeeded by another who renders or completes the required performance, the payment or compensation shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and so provide by regulations.

Protection of Tenants and Sharecroppers

SEC. 122. In the formulation and administration of programs under this title, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers, including provision for sharing, on a fair and equitable basis, in payments or compensation under this title, and including such provision as may be necessary to prevent them from being forced off the farm. Applications to participate in any such program shall specify the basis on which the landlord, tenants, and sharecroppers are to share in such payments or compensation, and no contract under any such program shall be entered into unless such basis is approved by the county committee and incorporated into the contract. The standards prescribed by the Secretary for the guidance of county committees in determining whether any such basis shall be approved shall include the requirement that consideration be given to the respective contributions which would have been made by the landlord, tenants, and sharecroppers in the production of the crops which would have been produced on the acreage diverted from production under the contract and the basis on which they would have shared in such crops or the proceeds thereof.

Penalty for Grazing or Harvesting

Sec. 123. Any producer who knowingly and willfully grazes or harvests any crop from any acreage in violation of a contract entered into under section 103 or 107 shall be subject to a civil penalty equal to 50 percent of the compensation payable for compliance with such contract for the year in which the violation occurs. Such penalty shall be in addition to any amounts required to be forfeited or refunded under the provisions of such contract, and shall be recoverable in a civil suit brought in the name of the United States.

Regulations

SEC. 124. The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this title.

Production on Government Lands Prohibited

SEC. 125. The President shall, with respect to farmlands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of such lands for the production of price-supported crops in surplus supply.

Pooling of Conservation Reserve Land

SEC. 126. Whenever management of family farms or optimum land use will be aided, the Secretary of Agriculture is authorized to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms.

TITLE II—SURPLUS DISPOSAL

Program of Orderly Liquidation

SEC. 201. (a) The Commodity Credit Corporation shall, as rapidly as possible consistent with its existing authority, the operation of the price-support program, and orderly liquidation, dispose of all stocks of agricultural commodities held by it.

(b) The Secretary shall submit to Congress within 90 days after the enactment of this act detailed programs, with recommendations for any additional legislation needed to carry out such program, (1) for the disposition of surplus commodities as required by subsection (a) above; (2) for a food stamp plan or similar program for distribution through States (including the District of Columbia, the Territories, Puerto Rico and the Virgin Islands) and local units of Government of future surplus production to needy persons in the United States, its Territories, and possessions, so as to prevent the accumulation of commodities in the hands of the Commodity Credit Corporation; and (3) for strategic stockpiling of foodstuffs and other agricultural products (A) inside the United States and (B) outside the United States as authorized in section 415 of the Mutual Security Act of 1954. The Secretary shall report annually on his operations under subsection (a) and such reports shall show—

(1) the quantities of surplus commodities on hand;

(2) the methods of disposition utilized and the quantities disposed of during the preceeding 12 months;

(3) the methods of disposition to be utilized and the estimated quantities that can be disposed of during the succeeding 12 months;

(4) a detailed program for the expansion of markets for surplus agricultural commodities through marketing and utilization research and improvement of marketing facilities; and

(5) recommendations for additional legislation necessary to accomplish the purposes of this section.

Extra-Long Staple Cotton

SEC. 202. (a) Hereafter the quota for cotton having a staple length of one and one-eighth inches or more, established September 20, 1939, pursuant to section 22 of the Agricultural Adjustment Act of 1933, as amended, shall apply to the same grades and staple lengths included in the quota when such quota was initially established. Such quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

(b) Beginning not later than August 1, 1956, the Commodity Credit Corporation is directed to sell for export at competitive world prices its stocks of domestically produced extra long staple cotton on hand on the date of enactment of this act. The amount offered and the price accepted by the Commodity Credit Corporation shall be such as to dispose of such quantity in an orderly manner and within a reasonable period of time.

Agreements Limiting Imports

SEC. 203. The President may, whenever he determines such action appropriate, negotiate with representatives of foreign governments in an effort to obtain agreements limiting the export from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products, and the President is authorized to issue regulations governing the entry or withdrawal from warehouse of any such commodity, product, textiles, or textile products to carry out any such agreement. Nothing herein shall affect the authority provided under section 22 of the Agricultural Adjustment Act (of 1933) as amended.

Appropriation To Supplement Section 32 Funds

SEC. 204. There is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1957, the sum of $500 million to enable the Secretary of Agriculture to further carry out the provisions of section 32, Public Law 320, 74th Congress, as amended (7 U. S. C. 612c), subject to all provisions of law relating to the expenditure of funds appropriated by such section, except that up to 50 percent of such $500 million may be devoted during any fiscal year to any one agricultural commodity or the products thereof.

Transfer of Bartered Materials to Supplemental Stockpile

SEC. 205 (a) Strategic and other materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products, unless acquired for the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U. S. C. 98–98h), of for other purposes shall be transferred to the supplemental stockpile established by section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704).

(b) Strategic materials acquired by the Commodity Credit Corporation as a result of barter or exchange of agricultural commodities or products may be entered, or withdrawn from warehouse, free of duty.

(c) In order to reimburse the Commodity Credit Corporation for materials transferred to the supplemental stockpile there are hereby authorized to be appropriated amounts equal to the value of any materials so transferred. The value of any such material for the purpose of this subsection, shall be the lower of the domestic market price or the Commodity Credit Corporation's investment therein as of the date of such transfer, as determined by the Secretary of Agriculture.

Surplus Disposal Administrator

SEC. 206. The Secretary of Agriculture is authorized to apoint an agricultural surplus disposal administrator, at a salary rate of not exceeding $15,000 per annum, whose duties shall include such responsibility for activities of the Department, including those of the Commodity Credit Corporation, relating to the disposal of surplus agricultural commodities as the Secretary may direct.

Payment of Ocean Freight

SEC. 207. The Agricultural Trade Development and Assistance Act of 1954, as amended, is amended as follows:

(a) The first sentence of section 103 (a) is amended by striking out the word "and" following the words "handling costs," and by inserting immediately before the period the following: "and, (3) all Commodity Credit Corporation funds expended for ocean freight costs authorized under title II hereof for purposes of section 416 of the Agricultural Act of 1949, as amended."

(b) Section 201 is amended by striking out "f. o. b. vessels in United States ports."

(c) The first sentence of section 203 is amended to read as follows: "Not more than $500 million (including the Corporation's investment in such commodities) shall be expended for all such transfers and for other costs authorized by this title." Section 203 is further amended by adding at the end of the section the following: "Such transfers may include delivery f. o. b. vessels in United States ports and, upon a determination by the President that it is necessary to accomplish the purposes of this title or of section 416 of the Agricultural Act of 1949, as amended, ocean freight charges from United States ports to designated ports of entry abroad may be paid from funds available to carry out this title on commodities transferred pursuant hereto or donated under said section 416. Funds required for ocean freight costs authorized under this title may be transferred by the Commodity Credit Corporation to such other Federal agency as may be designated by the President."

Commission To Recommend Legislation Providing for Increased Industrial Use of Agricultural Products

SEC. 208. (a) (1) There is hereby established a bipartisan Commission on Increased Industrial Use of Agricultural Products (hereafter referred to as "the Commission"). The Commission shall be composed of 5 members, of whom not more than 3 shall be members of the same political party, to be appointed by the President by and with the advice and consent of the Senate. In making such appointments the President shall give due consideration to the interests of various segments of agriculture. One of the members so appointed shall be designated as Chairman by the President.

(2) Members of the Commission shall be paid compensation at the rate of $50 per day and shall be reimbursed for necessary traveling and other expenses incurred by them in the performance of their duties as members of the Commission.

(3) The Commission is authorized to appoint and fix the compensation, without regard to the civil-service laws and the Classification Act of 1949, as amended, of an executive director and such chemists, engineers, agriculturists, attorneys, and other assistants as it may deem necessary. The Secretary of Agriculture is authorized to provide the Commission with necessary office space, and may detail, on a reimbursable basis, any personnel of the Department of Agriculture to assist the Commission in carrying out its work.

(4) Upon request of the Commission, any other department or agency of the Government having information or data needed by the Commission in carrying out its duties under this section, shall make such information or data available to the Commission for such purposes. The Commission shall take such steps as may be necessary to protect against unauthorized disclosure any such information or data which may be classified for security purposes.

(5) Service of an individual as a member of the Commission or employment of an individual by the Commission in a technical or professional field, on a part-time or full-time basis, shall not be considered as service or employment bringing such individual within the provisions of section 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

(b) It shall be the duty of the Commission to prepare and present to the Congress, not later than June 15, 1957, the necessary recommendations which in its opinion will bring about the greatest practical use for industrial purposes of agricultural products not needed for human or animal consumption, including, but not limited to, use in the manufacture of rubber, industrial alcohol, motor fuels, plastics, and other products.

(c) There is hereby authorized to be appropriated such sum, not to exceed $150,000, as may be necessary to enable the Commission to carry out its functions.

(d) Upon submission of the recommendations referred to in subsection (b), the Commission shall cease to exist.

(e) (1) Any bill or joint resolution embodying the recommendations presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed as expedi-

tiously as possible to consider such bill or joint resolution.

(2) This subsection is enacted by the Congress (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

Donation to Penal to Correctional Institutions

SEC. 209. Notwithstanding any other limitations as to the disposal of surplus commodities acquired through price support operations, the Commodity Credit Corporation is authorized on such terms and under such regulations as the Secretary of Agriculture may deem in the public interest, and upon application, to donate food commodities acquired through price support operations to Federal penal and correctional institutions, and to State correctional institutions for minors, other than those in which food service is provided for inmates on a fee, contract, or concession basis.

Federal Irrigation, Drainage, and Flood-Control Projects

SEC. 210. (a) For a period of 3 years from the date of enactment of this act no agricultural commodity determined by the Secretary of Agriculture in accordance with subsection (c) to be in surplus supply shall receive any crop loans or Federal farm payments or benefits if grown on any newly irrigated or drained lands within any Federal irrigation or drainage project hereafter authorized unless such lands were used for the production of such commodity prior to the enactment of this act.

(b) The Secretary of the Interior and the Secretary of Agriculture shall cause to be included in all irrigation, drainage, or flood-control contracts entered into with respect to Federal irrigation, drainage, or flood-control projects hereafter authorized such provisions as they may deem necessary to provide for the enforcement of the provisions of this section. For a period of 3 years from the date of enactment of this act surplus crops grown on lands reclaimed by flood-control projects hereafter authorized and the lands so reclaimed shall be ineligible for any benefits under the soil-bank provisions of this act and under price support legislation.

(c) On or before October 1 of each year the Secretary of Agriculture shall determine and proclaim the agricultural commodities the supplies of which are in excess of estimated requirements for domestic consumption and export plus adequate reserves for emergencies. The commodities so proclaimed shall be considered to be in surplus supply for the purposes of this section during the succeeding crop year.

(d) For the purposes of this section the term "Federal irrigation or drainage project" means any irrigation or drainage project subject to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) in effect at the date of the adoption of this amendment and any irrigation or drainage project subject to the laws relating to irrigation and drainage administered by the Department of Agriculture or the Secretary of Agriculture.

Processing of Donated Food Commodities

SEC. 211. Section 416 of the Agricultural Act of 1949, as amended, is amended by inserting before the last sentence thereof a new sentence, as follows: "In addition, in the case of food commodities disposed of under this section, the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest etxent possible."

TITLE III—MARKETING QUOTAS AND ACREAGE ALLOTMENTS

Extension of Surrender and Reapportionment Provisions for Wheat Acreage Allotments

SEC. 301. Section 334 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out "1955" wherever it appears in such subsection and inserting in lieu thereof "1955, 1956, or 1957."

Acreage Allotments for Cotton for 1957 and 1958

SEC. 302. Section 342 of the Agricultural Adjustment Act of 1938, as amended, is hereby amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this section, the national marketing quota for cotton for 1957 and 1958 shall be not less than the number of bales required to provide a national acreage allotment for 1957 and 1958 equal to the national acreage allotment for 1956."

Cotton—Small Farm Allotments

SEC. 303. (a) Section 344 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, That there is hereby established a national acreage reserve consisting of 100,000 acres which shall be in addition to the national acreage allotment; and such reserve shall be apportioned to the States on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), as determined by the Secretary without regard to State and county acreage reserves (except that the amount apportioned to Nevada shall be 1,000 acres), and the additional acreage so apportioned to the State shall be apportioned to the counties on the same basis and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 percent of the county allotment determined without regard to such additional acreage). Additional acreage apportioned to a State for any year under the foregoing proviso shall not be taken into account in establishing future State acreage allotments. Needs for additional acreage under the foregoing proviso and under the last proviso in subsection (e) shall be determined as though allotments were first computed without regard to subsection (f) (1)."

(b) Section 344 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting before the period at the end thereof a colon and the following: "*Provided further*, That if the additional acreage allocated to a State under the proviso in subsection (b) is less than the requirements as determined by the Secretary for establishing minimum farm allotments for the State under subsection (f) (1), the acreage reserved by the State committee under this subsection shall not be less than the smaller of (1) the remaining acreage so determined to be required for establishing minimum farm allotments or (2) 3 percent of the State acreage allotment; and the acreage which the State committee is required to reserve under this proviso shall be allocated to counties on the basis of their needs for additional acreage for establishing minimum farm allotments under subsection (f) (1), and added to the county acreage allotment for apportionment to farms pursuant to subsection (f) of this section (except that no part of such additional acreage shall be used to increase the county reserve above 15 percent of the county allotment determined without regard to such additional acreages)."

(c) Section 344 (f) of the Agricultural Adjustment Act of 1938, as amended, is amended by changing paragraph (1) to read as follows:

"(1) Insofar as such acreage is available, there shall be allotted the smaller of the following: (A) four acres; or (B) the highest number of acres planted to cotton in any year of such 3-year period."

(d) The first sentence of section 344 (f) (6) of such act is amended to read as follows: "Notwithstanding the provisions of paragraph (2) of this subsection, if the county committee recommends such action and the Secretary determines that such action will result in a more equitable distribution of the county allotment among farms in the county, the remainder of the county acreage allotment (after making allotments as provided in paragraph (1) of this subsection) shall be allotted to farms other than farms to which an allotment has been made under paragraph (1) (B) of this subsection so that the allotment to each farm under this paragraph together with the amount of the allotment of such farm under paragraph (1) (A) of this subsection shall be a prescribed percentage (which percentage shall be the same for all such farms in the county) of the average acreage planted to cotton on the farm during the 3 years immediately preceding the year for which such allotment is determined, adjusted as may be necessary for abnormal conditions affecting plantings during such 3-year period: *Provided*, That the county committee may in its discretion limit any farm acreage allotment established under the provisions of this paragraph for any year to an acreage not in excess of 50 percent of the cropland on the farm, as determined pursuant to the provisions of paragraph (2) of this subsection: *Provided further*, That any part of the county acreage allotment not apportioned under this paragraph by reason of the initial application of such 50-percent limitation shall be added to the county acreage reserve under paragraph (3) of this subsection and shall be available for the purposes specified therein."

(e) The amendments made by this section shall be effective only with respect to 1957 and 1958 crops. For the 1956 crop, an acreage in each State equal to the acreage allotted in such State which the Secretary determines will not be planted, placed in the acreage reserve or conservation reserve, or considered as planted under section 377 of the Agricultural Adjustment Act of 1938, as amended, may be apportioned by the Secretary among farms in such State having allotments of less than the smaller of the following: (1) four acres, or (2) the highest number of acres planted to cotton in any of the years 1953, 1954, and 1955.

Minimum State Acreage Allotments for 1956 Rice Crop

SEC. 304. Section 353 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding to subsection (c) a new paragraph (5) to read as follows:

"(5) Each of the State acreage allotments for 1956 heretofore proclaimed by the Secretary, after adding thereto any acreage apportioned to farms in the State from the reserve acreage set aside pursuant to subsection (a) of this section, shall be increased by such amount as may be necessary to provide such State with an allotment of not less than 85 percent of its final allotment established for 1955. Any additional acreage required to provide such minimum allotment shall be additional to the national acreage allotment. In any State having county acreage allotments for 1956, the increase in the State allotment shall be apportioned among counties in the State on the same basis as the State allotment was heretofore apportioned among the counties, but without regard to adjustments for trends in acreage."

Increase in Peanut Marketing Penalties

SEC. 305. Effective beginning with the 1956 crop, section 359 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by amending the first sentence thereof to read as follows: "The marketing of any peanuts in excess of the marketing quota for the farm on which such peanuts are produced, or the marketing of peanuts from any farm for which no acreage allotment was determined, shall be subject to a penalty at a rate equal to 75 percent of the support price for peanuts for the marketing year (August 1–July 31)."

Collection of Peanut Marketing Penalties

SEC. 306. Section 359 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding 2 new subsections as follows:

"(d) The person liable for payment or collection of the penalty provided by this section shall be liable also for interest thereon at the rate of 6 percent per annum from the date the penalty becomes due until the date of payment of such penalty.

"(e) Until the amount of the penalty provided by this section is paid, a lien on the crop of peanuts with respect to which such penalty is incurred, and on any subsequent crop of peanuts subject to marketing quotas in which the person liable for payment of the penalty has an interest shall be in effect in favor of the United States."

Preservation of Unused Acreage Allotments

SEC. 307. The Agricultural Adjustment Act of 1938, as amended, is amended by inserting after section 376 a new section as follows:

"Preservation of Unused Acreage Allotments

"SEC. 377. In any case in which, during any year within the period 1956 to 1959, inclusive, for which acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the 60th day preceding the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section."

Acreage Requirements for Price Support on Corn and Other Feed Grains

SEC. 308. (a) Notwithstanding any other provision of law, whenever base acreages are in effect for corn, the Secretary shall require, as a condition of eligibility for price support on corn, that the producer (1) devote an acreage of cropland (tilled in normal rotation), at the option of the producer, to either the acreage reserve program for corn or the conservation reserve program, equal to 15 percent of such producer's farm base acreage for corn, and (2) not exceed such farm base acreage for corn. Corn acreage allotments shall not be effective for the 1956 crop.

(b) Not later than December 15, 1956, the Secretary shall conduct a referendum of producers of corn in 1956 in the commercial corn-producing area to determine whether such producers favor a price-support program as provided in subsection (c) of this section for the 1957 and subsequent crops in lieu of acreage allotments as provided in the Agricultural Adjustment Act of 1938, as amended, and price support as provided in section 101 of the Agricultural Act of 1949, as amended.

(c) Notwithstanding any other provision of law, if two-thirds or more of the producers voting in the referendum conducted pursuant to subsection (b) hereof favor a price-support program as provided in this subsection (c), no acreage allotment of corn shall be established for the commercial corn-producing area for any county, or for any farm, with respect to the 1957 and subsequent crops, and price support made available for such crops by Commodity Credit Corporation shall be at such level as the Secretary determines will assist producers in marketing corn in the normal channels of trade but not encourage the uneconomic production of corn.

(d) Notwithstanding any other provision of law, for each year in which an acreage reserve program will be in effect for corn, the level of price support for corn produced outside the commercial corn-producing area shall be 85 percent of the level of price support for corn produced in the commercial corn-producing area, and the level of price support for each of the commodities, grain sorghums, barley, rye, and oats, shall be a percentage of the parity price for each such commodity which is 5 percentage points less than the percentage of the parity price announced in advance of the planting season pursuant to section 406 of the Agricultural Act of 1949, as amended, as the level of price support for corn in the commercial corn-producing area. The Secretary shall require as a condition of eligibility for price support of such feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats) that the producer (1) except in the case of new feed grain farms, devote an acreage on the farm to either the acreage reserve program for feed grains or the conservation reserve program equal to 15 percent of the farm base acreage established for such feed grains under section 103 (c) hereof, and (2) not plant a total acreage of such feed grains on the farm in excess of 85 percent of such farm base acreage for feed grains. The acreage required to be devoted to either the acreage reserve program for feed grains or the conservation reserve program as a condition of eligibility for price support for such feed grains shall be in addition to any acreage required to be devoted to either the acreage reserve program for corn or the conservation reserve program as a condition of eligibility for price support for corn produced in the commercial corn-producing area. Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of grain sorghums, barley, rye, and oats at the levels announced prior to the enactment of this subsection, and for the 1956 crop of corn produced outside the commercial corn-producing area at 75 percent of the level for corn produced in the commercial corn-producing area, to any producer who meets the requirements of eligibility therefor but who does not meet the additional requirements for price support prescribed by this subsection.

TITLE IV—FORESTRY PROVISIONS

Assistance to States for Tree Planting and Reforestation

SEC. 401. (a) The Congress hereby finds and declares that building up and maintaining a level of timber growing stocks adequate to meet the Nation's domestic needs for a dependable future supply of industrial wood is essential to the public welfare and security; that assisting in improving and protecting the more than 50 million acres of idle non-Federal and Federal lands for this purpose would not only add to the economic strength of the Nation, but also bring increased public benefits from other values associated with forest cover; and that it is the policy of the Congress that the Secretary of Agriculture in order to encourage, promote, and assure fully adequate future resources of readily available timber should assist the States in undertaking needed programs of tree planting.

(b) Any State forester or equivalent State official may submit to the Secretary of Agriculture a plan for forest land tree planting and reforestation for the purpose of effecting the policy hereinbefore stated.

(c) When the Secretary of Agriculture has approved the plan, he is hereby authorized and directed to assist the State in carrying out such plan, which assistance may include giving of advice and technical assistance and furnishing financial contributions: *Provided,* That, for the non-Federal forest land tree planting and reforestation, the financial contribution expended by the Federal Government during any fiscal year to assist the State to carry out the plan shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary of Agriculture is authorized to make financial contributions on the certificate of the State official in charge of the administration of the plan as to the amount of expenditures made by the State.

(d) In any plan that coordinates forest lands under the jurisdiction of any Federal agency other than the Department of Agriculture, the Secretary of Agriculture shall obtain the cooperation and assistance of the Federal agency having jurisdiction and the appropriate State forester in the approval and carrying out of the plan.

(e) The Secretary of Agriculture may prescribe such rules and regulations as may be appropriate to carry out the purposes of this section.

(f) There are hereby authorized to be appropriated such sums as may be necessary to carry out the objects of this section, such sums to remain available until expended.

Mr. COOLEY (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as having been read and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time for the purpose of asking the chairman of our committee, the gentleman from North Carolina [Mr. COOLEY], a question for the record.

In the original conference report on H. R. 12, there was a statement to the effect that since the conference recognized that the Department of Agriculture had the power to make the same differentials in the loans offered to cotton producers on the various types of spotted cotton, including specifically light spots and heavy spots as are customarily made by the trade that the Committee of the Conference did not attempt to write any language into that bill relative to making such differentials, but it was pointed out that the committee was aware of the past practice of the Commodity Credit Corporation of neglecting or refusing to make make such differentials, and that the committee was of the opinion that the Department should exercise this power. No reference is made in the bill presently before us to such differentials.

I wish that the chairman would tell us for the record if there were any intention on the part of the committee to recede from the position adopted by the committee on the conference that the Department of Agriculture should exercise

the power it now has in this regard and make the same differential in loans on light spots and heavy spots that is made by the cotton trade.

Mr. COOLEY. Mr. Chairman, for the record, I want to state to the gentleman from Texas that no one can properly interpret this bill as in any wise receding from the position taken by the conference committee in regard to this matter of differentials on spotted cotton. On the contrary, by adopting the same words that were in the conference report, it is intended that the Department of Agriculture should understand that it is the wish of the Congress that such differentials be made.

Mr. KING of Pennsylvania. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KING of Pennsylvania. Mr. Chairman, I would like to pose a question to the chairman of our committee. When I vote against this bill, will that bar me from participating in the conservation reserve program?

Mr. COOLEY. I do not see how that could possibly affect the rights of the gentleman from Pennsylvania as a private citizen and as one of the great farmers of the country.

Mr. KING of Pennsylvania. I thank the gentleman.

I wanted to make sure of that point because when the all-bounteous Federal Government begins to pass the gravy, I want to get some.

I shall most surely vote against this bill for reasons which I think should be clear and dear to anyone who cherishes his personal liberty—to anyone who believes that free enterprise is an effective system in producing the most for all.

This soil-bank plan as a method of subsidy could be preferred to the price-support plan, but you must remember it is not here before us as a substitute for price support but an additional scheme to give more for doing nothing.

As a matter of fact, this bill contains provisions with regard to feed grains which constitute a definite expansion of the price-support program. It is quite necessary that we make this expansion because the price-support program on the six basics, operating without any restrictions on diverted acres, has so greatly distorted the production of feed gains that now they must be brought under price supports.

This is typical of the way socialism works. You cannot socialize one segment of agriculture, as we have with the six basic crops, without finding it necessary to proceed to socialize all of agriculture. In this bill, we take the first step to include all feed grains. Next year you will have to proceed to include all other crops.

As a matter of fact, the provision in this bill which enlarges section 32 funds by $500 million is a step toward full coverage of agriculture. This half billion extra puts pressure on the Secretary of Agriculture to use Federal funds to rescue every little production group which happens to get in trouble by producing more than the market will take. I hope he doesn't forget the mid-summer production of cucumbers and broccili.

I am sure any of you who have listened to the debates on the farm program will agree with me that Government management of agriculture is a confused management. You need only listen to the differences of opinion held by the various crop representatives on our committee to realize that each year we pass to the administrative branch of our Government an unworkable program which has in its own specifications the defeat of its own purposes.

Now, we are proposing to add something like $2 billion to the $2 billion we have for some years been taking away from taxpayers, the whole sum to go to farmers as sustaining operating capital. All of this is done with the expressed intent of reducing production so as to bring it into sensible balance with the maximum market demands. All this is done without the least recognition of the fact that in agriculture one billion of operating capital will produce 5 billion in gross product.

Can it be that this Congress is naive enough to believe that this loading of farmers with operating capital will reduce the burdensome surpluses, or is this simply a compromise measure which has come out of the competition between both parties in bidding for the next election?

Some day those who submissively pay this bill will rise up and stop this nonsense.

Mr. POAGE. Mr. Chairman, I offer four amendments in series.

The CHAIRMAN. The Clerk will report the first amendment.

The Clerk read as follows:

Amendment offered by Mr. POAGE: On page 49, line 4, change the period to a colon and add the following: "*Provided*, That price support may be made available to any producer who does not meet the foregoing requirements at such level, not in excess of the level of price support to producers who meet such requirements, as the Secretary determines will facilitate the effective operation of the price-support program."

Mr. POAGE. Mr. Chairman, may I explain to the House that this is but the first of a series of four amendments which, taken together, are expected to resolve most of our differences in regard to the corn and feed-grain sections of this bill? I, of course, want to make it perfectly plain that this very amendment does a thing that I thought was a mistake. I did not approve the President's action in supporting excess corn at $1.25 per bushel, but we have to get the best kind of workable bill we can, and there has been a serious effort on both sides of the House to try to work out our difficulties, and this amendment is part of the complete program.

I want to express my appreciation to the members of my committee, particularly the gentleman from Iowa [Mr. HOEVEN], the gentleman from Indiana [Mr. HARVEY], the gentleman from South Dakota [Mr. LOVRE], and of course our former chairman, the gentleman from Kansas [Mr. HOPE], all of whom have worked with those of us on our side and with the leadership on both sides to try to work out some solution whereby we could find an answer to this difficult problem of feed grains and corn.

This, the first of these four amendments, simply assures that there will be no legal barrier to carrying out the price support of $1.25 a bushel for noncompliance corn within the commercial Corn Belt that the President has already announced. I doubt that there is any legal barrier to it now, but in an effort to be abundantly sure it was felt by many of the Members that these extra words should be included.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Does this amendment set aside the order of the Secretary fixing noncompliance corn at a support price of $1.25 a bushel?

Mr. POAGE. The amendment frankly was written by Members on the gentleman's side. It was presented to me with the understanding it would protect that action. It is my understanding it does do that. I wonder if the gentleman from Indiana could give us his understanding of that provision.

Mr. HALLECK. I am quite sure this proviso which the gentleman seeks to put in the bill makes it abundantly clear that there is no interference intended with the Executive order that has been made already fixing a support price for noncompliance corn in a commercial area at $1.25 a bushel.

Mr. POAGE. It is my intention in offering it that it should do exactly that, even though I disagree with the basic philosophy of the order that was issued, but since it has been issued we are faced with a fact.

Mr. AUGUST H. ANDRESEN. Is it the intention of the gentleman that the order of $1.25 a bushel for noncompliance corn in the commercial area will stand for 1956?

Mr. POAGE. That is right, along with the understanding of the next three amendments that we will make certain modifications in the feed grain provisions, and that with that we are all reasonably well satisfied.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I am delighted to yield to the gentleman.

Mr. HOPE. I simply want to take this occasion to express my appreciation and the appreciation, I am sure, of other members of the Committee on Agriculture on this side of the aisle for the great amount of work and the splendid work the gentleman has done in trying to work out a solution of this problem of corn and other feed grains. I am in hearty accord with the amendment which the gentleman has proposed although, like the gentleman himself, I am a little dubious about the policy. But, I do believe under the circumstances, we must reconcile the situation and so I am in favor of the amendment.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield for a further question?

Mr. POAGE. I yield.

Mr. REES of Kansas. As I understand it, a farmer can raise all the corn and the feed grains that he wants to and have a support price of $1.25 a bushel.

Mr. POAGE. Provided he lives in the commercial corn area.

Mr. REES of Kansas. Yes, but suppose he complies—suppose he is in compliance—then, what would he get?

Mr. POAGE. He would get $1.50 on corn and he will get on feed grains 5 parity points less than the support price of corn in the commercial corn area, if he complies. If he does not comply on feed grains, he gets 70 percent.

Mr. REES of Kansas. I thank the gentleman.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. H. CARL ANDERSEN. I ask unanimous consent that the gentleman from Texas [Mr. POAGE] may proceed for an additional 5 minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. H. CARL ANDERSEN. I certainly have no objection to what the gentleman proposes by the immediate amendment, but I would like to ask a question. Seemingly, that does validate the action of the Secretary in creating a $1.25 guaranty on all corn produced regardless of the quota in the commercial corn area. As I brought up yesterday with reference to this particular question, on the one hand, due to the Secretary's order, which I approve of by the way because it means additional millions of dollars throughout the corn belt, we are told as corn farmers that we can produce all the corn we wish and are guaranteed $1.25 a bushel for that production. But, now in the bill before us, the soil bank bill, and I refer to the bottom of page 23, we have an exception. We say to those same farmers, "Now, if you do just that—if you 'produce an acre above your allotment, your base acreage,' and I refer to line 7 on page 24, you are not entitled in any way to put any of your acreage under the soil bank bill." I am asking this question of the membership today and I might add that I can read that language with no different construction than that because it simply states "the corn acreage on the farm, in the case of a farm in the commercial corn-producing area, exceeds the farm base acreage for corn or the farm acreage allotment, whichever is in effect, or." That is an exception. In other words, it says if that is in excess, the hundreds of thousands of corn farmers throughout America cannot put, what they would like to put under either portion of this act.

I sincerely hope that the House will see fit—and I am asking the gentleman from Texas [Mr. POAGE] at this time, if it would not be possible to do so, because of the existing circumstances to strike out section 3 on page 24, and thus make it permissible for these hundreds of thousands of corn farmers to put several million additional acres into the soil bank. Otherwise, I do not see where in our vast corn area we are going to do what we all want to do, and that is to get some of that land out of production. That is my personal opinion. As the gentleman knows, I have discussed this matter with him and other members of the subcommittee, and they tell me I have nothing to fear in this regard, but I still read that language as it is, that it is an absolute prohibition against any man who plants an acre above his corn allotment to receive any payments out of title I in this bill.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Colorado.

Mr. HILL. I, as one member of the Committee on Agriculture, want to compliment the gentleman from Texas [Mr. POAGE] on the fine work he has done, but I would like to have him discuss how the Secretary of Agriculture comes to the conclusion as to what is noncommercial and what is commercial corn acreage. That would answer the gentleman from Minnesota [Mr. H. CARL ANDERSEN]. If we do not understand the difference between commercial and noncommercial, I do not see that we can come to any conclusions.

The CHAIRMAN. The time of the gentleman from Texas [Mr. POAGE] has expired.

(By unanimous consent (at the request of Mr. HILL), Mr. POAGE was recognized for an additional 5 minutes.)

Mr. POAGE. Mr. Chairman, for fear that I may become enmeshed in a side shooting scrape, I want to make plain and before I go into details about what either the gentlemen are questioning me about, that in the first place I do not pose as an expert on corn. But we do have in these four amendments, taken together, a program that many of us believe, including a great many of those in whose judgment on the problems of corn I have much confidence, will reasonably solve both the corn and feed corn program. It is not what I want. It is not what the gentleman from Iowa [Mr. HOEVEN] wanted. It is not what the gentleman from Indiana [Mr. HALLECK] wanted. It is not what anyone wanted. But it is something on which most of us can agree—something which we hope will give us a well-rounded program. The question asked by the gentleman from Colorado [Mr. HILL] points up some possible question that is in the mind of a great many of us, and I must answer that before I proceed with the question asked by the gentleman from Minnesota [Mr. H. CARL ANDERSEN]. The gentleman from Colorado said, "What is the difference between commercial and noncommercial corn areas?" Ever since we have had a farm program we have had a commercial and noncommercial area. The commercial corn area is that area in the United States in which corn is possibly the major crop, to the exclusion of all others. It includes those counties in those States only where corn is king, and where corn surpasses all other crops in importance. We made this distinction because basically in that commercial corn area you have a great feeding area, where people produce corn, as the gentleman from Indiana [Mr. HARVEY] explained yesterday, and many of them feed it on their own places. You find a situation different from that of the other man who is just selling corn.

In the noncommercial farm area, which includes the greatest part of the United States, but the smaller portion so far as the production of corn is concerned, we look upon corn as only one of the other crops along with oats, barley, cotton, wheat, and other types of crops. Basically your commercial corn area is what we know as the Corn Belt, the States of Indiana, Illinois, Iowa, parts of Missouri, and spilling over into some other States. In that area we support corn at a higher figure than in the noncommercial area. I do not say that I am for it, but the President has announced a support of $1.25 per bushel for noncompliance corn within the last few days. This is an effort to try to protect that approach for the man who grows more corn than his acreage allotment allows in the Corn Belt.

The gentleman from Minnesota raises the question that if up in the Corn Belt you do not go into the soil bank you will not get the high supports on your corn, therefore he loses; but if he goes into the soil bank he gets the soil-bank payments.

At some point, whether rightly or wrongly, we in Congress felt that we should give some incentive to bring these corn people into the soil bank. Rather than work a hardship upon the people affected we said that instead of having only 43 million acres of allotted corn as we will have if we do not pass this bill, but if you pass this bill you will have 51 million acres of allotted corn in the United States. Fifty-one million represents a very substantial increase and it means that for the average man over the United States. It does not apply to the gentleman from Minnesota because he explained his own situation, and I may say it does not apply to many of his neighbors and friends, but for the average man over the United States that means a reduction of only about 8 percent in corn acreage, because we only planted about 56 million acres of commercial corn last year.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

(On request of Mr. FULTON and by unanimous consent, Mr. POAGE was allowed to proceed for 3 additional minutes.)

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield.

Mr. FULTON. The gentleman has spoken of the land that is under allotment for greater production in your commercial area as 43 million for the current year, and it is to be increased under this bill to 51 million. The gentleman has commented that there was really an increase of the corn acreage of these corn farmers. There is not because from the 51 million will be taken 13 percent for the conservation reserve, the soil bank, and that will be 7,600,000

acres. So when you subtract that much from 51 million acres you are within a couple of hundred thousand acres of the 43 million which you have right now. I ask some expert here if that is not correct. Is that correct?

Mr. POAGE. Had the gentleman not interrupted me in the middle of a sentence he would have observed that I did not make the statement attributed to me. I did not say that it increased the individual's corn acreage; on the contrary I simply pointed out the facts of this bill. It would raise the total allotted acreage from 43 million to 51 million.

Mr. FULTON. But that does not take into consideration the conservation reserve program that will cut it right down to 43 million acres.

Mr. POAGE. Doubtless there would be some such result if 100 percent of the corn growers in the area were to participate in the soil bank, but that is something that is not going to happen, something that never has happened. But when they go into the soil bank they have their income taken care of under the payments in the agricultural reserve. In other words, the corn farmer is allowed to take in a greater income this coming year under this bill than he would if you do not pass this bill. That to me is the vitally important thing.

Mr. FULTON. The last question is this: Actually should not in the conference report something be brought up to take out this compulsory or mandatory provision in reference to price supports where corn in the commercial areas will get 81 percent of parity. It is really compulsory. For 43 million out of 57 million planted acres in these commercial areas it will be 81 percent.

Mr. POAGE. The farmer will get 86.2 percent in these commercial areas if he complies.

Mr. FULTON. In this report here it says they are going to get 81 percent. I will read from page 2:

> It would cut down the acreage of feed grain and give producers support prices of approximately 81 percent of parity if they comply with the acreage reduction.

Mr. POAGE. The gentleman is talking about feed grains. He is not talking about corn. The President has given corn 86.2 if the man complies in the commercial Corn Belt. For noncommercial corn about 69 percent.

Mr. FULTON. But the point I am making is this: Is that not a compulsory price support if the farmer who produces corn in these commercial areas goes under this program?

Mr. POAGE. If he goes under this program and takes advantage of the soil bank I would assume he would also take advantage of the support. It is not compulsory that he do so.

Mr. FULTON. Is that not contrary to the President's views?

Mr. POAGE. We do not think so.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas [Mr. POAGE].

The thing I am calling to the attention of the House here is in an effort to try to bring this bill somewhat along the general idea that I originally had years ago when I first advocated the soil bank in the Congress of the United States. The theory was simply this: Anyplace in America where there is good cropland that a farmer wants to take out of production, let us give him the right to do so. We speak in terms of acres, but what we are after is pounds and bushels of commodities temporarily surplus to our consumption. There are too many encumbrances, especially in that one subsection, which will make it impossible for hundreds and thousands of farmers to do what they would like to do and that is simply to help in this great constructive movement of which I am sure the Congress is going to be proud in years to come. Our real objective is to reduce our producing acreage to the point where we can get the supply approximately down to demand. That is one of the basic and fundamental needs for the curing of what ails agriculture.

But here in subsection 3 we are saying to thousands of corn farmers: If you take advantage of what the Secretary of Agriculture has offered in the past few days, and you have a $1.25 a bushel support for any amount of corn acreage you wish to put in, and that applies to the commercial Corn Belt, or even if you plant 1 or 2 acres more than that amount, you cannot take other land you possess out of production and put it into the soil bank. That is what I am objecting to. I am objecting to a subsection, a little innocuous subsection, which will prevent perhaps 3 or 4 million acres of good land in the heavy-producing areas of our country from being taken out of production and put into this bank as it should be.

It is a fact accomplished that we have now a guaranty of $1.25 a bushel. This amendment just offered by the gentleman from Texas [Mr. POAGE] is validating that particular $1.25 guaranty. I am not arguing for anything but the betterment of this bill. I am saying, Mr. Chairman, that we should do as it was the original intent of the bill to do and that is to try in every way possible to get 40 million acres, approximately 8 percent, of our good crop producing land out of production without any hindrances in the way of farmers to take any of their land out of production simply because of this one little subsection in the bill.

Although this problem applies throughout the commercial Corn Belt, my first concern is for the farmers in my own Seventh Congressional District of Minnesota. Let me illustrate what this means in terms of my district alone.

These figures not only point up my argument on this little subsection, but they may also let a few of you know why I am fighting the farmers' battles day in and day out in the Congress. You may be somewhat surprised at the scope of farming in this most intensely agricultural district in the United States.

According to the last farm census, we had about 8 million acres of farmland in our district. That is about one-half as much farmland as you will find in all nine North Atlantic States—including New York and Pennsylvania—devoted to harvested crops. It is about one-third as much farmland as is devoted to harvested crops in the eight South Atlantic States including Delaware and Florida.

In 1954, we had almost 2 million acres of corn in our district, about 2.3 million acres of small grains, and 800,000 acres of soybeans. There, in my congressional district alone, you have over 5 million acres of highly productive land devoted to the output of feed grains. If we fully applied the soil bank in my district and took 8 percent of the acreage out of production that could well mean 400,000 fewer acres producing surplus feed grains.

This fertile land offers an equally fertile field for the promotion of intelligent retirement of surpuls-producing land to conservation, and yet by this subsection you may well deny virtually every farmer in my district the opportunity to join in this commendable effort we are making to bring supply and demand into better balance. That is something for the gentlemen representing feed-grain producing districts outside of the commercial Corn Belt to think about. If your farmers are to enjoy the principal benefit of this soil-bank program; namely, higher prices for what they produce because of better balanced markets—then you had best give heed to my warning this day.

As far as I am concerned, I would have made the soil bank entirely free and independent of any necessity of abiding by any price supports. Why? If you take 40 million acres of land out of production, that is bound to reflect upon the strength and the position of all agricultural commodities in the United States, and the varying production of corn, soybeans, oats, or barley will have a natural flow, just as water flows downhill. By taking that 40 million acres out of production—and I sincerely hope this bill will accomplish it, and I am trying to help accomplish it—you will be taking out of production about a 1-billion-gross-bushel equivalent of material produced by the farmers for which we have no current market. That is what I am contending for here—to try to make it a better bill and to try to bring it into line with what the gentleman from Minnesota [Mr. MARSHALL] and I originally intended. It is simply a bill to take land out of production so as to bring demand and production more in line.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Indiana.

Mr. HALLECK. I want to commend the gentleman for his long-standing interest in the accomplishment of a soil-bank program. As he has pointed out, he was one of the first, and certainly one of the most active, promoters of that sort of a plan. We all realize that a few days ago when we had certain problems before us with respect to trying to accomplish a soil-bank plan we recognized the gentleman's long-standing interest in that sort of a program. We were seeking to bring to passage a soil-bank bill introduced by him and bearing his name.

Mr. H. CARL ANDERSEN. I appreciate that statement by the gentleman, who speaks for our Republican leadership in the House.

Mr. HALLECK. I am sure the gentleman does. However, I would just like to say this to the gentleman. All of us can understand a certain amount of merit in what he is urging, but at the same time I am sure he also would agree with me that these soil-bank provisions, except for the matter of advance payments, which we will be confronted with here a little later on, have been worked out after many, many days and weeks of laborious effort, and the bill as it is presently before us, insofar as the soil bank is concerned, represents very substantial progress in the direction of what the gentleman has been urging all through these years.

Mr. H. CARL ANDERSEN. I appreciate the gentleman's remarks and the spirit in which they are made. In view of the fact that leaders such as the gentleman from Iowa [Mr. HOEVEN], the gentleman from Minnesota [Mr. ANDRESEN], the gentleman from Kansas [Mr. HOPE], and the gentlemen on the other side, gentlemen in whom I have much confidence, feel that perhaps this issue is not such a dangerous one as I personally think it is, I am going to bow to their judgment. Beyond all else I want to see this bill go through today, and I do not intend to do anything that will prevent its passage. However, I have made my point as to what I think.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further

Mr. H. CARL ANDERSEN. Yes.

Mr. HALLECK. On the matter of the pending amendment, so that my position may be understood, I think that the amendment offered by the gentleman from Texas [Mr. POAGE], which validates the executive order heretofore made, is highly desirable and should be included in this legislation.

Mr. H. CARL ANDERSEN. I agree with the gentleman.

Mr. HALLECK. I may say also that there are other matters in here, particularly dealing with the provision with respect to feed grains, that do not altogether suit me. And, I would make some more substantial changes than have been here indicated. As I understand, there will be amendments offered by the gentleman from Texas [Mr. POAGE], which will make substantial changes, and I think "substantial" means, if I may say so, in the feed grain section. Speaking for myself, I am going to support those amendments, although, as I say, if I had my way, why, they would go quite a lot further than will be undertaken here so far as that problem is concerned.

Mr. H. CARL ANDERSEN. In conclusion, I am convinced that many of my friends who know this subject just as well or better than I do feel that there is nothing to fear along the lines that I have expressed. Nevertheless, I still hold those convictions. I do not intend to press my point any further. Let us go ahead and pass this bill.

Mr. KLEIN. Mr. Chairman, I move to strike out the last word.

Mr. KLEIN. Mr. Chairman, I ask unanimous consent to speak out of order and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KLEIN. Mr. Chairman, it has been called to my attention that a gentleman by the name of Arthur Klein is running in the Democratic primary in Brooklyn, N. Y., against our distinguished colleague, JOHN ROONEY. I want to assure the House that it is not I who is running against him. If I were tempted to run for Congress in any district other than my own, I certainly would not run in his district, because I consider him to be one of the ablest and one of the finest Members in this House. He has done a great job. He is always on the job. He is one of the many capable members of the great Committee on Appropriations. When we of the New York delegation seek to do anything in behalf of our constituents, we always find Mr. ROONEY on the job here in Washington. I might say that I personally owe him a great debt of gratitude because every time we have wanted to do something, particularly with regard to the Middle East, he has been in the forefront of the fight to speed defensive arms to the State of Israel. As a matter of fact, he was among the first members of the American Christian Committee for Palestine before there was a new State. He has been a consistent two-fisted fighter for every just cause.

I can only say to him that anybody in his district who knows me should know, and I want him to know, that I support JOHN J. ROONEY 100 precent.

Mr. FULTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to speak briefly of the surplus disposal provisions for agricultural commodities in the bill. As a matter of fact those Members representing the cities should be interested in this bill from that point of view, because this bill will permit the Secretary of Agriculture to process and reprocess foods for family and institutional use in certain suitable units.

Section 211 contains a provision that "the Commodity Credit Corporation may pay the cost of processing such commodities into a form suitable for home or institutional use, such processing to be accomplished through private trade facilities to the greatest extent possible."

May I point out to the membership that those Representatives who have unemployment in their areas may, through the Department of Agriculture, get a good surplus disposal program going in their district. Together with Mr. Corbett, Mr. Eberharter and, before her death, Mrs. Vera Buchanan, we Congressmen in Allegheny County, Pa., helped set up a program of surplus food disposal, to underprivileged people, which has been very successful.

We Congressmen worked out the program in cooperation with the executive board members of the Control Labor Union of Pittsburgh, and the county and State officials.

In Allegheny County, Pa., where we have one of the greatest prosperities we have ever had, we still have 164,000 underprivileged persons who are on the Federal surplus-food program covering free distribution under local voluntary citizen boards. That means we are supplementing the local public assistance, and charitable institutions, as well as supplementing the income of people who have an income of less than the requirement for eligibility, for example, $110 a month for an individual person. I hope the proposed Federal stamps program is prepared and soon adopted by the Department of Agriculture, and that the current surplus-food disposal projects are continued.

I wish to express my thanks to the House Committee on Agriculture as well as the Department of Agriculture for their cooperation in helping our four Pittsburgh and Allegheny County Congressmen to work out the setup of this fine surplus-food distribution project in Allegheny County.

There is a problem that is coming up in the disposal of surplus commodities within the United States, and that is the problem of storage near the major points of distribution. Unfortunately, prior to the institution of the surplus-food disposal programs of any size in the United States the United States Department of Agriculture set up its warehouses either at the point of purchase or loan, or at the point of production of surplus agricultural commodities. That means there are no Federal warehouses now established at the points of consumption. With the Federal surplus-food program getting so large, it now has become incumbent upon the local communities to pay these costs of storage prior to distribution, that the Federal Government should be paying anyhow. The Federal Government has to store the surplus products somewhere, so why not near the point of disposal where most efficient?

May I ask this question of the gentleman from North Carolina [Mr. COOLEY] the chairman of the House Agriculture Committee: Is it not possible for the city of Pittsburgh and Allegheny County to have a Federal surplus commodity storage warehouse located in or around that large tristate industrial area, when we have such a tremendous disposal program in operation, that is helping this farm program?

Mr. COOLEY. If the gentleman will yield, I may say I agree with the observation the gentleman has just made. Congressman HOLLAND, from Pittsburgh, from the 30th District, spoke to me about the very problem the gentleman is now discussing.

Mr. FULTON. His and my districts adjoin. I know he is very much interested in this project, as are Mr. CORBETT and Mr. EBERHARTER.

Mr. COOLEY. He has expressed the desire that storage facilities be located near the centers where these foods may be consumed by our own people.

May I say that our committee has been intensely interested in the subject. Recently we had the Defense Department, Civil Defense, and Department of Agri-

culture officials before our committee discussing this very subject. At that time I asked the question whether consideration had been given to the advisability of establishing these storage warehouses not only at appropriate places inside this country but at other places out on our defense perimeter such as in the Hawaiian Islands and other places where these foods might be needed.

Mr. FULTON. May I comment on that particular point?

Mr. COOLEY. Yes.

Mr. FULTON. In a strategic area like the city of Pittsburgh the Federal Government should have a strategic warehouse for storage of foods, that would save tremendous demands on the railroads in case of trouble, when there would be a transportation shortage for steel and the sinews of defense. The Pittsburgh Federal storage facility could be used in the meantime for this surplus food disposal project, as well as for strategic food purposes for the area. Does the gentleman from Pennsylvania [Mr. HOLLAND] agree on that?

Mr. COOLEY. I am sure he does agree on that. He is anxious for that to be done.

If I may proceed a little further, we were advised by some official from the Department of Defense that the military people have provided for their own civilian personnel attached to the Military Establishment. We did ask the civilian defense officials what consideration had been given to the matter of distributing these foods and storing them elsewhere in the country, and we were told that they had some sort of program called Grandma's Pantry. That means everybody should stow away in their own pantry sufficient food for such emergency as might occur. They all agreed that the entire matter had been left to the decision of the Department of Agriculture. We have not pursued the matter further because we have been otherwise busily engaged. But I can assure the gentleman that our committee will pursue the matter further and that we will insist that adequate food supplies be stored in the Hawaiian Islands or Okinawa or wherever they can be stored.

Mr. FULTON. And in Pittsburgh.

Mr. COOLEY. And Pittsburgh.

Mr. FULTON. I thank the gentleman for his comment.

Then, I would like to ask this of the chairman of the House Agriculture Committee. Under the current legislation now before the House, is it not perfectly possible within that authority for the Department of Agriculture to have a storage warehouse for surplus agricultural commodities within the Allegheny County or the western Pennsylvania area, for western Pennsylvania, eastern Ohio, and northern West Virginia.

Mr. COOLEY. There cannot be any question about the authority now vested in the Secretary of Agriculture to do just what the gentleman is proposing.

Mr. FULTON. And the Department of Agriculture pay for the storage of the commodities until they are delivered to the local charitable and assistance agencies for distribution?

Mr. COOLEY. Yes; if the gentleman will just let me continue to make one further observation—in this very bill we are authorizing the payment of transportation costs from the place of storage here in this country to the port cities in other countries, and we are actually authorizing payment of ocean freight to take these commodities to hungry people in foreign countries.

Mr. FULTON. May I ask the gentleman from Kansas [Mr. HOPE], the ranking minority member of the House Agriculture Committee, whether he agrees to that position on the legislative authority of the Department of Agriculture and in this particular bill?

Mr. HOPE. Yes; I am glad to say to the gentleman as far as this bill is concerned, I agree entirely with what has been said. And I know of no other legislation on the books that would not be in harmony with this. There may be, but I do not know of any.

Mr. FULTON. I thank the gentleman because this proposal will save the county of Allegheny alone $8,000 to $15,000 a month for storage costs.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. AUGUST H. ANDRESEN. In line with what the gentleman has to say about Pittsburgh, Pittsburgh is one of the target cities in the event of enemy attack.

Mr. FULTON. You are certainly right—it is one of the major United States targets.

Mr. AUGUST H. ANDRESEN. Which means that a million or several million people in the area, within the fallout area.

Mr. FULTON. Three million people.

Mr. AUGUST H. ANDRESEN. They will be required to move out of that area and they must be fed.

Mr. FULTON. And we have mountainous and hilly land so that there are very few main traffic arteries to get out of the city.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FULTON. Mr. Chairman, I ask for 2 additional minutes as I have one more question.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. AUGUST H. ANDRESEN. I have introduced a bill that provides for the establishment of survival food depots outside of the fallout area.

Mr. FULTON. I will be very glad to support the gentleman in that bill for the establishment of strategic food reserves near our United States industrial areas and where strategically necessary for our United States continental, Territory, and advance base defense.

Mr. AUGUST H. ANDRESEN. That will take care of the people who may be driven out of Pittsburgh, the evacuees from Pittsburgh in the event of enemy attack.

Mr. FULTON. That is very fine. I yield to the gentleman from Iowa [Mr. HOEVEN].

Mr. HOEVEN. I want to concur in what the chairman and the ranking minority member of the Committee on Agriculture has said about the interest of the Committee on Agriculture in this very problem with which the gentleman is concerned. May I call the gentleman's specific attention to title II of the bill which is headed "Surplus Disposal" and found on page 30 of the bill; among other things it requires the Secretary of Agriculture within 90 days after the enactment of this legislation to make any recommendations he sees fit for the disposal of agricultural surplus commodities. Starting at line 22, reference is made to the strategic stockpiling of foodstuffs and other agricultural products.

Mr. FULTON. That is right, and I strongly favor those provisions of this legislation.

Mr. HOEVEN. The bill takes care of your problem in every respect and we will be looking forward to the recommendations of the Secretary.

Mr. FULTON. I would recommend the Secretary of Agriculture should take into consideration the setting up of food stamp plans of various kinds in the local communities of the country, so that various plans can be set up to meet the requirements of State and local laws, and take into consideration the economic situation of each community. One type of plan would not fit every community in this country.

Mr. HOEVEN. That is all provided for in title II of the bill.

Mr. FULTON. I thank you very much. I appreciate it and I certainly am going to vote for this program.

Mr. KING of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. KING of Pennsylvania. The last time I saw the figures, 80 percent of all this surplus food was going into the State of Pennsylvania. Would you say that means——

Mr. FULTON. There is no doubt that such surplus food distribution is mostly under the program that we Congressmen in Pittsburgh helped set up.

Mr. KING of Pennsylvania. Would you say that means that Pennsylvania Congressmen have been a little more alert to the opportunities in this program?

Mr. FULTON. Well, we in Allegheny County are 2 Republican Congressmen and 2 Democrats that set up the program. We have another Democrat, Mr. HOLLAND, who is now joining us. We took the program out of politics. I might say there are about 16 million pounds of surplus food worth between $8 million and $10 million, that have been administered and distributed through the Allegheny County commissioners' office under this Federal surplus commodity program to date.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The question is on the amendment offered by the gentleman from Texas [Mr. POAGE].

The amendment was agreed to.

Mr. POAGE. Mr. Chairman, I have three amendments on the Clerk's desk,

and I ask unanimous consent that they be read and considered en bloc.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. POAGE:

On page 50, line 2, strike the words "each year" and insert in lieu thereof "each of the years 1956 and 1957."

On page 50, line 4, strike the figure "85" and insert in lieu thereof "82½."

On page 50, line 15, after the word "for", insert the word "such."

Mr. COOLEY. Mr. Chairman, I move to strike out the last word.

I want to congratulate the gentleman from Texas [Mr. POAGE] and those other members of the committee who have worked most diligently on this corn provision, particularly the gentleman from Iowa [Mr. HOEVEN]; also the gentleman from Indiana [Mr. HARVEY], the gentleman from South Dakota [Mr. LOVRE], and others who have worked with the gentleman from Texas [Mr. POAGE], very diligently and faithfully in trying to improve the section we have in this bill, the section to which I referred yesterday in the colloquy with the gentleman from Indiana [Mr. HALLECK]. It seems this will improve the section, and I hope the amendments will be adopted, and I hope everyone will fully appreciate the efforts of these very devoted public servants who have tried to work out this section.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Kansas.

Mr. HOPE. I would like to join with the distinguished chairman of the committee in expressing the hope that the Committee of the Whole will see fit to adopt these amendments which have been worked out very carefully by the distinguished gentlemen whom the chairman has mentioned, and who have worked out a very satisfactory solution of a very difficult problem.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas [Mr. POAGE].

The amendments were agreed to.

Mr. ALBERT. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read, as follows:

Amendment offered by Mr. ALBERT:

Page 5, line 5, after the period at the end of the sentence insert: "In addition to the foregoing, the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 an acreage reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands acreage reserve program."

Page 9, line 17, strike out the period and insert ", including grazing lands."

Page 9, line 24, strike out "or" and insert a comma; and insert after "acreages", the words "or other standards."

Page 12, line 4, after "$23,000,000:", insert "grazing lands, $50,000,000."

Mr. ALBERT. Mr. Chairman, the purpose of this amendment is to make grazing land eligible for participation in the soil-bank program. The amendment should be adopted to round out a program that will be applicable to all segments of agriculture. The objectives of the soil bank are twofold: First, to help eliminate price-depressing surpluses; and second, to help build up and preserve the soil. On both grounds the program should be made applicable to livestock grazing of natural pastures.

Of all phases of agriculture where price-depressing surpluses have accumulated, the problem is most acute in the livestock industry. Cattle population in this country today is at an all-time high. There are more than 97 million head of cattle in the United States at the present time.

Since 1951 the cattle industry has suffered price declines greater than that of any other segment of our agricultural economy, and today the comparative position of the livestock producer is worse than that of any other agricultural producer. In the April 15, 1956, Agricultural Price Index of the Department of Agriculture the parity relationship of beef cattle was 70 percent, of beef calves 71 percent, of lambs 77 percent, of sheep 63 percent. This is an overall average of 70.25 percent as compared to an overall average of 84.6 percent for the basic commodities.

From the high price of 1951 to the fall of 1953, cattle dropped an average of more than 50 percent. Prices of canners and cutters dropped from $21.55 in April 1951 to less than $7 by November 1954, a 69-percent decline. Choice steers fell from $36 in April 1951 to $21 in June 1953, a 42-percent drop. In the fall of 1955 fat beef cattle were selling in the Chicago market as much as $11 lower than in the fall of 1954. These price drops have been the direct result of increases in cattle numbers. There were 76.8 million head of cattle at the most recent low point on January 1, 1949. There were 97.5 million head at the most recent high point of January 1, 1956.

This amendment is needed not only to help reduce the livestock surpluses on the ranges of this country but also to take out of pasture our overgrazed rangelands. As previously indicated, we have had consistent increases in cattle numbers for several years, even though we have had over a large area of the United States a severe drought for the past 3 years. This means, of course, that we have increased the grazing load of pastures in all sections of the country. Much of this land is overgrazed and needs to be taken out of production. Already there is evidence of a returning dust bowl. Our natural pastures are a part of our agricultural economy, and along with our croplands our conservation programs should be applied to grazing land.

This amendment should be adopted because it will help maintain a balanced program in diversified farming areas. In many areas, crop and livestock production are part of the overall farming operation. A small farmer engaging in both crop and livestock production will not be able to retire his cropland and retain a balanced program unless he can put a part of his grazing land in a soil bank. Small farmers will be benefited particularly by this program. Thousands of these small farmers will be unable to participate in the soil-bank program unless grazing lands are included.

This bill in its present form does absolutely nothing for the cattle producer of this country. It may do a lot to him, however. This bill provides for the retirement of cultivated land to grass and trees. It will create a large number of pastures that will compete with grazing lands of the country 3, 4, and 5 years from now. Cattlemen are disturbed, and they have reason to be disturbed, about the fact that within 3 or 4 years an additional 6 million or 7 million head of cattle may be in competition with their pastures.

Mr. Chairman, the twin objectives of the soil-bank program—to conserve our land and eliminate price-depressing surpluses—are good. The biggest trouble with this bill is that one of the most important segments of agriculture has been left out. Grasslands or grazing lands should be included in the soil-bank proposal. Therefore, I urge the adoption of my amendment.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Colorado.

Mr. HILL. If my interpretation of the amendment is correct, it seems to me the amendment is a good one. I wish to read line 6: "Making a corresponding reduction in livestock units below a representative period designated by the Secretary."

Does that mean that if I should put 15 percent of my pasture land into this acreage reserve program that I would be supposed to reduce the number of my cattle by about the same percentage? And I am talking about range cattle.

Mr. ALBERT. The gentleman is correct. Otherwise it would not work, I will advise the gentleman. In other words, it should be in the conservation reserve if we did not do that. This is the way to help cut down the cattle numbers. The surplus in the cattle population is the greatest surplus in agriculture today and the cattle growers are carrying that surplus, not the Commodity Credit Corporation.

Mr. HILL. The gentleman is sure his amendment means if a livestock producer goes into this program, if he should take a 25-percent acreage reserve in the program, he must agree to take a 25-percent reduction?

Mr. ALBERT. He will have to reduce his cattle numbers.

Mr. EDMONDSON. Mr. Chairman, I ask unanimous consent that the gentleman from Oklahoma [Mr. ALBERT] be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I want to express my wholehearted approval and support of this amendment. I think it fills a void that is present in this bill which will mean more to thousands of small farmers across the country than anything else we can do at this time. I have seen the disastrous results of the fall in cattle prices. I have seen cattle sales where bankrupt small farmers were forced to sell their calves for $5 or $6 apiece. This amendment would mean more in terms of improving the economic life of the farmers of our section than anything else, and I want to commend the gentleman for offering the amendment.

Mr. ALBERT. I thank the gentleman.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Utah.

Mr. DIXON. I am very much in favor of the pending amendment. As I figured here beef when we consider parity is 22 percent below cotton and 15 percent below wheat. Wool is 26 percent below cotton and 19 percent below wheat.

Mr. ALBERT. I thank the gentleman.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Indiana.

Mr. HALLECK. So far as I am personally concerned, I did not know of the gentleman's amendment or anything about it or that he was going to offer it until it was presented. I would like to ask the gentleman, Did he present this amendment in committee?

Mr. ALBERT. I presented the amendment to the committee, but we had no chance or opportunity to hold hearings on these various amendments because we were trying to bring this bill to the floor. No substantial objection to the amendment was expressed in the committee.

Mr. HALLECK. My information is that by a very substantial vote the committee decided not to include this sort of provision in the bill.

Mr. ALBERT. That is not correct. There was no record vote or showing of hands on this amendment. It was defeated by a voice vote without argument or debate.

Mr. DIXON. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, the legislation thus far has been largely in favor of that portion of agriculture which provides only about 30 percent of the farm income. This legislation has to a very large extent discriminated against the livestock raiser and the other 70 percent of our agricultural income.

My first reason for supporting the pending amendment is that it will tend to some extent at least to overcome the inequity that exists between the basics and feed grains supported under the bill and the livestock industry. Croplands eligible under this bill only amount to about 8 percent of agricultural income in the State of Utah, 18 percent in Colorado, 16 percent in California, and 16 percent in Oregon, while in our State the livestock industry accounts for 70 percent of our agricultural income.

Now, our livestock raisers are not asking for supports, but they are asking for some sort of equity; at least that they be not further discriminated against through Federal legislation.

My second reason is that soil conservation is needed just as much on the ranges as it is on our croplands, and in many instances more.

I am just going to illustrate the situation as I see it. The Utah cities are located largely on the Wasatch front, immediately on the hillsides backed by the steep mountains. Private overgrazing and drought account for much trouble with watersheds supplying the cities, when the high mountain slopes and the divides become bare, the snow melts immediately in the spring and runs off as floods. Then, when we want it in the summertime for our cities, we have no water.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. DIXON. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIXON. Our communities have raised nearly $200,000 to buy private rangelands in order to take them out of grazing so that the Forest Service could reseed and restore them. In those areas the Forest Service has made a great transformation and now, instead of grass, underbrush and trees cover the formerly denuded areas the precious water running off as floods in the spring, when we do not need it, the water seeps in and runs out as springs in July and August when we do need it.

I support this amendment, first, because it will help to overcome further discrimination of farm legislation against livestock and in favor of the so-called basic crops; second, it will reduce the number of livestock on overgrazed areas; third, it will help some livestock men to stand the shock of the reduced number of their livestock while parts of their range is being restored; and, fourth, it will protect our watersheds which threatens the destruction of our cities unless they are protected.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Oklahoma.

Mr. BELCHER. The majority leader asked a question if this amendment had not been voted down in the committee. Is it not a fact that in the committee there was an agreement that the bill should be brought to the floor as it was, and 5 or 6 or 8 amendments were hastily voted down with very little debate or discussion or anything else, leaving the bill just as it was?

Mr. DIXON. The gentleman is right.

Mr. BELCHER. With the understanding that any amendment may be brought up on the floor.

Mr. DIXON. The gentleman is correct.

Mr. BELCHER. And that any Member could offer amendments on the floor.

Mr. DIXON. The gentleman is correct.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Virginia.

Mr. JENNINGS. Does the gentleman not agree with the fact that if this provision is put in the bill, it will make it more acceptable to the livestock industry throughout the country; that there might be those who could support the soil-bank provision with this amendment in that could not otherwise support the bill?

Mr. DIXON. This is the very minimum of what we ought to do for an industry that is depressed worse than any other and has the greatest surpluses.

Mr. JENNINGS. That is exactly right. May I add further that I think this is a good provision. I support it wholeheartedly, and I trust it will be adopted.

Mr. HENDERSON. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Ohio.

Mr. HENDERSON. May I ask the gentleman what effect this amendment will have upon the raisers of cattle, especially in the State of Ohio and States farther to the east? Would it be beneficial to them?

Mr. DIXON. I do not know the situation in Ohio, so I am unable to answer.

Mr. HENDERSON. Would it be beneficial to anyone in any part of the country who was raising livestock exclusively?

Mr. DIXON. It would benefit the livestock raiser; possibly not the livestock feeder but the livestock raiser it certainly would help, because his feeds are going to go up under this bill; unquestionably they will go up, and this is the least we can do to help him.

Mr. BELCHER. Mr. Chairman, if the gentleman will yield further, in answer to the gentleman from Ohio, is it not a fact that anything that would reduce the cattle population in the United States would certainly improve the conditions that exist in the cattle industry?

Mr. DIXON. This bill would reduce the cattle population of the United States, and it should bring better prices for livestock.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I yield to the gentleman from Indiana.

Mr. HALLECK. I hesitate to say what I am about to say, but I feel constrained to do it. There may be a lot of merit in this proposition, but it is a far-reaching proposal. It authorizes and directs the Secretary to take this action. It was not worked out, as I understand it, in conference. I do not think it has had the consideration that it ought to have before a matter of this importance goes into the bill. I would not be for foreclosing some such action if the committee could get to work on it and have some hearings and determine what ought to be done about it. But it is a new matter and I think a very great extension of what we have set out to do. I doubt the wisdom of it at this time.

Mr. DIXON. It is not a new matter to me. I have discussed it with the Department and Representative ALBERT with the committee. In my opinion, it is all to the good. The chief reason why it has not been given approval is that they did not want to add to the complex farm bill at this time.

Mr. Chairman, upon very careful examination of the soil-bank provisions of H. R. 10875, I have come to the conclusion that it provides very little direct assistance to farmers in the 10 Western States of Arizona, California, Idaho, Montana, Nevada, Colorado, New Mexico, Oregon, Utah, and Wyoming, who primarily produce beef cattle, sheep, lambs, and wool. For this reason, I wish to speak in support of the Albert amendment, which includes grazing lands in the acreage reserve.

Indirectly the soil bank may serve to improve the price and income position of midwestern livestock producers if it succeeds in reducing the production of feed grains and thereby the supplies of competing meats such as hogs. The soil bank, as proposed in H. R. 10875, however, does not provide much in the way of direct assistance to the depressed western beef cattle and sheep industry for these reasons:

First, because the acreage reserve program primarily is limited to the basic commodities—wheat, cotton, corn, rice, peanuts, and tobacco, which provide American farmers with only 26 percent of their income. By including feed grains, Utah livestock producers can expect to pay more for feed and feed concentrates since it is already a deficit feed area. Grazing or range land is not eligible, although in the Western States such lands constitute the basis for our production of beef cattle and sheep which, by comparison, provide farmers in these States with up to 80 percent of their income.

Second, the croplands eligible for the acreage reserve are not to any appreciable extent grown in the beef cattle and sheep country of the Western United States. For example, in Utah only 8 percent of cash farm receipts are derived from the sale of basic commodities; in Nevada only 1 percent; in Wyoming only 8 percent; in Colorado only 18 percent; this mostly from wheat grown in the non-livestock-producing areas, and only 16 percent in California and Oregon, respectively.

On the other hand, we find that 41 percent of the cash from receipts in North Dakota are from the sale of basic commodities, 42 percent in Kansas; both of these being major wheat-producing States. In the major tobacco, cotton, rice, and peanut producing States, a high percentage of cash from receipts likewise is derived from their sale. For example, 66 percent is derived from the sale of one or more of these products in North Carolina; 59 percent in South Carolina; 41 percent in Georgia; 46 percent in Kentucky; 42 percent in Tennessee; 45 percent in Alabama; 65 percent in Louisiana; and 41 percent in Oklahoma.

The acreage reserve program, therefore, is primarily a program for producers of basic commodities. It is not capable of meeting the price and income problems of the beef cattle and sheep industry of the western United States. Nor for that matter is the conservation reserve program which limits eligible land to that which is regularly in use for the production of row crops and feed grains.

Mr. Chairman, the present price situation faced by the producers of beef cattle, calves, lambs, sheep, and wool is indeed a bleak one. A comparison of market prices as a percentage of the parity price of the products with those of the commodities eligible for the soil bank under H. R. 10875, reveals that the producers of these livestock products are in more desperate straits than those who produce the basic commodities in the Midwest and Southern States.

As of April 15, 1956, the prices of the eligible acreage reserve commodities—cotton, wheat, corn, rice, and tobacco—burley—stood at 92, 85, 76, and 81 percent of parity, respectively. On the other hand, beef cattle, calves, lambs, sheep, and wool were selling, respectively, at 70, 71, 77, 63, and 66 percent of parity. You will note that all of these livestock products were selling at a parity price below the basic commodities eligible for the acreage reserve.

The severity of this price situation in the 10 Western States is revealed by the Crop Reporting Board's Livestock and Poultry Inventory, January 1, which was released on February 1, 1956. Although cattle and calf numbers increased by 409,000 head during 1955, the value of the 17,312,000 head on farms as of January 1, 1956, was only $1,557,809,000—some $96,639,000 less than the value of the 16,903,000 head on farms on January 1, 1955. During 1955 the average value per head declined $7.90.

Sheep numbers declined by 90,000 head during 1955, and the total value of the 13,487,000 on farms as of January 1, 1956, was $212,721,000—a decline of $17,542,000 in 1955.

In spite of this, the western beef cattle producers are not asking for direct price supports, but they have a right to complain about a soil-bank proposal which gives, in addition to price supports, other financial assistance to cropland agriculture which provides less than 30 percent of total farm income in the United States, and less than 20 percent in their area. When they receive no price support, they have a right to complain about additional financial favoritism shown supported feeds which are an element of livestock costs.

Mr. Chairman, simply put, the general public interests require that the pressures on these rangelands be eased and our rehabilitation program must be accelerated. Assistant Secretary of Agriculture Peterson has stated our need this way:

> These lands must be managed for maximum continuous production of forage and its efficient use for livestock and game production. This means reasonable use for livestock and game production. This means reasonable use—not misuse or nonuse. It means that the way they are grazed should encourage the range forage to continuously renew itself. Where it is below its potential, management should encourage improvement. It also means full application of seeding, plant control, soil fertilization, and other tools, where such tools have been proven, adopted, and practical.

This amendment, therefore, is designed to facilitate sound range management of our private lands and, at the same time, provide direct assistance to our western livestock producers. Many of these people cannot continue in business in the light of the low prices for beef cattle, sheep, lamb, and wool, and the need for reducing grazing on public and private lands, without some financial assistance. Because of climatic and topographic conditions, other types of agriculture, such as those which exist in these Midwest and southern areas, do not offer much in the way of other production alternatives.

The amendment provides for deferred grazing payments on private lands as part of the acreage-reserve program, since most of these rangelands are in extremely poor condition. The Agricultural Conservation Program Service of the Department of Agriculture, which administers the agricultural conservation program, informs me that such payments as those contemplated by this amendment are being made at present in a few States. Due to lack of funds, however, payments are very modest and far below those needed to induce very extensive participation.

This amendment will serve, therefore, to meet these two problems—one immediate, the other long range:

First. Livestock producers will find in it direct financial assistance similar to that provided producers of the basic commodities who participate in the acreage-reserve program.

Second. A great impetus will be given to proper conservation and management of our public and private range and watershed lands.

I urge the House to adopt this amendment.

The CHAIRMAN. The time of the gentleman from Utah has expired.

Mr. WHITTEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sure that practically everybody wishes to do something to help the present farm situation. It is rather difficult to agree on just what would help. I should like to point out some things about the pending amendment. It is my belief that if the Department were to purchase these products and require—which they have not done heretofore—that the price paid be carried back to the original producer so that the farmer got the benefit, doubtless it would do some good.

I do not know but that it would be well to adopt the provision so that they could work it out in conference, but I should like to point out one thing that I see that would lead us in the opposite direction to that which the gentleman from Oklahoma [Mr. ALBERT] contemplates going.

If you cut the cattle population 15 percent, where do they go? They go to market. If you force 15 percent of your cattle on the market in addition to that which is already on the market, without any price support, what have you done?

It might well further reduce cattle prices. It is a serious question.

My purpose here, however, is to point out that unless certain major changes such as advance payments are incorporated into this bill, I plan to vote for the bill largely because I believe in soil conservation and the bill does protect against further cuts in cotton acreage which has been cut 35 percent in 3 years. I wish to warn the membership that unless we continuously keep in world markets that we could be making the most serious mistake a Congress could ever make. We should have learned we cannot bring world supply and demand into balance by cutting our production.

You cannot prevent world production working on the American farmer. Neither can you control production just by cutting acreage. Let us look at the records of the Department. Since 1932 the Department of Agriculture has cut cotton acreage 35 percent. In 1955, 55,000 farm families were put out of their homes by cotton acreage reduction alone.

What happened in the Commodity Credit Corporation during that period? The inventory of the Department of Agriculture, the Commodity Credit Corporation, in cotton increased from $32,500,000 in 1952 to $1,437,000,000 investment as of now, as I have pointed out, during the period that we had a 35 percent reduction in acreage in the United States.

Let us take wheat. The Department of Agriculture has cut wheat acreage 25 percent in the last 3 years, and the inventory of the CCC in the same period has increased from $352 million to $2,399,000,000.

The point I wish to make is this: The only way we in this country can live with this soil bank, under which we pay the farmer to further cut his acreage, is for this Government continually to keep our supply of commodities on world markets for sale; because we have held our commodities off world markets and refused to sell them on a competitive basis.

This 35 percent cut in cotton acreage in the United States has not cut world supply. It has meant that 35 percent of our acreage moved into South and Central American and north Africa. This 25-percent cut in United States wheat acreage has not cut world acreage in wheat. It has moved overseas—because by Government policy United States commodities were not offered in world markets at truly competitive prices.

In this bill we are paying rent to the American farmer further to cut his acreage, which is all right, if we will see that the supply of cotton, of wheat, and other commodities we have on hand is put on the counters of the world for sale on a competitive basis to take away the incentive of people in foreign countries to increase their wheat acreage as we reduce ours.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Carolina.

Mr. COOLEY. I should like to ask the gentleman if he does not know that the Secretary of Agriculture has full and complete authority to do everything the gentleman is urging him now to do?

Mr. WHITTEN. I agree thoroughly with the gentleman.

Mr. COOLEY. And when the gentleman last year tried to get the Secretary to announce a positive export program for cotton, he refused to do it. When he finally got around to it in January, he moved about 1 million bales of cotton in about 40 days.

Mr. WHITTEN. That is exactly right. I have made this speech so many times I irritate some of my colleagues, I am sure, but I should like to point out that in 1954, after I had urged for years that these commodities be offered for sale, for the first time we got some limited number of commodities offered in world trade on a competitive basis, and they sold for dollars. This year, as pointed out by the distinguished gentleman from North Carolina, the Secretary finally got around to offering 1 million of the shortest-staple cotton we had, hoping to sell it in a year, and he sold it in less than 60 days. Only yesterday did they get around to opening the bids on the sale of any more cotton.

I would point out to you the record:

Last year my subcommittee pointed out that the Department had unlimited authority to sell CCC farm commodities in world trade at any competitive price essential to move them.

We pointed out that this then $10 billion corporation had no sales manager or sales organization.

We pointed out that the Department had insufficient information on expanded foreign production and on what foreign countries were doing to export their commodities.

We pointed out that our information as to where the money between the farmer and the consumer, the spread, was going was entirely inadequate.

Our committee set up funds separately for those purposes only. The Secretary said in the press our report was politics, yet the House passed our bill without amendment.

The Secretary went to the Senate and had these provisions stricken from the bill.

We went to conference with the Senate and such provisions were put back in the bill and all conferees signed the report, House Members and Senators, Republicans and Democrats.

In recent months I note where the Department and even President Eisenhower is proud of what the Department is doing under these provisions.

Acreage cuts

[In millions]

	July 1952	July 1955
Cotton	27.1	[1] 17.5
Corn	82.4	81.6
Wheat	78.3	[2] 58.3

[1] 35 percent.
[2] 25 percent.

CCC INVENTORIES

In reviewing the various developments in our agricultural situation, during the 3 years Mr. Benson has served as Secretary, we should take a look at the number and value of commodities in the hands of the Commodity Credit Corporation. As of December 31, 1952, when he took over control of the Department, CCC inventories totaled a little over $1 billion. As of December 31, 1955, these holdings had increased to over $6 billion.

As to specific commodities, the record is as follows:

[In millions]

	Dec. 31, 1952	Dec. 31, 1955
Corn	$447.0	$1,300.0
Cotton, upland	32.5	1,437.0
Rice	.2	175.9
Wheat	352.4	2,399.0
Dairy products	8.4	281.3
Nonbasics	198.9	270.7

You will recall that for 3 years I have pointed out that the Department had authority to sell these commodities in world trade through normal channels for dollars. Until 1954 the Department would not offer any commodities. At that time the Department offered 137 million pounds of peanuts; 369 million pounds of cottonseed oil; 70 million pounds of linseed oil, 9 million pounds of flaxseed; and small quantities of several other commodities, and you sold them for dollars. The amount sold for dollars in 1954 was $92,914,102. In 1955 you finally added limited amounts of butter, dried milk, whey, corn, rice, wheat, barley, grain sorghums, oats, rye, and soybeans, and sold them for dollars.

During this period our Government refused to offer cotton in world trade for sale for dollars at competitive prices, resulting in the biggest holdings of cotton ever held off the market by any country in history, reaching the total of 8 milion bales.

Only on January 1, 1956, would the Secretary offer any cotton and then you said you would offer only 1 million bales of the shortest staple, 7/8 inch. I am pleased to note our experience apparently proves the soundness of my views, for in the month of January 1956 you sold 600,000 bales of the total 1 million you announced you would sell in 6 months; and on the 28th day of February, in 59 days, you had sold the last bale of the million offered.

During this 3 years the Department held United States commodities, with the exceptions mentioned. Thousands of farm families were put off the farms and out of homes, 55,000 by your cotton acreage reductions in 1955 alone; and foreign acreage increased as fast as our farmers were cut back.

While our commodities were held off world markets by refusing to sell competitively and cut our farmers' acreage, foreign production, under the Department's convenient price umbrella increased as follows:

INCREASED FOREIGN AGRICULTURAL PRODUCTION

During the 4-year period ending with the crop year 1954–55 foreign countries increased production of all the basic commodities—cotton, wheat, corn, rice, tobacco, and peanuts—over 1950–51 levels.

Based on the most recent information available for the crop year 1954–55 the

increase was approximately as follows: Cotton, 5.1 million bales, 28 percent; wheat, 329 million bushels, 6 percent; corn, 403 million bushels, 19 percent; rice, 29 billion pounds, 13 percent; tobacco, 457 million pounds, 9 percent; and peanuts, 1,360,000 tons, 14 percent. These increases are substantial but the increase of 28 percent in cotton production is particularly significant when it is realized that United States production declined 16 percent from almost 16.5 million bales in 1953–54 to an estimated 13.9 million bales in 1955–56.

While it is impossible at this time to forecast the world's 1955–56 crops, such information as is available indicates a further substantial increase over 1954–55 on at least two of the major basic commodities—cotton and wheat—possibly as much as 1.5 million bales on cotton—6 percent—and 440 million bushels on wheat—7 percent.

Land devoted to production of these two commodities in 1955–56 is expected to be substantially more than in 1945–55, nearly 2 million acres on cotton and 15 million acres on wheat, in addition to an increase in 1954–55 over 1950–51 levels of almost 10 million acres on cotton and 46 million acres on wheat.

Corn: Foreign production up 403,500,000 bushels.

Dairy products: Foreign countries produced 740 million pounds more cheese, 66 million more dried milk.

In 1954 United States exports of cheese dropped from 47.5 million pounds to 5.4 million pounds.

Canned milk: United States dropped out, and the Netherlands increased exports 125 million pounds above 1950.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

(By unanimous consent, Mr. WHITTEN was given permission to proceed for 5 additional minutes.)

Mr. WHITTEN. Earlier in this week Secretary of Agriculture Benson gave me flat assurances in testimony before my committee that the Government now was going into a sales program and that we could rely on their carrying forward a sales program to sell these commodities and keep them constantly offered for sale. If that is done, we can live with the soil-bank idea, but if it is not done it will just further move our acreage overseas.

The reason I am disturbed today is that the Department opened bids yesterday for further cotton sales, and they had bids for 1 million bales more of cotton. The lowest price offered, so I am told, was 27.5 cents for the shortest kind of cotton they have, very, very little below the support level we have in this country. Do you think the Department sold that many bales? They accepted bids on only 10,000 bales, though they had the bids there, bona fide bids, for 1 million bales of cotton. After what happened yesterday, I am skeptical. I have invited the Secretary and the Department witnesses to come back before my committee tomorrow so that we can dig into it.

I wish to point out that as we have cut cotton acreage under a compulsory law, that acreage has shown up overseas. As we have cut wheat acreage, that acreage has shown up overseas. As we have cut these other acreages, they have shown up overseas. These foreign countries are increasing as rapidly as we cut down.

There is only one way in the world that I can see that our reductions where we contribute our part in trying to bring world supply and demand into balance can be made effective, and that is to keep our commodities constantly on the tables of the world, the counters, for sale at competitive prices.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from West Virginia.

Mr. BAILEY. If we go into an extensive program of subsidizing the sale of our surplus cotton abroad, it is going to take considerable financing to put on a program of that kind.

Mr. WHITTEN. May I interrupt the gentleman, because I differ with his statement so radically.

Mr. BAILEY. Let me continue my question, please. Suppose we approve OTC, there is a provision in the General Agreement on Tariffs and Trade against the setting up of subsidies and import quotas. Would we have to go to Geneva and submit our request there to 34 other nations? Certainly there will be other nations that grow wheat. Are they going to give us permission under the General Agreement on Tariffs and Trade to set up a subsidy to dispose of our surplus?

Mr. WHITTEN. I am in agreement with the gentleman on that issue, so there is no argument with me on that. The Government already owns these commodities and is paying storage on them at the rate of about a million dollars a day. If you go ahead and sell these commodities you could save that amount in storage and we would make it possible for our farmers to farm. Every country in the world is moving the commodities they have in world trade for what they will bring. The only way we can keep from ending up as producers for domestic consumption only is to keep the commodities our farmers are producing offered in world trade for what they will bring. This bill is highly dangerous unless the Secretary does as he has assured us he will do and as he has proven in the last year and a half he can do, that is, sell these commodities in world trade.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. The gentleman has indicated that the Secretary should sell this cotton in world trade. Is there anything to prevent the producers themselves from selling it in world trade?

Mr. WHITTEN. The mechanics of this program have the effect of preventing it, because if you can get 82.5 percent support in the United States, under the President's pronouncement, or 90 percent under the present law, if the world price is below that you can easily see the farmers would go to the Commodity Credit Corporation and get the loan, as long as the world price is below the United States domestic support price. The mechanics of the program, under present conditions would be that the cotton would go into the Commodity Credit Corporation and out just because that would be of economic benefit to the farmers. Now, you can change this method of handling the thing under the present law, but that would be the process.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. COOLEY. I would like to point out that just a few years ago when we had a cotton embargo imposed upon us, cotton was selling in the world market far higher than it was selling here at home.

Mr. WHITTEN. Yes. As you will recall, the world market was around 76 cents a pound and our production was all bottled up in the United States where the farmer was getting about 45 cents a pound. Fear of an all out war with Korea was given as the reason, but the effect was to injure our farmers.

Mr. COOLEY. We would not let the American farmer sell his cotton abroad.

Mr. WHITTEN. That is exactly it. In effect, by Government we have it bottled up here.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I just want to say to my distinguished friend from Tennessee whom I greatly admire that I have been here a half hour waiting to be recognized, also to say to the House that I understood this proposed legislation had been amicably agreed upon and that all differences had been reconciled and that you were going to come out here with a bill that we would experience no difficulty in passing and which would be acceptable to most of the Members on both sides of the aisle. I understood all differences had been ironed out. But, it is quite evident now that the doors are going to be opened and the bars are going to be let down and that you are going to clutter up this proposed legislation with a lot of amendments which will not make it any more acceptable than the previous bill which was vetoed by the President. Take cattle grazing, for instance. If this amendment as agreed to—the doors have been opened again. Now I cannot understand why, if cattle production was at a low level in 1949, it should have increased so tremendously through the years up to 1956. Evidently the cattle were not shipped to the market. If the cattle had been shipped the law of supply and demand would have stabilized the market and cut down the production. The American people might have gotten cheaper beef. However, the consumer has no voice here, he merely pays the bill. I would not mind if there were some restrictions in this amendment to help the small cattle farmers. I am in deep sympathy with and want to help the small farmer, but I am not interested in helping these gentlemen farmers, these professional businessmen who went into the cattle business, and these drug-

store cowboys who saw a good market in 1949, and who all went into the cattle business thinking they were going to get rich quick. It is the same as an individual who went into the market and bought some stock. If it goes down he takes his loss and has no one to bail him out; he takes his loss and that is that. These folks that went into the cattle business overproduced and then they ran into a drought and then they ran into a depressed market and a couple of years ago they came up here asking for Uncle Sam to bail them out. Now, they are in the cattle business which is outside of their particular profession and with more cattle than the market can absorb they are in difficulties and they are looking for relief. I want to help the old, established cattle farmer, the cattle rancher who has been in the cattle business all his life and the small cattle farmer. But, these folks who went into the cattle business in a big way, who saw a rainbow in the sky and who then ran into a bad market, a drought, overproduction, and a few other things, think now that here is a good chance to get bailed out of a bad situation. I would like to ask the gentleman from Oklahoma if the situation is so bad and if there is such a depressed market, why have cattle increased so tremendously since 1949?

Mr. ALBERT. The increase in cattle has not been paralleled by the price situation, obviously. The number of cattle has been going up as the price has been going down because there is no place to go with the cattle.

Mr. GAVIN. Certainly, that is natural, put them on the market even though the price is lower they will be readily taken up and they will proceed with more caution in overproducing in the future.

Mr. ALBERT. This particular program would require a decrease in cattle in order for them to participate in it.

Mr. GAVIN. Naturally, ship the increased production to the market, supply and demand will stabilize the market and if these people cannot make a profit a lot of them in the cattle business who were not cattle farmers will go out of business and you will have no more overproduction. Now you have an overproduction of cattle and you are coming along asking the Congress to pass legislation to bail them out. You say, let us get some help for the cattle farmer. Let the doors be opened so that he can recover some of his anticipated losses that he will have to take sooner or later. If they had better judgment, they would not have gone into the cattle business in the first place, it was out of their line. They should have stayed out of the cattle business and looked after their business. If he was a gentleman farmer or a professional businessman let him take his loss and not be asking for legislation for relief. But here are these drugstore cowboys who thought they were going to make a big killing in the cattle business and who now are asking us here to open the door with legislation to recoup his losses.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield.

Mr. HALLECK. The gentleman spoke of amendments that might be considered. I would like to say that as far as I am concerned—and I have tried to be as diligent as I could in connection with this matter—I have taken the position that we should not have a lot of amendments in connection with this bill that has been worked out after a great deal of time and effort devoted to it. I do not know what the effect of this amendment could be. It might be destructive to the entire bill. I would like to say further that a number of Members have come to me with amendments that were presented in the committee, and my advice to them has been that we ought to go on and perfect this bill and get it passed, because essentially it is a good bill that we could support. If the door is to be open to all sorts of amendments, and many of them were offered in committee, there is no telling what effect it will have on the bill.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GAVIN] has expired.

(By unanimous consent, Mr. GAVIN was granted 3 additional minutes.)

Mr. HALLECK. My position has been that this legislation containing all the good things that it does contain should be passed and become law. I do not want a lot of amendments put in here that will jeopardize it.

Mr. GAVIN. I understand the gentleman, and I concur if it is cluttered up with a lot of unworkable amendments it will be of no use. If you are going to have a lot of amendments here today, you are going to muddy up this bill.

While I am on my feet, I want to say I am sincerely, earnestly, and greatly interested to help the small farmer. I heard the gentleman from Kansas [Mr. HOPE] this morning talk about corn. He said the corn farmer can grow an unlimited number of acres of corn if he uses it for his own use on his own farm. I wondered why the Committee on Agriculture made an exception with reference to wheat, because the small farmer cannot do that with wheat. He is restricted even though he is growing it for his own use. That is the little farmer that I spoke about the other day, who wanted to be let alone, did not want to be regimented restricted and regulated. I heard the gentleman from Minnesota say that the corn farmer would be restricted and regimented. I was surprised. This little fellow I was talking about grew a few too many acres of wheat and the Government moved in on him. There were 767 of them in my great State of Pennsylvania. Why did you make an exception to allow the corn farmer to grow all the corn he wanted, but the little wheat farmer had to be restricted to 15 acres? Why did you put the little wheat farmer where he could not grow 50 or 75 acres or enough for his own use without getting the Government on his back?

Mr. HOPE. Does the gentleman wish me to reply to his question?

Mr. GAVIN. I do.

Mr. HOPE. Of course, this all goes back to 1938. At that time we enacted the Agricultural Adjustment Act of 1938, and different provisions prevailed with respect to wheat than with respect to corn. In the first place, wheat is under marketing quotas, and at a time when there is an oversupply of wheat the law provides the Secretary may put marketing quotas into effect subject to their being approved by the producers. The wheat producers of this country, by more than a two-thirds vote, have approved marketing quotas for the 1956 crop, so they are now in effect. No producer who produces more than his acreage allotment can market to exceed that amount except when his acreage allotment is less than 15 acres. Then there is an exception made in his case. He can produce and market up to 15 acres.

Mr. GAVIN. That is right.

Mr. HOPE. That does not apply to corn; there are no marketing quotas on corn under the law.

Mr. GAVIN. But the gentleman will agree that an injustice has been done to the small wheat farmer, and if it has been in effect since 1938 it is about time you changed it and gave him a little relief to grow what he wants for his own use without the fear of having the Government move in on him.

As far as the cattle farmer is concerned, if you want to bail him out, all right, but everybody else is going to expect to be bailed out, too, and the result will be an unsatisfactory piece of legislation.

Mr. BASS of Tennessee. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Indiana made a very strong plea here for no amendments and to get the bill through. I want him to know that we on this side of the aisle in the committee did our very best to bring this bill out under those conditions, to get members of the committee on that side to go through and support the bill exactly as first proposed. But then they came along with this gimmick, a political gimmick, to advance payments to the farmers. That will open up the bill and I do not know where it is going if you still insist on making it a political football.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BASS of Tennessee. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. As I get it, this political gimmick the gentleman is talking about is a device to pay farmers this year for what they promise to do next year, but which the administration did not want them to do last year.

Mr. BASS of Tennessee. That is the point exactly.

Mr. HAYS of Ohio. When the Democrats were in power if we had tried to do anything like that we would have been charged with buying votes, but under this administration the newspapers take the position that it is statesmanship of the highest order. It is rather difficult for a Democrat to become a statesman, let alone a newspaper hero. The newspapers come along now and say this is a heroic thing for the administration to do.

I do not want to disturb my friend the gentleman from Indiana [Mr. HALLECK],

over there when it looks like he is about to become a hero, but I may just decide to join you to become somewhat of a minor league hero myself.

Mr. HALLECK. We will try to welcome you in.

Mr. HAYS of Ohio. And that would seem to justify the observation that Mr. Benson is still maintaining his position. There has been a good deal of talk in this administration about principles and things of that sort. Mr. Benson was for flexible supports, but rigid principles. I have, however, about come to the conclusion that what he now wants is flexible principles but rigid supports.

Mr. THOMSON of Wyoming. Mr. Chairman, I move to strike out the last word and rise to speak in support of the amendment.

Mr. Chairman, I do not intend to take the full 5 minutes. The gentleman from Pennsylvania [Mr. GAVIN] who preceded me mentioned something about people who want to be left alone. That is what the livestock producers of this country have consistently wanted, just to be left alone. The trouble is they have not been left alone under price supports and acreage restrictions. Acreage has been diverted from the production of basic crops to the production of livestock. As acreage restrictions have been applied, the numbers of livestock have consistently increased. The fact is that since 1953 when acreage restrictions went into effect on the major basic commodities, acreage diverted to the production of feed grains, exclusive of corn, has gone up about 24 percent, or about 15 million acres.

With the price-support and acreage-control provisions of this bill as to feed grains, exclusive of corn, I can see that it is going to put a further squeeze on the livestock producers, because we are threatening them with subsidized competition from an additional 15 million acres. I join with the gentleman from Oklahoma and congratulate him for offering the amendment, because it is possibly getting down to the ultimate so that we will actually take land out of production instead of just placing it in competition with another segment of our agricultural economy. If that is what the taxpayers want to do, we should get to it in the first instance and not have to pay the bill 3 or 4 times as the land goes from the production of a basic commodity into the production of feed grain, then into the production of something else, and ultimately into the production of livestock.

I am not at all certain that this proposal is a solution to the problem, but at least it provides for a study of a possible solution.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. THOMSON of Wyoming. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. Can the gentleman tell me whether the amendment offered by the gentleman from Oklahoma, which we are discussing, would affect those lands which are public lands and have been leased for grazing purposes, for private grazing?

Mr. THOMSON of Wyoming. I do not think it would affect the public lands. It would affect only the base lands that are the private lands.

Mr. OLIVER P. BOLTON. In other words, if a feeder or a cattle grower has leased public lands for grazing purposes and agrees to take part of those public lands out of production in accordance with the amendment, will he receive payments under this amendment?

Mr. THOMSON of Wyoming. I do not believe he would as to the public lands under this amendment. That has to be worked out. Here is the way it might be worked out. In his base acreage—that is on his private land where he runs his cattle 9 months out of the year—he would take so many acres out which would have so many animal units carrying capacity on an annual basis. Those would be the only animal units on which he would be reimbursed. There would be no payments on additional animal units computed on the carrying capacity of the public land. Is that correct?

Mr. ALBERT. The gentleman has correctly stated the situation.

Mr. THOMSON of Wyoming. I sincerely hope that the House will support and pass the amendment offered by the gentleman from Oklahoma. If there is anything to be worked out later, there is plenty of time to do it in the other body or in conference. It may be this is not the solution, but it is deserving of this consideration.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oklahoma because I am sure that the amendment will help some small farmers get into this program that will not be able to get into it in any other way.

The small, diversified farmer who has meadows or pasture lands he has seeded himself, that he has been using for hay or grazing, can, according to the terms of the bill that came from the committee, retire a portion of that land into the conservation reserve. But if he is located in a country like that of the gentleman from Oklahoma, and God sowed that grass and the farmer is in the cattle-grazing and producing business, he is barred from retiring that kind of land into the conservation soil bank. He does not have to count the heads of cattle he is running on this land.

If I have a pasture, I am usually overgrazing it or have all the cattle on it that it will maintain. If I rent 15 or 20 or 100 or 200 acres of my grazing land to the Federal Government, I will automatically be forced to cut down the number of cattle I produce. If I undertake to keep them on the restricted acreage they will starve to death or have to be sold as canners, which will require me to reduce my cattle number. If I rent the Federal Government a certain amount of acreage of my pasture land and neither graze it or use it for hay, and if I put it in the soil-conservation reserve, that automatically reduces the amount of beef or milk I can produce on my land. That does not have to be provided for. It comes about automatically.

Mr. Chairman, this is a good amendment, and I hope it will prevail.

Mr. WICKERSHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oklahoma [Mr. ALBERT], relating to the inclusion of grasslands in this program. I think the gentleman from Oklahoma has studied this out thoroughly. I know both he and I discussed it with a couple of ranchers from Oklahoma, including Mr. Harold Davis, who now lives in his district and who formerly came from mine.

Mr. Chairman, I would like to speak with reference to another matter. I should like to read a report I received today from the Department of Agriculture as to the surpluses we now have:

APRIL 30, 1956.

Hon. VICTOR WICKERSHAM,
House of Representatives.

DEAR CONGRESSMAN WICKERSHAM: This refers to your letter of April 14, 1956, in which you requested that the table you enclosed, "How Long Would Supply of Government Surplus Food Last?", be brought up to date.

There is enclosed a copy of the data in table form that has been revised as requested. The quantities reflected under loan and also owned by Commodity Credit Corporation under the price-support program are as of February 29, 1956, which is the latest date the information is available.

Sincerely yours,

MARVIN L. MCLAIN,
Assistant Secretary.

U. S. Department of Agriculture, Commodity Credit Corporation

Quantity of certain commodities pledged for loans and commodities in price support inventory as of Feb. 29, 1956

Commodity	Unit of measure	Pledged for loans	Owned by CCC	Total quantity	Estimated domestic disappearance plus gross exports for market year, 1956–57	Months and days CCC stock would last, based on 1956 requirements (assuming no 1956 production and no private stocks)	
						Months	Days
		Thousands	*Thousands*	*Thousands*	*Thousands*		
Corn	Bushels	369,826	744,619	[1] 1,114,445	3,100,000	4	11
Cotton, upland	Bales	6,582	7,215	13,797	12,800	13	4
Rice	Hundredweight	15,212	14,771	29,983	55,200	6	19
Wheat	Bushels	273,271	846,271	1,119,542	925,000	14	23
Butter	Pounds		114,107	114,107	1,625,000		26
Cheese	do		309,819	309,819	1,350,000	2	24
Milk, dried, nonfat	do		119,264	119,264	1,300,000	1	4
Barley	Bushels	79,272	24,696	103,968	405,000	3	1
Grain sorghum	Hundredweight	56,716	17,942	74,658	235,000	3	26
Oats	Bushels	58,533	32,032	90,565	1,525,000		22
Rye	do	10,988	1,132	12,120	31,000	4	23

[1] Figures from Commodity Credit Corporation Report of Financial Condition and Operations as of Feb. 29, 1956.

Mr. Chairman, at this point, I should like to read into the RECORD a table which has been supplied to me today by the Commodity Credit Corporation of the Department of Agriculture. This table sets forth the months and days CCC stocks would last, based on 1956 requirements, and assuming that there would be no further 1956 production and no private stocks.

The story this table tells is alarming. Our surplus production of farm crops is much smaller than most of us have been led to believe.

To take three staple farm products as instances: CCC has enough oats to meet consumption demands for only 22 days; enough butter for 26 days; and enough dried, nonfat milk for a little over 1 month.

This, my friends, was the situation at the close of operations of CCC on February 29, 1956.

What does this table—these incontestable facts—mean to you, to me, and to the people we serve in the House of Representatives?

To me, the meaning is clear. Surpluses are not liabilities: they are assets. The problem for us is not how to get rid of them; but, the problem is how may we best use them.

God, in His infinite wisdom, is taking a great part of that problem out of our hands. A United Press dispatch on April 13, 1956, has this to say:

The Census Bureau estimates that the total United States population, including Armed Forces overseas, was about 167,181,000 on March 1.

This represents an increase of 16,049,000 or 10.6 percent since the last census April 1, 1950. It is a rise of 2,814,000, or 1.7 percent, from March 1, 1955.

Mr. Chairman, the implication is obvious. The increase in population of nearly 3 million per year will eat deep into any food surplus which we are fortunate enough to possess.

Nor may we forget that grim nature has a way of curtailing production that is beyond the forecasting ability of any group of men, be they legislators, farm experts, or hardworking dirt farmers. Floods, droughts, dust storms, tornadoes, hail storms, and insect pests may devastate farm crops—sometimes at the very day of harvest.

Then, with more than 167 million people dependent on those same crops for their food, what will become of the much-assailed surpluses?

There is not one among us who does not know of some person—an aged citizen; a fellow American deprived of the right to work by accident or disease; an Indian, a ward of our Government—who, if not actually starving, is in need of more wholesome food. These people, who, through no fault of their own, are not eating enough for their physical well-being should be fed from the surpluses which we now have on hand. That would further cut down on the existing CCC stock.

In the present unsettled condition of the world we must always look to the familiar Boy Scout motto and "Be Prepared." Who knows what disaster may strike our friends and allies overseas? Famine may stalk in India. The Netherlands may again be flooded. As a Christian nation we have always stood ready to be a friend in need. We could trade off much of the so-called surplus for strategic materials or items of value. Nor may we forget the threat of war. My heartfelt prayer is that war will never again take the lives of American youths and destroy our hard-won resources. But—if it does come—our farm surpluses will vanish overnight, like snow before the sun.

Last—but not least—the farmer, himself, must be considered. Removing land from gainful production is driving farmers who have the know-how away from the land. If controls are necessary at all, they should not be so severe as to deprive us of this important segment of our population. Certainly, the family farm is the cornerstone of our agriculture production. The least we can do is to give the farmers with the larger families to support additional producing acreage to support them.

Mr. Chairman, more than 4,000 years ago, a great man visualized the problem of surpluses. That great man met the problem of surpluses and solved it.

Permit me to quote a few verses from the Bible. It is the 41st chapter of Genesis, beginning with the 25th verse. Joseph is interpreting the Pharaoh's dream.

And Joseph said unto Pharaoh, The dream of Pharaoh is one: God hath shewed Pharaoh what he is about to do.

The 7 good kine are 7 years; and the 7 good ears are 7 years: the dream is one.

And the 7 thin and ill-favored kine that came up after them are 7 years; and the 7 empty ears blasted with the east wind shall be 7 years of famine.

This is the thing which I have spoken unto Pharaoh: What God is about to do he sheweth unto Pharaoh.

Behold, there come 7 years of great plenty throughout all the land of Egypt:

And there shall arise after them 7 years of famine; and all the plenty shall be forgotten in the land of Egypt; and the famine shall consume the land;

And the plenty shall not be known in the land by reason of that famine following; for it shall be very grievous.

And for that the dream was doubled unto Pharaoh twice; it is because the thing is established by God, and God will shortly bring it to pass.

Now therefore let Pharaoh look out a man discreet and wise, and set him over the land of Egypt.

Let Pharaoh do this, and let him appoint officers over the land, and take up the fifth part of the land of Egypt in the 7 plenteous years.

And let them gather all the food of those good years that come, and lay up corn under the hand of Pharaoh, and let them keep food in the cities.

And that food shall be for store to the land against the 7 years of famine, which shall be in the land of Egypt; that the land perish not through the famine.

Mr. Chairman, the table from the Department of Agriculture which I have recently presented to you shows, beyond the shadow of a doubt, that the concept of a topheavy surplus of farm crops is an entirely imaginary concept.

The problem before us is—and it will continue to be—not "How shall we get rid of the surpluses we have?" but "How can we best use these surpluses for the advantage of America and the enduring benefit of mankind?"

Mr. FISHER. Mr. Chairman, I strongly support the Albert amendment which could include grazing land in the soil-bank plan. If there is to be a soil-bank plan, it is only proper and right that range land should be included.

That is particularly true in the drought-stricken areas of the country. That includes millions of acres which have been scorched by years of dry weather and which are vulnerable to heavy rains and floods. It is of the highest importance that the top soil be preserved as much as possible, and that can only be accomplished if the land is permitted to be idle, or at least have the grazing reduced substantially.

Moreover, we have an overproduction of cattle in this country and, therefore, the inclusion of grazing land in the soil bank can serve the double purpose of restriction to production of cattle and, at the same time, helping preserve the soil and enable the restoration of grass and other vegetation when the rain does come. There can be no program for soil conservation in the ranch country that will contribute more at this time to sound soil conservation than deferred grazing. I earnestly hope the amendment is adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. ALBERT].

The question was taken; and on a division (demanded by Mr. HALLECK) there were—ayes 103, noes 66.

So the amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: Page 11, line 17, strike out all of lines 17 through 21 and insert:

"(b) Compensation shall be paid to any producer for participating in the acreage reserve program for any year including 1956 when the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year."

Mr. COOLEY. Mr. Chairman, I think this is perhaps the most important section which will be in issue here today. The section that I am seeking to amend or change was written in conference. It seems to me that every Member of this Congress owes the people whom he represents the duty to guard the taxpayers' money.

It was originally suggested that we should give to the Secretary $1.2 billion without any restrictions or limitations and permit him to use that fund just as he determined it should be used. Immediately, as I am sure most of the Members know, it was referred to as a slush fund, that the Secretary would use it for political purposes. And a lot of other things were said. So in conference, the 5 House Members and the 5 Senators sat down to consider the matter and to write into this bill some safeguards. We concluded that the section that appears in the bill now before us was then and there acceptable. It provided that the Secretary should not pay farmers until

the Secretary had determined that the farmers had kept faith with the terms of the contract. It seemed to us that that was a reasonable requirement.

The language in the bill itself provides that no compensation shall be paid to any producer until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

What I propose to do by my amendment is to change that section so as to read this way:

Compensation shall be paid to any producer for participating in the acreage-reserve program for any year including 1956 when the Secretary has ascertained that such producer has complied with the acreage-reduction requirements of such program for such year.

It might appear that that is a very slight change, but it occurs to me that that is a very important change. I believe that we are now actually faced with this situation.

Are we going to have a soil-bank program in 1956 or not? The Secretary of Agriculture has finally accepted the idea of a soil-bank program. He tried to impress its importance upon the people of America. While some of us have misgivings about the effectiveness of such a program, this program was brought to this House free from all partisan politics. No one can say this bill we now have under consideration is the brain child of a Democrat, nor can he say that it is the brain child of a Republican. This bill represents the hard labor of those of us on the conference and those of us on the committee, and when the roll was called and the final vote was taken in the committee, not a single man in either party voted against the bill we now have here. So we can have satisfaction and be happy in the glad thought that at last we have here a bill that, insofar as the House Committee on Agriculture is concerned, has been stripped of all party considerations.

Are we going to have a soil-bank program this year or not? If you want a soil-bank program this year, if Mr. Benson wants a soil-bank program this year, you should vote for this amendment and you should vote down all substitutes.

Under this proposition, if a cotton farmer wants to retire 10 acres of cotton he can announce it next week, and when cotton-planting time is over, which is only a short time away, he can be checked for compliance. When the Secretary through his agents finds that the man has actually reduced his acreage 10 acres, they give him his marketing card to sell his cotton, and they can give him his soil-bank check right then.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

(By unanimous consent, Mr. COOLEY was given permission to proceed for 5 additional minutes.)

Mr. COOLEY. That means that the farmer will get these checks in July, August, September, and all through the rest of the year.

I am not willing to admit that the soil-bank program must be postponed until 1957. I am about to believe that Mr. Benson does not want the soil-bank program to go into operation in 1956. If he does, here is his opportunity to do so.

Down in the far South some crops have been planted, but under this provision farmers can plow up those crops, crops that are now in surplus supply, and if we come in here with this advance payment, this installment-payment proposition, that is only proposing to give to the farmer something this year that you are going to take away from him next year.

Do not believe that the farmers are not intelligent enough to know why that is being done. I think they will ask you and me, "Why didn't you provide a soil-bank program for 1956?" You cannot say to them, "Oh, it was too late. The Committee on Agriculture dragged its feet and did not bring the bill to us in time." Then they will come back to you and tell you your Secretary did not present the bill until the 27th day of February 1956, and even up to now not a single Republican in this House has been willing to become the author of that bill nor to adopt the baby and to take it to his breast and claim it as his own. That is the kind of Secretary that we have. He is still a millstone around your neck and you know it. Now is the time for you to say to him you are the elected Members of the legislative branch of this Government and that you have your responsibility as some of you on your side of the aisle have done.

I have seen great demonstrations of courage in this House during the time I have been here. There are some members of my committee who have grown in stature and power and influence here because they have stood up for their people in their home districts. Here is the soil bank—you propose to give them a partial payment. I am proposing to give them full payment and to give it to them this year—right now—not next January, February or March. If this proposition that I am submitting to this House does not do what I say it will do, I challenge anybody to prove wherein I am wrong. Whoever heard of coming up here proposing to pay a man half of what he is going to earn or what he might earn next year and to take away from him by dilatory tactics and unwarranted delay, the right for him to earn the money—and all of it—in the year 1956. In introducing this, I am not prompted by partisan politics. I respect Mr. Benson as a gentleman and I respect his office and the high position that he holds, but I feel the responsibility to the farmers of America. I believe that if you adopt this amendment and defeat these advance payments the other body will probably take the bill just as it is passed here today and will send it on to the White House and leave the matter in the hands of the Secretary to administer. I cannot for the life of me see why the administration or anyone speaking for the administration would advocate the soil bank as it has been advocated, and then when you come face to face with it, you say, "We will put it off until next year, but we will give the farmer half of what he would earn in the year 1957."

I have no interest in this proposition which should not also be your own interest. I congratulate the Republican members of my committee for rising above the passions of partisan politics and standing up like statesmen and voting for something they know is right. There was not a single effort in the committee by any member on either side to play politics. This is no time for petty purposes. This is no time for petty politics. It is the time, I think, that challenges our very finest virtues and patriotism. I ask you to vote for my amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOPE. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Amendment offered by Mr. HOPE as a substitute for the amendment offered by Mr. COOLEY: On page 11, line 17, after the word "No", insert "Final."

Mr. HOPE. Mr. Chairman, I have listened with interest to what has been said to you by the distinguished chairman of our committee, the gentleman from North Carolina [Mr. COOLEY] with respect to his amendment. His amendment is an effort to avoid voting upon the question of whether or not there will be prepayment under this program. If I understood him correctly, he would have you believe that unless his amendment is adopted there is no way that there could be a 1956 soil-bank program. But the adoption of his amendment will have no effect whatsoever upon the question of whether there will be a 1956 program, because the language in the bill itself in section 103, and in other sections, definitely provides for a program for 1956 by saying the Secretary of Agriculture is authorized and directed to formulate and carry out an acreage reserve program for 1956, 1957, 1958, and 1959 on crops of wheat, cotton, and certain other crops. So that there is no question at all but what the program is authorized for 1956, and the language which has been offered by the gentleman from North Carolina [Mr. COOLEY] makes no difference one way or another. But, more than that, let me call your attention to the language on page 4, line 21, which reads:

Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary.

What does that mean? That means that in the case of any crop eligible to come under this program, which has already been planted, if we enact this legislation the farmer can plow it up or clip it or mow it or prevent the crop from coming to maturity, and collect his 1956 payments. So you could not ask

for or you could not get any more authority than is already contained in this legislation with respect to payments for 1956.

The purpose of my substitute amendment is preliminary to an amendment which I expect to offer a little later on, as soon as I can be recognized after this amendment is disposed of. My amendment is to subsection (b) on page 11. It inserts the word "final" in the first line so that, as amended, the subsection would read as follows:

No final compensation shall be paid to any producer for participating in the acreage reserve program for any year until the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year.

If you put that word "final" in there, that will make it in order for me to offer the other amendment later, which will provide for prepayments.

I would like to read the amendment that I intend to offer to provide for prepayments, but I will not discuss it at any great length at this time. The amendment is as follows:

On page 25, line 2, after "116 (a)"—

That is merely a clarifying provision.

Then on line 8, after the end of the section, insert a new subsection, as follows:

(b) Notwithstanding any other provision of law, and in order to assist the producer in financing his farming operations, and caring for and improving his farm property, the Secretary may make an advance payment to the producer of not to exceed 50 percent of the compensation which would become due the producer under his contract to participate in the acreage reserve program; and may in any year make an advance payment to the producer of not to exceed 50 percent of the annual payment for such year which would become due the producer under his contract to participate in the conservation reserve program.

An effort has been made here to lead you to believe that this is purely a political provision with the design of paying out money without any insurance that the program will be carried out or that the soil-bank program will go into operation. Let me call your attention to the fact that practically anyone who goes into the soil-bank program is going to be put to some initial expense. If a man goes into the conservation reserve he is going to be required to plant legumes or soil-building crops, or plant trees, or carry out some operation which would require him to cultivate the soil, purchase seed, fertilizer possibly, and in addition to that in all probability would be required to build fences, because he cannot permit this land to be grazed; he will have to fence it out of his other farm operations.

Is there anything wrong after a man has signed a contract in permitting him to receive a payment which will compensate him for at least part of those expenses he will incur before it is possible for him to receive full payment?

It is necessary in a situation of that kind for the farmer to spend money. He may have it; if he does he probably will not make application for advance payment. He may be able to borrow it, and in that case he may not make application for advance payment, but why should he pay interest if he is entitled to an advance payment after he signs the contract; and, of course, he cannot receive any advance payment until he does sign a contract.

That is certainly not an unusual situation as far as ordinary business transactions are concerned. Many business contracts have a provision for a first payment when the contract is signed.

It may be felt that perhaps the Government is in danger of losing some of the payments that may be made, but the experience of the Government so far has not indicated that, and there are ways by which the Federal Government can collect from the farmers themselves even without a suit in many cases if they have been paid and do not follow it up with performance. That recourse is found under those provisions of law which allow the Government to offset any indebtedness which the farmer owes the Government, and in most cases since the farmers who go into this program are producers of the basic crops they will be farmers who have the right to obtain loans. They will have the right to ACP payments, and in most cases there will be ample opportunity in my opinion for the Government to offset any losses, should any occur. I do not expect that many will occur, because I do not think many farmers would sign a contract and not go ahead and carry it out; nor do I believe there are many Members of the House who believe that these defaults will happen.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the chairman of the committee.

Mr. COOLEY. I would like to ask my friend from Kansas what objection he has to the amendment I offered which makes it perfectly clear that we intend that the Secretary shall pay to the producers for participating in the program in 1956, if indeed they do participate and comply? I would like for the gentleman to say whether or not he sees anything bad about this proposition. If the gentleman is correct in saying that the Secretary may pay under the soil-bank program in 1956, this only provides that he shall do it and shall pay the money after the producer has complied with the reduction in acreage stipulated in his contract.

I know that the gentleman's amendment goes further and will make my amendment ineffective, if adopted. Then the soil bank will be in doubt in the future. We will not know whether it is going to be put in or not. No farmer will be able to say whether he will cooperate with the program. I would like to have an outright vote on the advance or prepayment proposition. If the gentleman could withdraw his amendment now pending and let my amendment be adopted, it would be in the bill in lieu of subsection (b), then we can discuss the merits of the prepayment proposition and that alone.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that the gentleman from Kansas [Mr. HOPE] be allowed to proceed for 6 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HOPE. The point I am making in connection with the gentleman's amendment is that it was apparently offered on the theory it is necessary in order to insure a soil-bank program for this year. It is not necessary because there is ample authority in the law right now, not only for farmers who plant crops after this time but for farmers who have planted crops previous to this time. I am sure the gentleman knows that the Secretary of Agriculture is anxious to start this program, the President is anxious to start it, and there is no doubt at all but what it will pass in time permitting the program to go into effect in 1956. It will go into effect; therefore there is no need for the gentleman's amendment. I think my amendment is very necessary and very important so that if we adopt the prepayment provision there will not be a conflict of language in the bill.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Indiana.

Mr. HALLECK. In specific response to the gentleman from North Carolina, I would say there is not anything bad about his amendment. The trouble with his amendment is there is not anything good about it. The substitute offered by the gentleman from Kansas would fit in with the pattern for advance payments that the gentleman contemplates offering. I will demonstrate to the gentleman that his amendment does nothing more than change a few words. If Members have a copy of the bill, it is in the negative. It says:

No compensation shall be paid until there is compliance.

He just simply changes it to the affirmative and says:

Compensation shall be paid when there is proof of compliance.

You use the word "until" in the negative and you use the word "when" in the affirmative. It does not make any difference at all. It does not change the accomplishment of the language in any particular. It is fiction and not fact. It is the difference between tweedle-dee and tweedle-dum. Maybe it is calculated to confuse some people as to its effect, but I do not believe it will confuse anybody. If you will refer to page 11 and look at subsection (b) I think you will have to agree with me that when you say "No compensation shall be paid until" it is no different from saying "Compensation shall be paid when" because both depend on the accomplishment of the acreage-reduction requirement, which is not advance payments. So I say with reference to the gentleman's amendment standing by itself, there is nothing bad about it and there is nothing good about it because it does not change the effect of the language in any single particular.

Mr. COOLEY. Mr. Chairman, I would like to say I was prompted to offer this amendment by the fact that it has been clearly indicated on the radio that the President in advocating this advance payment program was looking forward to starting the soil bank in 1957. There is not any argument between me and the gentleman from Indiana about the language and the effect of the amendment of mine. There is not any argument between me and my beloved friend from Kansas with regard to the fact that in the bill the Secretary does and will have authority to put the soil bank into operation in 1956. My amendment will say in effect that compensation shall be paid in 1956 if the man complies.

I just want to emphasize the fact that there is no argument between me and the gentleman from Kansas [Mr. HOPE] about the proposition that the soil-bank provision is in the bill regardless of whether my amendment is adopted or not. But, I did want to offer this amendment to make it perfectly clear that the House wanted the Secretary to put it into operation in 1956. Now, if the Secretary cannot put it into operation, I assume that he will say so. My amendment is perfectly harmless, but it will make it clear that we want him to do it if he can and if he does we want the farmers to receive their payments in 1956. Now, that is where we stand.

Mr. HOPE. Mr. Chairman, I hope that the committee will adopt the amendment which I have offered as a substitute which, if adopted, will then make it possible without conflict to adopt the provisions of the prepayment amendment that I expect to offer at an appropriate time.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope I can point out why it is necessary to put the Cooley amendment in this bill. If you will refer to the bill, you will find that the Cooley amendment relates to section (b) on page 11 and specifically says in positive words that the Secretary shall make payment in 1956 for compliance with the soil bank provisions this year, and that that payment shall be made as soon as compliance is determined. Compliance is ordinarily determined along in July and August. We now have to go through with the procedure of compliance. You cannot now sell your allotted crops until you have shown compliance.

Now, if you will look over on page 25 of the bill, you will find there is another section, section 116, which section has not been amended. The gentleman from Kansas assumed that it was going to be amended sometime in the future, but it has not been amended, and section 116 provides that "Subject to the provisions of section 105," and that is the section to which the Cooley amendment relates. This section 116 provides that the claimant must certify that he has complied not with the acreage requirements but with all requirements for such payment: "That he has complied with all requirements for such payment and that the statements and information contained in the application for payment are correct and true."

Now, to comply with all of the requirements, you have got to let the full term of the contract expire before making any payments because the contract provides that there shall not be any use of the land during that period of time. Consequently, the Secretary cannot, under the terms of section 116, make payments contemplated in section 105 unless you amend section 105. He can then do it, because section 116 is predicated on section 105 and says "Subject to the provisions of section 105." Consequently, you would require the Cooley amendment in order to make applicable the things in section 116 that the gentleman from Kansas assumed would be taken care of at some future date but which have not been taken care of and are taken care of by the Cooley amendment.

Now, I know the gentleman from New Mexico is asking me to yield and I want to yield to him, but first I want to commend the gentleman from Oklahoma [Mr. EDMONDSON], because I want to say in all fairness that the gentleman from Oklahoma more than any other Member in this House had to do with the shaping of this proposal, and I think he has offered some very constructive thinking on an important plan.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New Mexico.

Mr. FERNANDEZ. It seems to me that the Hope amendment, the one-word amendment we are now discussing, inferentially gives the right to the Secretary to make advance payments even without the subsequent amendment.

Mr. POAGE. Frankly, I do not see anything to the Hope amendment, with all of my high regard for the distinguished colleague from Kansas, except simply, as the gentleman from Indiana says, adding a little further confusion to an already confused situation. I think the whole purpose of it was simply to try to get the thinking of the House away from the importance of the Cooley amendment.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I appreciate the kind remarks the gentleman has made with regard to the small part I had in this particular section. May I ask the gentleman this question? Can you not boil down the difference between the Hope amendment and the Cooley amendment, considering the provisions of this bill as a whole, to this simple fact? If you are for an effective and operating soil bank that will put 100-percent payments into the pockets of the farmers in 1956 you will be for the Cooley amendment and against the Hope substitute.

Mr. POAGE. Exactly. There would never have been any Cooley amendment had there not been a great deal of movement on this side of the aisle suggesting that we had to go and grab some money from next year to pay out before the 6th day of November this year. Had those maneuvers not started nobody would have supposed that the Secretary was even thinking of not using the authority already in the bill. But after they raised the doubt—and I must say the gentleman did a very excellent piece of work of raising the doubt in the minds of the newspapers and the public of the United States, as to whether the Secretary actually had any authority to do anything this year—after they raised the doubt, there was nothing we could do but try to answer it, we are now simply trying to clear up that doubt.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think it has been evident as we have gone along today on what certainly has been something of an explosive issue around here for a number of weeks, if not months, that we have fairly well avoided politics and I think have been operating in good fashion to bring to passage some sound farm legislation.

I do not want by what I say here to do anything that would get this matter into the area or the realm of politics. I think all of us have recognized from the beginning, from the opening of this session in January, that the farm price situation, the cost-price squeeze of the farmer was probably the softest spot in our economy. We recognized that the farmer was not sharing in what for most areas has been a high degree of prosperity. So we wanted to do something about it. And generally speaking, the things we sought to do first involved some relief this year because of the urgency and immediacy of the situation.

Then we sought to deal secondly with what might be described as the long-range parts of the program, with proposals that would attack the fundamental difficulties that beset us. And certainly the soil bank is one of those.

Now I want the amendment of Mr. HOPE to be adopted. I am not supporting it with tongue in cheek. I am for it because I think it will be good for the farmers this year. In contemplation of it, without casting any blame on anyone—some can say the administration was too slow and the Department was too slow, and others might say that Congress was too slow—but I think this plain fact yet remains, that we have progressed so far into the crop year of 1956 that the opportunity is pretty much gone for a farmer to come into the soil-bank plan and get along so far as to establish compliance so that he can be paid under Mr. COOLEY'S amendment or the bill as it is written. When that fact became apparent it was suggested, why not then arrange for certain advance payments to be made to the farmer after he enters into his contract and as he begins performance of his contract with the Government?

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield for a question?

Mr. HALLECK. I yield to the gentleman.

Mr. EDMONDSON. I would like to have the gentleman explain to me, if he can, how a tenant farmer or a renter from year to year could legally contract with the Government for the retirement

of acreage in the next year, beyond the time of his rental contract, to qualify under this acreage reserve program.

Mr. HALLECK. I take it that if he was not qualified to contract he could not come in under the soil bank anyway. But I am sure he can come in. If he was qualified to contract, that contract becomes binding upon him and likewise upon the Government, and as he performs on that contract he could receive program or advance payments.

This is the simple proposition we are down to, and the adoption of the Cooley amendment does not change it. Do you want to go along with a plan that I say is sound and make possible some advance or progress payments to farmers this year or not? Here is a contract by the Government with the citizen under which the citizen agrees to do certain things. From the time he signs that contract he is obligated to pursue the provisions of the contract, and, as the gentleman from Kansas so well pointed out, immediately in connection with these contracts he is going to begin to spend money in performance of the contract. It is going to cost him money. The amendment that will hereafter be offered by the gentleman from Kansas is simply an effort to tie the advance payments in with the expenditures of money that the farmer will begin to make under his contract with the Government.

Is there anything strange about that? Contractors with the Government start getting paid as their work progresses. The final payment is held up until the whole contract is completed. When the contract is completed they get final payment.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent, Mr. HALLECK was given permission to proceed for 5 additional minutes.)

Mr. HALLECK. The subsequent amendment will make it possible for the Government, the farmer having contracted, having entered upon the improvement of his land, with the expenditures necessary to comply with this contract, to say to the farmer, "We shall pay you as you go along an advance payment up to 50 percent. Then, of course, the remaining 50 percent will not be paid to you until you have completed your contract and performed in compliance with your contract as contemplated in the legislation."

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman is now discussing the next amendment to be offered by the gentleman from Kansas [Mr. HOPE].

Mr. HALLECK. That is right.

Mr. COOLEY. I was just going to suggest that it might be well if we agree that Mr. HOPE shall by unanimous consent for the moment withdraw this pending amendment so that we can vote on the question the gentleman is now discussing, with the understanding that we shall return to this section if the Hope amendment is adopted. It would seem to me that would make it so clear. Here is confusion. Let me withdraw my amendment and Mr. HOPE withdraw his amendment, and let the matter be in abeyance until we vote on his prepayment amendment, and then we can come back to this amendment.

I have no love for my amendment. I was offering it in the hope that I might be helpful. I agree with the gentleman that it may be tweedledee and tweedledum that we are raising a lot of rumpus about, anyway.

Mr. HALLECK. I realize that. Actually, may I say to the gentleman from Kansas [Mr. HOPE] I was seeking recognition on the subsequent amendment to be offered at the time the gentleman from North Carolina claimed the floor.

Mr. COOLEY. I had not been advised of that.

Mr. HALLECK. Certainly, as far as I am concerned, I want to expedite the situation, but I think, since we have gone this far with these two amendments, the gentleman's amendment and the substitute, we might as well dispose of them. I do not know whether it is going to make any difference how anyone votes on this subsequent amendment as to what happens here now, but as a matter of orderly procedure, may I say to the gentleman from North Carolina again, and in all humility, I do not think his amendment changes this section one single bit. It just switches it from the negative to the affirmative, and the conditions are still there. It would not enable anybody to get any more money in 1956 than he would get under the language as presently written.

On the other hand, the amendment offered by the gentleman from Kansas as a substitute is the orderly procedure because there should not be a prohibition here against paying a man an advance payment and then subsequently writing in a provision for making an advance payment.

Mr. Chairman, I would like to say just another thing or two in connection with this whole matter at this time. It should be understood that the amendment subsequently to be offered by the gentleman from Kansas is not merely for 50 percent advance payment on what is done in 1956—it continues as long as the legislation continues. It would provide for advance payments in 1956 as contracts are entered into in 1956 to be finally completed in 1957. It would provide for advance payments in 1957 for contracts to be completed in 1958. It recognizes a continuing responsibility on the part of the Government and certainly a desirability from the standpoint of the individual as against the Government that once he enters into a contract and begins performance and begins paying his money, then the Government in all equity should say to him, "All right, we are going to make percentage payments to you as you go along." There have been several suggestions that this might open the door to widespread fraud on the Government. I have seen enough of farmers and enough of their actions in respect to their obligations to the Government that I am not going to indict the farmers of this country by saying to them, "We are afraid to trust you with these advance payments. We think you have a right to have them as you begin to spend your money to perform the contract, but we are not going to trust you because we are afraid you will run out on the contract." I do not think the farmers operate that way. Actually and likewise, as the gentleman from Kansas pointed out, we have quite a number of farmers in debt—young GI's who started out. They have obligations to meet. Where are they going to get the money to build the fences to fence in the land that is going to the soil bank? Where are they going to get the money to buy the seed to comply with their contracts? Where are they going to get the money to buy the gasoline to operate the machinery? Mr. Chairman, I just want to make this final statement. The provision offered by the gentleman from Kansas will provide the money that the little farmers—the farmers generally need in the performance of their contract.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, I would like to suggest I very sincerely believe that if the House will agree for me to withdraw my amendment and for the gentleman from Kansas [Mr. HOPE] to withdraw his substitute amendment, then we can then consider the Hope amendment which contemplates prepayments. And, in the event that that amendment is adopted, I think I would have no objection to just abandoning my amendment and accepting Mr. HOPE's amendment.

Here is where we are. We are discussing the very important prepayment proposition which is not even before us at the moment. If we can get this pending amendment out of the way, we can come to the prepayment amendment. We could settle it and then pick this up. I would then have to accept Mr. HOPE's amendment and would withdraw mine. I did not know and I had not been advised that Mr. HOPE intended to introduce this amendment at the time he was on his feet when I was recognized. I do not see how anybody could object to this procedure because it makes it crystal clear what we are doing.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HALLECK. Do I understand that what the gentleman wants to do now is that the gentleman from Kansas [Mr. HOPE] withdraw his substitute amendment and the gentleman from North Carolina will withdraw his amendment?

Mr. COOLEY. That is right. Then the gentleman from Kansas could introduce his prepayment amendment.

Mr. HALLECK. Do you see any possibility of misinterpretation in that language which is a prohibition in subsection (b) which says no compensation shall be paid until there is compliance. Obviously, the amendment that Mr. HOPE will offer contemplates payments before the matter of compliance is reached. If his amendment has these words "notwithstanding any other provision of

law"—my only thought about it is that it is just a little awkward to have what would seem to be a prohibition and which I think is a prohibition, and then subsequently provide for an arrangement under which that prohibition would not apply.

Mr. COOLEY. If the gentleman will permit me to proceed for a second—if the prepayment amendment prevails, certainly, I am not going to take advantage of any technical language in the bill. We will correct the bill so as to fully recognize the proposition.

Mr. Chairman, I ask unanimous consent that I be permitted to withdraw my amendment for the time being.

Mr. HOPE. Will the gentleman yield?

Mr. COOLEY. I yield.

Mr. HOPE. Mr. Chairman, I ask unanimous consent to withdraw the substitute which I offered to the gentleman's amendment.

The CHAIRMAN. Without objection, both amendments are withdrawn.

There was no objection.

Mr. HOPE. Mr. Chairman, I offer an amendment, which I have sent to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. HOPE:

Page 25, line 2, after "116", insert "(a)."

Line 8, after end of section, insert a new subsection as follows:

"(b) Notwithstanding any other provision of law, and in order to assist the producer in financing his farming operations, and caring for and improving his farm property, the Secretary may make an advance payment to the producer of not to exceed 50 percent of the compensation which would become due the producer under his contract to participate in the acreage-reserve program; and may in any year make an advance payment to the producer of not to exceed 50 percent of the annual payment for such year which would become due the producer under his contract to participate in the conservation-reserve program."

The CHAIRMAN. The gentleman from Kansas is recognized in support of his amendment.

Mr. HOPE. Mr. Chairman, this matter has already been discussed to some extent. I want to take the few minutes I have at my disposal to point out that this amendment does not contemplate a great lot of payments in 1956 on 1957 crops, or anything of that sort. I know the statement has been going around that there will be payments a year in advance, and all that kind of thing. Perhaps it would be possible under this amendment for some farmer who is going to put out a spring crop next year to make an agreement during this year by which he would agree to take some of his acreage out of production in 1957. That might happen. He might want to put legumes in it this fall; he might want to fence it. He might want to plow it. In any event, he would be required to make some commitments and some expenditures for which he certainly would be entitled to be reimbursed if he had signed a contract.

Of course, there will be fall crops planted, such as wheat and winter barley and winter oats. In that event, certainly if the farmer lays out his land, fences it off, and takes it out of production, he is entitled under those circumstances to receive payments. But it is not out of the way for him to receive advance payments for doing that. Instead of incurring an indebtedness or using funds which he badly needs for other purposes he can have these advance payments.

I have been speaking of the acreage reserve. I think it is even more likely in the case of the conservation reserve that the farmer would find it to his advantage to receive prepayments.

With respect to lands which might go into the conservation reserve a farmer might decide to plant trees this fall. That would require quite an investment not only in the purchase of nursery stock but also in the preparation of the land for that purpose and fencing it as well as other expenses. He might want to plant a legume crop this fall on his conservation reserve, and certainly he would incur a considerable amount of expense before he could possibly be said to have complied so that he could receive a full payment.

There may be certain cases where the farmer wants to carry out conservation practices on his land where there may be several practices necessary and as one is completed there is no reason why he should not receive payment for that practice, and as another is completed he could receive payment for that practice. So there is no reason that I can see why anyone should be fearful; and I am rather surprised that there exists apprehension that these advance payments will be made in anything other than a straightforward way or for other than legitimate purposes.

The fact is if this program should be used in a political way it would defeat that purpose. The farmers of this country are not for sale, and if they get the least idea that a program of this nature is going to be used for political purposes then it would certainly redound to the discredit of the political party that happened to be in power at that time.

Mr. EDMONDSON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think we will make one of the greatest mistakes we ever made if we really want a soil bank, an effective soil bank in 1956, if we adopt the amendment offered by the gentleman from Kansas.

One of the things we are going to do immediately is create a discrimination against a large group of farmers who are farming from year to year, the tenant farmer or the renter renting from year to year. Legally he could not enter into a contract with the Government as to what was going to be done with that land the next year. I call this to the attention of the gentleman from Indiana as a practical matter: If you have a contract for the use of land for 1 year you cannot contract for what is going to be done with that land the following year.

Just what is the answer to that under this advance payment contract I do not know. I do know however that this plan is not fair to the tenant farmer, it is not fair to the renter who has a 1-year contract, and most of our contracts in my part of the country for renters or tenant farmers are 1-year contracts; and I believe that is so in most sections of the country.

Mr. ARENDS. If the gentleman will yield I may be able to provide him part of the answer. Out in our part of the country the landlord and tenant must enter into agreement as to whether or not they want to go into the soil bank program. If the landlord wants to go into the program, the tenant goes in. If the tenant wants to go in and the landlord does not, neither will go in. It gets down to the proposition that the tenant either wants to farm the land the way the landlord wants it operated or he will look for another farm to rent. Good tenants have no difficulty in reaching agreement with their landlords as to the best thing to do.

Mr. EDMONDSON. Mr. Chairman, I decline to yield further as to that particular point, because the gentleman is stating a situation which is no answer to the argument that the Hope amendment is unfair to the tenant farmer and the renter on a 1-year contract.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. I am very much concerned about this particular matter. There are perhaps 100,000 farm tenants in the district that I represent, and this provision would bar them from participation in the program in 1957. We have a provision in the bill before us that requires an equitable sharing as between the tenant and the landlord in any type of soil-bank payments. But tenants never contract beyond 1 year with the landlord for the use of the land. If the landlord gets advance payments he can comply only through the cooperation of the tenant. There is no way in the world to work the thing out where the tenants would get a fair assurance of proper treatment, and there is no way for it to be worked out where the landlord could be assured of having his compliance.

Mr. EDMONDSON. The gentleman from Indiana raised a point to the effect that we have progressed so far into the 1956 crop year that the opportunity to comply has passed. That is inconsistent with the statements that have been made on the other side that it will be possible to get the 1956 program going.

This morning I called one of the top agricultural people of the Oklahoma A. and M. College with regard to planting in our section, which is a fairly central part of the United States. He said they are beginning to plant cotton down in the southern part of the State of Oklahoma, that while wheat has been planted there are many wheat farmers who could and would participate in this program by returning a certain portion of the acreage. He said as to corn most of it has been planted, and there would be many who could comply. Peanuts are not planted as yet in Oklahoma nor in many other parts of the United States. There are many farmers who would welcome the opportunity to participate in this program in 1956 in order to get 100-percent payment, but they cannot get a 100-per-

cent payment unless we do adopt the Cooley amendment, unless we go back to the amendment which Mr. COOLEY has indicated he will go back to and offer again if we defeat the Hope amendment.

I say, let us defeat the Hope amendment for prepayment. Let us stay on a responsible fiscal basis with this program. Let us have the farmer do something for what he is paid by his Government in the form of these compensation payments. Let us get our surplus reductions in effect this year. Everyone has been talking about the need for a reduction of these surpluses now by a soil bank. If we adopt the Hope amendment, you will not get anything to reduce your surplus now. You will not get a soil bank in 1956, you will not have the Government getting anything for the money which it pays out to the farmers this year, except by a contract, which many of them as tenant farmers cannot legally enter into for the following year. You will not have a return on your Government investment, you will not have any opportunity under the program offered by the gentleman from Kansas to get a 100-percent payment by the farmer in this year, 1956.

Let us defeat the Hope amendment and go back to the Cooley amendment in order to have a workable soil bank in 1956.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, with 5 minutes reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico [Mr. FERNANDEZ].

Mr. FERNANDEZ. Mr. Chairman, I just want to suggest that I do not see why a farmer in Oklahoma, for example, in view of the fact that under this amendment he can be paid this year for what he promises to do next year, would limit his planting this year. I think it defeats the very purpose that we are planning to effectuate here. If a farmer is ready to plant this year and he can get paid this year for not planting next year, he has no incentive for not planting this year. In other words, why do today what you can do tomorrow and get paid for today.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from Illinois.

Mr. MASON. I just want to serve notice on the House that I shall object to any extensions of time and any transfers of time from now on.

Mr. FERNANDEZ. That suits me very well.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. FERNANDEZ. I yield to the gentleman from New York.

Mr. KEATING. The thing that I do not understand about the gentleman's position is this, that under the Hope amendment, as I understand it, there is not anything in the world to prevent this applying to the 1956 crop. Indeed, the amendment is intended to apply to the 1956 crop.

Mr. FERNANDEZ. I did not take a position. I was asking for information. I was asking why a farmer should limit his planting this year when he can get paid now for a promise to do it next year.

Mr. KEATING. He would have to limit it this year in order to get paid for this year.

Mr. FERNANDEZ. Not necessarily. Under the Hope amendment, he could promise to do it next year, plant his crop this year, and get both.

Mr. KEATING. He would naturally want to get paid for both years' crops if he qualified for it.

Mr. FERNANDEZ. I thank the gentleman for trying to answer my query.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, I trust you will adopt the Hope amendment. I think it is important, and it can be of immeasurable value to a lot of farmers throughout the country, particularly in the corn area. Out in the Midwest area we will plant corn up to the 10th, 15th, or 20th of May. Let us assume I call up my renter and say "Let us get into this soil bank program. I think it is good; I think it can be advantageous to us." And, we do go into the program. What is the matter with giving him—the tenant—a part of this money when we make a contract? The county committees can very easily determine and find out whether he has a valid contract and has lived up to its provisions. Suppose the total involved is 20 acres. I say to my tenant "Let us start fertilizing. You are going to pay for half of the fertilizer, and I am going to pay for half of the fertilizer," and by that method we will start building up those 20 acres as the soil bank intends we should do. We will be participants in the soil bank plan for 1956. Today we are saying that we want to help the farmer, and yet some would deny him part of the funds from the contract in order to further prepare for his future programs. We are both in this thing together, landlord and tenant, and what is good for the tenant is good for the landlord and vice versa. And, it will help him start his soil bank participation, and I see no valid reason why it could not be done.

Mr. JONES of Missouri. Will the gentleman yield?

Mr. ARENDS. I yield.

Mr. JONES of Missouri. Does not the gentleman know that what he is proposing to do is included in this bill under paragraph (b), which is left in the bill? He will get all his money this year without the Hope amendment.

Mr. ARENDS. Why wrangle about it? Why not let him get the prepayment immediately, so that he can go out and buy the fertilizer and buy the seed, and whatever he needs to further prepare his idle acres for the future.

Mr. JONES of Missouri. What the gentleman is talking about the farmer can get without that amendment. It is already in the bill.

Mr. ARENDS. Does the gentleman mean that he can get the money when he makes the contract?

Mr. JONES of Missouri. When he complies and takes the land out of production.

Mr. ARENDS. He will not be able to show compliance until the county committee checks. Let us tell him that he can have the money, that he has signed the contract in good faith and then he will be able to go right ahead.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. ARENDS] has expired.

The Chair recognizes the gentleman from Ohio [Mr. HAYS] for 2¼ minutes.

Mr. HAYS of Ohio. Mr. Chairman, I offer an amendment to the amendment of the gentleman from Kansas [Mr. HOPE].

The Clerk read as follows:

Amendment offered by Mr. HAYS of Ohio as an amendment to the amendment offered by Mr. HOPE: *"Provided,* That all payments made pursuant to this act in the calendar year 1956 shall be reported to the Clerk of the House of Representatives upon the same dates and in the same manner as other political contributions or political expenditures are required to be reported under the provision of title 2, section 242 of the United States Code."

Mr. HALLECK. Mr. Chairman, I make a point of order against the amendment that it is not germane to the pending amendment and is not germane to any provision of the bill.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. HAYS of Ohio. Mr. Chairman, I do.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. HAYS of Ohio. Mr. Chairman, this amendment is germane certainly because it has to do with the money that they are proposing to prepay. Under a previous administration there was a proposal made one time to pay the farmer directly for participating in a program. That was socialism. But if you pay him directly for not participating, under this amendment that is statesmanship. If we are going to be statesmen, I think we ought to have a little check on it and I think the public ought to know. If anybody is so kind as to contribute to my campaign that has to be listed, and everybody knows about it. If there are to be political contributions made, called prepayments, and that is what this boils down to, the public ought to know that. I say the amendment is germane because it has to do with reporting amounts of money to be paid under this bill and to whom they are paid.

The CHAIRMAN. The Chair is ready to rule.

It occurs to the Chair that the amendment simply provides that any payments made shall be reported to the Clerk of the House. The amendment to which the amendment is proposed is an amendment providing for and authorizing payments to be made. On the question of germaneness it seems to the Chair that

the amendment would be germane and the point of order is overruled.

The gentleman from Ohio [Mr. HAYS] is recognized for 2¼ minutes.

Mr. MARTIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARTIN. Has not the gentleman from Ohio already used his 2¼ minutes?

The CHAIRMAN. The Chair will state that the gentleman from Ohio [Mr. HAYS] was addressing himself to a point of order that had been raised against his amendment.

The gentleman from Ohio is recognized for 2¼ minutes.

Mr. HAYS of Ohio. Mr. Chairman, if the distinguished minority leader will pay careful attention, I shall try to convince him why he should vote for the amendment. Before this I was trying to convince the Chair that the amendment was germane.

Mr. MARTIN. Does the gentleman know whether Governor Lausche is for it?

Mr. HAYS of Ohio. I do not know whether he is for it or not. My guess would be, if he knew about it, and he knew that I had offered it, he would probably be against it, because he has a suspicion, somehow or other, that I do not think he has been a very good governor. And if there is any doubt in anybody's mind as to how I feel about that, I think it can be easily dispelled.

Now that we have disposed of that question, let us go back to the amendment. I think the amendment is a good amendment, because there is no question in anybody's mind on this floor, and in the mind of a very few in the country, about what this prepayment is. It is an attempt to do something political at the last minute because of the fact that reports have come in from a couple of primaries that have been disturbing to Mr. Benson. As a matter of fact, I proposed 2 years ago that we do something about a soil bank, and as recently as 6 months ago Mr. Benson sent word up here that a soil bank was no good and would not work.

I was not kidding a little bit ago when I said there has been a lot in the newspapers about principles. Last year Mr. Benson was for rigid principles and flexible supports, but this year he is for flexible principles and rigid supports. If that is the case, I think we ought to have a little safeguard by letting the public know who gets the money and where it goes. If I comply and get any of it, and I hope I can comply on my farm, I will be glad to tell how much I got, and when.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. COOLEY], to close the debate.

Mr. COOLEY. Mr. Chairman, I yield to the gentleman from Texas, the Speaker of the House [Mr. RAYBURN].

Mr. RAYBURN. Mr. Chairman, I have great respect for the gentleman from Kansas [Mr. HOPE], as I know everyone in this House does. I have been around here a long time. I have watched legislation in this House and I have handled a great many bills in this House. I always tried to know what my bill meant or what any amendments to it meant.

They claimed when this bill came back from the other body it was muddled. If I had to describe the amendment offered by the gentleman from Kansas I would be compelled to say that it is a muddling amendment. If I were strictly playing politics, as I fear some gentlemen on the floor today are doing, I would want to see the Hope amendment adopted, because I think in its administration it will make more farmers mad than any other provision that you could put in any bill. That is because they are going to be talked to, contracts are going to be offered to them, they are going to have to wait and see, and somebody will come back to them next week or next month asking if they have made up their minds.

It appears to me as good legislating, and knowing what we are talking about, if we vote down the Hope amendment and go back and adopt the amendment originally offered by the gentleman from North Carolina [Mr. COOLEY]. We would know what we are about. I do not know what we are about in this Hope amendment.

More than that, there are a great many more tenant farmers in this country than there are farm owners. In my country the tenant farmer would have no chance whatsoever to engage in this program because he rents a farm for a year. He rents it from January to January. He does not move until January. When is he going to come in on this program? He will not come into it at all. You might just as well understand that right now when you vote for this amendment.

In the name of good legislation and doing things that we understand, I would ask this House in the name of good legislation and knowing what we are doing to vote down this Hope amendment.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from Ohio [Mr. HAYS] to the amendment offered by the gentleman from Kansas [Mr. HOPE].

The question was taken; and on a division (demanded by Mr. NICHOLSON) there were—ayes 102, noes 125.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas [Mr. HOPE].

Mr. MARTIN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. COOLEY and Mr. HOPE.

The Committee divided; and the tellers reported that there were—yeas 157, noes 181.

So the amendment was rejected.

Mr. COOLEY. Mr. Chairman, I reoffer my amendment.

The Clerk read as follows:

Amendment offered by Mr. COOLEY: On page 11, line 17, strike out all of lines 17 to 21 and insert:

"(b) Compensation shall be paid to any producer for participating in the agricultural reserve program for any year including 1956 when the Secretary has ascertained that such producer has complied with the acreage reduction requirements of such program for such year."

The CHAIRMAN. The gentleman from North Carolina is recognized for 5 minutes in support of his amendment.

Mr. ROBERTS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Alabama.

Mr. ROBERTS. Mr. Chairman, I wish to rise and speak in support of section 203 of the farm bill now before the House. This section would specifically authorize the President to negotiate agreements with foreign countries to limit the importation into the United States, products of agricultural commodities such as textiles. This provision was included in the earlier farm bill adopted by Congress, but vetoed by the President, and I greatly hope that this section 203 will be adopted again today. I cannot overemphasize the importance of this provision to the future of the United States textile industry.

The textile industry, including the manufacture of apparel, is America's No. 1 industry. It employs an average of 2.3 million persons, accounting for 14 percent of total manufacturing employment in the United States. The magnitude of this industry, which, with its directly related allied activities, accounts for 1 out of every 6 jobs in American manufacturing, demands our attention. Its economic health is important to everyone. And, unfortunately, the economic stability of this industry is being seriously jeopardized by the tremendous increase in cotton textiles, largely from Japan, which resulted from the 1955 tariff cuts. If action is not taken soon to give some relief to our own textile industry, we may soon find that through excessively low tariffs and lack of prudence we will have rendered useless our own textile industry. And there are many persons who hold that in times of national emergency the textile industry is second only to the steel industry in importance.

There is a very good reason why the textile industry alone cannot withstand the present deluge of cheap Japanese textiles now inundating the American market. The answer is cheap labor. We are proud of the American worker's high standard of living. Just last year, and at the President's request, this Congress voted for an increase in the minimum wage. But need I point out we will be doing American labor little good if we vote to increase the minimum wage and then allow their jobs to be taken away from them by cheap foreign labor. The average hourly wage rate in a United States cotton textile mill is $1.30. In Japan the hourly wage rate is only 13.6 cents. This is one-tenth of the United States cost. This is why the Japanese textiles can absorb tariff rates and still undersell our domestic market. Japan also has new postwar textile machinery. It has the technical know-how. In fact our own American textile industry has willingly participated in the Government's point 4 program to share our technical knowledge with many underdeveloped countries abroad. And this is how the Government is going to repay our own industry—by letting an influx

of imports destroy our own economy? It is the cheap-labor factor which tips the equation balance in favor of Japan. And this situation can only be remedied by the Government keeping the Japanese imports at a reasonable level.

The textile industry has already sought relief from the Government but to date has been denied such relief. The State Department keeps contending it does not have authority to enter into agreements to limit the imports of textiles. The adoption of section 203 today will make it evident to even the State Department that such authority does exist and that it is the intent of Congress that the textile industry of the United States should not have its very life jeopardized by a deluge of foreign goods manufactured from our own agricultural products sold in the world market at competitive prices which are generally below domestic price levels.

If we do not act today there are many thousands of textile workers, now happy and prosperous, who will be forced to become recipients of relief and welfare checks. I urge the House to include section 203 in the farm bill.

Mr. COOLEY. Mr. Chairman, I shall not take the 5 minutes.

Mr. HALLECK. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. COOLEY. I yield.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. My inquiry is this: Should this amendment be adopted would it then be in order in a motion to recommit with instructions to amend the language of this amendment if adopted by inserting the word "final" before the word "compensation"?

The CHAIRMAN. That is a question the Speaker would decide when the motion to recommit was made. Under the rules of the House, of course, it is not in order in a motion to recommit to amend an amendment previously adopted. This question, of course, would be decided by the Speaker when the motion to recommit was offered.

Mr. HALLECK. I was under that impression. I suspect any further parliamentary inquiry will have to go over until a later time as to the effect of language that might be adopted as a result of a motion to recommit with instructions.

The CHAIRMAN. The gentleman from North Carolina [Mr. COOLEY] is recognized.

Mr. COOLEY. Mr. Chairman, may I say that this amendment will put into operation the soil bank in the good year 1956, as it clearly states, if the Secretary determines or when he determines that the producer has complied with the acreage-reduction requirements. He can pay the full amount of money that is due from the soil bank. He does not have to wait for 6 or 12 months. Just as soon as he determines that the acreage requirements have been complied with, he can pay the farmer.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Indiana.

Mr. HALLECK. So far as I am concerned, as I said before, I do not think the gentleman's amendment makes a single bit of difference in the language of the bill. It is immaterial whether it goes in or stays out. I would not be constrained to make any particular effort about it so far as I am concerned, and I suspect that is probably the idea on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. COOLEY].

The amendment was agreed to.

Mr. COOLEY. Mr. Chairman, I offer two amendments.

The Clerk read as follows:

Amendment offered by Mr. COOLEY:

On page 26, strike out all of line 19 and on line 20 strike out through "Representatives."

On page 38, strike out all of subsection (e) (1) and subsection (e) (2) beginning in line 8 down through line 24.

Mr. COOLEY. Mr. Chairman, I think I can explain these amendments very briefly.

The first one strikes out the following language on page 26, line 19: "for immediate reference to the Committees on Appropriations of the Senate and House of Representatives." That is the language that comes out.

I understand that that will be done in ordinary routine fashion, therefore the language is not needed at all and should be deleted from this bill.

The same situation applies with reference to the language on page 38 which has the same purpose and provides substantially the same thing. The language that we are striking out is just this:

Any bill or joint resolution embodying the recommendations presented to the Congress under subsection (b) shall, upon introduction in the Senate or House of Representatives, be referred to the Committee on Agriculture and Forestry of the Senate or the Committee on Agriculture of the House of Representatives, as the case may be. Such committee shall proceed as expeditiously as possible to consider such bill or joint resolution.

(2) This subsection is enacted by the Congress (A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such shall be considered as part of the rules of each House, respectively, and (B) with full recognition of the constitutional right of either House to change such rules (so far as they relate to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

Now that, too, is exactly what will happen even if this language is deleted. The Committee on Agriculture certainly would proceed expeditiously and I am certain that the Speaker of this House would properly and promptly and appropriately exercise the powers of his office in making these references. It seems to me the language is objectionable and should be taken out.

The CHAIRMAN. The question is on the amendments offered by the gentleman from North Carolina [Mr. COOLEY].

The amendments were agreed to.

Mr. ABERNETHY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ABERNETHY: On page 51 after line 17 insert a new section reading as follows:

"SEC. 309. Notwithstanding any other provision of law, the level of price support for the 1956 crop of upland cotton shall be not less than 84 percent of the parity price thereof."

Mr. ABERNETHY. Mr. Chairman, the purpose of this amendment is to eliminate what I believe to be an injustice to one of the major segments of American agriculture. Six million people of this country, men, women, and children, are interested in the production of cotton.

A few days ago when the President's message came over he saw fit to increase the price supports on several crops after they had already been fixed by the Department of Agriculture. To directly illustrate what I am speaking of, the price support on wheat for this year had been set at 76 percent of parity. Nevertheless, the Chief Executive saw fit to raise that to 83.7 percent or an increase of 7.7 percent of parity. The price support on corn had been set at 81 percent of parity. Even so, the Chief Executive saw fit to increase the price support on corn and place it at 86.2 percent of parity. The price support had already been set on manufacturing milk at about 82 percent of parity—I believe that is correct—and he saw fit to increase that to slightly more than 84 percent of parity. He announced, however, the price supports would range from 82.5 to 90 percent, but the facts are that he applied the absolute floor to only one of the major crops, and that was cotton.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. In view of the fact that the support program is basically designed for the majority of the farmers, and to protect the small farmers, would the gentleman accept an amendment limiting any loan under this program to $20,000 maximum per individual?

Mr. ABERNETHY. Well, I do not know that such an amendment would be germane to this amendment. If the gentleman cares to offer the amendment, it would not affect my particular people, because mine are not that big. The gentleman may if he likes, offer such.

Mr. OLIVER P. BOLTON. I thank the gentleman.

Mr. ABERNETHY. Mr. Chairman, the Secretary thereafter fixed cotton supports at only 82.5 percent.

Now, I am not going to charge that the President and the Secretary of Agriculture have been absolutely unfair about this thing, but it does appear to me that the largest segment of agriculture in my section of the country—cotton—has been discriminated against. Whether it was intentional or not is not for me to say. I do say, however, that cotton has been discriminated against.

Now, my amendment does not raise to or fix the price support on cotton at the same level that we have on corn. It raises the price support by only 1.5 percent, and that is all. It fixes it at 84

percent of parity. It fixes it at approximately the same percentage of parity that wheat will be supported at. It fixes it at approximately the same percentage of parity that milk will be supported at. And it fixes it at 2.2 percent less than corn would be supported at. That is all there is to it and I hope that the committee will support the amendment because I think the cotton farmers of this country are entitled to the same treatment that has been given these other crops.

Mr. GATHINGS. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Arkansas.

Mr. GATHINGS. In view of the fact that the Secretary of Agriculture wrote a letter to a Member of the other body stating that if certain things were done he would recommend price supports at a figure between 86 and 87 percent of parity for upland cotton in the current year, I do not see how the House can oppose the gentleman's amendment. It is sound. The adoption of the amendment would assist in stabilizing the income of cotton producers which is so badly needed at this time. I hope the amendment of the gentleman from Mississippi will be agreed to.

Mr. ABERNETHY. I think the gentleman makes a good point. The Secretary did send a letter over to the other body indicating that if there were a change made in the base, he would support cotton at approximately 87 percent.

I hope the Committee will support my amendment.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I feel it should be pointed out in this connection that those who make their living growing cotton have already taken a cut in acreage of more than 35 percent. Actually, it is more than 60 percent from what we had at the high levels back in the thirties. But in the last 3 years we have taken a cut of 35 percent of total cotton production. Corn under this bill will take practically no cut. And yet we are guaranteeing to the producers of corn 86.2 percent of the full parity where they comply. And he has to take only a token cut in order to qualify. The cotton man in order to qualify has already taken 35 percent and must take more. Then he is not going to get 86.2 percent support but only 82.5 percent. The President says it is enough for him to get, but he must take 3 or 4 times as much acreage cut as the man takes in a doubtful corn State.

I only call attention to the fact that we have a discriminatory system under the supports established by the President of the United States and nobody else. I am not putting it on Ezra Benson. He did not establish these supports. The President of the United States established them.

All this will do is to say that the man who is growing cotton on 65 percent of his normal acreage should get 84 percent of parity, while the man who is growing 90 percent of his normal production of corn is getting 86.2 percent support on it. We are just trying to correct only half of the injustice that has been done.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. ABERNETHY].

The question was taken; and on a division (demanded by Mr. MARTIN) there were—ayes 127, noes 128.

Mr. ABERNETHY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ABERNETHY and Mr. HOPE.

The Committee again divided; and the tellers reported there were—ayes 168, noes 152.

So the amendment was agreed to.

Mr. JENNINGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENNINGS: On page 29, line 22, strike out "price supported crops" and insert "agricultural commodities."

Mr. JENNINGS. Mr. Chairman, I support the farm legislation we are considering here today. It has been made more acceptable by the adoption of the Albert amendment, which will permit pastureland to be included in the soil bank, and by the inclusion of section 211, page 41. This latter provision will continue the processing of surplus commodities into a form suitable for home or institutional use. Since last year, under provisions of Public Law 311, we have been processing surplus grain into flour and meal for distribution to the needy. I introduced a bill to provide for such processing and it was supported by a large number of my colleagues.

I wish to offer an amendment which I think will be noncontroversial. It merely changes the wording on page 29, line 22, to read "agricultural commodities" rather than "price supported crops."

There are many of us who do not represent areas where the so-called basic crops, or other crops, are price supported. My amendment means that the crops which are basic to any area will come under this section of this bill.

Many of our farmers feel that they should not be asked to take their land out of production and put it into the soil bank when the Federal Government is engaged in the leasing of its land for the production of surplus agriculture commodities. I must say that I agree with them.

This section of the bill, with my amendment, gives the President the authority, where it is practical, to restrict the leasing of land for the production of agricultural commodities when they are in surplus supply.

As a matter of fact, we have a total of 245,589,000 acres of federally owned grazing land. For farming purposes, we have 1,400,000 acres of Federal land being leased to individuals, who are not paying taxes on that land, but who are producing agricultural products. Much of this production is surplus and all of it is in competition with our farmers who own their land and who are paying their taxes.

Earlier this year, I introduced a bill to prohibit the use of Federal land for the production agricultural commodities, including livestock. I trust that this amendment will be adopted. I think it is needed, and it will make this legislation more palatable to the people in areas who are not being supported and who are not raising price supported products.

I repeat, if we are going to begin a soil bank, let us take the Government's acreage out of production and out of competition with the individual farmer.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield.

Mr. HARDY. I wish to commend the gentleman for offering the amendment. It seems to me it makes a lot of sense. I hope it will be adopted.

Mr. JENNINGS. I thank the gentleman from Virginia.

Mr. BURNSIDE. Mr. Chairman, will the gentleman yield?

Mr. JENNINGS. I yield to the gentleman from West Virginia.

Mr. BURNSIDE. I also would like to commend the gentleman for his thorough study of this matter.

Mr. JENNINGS. I thank the gentleman from West Virginia.

Mr. McINTIRE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McINTIRE as a substitute to the amendment offered by Mr. JENNINGS:

On page 4, line 2, strike out the word "and" preceding the word "Ohio."

On page 4, line 3, insert after the word "respectively" the following: "And such other field crops as the Secretary may designate."

On page 11, line 24, strike out "$750,000,000" and insert "$800,000,000."

On page 12, line 4, strike out "and" preceding the word "tobacco."

Strike the period following "$45,000,000", replace the same with a comma, and add the following: "and other crops, $50,000,000."

Mr. McINTIRE. Mr. Chairman, as this amendment involves two subsections I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McINTIRE. Mr. Chairman, I do not think this amendment is in conflict with the objective of the gentleman from Virginia [Mr. JENNINGS]. I think it somewhat supplements and perhaps strengthens the language of the amendment offered by my colleague.

The objective of this amendment is one which I discussed before the House in general debate yesterday.

This is an amendment which was offered to the committee in executive session and was voted down, but I am in about the same position in that respect as the amendment offered by the gentleman from Oklahoma [Mr. ALBERT], a member of the committee, because that amendment was offered to the committee by the gentleman from Oklahoma [Mr. ALBERT], and it, too, was rejected in an executive session of the committee.

The pending amendment would place the soil-bank legislation somewhat in parallel with the Agricultural Act of

1949. In that act the basic commodities are listed in title I. The designated nonbasic commodities are listed in title II. In title III of that act provision is made for all other commodities in regard to which the Secretary might elect to carry on a price-support activity at his discretion.

This amendment would place at the discretion of the Secretary the authority to place into the acreage-reserve provisions of the soil-bank legislation such other field crops as the Secretary may designate.

Let me call to your attention some of the commodities with regard to which the Secretary in his discretion has set up price supports under title III. If I am not in error, under the authorization of the Secretary in the Agricultural Act of 1949, as amended, price-support activities are in operation on flax, soybeans, dried beans, oats, barley, and grain sorghum.

This legislation, by provisions incorporated in it, will bring within the area of participation oats, barley, and grain sorghums which are commodities in title III of the Agricultural Act of 1949. The amendment which I am offering as a substitute for the amendment offered by the gentleman from Virginia would simply place in the hands of the Secretary the discretionary authority to use the provisions of the acreage reserve on such other field crops as he might select.

May I add this other point. We are dealing in a substantial degree, as we consider soil-bank legislation, a situation in which, in part at least, the objective is the management of inventories of commodities in the hands of the Commodity Credit Corporation. The commodities which would be within the purview of this amendment do not have the facilities of any loan operations and surplus supply must rest on the shoulders of the operator himself. Oftentimes those commodities become burdensome. This provision would provide a vehicle by which at his discretion the Secretary might use the provisions of the acreage reserve section of the soil-bank legislation to be of some assistance in the diversion of acreage out of the production of those commodities.

I would urge the adoption of the amendment.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from North Carolina.

Mr. COOLEY. It seems to me that the gentleman's amendment might be more appropriately presented at some other point in the bill. The section under consideration is entitled "Production on Government Lands Prohibited" and it reads this way:

> The President shall, with respect to farmlands now or hereafter owned by the Federal Government, restrict insofar as practicable the leasing of lands for the production of price supported crops in surplus supply.

The gentleman from Virginia [Mr. JENNINGS] proposes to strike out "price supported crops" and to insert in lieu thereof two words "agricultural commodities."

Mr. McINTIRE. Do I understand the chairman of the Committee on Agriculture is questioning the appropriateness of my amendment in this section? I may be in error on that.

Mr. COOLEY. Yes. It seems to me there are Members here who might like to vote for Mr. JENNINGS' amendment and might at the same time vote for the gentleman's amendment. I would withhold it for the time being.

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. COOLEY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Maine.

May I ask the gentleman, would it not be more appropriate for him to withdraw his amendment? Let us vote on the Jennings amendment and get that out of the way.

Mr. McINTIRE. I thank the gentleman.

Mr. COOLEY. I think that would be the better way.

Mr. McINTIRE. Mr. Chairman, I ask unanimous consent to withdraw my amendment in order to present it perhaps at a more appropriate section of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. JENNINGS].

The amendment was agreed to.

Mr. McINTIRE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. McINTIRE:
>
> On page 4, line 2, strike out the word "and" preceding the word "Ohio."
>
> On page 4, line 3, insert after the word "respectively" the following: "and such other field crops as the Secretary may designate."
>
> On page 11, line 24, strike "$750,000,000," and insert "$800,000,000."
>
> On page 12, line 4, strike "and" preceding the word tobacco, strike the period following "$45,000,000", replace same with a comma and add the following: "and other crops, $50,000,000."

Mr. MASON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MASON. Under the rules of the House does a man get two 5-minute discussions on the same amendment?

The CHAIRMAN. The gentleman withdrew his amendment, and it has been offered again. The gentleman from Maine is recognized for 5 minutes in support of his amendment.

Mr. McINTIRE. Mr. Chairman, I thank the chairman of my committee for his kindness in straightening me out on the proper place to put in this amendment. I have no further argument on this point, so I yield to the chairman of our committee if he has any questions.

Mr. COOLEY. I would like to say to the gentleman that while I did discuss it with him very briefly here some time ago, I have not given it thorough consideration and I am not in a position to say whether it should go into the bill at this time or not. I would like to hear from some Members on that side to express their views. But, the gentleman is proposing to add an authorization for an additional $50 million; is that true?

Mr. McINTIRE. That is true.

Mr. COOLEY. What other crops does the gentleman anticipate the Secretary might use this $50 million in connection with?

Mr. McINTIRE. At times flax, soybeans, and dry beans might be included. Certainly the commodity which is predominant in my area, such as potatoes, might be included and such other commodities as the Secretary might wish. I will say that my purpose in offering this amendment is far more broad than that of a single commodity. It is my purpose to make this legislation somewhat parallel with the provisions of the act of 1949 which does give the Secretary discretionary authority on all of the commodities, as I have indicated before.

Mr. COOLEY. Of course, the soil bank was directed at the surplus problem primarily; also building up the soil reserve of the country. I do not suppose the gentleman would anticipate that the Secretary would apply the provisions of the soil bank to a crop which was not in surplus supply.

Mr. McINTIRE. No. As I said, Mr. Chairman, I was somewhat constrained to offer this amendment but on the point which you have just made, there was the vote for approval of the amendment offered by the gentleman from Oklahoma [Mr. ALBERT]. Certainly, grazing acres can hardly be considered surplus in comparison to the inventory we are dealing with in relation to basic commodities. On that basis I felt this had appropriateness, also.

Mr. COOLEY. The amendment of the gentleman from Oklahoma [Mr. ALBERT], contemplates not only a reduction in grazing acreage but in livestock population.

Mr. McINTIRE. I appreciate that.

Mr. COOLEY. I am perfectly willing, subject to the approval of my colleague on the committee, the gentleman from Kansas [Mr. HOPE], and subject to the action of the House, of course, to take this amendment to conference and see that it is thoroughly considered, and if it is acceptable, to accept it. I have no particular reason to oppose it, but I would like to hear from the gentleman from Kansas.

Mr. HOPE. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Kansas.

Mr. HOPE. I am in the same position as the chairman of our committee. I have not had an opportunity to carefully study the implication of the amendment. I am familiar with the text of it, but the committee had no hearings on it and we have not had enough information for me to form an opinion on it. If the chairman is willing to take it to conference with the understanding that we will make a further study of it before any decision is reached on it, I would have no objection.

Mr. COOLEY. Mr. Chairman, if the gentleman will yield further, I would like to say by way of complimenting my distinguished colleague that I have never known him to sponsor anything that did not have some merit. I am sure he is

convinced that this is a very meritorious amendment. But, being in the position I am in at the moment, not having had any hearings on this amendment, I still say it should be more thoroughly considered, and I am perfectly willing to take it to conference and give it more careful consideration.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. McINTIRE. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman's amendment would not apply to any commodity whose condition of surplus and otherwise did not meet the general objectives of the act; is not that true?

Mr. McINTIRE. That is right.

Mr. ALBERT. So if there were a surplus in beans or potatoes or the problem of surplus reduction were present, the Secretary under this amendment would have discretion to give treatment to those commodities similar to that given to other commodities.

The CHAIRMAN. The time of the gentleman from Maine [Mr. McINTIRE] has expired.

Mr. McINTIRE. Mr. Chairman, I ask unanimous consent to proceed for 1 minute additional.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

Mr. MASON. Mr. Chairman, I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maine [Mr. McINTIRE].

The amendment was agreed to.

Mr. CRUMPACKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CRUMPACKER: On page 6, line 2, strike out the period at the end of line 2 and insert *"Provided, however,* That the provisions of section 107 (D) shall apply hereunder."

Mr. CRUMPACKER. Mr. Chairman, this is a relatively simple amendment. All it would do would be to give the farmers the same opportunity to present their case, in the event they are charged with a violation of their contract under the acreage-reserve program which the bill, as written, would give them under the conservation-reserve program.

On page 16 of the bill, at the bottom of the page, under subsection (d) and continuing on page 17, there is the following——

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. CRUMPACKER. I yield to the gentleman from Texas.

Mr. POAGE. So far as I can see, there is nobody around here who would object to the gentleman's amendment.

Mr. CRUMPACKER. Mr. Chairman, I would like to say briefly that there is an elaborate procedure in the section I just referred to for the farmers to be heard and to take an appeal in case the Secretary, acting through the county committees, seeks to terminate their contracts. There is no similar provision under the acreage-reserve program and I think there should be; that the reasons for providing such an opportunity are the same under both circumstances. Therefore I think the amendment should be agreed to, to give the farmers equal rights under both programs.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. CRUMPACKER].

The amendment was agreed to.

Mr. VORYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not intend to offer an amendment. I am for the soil bank, and unless it gets loaded up too much with bad amendments I intend to vote for this bill. I think the soil bank certainly is a present necessity. But I am reminded by hearings now going on before our Foreign Affairs Committee that it is not a final solution to our agricultural problem.

American agriculture is on a net export basis. There are about 40 million acres in the last decade that have been devoted exclusively to export. Unless and until American agriculture can compete in the world markets without subsidies for that competition, we are going to continue to have a farm problem.

I am reminded, and I want to remind my brethren, that our agricultural problem is not only a domestic problem. It is an international problem, since we are on an export basis. That is recognized in this bill.

Section 207 of this bill contributes toward the solution of the farm-surplus problem by providing for reimbursement of the Commodity Credit Corporation for ocean freight costs on products shipped overseas under title II of Public Law 408, the Agricultural Trade Development and Assistance Act of 1954, and by increasing the amount under title II for relief shipments of agricultural products from $300 million to $500 million. As I understand it, this section has administration support. Sections 202 and 203 in this bill do not have administration support. All these sections deal with the foreign aspects of the agricultural problem.

I want to remind my colleagues that in the past 10 years we have shipped abroad under Government programs $12,366,000,000 of agricultural products. The total of exports outside Government programs was $20,777,000,000. Our total agricultural exports during that period were $33,150,000,000. This means that over one-third of the agricultural exports from the United States over the past 10 years have been through Government programs; $11,045,000,000 of that has been grants, where we bought the products from the American farmers at going prices, the taxpayers paid for them, and they were given away in various foreign-aid programs.

Here is a table submitted by the Department of Agriculture to our committee showing the details of these exports:

United States agricultural exports—Grants and sales under Government programs, sales outside Government programs, fiscal years 1945–46 through 1954–55

[Millions of dollars]

Type of export	Bread grains	Coarse grains	Cotton and linters	Leaf tobacco	Fats, oils, and oilseeds	Dairy products	Other	Total
Government programs:								
Grants: [1]								
1945–46	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,365
1946–47	(2)	(2)	(2)	(2)	(2)	(2)	(2)	800
1947–48	(2)	(2)	(2)	(2)	(2)	(2)	(2)	1,569
1948–49	991	212	512	107	214	81	185	2,302
1949–50	606	209	695	149	161	33	122	1,975
1950–51	330	133	444	132	55	47	46	1,187
1951–52	191	72	182	56	25	2	52	580
1952–53	97	79	196	10	19	1	34	436
1953–54	123	26	164	----	23	70	42	448
1954–55	70	24	95	(3)	55	128	12	383
Total grants	----	----	----	----	----	----	----	11,045
Sales under Government programs:								
Foreign currency sales: [4]								
1953–54 (sec. 550)	40	2	27	27	14	----	6	116
1954–55:								
Title I, Public Law 480	39	9	10	3	2	----	----	62
Sec. 550	32	7	24	11	13	----	6	95
Sec. 402	81	3	93	----	6	1	3	186
Total, 1954–55	152	19	126	14	21	1	9	343
Total, foreign currency sales	192	21	153	41	35	1	15	459

[1] ECA liftings in 1948–49 and 1949–50; paid shipments for ECA, MSA, and FOA regular and special programs thereafter, Army civilian supply shipments; calculated export values for USDA sec. 416 donations; title II, Public Law 480 shipments based on CCC data; lend-lease, UNRRA, Greek-Turkish aid, interim aid, United States foreign relief and International Refugee Organization.

[2] Commodity detail not available.

[3] Negligible.

[4] FOA and ICA data on sec. 550 and sec. 402 shipments; title I, Public Law 480 data based on FAS reports (ICA figures exclude ocean freight).

United States agricultural exports—Grants and sales under Government programs, sales outside Government programs, fiscal years 1945–46 through 1954–55—Continued

[Millions of dollars]

Type of export	Bread grains	Coarse grains	Cotton and linters	Leaf tobacco	Fats, oils, and oilseeds	Dairy products	Other	Total
Sales under Government programs—Continued								
Barter sales: [4]								
1948–49								
1949–50		[3]	8					8
1950–51	6	1	1					9
1951–52	39	4						43
1952–53	9	4		1				14
1953–54	22	9		1	2			34
1954–55	98	23	[3]		3	[3]	[3]	125
Total, barter sales	174	41	9	2	5			233
Loans: [5]								
1948–49			38				4	42
1949–50			22					22
1950–51			12				2	14
1951–52	160	19	94					273
1952–53	33	1	52	10				96
1953–54			113					113
1954–55	10		59					69
Total loans	203	20	390	10			6	629
Total grants and sales under Government programs:								
1945–46	[2]	[2]	[2]	[2]	[2]	[2]	[2]	1,365
1946–47	[2]	[2]	[2]	[2]	[2]	[2]	[2]	800
1947–48	[2]	[2]	[2]	[2]	[2]	[2]	[2]	1,569
1948–49	991	212	550	107	214	81	189	2,344
1949–50	606	209	725	149	161	33	122	2,005
1950–51	336	134	457	132	55	47	48	1,210
1951–52	390	95	276	56	25	2	52	896
1952–53	139	84	248	21	19	1	34	546
1953–54	185	37	304	28	39	70	48	711
1954–55	330	66	281	14	79	128	21	920
Total United States agricultural exports under Government programs								12,366
Sales outside Government programs:								
1945–46	[2]	[2]	[2]	[2]	[2]	[2]	[2]	1,485
1946–47	[2]	[2]	[2]	[2]	[2]	[2]	[2]	2,810
1947–48	[2]	[2]	[2]	[2]	[2]	[2]	[2]	1,936
1948–49	327	68	265	119	145	149	413	1,486
1949–50	87	30	224	86	107	81	366	981
1950–51	425	244	484	142	338	106	463	2,201
1951–52	692	245	928	271	364	97	560	3,157
1952–53	547	237	328	264	241	72	584	2,273
1953–54	265	200	376	272	372	86	653	2,225
1954–55	168	173	410	291	419	83	680	2,223
Total sales outside Government programs								20,777
Total United States agricultural exports:								
1945–46	596	146	418	275	124	315	983	2,857
1946–47	894	445	593	326	158	236	958	3,610
1947–48	1,371	375	341	206	188	241	783	3,505
1948–49	1,318	280	815	226	359	230	602	3,830
1949–50	693	239	949	235	268	[7] 114	488	2,986
1950–51	761	378	941	274	393	[7] 153	511	3,411
1951–52	1,082	340	1,204	327	389	[7] 99	612	4,053
1952–53	686	321	576	285	260	[7] 73	618	2,819
1953–54	450	237	680	300	411	[7] 156	701	2,936
1954–55	498	239	691	305	[7] 498	[7] 211	701	3,143
Grand total United States agricultural exports	8,349	3,000	7,208	2,759	3,048	1,828	6,957	33,150

[2] Commodity detail not available.
[3] Negligible.
[4] Deliveries to contractors.
[5] Pakistan, Afghanistan, Spanish, India, Export-Import Bank, USDA loans.
[7] Include estimates of sec. 416 donations; commodities are not identified by name in official United States export statistics.

NOTE.—All data preliminary; some estimated. Due to differences in methods of valuation, comparisons between programs and total exports do not reflect quantities included. Due to rounding, figures may not add to totals shown.

Source: Trade Statistics and Economic Geography Branch; Trade Policy Division, Foreign Agricultural Service, U. S. Department of Agriculture, Feb. 1, 1956.

These farm products served a useful purpose in our foreign policy, of course, during that period, but I remind my brethren that the most gigantic and effective farm price-support activity of our Government in the past 10 years has been this foreign-aid program of buying up these products at full prices to the farmers and distributing them overseas for relief, war recovery, and defense support. It is when the program began to taper off that we started to have a farm problem in this country.

I want to point out once more to the House that two parts of the proposed bill, sections 202 and 203, are neither sought nor desired by the administration.

Section 202 would reduce the quantity of long-staple cotton that may be imported into the United States. The section would also require the Commodity Credit Corporation to embark on a new export sales program for disposal abroad of its present stocks of domestically produced extra-long staple cotton. Under present circumstances and in the light of all the factors bearing on this problem, the administration believes that writing either of these provisions into law is undesirable.

Special questions are raised about section 202 (a) at this time in view of the expanded consumption, declining stocks and improved competitive position of American-Egyptian cotton in the domestic market.

Section 202 (b) also raises serious questions since it would require an export sales program involving Government subsidies for a type of cotton which the United States has supplied to world markets in only negligible quantities in the past. This governmental sales operation could not be defended on any grounds of regaining a previous share of international trade. The major traditional suppliers of such cotton in world markets would have grounds to consider this type of competition as unfair and unwarranted. Such an export program would be regarded abroad as a direct contravention of principles internationally accepted in world trade and of the assurance given by the United States in the Organization of American States at the time of the Korean emergency that this country would avoid abnormal disturbances in world markets in liquidating emergency stocks.

Section 203 would authorize the President to negotiate with foreign governments agreements limiting United States imports. The President would also be authorized to issue regulations to carry out any such agreement. No legislative

standards are established nor would the extent of restriction be limited except by the determination of the President as to what action is appropriate.

The administration believes that the authorizations proposed in section 203 are unnecessary and undesirable. Such authorizations would surely encourage pressures to bypass the procedures established by existing legislation which provide for careful analysis, public hearings, and due regard for all affected interests. Section 203 is discretionary but it would create widespread uncertainty and fear of a general retreat from the United States policy of fostering an expansion of mutually profitable international trade. The section would be taken by numerous groups as an open invitation to bring unrestrained pressure on the President for restrictive agreements and regulations, however unjustified on any grounds previously recognized by the foreign economic policy or the international trade agreements of this Government.

It is not my purpose to offer amendments to strike these two sections because I do not want to complicate matters today by seeking a full discussion of the foreign aspects of the agricultural program.

We have the foreign aspects of agriculture and the agricultural problem and disposal of agricultural surpluses before our Committee on Foreign Affairs. For instance, today we were asked to authorize $1,500,000 for administrative expenses of the International Cooperation Administration under Public Law 480. At the appropriate time I hope that we will get this entire agricultural program in line with our total policies, foreign and domestic. Meanwhile, let us remember that we no longer have the gigantic price-support mechanism of foreign aid for agriculture, and we must find other solutions.

Mr. THOMPSON of Texas. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, there are many things in this bill that I do not like. There are some more left out that I think ought to go into an agricultural bill, particularly at this time.

I head two rather important subcommittees, one on family farms and the other on the rice industry. If those two subcommittees and our Committee on Agriculture will back me up, in due time, and I trust during this session, we will propose legislation to this House which would go far to straighten out the family farm, that segment of agriculture which is suffering the worst of any at this time. I do not think they are adequately taken care of in this bill, although I must say we have done the very best we know how. That we propose to take up in our subcommittee shortly.

The same thing is true of the rice industry, which has a plan of its own which the industry feels will take it completely out of the control part of the agricultural program and within the next 2 or 3 years make it self-supporting without any Government participation.

I suppose that in a short time I shall vote for the passage of this so-called agriculture bill, H. R. 10875. Distasteful as it is, it has been rammed down my throat, and I am doing my best to digest it. There is almost nothing in it to benefit my people as they want to be and deserve to be benefited.

The small farmer who could have been so materially assisted to maintain his traditional place in the American economy will have to be satisfied with whatever crumbs he can scrape up from the floor in accordance with the famous "trickle down" theory which led to ruin once before, well within the memory of all of us.

Small farmers cannot possibly afford to take out of production any portion of the meager acreage allotments they have under the present program. Greatly increased costs and reduced prices for their products have already forced many to leave the farm and seek other means of making a living. At this point he must produce all he possibly can on his few acres to keep his head above water.

After we sweep this present mess under the rug, I hope that the Family Farm Subcommittee will bring out a bill which will say to both sides of the House, "Here is something which will reestablish the family farmer to the place he deserves—decency and stability in our economy." I want to lay that before you and before the Secretary of Agriculture and the President, and to find out once and for all if they mean what they say when they claim to have the interest of the family farmer at heart.

To the committee, here and now, I want to say that if you do not do something of that kind you will, before very long, deal with the family farmer as a social problem, which will be much more difficult to solve if you do not treat it as it should be—a major and vital problem of agriculture.

I was bitterly disappointed that an experiment recommended by the entire rice industry was eliminated from the present bill because Mr. Benson and the President did not like it. They, in their wisdom, said it would not work. Every phase of the rice industry said it would. Mr. Benson, whom I thought had been hired out to represent the farmer, basically, has what he calls the Rice Industry Advisory Committee. I challenge him to consult with that committee and to listen to their side of the plan which they submitted.

It has been misnamed "the two-price system for rice." Actually, it is one price so far as the farmers are concerned, and it would place the entire industry in a position to fight for the world market on an equal basis with the rice industry everywhere in the world. Whatever the difference between the world market and the farmers' fair price, it would be made up by adjustment in the domestic price.

It is most significant that the rice industry feels that the plan which they unanimously recommended would in a very short time, possibly 2 or 3 years, make it unnecessary to have an controls at all.

Mr. Benson did not consult with his Rice Industry Advisory Committee before he recommended to the President that the plan would not work.

While I am on the subject of that Rice Industry Advisory Committee let me put the spotlight on a strange attitude of Mr. Benson in regard to its membership. I have here a list of the 17 men who compose it. Every member, so far as I know, is an honest and conscientious man and each will represent his own interest to the best of his ability. The rice industry is divided into three distinct segments. First comes the farmer, next comes the warehouseman, and third the miller. In most places there is another who has a separate part in the industry whose primary interest is furnishing the water to the farmers. Generally these different groups work in harmony with each other, but when it comes to a showdown, each will very naturally look after his own interest. For a number of years the farmers in the Rice Belt have asked for representation on Mr. Benson's advisory committee. I have made their wishes known to Mr. Benson repeatedly, but he will not recognize the farmers as such. Among the 17 members of that committee there is just exactly 1 whose only interest in the rice industry is farming. Why does Mr. Benson refuse to recognize the farmers? I do not know.

I have talked to many members of the advisory committee and every one has agreed there should be more farmers on it, if only to satisfy them that they are being consulted and that their views are reaching just as far up the ladder as those of the millers, the warehousemen, and the canal owners. All of this I have pointed out to Mr. Benson, and my last word which came during the present session was, and I quote from a letter signed by Under Secretary True D. Morse, "No changes in the membership of the committee are contemplated at this time, although various organizations not now represented on the committee have indicated a desire to be represented." I pointed out to Mr. Morse that I have not recommended any more organizations, but I have and still do suggest a few farmers.

Again, I point out to him and to Mr. Benson what I have told them in the past—all you can do by complying is make yourselves a few friends.

The Rice Subcommittee, of which I am chairman, is now trying to provide some measure of protection for the industry. Possibly the other body will again amend the bill to take care of it. If so, I certainly hope that our body will look with favor on the recommendation of the rice industry which asked, above all, to try to work itself out from under Government controls and subsidies of any kind.

Mr. OLIVER P. BOLTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OLIVER P. BOLTON: On page 51, after line 17, add a new subsection (e).

"Notwithstanding any other provision of law, the total amount of price support made available under this or any other act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation from such person, shall not exceed $25,000. The term "person" shall mean any individual, partnership, firm,

joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to or purchase from a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitations."

Mr. SMITH of Mississippi. Mr. Chairman, I make a point of order against the amendment on the ground that it is not germane to the bill in that it amends a law which is not considered in this bill and which is not before the House.

The CHAIRMAN. The Chair will hear the gentleman from Ohio on the point of order.

Mr. OLIVER P. BOLTON. Mr. Chairman, it seems to me this is a point which affects all agricultural legislation. We are dealing here with a basic act of agriculture which is tied in as a full and complete subject. This is not a field which can be divided down into various subject matters. This is an overall program. This, it seems to me, is as germane to this section certainly as was price supports for cotton and certainly as germane as price supports on acreage allotments for any other crop of agriculture. I submit to you that as it is a part of the entire program, it is germane. This is the only opportunity in agricultural legislation that I know of this year that this proposition has been able to be offered in this fashion.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard on the point of order?

Mr. SMITH of Mississippi. Mr. Chairman, I would like to point out that this is not a price-support bill, and there are no amendments to the price-support law in the pending legislation.

Mr. OLIVER P. BOLTON. Would the gentleman indicate that other similar amendments to price supports were also not germane to the legislation?

Mr. SMITH of Mississippi. The gentleman from Mississippi was addressing the Chair and did not understand the gentleman from Ohio.

The CHAIRMAN. The Chair will be glad to hear the gentleman from Mississippi on the point of order.

Mr. SMITH of Mississippi. Mr. Chairman, the rule of germaneness specifically declares that an amendment to be germane has to involve an amendment or a change in the law that is being considered in the bill before us. The bill before us involves the soil-bank matter and is entirely new as was brought out by the Secretary of Agriculture. In fact, the point was made very clear in lengthy discussions before the Committee on Rules by the distinguished leaders of the House on the other side that this was an entirely new law and could not be covered except by new legislation. This subject matter is entirely new and that is what brought forth this particular legislation.

The CHAIRMAN (Mr. PRIEST). The Chair is ready to rule.

The amendment offered by the gentleman from Ohio, it appears to the Chair, goes far beyond the scope of the bill under consideration. The Chair desires to read just a portion of the first sentence of the amendment, which is as follows:

Notwithstanding any other provision of law, the total amount of price support made available under this or any other act to any person—

Therefore, because the amendment goes far beyond the scope of the pending bill, the Chair is constrained to sustain the point of order.

The point of order is sustained.

Mr. OLIVER P. BOLTON. Mr. Chairman, I thank the Chair for his consideration.

Mr. HALLECK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when we started consideration of this bill this morning, I assumed, apparently somewhat mistakenly, that major amendments, outside of some of those we knew would be under consideration, would not have such support as would bring them to adoption in the Committee of the Whole. As I said at the outset, I sincerely hope that in this effort to pass a good, sound, workable farm bill we would have something that we could all be proud of, and that would go on to final enactment as a part of the law.

Two amendments have been adopted that I do not think should have been adopted, and in view of the last ruling, probably one of them would have been subject to a point of order had a point of order been made at that time.

I refer to the Albert amendment that has to do with grazing, and the Abernethy amendment that has to do with cotton.

I just say now that when we go back into the House it is our responsibility to call the roll on those amendments.

In respect to the Albert grazing amendment, as I indicated, I had serious doubts as to how far reaching it might be. I had not had an opportunity to look at it, but in the meantime a memorandum has been handed to me, gotten up by responsible people, who are very certain that the amendment is ill-advised. They say it would be almost impossible to administer it, first, because there is no method by which a base period for livestock units can be determined, except by taking the ranchers' word.

Second, it would be impossible to police any reduction in livestock numbers, first because of a lack of base; second, because there is no way to check them except by count; and, third, the livestock would actually have to be slaughtered to be assured of a reduction.

Next, there would be no way to police the grazing of rangeland except to fence off the reserve acreage. They tell me the cost of fencing would run about $6 for one side of an acre, or $600 to fence all four sides of 20 acres.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. No. I would like to conclude this statement, and then the gentleman can challenge it if he so desires.

There would be much noncompliance. There are about 300 million acres of grazing land in the United States. If payment were to be made on 10 percent of those acres, the average rate of payment would be about $1.70 per acre. That would be somewhat less than the cost of fencing one side of an acre. Then it would force liquidation of livestock numbers. That would mean that livestock prices would be very much depressed. The Government is paying high incentive payments to wool growers in an attempt to raise sheep numbers. So the effect of this would be to work in the opposite direction—pay ranchers to reduce sheep numbers. It would tend to reduce the demand for forage and feed grains, which are in surplus supply.

Likewise, in connection with the Abernethy amendment, I do not think that it has any place here. It deals with an entirely different matter.

I only make these statements at this time because we shall have an opportunity when we go back into the House to correct what I think has been ill-advised action on the part of the Committee of the Whole.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. HALLECK], has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

The gentleman from California [Mr. SISK] is recognized.

Mr. SISK. Mr. Chairman, I realize, of course, the members of the committee have first call on the time, but I have been trying since noon today to get the floor. I do not say this in criticism of the committee, but certainly there are a great many of us who have farmers in our districts and we are vitally concerned with some provisions in this farm bill, and certainly it seems to me we should have been given a little more opportunity to have brought those thoughts to the floor.

I would like in particular to mention the rice situation. The original bill, H. R. 12, that passed this House had a program for the ricegrowers, a program on which they were thoroughly sold and which they wanted to support and which would have removed them from support by the Federal Government, but in the bill we have before us I cannot find anything which will do the ricegrower the least bit of good. I supported the gentleman from Virginia in his amendment. I did so because in my area we have many crops which are not the so-called basics, and they are crops in which we are vitally concerned.

There are some other gimmicks in the bill for which I do not care, but I am going to support this because I believe it offers, at the moment, the only possible opportunity for the farmers of America to reap any benefit this year or in the immediate future from supports. I would certainly hope that the committee would consider in the immediate future a program for the ricegrowers, because it would seem to me it is something that they as a large segment of the agricultural community of this Nation are entitled to.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. KNOX].

Mr. KNOX. Mr. Chairman, my question deals with section 126, on page 29, which provides for the pooling of certain farm operations which permits farmers to pool their rights and to participate jointly in the conservation reserve program.

My question to the chairman of the committee is: Just how broad a pooling program is contemplated under section 126?

The report on the bill under section 125 states merely "will permit farmers to pool their rights to participate jointly in the conservation reserve program."

Is this on a county basis? Is it on a township basis? Or is it on a State basis? Or just what are the rights of pooling land under the soil-conservation program?

Mr. COOLEY. I think I can say to the gentleman that it is not restricted by townships or by counties, but I think it is contemplated that where a family owns more than 1 farm they can carry out the conservation practices on 1 farm and not carry them out on all; in other words, that they can pool the several farms into 1 operating unit.

The CHAIRMAN. The gentleman from North Dakota [Mr. BURDICK] is recognized.

Mr. BURDICK. Mr. Chairman, this soil bank, however it originated, is not going to settle the situation in North Dakota at all. In North Dakota we are already limited to these few acres that we cannot make a living on on what we can plant. Now you come along with this soil bank and instead of taking it out of the rest of your land you take it out of the few acres you are allowed to plant. So if I am allowed 41 acres now, I reduce that 20 percent or 8 acres more, and I have 33 acres left.

While you are limiting us to these few acres, at the same moment the Government is extending leases on Indian reservations, where I have seen furrows 16 miles long that do not turn out for township roads. While you are limiting the family type of farms and which limitations will drive those farms out of existence, at the same time you are spreading the right to raise wheat all over these Indian reservations. The same Government that limits family-type farms out of existence, the same Government leases whole Indian reservations for wheat.

All this soil bank will do to the family-type farms is to make the entire collapse of these farms more certain, because it increases the loss of acreage which will eventually destroy small farms.

Of course, the farmer is paid for destroying himself. The administration must believe that this little cash payment will keep his mind off the fate that awaits him.

I first heard of this soil bank in 1935 when Secretary of Agriculture Henry Wallace recommended it. Along with this plan the Secretary recommended that we plow up every third row of cotton, kill off the pigs, and butcher dairy cows. I thought the whole thing appeared crazy.

Now, after 21 years, the present Secretary of Agriculture resurrects a part of this crazy plan and insists upon its adoption. Last year he said it would work, but this year he has changed his mind. As long as the President is praying for this soil bank as his only remedy for the ills of agriculture, I will vote for the bill.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, since the amendment has been adopted giving to our cotton farmers a fair deal, I am for this bill and I hope the House does not reverse itself because if price supports are raised for other products they should have been raised for cotton also.

What I got up to speak to you about is to commend the committee for writing into section 203 a provision that makes it absolutely clear the President has the right to protect the textile industry of America if it is to be faced not only with the cheaper labor of Japan and other foreign countries but also with lower priced cotton that Japan can now buy at lower prices than our mills in America.

I would like to ask the chairman of the Committee on Agriculture if there has been any indication from the Secretary of Agriculture or from the President that the President will exercise this right that you make abundantly clear in this bill that he has.

Mr. COOLEY. I do not recall that either the President or the Secretary of Agriculture has expressed any views about the matter, but I agree with the gentleman from Georgia it is very important and we will have to assume, since Congress itself has attached so much importance to the provision, that the executive branch of the Government will take notice and will undertake negotiations looking to such limitation.

Mr. LANHAM. The gentleman's answer is reassuring. Certainly the textile industry in this country will need this protection, in fact, needs it now. For textile imports from low-wage countries are flooding this country with textile products. By concentrating from time to time on special types of fabrics and garments Japan is gradually driving many of our textile manufacturers out of business or into different types of fabrics.

Only a few days ago announcement was made by a textile firm of New England employing 400 people that it would be forced to close unless it got some protection from the flood of Japanese imports. In my own State, already, mills making velveteen have been forced to shift to other fabrics or close.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, in line with what I have heretofore said on the floor of the House, the farmers of this country are fair minded. They want to do the thing that is right in respect to the Government under which they live. They do not want the Government or anyone else to do for them anything to which they are not justly entitled.

The farmers are a minority group in number, but they represent a most important segment and share of the economy of America. The farmer does not complain because other groups are making gains, but he does not understand why he, at least, is not in position to hold his own in our economy. It is difficult for him to understand why he does not receive a share of income to which he is really entitled. It is rather hard for the farmer to understand why industry, for example, is expanding in all directions, why the steel companies are making more profits than ever and are presently increasing the price of steel, when at the same time he is required to take lower prices for his products. Farmers' income during the last year is lower than it has been in the past.

He is taking a less price for his product than it actually costs him to produce it. He reads through the newspapers, however, that manufacturing companies receive favors by way of tax incentives for building equipment that may be used for the defense of our country. In other words, industry gets the profits to which they are entitled and gets a bonus for doing it. To the farmer it is described as parity payments; for the manufacturer, it is described as incentive payments. In other areas it is subsidies. The farmer does not object to good wages. He favors good wages. He knows good wages are an indication of prosperity. In this respect, again, he does not receive his share of the national income.

He reads that steamship lines are provided with subsidies but not designated by that name. The farmer observes the stock market is flourishing and that stocks on the New York Stock Exchange are higher than they have ever been. This does not apply to the grain market or the livestock market. The same applies to railroad stocks and utility stocks that show good profits. Only recently 1 of the great railroad companies has declared a split in stock of 4 or 5 shares for 1, which indicates a good profit. There is no criticism about it. Neither is there a complaint because railroad companies have received approval of a 5-percent increase in their charges for transportation. He observes that utilities are really guaranteed a fair profit by reason of rate charges and many of them have recently had increases. All of these and other indications seem to leave the farmer out of the category of prosperity even though he produces the most important commodity of all—food and fiber.

According to the USDA report, since 1945 the farmer's share of the consumer's retail food dollar has declined from 55 cents in 1945 to 41 cents last year. Some time ago, when wheat was selling for $2.80 per bushel, a pound loaf of bread sold for 14 cents. Now, while wheat is selling for $2.15 per bushel, a similar loaf of bread sells for 18 cents. According to the USDA report, from which I have just quoted, the income of farmers last year was reduced by $1 billion. The average income was reduced within a little more than a year from $913 to $860. While this was going

on, the income of nonfarmers was more than doubled during the same period.

One of the good indicators of prosperity is that of life insurance companies. Almost all large life insurance companies report a bigger and better business during the last year than any year before. One company reports that it did $2½ billion worth of life insurance business last year.

Mr. Speaker, this statement is not made for the purpose of indicating in any way or manner that the farmer is griping. Not at all. When the farmer observes the share which he receives for his product when delivered to the consumer is shrinking while his costs are going higher and the sale of his product showing little advance in price, if any, then there must be something wrong with our economy.

I think the whole matter can be summed up by stating that all the farmer really wants is a fair price for his labor and his product in the market place on the basis of what he is required to pay for the things he needs to buy.

Again, without offering criticism, just do not forget there are other groups and segments who, in recent years, are recipients of big sums of Government money. For instance, a report has recently been published indicating $6½ billion for business during the period from 1949 to 1956. The shipping industry, for example, will get millions during this year. Billions of dollars are being expended to assist people of other countries. I mention these only to indicate that, whether you favor this legislation or not, the farmer's share of this kind of expenditure, whether you call it subsidy or by any other name, is not as great as would seem when compared with other such expenditures.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, I have listened for 12 years and especially for the last 2 days about land banks, soil banks, food banks and so forth. I want to know when we are going to talk about some coal banks once in a while. You farm boys are all worried about land banks, but if you will come up into my district I have hundreds of land banks, and so has Mr. FENTON, higher than the dome on this Capitol and if you will take them away you can have them free.

You talk about the underemployed farmers. I do not like to see people underemployed, but I have 20,000 coal miners that are not employed at all. You say the farmers income is down 25 percent, my coal miners have no income at all. That is bad, too. I have been out at the coffee bar here with the boys from Chicago, Pittsburgh, and Detroit. These farmers will not even buy you a cup of coffee. I get bowlegged around here voting for cows, horses, wheat, corn, and whatnot, but you know coal is really entitled to be in this bill because anthracite coal is nothing but carbonized and oxidized vegetation; however, the Parliamentarian says it is not germane and I cannot get a piece of this farm subsidy. When I come down here with these men from the coalfield, and there are not many of them, and say, "Please, when you talk about subsidies, think about these dozens of thousands of coal miners who are out of work," and see if we cannot warm your cold hearts here in our behalf once in a while.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, when H. R. 12 was before the conference it contained a provision that had to do with exports of cotton. The amendment was introduced by Senator EASTLAND, of Mississippi, and was approved by the Senate. It directed the Secretary of Agriculture to move cotton into export channels at competitive prices. The conferees struck out this amendment and placed language in the committee report expressing the attitude of Congress that the Secretary had the authority to do just that and that he should exercise that authority to move cotton into export channels at competitive prices. It was hoped by the Congress and by the conferees that he would move 5 million bales of cotton annually under that program. Now we learn that the Secretary has asked for bids on 600,000 bales of cotton today, not at competitive prices, oh, no, but at 27.5 cents a pound at the warehouse. It costs three quarters of a cent to get it to the port, which makes it 28.5 cents, whereas cotton under the recent 1 million bale program which was most successful moved at 25.5 cents a pound. Congress directed him to move cotton at competitive prices. He is breaking faith with this Congress and most important the cotton farmer. I do hope something can be done to move this cotton. The Secretary of Agriculture asked for bids on 600,000 bales. Only 6,400 bales were actually sold. This type of a program will not work; it is unrealistic and will not get results.

I would like to include at this point a telegram which was sent me by H. R. Adams, executive vice president of Agricultural Council of Arkansas, regarding this matter. The telegram is as follows:

WEST MEMPHIS, ARK., *May 3, 1956.*

Hon. E. C. GATHINGS,
House Office Building,
Washington, D. C.:

Secretary of Agriculture Benson has broken faith with farmers and intent of Congress by offering CCC cotton well above competitive world prices. Although bids were placed for 600,000 bales only 6,400 were sold. It appears administration making whipping boys out of southern cotton farmers. This is a serious matter and vigorous protest should be made.

HARVEY ADAMS,
Executive Vice President, Agricultural Council of Arkansas.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I want to call the attention of the House to the same matter that the gentleman from Arkansas mentioned. On yesterday the action of the Department of Agriculture in connection with the cotton-export program was a complete breach of faith relative to the program that had been outlined previously by the Secretary of Agriculture. Unless this action is reversed or modified in some fashion so as to bring about an actual competitive sales program, the Secretary will have completely broken his word to the cotton farmers of this country. It is not a question of interpretation. It is a question of whether or not he is going to do what he said he would do.

Only yesterday the chairman of the Agriculture Committee, Mr. COOLEY, and the ranking minority member, Mr. HOPE, made clear on the floor here the congressional intent that this competitive sales program be carried out. In response to a question which I asked, they both pointed out that it was the understanding of the committee that the Secretary had full authority to carry out a competitive program that would bring about exports of at least 5 million bales per year.

I am sure that if leaders of the Congress had not accepted the Secretary's word that such a program would be carried out under existing authority, specific language would have been included in this bill making it law.

Unless this situation is clarified immediately, I hope that the other body will write the provision into law. If the executive department cannot be relied upon to carry out commitments which have been made, the Congress should specifically spell out in detail our whole program.

Mr. CHRISTOPHER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Chairman, this House has not been dilatory in passing farm legislation. Day after tomorrow, it will have been a year since the House passed H. R. 12. Had that bill been passed by the Senate immediately and signed by the President, the American farmer would not find himself in the depressed condition he is in today.

The House had no further opportunity to act on farm legislation until H. R. 12 was passed by the Senate on March 16, 1956. The bill was then reported to the conferees, who reconciled the differences between the House and Senate versions to the best of their ability. On April 11, both House and Senate accepted the report of the conferees and H. R. 12 went to the President. We who believed in good farm legislation hoped and believed the President would sign this farm bill, and were greatly surprised and sorely disappointed when it met with his veto.

It would be well for the House to consider what has happened to the American farmer since 1952. Maybe it is just a coincident, but the same coincident came about in 1922 that has been having its counterpart between 1952 and the present time. It seems that these things come to pass whenever a Democratic administration is replaced by a Republican administration.

Nineteen hundred and fifty-two was the first year in a 13-year period that the food and fiber produced on the American farm did not sell for an average price equal to 100 percent or more of parity. But in 1953 farmers' prices

fell below parity and that parity ratio has fallen lower and lower each year until it now stands at 80 percent.

The average price of hogs in 1952 equaled 100 percent of parity, but during November and December of 1955, hogs sold for only 50 percent of parity. In 1952 grade A milk delivered in Kansas City sold for $6 per hundredweight and the average price to consumers during this period was 20 cents per quart, but during 1955 the same grade A milk delivered in Kansas City brought the producer $4 per hundredweight, although the average price to consumers was raised to 21 cents per quart.

Notwithstanding the fact that the prices of farm products were falling, thus curtailing the farmers' purchasing power and in some cases actually driving him off his farm, the cost of living was only four-tenths of 1 percent under the all-time high.

During this same period, 1952 to 1955, the prices of industrial stocks rose 62 percent; corporate profits after taxes were up 32 percent; stockholders dividends were up 19 percent; nonfarm net income was up 14 percent, but net farm income was down 23 percent. During this same period per capita income of nonfarm people rose from $1,836 to $1,919, a raise of $83, but farm net income derived from farming fell from $675 to $551, showing a loss of $124 in their per capita incomes.

Much has been said about the subsidy paid to the American farmer, but a check of the record will reveal the fact that between 1933 and 1955, Government subsidies to manufacturers totaled $40.8 billion. Government subsidy to shipping accounted for almost $5 billion; while the cost to the Government for the farm price-support program over that entire period was only $1.2 billion. When total subsidies for all groups are considered over the past 50 years, only $5 out of every $1,000 paid in subsidy has gone to the American farmer.

This is by no means all the picture. The farmer has been driven more deeply into debt during the last 3½ years. In 1952 farmers owed banks $3.05 billion, but on January 1, 1956, the farmer owed banks $4.7 billion, a rise of $1.65 billion since 1952. The mortgage debt against farm real estate has risen $2.44 billion during the same period. According to Agricultural Statistics and the Agricultural Marketing Service, real estate inventory is down $4.5 billion; livestock inventory down $7.5 billion, and there is a loss of $12 billion in income that he would have received had his annual income remained as high as it was in 1952.

Now, what does all this mean—he has increased his debt $4.09 billion; he has lost $12 billion in inventory value and another $12 billion in income, making a total loss since 1952 of more than $28 billion, and this during a time when many other industries were enjoying a fair measure of prosperity.

I am glad that business, labor, and industry does have the measure of prosperity they are now enjoying, but parity prices for the food and fiber produced on the American farm is even-handed justice, and the hard-working men and women who feed and clothe this country both in time of war and time of peace, deserve the same measure of prosperity. If their purchasing power could be restored to parity, they would furnish the best market in the world for the products of industry and labor.

Take that $12 billion loss in income as an example. Think of the building material, fencing, paint, automobiles, trucks, tractors, combines, refrigerators, television sets, and the thousand and one other articles used by the American farm family that could and would have been purchased with that $12 billion had the farmer received it to spend.

Prosperity cannot long endure in the city if bankruptcy prevails on the farm. That was tried in the late twenties and early thirties with disastrous results.

If this income loss to the farmers had been passed on in lower prices to the city worker, it might have had some justification, but this has not been the case. The cost of living to the city worker, as I have said before, is still less than 1 percent below the all time high.

If the President had signed H. R. 12 immediately after it was approved by Congress, we would have had a good farm law in effect almost a month ago. But the President chose to disregard the fact that the House had passed this measure with a majority of 56 votes, that the Senate passed it with a majority of 15 votes, that the majority of both the House and Senate Agricultural Committees and the conferees as well, considered it good legislation. The bill before us today is only an emaciated, drawn and quartered remnant of H. R. 12. The very heart of it was removed by the Presidential veto.

The present soil bank bill contains little of benefit to the family-sized farm because on the family-sized farm, there is little or no land which can be retired from production for payments and still leave enough to pay expenses and afford a decent living for the farmer and his family. This soil bank bill is designed to aid the corporation type farm where many thousands of acres are operated under the direction of one manager. There is absolutely no limit on the amount of money which can be paid to an operator under the terms of this bill. Corporation type farms, if the acreage is extensive enough and some of them are, a single farmer could draw one-half million dollars or even $1 million in the form of a soil bank payment. The big farmer will get the big check and the family-type farmer will wait with no check at all or one too small to be of much benefit, hoping for an increase in prices which may or may not materialize, while the mortgage takes his farm right out from under him. Then he will go to the city where he will either replace a city worker or join the ranks of the unemployed, while his farm will be incorporated into the already-too-extensive holdings of the big farmer who has been drawing the big checks and we will be one step closer to corporation-type farming and one step nearer to the elimination of the family-sized farm.

This has been happening for the past 3 years. There are 600,000 fewer farmers in the United States today than there were 3 years ago. Missouri lost 28,431 farmers during the years 1953, 1954, and 1955, and there is nothing in this bill which will reverse the trend.

The Fourth Congressional District of Missouri, which I represent, is diversified family-type farming country. During the 3-year period mentioned in the preceding paragraph, Jackson County lost 616 farmers; Henry County lost 340 farmers; Bates County lost 278 farmers; Barton County lost 243 farmers; Johnson County lost 241 farmers; Vernon County lost 224 farmers, and Lafayette County lost 106 farmers. A top adviser to Secretary Benson has said, according to press reports, that there are in the United States 2 million inefficient, submarginal farmers who should get off their farm and seek employment elsewhere. There are approximately 5 million farmers in the United States today. That means that 2 out of every 5 farm families would cease to earn a livelihood from tilling the soil.

Nothing would contribute so much to continued prosperity in our cities as parity income for the farmer. When a farmer is driven off the farm, he ceases to be a customer of the city worker and the manufacturer. He is forced to enter the city to compete with the city man for jobs that are never too plentiful.

The small business and professional men are dependent upon a prosperous agriculture for their livelihood and nothing can ruin our small towns' people as quickly as a farm depression. It was demonstrated in the early thirties that a farm depression refused to stay on the farm, and if allowed to go unchecked it would bring failure to our small town bankers, merchants, and professional people and then move on to the large cities.

I shall vote for this so-called soil-bank bill on final rollcall and shall vote against any moves to recommit it to the committee because it is all we can hope to get under present conditions. It is not good farm legislation, but half a loaf is better than no bread at all. It will be remembered that this Congress did all it possibly could to provide the American farmer with adequate legislation and only a Presidential veto prevented the farmer from receiving it.

It will also be remembered that Secretary Benson hurried down to Atlanta, Ga., with his court of jesters, used all the influence he possessed in inducing the President to veto a good farm bill, and the responsibility for the chaos rests, first, with the President of the United States for his veto of H. R. 12, and secondly, with the Secretary of Agriculture for recommending and insisting upon that veto.

It would be more than useless to send this bill back to the committee, because if the committee rewrote it and made it a good farm measure again, it would necessarily contain the provisions to which the Secretary of Agriculture and the President both so violently opposed.

Mr. DEANE. Mr. Chairman, I rise at this time to express my hearty approval of section 203 of this new farm bill, H. R. 10875, which places squarely on the shoulders of the President of the United States the responsibility to negotiate with representatives of foreign gov-

ernments in an effort to obtain agreements limiting the exports from such countries and the importation into the United States of any agricultural commodity or product manufactured therefrom or textiles or textile products which could prove harmful to American agriculture and industry.

In my congressional district of North Carolina there are many textile mills, and from these mills comes the livelihood of many thousands of my constituents. I am hearing from millowners and operators in all sections of my district that the present rate of textile imports into this country from Japan is having a very disastrous effect on our textile industry, and unless the present national administration takes effective action to change this situation, we will soon be hearing of many textile-mill failures.

This bill, which we are voting for here today, Mr. Speaker, will place the responsibility for this textile import situation exactly where it belongs; namely, on the President. As the Chief Executive, he is in the best position to size up the extent of our textile problem from time to time and adjust or shut off the flow of foreign imports into this country which will adversely affect our domestic textile industry.

I gladly vote for and support section 203 of H. R. 10875, and upon the passage of this bill by Congress, I urge the national administration to take prompt and affirmative action to implement section 203 and bring about the protection which our American textile industry so badly needs.

Mr. MACK of Illinois. Mr. Chairman, as one of the original sponsors of soil-bank legislation, I wish to add my voice in support of this legislation. This appears to be the sound approach to the problem confronting us today. The agriculture industry obviously is not receiving its fair share of the national economy. We are all striving to solve this problem so that agriculture can have a more equitable share of the national income. The "booming prosperity" has certainly failed to reach the farmers in my area. We are confronted with vast surpluses and are continuing to produce more than we are consuming or more than we can consume. This production must be controlled and it is obvious that legislation is necessary in this totally unorganized industry if we are to control this production. In my opinion, the soil-bank program with the conservation reserve and acreage reserve program could accomplish this goal. I am confident that this approach is correct morally as well as economically. It will permit us to conserve our natural resources by restoring our land. At the same time, it would be taking land out of cultivation which normally would be contributing to the surplus problem. In this way we would be conserving our soil for some future date when we will be consuming all we can produce—and that day is not in the too distant future. Therefore, I strongly support this legislation.

Mr. Chairman, I am pleased to state that I also support the amendment offered by the gentleman from Oklahoma [Mr. ALBERT], as the inclusion of grazing lands would conform with the principle of a soil-bank program. This amendment would expand the soil-bank program and would certainly have the effect of reducing the amount of meat being marketed, and, therefore, it would have a stabilizing effect on the agriculture industry. I believe that the soil-bank approach is the only means available for solving the farmers problems today with the exception of, perhaps, a direct subsidy. I have always been opposed to subsidies of any kind, and, therefore, I am not sympathetic to a direct subsidy program at this time. President Eisenhower's proposal, which is being offered in the form of an amendment, in my opinion, is a direct subsidy which is to be paid to the farmers before the money is due. In my opinion, this would be the same as paying the farmers for their grain and produce before they planted the seed. This amendment is obviously political, and, therefore, I am constrained to oppose the amendment. I do hope that the soil-bank bill we are considering is passed, as I feel it will tend to correct the problems confronting our agriculture industry today.

The CHAIRMAN. All time has expired. If there are no further amendments to be offered, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRIEST, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10875) to enact the Agricultural Act of 1956 pursuant to House Resolution 492, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. HALLECK. Mr. Speaker, I ask for a separate vote on the Albert amendment and on the Abernethy amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put the other amendments en bloc.

The amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment offered by Mr. ALBERT:

Page 5, line 5, after the period at the end of the sentence insert "In addition to the foregoing, the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 an acreage reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands acreage reserve program."

Page 9, line 17, strike out the period and insert ", including grazing lands."

Page 9, line 24, strike out "or", insert a comma, and insert after "acreages," the words "or other standards,".

Page 12, line 4, after "$23,000,000", insert "grazing lands, $50,000,000."

The SPEAKER. The question is on the amendment.

Mr. HALLECK. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 199, nays 195, answered "present" 1, not voting 38, as follows:

[Roll No. 39]

YEA—199

Abbitt	Gary	Patman
Abernethy	Gathings	Perkins
Addonizio	Gordon	Pfost
Albert	Granahan	Pilcher
Alexander	Gray	Poage
Andrews	Green, Oreg.	Polk
Anfuso	Green, Pa.	Powell
Ashmore	Hagen	Preston
Aspinall	Hardy	Price
Bailey	Harris	Priest
Barrett	Harrison, Va.	Quigley
Bass, Tenn.	Hays, Ark.	Rabaut
Belcher	Hays, Ohio	Rees, Kans.
Bell	Healey	Reuss
Bennett, Fla.	Holifield	Rhodes, Ariz.
Blatnik	Holland	Rhodes, Pa.
Boggs	Horan	Richards
Bolling	Huddleston	Riley
Bonner	Hull	Rivers
Bowler	Ikard	Roberts
Brooks, La.	Jarman	Robeson, Va.
Brooks, Tex.	Jennings	Rodino
Brown, Ga.	Johnson, Wis.	Rogers, Colo.
Burdick	Jones, Ala.	Rogers, Fla.
Burleson	Jones, Mo.	Rogers, Tex.
Burnside	Jones, N. C.	Rooney
Byrne, Pa.	Karsten	Roosevelt
Cannon	Kee	Rutherford
Carnahan	Kelley, Pa.	Selden
Celler	Kelly, N. Y.	Shelley
Chelf	Keogh	Sheppard
Christopher	Kilday	Shuford
Chudoff	Kilgore	Sieminski
Clark	King, Calif.	Sikes
Colmer	Kirwan	Sisk
Cooley	Klein	Smith, Kans.
Cooper	Kluczynski	Smith, Miss.
Davidson	Knutson	Smith, Va.
Davis, Ga.	Landrum	Spence
Davis, Tenn.	Lanham	Staggers
Dawson, Ill.	Lankford	Steed
Deane	Lesinski	Sullivan
Dempsey	Long	Teague, Tex.
Denton	McCarthy	Thomas
Dies	McCormack	Thompson, La.
Diggs	McDowell	Thompson, N. J.
Dingell	McMillan	Thompson, Tex.
Dollinger	Machrowicz	Thomson, Wyo.
Dorn, S. C.	Mack, Ill.	Thornberry
Dowdy	Madden	Trimble
Doyle	Magnuson	Tuck
Durham	Mahon	Tumulty
Eberharter	Marshall	Udall
Edmondson	Metcalf	Vinson
Elliott	Mills	Walter
Engle	Morgan	Watts
Evins	Moss	Wickersham
Fascell	Moulder	Wier
Feighan	Multer	Williams, Miss.
Fernandez	Murray, Ill.	Williams, N. J.
Fisher	Murray, Tenn.	Winstead
Flood	Natcher	Wright
Flynt	Norrell	Young
Forand	O'Brien, Ill.	Zablocki
Forrester	O'Brien, N. Y.	Zelenko
Fountain	O'Hara, Ill.	
Frazier	O'Neill	

NAYS—195

Adair	Berry	Church
Alger	Betts	Clevenger
Allen, Calif.	Boland	Coon
Allen, Ill.	Bolton, Frances P.	Corbett
Andersen, H. Carl	Bolton, Oliver P.	Coudert
Andresen, August H.	Bosch	Cramer
Arends	Bow	Cretella
Ashley	Boyle	Crumpacker
Auchincloss	Bray	Cunningham
Avery	Brown, Ohio	Curtis, Mass.
Ayres	Broyhill	Curtis, Mo.
Baker	Budge	Dague
Baldwin	Bush	Davis, Wis.
Bass, N. H.	Byrnes, Wis.	Dawson, Utah
Bates	Canfield	Delaney
Baumhart	Carrigg	Devereux
Beamer	Cederberg	Dixon
Becker	Chase	Dodd
Bennett, Mich.	Chenoweth	Dolliver
Bentley	Chiperfield	Dondero
		Donohue
		Donovan

Dorn, N. Y.	Kearney	Riehlman
Ellsworth	Keating	Robsion, Ky.
Fallon	Kilburn	Rogers, Mass.
Fenton	King, Pa.	Sadlak
Fino	Knox	St. George
Fjare	Krueger	Saylor
Fogarty	Laird	Schenck
Ford	Latham	Scherer
Frelinghuysen	LeCompte	Schwengel
Friedel	Lipscomb	Scott
Fulton	Lovre	Scrivner
Gamble	McConnell	Scudder
Gavin	McCulloch	Seely-Brown
Gentry	McDonough	Sheehan
George	McGregor	Short
Gross	McIntire	Siler
Hale	McVey	Simpson, Ill.
Halleck	Macdonald	Smith, Wis.
Hand	Mack, Wash.	Springer
Harden	Mailliard	Taber
Harrison, Nebr.	Martin	Talle
Harvey	Mason	Taylor
Hébert	Meader	Teague, Calif.
Henderson	Merrow	Thompson, Mich.
Heselton	Miller, Md.	Tollefson
Hess	Miller, Nebr.	Utt
Hiestand	Miller, N. Y.	Vanik
Hill	Minshall	Van Zandt
Hillings	Morano	Velde
Hinshaw	Mumma	Vorys
Hoeven	Nicholson	Vursell
Holmes	Norblad	Wainwright
Holt	O'Konski	Weaver
Holtzman	Osmers	Westland
Hope	Ostertag	Wharton
Hosmer	Patterson	Widnall
Hyde	Pelly	Wigglesworth
Jackson	Philbin	Wilson, Calif.
James	Phillips	Wilson, Ind.
Jensen	Pillion	Withrow
Johansen	Poff	Wolverton
Johnson, Calif.	Prouty	Yates
Jonas	Radwan	Younger
Judd	Ray	
Kean	Reece, Tenn.	

ANSWERED "PRESENT"—1

Garmatz

NOT VOTING—38

Barden	Gubser	Morrison
Blitch	Gwinn	Nelson
Boykin	Haley	O'Hara, Minn.
Brownson	Hayworth	Passman
Buckley	Herlong	Rains
Byrd	Hoffman, Ill.	Reed, N. Y.
Carlyle	Hoffman, Mich.	Simpson, Pa.
Chatham	Jenkins	Van Pelt
Cole	Kearns	Whitten
Derounian	Lane	Williams, N. Y.
Grant	Matthews	Willis
Gregory	Miller, Calif.	Wolcott
Griffiths	Mollohan	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hayworth for, with Mr. Simpson of Pennsylvania against.

Mr. Gregory for, with Mr. Jenkins against.

Mrs. Griffiths for, with Mr. Derounian against.

Mr. Buckley for, with Mr. Kearns against.

Mr. Haley for, with Mr. Hoffman of Illinois against.

Mr. Miller of California for, with Mr. Van Pelt against.

Mr. Boykin for, with Mr. Gubser against.

Mr. Chatham for, with Mr. Williams of New York against.

Mr. Herlong for, with Mr. Gwinn against.

Mr. Passman for, with Mr. Wolcott against.

Mrs. Blitch for, with Mr. Garmatz against.

Mr. Morrison for, with Mr. Reed of New York against.

Until further notice:

Mr. Grant with Mr. O'Hara of Minnesota.

Mr. Barden with Mr. Hoffman of Michigan.

Mr. Byrd with Mr. Brownson.

Mr. Matthews with Mr. Cole.

Mr. GARMATZ. Mr. Speaker, I have a live pair with the gentlewoman from Georgia. If she were present she would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Messrs. FORAND, ROGERS of Florida, FASCELL, and POWELL changed their vote from "nay to "yea."

Messrs. KNOX, DAWSON of Utah, BERRY, DIXON, KRUEGER, and COON changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 51, after line 17, insert a new section reading as follows:

"SEC. 309. Notwithstanding any other provision of law, the level of price support for the 1956 crop of upland cotton shall be not less than 84 percent of the parity price thereof."

The SPEAKER. The question is on the amendment.

Mr. HALLECK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas, 186, nays 208, answered "present" 1, not voting 38, as follows:

[Roll No. 40]

YEAS—186

Abbitt	Forrester	Norrell
Abernethy	Fountain	O'Brien, Ill.
Addonizio	Frazier	O'Brien, N. Y.
Albert	Gary	O'Hara, Ill.
Alexander	Gathings	O'Neill
Andrews	Gentry	Patman
Anfuso	Granahan	Perkins
Ashmore	Gray	Pfost
Aspinall	Green, Oreg.	Pilcher
Bailey	Green, Pa.	Poage
Barrett	Hagen	Polk
Bass, Tenn.	Hardy	Preston
Bell	Harris	Price
Bennett, Fla.	Hays, Ark.	Priest
Blatnik	Hays, Ohio	Quigley
Boggs	Healey	Rabaut
Bolling	Hébert	Rhodes, Ariz.
Bonner	Holifield	Rhodes, Pa.
Bowler	Holland	Richards
Brooks, La.	Huddleston	Riley
Brooks, Tex.	Hull	Rivers
Brown, Ga.	Ikard	Roberts
Burdick	Jarman	Robeson, Va.
Burleson	Jennings	Rodino
Burnside	Johnson, Wis.	Rogers, Colo.
Byrne, Pa.	Jonas	Rogers, Tex.
Cannon	Jones, Ala.	Rooney
Carnahan	Jones, Mo.	Roosevelt
Celler	Jones, N. C.	Rutherford
Chelf	Karsten	Selden
Christopher	Kee	Shelley
Chudoff	Kelley, Pa.	Sheppard
Clark	Keogh	Shuford
Colmer	Kilday	Sieminski
Cooley	Kilgore	Sikes
Cooper	King, Calif.	Sisk
Davidson	Klein	Smith, Miss.
Davis, Ga.	Kluczynski	Smith, Va.
Davis, Tenn.	Knutson	Spence
Dawson, Ill.	Landrum	Staggers
Deane	Lanham	Steed
Dempsey	Lankford	Sullivan
Denton	Lesinski	Teague, Tex.
Dies	Long	Thomas
Diggs	McCarthy	Thompson, La.
Dingell	McCormack	Thompson, N. J.
Dollinger	McDowell	Thompson, Tex.
Dorn, S. C.	McMillan	Thornberry
Dowdy	Machrowicz	Trimble
Doyle	Madden	Tuck
Durham	Magnuson	Tumulty
Eberharter	Mahon	Udall
Edmondson	Marshall	Vinson
Elliott	Metcalf	Walter
Engle	Mills	Watts
Evins	Morgan	Whitten
Feighan	Moss	Wickersham
Fernandez	Moulder	Wier
Fisher	Multer	Williams, Miss.
Flood	Murray, Ill.	Winstead
Flynt	Murray, Tenn.	Wright
Forand	Natcher	Zelenko

NAYS—208

Adair	Fenton	Morano
Alger	Fino	Mumma
Allen, Calif.	Fjare	Nicholson
Allen, Ill.	Fogarty	Norblad
Andersen, H. Carl	Ford	O'Konski
	Frelinghuysen	Osmers
Andresen, August H.	Friedel	Ostertag
	Fulton	Patterson
Arends	Gamble	Pelly
Ashley	Gavin	Philbin
Auchincloss	George	Phillips
Avery	Gross	Pillion
Ayres	Hale	Poff
Baker	Halleck	Powell
Baldwin	Hand	Prouty
Bass, N. H.	Harden	Radwan
Bates	Harrison, Nebr.	Ray
Baumhart	Harrison, Va.	Reece, Tenn.
Beamer	Harvey	Reed, N. Y.
Becker	Henderson	Rees, Kans.
Belcher	Heselton	Reuss
Bennett, Mich.	Hess	Riehlman
Bentley	Hiestand	Robsion, Ky.
Berry	Hill	Rogers, Fla.
Betts	Hillings	Rogers, Mass.
Boland	Hinshaw	Sadlak
Bolton, Frances P.	Hoeven	St. George
	Holmes	Saylor
Bolton, Oliver P.	Holt	Schenck
	Holtzman	Scherer
Bosch	Hope	Schwengel
Bow	Horan	Scott
Boyle	Hosmer	Scrivner
Bray	Hyde	Scudder
Brown, Ohio	Jackson	Seely-Brown
Broyhill	James	Sheehan
Budge	Jensen	Short
Bush	Johansen	Siler
Byrnes, Wis.	Johnson, Calif.	Simpson, Ill.
Canfield	Judd	Smith, Kans.
Carrigg	Kean	Smith, Wis.
Cederberg	Kearney	Springer
Chase	Keating	Taber
Chenoweth	Kelly, N. Y.	Talle
Chiperfield	Kilburn	Taylor
Church	King, Pa.	Teague, Calif.
Clevenger	Knox	Thompson, Mich.
Cole	Krueger	
Coon	Laird	Thomson, Wyo.
Corbett	Latham	Tollefson
Coudert	LeCompte	Utt
Cramer	Lipscomb	Vanik
Cretella	Lovre	Van Zandt
Crumpacker	McConnell	Velde
Cunningham	McCulloch	Vorys
Curtis, Mass.	McDonough	Vursell
Dague	McGregor	Wainwright
Davis, Wis.	McIntire	Weaver
Dawson, Utah	McVey	Westland
Delaney	Macdonald	Wharton
Devereux	Mack, Ill.	Widnall
Dixon	Mack, Wash.	Wigglesworth
Dodd	Mailliard	Williams, N. J.
Dolliver	Martin	Wilson, Calif.
Dondero	Mason	Wilson, Ind.
Donohue	Meader	Withrow
Donovan	Merrow	Wolverton
Dorn, N. Y.	Miller, Md.	Yates
Ellsworth	Miller, Nebr.	Young
Fallon	Miller, N. Y.	Younger
Fascell	Minshall	Zablocki

ANSWERED "PRESENT"—1

Garmatz

NOT VOTING—38

Barden	Griffiths	Miller, Calif.
Blitch	Gubser	Mollohan
Boykin	Gwinn	Morrison
Brownson	Haley	Nelson
Buckley	Hayworth	O'Hara, Minn.
Byrd	Herlong	Passman
Carlyle	Hoffman, Ill.	Rains
Chatham	Hoffman, Mich.	Simpson, Pa.
Curtis, Mo.	Jenkins	Van Pelt
Derounian	Kearns	Williams, N. Y.
Gordon	Kirwan	Willis
Grant	Lane	Wolcott
Gregory	Matthews	

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Willis for, with Mr. Simpson of Pennsylvania against.

Mr. Gregory for, with Mr. Jenkins against.

Mrs. Griffiths for, with Mr. Derounian against.

Mr. Buckley for, with Mr. Kearns against.

Mr. Haley for, with Mr. Hoffman of Illinois against.
Mr. Boykin for, with Mr. Van Pelt against.
Mr. Chatham for, with Mr. Gubser against.
Mr. Rains for, with Mr. Williams of New York against.
Mr. Herlong for, with Mr. Gwinn against.
Mr. Carlyle for, with Mr. Wolcott against.
Mrs. Blitch for, with Mr. Garmatz against.
Mr. Kirwan for, with Mr. Curtis of Missouri against.

Until further notice:

Mr. Morrision with Mr. Nelson.
Mr. Grant with Mr. Hoffman of Michigan.
Mr. Barden with Mr. Brownson.
Mr. Byrd with Mr. O'Hara of Minnesota.

Mr. GARMATZ. Mr. Speaker, I have a live pair with the gentlewoman from Georgia, Mrs. BLITCH. If she were present she would have voted "yea." I voted "nay." I withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MORANO. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MORANO. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MORANO moves that the bill be recommitted to the Committee on Agriculture with instructions to report the bill back forthwith with the following amendment:

Page 25, line 2, after "116" insert "(a)".

Line 8, after the end of the section insert a new subsection as follows:

"(b) Notwithstanding any other provision of law, and in order to assist the producer in financing his farming operations, and caring for and improving his farm property, the Secretary may make an advance payment to the producer of not to exceed 50 percent of the compensation which will become due the producer under his contract to participate in the acreage-reserve program; and may in any year make an advance payment to the producer of not to exceed 40 percent of the annual payment for such year which would become due the producer under his contract to participate in the conservation-reserve program."

Mr. COOLEY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. COOLEY. Mr. Speaker, on the motion to recommit I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas, 184 nays, 211 not voting 38, as follows:

[Roll No. 41]

YEAS—184

Adair	Andresen, August H.	Baker
Alger	Arends	Baldwin
Allen, Calif.	Auchincloss	Bass, N. H.
Allen, Ill.	Avery	Bates
Andersen, H. Carl	Ayres	Baumhart
Becker	Harden	Patterson
Belcher	Harrison, Nebr.	Pelly
Bennett, Mich.	Harvey	Phillips
Bentley	Henderson	Pillion
Berry	Heselton	Poff
Betts	Hess	Prouty
Bolton, Frances P.	Hiestand	Radwan
Bolton, Oliver P.	Hill	Ray
Bosch	Hillings	Reece, Tenn.
Bow	Hinshaw	Reed, N. Y.
Bray	Hoeven	Rees, Kans.
Brooks, La.	Holmes	Rhodes, Ariz.
Brown, Ohio	Holt	Riehlman
Broyhill	Hope	Robsion, Ky.
Budge	Horan	Rogers, Mass.
Bush	Hosmer	Sadlak
Byrnes, Wis.	Hyde	St. George
Canfield	Jackson	Saylor
Carrigg	James	Schenck
Cederberg	Jensen	Scherer
Chase	Johansen	Schwengel
Chenoweth	Johnson, Calif.	Scott
Chiperfield	Jonas	Scrivner
Church	Judd	Scudder
Clevenger	Kean	Seely-Brown
Cole	Kearney	Sheehan
Coon	Keating	Short
Corbett	Kilburn	Siler
Coudert	Knox	Simpson, Ill.
Cramer	Krueger	Smith, Kans.
Cretella	Laird	Smith, Wis.
Crumpacker	Latham	Springer
Cunningham	LeCompte	Taber
Curtis, Mass.	Lipscomb	Talle
Dague	Lovre	Taylor
Davis, Wis.	McConnell	Teague, Calif.
Dawson, Utah	McCulloch	Thompson, Mich.
Devereux	McDonough	Thomson, Wyo.
Dixon	McGregor	Tollefson
Dolliver	McIntire	Utt
Dondero	McVey	Van Zandt
Dorn, N. Y.	Mack, Wash.	Velde
Ellsworth	Mailliard	Vorys
Fenton	Martin	Vursell
Fino	Meader	Wainwright
Fjare	Merrow	Weaver
Ford	Miller, Md.	Westland
Frelinghuysen	Miller, Nebr.	Wharton
Gamble	Miller, N. Y.	Widnall
Gavin	Minshall	Wigglesworth
George	Morano	Wilson, Calif.
Gross	Mumma	Wilson, Ind.
Hale	Nicholson	Withrow
Halleck	Norblad	Wolverton
Hand	O'Konski	Young
	Osmers	Younger
	Ostertag	

NAYS—211

Abbitt	Dies	Hébert
Abernethy	Diggs	Holifield
Addonizio	Dingell	Holland
Albert	Dodd	Holtzman
Alexander	Dollinger	Huddleston
Andrews	Donohue	Hull
Anfuso	Donovan	Ikard
Ashley	Dorn, S. C.	Jarman
Ashmore	Dowdy	Jennings
Aspinall	Doyle	Johnson, Wis.
Bailey	Durham	Jones, Ala.
Barrett	Eberharter	Jones, Mo.
Bass, Tenn.	Edmondson	Jones, N. C.
Bell	Elliott	Karsten
Bennett, Fla.	Engle	Kee
Blatnik	Evins	Kelley, Pa.
Boggs	Fallon	Kelly, N. Y.
Boland	Fascell	Keogh
Bolling	Feighan	Kilday
Bonner	Fernandez	Kilgore
Bowler	Fisher	King, Calif.
Boyle	Flood	King, Pa.
Brooks, Tex.	Flynt	Klein
Brown, Ga.	Fogarty	Kluczynski
Burdick	Forand	Knutson
Burleson	Forrester	Landrum
Burnside	Fountain	Lanham
Byrne, Pa.	Frazier	Lankford
Cannon	Friedel	Lesinski
Carnahan	Fulton	McCarthy
Celler	Garmatz	McCormack
Chelf	Gary	McDowell
Christopher	Gathings	McMillan
Chudoff	Gentry	Macdonald
Clark	Gordon	Machrowicz
Colmer	Granahan	Mack, Ill.
Cooley	Gray	Madden
Cooper	Green, Oreg.	Magnuson
Davidson	Green, Pa.	Mahon
Davis, Ga.	Hagen	Marshall
Davis, Tenn.	Hardy	Mason
Dawson, Ill.	Harris	Metcalf
Deane	Harrison, Va.	Mills
Delaney	Hays, Ark.	Morgan
Dempsey	Hays, Ohio	Moss
Denton	Healey	Moulder
Multer	Riley	Thomas
Murray, Ill.	Rivers	Thompson, La.
Murray, Tenn.	Roberts	Thompson, N. J.
Natcher	Robeson, Va.	Thompson, Tex.
Norrell	Rodino	Thornberry
O'Brien, Ill.	Rogers, Colo.	Trimble
O'Brien, N. Y.	Rogers, Fla.	Tuck
O'Hara, Ill.	Rogers, Tex.	Tumulty
O'Neill	Rooney	Udall
Patman	Roosevelt	Vanik
Perkins	Rutherford	Vinson
Pfost	Selden	Walter
Philbin	Shelley	Watts
Pilcher	Sheppard	Whitten
Poage	Shuford	Wickersham
Polk	Sieminski	Wier
Powell	Sikes	Williams, Miss.
Preston	Sisk	Williams, N. J.
Price	Smith, Miss.	Winstead
Priest	Smith, Va.	Wright
Quigley	Spence	Yates
Rabaut	Staggers	Zablocki
Reuss	Steed	Zelenko
Rhodes, Pa.	Sullivan	
Richards	Teague, Tex.	

NOT VOTING—38

Barden	Gubser	Miller, Calif.
Blitch	Gwinn	Mollohan
Boykin	Haley	Morrison
Brownson	Hayworth	Nelson
Buckley	Herlong	O'Hara, Minn.
Byrd	Hoffman, Ill.	Passman
Carlyle	Hoffman, Mich.	Rains
Chatham	Jenkins	Simpson, Pa.
Curtis, Mo.	Kearns	Van Pelt
Derounian	Kirwan	Williams, N. Y.
Grant	Lane	Willis
Gregory	Long	Wolcott
Griffiths	Matthews	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Simpson of Pennsylvania for, with Mr. Hayworth against.
Mr. Jenkins for, with Mr. Gregory against.
Mr. Derounian for, with Mr. Buckley against.
Mr. Kearns for, with Mr. Curtis of Missouri against.
Mr. Hoffman of Illinois for, with Mr. Boykin against.
Mr. Van Pelt for, with Mr. Byrd against.
Mr. Gubser for, with Mr. Miller of California against.
Mr. Williams of New York for, with Mrs. Griffiths against.
Mr. Gwinn for, with Mr. Rains against.
Mr. Wolcott for, with Mr. Kirwan against.
Mr. Herlong for, with Mr. Grant against.

Until further notice:

Mr. Morrison with Mr. Brownson.
Mr. Chatham with Mr. Nelson.
Mr. Barden with Mr. O'Hara of Minnesota.
Mr. Carlyle with Mr. Hoffman of Michigan.

Mr. BOSCH, Mr. BOW, and Mr. TABER changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. HALLECK. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken and there were—yeas 314, nays 78, not voting 41, as follows:

[Roll No. 42]

YEAS—314

Abbitt	Andresen, August H.	Ayres
Abernethy	Andrews	Baker
Adair	Anfuso	Baldwin
Addonizio	Arends	Barrett
Albert	Ashley	Bass, Tenn.
Alexander	Ashmore	Baumhart
Allen, Calif.	Aspinall	Beamer
Allen, Ill.	Auchincloss	Belcher
Andersen, H. Carl	Avery	Bell
		Bennett, Fla.

Bennett, Mich.	Gross	O'Konski
Bentley	Hagen	Patman
Berry	Hale	Patterson
Betts	Halleck	Pelly
Blatnik	Harden	Perkins
Boggs	Hardy	Pfost
Boland	Harris	Pilcher
Bolling	Harrison, Nebr.	Poage
Bolton, Frances P.	Harrison, Va.	Poff
	Harvey	Polk
Bolton, Oliver P.	Hays, Ark.	Powell
	Hays, Ohio	Preston
Bonner	Healey	Price
Bow	Henderson	Priest
Bowler	Hill	Quigley
Boyle	Hillings	Rabaut
Bray	Hoeven	Reece, Tenn.
Brooks, La.	Holifield	Rees, Kans.
Brooks, Tex.	Holland	Reuss
Brown, Ga.	Holmes	Rhodes, Ariz.
Brown, Ohio	Holtzman	Rhodes, Pa.
Broyhill	Hope	Richards
Budge	Horan	Riley
Burdick	Hosmer	Rivers
Burleson	Huddleston	Roberts
Burnside	Hull	Robeson, Va.
Bush	Hyde	Robsion, Ky.
Byrne, Pa.	Ikard	Rodino
Byrnes, Wis.	Jarman	Rogers, Colo.
Cannon	Jennings	Rogers, Tex.
Carnahan	Jensen	Rooney
Carrigg	Johansen	Roosevelt
Cederberg	Johnson, Calif.	Rutherford
Celler	Johnson, Wis.	Sadlak
Chase	Jonas	Schenck
Chelf	Jones, Ala.	Schwengel
Chenoweth	Jones, Mo.	Scrivner
Chiperfield	Jones, N. C.	Scudder
Christopher	Judd	Seely-Brown
Chudoff	Karsten	Selden
Church	Kee	Sheehan
Clark	Kelley, Pa.	Shelley
Colmer	Keogh	Sheppard
Cooley	Kilday	Shuford
Coon	Kilgore	Sieminski
Cooper	King, Calif.	Sikes
Cunningham	Klein	Siler
Davidson	Kluczynski	Simpson, Ill.
Davis, Ga.	Knox	Sisk
Davis, Tenn.	Knutson	Smith, Kans.
Davis, Wis.	Krueger	Smith, Miss.
Dawson, Ill.	Laird	Smith, Va.
Dawson, Utah	Landrum	Smith, Wis.
Deane	Lanham	Spence
Dempsey	Lankford	Springer
Denton	LeCompte	Staggers
Devereux	Lesinski	Steed
Dies	Lipscomb	Sullivan
Diggs	Long	Talle
Dingell	Lovre	Thomas
Dixon	McCarthy	Thompson, La.
Dodd	McCormack	Thompson, Mich.
Dollinger	McCulloch	
Dolliver	McDonough	Thompson, N. J.
Dondero	McDowell	Thompson, Tex.
Dorn, S. C.	McGregor	Thomson, Wyo.
Dowdy	McIntire	Thornberry
Doyle	McMillan	Tollefson
Durham	McVey	Trimble
Eberharter	Machrowicz	Tuck
Edmondson	Mack, Ill.	Tumulty
Elliott	Mack, Wash.	Vanik
Ellsworth	Madden	Velde
Engle	Magnuson	Vinson
Evins	Mahon	Vursell
Feighan	Mailliard	Walter
Fenton	Marshall	Watts
Fernandez	Martin	Weaver
Fisher	Mason	Westland
Fjare	Meader	Whitten
Flood	Metcalf	Wickersham
Flynt	Miller, Md.	Widnall
Fogarty	Miller, Nebr.	Wier
Forand	Mills	Wigglesworth
Ford	Minshall	Williams, Miss.
Forrester	Morgan	Williams, N. J.
Fountain	Moss	Wilson, Ind.
Frazier	Moulder	Winstead
Frelinghuysen	Multer	Withrow
Gathings	Murray, Ill.	Wright
Gentry	Murray, Tenn.	Yates
George	Natcher	Young
Gordon	Nicholson	Younger
Granahan	Norblad	Zablocki
Gray	Norrell	Zelenko
Green, Oreg.	O'Brien, Ill.	
Green, Pa.	O'Hara, Ill.	

NAYS—78

Alger	Clevenger	Crumpacker
Bass, N. H.	Cole	Curtis, Mass.
Bates	Corbett	Dague
Becker	Coudert	Delaney
Bosch	Cramer	Donohue
Canfield	Cretella	Donovan
Dorn, N. Y.	Keating	Ray
Fallon	Kelly, N. Y.	Reed, N. Y.
Fascell	Kilburn	Riehlman
Fino	King, Pa.	Rogers, Fla.
Friedel	Latham	Rogers, Mass.
Fulton	McConnell	St. George
Gamble	Macdonald	Saylor
Garmatz	Merrow	Scherer
Gary	Miller, N. Y.	Scott
Gavin	Morano	Short
Hand	Mumma	Taber
Hébert	O'Brien, N. Y.	Taylor
Heselton	O'Neill	Teague, Calif.
Hiestand	Osmers	Udall
Hinshaw	Ostertag	Utt
Holt	Philbin	Van Zandt
Jackson	Phillips	Wainwright
James	Pillion	Wharton
Kean	Prouty	Wilson, Calif.
Kearney	Radwan	Wolverton

NOT VOTING—41

Bailey	Gubser	Mollohan
Barden	Gwinn	Morrison
Blitch	Haley	Nelson
Boykin	Hayworth	O'Hara, Minn.
Brownson	Herlong	Passman
Buckley	Hess	Rains
Byrd	Hoffman, Ill.	Simpson, Pa.
Carlyle	Hoffman, Mich.	Teague, Tex.
Chatham	Jenkins	Van Pelt
Curtis, Mo.	Kearns	Vorys
Derounian	Kirwan	Williams, N. Y.
Grant	Lane	Willis
Gregory	Matthews	Wolcott
Griffiths	Miller, Calif.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Jenkins for, with Mr. Curtis of Missouri against.

Mr. Gregory for, with Mr. Gwinn against.

Mrs. Blitch for, with Mr. Herlong against.

Mr. Buckley for, with Mr. Hess against.

Until further notice:

Mr. Miller of California with Mr. Simpson of Pennsylvania.

Mr. Carlyle with Mr. Van Pelt.

Mr. Matthews with Mr. Hoffman of Michigan.

Mr. Willis with Mr. Derounian.

Mr. Borden with Mr. Gubser.

Mr. Chatham with Mr. Brownson.

Mr. Hayworth with Mr. O'Hara of Minnesota.

Mr. Haley with Mr. Vorys.

Mrs. Griffiths with Mr. Kearns.

Mr. Morrison with Mr. Wolcott.

Mr. Passman with Mr. Nelson.

Mr. Rains with Mr. Williams of New York.

Mr. Boykin with Mr. Hoffman of Illinois.

Messrs. JACKSON and HINSHAW changed their vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

BANK PROTECTION FOR FLOOD CONTROL

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. ELLSWORTH. Mr. Speaker, I have today introduced a bill to amend the existing flood-control laws relating to the Federal Government's jurisdiction and responsibilities as to channel improvement or channel rectification for flood control. Such flood works are for the purpose of improving the flow of waters within the river channels and to protect the river banks against erosion with destruction to adjoining farmlands. During the early 1930's emergency funds were used for channel improvement and bank protection for flood control. With the enactment of the Flood Control Act of 1936 Federal policy on flood control was written and the jurisdiction given to the Corps of Engineers of the Army. This act provided for the use of Federal funds in cooperation with State and local agencies for the construction of flood works including channel improvement and bank protection projects but required that State and local governments would provide all lands, easements and rights-of-way necessary for construction of the project, assume the obligation for any damages due to the construction works, and finally to maintain and operate all works after completion in accordance with regulations prescribed by the Corps of Engineers.

In 1938 the Congress amended the flood-control law, completely reversing its policy in regard to the responsibility of State and local governments. Under this act the Federal Government agreed to assume all costs for the construction of dams, reservoirs, channel improvement, and bank protection including the assumption of damages connected with the construction works, the securing of lands, easements, and rights-of-way, and the responsibility of maintenance and operation of all such projects.

Thereafter, Congress in 1941 amended the flood-control law and again reversed policy in regard to bank-protection projects. This act restored the requirement of the Flood Control Act of 1936 in regard to bank-protection projects, making State or local agencies responsible for acquisition of lands, easements, or rights-of-way, for damages for the construction works, and for maintenance and operation of the completed project. These legislative changes over a period of years have produced a checkerboard of responsibility for maintenance, some of which rested upon the Federal Government and some upon State or local agencies established for flood-control purposes.

After about 20 years' experience on bank-control projects for flood control in the State of Oregon and particularly in the Willamette Valley project area, critical problems have developed which demand a reexamination of the law applying to bank-protection works. The most critical problem has developed in connection with those bank-protection projects which have been locally sponsored. Under Oregon law, landowners contiguous to the river where bank protection is needed may organize water-control districts for the purpose of securing the necessary lands, easements, and rights-of-way. These water-control districts assume damages and agree to operate and maintain the projects. Experience indicates that the costs involved in the carrying out of such an arrangement have greatly exceeded the anticipated cost and are beyond the resources of the landowners in most instances.

The heavy floods in Oregon in the past winter were particularly destructive to many such bank-protection projects. The water-control districts in repeated instances found themselves obligated to

undertake what was essentially a reconstruction of the bank-protection works. Such was clearly a financial impossibility. Had it not been for Public Law 99 of the 84th Congress the situation insofar as bank protection was concerned in the Willamette Valley would be chaotic. The engineers have determined that emergency flood-control funds may be used to reconstruct and rebuild such projects.

A more serious situation faces this area for the future. In view of the fact that experience demonstrates that ordinary maintenance and operation of bank-control projects is beyond the financial ability of water-control districts, the highly essential remaining projects may not be undertaken. At the same time with the completion of flood-control dams and reservoirs the flowage of impounded waters from the reservoirs at or near bankful levels for long periods of time produce greater bank erosion than do uncontrolled floods over bank stage where the high-water conditions do not exist for so long a period of time.

The purpose of the bill which I have introduced is in effect to restore the terms of the 1938 Flood Control Act so that it applies to bank-protection works the same as it applies to flood-control dams and reservoirs. The single exception to the restoration of the language of the 1938 act being that local sponsors still will be required to furnish the lands, easements, and rights-of-way.

Approval of the bill will eliminate the checkerboard pattern as to responsibility for maintenance and operation of such projects so that the Army engineers having full responsibility may operate a coordinated maintenance program for this purpose. It will assure that bank protection will be provided where needed and where local sponsorship is presently a financial impossibility.

This problem, I am sure, is not limited to the State of Oregon but likewise is present in connection with some of the other major flood-control developments in the Nation. This matter is urgent and remedial legislation is necessary if we are to avoid a more costly problem of correction in the future.

NATIONAL FOREST TIMBER RESOURCE OPERATIONS

Mr. LAIRD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. LAIRD. Mr. Speaker, since I have been a Member of Congress, I have served on the Subcommittee on Appropriations handling funds for the Forest Service and also have served as a member of the Subcommittee on Forestry of the House Agriculture Committee. In my work I have oftentimes found that the material available from the Forest Service on the management of our Federal forest resources has not been as adequate as it should be. There needs to be a greater concentration of effort in the managing of our timber resources in order to eliminate the possibilities of timber waste, insect infestations, disease epidemics, and fire hazards. The waste of taxpayers' dollars through deterioration of timber, insect infestation, and fire has not been in keeping with sound forestry practices.

The year 1955 marked the golden anniversary of the Forest Service, Department of Agriculture. For 50 years vast areas of our country's forest lands have been under the supervision of that Bureau of our Government. Today the 181 million acres of national forests located in 40 States, Alaska, and Puerto Rico represent big business—a business so large that thousands of employees and $65 million to $70 million of annual appropriations are expended in their operation.

Approximately 85 million acres of the national forests are classified as commercial timberland—land that is suitable for the growing of timber. On these Federal lands is found over one-third of all sawtimber growing in the United States. Every year timber is harvested in large amounts for lumber, plywood, pulpwood, poles, piling, railroad ties, and a variety of other uses. Thousands of sawmills and other forest products plans depend in whole or in part on this timber.

Income from the sale of timber on the national forests in 1955 was over $73 million, representing 91 percent of all income received. Had all the timber harvested been converted into lumber for house construction, it would have been sufficient to build 633,000 average-size homes. An increase in the quantity of timber harvested and the income from such timber is anticipated for the current fiscal year. In spite of these large incomes, however, they do not exceed the costs of administration when payments to the States in lieu of taxes are included as part of such costs.

The 149 national forests contain about 770 billion board-feet of timber of sawlog size. In the West there are large areas of virgin timber on the national forests. Some of this timber is mature or overage and is putting on little or no growth or is deteriorating. Often such timber becomes the breeding ground for insect infestations and disease epidemics. Often, too, dead or dying trees in the stand create a high fire hazard. It is generally agreed that more of this type of timber should be harvested. When properly harvested, the soil has opportunity for producing a new timber crop. In the eastern national forests many young timber stands are in need of thinning and pulpwood cutting, if they are to prove good growth in volume and quality.

There has been improvement of recent years in the management of the national forests for timber production. There is much room for additional improvement, however, to put more of these forests on a par with the better managed privately-owned forests. There needs to be a greater concentration of effort by the Forest Service on the job of managing the timber resource. Only on a minor number of the national forests is the harvesting of timber up to the allowable sustained yield cut and on only a few national forests is the forest soil producing a maximum of wood increment. Our expanding population and growing economy demand the best economic use of this forest soil. Concomitant benefits flow from good forest management and proper timber harvesting. These include the increased production of clear and usable water for irrigation and municipal purposes, silt-free streams for good fishing, a better habitat for game, and the development of more accessible and better appearing forests for recreational enjoyment.

Each year the Congress is asked to consider the fiscal needs of the national forests. Each year committees of the House and Senate are asked to consider legislation affecting the national forests. Many of these requests or proposals relate to timber resource management. Testimony of witnesses or filed statements must serve the Congress and its committees as the basis of enlightenment—generalized or limited in scope as they frequently may be. Annual administrative reports, when available, have been notably lacking in the type of information here proposed for assembly and reporting.

H. R. 10794 would provide for an annual report to the Congress on the administration of the national forests with special reference to timber resources. The measure would provide for the first time a running record of all activities, operations and facts pertaining to timber management for each of the 149 national forests. The information would be immediately useful and over a period of years would provide an increasingly valuable index of progress in the management of the national forests. The reports would favorably influence the efforts made to improve the management of such forests. They would greatly assist the Appropriations and other committees of Congress and their staffs in analyzing the need for funds and the effect of proposed legislation. Specifically, H. R. 10794 would require the Department of Agriculture to compile information for each fiscal year and for each national forest which would show, first, the area within each national forest under the jurisdiction of the Secretary; second, the total forest area within each national forest under the jurisdiction of the Secretary, and the estimated quantity of timber thereon; third, the portion of the total forested area within each national forest which is suitable and available for commercial timber production, and the estimated quantity of timber on such commercially forested area; fourth, the allowable annual timber cut on such commercially forested area within each national forest consistent with sustained-yield timber management; fifth, the quantity of timber actually cut on such commercially forested area within each national forest; sixth, the estimated annual average timber growth rate in board feet per acre of the commercially valuable timber on such commercially forested area within each national forest; seventh, the total receipts from sales of timber and other forest products, and the total of all other receipts, for each national forest; eighth, the total of expenditures and obligations with respect

to each national forest, and the portion thereof attributable to timber resource operations, including management, protection, and development of timber resources; ninth, the total number of permanent employees, and the total number of temporary employees, for each national forest on the last day of such fiscal year, and the number of such employees engaged in timber resource operations; and tenth, the number of miles of timber access roads in each national forest and the number of additional miles of such roads necessary for timber resource operations.

Section 2 of the measure would provide for an annual report to Congress of this information and a summarization by States, national forest regions, and for the United States.

Most of the data that would be reported under this measure is already a matter of record in the headquarters offices of each national forest. In several national forest regions some of the data are published for annual distribution. Some of the data are now transmitted to the Washington, D. C., office of the Forest Service where it is compiled for analysis and official use. If this measure is enacted, therefore, it will not require much additional work for the Department of Agriculture to comply with its provisions. Furthermore, the results will be very helpful to the Department in further analyzing its forest management problems and progress.

THE UNIQUE CONTRIBUTION OF RAILROAD WORKERS

Mr. DEANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DEANE. Mr. Speaker, I rise today in support of the railroad-retirement amendments of 1956 which, for the first time since 1951, would provide an increase in the amount of benefits paid under our Railroad Retirement System. Under the bill most benefits would be increased by around 15 percent, to bring payments under our railroad plan more into line with present costs of living. The need for such an increase is obvious, when we consider that the average payment received by retired railroad workers today is only $104 a month; that the average disability payment is only $95 a month, and that averages for survivor benefits range from only $40 to $62 a month.

Surely these amounts are inadequate to maintain even a subsistence standard of living at today's living costs. Indeed, a 15 percent increase seems to be hardly enough. The reason for the proposed increase in this amount, however, arises from the very integrity of the railroad retirement system itself. For, as you know, the position of the Railroad Brotherhoods has always been that theirs would be a self-financing system. It follows that the increase in benefits is also reflected in an increase in the contribution which each railroad worker will pay into the system. The present bill calls for an increase of 1 percent each on the tax contribution of employers and employees to carry the cost of these benefit increases, and to maintain the self-sufficient status of the system. To ease the burden of this increase on active railroad employees the bill also carries a provision which allows them to exclude the amount of their retirement contribution from income and wages for income-tax purposes.

Mr. Speaker, in considering this legislation I am convinced that we must bear in mind the great contributions to national development which railroad workers have made as they have carved their unique role in American history. For in their role as transporters of our food and fiber, and of the product of our factories and our farms, they have helped to make us a united country. Today the men and women in the smallest hamlet in our land have access to everything available in the largest metropolitan centers because of our railroads. Our modern miracle of transportation has thus become also a miracle of communication that has cemented the bonds of our national community.

We must be conscious as well of the fact that railroad workers have been pioneers in the development of our American pension systems. Private company pension plans originated, in this country, in the railroad industry away back in 1874. During the years following they developed rapidly as private pension plans, through the continued concern of the railroad brotherhoods.

The experience of these railroad plans, in good times and bad, could be said, I believe, to have furnished the groundwork for all of our existing retirement plans in this country—including the Social Security Act. It was because of this unique contribution—as well as because of the special hazards of the railroad industry—and of the industry's vital importance to our national welfare that the Congress set up a separate Railroad Retirement System at about the same time that it was establishing the Social Security System for most other workers.

In the ensuing years, Congress has recognized its unique obligation to our railroad industry by approving special protections to make the railroad retirement plan a model for career systems. These changes have been made through a team approach, in which the railroad brotherhoods have worked side by side with Members of Congress in working out the kind of protection they needed—and the kind they could pay for.

I believe we must increase the amount of the benefits which railroad workers and their dependents are now receiving by at least the 15 percent provided in this bill. We must bear in mind the fact that no increases in the amount of benefits under this system have occurred since 1951, although two substantial increases have been made in social-security benefits. Railroad workers have, through the years, contributed generously so that they would have adequate protection in their old age and for their families in the event of their death. They have kept faith with the Congress and the American people in this respect. Surely the American Congress must now keep faith with the railroad brotherhoods in enacting this legislation.

FURTHER JUDICIAL WEAKENING OF THE ROBINSON-PATMAN ACT MAKES PASSAGE OF H. R. 11 IMPORTANT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD in two instances and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, in 1951 the Supreme Court of the United States struck a near mortal blow to the Robinson-Patman Act. This was done by a closely divided opinion in *Standard Oil Co. (Indiana) v. Federal Trade Commission* (340 U. S. 231). Since that time the Federal Trade Commission has rained a number of additional blows onto the Robinson-Patman Act by a variety of interpretations which have aggravated and extended the wounds made by the Supreme Court.

Now comes a decision in the Balian Ice Cream Co., Inc., against Arden Farms Co. et al., by the Ninth Circuit Court of Appeals, where we find the court dancing on the grave of the Robinson-Patman Act. Following the example of the Supreme Court's Standard of Indiana decision, the Ninth Circuit Court of Appeals in the Balian decision has engaged in promiscuous legislative findings, arrived at a conclusion as to what it thinks is good for the competitive system, and reconstructed the Robinson-Patman Act accordingly. While the Supreme Court in Standard of Indiana went pretty far in this direction and injected a sizeable dose of its economic theories into the law, the Ninth circuit court of appeals has compounded the injury by adding additional and even cruder economic theories.

For example, the only reason for having a law to try to curb price discrimination, as the Robinson-Patman Act does, is that this practice gives larger firms insuperable and vital advantages over smaller competitors. As for sales competition among marketers of unequal size, the practice would always permit the large interstate marketers to win out over local competitors if the big marketers cut prices only where they encounter local competition; in other words, if there is no check on ability to discriminate in price. This is for the obvious reason that price competition on this basis results in the local sellers suffering a revenue loss on all of their sales, whereas the large interstate marketer takes a revenue loss on perhaps a small fraction of its sales. Yet in the Balian decision the Court could see no unfair injury in the fact that certain local producers of ice cream in the Los Angeles area lost revenue, because, the Court said, the

large interstate competitor was also taking a revenue loss on its sales in that particular market. Such was the reasoning of the Court in the face of its frequent references to a finding of the lower court that the interstate marketer had not reduced its price in the several other States where it was selling ice cream.

I have pointed out only one of the instances in which the Court has misunderstood or overlooked the practical basis and the underlying reason for the law. Beyond that the Court has, I submit, misconstrued and misinterpreted the law and made holdings which go beyond, and are contrary to, the holdings of the Supreme Court on a number of points. I have set these points out in a statement which I have today filed with the Antitrust Subcommittee of the House Committee on the Judiciary, asking that subcommittee to add this statement to my testimony of last week on H. R. 11.

H. R. 11 was designed and introduced to close the loophole which the Supreme Court drove into the Robinson-Patman Act in the Standard Oil of Indiana case. This more recent reinterpretation and weakening of the law by the Ninth Circuit Court of Appeals in the Balian ice cream case now makes it all the more imperative that H. R. 11 be passed, and be passed promptly.

I think the Members may be interested in my statement on the Balian ice cream decision, which is as follows:

Mr. Chairman, I desire to use this opportunity to inform you and the members of your committee about an additional loophole that has been made in the Clayton antitrust law, as amended by the Robinson-Patman Act. It is a loophole that was made in that law quite recently. The United States Court of Appeals for the Ninth Circuit on October 1, 1955, handed down its decision and opinion in the case of *The Balian Ice Cream Co., Inc.*, v. *Arden Farms Co., et al.* In so doing, it in effect rendered its decisions in 15 separate cases which had been brought by small-business men as plaintiffs to protect themselves from destructive price discriminatory practices. Their actions were brought as provided for under section 4 of the Clayton Act, in which the plaintiffs claimed violation of the Federal antitrust laws. The basic claim was that each of the plaintiffs who is an independent manufacturer or distributor in the Los Angeles area, sustained injury when the large Arden Farms Co. had engaged in price discrimination tactics. The gist of the complaints was that the Arden Co. operates in the Northwest States and in Arizona, as well as in California, and that discriminations are obvious because it is charging its customers in these other States higher prices than its charges its customers in the Los Angeles area for products of like grade and quality.

The Court of Appeals for the Ninth Circuit decided the cases against the plaintiffs, holding that the defendant Arden had made out a defense by showing that its prices in California "were set up in good faith to meet the lawful and equally low prices of its competitors." In that connection the appelate court stated:

"The trial court made precise and exact findings covering this defense. It was found that the prices at which Arden sold its ice cream products in California were set up in good faith to meet the lawful and equally low prices of its competitors."

Counsel for the plaintiffs then petitioned the Supreme Court of the United States for writ of certiorari. The Supreme Court denied that petition. The effect of its denial would be to leave the decision of the Ninth Circuit Court of Appeals as the law of the case. Moreover, since the Federal Trade Commission has the paramount jurisdiction as a Federal agency to enforce the statute in question, it must look to the decision of the Ninth Circuit for guidance in its enforcement activities.

Counsel for the plaintiffs have petitioned the Supreme Court for a rehearing on their petition for a writ of certiorari. In that connection they have pointed out to the Court that the Ninth Circuit Court of Appeals in its decision in the Balian case held:

1. That defendant Arden had made out a "good faith" defense, and in so doing had extended the scope of the "good faith" defense provided for by the decision of the Supreme Court of the United States in the case of *Standard Oil Company* v. *United States* (340 U. S. 231).

2. That it did not overcome the "good faith" defense of defendant Arden for the plaintiffs to show that Arden had in its discrimination in price not merely met an equally low price of a competitor but had undercut its competitors.

3. That defendant Arden made out its "good faith" defense even though it had discriminated in price to eliminate a great many of the "chiseling cuts" of its competitors in the Los Angeles area.

4. That the plaintiff did not overcome Arden's "good faith" defense by showing that Arden had not discriminated to meet an equally low price of a competitor in an "individual competitive situation."

5. That Arden should be regarded as having acted in "good faith," even if Arden had gone beyond the technical limits of meeting an equally low price of a competitor on ice cream products offered for sale by its competitors to their customers, so long as it did not extend that action to include "diced ice cream" with respect to which Arden had a monopoly control in the Los Angeles market.

6. That Arden obviously did not violate section 2 (a) of the Clayton Act, as amended, by selling ice cream products at higher prices in other States than it was selling goods of like grade and quality in the Los Angeles area.

7. That there was no direct connection between Arden's discriminatory higher prices that it charged its customers in other States and the lower prices it charged its customers in the Los Angeles area; that even in geographical price discrimination cases such as this, it must be shown that different competing customers are charged different prices.

8. That a factor against the plaintiffs is the admitted fact that neither the materials nor the products sold at the discriminatory prices by Arden in the Los Angeles area are shipped in interstate commerce.

9. That "Arden did not embark upon a campaign of selling goods shipped in interstate commerce in a local area to punish or designedly try to cause loss to one weaker competitor. It had no design to eliminate such a competitor and put him out of business."

The testimony before this committee on April 18, 1956, included expression of concern from a representative of many small-business men that the decision in this Balian case continues the "whittling away" of the Clayton Antitrust Act, as amended by the Robinson-Patman Act, which was started by the Supreme Court in its decision in the Standard of Indiana case. (See the testimony of Mr. Henry Bison, pages 228–231, of the transcript of the hearings.)

In his testimony before this committee on April 19, 1956, the Chairman of the Federal Trade Commission admitted that he had found the opinion and decision in the Balian case a "somewhat perplexing decision." (Transcript, p. 331.) He observed that he had construed the law as providing for the application of the "good faith" defense in those instances where the defendant meets but does not undercut a competitor's price. Then it was pointed out to him that at pages 182 to 184 of its report, the Attorney General's National Committee To Study the Antitrust Laws recommends that the law should be so construed as to allow sellers to use discriminations not alone as a defense to retain a customer but also in an offensive manner to acquire new ones, even where the seller cuts his price to the favored buyer below that offered to such buyer by the seller's competitors. In that connection the Chairman of the Federal Trade Commission stated that he regards that recommendation as "purely advisory." It should be noted that the report containing that recommendation had been sent by the Attorney General to the judges who comprise the Ninth Circuit Court of Appeals. Perhaps those judges also regard the recommendations contained in the report in the same light as the Chairman of the Federal Trade Commission regards them, namely, as purely advisory. Be that as it may, it now appears that the Ninth Circuit Court of Appeals has, in the Balian case, demonstrated its willingness to accept and follow the advice and recommendations of the Attorney General's National Committee To Study the Antitrust Laws. That is true although the Chairman of the Federal Trade Commission in his testimony before this committee on April 19, 1956, at transcript page 332, stated that he clearly understands the law, even as construed by the Supreme Court in the Standard of Indiana case, to limit the defendant's showing in his good-faith defense to a showing that he merely met an equally low price of a competitor and did not undercut it.

What has the decision in the Balian case done in whittling away the law against discriminations which substantially lessen competition and tend to create a monopoly in any line of commerce? In providing an answer to that question, I would like to summarize my understanding of the facts upon which the Balian case is founded:

1. Defendant Arden is one of the largest manufacturers and distributors of ice cream products in the United States. It is a Delaware corporation. It manufactures and sells its products in California, Oregon, and Washington. In addition, it sells and distributes its products also in Idaho and Montana.

2. Although Arden by virtue of its control of certain patents had a virtual monopoly control over a packaged individual serving of ice cream that it had designated "Diced Cream," it nevertheless did face some competition from the sale of other ice cream packaged for individual servings.

3. In the Los Angeles area Arden had a substantial share of the total market for ice cream and ice-cream products. Its share amounted to 18 and 17 percent respectively. That share was substantially more than the aggregate of the shares of all of the 15 plaintiffs who proceeded against Arden because of its discriminations in price and who lost their suits by virtue of the decision in the Balian case.

4. Arden, in order to retain its customers and to gain new ones, cut its prices on ice-cream products other than its monopoly product, Diced Cream, to meet or undercut prices of its local competitors in the Los Angeles area, while charging higher prices in other areas for goods of like grade and quality.

5. The business of Arden and of its ice cream distributing subsidiaries in selling ice-cream products was "substantially and adversely affected by competitive conditions."

6. The circuit court pointed out that while Arden's local competitors in the Los Angeles area claimed they had been injured by loss of revenue, Arden had lost revenue on its sales in the Los Angeels area; and from these facts the court appears to have reasoned

that there were no competitive consequences about which the statute is concerned; and that "any revenue loss to the plaintiffs as a result of the lowering of prices is merely one of the results of local competition."

7. Finally, the circuit court made this astonishing interpretation of the Robinson-Patman Act:

"The statute requires that there be some discrimination."

The circuit court proceeded on the theory that since the customers of Arden who were paying it different prices were not competing with each other, and since competitors of Arden who were competing with it in the Los Angeles area were not competing with Arden in other areas where Arden was charging higher prices "there was no casual connection between the different prices of ice cream sold by Arden in Arizona, Washington, and Oregon, and any damage sustained by plaintiffs as a result of the lowering of prices in the Los Angeles area. The court ruled that there was absolutely no evidence in the record that the differentials as to sales in commerce or in other areas had any relation to any injury or damage which plaintiffs may have sustained. It is true that Arden in certain respects engages in interstate commerce, but the court ruled it does not follow that the price differential in different areas have any relation to each other, even if the sales involving interstate commerce were given consideration. The court again referred to the fact that in the Balian case competing customers were not shown to have been charged different prices by Arden, and that feature indicated a variance from the case of the *Federal Trade Commission* v. *Morton Salt Co.* (334 U. S. 37). The court also stated that "Arden did not embark upon a campaign of selling goods shipped in interstate commerce at a loss in a local area to punish or designedly try to cause loss to one weaker competitor; and that it had no design to eliminate such a competitor and put him out of business by giving guaranties against loss to its own sales customers." Therefore, the court on that basis distinguished the Balian case from the *Porto Rican American Tobacco Co.* v. *American Tobacco Co.* (30 Fed. 2d 234). What the court did not seem to understand is that under even the original Clayton Act of 1914 it was not required that one, damaged as a result of discriminations practiced by its competitors, be shown to have been in competition with the discriminator in more than one area where the discriminator made sales at different prices. Moreover, in a primary line injury case, such as the Balian case, it has been irrelevant and immaterial since 1914 whether or not customers of the discriminating seller were in competition with each other. However, in the Balin case the circuit court of appeals seems to regard such a fact as of prime importance. Without such a showing the court appeared to think that there would be no discrimination. It observed that "the statute requires that there be some discrimination." It appears that the court considered that without a showing to that effect it would have been necessary to show that Arden embarked "upon a campaign by selling goods shipped in interstate commerce at a loss in a local area to punish or designedly try to cause loss to one weaker competitor." Obviously if that test were to be satisfied, the Sherman Act would be found sufficient to deal with the problem.

Admittedly, in the Balian case the state of competition had not been reduced to a contest between Arden and one weaker competitor. At the time the case was brought it had 15 competitors. Under the Clayton Act are we to permit the Arden Co. to continue its discriminatory practices, and therefore its march to a near monopoly position, until it is faced with only one weaker competitor? I submit that such idea was not in the minds of those of us who drafted the Clayton Act and the Robinson-Patman amendment thereto. We thought of providing for a means to get at the monopolistic price discrimination in its incipiency and before it had come to full flower. At the time the original Clayton Act was enacted we knew that the Sherman Act could be invoked to break up a monopoly which had been realized through the use of monopolistic practices. We desired to stop the practice before monopoly was created.

In conclusion, allow me to summarize some of the factual situation in which the Ninth Circuit Court of Appeals appeared to find the existence of good faith. Arden, a large interstate operator, discriminated in price. It did so to meet and beat low competitive prices, described by the court as "chiseling cuts," which were being used by Arden's small local competitors in the Los Angeles area. In doing that, it injured those competitors. How many will disappear as a result of such injuries is anybody's guess. However, whether they disappear or whether they are taught lessons as a result of price discriminations on the part of Arden to never again cut their prices and thereby be charged with chiseling, it is a safe guess that the public will pay the bill in the form of higher ice cream prices in the Los Angeles area. Perhaps it is a simple case of nearsightedness on the part of the court when it viewed the lower discriminatory prices on the part of Arden as a boon "in the public interest."

We who support H. R. 11 and urge its enactment desire a return to first principles. We cannot understand the economic beliefs of those who advocate the use of such a monopolistic practice as price discrimination by the large corporate giant, Standard Oil Company of Indiana, as a good faith competitive act against small competitors. According to our understanding of economics, the result of what they advocate will be the opposite to competition. We do not want that result. We do not want substantial lessening of competition or the creation of monopoly. Therefore, we urge enactment of H. R. 11.

THE UNKNOWN MANAGERS OF OUR MONETARY SYSTEM WHO DETERMINE ECONOMIC POLICY CONTRARY TO WISHES OF WOODROW WILSON HAVE GOTTEN INTO PRIVATE BANKERS' HANDS

Mr. PATMAN. Mr. Speaker, we now have the type of situation that could have been predicted back in February 1951 when the bankers won their fight to make the Federal Reserve their own private instrument. The President has said that the Secretary of the Treasury and the Chairman of the Council of Economic Advisers both have disputed the Federal Reserve decision to raise interest rates and tighten credit at this time. They felt that the Federal Reserve should have waited to see whether the inflationary threat was as real as they imagined it to be. But what did the Federal Reserve do? The current issue of Business Week—April 28, 1956—quotes a Treasury official:

> The Fed has taken the bit in its teeth and is dragging the rest of us along.

This is the logical outcome of the fight over the independence of the Federal Reserve System. The Chairman of the Board of Governors and the 12 Reserve bank presidents elected by the commercial bankers of the country have the power to override economic policy decisions of the people's elected representatives.

The absolutely amazing thing about this situation is that the President of the United States assents to the diminution of his powers to formulate and carry out economic policies. For the President said at his press conference that in the dispute he supported the Federal Reserve against his own Cabinet official and his own Chairman of the Council of Economic Advisers. He is mistaken when he says he believes that what is involved is the principle that the Board should be free from politics, and that he respects the independence of the Board. The Federal Reserve is a Government institution. It is a Government central bank. It is owned by the people of the United States. It is not the vehicle of the private bankers and was never intended to be such a vehicle. Its function is derived from the delegation of Congress' power to regulate the supply of money and credit and the value of the currency. It has been abusing that power since February 1951. We see millions of victims of that abuse of power when we witness the impoverished condition of agriculture and of the rising tide of small-business bankruptcies and forced mergers.

SMALL FIRMS HIT

The President said at his press conference that he had confidence in the Federal Reserve and promised that the Board would ease up if money conditions got too tight. It is obvious that the President was not fully informed as to how tight credit conditions have been for nearly a year. For example, I have a report issued by the Standard Factors Corp., of New York. It is based on a nationwide survey. Since April 1955 they have queried 727 manufacturers and 127 banks, in every major city and reserve district in the country. This is what they found. Most small-business firms in the sample had lost their bank credit lines during the past 12 months because of tightening bank credit. Big firms—$500,000 net worth and over—were virtually unaffected. Loss of bank lines either puts the small man at a terrific disadvantage or else he has to close down completely. The rising tide of mergers and bankruptcies tell what the result of the five rediscount rate increases have meant to small business. I know that the Members will want to know about the plight of small business under the independent policy of the Federal Reserve which has been only recently reaffirmed by President Eisenhower. I am therefore including the results of the Standard Factors Corp. study in the CONGRESSIONAL RECORD:

For: Standard Factors Corp., 270 Madison Avenue, New York, N. Y.

From: Imberman & Deforest, 25 East Jackson Boulevard, Chicago, Ill.

Small- and medium-sized manufacturers have been hurt by credit restrictions during the past 12 months, although most larger corporations have been unaffected, says a study by Standard Factors Corp., entitled "One Year's Experience With Credit Controls." The study covering 727 manufacturers in 33 major industries and 127 banks in all parts of the country, was released today by Theodore H. Silbert, president of Standard Factors.

According to the report, "the tightening of the money supply has not affected all business in the same fashion. * * * While it is obviously not the desire of the Federal Reserve managers to discriminate among business borrowers, the net effect has been that as bank credit tightened, the largest borrowers have supplemented their bank credit by selling commercial paper, or borrowing from insurance companies or the public. The smaller and medium-sized manufacturers, on the other hand, have had to contend with a more desperate loan situation."

The report indicated that most companies with $5,000 to $25,000 net worth have lost their bank lines during the past 12 months because of tightening bank credit. Of companies with $25,000 to $100,000 net worth, about half lost bank lines. Of companies with $100,000 to $500,000 net worth, only about 12 percent lost bank lines. Companies with net worth over $500,000 were said to be virtually unaffected by the tightening bank credit situation.

While many of these companies went to commercial finance companies for credit accommodations, the finance companies were also caught by the tightening bank credit situation. "Commercial finance companies operate on the basis of their own capital plus bank lines of credit," the report said. "With bank lines tighter, the finance companies could not begin to accommodate the demand. * * * Only those larger commerical finance companies with access to public financing, insurance companies loans and commercial paper market, were able to make some semblance of meeting the need."

As far as the banks are concerned, the report indicates that banks are most anxious to continue servicing their small-business customers, but "when restraining pressure on loans is applied from the top, the pressure usually is more severe in the case of the smaller- and medium-sized business, than when the corporation is larger."

In conclusion, the Standard Factors' report says: "Whether the country can afford to maintain uniform credit controls which affect the different segments of industry so differently, and which bankers themselves do not like, is something which the Federal Reserve System might reconsider."

ONE YEAR'S EXPERIENCE WITH CREDIT CONTROLS

For: Standard Factors Corp., 270 Madison Avenue, New York, N. Y.

From: Imberman & Deforest, 25 East Jackson Boulevard, Chicago 4, Ill.

APRIL 24, 1956.

The latest move of the Federal Reserve system in raising the rediscount rate to 2¾ percent (and 3 percent for Minneapolis and San Francisco) is the fifth such increase since April 1955. Its avowed object is to hold back the inflationary pressures in our economy. With steel, nonferrous metal, rubber, and other basic producers working at 100 percent capacity, any further rise in industrial activity would scarcely produce any more goods but merely increase prices—with the inevitable consequences in new wage demands, higher costs, etc. Hence the rise in the rediscount rate which will tighten money still more and slow up the industrial parade—somewhat.

However, since this is the fifth increase within a year, we have been able to gage how credit restraint affects the different segments of business. Since April 1955 when the first rediscount raise was set into motion, until April 1956 when the fifth raise was announced, Standard Factors Corp. has queried 727 manufacturers and 127 banks. These manufacturers are located in every major city in the country; the banks are equally well distributed through the 12 Federal Reserve bank districts.

Despite the apparent fairness of the Federal Reserve banks' method of holding down credit expansion, we have found that the tightening of the money supply has not affected all businesses in the same fashion. Smaller business has felt the tightness worst; medium-sized corporations have been next in complaining about the money situation; large business has had little to worry about. While it is obviously not the desire of the Federal Reserve managers to discriminate among industrial and commercial borrowers, the net effect has been that as bank credit tightened, the largest borrowers have been able to supplement their bank credit by selling commercial paper, borrowing long-term funds from insurance companies or from the public. The smaller- and medium-sized manufacturers, on the other hand, have had to contend with a more desperate loan situation. This situation is clearly evident from the reports to this Standard Factors' survey.

WORST IN CERTAIN INDUSTRIES

This situation, according to our reports from 727 manufacturers, is found to be worst in the following manufacturing industries: machinery (nonelectrical); food and beverages; petroleum refining and chemicals; fabricated metals; transportation equipment; textiles and apparel; electrical machinery; stone, clay and glass products. Many other manufacturers report the same state of affairs, but the above-named industries show probably the worst effect of the uniform tightening of bank credit. In those industries, the smaller manufacturer has been virtually squeezed out of bank credit, while the medium-sized producer has had his line curtailed. Details on these companies are cited below.

On the banks' side, the reports from 127 banks show the utmost good will, and a keen desire to satisfy all their customers to the banks' best abilities. However, while banks are anxious to help all customers, there is a tendency for most of the pressure to work its way down to the smaller customer. For this there is evidently an economic reason: It takes almost as much personnel time and expense to administer a $10,000 line of credit as it does to administer a $100,000 line. Similarly, it takes no more time and personnel effort to administer a $1 million line of credit than it does to watch over a $100,000 line.

True, bank rates on small loans are higher than on larger loans. This must be so, because the bank cost of administration (and risk) is higher with the smaller credits. The cost of keeping track of smaller loans and investments in smaller business is high, and even going interest rates on smaller loans do not always cover the expense to the bank. But since lendable funds and bank personnel are at a premium—and since the risk on one $1 million account is less than the risk on one hundred $10,000 accounts—banks tend to hold on to their biggest and more stable customers.

COMMERCIAL FINANCE

The commercial finance industry has endeavored to take up the slack through accounts receivable financing, but even their resources are insufficient to help all the small- and medium-sized companies which are worthy of credit. Moreover, since commercial finance companies are themselves in good part dependent on bank lines for their resources, they cannot expand their lending in the face of tightening bank credit.

According to the reports from the 727 manufacturers to this Standard Factors survey, we find that prior to the first Federal Reserve Board hike in rediscount rate (April 1955) 89 percent of the companies were regular borrowers from commercial banks. Today, only 53 percent have bank lines. In terms of net worth, here is a breakdown of the experience:

Net worth of companies	Percent of companies with bank lines March—	
	1955	1956
$5,000 to $25,000	53	18
$25,000 to $100,000	82	44
$100,000 to $500,000	94	79
$500,000 to $1,000,000	99	98
$1,000,000 to $2,500,000	99	98
Over $2,500,000	99	99

It is interesting to notice that the smaller companies (under $25,000 net worth) had felt the most severe effects of the tightening bank credit. Slightly more than half of these companies had bank lines in March 1955. These lines were used to discount bills, carry inventories for processing or for sale, or to take care of payrolls or current operating bills until payment had been received from sales. While only 53 percent of these smaller companies had bank lines when the credit squeeze began, only 18 percent of these companies were left with bank lines a year later. Loss of bank lines often puts the smaller-business man at a fatal disadvantage.

NEXT IN LINE

Looking at the small-medium companies ($25,000 to $100,000) net worth, the drop here was from 82 percent with bank lines, to 44 percent a year later. Almost half the companies in this category lost their bank lines. This, of course, is not as large a drop as in the smallest class, but severe enough.

When we come to the medium-sized company ($100,000 to $500,000 net worth), the drop is much smaller—from 94 to 79 percent. Above the $500,000 net worth class, there is virtually no change in bank credit. The minute shift in the larger companies was due to public financing, or long-term loans from insurance companies to replace bank borrowings.

What did the companies do to replace bank accommodations? Many of them went to commercial finance companies and accounts receivable financing. But here too they met the other side of the tightening bank credit situation. Since commercial finance companies operate on the basis of their own capital plus bank lines of credit—and since tightening bank credit affects commercial finance companies also—the finance companies could not begin to accommodate the demand. Their own resources were squeezed by tighter bank credit—and only those larger commercial finance companies which have access to public financing, to direct placement loans from insurance companies, and to the commercial paper market, were able to make some semblance of meeting the demand.

BANKS LIKE SMALL BUSINESS

As far as the 127 banks are concerned, their confidential replies to this survey indicate that far from shying away from small business, the average bank is, in itself, small business and is largely occupied with small-business loans. Nationally, most banks are small business, but many of these banks participate in larger loans through larger banks in the major commercial centers.

However, with the loan demand rising all over the country, many of the smaller banks have been withdrawing their deposits with larger banks, and using these funds for their own loans. In addition, all banks have met the expanding demand for loans by reducing their investment portfolios. This they have done by selling their Government securities. This sale has been proceeding (in 1956) at an average rate of about $200 million a week. Sale of investments on such a scale is indicative of a strong pressure of loan demands,

for the sales involve losses which banks are naturally reluctant to take. Yet they do take them, in order to be able to accommodate customers.

But when it comes to determining what customers should be satisfied first, bankers (apparently like everyone else) must look to the customer which gives them volume, to the customer most apt to be around the bank in the years to come, and the customer which involves (for the bank) the least risk of the depositors' money. Volume, continuity of business, and least risk, characterize the larger corporations.

While the reports from banks show that bankers lean over backwards to continue serving their smaller commercial customers, nevertheless the reports also indicate that when the question of renewal of 30-, 60-, and 90-day commercial loans or notes arises, the decision is apt to be far more severe and critical in the case of the smaller- and medium-sized business, than when the corporation is larger.

Whether the country can afford to maintain uniform credit controls which affect the different segments of industry so differently, and which bankers themselves do not like, is something which the Federal Reserve System might reconsider.

The manufacturing industries covered in this study of 727 companies are: Agricultural implements; automobile parts; bedsprings and mattresses; breweries; chemicals; men's and women's clothing; confectionery; cloth mills; drugs; electrical machinery; electrical parts; electronics; foundries; fruit and vegetable canners; furniture; hardware and tools; hoisery; lumber; industrial machinery; meat packers; metal stampings; paints and varnishes; paper; paper boxes; petroleum; plastics; radio and television; shoes; soft drinks; steel and metal fabricators; stone, clay, and glass products; and transportation equipment.

SCHOOL CONSTRUCTION RETARDED

Small-business men have, of course, not been the sole victims of this interest-boosting crusade. Schoolchildren are being made to pay for the bankers' policies, too. I have a copy of the New York Times, Monday, April 30, 1956, before me. The headline says: "United States Credit Policy Held School Curb." Then it goes on:

New York State Controller Arthur Levitt declared yesterday that Federal monetary policies were seriously threatening the State's public construction program. It is virtually impossible, he said, for school districts to borrow money at interest rates they can afford.

What sense does it make for the President to hold a White House Conference on Education to confirm that there is a tremendous need for schools and then call on Congress to enact a construction program, when he endorses a policy which does not permit school construction at present levels to proceed? To be charitable I must conclude that the President is not well informed about the state of money and credit in the country. Else how could he have said, as he is reported to have, that he was confident the Board would ease up before money dries up? How dry must the well get before it is dried up?

I am inserting for the benefit of my colleagues, particularly my Republican colleagues, the full article disclosing the harmful effect of hard-money policies on our schoolchildren. I hope one of them will be thoughtful enough to call it to the attention of the White House.

[From the New York Times of April 30, 1956]

UNITED STATES CREDIT POLICY HELD SCHOOL CURB—LEVITT CONTENDS THAT RISE IN INTEREST RATE HINDERS BUILDING IN STATE

State Controller Arthur Levitt declared yesterday that Federal monetary policies were seriously threatening the State's school construction program. It is virtually impossible, he said, for school districts to borrow money at interest rates that they can afford.

The State's chief fiscal officer called for a revision of Federal policies that would maintain guards against inflation but permit public construction to proceed.

Mr. Levitt attributed the tight credit situation partly to the recent decision of the Federal Reserve Board to increase the discount rate from 2½ percent to 2¾ percent. The discount rate is the interest that banks must pay to borrow from the Federal Reserve System. The increase was designed to curb inflationary trends by making borrowing less attractive.

"The impact of that policy on the State level," Mr. Levitt said, "has been to make it virtually impossible for school districts to borrow money to finance school construction."

He called it an alarming spectacle that the city of Philadelphia failed to get a single bid last week on a bond offer of $4,900,000 at 3 percent.

SCHOOL-DEBT BURDEN

Mr. Levitt reported that he recently had purchased $2 million of Long Island school district bonds with a 3½-percent interest rate for the State retirement system. "School districts," he said, "simply cannot sustain that kind of debt burden."

The State controller, a Democrat, appeared with Attorney General Jacob K. Javits, a Republican, on the televised program, "Viewpoint," over WRCA–TV.

Mr. Javits declared that there should be less borrowing by governments and that the borrowing opportunities for individuals should be increased.

The attorney general said he had no fears about installment selling and that increased consumer buying would stimulate production and other factors producing tax funds. That, he argued, would enable governments to undertake more construction on a pay-as-you-go basis.

The State has an interest in the tighter credit situation because of the prospective sale of bonds for mental hospitals, thruway, and grade-crossing construction. In addition, two bond issues, one of $500 million for highways and a second of $100 million for middle-income housing, are to go to the voters in November.

Mr. Levitt, while conceding the anti-inflation purposes of Federal monetary policies, asserted that "nobody in responsible positions contended that public construction should be slowed down."

In view of prospective State spending, Mr. Javits criticized both Governor Harriman and the Republican-controlled legislature for their part in effecting an income tax reduction. Mr. Levitt defended the tax cut on the basis of the State's cash surplus.

The State controller saw no inconsistency on the part of the Governor in advocating at the same time an income tax cut and an increase in the motor fuel taxes to financing the highway construction program.

"The modern tendency in regard to highway construction," Mr. Levitt said, "is to finance it by a users' tax and not by an income tax."

Mr. Javits contended that the legislature, in refusing to go along with an increase in the gasoline tax after voting an income tax reduction, "was a lot more honest with itself than the Governor."

SUPPORTING A CONDEMNED POLICY

We are in the ridiculous position of having the Government and its leading Cabinet official carrying out a policy which they publicly condemn, because they are willing to let the Fed take the bit in its teeth and drag the rest of the country along. I refer to the fact that the Treasury is in the market actually supporting the price of its own issues. Is it not ridiculous? The Secretary of Treasury is opposed to the Fed supporting his securities, but he is willing for the Fed to force him to do so. How ludicrous can they get? If this was not such a deadly serious business it would be a joke.

The fact is, according to Business Week—April 28, 1956—that the only thing which has stopped the price of Governments from going through the floor has been the substantial purchasing of bonds by the Treasury. Of course the Treasury recognizes how ludicrous their position would be if they acknowledged they were supporting bond prices so they rationalize by stating: "We decided to take advantage of the high interest rates you can get on Treasury bonds."

Sure the trust funds get the benefit, but what about the cost of servicing the debt? Is not the Treasury concerned about higher interest rates raising the cost of the public debt? Of course they are. That is why the Secretary is investing trust-fund money in buying his own securities.

This goes to show that Secretary Snyder's position was right. The Treasury has to be concerned about the cost of the debt and about its ability to sell Government securities to the public. That is a major reason why we cannot let the Fed take the bit in its teeth and drag the rest of us along.

FEUD OVER CREDIT POLICY

I am including a copy of the Business Week article, A New Feud Over Credit Policy, in the CONGRESSIONAL RECORD:

A NEW FEUD OVER CREDIT POLICY

The Federal Reserve's decision to step a little harder on the credit brakes (Business Week, April 21, 1956, p. 23) has renewed an ancient policy split between William McC. Martin's Federal Reserve Board and Secretary George M. Humphrey's Treasury Department.

As Martin sees it, the danger of inflation dictates a definite squeeze on credit. Humphrey feels the Fed could well have waited a little longer before tightening up.

Last week Fed followed up its action of raising the discount rate by selling over $70 million in 91-day Treasury bills. This reduced the amount of credit available to the banking system.

But at the same time, the Treasury took a step directly in the opposite direction—to ease credit. And the Federal Home Loan Bank Board did the same, further indicating dissatisfaction with the Fed's policy.

BOND PURCHASE

The Treasury Department was reported to have bought its own securities in the open market for the account of Government trust funds such as the Government Life Insurance Fund and the Federal Deposit Insurance Corporation. The Treasury did not announce the amount of bonds it purchased, but bond dealers termed the buying substantial. This served to increase the amount of credit in the banking system, and, according to one dealer, "it was the only thing that stopped the continued decline in bond prices."

RAISING THE CEILING

On top of that, the Federal Home Loan Bank Board revealed that it had put through a new relaxation in the borrowing privileges accorded member saving and loan associations. Under the new provision, all associations will be able to borrow up to 10 percent of their saving deposits from the FHLB. Previously, the ceiling on member borrowing was 5 percent.

Walter W. McAllister, chairman of the FHLB, denied that this lifting of the ceiling on borrowing was in conflict with overall credit policy. But he added that in his view, "there is now little danger of rampant inflation."

FED'S FEARS

This view is not shared by the Federal Reserve Board, which has tightened up precisely because it fears an outbreak of inflation. The Fed considered the relaxation on borrowing as directly contrary to its own policy.

The Treasury's action is not such a clear-cut example of finding fault with the Fed. But according to one Treasury official, there was a real dispute over the Fed's action. Treasury Secretary Humphrey and Arthur Burns, Chairman of the Council of Economic Advisers, were both reluctant to see a tightening at this time. They felt that the Fed should have waited until the economic outlook was clearer.

This is not the first time that there has been a dispute between the Fed, the Treasury, and the CEA. However, the Fed has usually lagged behind the others in deciding on policy. Now, as a Treasury official put it, "the Fed has taken the bit in its teeth and is dragging the rest of us along."

TREASURY'S EXPLANATION

Actually the Treasury denies that its buying is anything out of the ordinary. One official said: "We decided to take advantage of the high interest rates that you can get on Treasury bonds."

But there is no doubt that while the purchase of bonds benefited its trust funds, it was also a means of countering the Fed's move. And the Treasury still has a big reserve of funds that could be used to prop up bond prices and help ease the drain on credit.

The Treasury has used this purchasing power to counter Fed policy in the past. In March 1951, for example, when the Fed was asserting its independence from Treasury influence, the trust funds made net purchases in the open market of almost $500 million in Government bonds.

Money market experts believe that buying on this scale would crimp the Fed's effectiveness, at least in the short run. But they expect that before there is a definite breach between the Fed and Treasury, both sides will attempt to reach a compromise.

REAPPRAISAL SEEN

Some observers think that the Fed has already decided against carrying its policy much further. They believe that, instead of insisting on a uniform discount rate of 3 percent for the 12 regional Fed banks, the Board of Governors will refrain from tampering with the present differential between the San Francisco and Minneapolis banks, where the rate already is 3 percent, and the 10 other banks, where it is 2¾ percent. Instead, the Fed is expected to hold off further moves until it sees whether its policy to date has been effective.

At this point, I wish to correct an inadvertent omission of material which I intended to insert in the body of my remarks last Friday. I referred to information concerning rates of return on Government bonds which appeared in the Aubrey Lanston, Inc., weekly letter. The information which I intended to include is as follows:

The Treasury security market reacted only moderately on Friday. The larger price declines took place in the shorter-term issues. At the prices on some of the issues, yields have become rather handsome. You'd have to go back to the days of the "bank holiday" in the early 1930's to find higher ones.

The 1⅝s of May 15, 1957 (13 months to maturity) offer a gross return (before taxes) of 2.99 percent. If a taxpayer subject to a 52 percent rate can take a long-term gain at maturity the rate of return is equal to about 3.77 percent on a fully taxable basis. The 2⅞s of June 15, 1958 (2⅙ years to maturity) offer a gross return of 3.26 percent and an alternative long-term gains equivalent to 3.50 percent. The 2⅜s of June 15, 1958 (also 2⅙ years to maturity) offer a gross return of 3.21 percent and an alternative taxable equivalent yield of 3.69 percent. The 2¼s of June 15, 1962/59 offer a gross yield of 3.20 percent and taxable equivalent of 3.79 percent—to maturity. To the call date (June 1959) the respective yields are 4.04 percent and 5.10 percent. Who can be sure they won't be called? And, what a bonanza yield from United States Treasurys whether they are or not.

I want to close my review of recent developments in credit policy by calling attention to what I regard as the most significant development in this area in recent history. It is the announcement that for the first time in its history the New York Federal Reserve Bank had gone outside and selected a private commercial banker to be its president since the Open Market Committee was established. This selection was made by a board of directors of nine men. Six of them represented the commercial bankers of the New York Reserve district.

The New York Federal Reserve Bank under the governorship of Benjamin Strong, the last commercial banker to head that institution, ruled the money system of this country. That was before the tremendous power over open-market operations was given to one holding that position. The results were not too satisfactory. This decision to appoint a commercial banker to head up the New York Federal Reserve Bank makes it more important than ever that the Congress consider the desirability of removing the seat of the Open Market Committee's operations from the New York bank and establishing it here in Washington under the control of the Board of Governors.

I am including an editorial from the New York Times, May 2, commenting on Mr. Sproul's resignation and the appointment of Mr. Alfred Hayes to succeed him:

MR. SPROUL STEPS DOWN

The decision of Allan Sproul, president of the New York Federal Reserve Bank, to resign that important post will be received with mixed emotions by his colleagues in the system and by everyone who realized the vital role he has played in the system's affairs in recent years. If they think of it in terms of the banking system, they cannot help being dismayed, but this dismay will be softened by the consideration that in the 36 years he has given to the Reserve System he has contributed immensely to its prestige, and if this is what he wants, then so be it, and all possible good luck to him.

We can be certain, however, of one thing. It would occur to no one to question Mr. Sproul's simple explanation of his retirement, when he says he wants to return to California while he is young enough to enjoy retirement, this clearly is the reason he is retiring.

There is another thing that no one who knows Mr. Sproul will have to be told. They won't have to be told that he would not be stepping out of the picture if it were 5 years ago, and if the Federal Reserve System were engaged in a struggle for survival such as that in which it found itself in the early postwar years with the Treasury. With the possible exception of Marriner S. Eccles, Chairman of the Board of Governors, no one in the System contributed more to the Reserve's fight for freedom that culminated in the accord of 1951 than did the head of the New York bank. Perhaps the best and most authoritative estimate of Allan Sproul is that to be found in Mr. Eccles' autobiographical volume, Beckoning Frontiers, which appeared in 1951. Writes Mr. Eccles:

"It should be said of Sproul that we sometimes disagreed over policy matters, but our differences were never marked by personal acrimony. Despite the fact that he had been elected to his post at the head of the New York Reserve Bank by the action of its board of directors, six of whom were elected by the banks of the district, Sproul was and is first and foremost a representative of the public interest. He has sometimes argued the case of the banks, but he has just as often argued against them. He has been and is a tower of strength in the Reserve System."

The board of directors of the bank, in selecting as Mr. Sproul's successor Alfred Hayes, vice president of the New York Trust Co., has provided a news story almost as surprising as that of Mr. Sproul's own resignation. In naming Mr. Hayes, a gifted student who attracted much attention by a thesis on Reserve policy prepared while he was studying at Oxford, they have gone outside the System for a chief executive for the first time since the late Benjamin Strong came out of the Bankers Trust Co. to take over the No. 1 post (then the post of governor) 40 years ago.

SENATOR BARKLEY

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, to me, as to the American people, news of ALBEN BARKLEY's passing came as a great shock and brought a sense of deep, poignant grief. Only last Wednesday night, I attended a Congressional Night dinner and program at the National Press Club where this great man was an honored guest.

I had the opportunity again to meet and talk with him. He appeared to be his usual self. He was, as customary with him, genial, cordial and good-humored. He addressed the gathering in the role of station announcer on the mock radio program being conducted by the famous television personality, Hal March, entitled "The Sixty-Four Billion Dollar Question."

As usual the great, noble son of Kentucky stole the show. With devastating shafts of humor and satire, he lampooned his political opponents while carrying out his assignment as station announcer. He seemed to be in good physical condition, was vigorous of manner and spirit and he completely captivated the audience. It was the last time I was to see and hear ALBEN BARKLEY. A

few days later I learned the sorrowful news of his most lamentable demise.

I had personally known ALBEN BARKLEY for many years. I had met him through my great, beloved friend, the late, distinguished Senator David I. Walsh, of Massachusetts, of revered and lamented memory. I had supported Senator BARKLEY at various Democratic Conventions for President and Vice President of the United States.

ALBEN BARKLEY was one of the outstanding statesmen of American history. I cannot here do justice to his life, his fine qualities, his superb abilities, his splendid achievements. That task is for others. But I desire to express my personal grief and extend my sympathy to his gracious help-mate and bereaved family.

He was a man of tremendous stature endowed by the Almighty with widely diverse talents and gifts. Of lovable personal traits, ready wit, good fellowship, interested in people, he had a remarkable sense of humor. He was a most engaging raconteur on and off the platform.

And he had a very deep religious and spiritual side to his nature which was manifest in his attitude throughout his life and was emphasized in an immemorable manner in the last words he spoke:

I would rather be a servant in the house of the Lord than sit in the seat of the mighty.

ALBEN BARKLEY made many eloquent speeches that will go down in history. But none will be so famous, so well-known, so much a part of future American life as that moving last sentence of his final speech.

He was a man of strength, of power, of great gifts, and high position. He achieved great lasting distinction in political history and statescraft. But he kept his humble faith in the Lord to the very last breath of his honored being.

ALBEN BARKLEY will be long remembered with fond appreciation and utmost respect. For he was a sterling statesman in the best sense of the word, a truly great human being, an illustrious American.

Lawyer, jurist, Congressman, United States Senator, Vice President of the United States, he sat in truth in the seats of the mighty, but he always kept his faith in God, in his country, and his fellow man. And that will be his glorious, enduring epitaph.

PERSONAL ANNOUNCEMENT

Mr. VORYS. Mr. Speaker, I was called to the telephone on an emergency matter during the last rollcall. Had I been present I would have voted "aye."

REQUEST FOR AN APPROPRIATION OF $4 MILLION FOR TAMPA HARBOR PROJECT

Mr. CRAMER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. CRAMER. Mr. Speaker, during the hearings of the Subcommittee on Public Works of the Appropriations Committee of the House the Florida delegation unanimously supported my appeal for $2.5 million to be appropriated to continue work on Tampa Harbor which was recommended by the President in his budget message.

This week, again with the unanimous support of the delegation I appeared before the Subcommittee on Public Works of the Senate Appropriations Committee and testified in regard to the same Tampa Harbor construction. However, at this time and because of a recent survey completed by the United States Army Engineers only on April 21, 1956 after the House committee hearings were completed and immediately before the Senate hearings, the request for funds was increased to $4 million before the Senate subcommittee. The Engineers testified in favor of this increase before the same subcommittee based on this new survey.

I wish to discuss these reasons before the House, reasons which I believe fully justify the favorable action by the Senate and concurrence therein in conference by the House conferees.

This is in the nature of an emergency request based upon newly discovered and developed information resulting from recent experience showing that presently recommended funds would run out due to accelerated work before the end of fiscal 1957.

The following facts, which were called to the attendance of the Senate subcommittee, I now call to the attention of the House:

One of the harbor projects begun in 1955 was in the First District of Florida and serves a great portion of the entire State. That project is Tampa Harbor for which last year $977,000 was appropriated to begin a program of work in deepening and widening the channel to accommodate traffic that is using this harbor and of which there is even greater potential. It is my purpose here today to ask that you continue this great work and that an appropriation of $4 million be passed by Congress. This request is $1.5 million more than recommended in the 1957 Budget by the President and earlier requested before the House committee. The need for these additional funds and savings to the Government that can be effected by this enlarged appropriation now, in a project expected to total some $11 million, has only recently become known and I wish to take this opportunity to explain the urgency of additional funds.

In the preliminary planning of this project first consideration was given to the dredging of the channel and increase of depth from 27–30 feet and widening to 400 feet from the present 300-foot width the distance of some 50 miles. The United States Army Engineers let contracts for the dredging in 1955 and work has been under way in a contracted amount of $3,100,000. Progress on this portion of the dredging has proceeded at a greater pace than anticipated by the Engineers. In a report just made on April 21, 1956, and subsequent to both the preparation of the budget and hearings before the committee of the House, it is now revealed that this contract will be completed early in 1957 at the present rate of progress. The original appropriation of $977,000 and the earlier budget-requested funds of $2,500,000 will not be sufficient to carry on this rate of work and the entire project would have to be called to a halt in early 1957 unless additional funds are provided at this time. The truth of the matter is that the work is well ahead of the money. For this reason and through the engineering data made available in the testimony of the United States Army Engineers earlier in hearings before the Senate subcommittee, I believe we are fully justified in asking these additional funds.

I have indicated savings could be made by such action and this will be evident to you when it is realized that should present funds be depleted early in 1957 and no work continued until money is available in fiscal 1958 the cost of reactivation of the dredges themselves would be heavily reflected in the bids received which bids are expected to run an additional $600,000. Such substantial savings should not be overlooked in the efficient progress of this project.

Because of the rapid development of the work on these channels that segment known as Egmont and Mullet Key Channels where work will be done by the United States Army Engineers hopper dredge, should also be gotten under way in 1957. Anticipating 5 months work in each of the fiscal years 1957 and 1958 an additional $625,000 will be needed in fiscal 1957.

Activation of both of these dredging portions of the project at the same time and to thus complete in the year 1958 the Hillsboro Channel portion of the project will see even more benefit savings. Figures now available clearly show that use of the Hillsboro-Tampa channel portion of the project as herein proposed at the projected tonnage rate to be shown later indicate that $1,500,000 per year will be saved at that time. Therefore the additional amount requested above the earlier request will be fully justified by this additional saving. Estimates of the benefit-cost ratio have now been placed at 3.38 to 1 on this segment of the channel and I feel sure that this is a conservative figure.

There follows a summarization of the figures used above:

Schedule A

Fiscal 1956 appropriation for Tampa Harbor project	$977,000
Actual expenditures:	
Hopper dredging	280,000
Hydraulic dredging	785,000
Engineering	130,000
Supervision and engineering	87,000
Total expenditure	1,282,000
Advanced by U. S. Army engineers (to permit contract performance	305,000
Total	1,282,000
Funds required, fiscal 1957:	
Repayment of advance by U. S. Army engineers to project	305,000
U. S. Army engineers (supervision and administration)	174,000

Schedule A—Continued

Funds required, fiscal 1957—Con.	
Payment to Standard Dredging Corp. to complete work on $3.1 million contract covering dredging on cuts A–F Tampa Bay channels ($785,000 of contract will be completed in 1955–56)—ful contract to be completed early 1957	$2,315,000
Subtotal	2,794,000
Request 1957 budget	2,500,000
Additional required	294,000
Pro rata portion of second contract and required in early 1957 to permit work on dredging to continue without extra cost of activation and deactivation which would raise this estimated bid—4 months' work to June 30, 1957	600,000
5 months work by U. S. Army engineers hopper dredge on Egmont and Mullet Key chanels—includes supervision and administration cost	625,000
Total additional funds required over budget request of $2.5 million for 1957	1,519,000
Total recommended as appropriation for 1957	4,000,000

NOTE.—These figures are as prepared by the U. S. Army engineers and are consistent with testimony by them before the Subcommittee on Public Works of the Senate Appropriations Committee. They include figures not available prior to April 21, 1956.

Mr. CRAMER. Many of the persons from the Tampa Bay area personally appeared before the committees last year and testified that the start of this project, in their opinion, would unquestionably accelerate harbor growth. It is astounding proof of this that, according to port authority estimates 2 months ago, $5,500,000 in new and port facilities have been committed during calendar year 1955. This figure can now be placed in excess of $10 million. Yet this is only the beginning of the tremendous industrial and commercial program which has been indicated by the commencement of this harbor project. Exemplary is announcement in the last 2 weeks of construction of a new industrial-molasses tank and dock, fully substantiating the judgment of this committee for this growth that unquestionably shows the local community is fulfilling its obligation in making full use of the new opportunities afforded it by the Tampa Harbor improvements.

In 1954, the port of Tampa had a total tonnage of 9,813,000 tons. In 1955 it is conservatively estimated that this has increased over 7 percent to over 10,500,000 tons. Exact figures have not yet been completed. This is far in excess of the Army engineers' estimates made in 1948. The estimated port tonnage in the calendar year of 1959 of 15 million tons based on this 7.6 percent annual increase is a conservative estimate. For example, it is known that within the next 3 years there will be additional port tonnage from new industries—which has not been taken into consideration in the normal port growth—of 3,500,000 tons per year. This would consist of approximately 2,500,000 tons of petroleum and petroleum products which would result from new terminal facilities and the first oil refinery in the port of Tampa; coal of 750,000 tons from a new electric generating plant, using coal for fuel; and other products of 250,000 tons. This again is very conservative. New barge terminals have just been completed for the transport of steel, grain, and general cargo.

This would mean that, by the calendar year 1959 it could well be and probably will be, the port of Tampa will have annual tonnage of 18 million to 19 million tons, providing harbor improvements progress rapidly, continuing to encourage its growth. It is this year in which the economic return will truly manifest itself and justify orderly and early completion of the project.

The most recent figures available indicate that projected estimates have been conservative. Port tonnage for the first 2 months in 1956 were 22 percent above that of last year and increased 345,000 from 1,529,000 tons in 1955 to 1,853,000 tons in 1956. Final figures for 1955 have not been completed by the engineers but their present indications are that total tonnage for 1955 will exceed 10,500,000 tons and continue to be well in excess of the projected growth factor of 7.6 percent per annum as estimated by the engineers.

Even more amazing figures of the growth of this port are indicated in the receipts of customs duties. In the first quarter of 1956 receipts were $1,091,000, some $373,000 over the same period in 1955, or a gain of 52 percent in 1 year's time.

The increase and growth of industry in this area and its tremendously increasing population has greatly increased the use of petroleum and other products. In 1954 the petroleum usage of the port was 4,579,000 tons. Upon facts now known, the increase in petroleum in 1955 was in excess of the 10 percent estimated by the port authority, based upon 1954 figures. With the known new industrial facilities that are coming into being in this area, by 1959 it is entirely reasonable to assume that there would be over 8 million tons of petroleum and petroleum products passing through the port of Tampa.

The usage of this port by coastwise trade is progressing rapidly. In the 5-year period, 1949 to 1954, the average annual increase in tonnage was 9.1 percent. Projecting a growth of 5 percent a year over the 1954 tonnage of 5,477,000 shows that there would be coastwise trade in 1959 of over 7 million tons. This is an entirely reasonable projection of growth and, as a matter of fact, it is obviously conservative when the factors of new industries are taken into account.

Over 75 percent of phosphate produced in the world is produced within a radius of 80 miles of this port. In 1949, 5,477,000 tons of phosphate were exported through this port. I believe it of interest to your committee that this area served by the port of Tampa is increasing in its population at the rate of over 6 percent per year. This is one of the most rapidly expanding areas in the United States. Moreover, this rapid expansion is reflected in the industrial growth of this area. Since the apparent start of this project in early 1955, over $70 million in new deepwater industrial construction has been started or definitely committed.

In 1956 additional industrial construction utilizing Tampa Harbor is under way.

All this is indicative of the fact that the phenomenal growth of this area renders estimates of port growth and usage almost unpredictable. Yet, it is apparent that the estimated annual port tonnage in 1959 of 15 million tons is most conservative. Using this basis of annual tonnage of 15 million tons, the direct economic benefits and annual savings resulting from completion of this harbor project will be approximately $2,230,000. Thus, in using the criteria used by the Corps of Engineers in their determination, the benefit-cost ratio as fixed by the Hillsboro County Port Authority is 5 to 1 and would give to this project an unusually high benefit-cost ratio. The Army engineers in 1954 fixed benefit-cost ratio at 2.25 to 1. This has now been raised to 2.6 to 1 by testimony this year before the committees.

I urge the Congress, based upon the figures presented here and by the United States Army Engineers, to provide this appropriation in the additional amount needed above that of the budget request in order that economy of operation will be served and that an orderly program of development of this vital project can be brought about. The work in this important harbor is of great importance. The present inadequate channels have placed the port in the status of a second-class harbor and the only sizable port between Norfolk and New Orleans with less than 34 feet channel depth. At the same time Tampa Harbor has more annual tonnage than any harbor from Norfolk to Mobile. I am sure the Appropriations Committees and Congress will act to best serve the over 1 million population served by this port of the west coast of Florida.

AGRICULTURE ACT OF 1956

Mr. WHARTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WHARTON. Mr. Speaker, 3 weeks ago a so-called farm bill was passed by this body and thereafter and in due course it arrived at the White House. Its provisions were so ill-advised and so obnoxious that it was promptly vetoed by the President.

Now and under date of April 30 there is available for the first time a bill entitled the "Agricultural Act of 1956." It is presented to us under an open rule and numerous amendments have been proposed which simply means that we are attempting to legislate here on the floor of the House on a few minutes notice for the agriculture of America. The bill

itself is 53 pages long with a comparatively brief report of 23 pages.

Not a farm organization in the country nor a single farmer knows how this farm legislation stands at the moment nor what the bill contains for him. I suspect that it contains nothing but grief for the farmers of my district and higher prices for my consumers to say nothing of the tremendous burden on our taxpayers.

This is hasty and politically inspired legislation at its worst and I intend to vote against it.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

GENERAL LEAVE TO EXTEND

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the bill H. R. 10875.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JENKINS. Mr. Speaker, I regret that it is necessary for me to be absent today on important official business, when the House has before it the agriculture bill of 1956. The measure was not previously programed for this week, and in the meantime I made certain commitments I am obliged to fulfill.

I have not missed a single vote in this session of Congress on the many measures that have come before us affecting our farmers. Nor would I miss this one today were it not absolutely necessary and were it not that I have assurances from the leadership of the Republican Party that my presence is not necessary, as most of the differences on the various features of the proposed legislation have been resolved.

Having been brought up on the farm, naturally I am inclined to favor any sound proposition that would be for the benefit of deserving farmers. For a number of years I have been a member of the Grange and of the Farm Bureau, and I have been in close touch with the various programs that have been advanced for the benefit of the farmers. I have given considerable study and thought to the whole subject, and particularly to the bill now before the House.

The bill before the House is by no means perfect in every particular, but I do believe that on the whole it will make a constructive contribution for a solution to the farm problem. Were I present today and voting I would, accordingly, vote for the bill.

Agriculture is the leading industry of all of our industries. More people are employed in agriculture than any other business, and more money is invested in agriculture properties than any other business.

My votes in Congress have always been in favor of giving encouragement to this big industry and to the many people who engage in agricultural pursuits. My votes have always been for legislation which will give our worthy farmers a program that is economically sound and which will enable them to progress and prosper.

Mr. SCHWENGEL. Mr. Speaker, I have been very much impressed with the debate on the soil-bank bill that has been before us. Practically all of the argument that has been presented thus far accents the immediate economic value to the farmers of the soil-bank program. It is not my purpose to deny or to take issue with those who argue this point of view, but, Mr. Speaker, I think there is another viewpoint—a long-range viewpoint that should be called to the attention of the Members of the House. Therefore, I should like to address my remarks to the soil-bank program as it relates to the economics of America over a period of years—what it means not alone to the farmers but to all America and to posterity.

The conservation-reserve provision of the soil-bank program is a great step in the direction of a more efficient land-use program.

The need for soil conservation can scarcely be overemphasized. History is replete with examples of nations that have declined or perished because of land impoverishment through misuse, neglect, and erosion.

Accelerated erosion of the soil is not merely a recent threat to human security; it is as old as agriculture itself. Erosion most likely began when the first rain struck the first furrow turned by a crude implement in the hands of prehistoric man. There is little doubt that it has been going on ever since, wherever man's efforts to gain a livelihood from the soil have led him to remove the natural cover of protective vegetation. History, to a great extent, is a record of man's efforts to wrest the land from nature, simply because he relies for sustenance on the products of the soil. Yet in many instances his conquest of the land has been disastrous. Over extensive areas, his culture of the earth has resulted in extreme impoverishment or nearly complete destruction of the soil resources upon which he is dependent. When this has occurred on a wide scale, the consequence has been the disappearance of civilization from the affected region. To illustrate the effects of soil erosion during ancient times, I would like to quote a few lines from an article entitled "Erosion at Its Worst, and a Hundred Dead Cities," written during 1939 by Dr. Walter C. Lowdermilk, former Assistant Chief of the Soil Conservation Service of the United States Department of Agriculture:

> The dead cities of north Syria reveal a period of history of which very little is thus far known. It was a local civilization but very advanced and rich, with highly developed and distinctive Syrian art found nowhere else. * * * Today, after 13 centuries of neglect and patch cultivation to cereals by seminomadic descendants of the invaders, and of overgrazing by their goats, soil erosion has completed the destruction of the good earth with a thoroughness that has left this once fertile land a complete manmade desert, void of vegetation, water, and soil, except in rare pockets with scanty cover of crops and thorn bushes. The ruins of a highly developed architecture tell of the advanced culture of this region.
>
> As in north China, north Africa, Transjordan, and elsewhere, soil erosion is clearly the principal agent in destroying the land and in undermining the civilization and culture which was dependent upon it. The early inhabitants found primeval forests here. Then began moderate clearing, deforestation and cultivation of slopes. Ancient cultivation up through the Roman period was intelligent and demonstrated an understanding on the part of the inhabitants of conservation of soils and rain waters by terraces and check dams. At this time the region was highly prosperous, populous, and flourishing. But in A. D. 630 the Arab invasion swept away progress in agriculture. The vineyards and olive trees were destroyed, and the land was put under patch cultivation to grain crops and heavily grazed. After the destruction and dispersal of the former population, neglect of the land brought * * * on erosion of the soil. * * *
>
> These hundred or more dead cities are dead forever because their soils are gone beyond any hope of reclamation. * * * Man and erosion have devastated this area for a geologic age. Here the unpardonable sin of land use has been committed.

Soil conservationists find in Syria many lessons which we in this country may well take to heart. It is true that we have for some time now attempted to preserve our forests and to rebuild our soil, but have we done enough? Have we used our acres in such a way as to yield the greatest returns to our farmers and to the Nation as a whole? When we examine areas where erosion has taken its toll, such as the Dust Bowl, I think the answer is quite clear. There is very little doubt about the fact that many acres now being used for cultivated crops should never have been plowed. Many of these acres should be restored to forests and grasslands.

The conservation reserve provision of the soil-bank proposal is a major forward step in the direction of achieving a better land-use program. If finally adopted, the conservation reserve plan will lead to a program yielding greater net returns to farmers today and at the same time leading to a land-use program that will make it possible to provide fertile farmlands for future generations.

The objective of this program as originally proposed was to shift about 25 million acres from cropland to forage, trees, or water storage. This shift as proposed was intended to lead to a long-range adjustment in land use. Some of our less productive lands would be brought into the program, as well as some of the acres which have been diverted out of wheat and cotton into feed grains and other crops.

The current legislation with respect to the soil bank, if enacted and approved during this session of the Congress, would provide a maximum of $450 million annually to carry out the conservation reserve phase of the program.

The Government, through the agricultural conservation program currently in operation and the conservation reserve provision of the soil-bank program, makes manifest the obligation of the whole people to share the responsibility, as well as the benefits, of assuring the continued fertility of our soil. By help-

ing farmers, with money or conservation materials and technical services, to accomplish specified conservation practices, the program practically and directly helps make effective the research and educational work done by the Federal and State agencies. Funds appropriated to help conserve the soil and water resources of the Nation are a practical investment in the future welfare and productivity of the country. There is every reason to believe that soil conservation is our common concern whether we are farmers, manufacturers, food processors, bankers, merchants or professional people.

It is evident that continued and ever-increasing measures to conserve and rebuild the fertility of our land are necessary if the health and the level of living of Americans are to be maintained.

Experience has proved that neither an awareness on the part of the farmers of the need for conserving our national soil and water resources nor technical advice about the kind of conservation practices needed will get the job done, unless accompanied by measures which make it economically possible for the farmer to accomplish such practices. To maintain the strength of our Nation there are no more important appropriations than those for our overall conservation program.

The provisions for financial assistance to farmers to carry out the land use program proposed under the conservation reserve features of the soil bank proposal would provide an incentive to farmers to cooperate in making this program a success. Under the program the Government would bear a fair share of the costs involved in establishing a suitable cover. As farmers reorganize their farms along these soil conserving lines, they would be eligible to receive annual payments for a period of years related to the length of time needed to establish the new use of the land.

The acreage reserve phase of the soil-bank proposal has been referred to as a deferred-production plan. It would be voluntary and temporary, and generally aimed at reducing production, and hence carryover, of those agricultural products which are currently in greatest surplus. Under the plan as originally introduced, it was contemplated that it would be applied to such crops as wheat, cotton, corn, and rice and would remain in operation until carryover stocks of these commodities have been reduced to desirable levels.

The essence of the proposed program is that farmers would voluntarily reduce production of specified crops below their allotted acreage. The acreage withheld from production of any specific crop would be placed in the reserve. In return for placing a part of his allotted acres in the reserve, the farmer would receive as compensation certificates which would be redeemable by the Commodity Credit Corporation in cash or in kind. The basis for the value of the certificates would be the normal yield on the designated reserve acres.

This phase of the program would serve to achieve at least two important objectives: First, reduce surpluses, and second, encourage soil conservation. Much of the land now being used to produce crops in excess of domestic, export, and normal carryover requirements would be devoted to producing soil-building crops. The compensation received by farmers for cooperating in the program would reimburse them for their loss of production on the acres placed in the reserve.

The operation of the soil-bank program would beyond a doubt improve the economic position of the agricultural sector of our economy. I would like to mention but a few of the ways in which this would be accomplished: First, storage costs would be reduced as surpluses are reduced; second, as surpluses are reduced and supplies again are held at desirable levels market prices will tend to rise to legal support levels or even above established price support levels, thus giving farmers greater returns on that output produced on fewer acres; third, the compensatory payments will increase farm income.

It should be noted that the compensatory payments will be partly offset by savings on storage costs as surpluses are reduced to reasonable levels.

It is conceivable that within 2 or 3 years if farmers cooperate in the acreage-reserve program, and 15 to 20 million acres of the land devoted to the crops now in greatest surplus are taken out of production of those crops, assuming normal yields, surpluses would be reduced sufficiently to result in a supply situation that would result in higher market prices. The higher market prices together with the soil-bank payments under the conservation reserve and the acreage reserve would probably provide a higher net return to producers of many of the crops to which the program may be applied. While any statements one might make with respect to the extent of the economic benefits of this program are at present hypothetical, it is, nevertheless, logical to conclude that the benefits will be substantial.

Current pending legislation with respect to the acreage reserve places a limit of $800 million per year on expenditures under this phase of the program.

The proposed soil bank program has received widespread endorsement from conservation groups and leading farm organizations. While there may be differences of opinion with respect to specific details of its operation, there appears to be more or less general endorsement of the concept of the soil bank as such. I would like to quote the following views of leaders of farm organizations and conservation groups concerning the soil bank program made at hearings of the Senate Committee on Agriculture and Forestry:

Mr. Charles B. Shuman, president of the American Farm Bureau Federation stated:

For the past 3 years the American Farm Bureau Federation has been on record in favor of what we have called a soil-bank program, by which we mean that we should utilize our surplus productive capacity so that farmers would store fertility in the soil rather than to produce surpluses for the Commodity Credit Corporation. * * *

The basic purpose of the surplus reduction and soil-bank plan, as we conceive it, is to bring about at the earliest feasible date a balance between annual supply and effective demand and to make more rapid progress toward the liquidation of current surplus stocks.

Mr. Herschel D. Newsom, master, National Grange, had the following to say with respect to the soil-bank program:

The Grange has long recognized and repeatedly stated that a form of land rental type program—preferably as closely related as we can honestly relate it to a long-range, sound soil-conservation objective—has a real place in both emergency type farm legislation and in long-term permanent legislation.

* * * The acreage reserve program, seems basically sound and substantially in accord, we believe—on a hasty and superficial examination of its contents—with Grange program and policy and with the above three-point program, insofar as our present Government-held stocks are concerned.

Mr. Charles H. Callison, conservation director, National Wildlife Federation, made the following statement:

We foresee in this proposal, this plan to authorize or implement the setting aside of certain acreages on the farms of the Nation for conservation practices, these acres to be taken out of production of general farm crops and livestock, great benefits in the conservation of our natural resources, not only the soil and water resources, but those related resources.

This plan is bound to have extremely important, and beneficial wildlife effects, because in these areas which may be set aside as an acreage reserve or as a soil bank, which areas will be left ungrazed and uncropped, you are bound to produce excellent farm game cover.

Not only that, it will help control the run-off and check soil erosion which is detrimental to fish in the streams of the watersheds.

If there is included in the program the idea that has been advanced for a timber bank, and we hope that it is included, we can see even greater benefits from the standpoint of wildlife production, because the planting of trees, the reforestation of marginal areas on farms that are suitable for that type of use, will produce cover for many kinds of wildlife.

We feel that any comprehensive-conservation program must take into consideration not narrowly just the soil and water, but all the natural products of the land.

Mr. Joseph W. Penfold, conservation director, Izaak Walton League of America, Denver, Colo., said:

We have been interested in it for quite some time. As a matter of fact, our original committee started in Illinois something more than 3 years ago working on a soil-bank plan. * * *

At our last national convention, last spring, the membership, through their delegates, adopted some general principles of the soil-bank plan. * * * In our several years of developing the idea and discussing it with farm people and others all over the country—we have not stressed the wildlife aspects for a couple reasons: One of them, because we think the soil-bank plan is a very important and worthwhile program aside from wildlife angles; and also, if we were to come out stressing wildlife, they would immediately assume that our interest was strictly wildlife, which is not the case.

* * * We see the opportunity as well as responsibility in our State game and fish departments to cooperate in this program so that the maximum values are achieved with the minimum of costs.

I feel that this soil-bank program is worthy of our wholehearted support, and that it should be enacted at an early date

so that it can be put into operation during this crop year. I feel confident that if enacted it will be an important step in the direction of improved soil conservation, surplus reduction, and higher farm income.

COMMITTEE ON THE JUDICIARY

Mr. McCORMACK. Mr. Speaker, at the request of the gentleman from New York [Mr. CELLER] I ask unanimous consent that the Committee on the Judiciary may be permitted to sit on Monday and Tuesday of next week during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

POLAND'S CONSTITUTION DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from Delaware [Mr. McDOWELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McDOWELL. Mr. Speaker, never before have the ideals of democracy been in greater danger. Even though we are being placated with words of ever increasing optimism, we must not be unaware of the very obvious dangers of becoming engulfed by the godless forces of communism. This day, the 165th anniversary of the adoption of the Polish Constitution, should serve as a grave reminder that basic freedoms, so long envisioned as the political salvation of man, can be destroyed by the forces of communism. On this anniversary we honor those foresighted and fearless Polish people who adopted this constitution. It is based on the idea of individual liberty which is the foundation of democracy upon which all freedom-loving people rely.

The history of Poland's progress has been interrupted time and again by aggressors of every form. Of recent date, September 1939, the Nazis swarmed over Poland. In the face of hopeless odds the Polish people stood their ground and defended their land and ideals. However it was merely a matter of time before the defenses of Poland could no longer stand against the mighty onslaught of the Nazi war machine because the assistance that might have come from Russia was not there. During the Nazi occupation hundreds of examples of courage and resistance came to the attention of the people throughout the world and once again the national loyalty and patriotism of the Poles was an inspiration to the world. In 1945 a coalition government was set up and at this point Russia politically swallowed up Poland and the forces of democracy were systematically liquidated. In the face of all these setbacks the minds and hearts of the people still carried thoughts of freedom.

These oppressed people have long suffered at the hands of tyranny and except for their great fortitude and consuming love of freedom even their ideals might have capitulated. However, because of their strength these ideals will never be extinguished. As long as the people of Poland continue to hold in their hearts this great desire for freedom the forces of communism will never be completely triumphant. People with strength such as this are a source of inspiration and a beacon of hope for those in other oppressed areas who will some day regain their God-given birthright—freedom.

POLAND'S CONSTITUTION DAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, I wish to add my most sincere support to the many Members who have spoken today in commemoration of Polish Constitution Day. At a time when our Government has found it necessary to warn the Embassy of the present regime in Poland not to interfere with the right of Polish people to live in asylum in the United States, it is particularly fitting to honor the May constitution of 1791, which has stood as a beacon of democracy throughout previous periods of reaction and national servitude in Polish history.

Americans of every national descendance can be proud, along with our Polish-American and Polish exile compatriots, of the May constitution which was proclaimed 165 years ago. Many of the political institutions which were so daringly adopted by our own Constitution 2 years earlier, and which we have been so uniquely fortunate in preserving ever since, were contained in the glorious document which the threatened Polish nation brought forth in 1791. It was clearly declared that all power in civil society was derived from the will of the people. Religious freedom was guaranteed. The powers of government were divided between 3 branches, as in our own, and the legislative branch was established in 2 houses.

The Polish people were not blessed with the natural defenses against their predatory neighbors which have helped us to preserve our Constitution without interruption. The flame of democracy in their country has been repeatedly suffocated by the squeeze of neighbors who have moved upon her in concert and from every side. Yet we know as we commemorate Polish Constitution Day, as we know from studying the heroic efforts which Polish patriots throughout the centuries, in the time of Pulaski and Kosciusko, as stanchly as in the days of Paderewski or Sikorski, have made in the cause of democracy and freedom, that here is a people who will not be dismayed or halted by periods of political subservience. The principles which their constitution so strongly upheld, only 2 years following our own, will triumph once again among the Polish people, for they are deeply rooted, and the Polish nation has demonstrated under repeated tyranny by its neighbors that its will for national freedom to live under these principles can withstand the most cruel and interminable suppression.

POLISH CONSTITUTION DAY

The SPEAKER. Under previous order of the House, the gentleman from Connecticut [Mr. SADLAK] is recognized for 15 minutes.

Mr. SADLAK. Mr. Speaker, today is Polish Constitution Day. But the whole world knows that Poland today is not governed by any constitution, much less their original declaration of 1791. And the world also knows or at least can imagine the bitter persecution and pressure inflicted on the freedom-loving Poles at the hands of Soviet Communist Russia. Perhaps the most vivid remembrance of Red bestiality is the infamous Katyn Massacre at which the cream of the Polish Army, 14,000 regular officers, were lined up with their hands tied behind them, and shot through the backs of their heads after sawdust had been stuffed into their mouths.

This, Mr. Speaker, is the character of a government allegedly seeking peaceful coexistence with the world. A government which fiendishly exploits the hearts and the souls of any unfortunate people who fall victim to their might. This is a government whose history is replete with broken promises, deception, and betrayal, and whose own people respect them because of fear and reprisal.

Poland's plight is known to the world, and it's becoming a habit to express compassion with Poland. But the Poles do not want compassion; they want comprehension. Here was once a powerful nation which in the 15th, 16th, and 17th centuries was one of the dominant economic and military powers of Europe, acting as an effective barrier to barbaric invasion from the east and the south. In the height of her power, she defeated the Tartars, Teutonic Knights, Turks, Swedes as well as periodic victories over the Russians, one such success ending with the capture of Moscow. The only mistake Poland made was not capitalizing on her victories because her inherent love of freedom would not permit conquest by the sword and occupation of other nations. Students of Polish history must inevitably arrive at the conclusion that aggressive wars are almost completely absent from its pages.

But Poland's nonaggression policies could not survive her precarious geographic position. And even the stubborn courage and magnificent bravery of the Polish people could not withstand repeated attacks on her frontiers. The Russians do not forget the Polish will to fight and still smart, from their defeat at the Battle of Warsaw as late as 1920.

These historic facts perhaps explain the exceptionally inhuman treatment of Poland today and the main reason why Russia has embarked upon a ruthless plan to exterminate the entire Polish nation. They have executed Polish leaders, deported patriots, and maintain a constant iron rule over the people enforced by machineguns and reprisal.

Even the children are in the care of the state, and indoctrinated with Communist ideology directed against their parents' memories.

Napoleon referred to Poland as "the cornerstone of Europe." But the meaning of his words is better explained by Hilaire Belloc, the well-known contemporary Catholic author who writes:

> Poland is the test of Europe. The restoration and preserving of a powerful and independent Polish state is, and must be, among the very first of our political objectives—if we cannot restore Poland it will mean that the forces destructive of all by which we have lived, have triumphed. Our descendants will no longer be able to call themselves civilized men, inheritors of the Roman Empire and of Greece through the strength of the Catholic Church and through its power to preserve. The very magnitude of the issue makes it difficult to grasp. The statement of it sounds so exaggerated as to be fantastic. We stand or fall by Poland; and "we" means all our art, literature, philosophy, all the mighty heritage now at stake.

Today is May 3, Polish Constitution Day, Mr. Speaker, commemorating a document inspired by the American Declaration of Independence passed by the Polish Parliament in 1791 and immediately followed by a national uprising led by Thaddeus Kosciusko. Unlike ours, in which Kosciusko also led, the Polish revolution failed. We in the United States enjoy the greatest freedom of any country in the world, developed under our Constitution. Without their constitution, Poland is suffering one of the greatest attempted purges and race annihilations of modern times.

I am confident that this attempt like so many before will fail, though not without bloodshed, persecution, and inhuman butchery. But the valiant courageous spirit of the Poles with their historic tradition will survive and that this indomitable will exists is readily characterized by the first line of the Polish national anthem which, in my opinion, tells the future as well as the history of this great nation. "Poland is not yet lost."

Mr. SHEEHAN. Mr. Speaker, will the gentleman yield?

Mr. SADLAK. I am glad to yield to the gentleman from Illinois.

Mr. SHEEHAN. Mr. Speaker, I commend the gentleman on his speech and join with him in celebration of Polish Constitution Day.

Mr. Speaker, 165 years ago, the people of Poland were given a constitution.

The Polish Constitution of 1791 contained this significant statement:

> All power in civil society is derived from the will of the people.

These are almost the same words—it is the same thought—as contained in the American Declaration of Independence of 1776:

> Governments are instituted among men, deriving their just powers from the consent of the governed.

Poland and the United States, from the very outset of their constitutional history, have been irrevocably dedicated to an identical principle, that "all men are created equal."

Polish Constitution Day is on May 3. The Communist oppressors of Poland have abolished the observance of Polish Constitution Day even as they have abolished the Polish Constitution. In 1956, it is a criminal offense to honor the birth of freedom in Poland. Americans are aware of that. All free peoples everywhere join in that awareness. Because the Polish people cannot openly pay their tribute to liberty, we who can speak freely will do it for them. All hail to May 3—the aniversary of the annunciation of Polish freedom.

Americans know what the Polish Constitution means.

There are more than 6 million Americans of Polish ancestry. There are approximately the same number of Americans who are proud of their heritage of Polish blood in Chicago today, as there were citizens of Warsaw previous to World War II. These Americans of Polish descent tell their friends, their children, their non-Polish wives and husbands the vital meaning of the constitution of 1791.

This is the reason that present-day Americans know that the original Polish constitutional convention was composed of noblemen who curtailed their own powers, delegating them to the people. This is the reason we know that the fathers of the Polish constitution made provision for the gradual transfer of land holdings to the tenant farmers. This is the reason that we know that the greatest urge of the Polish patriot—whether he is in or out of Poland—is to be free.

Instead of delegating their powers to the Polish people, their Communist oppressors have taken away all rights of self-government. Instead of being examples of the equality of man, the Communist oppressors of Poland have forced these brave people to live on scraps, freeze in substandard housing, toil in forced labor camps while they—the oppressors—live in luxurious villas, feast on delicacies, and loll at their ease. Instead of giving land to the farmers, the Communist oppressors have taken what land they did possess.

All Americans have been shocked and angered by the religious persecution of the Polish people by their oppressors. We know that the Communists have struck at the church with fire and sword and imprisonment. We know that they have tried—and failed—to substitute a progressive church movement. We know that this false movement, this sham, has been boycotted by the vast majority of the Polish people who are opposed to all of its activities and aims.

The Polish people have never bowed to anyone. As they resisted Nazi aggression in the past, they are today resisting Communist enslavement. This resistance is not a futile shooting war. It is a silent, moral, resistance of the spirit.

There is no lull in this battle. The peasant resists who opposes collectivization. The worker resists who refuses to be forced into labor speedups. The father and mother resist who tell their children of Poland's proud tradition and glorious history. The priest resists by spreading the Gospel of Christ, the arisen. The intellectual resist by adding to the freedom of thought.

Peasant, worker, parent, priest, and intellectual—all are part of the struggle for Polish liberty which communism will never be able to win. One hundred and sixty-seven million Americans share the prayers, the hopes, the aspirations for the day when Poland will again be free.

A century ago, the Polish hero, Mickiewicz, wrote:

> Poland, you will be taken out of the tomb because you are believing, loving, and full of hope.

With all my heart, I believe in the truth of these ringing words.

Today—on Polish Constitution Day—Poles may not openly celebrate.

But, on this day, we in the United States join our Polish brothers in arms in the pledge that the struggle for the equality of man, for his dignity and for his God-given rights, will never end until—with the help of God—it is brought to a victorious conclusion.

Mr. CANFIELD. Mr. Speaker, would the gentleman yield?

Mr. SADLAK. I am glad to yield to the gentleman from New Jersey.

Mr. CANFIELD. Mr. Speaker, I have been deeply impressed by the address of my good friend, the distinguished gentleman from Connecticut. I am mindful of his intense dedication to his assignment as a Representative in the Congress of the United States. I know something of his services to our country both in time of war and in time of peace. I am mindful, too, that he is himself of Polish extraction. In fact, he is one who has in recent years been teaching me some Polish words that I might use in speaking to my own constituency, so many of whom are of Polish extraction.

Mr. Speaker, today, Thursday, May 3, the sons and daughters of Poland throughout the world are marking the 165th anniversary of the day when that proud nation established its constitution after centuries of ruthless oppression.

This freedom, it is true, was short-lived, but once the fires of freedom have been kindled in the breasts of men they never wholly die. Iron heels of dictators may trample them and the heavy mantle of slavery may stifle their glow, but like the mythical phoenix rising from the ashes, the flames of freedom will blaze forth in new glory at the first expeditious moment.

The brave people of Poland are hoping against hope that in the new look being introduced by the de-deification of Stalin their hour of deliverance may be near at hand. There are encouraging signs in this direction, in the recent ousting by Poland's Communist government of two of its top purgers, and its reported plans to grant amnesty to some 70,000 political prisoners. But these faint glimmerings must not be interpreted too readily as the harbinger of the dawn. They may be only a false dawn preceding still more hours of darkness. However, the Soviet's new look should be an incentive to all Americans, all free people, to take up the challenge and insist that the Communist leaders back up their words with action.

Commenting on the new Communist policy before the American Association of Newspaper Editors a few nights ago,

President Eisenhower warned that "many of the wrongs of Stalin against other nations still prevail," that the "satellite nations of Eastern Europe"—and Poland is one—"are still ruled by Soviet puppets."

Said the President—

> We must seek by every peaceful means to induce the Soviet bloc to correct existing injustice and genuinely to pursue peaceful purposes in its relations with other nations. * * * We must be tireless in our efforts to remedy these injustices and to resolve the disputes that divide the world. We will not grow weary in our quest for peaceful remedies for the enslavement or wrongful division of once-free nations.
>
> We cannot doubt that the current of world history flows toward freedom. In the long run dictatorship and despotism must give way.

This then is our pledge to Poland as she marks the 165th anniversary of Polish Constitution Day. This is our pledge to all nations, split apart and enslaved, and to that end we will bend our strength, confident that in due time—

> These things shall be—a loftier race
> Than e'er the world hath known shall rise
> With flame of freedom in the souls
> And light of knowledge in their eyes.

Mr. SADLAK. May I commend my colleague the gentleman from New Jersey [Mr. CANFIELD], who has just spoken. I believe he is the Member of the House whom I have known longer than any other. I, too, am cognizant of his deep love and respect for the Polish constituency he has. I know his intense feeling on this particular occasion.

I can recall that he visited me when I was in the Navy during World War II. In fact, I look back to that occasion when a group of colleagues in the House had come to Shanghai in the course of an investigation, and it was there that I had the happy privilege of again meeting the gentleman from New Jersey [Mr. CANFIELD], whom I had known for so many years.

Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Speaker, this day marks the anniversary of the establishment of the constitution of a once proud, free, and independent nation, a longtime friend of the United States—the Republic of Poland.

We Americans feel very close to the people of Poland. Millions of her fine people migrated to America in years past. They have made outstanding contributions to the building of a greater and nobler civilization in this great land. It is in no small measure because of the contributions of the sons and daughters of Poland that the United States has become the leading power of the world.

Such names as Pulaski, Sobieski, and Kosciusko have an unforgettable and a revered place in the hearts of the liberty-loving people of America. They serve to remind us on such occasions as this of our debt to men of Polish blood. Lovers of liberty themselves, they battled for the liberty of America.

This occasion varies from other observances of Polish Constitution Day, since Poland has been the prisoner of ruthless, aggressive Communist dictatorship. There is this important difference: There has been a decided switch in the Soviet propaganda line. The new rulers of Russia have been systematically trying to convince the world that they are a group of pure do-gooders; that all the evils of Communist oppression were interred with the bones of Joe Stalin.

I have always believed that actions speak louder than words. "By their deeds ye shall know them." We could suggest to the rulers of the Kremlin a series of actions which they could take to prove to the world that they have reformed.

At this time, on the occasion of Polish Constitution Day, I shall mention just one action they could take which would give substance to their professions.

I urge that they announce to the world that they will permit the people of Poland to have a plebiscite, a free election in which they will have the right to choose between their Communist masters and a government of free men and women. If they will do this for Poland and the other Eastern European states which they have illegally seized, we will then begin to believe that the new rulers of Russia are a different breed than the predecessors they are now so vigorously condemning.

But until this happens let us remember that Poland is a captive land. And let us send word to her people that we, the people of America, will never be reconciled to her enslavement by Communist Russia. Let us remind her in her hours of despair that her brave people have before thrown off the chains of oppressors. With patience, courage, hope, and determination, she will do so again.

Mr. SADLAK. Mr. Speaker, I yield to the gentleman from Masaschusetts [Mr. CURTIS].

Mr. CURTIS of Massachusetts. Mr. Speaker, Poland's Constitution Day deserves recognition in America where so many sons of Poland have made their home and where constitutional government is such a cherished tenet. The Founding Fathers of American gave an example to the world when they met in Philadelphia and produced the American Constitution and established a just Government of, by, and for the people.

The people of Poland were well on their way to achieving a similar form of freedom and justice in their government when outside forces from which they could not protect themselves stood in the way. Lovers of freedom, however, hope for the day when Poland may again see a rebirth of freedom under the type of constitution whose establishment is today being commemorated.

Mr. SADLAK. Mr. Speaker, I yield to the gentleman from New York [Mr. KEATING].

Mr. KEATING. Mr. Speaker, to all lovers of freedom May 3 stands as a sacred day. For on that day in 1791, the constitution of Poland was adopted. May 3, 1956, however, marks a melancholy day for the Polish people. As so often in their history, they groan today under the yoke of an oppressive tyrant. But characteristically, the will of the Polish people to be free remains strong.

Much has been written and much has been said of Poland's long and glorious struggle to establish and preserve her independence. As a result, perhaps, insufficient credit has been given to her people's age-old and honorable fight for the recognition of the dignity of the individual and his God-given right to live and work and die as a free man.

The record of the Poles' passionate attachment to human freedom is an ancient and enviable one. Long before our forefathers founded this land and dedicated it to the proposition that all men are created equal, there was flourishing in Poland a strong tradition of democracy and social justice.

The achievement of freedom for Poland came only after years of determined effort. The work of many dedicated patriots—the names Frye-Modrzewski and Stanislas Staszic stand out—eventually bore fruit, culminating in 1791 with the constitution of May 3.

That great product of Polish democracy in action evoked the acclaim of humanitarians everywhere. It is ranked among the peerless documents in human progress, along with the Magna Charta and our own Declaration of Independence. Ironically, its very greatness precipitated the extinction of Poland as a political entity. Poland's neighbors, fearing that their own despotic rule might be in danger, dismembered Poland in the partitions of 1793 and 1795.

So Poland fell, not because she could not live, but because she chose to stick by her democratic ideals. She chose to stand as a nation in which her citizens were free. The only alternative was enslavement.

Events in Poland's history from the last decade of the 18th century to the restoration of independence after World War I provide ample proof that far from losing their faith in democracy, the Polish people cherished and were sustained by that faith in the long years of the fearful ordeal of foreign rule. During these years the words and example of Adam Mickiewicz shine forth as beacons of liberty.

When World War I ended and the long-awaited restoration of an autonomous Poland was finally achieved, it was as a democracy that the Polish State was reconstituted. And, although surrounded by the totalitarian ideologies of communism and nazism, it was as a proud and resolute democracy that Poland lived until the start of World War II.

The years since 1939 have been trying and tragic ones for Poland. These times have shown, however, that the love of the people for freedom is undying. These times have shown that the Polish people are at their noblest in times of adversity.

The redoubtable Stanislas Staszic once uttered these immortal words:

> Even a great nation may fall, but only a worthless one can perish.

Mr. Speaker, Poland, though fallen, has decidedly not perished. The religious fervor of her people, coupled with their long tradition of national aspiration toward freedom has made for a strong stand against Soviet tyranny.

Their resistance has become today a built-in, integral part of their lives. It shows itself in their steadfast adherence to the church, in the refusal of the peasant population to join collectives despite heavy pressures, in continued escapes to the West of citizens from all walks of life, and in the rebellious criticism of the Communist regime which appears at the slightest opportunity.

The qualities which have preserved the Polish people throughout history assist them today. The dauntless determination which for centuries has characterized their spirit—their love of the native soil, their devotion to family and to God, their tenacity, their undying faith in liberty, and their patriotism—these qualities will survive all attempts at suppression.

As we hope and pray on this occasion for the resurrection of a free Poland, let us recall the words of the immortal Mickiewicz in his epic Forefathers' Eve:

But soon will shine the sun of liberty,
And from the West a wind will warm this land.
Will the cascade of tyranny then stand?

Mr. Speaker, as we pause to honor Polish Constitution Day, we pray that the sun of liberty will soon shine on the noble people of Poland. We pray that the end of tyranny and the rebirth of national freedom will soon be a reality.

POLISH CONSTITUTION DAY

The SPEAKER pro tempore (Mr. ELLIOTT). Under previous order of the House, the gentleman from Michigan [Mr. MACHROWICZ] is recognized for 30 minutes.

Mr. MACHROWICZ. Mr. Speaker, we are celebrating today, the anniversary of a great national holiday of the Polish people, the 165th anniversary of the adoption of its constitution. The Poles take pride in the fact that their national holiday commemorates an event which is not connected with any military conquest, but rather with the achievement of a milestone in democratic government—a charter of human liberty. In 1791 Poland was surrounded by powers practicing oppression and tyranny, and threatening its existence. And it was in such an atmosphere that this great liberal constitution was adopted, recognizing the equality of all men, proclaiming religious liberty and establishing by basic law the freedom of thought and speech.

It was not destined that Poland was to endure long after the adoption of this great constitution. The tyrants of Russia, Austria, and Prussia would not tolerate this bold flowering of human spirit. They could not permit, in close proximity to their territory, the spectacle of human dignity, worth and freedom—this cultivation of the dangerous doctrine of democracy. And so Poland was extinguished as a nation, not to arise again until a great American President, Woodrow Wilson, resurrected it in 1918, by proclaiming a great American doctrine that every people had the inherent God-given right to determine its own national destiny.

The torch of liberty is again extinguished in Poland today—this despite the fact that the Polish nation has contributed so richly in every struggle of this modern world for freedom and liberty.

For us Americans, in considering the fate that has befallen Poland, it is important that we bear in mind what her fate means to us and to our own future national security.

There have been, and still are, grave errors committed by us in evaluating the full scope and ultimate goal of the forces that have overridden not only Poland, but all of Central Europe, most of Asia and many other parts of the world.

Surely it must now be obvious to all of us that the mask has been stripped from the face of Communist aggression, and underneath it we find the grim countenance of Soviet world imperialism which threatens to engulf all of the world, including the United States, unless we clearly understand the threat to our own safety and take steps to protect ourselves from that fate which Poland has met.

Let us first all take sober cognizance of the fact that our own country was a participant in the pacts which resulted, though we did not so intend it, in the enslavement of Poland and other countries in Europe and Asia. These pacts, which are underlying causes for the unrest now existing in the world, should certainly be repudiated by our Nation as an indication of our good faith and our determination for a realistic approach to the problem of securing world peace and justice.

In the past the Communists have resorted to many subtle and clever schemes to lull the western democracies into a false feeling of security and into a belief that the phase of Communist world imperialism is over and that we can expect a true era of peaceful coexistence. It must be conceded that these efforts of the Communist leadership have been eminently successful in the past. The Russians have always been masters in the skill with which they have conducted their propaganda and they have clearly demonstrated that in their dealings with us.

If there should be any doubt about the fact, let us consider what they did to us at Geneva. It was the "spirit of Geneva" which has been their most powerful weapon in undermining the unity of the Western democracies, confusing our loyal allies to the extent that they are unable to determine what course we are following and weakening their resistance to Communist overtures.

Then came the sudden change of the countenances of Khrushchev and Bulganin, from sullen scowls to beaming smiles intended merely to dupe us into a false belief that a sudden magic transformation has taken place in Soviet aims, when actually nothing whatever has changed except the type of strategy now to be used to eventually secure our enslavement.

And the final diabolically clever maneuver is the so-called end of Stalinism. Now we are asked to believe the sincerity of Communist leaders, who only yesterday hailed Stalin as a god and today condemn him in terms which have been reserved usually for bitter enemies of communism.

Certainly we should be intelligent enough to understand these latest maneuvers as merely a reorganization of internal Communist life to suit their purposes. They have nothing whatsoever to do with any lessening of Soviet tyranny, with any guaranty of free elections or of personal freedom to enslaved nations or with any abandonment of the goal of world domination.

The free world has always known that Stalin was the greatest murderer and tyrant in modern history, with the possible exception of Hitler. We did not need this sudden burst of sincerity of his colleagues and henchmen to tell us that.

But if there is any sincerity in this new Soviet maneuver, then why not show it by undoing the terrible wrongs that Stalin has committed. Stalin violated every international treaty signed by the Soviet Government. In violation of the most solemnly signed non-aggression pacts he invaded and occupied Poland, Lithuania, Estonia, Latvia, Rumania, Hungary, Bulgaria, and East Germany. Why not permit these oppressed satellite peoples to have the free elections, supervised by the United Nations?

Then, and only then, will the free world begin to take seriously the new assurances given us by the exponents of communism.

I am pleased to note that on the occasion of this Polish Constitution Day, the State Department has issued a statement reaffirming its assurance that the United States are not reconciled to the bondage of Poland. Such statement, however, could gain strength and importance if it were accompanied by acts of strength and realization of the dangers of world communism. There is little comfort in the information made public only yesterday by Gen. Curtis E. LeMay, commander-in-chief of the Strategic Air Command, that we are dropping behind Soviet Russia in airpower and in his prediction that within 2 years Soviet Russia will have a stronger global striking force than we can command.

On this anniversary of the Polish Constitution Day, I want to add my voice of tribute to a great Polish nation, to add my prayers for an early day of restoration of full freedom and independence. But, as an American, I pray also that this great American Nation shall take a lesson from the terrible tragedy which has befallen the Poles, that it shall always act in full strength and realization that that same fate will some day be ours unless we recognize the powerful sinister forces of communism threatening us and act with the daring and courage which characterized the founders of the United States of America.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the gentleman from Indiana.

KATYN RESOLUTION

Mr. MADDEN. Mr. Speaker, on this, the 165th anniversary of the adoption of Poland's Constitution for freedom and liberty, it is fitting and proper to again draw to the attention of the Nation and

the world facts concerning Poland's present battle against the Communist tyrants now overrunning their lands. It was also very appropriate that this legislative day was opened with prayer by Father Valerian Karcz, of Lake County, Ind. Father Karcz is secretary general of the Polish-American Congress.

On January 9, 1953, as chairman of the Katyn Forest Massacre Committee, I filed House Resolution 63, which requested that the President and the State Department forward to the United Nations the testimony, evidence, and findings of the select committee created by House Resolution 390. At the request of the State Department, owing to the fact that the Korean Treaty negotiations were then pending between the Communist Chinese Government and our Government, no action was taken on House Resolution 63.

Today I am filing a similar resolution, asking that the House of Representatives request the President to ask the State Department to forward all the testimony, evidence, and findings of the Katyn Select Committee to the General Assembly of the United Nations. I am further asking in this resolution that the State Department convey information to the present Communist Government in Poland that all the testimony, evidence, and findings of the House Select Committee which investigated the Katyn Forest massacre be sent to the Polish Communist Government to aid them in their investigation which they are about to undertake in order to establish to their satisfaction that former Premier Stalin ordered and directed the massacre of 15,000 Polish leaders in the Katyn Forest and the two other Soviet prison camps.

Congressman MACHROWICZ, Congressman FLOOD, and I, as former members of the Katyn Select Committee, are taking this step because of the following dispatch over the Associated Press wires last Thursday, April 26, 1956. I hereby set out the AP dispatch verbatim:

NEW YORK.—A report has seeped out from behind the Iron Curtain that the Polish Communist Government in Warsaw is investigating the Katyn Forest massacre. Analysis here of Soviet bloc happenings look askance at the suggestion the Polish Reds might dare to raise the specter of this hot issue. They doubt it can be true. Still, the report deserves attention because the Polish Communists are going much further these days in their denunciation of Stalin and his works than other Soviet satellites. Katyn Forest, in western Russia near Smolensk, was the scene of the mass murder in 1940 of more than 4,000 Polish army officers who had been missing since the Polish defeat in 1939. The Germans, who first reported the massacre during World War II, said the Russians did it. The Soviet Government retorted after an investigation that the Nazis did the killing. An American congressional committee held hearings for 9 months in 1951–52 and laid the massacre at the door of the Russians. The new report from Poland says the Warsaw Government has established a group to investigate the Katyn mass murders and can be expected to make a report in June, which might be made public.

The final report of the special Katyn investigating committee contained testimony, evidence, and findings which total 4 large volumes of sworn testimony and several hundred exhibits. This testimony was recorded under oath from over 225 witnesses all of whom submitted valuable and essential information as to the truth about the Katyn Forest massacre of approximately 15,000 Polish leaders in the winter of 1939 and 1940.

This special committee held hearings in Washington, D. C., New York, Detroit, Chicago, London, Frankfurt, Germany, Naples, Italy, and Berlin. At the beginning of its testimony the committee invited the leaders of the Soviet Government as well as the leaders of the Polish Communist Government to appear before our committee here in Washington or Frankfurt, Germany, where hearings were held in 1952. Both governments refused this invitation and criticized our hearings as ridiculous and unnecessary. Stating in their rejection that informed people knew that the Nazis killed the Polish leaders at Katyn.

The Katyn Forest Massacre Committee revealed beyond all question of remote doubt that the 15,000 Polish leaders were massacred and murdered by the Soviet Government under the direction of Stalin and some of the present Communist leaders in the Kremlin.

Numerous witnesses revealed that this international crime was merely one of the great number of similar crimes to other captive nations in the Soviet drive for world domination.

We are learning that the present leaders in the Kremlin are now trying to place the guilt of the massacre and murder of millions of Polish people on the shoulders of the dead Stalin.

From the testimony of numerous witnesses before the Katyn committee facts were revealed by these witnesses who are well acquainted with the trickery and strategy of Communist leaders that the temporary changes of policy by the Communist Government does not and will not bring about a change in their original aim of world control.

Nevertheless, I wish to commend the Polish Communist Government for taking the step it is now taking to conduct an independent investigation of the Katyn Massacre and let the people of Poland know the true facts as to who killed the 15,000 Polish leaders at the beginning of World War II.

Therefore, Congressman MACHROWICZ, Congressman FLOOD, and I are sponsoring a resolution that our Government aid the Polish Communist Government in this investigation by placing at their disposal the volumes of sworn testimony which was recorded by the select committee investigating the Katyn Forest massacre during the 82d Congress.

I do hope that the Foreign Affairs Committee in the House of Representatives, the President, and the State Department will take favorable action on the resolution which we are filing today.

Mr. Speaker, I ask unanimous consent to incorporate with my remarks, a copy of the resolution which I have this day filed. A similar resolution was today filed by Congressman MACHROWICZ, of Michigan, and Congressman FLOOD, of Pennsylvania, both Members having served on the special Katyn investigating committee in the 82d Congress.

Resolution

Whereas by House Resolution 390, 82d Congress, there was created a select committee to conduct an investigation and study of the facts, evidence, and circumstances of the Katyn Forest massacre; and

Whereas in its final report to the House of Representatives (H. Rept. No. 2505, Dec. 22, 1952), the select committee recommended that the House adopt a resolution substantially as set forth below: Therefore be it

Resolved, That the President is hereby requested—

1. to forward to the United States mission to the United Nations the testimony, evidence, and findings of the select committee, created by House Resolution 390, 82d Congress, to conduct an investigation and study of the facts, evidence, and circumstances of the Katyn Forest massacre;

2. to instruct the United States mission to the United Nations to present the case of the Katyn Forest massacre to the General Assembly of the United Nations;

3. that the Associated Press, in dispatches of April 26, 1956, stated that the Polish Communist Government is now about to make a special investigation of the facts concerning the Katyn Forest massacre in order to establish whether former Premier Joseph Stalin ordered and instigated this international crime. That the House of Representatives request the State Department to convey to the Polish Communist Government, through its Washington Embassy, that all the testimony, evidence, and findings of this special select committee, created by House Resolution 390, 82d Congress, be made available to the use and for the information of the Polish Communist Government in order to aid and facilitate the investigation which they are about to undertake in order to establish the true facts of the massacre of approximately 15,000 Polish leaders in the winter of 1939 and 1940.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a copy of a resolution.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MACHROWICZ. Mr. Speaker, I would like at this point to pay tribute to the gentleman from Indiana for the fine work he has done as chairman of the Katyn Massacre Committee, a committee which I believe has done more in the eyes of the world to show the true nature of communism than anything else I can think of.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield.

Mr. CANFIELD. Mr. Speaker, I wish to inform the House that our Capitol today was graced by the presence of that very distinguished Polish patriot, General Anders. If I am not mistaken, the gentleman from Michigan, now in the Well of the House, and the great general broke bread together.

Mr. MACHROWICZ. That is correct.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield.

Mr. ALBERT. Mr. Speaker, I commend my colleague for the fine statement he has made. The hearts of the people of our country go out to Poland now. Brave Poles have marched with our men in every battle that has ever been fought by the people of the United States from the time America gained its

independence down to our most recent wars. Many of our outstanding American citizens are of Polish extraction. I desire to join with my colleague in the hope that Poland may be released from its bondage in the near future.

Mr. MURRAY of Illinois. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield.

Mr. MURRAY of Illinois. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Illinois [Mr. O'HARA] may be permitted to extend his remarks at this point.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, this is the day when in all lands those who love liberty and a form of democratic government that upholds the dignity of man and recognizes the Creator of both men and nations, turn their minds to Poland.

From the earliest colonial days men and women from Poland have played a vital role in the building of the United States of America into a citadel of democracy dedicated in the fullness of its strength to the cause of all peoples in their quest for liberty. It is fitting that here today in the House of Representatives of the Congress of the United States assurance again should be given to the people of Poland that we shall stand by with all our hearts and all our strength until again Poland is free and under God, a government, of, for, and by the people of Poland shall be marching forward to meet her rendezvous with destiny.

I wish to join with the distinguished gentleman from Indiana [Mr. MADDEN] in remarking the appropriateness of the opening of our session on this anniversary day by Father Val Karcz, himself born in Chicago in the district now so ably represented by our colleague the gentleman from Illinois, Congressman BOWLER; both his father and mother having been natives of Poland had emigrated to this land in the early youth. Father Karcz studied in Poland, taking 2 years of postgraduate work at Posen University. He is secretary general of the Polish American Congress, which represents over 6 million persons in this country, and is the pastor of Assumption parish in New Chicago in the district represented by our colleague the gentleman from Indiana [Mr. MADDEN], to whom we are indebted for the presence with us on the anniversary of the Polish Constitution of one of Polish blood so distinguished in his service to God and to our country.

MAY 3 CONSTITUTION AND ITS MEANING TODAY

Few events in the history of Poland are held in such high regard as the proclamation of the Polish Constitution of May 3, 1791. This constitution held the seeds from which could grow a real democratic order. No wonder it is treasured in the mind and heart of every patriotic Pole.

It was Imperial Russia that destroyed this constitution and the promise of democracy it held for Poland, just as it is Soviet Russia that has destroyed Poland's hope of freedom today. The commemoration of the May 3 constitution thus brings to mind not only the history of a great people; it also brings to mind the character of Polish-Russian relations.

Events in Russia have always had their repercussions in Poland, but this has been especially true since Poland fell under Communist domination. The most recent of these events affecting Poland is the 20th Congress of the Communist Party of the Soviet Union, and this event may turn out to be the most portentous of all.

In Poland the attacks on Stalin have been leveled with greater intensity than anywhere else in the Soviet bloc. Before the congress, there had been a steady downgrading of Stalin, although Stalin was still regarded as a plaster saint in Communist hagiolatry. However, since the congress we have been witnessing the spectacle of Stalin being dethroned from his place of glory in the most blasphemous manner. The black deeds of the dead dictator have been given the widest publicity so that all Poles are able to share in the common assault. This development, far different from those in the other satellite states and even from those in Soviet Russia, where caution still predominates, is partially explained by the fact that Boleslaw Bierut, the Polish Communist leader who was beholden to Stalin for his success in Poland, died immediately after the congress ended. Thus, what might have been the principal obstacle to the outpouring of anti-Stalin sentiments was completely removed. The result is that the Poles have been able to criticize Stalin and the so-called "cult of personality" with impunity.

ANTI-RUSSIAN FEELING INNATE

Another explanation for the intensity of the Polish reaction lies in the innate anti-Russian feeling of the Polish people, which is inextricably woven into the fabric of anti-Stalinism. Patriotism has always been too deeply ingrained into the Polish soul for the Pole to accept Russian domination with any degree of equanimity or self-resignation.

For a decade Stalin had become a symbol of all the appurtenances of Russian rule and Communist oppression. Now Stalin has become the focal point of Polish recriminations. Unquestionably the current attacks on Stalin in Poland stem from a sort of psychological relief that comes when a people have suddenly been released from a heavy burden.

Unfortunately, the relief to the Poles is only psychological, because the Communist power positions remain strong and completely intact in Poland today. It is permissible to attack Stalin, but, as in the U. S. S. R., it is not permissible to attack basic Communist theory or policy.

RESPONSIBLE FOR KATYN MASSACRE

Nonetheless, the turn of events in Soviet Russia is by and large advantageous for Poland. The effects will in all probability be great. In one sense a chink might well have been created in the armor of Soviet control over Poland. Anti-Stalinism could become a rallying point for a broader anti-Russian campaign. Taken to its logical conclusion the practice of attacking Stalin could pose some serious questions for the present regime.

Was Stalin responsible for the debacle of the Warsaw uprising? Was Stalin also responsible for the Katyn Massacre? We know that the responsibility for these outrages rests solely upon the former Soviet dictator. Now, perhaps, questions might be raised by Poles who want to know the truth.

And if the Polish Communist leaders charge Stalin with these crimes, as well they might, there is no doubt that the repercussions of anti-Soviet feeling would reach to the depths of the Polish nation.

Moscow may well have opened up a pandora's box of woe when it launched the anti-Stalin campaign. In the U. S. S. R. the campaign has already aroused deepseated skepticism and latent resentment. In Poland it will surely quicken the Polish national spirit and stir up deep-rooted Polish animosities against the Russians. Forces have been let loose which Moscow may not be able to control. Surely in the case of Poland there is reason to be hopeful.

NOTE OF HOPEFULNESS

It is on this note of hopefulness that we should celebrate today. The history of modern Poland is a history of national struggle for survival, and the May 3 constitution is a symbol of this struggle. More than that, it is a symbol of the Polish ideal: To establish a free, independent, democratic state in Poland. Periods in Polish history have been enshrouded with the gloom of oppression; but somehow the Polish people have kept alive the light of hope that was created on May 3, 1791. However dismal conditions may be in Poland today, I do not doubt that this same light of hope for a better day and for a better Poland still burns within the Polish soul. In the last analysis it is this light, this hope of self-regeneration, that is the Pole's true salvation.

Mr. MURRAY of Illinois. Mr. Speaker, today, Americans of Polish extraction celebrate the 165th anniversary of the signing of the Polish National Constitution. The Polish Constitution was the first written constitution adopted by the people of a nation subsequent to our own. Our own Constitution was adopted by the last of the Original Thirteen States on May 29, 1790.

The Constitution of Poland recognized that all power in a civil society is derived from the will of the people. It accepted the principle of the division of civil authority into the legislative, the executive, and the judicial branches. It recognized the principle of religious tolerance, as follows:

> For as the same sacred faith enjoins on us to love our neighbors, therefore, we should guarantee to all people peace in the faith their Government protects and to have freedom to all rights of religion in the Polish lands according to the country's laws.

It is pertinent to observe that this constitutional mandate, like our own, recognizes the separation of church and state yet concedes that this tolerance is predicated upon a divine command.

The fact that their constitution was conceived by the Polish people shortly after our own is by no means a matter of accident. For no people have suffered more in the cause of freedom than have the Polish people. The history of the Polish people is a continual struggle for freedom from oppression, but a struggle carried on with godly dignity and lack of malice. In commenting upon the Polish May 3 Constitution, and comparing the struggle of the Polish people for their constitution with that of the French for their freedom, Edmund Burke, the great English statesman, disclosed that the Polish people achieved their constitution with great dignity while the French Revolution was stained by indignities. Burke said of the Polish Constitution of May 3:

> Not one man incurred loss, or suffered degradation. All, from the king to the day laborer, were improved in their condition. Everything was kept in its place and order; but in that place and order everything was bettered. To add to this happy wonder (this unheard-of conjunction of wisdom and fortune) not one drop of blood was spilled; no treachery; no outrage; no system of slander more cruel than the sword; no studied insults on religion, morals, or manners; no spoil; no confiscation; no citizen beggared; none imprisoned; none exiled; the whole was effected with a policy, a discretion, a unanimity, and secrecy, such as have never been before known on any occasion; but such wonderful conduct was reserved for this glorious conspiracy in favor of the true and genuine rights and interests of men.

Their struggle for independence left in the Polish people a love of freedom and liberty under God unparalleled in the world's history.

At the present time, the Polish land and Polish bodies are once again in the hands of a godless aggressor. However, the Polish spirit and Polish souls remain free.

We Americans, on the 165th anniversary of the Polish Constitution, ought rededicate ourselves to individual liberty under God everywhere. We ought reaffirm our expressed aim to do everything humanly possible to aid the subjugated but unconquered people of Poland. Poland will again be free. Let us pray that their liberation is soon. Let us pray that the liberation of Poland will be accomplished in the same manner that the Polish Constitution was effectuated, without a drop of blood being spilled, without treachery, without outrage, without slander, without studied insults on religion, morals or manners, without malice, without spoils, without confiscation, without imprisonment, without exile.

To achieve that end, we need God's help. But, if Poland's liberation is achieved in such a manner, true significance is given to the opening words of the Polish National Anthem, which have been described as the noblest words ever written in the Polish language:

> Poland is not lost forever, while our lives remain.

Mr. MACHROWICZ. I yield to the gentleman from New Jersey [Mr. TUMULTY].

Mr. TUMULTY. Mr. Speaker, I, too, would like to join in the tribute which is being so justly paid to the founding of the Polish constitution and to the ideals for which Poland has always stood. Particularly should we in the United States be grateful to Poland for her support in this war and for the many sons which she gave on the various battlefields of the war after she was torn asunder by Stalin and by Nazi Germany.

Now, however, that the major tyrants in the Kremlin have given themselves over to confessing the crimes of Mr. Stalin, and now that they have realized that confession is good for the soul—and never does the heel any harm either—it might be well if someday they would turn over their accomplices to the United Nations for trial. There is ample precedent for that in the Nuremberg trials where the Nazi leaders were tried for their crimes against humanity.

Now that Bulganin and Khrushchev are confessing that this base leader committed these crimes against humanity it might be well for them and for our State Department to call upon them to prove their sincerity before the bar of world justice by turning over to the United Nations for trial the war criminals now in existence in the Polish Government.

I recently had the pleasure and the distinct honor of making a trip with the Committee on the Post Office and Civil Service and finding myself in Rome. The seminarians of the various nations studying for the priesthood wear on their cassocks sashes symbolic of their nations. I think it is a wonderful thing to know that the Irish seminarians who wear green sashes turned over their sashes to the Polish seminarians because green is the symbolic color of Poland, and so that the color may be of some inspiration to this race that so treasures liberty and who are justified in their faith that their nation will be restored to its rightful place among the nations of the earth.

Let me conclude by saying that I hope that our State Department will take the lead in calling upon these former accomplices of Stalin to bring before the bar of justice of the United Nations the men who make up the Polish Government, a pseudo government which is nothing more nor less than the alter ego of the Soviet nation. There is precedent in the United Nations for such action. Let us test the sincerity of these new leaders of the Soviets.

Mr. RABAUT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RABAUT. Mr. Speaker, today is a great day for a large segment of our population. A great day—but a sad day. If ever the term "mixed emotions" were to be applied to a situation, the observance of Polish Constitution Day would certainly be apropos. The people of Polish descent, here and abroad, will be both rejoiceful and saddened on this May 3, for they must celebrate the greatest day in Polish history as they mourn for their homeland under the heel of one of the foulest, cruelest dictatorships the world has ever known.

It must be particularly galling to a nation such as Poland, to have yearned through the centuries for liberty—for the simple right to be let alone to live in peace with their neighbors—and then have a short-lived period of national sovereignty snatched from their very hands.

The history of Poland has been a hectic one, even from its earliest stages. In 1791, Poland declared to the world that all men are free and equal, adopted a constitution, and proceeded to establish a democratic legislature, curbed the heavy hand of the King, gave the peasants protection under the law, and brought about many other progressive changes. In less than 2 years, however, the covetous rulers of Prussia and Russia overran this new democracy, and occupied the country for 125 years.

The citizens of Poland, through this seemingly endless period of time, did not lose their national pride or thirst for freedom; in fact, it grew stronger. The fond hopes of a beleaguered people were realized in 1918, as Poland assumed once more her rightful status in the community of nations.

For two short decades, Poland was to know the joys of self-government and the dignity of man. Unfortunately, despotism was on the march, and the hobnailed boots of a tramping war machine were soon kicking at the gates of Warsaw. Poland was again to see brutality and murder on a national scale. To this day, she has known little else.

Americans of every nationality today send the enslaved people of Poland a message of deepest sympathy for the silent battle they wage, and pray that one day soon the yoke of bolshevik imperialism will be driven from the face of the globe.

Mr. GORDON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GORDON. Mr. Speaker, for a number of years the House of Representatives has memorialized the 3d of May as the official date the Constitution of Poland was adopted in 1791. Today marks the 165th anniversary of that historical document. It disregarded class distinction, abolished restrictions on the freedom of the individual, and guaranteed religious tolerance. This was truly the first democratic constitution in all of Europe and a milestone in the development of parliamentary democracy.

Today, the desire for human rights and social justice, for democracy and religious freedom is stronger than it has ever been in the history of mankind. And, yet, the great paradox of history is the tragic fact the Polish people, which brought forth this noble document, cannot celebrate its anniversary in a free Poland today.

This nation that lived for almost 10 centuries in spiritual, religious, and cultural relationship with western nations, is now cut off from the West. It is shackeled behind the Iron Curtain, where freedom is nonexistent; where human rights are disregarded and are

trampled upon; where social justice and religious toleration are unknown; where democracy has been removed, and is held in bondage by their tyrannical Communist overlords. For liberty-loving Americans, this anniversary of the signing of the Polish Constitution is an opportunity to tell the people of Poland that they have not been forgotten by the free world. We share with them the hope that the spirit of their constitution of 1791 will continue to serve them, not only as a source of strength, but also as an inspiration for a future democratic government when the shackles of Communist despotism have been cast off.

Certainly we in the United States cannot forget the Poles in their days of darkness. They did not forget us when we were 13 weak colonies struggling to free ourselves from British domination. Many Poles joined our ranks in the war for independence. Gen. Thaddeus Kosciusko and Gen. Casimir Pulaski were two of the great generals in that war.

In the 165 years since that hopeful day when the Polish people proclaimed their constitution of 1791, there have been many reversals of freedom and fortune in that country. Few people have maintained their national integrity, their aspirations for freedom as the Polish people have. They have been helped in this by the encouragement of the people of this country, many of whom are related by blood to those who have maintained their spirit of freedom under the adverse conditions which exist today.

We as Members of Congress, and we as American citizens individually, do appreciate the blessings which have come to us through our Constitution. That being true, we would be unworthy of the freedom which has blessed us and which we are enjoying if we do not hold a constant purpose in our hearts and follow it in our actions, to restore freedom to Poland.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, May 3 is Polish Constitution Day, a day that should be faithfully acknowledged by every true friend of democracy. However, in the fanfare of gala celebrations the real historical significance of the holiday is often forgotten. For a moment then let us look into its historical background.

The Constitution of May 3, 1791, converted Poland into a hereditary limited monarchy, with ministerial responsibility and biennial parliaments. The liberum veto and all the intricate and obstructive machinery of the anomalous old system was forever abolished. All invidious class distinctions were done away with. The towns, in a special bill, confirmed by the new constitution, got full administrative and judicial autonomy, as well as a certain measure of parliamentary representation; the personal privileges of the gentry, such as the possession of land and access to office in the state and in the church, were thrown open to the townsmen. The peasants were placed under the protection of the law and their serfdom was eased, preparatory to its entire abolition. Absolute religious toleration was established. Provision was made for further reforms by subsequent parliaments.

The reforms of May 3, 1791, were made possible through a spontaneous effort of the Polish people upon hearing that a fresh partition of their country was again in the offing. During the excitement of these tidings the king read out a proposed form of constitution drawn up by the patriotic party. The aristocracy begged the king to abandon his proposal, but the patriots rushed to the center of the assembly and demanded that the king should then swear to the new constitution, which he did in the Cathedral of St. John. The new act of reform was headed by the words, "All power in a state emanates from the people's will." All night the streets of Warsaw were ablaze proclaiming freedom and independence.

Ever since that eventful day in which the Polish people cast off the yoke of despotism, people of Polish ancestry throughout the world have observed the anniversary of the adoption of the Polish Constitution of May 3, 1791.

However, in the past decade the celebrations have not been as cheerful as might be expected, for Poland is once again a captive nation. Although Russia has now usurped all the civil liberties from the Polish people, the intangible factors such as morale, homogeneity, and love of country are still in the hearts of every Polish citizen. Poland, which has been dismembered so often by politically expedient partitions, will not let an atheistic concept break her will. As long as there are such men with ideas of freedom as Pulaski and Kosciusko, who aided us in our own fight for independence, there will always be legions of leaders in Poland to break the yoke of oppression and become free again.

The Polish Communist Party, backed by the vast Russian war machine, has not been able to strangle the voice of freedom. Through the ruthless system of the Soviet secret police there have been mass murders and deportations to forced labor camps to break the never-dying Polish spirit. The Polish people are daily tortured in mind and body, yet their spirits and aspirations are undaunted. The Poles, who are intrinsically religious, are forbidden freedom of worship and are forcibly compelled to pay homage to the leaders of the "people's democratic state." Yet, knowing that they may be purged or imprisoned, the Poles still frequent the cathedrals and churches that are still open. We have also seen here in the United States the great contributions citizens of Polish descent have made to the American Republic. Without the technical, cultural, and physical attributes the people of Polish ancestry have given to the American scene we would not be the Nation we are. Therefore, on this anniversary of Polish Constitution Day, all freedom-loving people in the United States and throughout the whole world sincerely hope and trust that the days of Soviet domination will soon come to an end. The American people at this time offer their moral support and encouragement to the Polish people and express the hope that the nightmare of Communist terrorism will be overthrown and the light of freedom will again shine over a free Poland.

Mr. Speaker, it is fitting and proper that on the day I introduce this resolution, there is present in this Chamber the great Polish leader, general, and hero, Gen. Wladyslaw Anders.

I am sure that down through the pages of history it will be recorded that one of the greatest leaders of any people of all times, and one of the great generals of world history, will be this brave and noble patriot, General Anders.

On this day of May 3, the anniversary day of the Polish Constitution, I pay this tribute to him and to his people and to his country, and assure him that my country stands at his shoulder, and we say to him, "Keep up your courage, keep your great faith, the belief in Polonia restituta is closer and closer to achievement."

It was while a member of the Katyn Massacre Investigating Committee that I first had the honor and privilege of meeting General Anders, and it is a bright coincidence and augurs well that on this May 3, in his presence, I introduce this resolution.

Resolution

Whereas by House Resolution 390, 82d Congress, there was created a select committee to conduct an investigation and study of the facts, evidence, and circumstances of the Katyn Forest massacre; and

Whereas in its final report to the House of Representatives (H. Rept. No. 2505, December 22, 1952), the select committee recommended that the House adopt a resolution substantially as set forth below: Therefore be it

Resolved, That the President is hereby requested—

1. To forward to the United States Mission to the United Nations the testimony, evidence, and findings of the select committee, created by House Resolution 390, 82d Congress, to conduct an investigation and study of the facts, evidence, and circumstances of the Katyn Forest massacre;

2. To instruct the United States Mission to the United Nations to present the case of the Katyn Forest massacre to the General Assembly of the United Nations;

3. To take such steps as may be necessary to express the desire of the United States that the General Assembly of the United Nations institute action before the International Court of Justice against the Union of Soviet Socialist Republics because of the commission of mass murder in the Katyn Forest, in violation of the general principles of law recognized by civilized nations; and

4. To instruct the United States Mission to the United Nations to seek the establishment of an international commission to investigate other mass murders and crimes against humanity;

5. That the Associated Press, in dispatches of April 26, 1956, stated that the Polish Communist government is now about to make a special investigation of the facts concerning the Katyn Forest massacre in order to establish whether former Premier Joseph Stalin ordered and instigated this international crime. That the House of Representatives convey to the Polish Communist Government, through its Washington Embassy, that all the testimony, evidence, and

findings of this special select committee, created by House Resolution 390, 82d Congress, be made available to the use and for the information of the Polish Communist Government in order to aid and facilitate the investigation which they are about to undertake in order to establish the true facts of the massacre of approximately 15,000 Polish leaders in the winter of 1939 and 1940.

STATEMENT

I include at this point a statement made by me in the House earlier this week:

ANTI-STALIN MOVEMENT IN RUSSIA AND HER SATELLITE AREAS

(Mr. FLOOD asked and was given permission to address the House for 3 minutes.)

Mr. FLOOD. Mr. Speaker, we are now advised that there is some kind of a change in atmosphere in the Soviet and satellite areas with reference to an anti-Stalinist movement. As you know, Mr. Speaker, several years ago I served upon the House Committee To Investigate the Katyn Massacre. For 9 months in this country and various parts of Europe that committee of this House investigated the massacre of some 15,000 Polish reserve officers in Europe, in the early years of the war. This committee of this House placed the blame for that massacre upon Communist Russia.

The testimony we took in Frankfurt, Germany, and London, England, from members of the London-Polish Free Government in exile detailed conversations that members of that government had with Stalin himself in the Kremlin.

Mr. Speaker, I propose that the Secretary of State direct and order the American delegation to the United Nations to bring, as this House requested in its report, to the United Nations the resolution of this House and submit it to the United Nations with the request and the demand of our delegation that the United Nations consider the report and the resolution of this House on the Katyn Masacre Committee findings and that we recommend to the Polish Red government at Warsaw and to the Russian Soviet Government at Moscow that we will place in their hands, especially the Red Polish government, who now are preparing to conduct an investigation of the Katyn massacre, the report, the testimony, and the findings of this House with our compliments.

Nikita S. Khrushchev's desanctification of Stalin offers the free world its greatest opportunity since the Bolshevik Revolution.

If the American Government does not avail itself of the tremendous possibilities which range from the propaganda field to the possibility to roll back the Iron Curtain, the United States of America, the leading Nation in the world today, will rightly have lost its claim as the leader of the free world.

This is the situation in a historical moment which calls more than any other moment in the history of American-Soviet relations for the greatest vision, initiative, and the swiftest action on various fronts of the cold and semihot war. Let Mr. Dulles state directly to Mr. Khrushchev that if he really wants to undo Stalin's betrayal, which he surely must if the world is to believe in the sincerity of his exposure of Stalin, then permit the satellite peoples of Lithuania, Estonia, Latvia, Bulgaria, Rumania, Poland, Albania, and East Germany to freely elect their own governments and to further give us the entire history and the whole truth about the phony confessions of the Moscow trials of the 1930's.

But beyond these matters, Mr. Speaker, I stress today Stalin's guilt in ordering the Katyn massacre of the Polish officers, and also, Mr. Speaker, I ask that the Secretary of State invite Mr. Khrushchev to admit Stalin's and Beria's guilt in the massacre of 15,000 brave Polish officers during the war, of whom more than 4,000 were found in the mass graves of Katyn, a guilt established beyond the shadow of any doubt by the great investigation undertaken by the select committee of this House, of which I have the honor to be a member.

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, this day of May 3, 165 years ago, saw the consummation of a constitution that laid firm foundations for the democratic development of Poland. The ideals embodied in this constitution had been centuries in the making. Here are some of the early historical events in which it had its foundations.

The royal charter of Piotrkow in 1496 recognized legislative assemblies of countries as representing the will of the people. Within a few years the national chamber of deputies was formed to carry out this principle. In 1505 under the royal charter, another milestone was achieved by granting that nothing new may be decided without the joint consent of the members of the council and country deputies. In 1573 the kingdom became an elective monarchy, the king being elected by the council or senate with the consent of the gentry.

Those orderly processes culminated in the truly democratic constitution of May 3, 1791. But Poland also faced many struggles before its people realized their desire for a true voice in government. Poland's love for the right of individual liberty made it an integral part of Europe. It was to be the bastion not only of individual liberties but also the bastion of freedom for the rest of Europe.

Time and time again the Poles stopped those who would overrun Europe. In 1241 under Henry II the Poles stemmed the onslaught of the Tartars under Batu Khan who attempted to overrun Europe. In 1620 and 1621 they halted the Turkish armies of invasion which were trying to conquer Europe. Later in 1674 the Poles, under the leadership of King John III Sobieski, at Vienna completely broke the backbone of the Turkish army.

There are many other instances of the Poles being the bulwark in Europe against invasion from the East. These I shall not enumerate, but do want to mention one which I think is of particular importance.

Following World War I, in 1920, the Bolshevist hordes attempted to impress an unwanted type of government upon Poland. The Poles, with complete disregard for life, holding to their undying faith and love of liberty, turned an expected defeat into victory. On August 16 on the Vistula River, they routed the Russian Army. This is known as the Miracle of the Vistula.

This date, I believe, should be commemorated because it marks a very important step in modern history. It shows that if it is the will of the people, the Communist advances can be stopped.

The important thing I want to emphasize today is that without a Poland that is free and self-governed there will never be peace in Europe. Of course, this also applies to the other nations behind the Iron Curtain.

As you can very well see, the above extremely brief history of Poland pinpoints the necessity of Poland being established again as a free nation, for it always has been and will be opposed to ideologies that covet not only the rest of Europe but the whole world. When and if we in America can accept that and do away with the negative thinking of some people, we then should take a bold stand to bring about peace in the world by positive action and attempt the liberation of the people behind the Iron Curtain.

I believe the Geneva Conference is close enough to the minds of all of us to show that there is no dealing with Communist Russia that is to our advantage. We have constantly come out with the short end. Our dealings should be with the hope of gaining and not constantly regressing.

Here we are today commemorating Polish Constitution Day without giving any assurances to those people as to when and how they will be liberated. It is certainly a sad occasion for us to mark such an event when we really cannot project any real hope that these people will again see the sun for the dark clouds that overshadow Poland.

Mr. Speaker, I just hope and pray that we will see the day when we as a nation of which I am very proud to be a citizen can interpret the laws of God and man and use our just reasoning to bring about the release from enslavement of this gallant nation and defender of liberties, so that its people can join in a true celebration of this day.

THE ENSLAVEMENT OF THE POLISH PEOPLE

Mr. YATES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. YATES. Mr. Speaker, it is appropriate on the occasion of the celebration of Polish Constitution Day that the American people reiterate their condemnation of the ruthless enslavement of Poland by the Communists. It is also the time to assure the Polish people that we will never acquiesce to their permanent bondage.

The Communist control of Poland is a tragic example of the Soviet practice of violating international agreements. At Yalta the Soviets agreed that free elections would be held as the first step in establishing a democratic Poland. However, ensuing events proved, that the Communists had no intention of abiding by this promise.

The fraudulent elections held after the war placed Polish puppets in control of the government. All democratic elements which existed in Poland were quickly eliminated; and in typical Soviet fashion a policy aimed at the elimination of all vestiges of Polish nationalism was launched to insure complete Red control.

Today, Poland lives under a regime which attempts to control both the mind and body of the Polish people. The Communists find that constant force is necessary to keep the Poles under submission. Conscious that the Polish people are deeply religious the Reds initially concentrated their attack on the church. Religious persecution was followed by agricultural collectivization and forced labor, serving the dual purpose of eliminating resistance and bolstering the economy of the totalitarian state.

Although they have lost their freedom, the Polish people have never lost hope for the restoration of their liberty. Communism will always be abhorred by the Poles for it contradicts the basic character of Polish society which traditionally has been based on liberty and justice. Unfortunately, they cannot openly demand their freedom. Secretly, however, and with the aid of Polish people in exile they are incessantly working for the restoration of their freedom.

It is the moral responsibility of the United States to join with the Polish people and all Polish patriotic groups in denouncing Polish enslavement. The American people have never accepted the permanency of Satellite Poland. They are aware that the present regime in Poland is unconstitutional and continues to exist by force alone. They are also cognizant that the security of the free world is constantly in jeopardy as long as Poland is enslaved.

Especially, on this anniversary of Polish Constitution Day, the American people wish to assure the enslaved Poles that the United States has always recognized the right of any people to choose their own system of government; that we will never be a part of any agreement continuing the subjugation of Poland; and that we will continue to support Poland in her struggle to be free.

Mr. ZABLOCKI. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, today marks the 165th anniversary of the adoption of the Polish Constitution of May 3, 1791, that memorable milestone in the evolution of democracy in Europe.

It is fitting, therefore, that we pause in our deliberations and pay tribute to the courageous Polish nation, whose devotion to the principles of democracy and liberty is firmly inscribed upon the pages of history.

The parliamentary system existed in Poland for centuries prior to the signing of the constitution of May 3. In fact the Poles have been called a nation of Parliaments, because of their traditional allegiance to the principle that the legality of a given measure requires the freely expressed agreement of all interested parties, and because of their adherence to their parliamentary institutions throughout all the centuries of their independent existence.

The Constitution of May 3 was a natural product of this distinguished tradition, and represented a historic milestone in the development of democratic processes both in Poland and in Europe in general. This document eliminated the fundamental weaknesses of the Polish parliamentary and social system of the 18th century, and provided a series of basic elements which have retained a lasting value for the Polish nation to this very day. It also served as a source of inspiration not only to the Poles, but to freedom-loving peoples of all democratic countries.

As we pay tribute to this remarkable document, our thoughts turn to the present plight of the Polish people and we may wonder why a nation which has contributed so much over the centuries to the cause of Christianity and democracy, has been made to suffer so terribly under the yoke of Communist domination.

Mr. Speaker, I shall not dwell on the suffering of the Polish people under the rule of the brutal regime imposed upon them by the Kremlin, because these facts are well known to all of us. Instead, I believe that we ought to restate our determination to further the cause of freedom and self-determination for all of the captive and subjugated peoples. To this end, we must rededicate our most earnest efforts.

It is my hope, shared by millions of Americans of Polish ancestry, that the spirit of the Constitution of May 3 shall continue to live in the hearts of the Polish nation, and hasten the day when the principles embodied in that document shall once again be proclaimed openly and freely throughout the Polish land.

Mr. FORAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FORAND. Mr. Speaker, today is an important day in the lives of the Polish people, and I wish to add my congratulations and express my sincere desire to assist in achieving their complete independence. Today, Poland exists in name only in the hearts and spirit of the Polish people. On this May 3, 1956, when freedom-loving Poles celebrate their national holiday and the anniversary of their constitution, they should be given the encouragement and the reassurance that lies in the simple fact that we have not forgotten them.

Forget? How can any American forget the memory of the gallant Gen. Casimir Pulaski who so bravely aided our people to win their independence in a past generation. General Pulaski came from his native Poland to offer, without reservation, his assistance and his fortune in developing the cavalry for the Army of George Washington. He was fighting not for personal advantage or gain but rather for the principles and ideals to which he was dedicated. In battle, General Pulaski's devotion to the great American cause was demonstrated by his gallant charge into the enemy lines, and his tragic death has served to ennoble him in the eyes of the entire liberty-loving world.

General Pulaski was one of the many Poles that aided the course of democracy in America. History books are replete with the names and heroic exploits of other Poles, dating from the founding of our country to World War II when the Polish Government in exile was formed in Paris in October 1939, with two other outstanding and courageous Poles in the forefront, Wladyslaw Raczkiewicz as President of the Republic, and Wladyslaw Sikorski as Prime Minister and commander in chief of the Armed Forces.

All nations except the U. S. S. R. and the Axis Powers promptly recognized this Government as Poland's only legal governing body. An Army, Navy, and Air Force were recreated in France, and the fight of underground resistance was carried on in the homeland.

When the Red army crossed the prewar Polish-Soviet frontier, in January 1944, in its victorious drive against the Nazis, the Poles had to make a serious decision: What should be the attitude of the underground?

After much discussion among leaders in London and in Poland, it was decided that the home army should fight the Germans to the end and should help the Red army wherever it could. This left the underground open to all kinds of suicidal missions ordered by the Russians. In many cases the Red commanders actually conspired with the Germans in an attempt to destroy the underground, the power they knew would be their opposition when they decided to walk into Poland. In 1947, the new exclusively Communist Government started a mass liquidation of democratic elements.

The following factors are evident in the life of Poland today. Polish people live under a totalitarian regime which enslaves not only their bodies, but also tries to enslave their minds. The Communist Government presents probably the most integrated totalitarian system ever known. The terror, the scope of physical extermination of actual or potential opponents, and the amount of people arrested and deported far exceed any totalitarian forms of the past.

My highest esteem and commendation go out to these brave men, along with those members of the clergy, who sacrificed their lives to reunite a Poland which has been partitioned for many centuries.

America has always befriended the small nations of the world. To Poland we owe a lasting debt of gratitude. First because it is the land of our earliest benefactors, and secondly, because it was this brave little country that first accepted the challenge of Hitler.

Is Poland to go unrewarded? Shall her government be forever the puppet of a stronger nation whose godless philosophy is repugnant to the Christian beliefs of the Polish people? Certainly not. We cannot follow the happenings in Poland today without coming to the very definite realization that Russia is violently impressing her will on these people. During the last war the Soviet Union with diabolical calculation set out to diminish and destroy all sources of Polish democratic leadership, in fear that these free principles might, in the

postwar era, frustrate Communist objectives in making Poland a satellite state.

The Polish people oppose the Communists and their doctrines at every turn and in every way they can. Such opposition is certainly to be encouraged and the people supported in their efforts to be free. The Poles cannot object in any organized way on a national level, but they can be given the comfort and encouragement of the free world. The Polish Americans of our great country are their greatest source of encouragement and by their example may do much eventually to assist them in their quest for liberation.

A free and independent Poland is needed now, just as this was recognized by former President Woodrow Wilson when he made it part of his famous 14-point program. Our present Government recognizes this fact and should do everything it can to achieve that goal. The warm friendship of the Polish people for Americans is evident and this mutual admiration is the strongest link in the chain of freedom that will someday replace the yoke of communism.

With my many friends of Polish ancestry I join in paying tribute to a great nation whose liberties, with God's help, shall be renewed and sustained.

Mr. BENTLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BENTLEY. Mr. Speaker, it is with a great deal of pleasure that I call the attention of the House to the fact that today marks the anniversary of Polish Constitution Day. Due to the fact that I have large numbers of citizens of Polish background within my congressional district and even greater numbers within my own State of Michigan, matters dealing with the question of Poland are always very close to me. I am also in a position to sympathize with the present plight of the Polish people since my own 2 years of residence behind the Iron Curtain gave me a good picture of the sufferings they have undergone and are still enduring under Communist slavery.

Every since my return from Communist-occupied Europe and especially since my entry into Congress, I have always lent the best of my own efforts toward advancing the cause of freedom for the enslaved peoples. It is a wonderful feeling to know that our present administration shares those sentiments. President Eisenhower and our State Department have stated time and again that the peaceful liberation of the captive peoples is and remains a cornerstone of our foreign policy. Secretary of State Dulles himself has said many times that this Government will make no bargain or deal with the Soviets which would in any sense tend to confirm the slavery of the peoples now living under Red tyranny. What a difference in our Government's thinking and attitude since the days of the shameful sellout of Poland at Yalta.

Many changes appear to be taking place within the Soviet Union. We who know the true nature of Red communism recognize that these are merely changes in tactics without any abandonment of basic Communist strategy and aims of world domination. But it is possible that these changes will weaken the Soviet internal structure to such an extent that other developments, not now apparent, may emerge, developments which may affect not only the Soviet people but those of the satellite nations as well.

I feel sure that there must be a revival of hope for freedom among the captive peoples because of this fact that the Kremlin tyrants appear to be falling out with one another and seem to find it necessary to blame all the evils of the past upon the dead Stalin. At this time, therefore, it is particularly important that we of the Congress, representing millions of free Americans, take this opportunity to send words of friendship and encouragement to the Polish people and to all others now in slavery behind the Iron Curtain. Let this observance of Polish Constitution Day be another occasion to reassure them that the Government and people of the United States are dedicated to their peaceful liberation from totalitarian bondage. And let us all hope and pray that that time will come soon.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, I join with my many colleagues today in marking Polish Constitution Day. It is a day that is commemorated by the great Polish American organizations of this country. It is fitting that we here in this Congress rise and proclaim our respect for and our admiration of the heroic Polish people. From this forum on this day tributes are paid by the spokesmen of a free, democratic people to the millions of Polish patriots that live today under the yoke of the hammer and sickle of the Communist-dominated government of Poland.

Mr. Speaker, it is no great wonder that George Washington, our own first President, acclaimed the great Polish Constitution of May 3, 1791, and in ringing words praised the Polish King, Stanislaw II, for his enlightened leadership. In France, England, and other parts of the western world, many voices were heard in common praise of the peaceful "Polish revolution." Peace, orderliness, and conciliation marked the transformation of the Polish Government from the old to the new. Some of the reforms brought into being by the new constitution were radical; however, they were carried out without violence, terror, or civil disorder of any kind. When the Polish Diet accepted the new constitution, all Poland rejoiced.

We ourselves have much to be grateful for in the accomplishments of the Polish people, for many of the sons and daughters of those pioneers in democracy came to settle in our own country where they have made a contribution that is beyond measurement. The history of the Poles in our own country is a story of which the Polish people can well be proud. During the years from the end of the Civil War to the close of World War I, the number of Polish Americans and their influence was on the increase. Adjusting their own precious heritage to the great opportunities of their new environment, they brought into existence the Polish-American community. After World War I, the native-born generation of Americans of Polish parentage were increasingly active in the life of the community and of the country. Retaining their consciousness of their Polish ancestry yet identifying themselves with American society, they became more and more articulate in literature, music, scholarship, and art. In the world of music we have but to recall such names as Ignace Paderewski, Josef Hoffman, Arthur Rubinstein, and Leopold Stokowski to realize the great debt we owe to the rich culture of Poland.

Polish Americans have likewise contributed greatly to the spiritual strength and the religious growth of our country. Also a considerable group have come as political refugees. General Thaddeus Kosciuszko, who won great distinction for himself in America, was one of these. All during the 19th century, but particularly after the Civil War, the partitions of Poland, coupled with hope of a better living led many thousands of Poles to flock to America's shores. Consequently they not only constitute the largest Slavic group in the United States; they outnumber all the other Slavic groups taken together.

These people have given their hands and their hearts to the service of America; they have helped to build our civilization and culture. Now, however, when they look across the sea to the home of their forebears, they see a nation enslaved by a foreign power. They know something of the oppression and misery which exists there. They also know that tyranny is a denegerate force which will finally be consumed by its own evil and die. Neither they nor we will accept the awful conditions of these unfortunate people. We pray that for this land where human freedom was so proudly proclaimed almost 200 years ago, the day of liberation is not far off.

Mr. BYRNE of Pennsylvania. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BYRNE of Pennsylvania. Mr. Speaker, the Polish Constitution of 1791 was directed to a government like that of our own—of, by, and for the people, and it marked an important strike in world history toward the democratic freedoms which we most fervently hope will ultimately prevail everywhere.

Today is another observance of Poland's Constitution Day and I join my colleagues in looking forward to the day when Poland shall again be free from the bonds of tyranny and be numbered among the free nations of the world.

We, in America, have great sympathy for all people under the oppression of Communist forces, and today we are thinking particularly of Poland. Her citizens have suffered much in the cause of liberty and justice. They have struggled and are continuing to this day their utmost efforts against the chains of communism.

We send our greetings to the people of Poland and our earnest prayers are that the forces of totalitarianism will eventually be overthrown.

THE GENEVA CONFERENCE AND THE FUTURE OF POLAND

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 15 minutes.

Mr. FEIGHAN. Mr. Speaker today is Polish Constitution Day. This is a day when all Americans turn their thoughts to our ally and proven friend, the Polish Nation, which is now enslaved by the Russian Communist—a day when we particularly remind ourselves of the great contribution made by the patriotic sons of Poland during the Revolutionary War. Today we recall the continuing contribution to our growth and development made by millions of Americans of Polish descent whose forebears came to our shores after our struggle for national independence was won.

But this Polish Constitution Day has added significance in 1956. I say this because of the extraordinary effort being made by the Russian tyrants to convince the world that they, the Russians, believe in a policy of peace, a policy of live and let live, a policy of coexistence. This extraordinary effort being made by the Kremlin has, in my judgment, one major purpose. That purpose is to cause the free world to forget the many crimes by the Russian Communists against nations and people which, if fully recorded and adequately reported to the people of the world, would cause such a revulsion as to cause communism to pass swiftly from the affairs of men. The Russians know well that if they can cause free people to be deluded into believing there is truth and sincerity behind their present propaganda campaign, the still free nations will sooner or later drop their guard and unwittingly accord recognition to the vastly expanded Russian Communist empire. The Russians are already advancing the idea of the United States accepting things as they are as a settlement of outstanding differences. This includes the enslavement of Poland.

And so the future of Poland, from the practical point of view, depends in very large part upon how the Government of the United States officially reacts to the present offers of the Russian Communists for a status quo between the forces of freedom and the forces of human slavery as represented by international communism. This, in my judgment, is the world crisis created by the so-called conferences at the summit in Geneva, the political and propaganda offensives unleashed by the so-called 20th Congress meeting of the Communist Party which was held in Moscow during February of this year, and the subversive efforts of the Russia-first movement in the United States during the past years. All these events and forces spell bad tidings for the future for our beloved ally, Poland, and all the other non-Russian nations enslaved by the conspiracy of communism.

It is interesting to note that against this background which I have cited, the Russian rump regime which now controls Poland, has launched a number of unusual pronouncements in order to demonstrate what good parrots they are of the Kremlin tyrants. A short time ago, the quisling regime in Poland announced that a general amnesty was to be granted to all Poles abroad if they would return to their native land. The conditions of this amnesty were that such persons, upon returning to their native land of Poland, would admit publicly that they had been misled by what the Russians call the propaganda of the West, and that their only loyalty in the future would be to the Russian quislings who now control the affairs of the Polish people.

Shortly after the so-called general amnesty was announced, the Russian rump regime in Warsaw made the startling public confession that the veterans of the Polish home army had been discriminated against and had been subjected to certain injustices. This amazing statement was accompanied by a statement that the Russian stooges in Warsaw were anxious to correct the many injustices and discriminations against the veterans of the Polish home army. What a hollow promise this must be to the surviving relatives of those grand patriots of the Polish home army, who fought to the bitter end against the vicious Nazi army which the Russian army stood idly by only a few miles away across the Vistula River and drank Russian vodka in a demonic toast to the destruction of much of the leadership and the patriotic army of our proven ally, the Polish nation. What a ghoulish confession this must be to those gallant members of the Polish home army who survived the siege of Warsaw, who later carried on the patriotic struggle against the predatory Russian occupiers and who, under another phony Russian amnesty, put down their arms and were then sentenced to a living death in the barren wastes of Russian Siberia. What a revolting echo this must set up in the halls of freedom throughout the world where Polish patriots gather to plan, to hope, and to pray for the liberation of their beloved Poland, and the restoration of her national independence.

But all of these signs, as evil as they may be, carry some good tidings for the universal cause of freedom, and in particular, for the cause of our beloved ally, Poland. As I see it, the latest shifts, dodges, and admissions of the Russian tyrants have been brought about by the tremendous internal pressure created by the force of nationalism which is the greatest force at work within the entire Russian empire. Secondly, I see in the rising tide of nationalism, a growing and powerful force against the new Russian colonial system which demands unlimited idolatry and worship of the "big brother" Russian, who in fact, is no brother at all. I speak of the growing nationalism in the non-Russian nations enslaved by the Kremlin.

There are many signs which seem to indicate that even the Polish quislings, who once believed that Russian communism would occupy and colonize the whole world, are now beset by doubts and severe misgivings about their former Russian love. There are also signs that the upswing of the indomitable Polish love of their own culture, their own folklore, their own traditions, and their own brand of patriotism is developing a political force which defies Russification and signals the beginning of the end of the Russian occupation of Poland.

While the sky of international affairs is overcast and ominous, there are some signs that the sun will soon rise again over Poland to give new warmth, strength, and vitality to the demands of the good Polish people for a return of the way of life which has been Poland down through the centuries and which has contributed so much to man's endless search and struggle for a world at peace in which all men will be certain of justice and equality.

All of this brings me back to the question of what the Governemt of the United States shall do in the face of the new propaganda offensive launched by the leaders in the Moscow Kremlin. All thinking people await the answer to this question, Will the administration accept the proposal of the Russians for coexistence, with all the false attractions of trade and lush profits which were dangled before the British last week and which are now being discussed in Washington cocktail circles today? Or on the other hand, Will the present administration demonstrate a sense of conscience and be mindful of the high moral proposals enunciated by President Eisenhower during his presidential campaign of 1952 in which he promised, without reservation, the complete dedication of the Government he hoped to head, to a policy of liberating Poland and all the other captive nations from a slavery unequaled in the evil side of the ledger books of history? This is the fundamental question which the present administration must face up to. The answer to this question may very well determine the kind of life you and I live, as well as the kind of life our children, our grandchildren, and their children's children will be compelled to live. This is the fundamental question which we, as good Americans on this Polish Constitution Day must ask ourselves. The answer is clear to you and to me. I fervently hope that the present administration will, with confidence and fortitude, pursue the only way open to a preservation of those great human values which patriots down through history have called individual liberty, human freedom, representative government, and the right of all people to self-determination.

Poland, by right, ought to be free. Poland must be free and independent; that is the hope and prayer of all Americans on this Polish Constitution Day.

POLISH CONSTITUTION DAY, 1956: A TRIBUTE TO THE POLISH PEOPLE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. DINGELL], is recognized for 15 minutes.

Mr. DINGELL. Mr. Speaker, as an American of Polish descent, it is a distinct privilege to have the opportunity of joining with my colleagues in paying tribute to the Polish people on this auspicious occasion—the commemoration of the 165th anniversary of the Polish constitution.

The Polish Constitution of May 3, 1791, is a document worthy of praise. Its adoption by the Polish Diet—Parliament—was accepted by a joyful citizenry for they knew it was to bring forth a new era of liberty and protection, regardless of one's station in life. Gladstone, the distinguished British Prime Minister, once described our own Constitution as "the most wonderful work ever struck off at a given time by the brain and purpose of man." Because of its many reforms for the betterment of the people, and the perseverance of its framers, I am sure that Gladstone's remark could be extended with justice to the Polish Constitution of 1791.

It is most fitting that we pause in our regular routine to honor a brave nation and a courageous people on this, their national holiday. The Polish people have contributed much to the development and growth of the United States, and we would be shirking our duty and traditional principles if we did not offer them encouragement and support during their present plight under the oppressive rule of communism.

The history of Poland is well known. It has suffered much humiliation and depredation by the hands of alien powers whose rulers sought only to keep Poland weak and helpless. In the past, Poland and her people have demonstrated their strong will power in fighting for the liberties and rights which we in the free world cherish so much. Knowing that Poland has produced such men of determination as Pulaski, Kosciusko, and Paderewski, I am confident that Poland will again become free, that its people will once again be able to practice the inalienable rights in which all men have been endowed as creatues of God.

We are all aware of the conditions in Poland today. The government is not that of the people but dictatorial. The people are not allowed to pursue their religious conscience nor assert their views for fear of punishment. Since the Communists have taken control of Poland, they have intensified their efforts to indoctrinate the people with Communist ideology, but time and again the Poles have fought back, whatever the odds. The Soviets have exploited the economic wealth of Poland and have shipped needed Polish supplies and materials to Russia. To climax these extraordinary cruelties, the Communists have sought to black out from the minds of the people their rich and glorious history. We know from Poland's past that despite these tactics, her people will never despair, nor admit defeat.

Today, on this historical occasion, we are afforded the opportunity of offering encouragement to the Polish people and to repeat that we are not resigned to their present fate under communistic rule. Poland looks to the United States for leadership and we must not fail her.

Today we reaffirm our pledge to the Polish people and other peoples suffering the same oppressive rule that we do not condone the enslavement of once free and democratic nations and that we support them in their aspirations in self-determination.

It is our fervent hope that the Polish and other captive peoples of Europe will soon be able to enjoy the governments of their own choice and again worship in the church of their choice, without fear.

We pray that God will soon grant these objectives, so that freedom-loving and God-fearing people can live in peace throughout the world.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. EBERHARTER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I wish to add my voice to the others here today in commemoration of Polish Constitution Day, an occasion to be remembered by the Polish people much the same as we Americans would remember the date of the signing of our Declaration of Independence. And indeed the Polish Constitution adopted on May 3, 1791 was very much like the Constitution of the United States, for it embodied the same principles of liberty and democracy.

But although the Polish people will celebrate this day with pride, they will also be filled with sorrow at the delemma in which they find themselves today. For the freedom which they enjoyed and the principles which they have always cherished have been crushed by the tyranny of Communist aggression, despite all the valiant efforts of the Polish people to regain their liberty. This sorrow is shared by all freedom-loving people and we here in America extend our hopes and our absolute belief that the courage that has characterized the Polish people and the traditional spirit of determination will again bring them through and restore them to their rightful place among the family of nations.

This is not the first time that the Polish people have seen days of darkness. For their country was devastated during the First World War when armies crossed and recrossed the land of Poland, and then after only a few years of sovereignty, their land was again ravished by a totalitarian aggressor. We salute them for their bravery in these years and for the independent spirit that still prevails today in this unhappy land, and we hope that their will to continue resistance to aggression may be strengthened by the words of friendship and encouragement from their allies here in the United States.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. BOYLE] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BOYLE. Mr. Speaker, this week throughout the United States celebrations are being staged commemorating the anniversary of the adoption of the Polish Constitution of 1791. However, these commemorations point up more the birth of a constitution; they also reiterate and reaffirm faith in democracy and social justice. The national Polish patriots who proclaimed this new constitution were precursers of a liberal tradition that heralded the beginning of the present democratic era. These patriots were among the first Europeans to capture the essence of democratic idealism, liberating the dynamic forces of a new ideology. The 1791 constitution should therefore be judged not by today's standards, but against the background of medieval obscurantism. Only in that way may we of the mid-20th century appreciate the real significance of May 3.

Geographically isolated for centuries in Eastern Europe, Poland long struggled against the depredations of foreigners and the stultifying pressures of invading hordes. Dismemberment and partition were historically her most common fate. Foreign powers ruthlessly competed with one another upon Polish soil, ignoring the inner longings and internal integrity of the Polish people. Nevertheless, the physical dismemberment of her land never successfully suppressed the national vitality of Poland, and her indomitable spirit and will to survive persisted over the intervening years. In the late 18th century, when the French revolutionary standard of "liberty, equality, and fraternity" caught the imagination of progressives everywhere, an intellectual elite within Poland took advantage of the relaxed international situation and the spirit of the times by promulgating the constitution of May 3, 1791.

The 1791 Constitution of Poland was the result of a compromise between progressive trends of the day and existing adverse conditions. Externally the competing nationalisms of Russia and Austria were diverted into war against Turkey, and Prussia felt a momentary friendly disposition for Polish national aspirations. Internally the effective political groups were divided on national policies, but the persisting desire for external freedom and independence finally swept aside protestations of reactionary nobles. The wishes of the patriots prevailed and the enlightened principles of justice, equality, and freedom were embodied in a new constitution.

This document, one of the first written constitutions in modern Europe, was a political milestone. It meant the triumph of democracy over the illiberal tendencies of absolutism. For example, one part of it declared:

> All power in civil society should be derived from the will of the people, its end and object being the preservation and integrity of the state, civil liberty, and the good order of society, on an equal scale, and a lasting foundation.

Its main features included the following points: First, the establishment of a limited monarchy with definite ministerial responsibility; second, the granting of autonomy to the towns; third, the enlargement of electoral privileges; fourth, the extension of numerous privileges to lower classes; fifth, the restoration of certain peasant rights; sixth, the inclusion of peasants under the protection of the law; seventh, the guarantee of freedom of conscience; and eighth, the establishment of religious toleration.

As a forerunner of liberal constitutions, the 1791 constitution of Poland is a hallmark in constitutional government. For the first time the Poles explicitly expressed their great beliefs of national liberty, preserving them for posterity within the framework of a legal document. Outside of Poland the importance of this democratic instrument also was recognized. Edmund Burke, of England, declared that "humanity must rejoice and glory when it considers the change in Poland." George Washington said:

> Poland, by the public papers, appears to have made large and unexpected strides toward liberty.

Enunciating this ideal of raising Poland from humiliation to a position of security, however, did not mark the culmination of the long political battle. Polish reactionaries immediately denounced the constitution, fearing it might spread the "contagion of democratic ideals." And shortly thereafter outside powers partitioned Poland again and the constitution was never put into effect.

For 165 years the ideals of the 1791 constitution persisted, and it stood as a permanent source of hope to freedom-loving Poles everywhere. Finally the goals of independence and freedom that the Poles had continued to nourish were espoused by Woodrow Wilson, President of the United States. He saw to it that Polish aspirations for nationhood were included within his 14 points for post-World War I peace objectives. The rebirth of Poland in 1918 was a stubborn reaffirmation of Polish national vitality and unremitting liberalism. For 20 years Poland pursued her own course of independence, strengthening her social structure, and adding immeasurably to the common cause of democracy.

Tragedy struck Poland again during World War II. Eventually she was conquered by Russia and submitted to sovietization of her people and territory. Nevertheless the Soviet policy of communization has not smothered her pride or will, because the ideological principle of democracy had long before taken firm root. Poland's real tragedy over the years is that her resources and strength have been subverted to the purposes of alien people. However, in the end Poland will return to the comity of nations as a free power. Polish people are deeply steeped in the traditions leading toward social and political justice, with the May 3 constitution representing the finest elements of that tradition.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEOGH] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KEOGH. Mr. Speaker, 165 years ago today—just a year and a half after the ratification of the Constitution of the United States—the freedom-loving Polish people adopted a constitution of their own. The Americans and the Poles at that time had many things in common. Both had been oppressed. Both yearned for freedom and both recognized that no state can be permitted to exert total power over its citizens.

Our Founding Fathers declared that governments derive their just powers from the consent of the governed. The constitution of the Polish people, adopted in 1791, expressly recognized that "all power in civil society is derived from the will of the people."

The bonds of that spiritual and philosophical accord had been woven during our own War of Independence. Every schoolboy is familiar with the story of that great Pole, the youthful Gen. Kazimierz Pulaski, who gave his life for our liberty after coming to America at his own expense with the purpose of serving our cause, to which he was dedicated.

As tragedies frequently inspire men to great deeds, so the tragic history of the Polish people has been an inspiration to them and should be to us.

Never has their hard-won freedom been lasting. Within a year after the adoption of the constitution of 1791 they were again partitioned. For more than a century and a quarter thereafter the Polish people—without any semblance of a Polish state—continued their zealous and courageous fight to regain their independence.

Finally, at the conclusion of World War I, their independence was again formally proclaimed, and the following year Ignace Paderewski, the renowned patriot and pianist, became their first premier. Hardly another year had passed before the Russians invaded Poland, and another tragedy seemed inevitable. But with a faith that has rarely been equaled in modern warfare, the Poles stood up to the invader and hurled him back, thereby preserving for a time their well-merited independence.

The horrors of World War II and the aftermath putting this gallant people under the heel of the Red Soviet dictatorship need not be detailed now. Anyone with faith in the ultimate overcoming of evil by good will know that this is not the end of Polish liberty and independence. A people who have been physically subjugated time after time, only to rise again to attain their freedom, are not to be given up by us as lost. True it is that the savagery of the Soviet domination undoubtedly surpasses all previous experience. But that serves only as an added incentive to the oppressed people to regain their status among the nations of the world to which they are entitled.

We in the United States through the operations of the Displaced Persons Act and the Refugee Relief Act, and in other ways, have proffered our hand to assist many of the Polish people. We are, perhaps, not now in a position to demonstrate in more concrete fashion our feeling of faith in their cause. However, we can let them know that we hope and pray, with confidence, that their present plight will somehow be brought to an end and that they will achieve again the liberty and independence that has been wrung from them so that the names of Poles will again be recorded in history among the world's great in patriotism, the arts and sciences, and in human dignity.

SMALL BUSINESS TENANTS BEING DISPOSSESSED UNDER REDEVELOPMENT PROGRAM IN OUR URBAN CENTERS

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 15 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, under the redevelopment program in our urban centers small-business tenants are being dispossessed and forced to move from communities in which they have been long established. There is nothing in existing law to authorize the advance to them of funds for moving expenses or to recompense them for money that they have expended in moving their stocks and fixtures from old to new locations.

The bill that I have introduced, H. R. 9351, provides for such payment of moving expense and also for loans to these dispossessed small-business tenants for the reestablishment of their businesses in new locations.

This conforms with a policy established by Congress in section 401 (V) of the act of July 14, 1952 (66 Stat. 606, 624), which authorized the military departments to make payments for moving expenses in the case of their public-works projects. The Act of July 14, 1952, covers the moving expenses which are the result of land aquisitions.

The departments had numerous inquiries as to why it had not reimbursed landowners and tenants for moving expenses when acquiring lands. The answer necessarily had to be that it had no authority to do so. The act of July 14, 1952, gave it the authority to make such payments for moving expenses with the one provision that in no case should the amount exceed 25 percent of the value of the acquired land.

On March 19, 1956, the House recognized the equity of reimbursing landowners and tenants for expenses and other losses necessitated when lands are acquired for water and power development by passing H. R. 5975. Without this legislation it is not within the purview of the authority of the Secretary of the Interior to reimburse owners and tenants for such expenses. Expenses of the types covered by H. R. 5975 are not within the purview of the appraisal process when lands are acquired or within the purview of judicial determination under the condemnation statutes.

The passage of this bill was recommended by the Honorable Fred G. Aandahl, Assistant Secretary of the Interior. He said:

> We recommend that this bill be enacted. We also recommend that consideration be given to enlarging its scope. H. R. 5975

would authorize reimbursement of landowners and tenants for expenses, loss or damage incurred in moving themselves, their immediate families and their property from lands acquired on projects under the Federal reclamation laws.

I wish to thank the distinguished and very able chairman of the subcommittee of the Small Business Committee, Congressman MULTER, and the members of his subcommittee for scheduling a public hearing at which constituents of mine were given an opportunity fully to picture the situation that exists in Chicago among small-business tenants and of the urgent need for legislation for their relief on the pattern and in accord with the policies set forth in the act of July 14, 1952, and which we in the House followed in the passage by unanimous vote of H. R. 5975.

Among the witnesses from Chicago who testified at the public hearing of Chairman MULTER's subcommittee today were Ira J. Bach, executive director of the Chicago Land Clearance Commission; Julian H. Levi, executive director of the Southeast Chicago Commission; Hon. Leon M. Despres, alderman of the Hyde Park ward in Chicago; Walker Sandbach, of the Hyde Park Business & Professional Association; and Bruce Sagan, publisher of the Hyde Park Herald.

I earnestly recommend to all my colleagues the careful reading of the testimony of these witnesses who are closest to this very acute situation in our large cities.

Statement of Julian Levi, executive director of the Southeast Chicago Commission:

My name is Julian Levi. I am executive director of the Southeast Chicago Commission and appear on its behalf as authorized by its executive committee.

The Southeast Chicago Commission is a citizens' organization interested in the conservation and improvement of the communities within the southeast area of the city of Chicago, from the north at 39th Street, to the south at 67th Street, to the west at Cottage Grove, and to the east at the lake. The commission was organized by six of the major community organizations within that area, working with the University of Chicago. At this time there is not only full participation and interest in the work of the commission through the great mass of citizens within that area but, in addition, these citizens—approximately 2,000 of them—help raise the commission's yearly budget and actively participate in its programs.

The particular problem which is before you this morning is directed to the experiences which are encountered by businessmen within urban-renewal areas. It is, of course, not unique for businesses to be dispossessed and damaged as a result of public-improvement programs. Every highway, every road-widening program—does exactly that to some business people. Mere community change also achieves the same result. Physical obsolescence accomplishes this injury almost as much.

It may be borne in mind, for instance, that the area on 55th Street in Chicago with which we are immediately concerned consists largely of buildings erected at the time of the first World's Fair before the turn of the century. The amount of floor space available for merchandising, the amount of floor load possible, the capacity of plumbing and wiring, all were directed to an earlier era when food came in barrels rather than in cans, when quick-frozen foods were not even thought of, and where the maid whose services are now built into the picked, cleaned and washed spinach neatly packed in a frozen food package was actually at work in the kitchen of the customer. So, in one sense perhaps it was only a question of time until the situation would have become so obsolete and old that business people of substance of their own accord would have deserted the area. If, however, we were to have waited to that point, we would have become involved in a total slum clearance project of tremendous proportions.

The very point of urban renewal is to attempt to reverse the process prior to the time that the entire community lies prostrate. And in these circumstances it must be recognized that great hardship and injury may be done to the individual business establishment.

The loss is just as widespread as if a tornado were to have devastated a half mile of street. We acknowledge with great appreciation the fact that despite this, it has been the universal view of the business people in our community that the program ought to proceed. But we do not feel that full justice can be done unless arrangements, such as those suggested in Congressman O'HARA's legislation, become available. There is in fact an even further injustice in the solicitude that is shown to an individual tenant or family for whom a wealth of relocation services are made available while the business establishment whose existence represents many, many years of hard work and effort, and whose continuance means not the inconvenience of a dwelling unit lost but the greater hardship of income loss, goes forgotten.

We recognize that a program of relief is needed and we desire to support it.

We believe, moreover, that in order to insure the full measure of public support required for carrying out urban renewal programs over the country that these inequities should be met and corrected.

Statement of Hon. Leon M. Despres, alderman of the fifth ward of Chicago:

My name is Leon M. Despres. I live at 1220 East 56th Street. I am alderman of the fifth ward of Chicago, which includes the redevelopment project known as Hyde Park A. In redevelopment project Hyde Park A, approximately 10 linear blocks of commercial property will be torn down. More than a hundred small retail enterprises are being forced to give up their locations. Although some of these establishments can be terminated or moved without fatal damage to the owners, some of them are establishments which have been in the neighborhood for many, many years. For many of the small retail merchants who are lessees of their stores, the redevelopment means destruction of their business.

I am appearing here today in their behalf to ask you to make some provision now for their very serious and urgent situation. Their situation is urgent because, as condemnation progresses, they are being forced to move. Similar problems are likely to arise in every redevelopment project which affects business property.

You have already made provision to pay the moving expenses of residential tenants. This means that a transient resident who has moved into the area will receive moving expenses, but the retail merchants who have been in the area for years, receive nothing.

Under our condemnation laws, and under the condemnation laws of nearly all States, the retail tenant generally receives no compensation whatsoever.

Most small retail tenants operate on short-term leases. Moreover, since redevelopment has been in the air in Hyde Park for more than 3 years, most of the leases of these enterprises are either completed or very close to the end of their term. As a result, the merchants are nearly all on very short term or month-to-month leases of their premises. Very few of them have long-term leases which might afford them a small measure of protection.

Even where the retail tenant has a long-term lease, he cannot recover anything in the condemnation proceeding unless he proves that the rental fixed in his lease is lower than the fair market rental value of the premises; but since such premises are generally rented at fair market rental value, the tenant recovers nothing in condemnation proceedings. There is no allowance for the destruction of the good will. In fact, the law really operates to give a premium to the landlord for the economic value which the merchant tenant has developed. Thus, while the landlords receive the full, fair, cash market value of their real estate as determined by the success of the tenants' enterprise, the tenants, whose businesses are utterly destroyed, receive nothing. They do not even receive moving expenses. They receive no preference in the new shopping center. They receive no aid in obtaining financing for a new location, although equipment financing is either impossible to obtain or terribly expensive on a short-term basis.

It might be argued that these retail tenants could have been displaced at any time by ordinary economic causes or even by the whim of a landlord. Although occasionally a landlord does arbitrarily force a retail tenant to move, that is not generally very good business for a landlord, and economic factors generally operate to cause landlords to keep satisfied retail tenants. The important factor in the redevelopment is that, but for the redevelopment, these retail tenants would all be continuing their enterprises.

I would like to give you three examples.

1. Four years ago, a husband and wife took over a small home bakery store which has been in existence for a great many years. They paid $16,000 for heavy equipment weighing many tons—an oven, a freezer, a steamer, and other equipment. Although the store has a frontage of only 25 feet, it does a thriving business and is a credit to the community. As redevelopment and demolition progress, business on the street is declining. The lease has 2 years to run. With the ultimate demolition of the building, the bakery business will be wiped out. There will be no compensation paid in the condemnation case for either the unexpired lease or the equipment. The new shopping center will call for a bakery delivery stand and has no place for a home bakery. Under present conditions, the total savings of the bakery couple in the enterprise are wiped out. If they have help in moving expenses and in equipping a new bakery elsewhere, they can relocate successfully.

2. Twenty years ago, a pharmacist bought a small going drug store, which had then been a successful small business for 20 years. I remember buying baby supplies from him for my daughter after he first took over. His present lease runs into next year. Demolition in the neighborhood has reduced his total customers and his sales. He would like to move now but is obligated to pay a rent which is now much higher than market value. Demolition will terminate his business. He can salvage some of his equipment. His huge stock of prescriptions will be valueless. He will have to start all over again in a new location. He needs financial help for moving and reequipment expenses when moving time comes.

3. One of the affected retail merchants operates a retail liquor store which he and his wife started in 1937. By very hard work, he built a small store into an excellent and creditible enterprise. He was so enthusiastic about redevelopment 3 years ago that he was very active in helping to raise money for the citizens' organization which pushed neighborhood redevelopment. Among his delivery customers he values leaders of the community. After 19 years, he is now being

redeveloped completely out of business—good will, freezer equipment, store equipment and all, without any compensation.

I want to be sure to convey a correct impression. The community strongly supports urban redevelopment. But we strongly urge your immediate support of the pending measure as an emergency aid which gives these displaced business tenants, in part at least, the fair treatment they are entitled to have.

Statement of Walker Sandbach, of the Hyde Park Business and Professional Association of Chicago:

My name is Walker Sandbach. I live at 5320 University Avenue, Chicago, Ill. I am a retail-store manager, soon to join the growing ranks of displaced businessmen in our large cities.

I am appearing here on behalf of the Hyde Park Business and Professional Association, a businessmen's group that has been in existence in our community for over 50 years and which today has 210 small business and professional men and women as members throughout the entire Hyde Park area. I am chairman of a new committee which was formed for the first time this year. It is significantly called the redevelopment committee.

Our community is one of the first in the Nation to be redeveloped under the Federal-State-city program for urban renewal. Because this is a pioneering program, the businessmen had no way to know how it would affect them. Our business association strongly supported the program from the beginning, and continues to support it, because, like all good citizens, we want to see our community improved. We gave our support in the belief that those merchants who were forced to relocate would be adequately compensated for moving and other related expenses. It never occurred to us that the Government could force a business tenant to move with no compensation whatsoever if he happened to be a tenant with only a short time left to run on his lease. The owners of property are adequately protected under the law. Household tenants are paid moving expenses, even in the case of transients who move into the community a short time before the property is taken. But there is no protection for the business tenant with a short time left to run on his lease, even if he has been in business in the community for 30 or more years. Even those businesses with some lease protection, and they are a rarity among small-business men, can recover nothing for moving expenses under the present law.

This is a tragic and demoralizing situation to our business community. Many small-business men will be forced to give up their businesses and others will be faced with bankruptcy unless help is forthcoming. In the case of our community, it is an emergency situation and help is needed at once.

I think I can best explain the situation that exists with our business men and women by giving you two specific examples.

I would like to tell you about a repair and storage garage tenant that has been serving our community since 1926—30 years.

The owner of this business is 62 years old. The building in which he is located is being removed because the land is needed to complete the plan.

This businessman has been operating with 5-year leases. His lease expires a year from July. The land clearance commission has an option to buy the building subject to his lease and they have indicated to him their intention of buying the property and letting him finish out the term of his lease.

The owner of the property will be fully compensated. The business tenant will get nothing. He has expensive built-in car lifts, special electric wiring for welding, floor exhausts, and other equipment that is difficult, and in some cases impossible, to move.

The expense of moving and reinstalling this equipment will be substantial if he can even find a place to which to move. He will certainly need long-term, low-interest financing to set up in a new location and to carry him until he builds a new clientele. As a result of redevelopment he must start over again from scratch after spending a lifetime building up his business.

I also want to tell you about my own business, of which I am general manager. This is the Hyde Park Cooperative Society, Inc., a consumers cooperative which operates a food supermarket. Our business was incorporated in 1933 and, incidentally, included the present senior Senator from Illinois as one of its first members. The demolition of our building will hurt the ownership equity of 2,200 neighborhood shareholders. Our shareholders include householders in the neighborhood and in the University of Chicago community. For example, our present alderman who is here today is a long-time shareholder and so is our former alderman, Bob Merriam, who is now in Washington as Assistant to the Director of the Budget.

I do not consider ours quite as fatal a hardship case as is the repair and storage garage case I just told you about. We have a long-term lease for which we may receive some compensation. However, our moving expenses will be great because of the large amount of refrigeration equipment involved in a modern food store. We are one of the very few business tenants who may receive compensation for our leasehold.

Whatever amount we may receive for our lease, nothing will be included to cover the cost of our moving. We also will need a long-term loan at low interest to help make the transition to a new place of business.

These cases illustrate the problems faced by the small-business men of our community. Through no fault of their own they are being forced to move by the Government. Therefore, on behalf of the Hyde Park Business and Professional Association, I wish to add our strong support to H. R. 9351.

Statement of Bruce Sagan, publisher of the Hyde Park Herald, of Chicago:

My name is Bruce Sagan. I live at 1229 East 50th Street, Chicago, Ill. I am the publisher of the Hyde Park Herald, a weekly newspaper which has been published in my neighborhood for 75 years.

Hyde Park is one of Chicago's oldest communities and has contributed a great deal to the life of the city. But its age is catching up, and Hyde Park is now the location of the Nation's first urban renewal program.

We are appearing today to testify for a bill to help merchants caught in the cross currents of community redevelopment.

There is at present a federally approved redevelopment project in our neighborhood. This project covers about a 10-block stretch of our present business community.

I think the attitude of the merchants can best be summed up by a druggist who will lose his business because of the project. He said, "It is necessary—some of these buildings should have been torn down 20 years ago when I first came here."

This is the comment of a man who is about to see 20 years of effort taken away from him.

The merchant tenant is the man on the low end of the redevelopment pole. I have brought with me and wish to file with you a series of reprints of articles which have appeared in the Hyde Park Herald. The first is a reprint of an editorial written 1 year ago. In it we said:

"The businessman is the left-out fellow of redevelopment. The land clearance commission is obliged by law to find a standard housing unit to relocate a tenant who loses his dwelling. A building owner is paid a fair market price for his property. But no one pays the business tenant for his years of work, nor does anyone have to worry about where he goes. * * *

"He receives nothing for the good will of his business. There is no compensation for the time spent in building customer relations."

Included in these reprints are the stories of 15 merchants who are losing their places of business. These stories cover a broad field of the independent merchants of our community.

One of these displaced merchants is an automobile dealer. He has been in our neighborhood since 1924 and has built his garage business into an automobile agency. In 1948 he was able to purchase a franchise from one of the "big three" automobile manufacturers.

At that time he spent $85,000 to remodel his garage, over and above the thousands of dollars in garage equipment already installed. He has 14 twin post automobile lifts. The redevelopment plan will probably bankrupt this business. There are a number of reasons. Under the terms of their valuable franchise they can only move within a mile square area. There is no place in that area for them to move. A new building is needed. But if a developer were to build them such a building, at their regular profit levels they would be unable to meet the required rent. This business cannot afford to lose the improvements they have put in the building, but they cannot afford to move them either.

This business, which has been built from a small auto garage into an agency with 75,000 square feet of space will go out of business without the kind of help this bill would give.

One of the ready-to-wear stores in the project is typical of the central problem of age. This modern, recently done glass front is just below a large cement block on the second floor. On the block is written 1888.

This building, put up in the last century has several floors of living quarters which have passed their useful life, but on the ground floor is the new glass front of a going business.

The store is owned by a young man only 29 years old. His family has owned stores in our neighborhood since 1907. He purchased his present store in 1949 and has tripled its volume since then.

In 1953 he completely remodeled the store front and put in air conditioning at his own expense. He will lose all these improvements worth between $15,000 and $20,000.

He says that moving will be hard on him but that he is still young and able to accommodate himself. I spoke with him on Monday and he asked me a question which I will pass on to you. "What," he said, "will happen to the old couple who own the newsstand on the corner. The $750 they paid for the stand means as much to them as $17,000 means to me. What will happen to them? Will they become dependent on the State for charity?"

The stories, of course, are endless.

I would like to urge that you pass the present bill with all due speed. Some of these men are already being forced to move. This is as much a disaster for them as a storm or flood.

I would also like to urge consideration of extending this idea into the area of compensation for the loss of the business. There is no legislation which compensates a merchant for lost goodwill. Goodwill, although supposed to be an intangible, is something that is measured daily by buyers and sellers of businesses and insurance companies paying business interruption insurance.

I hope that you will give this measure affirmative consideration and see to it that it becomes law before it is too late to help our businessmen.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HAYWORTH (at the request of Mr. MACHROWICZ), from May 3, 1956, to May 9, 1956, on account of illness.

Mr. SCRIVNER, for the next 4 days, on account of official business.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered was granted to:

Mr. FEIGHAN, for 15 minutes, today, and to revise and extend his remarks.

Mr. O'HARA of Illinois, for 15 minutes, today.

Mr. SIKES, on Thursday of next week, for 20 minutes.

Mr. DINGELL, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MCVEY.

Mr. HAYS of Ohio.

Mr. DODD (at the request of Mr. MADDEN) in three instances.

Mr. FORAND on Rhode Island Independence Day which will be celebrated tomorrow.

Mr. RODINO (at the request of Mr. MCCORMACK).

Mr. CELLER (at the request of Mr. MCCORMACK) in two instances and to include extraneous matter.

Mr. POWELL (at the request of Mr. MCCORMACK) to revise and extend his remarks and include extraneous matter.

BILLS AND A JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes;

H. R. 4852. An act for the relief of Joseph Gangemi and Anthony Gangemi;

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers;

H. R. 8535. An act to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems; and

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 34 minutes p. m.), under its previous order, the House adjourned until Monday, May 7, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1809. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress, amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1810. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to authorize the construction of 2 prototype ships, and the conversion of 1 Liberty ship, by the Maritime Administration, Department of Commerce," to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee on Appropriations. H. R. 10986. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2104). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. Report on Personnel Programs and Policies of the Federal Government in overseas operations; without amendment (Rept. No. 2109). Ordered to be printed.

Mr. JUDD: Committee on Foreign Affairs. H. R. 9606. A bill to amend the United States Information and Educational Exchange Act of 1948, as amended; with amendment (Rept. No. 2110). Referred to the Committee of the Whole House on the State of the Union.

Mr. MCCARTHY: Committee on Ways and Means. H. R. 8636. A bill to continue until the close of June 30, 1957, the suspension of duties and import taxes on metal scrap, and for other purposes; without amendment (Rept. No. 2107). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIES: Committee on Interstate and Foreign Commerce. S. 3076. An act to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof, and for other purposes; with amendment (Rept. No. 2108). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 2045. A bill for the relief of Joe Bargas; with amendment (Rept. No. 2105). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 4037. A bill for the relief of Truck & Axle Manufacturing Co.; with amendment (Rept. No. 2106). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAHON:

H. R. 10986. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes.

By Mr. ALLEN of California:

H. R. 10987. A bill to amend the Merchant Ship Sales Act of 1946 to permit the use of vessel revolving funds for vessel activation and deactivation; to the Committee on Merchant Marine and Fisheries.

By Mr. BROYHILL:

H. R. 10988. A bill to provide a remedy for injuries to persons and property caused by the negligent or wrongful act or omission of any individual granted diplomatic immunity by the United States; to the Committee on the Judiciary.

H. R. 10989. A bill to provide permanent reemployment priority for persons holding career appointments in the competitive civil service who are separated from such service other than for cause; to the Committee on Post Office and Civil Service.

By Mr. BURDICK:

H. R. 10990. A bill to authorize the Corps of Engineers to compensate the city of Williston, N. Dak. for the acquisition and replacement of the municipal water supply and water treatment facilities which will be damaged, impaired, or rendered inoperative by the construction and operation of Garrison Dam and Reservoir on the Missouri River, and for other purposes; to the Committee on Public Works.

By Mr. CURTIS of Missouri:

H. R. 10991. A bill to amend the Internal Revenue Code of 1954 and to encourage small-business concerns to engage in foreign trade; to the Committee on Ways and Means.

By Mr. DAWSON of Illinois (by request):

H. R. 10992. A bill to amend section 158 of the Revised Statutes of the United States, as amended, so as to include the Department of Health, Education, and Welfare among the executive departments there listed, and for other purposes; to the Committee on Government Operations.

By Mr. DAWSON of Utah:

H. R. 10993. A bill to amend the act of August 27, 1954 (68 Stat. 868), with respect to the Uintah and Ouray Reservation in Utah; to the Committee on Interior and Insular Affairs.

By Mr. DINGELL:

H. R. 10994. A bill to amend title V of the Social Security Act to increase the amounts which may be made available thereunder as grants to States for maternal and child welfare; to the Committee on Ways and Means.

By Mr. DONOHUE:

H. R. 10995. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ELLSWORTH:

H. R. 10996. A bill amending the act of June 22, 1936, applying to channel improvement or channel rectification projects for flood control; to the Committee on Public Works.

By Mr. GREEN of Pennsylvania:

H. R. 10997. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAGEN:

H. R. 10998. A bill to exclude certain lands from the Sequoia National Park, in the State

of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HORAN:

H. R. 10999. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Spokane Valley Federal reclamation project, Washington and Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McCORMACK:

H. R. 11000. A bill to provide for the striking of medals in commemoration of the 100th anniversary of the birth of the late Justice Louis Dembitz Brandeis; to the Committee on Banking and Currency.

By Mr. JOHNSON of Wisconsin:

H. R. 11001. A bill to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.

By Mr. KLEIN:

H. R. 11002. A bill to regulate and license pawnbrokers in the District of Columbia; to the Committee on the District of Columbia.

By Mr. LANKFORD:

H. R. 11003. A bill to provide for increases in the annuities of annuitants under the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. MAGNUSON:

H. R. 11004. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

H. R. 11005. A bill to establish as a policy of the Congress public use of public domain forest lands and woodlands, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 11006. A bill to authorize the appropriation of funds for carrying out provisions of section 23 of the Federal Highway Act, to enable the Secretary of Agriculture to construct and maintain timber access roads, to permit maximum economy in harvesting national forest timber, and for other purposes; to the Committee on Public Works.

By Mr. PATMAN:

H. R. 11007. A bill to provide that the owners of land acquired for public works projects shall in certain cases be entitled to reimbursement for resettlement costs resulting from such acquisition; to the Committee on Armed Services.

By Mr. PHILLIPS:

H. R. 11008. A bill to provide that the Federal Regulation of Lobbying Act shall not apply to persons attempting to influence the adoption by the Congress of proposed amendments to the Constitution; to the Committee on the Judiciary.

By Mrs. ROGERS of Massachusetts:

H. R. 11009. A bill amending section 500 of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. SCHWENGEL:

H. R. 11010. A bill creating the Muscatine Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near the city of Muscatine, Iowa, and the town of Drury, Ill.; to the Committee on Public Works.

By Mr. SILER:

H. R. 11011. A bill to impose an additional 10 cents a pound tax on synthetic tobacco, tobacco stems, or tobacco scraps; to the Committee on Ways and Means.

By Mr. SMITH of Kansas:

H. R. 11012. A bill to provide for the establishment of a new fish hatchery at Cedar Bluff Reservoir, Trego County, Kans.; to the Committee on Merchant Marine and Fisheries.

By Mr. VINSON:

H. R. 11013. A bill to provide for the disposal of the Government-owned synthetic rubber research laboratories at Akron, Ohio; to the Committee on Armed Services.

My Mr. CELLER:

H. Con. Res. 236. Concurrent resolution authorizing the printing of the Virgin Islands Code as a House document; to the Committee on House Administration.

By Mr. MADDEN:

H. Res. 495. Resolution to convey testimony and findings of the Katyn Special Committee to the United Nations and the Polish Communist Government; to the Committee on Foreign Affairs.

By Mr. MACHROWICZ:

H. Res. 496. Resolution to convey testimony and findings of the Katyn Special Committee to the United Nations and the Polish Communist Government; to the Committee on Foreign Affairs.

By Mr. FLOOD:

H. Res. 497. Resolution requesting the President to forward the evidence and findings of the Select Committee To Conduct an Investigation and Study of the Facts, Evidence, and Circumstances of the Katyn Forest Massacre to the United States Mission to the United Nations for appropriate action, and for other purposes; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL (by request):

H. R. 11014. A bill for the relief of Warren S. Parr; to the Committee on the Judiciary.

By Mr. GARY:

H. R. 11015. A bill for the relief of Dr. Shun-hsin Chou; to the Committee on the Judiciary.

By Mr. GREEN of Pennsylvania:

H. R. 11016. A bill for the relief of Jeanne Marie-Louise Hoez; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 11017. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of John R. Devereux for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended; to the Committee on the Judiciary.

By Mr. O'KONSKI:

H. R. 11018. A bill for the relief of Kang Jung Soon; to the Committee on the Judiciary.

By Mr. REECE of Tennessee:

H. R. 11019. A bill to authorize the Secretary of the Interior to consummate desirable land exchanges; to the Committee on Interior and Insular Affairs.

By Mr. SHELLEY:

H. R. 11020. A bill for the relief of Mrs. Remaria Avearii a Marama Geronimo; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

994. By Mr. BUSH: Petition of Local 63, Lea Worker Division, A. M. C. and B. A. of N. A., Williamsport, Pa., protesting the continuance of the 20 percent amusement tax imposed upon the entertainment industry, and urging its repeal; to the Committee on Ways and Means.

995. By Mr. MULTER: Petition for separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

996. By the SPEAKER: Petition of the president, the Anchorage Republican Club, Anchorage, Alaska, requesting that prompt and effective action be taken to bring the Alaska statehood bill out of committee and place it before the Congress for consideration and approval; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

Rumanian Independence Day

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 3, 1956

Mr. DODD. Mr. Speaker, May 10 is Rumanian Independence Day. It is only fitting that we should remember this day, for it serves as a grim reminder of Communist aggression and subversion which made captive satellites out of the once free nations of Eastern Europe.

An unwilling pawn in the power struggle of Nazi domination and Soviet Communist conquest, Rumania has long been a land of suffering. The high hopes which Rumanian patriots had for their country when on May 10, 1866, they crowned Charles, Prince of Rumania, and thus founded the Rumanian dynasty, have been badly shattered. Today, Rumania lies prostrate in the tight grip of the Soviet Union, which not only enslaves these proud people, but robs them of their national resources to help pay for the Communist trade offensive.

The Kremlin's tyrants who rule the country are trying their best to eradicate May 10 from the memory of the people. They have replaced Independence Day with the Day of Soviet Victory, which falls on May 9. But when the alien flags are hoisted on May 9, it must remind the Rumanian people of their own Independence Day. To them it is but a sign that the day will come again when they will rid themselves of the foreign oppressor and the local quislings who take their orders from the Kremlin.

I believe that the days of party boss Gheorge Gheorghiu-Dej and of his henchmen are numbered. They came to power under Stalin. But Stalin himself has now been toppled from his exalted position, and with him will topple all those who owe him allegiance. We have seen it happen in recent weeks in Bulgaria, in Poland, in Czechoslovakia. Though

the Rumanian Communists are trying to postpone the day of reckoning, though they still are slow in following the de-Stalinization line prescribed by their masters in the Kremlin, they cannot escape the inevitable. As Stalin rid himself of those who became inconvenient to him, the new Kremlin bosses will not hesitate to liquidate those of their underlings who have become politically inexpedient, for communism devours its own children. May its appetite increase.

On May 10, we salute a suffering nation which has lost its independence through no fault of its own, but was the tragic victim of brute Communist force. On this anniversary of their independence, we assure the Rumanian people that they do not stand alone, or abandoned, in their aspiration for freedom. Let us remind them of our pledge, which is part of official United States foreign policy, that the people of America will never consent to their continued enslavement; that the United States will continue its efforts to correct the wrong, and relieve the suffering, which has been brought upon helpless nations by Communist aggression, subversion, and betrayal.

Definite Relief for Cotton Growers Required

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 3, 1956

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I insert herewith the text of a letter I sent to Secretary Benson, on April 25, 1956:

Hon. EZRA T. BENSON,
Secretary of Agriculture,
Department of Agriculture,
Washington 25, D. C.

MY DEAR MR. SECRETARY: This letter is to bring to your attention the plight of the extra long staple cotton growers in the United States, and to ask your best effort in alleviating the current conditions.

Basically, the problem facing our domestic producers are directly traceable to excessive imports of long staple cotton from Egypt.

It is my purpose to request that you use the provision of section 22 of the Agricultural Adjustment Act to deal with this matter. As you know, under the provisions of this Act the Secretary of Agriculture has the right and the responsibility to recommend to the President the initiation of proceedings looking toward import restrictions, when such imports are shown to be the detriment of domestic producers.

Currently, foreign grown cotton accounts for almost 100 percent of American mill consumption. Most of this foreign cotton is purchased from Egypt, while our own cotton is stored in warehouses and domestic acreage is further decreased. Our imports from Egypt have reached 95,000 bales annually, the near-maximum under the quota system.

Time was when our State Department advocated liberal importing of cotton from Egypt to discourage that nation's trade with Communist-controlled nations. But the record shows that Egypt has increased trade with these Red nations, and her attitude toward the United States and other freedom-loving nations has become auspect, thus the original contention of the State Department is destroyed.

Egypt has acted, overall, in a manner very hostile to the United States. She protested our spending money paid us by the Italians for defense bases in Italy. She asked for our aid in building the Aswam Dam, accepted our offer to do so, and turned her back on the United States to deal even more with Russia. She demanded our money to buy planes and train pilots to fight army boll-worms attacking Egyptian cotton.

General Nasser, dictator of Egypt, has been responsible for the present crises in the Middle East, due to his acceptance of Red arms from Czechoslovakia. Those arms include submarines which will fly the Egyptian flag but be manned by Communist technicians under Russian tutelage. Those subs will ply the Mediterranean in the shadow of our 6th Fleet.

Egypt refused to import much of our surplus wheat, at a time when we desperately needed a new wheat market, yet she accepted wheat from Russia during this same period.

It does not seem logical, nor in the interest of fair play and justice, to continue to appease a nation definitely hostile to the United States, and particularly to the detriment of our domestic cotton growers and at the expense of their cotton market. Enlightened self-interest requires the action requested herein.

I, therefore, strongly urge your using section 22 of the Agricultural Adjustment Act to lower the import quota and to place a tariff designed to protect American interests on foreign-produced extra-long staple cotton.

Your prompt attention, consideration, and reply will be greatly appreciated.

Respectfully yours,

EMANUEL CELLER.

Singing Rockets, Student Choir, Rich Township High School, Park Forest, Ill.

EXTENSION OF REMARKS
OF
HON. WILLIAM E. McVEY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 3, 1956

Mr. McVEY. Mr. Speaker, it will be my pleasure tomorrow to welcome to our Capital City a fine group of students from the Rich Township High School in Park Forest, Ill., which is located in the Fourth Congressional District that I represent. Rich Township High School serves the 30,000 residents of Matteson, Olympia Fields, Park Forest, Richton Park, and adjoining rural areas. About three-fourths of the student body comes from the new city of Park Forest, which is located 30 miles south of Chicago's Loop. While Park Forest is only about 7 years old, it has a population of about 25,000 people. It has been recognized as a model, new community and recently received the National All-American City Award.

This group of approximately 70 boys and girls has been selected from 350 students in regular vocal training at Rich High, and are known as the Singing Rockets. It is my hope that some of you will have the opportunity to hear them when they sing on the steps of the Capitol at 12:30 tomorrow afternoon.

They are the only choral group in their class to receive superior ratings in all competitive categories in the Illinois State music contests. Singing in seven foreign languages, performing equally well spirituals and religious numbers, popular music, and ballads, the Singing Rockets are in wide demand at local and State meetings and conferences, as well as at national conventions.

Gov. William G. Stratton, of Illinois, has designated the Singing Rockets to be the official State representative on the Ed Sullivan Show commemorating National Music Week on Sunday, May 6, 1956. I feel confident that should you, my colleagues, see their performance on the Ed Sullivan Show, you will feel that my pride in calling them to your attention is highly justified.

Seniors and juniors are included in the Singing Rockets, and there are about an equal number of boys and girls. Their annual tours are financed through fund-raising projects which are entirely student directed. This year they have raised $7,000 for their trip to Washington and New York by doing odd jobs, baby-sitting, and benefit performances. Their annual tour last year included performances in three States—Illinois, Indiana, and Michigan. Their choral work is done in addition to their regular class work. Meeting but 2 hours a week in rehearsal, they are recognized by well-known choral experts as one of the truly great teen-age student choirs in the Nation.

America, the greatest Nation in the world, has little to fear that juvenile delinquency will break down the moral fiber of our country, when it can proudly present such fine young citizens.

The Claims of Former Polish Prisoners of War Now Residing in the United States

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 3, 1956

Mr. RODINO. Mr. Speaker, May 3 is the anniversary of Poland's Constitution Day, and this time of year therefore seems appropriate to call attention to the plight of Polish former prisoners of war now living in the United States.

These soldiers were members of the Polish armed forces and fought with the Allies against the enemy in various theaters of operation. During the course of the war, some of these soldiers were captured by the Nazis. Now, according to the provisions of the Geneva Convention of 1929, to which Nazi Germany was a party, prisoners of war are entitled to certain benefits as well as good treatment. Article 34 of the convention provides that upon their release prisoners of war shall receive both their unpaid military pay and wages for labor while they were prisoners. The convention also provides that prisoners who are forced to live in unsanitary conditions and who are not provided with food equal

in quality and quantity to that provided by the country to its own soldiers, shall receive compensation. The Polish ex-prisoners claim that Naxi Germany violated all these provisions.

The normal procedure for adjusting claims for violations of the Geneva Convention is for the country of which the prisoners of war are citizens to handle it. For example, in the United States, claims by Americans who were prisoners were adjusted through the War Claims Act of 1948. The fund established by this act was made up of confiscated assets of Germany and Japan, and money from this fund was used to pay American citizens who filed legitimate claims.

Unfortunately, these Polish former prisoners, now residing in the United States, found themselves in an unusual position after the war. Since Poland had been occupied by the Communists, they refused to return to their homeland, and the Communists therefore ignored their claims against Germany.

To add to their predicament, the German authorities insisted that any claims against the German state or its legal successor could not be made by an individual alien citizen, but only by his government. They also stated that these Poles should have collected their claims through the reparation fund established for Poland at the Potsdam Conference and controlled by Poland's Communist government. The Polish ex-prisoners have therefore been unable to collect their just claims.

Many of these Polish ex-prisoners now living in the United States have just claims and have been denied them largely as a result of their refusal to return to Communist Poland. We have met the similar claims of our own former prisoners of war out of the captured German assets that were put into the war claims fund, and it seems to me there is a case for adding to the list of those eligible to compensation from that fund these Poles who are now living in the United States. In the spirit of justice and equity, then, I would like to urge the Department of State, to whom these Polish former prisoners of war have presented their case, to give every consideration to their pleas and to arrange some way of satisfying the legitimate claims of Polish ex-prisoners now living in the United States from the war claims fund established to meet the similar claims of American citizens.

Military Supplies Go Forward to Saudi Arabia

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 3, 1956

Mr. CELLER. Mr. Speaker, the latest disclosure that the United States continues to supply arms to Saudi Arabia, as evidenced by the loading of reported bomb casings, rockets, and 76-millimeter shells on the *Monterrey* at South Port, N. C., highlights the dangerous, impossible, and contradictory position in which the administration has placed itself by supplying arms and ammunition to the Arab nations and at the same time denying arms and ammunition to Israel.

If it is a shipment of military supplies to Saudi Arabia, it is labeled a routine operation, but the shipment of such equipment to Israel, we are told, would be an arms race. We have supplied Iraq with arms and Saudi Arabia with arms and offered arms to Egypt. And yet, in questioning before the Congress, Mr. Dulles has said, "America is not the traditional supplier of arms to the Middle East."

It seems that if the Arab nations need further encouragement to truculence, we have given it to them. We can only incite Arab belligerence by our willingness to be wooed and won. We know full well that appeasement is not the road to peace. We know as well that an imbalance of power in any region of the world is a threat to the peace. It is that very premise upon which our own defense strategy is based.

This latest shipment of ammunition to Saudi Arabia emphasizes our failure to cope directly and intelligently with the Middle East situation. We are inviting disaster and bankrupting our moral leadership.

If the United States continues to sell arms to the Arab nations, it cannot at the same time deny Israel the defensive weapons which could restore the balance of power and more surely insure the peace.

S. 3879

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 3, 1956

Mr. DODD. Mr. Speaker, I believe it is important that this House adopt S. 3879, which reads as follows:

S. 3879

An act to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover compensatory damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers.

Be it enacted, etc.—

SEC. 1. As used in this act—

(a) The term "automobile manufacturer" shall mean any person, partnership, corporation, association, or other form of business enterprise engaged in the manufacturing or assembling of passenger cars, trucks, station wagons, or other automotive vehicles, including any person, partnership, or corporation which acts for such manufacturer or assembler in connection with the distribution of said automotive vehicles.

(b) The term "franchise" shall mean the agreement, contract, understanding, or arrangement between any automobile manufacturer and any automobile dealer which purports to fix the legal rights and liabilities of the parties to such agreement, contract, understanding, or agreement.

(c) The term "automobile dealer" shall mean any person, partnership, corporation, association, or other form of business enterprise operating under the terms of a franchise and engaged in the sale or distribution of passenger cars, trucks, station wagons, or other automotive vehicles.

(d) The term "commerce" shall mean commerce among the several States of the United States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or among the Territories or between any Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

(e) The term "good faith" shall mean the duty of each party to any franchise, and all officers, employees, or agents to act in a fair, equitable, and nonarbitrary manner so as to guarantee such other party freedom from coercion, intimidation, or threats of coercion or intimidation, so as to preserve all equities of such other party which are inherent in the nature of the relationship between such parties by such franchise.

SEC. 2. An automobile dealer may bring suit against any automobile manufacturer engaged in commerce, in any district court of the United States in the district in which said manufacturer resides, or is found, or has an agent, without respect to the amount in controversy, and shall recover compensatory damages by him sustained and the cost of suit, including a reasonable attorney's fee, by reason of the failure of said automobile manufacturer to act in good faith in performing or complying with any of the terms or provisions of the franchise, or in terminating, canceling, or not renewing the franchise with said dealer: *Provided*, That in any such suit the manufacturer shall not be barred from asserting in defense of any such action the failure of the dealer to act in good faith.

I have suggested to members of the Judiciary Committee that this legislation be passed, and I urged favorable report on this legislation.

The statement which I submitted to the Judiciary Committee is as follows:

Mr. Chairman and gentlemen of the subcommittee, it is my sincere conviction that the enactment of the legislation being considered today, S. 3879, will be a significant step forward in freeing thousands of automobile dealers from what amounts to economic bondage.

An automobile dealership represents a substantial investment, not only in money, but also in effort. It seems obvious to me that these small-business men are entitled to the protection of the law in their relationships with manufacturers, since under the present system they can be forced out of business almost at the whim of the supplier.

S. 3879 represents a fair and equitable attempt to bring at least a measure of security to the thousands of automobile dealers in the country. It is not intended to underwrite poor judgment on the part of the dealer in his business dealings, as has been charged by opponents of the bill. But it will give him his "day in court" if he believes that the manufacturer has treated him unjustly.

Section 1 (e), the so-called good-faith portion of the bill, seems to me an excellent way to insure that all parties in any dealer-manufacturer franchise arrangement will maintain high standards of business ethics. The critics of this legislation have advanced the old argument that Government should not interfere needlessly with the conduct of private business. Unfortunately, however, the automobile industry has made little or

no progress in achieving better dealer relationships and, indeed, the abuses have been increasing at an alarming rate.

Many dealers have been forced to the wall by the practice of shipping unwanted cars to them—cars that cannot be absorbed in the market because of the senseless race among some manufacturers for first place in sales volume. The manufacturers have sometimes totally ignored the saturation point where dealer cannot sell the product in legitimate commerce. Consider the plight of a dealer who can sell about 20 new cars a month at a maximum who is forced to accept delivery of 25 or 30 cars. If he refuses to accept the number of cars that the district representative of the manufacturer arbitrarily sets as his quota, his dealership can be canceled on a unilateral basis.

I think, in all fairness, that any businessman is entitled to a far better break than that. Under the provisions of the bill under discussion here today, he would at least have the chance to bring suit and possibly to recover damages.

The pressure that has been brought to bear on the country's independent automobile dealers by some manufacturers to accept more cars than they can reasonably hope to sell has resulted in a grave deterioration in marketing techniques. To avoid bankruptcy, some dealers in desperation have resorted to shoddy service work, deceptive and dishonest advertising, and the "packing" of insurance and finance charges as well as the "packing" of the prices of cars. Automobile overproduction has led unavoidably to the practice of "bootlegging," which undermines public confidence in the entire industry.

Many dealers from my own State of Connecticut have expressed the strongest possible support for the good faith aspect of the bill. They feel that the enactment of this legislation will have a wholesome effect upon the automobile industry, lead to better dealer-manufacturer relationships, and ultimately be of benefit to our entire economy.

I hope that my colleagues will join me in this effort to pass this very necessary legislation.

Liberation Day—Ethiopia

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 3, 1956

Mr. POWELL. Mr. Speaker, I wish to send greetings to the Ethiopian people, His Imperial Majesty Haile Selassie I, Emperor of Ethiopia, and His Excellency Yilma Deressa, Ambassador of Ethiopia, on the occasion of the celebration of the 15th anniversary of Liberation Day, May 5, 1956.

Ethiopia has been an independent sovereign state from time immemorial. Ethiopia was a great power when recorded history began. With the march of tyranny and totalitarianism across Europe in the years immediately preceding World War I, the Government of Ethiopia was forced to take refuge outside its own territory. Ethiopia, as well as the United States, never recognized Italian sovereignty over Ethiopian soil.

When in 1935 Ethiopia tested the League of Nations on the principle of collective security very little comfort was given her. Emperor Selassie was one of the few men of courage who read correctly the signs of those turbulent times. He cautioned the free world to resist the advance of totalitarianism and pled with the world to rally its forces to stop unwarranted agrression. Emperor Selassie voiced the cry not only for Ethiopia but for liberty-loving people everywhere. While the free world slept, appeased, or turned its attention away from Africa, the forces of nazism and fascism pursued their deadly course.

Ethiopia virtually stood alone against a towering enemy. The people of Ethiopia fought valiantly for the life of their nation. After a series of military reverses, the enemy destroyed the independence of Ethiopia for the first time in 3,000 years. Emperor Haile Selassie I took his cause to the League of Nations. When that organization failed to respond to his plea for the principle of collective security he was forced into exile.

On May 5, 1941, exactly 5 years after occupation forces had taken over Addis Ababa, His Imperial Majesty reentered Addis Ababa at the head of his resistance forces and with British troops which had fought their way into Ethiopia from the Sudan. One of his first official acts was to call upon his people to follow Christian principles and forego acts of revenge against the tens of thousands of Italians who had been trapped by the liberation forces.

In the years since liberation, Ethiopia has tenaciously bent her energies toward the reestablishment of the country and the continuation of forward-looking projects which had been interrupted by the invasion and occupation. On July 16, 1931, less than a year after he assumed leadership of his country, Emperor Selassie had given the people their first written constitution. Through this act the Emperor demonstrated his adherence to the basic principles of democracy. The constitution, in effect, transferred part of the Emperor's authority to a parliament and a judicial system and provided for administrative departments. Another integral part of Haile Selassie's preoccupation program consisted of efforts at modernization of the country. Special attention was given to the development of health services and a broader system of education, the opening of hospitals and schools, and the recruitment of doctors and teachers. It will be remembered that the occupation authorities, as a matter of policy, suppressed all educational activities between the invasion and the liberation. As a part of the nation's reconstruction program a program was launched which took advantage of every instructional facility offered the nation from abroad. Ethiopia appropriated a large portion of the nation's budget for educational purposes.

Ethiopia and the United States have passed the midcentury mark in the history of their diplomatic relations. Friendly and cooperative relations with the United States in full support of the principle of collective security are the bases of Ethiopia's foreign policy. Ethiopia was one of the first countries to come to the support of the United Nations when the General Assembly condemned Communist aggression in Korea and asked member nations to assist in halting hostilities. Ethiopia reports that:

> Ethiopia's Kagnew Battalion, integrated into the United States 7th Division, served until the Korean truce was arranged and established a unique record for troops in that conflict. None of its members were captured, although the battalion suffered casualties as great as those of other units around it. When positions held by Kagnew soldiers were overrun by the enemy, all Ethiopian troops died at their posts. None surrendered.

Ethiopia can look with pride upon its record. I salute this nation of stalwart people and pray for them continued peace and prosperity as they go forward into a new year of national life.

Rhode Island Independence Day

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 3, 1956

Mr. FORAND. Mr. Speaker, tomorrow is independence day for the great State of Rhode Island. One hundred and eighty years ago tomorrow the State of Rhode Island dissolved all legal and moral ties with her mother country, Great Britain. By repealing an act entitled "An act for the more effectual securing to his Majesty the allegiance of his subjects in this His Colony and Dominion of Rhode Island and Providence Plantations."

On May 4, 1776 Rhode Island formally severed all social, political, and economic association with Great Britain. The events that led up to these acts of impunity are concisely and authoritatively recited in our history books.

In 1763 the English Government determined to institute a program to strengthen colonial administration, and to raise colonial revenue. Each of these measures was eminently unpopular in America, but the question of a colonial revenue proved to be the principal pivot of controversy. At the close of the French and Indian Wars the British public debt was overburdening and in England the taxpayers were clamoring for relief. To help defray the expenses of the new colonial policy parliament, in 1764, passed the sugar act, imposing a tax on imports of foreign molasses into America. This was the first instance of a parliamentary act designed for the express purpose of raising a colonial revenue.

The sugar act provoked a storm of protest. In spite of these protests, parliament proceeded, in 1765, to a still more objectionable revenue measure—the stamp act—whereby a tax was levied on all legal and commercial papers, pamphlets, newspapers, almanacs, cards, and dice. Immediately rioting broke out, because of these imposts, and British goods were boycotted.

In 1766 a new ministry in England repealed the stamp act and reduced the duties imposed by the sugar act. Within a few months however, still another ministry was in power and the attempt to raise a colonial revenue was renewed. By one of the Townshend acts of 1767 duties were imposed on imports of glass, lead, paint, paper, and tea. Again the colonies responded with a boycott of British merchandise.

Colonial resentment found expression in a series of incidents, many of which occurred in Rhode Island. As early as 1764 Newporters climaxed a riot with crewmen of the British schooner St. John by firing upon the vessel with cannons. The following year a Newport mob, angered by impressment of American seamen, seized and burned one of the boats of the British vessel Maidstone. Most famous in this series of incidents was the burning of the British revenue schooner Gaspee.

After the Gaspee affair tensions rose to a climax. In 1773 Rhode Island formed a committee of correspondence for cooperation with the other colonies. On December 16, 1773, the Boston Tea Party was staged to protest a British plan for stimulating the sale of taxed tea. This defiant action, which caused the British to retaliate with coercive legislation known as the Intolerable Acts, was vehemently discussed and approved by town meetings in Rhode Island. The Bristol town meeting boldly asserted that the time might come when the people would be provoked to renounce their allegiance and assert an independency.

The colonial spirit of independency was the rock on which Britain's North American empire was finally wrecked. Accustomed for more than a generation to little or no taxation, and to nearly complete freedom in the management of their internal affairs, the Americans were disposed to resent every British attempt to strengthen colonial administration. Free from the menace of New France, strong and self-confident, the Thirteen Colonies prepared to resist.

In 1774, Rhode Island gave support to the calling of the Continental Congress, naming as delegates the former political rivals Stephen Hopkins and Samuel Ward. In 1775, upon receipt of the news of Concord and Lexington, the general assembly created an army of observation—most of the troops later joined Washington's Continental Army. The same year the assembly commissioned its own navy, consisting of two units, to protect the colony's trade. Before the year was out, this force had attacked and captured a vessel of the Royal Navy. On May 4, 1776, the Rhode Island General Assembly climaxed its program of resistance by formally declaring its freedom from Britain. This action, taken 2 months before the Declaration of Independence at Philadelphia, made Rhode Island the first sovereign state established by Europeans in the New World.

This formal declaration of freedom has been called the "shot heard around the world."

Our State's firmness lies in her record. Rhode Island still remains the land of "firsts." The circumstances have changed the times, but the character and determination still lies dormant only to be kindled by any sort of tyranny over the mind of man.

Rhode Island is a proud State. Her people are progressive and hard working. The products of her workmen can be found in every part of the world. It is the cradle of religious liberty in America.

We shall continue to be proud and independent. We shall continue to work for the good of all and oppose all things that are not in the public interest.

Radio and Television Address by Hon. Estes Kefauver, of Tennessee, Station WEAR, Pensacola, Fla.

EXTENSION OF REMARKS
OF
HON. WAYNE L. HAYS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 3, 1956

Mr. HAYS of Ohio. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I insert a radio and television address given by Senator ESTES KEFAUVER, Democrat, Tennessee, in Pensacola, Fla., on Monday, April 30, 1956:

I want to talk with you this evening about a significant new development, which is now in the process of formation in the foreign policy of our Nation.

It is important that we consider it, because foreign policy—the question of peace or war—is by far the over-riding question with which you and I are faced today or any day.

Our economic structure, our jobs, our farm income, the highways and roads that we build, the schools that we construct, our social-security system—all of these are of necessity tailored to the question of whether we are in the shadow of war or on the brink of peace.

The peace and security of your family and mine is based as much upon decisions that may be made 3,000 miles from here as they are on the decisions that we ourselves made at our breakfast table this morning.

Therefore, I wanted to talk with you about some of those decisions this evening.

Tomorrow the Secretary of State will leave Washington for Paris to attend a session of the North Atlantic Council. He has said that he has some thoughts to exchange on the question of transforming the North Atlantic Alliance into a broader association of free nations. He has said that without cutting back western military strength, the foreign-policy accent of the United States should be shifted to the economic and political fields.

My reaction is, it's about time.

This is the emphasis that I have been seeking to achieve in our policy toward the Western nations ever since I became a Member of the Senate.

It is most certainly the emphasis that I would pursue should I be chosen as the next President of the United States.

Therefore, I can wholeheartedly give my support and encouragement to the Secretary in his present mission—and say that this is at least one trip on his part which I consider is necessary.

In adopting this new attitude, it is my feeling that the Secretary of State is at long last expressing the kind of sentiments which find their birth within the mainstream of American thinking and culture. A brief review of the development of our North Atlantic relationships will, I believe, bear that out.

Five years have passed since a President of the United States who has been much abused and much criticized, but who will go down in history as a man who made the right decisions on the big issues, signed the NATO agreements. I am speaking, of course, of President Truman. This NATO agreement was a dramatic—and a highly successful—step in the effort to control and contain militant communism.

From its very inception, it seems to me, these Western democracies which entered into the NATO agreements were taking a step which inevitably would grow and develop into a new concept of relationships among nations.

In the North Atlantic Treaty itself they declared themselves "determined to safeguard the freedom, common heritage, and civilization of their peoples, founded on the principles of democracy, individual liberty and the rule of law."

They agreed, in article 2 of the treaty, to "contribute toward the further development of peaceful and friendly international relations by strengthening their free institutions." They agreed to "seek to eliminate conflict in their international economic policies." They agreed to "encourage economic collaboration between any or all of them."

Now why was it that they could do that? The reason was simply that we are so much alike—we residents of the United States and Canada and England, and the free nations of Europe. We may have differences in accents and languages, but we are alike in our love of freedom, in our respect for the dignity of every man, in our fierce belief in democratic institutions, in our pursuit of liberty.

Basically, however, despite these larger concepts the NATO agreements were and have remained treaties of military agreements.

For a long time I have thought they should be more. You see, wars do not just occur. More often than not we stumble into them. Like all disputes, an action here, a word there, a misunderstanding, an underestimation—these are the things of which wars are made. I therefore felt that since we were binding ourselves, one to the other, to fight one for all, we ought to have some kind of channel—some kind of arrangement—by which we could also forge common policies for peace.

Shortly after I entered the Senate, I filed a resolution which would have inaugurated the grassroots search for methods of accomplishing the kind of political and economic cooperation which the treaty envisoned and which the Secretary now seeks in his talks beginning tomorrow.

This resolution called upon the President to invite the democracies which sponsored the treaty to name delegates, representing their principal political parties, to meet with delegates of the United States in convention. There they would explore how far their peoples might go in applying the principles which our own States applied when they formed an enduring union.

I secured among the cosponsors of this resolution a broad and non-partisan backing among Members of the Senate. I am proud that so many distinguished southerners appeared on this resolution. The South has never failed in its traditional leadership in matters of foreign policy. The resolution was not adopted, however.

We did, nevertheless, maintain excellent relationships with our Western friends for the succeeding few years. Then our entire Atlantic policy went into eclipse. Why was this?

In the first place, with the advent of the Eisenhower administration, those of us who believed in an enlightened foreign policy, including the President himself, found it necessary to spend a great part of our time

in a type of guerrilla warfare against powerful go-it-alone and isolationist elements within the GOP itself.

The isolationist, the go-it-alone exponents, had a curious counterpart within the Republican Party in those who preached the doctrine of preventive war. It was their influence, I feel, which contributed toward the Secretary of State's unfortunate pronouncement of the doctrine of "massive retaliation." This seriously deterred the progress we had been making in our Western relations for it understandably frightened our allies in Europe. In event of a global hydrogen war, they would stand exposed to massive annihilation.

Another great obstacle in the path of real Atlantic cooperation during those first years of the Eisenhower administration was the single-minded obsession of United States policy with the European Defense Community. It was rather obstinate on our part to try to force upon the European nations a union which many of them did not want, and which we and Great Britain would not join.

Well, the French refused to ratify EDC. We had no alternative to propose, but the British did. Through the London-Paris agreements, far superior to what was proposed in EDC, Western Germany became an equal partner in NATO, NATO was strengthened in many respects and for the first time a sort of international control over armaments was established among a group of sovereign States.

I then felt that the time had again come when we should push forward toward these economic and political goals and when the present Congress convened, I introduced again my proposal for a convention of the NATO sponsors.

The world is ready for this move. A former great Secretary of State and military commander, Gen. George Marshall, endorsed my proposal. He wrote: "There is no blinking that fact that this country now stands at a turning point in its relations to its traditional friends among the nations of the Old World."

Another great statesman, Robert Schuman, former Premier of France and the author of the Schuman plan joined the author of the Marshall plan in endorsing my proposal. He said:

"If the American Congress accepts the Atlantic proposal of Senator KEFAUVER, all the democratic European nations should be happy to accept the invitation to send delegates to such a Study Commission. Should there result from the work of this conference and from later proposals the outline of an acceptable plan of union * * * we would then certainly have made a great step toward world peace and general prosperity."

Paul-Henri Spaak, foreign minister of Belgium; Paul Van Zeeland former prime minister of Belgium; Gaetano Martino, foreign minister of Italy—all sent words of encouragement and endorsement.

Said Mr. Spaak:

"I personally hope that such discussions will take place between the citizens of the Atlantic nations very soon."

Said Mr. Van Zeeland:

"To sum up, it would be a major step toward peace and prosperity throughout the world."

Said Mr. Martino:

"I agree with Senator KEFAUVER that the peace of the world cannot be assured by methods of formal diplomacy alone."

Last year a step in the direction in which the Secretary is now going was taken. A resolution which I sponsored resulted in the United States participation in an association of NATO legislators, then being formed, which held its first successful meeting in Paris last summer, and which formed itself into a continuing body.

Therefore, I would say to the Secretary as he leaves tomorrow that he will find the ground already well-plowed for his mission. Four years ago Dwight Eisenhower, called for "bold and imaginative" steps to further develop NATO. President Eisenhower was then General Eisenhower, commanding the NATO forces. Since he has been President there have been none of these bold and imaginative steps and indeed I believe this is the first major speech on NATO. But this, it seems to me, is the President's and the Secretary's great opportunity. They can leave on the pages of history a chapter comparable to the United Nations, the Marshall plan, NATO itself.

I would commend to them the method of exploration which my resolution proposes—a convention to be attended by representatives of the people of the nations involved. I fear that cautious discussions between cautious diplomats will result in nothing if they occur in a vacuum—but coupled with simultaneous exploration on the part of the people in convention—then we might take that step toward world peace and general prosperity which we all seek.

East Coast Case

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 3, 1956

Mr. DODD. Mr. Speaker, in a few days the Civil Aeronautics Board will hear arguments in the long-pending east coast case. For many Atlantic seaboard Members of this body, the Board's forthcoming decision is of vital, if not crucial importance.

We represent areas along an airway that is the most heavily traveled in the Nation, perhaps in the world. For years, we have had to endure utterly inadequate north-south air transport. This is a matter of record. I speak also from personal experience, on your part and mine.

Between Boston and Miami, only one carrier offers through, one-plane service. Between New York and Miami, this company shares as much of the traffic as they can accommodate, with limited operations in and out of intermediate points.

This promises to be the year when the Civil Aeronautics Board will act to designate a third, and perhaps a fourth carrier to meet the urgent need for additional and improved service between the Northeast and Florida.

It is in this latter connection, Mr. Speaker, as a Member from the New England region, that I speak today. The Civil Aeronautics Board is clearly a quasi-judicial agency, independent of the legislative branch. But it is my hope that the Board will fully weigh the merits of the case it is now considering in terms of the intent and will of the Congress, as set forth in the Civil Aeronautics Act of 1938.

The declaration of national air transportation policy embodied in that statute and the criteria established by the Congress call for rulings in the public interest, convenience, and necessity.

I submit that the New England region, the oldest industrial area of the Nation, and the home of the first domestic airline established at what is now Logan International Airport in Boston in 1925, is deserving of greater consideration than was indicated by the Board's examiner, Mr. Thomas L. Wrenn, in his recommendation last April 3.

In his report, Mr. Wrenn proposed that Delta Airlines, which already flies between New York and Atlanta and provides connecting service to Miami, be certificated to make direct New York-Miami flights as the third carrier on the East coast route.

The New England congressional delegation reacted with dismay to this finding, Mr. Speaker. So did some of our New York City and Baltimore colleagues, as I recall. A number of our southeastern members were equally unhappy about Mr. Wrenn's rejection of the applications of two other carriers who, I believe, should receive more favorable treatment in the impending hearing before the Board.

I refer to Northeast Airlines, one of the original certificated carriers and New England based, and to Pan American World Airways, which pioneered in international service.

The New England delegation has been on record in urging the Board to reverse Mr. Wrenn's recommendations insofar as Northeast is denied its application for extension of its route southward from New York to Miami. In the House of Representatives, virtually all regional Members share this view. This is particularly true of those from the northern New England States, which depend only on Northeast for scheduled air transportation.

In reference to Pan American World Airways, I speak for myself, Mr. Speaker, and for what I believe to be the best interests of my State, my region, and the national convenience, necessity, and advancement.

It is a fact that a high percentage of United States air passengers flying southward to Florida along the Atlantic seaboard are international passengers, bound for the Caribbean and ports of call throughout South America.

It is a fact that New England, which has played a major role since the dawn of the Union in the expansion of inter-American trade and the prestige of our Nation abroad, is more closely linked to sister nations of this hemisphere than ever before. Something more than 40 percent of all foreign investments in Latin America is New England capital.

It is a fact that in 1954 a substantial percentage of total New England industrial employment was in enterprises dependent largely on imports from Central and South America.

New England is intensely aware of its great stake in Latin America's future, thanks to such alert forces as Pan American, which inaugurated the first United States international airline in 1927, flying between Key West and Habana, Cuba, a 90-mile route which enjoyed a brisk business. From this evolved Pan American's Latin America system and its worldwide service into some 80 countries.

Pan American would offer New Englanders a direct, one-plane service from Boston to all major Latin American cities, via Miami and intermediate points, just as Pan American now flies from Logan International Airport in Boston to the major cities of Western Europe.

I submit, Mr. Speaker, that there is sufficient traffic between the Northeast and Florida to enable as many as four competing airlines to operate profitably. I suggest that the density of traffic on this route during the peak season would not only improve immeasurably the quality of the available accommodations—thanks to the stimulus of competition—but also would eliminate the subsidies now required by Northeast and Pan American.

In Pan American's case, the end happens to be in sight for subsidies, should the company obtain authorization for expanded operations. Northeast Airlines receive proportionately high subsidies for good reasons: This small trunk carrier, 1 of the original 13 to be certificated by the Federal Government, is the only one which serves numerous communities in New England which would otherwise be without air transportation. Moreover, its short-haul routes are unprofitable for obvious reasons, and its losses due to bad weather heighten its financial problem.

Objections have been raised to Pan American's bid to enter the northeast Florida market on various grounds. It is pointed out that Pan American is the largest overseas carrier, and therefore should be kept out of the domestic routes. Mr. Wrenn, in rejecting Pan American's argument to link its European and Latin American systems by service between the northern coterminals at Boston, New York, Philadelphia, and Baltimore-Washington, and Miami, cited what he termed a "disadvantage."

Pan American's case, he observed, was based largely on the difficulty the company has "in lacking direct access to the primary sources of traffic in the United States, particularly in relationship to its Latin American services, while its competitors have superior access to those sources of traffic."

Why should Pan American be restricted by such "disadvantages" if the chief victims of such barriers to competition are the people of New England, the Middle Atlantic States, and the Baltimore-Washington area? They are clearly protesting the status quo, and it is in compliance with the public interest, convenience and necessity that the Board must make its determination.

The Board is cognizant of its duty to rule on the best means of expanding and improving northeast Florida air transportation commencing this year, in 1956. Within the airline industry, it is acknowledged that Pan American Airways is admirably equipped to inaugurate schedules immediately, in DC–7 Clippers, including the new DC–7C model, the ultimate in piston-engine airliners for long-range, high-speed travel. It is my information that these new airplanes which are currently being delivered to Pan American, can reduce flight time on the east coast route by 1 hour and 45 minutes; on the fastest transoceanic routes, by 3 hours.

We also know that Pan American is the first of the United States carriers to usher in the jet age with United States-built jet airliners now on order.

In closing, Mr. Speaker, I would like to quote Examiner Wrenn's most interesting substantive finding as to Pan American's qualifications for serving the Nation's foremost route—a finding which he seems to have ignored in denying the company's application.

Pan American, he wrote, "should offer 18,103 long-haul passengers, accounting for 46 million passenger miles (based on 1954 figures), their first one-carrier service would use the latest type equipment and, with equipment on order could also put jet equipment into operation as soon as it is available, would provide first-class and coach service of the best quality, could satisfy seasonal demands better than any other applicant by drawing upon its other operations, has greater net worth than any other applicant, and, according to its estimates, could provide more benefits to the taxpayers in the form of subsidy reduction than any other applicant."

I trust, Mr. Speaker, that the Board will keep Mr. Wrenn's foregoing statement in mind when it undertakes to reverse him in the public interest.

SENATE

MONDAY, MAY 7, 1956

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, as we turn to Thee, who knowest the sadness which grips our spirits, we mourn the passing from this mortal stage of one who was adored and trusted by a vast host of his fellow countrymen.

Hundreds saw him die—millions saw him live. The Nation which he loved and served saw him live across self-giving decades; for he lived and wrought with ardent passion for the preservation undimmed of the spiritual verities upon which the Republic was founded by God-fearing men.

We remember gratefully today—now that an honored seat in this Chamber is vacant—that freedom's holy light, which is America, was his creed, and that he dedicated every power of his being for its defense. Proudly he walked around freedom's ramparts which he helped to watch, perceiving with alert eyes the dire dangers which threatened her very survival in these days of her most crucial test.

We thank Thee that the burning words of his impassioned voice, as he pled for the faith that burned like fire in his bones within these hallowed walls and up and down the land, will forever be a part of the heritage of this body as he joins the cloud of witnesses whose membership depends not on any election but upon the selection by a nation which gladly acknowledges his eminence, as he did justly, loved mercy, and walked humbly with his God.

So teach us to number our remaining days that we may apply our hearts unto wisdom, and at last, like him, to enter into the inheritance of the saints in light: In the name of the Master he acknowledged the Lord of all. Amen.

THE JOURNAL

On request of Mr. STENNIS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 28, 1956, and Thursday, May 3, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolutions:

On April 30, 1956:

S. 1188. An act to amend section 5240 of the Revised Statutes, as amended, relating to the examination of national banks; and

S. J. Res. 160. Joint resolution to suspend the application of certain laws of the United States with respect to counsel employed by the special committee of the Senate established by Senate Resolution 219, 84th Congress.

On May 1, 1956:

S. 1287. An act to make certain increases in the annuities of annuitants under the Foreign Service retirement and disability system.

On May 2, 1956:

S. 1194. An act to provide for transfer of administrative jurisdiction over Red Willow Dam and Reservoir, Nebr., to the Secretary of the Interior and over Wilson Dam and Reservoir, Kans., to the Secretary of the Army; and

S. J. Res. 150. Joint resolution to authorize the printing and binding of an edition of Senate Procedure and providing the same shall be subject to copyright by the authors.

REPORT ON MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 369)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States which was read and, with the accompanying report, referred to the Committee on Foreign Relations.

(For President's message, see House proceedings for today.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed a bill (H. R. 10875) to enact the Agricultural Act of 1956, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 10875) to enact the Agricultural Act of 1956 was read twice by its title and referred to the Committee on Agriculture and Forestry.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. STENNIS. Mr. President, since the Senate meets today following an adjournment, under the rule, there will be the usual morning hour. I request unanimous consent that statements made in connection with the business of the morning hour be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CALL OF THE CALENDAR ON WEDNESDAY NEXT

Mr. STENNIS. Mr. President, for the information of the Senate, I should like to announce that on Wednesday, following the completion of morning business, there will be a call of the calendar. Accordingly, I ask unanimous consent that on Wednesday, following the morning business, the unobjected-to measures on the calendar be called, commencing at the point where the last calendar call was concluded.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request? The Chair hears none, and it is so ordered.

ORDER DISPENSING WITH CALL OF THE CALENDAR TODAY

Mr. STENNIS. Mr. President, I also ask unanimous consent that the call of the calendar today under the rule be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Increased Borrowing Power of Commodity Credit Corporation

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to increase the borrowing power of Commodity Credit Corporation (with accompanying papers); to the Committee on Agriculture and Forestry.

Report on Overobligation of an Appropriation

A letter from the Secretary, Department of Health, Education, and Welfare, reporting, pursuant to law, on the overobligation of an appropriation (with an accompanying paper); to the Committee on Appropriatons.

Report on Competition in Synthetic Rubber Industry

A letter from the Attorney General, transmitting, pursuant to law, a report on competition in the synthetic rubber industry, for the period May 1 through December 31, 1955 (with an accompanying report); to the Committee on Banking and Currency.

Report on Tax Exemption of Certain Properties in the District of Columbia

A letter from the President, Board of Commissioners, District of Columbia, transmitting, pursuant to law, a report of institutions or organizations whose properties were exempted from taxes by special acts of Congress (with an accompanying report); to the Committee on the District of Columbia.

Extension of Renegotiation Act of 1951

A letter from the Secretary of the Air Force transmitting a draft of proposed legislation to extend the Renegotiation Act of 1951 for 2 years (with an accompanying paper); to the Committee on Finance.

Financial Statement of the American Legion

A letter from the director, national legislative commission, the American Legion, Washington, D. C., transmitting, pursuant to law, the financial statement of the American Legion, up to and including the period ended December 31, 1955 (with an accompanying document); to the Committee on Finance.

Report on Certain Property Made Available for Distribution

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law, a report on personal property made available for distribution to, and real property disposed of to educational and public health institutions, for the period January 1 through March 31, 1956 (with an accompanying report); to the Committee on Government Operations.

Adjustment of Application of Section 322 of the Economy Act of 1932 to Certain Government-Leased Premises

A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to adjust the application of section 322 of the so-called Economy Act of 1932 to premises leased for Government purposes (with an accompanying paper); to the Committee on Government Operations.

Certification of Soil Survey and Land Classification

A letter from the Acting Secretary of the Interior, certifying, pursuant to law, that an adequate soil survey and land classification has been made of the lands in the Sacramento Canals unit, Sacramento River division, and the Trinity River division, Central Valley project, and that the lands to be irrigated are susceptible to the production of agricultural crops by means of irrigation (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Proposed Extension of Concession Contract, Olympic National Park, Wash.

A letter from the Acting Secretary of the Interior transmitting, pursuant to law, a proposed extension of a concession contract in Olympic National Park, Wash. (with accompanying papers); to the Committee on Interior and Insular Affairs.

Proposed Concession Permits, Everglades National Park, Fla.

Two letters from the Acting Secretary of the Interior, transmitting, pursuant to law, proposed concession permits in Everglades National Park, Fla. (with accompanying papers); to the Committee on Interior and Insular Affairs.

Settlement and Entry of Certain Public Lands in Alaska

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for settlement and entry of public lands in Alaska containing coal, oil, or gas under section 10 of the act of May 14, 1898, as amended (with an accompanying paper); to the Committee on Interior and Insular Affairs.

Construction of Two Prototype Ships and Conversion of One Liberty Ship

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the construction of 2 prototype ships, and the conversion of 1 Liberty ship, by the Maritime Administration, Department of Commerce (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

Publication Entitled "Regulations Under the Natural Gas Act"

A letter from the Acting Chairman, Federal Power Commission, Washington, D. C., transmitting, for the information of the Senate, a copy of its newly issued publication entitled "Regulations Under the Natural Gas Act" (with an accompanying document); to the Committee on Interstate and Foreign Commerce.

Report of Proceedings of Special Meeting of Judicial Conference

A letter from the Chief Justice of the United States, transmitting, pursuant to law, a report of the proceedings of a special meeting of the Judicial Conference of the United States, held March 13–14, 1956 (with an accompanying report); to the Committee on the Judiciary.

Validation of Certain Payments to Members and Former Members of Naval Service

A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to validate certain payments made to members and former members of the naval service (with accompanying papers); to the Committee on the Judiciary.

Granting of Applications for Permanent Residence Filed by Certain Aliens

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, with the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

Suspension of Deportation of Certain Aliens

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspensions (with accompanying papers); to the Committee on the Judiciary.

Admission Into the United States of Certain Alien Defectors

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders issued granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

Establishment of Certain Positions in Department of Commerce

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to authorize the establishment of 35 positions for specially qualified scientific and professional personnel in the Department of Commerce with rates of compensation at rates not to exceed the maximum rate payable under Public Law 313, 80th Congress, as amended and supplemented (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

Two current resolutions of the Legislature of the State of Kentucky; to the Committee on Finance:

"Concurrent resolution memorializing Congress to reduce the tax burden on the major industries of the Commonwealth of Kentucky

"Whereas the imposition of inequitable and onerous tax burdens on the major industries of any State is patently contrary to sound public policy and sound principles of economics; and

"Whereas the imposition of burdensome taxes not only has an undesirable effect upon industry and the community but also deprives the State of a source of desperately needed revenue; and

"Whereas two of the Commonwealth of Kentucky's major industries, distilling and tobacco, are presently burdened with unjust, unfair, and economically unwise taxes by the Government of the United States; and

"Whereas it appears that, in the best interests of not only the citizens of this Commonwealth but of those of the other 47 States as well, relief from this tax burden should be granted; and

"Whereas such relief can only be afforded by appropriate action by the Congress of the United States of America: Now, therefore, be it

"Resolved by the House of Representatives of the Commonwealth of Kentucky (the Senate concurring therein):

"SECTION 1. That the Congress of the United States act in the exericse of its broad legislative powers to reduce and alleviate the pressing burden of taxes presently being borne by the distilling and tobacco industries in the Commonwealth of Kentucky.

"SEC. 2. That copies of this resolution be sent by the clerk of the house to the President and Chief Clerk of the Senate of the United States, the United States Senators from Kentucky, the Speaker and Chief Clerk of the House of Representatives of the United States, and the Representatives in Congress from Kentucky."

"Concurrent resolution requesting the Congress of the United States to enact appropriate legislation under which State excise taxes on the production of distilled spirits would be credited, in an amount not exceeding $2 per gallon, against the Federal withdrawal tax on distilled spirits

"Whereas—

"1. Kentucky's largest industry is the distilling industry. More than 65 percent of distilled spirits produced in the United States is produced in Kentucky. Hence, the distilling industry should constitute a larger source of excise-tax revenue for Kentucky.

"2. However, the Federal Government has imposed a $10.50 per gallon withdrawal tax on distilled spirits which is more than 12 times the production cost of a gallon of distilled spirits. No other product—neither Texas oil nor Oklahoma gas nor Michigan automobiles—bears a Federal tax 12 times its cost value. This Federal tax has made it impractical for Kentucky to impose additional excise taxes on the production of distilled spirits. A recent study by the Kentucky Department of Revenue shows that even a small increase in Kentucky's present excise tax would have serious effects upon the distilled-spirits industry in Kentucky.

"3. This situation is unfair. It represents a discrimination against Kentucky which has hindered progress, especially in the field of public education.

"4. No other State suffers from the Federal tax on distilled spirits as does Kentucky because the industry is not as concentrated in any other State.

"5. If Kentucky could impose a production tax of up to $2 per gallon on distilled spirits the tax would supplement general revenues to the point where Kentucky could confidently expect to rise to a position of equality among her sister States in the fields of education and public welfare.

"6. The Congress of the United States could, and should, partially correct this unfair and inequitable discrimination against Kentucky by treating State excise taxes on the production of distilled spirits, in an amount not exceeding $2 per gallon, as a credit against the Federal withdrawal tax. This would create no new precedent because many times as in the case of the Federal estate tax—the Congress has permitted State taxes to be credited against Federal taxes in order to prevent inequities.

"7. This assembly believes that this situation arose and continues because Congress has not been cognizant of its existence, and that a fully informed Congress will correct it: Now, therefore, be it

"Resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky (the Senate concurring therein), That the Congress of the United States be, and it hereby is, requested to enact appropriate legislation under which State excise taxes on the production of distilled spirits will be credited, in an amount not exceeding $2 per gallon against the Federal withdrawal tax on distilled spirits."

A concurrent resolution of the Legislature of the State of Kentucky; to the Committee on Public Works:

"A concurrent resolution memorializing the Congress to enact legislation to provide for a bridge across the Ohio River between Hawesville, Ky., and Cannelton, Ind.

"Whereas Representative DENTON of the State of Indiana has introduced a bill in the Congress of the United States which, if passed and approved by the President, would assure the construction of a bridge across the Ohio River between Hawesville, Ky., and Cannelton, Ind.; and

"Whereas such bridge would be of immeasurable benefit to industry of the area as well as a great convenience to the people generally; and

"Whereas it appears that the proposal outlined in the Denton bill provides the most practical and economical means of financing the cost of construction of such bridge as well as the soundest method of fiscal administration of the completed structure; and

"Whereas immediate construction of such bridge appears possible only through favorable action by the Congress on the said Denton bill: Now, therefore, be it

"Resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky (the Senate concurring therein):

"SECTION 1. That the Congress of the United States act, in the exercise of its broad legislative powers, to provide legislation designed to assure the construction of a bridge across the Ohio River between Hawesville, Ky., and Cannelton, Ind.

"SEC. 2. That the clerk of the house of representatives cause copies of this resolution to be transmitted to the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each Kentucky Member of Congress."

A resolution of the Senate of the Commonwealth of Kentucky; to the Committee on Public Works:

"A resolution requesting the Congress to take necessary legislative action to insure the construction of a steam power generating plant near Wolf Creek Dam on Lake Cumberland

"Whereas additional electrical power is urgently needed in the Tennessee Valley Authority system; and

"Whereas the area immediately adjacent to Lake Cumberland offers an ideal location for a steam power generating plant inasmuch as adequate supplies of high-grade bituminous coal and water are locally available; and

"Whereas there are already in existence, in the area, three power lines suitable for transmission of high-voltage electricity; and

"Whereas such generating plant would serve the dual purpose of providing more power for the TVA system and furnishing a source of employment for many people in the area thus bolstering and stabilizing the economy; and

"Whereas the operation of such plant would serve to stabilize the level of water in Lake Cumberland, during the periods of least rainfall in the summer season, the recreational potential of the area would be expanded offering to citizens of that section of Kentucky additional much needed facilities: Now, therefore, be it

"Resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

"That the Congress of the United States act, in the exercise of its broad legislative power, to insure the construction, at the earliest possible time, of a steam-electric power generating plant near Wolf Creek Dam on Lake Cumberland.

"That the clerk of the senate cause copies of this resolution to be mailed to the President of the United States of America, to the clerk of the Senate of the United States, to the Governor of Kentucky, to the Chairman of the Tennessee Valley Authority, the commanding general of the Corps of Engineers, and to each member of the Kentucky delegation to the Congress."

The memorial of D. R. Bailey, of Sacramento, Calif., remonstrating against the enactment of House bill 5550, relating to the general agreement on tariffs and trade; to the Committee on Finance.

A petition signed by Walter Lesniak, of Akron, Ohio, and sundry other citizens of the State of Ohio, relating to religious persecution in Ukraine; to the Committee on Foreign Relations.

A resolution adopted by the Nebraska Junior Chamber of Commerce, at Holdredge, Nebr., endorsing and commending the objectives of the Hoover Commission on Reorganization in the Executive Branch of the Government (with accompanying papers); to the Committee on Government Operations.

A statement in the nature of a petition from the Mission Indian Federation of California, signed by Purl Willis, counselor, relating to the repeal of all restrictions and limitations over the lives and property of Indians in the State of California; to the Committee on Interior and Insular Affairs.

A resolution adopted by Republican Clubs in the area of Anchorage, Alaska, favoring the enactment of legislation providing statehood for Alaska; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Congress of Freedom, Inc., Omaha, Nebr., favoring an investigation into Communist activities (with accompanying papers); to the Committee on the Judiciary.

The petition of Philip Wittenberg, of New York, N. Y., praying for a redress of grievances; to the Committee on the Judiciary.

The petition of Richard Bladel Mossman, of Bettendorf, Iowa, praying for a redress of grievances; to the Committee on the Judiciary.

A resolution adopted by the executive committee of the Cleveland Chapter of the American Institute of Architects, Inc., Cleveland, Ohio, protesting against any alteration of the east front of the Capitol Building in Washington, D. C.; to the Committee on Public Works.

A letter from the German Ambassador, expressing regret on the death of the late Senator Barkley of Kentucky; ordered to lie on the table.

A cablegram from E. Rodriguez, Sr., President of the Philippine Senate, on behalf of the Philippine Senate, expressing sympathy and condolence on the death of the late Senator Alben W. Barkley of Kentucky; ordered to lie on the table.

A telegram from Manlio Brosio, Ambassador of Italy, expressing condolences on the death of the late Senator Alben W. Barkley of Kentucky; ordered to lie on the table.

A cablegram from Julita Franklin, president, United Women of America, Puerto Rico, expressing condolence for the death of the late Senator Alben W. Barkley of Kentucky; ordered to lie on the table.

A cablegram from the Senate of the Commonwealth of Puerto Rico, signed by Julio C. Torres, Secretary, expressing condolences at the death of the late Senator Alben W. Barkley, of Kentucky; ordered to lie on the table.

By Mr. SALTONSTALL (for himself and Mr. KENNEDY):

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on the Judiciary:

"Resolutions memorializing Congress to pass legislation preserving to the States the right to enforce legislation against treason, sedition, and subversive activities

"Whereas the Supreme Court of the United States in the case of *Pennsylvania* v. *Nelson*, decided April 2, 1956, held that Congress has superseded the power of the States to prosecute for sedition against the United States; and

"Whereas the Court based its decision on an implied intent of Congress which would be negatived by an express provision in the law showing no intent to supersede; and

"Whereas the decision of the Court has made it impossible for the Commonwealth fully to protect its government and its people against subversive groups: Therefore be it

"Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation to preserve to the States the right to enforce legislation against treason, sedition, and subversive activities; and be it further

"Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to amend the Smith Act of 1940 to show an intent of Congress not to supersede the power of the States to prosecute sedition against the United States; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the Secretary of State to the President of the United States, to the presiding officer of each branch of the Congress, and to each of the members thereof from this Commonwealth."

The PRESIDENT pro tempore laid before the Senate resolutions of the General Court of the Commonwealth of Massachusetts, identical with the foregoing, which were referred to the Committee on the Judiciary.

RHODE ISLAND HERITAGE WEEK—PROCLAMATION

Mr. GREEN. On behalf of my colleague, the junior Senator from Rhode Island [Mr. PASTORE], and myself, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a proclamation issued by His Excellency, Dennis J. Roberts, Governor of Rhode Island, entitled "Rhode Island Heritage Week."

There being no objection, the proclamation was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Our heritage is best understood by a study of the things that the ordinary folk of America, and in this instance Rhode Island, have done, thought, and dreamed since first they began to live here.

History is a continuous process; it extends far back into the past; and it will go on, in spite of today's uneasiness about our future, for history is the story of the people. It is people who make the pattern.

It was Bruce Catton, editor of American Heritage, in the first volume, first number, who said: "Our American heritage is greater than any one of us. It can express itself in very homely truths; in the end, it can lift up our eyes beyond the glow in the sunset skies."

Rhode Island is rich in heritage and tradition. The first free republic in the New World was created in Rhode Island, May 4, 1775. At that time, the General Assembly of the Colony of Rhode Island took action to declare the colony independent from Great Britain. To mark the 180th anniversary of this occasion, a statewide committee has been formed and has designated May 1–8, 1956, as "Rhode Island Heritage Week"

Memorable episodes are: the burning of the British sloop of war, *Gaspee*, to the water's edge in Narragansett Bay, first open act of aggression against the Crown; "The Rhode Island Plan" adopted by the Continental Congress that brought about the Nation's first Navy; Esek Hopkins of Rhode Island, the first commander in chief of the Continental Navy.

Religious freedom has also played a leading role in our State's history; the Baptist religion was founded in Rhode Island by Roger Williams in 1638. Newport has three of the oldest houses of worship in America: The Quaker Meeting House; Seventh Day Baptist Meeting House; and the Jewish Synagogue, now a national shrine.

Now, therefore, do I, Dennis J. Roberts, Governor of the State of Rhode Island and Providence Plantations, proclaim the week of May 1–8, 1956, as Rhode Island Heritage Week, asking our citizens to remember that it is a trust to preserve for public enjoyment beautiful and historic places and shrines in Rhode Island, symbolizing the struggles, the sacrifices and the hopes of people in great moments of crisis. Indeed Rhode Island's heritage is a rich one to which the present is contributing in inspired continued activities.

In testimony whereof, I have hereunto set my hand and caused the seal of the State to be affixed this 9th day of April, in the year of our Lord, one thousand nine hundred and fifty-six, and of independence, the one hundred and eightieth.

DENNIS J. ROBERTS,
Governor.

By the Governor:

ARMAND H. COTÉ,
Secretary of State.

THE FOREIGN-AID PROGRAM—PETITION

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a petition I have received, signed by a number of New Hampshire citizens, with the request that it be so printed. The petition deals with the foreign-aid program and the current method of administering it. It represents a grassroots appraisal of the program and I think it makes pertinent and thoughtful reading at this particular time when the need for a reappraisal of our foreign-aid program is so much indicated in view of requests for long-term commitments. We must remember that the foreign-aid program was conceived and has been essentially conducted as a "crash" program and has never been reviewed in the light of long-term policy.

There being no objection, the petition was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, without the signatures attached, as follows:

WILTON, N. H., *April 2, 1956.*

Senator STYLES BRIDGES,
Senate Office Building,
Washington, D. C.

DEAR SIR: We, as taxpaying and voting citizens, protest the lack of consideration of our elected representatives.

This letter above our signatures is in protest against the handling of our tax dollars—our billions of tax dollars.

At home the tax dollars of one group are exploited for the benefit of another, and we ask you to use your judgment and talent and vote to keep Government spending on a fair basis for as many of us as possible.

We ask you also to stop using our tax dollars to accomplish what Government policy and trained diplomats have apparently been unable to accomplish through commonsense in dealing with the rest of the world. The amount of money contributed by our country to other countries has in nowise achieved the desired result. Undeniably, the result has been for them to "discover" need for additional funds from us, and as usual these funds have been forthcoming. Money will not buy a friendship between countries any more than it will between individuals.

These donations to the rest of the world will not prevent our being involved in another war which will cause greater destruction and more human misery than World War II, even without atomic warfare, unless diplomacy has been on a higher level than just plain money. Also, it goes without saying, these tax dollars spent abroad or given to the world in general will in nowise prevent our country from being atom-bombed.

Therefore, the reason for our letter is to ask that American citizens not be so heavily imposed upon to support a foreign government that will not help itself to a greater degree than we help them with the dollars we ourselves have earned. Inherent in most Americans is the ability and willingness to help themselves. We offer sincerely a plea that you will make a great effort on behalf of all Americans to stop what all of us know is wasteful and unnecessary spending, by doing what you can to make less money available by reducing income taxes. The less the amount involved, the greater wisdom and discretion will be used in handling of this money.

Please put yourself in our place a moment to reflect on how you would want us to act in your behalf, were the shoe on the other foot. Some of us voted for you; some of us did not. Perhaps among us are some who have written and expressed appreciation for your legislative activities. We hope so. We hope yours has not been a thankless job.

Most of us are voters, all of us are taxpayers. We want those we elect to reasonably represent us. Therefore, may we ask

that you acknowledge our letter and continue to let us know of your progress on this matter of unreasonable income taxes.

A copy of this letter is being retained for a reminder come next election, and will be as widely publicized as possible—along with your account of personal efforts in behalf of our citizens who pay income taxes.

RESOLUTIONS OF UMATILLA COUNTY (OREG.) CATTLEMEN'S ASSOCIATION

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the RECORD two resolutions adopted by the Umatilla County Cattlemen's Association, at their annual 1956 meeting.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY UMATILLA COUNTY CATTLEMEN'S ASSOCIATION, 17TH ANNUAL MEETING, JANUARY 26, 1956

RESOLUTION NO. 9

Be it resolved, That the Umatilla County Cattlemen's Association endorse the stand of the Oregon Cattlemen's Association in resisting the reduction in freight rates on dressed cattle from East to the West and that the Secretary be instructed to so advise the State association office.

RESOLUTION NO. 10

Without being in oppositior to the principles of a Federal farm program featuring the so-called soil-bank plan the Umatilla County Cattlemen's Association is concerned in the operation of such a plan. This association feels that if cropping or grazing were allowed on acres left in the soil bank, or any other diversion plan, it would force additional livestock numbers nationally and result in a disaster to the livestock industry. Therefore, this association resolves to oppose any plan which would allow cropping or grazing on land which farmers have received payments to lay idle.

RESOLUTIONS OF MALHEUR COUNTY (OREG.) LIVESTOCK ASSOCIATION

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the RECORD two resolutions adopted by the Malheur County Livestock Association, at their annual meeting in Ontario, Oreg.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS OF MALHEUR COUNTY LIVESTOCK ASSOCIATION, ONTARIO, OREG.

RESOLUTION NO. 1

Whereas the Supreme Court has ruled in the Pelton Dam case that, in effect, the States have no power whatsoever to limit or prevent a Federal agency from assigning to itself or to a private company or individual, a project using water bounded by lands owned and reserved by the Federal Government; and

Whereas this policy jeopardizes the present and future water rights of livestock operators and farmers: Therefore be it

Resolved, That the Malheur Livestock Association give all possible support to the State of Oregon to restore its rights to adjudicate all of the waters of the State of Oregon not covered under the Federal rights to navigable streams; be it further

Resolved, That Oregon Senators and Representatives be contacted in an effort to pass legislation to curb the Federal Power Commission's power to adjudicate these State waters.

RESOLUTION NO. 2

Whereas the United States Army has now a 3½-million acre gunnery range in Nevada; and

Whereas the United States Navy proposes to set aside an additional 3 million acres of public land for a jet gunnery range: Now, therefore, be it

Resolved by the Malheur County Livestock Association, That they go on record—

1. Objecting to the general policy of the acquisition and the appropriation of public lands by any one group for any one purpose.

2. Recommending that the Army and Navy use the same range for gunery rather than deprive 30,000 cattle and 35,000 sheep of their range.

3. Recommending that if the range is taken by the Navy that the ranchers deprived of the range be compensated on the basis of economic value of the range to their base property.

4. Recommending that if the armed services abandon any of their ranges at any time that it be returned to the base property taken from originally.

NATIONAL FOOD STAMP PLAN—RESOLUTION

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by Pomona Grange No. 10, Lincoln County, Oreg., signed by the master, Neal Maw, and the secretary, Alga E. Huntsucker, relating to a national food stamp plan.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF LINCOLN POMONA GRANGE, NO. 10, TOLEDO, OREG.

Whereas there appears to be a number of agricultural products in excess supply at the present time, according to reports from the United States Department of Agriculture; and

Whereas it appears that there is a large group of citizens in the lower income brackets who could use a considerable portion of this excess supply if made available to them in some feasible manner; and

Whereas the food stamp plan has been used quite satisfactorily in the past: Therefore be it

Resolved by Lincoln Pomona Grange in regular session assembled this 10th day of December 1955, That we urge the revival on a national scale of the food stamp plan; and be it further

Resolved, That a copy of these resolutions be sent to our delegation in the United States Senate and Congress urging them to study carefully this proposal and support it, if a practical plan is developed and workable, and be it further

Resolved, To send copies to the other Pomonas in the State and also one copy to the State Grange office.

NEAL MAW,
Master.
ALGA E. HUNTSUCKER,
Secretary.

EXTENSION OF INDIAN CLAIMS COMMISSION—RESOLUTION

Mr. HUMPHREY. Mr. President, the chairman of the intertribal council, and other designated members of intertribal councils, representing a clear majority of the Indians throughout the United States, have recently urged Congress to enact the bill (H. R. 5566) to extend the life of the Indian Claims Commission by 5 years, and to reject the proposal of the Attorney General to amend the Indian Claims Commission Act to defeat Indian title claims. I ask unanimous consent that the resolution to which I refer, dated April 24, be printed in the RECORD at this point and appropriately referred.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

RESOLUTION OF INDIAN INTERTRIBAL COUNCIL PRESIDENTS AND MEMBERS ON H. R. 5566

Whereas pursuant to the provisions in the platforms of both political parties the Indian Claims Commission Act of 1946 was enacted through bipartisan support to open the courts to Indian tribes to have a full and final adjudication of all their claims against the United States; and

Whereas the courts of the United States have upheld the right of Indians to assert claims based upon original Indian title in accordance with the intent of Congress demonstrated in the Indian Claims Commission Act; and

Whereas Indian people everywhere consider the full and complete adjudication of their claims on a fair and honorable basis an essential part of any effective Indian program; and

Whereas the life of the Indian Claims Commission will expire in April 1957 and must be extended to enable the Commission to finish its business; and

Whereas the Assistant Attorney General charged with defending Indian claims has sought to defeat certain claims by appealing to Congress for an amendment to H. R. 5566 which would prevent the Indians from asserting claims based upon original Indian title; and

Whereas many of the Indian tribes with the approval of the Secretary of the Interior have been spending tribal funds, in some instances their last available cash resources, in the prosecution of Indian title claims which the Department of Justice has been defending on their merits for almost 8 years before raising these present contentions; and

Whereas the Indian tribes in the various parts of the United States have affiliated in inter-tribal councils in their respective areas and the following chairmen and members of those inter-tribal councils have met and considered the importance of these matters to Indians everywhere; Now, therefore, be it

Resolved by the undersigned Inter-Tribal Council Chairmen and other designated members of Inter-Tribal councils, representing a clear majority of the Indian tribes throughout the United States, That:

1. Congress enact H. R. 5566 to extend the life of the Indian Claims Commission by 5 years without other amendment to the existing law, and

2. Congress reject the proposal of the Attorney General to amend the Indian Claims Commission Act to defeat Indian title claims and thus preserve the original intent of Congress in enacting the Indian Claims Commission Act that all Indian claims be fully and finally disposed of on a fair and honorable basis.

Dated this 24th day of April 1956.

All Pueblo Council, by John C. Rainer, Chairman; Affiliated Tribes of the Northwest, by Joseph R. Garry, President, Eagle Seelatsee, Kiutus Jim, George Umtuch, Joe Meninick, Members; Arizona Inter-Tribal Council, by Clarence Wesley, President; Jesse Stevens, Member; California Indian Congress, by Vyola Olinger, President; Minnesota Chippewa Tribes, by Ed M. Wilson, Vice Chairman; Montana Inter-Tribal Policy Board, by Walter W. McDonald, President; Confederated Tribes of Nevada, by Walter Voorhees,

Chairman; North Dakota Inter-Tribal Council, by Martin T. Cross, President; William Dean, Member; Inter-Tribal Council of the Five Civilized Tribes of Oklahoma, by N. B. Johnson, Chief Justice, Supreme Court of Oklahoma, President; Western Washington Inter-Tribal Council, by Tandy A. Wilbur, Vice Chairman.

REPORTS OF RESOLUTIONS COMMITTEE OF 11TH MISSISSIPPI VALLEY WORLD TRADE CONFERENCE

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a report of the resolution committee of the 11th Mississippi Valley Conference.

There being no objection, the report was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

REPORT OF THE RESOLUTIONS COMMITTEE OF THE 11TH MISSISSIPPI VALLEY WORLD TRADE CONFERENCE, APRIL 17, 1956

Whereas it is the sense of the meetings and conclusions of the 11th Mississippi Valley World Trade Conference that the best interests of the American people will be served by expanding our trade with the rest of the world; and

Whereas the elimination of burdensome restrictions on the flow of commerce between this country and the free world would have the following salutary effects:

1. Strengthen the free enterprise market economy in the world;

2. Provide the economic advantages to be derived from geographic specialization and division of labor;

3. Create a feeling of mutual understanding and respect between the people in various countries which is conducive to peace and to the security of the free world; and

Whereas Communist Russia is now actively seeking to advance Communist influence through economic means; and

Whereas there are certain steps and actions which can be taken now to advance these sentiments and conclusions, the resolutions committee of the 11th Mississippi World Trade Conference recommends that the following resolutions be adopted by this conference and implemented by the council: Now, therefore, be it

Resolved:

(1) That, with H. R. 5550, the bill to authorize United States participation in the Organization for Trade Cooperation, ready for floor action in the House of Representatives very soon (it was reported favorably by the Ways and Means Committee on March 26, 1956, by a vote of 17 to 7) immediate steps should be taken to assist its passage through the House. Specifically, a communication should be addressed to each Representative in the Mississippi Valley urging support of H. R. 5550. Furthermore, each delegate to the 11th Mississippi Valley World Trade Conference is asked to communicate personally with his Representative in Congress and to ask him to vote favorably upon this bill.

2. That the 11th Mississippi Valley World Trade Conference reaffirms its interest in the passage of legislation which would simplify customs procedures in accordance with the recommendations of President Eisenhower and/or the Randall Commission. The Conference asks that H. R. 6040, the customs simplification bill which passed the House of Representatives last spring, be reported out of the Senate Finance Committee and enacted in a form that will remove many of the eccentricities and aberrations in the customs valuation law and enable international traders to be more certain of the valuation that will be placed upon imported commodities.

3. That the conference views with alarm the current attempts to place import quotas on various commodities.

4. That the conference objects to efforts being made to obtain protection against imports through unwarranted applications of the so-called national security amendment to the Trade Agreements Act.

MORRIS G. MAHER.
SHEPARD JANÉ.
J. H. BOYD.
C. W. HERBERT.
G. M. MELLIN,
Chairman.

DEVELOPMENT OF POWER ON NIAGARA RIVER AND THE CONSTRUCTION OF HELLS CANYON DAM—RESOLUTION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the board of directors of the Burke-Divide Electric Cooperative, Inc., of Columbus, N. Dak., relating to the development of power on the Niagara River and the construction of Hells Canyon Dam.

There being no objection, the resolution was ordered to be printed in the RECORD as follows:

RESOLUTION OF BURKE-DIVIDE ELECTRIC COOPERATIVE, INC., COLUMBUS, N. DAK.

Whereas there is now before Congress the Morse-Pfost bill on Hells Canyon and the Lehman-Davidson bill on Niagara; and

Whereas we, the directors of the Burke-Divide Electric Cooperative, Inc., of Columbus, N. Dak., feel that the speedy development of these projects, and especially the Hells Canyon project, as provided in the Morse-Pfost bill would be a development of the natural resources in an efficient and comprehensive manner and would furnish an abundant amount of low-cost electric power resulting in a maximum benefit to everybody in the surrounding territory: Now, therefore, be it

Resolved, That the board of directors of the Burke-Divide Electric Cooperative, Inc., of Columbus, N. Dak., do hereby request our Senators and Representatives in Congress to use their influence and work for a speedy passage of both the Hells Canyon and Lehman-Davidson bills; be it further

Resolved, That a copy of this resolution be mailed to each of our Senators and Representatives in Congress at their offices in Washington, D. C.

HENRY T. SWEENEY,
President.

Attested:

GLENDON BRYAN,
Secretary.

INCLUSION OF ATTORNEYS IN PROVISIONS OF SOCIAL SECURITY ACT—RESOLUTIONS AND RESULTS OF POLL

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter, addressed to me, by Alice O'Leary Ralls, executive secretary of the Washington State Bar Association, transmitting two resolutions, adopted by that association, and the results of a poll taken in the State of Washington, relating to voluntary and compulsory social security for attorneys.

There being no objection, the letter, resolutions, and the results of the poll were ordered to be printed in the RECORD, as follows:

WASHINGTON STATE BAR ASSOCIATION,
Seattle, April 18, 1956.

DEAR SIR: The board of governors of the Washington State Bar Association has requested that I send you the following material:

1. Resolution opposing legislation proposed in the 84th Congress, and identified as H. R. 1601, H. R. 5206, H. R. 2416 and S. 2436, which legislation attempts to provide the Federal Government with the power to authorize persons not members of the bar to practice law;

2. Resolution favoring the enactment of H. R. 5649 dealing with writs of habeas corpus; and

3. The results of the poll taken in the State of Washington relative to the wishes of the members of the bar association concerning voluntary and compulsory social security.

Sincerely,

ALICE O'LEARY RALLS,
Executive Secretary.

Whereas the Washington State Bar Association deems it one of its primary functions to safeguard the public's interest and welfare against attempts of untrained, unqualified, and unregulated lay persons to engage in the practice of law; and

Whereas H. R. 1601, H. R. 5206, H. R. 2416 and S. 2436, 84th Congress, in our opinion, all seek to clothe the Federal Government with power to regulate the practice of law and to authorize persons not members of the bar to practice law: Now, therefore, be it

Resolved, That the Washington State Bar Association opposes the legislation proposed in the 84th Congress which has been identified as H. R. 1601, H. R. 5206, H. R. 2416 and S. 2436; and be it further

Resolved, That the Washington State Bar Association does now, and in the future shall, oppose any legislation which in principle aims to provide the Federal Government with the power to authorize persons not members of the bar to practice law; and be it also

Resolved, That this resolution be transmitted to each member of the United States Senate from the State of Washington, to each Member of the House of Representatives from the State of Washington, to each member of the Ways and Means Committee of the House of Representatives, to each member of the Committee on Finance of the Senate and to each member of the House and Senate Committees on the Judiciary.

Approved by the board of governors of the Washington State Bar Association on March 30, 1956.

WASHINGTON STATE BAR ASSOCIATION,
HAROLD W. COFFIN, *President.*
ALICE O'LEARY RALLS
Executive Secretary.

Whereas there is now pending before the 84th Congress a bill to amend Section 2254 of title 28 of the United States Code in reference to applications for writs of habeas corpus by persons in custody pursuant to the judgment of a State court; and

Whereas it is advisable that Congress be informed of the opinions and desires of the Washington State Bar Association as to such legislation: Be it

Resolved, That we, the Washington State Bar Association, favor the enactment of H. R. 5649.

Approved by the board of governors of the Washington State Bar Association on March 30, 1956.

WASHINGTON STATE BAR ASSOCIATION,
HAROLD W. COFFIN, *President.*
ALICE O'LEARY RALLS,
Executive Secretary.

RESULTS OF WASHINGTON STATE BAR ASSOCIATION QUESTIONNAIRE ON INCLUSION OF LAWYERS WITHIN THE SOCIAL SECURITY ACT

(a) Do you favor coverage of self-employed lawyers within the Social Security Act on a voluntary basis? Yes, 1,667; no, 265; not voting, 149.

(b) Do you favor coverage of self-employed lawyers within the Social Security Act on a compulsory basis? Yes, 911; no, 855; not voting, 315.

(c) Do you favor complete exclusion of self-employed lawyers from the Social Security Act? Yes, 167; no, 1,432; not voting, 482.

(d) If your answers above to questions (a) and (b) show that you favor voluntary coverage but oppose compulsory coverage, what is your choice if voluntary coverage is not obtainable? In that event, do you favor: Compulsory coverage? 1,141; complete exclusion? 542; not voting, 398.

Total number of ballots mailed, 3,173.

Number of ballots returned, 2,081.

FEDERAL HIGHWAY AID PROGRAM—LETTER AND MEMORANDUM

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD a letter sent to me by Walter P. Reuther, president, United Automobile Workers, together with a memorandum relating to the Federal highway aid program.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 1, 1956.*

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LANGER: On January 11, 1956, the UAW International Executive Board in adopting a 1956 legislative program, copy of which was sent to you February 11, 1956, urged enactment of a Federal highway aid program "financed by Federal taxes based on ability to pay, not by sales taxes on gas, oil, tires, trucks, cars, parts, or by tolls."

H. R. 10660, passed by the House April 27, 1956, and now in Senate Committee, proposes that the Federal share of the cost of new highways be raised by sales taxes, discriminatory against low-income families.

The proposal would impose $14.8 billion in new sales taxes, and increase sales-tax rates. The families whose incomes are below $5,000 per year would pay $3.1 billion more through these new taxes and these higher rates than they would pay if the money were taken out of general revenues during the 16-year building program.

Simultaneously it is reported that an anticipated $2 billion surplus of revenues over expenditures may result in the Federal income tax, assumed to be popular in this election year.

It is unfair, unwise, and unnecessary to propose an increase of Federal sales taxes and, at the same time, to reduce income-tax rates, thus shifting a substantial part of the total tax burden from upper-income families to families with low incomes.

We transmit herewith a memorandum setting forth in more detail our reasons for opposing an increase of sales taxes to pay for much-needed new highways, and our reasons for opposing the preexemption of existing sales-tax revenues for specific Federal expenditures.

Instead of loading an unfair share of the cost of new highways on low-income families, as proposed in H. R. 10660, we urge that it be met out of general revenues, 85 percent of which, under the present Federal tax structure, is derived from taxes based upon ability to pay. We prefer to believe that Congress will not say that progress on highways is possible only by backward steps in taxation.

We also urge you to speak and vote against any attempt to strike or weaken the Bacon-Davis prevailing-wage provisions in the bill, or, if the Gore bill, already passed by the Senate, is substitute, to restore the Bacon-Davis provisions in that bill.

Sincerely yours,

WALTER P. REUTHER,
President, United Automobile Workers.

MEMORANDUM IN OPPOSITION TO THE SALES TAX PROVISIONS OF H. R. 10660 AND IN SUPPORT OF MEETING THE FEDERAL SHARE OF COSTS OF NEW HIGHWAYS OUT OF GENERAL REVENUES WHICH ARE BASED CHIEFLY (85 PERCENT) UPON ABILITY TO PAY

H. R. 10660 proposes to pay the Federal share of the cost of new highways by:

(1) raising rates of existing excise taxes, which in reality are sales taxes imposed at the manufacturing, sale, or consumption point, and creating new sales taxes. This part of the proposal would bring in nearly a billion dollars of revenue per year—$14.8 billion in 16 years.

(2) preempting this sum and an additional $1.5 billion per year ($23.7 billion in 16 years) of the revenue from existing Federal sales taxes.

We are opposed to both parts of this proposal. Our reasons are given below.

I

It would be unfair to impose new sales taxes, and to raise rates of existing sales taxes.

Sales taxes are an unjust and inequitable way of raising revenue. They place an undue share of the tax burden on low-income families; they permit those best able to pay taxes to get away with making a minor contribution to the cost of Government.

The State governments and many of the local governments now derive a large share of their tax revenues from sales and similar taxes. Any increase in the Federal sales taxes is an additional imposition on these families, many of whom now have much less income after taxes than is needed for a decent standard of living.

How unfair these new Federal sales taxes would be can be seen from the following comparison of the distribution of a billion dollars of sales tax revenue with a billion dollars derived from the general Federal tax structure:

Families, whose incomes are—	Under $5,000	$5,000 to $10,000	Over $10,000
Will pay these amounts—	*Billion*	*Billion*	*Billion*
To raise $14.8 billion in sales taxes (H. R. 10660)	$7.0	$5.7	$2.1
To raise $14.8 billion from general revenues	3.9	5.2	5.7
In addition will be committed to the following amounts—			
For preempted $23.7 billion in existing sales taxes (H. R. 010660)	11.2	9.1	3.4
For $23.7 billion in general Federal taxes	6.3	8.2	9.2
Total burden:			
Under H. R. 10660	18.2	14.8	5.5
From general revenues	10.2	13.4	14.9

It becomes clear from this comparison that the adoption of these new and increased sales taxes is a way of loading onto the under-$5,000 families a new tax burden that is greater by $3.1 billion than they would have to pay if the money were raised through the general tax structure. At the same time it fixes on these families an additional extra tax burden of nearly $5 billion in excise taxes which cannot be reduced for 16 years no matter what happens to budgets and revenue surpluses in the years ahead. The difference to the lower income families between this proposal and our proposal is approximately $8 billion.

It is clear, too, that the difference serves no general public purpose; it merely relieves the rich of a share of taxes that they would otherwise have to pay.

The injustice of adopting a proposal like this one at the present time should be clear to everyone because of the discussion in the press of the expected Federal surplus of $2 billion. This surplus, we are being told, will make possible a tax cut in the near future—one can presume before election day. No plan has yet been advanced for making the tax cut; however, we can be sure that at least part of such a plan would be a cut in income taxes.

It is impossible to estimate how the benefits of the projected tax cut would be distributed among the people. It becomes almost a certainty that the tax burden of the upper income families will be reduced more by an income-tax cut than the tax burden on such families will be increased by the new sales taxes; the lower income families, on the other hand, will benefit relatively little through an income-tax cut, but will have to pay a large share of sales-tax increases.

The effect, then, of an increase in excise taxes while other Federal taxes are being cut would be to shift a large part of the cost of the proposed new highway program from the rich to the poorer families of America.

That the 84th Congress could make the lower income families the victim of a tax switch of this kind seems almost inconceivable. Yet the House has accepted it. Will the Senate do so, too?

II

The second part of the proposal would earmark part of the revenue from existing sales taxes for roads. It would freeze these taxes into the Federal tax structure, so that, even if other taxes can be cut, these taxes will be maintained at their new, high levels.

No other Federal taxes are earmarked as these taxes will be.

To permit roadbuilding to preempt tax revenue in this manner is to put the needs of highway users ahead of the needs of our people for schools and for the many other services which in the minds of most people are equally important; in addition, it tends to chisel away purchasing power for cars, trucks, tires, parts, and other equipment used on the highways.

III

The excuse that is given for this tax program is that these sales taxes make those who benefit from the roads pay for them. However, examination of the road program shows that this is not the case.

In the first place, the gasoline tax, which would raise $28.9 billion of the $38.5 billion, hits practically every car user, regardless of whether he is using the highways at the time or not. The worker driving to work will pay the tax just as will the tourist or the truckers. The local transit companies have gotten themselves an exemption from this tax, but no other car on the city streets or country roads is exempt.

Further, the tax on gasoline is the same, 3 cents per gallon, as the tax on diesel fuel used by the heavy trucks. However, the number of miles traveled on these roads—and particularly the number of pound-miles of use made of the roads—per gallon of diesel fuel is much greater than per gallon of gasoline. Thus, the truckers who benefit are not taxed their fair share of the cost of the roads. The proponents of the bill argue that this difference is made up by the tax on trucks, buses, and trailers. These taxes will pay for about 8 percent of the cost of the roads. This is hardly a representative share of the use that the big trucks and buses will make of the roads.

The basic objection to financing the bill with sales taxes, however, lies in the fact that these taxes are passed along to, and paid

by the consumer, with the heavy part of the burden laid on the lower-income consumers of the country. At the same time, those who profit directly from the use of the roads, like the motel operators, the gasoline and oil corporations, the trucking companies, and the bus lines, will pay no taxes out of their profits for building of the roads that make these profits possible.

The need to protect the buying power of lower-income families against unfair taxes is always great. This plan is a specific threat to the buying power of these families, and sets a precedent on which new threats will be based in the years ahead.

The UAW opposes this proposal and urges instead that the cost of the roads be paid from general tax revenues so that the bigger incomes may be required to carry their fair share of the burden, as they must today for the other normal expenditures of the Federal Government.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 742. A bill to improve the administration of the public airports in the Territory of Alaska (Rept. No. 1953); and

S. 1833. A bill to amend the Merchant Marine Act of 1936, as amended (Rept. No. 1954).

By Mr. LONG, from the Committee on Interior and Insular Affairs, with amendments:

S. 746. A bill to provide for the return to the former owners of certain lands, including Indian tribal lands, acquired in connection with the Garrison Dam project of mineral interests in such lands (Rept. No. 1955).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

H. R. 3738. A bill for the relief of Roy M. Hofheinz and wife Irene (Rept. No. 1957).

PAYMENTS TO OWNERS OF NON-FEDERAL WATER-USE FACILITIES FOR HYDROELECTRIC POWER BENEFITS — MINORITY VIEWS (PART 2 OF S. REPT. NO. 1865)

Mr. NEUBERGER, on behalf of himself, Mr. JACKSON, and Mr. O'MAHONEY, as members of the Committee on Interior and Insular Affairs, pursuant to the order of the Senate of April 26, 1956, submitted minority views to accompany Report No. 1865, on the bill (S. 1574) to provide for payments by the Secretary of the Interior to owners of non-Federal water-use facilities for hydroelectric power benefits realized by the United States therefrom, and for other purposes, which were ordered to be printed.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—UNEXPENDED BALANCES, FOREIGN AID (S. REPT. NO. 1958)

Mr. BYRD. Mr. President, pursuant to section 601 of the Revenue Act of 1941 (55 Stat. 726), as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report entitled "Unexpended Balances, Foreign Aid," which I ask to have printed.

The PRESIDENT pro tempore. The report will be received and printed, as requested by the Senator from Virginia.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL PERSONNEL AND PAY

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of February 1956. In accordance with the practice of several years' standing, I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, MARCH 1956 AND FEBRUARY 1956, AND PAY, FEBRUARY 1956 AND JANUARY 1956

PERSONNEL AND PAY SUMMARY

(See table I)

Information in monthly personnel reports for March 1956 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In March numbered—	In February numbered—	Increase (+) or decrease (−)	In February was—	In January was—	Increase (+) or decrease (−)
Total [1]	2,352,647	2,351,371	+1,276	$838,266	$872,573	−$34,307
Agencies exclusive of Department of Defense	1,188,065	1,185,857	+2,208	424,101	441,611	−17,510
Department of Defense	1,164,582	1,165,514	−932	414,165	430,962	−16,797
Inside continental United States	2,148,220	2,146,440	+1,780			
Outside continental United States	204,427	204,931	−504			
Industrial employment	694,678	697,023	−2,345			
Foreign nationals	298,617	299,406	−789	26,311	27,543	−1,232

[1] Exclusive of foreign nationals shown in the last line of this summary.

Table I breaks down the above figures on employment and pay by agencies.

Table II breaks down the above employment figures to show the number inside continental United States by agencies.

Table III breaks down the above employment figures to show the number outside continental United States by agencies.

Table IV breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during March 1956, and comparison with February 1956, and pay for February 1956, and comparison with January 1956*

Department or agency	Personnel				Pay (in thousands)			
	March	February	Increase	Decrease	February	January	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	78,838	77,151	1,687		$24,732	$26,001		$1,269
Commerce [1]	43,702	43,430	272		18,280	19,186		906
Health, Education, and Welfare	45,181	44,987	194		16,891	17,565		674
Interior	48,154	47,375	779		18,627	19,460		833
Justice	30,534	30,601		67	14,123	14,722		599
Labor	5,537	5,478	59		2,427	2,466		39
Post Office	511,915	513,096		1,181	176,329	182,606		6,277
State [2]	29,678	29,410	268		10,873	11,292		419
Treasury	82,114	81,502	612		32,439	33,813		1,374
Executive Office of the President:								
White House Office	369	366	3		194	212		18
Bureau of the Budget	414	418		4	268	278		10
Council of Economic Advisers	30	30			22	30		8
Executive Mansion and Grounds	69	69			22	24		2
National Security Council [3]	27	28		1	17	18		1
Office of Defense Mobilization	278	297		19	165	169		4
President's Advisory Committee on Government Organization	6	6			4	3	$1	
President's Commission on Veterans' Pensions	34	32	2		24	34		10

[1] March figure includes 366 seamen on the rolls of the Maritime Administration and their pay.

[2] March figure includes 7,963 employees of the International Cooperation Administration, as compared with 7,720 in February, and their pay.

[3] Exclusive of personnel and pay of the Central Intelligence Agency.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during March 1956, and comparison with February 1956, and pay for February 1956, and comparison with January 1956*—Continued

Department or agency	Personnel				Pay (in thousands)			
	March	February	Increase	Decrease	February	January	Increase	Decrease
Independent agencies:								
Advisory Committee on Weather Control	25	17	8		$7	$6	$1	
Alexander Hamilton Bicentennial Commission	10	7	3		4	5		$1
American Battle Monuments Commission	718	677	41		89	97		8
Atomic Energy Commission	6,407	6,348	59		3,208	3,301		93
Board of Governors of the Federal Reserve System	562	557	5		264	277		13
Boston National Historical Sites Commission	2	2						
Civil Aeronautics Board	588	581	7		307	330		23
Civil Service Commission	4,019	4,020		1	1,786	1,837		51
Commission of Fine Arts	9	9			1	1		
Export-Import Bank of Washington	171	170	1		97	101		4
Farm Credit Administration	1,043	1,048		5	506	524		18
Federal Civil Defense Administration	1,024	1,018	6		524	540		16
Federal Coal Mine Safety Board of Review	8	8			4	5		1
Federal Communications Commission	1,126	1,120	6		564	586		22
Federal Deposit Insurance Corporation	1,137	1,133	4		530	544		14
Federal Home Loan Bank Board	669	649	20		294	304		10
Federal Mediation and Conciliation Service	345	345			227	241		14
Federal Power Commission	677	682		5	346	372		26
Federal Trade Commission	617	611	6		344	353		9
Foreign Claims Settlement Commission	134	140		6	68	73		5
General Accounting Office	5,546	5,579		33	2,447	2,572		125
General Services Administration	26,252	26,173	79		8,856	9,127		271
Government Contract Committee	18	20		2	6	6		
Government Printing Office	6,666	6,686		20	2,775	2,939		164
Housing and Home Finance Agency	10,012	10,092		80	4,587	4,845		258
Indian Claims Commission	13	13			7	10		3
Interstate Commerce Commission	1,923	1,917	6		936	997		61
Jamestown-Williamsburg-Yorktown Celebration Commission	3	3			2	2		
National Advisory Committee for Aeronautics	7,697	7,700		3	3,425	3,565		140
National Capital Housing Authority	256	259		3	95	101		6
National Capital Planning Commission	30	32		2	15	20		5
National Gallery of Art	333	324	9		99	109		10
National Labor Relations Board	1,107	1,112		5	613	631		18
National Mediation Board	105	108		3	74	79		5
National Science Foundation	236	219	17		109	114		5
National Security Training Commission	4	4			3	3		
Panama Canal	15,595	15,610		15	3,599	3,796		197
Railroad Retirement Board	2,240	2,269		29	853	862		9
Renegotiation Board	469	478		9	283	296		13
Rubber Producing Facilities Disposal Commission	6	7		1	3	6		3
St. Lawrence Seaway Development Corporation	27	27			19	18	1	
Securities and Exchange Commission	712	706	6		383	402		19
Selective Service System	6,836	6,831	5		1,611	1,690		79
Small Business Administration	791	798		7	424	450		26
Smithsonian Institution	697	693	4		253	260		7
Soldiers' Home	1,005	1,006		1	220	236		16
Subversive Activities Control Board	30	29	1		20	21		1
Tariff Commission	206	206			113	117		4
Tax Court of the United States	143	144		1	91	93		2
Tennessee Valley Authority	14,387	14,661		274	6,375	6,997		622
Theodore Roosevelt Centennial Commission	3	3			2	1	1	
United States Information Agency	10,714	10,666	48		2,820	2,831		11
Veterans' Administration	177,830	178,062		232	58,375	61,038		2,663
Woodrow Wilson Centennial Celebration Commission	2	2			1	1		
Total, excluding Department of Defense	1,188,065	1,185,857	4,217	2,009	424,101	441,611	4	17,514
Net change, excluding Department of Defense			2,208				17,510	
Department of Defense:								
Office of the Secretary of Defense	1,925	1,926		1	1,074	1,114		40
Department of the Army	431,635	433,211		1,576	149,188	154,960		5,772
Department of the Navy	396,441	398,992		2,551	149,851	157,144		7,293
Department of the Air Force	334,581	331,385	3,196		114,052	117,744		3,692
Total, Department of Defense	1,164,582	1,165,514	3,196	4,128	414,165	430,962		16,797
Net decrease, Department of Defense			932				16,797	
Grand total, including Department of Defense	2,352,647	2,351,371	7,413	6,137	838,266	872,573	4	34,311
Net change, including Department of Defense			1,276				34,307	

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during March 1956, and comparison with February 1956*

Department or agency	March	February	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	77,624	75,950	1,674	
Commerce [1]	40,732	40,486	246	
Health, Education, and Welfare	43,380	43,199	181	
Interior	43,319	42,589	730	
Justice	30,008	30,068		60
Labor	5,405	5,370	35	
Post Office	509,412	510,589		1,177
State [2]	7,779	7,765	14	
Treasury	81,116	80,516	600	
Executive Office of the President:				
White House Office	369	366	3	
Bureau of the Budget	414	418		4
Council of Economic Advisers	30	30		
Executive Mansion and Grounds	69	69		
National Security Council [3]	27	28		1
Office of Defense Mobilization	278	297		19
President's Advisory Committee on Government Organization	6	6		
President's Commission on Veterans' Pensions	34	32	2	
Independent agencies:				
Advisory Committee on Weather Control	25	17	8	
Alexander Hamilton Bicentennial Commission	10	7	3	
American Battle Monuments Commission	15	15		
Atomic Energy Commission	6,393	6,333	60	
Board of Governors of the Federal Reserve System	562	557	5	
Boston National Historical Sites Commission	2	2		
Civil Aeronautics Board	584	577	7	
Civil Service Commission	4,000	4,003		3
Commission of Fine Arts	9	9		
Export-Import Bank of Washington	171	170	1	
Farm Credit Administration	1,031	1,036		5
Federal Civil Defense Administration	1,024	1,018	6	
Federal Coal Mine Safety Board of Review	8	8		
Federal Communications Commission	1,099	1,093	6	
Federal Deposit Insurance Corporation	1,136	1,132	4	
Federal Home Loan Bank Board	669	649	20	

[1] March figure includes 366 seamen on the rolls of the Maritime Administration.
[2] March figure includes 1,605 employees of the International Cooperation Administration, as compared with 1,603 in February.
[3] Exclusive of personnel of the Central Intelligence Agency.

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during March 1956, and comparison with February 1956*—Continued

Department or agency	March	February	Increase	Decrease
Independent agencies—Continued				
Federal Mediation and Conciliation Service	345	345		
Federal Power Commission	677	682		5
Federal Trade Commission	617	611	6	
Foreign Claims Settlement Commission	134	140		6
General Accounting Office	5,495	5,530		35
General Services Administration	26,145	26,065	80	
Government Contract Committee	18	20		2
Government Printing Office	6,666	6,686		20
Housing and Home Finance Agency	9,859	9,940		81
Indian Claims Commission	13	13		
Interstate Commerce Commission	1,923	1,917	6	
Jamestown-Williamsburg-Yorktown Celebration Commission	3	3		
National Advisory Committee for Aeronautics	7,697	7,700		3
National Capital Housing Authority	256	259		3
National Capital Planning Commission	30	32		2
National Gallery of Art	333	324	9	
National Labor Relations Board	1,086	1,091		5
National Mediation Board	105	108		3
National Science Foundation	236	219	17	
National Security Training Commission	4	4		
Panama Canal	549	550		1
Railroad Retirement Board	2,240	2,269		29
Renegotiation Board	469	478		9
Rubber Producing Facilities Disposal Commission	6	7		
Saint Lawrence Seaway Development Corporation	27	27		
Securities and Exchange Commission	712	706	6	
Selective Service System	6,639	6,637	2	
Small Business Administration	791	798		7
Smithsonian Institution	695	691	4	
Soldiers' Home	1,005	1,006		1
Subversive Activities Control Board	30	29	1	
Tariff Commission	206	206		
Tax Court of the United States	143	144		1
Tennessee Valley Authority	14,387	14,661		274
Theodore Roosevelt Centennial Commission	3	3		
United States Information Agency	2,396	2,397		1
Veterans' Administration	176,573	176,798		225
Woodrow Wilson Centennial Celebration Commission	2	2		
Total, excluding Department of Defense	1,125,255	1,123,502	3,736	1,983
Net increase, excluding Department of Defense			1,753	
Department of Defense:				
Office of the Secretary of Defense	1,864	1,864		
Department of the Army	363,796	364,599		803
Department of the Navy	364,653	367,241		2,588
Department of the Air Force	292,652	289,234	3,418	
Total, Department of Defense	1,022,965	1,022,938	3,418	3,391
Net increase, Department of Defense			27	
Grand total, including Department of Defense	2,148,220	2,146,440	7,154	5,374
Net increase, including Department of Defense			1,780	

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during March 1956, and comparison with February 1956*

Department or agency	March	February	Increase	Decrease
Executive departments (except Department of defense):				
Agriculture	1,214	1,201	13	
Commerce	2,970	2,944	26	
Health, Education, and Welfare	1,801	1,788	13	
Interior	4,835	4,786	49	
Justice	526	533		7
Labor	132	108	24	
Post Office	2,503	2,507		4
State [1]	21,899	21,645	254	
Treasury	998	986	12	
Independent agencies:				
American Battle Monuments Commission	703	662	41	
Atomic Energy Commission	14	15		1
Civil Aeronautics Board	4	4		
Civil Service Commission	19	17	2	
Farm Credit Administration	12	12		
Federal Communications Commission	27	27		
Federal Deposit Insurance Corporation	1	1		
General Accountng Office	51	49	2	
General Services Administration	107	108		1
Housing and Home Finance Agency	153	152	1	
National Labor Relations Board	21	21		
Panama Canal	15,046	15,060		14
Selective Service System	197	194	3	
Smithsonian Institution	2	2		
U. S. Information Agency	8,318	8,269	49	
Veterans' Administration	1,257	1,264		7
Total, excluding Department of Defense	62,810	62,355	489	34
Net increase, excluding Department of Defense			455	
Department of Defense:				
Office of the Secretary of Defense	61	62		1
Department of the Army	67,839	68,612		773
Department of the Navy	31,788	31,751	37	
Department of the Air Force	41,929	42,151		222
Total, Department of Defense	141,617	142,576	37	996
Net decrease, Department of Defense			959	
Grand total, including Department of Defense	204,427	204,931	526	1,030
Net decrease, including Department of Defense			504	

[1] March figure includes 6,358 employees of the International Cooperation Administration, as compared with 6,117 in February.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during March 1956, and comparison with February 1956*

Department or agency	March	February	Increase	Decrease
Executive departments except Department of Defense:				
Agriculture	2,764	2,814		50
Commerce	2,451	2,457		6
Interior	8,271	8,159	112	
Treasury	5,642	5,668		26
Independent agencies:				
Atomic Energy Commission	145	145		
Federal Communications Commission	13	14		1
General Services Administration	975	984		9
Government Printing Office	6,666	6,686		20
National Advisory Committee for Aeronautics	7,697	7,700		3
Panama Canal	7,873	7,924		51
Tennessee Valley Authority	11,622	11,899		277
Total, excluding Department of Defense	54,119	54,450	112	443
Net increase excluding Department of Defense			331	
Department of Defense:				
Department of the Army:				
Inside continental United States	[1] 201,762	[2] 201,762		
Outside continental United States	[1] 36,007	[2] 36,007		
Department of the Navy:				
Inside continental United States	[1] 226,320	228,611		2,291
Outside continental United States	[1] 6,338	6,378		40
Department of the Air Force:				
Inside continental United States	164,400	164,100	300	
Outside continental United States	5,732	5,715	17	
Total, Department of Defense	640,559	642,573	317	2,331
Net decrease, Department of Defense			2,014	
Grand total, including Department of Defense	694,678	697,023	429	2,774
Net decrease, including Department of Defense			2,345	

[1] Subject to revision.
[2] Revised on basis of later information.

TABLE V.—*Foreign nationals working under United States agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of March 1956 and comparison with February 1956*

Country	Total		Army		Navy		Air Force	
	March	February	March	February	March	February	March	February
Denmark	9	6					9	6
England	6,967	6,832			31	31	6,936	6,801
France	24,172	24,616	16,824	17,170			7,348	7,446
French Morocco	6,160	6,185	208	235	1,009	998	4,943	4,952
Germany	108,812	109,879	85,130	[1] 85,993	1,966	1,983	21,716	21,903
Japan	144,319	144,418	82,932	[1] 82,932	18,493	18,569	42,894	42,917
Korea	6,942	6,261	6,942	6,261				
Libya	209	209					209	209
Netherlands	44	44					44	44
Norway	17	17					17	17
Saudi Arabia	445	438					445	438
Trinidad	521	501			521	501		
Total	298,617	299,406	192,036	192,591	22,020	22,082	84,561	84,733

[1] Revised on basis of later information.

NOTE.—The Germans are paid from funds provided by German Governments. The French and English reported by the Army and Air Force are paid from funds appropriated for personnel services. All others are paid from funds appropriated for other contractual services.

FOREIGN NATIONALS

Table 5 segregates and accounts for certain categories of personal services rendered to the United States Government overseas, which cannot be regarded as ordinary direct employment.

Generally, this personal service is rendered military agencies overseas under agreements with the foreign governments. In most cases the employment is indirect. The foreign governments hire the employees. The United States military agencies in most cases administer or direct the activity.

The source of the funds for the payment of these employees varies. The Germans are employed without direct reimbursement by the United States and by agreement, payment is made from the German economy. The Japanese are employed under a master labor contract between United States agencies and the Japanese Government.

French and English are employed for the Army and Air Force under agreements with the respective governments. Funds originally appropriated for "Personal service" are used for this purpose. The Koreans and others are paid under varying contractual agreements with funds appropriated for "Other contractual services."

Personnel hired and used under such circumstances cannot be properly considered in the same category as regular employment, but they are used and should be counted for what they are.

The Joint Committee on Reduction of Nonessential Federal Expenditures is endeavoring to identify these groups of employees and to count them along with, but separate from, the regularly reported United States employment overseas.

STATEMENT BY SENATOR BYRD

Executive agencies of the Federal Government reported civilian employment in the month of March totaling 2,352,647. This was a net increase of 1,276 as compared with employment reported in the preceding month of February. This was the third monthly increase since August 1955.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1956, which began July 1, 1955, follows:

Month	Employment	Increase	Decrease
July	2,384,595	307	
August	2,385,043	448	
September	2,366,069		18,974
October	2,365,183		886
November	2,362,158		3,025
December	2,343,227		18,931
January 1956	2,346,750	3,523	
February	2,351,371	4,621	
March	2,352,647	1,276	

Total civilian employment in civilian agencies during the month of March was 1,183,065, an increase of 2,208, as compared with the February total of 1,185,857. Total civilian employment in the military agencies in March was 1,164,582, a decrease of 932, as compared with 1,165,514 in February.

Civilian agencies reporting the major increases were: Department of Agriculture, with an increase of 1,687; Department of the Interior, with an increase of 779; and Treasury Department, with an increase of 612. A decrease of 1,181 was reported by the Post Office Department.

In the Department of Defense decreases in civilian employment were reported by the Department of the Navy, with a decrease of 2,551, and the Department of the Army, with a decrease of 1,576. The Department of the Air Force reported an increase in civilian employment of 3,196. This was the 11th consecutive monthly increase in civilian employment by the Air Force; the total cumulative increase for these 11 months was 28,244.

Inside continental United States civilian employment increased 1,780 and outside continental United States civilian employment decreased 504. Industrial employment by the Federal agencies in March totaled 694,678, a decrease of 2,345.

These figures are from reports certified by the agencies, as compiled today by the Joint Committee on Reduction of Nonessential Federal Expenditures.

FOREIGN NATIONALS

The total of 2,352,647 civilian employees certified to the committee by the Federal agencies in their regular monthly personnel reports includes some foreign nationals employed in United States Government activities abroad, but in addition to these there were 298,617 foreign nationals working for United States military agencies during March who were not counted in the usual personnel report. The number in February was 299,406. A breakdown of this employment for March follows:

Country	Total	Army	Navy	Air Force
Denmark	9			9
England	6,967		31	6,936
France	24,172	16,824		7,348
French Morocco	6,160	208	1,009	4,943
Germany	108,812	85,130	1,966	21,716
Japan	144,319	82,932	18,493	42,894
Korea	6,942	6,942		
Libya	209			209
Netherlands	44			44
Norway	17			17
Saudi Arabia	445			445
Trinidad	521		521	
Total	298,617	192,036	22,020	84,561

REPORT ENTITLED "TECHNICAL ASSISTANCE AND RELATED PROGRAMS" (S. REPT. NO. 1956)

Mr. MANSFIELD. Mr. President, from the Committee on Foreign Relations, pursuant to Senate Resolution 214, 83d Congress, 2d session, as extended, I submit a report of that committee's Subcommittee on Technical Assistance Programs, entitled "Technical Assistance and Related Programs." I ask that the report be printed with an illustration.

I ask unanimous consent that there may be printed in the RECORD a statement which I made to the press in regard to this report.

The PRESIDENT pro tempore. The report will be received and printed; and, without objection, the statement will be printed in the RECORD.

The statement presented by Mr. MANSFIELD is as follows:

STATEMENT OF SENATOR MIKE MANSFIELD, CHAIRMAN, SUBCOMMITTEE ON TECHNICAL ASSISTANCE PROGRAMS

The Senate Foreign Relations Committee's Subcommittee on Technical Assistance Programs is today making a unanimous report which is the result of more than 18 months of study both in Washington and abroad. The report will be formally filed in the Senate on Monday, May 7.

The findings and recommendations of the subcommittee which are set forth in the report speak for themselves. If put into effect, they should serve to improve the technical assistance program and make it a more useful instrument of American foreign policy.

In accordance with its mandate from the Senate, the subcommittee has limited its attention to technical assistance and related programs. The subcommittee's experience seems to me to point up, however, the need for a more basic, thorough-going study of our whole foreign-aid policy, as suggested to the full Foreign Relations Committee several weeks ago by Senator GEORGE. This report deals with the technical assistance component of that policy, but at the same time it raises questions about the other components, those having to do with economic and military aid.

As chairman of the Committee on Foreign Relations, Senator GEORGE has given valuable support to the Subcommittee on Technical Assistance Programs in its efforts to evaluate the effectiveness of our activities in that field. His interest in the matter, like that of the subcommittee, has been to determine the extent to which technical assistance serves the national interest, the

areas in which it falls short, and what can be done to improve it.

This report demonstrates, I think, that a basic study of all foreign-aid programs, such as that envisaged by Senator GEORGE, can appropriately and efficiently be made by a committee of the Senate, or under the direction of such a committee. A study under bipartisan congressional auspices provides an effective method of independent evaluation of programs initiated by the executive branch of the Government and is consistent with our constitutional system of separation of powers.

I am particularly gratified by the fact that the report is unanimous. Members of the subcommittee, besides myself, are Senators THEODORE FRANCIS GREEN, Democrat, of Rhode Island; J. W. FULBRIGHT, Democrat, of Arkansas; JOHN F. KENNEDY, Democrat, of Massachusetts; BOURKE B. HICKENLOOPER, Republican, of Iowa; GEORGE D. AIKEN, Republican, of Vermont; HOMER E. CAPEHART, Republican, of Indiana; and BARRY GOLDWATER, Republican, of Arizona. Senators KENNEDY and GOLDWATER were appointed by the Vice President from the Senate at Large to serve with the members of the subcommittee drawn from the Foreign Relations Committee.

The subcommittee began its work in August 1954 under the chairmanship of Senator HICKENLOOPER, who was largely responsible for initiating many of the studies which have now come to fruition. Throughout its work, the subcommittee has proceeded in a completely nonpartisan manner. In the coming months, the subcommittee intends to check the results of its recommendations to determine whether additional action should be recommended to the Senate. It will also conduct supplementary studies of technical assistance in Latin America and in Africa. The subcommittee's future functions, I am sure, can be adjusted in accordance with what results from Senator GEORGE's proposal for a full study of all aid programs. However it is done, the need is clear. What the Senate requires and what the country requires is an independent evaluation of all foreign aid as a factor in American foreign policy.

PRINTING AS SENATE DOCUMENT OF PAMPHLET ENTITLED "LAWS CONTROLLING ILLICIT NARCOTICS TRAFFIC"

Mr. DANIEL, from the Committee on the Judiciary, reported an original resolution (S. Res. 259) to print a pamphlet entitled "Laws Controlling Illicit Narcotics Traffic" as a Senate document, which was referred to the Committee on Rules and Administration, as follows:

Resolved by the Senate, That the pamphlet entitled "Laws Controlling Illicit Narcotics Traffic," prepared by the Subcommittee on Improvements in the Federal Criminal Code for the use of the Committee on the Judiciary, be printed as a Senate document; and that there be printed 5,000 additional copies of such Senate document for the use of the Committee on the Judiciary.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 3762. A bill for the relief of Mrs. Kalyna Maya Chalk; and

S. 3763. A bill to provide for the return of certain property held by the United States under the Trading with the Enemy Act, and for other purposes; to the Committee on the Judiciary.

By Mr. SCOTT (for himself and Mr. BIBLE):

S. 3764. A bill expressing the sense of the Congress with respect to a sound national minerals policy, to prevent widespread unemployment in certain localities, and directing certain action in furtherance of such policy; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. SCOTT when he introduced the above bill, which appears under a separate heading.)

By Mr. BENNETT:

S. 3765. A bill for the relief of Cheung Nung Huang; to the Committee on the Judiciary.

By Mr. JACKSON:

S. 3766. A bill for the relief of Elvira A. Belford; and

S. 3767. A bill for the relief of Shao Fong Sha; to the Committee on the Judiciary.

By Mr. McCLELLAN:

S. 3768. A bill to amend section 158 of the Revised Statutes of the United States, as amended, so as to include the Department of Health, Education, and Welfare among the executive departments there listed, and for other purposes; to the Committee on Government Operations.

By Mr. GOLDWATER:

S. 3769. A bill for the relief of Jose Medina-Chavez (Joe Medina); to the Committee on the Judiciary.

By Mr. YOUNG (for himself, Mr. JOHNSTON of South Carolina, Mr. MUNDT, Mr. McCLELLAN, Mr. LANGER, Mr. CASE of South Dakota, Mr. JENNER, Mr. BARRETT, Mr. WOFFORD, Mr. CURTIS, Mr. McCARTHY, Mr. STENNIS, Mr. HILL, Mr. CARLSON, Mr. CHAVEZ, Mr. SCHOEPPEL, Mr. MAGNUSON, and Mr. ERVIN):

S. 3770. A bill to amend section 22 of the Agricultural Adjustment Act of 1933, as amended, so as to provide for the imposition of import limitations on surplus agricultural commodities; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. YOUNG when he introduced the above bill, which appear under a separate heading.)

By Mr. WILEY:

S. 3771. A bill to amend section 3238 of title 18, United States Code; to the Committee on the Judiciary.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. BYRD (for himself, Mr. WILEY, Mr. GREEN, Mr. WILLIAMS, Mr. FREAR, Mr. BEALL, Mr. BUTLER, Mr. PURTELL, Mr. BUSH, Mr. IVES, and Mr. LEHMAN):

S. 3772. A bill to designate the east Fourteenth Street highway bridge over the Potomac River at Fourteenth Street in the District of Columbia as the Rochambeau Memorial Bridge; to the Committee on the District of Columbia.

By Mr. CASE of South Dakota:

S. 3773. A bill to provide for an extension of the time during which annual assessment work on unpatented mining claims, located under the provisions of the act of August 11, 1955, may be made, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ERVIN (for himself and Mr. SCOTT):

S. 3774. A bill to authorize the Secretary of the Army and the Secretary of Agriculture, respectively, to conduct surveys of the hurricane-damaged coastal and tidal areas of North Carolina, and to make reports thereon; to the Committee on Public Works.

By Mr. HENNINGS:

S. 3775. A bill to provide for the establishment of the Wilson's Creek Battlefield National Park, in the State of Missouri; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. HENNINGS when he introduced the above bill, which appear under a separate heading.)

By Mr. HICKENLOOPER (for himself and Mr. MARTIN of Iowa):

S. 3776. A bill to amend the Canal Zone Construction Annuity Act of May 29, 1944, to extend the benefits thereof to certain individuals by removal of the date limitation on the citizenship requirement contained therein; to the Committee on Post Office and Civil Service.

By Mr. WATKINS:

S. 3777. A bill to provide for the establishment of a regional water laboratory; to the Committee on Agriculture and Forestry;

S. 3778. A bill to amend the Act for the Protection of Walruses;

S. 3779. A bill to amend the act of August 27, 1954 (68 Stat. 868), with respect to the Uintah and Ouray Reservation in Utah; to the Committee on Interior and Insular Affairs;

S. 3780. A bill for the relief of Manuel Gil and Jesus Torrado; and

S. 3781. A bill for the relief of Donworth V. Gubler; to the Committee on the Judiciary.

By Mr. WELKER:

S. 3782. A bill to provide for the sale of certain lands now required for community development adjacent to Cascade Reservoir, Boise Federal Reclamation project, Idaho; to the Committee on Interior and Insular Affairs.

By Mr. DANIEL (for himself and Mr. JOHNSON of Texas):

S. 3783. A bill to direct the Secretary of the Navy or his designee to convey a two thousand four hundred seventy-seven and forty-three one-hundredths acre tract of land, avigation and sewer easements, in Tarrant and Wise Counties, Tex., situated about 20 miles northwest of the city of Fort Worth, Tex., to the State of Texas; to the Committee on Armed Services.

By Mr. SALTONSTALL (for himself and Mr. KENNEDY):

S. 3784. A bill to provide for the striking of medals in commemoration of the 100th anniversary of the birth of the late Justice Louis Dembitz Brandeis; to the Committee on Banking and Currency.

By Mr. MAGNUSON:

S. 3785. A bill to provide for the making of payments to State tax authorities with respect to Federal real property of amounts equal to the sums which would be paid as special assessments thereon for public improvements if such land were privately owned; to the Committee on Government Operations.

By Mr. HUMPHREY:

S. 3786. A bill to promote the welfare of the American Indian citizens of Minnesota, and to establish the Minnesota Indian Administration, and for other purposes; and

S. 3787. A bill relating to the management of the Red Lake Indian Forest and sawmill; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. HUMPHREY when he introduced the above bills, which appear under separate headings.)

S. 3788. A bill for the relief of Robert Karia; and

S. 3789. A bill for the relief of Lee Chong Taik; to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. CLEMENTS, Mr. GEORGE, Mr. HENNINGS, Mr. KERR, Mr. LEHMAN, Mr. MANSFIELD, Mr. MORSE, Mr. MURRAY, Mr. NEELY, Mr. NEUBERGER, Mr. SCOTT, and Mr. SPARKMAN):

S. 3790. A bill to strengthen the Nation by providing auxiliary credit resources required to preserve the family-size farm, providing additional credit for farm enlargement and development, refinancing of existing in-

debtedness, expansion and simplification of farm ownership and operations credit programs by amendment of the Bankhead-Jones Farm Tenant Act, and extension and simplification of emergency and disaster farm credit by amendment of the acts of April 6, 1949, as amended, and of August 31, 1954, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. CLEMENTS:

S. 3791. A bill to provide for a more comprehensive development and utilization of natural water resources in plans and construction of reservoir projects; to the Committee on Public Works.

(See the remarks of Mr. CLEMENTS when he introduced the above bill, which appear under a separate heading.)

By Mr. MALONE:

S. 3792. A bill to provide relief for producers of strategic and critical minerals, metals and materials;

S. 3793. A bill to provide relief of producers of tungsten, manganese, chromite, mica, asbestos, beryl, and columbium-tantalum bearing ores;

S. 3794. A bill to provide relief for the tungsten industry;

S. 3795. A bill to provide relief for the manganese industry;

S. 3796. A bill to provide relief for the chromite industry;

S. 3797. A bill to provide relief for the mica industry;

S. 3798. A bill to provide relief for the asbestos industry;

S. 3799. A bill to provide relief for the beryl industry;

S. 3800. A bill to provide relief for producers of columbium-tantalum bearing ores; and

S. 3801. A bill to provide relief for the fluorspar industry; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. MALONE when he introduced the above bills, which appear under a separate heading.)

By Mr. CLEMENTS:

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively; to the Committee on Public Works.

(See the remarks of Mr. CLEMENTS when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

Mr. DANIEL, from the Committee on the Judiciary, reported an original resolution (S. Res. 259) to print a pamphlet entitled "Laws Controlling Illicit Narcotics Traffic" as a Senate document, which was referred to the Committee on Rules and Administration.

(See resolution printed in full under the heading "Reports of Committees," in Senate proceedings of today.)

NATIONAL MINERALS POLICY

Mr. SCOTT. Mr. President, on behalf of myself, and the Senator from Nevada [Mr. BIBLE], I introduce, for appropriate reference, a bill expressing the sense of the Congress with respect to a sound national minerals policy, to prevent widespread unemployment in certain localities, and directing certain action in furtherance of such policy. The bill is designed to prevent widespread unemployment in dozens of American communities—unemployment scheduled to start next Monday.

It is an emergency measure to prevent the immediate closing down of our domestic tungsten and asbestos mining industries.

Both of these materials are classified as strategic and critical. They are vital ingredients in any adequate defense pattern, and particularly in connection with the guided missile program. We cannot afford to sit idly by and permit thousands of miners to be thrown out of work, and our potentials for defense against aggression weakened.

I earnestly hope that the Committee on Interior and Insular Affairs will give immediate consideration to this measure and report it to the floor as soon as possible.

This proposed legislation is necessary because the Office of Defense Mobilization so far has refused to extend its purchase programs covering tungsten and asbestos.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3764) expressing the sense of the Congress with respect to a sound national minerals policy, to prevent widespread unemployment in certain localities, and directing certain action in furtherance of such policy, introduced by Mr. SCOTT (for himself and Mr. BIBLE), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1933, RELATING TO IMPORT LIMITATIONS ON SURPLUS AGRICULTURAL COMMODITIES

Mr. YOUNG. Mr. President, on behalf of myself, the senior Senator from South Carolina [Mr. JOHNSTON], the senior Senator from South Dakota [Mr. MUNDT], the Senator from Arkansas [Mr. MCCLELLAN], my colleague, the senior Senator from North Dakota [Mr. LANGER], the junior Senator from South Dakota [Mr. CASE], the Senator from Indiana [Mr. JENNER], the Senator from Wyoming [Mr. BARRETT], the junior Senator from South Carolina [Mr. WOFFORD], the Senator from Nebraska [Mr. CURTIS], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Mississippi [Mr. STENNIS], the Senator from Alabama [Mr. HILL], the junior Senator from Kansas [Mr. CARLSON], the Senator from New Mexico [Mr. CHAVEZ], the senior Senator from Kansas [Mr. SCHOEPPEL], the Senator from Washington [Mr. MAGNUSON], and the Senator from North Carolina [Mr. ERVIN], I introduce for appropriate reference a bill amending section 22 of the Agricultural Adjustment Act of 1933, as amended. This bill would provide limitations on the imports of farm commodities which we already have in surplus.

Mr. President, the bill would limit the imports of agricultural commodities to the level of the previous 3-year average for such commodities as the Secretary of Agriculture determines to be in surplus.

Despite the fact that the last year we had a record barley crop, imports of barley continue at the same level, or are even higher than in previous years. Twenty percent of all the barley reaching terminal markets in this country during the past year was of foreign origin. These imports of foreign barley have had a disastrous effect on our cash prices. Oftentimes by such action, we are providing better price protection to the farmers of foreign countries than we do to our own.

Mr. President, the situation as concerns oats is substantially the same, although in the last 2 years our imports of oats have decreased. This decrease, however, has in no way been caused by a tightening of our import laws. Lower imports are largely the result of poor oat crops in Canada and record oat crops in the United States. However, in spite of this, 7 percent of all the oats reaching our terminal markets was of foreign origin. This 7 percent has a very adverse effect on our markets.

A similar situation also exists with a number of perishable commodities, such as pork. Our imports of pork and pork products have increased in recent years. These greatly increased imports of pork come at a time when we have a great surplus of pork and badly depressed prices.

Our farmers are on the short end of the export-import balance of trade in agriculture commodities. Imports of agriculture commodities last year exceeded exports by more than $664 million. Our exports totalled $3,144,000,000 and our imports were $3,787,000,000.

While we had a surplus of most farm commidities, we imported more food and fiber than we gave away through government programs plus regular sales.

The total figures which I just presented comprise both complementary and supplementary imports. In the first group we have commodities not produced commercially in this country such as coffee, tea, bananas, and cocoa. This group comprises 60 percent of our agricultural imports.

Imports of competitive or supplementary farm products last year amounted to $1.5 billion. For the most part, these are commodities we already have in surplus. They include hides, live animals, meats, dairy products, wool, oils, sugar, fruits, cotton, and grains. It is difficult to believe that a Nation whose agriculture economy is in such serious trouble would import $1.5 billion worth of agricultural commodities which are strictly competitive with our own farm products and which we have in great surplus.

As I have indicated, all this bill does is limit the imports of any commodity, which is in surplus, to the average imports of the previous 3 years. It will in no manner be harmful to feed dealers or feed users. We have a surplus of feed grain in this country—prices are cheap—and although we imported only 20 million bushels of oats last year, the average for the previous 3 years is 39 million bushels. Therefore, our imports of oats could be almost doubled before this bill would have any effect on these imports.

It just does not make sense to spend hundreds of millions of dollars to curtail production in this country and at the same time do nothing to prevent the

dumping of foreign commodities on our markets. One of the theories behind the proposed soil bank is that through reducing our surpluses we will create a better cash price. This higher cash price if attained, would certainly attract additional imports. That is, if we continue our present policy.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3770) to amend section 22 of the Agricultural Adjustment Act of 1933, as amended, so as to provide for the imposition of import limitations on surplus agricultural commodities, introduced by Mr. YOUNG (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

AMENDMENT OF SECTION 3238, TITLE 18, UNITED STATES CODE

Mr. WILEY. Mr. President, my campaign against organized crime in interstate commerce has been continued in spite of the fact that the Senate Special Committee To Investigate Organized Crime in Interstate Commerce lapsed several years ago. As a small move in this overall campaign against crime, I am happy to introduce a bill to facilitate the trial of persons for crimes committed outside of the jurisdiction of any particular State or judicial district, as for instance upon the high seas. I, therefore, introduce, for appropriate reference a companion bill to the bill (H. R. 10786) to amend the section 3238 of title 18, United States Code. I ask that the April 16, 1956, letter of the Attorney General to the Speaker of the House of Representatives be printed in the RECORD at this point.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3771) to amend section 3238 of title 18, United States Code, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on the Judiciary.

The letter presented by Mr. WILEY is as follows:

APRIL 16, 1956.

The SPEAKER,
House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: Attached for your consideration and appropriation action is a legislative proposal to amend section 3238 of title 18, United States Code.

Section 3238 now provides that "the trial of all offenses begun or committed upon the high seas, or elsewhere out of the jurisdiction of any particular State or district, shall be in the district where the offender is found, or into which he is first brought." This quoted language results in a most awkward situation in certain instances when two or more joint offenders are involved.

If two individuals jointly commit acts of treason abroad and are thereafter located in different districts within the United States they must, under the present statute, be indicted and tried in different jurisdictions. The same result would obtain if five persons found in 5 different districts were involved. To avoid situations such as those indicated, it is recommended that section 3238 be amended to provide that the trial of offenses begun or committed upon the high seas, or elsewhere out of the jurisdiction of a State or district, may be held in any district in which 1 of 2 or more joint offenders is arrested or first brought. Furthermore, the proposed bill would provide that if such offenders are not arrested or brought into any district, an indictment or information may be filed in the district of the last known residence of any of them or in the District of Columbia.

I would appreciate the prompt referral and early introduction of this corrective legislation.

The Bureau of the Budget has advised that there is no objection to the submission of this recommendation.

Sincerely,

HERBERT BROWNELL, Jr.,
Attorney General.

PROPOSED WILSON'S CREEK BATTLEFIELD NATIONAL PARK, MO.

Mr. HENNINGS. Mr. President, for many years, the Historical Society of Greene County, Mo., the American Legion, the chamber of commerce, and other local patriotic and civic organizations, in addition to a great many interested citizens in Greene County, Mo., and indeed, citizens throughout the entire Midwest, have been interested in obtaining a park giving appropriate recognition to the Civil War battle of Wilson's Creek, which was fought 10 miles west of Springfield, Mo. The centenntial anniversary of this battle will be held in 1961, and I am, therefore, introducing this bill providing for the establishment of the Wilson's Creek Battlefield National Park.

It is my sincere belief that the heroism of the soldiers of both the blue and the grey at the Battle of Wilson's Creek could not be acknowledged in any finer way than by the establishment of this national park at the site on which they fought and died. It is interesting to note that there is no such memorial west of the Mississippi, yet one of the greatest campaigns of this war was waged in that area.

The fine people of the Ozark region of Missouri, imbued with a keen understanding of the significance of this battle, are strongly interested in the preservation of this area, so richly endowed with historical tradition. The rough and rugged terrain of this area would not only be a fitting tribute to the men of the North and the South who fought so valiantly in the Civil War, but it would also be a spot to which all of our citizens of the West and Midwest could come for a day of historical sightseeing and relaxation.

It is my earnest hope that this matter will be considered by the Congress at the very earliest opportunity, so that plans can be made for an appropriate commemoration ceremony in 1961, the 100th anniversary of the Battle of Wilson's Creek.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3775) to provide for the establishment of the Wilson's Creek Battlefield National Park, in the State of Missouri, introduced by Mr. HENNINGS, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

WELFARE OF INDIAN CITIZENS OF MINNESOTA—MINNESOTA INDIAN ADMINISTRATION

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill to promote the welfare of the Minnesota Indians, and to establish a Minnesota Indian Administration. This bill is the result of extensive discussions this past year between members of the Minnesota congressional delegation and representatives of the various Indian tribes of Minnesota. It constitutes a revision of S. 2685, a bill introduced by me on July 29, 1955, and is intended to be a substitute for this earlier measure. The bill I am introducing today is a companion to H. R. 10909, introduced last week in the House of Representatives by Congressman MARSHALL, of Minnesota.

The proposed Minnesota Indian Administration would take over some of the functions now discharged by the Bureau of Indian Affairs and would be authorized to have a 20-year period of existence under the bill. Such an extended period of existence is essential in view of the evident purpose of the men who presently direct the Bureau of Indian Affairs to curtail their operations and eliminate essential services to the Indians of Minnesota.

While the Bureau of Indian Affairs steadily withdraws from a position of responsibility for our Minnesota Indians, it is clear that a great many Indians are living, on and off reservation or trust fund lands, in extreme poverty and distress. Our county and State governments are carrying an increasing load of Indian welfare cases. Many of our young Indians are in difficulty with the law. There has simply been no adequate program to date, either to prepare the Indian who wishes to leave the reservation, or to assist the Indian who wishes to continue the tribal life on the reservation.

The proposed new Minnesota Indian Administration would take on new responsibilities to help Minnesota Indians help themselves on an individual, tribal and community basis. The establishment of the proposed Minnesota Indian Administration would center Federal responsibility in a new agency with representation from the Indians in Minnesota and from the State of Minnesota, and would bring the Federal Government closed to the problems of our Minnesota Indians. Among other activities, the new Minnesota Indian Administration would engage in land-use planning, research and experimentation to develop new Indian products and handicrafts, tree planting and reforestation of Indian lands, loans to individuals and Indian communities or tribes for various Indian-run enterprises, resource development in the Indian areas, encouragement of private capital for new business, road building, home building and repair, financial aid for education, and developing of social, recreation, or community centers for Indians.

The Administration would be authorized to draw from a revolving fund of $10 million to carry out its activities.

Members of the 5-man board of directors of the Administration would serve

without salary and would draw only per diem and travel expenses.

Mr. President, action on this bill during the present session will reassure our Indian people of the decency and helpfulness of our Government's intentions.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3786) to promote the welfare of the American Indian citizens of Minnesota, and to establish the Minnesota Indian Administration, and for other purposes, introduced by Mr. Humphrey, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

MANAGEMENT OF RED LAKE INDIAN FOREST AND SAWMILL

Mr. HUMPHREY. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, a bill relating to the management of the Red Lake Indian Forest and sawmill.

I should like to make three brief points about the proposed legislation:

First. The Appropriation Act of May 18, 1916—Thirty-ninth United States Statutes at Large, 123, page 137—designated a portion of the forested lands of the Red Lake Indian Reservation in Minnesota as the Red Lake Indian Forest. The act directed the Secretary of the Interior to administer the forest in accordance with principles of scientific forestry, with a view to the production of successive timber crops thereon, and authorized him "to sell and manufacture only such standing and growing pine and oak timber as is mature and has ceased to grow, and to sell and manufacture from time to time such other mature and marketable timber as he may deem advisable."

The restrictions in the act on the type of timber that may be harvested are not in harmony with present conditions in the wood-using industries, and are actually in conflict with the part of the same act that calls for the management of the forest in accordance with principles of scientific forestry. There are considerable volumes of timber within the forest that have not reached physiological maturity, but which should be removed in order to comply with good silvicultural practice. Much of this material is marketable. It includes posts, poles, and other material to be removed as a thinning operation from the dense stands of reproduction. It also includes trees of sawlog size that are partially defective, suppressed, subject to windthrow, or for other reasons and undesirable components of the reserve stand.

So first of all, Mr. President, the proposed legislation would remedy this situation by authorizing the Red Lake Indian Forest to be administered in a manner that will give full effect to the principles of scientific forestry by permitting the sale and manufacture of such merchantable timber as may be deemed advisable in order to encourage the production of successive timber crops.

Second. The 1916 act authorized the construction and operation of sawmills to manufacture into lumber the timber harvested from the Red Lake Indian Forest, but it does not authorize the purchase of timber from other sources. The volume of sawlog material remaining on the reservation that is presently available for cutting on a sustained-yield basis is not sufficient to provide for continuing profitable operation of the tribal sawmill. The mill is currently using about 5 million board feet of sawlogs annually, which is the minimum volume of business that will provide a reasonable employment base for the members of the tribe who are dependent upon the enterprise for their livelihood. There are only about 20 million board feet of timber on the reservation that is both ready for harvesting and accessible to the tribal sawmill. If the mill remains dependent upon this supply alone, it will be forced to shut down within a very few years. If the supply can be augmented by purchases of non-Indian timber, the life span of the enterprise can be correspondingly extended.

Therefore, Mr. President, the proposed legislation authorizes the purchase of such additional timber standing on or severed from lands outside the reservation as may contribute to the profitable operation of the sawmill as a tribal enterprise. In addition, it would make clear that the merchantable timber from all tribal forest lands on the Red Lake Reservation, and not merely the timber from the area specifically designated as the Red Lake Indian Forest by the 1916 act, may be utilized in the conduct of the sawmill operation.

Third. Finally, Mr. President, the 1916 act, as supplemented, does not authorize the construction and operation of any wood-using facilities except sawmills, planing mills, and box factories. Although there are no plans at present for expanding the enterprise, I believe that the authority for constructing and operating additional facilities such as a veneer plant or simple furniture factory should be available in the event their operation should become feasible. The proposed legislation therefore authorizes the construction and operation of sawmills and other facilities for the manufacture of the timber into marketable products.

The enactment of the proposed legislation will help to place the sawmill enterprise on a sound footing, and will provide the Red Lake Indians with a sound economic base that will hasten the time when Federal trust responsibilities can be terminated. As an incident to this major objective, it will clarify and simplify the laws governing the sawmill enterprise.

I hope, Mr. President, that this proposed legislation may receive speedy attention by the appropriate committee and that the Congress may act upon this bill during the current session.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3787) relating to the management of the Red Lake Indian Forest and Sawmill, introduced by Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

FARM CREDIT

Mr. HUMPHREY. Mr. President, I ask unanimous consent that I may make a statement in connection with the introduction of a bill on farm credit, which will take me approximately 10 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I introduce, for appropriate reference, on behalf of myself, the Senator from Oklahoma [Mr. KERR], the Senator from Kentucky [Mr. CLEMENTS], the senior Senator from Montana [Mr. MURRAY], the Senator from Alabama [Mr. SPARKMAN], the Senator from Georgia [Mr. GEORGE], the junior Senator from Montana [Mr. MANSFIELD], the Senator from Missouri [Mr. HENNINGS], the junior Senator from Oregon [Mr. NEUBERGER], the Senator from West Virginia [Mr. NEELY], the Senator from New York [Mr. LEHMAN], the Senator from North Carolina [Mr. SCOTT], and the senior Senator from Oregon [Mr. MORSE], a bill to improve and expand existing legislation to provide more nearly adequate farm credit facilities.

I am convinced it is the next best thing we can do to preserve family farming in America.

While nothing can replace decent prices and decent incomes for farmers, the next most acute problem confronting rural America is adequate credit facilities in a time of declining income. Even though the President's veto has blocked our efforts to restore farm income to a better degree of equality, we can help tide farmers over this emergency period by broadening the availability of credit and gearing its repayment closer to the present ability of farmers, based on net earnings.

To carry out that objective, along with a group of other Senators I have developed a comprehensive omnibus family farm credit bill that includes the best of several measures already before this body and adds several further improvements. It is our belief that this problem should be tackled head-on, rather than in just a piece-meal basis. In developing this measure we have had the collaboration of men experienced in the farm credit field, and familiar with the most pressing current problems and needs.

I want to make one thing clear. Our aim is to supplement, rather than replace in any way, existing credit operations of banks, insurance companies, and private individuals.

What we want to do is to fill the gaps, the credit deficiencies, they are unable to meet.

The bill authorizes the initiation of two completely new Federal credit programs of direct and insured loans, and

makes various improvements in existing provisions of the Bankhead-Jones Farm Tenant Act and other legislation.

Among the major improvements which this bill would seek to achieve are:

First. Providing needed credit for farmers and related small business in rural areas dependent upon agriculture who are suffering from economic distress of the farm recession, to enable them to refinance their existing indebtedness and readjust their operations on a sound basis.

Second. Authorizing a "crash" program to eliminate rural poverty in the Nation's 500 most poverty-stricken rural counties.

Third. Lowering the maximum interest rate and increasing the maximum size of allowable loans.

Fourth. Directing the Secretary of Agriculture to reactivate voluntary farm debt adjustment service.

Fifth. Authorizing the use of a complete, rather than a partial "variable repayment plan" geared to the borrower's earnings and ability to pay from year to year.

Existing legislation covering direct and insured general farm credit loans, which this measure seeks to expand and improve, includes: The Bankhead-Jones Farm Tenant Act, as amended; the Water Facilities Act, as amended; Public Law 38—emergency loans—as amended; and Public Law 727—emergency credit—as amended.

Agriculture's acute problems must be recognized in the present situation, where we have evidences of inflation in some segments of our economy, and deflation in others.

To counteract inflation, the administration has supported higher interest rates. Yet that just adds to the squeeze on agriculture, where we are suffering deflation, instead of inflation.

Mr. President, my point is that we cannot have a general rule on the control of credit in an economy, when much of the economy is being inflated and is enjoying prosperity, while a portion of the economy is suffering from deflation and is experiencing recession.

If higher interest rates are called for to curb inflation, the lower interest rates on farm loans we have proposed should be acceptable as a counterforce against deflation.

NEED FOR AUXILIARY OR DEFICIENCY FARM CREDIT

Mr. President, the credit needs of family farming are tremendous and growing. Credit should be available at the times needed, and its terms and conditions should be adapted to characteristics of farming as a combined business and way of life.

Much of the credit needs of family farming can be met by loans obtained from private individuals and such credit institutions as banks and insurance companies. Farmers themselves can meet other needs cooperatively through credit unions and the institutions of the farm credit system. Together, it should be expected that these sources would supply the great bulk of the credit needs of agriculture.

However, inasmuch as all of these must obtain their funds from commercial money markets and conduct their operations along traditionally conservative financial lines, they find themselves unable to perform the entire farm credit job. Such institutions find it difficult to pioneer in the meeting of newly recognized or newly emerging farm credit problems. They are not set up to use their credit resources in meeting the high risk needs of severe disasters and emergencies, economic or natural. They cannot afford to participate in credit operations when a relatively high intensity of technical assistance and loan servicing are required to render loaning activities essentially sound from a strictly financial viewpoint. Moreover, all of these private individual corporate and cooperative institutions have a marked tendency, in the absence of outside stimulation in a period of farm deflation, to become increasingly restrictive in their credit policies.

There is nothing morally wrong or even economically unsound about this. It just means that the best interests of family farmers require a separate supplemental and yardstick credit operation. This can best and most efficiently be supplied to the Nation by the Federal Government. Such an agency should have the legal authority and sufficient funds to meet all of the family farm credit needs not filled on reasonable terms by private cooperative and other corporate lending agencies.

This is a problem not strictly of young farmers, or of low income farm families, or of disaster situations. It is a need that extends across the board. Such an agency would stand ready to meet any legitimate farm credit need not met by existing private agencies on reasonable terms. The agency would make both direct governmental loans and would insure loans of private lending agencies.

WHY ADDITIONAL LEGISLATION?

This is the field partially covered by the operations of the Farmers Home Administration, under the Bankhead-Jones Act, as amended, and the other legislation to which I have already referred.

Existing legislation could probably be construed by aggressive administrators to authorize the extension of auxiliary farm credit now required by the deteriorating farm income situation. But we do not have an administration that is aggressively trying to meet farm credit needs, and in existing legislation there are various limitations and vague gaps behind which reluctant administrators can hide.

The two largest gaps are these: First, the need to provide for a really significant program to begin to eliminate chronic dire rural poverty in the so-called problem or bypassed areas, where practically everyone in the area, as well as farmers, has poor facilities and low income. The proposed new title VI authorizes a "crash" program calling for the cooperative application of the resources of the Federal Government to eliminate the chronic causes for poverty in such areas. Title VI is the Sparkman family farm development bill (S. 1199), as introduced last year.

A second large gap in Federal farm-credit facilities is the lack of authority to make economic emergency loans for refinancing purposes to ordinarily adequate farmers and related small businesses in rural areas whose usual capital and credit resources have become exhausted owing to the 4-year drop in farm prices and income, compounded in many areas by drought and duststorms. This gap would be filled by the proposed new title V to the Bankhead-Jones Act.

PROVISIONS OF THE PROPOSED FARM CREDIT DEFICIENCY BILL

Section 1 provides for the following improvements in title I of the Bankhead-Jones Farm Tenant Act. This is the authority for farm ownership of tenant purchase long-term real-estate loans. The proceeds of the loans are used for purchase, improvement, and enlargement of farms:

First. Expands authority to allow loans to farmers who work part time in their own part-time nonfarm business or other occupation. This change is required because the recent severe drops in farm income have greatly decreased the proportion of family income from farming in the total income of many such families.

Second. Allows nonfarm income to be used in determining repayment ability of borrower.

Third. Maximum interest rate chargeable is reduced from 5 to 4 percent.

Fourth. Raises the permissive volume of insured loans from $50 million to $150 million a year.

Fifth. Interest rate paid to insured lenders is reduced from 4 to 3 percent.

Section 2 would make the following improvements in title II of the Bankhead-Jones Act:

First. Change names of these short-time loans from "Production and Subsistence Loans" to "Operating Loans."

Second. Make part-time farmers eligible to become borrowers.

Third. Increase maximum permissive size of initial loan from $7,000 to $25,000, and the maximum permissive "total outstanding" from $10,000 to $40,000.

Fourth. Reduces the rate of interest on such loans from 5 to 3 percent.

Section 3 amends title IV of the Bankhead-Jones Act, to make it consistent with the amendments of the bill to titles I and II, and would reduce costs of administration by technical improvements in handling small and troublesome accounts.

Section 4 improves the water facility and soil-conservation loan act.

Section 5 improves the emergency credit and special livestock loans legislation—so-called Public Law 38—by an indefinite extension, and authorizes the extension of funds for repayment of existing indebtedness. It extends the maximum period of the loan from 3 to 10 years, and provides for loans of feed grains in kind, to be repaid in kind or cash.

Section 6 amends the Emergency Credit Act—Public Law 727—by extending it indefinitely and authorizing repayment of existing indebtedness out of proceeds of the loan.

Section 7 establishes the Rural Adjustment Credit Program, and enacts the Family Farm Development Act.

Section 9 directs the Secretary to reactivate voluntary farm debt adjustment service.

Section 10 authorizes use of a complete, rather than a partial variable repayment plan geared to the borrower's earnings and ability to pay year to year.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the bill I am introducing today, so that it may be the subject of study.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3790) to strengthen the Nation by providing auxiliary credit resources required to preserve the family-size farm, provided additional credit for farm enlargement and development, refinancing of existing indebtedness, expansion and simplification of farm ownership and operations credit programs by amendment of the Bankhead-Jones Farm Tenant Act, and extension and simplification of emergency and disaster farm credit by amendment of the acts of April 6, 1949, as amended, and of August 31, 1954, and for other purposes, introduced by Mr. HUMPHREY (for himself and other Senators), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) the second sentence of subsection (a) of section 1 of the Bankhead-Jones Farm Tenant Act, as amended, is amended to read as follows: "Loans may also be made or insured for improvements needed to adjust farming operations to changing conditions."

(b) The first sentence of subsection (b) (1) of section 1 of such act is amended to read as follows: "Except with respect to veterans qualified under subsection (b) (2) of this section, only farm owners, farm tenants, farm laborers, sharecroppers, and other individuals who obtain, or who recently obtained, a substantial portion of their income from farming operations, shall be eligible to receive the benefits of this title."

(c) Subsection (c) of section 1 of such act is amended to read as follows:

"(c) No loan shall be made, or mortgage insured, unless the farm is a family-type unit of such size as the county committee determines to be sufficient to enable the family to carry on successful farming of a type which the county committee deems can be carried on successfully in the locality in which the farm is situated, except that (1) loans may be made to veterans or mortgages insured for veterans, as defined in such section (b) (2) of this section, who have pensionable disabilities, with respect to farm units of sufficient size to meet the farming capabilities of such veterans and afford them income which, together with their pensions, will enable them to meet living and operating expenses and the amounts to become due on their loans; and (2) loans may be made or mortagages insured to owner-operators who live on units which are less than family-type units, to repair or improve such farm units and to refinance indebtedness against such farm units if such farms are of sufficient size to produce income which, together with income from other sources, will enable them to meet living and operating expenses and the amounts to become due on their loans."

(d) Subsection (b) of section 2 of such act is amended—

(1) by striking out "5 percent" and inserting in lieu thereof "4 percent."

(2) by striking out the period at the end of the second sentence thereof and inserting a comma and the following: "except that, with respect to loans under clauses (1) and (2) of section 1 (c) of this title, the certification shall be based upon the normal market value of the farm."

(e) Subsection (a) of section 3 of such act is amended by striking out the second sentence of such subsection.

(f) Subsection (b) (2) of section 3 of such act is amended by striking out "5 percent," and inserting in lieu thereof "3 percent."

(g) Section 5 of such act is amended by striking out "$50,000,000", and inserting in lieu thereof "$150,000,000"; and by striking out "June 30, 1947", and inserting in lieu thereof "June 30, 1957."

(h) Subsection (a) of section 11 of such act is amended by striking out "$25,000,000", and inserting in lieu thereof "$50,000,000".

(i) Subsection (b) of section 12 of such act is amended by striking out "$100,000,000", and inserting in lieu thereof "$120,000,000."

(j) Subsection (c) of section 12 of such act is amended by—

(1) striking out in paragraph (4) "4 percent," and inserting in lieu thereof "3 percent"; and

(2) by striking out paragraph (5) and inserting in lieu thereof the following:

"(5) loans insured under the provisions of this section shall not be in excess of the amount certified by the appropriate county committee to be the fair and reasonable value of the farm;".

(k) Section 12 of such act is amended by striking out subsections (d) and (e) thereof.

SEC. 2. Title II of the Bankhead-Jones Farm Tenant Act is amended to read as follows:

"TITLE II—OPERATING LOANS

"SEC. 21. (a) The Secretary may make loans to farmers and stockmen who are operators of family-type farms and who are citizens of the United States for the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, and other farm needs, the cost of reorganizing the farming enterprise or changing farming practices to accomplish more diversified or more profitable farming operations, the refinancing of existing indebtedness, and for family subsistence. Such loans may also be made to operators of less than family-type farm units if the farm unit is of sufficient size to produce income which, together with the income from other sources, including pensions in the case of disabled veterans, will enable such operators to meet living and operating expenses and the amounts due on their loans.

"(b) No loan shall be made under this section for the purchase or leasing of land or for the carrying on of any land-purchase or land-leasing program. No initial loan to any one borrower under this section shall exceed $25,000 and no further loan may be made under this section to a borrower so long as the total amount outstanding, including accrued interest, taxes, and other obligations properly chargeable to the account of the borrower, exceeds $40,000.

"(c) The rate of interest on loans made under the provisions of this title shall not exceed 3 percent per annum."

SEC. 3. (a) Subsection (g) (3) of section 41 of the Bankhead-Jones Farm Tenant Act is amended by striking out "$100" and "$10", and inserting in lieu thereof "$200" and "$50", respectively.

(b) Subsection (b) of section 42 of such act is amended by striking out "$5", and inserting in lieu thereof "$15."

(c) Section 44 of such act is amended by—

(1) striking out in subsection (a) (3) "5 percent," and inserting in lieu thereof "4 percent";

(2) striking out in subsection (b) "5 percent," and inserting in lieu thereof "4 percent"; and

(3) striking out in subsection (c) "5 percent", and inserting in lieu thereof "4 percent."

SEC. 4. The act of August 28, 1937, as amended (16 U. S. C. 590r–590x), is amended—

(1) by striking out in section 8 "$250,000", and inserting in lieu thereof "$1,000,000";

(2) by striking out subsection (a) (4) and subsection (c) of section 10 of such act; and

(3) by adding at the end thereof a new section as follows:

"SEC. 11. The rate of interest on any loan made or insured under the provisions of this act shall not exceed 3 percent per annum."

SEC. 5. Subsection (c) of section 2 of the act of April 6, 1949, as amended (12 U. S. C. 1148a–2), is amended—

(1) by striking out in the first sentence "For a period of 4 years from July 14, 1953, loans for $2,500 or more", and inserting in lieu thereof "Loans";

(2) by striking out the second sentence and inserting in lieu thereof the following: "Loans to such producers and feeders may also be made under this subsection for the purpose of refinancing any existing indebtedness incurred for purposes for which loans may be made under this subsection.";

(3) by striking out in the third sentence "3 years", and inserting in lieu thereof "10 years";

(4) by striking out the fourth and fifth sentences and inserting in lieu thereof the following: "Loans made under the provisions of this subsection shall bear interest at a rate not to exceed 3 percent per annum and shall be made on such other terms and conditions as the Secretary shall prescribe."; and

(5) by adding at the end of subsection (c) a new sentence as follows: "The Secretary is authorized to make advances of Commodity Credit Corporation owned wheat and feed grains to farmers and stockmen, who are unable to obtain loans from other sources on such terms and conditions as they could reasonably be expected to meet, for the purpose of furnishing the feed needed by such farmers and stockmen to preserve a breeding stock of cattle, hogs, workstock, and poultry. Such advances shall be repayable in kind or money within a period of 3 years and shall bear interest at a rate not to exceed 3 percent per annum."

SEC. 6. The act entitled "An act to provide emergency credit," approved August 31, 1954, as amended (68 Stat. 999), is amended—

(1) by striking out the first section and inserting in lieu thereof the following:

"The Secretary is authorized to make emergency loans for any agricultural purposes and for refinancing existing indebtedness to farmers and stockmen when there is a need for such credit which cannot be met from commercial banks, cooperative lending agencies, the Farmers Home Administration under its regular programs or under the act of April 6, 1949, or other responsible sources.";

(2) by striking out clauses (2) and (3) of section 2;

(3) by striking out in clause (4) of section 2 the words "for such area or areas" and

(4) by renumbering clauses (4) and (5) of section 2 as clauses (2) and (3), respectively.

SEC. 7. The Bankhead-Jones Farm Tenant Act, as amended, is amended by adding at the end thereof the following new titles:

"TITLE V. RURAL ADJUSTMENT CREDIT

"SEC. 60. The Secretary of Agriculture is authorized to make loans to encourage, assist, and provide a sounder system of credit in rural areas to ameliorate the effects of the agricultural recession and adverse agricultural situations caused by conditions beyond control of the farmers and stockmen.

"Purposes of loans

"SEC. 61. Loans made under the provisions of this title shall be made for the purposes of—

"(1) refinancing, consolidating, renewing, or extending all or part of the existing debts of eligible farmers, stockmen, farm partnerships, grazing associations, and irrigation companies and to the owners of farm related small businesses in rural areas;

"(2) assisting eligible farmers and stockmen, with special emphasis on family sized farms and smaller than family sized farms, to acquire additional land if the acquisition of such additional land—

"(A) will improve the economic status of the farmer or stockman;

"(B) will aid in a planned program for preventing erosion;

"(C) is for the purpose of retiring land from its present use to a more suitable use;

"(D) will facilitate the improvement of farmland through soil or water conserving or drainage facilities, structures, or practices;

"(E) will facilitate the improvement of farm-soil fertility, establishment of improved permanent pasture, sustained yield afforestation or reforestation, or other erosion preventatives, and other similar or related measures; or

"(F) will fulfill any other agriculture purpose consistent with the overall purpose of this title;

"(3) financing or refinancing general farm operating and subsistence expenses; and

"(4) assisting eligible farmers and stockmen to purchase stock in irrigation companies or grazing associations.

"Limitations on loans

"SEC. 62. Loans made directly by the Secretary under the provisions of this title, and loans made by private credit sources and insured under provisions of this title, which are secured only by chattel liens shall be repayable within the normal useful life of the chattels or within 15 years, whichever period of time is the shorter. In the case of an individual farmer or stockman no loan so secured shall be for an amount in excess of $50,000 and in the case of a grazing association or irrigation company no loan so secured shall be made for an amount in excess of $1 million. Loans made or insured under the provisions of this title and secured by real estate shall be repayable in not more than 40 years and shall not be for an amount in excess of $50,000 in the case of an individual farmer or stockman, or more than $1 million in the case of a grazing association or irrigation company. Direct or insured loans made to any farm partnership of two or more farmers or stockmen shall not exceed the total amount all such farmers and stockmen would be entitled to receive as individual farmers or stockmen under the provisions of this title. In the case of any farm related small business, no loan secured by a chattel lien only shall be made for an amount in excess of $250,000, and no loan secured by real estate shall be made for an amount in excess of $1 million. The rate of interest on direct or insured loans provided for under the provisions of this title shall not exceed 3 percent per annum.

"Persons eligible

"SEC. 63. (a) Loans made directly by the Secretary under the provisions of this title, and loans made by private credit sources and insured under the provisions of this title, shall be made only to established and capable beginning farmers, part-time farmers, stockmen, whether tenants or owners, farm partnerships, grazing associations, irrigation companies, and to owners of farm-related small business in rural areas—

"(1) who are unable to repay their existing indebtedness in accordance with present repayment schedules;

"(2) who are unable to secure financing through private or cooperative sources on terms and conditions which they could reasonably be expected to meet and the rejection of such credit was not due to the lack of repayment ability under normal conditions, or character, or lack of managerial capacity of the applicant;

"(3) who are certified by the appropriate county committee in accordance with subsection (a) (3) of section 44 of this act;

"(4) with respect to whom the appropriate county committee certifies and the Secretary finds there is a reasonable expectation that, with the assistance provided hereunder and the other resources available to such applicants, they will be able to repay the loans and continue their farming or ranching operations or their business operations; and

"(5) who have total principal indebtedness not in excess of the normal market value of their farms, or ranches, or businesses and the market value of their chattels, which have security value, less the outstanding balance of any liens not refinanced hereunder.

"Provisions with respect to insured loans

"SEC. 64. To effectuate the program provided for in this title the Secretary is authorized to make commitments to insure loans made by private credit sources to eligible farmers, stockmen, farm partnerships, grazing associations, irrigation companies, and farm related small businesses in rural areas. To qualify for such insurance, loans shall be made upon such terms and conditions not inconsistent with the provisions of this title, as may be prescribed by the Secretary.

"SEC. 65. Any loan insured under the provisions of this title shall be an obligation guaranteed by the United States as to principal and interest and incontestable, except for fraud or misrepresentation of which the holder has actual knowledge.

"SEC. 66. The aggregate amount of principal obligations on loans insured under the provisions of this title shall not exceed $300 million in any one fiscal year.

"SEC. 67. (a) The Secretary shall require that all loans insured under the provisions of this title shall be administered and serviced by him.

"(b) Any loan insured under the provisions of this title shall be made subject to the right of the Secretary to purchase such loan, whether or not in default, on such terms and conditions as he may prescribe.

"(c) The Secretary is authorized to purchase loans, which could have been made under the provisions of this title, from banks or other credit institutions in areas where the Secretary determines that additional funds and terms of loans are necessary to improve rural credit sources, such loans to be referred to the Farmers' Home Administration by the credit institutions within the designated areas. The amount advanced against such loan shall not exceed the value of the security as determined by the representative of the Secretary and shall not exceed the maximum amounts set out in this title. Loans obtained directly from the bank or credit institution can upon request by the borrower be renewed, extended, or amended in line with the terms established in this title.

"General provisions

"SEC. 68. The Secretary shall require loans to be repaid as provided in subsection (c) of section 44 of this act if he determines that the borrower is able to obtain a loan from a production credit association Federal land bank, or other responsible cooperative or private credit source at rates and terms which the borrower can reasonably be expected to meet.

"SEC. 69. For the purpose of carrying out the provisions of this title, the Secretary shall utilize the insurance fund established by section 11 of this act. Notes and security acquired by the Secretary for loans insured under this title shall become a part of such fund. The notes may be held in the fund and collected according to their terms, or may be sold and, if necessary, reinsured. All proceeds from such collections, including the liquidation of security, and sales of notes shall become a part of such fund.

"SEC. 70. The provisions of section 51 of this act shall be applicable to this title, and the Secretary may utilize the insurance fund for the payment of taxes, insurance, prior liens, foreclosure expenses, and any other expenses incident to action taken by the Secretary under such section. The provisions of subsections (b) and (c) of section 13 of title I of this act shall be applicable to this title also.

"Rules and regulations

"SEC. 71. The Secretary is authorized to make such rules and regulations and such delegations of authority as he may deem necessary to carry out the provisions of this title.

"Appropriations

"SEC. 72. There are authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to carry out the provisions of this title.

"TITLE VI. FAMILY FARM DEVELOPMENT ACT

"This title shall be known as the 'Family Farm Development Act of 1956.'

"Findings and policy

"SEC. 81. The low incomes, poor living standards, and insufficient economic opportunity for efficient employment of their full capacity of a large part of the rural population denies the Nation the benefit of greater productivity in agriculture and in local rural manufacturing and service industries, slows down national economic growth and reduces standards of living. The Congress recognizes that rural poverty and low rural productivity can and must be remedied in order to bring the Nation up to maximum strength and that through this example of strengthening democracy at home by providing additional opportunities to low-income rural groups, democracy in other parts of the world also will be strengthened. It is the policy of the Congress to provide practical assistance to low-income rural families who desire to increase their productivity, income, and standard of living.

"Determination of low-income counties

SEC. 82. The President is authorized to determine from time to time, from the latest official statistics available to him, the counties or areas of the United States, not exceeding 500 in number at any one time, having the largest low-income farm population and to inaugurate and maintain in such counties a program to effectuate the purposes and policy of this title.

"Eligibility

"SEC. 83. (a) The President, through existing agencies of the Federal Government may render special assistance to low-income families or single persons living in rural areas who apply for such assistance if (1) the applicant is recommended by the appropriate county committee (established under sec. 8 (b) of the Soil Conservation and Domestic Allotment Act); and (2) such county committee finds that the applicant, with the assistance provided for herein, will develop a farm and home management or family employment plan for increasing his productivity and income that has a reasonable chance to succeed.

"(b) In exploring the most feasible and practicable methods for increasing his productivity and income the applicant, with the assistance of the appropriate county committee, will determine whether the cause of low income is due to physical handicaps of the family; the lack of available credit to make needed shifts in farming methods and

employment of labor resources of the family; the practice of inefficient farming methods or practices; lack of practicable diversification in the farming operation; lack of sufficient land; lack of outside employment opportunities to fully utilize the labor of the family in ways that enable it to earn an adequate return at least equal to the established national minimum wage. To assist in the analysis of the needs and in developing the plans with families, the Secretary of Agriculture shall make available to the families and the county committees the services of the local and State offices of the agencies of the Department of Agriculture to provide the advice of technicians in such fields as soil conservation, and supervised agricultural credit for agricultural production and for farm enlargement and development. The advice and assistance of other Federal agencies shall be made available and the cooperation of State and local agencies, including the State agricultural extension services and the State employment services, and of private individuals and organizations also shall be solicited.

"Developing economically adequate full-time and part-time farmers

"SEC. 84. In case of eligible applicants who wish to remain on the farm now occupied or to become established on another farm in the area, either on a full-time farming basis or in conjunction with off-farm employment of one or more members of the family, the Secretary of Agriculture is authorized and directed to provide the following services through the county committees:

"(a) Employ such full-time employees as may be required to carry on the purposes of this title.

"(b) Make a complete analysis of the farm and farm operations and supplemental employment opportunities to determine the most promising ways by which family income and productivity in combination with whatever off-farm employment may be planned can be raised to an adequate level. After completion of such a farm and home plan, the Secretary through the county committee shall render every assistance possible to the applicant and his family in putting the new program into effect, including technical assistance on improved farm and home practices, and assistance in obtaining credit needed from private, cooperative, or governmental sources to put these practices into effect.

"(c) To effectuate the purpose of this title the Secretary of Agriculture is authorized, upon such conditions as he shall prescribe, to insure and make loans for periods not to exceed 25 years, and at a rate of interest not to exceed 3 percent per annum for the purpose of financing the enlargement and development of owner-operated family-type farms by (1) the acquisition of additional land, (2) the establishment of improved pastures and sustained yield woodlots, (3) the construction of adequate farm buildings and structures (including drainage facilities, irrigation facilities, and other facilities for the use, conservation, and improvement of soil and water), and (4) such other related farm improvements as will increase the income-producing ability of the farm unit to a more nearly fully adequate family farm.

"(d) (1) To make or to insure 3- to 15-year loans at a rate of interest not to exceed 3 percent per annum advanced by production credit associations and by private lenders for non-real-estate capital investment purposes; (2) to make loans up to 50 years at a rate of interest not to exceed 3 percent per annum to eligible applicants to acquire and manage on a sustained-yield basis additional forest or cut-over land; (3) to make loans for periods up to 10 years at a rate of interest not to exceed 4 percent per annum to enable an eligible applicant to acquire needed logging equipment; (4) to make loans of not more than 5 years at a rate of interest not to exceed 4 percent per annum to eligible applicants to purchase capital stock of and pay membership fees to existing or new supply, service, or marketing cooperatives including timber marketing and processing cooperatives; and (5) to make loans to refinance existing indebtedness incurred for any of the above purposes on terms and conditions applicable to loans for such purposes: *Provided*, That creditors will enter into voluntary agreements to make needed adjustments of outstanding indebtedness to realistic income possibilities of the collateral for the existing mortgage or mortgages: *Provided further*, That the Secretary of Agriculture shall establish a variable repayment schedule for all of the foregoing types of loans such that the repayment of interest and principal in any single year shall bear a reasonable relationship to the income of the participating family in that year.

"Part- and full-time off-farm employment

"SEC. 85. Whenever the family determines to seek part-time or full-time farm or nonfarm employment off the farm, the problem shall be presented to the nearest farm labor placement center of the State employment service cooperating with the Department of Labor. Information concerning farm labor opportunities also shall be made available to the family by the State and county committees.

"Vocational education

"SEC. 86. The Secretary of Health, Education, and Welfare is authorized to provide a program of adult vocational training in the designated counties both in farm and home management and in such other farm and nonfarm activities as the family plans of eligible applicants indicate as needed to maximize family income and productivity of family labor within the area.

"Industrial dispersion

"SEC. 87. To provide for the national defense, to promote interstate commerce, and to improve the general welfare by assisting in the sound economic growth and development of the country, it is the policy of the Congress to encourage and stimulate the establishment of new or expanded private industrial, commercial, or service enterprises in widely dispersed rural areas as required to reduce vulnerability to modern war risks and in which, over an extended period of time, because of the number of underemployed rural persons with excessively low incomes, the number of existing industrial, commercial, or service enterprises, and the available markets and resources there are reasonable prospects for successful operation of additional private enterprises which would more fully utilize available manpower in rural areas. To effectuate this policy of industry dispersal, the departments and establishments in the executive branch of the Government shall be utilized and coordinated to—

"(a) provide technical aid and assistance to, and consult and cooperate with, farmers, businessmen, workers, cooperatives, civic organizations, clubs, and committees, community study and planning groups, and local and State governmental agencies;

"(b) prepare and distribute technical, defense, and economic information on opportunities in and necessities of private enterprise in various industries and areas in order to aid individuals, business firms, civic organizations, and local units of government in developing new or expanded industries best suited in local conditions; and the requirement of civil defense;

"(c) assist new or expanding industries in finding adequate private financing through local capital or otherwise and where such financing is found to be unavailable, extend Government loans or guaranties under existing authority; and

"(d) use all appropriate means and authority to encourage and stimulate the maximum expansion in private employment and private enterprises consistent with the needs for national defense, with a sound, growing national economy, and with the necessities of civilian defense.

"Appropriation

"SEC. 88. There are hereby authorized to be appropriated such sums as may be necessary for carrying out the provisions of this title."

SEC. 8. (a) No provision contained in this act or in any of the following acts shall be construed as authorizing the Secretary of Agriculture to make charges against either the borrower or lender for the insuring or servicing of loans insured by the Secretary under the provisions of such acts: (1) The Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1001); (2) the act of August 28, 1937, as amended (16 U. S. C. 590r); (3) the act of April 6, 1949, as amended (12 U. S. C. 1148a–1) and the act entitled "An act to provide emergency credit," approved August 31, 1954, as amended (68 Stat. 999). Any expenses incurred for the insuring and servicing of such loans shall be borne by the Secretary.

(b) The provisions of this section shall not apply to any such charges accrued prior to the date of enactment of this section.

"Debt adjustment

"SEC. 9. The Secretary shall arrange to assist borrowers under any of the provisions of this act in the voluntary adjustment of their existing indebtedness with creditors directly in competition with State, Territorial, and local agencies and committees engaged in such debt adjustment.

"Variable repayment

"SEC. 10. The Secretary is authorized and directed to establish, with respect to all loans authorized by this act, variable repayment plans with payments adjusted, without regard to pervious excess payments to the net earnings and ability of the borrower to pay from year to year."

DEVELOPMENT AND UTILIZATION OF NATURAL WATER RESOURCES IN CONSTRUCTION OF RESERVOIR PROJECTS

Mr. CLEMENTS. Mr. President, I introduce, for appropriate reference, a bill which is designed to enhance the economic usefulness of our water resources authorizing the United States Corps of Engineers to provide additional storage in reservoirs to permit increasing the flows downstream in periods of low flow.

Such authority will go a long way in meeting some of the most pressing water problems facing the Nation—water supply, pollution, and a minimum flow for navigation during extended dry weather.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3791) to provide for a more comprehensive development and utilization of natural water resources in plans and construction of reservoir projects, introduced by Mr. CLEMENTS, was received, read twice by its title, and referred to the Committee on Public Works.

DESIGNATION OF DAM AND RESERVOIR ON LOWER CUMBERLAND RIVER, KY., AS BARKLEY DAM AND LAKE BARKLEY

Mr. CLEMENTS. Mr. President, I introduce, for appropriate reference, a joint resolution to designate the dam and

reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively. It is a joint resolution to which I shall refer later.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 166) to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively, introduced by Mr. CLEMENTS, was received, read twice by its title, and referred to the Committee on Public Works.

PUBLIC LAND HIGHWAY AND ROADS AND TRAILS AMENDMENTS TO BE OFFERED TO THE SENATE HIGHWAY BILL

Mr. BENNETT. Mr. President, the Senate Public Works Committee announced on Friday that it will shortly report the highway bill, substituting the provisions of S. 1048 as passed by the Senate last year for title I of the House bill except for the adoption of the House interstate highway 13-year program with changes in the interstate formula.

Unfortunately the Senate committee failed to increase the annual authorizations for national park roads and trails, parkways, forest highways, and for forest development roads and trails. S. 1048 passed by the Senate last year made no increases in these important programs.

It is imperative that our public lands highways keep pace with the modernization and development planned for our other highways. Therefore, I wish to notify my colleagues in the Senate that I intend to offer the following amendments to the highway bill when it is debated on the floor of the Senate:

[In millions]

	S. 1048	My amendment
National parks roads and trails	$12.5	$16
Parkways	11	16
Forest highways	22.5	25
Forest development roads and trails	24	27

My amendments are intended to bring the level of annual appropriations for the above public land roads up to the level approved in H. R. 10660, the House version of the highway bill passed on April 27 of this year.

I ask unanimous consent that two short tables and a brief statement showing the national impact and need for the increases I have outlined appear in the RECORD following my remarks.

There being no objection, the statement and tables were ordered to be printed in the RECORD, as follows:

NATIONAL PARK ROADS AND TRAILS AND PARKWAYS

On February 1 of this year Secretary of Interior Douglas McKay announced the administration's proposed 10-year Mission 66 program to improve and modernize our long neglected national parks and monuments. The program has been well received and has enjoyed the acclamation of virtually the entire Nation.

One of the most important facets of the Mission 66 is the proposed expanded roads and trails program. Approximately 2,000 miles of road construction—including reconstructed and relocated roads—costing $156,500,000 to build will be needed by 1966 to provide systems of a standard that will care for traffic at that time and for the years to follow, and to take the visitor to those features which he should be able to reach by motor road. While only 300 miles will be new construction, the remainder of the park road and trail system is much in need of modernization.

In Utah alone, new roads are planned into Zion, Arches, and Dinosaur National Monuments to make these long inaccessible areas available to the people of America. Road improvements are planned in nearly all of Utah's parks and monuments, including a 6-mile improved rim road at Cedar Breaks and substantial improvements in Zion and Bryce Canyon National Parks.

The Mission 66 report states on page 88 that "annual appropriations of $16,000,000 will be needed for adequate progress on the program, including trails." The general construction program has been approved by Congress this year. Let's get the road and trail program started this year as well.

FOREST HIGHWAYS AND FOREST DEVELOPMENT ROADS AND TRAILS

The critical deficiencies on our forest highway system include some 16,597 miles and amount to $1,200,000,000. Much of this mileage is of immediate, even critical, national importance, quite as much so as many of the highways which will be benefited by the increases contemplated in this year's highway bill. These forest highways must keep pace with the rest of our system and the increase in annual authorization of $2.5 million seems more than modest compared to the $1.2 billion critical deficiency.

In my own State of Utah forest highway development has lagged. A prime example is the remarkably beautiful State highway 150 which runs from Kamas to Evanston, Wyo., through the Wasatch Forest and which after many years of development still has a 12-mile gap uncompleted.

Similarly, forest roads and trails, so important to the protection and development of our great forest resources have critical deficiencies of, in the case of roads, $875 million and for trails $11.5 million. We should act now to at least partially narrow this tremendous gap.

Forest development roads and trails

A. STATUS OF THE SYSTEM JUNE 30, 1955

	Miles	
	Roads	Trails
All national forests:		
Existing improvements:		
Adequate	69,841	92,435
Inadequate	51,073	26,320
Planned improvements:		
Nonexisting	40,433	5,907
Total	161,347	124,662
Utah national forests:		
Existing improvements:		
Adequate	2,007	5,366
Inadequate	1,991	2,043
Planned improvements:		
Nonexisting	558	450
Total	4,556	7,859

B. ESTIMATED ADDITIONAL NEEDS TO 1985

All national forests:		
Improvements needed	91,506	32,227
Estimated cost	$1,135,000,000	$14,000,000
Utah national forests:		
Improvements needed	2,549	2,493
Estimated cost	$19,486,000	$387,000

C. CRITICAL DEFICIENCIES

All national forests:		
Improvements needed	70,257	26,320
Estimated cost	$875,000,000	$11,500,000
Utah national forests:		
Improvements needed	1,345	2,043
Estimated cost	$10,400,000	$310,000

Forest highways

A. System mileage, June 30, 1954:	
All national forests miles	24,275
Utah national forests	716
B. Estimated additional needs to 1985:	
All national forests	$2,750,532,000
Utah national forests	75,978,000
C. Critical deficiencies:	
All national forests:	
Improvements needed miles	16,517
Estimated cost	$1,282,904,000
Utah national forests:	
Improvements needed miles	435
Estimated cost	$28,944,000

(Data taken from the Commissioner of Public Roads Report of Operations on the Forest Highway System, 1954.)

Mr. NEUBERGER subsequently said: Mr. President, I merely wish to comment very briefly on the statement of the Senator from Utah [Mr. BENNETT] that he intends to propose to the highway bill, amendments increasing the funds provided for forest development roads, forest trails, national-park roads, and similar routes.

I should like to point out that when the Senate Committee on Public Works had before it the entire question last Friday, I told my colleagues on the committee at that time that I intended to sponsor an amendment to increase the amounts provided in the Senate bill so as to make them correspond to the amounts provided in the House bill, and that such an amendment is now being prepared by the staff of the committee, to apply to these forest roads.

TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA—AMENDMENTS

Mr. ALLOTT submitted amendments, intended to be proposed by him to the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT, RELATING TO SHIPMENT OF CERTAIN POULTRY—AMENDMENTS

Mr. SCOTT submitted amendments, intended to be proposed by him, to the bill (S. 3176) to amend the Federal Food, Drug, and Cosmetic Act, so as to prohibit the movement in interstate or foreign commerce of unsound, unhealthy, diseased, unwholesome, or adulterated poultry or poultry products, which were referred to the Committee on Labor and Public Welfare, and ordered to be printed.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENTS

Mr. LEHMAN. Mr. President, I submit amendments, intended to be proposed by me, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes. I ask unanimous consent that the amendments be appropriately referred, and printed in the RECORD, together with a statement I have prepared relating to them.

The PRESIDENT pro tempore. The amendments will be received and appropriately referred; and, without objection, the amendments and statement will be printed in the RECORD.

The amendments were received and referred to the Committee on Finance, ordered to be printed, and to be printed in the RECORD, as follows:

On page 28, between lines 4 and 5, insert the following new section:

"TIPS AS WAGES

"SEC. 110. (a) Section 209 of the Social Security Act is amended by adding at the end thereof the following new paragraph:

" 'Tips and other cash remuneration customarily received by an employee in the course of his employment from persons other than the person employing him shall, for the purposes of this title, be considered as remuneration paid to him by his employer; except that in the case of tips, only so much of the amount thereof received during any calendar quarter as the employee, before the expiration of 10 days after the close of such quarter, reports in writing to his employer as having been received by him in such quarter shall be considered as remuneration paid by his employer, and then only if the sum of the wages of the employee in the possession of the employer at the time of such report and the amount, if any, remitted by the employee with such report is not less than the tax imposed by section 3101 of the Internal Revenue Code of 1954 with respect to such wages plus the tax which would be imposed by such section with respect to the remuneration so reported. The remuneration so considered as paid by the employer shall be considered as paid by him to the employee on the date on which such report is made.'

"(b) The amendment made by subsection (a) of this section shall be applicable only with respect to remuneration paid after 1956."

At the end of the bill add the following new section:

"TIPS AS WAGES

"SEC. 203. (a) Section 3121 (a) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new paragraphs:

" 'Tips and other cash remuneration customarily received by an employee in the course of his employment from persons other than the person employing him shall, for the purpose of this chapter, be considered as remuneration paid to him by his employer; except that, in the case of tips, only so much of the amount thereof received during any calendar quarter as the employee, before the expiration of 10 days after the close of such quarter, reports in writing to his employer as having been received by him in such quarter shall be considered as remuneration paid by his employer, and then only if the sum of the wages of the employee in the possession of the employer at the time of such report and the amount, if any, remitted by the employee with such report is not less than the tax imposed by section 3101 with respect to such wages plus the tax which would be imposed by such section with respect to the remuneration so reported. The remuneration so considered as paid by the employer shall be considered as paid by him to the employee on the date on which such report is made.

" 'In applying the provisions of paragraph (1) of this subsection and the provisions of section 6413 (c) (1), remuneration to which the tax imposed by section 3101 would be applicable (if such remuneration constitutes wages) shall first be counted.'

"(b) The amendment made by subsection (a) of this section shall be applicable only with respect to remuneration paid after 1956."

The statement presented by Mr. LEHMAN is as follows:

STATEMENT BY SENATOR LEHMAN

I have introduced an amendment to the pending social-security bill, H. R. 7225, to provide that tips or gratuities received from customers of an employer shall constitute wages for social-security purposes. I introduced a similar provision in 1953 as part of my comprehensive social-security measure. Unfortunately, however, it was not approved.

I think there is a great need for this amendment. As a result of the failure to provide for the payment of social-security taxes on tips, workers who receive part of their income in this form are deprived of a large measure of protection under the social-security system. The Internal Revenue Service requires that these people take these monies into account for income-tax purposes. It seems unreasonable and unjust that they should not also be included for social-security purposes.

I do not know exactly how many people would be affected by this change. I am sure, however, that it would run into the thousands—waiters, barbers, hairdressers, taxi drivers, various types of hotel employees. These people are entitled to the same degree of coverage as other members of our population. They should not be penalized simply because a portion of their wages is received in the form of tips and gratuities from customers rather than directly from their employer.

The principal opposition to this proposal has come from the employers who claim that it presents a serious administrative problem, particularly with respect to reporting on the part of the employer and the employee. I think that my amendment adequately takes care of this.

I hope the Senate Finance Committee, which is currently holding executive sessions on H. R. 7225, will take favorable action on this amendment.

LIBRARY OF CAPTIONED FILMS FOR THE DEAF AND HARD OF HEARING—ADDITIONAL COSPONSORS OF BILL

Mr. PURTELL. Mr. President, I ask unanimous consent that the names of the following Senators be listed as cosponsors of the bill (S. 3558) to provide a library of captioned films for the deaf and hard of hearing, the next time the bill is printed:

Messrs. HILL, SMITH of New Jersey, AIKEN, ALLOTT, BARRETT, BEALL, BENDER, BENNETT, BRIDGES, BUSH, BUTLER, CAPEHART, CARLSON, DIRKSEN, EASTLAND, FLANDERS, HICKENLOOPER, HUMPHREY, IVES, JACKSON, JOHNSTON of South Carolina, KENNEDY, LAIRD, LANGER, LEHMAN, MCCARTHY, MAGNUSON, MALONE, MANSFIELD, MUNDT, MURRAY, NEELY, NEUBERGER, PAYNE, POTTER, SALTONSTALL, SPARKMAN, THYE, WOFFORD, and YOUNG.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SALTONSTALL:

Address delivered by Senator GOLDWATER at the Robert A. Taft memorial dinner, held in Boston, Mass., on May 3, 1956.

By Mr. JACKSON:

Address delivered by Senator KEFAUVER before the faculty and student body of Vassar College on April 26, 1956.

By Mr. DANIEL:

Statement prepared by him regarding Dr. John Milburn Price, founder and director of the school of religious education at Southwestern Baptist Theological Seminary.

By Mr. PAYNE:

Statement prepared by him relative to the 100th anniversary of the birth of Robert E. Peary, discoverer of the North Pole.

By Mr. MCNAMARA:

Statement prepared by Senator PASTORE with reference to Senate bill 3732, to provide insurance against flood damage and for other purposes.

By Mr. BRIDGES:

Address delivered by him before annual meeting, American Cotton Manufacturers Institute, Hollywood Beach, Fla., April 7, 1956.

By Mr. WILEY:

Address delivered by him at convention of the Reserve Officers' Association of Wisconsin.

Address delivered by him before the Phi Mu Sigma fraternity chapter of the Wisconsin State College, at Milwaukee, Wis., on the subject of the needs of the mentally retarded.

AMERICA SALUTES ISRAEL

Mr. LEHMAN. Mr. President, on April 29, there was held in Yankee Stadium, in New York City, a great rally attended by almost 50,000 people; the theme of the meeting was America Salutes Israel.

I was unfortunately unable to attend this splendid assembly, but I was there in spirit, and received very detailed reports concerning it.

A number of important addresses were delivered on this occasion, by Governor Harriman, Mayor Wagner, and others. One of the most significant speeches was delivered by the distinguished junior Senator from Massachusetts [Mr. KENNEDY], who described, very appropriately, in my judgment, the responsibility which the United States must assume in securing peace in the Middle East.

Mr. President, I ask unanimous consent that the very forthright speech delivered by the Senator from Massachusetts be printed in the RECORD at this point in my remarks. I also ask that following the remarks of the Senator from Massachusetts there be inserted in the RECORD the text of a brief message which I addressed to the rally.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. JOHN F. KENNEDY, OF MASSACHUSETTS, AT THE AMERICA SALUTES ISRAEL CELEBRATION, YANKEE STADIUM, NEW YORK, APRIL 29, 1956

We are gathered here this afternoon to commemorate a notable anniversary in man's eternal quest for freedom. For nearly 8 years ago today a state was born—and a people, rising from the ashes of history's most ruthless persecution, entered upon a new birth of freedom. The state was the State of Israel—and the people were the children of Israel. Today, as the anniversary of that monumental event recurs for the eighth time—Israel, we salute you.

Much is different between the United States and Israel. Our Nation stretches in a great land mass between two wide oceans—the Israelis occupy a beachhead on the eastern Mediterranean. Americans number 165 million—the Israelis less than 2 million. We are the oldest Republic on earth and the youngest people—the Israelis have the youngest republic and the oldest people.

Yes, much is different—but much is the same. For both Israel and the United States won their freedom in a bitter war for independence. Both Israel and the United States acknowledge the supremacy of the moral law—both believe in personal as well as national liberty—and, perhaps most important, both will fight to the end to maintain that liberty.

I join in this salute today because of my own deep admiration for Israel and her people—an admiration based not on hearsay, not on assumption, but on my own personal experience. For I went to Palestine in 1939; and I saw there an unhappy land, ruled under a League of Nations mandate by a Britain which divided and ruled in accordance with ancient policy. And while there I was shocked by a British Foreign Office white paper just issued sharply cutting back Jewish immigration. Yes, as in the days of old, the glory had departed from Israel. For century after century, Romans, Turks, Christians, Moslems, Pagans, British—all had conquered the Holy Land—but none could make it prosper. In the words of Israel Zangwill: "The land without a people waited for the people without a land." The realm where once milk and honey flowed, and civilization flourished, was in 1939 a barren realm—barren of hope and cheer and progress as well as crops and industries—a gloomy picture for a young man paying his first visit from the United States.

But 12 years later, in 1951, I traveled again to the land by the River Jordan—this time as a Member of the Congress of the United States—and this time to see first-hand the new State of Israel. The transformation which had taken place could not have been more complete. For between the time of my visit in 1939 and my visit in 1951, a nation had been reborn—a desert had been reclaimed—and a national integrity had been redeemed, after 2,000 years of seemingly endless waiting. Zion had at last been restored—and she had promptly opened her arms to the homeless and the weary and the persecuted. It was the "Ingathering of the Exiles"—they had heard the call of their homeland; and they had come, brands plucked from the burning—they had come from concentration camps and ghettoes, from distant exile and dangerous sanctuary, from broken homes in Poland and lonely huts in Yemen, like the ancient strangers in a strange land they had come. And Israel received them all, fed them, housed them, cared for them, bound up their wounds, and enlisted them in the struggle to build a new nation.

But perhaps the greatest change of all I found lay in the hearts and minds of the people. For, unlike the discouraged settlers of 1939, they looked to the future with hope. From Haifa to the Gulf of Akaba, from Gaza to the Dead Sea, I found a revival of an ancient spirit. I found it in Israel's gift to world statesmanship, David Ben-Gurion. I saw it in the determined step of soldiers and workers; I heard it in the glad voices of women in the fields; I saw it in the hopeful eyes of refugees waiting patiently in their misery. The barren land I had seen in 1939 had become the vital nation of 1951.

Yes; Israel, we salute you. We honor your progress and your determination and your spirit. But in the midst of our rejoicing we do not forget your peril. We know that no other nation in this world lives out its days in an atmosphere of such constant tension and fear. We know that no other nation in this world is surrounded on every side by such violent hate and prejudice.

Will Israel fail? Will this noblest of all the 20th century's experiments in democracy sink beneath the surface, not to rise again for still another 2,000 years? Part of the answer rests with the United States, the leader of the free world, and the godfather of the infant nation Israel. I shall not now attempt to chart our course in detail. But I shall say, and say again, that this is no time for equivocation or hesitation.

It is long past time for this Nation and others to make it absolutely clear that any aggression or threat of aggression in the Middle East will not be tolerated by the United Nations or the parties to the 1950 Tripartite Agreement. It is time that we made this so clear, in the U. N. and elsewhere, that no nation would dare to launch an attack. For it is the responsibility of our Government to make certain that neither Israel nor any small nation of the world is left defenseless without arms while neighboring states dedicated to their destruction receive unlimited quantities of Communist arms. It is time that all the nations of the world, in the Middle East and elsewhere, realized that Israel is here to stay. She will not surrender—she will not retreat—and we will not let her fall.

Today we celebrate her 8th birthday—but I say without hesitation that she will live to see an 80th birthday—and an eight hundredth. For peace is all Israel asks, no more—a peace that will "beat swords into plowshares and spears into pruning-hooks"; a peace that will enable the desert to "rejoice and blossom as the rose." "when the wicked cease from troubling and the weary be at rest." Then, and only then, will the world have witnessed the complete fulfillment of Isaiah's prophecy "Tzee-Yón B'Meeshpát Teepadéh—"Zion shall be redeemed through justice." And all of us here, and there, and everywhere will then be able to say to each other with faith and with confidence, in our coming and in our going: "Shalom"—peace! Peace be with you, now and forever.

MESSAGE FROM SENATOR LEHMAN

APRIL 28, 1956.

Judge SAMUEL S. LEIBOWITZ,
Brooklyn, N. Y.:

I wish I could be with you on Sunday to join in your great observance of Israel's Independence Day. The thousands of New Yorkers who will be gathered at Yankee Stadium will furnish evidence to the people of Israel of the support which the American people have in their hearts for Israel's stalwart defense of the cause of freedom and democracy. The people of Israel are carrying on a struggle which is our struggle too—the struggle for a lasting peace in the Middle East.

Israel must be strong. We must help to make and keep Israel strong. While clearly demonstrating to the Arab world that aggression is not to be tolerated we must make clear that we are ready to help all peoples in the area in their search for peace, progress, and well being.

Knowing the stuff of which the Israeli people are made—their strength, their patience and their dedication—I have faith that the miracle and blessings of peace will be achieved.

HERBERT H. LEHMAN.

ONE HUNDRED AND SIXTY-FIFTH ANNIVERSARY OF THE SIGNING OF POLISH CONSTITUTION

Mr. LEHMAN. Mr. President, I ask unanimous consent that there be printed in the RECORD, as part of my remarks, a statement which I have prepared in commemoration of the 165th Anniversary of the signing of the Polish Constitution which occurred on May 3.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN ON POLISH CONSTITUTION DAY, MAY 3

Today I am proud to commemorate the 165th Anniversary of the signing of the Polish Constitution, which is observed throughout the world by free men and women who remember that Poland was among the first nations to develop modern constitutional government.

This action stands as one of the many great events in the history of the Polish nation. A truly valiant people have demonstrated over the years their fundamental belief in the freedoms of man and their abhorrence of tyranny by resisting oppression time and again, often alone and without allies. Long years of occupation and oppression have never suppressed the craving of men who have tasted freedom. The faith of the Polish people in freedom and self-determination is immune to destruction, and will endure any test which their Russian masters may devise.

There are many ways we Americans can keep faith with those who have waged the gallant fight against tyranny down through the centuries. One of the ways in which we can keep this faith with freedom-loving people is to provide a flexible immigration law and Refugee Relief Act, which will in times of crisis enable escapees and refugees to find a sure and friendly haven from terror and oppression on our shores.

The time is long past when we can regard our immigration and citizenship policies as unimportant matters to be discussed only on occasions such as Polish Constitution Day. These policies have too long lain dormant and distorted. They are not true to the American tradition of welcoming newcomers to our shores and they portray to the world a picture which our enemies must deeply relish. Such laws must be brought into harmony with the American tradition of freedom and brotherly love, if we are to maintain our self-respect, as well as the respect of our friends and neighbors throughout the world.

Nor may we forget our obligation to work incessantly for the day, in all proper and feasible ways, when freedom will be restored to the people of Poland as to all the enslaved behind the Iron Curtain.

Freedom is on our banners and this means freedom for all who desire and deserve it—which surely includes the people of Poland who have so long cherished freedom and have contributed so much to its preservation in the world.

Mr. DOUGLAS. Mr. President, I rise to honor the Constitution Day of the great nation of Poland, which was cele-

brated on May 3. It must be with a note of sadness that we honor that day here in the United States, while the Polish people themselves are not free to celebrate their own Constitution Day in their own land. But we do pay our tribute to Poland's Constitution Day, and we do so with hope and faith—hope that the freedom and independence which once were Poland's shall soon be hers again, and faith that the ideas of freedom and democracy shall survive in the hearts of the Polish people as they have been enshrined in the hearts of Americans who look to Poland as their land of ancestry.

Mr. President, the colonialism of the 18th and 19th centuries is dying. Almost everywhere in the world colonial powers are either being pushed out of their colonies or are enlightened enough to lead their former colonial peoples to new freedom and independence. This is being done in response to the aspirations of subject peoples for independence and freedom to determine their own destinies. We in American rejoice in this development, for we have long been a leading opponent of old-fashioned colonialism—and well we should, for the American ideal is a revolutionary ideal. No idea ever introduced on the face of the earth, except Christianity, is as revolutionary as the idea that all men are created equal, and that they are endowed by their Creator with certain inalienable rights.

It is, therefore, doubly disturbing to us, then, to find a new colonialism replacing the old. The new colonialism relies not only upon political and economic domination, but, in many cases, upon actual physical subjugation and mental subjugation. The term "satellite" has become a valid description of the relation between subject state and colonial power. The foremost practitioner of the new colonialism is the Soviet Union. Certainly it is the most ruthless. Surrounded by satellite nations, which it dominates and controls, the Soviet Union is the leader of the new colonialism.

On this Polish Constitution Day we hope and pray that the aspirations of the Polish people for freedom and independence may be quickly realized. We hope and pray that similar aspirations of other satellite nations may be fulfilled. We affirm that the United States must continue to stand for the rights of all people to be free and independent and in control of their own destines, insofar as it is given to man to control his destiny.

Mr. KNOWLAND. Mr. President, I wish to commend the distinguished Senator from Illinois [Mr. DOUGLAS] for having taken recognition of Polish Constitution Day. I know that the Senator from Illinois has been vitally concerned with the people who have lost their freedom behind the Iron Curtain.

I am particularly pleased today to hear a distinguished member of the party which is represented by those on the other side of the aisle restate its position, because of two articles which appeared this morning in the New York Times. I now ask unanimous consent to have the articles printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

KENNAN FAVORING UNITED STATES POLICY SHIFT—HIS PRIVATE PROPOSALS URGE NORMAL RELATIONSHIP WITH A "MELLOWED" SOVIET—SATELLITES HELD FINAL—EX-AIDE WOULD ADMIT PEIPING TO U. N. BUT BAR RECOGNITION—SEES NEED FOR STYLE

(By James Reston)

WASHINGTON, May 6.—George F. Kennan, former Ambassador to Moscow and once head of the State Department's Policy Planning Staff, is making an original contribution to the developing debate on the redirection of United States foreign policy.

He has been speaking to small groups of foreign policy experts around the country and circulating privately a paper that is bound to provoke the attention and respect, though certainly not the unqualified approval, of officials here.

His theme is that style in foreign policy is as important as style in tennis and that much of United States difficulty in the world comes from fixed attitudes toward other nations, attitudes he believes to be wrong and antithetical to United States long-term interests.

Among the attitudes he defines and condemns are a tendency to wait until the Soviet Union or world opinion forces the United States to adjust to world developments that are plain to see; a tendency to expect too intimate a relationship with other nations; too apologetic an attitude toward the underdeveloped lands; too optimistic an attitude about correcting wrong that cannot be corrected, and too moralistic an attitude about membership in the United Nations.

MAIN POINTS LISTED

Recent changes in Soviet policy: Mr. Kennan says these changes represent the beginning of that mellowing process that overtakes sooner or later all militant movements. They point the way to the restoration of a more normal and more hopeful relationship of the Russian people toward their world environment, and particularly to the United States.

Mr. Kennan thinks that this future relationship has important and even, in some respects exciting possibilities, but that the United States should not exaggerate them.

How should the United States react? Mr. Kennan says Americans should remember the historic differences between the United States and the Soviet Union and avoid trying to achieve an intimacy with other peoples that is out of the question.

But if the United States kept its distance and conceded to the Russians the privilege of their privacy and differentness, Mr. Kennan could see no reason why a satisfactory and hopeful relationship should not be established between the United States and the Soviet Union.

But he insists that the two nations should be modest in the demands they make on each other, and learn to "get over the charged and excited quality" that the United States has contrived to insert into every sort of relationship with the Russians. Mr. Kennan appeals to the press in particular "to restore an atmosphere of normalcy to the environment of United States-Soviet relationship."

The Soviet satellites: Though Mr. Kennan condemns the hideous injustices committed by the Soviet Union in the Eastern European nations, he argues that "there is a finality, for better or worse, about what has occurred in Eastern Europe."

The best the United States can hope for, in his view, is the evolution of these Communist regimes "to a position of greater independence and greater responsiveness to domestic opinion."

He regards it as as no service to the satellites to encourage them to believe that they can return and pick up where they left off 10 or 20 years ago.

Communist China: Though Mr. Kennan believes that the outlook for United States-Soviet relationship can be rather good, he adds, "I am sorry that I cannot say the same thing with regard to Communist China."

He sees nothing to justify hope for amicable relations with Peiping, nothing in its conduct "but the most profound arrogance inhumanity and obstinate error in the understanding of the Western World."

Mr. Kennan says the Peiping leaders have given the United States the deepest and most unjustified sort of offense, that he sees nothing to be gained by entering into diplomatic relations with them and that the United States should keep its distance and defend its interests with whatever ruthlessness the situation requires.

He qualifies this by saying he does not think of membership in the United Nations as approval of a regime and that he does not think the United States "should scratch around among Communist regimes to establish relative degrees of iniquity." Therefore, while the United States would not vote to bring Communist China into the United Nations, he says the United States should not try to obstruct its admission if a majority of the members of the United Nations wanted Peiping.

Germany: "It seems to me," Mr. Kennan says, "that American policy should be aimed at the reunification of Germany and the earliest possible reestablishment of that country as a neutral factor that can blunt the sharp edge of military bipolarity in Europe and help, eventually, to mitigate the intensity of the conflict between East and West."

Similarly, he would take greater chances with Japan, and move as fast as possible to liquidate the United States bases, which, he believes, will inevitably work against our interests.

Foreign aid and the underdeveloped countries: Mr. Kennan would like to see the United States give aid where it can, but he categorically rejects and clearly resents the attitudes of those countries that tell the United States it has an obligation to do this and that and then warn they will "go Communist" if United States aid is not forthcoming.

His answer to this is "Go."

He would have the United States do what it can to dissolve colonial ties where they have clearly outlived their usefulness, but he would avoid all sweeping generalizations placing the United States in a posture of rigid anticolonialism.

He thinks the United States has been thrust so deplorably onto the defensive by all sorts of countries threatening this and that, by its own futile and undignified desire to be popular abroad, and by many other false attitudes that it could give 50 billion a year instead of 5 and the result would not be much better.

Therefore he calls for a general clarification of the terms and background of United States aid programs, and particularly for a new attitude toward the whole question.

"I would like," he says, "to see us first look the rest of the world in the face and say to it that we owe it nothing, and will accept from no one the assertion of any moral claims on America's energies and resources."

OLD PROS HEADING STEVENSON STAFF—EGGHEADS OF 1952 GIVE WAY—FINNEGAN AND FINLETTER ARE HIGH IN COUNCILS

(By Richard J. H. Johnston)

CHICAGO, May 6.—The eggheads are hard to find among Adlai E. Stevenson's 1956 strategists.

The starry-eyed amateurs who carried the ball in 1952 have yielded to a group of determined political veterans.

Expunged from the Stevenson lexicon is the word "volunteer." Technically, there are no volunteers in 1956.

In the candidate's various headquarters there are nonprofessionals left over from 1952, but they are now members of Adlai E. Stevenson-for-President committees.

Calling the plays is a hard core of managers to whom an analysis of primary returns from Blue Earth County, Minn., holds more significance than a quotation from Horace.

Nominal head coach of this board of strategy is a graying, heavy-jawed bachelor from Philadelphia. He is James A. Finnegan, an accountant by profession and a politician by choice.

ONCE WAS CITY CHAIRMAN

Mr. Finnegan had his first taste of politics in the 51st ward of Philadelphia. He rose to city chairman of the party. During his tenure the Democrats elected their first mayor in 67 years.

As registration and organization chairman of the Pennsylvania Democratic Party he played a vital role in the election of George M. Leader as Governor in 1954. He left his post as president of the city council to become secretary of state of the commonwealth. He resigned last year to assume the direction of Mr. Stevenson's second presidential bid.

Although Mr. Finnegan maintains an office adjacent to the Stevenson law offices in downtown Chicago he is seldom there. Mr. Finnegan spends much of his time journeying from State to State seeking trends and attempting to persuade leaders to get behind his man.

Somewhat less peripatetic than Mr. Finnegan, but high in the councils of Mr. Stevenson's national campaign organization, is Thomas K. Finletter, the former Secretary of the Air Force. He operates from the headquarters of the Stevenson for President committee in New York City.

Associated with Mr. Finletter is Mrs. Anna Rosenberg, former Assistant Secretary of Defense who served in manpower and welfare fields with Democratic administrations for nearly 20 years.

Another outstanding woman who is frequently consulted and who has taken to the platform for Mr. Stevenson is Mrs. Eleanor Roosevelt, the widow of President Roosevelt.

A white-maned Chicago lawyer, H. B. Raskin, occupies an office here adjacent to that of Mr. Finnegan and is valued in the Stevenson organization for his associations with leading Democrats.

Archibald S. Alexander, a Democratic National Committeeman from New Jersey, heads the national Stevenson for President committee as director along with Mrs. Edison Dick, of Chicago, and Barry Bingham, of Glenview, Ky. Mrs. Dick is the wife of an executive of the A. B. Dick Co., Mr. Bingham is president of the Courier Journal and Louisville Times Co.

Mrs. Dick and Mr. Bingham travel with the Stevenson party extensively. Their advice is sought often on day-to-day campaigning problems.

Another source of valued advice among the Stevenson strategists is George F. Kennan, former Ambassador to the Soviet Union. Mr. Kennan provides, from his home in Princeton, N. J., guidance on matters relating to foreign policy with particular emphasis on the Soviet Union and the Communist world.

Close at hand in Chicago is an old friend of Mr. Stevenson's, Dr. Karl Meyer, a physician, who advises on matters relating to public health and related subjects.

A number of business executives serve in advisory capacities to the campaign headquarters. They include William Joyce, head of the Joyce Shoe Co. in California; George Killian, president of the American President Lines; Roger Stevens, a real estate and theater operator, who is a national finance chairman of the campaign, and Ben Swig, a California hotel executive.

Operating from the campaign's national headquarters here are a number of full-time advisers. Roger Tubby, a Saranac Lake (N. Y.) newspaper publisher, is press director. Mr. Tubby once served as press secretary to former President Truman. Harry S. Ashmore, adviser on news media, was formerly executive director of the Arkansas Gazette at Little Rock. Both men are in their forties.

John Brademus, a 28-year-old former Rhodes scholar and an economist, of South Bend,, Ind., provides research and analysis on economic matters.

Most closely associated with Mr. Stevenson in both his political and private affairs is William McCormick Blair, Jr., who served as an administrative assistant when Mr. Stevenson was Governor.

Others who are in law practice with Mr. Stevenson are Newton Mino and W. Willard Wirtz. They devote much of their time to Mr. Stevenson's political activities but hold no political organizational titles.

While campaign headquarters are reluctant to reveal the names of large donors, the impression is given that no individual contribution has exceeded four digits.

The Stevenson campaign directors are pinning large hopes on a plan to finance his campaign with small contributions through the "Let's Talk Sense Fund." W. G. Engloe, a North Carolina theater operator, was named recently as chairman of the fund.

Under the plan booklets containing 10 $5 certificates or 10 $1 certificates are offered to subscribers. Purchasers of the certificates will receive acknowledgment of their contributions.

Mr. KNOWLAND. Mr. President, the first article deals with a proposal by Mr. George Kennan for a policy shift by the United States. The article states, in part:

The Soviet satellites: Though Mr. Kennan condemns the "hideous injustices" committed by the Soviet Union in the Eastern European nations, he argues that "there is a finality, for better or worse, about what has occurred in Eastern Europe."

The best the United States can hope for, in his view, is the evolution of these Communist regimes "to a position of greater independence and greater responsiveness to domestic opinion."

He regards it as no service to the satellites to encourage them to believe that they can return and pick up where they left off 10 or 20 years ago.

In addition, the second article shows that Mr. Kennan is one of the chief advisers of Mr. Adlai Stevenson.

Mr. DOUGLAS. Mr. President, let me say that I join the Senator from California in feeling that we should oppose the further domination of the people of the satellite countries by the Communist governments of those countries.

I only hope that Mr. Dulles and President Eisenhower, who, during the 1952 campaign, promised liberation to these countries, will actually carry out the program of liberation which they then advocated. Apparently, after the new administration came into power, it decided that it should not continue the policy of liberation. In fact, there has not even been containment.

So I hope that this reminder by the minority leader will spur on the White House and the Secretary of State to live up to the campaign pledges of 1952.

Mr. PURTELL. Mr. President, it is my esteemed privilege to join with those of my fellow Americans of Polish descent who recently commemorated the 165th anniversary of the Polish Constitution of May 3, 1791.

The Polish Constitution of 1791 was one of the greatest achievements in Poland's history. Its purpose was to end chaos and to establish order. It sought to create a responsible government subject to the will of the people. Above all, it sought to introduce the principle of justice to be applied to all citizens.

This historical document, which was approved by the Polish Diet, was the result of a great labor; but, at the same time, a labor of love. It is a shining example of enlightened Polish statesmanship. The adoption of the constitution of May 3 was such a marvelous accomplishment that Edmund Burke, the defender of the rights of the early American colonists, called it "this great good," and greeted it "as the noblest benefit received by any nation at any time."

Unfortunately, the people of Poland are not protected by their Constitution today. As we all know, they are subjected to the oppressive and tyrannical rule of communism. They exist under conditions which the world has probably never known before. They have lost all genuine freedom and liberty.

Today we are afforded the opportunity of renewing our friendship with the Polish people by offering moral support to them in their present plight. We also have the opportunity of reminding them that the conditions under which they and the other captive peoples of Europe live are repugnant to our traditional principles of freedom and democracy. We are further afforded the opportunity of telling the Polish people that we have not forsaken them. We still hold to our pledge, stated by President Eisenhower in 1953, that:

Our policy dedicated to making the free world secure, will envision all peaceful methods and devices—except breaking faith with our friends. We shall never acquiesce in the enslavement of any people in order to purchase fancied gain for ourselves.

We send forth our prayers and hopes to the Polish people that they will soon be free to determine their own destiny. History has recorded the brave and noble deeds of Poland, and we know from the past that she will not be deterred in her aim in seeking freedom and liberty.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PURTELL. I yield.

Mr. KNOWLAND. Earlier I commended the distinguished Senator from Illinois [Mr. DOUGLAS] for his statement on the same subject. I now wish to commend the distinguished Senator from Connecticut for keeping alive the hope of freedom for the people of Poland. Despite the remarks by Mr. Kennan that they must be completely written off, and can only look forward to perhaps a little different brand of communism, I believe that ultimately the people behind the Iron Curtain will be free, and I hope that our Government and our people will never do anything to destroy that hope of freedom.

Mr. PURTELL. I thank the distinguished minority leader. I was in Poland last fall. I talked with the Polish people. I know how they feel. I agree with the Senator from California that we should never countenance even the suggestion that the Polish people should accept a degree of communism. The Polish people will never be communized. In fulfillment of our pledge, we must see

to it that ultimately they are given an opportunity to regain their freedom.

Mr. SMITH of New Jersey. Mr. President, last Thursday, May 3, was the 165th anniversary of Poland's Constitution Day, as several distinguished Senators have observed. Only a few short years after the establishment of our own Constitution, the Polish people were united under a democratic constitution.

Unfortunately, we cannot look to the present-day Poland and find a corresponding similarity between the United States and Poland. The gallant Polish people have been subjected to the puppet so-called people's democracy where the guiding force of the state comes from Moscow instead of from the Polish people.

The degradation of the Polish Government has been aptly illustrated by the recent movement toward the demotion of Joseph Stalin. Initiated at the Soviet Union's 20th Communist Party Congress, the anti-Stalin movement has led to the resurrection of formerly condemned, convicted, and purged Polish leaders to places of honor. The unfortunate dissimilarity between the present Poland and the Poland which Americans knew and respected as an honorable democratic nation and ally during the Second World War is obvious for all to see.

It is an honor to pay tribute to the freedom-loving people of Poland and to American citizens of Polish descent in connection with their Constitution Day. It is my fervent hope and prayer, as I know it is theirs, that Poland will soon be able to reclaim her esteemed place in the family of free nations.

Mr. MORSE. Mr. President, I had planned to make a brief statement on May 3 relating to Poland's Constitution Day, but the tragic death of Senator Barkley and my attendance at his funeral made it impossible for me to be in the Senate on May 3. I now ask unanimous consent that I may speak for the very few minutes in which it will take me to make the brief statement I had intended to make.

The PRESIDENT pro tempore. Without objection, the Senator from Oregon may proceed.

Mr. MORSE. Mr. President, May 3 marked the anniversary of the Polish Constitution of 1791, a remarkable document, which consecrated the democratic principles of the equality of man. One hundred and sixty-five years after its promulgation, this constitution stands as a monument to man's highest aspirations of freedom, and affords to Polish people everywhere a continuing reminder of the contrasting, unhappy plight in which the people of Poland must subsist under the ruthless boot of the Soviet masters.

I think there is one thing which we can take for certain, Mr. President, and that is that our Polish brethren will never be reconciled to permanent servitude under a Russian-controlled government. As we all know, this is not the first time that Poland has fallen under the control of its rapacious neighbor. And on the anniversary of the great constitution we commemorated, I think it is well to remind the world that we have not forgotten the gallant Polish people; that we have not abandoned them to permanent slavery by Soviet Russia; and that we shall strive by all peaceful and honorable means to achieve, once again, the freedom for which they have fought and died valiantly through generation after generation.

The Constitution of May 3, 1791, was framed during a period when the shadow of Russia hung ominously over the "4-year parliament" in Poland. From the old social structure of two main classes—the nobility and the commoners—the Constitution created estates which took away some of the rights of nobility and expanded the privileges of the city dwellers. The peasant's rights were safeguarded when they were "brought under the protection of the law and the national government."

Another feature which made the constitution of May 3 unusual was the section providing for a revision of the instrument every 25 years, so that the basic law could be adapted to the progress of the Nation. The great Edmund Burke hailed this new constitution as "the noblest benefit received by any nation at any time."

Unhappily, only 1 year after its adoption, the nation was again invaded by Russian troops, and Poland was dismembered in the second partition, which dealt a mortal blow to the nation.

How great is the parallel, Mr. President, which the fate of Poland in the closing years of the Second World War affords. In 1945, this nation which had been bled white, its cities devastated, its youth decimated, was occupied and forced—despite strong ties with the western democracies—to succumb to the rule of the Communists in the East. This was a violation of the Yalta Agreement.

The doctrine of Marx, Lenin, and the now discredited Stalin replaced the patriotic traditions of the Constitution of May 3. And, almost as if in mockery, the Soviets substituted for that great document their own empty constitution. Today, under this fraudulent instrument of Communist law, which pays lipservice to the basic rights of the individual, the Pole is restricted in his right to speak, to work, and to worship. Under a hypocritical "freedom" of speech, he is permitted only to praise the achievements of the party; should he dare to express his real opinion, he would quickly lose not only his work, but such limited freedom of movement as he enjoys, and would in all likelihood "benefit" by arrest and confinement in forced labor camps.

Through its various agencies, the Red regime in Poland is practically able to determine the place of employment of every citizen. Control of housing, hiring, and certification makes every citizen dependent upon the party for their very existence. On the surface, the right to worship may appear to be unrestricted. Nevertheless, the abolition of religious education, coupled with pressure exerted upon the clergy, is gradually changing the ranks of the worshipers and preventing the church from serving in its traditional place in the life of the average Polish individual. Through the various national front organizations, the citizen is controlled in his voting, so that even if elections are held, the regime is assured of the typical Communist 99 percent vote of support.

Despite all these obstacles, and despite the efforts of the Communists to mold a freedom-minded nation to an alien system, the Poles of 1956 continued to revere the principles of their Constitution of 1791, and those principles supported by exiles who left after the partitions. These principles survive as the inspiration, not only of Poles imprisoned within their homeland, but of all brethren dispersed throughout every nation on the globe. They have a deep faith in the belief that "the nation in which the spirit of freedom remains, continues to exist." Free Poland—non-Communist Poland—exists today, and shall continue to exist as long as the principles of the May 3 Constitution are kept alive in the hearts of the Polish people.

It is for us in the United States, Mr. President, to keep the flame of their faith burning brightly, and to remain true to our own traditions of honor and freedom, in encouraging the people of Poland not to lose hope, or become discouraged. In this spirit, we join with Poles everywhere in celebrating the anniversary of the Constitution of 1791.

THE ALASKAN MENTAL HEALTH BILL

Mr. GOLDWATER. Mr. President, for the past several months a controversy has been raging concerning H. R. 6376, the Alaskan mental health bill.

Numerous articles, both pro and con, have appeared in the RECORD. I ask unanimous consent to insert in the body of the RECORD, as a part of my remarks, a series of six articles by Mr. George Todt, which appeared in the Valley Times, published in North Hollywood, Calif.

Mr. Todt has presented a very dispassionate, objective analysis of the Alaskan mental health bill, and I think that a perusal of these articles would be valuable for every citizen of the United States.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the North Hollywood (Calif.) Valley Times of April 13, 1956]

LOOKING INTO THAT "SIBERIA, U. S. A."

(By George Todt)

"Insanity in individuals is something rare—but in groups, parties, nations, and epochs it is the rule."—Nietzsche.

"Siberia, U. S. A."? Ah, that is the question.

Not since the days when fury over the Bricker Amendment was at its stormiest phase has there been so much public outcry in the United States as that presently occasioned by H. R. 6376, commonly called the Alaskan Mental Health Bill. This has passed the House of Representatives by voice vote, and is now before the United States Senate as S. 2793.

There is perhaps much to be said on both sides of the issue. All is neither entirely black nor white, as is usual in cases where we stop to examine differing points of view. I have attempted to do this within my limitations. In this and later articles on the so-called Alaskan mental health bill I shall try to set down the pros and cons so that my objective readers may know what the furore is about. I hope it will assist you

in arriving at your own conclusions. Your thinking is just as valid as anyone else's here.

Psychiatry is a very inexact science today. There are vast amounts of conflicting ideas floating around which pertain to mental health—or insanity, if you prefer blunt language. The layman may hear the opinions of gifted men of science on the subject, but he is also susceptible to hearing from charlatans and quacks. And the latter far outnumber the former. Try finding out what the standard qualifications for a practicing psychologist in southern California may happen to be—try sometime at your leisure. Outside of the city of Long Beach, which came up with a few standards in recent months, I don't think you will find many to speak of. If you find this statement seemingly incredible—which you should—you might try checking it out with the official Southern California Psychological Association. Their office telephone is listed in the yellow pages directory of your telephone directory, as are many of their psychologists.

Briefly stated, the Alaskan Mental Health bill, now pending in the Senate, purports to take 1 million acres of United States Government land and set it aside for revenue, not as a hospital site, from which proceeds would come the funds to run a mental institution in Alaska for the residents of that territory. That such a program is needed and necessary is hardly to be doubted. At the present time, Alaskan unfortunates must be transported to the Morningside Hospital in Portland, Oreg. Lacking the most rudimentary facilities in Alaska, even a little detention house in Fairbanks burned down 25 years ago and has never been replaced, mental cases have been lodged with the hardened criminals in jail until a time arrives for their transfer. The practices have been frankly barbaric in some respects.

Competent study of a great mass of testimony available reveals that the Alaskans actually do need this mental institution, and it should not be denied them.

But within the past 100 days in America, a great hue and cry has gone up that this Alaskan Mental Health bill is designed to become the blueprint of a "Siberia, U. S. A.", and the legislative representatives of the people in Washington, D. C. are being flooded with mail to this effect. Boiled down, the charges are that this is the planned forerunner to the "Socialistic Police State" in our Nation. Many sincere people believe that those who opposed "world government" and other international Marxist techniques in the United States in the future will be exiled to "Siberia, U. S. A." How did this idea start? If there is any truth in it? Shall we in this column later take a look for ourselves?

[From the North Hollywood (Calif.) Valley Times of April 14, 1956]

ALASKA MENTAL HEALTH BILL AGAIN

(By George Todt)

"It is better that 10 guilty persons escape than that 1 innnocent suffer."—Blackstone.

Is the Alaskan Mental Health bill a cunning measure set up to produce the mechanical framework for a coming "Siberia, U. S. A." for American deviates from the international Marxist and world government line in the future?

Not so say the proponents of the bill. They claim the charges are fantastic, that there is not now and never has been such a malicious intent. They state that H. R. 6376—now called S. 2793 in the Senate, is of, by and for Alaskans alone. The reason Congress had to act on the measure, they say, is simply because Alaska is a Territory of the United States, not a State.

"Nowhere in the Alaska mental health bill is there authority for a person to be hospitalized without a prompt review of his mental condition, nor is there authority for a patient to be held against his will without a judicial proceeding," said the Secretary of the Interior, Douglas McKay (recently resigned to reenter Oregon politics) in a written statement to Representative JAMES B. UTT, of California.

"The legislation now before the Senate authorizes the Territory to select up to 1 million acres of vacant, unreserved and unappropriated lands of the United States in Alaska. All such lands so selected and the income from them are to be administered as a public trust for the hospitalization and care of the mentally ill. The 1 million acres will not be set aside as a hospital site, but it is the purpose of the legislation that the revenues and income from the sale or lease of the lands will be used to help the Territory meet the costs of caring for its mentally ill. Alaska's potential tax base is considerably narrowed because the Federal Government now holds more than 98 percent of Alaska's 375 million acres."

In his statement, the Interior Secretary indicated that one provision of the original bill as submitted by the Department of the Interior, had been deleted: this section provided penalties against any person who willfully causes, conspires with, or assists another person to cause unwarranted hospitalization or the denial to any person of rights granted by the bill.

"The Department feels that this provision should be retained," said Mr. McKay, "and has recommended to the Senate that it be restored."

Elsewhere, Mr. McKay said, in part: "The bill does not authorize star chamber proceedings. Notice is required to be given at least to the legal representatives, friends, and other interested parties and the patient. His guardian and other interested parties are afforded an opportunity to appear, testify, and to present and cross-examine witnesses."

Mrs. Marjorie Shearon, editor of Challenge To Socialism, who has been described to me as "an emphatic and a violent anti-Socialist and anti-Communist, essentially a conservative," had this to say about the matter: "Wild statements have been circulated about 'railroading' patients, 'Siberia, U. S. A.,' and the shipment of political adversaries to Alaska on trumped-up charges of mental illness. We see no foundations for such statements, nor do we view the bill with alarm. * * * That the sponsors of the bill are part of an international plot is fantastic." The March 1, 8, 15, and 22 issues of Challenge to Socialism were devoted to the Alaskan mental health bill. The presentation of the case was intelligent, and well done. Copies of the publication may be obtained by writing Shearon Legislative Service, 9127 Janes Mill Road, Chevy Chase 15, Md.

The American Medical Association added its endorsement to this bill on March 20, requesting only that the Governor's power to enter into "reciprocal agreements" with other States be clarified because of present misunderstanding.

This column later will discuss the opposition's side of the controversy over this pending bill.

[From the North Hollywood (Calif.) Valley Times of April 16, 1956]

"SIBERIA, U. S. A.," IS EXTENSIVELY FEARED

(By George Todt)

"Public opinion, though often formed upon a wrong basis, yet generally has a strong underlying sense of justice."—Lincoln.

Who are the people who oppose the Alaskan Mental Health bill and call out that it will become "Siberia, U. S. A."?

Are they malicious, or deluded? Do they see things under the bed? Should we set them down in the main as hysterical superpatriots?

I do not think so. I have talked with a large number of these citizens, and—while obviously worried at Marxist Socialist inroads being made at the expense of the American Republic—they seem as cool and collected as anybody else. In fact, they appear to be dedicated.

Right or wrong, they fear that a large conspiracy of international plotters is working overtime behind the scenes of government to take this Nation into a "Marxist Union" with other socialistic states throughout the world—and that it would destroy the United States Constitution and the traditional American way of life as we have known it in the past.

Now, strange as it may seem to some readers, the Communist Party is not considered the only enemy to be reckoned with by these people. Instead, the World Federalists, Atlantic Unionists and those overfriendly with the United Nations—meaning those who would like to see it become a superworld government in the future—are viewed with the utmost suspicion. Anyone who would subvert the Constitution of the United States below any other instrument of government where Americans are concerned is carefully watched—with misgivings.

Here are some remarks selected at random from the Dan Smoot report of March 30, 1956. Smoot, formerly commentator for Facts Forum of Dallas, Tex., had nearly 10 years of experience with the FBI between 1942 and 1952. He is intelligent and accomplished, and thinks along these fairly typical lines of those who oppose S. 2793:

"I do not doubt that the Alaska Mental Health bill was written by sincere, well-intentioned men. Nevertheless, it fits into a sinister pattern which has been forming ever since the United Nations was organized. Since 1945, the American people have been drenched with propaganda about the need for mental health programs. The fountainhead for most of this is the U. N.—principally these three U. N. subagencies: UNESCO, World Health Organization, and the World Federation of Mental Health.

"Throughout the Union, there is a strong, well-organized drive for mental health legislation—most of which would permit seizure, incarceration, and treatment of mentally ill people without trial by jury and without the due process of law prescribed by our own Constitution.

"Here is a passage from Mental Health and World Citizenship, published by the National Association for Mental Health, in 1948: 'Principles of mental health cannot be successfully furthered in any society unless there is progressive acceptance of the concept of world citizenship.' "

Smoot sums up the feelings of those who oppose mental health legislation and world government with this critical observation: "Thus we cannot have mental health unless we have world government; and we cannot have world government unless we have mental health. Amalgamate all nations, all races, all churches, all creeds, all living standards into one. This is the goal. * * * But by any means, and at any cost, the job must be done; the minds of men must be squeezed into a common mold. * * * If propaganda is not enough, we must take more drastic measures."

[From the North Hollywood (Calif.) Valley Times of April 17, 1956]

CHANGES FOR "SIBERIA, U. S. A." BILL

"He who commits injustice is ever made more wretched than he who suffers it."—Plato.

What have been the main objections of the opponents of the Alaskan Mental Health Bill? Where do they point with alarm? Can certain weaknesses of the bill be remedied with legislation?

This is worth looking into objectively. Certainly, all of the bill cannot be bad—for the people of the Territory of Alaska obvi-

ously need the facilities which the bill would provide for them. We are in the habit of throwing out billions of the taxpayers' dollars to AOGWPA (American Overseas Global Works Progress Administration) at the slightest request. So it would seem very poor form, indeed, to pass up a paltry few million dollars which would benefit Americans in Alaska rather than alien beneficiaries elsewhere. The Alaskans are only asking for $6,500,000—not enough for Nehru or Nasser to even sneeze at.

Actually, there is no reason why this bill might not have been passed without such vast opposition—had it not been for several poorly written sections. One such is section 102 (b) which authorizes the Governor "to (1) provide for the hospitalization of mentally ill patients in designated hospitals of Alaska, (2) enter into arrangements with the Surgeon General of the Public Health Service for the care and treatment of such patients in hospitals of the service in Alaska, (3) negotiate and enter into contracts with any hospital in Alaska for the care and treatment of such patients, and (4) negotiate and enter into contracts, which shall incorporate safeguards consistent with the provisions of this title, with any hospital in the continental United States for the care and treatment of such patients."

Another such section, and along much the same lines, is section 119 (c) which states: "The Governor is hereby further authorized to enter into a reciprocal agreement with any State providing for the care and treatment of mentally ill residents of Alaska by such State, and for the care and treatment of mentally ill residents of such State by Alaska, each on a reimbursable basis."

These 2 sections—102 (b) and 119 (c)—have given rise to much of the unhappy fears that people who were political adversaries of Marxist internationalists in a future police state would become railroaded to "Siberia, U. S. A." It is vaguely written, and subject to possible misinterpretaion. Unquestionably, it needs considerable tightening up.

Another sore spot lies in section 103 (b) which commences: "Any individual may be admitted for care and treatment in a hospital upon written application by an interested party, by a health, or welfare officer, by the governor, or by the head of any institution in which the individual may be, if the application is accompanied by a certificate of a licensed physician. * * *" It is the "interested party" wording which bothers most of the opposition to the bill. "Interested party" might be someone with malicious intent to dispose of an enemy by cunning or treachery. Simple enough—just swear out a warrant charging him to be mentally ill. However, the bill itself specifically defines the terms "interested party" or "interested parties" to include the legal guardian, spouse, parent or parents, adult children, other close adult relatives, or an interested, responsible adult friend of a mentally ill individual or a patient. This is not as indiscriminate as some have imagined.

And many critics of the bill look more than once at the "humane treatment" clause—which is section 115—which states: "Every patient shall be entitled to humane care and treatment and, to the extent that facilities, equipment and personnel are available, to medical care and treatment in accordance with the highest standards accepted in medical practice." "The prescribed medical treatment being electric shock and surgery," a critic in Washington recently wrote me. "Pain-drug-hypnosis is accepted, brain-washing techniques for that matter."

Those familiar with the medical case histories of the commitments of Lucille Miller in Vermont and the Finn twins of Los Angeles to insane asylums after legal jousts with the Federal Government will ponder the last item in particular. Not to mention those who witnessed Jane Wyman's performance in the "Snake Pit" some years ago. Just what is the definition of "humane treatment" in the case of mental illness, anyway?

[From the North Hollywood (Calif.) Valley Times of April 26, 1956]

UNITED STATES SENATOR'S VIEWS ON "SIBERIA, U. S. A."

(By George Todt)

"The execution of the laws is more important than the making of them."—Jefferson.

In preceding columns on the Alaska Mental Health bill, we have taken a few samples of the mountains of material which is flooding Washington, D. C., and the Nation today. What does it indicate to us? I think that most of us can agree on at least these fundamentals of the argument: the Alaskans need the legislation and the money which goes with it—but the legislation also needs a good bit of tightening up. Some of it is very badly worded, to say the least.

Last December 7 I discussed the problem of mental health legislation in this column. I suggested that the answer to bad legislation always laid in counter-legislation that was good. Never one to give advice he is not willing to take himself, this is what I did in this particular case. On March 17 I wrote to a United States Senator about the bill, which was due to come up in the Senate later. This was Senator BARRY GOLDWATER, of Arizona, whom I consider to be among the real comers on Capitol Hill. He is both patriotic and clear-sighted; best of all, he is a fighter for what he considers to be American principle.

I sent a copy of a newspaper editorial, out of the Santa Ana Register, entitled "Siberia, U. S. A." to Mr. GOLDWATER. I indicated that I had a high opinion of our neighboring California newspaper, and I requested that he read it and clarify its meaning for me. I pointed out that I was not an alarmist, but that many questions were being asked about the Alaska mental health bill—and few answers seemed to be forthcoming from any source. It was this last factor which aroused my own suspicions.

In due course I received an answer, which said in part:

"I have had a tremendous amount of mail about this bill and, although I think the opponents have overstated the case and are unduly alarmed, there is a great deal to be said about their opposition.

"My own attitude on this legislation is that the Federal Government should supply the money to Alaska to aid in the construction of the hospital and delegate to the Territory of Alaska the right to proscribe the procedures for commitment, care and treatment. I am going to propose an amendment to the bill, a copy of which I am enclosing, which I think will accomplish this objective and will remove all the objectionable parts of the original Alaskan mental health bill. In the event this amendment is not successful, I will advocate:

"1. That the criminal clause stricken by the House be reinstated.

"2. The definition of mental illness be narrowed.

"3. That commitment procedures be tightened up.

"4. That the Governor's authority to enter into reciprocal agreements be narrowed considerably.

"Thank you for your interest and I assure you I have my eye on this bill."

A study of Mr. GOLDWATER'S amendment—actually a substitute for H. R. 6357—reveals that he is as good as his word. His amendment will make the entire matter one for Alaskans alone, if passed, and continental Americans can forget about Siberia, U. S. A.—at least for the present. With the junior Senator from Arizona at the plate on this one, I am breathing considerably easier already. I agree with many others that BARRY GOLDWATER is a champion.

But why did this fiasco arise in the first place? How has it come about that Americans are accusing other Americans of such diabolical plots? Who and what is to blame for this?

[From the North Hollywood (Calif.) Valley Times of April 28, 1956]

ALIEN IDEOLOGIES' PENETRATION IN UNITED STATES

(By George Todt)

"Whosoever hateth his brother is a murderer." (I John, iii: 15.)

What has happened to the faith of our fathers? Once upon a time we Americans trusted wholeheartedly in our country, and in each other. We were united in our patriotism and love for the United States, and we were one people. Who has caused our national cement to crumble away like this? Why are corrupt alien ideologies of subversion being substituted instead?

For the furore and hysterical excitement of large segments of the public over the Bricker amendment and mental-health legislation is only symptomatic of a greater underlying disease. It is gnawing at the entrails of the American people, and slowly sapping their own great moral strength away. We should look into the matter without further delay or equivocation.

The truth of the matter is that we are being split asunder by hate groups in the United States today. In the main, they are Marxist controlled. Their fundamental objective is to smear and blacklist honest Americans who love their country. The diatribes most frequently used include such terms as "reactionary" and "antiworld government."

Anyone who goes along with this radical nonsense is simply playing the subversive Marxist game to the hilt. Worse, these crackpots are laying us wide open to exactly the same conditions which flourished in France in 1940. At that time, the ignoble French surrender was traceable as much to unpatriotic fifth columnists as to the German Wehrmacht itself.

The Augean Stable of Trojan Horses supporting Marxist world government at the expense of the United States Constitution arrived in force on our domestic scene a decade ago. We were all plain, loyal Americans at that time, and proud of it. We knew no divided loyalties or dual citizenship then. The veterans of our Armed Forces had always fought for our flag, and that flag alone; their sacrifices had been for Old Glory. This our people knew, and understood.

In those days, none dreamed of even asking for a Bricker amendment. Any normal adult would have been looked at somewhat askance if he had merely suggested that an American President—either Republican or Democrat—might be persuaded to someday part with the least portion of American national sovereignty to an alien world government. Shades of the great Roosevelt—Teddy, that is.

A generation ago, we knew no unhappy accusations by one group of American citizens that another group of opposing views might try to railroad them to insane asylums, or odious European-type concentration camps, because they resisted the slave doctrine of Karl Marx—the false prophet of international world socialism. It would have been considered unthinkable.

Unfortunately—and to our great discredit as a nation—it is no longer unthinkable today. A great resentment against the Marxists is building up to tremendous proportions throughout the Nation. These people are actually feared by the ordinary citizenry of America, and it is universally felt that the former will resort to force and cunning in

the end to ultimately gain ruthless domination for Socialist forces. They have done so elsewhere in the world.

While this is not being discussed presently in the major communications media of the Nation—it should be. In the meantime, a tremendous campaign by word of mouth and mail has alerted many millions of our people in all parts of the country. It is the Marxist hate groups themselves which are responsible for this tremendous opposition to their selfish aims.

They are resented in the main because of their shadowy tactics of spying upon their fellow citizens, and then attempting to place them under hateful duress of various kinds for daring to oppose them. Such villainy and persecution would have received the lead treatment in another day.

Speaking of mental health, what could be more insane than that such persons should live here safely in enjoyment of life, liberty, and the pursuit of happiness under the Constitution of the United States—and then curse and rail against those who defend that very Constitution from its enemies? How beastly to call an American reactionary and antiworld government because of his patriotic devotion to his own country—which he wants to stay American. Such vile and disloyal behaviour upon the part of a treacherous few is what is basically responsible for all the dissension and hatred existing in the Nation today.

Whenever these Marxist hate groups take a long searching look at themselves and then commence to place their own house in order—I predict that the basis for the underground dissension in America will quickly disappear. Then we will no longer be treated to tortured outcries from many sides for the Bricker amendment and against mental-health legislation. It wouldn't be necessary if this miracle should ever come to pass. These are the facts, and it's time we had the courage to face them.

THE FARM BILL AND ITS VETO

Mr. DOUGLAS. Mr. President, I ask unanimous consent that a statement I have prepared on the farm bill and its veto be printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE FARM BILL AND ITS VETO—STATEMENT BY SENATOR DOUGLAS

I

In view of the vehemence of the President's veto, and his charges that the Democratic Congress was playing politics with the American farmer, I think it not unfair to quote his clear campaign pledges to the American farmer in 1952. At Kasson, Minn., on September 6, 1952, Candidate Eisenhower had this to say:

"And here and now, without any ifs or buts, I say to you that I stand behind—and the Republican Party stands behind—the price-support laws now on the books. This includes the amendment to the basic farm act passed by votes of both Republican and Democrats to continue through 1954 the price supports on basic commodities at 90 percent of parity."

In case there is any misunderstanding of these words of General Eisenhower—some have said that he did not support 90 percent beyond 1954, but, of course, the press of the country did not interpret his statement that way at the time—let me quote even more explicit pledges which he made almost a month later on September 30, 1952, at Columbia, S. C., and on October 4, 1952, at Brookings, S. Dak., and Fargo, N. Dak. This is what he said:

"For example, I believe wholeheartedly and without any 'ifs' or 'buts' in Federal programs to stabilize farm prices, including the present program insuring 90 percent of parity on all basic commodities." (Columbia, S. C.).

"The Republican Party is pledged to the sustaining of the 90-percent parity price support, and it is pledged even more than that to helping the farmer obtain his full parity, 100 percent with the guarantee in the price supports of 90 percent." (Brookings, S. Dak.).

"I went to Kasson, Minn., and, on behalf of Republican leaders, and with the concurrence of the great men of the Party, at least all that could be reached in time, I stated exactly what we want to do, and the present 90 percent of parity price in the farm program was sustained and supported completely" (Fargo, N. Dak.).

These, then, are four distinct and specific pledges to sustain the 90-percent program. It is not unfair to ask the question, "Who has been playing politics with the American farmer?"

II

Since the Eisenhower administration took office, the following has happened to farm income. Gross farm income has dropped from $36,9 billion in 1952 to $32.8 billion as of the fourth quarter of 1955—a drop of $4.1 billion or 11 percent. Farm production expenses in the same period dropped from $22.9 billion to $22.1 billion—a drop of only eight-tenths billion dollars or by only 3.5 percent. Because prices and income dropped and production costs remained almost the same, net farm income dropped from $14.9 billion to $10.8 billion in this period—a drop of $4.1 billion or 27.5 percent. In almost the same period the number of farms decreased by 500,000 or from 5½ million to 5 million—a drop of 10 percent.

Even with this big decrease in the number of farms, net income per farm also took a very sharp drop. In 1952 net income per farm was $2,798 but in the fourth quarter of 1955 it had dropped to $2,160. This was a drop of $638 per farm or 22.4 percent. Since the figures on average income include food consumed on the farm and the value of shelter, the relative average decline in cash income has been greater than 22 percent.

The parity ratio has also gone down sharply. In 1952 the index of prices paid by farmers was at 287. On February 15, 1956, it was 280—a drop of 7 points or only 2.4 percent. The index of prices received by farmers dropped, however, from 288 to 226 in the same period, or by 21.5 percent. Because of this decline in prices received by farmers, the parity ratio dropped from 100 in 1952 to 80 at the end of 1955, or by 20 percent. When farm prices are at 100 percent of parity, a truckload of grain will buy the same quantity of goods—furniture, clothes, food, farm machinery, and other things farmers buy, as in the base period 1910–14. In 1955 a truckload of grain would buy only 80 percent of this amount.

These are the hard facts and they are serious facts. I believe the present situation is dangerous for in the past, far too often, economic declines have been farm fed and farm led.

Because of these facts, it was absolutely essential that we should do something in the nature of emergency action. The question was what to do. The only clear alternative presented to us in the Congres was 90 percent as against the Benson-Eisenhower program of so-called sliding scale supports. In the light of this very serious farm situation and in light of the facts which I shall detail below, I came to the conclusion that the sliding-scale program had not worked and that 90 percent was necessary at this time if we were to give our farmers even a little relief and save the family-sized farm.

III

A great many people have argued that the 90-percent program did not work and that it produced the surpluses. President Eisenhower and Benson have said this time and again. But is it true? I do not believe that the facts and the figures support that position and I am even more convinced that the sliding-scale program has failed to work.

Secretary Benson and President Eisenhower argue that they inherited the problem from the Democratic administration. But, with the price supports at 90 percent, we had neither excess surpluses nor low farm prices. In not one single year from 1947 to 1952 did parity fall below 100 percent, and it was at 100 percent when Candidate Eisenhower made his speeches at Kasson, Columbia, Brookings, and Fargo in the 1952 campaign. In addition, there was no real surplus problem at the end of 1952. Here are the figures. On December 31, 1952, the Commodity Credit Corporation had on hand in loans and inventories $2.45 billion in commodities. On January 31, 1956, this figure had risen to $8.9 billion in commodities. In this period the amounts of individual commodities increased as follows (the figures are for December 31 of each year):

Commodity		1952	1955	Times increased
Corn	bushels	368,000,000	938,000,000	2.5
Cotton	bales	1,000,000	13,300,000	13.3
Wheat	bushels	467,000,000	1,100,000,000	2.4
Peanuts	pounds	192,000,000	296,000,000	1.5
Rice	hundredweight	168,000	27,500,000	163
Tobacco	pounds	544,000,000	1,100,000,000	2
Butter	do	2,700,000	166,000,000	61
Barley	bushels	9,000,000	100,000,000	11
Grain sorghums	hundredweight	1,300,000	70,000,000	53.8
Oats	bushels	19,000,000	91,000,000	4.8
Soybeans	do	8,000,000	22,700,000	2.8

Thus, under this administration and under the sliding-scale programs we have had an increase of three and one-half times in the amount of surpluses, and they are continuing to rise.

Some have argued that the sliding-scale program did not go into effect until 1954, and that, therefore, the 90-percent program built up the surpluses. This is President Eisenhower's argument in his veto message. But only the basic crops which compose 25 percent of our total production were supported at 90 percent during the first 2 years of this administration. The nonbasic crops, which make up 75 percent of our production were under the sliding-scale program almost throughout the period 1953–56. In the period since 1954, the sliding-scale program has not diminished the surpluses nor has it raised farm prices. In fact, since 1952, the commodities having no price supports have declined 27 percent, those under the sliding-scale program have declined 27 percent, but those under the 90-percent program have de-

clined only 10.5 percent. So the decline in farm income has come primarily in the nonsupported and the sliding-scale crops. It follows, therefore, that it is the sliding scale which has created the basic difficulty.

There is a logical reason for this. We all know (or should know) that when farm income goes down, farmers grow more in an attempt to keep the same income this year as compared with last year. In order to meet their expenses and take care of their families, they work harder and raise more per acre. Thus, lower prices tend to mean greater production, rather than less production. This is the basic fallacy with the sliding-scale support program. In addition, the Eisenhower administration has acted on the assumption that lower farm prices would increase the demand for farm products. But the demand for farm products in general is inelastic; that is, the 21-percent decrease in farm prices did not bring an equal increase in the demand for farm products; it brought only a slight increase in demand. In addition, it is a fact that while the prices received by farmers dropped 21 percent, the prices which city people paid for food dropped only 5 percent (from an index of 114.6 in 1952 to 109.5 at the end of 1955).

Thus, we have had a great decline in farm prices, farm income, income per farm, in the parity ratio, and in the number of farms. At the same time our surpluses have risen three and one-half times and the food prices paid by city people have fallen only slightly. The only conclusion I can draw is that the Eisenhower program has failed.

IV

Because of the tragic plight in which a great many farmers find themselves, I felt I could not vote to continue it. I therefore voted for 90 percent in the price supports. I also voted for an increase in the corn allotment acreage for 1956 over 1955, because corn had been reduced to 43 million acres in the commercial Corn Belt, which meant farmers could not take part in the corn program. In addition, I voted for cross compliance, for I believe that with high supports must come some controls. I know some people want both high prices and no controls, but that cannot work, and we must choose. I also supported the soil-bank provisions, but I believe that they are a long-run proposal to raise farm income.

The bill which Congress sent to the President contained provisions which would have increased farm income by about $2.2 billion this year. The bill also contained numerous provisions which would have aided very greatly in disposing of the surpluses. This was a major feature of the bill and one which we needed very badly.

The President's veto message contained a number of strange contradictions. He vetoed the bill and said that the absence of a bill "can have unfavorable effects on farm income in 1956, unless prompt administrative efforts to offset them are made immediately." The President announced that he was going to support some of the basic commodities at 82½ percent of parity and that this he was doing by administrative order. The question which arises is this. If the President already had this authority why has he and Secretary Benson not used it before? Further, if the sliding scale program was such a good thing, why is he raising the parity levels after vetoing the Democratic bill because it did just that?

Another strange feature of the veto message was his statement that "There are * * * serious defects in the bill such as certain provisions found in the section dealing with the dairy industry." The only thing the section dealing with the dairy industry did was to raise the support level on manufacturing milk from $3.15 to $3.25 and the price of butterfat to 58.6 cents per pound. He said he objected to this section. Then, in this same veto message, President Eisenhower said:

"For this year the support price of manufacturing milk will be increased to $3.25 per hundred pounds. The support price of butterfat will be increased to 58.6 cents a pound."

The question which arises is how he could object to these provisions in the bill and use them as a reason for the veto, and then turn around and immediately put them into effect by administrative action. Either he didn't know what the bill provided or this is a gross example of Presidential duplicity.

V

I hope these remarks explain my position on the farm bill. I hope they will be helpful to you when you discuss this question with your friends and neighbors. Perhaps this letter will provide you with the facts which can replace some of the fictions which the newspapers have carried and which the Eisenhower administration's Madison Avenue advertising men have included in the big ads they have taken in the rural newspapers.

I could not vote to continue the sliding scale program for it has not worked. I do not think the 90-percent program is a perfect answer but I think it is necessary as an emergency measure. In the long run I hope to see a program of supporting farm income rather than prices but with an upward limit of payments at about $2,000 per farm on the first $7,000 of gross income.

If we are to have subsidies they should go to those who need them most and not to the huge corporation type farms. I want to protect the family sized farm in America and I do not want to see the day when we have factory farms. I am for the small farm on social as well as on economic grounds.

DECLINE IN INCOME OF FARMERS

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Study Backs Up Farmers: Their Income Did Slip In 1955—University of Illinois Finds Declines Up to 86 Percent on Hogs, Grains." The article was published in the Chicago Daily News of April 24.

There being no objection, the article was ordered to be printed in the RECORD as follows:

STUDY BACKS UP FARMERS: THEIR INCOME DID SLIP IN 1955—UNIVERSITY OF ILLINOIS FINDS DECLINES UP TO 86 PERCENT ON HOGS, GRAINS

(By George Thiem)

SPRINGFIELD, ILL.—Farmers weren't fooling when they complained of a sharp reduction in their 1955 income.

The University of Illinois confirmed the drop in a factfinding study just released by the department of agricultural economics. A. G. Mueller and D. F. Wilken, staff members, did the work.

Cattle-hog farms in La Salle, Rock Island, and Knox Counties (Galesburg) showed an 86 percent decline—from $42 an acre net in 1954 to $6 last year—the college of agriculture revealed.

This drop contrasts with the upward trend that started with $17 an acre in 1952 and advanced to $21 in 1953.

Hog returns per $100 of feed fed were the lowest on record. Cattle returns were down 10 percent.

The 15 to 20 percent drop in 1955 corn yields, compared with the year before along with lower livestock, grain, and hay prices, were chief causes of the decline in earnings.

Cash grain growers in Champaign and Piatt Counties netted approximately $32 an acre in 1952, 1953, and 1954; their earnings dropped 17 percent to $27 an acre in 1955.

The biggest decline in earnings was felt in Chicago area dairy farms, where net earnings dropped 81 percent last year to only $2 an acre.

They had been $26 an acre in 1952, and $20 in 1954.

After showing a net loss in 1954, dairy farms in the St. Louis milkshed earned $8 an acre net in 1955. This compares with $26 in 1951, $20 in 1952, and $12 in 1953.

In this southern Illinois area, corn, oats, and soybean yields were about three times as high last year as the near-crop failure levels of 1954.

The university records were obtained from better than average farms where records are kept by the farm bureau-farm management service sponsored by the State university.

Low crop yields last year accounted for the poor showing of Chicago area farms in McHenry, Boone, and Kane Counties.

On some farms corn and oats yields due to dry weather were down to 35 or 40 bushels an acre or one-third less than the previous year's high yields.

One group of grain farms in southern Illinois showed a 45 percent increase in net earnings last year over 1954.

This area was recovering from a 3 years' drought where corn yields increased from 31 to 59 bushels an acre. The amount of net profit increases ranged from $8 to $12 an acre.

PUBLIC POWER VERSUS PRIVATE POWER

Mr. GOLDWATER. Mr. President, the proponents of public power have been strangely quiet the past few months. To be sure, an occasional stirring of the leaves could be detected; but no big winds, such as we have heard from time to time, have come up. This welcome silence does not, I am sure, indicate any lessening of the desires of the public-power zealots to acquire all of the power market and production facilities in this country. Rather, it is more like the calm before the storm. We, in this body, are bound to hear revived the battle cry of those interested in public power. In the realization that such will be the case, I want to allow my colleagues an opportunity to see just what the reaction is to this plea in an area which supposedly has cheap power from public sources, and to see a comparison of the rates of REA's in certain areas which are served by both public and private sources. First, I ask unanimous consent that two articles from two separate newspapers, one in Oregon and one here in Washington, be printed in the RECORD at this point in my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of November 24, 1955]

PRIVATE FIRM WINS UTILITY TEST VOTE

COLVILLE, WASH., November 23,.—Residents of this thinly populated farming and mining county yesterday chose private power over public power in an election to see which would continue to serve them.

With only a few ballots to be counted, the vote was 5,008 to 2,019 in favor of the Stevens County Public Utility District's sale of its facilities to the Washington Water Power Co. The PUD will cease operations in the county where both had served.

The so-called "ideological" campaign between the rival utilities had raged night and day since attorneys for the units agreed to

let the voters decide which should service in the county which was too small for dual electrical operations.

Regional politicians watched, but did not take part in the electioneering. Most felt the result would influence national campaign strategy in 1956, especially in the power-conscious West.

The issue seemed simple. The vote was on this proposition:

"Shall Public Utility District No. 1 sell its transmission, distribution, and associated facilities to the Washington Water Power Co. for $2,905,000?"

If the required 60 percent had not approved the sale, the WWP would have sold out its county facilities to the PUD for $3.1 million.

"The overwhelming vote of confidence given Washington Water Power Co. by the people of Stevens County is to me a clear-cut indication that the majority of the American people anywhere will vote in favor of free enterprise if they are only given the opportunity," said Kinsey M. Robinson, crusading president of WWP.

PUD officials were not available for comment.

The WWP used its lower rates and the lure of more tax dollars in its vote bid. The PUD, which promised to match rates if it won, charged absentee ownership and Wall Street domination to the private firm.

The private utility had 3,000 customers and 2 generating units on the county border, which were not involved in the election. The PUD served 2,400 and bought electricity from the Bonneville Power Administration.

The county was considered politically neutral since it had followed national trends in recent elections and was rated about 50–50 in the Republican-Democratic lineup.

Publisher Charles Graham, of the weekly Statesman-Examiner, said:

"As many see it, there won't be a great dollars-and-cents difference to the average citizen no matter which way it goes. What's involved here is an ideology."

[From the Portland Oregonian of April 27, 1956]

SALE BID O. K.'D BY SANDY CO-OP

SANDY.—Members of the Sandy Electric Cooperative Wednesday night voted 571 to 99 to accept an offer of purchase from Portland General Electric Co. A 558 "yes" vote was needed.

The vote, which required a two-thirds majority of co-op members, means the rural electric system which has been operating at a loss, will be taken over by the Portland firm on or about May 15.

PGE's offer of $1,007,300 was made in competition with an offer by the Consumer's Electric Cooperative of Corvallis. Members of the Sandy Cooperative voted down the Consumer's offer, 440 against and 220 for the sale, a short time ago.

PGE's rates, which are about one-third lower than the co-op's, will go into effect as soon as PGE takes over.

Mr. GOLDWATER. Mr. President, these articles tell of two separate cases where the recipients of public power through cooperatives voted overwhelmingly to buy their power from private sources. These votes were cast, mind you, by people who live close to this entire argument, and who have learned that public power does not necessarily mean cheaper power. In fact, in some cases it means more costly power; but in any case it violates a basic tenet of our free enterprise system.

Mr. President, much has been said about cheaper power from taxpayers' generators. The facts simply do not bear out these statements. To prove this, I ask unanimous consent that a comparison of rates to REA's in two different areas of the country be printed in the RECORD at this point in my remarks.

There being no objection, the comparison was ordered to be printed in the RECORD, as follows:

There are attached two tabulations showing comparable farm customer electric service statistics for consumers of electric service supplied by various distributors. Tabulation A shows comparative statistics for 4 REA-financed distributors in Idaho which obtain their power requirements from the Bonneville Power Administration (BPA), and 5 REA-financed distributors, of which 3 obtain their power requirements from privately owned taxpaying electric companies, and 2 of which obtain their electric requirements from the United States Bureau of Reclamation.

The 4 distributors which purchase power from BPA, a taxfree producer, received an average price of 2.27 cents per kilowatt-hour for energy supplied to consumers during the year 1953, which is 0.56 cent or 32.7 percent more per kilowatt-hour than Idaho Power Co. received for electric service supplied to farm customers during 1953. The 5 distributors which purchase their power requirements from privately owned taxpaying electric companies and the United States Bureau of Reclamation received an average price of 2.64 cents per kilowatt-hour for energy supplied to consumers during 1953, which is 0.93 cent or 54.4 percent more per kilowatt-hour than Idaho Power Co. received for electric service supplied to farm customers during 1953.

The eight REA-financed distributors in Idaho received an average of 2.38 cents per kilowatt hour for electric service supplied to consumers during 1953, which is 0.67 cent or 39.2 percent more per kilowatt-hour for electric service supplied to consumers during 1953, than Idaho Power Co. received from electric service supplied to farm customers during 1953.

Mr. GOLDWATER. Tabulation B attached shows comparative electric service statistics for numerous REA-financed electric power distributors in Tennessee which receive their power requirements from the Tennessee Valley Authority—TVA—a publicly operated producer. The distributors listed in this tabulation consist of those which are predominantly rural in nature, and the tabulation does not include those distributors which render electric service in large cities or to large industrial customers.

This group of Tennessee electric distributors received an average of 1.70 cents per kilowatt hour for electric service supplied to rural consumers during 1953, which is 0.01 cent less per kilowatt hour than Idaho Power Co. received from electric service supplied to farm customers during 1953.

The 1953 report of REA borrowers shows taxes paid during 1953 of $93,016 by the 9 Idaho distributors, which is only 5.91 percent of gross revenue and equivalent to 1.40 mills per kilowatt hour sold. The report shows taxes paid by the 17 distributors in Tennessee of $325,278, which is only 2.29 percent of gross revenue and equivalent to 0.39 mill per kilowatt hour sold. Idaho Power Co.'s tax obligation for 1953 was $7,323,072, which was 33.32 percent of gross revenue and equivalent to 3.51 mills per kilowatt hour sold during 1953.

The tax differential between Federal financed producers and distributors of electric power and privately owned taxpaying producers and distributors should be given due consideration in any comparison of power costs to ultimate consumers of electric energy.

TABULATION A

Idaho: Consumers, kilowatt-hours billed, and revenues of REA-financed electric distributors in Idaho, for the year 1953

	Average number consumer bills, 1953	Kilowatt-hours billed	Average kilowatt-hours per consumer	Operating revenues	Average revenue	
					Per consumer	Per kilowatt-hour (cents)
Northern Lights Inc., Idaho No. 4, Sandpoint, Idaho	2,796	7,913,106	2,830	$276,618	$98.93	3.50
Clearwater Valley Light & Power Association, Inc., Idaho No. 10, Lewiston, Idaho	4,076	24,807,835	6,086	494,331	121.28	1.99
Kootenai Rural Electric Association, Inc., Idaho No. 11, Coeur d'Alene, Idaho	1,478	8,245,519	5,578	166,663	112.76	2.02
Idaho County Light and Power Association, Inc., Idaho No. 15, Grangeville, Idaho	1,149	6,684,566	5,817	145,169	126.34	2.17
Subtotal, REA's receiving Bonneville power	9,499	47,651,026	5,016	1,082,781	113.99	2.27
Raft River Rural Electric Cooperative, Inc., Idaho No. 16, Malta, Idaho	578	6,964,268	12,049	143,736	248.68	2.06
Fall River Rural Electric Cooperative, Inc., Idaho No. 17, Ashton, Idaho	1,274	4,498,132	3,530	175,830	138.01	3.91
Lost River Electric Cooperative, Inc., Idaho No. 19, Mackay, Idaho	883	5,008,844	5,672	120,207	136.13	2.40
Prairie Power Cooperative, Inc., Idaho No. 21, Fairfield, Idaho	215	844,879	3,929	26,725	124.30	3.16
Salmon River Electric Cooperative, Idaho No. 23, Challis, Idaho	202	1,295,233	6,412	25,419	125.84	1.96
Subtotal, REA's receiving power from private companies and USBR	3,152	18,611,356	5,904	491,917	156.06	2.64
Total, all REA's, Idaho	12,651	66,262,382	5,237	1,574,698	124.47	2.38
Idaho Power Co., farm service only	27,727	179,540,233	6,428	3,053,878	110.14	1.71

NOTE.—Statistics for above REA-financed systems taken from U. S. Department of Agriculture 1953 Annual Statistical Report.

TABULATION B

Tennessee: Consumers, kilowatt-hours billed, and revenues of REA-financed systems in Tennessee which are predominantly rural in nature

	Average number consumer bills, 1953	Kilowatt-hours billed 1953	Average kilowatt-hours per consumer	Operating revenues 1953	Average revenue	
					Per consumer	Per kilowatt-hour (cents)
Volunteer Electric Cooperative, Decatur	18,893	86,792,862	4,594	$1,483,889	$78.54	1.710
Tri-County Electric Membership Co-op, LaFayette	17,892	55,099,237	3,080	1,121,912	62.70	2.036
Southwest Tennessee Electric Membership Corp., Brownsville	16,302	65,803,444	4,036	1,155,592	70.89	1.756
Middle Tennessee Electric Membership Corp., Murfreesboro	17,084	95,329,329	5,580	1,423,072	83.30	1.493
Gibson County Electric Membership Corp., Trenton	20,688	105,225,268	5,086	1,612,947	77.97	1.533
Cumberland Electric Membership Corp., Clarksville	18,813	89,618,866	4,764	1,509,461	80.23	1,684
Upper Cumberland Electric Membership Corp., Carthage	14,290	50,567,633	3,539	938,116	65.65	1.855
Fort Loudoun Electric Co-op, Madisonville	6,349	30,435,597	4,794	505,186	79.57	1.660
Carroll County Board of Public Utilities, McKenzie	7,723	39,304,877	5,088	611,407	79.17	1.556
Pickwick Electric Membership Corp., Selmer	6,966	31,526,784	4,526	512,616	73.59	1.626
Meriwether-Lewis Electric Co-op, Centerville	10,143	55,956,078	5,517	880,197	86.78	1.573
Tennessee Valley Electric Co-op, Savannah	6,042	23,597,500	3,906	425,249	70.38	1.802
Holston Electric Co-op, Rogersville	7,985	36,338,993	4,550	595,831	74.62	1.640
Caney Fork Electric Co-op, Inc., McMinnville	8,232	23,569,618	2,863	482,149	58.57	2.046
Forked Deer Electric Co-op, Inc., Halls	5,820	12,485,427	2,145	288,752	49.61	2.313
Chickasaw Electric Co-op, Inc., Somerville	3,631	10,704,845	2,948	212,387	58.49	1.984
Mountain Electric Co-op, Inc., Mountain City	7,340	21,695,465	2,955	420,626	57.31	1.939
Total, 17 co-ops	194,193	834,051,823	4,295	14,179,389	73.02	1.70
Idaho Power Co., farm service only	27,727	178,245,000	6,428	3,053,878	110.14	1.71

NOTE.—Statistics for above REA-financed systems taken from U. S. Department of Agriculture 1953 Annual Statistical Report.

Mr. GOLDWATER. Mr. President, an examination of these tables will undoubtedly raise in my colleagues' minds, as it has in mine, the question as to why a nontaxpaying, non-interest-paying power source, such as TVA, cannot produce power to REA's in their area at a cheaper rate than can a private concern in Idaho. In fact, if the minds of my colleagues react as has my own, I suggest that an investigation of the TVA is not only long overdue, but is highly called for at this moment.

WOODROW WILSON CENTENNIAL CELEBRATION—STAUNTON, VA.

Mr. SMITH of New Jersey. Mr. President on Saturday, April 28, at Staunton, Va., there were held the concluding ceremonies of a week of meetings and celebrations commemorating the 100th anniversary of the birth of Woodrow Wilson. The ceremonies were held on Saturday, the 28th, at the birthplace of Woodrow Wilson before a distinguished gathering, including ambassadors, or their representatives from 35 different countries.

On this occasion Assistant Secretary of State, Walter S. Robertson delivered an outstanding address reviewing the life of Woodrow Wilson.

I ask unanimous consent that this address be printed in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY THE HONORABLE WALTER S. ROBERTSON, ASSISTANT SECRETARY OF STATE, WOODROW WILSON CENTENNIAL CELEBRATION, STAUNTON, VA., APRIL 28, 1956

Governor Stanley, Mrs. Wilson, Senator Byrd, Senator Smith, Senator Robertson, Mr. Chairman, and distinguished guests, had I been told 38 years ago that I was to have the honor to represent President Eisenhower on this occasion, I should have been a frightened, amazed, and awe-struck young man—frightened at the role I personally must play today, amazed that an unknown young second lieutenant of infantry by the name of Eisenhower was destined for a mighty role in world affairs which would land him in the White House, and awestruck by the magic name of Wilson.

At that time President Wilson was my Commander in Chief, albeit a remote one. I was a lowly embryo second lieutenant at an air service flying school. I had a fervent admiration for what Woodrow Wilson stood for and for the man himself, whose ideals, integrity, and eloquence had given the military participation of the United States in the First World War a character it could scarcely otherwise have had.

It has been suggested that my admiration for Woodrow Wilson may not be unrelated to the fact that he was born in Virginia, in this historic and lovely town of Staunton. This allegation I protest, though I must admit to a prejudiced view where Virginians are concerned, and certainly my admiration for Mr. Wilson is in no way lessened by the proud circumstance of his birth.

While Wilson was taken to Georgia at an early age—too early for him to have any say-so in the matter—and did not return to his native State until he entered the law school of the University of Virginia, he has always appeared to me to stand in a tradition of statesmanship to which Virginia has so richly contributed. He was a man of high ideals, unyielding moral convictions, strong emotions, and great intellect—a man who combined a bearing that tended to the aristocratic with a belief in democratic representative government that had in it an almost religious purpose. In his two terms as President, through the new freedom, as he called it, he advanced to new goals the cause for which our Nation was founded—the cause of freedom and opportunity for all its citizens. In the principles he proclaimed, in taking our Nation into full participation in world affairs, into war, he awakened hopes among the subject peoples of autocracies everywhere, giving the name of our country a force and magic in other lands it had not possessed since the days of the American Revolution and the early years of the Republic. In his address to Congress asking a declaration of war, he proclaimed:

"We shall fight for the things which we have always carried nearest our hearts—for democracy, for the right of those who submit to authority to have a voice in their own governments, for the rights and liberties of small nations, for a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free. To such a task we can dedicate our lives and our fortunes, everything that we are and everything that we have, with the pride of those who know that the day has come when America is privileged to spend her blood and her might for the principles that gave her birth and happiness and the peace which she has treasured. God helping her she can do no other."

In the past 15 years we have come far closer to Wilson than we had been in the 20 years that followed his administration—20 years during which many dedicated Americans earnestly tried to believe that what went on beyond the oceans need not concern or disturb us. In these past 15 years we have lived in a divided world. Also confronted with a divided world, Wilson, in April 1917, made his fateful choice and led the Nation out of its traditional isolation. Most of us can remember back to the 1920's when, in reaction to the idealism of the war years, some spoke with derision of the contention that World War I had been fought to make the world safe for democracy. Certainly we have since then paid a fearful price in pursuit of that ideal. We have had to learn once more that when Wilson said "the world must be made safe for democracy" he was expressing a necessary and transcendent objective of our Nation's foreign policy, the end we still must achieve if we mean to survive. Since then we have been confronted with two new mortal challenges to democracy, and one of them faces us today stronger than ever.

Much has been said and written about the fearful ideological contests of our generation, nazism and communism. Clearly the survival of freedom is the basic issue in these contests. But why do some men believe passionately in freedom while to others freedom is an object of contempt and ridicule? The answer it seems to me is powerfully suggested in the character of Woodrow Wilson. Wilson's life, his writings, his actions are illuminated by an unmistakable and invincible belief in man himself and in his promise, a conviction that man is worthy of justice and liberty. To a large degree I think—perhaps more than we sometimes like to admit—our estimate of mankind reflects what we have, all unconsciously, observed of our own selves. In the high estimation of humanity that inspired the battles Wilson fought, it seems to me that we can read the reflection of a nature that was itself generous, imaginative, creative, courageous. Can we conceive of a Hitler or a Stalin respecting his fellow man or considering him as other than corruptible, devoid of integrity

and soul, not to be trusted outside confinement?

There were those in Wilson's lifetime who considered that he had altogether too much confidence in mankind. They accused him of being an idealist. He replied that if he were an idealist it was because he was an American.

It was to be Wilson's destiny to give American foreign policy the most important redefinition it had had in three-quarters of a century, since its foundations had been established as the avoidance of involvement in the affairs of the Old World, the Monroe Doctrine, and manifest destiny.

Wilson's first serious problem of foreign policy arose as a result of the seizure of power in Mexico by General Huerta. It was an instructive problem, for in it two principles, both recognized as valid by Wilson, were at cross-purposes. He felt he could not promote the establishment of order in Mexico by supporting Huerta. "We have no sympathy," Wilson wrote, "with those who seek to seize the power and government to advance their own personal interests." And Huerta had achieved control of the government by assassinating his predecessor. On the other hand, while he felt it necessary after provocations by Huerta to land an American force at Vera Cruz to prevent the unloading of weapons from a German ship, the prospect of a military campaign against Huerta was equally unthinkable to him. In the circumstances he welcomed and quickly accepted an offer of mediation from the so-called ABC powers—Argentina, Brazil, and Chile. In doing so, Wilson recognized the desirability of making a conflict between two governments a matter of legitimate interest and concern to the larger community, thus spreading a responsibility which a single nation could scarcely hope to discharge without arousing dangerous and lasting bitterness or being drawn into costly hostilities. While disorder continued in Mexico and gave Wilson considerably more trouble, the experience of cooperation between the United States and the ABC powers gave rise to a highly significant move toward the establishment of more active security measures in the Western Hemisphere. The essence of an agreement drafted by Wilson to this end and discussed with the ABC powers was: "Mutual guarantees of political independence under republican form of government and mutual guarantees of territorial integrity." The wording of this article strongly suggests the covenant of the League of Nations. The idea of a Pan-American security agreement was itself absorbed in the greater concept of a world organization.

When world war came in Europe, Wilson was primarily concerned to keep our Nation out of it. He had been 8 years old at the end of the War Betweeen the States and had seen at firsthand in Georgia the horror that follows in the wake of war. It made a terrible and lasting impression upon him. His devotion to peace was genuine and compelling. However, he angrily denied that mere safety was the object of the neutrality he urged. Rather he considered it the obligation of the one great nation that could "play a part of impartial mediation and speak the counsels of peace and accommodation, not as a partisan, but as a friend." Wilson's counsel to the American people that they be "impartial in thought as well as in action' may sound impractical to some today, but we must reflect that it was the rivalry of two empires in the Balkans—those of the Hapsburgs and Romanoffs—that touched off the war. It is not surprising that Wilson should have seen it in the beginning as an outgrowth of imperialistic conflict and secret diplomacy.

With both sides infringing America's neutral rights on the seas, Wilson deduced speedily that the main hope of keeping the United States out of the war was to bring it to a negotiated end. His personal representative Colonel House, explored with the belligerents in 1914, 1915, and 1916 the possibility of finding enough common ground between them to warrant the calling of a peace conference. Wilson's own personal appeals for a compromise peace culminated in his request to both sides in December 1916, for a statement of war aims as a basis for a possible settlement. In the light of what followed, the refusal of the contestants even to be explicit about what they were fighting for, let alone to attempt seriously to compromise their differences, must seem to us as tragic madness. By contrast, Wilson's statesmanship stands out as mature and inspired. He could not have tried harder than he did to bring about "peace without victory," but no man could have held back the tide of events which was to follow—the secrifice of more hundreds and thousands of lives, the achievement of power by the Communists in Russia, the internal collapse of Germany, and the eventual rise of nazism, bringing upon Europe another and near fatal war.

The failure of American peace efforts early in 1917 accompanied by the declaration of unrestricted submarine warfare by the Germans made the abandonment of American neutrality inevitable. President Wilson explained the historic change in our policy in these words:

"We tried to persuade ourselves that the European business was not our business. We tried to convince ourselves that no matter what happened on the other side of the sea, no obligation of duty rested upon us, and finally we found the currents of humanity too strong for us. We found that a great consciousness was welling up in us that this was not a * * * struggle which was to be confined to Europe * * * but that it was something that involved the very fate of civilization; and there was one great nation in the world that could not afford to stay out of it."

Recognizing the hideous destructiveness of modern war and the certainty that the United States would inevitably be drawn into any major war of the future, Wilson was determined that the hostilities in which the United States was then involved had to be concluded by a workable peace settlement and effective measures to prevent the recurrence of war. Even as early as May 1916, at a conference of the League to Enforce Peace which had been organized the year before under ex-President Taft, he said "we are participants whether we like it or not in the life of the world. The interests of all nations are our own also, we are partners with the rest. * * * The nations of the world have become each other's neighbor." He declared that the United States should become "a partner in any feasible association of nations formed to realize these objectives and make them secure against violation."

The war took on a new character with our entry into it. In his Flag Day address of June 1917 the President made dramatically clear that it was the "military masters of Germany who denied us the right to be neutral" that we were fighting and not the German people, "themselves in the grip of the same sinister power that has stretched its ugly talons out and drawn blood from us." He went on to declare: "This is the people's war, a war for freedom and justice and self-government amongst all nations of the world, a war to make the world safe for the people who live upon it, the German people themselves included."

In pursuit of his lofty objective, he proposed the 14 points as a basis for the cessation of fighting and the making of peace. In these points he dealt concretely with the most urgent problems of the peace, and, last of all, with his most precious proposal for "a general association of nations, affording mutual guaranties of political independence and territorial integrity to great and small states alike."

This historic peace program was a potent weapon of war in the hands of the President. Its psychological effect was overpowering. It was a bombshell in the ranks of the enemy, seriously undermining German morale in the closing years of the war.

On the basis of these principles, the Germans sued for peace in October 1918—instead of making a last stand and fighting on for, as Marshal Foch thought they might have, "maybe 3, maybe 4 or 5 months. Who knows?"

At that point, with the defeat of Germany, the struggle with the Allies began. The Allies had never taken the 14 points seriously. Clemenceau had never troubled to read them. Speaking to the Chamber of Deputies in late December, Clemenceau said: "There was an old system which seems to be condemned today and to which I do not fear to say that I remain a faithful adherent at this time * * * this system—solid frontiers * * * and balance of power seems to be condemned by certain other high authorities." And he added that "this system of alliances" would be his guiding principle at the peace conference.

Wilson had warned the so-called realists of what could be expected from imposing a punitive peace upon the German people. Such a peace, he said, would be "accepted in humiliation under duress * * * and would leave a sting, a resentment, a bitter memory upon which terms of peace would rest, not permanently, but only as upon quicksand." It was a prophetic utterance.

Wilson has been pictured as having failed lamentably at the Peace Conference. Actually the final settlement would have been far more shortsighted had it not been for the stand he had taken. He saved the Germans from having to pay the entire cost of the war. He obtained general recognition that colonial peoples were not chattels when he gained acceptance of the system of mandates for the former German colonies. He obtained an undertaking by Japan to restore Shantung Province to China. The primary obstacle to the application of Wilsonian principles was actually not the unregeneracy of the other members of the Council of Four but the unregeneracy of the complicated facts of Europe's situation. Wilson had to recognize, as his heirs have had to recognize, that the pursuit of high principle can in some situations lead into contradiction. This does not mean that there is no higher morality in international relations—as some whose minds are on the contradictions would have us believe—but only that a higher morality is not simply to apply and that sometimes its application requires great patience.

It was in part because he foresaw the inevitable imperfections of the settlement that Wilson insisted that the Covenent of the League of Nations should be included in the peace treaty and not be left for subsequent consideration after the peace terms had been given to Germany. The League of Nations was, he exclaimed "in a sense the most essential part of the peace settlement itself," for the League he said "is necessary to guarantee the peace; and the peace cannot be guaranteed as an afterthought." On this issue, over bitter opposition from Allied quarters and over opposition even from within his own delegation, the President won a spectacular and most significant victory. On April 28, 1919, 37 years ago today, the Paris Peace Conference adopted the final draft of the Covenant of the League of Nations.

President Wilson's defeat came not in Paris but at home. It is not my purpose to explore here the causes of that rejection. No one can question the earnest patriotism of the opposition. No one can question that the blame must be shared. It is enough for

us to recall that on August 8, 1945, the United States Senate voted in favor of American membership in the League's successor, the United Nations, vindicating Woodrow Wilson's ideals by the startling vote of 89 to 2. We had by then paid in copious measure for our failure to join the League that Wilson had created.

In the 1930's when aggressor nations struck at Manchuria and Ethiopia, the League of Nations proved unequal to the challenge. Thus, when World War II came upon us, we had to learn again that there are "Currents of humanity too strong for us" and that we could not remain apart from a "struggle * * * that involved the very fate of civilization."

We were not to make the same mistake again. We helped create the United Nations and joined it wholeheartedly. And when the ominous pattern of the past began to reemerge with the attack in June 1950 upon the Republic of Korea and it was clear that once more the "rights and liberties of small nations" were at stake, we did not hesitate. As the leader of a great coalition of the United Nations we made amends for Manchuria and Ethiopia. By repelling the aggression, we stemmed a tide that could have led only to a third world war.

In recalling a few outstanding examples of Woodrow Wilson's approach to international relations, I have tried to define the meaning that Wilson's policies have for us today; for Wilson's approach to world problems was, in a fundamental sense, to shape the character of our response to such problems for as long as we can see ahead. Wilson had to lead a people naive and inexperienced in international affairs, still speaking in terms of doctrines that were appropriate enough for the weak seaboard republic of the early 19th century but wholly inadequate for the giant who straddled a continent and would inevitably greatly influence the shape of the future world. After our false start toward imperialism in the Philippine venture—an outgrowth of the war with Spain—Wilson enabled us to find ourselves in terms of what we really are and the reality of the world at large.

It is the test of great men that they affect substantially the way a people think of itself—the image it has of itself. It is also the function of great men to refine and elevate that image.

The picture we have of ourselves as Americans and to which we feel we must live up in our conduct with other peoples bears indelibly the impress of Wilsonian ideals. "The United States," Wilson declared in Mobile in 1913, "will never again seek 1 additional foot of territory by conquest." This has become axiomatic with us. Some who today are strongly attracted by the notion of realism in the conduct of foreign affairs, might reject a statement made by Wilson in that same speech, that "It is a very perilous thing to determine the policy of a nation in terms of material interest." Yet in our hearts most of us agree that material interest alone is not a standard high enough for this Nation. There is a cause of humanity, and the obligation has been laid upon us by our favored circumstances and the vision of our great leaders to serve it. It is not in all cases a clear cause. Sometimes its currents divide and seem to run at crosspurposes. Sometimes it makes irreconcilable demands. And yet is is always there and in a larger perspective has a true and ascertainable course.

We may not always succeed in promoting the cause of cooperation and collective security for all peoples. We may not always succeed in achieving "the right of those who submit to authority to have a voice in their own governments." We are not all-wise or more than human.

Yet when we fall short, we shall know no rest. We are like a people to whom a whisper of infinite possibilities has been vouchsafed, and for us there is no way station where we may tarry in contentment. The voices of the great spokesmen for the American ideal—all who have ever lived—continue to make their demands of us, like an inspiration, like a conscience, impelling us to the sacrifice of 35,000 of our most precious lives in Korea, to the contribution of $60 billion in 10 years to the war stricken and the unprivileged of other lands. Among these voices will always be that of Woodrow Wilson, speaking to us of that "universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free."

I shall close with the last words spoken by Mr. Wilson in public, on the occasion of Armistice Day, 1923, to a small crowd that had formed outside his house:

"I cannot refrain from saying it: I am not one of those who have the least anxiety about the triumph of the principles I have stood for. * * * That we shall prevail is as sure as that God reigns."

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a notable speech delivered by Arthur Krock at Staunton, Va., on April 26, on the occasion of the 100th anniversary of the birth of Woodrow Wilson in that city.

Mr. Krock was a close and intimate friend and adviser of Woodrow Wilson.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

What are the tests by which our Presidents are measured for their places in history? I think they basically are three:

Did he leave office in a country stronger or weaker in its material, moral, and spiritual values than when he entered the White House?

If stronger or weaker, was he instrumental in the change?

And, whether he left office with the country stronger or weaker in all or any of these values, and whatever was his part in the transition, did he give new force to the aspiration of international peace?

On these tests Woodrow Wilson passed to a lofty place in contemporary history, and succeeding generations affirm that judgment with the mounting evidence of the years.

Great spiritual and moral teachers of mankind served the concept of enduring peace long before Woodrow Wilson. It is linked immortally with the Prince of Peace. But Wilson made it a physical entity, the covenant of the League of Nations. And even in the ruins of civilization this entity will survive as it survived in the debris of Europe after the second global war—which Wilson knew, and told the world, would be the consequence of its rejection.

The causes for that rejection were many, and one of the cruelest of life's ironies is that Wilson himself should have energized these causes. That contribution, taken out of the complex, has been distorted by partisans and critics. The President, as I now evaluate the American scene in 1919 and 1920—a scene which in part I saw unfold—could have been the first and only perfect man in history, and still have failed to stem the opposing flood of his times.

War is followed by disenchantment, and this draws the people to those who inevitably can point to the costs and errors of the fight. If a nation has gone to war to preserve an ideal, as the United States did in 1917, and the aftermath is a greedy scramble by its allies for the spoils, the administration by which the war was conducted is instantly put on the defensive. The United States had abandoned neutrality and isolation in the belief that this was both necessary and would be effectual in making the world safe for democracy. And when that belief was shattered, the people turned against the regime by which the war had been conducted. It was a political opportunity any opposition would grasp. And since Wilson embodied the covenant, the tactical requirement was that to repudiate one the other must also be repudiated.

Perhaps the bitterness with which the political battle was waged against him was responsible for the fact that in this period Wilson revealed his major defects as an administrator. Perhaps if the President had taken Taft and Root with him to Paris on the peace mission, the covenant would have come before a friendly Senate, even with article X, that morally committed the United States—but subject to the constitutional process—to guarantee by force if necessary the allied territory. This territory included, of course, the subject peoples of our allies. Perhaps under the influence of Taft and Root there would have been an even more conditional clause written into article X, which still, if invoked, would have committed us to the perpetuation of the European powers' colonial system. But perhaps, with this extra if and the Senate's other so-called mild reservations, the United States would have joined the league, and there would have been no Harding administration to make a separate peace with the central powers, and the covenant a scrap of paper.

I believed the last so firmly at the time that I made a visit to Washington to urge two Senators I knew well and had strongly supported in the Louisville Courier-Journal to vote for these mild reservations.

It was mathematically sure that if the Democratic leader, Underwood of Alabama, and Stanley of Kentucky had endorsed a sensible compromise on article X, the reservations would have carried and the United States entry into the League would have been approved by the Senate.

Stanley said he would vote for them if Underwood did: "I want to," Underwood told me, "but the old man in the White House would excommunicate me. I am his party leader and I must maintain his pledge."

Yet now, looking back at the atmosphere of that period, I do not believe the United States would long have been faithful to its commitment to the League, even if Wilson had followed these courses. The disillusionment of the war and the Treaty of Versailles had put the times out of joint for another and immediate idealistic venture by this country. Wilson's failure, in my estimation, was wrought at Paris, not in the Senate, and was made inevitable by his decision to negotiate at first-hand with European politicians committed to a Carthaginian peace. Though that failure, once he decided to go to Paris, was to do the impossible, because he sacrificed his prestige as the head of the State and it was asking the politicians at their level to forego the familiar fruits of a victory they had guaranteed and for which their peoples had paid grievously in life and treasure, it was a failure, nevertheless. And so the covenant came home in a package that audibly was ticking with the timebombs of yet another war.

But equally I believe that if Wilson had prevailed with our allies on the terms of peace he would have made the same tactical errors in dealing with the Senate. I think this because these tactics were congenital defects in his equipment as a political executive, which brings me at last to the topic I was assigned today.

From the estimates of contemporaries—critics fair and unfair, associates objective or unreservedly admiring—and from limited observation of my own I come to these conclusions about Wilson as an administrator of Government:

"He was a good listener, an intelligent questioner, amenable to argument whenever

he felt free to give practical effect to his conclusions," said a British newspaper reporter at Paris who was no friendly appraiser. But, once Wilson came to a conclusion, usually a slow and often reluctant process, he resented pressure, and, if persistent, his resolve grew all the firmer. With most of his entourage pressure was judiciously limited. (Once I recall that George Creel pursued the fleeing President to his bedroom trying to change his mind and had the door slammed on him.)

Wilson at all times was keenly aware that his was the final responsibility for the acts of the Executive, and, when he assumed it, he expected that to be the end of the argument. This was reasonable, and effective with his associates. But the President was also disposed to feel that the people, the press, and Congress should accept his decisions when made. If they or any of them didn't and this, of course, was frequent, he was inclined to take dissent for hostility. These attitudes impelled a foreign statesman to say of Wilson, "We Europeans can't keep up with a man who travels a straight path with such a swift stride, looking neither to the right nor left."

Nevertheless, Wilson was prone to hesitate at the forks of the road. At times he revealed an affinity with the celebrated Wilkins Micawber, Esq., as in the period of watchful waiting of the turmoil in Mexico.

But then, as at other times when he hesitated at the sight of the brink of decision, Wilson's deep moral sense was the cause. Huston Thompson, of Washington, a member of the small surviving band that held office under Wilson, recalls a discussion with the President about his Mexican policy. "I will not," said Wilson, "ever use an ounce of force against a helpless country for the private gain of selfish interests."

One reason, perhaps, why he looked "neither to the right nor left" was because he preferred to walk alone. In the White House his life was reserved. The streams of people who delighted the two Roosevelts and Truman, and in which they sought to acquire or keep the common touch, were diverted as much as possible from Wilson's office and hearth. He could not suffer fools gladly. Whether or not he appreciated the usefulness of being, or wanted to be, companionable with Members of Congress, other politicians, and the press, and his wit would have assured that, he definitely was not, thus sacrificing an asset of great value to the head of a democratic country.

He was a pretty good party man, but he was inclined to think of all the people except the Republican hostiles, as members of the party. That impelled him to appeal to them over the heads of the politicos which—brilliantly successful with the Germans—brought him domestic opposition he otherwise might not have experienced, and from Democrats as well as Republicans, and this trait, I think, caused him to make the mistake of asking for the return of a Democratic Congress—his words could have implied a one-party Congress—in 1918, a tactical blunder his political foes exploited into a large Republican victory.

He was a great man, but the noun is as descriptive as the adjective. He changed his mind as men do, especially men whose theories seem immutable principles to them when they are formulated and then find them reduced to mere doctrines by honest and powerful challenge that persuades them the end justifies the means. Thus Wilson, the scholar-champion of representative government, later saw virtues he had long denied in the initiative and referendum for statutes. That was because, as a political administrator, he discovered that representative government by producing an arrogant Supreme Court, and a Senate wherein New York and Nevada are equal, could be insuperable obstacles to reforms in which he believed. Once when chided for this revolutionary about-face, Wilson said he supported the intiative and referendum "only as a gun behind the door." But that was an after thought.

With the same lamp of practical experience Wilson as President abandoned the unflinching attitude against woman's suffrage he had maintained at Princeton and at Trenton. And he lived, too, as Presidents will, to question that the institution of judicial supremacy he firmly held essential to enlightened progress was safe in the hands of the judges that politics was producing. Once, explaining why he shied from appointing more lawyers to the Federal commissions, Wilson said of that profession when translated to the bench to pass on antitrust laws:

"Where the courts have failed was in substituting language of their own for that of Congress, and in seeking to base the test on the reasonableness of the restraint, whereas the test of Congress was intended to turn on whether the restraint lessened competition."

On another occasion Wilson urged the Supreme Court not to interfere in "moral and social questions originally left to the States," and in particular "paternal morals" in conflict with "local opinion and purpose, local prejudice, and convenience." "Judicial supremacy," he said, "saps the legal morality upon which a sound constitutional system must rest."

Jefferson, in the Kentucky and Virginia resolutions, and in his controversy with Chief Justice Marshall; Lincoln, in seeking to reverse the Dred Scott decision; the delegates to the Hartford Convention of 1814 who proclaimed interposition; and the authors of the southern declaration who are proclaiming it anew—all these were concerned with maintaining the same constitutional principle—that no branch of government shall usurp and invade the function delegated or not forbidden to another.

President Wilson gave his trust to only a few, but these had it all, and he never was alienated from them by the differences of opinion they expressed. This is the unquestionable testimony of Bernard M. Baruch, Herbert Bayard Swope, Joseph E. Davies, and—until the breach—E. M. House and of many others. But Wilson's preference among the contributions of his advisers was for facts—he used approvingly to call Baruch "Dr. Facts." And whenever he concluded that an adviser or other subordinate was assuming responsibility belonging only to the President, Wilson's reaction was swift and condign. On this conviction he broke with House. On this conviction, when he learned that Secretary of State Lansing had convoked a Cabinet meeting during his illness, he displaced the Secretary.

Having stated his principles, which, like us all, he assured himself were always the bases of his decisions, Wilson expected no further argument. That applied particularly to his Cabinet, which the President made wholly subordinate—a condition that for him happily attained permanence when William Jennings Bryan resigned as Secretary of State and Lindley Garrison as Secretary of War. The inclination of Wilson to choose appointees whom he felt sure would go along with all his points of view barred many able citizens from his counsels, and by this narrow measurement his was the "one-man government" his unfriendly critics called it. And his usual inflexibility toward compromise, when he decided that a principle was at stake—I am thinking of his 14 points—put him at a disadvantage in Paris. This disadvantage was increased by the circumstance that Wilson was not deeply versed in foreign affairs, and encountered in Clemenceau and Lloyd George the vastly skillful parliamentary technique in which he had no experience.

But on the other hand, what a constellation of talents, in administration, in political and popular leadership, in moral causes and in gifts of speech and presence that made Woodrow Wilson the first figure of his world.

Let me summon to the bar of history intimate and informed evidence of all these talents by some of those who knew him best. First, Bernard M. Baruch on Wilson as political leader and as constitutional President:

"In the years between the Civil War and Wilson's emergence as a political leader, great forces had been let loose in America and great changes had taken place. We had grown rich and powerful—and careless. Injustice and inequity were permitted to mar the face of America. Under Wilson's new freedom, America returned to the task of perfecting democracy. A vigorous attack was launched against special privilege, monopoly, the mastery of many by the few. The door of economic opportunity was opened wide again, social wrongs redressed, political abuses corrected. A new wave of energy and confidence swept across America—a wave of energy and confidence which, with the outbreak of the war, was diverted from the task of improving democracy to the infinitely more difficult task of defending it.

"When Wilson became President, national legislation had lagged far behind the great social, economic, and political changes which had developed since the Civil War. Wilson moved with speed to close some of the gaps. He shattered precedent by reading his important messages to the Congress in person. He energized and unified his party majority, working closely with his party leaders as the one leader elected by all the people. * * * In the years 1912 to 1914, during which the Congress was held in almost continuous session, a sweeping program of legislation, then without any precedent in our history, was swiftly enacted.

"Wilson, as Jefferson, scrupulously refrained from invading those powers reserved for the States in the Constitution.

"He never deviated from Jefferson's idea that no one class should ever be favored politically by Government at the expense of another. He never permitted selfish political action in its own interests. He never feared pressure groups. He never conceived of the arrival of a political era where Federal bounties became so extensive that the Federal payroll included so many of its citizens.

"Though abhorring war, Wilson made a great war President. He pledged force without stint or limit, force to the uttermost, and saw that it was delivered. Those of us who worked with him never lacked support, leadership, or wise and friendly counsel. Each of us always knew exactly what was expected of him. * * * He was the first American leader to wage total war."

And Baruch could have added, for he did much to make the record possible, that Wilson's administration of the war was an especially remarkable executive performance by a man who came from the academic groves. In the center of the task of mobilizing, training, and transporting great forces overseas for the first time in our history, and organizing the most abundant service of supply in any history, was the President. And under his vigilant eye and rigid though just moral concepts, the war was fought as cleanly as it was triumphantly—a new experience for the American people.

David Garrick said of his friend Oliver Goldsmith that "he wrote like an angel and talked like Poor Poll." But among the talents showered by nature on Wilson was mastery of both the written and spoken word. As an orator he moved this people as no contemporary could. As a composer of state papers he was supreme in his day. In stressing to the German people the view that their leaders, not they, were responsible for their crime against civilization, Wilson invested brilliant high military strategy with a pure literary flame. A comment on this by

Breckinridge Long, of Maryland, another survivor of the President's official family, deserves repetition today:

"The memoirs of the generals commanding the opposing armies agree," said Long, "that Wilson's notes did more to destroy Germany's morale than the guns of the Allies."

"The language of these message has been absorbed into the body of literature. Their effect has perhaps been forgotten and needs to be recalled. But no memory which experienced the sensations they caused is so short but that definite recollections may be called forth from the recesses. The effects were electric. For a moment, literally, the world stood in awe and witnessed the spectacle of one man's brain unleashing more power than there was in armies combined. He had expressed democracy's hopes, people's desires to be free. He had pointed the way to a realization of peace. He was the leader of the world in its frenzy—the voice of hope—the guide to peace."

That was Woodrow Wilson, the world statesman whose voice stirred the world with the dearest aspiration of men of good will, which is peace on earth, and who was the master architect of the only plan by which it can be made durable. But that, too, was Woodrow Wilson, the political administrator of the great Nation which attained, without the ambition to do so, the material and spiritual leadership of the world under his inspiration.

I believe that history is steadily confirming those judgments and will by them abide.

UNITED STATES CONTRIBUTIONS TO THE INTERNATIONAL LABOR ORGANIZATION

Mr. MANSFIELD. Mr. President, in the May 6 issue of the Register, the Catholic diocesan newspaper of western Montana, there was published an article entitled " 'Rider' Approach All Wrong," written by Msgr. George G. Higgins.

The article discusses the Bricker amendment to the ILO resolution, which was adopted by the Senate a few weeks ago.

I ask unanimous consent that the article by Msgr. Higgins be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"RIDER" APPROACH ALL WRONG

(By Msgr. George G. Higgins)

The United States Senate moved on April 19, by a roll call vote of 43 to 40, to restrict United States contributions to the International Labor Organization unless the employer and worker delegates of the Soviet bloc are ousted from the organization.

The vote was taken on a rider (introduced by Ohio's Senator JOHN W. BRICKER) to a Senate resolution, which, if it had been adopted in its original form, actually would have increased the financial contribution of this country both to the ILO and to the Food and Agricultural Organization of the UN.

This resolution, as amended by the rider, was then adopted without dissent and referred to the House of Representatives.

In the original resolution, the Administration had requested that the United States be authorized to contribute up to $3 million a year to the ILO as opposed to the present ceiling of $1,750,000.

The attached rider will limit our annual contribution to the latter figure under the following circumstances:

"If, during the preceding year, delegates allegedly representing employers and employees in the Union of Soviet Socialist Republics or in any nation dominated by the foreign government controlling the world Communist movement are found by the State Department to have been permitted to vote in the International Labor Conference or in other meetings held under the auspices of the International Labor Organization."

VALID OBJECTION

The opposition argued in vain—in line with the administration's viewpoint—that this restrictive rider might put the United States in a bad light with other countries of the free world by creating the impression that we are trying unilaterally to dictate policy to them with regard to the ILO. In our opinion, this is a valid objection.

The Communist problem in the ILO—as was pointed out in a recent policy statement by one of the committees of the Catholic Association for International Peace—is admittedly serious.

But it stands to reason that this problem cannot be solved unilaterally by the United States acting solely on its own initiative and independently of anti-Communist allies.

Perhaps the best way to solve the problem—short of destroying the ILO—would be to amend the constitution of the organization. This would not be subject to veto by the Soviet bloc.

OPEN DISCUSSION NEEDED

There is reason to hope that this solution—the one favored by the United States workers' delegation to the ILO—will be adopted in the near future.

Meanwhile it is to be hoped that the House of Representatives will vote against Senator BRICKER'S rider to the Senate resolution and will send the resolution back to conference for further consideration.

If there are valid arguments against an increase in the annual United States contribution to the ILO, let them be discussed honestly and openly on their merits instead of being disposed of, without an adequate debate, by a potentially harmful rider to a constructive legislative proposal.

It is interesting to note in passing that, during the week of April 22, hearings were to be held before the Senate Committee on Labor and Public Welfare on another important issue involving the ILO—one on which some of the leading supporters of the above-mentioned rider are expected to take a very inconsistent position.

The issue is whether or not the United States should push for the adoption of an ILO treaty to prohibit forced labor for political or economic purposes.

As previously reported in this column, the United States Department of Labor and the United States workers' delegation to the ILO are in favor of such a treaty, but the State Department, unfortunately, is dragging its feet on the issue.

It is generally thought that the State Department would like to support an ILO treaty against forced labor, but is afraid to do so for fear of incurring the political wrath of some of the more vocal supporters of Senator BRICKER'S point of view.

This is a curious paradox. On the one hand some of its critics accuse the ILO of being dominated by Communists. On the other, many of these same people refuse to support an ILO treaty that would help to eliminate or at least to publicize the Communist evil of forced labor.

FEAR OF GLOBAL TREATIES

This obvious inconsistency on the part of some of the ILO's critics would seem to indicate that there is more to their criticism of the Organization than meets the eye.

Are they opposed to the ILO merely because the Soviet Union and some of its satellites belong to the organization, or are they opposed to the ILO as such, independently of the Communist problem?

In other words, if the Communist problem were to be solved would they then support the ILO?

Presumably some of them might. But it is safe to say that others would undoubtedly continue their opposition to the ILO—at least to the extent of trying to prevent it from adopting international treaties even on the subject of forced labor.

It is the opinion of many competent observers that a fear of international treaties, rather than the Communist problem, is the fundamental issue in the current debate about United States participation in ILO.

HEART OF UNITED STATES FOREIGN POLICY

It is a very important issue—far too important, as we have already indicated, to be disposed of by the rider technique. For it goes to the very heart of American foreign policy and directly involves the whole problem of United States participation in the U. N. itself.

If we withdraw our support from the ILO, one of the specialized agencies of the U. N., logic would require us to withdraw our support from the U. N. itself and from all of its other specialized agencies.

Maybe this is what some of the more extreme critics of the ILO are aiming at as their ultimate objective. Maybe not. Only time will tell.

It would be a tragic mistake, meanwhile, to attempt to solve an issue of such tremendous importance by the short-cut device of attaching anti-U. N. riders to routine legislative proposals in the field of appropriations.

From the point of view of sound legislative procedure, there is nothing to be said in favor of, and everything to be said against, the rider approach to substantive matters on national policy.

THE PRESIDENT'S ADDRESS ON FOREIGN POLICY TO THE AMERICAN SOCIETY OF NEWSPAPER EDITORS

Mr. MANSFIELD. Mr. President, the President of the United States, at his press conference on April 25 said:

Nothing is more important than public understanding of world difficulties.

On Saturday, April 21, 1956, the President of the United States made a televised and radio speech to the American Society of Newspaper Editors. I listened to that speech with great care, and when the President had finished, I must confess that while I was reassured by Mr. Eisenhower's basic peaceful approach as illustrated in his three guidelines, I was disappointed in the generalities which he stated and the fact that he did not in this previously billed "Major Speech on Foreign Policy" give the American people the facts of life.

A day or two after the President's talk, I began to see references in the newspapers to the effect that at the conclusion of the televised and radio portions of his remarks, he delivered an extemporaneous speech, another half hour in length, to the editors in attendance. In the latest issue of the U. S. News & World Report, dated May 4, 1956, I have at long last been able to read the full text of the President's extemporaneous remarks. I find, in reading his off-the-cuff statements to the newspaper editors, that the President made the kind of a speech to them that he should have made to the American people as a whole.

I cannot agree with his contention that the Soviet Union's rulers had to change

their policies because they were losing, for I do not believe the facts will bear that statement out. I do, however, agree with the President that Soviet aims remain the same, that the Soviet economic offensive "is creating new problems" for the United States, and that the situation concerning Japan and its possible future is becoming most dangerous. I think the President on the occasion of his televised and radio address should have laid all these facts before the American people and pointed out that in practically all areas of the globe we are faced with great difficulties and tensions at the present time. The Near East, to which he gave a bare mention in his formal address, is simmering; NATO is in the process of disintegration and has been for a year; the continent of Africa is undergoing a great revolutionary change; southeast Asia is in a troubled and delicate state; and even in Latin America there are rumblings now going on.

I agree with the President when he says:

> There is nothing more important in the world today than that America—167 million Americans—shall be informed on the basic facts in this whole struggle.
>
> We ought to get it as far away from demagoguery, from political partisanship, from every extraneous influence as we possibly can. Just get the naked truth to these people with interpretation through editorial pages, and so on, to let them see the relation of one fact to another.
>
> There are no easy panaceas.

Mr. President, there are indeed no easy panaceas, nor is there a cheap way out of the difficulties which confront us. Regardless of party, we expect the President of the United States to keep the American people as fully informed as possible of events going on throughout the world. To ignore the world's difficulties, to shy away from them, to admit they do not exist can lead only to suffering and despair—perhaps even to ruin and defeat.

It is to be hoped, Mr. President—and I say this most respectfully—that in the future when the President makes a speech on foreign policy, he will take the American people, and not merely one small segment of it, into his confidence.

Mr. President, I ask unanimous consent that the speech which the President gave before the members of the Society of Newspaper Editors be made a part of my remarks at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

To give you my feeling about what I would like to say now I will tell you a story of when I was a young lieutenant in a regiment on the Mexican border. There was not a great deal to do in those days, and some people indulged in acquaintanceship with John Barleycorn more than they should.

One morning a couple of us young second lieutenants were up as usual long before the captains were, and we were standing by one captain's tent as he got his feet out of the bunk. He was sitting there on the edge of it with his head in his hands, and he says: "I am nothing but a mountain goat. All I do is jump from jag to jag."

Now, any man who, through 35 minutes or 30 minutes, has been trying to hit the high spots of the world today, and America's position in the international situation, certainly feels that he has been jumping from jag to jag on the mountain tops.

So I wanted rather to come off the summit of those high spots and talk with you just a few minutes about some of the very great intricacies in this problem that we call developing foreign policies and in implementing them throughout the world.

Now, I think there is no use explaining the "cold war." We all have pretty clear ideas of what is going on. But one thing that we do worry about is: Who is winning and who is losing?

Well, I don't think anybody knows, because the situation differs in every single corner of the globe. I have heard many people at home here say that we are losing the cold war every day. Others take exactly the opposite view, and these more hopeful ones can point to some facts rather than merely allegations about our prestige abroad, or how many friends do we have, and that sort of thing.

For example, why was there such a sudden change in the Soviet policy? They are out—their basic aim is to conquer the world—through world revolution if possible, but in any way. Their doctrine—anyone who has read any of their books knows that their doctrine is lies, deceit, subversion, war if necessary, but, in any way, conquer the world. And that has not changed.

But they changed their policies very markedly. They were depending on force and the threat of force only. And suddenly they have gone into an entirely different attitude. They are going into the economic and political fields and are really wearing smiles around the world instead of some of the bitter faces to which we have become accustomed.

Now, any time a policy is winning and the people are completely satisfied with it, you don't change. If you change policies then markedly you destroy old idols, as they have been busy doing. You do it only when you think a great change is necessary. So I think we can take some comfort; at least we can give careful consideration to the very fact they had to change their policies.

And I think the whole free world is trying to test and determine the sincerity of that plan in order that the free nations, themselves, in pursuing their own policies, will make certain that they are not surprised in any place.

But from the Communists—we look at some of the advances we think they have made, but let us remember: They did not conquer Korea, which they announced they were going to do. They were stopped finally in the northern part of Vietnam; and Diem, the leader of the southern Vietnam—the southern Vietnamese, is doing splendidly and a much better figure in that field than anyone even dared to hope.

The Iranian situation, which only a few short years ago looked so desperate that each morning we thought we would wake up and read in our newspapers that Mossadegh (then Iranian Premier) had let them under the Iron Curtain, has not become satisfactory, but that crisis has passed and it is much better.

The difficulty in Egypt between our British friends and our Egyptian friends over the big base was finally settled.

The Trieste problem which had plagued the world for many years, if not an ideal solution, has had a practical solution. The first bridgehead that communism had succeeded, or practically succeeded, in establishing in our hemisphere has been thrown out.

Now these are cold-war victories, because the purposes of the Russians were defeated.

Now they have attempted to go into economic fields and here their unity of action, brought about by the fact they are a single government, is creating new problems.

A group of free nations can stay together fairly easily when you have got a definite threat to their very existence right in their faces. As long as the Germans, for example, were powerful and aggressive in Europe in the Second World War there was no great trouble in keeping the other nations pretty well together in policy and in action. But when those are lifted and you go into the economic field, each of us—each country—has its own economic problems of itself; now it becomes very difficult for a group of free nations, through spontaneous cooperation, to achieve a unity to oppose the other man.

Let me take one example, just to show you how these things work out. Let us take Japan. There is no one in this room that needs a blueprint of how important it is to us that Japan stay outside the Iron Curtain. A nation of 90 million industrious and inventive people, tied in with Communist China and with the Soviets, would indeed pose a threat to us that would be very grave indeed.

PRESSURE FOR TARIFF PROTECTION

Japan is 90 million people living on fewer arable acres than there are in the State of California. How are they going to live? Well, they have got to trade. They have got to deal with other people outside. We won't trade with them. Every day—well, if not every day, every week—there comes to Government, including my desk, pleas for greater protection against Japanese goods.

Now, this is not wholly one-sided, because some of our citizens have found out that last year—I think my figures are correct—while we were buying $60 million worth of cotton-textile goods from Japan, they bought $120 million worth of our cotton. So even that problem is not clear in exactly what you should do.

But, anyway, we won't trade with them, so they can't make a living with us except on a minor scale. But we get tired properly—we can't be trying to sustain any other nation just with our money. So we don't just give them the millions by which they can go and buy all the things they need abroad.

But the next thing we come up against: We are very certain in our own minds that some of these nations—not all the United States people, but some of them—are very loud in their denunciation of any country that trades with the Communist countries. So the Japanese can't trade with their natural markets, with Manchuria and China. So finally, all of those southeastern markets—all the southeastern Asian markets—have been largely destroyed; they are so poor they can't support them.

So what does Japan do? Where are we chasing her? Chasing her to one place. She has to look less and less to us and more to her mainland next to her. She has to, now, begin to look rather longingly, unless something is done.

Now, that is the kind of cross-purpose that comes up, and this goes on around the world. Britain and France and Germany—indeed, every country with which we deal—has some problem different economically from our own.

So we have a real job in trying to get agreed policies among the free nations and then to implement them.

And I come, then, to the real purpose for asking you people to listen to me for a few minutes more after my rather long prepared address.

And it is this: Our Nation is called to leadership—and I am not going to argue the point, I know you all understand—leadership in the world, to lead it toward freedom, to keep expanding our areas of freedom and not allow the Communist cloud to engulf us little by little.

Now, when a nation leads it is not enough that even an entire Government, legislative and executive, should see this problem as one. That doesn't make it a truly national

policy in anything that is as long term, as vital, as is required in national leadership of the whole world. Every citizen has a job that he cannot delegate. He cannot delegate it to the most powerful and the most influential political leaders. He must take his part in getting himself informed.

What I want to say is this: There is nothing more important in the world today than that America—167 million Americans—shall be informed on the basic facts in this whole struggle.

We ought to get it as far away from demagogery, from political partisanship, from every extraneous influence as we possibly can. Just get the naked truth to these people with interpretation through editorial pages, and so on, to let them see the relation of one fact to another.

There are no easy panaceas. You can't say, "We simply won't trade with the Communist nations"—and make that work for all of us. In fact, to make such a statement is, to my mind, giving up one of the great strengths for which the Yankee has always been noted: He is a good trader.

In that kind of trade, who gets the best of it?

We should think of those things and not try to pull out any slogan, any single idea, that will meet this situation. All that is necessary is to get the facts to the American people.

The other is to get, so far as we possibly can, the facts of America's purposes—her intentions, her disinterested motives, her lack of ambitions for other territory and increased domination—to the world. We must get it out to the world.

This is difficult, because all over the world we don't have you people. We don't have American newspapers. Some of our wire services reach part way, but very inadequately. The United States Information Service is merely to help. It would be far better did we not have to depend on it at all. It should even itself depend on private media wherever it can reach them in other countries.

This information should go out abroad just as at home, through the processes of a free people so far as possible, and Government should only support that effort.

One more point and I am finished.

The world changes, and in these days it changes rapidly. A policy that was good 6 months ago is not necessarily now of any validity. It is necessary that we find better, more effective ways of keeping ourselves in tune with the world's needs, and helping to educate the world to know that it itself, each nation, must do the major part of the job. Any outsider can merely be helpful, can give moral and some little physical support, material support.

But the sums that we put out are a bagatelle compared to what is needed and what these people, most of them impoverished, must provide for themselves if the whole free world is to advance.

There are different kinds of means, one of which, I should think, would be getting together and keeping a sort of rotating advisory body of citizens who are not burdened with the general and never-ending cares of office to devote their brains to the job in partnership with governments. We must constantly keep up to snuff, because, if we don't, we are bound to lose. We must be ahead of the problem. We must see its major parts. We must get its critical factors set up so that we understand them thoroughly in simple fashion, and then we must pursue a common course vigorously, persistently, and with readiness to make whatever sacrifices may be demanded.

And then, I say, we will be worthy of the farmers in Concord.

I apologize again for taking so much of your time. Thank you and goodnight.

THE DASTARDLY ATTACK ON VICTOR RIESEL

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a most moving and gripping account of the recent dastardly attack upon Labor Columnist Victor Riesel. The article entitled "Barbarism on 51st Street" appeared in the April 30, 1956, issue of the New Leader under the byline of that weekly magazine's executive director, William E. Bohn. Since this article was published, we have had the tragic and shocking news that, as a result of the attack upon him, Mr. Riesel has been permanently blinded.

Mr. Bohn, a former associate of Mr. Riesel on the staff of the New Leader, is an observer of the American scene who writes with great clarity, drama, and vividness of style.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

It was a Thursday morning during the first week of April. Vic Riesel had had a bite to eat at Lindy's after finishing a radio broadcast. A sturdily built youth called to him and, when Vic turned, threw a bottle of sulphuric acid into his face, most of it into his eyes.

This is about the dirtiest trick one human being can play on another. It is lower down than hitting a man with your fist or shooting him or running a knife into him. Of course, it has happened before to newspapermen, to policemen, to trade-union leaders. But I never got specially excited about the other cases. They seemed to be no special business of mine. Like other people, I am against crime, but I can usually keep calm about it. It is, after all, the business of the police and the courts.

And then came this story about Vic Riesel. The young columnist had been warned by telephone to lay off his attacks on racketeers, especially those connected with the International Union of Operating Engineers. In one of the locals of this union, two men had been fined and suspended because they opposed a conspicuous criminal who had got control of their organization. Instead of laying off, Vic arranged a radio broadcast in which these two men were given a chance to state their case. He and they moved in and named names. According to the law of their world, the racketeers had to take action. And the action they took was characteristic: They answered accusation and argument with acid.

This didn't happen far off in some outlandish place, in some slum or waterfront. It happened at the corner of Broadway and 51st Street; though it was after midnight, the street was well lighted and crowds of people were passing. Under the glare of the lights and among all these people, the hired criminal did his deed and lost himself in the crowd. Up to now, though thousands of dollars have been offered as a reward for his detection, nobody has the least idea who he was.

This horrible thing did not happen to a stranger, to some columnist whose name I had seen at the head of his daily stint. I have known Vic since he was a little boy. I knew his father and mother. Years ago, his father took me out to his home in the country. He was manager of one of the clothing workers' unions, and at the dinner table we talked about the hoodlums and strong-arm men who were worming their way in. Little Vic listened with wide eyes and didn't miss a point in the conversation. That was the time when prohibition was coming to an end and the criminals were looking for new places where the pickings would be plentiful. It was not long after our conversation that the elder Riesel was attacked and received the beating which hastened his death.

And then, in 1941, I came to the New Leader. Vic was managing editor. His desk and mine were at right angles and so close that we could pass things back and forth without rising. This was not the dignified magazine that our readers know today. It was in newspaper form, and its stories and headlines were making history in the labor world. Vic, young and cocky, was already a newspaperman to the very core.

I can see him now with the telephone hunched between shoulder and ear while all 10 fingers were busily typing what some informant was passing on to him. Though he was still only a boy, he had connections all over New York and he and Walter Winchell were on good telephonic terms. Eager to assert his rights as a journalist, he scorned the wastepaper basket. All of our woodpulp waste went on the floor. By night, we would have to wade out of the office through drifts of paper. It was Vic, by the way, who gave this column of mine its title, "The Home Front." That was, of course, during the war, and the name made sense back in those days.

Out of his sedulously and reciprocally cultivated sources, Vic gathered material for his famous column, "Heard on the Left." Its juicy paragraphs were quoted far and wide. Though it was witty, personal, and sometimes daring to the edge of danger, it was basically serious, sharply slanted against Communists, fascists, and criminals. It was this achievement, of course, which led to Vic's transplanting to the Post and later to his present position as a columnist syndicated to 192 newspapers. Many brilliant young men have gone on from the New Leader office, but Vic is the only one of them who has received the acid decoration.

What I am getting at is that, to us in this office, what happened to Vic Riesel is not just something that we read about and discuss over the lunch table. This is one of our boys, a member of our family. He is lying up there in the hospital with bandages over his eyes, his sight gravely threatened. And the criminal is still abroad. Perhaps tonight he will throw acid into someone else's eyes. This is not yet a land of law and order and safety.

CRIMINAL PENALTIES FOR SUBVERSIVE ACTIVITIES

Mr. BRIDGES. Mr. President, on April 11, 1956, I introduced S. 3617 which is designed to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities. I felt that its presentation was made imperative by the decision handed down by the Supreme Court of the United States in the case of Pennsylvania against Steve Nelson.

An editorial endorsing the purposes of the bill was recently carried in the Manchester (N. H.) Union Leader. The message that it contains should be of interest to all thinking Americans, and I ask unanimous consent that it be printed in the body of the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

BRIDGES' APPEAL

There is sound judgment behind the appeal of Senator BRIDGES that the Senate Judiciary Committee hold early hearings on a bill to authorize enforcement of State laws against subversion, so that such a bill can be passed before the present Congress adjourns.

The United States Supreme Court decision in the Nelson case, Senator BRIDGES

pointed out, has made inoperative the sedition statutes of 42 States and Territories. That does not conform to the principle of State rights under the United States Constitution or to the process of national security.

It is a serious loophole in our national security if the States do not have the concurrent right to prosecute those within their limits who work to overthrow their Government by force. For in our Republic subversion is an attack on the State governments as well as the Federal Government. If the Federal Government is overthrown, State governments and State rights are destroyed.

It may be as the United States Supreme Court has suggested, that existing Federal legislation does not authorize the application of antisubversive State laws. This makes it necessary that legislation be passed by Congress to provide that authorization and make it definitely apparent. Such a move will conform to States' rights under the United States Constitution and clarify a most vital issue. Congress will do well therefore to heed Senator BRIDGES' appeal and see that such legislation is promptly enacted.

PROCEDURE IN THE COMMITTEE ON AGRICULTURE AND FORESTRY ON THE NEW FARM BILL

Mr. ELLENDER. Mr. President, the Committee on Agriculture and Forestry met this morning to consider what action it would take with reference to the new agricultural bill. Although the bill was not before the committee until a few moments ago, I wish to state that the committee decided not to hold any further hearings on any agricultural bill which may be proposed this year, and that the committee will meet on next Wednesday in order to consider the House bill. I invite Senators to present amendments in the Senate today or tomorrow if they hope to have such amendments considered by the committee. It is the intention of the committee to report a new farm bill as early as may be possible, and to have it considered not later than sometime early next week.

Mr. BARRETT. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BARRETT. Mr. President, I was not giving sufficient attention to the statement of the Senator from Louisiana. Did I correctly understand the Senator to say that there would be hearings on the farm bill?

Mr. ELLENDER. The committee has decided not to have hearings.

Mr. BARRETT. Will some of those who are interested in amendments to the bill on which there has been no hearing in either the House or the Senate committee have an opportunity to present their position on these matters?

Mr. ELLENDER. I may state to my good friend from Wyoming that the committee held hearings for about 6 weeks last fall and for about 3 or 4 weeks since last January, and it is my belief that we have covered the subject from A to Z. With the data and the hearings now available to us, we hope to be able to report a bill sometime this week. The Senator, of course, realizes that if we should undertake to hold extended hearings we might as well forget about having a new farm bill this year.

Mr. BARRETT. I appreciate that fact, but I think there are some new matters in the House bill upon which there have not been hearings either before the Senate committee or the House committee, and it seems to me that somehow or other there ought to be an avenue open whereby persons interested may express their views. I am not certain in my own mind that there have been hearings on some particular provisions which the House has incorporated in the bill.

Mr. ELLENDER. I have reviewed in a general way the amendments placed in the bill by the House. As the Senator knows, the House bill, as originally reported by the House committee, is identical with the bill which the President vetoed, with the exception of titles 1 and 2. Title 1 dealt with the rigid price supports and the dual parity formula. The other title dealt with the two-price system on rice and wheat. The additional amendments, which were attached to the bill on the floor of the House, had received consideration by the committee. I believe we have sufficient data on hand in order properly to consider the additional floor amendments adopted by the House.

Mr. BARRETT. I may say to the Senator that I was concerned about the additional floor amendments. I am not certain that there has been any testimony before the Senate committee or even the House committee on those amendments. I doubt whether anyone was called upon to express his opinion on them before the new bill came to the Senate.

Mr. ELLENDER. I wish to advise my good friend that although the committee agreed to a motion this morning not to have hearings, of course if it should develop that hearings are necessary the committee may take another course. But I simply desire to warn the Senate that if we should hold extensive hearings the chances are that a farm bill will not be enacted during this session.

Mr. BARRETT. I, of course, agree with the Senator, and I thank him for his statement.

USE OF HUMANE METHODS IN SLAUGHTERING MEAT ANIMALS

Mr. PAYNE. Mr. President, my distinguished colleague the junior Senator from Minnesota [Mr. HUMPHREY] is the author of a bill (S. 1636) to require the use of humane methods in the slaughtering of meat animals in American packinghouses. Later this week a subcommittee under the chairmanship of the junior Senator from Minnesota will hold public hearings on this bill. I wish to commend the Senator from Minnesota for the outstanding work which he is doing on this subject. This is a meritorious bill, and I hope it will receive approval at an early date.

I ask unanimous consent that an editorial in support of the bill, entitled "Humane Slaughter," published in this morning's Washington Post and Times Herald, may be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HUMANE SLAUGHTER

Senator HUMPHREY will hold hearings this week on a bill to require humane methods of slaughtering meat animals in American packinghouses. Although such methods are enforced by law in most European countries, they are not mandatory in the United States and, indeed, are rarely observed here. Cattle, sheep, calves, and hogs are commonly killed in this country by techniques which subject them to senseless terror and suffering: they are dragged aloft and suspended by a chain fastened around one hind leg; then their throats are cut and they are left to bleed to death. It is entirely practicable to render the animals unconscious before slaughter, as Senator HUMPHREY'S bill would require, by anesthetizing them with carbon dioxide or by stunning them with electric tongs or a captive bolt pistol.

Most of the major meat packers oppose this legislation, and for some strange reason they have found support for their opposition in the Department of Agriculture. The Department says it "has always favored and worked for humane methods in all aspects of handling of animals" but that in this situation it "is guided by a sincere belief that mandatory Federal legislation would not be the best way to assure continued progress in the solution of this problem." This may be sincere, but it is also unrealistic. In the first place, voluntary cooperation, although sought for many years, has not produced compliance with decent standards. In the second place, the Department has long used legislation to assure humane treatment of animals; for example, it enforces an effective law respecting the treatment of animals in transit to slaughterhouses. In the third place, mandatory regulations afford the most equitable and even-handed way to obtain general observance of humane slaughter methods. Senator HUMPHREY'S bill ought to become law.

EXPANSION OF THE BUREAU OF THE BUDGET

Mr. PAYNE. Mr. President, I call the attention of the Senate to the fact that during the time this administration has been in office, there has been undertaken, in cooperation with a study which has been made by the Hoover Commission, a notable reform in the field of fiscal procedures in the Bureau of the Budget.

It is interesting to note that for the first time in the history of the country a professional accountant is now in charge of the Bureau of the Budget, namely, Mr. Percival F. Brundage, its Director.

Also, for the first time in the history of the country, a professional accountant is now the Comptroller General of the United States.

In keeping with the recommendations made by the Hoover Commission, which are most important, and which are under study at the present time in the Committee on Government Operations, under the able direction of the junior Senator from Massachusetts [Mr. KENNEDY], who is chairman of the subcommittee, I ask unanimous consent to have printed at this point in the RECORD the text of an exchange of correspondence between Mr. Percival F. Brundage, Director of the Budget, and the President of the United States, Dwight D. Eisen-

hower, with regard to the accounting reforms which need to have greater attention not only on the part of Congress, but also on the part of the people of the United States, to the end that proper methods may be followed to place the fiscal house in order, something which certainly is long overdue.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

The White House released today an exchange of correspondence between the President and Percival F. Brundage, Director of the Bureau of the Budget, with respect to the Hoover Commission recommendations on budget and accounting. Steps have already been taken to put part of these recommendations into effect.

The first recommendation of the Commission report on budget and accounting called for an expansion of the Bureau of the Budget in order to make more effective the discharge of its managerial and budgeting functions.

Recommendation No. 10 proposed that there be established under the Director of the Bureau of the Budget a new staff Office of Accounting, headed by an Assistant Director for Accounting with power and duties as follows:

"(a) To develop and promulgate an overall plan for accounting and reporting, consistent with broad policies and standards prescribed by the Comptroller General. These broad policies and standards should continue to be developed in cooperation with the executive branch.

"(b) To expedite, guide, and assist in the introduction of modern accounting methods in the executive agencies consistent with the overall plan.

"(c) To set reasonable but definite time schedules for performance and to watch progress.

"(d) To stimulate the building of competent accounting and auditing organizations in the executive agencies and to assist actively in the selection, training, and retention of capable personnel.

"(e) To report at least annually to the Budget Director with respect to the status of accounting in each of the executive agencies."

These recommendations have been accepted 100 percent. Assistant Director Percy Rappaport has been placed in charge of a new staff Office of Accounting and, in collaboration with representatives of the General Accounting Office and the Treasury Department, will strengthen the joint accounting program in order to bring about more rapidly desirable improvements in budget and accounting and management generally. Many of the other proposals of the budget and accounting report are also being adopted at once and others are being discussed with the Congress and the other departments of the executive branch.

The letters and accompanying memorandum are attached hereto.

The President's letter to Mr. Brundage is as follows:

DEAR MR. BRUNDAGE: I have reviewed your analysis of the Hoover Commission's Report on Budget and Accounting, transmitted with your letter of April 23, 1956. Your plans for carrying out the Commission's recommendations represent a constructive approach toward realizing the Commission's objective of strengthening the budget and accounting processes of the Federal Government.

The Hoover Commission's Report on Federal Budgeting and Accounting is a document of great public significance. I join the citizens of the Nation in thanking the Commission for this as well as for the other important studies which it has made. Moreover, because the formulation and administration of the Federal budget are vital responsibilities of the Chief Executive, I am especially and personally appreciative of the contribution which Mr. Hoover and his distinguished associates have made in proposing improvements in budget and accounting systems which will enable more effective management and control of the programs administered by the executive branch.

I consider it desirable and necessary that the executive departments and agencies intensify their efforts, along the lines indicated in your analysis, to establish budget and accounting systems that will provide better financial information and enable both the improvement of our budget presentations and the strengthening of our budget controls. In addition, I approve of your plans to have the Bureau of the Budget give greater emphasis in its work to the evaluation and advancement of administration in the executive agencies, as a means of more rapidly bringing about improvement in organization and management, including more effective budgeting and accounting practices, throughout the executive branch.

I commend to the Congress its consideration of those Hoover Commission budget and accounting proposals which are particularly pertinent to the role and functions of the Congress, with the assurance that the executive branch will cooperate fully in actions to strengthen the appropriation and financial control processes of the legislative branch.

Sincerely,

DWIGHT D. EISENHOWER.

THE WHITE HOUSE.

Mr. Brundage's letter to the President is as follows:

DEAR MR. PRESIDENT: The Bureau of the Budget has substantially completed its analysis of the recommendations in the Budget and Accounting Report of the Commission on Organization of the Executive Branch of the Government, submitted to the Congress on June 20, 1955. In making that analysis we have had helpful comments from the departments and agencies of the executive branch, your Advisory Committee on Government Organization, and your personal assistant for the Hoover Commission studies, Mr. Meyer Kestnbaum. Transmitted with this letter is a report setting forth the status of our review and outlining the actions that are being taken to carry out many of the Commission's recommendations.

The Commission's Budget and Accounting Report highlights significant problems of financial administration in the Government and sets important and desirable objectives. The Commission is to be commended for its excellent job.

Many of the recommendations endorse constructive efforts which were started following the reports of the first Hoover Commission. The report also supports to a marked degree the current efforts of the Joint Accounting Program conducted by the General Accounting Office, the Treasury Department, and the Bureau of the Budget, with the participation of the executive departments and agencies. While approving the objectives of our work, the Commission suggested additional emphasis and greater concentration of effort in order to bring about more rapidly desirable improvements in budgeting, accounting, and management generally.

In considering the adoption of the Commission's proposals, it must be recognized that they involve the functions and interests of the Congress to a considerable degree because of the constitutional role of the Congress in the creation and financing of Government programs. Action in the executive branch to carry out some of the Commission's proposals will require the closest coordination with the legislative branch to insure full satisfaction of all of the interests involved.

With the support which the Commission has given, greater progress can be made toward the attainment of many generally accepted objectives. On the report as a whole, we can assure you that the Bureau's work on implementation will proceed as rapidly as its resources permit.

Sincerely yours,

PERCIVAL F. BRUNDAGE,
Director.

ANALYSIS OF THE BUDGET AND ACCOUNTING REPORT OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET.

GENERAL

The Budget and Accounting Report of the Commission on Organization of the Executive Branch of the Government offers constructive proposals for improving the financial processes of the Government. Consideration of the recommendations in that report by the executive branch has provided an opportunity for the reexamination of many present practices and objectives. It also has led to the development of actions for accelerating efforts to provide budget and accounting systems that will make a more effective contribution to the management of the Federal Government.

The budget and accounting report includes 25 recommendations pertaining to budgeting, accounting, and auditing practices, financial and performance reports, financial organization, and related matters. Those recommendations, in general, urge additional emphasis and greater concentration of effort on actions to provide accounting systems throughout the Government that will produce better financial information and on the improvements in budget presentations and controls which better accounting information and systems will make possible. The report also proposes expansion of the Bureau of the Budget in order to enable the more effective discharge of the Bureau's managerial and budgeting functions, with recognition that the strengthening of the Bureau of the Budget has a direct bearing on executive branch leadership toward fulfillment of the Commission's recommendations.

In setting forth the current status of this analysis by the Bureau of the Budget of the several categories of recommendations included in the Commission's report and outlining the actions that are being taken to carry out many of them, this statement makes clear that most of the recommendations or their objectives have the endorsement of the executive branch. Full implementation of many of the basic recommendations will not be accomplished overnight because, as the Commission recognized, the changes needed in agency accounting systems are essentially of a long-range nature. Furthermore, action on a number of the recommendations is primarily dependent upon acceptance by the Congress.

Budgeting

With respect to Federal budgetary practices, the Commission's principal recommendations call for (a) continued use of performance budgeting, (b) formulation and administration of agency budgets on a cost basis, (c) appropriations based on accrued expenditures, and (d) authorization for limited periods of continuing Government programs not susceptible to the usual budget controls.

Performance budget: The first Hoover Commission recommended the adoption of a performance budget, defining it as a budget based upon functions, activities, and projects and contrasting it with former budgets which had focused attention mainly upon such things as personal services, supplies, and equipment. The second Hoover Commission and its task force both noted that

considerable progress has been made toward achieving a performance budget and recommended further steps to establish such classifications as are necessary to present the budget on a performance basis.

There has been continuous effort for several years to refine budget and accounting classifications in the interest of synchronizing organization structures, budgets, and accounting systems and to encourage the use of performance budgets and reports in agency operations. We are in full agreement with these suggestions of the Commission and propose to intensify our efforts to carry them out.

Agency budgets based on cost: In recommending a cost basis for agency budgets, the Commission wanted these budgets to show the actual and estimated costs of goods and services consumed each year in carrying out budgeted programs rather than be limited to the actual and estimated obligations that are now shown, which take into account but fail to disclose the use of carryovers of inventory and working capital resulting from obligations of prior years. Thus, agency budgets would more readily enable all concerned to relate budget figures for a given year to the cost of work or services performed during that year.

Cost-type budgeting is now used by Government corporations. A few other agencies also present cost-type budgets to the Congress, in instances where the Appropriations Committees have indicated that such presentations are acceptable to them. Those include the Atomic Energy Commission and the Bureau of the Mint whose accounting systems now produce data on the costs of goods and services consumed. A number of other agencies are able to formulate cost-type budgets and have submitted their budgets on that basis for review by the Bureau of the Budget.

We agree with the Commission that the installation of accounting systems which will produce cost information should be expedited; and, as pointed out later in this report, actions are beinjg initiated to strengthen executive branch leadership for improvement of accounting, including steps to stimulate and assist agencies in establishing such accounting systems. Agency accounting systems are not, of course, overhauled overnight but as soon as accounting systems are producing the necessary data on a fully reliable basis proposals for incorporating cost data in the budget document can and will be made to the Appropriations Committees.

Appropriations based on accrued expenditures: The Hoover Commission's recommendation that accrued expenditures be used as a basis for appropriations calls for significant changes in present executive branch and congressional practices. Appropriations are now made in terms of obligations, with amounts appropriated serving as a limit on goods and services to be ordered; whereas the Commission favored appropriation of amounts covering goods and services to be received each year, with supplementary congressional authorization and limitation for long lead-time programs as required.

Those agencies able to formulate their budgets on a cost basis now have accounting systems which furnish, at successive stages of their operations, data showing the costs of goods and services ordered, received, and consumed. Such agencies can operate on a basis of accrued expenditure appropriations, and other agencies will be able to do so as soon as accounting systems which can produce information for cost budgeting are installed.

We believe that a change to appropriations on an accrued expenditure basis would be beneficial—in terms of improving management and strengthening budget controls of both the executive branch and the Congress. There is, however, considerable difference of opinion within the Congress and the executive branch both as to the advantages and disadvantages of accrued expenditure appropriations and as to the methods that would be needed for the financing and control of obligations in advance of appropriations, primarily for long lead-time programs. For this reason we urge that the Congress and the executive branch adopt this as an objective, recognizing that it will necessarily need to be implemented on an evolutionary basis over a considerable period of time.

The Hoover Commission recognized the long-range character of its recommendation when it pointed out that "adoption of this proposal will require administrative changes in the Government's budgeting and accounting procedures, particularly in the Department of Defense, and will require education of those concerned with the budgetary procedures and the working out of the precise mechanics." These procedures and mechanics are among the goals of the Bureau of the Budget and of the joint accounting program. The number of agencies with accounting systems which will furnish the necessary data is increasing each year as progress is made under the joint accounting program, and acceleration of that program should speed the installation of such systems in other agencies. With a basic authorization to proceed with accrued expenditure appropriations, the executive branch and the Congress will be able to proceed more rapidly toward the ultimate objective.

Limited authorization for continuing programs: The Hoover Commission suggested that legislation committing the Government to continuing programs not susceptible to the usual budgetary controls ordinarily be enacted for a limited term in order to require periodic congressional reviews of their usefulness. The need for periodic review of such programs by the legislative and executive branches is recognized, and the Bureau will, as the Commission suggested, continue to keep such programs under continuing review, proposing legislative amendments whenever necessary to assure their conformity with budget policies.

Accounting and auditing practices

As already indicated, fulfillment of the Hoover Commission's recommendations for strengthening Federal budgetary practices is largely dependent upon an intensification of efforts to install improved accounting systems throughout the Government. Significant among the Commission's recommendations for improving accounting and auditing practices is a proposal for acceleration of efforts to install adequate monetary property accounting records and maintenance of Government accounts on the accrual basis. The Commission also makes proposals dealing with simplification of allotments, use of a single account in each agency for liquidation of obligations, and other practices in the settlement of claims, relief of accountable officers in certain instances, and the need for examination of revolving fund and internal audit practices.

Accrual accounting: The Commission's recommendations that Government accounting systems be kept on the accrual basis and that adequate monetary property accounts be included as an integral part of such systems focused attention on the need for a method of accounting which can best assure the development of accurate information on the cost of work or services performed. The accrual method of accounting will disclose the value of resources actually applied to operations performed during a specified period (which is not true of obligation accounts that disclose only the value of goods ordered) and at the same time will provide needed information on the value of resources available for future operations.

We are in agreement with the Commission's proposals. The installation of accrual accounting systems has been a major objective of the joint accounting program, which has made considerable progress in advancing the installation and use of such systems. A sizable job still remains, but the development of accrual accounting throughout the Government will be given special and increased emphasis by the Bureau of the Budget and the joint accounting program. Such systems are recognized as essential to the efforts that will be made to carry out the Hoover Commission's proposal for developing budgets on a cost basis.

Allotment structure: The goal recommended by the Commission of financing each operating unit from a single allotment for each appropriation involved in its operations is a desirable one. The simplification of agency allotment structure through the establishment of allotments at highest practicable organizational levels consistent with management responsibility has been a matter of continuing concern, and considerable progress has been made. Further attention in a number of agencies is still needed and will be provided.

Payment of obligations and claims: The Commission's proposal that agencies consolidate their appropriation accounts at the end of a fiscal year in order to reduce the number of accounts from which payments to close out unliquidated obligations are made and its recommendation that the agencies rather than the General Accounting Office settle claims against lapsed appropriations would bring about desirable simplifications. We look with favor upon the Commission's objectives. After several years of work, legislation to accomplish these objectives has been developed by staff of the joint accounting program and is now being considered by the Congress.

Liability of accountable officers: The Commission's recommendation that the Comptroller General be authorized to relieve accountable officers of financial liability except where losses result from their own negligence or from fraud was aimed at eliminating red tape resulting from overcautious practices designed to assure compliance with many prohibitory statutes. Legislation on this subject, somewhat different from the exact proposal of the Commission, was enacted after the Commission's studies had been completed. This legislation, developed by the joint accounting program with our support, is expected, for practical purposes, to attain the results sought by the Commission and at the same time assure ample protection to both the Government and its accountable officers.

Review of revolving funds and internal auditing: The review of agency revolving funds, proposed by the Commission as a means of assuring that they are created and continued only where they will contribute to efficient management, has been and will continue to be carried on as a part of the budget process. The Commission's recommendation that a study be made to determine the adequacy of internal auditing in Government agencies will be considered for initiation by the joint accounting program. That program has actively promoted and assisted agencies in the development of internal audit systems, and the General Accounting Office regularly examines agency internal auditing practices as a part of its comprehensive audits. The proposed study may provide a helpful evaluation of the results being achieved by such systems.

Central financial and performance reporting

The Hoover Commission made several recommendations aimed at developing and providing more comprehensive reports on both the financial results and the performance of Government programs. Its recommendations included proposals for increased and continuing emphasis upon the improvement

of Treasury's central fiscal reports, for a special study to eliminate duplicate accounting within the Treasury Department and between that Department and other agencies, and also for the development by the Bureau of the Budget of governmentwide reports on executive branch performance and on the financial results of Government operations.

The improvement of central financial reporting is a major continuing activity of the joint-accounting program, and work is currently under way on installation of a system designed to eliminate duplicate accounts within the Treasury Department. A working group of the joint-accounting program has also developed a new central-accounting system, installed last year by the Treasury Department, which will enable action to eliminate certain detailed accounts in the Treasury Department as soon as agency accounts demonstrate that they can supply data needed for essential central-financial reports. Intensified efforts to improve agency-accounting systems will result in the more rapid elimination of duplicate accounts in the Treasury Department, thus achieving the objective sought by this recommendation of the Commission.

The proposal that the Bureau of the Budget develop central-performance reports raises a number of questions on the needs to be served and the specific kinds of reports required to meet the purposes underlying the recommendation. Our prior experience with performance reports suggests several alternative approaches to the Commission's apparent objectives, which may or may not require additions to the reports which are furnished to the President informally throughout the year and more formally when the annual budget is being formulated. Any additions to such reports should be accomplished with a minimum of new demands on the agencies.

We shall continue our review of these matters, including consultation with Treasury officials as appropriate, and will make specific proposals for consideration at a later date. The development of central reports on the financial results of Government operations would constitute a new function for the Bureau, and one that would parallel the central fiscal reporting functions of the Treasury Department.

Financial organization

The Hoover Commission's Budget and Accounting Report proposed the establishment of comptroller organizations in the principal agencies and recommended that the Bureau of the Budget establish an Office of Accounting that would include among its duties the rendering of assistance to agency comptrollers.

The proposal for agency comptrollers, if interpreted to mean the imposition of a fixed pattern of organization upon all agencies, would conflict with the guiding principles of organization which were laid down by the first Hoover Commission and which have since won wide acceptance in both the executive branch and the Congress. In order that agency heads may be held accountable for agency operations, they must have authority to control the internal organization of their agencies. We believe that there should be effective coordination of agency budget and accounting functions, but that the principle of agency head accountability should be maintained, and the imposition of a fixed pattern of organization on all agencies should be avoided. We do not believe that the Commission intended that a comptrollership organization such as it described should be made mandatory for all agencies, either by a statutory or presidential mandate, but rather that the Commission was directing its recommendation to the responsible heads of the agencies for their consideration.

The recommendations regarding the accounting organization and functions of the Bureau of the Budget were designed to strengthen the Bureau's role in the improvement of Government accounting. Until recently the Bureau of the Budget had a small Accounting Group in the Office of Management and Organization, the staff of which acted as the Bureau's representatives in the joint accounting program. We agree that the executive branch should assume greater leadership in the accounting field and believe this would be an important factor in improving coordination of budgeting and accounting in the Government. We also concur that the Bureau's capacity to assist agencies in improving their facilities for financial management should be further developed. As a first step toward these objectives, an Assistant Director of the Bureau of the Budget with many years of experience in public accounting practice has been given the job of developing and supervising an expanded accounting program for the Bureau and of providing leadership on behalf of the Bureau in increasing the impetus to accounting reforms throughout the Government.

Strengthening the managerial and budgeting functions of the Bureau of the Budget

The first recommendation in the Hoover Commission's Budget and Accounting Report proposed that the managerial and budgeting functions of the Bureau of the Budget be strengthened and made more effective. In this connection, it suggested that, if necessary, increased resources should be provided for the Bureau and that some of the Bureau's staff should be physically located throughout the year in the offices of the major agencies.

The Commission's proposal for expansion and strengthening of the Bureau of the Budget is one of major importance to other objectives of the Commission. It has a direct bearing on how fast and how well the executive branch carries out many of the recommendations cited above and, in addition, governs the ability of the Bureau to take appropriate action on recommendations contained in other reports of the Commission—notably those dealing with paperwork management and general services matters. The resources currently available in the Bureau do not permit a satisfactory level of accomplishment in its presently assigned functions, much less permitting the expansion called for by the Commission.

The suggestion that Bureau personnel be located in the major agencies must be evaluated in terms of its impact upon Bureau-agency relationships. For best results, the Bureau has found that relationships with the agencies must be based on cooperation and mutual understanding of the basic factors underlying the submission and presentation of agency budgets. Because most agencies believe that the placement of Bureau staff in the agencies would result in a diffusion of agency budget and management responsibilities, adoption of the proposal probably would not contribute to better or more effective relationships between the Bureau and the agencies. Limited attempts which the Bureau has made in the past toward the type of arrangement proposed have met with little success.

We believe that the objective sought by the Commission will be achieved if the Bureau's staff is enlarged and if measures are invoked to increase substantially the proportion of staff time spent in on-site reviews of agency operations. There has been a steady reduction in the staff of the Bureau for the past 7 or 8 years in the face of a very great increase in work. As one of the results of those conflicting trends the Bureau's staff members have been forced to do more and more of their work behind their desks, with many undesirable results. It is our firm intention to take all possible measures to bring Bureau staff into closer contact with agency operations and employees and thus to correct the undesirable situation that has developed.

The steady reduction in the size of the Bureau's staff has been felt in all of the Bureau's activities, but its more adverse effects have been upon the management functions assigned to the Bureau by the Budget and Accounting Act of 1921, the Budget and Accounting Procedures Act of 1950, and several Executive orders. The Commission suggested that the Bureau's job of reviewing and promoting improved management and organization throughout the executive agencies should be strengthened. We are in agreement with that suggestion and fully recognize how important it is that the Bureau of the Budget provide, on behalf of the President, continuing attention to the evaluation, development, and promotion of improved organization, coordination, and management in the executive branch.

Additional staff resources for the Bureau will be needed to enable the Bureau to put additional emphasis on its management functions, including the improvement of executive branch budgeting and accounting methods and procedures. Favorable action by the Congress on a proposal by the President for enlargement of the Bureau's staff will enable the Bureau to provide greater help to the President by extending his leadership in improvement of Federal administration and in obtaining better and more economical performance of Government programs.

POLICIES OF NATIONAL FARMERS' UNION RELATIVE TO AGRICULTURAL MATTERS

Mr. HOLLAND. Mr. President, during the recent debate in the Senate on the farm bill, I made certain comments with reference to the policies of the National Farmers' Union relative to price supports and to similar agricultural matters. Much interesting correspondence has ensued. Perhaps one of the most interesting exchanges is contained in a letter written to me by the president of the National Farmers' Union, Mr. James G. Patton, under date of March 22, 1956, and in my letter to Mr. Patton dated May 5, 1956.

I have received from the distinguished junior Senator from Minnesota [Mr. HUMPHREY] a suggestion that Mr. Patton would like to have this exchange of correspondence appear in the RECORD. Therefore, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, the text of Mr. Patton's letter to me and of my reply to him.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

DENVER, COLO., *March 22, 1956,*
Senator SPESSARD L. HOLLAND,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HOLLAND: Your recent Senate floor attack on National Farmers Union, upon many of our good members, and upon me personally, has been brought to my attention. I am surprised and disappointed. I had always credited you as a distinguished Senator with a full and understanding and belief in American democratic ideals of fair play, free speech, and honesty. One who truly believed such principles would not become personally involved in smear tactics designed to bring into question the patriotism and loyalty of fellow American citizens.

You know as well as I do that there is no affiliation whatsoever between National

Farmers Union and any political party. National Farmers Union is a completely private organization of farm families, founded 54 years ago in the State of Texas, to enable farm people to engage cooperatively in educational, business, and legislative efforts designed to improve their income and well-being. To carry out these aims, National Farmers Union and its State divisions have promoted the development and establishment of many strong, successful and private business enterprises. The organization has developed and carries out youth and adult educational programs supplemental to other private and public educational institutions. And, as is the case of other farm organizations, business organizations, labor organizations, and associations of engineers, doctors, lawyers, school teachers, and many other groups, National Farmers Union at national and State conventions develop and adopt recommendations for local, State, and Federal legislation expressing the opinions and attitudes of duly elected delegates.

I note that you have found no fault with the truly American democratic methods of policy formation in National Farmers Union. Your attack on us is grounded entirely upon your disagreement with two of our major policies, which you characterize as "rankest socialism," and is carried out by smearing reference that our policy position on these points has been imitated by a subversive political group thoroughly despised by almost all American citizens, including National Farmers Union officials and, as far as I know, by all of our members.

The smear part of your speech attempts to hold us in Farmers Union responsible for the actions of others over whom we have no control and with whom we have no contact, nor wish to have. Certainly, I would never say that just because the Communist Party had endorsed some statement made by you that such an occurrence would in any way indicate any responsibility on your part. Nor would I state that such a coincidence would bring your loyalty or patriotism into question before the American people. Yet this is just what your attack on us has done to us. I realize that you did not make this charge, you only insinuated it by innuendo. However, in most respects the injury is just as grievous, as you well know. In reply to this part of your attack, I say to you that we in Farmers Union have had nothing at all to do with the kind of programs and statements that are published by the Communist Party and no way that I can think of to control what they may or may not say about any subject. Under the circumstances, I do not see how you or anyone else can fairly charge that we bear any responsibility for their actions.

Turning now to your actual charges as distinguished from the smear innuendo, I note that you ground your attack on the recommendations made by many of our members and adopted by the National Farmers Union convention urging enactment of 100 percent of parity income protection programs for the family farm production of all farm commodities. These recommendations you charge as being the "rankest kind" of socialism. In other words, "rankest socialism" means to you any program which would be likely to give farmers an opportunity to earn by their private property ownership, private management, and private labor a level of income comparable to that earned by people in other walks of life. But to call it socialism is to stretch the meaning of that word entirely out of its true meaning. Socialism I understand to be ownership by the Government of the means of production. Certainly there is nothing in the Farmers Union program that suggests or recommends the ownership by Government of the means of farm production. Quite to the contrary, the Farmers Union program is designed to encourage and preserve the owner-operated and owner-occupied family-type farm, just the opposite of the state collectives in the Communist and corporate pattern.

I do not think we increase public understanding of economic and political matters by indiscriminate name calling. Economic and political issues are best understood and problems more quickly and effectively solved by consideration on their merits. Obviously the Federal Government takes actions every day that enhance or diminish the economic opportunities of different groups of citizens, including farmers. The right of citizens to petition the Federal Government for the redress of grievances is guaranteed in the Constitution and early amendments by the Founding Fathers. The Senate Agriculture Committee would not even have been holding hearings over the country if it had not been very largely agreed that the Federal Government was interested in developing solutions for the problems of falling farm incomes. To brand one out of many forms of Federal action on the farm problem as socialism in its rankest form is a travesty of both logic and fact. The fact is that neither National Farmers Union nor any other responsible group has recommended Federal ownership domination of our privately owned family farm. The program adopted by our Farmers Union conventions oppose dictatorship in any form, Fascist, corporate, military or Communist.

Rather than to destroy and bankrupt the Nation's 3½ million commercial family farms (the proprietors of which incidentally make up more than half of the free independent self-employed enterprises in the entire Nation), our program calls for governmental action to preserve and improve the family farm pattern of American agriculture.

We are deeply convinced that the Nation as a whole, as well as farmers, have a definite interest in establishing conditions to protect and improve the income-earning opportunities of family farms.

First, because the family farm is uniquely important as a major bulwark of social and political stability in the preservation of democracy in a republic, which is the American form of government.

Second, we are convinced that the future food and fiber demands of our growing population fully warrant special care in periods of temporary farm recession to maintain farm income to keep the farm people from leaving the farms in too great numbers and to prevent other deterioration of the Nation's farm production plant.

Third, great national depressions are farm fed and farm led.

The producers of a few farm commodities have been enabled by government to make use of powers of government to overcome the bargaining imbalance and disadvantages of farmers vis-a-vis government permitted and promoted administered pricing in other segments of the economy. Sugar and wool producers have such programs that provide approximately 100 percent of parity or more income protection by legislation that you, as well as Farmers Union, have supported. Fluid milk producers and growers of a few of the fruits and vegetables have been enabled by State and Federal laws and programs to establish marketing agreements and orders to improve the bargaining position in the market of those farmers. I understand that you continue to support these measures which Farmers Union recommends be made available to all farm commodities where such techniques would be workable.

You have worked hard for renewal of the Sugar Act. Yet the implication of your remarks concerning the National Farmers Union program indicates that you would deny all other farmers of the protections you urge for sugarcane and sugar beet producers. National Farmers Union supports the Sugar Act and continues to urge the extension of its principles in workable ways to all farm commodities. These principles include among others farm income protection at an adequate level by means of payments and other operations, and provision of a graduated scale of payments such that larger producers get less help proportionately than smaller producers and such that smaller producers take smaller percentage cuts in marketing quotas.

I hope, after further reflection, that you will conclude that an apology is due the membership of this great farm organization, and that you will do so.

Sincerely,

JAMES G. PATTON,
President, National Farmers Union.

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
May 5, 1956.

Mr. JAMES G. PATTON,
President, National Farmers Union,
Denver, Colo.

DEAR SIR: My delay in replying to your letter of March 22 has resulted from the fact that, until now, I have had no opportunity to reread the extensive debate contained in the CONGRESSIONAL RECORDS of March 7, March 9, and March 13, relating to my discussion of the price support policies of the National Farmers Union.

I note that in your letter you suggest that I do not believe in "fair play, free speech and honesty." After rereading the whole of the debate I find nothing therein which tends to prove your charge.

On page 4556 appears the following colloquy between Senator MORSE and myself:

"Mr. HOLLAND. Mr. President, as a preface to my question, I wish to say that I have appreciated the fact that not only the Senator from Oregon [Mr. MORSE], but every other Senator who has brought up this matter, has very specifically stated that the quotations and facts I advanced were accurate, and that there was no departure from the record in my comments.

"Mr. MORSE. I repeat that assertion; it is true."

Various statements in the debate by other Senators who expressed high regard for NFU made clear the same fact, that I did not in my speech misquote in the slightest the testimony of the several quoted officers and members of the National Farmers Union. To the contrary I quoted their statements from the record accurately and in proper context. Referring particularly to you, the president and your vice president, Mr. Talbott, I quoted you both with complete accuracy.

Such truthful discussion, in debate, of the record of testimony given in Senate hearings is in keeping with my uniform practice and I believe it comports with the highest standards of "fair play, free speech, and honesty."

On your part, were you wholly candid in year letter? I think not. For instance, I made it perfectly clear a dozen times during the debate that the testimony of the officers and members of the National Farmers Union had shown beyond question that your program is one of demanding 100 percent price supports on all storable and perishable farm products, at the family-unit farm level, with the definite objective of forcing a redistribution of the land and a fairer division of the profits of the soil. And yet, it is interesting to note that in your letter you wholly fail to mention my repeated statements of said objective of your program. Were you unwilling to frankly discuss that part of the record which shows beyond question the motive and objective of your program?

One fair statement, among several, of my analysis of your program is contained in this question of mine addressed to Senator HUMPHREY (page 4409):

"Mr. HOLLAND. Does the Senator from Minnesota agree with me that a price-support

program calling for 100 percent Government price supports on all farm products, both perishable and storable, on a family-unit basis, with the announced purpose to force thereby a redistribution of land and a division of the profits of the land, is socialism, pure and simple?"

It is my strong conviction that your program, as accurately described in my question, is highly socialistic and I believe that 90 percent of the American people would agree to my conclusion. My file shows that there is wide agreement among agricultural people and others throughout the country with my conclusion that your program is highly socialistic.

One of the principal objectives of Senate debate is to bring important facts to the attention of the public and particularly to the attention of those who are most concerned and I am happy that the debate in question has accomplished that objective so fully. I feel sure that thousands of your own members are reexamining their position and that of your organization after learning the true facts, as quoted by me from the printed record.

Relative to my mention of the Communist farm program and its similarity to your NFU program, as well as the Communist recommendation to their members that they support your program, there can be no question as to the complete accuracy of my quotations.

Nor is there any question that I made it clear, time and time again, that I recognize the loyalty and patriotism of the members and officers of NFU. I prefaced my remarks on this subject by this statement (p. 4205):

"I wish to state that I do not have the faintest idea that either the officers or the members of the National Farmers Union are Communists or communistic, or that they have the slightest idea that their program is as close to the program announced by the American Communist Party as it is. * * *"

"I am sure that they are just as good people, just as good Americans, as any of us."

I made several other similar statements elsewhere in the debate attesting to their loyalty, patriotism, and other fine qualities, and my position was clearly noted by various of your defenders. I quote only one—in concluding his remarks Senator MUNDT said (p. 4407):

"I did not construe those remarks to be an attack upon the patriotism of the people of my State or upon the farm organizations. * * *

"I wish the record to be clear, and I wish my friend, the Senator from Florida, to know that at no time did I feel that he was casting aspersions at the patriotism of the people of my State or at the members of these organizations."

No; there was not the slightest intention, on my part, to charge your officers or members, or your organization, with Communist affiliation—I did and said everything that I could do or say to avoid any such implication. Certainly there is no smear innuendo included in my remarks—they were clear, unequivocal, based on record facts and made in open discussion and with complete willingness to examine, debate, and defend them later—as I have already done on the Senate floor in good humor and without name-calling or other unpleasantness.

But apparently it came as a shock to many of you to realize how similar is your farm program to that of the American Communist Party—and particularly to hear that that party is recommending to its members that they support your program. I felt sure that out of that realization there would come much searching of souls and reexamination of positions, which apparently is the case.

I regret that you did not see fit in your letter to mention the principal point in my whole argument, namely, that I was and am deeply concerned over the tragic effect which is being produced on many of your splendid farm people by their reliance on high Government supports. I noted repeatedly in the debate my deep concern at the manifest loss of independence, at the breakdown of morale, at the willingness to advance impractical and extravagant demands upon the Government, at the apparent inability or unwillingness of so many of our farm people who have relied on high supports to depend upon their own planning and resourcefulness, at the grave loss of independence and sound conservatism which has been the crowning glory of our American farm people.

I stated from the record repeated evidences of this vital loss of independent character which is shown by the testimony of many of your witnesses in the record of our hearings.

Your own testimony shown in the printed record, which you do not mention in your letter, insisting that $4 or $5 billion be appropriated by Congress in order to make 100 percent price support retroactive, to cover all 1955 production, is a good illustration of the extravagant, unwise, and wholly dependent attitude which has developed. I stated in the debate, repeatedly, that this is my principal concern and I feel it is the gravest matter which the American public must bear in mind as we reexamine the whole program of price support legislation.

I regret that you failed to note this important and critical illustration of what I deem to be the effect of high rigid price supports. To my mind this is the gravest matter to which your organization and all other farm organizations should give their chief attention and I am sure it is a matter of grave concern to the whole American public.

Feeling as I do about this whole matter I certainly do not conclude that, as you suggest, I owe an apology to the membership of your organization. I say respectfully that I feel that they are indebted to me for clearly calling to their attention the dangerous direction in which they are drifting.

With kindest regards, I remain

Yours faithfully,

SPESSARD L. HOLLAND.

P. S.: I do not consider it necessary to discuss those paragraphs of your letter which relate to the support programs for sugar and wool, which are a complete diversion from the subject matter under discussion. Sugar and wool are both deficit crops of great practical and strategic importance to our Nation and the support programs which relate to them are designed to maintain and increase domestic production which is so necessary at all times but particularly in the event of national emergency or war. The farm programs which are causing us concern and to which my Senate statements related are those in which we have created great surpluses.

LOYALTY DAY, 1956

Mr. LEHMAN. Mr. President, I ask unanimous consent that there may be printed in the RECORD, as a part of my remarks, a statement prepared by me for Loyalty Day, 1956.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN

The American way of life is the constructive way—we are inherently builders, not wreckers. We are inclined to take much of our strength for granted. Yet, as we grow into maturity as a nation, it is not inappropriate for us to pause occasionally to celebrate our positive value.

Loyalty Day is coming to be associated in the United States with the 1st of May, a day formerly preempted by the Communists.

On this day we might well pause to inquire into the sources of our national loyalty. This great strength of our people is to be found in the warmth and solidity of their other loyalties—developed in the happy home, the understanding school, the satisfying church, and the kindred fraternal, business, and professional associations.

In taking our loyalties for granted, we are really demonstrating a healthy response to our environment. It is accurate, it seems to me, to regard spies, saboteurs, and other disloyal persons as contagiously sick people in our society, to be dealt with, accordingly. We should do what we can to understand, and prevent, the disease to which some few have fallen victim. We should recognize that, with some if not all of the disloyal, they may feel themselves loyal to other forces, other sources, other disciplines. It is our duty to arrest this misdirection of loyalties, before it is too late. As chairman of a Senate subcommittee on juvenile delinquency, I have seen evidence of misdirected loyalties among some adolescents: They have devoted their allegiance to a lawless, destructive gang, instead of to the home, church, community, and Nation. Society itself must bear at least part of the blame when such failures occur. So it is, I believe, with regard to adult questions of disloyalty.

We should be proud of our heritage as loyal Americans on this day.

FLUORIDATION OF DRINKING WATER

Mrs. SMITH of Maine. Mr. President, I ask unanimous consent to insert in the RECORD letters which I have received from Maine citizens requesting that their letters in opposition to fluoridation be placed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WATERVILLE, MAINE, *April 30, 1956.*

Re USPHS appropriations.
Senator MARGARET C. SMITH,
Washington, D. C.

DEAR SENATOR SMITH: Congress has been asked to appropriate $2,971,000 to the United States Public Health Service to combat "dental disorders." Yearly, the United States Public Health Service asks for millions of dollars. A couple of years ago they asked for $1,650,000 for dental diseases and other purposes. Some of the other purposes became the artificial fluoridation program which is entirely out of the field of epidemiology. The United States Public Health Service has a very definite program to take care of when it comes to floods, disaster, epidemics, but dental decay is not epidemic, infectious, or contagious.

The money the United States Public Health Service receives should be strictly earmarked and not allowed to be misplaced or misused on anything not in the province of the United States Public Health Service.

To aid the United States Public Health Service, with whom the American Dental Association has gone along 100 percent, working hand in hand re artificial fluoridation, representatives of the American Dental Association February 17, 1956, before the subcommittee on Labor and Health, Education, and Welfare of the Appropriations Committee of the House, declared $800,000 of the amount the United States Public Health Service want is allocated to research grants of non-Federal institutions to be administered by the National Institute of Dental Research (part of the United States Public Health Service). The American Dental Association is recommending this $800,000 be raised to $3,855,000. This, independent of what the United States Public Health Service want to do with the balance of $2,171,000.

The medical profession did not support the U. S. Public Health Service as did the ADA. The ADA expects members to be ethical and since 1950 has adopted a gag rule (clause 20) in their bylaws which makes dentists unethical if they oppose the rulings of the ADA. Why was there no clause 20 prior to 1950? The greater part of the ADA and AMA memberships privately oppose artificial fluoridation. Publicly they can only accept. If the U. S. Public Health Service or the ADA were ethical, the opposition might have some chance but the U. S. Public Health Service will not educate the public to both sides, and the opponents feel tax money should not promote the pro side at the expense of the con side. The public is entitled to both sides.

The ADA has been unethical in promoting, disseminating material and information regarding the character of individuals, dentists, and laymen. They have intimidated, used smear tactics, to vilify the characters of opponents such as Dr. C. T. Betts, Toledo, Ohio, a dentist whose error was in being born too soon and received licensure at the turn of the century; Royal Lee, D. D. S., Milwaukee 3, Wis.; wealthy inventor and manufacturer, Leo Spira, M. D., New York City 23; C. Bronner, a responsible chemist who, before his health broke, enjoyed a national reputation in his profession; Dr. Alfred Taylor, University of Texas, Austin, Tex.; and others, including women. Professional people, even hiding under the name of an organization, should not stoop to such low, mean, unethical tricks. I feel sure you will agree with me.

Federal money is being used to promote artificial fluoridation. U. S. Public Health Service officers are members of the ADA. Both groups are working hand in hand. This is a Federal issue. It is time Congress made a joint investigation by a committee independent of promotion or promotors, and I do not mean like the Delaney or Wier committees. I ask my letter be read in Congress and the contents printed in the CONGRESSIONAL RECORD.

No part of Federal money should have anything to do with artificial fluoridation. This is a Federal issue, and the only way we can stop the U. S. Public Health Service from promoting artificial fluoridation is to withhold from them the use of Federal money.

I trust you will feel my serious intent in writing you on this point at this particular time.

Yours very truly,

NORMAND J. PAQUETTE, D. D. S.

APRIL 26, 1956.

Hon. MARGARET CHASE SMITH,
Senator, Washington, D. C.

DEAR MRS. SMITH: It has been called to my attention that Congress is about to appropriate, or is asked to appropriate, $2,971,000 for the fluoridation of public water supplies.

May I take this opportunity to enter my protest to this measure on the ground that it violates our legal privileges of choosing our own form of protection from disease. This promotion and its promoters would make medication compulsory.

I wish this letter read to Congress and inserted in the RECORD.

Respectfully yours,

NATHAN P. LORD.

BANGOR, MAINE.

Mr. DANIEL. Mr. President, I have received several letters in opposition to artificial fluoridation of public drinking water and the participation of the Federal Government in these projects. The writers of two of these letters have requested that I call them to the attention of the Senate. I, therefore, ask unanimous consent that these two letters be printed in the body of the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATURAL FOOD ASSOCIATES,
Atlanta, Tex., May 2, 1956.

Senator PRICE DANIEL,
Senate Office Building,
Washington, D. C.

DEAR MR. DANIEL: Artificial fluoridation of public drinking water is a hoax on the American people. Last week the Texas Medical Association voted unanimously not to endorse it and voted further not to let the subject come up again for 5 years.

The simple truth is that the United States Health Department is trying to force mass medication on the American people.

There should be a congressional investigation of this matter. The security of our Nation is endangered by the instillation of fluorine in our Army, Navy, and air bases.

I know that you are very busy but this matter is vitally important now. If you would like to have scientific information on this subject I will be glad to send it to you.

I would like to have this letter read to Congress and inserted in the RECORD.

Sincerely,

Dr. JOE D. NICHOLS, M. D.

WICHITA FALLS, TEX., *April 28, 1956.*

Hon. PRICE DANIEL,
United States Senator,
Washington, D. C.

DEAR SENATOR DANIEL: It is my understanding that Congress has been asked to appropriate approximately $2,900,000 to the United States Public Health Service to be used in program of combatting dental disorders, and that this is to be acted upon soon.

There is good reason to believe that it is the purpose of the United States Public Health Service to use these funds, at least a large portion thereof, for the promotion of artificial fluoridation of public drinking water. A relentless campaign is being carried on, initiated and supported by the Public Health Service to put this program into effect throughout the Nation and campaign tactics, including vilification, are used with respect to those who dare oppose it. And this campaign is being waged regardless of the fact that it is in controversy everywhere and cities and towns are voting fluoridation out about as fast as the promotors have been able to put it into effect. Wichita Falls, Tex., voted artificial fluoridation out in December 1954 after it had been put into effect without a vote of the citizens.

Sodium fluoride is a deadly poison, it is a refuse from certain manufacture and the application of it to the water supply opens perhaps the only door for the enrichment of such manufactures and the chemical companies in the disposal of it.

I refer you to the Delaney report, 82d Congress, 2d session, Union Calendar No. 787, of the committee which investigated artificial fluoridation of drinking water and the summary of the committee's report therein.

To apply this substance to drinking water to be ingested by all persons, regardless of their health, age, or physical reactions appears to us to be an unwarranted and unjustified invasion of liberties guaranteed; no form of medication in mass could be safe for all; many authorities believe it endangers the health of the citizens. The so-called scientific evidence as to its value and safety in this form is based upon unwarranted conclusions according to many scientists, biochemists, and medical doctors throughout the country, including our own Alfred Taylor, Ph. D., research scientist of the University of Texas who is making experiments and who was a witness before the committee above referred to.

We would respectfully request and welcome a joint congressional investigation by a committee free from prejudice for or against the program, to investigate the expenditures of the taxpayer's money and the activities of the Public Health Service, particularly in this behalf. I would appreciate it very much if this letter could be read before Congress and entered in the RECORD.

With highest regards,

Sincerely yours,

CHAS. M. CROWELL,
Attorney at Law.

PROPOSAL TO CONDEMN FORCED LABOR

Mr. HUMPHREY. Mr. President, on May 1, by a vote of 13 to 2, the Economic and Social Council of the United Nations adopted a resolution condemning forced labor and urging action toward its elimination. I am happy to say that the United States supported the proposal, and the two negative votes were cast by the Soviet Union and Czechoslovakia.

The action by our representative on the Economic and Social Council is in strange contrast to the position taken by our Department of State on the issue of an international forced labor convention which will be discussed and probably adopted at the forthcoming International Labor Organization in Geneva in June. An editorial appearing in the New York Times on May 2 discusses this strange difference between our behavior on the Economic and Social Council resolution and our unwillingness to support the proposed ILO convention.

I mention this because it has been my privilege to propose a resolution urging the Government of the United States to support the convention outlawing forced labor.

I ask unanimous consent that the editorial be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ARE WE FOR OR AGAINST IT?

Yesterday the Economic and Social Council of the United Nations passed a resolution which condemns forced labor wherever it exists, commends the International Labor Organization for the efforts already made to combat it, and expresses the council's interest in further action by the International Labor Organization. The United States was a joint sponsor of the resolution and our delegate to the council, Dr. John C. Baker, spoke strongly in its support. The vote was 13 in favor and 2—the U. S. S. R. and Czechoslovakia—opposed.

At the International Labor Organization meeting last June Secretary of Labor Mitchell, speaking on behalf of the United States Government, said, "The International Labor Organization should take advantage of every power, every resource and every facility at its command to assure effective action is taken against this form of bondage. * * * I can assure you that the United States which, for almost a hundred years, has had a constitutional provision outlawing slavery, would vigorously support such an action program."

At the International Labor Organization meeting next June forced labor will again be one of the most widely publicized items on its agenda. Forty-nine nations—including the U. S. S. R. and all the other great powers—have now said, in reply to an advance query to all International Labor Organization members, that they favor a convention on the subject. If ratified by the governments which sign it, this would com-

mit them to action against forced labor within their boundaries. The United States has not done the International Labor Organization the honor of an answer—which is shocking enough. But a letter from Assistant Secretary of State Hill, recently revealed at a Senate subcommittee hearing, shows that the State Department agrees with the objective, but is opposed to any such convention.

Apparently our intragovernmental communications system has broken down. We hope that the commitments of Dr. Baker and Secretary Mitchell to United States Government support of effective International Labor Organization action against forced labor will somehow be made known to Mr. Dulles—and that he will honor them. To do otherwise will put the United States in the position of opposing forced labor in words but not in deeds—doubly ridiculous because the deeds have long since been done.

EXECUTIVE SESSION

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of executive business, to consider the new reports on the Executive Calendar.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Is there objection?

There being no objection, the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nominations of B. Maxine O'Neal, to be postmaster at Nocatee, Fla., and Elvin Charles Kaufman, to be postmaster at Rockwood, Pa., which nominating messages were referred to the appropriate committee.

(For nominations this day received, see the end of the Senate proceedings.)

TREATY OF FRIENDSHIP, COMMERCE, AND NAVIGATION WITH THE NETHERLANDS—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDENT pro tempore. The Chair lays before the Senate Executive H, 84th Congress, 2d session, a treaty of friendship, commerce, and navigation between the United States of America and the Kingdom of the Netherlands, together with a protocol and an exchange of notes relating thereto, signed at The Hague on March 27, 1956. Without objection, the injunction of secrecy will be removed from the treaty and protocol, and they will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a treaty of friendship, commerce, and navigation between the United States of America and the Kingdom of the Netherlands, together with a protocol and an exchange of notes relating thereto, signed at The Hague on March 27, 1956.

I transmit also, for the information of the Senate, the report by the Secretary of State with respect to the treaty.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 7, 1956.*

(Enclosures: 1. Report of the Secretary of State; 2. Treaty of friendship, commerce, and navigation, with protocol and an exchange of notes, signed at The Hague on March 27, 1956.)

The PRESIDING OFFICER. If there be no reports of committees the clerk will proceed to state the new reports on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry nominations in the diplomatic and Foreign Service.

The PRESIDING OFFICER. Without objection, the nominations in the diplomatic and Foreign Service will be considered en bloc; and, without objection, they are confirmed.

FIRST ASSISTANT COMMISSIONER OF PATENTS

The Chief Clerk read the nomination of Arthur Wilbur Crocker, of Maryland, to be First Assistant Commissioner of Patents.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. CLEMENTS. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

QUESTION REGARDING PARTICIPATION IN THE SPECIAL SCHOOL-MILK PROGRAM

Mr. KNOWLAND. Mr. President, at this time I should like to suggest the absence of a quorum.

Mr. HUMPHREY. Mr. President, will the minority leader withhold the suggestion for a moment?

Mr. KNOWLAND. Yes.

Mr. HUMPHREY. Will that be agreeable to the acting majority leader?

Mr. CLEMENTS. Yes.

Mr. HUMPHREY. Mr. President, I have requested this consideration, for which I am very thankful, because of a matter which was brought to my attention just this morning, and which I feel should be made a part of today's RECORD in the Senate. It is not a matter of world-shaking consequence, but has something to do with a measure the Senate passed a few weeks ago.

Several inquiries have been made by representatives of several organizations and dairy industry groups, regarding the application of the recently approved legislation which would extend the benefits of the special school-milk program to such nonprofit nursery schools, child-care centers, settlements, summer camps, and similar nonprofit institutions as are devoted to the care and training of underprivileged children on a public welfare or charitable basis.

The question in the minds of a good many people involves the eligibility of boys and girls attending summer camps under the sponsorship of 4–H Clubs, Boy Scouts of America, and similar agencies.

The basic objective of the original authority for the special school-milk program, which was limited to nonprofit schools of high-school grade and under, was to increase the consumption of fluid milk, thereby improving the nutritional level of children, and materially contributing toward the slowing up of acquisition of dairy products by Commodity Credit Corporation.

The widely recognized success of this program from its inception in September 1954, encouraged the Congress to expand and extend the benefits of the program to more children in more situations throughout the year. During the course of the congressional deliberation on the matter of extension and expansion, concern was expressed to make sure that underprivileged children would be given an opportunity to participate in the program. At the same time, it was readily recognized by those of us who were active in support of the legislation, that the benefits of the program should be made available to more children whether underprivileged or not. However, I am confident that it was and is the intention of the Congress to exclude from the special school-milk program, institutions designed primarily as profit-making organizations.

It is clear, therefore, that the controlling language in the legislation is the nonprofit character of schools and institutions. Any action that would seriously limit the program beyond this consideration would, I believe, run contrary to the intention of the Congress, when it overwhelmingly approved the extension and expansion of this highly successful program. I believe that the Congress intended to have the benefits of the program extended to Boy Scout camps, 4–H camps, and similar organizations.

No individual means test has ever been contemplated in the special school-milk program, and none was intended for this extension of that program. Rather, the standard accepted by our committee in voting out the extension which was approved by Congress was the nonprofit nature of the institutions, and whether in the public interest they were directly or indirectly supported and maintained totally or in part by public funds, such as tax money or public contributions.

I make this brief statement because, as one who has been interested in the legislation, and who participated in its preparation, I feel that, as the summer camps are now under way, particularly the 4–H Club encampments, the Boy Scout camps, the Girl Scout camps, and others of similar nature, we ought to

have a pretty good understanding of the policy as it applies to nonprofit organizations devoted to building the health of young people and promoting a citizenship-building program. It should be clearly understood that the special school milk fund or program encompasses such activities. As I have said, the standard established was the nonprofit nature of the organizations. Surely the organizations which I have mentioned are nonprofit, in the sense of monetary profit, but they are very profitable to the Nation in terms of good citizenship and healthy young men and women.

Mr. CLEMENTS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALBEN W. BARKLEY, OF KENTUCKY

Mr. CLEMENTS. Mr. President, it is my present intention to comment on the passing of our late, beloved colleague, Senator Alben W. Barkley. At an early time in the future, agreeable to the families of both the late Senator Barkley and the late Senator Harley M. Kilgore, a suitable day for memorial tributes to them will be set aside.

What I say now is entirely personal, generated and impelled by the poignant sense of personal loss I have experienced at the death of Senator Barkley.

In the past few days we have, as mourners, walked near the valley of the shadow.

The shadows of that valley are long and extend even to this Chamber where today our lives are touched with its darkness.

And though the flag over the Capitol of the United States is again at full mast, there has been no like uplifting of our hearts, no lessening of the hurt we feel at the passing of Alben Barkley, a man we loved, a man we respected, a man we needed.

The last few days have but sharpened the pain and magnified the loss to those who were his colleagues, to those who were his family, to all those—and they must be counted in the millions—who loved him.

We here knew him best, for it was here—in this Chamber he loved and served so well—that he labored for his State, his Nation, and his people.

It is at a time like this that the man who would speak his thoughts discovers, once again, the terrible thinness of words.

At a time like this a man sees once again, that vast no-man's land that lies between thought and expression, between emotion and articulation.

At a time like this, a man discovers that though his heart be eloquent, his words are paltry.

Men have said of Alben Barkley that he was like an oak. And surely he was.

When I think of an oak, I think of how it grows, and how with each year, another ring is added beneath the bark. Alben Barkley was an oak, yes, and he had 51 golden rings, to mark the 51 years of his service to his State and Nation.

Last year was his golden anniversary of service.

He served his Nation as few men have served it, and we here today would do well, in our hearts, were we to resolve to try to serve as he did.

In this time of grief we, in our human, mortal way, seek thoughts that will give us some comfort, thoughts that will soften the terrible blow, that will help us adjust our hearts and minds to the incomprehensible truth that Alben Barkley is gone.

I find some comfort in the thought that the last sound Alben Barkley heard was the sound of the American people applauding. The young Americans attending a student political convention in Lexington, Va., had just applauded his words when he fell. The sound of their applause still hung in the air, and I like to think that the applause of the American people, which he deserved so well, was the sound that Alben Barkley carried with him into eternity.

I also find some comfort when I realize that Senator Barkley lived each day of his life to the full, lived each day as though it were his last. His life, every day of his 78 years, was such a good one that it could be ended suddenly, without fear that the last thought or the last action would not be pleasing to the Almighty Father.

So it was that when he was called home by the loving Father, Alben Barkley was ready, and his last words were as fine as a good man can speak—words that have been the lips of many people throughout the world:

I would rather be a servant in the house of the Lord than sit in the seat of the mighty.

We all know that he served in the house of the Lord, and that he served well.

We here also know, that he served in the house of democracy. And we know that he served well. Few men, in all of mankind's long struggle for freedom, for democracy, have served the house of democracy so well.

Today, I am profoundly aware that Alben Barkley was a great man, a truly great man. Today, I am also profoundly aware that he will continue to serve us as a source of inspiration.

Since 1905, Alben Barkley, a great Kentuckian, a great American, helped America achieve her full maturity as a nation.

As Representative in Congress, Senator, Vice President, and statesman he helped clear the frontiers of an adult America—frontiers dark with economic, social, and humanitarian problems. He was one of those who made our recent past a golden age in American development. Between 1937 and 1947, he was the majority leader of this great body, and guided into being much of the great legislation of that historic decade.

Following the war his great, tireless voice was raised in a call for responsibility and America met her responsibilities as a great world power.

Alben Barkley, was a man known by many names. To the Nation he was the beloved "Veep." To the Democratic Party he was "Mr. Democrat." To the Commonwealth of Kentucky, he was the "Kentuckian." To us, he was a "Senator's Senator."

America will remember Alben Barkley.

We will remember him.

We will remember him here in this Chamber, and though Alben Barkley's great voice is stilled, the memory of his words, of his deeds, and of his actions for God, country, and State, will speak to us as long as there is a United States of America, as long as there is a Senate of the United States, as long as there is an American people.

Mr. President, I request unanimous consent to have printed in the body of the RECORD the beautiful prayer offered by the Senate Chaplain, Rev. Frederick Brown Harris, D. D., at the funeral service of our beloved friend and distinguished colleague, the Honorable Alben W. Barkley, at the Foundry Methodist Church, Wednesday, May 2, 1956.

There being no objection, the prayer was ordered to be printed in the RECORD, as follows:

Let us now praise famous men and our fathers that begat us, leaders of the people, by their counsels honored in their generation and the glory of their time; that have left a name behind them that their praises might be reported. Their bodies are buried in peace, but their names liveth for evermore.

Let us lift our hearts in prayer:

O Thou Master of all good workmen: We come to Thy sanctuary this hour with a sense of poignant loss, vividly conscious of an empty place against the sky—at which our surprised eyes are staring, stunned, bewildered and strangely moved. We sit together in the sadness of farewell as we mourn the sudden passing from our sight and side of one of the greatest of our national leaders—for there is a prince and a great man fallen. One of the Republic's best-loved sons—Thy servant across toiling years in all great and good causes—Alben W. Barkley.

From our partial, finite point of view his State and the Nation, which he served with such unstinted devotion, are vastly poorer because his eloquent, passionate voice will be heard no more in its councils, on its platforms, and in its national forums. For us, there is an altered world since but a few hours ago he "went down in full armour", with unabated powers, having lived his strenuous years up to the hilt. He so numbered his days, applying his heart unto wisdom, because to him the whole earth was the House of the Lord, as echoed by the last phrase which fell from his lips.

And now we come in gratitude to think tenderly of one who occupied high office, and yet never stooped to low designs; who was greatly honored by his countrymen, but who ever put principle above pedestal; who was a partisan, with deep convictions, yet without a blind spot that cannot see the integrity of an opponent's position.

We exalt the memory this hour of one who walked with kings nor lost the common touch, who could remain silent under unjust attack—as he often did—exemplifying that "he who keepeth his own spirit is greater than he who taketh a city."

We think of one who with unbowed head and unembittered heart met life's losses, and who found constant fun in living, and

who reveled in laughter; who loved folks more than fortune, and who was valiant as a knight of old, in righting wrongs and enthroning justice; and who counted it as a part of his religion to help see that his country was well governed.

While we mourn that we shall see his face no more, solemnize us by the uncertainty of our own working day. May we lengthen our brief span by intensity of living, filling swift hours with mighty deeds. If there is any kindness we can show, may we not neglect nor defer it—seeing that we pass this way but once.

And thus, at last, O Lord of the living and of the living dead, bring us all to the Homeland of Thine eternal love. We ask it through the riches of grace in Christ Jesus our Lord. Amen.

Mr. CLEMENTS. Mr. President, I have a record of the services at the Broadway Methodist Church at Paducah, Ky., last Thursday. They were conducted by the Reverend William S. Evans, pastor of the church. I ask unanimous consent that the text of the services be printed in the RECORD.

There being no objection, the text was ordered to be printed in the RECORD, as follows:

Dr. EVANS. I shall read the 23d Psalm:

"The Lord is my shepherd; I shall not want.

"He maketh me to lie down in green pastures; He leadeth me beside the still waters.

"He restoreth my soul: He leadeth me in the paths of righteousness for His name's sake.

"Yea, though I walk through the valley of the shadow of death, I will fear no evil: for Thou art with me; Thy rod and Thy staff they comfort me.

"Thou preparest a table before me in the presence of mine enemies: Thou anointest my head with oil; my cup runneth over.

"Surely goodness and mercy shall follow me all the days of my life: and I will dwell in the house of the Lord forever."

I now read John 14: 1–4:

"Let not your heart be troubled: ye believe in God, believe also in me.

"In my Father's house are many mansions: if it were not so, I would have told you.

"And if I go and prepare a place for you, I will come again, and receive you unto myself; that where I am, there ye may be also.

"And whither I go ye know, and the way ye know."

It would be presumptuous on my part to undertake to eulogize such a person as the Honorable Alben W. Barkley. He needs no eulogy. His life has been one long testimony of his faith and convictions. However, I would not be faithful to the many multiplied thousands of friends who are here in this sanctuary and who are at this moment turning their thoughts and minds toward this service, did I not give some word of appreciation. There was something inherent in his life that make all want to do him honor. It stirs the hearts of all of us to think of one who came from humble surroundings and who rose through hard work and persistent zeal to stand as one of the most honored men in our Nation. He was one who won and kept the confidence of men of all walks of life, and who received expressions of that confidence as he was placed in many places of responsibility and leadership.

When news of his passing reached me at the general conference of our church in Minneapolis, Minn., I asked the privilege of that world gathering that we might stand in a moment of silent tribute to the life of this great man.

Certainly a part of the life story of Mr. Barkley would be found in the character of his parents. But also, much resided within his own life. He had a vision of something big. He had a determination to pay the price to achieve greatness. He had a willingness to follow on. To my way of thinking, one of the secrets of success of life is expressed in the words of Kipling, who, as he undertook to give the measurements of man, said,

"If you can walk with kings
Nor lose the common touch."

Mr. Barkley certainly had that quality in his life. Across his beloved State and throughout the Nation and the world, men have loved him, respected his integrity, followed his counsel and have been enriched by his personality.

Many honors came to him, but no honor was greater than the sincere appreciation and high esteem in which he is held by those that knew him best. Today, as he comes back to rest in the soil of his beloved State, many, many people will rise up to call him blessed and thank God for having been privileged to be his friend.

In this service we would lift up to you some words that might strengthen our lives for the facing of this hour and the living of these days. One of the ancient men of God expressed a conviction that held him, and which I think will hold us. He said, "The Eternal God is thy refuge, and underneath are the everlasting arms."

As we pass through shadows and carry our loads of grief, may we be strengthened by knowing that the Eternal God is good. As he was revealed in Christ, His sympathy, love and compassion reached out to those in sorrow. And in our times of sorrow and suffering we can be comforted by the fact that God cares. God cares because He loves us. In one of their Psalms, the ancient people of Zion sang, "I had fainted unless I had believed to see the goodness of the Lord in the land of the living." You can't read the great 23rd Psalm without realizing that God is good. He is there pictured as the Great Shepherd who, though we "Walk through the valley of the shadow of death," He will be with us. Whittier said:

"Yet, in the maddening maze of things
And tossed by storm and flood,
To one fixed trust my spirit clings;
I know that God is good."

"The Eternal God is thy refuge, and underneath are the everlasting arms." (Deuteronomy 33: 27.)

God is also great. His arms have never failed. The refuge that is offered in Him covers our needs. "His grace is sufficient." Those who have trusted Him, those who have talked with Him, those who have tested Him have found that His promises are true and that His word never fails. So, as we walk and as we live we can lean our lives upon God, who is great.

"As the marsh hen builds on the watery sod
I will build me a nest on the greatness of God;
I will fly in the greatness of God as the marsh hen flies,
In the freedom that fills all the space 'twist the earth and the skies.
By so many roots as the marsh grass sends into the sod,
I will heartily lay me a hold on the greatness of God."

When you begin to read your Bible, you find that "In the beginning, God," and when you read the description of the last Hallelujah Chorus, you find that God is from everlasting to everlasting. He truly has been "Our dwelling place in all generations." The Eternal God that is our refuge does not change with the changing seasons. He is not ruled by the rulers of darkness. And he is not defeated by the experience of death. When you begin to think of the things that will live and last, you immediately begin to realize that these are characteristics of God: Beauty, purity of heart, nobleness of character—they never die. Truth may be ignored, assailed, crushed to earth, trampled upon, yet truth lives. Beauty also lives. Tertulian once said, "If I gave you a rose, you won't doubt God any more." Beauty is of God. We are told that knowledge will pass away, but love will abide. In our time of greatest need, the love of the Eternal is most wonderfully kind.

I am simply saying that, as we rest our lives in the Eternal God, we have laid hold upon something that is enternal. In Him we live, move and have our being. In Him we live forever. I am reminded of the last words that fell from the lips of Mr. Barkley: "I would rather be a servant in the House of the Lord than sit in the seat of the mighty."

As we give our lives in service to the good and noble things, we find a life for ourselves that lives. And in Christ we can have the assurance of a life that never dies. It was said of one of the great characters in the Old Testament: "David, after he had served his own generation, by the will of God, fell asleep and was laid unto his fathers." In this faith we, too, may live.

Mr. CLEMENTS. Mr. President, I ask unanimous consent to have printed in the RECORD a significant telegram which was forwarded to our Senate Chaplain, Rev. Frederick Brown Harris, by Mr. W. P. Kennedy, president of the Brotherhood of Railroad Trainmen, as an expression of genuine regret over the great loss which has been suffered in the passing of our beloved colleague and courageous statesman, the Honorable Alben W. Barkley.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

CLEVELAND, OHIO, *May 1, 1956.*

Rev. FREDERICK BROWN HARRIS,
The Westchester, Washington, D. C.:

Members of the Brotherhood of Railroad Trainmen throughout the land are deeply grieved over the untimely loss of Senator Barkley. He was our friend. He fought for our rights when we had few friends. In all public offices held he was always ready, anxious and willing to serve his fellow men. The millions who love and cherish decency, dignity, and honesty in government will join in mourning the loss of this great American, our beloved Senator Barkley.

W. P. KENNEDY,
President.

Mr. CLEMENTS. Mr. President, many fine editorials have been written about the life of Alben Barkley, and many of them will be placed in the RECORD by other Members of the Senate. At this time I ask unanimous consent to have printed in the RECORD editorials published in the Lexington Herald, the Owenboro Messenger and Inquirer, and the Louisville Courier-Journal.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Lexington (Ky.) Herald of May 1, 1956]

A VOICE THAT IS STILLED

Death came to Alben W. Barkley as he invited it, as a Member of the United States Senate which he loved and in which he had long served and over which he presided, and during a speech to a convention of young Democrats. Thus falls the elder statesman speaking to the younger generation, preaching the gospel of democracy.

Only a few days ago, at the observance of the Woodrow Wilson centennial in Washington, he had poured out the philosophy of

politics of which he was the most gifted exponent. He and Speaker of the House SAM RAYBURN had entered the House of Representatives the same day, the year Woodrow Wilson became President of the United States.

For 44 years in Washington and for more than 50 years in Kentucky he had answered the call to public service, holding office longer than any man in the history of the commonwealth, including Henry Clay.

Appraisal and analysis of his record can wait a day while all Kentuckians, with partisanship or factionalism forgotten, mourn the passing of a statesman upon whose long years of service there was no stain of corruption, who gave all he had in the public interest. The last of the old-fashioned orators, the master of the story-tellers, the beloved Veep, the former president of the American delegation to the Inter-Parliamentary Union, one of the first advocates of the United Nations, the greatest of all convention keynoters, now sleeps with his fathers. He might have gained a Vice Presidential nomination that would have led to the Presidency, had not his conviction forced him to differ over a tax measure with a President to whom he was devoted. He did in 1948 stir from its lethargy a party that had about succumbed to defeatism, and a notable Democratic triumph resulted. He knew all the plaudits of victory, yet suffered in 1952 a defeat that might have stopped a less determined soul. But he loved people and they called him back to the Senate, which numbers him among the greatest who ever served within its Chamber.

He was and will ever be, for all time to come, Kentucky's favorite son.

[From the Lexington (Ky.) Herald of May 2, 1956]

MR. BARKLEY'S BELIEFS

As Kentucky officially observes a period of mourning in the memory of former Vice President Alben W. Barkley, the Nation is grieved over the death of a beloved figure. His services on the national scene extended over a period of nearly half a century. Those things for which Mr. Barkley so clearly stood should not be overlooked in paying homage, either to the personality whose magnetism charmed the American people from coast to coast, or to the public career which is without parallel in Kentucky's history.

The close of his career crowned a lifetime of what he so often had called "preaching the gospel of democracy." He was stricken while appearing as a keynoter, the role he had filled so often in Democratic national conventions, before a mock convention of young voters at Washington and Lee University. It is easy to imagine the beauties of the day for he had been at the annual party given at the home of Senator HARRY F. BYRD near Winchester, Va., to Members of Congress. From the porch where guests are served, no doubt he looked upon the familiar scene at the head of the Shenandoah Valley where the famed Byrd apple orchard was in bloom, before going to the campus of Washington and Lee University whose classic buildings patterned after Arlington and Monticello remind all of the priceless heritage of the Republic.

There could be no more thrilling words than those uttered:

"I would rather be a servant in the house of the Lord than to sit in the seat of the mighty."

And while in the Senate of the United States Mr. Barkley had a forum which gave to him the unexcelled opportunity to use the gift of his rare knowledge gained by long observation, he spent much of his time going out to explain, as he viewed them, the issues that face this country and the world. Time and time again he came to Kentucky to the annual Jefferson-Jackson Day dinners staged by the Democratic Party but explained that with him the fund-raising objective was not paramount, that as long as his body held breath he wished to repeat the things he had seen and that knew about government, legislation, and national policies.

Frequently he said, as he did after withdrawing as a candidate for the Democratic nomination for the Presidency in the national convention at Chicago in 1952:

"We are not beginning a crusade. We are continuing a crusade."

His great speech delivered April 21 in the National Guard Armory in Washington in connection with the Woodrow Wilson centennial carried out this theme. He had entered his service in the House of Representatives in 1913, the year Woodrow Wilson became President of the United States. The Federal Reserve System, the Clayton antitrust enactments, the curbing and reduction of child labor, the inauguration of the farm-credit system, civil-service reform, and many other advanced strides were steps in which he had a hand.

Yet it was the fact that the first great effort since the Congress in Vienna in 1815 to organize the world for peace came from Woodrow Wilson's heart and brain that primarily characterized that administration, as Mr. Barkley pictured it from his vivid and retentive memory.

One of the greatest and most effective political speeches ever delivered in the history of this country was Mr. Barkley's address to the Democratic National Convention in 1948. This convention later nominated him for the Vice Presidency. Although Mr. Truman in his recent book refers to his own appearance, it was the speech that Senator Barkley delivered that electrified and awakened that convention from a pall of defeatism to a victory march. In these columns it frequently has been said that this single speech more than any other factor led to the election of Truman and Barkley in 1948. The "cross of gold" speech of William Jennings Bryan is long remembered, but it led the party only to defeat. Mr. Barkley gained for his party 4 years of responsibility during which the United Nations was launched, as Mr. Barkley said, "upon the tossing waters of the international sea," and the Marshall plan served as a prelude to the attempt to wage peace in the world.

It was the record that had been made, not only by the Democratic Party but by the Congress of the United States which enacted the legislation and through bipartisan support in drafting the charter of the United Nations, that he upheld. It was because Congress, after long hearings and committee action and deliberation, had adopted a tax bill which President Roosevelt vetoed that he split with the President and offered to resign as floor leader, thus eliminating himself as a Vice Presidential prospect in 1944.

This record he was willing and ready to defend. That was the theme of his masterful presentation in Philadelphia, for he asked why the members of his party were apologizing, defending, and dodging rather than affirming, proclaiming, and championing the steps that they had taken to take the farmer out of the ditch of despondency, to see that every American had a decent home and to conserve the soil and to undertake to bring about a life of security and peace.

Step by step, law by law, amendment by amendment, Mr. Barkley knew the details of the legislation enacted to establish foreign policy and domestic progress. He never lost faith in the people or their ability to think straight and act in the best interest of the country when the truth was fully presented to them. He risked his life unsparingly, and finally gave it in that cause.

[From the Owensboro (Ky.) Messenger and Inquirer of May 1, 1956]

DEATH OF "VEEP" COMES AS GRIEVOUS SHOCK

We were indeed shocked and grieved to learn yesterday of the loss of our friend Alben W. Barkley. Despite his 78 years we still considered the "Veep" a young man with many years of public service yet before him.

Our most recent contact with the famous Kentucky gentleman was during the past senatorial race when he came to Owensboro to speak on his own behalf. This was just 2 years ago when he made his race against another great Kentuckian, representing the opposing party, John Sherman Cooper.

We were truly convinced that the name of "Iron Man" given to him in his race for the Senate in 1926 held as true 2 years ago as it held in that bygone race. The "Veep" in his most recent race was the war horse, the great wit and entertainer, the fast thinker he must have been 30 years ago.

But our observations of this Democrat were even more meaningful when one considers some of the rocky roads he had traveled during his political career, especially those thorny incidents which occurred late in his life.

Barkley was on two occasions within the grasp of the Presidency. If it had not been for his independence as speaker in the Senate during the Roosevelt administration he might have been President. It was his rebuff of President Roosevelt which kept him out as the Vice Presidential candidate on the ticket with FDR. He had criticized the chief for what he considered interference with the independence of Congress. As a result Truman got the call and filled out the late President's term.

The Presidency was again within the grasp of the Iron Man when he went to Chicago in 1952. The day before the convention opened, the head of the Kentucky delegation, Gov. Lawrence Wetherby, stated that the greatest danger to Barkley was the strength the Vice President had amassed just prior to the convention. The danger proved to be real and devastating. It brought out the mean and crucifying words "too old" to run. The coup executed by some labor leaders was a final blow to his candidacy. Barkley in his autobiography attributed his withdrawal at the Chicago convention to a selfish faction within the party which cut him out. In our opinion this was only a part of the story.

He did not know how close he came to the Presidency until Harry Truman's memoirs were published, in which the former President said that if Barkley had not withdrawn as a candidate for the Democratic nomination in Chicago in 1952, after it was made to appear to some that labor would not support him because of his age, he would have been nominated.

This newspaper believed in 1952 that it was true that at the convention in Chicago, Harry S. Truman had decided to throw his great and decisive support to Barkley. We did not know it was true until Truman's memoirs appeared with the emphatic statement that if Barkley had not withdrawn—which he did at the instigation of poorly informed advisers—he would have won the nomination.

We felt that the difference between votes for Stevenson and the votes Barkley would have received, in our humble opinion, would have meant the difference between success and failure for the Democrats in 1952.

Senator Barkley aspired to the Presidency as possibly no other man. He felt his experience in government particularly suited him for that high position, and he wanted to offer himself to the people so that he could better serve them. Even though he sought the position, he never felt that the people owed him their allegiance because of what he had done for them, and he had done much.

Coming from a predominately agricultural State, he had done much for the farmer, but he had also done much for industry, and had never forgotten that this segment of the American economy was equally important. During the NRA days, which business fought

violently, the Senator from Kentucky went to bat for local industry and averted troubles which could have been disastrous to Owensboro and other parts of the State. His experiences went throughout the scope of government.

When Senator Barkley became Vice President during the second Truman administration, his experience enabled him to fulfill a function of government never tried by his vice presidential predecessors. He not only served as the president of the Senate, but really as an assistant President. He advised Truman and helped in party affairs. His participation in Truman's campaign during the former President's campaign against Dewey was in our opinion the clincher in the Nation's greatest political upset.

We believe his experiences would have embittered other men to the point that their services to the people would have been drastically limited.

When we saw Barkley here 2 years ago he was humble, unscarred by disappointment, and anxious to serve if the people wanted him. He had adopted his own formula for a long and productive life, that of working a full day, honesty and maintaining a clear conscience.

One of his parting words to us, and significant of his life was: "I would rather be a servant in the house of the Lord than sit in the seat of the mighty."

This we know to be true for we knew the man who said them.

We shared his disappointment in not realizing his ambition to become President. Now we share with his friends the loss to our State and our Nation of one of its greatest and most faithful leaders.

[From the Louisville Courier-Journal of May 2, 1956]

ALBEN BARKLEY GAVE MORE THAN LOYALTY TO PARTY

Alben W. Barkley was a man of the people. His basic political conviction was that Government ought to serve them. It was his conception that the Democratic Party was better able to serve their needs, and on this was set the solid rock of his party loyalty.

During his career in politics, however, Mr. Barkley gave his party more than loyalty. He gave it the full measure of his own concern for people, a concern unbound either by acceptance or rejection of the catch phrases of political dogma. He saw no creeping socialism in the Tennessee Valley Authority; to him it was good because it helped a region's people. Although he could throw political stilettos with the best, a man was not an economic royalist to him merely because he was rich. What he did oppose was exploitation of the people.

Alben Barkley's two political idols were Abraham Lincoln and Woodrow Wilson. To him the former embodied the American legend and the latter the intellectual spirit of the Democratic Party. It may fairly be said that Mr. Barkley himself came to embody the American legend, and that he too was a repository of the Democratic spirit. It is ironic that he missed the Presidency once because in 1944 Franklin Roosevelt passed him over for Harry Truman as a vice presidential nominee, and that in 1952 he missed the presidential nomination because his old friends, the labor leaders, thought him too old at 74. These must surely have been bitter disappointments to him, but he was not a man given to self pity. After his extraordinarily long service in Congress, and after his endearing role as the Veep, he went back to the upper house in 1954 as Kentucky's junior Senator with all the zest and relish that were his stock in trade.

It was in true character that this remarkable man would not let himself run down. To the very end he showed the self-discipline and apparently unbounded energy that had carved his special niche in American political lore. A master storyteller, an elder statesman, a political craftsman and the possessor of a quick and cheerful wit, Mr. Barkley was enjoying himself keynoting the mock Democratic convention at Washington and Lee University. There always awakened a sort of affinity between Alben Barkley and his audiences. He prided himself on the fact that he didn't preach sermonettes. Indeed his sonorous voice was more at home in the old-style open-air political rally than in the modulated, closely timed confines of modern sound transmission. But loud or soft, long or brief, Alben Barkley's speeches always seemed to be spoken directly to each of his listeners. It may have been simply because he so truly liked people that they couldn't help liking him back.

At any rate, when he told the students at Lexington, Va., "I'd rather be a servant in the house of the Lord than sit in the seat of the mighty," and collapsed and died, it surely must have been as he would have had it. We, his fellow Kentuckians, are saddened deeply, but we are as proud of Alben Barkley as we can be.

Mr. CLEMENTS. Mr. President, on Tuesday evening, after the passing of my distinguished colleague, a number of Members of the Senate and Members of the House made statements for a radio program conducted by one of the great radio stations of the country. I have a transcription of that program, and I ask unanimous consent that it may be printed in the body of the RECORD at this point.

There being no objection, the transcription was ordered to be printed in the RECORD, as follows:

Senator CLEMENTS. The Father of us all has called home one of His favorite sons. He was, as all of you know, called suddenly and unexpectedly. And because Alben Barkley was throughout his life a devoted son to the Almighty Father he answered the call of the Father quickly and without protest. For his family, his Nation, his State, this is a time of grief. In this time of grief we, in our human mortal way, seek thoughts that will give us some comfort—thoughts that will soften this terrible blow, that will help us adjust our hearts and minds to the incomprehensible truth that Alben Barkley—a man we love—is gone. I find some comfort in the thought that the last sound Alben Barkley heard was the sound of the American people applauding. The young Americans attending a student political convention in Lexington, Va., had just applauded his words when he fell. The sound of their applause still hung in the air and I like to think that the applause of the American people which he deserved so well was the sound that Senator Alben Barkley carried with him into eternity. I also find some comfort when I realize that Senator Barkley lived each day of his life to the full. Lived each day as though it were his last. His life—every day of his 78 years and more—was such a good one that it could be ended suddenly, without fear that the last thought or the last action would not be pleasing to the Almighty Father. So it was that when he was called, Alben Barkley was ready. And his last words were as fine as a good man can speak. "I would rather be a servant in the House of the Lord than sit in the seat of the Mighty." We all know that he served in the House of the Lord and served well. We all know, too, that he served in what could be called under these tragic circumstances the house of democracy. And few men in all of mankind's long struggle for freedom for democracy have served that house—the house of democracy—so well. Today, I am profoundly aware that Alben Barkley was a great man, a truly great man. He served his country for a half a century. He serves us all today, as he did yesterday, as a source of inspiration. We who survive can be eternally grateful that we knew Alben Barkley for knowing him was to know a man who possessed the heart, the mind, the courage, the energy, and, yes, the conscience of greatness. I knew him for more than 30 years in an intimate and personal way. I knew him as only those in public life can know what a monumental contribution he made to the government of his State of Kentucky and to the Government of the United States. His career is without parallel. He was born in a log cabin on a farm in Graves County in Kentucky on November 24, 1877.

In the years that followed, he rose to the heights, but the climb was a long and tiring one. He put himself through school sweeping floors. He practiced law and in 1904 he made his first political speech. The next year riding a horse to his first campaign victory he was elected prosecuting attorney of McCracken County. He later served the same county as its county judge. He went on to the House of Representatives being elected in the year of 1912 from the first district of Kentucky. He was sworn in on the day that Woodrow Wilson took the oath of office of President of the United States, and there was destiny in that fact for throughout his long career as Congressman, as Senator, as Vice President the principles of Woodrow Wilson were Senator Barkley's guilding star. Alben Barkley believed in fundamental democracy. His political philosophy, as he expressed it to me on many occasions was this: "What was good for the greatest number of people was best for the whole of the people." I was throughout the 30 years I knew him, his supporter, his friend, his admirer. Today those who knew and loved Alben Barkley are telling and re-telling some of his fine stories that have made him a living legend as a public speaker. Today I recall those stories too. But something else too. Something even more enduring. The great pieces of legislation that went through the Senate during the period of 1937–1947 when Alben Barkley was the majority leader of the United States Senate. America will remember Alben Barkley for his sponsorship of and leadership in putting through much of the important and beneficial legislation of the 1930's, for his vision and leadership in such vital decisions as lend-lease, and ratification of the United Nations Charter. America will remember his great voice raised in great causes. The Senate will remember him as a Senator's Senator. The people will remember him as their beloved Veep; his family as a noble, warm, and loved man. Alben Barkley's voice is still but the memory of his words, of his deeds, and of his actions for God, country, and State will go on as long as there is an America and an American people. My friends, at this time I want to present one who learned of these eulogies for our distinguished friend who is gone, when he was away from the Capitol. He will be heard by telephone and I have reference to one who came to the House about the time Senator Barkley did, served with Senator Barkley for 14 years in the House. They came to the Senate together in 1926 and were serving together at the time of Senator Barkley's passing. I present the distinguished Senator from Arizona, CARL HAYDEN.

Senator HAYDEN. In my time, no one in the Congress has rendered greater service to the Nation than Alben Barkley. He has served during the administrations of seven Presidents and each one of them had high respect for his ability. I had been in the House of Representatives for a year when he came on the fourth of March 1913 as a successor to Ollie James from the Paducah district of Kentucky. Each of us came over from the House to the Senate in 1937. In the House and in the Senate Alben never failed to lend a helping hand when I needed

his aid. By his passing I have suffered the loss of one who was always my friend.

Senator CLEMENTS. Thank you, Senator CARL HAYDEN.

The next voice you hear will be that of Congressman BRENT SPENCE, from the Fifth Kentucky District.

Congressman SPENCE. The heart of the State of Kentucky is saddened today because of the death of its most distinguished citizen. Senator Barkley has passed away. We no longer see his genial smile or hear that musical voice which was so loved and we were pleased to listen to. He died while he was addressing a mock Democratic audience or convention in Virginia. He was a genial, clever gentleman. He was a great citizen, a great statesman, and a great patriot. He passed away as I know he would have liked to have gone, not from a bed of sickening and suffering but with his spirits high and with the applause and laughter of his audience ringing in his ears. He fell, as a mighty unbending oak from the forest falls before the whirlwind, and the last words were a prayer. He said, "I would rather be a servant in the house of the Lord than sit in the seat of the mighty." For over 43 years he was a faithful servant of his people, he will be a faithful servant in the house of his Lord, and the light of His Master's countenance will shine upon him I know and give him peace.

Senator CLEMENTS. Thank you, Congressman SPENCE.

The next voice you will hear will be that of Senator WILLIAM JENNER from Indiana.

Senator JENNER. Thank you Senator CLEMENTS. As a member of the minority party in the United States Senate, I share with his Democratic colleagues a sense of grief at the passing of Senator Alben W. Barkley, of Kentucky. Senator Barkley was respected by the members of the Republican Party as he was by his own party for his never failing courtesy, and good temper. He missed no opportunities to carry on political debate, but he never let party loyalty influence his respect and good will toward men with opinions different than his own. This is politics in the true American tradition. I am sure the people of Indiana sympathize with their neighbors of Kentucky at the loss of an able and devoted public servant.

Senator CLEMENTS. Thank you, Senator JENNER.

And now a voice you will hear is that of Congressman CARL PERKINS from the Seventh Kentucky District.

Congressman PERKINS. Senator Alben Barkley's death is a loss to the whole world. Senator Barkley was a dear friend to all peace-loving nations. I, like all other Kentuckians, receive this news with the deepest of sorrow. I readily realized not only the great loss the State of Kentucky and the Nation had sustained, but the fact that we will always miss our beloved Senator. The same feeling was being expressed by every Kentuckian that I met last night in Ashland after we received the shocking news. All Kentuckians loved Alben Barkley; they loved him because he was a man of principle and an individual the ordinary laymen could look to for inspiration. It will serve no useful purpose for me to mention the outstanding and unexcelled contributions that Alben Barkley has made in the field of government except I want to say that in my judgment this country has never produced a greater public servant and statesman than Senator Barkley, or a man that has contributed more to the general welfare of all the people in this Nation than Barkley. Kentucky, as well as the Nation, has suffered this irreparable loss. Senator Barkley's last words, "I am willing to be a junior. I am glad to sit on the back row for I had rather be a servant in the House of the Lord than to sit in the seat of the mighty." Those words, preceding his untimely and unexpected death, disclose not only his Christian qualities but that he was a man of unimpeachable integrity. I had been a close friend of Alben Barkley since 1932, just like hundreds of thousands of other Kentuckians. I recall distinctly when he first displayed his oratorical ability in my home town in Hindman in 1923 when he was a candidate for the Democratic nomination for governor. He was a companionable person which I feel is a great asset to one in public service, a public servant that you could go to for advice and always receive wise counsel. The untimely passing of Senator Barkley has not only aggrieved and left me with an overwhelming sense of personal loss, but has brought the same feeling to all the people of Kentucky which Alben Barkley loved with all his heart.

Senator CLEMENTS. Thank you, Congressman PERKINS.

Now we will hear from a long-time friend of Senator Barkley's, Senator OLIN JOHNSTON, of South Carolina.

Senator JOHNSTON. Thank you, Senator CLEMENTS. Alben Barkley, the great warrior and servant of the people, has died. The void that is left in our lives in the Senate and the Democratic party will never again be adequately filled. The great Alben Barkley will never be replaced, for when God makes men such as he, they live only once. But, we who knew Alben Barkley, and those of this generation who write history know that Alben Barkley will never be forgotten. His imprint upon history of America will be here for as long as this Nation survives. When I was returning to Washington on the train the day he died, a hundred images of Alben Barkley passed through my mind. I saw him as a tireless warrior of the people who spent his adult lifetime fighting for the principles that serve the common everyday people of this great land. I saw him as the champion of the Democratic people of this Nation. I saw Alben Barkley as a true Kentucky, southern gentlemen that he was. I saw Alben Barkley, too, as he delivered his last address at the Woodrow Wilson testimonial dinner here in Washington. Perhaps I should not mention partisanship at a time like this. But Alben Barkley was a partisan man as well as a statesman. He believed in the Democratic Party. He fought for the Democratic processes and he died fighting for the same causes with unsurpassed loyalty and devotion. As we well know, with all his partisanship Alben Barkley never once faltered in determining first that whatever he decided to fight for would be in the best interests of this Nation which he loved above all else. I believe Alben Barkley was judged by a great many people as an outstanding statesman, by people everywhere long before anyone conceived of his passing away. The mightiest of the oaks of the forest has fallen. A giant among the characters of this generation has departed. Certainly nothing that any of us can say will adequately testify to what stores within us when we think of the death of Alben Barkley. As in all things we must go on. Our Nation will continue to progress. We will continue in our search for perpetual peace and freedom for this world. But none of us, no, not one, will go on in these endeavors without having first benefited because Alben Barkley lived. As we go forward together, Alben Barkley shall continue to live—through us and those that succeed us—by the things he said, taught and did when he was among us.

Senator CLEMENTS. Thank you, Senator JOHNSTON.

Now we will hear from a member of the Foreign Relations Committee with whom Senator Barkley served many years. Senator ALEC SMITH, of New Jersey.

Senator SMITH of New Jersey. Thank you, Senator, for your introduction. It is with great grief that I come to make this statement in behalf of my beloved friend Alben Barkley. As my friends know, I am a Republican from New Jersey. Alben Barkley was a Democrat from Kentucky, and yet from the first day I came to the Senate 12 years ago he and I have been very close. We have travelled together in foreign lands as we were both members of the Foreign Relations Committee and I have enjoyed that great friendship and that great humor and that great wit and the real kindliness of one of the great men that I have known in my life. Now, as a member of the Republican Policy Committee today at a meeting of all the Republican members of the Senate who were today in town we made a brief statement which everybody adopted by a standing vote. I offered the statement and it was adopted unanimously. The statement is as follows, which I think the public will be interested to hear:

The Republican Members of the Senate have learned with profound sorrow of the death of our beloved colleague, Alben Barkley of Kentucky. We have admired his outstanding capacity as one of the great leaders of his party. We have respected his great talent in debate. We have enjoyed his incomparable good humor and wit, and above all, we have loved him for himself and his unfailing courtesy and thoughtful consideration of each one of us. We all extend to his wife and other members of his family our deepest sympathy and warm affection—and then the policy committee adjourned out of respect to the memory of the late Senator from Kentucky. I can only add that I feel that in the passing of Senator Barkley we have lost a real institution as one of our great leaders in the Senate. And even though we belonged to different parties, there's no difference between us so far as friendship, affection, and good will are concerned. Alben Barkley was a leader in developing this feeling in the Senate, this warm affection between all of us, and he has contributed enormously to the good of America, to the good of the world, and especially to the good of his friends who now mourn him so deeply.

Senator CLEMENTS. Thank you Senator SMITH.

I would read now a telegram received from Congressman JOHN C. WATTS, of the Sixth Congressional District: "The death of Senator Alben Barkley came as a profound shock to me. His living so actively amongst us for so many years gave rise to an expectancy that contemplated no end."

We will now hear from Senator FLANDERS of Vermont.

Senator FLANDERS. I took his words to heart, observed the senatorial processes with some care, and in time came to the conclusion that he was right. So I personally remember him for his friendliness and his personal wisdom.

Senator CLEMENTS. Thank you, Senator FLANDERS.

Now we will hear from Senator Barkley's neighbor from Indiana, Senator HOMER CAPEHART.

Senator CAPEHART. If it were possible to gather together all the men and women who have served in the Congress of the United States since the year 1913, I am certain they would join in this unanimous statement—"We have lost a friend." That friend, of course, was certainly my good friend and yours, the distinguished and able public servant and former Vice President of the United States, Senator Alben W. Barkley. Senator Barkley was a man of deep conviction and sincere devotion to the political philosophy of his own party. He was at the same time a man of tremendous public stature. His long record in the Congress of the United States, extending over a period of more than 40 years, is marked with the scars of battle, for he was also an able fighter for the principles in which he believed. Thus, Senator Barkley frequently found himself at odds with the men privileged to serve with

him in the Congress, but he was also a man who recognized the right of his most bitter opponent to his own beliefs, and the more vigor and sincerity with which they opposed him served only to increase his respect for the individual. Certainly, he was one of the most personable men ever to serve his country. His was a full life, his career a distinguished one, and his achievements for his own State and the Nation as a whole were countless. Thus, it is a sad occasion to note the passing of a good friend and a great American.

Senator CLEMENTS. Thank you, Senator CAPEHART.

And now I'll read a statement from Congressman NOBLE GREGORY of the first Kentucky District:

"No one in the House or Senate had the opportunity to know Senator Barkley longer than I. No one had greater respect and admiration for him. His last words were dramatic, but they were typical of his life. He was a man of great strength and character. Our State, and the Nation, will miss him and his leadership."

The next voice you will hear will be that of Senator CARL CURTIS, of Nebraska.

Senator CURTIS. Thank you, Senator CLEMENTS. A pillar of the Republic has fallen. Alben Barkley was the friend of all Americans. I could not add to the glory of his life or to the fine achievements that he has accomplished by enumerating them. He was a great man, a great American, a genuine friend, a devoted public servant. It was my privilege to hear him speak twice in the last week or 10 days. He was in excellent form—a fine sense of humor, a profound message and a delivery in which he put his entire personality in his speech. We have lost a great American, and while this is a time of sorrow, it is also a time when we should be grateful for the life of Alben W. Barkley.

Senator CLEMENTS. Thank you, Senator CURTIS.

And now we will hear from a great friend, and one who was on the $64,000 question with Senator Barkley only a short time ago, Senator CARL MUNDT, of South Dakota.

Senator MUNDT. Probably no man in public life more faithfully typified the position which he held than did Alben Barkley portray the living portrait of a Member of the United States Senate. If Alben Barkley had been permitted to write the drama of his own departure and to prepare his own exit lines, I am confident he would have preferred to die under circumstances precisely like those which attended his sad passing while delivering an address to a mock political convention in Virginia, yesterday. Alben Barkley was in every sense a dedicated public servant. He loved his job as he loved his country. He loved people in every walk of life, and his kindly disposition, together with his great sense of fair play, combined to make him one of the most popular figures in the current century of American public affairs. There was never anything small or petty or mean about the character of Alben Barkley. He was a big man, with a great heart and a big concept of the public positions which he held. His passing will be mourned by Republicans and Democrats alike. America will be poorer because of his death, since his every impulse was to serve effectively the country which he loved so greatly and for which he worked so hard.

Senator CLEMENTS. Thank you, Senator MUNDT.

Now we will hear from one of the younger Members of the Senate, a devoted friend of Senator Barkley's—Senator JOHN KENNEDY, of Massachusetts.

Senator KENNEDY. I share the grief felt by the people of Kentucky at the untimely death of Senator Barkley. Senator Barkley came to Congress some years before I was born, and he was a leader and already a legendary figure when I was a schoolboy. And yet, although he held many high positions and won many great honors, majority leader, Vice President, yet at the end, when he was elected as Senator from Kentucky, he came and sat with all of us in the back row as a junior Senator, still serving the same cause he had always served in his lifetime, the State of Kentucky. Senator Barkley now belongs to the ages. He takes his place in the forefront of all those who have served the great State of Kentucky and the United States of America, and he will be missed by all of the people of all of the States.

Senator CLEMENTS. Thank you Senator KENNEDY.

The next voice you will hear will come from the west coast, a longtime friend of our departed Kentuckian, Senator WAYNE MORSE, of Oregon.

Senator MORSE. One of the greatest statesmen in all America's history has fallen. Alben Barkley personified the hopes and aspirations and ideals of the Democratic Party. To millions of Americans, he not only was Mr. Democrat but he was Mr. America. Alben Barkley is irreplacable, and I think the greatest memorial we can build to him is for each one of us to try to put into practice the great spiritual leadership and ideals of this great American.

Senator CLEMENTS. Thank you, Senator MORSE.

And now one whom Senator Barkley knew well, and where there was a very great mutual admiration, a young man in the Senate but a great friend of Senator Barkley's, Senator JOHN PASTORE, of Rhode Island.

Senator PASTORE. Few men in public life have ever achieved the popularity, respect and admiration comparable to that enjoyed by Senator Alben W. Barkley. He was a vibrant, effervescent, and personable human being whom we all loved. No man had a keener understanding of our form of government, and the Nation and the free world will miss his mature judgment and experience very, very much.

Senator CLEMENTS. Thank you, Senator PASTORE.

The next voice you will hear will be that of one who sat at the feet of our departed friend—Congressman WILLIAM NATCHER, of the Second Kentucky District.

Congressman NATCHER. Thank you, Senator CLEMENTS. At this time, I desire to pay humble tribute to the memory of my friend and fellow Kentuckian, Alben W. Barkley. His death removes from this earth one of Kentucky's great statesmen, and a man recognized throughout the world as a leader of men and a man of public spirit. He was a great orator and a perfect gentleman, a kind, considerate man whose exemplary life influenced his own generation and succeeding generations. Senator Barkley served for over 40 years in the Congress of the United States before being elected Vice President on November 2, 1948, for the term beginning January 20, 1949—a man of fine judgment, with the courage to carry out his convictions, and a true public servant. As a great Kentuckian and public servant, he again answered the call of his people after his term for Vice President expired when he was elected to the United States Senate for the term beginning January 3, 1955. Throughout his long career as a legislator, he was a friend of the farmer, the working people, small business, industry, our professions, and the veterans. In private life he gained success as a lawyer and a father. In every position he held, either private or public, he achieved distinction. His service in all of his assignments was marked by a high sense of cogency and duty. He loved people, and they in turn loved him. The qualities which endeared Alben W. Barkley to those who knew him were his devotion to his family and friends, his rugged integrity, and his unfailing sense of human and good commonsense. His contributions to better government were many and will long be remembered. The Commonwealth of Kentucky and the United States has lost a great statesman and leader. I have lost a true friends, a friend who lived his life fully and served his country well. To his wife, his children, and grandchildren, Senator Alben W. Barkley left a proud heritage. I extend to them my deepest sympathy in their bereavement.

Senator CLEMENTS. Thank you, Congressman NATCHER. The next voice you will hear will be a distinguished citizen of Illinois and a long-time personal friend and great admirer of Senator Barkley—Senator PAUL DOUGLAS.

Senator DOUGLAS. Senator Barkley was probably the most beloved man in public life, and there were good reasons for this. In the first place, he was an extraordinarily witty speaker and witty in all his private and public relationships. Nearly every incident reminded him of a story, and the story was always completely fitted to the occasion. I think that Senator Barkley and Abraham Lincoln have probably been the two greatest storytellers in American life, and the stories which they told always illustrated principles and lighted the path to performance.

Senator Barkley was a kindly man. There was no malice in him, no hatred—he was a firm believer in the principles of the Democratic Party, which he knew thoroughly and which he expounded on virtually every occasion which he had the chance. Well, he developed the principles of the Democratic Party and the great achievements of the Democratic Party without making personal attacks or personal reflections upon those who held opposite views or upon those in the opposite political party. He was a sturdy man, he believed firmly in the diffusion of economic and political power, he advocated those principles in legislation and on the stump. He was unfailing in their support. He knew what true democracy consisted of and he held to that. He also understood the niceties of political behavior and of parliamentary procedure. No one was better versed than he in the way to do business and how to get legislation enacted with a minimum of friction. All in all, he was probably as fine a character as American political life has ever produced. We feel that we have suffered a great loss in his passing, but we also know that he died in about the way that he would have wanted to die, namely, with his boots on, speaking to young people about American government and about the principles of the party in which he believed. We should all be extremely grateful for his life. We have all been greatly helped by his presence, and his memory brings to us an abiding sense of the richness of American life and of the extraordinary ability of America to throw up our great leaders who espouse great principles.

Senator CLEMENTS. Thank you, Senator DOUGLAS.

And now, from the State of New York, we will hear from one who served at several levels of government and many different capacities with Senator Barkley—Senator HERBERT LEHMAN, of the great Empire State.

Senator LEHMAN. The passing of Alben Barkley struck me as keen a blow as almost any I have every experienced. His death removes from the Senate and from the national scene a towering figure whose place in history is secure beyond all the vicissitudes of time. But to us in the Senate and to me personally, this is scant consolation, for Alben Barkley was to me and to each one of us a friend, a counselor, a source of never failing wisdom, of good cheer and delight. He was a strength in debate. He was a man of high principle, of undeviating loyalty to the causes in which he believed, and above all, to the welfare of his country and his people. He was bold in action, and yet moderate in his judgment.

He was as courageous as a lion, yet always considerate of the views of others. He knew the meaning of compromise and concession when it was necessary to secure agreement, decision, and action. But so far as I know he never compromised on principle. Senator Barkley was one who, as he grew older, became ever more liberal and forward-looking, thinking as much of the future as he did of the past. He had great respect for tradition, but equally great understanding of the fact that changing times required new solutions to new problems. I respected him as a statesman, but most of all I loved him as a friend. We will all miss him. There will never be another quite like him.

Senator CLEMENTS. Thank you, Senator LEHMAN.

The next voice you will hear will be that of the junior Senator from South Dakota, Senator FRANCIS CASE.

Senator CASE. Alben Barkley was a great American in the best traditions of greatness in America. My first contact with him was when I was a Member in the House of Representatives, and we had some legislation pending that dealt with the completion of the Mount Rushmore National Memorial out in the Black Hills of South Dakota. Mr. Barkley was a personal friend of Gutzon Borglum, the sculptor. He knew something of the concepts of American ideals that Borglum sought to put into the great figures he was carving out there. I had sponsored a bill in the House of Representatives, and when I came over to the Senate to get it passed there, Mr. Barkley was the man who helped carry it through. And then, Senator Barkley was a great man because he believed in preserving the integrity of the processes of democratic government. I know that as a matter of personal contact from what he has said to me personally, and only last week—the week before he passed away—the bill which he introduced was one which sought to preserve the processes of good deliberative legislation. It was a bill to provide that Members of the Senate might introduce bills only singly, not in groups, as has been a growing custom. He felt that the habit which was growing up of introducing bills with many sponsors was tending to defeat committee consideration. He made his point so clearly and effectively that when he had concluded the remarks in presenting the bill, the Senate broke out in applause. That's a rare thing in the Senate these days. It was a tribute to the greatness of Senator Barkley, it was a tribute to his understanding of the processes of good legislation. And so I am pleased with this opportunity to offer my few words of tribute to one of the great men of our generation and one of the great men in American history.

Senator CLEMENTS. Thank you, Senator CASE.

The next voice you will hear will be that of a long-time, close personal friend from the State where our departed friend made his last statement—you will hear the voice of Senator WILLIS ROBERTSON, of Virginia.

Senator ROBERTSON. In his essay on Sir Walter Scott, Thomas Carlyle, after commending the value of a healthy body, said, in effect, that the truly great man was one who possessed a healthy soul, attuned to the laws of God, as well as a healthy body, attuned to the laws of nature. During the 23 years I was privileged to know, to admire, and to learn to love Alben W. Barkley, I realized how fully he possessed those earmarks of true greatness. In all of my political career, I have never known anyone with a greater capacity for work, a greater capacity for friendship, with a greater zeal to promote the cause of good government. To those of us who intimately knew him, who worked with him, who loved him, his sudden passing is a great blow. But what could be more typical of a healthy soul, attuned to the laws of God, than his words "I would rather be a servant in the House of the Lord than to sit in the seat of the mighty." Senator Barkley believed that life goes down with better grace, foaming in full body over a precipice, than miserably straggling to an end in sandy deltas. Therefore, in ending his distinguished career in the type of work which he loved best, death was robbed of its sting and the grave of its victory.

Senator CLEMENTS. Thank you, Senator WILLIS ROBERTSON.

The next voice will be that of one who served intimately with Senator Barkley for many years in the Senate. They were on committees together, and they functioned together in the interest of the American people for many years—Senator JOE O'MAHONEY, of Wyoming.

Senator O'MAHONEY. For more than 20 years, I was associated with Senator Alben W. Barkley in the United States Senate. I speak of him as a friend and as a man. When I think of him, and it shall be often—indeed, until, I, too, pass from the scene—I shall think of a man of character, a man of ability, a man of great personal strength, a man of wisdom, and of rare good humor. He had the common touch, he knew that this was a people's government. I often heard him speak of the fact that Abraham Lincoln was among his heroes. He had the same characteristics that Lincoln had of being able to illustrate an argument with a humorous story. And the stories he told were stories that all could hear. I'm sorry indeed that it becomes my sad duty to participate in this memorial. The people of Kentucky have lost a great friend and a great statesman. The people of the United States have lost one of the greatest champions of public liberty and of the welfare of the masses of the people. Alben Barkley was among the great figures in our congressional government.

Senator CLEMENTS. Thank you, Senator O'MAHONEY.

Now the next voice you will hear will be that of the junior Senator from Iowa—Senator THOMAS MARTIN.

Senator MARTIN. Thank you, Senator CLEMENTS. Senator Alben William Barkley established an amazing record of service to his State of Kentucky and to our Nation throughout his entire lifetime. His record of service in the House of Representatives, in the Senate, and as Vice President, was an inspiration to all of us in Congress. He was in a position of great leadership when I first came to Congress in January 1939, and he continued his leadership to the last moment of his life. His good influence went far beyond partisan lines always. During my brief service in the United States Senate since January 1955, I have appreciated the opportunity to work closer with him. I have been better able to observe his leadership in Senate proceedings, and I have come to know him and understand his great qualities of character and devotion to the cause of good government. His good qualities will live on in all of us who were privileged to know him and work with him. I join with my colleagues in extending to his family my deepest sympathy in their bereavement.

Senator CLEMENTS. Thank you, Senator MARTIN.

And now to bring this program to a close I want to present a young man from the Fourth Congressional District in Kentucky, one who knew and loved our distinguished friend who has passed on, one who had an intimate relationship with him throughout the Congressman's experience both at the county level and at the national level of Government. I know the affection that existed between the two. I present to you to conclude this program—Congressman from the Fourth Congressional District in Kentucky—FRANK CHELF:

Congressman CHELF. Senator CLEMENTS, this is a sad day for Paducah. A sorrowful day for McCracken County, an unhappy day for all of Kentucky and a horrible blow for the Nation and the world. We, as you know down in Kentucky have lost not only a great man, an outstanding citizen, a foremost American, an extraordinary legislator but one of the finest, one of the sweetest, one of the most lovable persons who ever walked under the broad, blue canopy of God's own heaven. Earle, I could go on and on and on and say what's on my mind and down deep in my heart but suffice it to say that we have lost a great American. I would like to say to you that when he came down to campaign in my great Fourth Congressional District back in 1954, that I went with him on every stump-speaking tour. Yes, as you know, Earle, we campaigned together. And you campaigned with him, too, and hard, and you were most effective my dear friend. Yes, we had fun—to be with him was to have fun. He was a wonderful companion of yours and of mine and you and I liked to call him our dear friend and our buddy. To show you, Earle, how considerate he was of others—I don't have to tell you, my friend, but you know, but for those who don't really know—I suspect they do, but in case they don't, when I was campaigning with him, he often told me, Earle, that I shouldn't work so hard making so many speeches for him. He'd say to me, Frank, you have no opposition at all either in your primary or in your general election. You are just out of the hospital and major surgery. Take it easy, my boy. It was an inspiration just to be with him, Earle, as you know. And when he wasn't looking, bless his heart, I'd hold my side and my scars and proceed to pour it on as best I could for him. Thank heaven, he carried my great district over 10,000 votes. And, Earle, he carried your great, old Second Congressional District by the proverbial gillion or better. He has so conducted himself amongst his fellow men, he has let his light so shine that his fellow men might see his good works and glorify our Father who is in heaven. He has created with his own hands, Earle, his high station in life. He has built a monument higher, brighter, whiter, and more beautiful, if you please, than the Washington Monument itself. I rather suspect that the Master will say, "Well done, thou good and faithful servant. Enter into the kingdom above." And Earle, I know you loved him, I know all Kentuckians loved him. And God rest his soul in peace, and I know this, that somewhere, somehow way out there beyond the blue the old massa will have a special place in that great mansion of rest.

Mr. KNOWLAND. Mr. President, it was with profound sorrow that the Senate learned of the passing of Alben Barkley. He had served his State and his Nation well. He was a vigorous partisan, but not a bitter one.

Those of us who have had the privilege—and it was a high privilege—to have served in the Senate with Alben Barkley have happy memories which can never be taken from us.

I remember when I first came to the Senate, 11 years ago, I had an association with Alben Barkley because he had served in the House of Representatives with my father some 40 years before.

Senator Barkley was always kindly. I marveled at the work he did as majority leader of the Senate. I have never known an occupant of that office who worked harder in the interests of his country and his party than Alben Barkley.

Some of us knew of the heavy family burden he was carrying because of the illness of his wife, who subsequently died.

Yet Alben Barkley was at his post of duty in the Senate and always faithfully performed the onerous duties of the majority leadership.

He had a distinguished record as a Member of the House of Representatives, and a distinguished and long record in the Senate. He was elevated to the high office of Vice President of the United States, and, as such, he served as Presiding Officer of the Senate for more than 4 years. He temporarily retired into private life, but within 2 years the people of Kentucky had called their son back once again to represent them in the Senate.

I am sure all remaining Members of the Senate share a feeling of great personal loss because of the death of Senator Barkley, and all of us know that no man on either side of the aisle commanded greater respect among his colleagues than did our late, beloved colleague, Alben Barkley.

Mr. President, I speak for the members of the minority, and we extend to his family, to his friends, and to the State of Kentucky our deepest sympathy in the loss of a great man. The Nation and the Senate can ill afford such a loss.

Mr. PAYNE. Mr. President, the entire Nation has joined in mourning the death of Alben W. Barkley. His passing leaves a void in the Senate and on the national scene which will not be easily filled. It has been a high personal privilege and honor for me to serve in this body beside the Vice President who administered my senatorial oath of office in January 1953. As evidence of the high esteem in which the State of Maine held Senator Barkley, I ask unanimous consent that five representative editorials from Maine newspapers may be printed at this point in the body of the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Portland (Maine) Press Herald of May 2, 1956]

A GREAT OLD SOLDIER REFUSED TO FADE AWAY

Basically, it was Senator Barkley's durability that brought a long parade of nonpartisan mourners to his bier.

His humor was durable. Neither classic nor subtle, it was devoid of all the sham and posturing of the comedian. His sense of fair play was durable, at times spectacularly so, as was the case when he angrily resigned his majority leadership in protest against another fairly regular Democrat, President Franklin D. Roosevelt, after the latter vetoed a tax bill Barkley had worked hard to get enacted.

His contagious faith in his party's fortunes found him in 1948, through the sheer power of his rich convention oratory, lifting fading Democratic hopes to new heights. Nor was a genuine faith in his own destiny any less. Others laughed when Barkley wanted to be President in 1952, but the Senator was dead serious. The laughers were quieted by the sight of Barkley's obvious grief on being informed he was too old, returning to their corners in mute respect 2 years later as the smiling warrior campaigned successfully for his old seat in the United States Senate.

The loyal Barkleys are the fiber of which sound two-party government is made. Neither statesman nor scholar, he possessed a quality—durability of purpose and principle—essential to statesmanship and without which no scholar can win more than momentary acclaim.

[From the Bangor (Maine) Daily News of May 2, 1956]

AN ABLE AND BELOVED MAN DIES

A colorful, hard-working figure has been removed from the American political stage by the death of Senator Alben W. Barkley. The popular Kentucky Democrat held varied and prominent roles during his 43-year career in Washington. He started out as a Congressman in 1913, later became a Senator and majority leader, served under Truman as Vice President, and then in 1954 went back to the Senate as the junior Member from Kentucky.

The Kentuckian, who started life as a farm boy, developed into a spellbinding orator. He could convulse banquet audiences with humorous yarns or hush the Senate Chamber with solemn, emotion-packed speeches. He was one of his party's best campaigners.

Senator Barkley served the late President Roosevelt loyally throughout the New Deal era. They had one public dispute. This occurred when Barkley felt that Roosevelt had criticized the integrity of Congress in a tax-veto message. Here Barkley was caught between two loyalties—to his President and to his Senate colleagues. Roosevelt's famed "Dear Alben" letter smoothed out the row, and at the Democratic convention soon afterward Barkley nominated Roosevelt for his fourth term.

Barkley's influence continued under Truman. As Vice President he was too colorful and valuable to remain in the background. He became known as the Veep and toiled hard as Truman's righthand man.

He was affectionately termed from time to time the party's "wheelhorse" and "warhorse." These he was—a loyal, industrious, and popular politician. The Democrats were counting heavily on him as an adviser and as a campaigner in the current presidential campaign.

His political wisdom and vigor will be sorely missed by his party. The man himself will be missed by the Nation.

[From the Lewiston (Maine) Sun of May 2, 1956]

SENATOR ALBEN BARKLEY

When Senator Alben Barkley told a student audience, just before he was struck down on Monday by a fatal heart attack, that he had rather "be a servant in the house of the Lord than sit in the seat of the mighty," he may have been paraphrasing a briefer and better well-known political quotation.

He may have been thinking, with reference to his long and honorable career, that he had "rather be right than President." For Senator Barkley might have been President had he not tried so hard to be right. In 1944 he fought unsuccessfully, as Senate majority leader, to salvage the late President Roosevelt's tax program. But the Chief Executive stingingly vetoed the bill Congress finally approved, and inferentially rebuked Barkley as well. Observers at Washington believe this break in their long friendship led Roosevelt to choose Truman as his Vice Presidential running mate in the fourth term campaign of that year.

Senator Barkley was a man of great wit and charm, assets that served him well during 7 terms in the House of Representatives, beginning in 1913, and nearly 4 terms in the Senate, from which he resigned to run successfully with Harry Truman in 1948. After a half-hearted effort to win the presidential nomination in 1952—the powerful labor unions turned thumbs down, he was returned to the Senate. More than a politician, Senator Alben Barkley was almost an American institution, and though his great days were behind him, he will be missed.

[From the Rockland (Maine) Courier-Gazette of May 3, 1956]

VALE, VEEP

Today we join the Nation in expressing our sorrow at the passing of one of America's most beloved personalities, Alben W. Barkley, the gentleman from Kentucky.

From the humble background of a farm in his native State he advanced, step by step, to a prominent place in the National Government, the No. 2 spot, Vice President, in the latest Democratic administration. Beginning his political career in 1905 as county attorney, he worked his way through the State legislature, the United States House of Representatives, the United States Senate, finally became Veep, an alphabetical contraction of Vice President, which he coined himself and which his successor in the distinguished office was courteous enough to decline to accept, feeling that it was distinctly Mr. Barley's own title.

First of all a loyal American, Barkley was next a Democrat, with a capital D. Party loyalty was the only way of political life he understood but never did he permit his party affiliation to surpass his firm belief in the Constitution of the United States and in the rights we were granted as citizens of this Nation. When in 1944 his great and good friend. President Franklin D. Roosevelt, attempted to exceed his presidential powers by directing congressional action on tax legislation Barkley had the courage to oppose him. Rather than to support the administration's aim he resigned as majority leader of the Senate, an action that required much courage. Be it ever to the credit of our country that this forceful manner of calling attention to things that should not be resulted in a change of attitude by the President and in the unanimous reelection of Mr. Barkley to the office from which he had resigned in protest.

He died as he would want to if he could have been given a choice, addressing a group of college students assembled in mock Democratic convention, to learn all they could of the intricacies of our national Government.

Through the miracle of television the Nation was permitted to see his last appearance on the platform and hear his last sentence, one which may well be his epitaph. It describes most truthfully the entire life of this great man:

"I had rather be a servant in the house of the Lord than to sit in the seat of the mighty."

Vale, Veep!

[From the Bangor (Maine) Patriot of May 2, 1956]

THE BELOVED VEEP

It is not an exaggeration to say that hardly a home in these United States but felt the loss of a member when Alben W. Barkley dropped dead on the political platform at Washington and Lee University in Lexington, Va., Monday evening.

Barkley had become endeared to Americans as the beloved Veep. So much so, that RICHARD M. NIXON, a man nearly half his age upon succeeding him as Vice President of the United States, made as his first request that no one call him the Veep. That title, NIXON rightly said, had become hallowed by Barkley.

The qualities that made Barkley so widely beloved were bred on a Kentucky farm, from which he sprang: his humanity and humor, his humility and perseverance, and his sense of identity with the common man, which was never lost though he sat in national councils. He was leader of the Senate majority for more years than any other man, Vice President of the United States and a potential candidate for his party's nomination for President.

There was another man, also born in Paducah, Ky., who became beloved of his

fellow Americans. He was the humorist, Irvin S. Cobb. Sixteen months Barkley's senior, Cobb in his writing and Barkley in his speaking, made Paducah known as the font of good, clean American humor. Their like are hard to come by any more. They were part of the postfrontier America.

Barkley's last words were an eloquent testimony of his virtues. He could not have shaped a better introduction had he known they would be the words heard by Saint Peter as he knocked for admittance at the pearly gate. He had just reviewed in brief his political career—Congressman, junior Senator, senior Senator, majority leader, Vice President and again junior Senator. Then he added:

"I am willing to be a junior. I am glad to sit on the back row, for I had rather be a servant in the House of the Lord than to sit in the seat of the mighty."

Mr. ELLENDER. Mr. President, many of our great Americans were born of poor and humble parents. Most of those who climbed highest on the shining ladder of fame commenced at the lowest round. Some of them were self made; they took advantage of every opportunity to obtain an education even by doing chores while attending school. Alben Barkley was one of these. He was one of those great Americans, in some respects like our own Jefferson, Jackson, and Lincoln, to name by but a few, whose names have all the luster of a star. Because of the death of Alben Barkley, I know that in every household across this land, there is sorrow and a feeling of great personal loss.

I doubt that there ever has been a man who captured the hearts of Americans the way Alben Barkley did during his long and valuable tenure in public life. He was best known as the "Veep," a name given him by his grandchildren, but which was soon universely adopted. This endearing title was typical of the feeling held for Alben Barkley by all Americans—it denoted respect, regard, and a great affection.

Alben Barkley was an "old hand" when I came to the Senate in 1937. His service in this body began in 1927. Before being elected to the Senate, he served as a prosecuting attorney, a county judge, and later a Member of the House of Representatives. After 1948 he served as Vice President of the United States and President of the Senate with great distinction.

Alben Barkley left us in 1952; there were people who said he had retired from public life. The "Veep" could never retire, not so long as his great heart pumped life through his courageous body. He returned to the Senate only last year. He took a seat on the rear row, as must all Senators who are junior in term of continuous service. The Congressional Directory for this year lists Alben Barkley as number 44 in term of service. That may be statistically correct, but I am sure that to us, his colleagues, he was always No. 1.

He had a front seat in the hearts of those of us who had known him, worked with him, toiled long hours with him over legislation in which we had mutual interests. It is an understatement to say that we will miss Alben Barkley. We will do more than that, for the Veep was not only a colleague and a Senator, he was a friend and an advisor, ready and able to advise all who desired counsel; he was always unselfish in sharing the knowledge that experience had brought. He was a philosopher, a man dedicated to the proposition that a government must not direct, but serve, the people. He was a great Democrat, a great American, a great statesman. He was the last of that vanishing breed of statesmen who brought the Senate of the Unitel States to its present eminence, and who helped vest it with the title of the world's greatest deliberative body.

Death must come to all of us, at some time. It is inevitable, something we cannot avoid and something about which we frequently do not give much thought. I wonder, though, if many or any of us will have the privilege of meeting death as we would most like. I cannot believe that Alben Barkley could have chosen a better opportunity to depart this life than that which fate directed for him. He was doing that which he best liked to do—instructing young Americans in the fundamentals of our national existence. He was speaking from a platform, imparting to those gathered to hear his words some of the wisdom with which long years of experience had enriched him.

Alben Barkley, and those other great Senators who have gone before, have left us a precious political heritage; the Veep has presented this Chamber and the Nation with a great legacy in his fundamental political philosophy; Senator Barkley, the man, has moulded and left for generations yet unborn a long and glowing record of service, patriotism, and devotion to the cause of the public good.

Even today, as we mourn his loss, I hope that all of us will remember that there is a greater wreath which we may yet lay upon Alben Barkley's memory—and that is the promise that in the months and years ahead, we will strive to live up to the ideals and standards he left behind.

Mr. FREAR. Mr. President, there are many Members of this great body and of the House of Representatives whose friendship and association with the late Senator Barkley from Kentucky goes back for many, many years.

Thus, they can and will recall in their remarks some of the great legislative acts of earlier days in which he played so distinguished and prominent a part.

I can refer only to the more recent period, from 1949 until the present, but in that brief span of time, I have never enjoyed a more real and lasting friendship than that which I was privileged to share with Senator Barkley.

In 1949 at my request he came to Delaware to address one of the most successful Jefferson-Jackson Day dinners ever conducted in my State. His message, filled with the characteristic Barkley spirit and colorful phrasing, won him an immediate host of new friends from the first State.

Subsequently, he returned for another dinner in 1953 and campaigned in the State both for my election and for that of some of my colleagues.

With him on later occasions, he brought his charming and lovely wife.

Here at the Senate both during his tenure as Vice President and later when he returned to the Senate itself, I have enjoyed many unforgettable moments listening to his almost endless and delightful wealth of anecdotes for which he was so justly famous.

On more serious occasions I have counseled with him frequently on legislative matters of the greatest importance.

His knowledge and understanding of the process of legislation were virtually unbounded.

Mr. President, on the day before his death, it was the pleasure of Mrs. Frear and me to be with the Barkleys at dinner at the home of Senator and Mrs. Byrd, and as usual he was concerned with legislative matters pending before the Finance Committee and was looking forward to a resumption of committee activities later in the week.

I could not help thinking, Mr. President, as we traveled from Washington to Paducah last Wednesday that although this Nation has produced many great men during its short span of history, few have equaled the over-all stature of Senate Barkley.

For he was an individual who could as easily walk with the humble as with the mighty.

His neighbors of many years who lined the streets of his home town en route to his final resting place gave evidence of their warm and respected feeling for their departed friend.

Mr. President, this Chamber has lost one of the most able and gracious personalities that has ever sat in the Senate of the United States.

I shall miss him most deeply both as a friend and as a colleague but his family, his State, and the Nation can take assurance from the fact that he has indelibly carved for himself a place in our Nation's history that will ever remain as one of lasting honor.

Mr. BRIDGES. Mr. President, in the death of our distinguished colleague, Alben Barkley, the American people have lost a devoted servant. His sudden and tragic passing has silenced a courageous voice and stilled a fighting heart.

I feel a deep and very personal sorrow in Senator Barkley's departure from our midst. Since I came to the Senate in 1937, I held a deep respect for him and considered him a true, personal friend. We differed many times on political and legislative issues, but in my experience here in Washington he has been fair on his approach to those differences. His vast experience in public life kept him close to the minor as well as the major problems facing the American people for close to a half century.

The life of Alben Barkley should serve as a model for America's boyhood. He was born of poor parents in a small log cabin, and he worked the soil to help his struggling family. He worked as a janitor to earn his way through college, and became a lawyer.

Since 1905, when he was elected a county prosecutor, he fought tirelessly for what he considered to be the welfare of the American people. He came to Congress in 1913, and during the intervening 43 years devoted his mind and his heart and his body to the Nation.

The Nation rewarded him in 1948 by electing him to the second highest office in the land—the Vice Presidency. Back in 1937 he was elected majority leader of the Senate, and for 11 years carried this tremendous burden on his shoulders.

The people of Kentucky gave to the American people a man of whom they could justly be proud. His actions, his words of wisdom, and his great sense of humor will long be remembered. I have a sincere sympathy for Mrs. Barkley in these sorrowful days, but she must be strengthened in her unfortunate loss by the fact that during his lifetime Alben Barkley made a tremendous contribution to the welfare of the Nation he loved so deeply.

Mr. President, at a regular meeting of the Republican policy committee of the Senate, on Tuesday, May 1, 1956, which was attended by a large number of other Republican Senators, the following resolution of sorrow was adopted unanimously, following which the policy committee adjourned out of respect to the memory of the late Senator from Kentucky:

The Republican Members of the Senate have learned with profound sorrow of the death of our beloved colleague, Alben Barkley, of Kentucky.

We have admired his outstanding capacity as one of the great leaders of his party; we have respected his great talent in debate; we have enjoyed his incomparable good humor and wit; but, above all, we have loved him for himself and for his unfailing courtesy and thoughtful consideration of each one of us.

We all extend to his wife and other members of his family our deepest sympathies and warm affection.

Mr. STENNIS. Mr. President, certainly on an occasion when tributes are offered to the memory of the late Alben Barkley every Senator would want to express his very strong, deep, and abiding sentiments. However, I find myself today among those who are not prepared to express my sentiments on short notice.

Mr. CLEMENTS. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. CLEMENTS. I can assure my friend from Mississippi—at least, I can, and a little earlier today, I did express my personal view—that a day will be set aside in the near future, after proper notice has been given, when Senators may offer their expressions of sympathy and tribute with respect not only to the distinguished former Vice President and distinguished former Member of the Senate who has passed on, but also at the same time may offer their expressions with reference to the distinguished former senior Senator from West Virginia, Mr. Kilgore.

I should think that some details with reference to the selection of a time which would be suitable to the members of the families of the deceased Senators would have to be arranged; but I may say to my friend from Mississippi that there are those of us who had such sentiments in our hearts and felt compelled to express them today.

Mr. STENNIS. I appreciate the assurance given by the distinguished Senator from Kentucky that a day for the offering of tributes to the memories of the deceased Senators will be set aside. I also fully appreciate the fact that today was an appropriate day for any Senator who felt prepared to do so to express his sentiments.

I am very glad to know, Mr. President, that an occasion will be afforded all Senators to pay tribute to the late, departed Alben Barkley, and also to our colleague, the Senator from West Virginia, Mr. Kilgore. I had thoughts of Senator Kilgore also on my mind and had intended to mention them. However, I am glad to learn that a day in memoriam will be set aside, after, as the acting majority leader has suggested, having consulted with the families of the deceased Senators.

Mr. MANSFIELD. Mr. President, I join with my colleagues in the Senate in expressing deep regret upon the passing of our late friend, the Senator from Kentucky, Mr. Barkley.

It has been a privilege for me to sit at Senator Barkley's right hand in the back row, because he has been very free with his advice; and to a younger Member of the Senate he, of course, has been an inspiration.

As a Member of the House and Senate, I have known Alben Barkley for 14 years. I think of him as a man of sterling integrity, wise counsel, and great ability. I know we shall miss him, and miss him deeply, because in addition to being a statesman, he was also a man of humor and profound understanding.

I feel quite certain that our late colleague is now serving in the ranks of those with whom he was associated. I am certain he is enjoying his true reward. No matter where Alben Barkley is, I am certain he will keep his eye on this Chamber and make sure, so far as he can, that we do a good job for the country and the free world.

Mr. HUMPHREY. Mr. President, like the Senator from Mississippi [Mr. STENNIS], at a later day, when the time has been set aside for the presentation of memorials to the late Senator from Kentucky, Mr. Barkley, and the late Senator from West Virginia, Mr. Kilgore, I shall, of course, want to participate.

But today we have been afforded an opportunity to say a few words about our beloved friend and colleague, that great American, the late Senator from Kentucky, Mr. Barkley, and I want to share in that opportunity.

It was my privilege to go to Paducah, Ky., and to attend the funeral service and last rites for Senator Barkley. Anyone who made that trip and witnessed the hundreds, yes thousands, of persons along the streets of the communities through which our train passed, would have recognized, again and again, the great love, affection, and admiration felt by the people of Kentucky for Senator Barkley. I was deeply moved by their demonstration of sorrow. I was particularly impressed when I saw the large numbers of young persons, including schoolchildren, in community after community, who watched reverently as our train moved along. Those young persons stood in respectful silence, paying mute tribute to the great leader and honored statesman from Kentucky.

The people of Paducah demonstrated their heartfelt affection for Alben Barkley. It was a touching and moving experience for those of us who were there to extend our sympathy to his family and friends.

Mr. President, Alben Barkley was a good friend of Minnesota, and the people of Minnesota loved him. He had been in our State many times, both on political business and on missions of civic participation. I recall his coming to Minnesota in 1948. I recall his visit to the Minneapolis Aquatenial celebration in 1949. I recall his visit to Duluth, Minn., in 1951. On other times, as Senator and as Vice President, he shared with us his profound knowledge of politics, and, above all, his qualities of kindness, understanding, and friendliness.

Alben Barkley lived life to the fullest extent. He had the privilege of knowing President Wilson as a friend and as an associate in government. He served during the most critical years of his country's history. That period included World War I and the postwar period of the 1920's. He was a stalwart figure in the Senate in the 1930's, the leader of many of the programs known as the New Deal, the right arm of Franklin Delano Roosevelt. In the second world war years his responsibility as majority leader was akain a testimonial to his qualities of statesmanship and patriotism.

In the postwar years after World War II, Senator Barkley had as much to do with formulating congressional policies relating to our foreign relations and foreign policy as had any other Member of Congress, and probably more than most.

His services as Vice President endeared him to everyone. I think it was a fine demonstration of respect for Alben Barkley when our present Vice President made it quite clear that the unique title of "Veep" was to be reserved only for Alben Barkley.

The Korean war period was a difficult one for all of us. Senator Barkley, then Vice President, rendered great service, by going to Korea and to Western Europe, strengthening our alliances, and promoting understanding everywhere he went.

Mr. President, this is but a thumbnail sketch of what many of us think and recall.

Senator Barkley's return to the Senate in 1955 could, I think, be described as the highlight of his career. Here was a man who had participated in all levels of government, legislative and executive, a man from the soil, a man from humble parentage. He could have rested on his laurels, but he wanted to come back to the Chamber that mean so much to him, and he came back in full health and spirit, wise, prudent, generous, and kindly.

The Senate is a better Senate because Alben Barkley was here. He will always be here.

I conclude, Mr. President, by saying one of the great privileges of public service is the opportunity to know men like

Alben Barkley. One of the finest honors which can come to anyone is to have one of the stature and character of Alben Barkley call him friend. I shall ever be grateful that it was my privilege to share in his friendship. America can be ever grateful that a man by the name of Alben Barkley lived and worked and died for his country.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point two editorials, one of which appeared in the Minneapolis Star and Tribune, and the other of which appeared in the St. Paul Pioneer Press and Dispatch, pertaining to the loss and the death of our beloved friend, the late Senator Barkley.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Star and Tribune]

THE VEEP IS GONE

Few persons in public life have been as widely loved as Alben Barkley. The reason is plain—few possessed the talent he had for tolerance, friendliness, courtesy, and good humor.

He was Vice President in a tense period, yet none of the often sharp charges and countercharges of those years originated with him or were directed at him. He was a stalwart party man, yet his personal charm and urbane oratory reached easily across party lines.

Politics treated him well and he treated politics well. He said he wanted to stay in the game the rest of his life—and so he did. Death no doubt came to him as he would have wished.

There is not with his passing the sense of loss of an irreplaceable figure in some great public issue. But Senator Barkley had even rarer qualities and the entire Nation grieves at the departure of a fine Kentucky gentleman.

[From the St. Paul Pioneer Press and Dispatch]

SENATOR BARKLEY

Only the American South can bring out a political career like that of Senator Barkley, and perhaps even there it will not be possible much longer. But only a personality with his combination of wisdom, humor, and strength could have made the particular kind of career in public life he did. He has died at 78 literally with his political boots on, and this is not much of a coincidence since he had them on most of the time.

His public life was for all practical purposes solely in Congress, since even when he was Vice President his real role was in the Senate over which he presided. His contributions were not those of great imagination in legislation, for no outstanding creations of statesmanship stand in his name. Neither was he any flaming crusader for causes. But he was a wise, warm, and witty gentleman whose fund of experience in the ways of Congress and Washington was not exceeded by that of any man of his time.

Even in other English-speaking countries, where the ins and outs of a two-party system are familiar, the Barkleys of American politics are somewhat of a marvel and enigma. History accounts for but fails logically to explain the paradox of the combination in a single party of northern liberals with southern conservatives—a combination which has had its troubles and is having them now but which nevertheless has persisted with astonishing smoothness for a long time.

The key to the riddle is personal, and Barkley and his politics are the best example. He was majority leader of the Senate during a time when his southern colleagues and the second administration of Roosevelt's New Deal were mostly at odds. No one would have predicted it would work out but by and large it did. Anywhere else that would have been politically the end of Barkley but in a sense it was just another beginning for him.

Senator Barkley is perhaps typical of American ability to make diversity on the grand scale come together in an acceptable national unity.

Mr. HUMPHREY. Mr. President, I am sure these editorials represent the affection and sympathy which the people of Minnesota had for Senator Barkley and for his family.

Mr. MORSE. Mr. President, one of the great statesmen in America's entire history fell when Alben Barkley died. In the hearts and in the affections of millions of his countrymen, Alben Barkley not only was Mr. Democrat, but he was Mr. America. And I would say that the greatest monument we can build to his memory is for each one of us to try to put into our living, the ideals and the aspirations and the spiritual values that dominated his life.

The Senator from Minnesota [Mr. HUMPHREY] has referred to the great tribute which was paid to Senator Barkley at his funeral in Paducah, Ky., when, as we drove the miles from the church to the cemetery, the roadway for the entire distance was lined with thousands of Americans who loved him. I was told children came great distances to stand in reverent respect to the memory of this great American. Many white and colored citizens of the great State of Kentucky were as one with bowed heads, as they paid their last respects to this fallen statesman.

Mr. President, I think one of the most beautiful eulogies I have ever had the privilege of hearing—and it is just as beautiful in the reading—is the one the Chaplain of the Senate paid Senator Barkley in the literary form of a magnificant prayer at the funeral service held at Foundry Methodist Church in Washington, D. C. It is such a fitting tribute and eulogy to this great statesman that, by association, I would make it mine, as my verbal tribute to Alben Barkley. It is a prayer the reading of which, in my judgment, will make us better men and women.

So, Mr. President, in all humility I read the Chaplain's great prayer:

O Thou Master of all good workmen: We come to Thy sanctuary this hour with a sense of poignant loss, vividly conscious of an empty place against the sky, at which our surprised eyes are staring, stunned, bewildered, and strangely moved. We sit together in the sadness of farewell as we mourn the sudden passing from our sight and side of one of the greatest of our national leaders—for there is a prince and a great man fallen. One of the Republic's best-loved sons—Thy servant across toiling years in all great and good causes—Alben W. Barkley.

From our partial, finite point of view, his State and the Nation, which he served with such unstinted devotion, are vastly poorer because his eloquent, passionate voice will be heard no more in its councils, on its platforms, and in its national forums. For us, there is an altered world since but a few hours ago he "went down in full armour," with unabated powers, having lived his strenuous years up to the hilt. He so numbered his days, applying his heart unto wisdom, because to him the whole earth was the house of the Lord, as echoed by the last phrase which fell from his lips.

And now we come in gratitude to think tenderly of one who occupied high office, and yet never stooped to low designs; who was greatly honored by his countrymen, but who ever put principle above pedestal; who was a partisan, with deep convictions, yet without a blind spot that cannot see the integrity of an opponent's position.

We exalt the memory this hour of one who walked with kings nor lost the common touch, who could remain silent under unjust attack—as he often did—exemplifying that "he who keepeth his own spirit is greater than he who taketh a city."

We think of one who with unbowed head and unembittered heart met life's losses, and who found constant fun in living, and who reveled in laughter; who loved folks more than fortune, and who was valiant as a knight of old, in righting wrongs and enthroning justice; and who counted it as a part of his religion to help see that his country was well governed.

While we mourn that we shall see his face no more, solemnize us by the uncertainty of our own working day. May we lengthen our brief span by intensity of living, filling swift hours with mighty deeds. If there is any kindness we can show, may we not neglect nor defer it—seeing that we pass this way but once.

And thus, at last, O Lord of the living and of the living dead, bring us all to the Homeland or Thine eternal love. We ask it through riches of grace in Christ Jesus our Lord. Amen.

Mr. MCNAMARA. Mr. President, as one whose life has been greatly enriched by Senator Barkley, I should like to be associated with the remarks of the Senator from Kentucky [Mr. CLEMENTS] and the other Members of the Senate who have spoken here today in memory of Senator Barkley.

I know that Senator Barkley had great admiration and personal respect for many of his colleagues in this body. He constantly referred to them as great Americans. I am sure that on Thursday, May 3, we laid to rest in his beloved State of Kentucky the greatest of these great Americans.

Mr. President, while I have the floor, on behalf of the junior Senator from Rhode Island [Mr. PASTORE], I ask unanimous consent that a statement prepared by him expressing his sentiments about the passing of the late Senator Barkley be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PASTORE

A seat of the mighty is truly vacant with the passing of a servant in the House of the Lord.

Alben Barkley was a servant, too, in the homes of his people. And his people were not limited to the loyal confines of the Kentucky to which he was devoted—nor to the limits of these United States to which he was dedicated. For his love and labor for neighbor touched the humble and the hopeless of the whole world, as his patriotic leadership accepted our responsibilities toward a world that would be free.

Alben Barkley was a servant, too, in the hearts of his colleagues. Each of us has his own debt of gratitude to the genial, generous statesman who will be at our call and counsel no more. We would strive to express our

sentiments in phrases simple enough to match the humility of our gracious companion in these halls—though our emotions seek to find the golden eloquence of words to measure the achievements of this worker and warrior for peace on earth and good will among men.

My personal indebtedness to Alben Barkley is partly in the written records of this body—his appointments to place and position—as he started a fledgling Senator toward increasing duties and distinctions.

But the true values of his inspiration are written where no other man can read—and where I could not and would not erase them—from the tablets of my heart.

To me the prize was not so much the position itself, but the evidence of the confidence of this great man in the possibilities of this new-come Senator—new come from beginnings as lowly as his own, but enflamed by the enthusiasms, the inspiration, the encouragement of this magnificent mind that could find time for this humble PASTORE, anxious to be a credit to his people and to the traditions of this position for which they had chosen him.

I dare to speak thus intimately here, because I know that in the experience of many of you are these same unforgettable memories of a good man and a great friend.

Indeed, his friendship seemed to be so personal a possession to us that we had forgotten—almost—that we shared it with countless thousands—yes, millions—who looked upon Alben Barkley as their friend.

It is one of the revelations of these days of sorrowful headlines that every sector of our country is eager to recall some local and intimate incident—some speech or visit—that so ties Alben Barkley to their relationship—that he is the common possession of our great land.

Kentucky claims him. Washington proclaims him. But every vale and hamlet from shore to shore possesses him. And well they might. For the record of his deeds is the creed of our country in the most critical era of its existence. Part of his will and testament to the American people is the tremendous social legislation of the thirties—sponsored and spearheaded in large measure by him—from ideals to actualities.

To the world at large his leadership of lend-lease and his work for the ratification of the United Nations Charter can never be omitted from any history which shall record the hopes of mankind.

All history will be the richer for the virtues, the voice and the vigor that have been such an influence through the perilous passages of this 20th century of ours. Volumes will be written on the worth and wit that sweetened the greetings and the meetings as men make contact with their priceless possession—the spoken word.

That hearty, happy voice is silent now. His mortality has found its journey's end and its journey's beginning. The magnolia-shaded spot is almost within arm's reach of the crossroads where the boy split fence rails to earn his education. He sleeps in the Kentucky earth of his boyhood—restfully, rightfully, forever—his home.

No man could compress into one volume or one speech the wealth of these 78 years of living for and giving to mankind.

And let no man dare to say that "finis" has been written to Alben Barkley's creed or deeds.

For they will survive and serve as long as we cherish our heritage from him—we who have been his beneficiaries; we who share the continuity of the responsibilities he has laid down.

His ideals will survive and serve as long as we, in our consciousness and conscience, are true to his example—his fellow servants in the house of the Lord God of hosts, guide and guardian of the destinies of our beloved land.

TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA

The PRESIDENT pro tempore. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

THE COTTON EXPORT PROGRAM

Mr. STENNIS. Mr. President, reports that the price of cotton under the new export program will be set at unrealistic levels are received with great disappointment. Cotton is faced with one of the most serious problems of our time. The gravest problem is the loss of our export market, which is expected to be less than 2 million bales for the current season. The loss of this important market is largely responsible for the all-time high record carry-over, which is expected to be 14.7 million bales on August 1, 1956. We have tried to solve our surplus problem by reducing acreage, thus causing a real sacrifice to all growers. Even with this sacrifice, the loss of our export market has resulted in continued increases in our surplus.

I have visualized the new export program which the Secretary announced on February 28, 1956, as a determined effort on the part of the administration to meet this critical situation by selling surplus cotton at competitive world prices, with the primary objective of regaining a fair share of the world market. If the first sale of 10,000 bales, made last week at a price of 27½ cents a pound, is permitted to become a minimum price floor for exports under the new program, it will be one of the most disappointing and serious setbacks for our agriculture program. This price is three or four cents a pound above prices of foreign cotton, and is only a few cents lower than the Government loan price for the 1956 crop. I understand that 26½ cents a pound would have sold 80,000 bales, and a slightly lower price would have sold 300,000 bales.

The regaining of a fair share of this market is very important to the actual existence of our cotton industry. Unless we move our surplus supply, which is the highest in history, our cotton program is doomed to failure. The loss of our export market has been largely responsible for the continuing reduction in cotton acreage allotments. While our cotton farmers have reduced their acres, in an effort to keep supply in line with demand, the foreign producers have expanded their production to such an extent that their production is within one and one-half to two million bales of supplying foreign demand.

World trade in cotton is already badly demoralized because of the uncertainties of United States policy, and has been at almost a standstill for the last year, awaiting a decision on United States plans. The setting of an export price floor at an unrealistic level of only a few cents under the announced loan price for the 1956 crop will cause greater confusion and uncertainties in world trade. If foreign price competition is not fully met under the new export program, its primary purpose will be defeated, and the net result will be a great dollar loss to the Government, without actually increasing exports.

The one thing we need most in our cotton program is a long-range export program which will restore confidence to our markets. Failure to recognize this, and failure to initiate a realistic program which will meet competition, will result in continued acreage controls at levels far too low to give our cotton farmers a fair standard of income.

If the administration fails to initiate a cotton-export program at competitive prices, I strongly believe that Congress should pass legislation directing the Secretary of Agriculture to undertake a competitive export program, that is realistic, and which will assist our farmers in regaining their lost export markets.

Mr. CLEMENTS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNAMARA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Without objection, it is so ordered.

ANALYSIS OF REPORT OF THE PRESIDENT'S COMMISSION ON VETERANS' PENSIONS AND ITS EFFECT ON THIS NATION'S HEROES

Mr. LANGER. Mr. President, I have prepared for delivery one of the most important speeches I have ever delivered. I ask unanimous consent that the speech be read by the clerk.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Is there objection to the request of the Senator from North Dakota? The Chair hears none, and the clerk may read.

The legislative clerk read the statement, as follows:

Mr. LANGER. Mr. President, pursuant to authority under Executive Order No. 10588, of January 14, 1955, a commission was created and directed to make a comprehensive study of the laws pertaining to pension, compensation, and nonmedical benefits for veterans and their dependents, and to make recommendations to the President regarding policies which should guide the provision of these benefits in the future. To pay the expenses of this Commission the sum of $300,000 was set aside by the Bureau of the Budget for the fiscal year ending June 30, 1956. The Commission was to be composed of a chairman and 6 members; was to make its final report to the President not later than November 1, 1955, and was to cease to exist 30 days later. In practice, however, the members were not commissioned by the President until March 5, 1955, and the committee

report was not submitted to the President until April of 1956.

I invite the attention of Members of this body to this document which has just come into my hands entitled "Report of the President's Commission on Veterans' Pensions," which consists of some 415 pages. I started to read this report with an open mind, thinking that probably recommendations were set forth for increases in pension, compensation, hospital, and other benefits, and I said to myself, "Well, it is about time."

Mr. President, I did not have to turn many pages before I realized that what I held in my hands was actually a signed and sealed death warrant for all veterans' benefits. Without any reservations whatsoever, I want Senators to know that, in my opinion, this is the cruelest, most cold-blooded, conscienceless, concerted effort to strip veterans and their dependents of their benefits that I have ever seen attempted in my long years of service in the Senate. The more I read the more shocked and enraged I became, and the question kept coming into my mind, "Who are these men who are making these harsh and heartless recommendations? Who are these men who have not the slightest conceren as to whether other men starve?"

My next step was to get a list of these humanitarian gentlemen on the President's commission. I want you, Mr. President, and all the other Members of this body to know the perpetuators of this outrage against the veteran class.

Well, Mr. President, I will start with Omar Bradley, retired General of the United States Army and Chairman of this Commission. Now, according to figures furnished me by the Department of Defense, this man, Omar Bradley, as a retired General of the United States Army, is in receipt of $1,076.40 per month as "retirement pay," plus $47.88 per month "subsistence allowance," plus $171 per month "rental allowance," plus $416.67 per month "personal money" allowance; or, in other words, Omar Bradley is drawing from the United States Government a total of $1,341.95 per month. In addition to that, Mr. President, Omar Bradley is presently employed as chairman of the board of the Bulova Research and Development Laboratories. You may be sure, Mr. President, that the General is well paid for his services in this capacity.

Mr. President, I ask myself over and over, "How is it possible, where is the conscience of the man who is drawing $1,341.95 per month in retirement benefits alone, to recommend and to urge that another fellow human being, totally disabled, whatever the cause, be deprived of his pitiful little pension of $66.15 per month?" And this amount, Mr. President, is the exact amount being paid to totally disabled veterans of World War I where the disability is held not to be service connected.

Mr. President, a case of this kind recently came into my office, and I am glad to remember that I was able to help this veteran perfect his claim, submit it to the Veterans' Administration, but I was sorry and grieved when the Administration adjudicated the claim and awarded him the stupendous sum of $66.15 per month. I want to make it perfectly clear that the Veterans' Administration was not at fault; there was no greater amount they could have awarded him under existing laws. In this case, Mr. President, this veteran was a veteran of World War I, World War II, and also a period of so-called peacetime service. I actually held in my hands his honorable discharge from each period of this service. He had undergone surgery, and the doctors had removed 90 percent of his stomach, and, in addition to that, he had suffered two serious heart attacks. His wife, a frail little woman, came over to the Capitol one day and, in her desperation, called me off the Senate floor to explain her husband's case. She was driving a taxicab on the streets of this city to support her husband. When the Veterans' Administration finally notified her husband that he had been granted this $66.15 per month, she was tearfully grateful, but I was just heartsick.

Mr. President, if these recommendations in the President's report are adopted this is the type of case which would be taken off the pension rolls. Has Gen. Omar Bradley ever tried to live on $66.15 per month? If not, I would suggest that he try it sometime. Then he would be in a much better position to write his report.

Make no mistake about it, Mr. President, although much of the report is couched in veiled language and much doubletalk, the plain fact of the matter is that all non-service-connected cases would come off the pension rolls and it would take an act of God to prove service connection. As it is now, from the minute a veteran files his claim, the whole burden of proof is on the veteran to prove his claim every step of the way.

Mr. President, one of the recommendations which strikes me as so ridiculous, if it were not so tragic, is the one recommending that the rating schedule be "revised by a group of qualified physicians, economists, sociologists, psychologists, and lawyers." As it is today, a veteran files claim, submits all available evidence to establish his entitlement, and the claim is decided by the rating board. Mr. President, can we not see the handwriting on the wall? What chance does the average man have, veteran or nonveteran, when confronted by qualified physicians, economists, sociologists, psychologists, and lawyers. If one class of these persons do not trip him up, the others are sure to. Why, if I were surrounded by all these experts, I would have trouble in proving my name is WILLIAM LANGER.

And now, Mr. President, let me give you the names of the other members of this Commission, as in my opinion, they are equally guilty, they are all partners in the crime of having concurred in this infamous report.

First, we have William Joseph Donovan, former United States Ambassador to Thailand. As a rule our Ambassadors are not poor men. Is Mr. Donovan the exception? Has he ever had to live on $66.15 per month? I hardly think so. Second, there is Clarence G. Adamy, field director of National Citizens Committee for Educational Television. Just what is Mr. Adamy's income per month? Well, you can be sure it is considerably more than $66.15 per month.

For a third member, we see the name of Mr. Paul Ramsey Hawley, presently a director of the American College of Surgeons and member of the board of directors of the Ohio National Life Insurance Co. It is inconceivable that this gentleman subsists on $66.15 per month.

The fourth member of this Commission is Mr. Martin David Jenkins, president of Morgan State College, of Baltimore, Md. Well, I happen to know that the salary of a college president is many, many times the sum of $66.15 per month. The fifth member is Mr. Theodore Scarborough Petersen, president of the Standard Oil Company of California, and that position, Mr. President, believe me, is a most lucrative one.

And finally we have Mr. John Spencer Thompson on the committee, who is a director and vice chairman of the board of the Mutual Benefit Life Insurance Co. That position, Mr. President, is no low-salaried job. These gentlemen very definitely, are not lacking any of the material necessities of life and I sincerely hope they never will. But, Mr. President, let us live and let live.

Mr. President, this report is based on the premise that "military service in time of war or peace should be treated as discharging an obligation of citizenship and not of itself as a basis for future Government benefits." This trite phrase and hackeneyed expression, is, in my opinion, an insult to all the veterans who have ever worn their country's uniform. I do not think for a moment that when these boys went into service and fought our battles, that they did so with the idea in mind of coming back home, becoming bums and loafers for the rest of their lives and claiming a veterans' pension. That is absurd. If I know the American soldier, the American veteran, he enlisted from a patriotic sense of duty and was proud to wear the American uniform. He met the enemy, fought, bled, was maimed, and finally died on foreign battlefields and any idea that he did so with the thought in mind of coming home to claim a pension is absurd. In fact, Mr. President, many parts of this report are ridiculous and silly.

Mr. President, let me just quote from another section of this report, which apparently, in the minds of its authors is the justification for taking veterans off the rolls, which says, "we should not commit future generations to obligations that we ourselves are unwilling to shoulder." That, Mr. President, is a nice phrase, but upon closer examination, it is simply silly. First, if these boys had not gone out and fought and died, there just would not be any future generations.

So far as this country is concerned, all time would have stood still and the enemy would have marched in and taken us over. Secondly, Mr. President, we are dealing with war, and if this generation can save the next generation from that awful experience, the very least the next generation can do is help pay the bills. Mr. President, I, too, have children and

grandchildren upon whom a fair share of this cost will fall and I am neither reluctant or afraid to have to have them help to pay—I would not have it any other way—I want them to pay. Why today, Spanish American war veterans and the heroes of World War I are helping to pay the cost of World War II, the Korean conflict and the prevention of world war III. So why should not future generations be committed? They are the gainers not the losers.

Mr. President, another section of this report which strikes me as humorous, is that section which says in effect that nothing is too good for the "service disabled," the Government should be "liberal, even generous." I keenly resent the use of that word "generous." In my opinion, this Government cannot be "generous" to those strong able-bodied young men whom it sent away with flags waving and bands playing and who have come back ill and maimed. This Government, no matter how great the monetary award, is only fulfilling its obligation.

But, Mr. President, even in the case of the service-connected disability, the Commission recommends that the rating schedule be revised, that existing presumptions be repealed in favor of medical diagnosis, that benefits be based upon length of service and rank, and many, many other ways which would make it increasingly difficult to prove service connection. In fact, if these recommendations should be adopted, only God could prove service connection. Mr. President, I surely hope none ever wants to be as generous as this to me.

And we come to the so-called non-service-connected veterans' cases. While, as I have said before, much of the report is in veiled language and doubletalk, where this type of case is concerned, the Commission says in plain English just what they hope to see done with this veteran class.

For the veteran and his dependents who cannot prove service connection, the report says in plain English that the Government should "shop" around and find out just where they can fit him or his dependents in. If possible, try to get him in under the old-age assistance program. If not eligible, then try social security; failing that, try any and all State agencies. Can he get a pittance from any State welfare agency? No. Does he have any relatives who could be prevailed upon to contribute to his support? No. Is there any available space for him in the local poorhouse? No. Then, the report reads, "the nonservice benefits should be limited to a minimum level and retained only as a reserve line of honorable protection for veterans whose means are shown to be inadequate and who fail to qualify for basic protection under the general old-age and survivors insurance system." In other words, Mr. President, after this veteran or his dependents have taken the paupers' oath, give him the minimum amount to keep his body and soul together. Incidentally, Mr. President, in this report concerning veterans' pensions, it seems to me that the word "minimum" is used in every other sentence. Never, never let a veteran get the "maximum" amount; always and forever, give him the "minimum" amount.

Mr. President, the gist of this report is that no pensions should be paid unless it be established that the disability was service connected and then make it next to impossible to prove service connection. All this, while we are giving billions of American dollars to these foreign enemies whom these boys fought.

If any American Congress would go along with these recommendations to take these veterans off the pension rolls, then the only lucky veterans are those who did not come back, those who are buried all over Europe and Asia, because those heroes will never know how their Government has betrayed them.

And now, Mr. President, what is my position as to these recommendations? Why have I taken the time of the Senate to go into such great detail as to this report?

Mr. President, my position in this matter is very simply stated.

If every other Member in this body has forgotten what these boys did for our country, I have not. If no one else is grateful to them, I am. Only because of their victories, am I able to stand here and address you today. Otherwise I might be in a slave-labor camp and millions of others with me.

Never as long as I am a Member of the United States Senate will I vote for any decrease in veterans' benefits. On the contrary, I will support all pending legislation for veterans' increases. Never as long as I am in the Senate will any of these recommendations be adopted, if it is within my power to prevent it.

And, finally, I call upon all veterans everywhere to defend their rights in this crisis.

Mr. President, in simple fairness to the Commission, I ask unanimous consent that the report itself be printed at this point in my remarks. I recommend its reading by every Member of the Senate.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE PRESIDENT'S COMMISSION ON VETERANS' PENSIONS

RECOMMENDATIONS

Guidelines for the future

1. Military service in time of war or peace should be treated as discharging an obligation of citizenship and not of itself as a basis for future Government benefits.

2. (a) Special veterans' benefits should be provided only for the significant requirements of veterans that arise directly out of their military service.

(b) The ordinary or nonservice-connected needs which veterans have in common with all citizens should be met wherever possible through the general welfare programs under which veterans are covered along with other people. Veterans' nonservice-connected benefits should be minimized and gradually eliminated.

3. (a) Service-connected benefits should be accorded the highest priority among the special programs for veterans. Service-connected compensation and related benefits should be liberal, even generous.

(b) Readjustment benefits have earned an important place among veterans' programs when properly devised and used. Timely assistance on a temporary basis to help wartime veterans become self-sufficient and productive members of society is an effective alternative to the backward-looking and less constructive old soldiers pensions. Temporary handicaps or needs, however, should not become the basis of permanent privileges or programs. The readjustment benefits should be limited to need arising directly from service and should cease after a reasonable period of time following separation.

(c) The non-service-connected benefits are the lowest priority among veterans' programs. Their justification is weak and their basic philosophy is backward looking rather than constructive. Our society has developed more equitable means of meeting most of the same needs and big strides are being made in closing remaining gaps. The non-service-connected benefits should be limited to a minimum level and retained only as a reserve line of honorable protection for veterans whose means are shown to be inadequate and who fail to qualify for basic protection under the general old-age and survivors insurance system.

4. The Government in general, and the executive branch in particular, should adopt a positive policy toward meeting fully and promptly the legitimate needs of veterans. This policy should have the aim of alleviating war-incurred handicaps of servicemen as early as possible after separation and helping them become productive and useful members of their communities. The provision of constructive and adequate readjustment benefits, as a rule, should discharge the Government's obligation to war veterans who have no service-connected disability.

5. The Government in general, and especially the Veterans' Administration, should develop and maintain a rounded research program so that basic comparative information on the economic and social conditions of veterans and nonveterans will always be available to the President, to the Congress, and to the public.

6. (a) The general principle of equal treatment for veterans with equal handicaps should be strictly followed.

(b) Benefits should be provided through the general compensation system in monetary form, and special additional lump-sum grants for particular groups should be avoided.

7. (a) In most veterans' benefit programs there appears to be no practical alternative to the existing practice of paying benefit rates which are uniform throughout the country.

(b) Geographical and industrial variations in money incomes, in wages, and in living standards, however, should be given serious consideration in determining what the national rate in the case of any benefit should be. The rate in any case should not be set so high that it will undermine incentives for productive activity.

(c) Another important consideration in setting the level of rates, particularly in the case of non-service-connected pensions, is the need for consistency between levels of benefits paid under the veterans' programs and those paid by other public programs which will fill a similar function.

8. Because the heaviest costs of veterans' pension legislation lie in the future, enactment of veterans' pension legislation should be preceded by a careful long-range look ahead to make sure that socially and financially unsound provisions are not adopted. We should not commit future generations to obligations that we ourselves are unwilling to shoulder. Excessive commitments might jeopardize the valid programs and in so doing deprive the aging veterans of compensation at a time when most needed.

9. As a Nation we should keep the whole range of our needs in perspective. We ought

to make sure that we meet the high priority service-connected needs of our veterans—and this is fully within our means and our volition as a Nation. However, it would be dangerous to overemphasize veterans' nonservice-connected benefit programs at the expense of essential national security and other general public programs.

Compensation for service-connected disabilities

10. (a) The Veterans' Administration schedule for rating disabilities should be revised thoroughly so that it will reflect up-to-date medical, economic, and social thinking with respect to rating and compensation of disability. This revision should be based on thorough factual studies by a broadly representative group of experts, including physicians, economists, sociologists, psychologists, and lawyers.

(b) The revised schedule should serve in the future as a guide for compensation in all cases. It should combine in a comprehensive scale with appropriate rates all the factors—economic, social, physical, and mental—which should be considered in determining compensation for various disabilities.

(1) The basic purpose of disability compensation is economic maintenance. The loss of earning capacity as the result of disability should therefore continue to be the primary factor in the determination of rating criteria.

(2) Human life, however, has values beyond the economic sphere. A loss of physical integrity which is not reflected in loss of earning capacity may still constitute a serious handicap. The rating schedule should, therefore, make allowance for purely physical impairment even though it is not manifested in economic impairment. Also, appropriate consideration should be given to factors resulting in social inadaptability. These factors, however, should be given much less weight than the economic element.

(3) Shortened life expectancy due to disability or impairmant of physical vitality may result in loss of earning capacity. It is appropriate, therefore, to reflect in the compensation scale some allowance for reduced longevity among disabled veterans providing it is held to modest weight and account is taken of the fact that liberal benefits for survivors are provided by the Government.

(c) The schedule recommended above would recognize loss of physical integrity in all cases where it would merit consideration. The objective should be to accord equal treatment to all individuals with disabilities of different kinds, but of equal severity. The present statutory awards, however, result in uneven treatment of individuals with disabilities of equal severity. Under the proposed comprehensive schedule, special awards would no longer be necessary for selected conditions since the loss of physical integrity would be one of the factors considered in the basic percentage rating scale.

(d) Intensive research on all phases of disability rating and compensation should be carried out on a continuing basis by the various agencies so that disability rating procedures and criteria would be kept up to date.

11. (a) The present basis of compensating disabled veterans for average impairment should be continued. No individual should be penalized for overcoming his handicaps, but in preparing the overall rating schedule, achievements of modern medicine, prosthetics, rehabilitation, and the changing nature of our economy need to be considered in establishing the criteria for the average case.

(b) The method followed since 1933 of rating disabilities on a scale with 10 gradations has proven reasonably satisfactory, but the fixing of compensation on a basis of 10 percent for each gradation leads to inequities. Comparatively speaking, veterans with minor disabilities receive too much and those with the most serious disabilities, too little. The rate of increase in compensation should be greater as the degree of disability increases. Accordingly, consideration should be given to determining the amount of compensation on the basis of a suitable curve instead of the present straight-line percentage basis.

(c) Experience with the present scale of compensation based on averages indicates that it is difficult to provide equitably for the needs of those in the 100-percent-disability group unless administrative discretion is permitted in individual cases. Veterans requiring care and attendance, in particular, should be provided separate additional allowance in several gradations, depending upon the extent of helplessness, except where they are hospitalized or domiciled in Veterans' Administration facilities.

12. (a) Special consideration should be given to disabilities rated at 10 and 20 percent to determine whether significant economic impairment exists.

(b) Consideration should be given to discharge of the Government's obligation in static cases rated at 10 and 20 percent by an appropriate lump-sum or short-term settlement.

13. (a) A rebuttable presumption of sound condition upon entry into service is acceptable as a "base line" and should be retained.

(b) The presumption of service connection for chronic diseases, tropical diseases, psychoses, tuberculosis, and multiple sclerosis as now listed should be withdrawn.

There is otherwise in the law sufficient protection for the veteran to establish service connection of any and all diseases. Accepted medical principles can reasonably and accurately establish the onset of a disease and the disability process. Where there is reasonable doubt, the law provides for the doubt to be resolved in favor of the veteran.

14. (a) The rates for service-connected disability compensation should be geared to the prevailing average national earnings by some representative group of workers. The actual rates paid should be reviewed every 2 years and adjusted to conform with this standard if measurable change has occurred.

(b) The rate of compensation payable to veterans who are actually totally disabled should be two-thirds of the average earnings in the base series selected to serve as the standard. Rates for partially disabled veterans should be set in appropriate proportion to the 100-percent rate.

15. (a) In view of the rapid and continuing growth of Federal disability benefits, a prompt effort should be made at an appropriate level in the executive branch to develop common standards for evaluation of disability and compensation under the several programs.

(b) Provision should be made to prevent duplicate benefit payments for the same disability. When an additional disability occurs, consideration should be given to prorating benefits between programs in proportion to the respective responsibilities.

16. Now that there is legislation providing reservists with rights and benefits comparable to those provided Regular members of the Armed Forces, there is no longer reason to continue coverage for reservists under the Federal Employees Compensation Act. Disability as well as death coverage for reservists under this act should be repealed and any gaps in coverage which might result thereby should be appropriately filled by changes in the laws applicable to military personnel and veterans.

17. (a) An intensive review of the process of handling disabled ex-servicemen and veterans should be made with a view to developing procedures which will take full advantage of modern-day concepts of rehabilitation.

(b) All veterans placed on the compensation rolls should receive prompt counseling as to the rehabilitation services that may be available to them, through either Veterans' Administration or the Federal-State rehabilitation programs, and of the results that may be achieved.

(c) Reasonable medical or surgical treatment should be required as a condition precedent to the payment of compensation.

18. (a) The duplication of disability benefits coverage under the military retirement program and the Veterans' Administration disability compensation system which has existed since 1949 is costly and not in accord with principles of good Government organization.

(b) An intensive study should be made, under the guidance of the Cabinet subcommittee recommended in a later chapter, with a view to eliminating duplication of administrative functions and establishing common standards.

Service-connected survivor benefits, including insurance

19. A more compact and simple system of survivor benefits for military personnel and veterans is essential. One that is better adapted to individual needs would be an advantage to the serviceman and the Government.

20. A small lump-sum payment at the time of death, with monthly payments thereafter, is the best combination of benefits for survivors. In keeping with the idea that survivor payments represent a community sharing of the risk in a public enterprise, the monthly payments should be limited to those who were dependent upon the deceased, or who would have been dependent if he had lived.

21. This Commission strongly approves of the system of survivor benefits that would be established by H. R. 7089, as it would in large measure correct serious deficiencies in the existing situation.

22. For the present, benefits to the widow should continue to be made without a showing of dependency, but that whenever legally possible, benefits paid at public expense should terminate upon remarriage. Payments to parents should require a showing of actual dependency or the nearest statutory equivalent that is administratively practicable.

23. That the amounts paid to the survivors after the death of a veteran should be consistent with the amounts paid to a totally disabled veteran.

24. The total of the survivors' payments from all Government sources should not exceed the military pay of the deceased, except when the death occurs in one of the lower enlisted grades. For this purpose the military pay should be considered as including the value of food, clothing, shelter, etc., that may be furnished in addition to the cash pay and allowances.

25. That no special grants be made in addition to the regular scale of survivor benefits.

26. That the Veterans' Administration's death compensation be paid only to the survivors of members or former members of the Armed Forces who die from service-connected causes. The Commission feels that adequate benefits for civilian groups are necessary, but that such benefits should be provided through separate laws not administered by the Veterans' Administration.

27. That active military service be credited as employment under the old-age and survivors insurance.

28. That the Government pay the employer tax for military service in the future that is credited under OASI; also, that the Government pay all cost of the special eligibility provisions recommended for military personnel under OASI, i. e., immediate coverage for survivor benefits and the waiver of the 5-year requirement for the disability freeze.

29. That the Government reimburse the OASI fund for any benefit payments based on military service after September 15, 1940, and before the date when the Government and military personnel begin to pay the regular OASI tax on current service; such reimbursement to be made over a reasonable period of time.

30. The Government contribution on account of the military service of any person should be the same amount in dollars, whether the service is credited under the Social Security Act or the Railroad Retirement Act. It is recommended that the Government contribution for all military service be paid initially into the social-security fund. If and when a claim is approved by the Railroad Retirement Board for benefits based on military service, the Government contribution and the contribution of the individual, if any, should then be transferred to the railroad retirement fund, together with interest thereon. No person should receive credit at Government expense under both the Social Security and the Railroad Retirement Acts for the same military service. These recommendations apply both to service in the future and in the past. It is understood that these recommendations would require a refund of part of the amounts previously appropriated by the Government to the railroad retirement account.

31. That the monthly amount of death compensation be related to the military pay of the decreased, within limits.

32. The existing standards for dependency for Veterans' Administration compensation benefits to parents should be brought more into line with standards applied to the living serviceman. Dependency should be based on total income, including income that could reasonably be produced by property owned, and the income that could be obtained from other children reasonably obligated to provide support.

33. That survivor payments to parents be terminated upon remarriage, except where both persons are at an advanced age.

34. In the interest of equitable treatment among different categories of survivors and of a lasting solution to the problem of survivor benefits, provision should be made for offsetting any Government life insurance as well as indemnity payments in cases where the new and higher dependency and indemity compensation benefits are to be paid. This offset should apply not only in cases now on the rolls but also to future deaths. If the insurance is not paid, the beneficiary should receive the reserve value of the policy.

35. That Government life insurance be issued to servicemen upon termination of active service only if they have a service-connected disability that will prevent them from obtaining commercial life insurance at standard rates.

36. That, whenever legally possible, the premium rates for Government life insurance include a charge to cover the administrative costs.

37. That the interest rate allowed on Government life insurance trust funds be the average rate on long-term marketable United States obligations.

38. Future issues of Government life insurance should be on a nonparticipating basis.

39. That the right to convert existing term insurance to a level-premium policy form be extended for a limited period to all persons who do not now have it. All means of publicity and persuasion should be used to obtain conversion of as many of the term insurance policies as possible.

40. Benefits under the Uniformed Services Contingency Option Act and those under the Veterans' Administration death compensation program should be coordinated. If H. R. 7089 becomes law, steps should be taken to eliminate the unpredictability now inherent in the Contingency Option Act benefits and to make them more attractive to personnel on active duty. Consideration should also be given to reopening for a limited time elections to the Contingency Option Act benefits on the new basis to persons who are retired as well as to those who have already elected benefits.

Readjustment benefits for war veterans: the program as a whole

41. In case of future conflicts which lead to readjustment benefit programs for war veterans, full and careful attention should be given to adjusting such programs to fit the conditions existing at that time. Benefits should be consistent with veterans' needs, but current economic conditions and probable economic effects should also be taken into account. Since conditions differ, there is no sound reason for giving exactly the same package of benefits to each new group of veterans merely because it was given to a former group.

42. (a) In developing readjustment benefit programs for veterans of possible future conflicts, the following basic principles should be applied as fully as possible, taking into account the specific economic conditions that exist, the level and nature of mobilization, and the characteristics of the veterans affected.

(b) Readjustment benefits should assist the individual veteran in meeting specific problems which result from his service in the Armed Forces or from conditions affecting his return to civilian life. A variety of benefits will be needed because individual problems will differ.

Provision of a varied range of benefits does not mean, however, that there should be benefits for everyone. Except for mustering-out pay at separation, no contribution to readjustment is made by providing benefits that do not actually contribute to readjustment, simply to assure that every veteran will receive something. Varied benefits should be available, not with the expectation that each will be used by all, but to assure that each major transitional problem that may affect a sizable number of individuals is provided for.

(c) Readjustment benefits should be used during the period in which the veteran is reestablishing himself in civilian life. Benefits that are used after this readjustment is completed are not, in any real sense, readjustment benefits; and benefits that are available over too long a period many actually discourage the veteran from taking steps, or making decisions, which are needed for his readjustment.

(d) The length of the readjustment period may differ from one benefit to another. While the time limit for use of various benefits should differ, each should be available only during the period in which the veteran has distinctive problems relating to his transitional needs. In general, special unemployment benefits for veterans are justifiable only during a relatively short period after discharge, and should cease as soon as the veteran has had a reasonable opportunity to acquire rights under the regular unemployment insurance system. Effective use of education and training benefits may require a longer period, and the possibility of using loan benefits may not exist until after the veteran has solved more pressing problems covered by other benefits.

(e) The adequacy of the overall adjustment benefit program is measured not by the actual use of benefits by a given veteran, but by the fact that a comprehensive range of possible benefits is made available to him. Both the veteran who needs little assistance and the one who needs several types of aid are adequately served if benefits suited to their needs are at their disposal.

(f) A readjustment benefit program should include adequate safeguards to assure that the benefits actually serve a bona fide readjustment purpose. Such safeguards should not be carried to the point where they deprive the veteran of a reasonable freedom of choice, but that freedom should be exercised within limits which assure value received, in terms of the veteran's immediate needs or future progress. The exact nature of such safeguards will differ from program to program, and can best be discussed in connection with specific readjustment benefits.

(g) The level of benefits, and the amount of assistance potentially available, should be adequate but not excessive. Benefits should meet the real readjustment needs of veterans, but not be so generous that the veteran is encouraged to use benefits solely for the income they provide. Benefit levels should be in line with those of similar programs serving the general public.

Review and appraisal of the major readjustment benefit programs

43. (a) Unemployment compensation benefits should be included in any program of readjustment benefits for war veterans. Such benefits should be based on the same standards of eligibility and disqualification that apply to nonveterans covered by the Federal-State employment security program.

(b) The present program for Korean conflict veterans represents a satisfactory general pattern for providing such benefits, and the maximum duration of benefits should not be substantially greater than the 26-week period available under Public Law 550. In general, the level of benefits under the veterans' program should be substantially similar to that under programs for nonveterans. Benefit rights under State laws should be taken into account, and any separate benefits for veterans should supplement, rather than supplant, State benefits.

(c) If peacetime servicemen have been brought under a general unemployment compensation program like that now available for Federal employees, a special separate benefit for war veterans will probably not be needed, since such veterans will already have rights as servicemen. Any additional benefits for war veterans should then be provided only if special conditions, not now foreseeable, exist at the time of demobilization.

(d) Unemployment compensation benefits should be in addition to, and not in place of, suitable provision for mustering-out pay—which all war veterans should receive to meet immediate needs that exists for the employed and unemployed alike.

44. The following recommendations are offered as guidelines in the event that at some future time a program of educational benefits for veterans or ex-servicemen is established:

(a) The program should be planned in advance by Federal, State, and local agencies, on a cooperative basis, with due attention to the number of ex-servicemen expected to enter the program and to the kinds of training they may need.

(b) The approval of education and training establishments and institutions for participation in the program should be vested in the appropriate State agencies, under federally established standards. The Federal agency should have the authority to disapprove institutions or courses of training where such standards are not met. However, if State agencies are provided adequate reimbursement for performing their functions, and if the sound relationships characteristic of most Federal-State educational programs are established, Federal disapproval would rarely, if ever, be necessary.

(c) While the ex-servicemen should be free to elect any reasonable occupational objective or enroll in any course of study at approved institutions, such election, and any change of course, should be preceded by adequate counseling. In principle, guidance

and counseling should be mandatory, not permissive, although it is recognized that in a large program it may be difficult to obtain enough qualified counselors.

(d) For those who are demobilized immediately after a period of military conflict, the period for initiating training should be limited to 2 years after discharge from service, except as special circumstances such as prolonged hospitalization may warrant an extension. However, servicemen who reenlist for one additional enlistment should be enabled to use their educational benefits after one such reenlistment.

(e) The elimination of the separate tuition payment in the Korean program was done in order to curtail overcharging on the part of proprietary schools and to avoid problems in reimbursable low tuition public colleges on a cost basis. This appears to have been a sound decision and the present arrangement is working well. For any future program of educational benefits, the decision as to the method of reimbursement should be made in the light of experience under Public Law 346 and Public Law 550 as well as the conditions prevailing at such future time.

(f) For those engaged half time or more in formal education or training, appropriate levels of subsistence allowance should be provided.

(g) No subsistence allowance should be provided to those who are engaged less than half time in formal training or to those engaged essentially full time in paid employment or self-employment, even though they may incidentally be receiving such training as was provided in the on-the-job and on-the-farm programs.

45. (a) The program for World War II veterans should be transferred to the Federal Housing Administration. In order to avoid a last-minute rush and allow an orderly termination of the program the benefits should be extended and gradually decreased over a 2-year period.

(b) Legislation should be enacted to transfer the guaranty or insurance of home loans for Korean-conflict veterans to the Federal Housing Administration under provisions consistent with the National Housing Act. The following provisions also should be included:

(1) Veterans' preferences as to terms should be retained for the present. However, as the end of the period of eligibility approaches, these terms should be gradually changed until they are identical to the terms available to the general population.

(2) The veteran should be given both a sales contract in which plans and specifications are set forth and a builder's warranty of at least 1 year's duration which, in addition to securing general conformance with specifications, should fully protect the veteran against substantial defects in equipment and construction.

46. (a) The reemployment-rights program fills a positive function in assisting ex-servicemen to return to employment. Inconsistencies in the statute should be clarified and resources augmented.

(b) The Commission believes that veterans' preference in entering civil service and the special appeals procedure for veterans should be provided for a limited period after discharge (say 5 years), but should not continue for nondisabled veterans after a reasonable period for readjustment has been provided. There is no justification for special retention rights for nondisabled veterans, beyond crediting toward length of service the time spent in the Armed Forces during wartime. For veterans with a significant compensable service-connected disability, a permanent preference both in hiring and retention seems justifiable, since their disability may put them at a disadvantage both in obtaining and retaining jobs. Such permanent preference should not be given, however, to those with only minor disabilities—certainly not to those with less than 30-percent ratings.

Benefits for peacetime ex-servicemen

47. The Veterans' Administration should continue to provide disability and death compensation benefits for peacetime servicemen, and the rates payable should be the same as to those who served in wartime.

48. (a) Vocational rehabilitation as well as physical rehabilitation is essential in a well-rounded program for the treatment of the disabled. The Government should make adequate provision to meet the vocational rehabilitation needs of disabled peacetime ex-servicemen in order to assist them in preparing for and finding suitable employment.

(b) These disabled ex-servicemen should be served on a priority basis in their local communities through the Federal-State vocational rehabilitation program. Services required in their rehabilitation should be provided without reference to financial need. The Federal Government should reimburse the States for 100 percent of the cost of the necessary services, and these services should be fully adequate to insure the vocational adjustment of these individuals.

(c) Emphasis in this program should be placed upon the treatment of the whole man, and the initiation of rehabilitation services, including vocational training, at as early a date following disablement as is feasible. This requires that the various agencies concerned in any way with the disabled ex-serviceman, including the Department of Defense, the Veterans' Administration, and the Federal-State rehabilitation agencies, should develop the relationships which will insure a coordinated approach and a continuity to the rehabilitation of the individual and his restoration to employment by the most effective methods known.

49. As discussed in another part of the Commission's report, the Government should continue to provide insurance to veterans with service-connected disabilities which prevent them from obtaining commercial life insurance at standard rates, but the insurance for nondisabled veterans should be discontinued for future entrants. These same recommendations should apply to peacetime ex-servicemen as well as to wartime veterans.

50. Under the more normal conditions now prevailing in the economy, there appears to be no need for special mustering-out payments to ex-servicemen.

51. Reemployment rights provided by existing laws should be maintained as long as compulsory military service exists.

52. While priority in referrals to job openings does not appear to be necessary for peacetime ex-servicemen, special attention should be given to employment counseling and similar services for this group.

53. Unemployment insurance coverage should be extended to peacetime service in the Armed Forces along the lines of the protection now provided for Federal civilian employees. For this purpose the wage base should recognize the full or "gross pay" of military personnel.

54. (a) Under present conditions of military service the degree of interruption of the educational process incurred by peacetime ex-servicemen does not warrant special programs of educational benefits.

(b) Educational benefits for ex-servicemen should not be used, on a long-term basis, as a means for meeting national educational needs. The broader national interest in adequate education, particularly at the higher levels, should be considered on a general basis which will take into account the abilities and needs of all young people, including ex-servicemen. Qualified ex-servicemen competing for Government scholarships, under any future general programs of educational assistance, might properly be given a reasonable preference to offset the handicap they would have in competing with civilians with more recent academic work. Factual data collected by the Commisison in its study of special veterans' programs may prove of value to agencies considering our general educational needs, such as the President's Committee on Education Beyond the High School.

55. It is recommended that no special loan benefits be made available for peacetime ex-servicemen.

56. Non-service-connected pensions should not be provided for peacetime ex-servicemen.

Non-service-connected pensions

57. In keeping with the foregoing considerations and in line with the broader principles outlined in an earlier chapter, it is recommended that:

(e) Since OASI has become the basic income maintenance program for all the people of this country, the Government should rely upon it to the greatest possible extent in providing income maintenance benefits against the common hazards of life to veterans as well as to nonveterans.

(b) The veterans' non-service-connected pension program should be retained as a separate program which can continue to serve as a "reserve line of economic defense" for war veterans and dependents of veterans until such time as their minimum income requirements are met through the basic OASI program or through any other source of regular income available to them.

(c) The benefit and eligibility provision under the veterans' pension program should be coordinated with those of the OASI program so that overlapping and duplication of benefits will be avoided.

(d) The Federal-State public assistance program should continue to serve in its residual role in individual instances where the veteran's pension and other resources may not be adequate or may be unavailable, and provision should be made to preclude denial or suspension of a veteran's pension by reason of supplementary income from public assistance.

58. (a) The provisions of the veterans' pension laws should be adjusted to fit the pension benefits into a pattern consistent with benefits provided under OASI.

(b) Coordination between the Veterans' Administration pension program and OASI program should be accomplished by a method whereby benefits paid under these two programs will be brought into a proper relationship which will be maintained in the future even though elements of one or the other are changed from time to time.

(c) There are several possible ways to achieve satisfactory coordination between the Veterans' Administration pension and OASI benefits. The simplest method is to keep the two programs separate as at present but to modify the eligibility requirements under the Veterans' Administration pension program so that they will more realistically reflect actual need, and so that the income limitations treat all income, including OASI payments but not the public assistance benefits, as resources. This will assure that veterans or dependents of veterans who draw a substantial OASI benefit will not be entitled to pensions while those otherwise eligible who are not covered by OASI or whose minimum needs are not fully met can fall back on Veterans' Administration pensions.

59. (a) Within the veterans' pension system the objective should be to meet first needs first, providing assistance to those who require it most in terms of commonly accepted standards of need, and to encourage maximum reliance on their capacity for self-support.

(b) The Government guaranty of a floor of income to pensionable veterans and their dependents should be restricted to minimum needs varying to a limited extent with family obligations and subject to such maximum

amounts as will meet these needs for most pensioners.

(c) The pension rates should be in line with the Federal-State public assistance standards which apply to most of the population and should be adjusted from time to time to maintain this relationship.

(d) Keeping in mind the basic role and the contributory character of the OASI program, veterans' pension benefits should not exceed average benefits which will be paid under OASI when it reaches reasonable maturity.

(e) At present, a monthly pension of $70 for a veteran pensioner alone and $105 for a veteran with a dependent wife would appear to fulfill these criteria. Benefit levels for veterans in need of regular care, and for survivors of veterans should be established in accordance with their comparative needs.

(f) All pension benefits should be reduced in full by the amount of family income from any source, except income from work or public assistance. Income from work which is not in excess of $100 per year should not reduce the pension. Additional work income should reduce benefits by some practical formula, such as by $50 for each $100 earned. With earnings large enough to reduce the amount of pension to less than $50 for any year, a pension should no longer be payable for that year.

(g) Four persent of a pensioner's assets in excess of $10,000 should be considered as part of his annual income unless income to this extent from such assets has already been included as a resource. However, capital gains from the sale of a home or business should not be counted as income if used to purchase new quarters.

60. (a) The test of impairment at ages 65 to 70 should be made more realistic by requiring at least at 30-percent disability. However, those found individually unemployable despite a lesser disability might be put in the roll in recognition of special circumstances, as is done now, with the changes in procedure recommended below.

(b) To actual tests of employability should add a more constructive note to the present procedure.

(1) Pension applicants should be required to register with the State Employment Service. The fulfillment of this requirement should be attested by a statement from the veteran's employment representative that efforts made to place the applicant have not been successful.

(2) Applicants for pensions at ages below 55 and those aged 55 or over who claim to be unemployable due to a disability which is of lesser degree than that required for a pension at their age, should be referred to the Federal-State Vocational Rehabilitation Service. Only if the Rehabilitation Service declares the veteran is unable to overcome his impairment and the employment service certifies its inability to place him, should the veteran be put on the pension roll.

(c) At age 70, any disability requirement should be dispensed with and unemployability as such be considered sufficient to establish eligibility for pensions, subject to the income test.

61. (a) Survivors' pensions should be available to the widow and/or children of any deceased eligible war veteran who are in presumptive need because their total family income falls below the amount fixed by the Government provided that—

(1) A widow, to be eligible, must (a) not have remarried, and (b) have a dependent child in her care, or have attained age 65, or be permanently and totally disabled or otherwise unemployable as certified by the State employment service; and

(2) A widow must have been married to the veteran at least 1 year prior to his death in order to qualify for benefits.

(b) The income standards for payment of pension benefits to survivors should be governed by the same type of formula recommended earlier for pensions to veterans.

62. Any changes in the pension program which the Congress may enact or which the administration may adopt in consequence of recommendations made by this Commission should be applied to veterans or dependents now on the pension rolls after a delay of 1 year. Individual exceptions on grounds of hardship might be authorized by the Administrator of Veterans' Affairs.

Discharge requirements for veterans' benefits

63. An undesirable discharge for an enlisted man and discharge under other than honorable conditions for an officer should render the veteran ineligible for benefits based upon the period of service from which he was so discharged, except for transportation to his home or place of entry into military service. If, however, he has suffered a service-connected disability under circumstances unrelated to the discharge, the obligation of the Government should include necessary hospitalization by the Veterans' Administration and disability compensation.

64. (a) A bad-conduct discharge, whether imposed by a general or a special court-martial, should render a veteran ineligible for any benefits based upon the period of service from which so discharged.

(b) A veteran receiving either an undesirable or a bad-conduct discharge should be furnished transportation in kind to his home or place of entry into the military service.

65. A thorough study should be made with respect to what, if any, compensation, pension, or similar payment should be made to veterans while receiving hospital or domiciliary care at public expense or while incarcerated in penal institutions.

Administration

66. (a) The President should clarify the mission of the Administrator of Veterans' Affairs to reflect positive responsibility for comprehensive program analysis and long-range policy development, including the function of advice to the President.

(b) The Administrator's personal staff should be augmented to include the highest caliber professional advisers in such fields as economics, statistics, public administration, and sociology.

(c) Research and statistical resources of the Veterans' Administration departments should be strengthened. Qualified personnel should be available in larger numbers within the departments to assist in program review, analysis, and planning.

67. (a) Serious consideration should be given to making the Administrator of Veterans' Affairs a member of the Cabinet. In any event, the President should establish a Cabinet Subcommittee on Veterans' Affairs, with the Administrator of Veterans' Affairs as a special member. This subcommittee should have representation from all departments concerned with veterans' and related programs.

(b) Augmented fact-gathering facilities of the Veterans' Administration—as recommended above—should furnish consistent data needed by the Congress, the President, and other executive agencies for policy decisions.

(c) Professional program-analysis resources of the Bureau of the Budget in the veterans' field should serve as the continuing focal point for assimilation of factual data on a governmentwide basis.

68. (a) Additional limitations should be placed on the authority of the Administrator of Veterans' Affairs by more precise requirements and definitions.

(b) The rules to be promulgated by the Administrator in large matters affecting eligibility of veterans for benefits or involving changes in program objectives should be made subject to advance notice to and advance review by appropriate agencies of the Government.

69. There should be no change in the finality of decisions by the Administrator of Veterans' Affairs but he should make provision for the central administrative review (or its equivalent on a semidecentralized basis) of all decisions by field boards. After such review claimants should have the same rights, as at present, to be heard by the Board of Veterans' Appeals.

THE COMMISSION'S GENERAL FINDINGS

The Commission found—

1. Veterans' programs are on the whole meeting veterans' needs effectively.

2. Veterans as a group are in better circumstances than nonveterans.

3. Basic conditions affecting veterans' benefits have greatly changed in the last several decades:

The number of veterans has increased to 22 million, and with their families they will soon be half of the population;

Conditions of military service have improved;

Changes in the nature of warfare are making the old concept of "veterans" obsolete;

New and effective readjustment benefits have been developed to help veterans immediately after discharge;

New general social-security programs are increasingly meeting the economic security needs of veterans as well as nonveterans.

4. Present veterans' programs are not a "system." They have grown up piecemeal over many years.

5. There is no consistent national philosophy regarding veterans' benefits. The nature and extent of the Government's obligation to war veterans has never been clearly defined.

6. There is need for positive leadership on veterans' programs and policies, and for better coordination, both in the Veterans' Administration and in the executive branch generally. This is especially true with respect to utilization of the Government's total resources in meeting the needs of veterans, and correspondingly, in fitting special veterans' programs into a pattern consistent with the more general programs.

THE COMMISSION'S GENERAL RECOMMENDATIONS

The Commission recommends our national policy on veterans' benefits be based on the following guiding principles:

1. Military service is an obligation of citizenship. It should not in itself be considered a basis for special privilege and benefits.

2. Veterans' benefits are a means of equalizing significant sacrifices that may result directly from military service.

3. The Government should adopt a positive policy of meeting fully and promptly the needs of veterans resulting from service.

4. Service-connected death or disability benefits should be accorded the highest priority. Readjustment needs are almost equal in importance. Veterans' non-service-connected needs should be met when possible through programs for the general population; the non-service-connected veterans' programs retained only to meet minimum needs not covered by general programs.

5. Veterans with equal handicaps should have equal treatment.

6. Benefits for veterans with similar needs should, in most programs, be uniform throughout the country.

7. We must bear our own responsibilities. We should not burden a future generation with obligations we ourselves are not willing to shoulder.

8. We should keep the whole range of our national needs in perspective, so our veterans' programs will be in balance with each other and with other general programs.

9. Our national veterans' policy should be developed in the open forum of public discussion. The people should be given complete factual information on the economic and social status of veterans and their needs.

COMPENSATION FOR SERVICE-CONNECTED DISABILITY

The Commission found—

1. The Veterans' Administration compensation system is working fairly well but needs revision to bring it up to date.

2. The schedule for rating disabilities has not been thoroughly revised since 1945.

3. Statutory awards (e. g., extra amounts for amputees) result in unequal treatment of veterans with equal degrees of disability.

4. Present compensation rates tend to under pay the totally disabled and to favor the less disabled.

5. The levels of compensation have not been geared to prevailing standards of living.

6. Certain diseases are arbitrarily determined by law to be service-connected for one or more years after the veteran leaves the service.

7. The standards for disability evaluation among Federal agencies differ, as does the interpretation of these standards.

8. Rehabilitation offers the greatest promise to the disabled but present programs lack coordination.

9. A serious overlap between the Veterans' Administration disability compensation and disability retirement programs of the armed services.

The Commission recommends—

1. The system should be thoroughly revised to incorporate latest advances in medical science and rehabilitation technique.

2. The rating schedule should be revised by a group of qualified physicians, economists, sociologists, psychologists, and lawyers.

3. A single comprehensive rating schedule based primarily upon average impairment of earning capacity but with allowance for loss of physical integrity, social inadaptability, and shortened life expectancy.

4. The rate of compensation should be relatively greater as the severity of disability increases.

5. Compensation benefits should be based on the average earnings of a representative group of workers and adjusted periodically.

6. Existing "presumptions" should be repealed in favor of medical diagnosis, since present laws otherwise adequately protect the veteran.

7. Disability criteria among Federal programs should be standardized.

8. Procedures should be developed to take advantage of modern-day concepts of rehabilitation in assisting return of disabled veterans and servicemen to useful life.

9. A study to eliminate duplication of effort and establish common standards.

SERVICE-CONNECTED SURVIVOR BENEFITS AND GOVERNMENT INSURANCE

The Commission found—

1. Present survivor benefits are complex and inequitable:

Four Federal agencies administer six different programs.

Benefits are inadequate in some cases; excessive in others.

The period during which indemnity payments are made in inflexible.

Payments are made in some cases to nondependents.

Social security coverage is on a temporary basis.

2. Some of the existing Veterans' Administration term insurance is not convertible. This will cause many veterans to drop their insurance in later years.

3. The Uniformed Services Contingency Option Act and veterans' laws do not enable retired military personnel to provide definite and certain amounts of survivor protection for their families.

The Commssion—

1. Strongly endorses the improvements embodied in the pending Hardy bill (H. R. 7089).

2. Recommends that conversion to permanent policies be allowed for a limited period.

3. Recommends that the Contingency Option Act benefits be coordinated with those provided by the Veterans' Administration so a definite amount of protection can be elected and paid for on a predictable basis.

READJUSTMENT BENEFITS

The Commission found—

1. Readjustment benefits are a dramatic improvement over earlier backward-looking pension and bonus benefits because:

Help is given when it is needed most;

The amount of aid is fitted to individual needs;

The aid is constructive and of lasting value.

2. World War II veterans, as a group, have successfully reestablished themselves in civilian life.

3. Benefits were often misused or ineffective under the original World War II GI bill because safeguards and standards were inadequate. Considerable improvements were made in the Korean GI bill.

4. The Veterans' Administration loan guaranty program has helped many veterans buy homes, but its advantages are largely offset by increased costs from discounts, poor construction, and VA–FHA duplication.

5. Education and training benefits for Korean veterans are essentially sound, but there are some problems that should be avoided in any future program.

The Commission recommends—

1. Adequate readjustment benefits should be the primary method of meeting the Government's obligation to nondisabled veterans.

2. The Government's future policy be based on the premise that GI bill benefits substantially discharged the Government's obligation to nondisabled veterans.

3. Future programs should provide for:

Proper safeguards to limit use of benefits to bona fide readjustment purposes;

Benefit levels geared to those in general programs;

Use of agencies administering similar general programs whenever possible.

4. Responsibility for veterans' home loans should be transferred to Federal Housing Administration to eliminate duplication and permit more orderly termination of the program.

5. Future training programs should provide for:

Vocational guidance and counseling for all;

A 2-year limit for entering training;

No subsistence allowance for those employed full time.

NON-SERVICE-CONNECTED PENSIONS

The Commission found—

1. Veterans' non-service-connected pensions came into being a century before the country had general social-welfare programs.

2. The veterans' pension program overlaps the basic social security program—Old-Age and Survivors Insurance—established in 1935.

3. The present veterans' pension program is not geared to meeting needs:

Income limits are too high;

Income limits operate on an "all-or-nothing" basis;

Some benefits are inadequate for those in genuine need.

4. Disability and employability standards for veterans are unrealistic in that—

A 10-percent disability at age 65 is rated as "total";

Unemployability is established without attempts at placement or rehabilitation.

5. Eligibility standards for widows and children are not geared to need and are discriminatory among survivors of different wars.

6. Standards regarding simultaneously payment of public assistance and veterans' pensions are not clear.

The Commission recommends—

1. The main purpose of veterans' pensions should be to provide assistance to those in need.

2. Veterans' pension benefits should be coordinated with the general social security benefits:

Veterans' pensions should become a "reserve line of defense" to OASI, the basic social insurance program.

Coordination should be achieved by setting realistic minimum income standards for pensioners and offsetting other income, including OASI benefits, against the pension.

3. Veterans' pensions should stress assistance to those who are in greatest need:

Pension levels should be based on public assistance standards and should be consistent with OASI.

Deductions from income should be on a sliding scale, with only a partial offset for earned income.

4. Disability and employability standards should be strengthened:

Up to age 70 a 30-percent minimum disability should be required.

Unemployability should be confirmed by referral to State Employment and Vocational Rehabilitation Services.

5. Survivor pensions should be available to all veterans' families which are in equal need; and the eligibility standards should be brought in line with OASI.

6. Payment of public assistance to those receiving veterans' pensions should not disqualify the pensioner, so veterans with special needs can obtain supplementary assistance.

BENEFITS FOR PEACETIME EX-SERVICEMEN

The Commission found—

1. Persons entering the Armed Forces since January 31, 1955, are eligible for Veterans' Administration disability compensation and related benefits but not for the GI bill benefits.

2. Maintenance of Armed Forces at present level will mean an annual turnover of 700,000—one-third draftees—and 26 million living peacetime ex-servicemen by the year 2000.

3. Peacetime military service, unlike service in wartime, can be foreseen and planned for.

4. Service today is better paid and provides training and experience useful in civilian life.

5. The interruption and handicap from peacetime military service is not sufficient to require substantial readjustment assistance.

The Commission recommends—

1. That the following benefits be provided for peacetime ex-servicemen:

Service-connected disability and death compensation at wartime rates;

Vocational rehabilitation for service-connected disabilities through the Federal-State programs;

Insurance for those with significant service-connected disabilities;

Reemployment rights as provided by existing laws;

Unemployment compensation, through State programs, like that provided Federal civilian employees.

2. That the following special benefits not be extended to peacetime ex-servicemen:

Mustering-out pay;

Loan guaranty benefits;

Non-service-connected pensions;

Education and training benefits (if a national educational program is considered necessary, it should be on a general basis and fill the needs of all qualified young people, including ex-servicemen).

ADMINISTRATION

The Commission found need for—

1. Broader outlook in the Veterans' Administration—and greater responsibility on the Administrator.

2. More top-level professional advisers for the Administrator.

3. More facts on the status of veterans and on the effectiveness of veterans' programs.
4. Governmentwide coordination between veterans' programs and general programs.
5. Some restraints on the Administrator's broad authority.
6. Greater uniformity and safeguards for the Government in Veterans' Administration claims adjudication.
7. Simplification of the extremely numerous and complex veterans' laws and regulations.

The Commission recommends—

1. Redefinition of the Administrator's mission to include responsibility for program analysis, long-range policy, and positive advice to the President.
2. Additions to the Administrator's professional staff.
3. Strengthening of Veterans' Administration facilities for research and analysis on veterans' matters.
4. A cabinet subcommittee on veterans' affairs, and consideration of cabinet status for the Administrator.
5. More specific standards in legislation and advance review of important Veterans' Administration actions by appropriate Government agencies.
6. Central review of decisions of Veterans' Administration field boards.
7. Simplification and codification of veterans' laws with corresponding simplification of regulations.

MENACE TO MIGRATORY BIRDS

Mr. HAYDEN. Mr. President, this is a time when all those throughout the United States who are interested should become fully aware of a menace which could result in a vast reduction in the number of migratory wild fowl. The Migratory Bird Treaty made with Great Britain in 1916 could in effect be abrogated, and the 1918 act of Congress to enforce the protective terms of that treaty, which the Supreme Court declared to be in conformity with the Constitution in 1920, will become null and void if the proposed Dirksen-Bricker amendment, now on the Senate Calendar, becomes a part of the Constitution.

To recite some history of which I have personal knowledge, due to the length of my service in the Congress, let me say that in 1913, because of the widespread alarm among groups organized in the United States to prevent the extinction of wildlife, Congress passed a Migratory Bird Act. The Senate committee which conducted hearings on the subject received testimony from game commissioners and other officials representing 43 of the 48 States of the Union attesting to the urgent need for adequate Federal protection of migratory birds. Subsequently, the Supreme Court, by a 3-to-3 vote with 3 members ill or absent, could reach no conclusion as to whether Congress had legislative power to prevent the extermination of this bounty of nature on a piecemeal basis within the several States.

The problem of saving the migratory birds from complete destruction, however, was a matter of genuine concern to all those groups interested in the protection of wildlife in the United States. The Senate, therefore, in 1913, adopted a resolution requesting President Wilson to propose the negotiation of a treaty between the British and American Governments to insure the protection of migratory birds flying between the United States and Canada. Such a treaty was negotiated and ratified in 1916, and Congress in 1918 enacted a law providing for the enforcement of the protective provisions of that treaty. The Supreme Court in 1920, sustaining a circuit court decision, held this arrangement to be constitutional in the Migratory Bird case, Missouri against Holland.

This decision was hailed throughout the country as a great victory for conservation. According to many eminent constitutional lawyers, it simply held that the consummation of the Migratory Bird Treaty was no more than a constitutional exercise of the treatymaking power of the United States, which had a common interest with Canada in the preservation of the birds that migrated over their territories. The treatymaking power, it may be pointed out, has always extended to those subjects which were fitting and proper, and no more infringed upon the reserved rights of the States than do those treaties which, for example, cover the succession of real property for aliens, the problem of multiple taxation, and the control of narcotics.

The one question of supreme importance to conservationists remains: How will the newly reported version of the Bricker amendment—now termed the Dirksen substitute—affect our migratory bird treaties with other countries? As the senior Senator from Missouri [Mr. HENNINGS], a most able lawyer, has stated in his individual views:

> The proponents of the Dirksen amendment have not made plain, either in the majority report or in their public statements, what the Dirksen amendment will or will not do. They have even failed to assure the country in explicit terms that under the Dirksen amendment the Supreme Court's vital decision in the case of *Missouri* v. *Holland* will not be trampled under foot.

The new version reads:

> A provision of a treaty or other international agreement which conflicts with "any provision of" this Constitution shall not be of any force or effect.

My primary concern is the meaning of the words I have quoted: "any provision of." There are several long-established rules of construction applicable to the Constitution. One rule is that every word must be given its due force and appropriate meaning. A second rule is that the entire Constitution must be construed as a whole, and all provisions are deemed of equal validity. In other words, it has been a practice, which the Supreme Court has long followed, that constitutional provisions must be harmonized, if possible; that the power granted by one provision of the Constitution will not be used to destroy another vested by the same instrument. Finally, when the meaning is ambiguous or unclear the courts will always look into the historical origin of the constitutional provision and the debates attending its adoption.

From the beginning, one of the main objectives of many proponents of the Bricker amendment has been the reversal of the principles of the migratory-bird case, either by an expansion of the 10th amendment, which reserves to the States and the people those powers not delegated to the Federal Government, or by limiting the application of the supremacy clause in article VI, section 2, or both. This was the reason for the so-called "which" clause that was deleted by the Senate in 1954. In direct answer to my questioning, the senior Senator from Ohio [Mr. BRICKER] said on the floor of the Senate on February 17, 1954, that the "which" clause would reverse Missouri against Holland, this being the intention of the clause.

At present, a properly negotiated treaty will stand up in court when the subject is a proper and legitimate matter for treatymaking. The test is the treaty's harmony with the provisions of the Constitution taken as a whole. Under the Dirksen-Bricker proposal the words "any provision of" will not permit a reconciliation of the whole, nor will they permit provisions to be deemed of equal validity.

As proposed in its present form, the amendment will accomplish, I fear, the announced purpose expressed by the Bricker amendment proponents of reversing the decision in the migratory-bird case. There is good reason to believe that it will prevent the Federal Government from continuing to give force and effect to the treaties now in effect with Canada and Mexico for the protection of migratory wildlife. This should be a matter of intense interest and concern to the sportsmen and conservationists of our country.

It might be well also to point out that in passing the Submerged Lands Act of 1953, Congress extended the jurisdiction of the seaboard States generally 3 miles to sea, and of the Great Lakes States to the international boundary, and vested title and management of most of the natural resources therein in the States. This act gave the States bordering the ocean and the lakes exclusive control in these areas. It will be of extreme concern to many persons who are interested in the protection of our natural resources to learn the effect of the Dirksen-Bricker proposal as it relates to treaties entered into to protect the harvests of the sea—the marine and plant life in these and adjacent areas. The question immediately arises, Will the Government of the United States be precluded from protecting the interests of the people of the United States as a whole in these offshore waters?

I hope those organizations interested in the protection of wildlife and other natural resources will have their legal counsel or their members who are attorneys carefully study these questions. The future of their efforts to protect and conserve our wildlife resources may be in the balance.

But for the enactment and Federal enforcement of the Migratory Bird Act of 1918 there would now be very little duck hunting in the United States. Actual experience having fully demonstrated that the individual States could not prevent the destruction of migratory wildlife, it became imperative that control be assumed by the Nation. If the Supreme Court decision in Missouri against Holland, declaring the 1918 act to be in

conformity with the Constitution, is to be reversed by the adoption of the Dirksen-Bricker amendment, all control over hunting will be transferred back to the States.

With the States in control, what will become of the Federal wildlife refuges devoted to the protection of this game? Will the States assume the burden of expenditures for the maintenance of these projects now financed from revenue obtained from the sale of Federal duck stamps? The only existing exception to the rule that money gathered by taxes shall be deposited in the Federal Treasury and not devoted to any special use is in the Duck Stamp Act. The money received from the sale of duck stamps is devoted solely and exclusively to the protection of migratory birds. More than $4 million a year is collected in that way at the rate of $2 each from more than 2 million persons who are interested in hunting. Will the Federal Government continue this worthy program under the Duck Stamp Act and the Migratory Bird Conservation Act, should the States obtain jurisdiction over migratory waterfowl.

Because they are deliberately written, the words in committee reports are considered by all Federal courts to be the best authority to determine the intent of Congress. That it was the clear intent of the old Bricker amendment to nullify the 1920 Supreme Court decision is definitely indicated in the 1953 committee report by no less than 13 references to Missouri against Holland. The same intent is still evident by four citations to Missouri against Holland in the 1956 committee report on the Dirksen-Bricker amendment.

It has been argued that the 1918 Migratory Bird Act could be sustained by an elastic construction of the commerce clause of the Constitution. However, it must be remembered that the 1913 act was held to be unconstitutional in 4 published opinions of lower courts largely on this point: *U. S.* v. *Shauver* ((1914) 214 F. 154); *U. S.* v. *McCullagh* ((1915) 221 F. 283); *State* v. *McCullagh* ((1915) 96 Kan. 786); and *State* v. *Sawyer* ((1915) 113 Me. 458). It was the Shauver case that was argued in the Supreme Court, then ordered reargued, ostensibly because of the inability of the Justices to agree, and finally dismissed on motion of the Solicitor General on January 7, 1919 (248 U. S. 594). Prior to that motion, according to Edwin Borchard, who at that time was Librarian of the Supreme Court, Chief Justice White engaged him to make an exhaustive study of the law, from the time of the Romans, in an effort to show that the Federal Government possessed some specific power of regulation. After several months of exhaustive study, Borchard concluded that the States were the repositories of the power "since by no possibility could this migratory resource be called interstate commerce, which depends on acts of men."

Nothing can be in either interstate or foreign commerce unless it is capable of being sent from one place to another by some person who has control over it. Who is the person who can tell a wild duck when to fly from Canada to the United States, and, if it remains alive, when to return to Canada and where to make its nest when it gets there? Who can become the consignee or the consignor of a wild goose?

There is no other basis under the Constitution for the Federal Government to enact and to exercise the necessary authority to enforce the migratory bird laws except through the power to make treaties. The adoption of the Dirksen-Bricker amendment will destroy that power; consequently, those interested in maintaining unimpaired the Migratory Bird Act of 1918 and all that it stands for should give serious consideration to the effect of any such change in the Constitution.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had passed, without amendment, the following bills of the Senate:

S. 419. An act for the relief of Eli E. Hood;

S. 637. An act to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes;

S. 885. An act for the relief of Alice Elizabeth Marjoribanks;

S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.; and

S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 70) to extend greetings to the Sudan.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1835. An act for the relief of the Board of Commissioners of Sedgwick County, Kans.;

H. R. 1989. An act for the relief of George D. Hopper;

H. R. 2338. An act for the relief of Charles F. Bullette;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

H. R. 2924. An act for the relief of David J. Daze;

H. R. 3638. An act for the relief of Joseph H. Washburn;

H. R. 3639. An act for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs;

H. R. 3725. An act for the relief of Herman F. Gierke, Jr.;

H. R. 3975. An act for the relief of the Reverend Boniface Lucci, O. S. B.;

H. R. 4902. An act for the relief of Martin F. Kendrigan;

H. R. 5787. An act to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service hospital, Carville, La.;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 7583. An act for the relief of Mary Viola Jones; and

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 2736) for the relief of Roy M. Butcher.

The message further announced that the House had agreed to the amendments of the Senate to the concurrent resolution (H. Con. Res. 202) favoring the granting of the status of permanent residence of certain aliens.

TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

Mr. McNAMARA. Mr. President, I shall make my remarks on the transit bill as brief as possible, because I think altogether too much time has elapsed without a conclusion to this matter. Furthermore, there is not a great deal of time left in which to act.

The District of Columbia transit situation is of no great interest to my constituents in Michigan, nor to the constituents of all but a very few of my Senate colleagues. Yet, it is a matter we must all be concerned with, because the Congress has been charged with the responsibility of being the top governing body of the District. We have tried, unsuccessfully, to place this obligation and responsibility where it belongs, with the people of Washington. I sincerely hope the day will soon come when the District will have home rule. Until that day comes, however, we have the duty of seeing that Washington has a good transportation system.

The bill we are considering today—the Washington Metropolitan Transit Act—is in effect a step toward home rule for the District. Under it, the Congress would place the responsibility for the transit system in the hands of the District government.

This bill is not a sudden whim. It was developed after a careful study of all the factors involved and after hearing the recommendations of the interested parties.

It would create, initially, a public authority to take over and operate Washington's public transportation. I say "initially" because the intent of this bill is to give the District government every opportunity eventually to turn the transit system over to a responsible private operator. However, should no private proposal be deemed acceptable by the District Commissioners within a period of 3 years, then the public authority would become permanent.

I personally am in favor of a private company or group operating the transportation facilities in Washington. Unlike many other large cities, where industry and other factors create peaks and valleys in the passenger volume, Washington has a relatively steady demand, and seasonal increases and declines in volume can be more accurately forecast. I firmly believe that a private operator could make a go of the Washington

transit system and realize a fair profit while providing good, cheap transportation to the District citizens.

Despite an initial lack of success by the District Commissioners in the search for private operators, the Senate District Committee did not want to close the door to sound proposals which may be offered in the future. Thus, the bill proposes a 3-year interim public authority.

Let me sketch briefly the history of—and the reasons for—the bill we have before us today.

For several years prior to 1953, the Senate District Committee received numerous complaints as to the service, fare structure, and other aspects of the Capital Transit Co.

These complaints led to Senate Resolution 140, which was adopted by the Senate on July 28, 1953. The result of this resolution was Report No. 1274, a concise and thorough study of the transit situation presented by the able junior Senator from Maine [Mr. PAYNE]. This report pointed up very clearly that Capital Transit, under the hands of the Louis Wolfson group, was not serving its patrons as a responsible transit company should.

One paragraph of this report is notable. It states:

> The general managerial attitude of the Wolfson group toward the programs previously discussed in this section and their public statements clearly indicate that they place their own private financial interests above those of the public in their operation of Capital Transit Co. This attitude has give credibility to the widespread public belief that the Wolfson group is "milking" the Capital Transit Co. preparatory to dumping the system on the Government. Whether this is the intent of the group the subcommittee cannot, of course, conclusively determine; but there are strong indications that this well may be their ultimate goal.

The report concluded that no illegal actions were discovered on the part of Wolfson or his associates. But it added that the "general managerial attitude of the Wolfson group was contrary to the managerial attitude which should be held by the operators of a public transportation company."

In June 1955, the District Subcommittee on Public Health, Education, Welfare, and Safety began hearings on possible ways to avert a threatened strike against Capital Transit. These hearings, on the labor matters as well as the entire operation of Capital Transit, continued during the strike which began July 1. On August 14, 1955, while the strike was still in progress, Public Law 389—84th Congress—was approved, repealing the Capital Transit charter 1 year hence. Thus, it was the feeling of Congress at that time that the Wolfson group could not serve the best interests of the Washington public.

Following that, on August 22, the District Public Utilities Commission issued an invitation to all private parties interested in providing a transit system for Washington to submit their proposals. Altogether, some six proposals were subsequently weighed and found lacking by the District Commissioners.

Finally, on January 30, 1956, the District Commissioners submitted a bill, S. 3073, which was introduced by request. This bill would have created a permanent public authority. Hearings began almost immediately and continued through last month.

These hearings produced the feeling among the members of the Subcommittee on Public Health, Education, Welfare, and Safety that the bill had serious inadequacies. Principal among these was the fact that the door would be closed to future proposals for private operation. Under the subcommittee's direction, an amended bill was prepared which would create an interim public authority to insure a public transit system for the people of Washington after August 14. There would be a 3-year period during which the Commissioners could sell the system to responsible private parties.

A great deal of time and effort has gone into this bill. I particularly want to thank the members of my subcommittee, the senior Senator from Oregon [Mr. MORSE], and the junior Senator from New Jersey [Mr. CASE] for their splendid cooperation and diligence, and our committee chairman, the senior Senator from West Virginia [Mr. NEELY]. The committee staff has performed yeoman service.

I firmly believe this bill is a good one; it is sound; it will provide Washington with a transportation system on August 15. Under it, we live up to our obligations to the people of Washington, while placing future responsibility for the transit system where it belongs—with the District government.

I urge prompt passage of this bill.

I call attention to the fact that a copy of the bill and a copy of the report are on the desk of each Senator. I shall be glad to try to answer questions in connection with the bill at this time.

Mr. MORSE. Mr. President, on July 30, 1955, when S. 2576, a bill to repeal the transit franchise, was passed by the Senate, I made a statement in support of the repeal of the franchise of the Capital Transit Co. The bill became Public Law 389 on August 14, 1955. Nothing has occurred nor has anyone presented me with information since that date to change my position in regard to such repeal.

HISTORY OF LEGISLATION ON CAPITAL TRANSIT

Prior to enactment of Public Law 389, the Subcommittee on Public Health, Education, Welfare, and Safety of the Committee on the District of Columbia, of which I am a member, held extensive hearings on Capital Transit Co. matters.

Mr. President, at this time I wish to pay my very sincere compliments to the Senator from Michigan [Mr. MCNAMARA] and the Senator from New Jersey [Mr. CASE], the other two members of the subcommittee, for the dedicated service which they rendered the United States Senate and the people of the District of Columbia in the processing of the bill through the committee hearings.

I also wish to pay my sincere compliments to the members of the full Committee on the District of Columbia for the great amount of time and careful attention which they have given to the bill which is now before the Senate.

I feel certain that I need not point out to Senators that service on the Committee on the District of Columbia is not one of the more thrilling jobs which Members of the Senate have to perform; but it is an important assignment. It is important because of the vested interests of the Federal Government and of the people of the country in the affairs of the District of Columbia. I think the members of the Senate Committee on the District of Columbia are deserving of the sincere appreciation of all Members of the Senate for the public service which they have rendered in connection with the proposed transit legislation.

Mr. President, I am proud to stand on the floor of the Senate today in support of a bill which has strong bipartisan support in the Committee on the District of Columbia, and also has the support of some past members of the Committee on the District of Columbia, who have never lost an interest in the work of our committee. I refer, first to a former chairman of the committee, the distinguished junior Senator from South Dakota [Mr. CASE]. I observe the junior Senator from South Dakota on the floor, so he can close his ears for a moment while I say—and I speak in behalf of my colleagues on the committee—that whenever some particularly knotty problem comes before the committee, we go to the junior Senator from South Dakota and lean heavily upon his experience as a past chairman of the committee. From time to time, as problems have arisen, he has given us some very sage advice, including, by the way, advice on the transit problem.

Also, I see on the floor of the Senate at this moment the distinguished junior Senator from Maine [Mr. PAYNE], who a couple of years ago was the chairman of the so-called Payne subcommittee of the Committee on the District of Columbia. That was a subcommittee which conducted prolonged hearings into the transit problems. The Payne report is so up to date that it does not even need to have a punctuation mark changed today, because what the Senator from Maine brought forth in his report in regard to the transit problem of the District of Columbia is just as apropros today as it was on the day he wrote the report.

Since the enactment of Public Law 389 the full Committee and its subcommittee have held further hearings on what has transpired from the date of adjournment of the 1st session of the 84th Congress to the present time. Included in the hearings of both committees were thorough explorations of the attempt of the District of Columbia Commissioners and the Public Utilities Commission to procure private operators to take over and operate a mass transit system for the District of Columbia.

On August 22, 1955, the District of Columbia Public Utilities Commission issued an invitation for interested applicants to submit proposals to furnish an all-bus mass transit service commencing August 15, 1956, to replace the mass transit service furnished until that date

by the Capital Transit Co. Prospective applicants were assured by the Board of Commissioners and the Public Utilities Commission that both bodies would recommend to the Congress that a legislative franchise be granted to the successful applicant. They also indicated that recommendations would be made for certain tax exemptions and relief from the cost of snow removal.

The Committee was advised that six applications were received by the Public Utilities Commission, and detailed conferences were held with each. The Committee was further advised that none of the applicants met the requirements considered essential for the issuance of a permit and no further proposals by private enterprise have been submitted to date.

At this point, Mr. President, I ask unanimous consent to have inserted in the RECORD a copy of the invitation that was issued by the Public Utilities Commission to the various applicants, setting forth the necessary requirements.

There being no objection, the text of the invitation was ordered to be printed in the RECORD, as follows:

INVITATION TO SUBMIT APPLICATIONS FOR PUBLIC TRANSIT SYSTEM

PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA,
August 22, 1955.

Applications are invited to furnish all-bus mass transit service in the District of Columbia (and minor contiguous areas) commencing August 15, 1956, to replace the mass transit service furnished until August 14, 1956, by the Capital Transit Co. street railway and bus system. Applicants must be prepared to furnish all of the property, facilities, equipment, and services that will be required to provide the mass transit service. There is no requirement to purchase any part of the property, facilities, or equipment of the Capital Transit Co.

Statistical, economic, engineering, financial, and other data which may be of assistance in evaluating the prospects for mass transit operations in the District of Columbia are available to all interested parties at the Office of the Public Utilities Commission, District Building, 14th and E Streets NW., Washington, D. C.

Applications will be received by the Public Utilities Commission of the District of Columbia at the office of the executive secretary of the Commission, Room 201, District Building, 14th and E Streets NW., Washington, D. C., until 10 a. m., Monday, October 10, 1955.

Each application should present the management experience in transportation operations; proposed method of financing; number, type, and size of buses; general administrative and maintenance plan; routes; schedules, proposed fare structure; estimated cost of operation, estimated gross revenue; and estimated net income.

After such public hearings as may be deemed advisable by the Public Utilities Commission, the Commission will determine the successful applicant and will grant to said applicant, as soon as practicable, a permit to provide mass transit service commencing August 15, 1956. As soon as possible after the convening of the 2d session of the 84th Congress in January 1956, the District of Columbia Board of Commissioners and the Public Utilities Commission will join in recommending to said Congress the granting of an appropriate legislative franchise.

The Public Utilities Commission reserves the right to reject any or all applications or to accept any application which it deems for the best interests of the District of Columbia.

PUBLIC UTILITIES COMMISSION,
GEORGE E. C. HAYES,
Chairman.
ROBERT M. WESTON,
Commissioner.
T. A. LANE,
Engineer Commissioner.

Mr. MORSE. Mr. President, in view of the fact that the applicants could not meet the essential requirements, the Commissioners and the Public Utilities Commission submitted to the chairman of the committee a draft bill to establish a Washington Metropolitan Transit Authority. This bill was introduced on January 30, 1956, by the Senator from West Virginia [Mr. NEELY] by request.

After due deliberation by the subcommittee and the full committee, it was decided to amend the bill so as to create such an Authority consisting of the Commissioners of the District of Columbia for an interim period of 3 years. The committee is hopeful that by adopting legislation of this type, private enterprise will come forward during the 3-year period. This public body corporate would render passenger transportation service in the District of Columbia to replace the service formerly provided by the Capital Transit Co.

PURPOSES OF S. 3073

The further purposes of the bill, S. 3073, are set forth in Report No. 1791, which I wish to quote for the information of the Senate:

The Authority is given the exclusive right to provide mass transportation service in the District of Columbia, except for franchise rights of passenger carriers (other than Capital Transit Co.) existing on the date of the enactment of this act. The bill provides further that the Authority may operate within the metropolitan area. However, it may not commence nor conduct operations in interstate commerce in competition with the then existing operations of any other system, except such operations as are conducted by the Capital Transit Co. on the date of enactment of this act. The Authority would be permitted to operate intrastate within the portion of the Washington metropolitan area beyond the District only if authorized by the jurisdictions concerned.

The Authority would have power to acquire, construct, own, operate, and maintain for public service a transportation system or systems in the Washington metropolitan area, and to provide service at reasonable rates for the residents of such area. In carrying out its duties, the Authority would have the power of eminent domain in the District of Columbia, and also in other parts of the metropolitan area if permitted by the respective States.

The bill also authorizes the sale of such transportation system or systems to a private operator if, during the 3-year interim period, a sound proposal for private ownership is submitted to the Authority which would provide the residents of the Washington metropolitan area with an adequate and efficient transit service. The Commissioners must report to the Congress on or before June 30, 1958, what steps have been taken to sell the property of the Authority and, if not sold, the reasons why, in their opinion, such a sale has not been effectuated.

Provision is also made that in the event private interests do not acquire the transportation system or systems during the interim period, then the existence of the public body corporate shall continue and the Commissioners of the District of Columbia on and after October 1, 1959, are authorized to appoint a Board of Directors of the Authority to consist of five members.

The Authority is granted broad powers to establish and manage an effective transportation system in accordance with sound business practices. It is exempted from laws and regulations which are designed for normal governmental functions but are too restrictive for an operation of this type.

In order to provide interim financing for the Authority, the Board of Commissioners is authorized to any time prior to July 1, 1960, to issue interest-bearing obligations of the District of Columbia for purchase by the Secretary of Treasury in an amount not to exceed $20 million. At the end of the 3-year interim period, if no private purchaser has been found for the system or systems, the Authority would be financed through the sale of its revenue bonds to the public or other instruments of its own credit, and would not be empowered to pledge the credit of the United States or of the District of Columbia. It is contemplated that the initial operations would be financed through the use of the $20 million Government loan, and that this loan would be paid with the proceeds of the sale of such system or systems to private enterprise or with the proceeds of the sale of revenue bonds to the public.

The Authority would be self-regulating in the establishment of schedules, routings, and changes therein, conditions of service, and in setting fares or other fees for service, except in respect to the intrastate operations outside the District of Columbia.

The Authority is directed to establish a suitable organization and to make its own provisions, with certain limitations, for the terms of employment and compensation of its officers and employees, including the power to bargain collectively and, in case of dispute of wages, salaries, hours, working conditions, health and welfare, insurance, or pension, or retirement, where collective bargaining and mediation do not result in agreement, the Authority may agree to submit such dispute to a tripartite board of arbitration.

The bill provides that if the Authority acquires a transportation system in operation by a public utility, all of the employees in the operating and maintenance divisions of such transit utility, and all other employees except corporate officers, shall be offered transfer and appointment as employees of the Authority up to the maximum number required.

The Authority is not clothed with Government immunity, but is subject to suit, with the provision that notice of injury or damage to persons or property must be given to the Board within 6 months after the alleged occurrence.

The Authority is given the power to issue regulations governing the use of its properties and to set limited penalties for enforcement thereof. It is authorized to initiate investigations into matters relating to its activities.

I also wish to call the attention of the Senate to the section-by-section analysis beginning on page 4 of the committee report, which explains the detailed provisions of the bill.

DIVIDEND POLICY OF THE CAPITAL TRANSIT

One of the main problems that has given the committee so much concern is the policy of the Capital Transit Co. relating to the payment of dividends.

I have in my hand a summary of earnings and dividends paid by the company, and I ask unanimous consent that the

table be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

	Net earnings reported to PUC	Dividends paid	Dividends per share ($100 par basis)
1940	$872,082	$240,000	$1.00
1941	1,299,969	300,000	1.25
1942	1,717,188	420,000	1.75
1943	1,508,844	480,000	2.00
1944	1,534,920	480,000	2.00
1945	1,317,958	480,000	2.00
1946	965,854	480,000	2.00
1947	(93,416)	480,000	2.00
1948	396,315	120,000	.50
1949	325,816	480,000	2.00
1950	878,274	720,000	3.00
1951	1,413,250	960,000	4.00
1952	1,046,389	3,744,000	15.60
1953	897,461	1,536,000	6.40
1954	754,898	[1] 1,670,330	4.80 plus 2.16
1955	[2] 1,215,353	576,000	2.40
1956 (3 months)	[3] −242,002	0	0

[1] $1,152,000 cash dividend and $518,330 in stock of Continental Enterprises.
[2] $524,518 net income offset by a $1,739,871 streetcar writeoff.
[3] $791,669 net income offset by a $1,033,671 streetcar writeoff. (A statement was made by Wolfson that no dividends would be paid following repeal of franchise until company was liquidated.)

Mr. MORSE. Mr. President, I should also like to read from pages 39 and 40 of the Payne report, filed May 1, 1954, referred to by the Senator from Michigan [Mr. MCNAMARA]:

The present policy of paying dividends in excess of earnings could not be pursued unless the company had the cash with which to pay dividends. The source of this cash has been discussed in connection with the comments on rate base and working capital. It arises largely from liquidation of road and equipment, through depreciation recoveries in excess of amounts reinvested in property. There is a definite long-range relationship between dividend payments and amounts reinvested in property; when the former is high, the latter is low, and vice versa. When earnings are being reinvested in property, they obviously are not available for payment of dividends. However, as the investment in property is liquidated, cash for dividends becomes available. This latter has been the situation with Capital Transit for the past several years. From 1950 to 1952, approximately $6.9 million of the property was converted into cash by way of depreciation charges recovered through revenues, while only $2.7 million was expended for new property. But the dividends that have been paid throughout the existence of Capital Transit Co. have all been paid from earnings of either current or prior years. There is no question of the company's paying dividends out of original paid-in capital.

The real question which arises out of the present dividend policy is whether management is depleting the resources of the company to the point where its ability to render service may be impaired either now or in the foreseeable future; whether at some time in the future the management will have stripped everything of value from the company and will then not be able to produce the necessary capital to provide adequate equipment to serve its patrons.

Mr. President, I wish to emphasize again that it is the hope of the committee that a private operator will come forward during the 3-year interim period. However, it should be pointed out that the trend for some years in the field of public transportation has been toward some form of public ownership and operation. We cannot ignore the economic realities of the situation, since Congress has the obligation of facing up to the transportation needs of the citizens of the District of Columbia. In addition, the Federal Government has a vital interest in providing the thousands of Federal employees who work in the District with sufficient and adequate public transportation. I would further emphasize that while the committee is in favor of private enterprise, and would greatly prefer to have this function carried on by private enterprise, it is my firm conviction that the citizens of the District of Columbia, as well as of the Federal Government, would not benefit by a return of the franchise to the Wolfson interests.

The bill, S. 3073, if adopted, would, in my opinion, provide an immediate solution of an extremely complicated problem. It deals with a subject that is vital to the welfare of many groups within the Washington metropolitan area, including the transit-using public, school children, our businessmen, and employees of both Federal and District Government. If this bill becomes law, it is my sincere opinion that the transit problem will be placed in the hands of extremely capable men, the Commissioners of the District of Columbia. This bill gives them the tools with which to work, and they are eminently qualified for the job.

We cannot afford the loss of a moment in providing this means for the handling of our transit problem. I urge its immediate adoption by the Senate.

Mr. President, I recognize full well that there is some division of opinion in regard to this matter as between a proposed Senate bill and a proposed House bill, although on the House side there has also been introduced a companion bill to the bill now pending before the Senate.

Mr. President, I wish to close my argument this afternoon in support of the bill by reading what I consider to be a very penetrating and sound analysis of this situation as set forth in this morning's Washington Post and Times Herald, in an editorial entitled "Transit on a Platter." The editorial reads as follows:

The House bill to restore the franchise of the Capital Transit Co., it is said, would extend only those concessions which the Commissioners would have granted in substance to another private operator. Nonsense. It is true that the gross receipts tax probably would have been remitted for any private operator designated to take over transit service here. But neither the Commissioners nor the Public Utilities Commission nor anyone else in authority ever intimated that a new transit firm would be virtually exempt from regulation and would be permitted to write its own ticket.

In effect the Harris bill would leave all but the most cursory regulatory functions to the mercy of Capital Transit. It would permit the company to propose and place in effect its own fare structure without affirmative PUC approval; and PUC efforts to revise fares could be complicated by litigation. It would accept the company's own valuation figures—many millions of dollars higher than the reported price at which the company has been offered for sale—as the permanent rate base. It would fix 6½ percent as a fair return, leaving no flexibility for new circumstances, and it would remit gasoline taxes in the event such a return was not earned. No wonder the Wolfson interests are anxious to retain their grip on Washington. They never had it so good.

Congress last summer determined, reluctantly but nonetheless firmly, that Capital Transit's demonstrated irresponsibility as a public utility was so flagrant as to demand cancellation of its franchise. President Eisenhower came to the same conclusion, signed the bill and joined in the criticism. Nothing in the meantime has made Capital Transit any more attractive as a transit operator; its greed, judging from the Harris bill, seems to have increased.

It is not necessary to pass the Harris bill in order to assure continued transit service in Washington. The Senate bill for an interim public authority (and the Heselton bill in the House) would protect the public interest while affording more time to work out a permanent solution. The Capital Transit management has indicated on many occasions that it was working toward a public authority when the time for sale was ripe by its standards. The choice thus is not between a return to Capital Transit and no solution at all. It is between an interim public authority which admittedly is imperfect, and a cringing surrender to a company which Congress itself has said was unfit to serve the public and which itself has broached the public authority concept. A vote to restore Capital Transit would let Congress down, it would let President Eisenhower down, and it would let the citizens of Washington down worst of all.

Furthermore, I ask unanimous consent to have printed in the RECORD as a part of my remarks the editorial entitled "Rewarding Irresponsibility," which appeared in the Washington Post and Times Herald of May 1, 1956.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

For 7 sweltering weeks Washingtonians walked or bummed rides to work last summer. Efforts to bring the management of the Capital Transit Co. and the striking AFL transit union together had proved altogether fruitless, very largely because of the public-be-damned attitude of the company, which had in effect provoked the strike. Finally, recognizing that it was futile to hope that the company would place its public responsibility first, Congress passed a bill canceling the franchise of the Capital Transit Co. after 1 year. President Eisenhower signed the bill. After noting that neither party to the dispute had discharged its obligations to the public, he added: "* * * both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Co., beginning several years ago and continuing up to the present time, has failed to measure up to its responsibilities in the District."

It is this mood and frustration that the House of Representatives needs to remember in appraising the bill now before it to restore the franchise to the Capital Transit Co. This bill not only would renew the franchise virtually on the company's terms; it also would hand the company on a silver platter vast tax concessions and immunity from all but cursory regulation.

Has anything in the past 8½ months given indication that the company has developed a more enlightened labor-relations policy or a heightened sense of responsibility to the community? It has not. Has anything changed the attitude of Louis E. Wolfson from his expression last summer that the "Commissioners represent the public, the union represents labor, and the board of

directors, of which I am chairman, represents the stockholders" (thus totally ignoring the responsibility of a public utility for public service)? There is no evidence of it.

Admittedly the Senate bill, which instead of restoring the franchise would create an interim public authority to operate transit in Washington, does not provide any easy solutions. But the situation must be judged on the alternative available. Would the public interest be served by rewarding the irresponsibility of the Capital Transit Co., thus jumping from the frying pan back into the fire from which Congress rescued the community last summer? Such a weak-kneed "solution" would be monstrous. We hope the House will recall the sore feet and inflamed tempers of last summer, and the reasons for them, when it votes this week.

Mr. MORSE. In conclusion, Mr. President, those of us on the District of Columbia Committee have worked long and hard and, we think, well in trying to solve a very difficult municipal problem. We do not like to function as a city council, Mr. President, but that is what we do in the District of Columbia Committee when we handle such municipal matters as this one.

We say we think the time has come to delegate the problem of providing mass transportation in the District of Columbia to the District of Columbia Commissioners, where it belongs. We trust them; we have confidence in them; we are satisfied that they will rise to the responsibility our bill places upon their shoulders, and that they will give to the people of the District of Columbia the best transit system the circumstances permit.

Mr. CASE of South Dakota. Mr. President——

The PRESIDING OFFICER (Mr. WOFFORD in the chair). The Senator from South Dakota.

Mr. CASE of South Dakota. I desire to address several questions to the Senator from Oregon [Mr. MORSE] or the Senator from Michigan [Mr. MCNAMARA], or to both of them, and leave it to them to respond. However, inasmuch as the Senator from Oregon was speaking most recently on the subject, I shall address my questions to him.

First of all, I should like to say to him that, naturally, I appreciate the kind remarks he made in reference to my interest in the affairs of the District of Columbia. Inasmuch as I was on the floor, it was impossible for me to avoid hearing what he said, even though he suggested that I close my ears. I appreciate his remarks.

I should like to ask whether, in his study of the matter, he has discovered in the original charter or franchise granted to the Capital Transit Co. any provision for reimbursement to the company for any investments it had made, if and when its franchise expired.

Mr. MORSE. The answer is that the committee has studied that matter and has reached the conclusion that there is no such provision. On the contrary, the debates which occurred at the time of the granting of the original franchise show very clearly that it was specifically the intent of Congress that such a provision not be included in the franchise. Not only that, but the debates show very clearly that the Congress reserved unto itself the right to end the franchise and to place the Capital Transit Co. upon its own.

Mr. CASE of South Dakota. I have asked that question because from some statements which are made these days some persons might obtain the idea that when the franchise expires the Government of the District of Columbia will be under some obligation to reimburse the Capital Transit Co. for whatever that company might have on its hands at the end of the franchise.

Mr. MORSE. In the case of the franchise, the legislative intent, which was distinctly expressed, was that if for any reason Congress had to cancel the franchise it would be up to the Capital Transit Co. to dispose of its property as best it might.

Mr. CASE of South Dakota. Next, Mr. President, I should like to ask the distinguished Senator from Oregon whether, according to his knowledge of American municipal law, there is in the trend of municipal law anything which would suggest that a company which obtains an exclusive franchise to operate a public transportation system or a mass transportation system acquires any vested right beyond the period for which the franchise is granted.

Mr. MORSE. In my judgment, there is no such trend in municipal law. The company takes the franchise subject to the terms of the franchise; and in this case the terms of the franchise are crystal clear. It is what we call a cutoff franchise. It made very clear that, by disenfranchisement by the Congress the company would have no further rights, insofar as the Federal Government was concerned.

Mr. CASE of South Dakota. It is my recollection that at the time when the Payne subcommittee of the District of Columbia Committee was created one of the reasons for creating that subcommittee was to have it determine whether the statutes of the District of Columbia permitted the Capital Transit Co. to set aside certain of its receipts for reserves or to create reserves by converting depreciation into cash, and eventually to use them as the source of dividends, rather than to make replacements to equipment, comparable to the depreciation which was turned into cash.

Mr. MORSE. The Senator from Maine [Mr. PAYNE] is on the floor, and is the best qualified Member of the Senate to answer that question. So I shall yield to him.

Mr. PAYNE. Mr. President, will the Senator from South Dakota yield to me?

Mr. CASE of South Dakota. I am glad to yield to the Senator from Maine.

Mr. PAYNE. I shall endeavor to answer the question which has been asked by the Senator from South Dakota.

First of all, of course, under the commonly accepted concepts of utility operation, when depreciation tables are set up to handle the ordinary depreciation of the so-called rolling stock or real estate or other properties in the case of a transit company, the rates are established by the public utilities commission; and as such depreciation occurs, a reserve is established; and against that reserve, of course, there must be, for nominal purposes, certain amounts of cash to take care of replacements, because in effect that is what depreciation is for.

Mr. CASE of South Dakota. That is the point—to take care of replacements.

Mr. PAYNE. As I recall—and if I do not recall correctly, let me say that my distinguished colleague, the senior Senator from Oregon [Mr. MORSE], and my distinguished colleague, the junior Senator from Maryland [Mr. BEALL], are on the floor, and can correct me—in the report it will be found that the committee called particular attention to the fact that, because of the dissipation of cash in the reserve—which, in effect, is the accumulation of reserve funds as a result of depreciation charges—and when accelerated amounts were paid as dividends which mounted and mounted and mounted, the day was coming—and in the not-too-distant future—when those in control would strip the resources of the company to such a point that they would not be in a position to make the necessary replacements of rolling stock which would be required to maintain a proper transit operation within the District of Columbia.

Mr. CASE of South Dakota. Mr. President, I appreciate that very clear statement by the distinguished Senator from Maine. It confirms my recollection as to the findings of the Payne subcommittee. It seemed to me to say, in effect, that the Capital Transit Co., if it was operating legally, was authorized by statute to maintain a legalized indifference to the normal responsibilities of a public utility for replacement of its capital assets.

Mr. PAYNE. Mr. President, will the Senator from South Dakota yield further to me?

Mr. CASE of South Dakota. I am delighted to yield.

Mr. PAYNE. The only reason I request that privilege is that I just happened to come to page 6 of the report of the subcommittee. Let me say that I was privileged to serve under the most competent direction and leadership of the distinguished Senator from South Dakota [Mr. CASE], who at that time was chairman of the Committee on the District of Columbia. On page 6 there is a reference to the status of a cash reserve. Such a cash reserve existed at the time when the so-called Wolfson interests bought nearly one-half of the total stock of the Capital Transit Co., a little more than $2 million, and thus acquired between $4 million and $5 million of cash surplus which was lying there.

In the report we stated:

From the management point of view, this policy of building reserves was undoubtedly a wise one, in view of the fact that, naturally, mass transit was and is, a declining industry faced with serious economic and competitive problems. From an investor point of view, a transit company could hardly be considered an attractive long-range investment. Capital Transit, however, had certain speculative potentialities because of its large cash reserves.

The record is clear that that, and that alone, is undoubtedly what attracted the

Wolfson interests to take over the Capital Transit Co. when they did, not because of the future of transit as such, but because of the potentialities of speculation, which certainly they have used to the nth degree.

Mr. CASE of South Dakota. Mr. President, at the time when the nomination of one of the members of the Public Utilities Commission for reappointment was before the Senate Committee on the District of Columbia for consideration, the question of the use of the surplus, as has been suggested, was brought to the attention of the committee. It is my recollection that at the time the best information we could get from the Corporation Counsel was that what the Capital Transit Co. was doing was legal, that is, that there was no violation of law in the use of surplus and reserves. However, that did not go to the merits of the law.

Personally, I reached the conclusion that in the District of Columbia there was a situation in which the chartered company was authorized by law to be indifferent to the normal responsibilities of a corporation to maintain its equipment and make replacements out of reserves, before it started using such reserves for the purpose of declaring extraordinary dividends.

It is because of that fact that I wish to commend the Senator from Maine [Mr. PAYNE], the Senator from Oregon [Mr. MORSE], the Senator from Michigan [Mr. MCNAMARA], and all other members of the Senate District Committee for giving some time and attention to this problem. I do not relish the prospect that we may go into public ownership and operation of the mass transit system. However, I state it as axiomatic, as I said on the floor the other day, that an interruption in the public transportation system of the Nation's Capital is intolerable. Any prolonged interruption of the mass transportation of workers in the District of Columbia interferes with the public business.

If any city in this country has a public problem on its hands in the field of transportation when a strike occurs or when any other interruption of transportation occurs, it certainly is the Nation's Capital. That is why action is necessary.

There seems to be a tendency in some quarters to approach this question by throwing up one's hands and saying that nothing can be done about the situation. Perhaps we made a mistake a year ago, or the President made a mistake, in recommending that some drastic action be taken. However, if that attitude should be assumed, the evil day would only be postponed. Sooner or later this question must be faced and dealt with by the District of Columbia government and by the Congress, which is the responsible legislative body for the District of Columbia.

Merely because the road seems a little difficult, and merely because an adequate and satisfactory operator for the transit system has not come to the front up to the present time, we should not throw up our hands, back away, and apologize, giving to the transit company more privileges than it has heretofore had. I fear that there is that possibility in the bill which I understand has been reported in the other body, which would amount to a virtual apology. In effect, we would be saying to the Capital Transit Co., "We beg your pardon. We did not mean to interfere with you. You can go ahead and operate. In fact, we will increase the base on which you set your rates in the future. You can set them in the future on your own motion. You can also include, for purposes of ratemaking, a new base, which will involve an enhancement of invested capital, based upon putting into the capital structure some of the earnings which have been set aside for reserves."

I certainly hope Congress will not take any such attitude. I have spoken, not because I have either the personal responsibility, the responsibility of committee assignment, or the interest or time to go into this subject at this time. I have spoken because I think the members of the committee who are at grips with the situation, who are accepting the responsibility of working out the problem in behalf of the Congress and the Government, are deserving of all commendation and appreciation if they show some backbone and persevere until the problem is met and solved.

Mr. LANGER. Mr. President, I should like to ask the Senator from Maine [Mr. PAYNE] a question.

The Senator from Oregon [Mr. MORSE] did not mention whether or not, during the 3-year period which he mentioned, the transit authority would be required to make a report annually or semiannually to the Congress as to how it operates.

Mr. PAYNE. I will answer my distinguished colleague by saying, first, that I am not at present a member of the Senate District Committee. I left that committee about a year and a half ago. I am advised that the bill does definitely provide for an annual report to be submitted to Congress, which will give full information as to the method of operation. Furthermore, the report will be subscribed to by a proper certified public accountant, who will give certification as to the authenticity of the report itself.

Mr. LANGER. I thank the Senator.

Mr. PAYNE. Mr. President, it is my purpose to speak for only a moment in connection with the pending legislation. I think the Record is very complete as to what it is designed to accomplish, and the reasons why it is necessary to have legislation of this type.

I wish to express my appreciation to my colleague, the Senator from Oregon [Mr. MORSE] and the Senator from Michigan [Mr. MCNAMARA] for the kind words they have spoken about the work of the subcommittee which I had the privilege of heading in the last Congress. Were it not for the efforts of the Senator from Oregon and the Senator from Maryland [Mr. BEALL], together with a most competent and helpful staff, it certainly would have been impossible ever to have accomplished the task.

Mr. MORSE. Mr. President, will the Senator yield at that point?

Mr. PAYNE. I yield.

Mr. MORSE. I wish to join the Senator in commendation of the distinguished Senator from Maryland [Mr. BEALL]. After a number of years' service on the District of Columbia Committee, I asked to be allowed to remain on that committee, because I have felt for a long time that too frequently the rapid turnover in personnel of the District of Columbia Committee does not result in giving to the people of the District of Columbia the continuity of service which they should have on the committee.

The Senator from Maryland is another member of our committee who, by personal inclination, and at his own request, has remained on the committee.

Today I wish to stress the fact that on the District of Columbia Committee there is no partisanship. I have never seen any evidence of partisanship on the District of Columbia Committee. The entire membership of the Senate is greatly indebted to the Senator from Maryland for his long service on that committee, and for his devotion to the best interests of the people of this area.

One may say, "Certainly; but the Senator from Maryland represents a constituency which borders on the District of Columbia." That is true; but that fact makes him that much better qualified, in my judgment, to serve as a member of that committee, and gives greater weight to his views. The Senate should give heed to his views, because he is well aware of the problems and of the relationship of the problems to the entire Metropolitan area, which stretches into Maryland as well as into Virginia. Therefore I believe that when expressions of appreciation and thanks are made this afternoon, great thanks ought to be paid to the Senator from Maryland.

Mr. PAYNE. I wish to join the Senator from Oregon in the words of appreciation he has spoken in behalf of the distinguished Senator from Maryland. I concur wholeheartedly in every word which has been uttered. Certainly work on the Committee on the District of Columbia is a labor of love. It adds little in the way of glamor to a Senator's own constituency. It is done merely because it is believed, and believed sincerely—and, in my judgment, that has been true of every member of the committee with whom I have had the privilege of serving—that the people of the District are entitled to as much consideration as it is humanly possible to give them. It is for that reason that these men have served so admirably and well in behalf of the people of the Capital City.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. PAYNE. I yield.

Mr. CASE of South Dakota. I should like at this time to add my word of appreciation for the work that has been done by the distinguished Senator from Maryland [Mr. BEALL]. During the time I was privileged to serve on the committee, the Senator from Maryland sat beside me, and I know of his deep personal interest in the affairs of the District of Columbia.

Sometimes I wondered how he could find the time to meet all the personal demands which are made upon a Senator who lives so close to some of the people of the District of Columbia as the Senator does, and at the same time serve the many people in Maryland who

feel a vital and direct interest in the affairs of the city. A great many of the citizens of the State of Maryland, of course, work in the District or come regularly to the city of Washington. The Senator from Maryland has an unusual burden to bear in that respect.

That he is devoted to his job is indicated by the fact that he did remain on the committee. I know he served on the subcommittee of which I was chairman and on other committee assignments with great devotion to the true spirit of public service. That service deserves the very highest commendation, and I am sure the people of Maryland realize it and appreciate it.

Mr. PAYNE. Mr. President, finally, let me say that were this type of legislation not needed, I certainly would not be standing on the floor in support of it, because it is contrary in every aspect to what I had always hoped would result from an unfortunate state of affairs. However, in this particular case, it is the only answer the people of this community have. It is the only course which will make it possible to continue transit operations until some private enterprise will accept this public responsibility in the public interest.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PAYNE. I am happy to yield.

Mr. KNOWLAND. I appreciate very much the statements which have been made by the several Senators who have discussed the proposed legislation. The Senators who have spoken are familiar with the background from which developed the action of a year ago and with the criticism—and I believe it was very deserved criticism, and a justifiable criticism—of the operation of the transit system by the so-called Wolfson group.

However, I should like to ask the Senator whether, in his considered judgment, if we shall go ahead with the establishment of a public transit authority, he believes we will ever again return to private ownership of the transit system in the District of Columbia.

Mr. PAYNE. I wish it were possible for me to give an answer to the Senator's question. All that we on the committee were able to prophesy with any degree of certainty, based on what was brought out during our investigation and study of the subject, was that if the present company continued its operation in the manner in which it was operating—and this was nearly 3 years ago—it was heading to the point where there could be but one solution in the immediate future, and that was public ownership.

We decried public ownership, and thought of it only as a last resort. Whether it will be possible to find private individuals who will be willing to come forward and take over from a public authority, I do not wish to state for the RECORD this afternoon. However, I can say that if situations do not change too much, there are people who will be very definitely interested in taking the system over. They will not talk with the present ownership or negotiate with it because they feel they could not do business with it.

Mr. KNOWLAND. Perhaps the Senator from Maine and the other members of the committee who have lived with this problem may regard my questions as a bit academic. However, would the Senator from Maine inform the Senate what percentage of ownership of stock in the transit company is in the hands of the so-called Wolfson interests and what percentage is held outside that group?

Mr. PAYNE. I believe that 46 or 49 percent of the stock is held by the Wolfson interests. Practically all the controlling interests was purchased for a little more than $2 million. Let me state one fact which I am sure will be interesting to the Senator from California, the distinguished minority leader. During the 4 full years, from 1950 through 1953, the Wolfson group has been in operation—and let us keep in mind that it paid a little more than $2 million for about a 50-percent interest—the cash dividends this group declared and paid out during that period amounted to $29 per share. They had paid approximately $20 a share for the stock they purchased. Then they split the stock on a 4-for-1 basis, which gave to the stock an equivalent value of $5 per share. Automatically, of course, that boosted the value of the stock on the exchange by approximately $10 to $11 a share. Because of the strippage that has taken place—not based on earnings—they have been paid somewhere in the vicinity of 10 percent on the value of the stock as listed on the exchange.

Mr. KNOWLAND. I believe the distinguished Senator from South Dakota [Mr. CASE] made a very pertinent remark a short time ago. Perhaps the present proposal is the only one on which the Senate can move ahead at this time, but I believe the Senator from South Dakota made a very pertinent point when he said that perhaps Congress as a whole may have been a bit lax in not providing adequate public utility regulations.

At any rate, it is very unfortunate that the present group should have a blind spot with respect to its public responsibility, and not realize that it has a responsibility to the community in which it operates by way of replacing equipment, so that it may meet the transit needs of the District. Perhaps that has been the greatest fault.

I am very frank to say that I am very loath to have us get into the public operation of the transit system, because, although I do not have a crystal ball, I do have the very deep feeling that once we get into public operation under a public authority, no Member of the Senate will ever live to see the day when private owership will again come into the transit picture in the District.

That is why I am inquiring of the distinguished Senator from Maine whether there might not have been some other approach which would have assured responsible private ownership without the milking operation which the Senator in his investigation has brought out, and at the same time not take us down the public ownership road, from which there may be no return.

Mr. PAYNE. Having given the subject some study, though not so much in recent years as have the distinguished Senator from Michigan [Mr. MCNAMARA], the Senator from Oregon [Mr. MORSE], the Senator from New Jersey [Mr. CASE], the Senator from Colorado [Mr. ALLOTT], and the Senator from Maryland [Mr. BEALL], I feel that every avenue has been explored up to the present moment in trying to bring about a realization on the part of the present owners of the Capital Transit operation that they do have a public responsibility. Yet they have repeatedly flouted that public responsibility in the faces and eyes of their employees and of the general traveling public in the District of Columbia. There is now no other recourse than what is proposed by way of the pending legislation. Much as I dislike to see it come, it seems to me that the action suggested is the only avenue open. The Authority can set to work to see if it can encourage and induce private enterprise to accept its responsibility in connection with a public-utility operated company, as to which Mr. Wolfson frankly said before the committee that had he known he was to be under public utility control he never would have been interested in operating the Capital Transit Co. in the first place.

Mr. KNOWLAND. Leaving aside Mr. Wolfson for the moment—and from what the Senator from Maine has said, I do not think the operation conducted by the Wolfson interests is to be condoned from a public point of view——

Mr. PAYNE. As a private business enterprise; no.

Mr. KNOWLAND. As the Senator points out, the Wolfson interests acquired a 49 percent interest, sufficient to give them control, apparently, without having 51 percent of the stock. Fifty-one percent of the stock is owned, presumably, by other stockholders. One question which I have heard raised, and since I am not an attorney, it gives me some difficulty, is the question about the Authority under the pending legislation having the power to pick and choose the parts of the transit system which they may take over. If the Senator is prepared, or, perhaps, some other Senator on the floor is prepared, to indicate the necessity for doing that rather than provide for the purchase, if we are going into a Government-ownership operation, of the transit company in toto rather than taking it over piecemeal, I should be glad to be advised.

Mr. PAYNE. I should prefer to have the question answered by some Senator who has been with this matter right up to this very moment, but it must be borne in mind, first of all, that under the depreciation setup in the operations of the Capital Transit Co. there has been a certain writeoff with reference to streetcar equipment. There is also a provision in the charter originally given to the Capital Transit Co. to the effect that should the charter of the company be ended at any time—and, incidentally, it was granted by the Congress itself, and Congress laid down the terms—the company would take up the streetcar tracks in the District and would pay the cost of replacing the pavement necessary to put the streets back into proper condition.

It is only natural, of course—and we cannot hate anyone for it—to ask full value, based upon the present financial structure. So, if another company willing to undertake the operation should come forward, the present company, of course, would ask for full value, because they would desire to be reimbursed for the rolling stock they have in the company.

They know that should a new company later operate the Capital Transit Co., and should it become necessary to do away with the so-called streetcar-operation side of the picture—and that has been strongly recommended; and it has been contended that an all-bus system is the one thing which can speed up traffic within the District and put it on a paying basis—certainly the new company and not the present transit company operators would be faced with the responsibility of furnishing the cash to remove the tracks and repave the streets. But, if over the years there has been allowed depreciation which a farsighted company would have laid aside to take care of that sort of a situation, the present company should not be placed in a situation where they can duck the responsibility which was theirs first, last, and always.

Mr. KNOWLAND. I think the Senator is fully aware that in his State, as in my own State of California, there are both publicly owned public utilities and privately owned public utilities. Some are operated with efficiency and are giving good service to the public, and some are not. Some are heavy burdens upon the taxpayers. The reason why I raise this question is because we all know there are certain lines in a transit company which are more or less paying parts of the company, and there are other lines which are feeders to the system, and which, if left by themselves, would be uneconomical. While by all means our duty is to give protection to the people of the District of Columbia and those in the metropolitan area, at the same time personal rights and property rights are very closely tied together, and I think we must be sure we are doing equity at least to the stockholders and to the Wolfson interests. But the latter seem to have been able to take care of themselves. I am more concerned with the majority and not the controlling stockholders in the company, to be sure that we are not doing an inequity to them in taking out the paying parts of the system and leaving them with a system which is uneconomical, a step which would, in effect, destroy the property right interest to which I think they are entitled.

Mr. PAYNE. There have been many statements by certain interests with reference to the injustice which is going to be done to stockholders—always referring to other than the controlling stockholders—and many times they have been referred to as the stockholders who invested $100 a share in the stock of the Capital Transit Co. when it was originally issued. I do not have the figures, and I have not been able to make careful research on the subject, but I am going to take a long shot this afternoon and say that I would be willing to guess that the number of persons who are presently stockholders of Capital Transit, who made the original investment of $100 a share, is very small as compared with the total number, because the record of the Capital Transit Co. on the exchange in Washington has not reflected a going price for the stock greatly in excess of what it is at the present time, and certainly less than what it is at the present time if we multiply the present selling price by four to arrive at what the price actually would be. In other words, if the price is $11 a share at the present time, each 1 of these shares is 1 of 4 which made up 1 share of stock previously. That would be 4 times 11, or $44 a share. I should be willing to wager that there are not many who are presently owners of the stock who bought it for much in excess of that figure. I may be proved to be incorrect. It is merely a guess on my part, in view of the brief research I made in 1953.

So, Mr. President, I am not at all convinced that the other stockholders with nearly 51 percent or 56 percent would lose because of the enactment of the proposed legislation, because, on a basis of liquidation, whether of property taken by eminent domain or by condemnation, or sold on the open market for the going value of the rolling stock, there is certainly a chance of recovery. The Wolfson interests paid a little over $2 million for their approximately 50 percent interest, and by any stretch of the imagination, certainly, on a liquidating basis alone, they would get probably between $7 million and $10 million as an absolute minimum.

So they certainly will have a chance to recover the $2 million, beyond what they have already recovered in dividends, which is approximately $3, $3½, or $4 million; and the other owners of the stock likewise will recover in approximately the same proportion. So I think all those factors must be taken into consideration.

Mr. President, if there are no other questions and before the time comes for the vote on S. 3073, I may say, finally—and I have spoken much longer than I had intended to speak—that the junior Senator from Maine is wholeheartedly in support of the bill and believes it is the only answer to the problem facing the District of Columbia.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of a substitute.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorium call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the committee amendment in the nature of a substitute.

Mr. HOLLAND. Mr. President, in July of last year, when we were passing on this matter, during the course of the debate, I made some remarks which appear in the CONGRESSIONAL RECORD, volume 101, part 10, page 12267 and following. At that time I made it rather clear that while the questions with which I was confronted differed to some extent from those which faced other Members of the Senate, I was in accord with the passage of the measure then pending, because it seemed to me that a hopeless impasse had been reached, and regardless of where the responsibility for that condition rested, our primary duty was to afford continuing and, at that time, speedily renewed public utility transportation service.

I now read several of the paragraphs from my statement at that time merely as a springboard to what I hope to say now:

> So far as I am concerned, notwithstanding the fact that this bill is not in the form I would prefer it to be, I certainly shall not leave the Commissioners without plain authority to deal with this terrible, vital emergency situation which exists in Washington. So, with reluctance, I expect to support the bill.
>
> I think I have not seen a worse mess, so far as the collapse of sound democratic government is concerned, than that which is presented in the present situation. I think it would be idle to try to distribute the responsibility and the blame. I think there are four agencies which will have to share the blame.
>
> One of them is the company. It has practiced poor public relations. It has done things which are destructive of local good will.
>
> Another is the union. I think the union has made arbitrary demands. When I compare its demands in this case with the rates of pay received by others in similar positions, in similar communities all over the Nation, I am compelled to come to the conclusion that the union has been badly led, badly advised. It cannot escape some of the blame.
>
> As to the District Commission, I think its attitude has too frequently been punitive in this matter, and I think the fact that it has chosen a dicatorial approach and a drastic approach rather than a reasonable one, is not to its credit.

I digress to say that the Commission's approach was embodied in the bill which the Senate was then considering, and which was passed.

I read further from my statement:

> I would much have preferred receivership. I would much have preferred compulsory arbitration. I would much have preferred any of the other methods—for example, an injunction with a cooling-off period, which is applied nationally to much graver emergencies than this, under the terms of the Taft-Hartley law.
>
> But none of those things were asked by the Commission. None of them are recommended here, and none of us, in the closing hours of Congress, have the time to lay aside all other duties and work up substitute provisions. Certainly I have made no effort to do so. If I did so, it would be practicing horseback law, which does not result in sound legislation.
>
> So, reluctantly, I shall vote for this measure as the only prepared proposal available.

Then, without quoting it, I detailed at some length what I thought was a fourth part of the responsibility resting on the Congress of the United States. I think the Congress has shown, in many respects, the lack of an adequate sense of responsibility toward this problem as it has developed.

Some years ago I introduced in the Senate proposed legislation seeking to do away with the antiquated and punitive 3-cent schoolchild fare which had been imposed by an act of Congress long, long ago. That bill languished. I appeared before the committee in support of the bill, and worked rather diligently on it. Following the passage of the measure passed last year, I believe some relief has now been accomplished under it.

There have been other matters in regard to which I think we as a Congress have been very delinquent and negligent. We have jowered and argued about whether we would have a traffic reorganization of this kind applicable to the District of Columbia, or one of that kind applicable to the entire area. We have debated endlessly problems which required speedy solution. If any business could have survived such dilatory handling, I do not know what business it would have been.

So I think we might as well admit frankly that Congress has to share a part of the responsibility for the debacle which occurred prior to the passage of the measure last year, and which in my judgment required the passage of that measure, because it seemed to me that the prolongation of the situation of bad relations or hatred—insofar as hatred can exist in connection with a business matter—and constant criminations and recriminations, without any constructive action, was very hurtful, and that not the least hurtful aspect of it was, because of the transit strike, experienced by the people of the District of Columbia and by the hundreds of thousands of persons from elsewhere who visited the District of Columbia at that time.

So I voted for that measure. I think one of the things I said at the time was that I had been working for a good many years and had been voting for a good many years for home-rule legislation for the District; and that I thought that was one of the things which showed rather clearly that any reasonable degree of home rule, administered with any reasonable degree of business-executive responsibility, would have prevented such a collapse and would have made possible the working out of the situation which existed at that time.

At any rate, Mr. President, 9 months have elapsed. The degree of leadership which I had hoped to see exercised on the part of the Commissioners of the District of Columbia has not been successfully exercised. Whether they were confronted with an impossible situation, Senators who have gone into the matter much more carefully than I have are better judges of than I could be, but I have not been impressed with the very small amount of progress made. It seems to me, in fact, that it is negligible, if not entirely nonexistent. Neither have I been impressed with the constant showing from the public press that the attitude of the District of Columbia Commissioners has remained punitive, has remained quarrelsome, and that there has not been the sound, constructive, decent approach to the solution of this problem which would have been demanded in a typical American city where the commissioners or other city heads would be answerable to the people served by the public utility. I regret to say that that has seemed to me to be the case.

I hope I am being reasonably honest in making this appraisal of the functioning of the Commissioners. I hope I am being fair to them, because I certainly do not wish to be unfair. But it seems to me they have done nothing. They have not justified our hope that they would work out some satisfactory solution. On the contrary, I believe they have done almost the opposite, in that they have left the matter in worse shape, rather than in better.

Therefore, I am rather reluctant to vote for the passage of any measure which would give them increased responsibility, instead of decreased responsibility, and would leave to them, along with such increased responsibility, the duty of trying, during a period of 3 years, to work out, with private investors, such machinery as I think could be very grossly abused and misused, as applied to those who really own this transportation facility.

The distinguished minority leader has already touched upon some of the matters which give me concern. So I shall barely mention them, because I think he has already made the record perfectly clear, in showing that they exist. He called attention to the fact that if there was to be condemnation, if there was to be the creation of a public utility which would be publicly owned, he wondered whether condemnation, if it had to be exercised, should not be complete, so that the ownership in fee simple and the complete proprietary interest in the assets might be taken over permanently, rather than to have those assets taken over on a temporary basis only, as it is possible under this measure.

It seems to me there is much in the point he made. If I correctly understood him, he asked why we should set up a temporary public authority, if in taking such action we would expect this subject matter to be dealt with in the way it would be handled by a permanent public authority. And in the meantime—and, Mr. President, he did not say this, but I thought this was implicit in his questions—why should we give to the interim public authority which would exist for the first 3 years, powers capable of being used in very far from an equitable fashion?

I wish to make several comments in support of that position, and then I should like to address some questions to the able Senator from Oregon [Mr. MORSE], who, I am sure, has a firm legal grasp of the bill. I am disturbed about it, and I do not want the Senate to be in the position of voting for the passage of a punitive measure which will not be fair to property owners, whether they are popular or unpopular at this time.

I call to the attention of the Senators who are present that although there is a group of stockholders who, I understand, own somewhere between 40 percent and 50 percent of the stock of the corporation, and although those stockholders certainly are not popular at this time, nevertheless they own that part of the property; and the rest of the stockholders—constituting a majority of the whole number—are unkown, in connection with this transaction. They are scattered; they live everywhere. They have nothing to do with the management of the company. Although I know that the Senator from Maine [Mr. PAYNE] recognized that there are some such, yet he stated, as I understood him—and of course the RECORD will show his exact statement—that so few of them had paid 100 cents on the dollar for their stock, that he did not think we had to worry about them.

Mr. President, I do not support such an approach. If there is one or if there are 10 or 100 or 1,000 who paid at the full rate, certainly they should be considered. But those who paid at lesser rates, and had nothing to do with the management of the business, are entitled to exactly the same kind of just treatment at the hands of the Senate as is everyone else, regardless of what they paid for their stock.

I happen to know of some stockholders in my own State who had nothing whatever to do with the management, and who paid heavily for their stock, and who I think are entitled to be treated in meticulously fair fashion, along with all the other stockholders of the company, in connection with the passage of this measure. I shall not give particular names; but in our State there are some persons who think Mr. Wolfson is a kind of Midas, and that any business he touches turns into gold. They watch him—although they have nothing to do with his business, and I do not know whether they know each other—and they invest their money in ventures to which he turns his genius or his ingenuity, whichever word one may care to employ.

I believe that they are entitled to consideration, and that every other stockholder, wherever he may live, is entitled to the passage of legislation which is not only to be used fairly—I am certain that members of the committee intended that this legislation, if enacted, should be fairly used—but which is not capable of unfair, inequitable, or abusive use. I think the proposed legislation is probably subject to just such improper use.

With that in mind, I ask unanimous consent that I may address several questions to my friend, the distinguished Senator from Oregon [Mr. MORSE].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. HOLLAND. Let me say first to the Senator from Oregon that I note that in section 204 of the bill, which relates to the exercise of the power of eminent domain, that is, to the taking by condemnation of property, tangible or intangible, in every case, after the nature of the property is mentioned, whether it be real property, personal property, tangible or intangible, these words are included—"or any interest therein."

The words are repeated a great many times. They are repeated in the language establishing the machinery for the actual exercise of the right of eminent domain. They are repeated in connection with the assessment of the pre-

cise property interest which is taken over in the eminent domain proceeding, and in the language relating to the putting up of the funds which it is calculated will cover the property taken over. In every instance, the words "or any interest therein" are used.

Does that mean that it is intended by this bill to give to the Authority the power to take by eminent domain the use of assets, such as streetcars or buses, or any other assets, either real or personal, on a temporary or part-time basis—for example, during the 3 years during which the Authority will be an interim Authority? Is that intended?

Mr. MORSE. That is not the intention. If, under the provisions of the bill, the power of eminent domain is exercised, it will be to use the processes of the law to transfer to the purchaser, by the eminent domain judicial process, title to the property, under the law.

Mr. HOLLAND. What is the meaning of the words "or any interest therein," as applied both to real estate and to tangible or intangible personal property?

Mr. MORSE. I think that verbiage is used to make it very clear that there is taken under the process a part, rather than all, if the eminent domain proceedings seek partial eminent domain.

Mr. HOLLAND. The distinguished Senator's answer now is that that provision is to allow the Authority to take a part, rather than all, of the assets of the corporation. Is that correct?

Mr. MORSE. That is correct.

Mr. President, I am very happy to participate in this colloquy with the Senator from Florida under any procedure he wishes to suggest. However, I wish the Senator to know that I have gone into the question of partial eminent domain, and I have a legal memorandum which I intend to read into the record eventually. If the Senator would like to have me read it at this time, I shall be glad to do so, and then he can cross-examine on the basis of the memorandum after I finish reading it, or I will take his questions first and then read the memorandum.

Mr. HOLLAND. I think I should like to hear the memorandum, but before the Senator reads it, I invite attention to the language in lines 8, 9, and 10 on page 70. There is embraced here not merely the matter of possible taking of a portion of the property, but there is also involved the taking of a less estate in the property than fee simple.

I read the words beginning at the end of line 7:

> And title to said real or personal property in fee simple absolute, or such less estate or interest therein as specified in said declaration.

I read those words because, in fairness to the distinguished Senator, it seems rather clear to me that under the provisions of the bill not only is the Authority permitted to do what the Senator has stated, that is, to take the portions of the property which the Authority thinks are necessary for continued operation, and to leave the others untaken; but it seems to me it is very clear from that wording that it is contemplated, and possible, also, to take a smaller estate than fee simple, and that that thought is spelled out rather fully by the words which I have just read into the RECORD.

With that in view, I shall be very happy to listen to the reading of the brief of the distinguished Senator from Oregon.

Mr. MORSE. Let me say, before I read the brief, that those are property values. They are subject to eminent domain under our judicial process. The fact that they are less than the full estate would be taken into account in fixing the compensation to be paid therefor; but there is nothing in the eminent domain law which prevents the application of the law to a lesser estate. However, it must be paid for.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. HOLLAND. I think I have the floor.

It seems to me that either one thing or the other is true. Either it was expected that such eminent domain power as was to be exercised was to be such as to take the full title in whatever was taken, or it was meant to take a lesser title, let us say for a shorter period of time, or, in the event rolling stock was held merely under some lien or some present possessory interest, to take that.

But it seems very clear to me from the wording I have just read that it is possible—and I believe the distinguished Senator from Oregon is now conceding that it is possible under the terms of the bill—to take less than the fee-simple interest, and to take interests over a period of time less than the total life of the property—to take less than the fee-simple title, or to take any interest which the Authority needs, in its judgment, in order to exercise continued operation of the facility. Is that correct?

Mr. MORSE. Let me review the statement of the Senator from Florida.

My answer to the first question was that it certainly was the intention of the committee, as I understood it—and my intention—that the main purpose of the eminent-domain provision is to purchase the property values of the company. It certainly was not my contemplation—and if the bill needs clarification on this point, I am for such clarification, although I think this legislative history will accomplish the purpose—that we would exercise, for a temporary period of time, the power of eminent domain in relation to property values now vested in this company. I think that would be most unfair, although, under the law, it could be done, and the court would determine the fair compensation for the condemnation of such property value, taking into account, as the Senator from Florida, who is a very able lawyer, knows, the nature of the period of time for which the property is to be taken.

Let me make clear my intention as a member of the committee. The Authority would purchase outright whatever property value was proceeded against by eminent-domain proceedings. That might be a lesser interest than fee-simple title, but it would purchase such interest outright. Certainly it is not my contemplation that the Authority is to take the property value for a short period of time, following which the District of Columbia will no longer have any responsibility in regard to the property, allowing it to revert to the present owner. I think that would be punitive and unfair.

Let me make it clear that if the District of Columbia Commissioners are to exercise the power of eminent domain in connection with buses, for example, they should buy them outright for the price to be fixed in such a proceeding.

Mr. HOLLAND. Would they be required to do so under the terms of the bill?

Mr. MORSE. In my judgment, they would.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. HOLLAND. I am engaged in a colloquy with the Senator from Oregon. With his consent, I shall be glad to yield.

Mr. MORSE. Any procedure the Senator wishes to follow is satisfactory to me.

Mr. HOLLAND. I am glad to yield.

Mr. CASE of New Jersey. I appreciate the Senator's courtesy and his willingness to permit me to inject myself into the colloquy at this point.

For myself, as a member of the subcommittee and of the Committee on the District of Columbia, I should like to say, while I believe, with the distinguished Senator from Oregon, that in the normal circumstances it would be desirable to purchase the fee simple title to whatever property is taken, I should not want the legislative history in connection with the passage of the pending bill to show that that is a requirement.

I believe that the language of the bill is as the Senator from Florida suggests. Property may be purchased in fee simple, in perpetuity, or whatever is desired. All the property or all the interest in the property may be purchased; less than all may be purchased; and interest in a part of the life of the property may be purchased. I do not feel, as a matter of the legal power of the Commissioners, there should be any question about their ability to proceed as thus indicated.

With respect to how the power should be exercised, I should like to say two things. First, I disagree with the Senator that up to now the Commissioners have not acted in an utterly proper way. They have not at all been punitive in dealing with the property involved or with the problem as a whole. I therefore trust them to exercise their authority, if the pending bill is passed, in a fair and equitable manner. I should not want the legislative record to show that there is any lack of power on the part of the Commissioners, in their exercise of condemnation proceedings, in relation to the property of the Capital Transit Co., and more than there would be in the case of property belonging to the Senator from Florida or to me, if they needed to take it. We are not talking about eminent domain only in regard to the property of the Capital Transit Co., because any property in the District or outside the District which the Authority may need is subject to being acquired under the powers granted by the pending bill.

Mr. HOLLAND. Oh, no; the Senator from New Jersey is wrong about that, because the bill very carefully excepts all other public utilities from the operation of the proposed law. All other present operating public utilities are excepted under the provisions of the bill.

Mr. CASE of New Jersey. All other property already devoted to public utility use. The Senator is correct.

Mr. HOLLAND. Yes.

Mr. CASE of New Jersey. But this property will no longer be devoted to public utility use. This will be property owned by a private person.

Mr. HOLLAND. I suggest that we get this point clear in our minds. The Senator from New Jersey now recognizes, does he not, and concedes that as to all other public-utility-devoted property in the District, this bill is inapplicable?

Mr. CASE of New Jersey. The bill speaks for itself. There are very carefully drawn provisions in respect of the alterations of lines of other utilities, as the Senator from Florida well knows, from having read the bill himself. Property already devoted to and being used for public purposes is not subject to the power of eminent domain. That is correct. That is true not because of the property interests of the utility which is operating that property, but because of the interest of the public which is currently being served by that property. That is the reason for the distinction there.

Mr. HOLLAND. I thank the distinguished Senator from New Jersey particularly for his frankness in conceding that the bill as drawn does permit the taking, for limited periods of time, of physical assets of the present transportation company; that it does permit the choosing of those portions of its operations which in the judgment of the to-be-created Authority are necessary parts of the public utility system, and the leaving of other portions to languish and die, if there be such; that it permits the taking for a short time, and the taking of partial title, if the Authority regards it as advisable to do so; and that it leaves to the corporation from which the taking would be made an asset in diminished value, in even more obsolete and more worn condition, to be disposed of, not as a part of a concern, not as part of a balanced operation, but an isolated property or isolated properties. That is the concession of the Senator from New Jersey, as I understand. Is that correct?

Mr. CASE of New Jersey. The Senator from Florida has correctly stated my position on this subject with respect to the interpretation of the words used in the pending bill. I do not concede that the Senator is accurate in his characterization of the words or their effect. I say that because I do not concede, come the time when the pending bill becames law, there will be an operation, as the Senator has suggested, or a going concern owned by the Capital Transit Co.

There will be a collection of properties formerly used, with no longer any right in the owner to use them for transportation purposes; and there will be property which will be merely property, subject to being taken, under the provisions of the pending bill, in whole or in part. I am very sorry if I have injected myself into this debate at a time and in a way to delay the Senator from Oregon in the presentation of his legal brief.

Mr. MORSE. No, no; I am very happy to yield to the Senator from New Jersey.

Mr. CASE of New Jersey. The Senator from Oregon has very correctly stated that whatever damage is caused the owner of this property by the taking of any part of the property, the court will fix the compensation for the damage.

If there are severance damages, for instance, because less than all of the property is taken, they will be awarded, and can be collected. If there are damages to the remaining property, because only a part of the property is taken, compensation for those damages can also be collected.

However, I suggest—and then I shall not again interrupt this colloquy, although I may wish to say something on this subject later—so far as the equities of the situation are concerned, the time has gone by when the owners of the property, the Capital Transit Co., has any right to claim that it is entitled to have the property taken as a unit, because it was unwilling to treat the property as subject to the public use. It undertook to treat its property as property capable of being despoiled, not as devoted in whole to the public interest.

That is why we were eminently justified in canceling the franchise. The franchise having been canceled, the property is merely property, and no longer a going concern. The fundamental law of eminent domain can be relied upon—and the courts can be relied upon in the exercise of the law—to protect insofar as values are concerned all proper interests which may exist upon the termination of the franchise and the subsequent taking of any part of the property.

Mr. HOLLAND. Then, Mr. President, is it the position of the Senator, now that the franchise has been canceled, that Congress should pass a law which would permit the interim authority to cancel any right the owners of the properties might have to attempt to sell them as a unit elsewhere, or attempt to sell any portion of them—as, for example, buses as a group of buses—elsewhere, and which, further, would permit the interim authority to take what it pleased to take and leave what it chose to leave, or to take what it pleased for such time as it pleased, and no more, thus completely canceling any proprietary use of this property as a unit, or in conjunction, one bus with another, or one part of the property with another? Is that the concept the Senator from New Jersey has?

Mr. CASE of New Jersey. Again I must agree that the Senator's interpretation of the power, of the authority if the bill be passed, is in accord with my own.

I am quite unable, however, to accept the suggestion of the Senator from Florida that there is any longer any going concern value or a unit value to this property come the day when the franchise is terminated. It is inconceivable that such a value could exist, in any event, except in connection with the District of Columbia. The right to operate here is what gives this property a unit value. Several buses together are not worth more than one or more alone, it seems to me. One can be transferred without taking away from the unit value of the system. The system has value only in connection with the right to use the property on streets in pursuance of the operation of the local transit system in a particular city, in this case the city of Washington.

Again I should like to emphasize that if there should be any unusual destruction of value of this property, if it has a value as a whole, by the taking of only a part, the courts, under well-known principles of the law of eminent domain, will grant compensation for such destruction.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ALLOTT. I am very happy the Senator from Oregon has brought up this particular subject, for the reason that, as I interpret what has been said, there seems to be a difference of opinion between the Senator from Oregon and the Senator from New Jersey. My own comprehension of the subject falls more along the pattern of what the Senator from Oregon has stated. I believe it is important that we do 1 of 2 things. We should either amend the bill, or make so plain the legislative history as to what was agreed on and what the bill means that no one will be able to quarrel about it again.

Mr. HOLLAND. I appreciate that comment of the Senator from Colorado, but it seems to me we are getting into a more involved position, because the Senator has very clearly said that the Senator from Oregon and the Senator from New Jersey did not interpret the proposed legislation and its legal meaning alike, and the Senator could just as truthfully have said that the Senator from Florida does not agree with either one, although finding some things in the statements of both of them with which to agree. I now understand that the distinguished Senator from Colorado has said that while he does not fully agree with either of them, he comes nearer being in the position of the Senator from Oregon. So, we find four different opinions on this matter which involves some property rights and which should be just as clear as language can make it. It seems to me that the Senator is giving a clear showing that there is confusion instead of harmonious, unified interpretation of the meaning of the proposed legislation.

Mr. ALLOTT. Mr. President, if the Senator will yield further for a moment or two——

Mr. HOLLAND. I yield.

Mr. ALLOTT. I should like to invite the attention of the distinguished Senator to title XVI of the District of Columbia Code which I shall read to him. It bears on this question.

Paragraph 16–620, entitled "Procedure—Petition—Contents," provides as follows:

A prayer that said lands be condemned and taken for the use of the United States and that the title to the same in fee simple, or

such estate or interest as may be specified, be vested in the United States.

That is not the same as the language written in the bill, which provides that the authority shall deposit in the registry of the court the amount of the estimated compensation stated in the declaration, and title to said real or personal property in fee simple absolute.

Mr. HOLLAND. "Or such less estate or interest therein," and so forth.

Mr. ALLOTT. That is correct. And the code provides:

Or such estate or interest as may be specified.

It is difficult to separate the judgment from the things which have occurred, but it is the purpose of each one of us to be objective. I should like to use a little different words, if I may, from the ones which the Senator from Oregon and the Senator from Florida used. It seemed to me when the Senator was speaking of less than fee estates and titles he, perhaps, was thinking in terms of some kind of operating certificates or lease certificates. May I ask whether that is what the Senator was referring to?

Mr. HOLLAND. I mentioned those, and also possessory interests less than full title, and also short-time interests less than those which would cover the full life of the particular property taken.

Mr. ALLOTT. That is the way I understood the Senator.

Mr. HOLLAND. I also stated, I believe, that under the language as I understood it, the important route, the profitable route, could be taken and the equipment which was designed to serve such other routes as might not be profitable or needed, in the judgment of the authority, might be left out.

Those are the very aspects of partial taking, taking in less than fee simple, that I thought I could see clearly written into the provision.

Mr. ALLOTT. I think I agree with the Senator, and I cannot see any justification in the present situation for taking in any instance less interest than the present franchise holder has in the particular property. I feel that this is a situation which, as I discussed it last year on the floor and I shall refer to it later, I feel could have been cured and helped by an entirely different procedure, but, coming up in the last days of the session, we had to take what we had or leave the people of the District of Columbia at the mercy of a dreadful transit situation. If it is an absolute fee which the Capital Transit Co. owns—let us say it is a city block—then I think, if the new authority wants to take all of it, it should take all of it, and if it wants to take a part of it, it should take a part it, and not take a leasehold interest in it. If it is a bus, and the bus is owned outright by the transit company, then I think there is no justification in this particular instance for taking less than an outright ownership of the bus. If the buses or street cars are on some kind of an operating lease or operating certificate, then I can see no justification for taking less than what the Capital Tranit Co. owns in it.

The Senator has made the suggestion, with which I agree wholeheartedly, that none of us wishes to be placed in the position of condoning the financial transactions of this company.

If there be only one person left to be hurt by these transactions, our obligation is to see that that one person's rights under the Constitution and laws shall not be impaired.

So, I hope I have made a proper distinction and have indicated what I consider the meaning should be, namely, that we are not giving the Authority the right to condemn anything less than the full title which the Capital Transit Co. has, I shall not vote for the bill upon any other basis.

Mr. HOLLAND. Mr. President, I appreciate the position of the Senator from Colorado. So far as I am concerned, I crossed the bridge last year when it came to making a decision that there should be a termination year for a service rendered by an agency to a principal when neither one wanted the other. The situation had become intolerable.

I voted for the measure under a good deal more difficult circumstances than did other Members of the Senate, for very obvious reasons, but I did not vote for it with the thought that anything less than the fullest equity and the most complete justice would be applied to the owners, including those who may have been guilty of bad public relations and those who had not. I am quite sure that no member of the committee wishes any treatment accorded under this bill to be less than most completely fair and equitable treatment. So, Mr. President, I think we should certainly have this bill in such words and have the RECORD such as to indicate that we expect nothing less than the most equitable treatment, which shall be taking by eminent domain—a taking rather than a mere renting or using for a period of time while some other adjustment is made.

It seems quite clear to me that under this provision all the rolling stock might be taken under a maximum 3-year temporary period, with the thought that by the end of the 3 years a new investor might reorganize a local transit system, and that at the end of that time most of the present equipment would be obsolete, or certainly obsolescent, and that the new investor would be expected and required, under such terms as might be negotiated, to start off with new equipment, at which time the liquidation and disposal of the old equipment would be back in the hands of a group who for 3 years would have been inactive, who for 3 years would have had no necessity or justification for maintenance of an office here, or, so far as I know, of any activity in this field. I do not think it is fair.

There is another provision in the bill about which I wish to ask, to which I request the attention of the distinguished Senator from Oregon. It is a provision on page 67 relating to the right to take, by eminent domain, the capital stock. The bill contains, in other places, the words "or any portion thereof," meaning that the capital stock could be taken, by eminent domain, in such chips and whetstones as might be found.

The point I wish to make, if I may do so before addressing my question to the distinguished Senator from Oregon, is that that provision is peculiarly inequitable when it is taken into consideration with the part-time condemnation provision which is employed. In other words, it is playing both sides against the middle. It takes the physical assets temporarily, wears them out, and does away with the administrative group which alone could get any fair value out of their disposal; while at the same time it attempts to acquire the stock at its reduced value, which would then be apparent, since the part-time use of the assets had taken place. It even provides that the officers and agents of the Authority, in addition to having recourse to the eminent domain provision, and in addition to sitting in the public position, shall be designated as the officers of the corporation, to wind it up. That, in effect, is playing both sides against the middle, which, as I see it, threatens a possibility of a rather grave distortion of the value in both stock and assets.

My question is this: Was it the intention of the proposal embraced in the bill, as found in subsection (b) of section 203, to empower the Authority to acquire the capital stock of the corporation owning the system, and to give to the board and officers and agents of the Authority the power to act as the officers and board of directors thereof, for the purpose of transferring the property and assets, and for the purpose of liquidating?

Mr. MORSE. It certainly is the intention of the bill that if the District officials decide it is necessary to condemn the whole system—lock, stock, and barrel—it might be necessary also to condemn the stock, in order to control the system for efficient management, leaving it to the courts, under condemnation proceedings, to determine a fair price for the whole works.

Mr. HOLLAND. But I ask the Senator from Oregon if it is not provided, as it appears clearly to be, that the Authority is vested with the power to condemn physical assets, and that the Authority will be in an adversary position as the owners of those physical assets? How does the Senator reconcile that power and that duty of the Authority as a public agency with the other provision that, at the same time, the Authority is empowered to take over the agency whose assets are being taken, and even to serve as the corporate agents in handling the transfer from that side of the table, and then later the liquidation of the concern? Does not the Senator from Oregon think that that puts the Authority, or might put it, in the impossible position of being in two seats, on both sides of the table, and taking adverse positions, especially when they would be representing stockholders not only here but also all over the United States, and perhaps elsewhere, because it would not be required that all capital stock should be condemned, but only such portion thereof as to give the Authority control?

Mr. MORSE. The Senator is confusing alternatives. He is speaking as though there is to be only one procedure followed. If the District officials decide to ask for condemnation of the entire system, then I think the section on page

67, which the Senator has read, is essential for an efficient management of the system.

If, on the other hand, the District officials decide on another alternative, that of simply condemning certain pieces of property—physical property—and certain inchoate rights which have property values to be condemned, so far as the price to be fixed by the court is concerned, then they will not be buying stock.

I think the Senator from Florida must keep in mind the alternatives which will be open to the District of Columbia Commissioners under the bill, but I think—and I say this most respectfully—the premise used by the Senator from Florida in his argument, with which I am in complete disagreement, is that he seems to think that after midnight of August 14 the Capital Transit Co. will be a public utility in the District of Columbia. But it will be a combination of owners who own some physical assets and may own some leases, which they will have to dispose of.

A condemnation proceeding, as the Senator well knows, is a very harsh proceeding; but the owners are protected by the courts, which will make certain that the owners get a fair price for whatever property value is being taken away from them in the public interest. The court must find that the condemnation proceeding, or the request in the condemnation proceeding, is in the public interest. If it is in the public interest, then there is no question about the power of the Government to proceed to condemn, and the court will protect the owners.

The Senator from Florida has said that the stockholders may lose something. Of course they will lose something after midnight of August 14. But that is not the responsibility of the United States Senate. The stockholders made an investment. They invested in a company which held a franchise that was subject to sudden cancellation. That is their risk of investment. If they made a poor investment, that is too bad.

But we certainly are not going to have the taxpayers of the country pay the stockholders for something to which, under the law, they are not entitled, and which would be a gratuity handed to them by Congress because Congress exercised its legal rights under the franchise. It is too bad whenever people make a bad investment; but it may very well be that the investors about whom the Senator from Florida is speaking made an investment which will be a bad investment after midnight of August 14.

However, in the bill we have simply set forth the power of the Government to exercise its condemnation rights, as will be seen on page 68, line 22:

(c) Except as herein otherwise provided, condemnation proceedings for the acquisition of such real or personal property, or any interest therein, shall be instituted and conducted in the United States District Court for the District of Columbia which court shall have jurisdiction of such proceedings and such proceedings shall be prosecuted in accordance with the procedure in proceedings instituted and conducted in the name of the United States.

If that does not give the stockholders 100 percent legal protection, I do not know what language will do so. What we provide is that whatever property value they have which will be taken away from them by condemnation will be taken under a court order, and they will get the value the court will allow under condemnation law.

I do not know what wrong is being done anybody by asking to have the processes of condemnation flow in a case such as this.

The Senator from Florida keeps talking about a difference between the Senator from New Jersey [Mr. CASE] and the Senator from Oregon. I do not think there is a real difference between us. I repeat my understanding of the situation. My understanding is that, so far as the physical property is concerned, the property to which title can be transferred, if the District of Columbia Commissioners want to condemn that property, they should proceed to condemn it from the standpoint of having title transferred.

Mr. HOLLAND. Whatever title the present owner has.

Mr. MORSE. Whatever title the present owner has. I quite agree with the Senator from Florida that we should not say we are going to take the streetcars and buses for 3 years and will use them for 3 years; or that if we do not need them for 3 years, or if we are ready to sell to X Co., a private company which might come into the District, and if X Co. says it does not need the vehicles we have, we will give them back to the Capital Transit Co. I do not think that is contemplated in the bill. In my opinion, it could not be contemplated, under the bill. In my opinion, no court would sanction such action under the bill, if an attempt were made to proceed in that way.

I think, in that case, the title to the property ought to be condemned. But, as the Senator well knows, there are many intangible property values which are owned by this company, such as leasehold interests.

Mr. HOLLAND. Would the Senator from Oregon be willing, in connection with tangible property, to have inserted in the bill appropriate words to make it clear that, in the condemnation of tangible property, whatever right, title, and interest the present owners have, in the event the property shall be required and shall be taken under condemnation, the whole interest of the present owners shall be condemned?

Mr. MORSE. The whole value of that property shall be taken.

Mr. HOLLAND. I think, then, the Senator and I are not far apart.

Mr. MORSE. I do not think it could be done in any other way. I cannot imagine that a court would sanction any other course.

Mr. HOLLAND. Apparently there is very great difference between the Senator from Oregon and the Senator from New Jersey on that point.

Mr. MORSE. I do not think so, although the Senator from New Jersey is present and can speak for himself.

Mr. HOLLAND. I have had considerable colloquy with the Senator from New Jersey off the floor, while the Senator from Oregon was speaking, and I am sure that is his opinion. If it is not his opinion, I shall be glad to yield to him so that he may state what his opinion is.

Mr. MORSE. If the Senator from Florida will permit me——

Mr. HOLLAND. Before we hear the opinion of the Senator from New Jersey, let me say a word about the capital stock. Again I am disposed to go along 100 percent with the Senator from Oregon if the bill provides, as the Senator from Oregon apparently thinks it should provide, from what he said, that the two rights shall be alternative. That is, in the event the right of public domain in connection with the physical assets is exercised, the capital stock may not be taken; or that, conversely, if it is desired to proceed to the taking of the capital stock by eminent domain, that may be done, but in that case they may not proceed on the other side. I think we are exactly in accord in our views, because I have heard the Senator say that, in his judgment, these are alternative rights, and that they cannot be used at the same time. I understand that the Senator would not object to the clarifying of that provision in the bill.

Mr. MORSE. If the bill needs clarifying, but I think it is pretty clear, let me say to the Senator, although come midnight August 14, the stock is not going to be worth much.

Mr. HOLLAND. There is a very distinct value there, and I do not believe the Senator wants to destroy that value in whole or in part. I am sure he does not. I cannot believe any Senator, and certainly not the Senator from New Jersey [Mr. CASE], the Senator from Colorado [Mr. ALLOTT], and other Senators who have followed the argument, and who realize what is involved, would for a moment take the position that full compensation should not be made.

Mr. MORSE. Whatever value the court finds.

Mr. HOLLAND. The two amendments the Senator and I have discussed would largely relieve the mind of the Senator from Florida.

Mr. MORSE. Will the Senator permit one interruption, for the sake of legislative history?

Mr. HOLLAND. I yield.

Mr. MORSE. I want to make it clear that I do not think the Senate and the House of Representatives would have any right to provide for the payment of $1 for this company after midnight, August 14, for it would then be a defunct company so far as a going concern or public utility is concerned. After midnight, August 14, it will cease to be a public utility. It will be as dead as a dodo. It will not be worth a cent as a public utility after midnight, August 14. Now, I know what the Wolfson interests are up to.

Mr. HOLLAND. If the Senator knows that, I do not.

Mr. MORSE. I think it is perfectly clear.

Mr. HOLLAND. I have not been given the chance to learn.

Mr. MORSE. Let me tell the Senator what I am satisfied they are up to.

They want to milk the District once more. They want to collect book value for stocks after midnight, August 14, and I do not intend to stick the taxpayers of the United States for book value.

Mr. HOLLAND. Let us have one thing clearly understood. So far as the Senator from Florida is concerned, he wants the bill to be on the up-and-up.

Mr. MORSE. So do I.

Mr. HOLLAND. But now it is not on the up-and-up, because it is admitted that two things which need to be corrected are in the bill, and their misuse would be possible. As I understand, we are together on amendments which would obviate any chance of that misuse. So far as the Senator from Florida is concerned, he knows perfectly well that when he voted to cancel the franchise last year he was taking the position the Senator from Oregon is taking now with reference to the nonexistence, noncontinuance, of a going public utility after the date of the cancellation becomes effective. He also knows, however, that this property was assembled to serve in a public utility capacity. The Senator from Florida thinks he saw in the newspaper only 2 or 3 days ago that this utility had been picked out as the safest public utility in operation in the Nation. Therefore the rolling stock and the equipment, as well as the administration, must have been reasonably safe from that point of view.

Mr. MORSE. Including the labor that handled it?

Mr. HOLLAND. Including the labor that handled it.

So far as the Senator from Florida is concerned, he wants fair treatment for the owners, and he wants them to have the right to have their property considered as a property, not as a going public utility, because it lacks the franchise, and lacks the good will to get its franchise back; but the property is there, and it should be considered as an entity, and the owners should have a right to get full value for it. Any proposed law which deprives them of that right is not legislation the Senator from Florida would be interested in seeing passed.

I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. The Senator from Florida is most generous.

Mr. HOLLAND. The Senator from Florida recognizes the high, outstanding legal ability of his distinguished colleague from New Jersey. He hopes he will get guidance which will be highly beneficial to him and the Senate.

Mr. CASE of New Jersey. The Senator from Florida is most optimistic.

Mr. HOLLAND. The Senator from Florida thinks the legislative record will be made clear, and not confused, by the Senator from New Jersey. The legislative record indicates that great legal minds in the Senate, the Senator from Oregon, the Senator from New Jersey, and the Senator from Colorado, are at least thinking somewhat alike in this very important matter of what is to happen to some millions of dollars worth of valuable assets which will not have a home, so far as being a municipal utility is concerned, on the day the franchise becomes canceled.

I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. First, I may say that the injection of myself, perhaps gratuitously, into the discussion of the two Senators was for the purpose of making clear that I think the language of the bill is plain. I believe that under the regular tenets of statutory construction no court would even look at the RECORD of the congressional debate to determine what was meant by the words in the bill, nor do I think that a court should. It was my concern that we should not get into a kind of hassle such as would raise any doubt about the plain meaning of the words.

I think less than the whole interest of the property may be taken. Whether it should be is another question.

Mr. HOLLAND. And a temporary interest in point of time?

Mr. CASE of New Jersey. And a temporary interest in point of time.

Mr. HOLLAND. I thank the Senator.

Mr. CASE of New Jersey. I must say to the Senator my knowledge of the law of eminent domain falls short of knowing whether a court would permit the interest for 1 day in a bus to be taken. I do not think any court would permit that kind of taking, and I believe the Senator from Florida is worrying about a bogeyman that does not exist.

Mr. HOLLAND. The history of the takings made by the Federal Government in the course of World War II in my own State affirmatively shows many times over that temporary takings in point of time can be brought about, and by no means is a governmental agency clothed with the power of eminent domain confined to taking the ultimate interest. The question is whether it is sound public policy to take less than the ultimate interest the corporation has.

Mr. CASE of New Jersey. I would concur with the Senator entirely, and I am sure this is the view expressed by the Senator from Oregon, that if a tangible piece of property like a bus or a certain piece of machinery is to be taken, the whole interest of the owner should be taken, whether it be Capital Transit or John Jones.

However, I wish to emphasize once more, if I can, that if the Senator believes we should limit the new authority—if it exercises the power of eminent domain in regard to any of the property of the Capital Transit Co.—to the taking of all or none, I must fully and completely disagree with him; and I would say we should not amend the bill in such a way as to make that a requirement.

Mr. HOLLAND. Does the Senator from New Jersey mean all assets of every kind?

Mr. CASE of New Jersey. Yes; or even all the assets used or recently used for the operations. I think there should be no such requirement as that.

Mr. HOLLAND. But now the Senator from New Jersey does take the position, does he, that any property which is taken should be taken as to the ultimate title the corporation has in it?

Mr. CASE of New Jersey. I would not go so far as to say that in regard to all kinds of property. I know of none, but I can imagine there could be certain kinds of property, such as interests in easements, and so forth, in which a taking of less than the whole interest might be desirable. But I was talking about the common, garden variety of property, such as a bus.

Mr. HOLLAND. Let us refer to tangible property. Do I correctly understand the Senator from New Jersey to say that, in his judgment, under this bill only an interest in tangible personal property could be taken in the condemnation of particular assets?

Mr. CASE of New Jersey. I do not think that is what the bill says.

Mr. HOLLAND. How well I agree with the Senator from New Jersey.

Mr. CASE of New Jersey. I would consider an amendment on the merits.

But beyond that, I think the Senator from Florida is concerned about something which is not really a danger about which we should be concerned.

I return to my original point, namely, that the courts really have the ultimate authority in regard to the ownership of property, in the case of eminent domain, or in regard to the fixing of the amount of damages. So we can safely leave such matters to the courts.

Mr. HOLLAND. I do not know what other property may belong to the Capital Transit Co.

Mr. CASE of New Jersey. Neither do I.

Mr. HOLLAND. But in reading the newspaper accounts in regard to the negotiations, I have noticed there is much argument as to whether streetcar service should be continued or whether streetcars should be replaced by buses; and there has also been argument as to whether, if a new concern is brought into the picture, it would sign up on the basis of all-bus service or whether it would be permitted to operate the streetcars. In the Washington press, both in news articles and in editorials, there has been considerable reference to such matters.

Mr. CASE of New Jersey. That is correct.

Mr. HOLLAND. I have seen those articles and editorials.

When I read this measure—I never read it until I came to the floor today, and I have not had a chance to read it fully—it seemed very clear to me that the position of the Senator from New Jersey is correct, and that a partial taking is permitted. I believe that is inequitable.

I am happy that apparently we are about to agree now on two amendments; and I refer briefly to this matter in the hope that I am correct about it. I state frankly that I do not know enough about the bill to engage in its actual drafting. However, as I understand, there is no objection to the position that in the event tangible personal property is taken——

Mr. CASE of New Jersey. An item of tangible personal property.

Mr. HOLLAND. Yes; that if any personal property is taken, the ultimate property interests now belonging to the Capital Transit Co., or at the time of the taking belonging to it, shall be condemned, and that nothing less than that shall be condemned. I see both Senators nodding, indicating that that is correct. Very well.

The second is that in the case of the capital stock, which is not listed separately in the bill; to the contrary, everything is listed in one sentence——

Mr. CASE of New Jersey. As I recall, the bill does not contain a reference to "capital stock."

Mr. HOLLAND. Oh, yes; it does. I now read, from page 67 of the committee amendment, paragraph (b):

In exercising the aforesaid powers to acquire a transportation system, the Authority is hereby authorized to acquire the capital stock—

And so forth.

Mr. CASE of New Jersey. Of course the Senator from Florida is correct. I was thinking of the earlier section in regard to general condemnation.

Mr. HOLLAND. Yes.

My hope and my belief now are that we are agreed about an amendment which will give these powers in the alternative: either that the Authority may exercise the rights of condemnation in its own, sole discretion, in acquiring the capital stock, or such portion of it as to give it control; or that, as the other horn of the dilemma, as the other alternative, it shall have the power to proceed as it wishes regarding the acquisition of such tangible assets as it may need, whether they be real estate or tangible personal property.

Mr. ALLOTT. Mr. President, will the Senator from Florida yield to me?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Florida yield to the Senator from Colorado?

Mr. HOLLAND. I yield to the Senator from Colorado.

Mr. ALLOTT. For myself, and according to my own understanding of the matter, I would not agree to such an amendment. From a practical standpoint, it seems to me that the Commissioners, or whoever would be exercising the authority, could proceed in one way or the other, namely, condemn certain tangible or intangible assets, or all of them; or, if they took the other tack, and condemned property, it seems to me it would have been unwise to move the other way in the first place.

What we are destroying, and what we did destroy last year, are actually two things. First of all, we destroyed, by vote of the Congress, the corporate franchise, which will be ended on August 14. Second, we destroyed the franchise which the corporation has to operate a public utility in the District of Columbia.

While certainly the franchise to operate a public utility will be completely destroyed on August 14, if nothing intervenes, if no action by the Congress takes effect before then, the second item remains, namely, the corporate franchise. While it exists, I believe it will occupy the position occupied by the directors of the corporation. Some of my scholarly legal colleagues can correct me if I am mistaken about this, of course. Thus, I think it will, in effect, hold all the property of the corporation, as trustee for the stockholders, and in the proportions to which they hold their respective shares of the stock. So, even though these two things are shut off on August 14, we shall not destroy the value the stock has.

But as a practical matter, although I am not willing to agree to the amendment suggested by the distinguished Senators, by means of which the Commissioners would be forced to acept one or the other, it seems to me that when the Board of Commissioners act in regard to this matter, they would of necessity, and as a matter of practicality, have to choose either one or the other. In other words, either they would have to condemn the stock and take over the whole thing, lock, stock, and barrel—and condemning the stock might be the best way—or they might condemn selected items of property and interests.

Mr. HOLLAND. Then, as I understand the Senator from Colorado, he agrees with the Senator from Oregon that the two approaches are in the alternative, and both cannot consistently be taken at the same time.

Mr. ALLOTT. No, I do not agree as to that. As I consider the matter from a business standpoint and a legal standpoint, I can see nothing which would impel them to seek both at the same time. But I am unwilling to compel them to keep from seeking both at the same time, if there should arise circumstances which would make them deem it advisable to do so.

Mr. HOLLAND. In other words, if they feel that they would like to control the picture on both sides at the same time, the Senator would have no objection to their being allowed, by court action, to do so.

Mr. ALLOTT. Yes; for this reason: The Authority can acquire this property in only one of two ways. It may do so by agreement with the Capital Transit Co. prior to August 14, or with the directors thereafter, or it may do so by condemnation. If they do so by agreement with the Capital Transit Co., I assume that those people are not going to do anything which is opposed to their own personal interest. However, I also believe that if they go into court the court will say that the Capital Transit Co., or its stockholders—or, in the end, its remaining stockholders—will be protected to the hilt with respect to what they have, and what their stock or equipment is worth as of the time of taking.

Mr. CASE of New Jersey. Mr. President, I wish to associate myself with that viewpoint.

Mr. HOLLAND. The Senator's viewpoint is that the two procedures are in the alternative, but that the bill should not insist that, at any fixed time, the Commissioners or the Authority must elect to go either one way or the other.

Mr. ALLOTT. Yes. Let me explain to the Senator the way I am thinking, and perhaps that will help him to understand my position.

Let us assume that the Commissioners or the Authority should decide to take a certain specified amount of stock. Assume that they were to take a block of property here, and a block somewhere else, to handle and house equipment, and still another piece of property for office buildings. They might say, "We are going to take all the buses, but we are going to leave the streetcars alone."

Then suppose they were to get into a legal hassle or encounter a delay which would make it impossible for them to perform the functions which we want them to perform under this authority. In that instance, if it seemed the more practical way to proceed, I would still wish to leave them the power to condemn the entire corporation, including all its assets, leaseholds, franchises, and licenses, in one lump.

Mr. HOLLAND. I thank the distinguished Senator. I think I understand his position.

There is one further question which I should like to discuss. I apologize to the Senator from Oregon, both for the length of my interrogations, and also for the fact that I have not had an opportunity to read the proposed legislation. I have been busy in an Appropriations Committee hearing downstairs. The Senator saw me when I returned to the Chamber.

What provision is included in the bill with reference to the settlement of labor-management disputes? I remember that last year we had what I thought was a very sound provision when the bill passed the Senate—although I do not believe it was included in the bill as finally passed. It amounted to compulsory arbitration. What provision is in this bill?

Mr. MORSE. There is no provision in the bill for compulsory arbitration. It provides for collective bargaining between the Authority and the workers, and it provides for voluntary arbitration before a tripartite board of arbitration, if the parties want it. It does not destroy the right either to lockout or strike, but I believe that under the language of the bill, and the procedure permitting arbitration, voluntary arbitration procedure will be followed.

Mr. HOLLAND. Am I correct in my recollection that last year when we passed the earlier bill in the Senate, a compulsory arbitration provision was included?

Mr. MORSE. It was not in the bill.

Mr. HOLLAND. It is my recollection that there was such a provision. The Senator from Oregon says that such is not the case.

Mr. MORSE. That is correct. However, I will double check to make sure.

Mr. HOLLAND. I take it for granted that I am in error, because I do not maintain the same familiarity with this field as does the Senator. As he well knows, I cannot.

Mr. MORSE. There was a long discussion in the committee with respect to the so-called labor section. I think we have made a pretty good adjustment with respect to the problem, in that we provide for the establishment of a voluntary tripartite board of arbitration if the parties wish to submit their disputes to arbitration; but it is voluntary, and not compulsory.

Mr. HOLLAND. The so-called temporary authority, it seems to me, would be permanent, because almost without any hiatus whatever, it flows from temporary to permanent status 3 years from now. What assurance do we offer the people of the District of Columbia and others who use this facility, this utility system, of freedom from such stoppages as brought on the entire trouble last summer?

Mr. MORSE. None at all. It is one of the risks of freedom. It is one of the risks that is run in San Francisco, Cleveland, Chicago, Boston, and every other city in which there is a transportation system. The right to strike is not destroyed. But I do not think we have any reason to be greatly concerned about the danger of a strike if we provide for an arbitration procedure. Our difficulty previously was that we were confronted with a situation in which one of the parties would not arbitrate on a voluntary basis. In my judgment the strike would not have occurred, and there would not have been 1 day of stoppage if the Capital Transit Co. had been willing to submit to voluntary arbitration.

Mr. HOLLAND. My own feeling is that we are not getting anywhere on any basis of finality unless, when we are turning from private operation to public operation, we make use of one of the few justifications for such a course. There are other justifications, but I think the principal one is with respect to the treatment of employees as public employees, depriving them of the right to tie up the system, by applying compulsory arbitration, a receivership proceeding, or a cooling-off period. There are many different ways of approaching the problem, but apparently the committee, in its wisdom, has not adopted any of those ways. Is that correct?

Mr. MORSE. The Senator is correct.

Mr. HOLLAND. I must say that I regret that decision very greatly, because I think we are doing away with much of the justification for making a public authority out of this transportation system if we fail to avail ourselves of the undoubted right, when we enter the field of public service, just as we do in the case of Federal employees, to insist that there be no strikes. I do not see how we could conscientiously treat citizens of the District of Columbia any differently from the way we treat the Nation as a whole, in connection with insisting that there be no strike on the part of public employees of the Nation generally.

Mr. MORSE. Of course, the pattern in public ownership of municipal transportation systems is not a pattern of prohibition of strikes. The pattern is rather one which provides for arbitration machinery. The parties voluntarily agree to write into their contract voluntary arbitration machinery, and the record is perfectly clear that, when it is present, it is used.

It is the old issue again. When a municipal government takes over what is really an entrepreneur activity, it is proposed to say that those who work in that activity are to be denied the freedom of striking.

We have followed the course of action which I understand is followed with respect to most of the municipal operations in the country today. The right to strike exists, but what the parties actually do is to arbitrate their differences. However, there is no compulsory arbitration.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of New Jersey. On this point, it seems to me that there is a great deal of difference between a police force or a fire department and employees who are operating a municipally owned transit system, and that different ways of treating employer-employee relationships are not only justified, but very desirable.

Speaking for myself, I believe that the provisions in the bill in regard to permissive arbitration, with the preservation of the right to strike, are best adapted to the particular function which this authority and its employees are designed to perform.

Mr. HOLLAND. I may say with equal candor that I believe we are passing up the first opportunity we have had under any reasonable approach to assure the continued operation of the transportation system of the District of Columbia by failing, at the time we create a public authority—although called or named interim, and created for 3 years, it can flow on at the end of 3 years without any hiatus at all into a permanent public authority to provide any semblance of unusual handling of the labor-industry problem, which is certainly greatly different in this field from that which exists in ordinary industries.

I see no justification for it, and I regret that the committee has not seen fit to offer the Senate some well-studied provision on this subject.

I say that because the citizens of the District of Columbia, many of whom are very regretful about having to go into a public authority of any kind, will feel that, as usual, we have been derelict in our duty to them by failing to prescribe something that will assure them continued operation.

After all, the whole background of the trouble developed from a difficulty between industry and labor and the stoppage that forced us to take the action last July to cancel the franchise.

Are we, to proceed—I will not say with indifference, because we are not indifferent about it—with supreme trust in the fact that the setup we are creating now will be so different that no arbitrary position will be taken which will result in merely coasting into more stoppages, coupled with the highly expensive provisions to the people generally which are involved in connection with the setting up of the public authority?

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Colorado.

Mr. ALLOTT. I thank the Senator from Florida for yielding to me. In connection with this subject, there are certain things which took place in the hearings that I believe should be made a part of the RECORD. One of them I find in the third volume of the report of the proceedings, on the pending bill, at page 176.

Mr. HOLLAND. Does the Senator from Colorado mean that the hearings on the bill have not been printed, and that the Senate is proceeding on the pending bill—with all the matters which the Senate has handled and which have been regarded as important to someone—without having the benefit of the printed hearings, which would make available to all of us the record of what transpired behind committee doors?

I see that the Senator from Colorado is reading from a typewritten transcript. Therefore I assume that, as usual, the District of Columbia is receiving the short end of Senate service.

I do not remember that we passed on a bill during this session of Congress which was so lightly regarded that there was no printed hearing record in existence, thus making available to all Members of the Senate a record of what had transpired in committee.

I certainly appreciate the fact that the distinguished Senator from Colorado now plans to read into the RECORD some portions of the record with respect to what transpired at the hearings, which he believes will illuminate the debate record.

Mr. ALLOTT. I hope the distinguished Senator from Florida will not let any of his irony pass over to this insignificant member of the committee.

Mr. HOLLAND. The Senator from Florida is not using irony at all. Since his smiles cannot be translated into the printed words of the RECORD, the Senator from Florida wishes to make it very clear that he is smiling very broadly, and so are his three friends—the Senator from Oregon, the Senator from New Jersey, and the Senator from Colorado. All of us know in the very bottom of our hearts that we are the sorriest city commission in the United States, and that this is but another evidence of the fact that we do not propose to regard our responsibility to the 800,000 people who live in the city and the millions of people who visit here as anything else but something that must be tolerated.

Mr. CASE of New Jersey. Will the Senator permit me to interrupt at this point?

Mr. HOLLAND. Which must be tolerated and worked off with the least possible effort and with the least possible expense and with the least possible information to the Members of the Senate, other than to those who serve with such ability and distinction on committees, in this case the Committee on the District of Columbia.

Mr. CASE of New Jersey. Mr. President, will the Senator from Florida permit me to make only one point at this time?

Mr. HOLLAND. I am glad to yield to the Senator from New Jersey.

Mr. CASE of New Jersey. I merely wish to say that the record has been available in the very familiar office of the Committee on the District of Columbia. It has been available at all times in that committee to all Members of the Senate. Not one Senator has asked to see the record. That includes—although I know he has been busy with other matters of great consequence—the Senator from Florida. The record is available now in an adequate number of copies.

Mr. HOLLAND. I thank the distinguished Senator from New Jersey for illuminating the RECORD. The RECORD now shows that one copy of the hearings——

Mr. CASE of New Jersey. Several copies of the hearings are available, if

I may again interrupt the Senator to advise him on that point.

Mr. HOLLAND. The RECORD now shows that several copies of the typed report of the committee hearings—not contained in one volume, I believe, because the Senator is apparently reading from one of several volumes—are available. The Senator says that several copies are available and that no Senator has looked at them in the office of the committee.

Mr. CASE of New Jersey. Five copies have been available, if I may advise the Senator.

Mr. HOLLAND. The Senator from New Jersey states that five copies are available, and that no Senator has looked at them in the committee.

Mr. CASE of New Jersey. Except members of the committee, of course.

Mr. HOLLAND. Except members of the committee. All of that bears out the point that the District of Columbia is a stepchild. It also bears out the point that the printed records—which in connection with every other bill of consequence we have passed have been available and have been read assiduously during the course of the debate—are not available in this case; and that Senators during this debate have had to glean what they could, with the Senator from Florida reading a paragraph here and a paragraph there from the bill after he rushed into the Chamber from a hearing before the Committee on Appropriations. Other Senators have not even bothered to attend. Mr. President, let us determine how many Senators are on the floor at the present time.

Mr. CASE of New Jersey. It is a rather large number, I believe.

Mr. HOLLAND. I am glad to say for the RECORD that an unusual attendance is on the floor. There are 9 Senators on the floor, of a total of 95 Members at the present time.

Therefore I shall withdraw and not say what I was about to say about the poor attendance in the Chamber. Nine Senators are present. That fact ought to be a cause for felicitation.

Mr. MORSE. I still insist that such an attendance is shocking.

Mr. HOLLAND. Of course that was one time when the Senator from Florida was indulging in a little bit of irony, because he believes that a measure involving to the extent this one does, the taking of private property, which brings only nine Senators to the floor—and those Senators without information as to what transpired in committee, because they have not had available to them the printed record of the hearings, to which they may refer—is as clear a showing as is needed. I insist, however, that none is needed because I believe everyone knows just what kind of treatment the District of Columbia has received in general in the handling of its problems. At any rate it bears out the statement of the Senator from Florida—which he utters not with irony and not with anger—that we, the Senate and the House, the Congress, constitute the very worst city commission and the very worst city council and the very worst city governing body to be found anywhere in all the confines of the United States. Of course all Senators on the floor know that the Senator from Florida has for 10 years been voting consistently for home rule, and proposes to continue to do so, because so long as this kind of thing continues we cannot expect to have a well-run city. We do not have it.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. MORSE. I merely wish to say that I completely share the comments made by the distinguished Senator from Florida. His comments are very similar to those I have made for several years on the floor of the Senate. That is why I believe we ought to get rid of these problems, by placing them in the hands of the city officials. That is one reason why I am so very much in favor of the pending bill.

Mr. CASE of New Jersey. Mr. President, will the Senator yield for one comment?

Mr. HOLLAND. I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. It is obviously very embarrassing for members of the committee, including myself, to defend themselves from the suggestion that they are the very worst possible governing body. I do not disagree with the Senator.

Mr. HOLLAND. Oh, no. My suggestion was—and it was more than a mere suggestion—my statement was that the Senate and the House, including all Members of both Houses, have been responsible. We cannot shrug off this responsibility because it is partly our responsibility. It constitutes the very worst city governing board to be found in all the confines of the United States. I do not believe anyone could be found who would dispute that statement.

Mr. CASE of New Jersey. On the question of home rule, I agree completely with the Senator from Florida. I believe there are matters in which the Federal Government has an interest, which it is proper for us to consider as a Congress, and to retain some measure of control, all of which, I am sure, can be worked out; and no disagreement on that score need exist, I am sure. While I agree in general on that proposition, I think the pending bill is the wise and right solution of a very pressing problem.

Mr. HOLLAND. I thank the distinguished Senator.

I now yield, Mr. President, to the Senator from Colorado.

Mr. ALLOTT. If I may, first, thank the Senator for yielding to me, I shall continue from where we left off. This reminds me somewhat of the situation of a preacher who goes to church and finds only five members present and preaches a great sermon on sin, but those who need it most are not there to hear it.

Mr. HOLLAND. May I comment that since I said a while ago that there were 9 Senator present, there are only 7 present at this time.

Mr. CASE of New Jersey. They will read the printed RECORD.

Mr. ALLOTT. To get back to the record, with which I assure the Senator I had nothing to do——

Mr. HOLLAND. The typed record.

Mr. ALLOTT. It appears to be mimeographed, so there must have been more than one copy made.

On page 176, I find Secretary Mitchell sent to the Senator from West Virginia [Mr. NEELY] a letter from which I now read:

> DEAR SENATOR NEELY: I am taking this opportunity to state my views with regard to the labor provisions of S. 3073, the bill recently introduced to establish a public transit agency in the District of Columbia. Under the circumstances created by this bill where public operation of a formerly private enterprise makes it necessary for the employees to forego the right to strike, a method should be provided for the handling of labor-management relations and the settlement of disputes.

Mr. HOLLAND. Do I correctly understand that the Secretary stated by implication that the employees should forego the right to strike in such a relation as this?

Mr. ALLOTT. That is the implication of it. There is more to it. I read further:

> The legislation should make it clear that the transit agency has the authority to bargain collectively with representatives of its employees and to enter into written collective bargaining agreements, and to submit disputes to mediation and arbitration.

I thought there was more about it in the letter, but I do not find it.

With reference to the first draft of the bill, when the matter was on hearing, as the Senator may see if he refers to page 43, numerous titles of laws were mentioned. One of them was the Hatch Political Activity Act, and another was Public Law 330 of the 84th Congress, prohibiting the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States. It provides that no person shall accept or hold office or employment in the Government of the United States or in any agency thereof, including wholly owned Government corporations, who participates in any strike or asserts the right to strike against the Government of the United States or any such agency.

I do not know whether this proposed Authority is an agency of the United States or whether it will be wholly owned by the United States. It seems to me, and I have always taken the position, that since Congress, in its act last August declared that this was not only a matter of great emergency to the District of Columbia but also a matter of great emergency to the Government of the United States, this is one instance in which we should seriously consider that the right to strike should be seriously curtailed.

I should like to refer to page 231 of volume 4 of the hearings, where Mr. Bierwagen, who, I think, is the president of the union, had been asked by me with respect to several matters. He said:

> Mr. Chairman, yesterday we left off on page 2521 of my statement. I am going to begin where we left off.

He discussed a no-strike pledge as an effective guaranty of continuous operation under fair wages and working conditions.

I cannot refer to the exact testimony, because I am under the same handicap as that of the Senator from Florida.

Mr. HOLLAND. In other words, the Senator does not have an indexed printed copy of the record of the hearing.

Mr. ALLOTT. I do not. But at that hearing, it is my recollection that when I questioned Mr. Bierwagen, one of the repeated things he said was that he was perfectly willing to give a no-strike contract. We do not have that in the new bill which has been written, and in the stricken-out portions on pages 42 and 43 there is no reference to what is known as Public Law 330 of the 84th Congress limiting the right to strike.

I have prepared a memorandum and an amendment which will include that provision in the bill and will reinsert that portion of the act in the bill. It was my understanding from Mr. Bierwagen that that was the intention, that if we did write this kind of an act we would have assurances that there would be no strike. Certainly, I do not think I misunderstood him. If we are going to establish machinery which is fair to every employee, eminently fair to the union, then I think we should have some assurance on the other side that we are not going to be precipitated into a situation such as that which existed last year. It is not only a matter of great concern to the District of Columbia but to the Government itself. I intend to offer my amendment later.

Mr. HOLLAND. I shall be happy to support the amendment. I see how it was that I got the understanding that at the time we passed the bill last year there was some provision with reference to avoiding strikes. I find it now in a measure which must have been passed on the same day, August 9, 1955, H. R. 6590, which provides that "no person shall accept or hold office or employment in the Government or in any agency thereof, including wholly owned Government corporations, who participates in any strike or asserts the right to strike against the Government of the United States or such agency."

I am advised by the distinguished Senator from Colorado that subsection 4 of section 1 is also applicable. I read it:

> Is a member of an organization of Government employees who assert the right to strike, knowing that such organization asserts such right.

Mr. President, with that law on the books it seems to me we would be guilty of the most gross dereliction of duty if we should saddle the people of the District of Columbia with this publicly-owned and highly expensive authority for the handling of its transportation problems and completely omit from the bill such an important provision, because the employees will certainly be working for a wholly owned Government corporation.

I hope the distinguished Senator from Colorado will offer the amendment which he has in mind, so that the Senate may correct that deficiency.

I regret to have taken so long, but I appreciate the very great frankness and generosity of the distinguished Senators who have participated so agreeably in the colloquy.

I feel it is too late for us to retrace our steps and to go back to an operation which is unsatisfactory to the server, unsatisfactory to the people served, and unsatisfactory to Congress. The franchise has been once terminated, and an unpleasant duty it was to terminate it; but I feel that an act of the type which is here proposed is desirable, provided it includes provisions of the kind we have been talking about.

I hope the eminent Senators and the counselors who are handling the matter will see to it that the other matters which have engaged my very deep concern are corrected, because I should like to be consistent with my vote and my hope of last year, that we might move toward a permanent solution of this very great difficulty which has been harassing the people of the District and which is only partially solved now.

SUSPENSION BY THE DEPARTMENT OF THE AIR FORCE OF SIDNEY HATKIN ON SECURITY CHARGES

Mr. LEHMAN. Mr. President, in the last 2 days the press have given front-page attention to the story of one Sidney Hatkin, a civilian employee of the Air Force Department, who was suspended by the Air Force on security charges and who was subsequently approached by a Soviet agent. Mr. Hatkin not only spurned the offer by the Soviet agent, but he loyally reported the facts to the appropriate officials of the United States Government. No recognition has been taken by our Government of this act of loyalty on Mr. Hatkin's part. He has only been clutched the more tightly in the toils of the redtape of the Government's security program.

Mr. President, charges against Mr. Sidney Hatkin seem to me, from the information I have, to be flimsy and insubstantial. Yet these grounds have caused Mr. Hatkin almost 2 years of agony, anguish, and hardship, in the midst of which he was subjected to one of the most difficult tests I have ever read about—the test that is described so graphically in the newspapers of yesterday and today.

Mr. President, the fact that Mr. Hatkin's case is being discussed on the front pages of the newspapers is due to a speech delivered last Saturday by former United States Senator Harry Cain, now a member of the Subversive Activities Control Board. In that speech former Senator Cain, who has been fighting courageously for the past 2 years against the excesses of the Government's security program, told the story of Sidney Hatkin.

Former Senator Cain did not name Mr. Hatkin but he told the facts of the story so grippingly and so graphically—it was such a dramatic story—that the newspapers in very rapid course established his identity.

I had heard of Mr. Hatkin's case before Mr. Cain made his speech. Mr. Hatkin had been to my office and told his story and I had indeed written to the Secretary of the Air Force about him, demanding an explanation and a justification of Mr. Hatkin's suspension without pay and of the long and unbearable ordeal to which he had been subjected.

Mr. President, the Air Force Department owes Mr. Hatkin, it owes me, it owes the Senate and the country, an explanation.

The administration owes us all a justification of this whole security program. The administration, by its actions, helps to maintain the atmosphere of suspicion and fear which was prevalent 2 years ago. For this the administration must be held accountable.

I certainly wish to exempt from this statement such individual officials as former Senator Cain, who has done so much to dramatize this issue—the issue of security in government. I particularly want to refer to one sentence in Senator Cain's speech where he asks: "Have we made more security risks than we have found?" The story of Mr. Hatkin certainly gives us much to think about and it is only one of a great, great many.

Mr. President, I would like to insert in the RECORD at this point in my remarks the text of Senator Cain's speech before the Jewish Labor Committee and also the text of the New York Times' report on the Hatkin case, as printed in this morning's edition on page 15.

There being no objection, the speech and report were ordered to be printed in the RECORD, as follows:

THE INDIVIDUAL IS OF SUPREME IMPORTANCE

(Address by the Honorable Harry P. Cain, Subversive Activities Control Board, at the Jewish Labor Committee National Trade Union Conference on Civil Rights, Belmont Plaza Hotel, New York City, May 5, 1956)

Mr. Chairman, Mr. Carey distinguished guests, and my fellow Americans, to all of you, I say thanks sincerely for asking me to participate in a conference concerned with the health of freedom and the way to maintain it.

I have no knowledge about any organization that has achieved more than the Jewish Labor Committee in recognizing, exposing, and working against the evils inherent in the ruthless destructiveness of foreign or home-grown totalitarian concepts, be they Communist, Fascist or Nazi—while striving to increase the strength and vitality which is so obviously inherent in what we commonly refer to as being civil rights and civil liberties.

We understand these rights and liberties to be opposite but inseparable sides of the same coin. We understand that the durability and life itself of freedom is determined by the manner in which they are observed, obeyed and advanced. These understandings constitute the common ground on which we meet today.

I wish to address myself, not to their specific language, but to the substance and practical application of the Bill of Rights, the first 10 amendments to our Federal Constitution.

I want to discuss several of the ways in which some of those in positions of governmental authority are presently acting as though the Bill of Rights were meaningless or without usefulness in the age of peril which involves and concerns us all.

I am anxious to examine in your presence the possibility that freedom can be emasculated or destroyed in America as it has been in other freedom-loving nations throughout the world and for identical reasons.

Because the intention here is to talk of matters which are and should be controversial. I beg your indulgence in making clear the foundation from which I speak.

For the President of the United States I have a considered admiration and respect. Good fortune has enabled me to serve him in war and peace. I shall strive to serve him well on this occasion.

If I speak of and to him bluntly, I do so only because of the faith I have in the quality of leadership which belongs to him in such abundance. The nation suffers needlessly, in my view, because that leadership is neither understood nor being felt in some quarters.

Of General Eisenhower, the soldier and Supreme Commander, I have three enduring and confidence-provoking memories.

1. Shortly before D-Day in 1944, General Eisenhower called together his American and allied staff of several hundred officers. He wanted to express his gratefulness for their planning activities without which the resulting crusade in Eruope would not have been possible. The General was aware that few among those who make a secret know what that secret actually is or what it can accomplish. Before the first troop transport started across that English Channel, our commander disclosed the fullness of the invasion secret and in doing so, he expressed without reservation his confidence in the trustworthiness of every officer who was assembled before him. With the lives of millions at stake, General Eisenhower did not hesitate to share his vast responsibilities with all of those who contributed in their respective ways to the master plan which imposed defeat on our enemies.

2. Whenever General Eisenhower appeared unexpectedly on some combat line, it occasioned no surprise among his officers or men. The Supreme Commander had an appreciation for the capability of his Army, corps and division commanders and their troops but he took nothing for granted. Only by personal visits to battle, supply, and convalescent areas could he be certain that plans drawn in higher headquarters were effective when employed in particular situations. General Eisenhower not only told others what to do; they didn't stay long if they failed to do it.

3. General Eisenhower was deserving of a high reputation as a strategist and tactician but it was not for these professional attainments that he was best known to his men. They loved him most because of the hours he spent in relieving the anxieties and fears of homesick GI's and battle-weary veterans. They loved him, too, because of their conviction that he only ordered an attack where it was clearly required and that he sought by every means possible to avoid inflicting death or injury or wastage on the millions who were willing to go anywhere at his command.

General Eisenhower was a remarkable commander. He was a hard man in every question dealing with duty, but he was a fair man in every situation dealing with a soldier as a person. War deals with masses of men but the uniqueness of Eisenhower was that he never lost sight of the individual. The individual soldier expressed his own gratefulness for this treatment by often accomplishing the impossible.

This chapter of my story wrote itself more than a decade ago. I shall have cause to think about and relish it for decades to come.

Since then, the Supreme Commander has become our President. That he is no different now than he was during the war years, I naturally believe to be true. As he believed then that success, security, and victory follow decisions based on firmness and fairness, he so believes today.

Perhaps you read something of what the President said in your Nation's Capital on the evening of Tuesday, April 17, before a large gathering of his political party to which I belong. His rostrum was a partisan one, but his words were directed at every living citizen. It was exciting to hear the President describe the power of liberty and what it means to be an American. It was inspiring and reassuring to hear him define the role and responsibility of Government in its relationship to the individual citizen.

It was persuasive and encouraging to hear him say that he was offering his principles of leadership and faith to us, to each of you and to me, for our examination, or correction, or amplification.

What was the essence of his magnificent personal testament? Its flavor ran through every line of his speech from which one could not possibly extract any quotation out of context. Every observation was a moving and true text in itself.

These are what meant most to me:

(a) The individual is of supreme importance.

(b) Courage in principle, cooperation in practice makes freedom positive.

(c) We reject any attempt to treat individual citizens as serial numbers in the files of a Government office.

(d) Government must have a heart as well as a head.

(e) The spirit of our people is the strength of our Nation.

(f) Every American is equal before the law and the conscience of government.

(g) There is no such thing as an easy battle.

The President was not talking about some Utopia in a far-away place. He was discussing what a free society, like our Republic, requires if confidence and trust are to prevail between a people and their government. We should not mislead or fool each other. If these requirements of confidence and trust do not prevail, the society may continue but it will not long remain free.

In having stated my personal belief that Mr. Eisenhower, whether as supreme commander or the President, and through all of the intermediate steps, has consistently been a man guided by the highest principles and dedicated to protecting individual liberty, I must urge you to bear this in mind:

(I) During the war, General Eisenhower held every subordinate commander accountable to him personally. There were no independent commanders, doing as they liked, within General Eisenhower's theater of operations. The military definition for this placing of complete authority and responsibility in the top commander is unity of command. No battle, campaign or war can be won if the principle is neglected or disobeyed.

(II) As the President, Mr. Eisenhower has delegated, under authority of Public Law 733 of August 26, 1950, command responsibilities to scores of independent civilian commanders who are charged with implementing the terms of Executive Order 10450 of April 27, 1953, which seeks to insure that the employment and retention in employment of any civilian officer or employee in any department or agency of the Government is clearly consistent with the interests of national security.

In war, General Eisenhower benefited from a security system which made certain that he was constantly and currently informed as to the manner in which his directives were carried out.

In peace, President Eisenhower lacks the benefits from such a system, for it does not exist. His internal security directives can be disregarded, as they have often been ignored, without his knowledge.

The President stated the basic principle around which Executive Order 10450 was designed. It reads (a) that all persons employed by the Government shall be reliable, trustworthy and of complete loyalty to the United States, and (b) that every person shall receive fair, impartial and equitable treatment at the hands of the Government through being adjudged by standards and procedures which are mutually consistent.

Consistency is an utterly impossible attainment in a system of more than 60 separate Government departments and agencies when it operates administratively without a centralized head or authority. Every department and agency becomes a supreme power in itself.

Through the past several years, I have privately and publicly pointed to those areas where serious trouble was being encountered because of the conspicuous absence of a lack of consistency in procedures and policy.

I have done my best to convince others that we were in ways foolish, thoughtless, careless, and dangerous, imposing injury and agony on the individual without assisting the Nation's legitimate internal security requirements in any manner whatsoever.

Copies of every speech I have made on the subject of the imperative need for equating the requirements of security with the demands of liberty have been requested by and gladly submitted to the Commission on Government Security which was authorized by the Congress in July of 1955.

These speeches include a dozen detailed recommendations for reforms, all of which were thoroughly discussed, more than a year ago, with the Assistant Attorney General who heads the Internal Security Division within the Justice Department. All of the recommendations are geared to the premise that confrontation, specificity and cross-examination should be present when the loyalty, honor, or trustworthiness of any citizen is under examination.

I mention this conduct because I want shortly to particularize about a single needed reform, and because I want anyone who may be interested to know where my views have been expressed and filed.

It is generally agreed by those who study the problem of internal security that the Attorney General's list of more than 300 so-called subversive organizations, as employed by the uninformed and untrained evaluator or security official, is being used to further the nefarious and harmful causes of libel and slander.

The Senate Internal Security Subcommittee of the Judiciary Committee thought a year ago, and said so in a written report, that the list should be made intelligible through a handbook which the Attorney General could compile to explain the origin, aims, and current status of every organization listed.

Just last week, the Department of the Army revealed a new regulation to be of assistance in helping its security people to understand the list. The Army spoke out against guilt by kinship and guilt by association trends which have been advanced by unwise applications of the list. But sadly enough, the Army's meritorious improvement is not necessarily to be adopted by a sister service or by any other agency of the Government, or by the industrial security program, which covers some of you and many of your friends and relatives, or by any of the other several outside security systems which are counterparts of Executive Order 10450 but not tied to it. These other services, agencies, and systems can do as they wish. There is no central body to insist on uniform procedures or interpretations.

What I must try to accomplish now is to convince the President that the principle which he puts first—the individual is of supreme importance—is being so little understood or dishonored in practice that the internal security of our beloved Nation is in danger of being undermined. Should we permit this to happen, we shall have been guilty of the greatest and most easily avoidable crime against freedom in the history of mankind.

Both Public Law 733 and Executive Order 10450 authorize department or agency heads

or their representatives to suspend, without pay, any civilian officer or employee when deemed necessary in the interest of national security.

As interpreted by the Attorney General, this means that the employee or civilian officer shall be summarily suspended when written charges are drawn against him.

To me and many others, this interpretation is strained and tortured because we hold the language of Public Law 733 to be clearly discretionary. What matters more, is that the Attorney General has at long last requested the Congress to amend the law so that the suspension of an employee will be discretionary rather than mandatory.

The pitiful fact is that hundreds and hundreds of faithful public servants have been suspended in recent years when the only charge against them was a question as to their future suitability for the job from which they were suspended. They were not accused of any overt act or of any intention or likelihood of committing one. By the hundreds, these people have been restored without prejudice but only after being out of their job, and its weekly pay, for anywhere from 3 months to a full year or longer.

After an employee has been suspended under Public Law 733 and Executive Order 10450, he is entitled to a hearing which is held 30 days after suspension or within 60 days if the charges are amended.

There is no provision that the hearing board and the agency head must reach a decision within a stated period of time. They can take whatever time they want, and many of them take a painful and inexcusable amount of it.

I am satisfied that the President has no idea as to the amount of time consumed and wasted in large numbers of cases.

The President has said, "We reject any attempt to treat individuals as serial numbers in the files of a Government office." Why have his subordinates put him in a position of saying what is simply not so?

I can point to hundreds of individuals who have been and are being treated as serial numbers and they are reacting as though they were.

This is a 20th century American tragedy. When people are charged, heard, and then restored after months of anguished waiting, they get their jobs back but their usefulness as citizens is largely over. They are not likely ever again to have an original thought and if they do, you may be certain they will not dare to express it. To these persons, the Government gives them a job, but they have no reason to believe that their Government has either a heart or a conscience.

With rerpect to the vast majority of security-risk cases, I feel it fair and reasonable to assume that if the hearing board and agency heads can't make up their minds within 60 days after the hearing has been concluded, that they have no minds with which to think.

I shall insert here a table of 416 suspensions and reinstatements for the period May 28, 1953, to June 30, 1955. Please study it with care. It will cause you again to puzzle over the lack of consistency between one Federal agency and another.

Scores of the cases reflected by the cold figures in the chart are incredibly sad. Many cases not reflected in the chart are even sadder. These would cover those persons who resign after being suspended, because they had to eat and support their families and they could not wait forever for their judges to reach a decision. What these forlorn persons did not think enough about was that the cloud over their reputations will never be cleared away. Now follows the chart:

Department or agency	Number suspended	Reimbursement	Average length of suspension	
			Months	Days
Agriculture	14	$53,864.00	7	18
Air Force	55	133,625.00	8	26
Army	114	286,267.45	7	29
Central Intelligence Agency	1	2,866.00	2	25
Civil Service Commission	11	41,043.00	9	17
Commerce Department	1	2,355.12	4	21
Federal Civil Defense Administration	1	7,385.00	10	14
Federal Mediation and Conciliation Service	9	9,905.00	1	13
General Accounting Office	2	2,619.00	2	24
General Services Administration	24	27,579.39	4	14
Government Printing Office	10	8,880.00	2	19
Health, Education, and Welfare	7	10,598.00	4	18
Housing and Home Finance Agency	11	27,490.00	4	2
Information Agency of United States	1	1,478.00	2	9
Interior Department	10	17,577.00	4	26
Justice Department	10	22,978.00	8	10
Labor Department	2	4,203.00	5	4
National Advisory Committee for Aeronautics	5	5,115.00	3	3
National Labor Relations Board	11	32,508.00	6	14
National Security Agency	2	708.00	----------	29
Navy Department	49	111,596.11	7	22
Office of Defense Mobilization	2	5,666.00	3	18
Office of Secretary of Defense	2	3,481.00	2	1
Post Office Department	6	10,210.54	8	3
Securities and Exchange Commission	2	3,703.00	5	24
State Department	11	36,418.00	4	25
Treasury Department	12	21,420.00	4	28
Veterans' Administration	31	78,419.00	7	19

How healthy, refreshing, and helpful it would be if the President insisted or the Congress wrote the proviso into Public Law 733 that an agency or department head must submit the reasons in writing to a designated higher authority in every case where a decision had not been reached within 60 days after a security risk hearing had been concluded.

That designated higher authority ought, in my view, to be someone close to the President or the President himself. By what other means can the President determine whether the individual is being treated as though he is of supreme importance?

As matters stand, the President has no real knowledge about how the individual is being treated. You have never heard the President speak out in his wrath, as I am speaking now, over the fashion in which given individuals have been and are being mistreated. He does not speak because he does not know. Too many of those who let it be known that they represent, speak for and protect him have never brought him face to face with what I am talking to you about.

The enemies we free people face here at home are many. Some of these dangers we cannot eradicate because their origin lies in lands across the seas. But we can guard against and minimize these dangers by the employment of countermeasures. Such enemies will always be looking for openings. In this category we place espionage, Communist infiltration, sabotage, treason, and subversion.

But we have in this Republic homegrown enemies who are much more difficult to deal with. These enemies present the far greater threat to our free society. In this category we must place callousness, carelessness, indifference, stupidity, and the impersonality of government.

I ask not that you take my word for it. I ask only that you look at history. Free societies have seldom collapsed or disappeared from aggression or infiltration launched from the outside. Free societies lose their vitality and sometimes disintegrate because they fail to live by the principles which keep men free. Is this not what the President meant when he said, "Courage in principle, cooperation in practice make freedom positive."

Our Nation's internal security apparatus, which now covers at least 20 million citizens, supports the objective to eliminate the disloyal and the security risk from positions of trust. Almost every American understands and supports that objective.

But the machine on occasions works in reverse. Have you not heard it said that the entire and expanding security apparatus, in all its ramifications and despite the admission that it crushes an innocent person here and there, is justified if it catches a single spy or a Communist? I have heard the best people who are well-intentioned leaders in public and private life utter this defensive and misleading nonsense.

In 3 years of effort, we have found no spies or traitors, saboteurs or Communists in positions of trust. Perhaps they are there but we have not uncovered them with the machinery at our command.

I agree that among the hundreds and hundreds dismissed as being security risks some of them, perhaps a good many, were security risks. With respect to others, there is a lingering doubt.

A question to be faced by the Nation is: Have we made more security risks than we have found? The answer to this question will tell us much about where the United States is headed.

I will give you what is maybe just a small part of the answer. I will tell you how an exercise of callousness, carelessness and indifference provided a completely loyal civil servant with reason and encouragement to become a security risk. I will trace this man's career and show you why a foreign agent from the Soviet Embassy in your Nation's Capital considered him as prey who could serve the agent's masters to advantage.

Whatever you think, you should not criticize or blame the foreign agent. He was just doing his job as we would jump at doing that job if the shoe were on the other foot.

The story serves another purpose. It may come to the attention of the President who may wish to check the accuracy of my recitation by talking with the so-called security risk who is involved. I pray that the President can spare the time for such an adventure out of which would come a great good for the country.

In January of 1940, there came to Washington, D. C., a young man, age 25, on his honeymoon. He had stars in his eyes and joy in his heart because he loved his wife and revered his Government which had offered to employ him temporarily in the Census Bureau at the GS–2 level.

Who was this young American and why came he to our Nation's Capital?

He was born in the Bronx, New York City, in 1915, of parents who had emigrated to America some 10 years before from the Baltic Sea area in Europe.

After going through the James Monroe High School, he became a subway student in the City College of New York from which he was graduated with a B. S. degree in 1937.

His college major was sociology and his extracurricular activities were confined to the Phychology Club and playing the piano in the college orchestra and during the summer in resort hotels in the Catskill Mountains.

Between 1937 and 1940, he did whatever he could do to earn an honest living. It was hard going in those days. He was a store clerk, an errand boy, an assistant to the production manager in an advertising agency, and a jobber of dress trimmings and buttons. Between jobs, there were periods of unemployment.

Even before graduating from college, he took every civil-service examination for which he considered himself to be eligible.

These important matters and his courtship took his to January 14, 1940, when he was married.

Then at the request of his Government, he became a temporary clerk in the Census Bureau. The pay seemed a small fortune to a newlywed who had never made so much before. The annual salary was $1,440.

What has happened to our subject employmentwise since 1940? Here it is:

January to April 1940, the Census Bureau; April 1940 to December 1941, Government Printing Office; December 1941 to December 1942, Department of Agriculture; December 1942 to September 1943, Federal Public Housing Authority; September 1943 to December 1946, National War Labor Board; January 1947 to March 1951, the Census Bureau; March 1951 to May 1953, National Production Authority; May 1953 to August 1953; the Census Bureau; September 1953 to (?).

What has happened to our subject as a person and family man in these past 15 years?

Parts of this chapter have a familiar ring:

There are 2 children now, a boy of 9 and a girl of 6.

His family lives in an attractive home, a modest row house, which he is trying to buy and hopes to save.

He and his wife have owned three automobiles in these 15 years. They bought a 1933 Plymouth in 1941; a 1938 Pontiac in 1948; and after it had been on order for 18 months, they took title to a 1948 Chevrolet in that same year. This is the car they own today.

In 15 years they put away several thousand dollars in cash. The subject in moving from opportunity to opportunity, moved also from grade to grade and when suspended last year as being possibly a security risk, his grade was a GS–9 and his annual pay, $5,810.

In 1948, the subject secured a master's degree as an analytical statistician through attending night school when he could from 1941 on.

Has our subject been in trouble during his Government career? He has.

In September of 1948 he was charged, but not suspended, and then heard under the loyalty provisions of Executive Order 9835.

The charges were:

(a) You have been a member of the Washington Book Shop.

(b) Your wife secured housing for delegates to the Win the Peace Conference held in April 1944 in Washington, D. C.

(c) You have been associated with one Al Sherman.

The hearing took place in November 1948, and the subject was represented by Alfred Bernstein, who was a counsel for the United Federal Workers of America (CIO). The subject was a member of this union as were many other Federal employees.

The subject's answers to charges (a) and (b) were satisfactory and it was established that the subject had never heard of Al Sherman.

The subject had not known his attorney, Alfred Bernstein, before the charges were preferred and has not seen him since the 1948 hearing was closed.

In December 1948, the subject was cleared of the charges and went on doing his job as though nothing had ever happened.

Has the subject been in any other trouble? Yes.

The subject began his last assignment as an analytical statistician (GS–9) in September 1953. His work required access to secret information.

He had a secret clearance during his several previous years with the National Production Authority.

Six months after the subject went to work, in April of 1954, he was reassigned without explanation to nonclassified work. He remained so assigned until February 1955, 10 months later. During this period, he was not permitted to exercise his abilities and the Government was throwing its money away. A GS–2, which the subject had been in 1940, could have done the work as well. The subject was never told why he was transferred from the work for which he was hired.

On February 28, 1955, the subject received a letter of charges under the provisions of Executive Order 10450 and was suspended effective March 1, 1955.

The subject was given 30 days in which to respond in writing. This was done. The subject had his hearing which took place during the days of April 28, 29, 30, 1955.

A year later, and in writing, the subject was advised under date of April 23, 1956, that "a tentative decision has been made that you be removed from the rolls of the Department of ------ for the reason that, on all the available evidence, your continued employment ------ is not clearly consistent with the interest of national defense. If you desire to submit further evidence to show why you should be retained ------, you should submit such material to the ------. You have 15 days from the date of receipt of this communication within which to file such documents as you deem appropriate."

This man was taken off classified work in April 1954. He had his hearing a year ago. It has been more than 2 years since the subject was first suspected by his Department of something. Yet that Department, after 2 years, can't make up its mind. Here we see the impersonality of bureaucratic heartlessness operating at its lowest level. Another 15 days. If then they clear him, they will have long since cut his heart to ribbons.

What was the substance of the charges filed against the subject 15 months ago:

(a) You belonged to the Washington Bookshop from about 1940 to about 1942.

(b) You were an active member of the United Public Workers of America (CIO) from 1944 to about 1948.

(c) You supported the Win the Peace Conference in April 1946 and your wife assisted in locating housing for delegates.

(d) In 1948 and for several years thereafter, you associated with Alfred Bernstein, thought to have been a member of or sympathetically associated with the Communist Party.

(e) It is reported that you registered as a member of the American Labor Party in the Bronx in 1937.

(f) Your wife did likewise in 1937 and 1939.

(g) Some of your in-laws did likewise.

If there were any adverse meaning to these charges, that should have been decided many months ago. I have read and sweated over the 525 pages in the transcript, with its 60-odd affidavits, letters and statements which testify to the subject's loyalty, reliability and trustworthiness, and I agree wholeheartedly with the testimony given by two of the subject's superiors. They said it would be in the national interest to restore the subject and they would like to have him back and working under his secret clearance.

The only people who remain in doubt about the subject appear to be the hearing board members and its counsel who prosecuted the case. But this question of judgment is not before us at the moment. What troubles me is how the subject was considered as prey by the Soviets.

The reason comes to light with just a little thought.

How did the subject live after being suspended 14 dreary months ago? He and his family began by living out of his small savings while he tramped the streets each day looking for work.

For the remaining 10 months of 1955, he was denied employment of any kind. He went to such splendid leads as the Abbey Personnel Services, the Fields Employment Agency, the Walter Kessler Agency, the Elizabeth Pinston Personnel Counselors. These are high grade, quality firms. They could sell the subject's talent, for analytical statisticians are in demand, but they could not and would not try to merchandise the cloud under which he struggled. Who can blame them? Most employers needing statisticians handle defense contracts of some kind. A man without a clearance is a dead pigeon. A man under suspension is like a bird without wings.

The subject got an offer to sell real estate for a Washington, D. C., firm doing business in Florida. But nothing came of this. The District of Columbia license department wanted the subject's security file and case transcript. He had sufficient pride left to tell them to shove the application under the desk and leave it there.

The subject was encouraged to sell insurance. Again the license department had a form. If you have ever been a member, it asked, of any organization listed by the Attorney General, sign here and maybe you will and maybe you will not have your application approved. The subject did not have the heart to wrestle again with that 1 year, 1941 membership in the Washington Book Shop. Particularly when those to judge the application probably had no knowledge as to what the Book Shop was, or that anybody could join for $1 and get books at 20 percent off.

Ten months of drudgery looking for work and no work. At the year's end, the subject was sick with despair and as desperate as a man can become without committing suicide. He wanted to live for the sake of his family but how could he make a living for them?

Then an idea. It was worth a try. He applied early in this year, 1956, for unemployment compensation. Cheers. It was granted. He had lost his job through no fault of his own so he was qualified. The Attorney General ought to put this advice in the next advisory memorandum he circulates among Federal agencies and departments from time to time. Other suspended employees ought to know how they can eat even though honest labor is denied them.

Thirty dollars a week for a family of four is a pittance, but it is 30 bucks. It will not improve a family's morale or pride, but it will put something in their stomachs.

Time marches on. Still no job. The subject had another idea. Why not advertise?

On February 5 of this year, a Sunday, a small ad was carried in a Washington, D. C., paper. It said not much, but enough.

The ad said the subject was age 40, an economist possessed of a master's degree, experienced in large scale survey and analysis work, and that he would accept any assignment, permanent or temporary.

A different sort of a fellow from most we know read that ad and began to ponder.

What was an experienced, talented man of 40 doing out of work and why would he be willing to take anything, permanent or temporary?

Perhaps he said to himself I had better go and have a look. I may find a clever crook who is not to be trusted but he may be what the Americans call these days a security risk. If this fellow has gotten a bum rap, he might be sufficiently bitter, cynical, and disillusioned as to serve a useful purpose.

Regardless of what he actually thought, the stranger called the subject at home on February 13 and arranged to meet with the subject there the next day.

This conference was a brief one. All the stranger wanted was a work resume from the subject. He got it and after saying that his name was Mr. Machoff and that he would call later in the week if he wanted to hire the subject, he took off.

Mr. Machoff called again on February 16 and requested the subject to meet him at the Roma Restaurant the next night at 8 o'clock.

By this time, the subject was both curious and a little worried. Who was Machoff really? He did not seem to have an office and he spoke with a foreign accent. After consulting with his attorney, who will, I believe, save his client in due time, the subject decided to keep the date at the restaurant. But, like a wise husband, he took his wife with him.

During dinner, Mr. Machoff was more confiding. He mentioned that he had been a student at the University of Maryland and that he was writing a book. He wanted several chapters on the American aircraft industry.

Mr. Machoff asked the subject to prepare some material in the form of an outline. If the outline were satisfactory, Machoff would want some elaboration. The research was to cover these three areas: (1) Tendency of the aircraft industry; (2) major companies and their industrial capacity; (3) aircraft production.

The subject said the outline would take some time. Machoff was agreeable and asked how much the retainer fee would be; the subject told him and it was paid then and there. Machoff said he would call the subject again in a week to see the work and to make further plans.

Off the subject scurried to his lawyer. On February 21, a proper investigative agent met with them at the subject's request in the lawyer's office. After the story was related, the investigator said he would return on February 23 with a collection of photographs.

This meeting took place. The subject found a picture of the man he knew as Machoff but that was not his name.

Machoff's real name is Methiov. Methiov is not a one-time, part-time or any other time student at the University of Maryland; Methiov is a translater with a military mission at the Soviet Embassy.

Is this story so hard to believe? I see nothing too strange about it. The Russian was smart in assuming that he had found his pigeon in an American whose government would not hire him or fire him. The Russian had reason to believe that his intended American prey was not likely to be employed by any other American until our subject's government had decided what to do with the body.

That Methiov, alias Machoff, found his prey to be, despite his having been kicked around by those in authority for two agonizing years, a loyal citizen and devoted to his country, it does not follow that Methiov and others of his bent will not be successful in future attempts to find American spies to serve Soviet purposes.

Perhaps past attempts have been successful. My subject is by no means the only public servant to advertise his wares for hire while waiting for his government judges to make up their minds.

I wonder how many of these unfortunates have been approached; how many have closed their eyes to doubts and agreed to work for the other side because they had to eat?

If some of these unfortunates have gone over to an enemy, they could be shot, I think, because the death penalty is now provided for espionage in peacetime, or they could be sentenced to a Federal penitentiary for terms of many years.

Had my subject capitulated, would the blame have been his? Indeed it would not. Any time our Government places one of its loyal servants where he can't reasonably live without becoming prey for vultures, shysters, or enemy agents, then that government is solely responsible for any crime or disaster or tragedy which follows.

All of this deeply disturbing story about Methiov, alias Machoff, was committed to an affidavit, under date of March 7, 1956, and forwarded to the Department from which the subject was suspended a year ago last March. The affidavit is available there for study by any executive official or congressional committee who may wish to learn more about the defects and flaws in our internal security machine. This can be done easily by looking behind the printed words. There are other obvious questions about the affair I have not mentioned.

When my subject got his four-page, April 23, 1956, letter covering the tentative decision to dismiss him from the Federal service as being a security risk, I looked for some reference to the affidavit about Methiov, alias Machoff. No reference was in the letter which was written more than a month after the receipt of the affidavit had been acknowledged. In this month, the Department never even asked the subject a solitary question about the affidavit. Perhaps it was so busy pondering over the Washington Book Shop membership in 1941 and the Win the Peace Conference in 1946, which neither the subject nor his wife knew anything about or attended, that it had no time or inclination to deal with a current security question of the first importance.

Maybe the affidavit got lost. It was addressed to the Secretary of the Department but acknowledged by an assistant. Maybe the hearing board never saw the affidavit. This would be stupid but possible. What happened to that affidavit? I wonder who will make it their business to find out?

Instead, the letter read: "The * * * Board has concluded that you are not reliable and trustworthy from a security point of view."

(But the Board granted an additional 15 days from the date of the letter, April 23, 1956, for the submitting of additional information. That would be next Tuesday, May 8, 1956. How long after that will it take to reach a decision? Does not the sixth amendment provide that justice is to be rendered speedily?)

Can anybody point to a person who to his knowledge has been more reliable and trustworthy than my subject?

He faced a more difficult test than most of us will ever have cause to face and he passed that test with the highest grades in intelligence, loyalty, and courage.

Is this man's reward to be dismissal from the Federal service as being unreliable and untrustworthy? Is not this man's unholy plight deserving of the concern and action both of the President and the Congress of the United States? This man is an individual who has been oppressed without cause. Because he has been so oppressed, the national security was jeopardized.

Early in this speech I recited seven magnificent observations and principles which the President enunciated clearly less than a month ago. He said that by these principles we shall be guided, and only under these principles can freedom be strengthened and move forward. Who is the person, in or out of public life, who will say that the President did not speak the truth, the whole truth, and nothing but the truth?

I have been required to tell one story, of the many similar stories to be told, which demonstrates that the first six principles were utterly disregarded and avoided in a single case bearing on the reputation, livelihood, and future of an individual citizen. If we are unwilling, unable, or lacking in courage or plain commonsense to make these principles hold up in every individual case, there will come a day when they are of no use to any individual.

The President's seventh observation was: There is no such thing as an easy battle.

Mr. President, you can say that again. The American Revolution was a bloody, vicious, long-lasting battle to get back those liberties which had been stolen or scorned or devoured by authority after the Puritan revolt of a century before.

Just because we live in a free land, we become traitors to our heritage if we assume that freedoms of the past automatically reproduce themselves for the future. We must fight to retain and advance the freedoms which past generations battled to secure and pass on to us.

Then and only then will confidence and trust prevail among us all, and then and only then can we feel confident and secure against whatever enemies we may have in any place throughout the world.

As an American, even as a Republican if you please, I feel better and refreshed from having urged the President to look in areas here at home where the battle for individual liberty is being lost.

Let the President take that first look, perhaps by looking at the case I have offered today, and he will not quit looking until every individual throughout the Nation will be given reason to believe that he can expect intelligent, fair and decent treatment from his Government which was created not to dominate but to serve him.

Our ancestors battled until they balanced freedom and security by carving out the Bill of Rights without which there would have been no Federal Constitution or Republic.

The President has redefined the meaning and purpose of the Bill of Rights through the stated principles he has so recently expressed to 160 million citizens and to the world as well.

Let the battle go on until every doubt about the President's position has been resolved in support of the President's declaration: "The individual is of supreme importance."

[From the New York Times of May 7, 1956]

SUSPENDED RISK JOBLESS FOR YEAR—AIR FORCE EMPLOYEE, WORKING AT LAST, TELLS OF REBUFFS—ONCE CALLED A DEAD DUCK

(By Anthony Lewis)

WASHINGTON, May 6.—One of the Government's alleged "security risks" spoke out today on what a year's suspension from a job with the United States Air Force had done to his life.

Sidney Hatkin, of Washington, a statistician, said private employment agencies had told him repeatedly that "there's no sense in even looking for a job until the security situation is cleared up." He said one employment agency man had told him:

"You're a dead duck."

He could not get a District of Columbia license to sell real estate or insurance, Mr. Hatkin said, because his security case was pending. He was accused and suspended from the Air Force on February 28, 1955. He got his first job 2 weeks ago, with a small firm of economic consultants.

Mr. Hatkin identified himself at a press conference as the Government employee who had been described in a speech in New York yesterday by former Senator Harry P. Cain,

of Washington. Mr. Cain is a member of the Subversive Activities Control Board, a Federal agency. Mr. Hatkin said he had not intended to make his name public, but that a Washington newspaper—the Star—had found out about the case and published the facts today.

Mr. Cain disclosed in his speech that in February, while Mr. Hatkin's security case was pending, a Soviet Embassy employee had tried to hire Mr. Hatkin to write a report on the United States aircraft industry.

NAMED AS SOVIET EMPLOYEE

The man did not identify himself as a Russian, but Mr. Hatkin had become suspicious and gone to the Federal Bureau of Investigation. From pictures shown to him by an agent of the FBI, Mr. Hatkin picked out this man, and the FBI agent named him as a Soviet employee.

Mr. Hatkin turned down the Russian's offer and reported the episode to the Air Force, which was considering his case. Two weeks ago he got his first word from the Air Force in almost a year. It was a letter saying a tentative decision had been reached to dismiss him as a security risk.

Mr. Cain cited the Hatkin case in his speech as an example of what he called numerous cruelties and injustices in the administration's security program. Mr. Cain, a Republican, had been considered a right-wing Member of the Senate. However, recently he has become a vigorous critic of security procedures that he describes as unfair.

"You have never heard the President speak out in his wrath as I am speaking now over the fashion in which individuals have been and are being treated," Mr. Cain said. He called on President Eisenhower to intervene personally in the security program to correct injustices.

The Hatkin case unquestionably will have import in the continuing debate over the fairness of security procedures. For one thing it has indicated that some practices attacked by critics of the program as unnecessary and unfair have continued at least in this case. Among these practices have been lengthy suspensions without pay and charges based on inadvertent or innocent associations.

RULING BY BROWNELL

Herbert Brownell, Jr., Attorney General, has ruled that existing law required automatic suspension of any accused risks before his case was heard. He has asked Congress to amend the law so as to let the accused stay on nonsensitive work while his case was pending. Some critics have argued that Mr. Brownell interpreted the law too narrowly and did not need congressional action to end automatic suspensions.

Mr. Hatkins was suspended on these charges:

That he had registered in the American Labor Party in New York in 1937. (Fiorello H. LaGuardia, who had ALP support, was mayor of New York at the time. It was not until later that anti-Communist groups broke from that party and denounced it as being Communist-dominated.)

That he had belonged to the Washington Bookshop in 1940 or 1941. (The bookshop was listed as subversive in 1947 by the Attorney General, but the Government has often conceded that thousands of innocent persons joined it to get book discounts. Mr. Hatkin said he had paid $1 to the shop for a discount card once.)

That his wife had helped a Win the Peace Rally in 1946. (Mr. Hatkin said neither he nor his wife remembered such a rally, which they have been told was held here in the Commerce Department Auditorium.)

That he had belonged to the United Public Workers, a union expelled by the Congress of Industrial Organizations on Communist charges. (Mr. Hatkin said he had played no active role in the union and had quit in early 1948, before its expulsion.)

Mr. Hatkin had a 3-day hearing on the current charges a year ago. His lawyer, Joseph H. Freehill, said today that no Government witness at the hearing had accused Mr. Hatkin himself of any communistic thought or action.

Mr. Freehill took the case for a nominal fee at the request of a District of Columbia Bar Association security committee.

This week Mr. Freehill will file a final brief with the Air Force asking it to reconsider and reverse its tentative decision against Mr. Hatkin.

Mr. LEHMAN. Mr. President, I ask unanimous consent that there appear following the New York Times Report the text of my letter of April 19 addressed to the Secretary of the Air Force in regard to Mr. Hatkin.

There being no objection, the text of the letter was ordered to be printed in the RECORD, as follows:

APRIL 19, 1956.

HON. DONALD A. QUARLES,
Secretary of the Air Force,
Department of the Air Force,
Washington, D. C.

DEAR MR. SECRETARY: I am writing you with reference to Mr. Sidney Hatkin, a former resident of New York City.

Since 1940, Mr. Hatkin has been employed by several governmental departments and agencies. In 1948, while working for the Census Bureau, loyalty charges were filed against him. After a full hearing Mr. Hatkin was, according to him, given a full security clearance.

In September 1953, Mr. Hatkin began work with the Department of the Air Force. On February 28, 1955, loyalty charges were again preferred against him. The list of charges presented included a number of the same charges originally filed against him in the earlier hearing.

Mr. Hatkin has now been suspended for over a year. While hearings were held in late April 1955, apparently no final determination was made. I am certain that you can understand the many problems that this long delay has caused Mr. Hatkin. It has, of course, prevented him from obtaining many non-Government positions for which he is well qualified.

While I am not in a position to evaluate the factors involved in this case, since I knew nothing beyond what Mr. Hatkin has told me, I do believe that Mr. Hatkin is entitled to a prompt determination. Consequently, I would appreciate your consideration of this matter.

Yours very sincerely,

———— ————.

Mr. LEHMAN. Finally, Mr. President, I ask unanimous consent to have printed in the RECORD certain excerpts from a speech I made at a cornerstone-laying ceremony in Washington yesterday, in which I referred to the Government's security program and made some pertinent comment about it.

There being no objection, the excerpts from the speech were ordered to be printed in the RECORD, as follows:

REMARKS OF HON. HERBERT H. LEHMAN, OF NEW YORK, AT CORNERSTONE LAYING CEREMONY, B'NAI B'RITH, 17TH STREET AND RHODE ISLAND AVENUE NW., WASHINGTON, D. C., ON MAY 6

Today the challenge posed by communism to our free way of life is more formidable than ever before. The new and softer face presented by the ruling group in the Kremlin reveals no weakening of their basic determination to impose their kind of society and their view of man upon the whole world. The free world is properly concerned lest the Communist bloc, by concentrating all its human and material resources, achieve military superiority.

The Kremlin is building weapons as destructive as those we have developed. Indeed, they may be building them faster today than we are. But as long as Communist pilots, soldiers, scientists, and workers have to keep looking over their shoulders to see if they are being shadowed by their suspicious and intolerant masters, we should enjoy a clear advantage. If our scientists can work free of the restraints of serving any ideology but truth, we should not need to fear being outstripped by Communist technology. And we would have a better claim, too, on the minds and hearts of the millions throughout the world who are still uncommitted in the contest between democracy and communism.

Unfortunately, we in this country have weakened our own cause by misreading the nature of the Communist threat, and the true requirements of American loyalty and security. For too many years we have lived in a fog of synthetically manufactured fear. We have treated with elaborate dignity the smears and reckless charges which in a happier day we would have recognized immediately as false. We have seen Congress permit its chambers to be used as a privileged sanctuary for the launching of irresponsible assaults against the good name of perfectly loyal individuals and institutions.

In the last year or two, the fog has begun to lift. For this improvement, courageous individuals and organizations like B'nai B'rith, and others, who refused to be stampeded or silenced by the political demagogs, are to be congratulated. But much remains to be done.

Only the other day the Attorney General proposed to Congress the adoption of a law that he said would permit Government agencies to retain employees against whom security charges have been filed until final adjudication of their cases. This surely is the plain requirement of American due process, and one that is long overdue in view of the hardship that has been visited upon thousands of suspended employees who were finally restored to their jobs after months of heartache.

But the Attorney General does not need this authority from Congress. The administration today has all the power it needs to institute, by Executive order, this necessary reform. The Attorney General does little to improve the climate of freedom when he shows the lack of political courage implicit in passing the buck to Congress.

RELIEF OF CERTAIN PRODUCERS OF CRITICAL MINERALS, METALS, AND MATERIALS

Mr. MORSE obtained the floor.

Mr. MALONE. Mr. President, will the Senator from Oregon yield, to permit me to introduce several bills? It will take me about 5 minutes.

Mr. MORSE. Mr. President, without losing my right to the floor, and for the purpose of the introduction of several bills, I yield for 5 minutes to the Senator from Nevada.

The PRESIDING OFFICER. Under those conditions, the Senator from Nevada is recognized for 5 minutes.

Mr. MALONE. Mr. President, mining in this Nation, of the strategic and critical minerals—tungsten, manganese, chromite, mica, asbestos, beryl, and the columbium-tantalum bearing ores—has been kept alive through the operation of the 1953 Malone-Aspinall Act.

EXTENSION OF MALONE-ASPINALL ACT NECESSARY IF CRITICAL MINERALS PROGRAM TO CONTINUE

The act must be extended in some form at this, the second session of the 84th Congress, if the mines producing these ores are to continue to operate.

My bill (S. 2926) to amend the Tariff Act of 1930, and for other purposes, introduced on January 12, 1956, would repeal the 1934 Trade Agreements Act, and would revert to the Constitution—article I, section 8—for the regulation of foreign trade and the national economy.

In the event of the passage of S. 2926, the extension of the 1953 Malone-Aspinall Act would not be needed, since the regulation of foreign trade would be returned to the Tariff Commission, an agent of Congress, on the basis of fair and reasonable competition.

SPECIAL LEGISLATION NECESSARY TO KEEP VITAL MINERALS PRODUCTION IN OPERATION

A continually adjusted flexible duty or tariff would take the profit out of cheap foreign labor at the water's edge. Americans would compete with Americans, and American investors and workingmen would be back in business.

In the meantime, special legislation is necessary. On January 9, 1956, I introduced Senate bill 2876, providing for a simple extension of the 1953 Malone-Aspinall Act to continue the production of the necessary strategic and critical minerals, metals, and materials.

PURPOSE OF NEW MINERALS LEGISLATION OUTLINED

Mr. President, I introduce for appropriate reference a bill to facilitate and encourage trade with various nations, fair and reasonable competition, and to maintain an investment climate principle, applying equally to the whole country. My bill also is to provide necessary flexibility of import duties on strategic critical minerals, metals, and materials, and to provide and make possible appropriate adjustments in respect to changing conditions.

I ask unanimous consent that the bill may be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3792) to provide relief for producers of strategic and critical minerals, metals, and materials, introduced by Mr. MALONE, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

TEXT OF S. 3792 TO AID ALL CRITICAL AND STRATEGIC MINERALS PRODUCERS

Be it enacted, etc.—

DECLARATION OF POLICY

SECTION 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage trade with foreign nations on the basis of fair and reasonable competition.

(b) to maintain an investment climate through the principle applying equally to the whole country.

(c) to provide necessary flexibility of import duties, on strategic and critical minerals, metals, and materials, thereby making possible appropriate adjustments in response to changing economic conditions;

(d) to assure the accomplishment of these objectives by returning to the provisions of the Constitution (article I, section 8) in the control over American import duties on strategic and critical minerals, metals, and materials, now subject to international agreements.

(e) that as used in this act the term "strategic and critical metals, minerals, and materials" means any metal or mineral ore or concentrate not fabricated into finished form, and any other material, which is determined to be strategic or critical under section 2 (a) of the Strategic and Critical Materials Stockpiling Act.

RESTATEMENT OF EXISTING IMPORT DUTIES

SEC. 2. Title I, paragraphs 1 to 1559, inclusive, of the Tariff Act of 1930 are hereby amended by repealing the classifications and rates therein contained on strategic and critical minerals, metals, and materials, and substituting therefor the classifications and rates obtaining and in effect on the expiration of 90 days after the date of enactment of this act, by reason of proclamations of the President under section 350 of the Tariff Act of 1930 or otherwise; and all other acts and parts of acts inconsistent with any of the provisions of this act are hereby repealed.

ADMINISTRATION OF TRADE AGREEMENTS

SEC. 3. Title III, part II, of the Tariff Act of 1930 is amended by adding after section 331 the following new section:

"SEC. 331A. Administration of trade agreements.

"(a) All powers vested in, delegated to, or otherwise properly exercisable by the President or any other officer or agency of the United States in respect to the foreign trade agreements on strategic and critical minerals, metals, and materials, entered into pursuant to section 350 of this act are hereby transferred to, and shall be exercisable by the Commission, including, but not limited to, the right to invoke the various escape clauses, reservations, and options therein contained, and to exercise on behalf of the United States any rights or privileges therein provided for the protection of the interests of the United States.

"(b) The Commission is hereby authorized and directed—

"(1) to terminate as of the next earliest date therein provided, and in accordance with the terms thereof, all the foreign trade agreements on strategic and critical minerals, metals, and materials, entered into by the United States pursuant to section 350 of this act;

"(2) to prescribe, upon termination of any foreign trade agreement, that the import duties established therein shall remain the same as existed prior to such termination, and such import duties shall not thereafter be increased or reduced except in accordance with this act."

PERIODIC ADJUSTMENT OF IMPORT DUTIES

SEC. 4. Title III, part II, section 336, of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 336. Periodic adjustment of import duties.

"(a) The Commission is authorized and directed from time to time, and subject to the limitations hereinafter provided, to prescribe and establish import duties on strategic and critical minerals, metals, and materials, which will, within equitable limits, provide for fair and reasonable competition between domestic articles and like or similar foreign articles in the principal market or markets of the United States. A foreign article shall be considered as providing fair and reasonable competition to United States producers of a like or similar article if the Commission finds as a fact that the landed duty paid price of the foreign article in the principal market or markets in the United States is a fair price, including a reasonable profit to the importers, and is not substantially below the price, including a reasonable profit for the domestic producers, at which the like or similar domestic articles can be offered to consumers of the same class by the domestic industry in the principal market or markets in the United States.

"(b) In determining whether the landed duty paid price of a foreign article, including a fair profit for the importers, is, and may continue to be, a fair price under subdivision (a) of this section, the Commission shall take into consideration, insofar as it finds practicable—

"(1) the lowest, highest, average, and median landed duty paid price of the article from foreign countries offering substantial competition;

"(2) any change that may occur or may reasonably be expected in the exchange rates of foreign countries either by reason of devaluation or because of a serious unbalance of international payments;

"(3) the policy of foreign countries designed substantially to increase exports to the United States by selling at unreasonably low and uneconomic prices to secure additional dollar credits;

"(4) increases or decreases of domestic production and of imports on the basis of both unit volume of articles produced and articles imported, and the respective percentages of each;

"(5) the actual and potential future ratio of volume and value of imports to volume and value of production, respectively;

"(6) the probable extent and duration of changes in production costs and practices;

"(7) the degree to which normal cost relationships may be affected by grants, subsidies (effected through multiple rates of export exchange, or otherwise), excises, export taxes, or other taxes, or otherwise, in the country of origin; and any other factors either in the United States or in other countries which appear likely to affect production costs and competitive relationships.

"(c) Decreases or increases in import duties on strategic and critical minerals, metals and materials, designed to provide for fair and reasonable competition between foreign and domestic articles may be made by the Commissioner either upon its own motion or upon application of any person or group showing adequate and proper interest in the import duties in question: *Provided, however,* That no change in any import duty shall be ordered by the Commission until after it shall have first conducted a full investigation and presented tentative proposals followed by a public hearing at which interested parties have an opportunity to be heard.

"(d) The Commission, in setting import duties so as to establish fair and reasonable competition as herein provided, may, in order to effectuate the purposes of this act, prescribe specific duties or ad valorem rates of duty upon the foreign value or export value as defined in sections 402 (c) and 402 (d) of this act or upon the United States value as defined in section 402 (e) of this act.

"(e) In order to carry out the purposes of this act, the Commission is authorized to transfer any article from the dutiable list to the free list, or from the free list to the dutiable list.

"(f) Any increase or decrease in import duties ordered by the Commission shall become effective 90 days after such order is announced: *Provided,* That any such order is first submitted to Congress by the Commission and is not disapproved, in whole or in part, by concurrent resolution of Congress within 60 days thereafter.

"(g) No order shall be announced by the Commission under this section which increases existing import duties on foreign articles if the Commission finds as a fact that

the domestic industry operates, or the domestic article is produced, in a wasteful, inefficient, or extravagant manner.

"(h) The Commission, in the manner provided for in subdivisions (c) and (f) in this section, may impose quantitative limits on the importation of strategic and critical minerals, metals and materials, in such amounts, and for such periods, as it finds necessary in order to effectuate the purposes of this act: *Provided, however*, That no such quantitative limit shall be imposed contrary to the provisions of any foreign trade agreement in effect pursuant to section 350 of this act.

"(i) For the purpose of this section—

"(1) the term 'domestic article' means an article wholly or in part the growth or product of the United States; and the term 'foreign article' means an article wholly or in part the growth or product of a foreign country;

"(2) the term 'United States' includes the several States and Territories and the District of Columbia;

"(3) the term 'foreign country' means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions);

"(4) the term 'landed duty paid price' means the price of any foreign strategic and critical mineral, metal, and material, after payment of the applicable customs or import duties and other necessary charges, as represented by the acquisition cost to an importing consumer, dealer, retailer, or manufacturer, or the offering price to a consumer, dealer, retailer, or manufacturer, if imported by an agent.

"(j) The Commission is authorized to make all needful rules and regulations for carrying out its functions under the provisions of this section.

"(k) The Secretary of the Treasury is authorized to make such rules and regulations as he may deem necessary for the entry and declaration of foreign articles with respect to which a change in basis of value has been made under the provisions of subdivision (d) of this section, and for the form of invoice required at time of entry."

AMENDMENT OF SECTION 337

SEC. 5. Title III, part II, section 337, of the Tariff Act of 1930 is hereby amended as follows:

(a) Subdivision (a) thereof by striking out the word "President" and substituting therefor the words "Tariff Commission."

(b) Subdivision (b) thereof is hereby repealed.

(c) Subdivision (d) thereof is hereby repealed.

(d) Subdivision (e) thereof is hereby amended to read as follows:

"(e) Exclusion of articles from entry: Whenever the existence of any such unfair method or act shall be established to the satisfaction of the Commission, it shall direct that the articles concerned in such unfair methods or acts, imported by any person violating the provisions of this act, shall be excluded from entry into the United States, and upon information of such action by the Commission, the Secretary of the Treasury shall, through the proper officers, refuse such entry."

(e) Subdivision (f) thereof is hereby amended to read as follows:

"(f) Entry under bond: Whenever the Commission has reason to believe that any strategic and critical mineral, metal, and material is offered or sought to be offered for entry into the United States in violation of this section, but has not information sufficient to satisfy it thereof, the Secretary of the Treasury shall, upon its request in writing, forbid entry thereof until such investigaton as the Commission may deem necessary shall be completed; except that such articles shall be entitled to entry under bond prescribed by the Secretary of the Treasury."

(f) Subdivision (g) thereof is hereby amended to read as follows:

"(g) Continuance of exclusion: Any refusal of entry under this section shall continue in effect until the Commission shall find and advise the Secretary of the Treasury that the conditions which led to such refusal of entry no longer exist."

STATISTICAL ENUMERATION

SEC. 6. Title IV, part III, section 484 (e), of the Tariff Act of 1930 is hereby amended to read as follows:

"(e) Statistical enumeration: The Chairman of the Tariff Commission is authorized and directed to establish from time to time, after consultation with the Secretary of the Treasury and the Secretary of Commerce, a statistical enumeration of imported articles in such detail as he may consider necessary and desirable to effectuate the purposes of this act. As a part of each entry there shall be attached thereto or included therein an accurate statement giving details required for such statistical enumeration. The Secretary of Commerce is hereby authorized and directed to make such reasonable and proper digests from, and compilations of, such statistical data as the Chairman requests. In the event of a disagreement between the Chairman and the Secretary of Commerce as to the reasonable and proper nature of any request the matter shall be referred to the President whose decision shall be final."

REVISED TEXT OF TARIFF ACT

SEC. 7. The Tariff Commission, as soon as practicable, shall prepare and cause to be printed as a public document available for public distribution a complete revised text of the Tariff Act of 1930, as amended: *Provided*, That all acts or parts of acts conflicting herewith is hereby repealed.

EFFECTIVE DATE

SEC. 8. This act shall take effect upon the expiration of 90 days after the date of its enactment, but no foreign trade agreement shall be entered into under section 350 of the Tariff Act of 1930, as amended, after the date of enactment of this act.

BILL INTRODUCED TO MAINTAIN PROGRAM FOR SEVEN KEY CRITICAL MINERALS

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of important duties on tungsten, manganese, chromite, mica, asbestos, beryl, and columbium-tantalum bearing ores, for the same purposes.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3793) to provide relief for producers of tungsten, manganese, chromite, mica, asbestos, beryl, and columbium-tantalum bearing ores, introduced by Mr. MALONE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

FLEXIBLE DUTIES ON TUNGSTEN SOUGHT

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide the necessary flexibility of import duties on tungsten, thereby making possible appropriate adjustments in respect to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3794) to provide relief for the tungsten industry, introduced by Mr. MALONE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

RELIEF OF MANGANESE INDUSTRY ASKED IN NEW MALONE BILL

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide the necessary flexibility of import duties on manganese, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3795) to provide relief for the manganese industry, introduced by Mr. MALONE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

BILL WOULD PROVIDE PROPER DUTIES ON IMPORTS OF CHROMITE

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on chromite, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3796) to provide relief for the chromite industry, introduced by Mr. MALONE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

MICA INDUSTRY WOULD RECEIVE RELIEF UNDER DISTINCTIVE BILL

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on mica, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3797) to provide relief for the mica industry, introduced by Mr. MALONE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

MEASURE WOULD PROVIDE DUTY ADJUSTMENTS ON IMPORTS OF ASBESTOS

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on asbestos, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3798) to provide relief for the asbestos industry, introduced by Mr. MALONE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

RELIEF FOR BERYL INDUSTRY ASKED IN SEPARATE MEASURE

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on beryl, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3799) to provide relief for the beryl industry, introduced by Mr.

MALONE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

AID PROPOSED FOR COLUMBIUM-TANTALUM PRODUCERS

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on columbium-tantalum bearing ores, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3800) to provide relief for producers of columbium-tantalum bearing ores, introduced by Mr. MALONE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

RELIEF LEGISLATION FOR FLUORSPAR INDUSTRY SOUGHT

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to provide for the necessary flexibility of import duties on fluorspar, thereby making possible appropriate adjustments in response to changing economic conditions.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3801) to provide relief for the fluorspar industry, introducted by Mr. MALONE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

FOREIGN TRADE NOW REGULATED FROM GENEVA BY GATT

Mr. MALONE. Mr. President, the 1934 Trade Agreements Act removed from Congress its constitutional responsibility to regulate foreign trade and the national economy, and transferred that responsibility, first, to the President, but gave the President the full power to transfer that authority to any nation or groups of nations on earth, under any organization which he might spearhead.

In 1947, the President chose to spearhead an organization known as the General Agreements on Tariffs and Trade (GATT), and transferred responsibility to Geneva. At the present time 35 nations are sitting around a conference table in Geneva making decisions which can adversely affect both our trade and our national economy.

UNITED STATES HAS ONE GATT VOTE: FOREIGN NATIONS 34 VOTES

We are one of those nations. We have one vote. The nations around the conference table are continuing, as they have in the past, to divide the markets of the United States of America a good deal like a nice, juicy beefsteak might be cut.

Mr. President, pending the repeal of the 1934 Trade Agreements Act—and I introduced a bill on January 12, 1956, to do just that—these special bills are necessary on any product that can continue to be produced in this Nation, under the wage standard of living in the United States of America as compared to that in the chief competitive nation producing each product.

ORDER FOR RECESS TO WEDNESDAY

Mr. CLEMENTS. Mr. President, will the Senator from Oregon yield to me to make a request?

Mr. MORSE. I yield.

Mr. CLEMENTS. Mr. President, I ask unanimous consent that when the Senate completes its labors today, it stand in recess until 12 o'clock noon on Wednesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSPORTATION SYSTEM TO SERVE THE DISTRICT OF COLUMBIA

The Senate resumed the consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

Mr. CLEMENTS. Mr. President, will the Senator from Oregon yield in order that I may propound a proposed unanimous-consent agreement?

Mr. MORSE. I yield to the Senator from Kentucky, who, I understand, wishes to propound a unanimous-consent request. Then I wish to apply the principles of the authorities which I have cited to some of the remarks of the Senator from Florida [Mr. HOLLAND].

Mr. CLEMENTS. Mr. President, I ask unanimous consent that the Senator from Oregon be permitted to yield to me, with the understanding that he shall not lose his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLEMENTS. On behalf of the majority leader and the minority leader, I send to the desk a proposed unanimous consent agreement, and ask that it be read.

The PRESIDING OFFICER. The proposed unanimous-consent agreement will be read.

The proposed unanimous-consent agreement was read by the legislative clerk, as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Wednesday, May 9, 1956, at the conclusion of the calendar call, during the further consideration of the bill, S. 3073, the Washington Metropolitan Transit Authority Act, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, yield additional time to any Senator on any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement?

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. As I understand, the pending amendment is the so-called committee amendment, which is practically a substitute for the entire bill. From a parliamentary point of view, I wonder if it would not be well to treat the committee amendment as original text, in order that there may be no parliamentary question as to whether or not an amendment is in the second or third degree.

Mr. MORSE. I think that is a very sound suggestion.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and it is so ordered.

Mr. CLEMENTS. I thank the Senator from Oregon.

Mr. MORSE. Mr. President, a parliatary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MORSE. It is also understood that the suggestion of the Senator from California has been accepted?

Mr. CLEMENTS. Mr. President, the acting majority leader understands that that is incorporated in the unanimous-consent agreement. If any Senator has a different view, I should like to hear from him now.

Mr. MORSE. Mr. President, I wanted to complete the record, as I told the Senator from Florida I would, on the eminent-domain problem, because I think it is very important that the record be very clear as to the provisions of the bill affecting eminent domain.

Mr. President, by way of introduction to my discussion of that matter, I wish to say we need to take into account the fact that nothing is taken by anyone in our country, under eminent domain, except by order of a court. Under the pending bill, the District Commissioners are not going to be free to pay what they want to pay. Neither are they going to be free to say, "We are going to take only a part of your property, Mr. Transit Company." All they will be free to do is to walk before a judge and make their request, under eminent domain procedure, and the judge sitting in the court will protect the public interest and protect the interest of the owners of the property as of that time.

The first matter I wish to put into the RECORD is the section of the bill which appears on page 68, starting with line 22, subsection (c) of section 204:

(c) Except as herein otherwise provided, condemnation proceedings for the acquisition of such real or personal property, or any interest therein, shall be instituted and conducted in the United States District Court for the District of Columbia which court shall have jurisdiction of such proceedings and such proceedings shall be prosecuted in accordance with the procedure in proceedings instituted and conducted in the name of the United States.

I wish to emphasize that does not mean the requests of the District Commissioners will be automatically granted. The court will sit in judgment both on the question of the public policy involved in the request and the amount of compensation to be paid.

I think it is also important, without my taking time to read it, to insert in the RECORD at this point section 258 (a) of title 40 of the Federal Code on the whole matter of condemnation proceedings. I ask unanimous consent that the entire section be printed at this point in my remarks.

There being no objection, the section of the code was ordered to be printed in the RECORD, as follows:

§ 258a. Same; lands, easements, or rights-of-way for public use; taking of possession and title in advance of final judgment; authority; procedure.

In any proceeding in any court of the United States outside of the District of Columbia which has been or may be instituted by and in the name of and under the authority of the United States for the acquisition of any land or easement or right of way in land for the public use, the petitioner may file in the cause, with the petition or at any time before judgment, a declaration of taking signed by the authority empowered by law to acquire the lands described in the petition, declaring that said lands are thereby taken for the use of the United States. Said declaration of taking shall contain or have annexed thereto—

(1) A statement of the authority under which and the public use for which said lands are taken.

(2) A description of the lands taken sufficient for the identification thereof.

(3) A statement of the estate or interest in said lands taken for said public use.

(4) A plan showing the lands taken.

(5) A statement of the sum of money estimated by said acquiring authority to be just compensation for the land taken.

Upon the filing said declaration of taking and of the deposit in the court, to the use of the persons entitled thereto, of the amount of the estimated compensation stated in said declaration, title to the said lands in fee simple absolute, or such less estate or interest therein as is specified in said declaration, shall vest in the United States of America, and said lands shall be deemed to be condemned and taken for the use of the United States, and the right to just compensation for the same shall vest in the persons entitled thereto; and said compensation shall be ascertained and awarded in said proceeding and established by judgment therein, and the said judgment shall include, as part of the just compensation awarded, interest at the rate of 6 percent per annum on the amount finally awarded as the value of the property as of the date of taking, from said date to the date of payment; but interest shall not be allowed on so much thereof as shall have been paid into the court. No sum so paid into the court shall be charged with commissions or poundage.

Upon the application of the parties in interest, the court may order that the money deposited in the court, or any part thereof, be paid forthwith for or on account of the just compensation to be awarded in said proceeding. If the compensation finally awarded in respect to said lands, or any parcel thereof, shall exceed the amount of the money so received by any person entitled, the court shall enter judgment against the United States for the amount of the deficiency.

Upon the filing of a declaration of taking, the court shall have power to fix the time within which and the terms upon which the parties in possession shall be required to surrender possession to the petitioner. The court shall have power to make such orders in respect to encumbrances, liens, rents, taxes, assessments, insurance, and other charges, if any, as shall be just and equitable. (Feb. 26, 1931, ch. 307, sec. 1, 46 Stat. 1421.)

Mr. MORSE. Mr. President, I wish to especially emphasize the provision about what the declaration must show:

Said declaration of taking shall contain or have annexed thereto—

(1) A statement of the authority under which, and the public use for which, said lands are taken.

(2) A description of the lands taken sufficient for the identification thereof.

(3) A statement of the estate or interest in said lands taken for said public use.

(4) A plan showing the lands taken.

(5) A statement of the sum of money estimated by said acquiring authority to be just compensation for the land taken.

Then it goes on with the rest of the procedure set forth in the Code as to what else must be in the declaration.

I emphasize that the rights of the stockholders and the rights of the public, under our condemnation law, fall within the power of the court to protect. I am not at all concerned about the language of the bill, although I am perfectly willing, as I said to the Senator from Florida, to go along with any clarification not inconsistent with the purpose of the bill. However, I wish to stress that the bill itself, in the last analysis, is going to be applied by the court, and the court is going to see to it that justice is done from the standpoint both of public policy questions and compensation paid for the property in whole or in part.

With those preliminary remarks, I wish to make a statement on the power of the Government to authorize the taking by eminent domain of personal property, and the power to condemn a part of the property of a utility, because, as the Senator from Florida has pointed out, there has been a considerable amount of discussion on that point, and the Senator from California [Mr. KNOWLAND], as well as the Senator from Florida [Mr. HOLLAND], raised the question this afternoon.

I start out with the general statement of the law that the power to condemn property interest, in whole or in part, is well recognized in American eminent domain law. I wish to buttress that assertion with the authorities which I shall put into the RECORD.

In 29 Corpus Juris Secundum 852, Eminent Domain, section 65 there appears the following general statement with regard to property subject to appropriation:

Generally speaking, the power of the State to take property, or to authorize the taking thereof, by the exercise of the right of eminent domain extends to every species of property within its territorial jurisdiction, and to every variety and degree of interest therein, or at least extends to all private property. The power of eminent domain extends to real estate, all kinds of personal property, and even intangible or incorporeal rights; and it is not limited to commodities affected with public interest. A contract is property which may be taken under the power of eminent domain either directly or indirectly as the result of the condemnation of other property involving the contract. Shares of stock in a corporation may be taken or their retirement effected, under the power of eminent domain.

In his treatise on the Law of Eminent Domain in the United States, third edition, Lewis states, in section 411, that "all kinds of property, and every variety and degree of interest in property may be taken under the power of eminent domain."

In support of this statement he cites the following cases:

New York etc. R. R. Co. v. *Boston etc. R. R. Co.* (36 Conn. 196); *New York etc. R. R. Co.* v. *Offield* (77 Conn. 417, 59 Atl. 510); *Water Works Co.* v. *Burkhart* (41 Ind. 364); *Indianapolis etc. R. R. Co.* v. *Indianapolis etc. Rapid Transit Co.* (33 Ind. App. 337, 67 N. E. 1013); *Brown* v. *Gerald* (100 Me. 351, 61 Atl. 785, 109 Am. St. Rep. 526, 70 L. R. A. 472); *Eastern R. R. Co.* v. *Boston & Maine R. R. Co.* (111 Mass. 125, 15 Am. Rep. 13); *People* v. *B. & O. R. R. Co.* (117 N. Y. 150, 22 N. E. 1026); *People* v. *Adirondack R. R. Co.* (160 N. Y. 225, 238, 54 N. E. 689); *United States* v. *Lynah* (188 U. S. 445, 23 S. C. 349).

Mr. Lewis also says, quoting from *Metropolitan City Ry. Co.* v. *Chicago West Ry. Co.* (87 Ill. 317, 324):

The right of eminent domain is an attribute of sovereignty, and whatever exists in any form, whether tangible or intangible, may be subjected to the exercise of its power, and may be seized and appropriated to public use when necessity demands it.

And quoting from *Alabama & Florida R. R. Co.* v. *Kenney* (39 Ala. 307):

All property is held subject to an inherent right in the government to appropriate it to public use when the public good may require it to be done.

In the case of *United States* v. *Buffalo Pitts Co.* (234 U. S. 225), the court said, quoting from *United States* v. *Lynah* (188 U. S. 445, 464):

All private property is held subject to the necessities of Government. The right of eminent domain underlies all such rights of property. The Government may take personal or real property whenever its necessities or the exigencies of the occasion demand. So the contention that the Government had a paramount right to appropriate this property may be conceded, but the Constitution in the fifth amendment guarantees that when this governmental right of appropriation—this asserted paramount right—is exercised it shall be attended by compensation.

In *Davis* v. *Newton Coal Co.* (267 U. S. 292, 301), the court said:

From the facts stated it appears, plainly enough, that 113 cars of coal belonging to defendant in error were seized by the United States while upon the lines of carriers under their control and thereafter appropriated and used in the operation of such roads. The taking was for a public use. The incantation pronounced at the time is not of controlling importance; our primary concern is with the accomplishment. As announced in *United States* v. *New River Collieries Co.* (262 U. S. 341, 343, 344), "where private property is taken for public use, and there is a market price prevailing at the time and place of taking, that price is just compensation" to which the owner is entitled. Also, "the ascertainment of compensation is a judicial function, and no power exists in any other department of the Government to declare what the compen-

sation shall be or to prescribe any binding rule in that regard."

The Supreme Court has recognized the right of a State to repeal the charter of a street railroad company and to transfer its franchise and track to another corporation which it has created, and to which it gives the power to exercise the right of eminent domain. See *Greenwood* v. *Union R. R. Co.* (105 U. S. 772, 26 Lawyers' Edition 961.) In upholding such right the Court—at page 965, Lawyers' Edition—stated:

It was, therefore, in the power of the Massachusetts Legislature to grant to another corporation, as it did, the authority to operate a street railroad through the same streets and over the same ground previously occupied by the Marginal Co. Whether this action was oppressive or unjust in view of the public good, or whether the legislature was governed by sufficient reason in thus repealing the charter of one company and in chartering another at the same time to perform as part of its functions the duties required of the first, is not, as we have seen, a judicial question in this case. It may well be supposed, if answer were required to the complainant's bill, that it was made to appear that the Marginal Co. had shown its incapacity to fulfill the objects for which it was created, and that another corporation, embracing larger area, connecting with more freight depots and wharves, and with more capital, could better serve the public in the matter for which both franchises were given.

That in creating the later corporation, whose object was to fulfill a public use, it could authorize it to take such property of other corporations as might be necessary to that use, as well as that of individuals, can hardly admit of question. Section 4 of the act gives this power to the Union Co. with reference to the tracks of all street railroads in the city, and provides that, in the event of an inability to agree with the owners of these tracks as to compensation, that shall be determined in accordance with the provisions of general laws previously enacted on that subject. To this there can be no valid legal objection. The property of corporations, even including their franchises, when that is necessary, may be taken for public use under the power of eminent domain, on making due compensation. (*Bridge Co.* v. *Dix* (6 How. 507); *Bridge Corp.* v. *Lowell* (4 Gray 482); *Water-Power Co.* v. *R. R. Co.* (23 Pick 360); *Richmond R. R. Co.* v. *Louisia R. R. Co.* (13 How. 83).

Mr. President, I respectfully submit that those are very important precedents and authorities in support of the position the Congress has taken in regard to the Capital Transit Co., as to the authority to cancel the franchise and the authority now to pass a bill providing for eminent domain in the taking of property, not only that owned by this particular corporation, but also that owned by other corporations not necessarily involved with the principal company, if that property is necessary for the operation of a new transit system.

It is to be noted that in the Greenwood case the corporation last created was given the power to "take such property of other corporations as might be necessary to that —public—use, as well as that of individuals." Thus, the Supreme Court has sanctioned the taking of all or part of the property of a utility corporation. Such property included "rolling stock, horses, harness, stables, debts due it and funds on hand."

In volume 173, American Law Reports, Annotated, 1362, there appears an annotation entitled "Condemnation of Public Utility Property for Public Utility Purposes." Part 2 of the annotation is entitled "Taking by Public Body," and section 7 of this part is entitled "Taking Part Only." Under section 7 appears the following comment and citations of authorities:

SEC. 7. Taking part only:

Since the purpose of taking the plant or other property of a public-service corporation for operation by the public is the rendering of services to the people of a particular municipality or district, a taking of only so much property as is required for that purpose is commonly upheld.

In *Puget Sound Power & L. Co.* v. *Public Utility Dist.* ((1941, C. C. A. 9th Wash.) 123 F. 2d 286 (cert. den. (1942) 315 U. S. 814, 86 L. ed. 1212, 62 S. Ct. 798), a proceeding by a Washington public-utility district, having boundaries coextensive with its county, to condemn the entire electric-distribution system of a power company in that county together with a small hydroelectric plant therein having capacity to serve only about 10 percent of the company's patrons in the county, and to condemn also two transmission lines extending to substations in an adjoining county, wherein it appeared that the facilities sought were but a small part of the company's entire integrated system for generating, transmitting, and distributing electricity, running into 19 counties of the State, the company introduced evidence to the effect when used as part of the larger system the properties in question taken could be more economically operated and could render better service, and hence argued that the taking was not a public necessity nor for a public use. The contention to the contrary was that the district by resolution had declared it advisable to condemn the property and specifically had declared that the "public interest, welfare, convenience, and necessity" required the taking, "in order to conserve the water and power resources of the State of Washington, and in order that said works, plants, and facilities may be owned, operated and controlled" by the district "in the public interest and for the public benefit." The court (having before it a Washington statute declaring that whenever an attempt is made to take private property for a use alleged to be public under the authority of such statute the question whether the contemplated use is really public shall be a judicial question and be determined by the court before inquiry should be had into the question of compensation) ruled that the determination of the trial court that the taking was a public necessity (such finding being based principally upon the resolution of the district) as well as the further determination that the taking was for a public use (apparently because the operation was to be by the public, for the public benefit exclusively) should be upheld. The court referred to certain Washington statutes which, as construed by the Washington court, were to the effect that in such a case the question of the necessity for the taking is for the determination of the district commissioners and that the court is not concerned therewith, absent a showing of fraud or that the commissioners acted arbitrarily or capriciously. While in that case it was shown that there was ample room on the highways for the district to construct another system, which according to some of the testimony could be built in about a year and a half at the cost not greater than the cost of acquiring the properties of the company, the court was of the opinion that, since there was room for a reasonable conclusion that there was a necessity for taking the existing properties in order to avoid the company's competition, the decision of the commissioners could not be regarded as arbitrary.

In *State ex rel. Wisconsin Traction, Light, Heat & P. Co.* v. *Circuit Ct.* ((1915) 162 Wis. 234, 155 NW 139), where the power company owned a generating plant in one city with which it served that city and also two other municipalities, it was held that under the statutes in question one of the latter municipalities could take by condemnation simply the property of the company within the municipal limits of the condemner, and this notwithstanding the objection of the company that the municipality could not dismember the properties and take merely such portion. In that case the condemner had provided a generating plant of its own.

In *State ex rel. Peabody* v. *Superior Ct.* ((1914) 77 Wash. 593, 138, p. 277), where the statute in terms authorized the city, upon approval by the voters, to construct and operate a municipally owned system of street railways and to "condemn and purchase, purchase, acquire, add to, maintain, operate or lease cable, electric and other railways within the limits of such city * * *, with full authority to regulate and control the use and operation thereof," it was held notwithstanding there was no specific mention of railways in active operation nor of franchises of railways, and the language was somewhat general, it was sufficient to authorize the condemnation of railways and equipment within the city limits, even though the same was part of a system lying partly within and partly without the city.

CONCLUSION

In *United States* v. *Jones* (109 U. S. 513; 27 Law Ed. 1015), the court said:

The power to take private property for public uses, generally termed the right of eminent domain, belongs to every independent government. It is an incident of sovereignty and, as said in *Boom Co.* v. *Patterson*, requires no constitutional recognition (98 U. S., 406). The provision found in the fifth amendment to the Federal Constitution and in the constitutions of the several States, for just compensation for the property taken, is merely a limitation upon the use of the power. It is no part of the power itself, but a condition upon which the power may be exercised.

The right of the United States, and of the Authority created by the bill, is not limited insofar as the Constitution is concerned to the taking of real property. What may be taken is "property."

In the light of the authorities quoted in this memorandum it appears that there is no doubt that the Congress in the exercise of its constitutional powers, may authorize the Washington Metropolitan Transit Authority to condemn not only real property but also personal property. It is also lawful to condemn not only the entire assets of a public utility but any part thereof which may be needed for the public purpose. The only requirement of the Constitution is that whatever is taken be for a public purpose and that just compensation therefor be paid.

Under our system the court sees to it that those two guaranties are carried out. It passes on the public policy question, and it passes on the compensation question. That is why I say most respectfully, in commenting on the very helpful discussion by the Senator from Florida [Mr. HOLLAND] this afternoon, that we have nothing to fear in the bill, because in my judgment the court, under our eminent domain laws, sits as a protector not only of the interests of the

stockholders, but also the public interest as well.

Mr. President, I have a few more words to add to complete my record on the bill tonight. I think they need to be said for clarification purposes, because of the contributions made to the debate this afternoon by the distinguished Senator from Florida [Mr. HOLLAND].

I stand on each sentence I spoke in reply to the questions put to me by the Senator from Florida. I speak only as one member of the committee, but as one who was very active in trying to arrive at a program which I thought would be acceptable from the standpoint of the public interest of the people of the District of Columbia.

Based upon the authorities which I have cited in my statement on the power to condemn property in its entirety, or a part of the property, I think there can be no question about the fact that the Congress, in passing this bill, would be passing a bill which would merely carry out well-recognized principles of eminent domain law, condemning all the property or a part of the property, as approved by the court.

We have in this Capital Transit situation a few problems which I think the Congress must face very objectively, honestly, and frankly. We are in this situation: A year ago we canceled the franchise of the Capital Transit Co. We had the legal authority and right to cancel that franchise. In the debate last year, I pointed out the history of that franchise, and pointed out that when the franchise was first granted by congressional act, an amendment was added to the Act which made it very clear that Congress, for any cause, or for no cause, could automatically cancel the franchise.

I think it will be found from the CONGRESSIONAL RECORD that I said something to the effect that, in view of what subsequently transpired, that was an interesting demonstration of keen foresight on the part of the proponents of the amendment.

My recollection is that one of the proponents of the amendment was the then Senator from Wisconsin, Mr. Blaine. I stress that point this afternoon, because every investor in Capital Transit, every purchaser of stock in this company in the intervening years, had clear legal notice that when he invested in this company, he ran the risk of a cancellation of the franchise. Therefore, there is no legal obligation resting upon the Congress to pay any of these investors because of the fact that it may develop that they made a bad investment. We certainly cannot go around the country subsidizing purchasers of stock because they made bad investments. I wish to stress the point that the right of the Congress to do what it has done is, in my judgment, not subject to legal question.

Now we come to the effects of the cancellation of the franchise. At midnight, August 14, 1956, Capital Transit ceases to be a public utility in the District of Columbia so far as being an operating utility is concerned; it has no property rights so far as operation is concerned.

Therefore when we come to consider the incorporeal property value which some may believe exists—that is, any value in the company as an operating utility in the District of Columbia—the value is a goose egg, and an infertile goose egg at that, and worthless after midnight August 14.

Under the pending bill, I hope, between now and August 14, the authority we are proposing—through the District Commissioners—will seek to negotiate with the Capital Transit Co. a fair settlement with respect to property values for the property the District Commissioners find they need in the public interest to operate a public transportation system in the District of Columbia.

However, Mr. President, the District Commissioners, in my judgment, would be guilty of dereliction of duty if they proceeded to buy by negotiation from the Capital Transit Co., property not needed to serve the public interest in the operation of a mass-transportation system. That is where the whole or in-part factor comes in.

I am not in a position to give a list of the holdings, but it can be supplied on the basis of what our committee records show. However, the Capital Transit Co. has considerable holdings, as I recall from the records, of various types of property of a nature not essential to the operation of a mass-transportation system in the District of Columbia.

It is not for me on the floor of the Senate to decide what the District Commissioners should or should not try to buy by way of negotiation with the Capital Transit Co. However, it is for me to say that I believe they could not justify, from the standpoint of a sound public policy, negotiating the purchase of one dollar's worth of property from the Capital Transit Co. which is not needed in the operation of a mass-transportation system. If the company has some leasehold interests which are not needed for the operation of a transit system, there is no reason for the District Commissioners to negotiate the purchase of such interests. There is no need for their seeking an eminent domain order which will result in the purchase of such interests by eminent domain procedure.

Therefore we have the problem I raised this afternoon in my discussion with the Senator from Florida. It is the problem of the alternatives.

When I spoke of negotiating a purchase or acquiring by way of eminent domain of the transit system, lock, stock, and barrel, I referred, of course, only to the transit system or the properties in the transit system essential to the operation of a transit system, not to any property interest, tangible or intangible, corporeal or incorporeal, over and above what is needed for the operation of a transit system.

I have serious doubt that in an eminent domain proceeding any court would authorize the District Commissioners to buy $1 worth of value of property from the Capital Transit Co. which is not needed in the operation of the transit system itself.

Therefore, in my colloquy with the Senator from Florida, when I was talking about the alternative of proceeding by eminent domain to buy the transit system, I want him to understand, that I was talking about buying the total property of the Capital Transit system necessary for the operation of a transportation system, not the purchase of any property which may be owned by the Capital Transit Co., but which is not necessary or essential to the operation of a mass transportation system.

Let us take the total system. Under the definition and description I have laid down, namely, the total amount of property now owned by the Capital Transit system necessary for the operation of a transportation system, not including property over and above that which the Capital Transit system may own, I certainly believe that the District Commissioners should give very serious consideration to negotiating a fair purchase of that property.

That brings me to the question whether it is within the spirit and intent and meaning of the bill that the Commissioners should go before a court in an eminent domain proceeding—based upon their authority to purchase less than the whole—and proceed by eminent domain to obtain possession of tangible personal property of the Capital Transit Co. such as streetcars and buses by way of a user for a 3-year period.

As a member of the committee, I wish to say that I have no such intention, and that I would be very much surprised if any other member of the committee has such intention. I should like to have the Senator from Florida understand that, so far as my intention and understanding is concerned—and I believe any court would so construe the bill, if passed—in connection with the real property, streetcar barns and terminal facilities the Commissioners could not by way of eminent domain be permitted to say, "We will ask the court to authorize the transfer of the user of this property for a 3-year period, and when the 3-year period is over we can sell the property to X Company, and say to the Capital Transit Co., 'Now you junk it.'"

Let me point out that there is involved in the situation the problem of what is the value, first, of the tangible personal property in the form of buses and streetcars and other tangible personal property, and also the value of some of the real estate.

I do not believe anyone can deny that the value of the property is largely dependent upon whether it is going to be used in the transportation business. Let us consider a streetcar barn, for example. If the Commissioners pursue an eminent domain proceeding, the court will take into account the public use for which the streetcar barn is needed. Its value will be much greater as a streetcar barn property than if the streetcar barn is torn down and the property is used for general use, either for the building of a commercial building or an apartment house.

What I am trying to point out is that in negotiations between the District of Columbia Commissioners and the company itself, if they try to settle the property value problem either by negotiation or by going into court under an eminent domain proceeding, the value

of the property will be much greater if the use to which the property is going to be put is to carry on public needs and purposes in the District of Columbia, and the court will take that into account.

But, Mr. President, theoretically, I think there is no question that under the law the District Commissioners might go into a court sitting in an eminent domain proceedings and say, "We want to get only a part of the property interests of the company in a piece of real estate or in a bus or in a streetcar. We want to get a user interest."

Of course, Mr. President, in fixing the value of the user interest the court would necessarily have to take into account the value of the property to the transit company after the 3 years, and the value would be pretty much salvage value, and much less value, so far as real property is concerned, in the buildings. I cannot speak for the court, any more than can other Senators, but I should not be surprised to see the court reject the declaration for the application of eminent domain if the request were a user request. But, Mr. President, I am perfectly willing to go along in the interest of fairness with the Senator from Florida in clarifying the language of the bill, if he feels it needs to be clarified by providing that so far as the exercise of eminent domain over personal property or real property is concerned, it shall be a petition for a declaration based upon the transfer of legal title to the res.

Mr. HOLLAND. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. HOLLAND. Does not the Senator mean, rather than full legal title, whatever title the transit company possesses?

Mr. MORSE. That is correct.

Mr. HOLLAND. As in the case of rolling stock, it may have a lessor title, but in the case of other property it might have a fee simple title.

Mr. MORSE. That is correct.

Mr. HOLLAND. Then the Senator is, I believe, in accord with me, that whatever is the highest title held by the company would be that taken in the event the Authority decides that that particular property is necessary for its operation and files a petition for taking?

Mr. MORSE. That is exactly what I mean, that if the District Commissioners file an eminent domain declaration and request in the declaration the authority to purchase whatever legal title the company has in tangible property—and I am not speaking about intangible property, but about tangible property——

Mr. HOLLAND. In order to clarify the RECORD at this point, permit me to say that I am in complete agreement with the statement made by the Senator as to what he believes should be done. The only thing we need to do is to find the appropriate language in which to express it.

Mr. MORSE. Mr. President, there is no obligation on the part of the Commissioners to buy a single dollar's worth of tangible property from the transit company if they feel they do not need it or do not want it or if they feel they could make a better purchase somewhere else. If they are going to seek by eminent domain to use this very powerful right of governmental sovereignty exercised over the property of citizens, then I think it is only fair that such tangible property as they seek to condemn by way of eminent domain should be bought by them to the extent of whatever legal title the transit company has in it.

Now, Mr. President, I wish to make very clear my position on the record this afternoon in regard to any interpretation of the bill by anyone who would seek by the remotest implication to indicate an intention that the Capital Transit Co. should be compensated for any utility interest, or that it should be compensated for any stock, after midnight, August 14, 1956. If all Members of the Senate had sat in our committee hearings as did the able Senator from Michigan [Mr. MCNAMARA], it would be recalled that time and time again there was discussion of the fact that we had to be on guard against some provision unintentionally written into the bill that would result in the Congress seeming to intend to pay the Capital Transit Co. for a canceled franchise. In my judgment, Mr. President, that would be a misappropriation of public funds. I wish to stress that point, because all we have done is to carry out the terms and conditions of the original charter which included the cancellation of the franchise clause.

I am always hesitant to speak of the purposes or motivations of others, but we have the testimony of representatives of the Capital Transit Co., and I think I owe it to the record to say that they have left me with the impression, and, I think, with some other members of the committee also, that if they can possibly maneuver themselves into a position where they can collect some sort of a severance pay, shall I say, some sort of franchise severance allowance, they would like to do it.

If they had conducted their operations in the public interest there would have been no severance in the first place. I have made my point on that. I shall say no more except to make it perfectly clear that there is no such intention in this bill to authorize the Capital Transit Co. to obtain any compensation except for the property itself which is necessary for the operation of a mass transportation system in the District of Columbia.

I now come to another point which was raised in the discussion this afternoon. I say, in fairness to the District Commissioners, that I do not share the view of the Senator from Florida [Mr. HOLLAND] as to the attitude which they have taken. I have never found them of a punitive frame of mind. To the contrary, in all my dealings with the Commissioners of the District of Columbia—after all, they are the appointees of the President of the United States—I think they have been at all times nonpartisan in their relationship to the District of Columbia Committee, and I have found them to be exceedingly honorable and able men devoted to the objective of doing the best they can to supply the District of Columbia with a decent transportation system.

Certainly, Mr. President, they have had troubles with the Capital Transit Co. But, in my judgment, the blame for those troubles does not rest upon the shoulders of the District of Columbia Commissioners, but upon the rather uncompromising and, at times, arrogant attitude taken by the officials of the Transit Co.

So I think it is befitting that I should pay this tribute to the District of Columbia Commissioners this afternoon, because they spent many long hours with our committee. They responded to every request for evidence and information we made of them. And may I say, as the present Presiding Officer knows, when we had them before us recently with reference to their failure successfully to negotiate a new operation of the transportation system in the District of Columbia by a private company, we refreshed their memories with regard to their optimism of a year ago. I thought they were very decent and fair about it. The record will show that they simply admitted to us that it did not turn out in the way they expected it would turn out in the representations they made to the committee and which we, in turn, made to the Senate last year by qualified but, nevertheless, accurate repetition of what the Commissioners had told us in committee. It just did not turn out that way. Although there were negotiations with various private companies, none of them was found to be in the public interest. The Commissioners regret that.

The Senator from Florida pointed out, and I think I paraphrase him accurately, that what he thinks the bill will result in is the final step of the establishment of a public authoritly. The intermediate step is a step toward the final establishment of a public authority. I have said as much in committee. I think the odds are in favor of that being the final result, much as I regret it.

But I would have the Senator from Florida put himself, for a moment, in the position of the committee. We had a choice to make—a choice as to whether we would accept the original recommendation of the District of Columbia Commissioners for the establishment, in one step, of a permanent public authority, or try to have an interim period in which to establish some procedure which might possibly result in the purchase of the transportation system by a private operator some time during the next 3 years.

We talked very frankly about that with the District of Columbia Commissioners. I think it is fair to say that their first reaction was, "Well, we will have the situation back as a headache 3 years from now."

During the committee hearings, I think I said, "Then, your suggestion as to what we ought to do is to take a good many aspirin pills now and get rid of the headache once and for all; we should take the aspirin pills in the form of a final public authority."

They laughed about it and said they were willing to go along with the committee's suggestion of an interim approach to the matter, if we thought that was the best procedure to follow. I think every member of the committee knows and will testify that the Commissioners

made their suggestions in good faith and that they will do their level best in the 3-year period to try to dispose of the property to a private company.

The Senator from Florida will find that we have provided for a checkup on the matter at the end of 2 years. At the end of 2 years, the Commissioners are to report to Congress the progress, if any, which they have made, and they will put themselves in a position to consider other suggestions by the Senate and House Committees on the District of Columbia. I do not know what more we can do, if we are to turn the matter over to the District of Columbia officials for their operation, than to express the desire of Congress that they sell the property, if possible, to a private concern, and to report to Congress what success, if any, they have had in that direction after 2 years. If they have not succeeded at the end of the first 2 years in disposing of the property, they will begin their final negotiations for the establishment of a permanent authority, which, incidentally, will require some subsequent congressional action.

So we have made it clear that we are not giving the Commissioners a blank check. We have retained this check.

Here again, where men have to operate constantly, as the Commissioners of the District of Columbia have to operate, in the full glare of the public spotlight, I think we shall have good-faith performance in their efforts to dispose of the property to a private concern.

The last point I wish to raise is the matter of the procedure provided in the bill for the handling of labor disputes. I want this statement to appear in the RECORD tonight, so that it will be before the Senate when we discuss the matter on Wednesday.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MORSE. Yes, I yield.

Mr. HOLLAND. Before I am called from the floor, I wish to express my sincere appreciation for the Senator's reading of his brief and his thorough discussion. I find little on which to differ with the Senator on the property question. I think he wants, as I know I want, the whole part of the bill which relates to the taking over of any property which will be taken over, to be final; that he expects that the property to be taken over will be paid for at whatever price the court says should be paid for whatever title the company has.

While the Senator from Oregon has not discussed directly the stock matter, I think he has by indirection discussed it, because he has said 2 or 3 times that he does not favor the Authority's, in effect, buying the whole assets, whether all of them are needed for the operation or not. Of course, buying the stock would be equivalent to that.

So, as I understand it—if I am in error, I hope the Senator will correct me—he regards that as an alternative, more in the nature of an emergency proposal in the event it is needed, after the taking of the tangible assets does not prove to be adequate.

Mr. MORSE. The Senator is completely correct. That is my position.

Mr. HOLLAND. I thank the Senator from Oregon for his courtesy.

Mr. MORSE. Mr. President, lastly I wish to discuss the procedure for the handling of labor disputes. I think it would be very unwise and unfortunate, in connection with the bill, if we should get into a discussion in the Senate as to whether or not to establish a precedent for compulsory arbitration. There are great differences among us in the Senate on this issue. Many of us strongly favor voluntary arbitration, but we are unalterably opposed to compulsory arbitration.

We are here dealing with a union which has a record of 63 years of voluntary arbitration. We are dealing with a parent union which I understand requires a local union to show that it has offered voluntary arbitration before it can get the support of the international union behind a strike called by a local union.

Here is a union which, in my judgment, has demonstrated very clearly the value of volunteerism in a democracy in the handling of labor disputes. Here is a union which on the record does not deserve to have imposed upon it a yoke of compulsory arbitration. Here is a union which never would have been on strike in the District of Columbia had it been dealing with a company which was willing to submit the dispute to voluntary arbitration.

I heard a comment in the course of the colloquy this afternoon that the union had tied up the District for 52 days in that strike. I said, as the RECORD will show, that from the very beginning of the controversy, before the men hit the picket line, the strike was unnecessary; that what was needed was the acceptance on the part of both parties of an impartial third party, who would voluntarily arbitrate the dispute. Had that been the case, there would have been no strike.

With that record, I see no justification whatsoever for Congress establishing in the bill a precedent with regard to compulsory arbitration in the so-called proprietary activities of the Government in the field of commercial enterprise. There are some enterprises of that type, and this is one of them. When a municipality enters upon the operation of a streetcar and bus system, it is dealing in proprietary interest matters; it is dealing with a commercial enterprise.

I happen to be one who is so opposed to public ownership that I do not want to see the Government ever participate in public ownership when private industry under a competitive system can be brought in to operate a particular enterprise. But when the Government decides to exercise a proprietary interest—and I am not talking about the exercise of a police function; I am not talking about the exercise of police powers by Government; I am talking about the exercise of proprietary interest powers—then I do not think the workers in that particular industry should lose the freedom which other American workers enjoy, such as the freedom to bargain collectively over wages, hours, and conditions of employment, and the freedom to exercise economic power, even though it takes the form of a strike, if necessary. That is quite different, as the Senator from New Jersey [Mr. CASE] pointed out this afternoon, from a police system or a fire department system, which requires the exercise of police powers by the State or the governmental unit, whichever it is. But if the District of Columbia is to operate a transportation system and cannot get a private company to operate it, I see no reason why the workers in that particular industry should be denied their economic rights and have imposed upon them the compulsory hand of government in the form of compulsory arbitration.

Let me say, Mr. President, that if in such a situation any union did not agree to voluntary arbitration and did not agree to abide by the decision of voluntary arbitration, it would lose the support of the controlling arbitrator—public opinion. No union could survive for very long with public opinion against it in a streetcar or a bus strike. It may be asked, "If that be true, why do I object to compulsory arbitration being provided for in the bill?" I am objecting because I think it would be an unnecessary precedent and a bad precedent because of the use which would be made of it in other fact situations, and because, on the basis of the record of the union involved, there is no justification for it.

The PRESIDING OFFICER (Mr. ALLOTT in the chair). Will the Senator yield?

Mr. MORSE. Yes; I am glad to yield.

The PRESIDING OFFICER. The Chair wants to make it very clear, because the Senator from Oregon is addressing himself to another Senator who at the moment is presiding and also participating in this debate, that the Chair at no time has suggested compulsory arbitration in the course of the debate on the bill, either this year or last year. Because the remarks of the Senator might be referred to and so interpreted, the Chair thought he must make this interruption.

Mr. McNAMARA. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. First let me reply to the Senator from Colorado. I was not addressing myself to the Senator from Colorado; I was addressing myself to the remarks of the Senator from Florida [Mr. HOLLAND]. who spoke to me and said he had to leave before I could take up this section. He understood I was going to make my response as clearly as I could in reply.

The PRESIDING OFFICER. The Chair understands that. The Chair as a Senator wanted to make his own position clear.

Mr. MORSE. Mr. President, I wish to point out that on page 82 of the bill there is the following provision:

> In case of dispute over wages, salaries, hours, working conditions, health and welfare, insurance or pension or retirement provisions where collective bargaining and mediation do not result in agreement, the Authority may agree—

I emphasize the words "the Authority may agree"—

> to submit such dispute to a tripartite board of arbitration and shall agree with such

accredited representatives or labor organization that the decision of a majority of any such arbitration board shall be final and binding. Each party shall agree in advance to pay half of the expense of such arbitration.

I think that is an excellent provision. I say, let us try it. Let us not do something very drastic until proof has been adduced, on the basis of experience, that the language is not broad enough. I am satisfied the provision will work.

Now I yield to the chairman of the subcommittee.

Mr. McNAMARA. I thank the Senator from Oregon. I rise to ask him a question. Is it the understanding of the Senator from Oregon that this is the recommendation of the Department of Labor, and that the Department's language, in effect, was embodied in the section of the pending bill which is presently under discussion?

Mr. MORSE. Let me tell the Senator what my understanding is. I understand and interpret the letter of Secretary of Labor Mitchell, which was previously referred to, to mean that some provision ought to be put in the bill for a settlement of any possible dispute by way of mediation and arbitration.

Mr. McNAMARA. Implying voluntary arbitration, not compulsory. Is that correct?

Mr. MORSE. I did not take it to mean that the Secretary was recommending compulsory arbitration. I do not know whether this particular wording is wording that was proposed by the Secretary. In a moment I shall ask counsel, but my recollection is that we considered it and worked out the language in committee ourselves.

I am informed by counsel that the statement I have just made is true.

I have written so many arbitration agreements in my life that I thought I recognized this language. It is so typical of the standard voluntary arbitration section that one finds in collective bargaining agreements. I understand from counsel that it is at least his interpretation that this language conforms itself to the spirit and intent of the Secretary of Labor's recommendation as contained in his letter.

Mr. McNAMARA. I wish to say to the Senator that was also my understanding, and that was the understanding of the subcommittee. It seems to me there should be little disagreement if the Secretary of Labor, the Mediation Service, and other agencies of the Labor Department, agree with this sort of language. Certainly no protest was made to the subcommittee, and ample time was afforded to make such protest.

I hope the bill, with that provision, will be promptly passed.

I wonder if the Senator will yield further, so that I may make a unanimous consent request?

Mr. MORSE. I yield.

Mr. McNAMARA. Mr. President, in the committee amendment as reported to the Senate there appear eight typographical errors, which I ask unanimous consent may be corrected by the clerk at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. In closing, Mr. President, as I said to the Senator in private conversation today, I certainly shall give very careful consideration to the matter. If I understand correctly, I think I find myself in agreement with the Senator on one of the amendments he proposes to offer on Wednesday, which contains language in connection with the matter of the handling of personnel that may not at the present time be needed to operate the system, but whose seniority rights should be protected in respect to giving them the first opportunity to be hired if and when additional employees should be needed.

As I understand from my conversation with you, Mr. President, what you are really offering is language which appeared in the original bill which came before the Senate, and which counsel for the District of Columbia still thinks is desirable, along with the clarification we worked out in committee, with the exception of a part of one sentence which the Senator pointed out to me. I understand the Senator will offer his proposal on Wednesday, and I know of no reason why I cannot support that amendment.

I should like to say, Mr. President, not speaking for myself, but for the subcommittee and the full committee, that I think a remarkable job has been done on the bill in handling a problem which, at best, is a municipal headache. I think, when all is said and done, one of the greatest virtues of the bill is that it would place responsibility where it belongs, on the shoulders of the District Commissioners. I think it is a step in the direction of home rule, and I hope that, come Wednesday, the bill, in practically the form we now have it on our desks, with the few suggestions we have worked out this afternoon, may be quickly passed.

Mr. McNAMARA. Mr. President, I should like to associate myself with the concluding remarks of the Senator from Oregon, and I again express my appreciation to the subcommittee for the fine work it has done.

The PRESIDING OFFICER. The Chair will state that the amendments to which the Senator from Oregon has referred are being printed and will be on the desks of Senators, so that Senators will have an opportunity to see them.

RECESS TO WEDNESDAY

Mr. McNAMARA. Mr. President, in accordance with the previous order, I now move that the Senate stand in recess until Wednesday next at 12 o'clock noon.

The motion was agreed to; and (at 7 o'clock and 9 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, to Wednesday, May 9, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 7, 1956:

IN THE ARMY

Brig. Gen. Harry Wells Crandell, O16238, Army of the United States, (colonel, U. S. Army), for appointment as Chief of Finance, United States Army, as major general in the Regular Army of the United States, and as major general (temporary), Army of the United States, under the provisions of section 206 of the Army Organization Act of 1950 and sections 513 and 515 (c) of the Officer Personnel Act of 1947.

The officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of the Reserve Officer Personnel Act of 1954, Public Law 773, 83d Congress.

To be major generals

Brig. Gen. Henry Kimmell Fluck, O415805, National Guard of the United States.

Brig. Gen. Henry Kirksey Kellogg, O286132, United States Army Reserve.

Brig. Gen. Ralph Julian Olson, O232882, National Guard of the United States.

Brig. Gen. Joseph John Scannell, O350527, National Guard of the United States.

Brig. Gen. Edmund Robert Walker, O291567, National Guard of the United States.

Big. Gen. Edward Otto Wolf, O298530, National Guard of the United States.

To be brigadier generals

Col. Noah Dwight Allison, O278182, military intelligence, United States Army Reserve.

Col. Clifford Frederick Beyers, O267530, Artillery, National Guard of the United States.

Col. Francis Halsey Boland, Jr., O233853, staff specialist, United States Army Reserve.

Col. James Charles Cairns, O285315, Infantry, United States Army Reserve.

Col. Leonard Nichols Dunkel, O178133, Infantry, National Guard of the United States.

Col. Gilbert William Embury, O233743, Artillery, United States Army Reserve.

Col. Leslie Lee Evans, O246332, Infantry, National Guard of the United States.

Col. John Simon Gleason, Jr., O398999, Ordnance Corps, United States Army Reserve.

Col. William Joseph Hixson, Jr., O302021, Infantry, United States Army Reserve.

Col. Graber Kidwell, O295004, Artillery, United States Army Reserve.

Col. John Martin McGreevy, O278060, Corps of Engineers, National Guard of the United States.

Col. Eugene Maier, O270647, Artillery, United States Army Reserve.

Col. Theodore Henry Marshall, O235213, Chemical Corps, United States Army Reserve.

Col. Leon Lewis Mathews, O255628, Infantry, United States Army Reserve.

Col. Fernando C. Mencaccy, O278275, Quartermaster Corps, United States Army Reserve.

Col. William Eugene Miller, O283629, Artillery, United States Army Reserve.

Col. George Poindexter Munson, Jr., O257114, Corps of Engineers, United States Army Reserve.

Col. Edward Anderson Pagels, O318906, Artillery, United States Army Reserve.

Col. William James Sutton, O263659, Infantry, United States Army Reserve.

Col. Harley Bruce West, O268317, Armor, National Guard of the United States.

IN THE ARMY

The following named cadets, United States Military Academy, for appointment in the Regular Army of the United States, effective June 1, 1956, upon their graduation, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

Julian Leo Abell
Richard Eugene Adams
Christopher James Allaire
Samuel Anderson Alward
Ransom Jerome Amlong
James Lee Anderson
Robert Glen Andree
Robert Coleman Bacon
Charles Wilson Bagnal
John Charles Bahnsen, Jr.
Clifford Howard Baker
Keith Andrew Barlow

Reid Anderson Barrett
James Schmauch Bauchspies
William Purnell Baxter
James Eugene Beal
Irving Alonzo Beauchamp, Jr.
Steven Grosvenor Beebe
Anthony Andrew Benish, Jr.
David Tholin Berry
Mark Paul Binstein
Jesse Eugene Blackwell
James Claud Blewster
Roger Reckling Blunt
James Paul Bolin
Frank Owen Bonnarens
Angelo Bortolutti
Arthur Francis Boudreau
Thomas Martin Bowes
Steven Voorhees Boylan
Zeb Boyce Bradford, Jr.
George Pearson Brandel
John Raymond Bray, Jr.
Charles Blane Brinkley, Jr.
Frederic Joseph Brown 3d
Victor Thomas Bullock
Jerry Joe Burcham
Thornton Akin Burns, Jr.
Harlan Barry Bynell
Everette Gattis Caldwell
Steven Loomis Canby
Robert Percy Caron
Eldon Doy Carr
Joseph Royall Carraway
Michael Frederick Cavenaugh
Raymond Celeste, Jr.
Plato George Chambers
Richard Conant Chase
Ralph Joseph Chesnauskas
Jefferson Davis Childs 3d
Harry George Christopher
John James Clark
Whit Lewis Coats
William Francis Cody
Harry Allen Comeskey
John Roger Conklin
Michael John Conrad
David Milton Corderman
Carleton Coulter 3d
Cicero Council, Jr.
Wallace Stanford Crain
Maury Spotswood Cralle, Jr.
Harry Wilson Crandall
Robert David Cremer, Jr.
William Franklin Crews
William Ralph Crites
Carl Louis Croft
Ernest Edward Cross
Edgerton Thorne Crouter
Richard Lee Curl
Edward Francis Daly, Jr.
Robert Benton Danek
Evangelos Dantos
Frank Ligon Day
Theodore John Dayharsh, Jr.
Rudolph Booraem DeFrance
Wood Rene DeLeuil
Gerald Zoel Demers
William Robert Devoto
Arthur Eugene Dewey
William Louis DiGennaro
Everett Stanwood Diez
James Lee Dozier
Robert Malcolm Duncan
Jack Adair Dunn
Charles Eugene Eastburn
Robert Hunt Easton
Vernon Edward Ebert
Conrad Claude Ege
Phillips Griffith Eliot
James Neal Ellis
Vincent Joseph Esposito, Jr.
William Philip Farmer
Robert Gordon Farris
Donald Adolph Fisch
Larry Dean Fitzgerald
Robert Armstrong Flory
Ralph Hendrix Floyd, Jr.
Frederic John Fogh
John William Foss, 2d
Eugene Fox
Eugene Austin Fox
Winfield Crawford Frank
Jerry Clark Frecka
William Richard Frederick, 3d
Forrest James French, Jr.
Charles John Garvey
Clayton Samuel Gates
Joseph Edward Gleason
Charles Arvel Glenn
Howard George Glock
Gerald Daniel Goldberg
Robert Arthur Goodman
Robert Tyler Goodwyn, 3d
Charles Campbell Gorlinski
Donald Clyde Graesser
Theodore Grant
Thomas Norfleet Griffin, Jr.
John Blanchard Grinstead, Jr.
Ralph Mereline Griscom
John Patrick Haley
Gary Curtiss Hall
Donald August Hammel
Robert Dale Hammond
Thomas Wesley Hanson
William Charles Haponski
Thomas Charles Harding, Jr.
Arthur Mowry Harris
James Anthony Harris
Rufus Renwick Hart
Carl Frank Hattler
Joseph Jolly Haydon
Paul Hayne, 3d
Carl Gerald Herrmann
Robert Augur Hewitt, Jr.
Donald Walter Holleder
Edwin Till Holloway
Frederick Stacer Holmes, Jr.
William Mayo Hooker
David Finch Horton
Jerry Harold Huff
Robert Lee Hull
Jarold Leroy Hutchison
Theodore Clinton Jasper
Anthony Michael Jezior
William Robert Johansen
John LeRoy Johnsen
Harry Warren Johnson, Jr.
John Carl Johnson
David James Johnston
Richard Reece Johnston
Robert Peter Judson
John Michael Kallfelz
George David Kannapel
Richard Joseph Keating
John William Keefe, 2d
Warren George Keinath, Jr.
Richard Samuel Kem
John Albert Keutmann
Edward Blaine Kime, Jr.
Rupert Charles Kinsloe, Jr.
John Malcolm Kirk
Kenneth James Knowles
Walter Henry Knudsen, Jr.
Charles Robert Kottich
James Fulton Lane
David Rea Larr
Peter Waller Lash
Paul Allen Lasley
Ward Morehouse LeHardy
Donald Cyril Lee
George Weir Lee, Jr.
Samuel Lindsay Lemmon, Jr.
Norman Levy
Warfield Monroe Lewis, Jr.
William Hines Linder
Roy Ernest Lindquist, Jr.
Robert Hunter Lindsey
Gayle Norman Linkenhoger
Paul Michel Lion, 3d
Walter Bernard Liska
Donald Cubbison Little, Jr.
John Lewis Liwski
George Ulrich Loffert, Jr.
Dirk Henry Lueders
Eugene Stanley Lynch
William Edwin Lyon
Richard Edward Mackin
Richard Charles Malinowski
Edwin Woods Martin, Jr.
George Joseph Martin
Harold Arthur Marvin
Thomas James Masterson
Jon Rutledge Matt
Francis Weems Matthews
Elford Morgan Mayson
Thomas Joseph McAniff
Walter Lee McCahan
Mervin Gilbert McConnel
Randolph Adams McCreight
John Joseph McGinn
Michael Joseph McGrath
Harry James McGuire
James Walsh McNulty
Griffith John McRee, Jr.
Russell Aaron Mericle, Jr.
Paul Anthony Merola
Henry Baldwin Miles, Jr.
Thomas LaRue Miller
Gregory Welch Mitchell
David Wardlaw Moore, 3d
Donald Ray Morelli
Jerold Alan Morgan
Walter Joseph Muller, Jr.
Jack Thiel Munsey
Hugh Wilmot Munson, Jr.
David Carl Muntz
William Edward Narus, Jr.
Edward Francis Neary
John William Nicholson
Robert Kirk Nicholson
Bernard John O'Brien
Donald Michael O'Shei
John Hawley Oakes
Charles Theodore Ogren
Anthony Joseph Ortner
Dave Richard Palmer
James Paradise, Jr.
Charles Richard Parker
John Randall Parker
Farrell Gee Patrick
Silvio Pelosi
Michael Joseph Pendino
Benjamin Gay Peterson
Gary Ray Phillips
Richard Brayton Pierce
John Stanley Polickoski
Charles Ellsworth Poole, Jr.
Jon Eugene Porter
Robert Everett Quackenbush, Jr.
Paul Wayne Rajala
Frederick Ashby Rall
Robert Dale Randall
Harry Jerrol Raymond
Roger Roy Redhair
Edward Harrison Redline
Edward Francis Rhodes
Edward Thomas Richards
Robert Newton Richards
Gerald Alan Richardson
Richard Rinker
Samuel J. Roberts III
William Cornelius Roll
Roger Alan Root
Morrill Ross, Jr.
Robert Allison Ross
George Wayne Rostine
Ernest Lewis Ruffner
Ivar Walter Rundgren, Jr.
Charles Richard Russell
Thorton Samuel Saferstein
Charles Prather Saint
Luciano Cristoforo Salamone
Charles DeFitzer Sarkiss
Benjamin Paul Saxton, Jr.
David John Scales
John Carl Scholz
Marshall Delano Schoonmaker
William Karl Schrage, Jr.
Bob Dennis Schuler
H. Norman Schwarzkopf
Charles Frederick Scott, III
Robert Charles Scully
James Hunter Sewell, Jr.
Dexter Harrison Shaler
Donald Joseph Shannon
Frank Emanuel Sharer
Milton Cogswell Shattuck, Jr.
Frederic Lloyd Shean
James Clarence Shirey
Garrett Victor Sidler
Charles Benjamin Singletary
Michael Sanford Sirkis
Mark Joseph Sisinyak
Herrol James Skidmore, Jr.
Wilbur Manly Skidmore, 2d
John Francis Sloan
Donald Bertrand Smith, Jr.

Frank Lee Smith
Lowell Gene Smith
Scott Beecher Smith
Stainton Smith
Charles Cameron Snavely 2d
John Cline Snodgrass
Lewis Stone Sorley 3d
Harold Philpott Southerland, Jr.
Robin George Speiser, Jr.
James Whitney Spires
Robert Patrick St. Louis
James Walter Stanley
George John Stapleton
John Hughes Stevenson
James Ober Straub
James Kinard Strozier
Philip Albert Stynes
Leroy Newton Suddath, Jr.
Robert Patrick Sullivan
Charles Francis Swezey
Richard Disbro Sylvester
John Alton Taylor
Gerald Ralph Aloysius Thompson
Richard Paul Thompson
Robert Blair Tinsman
Charles Edward Trefzger
Richard Lee Tripp
Bert Errol Tucker, Jr.
Hiram Barricklow Turner, Jr.
Heath Twichell, Jr.
Patrick Norman Uebel
Everett Charles Updike
Walter Urbach, Jr.
John Stephen Utz
Edward Valence, Jr.
Edmund Leroy Van Dervort
Peter Joel Vann
Herbert Myers Wagenheim
John Francis Wagner
James Jolly Waldeck, Jr.
John Furman Wall, Jr.
Lawrence Arthur Wange
George William Ward, Jr.
Richard Brent Washburn
William Leon Weihl
Leslie Hiram Weinstein
Sidney Thomas Weinstein
Arvid Emerson West, Jr.
Michael Francis West
William Carter Westcott 3d
George Erb Wien
Gary Criswell Williams
Walter Douglas Williams
Marvin Marcy Williamson
Alex Norwood Williams 3d
Ernest Bayley Wilson
Paul Patton Winkel, Jr.
Thomas Charles Winter, Jr.
George Kenyon Withers, Jr.
Howard Gregory Wold
John William Woodmansee, Jr.
George Joseph Woods, Jr.
Stephen Richard Woods, Jr.
Melvin Louis Wuest
Gerard Michael Wynn
Everett Marion Yon, Jr.
George Edmund Weeks Young, Jr.
Michael Grant Ziegler
Martin B. Zimmerman

IN THE NAVY

Having designated, in accordance with the provisions of section 413 (a) of the Officer Personnel Act of 1947, Vice Adm. Robert P. Briscoe, United States Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominated him to have the grade, rank, pay, and allowances of admiral while so serving.

Having designated, in accordance with the provisions of section 413 (a) of the Officer Personnel Act of 1947, the following-named officers for commands and other duties determined by the President to be within the contemplation of said section, I nominated them to have the grade, rank, pay, and allowances of vice admiral while so serving:

Vice Adm. William M. Callaghan, United States Navy.

Rear Adm. Carl F. Espe, United States Navy.

Adm. William M. Fechteler, United States Navy, when retired, to be placed on the retired list with the rank of admiral.

IN THE NAVY

Asher P. Seip, Jr., midshipman (Naval Academy), to be an ensign in the Navy, subject to qualification therefor as provided by law.

Ronald Clinton Hudgens, midshipman (Naval Academy), to be an ensign in the Navy, subject to the qualification therefor as provided by law.

Don E. Kennedy, midshipman (Naval Academy), to be an ensign in the Supply Corps of the Navy, subject to qualification therefor as provided by law.

Milton E. Burdsall, midshipman (Naval Academy), to be an ensign in the Navy (special duty only) subject to qualification therefor as provided by law.

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy, subject to qualification therefor as provided by law:

Lawrence E. Aaron	Stuart Herzog
Lawrence Badash	Peter F. Hovell
Robert W. Beveridge, Jr.	Robert L. Howard
	George F. Jacobs, Jr.
Duane N Bloom	Melvyn A. Javinsky
William C. Brandenburg, Jr.	Harlan R. Jessup, Jr.
	John S. Kearney
Charles W. Breckenridge, Jr.	Kenneth H. Keller
	Bertram H. Lowi
Raymond Brekke	George E. McGuire
Matson Clements	Richard T. Mansell
Thomas A. Cox	William R. Nicholas
Roy W. Diesner	Aldor C. Peterson, Jr.
Donald L. Drake	Donald P. Plapp
Lloyd E. Emery	Douglas C. Potter
Torrence P. Francino	Bernard P. Rice
David A. Geupel	William W. Satterfield
Frank P. Greene	Melvin E. Taunt
Fred W. Hammar	Tom W. Waterhouse
Thomas J. Henry	Robert J. Wherry, Jr.
Joel T. Henslee, Jr.	Ralph Zaayenga

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy, subject to qualification therefor as provided by law:

Robert D. Bishop	Johnny G. Medlin, Jr.
Keith D. Brandt	Ned D. Moore, Jr.
Richard G. Capen, Jr.	George A. Mulroy
Raymond L. Carroll	Glenn R. Munkres
Wayne E. Cliff	John E. Murphy
Paul J. Cody	William R. Nicholas
Frank B. Coleman III	Robert J. O'Brien
Joseph A. Fidd	Daniel J. O'Connor, Jr.
Louis W. Gorenflo	George C. Pallas
Ralph S. Grant	William M. Phillips
Theodore B. Ice	Larry D. Potts
Channing E. Jones	Edwin T. Powell
Roger G. Joys	Cornelius B. Prior, Jr.
Frank L. Klapperich, Jr.	John B. Randall
	Solomon "D" Rosner
David LeBuhn	Richard G. Rosselot
Thomas H. Lowe	Donald L. Roth
John J. McGarvey	John A. Smith, Jr.
Daniel W. McKinnon	Emory B. Washington
Carlton W. Mackey	James P. Whitaker

The following-named (Naval Reserve Officers Training Corps) to be ensigns in the Civil Engineer Corps of the Navy, subject to qualifications therefor as provided by law:

Richard M. Anderson	Lauren A. Larsen
Walter I. Anderson	Harry W. Merz, Jr.
Arlen L. Borgen	Ronald L. Moeller
Jeffrey H. Broido	Frank M. Newcomb
Watson S. Buehler	Norman W. Petersen
Peter C. Buhler	Paul E. Pietsch
Ronald M. Bundy	Lawrence F. Rea
Allan W. Collins	Richard P. Sellevold
Anthony Coppola	Ronald G. Shirley
William E. Creger	Ronald M. Spitz
Fred I. Friedlander	James R. Wildman
Neal R. Friets	Raymond G. Zinckgraf, Jr.
Gerald C. Groff	

Leonard H. Brubaker (Naval Reserve Officers' Training Corps) to be an ensign in the Medical Service Corps of the Navy, subject to qualification therefor as provided by law.

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy, as previously nominated, to correct name, subject to qualification therefor as provided by law:

Stanley R. Kingman, Jr.
Walter A. Kordek
Thomas R. Virnelson

The following-named (civilian college graduates) to the grades indicated in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

LIEUTENANT COMMANDER

Francies Marshall

LIEUTENANT

Jesse A. Federle
Jesse R. Ledbetter

LIEUTENANT (JUNIOR GRADE)

August Miale, Jr.

The following-named Reserve officers to the grades indicated in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

COMMANDER

Stephen H. Tolins

LIEUTENANT

Jacques K. Chamberlain — Scott G. Kramer
Carter B. Sigel
Clark D. Fobes

LIEUTENANT (JUNIOR GRADE)

Eugene M. Joly
Carl W. Rogers

Theodore R. Hunley (civilian college graduate) to be a lieutenant commander in the Dental Corps of the Navy, subject to qualification therefor as provided by law.

The following-named Reserve officers to the grades indicated in the Dental Corps in the Navy, subject to qualification therefor as provided by law:

LIEUTENANT COMMANDER

Alvin E. Riehl

LIEUTENANT

Edwin L. Hoffius

LIEUTENANT (JUNIOR GRADE)

Delmar D. Albers	Joseph E. Micka
Ronald D. Baker	Harold F. Miller
Kenneth E. Brown	William C. Moffitt
Paul S. Coombs	William K. Oliver, Jr.
Patrick A. DelGrande	Clarence B. Parent, Jr.
William F. Dowling, Jr.	Max J. Perlitsh
	Gary E. Rademacher
Walter P. Eckstein	Thomas B. Reid, Jr.
Ray E. Egli	William F. Riddle
Frederick P. Eichel	Gerald A. Rosdahl
Jim D. Gordon	Peter K. Schaeffer
Michael F. Grieco, Jr.	Herbert O. Scharpf
John M. Hughes	Edwin R. Selesnick
Robert L. Jenkins	Jerry M. Studdard
Richard J. Kieny	Howard S. Tugwell
Gordon E. King	Charles C. Upshaw
Max C. King	Arden D. Valasek
Richard A. Lattner	Donald C. Weikert
Carlton J. McLeod	Sherman L. Williams
Elgene G. Mainous	Milton R. Wirthlin, Jr.
Daniel E. Marsalek	Gene K. Wyne
Merrill C. Mensor, Jr.	

The following-named Reserve officers selected as alternates to be lieutenants (junior grade) in the Dental Corps of the Navy, subject to qualification therefor as provided by law:

Jack G. Braswell	Ronald M. Romaniello
Anthony J. Larizza	Jerome A. Smith
John J. Meade	

Samuel O. Grayson, for permanent appointment to the grade of chief warrant officer, W–3, in the United States Navy, subject to qualification therefor as provided by law.

The following-listed personnel to be lieutenants in the United States Navy, for temporary service, subject to qualification therefor as provided by law:

Max E. Corrick
Maurice E. Ford
Johann H. Fultz
Lewis S. Lawton
Oden L. McMillan

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Herman C. Abelein, Jr.
John B. Allen
Jackie K. Ashmore
Robert F. Atherton
Robert F. Aumack
Richard H. Baillie
Lawrence N. Berkley
Gregory Bernard
Frederick M. Biedenweg
Richard R. Blasi
Charles O. Borgstrom Jr.
Richard D. Boult, Jr.
James C. Bowley
Donald R. Brainard
Bruce W. Brown
James L. Brown
William D. Campbell
Warren H. Card
George R. Carlson
Walter H. Carpenter
Harry K. Chamberlain
Richard Chesebrough
Oscar C. Chisum
Frederick M. Congdon
Robert F. Connally III
William J. Corbett III
Robert A. Courtney
James C. Cowart
John L. Damian
Robert D. Dix
Clarence Erkelens
Robert K. Estabrook
Merritt C. Farren
Gerard P. Finn, Jr.
William L. French
Robert E. Groder
David K. Grosshuesch
John J. Hale
Edward R. Hallett
John F. Harshbarger
Gerald R. Hayward
Frederick T. Heath
Holden R. Herrin
John W. Hicks
Merle L. Hoffman
Donald R. Hubbs
Francis D. Hurlbut, Jr.
Thomas L. Jackson
Orrin Joiner
Bruce M. Kallgren
Robert G. Kerr
Charles W. King
LeRoy M. Kraft
Richard A. Koch
Ramon W. Leary
James C. Loberger
Freeman L. Lofton
George C. McAlister
Clarence L. McDaniel
John B. W. Malkewitz
Richard E. Marriner
Stephen C. Montgomery
Robert S. Moore
James E. Morgan
Peter M. Moriarty
Robert E. Morris
Gilbert S. Murray, Jr.
James M. O'Connell
Charles B. Oldfield III
Don "L" Oliphant
James W. Olson
Harrison B. Paisley
John T. Parks
Donald E. Parrish
Lloyd L. Parthemer
Robert F. Paul
William R. Penney
William V. Powell
Duane D. Rainville
Andrew P. Redifer III
"T" S. Remsen
Frank D. Riggs
Robert T. Roberts
John M. Rochford
Donald D. Rosenberg
Arnold J. Rubin
James A. Rude
Thomas J. Saunders
Robert M. Sayers, Jr.
Ronald Scarafone
Robert A. Schroeder
John H. Scott, Jr.
Thomas L. Shanahan
Lee R. Shugart
Kenneth J. Simmons
Robert A. Stephan
Warren L. Story
Robert F. Thorndike
Thomas K. Trotter
Richard P. Vaillancourt
Eugene W. VanReeth
Oscar J. Vogel, Jr.
Grover C. White, Jr.
Charles H. Whiteleather, Jr.
Edward L. Wilkinson
Tommy C. Wimberly
Richard L. Wright
Norman L. Youngblood, Jr.

LIEUTENANT (JUNIOR GRADE)

Herbert G. Banham, Jr.
Joseph J. Barth, Jr.
Carl M. Bates
John F. Baumgardner
Stephen C. Belechak
Herbert C. Boyd
John D. Brackin
Donald D. Brown
Henry C. Cantlion
Philip K. Clark
Harry K. Cook
James R. Demonbreum
Francis X. Dowd
Letson E. Easterling
Robert J. Fitzsimmons, Jr.
John G. Fletcher
William V. Garcia
Patrick F. Gherrity
Thomas A. Glasgow
James O. Heft
George N. Helm, Jr.
Raymond E. Helms, Jr.
Frank W. Hill
Lee "M" Holland
Gerald J. Howatt
John D. Keith
Russell W. Kirbey
Verle W. Klein
Carl D. Lott
John B. McBride
Paul F. McCarthy, Jr.
John J. McCoy
James G. McIntyre
William G. McKeown, Jr.
Thomas J. McMahon
Larry Millman
Richard P. Multer
Matthew J. Ott
Dean M. Payne
Pierre A. Petit
Kenneth J. Riley
Harry C. Rockefeller, Jr.
Don D. Schmidt
Douglas M. Simon
Robert E. Smythe
Edward J. Sottak
Gerard M. Sturm, Jr.
William B. Thorburn
Alvin R. Timm
Robert J. Tomenendal
Agostino J. Travaly
Richard D. VanAntwerp
Demetrio A. Verich
Edward O'N. Williams
Carl J. Woods

The following-named for permanent appointment:

LIEUTENANT

Rene L. Briand
Richard D. Fasig
George E. Hubbell
Robert A. Maxwell
William F. O'Donnell
James McK. Pugh
Carl H. Swadell

LIEUTENANT (JUNIOR GRADE)

Herman C. Abelein, Jr.
John F. Addams
John B. Allen
Jackie K. Ashmore
Robert F. Atherton
Robert F. Aumack
Ronald J. Backes
Richard H. Baillie
William W. Bannister
Lawrence N. Berkley
Gregory Bernard
Frederick M. Biedenweg
Charles F. Bird
Richard R. Blasi
Harry E. Bolster
Charles O. Borgstrom, Jr.
Richard D. Boult, Jr.
James C. Bowley
Donald R. Brainard
Bruce W. Brown
James L. Brown
Gordon R. Bryan, Jr.
Norman A. Cameron
William D. Campbell
Warren H. Card
George R. Carlson
Angelo M. Carnevale
Robert R. Caron
Walter H. Carpenter
Donald F. Causey
Harry K. Chamberlain
Richard Chesebrough
Oscar C. Chisum
Thomas R. Colligan
Frederick M. Congdon
Robert F. Connally III
William J. Corbett III
Eugene F. Coughlin
Robert A. Courtney
James C. Cowart
John L. Damian
Michael J. Davin
Noble J. Davis, Jr.
William S. Davis
Wilson E. Depew
Robert D. Dix
Robert M. Dowe, Jr.
Clarence Erkelens
Robert K. Estabrook
John J. Eynon
Merritt C. Farren
Gerard P. Finn, Jr.
Russell H. Fisher
William L. French
Duane M. Gall
Kenneth R. Gardner
Thomas N. Giles
Robert E. Groder
David K. Grosshuesch
John J. Hale
John D. Hallaron
Edward R. Hallett
Stonewall Hansard
John H. Harns
John F. Harshbarger
William K. Hatcher
Robert E. Smythe
Edward J. Sottak
Gerard M. Sturm, Jr.
William B. Thorburn
Alvin R. Timm
Robert J. Tomenendal
Agostino J. Travaly
Richard D. VanAntwerp
Demetrio A. Verich
Edward O'N. Williams
Carl J. Woods
Richard McK. Hawkins
Gerald R. Hayward
Frederick T. Heath
Holden R. Herrin
John W. Hicks
Merle L. Hoffman
Edward R. Horton
Donald R. Hubbs
Francis D. Hurlbut, Jr.
Talcott L. Ingraham, Jr.
Thomas L. Jackson
Orrin Joiner
Henry R. Jones
Wesley G. Judd
Bruce M. Kallgren
Anthony J. Karpaitis
Ralph W. Kausch
Robert G. Kerr
Charles W. King
Harry W. Kinsley, Jr.
Richard A. Koch
LeRoy M. Kraft
William A. Lamm
Robert L. Latta
Ramon W. Leary
Charles M. Lentz
James C. Loberger
Freeman L. Lofton
John D. Lovvorn
George C. McAlister
Clarence L. McDaniel
Charles L. McGathy, Jr.
Donald MacGregor
John B. W. Malkewitz
John G. Maltby, Jr.
Richard E. Marriner
Robert F. Massimi
Patrick J. Maveety
Robert E. Miale
Blount R. Miller, Jr.
Jack B. Miner
Edgar D. Mitchell
Stephen C. Montgomery
Robert S. Moore
James E. Morgan
Peter M. Moriarty
Ronald D. Morin
Robert E. Morris
Charles B. Morton III
Gilbert S. Murray, Jr.
Charles F. Nason, Jr.
John L. Nicholson, Jr.
Edward H. Nunnally, Jr.
James M. O'Connell
Joseph E. O'Connor
Charles B. Oldfield III
Don "L." Oliphant
James W. Olson
Michael M. Pajak
Harrison B. Paisley
John T. Parks
Donald E. Parrish
Lloyd L. Parthemer
Robert F. Paul
William R. Penney
Robert A. Pfromer
William V. Powell
Donald E. Prisby
Lewis J. Radeff
Duane D. Rainville
Andrew P. Redifer III
"T" S. Remsen
Gerald "B" Rich
Frank D. Riggs
Robert T. Roberts
John M. Rochford
Donald D. Rosenberg
Arnold J. Rubin
James A. Rude
Thomas J. Saunders
Robert M. Sayers, Jr.
Ronald Scarafone
John A. Schimansky
Arnold Schonfeld
Robert A. Schroeder
Carl J. Scichili
Frank P. Scott
John H. Scott, Jr.
William C. Semple III
Thomas L. Shanahan
John B. Shattuck
Warren L. Shaw
Eugene E. Sheehy
Lee R. Shugart
Donald G. Sillars
Kenneth J. Simmons
Robert A. Stephan
Warren L. Story
William W. Thompson
Robert F. Thorndike
Thomas K. Trotter
Richard P. Vaillancourt
Eugene W. VanReeth
Oscar J. Vogel, Jr.
Thomas M. Volatile
John F. Wanamaker
James E. Wetz
Grover C. White, Jr.
Charles H. Whiteleather, Jr.
Edward L. Wilkinson
Kenneth A. Williams
Samuel B. Wilson
Tommy C. Wimberly
Jimmie A. Word
Richard L. Wright
Norman L. Youngblood, Jr.

ENSIGN

Herbert G. Banham, Jr.
Joseph J. Barth, Jr.
Carl M. Bates
John F. Baumgardner
Stephen C. Belechak
Gian L. Berchielli
Herbert C. Boyd
John D. Brackin
Donald D. Brown
Joseph DeV. Brubaker, Jr.
Henry C. Cantlion
Philip K. Clark
Harry K. Cook
James R. Demonbreum
Francis X. Dowd
Michael G. Doyle
Letson E. Easterling
Harold S. Fassett, Jr.
Robert J. Fitzsimmons, Jr.
John G. Fletcher
David A. Frecker
William V. Garcia
Patrick F. Gherrity
Thomas A. Glasgow
James O. Heft
George N. Helm, Jr.
Raymond E. Helms, Jr.
Frank W. Hill
Lee "M" Holland
Gerald J. Howatt
John D. Keith
Russell W. Kirbey
Verle W. Klein
Carl D. Lott
John B. McBride
Paul F. McCarthy, Jr.
John J. McCoy
William G. McKeown, Jr.
James G. McIntyre
Thomas J. McMahon
Larry Millman
David P. Moss
Richard P. Multer
Matthew J. Ott
Dean M. Payne
Pierre A. Petit
Kenneth J. Riley
Harry C. Rockefeller, Jr.
Don D. Schmidt
Douglas M. Simon
Robert E. Smythe
Edward J. Sottak
Gerard M. Sturm, Jr.
William B. Thorburn
Alvin R. Timm
Robert J. Tomenendal
Agostino J. Travaly
Richard D. VanAntwerp
Demetrio A. Verich
Ted "E" Whiting
Edward O'N. Williams
Carl J. Woods.

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy (engineering duty), subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Dean N. McLaughlin
Roy "T" Pinkerton
John A. Winfrey, Jr.

LIEUTENANT (JUNIOR GRADE)

Robert F. Graham

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Chong Sum Fong
Dean N. McLaughlin
Roy "T" Pinkerton
John A. Winfrey, Jr.

ENSIGN

Robert F. Graham

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy (aeronautical

engineering duty), subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Robert A. Mircheff
Frederick B. Johnston
William Sprunk, Jr.

The following-named for permanent appointment:

LIEUTENANT

Edgar L. McAdams
Jack R. Songer

LIEUTENANT (JUNIOR GRADE)

William J. Buckley, Jr.
Michael A. Coscina, Jr.
William R. Edwards, Jr.
Frederick B. Johnston
Robert A. Mircheff
Daniel F. Rayder
Kim R. Schuette
William Sprunk, Jr.
Joseph L. Wahler
Henry McD. Walker

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy (special duty communications), subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Jack C. Sandsberry

The following-named for permanent appointment:

LIEUTENANT

John M. Denkler

LIEUTENANT (JUNIOR GRADE)

Jack C. Sandsberry

The following-named officers for permanent appointment to be lieutenants in the line of the Navy (special duty law), subject to qualification therefor as provided by law:

Bobby D. Bryant
Leslie "O" Lynch
William O. Miller
William J. Perry
Claude A. Stonemetz, Jr.

The following-named officers for temporary or permanent appointment to the grade indicated in the line in the Navy (special duty intelligence), subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Harold Feeney
James H. Guill
Donald L. McQueen

The following-named for permanent appointment:

LIEUTENANT

Robert J. Kozman

LIEUTENANT (JUNIOR GRADE)

Harold Feeney
James H. Guill
Donald L. McQueen

The following-named women officers to the grade indicated in the line of the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT (JUNIOR GRADE)

Nancy L. Hearne
Phyllis A. Nash
Sally H. O'Connell
Charlene I. Suneson

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Clare M. Breen
Jean L. Chapman
Pauline A. Dale
Patricia A. Drews
Estelle "B" Gorsuch
Joan M. Haas
Dorothy L. McCoury
Mary M. Morel
Evelyn M. Ogelvie
Barbara P. Taylor

ENSIGN

Elizabeth L. Gregg
Nancy L. Hearne
Beverly I. Hill
Alfreda A. Lukomska
Phyllis A. Nash
Sally H. O'Connell
Virginia C. Smith
Charlene I. Suneson

The following-named officers for temporary or permanent appointment to the grade indicated in the Medical Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

George M. Akin, Jr.
Elmer L. Bingham
Allen R. Botimer
Joseph H. Britton
Erwin L. Burke
James A. Coulter
Thomas A. Daane
Joseph S. Garrison III
Joseph F. Giattini
Herbert E. Glick
Thomas J. Grause
Ralph L. Hadlund
John F. Heath
Harry R. Houston
Lloyd A. Hurley
Thomas R. Kleh
Paul G. Linaweaver, Jr.
Thomas E. McCarthy
Don L. McCord
James A. McFadden, Jr.
Adam A. McNitzky
David C. Owen
Robert S. Pittell
Lewis H. Seaton
Duane L. Seig
Martin C. Shea, Jr.
Robert I. Sorenson
Richard H. Svihus
Jeno E. Szakacs
Robert W. Taylor
Henry S. Trostle
Fred R. Walton
Cecil C. Welch
John F. Wurzel

The following-named for permanent appointment:

LIEUTENANT

Hanns O. Kretzschmar
William E. Lucas

LIEUTENANT (JUNIOR GRADE)

George M. Akin, Jr.
Elmer L. Bingham
Allen R. Botimer
Joseph H. Britton
Erwin L. Burke
James A. Coulter
Thomas A. Daane
Joseph S. Garrison III
Joseph F. Giattini
Herbert E. Glick
Thomas J. Grause
Ralph L. Hadlund
John F. Heath
Harry R. Houston
Lloyd A. Hurley
Thomas R. Kleh
Paul G. Linaweaver, Jr.
Thomas E. McCarthy
Don L. McCord
James A. McFadden, Jr.
Adam A. McNitzky
David C. Owen
Robert S. Pittell
Lewis H. Seaton
Duane L. Seig
Martin C. Shea, Jr.
Robert I. Sorenson
Richard H. Svihus
Jeno E. Szakacs
Robert W. Taylor
Henry S. Trostle
Fred R. Walton
Cecil C. Welch
John F. Wurzel

The following-named officers for temporary or permanent appointment to the grade indicated in the Dental Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Paul L. Abbott
Rodman Brokaw
Neil C. Demaree
Thomas A. Garman

The following-named for permanent appointment:

LIEUTENANT

Paul E. Farrell

LIEUTENANT (JUNIOR GRADE)

Paul L. Abbott
Rodman Brokaw
Neil C. Demaree
Thomas A. Garman

The following-named officers for temporary or permanent appointment to the grade indicated in the Medical Service Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Morris J. Damato
Andrew J. Gaspar
Armand R. Nice
Robert F. Reed

LIEUTENANT (JUNIOR GRADE)

Wilfred J. Brownlow, Jr.
Kenneth R. Cundy
Edward S. Dunbar
John D. Myers

The following-named for permanent appointment:

LIEUTENANT

Thomas H. Long, Jr.
Thomas W. Nooney, Jr.

LIEUTENANT (JUNIOR GRADE)

Morris J. Damato
Andrew J. Gaspar
John E. Howard
Armand R. Nice
Robert F. Reed

ENSIGN

Wilfred J. Brownlow, Jr.
Kenneth R. Cundy
Edward S. Dunbar
John D. Myers

The following-named officers for temporary or permanent appointment to the grade indicated in the Supply Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Charles W. Ayling
Robert M. Brown
Clifford A. Calais
Paul L. Devine
Robert J. DeVilbiss
Larry G. Gudbranson
Dan Noble
Harvey S. Oelkers
Louis M. Sappanos

LIEUTENANT (JUNIOR GRADE)

Robert S. Barr
Robert R. Bechtelheimer
John J. Gapp
Joseph P. Lopuszynski
Guy T. Moore
Farra L. Read, Jr.
Moses T. Sevier
Mark W. Thompson
Grover C. Warneke
Charles W. Young

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Charles W. Ayling
Ernest L. Baker
Joseph W. Benedict
Robert J. Bogorowski
Donald W. Breedlove
Robert M. Brown
Clifford A. Calais
Raymund G. Carberry, Jr.
Charles T. Connelly
Robert J. DeVilbiss
Paul L. Devine
William H. Dickey
Goodwin Donnelly III
Graydon M. Durham, Jr.
Bobby J. Earl
Calhoun R. French
Vincent J. Giagni
Larry G. Gudbranson
Emerson M. Harris
George A. Jackson
Jerry D. Johnson
Frederick H. Keefer
Arthur F. Knox, Jr.
Ralph E. Lashley, Jr.
William A. McPherson, Jr.
Eric H. Miller, Jr.
Charles G. Neelley
Dan Noble
Clifford H. Norvell
Harvey S. Oelkers
Bruno A. Pomponio
Louis M. Sappanos
Thomas D. Sibben
John G. Weisend
William D. Wolfe

ENSIGN

Robert S. Barr
Robert R. Bechtelheimer
John J. Gapp
Joseph P. Lopuszynski
Guy T. Moore
Farra L. Read, Jr.
Moses T. Sevier
Mark W. Thompson
Grover C. Warneke
Charles W. Young

The following-named officers for temporary or permanent appointment to the grade indicated in the Chaplain Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

John H. Carnes
William Paquin

The following-named for permanent appointment:

LIEUTENANT

James F. Agnew
John P. Fay
Michael Frimenko
John D. Vincer

LIEUTENANT (JUNIOR GRADE)

John H. Carnes
Donald H. Dillard
John R. Hershberger, Jr.
William Paquin
William R. Samuel

The following-named officers for temporary or permanent appointment to the grade indicated in the Civil Engineer Corps in the

Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Arthur W. Berger
Robert J. Houghton
James T. Taylor

LIEUTENANT (JUNIOR GRADE)

Ralph W. Auerbach, Jr.
Billy G. Crockett
William F. Daniel, Jr.
James J. Farmer
George Lake
Jack B. Moger
Fred C. Schoenagel, Jr.
Albert R. Socha
Dorwin B. Wile
Robert B. Wolf

The following-named for permanent appointment:

LIEUTENANT (JUNIOR GRADE)

Arthur W. Berger
Jack C. Biederman
Robert J. Houghton
John J. Jamison
Clarence B. Johnson
Durrell A. Johnson
Charles J. Mathews
Joseph L. Reese, Jr.
James T. Taylor
Kenneth D. VanBelkum

ENSIGN

Ralph W. Auerbach, Jr.
Billy G. Crockett
William F. Daniel, Jr.
James J. Farmer
George Lake
Jack B. Moger
Fred C. Schoenagel, Jr.
Albert R. Socha
Dorwin B. Wile
Robert B. Wolf

The following-named officers for temporary or permanent appointment to the grade indicated in the Nurse Corps in the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

LIEUTENANT

Catherine M. Glynn
Naomi D. Hammill
Jeanette K. Kornacki
Mary D. Reese
Miriam C. Sherman
Gloria J. Stipe
Betty A. VanWormer
Mary L. Wirkler

The following-named for permanent appointment:

LIEUTENANT

Frances E. Beck
Mary P. Brennan
Irene W. Broker
Mary C. Burch
Lucy E. Hall
Elizabeth P. Holland
Jeane E. Riley
Mabel G. Simpson
Marcella E. Smith
Catherine S. Walker

LIEUTENANT (JUNIOR GRADE)

Marjorie D. Dauntler
Catherine M. Glynn
Naomi D. Hammill
Charlotte E. Hockenberger
Jeanette K. Kornacki
Eleanor V. Peterson
Mary D. Reese
Miriam C. Sherman
Gloria J. Stipe
Betty A. VanWormer
Mary L. Wirkler

The following-named (Naval Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Robert H. Burr
Peter F. Hovell

The following-named Reserve officers (former naval aviation cadets) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Arthur R. Anderson, Jr.
Fred J. Attaway, Jr.
Hugh W. Bergey
Carl F. Bergstrom, Jr.
Richard J. Blanc
Henry J. Bond
Paul G. Boozman
Daniel I. Carroll
Albert K. Charlton
Edward V. Condon, Jr.
Lloyd J. Draayer
John D. Dunn
Robert C. Fay
Lawrence Furstenberg
Lawrence J. Godby
Winston O. Goller
James L. Harrison
Dilliard D. Hicks, Jr.
John I. Hudson
Peter F. Lottsfeldt
Earl F. Lovell
James E. Martin, Jr.
Donald R. Morgan
Edmond J. Murphy
Fred G. Newcomb
Jerome L. Norton
James D. Pierce
Robert D. Reid
Donald L. Rowe
William P. Rushing, Jr.
William C. Singletary
Donald G. Smith
Howard L. Snider
Milton G. Thompson
William R. Wyatt

The following-named Reserve officers (former naval aviation cadets) for temporary appointment to the grade of first lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Arthur R. Anderson, Jr.
Fred J. Attaway, Jr.
Hugh W. Bergey
Carl F. Bergstrom, Jr.
Richard J. Blanc
Henry J. Bond
Paul G. Boozman
Daniel I. Carroll
Albert K. Charlton
Edward V. Condon, Jr.
Lloyd J. Draayer
John D. Dunn
Robert C. Fay
Lawrence Furstenberg
Lawrence J. Godby
Winston O. Goller
James L. Harrison
Dilliard D. Hicks, Jr.
John I. Hudson
Peter F. Lottsfeldt
Earl F. Lovell
James E. Martin, Jr.
Donald R. Morgan
Edmond J. Murphy
Fred G. Newcomb
Jerome L. Norton
James D. Pierce
Robert D. Reid
Donald L. Rowe
William P. Rushing, Jr.
William C. Singletary
Donald G. Smith
Howard L. Snider
Milton G. Thompson
William R. Wyatt

The following-named (Army Reserve Officer Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Donald E. Culkin
Fritz Firing
Robert J. Fudge
Howard L. Long
Joel A. Martin
William O. Nelson, Jr.
Robert A. Stannard
Paul P. Warley
Stuart L. Weinerth, Jr.

The following-named officers for permanent appointment to the grade of chief warrant officer in the Marine Corps, subject to qualifications therefor as provided by law:

John L. Arnold
Edmond E. Arrant
Theodore J. Bell
Walter C. Bell
Mark W. Billing
Philip Blazer
John C. Brownson
Joe C. Bustin
Louis A. Cabral
Dennis M. Cantrell
Charles D. Cates
Charles O. Christie
Roy A. Chyba
Francis M. Clements
Frank E. Cline
Leon A. Cooper
Leslie C. Cosby
George F. Cribb, Jr.
Donald A. Crosby
James R. Cushman
Jack W Demmond
James F. Deuser
Robert J. Divoky
Paul L. Drake
Robert L. Dryden
Edward H. Dupre, Jr.
John M. Elliott
Robert T. Everson
Harrison P. Fail
John A. Fichter
Edward C. Finkbohner
Joseph C. Floyd
Don R. Fogt
William Fouch
Noel J. Hales
Daniel W. Hall, Jr.
James A. Harrington
George C. Herman
James R. Hoekstra
Charles J. W. Holland
Max O. Horton
Russell I. Hudson
Edward J. Hukle
Thomas W. Huston
Anton M. Johner
Joe M. Jurancich
Edward L. Kelly, Jr.
Orlis E. Kennicutt
Wayne H. Kerr
George Y. Kolva
Harry T. Lennen, Jr.
Elmer E. Long, Jr.
Joseph J. Louder
Robert W. Lucht
Bingham A. McMaster
William P. McMullen
Albert A. McVitty
John Madden
Glenn M. Matthieu
William L. Maughan
Earl C. Meek
Wallace W. Mikelson
Edward M. Mitchell
Domenick Muffi
Joseph G. Navolanic
Allen F. Naze
Paul Ninichuck
Robert P. Pitts, Jr.
Felix A. Polakiewicz
Stephen J. Purdy
Thomas W. Purvis
Roy H. Rhymer
Elza L. Rice
Howe A. Stidger
Charles A. Straw
Ralph J. Tubbs
Leslie E. Volle
William W. Wamel, Jr.
Stanley Wawrzyniak
George J. Welker
David P. Wilson
James R. Wolford
Raymon Wright
John B. Wyatt

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Prince W. Cofield, Bexar, Ala., in place of Pearce Goggans, retired.

Joseph E. Martin, Boaz, Ala., in place of L. F. Corley, retired.

ARIZONA

Jimmie L. Matheson, Fry, Ariz., in place of V. J. Schrader, resigned.

Ethelyn L. Pettijohn, Stanfield, Ariz., in place of R. F. Lane, resigned.

ARKANSAS

Carl Woodson, Jr., Belleville, Ark., in place of J. R. Harkness, retired.

John E. Hunt, Marianna, Ark., in place of M. E. Newbern, retired.

CALIFORNIA

Hazel L. Krueger, Acton, Calif., in place of M. G. Adams, resigned.

Sam R. Haley, Associated, Calif., in place of I. J. Haley, resigned.

Frank S. Spires, Berkeley, Calif., in place of L. A. Dunlap, retired.

Donald Burleson, Mendocino, Calif., in place of A. E. Bishop, resigned.

Warren H. Williams, San Rafael, Calif., in place of C. H. Hayden, deceased.

Major R. Rix, South Pasadena, Calif., in place of R. D. Bricker, retired.

COLORADO

Fred C. Brewer, Loveland, Colo., in place of E. M. Ivers, retired.

Willard W. Wieck, Salida, Colo., in place of R. E. L. Stotler, resigned.

Calvin C. Haarhues, Wiggins, Colo., in place of M. D. Harshman, retired.

FLORIDA

David W. Gormican, St. Leo, Fla., in place of Francis Sadlier, retired.

GEORGIA

Margaret A. Hay, Roopville, Ga., in place of W. A. Garrett, retired.

ILLINOIS

Roland W. Schultz, Downers Grove, Ill., in place of G. O. Downer, removed.

Robert G. Root, Versailles, Ill., in place of J. E. Davis, resigned.

INDIANA

Edward A. Costomiris, Cicero, Ind., in place of A. T. McKnight, retired.

Raymond R. Neal, Greencastle, Ind., in place of A. L. Dobbs, resigned.

Paul R. Foulke, Hagerstown, Ind., in place of D. L. Cartmell, deceased.

Ralph L. Gustin, Markleville, Ind., in place of C. B. Shaw, retired.

William Gordon Ritz, Pendleton, Ind., in place of R. L. Fowler, transferred.

Glendel D. Marshall, Swayzee, Ind., in place of E. C. McLain, retired.

IOWA

Joe R. Gordon, Arlington, Iowa, in place of H. T. Hutchison, retired.

Myrtle L. Lane, Colesburg, Iowa, in place of C. E. Light, retired.

KANSAS

Mayette B. Decker, Oskaloosa, Kans., in place of R. A. Decker, deceased.

KENTUCKY

Clarence R. Johnson, New Haven, Ky., in place of M. C. Hagan, retired.

Mary E. Lee Maynard, Trenton, Ky., in place of F. W. Mimms, retired.

LOUISIANA

Ollie H. Dosher, Kilbourne, La., in place of W. F. Scott, retired.

William H. Prejean, Westlake, La., in place of L. R. Waits, resigned.

MAINE

Elsie M. Decker, Darkharbor, Maine, in place of I. L. Babbidge, retired.

Robert F. Belgrade, South Gardiner, Maine, in place of L. V. Proctor, deceased.

MARYLAND

Emory F. Holbrook, Conowingo, Md., in place of L. M. Kilby, removed.

Richard W. Dawson, Mayo, Md., in place of G. S. Himburg, resigned.

MASSACHUSETTS

Arthur K. Tolman, Gilbertville, Mass., in place of J. A. Morgan, retired.

MICHIGAN

Aune M. Vartti, Eben Junction, Mich., in place of C. E. Brown, retired.

MINNESOTA

Leroy F. Lingwall, Emily, Minn., in place of A. C. Hite, resigned.

Kenneth L. Lutner, Reading, Minn., in place of F. W. Nord, retired.

MISSISSIPPI

Jake R. Van Devender, Gholson, Miss., in place of W. G. Watkins, transferred.

MISSOURI

Leona B. Tirmenstein, Benton, Mo., in place of E. R. Schott, transferred.

Theodore R. Shell, De Soto, Mo., in place of H. W. Ames, transferred.

Warren J. Thomas, Marble Hill, Mo., in place of W. H. Nanney, retired.

Fred W. Torwegge, Jr., Potosi, Mo., in place of P. J. Casey, resigned.

NEBRASKA

Leonard E. Peterson, Kennard, Nebr., in place of Irene Jansen, retired.

NEVADA

Walter J. Bitton, Imlay, Nev., in place of F. S. Wallace, transferred.

Garner Andersen, Overton, Nev., in place of Mildren Robison, retired.

NEW HAMPSHIRE

Samuel A. Towle, Hampton, N. H., in place of E. L. Batchelder, retired.

NEW YORK

Jeanette Y. Short, Cleverdale, N. Y., in place of E. P. Palmer, resigned.

Anthony B. Nicastri, Franklin Square, N. Y., in place of J. J. Loughnane, deceased.

Paul W. Christenson, Gowanda, N. Y., in place of R. N. Schaack, retired.

Reggie J. Abbondandelo, Greenvale, N. Y., in place of Victor Vergata, deceased.

NORTH CAROLINA

James F. Lampley, Cordova, N. C., in place of E. W. Ratliff, resigned.

Annie P. Wolfe, Jamesville, N. C., in place of E. H. Ange, retired.

John F. Mewborne, Kinston, N. C., in place of E. R. Wooten, resigned.

NORTH DAKOTA

Eleanor E. Vise, Burlington, N. Dak., in place of E. P. Schilling, retired.

Alfred G. Lettenmaier, Sanborn, N. Dak., in place of E. J. Hinschberger, retired.

Norman R. Fuchs, Zap, N. Dak., in place of M. T. Rogers, retired.

OHIO

Gertrude G. Nottke, Berlin Heights, Ohio, in place of Mary Costigan, retired.

Oscar J. Pierce, Coolville, Ohio, in place of H. M. Walden, retired.

John D. Ingram, New Milford, Ohio, in place of J. S. Bosko, retired.

LeRoy A. Wright, West Alexandria, Ohio, in place of W. E. Snyder, removed.

OKLAHOMA

Marguerite L. McDonald, Bokoshe, Okla., in place of O. C. Broking, retired.

OREGON

Richard M. Bowman, Falls City, Oreg., in place of J. R. Strauss, retired.

Leonard M. Bizon, Hubbard, Oreg., in place of D. D. Hatcher, removed.

PENNSYLVANIA

Norman C. Mackrell, Conoquenessing, Pa., in place of H. E. Gilfillan, retired.

Frank A. Bialas, Wilmore, Pa., in place of N. P. McGuire, removed.

PUERTO RICO

Manuel F. Varela, San Juan, P. R., in place of G. P. DePass, deceased.

SOUTH CAROLINA

Wesley D. Banks, Saint Matthews, S. C., in place of J. B. Taylor, deceased.

Rodney A. Russell, Troy, S. C., in place of Margaret Lyon, retired.

Arace M. Crouch, Wallace, S. C. Office established September 1, 1950.

SOUTH DAKOTA

Clifford N. Nelson, Toronto, S. Dak., in place of N. W. Vernlund, deceased.

TEXAS

Mauricio Gonzalez, Benavides, Tex., in place of R. R. Gonzalez, removed.

Benjamin W. Pearce, Center, Tex., in place of S. E. Burns, deceased.

Glenn R. Prater, Dayton, Tex., in place of E. F. Gaston, retired.

Tom Y. Stephens, Grapevine, Tex., in place of S. B. Mullins, retired.

Christine E. Upchurch, Midkiff, Tex. Office established September 16, 1952.

Uvaldo Serna, San Diego, Tex., in place of L. F. Garcia, removed.

Joseph C. Hammond, Terrell, Tex., in place of F. I. Massengill, retired.

UTAH

Lydia Johnson, Marysvale, Utah, in place of S. C. Scott, deceased.

VIRGINIA

Willoughby P. Taylor, Ashland, Va., in place of H. R. Stebbins, retired.

Charles B. Ring, Dante, Va., in place of R. S. Griffith, Jr., resigned.

WASHINGTON

Edna B. Gibson, Eastsound, Wash., in place of E. B. Gibson, deceased.

WEST VIRGINIA

Bulow J. Snyder, Bartow, W. Va., in place of I. E. Matheny, retired.

Ernest A. Grim, Paden City, W. Va., in place of O. E. McKay, Jr., resigned.

Carrie M. Little, Wilcoe, W. Va., in place of R. L. Coleman, resigned.

WISCONSIN

Boyd D. Wilson, Benton, Wis., in place of J. W. Grotkin, resigned.

Walter L. Paepke, Burlington, Wis., in place of L. F. Reuschlein, deceased.

Elden F. Keller, Cochrane, Wis., in place of O. R. Weinandy, retired.

Lydia I. Sievert, Greenvalley, Wis., in place of K. E. Leib, retired.

WYOMING

I. Isabell Schwab, Hawk Springs, Wyo., in place of A. E. Marlatt, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 7, 1956:

DIPLOMATIC AND FOREIGN SERVICE

Livingston T. Merchant, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

ROUTINE APPOINTMENTS AND PROMOTIONS

To be a consul general of the United States of America

Kenneth A. Byrns, of Colorado.

To be Foreign Service officers of class 1, consuls, and secretaries in the diplomatic service of the United States of America

Rollin S. Atwood, of Maryland.
Winthrop G. Brown, of Virginia.
Henry J. Tasca, of Pennsylvania.

To be Foreign Service officers of class 2, consuls, and secretaries in the diplomatic service of the United States of America

Julius Bassin, of New York.
Ben H. Brown, Jr., of South Carolina.
Leon Crutcher, of Texas.
Charles L. Hodge, of Virginia.
Daniel L. Horowitz, of New Jersey.
Fisher Howe, of Illinois.
Boris H. Klosson, of Maryland.
Jesse M. MacKnight, of Maryland.
Frederick T. Merrill, of the District of Columbia.
George H. Steuart, Jr., of Virginia.
Ides van der Gracht, of New York.
Roswell H. Whitman, of the District of Columbia.

To be Foreign Service officers of class 3, consuls, and secretaries in the diplomatic service of the United States of America

Anthony J. Cefaratti, of Illinois.
Otho T. Colclough, of North Carolina.
Leonard Felsenthal, of the District of Columbia.
Leo M. Goodman, of New York.
Michael G. Kelakos, of Massachusetts.
Richard J. Kerry, of the District of Columbia.
Edward S. Little, of Ohio.
Walter Q. Loehr, of California.
Edwin L. Smith, of Arkansas.
Howard F. Smith, of Michigan.
Jay A. Van Swearingen, of Ohio.
Alberto M. Vázquez, of Virginia.
Jack S. Williams, of the District of Columbia.
Miss Marion W. Worthing, of Maryland.

To be Foreign Service officers of class 4, consuls, and secretaries in the diplomatic service of the United States of America

Herbert W. Baker, of Montana.
John R. Barrow, of California.
Miss Elizabeth Ann Brown, of Oregon.
Phillip B. Dahl, of Illinois.
Robert C. Davis, of Florida.
Frank J. T. Ellis, of Ohio.
Charles B. Ferguson, of Indiana.
Millard L. Gallop, of Virginia.
Edwin J. Garrity, of Virginia.
Loren L. Goldman, of Maryland.
Chester H. Kimrey, of Oklahoma.
James L. Lee, of California.
Francis C. Prescott, of Maine.
Stanley J. Prisbeck, of Pennsylvania.
Mrs. Montana W. Zbinden, of California.

To be a consul of the United States of America

Charles E. Paine, of California.

To be Foreign Service officer of class 5

Roy O. Carlson, of Illinois.

To be Foreign Service officer of class 5, a consul, and a secretary in the diplomatic service of the United States of America

Miss Norah H. Alsterlund, of Illinois.

To be Foreign Service officers of class 5, vice consuls of career, and secretaries in the diplomatic service of the United States of America

Forest E. Abbuhl, of Ohio.
John W. Anderson, of Texas.
Charles White Bass, of Tennessee.
George R. Bingham, of Florida.
Miss Eleanor Glover Bond, of Florida.
Miss Eleanor R. Borrowdale, of California.
Miss Marie C. Chatbot, of Rhode Island.
Philip R. Cook, Junior, of Virginia.
William E. Culbert, of Connecticut.
Rudolph Days, of Maryland.
N. Hunt Heubeck, of Florida.
Andrew John Kauffman II, of Maine.
Miss Marcia N. Lindgren, of California.
Edward S. McClary, of California.
Franklin L. Mewshaw, of New York.
Miss Gertrude M. Meyers, of Minnesota.
Elliott H. Miller, of Pennsylvania.
Lawrence J. Moran, of Massachusetts.
Laurent E. Morin, of New Hampshire.
Miss Janice Plowman, of Missouri.
Kenneth F. Rose, of Florida.
John L. Smith, of Wisconsin.
Miss Bernadine Whitfield, of Oregon.
Jean E. Zimmerman, of Missouri.

To be Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America

Brady G. Barr, of the District of Columbia.
Wesley D. Boles, of California.
Marshall Brement, of Maryland.
Hugh K. Campbell, of Ohio.
Willard A. De Pree, of Michigan.
Richard W. Dye, of New York.
Harold T. Ellis, of California.
Charles E. Exum III, of North Carolina.
Robert Earl Gordon, of Oregon.
Robert W. Huddleston, of New Jersey.
Joseph P. Leahy, of the District of Columbia.
Louis J. Link, of Kansas.
J. Thomas McAndrew, of New York.
W. Wyatt Martin, Jr., of Tennessee.
Robert W. Maule, of Minnesota.
Robert H. Munn, of California.
James C. Nelson, of Illinois.
Robert L. Nelson, of the District of Columbia.
James D. Rosenthal, of California.
Charles E. Rushing, of Illinois.
John D. Scanlan, of Minnesota.
James R. Wachob, of Oregon.
Richard L. Williams, of Indiana.

To be consuls of the United States of America

Walter L. Campbell, of Connecticut.
James C. Flint, of Ohio.
William A. Krauss, of California.
Francis J. McArdle, of New York.
Richard M. McCarthy, of Iowa.
William H. J. McIntyre, of Pennsylvania.
Allan Nelson, of California.

To be Secretaries in the diplomatic service of the United States of America

Daniel P. Oleksiw, of Pennsylvania.
Martin M. Tank, of Wisconsin.

To be vice consuls of the United States of America

Frank Ahmed, of Massachusetts.
David H. Cohn, of Florida.
Joseph R. Johnson, of Virginia.
Burton S. Miller, of Connecticut.

FIRST ASSISTANT COMMISSIONER OF PATENTS

Arthur Wilbur Crocker, of Maryland, to be First Assistant Commissioner of Patents.

WITHDRAWALS

Executive nominations withdrawn from the Senate May 7, 1956:

POSTMASTERS

FLORIDA

B. Maxine O'Neal to be postmaster at Nocatee, in the State of Florida.

PENNSYLVANIA

Elvin Charles Kaufman to be postmaster at Rockwood, in the State of Pennsylvania.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 7, 1956

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

MAY 7, 1956.

I hereby designate the Honorable JOHN W. MCCORMACK to act as Speaker pro tempore on May 7 and 8, 1956.

SAM RAYBURN,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art always at our side in times of difficulty and danger and in days of triumph and achievement, make us more conscious of Thy presence as our companion and counselor.

Grant that in our moments of prayer we may open our inner life widely to the inflow and influence of Thy divine spirit.

May our troubled minds be quieted, our sinful hearts be cleansed, and our selfish wills be brought into a glad obedience to Thy perfect will.

Inspire us to meet our tasks and responsibilities with a strong faith and a hope that is courageous and cheerful.

Help us daily to follow Thy leading with a fuller measure of dedication and devotion to the cause of righteousness and peace.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Thursday, May 3, 1956, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On May 3, 1956:

H. R. 10387. An act to authorize appropriations for the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes.

On May 4, 1956:

H. R. 1099. An act for the relief of Theodore J. Hartung and Mrs. Elizabeth Hartung;

H. R. 4047. An act relating to the establishment of public recreation facilities in Alaska, and for other purposes; and

H. R. 4909. An act to authorize the consolidation of the National Tax Association, a corporation organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York.

COMMUNICATIONS FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore. The Chair lays before the House the following communication from the Clerk of the House:

MAY 7, 1956.

The honorable the SPEAKER,
House of Representatives.

SIR: Desiring to be temporarily absent from my office, I hereby designate Mr. H. Newlin Megill, an official in my office, to sign any and all papers and do all other acts for me which he would be authorized to do by virtue of this designation and of clause 4, rule III of the House.

Respectfully yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

HATTIE FREEMAN DODSON AND HOWARD T. DODSON

The SPEAKER pro tempore. The Chair lays before the House the following communication from the Clerk of the House:

MAY 7, 1956.

The honorable the SPEAKER,
House of Representatives.

SIR: From the District Court of the United States for the Southern District of New York, the disbursing clerk of the House of Representatives has received a subpena duces tecum, directed to him as such officer, to appear before said court as a witness in the case of Hattie Freeman Dodson and Howard T. Dodson, and to bring with him certain and sundry papers therein described in the files of the House of Representatives.

The rules and practice of the House of Representatives indicates that no official of the House may, either voluntarily or in obedience to a subpena duces tecum, produce such papers without the consent of the House being first obtained. It is further indicated that he may not supply copies of certain of the documents and papers requested without such consent.

The subpena in question is herewith attached, and the matter is presented for such action as the House in its wisdom may see fit to take.

Respectfully yours,

RALPH R. ROBERTS,
Clerk, United States House of Representatives.
By H. NEWLIN MEGILL.

The SPEAKER pro tempore. The Clerk will read the subpena.

The Clerk read as follows:

DISTRICT COURT OF THE UNITED STATES OF AMERICA

To Harry M. Livingston, disbursing clerk in the House of Representatives, room F-102, United States Capitol, Washington, D. C.:

By virtue of a writ of subpena, to you directed and herewith shown to you, you are personally to appear before Judge John W. Clancy, the judge of the District Court of the United States for the Southern District of New York, Courtroom No. 318, New York City, N. Y., at 9:30 a. m., on the 8th day of May 1956, at 9:30 o'clock a. m., to testify in a certain cause then and there to be tried between Hattie Freeman Dodson and Howard T. Dodson, dockets wanted as follows: All books, records, or other documents relating to salary paid to Hattie F. Freeman as congressional clerk or secretary to Congressman ADAM CLAYTON POWELL, JR., in New York.

PAUL W. WILLIAM,
United States Attorney, Room 434.
THOMAS A. BOLAN,
Assistant United States Attorney.

Herein fail not on pain of penalties that will fall thereon.

Dated at Washington, D. C., the 4th day of May A. D. 1956.

CARLTON G. BEALL,
United States Marshal.
By CHARLES H. WARD, Jr.,
Deputy Marshal.

Mr. ALBERT. Mr. Speaker, I offer a privileged resolution (H. Res. 498) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Whereas in the case of *Hattie Freeman Dodson* v. *Howard T. Dodson*, pending in the District Court of the United States for the Southern District of New York, a subpena duces tecum was issued by the said court and addressed to Harry M. Livingston, disbursing clerk of the House of Representatives, directing him to appear as a witness before Judge John W. Clancy in courtroom 318 of said

court at 9:30 ante meridian on the 8th day of May 1956, and to bring with him certain and sundry papers in the possession and under the control of the House of Representatives: Therefore be it

Resolved, That by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by its permission; be it further

Resolved, That when it appears by the order of the court or of the judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice, or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and right of this House; be it further

Resolved, That Harry M. Livingston, disbursing clerk of the House, be authorized to appear at the place and before the court named in the subpena duces tecum beforementioned, but shall not take with him any papers or documents on file in his office or under his control or in possession of the Clerk of the House; be it further

Resolved, That when said court determines upon the materiality and the relevancy of the papers and documents called for in the subpena duces tecum, then the said court, through any of its officers or agents, have full permission to attend with all proper parties to the proceeding and then always at any place under the orders and control of this House and take copies of any documents or papers and the Clerk is authorized to supply certified copies of such documents and papers in possession or control of said Clerk that the court has found to be material and relevant, except minutes and transcripts of executive sessions, and any evidence of witnesses in respect thereto which the court or other proper officer thereof shall desire, so as, however, the possession of said documents and papers by the said Clerk shall not be disturbed, or the same shall not be removed from their place of file or custody under said Clerk; and be it further

Resolved, That a copy of these resolutions be transmitted to the said court as a respectful answer to the subpena aforementioned.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NINTH SEMIANNUAL REPORT ON THE MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 369)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed, with illustrations:

To the Congress of the United States:

I am transmitting herewith the Ninth Semiannual Report on the Mutual Security Program, covering operations from July 1, to December 31, 1955, in furtherance of the purposes of the Mutual Security Act of 1954.

As the report records, continued progress has been made through joint efforts in improving the economic growth and the military security of our own Nation and of our partners in the free world. Much, however, remains to be done, for the threat continues.

Two conspicuous changes occuring during these 6 months were:

1. The efficient transfer of responsibility for the mutual-security program to the newly created International Cooperation Administration.

2. A sharply increased activity by the Soviet Union in barter trade and in economic and military assistance to nations outside the Communist bloc.

In sending this 6 months' record of accomplishment to the Congress, I would like to make special mention of the thousands of our fellow citizens who are carrying forward this important work devotedly and voluntarily in almost 80 countries of the free world. They and their counterparts in the nations where they are working have accomplished much to date, and will be called upon for imaginative and productive efforts in the future.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 3, 1956.*

MESSAGE FROM THE PRIME MINISTER OF THE REPUBLIC OF IRELAND

The SPEAKER pro tempore laid before the House the following message from the Prime Minister of the Republic of Ireland, which was read:

APRIL 27, 1956.

The Honorable Congressman JOHN MCCORMACK,
House Majority Leader,
House of Representatives,
Washington, D. C.,
United States of America.

DEAR MR. MCCORMACK: It was a great honor and privilege for me to appear before, and address, the House of Representatives during my recent visit to the United States. The wonderful reception which I received is gratifying testimony of the regard and affection in which your great country holds mine.

I am deeply grateful for the many courtesies which you, as Speaker pro tempore, extended to me on that occasion and also for your kind words of welcome and introduction.

With best wishes and warm personal greetings,

JOHN A. COSTELLO.

CONSTRUCTION AND CONVERSION OF CERTAIN NAVAL VESSELS

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7993) to authorize the construction and conversion of certain naval vessels, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That the President is hereby authorized to undertake the construction of, or to acquire and convert, not to exceed 2,800 tons of patrol vessels.

"SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the construction or for the acquisition and conversion of the foregoing vessels."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

BOARD OF COMMISSIONERS, SEDGWICK COUNTY, KANS.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1835) for the relief of the Board of Commissioners of Sedgwick County, Kans., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 16, after "taxes", insert ": *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GEORGE D. HOPPER

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1989) for the relief of George D. Hopper, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 6, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CHARLES F. BULLETTE

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2338) for the relief of Charles F. Bullette, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 1 and 2, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GILES P. FREDELL AND WIFE

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2717) for the relief of Giles P. Fredell and wife, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out "$464.78" and insert "$458.17."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ROY M. BUTCHER

Mr. FORRESTER. Mr. Speaker. I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2736) for the relief of Roy M. Butcher, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out "$1,953.53" and insert: "$1,842.95."

Page 1, line 11, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

DAVID J. DAZÉ

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2924) for the relief of David J. Dazé, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 2 and 3, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

REV. BONIFACE LUCCI, O. S. B.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3975) for the relief of the Reverend Boniface Lucci, O. S. B., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 11, and page 2, line 1, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

JOSEPH H. WASHBURN

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3638) for the relief of Joseph H. Washburn, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$2,500" and insert: "$1,182.21."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

RALPH BENNETT AND OTHERS, BUREAU OF INDIAN AFFAIRS

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3639) for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 10, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

HERMAN F. GIERKE, JR.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3725) for the relief of Herman F. Gierke, Jr., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 4, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MARTIN F. KENDRIGAN

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4902) for the relief of Martin F. Kendrigan, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 14 and 15, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PUBLIC HEALTH SERVICE HOSPITAL, CARVILLE, LA.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5787) to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service hospital, Carville, La., with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, strike out lines 3 and 4 and insert "That there is hereby authorized to be appropriated not to exceed $25,000, to remain available until June 30, 1958."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

WILLIAM H. FOLEY

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6452) for the relief of William H. Foley, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 3, preceding "expenses", insert "and hospital."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MARY VIOLA JONES

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7583) for the relief of Mary Viola Jones, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 4 and 5, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GRANTING PERMANENT RESIDENCE STATUS TO CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the concurrent resolution (H. Con. Res. 202) favoring the granting of the status of permanent residence to certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendments, as follows:

Page 2, strike out line 11.
Page 3, strike out line 16.
Page 3, strike out line 17.
Page 4, line 15, strike out "Gavrilovic" and insert "Gavrilovich."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

SMYRNA, GA.

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, Smyrna, Ga., a lovely city of 10,000, has long been known as the Jonquil City because of the profusion of bloom of that lovely flower within its borders. It is now justifiably claiming another distinction and that is, America's safest city. It has now been more than 20 years since the last traffic death occurred in the city. This in spite of the fact that many workers in the huge Lockheed plant nearby daily go into, out of, and through the city, and in spite of the fact that there are two of the State's heaviest traveled highways passing through it.

Mayor Jimmy Quarles has proudly claimed this title for his city and has challenged any other city in America of its size to match its record.

By precept and example Smyrna has shown that traffic fatalities can be prevented if enforcement officers, citizens, and motorists generally will cooperate toward that happy end.

It gives me great pleasure to claim Smyrna as a portion of the district I represent and to tell the world through the CONGRESSIONAL RECORD of its wonderful safety record.

BRAVERY OF NEGRO TROOPS OF THE REGULAR ARMY AT THE SIEGE OF SANTIAGO

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, for half a century I have been telling the thrilling story of the surpassing bravery of American Negro troops of the Regular Army at the siege of Santiago in the Cuban campaign of 1898. It was they who helped to save the day when volunteer soldiers, green in military training and unaccustomed to battle fire, were combating the veteran soldiers of Spain. No soldiers ever performed with greater courage, or exhibited in their conduct under heavy fire a greater quality of military attributes than the Negro troops at San Juan Hill.

This, Mr. Speaker, is the answer of an ex-corporal of the American Army in Cuba to the libel on American soldiers voiced by an ex-general now holding a lush job in an area aflame with race passion. I do not think American soldiers, of whatever color or religion, need defense by me. The record speaks for itself.

On his return to this country on Saturday last, Gen. Anthony C. McAuliffe, hero of Bastogne and retiring commander in chief of United States ground forces in Europe, did his part to set the record straight. Interviewed by the New York Times he cited increased military efficiency resulting from integration of white and Negro troops. He said:

"I don't agree with him (ex-General Clark) at all. I should say that the integration of the Negro in the Armed Forces has worked very well and that we are getting much greater usefulness from the available manpower than we ever did under segregation."

General McAuliffe recalled that in 1951 he had been assigned to Pentagon duty as Army Assistant Chief of Staff, G–1, Personnel. In that post, he had a leading role in working out the Army's plans for integration. At the time, General Clark was chief of the Army field forces, with headquarters at Fort Monroe, Va.

General McAuliffe expressed surprise at the statement that General Clark had "resisted" integration.

"We didn't do it to improve the social situation," General McAuliffe commented. "It was merely a matter of getting the best out of the military personnel that was available to us."

HEARINGS ON FUTURES TRADING

Mr. McINTIRE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a news release of the House Committee on Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. McINTIRE. Mr. Speaker, Members of the House of Representatives who come from onion-producing areas, or who have an interest in futures trading in onions on the mercantile exchanges will, I feel sure, be interested in the recent announcement establishing dates for continued hearings on futures trading.

The first of such hearings was conducted in Presque Isle, Maine, in December of last year, an opportunity having then been given for potato producers to present their views with regard to futures trading in potatoes. On March 24 of this year, hearings were held in Chicago, and onion producers were then given a chance to give their testimony on such trading activities.

The hearings recently programed will present another opportunity for both onion and potato producers—as well as all others interested in and associated with trading in these commodities—to express their sentiments on futures trading. It is for that reason that I am inserting in the RECORD at this point the House Committee on Agriculture's notice on the continuation of hearings on futures trading:

CONTINUATION OF HEARINGS ON FUTURES TRADING

Representative GEORGE M. GRANT, of Alabama, chairman of the Special Subcommittee on Futures Trading in Perishable Commodities, said that the hearings on futures trading in onions and potatoes will be continued by his subcommittee in Washington on Wednesday, Thursday, and Friday, May 16, 17, and 18.

Mr. GRANT said that the hearings will start on Wednesday, May 16, with testimony from onion and potato producers, and Members of Congress from potato and onion areas.

On Thursday and Friday, May 17 and 18, the subcommittee will hear representatives of the New York and Chicago mercantile exchanges and those interested in the onion and potato trade, either in futures trading or in the cash market.

Spokesmen for the Department of Agriculture, the general farm organizations, and others interested in the subject of the hearing will be heard following representatives of the potato and onion trade, Chairman GRANT said. He added he hopes to be able to conclude the hearings on Friday, May 18, but that, if necessary to hear all points of view, they will be continued at a later date.

Hearings have previously been held by the subcommittee in the potato-producing area of Maine, and in Chicago where Midwest onion producers appeared.

The hearings in Washington will be in the Agriculture Committee room, 1310 New House Office Building. They will begin at 10 a. m., and will be open to the public.

Those desiring to appear as witnesses at these hearings should communicate with the clerk of the Committee on Agriculture, House of Representatives, Washington 25, D. C., and should indicate the group or interest they represent, or the capacity in which they will appear.

CAPITAL TRANSPORTATION PROBLEM

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, Mr. John E. Ebinger's interest in behalf of a "Midwest group" in the Capital Transit situation at this time is very important.

His interest in the decision of Congress on the conflicting recommendations now before it is even more important.

A good many people may feel that if he and Mr. Broadwater held a conference or conferences, as reported, they owe it to the public of the District and to Congress to make a prompt and full disclosure of all of the background of any such conference or conferences, of all the facts in connection with them and of their bearing, if any, upon the legislation now before Congress, as to which Mr. Ebinger has been reported in the press as having a preference.

It has been suggested in one of the local papers that my statement with reference to Mr. Ebinger's reported interest in the decision of Congress on the conflicting recommendations before us "was regarded as a hint" that I might withdraw my opposition "to the restoration bill if the Wolfson management were eliminated."

This product of someone's lively imagination is absurd and farfetched.

All of us are aware of the fact that any position we take can be and often is tortured out of all meaning on occasion. But I have expressed my opinion as to the problem of transportation for the District in a minority report, No. 2034, which I filed April 27, and nothing has occurred since then to change that opinion. I expect to discuss this whole matter more fully here in the House later today.

CIVIL RIGHTS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, on Monday, April 30, I placed in the RECORD for the information of the Members of the House the text of a letter delivered to the President of the United States stressing the need for dynamic leadership to assure the passage of legislation at this session of the Congress. I have received a reply from the White House which reads as follows:

THE WHITE HOUSE,
Washington, May 3, 1956.

DEAR MR. ROOSEVELT: The President has asked me to assure you, respecting your April 27th letter, that the various civil rights measures proposed by the Attorney General were specifically approved by him prior to their submission to the Congress, and it is, of course, the President's earnest desire that they be enacted into law. He specifically requested me to let you know of his confidence that the minority leaders will do all they appropriately can to ensure that this important legislation receives the serious consideration and prompt action it clearly deserves. With kind regard,

Sincerely,

BRYCE N. HARLOW,
Administrative Assistant to the President.

Mr. Speaker, I have stressed all through the efforts to secure this legislation the fundamental need for an overwhelming bipartisan effort. It is, therefore, with some hesitancy that I point out my disappointment in the reply of the White House, particularly with reference to the last sentence. It seems to me that the occasion requires far more than an expression of confidence that all will be done that can "appropriately" be done by the minority leaders. Expressions of hope do not constitute dynamic leadership. This issue and these times cry out for exactly that.

Therefore, I again repeat my urgent hope that the President will go much further than the expressions of this letter and he will specifically express his desire that the minority leaders secure the necessary Republican cooperation of the Committee on Rules to bring this matter before the House at the earliest possible time and that he publicly express his desire, with all that his words mean as President of the United States, that the members of his party and of all parties join forces to secure the passage of this civil rights legislation. Unless such leadership is forthcoming, in my humble opinion, the President will have failed to meet perhaps the greatest challenge that faces our country today.

CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

DISPOSAL OF LANDS ACQUIRED UNDER TITLE III OF THE BANKHEAD-JONES FARM TENANT ACT

The Clerk called the first bill (H. R. 6815) to provide for the orderly disposition of property acquired under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes.

Mr. METCALF. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, this bill has been on the calendar for a considerable period of time, since last July, I think. I am wondering whether it would be better to just have the bill go off the calendar. I object to the request that it go over and I object to its consideration.

The SPEAKER pro tempore. Objection is heard.

AMENDING FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949, AS AMENDED

The Clerk called the bill (S. 2364) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

WILLFUL DESTRUCTION OF AIRCRAFT OR MOTOR VEHICLES

The Clerk called the bill (H. R. 319) to punish the malicious destruction of aircraft and attempts to destroy aircraft.

Mr. MAGNUSON. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

LAND TRANSFER TO BONHAM, TEX.

The Clerk called the bill (H. R. 8490) authorizing the Administrator of Veterans' Affairs to convey certain property of the United States to the city of Bonham, Tex.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to section 2 of this Act, the Administrator of Veterans' Affairs is authorized and directed to quitclaim to the city of Bonham, Tex., all of the right, title, and interest of the United States in and to a tract of land containing 21$^{9}/_{10}$ acres, more or less, situated in the Veterans' Administration Center reservation in that city, the exact legal description of which shall be determined by the Administrator of Veterans' Affairs.

SEC. 2. The conveyance authorized by this Act (1) shall provide that the tract of land so conveyed shall be used for recreational purposes, and if it shall ever cease to be used for such recreational purposes the title to such property shall revert to the United States, which shall have the immediate right of reentry thereon, (2) shall reserve to the United States all mineral rights, including gas and oil, in the land so conveyed, and (3) may contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

Amend the title so as to read: "A bill authorizing the Administrator of General Services to convey certain property of the United States to the city of Bonham, Tex."

With the following committee amendments:

On page 1, line 4, strike out "Veterans' Affairs" and insert "General Services".

On page 1, line 10, strike out "Veterans' Affairs" and insert General Services, together with such improvements as are not specifically reserved to the Government in the deed of conveyance.

On page 2, line 10, strike out "Veterans Affairs" and insert "General Services."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read:

A bill authorizing the Administrator of General Services to convey certain property of the United States to the city of Bonham, Tex.

A motion to reconsider was laid on the table.

EXPEDITING PROCESSING DIRECT LOAN APPLICATIONS

The Clerk called the bill (H. R. 9263) to amend title III of the Servicemen's Readjustment Act to remove certain impediments to the processing of applications for Veterans' Administration direct loans, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TEAGUE of Texas. Mr. Speaker, reserving the right to object, the conference between representatives of the Veterans' Administration, the Housing and Home Finance Agency, and the Committee on Veterans' Affairs have worked out procedures which make this legislation undesirable at this time.

Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD a letter setting forth these procedures from the Housing and Home Finance Agency.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The letter is as follows:

HOUSING AND HOME FINANCE AGENCY,
OFFICE OF THE ADMINISTRATOR,
Washington, D. C., April 25, 1956.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Veterans' Affairs' House of Representatives, Washington, D. C.

DEAR OLIN: We are writing you to confirm the understanding reached at a conference last week between members of the Veterans' Affairs Committee, including yourself as Chairman, staff of the Veterans' Administration and staff of the voluntary home mortgage credit program. The objective of the meeting was to reach agreement on administrative measures which would provide mortgage funds for veterans as expeditiously as possible. The Veterans' Administration and the voluntary home mortgage credit program have agreed to put into effect the following administrative measures:

1. Referral of direct loan applicants to the voluntary home mortgage credit program will not be required where the circumstances of a particular case indicate that the veteran would be subjected to undue hardship.

2. Applicants for direct loans in areas where the voluntary home mortgage credit program is unable to provide private financing will not be referred to the voluntary home mortgage credit program. These areas will be designated by the Administrator of Veterans' Affairs.

3. In the event that an exceptional volume of loan applications develops shortly before the expiration of the direct loan program, the Veterans' Administration will process direct loan applications without referral to VHMCP in order to obviate the possibility of having the legitimate demands of prospective veteran home purchasers go unsatisfied.

I believe that with these measures, plus the shortening of the referral period and the other steps previously taken by the Veterans' Administration and about which you were advised, both of the programs can be administered in a manner designed better to serve the interests of veterans.

The measure also will go a long way toward accomplishing the purposes which were intended by H. R. 9263 and other similar bills.

This has been cleared with the Veterans' Administration.

Sincerely yours,

OAKLEY HUNTER
(For Albert M. Cole, Administrator).

Mr. TEAGUE of Texas. Mr. Speaker, I further ask unanimous consent that this bill be stricken from the Consent Calendar.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

TO CONVEY CERTAIN LANDS TO THE UNITED STATES

The Clerk called the bill (H. R. 9511) to authorize the county of Custer, State of Montana, to convey certain lands to the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. METCALF. Mr. Speaker, I ask unanimous consent that a similar Senate bill, S. 3254, be considered in lieu of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the county of Custer, State of Montana, may, notwithstanding the provisions of the act of April 15, 1924 (43 Stat. 97), convey by quitclaim deed to the United States of America, for acceptance by the Secretary of the Interior under existing law, the following tract of land:

That portion of tract "C" as shown on the supplemental plat of townships 7 and 8 north, range 47 east, principal meridian, Montana, accepted by the Assistant Commissioner of the General Land Office on March 23, 1927, which is described as follows: Beginning at a point on the south boundary of tract "C," 669.23 feet north 73° 10 minutes west of corner numbered 11 of tract "C," which point is 80 feet south 28° 08 minutes west of the fairgrounds boundary fence; thence north 61° 52 minutes west, parallel with and 80 feet from the fairgrounds boundary fence, a distance of 1,280.123 feet to the west boundary of tract "C"; thence south 16° 50 minutes west along the west boundary of tract "C," a distance of 250.84 feet to corner numbered 3 of tract "C"; thence south 73° 10 minutes east along the south boundary of tract "C," a distance of 1,255.33 feet to the place of beginning, containing 3.614 acres, more or less.

Mr. METCALF. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. METCALF: Page 2 after line 13 add a new section as follows:

"The Secretary of the Interior is hereby authorized to sell to the city of Miles City, Mont., under the terms and conditions of sections 2, 3, and 6 of the act of June 16, 1950 (64 Stat. 233), as amended, any portion of the lands conveyed to the United States under section 1 of this act which the Secretary determines is excess to the needs of the Department of the Interior."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 9511) was laid on the table.

RELIEVING INTERIOR SECRETARY OF CERTAIN REQUIREMENTS

The Clerk called the bill (H. R. 3897) to relieve the Secretary of the Interior of certain reporting requirements in connection with proposed National Park Service awards of concession leases and contracts, including renewals thereof.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask someone in charge of this bill in what way it relieves the Secretary of the Interior of certain reporting requirements.

Mr. ROGERS of Texas. Mr. Speaker, if the gentleman will yield, at the present time, as I understand, the Secretary of the Interior must report to the Congress the proposals for awards for concessions in all of the parks. Now, the report that was written on this bill sets out many of the reasons why this burdensome requirement should not be continued. Just to name one of them. Let us say that so many of these proposals come up here and it is impossible for the committee to go into them because they involve something like the sale of firewood in one of the national parks and matters of that kind that are not of great concern, and the Secretary of the Interior can handle them without burdening the committees of the Congress and the Congress itself insofar as the awards are concerned. Now, this does take care of a report to the Congress that must be filed 60 days before the award is granted on matters that are of significance.

Mr. GROSS. Is the gentleman from Texas saying that presently there is no limitation with respect to gross annual business?

Mr. ROGERS of Texas. No. This relieves him of having to file these reports on all matters below $100,000 or below 5 years' duration insofar as length of time is concerned.

Mr. GROSS. What is the present minimum? Is there any present minimum?

Mr. ROGERS of Texas. Well, he has to file all of them.

Mr. GROSS. He has to file all of them?

Mr. ROGERS of Texas. Yes.

Mr. GROSS. There is no minimum as to gross annual business, is that correct, at the present time?

Mr. ROGERS of Texas. That is correct, and in many instances, if the gentleman will permit me, these matters are filed after Congress has adjourned, and the awards are made actually before the committee ever gets to see them, and it

would be impossible for the committee to pass on a lot of these minor matters, because they are not able to go into all of the facts. So, they have to rely on someone from that district either making an objection or not making an objection.

Mr. GROSS. The gentleman thinks with the limitation of $100,000 that the committee will now be able to effectively watch the contracts being entered into with these concessionaires in the various national parks; is that correct?

Mr. ROGERS of Texas. The gentleman from Texas thinks so, the committee things so, and the executive branch of the Government thinks so.

Mr. GROSS. Mr. Speaker, I thank the gentleman from Texas and withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That so much of title I of the act of July 31, 1953 (67 Stat. 261, 271), as requires the Secretary of the Interior to report in detail, to the Congress, all proposed National Park Service awards of concession leases and contracts, including renewals thereof, is hereby repealed.

That the second paragraph under the heading "National Park Service" in the act of July 31, 1953 (67 Stat. 261, 271) is amended to read as follows: "The Secretary of the Interior shall hereafter report in detail all proposed awards of concession leases and contracts involving a gross annual business of $100,000 or more, or of more than 5 years in duration, including renewals thereof, 60 days before such awards are made, to the President of the Senate and Speaker of the House of Representatives for transmission to the appropriate committees."

With the following committee amendment:

Strike all after the enacting clause and insert the following: "That the second paragraph under the heading 'National Park Service' in the act of July 31, 1953 (67 Stat. 261, 271) is amended to read as follows: 'The Secretary of the Interior shall hereafter report in detail all proposed awards of concession leases and contracts involving a gross annual business of $100,000 or more, or of more than 5 years in duration, including renewals thereof, 60 days before such awards are made, to the President of the Senate and Speaker of the House of Representatives for transmission to the appropriate committees.' "

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAMP LIVINGSTON, CAMP BEAUREGARD, AND ESLER FIELD, LA.

The Clerk called the bill (S. 637) to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Army is authorized and directed, if he determines that the real property comprising Camp Livingston, Camp Beauregard, and Esler Field, or any part thereof, is available for conveyance to the State of Louisiana for the training and support of the National Guard of Louisiana, to convey all the right, title, and interest of the United States in such property, together with improvements thereon and appurtenances thereunto belonging, to the State of Louisiana by quitclaim deed, without monetary consideration therefor, but upon condition that it shall be used for the aforesaid purposes and if such real property shall ever cease to be used for such purposes, all the right, title, and interest in and to such real property shall revert to and become the property of the United States which shall have the immediate right of entry thereon, and to be further subject to the reservation by the United States of all mineral rights, including oil and gas; the right of reentry and use by the United States in the event of need therefor during a national emergency; and such other reservations, terms and conditions as the Secretary determines to be necessary to properly protect the interests of the United States.

SEC. 2. The cost of any surveys necessary as an incident of the reconveyance authorized herein shall be borne by the State of Louisiana.

The bill was ordered to be read a third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 303 OF THE CAREER COMPENSATION ACT OF 1949

The Clerk called the bill (H. R. 5268) to amend section 303 of the Career Compensation Act of 1949 to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, may we have a brief explanation of this bill?

Mr. KILDAY. Mr. Speaker, I shall be glad to attempt to explain it.

The purpose of H. R. 5268, as amended, is to amend section 303 of the Career Compensation Act of 1949 so as to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States.

Under the present provisions of the Career Compensation Act of 1949, a mileage allowance for overland travel by privately owned conveyance may be paid only to members of the uinformed services performing that travel within the continental limits of the United States. Members of the uniformed services performing overland travel beyond the continental limits of the United States at personal expense, are limited to a per diem allowance at the rate established for the country involved plus a monetary allowance in lieu of transportation which allowance has been fixed under the joint travel regulations at 5 cents per mile. The per diem allowance is payable for the time which would have elapsed had the travel been performed by common carrier. The monetary allowance in lieu of transportation is payable for a distance computed over the shortest usually traveled route, normally the railroad. Since most of these reimbursement payments are made in the United States, the disbursing officer making the payment must attempt to ascertain the time which would have elapsed had the travel been performed by common carrier. There is considerable delay in obtaining this information and the disbursing officer must refer the voucher to higher command since individual disbursing officers cannot possibly have at hand train schedules showing elapsed time from the many places and routes over which personnel could have traveled from all duty stations all over the world. Members of the uniformed services performing similar travel within the continental limits of the United States may be paid a mileage allowance fixed under the joint travel regulations at 6 cents per mile.

Enactment of the proposed legislation will thus reduce administrative costs and will permit the establishment of a more simplified mileage system for travel performed outside the continental limits of the United States in privately owned conveyances.

The committee amendment is technical in nature. Since the introduction of the proposed legislation section 303 (a) of the Career Compensation Act was amended by the addition of a new sentence. Thus, the proposed legislation will amend the fifth sentence of section 303 (a) instead of the fourth sentence.

Enactment of the proposed legislation would cause no increase in the budgetary requirements of the Department of Defense.

The Department of Defense recommends enactment of the proposed legislation and the Bureau of the Budget interposes no objection.

Mr. GROSS. There will be no increased cost to the Government?

Mr. KILDAY. No; there will not.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 303 of the Career Compensation Act of 1949 is amended by amending the fourth sentence of subsection (a) by deleting in clause (3) thereof the words "for travel within the continental limits of the United States."

With the following committee amendment:

On page 1, lines 4 and 5, delete the words "by amending the fourth sentence of subsection (a)" and inserting, after the words "clause (3)", the words "of the fifth sentence."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DIRECTOR AND ASSISTANT DIRECTORS OF UNITED STATES MARINE CORPS BAND

The Clerk called the bill (H. R. 8290) to provide for the appointment and promotion of the director and assistant directors of the band of the United States Marine Corps, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection 517 (a) of the act of October 12, 1949 (63 Stat. 833) is amended to read as follows:

"(a) The band of the United States Marine Corps shall consist of 1 director, 2 assistant directors, and such other personnel in such numbers and distributed in such grades and ranks as the Secretary of the Navy may determine necessary and appropriate. Hereafter during concert tours approved by the President, personnel of the Marine Band shall suffer no loss of allowances."

SEC. 2. (a) The Secretary of the Navy shall designate the director and assistant directors of the Marine Band from among qualified personnel of the United States Marine Corps or the United States Marine Corps Reserve. Persons so designated may, upon the recommendation of the Secretary of the Navy, be appointed by the President, by and with the advice and consent of the Senate, to commissioned grades in the Regular Marine Corps as authorized by this act.

(b) The initial appointment to a commissioned grade of any person designated as director shall be in the grade of captain except that any such person who, at the time of such designation, holds an appointment in a higher grade may be appointed in such higher grade, but not in a higher grade than that of lieutenant colonel. The initial appointment to a commissioned grade of any person designated as an assistant director shall be in a grade below that of captain.

SEC. 3. The Secretary of the Navy shall prescribe regulations for the promotion of persons designated as director or assistant director of the Marine Band and the President, by and with the advice and consent of the Senate, may from time to time appoint them to higher grades, but the grade of the director shall not be higher than lieutenant colonel, and the grades of assistant directors shall not be higher than captain.

SEC. 4. No person who accepts a commission under this act shall, while serving thereunder, be entitled to any pay and allowances from the United States except as provided by law for the grade in which serving, but no such person shall suffer any reduction in pay and allowances to which he was entitled at the time of such appointment.

SEC. 5. Directors and assistant directors of the Marine Band and former directors and assistant directors who have held appointments under this act, when retired shall be retired in and with retired pay based upon the highest grade held pursuant to this act in which the Secretary of the Navy determines that they have served satisfactorily, unless entitled to higher grade or retired pay under other provisions of law.

SEC. 6. The Secretary of the Navy, in his discretion, may revoke a designation as director or assistant director made pursuant to this act. Upon such revocation, appointment to commissioned grade under the provisions of this act shall terminate, and the individual concerned shall be discharged from the service or shall have the option of reversion to the grade and status held at the time of his designation as director or assistant director.

SEC. 7. Section 11 of the act of March 4, 1925 (43 Stat. 1274), as amended by section 1 (c) of the act of June 29, 1946 (60 Stat. 343), is hereby repealed, and all other laws and parts of laws are hereby repealed insofar as they may be inconsistent with the provisions of this act.

With the following committee amendment:

On page 2, line 11, delete the word "commissioner" and insert in lieu thereof the word "commissioned."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REFUND OF REENLISTMENT BONUSES

The Clerk called the bill (H. R. 8693) to amend the Career Compensation Act of 1949, as amended, in relation to the refund of reenlistment bonuses.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the fourth proviso of section 207 (a) of the Career Compensation Act of 1949, as amended (ch. 580, 65 Stat. 654; 37 U. S. C. 238 (a)), is further amended by deleting the phrase ", less any amount paid in Federal or State income taxes on such refundable part."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN MEMBERS OF THE UNIFORMED SERVICES

The Clerk called the bill (H. R. 8922) to provide for the relief of certain members of the uniformed services.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That all payments of reenlistment bonuses heretofore made under the provisions of section 208 of the Career Compensation Act of 1949, as added by section 2 of the act of July 16, 1954 (68 Stat. 488), are hereby validated to the extent that such bonuses were computed on the basis that reenlistments entered into by the member concerned subsequent to September 30, 1949, for which he did not receive a reenlistment bonus under section 207 of the Career Compensation Act of 1949, were not counted in determining the reenlistment involved. Any member who has made repayment to the United States of any amount so paid to him as a reenlistment bonus is entitled to have refunded the amount repaid.

SEC. 2. The Comptroller General of the United States, or his designee, shall relieve disbursing officers, including special disbursing agents, of the United States, from accountability for any payments described in section 1 of this act, and shall allow credits in the settlement of the accounts of those officers or agents for payments which are found to be free from fraud and collusion.

SEC. 3. Appropriations available for the pay and allowances of members of the uniformed services, as defined in the Career Compensation Act of 1949, are available for refunds under this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND TRANSFER TO WHIPPLE, ARIZ.

The Clerk called the bill (S. 2851) to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction over 1,320 acres of land, more or less, formerly a part of the Fort Whipple Military Reservation, Ariz., and subsequently transferred to the Veterans' Administration by section 6 of the act of March 4, 1931 (46 Stat. 1550), is hereby transferred to the Secretary of the Interior, and the title to such lands shall be held by the United States in trust for the Yavapai Indians, subject to any valid and existing rights in such lands. The description of the lands hereby transferred shall be determined by the Administrator of Veterans' Affairs and the Secretary of the Interior, jointly, and in the event a survey is required to make such determination, the Department of the Interior shall bear the expense thereof. The transfer shall be subject to such terms, conditions, reservations, and restrictions as the Administrator of Veterans' Affairs, after consultation with the Secretary of the Interior, determines to be necessary to protect the interest of the Veterans' Administration Center, Whipple, Ariz.

The bill was ordered to be read a third time, and passed, and a motion to reconand a motion to reconsider was laid on the table.

TRANSFERRING CERTAIN RESPONSIBILITIES OF SECRETARY OF INTERIOR TO PUBLIC HOUSING COMMISSIONER AND SECRETARY OF AGRICULTURE

The Clerk called the bill (H. R. 8385) to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the authority, functions, obligations, and documents relating to Puerto Rican hurricane relief loans to individual coffee planters, coconut planters, fruitgrowers, or other agriculturists (45 Stat. 1067, and 45 Stat. 1627, as modified by 49 Stat. 926 and 49 Stat. 928), heretofore transferred to the Division of Territories and Island Possessions, Department of the Interior, pursuant to the public resolution of June 3, 1935 (49 Stat. 320), and to the Secretary of the Interior pursuant to Reorganization Plan No. 3 of 1950 (64 Stat. 1262), are hereby transferred to the Secretary of Agriculture. The authority of the Secretary of Agriculture described in the act of December 20, 1944, and in section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C., sec. 1015 (g)), is hereby extended, as additional authority, to apply to the obligations and documents transferred by this section.

SEC. 2. There are hereby transferred to the Public Housing Commissioner all right, title, and interest, including contractual rights and reversionary interests, held by the Federal Government in and with respect to the apartment development in San Juan, Puerto Rico, known as the Falansterio Apartments, heretofore administered by the Secretary of the Interior. All of the powers, duties, and responsibilities of the Secretary of the Interior under the private sales contract executed on July 1, 1948, by the United States, represented by the Assistant Administrator of the Puerto Rico Reconstruction Administration, and the Cooperative Association of the Falansterio, and transferred to the Secretary of the Interior pursuant to Reorganization Plan No. 3 of 1950 (64 Stat. 1262), are hereby transferred to the Public Housing Commissioner. If, under the terms of the

private sales contract the Public Housing Commissioner takes possession of the Falansterio Apartments, or any part thereof, he is authorized to improve and administer the property, to release, or convey any part thereof, and to otherwise dispose of the remaining property when he finds that any breach in the terms of the private sales contract cannot be cured to permit redelivery of possession thereunder.

SEC. 3. Any funds collected by the Secretary of Agriculture under section 1 hereof, or by the Public Housing Commissioner under section 2 hereof, may be credited to appropriations current at the time such funds are received, to the extent necessary to reimburse such appropriation for expenditures required in the administration of this act.

SEC. 4. All deeds pertaining to property of the Puerto Rico Reconstruction Administration executed by the Secretary of the Interior or his designees subsequent to February 15, 1955, are hereby confirmed.

SEC. 5. This act shall take effect upon its approval.

With the following committee amendments:

Page 2, following line 8, add a new section 2, as follows:

"SEC. 2. The Secretary of Agriculture is hereby authorized to sell the Commonwealth of Puerto Rico the obligations and documents transferred to him by section 1 hereof, for such consideration as may be consistent with the purposes of the resolution of Congress creating the Puerto Rico Hurrican Relief Commission."

Page 2, line 9, renumber "Sec. 2." to read "Sec. 3."

Page 2, line 24, strike the word "contract," and insert the words "contract or otherwise,".

Page 3, strike all of lines 1 through 5 and insert the following: "Thereof, he is authorized to improve and administer the property, to release, convey, or reconvey any part thereof, and to otherwise dispose of the remaining property. Notwithstanding any other provision of law, any funds collected by the Public Housing Commissioner under this section shall be available for expenses incurred by him hereunder.

"SEC. 4. The Public Housing Commissioner is hereby authorized to sell to the Commonwealth of Puerto Rico, for such consideration mutually agreeable, the rights, title, and interest transferred to him by section 3 hereof with respect to the Falansterio Apartments, and to transfer to the Commonwealth of Puerto Rico the powers, duties, and responsibilities under the private sales contract executed on July 1, 1948, mentioned in section 3 hereof."

Page 3, line 6, renumber "Sec. 3." to read "Sec. 5."

Page 3, lines 7 and 8, strike the words "section 1 hereof, or by the Public Housing Commissioner under section 2 hereof," and insert the words "sections 1 and 2 hereof."

Page 3, line 12, renumber "Sec. 4." to read "Sec. 6."

Page 3, line 16, renumber "Sec. 5." to read "Sec. 7."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, was read the third time, and passed, sider was laid on the table.

LAND TRANSFER TO CHEYENNE, WYO.

The Clerk called the bill (H. R. 9358) to require the Administrator of Veterans' Affairs to issue a deed to the city of Cheyenne, Wyo., for certain land heretofore conveyed to such city, removing the conditions and reservations made a part of such prior conveyance.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to authorize the Administrator of Veterans' Affairs to convey to the city of Cheyenne, Wyo., for public-park and golf-course purposes, certain land situated within the boundaries of the Veterans' Administration center at Cheyenne, Wyo.," approved June 29, 1948 (62 Stat. 1104; Public Law 831, 80th Cong.), is amended by striking out all of the last paragraph and adding at the end thereof the following:

"SEC. 2. The Administrator shall issue to the city of Cheyenne a quitclaim deed, quitclaiming all rights and interests of the United States with respect to such land."

With the following committee amendment:

On page 2 strike out lines 1 to 5 inclusive and insert "Congress), is amended by inserting at the end thereof the following new section:

" 'SEC. 2. If the city of Cheyenne, Wyo., conveys to the Administrator of Veterans' Affairs by quitclaim deed the parcel of land conveyed to it under the first section of this act, the Administrator of Veterans' Affairs shall issue to the city of Cheyenne, Wyo., a new quitclaim deed with respect to such parcel of land, conveying all right, title, and interest of the United States to such parcel. The conveyance shall be subject to such terms, conditions, reservations, and restrictions as the Administrator of Veterans' Affairs determines to be necessary to protect the interest of the Veterans' Administration Center, Cheyenne, Wyo.' "

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CITY OF GRAND JUNCTION, COLO.

The Clerk called the bill (H. R. 10251) to authorize the Administrator of Veterans' Affairs to deed certain land to the city of Grand Junction, Colo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, subject to section 2 of this act, the Administrator of Veterans' Affairs is authorized and directed to quitclaim to the city of Grand Junction, Colo., all of the right, title, and interest of the United States in and to a tract of land containing sixteen and seventy-two one-hundredths acres, more or less, situated in the Veterans' Administration hospital reservation in that city, the exact legal description of which shall be determined by the Administrator of Veterans' Affairs, and in the event a survey is required in order to make such determination, the city of Grand Junction shall bear the expense thereof.

SEC. 2. (a) The conveyance authorized by this act (1) shall provide that the tract of land so conveyed shall be used for park and recreational purposes, and if it shall ever cease to be used for such park and recreational purposes, the title to such property shall revert to the United States, provided that the hospital being presently administered and operated on the tract of land of which the said sixteen and seventy-two one-hundredths acres is a part is still used as a veterans' hospital, and in the event of a use other than that for park and recreational purposes, the United States shall have the immediate right of reentry thereon and (2) may contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of Veterans' Affairs to be necessary to protect the interest of the United States.

(b) Notwithstanding the provisions of subsection (a) of this section, all right, title, and interest of the United States in and to the tract of land authorized to be conveyed under authority of this act, shall become vested in the city of Grand Junction, Colo., effective (1) upon the expiration of the 50-year period commencing on the date of enactment of this act, or (2) upon the date the hospital referred to in subsection (a) of this section ceases to be operated as a veterans' hospital, whichever is the earlier.

With the following committee amendment:

Page 2, line 1, after "Affairs", insert "and in the event a survey is required in order to make such determination, the city of Grand Junction shall bear the expense thereof.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF SOLDIERS' AND SAILORS' CIVIL RELIEF ACT OF 1940

The Clerk called the bill (H. R. 10441) to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (a) of section 400 of the Soldiers' and Sailors' Civil Relief Act of 1940 is amended by striking out "30" and inserting in lieu thereof "180."

SEC. 2. The amendment made by this act shall take effect with respect to applications for benefits made after the date of enactment of this act.

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that the committee report may be inserted at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The committee report is as follows:

INSURANCE GUARANTEED UNDER THE SOLDIERS' AND SAILORS' CIVIL RELIEF ACT

Mr. TEAGUE of Texas, from the Committee on Veterans' Affairs, submitted the following report:

The Committee on Veterans' Affairs to whom was referred the bill (H. R. 10441) to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

BACKGROUND OF THE BILL

The Soldiers' and Sailors' Civil Relief Act of 1940 was enacted in the 76th Congress and was approved October 17, 1940. A similar enactment referrable to World War I was approved March 8, 1918, during the 65th Congress and bore the title "Soldiers and Sailors Civil Relief Act."

The purpose of the act is to provide for the strengthening of national defense by suspending the enforcement of civil liabilities in certain cases of persons in the military service of the United States, the belief being that this is necessary to enable persons called to perform military duties to devote their energies to the defense needs of the Nation.

For the purposes of article IV (insurance) of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, World War II was deemed to have terminated July 25, 1947, in accordance with the provisions of section 4, Public Law 239 of the 80th Congress. Section 14 of Public Law 759 of the 80th Congress, June 24, 1948, known as the Selective Service Act of 1948, provided that all provisions of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, shall be applicable to all persons of the Armed Forces, including those thereafter inducted, until such time as the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, is "repealed or otherwise terminated by subsequent act of the Congress." There has been no such repeal or termination. Thus the Soldiers' and Sailors' Civil Relief Act is in full force and effect today and applies to all persons who are called upon to perform service in one of the branches of the Armed Forces of the United States.

This bill is concerned entirely with Article IV, specifically with section 400 of the act.

This article of the act provides in effect that any person taken into the Armed Forces may upon application continue to have the protection of as much as $10,000 commercial life insurance during the term of his service in one of the branches of the Armed Forces, and for 2 years following service, even though he is not able to pay the premiums during the period of his service. The Veterans' Administration, in effect, guarantees the payment of premiums and interest thereon during the protection period, but this does not relieve the veteran of his obligation. If the amount guaranteed is not paid prior to the end of the period and the Government pays any difference between that amount and the cash surrender value the veteran owes the Government the amount it has paid to the insurance company. A debt is set up against the veteran which is collectible from any monetary benefits which he may have due him by the United States, and if not available in this form steps are taken through other appropriate channels to collect this debt.

Since the inception of the program in 1940, until the present time, approximately 90,360 policies have been guaranteed under the terms of this act which involved an outlay on the part of the Veterans' Administration of about $2,543,000. Of this amount, approximately $2,282,000 has been collected from veterans by the Veterans' Administration, by setoff and otherwise, and the balance is in the process of being collected to the extent possible. It will thus be seen that this program has not been of great magnitude. In fact, it has been rather small in view of the millions of veterans who have been in the Armed Forces since 1940.

EXPLANATION OF THE BILL

The Special Investigating Subcommittee of the Committee on Armed Services of the House of Representatives recently had called to its attention the operations of an insurance company with its home office in a midwestern State which was taking advantage of this act in a manner not contemplated at the time of its approval by the Congress. The insurance agent obtained a list of prospective draftees and sold many of them two $5,000 policies. At the time of the sale the insured paid a monthly premium of $5 or $10 and in many instances gave a promissory note for this amount and also executed a power of attorney to the agent. After the man was inducted into the service he received a postcard from the insurance agent advising him that his identification bracelet was ready if he would submit the necessary information. Upon receiving this card with the man's rank, serial number, etc., the insurance agent then proceeded to exercise the power of attorney and had the policy guaranteed by the Veterans' Administration. It will thus be noted that the insured had virtually no stake in this policy. Certainly such procedure was not contemplated by the framers of this law.

Section 400 (a) provides that the policy must have been in effect not less than 30 days before the date the insured entered into the military service. The purpose of this bill is to lengthen the period from 30 days to 180 days with the result that it will be necessary for the policyholder to have a substantial cash outlay, in most instances, in an insurance policy which he could then properly have guaranteed, if he wished, under this act. It is believed that this simple amendment will substantially eliminate the kind of abuse described above and prevent its recurrence in the future. However, the amendment would not impair the status of policies now under protection or applications for premium guaranty already made. Section 2 of the bill limits its effect to future applications.

No additional cost to the Government will accrue as a result of the enactment of this legislation and perhaps some losses will be averted.

The favorable report of the Veterans' Administration follows:

VETERANS' ADMINISRATION,
OFFICE OF THE ADMINISTRATOR
OF VETERANS' AFFAIRS,
Washington D. C., April 16, 1956.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, D. C.:

DEAR MR. TEAGUE: This is in reference to your request for a report by the Veterans' Administration on H. R. 10441, 84th Congress, a bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act.

As indicated by the title, the bill would amend subsection 400 (a) of the Soldiers' and Sailors' Civil Relief Act of 1940, as amended, to require that in order to qualify for Government guaranty of premiums a policy of commercial life insurance held by a person in the military service must have been in force not less than 180 days before the insured entered into the military service. The existing provision is that the policy must have been in effect not less than 30 days before entry into the service. The amendment would apply only to applications for Government guaranty of premiums made after it is enacted.

It is understood from discussions by representatives of the Veterans' Administration with the committee staff that this proposal is intended to provide a safeguard against the issuance and protection under the act of policies with relatively high premiums and low life-insurance benefits which are issued on a monthly premium basis but a short time prior to the insured's entry into service. These situations involve application for protection under the Civil Relief Act made by the company on behalf of the insured pursuant to a power of attorney executed by the insured. The fear has been expressed that in some instances insureds have not been properly informed and do not have a clear understanding of their repayment obligations under the law.

Article IV of the Soldiers' and Sailors' Civil Relief Act, as amended, provides that upon proper application the premiums and interest thereon with respect to certain types of private life-insurance contracts, not exceeding in an individual case the amount of $10,000, shall be guaranteed for the period of military service and 2 years thereafter. If the amount guaranteed is not paid prior to the end of the protection period, the amount then due will be treated by the insurer as a loan on the policy, but if at the end of such period the cash surrender value is less than the amount then due, the United States is obligated to pay to the insurer the difference between that amount and the cash surrender value. Section 406 of the act, as amended, specifically provides that the amount paid by the United States to an insurer on account of applications approved under article IV shall become a debt due to the United States by the insured, and that such indebtedness may be collected either by deduction from any amount due the insured by the United States or as otherwise authorized by law.

Entitlement to these benefits is not automatic, but requires the filing of written application. Only a small percentage of those engaged in military service have heretofore availed themselves of this assistance. This apparently results from the fact that the law merely provides a moratorium on premiums and interest payments and does not relieve against liability for repayment. Hence, there has been no particular financial advantage to be gained in most cases. An indication of the relatively small use made of this program which had its inception in 1940 is the fact that the total number of cases which had been approved for protection under article IV through the end of March 1956 was 90,356, and that as of the same date the total number of cases currently under protection was 1,013.

It is of interest to note the amount which has been paid throughout the life of the program by the Government to insurers under the Government guaranty. Such payments through the end of February 1956 amounted to a cumulative total of $2,542,373. However, very little actual loss has been sustained since there have been collections by the Veterans' Administration throughout the same period amounting to $2,281,992. About 60 percent of these collections have been through setoff against national service life insurance dividends and the remainder through setoffs against other veterans' benefits or by way of direct remittances. Some items which were not considered collectible have been referred to the General Accounting Office for any possible collections which may be made through that agency.

An analysis of policies placed under the protection of the act during the past 6 months indicates that all of them except those of the type heretofore mentioned and about which particular concern has been expressed were in force more than 6 months as of the date of entry into service. In the light of this experience it may reasonably be expected that enactment of the bill would not have the effect of eliminating any considerable number of cases of insurance policies affording substantial life-insurance benefits and obtained under conditions of proper deliberation and full information shortly prior to entering the military service. This is, of course, dependent upon a continuation of present conditions of military service and induction. The situation at the time of the enactment of the basic law and its amendments was different, involving the wholesale mobilization of great numbers of persons with less time or opportunity to plan ahead. It seems probable, on the other hand, that the requirement that the insurance must have been in force at least 6 months prior to service will tend to curb hasty and ill-considered purchase of insurance in anticipation of Government protection under the act and without a full appraisal of the repayment obligations of the insured.

The effects of the bill on cost to the Government under this program cannot be estimated in any precise degree. It is believed that there would be a slight saving represented by the eventual cost of unrepaid claims on future cases which would be covered under the act as it exists but would not be eligible for coverage if this amendment is enacted.

The current volume of applications for protection under article IV of the Soldiers' and Sailors' Civil Relief Act is exceedingly small, and the problem at which the bill is directed is necessarily limited under present conditions in terms of the numbers affected. However, it is recognized that abuses, however small in number, should be corrected to the extent feasible. Although it is quite possible that some worthy cases involving the purchase of insurance on a carefully planned basis shortly prior to entering military service will be excluded, it is believed, considered as a whole, that the beneficial effects of the bill would outweigh these possible detriments. Accordingly, the Veterans' Administration is of the view that the bill merits favorable consideration by the committee.

Due to the urgent request of the committee for a report on this measure, there has not been sufficient time in which to ascertain from the Bureau of the Budget the relationship of the proposed legislation to the program of the President.

Sincerely yours,

H. V. HIGLEY,
Administrator.

RAMSEYER RULE

In accordance with clause 3 of rule XIII of the Rules of the House of Representatives, the changes made in existing law by the bill are shown as follows (existing law proposed to be omitted is in black brackets; new matter is in italics; existing law in which no changes are proposed is shown in roman):

"ARTICLE IV, PUBLIC LAW 861, 76TH CONGRESS, AS AMENDED

"Article IV—Insurance

"SEC. 400 (*50 Appendix U. S. C. 540*). As used in this article—

"(a) The term 'policy' shall include any contract of life insurance or policy on a life, endowment, or term plan, including any benefit in the nature of life insurance arising out of membership in any fraternal or beneficial association, which does not provide for the payment of any sum less than the face value thereof or for the payment of an additional amount as premiums if the insured engages in the military service of the United States as defined in section 101 of article I of this act or which does not contain any limitation or restriction upon coverage relating to engagement in or pursuit of certain types of activities which a person might be required to engage in by virtue of his being in such military service, and (1) which is in force on a premium-paying basis at the time of application for benefits hereunder, and (2) which was made and a premium paid thereon before the date of enactment of the Soldiers' and Sailors' Civil Relief Act Amendments of 1942 or not less than [thirty] *one hundred and eighty* days before the date the insured entered into the military service. The provisions of this act shall not be applicable to policies or contracts of life insurance issued under the War Risk Insurance Act, as amended, the World War Veterans Act, as amended, or the National Service Life Insurance Act of 1940, as amended.

"(b) The term 'premium' shall include the amount specified in the policy as the stipend to be paid by the insured at regular intervals during the period therein stated.

"(c) The term 'insured' shall include any person in the military service of the United States as defined in section 101, article I, of this act, whose life is insured under and who is the owner and holder of and has an interest in a policy as above defined.

"(d) The term 'insurer' shall include any firm, corporation, partnership, or association chartered or authorized to engage in the insurance business and to issue a policy as above defined by the laws of a State of the United States or the United States.

"SEC. 401 (*50 Appendix U. S. C. 541*). The benefits and privileges of this article shall apply to any insured, when such insured, or a person designated by him, or, in case the insured is outside the continental United States (excluding Alaska and the Panama Canal Zone), a beneficiary, shall make written application for protection under this article, unless the Administrator of Veterans' Affairs in passing upon such application as provided in this article shall find that the policy is not entitled to protection hereunder. The Veterans' Administration shall give notice to the military and naval authorities of the provisions of this article, and shall include in such notice an explanation of such provisions for the information of those desiring to make application for the benefits thereof. The original of such application shall be sent by the insured to the insurer, and a copy thereof to the Veterans' Administration. The total amount of insurance on the life of one insured under policies protected by the provisions of this article shall not exceed $10,000. If an insured makes application for protection of policies on his life totaling insurance in excess of $10,000, the Administrator is authorized to have the amount of insurance divided into two or more policies so that the protection of this article may be extended to include policies for a total amount of insurance not to exceed $10,000, and a policy which affords the best security to the Government shall be given preference.

"SEC. 402 (*50 Appendix U. S. C. 542*). Any writing signed by the insured and identifying the policy and the insurer, and agreeing that his rights under the policy are subject to and modified by the provisions of this article, shall be sufficient as an application for the benefits of this article, but the Veterans' Administration may require the insured and insurer to execute such other forms as may be deemed advisable. Upon receipt of the application of the insured the insurer shall furnish such report to the Veterans' Administration concerning the policy as shall be prescribed by regulations. The insured who has made application for protection under this article and the insurer shall be deemed to have agreed to such modification of the policy as may be required to give this article full force and effect with respect to such policy.

SEC. 403. (*50 Appendix U. S. C. 543*). The Administrator of Veterans' Affairs shall find whether the policy is entitled to protection under this article and shall notify the insured and the insurer of such finding. Any policy found by the Administrator of Veterans' Affairs to be entitled to protection under this article shall not, subsequent to date of application, and during the period of military service of the insured or during two years after the expiration of such service, lapse or otherwise terminate or be forfeited for the nonpayment of a premium becoming due and payable, or the nonpayment of any indebtedness or interest.

"SEC. 404 (*50 Appendix U. S. C. 544*). No dividend or other monetary benefit under a policy shall be paid to an insured or used to purchase dividend additions while a policy is protected by the provisions of this article except with the consent and approval of the Veterans' Administration. If such consent is not procured, such dividends or benefits shall be added to the value of the policy to be used as a credit when final settlement is made with the insurer. No cash value, loan value, or withdrawal of dividend accumulation, or unearned premium, or other value of similar character shall be available to the insured while the policy is protected under this article except upon approval by the Veterans' Administration. The insured's right to change a beneficiary designation or select an optional settlement for a beneficiary shall not be affected by the provisions of this article.

"SEC. 405 (*50 Appendix U. S. C. 545*). In the event of maturity of a policy as a death claim or otherwise before the expiration of the period of protection under the provisions of this article, the insurer in making settlement will deduct from the amount of insurance the premiums guaranteed under this article, together with interest thereon at the rate fixed in the policy for policy loans. If no rate of interest is specifically fixed in the policy, the rate shall be the rate fixed for policy loans in other policies issued by the insurer at the time the policy brought under the act was issued. The amount deducted by reason of the protection afforded by this article shall be reported by the insurer to the Administrator of Veterans' Affairs.

"SEC. 406 (*50 Appendix U. S. C. 546.*) Payment of premiums and interest thereon at the rate specified in section 405 hereof becoming due on a policy while protected under the provisions of this article is guaranteed by the United States, and if the amount so guaranteed is not paid to the insurer prior to the expiration of the period of insurance protection under this article, the amount then due shall be treated by the insurer as a policy loan on such policy, but if at the expiration of said period the cash surrender value is less than the amount then due, the policy shall then cease and terminate and the United States shall pay the insurer the difference between such amount and the cash surrender value. The amount paid by the United States to an insurer on account of applications approved under the provisions of this article as amended, shall become a debt due to the United States by the insured on whose account payment was made and, notwithstanding any other act, such amount may be collected either by deduction from any amount due said insured by the United States or as otherwise authorized by law. Any moneys received as repayment of debts incurred under this article, as originally enacted and as amended, shall be credited to the appropriation for the payment of claims under this article.

"SEC. 407 (*50 Appendix U. S. C. 547*). The Administrator of Veterans' Affairs is hereby authorized and directed to provide by regulations for such rules of procedure and forms as he may deem advisable in carrying out the provisions of this article. The findings of fact and conclusions of law made by the Administrator of Veterans' Affairs in administering the provisions of this article shall be final, and shall not be subject to review by any other official or agency of the Government. The Administrator of Veterans' Affairs shall report annually to the Congress on the administration of this article.

"SEC. 408 (*50 Appendix U. S. C. 548*). (1) The provisions of this article in force immediately prior to the enactment of the Soldiers' and Sailors' Civil Relief Act amendments of 1942 (hereinafter in this section called "such provisions") shall remain in full force and effect with respect to all valid applications for protection executed prior to the date of enactment of the Soldiers' and Sailors' Civil Relief Act amendments of 1942 and all policies to which such applications pertain shall continue to be entitled to the protection granted thereby.

"(2) Any insurer under a policy accepted under such provisions shall, subject to the approval of the Administrator of Veterans' Affairs and upon complete surrender by it to the United States, within 90 days after the date of enactment of the Soldiers' and Sailors' Civil Relief Act amendments of 1942, of all certificates issued in accordance with such provisions together with all right to

payment thereunder, be entitled to the guaranty of unpaid premiums and interest thereon and the mode of settlement for such policies as provided by this article, as amended. The privileges and benefits granted by the foregoing sentence shall be in lieu of the method of settlement, and the requirement for accounts and reports prescribed by such provisions. In the event any such insurer fails to surrender within the said 90 days all such certificates and rights to payment, the accounts, reports, and settlements required to be made by such insurer under such provisions shall continue to be made as required and shall be governed by such provisions."

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, H. R. 10441 will have the effect of protecting the Soldiers' and Sailors' Civil Relief Act from certain abuses which were not anticipated when the act was passed in 1940 and when it was amended in 1951. The practical effect of the bill will be to protect young men and women about to enter the Armed Forces from fraudulent and deceptive sales methods engaged in by certain types of commercial insurance companies.

The effect of the bill will be to avoid having the Federal Government make needless and improper payments to certain types of commercial insurance companies for supposed insurance protection to members of the Armed Forces not actually received, or not received in full measure. An equally important practical effect of the bill is that it will tend to protect young men and women from fraudulent or deceptive sales methods engaged in by certain types of insurance salesmen. It will thus avoid situations in which these young men and women become involved in long-term financial commitments, to which their Government is an unwilling party, and which must ultimately lead to embarrassment and hardships to the young men and women, leading to perhaps many instances of lawsuits between well-meaning people and their Government. The bill involves no controversial issue, and I believe that when the Members of the House understand the kind of abuses of the present law which have given rise to the bill, there will be unanimous agreement to the bill.

These abuses came to light during the course of an investigation made by a subcommittee of the Armed Services Committee, of which I am a member. It came to the attention of the committee that a certain insurance agency had been obtaining, or was alleged to have obtained, information of a confidential nature from certain of the local selective service boards. The information so obtained included names and addresses, and perhaps other data, of young men who were about to be called up for induction under the Selective Service Act. General Hershey has interpreted the selective-service law as permitting public posting of the names of such prospective inductees, and selective-service regulations make it optional with the States whether such list of names will be compiled and published.

Moreover, our committee heard testimony that it is the practice of many of the local boards in question, which were a number of local boards in eastern Texas, to post such list of names on their bulletin boards. In these instances there is, of course, no attempt, and no intent, to prevent the list of names being used for commercial purposes.

General Hershey has, however, interpreted the law as prohibiting the Selective Service System from giving out for commercial purposes the addresses of prospective inductees, as well as prohibiting the giving out for commercial purposes of other information from Selective Service Form 3, which is the form on which the prospective inductee's address is maintained. Selective Service Form 3 also contains other information about the prospective inductee, including all personal data.

According to the testimony of Brig. Gen. Lewis H. Renfrow, Deputy Director of the Selective Service System, Selective Service Regulations have uniformly prohibited giving out addresses for commercial purposes, although these regulations do permit revelation of such information for official purposes and for local undertaking of a patriotic nature, such as the erection of honor rolls in city parks, and so forth.

Our investigations revealed that representatives of the insurance agency in question had at one time, and for a relatively brief period, obtained the addresses of prospective inductees; this agency used these addresses, along with the names, in conducting an unusual type of insurance sales campaign. In some instances representatives of the insurance agency had been given access to the files of the Selective Service Form 3 in the local draft boards, and had compiled such information from these files as the insurance agency cared to have. It appeared, however, that authorization had been given, through some misunderstanding, by the Texas State office of the Selective Service System. The clerks of two local selective service boards of Texas testified that such authorization had been given, and the insurance agent who claimed to have obtained such authorization likewise testified that such authorization had been given.

Moreover, there was introduced into the committee's record a letter from an official of the State office of the Selective Service System to one of the local selective service boards giving authorization for the insurance agent in question to examine the board's file of Selective Service Form 3. This letter stated that the agent in question, a Mr. Kenneth Simmons, had contacted the State office and identified himself as the mayor of Avinger, Tex., and this letter further authorized the local board to allow Mr. Simmons to examine the Selective Service Form 3. A few weeks later it appears to have come to the attention of the State Selective Service office that the information being collected by the mayor of Avinger, Tex., was being used for a commercial sales campaign, rather than for an official purpose, and the State office withdrew the authorization, issuing a bulletin to all local boards in the State warning against releasing such information for commercial purposes.

So much for the operations of the Selective Service boards. Obviously if there is a commercial evil that needs correcting, a successful correction does not lie merely in tightening the Selective Service regulations. The question is, Why are the addresses of prospective inductees into the Armed Forces of such special value to an insurance agency, as a great variety of efforts put forth by the agency in question to obtain these addresses would suggest them to be? Why would prospective inductees be made the special target of an insurance sales campaign? Since the Government furnishes every man and every woman entering any branch of the Armed Forces with $10,000 worth of free life insurance, irrespective of what commercial insurance they may have on entering the service, you might expect that people about to be inducted would be very poor prospects for commercial life insurance, rather than especially good prospects.

Testimony given to our committee shows however, that the insurance agency in question considered prospective inductees to be uniquely good prospects for the particular kind of insurance policy it was selling. One of the partners of this agency testified that the agency had been formed in the first place with the idea of selling prospective inductees exclusively in mind.

The answer lies in the particular kind of insurance policy which this agency was selling and in certain features of the Soldiers and Sailors Civil Relief Act which are opened to abuse.

This insurance policy was presented as a savings plan, and the policy showed on the face of it that, after the third year, cancellation of the policy would result in the payment to the policyholder certain cash benefits. This policy also contained a small amount of life insurance. Death benefits under the policy amounted to approximately $500, plus return of the premium payments.

Prospective inductees were sold this savings plan on the mistaken notion that the Government would pay the premiums while the young man was in the service. Consequently, many of the purchasers of this policy had the idea that all they need do was sign up for the policy before entering the service, in which case the Government would pay the premiums, and then when they left the service they would be able to turn the policy in for cash benefits.

The impression that the Government would pay the premiums on the insurance policy was created by the terms of the Soldiers and Sailors Civil Relief Act. This act contains several provisions for assisting members of the armed services whose induction causes them financial hardship. Insofar as the life insurance policies are concerned, there are provisions whereby the Veterans Administration may offer certain guarantees with reference to policies which have been in force for at least 30 days

prior to the time the man enters the service. By these provisions the Veterans' Administration may guarantee payment of the premiums falling due while the man is in the service, and for 2 years after he leaves the service. This guarantee is not however, a free payment of the premiums, and it in no way relieves the policyholder of liability for the premiums which the Government has guaranteed.

This is the provision which has been abused and misrepresented. One of the partners of the insurance agency in question admitted this in testimony before our committee. One of the members of the committee, the gentleman from Virginia [Mr. HARDY], put a question to one of these agents this way:

You sold them on the idea, "Here is an opportunity to get Uncle Sam to take care of this savings plan for you while you are on active duty."

To which the agent, Mr. Simmons, replied:

Yes, sir.

Testimony by the same insurance agent gave the committee a precise picture of how the sales scheme was operated. Insofar as possible, the agents of this company tried to sign up prospective inductees for the "savings plan" shortly before the beginning of the 30-day period prior to their induction—so as to get under the wire insofar as the Soldiers and Sailors Civil Relief Act is concerned—but not so early that the prospective inductee would have to make a large number of monthly payments out of his own pocket. The usual sale was made by having the prospective inductee make only one monthly premium payment, which was $10. At the same time the prospective inductee signed the application for the savings policy, he was also persuaded to sign a note of indebtedness to the insurance company to cover future premium payments and to sign also a power of attorney which enabled the insurance company to make application in the inductee's name, to the Veterans' Administration, for a guaranty of the note of indebtedness. It appears that, after these initial arrangements were made, the matter would often lie dormant and perhaps forgotten so far as the inductee was concerned, until after such time as he came out of the military service and would then be presented with a bill for payment of back premiums, plus interest at the rate of 6 percent, compounded annually in advance.

In many instances where the prospective inductee who was victimized by this scheme did not have $10 for the initial payment or could not be persuaded to give up $10, the insurance agents would take his personal note for $10, payable to the agency. Putting the policy in force in this way meant that in exchange for the inductee's note the insurance agent received at least $72 for the first year's commission on the policy which amount, of course, is included in the total bill for which the Government guarantees payment.

Now, it is apparent that the timing of the insurance sale under such a scheme as this is of the utmost importance to the success of the scheme. If the prospective inductee were required to pay 6 monthly premiums out of his own pocket, rather than only 1 monthly payment, obviously such a scheme as has been presented to these people would look much less attractive. And moreover, the prospect of putting out such an amount of money would cause the young man to look more carefully and ascertain the facts concerning his continuing liability for the payment of any insurance that he may sign up for with a view to having these payments guaranteed by the Government.

This is precisely what the bill H. R. 10441 would do. The bill simply increases the time during which a policy must be in force prior to a man's induction from 30 days to 6 months, in order to make that policy eligible for premium guarantees under the Soldiers and Sailors Civil Relief Act. The bill should thus avoid the necessity for the Government bringing suits or taking other means to enforce collection of liabilities incurred under future sales of insurance policies. The bill should also remove the probability or the possibility that the Government may incur considerable losses through guaranteeing premium payments on policies which members of the armed services acquire through misunderstanding and misrepresentation, and policies which members of the armed services would not wish to have in any case if they were fully acquainted with the facts concerning their liabilities. While the committee has no information that similar schemes or abuses of the act have been carried on by insurance agencies generally, and no information in fact that such schemes have been carried on by any agency other than the particular agency which the committee investigated, the possibilities for misrepresentation and abuse are opened to any unscrupulous insurance agent and could therefore give rise to widespread abuses. At the same time the requirement that policies eligible for guarantee be in force at least 6 months prior to the date on which the man is inducted would not substantially contract the benefits of the act to members of the armed services with reference to any legitimate insurance policies legitimately sold.

Mr. LONG. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

VETERANS AND GI'S ARE PRIME VICTIMS OF RACKETEERS

Mr. LONG. Mr. Speaker, I am very much in favor of this bill, H. R. 10441. I will support it. It will do a lot of good. At the same time, however, I want to make it clear that I do not think the bill goes far enough in protecting members of the armed services and members about to be inducted, and veterans of the armed services, from all of the variety of racketeering to which these young men are subjected when they are taken away from their homes and enter into a patriotic service of their country.

When this insurance scheme to prey on young men and young women entering the military service first came up for discussion, it was pointed out to me that one of the operators of this scheme, a Mr. Kenneth W. Simmons, is the same Mr. Simmons who had caused so much trouble to the people of my district several years ago, following World War II, with a so-called training school that was founded and operated at Leesville, La. This school was another kind of scheme to take advantage of the GI benefits and to get the Federal Government to pay for certain educational training which the GI's were entitled to, and which Congress provided for, but which the World War II veterans were not in fact receiving—at least they were not receiving training of the quality they thought they were getting and which they were entitled to receive.

When this matter came to my attention I did not trust my memory as to the details of all the trouble and shady deals perpetrated by Mr. Simmons, so I wrote to a friend of mine at Leesville, which friend is a highly regarded man in public life and who was on the scene throughout the period of this trouble, and I asked him to refresh my memory. I will insert following my remarks the letter which came to me in reply. But before doing this I simply want to point out that I think some committee is going to have to take up the broader problem of all the various kinds of racketeering by which members of the Armed Forces, inductees and veterans, are victimized, and then draft a bill which will contain special penalties for any person or any organization that carries on a scheme of any kind to defraud, or to mislead for commercial gain, young men and young women who are entering upon, or have entered upon, the honorable and highly patriotic service of their country, which kind of service a young man or young woman does render to this country when he assumes the extraordinary burden of serving in the defense of this country.

The letter to me concerning the operation of the GI trade school at Leesville, La., is as follows:

FEBRUARY 22, 1956.

The Honorable GEORGE S. LONG,
Member of Congress,
House Office Building,
Washington, D. C.

DEAR DR. LONG: This is to acknowledge receipt of your letter of February 9 in which you inquired about a Kenneth W. Simmons who was in charge of the trade school at Leesville.

The story of his dealings in Leesville is somewhat varied and even though I know of no criminal charge ever preferred against him, most of his activities here are considered pretty shady.

To review this situation briefly, Mr. Simmons came to Leesville with a Mr. Cox and Mr. Davis to start the Leesville Vocational School. Apparently, they had very little or no capital, so Mr. Simmons resorted to his skill of promotion. The first dealings that I had with him was when he asked all of the hardware dealers or business houses who handled tools to meet with him. The story to us at that time was that the Veterans' Administration had approved a certain price for a certain kit of tools and that he was at liberty to buy the kits he needed. There were certain kits for the different trades, such as carpenters, electricians, and cabinetmakers. All the dealers, except one, at that time agreed to sell these kits to the school at this certain price, which I do not recall at this time, with the understanding that he

was to begin paying in 60 days and complete payment within 90 days of date of delivery. He explained the reason for this was that he would bill the VA and it would take that long to get the money back. We divided the orders among the business houses who were willing to sell them according to the terms outlined. We were eventually paid, but not in the time he had said. The violation there was that he was not authorized to buy as he had told us, but should have taken bids from jobbers who would have supplied these kits for the same thing that the dealers paid. He allowed the dealers a fair profit, but he was shrewd enough not to permit an excessive profit.

Evidently, another way chiseling was done was in expendable materials allowed for training. The general consensus of opinion was that this item was denied the trainees and the money and materials went elsewhere. This could run into a sizable amount as each student or trainee was allowed under the VA setup a reasonable amount of materials for training purposes.

The next off-color deal was the books that should have been bought direct from the publishers, but was given to two local men not even in a kindred business. Like the dealers who furnished the tools, they were informed by Kenneth Simmons that if they would purchase the books, they would be allowed a profit and would be paid as soon as the bills could be sent to the VA and the money sent back to him. The two local men who took this contract were certainly of good character.

All of this and other things came to light after Kenneth Simmons and some of the other stockholders had sold their interests to a Mr. Huggins. An audit was made by the VA and Mr. Huggins, having bought a corporation, was forced to pay some of the excessive costs on tools, books, and other items. It is my understanding that there were quite a few outstanding bills Mr. Huggins had to pay even though he had been assured at the time he made the purchase that all bills were in order and current.

With kindest personal regards, I am,

Yours very truly.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMPACT RELATING TO INTERSTATE SCHOOL DISTRICTS

The Clerk called the bill (H. R. 9314) granting the consent of Congress to the States of Illinois and Wisconsin to enter into a compact relating to interstate public school districts where an educational community extends into both such States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby given to the States of Illinois and Wisconsin to enter into the following compact and agreement relative to interstate public school districts where an educational community extends into both such States.

The compact reads as follows:

ARTICLE I—PURPOSE

The purpose of this compact is to create a pattern of organizations through which all the people of an educational community which crosses State lines may participate in the government of such unit.

ARTICLE II—ORGANIZATION

The State superintendent of public instruction or similarly titled officer of the respective party States designated in the enabling acts approving this compact may by agreement provide for the establishment and operation of interstate public school districts for the operation of elementary and secondary schools.

ARTICLE III—SCOPE OF THE AGREEMENTS

(a) the establishment of an interstate school district;

(b) the allocation of costs of operation and capital expenditure between the portions of the district in each State;

(c) the scope of the educational program;

(d) the procedures whereby the electors in each State may participate in the formation of school policy;

(e) the allocation of State school aids;

(f) the determination of State's laws under which the contracts for the purchase of materials, supplies, and personal services will be made so as to prevent all conflict as to the applicable statutes. Arrangements shall be made for the employment of persons by one State only and for the pro rata reimbursement of that State for services rendered to citizens of another State, but no such agreement shall require that all employees be hired by a particular State; and

(g) all other matters as are reasonably necessary to carry out the purposes set forth in article I.

ARTICLE IV—EFFECTIVE DATE

This compact shall become operative between any State and other State when, following the adoption of the compact by the legislatures of both such States, the appropriate officers of two States execute an agreement.

ARTICLE V—RENUNCIATION

This compact shall continue in effect and remain binding upon each executing party State until 6 months after any such State has given written notice of renunciation by the same authority which executed the agreement.

ARTICLE VI—SEVERABILITY

The provisions of this compact are severable.

With the following committee amendments:

After the words "The compact reads as follows:" insert a quotation mark before every paragraph on pages 2 and 3, and on page 3, line 24, place a quotation mark after the word "severable."

At the end of the bill insert the following:

"SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. WILLIS. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill just passed, H. R. 9314, the Clerk be authorized to make the necessary clerical corrections with respect to the amendments having to do with quotation marks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

SIMPLIFYING ACCOUNTING

The Clerk called the bill (H. R. 9593) to simplify accounting, facilitate the payment of obligations, and for other purposes.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

AMENDMENT OF VETERANS REGULATIONS

The Clerk called the bill (H. R. 2845) to amend the Veterans Regulations to provide additional compensation for veterans having the service-incurred disability of loss or loss of use of both buttocks.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subparagraphs (k) of paragraph II, part I, Veterans Regulation Numbered 1 (a), as amended, is hereby amended by inserting after the words "or one hand" each place they appear therein the following: ", or both buttocks."

SEC. 2. This act shall become effective on the first day of the second month following the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VETERANS' ADMINISTRATION

The Clerk called the bill (H. R. 7144) to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service-connected.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 7 of Public Law 427, 82d Congress (66 Stat. 296), is hereby amended, effective June 30, 1952, by adding at the end thereof the following sentence: "No application shall be required for the payment of compensation under this act for the loss or loss of use of a creative organ or for an arrested tuberculosis disease in any case, whether or not now on the rolls, in which a determination of service connection of such condition has been made or is made by the Administrator of Veterans' Affairs prior to August 1, 1952."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGISLATURE OF THE TERRITORY OF HAWAII

The Clerk called the bill (H. R. 8837) to amend certain sections of the Hawaiian Organic Act, as amended, relating to the Legislature of the Territory of Hawaii.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That section 30 of the Hawaiian Organic Act (48 U. S. C. 565) is amended to read as follows:

"SEC. 30. Senate; number; term: The senate shall be composed of 25 members, who shall be elected by the qualified voters of the respective senatorial districts for a term of 4 years beginning with their election and ending on the day of the second general election after their election: *Provided, however*, That (1) senators elected at the general election of 1954 shall continue to hold office until the expiration of their present terms and shall be deemed to have been elected

from the new senatorial district in which they resided at the time of their election; and (2) that at the first session of the legislature sebsequent to the general election of 1956, the legislature shall so assign the senators to long or short terms, that as nearly as possible one-half of them, including the holdover senators, shall hold office for 2 years and the remaining senators shall hold office for 4 years.

SEC. 2. Section 32 of said act (48 U. S. C. 568) is amended to read as follows:

"SEC. 32. Senatorial districts: For the purpose of representation in the senate, the Territory is divided into the following senatorial districts, namely:

"First senatorial district: That portion of the island of Hawaii known as Puna, Hilo, and Hamakua;

"Second senatorial district: That portion of the island of Hawaii known as Kau, Kona, and Kohala;

"Third senatorial district: The islands of Maui, Molokai, Lanai and Kahoolawe;

"Fourth senatorial district: That portion of the island of Oahu lying east and south of Nuuanu Street and Pali Road and the upper ridge of the Koolau Range from the Nuuanu Pali to Makapuu Point and all other islands not specifically enumerated;

"Fifth senatorial district: That portion of the island of Oahu lying west and north of the fourth senatorial district; and

"Sixth senatorial district: The islands of Kauai and Niihau."

SEC. 3. Section 33 of said act (48 U. S. C. 569) is amended to read as follows:

"SEC. 33. Apportionment of senators: The electors in the said senatorial districts shall be entitled to elect senators as follows:

In the first senatorial district, five;
In the second senatorial district, two;
In the third senatorial district, five;
In the fourth senatorial district, five;
In the fifth senatorial district, five;
In the sixth senatorial district, three."

SEC. 4. Section 35 of said act (48 U. S. C. 570) is amended to read as follows:

"SEC. 35. House of representatives; number: The house of representatives shall be composed of 51 members, who shall be elected by the qualified voters of the respective representative districts."

SEC. 5. Section 38 of said act (48 U. S. C. 574) is amended to read as follows:

"SEC. 38. Representative districts: For the purpose of representation in the house of representatives, the Territory is divided into the following representative districts:

"First representative district: That portion of the island of Hawaii known as Puna;

"Second representative district: That portion of the island of Hawaii known as South Hilo;

"Third representative district: That portion of the island of Hawaii known as North Hilo and Hamakua;

"Fourth representative district: That portion of the island of Hawaii known as Kau and South Kona and that portion of North Kona, for convenience herein referred to as Keauhou, more particularly described as follows: (1) from a point at the seashore between the lands of Holauloa 1 and 2 and Puapuaa 2 running northeasterly along the boundary of Holualoa 1 and 2 to Puu Laalaau; (2) easterly in a straight line to a point called Naohueleelua being the common corner of the lands of Puuanahulu, Kaohe and Keauhou 2d; (3) southeasterly along the common boundary between Hamakua and North Kona Districts to the summit of Mauna Loa; (4) westerly along the common boundary between Kau and North Kona Districts to the easterly boundary of South Kona District; (5) northerly and westerly along the boundary between North and South Kona Districts to the seashore; and (6) northerly along the seashore to the point of beginning;

"Fifth representative district: That portion of the island of Hawaii known as Kohala and that portion of North Kona not included in the fourth representative district;

"Sixth representative district: The islands of Molokai and Lanai;

"Seventh representative district: The islands of Maui and Kahoolawe;

"Eighth representative district: That portion of the island of Oahu known as Koolaupoko and Koolauloa;

"Ninth representative district: That portion of the island of Oahu known as Waialua and Wahiawa;

"Tenth representative district: That portion of the island of Oahu known as Ewa and Waianae;

"Eleventh representative district: That portion of the island of Oahu, for convenience herein referred to as Kalihi, more particularly described as follows: (1) from the intersection of Kalihi and Auiki Streets running westerly along Auiki Street to Mokauea Street; (2) southwesterly along Mokauea Street extension extended to a point on the outer edge of the reef; (3) westerly along the outer edge of the reef to a point on the Moanalua-Halawa boundary; (4) northerly and northeasterly along the Moanalua-Halawa boundary to the top of Koolau Range; (5) southeasterly along the top of Koolau Range to a place called 'Puu Lanihuli'; (6) southwesterly along the top of the ridge between the lands of Kalihi, Kapalama and Nuuanu to Kalihi Street; and (7) southwesterly along Kalihi Street to the point of beginning;

"Twelfth representative district: That portion of the island of Oahu, for convenience herein referred to as Upper Nuuanu, more particularly described as follows: (1) from the intersection of King and Kalihi Streets running northeasterly along Kalihi Street to the ridge between the lands of Kalihi, Kapalama and Nuuanu; (2) northeasterly along the top of said ridge to a point on the Koolau Range called Puu Lanihuli; (3) easterly along the top of said range to Pali Road at the Nuuanu Pali; (4) southwesterly along Pali Road to Nuuanu Avenue and southwesterly along Nuuanu Avenue to School Street; (5) northwesterly along School Street to the centerline of the Kapalama drainage canal (Waikiki Branch); (6) southwesterly along said canal to the centerline of the main Kapalama drainage canal; (7) southwesterly along said canal to King Street; and (8) northwesterly along King Street to the point of beginning.

"Thirteenth representative district: That portion of the island of Oahu for convenience herein referred to as Kapalama, more particularly described as follows: (1) from the junction of the Honolulu Harbor Channel and the reef running westerly along the outer edge of the reef to Mokauea Street extension extended; (2) northeasterly along Mokauea Street extension extended to Sand Island Road; (3) northeasterly along Mokauea Street extension to Auiki Street; (4) easterly along Auiki Street to Kalihi Street; (5) northeasterly along Kalihi Street to King Street; (6) southeasterly along King Street to the center line of the Main Kapalama drainage canal; (7) northerly along said canal to the center line of the Kapalama drainage canal (Waikiki Branch); (8) northeasterly along said canal to School Street; (9) southeasterly along School Street to Nuuanu Avenue; (10) southwesterly along Nuuanu Avenue to the sea, and (11) southwesterly along the middle of Honolulu Harbor and Honolulu Harbor Channel to the point of beginning.

"Fourteenth representative district: That portion of the island of Oahu, for convenience herein referred to as Pauoa, more particularly described as follows: (1) from the junction of the Honolulu Harbor Channel and the outer edge of the reef running northeasterly along the middle of Honolulu Harbor Channel and Honolulu Harbor to the intersection of Queen Street and Nuuanu Avenue; (2) northeasterly along Nuuanu Avenue to Pali Road and northeasterly along Pali Road to the top of Koolau Range at the Nuuanu Pali; (3) easterly and southerly along the top of the Koolau Range to a point called Puu Konahuanui; (4) southwesterly along the top of the ridge between the lands of Nuuanu, Pauoa and Manoa to a mountain peak called Puu Ohia or Tantalus; (5) southwesterly along the top of the ridge between the lands of Makiki and Kalawahine to the intersection of Nehoa Street and Lewalani Drive; (6) southerly along Lewalani Drive and Piikoi Street to Wilder Avenue; (7) easterly along Wilder Avenue to Punahou Street; (8) southerly along Punahou Street to King Street; (9) westerly along King Street to Kalakaua Avenue; (10) southerly along Kalakaua Avenue to the center line of the Ala Wai Canal; (11) westerly along said canal and along the line of said canal extended to the outer edge of the reef; and (12) westerly along the outer edge of the reef to the point of beginning.

"Fifteenth representative district: That portion of the island of Oahu, for convenience herein referred to as Manoa and Waikiki, more particularly described as follows: (1) from the intersection of Kalakaua Avenue and the center line of the Ala Wai Canal running northerly along Kalakaua Avenue to King Street; (2) easterly along King Street to Punahou Street; (3) northerly along Punahou Street to Wilder Avenue; (4) westerly along Wilder Avenue to Piikoi Street; (5) northerly along Piikoi Street to Lewalani Drive; (6) northerly along Lewalani Drive to Nehoa Street; (7) northeasterly along the top of the ridge between the lands of Makiki and Kalawahine to a mountain peak called Puu Ohia or Tantalus; (8) northeasterly along the top of the ridge between the lands of Pauoa, Manoa and Nuuanu to a point on the Koolau Range called Puu Konahuanui; (9) southeasterly along the top of said range to a place called Mountain Olympus; (10) southwesterly along the top of Waahila Ridge to the top edge of Palolo Valley; (11) southwesterly along the top edge of said valley to the forest reserve boundary; (12) southwesterly along the southeasterly boundary of Saint Louis Heights tract, series 2 (file plan 464) to the southerly boundary of said tract 100 feet southeasterly from Alencastre Street; (3) southwesterly parallel to and 100 feet from Alencastre Street and Saint Louis Drive to Waialae Avenue; (14) westerly along Waialae Avenue to Kapahulu Avenue extended; (15) southerly across Waialae Avenue and along Kapahulu Avenue to Kalakaua Avenue; (16) westerly along Kapahulu Avenue extended to the outher edge of the reef; (17) northwesterly along the outer edge of the reef to a point on the line extended of the center line of the Ala Wai Canal; and (18) easterly along said line to the point of beginning;

"Sixteenth representative district: That portion of the island of Oahu, for convenience herein referred to as Kaimuki and Kapahulu, more particularly described as follows: (1) from a point at the seacoast at a place called Black Point running westerly along the seacoast to Kapahulu Avenue extended to the sea; (2) easterly across Kalakaua Avenue and easterly and northerly along Kapahulu Avenue to Waialae Avenue; (3) easterly along Waialae Avenue to a point 100 feet easterly of Saint Louis Drive; (4) northeasterly across Waialae Avenue then parallel to and 100 feet from Saint Louis Drive and Alencastre Street to the southerly boundary of Saint Louis Heights tract, series 2 (file plan numbered 464); (5) northeasterly along the southeasterly boundary of said tract to the forest reserve boundary; (6) northeasterly along the top ridge of Palolo Valley to the top of Waahila Ridge; (7)

northeasterly along the top of Waahila Ridge to a point on Koolau Range called Mount Olympus; (8) easterly along the top of the Koolau Range to the top of the ridge between the lands of Waialae Nui and Palolo; (9) southwesterly along the top of said ridge to a place called Kalepeamoa; (10) southwesterly along Mauumae Ridge to Sierra Drive; (11) southwesterly along Sierra Drive to Waialae Avenue; (12) esterly along Waialae Avenue to Thirteenth Avenue; (13) southwesterly along Thirteenth Avenue and Ocean View Drive to Kilauea Avenue (14) westerly along Kilauea Avenue to Makapuu Avenue; (15) southwesterly along Makapuu Avenue to Diamond Head Road; and (16) southeasterly along Diamond Head Road to the military road and along the military road extended to the point of beginning;

"Seventeenth representative district: That portion of the island of Oahu not included in any other representative district on the island of Oahu, together with all other islands not included in any other representative district;

"Eighteenth representative district: The islands of Kauai and Niihau.

Wherever a roadway or intersection of one or more roadways is designated as a boundary in any of the above descriptions, the centerline of such roadway or intersection is intended as such boundary."

SEC. 6. Section 39 of said act (48 U. S. C. 575) is amended to read as follows:

"SEC. 39. Apportionment of representatives: The electors in said representative districts shall be entitled to elect representatives as follows, prior to the first reapportionment: 1st, 1; 2d, 4; 3d, 1; 4th, 1; 5th, 1; 6th, 1; 7th, 5; 8th, 2; 9th, 2; 10th, 2; 11th, 3; 12th, 3; 13th, 3; 14th, 5; 15th, 6; 16th, 4; 17th, 3; 18th, 4."

SEC. 7. Section 55 of said act, as amended (48 U. S. C. 562), is amended in the following respects:

(a) By deleting therefrom the following words: "The legislature, at its first regular session after the census enumeration shall be ascertained, and from time to time thereafter, shall reapportion the membership in the senate and house of representatives among the senatorial and representative districts on the basis of the population in each of said districts who are citizens of the Territory; but the", and by inserting in lieu thereof the word "The".

(b) By inserting at the end of said section 3 new paragraphs, as follows:

"On or before June 1 of the year 1959, and of each 10th year thereafter, the Governor shall reapportion the members of the house of representatives in the following manner: The total number of representatives shall first be reapportioned among the 4 basic areas; namely, (1) the island of Hawaii, (2) the islands of Maui, Molokai, Lanai and Kahoolawe, (3) the island of Oahu and all other islands not specifically enumerated, and (4) the islands of Kauai and Niihau, on the basis of the number of voters registered at the last preceding general election in each of such basic areas and computed by the method known as the method of equal proportions, no basic area to receive less than one member. Upon the determination of the total number of representatives to which each basic area is entitled, such total shall be reapportioned among the one or more representative districts within each basic area on the basis of the number of voters registered at the last preceding general election within each of such representative districts and computed by the method known as the method of equal proportions no representative district to receive less than one member. Upon any reapportionment, should the total number of voters registered in any representative district be less than one-half of the quotient obtained by dividing the total number of voters registered in the Territory by the total number of members to which the house is entitled, then, as part of such reapportionment, the basic area within which such representative district lies shall be redistricted by the Governor in such manner that the total number of voters registered in each new representative district therein shall be more than one-half of such quotient.

"The Governor shall thereupon issue a proclamation showing the results of such reapportionment, and such reapportionment shall be effective for the election of members to such house for the next five succeeding legislatures.

"Original jurisdiction is hereby vested in the supreme court of the Territory to be exercised on the application of any registered voter, made within 30 days following the date specified above, to compel, by mandamus or otherwise, the Governor to perform the above duty; and made within 30 days following the date of such proclamation, to compel, by mandamus or otherwise, the correction of any error made in such reapportionment."

SEC. 8. This act shall take effect upon its approval but shall not change the composition of the legislature with respect to any special session of the legislature of said Territory which may be called prior to the first Monday in November in the year 1956.

With the following committee amendment:

Page 2, line 10, after "years.", insert "In the event that the legislature fails to make the necesary assignments of short and long terms for Senators as herein required, the Governor shall do so."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WIDOWS OF SPANISH-AMERICAN WAR VETERANS ENTITLED TO COMPENSATION

The Clerk called the bill (H. R. 8458) to amend Veterans' Regulation No. 10 to provide that the widow of a veteran of the Spanish-American War (including the Philippine Insurrection and the Boxer Rebellion) who married the veteran before January 1, 1938, may be eligible for death compensation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph V of Veterans' Regulation No. 10 is amended by striking out "September 1, 1922" and inserting in lieu thereof "January 1, 1938."

SEC. 2. The amendment made by this act shall take effect on the first day of the first calendar month which begins after the date of its enactment.

With the following committee amendment:

Page 1, line 5, after "1938'", insert a comma and the following, "or who was married to the veteran 10 or more years prior to his death."

The committee amendment was agreed to.

Mr. O'HARA of Illinois. Mr. Speaker, reserving the right to object, and of course I shall not object, I wish to take this occasion to commend both the VA and the House Committee on Veterans' Affairs for their support of the bill introduced by our able colleague from Minnesota [Mr. BLATNIK] and to remark that this is the only measure affecting Spanish War veterans and widows of Spanish War veterans so far brought to the floor of the House at this session.

I trust my colleagues will understand my deep interest in legislation affecting the veteran group of which I am the sole remaining representative in this Chamber. I shall leave the 84th Congress with a heavy heart if before we adjourn favorable action has not been taken on the bill introduced by me in the first session to increase the pension of our widows to $75 a month.

There are not many Spanish War widows remaining. Come another Congress and the number will be greatly reduced. Time is running out on them. Time too is running out on us in the Congress to do the decent thing for these aged women. The men they loved and with whom they passed the years of married life were of the vibrant youth of 1898 that as volunteers in Army and Navy started the United States on her road to destiny. In war and in peace they served well and faithfully this country of ours. For the most part they died with no accumulation of worldly goods. How they must be turning in their graves today with the women they loved left in their old age by the Republic they served to find subsistence in and to eke out a pitiable existence on $1.70 a day.

I wonder if General Bradley would want his widow when he is gone to be faced with a similar situation, trying to make both ends meet on a daily allowance of $1.70.

The distinguished chairman and the able members of the great Committee on Veterans' Affairs I know are in sincere sympathy with these aged widows. They realize that the number of the aged widows is small, the tax on the Federal Treasury for their relief would be negligible, and that to permit them to go on through the few remaining years allotted to them in dire need is a reflection upon this great country and upon us in the Congress who countenance it by inaction. But the Bradley report has thrown a roadblock on the good intentions of a good and great committee. I have no doubt that in due time the committee, composed of true Americans who have at heart the cause of their fellow ex-service men and women, will protect the veterans of the United States from the evil designs of those who stab in the back.

But as far as Spanish War widows are concerned time, as I have remarked, is running out. If it becomes necessary because of the roadblock created by the Bradley report, and certainly not by the desire of the Committee on Veterans' Affairs, I hope and pray my colleagues will join me in a discharge petition to bring my bill to the floor of the House.

Mr. Speaker, I withdraw my objection. I trust H. R. 8458 will be enacted into law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NON-SERVICE-CONNECTED DEATH PENSION

The Clerk called the bill (H. R. 9841) to provide that in determining eligibility of a widow or child of a deceased veteran for a pension the income limitations applicable to such widow or child shall be increased by $600 for the year in which the veteran's death occurs.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first sentence of subsection (c) of section 1 of the act entitled "An act to compensate widows and children of persons who died while receiving monetary benefits for disabilities directly incurred in or aggravated by active military or naval service in the World War, approved June 28, 1934 (38 U. S. C., sec. 503), is amended by inserting immediately before the period at the end thereof the following: ", except that for the year in which the death of the person who served occurs, such amounts shall be $2,000 and $3,300, respectively."

SEC. 2. The amendment made by this act shall apply only with respect to deaths occurring on or after the date of its enactment.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill to provide that in determining eligibility of a widow or child of a deceased veteran for a pension the income limitations applicable to such widow or child shall be increased $600 for the year in which the veteran's death occurs."

A motion to reconsider was laid on the table.

PAYMENT OF PENSION FOR VETERANS SUFFERING FROM TUBERCULOSIS

The Clerk called the bill (H. R. 9922) to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph I (e) of part III of Veterans' Regulation No. 1 (a) is amended by adding at the end thereof the following: "An individual will be deemed to be permanently and totally disabled for the purposes of this part during all periods of hospitalization for active pulmonary tuberculosis."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENDING GREETINGS TO THE SUDAN

The Clerk called the resolution (H. Con. Res. 210) to extend greetings to the Sudan.

The SPEAKER pro tempore. Is there objection to the present consideration of the concurrent resolution?

There was no objection.

Mr. BOLAND. Mr. Speaker, an identical resolution Senate Concurrent Resolution 70 has been passed by the other body. I ask unanimous consent that it be considered at this time in lieu of the House concurrent resolution.

There being no objection, the Clerk read the Senate concurrent resolution, as follows:

Whereas it is the policy of the Government of the United States to suggest the orderly evolution of peoples and nations to self-determination throughout the world; and

Whereas the people of the United States support the concept that other peoples should have an opportunity freely to choose their own national destiny under circumstances which will enable them to assume and maintain an equal station among the free nations of the world; and

Whereas the Senate and the House of Representatives of the Sudan adopted on December 31, 1955, a transitional constitution providing that the Sudan shall be a sovereign democratic republic; and

Whereas the Sudan achieved independence on January 1, 1956: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States extend its most cordial greetings to the Parliament of the Sudan on the occasion of Sudanese independence, express the earnest hope that the Parliament and the people of the Sudan will enjoy continuing success in the development of a sovereign democratic republic, and reaffirm the friendship of the United States for the people of the Sudan.

The Senate concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

A similar House resolution (H. Con. Res. 210) was laid on the table.

AMERICAN NATIONAL RED CROSS 75TH ANNIVERSARY

The clerk called the concurrent resolution (H. Con. Res. 232) extending greetings to the American National Red Cross on the occasion of its 75th anniversary.

The SPEAKER pro tempore. Is there objection to the present consideration of the concurrent resolution?

Mr. GROSS. Mr. Speaker, reserving the right of object, and I shall not object, I simply want to compliment the chairman of the Committee on Foreign Affairs for bringing to the floor of the House a resolution with international ramifications which does not include the United Nations. I really am somewhat surprised that we do have one resolution which does not recognize the United Nations as the all-seeing beacon of all things that are good for humanity in the world. I am glad that the light of the American Red Cross has not been extinguished by the Tower of Babel in New York.

Mr. RICHARDS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. RICHARDS. It makes me very happy to find the gentleman on my side this one time.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Clerk read the concurrent resolution, as follows:

Whereas the American National Red Cross is now receiving congratulations from all over the world upon the occasion of its 75th anniversary; and

Whereas in the period following the adoption of the first Treaty of the Red Cross in 1864, to which the United States Government adhered in 1882, the name and emblem of the Red Cross has come to be recognized throughout the civilized world as a symbol toward which those in need can repair and under which all peoples dedicated to the impartial relief of human suffering can enlist; and

Whereas the obligations of this Government and its people under the Treaty of the Red Cross justified the establishment by the Congress of the American National Red Cross as the official agent of this Government to assist in the discharge of such obligations and to engage in other activities for the welfare and relief of the Armed Forces and the prevention and alleviation of human suffering resulting from disasters and emergencies at home and abroad; and

Whereas more than 50 years ago the Congress determined that the work of the American National Red Cross was of such importance to the Government and people of the United States and to the preservation of the dignity of all human beings that provision should be made for its operation under such grant of authority and such Government supervision as would impart official status and thus invite the confidence and support of all the people, but that, to preserve and safeguard its impartial, nonpolitical character, it should carry out its duties solely by means of the voluntary contributions of funds and services by the people; and

Whereas the present American Red Cross membership of over 23 million, the record during the past half century of voluntary contributions totaling more than $2,350,000,000 and countless billions of hours of selfless Red Cross volunteer service, all devoted to the mitigation of human suffering in every country of the world, attests to the accomplishment of the intended purposes of the Congress: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress extend its greetings and felicitations to all the members of the American National Red Cross on the occasion of its 75th anniversary, express to them its appreciation for their services to humanity, and urge the continued voluntary participation by the American people in the work entrusted to the organization by the Congress and the Government.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PAYMENT TO CROW INDIAN TRIBE FOR TRANSFER OF RIGHT-OF-WAY FOR YELLOWTAIL DAM AND RESERVOIR, MONTANA-WYOMING

The Clerk called the joint resolution (H. J. Res. 516) for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam and Reservoir Hardin unit, Missouri River Basin project, Montana-Wyoming.

There being no objection, the Clerk read the resolution, as follows:

Whereas Yellowtail Dam and Reservoir were authorized for construction by the Secretary of the Interior under the provisions of section 9 (a) of the Flood Control Act of 1944 (58 Stat. 887), for power production,

irrigation, flood control, and other conservation purposes; and

Whereas under appropriations by the Congress, the Secretary of the Interior, through the Bureau of Reclamation, has expended more than $2,500,000 for investigations and preparation of preliminary plans and designs for Yellowtail Dam as a part of the Hardin unit, Missouri River Basin project; and

Whereas three Secretaries of the Interior have found Yellowtail Dam feasible from an economic, financial, and engineering standpoint, and recommended the appropriation of funds to initiate its construction; and

Whereas the Congress, on the recommendation of its Appropriations Committees, in the Public Works Appropriation Act for fiscal year 1956, included an allocation of $4 million to initiate construction of Yellowtail Dam in the construction and rehabilitation funds for the Bureau of Reclamation, Department of the Interior; and

Whereas the President of the United States on July 15, 1955, signed into law the Public Works Appropriation Act, 1956, including funds for initiation of Yellowtail Dam construction and the Bureau of the Budget subsequently approved recommendations of the Department of the Interior for the apportionment of funds under the reclamation program for fiscal year 1956 to initiate said construction; and

Whereas the President has recommended in the fiscal year 1957 budget an additional $10,850,000 to continue construction of Yellowtail Dam, thus giving additional sanction to the previous action of the Congress in this respect; and

Whereas the Bureau of Reclamation and the Bureau of Indian Affairs had recommended, and the Department of the Interior had approved, an appraisal of $1,500,000 as the fair value of approximately 7,000 acres of land under the Crow Indian Reservation required for right-of-way for Yellowtail Dam and Reservoir; and

Whereas the Crow Indian Tribal Council on September 16, 1955, adopted a resolution proposing that the Crow Tribe be paid an annual rental of $1 million for a period of 50 years for the Yellowtail Dam right-of-way, after which ownership of the dam and powerplant would revert to tribal ownership, which resolution was subsequently rescinded; and

Whereas the Crow Tribal Council, by resolution No. 63 adopted on January 12, 1956, on the basis of a recommendation of its consulting engineer, set the value of Crow Indian land for Yellowtail Dam and Reservoir right-of-way and offered to dispose of some to the United States for $5 million, stipulating that the Crow Tribal Council should retain mineral and recreation facility rights in the area; and

Whereas the Supreme Court in an opinion handed down January 23, 1956, held in the case of United States against Twin City Power Co. that the Government was not required to pay for undeveloped power-site values in acquiring land for hydroelectric developments; and

Whereas lands in Indian tribal ownership have heretofore been recognized as in category different from that of privately owned lands, as illustrated by the approval by the Federal Power Commission and the Secretary of the Interior of substantial compensation to the Flathead Indian Tribe for the use of lands in Montana required in construction and operation of Kerr project on the Flathead River. In this instance by a license granted the Montana Power Co., the Federal Power Commission fixed the amount to be paid as compensation for the use of Flathead Indian tribal lands over a period of 20 years at $2,929,000; and

Whereas these as well as all other construction costs of power facilities, whether Federal or private, are passed on to the consumers through rates fixed under Federal or State laws; and

Whereas the economic and financial feasibility of the Yellowtail Dam development will be maintained primarily from power revenues notwithstanding the estimated increased costs due to higher valuation of the rights-of-way asked by the Crow Indians; and

Whereas there are urgent requirements for additional hydroelectric power to meet the expanding demands in eastern Montana, Wyoming, North Dakota, and elsewhere, served by the Missouri River Basin Public Power System of the Bureau of Reclamation as well as for irrigation pumping: Now, therefore, be it

Resolved, etc., That the Secretary of the Interior be authorized and directed to accept the offer of the Crow Tribal Council in its resolution No. 63, of January 11, 1956, and pay to the Crow Tribal Council, for distribution to the individual members of the Crow Tribe as they may elect, not to exceed in the aggregate the sum of $5 million: *Provided*, That approximately 30 percent of the qualified members of the Crow Tribe shall, within 30 days after the passage of this joint resolution, agree in writing by such means as the Secretary shall prescribe to grant the United States, on behalf of the Secretary of the Interior, right of entry to the Yellowtail Dam site and permit the Secretary of the Interior, through the Bureau of Reclamation, to carry on such activities as are necessary to initiate construction of the dam.

SEC. 2. The Crow Tribal Council, or the qualified individual members of the Crow Tribe, shall join in consenting to the conveyance to the United States of all rights (excepting minerals), title, and interest in said lands required for the Yellowtail Dam right-of-way which are in Indian ownership.

SEC. 3. Payment in cash or in such form as the Tribal Council may elect to carry out the direction set forth in this joint resolution shall be made by the Secretary of the Interior with the least possible delay.

SEC. 4. There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this act: *Provided*, That for the protection of the Crow Indians, fees and expenses of counsel for the Crow Indian Tribe in connection with the settlement of claims related to Yellowtail Dam rights-of-way shall be fixed by the Secretary of the Interior and in no event shall exceed 1 percent of the net amount paid under authority of this resolution.

With the following committee amendments:

Strike out all after the enacting clause and insert in lieu thereof the following: "That from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, to be available in accordance with the act of June 20, 1936 (49 Stat. 1543), the sum of $1,500,000 as just compensation for the transfer to the United States as herein provided of the right, title, and interest of the Crow Tribe in and to certain tribal lands required for the construction, operation, and maintenance of the Yellowtail unit, Missouri River Basin project.

"SEC. 2. (a) Subject to the provisions of this section, there is hereby transferred to the United States the right, title, and interest of the Crow Tribe in and to lands situated in Big Horn County, Mont., hereinafter described under the headings 'Parcel A' and 'Parcel B' and in and to such lands, additional to parcels A and B, as the Secretary of the Interior, hereinafter referred to as the Secretary, determines to be required for the construction thereon of minimum, basic recreational facilities for the accommodation of the public visiting the Yellowtail unit.

"PARCEL A

"Lots 7, 8, 9, 10, 11, and 12, northeast quarter of the southwest quarter and the east half of the southeast quarter of section 18; lots 1, 2, 3, 4, 5, and 6, the southwest quarter of the northeast quarter, southeast quarter of the northwest quarter, and the northeast quarter of the southwest quarter of section 19, all in township 6 south, range 31 east, Montana principal meridian, and containing 573.84 acres, more or less.

"A tract of unsurveyed, unallotted Indian land described as follows: Beginning on the westerly side of the Big Horn River at a point on the west line of lot 9, section 18, township 6 south, range 31 east, Montana principal meridian, said point being at elevation 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the east line of the southeast quarter of the northeast quarter of section 22, township 6 south, range 30 east, Montana principal meridian; thence southerly along the east line of said southeast quarter of the northeast quarter to a point on the east line of said southeast quarter of the northeast quarter, whose elevation is 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the south boundary of the Crow Indian Reservation on the westerly side of the Big Horn River; thence easterly along the said south boundary of the Crow Indian Reservation to a point of intersection with the middle of the thread of the Big Horn River; thence running upstream along the middle of the thread of the Big Horn River to a point of intersection with the south line of township 9 south, range 28 east, Montana principal meridian; thence easterly along the south line of said township 9 south, range 28 east, to a point on the south line of said township 9 south, range 28 east, Montana principal meridian, whose elevation is 3,675 feet; thence running downstream along a contour line whose elevation is 3,675 to a point of intersection with the west line of township 6 south, range 31 east, Montana principal meridian; thence northerly along the west line of said township 6 south, range 31 east, to the point of beginning, and containing 4,771.6 acres, more or less.

"Also, a parcel of land lying along the south boundary of the Crow Indian Reservation, further described as follows: Beginning at a point where the 3,675-foot contour to the left of the Big Horn River intersects the south boundary of the Crow Indian Reservation, said point being approximately 5,400 feet westerly of the point of intersection of the Big Horn River and the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence running easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 5.7 acres, more or less.

"Also, a parcel of land lying along the south boundary of the Crow Indian Reservation and along Hoodoo Creek further described as follows: Beginning at a point on the south boundary of the Crow Indian Reservation where the 3,675-foot contour on the east bank of Hoodoo Creek intersects the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to its intersection with the middle of the thread of Hoodoo Creek; thence running downstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 1.3 acres, more or less.

"The total area above described is 5,352.44 acres, more or less, situated in Big Horn County, Mont.

"PARCEL B

"Lots 1, 5, and 6 of section 18, lots 4, 6, 7, and 8, and the south half of the northwest quarter of section 17, lots 6 and 7, section 16, all in township 6 south, range 31 east, Montana principal meridian, containing 325.50 acres, more or less, and situated in Big Horn County, Mont.

"(b) There is reserved from the right, title, and interest transferred as to parcel B, the Indian Irrigation Service canal and appurtenant facilities, Big Horn unit, Crow Indian Irrigation Department, as now constructed or as they may be hereafter modified, until such time as said canal and appurtenant facilities may be replaced.

"(c) Except as to such area as the Secretary determines to be required for the dam site and the construction and operating camp site, the right, title, and interest transferred shall be exclusive of the rights to minerals, including gas and oil, beneath the surface: *Provided,* That no permit, license, lease or other document covering the exploration for or the extraction of such minerals shall be granted by or under the authority of the Secretary except under such conditions and with such stipulations as the Secretary deems adequate to protect the interests of the United States in the construction, operation, maintenance and use of the Yellowtail unit.

"(d) The members of the Crow Tribe shall have the right to hunt and fish in and on the Yellowtail Reservoir and its shoreline, subject, however, to regulations, in the interests of conservation and proper operation, governing the corresponding use by members of the public generally.

"SEC. 3. Unless suit to determine whether an additional amount to that specified in section 1 hereof is due as just compensation is brought in the Court of Claims by the Crow Tribe within 3 years after the effective date of this joint resolution, the sum provided by section 1 hereof shall constitute full, complete and final settlement of any and all claims by the tribe on account of the transfer to the United States as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof. In the event of such suit, the court shall have jurisdiction as under section 1505, title 28, United States Code, and in determining just compensation shall take into account the sum specified in section 1 hereof and the rights reserved to the tribe by subsections (b), (c), and (d) of section 2 hereof. The amount embraced in such judgment, if any, as may be entered against the United States shall be deposited in the Treasury to be available in like manner as the sum specified in section 1 hereof. Review of the judgment entered shall be in the same manner, and subject to the same limitations, as govern in the case of other claims cognizable under the aforementioned section 1505."

Strike out all of the preamble.

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

The title was amended so as to read: "A joint resolution for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming."

Mr. ROGERS of Texas. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (S. J. Res. 135), a resolution similar to House Joint Resolution 516.

The SPEAKER pro tempore. Does the gentleman from Texas mean in lieu of the House resolution?

Mr. ROGERS of Texas. Yes, Mr. Speaker.

By unanimous consent, the proceedings whereby House Joint Resolution 516 was passed were vacated.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Whereas Yellowtail Dam and Reservoir were authorized for construction by the Secretary of the Interior under the provisions of section 9 (a) of the Flood Control Act of 1944 (58 Stat. 887), for power production, irrigation, flood control, and other conservation purposes; and

Whereas under appropriations by the Congress, the Secretary of the Interior, through the Bureau of Reclamation, has expended more than $2,500,000 for investigations and preparation of preliminary plans and designs for Yellowtail Dam as a part of the Hardin unit, Missouri River Basin project; and

Whereas three Secretaries of the Interior have found Yellowtail Dam feasible from an economic, financial, and engineering standpoint and recommended the appropriation of funds to initiate its construction; and

Whereas the Congress, on the recommendation of its Appropriations Committees, in the Public Works Appropriation Act for fiscal year 1956, included an allocation of $4 million to initiate construction of Yellowtail Dam in the construction and rehabilitation funds for the Bureau of Reclamation, Department of the Interior; and

Whereas the President of the United States on July 15, 1955, signed into law the Public Works Appropriation Act, 1956, including funds for initiation of Yellowtail Dam construction and the Bureau of the Budget subsequently approved recommendations of the Department of the Interior for the apportionment of funds under the reclamation program for fiscal year 1956 to initiate said construction; and

Whereas the President has recommended in the fiscal year 1957 budget an additional $10,850,000 to continue construction of Yellowtail Dam, thus giving additional sanction to the previous action of the Congress in this respect; and

Whereas the Bureau of Reclamation and the Bureau of Indian Affairs had recommended, and the Department of the Interior had approved, an appraisal of $1,500,000 as the fair value of approximately 7,000 acres of land under the Crow Indian Reservation required for right-of-way for Yellowtail Dam and Reservoir; and

Whereas the Crow Indian Tribal Council on September 16, 1955, adopted a resolution proposing that the Crow Tribe be paid an annual rental of $1 million for a period of 50 years for the Yellowtail Dam right-of-way, after which ownership of the dam and powerplant would revert to tribal ownership, which resolution was subsequently rescinded; and

Whereas the Crow Tribal Council, by resolution No. 63 adopted on January 12, 1956, on the basis of a recommendation of its consulting engineer, set the value of Crow Indian land for Yellowtail Dam and Reservoir right-of-way and offered to consent to the transfer of same to the United States for $5 million, stipulating that the Crow Tribal Council should retain mineral and recreation facility rights in the area; and

Whereas the Supreme Court in an opinion handed down January 23, 1956, held in the case of United States against Twin City Power Co. that the Government was not required to pay for undeveloped power site values in acquiring land for hydroelectric developments; and

Whereas lands in Indian tribal ownership have heretofore been recognized as in category different from that of privately owned lands, as illustrated by the approval by the Federal Power Commission and the Secretary of the Interior of substantial compensation to the Flathead Indian Tribe for the use of lands in Montana required in construction and operation of Kerr project on the Flathead River. (In this instance by a license granted the Montana Power Co. the Federal Power Commission fixed the amount to be paid as compensation for the use of Flathead Indian tribal lands over a period of 20 years at $2,929,000); and

Whereas these as well as all other construction costs of power facilities, whether Federal or private, are passed on to the consumers through rates fixed under Federal or State laws; and

Whereas the economic and financial feasibility of the Yellowtail Dam development will be maintained primarily from power revenues notwithstanding the estimated increased costs due to higher valuation of the rights-of-way asked by the Crow Indians; and

Whereas there are urgent requirements for additional hydroelectric power to meet the expanding demands in eastern Montana, Wyoming, North Dakota, and elsewhere, served by the Missouri River Basin public power system of the Bureau of Reclamation as well as for irrigation pumping: Now, therefore, be it

Resolved, etc., That the Secretary of the Interior (hereinafter referred to as the "Secretary") be authorized and directed to accept the offer of the Crow Tribal Council, acting on behalf of the Crow Indian Tribe, in its resolution No. 63 of January 11, 1956, as clarified with respect to recreational and related purposes by its resolution No. 70 of February 18, 1956, for the payment of $5 million for consent to and the transfer of right-of-way required for the construction and operation of Yellowtail Dam and Reservoir, out of funds appropriated to the Bureau of Reclamation, Department of the Interior, and allocated to the Missouri River Basin project: *Provided,* That the right of entry to the Yellowtail Dam site to permit the said Secretary, through the Bureau of Reclamation, to initiate and carry on construction, and operation and maintenance of the dam shall not be conditioned on the consummation of the transfer of the interest herein referred to in this joint resolution.

SEC. 2. The Crow Tribal Council, or the qualified individual members of the Crow Tribe, as the Secretary may determine is required, shall consent to the conveyance to the United States of all rights (except mineral, including oil and gas), title and interest in said lands required for the Yellowtail Dam and Reservoir right-of-way described in said tribal resolution No. 63: *Provided,* That in the exercise of such mineral rights and of the recreational and related purposes referred to in section 1 of this resolution there shall be no interference with the construction or operation of the dam and reservoir.

SEC. 3. There shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, the sum of $5 million set forth in section 1 of this resolution as just compensation for the transfer to the United States as herein provided of the right, title, and interest of the Crow Tribe in and to the certain tribal lands required for the construction, operation, and maintenance of the Yellowtail unit, Missouri River Basin project. The Secretary, with the cooperation of the Crow Tribe of Indians, shall proceed with all dispatch possible to carry out the provisions of this resolution to the end that construction of Yellowtail Dam shall be initiated promptly: *Pro-*

vided, That for the protection of the Crow Indians, fees and expenses of counsel for the Crow Indian Tribe in connection with the settlement of claims related to Yellowtail Dam right-of-way shall be approved by the Secretary of the Interior and in no event shall exceed 1 percent of the net amount paid under authority of this resolution.

Mr. ROGERS of Texas. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Texas: Strike out all after the enacting clause of Senate Joint Resolution 135 and insert the provision of House Joint Resolution 516 as agreed to:

"That from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, to be available in accordance with the act of June 20, 1936 (49 Stat. 1543), the sum of $1,500,000 as just compensation for the transfer to the United States as herein provided of the right, title, and interest of the Crow Tribe in and to certain tribal lands required for the construction, operation, and maintenance of the Yellowtail unit, Missouri River Basin project.

"SEC. 2. (a) Subject to the provisions of this section, there is hereby transferred to the United States the right, title, and interest of the Crow Tribe in and to lands situated in the Big Horn County, Mont., hereinafter described under the headings "Parcel A" and "Parcel B" and in and to such lands, additional to parcels A and B, as the Secretary of the Interior, hereinafter referred to as the Secretary, determines to be required for the construction thereon of minimum basic recreational facilities for the accommodation of the public visiting the Yellowtail unit.

"PARCEL A

"Lots 7, 8, 9, 10, 11, and 12, northeast quarter of the southwest quarter and the east half of the southeast quarter of section 18; lots 1, 2, 3, 4, 5, and 6, the southwest quarter of the northeast quarter, southeast quarter of the northwest quarter, and the northeast quarter of the southwest quarter of section 19, all in township 6 south, range 31 east, Montana principal meredian, and containing 573.84 acres, more or less.

"A tract of unsurveyed, unallotted Indian land described as follows: Beginning on the westerly side of the Big Horn River at a point on the west line of lot 9, section 18, township 6 south, range 31 east, Montana principal meridian, said point being at elevation 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the east line of the southeast quarter of the northeast quarter of section 22, township 6 south, range 30 east, Montana principal meridian; thence southerly along the east line of said southeast quarter of the northeast quarter to a point on the east line of said southeast quarter of the northeast quarter, whose elevation is 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the south boundary of the Crow Indian Reservation on the westerly side of the Big Horn River; thence easterly along the said south boundary of the Crow Indian Reservation to a point of intersection with the middle of the thread of the Big Horn River; thence running upstream along the middle of the thread of the Big Horn River to a point of intersection with the south line of township 9 south, range 28 east, Montana principal meridian; thence easterly along the south line of said township 9 south, range 28 east, to a point on the south line of said township 9 south, range 28 east, Montana principal meridian, whose elevation is 3,675 feet; thence running downstream along a contour line whose elevation is 3,675 to a point of intersection with the west line of township 6 south, range 31 east, Montana principal meridian; thence northerly along the west line of said township 6 south, range 31 east, to the point of beginning, and containing 4,771.6 acres, more or less.

"Also, a parcel of land lying along the south boundary of the Crow Indian Reservation, further described as follows: Beginning at a point where the 3,675-foot contour to the left of the Big Horn River intersects the south boundary of the Crow Indian Reservation, said point being approximately 5,400 feet westerly of the point of intersection of the Big Horn River and the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence running easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 5.7 acres, more or less.

"Also, a parcel of land lying along the south boundary of the Crow Indian Reservation and along Hoodoo Creek further described as follows: Beginning at a point on the south boundary of the Crow Indian Reservation where the 3,675-foot contour on the east bank of Hoodoo Creek intersects the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to its intersection with the middle of the thread of Hoodoo Creek; thence running downstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 1.3 acres, more or less.

"The total area above described is 5,352.44 acres, more or less, situated in Big Horn County, Mont.

"PARCEL B

"Lots 1, 5, and 6 of section 18, lots 4, 6, 7, and 8, and the south half of the northwest quarter of section 17, lots 6 and 7, section 16, all in township 6 south, range 31 east, Montana principal meridian, containing 325.50 acres, more or less, and situated in Big Horn County, Mont.

"(b) There is reserved from the right, title, and interest transferred as to parcel B, the Indian Irrigation Service canal and appurtenant facilities, Big Horn unit, Crow Indian Irrigation Department, as now constructed or as they may be hereafter modified, until such time as said canal and appurtenant facilities may be replaced.

"(c) Except as to such area as the Secretary determines to be required for the dam site and the construction and operating camp site, the right, title and interest transferred shall be exclusive of the rights to minerals, including gas and oil, beneath the surface: *Provided*, That no permit, license, lease, or other document covering the exploration for or the extraction of such minerals shall be granted by or under the authority of the Secretary except under such conditions and with such stipulations as the Secretary deems adequate to protect the interests of the United States in the construction, operation, maintenance and use of the Yellowtail unit.

"(d) The members of the Crow Tribe shall have the right to hunt and fish in and on the Yellowtail Reservoir and its shoreline, subject, however, to regulations, in the interests of conservation and proper operation, governing the corresponding use by members of the public generally.

"SEC. 3. Unless suit to determine whether an additional amount to that specified in section 1 hereof is due as just compensation is brought in the Court of Claims by the Crow Tribe within 3 years after the effective date of this joint resolution, the sum provided by section 1 hereof shall constitute full, complete, and final settlement of any and all claims by the tribe on account of the transfer to the United States as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof. In the event of such suit, the court shall have jurisdiction as under section 1505, title 28, United States Code and in determining just compensation shall take into account the sum specified in section 1 hereof and the rights reserved to the tribe by subsections (b), (c), and (d) of section 2 hereof. The amount embraced in such judgment, if any, as may be entered against the United States shall be deposited in the Treasury to be available in like manner as the sum specified in section 1 hereof. Review of the judgment entered shall be in the same manner, and subject to the same limitations, as govern in the case of other claims cognizable under the aforementioned section 1505."

Amend the title so as to read: "Joint resolution for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming."

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Texas [Mr. ROGERS].

The amendment was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time and passed.

The title was amended so as to read: "A joint resolution for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming."

A motion to reconsider was laid on the table.

A similar resolution (H. J. Res. 516) was laid on the table.

IMPOUNDING OF MAIL IN CERTAIN CASES

The Clerk called the bill (H. R. 9842) to authorize the Postmaster General to hold and detain mail for temporary periods in certain cases.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) whenever the Postmaster General shall determine during proceedings before him that in the administration of the act of August 16, 1950 (39 U. S. C. 259a), such action is necessary to the effective enforcement of such act, he may enter an interim order directing that mail addressed to any person be held and detained by the postmaster at the post office of delivery for a period of 20 days from the effective date of such order. Notice of such order, advising such person of the holding and detention and setting forth in specific detail the reasons therefor, together with a copy of this act, and the aforesaid act of August 16, 1950, shall be sent forthwith by registered or certified mail to such person at the post office at which such mail is to be held and detained. Any such order for the holding and detention of mail addressed to any person shall expire at the end of the 20 days after the issuance thereof unless the Postmaster General shall file, prior to the expiration of such 20-day period, a petition in the United States district court for the district in which the post office in which such mail is held or detained is situated, for an order

directing that mail addressed to such person be held and detained for such further period as the court shall determine. Notice of the filing of any such petition shall be given forthwith by the clerk of the court in which such petition is filed to such person, who shall have 5 days in which to appear and show cause why such order should not issue. If, upon all the evidence before it, the court shall determine that the continued withholding and detention of mail addressed to such person is reasonable and necessary to the effective enforcement of the act of August 16, 1950, it shall forthwith issue an order directing that mail addressed to such person be held and detained by the postmaster at the office of delivery until conclusion of the proceeding by the Postmaster General or until further order of the court. If the court shall determine, upon all the evidence before it, that the continued withholding and detention of mail addressed to such person is not reasonable or necessary in the administration of such act, it shall dismiss the petition and order all mail addressed to such person held or detained in any post office to be released forthwith for delivery. An appeal from the order of the court shall be allowed as in civil causes. Any order of the Postmaster General or of the district court, under this act, may be dissolved by such court at any time for cause, including failure to conduct expeditiously the proceedings instituted against such person before the Postmaster General with respect to the act of August 16, 1950 (39 U. S. C. 259a). When, under any order herein authorized to be issued by the Postmaster General or the district court, a person's mail is detained and held by the postmaster at the office of delivery, such person shall have the right to examine said mail and receive such mail as clearly is not connected with the alleged unlawful activity.

(b) As used in this act the term "person" means any individual, firm, corporation, company, partnership, or association.

(c) Action by the Postmaster General in issuing the interim order provided for herein and petitioning for a continuance of such order under this act, shall not be subject to the requirements of the Administrative Procedure Act (ch. 19, title 5, U. S. C.).

With the following committee amendments:

Page 2, line 3, after "registered", insert "or certified."

Page 2, line 16, strike out the word "who" and insert in lieu thereof "at the post office at which the mail is being detained (or otherwise as the clerk of the court shall determine to be appropriate), and such person."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFERRING CERTAIN PUBLIC LANDS IN THE STATE OF NEVADA TO THE CITY OF HENDERSON, NEV.

The Clerk called the bill (S. 2267) to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior shall issue to the city of Henderson, Nev., upon the payment by the city into the Treasury of the United States, not more than 5 years after the Secretary has notified the city of the purchase price, of an amount equal to the fair market value of the lands to be conveyed as determined by the Secretary upon the appraisal of those lands, a patent for the following-described lands, situated in the State of Nevada and comprising approximately 6,859 acres (all range references are to the Mount Diablo base and meridian):

(1) All of sections 2, 3, 4, and 24, township 22 south, range 62 east.

(2) All of section 33, township 21 south, range 63 east.

(3) The east half of section 8; the east half of section 17; east half of section 20; west half of section 21; the east half and the northwest quarter of section 28; all of sections 30, 31, 32; all in township 22 south, range 63 east.

SEC. 2. The conveyance authorized by this act shall be made subject to any existing valid claims against the lands described in the first section of this act, and to any reservations necessary to protect continuing uses of those lands by the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COLVILLE INDIAN RESERVATION, WASH.

The Clerk called the bill (H. R. 7190) restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the undisposed-of lands of the Colville Indian Reservation, Wash., dealt with by the act of March 22, 1906 (43 Stat. 80), are hereby restored to tribal ownership to be held in trust by the United States to the same extent as all other tribal lands on the existing reservation, subject to any existing valid rights.

SEC. 2. For the purpose of effecting land consolidations between the Colville Indians and non-Indians in Ferry and Okanogan Counties, the Secretary of the Interior is hereby authorized, with the consent of the tribal council as evidenced by a resolution adopted in accordance with the constitution and bylaws of the tribe, under such regulations as he may prescribe, sell tribal lands in connection with the acquisition of lieu lands, and to acquire through purchase, exchange, or relinquishment, lands or any interest in lands, water rights, or surface rights. The acquisition of lands pursuant to this act shall be limited to lands within the boundary of the reservation. Exchanges of lands, including improvements thereon, shall be made on the basis of approximate equal value. This section shall apply equally to trust or other restricted allotments, whether the allottee be living or deceased. In carrying out the provisions of this act, if non-Indian lands are involved the board of county commissioners of counties in which land is located shall by proper resolution consent before such non-Indian land is acquired for the tribe or an individual Indian. No lands or interests in lands owned by the Confederated Tribes of the Colville Reservation shall be subject to disposition hereafter without the consent of the duly authorized governing body of the tribes, and no lands or interests in lands shall be acquired for the tribes without the consent of the said governing body.

SEC. 3. Title to lands or any interest therein acquired pursuant to this act shall be taken in the name of the United States of America in trust for the tribe or individual Indian and shall be nontaxable as other tribal and allotted trust Indian lands of the Colville Reservation.

SEC. 4. The agreement entered into by the Confederated Tribes of the Colville Reservation and Okanogan and Ferry Counties of the State of Washington on April 21, 1954, is hereby ratified and approved.

With the following committee amendments:

Page 1, line 5, strike the figure "43" and insert the figure "34."

Page 2, line 4, strike the word "sell" and insert the words "to sell or exchange."

Page 2, lines 11 to 13, strike the sentence reading:

"This section shall apply equally to trust or other restricted allotments, whether the allottee be living or deceased."

Page 3, following line 6, add the following new section:

"SEC. 5. The Business Council of the Confederated Tribes of the Colville Reservation shall, in accordance with resolution numbered 1955–33, dated April 8, 1955, of the Colville Business Council, submit to the Secretary of the Interior within 5 years from the date of enactment of this act proposed legislation providing for the termination of Federal supervision over the property and affairs of the Confederated Tribes and their members within a reasonable time after the submission of such proposed legislation."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PIPESTONE NATIONAL MONUMENT IN MINNESOTA

The Clerk called the bill (H. R. 8225) to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to add to the Pipestone National Monument such part of the Pipestone school reserve, not exceeding 250 acres, as he deems necessary to protect archeological remains, to acquire by purchase or condemnation not exceeding 10 acres of non-Federal land, as he deems necessary to improve the boundary and administration of the Pipestone National Monument Federal land, and to redefine the exterior boundaries of the Pipestone National Monument to include the lands so transferred and acquired pursuant to this act. All lands added to the Pipestone National Monument pursuant to this act shall be subject to the provisions of sections 2 and 3 of the act of August 25, 1937 (50 Stat. 804).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAYMENT OF OPERATION AND MAINTENANCE CHARGES ON CERTAIN PUEBLO INDIAN LANDS

The Clerk called the bill (H. R. 9207) to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the act of August 27, 1935 (49 Stat. 887), as

amended by section 5 of the act of June 20, 1938 (52 Stat. 779), and by the act of April 24, 1946 (60 Stat. 121), authorizing the Secretary of the Interior to provide by agreement with the Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, for the payment of operation and maintenance charges on newly reclaimed Pueblo Indian lands and lands purchased by the United States by virtue of the act of June 7, 1924 (43 Stat. 636), as amended, for certain Pueblo Indians, are hereby extended for an additional period of 10 years to 1965.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND HELD IN TRUST FOR SEMINOLE INDIANS

The Clerk called the bill (H. R. 9451) to provide that certain lands shall be held in trust for the Seminole Indians and to provide that certain lands shall be designated as a reservation for Seminole Indians.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the equitable title to the lands and interests in lands together with the improvements thereon, acquired by the United States under authority of title II of the National Industrial Recovery Act, approved June 16, 1933 (48 Stat. 200), the Emergency Relief Appropriation Act of 1935, approved April 8, 1935 (49 Stat. 115), and section 55 of the act entitled "An act to amend the Agricultural Adjustment Act, and for other purposes," approved August 24, 1935 (49 Stat. 750, 781), administrative jurisdiction over which was transferred from the Secretary of Agriculture to the Secretary of the Interior by Executive Order No. 7868, dated April 15, 1938, is hereby conveyed to the Seminole Tribe of Indians in the State of Florida, and such lands and interests are hereby declared to be held by the United States in trust for the Seminole Tribe of Indians in the State of Florida in the same manner and to the same extent as other land held in trust for such tribe.

SEC. 2. The lands declared to be held in trust for the Seminole Tribe of Indians in the State of Florida under the first section of this act and all lands which have been acquired by the United States for the Seminole Tribe of Indians in the State of Florida under authority of the act entitled "An act to conserve and develop Indian lands and resources; to extend to Indians the right to form business and other organizations; to establish a credit system for Indians; to grant certain rights of home rule to Indians; to provide for vocational education for Indians; and for other purposes" approved June 18, 1934 (48 Stat. 984), are hereby declared to be a reservation for the use and benefit of such Seminole Tribe in Florida.

SEC. 3. Nothing in this act shall deprive any Indian of any individual right, ownership, right of possession, or contract right he may have in any land or interest in land referred to in this act.

With the following committee amendment:

Page 2, line 5, after "1938", insert "for the use of the Seminole Tribe."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. That completes the call of the Consent Calendar today.

AMENDING THE FEDERAL AID TO WILDLIFE RESTORATION ACT AS AMENDED

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5790) to amend the Federal Aid to Wildlife Restoration Act, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 8 (a), added by the act of August 18, 1941 (55 Stat. 631), to the act of September 2, 1937 (50 Stat. 917), entitled "An act to provide that the United States shall aid the States in wildlife restoration projects, and for other purposes", as amended, is further amended by deleting therefrom the words and figures reading "not exceeding $25,000 for Hawaii", and inserting in lieu thereof the words and figures "not exceeding $50,000 for Hawaii".

With the following committee amendments:

Section 2 of the Federal Aid in Wildlife Restoration Act of September 2, 1937 (50 Stat. 917; 16 U. S. C., 1952 ed., sec. 669a) is amended by striking out the period at its end and inserting in lieu thereof a semicolon and the words "and the term 'State' shall be construed to mean and include the several States and the Territory of Hawaii."

SEC. 2. Section 8 (a) of said act, as added by the act of August 18, 1941 (55 Stat. 632) and amended by the act of August 3, 1950 (64 Stat. 399; 16 U. S. C., 1952 ed., sec. 669g–1), is amended (i) by striking out the words "the Division of Game and Fish of the Board of Commissioners of Agriculture and Forestry of Hawaii,", (ii) by striking out the words "not exceeding $25,000 for Hawaii,", and (iii) by striking out the word "Territories" wherever the same appears and inserting in lieu thereof the words "Territory of Alaska".

SEC. 3. Section 2 of the Federal Aid in Fish Restoration Act of August 9, 1950 (64 Stat. 431; 16 U. S. C., 1952 ed., sec. 777a) is amended by striking out the period at its end and inserting in lieu thereof a semicolon and the words "and the term 'State' shall be construed to mean and include the several States and the Territory of Hawaii.".

SEC. 4. Section 12 of said act (64 Stat. 434; 16 U. S. C., 1952 ed., sec. 777k) is amended (i) by striking out the words "the Division of Game and Fish of the Board of Commissioners of Agriculture and Forestry of Hawaii,", (ii) by striking out the words "not exceeding $25,000 for Hawaii,", and (iii) by striking out the word "Territories" wherever the same appears and inserting in lieu thereof the words "Territory of Alaska".

SEC. 5. The amendments made by this act shall be applicable only with respect to fiscal years beginning after the passage of this act. Until the final adjournment of the first regular session of the legislature of the Territory of Hawaii held after the passage of this act, the assent of the Governor of the Territory shall be sufficient for the purposes of the assent requirements set forth in section 1 of said Federal Aid in Wildlife Restoration Act (50 Stat. 917; 16 U. S. C., 1952 ed., sec. 669) and in section 1 of said Federal Aid in Fish Restoration Act (64 Stat. 430; 16 U. S. C., 1952 ed., sec. 777).

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill relating to the application in the Territory of Hawaii of the Federal Aid in Wildlife Restoration Act and the Federal Aid in Fish Restoration Act."

A motion to reconsider was laid on the table.

ESTABLISHMENT OF TROUT HATCHERY IN PISGAH NATIONAL FOREST, N. C.

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9822) to provide for the establishment of a trout hatchery on the Davidson River in the Pisgah National Forest in North Carolina.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior, after consulting with the Secretary of Agriculture, shall establish, equip, operate, and maintain a trout hatchery at an appropriate location on the Davidson River in the Pisgah National Forest, N. C.

SEC. 2. There is hereby authorized to be appropriated the sum of $375,000 to carry out this act.

With the following committee amendment:

Page 1, line 4, after the word "establish," insert "construct."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REDEMPTION OF CERTAIN UNUSED STAMPS

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 5256) to provide for the redemption of certain unused stamps.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the act entitled "An act to supplement and support the Migratory Bird Conservation Act by providing funds for the acquisition of areas for use as migratory bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the enforcement of the Migratory Bird Treaty Act and regulations thereunder, and for other purposes," approved March 16, 1934 (48 Stat. 451), is amended by striking out the last sentence thereof and inserting in lieu thereof the following: "The Postmaster General shall provide by regulations for the redemption on or before the 30th day of June of each fiscal year of any such unused stamps issued for such year which have been sold to retail dealers for resale to their customers and have not been resold by such dealers.".

With the following committee amendments:

Page 1, line 3, strike out all after the enacting clause and insert "That section 1 of the Migratory Bird Hunting Stamp Act of March 16, 1934, as amended by section 1 of the act of June 15, 1935 (49 Stat. 378; 16 U. S. C., 1952 edition, sec. 718a), is hereby amended by striking out the words 'no person over 16 years of age', and by inserting in lieu thereof the words 'no person who has attained the age of 16 years'.

"SEC. 2. The last two sentences of section 2 of said act of March 16, 1934, as amended by section 2 of said act of June 15, 1935 (49 Stat. 379; 16 U. S. C., 1952 edition,, sec. 718b), are hereby amended so as to read as follows: 'Each such stamp shall expire and be void after the 30th day of June next succeeding its issuance. The Postmaster General, pursuant to regulations to be prescribed by him shall provide for the redemption, on or before the 30th day of June of each fiscal year, of blocks composed of two or more attached unused stamps issued for such year that were sold on consignment to retail dealers for resale to their customers and that have not been resold by such dealers. As used in this section, the term "retail dealers" means persons regularly engaged in the business of retailing hunting or fishing equipment, and persons duly authorized to act as agents of a State or political subdivision thereof for the sale of State or county hunting or fishing licenses'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide for the redemption by the Post Office Department of certain unsold Federal migratory-bird hunting stamps, and to clarify the requirements with respect to the age of hunters who must possess Federal migratory-bird hunting stamps."

A motion to reconsider was laid on the table.

FISH HATCHERY AT MILES CITY, MONT.

Mr. BONNER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8810) authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized, to construct, equip, maintain, and operate, a new fish hatchery in the vicinity of Miles City, Mont.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out this act.

With the following committee amendments:

Page 1, line 3, at the end of the line insert "establish."

Page 1, line 4, after the word "equip", strike out "maintain, and."

Page 1, line 4, after the word "operate," insert "and maintain."

Page 1, line 7, after the word "appropriated", strike out "such sums as may be necessary" and insert "the sum of $465,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE LATE CAPT. JOHN SNYDER DELANO, PRESIDENT, AMERICAN PILOTS' ASSOCIATION

Mr. BONNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, it is with a profound sense of loss that I address the House today. This loss is not only a personal one touching many persons, but also a great national loss, particularly to the entire complex that makes up the merchant marine.

I refer to Capt. John Snyder Delano, president, American Pilots Association, to whom death came suddenly in his home on Sunday morning, April 29, while he was discussing ships, his favorite subject, with his good close friend, Rear Adm. Halert C. Shepheard. Captain Delano, affectionately known as Bud to his thousands of friends, suffered a severe stroke not quite a year ago, just before he was to celebrate his 66th birthday and his 50th year as a pilot. A native of Baltimore, he made his way from apprentice in the Association of Maryland Pilots in 1906 to the presidency of the American Pilots Association. So respected was he by the membership of the national association and so valued were his services that he was successively reelected to head the association since 1932, a span of 25 years. He had previously served as president of the Maryland Pilots Association for several terms.

Bud Delano grew up amidst the lore and tradition of the sea. His father, Joseph Delano, was a sea captain. With his family heritage and his youth in the great port of Baltimore, it was inevitable that his career would follow a maritime course.

As a State pilot and head of the American Pilots Association, he was imbued with fierce pride in the long history of the State pilot system, jealously guarded its preservation, and strove constantly ever to increase its service to the trade and commerce of the United States.

When World War II came, Captain Delano led his entire membership and all their facilities into the service of the Nation in its overwhelming overseas war effort. He was justly honored for his wartime service with the Coast Guard when President Truman awarded him the Legion of Merit in 1946.

I will not recite the many organizations devoted to the American merchant marine to which he belonged or the many honors and citations of devoted service which he received during his distinguished career. Suffice it to say that these things signify a vital and dedicated life. As Bud Delano leaves us to continue in a higher service, I am proud to have been his friend. He enriched the lives of all who knew him.

PRIVATE CALENDAR

The SPEAKER pro tempore. Under the previous order of the House the Private Calendar will be called.

ERNEST B. SANDERS

The Clerk called the bill (S. 415) for the relief of Ernest B. Sanders.

Mr. PELLY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ELI E. HOOD

The Clerk called the bill (S. 419) for the relief of Eli E. Hood.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That (a) Eli E. Hood, 5077927, chief boiler tender, United States Navy (retired), is hereby relieved of all liability to the United States for repayment of the whole or any part of the sum of $2,011.24 representing the overpayment of retired pay received by him during the period of June 1942 through June 1954, such payment resulting from the erroneous crediting, through no fault of his own, of service as an enlisted member of the United States Coast and Geodetic Survey, subsequently determined to have been unauthorized in the computation of his retired pay.

(b) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Eli E. Hood an amount equal to such sums as may have been paid by him or deducted from his retired pay, in repayment of such erroneously paid sum: *Provided*, That no part of the amount appropriated in this act shall be paid, or delivered to, or received by, any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provision of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

C. H. BALDWIN

The Clerk called the resolution (H. Res. 438) providing that the bill, H. R. 6893, and all accompanying papers shall be referred to the United States Court of Claims.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 6893) entitled "A bill for the relief of C. H. Baldwin," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient

to inform the Congress of the nature and character of the demand, as a claim legal and equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SEYMOUR ROBERTSON

The Clerk called the bill (H. R. 3532) for the relief of Seymour Robertson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to Seymour Robertson, of Pearl River, N. Y., the sum of $1,269.01. The payment of such sum shall be in full settlement of all claims of the said Seymour Robertson against the United States for loss of compensation incurred by him between April 21, 1944, and November 27, 1944, the period during which he was denied the opportunity to perform service in the field service of the Post Office Department following his discharge from the United States Navy: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OHIO CASUALTY INSURANCE CO.

The Clerk called the bill (H. R. 5591) for the relief of the Ohio Casualty Insurance Co.

Mr. JARMAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

P. R. MARKLEY, INC.

The Clerk called the bill (H. R. 5691) for the relief of P. R. Markley, Inc.

Mr. PELLEY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

MAJ. GEN. JULIUS KLEIN

The Clerk called the bill (H. R. 7835) for the relief of Maj. Gen. Julius Klein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Maj. Gen. Julius Klein, Illinois National Guard (retired) (Army service No. O327822), of Chicago, Ill., be, and he hereby is, relieved of all liability to refund to the United States armory drill and administrative function pay in the sum of $2,204.76 paid to him for services as colonel, Quartermaster Corps, 623d Quartermaster Group, Illinois National Guard, during the period from February 16, 1948, to November 9, 1949. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLYDE R. STEVENS

The Clerk called the bill (H. R. 8041) for the relief of Clyde R. Stevens.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to pay, out of money heretofore made available for the eradication of the disease vesicular exanthema in swine, to Clyde R. Stevens, San Antonio, Tex., the sum of $13,539.06. The payment of such sum shall be in full settlement of all claims of the said Clyde R. Stevens against the United States arising out of the destruction, in January, April, and May of 1953, of swine owned by him because of the infection and exposure of such swine to the contagious disease vesicular exanthema. Such sum represents 50 percent of the amount of losses incurred by the said Clyde R. Stevens by reason of the destruction of such swine, 50 percent of the amount of such losses having been heretofore paid to him by the State of Texas: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

F. M. BRYSON

The Clerk called the bill (H. R. 8867) for the relief of the estate of F. M. Bryson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of F. M. Bryson, Raymond, Ga., who formerly did business as Bryson Planing Mill, the sum of $937.60. The payment of such sum shall be in full settlement of all claims of the estate of F. M. Bryson against the United States on account of the failure of the Small Defense Plants Administration to advise the Bryson Planning Mill of the financial condition of the Wood Specialty Manufacturing Co., Suwanee, Ga., prior to the shipment of lumber to the latter company as directed by the Small Defense Plants Administration: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 11, strike out the word "Planning" and insert the word "Planing."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VINCENT P. SVELNIS

The Clerk called the bill (H. R. 10006) for the relief of Vincent P. Svelnis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Vincent P. Svelnis, Boston, Mass., the sum of $500. Such sum represents reimbursement to the said Vincent P. Svelnis for paying out of his own funds a judgment rendered against him in the courts of the Commonwealth of Massachusetts, arising out of an accident occurring in January 1952, when the said Vincent P. Svelnis was operating a Government vehicle in the course of his duties as an employee of the Post Office Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out the figures and insert in lieu thereof "446."

Page 2, line 3 after the word "Act", strike out "in excess of 10 percent thereof."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HARRY F. FERRY

The Clerk called the bill (H. R. 10013) for the relief of Sfc. Henry F. Ferry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sfc. Henry F. Ferry, Headquarters Detachment, 367th Transportation Battalion (Amphibious Truck), Fort Story, Va., the sum of $638.35, in full satisfaction and final settlement of his claim against the United States for the destruction of his household goods and personal property which were destroyed when the Portuguese flagship, *Vila do Porto*, upon which the property was being shipped from Lisbon, Portugal, to the United States, went aground due to a severe storm and sank on March 20, 1955. The amount of $638.35 is

in addition to the amount of $2,500 already administratively paid to him under the provisions of the Military Personnel Claims Act of 1945, as amended (31 U. S. C. 222c): *Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GOSHEN VENEER CO.

The Clerk called the bill (H. R. 10092) for the relief of the former shareholders of the Goshen Veneer Co., an Indiana corporation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the former shareholders of the Goshen Veneer Co., an Indiana corporation, having its principal place of business at Goshen, Ind., a sum consisting of $75,000, representing the amount reported by the United States Court of Claims to the Congress in response to House Resolution 814, 81st Congress, 2d session (Congressional No. 17865, decided March 2, 1954), in full settlement of their claims against the United States as a result of having lost their business by reason of an overexpansion of its facilities urged and encouraged by the War Department of the United States in anticipation of the requirements of the projected wartime wooden aircraft program and the subsequent abandonment of that program by the War Department before amortization could be effected: *Provided,* That no part of the amounts appropriated in this act in excess of 25 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, after the word "appropriated," strike out the word "to", and insert "Dow M. Gorham, administrator of the estate of Charles E. Gorham, the sum of $12,750; to Dow W. Gorham, administrator of the estate of Nellie A. Gorham, the sum of $2,250; to Elizabeth Dow Snoke, administrator of the estate of Ethel B. Dow, the sum of $21,000; to Elizabeth Dow Snoke, the sum of $3,250; to Barbara Dow Bowen, the sum of $3,250; and to Dow M. Gorham, the sum of $22,500,".

Page 1, line 7, strike out "a sum consisting to $75,000,".

The committee amendments were agreed to.

The Clerk reported the following committee amendment:

Page 2, line 5, strike out "amount" and insert "amounts".

Mr. FORRESTER. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FORRESTER to the committee amendment: Page 2, line 5, strike out "amounts" and insert "amount."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMDR. COOK CLELAND

The Clerk called the bill (H. R. 10191) for the relief of Comdr. Cook Cleland.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cook Cleland, commander, United States Navy, the sum of $435. The payment of such sum shall be in full settlement of all claims of the said Comdr. Cook Cleland against the United States for the payment of five money orders which he purchased on or about September 12, 1942 aboard the United States Steamship *Wasp,* and which were lost, together with all records thereof, when such vessel was sunk by enemy action on September 15, 1942: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELIZABETH SHENEKJI

The Clerk called the bill (H. R. 7702) for the relief of Mrs. Elizabeth Shenekji.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated the sum of $500 to Mrs. Elizabeth Shenekji, 160 Montclair Avenue, Clifton, N. J., in full settlement of all claims against the United States as reimbursement for bond posted for her sister, Samie Safaie, in November 1950, I & NS No. 0300-354051: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent therof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMANENT RESIDENCE TO CERTAIN ALIENS

The Clerk called the resolution (H. Con. Res. 228) approving the granting of the status of permanent residence to certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the Congress approves the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 6 of the Refugee Relief Act of 1953, as amended (67 Stat. 403; 68 Stat. 1044):

A-7294280, Awad, Hazem Issa.
A-7292377, Blumsztajn, Jankiel B.
E-12305, Cabanski, Edmund Stanislaus.
A-9686777, Chan, Gar also known as Gar Ding Chan.
A-6851486, Chang, Irving Beilin.
A-19135387, Chang, Amos Hwei-Cheh.
A-6703345, Chao, Ping Chang also known as Ping Chang.
A-1041758, Chao, Shou-Ting.
A-7921052, Chao, Anna-Shun-Ting.
A-8829313, Chen, Long Wen also known as Robert Chen.
A-6083615, Chen, Yu.
A-6967624, Chen, Hwei Ju Chang.
A-6236867, Chen, James Yu-Ping.
A-6620712, Chen, Marjory Liu.
A-7396904, Chen, Daniel Bo Yen formerly Bo Yen Chen.
A-7390333, Chen, Olivia An Ran (nee Ho).
V-812955, Cen, Shih-Yun (Allen).
A-7247325, Cheng, Ming Tzu.
A-9694636, Cheng, Wan Man.
A-9558812, Chia, Chee.
A-8870665, Chiang, Philomena or Chiang Yu-Ching also known as Sister Margaret Mary.
A-6848448, Chiang, Sing Pao.
A-6848172, Chien, Chien Chih.
0900-76967, Ching, Zee Yah.
A-6986484, Ching-Guee, Shia or Sister Mary Ursula.
A-10141592, Chow, Ching Te.
V-753917, Chu, Wai-Quan Chao.
A-7282145, Chu, Ro Lin Hsiung.
0300-460097, Chu, Sen Sun.
A-10141587, Chuang, Theodore Hsin-I.
A-6422502, Chung, Anthony Chi-Wu.
A-6429288, Chung, Jean.
E-084282, Deutsch, Joseph.
0300-372142, Deutsch, Sprinca or Sprinza Deutsch.
A-7244888, Diller, Izak Jakub also known as Jack Diller.
0300-322285, Dong, Lai Tong.
A-7357115, Dunnous, Jack or Yacoub (Jacob) Isaac Dunnous.
A-8876905, Fabisiak, Jane.
A-8876903, Fabisiak, Arlene.
A-8876904, Fabisiak, Martha.
A-7274363, Feng, Norma nee Wang.
A-7865108, Freund, Leopold.
A-7456034, Fried, Zolton.
A-7837290, Friedman, Efraim.
0300-351008, Friedman, Elizabeth.
A-6794982, Gensel, Aron.
A-6967503, Guee-Lung, Lee or Sister Mary Jordan.
A-7286951, Hegedus, John Steven also known as Janos Jegedus.
A-10141553, Ho, Duane Ying.
A-7299373, Ho, Louis Ting.
A-6642006, Ho, Pei-Shih.
A-7357781, Ho, Peter Wen-T'Sung.
0300-344935, Hoo, Sing Hour.
A-10141544, Huang, Jack Shih-Ta.
A-7414824, Huang, Robert Chi Tong.
A-6285850, Huang, Tsi.
A-6285857, Huang, Soo Mu.
A-6847801, Huang, Teh Cheng.
A-10141539, Hui, Kit Ming.
A-10141566, Hui, Shui Tong.

A–10141567, Hui, Sinclair Shui-Shing.
A–6986479, Hung-Sheng, Wang or Sister Mary Carina.
A–8870667, Hsia, Gau Yueh or Sister Malia.
A–6967610, Hsiang, Wen Cheng or Sister Mary Wendelin.
A–6704369, Hsiao, Shen-Shan also known as William Shen-Shan Hsiao.
A–6848557, Hsu, Chieh-Su.
A–6967722, Jung, Han Yung also known as Sister M. Jacoma.
A–7399687, Junik, Berl.
T–2056002, Kalan, Franc.
T–2056001, Kalan, Stefka.
1536/52, Kalan, Dusan Franc.
1536/53, Kalan, Darko Stefan.
A–10141576, Koo, Benjamin Yee Chieh.
A–6142215, Kuo, Hsing-Kuo.
A–3639250, Kuo, Tse-Chiu.
A–10141757, Kuo, Hsu-Hua King.
V–1525096, Kuofan, Anthony.
A–8870666, Lai, Pao Sui also known as Sister M. Theresa.
0900–57550, Lee, Chang Ling.
0900–45771, Lee, Charlotte Ho.
A–7078187, Lee, Chen-Hsi.
A–10035416, Lee, Wah Hee alias Lee Wah Hee, Leung Fung or Fung Lung.
A–6982265, Lee, Winston Foong-Zung.
0200–86892, Li, Hon Chi.
0300–460546, Li, Shu-Hua.
0300–460547, Li, Wang Wen Tien.
A–7202726, Liang, Yu Bing.
A–6986530, Lien-Ying, Chu or Sister Mary Eugenia.
A–6851676, Lin, Cheng Shan.
A–7274382, Lin, Jean Chen (nee Chih-Ying Chen).
A–7292430, Liu, Chi Kong.
A–7436597, Liu, Joseph Tsu Chieh.
A–6737205, Liu, Pei-Tsing.
A–6976663, Liu, Sheng Kuang.
A–10141632, Liu, Yung-Ling.
A–10141633, Liu, Tung Seng.
A–10141634, Liu, Korbin.
A–6620802, Loh, Wen Ying.
0300–398365, Loo, Jack H., also known as Loo Yee King.
A–8870414, Lu, Wan-Ging.
A–6848570, Lu, Peter Tseng-Li.
A–6986529, Luee-Hsiang, Chow or Sister Mary Francesca.
A–6986564, Ma, Chi Pei.
A–6730632, Ma, James Hsien-Ne.
A–6967747, Min, Chang Wen or Sister Mary Charlene.
A–7295516, Ming-Hsien, Wu or Linga Wu.
A–6959749, Mozes, Abram.
A–8106523, Mozes, Malke.
A–7274536, Nieh, Chung-San.
0200–86445, Nieh, Nicholas Yun-Chuan.
A–6967510, Pan, Hsi Lung.
A–7274523, Pan, Vivian Chang.
A–7913544, Pewzner, Schulim Ber.
0300–464390, Pewzner, Rachael (nee Nenanow).
0946097, Sumarin, Mikhaiovna Klavdia also known as Claudia Gregory.
A–7450208, Samarin, Elena also known as Helen Gregory.
A–7988231, Shao, William Hoyang.
A–6967665, Shen, Dora Chung-Yuin.
0300–468333, Shen, Irene I-Chuan.
0300–468335, Shen, Isabel I-Hsi.
0300–457386, Shen, Victor.
A–7292431, Shew, Bradford Shin formerly Shin Kay Shew.
A–8082801, Shih-Yu-How, Agnes also known as Sister Theresa Shih-Yu-Haw.
A–6986538, Siu-Chen, Yu, or Sister Mary Stephana.
A–7415078, Sung, David Nguah Nyen or Sung Nguah Nyen.
A–7421087, Sung, Eling Waung.
A–7248500, Sung, Rhoda Yun-Yuan.
0300–459558, Szabo, Paul.
A–10141615, Sze, Marian Woo.
A–7367977, Tai, Shih Sheng.
A–7436692, Tan, Li-Te.
A–6923725, Tao, Clinton Wei-Hsun.
A–8227223, Tao, James Fu.
A–8235312, Teitelbaum, Moses.
E–084223, Teitelbaum, Jenny (nee Bergfeld).
A–6567124, Tsao, Yao-Chen.
A–8870436, Tsien, Wei Shiang.
A–6851339, Tso, Tien-Chioh.
A–6986555, Tso, Margaret Yu-Yi Lu.
A–10141601, Twanmo, Chong.
A–10141602, Twanmo, Katty C.
A–6691440, Vogel, Catherine Nai-Yung Chen.
A–6847913, Wang, Hsi-lan.
A–7391681, Wang, Kien Ming or James Kien-Ming Wang.
A–10141616, Wang, Ko Tsan.
A–10141617, Wang, Yu Er.
A–10141618, Wang, Eng Chou.
A–10141619, Wang, Don Cue.
A–10141620, Wang, You Lue.
A–10141549, Wang, Lai-Hsing.
A–7445763, Wang, Rosalind Mei-Lin.
V–1336131, Wang, Sze-Tseng.
A–7992595, Weismann, Eli.
A–6033441, Woo, Ching Chang.
A–8057901, Woo, Jeannette Ewoh Yu.
A–9825135, Wojtal, Stanislaw.
A–2225355, Wong, Tit.
A–7078167, Wu, Cheng-Kang.
A–6980066, Wu, Jen-Pei or Zung-Pah Woo.
A–10141763, Wu, Shang Ying.
A–7143986, Yang, An Tzu.
A–6699853, Yang, David.
A–7285805, Yang, George Chao-Chih.
A–7910949, Yang, Dora Hsi-Chun.
A–6848670, Yang, Jen Tsi.
A–7393985, Yang, David.
A–7393986, Yang, Katherine Louise.
A–6967652, Yang, May also known as Tze-Hsin Yang.
A–7274375, Yao, Lin-En also known as Josephine Yao.
A–6703474, Yeh, Ching Siang Tang Yeh.
A–6855617, Yeh, Pai Tao.
A–6986481, Ying, Cheng Yuin.
E–094700, Yip, Kam Yung.
A–8870669, Yu, You Li also known as Sister Anna.
A–6986531, Yu-Lung, Fan or Sister Mary Fulgence.
A–8153741, Yung-Chang, Chen.
A–8039402, Yurman, Gino.
A–7184186, Bilinska, Helena Marie.
E–096405, Chan, Dai or Chan Dai or Da Chen.
0300–473418, Chan, Siu Yu.
A–4269801, Chan, Kam Shong.
0900–47509, Chan, Yuk Yung.
A–6851306, Chang, Chi.
A–6848661, Chang, Ching Chi.
A–6589870–T, Chang, Franklin Shih-Chuan.
A–7279318, Chang, Grace Dung Lien.
A–7419724, Chang, Huai-Yuan (Sister Mary Chang).
A–6848013, Chang, Shen Chin.
A–6567119, Chang, Mei Ling Wu (nee Wu).
A–6597177, Chang, Shih Yen.
A–10135727, Chang, Pen-Chun.
A–10135728, Chang, Sieu-Tsu.
A–6967614, Chang, Wan-Cheng, married name Wan-Cheng Cheng.
A–10141535, Chang, Yueh-Lien.
A–10141574, Chang, Yai-Nan.
A–10141537, Chang, Joan.
A–7296212, Chao, Julia Shih-Fan Yu.
A–6703343, Chao, Pei Chung.
0300–459052, Chou, Peter.
0300–456580, Chen, Hsiang.
A–6083606, Chen, Hsing Huan.
A–7178953, Chen, Yin Ching.
A–7991926, Chen, Wansu Wu.
A–8010541, Chen, (Frank) Minwei.
A–8010542, Chen, (David) Minwu.
A–8010579, Chen, (Philip) Minkang.
A–8870668, Chen, Tang Hsueh also known as Sister Katherina.
A–8102823, Cheng, Benny Kuo-Bin.
A–6148135, Cheng, Chiu Wan, also known as Wang Cheng Chiu.
A–9578773, Cheng, Chuen.
A–10141533, Cheng, Wen Tao.
A–10141532, Cheng, Lu-I Lee.
A–10141531, Cheng, David Ta-Zun.
A–7874506, Cheng, Pao Hua.
A–7874505, Cheng, Chung Chu.
A–7874504, Cheng, Denis.
E–083251, Cheung, Kai.
0300–460538, Chew, Yee Poh.
0300–433053, Chi, Bo Heng.
A–7445429, Chi, Hu Yu, also known as Yu-Chi Hu Ma, also known as Shirley Hu.
0300–464404, Chi, Madeline.
A–6986526, Chi-Shuang, Li, or Sister Mary Cyril.
A–7910846, Chin, Chung Shun.
A–7096304, Chih, Chung Ying.
E–118625, Chin, Hin.
A–7354752, Chin, Tsuan-Shek.
0300–459149, Ching, Chen Chae.
A–6986536, Ching-Guee, Liu, or Sister Mary Leander.
A–6667194, Chiu, May Helen (nee May Helen Chow).
A–7274544, Cho, Ting-Li.
0300–400853, Chong, Ho, or Cheong Hoo, also known as Ho Chueh.
A–9731876, Chong, Kong, also known as Gong Cheong.
0300–396049, Chong, Tan Yung.
A–10142099, Chou, Te-Chuan.
A–10142100, Chou, Nora Hsi-Feng Chang.
A–7399269, Chow, Junlin Wong.
A–7298960, Chu, Franklin You-Min.
A–6986548, Chu (Victor), Wen-Hwa.
A–9708083, Chuck, Fung.
A–9782837, Chun, Chai Ah.
0300–458951, Deak, Niklas Charles, also known as Nicolas Carol Deak.
A–7193630, Deri, Emery.
A–7927387, Ding, Chang Ah.
0900–50655, Djordjich, Risto.
E–086433, Drumer, Lilly.
A–9920006, Durazinski, Henryk or Henry.
A–6933864, Eisdorfer, David.
A–7244889, Elinowitz, Welwel.
0300–457977, Elusalu, Johannes.
A–7274380, Euyang, Walter, also known as Walter Hwa-Teh Euyang.
0300–456141, Euyang, Clementine Hoo, formerly Clementine Shih-Hwei Hu.
A–7415457, Fan, Hsieh-Sen or Jason Hseih-Sen Fan.
A–7445497, Fan, Catherine Ping-I Chang.
A–6967558, Feng, Tsun-Ying.
E–082591, Fischer, Alexander.
A–7354783, Fu, Ellen Hsiao Yen.
0300–460069, Fucheng, Hsu alias Hsu Cheng now known as Fucheng Hsu.
A–7365726, Ganz, Nisen.
A–6613745, Gfeliner, Theresa (nee Deri).
A–6959744, Giang, Sylvia H. Wu.
A–7444660, Goldstein, Hersh Meilech.
A–8031667, Goldstein, Etel.
A–7860110, Gruman, Kalman.
E–086547, Guttman, Josef.
A–7056939, Gyarmati, Geza.
A–8285615, Hafner, Mozes or Moses.
0300–460251, Han, Ling Chen.
A–6973659, Han, Susan Su-Chin formerly Su-Chin Han.
A–6959722, Han, Yu-Wen.
A–6967491, Ho, Ching-Yu.
A–7435700, Ho Don Tchengton.
A–8258324, Hong, Sheng-Chiao.
A–8829404, Hsia, Mitzie (nee Miau-Tze Chang).
A–10141551, Hsiao, Ching Yuen.
A–10141577, Hsiao, Helen Hui-Ying Yao.
A–10141578, Hsiao, Henry Shih-Han.
A–10141580, Hsiao, Ann Shih-An.
A–10141581, Hsiao, Dorothy Shih-Yi.
A–6849400, Hsiung, Chieh-Chang.
A–6534366, Hsu, Liang.
A–10141762, Hsu, Pao Cheng (Chang).
A–7802663, Huang, Doris Ma.
A–7802664, Huang, Victoria Tze-Fon.
A–7415175, Hsueh, Chia Ying.
0300–341751, Hsueh, Tsung Bei Wei.
A–7056498, Huei, Hsia Shu or Frances Hsia.
A–7383119, Hung, Loretta.
0300–458487, I-Gai, Chung or Ida Djung.
0300–406961, Kam, Chow.
A–7293137, Kao, Lucy Ming-Chu.
A–7244876, Katz, Sandor.

0400–43673, Ke, Ke Chuan or John Koo.
A–8057175, Kee, Tan Seng.
A–6694146, King, Myra Yin Suan.
A–7367998, Ko, Shao-Yen.
0501–20382, Koa, Chi Chang.
0501–20383, Koa, Suzanne S.
A–7247311, Krzyzanowski, Kazimierz (Casimir) John.
A–6877774, Ku, Nien-Tseng.
A–10135396, Ku, Pi-Tuan.
A–7355365, Kwan, Yuk-Ying.
E–118842, Kwei, Whang Ah.
0300–462261, Kwok, Regina, Yin-Han or Ying-Han Wing.
0300–468748, Labocha, Mitchell.
A–3523622, Lan, Yee or Ching Koon Yee.
E–096796, Lau, Tai.
A–7871911, Lee, Blanche.
A–6967505, Lee, Chang Yuan.
A–8189612, Lee, Yuen Hung also known as Yuen Hung Li.
A–6828793, Lee, John Chia-Chin.
A–7289348, Lee, Liang-Shen (Leo).
0300–465467, Lee, Sui Tsung.
A–6737246, Lee, William Ming-Sing alias Ming-Sing Lee or Di-Di Lee.
A–6967336, Lee, Yin Chen.
A–7934383, Lee, Ying.
A–6959876, Leonida, Madelaine (nee Ching Hun-Kao).
A–6682660, Li, Ellen Hui-Chu also known as Hui Chu Li.
A–8103760, Li, Hsioh-Chien.
0300–460977, Li, Ruth Sieh Chuan.
0300–469161, Li, San Chih also known as San Chih Liu.
A–7202751, Li, Stephen Shih-Pu.
A–1014568, Liang, George Kuo-Chi.
A–10141571, Liang, Calvin Kuo-Yuan.
A–10141597, Liang, Eugene Kuo-Yu.
A–10141569, Liang, Helen Kuo-Hu.
A–10141570, Liang, June Kuo-Kiang.
A–7830590, Liang, Paolo Tao Tsun.
A–7362902, Ling, Ming Hui Chang.
E–096458, Ling, Tin Wong.
A–7133230, Ling, Yuen-Hung Mei.
A–7184116, Li-Ting, Tsung or Sister Mary Adria.
A–7860197, Liu, Hao Wen.
A–7293130, Liu, Irene Ssu-Chin now Irene Chi-Ming Hou.
A–6970202, Liu, Julian formerly Chu-Jen Liu.
A–7436598, Loe, Agnes formerly hsiao Chich Loe.
E–10665–T, Loong Yu Cheng.
A–6851637, Lu, Ch'ung Tai.
A–6851635, Lu, Chi-Hui Ching.
A–6973687, Lu, Fei Pai.
A–7292414, Lu, Lydia Dze-Zau (nee Fu).
A–6847976, Lu, Lydia Keng-Yen.
A2149500, Mah, Foo Chu.
A–6911247, Mah, Yu Ou Chen.
A–6911248, Mah, Ming Ching.
A–6911249, Mah, Ming Shu.
A–6911251, Mah, Priscilla.
A–6911252, Mah, George.
A–6911253, Mah, Howard.
0300–471609, Mao, Chun Gin.
A–6848593, Mao, Joseph T. K.
A–6848404, Mao, Tzu-Jen.
0300–459534, Mi, Miriam Deh-Fen also known as Deh-Fen Mi.
0300–457656, Mihailescu, Octavian.
A–6848122, Ming, Chu Feng.
A–7358949, Moh, Za Yu.
A–7296131, Mok, Bessie Oi-Bing.
A–7263700, Mow, Constance also known as Bik Chui Wong.
A–0946635, New, Yuh Tsung Zee (nee Yuh Tsung Zee) also known as Mrs. Way Sung.
A–7243065, Pan, Diana Yun-Ching (nee Diana P. Lu).
0900–50654, Pavlovich, Pavle.
A–7118663, Pan, Ruch Chi-Te (nee Chung).
A–7286979, Pan, Yum Hsueh.
E–083220, Petkoff, George.
A–6710400, Poon, Abigail also known as Wan-Fen Hwang.
E–79836, Popa, Augustin.
A–7421011, Schattauer, Mary.
A–8036393, Schiffman, Sandor.
A–7882491, Shao, Irene Meileng.
A–8088722, Shashoua, Elias Heskel.
A–8091352, Shing, Ng Khing also known as Eng Fong or Ng Khing Sheng.
0300–458478, Shopov, Constantine Panchev.
A–6847707, Sih, Peter Chwin-Jen.
A–7476054, Sih, Helen Hsu Chiu.
A–7863483, Sima, Lazzlo.
A–7074028, Siu, Moyra Tsu-Yu.
A–7941178, Sleszynska, Felixa or Feliksa.
A–7399277, Soo, Peter Hungteh.
A–6677301, Srych, Elizabeth (nee Bagarova).
A–6843540, Stern, Abraham.
A–7282964, Su, Chi-Hao (Kenneth).
A–7553094, Sze, Benjamin Chiatse.
A–7910997, Szentendrei, Janos (John).
A–6083791, Tan, Fang Hsia.
A–8829366, Tang, Ho-King Shao.
A–7144742, Tang, Tung-Men.
E–086276, Tao, Chew Pe.
A–8310963, Teodorovic, Svetozar.
A–6851460, Tong, Leonard Tsu-Wang also known as Tsu-Wang Tong.
A–6545323, Tong, Patsy Lew also known as Patsy I-Fung Lew.
A–7282984, Tsai, Frank Wei-Kang.
0300–413254, Tsang, Tom Kam, also known as Tom Kam and Tsen Kam.
A–7367943, Tsao, George Lingkwong.
A–7274652, Tsao, Peter Hsing-Tsuen or Tsao Hsing-Tsuen.
A–7277353, Tsien, Peng Lun.
0300–462355, Tsien, Richard Winyu.
A–7768053, Tsu, Kin Hsueh-Yuan.
A–6704073, Tsu, Laura Nyi Tsung.
A–6967373, Tung, Jui Hsueh.
A–6851406, Tung, Ting San.
V–754263, Tzu, Lien Chao.
V–754254, Tzu, Fei-Man Wang.
A–8012287, Unger, Jakub Isaac.
0300–380248, Unger, Esther Rojtblat.
0300–466957, Wang, Chen Ling.
V–1198214, Wang, Chung Chiang.
A–634530, Wang, Jean (nee Yin Suen Djuh).
A–6470332, Wang, Chun-Tao Betty.
0300–465181, Wang, Lincoln formerly Yin Tang Wang.
0300–465188, Wang, Grace formerly Tsian Hsi-Jen Wang.
0300–465189, Wang, Henry formerly Teh Yun Wang.
0300–465190, Wang, Stephen.
0300–463783, Wang, Nietsu.
0300–463782, Wang, Krystyna (nee Kawecka).
0300–463478, Wang, Juliana.
0300–463690, Wang, Aline.
0300–463271, Wang, Eva.
0300–463476, Wang, Danis.
A–6967724, Wang, Paul Wen-Shan.
A–1297282, Wei, Ellen.
0300–441924, Wei, Isabel Yung-Ling.
0300–392033, Whue, Lieo also known as Lay Fay.
A–6847713, Wong, Grace formerly Hong Yan Hun-En Wong.
0300–343829, Wong, Ying.
0300–3380021, Woo, Yen Kwong.
0300–308909, Woon, Kong Ng Yee.
A–6851709, Wu, Chao-Hsun, also known as Chris H. Wu.
A–7427743, Wu, Christine Wan-Ming.
0300–460897, Wu, Hou-Chang.
0300–460862, Wu, Jane Yeh.
0300–460861, Wu, Hsueh-Ping.
0300–460864, Wu, Hsueh-Ming.
0300–460863, Wu, Hsueh-Kun.
0300–458255, Wu, Hsueh-Shang.
0300–460865, Wu, Poansun.
A–7298489, Wu, Theodore Tsu-Wang.
0300–455917, Yah, Pao Yin (nee Pao Yin Tsai).
A–10135608, Yang, Yu Feng.
A–7295488, Yang, Chi Yuan or Chi Yuan Young.
0300–429043, Yang, Yu Ying also known as Ci-Jin Yang Liu.
0300–372980, Yang, Yu Wen.
0300–450095, Yao, Sung Ling.
0300–450096, Yao, Sufan Kao.
0300–450097, Yao, Yu.
0300–450098, Yao, Tsu.
0300–450099, Yao, Pei (Pearl).
0300–450100, Yao, Ying.
0300–403211, Yeu, Josette Min Sheng.
A–7282993, Yo, Guy also known as Guy Gee Yo or Gee Yo or Guy G. Yo.
A–7436722, York, Alfred Shih Ou.
A–6877787, Yu, Mo Hsiang known as Frank Hsiang Yu Mo.
0300–329581, Yu, Natalie Lien-Tse Kwok.
A–6847782, Yu, Tom Teng-Pin.
0300–458997, Yue, Chang Ah.
A–8282335, Yuen, Chew Jun also known as Leung Yuen.
A–8098148, Adawi, Ibrahim Hasan.
A–8154184, Ausch, Desso or Deszo Ausch or Deszo Ausch.
A–7247076, Chang, Chin Bing.
A–7874959, Chang, Amy.
A–7399332, Berger, Hirsch.
A–6718370, Berke, Joseph.
0300–460118, Bien, Zue Sun.
0300–460116, Bien, Li Kuo-Kin.
0300–457204, Chang, Kin Jen.
A–7029620, Chang, Robert Lu Ling.
0300–471564, Chang, Yi.
0300–456358, Chang, Man.
0300–441601, Chang, Yuan.
E–086613, Chee, Choy.
0200–130687, Chen, Chien-Min.
A–7897614, Chen, Julia Angela, formerly known as Tseng Chen.
A–7463931, Chen, Kun Chih.
A–4527884, Chu, Kwan Sau.
A–7463932, Chen, Martin.
A–7463933, Chen, Annette.
A–6281889, Chen, Kwan Lun.
A–6704087, Chen, Ma Li.
A–7381280, Chen, Shi Chih.
A–6026501, Chen, Sze Te.
A–6848441, Chen, Tsun.
V–820003, Cheng, Lily Djeng-Ning, formerly Hsiung Djeng Ning.
A–7436771, Cheng, Paul Ming-Ching.
0300–377472, Chu, Cheng-Chin.
A–6967731, Cheo, Peter Kong-Liang.
0300–318226, Cheuk, Hui Wing.
A–9504925, Cheung, Lam.
0300–468991, Chi, Helen H. formerly known as Hkiu Hsiang Chi.
A–6962886, Chia-Ching, Yeh or Charles Chia-Ching Yeh.
A–6848630, Yeh, Sally Shing-Shing (nee Liu).
A–7143027, Chiang, Allan I-Lung.
A–8103730, Chin, Cheng Hsin.
A–6851647, Chin, Grace.
A–10141604, Chin, Duck Chung.
A–10141605, Chin, Sui Ngor.
A–10141606, Chin, Jean Su-Jen.
A–10141607, Chin, William Wei-Yu.
A–10141609, Chin, Kenneth Wei-Ho.
A–10141608, Chin, Johnny Wei-Yao.
A–10068620, Ching, Tsoong Han.
0900–76968, Cho, Fat Yau.
0300–467734, Chow, Hsien-Hsien.
0300–467733, Chow, Bae-Pao Lu.
0300–467735, Chow, Gwynne Hsieh.
0300–467745, Chow, Lulu Caroline.
0300–467619, Chow, Anna Frances.
A–7436790, Chow, Mary (nee Puh Fang).
A–7777409, Chow, Vee Nai.
0300–331123, Chow, Laura Yeh-Tsung.
0301–20068, Choy, Choon.
A–10135607, Chu, Chia-Kun also known as John Chu.
A–6527758, Chu, Kung-Ji also known as Elizabeth Chu.
A–10198072, Chu, Gales Hung-Ye.
A–10198073, Chu, Rebecca (Wai Tu Chu).
A–10198074, Chu, Patricia Ann.
A–10198075, Chu, Phyllis Jean.
A–6848629, Chuan, Helen Keng-Ting.
A–6988156, Chu, Hsi-Ling.
A–9821915, Dai, Kwan.
V–754183, Dzo, Ging-Ru.
A–8099927, Eliahou, Ezra Haron Yousef.
0300–408020, Fin, Chon.

A–7846708, Frank, Fred Moshi, also known as Fouad Moshi Fraim.
A–7828313, Feldmar, Judith.
0300–233203, Friedman, Fred, alias Ferdinand Friedman.
A–7988131, Fajncajg, Gitla.
A–10060369, Genger, Brocha.
0300–467887, Genger, Jeheszua.
A–7913449, Goldsand, Jakob.
0300–362178, Gluck, Elsa Freidman.
A–8055370, Grosman, Josef Aszer.
0300–329528, Grunzweig (Grunsweig), Ignaz.
A–8039224, Grunzweig (Grunsweig), Feiga.
E–6576, Gutwein, Izak.
0300–461047, Hettena, Ibrahim Khedoury Yousef.
0300–12961, Hing, Chen Shuey.
A–7174554, Ho, Julia.
A–7921878, Honovich, Antonio.
A–6831432, Hoo, Mona Yung-Ning.
A–6891822, Hsia, Hung.
A–60967367, Hsia, Eva E-Feng (nee Wu).
A–6851466, Hsiao, Chi-An.
0300–469513, Hsu, Chichang.
A–7274640, Hsu, John Tseng-Hsin.
A–7863550, Hu, Stanley Shao An.
A–7863551, Hu, Jane Chi-Jo Tsien.
A–7863552, Hu, George.
0300–454463, Hu, Leilani Shao-Tsin.
A–7125049, Hu, Susan Sze, also known as Tung-Lai Sze.
A–6847785, Huang, Tsui En.
A–6959720, Huang, Tzu Chuen.
A–7830835, Kahan, Samuel.
A–6621741, Kam, William.
A–9647122, Kan, Yip, also known as Feh Kan.
A–7274372, Kao, Irving Ke-Yung.
A–9728193, Ki, Chan or Chan Wah Sorn.
A–10066668, Kiang, Ai Chen or Anne Ai-Chen Wang.
A–6848410, King, Yung Kang.
E–085921, Kleiner, Wolf, also known as Wolf Klajner.
E–085930, Kleiner, Fredia, also known as Fredia Klajner.
E–085922, Kleiner, Mala.
A–6026389, Ko-Ching, Shih.
A–6041705, Shih, Chueh Ying Tzeng or Tzeng Chueh Ying.
A–9758472, Kokk, George.
A–7873165, Kuang, Cheng Wei, known as Edmund Wei-Kuang Cheng.
A–6442514, Wei, Cheng Han Hsin known as Dorothy Hsin Wei Cheng.
A–7049859, Kuchcik, Mendel.
0300–466868, Kung, Wei-Ven Yao.
0300–363444, Kung, Robert Cheng-Chung.
0300–363443, Kung, Nancy Tse-Chung.
A–7133276, Kuo-Chung, Chen.
E–6096243, Kwan, Chan.
A–7374681, Landau, Herman.
0300–323883, Landau, Serena.
0300–461751, Landau, Ervin.
E–096756, Lau, Yau.
A–9235656, Lau, Kwai.
A–8259654, Lanza, Giovanni.
A–6847959, Lee, Dah Hsuan.
0300–318417, Lee, Dorothy or Dorothy Tsu.
0300–466310, Lee, Thomas Shung, also known as Lee Shung Sun.
A–6703320, Lee, Yaw Shuin.
0300–459356, Lefkovits, Irme.
A–7961287, Li, Hsiao-Jun.
A–7292450, Li, Ming Yu.
A–6958632, Li, Chou Hsiung.
A–6973662, Li, Shao Min.
A–6552719, Liang, Holt.
A–6855620, Liang, Yuan.
A–6967758, Li-Chuan, Wang.
A–6967493, Hwa, Lih or Hwa Lih Wang.
0300–360290, Lin, Frank Chang-Heng.
0300–360291, Lin, Ellen.
A–6847860, Lin, Priscilla Chung Dijh.
A–10135710, Li-Sooey, Evalina Doo.
A–7118752, Liu, Fu Tung.
A–6848072, Liu, George Bie formerly Bie Liu.
A–6851311, Liu, Robert Yung-Yu.
0300–460252, Liu, Soo Yung.
A–7274431, Liu, Yee Yen.
A–7274432, Liu, Yen Wei.
0300–470004, Liu, Teh Ming.
A–6083659, Lo, Ching-Lung.
0300–471010, Lo, Hua-Tsing Chu.
0300–471011, Lo, Denis.
0300–471012, Lo, Sylvia.
A–6848683, Louis, Pauline Pao-Lien Soong.
A–10066444, Lu, Chin.
0300–345176, Majerholc, Edwin.
A–9731984, Mar, Chew.
A–6771870, Miao, David Cheng.
A–7295543, Moi, Peggy formerly Peggy Wong.
A–7399331, Morozow, Szulem.
A–7355367, Mui, Chiu Ning.
0301–21592, Muscardin, Umberto.
0300–470522, Nacinovich, Romano.
A–6357633, Netupsky, Eugene A.
A–6504544, Ning, Lai Shung.
A–7462122, Nisenkiern, Samuel.
A–7244870, Noselis, Jacob.
0300–429827, Ong, Chih-Ta.
0300–471121, Ong, Ching Siu C. T.
0300–461044, Ong, Margaret.
A–7292435, Owyang, Hsuan.
A–6848503, Pei, Tseng Chi known as Chi Pei Peter Tseng.
0300–473098, Peros, Ivan.
A–7399686, Pevzner, Icchok.
A–9709852, Ping, Chan.
A–7586532, Ratajczak, Michal.
A–6848542, Ray, Hsia Pong known as Pong Ray Hsia.
A–7480707, Rubin, Simcha.
0300–375838, Sassoon, Edmond Solomon.
0300–375839, Sassoon, Yvette (nee Shayo).
A–7290185, Schonberger, Philippe.
A–7290186, Schonberger, Friderika.
A–7290187, Grunwald, Eva (nee Schonberger).
A–7290188, Schonberger, Alfred.
A–7290190, Schonberger, Tibor.
A–7366281, Schonberger, Georgette or Gyongyi.
A–8001182, Shen, James Cheng-Yee or Shen Cheng-Yee.
A–8871292, Shen, Grace Shu Hwei.
A–8871294, Shen, Christopher.
A–8871293, Shen, Patricia.
A–8871295, Shen, Michael.
0300–355800, Shen, Pearl Sung Hsu.
E–085326, Shing, Tam also known as Shing Tam.
A–5975137, Shoen, Tze Win.
0300–459063, Soo, Lum Wing also known as Frederico Lee.
A–7287952, Stoynich, Peter N.
A–6848149, Sung-Lan, Hsia known as Robert Sung Lan Hsia.
0300–460221, Susech, Giovanni.
E–10777, Svoronos, Milton Theodosios or Millon or Mittiadis Theodosios Svoronos.
A–7367944, Tai, Li Shu.
E–082730, Tak, Lee Ting.
A–8036392, Teitelbaum, Chiel Alter.
A–7115668, Thurnher, Majda Theresia.
A–1389416, Tin, Chan Chi.
A–7415104, Ting, Alice Lu.
A–6739372, Tsai, Helen Whitfield.
A–6735288, Tsai, William Wei-Lin.
T–697453, Tse, Emma Kuan Ching.
A–7290334, Tse, John Yung Dong.
A–6567126, Tseng, Hsien-Chi.
A–6967707, Tsou, Catherine Nan-Yun.
0300–464309, Tung, William L.
0300–464311, Tung, Yueh-Chiung.
0300–464308, Tung, James (Chien Min).
E–094525, Valjak, Arthur.
E–094628, Vlacich, Beniamino.
0300–420918, Vlacich, Giovanni, also known as John Vlacich.
A–6457535, Wang, Chi-Wu.
A–7846771, Wang, Da Chaw.
A–6851597, Wang, Hung I.
A–6606804, Wang, Lillian Yun-Hsia.
0300–463121, Wang, Loo Ing How.
A–6845064, Wang, Pei.
0300–462256, Waung, Tze-Kong.
0300–337048, Ching-Chyu, Wong.
0300–461685, Hsi-Fong, Waung.
A–8057928, Wojda, Stanley (or Stanislaw).
0300–336237, Woo, Alice Chia-Ying, also known as Alice Ching Woo.
A–0010333, Wong, Yok.
A–7247101, Wu, Ray Jui.
A–6639188, Wu, Robert Tze-Chun or Robert T. C. Wu.
0300–469639, Yang, Nai Chen.
A–10135775, Yang, Te-Fang.
0300–361326, Yang, Tien-Yi.
A–6849457, Yao, Eleanor Shin-Yee.
A–7265816, Yen, Yaa Tai or Anthony Yen.
A–9164094, Yeung, Yik.
A–7133285, Yien, Edward Yuen-Chiang.
A–6461101, Ying-Pe, Chang or Roy Ying-Pe Chang.
0300–329694, Yip, Lam Chun.
A–7274558, Yong, Pao Chung Ma.
A–8875522, Yu, Choi Kun.
A–6848711, Yu, David Chien-Seng formerly Chien-Seng Yu.
A–6848482, Yu, Teh Chi.
A–6848483, Chen, Siao-Fen.
A–6877754, Yu, Tsi-Van.
A–6848103, Yue, Soy Chung.
A–9686706, Yuen, Ben.
A–10135599, Zia, Zung Jai.
A–10135601, Zia, Hsu Chin.
A–9553245, Adolfijs, Alfred.
A–7385344, Beloerol, Franciszka.
A–6819166, Berger, Kato (nee Gluck).
A–7244887, Brook, Gershon.
0300–352716, Brook, Szyna (nee Gottlieb).
0300–329371, Bui, Ying King.
A–7913548, Chai, Ling Chi (nee Mao).
A–7124539, Chang, Chen Chi.
0300–448764, Chang, Nien Tze.
0300–366462, Chang, Henry Kunghui.
0300–419940, Chang, Hsi Huan, also known as Peter Chang.
A–7538671, Chang, Hsin Hai.
A–7295511, Chang, Hsin-Pao.
A–8065822, Chang, Huei-Yuen.
A–6848015, Chang, I-Chen.
0300–421485, Chang, Jimmy H.
A–7277488, Chang, Robert Mai-Hsien.
0300–335529, Chang, Sai-Cheng.
A–10141560, Chang, (William) Kwang Pao.
A–7436600, Chang, (Catherine) Shiao Chin Lu.
A–7416447, Chang, Yung Shan.
0300–461559, Chao, Marie I-Wei Lu.
0300–461560, Chao, Yung Yun also known as Shirley Chao.
0300–461562, Chao, Hsieh Lung also known as Thomas Chao.
0300–461561, Chao, Yung Hsia also known as Helen Chao.
A–7427944, Chao, Chung Yuan.
A–6704086, Chao-Hwa, Feng or Chao Henry Feng.
A–6236864, Chen, Hsuen-Ping Dorothy.
A–10141582, Chen, King Pao.
0501–19305, Chen, Mary Barbara also known as Ching Zen Chen.
A–7483722, Chen, Rose.
A–7841932, Chen, Vincent Vesin or Vesin Chen.
A–6905336, Chen, William Keh-Ching.
A–7053874, Chen, Elizabeth Dji-Shuh.
A–6163785, Cheng, George C. also known as Chi Chang Cheng.
A–6251492, Chen, Franklin Shou Chiang formerly Shou Chiang Chen.
0200–121730, Cheng, San-Hsi.
0300–423721, Cheng, Yung alias Cheng Yung.
A–6847880, Cheo, Pen Ching.
A–6958995, Cheo, Helen Ching Lan.
A–7435701, Cheung, Lok-Tin (Happy)
A–10193622, Cheung, Lydia Chi-Yan Lee.
A–6027148, Chi, Nung-Cheh.
A–6896402, Chi, Jean Ching-Chin.
0300–456510, Chi, James.
0300–391909, Chiang, Chun Lin.
0300–469810, Chiang, Yue-Tsing Huang.
0300–469814, Chiang, Yvonne or Yee Foong Chiang.
0300–469815, Chiang, Jane.
0300–469811, Chiang, Millard.
0300–469812, Chiang, Alice.

A-8870726, Chien, Dawn Sing or William S. Dawn.
A-8870724, Chien, Dawn Tze or Robert C. Dawn.
A-7417144, Chi-Hua, Wu Vivian also known as Vivian Chia-Hua Moh.
A-6843441, Chin-Hsu, Liu.
A-6534334, Liang, Huang or Liang Huang Liu.
A-8125645, Ching, Julia Chia-Yi (Sister Agnes Therese).
A-9948146, Chong, Lai also known as Leong Kow Kow.
A-6271454, Chu, Kuang-Han.
A-0933425, Chun, Hong Cha.
A-0933428, Chun, Kyung Shien Sung.
0300-366830, Chun, Sze Yung.
0300-366918, Chung, Mo Nan.
0300-344329, Dao, Sue Shing.
A-8870723, Dawn, Shin Yuan.
A-8870727, Dawn, Dunn Mei-Lih.
A-8870725, Dawn, Wei Mei or Victoria W. Dawn.
A-6377727, Djang, Su Dzung.
A-7282150, Su, Ruth Ching-Hsing (nee Tien).
0300-456769, Dimini, Stanislao.
A-6967498, Dun-Jen, Li.
0300-456942, Dzung, Kenyon Danlee.
0300-456938, Dzung, Nyui Sung.
0300-355990, Eu, Mary Jane Soong.
A-10141559, Fang, Siu Chun (nee Siu Chun Lai).
A-6760587, Feldstein, Aron.
A-7383072, Fisher, Max.
A-7399117, Friedman, Erno.
A-8065816, Friedman, Edith.
A-7913543, Gluck, Arthur.
A-6934982, Goldberg, Joseph formerly Jozef Goldberg.
A-7197344, Guo, (James) Tse Menglin.
A-7197345, Guo, (Lois) Rujen Wang.
0400-54898, Guo, (Grace) Hui-ping.
E-094784, Haber, Elias or Eliasz Haber.
0300-319444, Hardoon, Rouben Shaoul.
0300-460905, Hardoon, Marcelle.
0300-328520, Hardoon, Kathleen.
A-7197633, Henkin, William N.
A-7197634, Henkin, Ella.
E-119220, Ho, Lau.
A-2418469, Ho, Pang Young.
A-6077100, Hoo, Chin.
A-6916672, Houn, Franklin Willington.
A-7835199, Houn, Frances Lu.
A-7355369, Hsi-Kuang, Chi or Henry Hsi-Kuang Chi.
0300-371805, Hsi, Te-Ping.
A-6848376, Hsu, Jeng Mein.
A-8245936, Hsu, Priscilla C. Y.
A-10141598, Hu Pei-Ying Beatrice.
A-6608765, Hu, Quang Hsi.
A-6851600, Huang, Aileen Yueh.
A-6986571, Huang, Chaang.
A-6967359, Huang, Wei Jen.
A-7286961, Huang, Irene Hwei-Lin nee Chang.
A-5941361, Hung, Wu Gee.
A-8829316, Huo, Peh Ping.
0300-471204, Ivanicek, Franjo.
0300-325626, Jacob, Solomon Hillel.
0300-325694, Jacob, Helen.
0300-466392, Jankovich, Ladislav.
A-10067874, Jin, Kor Shiang also known as Madeline Jin.
E-118777, Jogis, Konrad Walter.
A-7297266, Jungreisz, Lipot.
A-7297267, Jungreisz, Laura.
0300-429358, Jungreisz, Antal.
0300-429359, Jungreisz, Izsak.
0300-452110, Jutrowski, Klemens Jan.
A-8870715, Kai, Chou Ven or Victor Ven-Kai Chou.
A-6851293, Chou, Clarice Hsi or Hsi Yao.
A-7961261, Katz, Marton.
A-8245999, Katzman, Zelig.
A-8246000, Katzman, Hilel.
A-9728194, Keam, Tan.
A-7244872, Kercer, Wolf.
A-9561968, Kiang, Tang Ching.
0300-473479, Konig, Joseph.
A-10035686, Wwei, Thomas Chen-Ling alias Chen Ling Kwei.
A-10035639, Kwei, Randolph Chen-Chi alias Chen-Chi Kwei.
A-7828712, Kwiatkowski, Czeslaw.
E-084349, Lau, Hung.
A-6815524, Lee, Helen Pao Hsin Tsao.
0300-472541, Lee, Hong Cheuk, also known as Richard H. C. Lee.
A-6775603, Lee, Justin.
A-6958991, Lee, Julia.
0300-374187, Lee, Laan-Fong.
A-2677372, Lee, Yen Shuang.
A-7297991, Leitao, Maria Stela.
A-5805395, Lew, Suie.
A-6851429, Liang, Chen Yu known as C. Y. Yu.
A-7285802, Liang, Robert Ting-Wei.
A-6962966, Liang, Emily Shui-Men.
A-7424932, Lin, Wei Shu now William S. Lin.
A-7841087, Chen, Tsai Chu now Jean C. Lin.
A-7841088, Lin, Annie.
A-7841089, Lin, Fu Ming now Dinah Rita Lin.
A-7841090, Lin, Cheng Lie now Dick Lin.
0300-277173, Ling Chen Ping.
A-8001637, Ling, Homer Chuen-Cheng alias Chuen-Cheng Ling or Yung-Shen Ling.
A-7483978, Ling, Fidelia Hsu (nee Fidelia Pei-Lan Hsu) alias Pei-Lan Hsu.
0300-417491, Ling, Wong or Lun Wong or Wong Lun.
A-6744416, Loh, Yih H.
0300-456581, Loh, Mabel H. C.
0300-451406, Lok, Chung Sing.
A-9512598, Luk, Ng.
A-7202743, Lung, Yuan or Edward Lung Yuan.
A-6967574, Ma, Bernard Sing-Lu.
A-10141583, Ma, John T. T.
A-10141584, Ma, Mary Yong.
A-10141561, Ma, Joanna.
A-7945460, Mamczak, Julianna.
T-1366563, Mao, Kathleen (Kai) Lin.
A-7456082, Miller, Kalman Jacob.
A-7985644, Miller, Eda.
A-8871291, Ming, Hsu Yin or Doris Yin Ming Hsu.
A-7886505, Nieckarz, Alojzy.
A-8090380, Oiber, Hersch.
A-3057925, On, Young Man also known as Man on Young.
A-7269682, Ouyang, Mariana Tsao.
A-7118691, Owyang, Gilbert Hsiaopin.
A-8282962, Patock, Lverka.
E-1073, Peebo, Johannes.
0300-445130, Perich, John or Giovanni.
E-081290, Pien, Hsia Si.
0300-473086, Pui, Wong.
A-8154183, Rosenberg, Samuel.
0300-464312, Shen, Alexander or I-Shang Shen.
A-7957895, Shen, Chi Meng.
A-10015075, Shen, Ping Wen-Wu.
A-6083862, Shen, Roderick Chung-Chao.
0300-374307, Shen, Shih Hua.
0300-465579, Shen, Pao Kwei.
A-7274371, Sheng, Alice Tung-Fun (nee Alice Tung-Fun Kuan).
A-7184115, Shu-Ching, Suce or Sister Mary Ceciliana.
E-082521, Simon, David Salem.
A-7374694, Soong, Hwa-Yu or Soong Hwa-Yu known as William Hwa-Yu Soong.
0400-52651, Spitzer, Gyula.
0400-52690, Spitzer, Ilona.
A-9825134, Sroka, Leon Stefan.
A-7860207, Ssutu, Edwin A.
A-6848027, Sun, Wu Tze.
A-7358509, Szasz, Joseph.
A-7961263, Tang, Kou Nan.
V-753791, Tang, Oscar Liu-Chien.
A-6083753, Tsai, Sydney Sung or Sung Tsai
A-7483931, Tsai, Christina or Pei-Ching Chang Tsai.
0300-461764, Tsai, Jackson or Chieh Sung Tsai.
0300-455209, Tsai, Mason or Mei Sung Tsai.
A-7435716, Tsai, Wen Ying.
A-7285799, Tsang, Stella Shu-Ming Tai.
0300-457501, Tseng, Benjamin or Tseng Chao Ko.
A-7882588, Tsou, Ying also known as Anthony Y. Tsou.
A-7095971, Uranyi, Joseph.
A-7095973, Uranyi, Gabriella.
A-7193594, Uranyi, Gabrielle Margaret.
A-9099909, Vilusi, Villu.
A-8091658, Vosilla, Vittorio.
A-7778553, Wang, Cheng Fu.
0300-466141, Wang, Aimei.
0300-322737, Wang, Chi Chuan.
0300-322762, Wang, Yuan-So, Cheng.
0300-326117, Wang, Yien Koo.
A-6877783, Wang, Hsin-Hui.
A-6743498, Wang, Shih Hua.
A-6986585, Wang, Mu (Diana) Cheng.
A-7367966, Weingarten, Adolph.
0300-314825, Weingarten, Anna.
A-7444635, Wen-Jhun, Chiang known as Helen Wen-Jhun Chiang.
A-9764838, Wong, Chin.
A-6407196, Wong, Gen Ching.
A-7809002, Wong, Han Min.
A-8021418, Chang, Jacqueline W. T.
A-6967663, Wong, Mary Ruth.
A-10141528, Wong, Shou-Fa.
A-8198495, Wong, Virginia also known as Bei Fung Wong.
A-6967532, Woo, William Chi-Wen.
A-10145013, Wu, Hou Cheng.
A-10145014, Wu, Kina Fu Yien Liao.
A-10135612, Wu, Jack Hsueh-I.
A-6849846, Wu, Pei-Hsing Lin.
0300-432370, Yak, Ah Sam also known as Yak Ah Sam.
A-6667949, Yank, Chuan Ying alias Yong Yang Chuan-Ying.
A-9798750, Yang, Margaret Wei-Chin.
A-6967741, Yang, Nien-Chu.
A-8015589, Yang, Shih-Ching.
0300-346772, Yang, Dorothy Trae-Ling Fei.
0300-330626, Yang, Kiang-Si.
A-7392524, Yang, Tieh-Sung.
A-6847989, Yeh, John Chiung or Yeh Chiung.
0300-43062, Yen, Betty Hsin-Lien.
0300-391473, You, Wong King also known as Wong Ying.
A-7903279, Yu, Maria Hsieh-Yueh Chang.
A-7835340, Yu-Chen, Li.
0300-474919, Yueh, Shiela Hsuan Wen.
A-8198530, Chang, Li-Hsain.
E-079940, Chin, Tom.
A-6958642, Loh, Pichon P. Y.
A-9520221, Park, Hom.
A-7286680, Shen, Richard Tsu Hsun.
A-7133260, Tung, Yun Ming.
A-7975781, Chu, Boa-Teh.
A-8922049, Hing, Yuan Ying.
A-6846912, Kaminski, Henryk.

With the following committee amendments:

On page 2, line 1, strike out "A-19135387" and substitute in lieu thereof "A-10135387."

On page 2, line 4, strike out "A1041758" and substitute in lieu thereof "A-10141758."

On page 3, line 25, strike out the name "Jegedus" and substitute in lieu thereof the name "Hegedus."

On page 6, line 15, strike out the name "Linga" and substitute in lieu thereof the name "Linda."

On page 7, line 19, after the name "Shih", strike out the comma.

On page 8, line 20, strike out the name "Ewoh" and substitute in lieu thereof the name "Kwoh."

On page 14, line 14, strike out the name "I-Gai" and substitute the name "I-Giai."

On page 15, line 24, strike out the name "Sieh-Chuan" and substitute the name "Sien-Chuan."

On page 17, line 22, strike out the name "Ruch" and substitute the name "Ruth."

On page 24, line 16, strike out the name "Gales" and substitute the name "Cales."

On page 36, line 25, strike out the name "Young" and substitute the name "Yung."

On page 40, line 25, strike out the name "Suce" and substitute the name "Suee."

On page 43, line 8, strike out the name "Trae-Ling" and substitute the name "Tsae-Ling."

On page 43, line 13, after the name "You", change the period to a comma.

On page 44, at the end of the concurrent resolution, add the following names:

"A-10143319, Schejbal, Dobruska Ann.
"A-10143320, Schejbal, Dusan Josef.
"A-6195641, Schejbal, Josef.
"A-6159640, Skala, Hugo Michael.
"A-7491761, Skala, John Paul.
"A-7802497, Skala, Marie Hana.
"A-6813127, Skarzynski, Stanislaw.
"A-10042650, Chuan, Pai Shiu.
"A-7948694, Maar, Julius (Gyula) I."

The committee amendments were agreed to.

Mr. WALTER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALTER: On page 44, after line 11 add the following name: "A-6967495, Li, Pei Chao."

The amendment was agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the bill (S. 767) for the relief of Andrew Rosner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Andrew Rosner shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert "That, for the purposes of the Immigration and Nationality Act, Andrew Rosner, Giuseppe Ventura, Johann Antonius Tudhope, Walda Fedor Tudhope, Maria Guadalupe Shockley, Evangelina Vega Shockley, Helen Agnes Blais (Junko Furakawa), and Harold Manley Stewart shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

"SEC. 2. For the purposes of the Immigration and Nationality Act, Charles F. Garriz, Benjamin Baruch Mintz, Tchia Mintz, Shulamit Mintz, Shalom Boaz Mintz, Mikie Woodard, Hildegard Silvonen, Howard Seeming Liang, Lai Yen Mark Liang, Howard Seeming Liang, Jr., John Shalam, Claude Shalam, Fu-Chuan Chao (also known as Fuk Kun Chiu), Chiu Lai Yuk (also known as Lai Yuk Chao), Yvonne Mary Florescu (Sister John Baptist), Peter Chou-Yuen Tchen, Carmen Aguado, Adele Knoff, Hans Knoff, Jose Torres, Thomas H. Ros, Wei-Chi Liu, Domingo Lim (also known as Lim Eng Kok and Domingo Lim Chay Seng), and Pilar A. Garcia shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

"SEC. 3. The Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding orders and warrant of deportation, warrant of arrest, and bonds, which may have issued in the case of Panteles Kerkos. From and after the date of enactment of this act, the said Panteles Kerkos shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act for the relief of certain aliens."

A motion to reconsider was laid on the table.

ALICE ELIZABETH MARJORIBANKS

The Clerk called the bill (S. 885) for the relief of Alice Elizabeth Marjoribanks.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Alice Elizabeth Marjoribanks, who lost United States citizenship under the provisions of section 349 (a) (2) of the Immigration and Nationality Act, may be naturalized by taking prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act, the said Alice Elizabeth Marjoribanks shall have the same citizenship status as that which existed immediately prior to its loss.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVING CERTAIN SUBSECTIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT

The Clerk called the bill (S. 1111) for the relief of Eric A. Cummings.

There being on objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of paragraph (19) of section 212 (a) of the Immigration and Nationality Act, Eric A. Cummings may be admitted to the United States for permanent residence, if he is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That, notwithstanding the provision of section 212 (a) (2) of the Immigration and Nationality Act, Sarah Kleidermacher may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided*, That a suitable and proper bond or undertaking approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

"SEC. 2. Notwithstanding the provision of section 212 (a) (4) of the Immigration and Nationality Act, Audrey Jean Younkers, and Robert Geoffrey Hunt may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act: *Provided*, That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

"SEC. 3. In the administration of the immigration and Nationality Act, Charlotte Muhlefeldt, the fiancee of Hans Jahnke, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Charlotte Muhlefeldt is coming to the United States with a bona fide intention of being married to the said Hans Jahnke and that she is found otherwise admissible under the immigration laws, other than the provision of section 212 (a) (4) of the said act: *Provided further*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Charlotte Muhlefeldt, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Charlotte Muhlefeldt, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Charlotte Muhlefeldt as of the date of the payment by her of the required visa fee.

"SEC. 4. Notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, John Joon Sik Chung, Cesare Picco, Regina M. Knight, Jenny Antoinette V. Ingrum, and Paula Edith Reynolds may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

"SEC. 5. Notwithstanding the provision of section 212 (a) (19) of the Immigration and Nationality Act, Eric A. Cummings may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

"SEC. 6. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "An act to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens."

A motion to reconsider was laid on the table.

PIETRO RODOLFO WALTER STULIN AND RENATE KAROLINA HORKY

The Clerk called the bill (S. 1883) for the relief of Pietro Rodolfo Walter Stulin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor

child, Pietro Rodolfo Walter Stulin, shall be held and considered to be the natural-born alien child of Sfc. Abraham N. Alvarez, a citizen of the United States.

With the following committee amendment:

Page 1, after line 7, insert a new section to read as follows:

"SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Renate Karolina Horky, shall be held and considered to be the natural-born alien child of Sfc. Chester M. Zentner, a citizen of the United States."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed.

The title was amended so as to read: "An act for the relief of Pietro Rodolfo Walter Stulin and Renate Karolina Horky."

A motion to reconsider was laid on the table.

KIM BOKSOON AND ANKE NABER

The Clerk called the bill (S. 1970) for the relief of Kim Boksoon.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Kim Boksoon, the fiance of Alexander Adams, Jr., a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months, if the administrative authorities find (1) that the said Kim Boksoon is coming to the United States with a bona fide intention of being married to the said Alexander Adams, Jr., and (2) that she is otherwise admissible under the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Kim Boksoon, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Kim Boksoon, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Kim Boksoon as of the date of the payment by her of the required visa fee.

With the following committee amendments:

On page 1, line 7, after the words "3 months", strike out the following: ", if" and substitute ": *Provided*, That."

On page 1, line 7, after the word "find", strike out "(1)."

On page 1, line 10, after the word "and", strike out "(2)."

On page 2, after line 11, insert a new section to read as follows:

"SEC. 2. In the administration of the Immigration and Nationality Act, Anke Naber, the fiancee of 1st Lt. Jack B. Stewart, United States Air Force, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Anke Naber is coming to the United States with a bona fide intention of being married to the said Jack B. Stewart and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Anke Naber, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Anke Naber, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Anke Naber as of the date of the payment by her of the required visa fee."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read "An act for the relief of Kim Boksoon and Anke Naber."

A motion to reconsider was laid on the table.

WAIVING CERTAIN SUBSECTIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT

The Clerk called House Joint Resolution 606 to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Mrs. Hilda Rinn Marchand and Mrs. Maria Campaiola Falone may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 2. Notwithstanding the provisions of section 212 (a) (3), (9), and (19) of the Immigration and Nationality Act, Albert Shanfield may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

SEC. 3. In the administration of the Immigration and Nationality Act, Rosa Willand, the fiancee of Eugene E. Born, a citizen of the United States shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Rosa Willand is coming to the United States with a bona fide intention of being married to the said Eugene E. Born and that they are found admissible under the Immigration and Nationality Act other than the provision of section 212 (a) (9) of that act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Rosa Willand, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Rosa Willand, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Rosa Willand as of the date of the payment by her of the required visa fee.

SEC. 4. The exemptions provided in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

With the following committee amendments:

On page 1, after the enacting clause, strike out all of lines 3 through 8, inclusive, and substitute the following language: "That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Hilda Rinn Marchand may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act."

On page 1, after line 8, insert a new section numbered "SEC. 2." to read as follows:

"SEC. 2. Notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Mrs. Maria Campaiola Falone may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act."

On page 1, line 9, renumber "SEC. 2" to read "SEC. 3."

On page 2, line 3, renumber "SEC. 3" to read "SEC. 4."

On page 3, line 1, renumber "SEC. 4" to read "SEC. 5."

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VIVENCIO FERNANDO RAYMUNDO ET AL.

The Clerk called the bill (H. R. 4141) for the relief of Vivencio Fernando Raymundo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Vivencio Fernando Raymundo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That, for the purposes of the Immigration and Nationality Act, Vivencio Fernando Raymundo, Bienvenida Raymundo, Lolita Raymundo, Agnes Raymundo, Henry Raymundo, and Fred Raymundo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct six numbers from the appropriate quota for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Vivencio Fernando Raymundo, Bienvenida Raymundo, Lolita Raymundo, Agnes Raymundo, Henry Raymundo and Fred Raymundo."

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the bill (H. J. Res. 609) for the relief of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Stefano Fiore, shall be held and considered to be the natural-born alien child of Frances and Antonio Fiore, citizens of the United States.

SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Doris Vella shall be held and considered to be the natural-born alien minor child of Joseph De Bono, a citizen of the United States.

SEC. 3. For the purposes of section 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Donn Kim Ringdahl (Kim Young Yon), shall be held and considered to be the natural-born alien child of Chaplain and Mrs. Paul G. Ringdahl, citizens of the United States.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called House Joint Resolution 605 for the relief of certain aliens.

There being no objection, the Clerk read the bill, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Marie Vartenissian, Angela Bottkos de Karady, Laszlo Karady, Gyongi Karady, Laszlo Karady, Jr., Daisy Karady, Anesti N. Baicousheff, Maria Lanau Buil, Sister Saveria (Angela Lauria), and F. Yao da Silva shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

SEC. 2. For the purposes of the Immigration and Nationality Act, Soo Chen da Silva shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

SEC. 3. For the purposes of the Immigration and Nationality Act, Fritz Hauser and Viola Grace Smith shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees: *Provided*, That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

SEC. 4. Upon the granting of permanent residence to each alien as provided for in this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

With the following committee amendments:

On page 1, line 4, after the word "act", strike out the name "Marie Vartenissian," and sustitute the following names: "Ian McKay Valentine, Ardemis Nahabedian."

On page 1, line 7, after the name "(Angela Laurie)", insert the following names: ", Katherine Pui King Loo (Feun), Lindson Feun, Lindgoy Feun, Amie Feun, Ralph Wilson Reid, Eleanor Mary Reid, Marguerite Fay Reid, John Wilson Reid, Robert Wilson Reid."

On page 2, after line 18, insert two now sections Nos. 4 and 5 to read as follows:

"SEC. 4. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Marie Vartenissian and Victoria Clita. From and after the date of the enactment of this act, the said Marie Vartenissian and Victoria Clita shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

"SEC. 5. For the purposes of the Immigration and Nationality Act, Janusz Ambroziewicz, Ignacy Bak, Adam Bednarek, Leon Bolda, Stanislaw Brodowicz, Maksymilian Guc, Ryszard Zdislaw Hackel, Jan Hauza, Edwin Hildebrandt, Zygmunt Lewandowski, Stanislaw Mamaj, Adam Piekart, Czeslaw Salata, Franciszek Sciera, Zygmunt Skrzypinski, Raymund Szulc, Jozef Tynfowicz, Leonard Wasowski, Stefan Wojtkowski, Henryk Wrzesinski, and Zenon Zmudzinski shall be held and considered to have been lawfully admitted to the United States for permanent residence, upon payment of the required visa fees and section 212 (a) (28) of the said act shall be inapplicable in the case of each such alien."

On page 2, line 19, strike out "SEC. 4." and substitute in lieu thereof "SEC. 6."

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ROSE AMORESANO AND HER CHILDREN, ROSA, EMILIO, AND GIOVANNA AMORESANO

The Clerk called the bill (H. R. 877) for the relief of Mrs. Rose Amoresano and her children.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the death of the main beneficiary of an approved petition, the late Pasquale Amoresano, the aliens, Mrs. Rose Amoresano and her children, Rosa, Emilio, Annunziato, Carmela, and Giovanna, shall be deemed to be eligible to apply for nonquota immigrant visas under section 4 (a) (6) of the Refugee Relief Act of 1953 (67 Stat. 401).

With the following committee amendments:

Page 1, line 3, after the word "That", strike out the remainder of line 3, and all of line 4, and the word "aliens" on line 5.

Page 1, line 6, strike out the following names: "Annunziato, Carmela,."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF REAL PROPERTY IN LOS ANGELES COUNTY, CALIF.

The Clerk called the bill (H. R. 9377) to provide for the sale to the Eagle Rock Young Men's Christian Association of certain real property located in Los Angeles County, Calif.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of the General Services Administration is authorized and directed to convey to the Eagle Rock Young Men's Christian Association, a nonprofit corporation of Los Angeles, Calif., all the right, title, and interest of the United States in and to certain real property located in Los Angeles County, Calif., upon payment by the Eagle Rock Young Men's Christian Association of an amount equal to the fair market value of such property as determined by the Administrator of the General Services Administration.

Such property is more particularly described as follows: Beginning at a concrete monument set at the intersection of the southerly side of Colorado Boulevard, formerly Eagle Rock Road, with the easterly side of Highland View Avenue, formerly Highlands Avenue, running thence along the southerly side of Colorado Boulevard, formerly Eagle Rock Road, north 88 degrees 01 minute east 140 feet to a concrete monument; thence south 01 degree 59 minutes 40 seconds east 219.96 feet to a concrete monument; thence south 88 degrees 01 minute west 140 feet to a concrete monument set in the easterly side of Highland View Avenue, formerly Highlands Avenue; thence along the easterly side of Highland View Avenue, formerly Highlands Avenue, north 01 degree 59 minutes 40 seconds west 219.96 feet to the point or place of beginning, being a portion of lot 14 and all of lots 15 and 16, Oakmont tract, as per map recorded in book 10, page 30 of maps, in the office of the county recorder of Los Angeles County, Calif.

With the following committee amendments:

Page 2, beginning with line 1, after the word "property", insert "at its highest and best use."

Page 2, beginning with line 3, strike out the remainder of the bill and insert in lieu thereof the following: "The aforementioned property is a parcel of land located at the southeast corner of Colorado Boulevard and Highland View Avenue, Los Angeles, Calif., containing 0.708 acre known as the post office site, Eagle Rock Station, Los Angeles, Calif., acquired by condemnation, order and confirming judgment of which was docketed July 21, 1941, in civil order book 6, page 34, United States District Court for the Southern District of California."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF PROPERTY TO VILLAGE OF CAREY, OHIO

The Clerk called the bill (H. R. 9671) to provide for the conveyance of certain property of the United States to the village of Carey, Ohio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services shall convey to the village of Carey, county of Wyandot, State of Ohio, all right, title, and interest of the United States in and to the real property referred to

as the former post office site situated on the southwest corner of the intersection of West North and North Vance Streets in the village of Carey and containing approximately 14,391 square feet, the exact legal description to be determined by the Administrator upon the payment by the village of Carey of the fair market value of such real property as determined by the Administrator as of the date of such conveyance.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the Administrator of General Services shall convey to the village of Carey, county of Wyandot, State of Ohio, all right, title, and interest of the United States in and to the real property described in section 2 of this act upon the payment by the said village of Carey, Ohio, of an amount equal to the fair market value of said property at its highest and best use as determined by the Administrator of General Services as of the date of such conveyance.

"SEC. 2. The real property, conveyance of which is authorized by this act, is the property located on the southwest corner of the intersection of West North and North Vance Streets in the village of Carey, Ohio, which was acquired by the United States in 1943 as a projected post office site. Said property, being approximately 14,391 square feet, consists of 3 separately acquired parcels, 1 by condemnation, 2 by deed, as follows:

"Tract No. 1 by condemnation, judgment of which was entered in proceedings March 10, 1943, in the United States District Court for the Northern District of Ohio;

"Tract No. 2 by deed dated September 20, 1943; and

"Tract No. 3 by deed dated July 30, 1943; and recorded respectively in the office of the register of deeds, county of Wyandot, State of Ohio, in deed book No. 103, page 520; deed book No. 104, page 5; and deed book No. 103, page 530."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOE BARGAS

The Clerk called the bill (H. R. 2045) for the relief of Joe Bargas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Joe Bargas, of Trinidad, Colo., father of Eddie Bargas, a minor, in full settlement of all claims against the United States on account of the death of the said Eddie Bargas as a result of injuries sustained on the United States post-office grounds at Trinidad, Colo., on July 12, 1950; the claim of the said Joe Bargas is not a claim that is cognizable under the Federal Tort Claims Act: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRUCK AND AXLE MANUFACTURING CO.

The Clerk called the bill (H. R. 4037) for the relief of Truck and Axle Manufacturing Co.

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. That completes the call of the Private Calendar.

PARTICIPATION IN PARLIAMENTARY CONFERENCES

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 473 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of House Joint Resolution 501, to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization. After general debate, which shall be confined to the joint resolution, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the joint resolution shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH], and yield myself such time as I may require.

Mr. Speaker, House Resolution 473 makes in order the consideration of House Joint Resolution 501 authorizing participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization.

The resolution provides for an open rule and 1 hour of general debate.

House Joint Resolution 501, as amended, authorizes 18 Members of Congress, one-half from the House and one-half from the Senate, to be designated by the Speaker of the House and the President of the Senate, to represent the United States at the NATO parliamentary conference.

The purpose of this conference is to facilitate the achievement of the aims of the North Atlantic Treaty by promoting closer relations between the members of the legislative branches of the member states of NATO.

An annual appropriation of $36,000 is authorized. $6,000 of this is for the annual contribution of the United States toward the maintenance of the parliamentary conference, $15,000 is for the expenses of the House delegates and $15,000 for the expenses of the Senate delegates.

I urge the adoption of House Resolution 473 so the House may proceed to the consideration of House Joint Resolution 501.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Iowa.

Mr. GROSS. Can the gentleman tell me when the next conference is to be held?

Mr. BOLLING. I do not know the specific time. I understand that will be discussed specifically during the debate on the joint resolution.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield to me?

Mr. BOLLING. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. The date would be November 19 of this year.

Mr. GROSS. Then this junket will not be started before the election; is that correct?

Mr. HAYS of Ohio. That is correct; I shall not use that terminology, but the conference will not be held until the 19th, anyway.

Mr. BOLLING. Mr. Speaker, I reserve the balance of my time.

Mr. ELLSWORTH. Mr. Speaker, I am in favor of this rule and the House joint resolution. When the joint resolution is read under the 5-minute rule it is my intention to offer an amendment which I think would go to the point raised by the gentleman from Iowa [Mr. GROSS] a moment ago. I note the absence of any restrictions regarding dates, so I shall offer an amendment to the joint resolution so that a delegation may be sent only when Congress is not in session.

Mr. Speaker, I have no further requests for time on the rule.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

Mr. RICHARDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution (H. J. Res. 501) to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from South Carolina.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the resolution House Joint Resolution 501, with Mr. HARRIS in the chair.

The Clerk read the title of the resolution.

By unanimous consent, the first reading of the resolution was dispensed with.

Mr. RICHARDS. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. HAYS].

Mr. McCORMACK. Mr. Chairman, will the gentleman yield to me?

Mr. HAYS of Ohio. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Chairman, I want to take this opportunity of congratulating my friend from Ohio, Mr. HAYS, on the introduction of this resolution. I think it is a very constructive step. I think out of it can come many fine, constructive results in the field of international affairs. This is one of the healthiest and, as I have said, one of the most constructive actions in the field of international affairs and foreign affairs that I have seen for a very long while. I not only support the joint resolution, but again I highly compliment the gentleman from Ohio for the fine work he has already done in connection with the development of a parliamentary situation in NATO and on this resolution which follows and extends that work. I can see nothing but excellent results to flow from the passing of this joint resolution enabling official participation by representatives of our Government in the parliamentary setup that is contemplated.

Mr. HAYS of Ohio. Mr. Chairman, I thank the distinguished majority leader for his remarks.

Mr. Chairman, this joint resolution would permit the United States to send a delegation to the annual parliamentary conference of the NATO nations.

As most of you know, the United States sent a delegation last year of which I had the honor to be the chairman.

In view of what the gentleman from Oregon has said, I should like to address myself to that point for a moment or two. Our Canadian neighbors to the north were those who were primarily interested in having a conference of the NATO nations, feeling that if we could have committees from the various parliaments get together and discuss our problems a lot of good could come out of it. They circulated the member nations. As a matter of fact, Senator Robertson, the Speaker of the Canadian Senate, came down to Washington to meet with the Speaker of the House and the President of our Senate. It was very difficult, of course, as you can see, to find a date which would be agreeable to all 15 nations, so more or less arbitrarily the Canadians set a date and asked the parliaments of the various countries to send delegations.

Unfortunately, the date that they picked came at a time when we were engaged in the usual July rush for adjournment, and it was not a convenient time for a delegation to go. Because of that, and because of the very close division in the other body, that body was unable to get a delegation over there. The other 14 nations were quite disturbed at the fact that there was no representation from the other body from the United States. On receipt of a telegram from the Vice President of the United States, which I read to the assembly, stating the reasons, the parliamentary conference decided that they would make every effort to defer from now on to the parliamentary situation in the United States and to hold a meeting at such time as would not conflict with the meetings of the Congress in this country.

The steering committee of this conference met in the Hague in February and chose, at the request of the United States, a date which not only did not interfere with the sittings of the Congress but one which will not interfere with the conventions of the two major political parties or the election campaign. This date will be in November after the election is over. The other nations were very anxious to defer to the wishes of the United States and went to great lengths to meet the situation as it occurs in our country in a presidential year.

At the meeting in Paris last year there were many things brought up which concerned the nations and which were discussed, and I think a great deal of good came out of it. Members who were present there from the Congress are on the floor and I hope they will say something in connection with this joint resolution. I do not intend to take all of the time the chairman has allowed me, but I would just like to point out, and I would especially like to call this to the attention of the gentleman from Iowa [Mr. GROSS], for I certainly believe he has sincere feelings about this, that he mentioned something a few moments ago about something being done without the United Nations.

May I point out that this NATO organization is not a part of the United Nations, although it is in no way antagonistic to the U. N., it is an organization of the North Atlantic Treaty countries. It is an organization of nations which border on the Atlantic or its environs and nations which are allied together by treaty to defend their countries from possible aggression, which could of course come from only one country, and I refer to possible Soviet aggression.

I made a statement at the NATO conference last year which I think might be worthy of repetition here. I said in the past history has shown it is possible for democracies to work together and stand together in times of threat by armed aggression, but that history has also shown when that immediate threat passed the democracies tend to drift apart and in the case of economic difficulties they even sometimes go so far as to blame each other for their troubles. That is the kind of situation exactly that the Russians would like. It is the kind of situation they would exploit and the kind of situation which they would like to have come about. If this organization can help in some fashion to keep the problems common to all democracies before us so that we can talk about them and find the ways and means of working together to solve them, I think it will be well worth the small amount of money involved. I would like to say further that the Russians have considered NATO to be the one thing that has done more than anything else to upset all their plans for world domination.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. GROSS. This delegation is growing from a delegation of 6 last year to 18 for this year; is that correct, if this resolution passes?

Mr. HAYS of Ohio. Let me say to the gentleman that last year the delegation called for 12 members.

Mr. GROSS. I understand.

Mr. HAYS of Ohio. There would have been six from the other body had it been after Congress adjourned. So actually it has grown from 12 to 18.

Mr. GROSS. But the fact remains that 6 went last year and this year 18 would be provided for; is that correct?

Mr. HAYS of Ohio. If the gentleman will bear with me, I would like to explain the reason for that. As far as I am concerned, I have no arbitrary point of view about the number going, but I did have in the steering committee one very cogent argument which I made to the other nations and it will take just a minute or two, and I hope the gentleman will be patient while I explain it. I said I am a little tired and a great many Members of Congress are a little bit tired too, of going to international meetings where the United States has 1 vote and a country like Laos with a population of a million or two has 1 vote or Cambodia has 1 vote—just to pick a couple out of the hat, and, perhaps, Luxembourg has 1 vote and Iceland has 1 vote and so on. I said that in the United States we are pretty much wedded to a system of representation generally or roughly as we are in the House, but not, of course, exactly, on the general basis of representation according to population. I said I feel that as the most populous country in this Organization, the United States ought, therefore, to be entitled to more than just one vote. So without a great deal of argument, at my request the other members of the steering committee set up a system of voting which gave the United States 36 votes or twice as many as any other nation in the Organization. Actually, last year the resolution called for 14 members. The Speaker thought it would be fitting to make it—I guess that is the case; I am assuming what the Speaker thought—that it would be fitting to make it a bipartisan thing and he only appointed 6 instead of the 7 authorized. I am merely suggesting, and the committee agreed, that we have 18 members because that would give each member from the United States 2 votes—it would be an even fraction. In other words, if we stayed with the 14, you would have had 2 and a fraction votes, which you, of course, can see can be very difficult. There is nothing contemplated that I know of at any time in the future to enlarge the delegation and that is the reason for the number of 18, which, by the way, was adopted as an amendment in the committee after the February meeting of the steering committee, and after the number of votes that each country would have was set up.

Mr. GROSS. With the increase to 18 members, may I say to the gentleman, why not add a few more? Why not, in fact, send 530 Members of the House and Senate? I certainly would except myself. Would the gentlemen from Ohio go along with my amendment to send

over 530 Members of the House and Senate, excepting the gentleman from Iowa?

Mr. HAYS of Ohio. The gentleman would go along in principle because the gentleman from Ohio thinks it would be good if all members from all the parliaments of all the nations could sit down together. I think the gentleman seriously would have to agree that that would be somewhat of an unwieldly body. It would be impossible to have everyone go. I would say furthermore I would not agree to except the gentleman from Iowa because I would like to have him as a member of the delegation. I think he would be a good watchman for the delegation and he would be a very valuable member. If we are going to send all of them—and I am serious about this—I am not saying it in any disrespectful fashion—I would like to see the gentleman from Iowa a member, if we send all of them, or even if we send a small committee. But certainly I could not agree to that amendment, because it would be unworkable in principle as well as in practice. Every other country would have to do it, and there is no place to have such a meeting, to start with.

Mr. GROSS. If the gentleman would agree to my amendment, except the gentleman from Iowa, and send all the Members of the House and Senate, you would have a very fine organization. Everybody would enjoy a nice trip to Europe, with all the festivities that go with it. I think the gentleman knows what I mean. You might accomplish something that way. I do not think you will accomplish anything with a mere 18 members.

Mr. HAYS of Ohio. The gentleman and I disagree about that. As far as the gentleman's remarks about festivities are concerned, I would prefer some of the Members on his own side would answer that, but I think they would all say that once we got through with the meetings—and we had them morning, afternoon, and evening, there was not much time for festivities. It was only a business session, and there was business accomplished. There was no time for festivities.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. HAYS or Arkansas. I support strongly the resolution which the gentleman has sponsored. When I first had occasion to study our relations with other governments that are based on parliamentary systems, Great Britain for example, I realized our great need of more formal contact than we have without this kind of arrangement. Without an organization of this kind—of course it is quite possible for alliances to move forward and be effective through executive contacts, but because of our division of powers, in the absence of something of this kind the executive department is the dominating influence. But we of the Congress are the policymakers. So I am sure the gentleman would agree with me that one great value in this organization is that the Congress is advised through contacts and conferences set up under its auspices. The Congress is given a larger voice and a larger influence. The channels of information are bound to be open to us so that we are not completely beholden to the executive department.

Mr. HAYS of Ohio. Exactly. The gentleman has put his finger on the crux of the situation. As a matter of fact, this would be handled in committee fashion, the same as everything else in this Congress is handled, by committees, because obviously the entire body cannot operate on everything that comes before this Congress. This provides us an opportunity to get acquainted with what is going on and to keep in touch.

Mr. HAYS of Arkansas. In a peculiar way this applies to the United States because our executive and legislative departments are separate.

Mr. HAYS of Ohio. It is better designed for the United States and Canada than any other, because of the fact that our executive branches are separate. But it does operate to our advantage more than any other nation in there.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. UDALL. I would like to congratulate the gentleman on his excellent presentation. There is a great deal of ferment right at this time regarding the NATO organization, and Secretary Dulles lately gave a speech where he said there should be a reconsideration of the role of NATO. I think the coming meeting this fall, where members of parliament will have an opportunity to voice their ideas about enlarging the economic and political roles of the organization, that exchange will be very helpful at such a time as Mr. Dulles and the State Department may make proposals to the Congress.

Mr. HAYS of Ohio. I agree thoroughly with the gentleman.

At this time I would like to pay tribute to the fine job the gentleman did last year as a member of the committee which attended this NATO Parliament.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. HAYS] has expired.

Mr. MERROW. Mr. Chairman, I yield myself such time as I may consume.

The CHAIRMAN. The gentleman from New Hampshire is recognized.

Mr. MERROW. Mr. Chairman, this resolution has a single, and simple, purpose—to authorize the appointment of a congressional delegation to meet annually with parliamentary groups of the 15 North Atlantic Treaty Organization countries. In addition to the United States the other members are Belgium, Canada, Denmark, France, Federal Republic of Germany, Greece, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Turkey, and the United Kingdom.

Each of the members is contributing to the mutual defense of an area that we regard as vital to our own security. This common objective, so important to every American, has brought together nations that are opposed to Communist expansion. In these challenging times it is not enough that we and they unite only because we are all against something. On the positive side, the NATO members can do much to contribute to the economic, social, and cultural development of their peoples. An organization such as is embodied in this resolution offers one of the best means to achieve these broader purposes.

The NATO Parliamentary Conference is not a policymaking body. By providing a forum for the exchange of views of elected representatives, it permits the projection and discussion of issues that most concern the peoples whom they represent. While such views need not necessarily be at variance with official positions of their governments, they can be discussed with a frankness and informality not always available to diplomats and military leaders.

Mr. Chairman, I hope that House Joint Resolution 501 is adopted by the committee.

Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON of California. Mr. Chairman, last year when I was a member of this group, frankly, I felt honored that the Speaker appointed me on the committee. We had a very harmonious group of men and we went with only one purpose in mind, which was to cement together the parliamentarians of the NATO countries.

I am firmly convinced that if we had had this organization last year we could have prevented the tragic thing that happened over in Cyprus. As all of you know, the Communists tricked the Greeks into stirring up a lot of trouble there, and it might have blown up into another world war. As a matter of fact, if we could have talked with the parliamentarians from Greece, Turkey, Great Britain, informally, and learned just what their difficulties were and what they wanted I believe those informal meetings could have solved the problems that we had in Cyprus. After it had been considered by the Security Council and in that manner landed on the front page of the leading papers of the world it was too late to invoke informal discussions to mediate the differences of the various countries involved.

Our chairman was very gracious to all of us; we were a very harmonious group. We had fun a few times by ourselves. In every way, in my opinion, the meeting was a success. We went along on the basic idea that the legislators of the various countries whose laws make the policies of the country should be the ones who were joining together to determine if they could harmonize their views and thus bring about results that would minimize the tenseness of the world in which we are living.

It was my pleasure to be sent to Canada several years ago with Owen Roberts and with Senator Gillette and another person. Up there we met Mr. Robertson who has been a key figure in trying to bring about a parliamentarians' association which I believe we have organized in this resolution.

You all know that many problems in the House of Representatives are handled in conference committees where the men can talk frankly and where what they say does not go outside the room they are in. When they finally harmonize their views they come back

to their respective houses and get the consent of the Senate and the approval of the House of Representatives.

My colleague the gentleman from Iowa [Mr. GROSS] said that we had no military force in Europe. The Air Force under the command of General Norstad, which is part of an international Armed Force composed of nationals from the NATO countries, is the most powerful striking force in the world. Furthermore its forward eschelon is within 10 minutes of the Sattelite countries that are now under Communist domination. This includes countries from Poland to Yugoslavia.

The world is so small, the world is so explosive, the world is so tense that I believe we should take every reasonable step we can to gather together those forces in the world that want peace, so that we may have finally a world in which our children can live without fear. It seems to me the way to do that is to get together the able men who spring from the people that elect them, and thereby get the grass roots opinion.

Mr. Chairman, my views on this matter are such that I think it is one of the most important things we can do and I appreciated tremendously the fact that the Speaker was generous enough to appoint me one of the members of this group last year.

Mr. Chairman, I sincerely hope this resolution will be agreed to unanimously today.

Mr. MERROW. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, among the few members on the floor, the Committee on Foreign Affairs is well represented as it usually is on an occasion of this kind. But after listening to the remarks of the various gentlemen who have preceded me I gather the opinion that we could disband NATO, we could disband SEATO, we could disband all of the rest of the so-called alliances we have and just set up this NATO parliamentary conference or whatever it is, and everything will be lovely and the goose will hang high for us in foreign countries. It apparently has all the answers to all the problems of the world. The gentleman from Massachusetts [Mr. MCCORMACK] said that nothing but good had flowed from the conference that was held last year, the 5-day conference, attended by six Members of the House. I do not see how anything very bad could flow from it because, as far as I can determine, nothing happened except to give six Members of the House another junket over to Europe.

I read the so-called report of the gentleman from Ohio [Mr. HAYS], which is to be found in the CONGRESSIONAL RECORD, volume 101, part 10, page 12743. If anyone can read this and find any accomplishments I would be delighted to have them tell me about it. I could find no accomplishments flowing from the meeting of last year, nor do I anticipate anything is going to happen from the meeting this year except to spend some more of the taxpayers' money. The gentleman from Ohio [Mr. HAYS] reminds me of something that is pretty obvious; that NATO is not a part of the United Nations. Of course, it is not a part of the United Nations. NATO was hatched because of the failure of the United Nations, because of the complete and utter inability of the United Nations to deal with the situation which NATO sought to deal with on the European continent. And today NATO is about as near a defunct institution as anything can be.

So it is proposed to mobilize 18 Members, 9 from the House and 9 from the Senate, give them $36,000, and I do not know how much more in the way of free transportation through the military, send them over to Europe to do a job that NATO has not, cannot, and will not do. I say to you that it is another joyride and I am going to continue to tell you that in my remarks because that is all it amounts to.

A previous speaker said that this NATO parliamentary conference is designed to take care of Canada and Great Britain. In my opinion, Canada and Great Britain ought to be making a far greater contribution to themselves by putting a few troops in NATO; by showing some disposition to support NATO. As I understand it, the British have 4 divisions in NATO today and are on the point of withdrawing 1 of those. There are no French forces in NATO to amount to anything, and I am sure the gentleman from South Carolina, the chairman of the House Committee on Foreign Affairs Mr. RICHARDS, knows that very well. They have taken their troops to Africa. NATO today is the next thing to a defunct institution. Secretary of State Dulles has practically admitted it. He has been fishing around for the last week or so over in Europe to determine whether it is going to be a political or an economic organization. It was created for the purpose of providing a military force in Europe. Now the question is being examined as to whether it is going to be a political or an economic organization, and 18 Members of the House are going to Europe next November, mind you, after the election; not before the election but after the election to straighten out this mess into which we have poured billions and several divisions of American troops.

I was interested to note the other day, just in passing, that there is going to be no meeting of the United Nations on September 8 as was previously scheduled. It has been postponed until November 12; until after the election. Why? Why no no meeting of the General Assembly until after the election? Do they not want to argue the question of the admission of Red China before the election? Why has it been postponed? Why do you want to postpone this? If you can do so much—if this is such an important conference—why postpone it until after the election? NATO is on the rocks. If this junket can give it any help, it needs it now, not months from now. Why are you waiting until after the election to go over there? Is it because you want to go out and campaign and take this joyride later?

Somebody—I believe it was the gentleman from California [Mr. JOHNSON]—said if we had had this junketing force in operation there would have been no trouble on the island of Cyprus and that the Communists have engendered all of the trouble down there, in his opinion. Well, the Communists have had their hands in it, to be sure, but do not forget that it was the British who, in the closing days of the war set the stage for trouble in Greece, and they had to hightail it out of that country because the Greeks would have thrown them out of there if they had remained and so we took over the policing of Greece several years ago, remember? No, it was not the Communists that started the trouble on Cyprus; it was Great Britain that has had its heavy hand upon Greece and the Cypriots all through the years. They are members of NATO and they started the trouble.

Somebody mentioned Iceland. Iceland is a member of NATO and this parliamentary conference. Are you going to go over there, the 18 Members of the Congress, on this joyride and convince the members of the parliament of Iceland that they must back up now and tell us we can stay in Iceland? They have served notice on us to get out.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I do not know that the committee would go to Iceland and try to persuade them, but I think if the committee could persuade them in the parliamentary conference to share our point of view, that it would be a very fine thing.

Mr. GROSS. There has been a lot of money dumped into Iceland, and millions and millions of dollars apparently did not change them. Is that not correct?

Mr. HAYS of Ohio. I would say to the gentleman, from what I understand about the situation in Iceland, this matter occurred just before election when certain members found it expedient to be slightly isolationist.

Mr. GROSS. Or neutral. I do not think the gentleman is going to change that situation, either. Mr. Chairman, I should like to ask a question of someone. How many staff members did you have on the trip last year?

Mr. HAYS of Ohio. I believe we had four.

Mr. GROSS. Four staff members for a 5-day trip; is that correct?

Mr. HAYS of Ohio. That is correct.

Mr. GROSS. What were the total expenditures last year?

Mr. HAYS of Ohio. I do not have the figure at the tip of my fingers, but I think they ran in the neighborhood of $8,000.

Mr. GROSS. I think I can tell the gentleman. The gentleman, being chairman of the delegation, I thought probably knew, but I can tell him. The total expenditures were $9,256.11. I do not think that included counterpart funds. I think you probably spent some counterpart funds in addition.

Mr. HAYS of Ohio. Let me say to the gentleman that part of the figure that he has mentioned represents two meetings at least of the steering committee attended by one member of the group, to formulate the program for the next meeting. The original amount spent by the delegation was about $8,000 and

there has been probably $1,200 spent since then.

Mr. GROSS. The Disbursing Office records show that there was spent $9,256.11 as of a few days ago. Does the gentleman propose to increase the number on the staff for this junket this year?

Mr. HAYS of Ohio. As a matter of fact, may I say to the gentleman, there is no permanent staff of the committee. The staff we had last year, two members thereof, were not paid out of committee funds. I do not know that there is any proposal to increase the number at all.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield to me?

Mr. GROSS. I yield to the gentleman.

Mr. RICHARDS. I should like to say for the information of the gentleman that there were no staff members of the Committee on Foreign Affairs on this trip.

Mr. GROSS. I am speaking of so-called staff members of the committee.

Mr. HAYS of Ohio. May I say to the gentleman that I requested, as is customary many times, the State Department to furnish staff members from the Embassy in Paris. The Department was rather embarrassed, I think, and reported back to me that they could not do so because they had to use everyone who was available to send down to Geneva because this occurred at the same time as the President's Summit Conference at Geneva. The State Department suggested that we take staff from here to do the necessary secretarial work for the delegation. That is the reason it was done that way.

Mr. GROSS. The report of last year's meeting indicates but little secretarial work was done. The gentleman from Ohio [Mr. HAYS] spoke of voting strength of this delegation. What do you propose to vote on?

Mr. HAYS of Ohio. We propose to vote on any resolutions that would be brought forward. I cannot predict what they would be at this time. As a matter of fact, the agenda for the next meeting has not been certified as yet.

Mr. GROSS. What kind of resolutions does the gentleman think this sort of organization would have?

Mr. HAYS of Ohio. I think one thing, which would be somewhat obvious, would be that they would want a resolution deciding that it was the sense of this group—which would be in no way binding, but it would be similar to a recommendation of any other committee—that the Parliaments and Congresses should implement the decisions that Mr. Dulles and the foreign ministers might make. He has been trying to formulate some decisions concerning the economic future, for instance, of NATO; the cultural future of NATO; ways to cooperate, means that these 15 nations can take to offset, to the best advantage, the approaches and advances being made by the Russians to gain control of great areas of the world, and to destroy this organization.

Mr. GROSS. Mr. Chairman, I am surprised, in view of the fact that there are 6 Members of the House who were over there last year, and the gentleman from Massachusetts [Mr. MCCORMACK] says there was so much great good flowing from that meeting, that the Secretary of State failed to call in those 6 Members, and particularly the chairman of this committee and ask what they would suggest he do at the NATO Conference he just attended. I am surprised that he did not do that.

Mr. HAYS of Ohio. I am surprised that he has not done that.

Mr. GROSS. Yes, it is surprising that he did not call in the gentleman and the other five members of his committee, having all of the valuable information obtained on last year's junket, to find out the answers as to how to make NATO a going institution, which of course it is not today.

I will have some amendments to offer to this joint resolution, particularly to try to stop this thing from being fastened permanently around the necks of the taxpayers of this country on an annual basis. We have the Interparliamentary Union, which has gone on for the Lord knows how long, and nobody can point to anything that junketing outfit has ever accomplished. It has become a permanent fixture. I am opposed to making this thing permanent.

Mr. RICHARDS. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. TUMULTY].

Mr. TUMULTY. Mr. Chairman, as the Irishman said, "Is this a private fight or can anybody get into it?" I had not planned to say anything on this matter. I had planned to listen to the debate. But after hearing my distinguished friend from Iowa [Mr. GROSS] I of course must say a few words.

I think the idea is a good one. I would not necessarily subscribe to all the things that NATO is doing, but I can see a good practical value arising out of sending a group of Members of this House and the other body over to discuss with parliamentary representatives of other nations problems of mutual interest.

I notice the joint resolution confines the activities of the group to discussion of any problems in the interest of maintaining peace and security in the North Atlantic area. If I were on the committee I know I would have some questions to ask, if I were able to go. I should very much like to ask the British representatives of Parliament when they intend to end the partition of Ireland. I should like very much to find out from them as one parliamentarian to another why they persist in this unjust aggression in Ireland.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TUMULTY. I yield to the gentleman from Iowa.

Mr. GROSS. If the gentleman is making a speech in favor of this joint resolution I have no doubt but what he will be invited to go.

Mr. TUMULTY. Just a moment ago the gentleman was invited because he was disagreeing. If I were he, I would go and I would ask questions. For example, the gentleman could go over there and say to some of these representatives, "Boys, you are spending too much of our money. You are taking too much money out of the United States. You are not doing what you should."

The gentleman could say in his own inimitable eloquence, "Frenchies, you are not doing your part. You are spending money that could go to Iowa."

I should like to ask those questions. I think this resolution gives us a forum. I think it is a splendid idea.

Mr. GROSS. Somebody ought to stay around here and try to keep Princeton University straightened out.

Mr. TUMULTY. That is true, but there are moments when you can relax your vigilance on domestic matters and go over and see the world and increase your voluminous knowledge, and ask the questions of foreign parliamentarians that you asked here on the floor. I do not know whether they could answer them any better than we do, but I think the country is missing something when men like you do not go over there.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. TUMULTY. I yield.

Mr. JOHNSON of California. I understand the gentleman was in Spain last year.

Mr. TUMULTY. Yes; I was.

Mr. JOHNSON of California. The gentleman asked a whole lot of questions?

Mr. TUMULTY. Yes.

Mr. JOHNSON of California. Does not the gentleman think that trip was worthwhile to get some of the answers the gentleman wanted?

Mr. TUMULTY. Yes; I think the trip was worthwhile. I feel we got some splendid answers. I think NATO has done good. I do not agree with everything it has done. I do not feel too enthusiastic about France, which has an active Communist Party in it. But I think if you have a vehicle there where you can ask these questions of men in the countries where the problems are, where you can legitimately ask them without seeming to interfere in their affairs, I think a lot of good could come out of it. I know if I had met some parliamentarians from England or France in such a capacity I would ask these questions. I would like to ask the English about the Burgess-McLean case, and their measures for security, and I would feel better able to ask it at a body of this type.

Mr. JOHNSON of California. The main point I wanted to make was that the gentleman, like many of us, wants to go out to try to learn something by being on the ground as to what is going on, and in what way we can help ourselves to do the right thing, to cooperate, with our allies and perhaps get more cooperation from them.

For instance, I live out in California, 3,000 miles away. So I wish every single member of the Committee on Agriculture would go out to the State of California and see our agriculture out there. It is entirely different than in any other part of the Union. I assume, according to the ideas of the gentleman from Iowa, that would be a junket. The gentlemen ought to go out there to learn what the country is like, outside of Iowa.

Mr. TUMULTY. I will tell you the truth—on this so-called junket that I was on, I did not lose any weight—I can tell you that. I have a better way of

spending my time if I want to enjoy myself. And it is not getting up at the crack of dawn and taking a plane in the middle of a fog and trying to get into a hotel room, and then getting into a bed that does not hold you up, and you find the next morning when you wake up that you spent the night on the floor, nor do I have the idea that it is an enjoyment just going from place to place and attending meeting after meeting. I think this idea of a pleasure jaunt with respect to these trips is greatly exaggerated. As one who loves comfort, I can assure you I would pick another way to enjoy myself. I would like very much to go to California and try the oranges out there. I understand they are very good for reducing.

The point I want to make is this: This resolution gives us a forum to voice discontent with the way things are. I hope this resolution will pass because I would like to have a forum where I could disagree with Mr. Dulles and where I could say to the French and English, and I hope some day to the Irish if they are ever properly recognized, and if the British would only take their foot off Ireland's neck up there in the north of Ireland—I would like to say, "Look I think that our joint foreign policies are not doing so well. What do you think about your policy—is it doing so well?" In other words, it gives us a forum to air our discontent in a proper and legitimate manner. I think it is well worth the money that is expended on it. That is why I hoped you would take the junket. I will go with you, if you want—and be a sort of bodyguard to you.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TUMULTY. I yield.

Mr. GROSS. If the gentleman wants to disagree and get his ideas across to Secretary of State Dulles, he does not need to take a trip to Europe to do so. What he needs to do is become a member of the Committee on Foreign Affairs.

Mr. TUMULTY. No, I think it would be lots easier to find him in some foreign port. He is so seldom in Washington that it would be more likely that one would meet up with him in France, or Spain or the East.

Mr. GROSS. The gentleman should be a member of the Committee on Foreign Affairs, if he wants to rub elbows with Mr. Dulles.

Mr. MERROW. Mr. Chairman, we have no further requests for time.

Mr. RICHARDS. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Resolved, etc., That not to exceed 14 Members of Congress shall be appointed to meet jointly and annually with representative parliamentary groups from other NATO (North Atlantic Treaty Organization) members, for discussion of common problems in the interests of the maintenance of peace and security in the North Atlantic area. Of the Members of the Congress to be appointed for the purposes of this resolution (hereinafter designated as the "American group"), half shall be appointed by the Speaker of the House from Members of the House, and half shall be appointed by the President of the Senate from Members of the Senate. Not more than four of the appointees from the respective Houses shall be of the same political party.

The Clerk read as follows:

Committee amendment: Page 1, line 3, strike out "fourteen" and insert "eighteen."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 1, line 10, strike out "American" and insert "United States."

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 2, line 4, strike out "four" and insert "five."

The committee amendment was agreed to.

Mr. ELLSWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ELLSWORTH: On page 1, line 4, after the word "annually", insert "and when Congress is not in session."

Mr. ELLSWORTH. Mr. Chairman, when a similar resolution was passed last year, it was not noted at the time that the date of the proposed meeting as it later turned out and has been mentioned on the floor in general debate, that the scheduled date of the meeting last year was when Congress was in session and not only in session but at the very busiest time of the session last year. So when this resolution was reported this year, I made up my mind that I would offer to the committee at this point an amendment which would clearly state the wishes of the Congress regarding the annual meeting date for this conference. That is the sole and only purpose of the amendment which I have offered. It in no way limits or disturbs the intent and purpose of the resolution with which I am fully in agreement. The nations of NATO, the nations of Europe and the United States who are banded together under the NATO treaty have most of their meetings and most of their contacts, at the executive level. I think it is highly desirable that we arrange for representatives of our Congress to confer with representatives of the other nations at the parliamentary level so that we can better understand one another in this organization.

Mr. HAYS of Ohio. May I say to the gentleman that I tried to explain in my remarks about the resolution why the situation arose last year as it did. I assure the gentleman that as far as the Canadians, who proposed the date, are concerned, it was entirely an inadvertence on their part. That it was not more convenient to us. I have no objection to the gentleman's amendment. I think it might strengthen the hand of the steering committee member, whoever he may be, that meets with the other members to determine the date. I would like to inquire if the gentleman intends to prohibit a member of the steering committee, whoever he may be, from meeting with others to set the date for the next meeting. He does not intend that, does he, by his amendment?

Mr. ELLSWORTH. No.

Mr. HAYS of Ohio. It is that the annual conference be held at a time when the Congress is not in session?

Mr. ELLSWORTH. I assure the gentleman that the amendment would apply only to the date of the conference itself.

Mr. HAYS of Ohio. I thank the gentleman.

May I say that as far as I am concerned, and the membership on this side, we have no objection to the gentleman's amendment.

Mr. ELLSWORTH. I thank the gentleman. I appreciate the explanation made by the gentleman from Ohio, a member of the Foreign Affairs Committee which reported this resolution, regarding the date last year. But memories of people are short, and so just to be sure that we did not have such a slip again, in view of the fact that this resolution sets up our participation in this NATO conference on a permanent annual basis, I think it highly important that the views of the United States concerning the date of the meeting be inserted in the resolution itself.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. VORYS. I know of no objection to the gentleman's amendment on this side. In fact I think it is a good thing. It was an unfortunate circumstance that the meeting came as it did last year, but having put in this amendment, we can certainly arrange with the other nations so as to meet at a convenient time.

May I ask the gentleman this question: There has been criticism as to having such a meeting after the election, rather than during the campaign period, when the Congress is not in session. Does not the gentleman agree that if you are going to have it during the campaign period, then nobody except those fortunate souls who do not have any campaign, will be eligible to go, and therefore there is a certain reason, if you cannot meet early, for having it at a time when Members who are in a position to fight for their seats, can be able to go?

Mr. ELLSWORTH. May I say to the gentleman that the spirit of my amendment is that this meeting be held at the convenience of Congress. In other words, it is a resolution of Congress regarding our own Members going to the meeting. I think most certainly the meeting should be at the convenience of the Congress.

Mr. GROSS. Will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. GROSS. How are you going to bind the other member nations of this organization as to a meeting date?

Mr. ELLSWORTH. I do not believe there is any thought of binding anybody.

Mr. GROSS. What is the meaning of your amendment if it does not say that no meeting would be held during the sessions of Congress?

Mr. ELLSWORTH. The meaning of my amendment expresses the view of the United States. If it turns out that we cannot agree with the other member countries as to a meeting date, we will not be represented.

Mr. GROSS. I would not want anything to deprive anyone of this trip at taxpayer expense.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mrs. CHURCH. Has the gentleman included the word "regular"? Does he mean a regular session of Congress?

Mr. ELLSWORTH. I used the words "when Congress is not in session."

Mrs. CHURCH. Would it mean that if a special session were called after the delegates were gone they would have to be recalled?

Mr. ELLSWORTH. I am afraid it would mean that; yes.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. KEATING. It seems to me this is a very constructive move on the part of the gentleman from Oregon; and in further reply to the gentleman from Iowa may I say that if we adopt this resolution with this amendment it will only permit a delegation to go from here if the time is fixed when we are not in session. Certainly with this country such an important factor in the NATO organization they are going to give due weight in fixing the date to the United States views, and as a practical matter they are not going to hold a NATO conference without the participation of the United States.

Mr. ELLSWORTH. I think the gentleman is correct. I am sure the other nations would show the United States due courtesy in this matter.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

(On request of Mr. HAYS of Ohio and by unanimous consent, Mr. ELLSWORTH was allowed to proceed for 2 additional minutes.)

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. HAYS of Ohio. I wish to address myself to what the gentleman from New York has said, as well as the gentleman from Ohio [Mr. VORYS].

May I say that the date for this conference meeting was set by the steering committee in February, which I attended. The other nations are more than happy to defer to the wishes of the United States. The reason I feel we should make the date after the election is for the very reasons advanced by the gentleman from Ohio [Mr. VORYS]. It would seem to me it would be difficult to get a delegation the members of which would be willing to go either during the time Congress were sitting or during the time the national conventions were sitting or during the period of the campaign; and I say to the gentleman from New York [Mr. KEATING] that the other nations are most gracious and anxious to defer to our wishes in the matter.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield.

Mr. JENSEN. I am in full support with the gentleman's amendment to the resolution. I am also in full support of the resolution. I think it is good to have Members of Congress attend the Interparliamentary Union meetings. I think it is good that Members of Congress travel around the world to see how we are spending our money in foreign countries, and how those foreign countries themselves are spending our money.

The fact is, we are in this organization of friendly nations which are on this side of the Iron Curtain. Whether we like it or not we are in it, and we had better send Members of Congress around the world to see what is going on.

I have been on several trips to foreign countries looking into the things for which our money is being spent. I have been with members of the Appropriations Committee. We have always had either a clerk of the committee or the chief clerk; and, believe you me, we learned things. Then we report back to the committee what we have learned. We do not make those reports public because we shoot straight from the shoulder and some of the things we say about these other nations might not ring the kind of note they would like to hear.

The CHAIRMAN. The time of the gentleman from Oregon has again expired.

(On request of Mr. BONNER and by unanimous consent, Mr. ELLSWORTH was allowed to proceed for 3 additional minutes.)

Mr. JENSEN. And I can say that every committee I have been on has worked. Of course, there is a little enjoyment, too, that goes along with it, but I am sure that a great majority of the Members of Congress who have gone on these trips feel that the experience has been most helpful and worth while. So I am very pleased to support this resolution.

Mr. ELLSWORTH. I thank the gentleman very much.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from North Carolina.

Mr. BONNER. So that the Congress will know whether this committee speaks with authority or inquires with authority in order to report back to the Congress or whether or not the Interparliamentary Union group represents the Congress and speaks with authority and can report back to the Congress. I want to know what kind of conflict there will be between these two delegations that we propose to send abroad. I have been unable to find out much about the Interparliamentary Union. Of course, I admire the frankness with which this resolution is brought to the attention of the House so that we can all understand it, but I want to know which will be the authorized body?

Mr. ELLSWORTH. Before I yield to the gentleman from Ohio to answer the question more specifically, may I say that I, too, had that same question in mind. I understand however that this resolution before us applies only to the relationship that our Government has with the treaty countries as a part of the treaty organization, whereas, as I understand it, the Interparliamentary Union deals with a discussion of the various parliaments.

Mr. HAYS of Ohio. The gentleman has stated the matter correctly. I may go further and say that the concept of NATO is that it is an organization of countries to mutually protect each other from the possibility of aggression by the Communists and they have certain problems that are peculiar to that organization, whereas so far as the Interparliamentary Union is concerned—I am not sure about this—but I understand at the last meeting the Soviet Union delegates to it and have a right to, so, therefore, you have a situation which is entirely different. There is no conflict. As a matter of fact, this committee would only speak of its relation with NATO, whereas the Interparliamentary Union committee would speak on a much broader scale with any country that has a parliament.

Mr. ELLSWORTH. Is it not true also that our parliament or Congress legislates on matters having to do with NATO and all the other member parliaments legislate on matters having to do with NATO, therefore this discussion allows an opportunity to compare notes at the parliamentary level? That is why I am for it and I assume that is the value involved in it.

Mr. HAYS of Ohio. The gentleman is exactly right.

Mr. BONNER. Suppose these two groups were meeting in this identical city at the same identical time, which would represent this country?

Mr. HAYS of Ohio. It would be just the same, as far as I can see, if the National Convention of Retail Merchants and the National Association of Coal Producers were meeting in Washington. One would speak for the coal producers and the other would speak for the retail merchants. I do not foresee that they will meet at the same time in the same city, but if it should I think that would be the way it would work out.

Mr. BONNER. Which one would speak for the United States Government?

Mr. HAYS of Ohio. The Committee in NATO would speak for the Congress in the NATO organization and the Interparliamentary Committee would speak in the Interparliamentary Union.

Mr. ELLSWORTH. I thank the gentleman.

Mr. VORYS. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, I first want to comment on questions asked as to the Interparliamentary Union. There are, I believe, 33 nations in it. Some of the Iron Curtain countries, after staying out for a number of years—Czechoslovakia, Poland, Rumania, Bulgaria—have again come in, posing quite a problem for the Interparliamentary Union as to whether they were now eligible; but they finally admitted those countries. However, the American delegates to the Interparliamentary Union do not speak for the United States Congress, the delegates to this NATO parliamentary conference will not speak for the United States Congress. No group of Members of Congress meeting elsewhere can commit the United States Congress.

Mr. Chairman, I am in favor of this resolution, I am in favor of the amendment limiting our participation to periods when Congress is not in session. I think, though, that you can look forward to the day when we might have delegations of similar character go to the Southeast Asia Treaty Organiza-

tion meetings. I would be glad to see the time come when the members of the parliaments and the congresses and the legislatures of those nations would be getting their heads together. And, as to meetings of the organization of American States, I think such parliamentary meetings in the Western Hemisphere might be very important.

We are a big, important country, and this is a great big world, and there are a number of regional activities in which we are interested as well as a number of overall activities, such as the United Nations itself. And we are no doubt going to participate in all of these activities.

I appreciate the importance of NATO, as reflected in this resolution, but I do not want to see us become too absorbed in the Atlantic community. Many in the Atlantic nations, and some of our own people, are in favor of an Atlantic union, in which we would merge our sovereignty in an exclusive, preferential way, with some or all of the NATO countries. I am opposed to this. I am not so obsessed with the importance of Western Europe as to ignore the equal importance to use of our own hemisphere and the Far East. We must make no arrangements that will put these other neighbors of ours to the south and east in a second-rate position of interest or association.

There is one aspect of this that I do not believe has been mentioned, and that is the vision that not more than 5 of the 9 Members from either the House or Senate shall be of any single party. Provision is made here for minority representation at these conferences, regardless of which party is in power, and that is a most important provision. When we have a meeting of the diplomats or the heads of government, they represent the party in power in each country, as is proper. If minority members are there, they are appointed by the party in power, although often with the collaboration of the minority leaders. But in this case we are assured that both of the great political parties of our country are going to have a voice either to commend or, as one Member has said, to criticize in these NATO parliamentary meetings. Our delegation is going to be broadly representative of the Congress and of the parties and this resolution makes sure of a minority voice in the discussions and deliberations that take place. I think that is a fine thing to provide.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I could not agree more wholeheartedly with the gentleman, no matter what I said. But I just wanted to add to the gentleman's fine remarks the fact that this delegation last year was most bipartisan in its approach. As a matter of fact, a member of the minority party was appointed as the American representative on the rules and resolutions committee, which is the most important committee of the organization, and he sat there representing all of us on that committee. I am sorry the gentleman from California [Mr. JOHNSON] has left the floor temporarily, but he did serve most ably in that capacity. That just bears out what the gentleman said, that provision is made so that this committee will represent a cross section of both parties and a cross section of the Congress.

Mr. VORYS. I am glad to be reminded of the bipartisan character of last year's representation. I want to remind my colleagues that this sort of provision tends to give continuity to the representation at these gatherings, even though there is not complete unanimity of expression. All the world knows that we have two great political parties and that no one of them is necessarily forever in power. When our representatives go there and discuss things frankly, they appreciate the differences; they also appreciate the substantial unity of our parties on matters that involve our relations with the rest of the world.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. ELLSWORTH].

The amendment was agreed to.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 1, line 4, strike out the words "and annually."

Mr. GROSS. Mr. Chairman, a few moments ago my colleague from Iowa [Mr. JENSEN] endorsed this resolution and the various junkets made by Members of Congress to foreign countries. I have no quarrel with committees that make investigations of expenditures of money. The gentleman seemed to think that this junketing group here is going to Europe to make an investigation of moneys expended by the Government. They went over last year and there was not the slighest mention that they gave any attention to the billions we have spent.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I do not yield at this time.

Mr. JENSEN. Stick to the facts.

Mr. GROSS. The record shows the facts. The gentleman says that it is a fine thing for Members to go to foreign countries to investigate the spending of money.

Mr. JENSEN. That is right.

Mr. GROSS. The gentleman endorses this resolution to send this junketing group over to Europe. They went over last year and nowhere in their report is to be found any mention of the money spent by this Government. If the gentleman would take the time to read the report he would know that.

The Interparliamentary Union has been spending all kinds of money of the taxpayers of this country through the years, on junketing trips, over to the blue Danube and various other places. If the gentleman will read their reports, as I have read them, he will find no mention of any investigation on the part of that group of the spending of money in foreign countries.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield, briefly, not for a speech.

Mr. JENSEN. The gentleman says that they did not go over there to save money—the Interparliamentary Union.

Mr. GROSS. They went over there to spend money and the facts show that.

Mr. JENSEN. Would not the gentleman agree that by a meeting of the minds of the people of this Nation, through Members of the Congress, and members of other nations, at this Interparliamentary Union, we could have the effect of the saving of money for the United States of America?

Mr. GROSS. I am glad the gentleman used the word "could," because that is the umbrella he rests under.

Mr. JENSEN. Just a moment——

Mr. GROSS. Yes, it could, but it never has.

Mr. JENSEN. How does the gentleman know that it has not saved money?

Mr. GROSS. Go look at the record.

Mr. JENSEN. Can the gentleman prove that it has spent money, except for the trips?

Mr. GROSS. Certainly that was an expenditure, and we have been continuing these huge foreign-aid expenditures year after year. The gentleman has been investigating expenditures overseas and yet this year he is confronted with a bigger foreign aid bill than we had last year, and a 10-year program on top of that. Where are we getting with these junketing outfits that have been going all over the world? Show me some results, and I will go along with the gentleman.

Mr. JENSEN. Just this much, let me say to my friend, with respect to the amount of money that we are spending this year. It is very possible, and in fact I am quite sure that had we not gone around and looked into the expenditure of funds that we appropriate for some of these foreign countries, that the request for that purpose, perhaps, would be twice as much as it is today.

Mr. GROSS. Of course, you may have done a little good. But what the gentleman is saying is an assumption that cannot be proven.

Mr. JENSEN. And the gentleman cannot prove any statement that he is making, either.

Mr. GROSS. Look at the record of spending since the end of World War II; the billions in foreign handouts and now the demand for increasing amounts.

Mr. JENSEN. No, the gentleman cannot. He cannot prove that this Interparliamentary Union has not done good and saved money for the taxpayers of America.

Mr. GROSS. Show me anything in the results of the Interparliamentary Union through the years that has been of any benefit to this Government or the taxpayers.

Mr. JENSEN. I would say that if the gentleman would get around and go to some of these meetingss, get around the world and see a few things, even here in the United States, he might take a different view on a great many things.

Mr. GROSS. Mr. Chairman, I do not yield any further.

Mr. JENSEN. I do not blame the gentleman for not yielding.

Mr. GROSS. I will say to the gentle- that I well remember one resolution

passed by the Interparliamentary Union in which that outfit said that as a condition of our cooperation with foreign nations we must understand that we would have to yield some of the sovereignty of our people.

Mr. JENSEN. Have we yielded any of our sovereignty?

Mr. GROSS. Of course we have yielded some of our sovereignty.

Mr. JENSEN. Where? Be specific. If you are going to make a lot of noise about it, be specific.

Mr. GROSS. Go read the United Nations Charter if you do not think we have yielded sovereignty. Who dragged us into the war in Korea? Read the NATO Status of Forces treaties and agreements.

Mr. JENSEN. He brings up some matters here that have no connection whatever with this issue.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent (at the request of Mr. McCORMACK) Mr. GROSS was given permission to proceed for 5 additional minutes.)

Mr. GROSS. I will not take the 5 minutes, Mr. Chairman.

Mr. Chairman, my amendment simply strikes out the words "and annually", which would prevent this organization from being made permanent. That is, its activities would be brought here for review each year, its expenditures would be brought here for review each year. That is all the amendment does. Taking out the words "and annually", the bill would read, "Members of Congress shall be appointed to meet jointly with representative parliamentary groups," and so forth.

Mr. Chairman, I ask for a vote on my amendment.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask the Committee to vote down this amendment for the reason that it would not at all prevent the organization from being made a permanent organization. It would only prevent the United States from sending a delegation unless it came in each year with another resolution. As a matter of fact, the Committee on Foreign Affairs staff thought that it should be written this way to preclude the fact that we would have to have debate on it each year.

I realize that some of the Members have had a good deal of fun and an opportunity to make some remarks and they might wish to do so each and every year, but as long as the NATO organization is in existence and as long as the organization is doing a job, as long as we are a member of it, I believe the Congress would want us to be represented. I ask that the Committee not support this amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Ohio.

Mr. VORYS. Some of us have closed minds and some of us believe that the way to preserve an open mind is to have a vacant mind, as far as knowing anything first-hand about the rest of the world is concerned. But does not the gentleman believe that it is a good thing for some of the Members of Congress to have somewhat open minds, willing to learn first-hand about other countries and their problems, and for them to seek open minds elsewhere that will be willing to learn about our problems?

Mr. HAYS of Ohio. The situation as I see it is that you cannot always just recite in black and white everything that a meeting like this has done. There are tangible things and sometimes there are a lot of intangibles connected with it. Sometimes we present our views to members of other parliaments and prevent them from bringing up certain things they might bring up that we do not want. It does a great deal of intangible good, in my opinion.

Mr. VORYS. I agree with the gentleman. Often in informal talks we learn something or we pass along something that it would not be in the best interest to disclose in formal reports subject to debate here. That is very helpful to the course of cooperation with other nations. Is not that true?

Mr. HAYS of Ohio. The gentleman is exactly right. I might use as an example that the two traveling salesmen from Russia, not being conversant with democratic ways, in an informal meeting in England, in my opinion, did their country a great deal of damage because of the fact that they showed their true colors. American and English members of parliament could sit down and disagree and have an argument, and perhaps they would accept part of our viewpoint and perhaps a lot of good would come out of it. But, because these men had no history of democratic ways, they did not know how it was done and, in my opinion, they have done irreparable harm to their ideas in Europe and have done a great deal of good for our own.

Mr. VORYS. I certainly agree with the gentleman.

May I express one more thought: We know that NATO is under fire by minorities in each of the member countries. We know that it has been under fire here today. But would it not be a good thing, just as a gesture of confidence in the essential continued unity of these nations, for us to authorize meeting annually at this time during the life of the NATO treaty, rather than publicly to warn our brothers in other countries that we are only going at it a year at a time?

Mr. HAYS of Ohio. Exactly. If this amendment is adopted, it might well be interpreted in foreign nations to mean that we are ready to write NATO off and consider it to be dead and forget about it.

Mr. VORYS. It might look like a cut-off date.

Mr. HAYS of Ohio. Exactly.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MERROW. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to call the attention of the Committee to the report which accompanied House Joint Resolution 501 to the floor of the House. On page 2, the report states:

> The program and operation of the NATO Parliamentary Conference is summarized in the following resolution adopted at the 1955 meeting.

The resolution states:

> Believing that these discussions between members and the NATO authorities and between members themselves have already been of great value; and
>
> Invites the speakers of the various parliaments concerned, according to the procedure which they think appropriate, to send delegations to a similar meeting each year.

If we were to adopt this amendment, as proposed, we would destroy the object of this whole consideration because the invitation is for a meeting annually and, if meetings are to be of any value in this kind of procedure, it would seem that they ought to meet annually for the purpose of discussing various issues before the parliaments.

Mr. Chairman, I would like to say a word about the various trips that have been taken by Members of the House. It has been my privilege to serve on several of the study missions that have been made. I can say, and I am glad that my colleagues agree with me, that I have never worked any harder than when it has been my privilege and opportunity to serve on one of the study missions. I would like to say further that over the years the reports that have been written by these missions have not only resulted in a saving of a great deal of money since programs have been reshaped, but in instance after instance, these reports have resulted in the shaping of the foreign policy of the United States. A tremendous contribution has been made by the House of Representatives in sending missions to various sections of the world in which to make studies and to issue reports. Whether we like it or not, we are a world power and we are in world affairs to stay. In my opinion, it will be necessary to send more missions in the future instead of less.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The amendment was rejected.

The Clerk read as follows:

> SEC. 2. An appropriation of $33,000 annually is authorized, $3,000 of which shall be for the annual contribution of the United States toward the maintenance of the North Atlantic Treaty Parliamentary Association and $30,000, $15,000 for the House delegation and $15,000 for the Senate delegation, or so much thereof as may be necessary, to assist in meeting the expenses of the American Group of the North Atlantic Treaty Parliamentary Association for each fiscal year for which an appropriation is made, such appropriation to be dispersed on voucher to be approved by the chairman of the House delegation and the chairman of the Senate delegation.

With the following committee amendments:

> On page 2, line 7, strike out "$33,000" and insert "$36,000."
>
> On page 2, line 8, strike out "$3,000" and insert "$6,000."
>
> On page 2, line 11, strike out "Association" and insert "Conference."
>
> On page 2, line 14, strike out "American" and insert "United States."
>
> On page 2, line 15, strike out "Association" and insert "Conference."

The committee amendments were agreed to.

The Clerk read as follows:

> SEC. 3. The American Group of the North Atlantic Treaty Parliamentary Association

shall submit to the Congress a report for each fiscal year for which an appropriation is made, including its expenditures under such appropriation.

With the following committee amendments:

On page 2, line 20, strike out "American" and insert "United States."

On page 2, line 21, strike out "Association" and insert "Conference."

The committee amendments were agreed to.

The Clerk read as follows:

SEC. 4. The certificate of the chairman of the House delegation and the Senate delegation of the North Atlantic Treaty Parliamentary Association shall hereafter be final and conclusive upon the accounting officers in the auditing of the accounts of the American Group of the North Atlantic Treaty Parliamentary Association.

With the following committee amendments:

On page 3, line 2, strike out "Association" and insert "Conference."

On page 3, line 4, strike out "American" and insert "United States."

On page 3, line 5, strike out "Association" and insert "Conference."

The committee amendments were agreed to.

Mr. GROSS. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 2, strike all of line 25; and on page 3, strike all of lines 1 through 6 and substitute the following:

"SEC. 4. All expenditures pursuant to this resolution, including counterpart funds, shall be upon the certification of the Chairman of the House delegation and the Senate delegation of the North Atlantic Treaty Parliamentary Conference, and all such expenditures shall be subject to public scrutiny and audit by the General Accounting Office."

Mr. GROSS. Mr. Chairman, I should like to say for the benefit of the gentleman from Ohio, [Mr. VORYS], that his remark about a closed and open mind was not lost on the gentleman from Iowa. I am sure most Members will agree that the really open minds are on the Foreign Affairs Committee, particularly among the senior members. They never have closed minds.

Now, I am sure the amendment I have just introduced will have no opposition from the gentleman from Ohio [Mr. HAYS], because only the other day he offered an amendment to the farm bill which provided that compensation paid to farmers should be made a public record, the same as a campaign expenditure. All this amendment does is to say that spending of the funds for this junket shall be subject to verification by the chairman of the House and Senate delegation, and subject to an audit by the General Accounting office. I am sure the gentleman will not oppose an amendment that does the same thing with these funds that he attempted to do the other day.

Mr. HAYS of Ohio. Will the gentleman yield?

Mr. GROSS. Yes, I yield.

Mr. HAYS of Ohio. The gentleman from Ohio will not oppose any amendment that will make public the amounts spent. As a matter of fact, the gentleman from Ohio has already gotten the figures for last year and put them in the RECORD. But the gentleman will oppose the amendment on the ground that this takes control of the expenditure of funds away from the committee and the committee chairman and puts it in the General Accounting Office, where you will have to go to get their permission before you can spend it. If you carry that to its logical conclusion you would have to go down to the General Accounting Office every morning and get permission for this House to spend any money.

Mr. GROSS. It does not do any such thing. It provides for the committee to pay out the funds, but it also provides for a public audit by the General Accounting Office. The gentleman offered an amendment the other day to provide an audit at all times on money paid out to farmers on land taken out of production. Surely the gentleman will accept this amendment. It is exactly the same kind of an amendment as the gentleman proposed the other day for the farmers of America.

Mr. Chairman, I yield back the remainder of my time, and ask that the amendment be adopted.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the amendment. I will not take the full time to which I am entitled, but I would just like to point out to the Members of the House that the language used in this resolution is the ordinary language that has been used year in and year out concerning House committees. It simply makes the financial procedure of this committee uniform with every other committee of the Congress. As far as I personally am concerned I have no objection to any amendment regarding an audit, but to adopt this amendment would be to set a bad precedent which, if carried out to its logical conclusion, may have the effect of taking the power of spending money away from this Congress, something the Constitution never contemplated. This is simply the language that is used in connection with expenditures by every committee of the House of Representatives.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield.

Mr. GROSS. Previous to the other day, was there ever any suggested requirement that farmers file with the Clerk of the House statements of all compensation checks received?

Mr. HAYS of Ohio. The gentleman knows that the two amendments are not similar, and the only purpose of the gentleman now is to try to use the other amendment as a lever against me. My amendment the other day was defeated, and I hope this one will be defeated even more substantially.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

The CHAIRMAN. If there are no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and Mr. MCCORMACK having resumed the chair as Speaker pro tempore, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration House Joint Resolution 501, pursuant to House Resolution 479, he reported the same back to the House with sundry amendments adopted in the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Is the gentleman making his point of order as a straight quorum call?

Mr. GROSS. As a straight quorum call, yes.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to withdraw my point of order.

The SPEAKER pro tempore. Without objection the point of no quorum is withdrawn.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third resolution of the resolution.

The resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the resolution.

The resolution was passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ANFUSO. Mr. Speaker, I am very happy to support the resolution (H. J. Res. 501) which authorizes participation by the United States in the NATO parliamentary conferences. It was by distinct honor to serve as one of the six House delegates to the NATO conference in Paris last July when we met for 5 days with the representatives of the 15 countries associated in the North Atlantic Treaty Organization. We exchanged views and opinions pertaining to the maintenance of peace and security of the nations concerned, and we discussed ways to obtain closer social, economic and cultural relations between the peoples of the Atlantic community. We were also briefed by the top military leaders of NATO regarding the military position of the NATO countries.

All in all, it was a most interesting and inspiring gathering from which we came away with the feeling that we have many friends in the world who are just as determined as we are to carry on the struggle against communism. I also came

away with a better understanding of the urgent need for maintaining the military power and strength of the free world to assure its continued freedom. In this respect, there is not the least doubt that NATO has shown itself to be a strong force and a deterrent against communism in Europe.

Fundamentally, NATO is a defense organization which was founded 7 years ago to check Communist aggression. The agreement signed by the NATO nations states that "they are resolved to unite their efforts for collective defense and for the preservation of peace and security." But in addition to defense, the 15 NATO nations can also serve as a springboard from which to attack Soviet Russia in the event of war. The Soviet leaders know this and for that reason they have made the dissolution of NATO their No. 1 objective. Continued Russian attacks on NATO through threats, cajolery, deception and charmed smiles, all of which are aimed to destroy NATO, only prove NATO's strength and the need for maintaining this Organization as an instrument for free world security.

NATO has shown itself to be a bulwark of freedom and democracy. We must do everything possible to keep it strong because through NATO our allies are strengthened, militarily and economically. The only thing which Communist Russia understands, fears, and respects above all else is strength. As long as we have the power to resist and restrain the Russians, as long as we have the means and the strength to destroy them—they will never attack us. Only a strong military posture by the United States and its allies will convince the Russian leaders that they have nothing to gain by force or war.

Today 15 nations are united in a defense pact under the auspices of NATO. Each of these nations is contributing manpower, equipment, and resources. American generals lead the military forces of these 15 nations. There is perfect harmony and understanding in this amalgamation of military power which is bent on preventing a third world war. I believe that this spirit of unity and cooperation on both sides of the Atlantic constitutes one of the strongest influences for peace in the world today.

As a defense organization, NATO pursues a practical course in that it is geared for immediate and collective action in the military field. Of late, NATO is also developing its political and economic aspects, so that in time it is hoped that NATO can also become a powerful organ for greater economic and political cooperation in advancing peace and improving standards of living among the nations associated with it. I should like to see, however, a strengthening of the nonmilitary aspects of NATO to a greater extent than in the past, though military defense should still remain its primary purpose.

May I also assure my colleagues that both the Allied Command and NATO are prepared to use all their resources not only for the defense of Europe, but also for the defense of North and South America, if need be. Our allies readily understand the importance of protecting American production plants at all costs and to maintain the arsenal of democracy in the United States.

Last summer, during the period of the great smile, Russia was busily engaged in consolidating her positions in Europe, beginning with Finland in the north, through Germany, Austria, and Yugoslavia to the Mediterranean area. She has succeeded to some extent in neutralizing these countries, in alienating them from the West, and even in crippling the NATO organization. Russia has not stopped there. Its current friendly demeanor is aimed primarily to weaken and finally split NATO and the Atlantic defense system. A notable example is the recent action of the Parliament in Iceland which called for the removal of American troops from that strategic island in the North Atlantic.

Mr. Speaker, I believe we should do everything within our power to strengthen NATO and to keep it strong in accordance with the recently declared policy of our Secretary of State, who understands and appreciates the importance of NATO for the free world. Mr. Dulles said that NATO must either "grow" or "tend to dry up." I believe also that the interchange of ideas among the representatives of the parliamentary bodies of the 15 NATO countries is beneficial and constructive and should be continued in the future as well. Our country and this legislative body should participate in future NATO meetings to discuss problems of mutual interest and to seek greater understanding among the nations concerned.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at the end of today's proceedings in three instances, and to include therein certain statements, excerpts, and extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

GI LOAN GUARANTY EXTENSION

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, several of us in the House, including the gentleman from Alabama [Mr. SELDEN], the gentleman from Missouri [Mr. CHRISTOPHER], the gentleman from Washington [Mr. MAGNUSON], and the gentleman from Colorado [Mr. ASPINALL], have today introduced bills to provide for a 6-year extension of one of the most successful programs in our Government's history—the GI loan guaranty program.

Under this program, more than 4 million World War II veterans have become American howeowners. As taxpaying members of their communities, with a solid interest in problems of local government and school finance, these homeowning World War II veterans are a new and growing bulwark of American citizenship and democracy.

The GI home loan guaranty program, notwithstanding its admitted shortcomings in some areas, has made a great contribution to American life and progress—and losses suffered under the program have been less than one percent.

A great job still remains to be done under the program, if we are to deal fairly and equitably with our World War II veterans, and if it is still good business to encourage and aid home ownership among these veterans.

There are more than 15 million veterans of World War II, and 11 million of these veterans have never taken advantage of the GI loan guaranty.

Many of these 11 million veterans have obtained homes under FHA or private financing, and may never have need of the program.

However, more than 3 million of the 11 million are residents of counties where there has been a lag in the program, by reason of a shortage of investment money. More than 700,000 have been unable to qualify under the program up to now, due to unsatisfactory income or other credit limitations.

More than 1 million veterans, in addition to those listed above, are classified as "potentially eligible" but unlikely, for one reason or another, to receive a loan before termination of the present law in July of 1957.

Mr. Speaker, it is therefore apparent that nearly 5 million veterans will be directly and adversely affected in their homeowning opportunities if we permit the GI loan guaranty program to expire on July 25, 1957.

Several million could be added to this total, if we include the 4½ million World War II veterans now owning homes not acquired under the GI bill, who might find it necessary or desirable to obtain a new home in the future, under the GI loan guaranty program. A transfer in their job, enlargement of their family, or the loss of their present home for any reason, could lead to this additional need under the veterans' loan program.

It seems to be good business for America to extend this worthwhile program. Since Korean veterans will be covered for some years to come, the VA staff will continue to operate during the 6-year extension program, and no great additional cost would be incurred.

Extension of the present law will make homeowners of many more American veterans of World War II—and that will make for a stronger Nation and stronger communities throughout the country. I urge your support of this bill.

WILLFUL DAMAGING OR DESTROYING OF AIRCRAFT

Mr. THORNBERRY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 472 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of

the Whole House on the State of the Union for the consideration of the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. After the reading of the first section of such bill it shall be in order to move to strike out all after the enacting clause and insert as a substitute the committee amendment recommended in the bill, H. R. 319, as reported to the House by the Committee on the Judiciary and all points of order against such amendment are hereby waived. At the conclusion of the consideration of the bill, S. 2972, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

Mr. THORNBERRY. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Oregon [Mr. ELLSWORTH] and at this time I yield myself such time as I may consume.

Mr. Speaker, House Resolution 472 makes in order the consideration of S. 2972 to punish the willful damaging or destroying of aircraft, and attempts to damage or destroy aircraft.

House Resolution 472 provides for 2 hours of general debate on the bill and also provides that it shall be in order to strike out all after the enacting clause and insert as a substitute the committee amendment recommended in the bill, H. R. 319, as reported by the House Committee on the Judiciary. All points of order against such amendment are waived.

The provisions of S. 2972 and H. R. 319 are substantially the same except that H. R. 319 does go further in that it includes motor vehicles. However, S. 2972 amends section 902 of the Civil Aeronautics Act of 1938 by adding new subsections pertaining to the damaging or destroying of aircraft and imparting or conveying false information concerning such damage or attempts to damage aircraft, while H. R. 319, as amended, provides that the Federal criminal laws would be supplemented by amending Title 18 of the United States Criminal Code.

The Attorney General in reporting on S. 2972 states that it would appear to be more desirable for this legislation to be a part of the criminal laws of the United States. He points out that criminal prosecution under the Civil Aeronautics Act might be complicated and delayed because of administrative rules, regulations and acts of the Civil Aeronautics Board. Two forms of transportation are now covered by the criminal laws—railroads and vessels. It is also pointed out that loopholes in the criminal laws would be closed by adding the other two means of transportation—aircraft and motor vehicles used in the transportation of passengers, or passengers and property.

On the other hand, the Committee on Interstate and Foreign Commerce, in its report on S. 2972, states that the provisions of this measure are modeled after existing provisions of the Criminal Code pertaining to the wrecking of railroad trains, but it is believed that since the field of aeronautics is a highly technical one, constantly expanding, and involves factors not found in other forms of transportation, the legislation should be enacted as an amendment to the Civil Aeronautics Act of 1938.

The Committee on Rules, after considering both measures and taking into consideration the delay that would occur if a rule were granted on H. R. 319, granted the rule on S. 2972 making in order the substitution of the amendment recommended in H. R. 319.

I urge the adoption of House Resolution 472 so the House may proceed to the consideration of this legislation.

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HILLINGS] to extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. HILLINGS. Mr. Speaker, passage of House Resolution 319 will supplement the Federal criminal laws so as to provide more effective deterrents to the commission of acts of destruction and sabotage with respect to aircraft and motor vehicles. This bill was brought about by the destruction of a commercial airliner over Longmont, Colo., on the night of November 1, 1955. Last week, a Colorado court convicted one John G. Graham for perpetrating this heinous crime which resulted in the death of 44 persons.

It will be recalled that at the time Graham was apprehended there was considerable discussion as to whether or not he could be prosecuted under Federal laws. It was found that Federal laws are inadequate and Graham was prosecuted for murder under the State laws of Colorado. Murder in Colorado is punishable by death. This bill will provide a death penalty under Federal laws.

While State laws relating to murder and other crimes of violence may provide adequate penalty in many cases of this nature, the speed of the aircraft has introduced difficulties with respect to the enforcement of those laws. A tragic chain of events which is set in motion in one state may not materialize until the aircraft has passed over many States. State authorities under such circumstances could be confronted with many difficulties in establishing that a crime has been committed in a particular State and serious jurisdictional and other technical legal problems inevitably would be involved. Sanctions may differ from State to State, and equal and certain punishment for crime could not be insured.

Moreover, airline operations in the United States are peculiarly interstate in nature, and as such, the Federal Government owes an obligation to the people of the country to protect the commerce moving aboard interstate and overseas flights with every means at its disposal.

As the author of legislation similar to that being considered today, I hope that there will be no more aviation tragedies such as occurred in Colorado last November.

Mr. ELLSWORTH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Texas [Mr. THORNBERRY] has outlined the nature of the rule. I point out merely that we are faced in the consideration of this bill with a rather unusual parliamentary situation which the rule itself takes into account. The parliamentary situation is that two legislative committees of the House have approved bills on the same subject covering the same general matter. The approach in each case is, of course, different. So this rule makes it possible for the House to work its will on the subject to the end that whichever approach to the problem involved is desired by the House may be adopted.

There is no objection to the rule I know of on this side and I have no further request for time.

Mr. THORNBERRY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. PRIEST. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 2972, with Mr. RABAUT in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. PRIEST. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, the Committee on Interstate and Foreign Commerce, to whom was referred S. 2972, to punish the willful damaging or destroying of aircrafts and attempts to damage or destroy aircraft, have considered this legislation and reported favorably thereon with certain amendments.

Mr. Chairman, this legislation came from the other body. It would amend the Civil Aeronautics Act of 1938 to provide the death penalty for willful damaging aircraft where loss of life resulted. In view of the fact that it was a bill to amend the Civil Aeronautics Act, it was referred to our Committee on Interstate and Foreign Commerce.

Mr. Chairman, we, of course, know the necessity for this legislation. In the first place, there have been a good many reports of sabotage and attempted damage to aircraft in flight. You recall the fatal incident in Canada some time ago, and there was an incident in California not too long ago. And, everyone, of course, knows the tragedy that occurred in Colorado a few months ago.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. With reference to the case in Colorado, insomuch as that case is now pendente lite, on appeal, although I have heard that the convicted man in the lower State court has filed an affidavit asking for immediate execution, nevertheless I am also advised that counsel for the defense has perfected an appeal, I am just wondering whether or not, if there is an appeal, the action by the Congress on this type of legislation would prejudice the defense, in that the State will certainly in its brief refer to these proceedings and unquestionably argue the matter in the proceedings before the appellate court.

Mr. HARRIS. I will say to the gentlemen it would have no effect on that case whatsoever.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Colorado, in whose hometown, incidentally, this case was tried.

Mr. ROGERS of Colorado. The proceedings in Colorado will not be affected by any action taken here in this House today, for the simple reason that at the time this incident occurred, on the 1st of November 1955, the Federal Bureau of Investigation with the Civil Aeronautics Authority were the first to move into this particular case, as the explosion occurred about 75 miles from Denver in the district represented by the gentleman from Colorado [Mr. HILL].

It was through the cooperation of the State and Federal authorities that the evidence was collected. Due to the fact that the Federal Bureau of Investigation and the Civil Aeronautics Authority were limited to the question of sabotage alone, the penalty for which was only up to 20 years, the Federal Government agreed to cooperate with the State, and the State proceeded with an indictment for an information of murder. The man was charged with murder in this instance and prosecuted under the State law.

One of the other reasons why we should have this legislation is that the Supreme Court of the United States, during the month of January, held by a 5-to-4 decision that where Federal authorities secure information through an illegal search warrant, a Federal official is prohibited from testifying in the State court. If we make this a Federal offense, we remove the question of who has jurisdiction. For instance, as an example, if in this instance the airplane had proceeded another 100 miles and gone into the State of Wyoming, and the explosion had occurred there, there would have been some question whether the State of Wyoming or the State of Colorado had jurisdiction. For that reason I think we should proceed as expeditiously as possible to the enactment of this proposed legislation.

Mr. HARRIS. In other words, the gentleman points up the real need for legislation of this type.

Mr. FLOOD. Mr. Chairman, would the gentleman yield further?

Mr. HARRIS. I yield.

Mr. FLOOD. I want to make it very clear that I am in favor of this proposed legislation. It is desirable and necessary and I commend the committee for expediting its passage thus far. I am concerned only with this, which has nothing to do with the merits of the case that has been discussed, which occurred in Colorado. That case is on appeal. I am sure that the State will argue before the appellate court as evidence of the heinousness of this offense what is done here. If I were for the defense, I would be concerned that the State would take advantage of the action of Congress to show what an evil thing this is and conceivably prejudice the defense, although what I am saying now does not go to the merits of this proposed Federal statute which is desirable and commendable. But I am always concerned over action by the Congress on causes celebre, which are now pendente lite. I do not know why we should hurry this, if there is the problem.

Mr. HARRIS. Mr. Chairman, I should like to say to the gentleman that in the first place the proceedings in Denver, Colo., are under State law, in a State court and this could have no bearing on that case whatsoever. The Senate passed this bill in February of this year. They sent it over here. The House committee held hearings on it and heard members of the aviation industry on it and had reports from all of the Federal agencies involved. The House committee reported the bill with some amendments. We learned that at the same time the great Committee on the Judiciary of the House had been considering similar legislation for some time. Our distinguished friend, the gentleman from New York [Mr. KEATING], had a bill that he introduced I believe in January of 1955, if I am not mistaken. There were several other bills pending before our committee and there may have been others pending before the Committee on the Judiciary on the same subject. I doubt very seriously that the action taken by the Senate and by the committees of the House and the action in the Congress itself had anything whatsoever to do with what happened in Denver last week.

Mr. FLOOD. If the gentleman will yield further, I am sure of that. I point out, as the gentleman knows, that the record in the Colorado Supreme Court will determine the proceedings before the Supreme Court. The appeal will be argued on the record made in the lower court and will have nothing to do with anything done in the other body or here. Except I do point out, out of an abundance of caution over this action or any other similar action in this body—we have done this before and it has caused trouble before—that we should do nothing if we think that it will in any way permit jeopardy to the defense in the State of Colorado by permitting the State to argue this kind of action as evidence of the evil of the crime.

Mr. HARRIS. As a lawyer myself—and there are better lawyers on the Committee on the Judiciary than I would purport myself to be, and there are many other fine lawyers in the House—I would say to the gentleman it would have no bearing whatsoever on the case in Colorado if it is going to be appealed.

I regret that the Congress has not taken action on this heretofore.

In order not to prolong the discussion, as I mentioned a moment ago our committee reported this bill that the Senate had sent over amending the Civil Aeronautics Act. The need for the legislation is agreed to by everyone. The bill that we reported affected only aircraft. The Committee on the Judiciary, considering the bill before it, reported a bill which not only affected aircraft but included transportation by bus in interstate commerce. Also the bill considered by the Committee on the Judiciary would have amended the Criminal Code. When the Committee on Rules heard us on the subject, members from the two committees went before the Rules Committee. In order to expedite the matter, because the need was so obvious, the Rules Committee granted the rule on the Senate bill which our committee had reported and made in order an amendment in the nature of a substitute the bill that had been reported by the Judiciary Committee.

So far as I am concerned, it makes little difference to me whether the Civil Aeronautics Act is amended or whether the Criminal Code is amended. What we need is the legislation. In taking into consideration the recommendation of the Department of Justice, we have agreed on a substitute that we think will satisfy both the members of the Interstate and Foreign Commerce Committee and the great Committee on the Judiciary. We felt that the bill as originally reported by the Judiciary Committee did not in the first place sufficiently meet the problem. It did not have the definitions that the Civil Aeronautics Act of 1938 contained and, therefore, we thought there would be problems with reference to the definitions of terms used in the aviation industry.

There were some other things that we thought should be spelled out to make the administration of the law easier. The Judiciary Committee had certain suggestions and recommendations which it made which we thought should be considered. Consequently we got our staff member and the Legislative Counsel together with the staff member of the Judiciary Committee and had discussions back and forth with them. Finally we have worked out this proposed substitute amendment which we will offer at the appropriate time here.

We did not, as far as the Interstate Committee is concerned, get into the motor bus transportation problem because we had not considered it. We took the consideration which the Committee on the Judiciary had given it in amending the bill offered by the gentleman from New York [Mr. KEATING]. Since the Committee on the Judiciary had considered that phase of it and we had not considered it, we thought that you knew more about the problem. Therefore, we were willing to take the recommendation that you make on that particular matter, and include bus transportation in the substitute which at the appropriate time will be offered.

Mr. DOLLIVER. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, there is really no occasion for disputation about the fundamental thing behind this legislation. It

is to close a gap which exists in the Criminal Code of the United States. I am sure all of us remember the very ghastly occurrence which took place, I believe, on the first of November 1955 or thereabouts in Colorado when someone placed a bomb aboard an airliner. After it had been in the air a short time, the bomb exploded and all the passengers and all the crew were killed. Then it was that the people of the United States and the Congress woke up to the fact that there was no Federal legislation to cover that kind of crime. From what we know through the papers, it appears the venue has been pretty firmly established for the crime in the State of Colorado, at least that seems to be the present status, but as was pointed out in the previous colloquy on the floor had the time bomb been delayed a little longer, there might very well have been a serious question as to the venue of this case as to whether it occurred near or at the border between Wyoming and Colorado. It is very difficult in the air to determine particularly what part of the country you are over.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield.

Mr. HARRIS. I intended to make this statement a moment ago, but I consumed more time than I had expected to. But, I wish to point out a personal experience which I had a short time ago. I was flying from Little Rock to Memphis. My family was with me. For about 15 or 20 minutes we were about 8,000 or 9,000 feet high and we did not know as we were flying up the Mississippi River whether we were actually over Mississippi, Arkansas, or Tennessee. I am sure you can find many similar examples to point up the need for such legislation.

Mr. DOLLIVER. Of course, the statement just made by my colleague and friend, the gentleman from Arkansas [Mr. HARRIS] points up the very urgent necessity for this legislation. It is conceivable that a plane might be flying above the clouds and it is practically impossible for a prosecuting officer under such circumstances to determine where the explosion takes place. Accordingly, the question of venue could become extremely complicated and indeed might enable a miscreant to escape the just penalty of his crime under a local law. So that is the urgency behind this legislation.

There is no difference of opinion among the Members of this House as to the desirability of it. The reason it is before the House at all under a rule is because there were two bills reported on this subject, one by the Committee on the Judiciary and one by the Committee on Interstate and Foreign Commerce. Both committee members appeared before the Committee on Rules, and the rule that has been adopted by the House was the one prepared and passed by the Committee on Rules.

Certainly the committee of which I am a member, the Committee on Interstate and Foreign Commerce, has no pride of authorship and no desire at all to claim any credit for this legislation. We just want to get it on the statute books in the Criminal Statutes of the United States, and have a law which will not leave any doubt as to the venue in this kind of crime.

As has been jointed out by the chairman of the subcommittee, Mr. HARRIS, at the proper time in these proceedings on the bill, S. 2792, a substitute will be offered for the measure for adoption. It is a little parliamentary difficulty that we ran into in developing this legislation. I hope and trust that without any opposition on the floor of the House the measure will be passed, as amended by the substitute bill. It is a matter of great urgency and great necessity. If anybody has any doubt as to the necessity and desirability of this legislation, I call attention to the report of the Committee on Interstate and Foreign Commerce. You will note there that every one of the executive departments involved is in favor of this kind of legislation. The only difference is the Justice Department thinks that the bill should be a part of the Criminal Code, and as far as I am concerned I think it is wholly in order. As a practical matter, those of you who are lawyers well know that when you want to look up the penalty for a crime you look in the Criminal Code. If this were in the Civil Aeronautics Code it might be overlooked by some lawyers. There is no argument over this legislation. It is of great urgency and great necessity, and I trust it will be passed unanimously and immediately.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. PRIEST. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. WILLIS], who was chairman of the Subcommittee of the Committee on the Judiciary handling the matter for that committee.

Mr. WILLIS. Mr. Chairman, as has been pointed out, there is no dispute whatsoever as to the necessity for the immediate enactment of this legislation into law.

Since a substitute will come later, I shall devote the 5 minutes which I asked for, to a discussion of the bill to be offered as a substitute from the Committee on the Judiciary. It means therefore that this will be a discussion of the measure that will be offered as a substitute.

The measure makes it a Federal Offense to damage or destroy an aircraft engaged in interstate or foreign commerce. Then it would make it a Federal offense to damage or destroy certain passenger motor vehicles used for a commercial purpose in interstate or foreign commerce. That is to damage or destroy with intent to endanger the safety of persons on board, or with a reckless disregard for the safety of human life.

As to the motor vehicle provision, the gist of the offense is intent to endanger the lives of the persons on board. I am speaking now not from the printed bill you have before you but from an amendment adopted by the full Committee on the Judiciary, frankly, to obviate certain objections that the original language was too general and broad in its scope. They wanted to be very careful that what we were after so far as transportation of persons or persons and property in interstate commerce was concerned; they wanted to be very sure that we spelled the legislative intent to protect human life involved in the commercial use of a motor vehicle in interstate or foreign commerce. Those who had objected now have agreed to the language; and, again, happily, there is no controversy.

Mr. HARRIS. If the gentleman will yield, that is the point I was trying to establish, intent.

Mr. WILLIS. That was the intent as to motor vehicles, and the language is satisfactory to all concerned.

Finally, the two new crimes that will be on the books will be found in title 18 of the United States Code. As a matter of fact, we already have on the books a statute making it an offense to damage or destroy railroad cars, and that offense or crime is found in title 18 of the code. We have a statute making it an offense to damage or destroy a steamship or persons on board; and that offense is found again in title 18.

So two new offenses, to damage or destroy aircraft in interstate commerce; and to damage or destroy a motor vehicle with intent to endanger the life of persons, will also be found in title 18 of the code. Thus, all phases of transportation will be side by side in the code: Transportation by water, by steamship, by air, and by bus. In substance, that is the measure that will come up before you as a substitute.

As I say, and as everybody agrees, there is no dispute whatever as to the necessity for the legislation. No one has any ambition to be the author of the bill; happily, it comes from the Senate. It is just a question of resolving our differences and bringing out a needed piece of legislation.

While I am on my feet let me say that it was a delightful pleasure and experience to deal with the gentlemen representing the other committee, particularly the chairman of the subcommittee and their counsel.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. I yield.

Mr. DOLLIVER. I would like to return the compliment to the members of the Judiciary Committee. I felt personally, and I feel certain the other members of the committee join me in this, that the effort was accompanied by good will and a desire to accomplish the purpose of this legislation.

Mr. WILLIS. I think everybody is now satisfied that we have a good measure.

Mr. DOLLIVER. There was the effort to minimize friction where there was admittedly a conflict of interest as between two great committees.

Mr. WILLIS. I appreciate the gentleman's remarks.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. I yield to the gentleman from Tennessee.

Mr. PRIEST. As chairman of the Committee on Interstate and Foreign Commerce, although not a member of the subcommittee handling this legislation, I want to express my own personal appreciation for the very fine spirit of

cooperation between the gentleman from Louisiana, chairman of the subcommittee on the Judiciary, the gentleman from Arkansas [Mr. HARRIS], chairman of our own subcommittee, and the members of both subcommittees and the full committees for the fine spirit of cooperation in working toward an objective which both committees desire to reach and on which there was no misunderstanding whatsoever except as to the question of how best to approach that objective. I think it was an excellent demonstration of committee cooperation to obtain very much needed legislation, and both subcommittees are to be congratulated for the work they have done.

Mr. WILLIS. I know I speak for the Judiciary Committee when I tell the gentleman that we share his views and I want to particularly say it was a pleasure to work with the gentleman from Arkansas whose patience and long experience in these matters did the work. And also to the gentleman from New York who is on my committee. Everybody is happy and I appreciate it.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. WILLIS. I yield to the gentleman from California.

Mr. ROOSEVELT. I want to thank the gentleman for his explanation as he has cleared up some points in my mind. I would like to ask one question, however. An airplane of private character or of private ownership, I gather, would not be covered by this bill?

Mr. WILLIS. It depends upon the mission or the use of the plane. The language is if the plane is engaged for business in interstate commerce, it would be covered. For instance, a plane of a company doing an interstate business, a partnership plane used for business in interstate commerce, would be covered. A purely private joyride or a purely private plane having no interstate or foreign commerce character would not be covered. The answer is "No" in that case.

Mr. ROOSEVELT. Could the gentleman tell me whether we may have a problem that may have to be solved in the future involving a plane in interstate travel, where it was going from one place to another in interstate travel, because it would not be covered if it were on a private mission? Would it not be necessary to look into that for the protection of that type of travel?

Mr. WILLIS. Yes, it might be well to do that. As a matter of fact, I know certain Members would like that covered in this bill. The Department of Justice is inclined to move slowly because of the administrative difficulties of trying to cover privately owned planes. But there is a point as to the possibility of whether later on we might want to have a discussion about including purely private planes. This deals with the interstate commerce clause of the Constitution and we never get into trouble when we legislate in accordance with a specific provision of the Constitution dealing with interstate commerce.

Mr. ROOSEVELT. I thank the gentleman.

Mr. HALE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, I am very much interested in the pending legislation. The colloquy which just took place brings up a thought that arises in my mind; that is, the feeling that this criminal statute should apply to interstate air traffic rather than be limited to interstate air commerce.

I was Ohio's first director of aeronautics back in 1929 and 1930 and took an active part in making sure that Ohio did not attempt to set up any separate State regulatory measures for the air worthiness of either planes or pilots. On the other hand, I was somewhat instrumental in securing the passage of a State law which made it an offense to violate the Federal standards for airworthiness of both planes and pilots set up, of course, in the Federal Air Commerce Act of 1926. At that time, long ago, I realized and many of us realized that air traffic was something new that could be regulated safely and efficiently only by nationwide regulation.

Some of you perhaps may not remember that there were a number of sporadic attempts by States to set up their own licensing systems for aircraft and pilots. That, however, has died down, as experience has shown that you have got to have nationwide standards for planes and for pilots. You can only have one set of traffic rules, and those rules for the safety of interstate commerce have to apply to all flying, whether it is commercial or not. I certainly do not intend to attempt to tinker with the committee's bill here on the floor, but I would hope that this type of crime, this heinous type of crime, that is involved in this legislation would be made to apply to air traffic endangering interstate commerce even though it is not a part of it.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Iowa.

Mr. DOLLIVER. In response to the gentleman's query as to why all air traffic is not included, from my standpoint there were two reasons. One is we do not want to take any possible chance of getting outside the realm of the constitutional authority which gives the Congress authority over interstate commerce. Now, there might be some question as to the meaning of this legislation if we had included all traffic or had included private planes, but there can be no question about the authority of the Congress to deal with this situation when we are talking about interstate air commerce. And we did not want to take a chance. Now, the other reason is this, which was pointed out to us by the authorities in the departments. To undertake to have the Federal agencies, the Civil Aeronautics Administration, and FBI and the Department of Justice, go into the field of policing every private airplane or every accident which took place on a private plane was just more of a job than they wanted to permit us to put on them at this time. As the gentleman suggests, perhaps the time will come when we ought to look into it, but for the purposes of this bill, as far as I am concerned, those two reasons were ample to get away from the desirability or the necessity of including any but commercial air traffic.

Mr. VORYS. Well, I appreciate the thought that the gentleman and his committee have given to this subject. I want to remind the gentleman, however, that every private plane and pilot must have a Federal license, which requires examinations and inspections. As I say, I certainly do not intend to attempt to tinker with this bill today, but I would suggest that our courts have held that air traffic in and of itself is subject to Federal regulation because of the impact that all air traffic has on interstate air traffic. I would think that the sort of crime covered by this bill, that might obviously and easily jeopardize or injure interstate traffic either in the air or at the air terminals would clearly be within the purview of a Federal law.

Mr. DOLLIVER. If the gentleman will permit me, I would like to comment upon that. I believe that the gentleman refers to decisions that have to do not with criminal acts but with respect to the regulation of air traffic. As the gentleman knows, the criminal statutes are strictly construed as opposed to a rather more generous construction of civil statutes.

Mr. VORYS. I appreciate the distinction the gentleman is suggesting. I do not believe it would invalidate an extension of this law to include private planes and pilots. A sabotaged private plane could blow up an interstate air terminal or knock over a Federal air traffic signal tower.

Mr. PRIEST. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado [Mr. ROGERS].

Mr. ROGERS of Colorado. Mr. Chairman, first, permit me to congratulate the Committee on Interstate and Foreign Commerce and the Committee on the Judiciary for getting together and writing what we consider a needed piece of legislation. As has been pointed out by the gentleman from Iowa [Mr. DOLLIVER], the question arose in this particular case that points up this legislation, Where is the venue in a murder case of this type? The Federal Civil Aeronautics Authority law contains a provision that would make it a crime for one to sabotage airlines in interstate commerce.

It so happened in this instance referred to in Colorado, that the Civil Aeronautics Authority, together with the Federal Bureau of Investigation, worked closely with the State authorities to determine what caused the crash. It soon developed that an explosion was the cause of the crash. Proper cooperation of State, local, and Federal authorities brought about a confession in this case.

The problem submitted to the State prosecutor was to establish venue. The bomb had been placed in the plane in the city and county of Denver, and it exploded about 45 miles to the north thereof in another county, represented by the gentleman from Colorado, the Honorable WILLIAM S. HILL. It became necessary for the district attorneys of those two districts to determine the jurisdiction.

Luckily, under previous interpretations of the State courts of Colorado the jurisdiction was in the city and county of Denver. If we pass this bill, it will remove the question of jurisdiction in murder cases where the death results from a bomb placed in aircraft. Then again, as pointed out by the chairman of the subcommittee of the Committee on Interstate and Foreign Commerce, the gentleman from Arkansas [Mr. HARRIS], if we are not certain as to where the explosion might occur when a bomb is placed in a plane, there may be some question which State has jurisdiction. Inasmuch as the Congress has authority under the interstate and foreign commerce clause of the Constitution, I feel it is proper for the Congress of the United States to go into this field, and we should pass this legislation at once.

As has been suggested, we must have our airplanes safe, and we must provide adequate punishment for those who commit these dastardly crimes. So I hope there will not be any opposition whatsoever. I am sure this is worthy and needed legislation.

Mr. HALE. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Chairman, I rise in support of the amendment substituting H. R. 319 as amended for the bill reported from the Committee on Interstate and Foreign Commerce, S. 2972.

Last November I was suddenly made acutely aware of the deficiency in our laws covering the willful destruction of aircraft when one exploded near Longmont, Colo., in my district, with the loss of 44 lives.

Immediately, I began to search for ways of preventing future occurrences of this type. My original concern was for the protection of those persons using aircraft, and as I delved further into the matter I found there was no provision in our Federal laws that covered either aircraft or motor carriers in this or similar circumstances.

There is no way that I know of to actually prevent murder in this manner, but the least we can do is to provide suitable penalties as a deterrent to anyone who might attempt such brutal plans for the destruction of life and property.

For many years we have had in the Federal Criminal Code provisions providing suitable penalties for destroying trains and vessels. These provisions in the Federal Code were placed there because of the inherent interstate character of their operations. Aircraft and buses operate in the same interstate fields that trains and vessels do, yet there were no comparable provisions covering them.

In considering the problems of offering protection to our traveling public, it occurred to me that buses operate in these same fields and carry passengers, baggage, and express in the same vehicle. For this reason they, too, are vulnerable to the same type of criminal destruction as are aircraft.

I consulted with the Legislative Counsel's Office of the House and with their help drew up and introduced H. R. 8470, which was referred to the Committee on the Judiciary. The committee held hearings on my bill and on several similar bills. As a result, the bill introduced last year by the gentleman from New York [Mr. KEATING] was amended to include the provisions covering motor vehicles, which I had written into by bill, and the amended bill, H. R. 319, was approved by the Judiciary Committee.

That there is a need for legislation covering motor carriers as well as aircraft is borne out by the report submitted to the Judiciary Committee by the Interstate Commerce Commission in which they state:

> This Commission has been responsible for the regulation of interstate motor carriers with respect to safety of operation for some 20 years. Although we have no record of damage to or destruction of such vehicle shown to have been due to the criminal practices described in section 32 of the bill, it is clear that willful damage to or destruction of motor vehicles used in the transportation of passengers and property, particularly vehicles used in the transportation of explosive and other dangerous commodities, could seriously jeopardize the safety of a great many persons, as well as passengers. The proposed measure appears to provide a proper deterrent to such criminal acts.

The ultimate effect of S. 2972 and H. R. 319 as they apply to aircraft would be similar. But the bill reported from the Interstate and Foreign Commerce Committee amends the Civil Aeronautics Act, and is, therefore, necessarily limited to aircraft. There is no provision concerning motor carriers and an amendment to S. 2972 covering them would not be germane. For that reason I feel that H. R. 319 is the better bill.

The report accompanying S. 2972 contains on page 6 the following information from the Department of Justice, as part of the report on the bill signed by Deputy Attorney General Rogers:

> It would appear desirable for legislation such as this to be a part of the general criminal laws of the United States. In other words, it would seem that this legislation would be more appropriate in title 18 of the United States Code than in the Civil Aeronautics Act. In this connection it should be pointed out that criminal prosecutions under the statute if enacted as a part of the Civil Aeronautics Act, might be unduly complicated, confused, and delayed by reason of the introduction into such cases of various administrative rules, regulations, and actions of the Civil Aeronautics Board.

The Deputy Attorney General also pointed out that there would be some confusion as to the question of jurisdiction between the FBI and the investigations section of the Civil Aeronautics Board if S. 2972 were enacted.

For these reasons I feel that S. 2972 will not do the complete job of providing the necessary deterrents to those who would willfully commit brutal murder in the manner that 44 lives were taken last November in my district. H. R. 319, in my opinion, is the better bill.

Mr. Chairman, the bill I introduced on this subject January 16, 1956, was approved by the Department of State, the Interstate Commerce Commission, the National Advisory Committee for Aeronautics, the Department of Justice, and the Civil Aeronautics Board. Some suggestions were made in language to improve the bill and I understand that the committee has incorporated these changes in the amended version of H. R. 319. Mr. Chairman, this legislation is needed and should be passed immediately.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Louisiana.

Mr. WILLIS. Mr. Chairman, I should like to bring out that one of the bills considered by the Committee on the Judiciary was a bill introduced by the gentleman from Colorado [Mr. HILL]. Much of the language finally adopted is the result of his bill. I should say also that the Member who was most alert was the gentleman from New York [Mr. KEATING] because he introduced the first bill on the subject over a year ago.

I thank the gentleman from Colorado [Mr. HILL] for his contribution to this proposed legislation.

Mr. HILL. I thank the gentleman from Louisiana.

Mr. HALE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. HENDERSON].

Mr. HENDERSON. Mr. Chairman, I am pleased to add my support to the bill which is now before the Committee for consideration. On January 3 of this year I introduced H. R. 7907 which has as its purpose the enlargement of Federal jurisdiction to include sabotage to air carriers with intent to cause death or bodily injury. The bill before us would accomplish some of the purposes which I had in mind in introducing the legislation and should be enacted. I regard the measure before us as a step in the right direction.

I have been of the opinion always that the police powers are best exercised by State and local governments where the subject is one which is amenable to local regulations and supervision and I would be the first to object to legislation which would supplant the police activities of local government by Federal legislation if the local government can fully and efficiently cope with the situation. But it is well recognized that the transportation of persons and property throughout the United States loses local character in modern-day conveyances.

The Federal Government has for many years exercised police power over offenses against land carriers and it is entirely appropriate that the same jurisdiction be granted to the Federal Government in the case of air carriers. In fact, I believe that it is even more essential because of the speed which air transportation has attained and because of the difficulty in the matter of proving as to the point which an offense against an air carrier may have taken place. What might be believed to be an offense committed in the State of Ohio, might very well, upon later determination, prove to have been committed in West Virginia or even Pennsylvania—so that Federal legislation of this type is necessary to the efficient policing of air carriers and the protection of lives and cargo being so transported.

It is indeed unfortunate that it was necessary for the passenger airliner to be sabotaged near Denver on November

1, 1955, before the need for this legislation was recognized. It will be remembered that the explosion of this plane killed 44 persons as a result the now convicted saboteur being a man who intended such sabotage as the means of destroying only one person. The result of his act was far more tragic. The newspapers in my district chose their headline news only from the very important local news or that which has great nationwide interest. I have here the Zaneso Signal of May 5, the Cambridge Jeffersonian of May 5, the Marietta Daily Times of May 5. Each of them have cited the Denver trial in their headlines.

Present legislation in this field deals only in the sabotage of the national defense, quite different from the circumstances which apply in the Denver case or in other similar peacetime air transportation sabotage cases.

Mr. Chairman, I would therefore urge the members of this committee and the Congress to enact the legislation before us without delay in the hope that its enactment might act as a deterring factor to future commissions of crime against aircraft, air cargo, and air passengers, and that the benefits of such legislation might be available to assist in the investigation, prosecution, and speedy justice in the event of future occurrences of this type.

Mr. HARRIS. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Illinois [Mr. MURRAY].

Mr. MURRAY of Illinois. Mr. Chairman, this pending bill is entitled "To Punish the Malicious Destruction of Aircraft and Attempts to Destroy Aircraft." A reading of the committee report discloses that the object is to protect human life while riding in aircraft. Yet, it provides for punishment of the murder of an aircraft passenger only when the murder results from the tampering or destruction of aircraft.

The rhetorical question that occurs to me is, why does a Federal bill that is designed to protect human life have to be written with the expressed purpose of protecting aircraft? Has the age of materialism come to the stage that aircraft is more important than life itself? Why have we not exercised our constitutional responsibility to regulate interstate commerce in such a manner as to adequately protect human life by the enactment of legislation that will create the crime of murder in interstate commerce and provide for its punishment?

Under the commerce clause we have enacted legislation to protect everything traveling in interstate commerce except human life.

Title 18 of the United States Code in effect does protect every inanimate body in interstate commerce (section 409). We have assured the safe travel of cows, heifers, and calves in interstate commerce by section 419–A of title 18. Even the interstate transportation of false teeth has been provided for under section 419–A.

Under the commerce clause we have protected our public from almost everything traveling in interstate commerce that is dangerous to their health, safety, or welfare except the murderer.

If a foul mind sends through our mails something that is intended to injure or destroy life, he is subject to a severe punishment. But if that same foul mind advises a ticket agent upon boarding a vehicle in interstate commerce that he intends to go to Chicago to murder a civilian, there is nothing the ticket agent can do insofar as Federal law is concerned, to stop the murderer in his travel.

On the international scene great efforts have been made among the nations to protect the world from the war criminal. Yet, we in the halls of Congress have yet to enact legislation that will, in plain and simple terms, make it a crime to murder in interstate commerce.

Rather, under the guise of protecting Government property, or under the guise of regulating the use of the mails, we have flitted around the problem.

Without hesitancy, and meeting the issue boldly and directly, Congress has virtually stopped the white slave racket and protected our people from the evils of prostitution in interstate commerce by enactment of the Mann Act.

Kidnapping has been made a rare occurrence in our Nation by the enactment of the Lindbergh law.

The widespread theft of motor vehicles has been practically extinguished by the enactment of our interstate auto theft law.

Why, then, do we not meet the issue of interstate murder and interstate murderers by bold and direct action and meeting the problem head-on?

The present bill is obviously a good bill. It comes to our attention as a result of the recent air tragedy of which we are all well aware. Yet, any legal mind can recognize that this law does not encompass within its terms all interstate murderers or interstate murder.

I have today introduced a bill creating the crime of "murder in interstate or foreign commerce" and providing for its punishment. I am certain that the Nation will some day enact legislation similar to it. I hope that this great, courageous Congress will make an historic contribution to the health, welfare, and safety of the people of our Nation by enacting such legislation during this session of Congress.

Prior to my submission to this piece of legislation I secured from the Library of Congress a study of its constitutionality. I think the brief prepared by the Library of Congress is an excellent one and I desire to include it at this point in the RECORD:

Attention: Mr. Mahoney.
To: Hon. JAMES C. MURRAY,
From: American Law Division.
Subject: Study of feasibility of a proposed statute punishing murder in interstate commerce, etc.

Reference is made to our conference of January 18 and to your request for a report on the attached proposal for punishing murder in interstate commerce, etc.

Murder is an offense long recognized at common law. It should be pointed out that the Federal Government, being a government of delegated powers only and such other powers as may be reasonably necessary to carry the delegated powers into force and effect, has no common law criminal jurisdiction as such. Although no specific grant of the power to provide for the punishment of crimes is made to the Federal Government in the Constitution with the exception of those grants covering piracies and felonies on the high seas, offenses against the law of nations, treason, and counterfeiting the securities and current coin of the United States, it is undoubtedly true that Congress does have the power to provide for the punishment of crimes within any place in the United States when such crimes have a relationship to the delegated powers, and particularly within territory over which Congress has plenary and exclusive jurisdiction. Mr. Justice Field in the case of *United States* v. *Fox* (95 U. S. 670) stated in part:

"There is no doubt in the competency of Congress to provide, by suitable penalties, for the enforcement of all legislation necessary or proper to the execution of powers with which it is entrusted. * * * But an act committed within a State, whether for a good or a bad purpose, or whether with an honest or a criminal intent, cannot be made an offense against the United States, unless it has some relation to the execution of a power of Congress or to some matter within the jurisdiction of the United States. An act not having any such relation is one in respect to which the State alone can legislate."

Mr. Justice Gray in *Logan* v. *United States* (144 U. S. 283), stated:

"Upon this question, the court has no doubt. As was said by Chief Justice Marshall, in the great case of *McCulloch* v. *Maryland*, "The Government of the Union though limited in its powers, is supreme within its sphere of action." "No trace is to be found in the Constitution of an intention to create a dependence of the Government of the Union on those of the States, for the execution of the great powers assigned to it. Its means are adequate to its ends; and on those means alone was it expected to rely for the accomplishment of its ends. To impose on it the necessity of resorting to means which it cannot control, which another government may furnish or withhold, would render its course precarious, the result of its measures uncertain, and create a dependence on other governments, which might disappoint its most important designs, and is incompatible with the language of the Constitution" (4 Wheat. 316, 405, 424).

"Among the powers which the Constitution expressly confers upon Congress is the power to make all laws necessary and proper for carrying into execution the powers specifically granted to it, and all other powers vested by the Constitution in the government of the United States, or in any department or officer thereof. In the exercise of this general power of legislation, Congress may use any means, appearing to it most eligible and appropriate, which are adapted to the end to be accomplished, and are consistent with the letter and the spirit of the Constitution. *McCulloch* v. *Maryland* (4 Wheat. 316, 421); *Julliard* v. *Greenman* (110 U. S. 421, 440, 441).

"Although the Constitution contains no grant, general or specific, to Congress of the power to provide for the punishment of crimes, except piracies and felonies on the high seas, offenses against the law of nations, treason, and counterfeiting the securities and current coin of the United States, no one doubts the power of Congress to provide for the punishment of all crimes and offenses against the United States, whether committed within one of the States of the Union, or within territory over which Congress has plenary and exclusive jurisdiction."

The power of Congress to regulate commerce with the foreign nations and among the several States is specifically set forth in the Constitution, article I, section 8, clause 3. Under this general power it may constitutionally enact penal laws in relation to commerce. The constitutionality of the following acts has been upheld: White Slave

Act, *Caminetti* v. *U. S.* (242 U. S. 470); the National Motor Vehicle Theft Act, *Brooks* v. *U. S.* (267 U. S. 432); Pure Food and Drug Act, *Hipolite Egg Co.* v. *U. S.* (220 U. S. 45), and others.

Section 1 of the proposed legislation provides that any person who with malice aforethought kills any other person, when either the person so killing or the person so killed is traveling in interstate or international commerce, is guilty of murder under the terms of the proposed act. From the cases, supra, it would seem undoubtedly true that the Federal Government would have the power to enact a penal statute to protect the life and safety of people traveling in such commerce.

Where such acts are committed either within the exclusive jurisdiction of the Federal Government; i. e., on Federal reservations, inland waters, etc., or outside of the jurisdiction of the States, the Federal Government has undoubted jurisdiction to punish the criminal. At the present time jurisdiction as between the State and Federal Government is based largely on geographical location. Where jurisdiction is based upon a somewhat indefinite concept such as traveling in interstate or international commerce, areas of difficulty can be foreseen. The limits of the jurisdiction would be difficult although not necessarily impossible of determination.

In determining jurisdiction under such a concept, numerous questions arise. First, what exactly, is interstate commerce? The United States Code, title 18, section 10, defines interstate and foreign commerce:

"The term 'interstate commerce,' as used in this title, includes commerce between one State, Territory, possession, or the District of Columbia and another State, Territory, possession, or the District of Columbia. The term 'foreign commerce,' as used in this title, includes commerce with a foreign country."

These statements are not very helpful for our purpose. They are certainly not exclusive but merely indicate generally what is to be included within the terms. It is noted that the proposed statute uses the word "international" commerce. It is suggested that the word "international" be changed to "foreign," as "foreign" is used not only in the definition in title 18, but also in the Federal Constitution. One aspect of the use of the word "international" concerns a situation where an American citizen is traveling on the high seas on a foreign vessel. Words of limitation appear necessary in the proposed statute to limit the situations to those in which the United States actually has jurisdiction. The courts have been reluctant to specifically define the term "interstate commerce." In order to ascertain something of its meaning we are reduced to looking at numerous cases. Interstate commerce means not merely interstate movement but interstate business, *Mayor and Board of Aldermen of City of Vicksburg* v. *Steckfus Steamers* (150 Southern 215). Interstate commerce as contemplated by the Constitution is not a technical legal conception, but a practical one drawn from the force of business, *State of Minnesota* v. *Blasius* (290 U. S. 1). Interstate commerce, though perhaps not limited thereto, includes interstate intercourse. Intertsate intercourse is the passage of property, persons, or messages from within one State to within another State. It has certain adjuncts, to wit, the persons corporate or natural and their employees effectuating the passage; the means by which they effectuate it, including the ways, artificial or natural, over which, and the instrumentalities by which, the passage is made and the money charged for the services rendered. Strictly speaking, these things are not interstate intercourse or commerce. They are merely the adjuncts thereof, but Congress is empowered by the provision of subsection 3, section 8, article I, of the Constitution, conferring on it the power to regulate commerce with foreign nations and among the several States and with the Indian tribes, to regulate the adjuncts of interstate commerce, as much so as interstate commerce itself. Its power to regulate them is as extensive, full, and complete as its power to regulate it, *United States* v. *Adair* (152 Fed. 737, 743). Interstate commerce loses its interstate character when it arrives at a given destination, *United States* v. *Segelman* (86 F. Supplement 114, 121). Practical continuity of transit does not always make an act a part of interstate commerce, *State* v. *Crane Hwok Oil Storage Co.* (18 Atlantic 2d, 427).

From these citations it can readily be seen that a limitation or declaration of limitation upon the jurisdiction of the United States would be most helpful in determining the jurisdiction of the crime. Under the guise of interstate commerce articles have been held to be in commerce not only after they have reached their destination and come to rest but until they have been taken out of their original package. Certainly the case of an ordinary citizen going from New York to Chicago, who is murdered in transit after boarding a train and before arriving in Chicago, would present little difficulty with respect to jurisdiction. However, the case of a person traveling on company business, who leaves the company factory and proceeds to the railroad station and who is murdered prior to the purchase of a ticket, will present a difficult jurisdictional question. How will it be determined whether this man is traveling in interstate commerce? Under some of the decisions, dealing with goods in interstate commerce, the Federal Government has not only regulated such transportation but even regulated the actual process of manufacture. Would a person traveling in his own car from the factory office to the bank across a State line and back again be traveling in interstate commerce? Numerous questions present themselves both at the beginning and end of trips across State lines in the course of business, all of which present practical questions of jurisdiction. Where the murder occurs between the point of departure in a private conveyance and the first State line question may arise with respect to the intent of the deceased. Practical proof of the intent and purpose of the deceased to travel across the State line in commerce may be rather difficult to obtain. It therefore may be desirable to include language in the proposed legislation limiting the definition of travel in interstate commerce, for the purpose of this particular act. It should, perhaps, include only travel from the public station or point of departure of a common or public conveyance to the point of arrival or public station at the end of the journey. This would eliminate problems of Federal jurisdiction prior to and after actual travel on a common carrier or public conveyance.

Section 2 of the proposed statute provides that if the death of any person shall proximately result from any Federal crime or offense of which malice or the intention to injure any person or damage property is an element, all persons guilty of such Federal offense and all persons guilty of conspiracy to commit such offense, whether present at the time of the commission of the offense or not, and all principals in the second degree and all accessories to such Federal offense shall be deemed guilty of murder whether it was or was not the intention of any of such persons to take the life of the person killed or to take the life of any other person.

This proposal would extend the crime of murder to many acts not now denoted as murder. At the present time murder is (see U. S. Code 18: 1111) the unlawful killing of a human being with malice. The statute divides murder into two degrees: First degree murders are (1) those perpetrated by poison, lying in wait or any other kind of willful, deliberate, malicious, and premeditated killing; (2) those committed in the perpetration of or attempt to perpetrate any arson, rape, burglary, or robbery; and (3) those perpetrated from a premeditated design unlawfully and maliciously to effect the death of any human being other than he who is killed; second degree murder is any murder other than those, supra. The present statute also provides (U. S. Code 18: 1112) that manslaughter is the unlawful killing of a human being without malice and proceeds to define the two kinds of manslaughter, voluntary and involuntary.

The proposed statute would add three elements to the murder statute where death proximately results from the commission of any kind of Federal crime or offense, felony or misdemeanor, i. e., (1) those involving the element of malice; (2) those involving an intention to injure any person; and (3) those involving an intention to damage property. It should be noted that these would include, among others, offenses under the following statutes where malice is specifically mentioned: (U. S. Code 18: 1362).

1. Willful or malicious injury or destruction of works, property, or material of any radio, telegraph, telephone, or cable, line, station, or system, or other means of communication operated or controlled by the United States, whether constructed or in process of construction; or willful or malicious interference in any way with the working or use of any such line or system; the willful or malicious obstruction, hindrance, or delay of any communication over such line or system: present penalty—$1,000 fine or 3 years or both;

2. The willful or malicious injury, defacing, or destruction of any mail in a letterbox: present penalty—$1,000 fine or not more than 3 years;

3. Maliciously and without probable cause, causing a search warrant to be issued and executed: present penalty—not more than $1,000 or not more than 1 year. Undoubtedly a number of situations will readily come to mind where the commission of offenses under these statutes would proximately cause the death of some person yet it would not be desirable to charge the offender with murder. So inclusive a provision as that of the proposal would not seem desirable until its effect on all Federal statutes clearly involved had been determined.

Section 3 of the proposal uses the term "international commerce" which should be changed to "foreign commerce" for the same reason as was indicated with respect to section 1 of the proposal. In the light of section 1 it would seem that Congress has the power to protect the public against the use or the means or instruments of interstate commerce as a method of sending lethal agencies by common carriers for the purpose of maliciously killing or causing the death of any persons. Certainly Congress would have the power to punish sending such lethal agencies on means of communication owned or operated by the United States.

Section 4 of the proposal permits the imposition of a sentence for less than life but not less than 14 years. The present punishment (U. S. Code 18: 1111) is death or imprisonment for life for first degree murder while second degree murder is punished for any term of years or for life.

(It may be questioned whether it would be desirable to include in a criminal statute, in the very definition of the offense, a term as indefinite—or at least, as litigious—as "proximate" cause.)

Also, prior to my introduction of this proposal legislation I wrote to the Department of Justice for its opinion as to my proposed legislation. The reply I

received from the Department of Justice I would like to include in the RECORD:

APRIL 30, 1956.

Hon. JAMES C. MURRAY,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN MURRAY: On March 13 you requested comment concerning legislation you proposed to introduce in the House of Representatives to amend title 18 of the United States Code to provide punishment for murder in interstate commerce. In my letter of March 19 I advised you that I was having the proposal examined and would communicate further with you.

Without undertaking to comment on the specific language of the proposal at this time, I should like to acquaint you with some of the comments I have received concerning your proposed legislation.

First, the view has been expressed that so much of the proposed legislation as would make it a Federal crime to kill any person when either the person killed or the person committing the killing is traveling in interstate or foreign commerce would constitute an unwarranted extension of Federal criminal law. It would seem that under this measure, if enacted, an individual traveling in interstate commerce from New York to Florida who, with malice aforethought, kills a farmer working in a field in Maryland, would be subject to prosecution in a Federal court. Likewise, a gas station attendant in Chicago who, with the required intent, kills a person traveling from Indiana to Michigan would be subject to Federal prosecution.

So far as we are aware, there is no need for such legislation for the States are well able to prosecute in cases such as those which would be embraced by the measure.

As for the second portion of the legislation, that which would provide in substance that any person who with malice aforethought kills or proximately causes the death of any other person by the sending of any lethal agency in interstate or foreign commerce or through the mails or by any means of transportation owned or operated by the United States shall be guilty of murder, your attention is invited to a number of Federal statutes in the field. For example, sections 832-835 and sections 2275, 2277, and 2278 of title 18, United States Code, are pertinent. Of course, in some situations the criminal laws of the States supplement those of the Federal Government so that the Federal penalties which may seem to be inadequate (as, for example, 10 years' imprisonment under a section such as 833 of title 18, where the death of any person is caused by reason of a violation) are not necessarily so.

I trust this information will be of some assistance to you in your study of the matter.

Sincerely,

WILLIAM P. ROGERS,
Deputy Attorney General.

The reply received from the Department of Justice demonstrates clearly the reason this Congress has not until this late date enacted legislation similar to that which I propose. It is the fear of an alleged encroachment upon local authority over crime.

Although many of our Members have criticized the United States Supreme Court for encroaching upon legislative jurisdiction, the United States Supreme Court in recent years has not hesitated in effectuating the constitutional mandate imposed by the 14th amendment to encroach upon the jurisdiction of local courts in criminal matters. In its most recent decision the United States Supreme Court has gone so far as to hold that a State court must furnish at State expense a transcript of record to State convicted criminals who are incapable of paying for the same—Confer Griffin against People, No. 95, Supreme Court, October term 1955. The United States Supreme Court, to give meaning to due process of law, has in recent years required States, at State expense, to furnish lawyers to the accused even though the State constitution might not require such legal representation.

The anomalous situation today is that the United States Supreme Court which receives much criticism on its assumption of jurisdiction, has gone so far as to effect and regulate local criminal procedure in meeting its constitutional responsibility. Yet, the Congress for fear of treading on local jurisdiction delays in meeting the problem of interstate crime.

We are still in the legislative age where we feel that crime, even though it is interstate crime, is a matter within the prerogative of the State rather than our own responsibility. The Deputy Attorney General in his letter suggests that my bill would subject to Federal jurisdiction an individual traveling in interstate commerce from New York to Florida, who en route kills a farmer working in a field in Maryland. That is true, but I ask you, what is the difference? If the governor of the State to which the murderer traveled refused to extradite the killer, he will go unpunished and remain at large.

Furthermore, the Maryland police in the situation referred to in the Deputy Attorney General's letter, would be much less capable of detecting or apprehending the traveling murderer than would the FBI. The FBI in the hypothetical case might assist the Maryland police but they would do so upon a jurisdiction predicated not upon the crime but predicated upon their authority to cooperate with local police.

Likewise, in the Deputy Attorney General's letter in opposition to my proposed legislation, he suggests that a gas station attendant in Chicago who, with the required intent kills a person traveling from Indiana to Michigan would be subject to Federal prosecution under the suggested legislation. Nevertheless, if the mythical person who was murdered happened to have been traveling in an automobile which he stole in Chicago, he would have been subject to the criminal law of Illinois, Indiana, Michigan, and also under the Federal criminal law for the theft of the automobile.

The creation of the crime of murder in interstate and providing for its punishment as written in the legislation which I propose, effectuates two results not in the law today. It protects human life while in interstate commerce from potential murderers, regardless of the mode of transportation, and the manner or method in which the murder is committed.

Further, it protects citizens in one State from the vicious interstate murderer. No murderer is more vicious or harder to detect than the interstate murderer.

Rather than encroaching upon the jurisdiction of the State or local authority, my proposed legislation is a valuable and important aid to the States in enforcement of their penal laws.

Any State's attorney or any law enforcement officer will advise you that the hardest murder to solve is the hired murderer who comes from one community to commit his foul deed and immediately returns to that community. The hardest crime to fix jurisdiction is the murder in interstate commerce.

All of my own city, Chicago, is presently shocked at a vicious, presently unsolved, murder of three Chicago youngsters. Jurisdiction to apprehend the wrongdoers is now vested in the various local independent police force, including the Chicago Police Department, Suburban City Police Department, and the sheriff's office. In addition to these offices the State's attorney of Cook County and the coroner of Cook County are attempting to solve the crime. Yet, if the perpetration of that crime happens to have been a transient passing through Illinois from another State to a third State, the problem of detecting and apprehending the evildoer is an almost impossible one.

Under my proposed legislation the FBI would have jurisdiction to assist the local police and if that evildoer was a person traveling in interstate commerce when the crime was committed, no extradition proceedings would have to be instituted and a speedy trial would be available in the Federal district court.

The recent disaster in Colorado in which 44 lives were lost would be punishable under the provision of my proposed legislation not through the necessity of proof that the intent of the evildoer was to damage or destroy the aircraft or its crew, as required by the proposed legislation, but by mere proof that the murder occurred in interstate or foreign commerce.

Do we have to wait until the use of interstate commerce in perpetrating the crime of murder becomes a national scandal before we assert Federal jurisdiction? Do we have to wait until a criminal mind conceives some new and devious way of killing in interstate commerce before we meet the issue of murder in interstate commerce directly and not through the subterfuge of legislation protecting vehicles in interstate commerce?

My proposed legislation covers all of such situations; it also covers every situation where the commission of a Federal offense results in death. It is broad enough to cover any kind of Federal offense. It is a useful weapon in the combating of sabotage, espionage, treason, and the like. At the same time it takes the bold step of protecting the citizens of the United States while traveling in interstate commerce and protecting the citizens of the various States who are murdered by murderers traveling in interstate commerce.

I urge its speedy consideration.

Mr. TUMULTY. Mr. Chairman, will the gentleman yield?

Mr. MURRAY of Illinois. I yield.

Mr. TUMULTY. Assuming that someone is traveling in interstate commerce and stops off in a State for a while and then is killed or injured so that death results, would that type of crime come

within the jurisdiction of your proposed bill?

Mr. MURRAY of Illinois. It would come within the jurisdiction of the bill which I propose, but that does not mean that the committee could not amend my proposed legislation if they thought it was the intent of Congress that the perpetration of the crime be at the point of embarkation or the point of debarkation in interstate travel.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HALE. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I was a member of the subcommittee which reported this legislation. I think it is absolutely indispensable legislation. I cannot imagine that anybody in this House or anywhere else would desire that these horrible crimes go unpunished.

I hope the legislation will be unanimously supported.

I yield back the remainder of my time.

Mr. PRIEST. Mr. Chairman, I have no further requests for time on this side.

GENERAL LEAVE TO EXTEND

Mr. HALE. Mr. Chairman, I ask unanimous consent that all Members may have 5 days in which to extend their remarks on this legislation.

The CHAIRMAN. Is there objection to the request of the gentleman from Maine?

There was no objection.

The CHAIRMAN. The rule under which the bill is being considered provides that it shall be in order after the reading of the first section to move to strike out all after the enacting clause and insert as a substitute the committee amendment recommended in the bill H. R. 319 as reported to the House by the Committee on the Judiciary.

The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That section 902 of the Civil Aeronautics Act of 1938, as amended, be further amended by inserting at the end thereof the following new subsections:

Mr. WILLIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WILLIS: Strike out all after the enacting clause and insert in lieu thereof the following:

"That title 18 of the United States Code is amended by inserting immediately after section 14 thereof the following new chapter:

" 'CHAPTER 2—AIRCRAFT AND MOTOR VEHICLES

" 'Sec.
" '31. Definitions.
" '32. Destruction of aircraft or aircraft facilities.
" '33. Destruction of motor vehicles or motor vehicle facilities.
" '34. Penalty when death results.
" '35. Imparting or conveying false information.

" 'SEC. 31. Definitions—

" 'When used in this chapter the term—

" ' "Aircraft" means any contrivance contemplated within the definition of aircraft set forth in section 1 (4) of the Civil Aeronautics Act of 1938 (49 U. S. C. 401 (4)) or in section 2311 of title 18, United States Code, used for commercial purposes in the transportation of persons or property;

" ' "Motor vehicle" means every description of carriage or other contrivance propelled or drawn by mechanical power and used for commercial purposes on the highways in the transportation of passengers, or passengers and property;

" ' "Destructive substance" means any explosive substance, flammable material, infernal machine, or other chemical, mechanical, or radioactive device or matter of a combustible, contaminative, corrosive, or explosive nature; and

" ' "Used for commercial purposes" means the carriage of persons or property for any fare, fee, rate, charge or other consideration, or directly or indirectly in connection with any business, or other undertaking intended for profit.

" 'SEC. 32. Destruction of aircraft or aircraft facilities.

" 'Whoever willfully damages, disables, or destroys, any civil aircraft used in interstate, overseas, or foreign commerce; or

" 'Whoever willfully, with intent to damage, disable, or destroy any civil aircraft used in interstate, overseas, or foreign commerce, or to injure or endanger the safety of the aircraft, or its cargo, or of persons on board, sets fire to, tampers with, or places or causes to be placed, any explosive or other destructive substance in, upon, or in proximity to, the aircraft or its cargo or material used or intended to be used in connection with its operation; or

" 'Whoever willfully with like intent, damages, disables, destroys, sets fire to, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to any airfield, signal, structure, supply, or facility used in the operation of, or in support of the operation of, aircraft used in interstate, overseas, or foreign commerce, or otherwise makes, or causes such property to be made unworkable, unusable, or hazardous to work or use; or

" 'Whoever, with like intent, willfully disables or incapacitates any member of the crew of an aircraft, or in any way lessens the ability of such member to perform his duties as such; or

" 'Whoever willfully attempts to do any of the aforesaid acts—

shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

" ' § 33. Destruction of motor vehicles or motor vehicle facilities.

" 'Whoever willfully damages, disables, or destroys any motor vehicle which is used, operated, or employed in interstate or foreign commerce; or

" 'Whoever willfully, with intent to damage, disable, or destroy any motor vehicle which is used, operated, or employed in interstate or foreign commerce, or to injure or endanger its cargo or persons on board, sets fire to, tampers with, or places or causes to be placed any explosive or otherwise destructive substance in, upon, or in proximity to said motor vehicle or its cargo or material used or intended to be used in connection with its operation; or

" 'Whoever willfully, with like intent, damages, disables, destroys, sets fire to, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to any garage, terminal, structure, supply, or facility used in the operation of, or in support of the operation of, motor vehicles engaged in interstate or foreign commerce or otherwise makes or causes such property to be made unworkable, unusable, or hazardous to work or use; or

" 'Whoever, with like intent, willfully disables or incapacitates any drive or person employed in connection with the operation or maintenance of the motor vehicle, or in any way lessens the ability of such person to perform his duties as such; or

" 'Whoever willfully attempts to do any of the aforesaid acts—

shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

" ' § 34. Penalty when death results.

" 'Whoever is convicted of any crime contained in this chapter, which has resulted in the death of any person, shall be subject also to the death penalty or to imprisonment for life, if the jury shall in its discretion so direct, or, in the case of a plea of guilty, or a plea of not guilty where the defendant has waived a trial by jury, if the court in its discretion shall so order.

" ' § 35. Imparting or conveying false information.

" 'Whoever willfully imparts or conveys or causes to be imparted or conveyed information, knowing the information to be false, concerning an attempt being made or to be made, to do any act which would be subject to criminal penalty under this chapter or under chapter 97 or chapter 111 of title 18, United States Code—

shall be fined not more than $1,000, or imprisoned not more than 1 year, or both.'

"SEC. 2. The part analysis preceding chapter 1 of title 18, United States Code, is amended by inserting between chapters 1 and 3 the following item:

" '§. Aircraft and motor vericles---- 31' "

Mr. WILLIS (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with, and that it be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. WILLIS. Mr. Chairman, I shall not take 5 minutes. I think the whole matter has been explained.

According to the rule by which the measure is now before us, the offering of this amendment is in order. However, since there had appeared before the Rules Committee members of the Committee on the Judiciary and members of the Committee on Interstate and Foreign Commerce, and they and the staffs of the two committees resolved their differences and worked out certain perfecting language to the substitute to the amendment of the Judiciary Committee which I have just offered. As it has been explained before, the gentleman from Tennessee, who is controlling the time, out of whose committee the Senate bill emanated, is to offer this perfecting language as a substitute to my substitute amendment.

I yield back the balance of my time.

Mr. HARRIS. Mr. Chairman, I offer a substitute for the Willis amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS as a substitute for the amendment offered by Mr. WILLIS: Strike out all after the enacting clause and insert the following:

"That title 18 of the United States is amended by inserting immediately after section 14 thereof the following new chapter:

" 'CHAPTER 2—AIRCRAFT AND MOTOR VEHICLES

" 'SEC.
" '31. Definitions.
" '32. Destruction of aircraft or aircraft facilities.
" '33. Destruction of motor vehicles or motor vehicle facilities.
" '34. Penalty when death results.
" '35. Imparting or conveying false information.

"'§ 31. Definitions.

"'When used in this chapter the term—

"'"Aircraft engine", "air navigation facility", "appliance", "civil aircraft", "foreign air commerce", "interstate air commerce", "landing area", "overseas air commerce", "propeller", and "spare part" shall have the meaning ascribed to those terms in the Civil Aeronautics Act of 1938, as amended.

"'"Motor vehicle" means every description of carriage or other contrivance propelled or drawn by mechanical power and used for commercial purposes on the highways in the transportation of passengers, or passengers and property;

"'"Destructive substance" means any explosive substance, flammable material, infernal machine, or other chemical, mechanical, or radioactive device or matter of a combustible, contaminative, corrosive, or explosive nature; and

"'"Used for commercial purposes" means the carriage of persons or property for any fare, fee, rate, charge or other consideration, or directly or indirectly in connection with any business, or other undertaking intended for profit.

"'§ 32. Destruction of aircraft or aircraft facilities.

"'Whoever willfully sets fire to, damages, destroys, disables, or wrecks any civil aircraft used, operated, or employed in interstate, overseas, or foreign air commerce; or

"'Whoever willfully sets fire to, damages, destroys, disables, or wrecks any aircraft engine, propeller, appliance, or spare part with intent to damage, destroy, disable, or wreck any such aircraft; or

"'Whoever, with like intent, willfully places or causes to be placed any destructive substance in, upon, or in proximity to any such aircraft, or any aircraft engine, propeller, appliance, spare part, fuel, lubricant, hydraulic fluid, or other material used or intended to be used in connection with the operation of any such aircraft, or any cargo carried or intended to be carried on any such aircraft, or otherwise makes or causes to be made any such aircraft, aircraft engine, propeller, appliance, spare part, fuel, lubricant, hydraulic fluid, or other material unworkable or unusable or hazardous to work or use; or

"'Whoever, with like intent, willfully sets fire to, damages, destroys, disables, or wrecks, or places or causes to be placed any destructive substance in, upon, or in proximity to any shop, supply, structure, station, depot, terminal, hangar, ramp, landing area, air navigation facility or other facility, warehouse, property, machine, or apparatus used or intended to be used in connection with the operation, loading, or unloading of any such aircraft or making any such aircraft ready for flight, or otherwise makes or causes to be made any such shop, supply, structure, station, depot, terminal, hanger, ramp, landing area, air navigation facility or other facility, warehouse, property, machine, or apparatus unworkable or unusable or hazardous to work or use; or

"'Whoever, with like intent, willfully incapacitates any member of the crew of any such aircraft; or

"'Whoever willfully attempts to do any of the aforesaid acts or things—

"'shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.'

"'§ 33. Destruction of motor vehicles or motor vehicle facilities.

"'Whoever willfully, with intent to endanger the safety of any person on board or anyone who he believes will board the same, or with a reckless disregard for the safety of human life, damages, disables, destroys, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to, any motor vehicle which is used, operated, or employed in interstate or foreign commerce, or its cargo or material used or intended to be used in connection with its operation; or

"'Whoever willfully, with like intent, damages, disables, destroys, sets fire to, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to any garage, terminal, structure, supply, or facility used in the operation of, or in support of the operation of, motor vehicles engaged in interstate or foreign commerce or otherwise makes or causes such property to be made unworkable, unusable, or hazardous to work or use; or

"'Whoever, with like intent, willfully disables or incapacitates any driver or person employed in connection with the operation or maintenance of the motor vehicle, or in any way lessens the ability of such person to perform his duties as such; or

"'Whoever willfully attempts to do any of the aforesaid acts—

shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

"'§ 34. Penalty when death results

"'Whoever is convicted of any crime prohibited by this chapter, which has resulted in the death of any person, shall be subject also to the death penalty or to imprisonment for life, if the jury shall in its discretion so direct, or, in the case of a plea of guilty, or a plea of not guilty where the defendant has waived a trial by jury, if the court in its discretion shall so order.

"'§ 35. Imparting or conveying false information.

"'Whoever willfully imparts or conveys or causes to be imparted or conveyed false information, knowing the information to be false, concerning an attempt or alleged attempt being made or to be made, to do any act which would be a crime prohibited by this chapter or chapter 97 or chapter 111 of this title—

shall be fined not more than $1,000, or imprisoned not more than 1 year, or both.'

"SEC. 2. The part analysis preceding chapter 1 of title 18, United States Code, is amended by inserting between chapters 1 and 3 the following item:

"'2. Aircraft and motor vehicles---- 31'

"Amend the title so as to read: 'An act to punish the willful destruction of aircraft or motor vehicles, and their facilities, and for other purposes.'"

Mr. HARRIS (interrupting the reading of the amendment). Mr. Chairman, I ask unanimous consent that further reading of the substitute be dispensed with and that it be printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Chairman, it will not be necessary to take any further time as this entire matter has been explained already to the committee. I think it sufficient to say that in cooperation with my distinguished friend from Louisiana, chairman of the subcommittee of the judiciary, we devoted a great deal of thought and consideration to this problem. The gentleman from New York [Mr. KEATING], who introduced one of the bills, perhaps the first bill on the subject, and other members of that great committee, together with the staff of our committee and also the Judiciary Committee, and our legislative counsel, to whom we always look for technical advice and information, have worked out this bill to accomplish the objective sought.

It has been stated that the objective originally was to reach a problem in connection with air-carrier aircraft. At the insistence—I think I use the word advisedly—of our distinguished friend, the gentleman from New York [Mr. KEATING] and some other members of the committee, the language has been expanded to include not only air-carrier aircraft in interstate, overseas, and foreign air commerce, but business aircraft as well. As the gentleman from Louisiana [Mr. WILLIS] explained to the committee a few minutes ago, instead of making the legislation applicable to the Civil Aeronautics Act as an amendment to that act, it will become a part of the Criminal Code. This is in line with the recommendation of the Department of Justice.

It might also be kept in mind that this proposed substitute amendment provides technical definitions which we who have gone into the problems of civil aviation and who have given a lot of thought to these matters over the years think should be included. In other words, the matter is spelled out so clearly and so plainly in the substitute with the very fine cooperation of these two committees that there should be no difficulty whatsoever in the future in reaching tragedies or near tragedies like the recent one in Colorado.

Insofar as the extension of the legislation to motor bus transportation is concerned, as I said a moment ago, we felt we were not sufficiently advised as to the problem. We had not gone into it as a committee to the point where we could say whether it is better to include bus transportation or not. But having confidence in the Judiciary Committee, who had gone in that phase of it, our committee clearly and willingly accepted their recommendations. I think that the question as to just what interstate motor transportation it applies to is very well spelled out in the definitions. I will take a moment to read that paragraph because there has been some interest shown in it. The substitute provides under "Definitions" the following:

"Motor vehicle" means every desciption of carriage or other contrivance propelled or drawn by mechanical power and used for commercial purposes on the highways in the transportation of passengers, or passengers and property.

In other words, according to this definition which is so clear and understandable, there should not be any fear on the part of anyone as to just what is intended. When you take that into consideration, that language, there is no doubt as to what the committee and this Congress intended to do.

Mr. KEATING. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Arkansas. Let me say at the outset that there has been no dispute between the Judiciary Committee and the Interstate and Foreign Commerce Committee as to the objectives of this legislation. The only disagreement was in selecting the means of best accomplishing the purpose of the bill. In this honest disagreement, I am certain that there was no pride of authorship nor any selfish motive to protect either committee's jurisdiction. I am happy to say that the disagreement has been ob-

viated by amicable negotiation between our two committees.

Since the 83d Congress I have sponsored legislation to provide that destruction of aircraft and the resulting injuries or death could be made punishable under our Federal criminal jurisdiction. That was the sole purpose in my reintroduction, in the 84th Congress, of the bill H. R. 319 which was the subject of hearings and lengthy deliberation by the Committee on the Judiciary.

The Committee on the Judiciary assumed jurisdiction of that bill since in form it amended our Federal penal law, title 18 of the United States Code.

The form of the legislation, namely, whether it should amend the Civil Aeronautics Act, which is within the jurisdiction of the Interstate and Foreign Commerce Committee, or whether it should amend the Federal penal law—title 18—within the jurisdiction of the Judiciary Committee, was one of the points in dispute. It has always been my contention, and I believe properly so, that the definition of a substantive crime properly belongs in title 18. The substitute offered provides for amending title 18 by the insertion of a new chapter dealing with aircraft and motor vehicles.

To further support the contention that this legislation should be part of the Federal penal law is the fact that the enforcement of our criminal law and the prosecution thereafter is the responsibility of the Attorney General. At this point it should be noted that the Attorney General advocaed that such legislation as this should be a part of our criminal law. He indicated that to leave it as an amendment to the Civil Aeronautics Act would merely complicate, confuse, and delay prosecutions by reason of the fact that it would be necessary to introduce into evidence various administrative rules, regulations, and actions of the Civil Aeronautics Board.

In addition, as the recent example in Colorado proves, it is wise to incorporate this legislation in title 18 because the Federal Bureau of Investigation thereby enters such cases at the very outset. While it is true that the Civil Aeronautics Board does investigate aircraft accidents, its primary objective is the promotion of safety, whereas under this legislation we are dealing with a criminal prosecution. Thus the trained agents of the FBI, experienced in obtaining and preserving evidence to meet the subsequent legal rules for their introduction during the trial, would have the responsibility from the very start. The CAB has stated that it does not desire the responsibility of locating and apprehending violators of this proposed law.

Another point in dispute was the so-called coverage of the aircraft in question. Originally the bill S. 2792, was limited to the so-called "airline" aircraft, while the provisions of my bill encompassed so-called charter and company-owned aircraft. The provisions of the substitute, as I understand it, is broader than either of these two provisions, and for that reason I gladly accept it.

Another point in dispute was the so-called description of aircraft and aircraft parts and facilities. While the original bill as well as this version uses the specific enumerative method to describe these objects, my proposal used general descriptive phrases which the Attorney General approved. Since we are dealing with criminal law, there was the belief that general language avoided the possibility of an inadvertent omission, thereby creating a loophole through which the guilty might escape. However, since certain definitions of the Civil Aeronautics Act are incorporated into title 18, while I still prefer the general provision, I find the substitute proposal acceptable.

The substitute proposal has adopted in toto both as to form and language the provisions of H. R. 319 covering motor vehicles engaged in interstate and foreign commerce. The bill as reported from the other committee contained no such provision and it pleases me to see the scope of the legislation broadened to cover this phase of our commerce.

As I stated at the outset, everyone seems to support this legislation insofar as the objectives are concerned. Air transportation has become an everyday practice in the lives of the public. As such it should be protected by Federal legislation of the nature offered here today. The intricate difficulties and problems which perforce emerge from this type of transportation obviously cannot be the exclusive jurisdiction of local and State authorities. The recent trial in Colorado in a case of this nature is ample proof that we must act here and now to protect this mode of travel and transportation.

I believe that the same arguments support the inclusion of the provision governing interstate transportation by motor vehicle. Therefore I strongly recommend the adoption of the substitute amendment.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Iowa.

Mr. DOLLIVER. I just want to say to the committee that I believe the gentleman from New York can take great satisfaction in the bill that is now pending, because most of the elements in the measure that he introduced are now included in the pending measure. The gentleman from New York originally introduced this legislation before the Committee on the Judiciary some years ago, I believe.

Mr. KEATING. Yes, that is true. I thank the gentleman for his remarks. I did first introduce it after a similar episode in Canada several years ago. It seemed to me for some time there had been a lack of legislating in this field which was very necessary.

Mr. Chairman, I do not think it is necessary to detain the committee further. I am very happy to support the substitute.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Arkansas [Mr. HARRIS] for the amendment offered by the gentleman from Louisiana [Mr. WILLIS].

The substitute was agreed to.

The amendment as amended by the substitute was agreed to.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore having assumed the Chair, Mr. RABAUT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes, pursuant to House Resolution 472, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

Mr. HARRIS. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: Amend the title so as to read: "An act to punish the willful damaging or destroying of aircraft or motor vehicles, and their facilities, and for other purposes."

The amendment was agreed to.

A motion to reconsider was laid on the table.

The bill H. R. 319 was laid on the table.

MARINE CORPS TRAINING CAMP AT PARRIS ISLAND

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial from the Christian Science Monitor.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on April 16 I asked that the Members of the House exercise great caution in passing judgment on the Marine Corps for the tragic accident at Parris Island. It appears to me that subsequent events have justified this advice. In this connection I would like to call attention to General Pate's forthright and decisive handling of a most difficult situation. I have studied the report rendered by General Pate to Mr. Vinson and the members of his committee. It is apparent that in reaching his decision and in making his report General Pate was guided by principles which we all admire and respect.

The report on the Parris Island tragedy reflects both wisdom and courage. In recognizing and admitting that the recruit-training program has deficiencies which need correcting and in outlining specific and positive steps which have been taken to reorganize the program, the Commandant has taken the best possible steps to strengthen the

public confidence in the Marines as a ready fighting force. General Pate has recognized the vital importance of dealing with Congress and the public on the basis of honesty and candor.

In characteristic fashion the Marines have met the situation directly and without excuse or subterfuge. We are assured that they will retain the hard core of doctrine which, for so long, has produced an elite fighting organization whose members possess an admirable loyalty and fierce pride which serves to strengthen their natural skills and ability. While retaining the essentials of the system which throughout our history has proven itself in the Nation's defense, we are told that every effort will be made to eliminate any form of treatment "incompatible with accepted American standards of human dignity."

This is indeed a worthy and proper objective which the Marine Corps should be allowed to pursue without interference. It seems to me that the reorganization which General Pate has outlined is well designed to cope with the problem of separating the good from the bad and eliminating the latter. It is certainly indicative of good faith and determination to carry out a constructive program.

I am confident that the Marines will attack this present problem with the same energy and resolution which have become their hallmark. I believe that General Pate deserves a great deal of credit for the manner in which he has reacted to a crisis which confronted him in the early days of his assignment as commandant.

I have noted with considerable interest the public reaction to the report which has been made to the House Armed Services Committee. The good sense demonstrated in this instance has been reflected in numerous editorials which have favorably commented on General Pate's decisive action. Among them is one which appeared in the Christian Science Monitor on May 2.

As we have come to expect in the Monitor, this editorial is well written and goes to the heart of the matter. Since it is typical of the press comment on the subject, under unanimous consent I ask that it be printed in the RECORD at this point in my remarks:

THE PARRIS ISLAND FINDINGS

Report of the special Marine Corps board investigating the recent Parris Island Recruit Depot tragedy reveals another tragedy hitherto mercifully and properly hidden by official secrecy: a noncommissioned officer with combat experience and excellent record betrayed by intoxicating liquor into trouble as deep as the tidal swamp into which he led his men.

The board of inquiry has found that Staff Sergeant McKeon, on the morning, afternoon, and evening prior to ordering his platoon on a disciplining march, "drank an unknown quantity of vodka * * * while on duty and in the presence of a recruit under his charge." Gen. Randolph M. Pate, Commandant of the Marine Corps, has recommended to the Secretary of the Navy that Sergeant McKeon be tried by general court-martial.

General Pate has gone further: He has ordered a thorough overhaul of the Marine Corps recruit training to be initiated by a depot commander other than Maj. Gen. Joseph Burger, who, in accord with military tradition, is held technically responsible for the errors of those under him and is being transferred to another command.

We would echo veteran Congressman DEWEY SHORT of the House Armed Services Committee and say it is to be hoped nothing will be done to decrease the efficiency and effectiveness of Marine Corps training. That training is, as we said at the time of the multiple tragedy, at once a "fearful and wonderful thing"—that its weakness lies not in its rigorousness but in the degree of authority it vests, as a matter of practice, in its drill sergeants and in its vulnerability to abuse.

General Pate has been energetic and skillful in his handling of the matter and frank in his reporting to Congress and the public. Direction of the promised changes seems in good hands.

LONE STAR STEEL CO., HEART OF INDUSTRIAL EMPIRE OF SOUTHWEST—ADDRESS BY E. B. GERMANY, PRESIDENT

Mr. PATMAN. Mr. Speaker, Mr. E. B. Germany, president of the Lone Star Steel Co., made a very interesting and revealing address before the New York Society of Security Analysts in New York City, April 24, 1956.

The people of Texas, the Southwest, and the Nation are grateful to Mr. Germany for his success in developing the E. B. Germany Works, including Lone Star Steel Co. Forty-five hundred people have jobs by reason of Mr. Germany's successful efforts, and they are all receiving wages equal to wages received in other steel centers of the United States.

Were it not for this enormous plant and the employment opportunities it affords, that particular area of our country, I am afraid, would be a depressed area; but with so many people having good jobs that section of our country is not only enjoying a measure of prosperity at this time, but has economic security in the future.

The Lone Star Steel Co. is right in the middle of tremendous oil development and enormous oil fields. There is a great demand for the steel pipe that is now being manufactured by the Lone Star Steel Co. The plant, therefore, serves a good purpose for the entire Nation by supplying the vital oil industry with needed steel pipe.

Gene Germany, a petroleum engineer, a successful oil man, and one of Texas' finest and most outstanding public-spirited citizens, did not know much about the steel business before the organization of the Lone Star Steel Co. during the early part of World War II except he did know how to use oil field country pipe in his wildcatting operations. He was a director of the company from the beginning. When he was called upon to serve as president of Lone Star Steel, he turned his successful oil business over to his two sons and started out in the steel business with a determination to make the plant a success. At that time, dire predictions were made about its future. Under the guidance and constructive leadership of Gene Germany, along with his knowledge, sincerity and honesty of purpose, aggressiveness and genuine determination, the people of our section of the country can now point with pride to this huge industrial empire that has been built and is being successfully operated by him. It means much to our Nation and to our State. We, the people of this First Congressional District of Texas and their present Congressman in particular, shall never cease to be grateful to Gene Germany for making the dreams of our people since early pioneer days come true.

The address is as follows:

THE LONE STAR STORY

(An address by E. B. Germany, president Lone Star Steel Co., before the New York Society of Security Analysts, at Schwartz Restaurant, New York City, Tuesday, April 24, 1956)

No discussion of Lone Star Steel Co., or for that matter of the iron and steel industry in Texas, would be complete without something of a preface dealing with the earily history of the business in our State. It is a story packed with drama, and like almost everything that happens in Texas, it also has its humor. The struggle of this industry is as much a part of the thrilling "winning of the West" as were the thumb-busting six-shooters which, for a good many years, were the law both east and west of the Pecos River.

Not many people know that the iron industry in Texas is more than a hundred years old. Quite a number of blast furnaces had been in operation in Texas as much as 50 years before the first oil well in the State was discovered at Spindletop. This observation is important because it emphasizes the fact that Lone Star is not dealing with a quantity of raw material just recently discovered, but rather a deposit which has been thoroughly surveyed and explored on numerous occasions during the last century.

In brief, the iron and steel history in Texas divides itself into three important eras. The first began in the early 1850's and extended through the Civil War. During the war, several small blast furnaces were taken over by the Confederate government. After the war, the freeing of the slaves eliminated the labor supply to some extent, and as northern and eastern interests had no desire to continue operation of the furnaces, and as the southern economy could not support them, they were abandoned.

The second important era in our State's iron and steel history began about 1875 and extended until 1910. The operation of four very good furnaces highlighted this period. Lack of transportation and a pricing situation which found the Texas furnaces unable to compete with the eastern and northern mills caused their failure.

A discussion of the third important era in the history of Texas iron and steel is the reason for my presence here today.

In discussing the Lone Star story, I'm going to omit any detailed reference to the physical plant. You know that it is a completely integrated steel mill. It was designed largely by a reputable engineering firm—A. J. Boynton & Co.—and the major portion of the mill was constructed by the highly regarded Brown & Root Co. Being a new mill, our equipment is of the latest possible design. I believe our 1955 annual statement best reflects the caliber of personnel operating the mill.

WHY LONE STAR?

In lieu of detailed information about the mill itself, I think you will be more interested in hearing something about the intangibles, and going back to the very start of our company, a pertinent question would be—Why Lone Star?

At the start of World War II, the Government foresaw a critical shortage of iron. As the result of the century-old history I have

recalled, the development of the northeast Texas resources seemed to provide at least partial relief, and in 1941, construction of the original facilities was started. These facilities included ore beneficiation plant, blast furnace, power plant, coke ovens and other related installations. Simultaneously, coal properties in nearby Oklahoma were purchased.

As the war wore on, the iron shortage did not develop to the extent anticipated, and as a result, the blast furnace was not blown in until late 1947. In the interim, ore and coke were sold to other plants. During this period, the facilities were operated for the Government by Lone Star under a management agreement.

When the war ended, the plant was turned over to the War Assets Administration for disposal. Bids were sought on the various facilities, and the sum total of all bids amounted to only about $3 million.

Recognizing the need for an integrated mill in the area, and further recognizing the desirability from a national defense point of view of having such types of facilities located at some distance from the highly industrialized Pittsburgh and Chicago areas, officials of Lone Star purchased the plant along with the iron and coal reserves for the net sum of $6,300,000. This was approximately one-fifth of the original cost to the Government. As of January 1, 1948, title passed and we were in business for ourselves.

I think the answer to the question—Why Lone Star?—begins to unfold itself as of the date of our purchase.

Certainly, we felt Lone Star, as a merchant iron producer, would not be sufficient to guarantee its long-time survival, but at the moment, we were pressed for money with which to complete our deal with the Government. As this obligation was met, we took first things first as they fell within the limits of our credit. We built a cast-iron pressure pipe foundry, and as southwestern municipalities used up our capacity almost immediately, we turned to the next nearest and most attractive market—the oil country.

MARKET STUDIED

After exhaustive studies by competent oilfield consultants, we were convinced that electric weld steel pipe, manufactured and used in an area producing 75 percent of the Nation's crude, was the most salable end-use product for us. Further, we felt that the oil industry was a stable, progressive and financially sound wagon on which our star would look good.

From the outset, it was obvious that the kind of expansion we were thinking of did not then fit the pattern of normal financing procedures. Our bankers were enthusiastic about our plans, but we simply were talking about too many eggs in one basket for them. Of necessity, we turned to Uncle Sam, and after the most searching investigation imaginable, Federal officials agreed to lend us $87 million. With this sum, we built our steel mill.

With our mill in full operation, you may be wondering about our reserves of raw materials. With respect to iron ore, we are continually buying new ore rights. Our holdings now cover approximately 56,000 acres, all within the general vicinity of the plant. These ores occur on the crests of the east Texas hills, and are sufficient for 75 years of operations. They are recovered by conventional strip-mining practices.

Our coal mines are in Oklahoma, about 225 miles from the plant. We own 3 mines, 2 of which are being operated. Some coal is purchased to conserve our own supply which, it is estimated, is sufficient to meet our requirements for more than 90 years.

Other raw materials such as scrap metal, limestone, manganese, etc., are purchased from sources in the Southwest.

With respect to our markets, only one requires more than passing comment. For many months, demand for our cast-iron pressure pipe has exceeded our capacity. The same is true with slag and chemical by-products. Our one big market, however, which furnishes more than 85 percent of our revenue, is the oil country, and I think some comment should be made about it.

Like all companies offering for the first time a new product, we had the usual problems involving customer acceptance during the latter part of 1953 and the early part of 1954. As time went on, however, we were aided in our selling job by an oilfield market that was booming. This enabled us to establish our product much faster than would have been the case under more competitive conditions. As our line pipe, casing and tubing proved satisfactory, customer acceptance was quick and willing. The best indication of this trend is reflected in sales of $37,200,000 in 1954 as compared with $74,500,000 in 1955. The trend continues into 1956 with orders now being taken for third and fourth quarter delivery, and some even in 1957.

OUTLOOK PROMISING

A quick glance at the outlook for the petroleum business will clearly reveal the firm ground upon which we are building. For instance, in 1948, the oil and gas industry took about 4¼ million tons of pipe and tubing. The Bureau of Mines forecasts a 45-percent increase in petroleum production by 1967, which means there will be 70,000 wells a year instead of the present 50,000 to 55,000.

Closer home it is well to know that for the week ending April 2, 1956, there were 2,712 rigs running in the United States. Of these, 2,241 were drilling in Lone Star's 7-State trade area. Roughly, 83 percent of all wells drilling in the Nation were within an overnight haul from our plant. Omitting 4 of those States—New Mexico, Kansas, Arkansas, and Mississippi—and including only Texas, Oklahoma, and Louisiana, there were 1,899 wells drilling. This is 70 percent of the Nation's total drilling wells—and they are in our backyard.

As a further indication of the aggressive manner in which Lone Star has moved into the oil country market, I point to several highlights contained in our first quarter report for the year 1956. In the first quarter of 1955, we had net sales and operating revenues of $14 million. In the first quarter of this year we increased this to $21,700,000. In the first quarter of 1955, we had a net income of $800,000. This year, our net income for the first quarter was $2,244,000 after provision for future income taxes. These marked increases are due to three main factors: (1) a booming oil business reflected in the drilling figures I gave you; (2) the sales effort we are putting forth; and (3) constantly increasing production levels in our mill. In short, we have a market, we are going after the business, and we are improving our ability to produce the goods.

SELLS SPECIALTY PRODUCT

At the risk of dampening any spark of interest I may have stimulated in you for our company, I think I should caution you that we are selling a specialty product to a specialty market. Any drastic change in that market unquestionably would be felt quickly by our company. However, during recent weeks, I have talked with leading executives in the automotive, steel, oil, and other industries, and it appears that there is small chance of any radical change in market demand for steel and steel tubular goods during the remainder of 1956. I have firsthand knowledge of conditions in the oil business, because I am an oil man with two sons who are now carrying on a rather ambitious drilling program of their own.

I hope that the information I have given you has provided you with a basis upon which to more properly evaluate the refinancing program we are now working on and which we feel confident will be completed by June 1, this year.

Anticipating that your primary interest in Lone Star Steel has to do with plans now being carried forward to refinance our long-term debt, I have prepared a summary of our current position. I am fortunate in having present at this meeting, a member of our board and finance committee, Mr. D. Gordon Rupe, whose firm, with the First Boston Corp., is developing the refinancing program. At the conclusion of my remarks, I am sure Mr. Rupe will provide able assistance to me in answering your questions on this subject.

You will recall that I mentioned we borrowed $87 million from the Government in 1951, and that this money was used to build our new steel division. Through April 1, 1956, our mortgage loan indebtedness had been reduced to $77,745,000, and it is this balance which we hope to place in the hands of private investors. We expect to accomplish this by selling first-mortgage bonds to cover a major part of the amount. Bank loans and other types of secondary securities will be used to cover that portion of the fund not raised through the sale of first-mortgage bonds.

In conclusion, I think it is appropriate to mention the precarious condition in which the steel industry generally finds itself today. In so doing, I am mindful of the fact that on a recent date you were addressed by Ernest T. Weir, chairman of National Steel Corp. I have read a copy of Ernie's talk, and on the subject of earnings, pricing, depreciation, and other such factors as they relate to financing future expansion of the industry, I think he made a masterful presentation. None can say that the industry has a more emminently well qualified spokesman than Ernie Weir. I personally feel that his cost estimate of $300 per ton for new steel-making facilities is very conservative. His estimate, however, does emphasize the attractiveness of Lone Star's situation. Here we have a completely integrated steel mill, a major portion of which is hardly broken in. The older facilities are relatively new when viewed in the light of the life expectancy of similar installations. Yet, despite the fact everyone agrees that costs have skyrocketed, we are going to offer investors a package containing virtually new facilities, almost unlimited raw materials, a going business well established in a booming market for something less than $150 per ton of steel production.

PLANT COST DISCOUNTED

Of course, you realize this is possible only because we purchased our original plant at a tremendous discount, then built our steel division prior to certain substantial increases in the costs of labor, construction materials, and equipment.

Yes, I heartily concur with Mr. Weir in his estimate of new construction costs, and that no company starting entirely new could build a plant with any economic justification under the present earnings experience.

However bright our prospects for refinancing may appear, we, like all other steel companies, face the same problem outlined by Mr. Weir. We must have equitable price increases to provide an earnings history that will attract investors if we are to add the steel-making capacity our Nation demands.

This has been one of my more pleasant visits to New York because it has given me an opportunity to meet you who play an extremely vital part in our American business system. I appreciate the invitation to be here, and now, if there are questions from the floor, I will answer them to the best of my ability.

DECISION OF UNITED STATES COURT OF APPEALS REVEALS FEDERAL ANTITRUST AGENCIES TO BE WORKING FOR MONOPOLY AND FOR WIDESPREAD DESTRUCTION TO SMALL BUSINESS

Mr. PATMAN. Mr. Speaker, the Federal Court has now ruled that big business can engage in discriminatory pricing practices to destroy small business, to substantially lessen competition and create monopoly. Such is a ruling made last Thursday, May 3, by the United States Court of Appeals for the Seventh Circuit in Standard Oil Company of Indiana against Federal Trade Commission. This ruling, which merely puts into effect a previous interpretation of the Robinson-Patman Act made by the Supreme Court, dramatizes in terms which the general public cannot misunderstand just how irresponsible the leadership of the Federal Trade Commission and the Department of Justice has been in their recent opposition to the Equality of Opportunity bill, H. R. 11. This bill was introduced for the clear and simple purpose of preventing discriminatory pricing practices which substantially lessen competition or tend to create a monopoly. Here is the sequence of events which makes passage of this bill necessary, and which now shows the opposition of these agencies to be lame excuses for favoring monopoly.

THE SUPREME COURT PREVIOUSLY MISINTERPRETED THE LAW

In 1951 the Supreme Court of the United States made an interpretation as to the meaning of the so-called good faith defense which may be offered as a justification for violating the Robinson-Patman Act. In a closely divided opinion the Court declared that no matter what the consequences, a seller is justified in carrying on a discriminatory pricing practice if the discrimination is made in good faith to retain a customer who would otherwise purchase supplies from some competing seller who offers, on a completely lawful basis, a price lower than the seller who discriminates in his prices. Specifically, the Court held that under these circumstances a violation of the law is legally justified, even though the effect of the violation is to substantially lessen competition or tend to create a monopoly. This was the interpretation rendered in the famous case of Standard Oil Co. of Indiana against Federal Trade Commission.

Having made this general ruling, the Supreme Court in 1951 sent the Standard of Indiana case back with instructions that the Federal Trade Commission make a finding whether or not the factual situation presented in that case accorded with and satisfied the requirements of the good faith defense, as the Court had just interpreted these requirements to be. The FTC made such a finding, based upon its interpretation of the Supreme Court's interpretation. The FTC's interpretation was that the facts in the Standard case did not satisfy the requirements of the good faith defense and hence that its cease and desist order should go into force and effect. Standard appealed the Commission's finding to the Seventh Circuit Court of Appeals. We now have the answer to that appeal. The court of appeals reversed the FTC, holding that Standard has justified its discriminatory pricing practice. Yet there is no question but that this discriminatory pricing practice will subsequently lessen competition in the marketing of gasoline and related products; there is no question but that this pricing practice has already substantially lessened competition in the marketing of these products. These are the findings which the FTC made initially—on a set of facts which allow no other conclusion—and these are the findings which the circuit court of appeals sustained. And these findings have not been further challenged.

Now where does this put the FTC in relation to the legislative problem before us?

H. R. 11 WAS INTRODUCED TO RETAIN MALL BUSINESS PROTECTION

On the opening day of the first session of this Congress I introduced a bill, H. R. 11, which will in large part correct the Supreme Court's 1951 interpretation of the Robinson-Patman Act. I introduced a similar bill in the 83d Congress. The reason for this bill is that I think beyond any doubt the Supreme Court misinterpreted the Robinson-Patman Act of 1951; but right or wrong the Court's interpretation has left us with a law which is grossly inadequate to protect the competitive processes and the competitive enterprise system, from the most deadly monopolistic practice yet invented. Consequently, H. R. 11 says simply this: Irrespective of the so-called "good faith" defense, a discriminatory pricing practice shall be illegal if the effect of that practice may be "substantially to lessen competition or tend to create a monopoly." These are old words in the Clayton Antitrust Act. They are the words which describe exclusive dealing contracts and tie-in sales which are declared to be illegal in section 3 of the Clayton Act. They are the words which describe a merger between corporations which is declared to be illegal under section 7 of the Clayton Act. Section 3 of the act does not excuse exclusive dealing contracts or tie-in sales which substantially lessen competition or tend to create a monopoly, by reason of the fact that the contracts or the tie-in sales may be made in good faith. No question of a "good faith" defense arises under this section of the law at all. Nor is there any "good faith" defense for corporate mergers prohibited by section 7 of the law, the effect of which may be to substantially lessen competition or tend to create a monopoly.

Consequently, it seems inconceivable to me that anyone having a genuine desire to protect the competitive enterprise system from monopoly, and a genuine desire to protect small business from destruction through abuse of monopoly power could object to H. R. 11. Why should there be, and on what grounds could there be, any objection to a law which makes it absolutely clear that a seller is forbidden to engage in a discriminatory pricing practice which has the effect of substantially lessening competition or tending to create a monopoly?

FTC OFFERED UNREASONABLE OPPOSITION

A majority of 4 of the 5 Federal Trade Commissioners have objected to passage of a bill which would put the law in just these terms. On what grounds? On no other grounds than these: These 4 Commissioners wrote the Committee on the Judiciary that such a bill would be premature. They did not object to the bill on principle; they have not argued that the bill contains new and untried language; they have not argued that the bill would give small business and the competitive system too much protection. They have simply argued that the 1951 interpretation of the "good faith" defense has not hampered enforcement of the law, and in support of this argument these 4 Commissioners have reported that in no case since the 1951 interpretation had the Commission sustained a defendant's claim to the "good faith" defense. Furthermore, the report of these 4 Commissioners cited 7 cases which the Commission has brought under the Robinson-Patman Act since 1951, in which defendants have offered the "good faith" defense, and in which the Commission has ruled that the factual situations presented do not meet the requirements of the defense, as these requirements were interpreted by the 1951 decision. More than that, these 4 Commissioners said in their report to the Judiciary Committee that there has been no case in which a court of appeals has sustained a defendant's claim of the "good faith" defense.

The most astounding thing about this report of the 4 Federal Trade Commissioners to the Judiciary Committee is that the report neglected to state that there was also no case in which a Federal court had overruled a defendant's claim to the good faith defense, and that in no case had a Federal court sustained the Federal Trade Commission in its rulings against the 7 claims to the good faith defense. This amazing omission was made despite the fact that every one of the 7 cases was subject to appeal, and 4 of these cases had already been appealed, and no Federal court had acted on any case.

Such an amazing argument as these 4 FTC Commissioners made to a committee of Congress could easily give rise to a question whether the 4-man majority made a good faith report. But I will let that question pass. Clearly, however, the decision of the Seventh Circuit Court of Appeals last Thursday shows the Federal Trade Commission's argument to be levitated in midair without even the shadow of a leg to stand on, where any student of this legislation would recognize it has been all along.

Following a lead from the Federal Trade Commission, the Antitrust Division of the Department of Justice has likewise opposed passage of H. R. 11, though offering even less coherent reasoning than the Federal Trade Commission gave for its opposition.

FTC CANNOT NOW SAY THE BILL IS "PREMATURE"

We now have a decision from a Federal court on the "good faith" defense.

Allow me to read you 2 sentences from the court's opinion. The court said, and I quote:

The Commission's decision on the "good faith" issue is the result of its process of reasoning, legal in nature, a portion of which, as we shall subsequently show, has been repudiated by the Supreme Court.

And finally the court said:

In our judgment and we so hold, petitioner's "good faith" defense was firmly established, and the Commission's reasoning by which it reached a contrary conclusion is untenable and must be rejected.

Now what is the result of this decision? The result is precisely what the Federal Trade Commission stated in its brief to the Seventh Circuit Court of Appeals that the result would be. The Commission's brief stated, and I quote:

A finding of good faith would make the Robinson-Patman Act meaningless.

Here we are then, with the Federal Trade Commission recognizing that an adverse decision by a Federal court in the first test case on the "good faith" issue would render the Robinson-Patman Act meaningless, yet at the same time opposing as premature a bill which would clarify this law and insure a meaningful law. This kind of position on the part of a supposedly responsible public body presents a mystery which I will leave to others to try to solve—it is a mystery much beyond my comprehension.

H. R. 11 MUST BE PASSED IMMEDIATELY

There is, however, no mystery about what Congress must do. We must pass H. R. 11 and pass it promptly. In short, we must restore meaning to the Robinson-Patman Act, in order to give small business some equality of opportunity to compete, and to continue to survive in this country, and to restore an antitrust law which is essential to any continuation of the competitive enterprise system.

BIG BUSINESS PROPAGANDA IN THE NAME OF SMALL BUSINESS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. ROOSEVELT] is recognized for 20 minutes.

Mr. ROOSEVELT. Mr. Speaker, on April 30, the gentleman from Maryland [Mr. HYDE] challenged the Democrats to take a position on what he called the legislative program of small business. Specifically, the gentleman from Maryland read a number of recommendations from a pamphlet circulated by an organization which calls itself the National Small Business Men's Association, and challenged Democrats to state whether they will support these recommendations.

These are indeed a strange set of recommendations. They do not relate to small business. They are much broader. Taken altogether, they are simply a massive collection of the ideas and emotions of a resurgent feudalism entering into a renewed power struggle with the central Government. In like vein, and for the same reason, they embrace proposals for destroying all other national organizations by which the popular will might challenge the feudal barons' supremacy over their respective economic domains. And in like vein, and for the same reason, they embrace proposals for destroying the organizations and instruments for international cooperation among governments, which organizations and instruments the authors look upon as having, if not a tendency toward a further centralization of government, then at least a dangerous tendency toward cooperation among peoples.

These are not the recommendations or even the ideas or desires of small business people. They are the unthinking and irresponsible ambitions of a few unreconstructed, extreme right-wing barons of big business.

Thus the so-called recommendations of the National Small Business Men's Association include two proposals for hamstringing the Federal Government by constitutional amendment. Recognizing the old-age truth that the core of the power to govern lies in the power to tax, there is a specific proposal for writing maximum tax rates into the Federal Constitution. Fearing also international cooperation among governments as a threat to private cartel organizations, there is a proposal for hamstringing, by constitutional limitation, the Federal Government's treaty-making powers and its effective participation in international organizations such as the U. N.

Then there are other proposals for destroying the general effectiveness of the Federal Government, and for rolling back specific programs by which the mass of the American people gain either enlightenment or a degree of economic security. Foremost among these is a proposal that we return to the gold standard, which is a jolly idea for destroying the Government's ability to manage intelligently both its domestic affairs and transactions abroad. Not to be overlooked is a proposal for eliminating Federal aid to education, and another for rolling back the social-security and unemployment-compensation programs.

Finally to avert the threat of any other organization of common people which might check the feudal power, there are recommendations for destroying the labor unions and cooperatives and for making it impossible for any such organizations to exist.

I am delighted that the gentleman from Maryland [Mr. HYDE] has recognized that the Democratic Party is for small business. As he has put the challenge, Democrats are obligated to state how they stood on these proposals which he believes to be small-business proposals, while Republicans are not so obligated and should not be called upon. Nevertheless as one Democrat who is extremely sympathetic to the problems of small business, I am happy to acknowledge that the Democratic Party is the party of small business, as it is also the party of labor, the party of consumers, and in short the party of the great residuum of people who cannot be counted among the owners and managers of 200 or so top corporate empires.

As one Democrat who is interested in the welfare of small business, I am also happy to inform the gentleman from Maryland that I have reviewed the list of recommendations of the National Small Business Men's Association and my suspicions were immediately aroused.

These recommendations would substitute anarchy for order in our society. So I looked up the record and this is it.

During the 81st Congress the Small Business Committee made an investigation of the phony small-business organizations. It came to the committee's attention that certain neo-Fascist groups had organized the support of some of the top corporations of the country to form false-front organizations which would disseminate neo-Fascist propaganda in the name of small business.

The report on that investigation, House Report No. 1675, 81st Congress, 2d session, sets out the background of the National Small Business Men's Association. It was founded in 1937 by Mr. DeWitt Emery who was still its president in 1950. Mr. J. Raymond Tiffany, who had at that time law offices in New York, was designated as general counsel of the association, and the association claimed the New York law office of Mr. Tiffany as its headquarters.

These two gentlemen also founded and ran a companion organization, known as the Small Business Economic Foundation, Inc.

The character of these organizations can be succinctly indicated by a letter which appears in the report of the House Small Business Committee. This is a letter written by Mr. DeWitt Emery and circulated, in 1947, to solicit contributions from certain firms. In this letter to prospective contributors to his small business foundation, Mr. Emery stressed the importance of the prospective contributors knowing what he called the company we are keeping. And to show the company he was keeping there was attached a list of companies which he said had subscribed up to the acceptable $2,500 maximum. The names of 70 companies appear in this list, all of which would be described as big business by any reasonable definition. At that time 5 of these corporations had assets in excess of $1 billion. They are as follows: Standard Oil of New Jersey, United States Steel, Standard Oil of Indiana, Socony-Vacuum, the Texas Co.

Twelve additional ones had assets in excess of $100 million and they are as follows: Sears, Roebuck; Chrysler Corp.; Republic Steel; Goodyear Tire & Rubber; Firestone Tire & Rubber; American Rolling Mill; Inland Steel; B. F. Goodrich; Celanese Corp.; Hiram Walker; Borg-Warner; Marshall Field.

In addition to the above, the list includes such familiar names as the M. A. Hanna Co.; Lone Star Cement Corp.; Libbey-Owens-Ford Glass Co.; Mathieson Alkali Works, Inc.; Pure Oil Co.; Hiram Walker-Gooderham & Worts, Ltd.; Wheeling Steel Corp.; and others.

In summarizing its findings on the National Small Business Men's Association and the Small Business Economic Foundation, the report of the House Small Business Committee said:

We therefore believe that we can give fully responsive answers to the two main questions stated at the beginning of this report:

1. Do these organizations claim to represent small business? The answer is "Yes."

2. If so, is the claim false or misleading? The answer is "Yes."

As to the Foundation, the evidence is conclusive. For an organization to pretend to be a "small business research foundation and to live upon, or to even hope to live upon, the dole of the biggest businesses in the country, may well be called an absolute fraud.

As to the association, the answer must be much the same.

Needless to say the recommendations which the gentleman from Maryland has mistakenly accepted as the recommendations of small business are not the recommendations of small business.

Finally, Mr. Speaker, the long list of recommendations proposed in the pamphlet of the National Small Business Men's Association is so far removed from small business that this list neglects to touch upon any of the everyday, practical problems which small business people are very consciously, vitally and immediately interested in.

As a member of the Small Business Committee, I am and have been in communication with a great variety of small business people in all parts of the United States. When these people make recommendations for a legislative program they make the recommendations on the very real problems which are uppermost in their minds, not broad, sweeping philosophic recommendations for wrecking Government and redirecting the course of human affairs toward some medieval regime.

Small-business people would recommend, as they have in fact urgently recommended, a strengthening of the Robinson-Patman Act to protect them against unfair abuses of big business power in the competitive rivalry. In short, they have recommended the passage of H. R. 11.

Small-business people would recommend, as in fact they have urgently recommended, a strengthening of the antitrust laws to stop intimidation and coercive practices on the part of the corporate giants controlling essential supplies. In short, they have recommended the principles embodied in the bill I introduced, H. R. 8395.

Small-business people are also immediately and vitally interested in a more equitable tax structure; and they are immediately and vitally interested in access to investment funds with which to finance inventories, or expand facilities. These are the things on which small-business people have made recommendations. I hope that the Members on the other side of the aisle will lend their help and support in passing legislation on these things which will actually help small business.

CAPITAL TRANSIT LEGISLATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. HESELTON] is recognized for 30 minutes.

Mr. HESELTON. Mr. Speaker, in obtaining this special order, it is my intention to place in the RECORD certain information which I believe to be pertinent to the problem which will face the House in the near future, dealing with the transit problem in the District of Columbia.

There is a bill reported by the Committee on Interstate and Foreign Commerce, H. R. 8901. I have filed an alternative bill, H. R. 10871. The basic difference between the two bills is that H. R. 8901 would cancel the action which the House took last summer, unanimously so far as the record shows, when it repealed the charter and franchise of the Capital Transit Co. effective 1 year from the enactment of Public Law 389.

H. R. 10871 would provide for an interim authority to handle this problem.

I wish to reply emphatically now to a question that has been asked of me a number of times since I filed that bill, and that is "Are you in favor of public ownership?" My answer to that is "No, unless it becomes absolutely necessary."

The bill itself, H. R. 10871 specifically authorizes the Authority prior to August 15, 1959, to sell the properties to such competent private operators as can be located. This is found in title III, section 301. May I further call attention to section 305 of that title which requires the Board of Directors of the Interim Authority to report to Congress within 15 days of June 15, 1958,the steps taken to effectuate such a sale and the reasons for failure to make such a sale, if none is made by June 15, 1958.

I shall ask consent for several extensions, but because I see the majority leader on the floor I would like to take the liberty of addressing a question to him. It is my understanding that last Thursday, when the majority leader announced the program for this week, he stated that on Tuesday two bills would be considered, one being H. R. 2040, the library bill for rural areas, and the other H. R. 8901, which is one of the bills to which I have just referred. Later he said that on Wednesday, Thursday, Friday, and Saturday if necessary, the Defense Department appropriation bill for 1957 would be called up and considered. Since that time I have understood it was felt desirable to schedule the Defense Department appropriation bill prior to any action on H. R. 8901. I would like to ask the gentleman, if I may, if I am correct in my understanding.

Mr. McCORMACK. The gentleman is correct. After the announcement of the program for this week on Thursday last, several Members interested in H. R. 8901 conferred with me and expressed the hope that the bill could come up at some day other than Tuesday. As a result of the conference with several Members, I agreed that H. R. 8901 would follow the Defense Department appropriation bill for 1957 this week, provided however that the Defense Department appropriation bill for 1957 is disposed of in the House early enough on Thursday to reach and consider and have the House pass upon H. R. 8901. Otherwise it would go over until next week. The Defense Department appropriation bill will not come up until Wednesday of this week.

Mr. HESELTON. I appreciate very much the information the majority leader has given in reply to my question. I know it will be of help to many Members who have inquired of me if I could tell them when this particular transit bill would come up.

Mr. McCORMACK. I admire my friend from Massachusetts very much, as the gentleman knows, and I hope I have answered my friend's question in a clear way. I am not saying the bill will come up this week; I just say it will follow the Defense Appropriation bill, and if that is disposed of in time to complete consideration of H. R. 8901, it will be called up; otherwise it will not be.

Mr. HESELTON. I understand and appreciate the majority leader's reply.

At this point, may I emphasize, by repeating, what I placed in the RECORD last Wednesday, when it was anticipated that H. R. 8901 would come before us soon, as follows:

Mr. HESELTON. Mr. Speaker, I have been advised by the House Parliamentarian that H. R. 10871, the legislation I filed last week, which would create an interim transit authority in the District of Columbia for a period of 3 years, cannot be offered as a substitute for the substitute recommended by the majority of the House Committee on Interstate and Foreign Commerce.

However, if the committee substitute is rejected, I am advised it will be in order to offer H. R. 10871 as a substitute for the original bill, H. R. 8901. Of course, I urge that the committee substitute be rejected. If the House takes this action, I shall seek recognition to offer the interim authority bill as a substitute for H. R. 8901.

At that time, because of a portion of a news article in the Washington Star of the evening before, I added:

I think many of my colleagues may have read the article in last night's Washington Evening Star, from which I quote the following paragraph:

"One leading Member of the House, who did not want to be quoted, said: 'This is a serious proposition concerning the people of the District of Columbia. If there are those Members of the House who want to take an irresponsible position as to their responsibilities toward the riders of mass transportation in the District, that is up to their own conscience. Frankly, we do not know what will happen after next August 15 when, by act of Congress of last summer, in the closing days of that session, Congress decided to revoke the franchise and charter of the Capital Transit Co. next August'."

If this is a correct quotation, I hope it will be possible for the author to accept responsibility for it. I cannot believe that any one of our colleagues would be willing to attack anonymously the sincerity of those who believe an alternative to returning the franchise to the Wolfson group, largely upon their own terms, is both desirable and definitely in the public interest.

So far as I know the author of the alleged comment as to irresponsibility has not been identified. Therefore I hope and believe that no one will be charged again with irresponsibility who believes that the action of last August was based on compelling evidence and sound reasons and that Congress is not forced to accept a reversal of position in order to satisfy the demands of the Wolfson group at the expense of those who must use a mass-transportation system in the District and, incidentally, in the surrounding metropolitan area.

Mr. Speaker, I now would like to ask unanimous consent to insert in the RECORD at this point the minority views to accompany H. R. 8901, which is Report

No. 2034, part 2, of this Congress filed April 27; also a copy of H. R. 10871 as it was filed, and a copy of the section-by-section analysis which accompanied the minority views.

I also ask unanimous consent to insert certain other material which I think is pertinent and which I believe will be helpful to the Members in the consideration of this important legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

(The matter referred to follows:)

MASS TRANSPORTATION IN THE DISTRICT OF COLUMBIA

MINORITY VIEWS (TO ACCOMPANY H. R. 8901)

Less than a year ago Congress passed what became Public Law 389, 84th Congress.

Among other things, this law repealed the charter and franchise of the Capital Transit Co., effective 1 year from the date of its enactment, August 14, 1955.

The record as to its passage is brief (CONGRESSIONAL RECORD, vol. 101, pt. 10, pp. 12254–12270, 12694–12701, 12904–12905, 12985–13000, and 13068–13069). Congress adjourned on August 2, 1955.

Some differences of opinion were expressed as to the legislation but it seems clear that there was a definite conviction, which was shared widely, that this repeal of the franchise was justified fully in the public interest.

The problem confronting Congress then was not of recent origin. No useful purpose would be served by a detailed account here of the history of the Capital Transit Co. The report of the Senate Committee on the District of Columbia (No. 1274, 83d Cong., 2d sess., May 1, 1954) is available to those who are interested.

It is sufficient to say that from the time Louis E. Wolfson and his associates obtained control of the Capital Transit Co. in 1949 they adopted policies of managerial control which, in my opinion, were flagrantly contrary to the attitude which should be and generally is held by the operators of a public transportation company. I know of no convincing evidence that this attitude has changed since August of last year.

Therefore, I must assume that they would interpret the passage of H. R. 8901 as a complete reversal of the considered judgment of the House in adopting the conference report on August 2, 1955, which led to the passage of Public Law 389 of this Congress.

I have no doubt but that Wolfson and his associates would interpret such action also as an endorsement of the policy attributed to Wolfson in an article appearing in the Washington Sunday Star on March 28, 1954, in which he was quoted as saying:

"I have a responsibility to see that the stockholders of Capital Transit get a fair return. If there is no fair return, then I will have to take other action to protect their equity. If ncessary, I will even go so far as to liquidate the company. I'll protect the stockholders, within the limits of the law, in spite of anything—including Congress and the Public Utilities Commission. (Senate committee report, supra, at p. 55.)

Consideration should be given also to the record before the Public Utilities Commission of the District as to the Capital Transit Co.'s depreciation rates and depreciation reserves, its capital structure, the handling of its working capital, its dividend policies, its payments of salaries and fees, the controversial stock split, as well as other factors as to the management of the company, all of which were known to the Congress and to the public of the District in July and August of last year.

I am in complete agreement with the majority report as to the seriousness of the problem confronting Congress. But I cannot agree that passage of H. R. 8901 will solve that problem.

I have the greatest respect for the work done by the subcommittee, for the immense difficulty of their task, an for the complete sincerity and integrity of their recommendation. But I do not believe that the choice is between passage of H. R. 8901 or no legislation.

I have concluded, after careful consideration, that an attempt to offer amendments would be confusing, impractical, and futile.

Consequently I have introduced an alternative bill today which as been assigned the number H. R. 10871. If I am recognized for that purpose, I shall offer it as a substitute.

Fundamentally my primary purpose is to present to the membership of the House a means of establishing an interim Authority in place of authorizing the Capital Transit Co. to continue, after August 14, 1956, to operate its mass transportation system in the District of Columbia under its present charter and franchise with the modifications provided in the committee substitute.

It will be argued that those modifications represent far less than those desired by the Capital Transit Co. and are "in general the same as those which the Commissioners offered to other private applicants." But, in my opinion, if the Capital Transit Co. is granted these terms or conditions or concessions, however they may be described or defined, it will be a capitulation to that company and will amount to permitting them to dictate their own terms of continued operation.

I believe it would be more consistent with previous action by this Congress and much more in the interest of the public to provide for a public body corporate for an interim period of 3 years, which, beginning August 15, 1956, would render passenger transportation service in the District of Columbia to replace the service formerly provided by the Capital Transit Co., charged with the duty of sale of such transportation system to a private operator, if during this interim period a sound proposal is submitted to the Authority which would provide the residents of the Washington metropolitan area with an adequate and efficient transit service.

It should be added that, at the direction of Congress, a study is now being conducted of present and future mass transportation needs of the National Capital region by the National Capital Planning Commission and the National Capital Regional Planning Council. The results of that study should assist materially in achieving the objectives contained in H. R. 10871.

I regret that the element of time makes it impossible for me to prepare personally an analysis of H. R. 10871.

Because I believe Members of the House should have the benefit of an analysis, I am including one I believe to be accurate.

H. R. 10871

A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes

Be it enacted, etc., That this act may be cited as the "Washington Metropolitan Transit Act."

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TITLE I—GENERAL PROVISIONS

Declaration of purposes

SEC. 101. It is hereby declared to be a matter of legislative determination that the Washington metropolitan area (as such term is hereinafter defined) is a community integrated economically and geographically with its center in the city of Washington, D. C., and that the District of Columbia is the seat of the Government of the United States which is the largest single employer of persons resident within said Washington metropolitan area; that an adequate and economically sound transportation system or systems serving said Washington metropolitan area is essential to (1) the proper functioning of the Government of the United States, (2) commerce among the several States, and among such States and the District of Columbia, (3) the health, welfare, and safety of the public, including the civilian and military personnel and the Defense Establishment of the Government of the United States located in the District of Columbia and the Washington metropolitan area, and (4) the national defense; that operation of the Capital Transit Co., the operator of the principal transportation system located within the Washington metropolitan area, will cease August 14, 1956, consequent upon repeal of its franchise rights and charter by Public Law 389, 84th Congress (69 Stat. 724); that the Congress finds the establishment of an adequate transportation system to operate in the Washington metropolitan area, commencing August 15, 1956, as a replacement for Capital Transit Co., cannot be accomplished at the present time by the ordinary operations of private enterprise without public participation; that to these ends it is necessary to enact the provisions hereafter set forth (1) granting to a public body corporate consisting of the Commissioners of the District of Columbia for an interim period certain powers to acquire, extend, improve, and operate an adequate transportation system or systems in the Washington metropolitan area to provide service at reasonable rates for the residents of the Washington metropolitan area, (2) authorizing the transfer of such transportation system or systems to private ownership if during such interim period a sound

proposal for private ownership is submitted to such public body corporate and it finds that such proposal would result in providing the residents of the Washington metropolitan area with an adequate and efficient transportation system under private ownership, (3) providing that if during such interim period private interests do not acquire such transportation system, the existence of said public body corporate is continued; and (4) providing that such public body shall have the exclusive permission and franchise to operate a transportation system or systems within the District of Columbia, except for such permissions and franchises (other than those of Capital Transit Co.) as are in existence as of the date of enactment of this act; and that the acquisition, extension, improvement, and operation of a transportation system or systems by the public body corporate hereinafter created, all as provided in this act, is hereby declared to be a public use and purpose.

Definition

SEC. 102. The following terms whenever used or referred to in this act, shall, for the purposes of this act and unless a different intent clearly appears from the context, be construed as follows:

(a) "Authority" means the Washington Metropolitan Transit Authority established by this act.

(b) "Board" means the Board of Directors of the Authority.

(c) "Transportation system" means all of the facilities, plants, equipment, real property, personal property, franchises and rights of whatever nature useful for the transportation of passengers for hire, except taxicabs and sightseeing buses and transportation facilities extending beyond the boundaries of the Washington metropolitan area, and railroad lines and terminal facilities used in connection therewith and includes, without limitation, street railways, elevated railroads, subways, underground railroads, motor vehicles, trolleys, trackless trolley buses, motor buses and any combination thereof, or any other form of mass passenger transportation.

(d) "Washington metropolitan area" means and embraces all of the territory in the District of Columbia, in the cities of Alexandria and Falls Church and the counties of Arlington and Fairfax in the Commonwealth of Virginia, and in the counties of Montgomery and Prince Georges in the State of Maryland.

(e) "Bonds" means any bonds, interim certificates, certificates of indebtedness, equipment obligations, notes, debentures or other obligations of the Authority issued pursuant to the provisions of this act.

(f) "Revenues" means all fares, tolls, rates, rentals, fees, charges and other income from the operation of a transportation system by the Authority.

(g) "Real property" includes lands, structures, and any and all easements, franchises and incorporeal hereditaments, and every estate and right therein, legal or equitable, including terms for years, chattels real, and liens by way of judgments, mortgages or otherwise.

(h) "Obligee of the Authority" or "obligee" includes any bondholder, trustee, or trustees for any bondholders, any lessor demising to the Authority property used in connection with a transportation system, or any assignee or assignees of such lessor's interest or any part thereof, and the United States of America or any agency or instrumentality thereof when it is a party to any contract with the Authority.

Act controlling

SEC. 103. Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

Separability

SEC. 104. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act or its applications to other persons and circumstances, but shall be confined in its operation to the provisions of this act or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

TITLE II—INTERIM AUTHORITY

Creation of Authority

SEC. 201. There is hereby created a public body corporate to be known as the "Washington Metropolitan Transit Authority," which shall be an agency and instrumentality of the District of Columbia. The term of the existence of said Authority shall expire on the 15th day of August 1959 except as hereinafter set forth in titles III and IV hereof. The powers of the Authority shall be vested in and exercised by a Board of Directors consisting of the Commissioners of the District of Columbia, two of said Commissioners constituting a quorum. The Commissioners shall select from among their number a chairman and a vice chairman of the Board. The Authority may delegate to one or more of its directors, officers, agents, or employees such powers or duties as it may deem proper.

Powers of Authority

SEC. 202. The Authority shall constitute a public body corporate, exercising public and essential governmental functions, and shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this act, and such other powers as are or may be authorized by appropriate authority of the United States, the District of Columbia, or any governmental body exercising jurisdiction in any portion of the Washington metropolitan area without regard to any other provisions of law except as otherwise provided in this act, including the following powers in addition to others herein granted:

(a) To sue and be sued, to compromise and settle suits and claims of or against it, to complain and defend in its own name in any court of competent jurisdiction, State, Federal, or municipal, but execution shall not in any case issue against any property of the Authority;

(b) To adopt, alter, and use a corporate seal which shall be judicially noticed;

(c) To adopt, prescribe, amend, repeal, and enforce bylaws, rules, and regulations for the exercise of its powers under this act or governing the manner in which its business may be conducted and the powers granted to it by this act may be exercised and enjoyed, including the selection of its officers and provision for such committees and the functions thereof as it may deem necessary;

(d) To make, deliver, and receive contracts, deeds, leases, and other instruments and to acquire and take title to real and other property in its own name;

(e) To maintain a principal office in the District of Columbia and suboffices at such place or places within the Washington metropolitan area as it may designate;

(f) To acquire, construct, own, operate, and maintain for public service a transportation system or systems in the Washington metropolitan area and to exercise all powers necessary or convenient in connection therewith;

(g) To borrow money and make and issue bonds and other evidences of indebtedness or obligations for any of its corporate purposes, and to provide for the rights of the holders thereof as authorized by this act;

(h) To fix and revise from time to time and charge and collect fares, tolls, rates, rentals, fees, and charges for the use of a transportation system and the services and facilities furnished thereby or by any part thereof;

(i) To appoint and employ such officers, agents, employees, consulting engineers, attorneys, accountants, appraisers, construction and financial experts and consultants, and such other experts, consultants, and agents for such periods as may be necessary in its judgment, to fix their compensation, and to determine the services to be performed by them on behalf of the Authority and the manner in which such services are to be performed;

(j) To receive and accept from the United States of America, any Federal instrumentality or agency thereof, the District of Columbia, or any State or political subdivision thereof, grants and contributions for or in aid of the acquisition, construction, ownership, operation, or maintenance of any transportation system, and to receive and accept aid or contributions from any source of either money, property, labor, or other things of value, to be held, used, or applied only for the purposes for which such grants and contributions may be made;

(k) To apply for, receive, and accept franchises, licenses, grants, permits, and other rights to operate a transportation system, or part thereof, in the Washington metropolitan area beyond the limits of the District of Columbia, from any State, municipalities, or other political subdivision thereof, or from any agency, instrumentality, board, commission, or officer of any such State, municipality, or other political subdivision, and to comply with the terms and conditions of any such franchise, license, grant, or permit;

(l) To enter into contracts and agreements with the operators of one or more transportation systems within the Washington metropolitan area to provide for the transportation of passengers for hire, and, within the District of Columbia and such other area or areas wherein consent therefor shall be given, to determine all fares, schedules, routings, and changes therein, and conditions of service of any such transportation system;

(m) To procure and enter into contracts for any type of insurance and indemnity against loss or damage to property from any cause, including loss of use or occupancy, against death or injury of any person, against employers' liability, against any act of any director, officer, or employee of the Board or of the Authority in the performance of the duties of his office or employment or any other insurable risk;

(n) To enter into contracts and agreements with any persons, firms, or corporations providing for the operation and maintenance of all or any part of any transportation system of the authority and to prescribe the terms and conditions of such contracts and agreements with respect to such operation and maintenance;

(o) To do all things necessary or convenient to carry out the powers expressly granted by this act.

Acquisition and use of property

SEC. 203. (a) The Authority shall have power to acquire in its own name, by purchase, lease, gift, or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, with like exception as in section 204 (a) of this act, all or any part of the facilities, plant, equipment, property, rights in property, reserve funds, employees' pension or retirement funds, special funds, franchises, licenses,

patents, permits, papers, documents, and records of any transportation system within the Washington metropolitan area. The Authority shall also have power to acquire in its own name, by purchase, lease, gift or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, any property and rights useful for its purposes, and to sell, lease, transfer or convey any property or rights when no longer useful or exchange the same for other property or rights which are useful for its purposes.

(b) In exercising the aforesaid powers to acquire a transportation system the Authority is hereby authorized to acquire the capital stock of the corporation owning such transportation system and the board and the officers and agents of the Authority are hereby authorized to act as the officers and board of directors thereof for the purpose of transferring the property and assets of such corporation to the Authority and for the purpose of liquidating the liabilities thereof and dissolving the same.

(c) The Authority shall also have power to enter into contracts and agreements for the joint use of any property and rights by the Authority and any public utility, including railroads operating within the Washington metropolitan area; to enter into contracts and agreements with the operator of any transportation system either within or without the Washington metropolitan area for the use or the joint use of any property of the Authority or of such transportation system, or for the establishment of through routes, joint fares and transfer of passengers upon such terms and conditions as may be agreed upon between the Authority and such operator of the transportation system.

Power of eminent domain

SEC. 204. (a) Subject to and in accordance with the procedures, conditions, limitations, and other provisions of this act, the Authority is hereby granted and shall have the power to acquire by eminent domain real property or personal property, tangible or intangible, situated or having a legal situs in the District of Columbia or any interest therein. Such power and right shall exist with respect to private property devoted to any private or public use which is necessary for the purposes of the Authority, except property of a railroad, terminal, or public utility primarily operating or engaged in terminal business incident to the operation of transportation facilities extending beyond the boundaries of the Washington metropolitan area which property is used or useful in the transportation or terminal business of such railroad, terminal, or public utility.

(b) Proceedings for the acquisition of real and personal property or any interest therein, brought pursuant to this section, shall be brought in the name of the Authority by counsel for the Authority. Title to such property shall be taken by and in the name of such Authority.

(c) Except as herein otherwise provided, condemnation proceedings for the acquisition of such real or personal property or any interest therein, shall be instituted and conducted in the United States District Court for the District of Columbia which court shall have jurisdiction of such proceedings and such proceedings shall be prosecuted in accordance with the procedure in proceedings instituted and conducted in the name of the United States.

(d) (1) In any such proceeding brought pursuant to this section, the Authority may file with the complaint, or at any time before judgment, a declaration of taking signed by the chairman or vice chairman of the Board declaring that such real or personal property or any interest therein, described in the complaint, is thereby taken for the use of the Authority. Said declaration of taking shall contain or have annexed thereto—

(a) a statement of the public purpose for which such property or any interest therein is taken;

(b) a description of the property, or any interest therein taken, sufficient for identification thereof;

(c) a statement of the estate or interest in said property taken for said public use;

(d) a plan showing the lands, if any, taken; and

(e) a statement of the sum estimated by the Authority to be just compensation for the property or interest therein taken.

(2) The Authority shall specify in such declaration of taking the date when title to such property shall vest in the Authority and the date or dates when possession of such property shall be surrendered to the Authority.

(3) The Authority shall, prior to or on the date specified in the declaration for the vesting of title to such property in the Authority, deposit in the registry of the court, to the use of the persons entitled thereto, the amount of the estimated compensation stated in said declaration, and title to said real or personal property in fee simple absolute, or such less estate or interest therein as is specified in said declaration, shall vest in the Authority upon the date specified in said declaration and said real and personal property shall be deemed to be condemned and taken for the use of the Authority, and the right to just compensation for the same shall vest in the persons entitled thereto; and said compensation shall be ascertained and awarded in said proceedings and established by judgment therein, and the said judgment shall include, as part of the just compensation awarded, interest at the rate of 6 per centum per annum on the amount finally awarded as the value of the property as of the date of taking, from said date to the date of payment; but interest shall not be allowed on so much thereof as shall have been paid into the registry. No sum so paid into the registry shall be charged with commissions or poundage.

(4) Upon the application of the party or parties in interest, the court may order that the money deposited in the registry of the court, or any part thereof, be paid forthwith for or on account of the just compensation to be awarded in said proceedings. If the compensation finally awarded in respect of such property or any part thereof shall exceed the amount of the money so deposited, the court shall enter judgment against the Authority for the amount of the deficiency. If the compensation finally awarded in respect of such property or any part thereof, shall be less than the amount of money so deposited, the court shall have the power to enter judgment against the party or parties entitled to receive the money so deposited for the amount representing the difference between the amount deposited and the amount awarded by the jury as just compensation, and writs of execution may be issued thereon within the same time and have the same effect as liens, and shall be executed and returned in the same manner as if issued upon a common-law judgment.

(5) The court shall order possession of such property to be surrendered to the Authority at the time or times specified by the Authority in such declaration and shall enter any and all orders and take other necessary action to carry out the intent and purposes of this act.

Control and use of public ways

SEC. 205. The Authority shall have the power where necessary in the construction, reconstruction, extension, improvement, operation, or maintenance of any transportation system, to require persons, firms, or corporations owning or operating public utility structures, facilities or appliances in, upon, under, over, across, or along the public roads, streets, or other public ways in the District of Columbia in which the Authority has the right to own, construct, operate, or maintain transportation facilities, to remove or relocate such public utility structures, facilities and appliances. The cost of the required removal or relocation of such public utility structures, facilities and appliances shall be paid by the Authority: *Provided*, That no payment by the Authority shall be required for any improvement or increase in capacity made in such public utility structures, facilities or appliances as an incident or result of the relocation or removal. The amount of any such improvement or increase in capacity shall be determined by agreement between the Authority and the utility affected. In default of agreement between the Authority and the utility affected, the removal and relocation shall be on such terms and conditions as may be imposed by the regulatory authority having jurisdiction over the utility at the site of the removal or relocation. If any person, firm, or corporation owning or operating public utility structures, facilities, and appliances fails to refuses so to remove or relocate them, the Authority may remove or relocate them and the cost thereof shall be determined as above provided. This subsection shall not apply to or affect the rights, duties, obligations, or liabilities of Capital Transit Co. or its successors or assigns. The Authority shall have the right, but not exclusive of the public right, to use any public road, street, highway or other public way in the District of Columbia for the transportation of passengers, and to establish, maintain, and operate a transportation system, in, upon, under, over, across or along any such public road, street, highway or other public way.

Equipment trust certificates

SEC. 206. (a) The Authority shall have power to execute agreements, leases, and equipment trust certificates with respect to the purchase of facilities or equipment such as cars, trolley buses and motor buses, in the form customarily used in such cases and appropriate to effect such purchase, and may dispose of such equipment trust certificates in such manner as it may determine to be for the best interests of the Authority. All moneys required to be paid by the Authority under the provisions of such agreements, leases and equipment trust certificates shall be payable solely from the revenue to be derived from the operation of the transportation system or from such grants and loans as may be available to the Authority under the provisions of this act. Payment for such facilities or equipment, or rentals thereof, may be made in installments, and the deferred installments may be evidenced by equipment trust certificates as aforesaid, and title to such facilities or equipment may not vest in the Authority until the equipment trust certificates are paid.

(b) The agreement to purchase facilities or equipment by the Authority may direct the vendor to sell and assign the equipment to a bank or trust company, duly authorized to transact business in the District of Columbia, or a national banking association organized under the laws of the United States of America and located within or without the District of Columbia, as trustee, for the benefit and security of the equipment trust certificates and may direct the trustee to deliver the facilities and equipment to one or more designated officers of the Authority and may authorize the trustee simultaneously therewith to execute and deliver a lease of the facilities or equipment to the Authority.

(c) The agreements and leases shall be duly acknowledged before some person authorized by law to take acknowledgement of deeds and in the form required for acknowledgement of deeds and such agreements,

leases, and equipment trust certificates shall be authorized by resolution of the Board and shall contain such covenants, conditions and provisions as may be deemed necessary or appropriate to insure the payment of the equipment trust certificates from the revenues to be derived from the operation of the transportation system and other funds.

(d) The covenants, conditions, and provisions of the agreements, leases, and equipment trust certificates shall not conflict with any of the provisions of any resolution or trust agreement securing the payment of bonds or other obligations of the Authority then outstanding or conflict with or be in derogation of the rights of the holders of any such bonds or other obligations.

(e) An executed copy of each such agreement and lease shall be filed in the office of the Recorder of Deeds, District of Columbia who shall be entitled to receive $1 for each such copy filed with him and which filing shall constitute notice to any subsequent judgment creditor or any subsequent purchaser. Each vehicle so purchased and leased shall have the name of the owner and lessor plainly marked upon both sides thereof, followed by the words "owner and lessor."

Tax exemption and public services

SEC. 207. (a) The Authority, including but not limited to its franchise, reserve, surplus, loans, income, assets and property of any kind and nature, shall be exempt from all taxes, special assessments, fees and licenses now or hereafter imposed by the United States of America or by the District of Columbia, except taxes imposed under the Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), and under the Federal Insurance Contributions Act (Internal Revenue Code of 1954, chapter 21); and contributions imposed on employers under the District of Columbia Unemployment Compensation Act, as amended (title 46, chapter 3, D. C. Code, 1951, edition). In lieu of taxes on motor vehicle fuel now or hereafter imposed for the benefit of the District of Columbia, the Authority shall pay to such District annually an amount of money equal to the taxes on motor vehicle fuel which would be payable by the Authority during the annual period if it were not exempted from such taxes: *Provided,* That such payment shall be made only to the extent that the revenues in each fiscal year shall be sufficient to make such payment in whole or in part after payment or provision has been made for all operating and maintenance expenses, taxes, if any, interest and principal and sinking fund payments on all fixed interest obligations, adequate provision for depreciation, and provision for such other payments and the establishment of such reserves as are required under any resolution of the Board authorizing the issuance of bonds or trust agreement securing the same, or contract of the Authority.

(b) Obligations, including interest thereon, issued by the Authority shall be exempt from all taxation now or hereafter imposed by the United States or the District of Columbia, with the exception of estate, inheritance, and gift taxes. Such obligations shall also be exempt from taxation by any State, Territory, or possession, or by any county, municipality or other municipal subdivision or taxing authority of any State, Territory, or possession of the United States.

(c) In connection with any transportation system located wholly or partly within the District of Columbia, the District of Columbia may contract with the Authority and the Authority may agree to pay to the District of Columbia for special services, facilities and improvements to be furnished by the District of Columbia for the benefit of the Authority such amounts as may be agreed upon by the Authority and the Board of Commissioners of the District of Columbia. For the purpose of aiding and cooperating in the planning, undertaking, construction, reconstruction, extension, or improvement, maintenance, or operation of any transportation system, or any part thereof, located wholly or partly within the District of Columbia, the District of Columbia may, upon such terms, with or without consideration, as it may determine, do any and all things, necessary or convenient to aid and cooperate in the planning, undertaking, construction, reconstruction, extension, or improvement, maintenance, or operation of such transportation system. The exercise by the District of Columbia of the powers herein granted may be authorized by resolution of the Board of Commissioners of the District of Columbia.

Funds and financial transactions of the Authority

SEC. 208. (a) All moneys received pursuant to the authority of this act, whether as proceeds from the sale of bonds, or as revenues, or otherwise, shall be deemed to be trust funds, to be held and applied solely as provided in this act. The resolution authorizing the issuance of any bonds or the trust agreement securing such bonds shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustees of such moneys and shall hold and apply the same for the purposes thereof subject to such regulations as this act and such resolution or trust agreement may provide.

(b) Notwithstanding the provisions of the Accounting and Auditing Act of 1950 (64 Stat. 834), the Government Corporation Control Act of 1945 (59 Stat. 597), as amended, or any other provision of law, the Authority shall not be subject to any audit or review by the Comptroller General of the United States, but in lieu thereof the Authority shall employ a certified public accountant or accountants to establish an accounting system appropriate to the Authority's operation, to perform such audits as are required for the orderly prosecution of the Authority's business and operations, to prepare an annual fiscal report to be incorporated in the Authority's annual report to the Congress, and to perform such other audits as the Board may deem necessary for the orderly prosecution of the business of the Authority: *Provided,* That during such period or periods of time as the Authority is indebted to the District of Columbia for moneys advanced to it by the Commissioners of the District of Columbia from the proceeds of the sale of obligations to the Secretary of the Treasury, pursuant to section 217 of this title, in addition to the auditing and other functions to be performed by the certified public accountant or accountants employed by the Authority, the Comptroller General of the United States shall make such review of the financial operations of the Authority as he deems necessary.

Services and rates

SEC. 209. (a) This act, without regard to any other law of the United States of America or of the District of Columbia, shall constitute full authority for the Authority to make all rules and regulations necessary for the governing of the operation of transportation systems of the Authority, and the Authority shall have full power to determine all schedules, routings, and changes therein and conditions of service, except as provided in section 213 hereof. This act, without regard to any other law of the United States of America or of the District of Columbia, shall also constitute full authority for the fixing, altering, charging, and collection by the Authority of fares, tolls, rates, rentals, fees, and other charges for the use of any transportation system of the Authority and the services and facilities furnished thereby, or by any part thereof, and such fares, tolls, rates, rentals, fees, and charges shall be determined exclusively by the Authority, and the Authority shall have power and authority to fix, alter, charge, and collect such fares, tolls, rates, rentals, fees, and other charges for the use of a transportation system and the services and facilities furnished thereby, or by any part thereof, without obtaining the consent or approval of the Interstate Commerce Commission, the Public Utilities Commission of the District of Columbia, or any other deparment, division, commission, board, bureau, agency or officer of the United States of America or of the District of Columbia.

(b) The Authority may provide free transportation within any municipality or county in the Washington metropolitan area or in the District of Columbia to firemen and policemen employed therein, when in uniform and in performance of their duties and for employees of the Authority when in uniform or upon presentation of identification of such employees, and may enter into agreements with the United States Post Office Department for the transportation of mail or parcel post, and for the payment of compensation to the Authority in lieu of fares or charges for the transportation of letter carriers, when in uniform. No other free transportation or services shall be allowed or permitted by the Authority except in compliance with a grant, license, franchise, or permit authorizing or permitting the Authority to operate in areas within the Washington metropolitan area but without the District of Columbia.

Personnel

SEC. 210. (a) The Board shall establish a system of organization to fix responsibility and promote efficiency; establish such positions as may be necessary to perform the business of the Authority; define the duties of such positions; fix the rates of pay therefor; make appointments thereto; and require bonds to be given by the incumbents of such of the said positions as the Board, in its discretion, may determine, and the Board may make provision for the payment by the Authority of the premiums for such bonds for such periods as the Board may consider desirable. The Board shall establish a personnel system independent of the Federal Civil Service System and the personnel systems governing employment in the municipal government of the District of Columbia.

The Authority shall have the power to bargain collectively with and enter into written contracts with the employees of the Authority through accredited representatives of such employees or representatives of any labor organization authorized to act for such employees concerning wages, salaries, hours, working conditions, health and welfare, insurance and pension or retirement provisions: *Provided,* That nothing herein shall be construed to permit hours of labor in excess of those provided by law or to permit working conditions, health and welfare, in case of dispute over wages, salaries, hours, working conditions, health and welfare, insurance or pension or retirement provisions where collective bargaining and mediation do not result in agreement, the Authority may agree to submit such dispute to a tripartite board of arbitration and shall agree with such accredited representatives or labor organization that the decision of a majority of any such arbitration board shall be final and binding. Each party shall agree in advance to pay half of the expense of such arbitration.

(b) If the Authority acquires a transportation system in operation by a public utility, all of the employees in the operating and maintenance divisions of such transit utility and all other employees except corporate officers shall be offered transfer and appointment as employees of the Authority up to the maximum number of employees required, subject to the provision that such employees as may not be absorbed at time of transfer shall retain their employment status and employment rights, subject to all rights

and benefits of this act, and these employees shall be given seniority credit in accordance with the records and labor agreements of the transit utility. Employees who left the employ of such a transit utility to enter the military service of the United States shall have the same rights as to the Authority under the provisions of the "Universal Military Training and Service Act," as amended, as they would have had thereunder as to such transit utility. Members and beneficiaries of any pension or retirement system or other benefits established by that transit utility shall continue to have the rights, privileges, benefits, obligations, and status with respect to such established system. There shall be established and maintained by the Authority a sound pension and retirement system adequate to provide for all payments when due under such established system or as it may be modified from time to time by agreement or arbitration. The Authority and the employees through their representatives for collective bargaining purposes shall take whatever action may be necessary to have the pension trust funds, presently under the joint control of the transit utility and the participating employees through their representatives, transferred to the trust fund to be established, maintained, and administered jointly by the Authority and the participating employees through their representatives. Provision shall be made by the Authority for all officers and employees of the Authority appointed pursuant to this act to become, subject to reasonable rules and regulations, members or beneficiaries of the pension or retirement system with uniform rights, privileges, obligations, and status as to the class in which such officers and employees belong. The terms, conditions, and provisions of any pension or retirement system or of any amendment or modification thereof affecting employees who are members of any labor organization may be established, amended, or modified by agreement or arbitration with such labor organization.

(c) The employees of the Authority shall, notwithstanding any other provision of law, be subject to the following laws and parts of laws:

(1) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States;

(2) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, ch. 21), as amended;

(3) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C., secs. 58 and 59), relating to double salaries;

(4) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec. 59a), relating to the retired pay of members of the Armed Forces;

(5) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(6) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, chapter 5, D. C. Code, 1951 edition);

(7) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(8) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), as amended.

(d) Notwithstanding any other provision of law, the employees of the Authority shall not be subject to the following laws:

(1) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(2) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(3) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(4) The Classification Act of 1949 (63 Stat. 954), as amended;

(5) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(6) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(7) The act entitled "An act to provide certain employment benefits for employees of the Federal Government, and for other purposes", approved September 1, 1954 (68 Stat. 1105), as amended;

(8) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(9) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

(e) (1) Subparagraph 1 (b) (5) (E) of the District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended (section 46–301, D. C. Code, 1951 edition) is amended by inserting immediately before the semicolon at the end thereof the following: *"And provided further,* That this subparagraph (E) shall not apply to the employees of the Washington Metropolitan Transit Authority, which for the purposes of this Act shall be deemed to be a covered employer".

(2) Section 3306 of the Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23) as amended, is amended by inserting at the end thereof a new subsection "(o)" reading as follows:

"(o) Employees of the Washington Metropolitan Transit Authority: For the purposes of this chapter, and notwithstanding the provisions of paragraph (7) of subsection (c) hereof, the term 'employment' shall include service in the employ of the Washington Metropolitan Transit Authority, and the Board of Directors of such Authority, as the employer of individuals whose service constitutes employment by reason of this subsection, is authorized and directed to comply with the provisions of this chapter 23."

(f) The Authority is authorized to borrow, and the United States Government or any department or agency thereof and the municipal government of the District of Columbia are authorized to lend to the Authority, the services of United States or District of Columbia employees. The Authority shall reimburse the United States or the District of Columbia for such services. Any such reimbursement shall be credited to the appropriation from which is paid the compensation of any person whose services may be borrowed by the Authority.

(g) As used in subsections (c) and (d) of this section, the word "employees" includes officers, but does not include members of the Board of Directors.

Reports

SEC. 211. (a) The Authority shall file with the Congress annually, within six months after the close of its fiscal year, a report of the operations and business of the Authority during its preceding fiscal year.

(b) The Authority shall, within six months after the close of each fiscal year, publish in a newspaper of general circulation in the District of Columbia an income statement covering its operations for such fiscal year and a balance sheet showing its condition at the end of such fiscal year.

Claims and suits

SEC. 212. (a) The Authority shall not defend in any suit, action or proceeding brought against it on the ground of governmental immunity, but no suit, action or proceeding shall be maintained against the Authority for unliquidated damages to person or property unless, within six months after the injury or damage was sustained, the claimant, his agent or attorney gave notice in writing to the Board of the appropriate time, place, cause, and circumstances of such injury or damage.

(b) No action shall be maintained against the United States or the District of Columbia on any claim arising out of the activities of the Authority, including its acts of commission or omission, and no liability shall accrue against the United States or the District of Columbia because of such activities.

(c) The members of the Board shall not be personally liable in damages for any official action of the said Board performed in good faith in which the said members participate, nor shall any member of the said Board be liable for any costs that may be taxed against them, the Board, or the Authority on account of any such official action by them as members of the said Board; but such costs shall be charged to the Authority and paid as other costs are paid in suits brought against the Authority; nor shall the said Board or any of its members, or the said Authority, be required to give any supersedeas bond or security for costs or damages on any appeal whatever.

Vehicle regulations

SEC. 213. All of the powers authorized by this act to be exercised by the Authority shall be subject to all statutes and rules and regulations promulgated by proper authority relating to the regulation and control of traffic and the operation and safety of vehicles.

Policing of Authority property

SEC. 214. (a) The provisions of the second paragraph under the caption "For Metropolitan Police" in the first section of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1900, and for other purposes," approved March 3, 1899 (30 Stat. 1045, 1057, ch. 422; sec. 4–115, D. C. Code, 1951 edition) authorizing the Commissioners of the District of Columbia to appoint special policemen for duty in connection with the property of corporations and individuals shall be applicable with respect to the property of the Authority in the District of Columbia.

(b) The Board of Directors of the Authority is hereby authorized and empowered to make, modify and enforce all such usual and reasonable regulations as they may deem necessary for the protection of lives, limbs, health, comfort and quiet of passengers and the protection of the property of the Authority, and to prescribe reasonable penalties of fine not to exceed $300 or imprisonment not to exceed 10 days, in lieu of or in addition to any fine for the violation of any of the regulations of the Authority. Said penalties may be enforced in the municipal court for the District of Columbia, and in the United States district court for the district embracing that part of the Washington metropolitan area beyond the District of Columbia in which such violation was committed. Prosecutions for violation of the regulations of the Authority shall be conducted in the name of the United States and by the attorney of the United States for the district in which such violation is committed.

(c) The regulations authorized by this section shall, when adopted, be printed in one or more of the daily newspapers published in the District of Columbia of general circulation in the Washington metropolitan area; and no penalty prescribed for the violation of such regulations shall be enforced until 30 days after such publication.

Investigations

SEC. 215. The Authority, without regard to the provisions of any other law and the procedures established thereby, may investigate all matters relating to public transportation and the management thereof

within the District of Columbia, the enforcement of its resolutions, rules, and regulations, and the action, conduct, and efficiency of its officers, agents, and employees. In the conduct of any such investigation, the Board may hold public hearings on its own motion. Said Board is hereby authorized and empowered to summon by subpena any person, except officers, employees and representatives of existing transportation companies within the Washington metropolitan area, before it or before a hearing officer designated by it to give testimony on oath or affirmation, or to produce all books, records, papers, documents, or other legal evidence as to any matter affecting the Authority, and any member of said Board and any hearing officer designated by it shall have the power to administer all oaths and affirmations for the purpose of the administration of this act. Such subpena may be served by any member of the Metropolitan Police force. If any witness having been personally summoned shall neglect or refuse to obey the subpena issued as herein provided, then and in that event any member of the Board or the hearing officer designated by it may report that fact to the United States District Court for the District of Columbia or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to said subpena to the same extent as witnesses may be compelled to obey the subpenas of that court. Witnesses, other than those employed by the Governments of the District of Columbia or the United States, summoned to appear before said Board, shall be entitled to the same fees as are paid witnesses for attendance before the United States District Court for the District of Columbia, but said fees need not be paid said witnesses in advance of their appearing and testifying, or producing books, records, papers, documents, or other legal evidence before said Board or before said hearing officer. Any person who shall willfully swear falsely in any proceeding, matter, or hearing before said Board or any hearing officer designated by said Board to hear testimony and receive evidence in any such proceeding, matter or hearing, shall be guilty of perjury. Said Board is hereby authorized and empowered to designate one or more hearing officers to take testimony and receive evidence in connection with any matter affecting the Authority.

Exclusive operating rights

SEC. 216. (a) The right and power of the Authority to operate a transportation system or systems within the District of Columbia shall be exclusive, except that such right and power shall not affect nor impair the existing operating rights of any carrier lawfully operating such a system at the date of enactment of this act, or its successors or assigns.

(b) The Authority may operate a transportation system or systems within the Washington metropolitan area without securing any further franchises, rights, or permits under any other law or laws of the United States of America or the District of Columbia: *Provided*, That the Authority shall not commence nor conduct operations in interstate commerce in competition with the then existing operations of any other transportation system, except such operations as are so conducted by Capital Transit Co. at the date of enactment of this act. The Authority shall not commence further operations in interstate commerce until it has obtained the certificate of the Interstate Commerce Commission that such operations are not in competition with the then existing operations of any other transportation system.

Interim financing

SEC. 217. (a) It is the intent of Congress that in exercising the borrowing authority in this section, transportation charges shall be fixed as though private financing only were involved, and shall cover all costs of operating and maintaining such system, including depreciation, payment of interest, and reasonable provision for amortization, without regard to the period of maturity provided for in subsection (c) of this section.

(b) To finance the acquisition of a transportation system or systems, to pay the fees and expenses of consulting engineers, financial consultants, attorneys, and other services deemed necessary to plan, acquire, construct, organize, and operate such system or systems, and to determine the feasibility thereof from an economic and financial standpoint, and to provide adequate working capital, the Board of Commissioners of the District of Columbia is authorized to arrange with the Secretary of the Treasury for interim financing, pending the sale by the Authority of its property to a qualified purchaser or of its obligations to the public. To provide this interim financing the Board of Commissioners is authorized at any time prior to July 1, 1960, to issue obligations of the District of Columbia for purchase by the Secretary of the Treasury in an amount not exceeding $20,000,000, and to advance the proceeds thereof to the Authority for these purposes. These advances shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners, and shall bear interest at a rate which is not less than the rate upon obligations of the District of Columbia issued under this section. It is the intent of Congress that these allowances shall be repaid at the earliest practicable time, and in any event before any securities, other than obligations under section 206, subsequently issued by the Authority are repaid.

The sums advanced to the Authority by the Commissioners pursuant to this subsection shall be immediately available to the Authority for the purpose of taking such steps as the Authority deems appropriate to carry out the purposes of this act including, without limitation, the authority to make purchases and contracts.

(c) Obligations issued by the Board of Commissioners under this section shall be in such forms and denominations, shall mature at such times prior to July 1, 1960, shall have such provisions for payment, and shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners with the approval of the Secretary of the Treasury.

(d) Each obligation issued under this section shall bear interest at a rate determined by the Secretary of the Treasury by estimating the average yield to maturity, on the basis of daily market bid quotations of prices during the month preceding the calendar quarter in which the obligation is issued, on all outstanding taxable marketable obligations of the United States having comparable periods of time to run to maturity, and by adjusting such estimated average yield to the nearest one-eighth of 1 percent, plus one-half of 1 percent.

(e) Upon request of the Board of Commissioners of the District of Columbia, the Secretary of the Treasury is authorized and directed to purchase any obligations of the District of Columbia issued under this section and for such purposes is authorized to use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include purchases of the obligations issued under this section.

(f) Nothing contained in this section shall be construed as limiting the amount of equipment trust certificates which may be issued by the Authority pursuant to section 206 of this act, or the amount of bonds or other obligations which the Authority may issue, assume, or enter into under any provision of this act other than this section 217.

TITLE III—TRANSFER OF TRANSPORTATION SYSTEM TO PRIVATE OPERATION

Sale of property

SEC. 301. (a) The Authority is empowered to sell prior to August 15, 1959, the property which it has acquired pursuant to title II of this act which is useful in the operation of a transportation system to any purchaser eligible to receive a certificate of authority pursuant to this title and which has financial and management qualifications sufficient in the judgment of the Authority, to provide adequate passenger transportation service in the Washington metropolitan area. The Authority is empowered to dispose of any other property belonging to it under such terms and conditions as it deems necessary.

(b) The proceeds of any such sale shall be used to repay obligations of the authority owing to the District of Columbia by reason of advances made to the authority pursuant to section 217 of this act.

Franchise

SEC. 302. The Commissioners of the District of Columbia are hereby empowered to grant to any private corporation organized with the corporate right to operate in the District of Columbia as a common carrier, a certificate of authority to operate, as a common carrier of persons for hire, a mass transportation system or systems within the District of Columbia, subject to the jurisdiction of the Public Utilities Commission of the District of Columbia, and all laws applicable to such a common carrier, except as otherwise provided in this title.

Tax exemption

SEC. 303. The Commissioners of the District of Columbia are hereby empowered, to exempt, under such terms and conditions as they deem to be in the public interest, any such corporation which acquires such a certificate of authority from liability to pay any District of Columbia taxes, in whole or in part.

Termination of existence of authority

SEC. 304. In the event the authority effectuates the sale of its property as authorized by this title, the existence of the authority as a body corporate, shall continue only for the purposes of liquidation. The authority shall close out its affairs as expeditiously as possible.

Commissioners' report to Congress

SEC. 305. If the authority has not sold its property to a qualified purchaser, as provided by this title, prior to June 15, 1958, the board of directors of the authority shall within 15 days after such date report to Congress as to steps which the authority has taken to effectuate such a sale and the reasons why, in the opinion of such Board, such a sale has not been effectuated.

TITLE IV—AUTHORITY MADE PERMANENT

SEC. 401. (a) If, prior to August 15, 1959, the Authority has not sold its property in accordance with the provisions of title III of this act, the duration of the Authority shall, after August 15, 1959 be perpetual and the provisions of this title shall then be in effect, in addition to the provisions of titles I and II of this act.

(b) On and after October 1, 1959, the board of directors of the Authority shall consist of five members, who shall be residents of the Washington metropolitan area, appointed by the Commissioners of the District of Columbia: *Provided*, That until such time as three of the appointed members of the board of directors shall have qualified, the Commissioners shall constitute such board. Such appointed members shall hold office as hereinafter provided, unless sooner removed by the said Commissioners. Not more than three members of the board shall belong to

the same political party. The members of the first board so appointed by the Commissioners shall be appointed for terms expiring on the 30th day of September 1960, 1961, 1962, 1963, and 1964, respectively. The said Commissioners may remove any director of the Authority in case of incompetency, neglect of duty, malfeasance in office, or conviction of a crime. All successors shall be appointed for and hold office for the term of 5 years beginning on the first day of October of the year in which they are appointed, except in case of an appointment to fill a vacancy where the appointment shall be made for the unexpired term. Each such director shall hold office until his successor has been appointed and has qualified. Each such director shall receive compensation, as may be fixed by the board, for attendance at each meeting of the board, but shall not receive more than $3,600 in any one year of service measured from the date of appointment. A director shall be entitled to reimbursement for all necessary expenses, including travel expenses, incurred in the discharge of his duties. No director, officer, or employee of the Authority shall have any private financial interest in any contract, work, or business of the Authority, nor in the transfer of any property or rights in property to or from the Authority.

(c) (1) The members of the Board of Directors of the Authority appointed by the Commissioners shall be subject to the following laws:

(a) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, chapter 21), as amended;

(b) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, chapter 5, D. C. Code, 1951 edition).

(2) The members of the board of directors of the Authority appointed by the Commissioners shall not be subject to the following laws:

(a) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States;

(b) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C., secs. 58 and 59), relating to double salaries;

(c) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec. 59a), relating to the retired pay of members of the Armed Forces;

(d) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(e) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(f) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended;

(g) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(h) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(i) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(j) The Classification Act of 1949 (63 Stat. 954), as amended;

(k) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(l) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(m) The act entitled "An act to provide certain employment benefits for employees of the Federal Government, and for other purposes," approved September 1, 1954 (68 Stat. 1105), as amended;

(n) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(o) The Veterans' Preference Act of 1944 (58 Stat. 387), as amended.

(d) Three of such Directors shall constitute a quorum of the Board for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the Authority upon a vote of a majority of the Directors present, unless the bylaws of the Authority shall require a larger number. As soon as possible after the appointment by the Commissioners of the Directors, the Board shall meet and organize for the transaction of business, select a Chairman and Vice Chairman from among its own number and adopt bylaws, rules, and regulations to govern its proceedings. Thereafter, the Board shall at least biennially elect a Chairman and Vice Chairman. The Authority may delegate to one or more of its Directors, officers, agents or employees such powers or duties as it may deem proper. Regular meetings of the Board shall be held at least once in each calendar month, the time and place for such meetings to be fixed by the Board. All resolutions and proceedings of the Authority and all documents and records in its possession shall be public records and open to public inspection, except such documents and records as shall be kept or prepared by the Authority for use in negotiations, actions or proceedings to which the Authority is a party. Any Director may resign from his office, to take effect when his successor has been appointed and has qualified.

(e) The Authority and the Board shall be obligated to and bound by all actions, proceedings, and contracts taken, authorized or entered into by the Commissioners of the District of Columbia while functioning as such Board.

Power to issue bonds

SEC. 402. (a) The Authority shall be empowered and is hereby authorized from time to time to issue its negotiable bonds for any of its corporate purposes including the payment of the cost of acquiring any transportation system (including any cash funds, or investments thereof, of such system maintained by the owner or operator thereof in connection with such ownership or the operation, maintenance, depreciation or replacement of such transportation system) and for acquiring necessary cash working funds, or for acquiring, constructing, reconstructing, extending or improving a transportation system, or any part thereof, and for acquiring any property and equipment useful for the construction, reconstruction, extension, improvement or operation of a transportation system, or any part thereof. The Authority shall also have power from time to time whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded shall have or have not matured, and may issue bonds partly to refund bonds outstanding and partly for any of its corporate purposes.

(b) The principal and interest on such bonds shall be payable out of any moneys or revenues of the Authority available under the provisions of this act, subject only to any agreements with the holders of particular bonds pledging any particular moneys or revenues.

(c) All bonds issued under the provisions of this act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the District of Columbia.

(d) Prior to the preparation of definitive bonds, the Authority may issue its temporary or interim bonds or receipts, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery.

(e) Bonds shall be authorized by resolution of the Authority and shall bear such dates, mature at such time or times, bear interest at such rate or rates not exceeding 6 percent per annum, be in such denominations, be in such form, either coupon or registered, carry such registration and reconversion privileges, be payable in such medium of payment and at such place or places and be subject to such terms of redemption, with or without premium, as such resolution or resolutions may provide.

(f) All bonds shall be signed by the Chairman or Vice Chairman of the Board by their facsimile signatures, and the official seal of the Authority shall be affixed thereto and attested by such officer of the Authority as the Board shall designate, and any coupons attached thereto shall bear the facsimile signature of the Chairman or Vice Chairman of the Board. In case any officer whose signature or facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery.

(g) The Authority may sell any such bonds in such manner and for such price as it may determine to be for the best interest of the Authority.

(h) Any resolution of the Authority authorizing the issuance of bonds may appoint a trustee of trustees, a paying agent or paying agents, or such other fiduciaries as the Authority may deem necessary. Any trustee, paying agent, or other fiduciary so appointed may be any trust company or bank having trust powers within or without the District of Columbia, and the Authority shall have power to determine and contract with respect to the powers, functions, duties, and compensation of any such trustee, paying agent, or other fiduciary, notwithstanding any other provision of law.

Provision for securing bonds

SEC. 403. (a) In order to secure the payment of its bonds, the Authority shall have power in the resolution authorizing the issuance thereof, or in the trust agreement securing such bonds (which shall constitute a contract with the holders thereof)—

(1) to pledge all or any part of its revenues to which its right then exists or may thereafter come into existence, and the moneys derived therefrom and the proceeds of bonds and any other moneys available to the Authority under the provisions of this act, with the exception of moneys advanced by the Commissioners of the District of Columbia;

(2) to covenant against pledging all or any part of its revenues, or against mortgaging all or any part of its real or personal property then owned or thereafter acquired, or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on any right to sell, lease, or otherwise dispose of any transportation system or any part thereof, or any property of any kind;

(3) to covenant as to the bonds to be issued and the limitations thereon and the terms and conditions thereof and as to the custody, application, investment, and disposition of the proceeds thereof, and to covenant as to the issuance of additional bonds or as to limitations on the issuance of additional bonds and on the incurring of other debts by it;

(4) to covenant as to the payment of the principal of or interest on the bonds, or any other obligations, as to the sources and method of such payment, as to the rank or priority of any such bonds or other obligations with respect to any lien or security or as to the acceleration of the maturity of any such bonds or other obligations;

(5) to provide for the replacement of lost, destroyed, or mutilated bonds;

(6) to covenant against extending of time for the payment of bonds or the interest thereon;

(7) to covenant as to the redemption of bonds and the privileges of exchange thereof for other bonds of the Authority;

(8) to covenant as to the rates of tolls and other charges to be established and charged, the amount to be raised each year or other period of time by fares, tolls, rates, rentals, fees, or other charges, and as to the use and disposition to be made thereof; to create or authorize the creation of special funds or moneys to be held in pledge or otherwise for construction, operating expenses, depreciation, payment, or redemption of bonds, reserves, or other purposes and to covenant as to the use, investment, and disposition of the moneys held in such funds;

(9) to establish the procedure, if any, by which the terms of any contract or covenant with or for the benefit of the holders of bonds may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(10) to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon, and use and disposition of insurance money;

(11) to provide for the rights and liabilities, powers, and duties arising upon the breach of any covenant, condition or obligation; to prescribe the events of default and the terms and conditions upon which any or all of the bonds shall become due or may be declared due and payable before maturity and the terms and conditions upon which any such declaration and its consequences may be waived;

(12) to vest in a trustee or trustees such property, rights, powers and duties in trust for the holders of bonds as the Authority may determine; to limit or abrogate the rights of the holders of such bonds to appoint such trustee, or to limit the rights, duties, and powers of such trustee;

(13) to limit the rights of holders of bonds to enforce any pledge or covenant securing the bonds; and

(14) to make covenants other than, or in addition to, the covenants herein expressly authorized and of like or different character and to make such covenants to do such acts and things as may be necessary, convenient, or desirable in order to better secure the bonds, or which, in the discretion of the Authority, will tend to make the bonds more marketable, notwithstanding that such covenants, acts or things may not be enumerated herein.

(b) Any pledge of revenues or moneys made by the Authority shall be valid and binding from the time when the pledge is made, and the revenues or other moneys so pledged and thereafter received by the Authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act. Neither the resolution nor any other instrument by which a pledge is created need be filed or recorded, unless specifically required by the provisions of this act, except in the records of the Authority.

(c) Bonds may be issued under the provisions of this act by the Authority without obtaining the consent of any department, division, commission, board, bureau, agency, or officer of the District of Columbia or of the United States of America, and without any other proceeding or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this act.

(d) Moneys of the Authority or moneys held in pledge or otherwise for the payment of the bonds or in any way to secure bonds and deposits of such moneys may be secured in such manner as the Authority may require and it shall be lawful for all banks and trust companies incorporated under the laws of the United States of America which may act as depositary of any such funds to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority; and the Authority shall not be required to maintain any of its moneys or funds in or with, or deposit the same in, the Treasury of the United States.

(e) Neither the directors of the Authority nor any person executing bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the execution or issuance thereof.

(f) The Authority shall have power to purchase bonds out of any funds available therefor. The Authority may hold, cancel, or resell such bonds subject to and in accordance with agreements with holders of its bonds.

(g) In order to secure the payment of its bonds or other obligations, the Authority may mortgage or pledge all or any part of its real or personal property then owned or thereafter acquired in such manner as in its absolute discretion it shall provide.

Refunding bonds

SEC. 404. (a) The Authority is hereby authorized to provide by resolution for the issuance of refunding bonds of the Authority for the purpose of refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and, if deemed advisable by the Authority, for the additional purpose of paying the cost of acquiring, constructing, reconstructing, extending, or improving its transportation system, or any part thereof, in connection with which the bonds to be refunded shall have been issued.

(b) The Authority is further authorized to provide by resolution for the issuance of its bonds for the combined purpose of (1) refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and (2) paying all or any part of the cost of acquiring, constructing, reconstructing, extending, or improving any transportation system. The issuance of such refunding bonds, and the details thereof, and the rights, duties, and obligations of the Authority in respect to the same shall be governed by the provisions of this act relating to the issuance and securing of original bonds insofar as the same shall be applicable.

Bonds to be obligations of authority only

SEC. 405. Bonds issued under the provisions of this title shall not constitute a debt or liability of the United States of America or of the District of Columbia or of any political subdivision of or municipality within the Washington metropolitan area, or a pledge of the faith and credit of the United States of America or of the District of Columbia or of any political subdivision of or municipality within the Washington metropolitan area, but such bonds, unless refunded by bonds of the Authority, shall be payable solely from the funds pledged or available for their payment as authorized herein. All such bonds shall contain on the face thereof a statement to the effect that the Authority alone is obligated to pay the same and the interest thereon and that neither the United States of America nor the District of Columbia nor any political subdivision of or municipality within the Washington metropolitan area is obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the United States of America or the District of Columbia or any political subdivision of or municipality within the Washington metropolitan area is pledged to the payment of the principal of or interest on such bonds. Nothing in this act contained shall be construed to authorize the Authority to incur any indebtedness or liability on behalf of, or payable by the United States of America or the District of Columbia.

Legislation to constitute contract

SEC. 406. The United States of America pledges to and agrees with the holders of the bonds issued pursuant to the authority contained in this title that the Congress of the United States will not limit, alter, or restrict, the right hereby vested in the Authority to plan, acquire, construct, reconstruct, extend, or improve maintain, manage, and operate its transportation system or systems within the Washington metropolitan area and to establish, fix, and collect such fares, tolls, fees, rentals, and other charges for use of and transit on such transportation system or systems, or portions thereof, so as to impair the obligation of the Authority to fulfill the terms of any agreements made with the holders of the bonds; nor will the Congress of the United States in any way impair the rights, exemptions, or remedies of the holders of the bonds until the bonds, together with interest thereon, and with interest on any unpaid installment of interest and all cost and expenses in connection with any action or proceedings by or on behalf of the holders of the bonds, are fully paid and discharged.

Bonds legal investments

SEC. 407. Notwithstanding any restrictions on investment contained in any other laws, all domestic insurance companies, and domestic insurance associations, and all executors, administrators, guardians, trustees and other fiduciaries within the District of Columbia, may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds or other obligations issued pursuant to this title, it being the purpose of this section to authorize the investment in such bonds or other obligations of all sinking, insurance, retirement, compensation, pension, and trust funds: *Provided*, That nothing contained in this section shall be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities for purchase or investment.

Remedies of bondholders

SEC. 408. (a) Any holder of bonds issued under the provisions of this title, or of any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given may be restricted by the resolution authorizing the issuance of such bonds or by trust agreement, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the United States of America or of the District of Columbia or granted hereunder or under the resolution authorizing the issuance of such bonds or such trust agreement, and may enforce and compel the performance of all of such duties required by this act or by such resolution or trust agreement to be performed by the Authority or by any officer thereof, including the fixing, charging, and collecting of fares, tolls, fees, rentals, and other charges.

(b) Any trustee under any trust agreement, and whether or not all bonds have been declared due and payable, shall be entitled as of right, in the event of default by the Authority in the terms, covenants, and conditions contained in a resolution authorizing the issuance of bonds or a trust agreement, to the appointment of a receiver, who may enter and take possession of the transportation system or systems of the Authority, or any part or parts thereof, the revenues or moneys from which are or may be applicable to the payment of the bonds, and operate and maintain the same, and collect and receive all revenues and other moneys thereafter arising therefrom in the same

manner as the Authority or the Board might do, and shall deposit, disburse, and apply the same in the manner required by the resolution authorizing the issuance of such bonds or the trust agreement securing the same. In any suit, action, or proceeding by the trustee under a trust agreement, securing bonds, the fees, counsel fees, and expenses of such trustee, and of the receiver, if any, and all costs and disbursements allowed by the court shall be a first charge on any revenues of the Authority pledged under such trust agreement.

(c) Nothing in this section or any other provision of this act shall authorize any receiver appointed pursuant to this act to sell, assign, mortgage, or otherwise dispose of any assets of any transportation system of the Authority, except in the manner and to the extent permitted or allowed under the trust agreement relating to such transportation system. It is the intention of this act to limit the powers of such receiver to the operation and maintenance of any transportation system of the Authority as the court shall direct and no holder of bonds of the Authority nor any trustee shall ever have the right in any suit, action, or proceedings at law, or in equity, to compel a receiver, nor shall any receiver ever be authorized or any court be empowered to direct the receiver to sell, assign, mortgage, or otherwise dispose of any assets of a transportation system of the Authority except in the manner and to the extent permitted or offered under the trust agreement relating to such transportation system.

(d) The United States District Court for the District of Columbia shall have jurisdiction of any suit, action, or proceeding by any trustee under a trust agreement, or other obligee of the Authority, in which an appointment of a receiver is requested.

SECTION-BY-SECTION ANALYSIS

TITLE I—GENERAL PROVISIONS

Declaration of purposes

Section 101: This section declares it to be a matter of legislative determination that the Washington metropolitan area, a community with its center in the city of Washington, the seat of government of the United States, which is the largest single employer of residents of the area, requires that an adequate and economically sound transportation system or systems serving such area is essential to—

(1) The proper functioning of the United States Government.

(2) Commerce among the States and the District of Columbia;

(3) The health, welfare, and safety of the public including civilian and military personnel and the Defense Establishment of the Government of the United States in the District of Columbia and the metropolitan area; and

(4) The national defense.

It is also declared that by reason of Public Law 389 of the 84th Congress the Capital Transit Co. will not continue its operations after August 14, 1956; that the establishment of an adequate transportation system for the metropolitan area as a replacement for Capital Transit Co. cannot be accomplished at the present time by ordinary operations of private enterprise without public participation; that it therefore becomes necessary—

(1) To create a public body corporate for an interim period with powers to acquire, extend, improve, and operate an adequate transportation system or systems in the metropolitan area;

(2) To authorize the transfer of such transportation system or systems to private ownership if during such iterim period a sound proposal for private ownership is submitted to such public body corporate;

(3) To provide that if, during such interim period, private interests do not acquire such transportation system the said public body corporate is continued; and

(4) To provide that such public body corporate shall have the exclusive franchise to operate a transportation system within the District of Columbia except for such operations as are lawfully in existence as of the date of enactment of this act, and that the acquisition, extension, improvement, and operation of a transportation system or systems by such public body corporate is declared to be a public use and purpose.

Definitions

Section 102: This section defines terms used in the act, including the following:

(1) "Transportation system" means all of the facilities, plants, equipment, real property, personal property, franchises, and rights of whatever nature useful for the transportation of passengers for hire, except taxicabs and sightseeing buses and transportation facilities extending beyond the boundaries of the Washington metropolitan area, and railroad lines and terminal facilities used in connection therewith and includes, without limitation, street railways, elevated railroads, subways, underground railroads, motor vehicles, trolleys, trackless trolley buses, motor buses, and any combination thereof, or any other form of mass passenger transportation.

(2) "Washington metropolitan area" means and embraces all of the territory in the District of Columbia, in the cities of Alexandria and Falls Church, and Arlington and Fairfax Counties in Virginia, and in Montgomery and Prince Georges Counties in Maryland.

Act controlling

Section 103: This section provides that the act shall be controlling insofar as the provisions of any other law are inconsistent therewith.

Separability

Section 104: This section contains a separability clause.

TITLE II—INTERIM AUTHORITY

Creation of authority

Section 201: This section creates the "Washington Metropolitan Transit Authority," a public body corporate, as an agency and instrumentality of the District of Columbia, whose existence shall expire on August 15, 1959. The powers of the Authority would be vested in a board of directors, consisting of the District Commissioners.

Powers of authority

Section 202: This section grants to the Authority all the powers necessary to effectuate the purposes of the act, including powers:

(a) To sue and be sued in any appropriate Federal, State, or municipal court but precludes execution against any property of the Authority.

(b) To create and use a corporate seal.

(c) To promulgate and enforce bylaws, rules, and regulations.

(d) To make, deliver, and receive legal instruments and to take title to property in its own name.

(e) To maintain a principal office in the District, and suboffices in the Washington metropolitan area.

(f) To acquire and operate a transportation system or systems in the Washington metropolitan area.

(g) To borrow money and issue bonds and other evidences of obligations.

(h) To establish and regulate charges for its services.

(i) To employ personnel and fix their compensation and duties.

(j) To receive and accept from any public or private source grants and contributions.

(k) To receive authorization from any State, municipality, or other political subdivision of the Washington metropolitan area to operate a transportation system therein.

(l) To enter into contracts with the operators of other transportation systems within the Washington metropolitan area and to provide for transportation of passengers for hire.

(m) To obtain all types of insurance.

(n) To contract with others for the operation and maintenance of its transportation system or part thereof.

Acquisition and use of property

Section 203: (a) This subsection empowers the Authority to acquire by purchase, lease, gift, or otherwise, or by eminent domain, all or any part of the property of any transportation system within the Washington metropolitan area, and to acquire in like manner any property and rights useful for its purposes, subject to the restrictions and limitations of the act. The eminent domain power could be exercised within a State only if authorized by the State.

(b) This subsection empowers the Authority to acquire the capital stock of a corporation owning such a transportation system.

(c) This subsection empowers the Authority to contract for the joint use of any property by the Authority and any public utility operating within the Washington metropolitan area, as well as to enter into contracts with any transportation system within or without such area for the use or joint use of such property, for the establishment of through routes, joint fares, and transfer of passengers.

Power of eminent domain

Section 204: (a) This subsection empowers the Authority to acquire by eminent domain any real or personal property, tangible or intangible, situated or having a legal situs in the District of Columbia, which is necessary for the purposes of the Authority. The Authority would not be authorized to acquire property "of a railroad, terminal, or public utility primarily operating or engaged in terminal business incident to the operation of transportation facilities extending beyond the boundaries of the Washington Metropolitan Area which is used or useful in the transportation or terminal business of such railroad, terminal, or public utility."

(b) This subsection requires that such proceedings be brought in the name of the Authority and that property be taken in its name.

(c) This subsection vests jurisdiction of such condemnation proceedings in the United States District Court for the District of Columbia.

(d) This subsection authorizes the taking before trial, of property and provides for deposit of estimated compensation into court registry.

Control and use of public ways

Section 205: This section empowers the Authority to require operators of other public utilities to remove or relocate their facilities when necessary for Authority purposes, the cost to be paid by the Authority, except that the Authority would not bear cost of increasing capacities of such facilities incidental to relocation or removal. Rights, duties, obligations, and liabilities of the Capital Transit Co. are not affected by this section.

Equipment trust certificates

Section 206:

(a) This subsection empowers the Authority to execute agreements, leases, and equipment trust certificates in connection with the purchase of facilities and equipment. All moneys which the Authority is required to pay under such leases, agreements, and equipment trust certificates must be paid solely from revenue from operation of transportation system, or from grants and loans available to the Authority.

(b) This subsection authorizes the Authority to include in purchase agreements provision whereby title to property is held by trustee for benefit and security of equipment trust certificates.

(c) This subsection requires such agreements and leases to be acknowledged before a proper person, provides that they be authorized by the Board and shall contain covenants to insure their payment.

(d) This subsection provides that such covenants shall not conflict with the provisions of bonds or other obligations of the Authority or be in derogation of the rights of holders thereof.

(e) This subsection requires that a copy of each such agreement and lease be filed in the Office of the Recorder of Deeds; and provides for a filing fee; also that the owner and lessor's name shall be placed on each vehicle so purchased and leased.

TAX EXEMPTION AND PUBLIC SERVICES

Section 207:

(a) This subsection makes the Authority and its property exempt from taxation by the United States of America, by the District of Columbia, except taxes imposed under the Federal Unemployment Tax Act, the Federal Insurance Contributions Act, and the District of Columbia Unemployment Compensation Act. The Authority would be required to pay, in lieu of taxes on motor vehicle fuel imposed by the District of Columbia, an amount equal to taxes on such fuel which would be payable if it were not exempt, but such payment would be made only to the extent that revenues in each fiscal year are sufficient to make such payment in whole or in part after payment or provision has been made for all operating and maintenance expenses, taxes, if any, interest and principal and sinking fund payments on fixed interest obligations, depreciation, and such other payments and reserves as may be required under resolution of the Board of the Authority authorizing issuance of bonds or trust agreements or contracts of the Authority.

(b) This subsection provides that obligations and interest thereon issued by the Authority shall be exempt from all Federal and District taxation except estate, inheritance, and gift taxes and shall also be exempt from taxation by any State, Territory, or possession of the United States or any county, municipality, or other municipal subdivision or taxing authority thereof.

(c) This subsection empowers the Authority to contract with the District of Columbia for special services, facilities, and improvements to be furnished by the District in connection with any transportation system located therein and authorizes the District, in the discretion of the Commissioners, to do any and all things necessary or convenient to aid in planning, undertaking, construction, and operation of such transportation system, with or without consideration.

Funds and financial transaction of the Authority

Section 208: (a) This subsection provides that all moneys received pursuant to the act, whether as proceeds from the sale of bonds, revenues, or otherwise, shall be deemed to be trust funds to be held and applied solely as provided in the act.

(b) This subsection requires the Authority to employ certified public accountants to establish an accounting system, perform appropriate audits, and to prepare an annual fiscal report, in lieu of audit or review by the Comptroller General. In addition to the services performed by the certified public accountants, the Comptroller General would make such review of financial operations of the Authority as he deems necessary during any period while the Authority is indebted to the District for moneys loaned which the District obtained by the sale of obligations to the United States Treasury under section 217.

Services and rates

Section 209:

(a) This subsection empowers the Authority to make rules and regulations necessary for the operation of the transportation systems of the Authority, and empowers the Authority to determine schedules and routings, subject to regulations of appropriate authority for the regulation and control of traffic and operation and safety of vehicles. The Authority is empowered to fix fares, tolls, rates, fees, etc., for the use of its property without obtaining consent of the Interstate Commerce or Public Utilities Commissions or other agency of the United States or the Ditrict of Columbia.

(b) This subsection empowers the Authority to provide free transportation to firemen and policemen in uniform and in performance of their duties; also to make contracts with the Post Office Department for carrying mail, parcel post, and letter carriers.

Personnel

Section 210:

(a) This subsection empowers the Board of the Authority to establish a personnel system independent of any existing system; to fix rates of pay for its employees and require bonds of such employees as the Authority deems appropriate, and to pay premiums for such bonds.

The Authority is empowered to bargain collectively and to enter into written contracts with employees through their accredited representatives or any authorized labor organization concerning wages, salaries, hours, working conditions, health and welfare, insurance, and pension or retirement provisions, and in case of dispute over such matters, the Authority may agree to submit the dispute to a tripartite board of arbitration and shall agree that the decision of a majority of such arbitration board be final and binding; each party to pay one-half of the expenses of arbitration.

(h) This subsection requires the Authority to offer employment to all employees of any transportation system in operation by a public utility which the Authority may acquire, except corporate officers, such employees to be given seniority credit in accordance with the records and labor agreements of the transportation utility. Employees of such utility who left to enter military service of the United States would have the same rights in relation to the Authority, under the Universal Military Training and Services Act, as they would have had in relation to the transportation utility.

Members and beneficiaries of any pension or retirement system established by such transportation utility would continue to have the same rights, benefits, obligations, and status. The Authority is required to establish and maintain a sound pension and retirement system. The Authority together with its employees, acting through their representatives for collective bargaining, shall take necessary action to have pension trust funds presently under joint control of transit utility and participating employees transferred to a trust fund to be established, maintained, and administered jointly by the Authority and participating employees through their representatives. All officers and employees appointed by the Authority shall be allowed to become members or beneficiaries of the pension or retirement system established by the Authority with uniform rights, privileges, obligations, and status as to the class in which they belong. The terms and provisions of any pension or retirement system affecting employees who are members of any labor organization may be established or modified by agreement or arbitration with such labor organization.

(c) This subsection provides the employees of the Authority are, notwithstanding any other law, subject to the following laws:

(1) Section 9, Universal Military Training and Services Act, and related statutes affecting reemployment rights of persons entering the Armed Forces of the United States;

(2) Title II of the Social Security Act and related provisions of the Federal Insurance Contribution Act;

(3) Section 6 of the act approved May 10, 1916, relating to double salaries:

(4) Section 212 of the act approved June 30, 1932, relating to the retired pay of members of the Armed Forces;

(5) The act approved July 31, 1894, relating to dual employment;

(6) The Longshoremen's and Harbor Workers' Compensation Act;

(7) The District of Columbia Unemployment Compensation Act;

(8) The Federal Uneployment Tax Act.

(d) This subsection provides that the employees of the Authority shall not be subject to the following:

(1) The Civil Service Act of January 16, 1883;

(2) Federal Employees Group Life Insurance Act;

(3) The Civil Service Retirement Act;

(4) The Classification Act of 1949;

(5) The Federal Employees Pay Act of 1945;

(6) The Annual and Sick Leave Act of 1951;

(7) The act of September 1, 1954, relating to certain fringe benefits for Federal employees;

(8) The Performance Rating Act of 1950;

(9) The Veterans Preference Act of 1944.

(e) This subsection amends the District of Columbia Unemployment Compensation Act and the Federal Unemployment Tax Act to conform with other provisions of the section.

(f) This subsection authorizes the Authority to borrow, from the United States or the District governments, services of their employees on a reimbursable basis.

(g) This subsection defines the word "employee" as used in subsections (c) and (d) so as to include officers but exclude members of the Board of Directors of the Authority.

Reports

Section 211: (a) This subsection requires the Authority to file an annual report with the Congress.

(b) This subsection requires the Authority to publish, in a newspaper of general circulation in the District of Columbia, an annual income statement and a balance sheet showing its condition at the end of each fiscal year.

Claims and suits

Section 212: (a) This subsection prohibits the Authority from defending any suit on the ground of governmental immunity, but requires any person claiming damage to person or property to give written notice to the Authority within 6 months after the injury or damage was sustained.

(b) This subsection provides that neither the United States nor the District of Columbia shall be liable for any act of the Authority.

(c) This subsection provides that the members of the Board of Directors of the Authority shall not be personally liable in damages for their official actions performed in good faith.

Vehicle regulations

Section 213: This section provides that the power of the Authority shall be exercised subject to laws and regulations promulgated by the proper agencies relating to the regulation and control of traffic.

Policing of Authority property

Section 214: (a) This subsection authorizes the District Commissioners to appoint special policemen for duty in connection with the property of the Authority.

(b) This subsection authorizes the Board of Directors of the Authority to make and enforce reasonable regulations for the protection of lives, limbs, health, comfort, and quiet of passengers and the protection of the property of the Authority.

(c) This subsection requires that regulations promulgated by the Authority shall be printed in newspapers of general circulation published in the District of Columbia.

Investigations

Section 215:

This section authorizes the Authority to investigate any matter relating to public transportation within the District of Columbia, the enforcement of its rules, and the conduct and efficiency of its officers, agents, and employees. The Board is empowered to subpena witnesses and to administer oaths to such witnesses. False testimony before the Board would be perjury.

Exclusive operating rights

Section 216:

(a) This subsection gives the Authority the exclusive right to operate a transportation system or systems in the District of Columbia except for such transportation systems lawfully operating at the date of the enactment of this act.

(b) This subsection authorizes the Authority to operate a transportation system or systems in the Washington metropolitan area, but it may not commence nor conduct such operations in interstate commerce in competition with the then existing operations of any other system, except such operations as are so conducted by Capital Transit Co. at date of enactment of act. No further operations in interstate commerce may be commenced without certification by Interstate Commerce Commission that such operations are not in competition with the then existing operations of any other transportation system.

Temporary financing

Section 217:

(a) This subsection provides that in exercising borrowing authority under the interim financing provisions, the transportation charges be fixed as though private financing only were involved, and shall cover all costs of operation and maintenance, including depreciation, interest, and reasonable amortization.

(b) This subsection provides for the financing of the acquisition of a transportation system or systems, to pay the fees and expenses of consulting engineers, financial consultants, attorneys, and other services necessary to plan, acquire, construct, organize, and operate such system or systems, to determine the feasibility thereof from an economic and financial standpoint, and to provide adequate working capital by authorizing the District Commissioners to arrange with the Secretary of the Treasury for interim financing, pending the sale by the Authority of its property to a qualified purchaser, or pending the sale of obligations of the Authority to the public. In order to provide this interim financing the District Commissioners are authorized, at any time prior to July 1, 1960, to issue District of Columbia obligations for purchase by the Secretary of the Treasury in an amount not exceeding $20 million and to advance the proceeds thereof to the Authority for the aforementioned purposes.

Advances made to the Authority shall be subject to such terms and conditions as the Commissioners may prescribe and shall bear interest at a rate not less than the rate upon obligations of the District purchased by the Secretary of the Treasury under this section. Such advance made to the Authority shall be repaid at the earliest practicable time, and in any event before any securities, other than equipment trust or other obligations issued under section 206 subsequently issued by the Authority, are repaid.

The sums advanced to the Authority pursuant to this subsection shall become immediately available for carrying out the purposes of the act including, without limitation, authority to make purchases and contracts.

(c) This subsection authorizes the District Commissioners, with approval of the Secretary of the Treasury, to provide what shall be the denominations, form, maturity (prior to July 1, 1960), and repayment of obligations purchased by the Treasury to provide interim financing.

(d) This subsection provides that the interest rate for all such obligations shall be determined by the Secretary of the Treasury by estimating average yield to maturity, on the basis of daily market bid quotations or prices during the month preceding the calendar quarter in which the obligation is issued, on all outstanding taxable marketable obligations of the United States having comparable maturity, and by adjusting such estimated yield to the nearest one-eighth of 1 percent, plus one-half of 1 percent.

(e) This subsection directs the Secretary of the Treasury to purchase District of Columbia obligations issued under this section.

(f) This subsection provides that section 217 relating to interim financing shall not be construed as limiting the amounts of equipment trust certificates, bonds, or other obligations which the Authority may issue under other provisions of the act.

TITLE III—TRANSFER OF TRANSPORTATION SYSTEM TO PRIVATE OPERATION

Sale of property

Section 301:

(a) This subsection authorizes the Authority to sell, prior to August 15, 1959, the property which it has acquired which is useful in the operation of a transportation system, to any purchaser eligible to receive a certificate of authority and which in the judgment of the Authority can provide adequate transportation service in the Washington metropolitan area.

(b) This subsection directs that the proceeds of any such sale shall be used to repay obligations of the Authority owing to the District of Columbia.

Franchise

Section 302: This section empowers the District Commissioners to grant a certificate of authority to operate as a common carrier of persons for hire, to any private corporations organized with the corporate right to operate in the District as a common carrier. Such operations would be subject to the jurisdiction of the Public Utilities Commission and to laws usually applicable to such carrier.

Tax exemption

Section 303: This section empowers the District Commissioners, in the public interests, to exempt any such corporation from liability to pay any District of Columbia taxes, in whole or in part.

Termination of authority

Section 304: This section terminates the existence of the Authority upon a sale of its property, but continues its existence for purposes of liquidation and closing out of its affairs. The Authority is required to close out its affairs as expeditiously as possible.

Commissioner's report to Congress

Section 305: This section requires the Commissioners to report to Congress what steps have been taken to effectuate a sale of the property, and if not sold by June 15, 1958, to report within 15 days why, in their opinion, the sale has not been effectuated.

TITLE IV—AUTHORITY MADE PERMANENT

Permanent authority

Section 401: (a) This subsection makes the Authority perpetual on and after August 15, 1959, if prior to such date it has not sold its property. In such event the provisions of title IV of the act come into effect. These provisions would be in addition to the provisions contained in title II, which provisions are continued in effect.

(b) This subsection provides that beginning October 1, 1959, the Board of Directors of the Authority shall consist of five residents of the Washington metropolitan area appointed by the Commissioners, with staggered 5-year terms and with compensation not exceeding $3,600 in any one year. Not more than three Board members shall be of the same political party. Until three of such appointed members qualify, the Commissioners shall constitute such Board. The Commissioners may remove any Board member for incompetency, neglect of duty, malfeasance in office, or conviction of a crime.

(c) (1) This subsection provides that the members of the Board of Directors of the Authority appointed by the Commissioners shall be subject to the following laws:

(a) Title II of the Social Security Act and related provisions of the Federal Insurance Contributions Act.

(b) The Longshoremen's and Harbor Workers' Compensation Act.

(2) The members of the Board appointed by the Commissioners shall not be subject to the following laws:

(a) Section 9 of the Universal Military Training and Services Act and related statutes affecting reemployment rights of persons entering the Armed Forces of the United States.

(b) Section 6 of the act of May 10, 1916, relating to double salaries.

(c) Section 212 of the act approved June 30, 1932, relating to the retired pay of members of the Armed Forces.

(d) Section 2 of the act of July 31, 1894, relating to dual employment.

(e) The District of Columbia Unemployment Compensation Act.

(f) The Federal Unemployment Tax Act.

(g) The Civil Service Act of 1883.

(h) Federal Employees Group Life Insurance Act.

(i) The Civil Service Retirement Act.

(j) The Classification Act of 1949.

(k) The Federal Employees Pay Act of 1945.

(l) The Annual and Sick Leave Act of 1951.

(m) The Federal Employees Fringe Benefit Act of September 1, 1954.

(n) The Performance Rating Act of 1950.

(o) The Veterans Preference Act of 1944.

(d) This subsection provides that three directors shall constitute a quorum of the Board; that the Authority may act upon a vote of the majority of the Directors present unless a larger number is required by the bylaws of the Authority; that the Board shall at least biennially elect a chairman and vice chairman; that the Authority may delegate to any director, officer, agent, or employee, such powers or duties as it deems proper; board meetings shall be held at least once each month; and that all documents and records of the Authority shall be open to public inspection except such as shall be kept or prepared by the Authority for use in negotiations, actions, or procedures to which the Authority is a party.

(e) This subsection provides that the Authority and the Board of Directors shall be bound by all actions, proceedings, and contracts taken, authorized, or entered into by the District Commissioners while functioning as the Board of the Authority.

Power to issue bonds

Section 402:

(a) This subsection empowers the Authority to issue its negotiable bonds for any of its corporate purposes, including the power to refund any such bonds and to issue new bonds.

(b) This subsection provides that principal and interest on such bonds shall be payable from moneys or revenues of the Authority subject only to agreements with holders of particular bonds pledging any particular moneys or revenues.

(c) This subsection provides that such bonds shall be negotiable instruments.

(d) This subsection authorizes the Authority to issue temporary bonds or receipts prior to the preparation of definitive bonds.

(e) This subsection empowers the Authority to authorize by resolution such bonds, containing such provisions as the Authority determines, except that the interest rate shall not exceed 6 percent per annum.

(f) This subsection provides that such bonds be signed by the Chairman or Vice Chairman of the Board or by their facsimile signatures.

(g) This subsection empowers the Authority to sell such bonds in such manner and for such price as it may determine to be for the best interest of the Authority.

(h) This subsection empowers the Authority to appoint such trustees, paying agents, or other fiduciaries as it may deem necessary.

Provision for securing bonds

Section 403:

(a) This subsection empowers the Authority, in order to secure such bonds, to (1) pledge all or part of its revenues, and any other moneys available to it, except moneys advanced by the Commissioners of the District of Columbia; (2) covenant against pledging all or part of its revenues or mortgaging its property or permitting a lien thereon; covenant with respect to limitations on the disposition of any transportation system or part thereof or property of any kind; (3) covenant as to the bonds to be issued, and all incidents thereof, and disposition of the proceeds thereof and as to the issuance of additional bonds or limitations on the issuance of additional bonds, and on the incurring of other debts; (4) covenant as to the payment of principal or interest on such bonds or other obligations, and priority with respect to any lien or security or as to the acceleration of maturity of any such bonds or other obligations; (5) provide for the replacement of lost, destroyed, or mutilated bonds; (6) covenant against extending time for payment of bonds or interest; (7) covenant as to the redemption of bonds; (8) covenant as to the rate of tolls and other charges to be established and charged, the amount to be raised each year or other period of time by fares, tolls, rates, etc., and as to the use and disposition to be made thereof; create special funds for construction, operating expenses, depreciation, payment of bonds, reserves, or other purposes; (9) establish procedure by which terms of any contract or covenant with or for benefit of bondholders may be amended or abrogated; (10) covenant as to the maintenance of property, its replacement, and insurance to be carried thereon; (11) provide for rights, liabilities, powers, and duties arising from breach of any covenant, condition, or obligation; and prescribe terms and conditions upon which bonds shall become due and payable before maturity; (12) vest in trustee such property, rights, powers, and duties in trust for bondholders as the Authority may determine; (13) limit rights of bondholders to enforce any pledge or covenant securing bonds; and (14) make other covenants as may be necessary or desirable in order to better secure the bonds or make them marketable.

(b) This subsection provides that any pledge of revenues or moneys made by the Authority shall be binding from the time when the pledge is made and revenues or moneys so pledged and thereafter received by the Authority shall immediately be subject to the lien of the pledge without physical delivery thereof or further act.

(c) This subsection provides that the Authority may issue bonds under the provisions of the act without the consent of any department, agency, or officer of the District of Columbia or the United States and without any other proceeding or condition except as may be required specifically by the act.

(d) This subsection provides that moneys of the Authority or moneys held in pledge or otherwise for the payment of bonds may be secured in such manner as the Authority may require and makes it lawful for banks and trust companies incorporated under the laws of the United States which may act as depositary of any such funds to furnish such indemnification as the Authority may require. The subsection also provides that the Authority shall not be required to maintain any of its funds on deposit in the Treasury of the United States.

(e) This subsection provides that neither the Directors of the Authority nor any person executing bonds shall be liable personally thereon by reason of such execution.

(f) This subsection provides the Authority may purchase bonds out of any available funds and cancel or resell such bonds, subject to agreements with bondholders.

(g) This subsection authorizes the Authority to mortgage or pledge all or any part of its real or personal property in order to secure the payment of its bonds or other obligations.

Refunding bonds

Section 404: This section authorizes the Authority to provide by resolution for the issuance of refunding bonds.

Bonds to be obligations of authority only

Section 405: This section provides that such bonds shall not constitute a debt or liability of the United States or of the District of Columbia or of any political subdivision or any municipality within the Washington metropolitan area, or a pledge of the faith and credit thereof but shall, unless refunded by bonds of the Authority, be payable solely from the funds pledged or available for their payment. The bonds shall contain on their face a statement that the Authority alone is obligated to pay the same and the interest and that neither the United States, the District of Columbia, nor any political subdivision or municipality in the metropolitan area is obligated to pay the same, or the interest thereon, and neither the faith and credit nor the taxing power of the United States of America or the District of Columbia or any political subdivision or municipality in the metropolitan area is pledged to pay principal or interest on such bonds.

Legislation to constitute contract

Section 406: This action is an agreement with the bondholders that the Congress of the United States will take no action to impair the rights of the bondholders.

Bonds legal investments

Section 407: This section declares these bonds to be legal investments so that sinking, insurance, retirement, compensation, pension, and trust funds may be invested therein regardless of restrictions on investments contained in any other laws.

Remedies of bondholders

Section 408:

(a) This subsection provides that any bondholder may, either at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce his rights and compel the performance by the Authority of its duties.

(b) This subsection authorizes any trustee under any trust agreement to have a receiver appointed in the event of default by the authority on its bonds and authorizes the receiver to act in the same manner as the Authority might do and it further authorizes that the costs of the receivership shall be a first charge on any revenues of the Authority pledged under such trust agreement.

(c) This subsection provides that nothing in the act shall authorize any receiver to sell, assign, or otherwise dispose of assets of the Authority, except as permitted under the trust agreement. The receiver's powers are limited to operation and maintenance of the transportation system of the Authority under the court's direction.

(d) This subsection vests exclusive jurisdiction in the United States District Court for the District of Columbia of any proceeding by any trustee of the Authority in which the appointment of a receiver is requested.

JOHN W. HESELTON.

I realize fully the difficulty and complexity of the problem before us. I know of the many other pressing demands upon the time and efforts of all my colleagues. I have disagreed with the recommendation of the great majority of my committee reluctantly and only because I believe firmly that there should be and is a reasonable alternative to a return of the repealed charter and franchise of the Capital Transit Co., which I am certain Congress canceled last August, with the approval of the President, because the facts clearly justified that action. Therefore, I want to place the essential basis for this dissenting point of view in the RECORD at this time so that it will be available readily to all who may be interested. I hope also that this will be a means of reducing as much of the time as I can when the legislation is before us, if it becomes possible to offer H. R. 10871 as a substitute for the original bill before the committee, H. R. 8901.

Finally, I include an editorial in this morning's Post and Times Herald dealing with the problem which will confront us shortly, as follows:

TRANSIT ON A PLATTER

The House bill to restore the franchise of the Capital Transit Co., it is said, would extend only those concessions which the Commissioners would have granted in substance to another private operator. Nonsense. It is true that the gross receipts tax probably would have been remitted for any private operator designated to take over transit service here. But neither the Commissioners nor the Public Utilities Commission nor anyone else in authority ever intimated that a new transit firm would be virtually exempt from regulation and would be permitted to write its own ticket.

In effect the Harris bill would leave all but the most cursory regulatory functions to the mercy of Capital Transit. It would permit the company to propose and place in effect its own fare structure without affirmative PUC approval; and PUC efforts to revise fares could be complicated by litigation. It would accept the company's own valuation figures—many millions of dollars higher than the reported price at which the company has been offered for sale—as the permanent rate base It would fix 6½ percent as a fair return, leaving no flexibility for new circumstances, and it would remit gasoline taxes in the event such a return was not earned. No wonder the Wolfson interests are anxious to retain their grip on Washington. They never had it so good.

Congress last summer determined, reluctanly but nonetheless firmly, that Capital Transit's demonstrated irresponsibility as a public utility was so flagrant as to demand cancellation of its franchise. President Eisenhower came to the same conclusion, signed the bill and joined in the criticism. Nothing in the meantime has made Capital Transit any more attractive as a transit operator; its greed, judging from the Harris bill, seems to have increased.

It is not necessary to pass the Harris bill in order to assure continued transit service in Washington. The Senate bill for an interim public authority (and the Heselton bill in the House) would protect the public interest while affording more time to work out a permanent solution. The Capital Transit management has indicated on many occasions that it was working toward a public authority when the time for sale was ripe by its standards. The choice thus is not between a return to Capital Transit and no solution at all. It is between an interim public authority which admittedly is imperfect, and a cringing surrender to a company which Congress itself has said was unfit to serve the public and which itself has broached the public authority concept. A vote to restore Capital Transit would let Congress down, it would let President Eisenhower down, and it would let the citizens of Washington down worst of all.

THE BRADLEY REPORT AND THE VETERANS' ADMINISTRATION

The SPEAKER pro tempore. Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, undoubtedly the Members have read the report of the Bradley Commission which was made to the President as an advisory matter, and I sincerely hope, Mr. Speaker, that the President in his wisdom will not follow many of those recommendations. If he does, to my mind, it will dig out the foundation the Veterans' Administration and wreck the structure that General Bradley himself helped build when he was the Administrator of Veterans' Affairs.

There was one recommendation that I liked very much and favored, and I know other Members of the House have introduced somewhat similar bills, and that is the recommendaiton which would create a Cabinet post for the Administrator of Veterans' Affairs. Unfortunately, General Bradley recommends that it be sort of a subcabinet post and subservient to all of the other Cabinet members, all of the other Cabinet departments. It should be a full-fledged department with its Secretary, a Cabinet member with all the powers of other Cabinet member Secretaries. The Veterans' Administration has six great business activities to cope with; and, frankly, I think, Mr. Speaker, this habit of creating first one commission and then another to criticize and scrap the Veterans' Administration is very bad and unfair. To my mind these commissions have never built up.

I do like also in the Bradley report the suggestion that the compensation for the badly disabled should be increased; I heartily favor that, and members of our committee know full well it has been difficult at times to get adequate compensation for service-connected cases.

I think General Bradley's suggestion of taking away compensation for those who have 10 or 20 percent disability is very bad. I do not like to say it is cruel, but it seems to me in effect it is a very cruel provision and a good many men would lose their jobs perhaps as a result of that because they would have no disability and they would lose their preference in civil service, and many other advantages and even small amounts help pay bills.

There are many other things I do not like about the report; I have mentioned two things I do like. I sincerely hope, as I have said before, that the President will not suggest to the Congress that we pass the provisions of the Bradley report.

Mr. EDMONDSON. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I think the gentlewoman from Massachusetts is performing a great service to the House when she directs attention to some of the provisions and recommendations of this report. I wonder if the gentlewoman will also comment on the recommendation in the report that the presumption of service connection be terminated with regard to a number of diseases on which today the law fixes a presumption? For example, tuberculosis, tropical diseases and mental illnesses?

Mrs. ROGERS of Massachusetts. I heartily agree with the gentleman. I know it is his opinion that it is very unjust and again I say a cruel suggestion. Medicine is not an exact science. But when this presumptive legislation was passed it was carefully considered and backed up by some good medical opinion.

I know what the gentleman has done in connection with legislation in the Committee on Veterans' Affairs and how hard he fought and how hard he worked to keep on the statute books some of the so-called pension laws. I introduced a bill which is like the Dorn bill to grant so-called pensions to certain cases. I earnestly hope that the Dorn bill will pass before we adjourn. I shall do everything in my power to help secure its passage.

Mr. ROOSEVELT. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from California.

Mr. ROOSEVELT. I want to heartily commend and congratulate the gentlewoman from Massachusetts on what I think is a very important and a very timely observation. I know that my mail has been completely filled with letters not only protesting but so many of them in dread of what would happen to them if these recommendations were put into effect. I hope the President will not recommend these things to the Congress. Also I think it would be very helpful if at the earliest opportunity the gentlewoman would indicate her disagreement in order that the affairs of many veterans affected may be relieved at the earliest possible time.

Mrs. ROGERS of Massachusetts. I have personally sent word to the White House how much I disapprove of a great deal of the report. In my opinion, it is unfair to say that it is the President's report because so far as I can tell I do not believe the President knows what is in it.

May I tell the gentleman from California that I was waiting for a train in New York yesterday afternoon. A man who was pushing one of the baggage trucks came up to me and spoke of the gentleman's father, President Franklin D. Roosevelt, and told me how much he had done for the people of the country. I think it is nice for the gentleman to hear that. He often hears those things, but because of great devotion to his father, and his father to him, I think it is nice to convey those words to him.

Mr. ROOSEVELT. I thank the gentlewoman very much.

Mr. EDMONDSON. Mr. Speaker, will the gentlewoman yield again?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Is the gentlewoman also aware of the implied recommendations appearing in the report of the Bradley Commission on page 224 to the effect that the GI life insurance which has been made available throughout the years to veterans of world wars should also be terminated or that consideration be given to its termination at an early date?

Mrs. ROGERS of Massachusetts. That is another stone out of the structure of the Veterans' Administration and I think unwise. General Bradley said at the hearing that he was not considering cost. Apparently it is not a measure of economy. He spoke of it as a new philosophy. It seemed to me he was paying more attention to the so-called regular servicemen than to the veterans.

It is so easy to push them out of our minds, perhaps, and not talk about them as we did in the past. I know that statements about the veterans some years ago, even some 5 years ago, often made headlines in the press. Today statements about what should be done for the veterans never make the headlines at all and never make the papers.

Mr. EDMONDSON. Mr. Speaker, will the gentlewoman yield further?

Mrs. ROGERS of Massachusetts. Yes.

Mr. EDMONDSON. I stated when General Bradley was before our committee that I felt this report was the opening of the door to the termination of non-service-connected benefits for veterans. I think when we review it and review it carefully and read between many of the lines where things are merely suggested or insinuated, that it very definitely is that, and if the spirit of this report is injected into our thinking, we will end all non-service-connected benefits for veterans.

Mrs. ROGERS of Massachusetts. Yes; I agree with the gentleman. General Bradley, when he was the Administrator of Veterans' Affairs and when I happened to be chairman of the committee part of the time, was very helpful in securing beneficial legislation at that time. He was very helpful in securing a good hospital program and medical and nursing service. I cannot follow his thinking in his report and I doubt if he

had any GI's on his Commission, otherwise this report could not have come out. Veterans all over the United States regard with the greatest alarm the proposed destruction of their present rights. They do not want the GI bill of rights to become a mere scrap of paper.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MURRAY of Illinois, today, for 15 minutes.

Mr. BROWN of Georgia, for 30 minutes on Thursday, May 10.

Mr. SHEEHAN, for 10 minutes, tomorrow.

Mr. RIEHLMAN (at the request of Mr. LOVRE), for 30 minutes on Wednesday next.

Mr. HESELTON, for 30 minutes, today.

Mrs. ROGERS of Massachusetts, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. MULTER and include extraneous matter.

Mr. JOHNSON of California and to include extraneous matter.

Mr. REUSS and to include extraneous matter.

Mr. ROOSEVELT and to include extraneous matter.

Mr. MCDONOUGH in two instances.

Mr. RABAUT and to include extraneous matter.

Mr. HILLINGS and to include extraneous matter.

Mr. COOLEY (at the request of Mr. ALBERT) and to include an explanation of H. R. 10875 that passed the House last week.

Mr. SAYLOR (at the request of Mr. KEATING) and to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SADLAK (at the request of Mr. MARTIN), for 1 week, on account of a death in his family.

Mr. HINSHAW (at the request of Mr. ARENDS), for 2 days, on account of official business.

ADJOURNMENT

Mr. ROOSEVELT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 42 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 8, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1811. A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1957 involving an increase of $1,527,875 for the Senate and $144,200,000 for the Atomic Energy Commission (H. Doc. No. 393); to the Committee on Appropriations and ordered to be printed.

1812. A letter from the Secretary of Health, Education, and Welfare, transmitting a report relating to a technical violation in connection with the obligation of funds in excess of amounts allotted from one of the appropriations of this Department, pursuant to section 3679 of the Revised Statutes, as amended (31 U. S. C. 665); to the Committee on Appropriations.

1813. A letter from the Acting Secretary of the Interior, transmitting a report certifying that an adequate soil survey and land classification has been made of the lands in the Sacramento Canals Unit, Sacramento River Division, and the Trinity River Division, Central Valley project, and that the lands to be irrigated are susceptible to the production of agricultural crops by means or irrigation, pursuant to Public Law 172, 83d Congress; to the Committee on Appropriations.

1814. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to increase the borrowing power of Commodity Credit Corporation"; to the Committee on Banking and Currency.

1815. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering personal property made available for distribution to educational public health institutions covering the calendar quarter January 1 through March 31, 1956, pursuant to Public Law 61, 84th Congress; to the Committee on Government Operations.

1816. A letter from the Acting Secretary of the Interior, transmitting a proposed concession permit with W. H. Mann which, when executed by the superintendent, Everglades National Park, Fla., will authorize him to provide charter boat service for sport fishing in Everglades National Park for a period of 6 months beginning July 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1817. A letter from the Acting Secretary of the Interior, transmitting a proposed concession permit with Walter F. Mann which, when executed by the superintendent, Everglades National Park, will authorize him to provide charter boat service for sport fishing in Everglades National Park, Fla., for a period of 6 months beginning July 1, 1956, pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1818. A letter from the Acting Secretary of the Interior, transmitting a proposed extension of concession contract No. I–lp–17915 which will, when executed by the Director of the National Park Service on behalf of the Government, extend for 1 year from January 1, 1956, the authorization under which Harry S. Schoeffel and Jeannette Schoeffel provide accommodations, facilities, and services for the public at Olympic Hot Springs in Olympic National Park, Wash., pursuant to the act of July 31, 1953 (67 Stat. 271); to the Committee on Interior and Insular Affairs.

1819. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in the cases of certain aliens who have been found admissible into the United States, pursuant to section 212 (a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1820. A letter from the Secretary of Commerce, transmitting an explanatory statement and an estimate of the annual cost of certain recommendations transmitted in a letter dated April 26, 1956, which set forth the Department's recommendation for its consideration by the Congress, a draft of a proposed bill entitled "A bill to authorize the establishment of 35 positions for specially qualified scientific and professional personnel in the Department of Commerce with rates of compensation at rates not to exceed the maximum rate payable under Public Law 313, 80th Congress, as amended and supplemented"; to the Committee on Post Office and Civil Service.

1821. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 24, 1955, submitting a report, together with accompanying papers and illustrations, on a review of report on north branch of the Susquehanna River and tributaries, New York and Pennsylvania, submitted in response to nine congressional authorizations listed in the report. It is also in final response to the authority for a preliminary examination and survey of the Susquehanna River in the vicinity of Endicott, Johnson City, and Vestal, N. Y., contained in the Flood Control Act approved December 22, 1944 (H. Doc. No. 394); to the Committee on Public Works and ordered to be printed with two illustrations.

1822. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 12, 1956, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of cooperative beach erosion control study of the shoreline of the State of Connecticut, area 9, East River to New Haven Harbor, prepared under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 395); to the Committee on Public Works and ordered to be printed with 11 illustrations.

1823. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 2, 1956, submitting a report, together with accompanying papers and illustration, on a review of report on Salt Creek and tributaries, Nebraska, requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on June 21, 1944 (H. Doc. No. 396); to the Committee on Public Works and ordered to be printed with one illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MCMILLAN: Committee on the District of Columbia. H. R. 7804. A bill to provide that the Uniform Simultaneous Death Act shall apply in the District of Columbia; with amendment (Rept. No. 2111). Referred to the Committee of the Whole House on the State of the Union.

Mr. MCMILLAN: Committee on the District of Columbia. H. R. 3015. A bill to establish workmen's compensation for the District of Columbia; with amendment (Rept. No. 2112). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS:

H. R. 11021. A bill to create a Commission on Human Resettlement; to the Committee on the Judiciary.

By Mr. ASHMORE:

H. R. 11022. A bill to prescribe the weight to be given to evidence of tests of alcohol in the blood, urine, or breath of persons tried in the District of Columbia for certain offenses committed while operating vehicles; to the Committee on the District of Columbia.

By Mr. BARTLETT:

H. R. 11023. A bill to authorize the conveyance of homestead allotments to Indians, Aleuts, or Eskimos in Alaska; to the Committee on Interior and Insular Affairs.

H. R. 11024. A bill to amend the act entitled "An act relating to the compensation of Commissioners for the Territory of Alaska, approved March 15, 1948 (62 Stat. 80) as amended by the act of July 12, 1952 (66 Stat. 592, 48 U. S. C. 116a); to the Committee on Interior and Insular Affairs.

H. R. 11025. A bill to grant school lands in Alaska to the Territory of Alaska; to the Committee on Interior and Insular Affairs.

H. R. 11026. A bill to provide for settlement and entry of public lands in Alaska containing coal, oil, or gas under section 10 of the act of May 14, 1898, as amended; to the Committee on Interior and Insular Affairs.

By Mr. BONNER:

H. R. 11027. A bill to amend title VII of the Merchant Marine Act, 1936, as amended, to provide for experimental operation and testing of vessels owned by the United States; to the Committee on Merchant Marine and Fisheries.

H. R. 11028. A bill to amend title II of the Merchant Marine Act, 1936, as amended, to provide for filing vessel utilization and performance reports by operators of vessels in the foreign commerce of the United States; to the Committee on Merchant Marine and Fisheries.

H. R. 11029. A bill to amend section 212 of the Merchant Marine Act, 1936, to authorize research and experimental work with vessels, vessel propulsion and equipment, port facilities, planning, and operation and cargo handling on ships and at ports; to the Committee on Merchant Marine and Fisheries.

By Mr. JENSEN:

H. R. 11030. A bill to provide assistance in soil and water conservation and the establishment of proper land use to farm owners and operators who convert small tracts of crop or other land to woodland and to cooperate and assist the States in carrying out such development; to the Committee on Agriculture.

By Mr. KIRWAN:

H. R. 11031. A bill authorizing construction of a reservoir on the West Branch of the Mahoning River, Ohio; to the Committee on Public Works.

By Mrs. KNUTSON:

H. R. 11032. A bill to strengthen the Nation by providing auxiliary credit resources required to preserve the family-size farm, providing additional credit for farm enlargement and development, refinancing of existing indebtedness, expansion and simplification of farm ownership and operations credit programs by amendment of the Bankhead-Jones Farm Tenant Act, and extension and simplification of emergency and disaster farm credit by amendment of the Act of April 6, 1949 and of August 31, 1954, and for other purposes; to the Committee on Agriculture.

H.R. 11033. A bill relating to the management of the Red Lake Indian Forest and sawmill; to the Committee on Interior and Insular Affairs.

By Mr. LAIRD:

H. R. 11034. A bill to preserve the Menominee tribal forests during the formulation by the Menominee Indian Tribe of its plans for future control of the tribal property; to the Committee on Interior and Insular Affairs.

By Mr. MACHROWICZ:

H. R. 11035. A bill to provide for the duty-free entry of mosaics designed for the use of any corporation or association organized and operated exclusively for religious purposes; to the Committee on Ways and Means.

By Mr. METCALF:

H. R. 11036. A bill to amend the act of June 4, 1920, as amended, providing for allotment of lands of the Crow Tribe, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 11037. A bill to strengthen the Nation by providing auxiliary credit resources required to preserve the family-size farm, providing additional credit for farm enlargement and development, refinancing of existing indebtedness, expansion and simplification of farm ownership and operations-credit programs by amendment of the Bankhead-Jones Farm Tenant Act, and extension and simplification of emergency and disaster farm credit by amendment of the acts of April 6, 1949, as amended, and of August 31, 1954, and for other purposes; to the Committee on Agriculture.

By Mr. MURRAY of Illinois:

H. R. 11038. A bill to amend the public-assistance provisions of the Social Security Act to provide increased payments, eliminate certain inequities and restrictions, and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

H. R. 11039. A bill to amend chapter 51 of title 18 of the United States Code to make certain homicides punishable as Federal offenses; to the Committee on the Judiciary.

By Mr. MURRAY of Tennessee:

H. R. 11040. A bill to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain departmental activities, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. O'BRIEN of New York (by request):

H. R. 11041. A bill to provide that the people of Guam be represented by a Delegate in the House of Representatives of the United States; to the Committee on Interior and Insular Affairs.

H. R. 11042. A bill to provide for an elective Governor and an elective Lieutenant Governor of Guam; to the Committee on Interior and Insular Affairs.

By Mr. PELLY:

H. R. 11043. A bill to amend the Classification Act of 1949 with respect to the exclusion of crafts, trades, and labor positions therefrom; to the Committee on Post Office and Civil Service.

By Mr. POWELL:

H. R. 11044. A bill to provide that the people of Guam be represented by a Delegate in the House of Representatives of the United States; to the Committee on Interior and Insular Affairs.

H. R. 11045. A bill to provide for an elective governor and an elective lieutenant governor of Guam; to the Committee on Interior and Insular Affairs.

H. R. 11046. A bill to provide that the people of the Virgin Islands be represented by a Delegate in the House of Representatives of the United States; to the Committee on Interior and Insular Affairs.

H. R. 11047. A bill to provide for an elective governor and an elective lieutenant governor of the Virgin Islands; to the Committee on Interior and Insular Affairs.

By Mr. PRICE:

H. R. 11048. A bill to authorize the modification of the existing project for the Mississippi River between the Ohio and Missouri Rivers by the construction of a dam at Chain of Rocks; to the Committee on Public Works.

By Mr. REUSS:

H. R. 11049. A bill to amend section 602 of the Federal Property and Administrative Services Act of 1949 with respect to the utilization and disposal of excess and surplus property under the control of executive agencies; to the Committee on Government Operations.

H. R. 11050. A bill to facilitate the transfer of storage facilities between the military departments; to the Committee on Armed Services.

H. R. 11051. A bill to repeal section 638 of the Department of Defense Appropriations Act of 1956; to the Committee on Appropriations.

H. R. 11052. A bill to improve governmental budgeting and accounting methods and procedures, and for other purposes; to the Committee on Government Operations.

By Mr. SHORT:

H. R. 11053. A bill to provide for the establishment of the Wilson's Creek Battlefield National Historical Park in the State of Missouri; to the Committee on Interior and Insular Affairs.

By Mr. WALTER:

H. R. 11054. A bill to amend section 2385 of title 18 of the United States Code; to the Committee on the Judiciary.

By Mr. WATTS:

H. R. 11055. A bill to remove inequities created by and to avoid discrimination resulting from administrative practices and enforcement of the Civil Service Retirement Act of 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. WICKERSHAM:

H. R. 11056. A bill to increase the pension payable to widows and minor children of World War I veterans who at the time of their deaths have service-connected disabilities; to the Committee on Veterans' Affairs.

By Mr. BONNER:

H. R. 11057. A bill to authorize the Secretary of the Army and the Secretary of Agriculture, respectively, to conduct surveys of the hurricane-damaged coastal and tidal areas of North Carolina, and to make reports thereon; to the Committee on Public Works.

H. R. 11058. A bill to repeal section 12 of the act of June 26, 1884, prohibiting a charge or collection of fees by consular officers for official services to American vessels and seamen; to the Committee on Merchant Marine and Fisheries.

By Mr. EDMONDSON:

H. R. 11059. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. SELDEN:

H. R. 11060. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. CHRISTOPHER:

H. R. 11061. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. MAGNUSON:

H. R. 11062. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. ASPINALL:

H. R. 11063. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as as amended; to the Committee on Veterans' Affairs.

By Mr. KEATING:

H. R. 11064. A bill to provide for the temporary free entry of religious sceneramas and

other articles imported for exhibition by religious societies or institutions; to the Committee on Ways and Means.

By Mr. MEADER:

H. R. 11065. A bill to amend the Budget and Accounting Procedures Act of 1950; to the Committee on Government Operations.

By Mr. BONNER:

H. J. Res. 613. Joint resolution to authorize the vessel operations revolving fund of the Department of Commerce to be used for expenses in connection with the chartering of merchant ships under jurisdiction of the Secretary of Commerce; to the Committee on Merchant Marine and Fisheries.

H. J. Res. 614. Joint resolution to authorize the construction of 2 prototype ships, and the conversion of 1 Liberty ship, by the Maritime administration, Department of Commerce; to the Committee on Merchant Marine and Fisheries.

By Mr. ROOSEVELT:

H. Con. Res. 237. Concurrent resolution to provide that the United States delegation in the United Nations request free elections in the Slovak Nation; to the Committee on Foreign Affairs.

Mr. DONDERO:

H. Res. 499. Resolution requesting the President to forward the evidence and findings of the Select Committee To Conduct an Investigation and Study of the Facts, Evidence, and Circumstances of the Katyn Forest Massacre to the United States Mission to the United Nations for appropriate action, and for other purposes; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ELLIOTT:

H. R. 11066. A bill for the relief of Comdr. William Crane Cantrell; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

H. R. 11067. A bill for the relief of Mariko Nakashima; to the Committee on the Judiciary.

By Mr. LOVRE:

H. R. 11068. A bill for the relief of Elizabeth Cacavas (Elisavet Ioannou Kakava); to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 11069. A bill for the relief of Phyllis L. Ware; to the Committee on the Judiciary.

By Mr. RIEHLMAN:

H. R. 11070. A bill for the relief of Donato Severino Spensieri; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 11071. A bill for the relief of Raymond Perez Boullon; to the Committee on the Judiciary.

By Mr. SIEMINSKI:

H. R. 11072. A bill for the relief of Antonie Hagenaars; to the Committee on the Judiciary.

By Mr. SIKES:

H. R. 11073. A bill for the relief of Roland W. McQuagge; to the Committee on the Judiciary.

By Mr. TUMULTY:

H. R. 11074. A bill for the relief of Leslie A. Stuart; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 615. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. J. Res. 616. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. J. Res. 617. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

H. J. Res. 618. Joint resolution to waive the provision of section 212 (a) (6) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

997. By Mr. BOW: Petition of Fred Maurer and others of Stark County, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

998. By Mr. BUSH: Petition of C. V. Barbour and 77 other residents of Liberty and Tioga County, Pa., urging immediate enactment of a separate and liberal pension program for Veterans of World War I, their widows and orphans; to the Committee on Veterans' Affairs.

999. By Mr. DAGUE: Petition of Margaret M. Bonsall and 44 other members of Veterans of Foreign Wars Swayne-Campbell-Testa Post 5467 Auxiliary, Kennett Square, Pa., urging the enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1000. By Mr. ELLSWORTH: Petition of 20 members of the Ladies Auxiliary to Steelhead Post, No. 6881, Veterans of Foreign Wars of the United States, Shady Cove, Oreg., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1001. By Mr. HAYS of Arkansas: Petition of Comdr. Charles A. Smith, American Legion Post No. 305, Little Rock, Ark., urging speedy passage of war veterans security bill (H. R. 7886) and expressing opposition to any legislation that affects veterans of World War II and Korea in the reduction of any rights or benefits that is now a law; to the Committee on Veterans' Affairs.

1002. By Mr. HORAN: Petition of Amos Lehinger and 174 other veterans of Spokane County, Wash., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1003. By Mr. SMITH of Wisconsin: Resolution of the board of directors of The United Givers Fund of Beloit, Inc., of Beloit, Wis., in support of H. R. 7910, a bill to permit transfer of series E savings bonds to tax-exempt charitable organizations; to the Committee on Ways and Means.

1004. By the SPEAKER: Petition of Lois J. Dunne and others, Salt Lake City, Utah, requesting that Congress rescind the appropriation of funds for the work of the House Committee on Un-American Activities, etc.; to the Committee on Rules.

1005. Also, petition of B. E. Freeman and others, Fitzhugh, Okla., requesting passage of some good national old-age pension bill such as H. R. 446 and H. R. 7981; to the Committee on Ways and Means.

1006. Also, petition of the executive secretary the American Tariff League, Inc., New York, N. Y., submitting petitions signed by officials of more than 500 companies and agricultural groups throughout the United States, as well as labor unions and employees in some industries, pertaining to the subject of H. R. 5550; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Problems Faced by America's Reserve Forces

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, May 7, 1956

Mr. WILEY. Mr. President, on Saturday evening, May 5, I addressed the convention of the Reserve Officers' Association of Wisconsin, pointing up the problems faced by America's Reserve forces.

I ask unanimous consent that the text of this address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I'm happy to be with you tonight.

I salute you, as alert members of the Reserve, vigilant night and day in fulfilling a citizen-soldier's responsibilities of national defense.

As you so well know, the safeguarding of the future of our Nation can no longer be left in the hands of the Armed Forces Regulars alone.

Defense has become everybody's business, everybody's responsibility—yours and mine and everyone else's.

AMERICA—A PEACE-LOVING NATION

America remains, of course, a peace-loving Nation. We Americans are, by tradition, a peaceful, nonaggressive, easygoing people.

Cherishing our freedom, however, we have always been solicitous of the rights of others to freedom. We remember how other peoples have lost their freedom—with 900 million people now behind the Iron Curtain.

Moreover, we remember how, in the past, war has come to our people by surprise attack—by a blitz against our unsuspecting Nation—in April 1917, in December 1941, then again in June 1950.

DANGER OF A NUCLEAR PEARL HARBOR

We are determined that never again shall we be unalert, unprepared, undefended. Never again will we risk another Pearl Harbor.

We shall not be lulled to sleep by Comrades Khrushchev's and Bulganin's sirupy words. We will not be deceived by the phony dissolution of the Red International Cominform.

Aware of what war could mean, we will, of course, do our utmost to explore avenues of peace. But we will never again be asleep at the switch—unprepared for modern, high-speed war in the atomic age.

Today, already, our best jet plane can fly at 1,500 miles per hour. Development of guided missiles of 10,000 miles per hour is reportedly on their way. We dare not therefore, coast on our laurels, as the race for technical supremacy intensifies, for the Reds are rapidly moving ahead on their own.

COLD WAR CONTINUES

Meanwhile, on every continent, the cold war rages: In Asia, Africa, South America, Europe and elsewhere; the war of propaganda by radio, press, TV, motion pictures, newspapers, pamphlets; of Soviet trade offensive, cultural offensive, yes, even athletic offen-

sive (in the coming Olympics games in Australia).

The cold war is a war which we must and can win, so as to avoid a "hot war."

ADMINISTRATION PROGRAM IS SOUND

On the home front, the challenge today is to develop a comprehensive peacetime program to protect our Nation at all times.

I believe the philosophy of the program of our national administration in Washington is sound.

The major tenets of this philosophy are—that military strength should be maintained at a level of development necessary for the changing needs of national defense; that the defense effort should be a well-balanced program between the three services, but with particular stress on aviation; that the program should be geared to the long haul, and to the ecenomy of the country.

MEASURES OF DEFENSE

To create a program that will fulfill this philosophy of defense, we must—maintain armed forces equipped with even more modern, long-range weapons, with the greatest retaliatory striking force in the world; maintain a flexibility of operation, to adapt to rapid technological changes and developments; improve our continental defense—our Distant Early Warning Radar system, our Nike program; maintain a front-line perimeter of defense in bases around the world, ready to respond at the first siren of emergency; fulfill the needs of our Reserve and our National Guard so that they are ready and able to charge into the battle-line in the event of attack.

COMMUNIST MILITARY GROWTH SERIOUS

As you and I know, our great concern for an adequate defense effort is not based on illusion or miscalculation.

The hard facts of the military strength of aggressive communism will dissolve any doubt that we need a strong defense.

The Soviets have modernized their air power; most of their 20,000 operational planes are now modern jet fighters and bombers. New and improved planes—with super-thrust engines are coming off production lines throughout Russia and the other Communist countries.

They have modernized their mobile army of 175 divisions, and have increased the capability of the European satellite armies which comprise some 80 tough divisions.

The Russians have built a strong undersea fighting force, including more than 400 modern submarines. (That is five times as many as Hitler had at the start of World War II.)

The capability of the vast military forces of Red China are greatly increased. The Red Chinese air force, jet equipped, is now the fourth largest in the world.

These are but a few of the unhappy facts we must face, in girding ourselves for the long-haul, defensive effort.

And, of course, I need hardly remind you that Soviet development of A-bombs and H-bombs, as well as progress in guided-missile research—looms as one of the topmost acute problems on the world stage.

MILITARY, ECONOMIC, AND IDEOLOGICAL STRUGGLE

Presently, in all the continents, there are two principal phases to the struggle between communism and the free world: the military and the economic.

We should be aware, however, that accompanying the military and the economic struggle, there is always the ideological factor.

The basic tenets of the contest are: Our way of life against the communistic; freedom against slavery; truth against falsehood; recognition of the dignity of the individual, against complete subjugation of the individual to the dictatorial state.

UNION OF SOVIET SOCIALIST DICTATORSHIP

The U. S. S. R. is, of course, solely responsible for the state of continual crisis in which the world is now living.

The demotion of Joseph Stalin has not basically changed Red strategy. Conquest of the world remains communism's dominant aim.

UNITED STATES MODERNIZING DEFENSES

To meet the Soviet threat, we are now reevaluating our military defense. A Senate Armed Services subcommittee is reviewing our long-range bomber and guided missile programs. President Eisenhower has requested one-half billion dollars more from the Congress for Air Force production of B–52's.

Obviously, we cannot be smug over our existent defenses. Nor need we however be overly critical of our own progress.

We have made dynamic advancement in modernizing and bringing up to date our fighting standards. Here are a few examples:

Our jet-equipped Air Defense squadrons are being strengthened with increasing numbers of supersonic aircraft;

Our interceptor planes will be increasingly equipped with Falcon air-to-air guided missiles;

On the ground, an increasing number of Army antiaircraft battalions are being converted to Nike guided missiles—such as those already encircling the city of Milwaukee;

The guided missile, Corporal, is in the hands of our troops and ready for action, capable of delivering an atomic warhead on targets at long ranges;

The mighty atomic artillery rocket, the Honest John, an outstanding weapon for close-in support, is also in the hands of our troops.

The Army and Navy have joined together as a team in developing the ballistic missile with the intermediate range of 1,500 miles, to be launched from land, ship, or submarine.

The development of these mighty missiles will give our fighting forces the power to demolish pinpoint targets deep within enemy-held territory—despite fog, rain, snow, or any other adverse conditions.

As you know, the destructive firepower of today's division is estimated to be 80 percent greater than it was in World War II. We must exert all-out effort to maintain and improve this completely modernized fighting force.

ROLE OF THE RESERVES MORE AND MORE IMPORTANT

Meanwhile, the role of the Reserves is becoming increasingly important in our national-defense picture.

The ultimate objective of the reserve program, of course, is its integration into the fighting force of the United States as effectively as possible, so as to best support the overall-defense program.

We need all 5,000 reserve units throughout the country at top strength, trained and ready to meet the needs of emergency. We need complete units: manned, equipped, trained, and ready for mobilization.

GOALS OF RESERVE PROGRAM

The reserve program too, is a most valuable way of educating our national citizenry to its defense obligation. This can be done: (1) Without too greatly disturbing the pursuits of the individual in life; and (2) without impeding our technological advancement, in fact, we are strengthening it, by having a maximum of our citizens, as reservists, possess current technical knowledge.

The reserve program, also, is designed to operate without upsetting our economy pattern, and without impeding our intellectual, cultural, and spiritual development as a nation.

The men who are in the Reserve, of course, are the best judges of its effectiveness, and of its ultimate degree of contribution to our national defense.

RESERVE PROGRAM BROADENED

Fortunately, in recent times the reserve program, because of its increasing significance in the national defense effort, has been made more just, has been broadened and made more flexible.

The basic aim of the enactment of the historic Reserve Forces Act was to make more just and equitable our reserve policy and to improve the structure and size of the Reserve Forces. Under the current program, the Reserves essential elements are, as you so well know, composed of the Ready Reserve and the Stand-by Reserve.

SCREENING OF READY RESERVES

The statutory size of the Ready Reserve has been increased, as you are aware, from 1.5 million to 2.9 million.

The screening process for the Ready Reserves is extremely important to make certain that this highly important segment of the reserve program is genuinely ready. The objectives of the program are to ascertain that we have in the reserves only those who are actually available for immediate mobilization; that we do not have in the Ready Reserve, persons with critical civilian skills who can make a better contribution in a defense-supporting economy.

In addition, we need careful screening procedures on such categories as: those failing to meet service standards; hardship cases; persons with skills in excess of service needs for the Ready Reserve; students and apprentices in training for critical professions and occupations, and others not available for mobilization.

This screening is essential to keep the units at the highest level of efficiency—ready to plunge into the front line of the Nation's defense.

STANDBY RESERVE

The Standby Reserve, composed of 2 million men, is greatly needed to provide for additional units and individuals. Although essentially a nonorganized pool of experienced personnel, this group of the Reserve program will be invaluable in time of national crisis.

SIX-MONTH ACTIVE-DUTY FOR YOUNG RESERVISTS

Unfortunately, the program for 6-month active-duty training for young men who will then go into the Reserves, has not yet had as great an effect upon Reserve enlistment as anticipated.

However, it is hoped that with time the program will take hold. We need to educate our people, and especially our young men, to the requirements and benefits of this program, so that as many as possible of our youth may avail themselves of its opportunities in discharging their service obligations.

INCREASE IN RESERVE WAGES

Last week, as you know, the Reservists received a raise in pay from $50 to $78 monthly for voluntary active duty. This corrects a disparity between the reservists and other active-duty personnel.

This raise may help, also, to provide the needed manpower for the Reserve program. We dare not have "too few and too late" if war again comes.

TWENTY-TWO MILLION VETERANS IN AMERICA

We have all heard it said many times: "We no longer have a class of veterans among us; instead, we are becoming a nation of veterans."

America today has more than 22 million veterans, in all walks of life. However, the veteran still assumes a unique role in our society.

We are requiring our veterans to give more of their time and their service, yes (in the tragedy of war) of their lives, if need be.

With this great sacrifice, we must also help to provide them with the genuinely deserved benefits of our way of life. That is why, for

example, I have personally introduced legislation to extend for 3 years the GI home loan benefit program. Otherwise, that program will expire by mid-1957.

OTHER LEGISLATION FOR VETERANS

As you know, there are hundreds of other veterans' bills pending before the Congress. These cover such problems as increase of pensions, employment, hospitalization, educational benefits, loans, rehabilitation, and many other answers to the real problems of today.

On April 24, the House Veterans' Affairs Committee, before which this legislation is being largely considered, passed over, without prejudice, all compensation and pension legislation, pending study and analysis of the findings of the Bradley Commission. As you are aware, parts 1 and 2 of this report were issued last week.

A meeting of the committee is expected in early May. After consideration of the Bradley recommendations, a report on overall veterans' legislation will be forthcoming.

CONCERN OVER BRADLEY COMMISSION REPORT

I personally have not as yet had an opportunity to study in full the Bradley report. I am inclined, speaking generally, to agree with what it states about the need for more aid for the severely disabled combat-connected vet.

But I certainly do not agree with what the report seems to state about depriving noncombat disabled veterans of their just due.

The findings of the Commission seem unfortunately, to point toward an undermining of programs of benefits for most veterans—programs which all of us have worked hard to provide over the years.

Be assured that I will strongly oppose any kind of recommendations that would undo our well-deserved efforts. And I am confident that the present 84th Congress would not act in the slightest to impair statutory rights and privileges of our ex-servicemen.

LIBERALIZATION OF SURVIVOR'S BENEFITS

Meanwhile, there is, as you know, important House-approved legislation before the Senate to liberalize benefits for the survivors of servicemen and veterans. This legislation is now before the Senate Finance Committee.

Until now, there has been an unfortunate disparity in the treatment of survivors. This current legislation will help to correct this disparity. This is not, of course, a perfect piece of legislation; but it is a step in the right direction.

Along with our national administration, I believe that the enactment of this legislation would provide fairer treatment of all categories of survivors.

You may be assured that I shall urge prompt action by the Finance Committee, to expedite this legislation, for the benefit of deserving families of veterans and servicemen throughout the country.

OTHER VETERANS' AND SERVICEMEN'S PROBLEMS

There are, as you are well aware, many, many other problems yet to be worked out for veterans and servicemen. We must continue our efforts to analyze the problems, and propose solutions, to correct any inequities in existing programs.

For myself, I believe this is one of the foremost responsibilities of the Congress.

As Calvin Coolidge wisely said, "A nation which forgets its defenders will itself be forgotten."

CITIZEN PARTICIPATION IN TOTAL DEFENSE

There is a great need on the part of the public for understanding the new "kind of overall defense" which we must undertake to meet the current world crisis. It is a total defense pattern—defense from without and from within—in which every citizen must participate.

The American people must cooperate to build a formidable wall of protection for ourselves and the free world.

At the same time, we must all contribute to the progress and development of our own Nation, itself—keeping it healthy and clean and prosperous.

FREEDOM IS ALIVE EVERYWHERE

Our land is the symbol of hope, of freedom which flames in the breast of every human being.

Among the Communists, only "higher-ups" enjoy even a limited freedom. The Kremlin's ruling class, however, is never quite sure when the party line will change, and its members will be purged, possibly killed, or sent to prison in Siberia.

WE CAN BE DEFEATED ONLY BY APATHY

We have no such fear. The only things that can cause our defeat by communism would be a lack of patriotism, or a lack of initiative to rise up and meet the dynamic challenge of our times.

We have—potentially all that we need to have—materially, economically, militarily, and spiritually to win the peace. I believe in my heart that we, individually and as a Nation, will do so.

DESIRE FOR FREEDOM IS UNIVERSAL

We must always remember that we are not alone in our desire for, and need of, freedom. The love of liberty is aflame in the breasts of millions of souls behind the Iron and Bamboo Curtains, and throughout the rest of the world. Despite all the efforts of communism to extinguish that flame, it burns even brighter.

Every now and then, however, we might each adjourn to our "inner rooms," and consult with our souls, and our God. For a strong, spiritual faith is "basic equipment" for every American.

CONCLUSION

I firmly believe that, if we unite now, as we have in other times of crisis, we will assuredly triumph over communism, and without a mortal conflict.

More than that, we will bring to the world the rich kind of life that results only from free people—working and praying together—to attain their goals.

These goals, based on God-given freedom, are defined in the Bill of Rights, and embedded deep in the heart of all humanity.

It is your minutemen—your reservists—who will help us—help all mankind to maintain or attain our birthright.

Replies to Questionnaire From 15th District on Major Issues

EXTENSION OF REMARKS
OF
HON. GORDON L. McDONOUGH
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 7, 1956

Mr. McDONOUGH. Mr. Speaker, I have requested the people of my district once again to share with me their opinions on some of the most vital and important issues before Congress. This questionnaire was circulated throughout the entire 15th District to assure that all who were interested would have an opportunity to express their views on these issues.

The replies which I have received reflect the keen interest of the people on these issues and the thoughtful consideration given in stating their opinions. In many instances the replies included observations and comments not only on the issues which I had included in the questionnaire, but on other important problems of government.

The following is a summary of the replies I received to my questionnaire:

1. Should the Constitution be amended to provide direct election by the people of the President and Vice President? Yes, 79.5 percent; no, 20.5 percent.

2. Should the United States withdraw from the United Nations if Red China is admitted over our objections? Yes, 51.6 percent; no, 48.4 percent.

3. Should the death penalty be applied to convicted narcotics peddlers? Yes, 72.3 percent; no, 27.7 percent.

4. Should postal rates be increased to balance the Post Office Department deficit of $350 million? Yes, 55.2 percent; no 44.8 percent.

5. Should the Constitution be amended to prevent treaties and international agreements with foreign nations from becoming the supreme law of the land? Yes, 73.6 percent; no, 26.4 percent.

6. Should the price of natural gas be controlled by Federal Government or by State governments? Federal, 39 percent; State, 61 percent.

I am confident that this review of the results from my latest questionnaire will be of great interest to the Members of the House of Representatives.

Demonstrations at National Conventions

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 7, 1956

Mr. ROOSEVELT. Mr. Speaker, I have recently received from Mrs. Clara Shirpser, the Democratic national committeewoman for California, a most interesting resolution which she proposes to place before the 1956 Democratic National Convention. I quote it:

To the Rules Committee, 1956 Democratic National Convention:
Resolved, That—

(a) All demonstrations at the 1956 Democratic National Convention be restricted to a period of 15 minutes;

(b) That all parades in the aisles be eliminated;

(c) That an invitation be extended to each Democratic candidate whose name is placed in nomination for President of the United States who receives at least 15 percent of the votes on the first ballot, to address the 1956 Democratic Convention for a period of 15 minutes.

Mr. Speaker, it seems to me that this suggestion has a great many advantages and few, if any, disadvantages. Perhaps it will be considered by both political parties and certainly it would be a fine thing for all those who will undoubtedly be watching the proceedings of the conventions on television to have the opportunity to directly see and judge the candidates who remain in the running under the proposed formula. There seems to me to be one of the improvements in the convention system which

has long needed to be made more democratic. I hope it will be widely discussed and supported by the delegates to the 1956 Democratic National Convention.

Insurance Against Flood Damage

EXTENSION OF REMARKS
OF
HON. PAT McNAMARA
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES

Monday, May 7, 1956

Mr. McNAMARA. Mr. President, in behalf of the junior Senator from Rhode Island [Mr. PASTORE], I ask unanimous consent that there be printed in the CONGRESSIONAL RECORD a statement prepared by him with reference to Senate bill 3732, a measure to provide insurance against flood damage, and for other purposes.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF UNITED STATES SENATOR JOHN O. PASTORE, DEMOCRAT, RHODE ISLAND, WITH REFERENCE TO S. 3732, A BILL TO PROVIDE INSURANCE AGAINST FLOOD DAMAGE AND FOR OTHER PURPOSES

On April 26, the Senate Committee on Banking and Currency reported S. 3732; a bill to provide insurance against flood damage and for other purposes.

As everyone knows, various sections of our country suffered tremendous damage and loss of life due to natural catastrophes within the past few years. In my own State of Rhode Island and in the New England area, floods and hurricanes wreaked damage almost beyond comprehension. Scenes were graphically portrayed in newspapers, magazines, and on television showing the devastating havoc wrought by the floods. The hearts of the American people were moved to compassion at the misery which prevailed. And from all parts of the land and many parts of the world came messages of commiseration. These were heart-warming indeed. But little could be done by anyone to relieve the shocking plight of those whose loss of house and home, of factory, farm or shop, constituted a wholly uncompensated disaster against which there was and cannot be adequate insurance protection from private insurance companies. Many of these unfortunate people witnessed the loss of their entire life's work. Home upon home was swept away and, in many cases, nothing but an unpaid mortgage was left in its place.

The situation thus presented called for action—action on the part of all the people of the United States. To this end, therefore, the Senate Committee on Banking and Currency initiated a very thorough and exhaustive study of an insurance program which would attempt to alleviate the apprehension of those individuals who were unable to secure flood insurance.

The committee, under the acting chairman, the junior Senator from New York [Mr. LEHMAN], visited various stricken areas of the country to view firsthand the grim results of these floods. Witnesses from all walks of life were heard. All proposed plans received study and attention.

The committee visited my own State of Rhode Island on November 10, 1955, and there as in so many other States and towns which were visited, they received the views of individuals qualified to speak on such an important, specialized problem as disaster insurance.

I personally joined in sponsoring S. 3137 and S. 2768. I understand that S. 3732, as reported by the Banking and Currency Committee, has taken features from both of these bills and from a bill introduced by the senior Senator from Connecticut [Mr. BUSH]. To me this is a concrete example of the bipartisanship nature of this legislation, which, in my judgment, merits the approval of the Senate.

Possibly there will be some who will disagree with some of the provisions of S. 3732, but there is a certain amount of trial and error which will be experienced in setting up an adequate flood-insurance program. This is to be expected.

This bill would create an agency called the Federal Flood Insurance Administration. This Administration would be under the Housing and Home Finance Agency and administered by a Commissioner appointed by the President and approved by the Senate. The detailed provisions of S. 3732 can be more comprehensively explained by the members of the committee who worked so diligently on S. 3732.

The need for such legislation is very apparent. For an individual to see his home and personal possessions which he earned by strenuous personal industry, washed away by a flood, is a scene which would tear at the heartstrings of any human. The tragedy at the present time lies in the fact that no individual can secure compensation for such loss. He may secure insurance against lightning, earthquakes, and other storms, but not against flood risks. Hence, this bill becomes more necessary as the days go by.

In connection with the need for this legislation, I include an editorial which appeared in the Providence Journal of Monday, October 31, 1955, entitled "Writing a Disaster Insurance Plan Fast":

"The Senate hearings on disaster insurance, opening today in Washington, come as a hopeful sign to flood-weary New Englanders who have been bearing the brunt of nature's costly extremes.

"As the hearings progress, it should become clear that the need for Federal participation in a disaster insurance plan is beyond question. There simply is no alternative—except impoverishment and suffering.

"Relatively few persons are vulnerable to flood damage, and because of this, commercial insurance companies have been unable to undertake their risks at reasonable rates. As a result, New Englanders will be able to recover only a tragically small percentage of the estimated $650 million losses suffered this year. One estimate, on the basis of earlier figures for the August floods, place insurance coverage at 10 percent or less of the total damages.

"Sadly, the uninsured losses are the important, everyday necessities—homes, furniture, shops, and factories. They must be swiftly restored without bankrupting their owners if our regional economy is to remain sound. This time, as in the past, the Red Cross and the various relief agencies gave invaluable aid to recovery. But still, all too many who suffered losses have found themselves unqualified for this aid. Many have to borrow to patch up their losses, but such loans are a continuing drag on the economy. Our residents and businessmen must be given solid assurances that they will have certain recourse when disaster strikes again.

"Federal participation in disaster insurance will, in fact, be a sort of premeditated relief. Because the population at large will be undertaking the risks of a few, such a program will be more in the nature of a subsidy than pure insurance, which is a voluntary spreading of risks. But there seems to be little room for disputing it on these grounds. One way or another, the entire Nation has always responded with relief to its stricken citizens, sharing in common the costs of misfortune—be it war, plague, or disaster.

"Nor does there seem to be adequate grounds for fearing that Federal disaster insurance will be another step in Government encroachment on private business, or that Government will ultimately be forced to underwrite less justifiable risks. Government in this case will be filling a glaring need that private business thus far has been unable to satisfy. This is not encroachment, nor could it ever be claimed as a precedent for encroachment.

"The Lehman committee should therefore act with decision in drawing up a sound disaster insurance plan to lay before the next Congress. And it should be enacted without delay, for more storms may strike before crucial flood-control devices can be built. New England will be impatient of political small talk, for the survival of many of her citizens is at stake."

The responsibility of the committee has just about been concluded. The members of it have worked endless hours, have traveled hundreds of miles and have had the benefit of one of the most efficient staffs of any committee on Capitol Hill. I wholeheartedly urge—yes—I even plead with the Senate to give favorable consideration to S. 3732 so that this measure may proceed on the legislative path to the other body.

There have been bills on this subject introduced in the House of Representatives. Possibly if the House receives a bill from the Senate, it might further expedite matters. Time is of the essence and as the expression goes, "Time and tide wait for no man."

The livelihood and welfare of literally millions of people rest upon this bill. While it is not a flood-preventive measure, at least it is a consolation for the people of this great country to know that the door will be open to them to make provision for insurance against the risk of flood. In the meantime, we can proceed with plans and preparations to control or avert the devastation of natural catastrophes.

The Red Cross knows what this problem is. The President of the United States knows what this problem is, as evidenced by the fact that he declared certain areas disaster areas during 1955 after these floods had left their marks of destruction.

This bill is not a handout by the Federal Government. The premium rate and the terms and conditions of any policies issued by private insurance companies on the basis of Government reinsurance are made subject to the Commissioner's approval. Private companies alone cannot do the job. This is evident by a review of the testimony offered during the hearings on this legislation.

The Federal Government must lend a helping hand with the hope that the experience gained can eventually be of assistance to private insurance companies. The gap must be plugged until such time as private industry can cope with the problem.

When the Committee on Banking and Currency visited Providence, R. I., I submitted a statement setting forth my views. I said that the committee was faced with a tremendous task and I was certain that they wished to report legislation which would provide a ray of hope for those whose futures may be threatened by a repeat performance of the havoc which at that time had been wrought by Hurricane Diane and other natural catastrophes.

I congratulate the committee for the fine job it has done resulting in S. 3732.

I am very happy to note that this bill received the unanimous approval of the Committee on Banking and Currency.

This Congress has, through both the Senate Committee on Public Works and the Senate Appropriations Committee, considered the requests for preventive measures for flood control. Now, in order to properly weave the various threads of this problem into a complete cover, we must consider the insurance aspect of the flood problem. This has been done in S. 3732. If over a period of time it

found that there are certain provisions of this bill which can be improved upon, this can be done in a future Congress.

We must get this program off the ground. We cannot do it by further study or prolonged debate and discussion. It is a matter of vital concern which requires our prompt and expeditious action on the floor of the Senate.

Personally, I can perceive no objections, nor have I heard of any objections by Members of Congress, to a flood-insurance program. As I previously pointed out, the President saw the need for such a program and so expressed himself. Former President Truman saw the need for such legislation in 1952. Here in this great body, the matter, in my opinion, has transcended party lines. It is a case of a national problem which must be dealt with on a national scale. It is not a problem to be left to the various States, because it affects the very economy of our entire Nation. If a plant in Woonsocket, R. I., is damaged by flood, thus causing production to stop, those people in the rest of the United States or in the world who depend upon that product must go without it or consume valuable time at great economic loss in securing a new source of supply.

The hearts of the American people have been touched on numerous occasions when a plea has been made by the Red Cross for funds to cope with the human suffering which resulted from these floods. Basically and simply, the problem is—we need flood insurance legislation. With this, no one quibbles. This is it.

Further, the problem must be solved on a national scale. This is where we in the Congress of the United States fit into the picture. S. 3732 enables us to carry out our obligation to all the people of the United States.

The instrument for relief is at our disposal. The Committee on Banking and Currency of the United States Senate has put this instrument before us. I urge with all the fervor at my command for favorable consideration of S. 3732. It will give a lift to those who need it. It will bring consolation to those who are moved with compassion for their fellow man. It will show that no problem is too big for the United States to overcome once it puts its machinery of democracy into operation.

In Defense of the Automobile Worker

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 7, 1956

Mr. RABAUT. Mr. Speaker, we have heard a great deal about the automobile industry in the last few months. There have been extensive congressional hearings investigating numerous charges and countercharges. While there may possibly be room for improvement in contract relations between factory and dealer, I do feel that undue criticism has been leveled at the entire industry for isolated cases of dissatisfaction with a particular motor vehicle.

Recently, a Member of Congress inserted several letters in the CONGRESSIONAL RECORD that create the impression that automobiles generally are not being properly assembled or serviced. I challenge such an allegation. The case referred to in the RECORD involved 1 dealer; there are 45,704 automobile dealers in the United States. Further, the charge that inferior workmanship is widespread in the industry is a slap at the thousands of workers throughout America's greatest business enterprise.

I am quite familiar with the methods employed in the automobile factories and you may be assured that most careful consideration is always given to the safety element and proper construction of each individual car. I am also familiar with the pride that the employees take in their craftsmanship. These men and women deeply resent the inference that their work is not as thorough as it might be. I am not saying that there never has been a car with mechanical imperfections; in any human endeavor, mistakes will be made. However, proceeding from the specific to the general is definitely not in keeping with the American concept of fair play.

Address by Hon. Styles Bridges, of New Hampshire, Before Annual Meeting of American Cotton Manufacturers Institute

EXTENSION OF REMARKS
OF
HON. STYLES BRIDGES
OF NEW HAMPSHIRE
IN THE SENATE OF THE UNITED STATES
Monday, May 7, 1956

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address which I delivered before the annual meeting of the American Cotton Manufacturers' Institute, at Hollywood Beach, Fla., on Saturday, April 7, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

INTRODUCTION

I am delighted to come to Hollywood Beach this morning and join in your annual meeting.

The American Cotton Manufacturers Institute, as the central organization of one of America's largest and most important industries, is doing an outstanding job for its members. I have known this for a long time, of course, but the size of the audience here today makes me all the more certain of it.

I have come here today from our Nation's Capital—one of the two great nerve centers of the world. The other, of course, is Moscow. Decisions are being made—and will be made in the next few months and years—in these two world capitals, which may well decide the destiny of the civilized world. In my judgment, it is imperative that the citizens of this country understand some of the basic issues which confront us. It is only by understanding them that we can meet the challenges—courageously and intelligently.

I happen to be the ranking Republican in the United States Senate and chairman of the Senate Republican policy committee. As such, I represent 1 of the 2 great political parties of our country. We now have a Republican administration after 20 years of control by the New Deal and Fair Deal leadership of the other party.

A little more than 3 years have passed since this change in government took place. They have been short years. They have gone quickly. But a great deal has taken place in that brief period of time. It is right that we stop and evaluate our progress.

In the first place, we must know what this administration in Washington is doing. Secondly, we must identify the major problems which confront us today, and determine how those problems shall be solved.

I think it is fair to say that this administration probably satisfies neither extreme in our country—neither the extreme left wing nor the extreme right. I am sure that the New Dealers are not pleased with it, and I imagine that the ultraconservatives are not happy either. In my judgment, the administration is following a constructive middle course—a course dedicated to the best interests of the great majority of Americans. My definition of it is: "A wise application of traditional American principles to today's problems."

THREE OF THE FUNDAMENTAL ISSUES

This administration has had to cope with a multitude of problems. If time and your patience permitted, I could discuss them for hours. However, we can reach some understanding of the complexities of Government, if we discuss three of the fundamental and basic issues that confront us today. The first and most important is that of fiscal stability. Our fiscal health determines in great part how successful we will be in our approach to the remaining two problems—foreign trade and national defense.

PROGRESS IN ECONOMIC STABILITY

For the last 10 years, the American people have fought a constant battle with fluctuating prices, fluctuating wages, and inflationary trends.

One of the most important developments which has occurred in the last 3 years has been the economic stability which accompanied the economic progress this administration brought to the Nation.

A striking example of the byproducts which come from sound fiscal policy is found in the termination of controls. The calamity howlers said that the removal of controls would ruin our economy. They insisted that without controls we would experience a further inflationary spiral.

The New Deal planners maintained that controls were essential and that the free-enterprise system was out of date. They told us that if the President dared to remove controls on prices, wages, and rents, the American wage earner would be the loser by $3 billion a year in increased cost of living. Fortunately, President Eisenhower and the leaders in Congress were courageous enough to do what they knew was right.

WHOLESALE PRICES AND COST-OF-LIVING INDEXES

The results of their courage are apparent. In January 1953, the wholesale price index was 109.9. In January 1956, this same yardstick was 111.9. The wholesale price level of commodities has risen only 2 points in the last 3 years, whereas, in the last 3 years of the Truman administration, the wholesale price index jumped 12½ points.

The cost-of-living index in January 1953 was 113.9. In January 1956, 3 years later, it was 114.6—an increase of only seven-tenths of 1 percent.

I can offer no better proof that this administration's doctrine of economic commonsense has been effective. In my judgment, these figures bear plain witness to the fact that free enterprise is the true American system.

STRENGTHENING THE DOLLAR

Another clear indication of improvement in our economic health has been the ability to stop inflation of our currency and the cheapening of our dollar.

In 1939, the purchasing power of the dollar was 100 cents. By January 1953, the deficit financing and inflationary programs of that period had decreased its value to 52 cents.

This depreciation of our currency has had devastating effects on wage earners, investors, and on the aged who depend on fixed retirement income for their security. It is a brutal but accurate fact that an annual income of $5,000 in 1940 would provide little more than $2,500 worth of commodities in 1952. I hardly need to dwell on this. You know as well as I do what cheap money can do to the Nation's economy.

It is tremendously significant that, since January of 1953, the purchasing power of the dollar has varied within a range of only one-half of 1 cent. That is a record of fiscal responsibility. It is this same sense of responsibility which makes us continue to strive to balance our national budget and spend within our means.

REDUCTIONS IN APPROPRIATIONS AND SPENDING

When this administration came into power on January 20, 1953, and President Eisenhower assumed the responsibility of leadership, we were faced with an almost impossible fiscal situation. We had, carried over from the previous administration, contract authorizations amounting to over $83 billion. These were actually I O U's incurred by our predecessors and left for us to pick up and pay.

Imagine taking over a business and finding $83 billion in bills facing you—and finding $83 billion to be $20 billion more than the entire income of the business. In addition, Mr. Truman had made excessive recommendations for appropriations and spending to the new Congress. The 1st session of the 83d Congress cut appropriations by $14,100,000,000 under the Truman estimates. In the 2d session of the 83d Congress, we again made substantial cuts and the final appropriations by that Congress were $27,800,000,000 under the appropriations of the 82d Congress.

For the fiscal year ending June 30, 1956, a balanced budget is in prospect.

Latest Treasury estimates indicate a $200 million surplus, although this figure may change in the spring after the Treasury receives heavy corporate and individual Federal income-tax payments.

Furthermore, President Eisenhower has submitted a balanced budget for fiscal year 1957, with an estimated surplus of some $400 million.

The struggle to balance the budget has been a tough one. It will require continued vigilance to keep the Government from going into the red again.

Later in my talk, I will make reference to the Bridges-Byrd amendment, which I believe would contribute materially to this goal.

TAX CUTS

The Republican Party has taken the lead historically, in reducing income taxes. In fact, it has voted 7 out of 10 income tax cuts that have been made since 1913. We will cut taxes again whenever it is reasonable and proper that we do so. But first things must come first. We would be irresponsible and negligent in our duties—if we went before the American people and advocated a tax cut at this time. It is our conviction that fiscal stability is essential to the welfare of the country, but we will never have that stability so long as we spend more than we take in.

The national debt of this country is almost beyond human understanding. It presently rests at $277,700,000,000. Secretary of the Treasury Humphrey has stated that this debt is so tremendous that we owe more money than all the people in the world have ever owed.

SIGNS OF A HEALTHY ECONOMY

The constant efforts of this administration to achieve economic stability are good signs in government. In my judgment, these measures are applauded by all thinking Americans.

There are other signposts, however, of improvements in our economic condition, which I invite you to consider.

More than 64 million Americans are now employed, out of a record civilian work force of 66½ million.

More than half of the 47 million American householders own their own homes.

Americans have put aside $85 billion of savings in life insurance and own more than $50 billion worth of United States savings bonds.

Government and private retirement funds for American workers now total almost $60 billion.

Total output of goods and services hit a new high in 1955—more than $387 billion, and the rate in 1956 may run over $400 billion a year.

Personal income in 1955 broke all records: $303 billion, an increase of $15.5 billion over 1954.

Disposable personal income—which is total personal income less personal taxes—reached an all-time peak of $269.2 billion in 1955—rising $14.4 billion over 1954.

What's more, the Nation's expanding income was widely shared. Income received by labor in the form of wages, salaries, social-security benefits, and related payments, rose to 75.4 percent of total personal income plus personal contributions for social insurance. The share of proprietors fell about one-half percent; the share of investors remained unchanged.

Meanwhile, the consumer price index fluctuated within a range of less than one percentage point during 1955.

In other words, while personal income was rising, the cost of living was steady, meaning a net increase to our people.

Unincorporated firms showed gains, as seen by the rise in business and professional income from $25.9 billion in 1954 to $27.3 billion in 1955—an all-time high.

Corporate profits in 1955 rose above 1954 by $9 billion before taxes and by $4.5 billion after taxes.

New production records were set in industry and related activities, and construction expenditures reached a new high of $42.2 billion.

This country has never known such prosperity—either in peace or in war.

Farm prices and incomes alone are depressed amid the Nation's greatest prosperity.

Average prices received by farmers for all products remained fairly stable in the first half of 1955. Near-record harvests, however, sent the index of prices received by farmers downward from June through December.

Another measure of the farm situation—the parity index which includes the index of prices paid by farmers, interest rates, taxes, and wage rates—held steady and was at the same level at the end of 1955 as in 1954.

Although farm prices and incomes generally declines during the year 1955 and both farm mortgage and nonmortgage debt rose, total farm asset values and owners' equities in these assets increased, chiefly because the value of farm real estate continued to rise. Average values of farm real estate on November 1, 1955, were 6 percent higher than a year earlier and above the previous peak reached in 1952.

I believe the farmer is entitled to his fair share of the general prosperity. This administration has proposed a far-reaching program attacking the principal causes of the present farm dilemma.

These causes are: 1, production and market distortions as a result of wartime production incentives too long continued by the previous administration; 2, current record livestock production and near-record crop harvests piled on top of previously accumulated carryovers; and 3, rising costs and high capital requirements.

Congress is currently trying to write a farm bill that will help the farmer share in prosperity, and, in so doing, to help assure continued prosperity for the Nation as a whole.

There is a further important policy of this administration that is a factor in fostering a healthy economy; the Federal Government is getting out of business activities in which it never should have engaged in the first place. Barge lines, rubber plants, ice cream factories, clothing factories, paper mills, formerly operated by the Government in competition with private enterprise, are being liquidated and disposed of at a fair market price.

All of these things are signs of a healthy economy. Furthermore, they have been accomplished without endangering our national defense.

I want to say just a word about reductions in Federal personnel. A little over 3 years ago, we inherited a great sprawling bureaucracy. We found tremendous amounts of duplication. We found functions which were unnecessary or obsolete. Since that time nearly 300,000 Federal employees have been eliminated from the public payroll.

When one reviews the progress which has been made in a brief period of time in restoring fiscal stability to our country and removing the uncertainty of inflation and recession, the program has indeed been effective.

FOREIGN TRADE

I come now to the second of the three important issues—foreign trade.

First of all, I know that we are gathered here as people who have common feelings on the need for protecting American industry from low-cost imports. When the textile industry of this country has over two million people working for it, our import problems demand not only your attention as industry representatives but the attention of Americans in all walks of life.

As Spencer Love of the Burlington Industries, one of your spokesmen, recently said, "The strength of the American textile industry is a part of the strength of America. It is a part of this Nation's essential system of defense." No clearer statement of necessity can be made when we consider the effect of foreign economic policy on industry and employment in this country.

Now, the last session of Congress saw our Trade Agreements Act extended for another 3 years. As you all know, it was the subject of bitter debate in both the House and Senate, even to the point where President Eisenhower felt it necessary to publicly state that "No American industry will be placed in jeopardy by the administration of this act."

When it was referred to the Senate, there were many of us who felt that our domestic industries needed a greater measure of protection than was spelled out in the bill, that certain changes would be necessary to preserve the reciprocal and selective principles of the Trade Agreements Program. There were a great many amendments offered and considered. Perhaps the most constructive of these were the nine amendments that I introduced with Senator Pastore of Rhode Island.

Of these 9, 8 were accepted by the Senate Finance Committee and passed on the floor of the Senate. I will not list them in detail for you this morning. However, I do want to point out that their adoption certainly

made the bill more responsive to a sound and realistic continuation of the Trade Agreements Program.

The present session of Congress has before it other legislation which is important to all of you, and the textile industry generally. I should like to mention just three of these bills. I am sure that most of you are familiar with them.

The first of these is known as the Customs Simplification Act. It passed the House of Representatives late in the last session. You should watch it closely for, as it is written, there exists the threat of tariff reduction through indirection. It could result in our present congressional safeguards being circumvented.

I shall not dwell on it at length, but I will make the prediction that if Senate floor action takes place on it before adjournment and there is a possibility that it will not—the bill will be modified from its present form in several respects.

Now, the second of these bills is one which the American Cotton Manufacturers Institute and I view with deep concern. It calls for United States participation in the Organization for Trade Cooperation.

OTC, as it is known, would administer the General Agreement on Tariff and Trade. Now, it must be remembered that GATT is an international trade agreement entered into by some 35 countries, including our own. It has never been approved by the Congress despite many efforts. Few people—and not too many Members of Congress—fully realize the implication of this bill.

Twenty-two years ago, Congress virtually surrendered control of trade policy to the State Department. The results have not been happy. Now, by approving OTC, we are asked to take the final step and transfer that power to an organization subject to the control of foreign governments.

As Roger Milliken, president of Deering-Milliken & Co. and a leader in your organization, recently testified before the House Ways and Means Committee, "We regard OTC and GATT, viewed separately or in combination, as instruments designed to suppress our national freedom in international trade and our freedom as a Nation to govern the internal economy of the United States in accordance with the Constitution and the laws of Congress." He could not have described this situation more accurately.

Let me give you just one illustration of what I mean. The United States, as a participating member of GATT, would have only 1 vote out of 35 in any dispute arising over, for example, the revision of tariff levels—and not even that if we happened to be a party to the dispute. Other countries who would participate in such decisions with a vote equal in every respect to our own would be, to name a few, the Duchy of Luxembourg, Rhodesia, India, and, believe it or not, Communist Czechoslovakia.

The President has called for the passage of this bill, and as much as I should like to, I cannot share his views. I cannot avoid the feeling that he has not been fully advised as to its breadth and implications. I have no choice but to oppose it in the Senate of the United States.

Now the third and last bill I shall mention is the one that Senator JAMES EASTLAND introduced. It has the bipartisan support of 62 other Senators, of which I am one. It seeks to do two things:

1. Have our Government maintain a fair share of the world market for United States cotton, and

2. Limit the importation of cotton into this country by the establishment of quotas.

The second of these two proposals is a relatively new approach to the problem of low-cost foreign competition. As a measure of its importance, I think you all know that the Japanese textile industry has already suggested establishing its own voluntary quotas. You can be sure that this proposal has them worried.

I am not going to hazard a guess, this morning, as to what its chances may be, for House action must take place first through a companion bill. However, there is increasing sentiment for Congress to look long and seriously at its potential.

Before closing this subject, I want to leave with all of you this one word of warning. It is this: Those of you who favor the establishment of quotas should not be misled into making any concession on OTC and GATT legislation for your own near-term purposes. It would be a serious, and possibly later, a fatal mistake.

In any session of Congress, and particularly in this one, we in the House and Senate count on you people to keep us advised. We seek your counsel and guidance. It is virtually impossible to predict accurately the trend of events this year. This is a presidential election year, and much of the time, thought, and effort of Congress will revolve around that fact.

We will not have time to do all we should. We need advice, facts, and recommendations on a broad policy basis. You can help us in many ways. Your knowledge of these situations can be invaluable to us. The more that you can do as a group, the greater help you will be to us in the Congress—and the more certain you can be of attaining the results that you seek.

NATIONAL DEFENSE POLICY

Regardless of the fact that our foreign relations have improved, I would be unrealistic if I did not tell you that we are living in a world of crisis.

We might as well face the fact that the American system cannot coexist with communism. The basic doctrine of communism is class struggle. Their eventual plan calls for revolution throughout the world.

We might as well recognize communism for what it is—a conspiracy. It is a conspiracy that has been growing for nearly a hundred years and there is no reason to assume that it will end tomorrow.

I believe we have made some terrible mistakes in dealing with this conspiracy. In 1945, we emerged from the bloodiest and most costly war the world has ever known. We emerged as the acknowledged leader of the free nations. We had the best-equipped and strongest Army, the greatest Air Force and the most powerful Navy on earth. In addition, we had sole control of the atomic bomb—the new weapon which could be used to control the world.

In 11 short years we squandered away most of these advantages. We appeased, we compromised, and we condoned and sheltered traitors in our midst.

We are now faced with the fact that Soviet Russia has the capability to manufacture atomic and hydrogen weapons, and there is every indication that they will use those weapons, if and when they consider it profitable to do so. It may not happen tomorrow—it may not happen for 10 years—it may never happen. However, the potential is such that we can never again afford to go to war without adequate preparation or the ability to wage war.

In view of these basic facts, it has been necessary to revise our planning for national defense. It now is apparent that we must plan for an indefinite date in the future.

There are those who advocate an all-out crash defense program—more planes, more guns, more ships, more men in service, and more expenditures. They would have us spend 100 billion dollars a year for several years. True, we could make this Nation invulnerable if we turned it into an armed camp, but we could lose the struggle against communism without a shot being fired if we burden our economy to the point of breakdown.

I think the Communists have made it entirely clear that they hope to participate our economic destruction, as an easy and cheap means of overthrowing our Government. It follows then that we must be realistic in planning for an adequate, yet economical, defense program. The course we are following now is both logical and intelligent. We have abandoned—I hope for once and for all—the old theory of national defense which was based on feast and famine.

As I have indicated, we never again will have a year or two in which to prepare our defenses. In the same breath, we cannot afford to spend ourselves bankrupt.

BASIC AIMS OF DEFENSE PROGRAM

This is a period of extended tension. We may reasonably expect that this tension will continue indefinitely. For this reason, we have devoted ourselves to a program which:

1. Provides us with armed forces capable of deterring an aggressor.

2. Providing a well-trained and professional defense force, immediately available to handle whatever situation develops and to repel any national attack.

3. Establishes an increasingly stronger continental defense program.

4. Establishes and develops a powerful military manpower reserve.

5. Provides a strong industrial economy working for peace, but ready for conversion to war.

6. Increases our superiority in weapons and techniques.

It has become increasingly apparent that our superiority must depend upon our technological ability. We cannot hope to compete, on a man-to-man basis, with countless numbers of Russians and Chinese. Our greatest hope is our continued superiority in the fields of nuclear weapons, guided missiles, and all the other modern devices of war.

I can summarize the national defense picture by saying that we are fundamentally strong, and are growing stronger every day. Yet, this has been accomplished at tremendous savings to the taxpayer by cutting waste and extravagance.

These three general areas—fiscal stability, foreign relations, national defense—are all interrelated. Each is tremendous in scope and complex in nature by itself. I have personal knowledge of the time, energy, and thought which must be devoted to these problems, and I can give you my personal assurance that their solution is a matter of the gravest concern to the administration and the Congress.

BRIDGES-BYRD AMENDMENT

In company with the distinguished Senator from Virginia, Senator BYRD, I have introduced a joint resolution proposing an amendment to the Constitution of the United States. Without going into the technicalities of my proposal, it may be simply explained as follows: This legislation, if adopted, will require the imposition of Federal taxes sufficient to provide for revenues which will be equal to appropriations. By this simple constitutional amendment, we will require that the President submit to the Congress a budget which shall not exceed the total of the estimates of the receipts of the Government during the coming fiscal year.

In the event that the Congress makes appropriations which exceed the estimates of the receipts of the Government, it shall be mandatory upon the Congress to enact measures to raise an amount of additional revenue at least equal to the excess of appropriations over receipts.

This proposal further provides that the Congress shall not recess or adjourn for a period of longer than 3 days, until such action has been taken.

This Nation is prosperous. Our people are well clothed, well fed, well housed. We are in a period of abundant employment. There is just no reason why we cannot pay our operating expenses. I should think that every American would wholeheartedly support this constructive suggestion which merely states that the Government is obliged from now on to collect at least as much as it spends.

SENATE BILL 1343

I have also introduced another bill to require that whenever a committee of Congress reports favorably on a measure authorizing the appropriation of money from the Treasury, that the Department or agency of Government concerned submit a printed report to include an estimate of the probable cost of carrying out the legislation.

The purpose of this bill is sound in principle and easily understood. Only too often Congress has enacted legislation without the faintest idea of how much money would be required to carry out the intent of the legislation.

There is not one of us who would sign a contract with an automobile salesman until we knew the price of the car. Why in the world should the Government pass laws without knowing how much it is going to cost to implement those laws?

SENATE BILL 1341

Another of my bills is one requiring that every year the Federal budget shall include a special analysis of all long-term construction and development projects authorized by Congress. This analysis would show the total estimated cost, the actual or estimated amount expended during previous fiscal years, the amount needed during the current fiscal year and the amount needed in subsequent years.

With these figures available the Congress will have the kind of information which any individual needs when he undertakes to build a house. Any intelligent person would want an estimate of the total cost, how much had already been spent, and how much he would have to spend in the future. I can see no possible objection to giving the Congress of the United States this very same information.

I agree that these measures are not the kind which call for headlines in the sensational press. They are, in my opinion, much more important to our future security than so many items of sensational but temporary interest.

CONCLUSION

In conclusion let me say this: I cannot avoid the conviction that the stability and national security of this Nation is dependent upon a sound economy.

We must never forget that the Communist manifesto, known as the Bible of Communism, written in 1848 by Frederick Engels and Karl Marx, predicted that economic factors would determine the course of history. It states that capitalism is doomed to destruction because of its inability to maintain a stable and productive economy.

The comrades in the Kremlin hope and pray that we will waste our resources and spend our way into financial collapse. I am convinced that such a result need never take place.

As a representative of a thrifty New England State, with considerable experience on the national scene, I am convinced that the last 3 years have put us back on the track. I feel justified, therefore, in leaving you on this hopeful note.

This country of ours is the greatest and strongest on earth. It was made that way through the qualities of courage, intelligence, morality, and plain commonsense of individual Americans. We are sometimes slow to act, and too often leave the impression that we are soft. The world is beginning to understand that our humanity is not softness—that the fiber of America is no less strong than it was in 1776.

Dr. John Milburn Price

EXTENSION OF REMARKS
OF
HON. PRICE DANIEL
OF TEXAS
IN THE SENATE OF THE UNITED STATES
Monday, May 7, 1956

Mr. DANIEL. Mr. President, on Thursday night in Fort Worth, Tex., the people are honoring Dr. John Milburn Price, founder and director of the School of Religious Education at Southwestern Baptist Theological Seminary. On behalf of my colleague Senator LYNDON JOHNSON and myself, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement calling attention to the career of this distinguished American.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

DR. JOHN MILBURN PRICE

On Thursday night in Fort Worth, Tex., a singularly moving and gratifying event is planned for a particularly distinguished and deserving American. The people of that city are to honor Dr. John Milburn Price, founder and director of the School of Religious Education at the Southwestern Baptist Theological Seminary.

We would like to call the Senate's attention to Dr. Price's splendid record and his contribution to Texas, to the lives of countless of his students, and to the Christian ideals.

The Southwestern Seminary at Fort Worth trains young men and women of all faiths. Its school of religious education is the first in the South and the largest in the world. Dr. Price founded the school 41 years ago, and he has been in the teaching profession for 53 years.

As a preacher, teacher, writer, educator, and administrator, Dr. Price's record is unparalleled. Some notable achievements of his school of religious education include: The first school among Baptists to offer vocational training in religious education (1915); first school in America to offer a religious education diploma (1917); first conference in religious education (1921); first and oldest Vocation Bible School among Baptists (1922); first building in America designed exclusively for teaching religious education (1950).

Dr. Price has been past president of the American Association of Schools of Religious Education. He will retire on August 1 of this year after 41 years of service to the school which he founded.

Dr. Price, a Kentucky mountaineer with a pioneering spirit, began teaching in Cleveland, Ky., in 1903. He has been preaching for 50 years—in Kentucky, Rhode Island, and Texas. He was pastor of the Webb Baptist Church in Tarrant County, Tex., for 21 years. He has written for magazines, newspapers, periodicals, and over one-quarter million copies of his books in religious pedagogy are either translated or being translated in four languages around the world.

While a collect student—a Marston scholar at Brown University—Dr. Price was inspired by the thought of training laymen and women to become Sunday school teachers. While completing his theological training at Southern Baptist Theological Seminary in Louisville, Ky., the opportunity presented itself. Dr. L. R. Scarborough, then president of Southwestern Baptist Theological Seminary in Fort Worth asked him if he would like to "break new ground" in helping establish a School of Christian Pedagogy in Texas.

He had been elected Sunday school secretary for Kentucky, and he yearned to remain in his home State. At the same time, friends in Canton, China, urged him to join a seminary faculty there. He decided that in the Southwestern Baptist Theological Seminary, he could—through his students sent out into the world—be in Texas, Kentucky, and China at the same time.

The first year at his new School of Religious Education, only five courses were taught. Today, 129 courses for vocational training in religious education are available. Six thousand students have enrolled in the school since 1915; there are 800 enrolled today. These trainees have revolutionized Sunday school and training union work in the Southern Baptist Convention. Since 1920, the Southern Baptist denomination has increased from 3 million to 8 million members. The phenomenal growth is due in many ways to the teaching ministry of the church.

The largest school of religious education in the world stands today as a permanent memorial, vibrantly alive, to the man who dared to establish his life "by way of the throne of God."

Address by Hon. Barry Goldwater, of Arizona, at Taft Memorial Dinner

EXTENSION OF REMARKS
OF
HON. LEVERETT SALTONSTALL
OF MASSACHUSETTS
IN THE SENATE OF THE UNITED STATES
Monday, May 7, 1956

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech delivered by the distinguished Senator from Arizona [Mr. GOLDWATER] at the Robert A. Taft memorial dinner, held in Boston, Mass., on May 3, 1956. The address is entitled "The Fallacy of the Common Man." It is a fine address.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Any American would be honored, as I am, by the opportunity of participating in this occasion, so appropriately dedicated to the late Senator Robert A. Taft.

Because I was privileged to serve with him for a brief period in the Senate; because he was a Republican and contributed of his time and talents to my campaign in Arizona in 1952; and because we have always appeared to share the same philosophy of Government and ideals of freedom, I feel a particular sense of personal pride in being asked to recall with you the enormous and enduring contributions which Bob Taft made to his country.

The ledgers of our Nation's history are abundant in their memorializations of the great leaders of the past who played such vital roles in the building of our liberty. Few men, however, for all the reverence and esteem in which they have been held by succeeding generations of their countrymen, have lived to realize the greater compensations of their job well done.

Bob Taft not only enjoyed the rare experience of being a prophet who had honor in his own country, but he also received in the course of his public service the satisfactions that come from the selflessness and sacrifice that is the mark of true statesmanship.

He was a genuinely brilliant man; but, somehow, to those who remember him, his brilliance is actually overshadowed by his character, his convictions, and the courage

which fortified him against the assaults which are inevitably made upon men to whom principle is more sacred than profit.

He was the soul of integrity. His unswerving dedication to the right set an example of strength and greatness which has been permanently fused upon the spirit of the American Congress.

The quality of Bob Taft's service cannot be measured entirely by surface achievements. It is true that he built a record of accomplishment seldom equaled in legislative annals; but the principal substance of his towering stature was the way he lived, the ideals he cherished, and the faith which guided him.

He was never ambitious for himself, yet he was always striving to inspire others in the way of his own governmental convictions. To be President of the United States meant, for him, the ultimate opportunity to render service to the Nation he loved. I am sure that he never considered this aspiration in terms of self-glorification or personal reward.

Indeed, all of us know—as I am sure Bob Taft, but for his humility, would have realized—that he did not need to be President to be forever beloved and revered by his fellow citizens.

When, God, in His greater wisdom, denied Senator Taft the fulfillment of this highest official goal, He also lighted the way to the greatest single triumph of his career; and Bob Taft followed this beacon to become the most trusted and faithful confidant of the man whom he had opposed for the presidential nomination.

Bob Taft was, truly, an American first; a Republican, second; and a "Taft man" last. How appropriate, indeed, was Senator KNOWLAND's reference to him at this meeting last year as "Mr. American."

No one will say, of course, that Bob Taft was an ordinary, a common man. He dwelt among us in the days and years which called for an uncommon man, a leader, a statesman. Senator Taft was that man.

He was outraged by the attempt of self-styled, pseudo-liberals to penetrate the foundations of our constitutional, free enterprise system with their socialistic theories. In this respect, then, he was a conservative; but, as a believer in the rights of individuals to live their own lives, to follow their own pursuits, to exercise their own wills, and to retain the products of their own labors, he was a liberal in the true, historic sense of that word.

Bob Taft believed in liberty. He believed in preserving the creeds and institutions which created our liberty.

He knew that he was not a common man. He knew that there is no such thing as a common man in America.

He recognized the wide diversities we have in races, nationalities, religions, occupations, and income levels in the United States.

He believed in treating our citizens as individuals, with sacred rights and freedoms, and opportunities greater than anywhere else in the world.

He did not subscribe to the collectivist theory that Americans are cast from a common mold.

The preachers and prophets of gloom in our country—those despairing individuals who believe that we have reached the zenith of freedom's opportunities and must now revert to an antiquated system of slavery and regimentation—have long leaned heavily, in the name of liberalism, upon the theme of the common man.

They have employed the tyrant's tactic of division and disunity by appealing to the lingering prejudices of a system of ranks and class which pure freedom does not recognize. When they speak, they speak not to all Americans as Americans, but rather they set labor against management, farmer against worker, black against white, Jew against gentile, Catholic against Protestant, rich against poor.

In other words, they classify Americans according to race, color, religion, and occupation, and they say to each group that they are the common men who are being oppressed by the privileged few.

This privileged few, of course, in the eyes of the Socialist-minded pseudo-liberal, is anyone who has enjoyed a measure of success and prosperity that is greater than that of the particular group to whom he is speaking.

For many years, the Democrat Party has applied this strategy. It has portrayed itself as "the people's party," while Republicans have been described as "the party of the special interests"—in other words, the "common man" in opposition to the "privileged few."

This claim is utterly false, but the self-styled liberals who have, unfortunately, gained control of the mechanism of the Democrat Party, have pressed it so boldly, for so long, and in so many forms that they have achieved for it a substantial measure of popular acceptance.

It is a flagrant example of the "big lie" in politics.

No major party could function successfully in a country of the size and diversity of the United States if it served only the common man or the privileged few.

It is one of the virtues of our nationwide two-party system that the voters may switch from one major party to the other and find each one an adequate instrument to serve the Nation as a whole.

If this were not true, our political system would soon degenerate into a multiplicity of small special-interest parties not capable of governing.

The very health and vigor of our two-party system—each one drawing strength from all four corners of the Republic—belies the Democrat Party claim.

These statements by so-called liberals who have corrupted the traditional Democrat Party philosophy are so absurd that I often wonder just how stupid they think the American people are.

In his acceptance speech before the Democrat National Convention on July 15, 1948, Harry Truman said, for an example:

"The people know that the Democratic Party is the people's party and the Republican Party is the party of special privilege."

He said further, at that same time, "The Republican Party favors the privileged few and not the common, everyday man."

Adlai Stevenson, in a speech at Chicago on November 19, 1955, said:

"In whatever direction we look—tax policy, resources policy, credit policy or what not—we see the sharp outlines of what can only be described as special interest Government in Washington, something we haven't seen since Republicans were there last."

Another instance of this pseudo-liberal, "common man" approach to Democrat partisanship may be found in the report on Congress issued by the CIO in September 1954. This report says, on page 20:

"The question is not whether there will be any tax relief, but who will get it. The Democrats wanted it for the people. The Republicans wanted it for the upper brackets and the corporations."

As recently as April of this year, according to a story which appeared in the Washington Evening Star on the 13th of last month, Democrat Senator SAM ERVIN, of North Carolina, said:

"The Republicans believe in government for a few elite; the Democrats believe in a government serving all the people."

The big lie marches on.

One reason behind the Democrat Party claim that it is the party of the common man is the fact that for years it has labored hard to mold the American people into common men.

Secretary of Labor James P. Mitchell called attention to this tendency of the Democrats to turn our people into common men in an address at Flint, Mich., on January 20, 1956, when he said:

"The keepers of this doctrine were interested not in individual men but in collective man, massed man. For them social problems were quite simple. One merely had to determine what was good for collective men and then shove it down his throat like castor oil. The Government was of the people, for the people, but by the social planners."

Dr. James B. Conant, former president of Harvard University, put his finger on the sources of the doctrine of massed man when he wrote:

"The Soviets seek uniformity and strict adherence to the creed of Marxism-Leninism."

In that creed man is nothing as an individual. He exists only as an unidentifiable atom in a collective mass; and men and mass exist only for the state.

Recent history shows the many steps through which the Democrats, who were in control of Government, deprived our people of their individuality.

Democrats centralized the government of everyday affairs in Washington, leaving less and less for people to do in their home States and localities. They handed out billions in relief, grants, and aids from Washington, making people dependent upon the Great White Father at the Nation's Capital.

Through social security they reduced the individuality of persons to numbers in electronic computing machines. They forced men into unions to bargain collectively.

By raising great citizen armies to fight in foreign wars they put the GI stamp of uniformity on every mother's son. By spawning Government housing developments they scattered clusters of identical brick and frame boxes from one end of the country to the other.

The list of laws, acts, and regulations which systematically robbed people of their individuality and piled them up in collective masses could be extended a mile long.

No one can deny that the Democrats intended to do good by these operations. No criticism need be leveled against relief programs, social security, collective bargaining, and public housing. Yet, it cannot be denied that an inescapable and most harmful by-product of such operations has been the weakening of individual personality and self-reliance.

The Democratic Party has done its utmost to pour our people into the mold of common men and to deal with them in the mass. This is the basis of their political philosophy and voting appeals.

While they have had some measure of success, especially where our technical progress has emphasized collective or mass action, this success has been superficial because deep down our people are proud and jealous of their individuality. They resent being compressed into the mold of the common man.

Behind the mass production and the collective this and that, our people still have wide diversities and at heart remain individualists. This is clear when we examine some of the deep-seated diversities in American life.

Where Democrats are sincere in making the claim to be the party of the common man, as some of them undoubtedly are, they see the forest and not the trees. They look at the material uniformities in American life—the same trains, hotels, restaurants, cooking, and newspapers—and quickly come to the conclusion that all our people, too, are of a common mold.

What they fail to see is that this conformity is merely an expression of our technical, material progress. They fail to understand, or deliberately close their eyes to the fact that beneath the common material veneer is

a people still highly individual in talents, aspirations, and with the intense desire to fulfill their individual personalities.

Again, in his address at Flint, Mich., in January of this year, Secretary of Labor James P. Mitchell declared:

"We were told for some years that government was supposed to minister to the common man. This doctrine of the common man was as singularly unfree a doctrine as we have ever witnessed in this country. The idea that we are all alike, a common mass, the products of some sort of biological punch press, seeking the same end, through the same means, with the same ideas, desires, and needs, is indeed a devastating one."

A similar view is expressed by James B. Conant in his latest book, the Citadel of Learning, where he says "We in the free world, through our schools, colleges, and universities, seek to perpetuate that tradition of western culture which emphasizes diversity, controversy, and tolerance."

So where are we to find the "common man" the Democrats are always talking about?

Is he of the Anglo-Saxon, Scandinavian, Germanic, Latin, Slavic, Celtic, or the score of other races which make up our population?

Is he English, Irish, Scotch, German, French, Italian, Norwegian, Swedish, Czech, Polish, or among any of the other three score and more nationalities which people the United States?

Do we find that our "common man" is a Catholic, Methodist, Unitarian, Presbyterian, Baptist, Jew, or any of the other hundreds of religious sects which flourish among our people?

Is he the business executive, the local banker, the city or rural lawyer, the office clerk, the shop manager or foreman, the factory worker, the school principal, the teacher, the corner grocer and his wife, the chainstore manager, the garage owner or mechanic, the department store clerk, the Army officer or private, the housewife, or in any of the other thousands of occupations which make up our working population?

We have over 65 million employed persons in all occupations today. Where is the "common man" in this total?

Is he the worker in manufacturing who numbers only 15 million of our nonagricultural employed; or the 1 million engaged in mining; or the 2 million doing construction work; or the 4 million engaged in transportation; or the 9½ million who work in wholesale and retail trade; or the million and three-quarters who handle finance, insurance and real estate; or the 5 million engaged in service industries; or the 5½ million people who work in Federal, State, and local government?

Is the "common man" to be found among our 8 million farmers? Is he the soft or hard winter wheat farmer, the cotton farmer, the rice farmer, the truck gardener, the cattle rancher, the cattle feeder, the peanut grower, the dairy farmer, the sheep raiser, the poultry and egg producer, or among the hundreds of other farm producers in our vast lands?

Does he come from the 7.6 percent of consumer units who have a family personal income of $1,000 per year or under; or the 15.1 percent whose income ranges from $1,000 to $2,000; or the 18.9 percent with income from $2,000 to $3,000; or the 19.3 percent with income from $3,000 to $4,000; or the 12.8 percent with income from $4,000 to $5,000; or the 14.8 percent whose income is from $5,000 to $7,500; or the 4.8 with incomes between $7,500 and $10,000; or the final 4.5 percent who have incomes of $10,000 and over?

What do these facts show?

They show one thing above all else: That there is no such thing as a "common man" in the United States.

Every man and woman is an individual, with talents, interests, needs, hopes and dreams of his or her own. Each person seeks freedom to live his own life, to develop his own personality, and a fair opportunity to get ahead in the game of life on his own merits.

When young we dream of making a professional career, starting a small business, operating a farm, owning our own home, establishing a family, and building a competence for old age.

America is the land which urges us to "hitch our wagon to a star," to plan and to build on the rich foundations of our freedom and the heritage of those who came before us and provided for us, and for the generations of Americans yet to come, the opportunities we have had, as well as inspiration to move ahead to yet undiscovered frontiers in this sanctuary of freedom.

Democrat Party leaders who make the claim that theirs is the party of the "common man" are well aware that ours is a Nation of great diversities, and that there are no "commen men" in our midst.

Still, they do not hesitate to develop and inflame class distinctions in their aim to separate a few of our people from all the others.

One doesn't have to think hard to find the reasons for such Democrat trickery. One reason is that the Democrats have been running the Government on the doctrine of the collective man, massed man.

A second reason lies in the field of raw politics.

Political history shows that Democrat Party leaders will make any claim and follow any line which promises them the votes to gain control of the country and remain in power.

They have shrewdly calculated where the bulk of votes lie and they make their appeals accordingly. That is why they label Republicans as the party of the rich, the bankers, big business, and the privileged few. They know that such labels carry an unpleasant, even sinister implication; and that few votes can be had from those sources.

They label their own party the party of the comman man, the average man, and include among these the farmer, the laboring man, the white-collar worker, and the small-business man because such labels sound wholesome and the bulk of votes can be drawn from those sources.

It apparently does not trouble Democrats in the least that this deliberate inflaming of class distinctions can do great harm to the peace and unity of the Nation.

It apparently does not bother them to malign good men and women among our people.

Their consciences seem not to trouble them when it is pointed out that their party, too, has its share of millionaires, its quota of advisers from banks and big business, and a very sorry record of favors to the privileged few. It doesn't seem to bother them, either, that a great many of the things they have done with professed intentions to help the so-called little man have resulted in great harm to the bulk of our people.

In using the inflammatory phrases of class distinction, they have had but one thought in mind—to get in power and stay there.

We are reminded in the third chapter of the First Epistle General of John that "Whosoever hateth his brother is a murderer."

Isn't this, after all, the end result of these pseudo-liberal, common-man appeals?

They are attempts to instill fear in the minds of our citizens—fear of one another, fear of those who are different, fear of the self-reliance which is the keystone of liberty.

What has happened to the faith of our fathers?

America was not made free by hate. Humanity does not move forward in a climate of fear.

America has grown great because its citizens have trusted wholeheartedly in God, in our country, and in each other.

If the deceit of this new Deal-Liberal dogma of the common man is perpetuated, freedom's call will go unanswered, opportunities will go unfulfilled, and competence for the future will be destroyed.

We cannot continue to reap the blessings of liberty by incubating cowards. We cannot carry on America's tradition of strength and leadership by stifling ambition, curbing incentive, and abandoning faith.

We need—desperately need—the uncommon men of our Nation. We need the courage and unquenched spirit of adventure which inspired the freedom of these United States.

We need to encourage in all Americans the qualities which guided Bob Taft—Senator, statesman, and uncommon American.

American Foreign Policy

EXTENSION OF REMARKS

OF

HON. HENRY M. JACKSON

OF WASHINGTON

IN THE SENATE OF THE UNITED STATES

Monday, May 7, 1956

Mr. JACKSON. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of the address delivered by the Senator from Tennessee [Mr. KEFAUVER] before the faculty and student body of Vassar College at Poughkeepsie, N. Y., on Wednesday afternoon, April 26, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I believe it is correct to say that we have been undergoing a review and reappraisal of our foreign policy during recent weeks.

The Secretary of State himself set this stocktaking into motion, either intentionally or unintentionally when he submitted to an interview in Life magazine—the famous "brink of war" interview.

This interview produced violent reactions both at home and abroad. If it was indeed the Secretary's intention to launch a great debate, then we need not comment here upon the propriety of his choice of a forum. No matter how eminent the publication, he does have access to the regularly established committees of Congress which share with him and the President a certain responsibility for the foreign policy of this Nation.

If, on the other hand, as I suspect is more accurate, this interview only accidentally launched the current stock taking, then insofar as it contributes to the present sober discussions it has served a good purpose.

I was glad to note that here in New York Mr. Dulles this week turned the debate into a phase of our foreign relations which has given me considerable concern. This is our relations with our fellow Western democracies of the North Atlantic. He did so in his address to the annual meeting of the Associated Press in New York City Monday.

Not long ago I was rereading some of the files that I have accumulated through the years in the Senate, and ran across a report which I felt was quite incisive. It was dated April 2, 1952, and outlined some of the developments within the North Atlantic Treaty Organization during its first year of existence. It included this statement which I shall read in full:

"As we look back over these developments, it seems almost as if the nations of the West have been, for decades, blindly enacting parts

in a drama that could have been written by Lenin, prophet of militant communistic expansion. This pattern of events, which points so surely to ultimate disaster, can be changed if only the peoples of the West have the wisdom to make a complete break with many things of the past and show a willingness to do something new and challenging. NATO itself is a significant step to meet both the present danger of aggression and the tragic struggles and dissensions that have divided our peoples in the past. But NATO's development is not automatic: action is the test."

The report went on to say that if "the free nations are to remain secure, our peoples must march together, agreed on common goals, and win that cooperative unity possible only in a free society."

Now personally I found myself in agreement with the sentiments expressed in that report at the time I originally read it in April of 1952. I find myself in agreement with them now. The report was signed by Dwight D. Eisenhower, then Supreme Commander of NATO.

This week I was interested in reading in Mr. Dulles' remarks this statement:

"The North Atlantic Treaty Organization is another organization which, in its own distinctive way, contains the possibilities of great development. It was, to be sure, conceived primarily as a military alliance, and that aspect of the organization remains vitally important. But the organization can and should be more."

Mr. Dulles continued:

"The historic weakness of the West has been its disunity. Out of this disunity came wars which have taken the lifeblood of its finest youth and weakened its economies. A major task of postwar statesmanship was to find the ways whereby the West can maintain its solidarity * * *"

I find myself also in agreement with these remarks of the Secretary of State concerning NATO. But I am wondering what has happened in between April 2, 1952, when Eisenhower spoke from his post of Supreme Commander, and April 23, 1956, when Dulles spoke as Secretary of State in an Eisenhower Cabinet.

Just a little over a year after his report, General Eisenhower became President Eisenhower. He then had the office and the authority to seek to bring about the conditions that he believed beneficial. But where is the action that he spoke about as the test?

There has been none.

In 1952 General Eisenhower wrote that "the enormity of the present threat will never be met by half-hearted measures." And he continued: "Required is the full awakening of the free world and the pursuit of energetic, far-reaching measures to insure our form of life—even our survival."

But what has President Eisenhower done since he entered the White House to awaken the free world to the enormity of the threat to which he called attention so ringingly in April 1952. I leave it to you and to him to decide.

Do I need to prove to any of you that the threat remains enormous still? Would you say that the free world needs to be awakened to it any less now than in April 1952? The one thing that President Eisenhower has done which gained the most attention in the world was to go to the Summit Conference in Geneva. But no one would say that its purpose or result was to awaken the free world to the enormity of the threat it faces.

Where are the "energetic, far-reaching measures"? I search my memory and can recall the Marshall plan, NATO, point 4—all adopted under the administration of Franklin Roosevelt and Harry Truman. But what has the Eisenhower administration proposed?

During the past 4 years, rather than improving, our relations have deteriorated badly. The fact is that the Atlantic Community's continued disunion has left the West far weaker in April 1956 than it was in April 1952. With the Mediterranean—the whole southern flank of the Atlantic alliance—seething from one end to the other, I am sure that I need not convince you that there is serious need for improvement in the alliance. We are today weaker in important areas of Africa and Asia. Need I do more than mention Indochina, India, the Middle East, Cyprus, Tunis, Algeria, Morocco?

Our relationships will continue to deteriorate, in my judgment, unless we take some of the bold and imaginative steps that President Eisenhower called for but then failed to carry out. I note in Secretary Dulles' present speech the flimmer of hope that something may now be done. He says that the Canadian Government "has notably espoused this point (that NATO can be more than a military alliance)."

What has the Canadian Government done?

It has done only what I have long proposed that our own Government do, and which only our Government can do successfully, because only it has the geographic location, prestige, and strength to provide the necessary leadership.

On February 9, 1955, I introduced in the Senate a resolution which I have had pending from time to time for a much longer period. This resolution, simply provides that the President call a convention of the other sponsors of the NATO agreements to meet and determine what steps they might take to forge unity in their military, economic, and political policies. It is known as the Atlantic Union Resolution.

I have no partisan interest in this resolution. The Marshall plan, NATO, point 4, all were adopted with Republican support. Some of us remember that the proposal for a League of Nations was put forth first by a Republican, former President William Howard Taft whom Woodrow Wilson defeated in the 1912 election. But in May 1916, Wilson announced his support of a League of Nations, at a dinner presided over by former President Taft.

Many people have forgotten that Wilson took over the proposal of the league from Taft. Once he adopted the idea, it was his. And so it can be with Eisenhower. If I sought personal political advantage, I would wait until after Congress adjourns to make this speech, but now there is time for Eisenhower to provide the leadership within his party necessary to fulfill the desires that both he and his Secretary of State have expressed.

The convention, let me emphasize, would be one at which free peoples would meet together to discuss the desires and hopes and dreams of the entire free world searching for a common policy, the purpose of which would be to make freedom itself more secure.

Whatever proposals they in their wisdom adopted would have to be ratified by the respective nations according to their own constitutional prerogatives. To fear such a meeting is to fear democracy itself.

And democracy cannot be strong, nor can it be democracy, if it is afraid.

What we seek is unity of purpose.

Only good can come from intensifying that search.

Gen. Milan Stefanik

EXTENSION OF REMARKS

OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. REUSS. Mr. Speaker, many of us paused briefly last Friday, May 4, to mark the anniversary of the death of Gen. Milan Stefanik. Stefanik was a Slovak and one of the great leaders of the Slovak people. But he was more than a mere national figure. He was a man respected in the years during and just after World War I, and revered in memory now, as a true statesman in the cause of all the democratic values which Americans and Slovaks alike hold dear. Though 37 years have passed since his tragic death, we can never forget what he did and stood for. His life will always give new inspiration to all believers in freedom and justice, whether they now enjoy and vigilantly defend the blessings of liberty in the United States, or are suffering under the tyranny of a cruel dictatorship behind the Iron Curtain.

One Hundredth Anniversary of the Birth of Robert E. Peary, Discoverer of the North Pole

EXTENSION OF REMARKS

OF

HON. FREDERICK G. PAYNE

OF MAINE

IN THE SENATE OF THE UNITED STATES

Monday, May 7, 1956

Mr. PAYNE. Mr. President, yesterday, May 6, marked the 100th anniversary of the birth of Robert E. Peary, discoverer of the North Pole. Admiral Peary was a truly great American explorer, and has always been one of the State of Maine's best-loved sons. His courage, steadfastness, and patriotism have been an inspiration to those who knew him personally, as well as to those who have read of his activities in Arctic exploration.

In 1910 the United States Senate thanked Admiral Peary on behalf of the American people for the work he did for his country, by passing a bill, introduced by the late Senator Eugene Hale, of Maine, promoting him to the rank of rear admiral in the United States Navy.

Time passes quickly, and lest we forget men like Admiral Peary I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of a statement which I have prepared for this occasion.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR PAYNE

I believe that the occasion of the 100th anniversary of the birth of the Arctic explorer, Robert E. Peary, is a fitting time to recount the life of a man who exemplified the true pioneer spirit which has inspired this Nation down through the years.

Robert Peary was born at Cresson, Pa., but the State of Maine has always claimed him, and rightly so, as one of her noted sons. At the age of 3 he came to live at Cape Elizabeth with his widowed mother and spent his boyhood there. Peary grew up in a rugged Maine environment and attended one of the State's proudest educational institutions, Bowdoin College.

Upon his graduation from Bowdoin in 1877, where he studied engineering and was a prominent athlete, he became a county

surveyor in Fryeburg, Maine. In 1879 he entered the Coast and Geodetic Survey in Washington as a cartographic draftsman and later joined the Naval Corps of Engineers. He was sent to Nicaragua as assistant engineer to survey a route for the proposed Nicaraguan ship canal. He distinguished himself on the Latin American project by inventing a new type of lock gate for the proposed canal.

Up to this point in his life, it would appear that Robert Peary was destined to be a successful engineer, one who could make astute decisions, who had a forceful personality, and that was all.

In the summer of 1885 all this was changed. Quite by accident Peary came upon some papers in his reading which described the inland ice of Greenland. Instantly he was fired with the desire to explore one of the world's last remaining geographical secrets, the Far North.

From this point on, through the next 35 years of his life, Robert Peary underwent the severest physical and mental rigors. Suffering defeat on nearly all of his Arctic trips, he persisted until he succeeded in conquering the vast desert of wasteless snow, only to have the public initially reject his claims to the discovery of the North Pole.

Securing a leave from the Navy in 1886 Peary was determined to cross the inland ice of Greenland. He sailed on a steam whaler to Godhaven, a small Danish station on the west coast of Greenland. Here, with few supplies, almost no equipment, and among strange people, Peary organized his first expedition. Many had gone before him. Franklin, de Long, and Greely all had met with defeat, and so did Peary on his first trip. Winds, sleet, and lack of supplies forced his return.

For the next several years Peary was in Nicaragua again, this time as chief engineer on the canal survey project. He spent his spare time in Arctic research. Efforts to secure interest and financial backing for a second expedition received a serious blow when, early in 1889, news came of the crossing of Greenland by the Norwegian explorer Fridtjof Nansen. But Peary was determined to return. In 1891 he had solicited enough aid from scientific and geographical societies to finance another trip north. He, Mrs. Peary, and a party of six left New York aboard *The Kite*, a chartered Newfoundland sealing vessel.

During the voyage Peary suffered a broken leg and had to be carried ashore at the destination. While he lay on his bunk in a crude wooden shack, the decision was made to remain. Under Peary's leadership the party, which had been joined by a number of Eskimos, passed the winter in relative comfort. It was during this winter that Peary learned the Eskimos' way of life, their language, and their culture.

That spring he pushed northeastward to the Greenland shore of the Arctic Ocean. The insularity of Greenland was proven. Upon his return to camp he found *The Kite* waiting, and the party returned to New York in September. Peary was immediately hailed as an outstanding explorer. The 1,300-mile sledge trip, the studies of Eskimo life, and the various meteorological data which he brought back furnished him with material for an extensive lecture tour. Public interest and sufficient funds insured a trip the following year.

The sailing from Philadelphia in the summer of 1893 was a jubilant occasion, ironical for an expedition which was to end in utter failure. Mrs. Peary went along, and their daughter, Marie Ahneghito Peary Stafford, was born that fall. She was the farthest northern born white child known.

The object of the 1893–94 trip was to push on as far to the Pole as possible. The winter proved extremely bitter. A fatal disease struck down Peary's dogs, and one by one his men broke under the strain. An expedition in March 1894, on which all of the food gave out, sent most of Peary's men home more dead than alive.

With three remaining men he pushed on almost to the point of death. Facing death as a certain eventuality if he continued, Peary returned to his base of operations, walking the last 50 miles. Exhausted and half starved he later wrote:

"Never shall I forget that time and scene, 3 exhausted men and 9 starved dogs standing in the gaunt frozen desert. These and the glistening snow, the steel blue sky, and the cold white sun. Five hundred miles in an air line across a waste of snow to the nearest human being, with insufficient rations for even that return journey, yet we were still facing the other way * * * I felt then, as I feel now, that in that cool, deliberate moment we took the golden bowl of life in our hands, and that the bowl had suddenly grown very fragile, and I now feel, as I felt then, that we were neither rash nor foolhardy in so doing, but simply followed the dictates of temperaments which could not act otherwise, and which would do the same thing again under the same circumstances."

Again Peary had failed, but out of this expedition came the Cape York Meteorites, which he found in 1894. He made two successive trips to bring them back to New York. In 1897 he secured another leave from the Navy. This leave and successive ones, together with the attempts of his friends to secure promotions for him, perpetrated a controversy which rose to plague him in later years.

The 1897 trip also ended in failure. In fact, the next few years seemed to lead Peary almost nowhere. In 1899 a group of his close supporters organized the Peary Arctic Club, which performed invaluable service for him in managing his ships and personnel, and in dealing with public opinion, which, by this time, was becoming crystallized against further Arctic exploration, especially by a man who seemed destined to failure.

By 1900 the tide was turning. The past decade of failure had convinced a number of people that Peary was a man who would never give in to it. In 1904 the Perry Arctic Club and its benefactors made possible the construction of the ship *Roosevelt*, designed by Peary himself and built at Bucksport, Maine.

Once again Peary pushed northward through the ice. The *Roosevelt* proved herself in combating the icepacks. April 21 1906, found his party turning back again, this time within 174 miles of its goal.

In 1908 Peary was 52 years old. He had spent 25 years of his life in what appeared to be futility. But he had learned much. These years of failure had imparted to him all that he needed to know. Various routes had been attempted, different equipment had been tested, and the Eskimos were now his trusted allies.

The *Roosevelt* sailed from New York on the last trip north in July 1908. President Theodore Roosevelt came aboard at Oyster Bay and wished Peary well. "I believe in you, Peary, and I believe in your success," were his words.

The trip was carefully planned, and on September 28 the *Roosevelt* reached 82°30' north, a world's record for a ship under its own power. Here the party moved west to Cape Columbia where a winter camp was erected. Peary had also carefully planned the activities of his men. His staff was small. Capt. Bob Bartlett commanded the *Roosevelt*. Matt Henson, Ross Marvin, Donald MacMillan, George Borup, and Dr. Goodsell made up the official party. Mrs. Peary remained behind this time. These men, together with the Eskimos who had been selected for the final dash across the ice, were welded together as a unit by Peary in a military manner. Every facet of the 25 years' experience was put into use.

On February 22, 1909, Peary left for the Pole. Compared with his other attempts this final one was comparatively easy. Much of his success can be attributed to experience and organization. When men and dogs faltered and fell behind there were others to take their places. This time there was an abundant supply of food.

On March 26 Peary sent the last of his assistants back to the *Roosevelt* except Henson. He now traveled with Henson and 7 Eskimos and 60 dogs. The days' marches lengthened. On April 5 they were 35 miles from the Pole. The going became easier and on the morning of April 6 the Pole was reached at last. Peary had won. The United States flag flew from the top of the world. The exhausted party took a few readings and turned back.

"One backward glance I gave," Peary said, "then turned my face toward the south and toward the future."

The future was in many ways a bitter experience for the explorer. The party returned to Cape Columbia on April 23. When the *Roosevelt* reached Labrador the message was sent of the discovery—"Stars and Stripes nailed to the North Pole, Peary."

Another explorer, a Dr. Cook, was in the Arctic a year before. Shortly before Peary's message was received he announced to the world that he had reached the Pole in the spring of 1908. Many sided with Cook in the ensuing controversy.

The National Geographic Society recognized Peary's claim, and in 1910 Senator Eugene Hale, of Maine, introduced a bill in the Senate for Peary's promotion and thanking him in behalf of the American people. For this, Peary underwent a congressional investigation, which sought proof of actual discovery. It was, in many ways, a painful method of receiving the tribute which was due the man. Throughout the whole proceedings Robert Peary maintained his characteristic dignity. In the end the investigating committee found in his favor.

In the years that followed Admiral Peary gave many lectures in this country and in Europe. Geographic and scientific societies awarded him well-deserved honors. He retired to his home at Eagle Island, Maine, and during World War I he served his country as one of the great air-flight pioneers. He recognized the significance of the strength of air power, both commercially and for national defense. Not only did he write and lecture for its promotion, but he made many flights himself as an aviator.

The physical torture to which he had submitted his body for the greater part of his life finally took its toll. Peary contracted pernicious anemia from which he never recovered. Even while he was dying his spirit never faltered. When, at last the end came, in 1920, the admiral died as he had lived, with a never-ending faith in the future.

Needs of the Mentally Retarded

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, May 7, 1956

Mr. WILEY. Mr. President, last Friday night it was my privilege to deliver an address before the Phi Mu Sigma Fraternity Chapter of the Wisconsin State College, of Milwaukee. Phi Mu Sigma is an organization dedicated to increasing the number of specialists

looking after the educational and other needs of America's mentally retarded.

At the dinner, awards for distinguished service for the mentally retarded were given to President Eisenhower; Roy Rogers and his wife, Dale Evans; Dr. Samuel A. Kirk, of the University of Illinois; and Dr. Salvatore Di Michael, executive director of the National Association for Retarded Children.

I was personally pleased to receive an honorary life membership in the fraternity.

Special citations were also given to the Manitowoc County Association of Retarded Children and the Milwaukee County Association, as well as the Wisconsin Council for Mentally Retarded Children.

I was happy to circulate some advance texts of my remarks of that evening and received many kind comments in response. One such came from the superintendent of Southern Wisconsin Colony and Training School at Union Grove in my State, Mr. John M. Garstecki. I am pleased to quote this distinguished leader:

The address has been read with considerable interest, and it is encouraging to note that the feeling prevalent among those who work daily with the retarded child is also a feeling exhibited throughout the address. It is our sincere hope that public awakening to the needs of the mentally retarded will continue to show the benefits that have been accrued during recent years. We look forward also to the day when mental retardation will join with all the other plagues of mankind eradicated by medical science through research and discovery into causes and prevention.

We deeply appreciate receiving the address and the many fine comments regarding the group of children who require such a full measure of consideration.

I ask unanimous consent that the prepared text of my address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I can think of few more memorable or more satisfying evenings than those like this, in which I have been able to join with folks, such as you, who are dedicating yourselves to serve your fellow man.

I cannot too strongly endorse the work of this fraternity, designed as it is, to advance the prefessional service of teaching and otherwise aiding the mentally retarded.

The awards you are conferring tonight are amply merited for deeds well done. May they serve as an inspiration for still more deeds—in Washington, in Madison, in Milwaukee, and everywhere else—for the retarded.

THE CHILDREN WHO NEVER GROW UP

Yes, if I may say, may they particularly spur our aid to the little ones, to the children who never grow up, to those whose brains unfortunately cannot mature to full adult levels of intelligence.

As you know, they may be among your children or grandchildren or mine, for retardation is democratic—in striking almost anywhere, any family. Retarded children lack brainpower, but they are God's children, with Godlike qualities—with human feelings and human wants and frailties. They need love and affection and understanding and help.

I will not attempt to spell out in detail the problems of the mentally retarded, with which, after all, you, more than I, are very familiar.

WE ALL HAVE A RESPONSIBILITY

I would, however, like to make a few observations on this field:

The first is that every single group in our society has a responsibility in this area. We in the Congress certainly do. (I shall amplify this point a bit later on.) You of the college and university world, the professional field do, and every community, every parent, every PTA, has an obligation, as well.

If we are genuinely to be adequate to our over-all goal, we need not a partial effort, but a speeded-up comprehensive program. I refer to a program which will advance greatly the frontiers of our understanding, diagnosis, prevention and treatment of the mentally retarded.

TWOFOLD GOAL: MORE RESEARCH, SERVICES

Basically, this means: (1) expanded research, (2) expanded services.

Research for example, into the 70 known causes of retardation, ranging from damage to the nervous system before, during and after birth, to genetic factors, infections, toxic agents, endocrine disorders, etc.

And, yes, services—all types of modern services: community diagnostic—treatment clinics; home counsellors; nursery classes; special education (that's where you fine folks come in, or course) with improved vocational training and social training; sheltered workshops; community centers with recreational, social and counselling facilities for the adolescent and adult retarded, etc.

All this takes time. It takes energy. It takes money. But somehow we must and will find all three ingredients.

THE ALTERNATE OF NEGLECT

The alternative is dismal. The alternative, neglect of the problem means hardship. It means suffering. It means utterly wasted years. It means a lapse in fulfilling our moral obligations.

It means an avoidable national loss of potential human resources. America, despite all its wealth, all its prosperity, all its 165 million strong—can ill afford such staggering loss as we are now experiencing because of our neglect of the deficient, the feebleminded.

All God's children are precious. Each is entitled to his or her birthright. In the eyes of God, no child, no adult is unworthy of fulfillment.

TEAMWORK BY FEDERAL AGENCIES

It seems surprising, but it is a fact that the overall challenge of mental retardation, so far as Uncle Sam is concerned, has only just begun to be acutely felt in all its proportions.

Fortunately, the national administration is now well alert to the wide dimensions of the challenge. The administration has surveyed the field and it is now going into action—in cooperation with the Congress on a well-coordinated basis.

That means, of course, the full teamwork of the invaluable United States Children's Bureau. It means the United States Office of Vocational Rehabilitation, the Bureau of Public Assistance of the Social Security Administration, the National Institutes of Health, the United States Public Health Service, itself, the United States Employment Service, the President's Committee on Employment of the Physically Handicapped, the United States Office of Education, and still other sources as well, working for a common goal.

The problem is not limited to our own land of course, as the World Health Organization has noted in its important statements in this field.

UNDERSTANDING NEEDS OF GIFTED CHILDREN, DISTURBED CHILDREN

In other words, we are really just about opening up a whole new frontier of effectively looking after these folks in our society.

I might point out, incidentally, as a side note, that there are other frontiers which we are fortunately opening up.

America has been "discovering" slow learners. It has been "discovering" the unique problems at the other end of the scale—problems of those exceptional children who are especially gifted in intelligence. We have found that this type of youngster, too, needs our understanding and our attention, so as to realize his or her full potentialities.

We are also "discovering," so to speak, the problems of emotionally disturbed children of all levels of I. Q. We are realizing—a great many Americans almost for the first time—that the emotional problems of later years have their deep roots in childhood. We are realizing that emotional disturbance in a preschool child, has best be caught in its inception, lest it grow more and more serious as time goes on.

One cannot, of course, draw artificial dividing lines in a human being. A mentally retarded child may, as you know, simultaneously be emotionally disturbed.

A brilliant, gifted child may be emotionally disturbed; and so may the so-called average child.

A child may be physically well, but emotionally ill; or emotionally well, but physically ill.

There are, as you well know, all sorts of combinations of circumstances in the miraculous human creature. So what we need to do is to look at the whole child and at all children—not in theory, but in life, and concentrate our attention on those who need our services most.

Certainly, the retarded child needs our services, and that is why I am so thankful to be in your personal presence this evening.

HUGE MAGNITUDE OF PROBLEM

An indication of the magnitude of the problem we face is borne out by this statistic: Three percent of our population is affected by mental retardation.

Other illness or inadequacy problems have tended to be more publicized, but mental retardation affects infinitely more than the more publicized problems.

Thus, out of every 100,000 children, it is estimated that 15 are likely to be blind, 7 are cerebral palsied; 7.2 are polio victims; 200 are rheumatic heart patients—and here is the figure for all of us to remember—there is a staggering 3,000 who are mentally retarded.

Three-hundred of the children born every day are estimated will be in the mentally retarded category.

In round figures, total numbers are, as you know, estimated at 4.8 million, of whom 1½ million are children; 153,000 adults and youngsters are, confined in institutions for the mentally retarded and epileptic.

Around $150 million a year is spent on public and private institutions of this nature.

The length of stay in institutions is longer than for any category of handicapped person.

Inevitably, the cry rightly goes up. "We need specialists to handle this problem—specialists and more specialists! We need 55,000 more teachers for the mentally retarded—the very need you are seeking to fulfill."

And we need more of almost every category of specialist—social workers, physical and occupational therapists, psychologists, psychiatrists, and myriads of other personnel. This is what Senator LISTER HILL'S fine bill is all about—as I shall shortly mention.

CONGRESS SHOULD ACT ON SENATOR HILL'S BILL

Naturally, all eyes turn to the United States Congress for its realization of and action on this problem.

Toward that end, I personally have been in contact with the Senate Labor and Public Welfare Committee, with the House Education and Labor Committee, with the Depart-

ment of Health, Education, and Welfare, and with Senate and House Appropriations Committees.

I was pleased indeed when the House Appropriations Committee took the first indespensable step and increased the budget requests of $11.9 million for maternal and child-health services in the very modest Children's Bureau Budget to $16 million.

The committee made a formal recommendation, as you know, that half of the increase provided, be spent on the problem of mentally retarded children. The committee likewise approved an increase over the $750,000 appropriated last year for medical research on the mentally retarded.

Then, as you no doubt know, last month, Senator LISTER HILL, of Alabama,, on behalf of himself and other Senators, introduced a landmark bill for the purpose of providing funds for research and training in the field of mentally retardation. I am happy now to serve as a cosponsor of this vital legislation.

S. 3620, now pending before the Senate Labor Committee must be enacted into law. It will help provide funds to aid in training more undergraduates and graduates, more teachers, more supervisors, researchers, and administrators to provide ever improved programs—the type of programs which, as I have indicated, are so sorely needed by so many.

Time must not be lost.

We have a great deal of time to make up. For too long, the mentally retarded have lived in the shadows—neglected, often rejected, unwanted. The Federal Government has a clear responsibility to fulfill its role in conjunction with the States and the cities to improve overall services to the mentally retarded.

CONTINUE CHILDREN'S BENEFITS BEYOND 18; LIBERALIZE TAX TREATMENT

Meanwhile, in Washington, as you know, we are approaching the final stages of enacting liberalizing changes in the social security laws.

One of those necessary changes (to which I personally have given my complete support), provides for the payment of social-security benefits to widows caring for those children beyond the age of 18, who are still unable to look after themselves.

After all, if a widow has been tending a retarded youngster, let us say, all by herself, from the age of 11 on, that child still needs help, even after he passes the chronological age of 18. The widow's social-security benefit—to look after him—should not, therefore, cease simply because he has passed that chronological age. His mental age would still prevent him from looking after himself.

In accordance with this same principle of fairness and easing financial burdens, I have long been in favor of taking a new look at our tax laws. On the Senate floor, I have urged liberalizing of tax deductions for the care of mentally retarded dependents.

Tax liberalization results in a loss of some revenue. But surely with Uncle Sam taking in $65 billion, he can spare taxpayers a few more dollars to look after their own loved ones who are retarded.

LOOKING AFTER PARENTS

But legislation—and even legislatively provided funds or tax deductions will not—in and of themselves—provide all the answers.

I have spoken of frontiers. There is a whole new frontier in looking after the needs of parents of the mentally retarded.

I am pleased that organizations and individuals who have concerned themselves with the children's problems now are giving their serious attention to the needs of parents, as well. I refer to such splendid groups as the National Association for Retarded Children. Thanks to NARC and others, more and more people realize the deep emotional prolems which are caused to a parent of a mentally deficient child.

The parent may utterly lose confidence, may seek to live in isolation from the community, may have a feeling of guilt, even though there is no traceable reason for the child's problem (no accident, for example which caused injury to the brain due to any parent's fault.)

In order to meet the needs of the child, therefore, more and more of you experts are trying to meet the need of parents, as well—for improved understanding. After all, a parent can come to feel just as much if not far more pride in what a retarded child can with aid, accomplish, as in the achievement of a so-called average child.

WISCONSIN'S TRAILBLAZING

In the overall field, I am particularly proud at the outstanding progress which has been made in our State—by yourselves and others.

I was delighted, for example, to note the council work adjustment center here in Milwaukee. It never would have come about, had it not been for the wonderful cooperation, the magnificent teamwork of women's organizations, the local office of the State board of vocational education, the division of vocational rehabilitation, Southern Colony and Training School, Milwaukee Vocational School, the Wisconsin State Employment Service, and the Community Welfare Council.

A complete range of services is being provided. There is medical service, educational service, family case work, psychological service, etc.

This is a heartwarming sign of better days ahead. And there are other welcome signs of progress in many other parts of our State. I have been pleased to hear from many professional workers, parents, and others in all parts of the Badger State reporting progress.

CONCLUSION

We all have a role to play in continually looking after this problem. I know you will not pass the buck to Uncle Sam. Let the Federal Government do its role; let it not shirk its responsibility. (I pledge my own efforts to see that Uncle Sam doesn't let you down.) But let every American continue to do as you are doing—to do whatever he or she can—for these youngsters, and for adults as well, in need. Certainly, you, in this audience tonight, who are dedicating yourselves, should serve as an inspiration to all of us.

Those of us who are not privileged to serve in this cause 365 days a year, so to speak, can at least do our modest share to be worthy of the fine tradition which you are establishing for us.

Good luck. To the award winners, my heartfelt congratulations—and best wishes to you all.

The Polish Constitution of 1791

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. MULTER. Mr. Speaker, May 3, 1956, commemorated the 165th anniversary of the Polish Constitution. The freedoms voiced in that promulgation have been denied Poland time and time again; however, its people have never ceased in their efforts to regain their independence.

We may compare the struggle of humankind in the achievement of democracy to the erection of a multicolumned, solemn temple or to the building of a majestic road, audaciously projected into the unknown and into the future. These splendid structures are adorned and brightened by lofty burning tripods or marked by milestones—each representing a symbolic step or a glorious conquest of humanity over nature's adversities, or the triumph against a tyrannical will imposed through history by dictators or avaricious men. Representative of such indelible marks of history is, indeed, the Polish Constitution of 1791.

By its enactment humanity achieved another step in the recognition of man's individual rights and freedom. Many progressive social and political reforms were inaugurated by this document. Participation by the peasants and the local towns in the right of representation in the national government was firmly recognized. The Polish Constitution, based upon two other great documents of that period—the American Declaration of Independence and the French Declaration of the Rights of Man—proclaimed the concept of liberty for all men and recognized that man is endowed with certain inalienable rights and that for the protection of these rights "governments are instituted among men, deriving their just powers from the consent of the governed."

Unfortunately, the country which gained life with such a stupendous monument of freedom was chosen to remain through history as an example to other men—an example of the fact that an author ofttimes endures suffering instead of recompense for such a splendid donation to humanity. "Martyrized Poland," they have properly called it, and, in truth, few people have suffered so much from foreign oppression and aggression.

Although Poland has, perhaps, been through the centuries the bloodiest battleground of Europe, its spirit of independence, its wholehearted dedication to God have never faltered. What a glorious proof of good faith the Communists could now give if they would free Poland. What coherence and logic would appear in their behavior if, after renouncing Stalin and denouncing his crimes, they would redress and repair the tortious acts inflicted upon the Polish people. In other words, if they free now a few persons who were put in dungeons by their bloody leader, there is far more reason that they should free an entire people from the oppressive status that same leader has thrust upon them.

It is only natural that the American people look with every sympathy to this anguishing country. We cannot forget the land of Kosciusko and Pulaski. In our hearts there is engraved forever the memory that during World War I 300,000 Polish-Americans served in defense of their adopted country, and almost 1 million fought in World War II.

We in the United States proclaim our admiration for the Polish people, and fervently pray that the day may not be far off when the freedom and happiness of man will be the object of the Government of Poland and of other enslaved nations.

Congressman Hillings Supports Old-Age Benefits

EXTENSION OF REMARKS
OF
HON. PATRICK J. HILLINGS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 7, 1956

Mr. HILLINGS. Mr. Speaker, during the 5½ years that I have had the honor to serve as the Representative in Congress from California's 25th District, I have been deeply concerned with some of the problems faced by our senior citizens. I believe it worth while to discuss some of these problems at this time because they actually affect every citizen, regardless of age. If we are not senior citizens ourselves, many of us have friends or relatives in that category.

Here are some of the highlights of old-age benefits which I have supported in recent years:

First. Social-security benefits increased: Increased social-security benefits in the form of higher payments to retired persons; extension of benefits to 10 million additional workers; allow beneficiaries of social security to earn more money on occasional jobs without loss of benefits; and more generous benefits to disabled persons.

Second. Value of retirement money protected: Inflation has been checked so that retirement benefits from social security and other sources retain their value. Since 1953, the purchasing power of the dollar has remained stable.

Third. Tax laws eased: Tax laws have been liberalized to give more credit for retirement income; medical deductions have been generously increasd; single persons supporting their parents receive more favorable tax treatment; and Federal income taxes in general have been reduced so that more money is left for our own uses.

Fourth. Job opportunities: I am pleased to support the action of the Department of Labor which has put into action a program to develop more job opportunities for older workers and demonstrate to employers the best methods of hiring and retaining senior citizens on the job. Because a person is advanced in years is no reason why he should be denied employment opportunities. I favor action to prevent job discrimination on account of a person's age.

Fifth. Active medical programs: Research and services in the fields of chronic disease have been greatly intensified. Since 1953, the Congress has almost doubled appropriations for medical research, much of which has been conducted by the National Institutes of Health. During 1955, the Institutes were supporting or conducting at least 170 research projects related to aging. Congress has also provided money for Federal-State hospital construction and vocational rehabilitation.

Sixth. Federal Council on Aging: The Federal Government has established a Federal Council on Aging made up of representatives from 12 Government agencies to render assistance to older people, recognizing the fact that such individuals have led useful lives and have contributed so much to the development of our country.

The task ahead: Mr. Speaker, we in Government must do everything possible to assure continuance of sound programs designed to assist the Nation's senior citizens. They are not seeking charity or handouts, but opportunities to live out their lives in peace and comfort. We must acknoweldge a great debt for their productive efforts during their working years. The country's older people are the fathers and mothers who have raised us and indoctrinated us with a heritage which has made America unique among all the other nations of the world.

The Townsend Plan for Help to the Aged, the Money Therefor To Be Supplied by a National Gross Income Tax, Is a Sound Plan

EXTENSION OF REMARKS
OF
HON. LEROY JOHNSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 7, 1956

Mr. JOHNSON of California. Mr. Speaker, the Townsend plan has been changed very materially. The plan presently recommended by Dr. Townsend is simple, and a similar plan has been tried and found to be sound and successful. The basic idea of the Townsend plan now, is that to provide for the aged the Government levy a gross income tax. A similar plan has been tried in the Territory of Hawaii and has thus furnished us a yardstick by which to measure the success of such a plan.

Dr. Francis E. Townsend is the authentic pioneer in the development of a plan to give proper aid to the aged. He was born in 1867 and will be 90 years old on January 13, 1957, and is still vigorous and active both physically and mentally.

The Townsend plan has gone through several evolutionary changes largely by the thinking of Dr. Townsend, but also because he has had the support of some very important people who have had experience in the administration of welfare funds under the Social Security System. One of these persons is John C. Cuneo, of Modesto, Calif. He has been a member of the California State Welfare Board for 12 years. This board distributes the social-security funds that the National Government sends to California for distribution to those who qualify. In that manner he has learned how cumbersome and sometimes unjust the present system is.

The present Townsend plan is to levy a gross income tax on all those earning more than $250 per month. This plan has the support of some people who are authorities on tax problems. It also has been operated and found to be practical and workable.

The Territory of Hawaii has a gross income tax which went into effect in 1935. This is a business privilege tax measured by gross proceeds of sales or gross income. The tax rate is 1 percent on wholesaling and 1½ percent producing and manufacturing, except sugar producers and canneries who are taxed at the rate of 2½ percent which is also the applicable rate on all other taxable gross receipts. A $1 license must be secured and renewed annually on a calendar year basis.

Returns are due and the tax payable on or before the 20th day of the following month. An annual summary and reconciliation return must be filed on or before March 20 of each year.

Taxes are payable at the time of filing of the monthly return, also when annual return is filed if additional tax is due.

Now fortunately there is concrete evidence by persons who are experts in taxation problems that the Townsend plan of today, which provides for a gross income tax levy is a sound system.

In the American Weekly, dated April 22, 1956, was a very interesting article by T. Coleman Andrews, former Commissioner of Internal Revenue, entitled "Let's Get Rid of the Income Tax." He points out very vividly how damaging and unfair the income tax is, and refers to it as "legalized confiscation," "too complicated," "unstable." He goes on to show the great inequities in our income tax. For instance he states that a man who earns $200,000 a year—he specifically refers to a boxing champion—pays 50 times as much as a person whose tax is on a $4,000 income.

Under leave to extend my remarks, I am going to place into the RECORD following my remarks the article which I hope every Member of the House will read. It is startling how the Government takes fabulous sums from persons who by ability, ingenuity, and persistent effort contribute wealth which could be turned into producing channels which could bring the cost of living down and produce plenty where now we have poverty.

I particularly hope that everyone will read the predictions which some of the Members of Congress who were against the income tax made and compare them with what has happened.

Private enterprise which is prized by all Americans would be helped immeasurably if the Townsend Plan were placed into effect and the taxes were lowered.

In Indiana the gross income tax is used to solve its financial problems as well as to build up the State. Here is what Indiana said about its plan, printed in U. S. News & World Report, May 27, 1955, page 125:

> There is a race in Indiana and a race to debt free Indiana, the State that is attracting more industries per capita than any other. No State debt. Constitution does it. Surplus $30,000 million. No nuisance or penalty tax. No net income, use, retail sales, corporate or manufacturer's tax. Only one-fourth of 1 percent on gross receipts from sales for processing, resale, etc. not in interstate or foreign commerce; 1 percent on other receipts derived in Indiana except from sale to ultimate consumer (one-half of 1 percent); there is no tax on receipts from sales in interstate or foreign commerce.

Such a plan if placed into effect could not only solve the problem of taking care of the aged and disabled but could also solve the problem created by the large

influx of people to California. With such a scheme in operation undoubtedly new industries would rapidly spring up to give employment to these new citizens of California.

Mr. Speaker, this is from page 12 of U. S. News & World Report under date of April 20, 1956, volume XL, No. 16:

What of the idea to end the income tax? It's catching on. The only question is, Where else can $30 billion come from? Individuals pay about that much out of their income. Tax on retail sales might be geared at a high enough level to meet part of that bill. A turnover tax is used by Russia, along with a low-income tax. That fosters monopoly, as a way to avoid as many transactions as possible. A flat tax on gross income is another one.

Chances are that there'll always be an income tax, but someday it might be forced lower. Right now a good many people are forced to work a large part of the year just to pay taxes. Then they must knock themselves out week ends filling out complicated forms to make sure that the Government gets every nickel of their income that it can.

Salaried people, wage earners, those whose taxes are withheld at the source, are the ones hardest hit today. They're the ones talking revolt.

Businessmen often have expense accounts. Labor leaders usually enjoy big expense accounts. Professional people are able to take deductions of many kinds not available to the man who has only a salary. Farmers, where income comes into the tax range, have a broad range of deductions.

Income taxes today are highly discriminatory, with privileges for some and a crackdown on others. An idea is getting around that, if everybody paid taxes on the same basis as everybody else, tax rates could be lower.

The editorial from the Modesto Bee, Modesto, Calif., under date of April 18, 1956, is as follows:

TAX INEQUITIES NEED CONTINUED ATTENTION

This is the period when the inequalities of their tax system are borne home to the American people.

When they made out their income-tax returns, Federal and State, many people had a vague and garbled sense that there is a growing minority which enjoys various kinds of preferences, exemptions, and loopholes out of reach to the ordinary salary and wage earner.

And they are right in this vague impression. There are oil nabobs with $100,000 a year from royalties who get a depletion allowance and pay less than 50 percent in taxes. The ordinary single Joe without an oil well would pay nearly 70 percent.

There are people with enough money to buy substantial shares of stock, hold them 6 months, sell them at a profit, and pay a capital-gains tax far lower than the usual income tax.

There are executives allowed to take part of their pay in shares of stock on which they pay capital gains rather than ordinary income taxes. There are others with handsome expense accounts out of reach of the tax. And there are the holders of tax exempt municipal bonds.

The ordinary salaried man takes his tax straight and it is bitter brew beside the sweetened portion of the favored.

This picture has led within the last few weeks to strong attacks on the tax system by two national publications, Life magazine and Collier's.

The situation flows first from a system of income-tax rates jacked to great heights. This has stimulated tremendous pressure on Congress to provide exemptions. Primarily those who have the power of the checkbook at campaign time and the organized voting blocs have been the successful ones with Congress.

Such are the political realities of the situation that a favor given is virtually never retracted. It goes the other way; one favor invites another and the end of this process is the disintegration of the Federal income-tax system.

Sooner or later the solution must be to rewrite our tax laws, invest them with equity and equality and, once that is achieved, hold the line.

It will be well therefore for the American people to retain their interest in this subject beyond the filing deadlines.

The Agricultural Act of 1956

EXTENSION OF REMARKS
OF

HON. HAROLD D. COOLEY

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. COOLEY. Mr. Speaker, on Thursday, May 3, the House passed H. R. 10875, the Agricultural Act of 1956. For the convenience of the Members and to answer numerous inquiries from throughout the Nation, I am inserting at this place in the RECORD a concise statement of the major provisions of this legislation.

H. R. 10875 embodies the principal provisions of H. R. 12 which were not specifically pointed out by the President as reasons for his veto of H. R. 12.

Important provisions of the vetoed H. R. 12 which are not embraced in H. R. 10875 include the 90 percent of parity price supports for major crops, alternate parity computations, an increase in the minimum support level for the dairy industry, and the domestic parity programs for wheat and rice.

In presenting H. R. 10875, the report from the House Committee on Agriculture said:

A majority of the members of this committee and, we believe, a majority of both Houses of the Congress still feel that these provisions (objected to by the President) would have checked and changed the tragic downward trend of the farmers' income and would have improved both farm income and farm purchasing power. But in the present situation, appreciating the right of the President to exercise the constitutional powers of his high office, the committee realizes it would be futile to present again legislation embracing the very provisions which met with the objection of the President.

Thus, H. R. 10875 retains every feature of H. R. 12 that tends to stabilize the agricultural economy, and not specifically rejected by the President.

H. R. 10875 AS PASSED BY THE HOUSE—MAJOR PROVISIONS

First. A $1,250,000,000-a-year soil bank, in two parts:

(a) An acreage reserve designed to reduce acreage of wheat, cotton, corn, peanuts, rice, tobacco, feed grains, other field crops, and grazing lands. Payment to farmers would be made to reduce their acreage of these crops below their acreage allotments of wheat, cotton, peanuts, rice, and tobacco; below their farm base acreage in the case of corn; below their 3-year average in the case of feed grains; or in accordance with regulations set up by the Secretary of Agriculture, in the case of grazing lands. The Department of Agriculture's present estimates of the payments which would be made per acre for this reduction are: Tobacco, $100–$300; cotton, $48–$60; peanuts, $50–$70; wheat, $18–$25; corn, $36-$50; rice, $60–$75; and feed grains, $15–$50. A maximum of $800 million a year could be expended on the acreage reserve for the next 4 years.

(b) A conservation reserve designed to remove acreage from crop production on a semipermanent basis, for which payments approximately equivalent to the rental value of the land would be made, with an annual limit of $450 million.

Compulsory features, proposed in other soil bank legislation, were not included in H. R. 12—vetoed—or in this bill; limits have been put on the amounts that can be spent on specific crops, thus assuring an equitable distribution of funds; and provision is made for the protection of tenants and sharecroppers.

Second. Corn: The bill authorizes five different programs under which corn farmers may receive price supports on corn in 1956, as follows:

(a) Producers in the commercial area who elect to comply with the acreage allotments previously announced by the Secretary—at the rate of approximately 43 million acres—will be eligible for price supports at $1.50 per bushel—86.2 percent of parity—under that program, without putting land into the soil bank.

(b) For the operation of the soil bank the bill increases the corn acreage allotment for 1956 by 9 million acres to a total of 51 million acres. Corn producers in the commercial producing area may qualify for price supports at $1.50 per bushel—86.2 percent of parity—by planting within their allotment from the 51 million-acre base acreage, provided they put into the soil bank an amount of cropland equal to 15 percent of their base acreage of corn.

(c) Producers in the commercial corn area who do not comply with the regular acreage allotments previously announced nor with the base acreage setup for soil bank purposes will still be eligible for price supports, under the noncompliance program recently announced by the Secretary, at the rate of $1.25 per bushel—about 83 percent of the support level of compliance corn in the commercial area.

(d) Corn producers outside the commercial corn area may comply with the feed-grain provisions of the soil bank and qualify for support at about $1.24 per bushel—82½ percent of the support level of compliance corn in the commercial area—by planting a total of not to exceed 85 percent of their 3-year average of feed grains and placing into the soil bank an acreage equal to 15 percent of their average feed grain acreage.

(e) Corn producers outside the commercial area who do not choose to participate in the feed-grain and soil bank programs authorized by this bill will be eligible for supports at approximately $1.12½ per bushel—75 percent of the support level of compliance corn in the

commercial area—under the regular support program previously announced by the Secretary.

Third. Feed grains: Classified as feed grains in the bill are grain sorghums, oats, barley, rye, and corn outside the commercial corn area. Producers of feed grains may became eligible for price support at a higher level than that previously announced by the Secretary only by complying with the acreage reduction provisions of the soil bank. These requirements are that the producer not plant a total acreage of feed grains in excess of 85 percent of his base acreage—which in 1956 will be his average of the previous 3 years—and that he devote an acreage of cropland equal to 15 percent of such base acreage to the soil bank program.

Producers who comply with these requirements in 1956 will be eligible for price support on their grain sorghums, oats, barley, and rye at 81.2 percent of parity—5 parity points below the support level of commercial area corn which has been set by the Secretary at 86.2 percent for 1956—and in the case of corn, 82.5 percent of the support level of commercial area corn. On the basis of present parity calculations this amounts, in terms of national averages, to about: Oats, 69 cents; barley, $1.08; rye, $1.35; grain sorghums per hundredweight, $2.09; and corn, $1.24.

Feed grain producers who do not choose to participate in the soil bank program will be eligible for price supports at 70 percent of parity as previously announced by the Secretary—except in the case of corn in the noncommercial area which is 75 percent of the support price in the commercial area.

Fourth. Grazing lands: The Secretary is directed to include grazing lands in the acreage reserve program of the soil bank and to formulate a program under which farmers and ranchers would be compensated for placing a portion of their grazing lands in the acreage reserve and "making a corresponding reduction in livestock units." A limitation of $50 million annually is placed upon the amount that can be spent on the grazing lands portion of the soil bank program.

Fifth. Other field crops: The bill authorizes the inclusion of "other field crops" in the acreage reserve program. The Secretary is authorized to formulate acreage reserve programs for such other field crops as he might designate, such as potatoes, field peas, and so forth. A limitation of $50 million is placed upon the amount which can be spent annually on such programs.

Sixth. Soil bank payments: The Secretary is directed to make payments to participants in the acreage reserve program as soon as he ascertains that the participant has complied with the agreement to reduce his acreage. Under the previous provisions of the bill the Secretary was authorized to make payment upon the certification of the participant that he "has complied with all requirements for such payment."

In addition to the stipulated acreage reduction, there are a number of other requirements that are or may be a part of the obligation of the participant. In the case of some of these—such as not harvesting any crop from the land or not permitting the land to be grazed—the participant could not certify that he had performed until the contract period had expired. It is probable, therefore, that under the previous provisions of the bill payment could not have been made to the farmer in most instances until after the full year's program had expired.

The Cooley amendment will make it possible for the Secretary to make payment in full to farmers participating in the program as soon as their acreage has been measured and it is ascertained that they have complied with the acreage reduction stipulated in their contracts. Thus, if the program is put into effect for 1956 crops, farmlands could be measured for compliance with the acreage reserve program at the same time they are measured for compliance with acreage allotments—which measurements will be made in most cases in the early summer—and payment in full for participation in the 1956 acreage reserve program could be made at that time.

Seventh. Appeals procedure: Procedures are provided for appeal by producers whose soil bank contracts have been canceled because of alleged violation.

Eighth. Production on Government-owned lands: The President is directed to restrict insofar as practicable the leasing of Government-owned lands for the production of agricultural commodities in surplus supply.

Ninth. Cotton: The bill provides that the national marketing quota for cotton for the 1957 and 1958 crops shall not result in a national acreage allotment for those years smaller than the national acreage allotment for 1956. It establishes for 1957 and 1958 for cotton a special national acreage reserve of 100,000 acres, in addition to the national allotment, to be distributed to States and counties to aid in establishing in all counties minimum farm allotments of 4 acres or the highest acreage planted on the farm in the preceding 3 years, whichever is smaller.

Tenth. Surplus commodities—other provisions: The bill embraces improvements in the disposal of surplus commodities and other important provisions, some of which are discussed below.

To facilitate surplus disposal in the United States, the Secretary of Agriculture is authorized to process food commodities, such as grains, into a form—meal or flour—which can be used in the home and is also given authority long sought by both the State and the Federal Government to donate food commodities to certain penal institutions.

To facilitate surplus disposal abroad, the President is given authority to pay ocean freight on surplus commodities donated for use in other countries and to step up disposal under title II of Public Law 480 from $300 million to $500 million.

An attack is made upon the surplus problem affecting long staple cotton by again placing extra long staple cotton, now exempt from quotas, within the quota set up for all cotton longer than 1⅛ inches.

Solution of our surplus problem, particularly in textiles, would be substantially assisted by authority clearly given the President in this bill to negotiate voluntary agreements with representatives of other countries with respect to importations into the United States of competing agricultural commodities or products made therefrom.

An appropriation of an additional $500 million annually is authorized for section 32 funds, for use in surplus removal and disposal operations, particularly for perishable commodities.

The bill authorizes the appointment of a Surplus Disposal Administrator in the Department of Agriculture.

Provision is made for the appointment of a commission to study and make recommendations to Congress on increased industrial use of agricultural products.

In order to encourage further the underplanting of acreage allotments, the bill authorized a producer, for the first time, to plant only a part or even none of an acreage allotment for 3 successive years without losing his history and the right to future allotments. This could eliminate the practice of planting merely to retain history for allotment purposes, which is now required.

To make present production adjustment laws more effective, the bill increases to 75 percent of the support price the penalty for exceeding peanut-marketing quotas.

In addition to these specific new authorizations to deal with the surplus problem—authority which the Secretary of Agriculture does not now have—there are other directives in the bill designed also to deal with the surplus situation.

The Secretary of Agriculture is directed to make a study of proposals for disposing of surplus food commodities domestically through some kind of food-stamp plan. He is directed to report to Congress within 90 days on this important matter. He is directed to make a similar study and report on the matter of establishing strategic stockpiles of agricultural commodities both in the United States and abroad for use in the event of war or similar emergency. He is directed to use existing authority of the Commodity Credit Corporation to dispose of surpluses generally and long-staple cotton specifically.

Address Delivered by Hon. John P. Saylor, House of Representatives, at the American Mining Congress, Cincinnati, Ohio, on Monday, May 7, 1956

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. SAYLOR. Mr. Speaker, under leave to extend my remarks, I include the following address which I gave this morning before the American Mining Congress at Cincinnati, Ohio:

Mr. Shoemaker, fellow members of the panel, members of the American Mining Con-

gress, and guests, it is a distinct pleasure and I deem it a high privilege to be invited here today to speak to you on the subject Congress and the Coal Industry.

Last week, a Representative from Texas told me that he had read about my scheduled appearance here today. He said: "I am glad to know that the American Mining Congress is meeting in Cincinnati. We have had to listen to so much talk in the Halls of Congress about the coal industry that I was beginning to think that the legislative branch of our Government was becoming the Mining Congress."

It is true that a considerable amount of time has been devoted to the coal industry in recent sessions of Congress, but certainly no more than the subject warrants. To my way of thinking, the industry's importance and its problems should have been given far more attention on Capitol Hill long before the current crusade got under way. Had such been the case, our subsequent efforts would have taken effect much more quickly.

During the immediate postwar period, the coal business was good and Congress had no notion of the industry's miseries that lay dead ahead. Not until 1949, when production dropped to 447 million tons—as opposed to 599 million tons in the preceding year—did the industry itself evidence any concern. Even the thud created by this downward plunge was not sufficiently shocking to bring about complete unity of forces within the industry. By now foreign residual oil was flowing freely into the Eastern seaboard, and there was an earnest, but somewhat disjointed, effort to remedy the situation through legislation. This effort, of course, proved to be abortive, partially because the advent of the Korean war in the summer of 1950 brought with it increased demand for all fuels. Coal again was called upon to fill the power gap when our country went to war.

Actually, the coal industry probably would have been better off had this artificial stimulus to production not taken place. Both Congress and the industry were lulled into a temporary sense of security while the oil import problem proceeded to get out of hand.

My tenure in office dates back to the fall of 1949. The district which I represent produced about 23 percent of Pennsylvania's total output that year, so quite naturally I was intensely interested in the condition of the coal industry. I might say parenthetically that, while I never worked in the mines it has been my privilege to associate with operators and miners all my life, so I consider I have at least a working knowledge of the industry. I have often discussed industry economics with a number of gentlemen who are members of the American Mining Congress, including Dr. Charles Potter, a friend of many years.

The danger signal was up for the coal industry by the time I became a Member of Congress, but then came Korea and the temporary upturn in demand. Finally in 1952, coal and allied industries became understandingly alarmed when business again went into reverse.

That was the year in which coal-State Members of Congress first took the offensive in order to prevent a serious fuel problem from becoming a national catastrophe. We attacked the oil import program vehemently. We went after the Government for its inequitable fuel-buying policies. We insisted upon a change in attitude of foreign governments which were accepting our handouts and then refusing to buy the products of our mines.

Against the backdrop of a rapidly expanding economy, the industry was in the uniquely unfortunate position of being one important segment of our business enterprise not prospering. As a consequence, it was extremely difficult to secure recognition for the serious problems affecting coal. When we pointed out that thousands of our miners were unemployed because of the oil import program, the general reaction was that they should seek opportunities elsewhere. Some went so far as to say that coal was really a "dying" industry, notwithstanding the fact that America would have to rely heavily upon coal for its rising energy needs in the years ahead.

We who live in coal districts or are otherwise associated with the industry realized the danger inherent in the loss of our skilled workers. We knew that it was not in the public interest to allow mines to close and deteriorate. We recognized the dangerous implications of the disappearance of investment capital for the maintenance and expansion of existing coal properties and for the development of new properties. We knew it, but we could not convince the rest of the Nation of the grave significance of these conditions.

We in Congress thereupon began to put more emphasis upon the coal industry's relationship to national defense. This was the strategy born of necessity. We took somewhat the same course of action that Mustafa Kemal followed at the beginning of this century in Turkey. He was a fervent patriot who as a youth learned that his political views were not acceptable to incumbent government leaders; in fact, he was at one time banished to Damascus for publicly expressing his views. Members of Congress from coal districts escaped that fate, but there were times—such as when more billions of dollars were appropriated for foreign countries while our pleas were being ignored—that we felt we could have done better had we been from Damascus or someplace else outside the United States. Kemal finally decided to abandon politics for a military career. Years later, as the famous Ataturk, he became President of the Turkish Republic when it was established in 1923. Thus he was able to command a tremendous influence in politics and national affairs after all.

The coal industry's economic tables had produced no significant results, so we turned to the mobilization angle. We made it clear that in an emergency there would not be enough steel if there were not enough coal. No steel—no airplanes, tanks, guns, shells, or ships. After many months, this method of approach began to penetrate. In 1954 the Defense Mobilization Director took up the fight, warning that a deteriorating coal industry could represent a real threat to our mobilization base requirements.

Meanwhile, President Eisenhower had appointed a Cabinet committee to make a study of the fuels picture. In February 1955, it issued a report recommending a five-point program for the resuscitation of the coal industry. These recommendations included a long-needed check on excessive oil imports. This provision was made into law through the medium of a national security amendment to the extension of the Trade Agreements Act in 1955. Thus, for the first time in history, international oil companies were put on notice that there was a limit to the amount of foreign oil they could bring into our markets. I might say here that I am not satisfied with the levels decided upon.

The fact is that excessive imports are finally being recognized as a threat to our national security, and a line has been drawn. We have stemmed the tide, and have had an opportunity to reconnoiter. We are finally in the position of being able to try to roll back the tide and erect flood walls in the form of quota limitations.

On February 10 of this year I introduced House Resolution 400, which since has received the unanimous approval of the House of Representatives. Needless to say, I shall be looking forward to recommendations from members of the American Mining Congress. This is one effort in which we are going to need the combined best thinking of coal producers, miners, transporters, and the consumers.

I am also hopeful that Mr. Patchell, the Pennsylvania Railroad research and development executive who preceded me on this platform this morning, will offer his recommendations when our subcommittee hearings get under way shortly. I shall also look forward to testimony from equipment manufacturers and all other industries and labor groups allied with coal in any way.

Now, I have invited members of this audience to participate in our hearings, yet I have not explained the provisions of House Resolution 400. I assume that most of you are familiar with it, at least to the extent that we in Congress want to learn whether an effective research program for coal might be developed in the same magnitude as those which have been and are currently conducted by the Atomic Energy Commission, the National Advisory Committee for Aeronautics, the National Science Foundation, and similar groups.

My resolution provides for investigating such fields of research as coal production, coal transportation, coal distribution, coal utilization, and a general appraisal of all coal technology. The job cut out for us is a big one, and no doubt many new facets will present themselves as our investigations proceed.

Since my resolution passed the House, I have received correspondence and personal calls from university officials, industrial research firms, and from coal people themselves. Let me read one analysis of the situation:

"The coal industry in 1956 is at a stage similar to that of agriculture in 1862, when the Morrill Act established the land-grant college system and the Hatch Act in 1887 which established the agricultural experiment stations * * * much research was needed to correct the problems."

The House Interior and Insular Affairs subcommittee which will carry out the objectives of House Resolution 400 had its first meeting last Thursday. You will be interested to know that hearings will open in Washington on June 4. Let me say that you gentlemen can have every confidence in the Congressmen who will be serving with Chairman EDMONDSON and me on this subcommittee. While I happen to be the only member from east of the Mississippi, all of my colleagues on the subcommittee are from coal-producing districts, and all are highly conscious of the need for a vigorous coal industry.

It is our fervent hope that House Resolution 400 will eventually settle the industry's principal problems. Meanwhile, Congress must not relent in other undertakings necessary to ease coal's inequitable burdens. In addition to the foreign oil problem, such matters as conservation of natural gas and increased depletion allowance for coal are subjects that cannot be laid aside on Capitol Hill.

The Government's policy on development of peacetime uses of atomic energy is one item that must be watched carefully. The time has come to turn off the stream of Treasury dollars that are flowing freely in an attempt to produce—at astronomical costs—the same kind of electricity that coal-fired plants have been turning out for years. The efforts of private utilities in this direction are most welcome, but I object to the Atomic Energy Commission's use of false figures on coal reserves and other spurious devices in the campaign for what could become an atomic TVA. Next will come the request for the Government to underwrite risk insurance necessary for the operation of reactors in populated communities. Such

investments are unfair—not only to the coal industry, but also to every other United States taxpayer.

Within the past few weeks, a number of other Members of Congress have risen to challenge the AEC's determined effort to create subsidized atomic power competition for the coal industry. We are hoping that similar support will come to coal's defense with respect to the other problems that are confronting the industry. If you will permit me to refer once more to foreign oil, I should like to point out that during the current session of Congress an increasing number of Representatives and Senators have come to recognize the danger in the theories of free traders. Congressmen from New England and the South have become much disturbed about excessive imports that are imperiling their home industries. Just before leaving Washington last Friday, I talked with a member of the Georgia delegation who was denouncing a bill that would give the State Department even greater authority in the making of tariff concessions. He emphasized that this is a fight which we must wage together, so I reminded him that he was not in our camp in the past when we had bills up to place a quota on oil imports.

"Oh, I realize that I didn't vote for you on those bills," he said. "But actually I have been on your side all along."

We must continue to present a united front and keep our problems before the Nation if we are to continue our progress toward getting more remedial action from unfair policies harmful to coal. The fact is that there is national danger in a mobilization program that does not include a vigorous coal industry capable of accelerating production to meet emergency demands.

According to recent developments, this situation is finally being recognized, yet we must remember back to other periods when upward spirals in production developed an overconfidence that resolved itself into a sense of complacency. The ills brought on by unrealistic Government policies will not cure themselves. They may appear innocuous when the general state of affairs is in good health, but the time may come when they threaten the position of the entire industry. The cure must be undertaken as soon as possible, and with unity of determination I am sure that we can and will restore the coal industry to its rightful place in a growing economy and in America's defense structure.

Tito Should Never Have Been Trusted

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 1956

Mr. McDONOUGH. Mr. Speaker, Tito of Yugoslavia, a life-long Communist, has now pledged Yugoslavia's support to Red Russia, and has turned his back upon the United States which, during the last 8 years, supported the Yugoslav nation with United States loans, credits, and outright grants.

Yugoslavia, a Communist nation built and maintained with United States aid in the hope that such aid might set an example and encourage other nations under Soviet domination to break away and turn to the Western democracies, has proved once again that the Communist doctrine of deceit and conspiracy is supreme law to the Communist, and that the nation naive enough to place trust in the pledge of a Communist leader can only expect disillusionment and betrayal as a result of its trust.

I have consistently opposed aid to Tito by the United States, recognizing the fact that a Communist leader could not and should not be trusted. I have warned of the danger in sending military supplies to this Communist nation when such materials might be used at some future time against American boys. But the State Department, then under Dean Acheson, insisted that Tito's friendship was essential to the United States, and the program of aid to Yugoslavia was underway.

In August of 1949 the State Department granted a permit to send an American steel mill to Tito, and at that time I addressed the Members of the House as follows:

An event has occurred within the past 24 hours that we should think seriously about. The State Department has granted a permit to Tito, the communistic dictator of Yugoslavia, to obtain a steel mill from the United States.

I think that Tito, the Communist dictator, is the most dangerous man in the world next to Stalin. Here we are taking a communistic sinner, Tito, and trying to make him into a democratic saint. It was Tito that only 3 short years ago shot down our planes and killed our American flyers, and we are saying to him through our State Department, we think you have reformed, we think you have broken with Stalin.

You can have a permit to obtain an American-made steel mill because we think you are breaking the Iron Curtain for us.

Are we so naive as that? I think we ought to give a lot of thought to what that means in connection with the granting of funds to arm Western Europe, because we will have to use the funds if Tito uses this steel mill to make munitions. And we have no control nor assurance that he will not. We do not know if they are going to use it to make munitions or not.

Tito is playing Stalin's tune and we are dancing to it.

Tito is the most dangerous man in the world and we are being made to look like puppets by playing along with him.

The State Department now appears sold on what it calls the "reformation of Tito." Only time will tell how honest a reformation this is. If the State Department is wrong we may regret this action which now allows Yugoslavia an American-made steel plant which can be used to produce arms and munitions which may be fired against our own men in the event of world war III, which God forbid.

Today Tito's duplicity stands revealed. As a Communist dictator, he has again joined forces in the plot of Soviet Russia for world domination through Communist conspiracy and aggression.

The whole story of Tito's brief alliance with Western democracy, his return to the Russian orbit, and what it cost the United States in our attempt to hold Yugoslavia as an ally is contained in the following article which appeared in a recent issue of the U. S. News & World Report. It is a story which confirms the opinion that "you cannot do business with Communist nations." Their creed is to confuse, their keynote is expediency, and their method is betrayal of a trust:

BILLION-DOLLAR GAMBLE THAT FAILED?—TITO, WITH UNITED STATES ARMS AND AID, LIKES MOSCOW AGAIN

Tito's mission to Moscow is the latest jolt for the United States.

Communist Yugoslavia has been kept going with United States aid. Now there's a move in Congress to cut off all aid, to consider Tito just another Moscow man.

Tito's game of "neutrality" may be over. If it is, United States has lost a billion-dollar bet.

Marshal Tito is running Yugoslavia as a Communist country built with United States aid. It's the only Communist nation in the world still getting United States help.

You can see modern United States jet fighter planes on any military airport in Yugoslavia. When Tito puts any of the 30 divisions of the Yugoslav Army on parade they march with United States equipment—United States tanks, guns, jeeps, and trucks.

Throughout Yugoslavia you find factories in operation with machinery made in the United States of America. On the plains of Croatia, in the valleys of Slovenia and Serbia, Yugoslav farmers are working their fields with United States farm machinery. For 8 years the Yugoslav economy has depended heavily on United States loans, credits and outright grants to keep going.

All of this represents a billion-dollar gamble for the United States. Since 1948, when he broke with Joseph Stalin's Russia, Tito has received a half-billion dollars' worth of United States military aid. Economic aid, over and above the 300 million dollars' worth of United States relief funds pumped into Yugoslavia at the end of World War II, totals about $400 million in the same period.

United States plans for the year ahead still call for aid to Yugoslavia—$30 million for economic aid, an undisclosed amount for military aid. But Russia now is to be Yugoslavia's biggest partner in trade. And President Eisenhower has said the United States is reassessing its policies toward Tito.

A HERO IN MOSCOW

Question now is what the United States has in return for all this aid to a Communist country and its leader. Tito, the man who broke with the Kremlin in 1948, has gone back to Moscow to be hailed as a Communist hero by Stalin's heirs, the new rulers of Russia.

In Moscow, Tito has told the men in the Kremlin that the break between his country and Soviet Russia is healed. "Nothing of the kind," he told his Russian hosts, "will ever again happen between the two countries. * * *"

Patching up their differences with this one man, as the Moscow Communists see it, can bring Yugoslavia, the only country ever to bolt Moscow's empire, back again, the richer for a billion dollars' worth of United States aid in arms and goods.

Key figure in all this is Josip Broz Tito, a life-long Communist. In 1944, Prime Minister Sir Winston Churchill of Britain and United States leaders picked Tito and his guerrilla "Partisans" as the force to support against the Germans. Allied aid, much of it from the United States, helped Tito win. Yet, a few months after war ended, Tito's troops shot at United States troops on the Italian frontier.

In the early postwar period Yugoslavia looked like just another Soviet satellite. Tito, to all appearances, took his orders from Stalin in Moscow.

AMERICANS KILLED

One incident particularly aroused the United States. In the summer of 1946 the Yugoslavs shot down an unarmed United States transport plane, killing five United States fliers, and forced down another, jail-

ing its occupants. A storm of protest in the United States and a blunt United States ultimatum to Tito forced him to release the Americans and pay indemnity. But Tito then was considered a cold war enemy of the United States.

Suddenly a blast from Moscow changed all this. On June 28, 1948, the Communist International denounced Tito, in effect, for defying Stalin. Communists the world over soon were calling Tito a "traitor." Out of Moscow came orders to all Communists everywhere, Yugoslavia included, to overthrow Tito.

Inside Yugoslavia, however, Tito remained secure. The Yugoslav army, the Yugoslav Communist Party supported him. A wave of Yugoslav nationalism made him a hero at home. But the country, threatened by famine, desperate for machinery and raw materials, faced economic collapse. And the Yugoslav army, promised arms by Russia, got none, feared a Soviet attack.

The United States gamble on Tito dates from this period. The Yugoslav dictator appealed for western help, though still insisting that he was a Communist.

Calculated risk by the United States was designed to make Yugoslavia an example to the countries still under Soviet rule. Idea was—and still is—to show that the satellites could break with Stalin and survive.

LOOSE TIES WITH WEST

Thanks largely to United States aid over the last 8 years, Yugoslavia has prospered. As the United States sent hundreds of millions of dollars in aid to the country, Tito gradually made his peace with the West through a number of loose alliances.

Through these years, however, Yugoslavia remained a Communist dictatorship. Tito's rule, while more liberal than Moscow's rule, was that of a police state. Yugoslavia never joined the North Atlantic Treaty Organization, often turned up on the Communist side of votes within the United Nations. There was much criticism of United States aid to Communist Yugoslavia within the United States Congress, but the aid continued to flow.

Stalin's death in Moscow brought a sharp change in Russia's policy toward Yugoslavia. A year ago, Nikita Khrushchev and other Soviet leaders went to Belgrade to confess Stalin's errors in breaking with Tito.

ESTEEM FOR RUSSIA

For a year Tito played hard to get. Just last October he received United States Secretary of State John Foster Dulles at Brijoni, his magnificent island estate in the Adriatic, for friendly talks. Now Tito has gone to Moscow to be received as a Communist hero, a friend of the Soviet Union's new leaders. Here is what he has to say about the future of Yugoslav relations with Russia:

"The common struggle of our peoples from 1941 to the end of the war against the common foe testifies to the great truth that our fates are inseparable and that there is much for which we can value and esteem each other. However, dear friends, something unheard of and tragic nevertheless took place, and neither the people of Yugoslavia nor the people of the Soviet Union were responsible for this.

"We were greatly pained, but we believed that the time would come when everything separating us would be overcome and when our friendship would receive a new and still more firm foundation. This time has come, thanks to the Leninist policy of the government and the Central Committee of the Communist Party of the Soviet Union.

"The arrival of Comrades Khrushchev, [Premier Nikolai A.] Bulganin and [Soviet trade boss Anastas I.] Mikoyan and others in Belgrade, the talks with them, the declaration which was drawn up on that occasion, and afterward the courageous and farsighted foreign policy of the collective leadership of the Soviet Union are, in my profound conviction, a guaranty that nothing of the kind will ever happen again between the two countries marching along the path of Marx, Engels, and Lenin."

ALERT IN THE PENTAGON

Tito's game, whatever it is, has shaken the United States. Senators heard Yugoslav exiles testify that Tito has helped Moscow all along. The House banned all aid to Tito unless the President orders that it be continued.

The Pentagon's experts, when United States military aid first went to Yugoslavia, had trouble finding out just how the aid was used. Now, however, several hundred United States military men are moving about in Yugoslavia checking up on United States equipment and providing the United States with valuable intelligence on the whole area.

Yugoslavia's army, these observers report, now has so much United States equipment that it is dependent on a 50-million-dollar flow of parts and supplies from the United States to keep going. Tito, once again, would become completely dependent on Russia if United States aid ended.

Tito himself, in Moscow, coolly said: "Our relations with the United States will not suffer." And Tito's friends say he knows he will be in trouble with his own Yugoslavs if he breaks his United States ties.

In the weeks just ahead, however, American policy makers will be taking another look at Tito. They must decide whether Tito has enough independence left to warrant any United States aid, or whether he is back on Moscow's side after a billion-dollar build-up from the United States.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 8, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, at the noon hour of this new day, we are coming unto Thee for wisdom and guidance for Thou alone art our light when we walk in darkness and our only source of courage and hope when we are haunted by fears.

We beseech Thee to illumine our minds with insight and understanding and lift our hearts to loftier heights of joy and peace.

Grant that we may never yield to doubt and despair but make us confident that Thou hast for all mankind a great and glorious purpose.

May we seek to bring to fulfillment that wise and beneficent purpose by accepting Thy blessings as a sacred trust and using them as contributions with which to minister to the needs of humanity.

Inspire us daily to rejoice in Thy abounding grace and goodness, which is always willing to forgive us when we have sinned and to restore us to Thy fellowship when we have gone astray.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

REPORT OF SECRETARY OF THE INTERIOR ON AINSWORTH UNIT OF THE MISSOURI RIVER BASIN PROJECT

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9132) to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert "That the report approved by the Secretary of the Interior on November 21, 1955, demonstrating the physical and economic feasibility of the Ainsworth unit of the Missouri River Basin project, integrated as a part of said project by the act of August 21, 1954 (68 Stat. 757), is hereby approved: *Provided*, That for a period of 10 years from the date of enactment of this act, no water from the project authorized by this act shall be delivered to any water user for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301 (b) (10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security."

Amend the title so as to read: "An act to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project."

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

INCREASED MILK CONSUMPTION

Mr. COLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLE. Mr. Speaker, our national milk production for 1956 is on the way to an alltime high.

These words may sound ominous because of the dairy-surplus problem—and they are ominous. Dairy farmers have suffered loss of income steadily for years. Government purchases of dairy products to support prices has cost the taxpayers hundreds of millions of dollars.

Actually, however, these words need not have an ominous meaning. We face, in fact, a strange paradox. On the one hand, we have great dairy surpluses but, on the other hand, surveys have found that a shocking number of our children

and teen-agers suffer from malnutrition because they fail to drink enough milk.

Surveys of our youngsters have found, too, that poorly balanced diets are by no means limited to families with low incomes. Many children from families of above-average income also fail to drink enough milk, the greatest single health-giving food we have.

As a member of the House Armed Services Committee, I have been concerned with the large number of draftees that the military services have found physically defective because of malnutrition.

The dairy industry is to be highly commended for the promotional campaign it has undertaken to boost consumption, for this is one of the most obvious answers to the dairy-surplus problem. When we say that the country has a surplus of several billion pounds of milk, it sounds like a staggering amount. Yet, if everybody would just drink a little more milk each day—even less than a full glass—the surplus could turn into a shortage.

New products which offer promise of increased milk consumption are appearing on the market. One such product is a powdered milkshake mix which can be used at home and is particularly effective in getting children to enjoy their daily milk.

On Wednesday afternoon, Senator ALEXANDER WILEY, of Wisconsin, and I are giving a milkshake-mix party in the Capitol for a group of Washington children. It is my hope that this party will dramatize the need for increased milk consumption and the effect which new products such as milkshake mix can have on that consumption.

I am pleased to invite my colleagues to join with Senator WILEY and me in our children's milkshake mix party.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1957

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 500, Rept. No. 2120), which was referred to the House Calendar and ordered to be printed:

Resolved, That during the consideration of the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, all points of order against the bill are hereby waived.

HON. HAROLD D. COOLEY

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 426), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the transcript of the proceedings in the Committee on Agriculture of Thursday, February 10, 1955, incident to the presentation of a portrait of Chairman HAROLD D. COOLEY to the Committee on Agriculture be printed as a House document with suitable binding.

The resolution was agreed to.

A motion to reconsider was laid on the table.

NORTHWEST AIRLINES

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, the following editorial regarding Northwest Airlines appeared recently in the St. Paul Pioneer Press:

STRUGGLING NORTHWEST

Northwest Airlines has met with difficulties in Washington in efforts to obtain a permanent operating certificate for its northern or great-circle route to the Orient.

Its most recent setback in this respect has attracted attention in Congress and in aviation publications. The American Aviation Daily says a political storm is building up involving the Civil Aeronautics Board, a congressional committee, and the White House. In the picture is Pan American Airways, which operates a central trans-Pacific route and seeks Government permission to move into Northwest's northern territory.

Northwest Airlines is handicapped in long-range planning by lack of a permanent operating status on the trans-Pacific route which it pioneered and developed during the past decade or more. The Civil Aeronautics Board recommended permanent certification in December of 1954. However, in January 1955, President Eisenhower disapproved the recommendation on the ground that Northwest was operating on a subsidized basis.

Subsequently Government records showed that subsidies had ended January 1, 1955, thus removing the objections cited by the White House. Since then Northwest Airlines has been trying to get the matter reconsidered on the basis of the new evidence. The CAB agreed to reopen the matter in connection with a May 8 hearing on an application by Pan American for permission to compete with Northwest on the northern route. Northwest asked that this hearing consider its certification and also a proposal that it be permitted to compete with Pan American on the central route if Pan American should move into the great circle.

The CAB decided such an expanded hearing would be fair to all, and approved the agenda. Then an aviation specialist on the White House staff protested. He asked the CAB to limit the May 8 proceedings to the one issue of Pan American expansion into the northern route. This the CAB did, although there was no precedent for such a procedural reversal.

Since this is the situation, Northwest is seeking a separate CAB hearing on permanent certification. This at least should be granted. Since the CAB recommendation for a permanent certificate was overturned on the basis of incorrect subsidy figures, justice calls for reexamination of the case with all the facts now available.

ORGANIZATION FOR TRADE COOPERATION

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Con. Res. 230) authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 2,500 additional copies of the hearings on H. R. 5550, a bill authorizing the President to accept membership for the United States in the Organization for Trade Cooperation, held by the Committee on Ways and Means for the use of the said committee.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CENTRAL VALLEY PROJECT

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 456) authorizing the printing as a House document of material relating to the Central Valley project of California, and additional copies for the use of the Committee on Interior and Insular Affairs, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there be printed as a House document certain material relating to the Central Valley project of California, and that there be printed for the use of the Committee on Interior and Insular Affairs 1,000 additional copies.

The resolution was agreed to.

A motion to reconsider was laid on the table.

BALTIC STATES COMMITTEE AND COMMITTEE TO INVESTIGATE TAX-EXEMPT FOUNDATIONS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 454) to provide funds for the expenses of conducting studies, investigations, and inquiries incurred by the Select Committee on the Baltic States, and by the Special Committee To Investigate Tax-Exempt Foundations, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations (1) authorized to be conducted by the Select Committee created by House Resolution 346, 83d Congress, as amended by House Resolution 438 of such Congress, and (2) authorized to be conducted by the Special Committee created by House Resolution 217, 83d Congress, in the amount of $909.77, and in addition, the unexpended balance of $723.12 heretofore made available for conducting such studies and investigations by such Special Committee, shall be paid out of the contingent fund of the House, on vouchers authorized and approved by the Committee on House Administration, and signed by the chairman thereof.

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to my friend and ranking minority member of the committee.

Mr. LECOMPTE. Will the gentleman explain the provisions of this resolution?

Mr. BURLESON. Mr. Speaker, this resolution has to do with obligations left over by two select committees—one being the so-called Baltic States Committee and the other the Committee To Investigate Tax-Exempt Foundations. The obligations incurred by these committees were incurred before the end of

the life of the committees. It was not anticipated that they would exceed their authorized expenditures. I might say further, Mr. Speaker, that this is not to be considered a precedent. But, be that as it may, the individuals and the firms who were left holding the bag, so to speak, were innocent purchasers. That being the case, we feel these obligations of the Government of the United States to these people should be paid.

Mr. LECOMPTE. It is true, of course, that the two committees did expend more money than they were authorized to spend but only by about $500 in the case of each committee; is that not correct?

Mr. BURLESON. That is true and the obligations were incurred before the end of the Congress which authorized and created the committees.

Mr. LECOMPTE. Then after investigation it did appear that they were genuine obligations of the Government? But most certainly we are not in this resolution setting up a precedent for future committees to go beyond their authorization and appropriation.

Mr. BURLESON. That is correct, and I appreciate the gentleman's reemphasizing that the Committee on House Administration will definitely not recognize this action as forming a precedence for approval of accounts of this nature, or under similar circumstances in the future.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EMPLOYEE AUTHORIZED FOR COMMITTEE ON WAYS AND MEANS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer privileged resolution (H. Res. 468) authorizing the Committee on Ways and Means to employ one additional employee, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Ways and Means is authorized, until otherwise provided by law, to employ one additional employee to be paid from the contingent fund of the House at rate of compensation to be fixed by the chairman in accordance with section 202 (c) of the Legislative Reorganization Act of 1946.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL CAPITOL POLICE

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer privileged resolution (H. Res. 440) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund, until otherwise provided by law, compensation for the employment of 15 additional privates, Capitol Police force, office of the Sergeant at Arms, at a basic salary rate of $2,160 per annum each.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

OFFICE OF SERGEANT AT ARMS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 465) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there is hereby authorized to be paid out of the contingent fund of the House, upon vouchers authorized and approved by the Committee on House Administration and signed by the chairman thereof, such sums as may be necessary to restore or otherwise adjust the trust fund account in the office of the Sergeant at Arms by the amount of any incorrect payments made therefrom as the result of errors not the result of bad faith or lack of due care made in cashing checks or making change while carrying out the functions of such office.

With the following committee amendment:

Page 1, line 1, after the word "That", insert "until otherwise provided by law."

Mr. LECOMPTE. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. LECOMPTE. I wonder if the gentleman would care to explain this resolution to the House.

Mr. BURLESON. The gentleman's question is certainly one that I would expect him to ask and it should be explained because of the unusual nature of the resolution.

In carrying out the functions of his office, the Sergeant at Arms, acting through certain employees, cashes checks, and makes change, for the Members of the House and for the officers and employees of the House. These duties correspond generally to the duties performed by tellers in a commercial bank for the customers of the bank. In making change and cashing checks, a certain amount of error is inevitable and, even though these errors seldom involve more than relatively insignificant amounts, sound accounting procedures require that the books be adjusted from time to time to reflect these errors. In order to provide for such adjustment of their books, most commercial banks maintain what is generally referred to as an "over and under account" for each teller, and this account is charged with the day-to-day shortages and overages which are the result of those errors made by the teller in making change or cashing checks, and which are not the result of negligence or bad faith on his part. Since the banking activities of the Sergeant at Arms are not operated for profit, there are no surplus or other funds available against which tellers' shortages may be charged, as is true in the case of the "over and under accounts" maintained by the commercial banks. In addition, the bankers' blanket bond issued with respect to the office of the Sergeant at Arms states specifically that it does not cover any shortage in any teller's cash due to error. Therefore, at the present time, there is no way by which the books of the Sergeant at Arms may be adjusted to take care of this type of error.

The sole purpose of this resolution is to authorize, until otherwise provided by law, the payment out of the contingent fund of the House on vouchers authorized and approved by the Committee on House Administration and signed by the chairman thereof, of the amounts which may be necessary to restore or otherwise adjust the trust fund account in the office of the Sergeant at Arms by reason of the type of error not the result of bad faith or lack of due care, heretofore referred to.

I think we may correctly refer to it as a matter of attrition over the last 10 years. The committee made several inquiries from bankers who tell us that the small amount is an exceedingly good record, because there are days in the office of the Sergeant at Arms when they handle as much as $125,000. So over a period of 10 years there has become what is called a small imbalance. That is to correct the books and to provide that in the future there shall be an allowance for these small adjustments.

Mr. LECOMPTE. It would be fair to say there is no evidence of wrongdoing or bad faith. It is simply more likely that a small mistake has been made in making change from time to time?

Mr. BURLESON. That is correct. There is absolutely no question in anyone's mind, certainly not in the mind of any member of the committee, that there was any mismanagement or dishonesty.

Mr. LECOMPTE. And it is correct to say there is no evidence of wrongdoing?

Mr. BURLESON. That is correct.

The SPEAKER pro tempore. The question is on the committee amendment.

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LIBRARY SERVICES ACT

Mr. COLMER. Mr. Speaker, I call up House Resolution 479 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2840) to promote the further development of public library service in rural areas. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois [Mr. ALLEN] and pending

that I yield myself such time as I may consume.

The SPEAKER pro tempore. The gentleman from Mississippi is recognized.

Mr. COLMER. Mr. Speaker, this is an open rule as the reading indicated, making in order the consideration of the bill H. R. 2840, known as the library bill.

Mr. Speaker, I am not prepared to make an extensive presentation of this legislation; that will be done by the distinguished chairman of the Committee on Education and Labor, the gentleman from North Carolina [Mr. BARDEN], and the ranking member of the committee on the other side, the gentleman from Pennsylvania [Mr. MCCONNELL], and others.

I do want to state in the outset that it is a bill that I have been conclusively sold upon. The question of public libraries is one I am sure that appeals to us all.

Every facet of library extension in this bill has been studied intensely by librarians, trustees, and civic leaders for more than a decade. It didn't just happen. Its provisions have evolved out of a mass of experience at the State and local level in attempting to provide reading materials for the rural segment of our population. States have not waited for this legislation to get some library extension programs underway. In many areas, the bookmobile has become a familiar part of the rural landscape. The funds, small as they are, which will be made available under the provisions of this act, will allow those already formulated State plans to continue to grow and will aid them in demonstrating what good library service is and what its results will be in the life of the community.

I have been given the opportunity to examine first hand the philosophy and skills of many of the people who will be putting this Library Services Act into operation. Whenever these library extension leaders have had any money from whatever source I have found a dedicated adherence to the very sound principle of helping an area only when and after it has done something for itself. An examination of every State plan submitted thus far toward implementation of this act seems to have that principle very deep rooted. Without exception they bear a complete recognition of the terminal features of this piece of legislation. Plans for use in each State include complete local subsistence at the end of this period. Not only have these leaders said they understand this terminal aspect; they have borne it out in the practical plans they have drawn up. Indeed, they are already working now in their own States in the framework of just such thinking.

Mr. Speaker, I repeat, the placing within the reach of the people of this great democracy the books they desire to read to improve their minds and to make them better citizens, is a subject that is close to the hearts of all of us. In our great metropolitan centers we have a rather extensive public-library system, making available to the people of these urban centers this great wealth of knowledge and opportunity to improve their minds and mental processes; but, unfortunately, in the rural sections of this country those people are denied the opportunity that is enjoyed so abundantly by the people in the great metropolitan areas.

So there has arisen in this country a movement, largely sponsored by the American Library Association and the several States of the Union, to install a system of bookmobiles whereby the books are carried into the rural sections and everyone living in those sections have this wealth of knowledge available to them at their door. This is an essential part of the library movement if we are to make these books available to them.

Mr. BAKER. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from Tennessee.

Mr. BAKER. Mr. Speaker, I would like to impress upon the Members of the House the great importance of this program. I have seen it in operation for several years in the rural areas of east Tennessee. The appearance of the bookmobile in small rural areas is looked forward to. They have done a fine job and I strongly support this legislation.

Mr. COLMER. I appreciate the comment of the distinguished gentleman from Tennessee, who, although he has a great urban center in his congressional district, also has a large rural section in the mountains of the State of Tennessee that do not enjoy the opportunities that are enjoyed by the people of the city of Knoxville, for instance. I think the gentleman is making a worthwhile contribution when he sponsors this movement to make available to those rural people this service.

Mr. Speaker, this bill is so written that it carries out that purpose I have been trying to impress upon you and which the gentleman from Tennessee has just mentioned. A large part of our population is in rural areas.

In my own State there are 1,218,951 people without even a semblance of public library service. There are also 272,439 whose libraries are so inadequately supported that they cannot be called real libraries.

The Mississippi Library Commission working in close cooperation with the Mississippi Library Association, the State Department of Education and the University of Mississippi developed a sound plan for economical, practical library development throughout the State. This plan is being implemented continually. The passage of the Library Service bill would mean a greatly accelerated program of library development in my State during the 5 years of the program. This legislation will provide the stimulation needed to increase the interest and the support necessary at the State and local levels so that our public libraries can take their important place in our educational system.

It was revealed in the hearings on this measure that about 27 million people in the United States are without access to local public library services and of this number, 90 percent live in rural areas. There are also some 53 million more who receive only inadequate public library service. This bill is designed to bring library service to these people.

This lack of public library service is not a local problem, but one which is nationwide. No State in our great country provides adequate library service for all of its citizens. This legislation will therefore benefit citizens all over our land.

The free tax-supported library, where it has been well supported, is recognized as an integral part of public education. The public library is essential not only to the process of education but in the dissemination of information. Every citizen needs to have access all his life to sources of information for education is a lifelong process. Children need to have access to a public library to supplement their school work and to provide them with reading materials during the vacation period. Young people need guidance in vocations and other areas as they grow. Businessmen need the ready reference material provided by an adequate and efficient public library. Adults should have access to a public library wihch provides the one opportunity for continuing education throughout life regardless of the amount of formal education they have had.

Now, some objection is made to the Federal Government getting into this field. To be perfectly candid with you, I had some reservations about this myself in the beginning, because, generally speaking, I belong to that conservative school that believes, wherever possible, the States should assume the responsibilities for those functions that are properly a State function. But the thing that appeals to me about this particular piece of legislation is the fact that it has a curtailment date. The bill would authorize $7.5 million for 5 years, making a total of $37.5 million. Now, in that 5-year period we have been already asked to contribute more money than that for the assistance to foreign nations under the foreign aid program to help those people over there have books available. Here is an opportunity to do something for our people at home and to do something for the rural people of this Nation, who, after all, are the bulwark of democracy in this country. Ours was a rural nation that was founded in the beginning; and we must see to it now that the rural people of this country are not neglected.

Mr. Speaker, in the last few days there appeared in two of the great outstanding conservative newspapers of this country editorials commending this legislation. I shall not take the time of the House, because we want to get on with this legislation, to read these splendid editorials in detail. One of them appeared in the Washington Star on yesterday under the title "The Library Services Bill," and I quote the first paragraph only:

> There is really no good reason why any American should be cut off from public library service just because they happen to live outside of the cities. The public library has been called the university of the people and so it is a blessing of democracy and an aid to it.

In the New York Times, quoting another paragraph from that article:

> This bill would grant a total of $7.5 million a year for 5 years to States matching

the grants. The objective is to bring books and other library services to rural families who have none at all and to improve library service for an additional 53 million Americans whose libraries are inadequate.

Mr. Speaker, the States have control over the distribution of these funds. And there are ample safeguards in the bill against Federal domination, something none of us want. There are many other things I would like to say on this bill but I shall content myself with this final statement. I have had an opportunity in my rural State of Mississippi to see this program work. It works well. Here is a bill not to put the Federal Government on a permanent basis into the library field but a bill to give an impulse, to accentuate the spreading of the library service. I might add that I think there were 27 bills introduced in this session of the Congress and referred to the Committee on Education and Labor. Of course, the committee could not report out all of the bills, but no doubt out of deference to the gentlewoman from Oregon [Mrs. GREEN], her bill was reported by the committee. The bills, I understand, were all similar. I commend the gentlewoman, along with the others, for her sponsorship of the legislation. I should also like to complement the distinguished chairman of the Committee on Education and Labor, Mr. BARDEN, a conservative and well balanced statesman who always has his feet on the ground and the interest of the Republic at heart. His endorsement of this legislation is a refutation of any charge of socialism or that it is an invasion of States rights.

Mr. Speaker, the two editorials to which I referred, the one from the New York Times under date of May 5, and the one from the Washington Evening Star of May 7, are herewith submitted for the RECORD as follows:

[From the New York Times of May 5, 1956]

LIBRARY SERVICES BILL

The library services bill, H. R. 2840, is now before the House. The list of sponsors is bipartisan.

This bill would grant a total of $7,500,000 a year for 5 years to States matching the grants. The objective is to bring books and other library services to rural families who have none at all, and to improve library services for an additional 53 million Americans whose libraries are inadequate. The States and localities will have complete authority under the program established by the bill.

In the great cities we are accustomed to impressive library service. Our cousins in the villages and on the farms are entitled to it too. This legislation would stimulate the extension services of the various States and the regional cooperative services based on metropolitan centers. The funds proposed are modest, the period limited. It is believed that local communities in rural areas, having tasted the advantages of good libraries, would then wish to continue the services with local and State funds.

The free public library is a vital symbol of educational opportunity, and it is to be hoped that Congress will pass H. R. 2840.

[From the Washington Evening Star of May 7, 1956]

LIBRARY SERVICES BILL

There is really no good reason why any Americans should be cut off from public library service just because they happen to live outside of cities. The public library has been called the university of the people and so it is—a blessing of democracy and an aid to it. The art of reading, which Bacon tells us "maketh a full man," has not, despite the magnetic distraction of television, suffered a complete decline. The sale of the classics in cheap paper-bound editions gives heartening evidence that the desire to match minds with the great writers of the past has not died. The tremendous popularity of the bookmobiles, which have been lumbering through rural regions as stop-gap means of distribution, attests that a large hungry clientele exists.

Tomorrow the House will consider—we trust favorably—a bill which would bring the pleasures of book borrowing within reach of the many Americans currently deprived. The library services bill would provide a total of $7.5 million annually for 5 years for the construction and operation of libraries in rural areas, fringe areas around large cities and impacted areas. Previous similar measures have fallen before objections that public library service is solely the responsibility of the States and that Federal financing would lead to Federal control. H. R. 2840 meets these objections. It requires that all Federal funds must be matched by the States on an ability-to-pay formula and makes specific provision that the administration of the program be put in the hands of each of the States' library extension agency.

H. R. 2840 has the bipartisan sponsorship of 27 Representatives and 16 Senators. Its chief sponsor, the American Library Association, is hopeful of its passage. The House would do well to approve the bill and thus bring to everyone the instruction, diversion, and solace which books incomparably offer.

Mr. Speaker, I know of no opposition to the adoption of the rule. I hope there will be very little, if any, opposition to the bill itself.

Mr. Speaker, I reserve the balance of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I was a little surprised at the remarks of my good friend from Mississippi [Mr. COLMER], who is an able member of the Rules Committee, on which I serve, with regard to this bill. Had I come into the Chamber while he was making his statement, it is conceivable I would have thought that he was talking, perhaps, about the school construction bill, or Federal aid to education by way of helping to pay teachers' salaries, or helping to pay administrative expenses of schools. I might even have thought that my good friend may have been talking about the Federal Government supplying books for the schools.

I am opposed to this bill because I feel that the Federal Government should stay apart from the States as much as possible and permit them to work out their own problems, especially with regard to education. I cannot conceive how anyone here can vote to put books in rural areas and have the Federal Government furnish the money for that, any more than they would be willing to vote to give Federal money to schools to pay teachers' salaries or to buy books for the schools.

In my opinion this bill is probably the strongest bill that has come before this Congress that touches the question of States rights. The bill says:

There is hereby authorized to be appropriated for the fiscal year ending June 30, 1956, and for each of the four succeeding fiscal years the sum of $7,500,000 which shall be used for making payments to States which have submitted and had approved by the Commissioner of Education—

That is, approved by some commissioner or bureaucrat or somebody here in Washington. Then the bill continues about these allotments to States. Then on page 3 of the bill we have a section concerning State plans, which reads:

To be approved under this section, a State plan for the further extension of public library services to rural areas must—

This is what the bill says the States must do. It must provide for the administration, or supervision of the administration, and so forth.

Subsection 2 states that a State plan must provide for the receipt by the State treasurer, or if there be no State treasurer, the officer exercising similar functions for the State, of all funds paid to the State pursuant to this act.

Subsection 3 says that the State plan must provide policies and methods of administration to be followed in using any funds made available for expenditure under the State plan.

Subsection 4 states that the State plan must provide that the State library administrative agency will make such reports, in such form and containing such information, as the Commissioner may from time to time reasonably require.

Subsection 5 states that the State plan must provide that any library services furnished under the plan shall be made available free of charge under regulations prescribed by the State library administrative agency.

Paragraph (b) provides that the Commissioner shall approve any such plan which fulfills the conditions specified in subsection (a) of this section.

In order to get these handouts the States must forget all about States rights and follow the orders of some group of bureaucrats here in Washington.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. MASON. The gentleman knows that in the State of Illinois the schools furnish libraries supported by public taxation, that cities and villages have public libraries supported by taxation, that townships have libraries supported by taxation, and even the counties in our State have county libraries supported by taxation. Also the State has a State library with traveling libraries going all over the State, supported by taxation.

If the Federal Government is going to go into this library business it means that the State of Illinois in addition to paying taxes for all of these libraries available in the State of Illinois will pay into the Federal Treasury about 6 or 8 to 1 for every dollar it gets back in aid to public libraries. This is a States

rights problem, it seems to me, and not a Federal problem.

Mr. ALLEN of Illinois. I thank the gentleman. I fully subscribe to what he has just stated. I for one, I reiterate, cannot understand how anyone can possibly approve the Federal Government's going to the States and giving them books, and so forth, wherever it might be, anymore than they can go in and appropriate money directly for school purposes, for education.

I think, and I have tried to follow this principle closely, that the Federal Government should stay out of education and attempting to participate in our school systems. I just as firmly believe that the Federal Government should stay out of religion and let a person follow the belief he chooses. I have followed these principles in the quarter of a century I have been in Congress, and I hope that now we do not get into this educational feature.

Mr. COLMER. Mr. Speaker, I have no further requests for time. I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. BARDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 2840) to promote the further development of public-library service in rural areas.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. BARDEN].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 2840, with Mr. PRICE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BARDEN. Mr. Chairman, I yield 18 minutes to the gentleman from Georgia [Mr. LANDRUM].

Mr. LANDRUM. Mr. Chairman, we have before us for consideration one of the simplest measures it has been my privilege to encounter during the time I have served in the Congress. Because of its simplicity, I think, it offers more good to the general public than any other Federal assistance legislation that I have had the responsibility of studying. We should, I believe, go into as much detail as possible with reference to the provisions of the bill before making statements for or against the measure. To begin with, I should like to direct the attention of my distinguished friend, the gentleman from Illinois, and the members of the Committee on Rules as well as other Members to the fact that there is in this bill absolutely nothing which refers to public-school education; absolutely no provision which has anything to do with the public schools of any State in these United States. And any reference or suggestion that this bill is an effort to go into that phase of our society is simply the result of a misunderstanding of the legislation before us or the result of a desire to confuse the minds of those who would like to see the advancement of the general welfare of the people of America. To support that, let us look first at the very beginning of the bill in its declaration of policy. I believe it is generally known there is no one in this House whose requirement for the observation of States' rights as well as States' responsibilities and whose standards for measuring legislation protecting States rights is any higher than those advocated by your speaker. In the declaration of policy, it says in plain language these words:

> It is the purpose of this act to promote the further extension by the several States of public-library services to rural areas without such services or with inadequate services.

There is no reference whatsoever to schools. Moreover, in the declaration of policy, it says:

> The provisions of this act shall not be so construed as to interfere with State and local initiative and responsibility in the conduct of public-library services.

Neither shall the interpretation or administration of this act apply in any way to the responsibility and authority of the States to select personnel, but listen to this: "Neither shall it apply to the selection of library books and material." All authority for selecting personnel, books, and materials is set out in the declaration of policy and under the terms of this act shall be reserved to the States and their local subdivisions.

Now let us go to the next important provision of this bill, and that is the authorization for appropriations. This bill authorizes to be appropriated annually for a period of 5 years $7.5 million, a total for the 5-year period of $37.5 million. I would direct your attention to the fact that the budget request of the administration today for funds to support overseas library services is $14.7 million annually, or almost exactly twice the sum which we seek to serve our own people of America.

Let us see how this allotment of $7.5 million is to be made to the various States. First, each State, regardless of population, or regardless of any present library facilities, will receive an initial allotment of $40,000, except the Virgin Islands, which shall receive an initial allotment of only $10,000. The States and Territories, of course, must match these funds. The allotment is matched by the States from revenues raised by the State itself or by local subdivisions and matched in proportion to the State's per capita income to the national per capita income, limiting the Federal contribution in no instance to less than 33 percent, and in no instance to more than 66 percent.

Some mention was made of the State plans, which in my opinion support the declaration of policy announced at the outset of this discussion. To be approved under this section a State plan for further expansion of library service to rural areas must, and I agree wtih the emphasis which the gentleman from Illinois [Mr. ALLEN] wanted to put on this word "must," but what must we do? First, the State itself, not the Federal Government, not the Commissioner of Education, but the State itself must provide for the administration of the plan. By whom? It must provide for administration of the plan by the State library administrative agency, and it must provide that such State agency will have adequate authority under State law to administer the plan in accordance with the provisions of this act.

The State plan must also provide policies and methods of administration to cover the selection of personnel, to cover the selection of library books and materials. The determination of the best uses of the funds shall be reserved to the States and their local subdivisions. That, briefly and generally, covers the provisions of this bill. So let us propound these questions: Why do we have the bill? And why should it pass?

First, why do we have it? Twenty-seven identical bills were introduced into this House calling for this legislation. The 27 authors came from both sides of the aisle. There is absolutely nothing partisan, I believe, with regard to it. The mere fact that 27 Members of this House introduced legislation like this is announcement enough of the importance of this legislation. But let us see more about the importance and hear what developed during the hearings before the subcommittee.

In the subcommittee hearings it developed that 27 million Americans, 27 million people in the United States, are without any library service at all. Furthermore, it was shown that 53 million people in America are served by inadequate library facilities. The hearings also developed the fact that of the three-thousand-odd counties in these United States, there are 404 without any library service of any kind, private, public, or what have you.

Of the 7,500 library systems in the United States, 60 percent have less than $4,000 annual support; 77 percent less than $10,000. These hearings developed that it cost $1.50 per capita to maintain a minimum library service. It developed that the cost would be $2 to maintain what the American Library Association considers good service and that it cost $3 per capita to maintain what we would like to have in America, and that is a superior library service.

Why do we provide authorization for $7,500,000 annual appropriation and the $40,000 annual basic allotment to each State?

First, it is estimated that the annual cost for a minimum library program in America is $240 million. The $7,500,000 is, roughly, 3 percent of that amount. The $40,000 grant to each State is a minimum upon which the American Library Association feels a State can organize an efficient State and local set-up for this program.

The other 97 percent of local funds is to be made up in the best way the State and local subdivisions can find.

Emphasize again, will you, that this bill is for a 5-year period and is to serve as a stimulus only. It is hoped and believed by those who appeared before the committee that these subdivisions of the States and the States once the service becomes available, as the gentleman

from Tennessee pointed out about his counties awhile ago, the people will not again be without it.

Why should we pass this bill? For those of us who are hard-headed, stubborn gentlemen not wanting to add more expense to our budget, listen, will you, to some brief statements which reached the committee during the hearings. And first I would like to call attention to a statement made by Mr. M. M. Harris, editor of the San Antonio Free Press, of San Antonio, Tex., an outstanding businessman in America and a great leader in Texas. Among his other statements made in enthusiastic support of this bill he said:

I would like to read a very brief letter from our Governor, Allan Shivers.

This of course the committee permitted him to do; and he read the following:

I am glad to know that you are going to Washington to testify before the Congress on the plan of cooperation between the Federal Government and the various States in order to furnish better library service to the people of the Nation. It is my understanding that this proposed plan of cooperation will be similar to the Hill-Burton Act relating to hospital construction, but that the States, although required to enter into a fund-matching arrangement, would have complete administrative authority through State agencies, such as the State Library and Historical Commission of Texas.

My personal thought is that this would be a very worthwhile program. We have tried for years to increase State participation in library work, with little or no results. This might be the spark that is needed.

Certainly we cannot complain about States rights when the States refuse or fail to discharge their obligations.

That is not LANDRUM, of Georgia, talking to you, that is not any member of the Committee on Education and Labor talking to you; that is Governor Shivers who supported you on my left in 1952.

Let us look further at another distinguished man in America, Mr. Harry Schacter, of Indianapolis, Ind., formerly of Louisville, Ky. Mr. Schacter is one of the largest furniture retailers in America.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. I want to congratulate the gentleman on the very able argument he is making on the pending bill.

Mr. LANDRUM. I am happy to have that from my distinguished friend.

Mr. Harry Schacter stated:

I am in business to make money. I know that to make money I must have around me people with purchasing power. I know that in order for people to have strong purchasing power they have got to have strong minds, great intellect, and sound unbiased information. I want to see this carried to the rural areas as much as I want it in my surrounding urban area where I am the owner of one of the largest retail furniture establishments in Indianapolis, Ind.

That is Mr. Harry Schacter talking to you.

I would like to call your attention to a very touching scene that occurred before the committee. It came as a complete surprise. That was the appearance of a group of boys and girls from over here in Maryland somewhere, led by a young fellow by the name of Norman A. Pilkerton. This group walked in ostensibly to observe the hearings, to see what was taking place and to understand more about Congress and its functions. Someone suggested they might wish to make a statement and this young man, purely extemporaneously, stood and made a statement which I hope you will permit me to summarize, and which appears on page 117 of the hearings:

We do not have the facilities in our school to give us opportunity to do the research necessary to get the education we want. Our schools are open only 9 months each year. Give us the bookmobile. Many of us live 10 or 15 miles away from the public library that is available for us and only one or maybe no bookmobile is available. Let us have another bookmobile, let us have more books.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. I want to compliment my colleague from the State of Georgia for a very splendid statement on behalf of this legislation and want to associate myself with him in support of the pending bill.

Mr. LANDRUM. I thank the gentleman, my distinguished friend from Georgia.

Mr. Chairman, if the Committee will indulge me a little more, I direct your attention to page 175 of the hearings where Mrs. Moore, a distinguished businesswoman and civic leader from Little Rock, Ark., made a splendid appeal for this bill in much the same vein as suggested by Mr. Schacter in his statement. You will find the statement of Mr. Schacter on page 132 of the hearings.

Beyond that, I should like to direct your careful attention to page 75 of the hearings where appears the report from the Department of Health, Education, and Welfare and where it is shown that they do not oppose this legislation as it is written; neither does the Budget Director oppose it for in a letter directed to the chairman of the Committee on Education and Labor the closing sentence states:

The Bureau of the Budget advises that it has no objection to the bill.

Signed: "Roswell B. Perkins, Acting Secretary," and written from the Budget Director's office.

Mr. Chairman, we are living in a scientific age; we are living now in a nuclear and atomic era; we are living at a time, mind you, when the man in the street must have some detailed knowledge of what is going on in the world, and the very least we can do is to provide for this man in the street, this everyday citizen, the opportunity to enlarge his intellectual possibilities and to grow in his educational achievements.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Maine.

Mr. HALE. I may say to the gentleman that the people in my State are very much interested in this legislation, and I am very much interested. I observe this tabulation on pages 3 and 4 of the report. The third column on pages 3 and 4 is headed "Allotment From Remaining Funds." Now, will the gentleman explain what that expression "remaining funds" means? Remaining from what?

Mr. LANDRUM. It is simply this: the bill provides that an initial allotment shall be made to each State of $40,000, regardless of the State's population or its library facilities, and $10,000 to the Virgin Islands. Now, this $40,000 and that $10,000 for the States and that Territory must also be matched under the same formula, but the additional fund about which the gentleman directs his question, the additional allotment, is over and above that $40,000 for each State, and the $10,000 that would be allotted to the Virgin Islands. The $40,000 multiplied by 48 is taken from the $7.5 million, and the balance then is allotted among the States for matching.

Mr. HALE. What puzzles me is the expression "remaining funds." Remaining from what?

Mr. LANDRUM. It remains from funds that are left after the allocation of the $40,000 for each State. The initial allocation to each State is $40,000, and what remains is allocated to each State on the basis of its own rural population to the rural population of the United States.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. LANDRUM. I yield to the gentleman from Mississippi.

Mr. WINSTEAD. I wish to compliment the gentleman and the committee for bringing this bill out and the fine statement he has made in support of it. The bill has my full support.

Mr. LANDRUM. I thank the gentleman.

Mr. McCONNELL. Mr. Chairman, I yield 15 minutes to the gentleman from Oregon [Mr. COON], a member of the subcommittee.

Mr. COON. Mr. Chairman, this bill would provide for distributing $7½ million each year for 5 years, a total of $37½ million among the various States for the purpose of promoting "the further extension of public-library services to rural areas without such services or inadequate services."

Each State would get a basic allotment of $40,000 per year plus an additional allotment based on a formula.

The American Library Association's figures show there is no person without library service in 3 States, namely, Massachusetts, Delaware, and Rhode Island; they would be given $111,098; $51,637 and $51,761 each year provided they put up so-called matching funds of $128,131; $104,839 and $54,941, respectively.

Massachusetts is now spending $2.10 per capita per year for public-library service; Ohio, $1.77; New York, $1.50; Indiana, $1.14; Oregon, $1.07; Missouri, $1; Illinois, 95 cents; Virginia, 33 cents; Mississippi, 30 cents; Arkansas, 27 cents; and Texas, 26 cents.

According to the testimony presented to the Committee on Education and Labor by supporters of this legislation, there were 661 counties without public-library service in 1946; 483 without such

service in 1952; and, by last year, only 404 countries not having public libraries. This is a real do-it-yourself attitude on the part of the States and local communities—it is the American way. It shows the number of counties without what the advocates of this bill consider adequate library service has been reduced by 257, or 38.8 percent, in only 8 years—and without Federal subsidy.

It also should be pointed out that 338 of the 404 counties in the United States, purportedly without library service, are concentrated in 12 States. In fact, 263 of them are in 7 States.

According to testimony received by our committee on a similar bill in 1950, approximately 35 million were without library service; and by last year, a little less than 27 million were without such service. Here again, it is shown that local and State financial sources have been able to bring this service to 8 million more people within a 5-year period; or, in other words, reduce the number of those without such service by almost 23 percent.

Federal aid, in housing, or welfare, or education, or anything else, always involves Federal control. Many Federal grants-in-aid for other purposes have often led to undesirable Federal influence and control over policies and programs—the same might occur in this case.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. COON. I yield to the gentleman.

Mr. PELLY. Mr. Chairman, I wonder if the gentleman could tell me if there is any provision to insure that none of the funds provided in this bill will be used in such a way as to bring about racial discrimination or segregation in these library units that go out?

Mr. COON. I do not have the answer to that question; I am not sure. Probably some of the Members from other localities in the United States could answer that question, but I do not happen to know.

Mr. PELLY. Mr. Chairman, I wonder if the gentleman could refer the question to somebody who could tell us. I notice that the statement has been made that these funds would be administered in the same way that the Hill-Burton funds are administered. I understand they are administered under the laws of the particular States where the grants are used.

Mr. METCALF. Mr. Chairman, would the gentleman yield to me?

Mr. COON. I yield to the gentleman from Montana.

Mr. METCALF. There is nothing in this bill about segregation or whether the funds are used under the laws of the State, or anything like that. The situation here is not analgous to that under the Hill-Burton Act which says that where separate but equal facilities are provided there must be a distribution of funds on a separate but equal basis. These funds are to be administered under the Constitution and the laws of the United States. Presumably under the Constitution and the laws of the United States they would be administered as other funds have been required to be administered under the recent decisions of the Supreme Court.

Mr. PELLY. No separate but equal bookmobiles would go out.

Mr. METCALF. No separate but equal bookmobiles would go out. There is no language whatever in the bill as to that.

Mr. PELLY. I thank the gentleman.

Mr. COON. I think the gentleman might get additional information if he would ask the chairman of the committee or the subcommittee chairman.

The provision of public library services is a State and local concern. The Federal Constitution does not assign the Federal Government responsibility for public libraries. It leaves this responsibility to the States and local communities. For many years the Federal Government has been assuming more and more of State and local responsibilities in government. It is time for a reversal instead of an extension of this trend.

If this measure is passed it may become a permanent activity of the Federal Government. There is nothing to prevent later extension of the time limitations contained in the bill. Within recent decades the Congress has often extended legislation which initially was termed temporary. This legislation may follow the same course. At the end of the 5-year period the claim may be made that the goal sought has not been reached, and there may be repeated pleas for renewal of the law until it is made permanent.

The following excerpt from a report entitled "The Public Library in the United States" was placed in the record by Dr. Samuel M. Brownell, the United States Commissioner of Education:

> Federal aid for stimulation purposes under present conditions must be carefully designed if it is to achieve its purpose. Under our governmental system Federal grants to public libraries would be administered by the State library agencies. These agencies vary greatly in size, resources, and quality of professional personnel. They vary also in the extent to which they have developed mature plans and leadership for building adequate, modern library service units within the State. The estimate, from our survey, is that not more than half the present State library agencies are developed sufficiently to provide assurance that Federal grants would not be frittered away in activities yielding no permanent results.

The proposed legislation contained in the bill we have before us, along with identical and similar proposals, have been disapproved by both the Democratic and Republican administrations over the past years. The position of the prior administration was reiterated as late as July 1951 in a report on a similar bill by the Bureau of the Budget:

> In the preparation of the President's program for the fiscal year 1952, careful consideration was given to a number of programs which would aid in the development of our national strength over the long run. Under the circumstances, only the highest priority programs could be included. For this reason, although assistance to the States to develop public library services in rural areas is a meritorious proposal, it is not included in the program of the President and its enactment at this time would not be in accord with that program.

And last year, under date of May 20, in a letter from the Acting Secretary of Health, Education, and Welfare, the position of the present administration was reflected as follows:

> This Department is in accord with the broad objective of H. R. 1753 and H. R. 2861; namely, to improve the public-library services available to the rural areas of the Nation. However, having regard to budgetary limitations, and in view of other more urgent needs for Federal funds in the fields of education, health, and welfare, we would not regard this as a priority measure. Furthermore, the grant-in-aid program proposed by H. R. 1753 and H. R. 2861 should be considered in relation to the general Federal policy with respect to all such grant-in-aid programs, a matter which is currently under study by the Commission on Intergovernmental Relations established by President Eisenhower pursuant to Public Law 109, 83d Congress.

Further to quote from that report, it states:

> We would, therefore, recommend that H. R. 1753 and H. R. 2861 not be enacted by the Congress at this time.

A few moments ago my good colleague from Georgia quoted from the Bureau of the Budget saying they were not opposed to this legislation, but this is what this letter states:

> The Bureau of the Budget advises that it perceives no objection to the submission of this report to your committee.

The report is that they are opposed to this bill.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield?

Mr. COON. I yield to the gentleman from Georgia.

Mr. LANDRUM. The gentleman sat on the committee and he knows from the discussion before the committee that the Department through its agent, Dr. Brownell, stated that it was not opposed to the legislation but it was opposed to its adoption at this time. Now is not that the true representation of what was said?

Mr. COON. I am not sure. I was not there when it was before the full committee.

Mr. LANDRUM. You will not say it was not; will you?

Mr. COON. I do not know, but I will say that this letter says the Bureau of the Budget is in agreement with the report which is opposed to the legislation.

Mr. LANDRUM. The letter itself from which you are reading does not say it opposes the legislation. If you will read on, and read the full letter which is contained in the record of the hearing, it says it opposes adoption at this time.

Mr. COON. Yes, at this time.

It does not say that they would be in favor of it at some later time either; they say they are opposed to it at this time—I take it that is what it means.

Mr. LANDRUM. Mr. Chairman, will the gentleman yield further?

Mr. COON. I would like to complete my statement.

Mr. LANDRUM. I would like to ask the gentleman one question further, if the gentleman will yield.

Mr. COON. Certainly, I yield to the gentleman.

Mr. LANDRUM. Can the gentleman think of a better time to offer to the general public and to the American people an opportunity to expand their intellectual potential and the opportunity for educational achievement than the present time when we are today spending billions of dollars overseas to do that for other people?

Mr. COON. That is a good thing to do at any time, but I am opposed to the Federal Government getting into more aid programs. I might say it appears the pressure and agitation behind this bill comes from the American Library Association and their method of operation can be demonstrated by a letter circulated in one of the States by a State library association, when this type bill was before our committee in 1952. In part this communication states:

Congressmen and Senators are impressed by persistence, and they are sensitive to their mail. The brushoff is an old political maneuver. If a Member of Congress from your State needs convincing, keep writing no matter how your first letters are answered. You may change his mind. If you keep after him, he will know you mean business. If you relax your efforts, he presumes correctly that your interest is only temporary. Success demands that your efforts be persistent and sustained.

I can appreciate everyone's interest, and especially that of the American Library Association, in making public library services available to everyone in our country. However, I should like to point out that many feel that any inadequacies which may exist in some communities can best be taken care of on the State or local level rather than placing reliance on the so-called painless method of distributing federally collected taxes. I should also like to point out that the formula for allotting the funds does not have as a basis of payment the actual need of the respective States for such additional services.

In all of the hearings before the committee, we had very little requests for support or hope for this legislation from anybody who was going to benefit from it in the rural areas. I did in the last few days get a letter or two and a telegram or two, but that is the first I heard from anybody who was going to benefit from the libraries or from reading the books in the libraries.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman.

Mr. PATMAN. Mr. Chairman, I am very glad to support the library services bill, H. R. 2840, that is now being considered.

This bill has bipartisan sponsorship. Its chief sponsor is the American Library Association.

The American Library Association is to be commended for the fine work it has put forth in behalf of this timely, constructive proposal. It provides for the States matching the grants up to $7,500,000 a year for 5 years.

At this particular time, we are greatly in need of what this bill will provide when enacted into law.

In a hearing on automation last fall before a subcommittee of the Joint Committee on the Economic Report, of which I was chairman, shocking information was revealed. In a comparison of educational systems between this country and Russia, it was disclosed at this hearing that while we are graduating 25,000 engineers in 1956, Russia will graduate 50,000 engineers. During 1956, we will graduate 50,000 technicians, but Russia will graduate 32 times that number—1,600,000 technicians.

So we are considering this bill at a time when we are challenged by Russia on educational attainments.

A democracy must have a well-informed citizenship in order to perform at its best.

The objective of this bill is to bring books and other library services to rural families. It will really help over 50 million Americans whose libraries are inadequate.

The Federal Government will not have any control over the administration of this act. The States and local communities will have complete authority under the program established by this bill. Just because people reside outside of cities is not a good reason for them to be deprived of adequate library services.

This bill will bring book-borrowing within the reach of many good American citizens who are, at the present time, deprived of the opportunity.

I congratulate the committee for reporting this bill, and I certainly hope that it passes by a large majority.

Mr. BARDEN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this library bill has been before the Committee on Education and Labor before. The committee has given very, very thorough study to the whole problem. Of course, opposition can arise in connection with any bill that may be brought to the floor of the House, but I think it is about time that we took a little stock of our development in the field of education.

Here we are, pressing national defense, pressing foreign aid, spending money everywhere, but I fear we have our sights lifted a little too high. I think it is a matter of common knowledge that the Defense Department, for instance, is spending more money in the United States in the field of education than the entire public school system of America. It does not make good sense to me that we should completely neglect our responsibility for making available to the kids out in the country through these bookmobiles an opportunity to get some of the education that sooner or later the Government is going to have to take care of through its defense agencies, which were never designed to conduct an educational setup in this country. Yet they have gradually worked themselves in.

Take another look at the farm situation. We are spending many, many times the money in other countries so they can do identically the same thing that is set up in this bill. I try to be frank, but as far as State rights, to which the gentleman referred, I would take a lie-detector test, or most any other kind of a test on State rights.

It may be I am getting a little hardened because we have had so many things done to us in late years that violated that principle so much. Maybe I am getting a little callous and not quite as sensitive. I see no State rights question involved here. I see the responsibility of the 48 States in this Union involved. I see no integration involved. If there was, my speech would be different from what it is, as far as that is concerned.

This is to carry books around through the country to kids, regardless of color, creed, or anything else, and make the books available to them.

Twenty-four years ago I led the fight in the State legislature, not just to help one particular type of school but to help raise the salaries and put in a better system in all the schools of North Carolina. It is not a new thing for me to be interested in education.

Now we come down to the expenditure of the money. These bookmobiles have been operating in North Carolina in a limited way for many years. Not adequate, no, but doing the best we can in a small way. The State of North Carolina has demands upon it, and increasing demands, just like the Federal Government, but what position does it find itself in today? The people of the State of North Carolina are as ambitious and as progressive-minded as any people on this earth. But the Federal Government has invaded every single source of revenue heretofore enjoyed by the States. That has been my song for 20 years—we are bleeding the source of revenue to the States—we are bleeding them white and offering them no alternative.

I shall not forget a statement made by a superintendent of schools from the State of North Carolina when he was appearing before the committee on the question of education.

My friend from New York asked:

Do you mean that you are in favor of the Federal Government going down and collecting money and then going through all the expensive ramifications of accounting for it and sending part of it back to you?

Dr. Carroll's reply to him was:

Congressman, I prefer to say that in my own language. I say to you, Mr. Congressman, either leave more of it down there for us to carry on our necessary operations, or divide with us.

There is no answer to that, and yet we continue to invade State sources of revenue, we continue to bleed them white, we continue to throw money all over the face of the earth, we continue to multiply the services we extend to the kids in other lands. I am not mad with them, but I just love my folks a little more. Then when we come in with something that involves only $7½ million—an amount that is scarcely as much as a measly tip in the foreign-aid program, we get very disturbed over it..

I do not know of a single dollar this Government spends that is more wisely, more beneficially spent than in the educational programs of this country—particularly vocational training and rehabilitation of the physically handicapped. The States have taken hold of them—they caught fire—and they are carrying on wonderful programs all over this Nation. All of us know that. They are

popular programs. But I remember when they were just starting—and I remember when this House adopted the policy of helping it, giving it added speed to go along and give some new life to the program. It worked, and right now they are turning out finished products in these vocational schools.

This will work too. I know it is good for my country. I know we have radio programs and television programs, but we had better give them a little solid diet to go along with that, and all of us realize that.

This is a program that does not violate anyone's ideas or views on the question of the Federal Government interfering in local affairs. This library service is on the same footing that the vocational training program was when it started. I like to use that as an illustration of what I think this will develop into. It is most difficult for men in cities where there are million-dollar libraries available to visualize life in country areas where maybe the kids ride 20 miles to the school building every morning. They cannot get the books, and the schools do not have the books. In this piece of legislation there is provision for this program to cooperate with the city libraries, to cooperate with the municipal libraries, and thereby each implement the other.

I picked up this statement. I do not know where it came from; I do not know who was the author, but it is very wise indeed: "Good books help to prevent youth erosion."

And I think there is something to it. We should do all we could to encourage the habit of reading. And if you do not think boys and girls like to read let me remind you that hundreds of millions of dollars are spent by them every year on comic books. Children do like to read, and they like to develop their minds. I think we can very readily give them the opportunity to develop their minds. In so doing we will prepare them for later life, whether it be in the defense activity or elsewhere. In so doing we will relieve the Federal Government of its ever expanding educational program in the Defense Department and the services. In so doing we will then better prepare them to make their way through school, high school, and into the college. In so doing we will encourage within them the desire for research to become technical men, engineers, doctors, medical men, and experts in the various fields. I say to you we must not forget that in olden days, back in the beginning of this country, most of the reading was done and most of the education was received by candlelight in the homes, far removed from school buildings.

Mr. LONG. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Louisiana.

Mr. LONG. I would like to compliment the gentleman on his splendid statement made here today and wish to associate myself with his remarks. I intend to vote for the bill.

Mr. BARDEN. I thank the gentleman. I shall not dwell upon this longer or go into further detail. I just simply say that it can be put into operation with a minimum of cost because there is already a department that is ready, able, and willing to carry on, set up in the Department of Education. The States are set up to carry it on because most of them are engaging in it to a very limited extent.

This program is for 5 years. I hope by the end of that time there will be no necessity for carrying it further, but, so far as I am concerned, I am perfectly willing to stand by this program and patiently wait to see the benefits develop.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield to the gentleman from Ohio.

Mr. BOW. Will the gentleman advise the committee what the administrative cost of the operation of this will be on the Federal level?

Mr. BARDEN. I do not know exactly. It will not be very much because they have a branch already set up in the department.

Mr. BOW. This will create a new group?

Mr. BARDEN. No; it will not be a new department, nor will the States have to do that because most of them are carrying on this program in a limited way already.

Mr. McCONNELL. Mr. Chairman, I yield myself 5 minutes.

Mr. McCONNELL. Mr. Chairman, it had not been my intention to speak on this bill except to make the statement that I am opposed to it. However, some of the past discussion we have had here today leads me to want to make a few comments.

I am not opposed to helping people obtain books. I am not here to argue against reading as a vital necessity of a more rounded education. Having been raised in the parsonage of the church I know the value of reading and of spiritual thinking, so I would be the last to argue against that. However, we are face to face, as I see it in this particular matter, with the problem of jurisdiction—Federal and State. I am not a strict adherent of stopping aid programs at State lines. My past record will show I am willing to be flexible in connection with various programs for the benefit of all our people, but I have thought for many hours in my room how we could stop the trend toward centralization of power in the Federal Government. Not that I do not wish people to be helped—I think that is part of our duty on this earth. However, I do think that you have to combine human understanding with commonsense.

Mr. Chairman, I have felt, one of the best methods to bring to a halt or to slow up this rushing tendency toward the Federal Government doing everything, would be to avoid those programs which are of such insignificant size financially that the States could take care of them themselves. It is not a large amount of money, and I feel that there is not a State in the Union that could not handle its own rural library services problem. For that reason I have opposed this bill not only a few years ago but I have opposed it in our committee here within the last few months, not because I do not believe in the purposes of it but I feel it is one thing that could be handled by the States and would not, therefore, become an additional impetus to the centralization of power in the Federal Government, which I am sure all of us deep within have a tendency to be uneasy about.

Mr. Chairman, I am not going to continue these remarks. I am not seeking any controversy with people. I prefer to work out things if I can, and I honor the members of our committee on both sides of the aisle regardless of their opinions. I have worked with them long enough to know they sincerely believe in the strength and destiny of their country and also the welfare of the people. But, it is my desire to put this problem together in a sensible manner which will not add one more push to a growing centralization of authority and power in the Government which in the end will not be good for any single citizen of this country.

Mr. BARDEN. Mr. Chairman, I yield 9 minutes to the gentlewoman from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, first of all I would like to congratulate the chairman of the committee and the gentleman from Georgia, the chairman of the subcommittee, for the very fine presentation and the fine explanation they have made on this bill. I would like to go very briefly into the history of this legislation, because it is not legislation that has been just introduced this year. We go back to 1947 and find that Senator HILL and Senator AIKEN introduced similar legislation in the Senate. Bills have been introduced in every Congress since that time, and in the 84th Congress we find that there are 16 cosponsors of the Senate bills and there are 27 Members of this House who have introduced identical bills.

In the House the following Members have introduced identical legislation, and they are interested in this particular piece of legislation because they know the benefits that it will bring to their individual States:

Congresswomen Mrs. KEE, Mrs. GRIFFITHS, Miss THOMPSON of Michigan, Mrs. BOLTON; Congressmen ELLIOTT, ALBERT, McCARTHY, BAILEY, PERKINS, PATMAN, ASHLEY, STEED, THOMPSON, MOLLOHAN, METCALF, FRANK SMITH, BURNSIDE, BYRD, TOLLEFSON, MERROW, JENKINS, YOUNG, FRELINGHUYSEN, BERRY, WAINWRIGHT, and BUDGE.

It is true that this particular bill has my name on it, but because many of these Members have worked far longer on this legislation than I, it probably could more accurately be called the Carl Elliott bill, the Phil Landrum bill, the Thomas Jenkins bill, or the Frank Smith bill.

Since I have been in the Congress, many times I have been asked whether it is an advantage or a disadvantage to be a woman. I am afraid, in this particular case, I would have to say that it is an advantage, because certainly the gentlemen of the Committee on Education and Labor showed their gallantry by voting out the bill which had my name on it, and, as the very distinguished gentleman from Mississippi, in arguing for the rule on the bill, inferred, it was due to

their kindness, to their courtesy, to the one woman member of the Committee on Education and Labor. But, this bill does have the support of many Members of the Congress. They recognize library service as a justifiable expense of the Federal Government to make available to the population of the United States ingredients for access to information. The library services perform a practical operating function in our cultural development, our economic activities, and our political and social progress.

To quote from an editorial in the Evening Star of May 7:

LIBRARY SERVICES BILL

There is really no good reason why any Americans should be cut off from public library service just because they happen to live outside of cities. The public library has been called the university of the people, and so it is—a blessing of democracy and an aid to it. The art of reading, which Bacon tells us "maketh a full man," has not, despite the magnetic distraction of television, suffered a complete decline. The sale of the classics in cheap paperbound editions gives heartening evidence that the desire to match minds with the great writers of the past has not died. The tremendous popularity of the bookmobiles, which have been lumbering through rural regions as stop-gap means of distribution, attests that a large hungry clientele exists.

Tomorrow the House will consider—we trust, favorably—a bill which would bring the pleasures of book borrowing within reach of the many Americans currently deprived. The library services bill would provide a total of $7.5 million annually for 5 years for the construction and operation of libraries in rural areas, fringe areas around large cities, and impacted areas. Previous similar measures have fallen before objections that public library service is solely the responsibility of the States and that Federal financing would lead to Federal control. H. R. 2840 meets these objections. It requires that all Federal funds must be matched by the States on an ability-to-pay formula and makes specific provision that the administration of the program be put in the hands of each of the States' library extension agency.

H. R. 2840 has the bipartisan sponsorship of 27 Representatives and 16 Senators. Its chief sponsor, the American Library Association, is hopeful of its passage. The House would do well to approve the bill and thus bring to everpone the instruction, diversion, and solace which books incomparably offer.

The New York Times, in an editorial on May 5, gave support to this particular legislation:

LIBRARY SERVICES BILL

The library services bill is now before the House. The list of sponsors is bipartisan.

This bill would grant a total of $7,500,000 a year for 5 years to States matching the grants. The objective is to bring books and other library services to rural families who have none at all, and to improve library services for an additional 53 million Americans whose libraries are inadequate. The States and localities will have complete authority under the program established by the bill.

In the great cities we are accustomed to impressive library service. Our cousins in the villages and on the farms are entitled to it too. This legislation would stimulate the extension services of the various States and the regional cooperative services based on metropolitan centers. The funds proposed are modest, the period limited. It is believed that local communities in rural areas, having tasted the advantages of good libraries, would then wish to continue the services with local and State funds.

The free public library is a vital symbol of educational opportunity and it is to be hoped that Congress will pass H. R. 2840.

Besides the very large number of Representatives and Senators sponsoring this legislation, Senators and Representatives coming from 22 different States, it also has found wide support from groups across the country. My colleague from Oregon a moment ago inferred that the American Library Association was the only organization which was giving this bill wide support. And yet we find that there are a great many nationwide organizations, exceptionally fine organizations, which, after careful study, have endorsed this bill:

The American Association of University Women.

The American Federation of Labor and the Congress of Industrial Organizations.

The American Veterans.

The Association for Childhood Education.

The General Federation of Womens Clubs.

The International Association of Machinists.

The National Council of Chief State School Officers.

The National Council of Teachers of English.

The National Education Association.

The National Congress of Parents and Teachers.

The National Farmers Union.

The National Grange.

The United Auto Workers.

The Catholic Library Association.

The Council of National Library Associations.

With these groups endorsing it, I fail to see how anyone could say that it does not have support from the people of this country. Inadequate library service—and in thousands of communities there is a complete lack of it—is much more than a rural problem. The testimony before the committee was that there are today 27 million Americans without access to modern library facilities.

I ask you, Can we afford to continue under this condition? We are providing library services abroad, recognizing the very vital importance of having informed people.

Again, as the distinguished gentleman from Mississippi [Mr. COLMER], in arguing for the rule, said, the appropriations requested for the fiscal year 1957 for the Overseas Information Service—that is, the libraries—is $14,700,000. Can we not then afford to spend $7½ million to assist the States in extending public-library services to the rural areas in our own country?

The Department of Defense is asking this year for over $1½ billion to develop better weapons. Is it unreasonable then to ask that at the same time we spend $7½ million for aid to libraries in rural areas? What better weapon can we have in a struggle based on science, technology—and above all on ideas—than educated minds? Books for the education of our young people are as much our strength in time of war as is armament for tanks and planes. And the best evidence of the truth of that is the fact that since the war in Korea over three-fourths of a million young Americans have been rejected by Selective Service for educational deficiencies. That is an appalling waste of resources for defense, and it is even a more appalling commentary on our educational neglect. It seems to me it is an unanswerable argument for the need for this particular bill.

We spend $30 million a year on the Selective Service System—$30 million a year to draft young men. Can we not then spend one-fourth that much to give them books to read?

Is a nation that spends $5,250,000,000 for tobacco, $8,830,000,000 for alcoholic beverages, $1,472,000,000 for cosmetics and other toilet articles, $1,275,000,000 for movies—is a nation that spends this much on these items too poor and too short-sighted to spend $7½ million for library services in the rural areas—in the 404 counties—in this country that today do not have any library services at all? Last year it was estimated that the American people spent $200 million for chewing gum.

May I point out that the per capita cost of this bill, if it is passed, is 5 cents, the cost of one package of chewing gum? Surely it is well worth 5 cents to every man, woman, and child in this country to extend library services to the rural areas.

Mr. Chairman, a moment ago a statement was made that undue pressure has been brought by a certain organization to write letters and editorials to Congressmen. I should like to read a telegram which I received from the Republican Governor of my State. I am sure my colleague from Oregon would agree that he would not be subject to undue pressure. And the Governor wires me:

The library services bills, H. R. 2840 and Senate bill 205, scheduled for vote May 8, is, in my opinion, of public interest to the State of Oregon. The Oregon State Library Board and Oregon Library Association, in whom I have confidence, assisted by many librarians in the State, have studied the needs of Oregon libraries over a period of years, and they advise me that the funds provided by this bill will stimulate the improvement of local services. Within the 5-year period specified in this bill adequate demonstrations could be provided. May I urge your support for this bill?

ELMO SMITH,
Governor of Oregon.

The enthusiasm and support from all parts of the country for the library services bill has been very great.

May I also read a telegram from the Oregon Library Association:

APRIL 28, 1956.

EDITH GREEN,
House of Representatives,
Washington, D. C.:

Library services bill resolution Oregon Library Association:

"Whereas in our modern and highly complex society it is being increasingly demonstrated that knowledge is power; and

"Whereas major governments of all political philosophies are avidly in pursuit of knowledge particularly in technical and scientific fields; and

"Whereas a true democracy such as ours which is governed by all of the people, must have an informed and intelligent citizenry if it is to meet the challenge of totalitarian

philosophies and maintain ascendency in world civilization; and

"Whereas as long as our people are informed they will not be led astray by demagogues waiting and ready to exploit the credulous and ill informed but will instead be prepared for intelligent fruitful and effective living in an increasingly complex world; and

"Whereas the free public library has proven itself to be America's best agency for impartially diffusing knowledge and dispensing information to all the people; and

"Whereas the library facilities of our country are unequal and spotty with 27 million of our citizens without access to local public library service of any kind; and

"Whereas the inequality of local free library service is particularly evident in the State of Oregon with 343,000 of our people entirely without public library service; and

"Whereas many citizen groups of Oregon have long labored and are now working hard to correct these inequalities; and

"Whereas the library services bill, House bill 2840, and its companion bill in the Senate, Senate bill 205, now pending in Congress are designed particularly to assist each State in providing local library facilities to unserved rural areas; and

"Whereas there are many rural areas in Oregon which could be brought good library service through the assistance provided by the library services bill: Be it therefore

"*Resolved*, That the Oregon Library Association in convention assembled in Salem, Oreg., on April 27, 1956, warmly endorses the library services bill and that it urges every Representative and Senator from Oregon to work in behalf of this bill and vote for its passage; and be it further

"*Resolved*, That a copy of this resolution be spread upon the minutes of the association and that copies be sent by wire to all Congressmen from Oregon."

OREGON LIBRARY ASSOCIATION,
CARL HINTZ,
President, Librarian, University of Oregon, Eugene.
HENRY T. DRENNAN,
Vice President and President-elect, Librarian, Umatilla County Library, Pendleton.
MARJORIE POMEROY,
Secretary, Librarian, Malheur County Library, Ontario.
THOMAS H. CAHALAN,
Treasurer, Librarian, University of Oregon Dental School, Portland.

Mr. Chairman, in conclusion it seems to me that for this amount of money, $7½ million—5 cents per capita, never in any other way could we give so much to so many for so little.

Mr. McCONNELL. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. GWINN].

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. GWINN. I yield with pleasure to the gentleman from Michigan.

Mr. DONDERO. Mr. Chairman, if the number of books made available to our people is the measure of the education they have, then indeed the 16th President of the United States should have been a very ignorant man.

I have had the pleasure and the honor of serving on the Committee on Education many years ago under the able leadership and generalship of the gentleman from North Carolina [Mr. BARDEN], whom I have always greatly admired.

On the 5th of March 1923, here in the city of Washington it was my pleasure to be visiting with Robert Todd Lincoln, the son of Abraham Lincoln. I asked him this question: "What became of your father's library?" He answered, and said, "My father did not have a library. When he died he left less than a dozen books. One was the Bible, which lay upon his desk all the while he was President. Two were treatises on slavery. The other 6 or 7 were books on history and government, given to him by some friends."

Imagine, one of the world's great men, who died with a library of less than a dozen books.

I am greatly interested in this bill. I have always been for education, I am for it now, and certainly I could not bring myself to be opposed to the bill before the House.

I thank the gentleman very much for yielding to me.

Mr. GWINN. Mr. Chairman, I think we would all be defeated if we tried to argue against libraries as a reason for voting against this bill. Imagine the position of a Congressman in a campaign year arguing against children or motherhood—you might just as well take any one of these as to argue against libraries. I have been in the Congress for 12 years hoping that we would find a case sometime small enough and insignificant enough in amount where we might vote against the further encroachment of the Federal Government in the redistribution of wealth and in the socializing of our economy. I doubt if we can stop the process in Congress, or by the voting process at all. When we are confronted with the fact here that the great Governor of the State of Texas is under such a prod, as shown in the letter circulated to the membership of Congress by the Library Association, even Congressmen and Governors cast their votes for the library bill. They have been developing that technique, like any other professional group, for the last 25 years. If we cannot stop at some place, we certainly cannot reverse the trend. We know that. The corn boys, you remember, tried to throw peanuts out of the feed trough so as to give a starting place there to reverse the Federal-aid subsidies program. Before the Members from Virginia, the Carolinas, Georgia, and Texas got through, the corn boys were almost shamed out of the House—talking about peanuts not being a basic commodity like corn. Indeed, peanuts, they said, were sort of indigestible, anyway, so we ought to have been able to start with peanuts to reverse the trend, to reestablish the so-called free economy.

So I am going to argue here purely on the basis of principle. I am not going to argue about libraries as such. I am going to argue about the politics of it—the responsibility of it—the utter futility of the mechanistic, materialistic approaches to improving our morals and our education by Federal bureaucracy. We are no longer free as Congressmen or Governors when the Federal Government gets into the business of subjecting itself to political voting and to campaigns to decide whether we are going to vote for or against such things as a library. While my friend the gentleman from North Carolina and I think the gentleman from Georgia halfway promised—at least, they indicated—if we would just get ourselves started to doing right in the States by the Federal intervention programs, that then we might look forward to the stoppage of this Federal interference. Now you do not even have to argue that. Our foreign affairs and our foreign-aid program started off with about as much of a promise as any piece of legislation ever did. It looks like it is going to be one of our most permanent pieces of legislation, and I can imagine that this will be another one on the list.

One of the most objectionable features of these Federal-aid programs—and they are all the same, whether they be for corn or wheat or cotton or powerplants or subsidized houses or Federal aid to education or libraries or foreign aid—you come up with six of our industrial States being forced, under compulsion of the sheriff, if you please, to provide 57 percent of the proceeds to be distributed according to the judgment of the United States commissar. He must decide between the counties that are going to get the benefit or the schoolrooms that are going to be added—and he is the absolute judge; there is no appeal from him.

I wish the Members might weep with me once over what happens in New York State. I am sure you would if you could appreciate the fact that the per capita income of New York State is falling behind in rates of increase of all the 11 Southeastern States. They will get most of the proceeds of this bill. New York State pays 18.7 percent of all the taxes that are paid, whether Federal aid or not. Under this bill, it will give up $1,409,000, and, if it wants to get back any of the proceeds of this bill, it must put up matching funds of $425,000 more, or a total of $1,834,000 to get back $249,000 for libraries. We have to give up $6 for every $1 we get back. You may give a quick answer and say New York State does not need libraries and does not need to take any of this money. That brings up another point. When Washington begins to administer the number of classrooms in 59,000 school districts, or the number of libraries that 661 counties need, what formula, what rule of sense do we work out? Of course there can be no formula. The districts are in various stages of development. Some have enough libraries. Some have enough classrooms. They ought not be penalized as this bill does and as every Federal-aid bill penalizes every State that is doing its job and paying for its libraries. Then witness the fact as they look across one State border to another where they have delayed or neglected to do the job. They may have had their ears to the ground as to when the Federal Government was coming along to do the job. New York State and the other five industrial States pay for their own, and then pay for the others that are just as well off as they are. Indeed the testimony before our committee shows that there is no State in this Union less able to take care of its own libraries and its own classrooms than the Federal Government itself.

I do not think it is any argument to speak of wastage and ineffectiveness, and the enemies we have made abroad by our foreign-aid programs, supporting their

Socialist parties that we have helped to finance. That is an argument why we should support the same kind of programs at home that send our boys abroad armed to prevent war there. What is the difference between our processes of federalizing any part of our country and the process of giving foreign aid to socialize any part of foreign countries? Indeed, the parties in power, generally speaking, are Socialist or Communist even after we get through pouring billions of dollars into their economy. There is about the same situation in France and Italy today that we had when we started, for example.

So, how do you expect the Federal Government to bring about any different results if it attempts to impose the Government's own concept of what libraries should be and who should have them? Do you not think the United States Office of Education will literally control the books and the thoughts of counties into which they carry these books? The Federal Government is to buy books. Do you think the Federal Government is going to ignore its responsibility to the taxpayers completely by saying nothing about the quality of the books that are to be selected by these libraries?

We have in the United States Office of Education the greatest authority on books and libraries in the world, I suppose. All of the folks back home who are wise at all go to her to get their ideas on the selection of books.

It is not a compulsory matter, it is just a matter of thought control by the very power and size and influence of the Federal Government over our thought and our economy. It is in the nature of things when you build up a great bureaucracy in Washington that the bureaucracy holds conferences and conventions and gives of its own wisdom to every library association in the country. And so it is true of our schools and our other parts of our economy.

One reason I would like to see us stop at this point in this whole Federal subsidizing process is that when you subsidize or socialize—if we were more advanced I think we would have to use the word "socialize"—you must socialize all areas related to it. Let me illustrate out of one experience: When you socialize corn, for example, or subsidize it, then that corn becomes the property of the United States of America in exactly the same way as corn becomes the property of the U. S. S. R.; it is Government-owned property; private ownership is out. When you socialize that area called corn, you must inevitably thereafter socialize all other areas relating to corn. We have to socialize pork, cows, eggs, chickens. You cannot live in a socialized market area with regard to corn and sell your products in a free market while the very thing the animals live on is socialized at a fixed price. So when you socialize education you cannot stop. There is not a Congressman here who thinks we can stop if enough votes are organized to get behind any project of any kind in this country. When you socialize corn and libraries where would you stop? If you socialize houses where will you stop? Congress must consider.

Our States that are losing out in this process are down in their rate of per capita income. It is falling 20 points below the national average and sixty-odd points below the lowest groups in these United States.

So let us stop even if it has to do with libraries, this cost, this cancer, that must go on and on until we are the Socialist Party, not the free.

Mr. McCONNELL. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES of Arizona. Mr. Chairman, I do not think anybody can seriously quarrel with the concept of adult education; I do not think anybody can seriously quarrel with the concept of providing books for school children. It seems to me that the main difference of opinion here today is the manner of accomplishing this. There is fear, on the part of some Members, that this is another step toward socialization. There is some fear on the part of Members that this is a step toward the control of the minds of the young people and the adults by Washington.

Mr. Chairman, I feel that this program is aimed completely at getting library services off the ground. There is, to my mind, nothing sinister in this program. This is a program which lasts for 5 years and includes matching of funds. In other words, the States have to match the Federal funds on a formula set forth in the bill. We have adopted this concept in many other fields: vocational education, vocational rehabilitation of the physically handicapped, to name two. In these, the Federal Government has stepped into a program in order to get it off the ground, and to get the States and local governments to assume responsibilities which had not prior to that time been assumed by them. I intend to support this bill; I am for it. However, I would like to have the attention of the chairman of the committee and the chairman of the subcommittee with reference to section 7 of this bill, which provides that in the event the Secretary of Health, Education, and Welfare decides that a State plan has been so changed that it no longer complies with the requirements or if there is a failure to substantially comply, the Secretary may then withhold further payments under this act.

I note that there is no provision for appeal of a unilateral decision made by the Secretary of Health, Education, and Welfare in this particular field. I would like to ask the chairman of the committee if that is so intended.

Mr. BARDEN. I may say to the gentleman that normally I share the precautions that he has in matters of this kind.

Mr. RHODES of Arizona. The gentleman and I share a great many things in common.

Mr. BARDEN. I have great respect for the gentleman's legal mind. Let me say in this withholding provision, section 7, it states "failure to comply substantially with the provisions required to be included in the plan." Now that ties directly to section 5 which writes into the bill the very clear-cut provisions which he must find have been substantially violated. I do not know how you could better safeguard that than by making provision for court review.

Mr. RHODES of Arizona. I notice in section 5 (a) (4) there is provided a report by the State library administrative agency to the Commissioner, in such form and containing such information as the Commissioner may from time to time reasonably require. Presumably, if this report was not made or it did not include such information, whether it might be important or not, section 7 could then apply and the Secretary could withhold funds which otherwise would go to the State under the provisions of this act. Is that the gentleman's interpretation?

Mr. BARDEN. I will be honest with the gentleman. I have never liked that provision in any law that has gone through this House; yet it has been written many, many times into legislation.

There should be some kind of an arrangement whereby the information would be made available to the Commissioner in order that he could then function properly as the United States Commissioner of Education was intended to function—that is to disseminate information throughout the United States in order that others may profit by mistakes made by those involved in this kind of program.

Mr. RHODES of Arizona. If I might ask the distinguished chairman of the committee one further question, it is my understanding since the term "rural area" does not include an incorporated or unincorporated town having a population of more than 10,000 persons, that any incorporated or unincorporated town having a population of less than 10,000 is included under the provisions of this bill and is eligible for aid under the provisions of this bill as it is now written; is that correct?

Mr. BARDEN. That is correct. I might say to the gentleman that my eye hit that the first thing when I was looking at the draft. You have the correct interpretation.

Mr. RHODES of Arizona. May I ask the gentleman a further question? Would that include the building of buildings in a town or city?

Mr. BARDEN. No. There is a provision in here that prohibits real-estate transactions, the buying of land and the building of buildings.

Mr. LANDRUM. Mr. Chairman, if the gentleman will yield, the proceeds cannot be used for the purchase of real estate but can only be used to employ personnel, and to purchase books and bookmobiles.

Mr. BARDEN. May I read this:

> No portion of any money paid to a State under this act shall be applied directly or indirectly to the purchase or erection of any building or buildings or for the purchase of any land.

That covers it.

Mr. RHODES of Arizona. I thank the chairman.

I think this is a little bit different situation than many of the situations in which we have adopted sections such as 5–4 (a) and section 7, and I plan at the proper time to offer amendments to amend both of them.

Mr. BARDEN. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Chairman, I am happy to have this privilege of speaking in behalf of this bill.

I have been interested in this library services bill for many years now. Our Committee on Education and Labor has talked about it, and studied it, and investigated it, and held hearings on it, over a period of years, until I now believe the bill has fewer shortcomings than almost any bill that I have had the experience of knowing about in the years since I have been a Member of the Congress.

There are definite safeguards in this bill. They are sufficient, I will say, to satisfy those who are inclined to be most careful. It is a bill that adequately preserves and protects the rights of the States and local communities.

The need for this legislation is great. The demand for the services which this bill will stimulate and aid the States and local communities to render is great.

Mr. Chairman, I wish it were possible for every Member of this House to have had the experience I had on April 13, 1955. On that day I traveled with the bookmobile of the Cullman-Winston Regional Library, across Winston County, Ala., to carry books to the tens of stops that were on that day's schedule. This bookmobile had been brought about largely because of the work of the women's groups in the two counties. The home demonstration clubs and other women's clubs had worked unceasingly to promote the bookmobile and the services it could render to the rural people of the area. It was for me an inspiring experience as we traveled about over that county; and as we stopped and brought books to the people who desired them, I wondered why as a Nation we had waited so long to bring that system of library service within the reach of every citizen. One stop was by the roadside, with no residence or store in sight; yet almost as soon as the bookmobile stopped beside a path leading up a steep railroad bank, 6 or 8 people with armloads of books appeared at the top of the way, including stores and schools and small towns and individual points or stations, where people would return books and pick up new books for their reading. We were accompanied on this day with the bookmobile by Mrs. Beulah Howle, the efficient librarian of the bookmobile, and by Miss Evelyn Day Mullen, director of the public library service division of the State of Alabama. Both were inspired by the possibilities of the bookmobile program for rural areas.

The people in counties like Cullman and Winston, in Alabama, have, by hard work, led the way, in showing that bookmobile service is practical. If we pass this bill, providing the small amount of $7½ million per year for 5 years, I want to hazard the prediction that at the end of the 5-year period the system of rendering library services by bookmobile will have spread all the way across rural America. The passage of this bill will be one of the finest actions that this Congress can take during this session.

I want to take this occasion to commend those members of the committee who have been actively interested in this matter. You have heard the eloquent statement of the gentleman from Georgia [Mr. LANDRUM], who performed a great service as chairman of the subcommittee which considered and reported this bill. He represents a rural area in Georgia, just as I do in Alabama, and he knows the need for this type of legislation. You also have heard the gentleman from North Carolina [Mr. BARDEN], who has made such a great record in the field of legislation pertaining to vocational education. He gives this bill the full weight of his influence and leadership. The lady from Oregon [Mrs. GREEN], whose name this bill bears, has worked unceasingly for its passage since she came to Congress. She has very ably pointed out this afternoon that this bill will cost each American citizen, each year it is in operation, the cost of a 5-cent pack of chewing gum. There are many others whose names I would like to mention. The gentleman from New Jersey [Mr. THOMPSON], the gentleman from California [Mr. ROOSEVELT], the gentleman from Montana [Mr. METCALF], the gentleman from Kentucky [Mr. PERKINS], and the host of twenty-odd ladies and gentlemen from both sides of the aisle who introduced a bill on this subject, and many others are entitled to the thanks of the country for the service they have rendered in promoting this bill to provide better libraries for all America.

The bill properly leaves to the State library agency in each State the duty of formulating all plans for this library program. Something has been said here this afternoon that indicates that some Member might have felt that the bill allows the selection of books to be made by the Federal Government. Mr. Chairman, I want to say that the selection of the books under this bill will be by the State and local library agencies. The direction of the demonstrations, in short, the complete execution of the program, will be by the State and local agencies. That is as it should be.

Someone has said that life's first danger is an empty mind. In answer to that we may be too prone to say in America that we live in the strongest nation on earth. We say oftentimes we are building houses at the fastest rate they have been built in history. And if we are pressed a little bit, we say that we own more automobiles than any nation on the face of the earth. We have conquered the airways. We have broken the sound barrier. We have cracked the atom. But I want to say to you that we must not forget that man builds no structure, however ably he may build, that outlives a book.

This bill will bring the opportunity for the greater use of books to the people of all America and to the people of the rural areas where the need is greatest.

I was impressed very much with what Gen. William F. Dean said not so long ago in General Dean's story. He said:

> I read anything they'd let me read. I was interested in finding out what modern communism was all about. You can't fight something intelligently unless you know what it is. In the United States we can't afford to be so ignorant.

Mr. Chairman, in the United States we cannot afford not to pass this bill and bring its benefits to our citizens who do not now have public library services.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. ELLIOTT. Mr. Chairman, I ask unanimous consent that the gentleman from Mississippi [Mr. SMITH] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SMITH of Mississippi. Mr. Chairman, I want to join in urging the House to adopt the library services bill, of which I am very proud to be a cosponsor. This legislation ranks as of relatively minor importance in the overall congressional schedule, but I think it may in the future take rank as one of the most important acts of the 84th Congress if we write this bill into law.

Two questions are fundamental regarding the library services bill: Do the States need it? Will they use it wisely? Only in the answer to these two basic considerations can be found the right course to take on this question of helping to provide rural library service.

Mississippi provides, as do many other States, a positive and clear-cut answer to both these questions.

Do they need it? Mississippi has more than a million people without public library service of any kind. They are almost literally people without books. In thousands of rural homes there still, even in this day of profusion of printed information, are not even newspapers and magazines, much less good books to read. But these deplorable facts alone would not answer the question, "Do they need it?" unless it can be established that they want library service and that they are making any efforts themselves at home to get it. In 1949 a total of $330,000 was spent for local public library service in the entire State; increasing steadily, by 1955, that total had risen to $768,000. This is the same percentage of increase as the growth in the State's wealth and income. Clearly there is indicated that with the people's ability to pay comes their willingness to spend their money for books and libraries. Mississippi libraries are operating bookmobiles on the absolutely unbelievable sum of 30 cents per capita per year. True, it is not what anyone would call good public library service, but it is the best they can do and they are doing it. That is basic. In 15 of the State's completely rural counties not even that much can be raised locally, and it is in these counties that help would be the difference between books to read and a recourse to the trash and filth of the newsstand.

Will they use it wisely? People have not waited for the Federal Government to push them into planning for public library development. Far from it. In Mississippi in 1947 a concentrated effort by several different agencies and groups

took a long, hard look at their conditions and by means of a survey determined what direction sound library development should take. Since then a large number of people have been working tirelessly to implement the recommendations of this survey.

Several basic principles that are involved in the program that is now unfolding in my State are identical with the ones that will determine whether the money available under this bill will be spent effectively and wisely.

In the first place, larger administrative units are being set up so that every cent of unnecessary overhead will be eliminated. The need is for books, not administrative redtape. Already all public libraries in the State, with three exceptions, have been brought into countywide areas of administration. In six instances, several counties have joined together to support what is known as multicounty libraries. These mean more places for people to get books and less expensive technical processing, bookkeeping, and so forth. It means that the large pool of books assembled under cooperative measures will be available to more and more people, and that they can be moved from one place to another with economy and speed to insure a fresh collection of books in each little village at each new bookmobile stop.

In the second place, nobody gets any benefit from any outside money until he has done the best he can for himself. There are no handouts in Mississippi libraries. Even when the State has only $500 to help a county, it refuses to do so until that county has made its maximum effort, set up its operation to insure maximum returns, and established itself along clearcut legal lines within the framework of the law. "The Lord helps them that helps themselves." And the library funds look in that direction for guidance. Members of the United States Congress need have no fear that a group of Mississippians who are not willing to do what they can for themselves will get any money from this source. There will be so little of it that, rather than being some sort of bonanza, it will be necessary to examine every cent of it with extreme care to make sure that it fulfills its purpose. The citizens of Mississippi who have worked so long and so hard for their libraries under unbelievable odds of poverty and who want to extend their services to their poorer neighbors but cannot now do so will see that only the deserving get the funds. That discipline will be taken care of at home, without doubt.

The third and final principle upon which current library development is taking place, and upon which any further increase will be based, is that unless there is some chance for future continuation, no help is forthcoming. The road must be clear ahead before anything is set up. What will happen when this money is gone? Every cent that goes into Mississippi libraries from any source gets the searchlight of that question. It is an investment, not an expenditure. It is a foundation stone, not a firewall.

The people know of the terminal phase of this legislation. Already their plans have been laid with that in mind. They have known that what State aid they had, small as it has of necessity been, involved the ever-present necessity of supporting themselves. With Federal funds, they face the same realistic approach.

Sound planning, local responsibility, and economical structure—these are the three principles upon which public library service is being built in Mississippi. And whatever help comes to the State from these funds will continue to be administered by these identical principles.

Mr. McCONNELL. Mr. Chairman, I ask unanimous consent that the gentleman from South Dakota [Mr. BERRY] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BERRY. Mr. Chairman, I hope there will be no opposition to the passage of H. R. 2840, the rural library services bill. In this country where we have the highest educational standards in the world, no one should be deprived of library service. It is in the national interest for every citizen to have access to good reading material.

We in the sparsely settled West are especially interested. South Dakota, together with the neighboring States of North Dakota, Wyoming, Nebraska and others in the Great Plains region, through its historical development has a tradition of pioneering. The people of South Dakota with their courage, resourcefulness and the spirit of the early pioneer have striven to develop the educational and cultural background of the State through the organization of small community libraries. Many of the small public libraries have been so successful that the municipalities through due process of law have assumed the full responsibility for the library so that the residents within the legal boundaries of the municipalities may have the privilege of obtaining books and other material necessary for an intelligent understanding and solution of State, National and international problems which affect each individual.

South Dakota has made progress. However, although the progress in the development of libraries has been steady and strong, it has not kept pace with our modern civilization with its scientific advances and a world where distances have shrunk. The individual citizen must more and more participate in the intelligent solution of these problems if our freedom and the American way of life is to be preserved. Hence, the need for Federal funds to assist the State and the other States in the Great Plains region in developing a pattern of library service which will be peculiar to the area and geared to informing and educating the citizens in the current problems of a rapidly changing world.

Today 53⅓ percent of the population of South Dakota or 345,490 people are without public library service. Of the 87 public libraries which offer library service to the 47.7 percent of the people of South Dakota, or 304,539 of the population none of the public libraries with the exception of 3, offer a service adequate to meet the American Library Association standards or the needs of the people. The expenditures per capita for library service in South Dakota during 1954 was 56 cents per capita. The minimum standard of per capita expenditures for library service as developed by the American Library Association is $1.50. The per capita number of books recommended for book collections in public libraries is based on the population served. At least 2 volumes per capita should be available for the people in our small communities with no library having book collections of less than 6,000 volumes. With the exception of the libraries in the larger communities—Sioux Falls, Rapid City, Aberdeen, Watertown, Huron, Mitchell, Yankton, Brookings, Milbank, Mobridge, Webster, Madison—most of the libraries have far less than the minimum number of 6,000 volumes. The number of current books purchased by the same libraries is inadequate. In fact, the State Library on its 1953–54 appropriation was able to purchase only 1 new book for every 125 people without library service.

South Dakota is a State which is entering a new phase of development. Heretofore, it has been basically an agricultural State with its denser population in the eastern part of the State, small ranches in the central part of the State, and very large ranches in the western part of the State.

With the development of the Missouri River and the construction of the Fort Randall and Oahe Dams, a new source of power is available not only to South Dakota but to the other States in the area which will influence their future. The availability of power will tend to attract industries within the State which, in turn, will necessitate a change in the pattern of community life with its attendant growth of population. This will call for more modern educational institutions, one of which is the public library.

The money which the library services bill makes available to the several States, together with the provision that each State make a plan for library development peculiar to its own State, is particularly important and needed in South Dakota, since such funds are not available from the State.

The western half of our State with its sparse population and small assessed valuations is a section which needs particular study in the development of library service. This area is generally known as the ranch area with the exception of our scenic Black Hills. In this section of the State, which is my district, there is a total population of 158,147 people. Over 60 percent of these people do not have public-library service. In this congressional district there are 23 counties, 13 of which are without any public libraries. Three of the counties in this area have countywide library service. Only one of the public libraries—Rapid City—in my congressional district meets the American Library Association standards.

The rural people of South Dakota are eager to be informed as evidenced by

the cooperation which they give the Extension Service with its various adult-education programs and the public schools to which they send their children. The eagerness with which they read the books on the Reading in the Home list, which is compiled by the State library and distributed by the Extension Service, is proof of their desire for information not only on homemaking and agricultural problems but also State, national, and international problems. It is to meet the needs of our rural people that programs such as contemplated in the library services bill are needed. Our President, the Honorable Dwight D. Eisenhower, said:

> To the intellectual development of our citizens—and thus, to their ability to participate in the activities of this Republic—few habits are more important than reading.

I submit the following facts for your information and for the RECORD:

South Dakota has 68 counties; 4 unorganized counties; 17 counties in South Dakota without public libraries; 7 county libraries in South Dakota.

Total population in South Dakota, 650,029; population without library service, 345,490; percent without library service, 53.3.

Twenty-three counties in South Dakota in my district; 13 counties in the district without public libraries; 6 counties in the district with 1 public library; 1 county in the district with 2 public libraries; 3 counties in the district with county libraries.

Total population of the district, 158,147; population without library service, 94,800; percent without library service, 60.

Under unanimous consent, I insert in the RECORD an editorial appearing in yesterday's edition of the Washington (D. C.) Star, as follows:

LIBRARY-SERVICES BILL

There is really no good reason why any Americans should be cut off from public-library service just because they happen to live outside of cities. The public library has been called the university of the people and so it is—a blessing of democracy and an aid to it. The art of reading, which Bacon tells us "maketh a full man," has not, despite the magnetic distraction of television, suffered a complete decline. The sale of the classics in cheap paperbound editions gives heartening evidence that the desire to match minds with the great writers of the past has not died. The tremendous popularity of the bookmobiles, which have been lumbering through rural regions as stopgap means of distribution, attests that a large hungry clientele exists.

Tomorrow the House will consider—we trust, favorably—a bill which would bring the pleasures of book borrowing within reach of the many Americans currently deprived. The library-services bill would provide a total of $7.5 million annually for 5 years for the construction and operation of libraries in rural areas, fringe areas around large cities and impacted areas. Previous similar measures have fallen before objections that public-library service is solely the responsibility of the States and that Federal financing would lead to Federal control. H. R. 2840 meets these objections. It requires that all Federal funds must be matched by the States on an ability-to-pay formula and makes specific provision that the administration of the program be put in the hands of each of the States' library extension agency.

H. R. 2840 has the bipartisan sponsorship of 27 representatives and 16 Senators. Its chief sponsor, the American Library Association, is hopeful of its passage. The House would do well to approve the bill and thus bring to everyone the instruction, diversion, and solace which books incomparably offer.

Mr. McCONNELL. Mr. Chairman, I ask unanimous consent that the gentleman from Nevada [Mr. YOUNG] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. YOUNG. Mr. Chairman, I would like to take this opportunity of commending the Education and Labor Committee for their work in bringing forth this legislation. Its enactment by Congress will do much to further education and develop better citizens in areas not now receiving adequate library services. I would like to take just a few minutes Mr. Chairman to show how this bill will benefit districts such as I represent.

According to statistics released by the Bureau of the Census, Nevada is the fastest growing State in the Nation. The population increase since 1950 has been 31 percent. Interest in education is growing as fast as our population. A little over a year ago we had a statewide survey of our public schools, and since that time we have completely revised our thinking on taxation in order to improve our public-school system. Our State university has almost doubled its enrollment in the past 3 years. Adult classes in high schools and university extension classes have increased. And interest in libraries and demands upon their services have increased mightily in the past 4 years.

Nevada people have made greater demands on their libraries, particularly in rural areas, than ever before. None of the libraries have been able to meet these demands satisfactorily. Most of them have that common handicap—insufficient funds. But probably they have a worse case of it than many other public agencies. A small population and long distances in Nevada have provided us with cities and counties with populations too small and tax bases too narrow to support good libraries. As a result, the county library in my home county has operated for 18 years without purchasing a single book with county funds. In 1954 the Tonopah City Library spent a total of $8.95 for books. Another city library that same year spent $44.11, and a county library at the same time had only $42.45 for books in a year's time.

These problems have set Nevada people in search of an economical and practical way of giving library service. The people at our State library have conferred with the Nevada Library Association, local government leaders, and with interested citizens on this problem. They have what is considered a good, practical plan for overcoming some of these difficulties.

All this was done because of Nevada's interest in education, and a conviction that the public library makes a vital contribution to the educational level of our State. Cities have supported libraries for well over a century. Libraries are needed as badly in rural areas as they are in cities. Nevada does not have second-class citizens, the people living in our rural areas are the backbone of our State. We cannot afford to neglect educational opportunities in our rural areas. In this way Nevada is not very different from the other States: People, and the welfare of our country, are our primary concerns.

The future of this Nation is directly dependent upon the integrity and worth of each individual citizen. The development of the potential of each man and woman of our State and Nation is of immediate concern to each of us. Government in the United States, unlike that in totalitarian countries, depends upon the judgment of the people. We need people who think, and think straight. Schools and colleges can give the fundamental education to their students, but the successful student is the one who is able to read and think critically after he receives his last diploma.

Public libraries are centers for individual study. They provide information on all subjects, on all sides of controversial issues. They encourage self-study. They stimulate learning and discussion of vital problems. They furnish citizens with information needed on their jobs. They build better citizens.

Our military psychologists have been studying the defection of the 21 Korean prisoners of war who chose to forsake their country for communism. There is at least one answer to their weakness, educational deficiency. It is almost incomprehensible to most of us how men could make such a choice. Americans who know their country, their Government, their people, and also know the contrasts in Communist countries could not make such a choice. Again, our Nation and its very existence depends directly upon the individual citizen.

Our national average for years of school attended is now around 10. President Eisenhower has called attention to the need for better educational opportunity. The White House Conference on Education was called for these very reasons. Studies of the Soviet plans show the importance the Russian leaders are attaching to continued education. Fears have been expressed that the development of scientists in the East will outstrip the West.

Totalitarian countries have always recognized the power of education. Dictators burn libraries, and replace them with carefully prepared propaganda. The United States must build libraries.

Some have answered that books and magazines are plentiful and that libraries are becoming obsolete. The fact that propaganda is plentiful is just another important reason for libraries. There must be one free, impartial source of information to which the citizen can turn for help in evaluating this propaganda. Libraries are this place.

Nevada is acting on its problem. The tremendous problem of support and geography can be licked. We now have a plan for a statewide library service to every community and area of the State of Nevada. This plan has three important features: First, development of a strong, coordinated library collection of

books and materials in Nevada; second, use of bookmobiles manned by trained librarians to give library service to areas of the State now without libraries; and third, a library consultant who can teach untrained librarians while they are on the job.

This plan can provide an economical, yet highly satisfactory, type of library service in Nevada. Even if Nevada's small communities had unlimited funds for books and library service it would not be sensible for any one small city to buy all the books it needs. Towns like Pioche and Beatty need access to the advantages of a huge library system such as that in the city of New York, but do not need the library in their backyards. This plan will make books available to citizens through their local public libraries and through bookmobiles.

Many of our small communities have libraries manned by untrained librarians who need the help of a library consultant who can work with them on their problems of book selection, library administration, and services to readers. A library consultant can help these people make their libraries more efficient and enable them to give their readers better service.

Nevada is not sitting back waiting for Federal handouts to libraries. Each year small progress is made on achieving this program. Legislative appropriations to the State Library extension service have more than doubled since 1953. But we are still a long way from even barest library service in most of our rural communities. We lack the books, the bookmobiles, and the library consultant we need. The library services bill will stimulate library development during its 5 years. We are for the library services bill because it is terminal legislation. We know that library service is important enough in Nevada, and in other States, that once it is demonstrated through the library services bill it will be continued by the people of Nevada and by the voters of other States through State legislation and local appropriation.

Mr. FERNANDEZ. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. FERNANDEZ. Mr. Chairman, I am wholeheartedly in favor of this bill which is designed to promote the development of public-library service in rural areas. The committee should be commended for bringing this bill to the House.

The benefits of an abundant supply of books to the reading public are incalculable. Yet, though most of our larger cities and communities have large and complete library-service systems, many rural areas are deplorably lacking in even the minimum of library service.

Because of this lack of service the people of these rural areas are deprived of what in our country should be as readily available as the food which we eat, for books are food for the mind. Through them we can absorb and understand the broad sum of information conserved by civilization.

As the report states, the purpose of the bill is to aid the States in the extension of public-library services to rural areas within the States which are now either without such services, or possess inadequate services, and thereby encourage participation of the local people in the promotion of such libraries.

Public schools are free and tax supported as a necessary function of the State in the formal education of our children, and likewise the free, tax-supported library should be considered an integral part of their broader education.

Throughout the year public libraries provide supplemental material in the general education of the child through a broader scope of material not available in basic texts. They provide adults as well with the opportunity to broaden their education. As a positive combative force against juvenile delinquency, the public library stands high, as is pointed out in the committee report.

During recent years the education level of our country has risen tremendously, and we must, through the expansion of library services, keep pace with the demand for books which that expansion stimulates.

Once again I say the committee should be commended for bringing this bill to the House, and the gentlewoman from Oregon [Mrs. GREEN] should be congratulated for her success in sponsoring this bill, and for getting it reported out so that we may vote on it before the session is too far advanced.

Mr. McCONNELL. Mr. Chairman, I yield 5 minutes to the gentlewoman from Michigan [Miss THOMPSON].

Miss THOMPSON of Michigan. Mr. Chairman, I wish to associate myself with H. R. 2840, the library services bill, and also read a statement by the gentleman from Ohio [Mr. JENKINS] in regard to this bill. His statement is as follows:

As one of the sponsors of this act to promote and develop library services in rural areas of our county, I wish to say that it is my firm belief that this bill is necessary, and that its provisions will make it possible for many millions of Americans, now denied the use of books and other materials provided by public libraries, to enjoy the benefits of public library service.

In my own State of Ohio, I estimate that there are at least 570,000 persons in the economically undeveloped southeast portion who have little library service, or none at all. In this area of more than 8,000 square miles there are libraries which exist on as little as 11 cents per capita, and the average support for public libraries in the area amounts to only 45 cents per capita. Since the American Library Association recommends the expenditure of $1.50 per capita for only the barest minimum service, it is easy to see that so-called library service is impossible in the greater part of the region. Shocking as these figures are, by and large Ohio is much better off than many other States and areas in the matter of public libraries. Where the local tax return is so low that adequate support of libraries is impossible, the aid which will be given by this bill will help to stimulate the people to seek adequate aid from their States, once they have learned by demonstration what the library can give.

The library services bill is wise in its provision for limiting aid to the States to a period of 5 years, and in providing for a matching of Federal funds by the various States on a fair and workable formula. It is wise, also, in allowing the States to use the Federal funds as they see fit, so long as the money is used to extend public library service to areas which now have none.

We have developed our schools to a high degree, and our colleges and universities are returning more and more trained and educated people to their home neighborhoods every year. These people, as well as those who have been denied higher education, desperately need public libraries as a complement to their formal schooling. An enlightened and informed public will be able to fend off and defeat the subtle insinuations of propaganda and subversion which threaten us.

Public libraries, except in some wealthy communities, have never received decent support. A good library is far less expensive to support than a school, yet its influence and power are beyond measure. Scientists, teachers, businessmen, leaders in all walks of life, as well as the housewife, the working man, and the child who is eager to learn, turn to the public library for information and inspiration.

I believe that this bill will provide benefit and pleasure to millions of Americans who now have no access to libraries, and I ask the support of all members of the House in making this bill into law.

Miss THOMPSON of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. BENTLEY] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Michigan?

There was no objection.

Mr. BENTLEY. Mr. Chairman, I would like to express myself as favoring passage of H. R. 2840. I have received a great deal of correspondence from my district in favor of this legislation and pointing out the fact that its enactment would serve as a stimulus to local authorities to provide library services.

I feel that providing Federal aid to the States for the demonstration of public library services in rural areas with inadequate library facilities will bring great benefits, considering the small cost involved.

I sincerely regret that commitments in my district prevent my being on the floor when this important matter is brought up for consideration.

Mr. McCONNELL. Mr. Chairman, I yield 3 minutes to the gentleman from New Hampshire [Mr. MERROW].

Mr. MERROW. Mr. Chairman, I am glad that the House today is considering the library-services bill, H. R. 2840. I compliment the Committee on Education and Labor for the excellent work they have done on this bill. This is a measure designed to promote the further development of public-library service in rural areas throughout the United States. On January 24, 1955, it was my pleasure to introduce H. R. 2860, a bill identical to the measure we are considering at the present time.

Library-service legislation has been long overdue. Library legislation was before the House of Representatives on Thursday, March 9, 1950. I voted to support the legislation at that time, and it is my hope that the measure under consideration today will be unanimously approved by the House.

This legislation is greatly needed in order to make available local public-library service to the approximately 27

million Americans who do not now have the opportunity to avail themselves of such service. It should be noted that along with these 27 million there are about 53 million more of our people who receive inadequate public-library service. Library service is one of the prime essentials in a democracy, and we should certainly do all we possibly can to make it available to our people.

This legislation is intended to stimulate greater interest in and support of public-library service by State and local governments. In the 5-year period of the program provided for in this measure, the State library agencies will, I am sure, be able to demonstrate adequate library service with the additional funds made available under the act. This is exceedingly important, since people need to experience good library service to realize its value.

GOAL OF THE LEGISLATION

Because of the great lack of public library service prevailing in the rural areas of the Republic, this bill is designed to assist these areas. Under this library services bill a rural area is defined as an incorporated or unincorporated place of 10,000 population or less. In most instances, a community of 10,000 or less is unable to finance an adequate library program independently. One of the goals of the legislation now under consideration is to develop larger units of public library service drawing together a number of such communities, a whole county or even several counties in order to provide a financially strong, well-stacked and efficient library system.

A library in a city larger than 10 thousand population can be brought into the plan under the bill if that library agrees to extend its services to the surrounding rural areas. In many cases, such an urban library can become the headquarters for a larger unit of service. This development needs to be done on a large scale throughout the country and can be brought about within the 5-year program of the library services bill. Such systems will be able to carry on the service after the Federal help is withdrawn. These larger units of service will be a major solution in overcoming the public library shortage in the United States.

AUTHORIZATION OF FUNDS

The library services bill provides for the authorization of $7,500,000 a year for 5 years. These funds are to be used by the several States in developing adequate public library service in the rural areas. The States must match the Federal funds in order to participate in the program. Each official State library agency is required to submit a plan to the United States Commissioner of Education showing how the funds will be employed. The State agency would have complete authority over the development and execution of the plan, as well as the selection of the books and other library materials and personnel.

The Commissioner of Education must approve the plan if it carries out the specifications in the bill, which requires that: Funds are to be used for public library service in rural areas; none of the money can be used for the purchase or erection of buildings or the purchase of land; and the State cannot cut back on the funds to the State library agency below that of the year previous to the one in which the Federal funds are received.

STATEMENT OF HEARING

On May 25, 1955, I appeared before the Committee on Education and Labor in support of the legislation we are considering today. At that time I stated:

The proposed library services legislation is for the purpose of providing an urgently needed stimulus in the struggle to overcome a national shortage of library facilities and library services in rural areas. The proposed legislation is not intended to subsidize or to foster a control over any of the libraries in the Nation; it is to furnish the initial incentive in a long-range program. Once such services and facilities are established and once they are operating satisfactorily, it is confidently anticipated that local and widespread demand will insure their continuance long after Federal assistance has been discontinued.

NEW HAMPSHIRE LIBRARIES

I now turn to a discussion of the library situation in my own State. New Hampshire has 239 libraries in its 236 towns. There are only 4,300 people in the State without a local public library. These libraries vary from well-supported city libraries with excellent book collections, experienced staff and progressive programs to stimulate the use of books and related materials, to tiny towns where the library is open only a few hours a week and there are only meager funds for the purchase of new books. If a library is to be effective, it must have sufficient funds to provide regular purchase of the best books for children and young people, and recreational reading, thought-provoking and informative materials on all subjects for adults.

Yet in 1955 there were 177 public libraries in my own State which did not have even $500 for the purchase of books. Town sources for added taxes with which to improve local libraries are meager. New Hampshire has tried to help this situation. The State library has divided the State into four areas and established branch centers, with a librarian, whose special task is aiding these small libraries, in charge of each area. Each area has a bookmobile—in some cases provided by the New Hampshire Federation of Women's Clubs—which visits libraries with regularity and loans good books to the library for reloaning to children and adults. In addition, the State library operates a mail-order service for these libraries, answering difficult reference questions and mailing out unusual titles.

PROPOSED PROGRAMS FOR NEW HAMPSHIRE

Although satisfactory as far as it goes, we believe that better service can be obtained through cooperative programs. When the proposed legislation is enacted, the New Hampshire State library will immediately inaugurate several programs in an effort to demonstrate that better library service is possible. These programs will enable the State library to determine acceptable size of area, the techniques best adapted to New Hampshire and unit costs, so that legislative bodies will possess sound facts on which to base decisions about future library service.

The demonstrations will include the development of a federation of libraries, which will work together and share services and material. Each library, while retaining its autonomy with its own board of trustees, will be a part of a group and from this unification will gain strength. The local reader will be free to use any library in the system, either close to his home, in the town where he does his shopping, or in the city library. To the librarian it will be a relief from ordering and cataloging of books, since this will be done at the central library in the system, and funds will go further since books will be bought in quantity. Librarians, by working together, will thus have an opportunity to learn more about books and library techniques.

The section of the State selected for demonstration of the advantage of the federation of libraries will take into consideration existing strong libraries, with a practical, workable, economical and efficient federation of libraries as its aim. Such a demonstration may convince our towns and our States that a unified service will be best for all our citizens.

For the small rural libraries not in a federation, the demonstration will also include strengthening a present branch office and providing better service. Aid will be given to libraries in organizing programs to encourage the use of books, including story hours for children, adult discussion groups and television and radio programs about literature. The staff and book collections of the branch office will be enlarged to provide every possible library resource for the rural libraries in the area. In a State where the majority of libraries are open only a few hours a week, there are very few libraries with experienced librarians. Therefore, it will be desirable to have librarians who are specialists in work with children, teenagers and adults available to help the part-time rural librarian. New Hampshire's plan calls for a young people's librarian, a children's librarian, a reader's adviser and an adult education specialist to assist local librarians in initiating and carrying out special services which will make libraries effective. Working under the guidance of the specialist, the librarian and library board will discover ways of using local resources and developing programs best suited to the local situation, and will become more efficient in their work.

These demonstrations of better library service will be similar, yet there will be enough variation to provide a good test of what is best for New Hampshire. The strengthening of an existing program of service by enlarging the staff and book collection of one of the State Library branch offices has wholehearted approval and support at the present time. However, a program of unification in a cooperative venture may be a stronger method of securing good library service for all. An evaluation of these two types of better library service, from both a financial and effective viewpoint, will provide information which will enable the governing bodies of the towns and the State to select a pattern best suited to New Hampshire.

There can be little doubt about the acceptance of responsibility for these programs once their value is demonstrated. Some years ago a legislature intent on economy curtailed the bookmobile work. The people of New Hampshire were quick to defend and request its restoration. Once people discover the value of good books, they are loath to lose them. By providing effective libraries, cooperative programs will be a stimulus to towns and cities, thus encouraging the use of local funds for better library service.

I am certain that you will agree with me that there is much need for this legislation throughout the United States. I am very much pleased that the New Hampshire State Librarian, Mrs. Mildred McKay, who was formerly president of the National Association of State Libraries and who appeared before the Committee on Education and Labor in support of this legislation, has made available to me the proposed programs for New Hampshire which I have just presented. Mrs. McKay has given great leadership in this work and has certainly developed excellent plans for New Hampshire.

WIDESPREAD BENEFITS

Again I refer to the statement I made before the committee on May 25, 1955. In closing my remarks, I used the following words:

The public library can and should be an invaluable supplement to the work of our schools. For several years the trend in elementary and secondary teaching has been to make more and more use of materials and publications outside the conventional classroom, and beyond the textbook itself. The public library is the natural haven for such requests. Adults, in turn, also find the library an indispensable storehouse of recorded information. The businessman, the farmer, the artisan, and the housewife all at one time or another find guidance and assistance in a public library. For the vast majority of adults, the library offers the only free, tax-supported opportunity to continue education where either the elementary or secondary school left off, or even to continue from where higher education may have terminated. The library in most instances, if well equipped, is willing to and capable of providing the opportunity for continuous education, self-improvement, recreation and culture. Also with reference to a compelling question of the day, only an educated and alert citizenry is competent to cope with the insidious aspects of communism and world strife. All effective means of information and education must be utilized in order for the adult to render sound judgment on current critical issues. The public library is the institution especially qualified to fill this need, more particularly, libraries in rural areas.

The legislation now under consideration will be a great stimulus to the development of better public library service in rural areas throughout the country. I hope that before the adjournment of this session of Congress, the legislation we are considering today will become law.

Mr. BARDEN. Mr. Chairman, I yield 4½ minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, I am vitally interested in the passage of H. R. 2840 to promote further development of public-library service in rural areas. I assisted in sponsoring similar legislation in the 81st Congress, and on January 24, 1955, introduced H. R. 2870, a companion bill to the one now under consideration.

Mr. Chairman, education is made up of a number of things. We want our young people to have good schools, good teachers, and good libraries. For this reason I believe in Federal aid where it is a proven national necessity. I believe that a program of public-library services for rural areas is of utmost importance for the continuous education of the American people—as citizens, workers, and community leaders. I am in favor of Federal aid for library services in rural areas because such a program would make a significant contribution to the extension of education where it is greatly needed. This Federal-aid program, in particular, would render a service to millions of persons in the farm areas of this country.

Library-service programs in rural areas where they have been tried successfully have been wholeheartedly received and supported by the people. This is one reason why I am convinced that a program of Federal aid is important because it will stimulate local interest and support which otherwise might take years to develop.

I favor this program because it represents to me a reasonable function of the Federal Government. The Nation as well as the States should be concerned with libraries, like schools.

Increased educational attainment is a national asset just as much as it is a State and local asset. The availability of public library facilities should not be limited only to some citizens of this great Nation. The library services bill would extend much needed library resources to many more persons who really need them.

Twenty-seven million people in these great United States are without access to local public-library services of any kind. Ninety percent of this group live in rural areas entirely untouched by libraries of any kind. This bill, if enacted, would go a long way toward bringing these people books and information which they should have. Far too many rural areas in this country do not have a library program.

Because experience proves that once people have had rural library service, they find a way to continue the program—it is imperative that a Federal stimulus program be enacted to advance this service. The proposed program would be limited to 5 years. We have proof that after this period a rural library-service program is most likely to be continued through local and State support. In fact, a careful study of this problem in areas where rural-library service programs have been made discloses that the local people readily accept the responsibility for the continuation of library service to the same extent that they accepted rural electrification and the local county agent to advise them about local farming plans. The stimulation of Federal aid will greatly increase the progress toward adequate library services all over the country.

I am convinced that my esteemed colleagues will recognize the inestimable value to be gained from a rural-library-services program such as the one we have under consideration today. Surely, we are all aware of the increased complexity of our society, of the rapid advances in technology, and the tremendous implications these bring to the future well-being of this Nation.

By comparison, we lag far, far behind in many important and necessary areas of knowledge which are vital to the Nation's welfare, nontechnical as well as technical. Our representative democracy requires more well-stocked libraries spread throughout the country. The need for adequate library services is greater now than ever before. The extreme importance of libraries to our Nation's welfare is dramatically expressed by the House committee's report on the current measure. The committee stated that:

Altogether, the public library performs a practical operating function in our educational processes, our cultural evolution, our economic activities, and our political and social development.

I am firmly convinced of the value of library services to rural areas because of the experience we have had in Kentucky. In a very short period of time the Kentucky program has proved its worthwhileness. Although it does not reach as many Kentuckians as we would like it to, the program dramatically illustrates the need for, and acceptance of, library service by thousands of the citizens of my State. The progress made by the Kentucky rural-library-services program should be given recognition. I am proud of its development.

To many outsiders, probably it has seemed that Kentucky has made itself over in giving book service to its rural people through its 102 bookmobiles. There is no doubt that great progress has been made. Before the bookmobiles were rolling over the hills of Kentucky, 80 percent of the State's rural population had no access to a public library. The little libraries which did exist in some counties were woefully inadequate. Their collections consisted mainly of a few thousand books published for the most part many years ago. Many of these books were falling apart, moldy, musty, and generally dreary looking to any potential reader. No attempt could possibly be made to have up-to-date material. Local funds for the support of these libraries have rarely exceeded a few hundred dollars each year. One of the main arguments against additional support for these libraries has been that they are not used. Naturally they are seldom used—with books that repel rather than attract readers.

What have been the experiences of bookmobiles. Since this program got underway, bookmobiles have circulated 2,813,279 books to 198,760 Kentuckians. To do this job, these mobile libraries traveled 44,849 miles, stopping regularly at 2,588 schools and 1,653 rural communities.

This bookmobile program was inspired and "put on the road" through the gargantuan efforts of a group of patriotic Americans in the Commonwealth of Kentucky headed by Mrs. Barry Bingham, of Louisville; Mrs. Paul Blazer, of Ashland; Mr. Harry W. Schacter, of Louisville; and Mr. Merle Robertson, of Louisville.

These citizens joined with the local communities and the State government of Kentucky to organize a campaign which resulted in the creation of Kentucky's bookmobile program.

How has this tremendous new service affected each county?

To answer this question I am inserting only a few excerpts of many, many observations about our Kentucky rural library services program:

LAUREL COUNTY

Next to getting electricity in our house this is the best thing that has ever happened to us. (A reader.)

This is an answer to prayer. (A reader.)

The eagerness with which these people await the coming of the bookmobile, the smiles on their faces, and things they say do much to compensate the librarian for her hours of driving in the cold, snow, rain, or burning sun; they make her feel that she is bringing pleasure, help, information, and perhaps a new way of life to many people. (Mrs. H. V. McClure, bookmobile librarian.)

JACKSON COUNTY

At first most requests from children were for funnybooks and westerns. But now what a difference. They seem to be different children altogether. After less than 2 years reading, they know what they want and how to request what they can't find. Last week a little fourth-grade boy said, "Mrs. Abrams, I don't want to be selfish, but do you have any books on old time history—like when this country was first settled?" The expressions of the children while looking for books are most amusing. "Oh, look at this," "Oh, I want this one," "Oh, I could read every one here," "This is what I've been wanting." A minister's wife remarks, "This bookmobile is a blessing to us and all the books are so good, too." More and more adults are reading and taking books home to read to preschool children. There are many requests for books on farm life, housekeeping, history, geography, maps, handicrafts, arts, plays, and games.

JESSAMINE COUNTY

Achievement tests given at the beginning of the school year and at the close of school showed that the reading level of most students had improved from 2 to 3 grades. We give the bookmobile full credit for this. Without these books our children would not have had the wide variety of interesting and easy books to read. Our adult reading interests seem to be increasing—more and more books are borrowed for home use when the bookmobile stops at stores in each rural community (Mrs. Icie H. Johnson, bookmobile librarian.)

WOLFE COUNTY

Some of my readers live high up on mountain clearings in log houses built over a century ago by their forefathers. Other readers live in the better agricultural areas; their homes match the latest creations from the architects' drawing boards. All of these readers range in age from 4 to 74. Usually about twelve or thirteen hundred books are borrowed on each trip. The reception of the bookmobile by adults, students, and teachers has been gratifying indeed. (James L. Stewart, bookmobile librarian.)

ALLEN COUNTY

Teachers of the rural schools say their disciplinary problems with bright children who need more than can ordinarily be assigned to them in school have lessened considerably, because the children are happily reading.

OHIO COUNTY

In Ohio County we have hundreds of people without television, without movies, with no entertainment or mental stimulus whatsoever. Many of these people love to read and their bookmobile is their only source of material.

One day, near Fordsville, a man came to the bookmobile asking for a book on electric wiring. He said he had a job waiting for him if he only knew how to do some simple wiring. I had the book. He used it for 2 weeks, learned from it * * * got his job.

I have one family of five which averages reading 60 books every 2 weeks.

ROCKCASTLE

Parents who were introduced to the bookmobile through their children are now leaving their homes and are coming to the truck to select their own books. Mothers are checking out books for their preschool children. Friends are borrowing books for people who are too old to leave their homes. Just think—2 years ago our people had no library service; this avenue of wholesome recreation and of enlightenment was not open to them. (Edna A. McKenzie, bookmobile librarian.)

HARRISON COUNTY

At one stop there are three elderly women who are shut-ins. They cannot get to Cynthiana. These women read 6 books each in a 2-week period. It is indeed a job for them to get bookmobile service. Other women, crippled from arthritis, borrow books from the bookmobile in wholesale lots. One family, which had come from Chicago, missed the public library from the big city more than anything else. Imagine their pleasure at the sight of the bookmobile. (Mrs. C. W. Judy, librarian and bookmobile librarian.)

CHRISTIAN COUNTY

One woman told me her husband had never cared for reading until he picked up one of the bookmobile books; he has been a regular reader ever since.

In the oil section of the county, the children's parents are very poor. At first they cared very little for the books. Now each child selects a book and reads it. I question them and find they are getting lots from their selections. Three of the children select books for their fathers. Their mothers can't read. The bookmobile has truly been a missionary blessing to these people. (Mrs. John H. Eades, bookmobile librarian.)

M'CREARY COUNTY

Five people in our county have read every juvenile and adult book on the bookmobile. They have encouraged others to read and have helped them with book selections. Now, they are begging for more books. The homemakers clubs throughout the county have used the bookmobile extensively. The bookmobile is not a charitable help to the poor and needy of McCreary County, it is an educational ladder to all who desire to use it. (Mrs. Lona J. Taylor, Whitley City, Ky.)

Quite obviously the program has begun to make Kentuckians aware of what they have been missing. Years of attempting to educate people to realize their own library needs were ineffectual in comparison to the startling effects of a bookmobile. To communities starved for books, the bookmobile with its fresh, new enticing books has represented a bonanza. But we know that a bookmobile and 2,000 new books are only a beginning; that the bookmobiles without good libraries back of them can never give rural people really good library service. Bookmobiles can never carry enough nonfiction to satisfy all subject requests. They can never furnish answers to reference questions. They are only a part of a much broader system of library service—an arm, so to speak, of a public library.

Just as bookmobiles have stimulated a realization on the part of Kentucky's rural citizens of their needs for good new books, so the Library Service bill will arouse a still greater understanding of what really is needed to provide rural people with well-balanced, well-organized, well-administered library service. Few people can envision such a system. They must see it work, feel its influence, practically taste the new atmosphere it engenders before they are willing to strive for its support at local and State levels.

It is obvious that bookmobiles have gone far in Kentucky, but not far enough. The dire need for planned library systems with skillful readers' advisory services, with up-to-date collections of books on every subject, with the best reference tools, and with planned programs of adult education still exists. Only Jefferson County in Kentucky can be said to have provided adequate appropriations for public library service. Kentucky's citizens gave $300,000 for bookmobiles; the State legislature gave over $300,000 for books and State aid for 1954–56. The Kentucky citizens' march for books uncovered thousands of useful books. Local tax funds totaling $217,717.69 were provided during 1955 for the support of bookmobiles and public libraries in rural areas. These facts make it clear that Kentucky is anxious to do its part, but a full realization of the total need will be possible only if the library services bill passes, giving rural citizens their first chance to see what good library service could be if only adequate funds were provided.

My close observation of the Kentucky bookmobile program leads me to be in full accord with the proposition that we vote for Federal aid to library services for rural areas. Kentucky as well as many other States in the Union needs to have its rural library program greatly expanded to provide services to the many millions of persons who are still without it.

I am sure that most of the Members of this Chamber agree to the value of public libraries and perhaps there are some who question the expenditure of Federal money for the implementation of a rural library services program. I have done some figuring on its cost and I think I have come up with some very interesting facts concerning the expenditure of $7.5 million, which the program would authorize to be expended for each of 5 years.

I have concluded that if this program were part of our defense budget it would not be questioned. This leads me to the question—what is wrong with our value system in this country? We think nothing of paying $6 million for a B–52 bomber. When faced with the fiscal 1957 estimate of over $2 billion for a 1-year program to develop guided missiles we do not wince or bat an eyelash. How do you explain these figures—they are so astronomical that it becomes difficult for a person to visualize how tremendous they are. We all agree defense expenditures are necessary. Perhaps a comparison with other figures might be helpful. The library services bill, for example, would authorize $7.5 million a

year. This is just a fraction more than it costs to build one B–52 bomber. The $6 million it costs the Government to build one B–52 bomber does not include the cost of operation. In fact, if you add the cost of running one B–52 bomber for 1 year it would probably be as much as $7.5 million a year.

The comparison is even more startling when we consider the $2 billion guided missile program for 1 year. Two billion dollars at $7.5 million a year would last for 266 years.

To give you some impression of just how long 266 years is in time—the program at the rate of $7.5 million a year, would have started back in the year 1690 and come forward through the current year. Or if you were to spend $7.5 million for each year in the future, against a $2 billion total, it would take until the year 2222 to expend it all.

We can describe the cost of a $7.5 million rural library services program in still another way—it would cost each person in the United States 4½ cents a year. Less than the cost of a bottle of soda pop—once a year.

The measure before us today deserves the serious deliberation of each Member of Congress. It proposes a 5-year program authorizing $7.5 million a year to help the States and communities develop a rural library service program. Through the years the free world has become more and more dependent upon the distribution of information. In fact, a representative democracy depends upon the universal availability of information. Recognizing this important fact—vital to all citizens in this Nation—we must enact a program of Federal aid to rural library services.

This measure provides wide latitude for State and local initiative and inventiveness. It would definitely stimulate local interest and support. It has a simple, workable formula and a 5-year terminal date. This legislation would give the State and local communities a splendid opportunity to strengthen the entire pattern of library service throughout our Nation. I am convinced further that the investment of this small amount of Federal aid will produce many worthwhile dividends through a better organized library system and improved State financing.

Mr. McCONNELL. Mr. Chairman, I yield 3 minutes to the gentleman from Wisconsin [Mr. SMITH].

Mr. SMITH of Wisconsin. Mr. Chairman, I do not oppose the library extension service, in fact, I believe it is highly desirable, but it is a local matter. In my own district we have rural service, paid for by the taxpayers. I want to raise the point, however, that no Federal function is involved under the provisions of the bill now under consideration. For that reason it should be rejected.

It has been stressed in this debate that only a small amount of money is involved and for a limited period of time. Just as sure as I stand here when the 5-year period has expired it will be extended and the money requested will be doubled or tripled. That is the nature of Federal bureaucracy.

Is there any interstate question involved here? Absolutely no. Are not the local communities in a position to finance this kind of program? Of course they are.

The gentleman from Alabama recited an experience. I have had similar experiences. The women in that community provided the service. Have we reached a point in this country where we take the position that Uncle Sam has got to take care of local activities in communities all over this country?

It is said that this is only $7½ million. Over a 5-year period it is over $37 million. It is, of course, very little money in comparison with some of our spending programs. But do not forget this bill only gets the camel's nose under the tent; this is operation "foot in the door."

What is wrong? Why cannot the local communities sponsor this highly desirable program? I will tell you why. Because local officials refuse to tax for that purpose. It is a whole lot easier to come to the Federal Government to make this soft touch, and that is what this is. It is much easier to present a case to the Congress of the United States for these funds than it is to appear before the local county board or before the local State legislature. It seems to me that those who advocate that we take Federal money when we are hopelessly in debt, $282 billion—oh, $37 million is chicken feed. That is true. But I say to you that the issue here is not whether this is a good idea. It is a good idea, but let the local officials tax their people for it. You are asking now that my people be taxed twice for a library service they are already supporting on the local level.

Mr. Chairman, with all due respect, I ask the question: Is this the first move to put over Federal aid to education? I hope not.

Mr. McCONNELL. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. CURTIS].

Mr. CURTIS of Massachusetts. Mr. Chairman, everybody wants adequate rural library service. I wish that every rural community in these United States might have adequate service. But, Mr. Chairman, I want to point out the unfairness to some of our States of the means adopted by this bill to reach that objective; and the States of which I represent a part, Massachusetts, has fared ill in many of these Federal aid programs.

The amounts involved are not large, and I do not want to stress unduly the disparity between the financial benefits received by the different States and the contributions which they are called upon to make. Indeed I feel that the State of Massachusetts might be willing to accept this program even if it knew that it was unfair to that State; but I do want to point out a few figures indicating that unfairness.

I can understand that our distinguished colleague from North Carolina should favor this bill. The figures given in the committee report show that North Carolina will receive in Federal aid $303,534 a year, while contributing $156,366 in matched funds. The State of Massachusetts will receive about one-third of that, namely $111,098 a year, while it is contributing only slightly less than North Carolina, $128,131. And Massachusetts taxpayers pay a great deal more in Federal taxes than do the taxpayers of North Carolina.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Massachusetts. I should be glad to yield if I could, but I have only 2 minutes.

Beyond that, this bill injects the Federal Government into a subject that has always been a responsibility of the States and localities. It tends to build up centralized power, and it weakens a cornerstone of American democracy, local control over local matters.

Mr. BARDEN. Mr. Chairman, I yield 4 minutes to the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Chairman, I would like to commend the subcommittee which has done such an outstanding job on this bill and identical bills which were introduced by others of us.

Mr. Chairman, after 2 years' study of the library services bill and of the free public library situation in my State and throughout the Union, I am convinced that this bill is both desirable and necessary and in the national interest.

The public hearings conducted by the Committee on Education and Labor during the last session and the report of this committee have established the fact that a large segment of our population is without access to free public library services of any kind. Another large segment of our people has available to them only substandard or woefully inadequate service. Certain surveys by the American Library Association place 27 million in the first category and 53 million in the second category. In other words, approximately one-half of the people in the United States now have no library service or have available to them service which is inadequate on the basis of a modest criterion established in 1948.

During that year, the American Library Association established an annual expenditure of $1.50 per capita as essential for minimum or limited library service in a service area of 25,000 people or more. Since then, the association has revised this standard sharply upward to reflect the increased cost of personnel and management.

Ninety percent of the people without library services and a large majority of those with inadequate services live in our rural areas, defined in this bill as communities of less than 10,000 in population. Because of this fact, the library services bill is geared to our rural areas.

Despite the concentration of this library problem in our rural areas, areas completely devoid of library services and areas served by inadequate library facilities are found in all our 48 States. For example, in my State, a joint legislative commission has just completed a 2-year study of the library situation in New Jersey. It found that more than 200,000 people reside in 72 rural municipalities supporting no libraries of any kind. It also found that more than one-half of the entire population of the State live in municipalities with woefully inadequate

library facilities—most of them rural as defined in the library services bill. These conditions prevail in New Jersey in spite of the fact that New Jersey ranks among the highest States in the union in per-capita expenditure for library services.

In my district—the fourth congressional district of New Jersey—47 of the 53 incorporated municipalities are rural by definition. Serving these 53 communities are 2 county libraries and 13 municipal libraries. Only three of these municipal libraries spend as much as $1.50 per capita per year. The median expenditure of other ten municipal libraries is only $2,800 annually. I think that we will all agree that no decent library can be maintained at this level. Furthermore, 40 municipalities in my district have no local library facilities and must depend on the services rendered by the county libraries, which are poorly supported. One has an annual expenditure of only 23 cents per capita; the other 68 cents. And there are districts in my State that fare much worse in the availability of adequate library facilities.

I have given you this brief account of the conditions in New Jersey and in New Jersey's fourth district because, I believe, they are illustrative of the conditions to be found everywhere in the United States. In most of the other States, in fact, the evidence shows that we can expect even greater and more extended deficiencies.

These conditions patently call for additional financial support by the municipalities, the counties, the States, or the Federal Government. The recent history of the library movement in the various States shows that the local governments have been increasing their support of libraries and that the State governments have begun to accept a greater portion of this obligation to serve our people. But this progress has been slow and the amounts expended have generally been too small.

Several factors have been responsible for this failure. We are all aware of the highly competing demands for the local and State tax dollar by our schools and other local and State services. As I see it, however, there is even a more important reason: the lack of understanding and appreciation by many of our people of the value of libraries to the citizens, the community, State, and the Nation. Our rural people who have never had good library services do not appreciate what they do not know. They need to be shown the value of good library services and the effective role they can play in any community. The library services bill is designed to do just this. At the same time it recognizes that our free public libraries, as an integral and essential part of our whole plan for public education, have always been, and should continue to be, a primarily local and State responsibility.

This bill, through a modest program of grants-in-aid on a matching basis for a limited period of 5 years, would encourage and stimulate the States and their local governments to accomplish what they have generally failed to accomplish in the past—to embark on programs of library improvement in their rural areas. Through the use of these Federal grants, matched by State and local money, they would be encouraged to set up demonstration library centers in those areas now without any library services or with poor library facilities. I firmly believe that if our people are provided for a period of 5 years with good libraries staffed by well-trained personnel dedicated to serving the people, they will never want to do without them again. I believe that when Federal funds cease after the fifth year, the States and the communities will somehow find other sources of revenue to continue the services they have learned to appreciate.

The library services bill would require each State to submit a plan of rural library improvement to the Commissioner of Education for approval. Each plan would be geared to the peculiar needs of the various States. Thereafter, the programs would be administered and supervised by the States and their subdivisions as they deem most advantageous to them.

Practically all of the States are now in a position to accept the Federal aid contemplated in this bill. A number of them have already formulated tentative programs in anticipation of its passage. I know that the State library agency in my State has devised several plans. In New Jersey, the passage of this bill might well be the spur necessary to adopt a rather ambitious program for State aid to the local and county libraries now before the legislature. Similarly, in many other States, I feel, this bill may also be the stimulus necessary to impel the initiation of broad programs of library improvements.

For these reasons, I am for the passage of the library services bill and urge you to do the same.

Mr. McCONNELL. Mr. Chairman, I yield the balance of my time to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I would be inclined to vote for the objective of this bill; I think anyone from the Commonwealth of Massachusetts, as evidenced by the statement in the committee report as to what Massachusetts has done, would want to support the objectives of this bill. We all want to see library services and books available to and in the hands of every individual in this country. But I am compelled to vote against the bill as I, with 163 other Members of the House, voted against a similar bill on March 9, 1950. That bill was defeated by a vote of 164 to 161.

I am compelled to this decision for one reason. As the gentleman from Pennsylvania, the ranking minority member of this committee, so cogently said in the beginning of this debate, no one has suggested that a single State in this Nation cannot afford the money that is involved in this bill in order to render these services. I want to quote in the course of this debate the sound remarks, the commonsense remarks, made to the House at that time, 6 years ago last March, by a Democrat, a former colleague of ours who now is a Member of the other body and who placed this fundamental principle before us:

> The true function of the National Government is to do what the people in the various States cannot do for themselves.

That is good doctrine. That is doctrine we on the Republican side of the House have advanced here repeatedly during the years. It has been supported effectively by many of our friends on the other side of this aisle. I, for one, have approved. I submit we should continue to approve it.

While I have the highest respect for those who differ from my judgment as to the wisdom of this legislation, I contend there is not a single State in this country which, if it wanted to, in the last 6 years, could not have provided these services for its people. The committee report concedes that Delaware, Massachusetts, and Rhode Island have done so.

One of the gentlemen who preceded me, referring to the 1950 proposal and to the one here today, said: "These bills are the same." They are not identical but they are the same in principle. But, at that time the argument was made that 33 million people were without these services. Today, as I understand it, the argument is that 27 million people are without those services. They should have the services, but apparently in 6 years' time 6 million additional people have been given the services. By whom? By the States and the local communities. Then where is there any reasonable basis for the argument of stimulation through Federal grants?

If this Nation is ever to become again what it was once, a strong and self-reliant country, I submit that we must return to some of the principles that President Eisenhower has been advocating for over 3 years, which I believe the people of the United States support overwhelmingly. We cannot do that if we do not insist, as we can today on this proposal, irrespective of the undoubted merits of the objectives involved, that there clearly are things the people in the several States can do for themselves far better than the Federal Government can do for them.

Mr. BARDEN. Mr. Chairman, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BURNSIDE. Mr. Chairman, I want to take this opportunity to endorse wholeheartedly the library services bill for which I was privileged to introduce a companion measure.

I have corresponded frequently with constituents and librarians in my district with respect to this important bill, and, without exception, they enthusiastically support it. Last fall when I was in my district, I discussed this bill with a number of librarians, and I personally visited many of the libraries we now have. I also had an opportunity to discuss this important bill with Mr. Omar Bacon, past president of the West Virginia Library Association. Mr. Bacon has been a leader in the movement to secure approval of this bill to make more information available to people in rural areas throughout the Nation.

Democracy is always predicated on the principle that people under it will know the facts. That is the only kind of a democracy that can exist. Any so-called democracy where the people are unin-

formed, where the lack of information is used as a lever to twist and warp for personal ends, and ignorance is always so manipulated, that place does not have democracy.

We in America have recognized the need for an electorate who will know the truth and have striven in many ways to insure it. We have established free public schools across our mighty land. We have guaranteed the freedom of the press and the right of assembly. We are now winning the right to read. One of our great pillars in the right of people to know is the great free public library.

The public library stands in a unique role in these perilous times. It is the one free channel of information to the adult world. It has no ax to grind, no special interest to promote. Its mission is to provide the information which a people in democracy must have to make intelligent decisions. Because it serves the adult population, it bridges the gap between the world for which we were educated and the world in which we live. In our fast-changing times, education must become a daily, constant activity.

The American public library, through its books, its magazines, its films, its records, and all its other materials, reaches the citizen on his level of ability, his speed of comprehension, his time to study. One can choose his own location and his own time. Modern mass communication media has not displaced reading, but has increased it and increased the need for it.

Today the world is locked in a deadly struggle with world communism. The struggle is for man's mind as well as his wealth. Communism's insidious tentacles weave through the fabric of American life seeking the spots of ignorance, of misery, and of tension, to destroy faith in democracy and our institutions. It professes a love of freedom while it destroys all freedom. It is a contest already a generation old and may continue for generations to come. We must be prepared to fortify our people for the long haul, the struggle without a known end.

One of the effective agencies to undermine the force of communism is the public library through its vast stores of truth. Communism's Achilles heel is its dependence on lies, deceit and deception. The playing of truth on these falsehoods erodes them like a cloudburst on fresh turned soil. The greatest strength against communism is man's understanding of democracy and communism.

While we recognize the value of the public library in defending our way of life and in contributing to a better nation, we have not seriously enough considered its needs to do the job. We have let it grow where it developed easily—in our cities. We have not helped it in the areas beyond the cities' borders. My own State is not the saddest example, yet I am reluctant to admit that in West Virginia 56 percent of the people do not have access to a public library. There are 13 counties that have no public library in their borders. In my own district 3 counties have no public library and 2 more serve less than one-fourth of their people. Out of a total population in my district of 247,462 persons, 92,149 have no library from which to draw books. That is 37 percent, and I come from 1 of the more urban districts of the State.

The need for public library service is a concern for all of us. The ignorance and manipulation based on ignorance is not quarantined by county lines, or confined to State borders. Its influence spreads far and wide across the Nation in our mobile population and in the decisions at the ballot box. Library service has a strong national complexion besides its local value. We must recognize this national aspect and act to insure it.

My bill before Congress, H. R. 4050, and other bills by my colleagues known as the library services bills are designed to promote library services where it is needed; namely, in the rural areas. This bill provides that the farm people will have an equal chance with urban dwellers to be well informed and equipped to participate in their civic and community duties. In my State the money will be used to develop regional libraries ranging in size from 1 to 5 counties. The West Virginia Library Commission already has a program of demonstration libraries in operation. The library services bill would expand this program and hurry the coming of libraries to the West Virginia's rural bookless areas. This money will be used as a stimulus to local initiative through leadership, initial book collections, and bookmobiles. The libraries established will become locally financed and operated units large enough to adequately provide full library service.

The library services bill provides the safeguards for the justified fears of many. It provides a terminal date of 5 years from passing for the completion of the program. It is not the beginning of a continuing Federal-aid program. Community and State leaders as well as librarians are convinced that the help over a 5-year period will reduce the problem for the States and local governments to where they can easily finish the job in this generation.

The library services bill will not be an entering wedge for Federal influence in State affairs. It clearly states and I quote from my bill:

> The provisions of this act shall not be so constructed as to interfere with State and local initiative and responsibility in the conduct of public library services. The administration of public libraries, the selection of personnel and library books and materials, and, insofar as consistent with the purposes of this act, the determination of the best uses of the funds provided under this act shall be reserved to the States and their local subdivisions.

The States will develop their own programs which will jointly be financed from State and Federal funds. In West Virginia they will be financed by local funds as well.

Good public libraries in our rural areas is one of our pressing needs. Not only is it a serious need but it is one that can be met with a modest appropriation.

In our struggle with communism we cannot afford to neglect the great strength that lies in an informed public. We cannot neglect our public libraries which so efficiently serve the needs of our democracy.

Mr. TRIMBLE. Mr. Chairman, I am supporting this legislation because nothing can do more for our country than a well-informed citizenry. This legislation is a step in that direction. I hope the bill passes unanimously.

Mr. McDOWELL. Mr. Chairman, as the only Congressman from the State of Delaware, I am happy to give my support to this legislation which will make available to the States over the next 5 years the sum of $7,500,000 a year to be distributed on a matching basis under the formula provided for in the act. This will make available to my State the sum of $51,000 annually. I have been advised by the Library Commission of the State of Delaware that matching funds will be available to enable Delaware to fully participate in this program, and that the commission fully endorses this proposal. The benefits to farm and other rural families under this act will be far beyond the actual costs to the State and Federal Governments in providing ready access to books, newspapers, and magazines and other sources of information similar to such services now offered in our well-developed city library systems. Over 25 million Americans, some 90 percent of whom live on farms or in small communities, are still without access to modern library services. More than 400 counties, or, roughly, 1 out of every 6, in this richest country on earth have no public libraries at all.

The bill has the support of the American Library Association, which realizes that in spite of its importance to democracy the public library, like the public school, has been neglected. The urgent need for strengthening our public school and library service is once again proven by the high rate of rejection of men under Selective Service for educational deficiencies.

Reports by both House and Senate committees during the last session of Congress have made it crystal clear that the quality of public education in the United States is suffering by virtue of the great financial hardship under which our public schools are struggling. The detailed survey of the need for school construction throughout the United States released by the Office of Education last year portrayed a situation which is nothing short of appalling. The President has told us that immediate action must be taken in an attempt to correct this situation. Nonetheless, and even if this Congress does act promptly and effectively—as I hope it will—to pass legislation calling for school construction, it will be some years before the deterioration in the quality of public-school instruction which has occurred in this country can be corrected. In the meantime, those young people who have been and are being deprived of the proper quality of education must look to the public-library system to help make up the deficiency.

Library service complements and supplements the work of our schools by carrying the school into the home.

Schools cannot serve their maximum usefulness without adequate libraries to provide home reading and other educational materials. The public library extends the educational process for the adult who may find that his schooling of 10 or 20 years ago is inadequate in meeting today's problems. This bill provides the cheapest and most effective way I know for bringing within the reach of every citizen the tools for continuous education.

Never in our history have the people had greater need for knowledge upon which to base their opinions and build their decisions. With the many grave problems facing our Nation today our national welfare demands that the ordinary citizen be able to get books, newspapers, and other sources of knowledge about the world he lives in.

The tasks of peace are the most difficult ever to challenge the genius of a nation. A highly trained, fully informed citizenry is essential to the defense of our freedom, the preservation of our country, and the building of lasting peace.

Mrs. PFOST. Mr. Chairman, I rise to congratulate the committee for the splendid job they have done on this much needed bill. Its passage is most important to the future cultural development of the Nation. In my State of Idaho, for example, about half of the population is without adequate library service. Many of the smaller communities do not have any libraries at all. The type of assistance offered in this bill will be of inestimable value. The bill as it now stands is the result of several years of constant improvement, and is the best thinking and efforts of successive congressional committees. I sincerely hope it will be passed today.

Mr. LANHAM. Mr. Chairman, I cannot be too strong in my endorsement of this legislation. There is no way to estimate the good it will do in my district. Already the State and several of the counties of my district are operating bookmobiles. The people cluster about these bookmobiles everywhere they stop and are hungry for the good literature that they distribute. The devoted men and women that are promoting the rural library program in my district and in fact my entire State with this Federal help will be able to reach many, many more people who are anxious for this service.

I want to congratulate the committee on bringing this bill to the floor of the House for consideration and I hope prompt passage. Especially I want to commend my very able and distinguished colleague from Georgia, the Honorable PHIL LANDRUM, who was chairman of the subcommittee which held hearings on and reported this bill. He has done a service not only to his State but to the Nation. Likewise I want to extend my congratulations and thanks to every member of his subcommittee for the time and thought they have given to this most important legislation. I am glad to vote for the bill.

Mrs. KELLY of New York. Mr. Chairman, at this point in the proceedings, I would like to insert in the RECORD the following resolution which was passed unanimously by the 700 delegates to the Catholic Library Association Convention, held in Boston, Mass., April 6, 1956, and sent me by the Reverend Vincent T. Mallon, M. M., the executive secretary of the Catholic Library Association:

Whereas approximately 27 million Americans are without local public library service; and

Whereas the library services bill before Congress seeks to promote the further extension and development of public library service to the rural areas of our country which presently are without such services or have only inadequate services; and

Whereas the library services bill requests aid limited to rural areas amounting to $7,500,000 in Federal funds annually for a period of only 5 years, giving the States complete jurisdiction over developing their own State plans for the use of the funds in this cause: Be it

Resolved, That the Catholic Library Association heartily endorse the passage of the same library services bill, and recommend that a copy of this same resolution be forwarded immediately to the sponsors of this bill.

Mrs. GRIFFITHS. Mr. Chairman, it is hard to imagine that there are children in this country of ours who are reared without ever having the chance to read as many books as they would like to read.

Yet, that is precisely the case in large areas of the country including three counties in my own State. And that deficiency is exactly what this library service bill will help correct.

For these young people can make just as vital and important contributions to our way of life as those more fortunately situated. Books and the desire for knowledge they stimulate can provide immeasurable contributions to our Nation.

And even as important as reaching the rural areas of America, as this bill will do, it will also reach those fringe communities around our fast-growing urban centers. Such is the case within my own congressional district.

The communities of Plymouth and Northville and the adjacent townships of the same names in my district will directly benefit from this legislation.

Adequate well-staffed libraries serve the needs of another segment of our population as well. I refer to our older citizens who find real pleasure in reading and using the facilities of our libraries.

This legislation has outstanding merit and I am pleased to have been one of the sponsors in this session of Congress.

Mr. ALBERT. Mr. Chairman, the bill before us today, H. R. 2840, is identical to a bill which I introduced last year. Many other Members, on both sides of the aisle, also introduced identical bills. I would not want this occasion to pass without saying that I consider this to be very constructive legislation, and I should like to take this opportunity to commend the House Committee on Education and Labor for bringing it before us.

I feel that the library-services bill will fill a gap in our educational program which has been too long neglected. I realize that it may be hard for some who reside in the great metropolitan areas to understand fully the problems that beset our farmers. But surely there can be no question about the great value of good public-library service, and about the necessity for adequate library facilities if we are to achieve the kind of an educational program that we would all like to achieve.

Education does not stop with formal schooling. It must meet the rapidly changing needs of the times, in business, in industry, and in cultural development. The public library, an agency serving all ages, all classes, and all creeds, is particularly fitted to perform this function. In many rural areas the facilities simply have not been available to enable the people who live there to keep pace with the remainder of the population.

As already has been said, this bill authorizes an appropriation of $7.5 million a year for 5 years on a Federal-State matching basis. It is contemplated that during the 5-year period the States and local communities will develop their own library-service plans which will permit the Federal Government to discontinue its work in this field.

Each State is to receive an original allotment of $40,000, and then an additional amount based on the ratio of its rural population to the total rural population of the United States. Under this formula, the State of Oklahoma will receive an annual allotment of $146,811.

The population of Oklahoma, according to the 1950 census, was 2,233,357, of which 49 percent was classified as rural. Fewer than one-half of our citizens have access to any type of local public-library service, and many others have only limited or inadequate service. Twenty-one of the 77 counties in Oklahoma are without any public-library service at all. Only 79,932 of the 266,995 residents in my own congressional district have any kind of library service.

The Oklahoma library-development plan, which can be put into action under terms of this bill, calls for a system of bookmobile routes, deposit stations, and branch libraries. This system will give us an opportunity to prepare for the permanent establishment of libraries in rural areas.

In conclusion, Mr. Chairman, I simply want to repeat what I have said before, that this bill will give the rural people of this country access to public-library facilities which have long been available to those who reside in urban communities. This certainly is a constructive step in our broad educational program, and I trust there will not be a single vote cast against it.

Mrs. FRANCES P. BOLTON. Mr. Speaker, as one of the sponsors of the library services bill, may I take this opportunity to thank the members of the Education Committee and Rules Committee for bringing this legislation to the floor.

My constituents in Ohio's 22d District are extremely fortunate in that they have outstandingly good library facilities, and they make good use of them. We are justly proud of the famous Cleveland Public Library. Other Ohio cities like Toledo, Cincinnati, Columbus, Dayton, Akron, and Youngstown have fine libraries, too.

But Ohio is also an agricultural State. The Ohio Development and Publicity

Commission reports that some 80 percent of Ohio's area is still farmland and that Ohio stands 11th among the States in agriculture. Library service in these rural areas is quite inadequate. For example:

Libraries in 1 county—Adams—received less than 11 cents per capita to operate their service in 1954. The combined income of the 2 libraries in this county was $2,300.

Another—Morrow—received 18 cents per capita. Four libraries in this county had a combined income of $3,150.

Libraries in 15 counties in Ohio received less than 50 cents per capita to operate their service in 1954.

Libraries in 29 counties received between 50 cents and 99 cents for service in the same year.

Thus exactly half of Ohio's 88 counties were getting less—and many much less—than a dollar per capita for library service. The amount of money required for minimum library service has been established by the American Library Association as $1.50 per capita. This standard was established in 1948 and does not take into account the inflation of the last 8 years.

Ninety-nine of the 271 public libraries in Ohio received less than $7,000 as an operating budget in 1954. That amount is not enough to hire one librarian, rent space, pay for heat and light, and have money left over to buy an adequate supply of books.

A survey by the Ohio State Library showed 850,000 residents of the State with inadequate service.

Mr. Speaker, libraries in my district will receive none of this money since the program is limited to communities with less than 10,000 population. But I am happy to support this legislation in the interest of hundreds of thousands of citizens of my State, in addition to some 27 million people throughout this country, who are without access to modern library services.

I urge that favorable action be taken on this library services bill.

Mr. BARDEN. Mr. Chairman, I would like to say this, as a result of the remark recently made on the floor, that I understand 46 out of the 48 States have enabling legislation for the operation of these libraries, and there are 24 that employ direct tax levies for their support. It is not a new thing. The States are struggling along with it now, and I thought that information should go in the RECORD.

Mr. Chairman, I yield the balance of the time to the gentleman from Alabama [Mr. ROBERTS].

Mr. ROBERTS. Mr. Chairman, there have been many fine speeches made here this afternoon on this legislation, and I am sorry that the one I am about to make may not fall in that category. But, I am vitally interested in this legislation. I think it is sound. I think it meets the objections of those who believe in States rights, and I certainly could not support it unless I believed that it did meet those objections.

Mr. SELDEN. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield to my colleague.

Mr. SELDEN. Will my colleague from Alabama tell the Committee how and to what extent the States are protected from Federal interference under the terms of this proposed legislation?

Mr. ROBERTS. I would say to the gentleman that I think in section 2 of the bill, paragraph (b), there is one protection where it says that:

> The provisions of this act shall not be so construed as to interfere with State and local initiative and responsibility in the conduct of public library services.

It further says:

> The administration of public libraries, the selection of personnel and library books and materials, and, insofar as consistent with the purposes of this act, the determination of the best uses of the funds provided under this act shall be reserved to the States and their local subdivisions.

There is a further protection in section 5, paragraph (5) where it says:

> That any library services furnished under the plan shall be made available free of charge under regulations prescribed by the State library administrative agency.

There is a third protection in paragraph (c) which says:

> The determination of whether library services are inadequate in any area within any State shall be made by the State library administrative agency of such State.

There are two more protections. Section 6, paragraph (e) provides that:

> No portion of any money paid to a State under this act shall be applied, directly or indirectly, to the purchase or erection of any building or buildings, or for the purchase of any land.

And in paragraph (f) there is a further protection where it says that:

> No portion of any money paid to a State under this act shall be used, directly or indirectly, to provide or improve library services in any area other than a rural area.

Mr. SELDEN. I thank the gentleman for reemphasizing those important points. I join him in support of the legislation now under consideration.

Mr. ROBERTS. Mr. Chairman, I wish to urge the House of Representatives to adopt the legislation now pending before us, H. R. 2840, which will bring library services to millions of Americans. I cannot overemphasize both the tangible and intangible value, benefits, and rewards, the passage of this legislation by us today will have for so many Americans.

The purpose of this bill is to bring library services to millions who are presently without such services. It is shocking to realize that in this very wealthy Nation of ours, 27 million people have no access to a local public library of any kind. And there are 53 million Americans who have access to only very inadequate local public library services. This is approximately one-half the Nation's entire population without any library facilities or with only very inadequate facilities. As the majority of these people live in rural areas, the provisions of H. R. 2840 provide that the Federal assistance will be used to aid just these needy rural areas.

I personally feel that the provisions of H. R. 2840 are very carefully and thoughtfully worked out. The bill, as drafted, would accomplish its purpose of establishing rural library services and yet the bill contains proper safeguards which meet the criticisms previously leveled at such proposals. This bill provides for States to participate and control this program. A formula has been worked out for the States to match the Federal funds on an ability-to-pay formula which is realistic. It encourages the States to participate in the library services program and yet it does not deprive the individual citizen of the benefits of library assistance funds because he lives in a State not as economically wealthy as perhaps the neighboring State. Funds will go where they are most needed. The question of Federal control has also been provided for by placing the administration of the program in the hands of each of the States' library extension agency.

Mr. Chairman, the enactment of this bill by the House today will be interpreted as a very fine, beneficent deed. It is interesting to note that representatives from metropolitan areas testified before the House Education and Labor Committee in behalf of this legislation although their communities personally would not derive direct benefits from the bill. Certainly the interest of the rural areas in bookmobiles and their overwhelming success is prima facie evidence that our rural citizens do want good literature, and will use and benefit from rural library service.

The terrific success of the paper-back editions of the great classics is another indication that the citizens of our Nation do have a hunger, nourished only by reading. We should be pleased by this fact and encourage it. What greater bulwark is there for democracy than a well-read, well-informed citizenry? The increased use of libraries can also be beneficial in combating undesirable comic magazines, and too many television crime shows. It can be an effective aid in helping reduce juvenile delinquency by providing a positive force and activity for young people.

The duration of the program proposed in H. R. 2840 is for 5 years. This is adequate time for the States to undertake positive programs and to measure their success. At the conclusion of the 5 years, Congress would also have an opportunity to review the program's success and determine whether or not Federal assistance was still needed. I believe it is anticipated that once the programs are started during this 5-year period, Federal assistance will no longer be needed.

There are many people in my own district who are extremely interested in seeing the wonderful program proposed in this legislation, H. R. 2840, undertaken. And I know there are many Members of the House who also represent rural residents, who are anxious to have library facilities for their children and so they may continue to increase their own knowledge and education through literature.

The educational, cultural, and social benefits to be derived from this legislation, H. R. 2840, are very great. I hope it will have the overwhelming support of

this House so interested in the welfare of all our citizens.

Mr. ELLIOTT. Mr. Chairman, will the gentleman yield?

Mr. ROBERTS. I yield to my distinguished colleague from Alabama who has so ardently promoted this legislation for a long period of time.

Mr. ELLIOTT. I thank the gentleman. I merely wished to say that it seems to me that one of the greatest safeguards for this democracy contained in this bill is that it provides the opportunity for a better informed and a more enlightened citizenry. There can be no greater protection than that.

Mr. ROBERTS. I thank the gentleman for his contribution.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. ROBERTS] has expired.

All time has expired, and the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Library Services Act."

DECLARATION OF POLICY

SEC. 2. (a) It is the purpose of this act to promote the further extension by the several States of public library services to rural areas without such services or with inadequate services.

(b) The provisions of this act shall not be so construed as to interfere with State and local initiative and responsibility in the conduct of public library services. The administration of public libraries, the selection of personnel and library books and materials, and, insofar as consistent with the purposes of this act, the determination of the best uses of the funds provided under this act shall be reserved to the States and their local subdivisions.

AUTHORIZATION OF APPROPRIATIONS

SEC. 3. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1956, and for each of the 4 succeeding years the sum of $7,500,000 which shall be used for making payments to States which have submitted and had approved by the commissioner of education (hereinafter referred to as the commissioner) State plans for the further extension of public library services to rural areas without such services, or with inadequate services.

ALLOTMENTS TO STATES

SEC. 4. (a) From the sums appropriated pursuant to section 3 for each fiscal year, the commissioner shall allot $10,000 to the Virgin Islands and $40,000 to each of the other States, and shall allot to each State such part of the remainder of such sums as the rural population of the State bears to the rural population of the United States, according to the most recent decennial census.

(b) The amount of any allotment to a State under subsection (a) for any fiscal year remaining unpaid to such State at the end of such fiscal year shall be available for payment to such State under section 6 until the end of the succeeding fiscal year. No payment to a State under section 6 shall be made out of its allotment for any fiscal year until its allotment for the preceding fiscal year has been exhausted or has ceased to be available.

STATE PLANS

SEC. 5. (a) To be approved under this section, a State plan for the further extension of public library services to rural areas must—

(1) provide for the administration, or supervision of the administration, of the plan by the State library administration agency, and provide that such agency will have adequate authority under State law to administer the plan in accordance with its provisions and the provisions of this act;

(2) provide for the receipt by the State treasurer (or, if there be no State treasurer, the officer exercising similar functions for the State) of all funds paid to the State pursuant to this act and for the proper safeguarding of such funds by such officer, provide that such fund shall be expended solely for the purposes for which paid, and provide for the repayment by the State to the United States of any such funds lost or diverted from the purposes for which paid;

(3) provide policies and methods of administration to be followed in using any funds made available for expenditure under the State plan, which policies and methods the State library administrative agency certifies will in its judgment assure use of such funds to maximum advantage in the further extension of public library services to rural areas without such services or with inadequate services;

(4) provide that the State library administrative agency will make such reports, in such form and containing such information, as the Commissioner may from time to time reasonably require; and

(5) provide that any library services furnished under the plan shall be made available free of charge under regulations prescribed by the State library administrative agency.

(b) The Commissioner shall approve any plan which fulfills the conditions specified in subsection (a) of this section.

(c) The determination of whether library services are inadequate in any area within any State shall be made by the State library administrative agency of such State.

PAYMENTS TO STATES

SEC. 6. (a) From the allotments available therefor under section 4, the Secretary of the Treasury shall from time to time pay to each State which has a plan approved under section 5 an amount computed as provided in subsection (b) of this section, equal to the Federal share of the total sums expended by the State and its political subdivisions under such plan during the period for which such payment was made, except that no payments shall be made to any State from its allotment for any fiscal year unless and until the Commissioner finds that (1) there will be available for expenditure under the plan from State or local sources during the fiscal year for which the allotment is made (A) sums sufficient to enable the State to receive under this section payments in an amount not less than $10,000 in the case of the Virgin Islands and $40,000 in the case of any other State, and (B) not less than the total amount actually expended, in the areas covered by the plan for such year, for public library services from State sources in the fiscal year ending June 30, 1955, and (2) there will be available for expenditure for public library services from State sources during the fiscal year for which the allotment is made not less than the total amount actually expended for public library services from such sources in the fiscal year ending June 30, 1955.

(b) The Commissioner shall from time to time, but not less often than semiannually, and prior to the period for which a payment is to be made, estimate the amount, within the balance of the allotments for each State, which may be necessary to pay the Federal share of the total expenditures for carrying out the approved State plan for such period. The Commissioner shall certify to the Secretary of the Treasury the amount so determined, reduced or increased as the case may be by the amount by which he finds that his estimate for any prior period was greater or less than the amount which should have been paid to the State for such period. The Secretary of the Treasury shall thereupon, prior to audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Commissioner, the amount so certified.

(c) For the purposes of this section the "Federal share" for any State shall be 100 percent less the State percentage and the State percentage shall be that percentage which bears the same ratio to 50 percent as the per capita income of such State bears to the per capita income of the continental United States (excluding Alaska), except that (1) the Federal share shall in no case be more than 66 percent or less than 33 percent, and (2) the Federal share for Hawaii shall be 50 percent and for Alaska, Puerto Rico, and the Virgin Islands shall be 66 percent.

(d) The "Federal share" for each State shall be promulgated by the Commissioner between July 1 and August 31 of each evennumbered year, on the basis of the average of the per capita incomes of the States and of the continental United States (excluding Alaska) for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the 2 fiscal years in the period beginning July 1 next succeeding such promulgation: *Provided*, That the Commissioner shall promulgate such percentages as soon as possible after the enactment of this act to be effective until July 1, 1956.

(e) No portion of any money paid to a State under this act shall be applied, directly or indirectly, to the purchase or erection of any building or buildings, or for the purchase of any land.

(f) No portion of any money paid to a State under this act shall be used, directly or indirectly, to provide or improve library services in any area other than a rural area; except that nothing contained herein shall be construed to prohibit the utilization of such money by public libraries in nonrural areas for the exclusive purpose of extending public library services to rural areas, if such utilization has been provided for in an approved State plan covering the areas affected.

WITHHOLDING

SEC. 7. If the Commissioner finds after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the State plan approved under this act, that the State plan has been so changed that it no longer complies with the requirements of this act or that in the administration of the plan there is a failure to comply substantially with the provisions required to be included in the plan, he shall notify such State agency that further payments will not be made to the State under this act until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, he shall make no further certification to the Secretary of the Treasury with respect to such State.

ADMINISTRATION

SEC. 8. (a) The Commissioner shall administer this act under the supervision and direction of the Secretary of Health, Education, and Welfare, and shall, with the approval of the Secretary, prescribe such regulations as may be necessary for the administration of this act.

(b) The Commissioner is also authorized to make such studies, investigations, and reports as may be necessary or appropriate to carry out the purposes of this act, including periodic reports for public distribution as to the values, methods, and results of various State demonstrations of public library services in rural areas undertaken under this act.

(c) There are hereby authorized to be appropriated for expenses of administration such sums as may be necessary to carry out the functions of the Secretary and the Commissioner under this act.

DEFINITIONS

SEC. 9. For the purposes of this act—

(a) The term "State" means a State, Alaska, Hawaii, Puerto Rico, or the Virgin Islands;

(b) The term "State library administrative agency" means the official State agency charged by State law with the extension and development of public library services throughout the State;

(c) The term "public library" means a library that serves free all residents of a community, district, or region, and receives its financial support in whole or in part from public funds;

(d) The term "Secretary" means the Secretary of Health, Education, and Welfare; and

(e) The term "rural area" does not include an incorporated or unincorporated town having a population of more than 10,000 persons.

Mr. BARDEN (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ROOSEVELT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the debate on this bill has clearly brought out, I believe, the real need, the practicality, and the sound philosophy of this bill.

About the sole argument against it has been raised around the fear of Federal encroachment on States rights. Normally, perhaps, that would be something which would give pause to many of us, but the rebuttals already made by those Members in the House who are widely recognized as champions of States rights are to my mind utterly convincing.

Mr. Chairman, I have received from the librarian of the county of Los Angeles the following letter, together with an editorial which he enclosed from the Pasadena Star-News of Sunday, March 11, 1956:

APRIL 23, 1956.

JAMES ROOSEVELT,
Congressman, House Office Building, Washington, D. C.

DEAR CONGRESSMAN ROOSEVELT: In the interests of public library service I am urging your support of library services bill S. 205 and H. R. 2840, which I understand is to be up for a vote imminently. The merits of this measure are evidenced in the meager public library facilities available in our less privileged States. California is not among these on a statewide basis, however, there are rural areas here that would gain from outside support. I am thinking particularly of Del Norte County, Mono, Alpine, Yuba, Mendocino, and other counties without county library facilities and apparently unable to get local funds for the purpose, although efforts have been made in this direction a number of times. In this State there are 73 cities and counties with less than 10,000 population who would receive support if the library services bill is approved. It is estimated that California's share would be $239,598 each year for 5 years, a sum of money that would do great good in the regions now without adequate library facilities.

The proposed measure would allow Federal support on a demonstration basis and would enable the local jurisdictions to enjoy library facilities and resources at a minimum level of service for a limited period.

In this part of the State, that is, southern California, we are proud of the library facilities that are available to our residents. This, however, is not true statewide, and the only answer seems to be a Federal funded demonstration. The need in other States where facilities are meager hardly needs emphasizing. Your support of the bill is urged as a matter of public education for all ages in all parts of the country.

For your further information I am enclosing a processed copy of an editorial supporting the library services bill which appeared in the Pasadena Star-News, Sunday, March 12.

Sincerely,

JOHN D. HENDERSON,
County Librarian.

[From the Pasadena Star-News of March 11, 1956]

CONGRESS ASKED TO AID RURAL AMERICAN LIBRARIES

Because Pasadena ranks far and away ahead of most American cities in the number and use of its libraries, its citizens are rightly interested in seeing that book-hungry Americans, wherever they are, do not suffer for want of access to books.

Pasadena can point with pride that with a circulation of 1,320,071 books last year it reached the height of 11.95 books per capita, while the national average is only 3.90 for cities of 100,000 or more population.

For this very reason Pasadenans will be interested in the library-services bill now before Congress. A letter to your Senator or Congressman may help bookless Americans enjoy some of the advantages you take for granted.

This measure authorizes an appropriation of $7,500,000 a year for a 5-year period to allot matching funds to States for the further development of public-library services in rural areas. The story of lack of books which underlies the project is almost of scandalous proportions.

Approximately 27 million Americans are without local public-library services, according to the American Library Association, principal sponsor of the bill. Almost 90 percent of these persons live on farms or in small villages. In addition 53 million more Americans receive only very inadequate public-library service.

The fact that 80 million, almost half the population, are ill-served with library books certainly is something that the richest country in the world should feel real shame about. Americans yearly spend many times more for cosmetics, cigarettes, television, or movies than they do for libraries; in fact they spend less than a dollar per year per person on the operating expenditures of public libraries. Books seem to be America's poor relations.

What the bill will do is to extend by the use of bookmobiles and other means the present range of free public libraries. Beyond question, this will promote the general welfare by broadening the opportunities of farm and small-town dwellers. This is certainly in the national interest and it is not difficult to justify the National Government's assumption of some of the costs.

Mr. Chairman, I have also received the following letter from Mrs. A. Kenneth Spencer, president of the California Congress of Parents and Teachers, Inc.:

JANUARY 26, 1956.

The Honorable JAMES ROOSEVELT,
United States House of Representatives, Washington, D. C.

DEAR SIR: The board of managers of the California Congress of Parents and Teachers, representing a membership of 1,187,032, urges your support of H. R. 2840.

Our reasons for asking your support of this bill are:

There are approximately 480,084 persons in the State of California who are totally without public library service. Many more have service which is completely inadequate. At least 90 percent of this number live in rural or village-type communities.

Passage of bill will provide stimulus for the development of library service for all children, instead of merely a fortunate proportion.

Every year, many rural boys and girls migrate to urban communities, to become a part of city life and to obtain city advantages. In early years, they should have had the same advantages for intellectual growth as those youngsters growing up in urban life.

This bill will not only provide an extension of library service to the communities lacking such service, but will provide a means of studying effective ways for an even greater expansion by means of increased interest and aroused hope.

The public library complements and supplements the school. There is little use in giving our young people an education unless we are willing and able to provide the tools for the maintenance and continuation of that education.

We thank you for your cooperation.

Mr. Chairman, the foregoing communications come from distinguished sources and represent responsible, conservative in the best sense, organizations. I emphasize them because primarily they come from people who will not benefit directly from this bill but who support this library service for rural areas.

It certainly does come as a startling fact, I believe, that in as forward a State as California there are 480,000 people, totally without public-library service. The facts show the same situation or worse is nationwide. It seems to me beyond question that a democracy, a free Nation, cannot tolerate such a situation.

The argument which has been raised that this is something which could and should be settled on the local level I think does not recognize the plain fact that the reason why this situation exists is that State legislatures have not been sufficiently willing to consider the needs of the rural areas; the preponderance of influential votes in the State legislatures have ignored the needs of these rural areas. Therefore, there needs to be some additional incentive in order to take care of the problem, and this bill does it on a national basis.

As Mrs. Spencer so well puts it:

The public library supplements and complements the school. There is little use in giving our young people an education unless we are willing and able to provide the tools for the maintenance and continuation of that education.

Mr. Chairman, a more easily administered and more directly beneficial bill without interference with the rights of anyone would be hard to find. I wholeheartedly urge its favorable consideration.

Mr. RHODES of Arizona. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RHODES of Arizona: On page 4, strike out all of lines 8 through 11 and substitute "(4) provide that the State library administrative agency will make such reports as to categories of expenditures made under this act as the Commissioner may from time to time reasonably require."

Mr. RHODES of Arizona. Mr. Chairman, I offer this amendment because it

appears to me that the section amended as it is in the bill is far too broad. The section now provides that the State library administrative agency will make such reports, in such form and containing such information, as the Commissioner may from time to time reasonably require.

"Containing such information" could cover almost anything. This is a highly sensitive field. It is a field in which I feel that every Member of this House wants the will of the State and the local government to dominate, insofar as the administration of the program is concerned, and certainly insofar as the purchase of books is concerned.

I think I probably have more respect for the Supreme Court than perhaps some Members of the House do, at least as indicated in the past few days and weeks on this floor. At the same time, I can see the possibility that this language might be construed in such a manner as to provide that the State library administrative agency would have to list the books which it bought and give such list to the Commissioner.

I can see further that it might be construed in such a way that the Commissioner might have to approve such a list of books which might be bought, and that if the Commissioner did not approve them, acting under section 7, the withholding provision, the Commissioner might be able to withhold substantial financial aid from any State which does not comply.

Therefore, this amendment is offered, which limits the report as to the category of expenditures made under the act, which means to me that the Commissioner could require that the State report as to how much money was spent on personnel, how much money was spent on the purchase of books, how much money was spent on the purchase of bookmobiles, and such things as that, but not become much more specific than that.

Mr. METCALF. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. METCALF. I certainly agree with the gentleman from Arizona that there should be no question but that the local agencies are going to be the people who select the books and that the Commissioner should, without any qualification, have no power whatsoever to demand a list of the books or any categories of books that were selected for bookmobiles or libraries. I feel, however, the categories of expenditures are too narrow and too rigid a classification. It seems to me this section on reporting may well be one of the most important sections in the bill after the first 5 years have passed. All this goes back to the local agency because the dissemination of information, technique, and methods that the various of these 404 counties have used will permit an economy of operation and permit the States and local agencies to take advantage of the mistakes made in the other areas. So if you just say categories of expenditures, it seems to me it would narrow it so much that you would not be permitted to take advantage of techniques or methods of operations and the Commissioner could not get the kind of information which is necessary to make this reporting effectual.

Mr. RHODES of Arizona. I will say to the gentleman that I have no intent to limit the scope of any voluntary reports which the Office of Education might request. All I am trying to do is to limit the scope of a required report. Certainly, I agree with the gentleman that these reports as to techniques and other matters might be very important, but I cannot imagine a State agency refusing a voluntary request for a report such as the gentleman sets forth. I hope the reports will be requested and that they will be forthcoming, but I do not feel that there should be any such requirement in the bill as to such reports.

Mr. METCALF. It is the gentleman's understanding in submitting this amendment that such things as a report on whether it is more efficient to use a bookmobile or a library center or whether techniques of cooperating with urban libraries on methods or the routing of bookmobiles, and things of that sort, would not be exactly a category of expenditure, but would be a method or technique that could be asked for by the Commissioner.

Mr. RHODES of Arizona. On a voluntary basis, I will say anything may be asked for by the Commissioner and there is certainly nothing against it.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. BARDEN. I read the amendment and I readily recognize the gentleman's objection. Frankly, I was of the frame of mind to accept the amendment for this reason.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BARDEN. Mr. Chairman, I ask unanimous consent that the time of the gentleman from Arizona may be extended for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BARDEN. This is a report made by the State officials who certainly would be just as much interested or more so than the United States Commissioner of Education. I think the average State official, certainly with normal intelligence—and I do not know of any of them who do not have more than, far more than, normal intelligence—would want to make the kind of report which would be most helpful to the program. I have always been reluctant to put in that clause which gives to the United States Commissioner of Education authority to demand such reports, and so forth and so on, as he may from time to time require. I have never liked that kind of centralization. But, I believe in this program. The State officials will give to the Commissioner, and gladly do so, every particular of pertinent information for the benefit of the program.

Mr. RHODES of Arizona. I agree with the gentleman. It is my thesis in offering this amendment that any pertinent information which the Commissioner desires will be forthcoming, but that any impertinent information which the Commissioner might someday require need not be given by a State if it does not desire to do so.

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. ROOSEVELT. I am in agreement with the gentleman from Arizona. It seems to me if we are sincere, that all we are trying to do is to stimulate the States in helping them move forward and in getting started those that have not started. Then in all sincerity all we should really require is that there is simply accounting of the funds received. I support the gentleman's amendment.

Mr. RHODES of Arizona. I thank the gentleman.

I yield to the gentleman from Montana.

Mr. METCALF. Mr. Chairman, the only point I wanted to make is that this information that the chairman has discussed is so important, and I am sure most of the library services of most States will want it, but I do not want to make the reporting system so narrow or so confined that you can just report expenditures. If it is the gentleman's understanding that it is the consensus of opinion that under his amendment, on a voluntary basis more essential information could be asked for by the Commissioner and could be disseminated, I would have no objection.

Mr. RHODES of Arizona. That is my understanding, that on a voluntary basis any information can be asked for.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield.

Mr. McCONNELL. I just wish to say to my colleague that I agree with him. I think his amendment would be an asset to this bill. I am not in favor of the bill, but I am in favor of improving it in any way we can.

Mr. RHODES of Arizona. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. SISK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the library service bill which we have before us. At this time I particularly wish to commend the committee for the very excellent work it has done, and especially to commend the gentlewoman from Oregon [Mrs. GREEN] for her interest and for her concern in what I believe to be a very important and very vital issue in America today.

I came to the floor today under the impression that this was a fine piece of legislation and that there would be no objection to it. In fact, I had an opportunity to speak to a constituent just a short time before coming to the floor, and I informed her that as far as I knew there was no opposition. So I have been rather amazed that we have heard opposition to this particular piece of legislation. I wish to agree with the statement of the gentleman from Alabama [Mr. ELLIOTT] in his reference to the importance of having an informed citizenry in America. Nothing is so important and so vital. The maintenance of our democratic way of life and our democratic

ideals requires a dispensing of knowledge that is so important.

Particularly, I feel it is vital in many of the areas of our country today where it has not heretofore been done.

From my own district, in the State of California, I have had a great many communications regarding this particular bill. It is for that reason that I took the time of this Committee today. Every one of those communications has been asking me to vigorously support this legislation. I have not had a single communication from the State of California in opposition.

I was inclined to some extent to shed a few tears with the gentleman from New York a little while ago when he made the great plea with reference to the condition of the taxpayers in his State. I come from a State second in wealth only to the gentleman's State; and certanly I know that we will furnish a good percentage of the money that will go into this program, but even in the light of that I have had complete unanimity of thought from the people of my district as well as my State in support of this legislation. So certainly I am very happy to be able to come here and commend the committee on this particular legislation, and I hope it will receive the overwhelming support of the membership of the House.

Mr. MACDONALD. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield.

Mr. MACDONALD. Like the gentleman from California, I have had considerable correspondence from the people of my area also supporting the legislation. I want to associate myself with the gentleman in his remarks.

Mr. SISK. I thank the gentleman.

Mr. BOLAND. Mr. Chairman, like the gentleman from California, I have had correspondence from a number of the librarians in my district favoring the enactment of this proposal.

There is no need here to argue the value of the public library system. And I am positive that nobody on this floor today questions that value. The issue, it seems to me, is whether this Congress is going to make it easier for the people of the Nation to avail themselves of the great benefits inherent in the public library. The plan before us today will greatly improve and stimulate that system.

The testimony adduced at the hearings on this bill disclose that many of the citizens do not have the opportunities to use the public library system because of inadequate facilities in many of the regions of this great and vast country. The accompanying report states that only in the States of Delaware, Massachusetts, and Rhode Island does local public library service reach every resident. I suspect that one of the reasons for this is because of their geographic area; they are three of the smallest in the Nation. Thus, it is much easier for them to have a system of public book lending that reaches all of the inhabitants.

I know that there is some concern here today that the States and communities ought to bear the responsibility of providing adequate library facilities—that there should be no handout by the Federal Government to accomplish what the local communities ought to do.

Mr. Chairman, a well-educated and well-versed citizenry enriches the whole Nation. Federal funds have been used in other programs to stimulate areas and citizens. These activities have added to the country's wealth. This program will do likewise. It has not been possible for many of the rural sections of the country to establish an adequate library system. Failure to do so can be attributed in large degree to inadequate funds and the unwillingness of officials to start such a program. This bill corrects those deficiencies. It provides Federal stimulation for a limited period. There is no doubt that it will demonstrate the tremendous value of a good library system resulting in the local communities carrying the load when the Federal grants have ceased.

Mr. BARDEN. Mr. Chairman, I rise in support of the amendment. I refer to the amendment offered by the gentleman from Arizona to the committee amendment. I have no right to say, of course, that the committee approves; however, I do believe that certainly most of the committee members, and I am not sure but what all of them, agree with the amendment. At least there is no opposition from here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona.

The amendment was agreed to.

Mr. BARDEN. Mr. Chairman, I offer an amendment to correct several dates in the bill.

The Clerk read as follows:

Amendment offered by Mr. BARDEN:

Page 5, line 16 and line 21, strike out "June 30, 1955" and insert in lieu thereof "June 30, 1956."

Page 7, line 11, strike out "July 1, 1956" and insert in lieu thereof "July 1, 1957."

On page 2, line 8, strike out "June 30, 1956" and insert in lieu thereof "June 30, 1957."

The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. RHODES of Arizona. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RHODES of Arizona: On page 8, line 14, after the words "such State", strike out the period, insert a colon and the following: "*Provided*. That any State or State agency is entitled to judicial review in the United States District Court wherein the State or State agency is located on any such withholding determinations in accordance with applicable provisions of the Administrative Procedures Act."

Mr. RHODES of Arizona. Mr. Chairman, section 7 of this act provides that in certain circumstances, the Secretary of Health, Education, and Welfare may find that a State is out of conformity with the State plan and may then withhold funds from the State under this bill until the State is back in conformity.

This amendment merely provides for official determination and judicial review of any such finding before it becomes final.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from North Carolina.

Mr. BARDEN. Mr. Chairman, this amendment does not strike out any language; it adds to and gives a safeguard just in case we did have an arbitrary Commissioner who might want to do something wrong, and it gives the added safeguard of a court review in a situation where a difference might arise between the Commissioner of Education and the State officials.

Mr. RHODES of Arizona. Yes.

Mr. BARDEN. I may say to the gentleman, that so far as I know, there is no objection to his amendment.

Mr. RHODES of Arizona. The gentleman is precisely correct in his interpretation of the amendment and I thank him.

Mr. McCONNELL. Mr. Chairman, will the gentleman yield?

Mr. RHODES of Arizona. I yield to the gentleman from Pennsylvania.

Mr. McCONNELL. I also wish to state that I strongly favor this amendment. I know of no objection to it on this side of the aisle.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. RHODES].

The amendment was agreed to.

Mr. GWINN. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. GWINN moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. GWINN. Mr. Chairman, the purpose of this motion is to point out one of the rankest kinds of class legislation against the industrial States that I have ever seen. The following appears on page 7 of the bill:

(f) No portion of any money paid to a State under this act, shall be used, directly or indirectly, to provide or improve library services in any area other than a rural area; except that nothing contained herein shall be construed to prohibit the utilization of such money by public libraries in nonrural areas for the exclusive purpose of extending public library services to rural areas, if such utilization has been provided for in an approved State plan covering the areas affected.

That last part of the language is a little vague, possibly. What kind of service would a library in a county seat serve that would be purely rural? As a matter of fact it seems to me utterly fantastic that the boys and girls that now come to every county seat to attend the movies, the church, and other services would not go to the library. I would just guess that in North Carolina there is not a boy or girl that cannot go to Durham or some other town much better than he would be inclined to go to a new rural library.

In New York only about six-tenths of 1 percent of our population is so-called rural population. As you gentlemen know, it is much further in time and convenience and safety for a youngster to go from the Bowery to the Fifth Avenue library than it would be for nearly all of the children in Arkansas to go to the nearby town or village for their library services. Besides that, the industrial

States that pay 57 percent of the cost of this legislation will get practically no service back under this bill. That is, New York, Pennsylvania, Ohio, Michigan, Illinois and California. They are going to be on the paying side and not on the receiving side of this service. Everyone has areas in their cities that need this kind of service even worse than they do in what might be called the most backward rural areas.

Mr. BARDEN. Mr. Chairman, I rise in opposition to the motion.

Mr. Chairman, you know I am sorry this happened, because I have been in a good humor all day, and I am going to try to hold out for the rest of the day. I accepted all of the amendments that came over, and I thought that was doing right well, until my friend from New York pushed me to the wall.

But, Mr. Chairman, I am not going to consume my 5 minutes. I will say to the House that I sincerely hope the motion will be promptly voted down.

Mr. HAYS of Arkansas. Mr. Chairman, if the gentleman does not wish to consume his time, would he yield to me?

Mr. BARDEN. Yes, but I do not want you to stir up any trouble.

Mr. HAYS of Arkansas. I have such confidence in my friend's sense of strategy, that I would hesitate to speak at all.

Mr. BARDEN. The gentleman knows how to stay out of trouble.

Mr. HAYS of Arkansas. Well, I hope so. But the gentleman from New York [Mr. GWINN], who knows of my fondness for him looked over at me a moment ago when he made reference to the State of Arkansas, and I felt that that might call for a reply. Now I try to be very modest about my State. I have never said anything more glowing about it than to echo the accolade of Governor Brough "the greatest commonwealth in the galaxy of sovereign powers whose star shines out from our flag like the brightest orb of celestial night."

I do appreciate the serious approach to this problem that my friend from New York has manifested. He and I have had some private talks about this problem of disparity of wealth between rural and urban centers. I have long ago given up hope that within our lifetime there will be an approximate equalization of income between the two. But, this is a step toward equalization of the facilities and the services that will enrich rural culture. The rural areas of our country are losing population. Their resources are being reduced. They need help. They need all of the enriching influences they can get. The bill, by encouraging further exertions by the States, will help supply them. People want more than incomes; they want the things that add happiness and cultural growth. I think the Federal Government has a responsibility in this connection and I will say to my good friend from New York that I see it as an act of justice, rather than as a measure that imposes something upon the industrial sections deriving no direct benefits. The bill would, however, provide a counterbalancing influence for the aid of the rural areas that must continue to struggle against adversity.

Mr. Chairman, this is a notable piece of legislation. It meets the finest standards that the committee could devise for a grant-in-aid program in a field in which the Federal Government has definite responsibilities. We sometimes speak of the great library movement as if it were a new factor in our educational life, but even in colonial times the value of books and the facilities for wide distribution of them was recognized. In spite of our progress, 25 million people, most of whom live in the rural communities, are without adequate library service. A half million people in my State do not have access to libraries. They live in rural areas. Yet, considering our limited tax resources, the people of Arkansas are manifesting a generous attitude toward library service. In recent years interest has been mounting rapidly. The junior chamber of commerce is rendering an outstanding civic service in providing leadership in this field.

I am reluctant to speak on the subject, because I have not been closely identified with the problem in recent years, but today we have had the benefit of the studies made by the Committee on Education, and it seems to me that those who have worked out this proposed legislation have rendered a splendid service. They have given us convincing facts and figures and the reasons for launching this modest program.

Mr. Chairman, reference has been made to the fact that library service is primarily a local and State responsibility. With that, I concur, but with an expenditure of only 5 cents per capita per year, it is obvious that the Federal Government is not going to relieve local governments of their financial obligations in this field. My own State, which does not enjoy a relatively high per capita income, expends seven times this amount, and, as I have indicated, still is not able to provide adequate service for the rural areas.

It cannot be overemphasized that the purpose of this grant-in-aid is to stimulate a service, not to underwrite it or to permanently assume a share in it. I am sure we all applaud the 5-year limitation. As a member of the Commission on Intergovernment Relations, I became somewhat familiar with the Federal Government's involvement in grant-in-aid programs which were difficult to terminate, and this bill may help reverse that tendency. The Commission developed the fact that grants-in-aid must rest upon one or more of the following obligations of the Federal Government: to support, to stimulate, or to equalize costs of public service.

Library service might well be attributable to any or all of these grounds for Federal aid. Popular education cannot be complete without library facilities. I am sure that James Madison was thinking of the value of books and documents thus made available when he said:

> Popular government without the means for disseminating information will become either a farce or a tragedy, perhaps both.

Mr. Chairman, we must make more books available to more people, and this bill is a long step in that direction.

The CHAIRMAN. The question is on the motion offered by the gentleman from New York [Mr. GWINN].

The motion was rejected.

Mr. HESELTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, after having taken 3 minutes to try to express myself briefly during general debate on this bill, I decided I had said all I intended to say on this measure. But my good friend from Arkansas [Mr. HAYS] came into the debate. I do not know of anybody on the Democratic side whom I admire or respect more or to whom I turn more frequently for leadership and sincere and helpful advice. But I cannot let the RECORD stand with any feeling that because of anything said in the course of this debate, there is any animosity or jealousy whatsoever between the people I represent, many of whom would qualify for Federal assistance under this bill—and I probably have as large a rural area as there is in the Commonwealth of Massachusetts—and the good people of Arkansas, the good people of North and South Carolina, the good people of Florida or those of any other State whom I have met where I have traveled and enjoyed myself there and whose problems I know to some degree, I think.

But this problem that has bothered me more and more as this afternoon has worn on goes back to 1950, 6 years ago. I just wonder why no one, in the course of the debate this afternoon, has tried to answer the question the gentleman from Pennsylvania [Mr. MCCONNELL] raised: "Is there a single Representative of any one of our States who will take this floor to say his or her State cannot afford to do this for its people?"

I notice in the committee report it is stated that there are some 3,000 counties in the United States, 404 of them without a single public library in their borders. Why? If, with its local communities, any one of the 404 could not provide this vitally necessary service, will anyone here tell us it could not have been done with the assistance of that State?

But the significant thing to me is this, that in only 3 States, Delaware, Massachusetts, and Rhode Island, does public-library service reach every resident.

I am not here to praise the people of the Commonwealth of Massachusetts, or our neighbors in Rhode Island or in Delaware. They want no praise for doing what they recognized years ago needed to be done. But somehow or other they have found it possible to furnish library service to every single individual within the borders of those States. I cannot believe it has been beyond the capacities and resources of all the other States. And no one has offered us any good reason why this has not been done.

It seems to me, from one point of view, at least, that here are excellent examples for all of us, not a constant reaching to the Federal Government and asking it to do for us what we can do better for ourselves and should do better for ourselves. All of you know and most of you I suspect have said at one time or another that when we turn to the Federal Treasury, we have to pay a substantial broker's fee. Most of our States pay so

much in and then get that back minus a broker's fee. But it does something to us, it seems to me. If we take this easy course too often, we inevitably weaken ourselves; yes, we are in danger of degrading ourselves. I am not arguing that it is socialism and I am certainly not arguing that it involves any tendency toward communism. I am arguing as strongly as I can what I think has been placed before the people of this country, and has met with their overwhelming approval, by the President of the United States as recently as last April 17, when he stated a fundamental principle I want to quote:

> The purpose of government is to serve, never to dominate. There has never been a better, clearer explanation than that given by Abraham Lincoln: "The legitimate object of government is to do for a community of people, whatever they need to have done, but cannot do, at all, or cannot, so well do, for themselves—in their separate, and individual capacities. In all that the people can individually do as well for themselves, government ought not to interfere."

I do not know the President's position on this bill; I doubt that he has taken any position on it, but he has pleaded with us to see fit somewhere, somehow, sometime as a Congress to draw the line and say to the States, our own States, our own people: "You can do this better than the Federal Government can do it."

The Federal Government today is taxing the initiative, the incentive, the lifeblood of its citizens, of your constituents and mine. Where are we going to draw the line? If we cannot do it this afternoon as to this proposal, on all the evidence we have, will we ever draw it?

I suspect that we will have no rollcall. But I remember that 6 years ago last March 9, 164 Members of that Congress stood up and said, "We draw the line here." There was only a majority of three who stopped the bill at that time and, in doing so, placed the challenge before all the States. What has been the answer? In all charity, I submit the record is discouraging, with only these three States apparently attempting to meet the challenge.

I hope—although I do not believe it will be done—I hope somebody, some responsible person will stand up here on this floor this afternoon and tell us what individual State in this Union cannot do this job better than the Federal Government. I say that if no one does, this challenge has not been met and we once again yield to the pressure that the Federal Government take over another of the important responsibilities of the States and local communities.

I wish I could say that I am confident that we will not do that. Even more important, I wish I could believe that this will be only a 5-year, temporary program of Federal assistance with the result the majority of the committee foresees that it will "be carried on in the future by State and local communities without Federal assistance." That is not the record, the undisputed history of Federal assistance programs. Even though few of us may be here to make the further decision, I venture to suggest that in 1961 Congress will be asked to continue the program, unless we here this afternoon decide that this is the time when we must make the full results clear of the constant impairment upon the self-respect, the initiative and the incentive of our own people, through their State and local governments, when they can do as well or better for themselves than they can through the Federal Government.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. PRICE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 2840) to promote the further development of public library service in rural areas pursuant to House Resolution 479, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from New York [Mr. KLEIN], I ask unanimous consent that a subcommittee of the Committee on Interstate and Foreign Commerce may sit tomorrow while the House is in session during general debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

COMMITTEE ON RULES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file reports on certain privileged resolutions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

SCHOOL CONSTRUCTION

Mr. YOUNGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. YOUNGER. Mr. Speaker, I am sure that every American today recognizes that the strongest weapon in our arsenal of defense against aggression is the proper education of our young people.

How best to strengthen that weapon has become a subject of debate in every corner of the land and on the floor of this House. A large segment of the population is led to believe that the Federal Government must appropriate large sums of money to help the States and the local communities to provide the best possible public education facilities for our children. Another segment, fearful that financial support ultimately will lead to Federal control of the schools, insists that the problem should be left to the individual States. Both sides agree there is a school problem and that it demands solution if this and future generations of Americans are to retain their freedom.

Because this is such a vital problem, I would like to call the attention of the House to one of our school districts in the Ninth California Congressional District which is meeting that challenge of today and the future. Last September this district opened a new high school which might well serve as a guide and model to school people throughout the country. We call it the high school designed to stay young.

The new Hillsdale School at San Mateo, Calif., is more than an answer to the educational needs of today. Realizing that trends in education are subject to change, the planners and designers of the Hillsdale School have produced a building more than adequate to meet today's educational programs, but with a built-in flexibility to permit adjustment to tomorrow's new patterns.

Architects and school authorities already have showered honors upon the Hillsdale School. Just last month the American Institute of Architects cited it as one of the five outstanding architectural achievements of 1955. It was the only school to win 1 of the 5 top honors in the institute's eighth annual honor awards competition, which included structures of all types.

More recently—last Thursday in Chicago—it was selected from scores of entries as one of the Nation's outstanding examples of school design in the fifth annual competition for better school design, sponsored by the School Executive, a top publication in the school field. Judges in this competition described the Hillsdale School building as "a courageous approach to planning a school which has infinite possibilities for adaptation to changing enrollments and educational programs."

School authorities are agreed that progress in secondary education is evolving new approaches to learning which, in turn, will require the proper type of structures to implement those approaches. Too often the efforts toward progress in educational methods are handicapped by existing school structures designed to house earlier concepts of education.

Obviously no community—no State, not even the Federal Government—has the funds to undertake the astronomical financial burden of replacing every school building. New schools that are being designed, however, should possess the flexibility to meet future trends in education.

The Hillsdale School is designed for progress. Structurally, it is an invitation to new concepts in educational planning. Because alterations in the educational program almost certainly would require variations in room size and in the relation of one room to another, those areas where changes are most likely to occur have been given movable partitions. The partitions are completely reusable and subject to a wide variety of applications.

To make the room arrangements independent of the window walls, the Hillsdale School has been provided with an ingenious toplighting system to supply natural daylight for all areas. The alternative of completely artificial lighting was rejected because the designers felt it would have an isolating influence and would not be as pleasant as the natural daylight.

The toplighting system consists of hollow glass units set in prefabricated aluminum panels. Prisms in the glass units are designed to reject much of the heat and glare from the hot summer sun while admitting a higher percentage of light from the winter sun and most of the light from the cool north sky. Some 660 of these toplighting panels are installed in the roof of the Hillsdale School to assure controlled glare-free daylight for the interior.

Because the toplighting system assures a plentiful supply of the best daylight available in all seasons of the year, designers estimate that at least $1,300 a year will be saved in the cost of power and artificial lighting tubes.

More important than economy, though, is the fact that the toplighting system permitted the planners to design a school which can be adjusted to fit the needs of the moment. Each 14- by 14-foot section of the building's classroom section can be made independent of its neighbors, as far as the electrical system and lighting, both natural and artificial, are concerned. Heat and ventilation for each 28- by 28-foot bay are controlled by automatic thermostats with a check on room temperatures available on a panel in the administration office.

The metal partition panels are available in solid units, or with various types of glazing or doors, and in a number of widths permitting a practically unlimited number of room arrangements. A special provision makes it possible to install the movable partitions at angles to improve acoustics and to avoid monotonous repetition.

In addition to its classroom facilities, the Hillsdale School has an auditorium and little theater, swimming facilities, and a cafeteria. It has a capacity of 1,750 students and was built at a cost of $3,428,400 or $14.84 per square foot, well within the national average cost of $16 per square foot for school structures of its type. Because of its flexibility, educational experts predict it will actually be a real economy structure in years to come because its arrangement can be so easily changed to make efficient use of its space, regardless of trends in education.

I want to pay particular tribute to John Lyon Reid and his associates, the San Francisco architects who designed the building; Thomas F. Reynolds, the high school district superintendent, and the group of educators who helped in the planning of the Hillsdale School; and to the San Mateo Board of Education which had the courage to support Mr. Reid and Mr. Reynolds in their courageous and revolutionary approach to a problem which is common to the Nation.

Between them, they have developed a functional idea in school construction which has unlimited plan possibilities. That their idea is a sound one is best attested to by the fact that Hillsdale teachers, pupils, and parents are agreed that their school building is the finest in the land.

To school authorities and to the designers of school buildings throughout the Nation, I offer the Hillsdale School—the high school that always will be young—as a shining example of how tomorrow's educational building problems can be solved today.

CAPITAL TRANSIT BILL

Mr. MACDONALD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MACDONALD. Mr. Speaker, I want to take this opportunity to make known my opposition of the bill, H. R. 8901, dealing with the transit problem in the District of Columbia, which will be considered by the House in the near future.

Before discussing the merits of the bill, I would like to state that I have the greatest respect for the work done by the Subcommittee on Transportation and Communications, for the immense difficulty of their task, and for the complete sincerity and integrity of their recommendations. I know personally that the subcommittee has worked diligently many hours and many days. But I cannot in good conscience agree that passage of H. R. 8901 is the proper solution to this most serious problem.

I sincerely feel that H. R. 8901 is an unwise bill and is certainly not in the public interest. We must remind ourselves as to the reasons which motivated the Congress last summer to revoke the franchise of the Capital Transit Co. Congress enacted Public Law 389 last year because of a demonstrated record of public irresponsibility on the part of the Capital Transit Co. under the Wolfson management. The 7-week strike of last summer had in effect been provoked by the management and was the climax of a public-be-damned attitude frequently exhibited by the company. Mr. Eisenhower, when he signed the bill revoking the franchise, stated:

> Both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Co., beginning several years ago and continuing up to the present time, has failed to measure up to its responsibilities in the District.

At this point I would like to review some of the relevant facts. The Wolfson interests purchased control of the Capital Transit Co. in September of 1949. The approximate price on September 12, 1949, was $20 per share—equivalent to $5 a share after the 4-for-1 stock split—so the purchaser would have received 500 shares for an original investment of $10,000. The return on the value of this investment to date is shown in the following table, which I would like to have printed at this point in my remarks:

Dividends paid during calendar year	Shares purchased plus new shares through stock split	Cash dividend per share	Cash dividend income
1949 (after Sept. 12)	500	$0.50	$250
1950	500	3.00	1,500
1951	500	3.00	1,500
1951 (stock split, 4 for 1)	1,500		
1951	2,000	.25	500
1952	2,000	3.90	7,800
1953	2,000	1.20	2,400
1954	2,000	[1] 1.40	2,800
1955	2,000	.60	1,200
Dividend income			17,950
Value of 2,000 shares at closing price, Monday, Apr. 30, 1956:			
Capital Transit Co.	11¾		23,500
Continental Enterprises (unlisted)	[2] 1¼		2,500
Value of investment plus cash dividends			43,950
Percentage gain on initial $10,000 investment			339½

[1] Also 1 share Continental Enterprises in May.
[2] Bid.

A gain of 339½ percent over a period of less than 7 years is indeed fantastic. At the same time the company has cut service.

When the Wolfson interests purchased control in 1949, the last previous balance sheet of the company showed earned and unappropriated surplus of $4,814,158. The company's published consolidated statement of assets and liabilities, December 31, 1955, shows earned surplus of $252,746. Now the company has been operating at a profit. So that it is clear that the $4½ million which the people of the Washington area paid in went to the stockholders. In the 5 years after the Wolfson management obtained control, the company paid out more than twice as much in dividends—$8,112,000—as had been paid out in the 10 years preceding the arrival of the Wolfson management—$3,600,000.

At the same time that the stockholders were extracting lush dividends from the company the management continually refused to arbitrate disputes over contract terms with its employees. During the approximately 40 years in which the Capital Transit Co. and its predecessors dealt with the union which represents its rank-and-file employees there have been 58 days lost due to strikes. Fifty-five of these fifty-eight days took place during the era of the Wolfson management. In other words, only 3 days of strike took place during a period of 32 years prior to the advent of the Wolfson interests. Since that time there have been 55 days of strike in approximately 6½ years.

It is difficult to see how, in the face of such a glaring record of public irresponsibility, the House can contemplate inviting the Wolfson interests back, with very substantial concessions, to continue and possibly to enlarge upon their anti-public record. H. R. 8901 contains many provisions which are inimical to the public interest, and fails to make other provisions which are important for the public interest. H. R. 8901 contains no provisions which would protect the employees of the company, while it contains many provisions to benefit the stockholders of the company. H. R. 8901 overlooks the fact that the revocation of the franchise took place during a period which was climaxed by the protracted strike in last summer's Washington heat. There is no reason to suppose that the concessions to the company found in H. R. 8901 will make for a more enlightened labor relations attitude on the part of the management, nor in any increased sense of responsibility to the community. Rich dividends did not in the past have any bearing upon the management's intransigent attitude toward the employees or upon management's refusal peacefully to arbitrate unsettled contract disputes with the employees. I do not think that it is in the public interest to restore a situation in which the people of Washington will have to walk to work again this summer.

Nor can one easily understand the relaxation of controls over rates to be charged the community by the company. Section 2 (c) of H. R. 8901 allows the company to establish its own rates subject to the right of the Public Utilities Commission to suspend or modify such rates during a 90-day period. What if the Commission finds the proposed rates unwarranted? Then the company can merely reinstitute its proposed schedule of rates and the Commission must again suspend the rates and hold hearings during another 90-day-period. Why hamper regulation of a utility which has clearly demonstrated that it requires regulation in the public interest?

Nor is there wisdom in freezing the rate base as of this time. The rate base of a public utility should be subject to close scrutiny. Depreciation studies involve an element of estimate in the projections made by engineers. If time shows that the projected life of certain property owned by a utility is likely to be longer or shorter than originally contemplated, the regulatory body should be free to, and indeed be under a duty to, reexamine its previous rate-base determinations.

I do not believe that the public interest would be served by giving to the management very substantial concessions and almost complete freedom from anything but slight regulation. There is reason to fear that the company will continue its history of richly rewarding its stockholders while reducing service to the community. There is reason to fear that we will be subjected to another strike provoked by the management this summer and have to walk again. There is reason to fear that if we hand this franchise back to the Wolfsons while rewarding them with liberal tax concessions this will not be the end of the transit problem for the Congress of the United States. There is reason to fear that we will have this problem back in our hands a year or two hence with the demand from the public for a lasting solution and not a short-lived public retreat foredoomed to failure at the outset.

Let me say, as a member of the House Interstate and Foreign Commerce Committee, that I do not favor a proposal to permit the Wolfson syndicate to continue their operations and to mulct the transit riders of the District of Columbia.

For the above reasons, Mr. Speaker, I hope that the Members of this body will defeat H. R. 8901.

VETERANS' PENSIONS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include a statement by Omer W. Clark, national director of legislation, Disabled American Veterans.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am including in my remarks a very fine analysis of the Bradley Commission legislative report on veterans' pensions, and other veterans matters. I agree with a great deal of it. As I have told the House before, I disagree with most of the things in the so-called Bradley report.

Our veterans have made an enormous contribution to our country. If we follow the philosophy of the Bradley Commission it will mean the wiping out of most of the work done by the Veterans' Administration and by the Congress and by the great veterans' organizations during many years. I sincerely hope the report will not be accepted as it is. I think no one has received word from the White House that it is to be endorsed, and I hope none will come.

Mr. Speaker, the statement by Major Clark, the former Deputy Administrator of the Veterans' Administration and at present national director of legislation of the DAC, is as follows:

STATEMENT OF OMER W. CLARK, NATIONAL DIRECTOR OF LEGISLATION, DISABLED AMERICAN VETERANS, TO HOUSE COMMITTEE ON VETERANS' AFFAIRS, RE PROPOSED LEGISLATION REPORT BY THE PRESIDENT'S COMMISSION ON VETERANS' PENSIONS

In accordance with the request and invitation of your committee, I, Omer W. Clark, national director of legislation, Disabled American Veterans, am making this appearance accompanied by Mr. Cicero F. Hogan, national director of claims, and Mr. E. M. Freudenberger, assistant director of legislation.

The report of the President's Commission hereafter designated the Bradley Commission for the purpose of this presentation, has been made the subject of careful study and consideration in the light of the compensation program of this organization as outlined to your committee on previous occasions. There can be no question as to the importance of the Bradley Commission report whatever one may think of the contents. It undoubtedly constitutes a comprehensive reference work of the history and development of veterans' legislation. The problems confronting the national economy by reason of the great numbers of veterans and their dependents and the future potentialities in this connection are treated in such manner as to attract the interest of all thoughtful citizens. Obviously, the members of the Bradley Commission are of the opinion that the full program of veterans' relief and assistance is at the crossroads and that a decision should now be made relative to the future course of the Nation in dealing with veterans and the many related and complex problems attaching to any measures having for their purpose the granting of benefits to those who served in time of national emergency, as well as in peacetime, and their survivors.

The question of future national policy thus posed is not so acute or difficult with regard to compensation matters as it is in the field of non-service-connected benefits. As you know, the Disabled American Veterans is primarily interested in the war disabled, their widows, children, and dependents. Some Bradley Commission proposals, if adopted, would be extremely destructive as to certain important facets of the compensation structure and are strongly opposed by this organization for the reasons stated herein. It is believed that it would make for simplicity to comment upon the recommendations in question by chapter and number. The fact that certain other recommendations are not made the subject of formal comment should not be taken as necessarily implying acceptance. Some of those recommendations are deemed inequitable, impractical, or otherwise undesirable from an administrative standpoint. It is thought best, however, to stress herein our opposition to the proposals of major, and particularly objectionable nature.

CHAPTER V

Recommendation No. 1 (p. 136): The Bradley Commission takes the position that military service is in the discharge of an obligation of citizenship and is not in itself a basis for future Government benefits. The Disabled American Veterans realizes, as does every right thinking person, that the obligation of citizenship carries with it the duty and privilege of defending the Nation in time of war, stress, or national emergency. However, it has been the long established and historic policy of the United States to consider veterans as a group apart in awarding legislative benefits, the propriety of which has been demonstrated to the satisfaction of the Congress.

Recommendation No. 2 (pp. 136–137): Comment on the subject covered by this recommendation of the Commission will be offered under chapter No. XI.

Recommendation No. 3 (p. 138): We heartily agree that service-connected benefits should be accorded the highest priority and that such benefits should be "liberal, even generous." With reference to paragraph (c) under this recommendation this organization concurs that "non-service-connected benefits are the lowest priority among veterans' programs" but we would invite your attention to our further comment on this subject under chapter XI.

Recommendation No. 4 (p. 139): See our comment under chapter XI.

Recommendation No. 5 (p. 140): The Disabled American Veterans agrees that the Government, and especially the Veterans' Administration, should develop and maintain a rounded research program.

Recommendation No. 6 (p. 141): See comment under chapter VI, recommendation No. 10.

Recommendation No. 8 (p. 144): The Bradley Commission states "We should not commit future generations to obligations that we ourselves are unwilling to shoulder." No one, or several generations, can conduct a war and pay for it. When peace is attained, or there is even the sort of pseudo-peace that

now exists, the postwar generations benefit immeasurably by the heavy personal and financial exertions and sacrifices made by the veterans and their families during wartime. This fact should never be lost sight of by any administration and Congress in providing for liquidation of war debts and the aftermath. It is believed that the future generations, so solicitously referred to by the Bradley Commission, should indeed pay their full share for the wars and conflicts that saved the Nation and increased their security.

CHAPTER VI

Recommendation No. 10 (p. 168): In paragraph (a) a revision of the VA rating schedule is urged with such revision "based on thorough factual studies by a broadly representative group of experts, including physicians, economists, sociologists, psychologists, and lawyers." In the opinion of the DAV the primary responsibility for revising the VA rating schedule should be left in the hands of those technicians who understand it, who work with it every day and who have made necessary studies including research into industrial data before promulgating a schedule and any extension or revision used in the adjudication of compensation and pension claims. It is an appalling thought to try and imagine what sort of a schedule would issue from the efforts of an outside group with sucn diverse backgrounds and ignorance of all that goes into the production of a necessarily complex rating schedule, as evidently contemplated by this recommendation. It is a most difficult task even for highly trained and experienced technicians to construct a satisfactory rating schedule and if anyone should desire to create a chaotic condition in the VA, and thereby in all veterandom, we know of no better way than to bring in an outside group, such as the one proposed, no matter how highly educated, trained, and skilled in their own fields, and put them to work on preparing a VA rating schedule.

Re paragraph (b): In the paragraphs immediately preceding and following recommendation No. 10, it is made clear that the Commission is in favor of abolishing statutory awards. They stress the idea of paying veterans equally for equal disability. They forget, or never knew of the legislative processes leading to the adoption of the various statutory awards after hearings and the introduction of medical and lay evidence in support thereof. The statutory awards made a part of the laws proved to be a practical solution to a problem that has faced the VA and the Congress since during World War I. If the statutory awards are eliminated how could the Government possibly compensate certain maimed or badly disabled veterans with any degree of justice? Certainly it could not be done through any one regular rating schedule and if more than one schedule is employed then it would be simpler and better to retain the statutory awards and the present machinery to pay them.

Recommendation No. 11 (p. 174): In this recommendation, as in some others, it is noted that the Bradley Commission opens with a fair statement and then proceeds to use the word "but" followed by proposals that are not acceptable to this organization. We are unalterably opposed to the idea expressed that the veterans with the lower compensation ratings are overpaid nor is the proposal made that a still further proportional disparity be authorized between the lower and the upper rates, acceptable. As I stated to your committee on March 21, 1956, we favor increases for all the compensation evaluations and in addition desire to see that the percent ratios are brought in line and with the veterans rated less than 50 percent allowed to draw additional compensation for wife, children and dependent parents in proportional amounts, as is now the case where the ratings are 50 percent or higher. We will have more to say about the 10 percent and 20 percent cases in commenting upon the next succeeding recommendation. With reference to the proposal that there be several graduations "depending upon the extent of helplessness" it would seem that this attempt to make such a fine distinction would present administrative difficulties in its application and would open the door to charges of discrimination in the adjudication of claims in cases involving applications for nurse and attendant allowance.

Recommendation No. 12 (p. 177): This organization is opposed to paying off even low rated so-called static cases through a lump sum or short term settlement and, moreover, it is not believed that such attempt would be to the best interest to the Government. Even many static disabilities can and do become aggravated and as rates of compensation are increased from time to time by congressional enactment this group of veterans, or some of them, would undoubtedly become dissatisfied and bring pressure to bear to open up their cases. It would seem from the wording of this recommendation and the explanatory material presented by the Bradley Commission in its support that little disability is credited as being present in cases rated 10 or 20 percent. The DAV does not subscribe to that impression, as we have observed through long experience many instances where the disabilities were not truly minor in their effect upon the mental and physical well-being of the individuals concerned although rated only 10 or 20 percent in accordance with the terms of the rating schedule. As far as a review is concerned the VA for many months has been engaged in a review of running award cases and this, of course, includes those cases rated 10 and 20 percent. Some instances have been detected where veterans should have been granted higher ratings and, whatever adjustments were found in order, appropriate action has been and is being accomplished.

Recommendation No. 13 (p. 178): The DAV opposes with all possible energy the recommendation that the presumptive provisions of service connection for chronic diseases, tropical diseases, psychoses, tuberculosis, and multiple sclerosis, be withdrawn. The view of the Commission that accepted medical principles can reasonably and accurately establish the onset of a disease and a disability process is almost humorously contrary to the experience of this organization gained in handling many thousands of compensation cases. I am equally sure that such views are contrary to the experience of the members of your committee. What are the accepted medical principles as to the origin of multiple sclerosis, leprosy, and a host of other diseases where medical science has not progressed to the point where it can determine the cause, let alone the date of inception? As your committee must be aware, either through long personal experience as Members of Congress, or through study of the old records, physicians of eminence and ability have appeared and given favorable testimony in regard to the authorization of presumptions for certain classes of diseases. It is conceded that there are many physicians who are in opposition and at a recent hearing before your committee a past president of the American Medical Association went on record as opposing any presumptions. This would seem to be the case once again where physicians cannot agree among themselves and it is obvious that many of them are merely following the AMA line. In this connection, the AMA Washington Letter 84–70, dated April April 27, 1956, on page 1, under The Week in Washington states as follows: "The Bradley Commission's findings on nonservice-connected VA care in many respects are just what the AMA has been saying for a long time." On page 2 of that same letter, specific reference is made to the Commission recommendation for withdrawal of the presumptions. It may be added that the term "accepted medical principles" was found to be so controversial even among doctors that the VA Claim Service some years ago forbade the use of the term in writing veterans and their representatives about disallowances of compensation cases. It is not believed that further argument on this recommendation is necessary as it is inconceivable that your committee would approve such an unfair and improper proposal.

Recommendation No. 14 (p. 181): This would gear the rates for disability compensation to the prevailing average of national earnings "by some representative group of workers." What group of workers, may we ask? And just how would the proposal be carried out to bring about a review of the actual rates paid every 2 years and adjustment made to conform with such standards? This, to us, is an impractical, visionary scheme that would break down of its own weight and the insuperable and administrative difficulties, if attempted. In paragraph (b) of the proposal that the rate of compensation payable to veterans who are actually disabled be two-thirds of the average earnings in the group selected as standard is not only impractical but would probably result in reductions in cases where the veterans are now receiving compensation on 100 percent rating plus statutory awards.

Recommendation No. 15 (p. 183): In the opinion of this organization the implementation of this proposal would be detrimental to veterans and would probably result in the lowering in their standards of payment. As to (b) there is present machinery for preventing duplicate benefit payments for the same disability as witness the agreement between the VA and the Federal Employees Compensation activity. The injection of OASI into the picture to the degree apparently desired by the Commission is not acceptable.

Recommendation No. 16 (p. 185): The DAV is in agreement with this proposal.

Recommendation No. 17 (p. 190): With reference to paragraphs (a) and (b) the procedures mentioned would seem to be desirable if not precluded by cost or other deterrent considerations; however, paragraph (c) with its insistence upon medical or surgical treatment as a condition precedent to payment of compensation is not only considered unreasonable but would probably be impossible of attainment by reason of the volume of cases and lack of personnel.

Recommendation No. 18 (p. 196): This organization does not endorse the idea advanced herein and questions the necessity for the study to be made under the guidance of a Cabinet subcommittee.

CHAPTER VII

Recommendation No. 20 (p. 205): The DAV does not believe the establishment of dependency should be required in the case of wives (widows) and minor children.

Recommendation No. 36 (p. 225): The proposal that, whenever legally possible, the premium rates for Government life insurance include a charge to cover the administrative costs is not believed to be a desirable provision.

CHAPTER IX

Recommendation No. 46 (p. 319): This organization is definitely opposed to any weakening of the Veterans' Preference Act and, accordingly, does not subscribe to the views of the Commission on the subject as presented in this recommendation.

CHAPTER X

Recommendation No. 47 (p. 333): This organization has earnestly considered the recommendation that the compansation rates in peacetime cases should be the same as the disability and death compensation rates as to those who served in wartime. As long as men are being taken in the Armed Forces

via the draft the DAV has no objection to the proposal stated in this recommendation.

CHAPTER XI

Recommendation No. 57 (p. 373): The fact that the DAV is primarily interested and active in the case of the war disabled, their widows, children, and dependents, does not mean that we as an organization are willing to stand idly by while the pension structure that has been erected through the years is dismantled. The position of this organization as to the pension program was outlined to your committee by the national commander on February 29, 1956, at which time he said in part: "I am sure this committee recognizes the fact that the Disabled American Veterans is unique among the veterans organizations in that from the beginning our purpose, and our sole objective has been devoted to the cause of improving and advancing the conditions, health and interest of all wounded, gassed, injured and disabled veterans, and to aid and assist worthy wartime disabled veterans, their widows, their orphans and their dependents. * * * We soon found that remembering our sworn obligations and confining our efforts to the care of the disabled, his widow and dependents was a great task or mission. It was all we could handle. The DAV has never registered any protest to existing part III benefits—the payment of a pension where the veteran became permanently and totally disabled and unable to carry on continuously in gainful occupation and where a reasonable income limitation or evidence of need exists. As stated previously we have not supported such legislation because of our desire and efforts to secure increased awards or amounts for the service-connected veteran and his dependents."

You will recall that on March 20, 1933, there was passed by the Congress Public Law No. 2, 73d Congress, which had the misleading caption "An Act To Maintain the Credit of the United States Government." The monetary purpose was to save $200 million, all at the expense of veterans and Federal employees. You all know what happened subsequently as numerous benefits then denied, eliminated, or reduced, were restored, some in part. In the meantime, there were some suicides of veterans and widespread misery and hardship. The Bradley Commission report, if adopted, could well have the most unfortunate results and in some instances these would border on the catastrophic. Why should a veteran, otherwise eligible and qualified, be denied a pension because he has social-security income to which he contributed in his active working years, or is in receipt of financial assistance from relatives, or friends, or from other sources, as long as the veteran is permanently and totally disabled to earn a livelihood through his own efforts, meets all the service and other requirements, and has a computable annual income less than the amounts specified by law? No, ladies and gentlemen of the committee, we do not endorse the plea for increases of pension and liberalization of criteria embodied in the bills before you this session; we most certainly do not favor the retrogressive movement away from existing national policy as advocated by the Bradley Commission. That might well prove to be the opening wedge that would place the compensation legislative structure in jeopardy and spearhead a subsequent attempt to tie in the compensation program to "needs," the word that runs like a thread through the tapestry of the New Look advocated so strongly by the President's Commission on Veterans' Pensions.

Recommendation No. 58 (p. 375): See comments on recommendation 57.

Recommendation No. 59 (p. 384): See above comments on recommendations 57 and 58.

Recommendation No. 60 (pp. 388, 389): Opposed. See foregoing comments on preceding recommendations.

Recommendation No. 61 (pp. 390, 391): We are not in favor of imposing any restrictions curtailing or modifying the present laws and regulations on this subject.

Recommendation No. 62 (p. 392): Opposed—see above.

CHAPTER XII

Recommendation No. 63 (p. 396): The DAV does not agree with this proposal. It should continue to be within the province of the VA to determine, under its controlling criteria and precedents, whether a veteran with an undesirable or bad-conduct discharge was released from service under conditions and for acts constituting discharge under dishonorable conditions.

Recommendation No. 64 (p. 397): See above comment under recommendation No. 63.

Recommendation No. 65 (p. 398): There have been studies made in the past relative to this subject. The record is probably voluminous and it is not known what is to be gained by another thorough study. The facts are clear as to what the law and VA regulations permit and even direct to be done about payments where veterans are receiving hospital or domiciliary care at public expense or while inmates of penal institutions, and it would seem that any question now raised would be one purely of future policy.

CHAPTER XIII

Recommendation No. 66 (pp. 402–403): This organization is in agreement with paragraph (a) but looks upon paragraph (b) with a skeptical eye. This may be a meritorious proposal, depending upon the persons selected, their background, character and philosophy where veterans are concerned, but we are not convinced that it would have any good results. As to paragraph (c) it is believed that the VA staff activities are now overrun with specialists in planning, analysis, program reviewing, office managements, etc., to such an extent that the VA is losing, or has lost sight of the more important functions such as rendering the best possible service to veterans and their dependents, the sympathetic consideration of claims on the basis of human problems, and the proper professional attitude of all officers and employees having the responsibility for making decisions affecting veterans and their dependents. There are some who believe that the chief aims of the VA too often are (1) public relations, (2) statistical and (3) work-measurement or assembly-line techniques.

Recommendation No. 67 (pp. 404, 405): The proposal to make the Administrator of Veterans' Affairs a member of the President's Cabinet has appealing aspects but could very well turn out to be a mirage, regardless of the individuals involved. As a member of the Cabinet the Administrator could be subjected to statistical arguments of depressing nature with possible intimation from higher quarters that might well interfere with conclusions reached by him if made independently and without being in the higher echelon atmosphere at the time. In addition, the Administrator, as a Cabinet member, would undoubtedly be asked for his opinion on a wide variety of subjects only indirectly affecting veterans or not at all and it is hardly conceivable that he would decline to express his views on political matters if requested to do so. As to establishing a Cabinet Subcommittee on Veterans' Affairs, with the Administrator as a special member, the necessity for such another new group at the high level indicated is not apparent and is not endorsed as the matter now stands. If the idea stated in paragraph (c) means what we think it might mean then the DAV can be recorded as opposed.

Recommendation No. 68 (p. 406): The preceding recommendation would make the Administrator a Cabinet member to enhance his prestige and responsibility, whereas recommendation No. 68 would place additional limitations on his authority and require him to give advance notice and obtain advance review by "appropriate agencies of the Government" whenever he issues rules in large matters affecting eligibility of veterans for benefits or involving changes in program objectives. It is not very clear just what is intended here, but from the descriptive material preceding this recommendation we would be opposed to the change.

Recommendation No. 69 (p. 408): While there may be some justification for this proposal, it is wondered if the Commission had any real comprehension as to the large number of additional qualified employees that would be required and the very substantial increased cost involved to set up and maintain such high-salaried reviewing officials thereby constituting an intermediate step between decisions of the rating boards and appellate determinations of the Board of Veterans' Appeals. If Congress, in its wisdom, desires to authorize the establishment of what, in effect, would be intermediate Appeals Board, regardless of the many new positions that would need to be created and staffed at the great cost involved, then this organization has nothing to say either in favor or in opposition.

Recommendation No. 70 (p. 409): It is believed that this recommendation if carried into effect would be helpful and this organization, generally, will be found favorable to any codification or reasonable simplification of the laws affecting veterans and the related regulations.

In the conclusion on page 410 of the Bradley Commission report the statement is made that the VA has been examined many times by outside management experts and Government bodies, also that it has been administratively reorganized a number of times. The Commission concludes that this had had some salutary effect, but that the "shifting of organization charts has long since been discredited as a panacea for the ills of governmental administration." It is hoped that the officials in charge of the VA fully realize this truism and will profit by it. The DAV is concerned with the many surveys that have been made of the VA, the too frequent internal reorganizations that have been imposed, the stress and strain upon the personnel, much of it resulting from changes, experiments, and generally ill-considered moves of one kind or another, and the greatly impaired morale that must inevitably accompany such basic insecurity and feelings of frustration. Nothing was very much wrong with the operation of the VA, but it certainly is now or will be unless there is a cessation or let-up in the investigatorial and critical activities that have seemingly started on the false premise that something is radically wrong with the VA that can only be remedied by drastic surgery and a prolonged and stormy convalescence. Perhaps these remarks are beside the point of this hearing, but, in my judgment, someone should make them publicly and as we are all working toward the same end—the welfare of the veterans and their families—I thought you would not be averse to hearing the truth as we see it.

I desire to express my sincere thanks for your kindness and courtesy in hearing this rather lengthy dissertation on the many items covered in the Bradley Commission report. It is hoped that our comments will be helpful to you and in conclusion may I say that we as an organization still support the bills that were commented upon favorably by us at previous hearings and in correspondence and that we do not discern after careful study of the Bradley Commission findings any good reason for changing our position as heretofore announced. Thank you again for hearing me out.

KATYN FOREST MASSACRE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. SHEEHAN] is recognized for 10 minutes.

Mr. SHEEHAN. Mr. Speaker, today I sent a cablegram to Josef Cyrankiewicz, Prime Minister of the Communist Polish People's Republic. This cablegram read:

As the Congressman who introduced the original resolution in the House of Representatives during the 82d Congress calling for an investigation of the Katyn Forest massacre of thousands of Polish Army officers and intellectual leaders, and who served as a member of the select congressional committee which was established to conduct a full and complete investigation of this international crime, I should like to make available to you and the special group which your Government is reported to have recently authorized to investigate the mass murders at Katyn, all the evidence heard by and submitted to our committee in 1951 and 1952. I would also be happy to come to Poland as a witness to elaborate upon and substantiate the facts and conclusions reported by our investigating committee.

I have been prompted to send this cablegram because of the recent news developments in both Russia and Poland. The new look in Russia is seen in denouncements of the late Dictator Stalin by the present leaders in Russia, wherein they are now criticizing him for his purge of 5,000 Soviet officers before World War II.

The present Communist-dominated Polish Government and its press and radio are following the same line.

Recent developments in Poland reveal the Polish Government is planning to free over 30,000 political prisoners, is planning to make payments to compensate people unjustly sent to jail, has promised restoration of pensions and honors to the survivors of the heroic non-Communist Polish home army, and most recently has been reported to have begun a new investigation of the Katyn Forest massacre.

I hope this new investigation by the Russian-dominated Polish Government will be as unbiased, fair, and complete as was the investigation by our select committee in the 82d Congress.

When the German armies occupied the Smolensk area in 1943 they discovered the mass graves of Polish Army officers and blamed the Russians for this massacre. When the Russian Army recaptured this area in 1944 it set up a commission to reinvestigate these mass murders and blamed it on the German Army. No complete and thorough investigation of this matter occurred until the 82d Congress authorized a special committee to investigate the facts. This select committee, after complete hearings, revealed authoritatively the information we had in our State Department files and in Army Intelligence files, which, with all the other supporting evidence gathered both in America and in Europe, caused the select committee to come to the unanimous conclusion that the mass murder of Polish Army officers and intellectuals was decreed by the Russian Communist rulers and carried out by the Soviet NKVD—People's Commissariat of Internal Affairs.

It is my hope that this Polish committee will invite all interested witnesses to be heard, similar to the practice adopted by our select committee. Our committee had extended an invitation to the Russian Government to present its evidence, which invitation was not accepted.

I feel certain that an unbiased investigation will confirm the findings of our congressional committee, in that the orders to perpetrate this heinous crime on the Polish people came directly from Dictator Stalin and the bosses in the higher echelon of the Communist Party.

In presenting the facts of the Katyn massacre to the Polish people, I hope the Communist Polish People's Republic will denounce Stalin and all top Russian officials who aided or abetted this crime against humanity.

I, and I assume the rest of the members of the Select Committee To Investigate the Facts and Circumstances Surrounding the Katyn Forest Massacre, would be more than willing to present and elaborate on the evidence heard by our committee.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. SHEEHAN. I yield.

Mrs. CHURCH. I would like to express my complete sympathy with the aims of the gentleman, but I rise particularly to commend him for his own efforts on behalf of the Poles behind the Iron Curtain. I have followed with interest and carefully for some time the efforts of the gentleman to bring out the true facts in the case of the Katyn Forest massacre. I am certainly sure that the people of the gentleman's district should applaud him for his zeal and for his consecration and for his continued interest.

Mr. SHEEHAN. I thank the gentlewoman.

Mr. MACHROWICZ. Mr. Speaker, will the gentleman yield?

Mr. SHEEHAN. I yield.

Mr. MACHROWICZ. I wish also to commend the gentleman on his fine statement. I would like to point out to him that the gentleman from Indiana [Mr. MADDEN] and I have already offered resolutions which would ask the Department of State to make available the records of the Katyn committee, of which the gentleman from Illinois and I were members. I sincerely trust that the Department of State will avail themselves of the opportunity and present to the so-called Polish Government, the Communist regime in Poland, the evidence which will undoubtedly prove to them, as it has proven to the rest of the world, that the Communists were guilty of the murder at the Katyn Forest.

Mr. SHEEHAN. I thank the gentleman for his observation. I want to let the gentleman know that the Republican members on the committee, Mr. O'KONSKI, Mr. DONDERO, and myself have joined with you and Mr. MADDEN in submitting a similar resolution.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to Mr. DEROUNIAN (at the request of Mr. MARTIN), through May 11, 1956, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. THOMPSON of New Jersey, for 1 hour, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. BOGGS and to include an address delivered by Mr. MILLS, of Arkansas, notwithstanding it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $187.

Mr. COLE in two instances and that the remarks of Mr. O'BRIEN of New York immediately follow his remarks, both to appear in the RECORD.

Mr. SCRIVNER in two instances and to include extraneous matter in each.

Mr. DAGUE.

Mr. FASCELL (at the request of Mr. SIKES) and to include a letter.

Mr. ROOSEVELT to include in his remarks on the public library services bill certain documents and communications.

Mr. FRELINGHUYSEN and to include extraneous matter.

Mr. THOMPSON of New Jersey and to include extraneous remarks.

Mr. METCALF and to include extraneous remarks.

Mr. ANFUSO (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. DAVIDSON (at the request of Mr. ALBERT) in two instances and to include extraneous matter.

Mr. RICHARDS and to include extraneous matter.

Mr. SAYLOR.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 44 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 9, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1824. A letter from the Acting Secretary of the Interior, transmitting a report by the Bureau of Mines for the calendar year January 1, 1955, through December 31, 1955, pursuant to the Federal Coal Mine Safety Act, Public Law 552, 82d Congress; to the Committee on Education and Labor.

1825. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to validate certain payments made to members and former members of the naval service"; to the Committee on Government Operations.

1826. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled "A bill to adjust the application of section 322 of the so-called Economy Act of 1932 to premises leased for Government purposes"; to the Committee on Government Operations.

1827. A letter from the clerk, United States Court of Claims, transmitting copies of the

court's opinion relative to the claim of *Frank C. Torti* v. *The United States* (Congressional No. 4–52), pursuant to sections 1492 and 2509 of title 28, United States Code, and pursuant to House Resolution 559, 82d Congress; to the Committee on the Judiciary.

1828. A letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, transmitting the 16th Annual Report, pursuant to section 201 (b) of the Social Security Act, as amended; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURLESON: Committee on House Administration. House Resolution 426. Resolution providing for the printing of certain proceedings in the House Committee on Agriculture; without amendment (Rept. No. 2113). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Concurrent Resolution 230. Concurrent resolution authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means; without amendment (Rept. No. 2114). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 456. Resolution authorizing the printing as a House document of material relating to the Central Valley project of California, and additional copies for the use of the Committee on Interior and Insular Affairs; without amendment (Rept. No. 2115). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 454. Resolution to provide funds for the expenses of conducting studies, investigations, and inquiries incurred by the Select Committee on the Baltic States and by the Special Committee To Investigate Tax-Exempt Foundations; without amendment (Rept. No. 2116). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 468. Resolution authorizing the Committee on Ways and Means to employ one additional employee; without amendment (Rept. No. 2117). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 448. Resolution providing for the employment of 15 additional privates, Capitol Police force, office of the Sergeant at Arms; without amendment (Rept. No. 2118). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 465. Resolution to provide for the adjustment of the trust fund account in the Office of the Sergeant at Arms; with amendment (Rept. No. 2119). Ordered to be printed.

Mr. BOLLING: Committee on Rules. House Resolution 500. Resolution for consideration of H. R. 10986, a bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2120). Referred to the House Calendar.

Mr. SPENCE: Committee on Banking and Currency. H. R. 10230. A bill to amend sections 3526 and 3528 of the Revised Statutes relating to the coinage of subsidiary silver coins and minor coins of the United States; without amendment (Rept. No. 2121). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'NEILL: Committee on Rules. House Resolution 503. Resolution for consideration of H. R. 4090, a bill to amend part II of title III of the Communications Act of 1934, so as to require the installation of an automatic radiotelegraph call selector on cargo ships of the United States carrying less than two radio operators, and for other purposes; without amendment (Rept. No. 2122). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALBERT:

H. R. 11075. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. ANFUSO:

H. R. 11076. A bill to permit producers to donate surplus wheat to religious organizations, without payment of marketing penalty, where such donation will divert the wheat from normal trade channels; to the Committee on Agriculture.

By Mr. DEMPSEY:

H. R. 11077. A bill to amend the Atomic Energy Community Act of 1955, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. GARMATZ:

H. R. 11078. A bill to amend section 6 of act of August 24, 1912, as amended, with respect to the recognition of organizations of postal and Federal employees; to the Committee on Post Office and Civil Service.

By Mr. GROSS:

H. R. 11079. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. GUBSER:

H. R. 11080. A bill to establish a permanent Commission on Organization of the Executive Branch of the Government; to the Committee on Government Operations.

By Mr. LANHAM:

H. R. 11081. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. McMILLAN:

H. R. 11082. A bill to establish an additional position of inspector of the Metropolitan Police force of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. MAGNUSON:

H. R. 11083. A bill to amend the Internal Revenue Code of 1954 to place a maximum limitation on the 3 percent tax on the transportation of property; to the Committee on Ways and Means.

By Mr. MARTIN:

H. R. 11084. A bill to provide for the striking of medals in commemoration of the 100th anniversary of the birth of the late Justice Louis Dembitz Brandeis; to the Committee on Banking and Currency.

By Mr. PRIEST (by request):

H. R. 11085. A bill to protect consumers and others against failure to identify, misbranding and false advertising of the fiber content of textile fiber products, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SISK:

H. R. 11086. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. SMITH of Wisconsin:

H. R. 11087. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WILLIS:

H. R. 11088. A bill to amend the Social Security Act with respect to the matching formulas for old-age assistance, aid to the blind, and aid to the permanently and totally disabled; to the Committee on Ways and Means.

H. R. 11089. A bill to establish a sound and comprehensive national policy with respect to the fisheries; to create and prescribe the functions of the United States Fisheries Commission; to strengthen the fisheries segment of the national economy; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. HARRIS (by request):

H. R. 11090. A bill concerning gifts of securities to minors in the District of Columbia; to the Committee on the District of Columbia.

By Mr. NATCHER:

H. R. 11091. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. EVINS:

H. R. 11092. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. O'BRIEN of New York:

H. R. 11093. A bill to amend the Internal Revenue Code of 1954 with respect to the income tax treatment of certain severance pay; to the Committee on Ways and Means.

By Mr. SAYLOR:

H. R. 11094. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. SIKES:

H. R. 11095. A bill establishing certain qualifications for persons appointed to the Supreme Court; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. R. 11096. A bill to amend the Public Health Service Act to provide an emergency 5-year program of grants and scholarships for postgraduate education in the field of public health, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROOSEVELT:

H. J. Res. 619. Jont resolution authorizing the Federal Trade Commission to make an investigation and study of the production, transportation, distribution, and sale of refined petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. O'KONSKI:

H. Res. 501. Resolution requesting the President to forward the evidence and findings of the Select Committee To Conduct an Investigation and Study of the Facts, Evidence, and Circumstances of the Katyn Forest Massacre to the United States Mission to the United Nations for appropriate action, and for other purposes; to the Committee on Foreign Affairs.

By Mr. SHEEHAN:

H. Res. 502. Resolution requesting the President to forward the evidence and findings of the Select Committee to Conduct an Investigation and Study of the Facts, Evidence, and Circumstances of the Katyn Forest Massacre to the United States Mission to the United Nations for appropriate action, and for other purposes; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Memorial of the Rhode Island General Assembly memorializing the Senators and Representatives from Rhode Island in the Congress of the United States to exert their efforts and influence to combat the great inequities aimed at the veterans of this country as enumerated in the recently released Bradley Commission report; to the Committee on Veterans' Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States to investigate the wasteful expenditures of the Helium Division of the United States Bureau of Mines; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRAY:

H. R. 11097. A bill for the relief of Chien-Wu Mei; to the Committee on the Judiciary.

By Mr. BROWN of Ohio:

H. R. 11098. A bill for the relief of Malowney Real Estate Co., Inc.; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 11099. A bill for the relief of Guadalupe Gucho-Gonzalez; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 11100. A bill for the relief of Sverre Augestad; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 11101. A bill for the relief of Carolina Rosa Garcao; to the Committee on the Judiciary.

By Mr. SCOTT:

H. R. 11102. A bill for the relief of Yun Yong; to the Committee on the Judiciary.

H. R. 11103. A bill for the relief of Matilda Rajkovic; to the Committee on the Judiciary.

H. R. 11104. A bill for the relief of Henrik Mannerfrid; to the Committee on the Judiciary.

By Mr. BOSCH:

H. R. 11105. For the relief of Domenico Romano; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1007. By Mr. DAGUE: Petition of Adam Erb Mummaw and 44 other residents of Lancaster, Pa., and vicinity urging the immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1008. By Mr. GROSS: Petition of Peter D. Nagel and 31 other residents of Mason City, Iowa, and vicinity urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1009. By Mr. SILER: Petition of Paul J. Bauer and 5,883 other residents of Cincinnati, Dayton, Columbus, Hamilton, Jamestown, Wilmington, Cedarville, Xenia, West Milton, Laura, Vandalia, Englewood, Ludlow Falls, Potsdam, Union, Spring Valley, Bellbrook, Thornville, Sabina, Williamsburg, Morrow, Bowersville, Malvern, Waynesburg, Delaware, Centerville, Hillsboro, Rushville, Ashland, Madeira, Lebanon, Alliance, Louisville, Carrollton, Middletown, Athens, Chillicothe, Columbiana, Glouster, Sebring, Napoleon, Greenfield, Frankfort, Warren, Sunbury, Philadelphia, Portsmouth, Findlay, Salem, Defiance, Pomeroy, Marion, New Concord, and other towns and cities in Ohio, urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Kansas City, Kans., Armory Dedication

EXTENSION OF REMARKS
OF

HON. ERRETT P. SCRIVNER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. SCRIVNER. Mr. Speaker, the following news story from the Kansas City Star, of Sunday, May 6, 1956, relates the events of a historic day in Kansas City, Kans., when the city's new million-dollar National Guard armory was dedicated.

As you will see, the story gives short excerpts from talks given by Gen. Williston B. Palmer, Army Vice Chief of Staff; former President Harry S. Truman; and myself:

LINK IN DEFENSE: THE NEW KANSAS CITY, KANS., NATIONAL GUARD ARMORY IS DEDICATED AS DETERRENT OF WAR—REPRESENTATIVE SCRIVNER SAYS THE FACILITY IS EVIDENCE OF THE WILL TO FACE ENEMIES

In a ceremony replete with military honors and traditions, the new National Guard armory in Kansas City, Kans., was dedicated yesterday before 2,000 persons.

The event drew to the city former President Harry S. Truman, 18 generals, including the Vice Chief of Staff of the Army, Gen. Williston B. Palmer, and other Midwest military and civilian leaders.

Special tribute was paid to Col. Mahlon S. Weed, station commander, for his work of more than two decades to provide the city such a facility. Colonel Weed's reply was a simple "Thank you," and words of praise for the citizens of the community who made the million-dollar project possible.

TRIBUTE TO COLONEL WEED

ERRETT P. SCRIVNER, Representative in Congress from the Second Kansas District, who served as a lieutenant under the colonel when he was Captain Weed, paid this tribute:

"It is more than a building we dedicate today. It is a dream come true, a testimonial to the vision, tenacity, and faith of one man, Col. Mahlon S. Weed."

The Representative recalled the history of the guard in Kansas City, Kans., pointing out such inadequate facilities of bygone years as a laundry converted to armory use, storefronts, and the basement of the Memorial hall.

"Today you see the culmination of years of effort," SCRIVNER said. "On this ground stands, by your efforts, this magnificent armory, in which the youth of today and tomorrow will receive training * * * that may some day not only save their own lives, but may very well save your country and your life."

HISTORIC ROLE BY CITIZEN

The speaker added that tax dollars for the armory are as a premium on an insurance policy for national security. He recalled the efforts of the citizen-soldier called to arms in all of America's wars and pointed out that the National Guard and Reserve forces furnish the major share of military manpower when war comes.

"With these marvelous modern facilities, our men will be far better prepared than they could have been otherwise," SCRIVNER said. "Even so, I am sure you join me in the prayer that even though prepared, they will never be called upon to serve in time of war. With them, let this be your slogan, 'Keep your guard up'."

The importance of the civilian components in the Nation's military picture also was stressed by Gen. Williston B. Palmer, Vice Chief of Staff of the Army, who was representing Gen. Maxwell D. Taylor, the Chief of Staff. General Palmer congratulated the citizens of Kansas City, Kans., for their efforts in providing the facility.

A PREPAREDNESS SYMBOL

"In generously providing this building," the general said, "the people of this city and of this State are to be commended. This is visible evidence of your determination to deter war, and the National Guard men here are likewise dedicated to this purpose. The significance of this ceremony is that we are dedicating not merely a shrine to memories of past wars, but also a building to house the strength with which to boldly face our enemies, and which by its readiness will prevent conflict.

General Palmer was introduced by Maj. Gen. Joe Nickell, the adjutant general of Kansas.

Truman recalled his early days in the guard, telling of the payment of 25 cents a night to rent a dance hall as a drill hall, and providing a uniform.

The country has found out that the National Guard and the Reserve must be maintained," Mr. Truman said. "I am very much interested in what you are doing here. It is necessary that the country understands that its welfare depends on the civil population."

A WORD TO GUARDSMEN

Turning to the guardsmen the former President counseled the men they should appreciate the facility they now have.

"Keep up the good work," he said, "you're the only safety this country has."

Beaming, Mr. Truman remarked as he finished: "I want to come back in about 20 years when I'm 90 to review you and see if you have shown any improvement."

In presenting the armory to the State, Mayor Paul F. Mitchum said it was a real pleasure for him to represent the citizenry of Kansas City, Kans., in the task. Gen. Calvin E. Berry, Topeka, a member of the State military board, accepted the facility and said:

"I express the deep appreciation of the Kansas Military Board to the citizens of this community for their untiring devotion to our national defense."

Brig. Gen. Frank Dunkley, Topeka, formally commissioned the armory as a military facility. Accepting the responsibility of the building for Colonel Weed, the station commander, was Lt. Col. John W. Breidenthal, executive officer of the station.

Federal Tax Policy for Economic Growth

EXTENSION OF REMARKS
OF
HON. HALE BOGGS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 8, 1956

Mr. BOGGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address entitled "Federal Tax Policy for Economic Growth" by Representative WILBUR D. MILLS, of Arkansas, before the 44th annual meeting of the United States Chamber of Commerce, Statler Hotel, May 1, 1956:

In the decade since the end of the Second World War, the American economy has dramatically demonstrated the vigor of its basic growth-generating forces. Apart from the mild recession of 1949 and the drop in 1954, the Nation's economic growth has been remarkably steady. For the decade as a whole, the private economy has grown at an annual rate of about 3½ percent in constant 1955 prices.

One of the most important factors in this growth is the character of the people of this country. Our perpetual dissatisfaction with present achievements, our alertness in recognizing problems and our welcome acceptance of the challenge they present, and the nearly universal conviction that better ways of living are to be had if we apply the proper effort, imagination, and creativeness in our undertakings—these attitudes are the well springs from which our material progress flows. Our spirit is that of the quest; the rewards to that spirit are daily unfolded before us.

The economy's performance since the end of World War II confirms the importance of sound public policy in providing the setting in which this spirit can impel our private-enterprise economy to new achievements. An instrument of this public policy has been the Employment Act of 1946 and the executive and congressional machinery which it established.

Recently, the Tax Policy Subcommittee of the Joint Committee on the Economic Report concluded an intensive study of the impact of the Federal tax system on the economic development of the Nation. Drawing on this study, I should like to suggest certain economic principles for Federal tax policy and offer some suggestions as to the nature of the revisions necessary for a more rigorous observance of these principles in our tax law.

THE LEVEL OF TAX REVENUES

In the fiscal year 1955, the Federal Government's net budget receipts amounted to $60.3 billion. On the basis of recent information it now seems that net receipts for fiscal 1956 may run as much as $3 billion greater than the $64.5 billion estimated in January of this year. During the past 10 fiscal years, the people and businesses of this country have paid to the Federal Government $494.1 billion. I mention this staggering amount only to remove any doubt you might have that I am perfectly well aware of the fact that taxes are high.

In recent years, we have become increasingly aware of the fact that a close relationship exists between the amount of money the Federal Government collects and spends and the level of activity in the economy as a whole. Although we still maintain that the basic purpose of taxation is to raise revenue to finance expenditures, we also recognize the fact that when Federal Government activities represent one-fifth of the national income, the manner in which those activities are financed will have significant economic consequences.

It is generally agreed, for example, that when the private economy is not fully using available resources, reducing taxes relative to spending will have a stimulating effect. It is also generally agreed that when the economy is pressing hard on available resources, increasing taxes relative to spending will help to repress inflationary pressures. Once the level of Government spending has been determined, changing the level of tax receipts is an effective way to minimize economic fluctuations. We cannot afford to neglect this important tool, since these fluctuations represent significant obstacles to the attainment of our objective of steady economic growth. Recessionary movements interrupt the process of growth by leaving some of our growing resources idle, while inflation makes continued growth more difficult to maintain.

Our first principle, therefore, is that the level of taxes should be related to the level of Government expenditures by the need for full use of growing productive resources and stability in the general price level. In practice, this means that we should move in the direction of reducing deficits or increasing budget surpluses during times of inflationary pressure, using at least some of our surplus for purposes of reducing debt. In times of recession, on the other hand, we should not be reluctant to move in the direction of deficits if these are needed to maintain full employment.

It now appears that we may well end fiscal year 1956 with a budget surplus as much as $2 billion, considerably in excess of the $200 million estimated for the year in the President's January budget message. The suggestion has been made that a budget surplus of this size makes possible, in fact requires, tax reduction. I am sure no one will argue with the point of view that, all other things being equal, tax reduction is a desirable course of action. We should bear in mind, however, that this healthy budget surplus is primarily the automatic result of the sharp rise in personal and corporation incomes in 1955 and not the result of corresponding reductions in expenditures. If, as it appears likely to many, that rise should resume during the course of the year, devoting any substantial portion of the budget surplus to tax reduction might well result in strong inflationary pressures which would cancel out, through price increases and general economic instability, the benefits from lower tax liabilities. It is possible, of course, that as we go further into 1956, the prospects for continued economic expansion may weaken. If persistent economic weakness should appear, tax reduction to stimulate private demand would be entirely appropriate.

Some maintain that top priority should be given to tax reduction lest continuation of present high rates destroy the spirit of quest which I have identified as a prime source of our Nation's growth and development. The actual growth record of the economy over the past decade, coinciding with the highest peacetime tax rates we have ever known, I believe, shows that this danger has been exaggerated. Present tax rates are certainly too high for the long run. At the present time, however, I am more concerned about the short-run inflationary dangers in premature or ill-timed tax reduction.

One might well ask, "if we cannot provide tax reduction now, with a budget surplus of the size now anticipated, and with the country at peace, what hope for tax cuts is there?" I think the chances for tax reduction are excellent. If we exercise the proper fiscal responsibility and integrity, if we insist that Federal tax policy reflect the need for avoiding both inflation and recession, these chances will be greatly enhanced. If we succeed in moderating short-run economic fluctuations, we can count on a steady growth over the next decade which will make possible substantial reductions in effective Federal tax rates.

RESPONSIVENESS OF THE FEDERAL REVENUE SYSTEM TO ECONOMIC FLUCTUATIONS

The legislative record of the postwar decade demonstrates the willingness of the Congress to make adjustments in fiscal and monetary policy to offset recessionary and inflationary movements, once these movements are recognized. However, a considerable period may elapse between the time economic disturbances get under way and the time adequate objective evidence with respect to their character and direction is available. The Congress cannot be expected to legislate significant changes in, say, individual income tax rates on the basis of forecasts of short-run economic fluctuations, it must wait until a basic need for such changes is clear. During this lag, however, the economic disturbances may gain considerable momentum, thereby increasing the difficulties in taking appropriate action. To the extent that our fiscal and monetary system contains automatic features for offsetting fluctuations, the problems of economic stabilization facing the Congress and the administration are reduced.

Our present tax system contains a number of such features. Chief among these are the individual and corporation income taxes. Other elements of the Federal revenue system respond sluggishly to changes in national income. In the interests of strengthening the automatic countercyclical responsiveness of the tax system, therefore, we should avoid tax changes which would weaken our income taxes and force heavier reliance on other elements in the revenue system. For example, proposals for shifting to a general manufacturer's sales tax to finance income-tax reductions or to impose constitutional limitations on income-tax rates, thereby requiring relatively greater use of consumption taxes, not only would violate generally held concepts of fairness but would represent a serious threat to economic stability.

The automatic stabilizing capacity of income taxes depends on the size and composition of the tax base, the degree of effective progression in the tax-rate structure, and the promptness with which tax payments are made. In all but the last respect there is considerable room for improving the built-in flexibility of the income taxes.

For example, only about 40 percent of what the Department of Commerce describes as personal income enters the individual income-tax base, and some of the types of income which are most sensitive to broad changes in economic conditions are not fully subject to tax. Of course, considerations other than those of strengthening built-in flexibility must be taken into account in determining the appropriate tax treatment of various kinds of income and expense. Nevertheless, it must be recognized that a tax proposal which would have the effect of partially or fully sheltering income from tax will involve a cost—perhaps a significant one—in reducing the capacity of the tax system automatically to damp down undesirable economic fluctuations.

Very considerable improvements can be made in increasing the effective progression of the tax-rate structure. We have heard a great deal in recent years about the allegedly pernicious effects of income-tax progression on incentives and, therefore, on economic growth. This question, among others, was carefully explored last year in the study conducted by the Subcommittee on Tax Policy. Taking full account of the testimony of the most extreme critics of the present tax structure, it is fair to report as the conclusion of this study that most of the criticism of the individual income tax is not properly directed against progression per se, but rather against the level of the whole rate schedule.

The study also revealed, by reference to statistics from tax returns, that effective progression in the individual income tax is considerably less than that suggested by the statutory tax-rate schedules. At the present time, for example, less than one-fifth of individual income-tax revenues is produced by marginal rates above the first bracket. Moreover, when full allowance is made for all the income received by the taxpayer, the data show that for individuals with adjusted gross incomes over $100,000 effective rates varied, in 1951, from 37 to 68 percent and averaged about 45 percent.

These data suggest to me that we can greatly strengthen effective progression in the individual income tax, and thereby fortify the ability of the tax to counteract economic fluctuations, without increasing the level of individual income taxes. In fact, if it were possible to broaden the tax base, we could both increase progression and lower tax rates at the same time. There are, admittedly, substantial difficulties in pursuing this objective, but the rewards would be very great indeed.

THE FEDERAL TAX SYSTEM AND BALANCED ECONOMIC GROWTH

The excellent postwar record of the American economy in maintaining steady growth is due, in large part, to the fact that we have maintained an approximate balance between consumer expenditures and capital outlays. When this balance is upset, economic difficulties quickly follow. A rate of growth in consumption in excess of investment results in a faltering in the rise in living standards because of the failure of productive capacity to keep pace with the expansion of consumption needs. On the other hand, too rapid a rate of capital formation means sacrifices of current living standards and threatens idle capacity and disorganization of further growth. Imbalance between consumption and investment, therefore, can be a seriously destabilizing development.

On the whole, the Federal tax system has contributed toward maintaining an appropriate balance between consumption and investment. Both business and consumers have had to forego—over the last decade—some of the gains that would have been possible had the world been less troubled by international tensions and conflicts. But the sacrifice has not been markedly one-sided. In the interests of continuing economic growth and stability in the present environment of world affairs, we want to avoid unsettling shifts in tax burdens.

I do not mean to suggest that any adjustment in relative tax burdens would be unwarranted. There are numerous ways in which our tax system can and should be modified to provide a fairer distribution of the total tax load. Such adjustments are always timely, given due regard to their revenue effects. I do mean to caution against broad shifts in the balance between consumption and investment impacts of taxation which do not accord with basic economic requirements. Relatively heavier tax burdens on consumers in order to ease taxes on business would clearly not be in order when slackening economic growth is associated with lagging consumer demand and idle plant and equipment. By the same token, we would want to avoid heavier relative tax burdens on business at a time when rising consumer demand was inadequate to induce the desired rate of growth in industrial capacity.

Balanced economic growth also requires that taxes fall as neutrally as possible among all taxpayers. It is in this respect that I believe the maxim about taxation for revenue purposes only is most meaningful, for the use of tax devices to effect particular economic results is, on the whole, a dangerour policy to pursue. The present tax law is replete with preferential provisions for special tax-paying groups and measures up poorly to the standard of neutrality.

A common characteristic of these preferential provisions is that they tend to induce taxpayers to use the resources at their disposal in a different manner from that which would be called for by prudent management in both business and personal life. We pride ourselves on the effectiveness with which the price system, operating in free markets, acts to signal consumers, investors, and managers to use their resources in the most efficient way possible. Special tax provisions often introduce considerations which are at variance with the signals of the market place. If the benefits from these special tax provisions are great enough, they may outweigh market considerations. The result will be interference in the allocation of resources and therefore a lower total real value for the product of the economy.

Any one of the present preferential provisions, by itself, may well be quite laudable. But we have to recognize that a tax benefit to encourage any one industry or group necessarily means willingness to deter the growth of others not equally favored. Much of the legislative history of our tax system is a reflection of the efforts of some such group to obtain for itself tax concessions similar to those previously extended to another. It is simply a basic fact of our fiscal life that the more preferential treatment we give any one taxpayer or group of taxpayers, the less we can give to all others.

We must also recognize how great a responsibility is assumed in providing preferential tax treatment. These provisions represent value judgments about the type of economic activity most essential to the process of economic growth. This is the very type of decision which virtually all of us feel cannot be safely made except by the impersonal mechanism of the price system.

A fundamental objective in formulating tax policy should be to strive for neutrality and uniformity in the application of our tax laws. Greater uniformity would eliminate or reduce distortions in economic development, provide us a much fairer tax system, and greater automatic responsiveness to changes in levels of economic activity.

THE FEDERAL REVENUE SYSTEM AND THE COMPETITIVE POSITION OF NEW AND SMALL BUSINESS

Apart from the sentimental attachment that all of us have to new and small businesses, there is, I believe, a sound scientific basis for emphasizing their importance in our economy. They represent often the concrete expression of the creativeness and imagination which are basic resources for economic progress. A constant stream of new businesses is our best assurance that established companies will continue to face the challenges which are so important in the development of new products and new and better production methods. A large number of small businesses is required to insure that control over the use of resources, output, and prices is widely diffused, and therefore that these resources will be most efficiently used.

Tax policy must prevent tax discrimination against small and new business. It must avoid reinforcing those pressures in the economy for the submergence of such businesses, either by failure or by amalgamation with larger business units. The rise in mergers and other consolidations in recent months is one of the factors that suggests the need for reexamination of public policy in this area. Even though these mergers do not necessarily involve small companies, the increasing concentration of business which they frequently produce threatens the continuing independence of small firms. Data on the rate of business failures, over 90 percent of which refers to small businesses, are also cause for concern. The information supplied by the SEC–FTC, while not conclusive, strongly suggests that small businesses are not sharing the rewards of the current high level of business activity on an equal basis with their larger competitors.

Tax considerations are frequently identified as major factors working against small and new companies. Although it is difficult to determine the significance of these considerations, we must be alert to this type of possibility and scrutinize both the existing tax law and all new tax proposals for their implications in this respect.

To recapitulate, Federal tax policy for steady economic growth should (1) relate the levels of Government revenues and expenditures to the need for full use of growing productive resources and stability in the general price level; (2) strengthen the income tax in order to increase the built-in stabilizing capacity of the Federal tax system. I hasten to add, parenthetically, that this is not to be construed as urging a bigger income-tax bite; (3) maintain a careful balance between those elements of the tax system which rest most heavily on consumption and on investment and seek greater neutrality among taxpayers; and (4) protect the competitive position of small and new businesses.

I would like to outline, very broadly, the type of tax revision implied by these recommendations.

In the individual income tax area there is considerable need for greater effective progression of tax liabilities, particularly in the low- and middle-income range. I mean that the starting rate in many of these brackets is too high. In recent years, about 80 percent of individual returns have been subject to tax at only the first bracket rate. For these taxpayers, progression in effective tax rates depends largely on the number of dependents claimed. A substantial improvement, both in the distribution of tax burdens and in the automatic responsiveness of the tax, would result if ways could be found to split the present first bracket and provide a lower starting rate.

Furthermore I do not believe that the interests of a truly progressive income tax are well served by a marginal rate structure which reaches 91 percent. It has been repeatedly pointed out that these upper rates are largely fictitious. The Statistics of Income for 1952, for example, show that out of 13 million returns with itemized deductions, only 1,279 returns reported taxable income to any part of which the top marginal rate was applicable. That's less than one one-hundredth of 1 percent.

These high rates are part of the vicious circle in which the income tax has been ensnared. When we have rates so high taxpayers make determined efforts to obtain preferential treatment for various types of income and expenses. To the extent that they succeed the tax base shrinks, thereby reeinforcing the need for high tax rates. It seems to me, therefore, that we should concentrate on restoring the shrunken tax base while at the same time reducing the top marginal tax rates. These might top off at, say, 65 or 70 percent, depending on how successful efforts to broaden the tax base are.

In this connection high priority should be given to the present treatment of capital gains. Most experts in taxation agree that, because of the taxpayer's control over the realization of capital gains and losses, it would not be practicable or desirable to treat such gains and losses like ordinary income and losses. While recognizing the need for some differential treatment, I think it is highly doubtful that the present preferential treatment is best suited to meet the problems that arise in this tax area. The present treatment offers strong inducements to middle and upper bracket taxpayers to convert ordinary income into capital gains and to seek legislation which extends capital gains treat-

ment to an ever-widening array of receipts. Even a cursory review of the present capital-gains basket reveals a large number of income items which involve neither a capital asset nor a sale or exchange.

The basic problems in the capital gains area are of definition. A determined effort should be made to resolve these problems. At the very least, proposals for further extension of capital-gains treatment as a relief device should be resisted.

In the area of taxation of business income one of the most pressing problems is the treatment of net operating losses. The basic purposes of providing a carryover of net operating business losses appear to be disregarded by the present law which makes these carryovers prime booty acquired in the process of business combination. The transferability of these losses has been a major contributing factor in the recent merger movement. The technical problems in this area are certainly thorny, but revision is urgently required.

Much can be said in favor of the accelerated depreciation provisions included in the 1954 code, although they are not entirely irreproachable. On the other hand, coupled with capital-gains treatment for gains realized on the sale of assets depreciated under the new provisions, Treasury revenues may seriously suffer, and more important, uneconomic replacement practices are encouraged. Sound economic replacement practices should be encouraged. It would be a highly desirable reform to limit the accelerated depreciation provisions to assets with normal useful lives somewhat greater than the 3 years stipulated in the present statute and to modify the application of capital-gains treatment to depreciable property.

Another problem concerns the appropriate treatment of dividend distributions. We are all aware of the undesirable bias which the present corporation income tax may impose against external equity financing. The individual dividends-received credit and exclusion are not, in the view of most disinterested tax experts, the appropriate approach to the solution of this problem. I think these provisions should be eliminated in favor of some provision at the corporate level for putting dividend and interest payments on a par.

In the excise area, efforts are currently being made to simplify a wide range of technical provisions, primarily relating to compliance and administration. We must begin to give consideration to reduction or elimination of a number of excises which have differentially adverse effects on business-cost structures and competitive relationships. The taxes on transportation, on communications, and on business machines and equipment are cases in point, although not the only ones.

Finally, our estate and gift taxes should be substantially modified. At the present time, they produce only very modest revenues and, therefore, do not well perform the basic function of any tax. Moreover, the structure of these taxes is such as to invite tax avoidance. Even more so than in the case of income taxes, progression in the estate and gift taxes is fictitious. On the other hand, there are other elements of these taxes which contribute toward the merger of small family businesses into large public companies. Revision of our estate and gift taxes should seek to make them more truly progressive, more productive of revenue, and at the same time less biased against family enterprises.

I must acknowledge that I've carved out a large order in my last remarks. We have recently witnessed the magnitude of the undertaking involved in even a comparatively modest revision of our internal-revenue laws. On the other hand, the interests of steady economic growth are more compelling, surely, than consideration of the difficulties involved in large-scale tax revision. This revision is necessary if we are to develop a tax system which is fair and which conforms to sound economic principles.

As a postscript, I should like to add that the extent to which such revision entails a net loss of revenue to the Government must be given careful consideration in the timing of legislation. I do not know whether it would be possible to undertake these constructive reforms with no net revenue loss. Some tax experts argue affirmatively on this question. If this is not the case, however, we should attempt to gear any revision program to periods in which tax reductions are called for to sustain economic growth. The present economic condition of the country, as I have suggested, does not appear to warrant or even permit any significant reduction in revenues, unless we are willing to impose heavier responsibility on the Federal Reserve System to contain inflationary pressures. Should the economic outlook change, however, we should be ready with a program for general tax revision and reduction. I hope that the discussion today will make some modest contribution in stimulating interest in such a program.

An Example of Community Action

EXTENSION OF REMARKS
OF
HON. IRWIN D. DAVIDSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 8, 1956

Mr. DAVIDSON. Mr. Speaker, the United States Housing Act of 1954, Public Law 560, calls for citizen participation as a condition for approving any city's request for urban renewal subsidy. Such citizen participation was notably demonstrated in the conference on the Forward Look: The Rehabilitation of the West Side, on May 12, 1956, sponsored by the Riverside Neighborhood Assembly, a school-community council on the West Side of Manhattan, in cooperation with the League of West Side Organizations, the West Side News, and the chamber of commerce. More than 500 citizens and top officials joined hands and minds on the common problems of neighborhood blight to reach areas of agreement and action that will encourage all groups in the community to stay their flight and start to fight for total community improvement.

The principal conference speakers, Commissioner James Felt, Stanley Lowell, assistant to Mayor Wagner, Assemblyman Ludwig Teller, and myself, paid honor to the previous activity of this dynamic community and to its continuing interest and strong bonds of unity. More than 60 religious, civic, and business organizations, including every public school PTA—12—and 10 private schools, cosponsored the conference on the rehabilitation of the West Side. They represented thousands of other west siders who will have submitted to them a complete report of this conference.

The conference technique had been used three times previously by the Riverside Neighborhood Assembly to meet community challenges in other areas: The first, in January 1954, a conference on public education, had widespread influence in informing the public of the facts and philosophy underlying public education. The formation of a public school affairs committee, still alive and kicking, was only one of many healthy, tangible results. The second, in April 1954, Our New Neighbors—A Community in Transition, courageously faced the bewilderment and hostility engendered by rising tensions due to prejudice, before they could become dangerous. An intercultural committee embracing every school in the area and a youth ambassador to Puerto Rico project became positive factors of integration on the West Side. The third, called the U. N. at Our Door, in cosponsorship with the Foreign Policy Association, presented the community as a grassroots participant in the work of the United Nations.

The fourth and present conference has utilized all the former and added to its numbers and prestige because rehabilitation was everybody's business. The R. N. A. has clearly demonstrated the value of community action by this last, but by no means least, conference on the rehabilitation of the West Side.

Don't Return Enemy Property

EXTENSION OF REMARKS
OF
HON. W. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 8, 1956

Mr. COLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement which I filed with the House Interstate and Foreign Commerce Committee on April 30, 1956, in support of my bill H. R. 80 to authorize the immediate sale of Government-held properties of the General Aniline & Film Corp.:

Mr. Chairman, I welcome the opportunity of explaining my reasons for the introduction of H. R. 80, which would amend the Trading With the Enemy Act by authorizing the immediate sale of alien properties after a finding by the President that it is in the national interest to do so and impound the proceeds of the sale until final judicial determination of legal ownership. This bill is identical with one I introduced in the 83d Congress, H. R. 5988.

The principal properties of the General Aniline & Film Corp., a multimillion dollar corporation under the control of the Alien Property Custodian, is located in the district which I represent, and the thousands of employees of that corporation, as well as other residents in that area, are vitally interested in, and affected by, the eventual decision which the Congress will make with respect to the ownership and management of these properties.

Since I first looked into this matter, I was, and still am thoroughly convinced that our Government should get out of the business of operating these industries which were seized at the outbreak of the last world war from our former enemies, Germany and Japan. The employees of the corporation are anxious for the Federal Government to be eliminated and normal private enterprise operations be established so that the company can grow and prosper.

There are two decisions this committee and the Congress must make in this matter: Should the properties be returned to their prewar owners and, in the case of the General Aniline & Film Corp., were the former owners enemy aliens? In the latter issue, our Supreme Court has ruled that, since some of the stockholders of the parent company were German nationals, the status of enemy ownership attached to the entire corporate ownership. Therefore, we can dismiss that issue from our further consideration since it has already been adjudicated by our courts. Our attention can now be centered in the question of whether to return the properties in kind or hold the proceeds in ecrow pending settlement of the pending suits. The legality of such procedure seems to be well established according to the brief submitted by the Department of Justice in this matter.

Under existing law, the Government cannot dispose of vested alien properties if the seizure itself is challenged by legal action. In the drafting of the Trading With the Enemy Act that provision was a very fine idea, and unquestionably a very considerate thought—during the heat of the last World War. It was intended to protect those who were not actually our enemies at the time of seizure.

The only trouble with the thought is that the objective could be so easily thwarted because the Germans learned back in World War I how to hide, or cloak, their ownership of various properties. As a result, we have seemingly endless lawsuits with their inherent delays, all to the disadvantage of this country. Delays will continue to consume time until 1 of 2 things happen: either the Congress is softened up by time and pressure until it returns the property to former owners, or our Government loses its lawsuit in the litigation instigated by the claimants, and is required to reconvey the properties. In either event we, the United States Government and the American people, lose.

We should look into history, or the record, on this subject. There we will find that the same influences were at work immediately after World War I as are occurring now. We find that it took the Congress 10 years—from 1922 to 1932—to realize it had made a mistake when it returned the properties held by citizens of our former enemies at the end of World War I. The same parties were involved then as they are now—Germany and the United States.

I sincerely believe that H. R. 80 is the most expeditious form of getting the Government out the chemical, dye, photographic, and duplicating-machine business in respect to this subject of war reparations of World War II, and at the same time do justice to the former owners. In brief, we would abide by the treaty with our World War II allies (the Paris Reparations Agreement) and, too, the agreement we signed with the Federal Republic of Germany, our former enemy.

Instead of operating these seized industries in question, we would sell them as provided in the Trading With the Enemy Act law, retain the proceeds in our Treasury to await the outcome of any litigation—paying in money those former owners who proved their claims and who were not our enemy.

By passage of H. R. 80, lawsuits could still continue, the qualified and proven claimant would be paid money instead of being handed a going and thriving American company. The Office of Alien Property (the custodian) could be cut back to a litigating agency, and the claims of our own citizens who have been wronged in two world wars could be paid.

I do not think that any of us can deny the fact that as long as these large corporations remain in the hands of our Alien Property Custodian there will be strong pressures and well-financed efforts by the former owners to regain the assets.

Allow me to forecast to you what will happen if these vested assets are returned to their former owners as is seriously urged upon the Congress by some persons.

A return of these properties would:

1. Require substantial and indefinite appropriations from the Federal Treasury.

2. Reverse the present policy of the United States and its World War II allies with respect to reparations, and deprive this country completely of all reparations.

3. Open up a huge pork barrel to the old enemy cartels without whose backing Hitler could not have forced the world to the very brink of disaster.

4. Provide a gift or windfall of some $200 million to individuals and organizations, some of whom are not even of German or Japanese nationality.

5. Enable the recapture, through devious means, of the huge business enterprises by the very persons they were taken from—in some instances in both world wars.

6. Endanger the security of secret processes essential to the defense of the United States.

These, as I see it, are the principal objections to a return of the properties. But let us look at these objections more closely.

The first point is appropriations, the cost to us as taxpayers, and I don't need to remind you of the widespread demand these days that taxes be reduced.

The value of all of the vested properties under consideration here is better than a half billion dollars. That is the basic cost figure with which we must begin.

Around $225 million of these properties have already been liquidated and the moneys transferred to the Foreign Claims Settlement Commission and disbursed to thousands of our citizens (prisoners of war,; internees, both civilian and military; religious organizations, etc.) who were the victims of suffering or damage, one or another, in the last war. So, over $225 million must be replaced immediately in our Treasury if the policy of property return is adopted.

This is what we might call a downpayment, and that is exactly what it is.

However, all of the property under question here is valued at well over a half billion dollars. This is property now held by the United States Government, and if it is given back, it must be replaced in our Treasury. So with a return we will make the second downpayment of around $300 million if our Government makes good on its promise to compensate our own citizens for their war damages. Now we are up to the half-billion dollar mark.

And there could be more, much more. For instance, what about enemy property located in the territories of our allies? Under our leadership, all of them seized this enemy property. And they also agreed to retain it. Also, they gave up in return for such retention the right to any other reparations from our former enemies. These are our agreements. We made them.

Now, if we reverse ourselves and return the property we have in our possession, who is going to pay the bill of our allies for the damages which their citizens suffered? Remember, this is our doing. After the United States made these arrangements by international treaties and agreements, our allies certainly had a right to rely on us. So now if we reverse ourselves certainly we will be called upon to pay this additional bill, and maybe we will have to do so.

This will add at least $300 million to our cost—that is, the amount of property our allies reported to the Interallied Reparations Agency they had seized.

Now our total is over $800 million—over three-quarters of a billion dollars. That is the price tag attached to the policy of property return. Do you want to buy it? I surely do not.

Now, let us look at the second point, reparations. This is a point that seems to be overlooked generally.

Much has been said in the press and in congressional hearings about the sanctity of private property—that governments should not seize it—and that such seizure is a complete reversal of our historic policy, followed in World War I—of retaining custody of enemy private property during hostilities, and then returning it after the war is over.

Yes, that is what we did in World War I, but that turned out to be quite a mistake—one that cost the United States billions of dollars. Anyone can be forgiven for making a mistake once, but to make the same mistake twice is both foolish and unpardonable.

After World War I we returned the enemy property we had seized—and received in return Germany's solemn promise that she would pay the war claims of our citizens. Of course, Germany defaulted. We gave up our collateral in return for a scrap of paper. Many of these claims are still unpaid.

Thirty years have passed—another world conflict is history—and in 1953, mind you—just 3 years ago—Germany again solemnly promised to pay these World War I—not World War II—but World War I claims. She says she will do it over a period of 26 years. If she does—I say "if"—some of our citizens will have waited about 56 years for the payment of their claims against Germany.

Will Germany default again? You may say we should not speculate on such a question, but the prospects are not bright you must agree.

World War II is over—the victorious allies met with their defeated enemies—the subject of reparations was under consideration—everyone knew of Germany's default on reparations after World War I—no one wanted that to happen again—so it was agreed that the enemy property that had been seized in the territory of each of the allies, would be retained by them—in lieu of any other reparations payments.

Remember that—"in lieu of any other reparations payments." We lost once—neither we, nor our allies, want that to happen again. Germany has agreed to this plan. In 1952, she signed the Bonn Convention agreeing that this property should be retained by the allies as their only reparations—and agreeing that she would compensate her own nationals for their losses due to property seizures by the allied powers.

Now this made sense. It would appear that we had refused to make the same mistake of World War I all over again.

Remember what I said about Germany's earlier default?

But listen to this. On March 7, 1954, Chancellor Adenauer appealed to the United States to return the vested German property.

So—just 2 years after another solemn agreement—the Bonn Agreement of 1952—we have the first move to cancel it.

So here we go again—down the same old disastrous and costly road. This German appeal is based on the historic policy of the sanctity of private property. Can't we see that we are talking about reparations—and not private property?

Can't we remember that obtaining reparations after fighting a victorious war is also a historic policy?

Can't we see—are we so blind not to see that the pressure to enact this legislation for return of the properties is coming from a few selfish people—the old notorious cartels that backed the Nazi machine in its attempt at world conquest? How blind and stupid and softhearted and fickle do they think we are?

This leads to my next point.

Under point 3, let's look at the cartel angle involved here. The name, "I. G. Farben" is notorious the world over.

Here is the world's greatest chemical trust—the one that gave to the murderous Hitler the technical know-how he needed. The one whose branches, spread throughout the world, constituted the greatest network for economic espionage ever seen. The one that was able to keep from us the secrets of synthetic rubber, among other things, when we needed that knowledge for our war effort.

And the same one—I. G. Farben—that ordered destroyed—and the orders were carried out—a nitrocellulose plant located at Afton Lake, N. Y. Nitrocellulose is the basis of high explosives, and the plant was destroyed—on orders from Germany—at the time Hitler started his invasion of Europe. It took us 2 years to replace that destroyed potential of war production.

These are the type of people a return of the property would aid—these and their fronts—not the little man, the little German, for whom it may be possible to generate some sympathy, but the big business tycoons and the international financial brigands.

That brings me to the next point—the windfall, bonus, or gift—call it what you will—that would be involved in a return of the property, and this is the most compelling argument of all against the proposed return.

When these properties were seized, they were much smaller than they are today, both in size and in value.

Their increased values all were brought about by American management backed by American labor and American know-how.

Let's look at just a few of them—increase in value since 1942: General Aniline and Film Corp., from $35 million to $106 million. Schering Corp., from $1,300,000 to its sales price of $30 million. Spur Distributing Co., from $1 million to $3,300,000. Karl Lieberknecht, from $365,000 to $6,500,000.

These are just a few. The increased value of all the properties—this windfall, bonus, or what have you—is close to $200 million. Of all the giveaways this is the most flagrant and unjustified. You may wish to be a party to such an outrage, Mr. Chairman, but I hope you will excuse me.

Let us go to the next point.

It is the plan of the United States and its allies, solemnized by international agreements and treaties to not only keep this enemy property, but to try and make sure that it would never again fall into enemy hands.

In World War I, the then Custodian, after he had sold the German Bosch properties to citizens of our country, proudly announced that never again would this company fall into alien hands. Within a very few years, however, Robert Bosch, of Germany, had regained ownership of the corporation. The American purchasers had resold the firm to its original owners.

Came World War II, and Bosch property was again vested in our Alien Property Custodian. It was sold again in 1948, but this time in order to forestall a return to alien ownership, the certificate of incorporation was amended so as to restrict the ownership of the stock to American nationals.

The same thing was done when Schering Corp. was sold. This technique was applied in other sales.

Our Government believed that these companies should move into the American economy, and stay there.

That is one of the basic purposes of my bill, H. R. 80, to sell these companies into our economy. And they should be kept there.

All this leads me to my last point. One that involves the security of our Nation, and should be of paramount importance in your consideration.

Let us use but one example—General Aniline & Film Corp.

This is the major holding of our Alien Property Custodian, the largest single reparation we have, and the greatest I. G. Farben property taken from our former enemies by any allied custodian. This company has two of its principal plants in my district, as I have said, and consequently I am greatly interested in it, as well as the entire alien property problem.

This company has many secret processes that today are part of our defense effort. Some of them are so secret that it would be dangerous to even apply for a patent, and thereby risk exposure. It is working closely with our Government and the Department of Defense.

This property was vested from a Swiss corporation, now loud in its protestations of neutrality and innocence. The Department of Justice says that this Swiss claimant was and is a cloak for I. G. Farben of Germany.

The reluctance of the Swiss to come to issue and trial of this question, and they brought suit in 1947 for return of the property, would indicate there is more here than meets the eye.

Now we know the Germans are expert at cloaking or hiding their external assets. We learned that in two world wars. They want this company with its treasure trove of dollars and know-how—American-developed know-how and American dollar earnings.

Representatives of the Swiss cloak deny this, and have even testified they want to "Americanize" the company, that they will sell it to Americans, but only after it is first returned to them.

Now if this were true, all they would have to do is to stipulate with the Department of Justice so as to allow our Government to make the sale. The lawsuit would then continue for the money resulting from such a sale. This is just what my bill would allow.

The Department of Justice conducts these sales in public to the highest qualified bidder. It has done so for years, and the sales have been successful. In this way, the retention of this great corporation by American owners could be made certain.

But no—the Swiss cloak won't agree to this. They want General Aniline back in their hands and what they will do with it no one can be sure.

They, by this stand, obviously want more than money.

Mr. Chairman, this problem has beset the Congress for many years since World War II. It is saturated with cross currents of conflicting interests, pressures, influences, and lobbyists. It is time to have it settled with finality. Both Democratic and Republican administrations have endorsed the provisions of H. R. 80—it has no partisan conflict. I urge that you make possible prompt action by the Congress at this session by reporting favorably H. R. 80, or some bill of similar nature and purpose. Thank you for your attention and consideration of these views.

Sell Enemy Assets

EXTENSION OF REMARKS
OF
HON. W. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 8, 1956

Mr. COLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement filed by my colleague, Representative LEO W. O'BRIEN, before the House Interstate and Foreign Commerce Committee, April 30, 1956, in support of his bill, H. R. 3608, and similar bills which would allow the Attorney General to sell vested enemy assets seized during World War II:

Mr. Chairman and members of the committee, I, too, am very glad to have this opportunity to appear here today and say a few words in behalf of my bill, H. R. 3608, which is identical to that I introduced in the 83d Congress (H. R. 5896) and pertaining to the same subject, the Trading With the Enemy Act.

This resolution is also identical with that of my distinguished colleague, also from New York, Congressman COLE.

Like him, I have the sincere hope that this legislation will be acted upon by this committee.

I believe that our Government should be relieved of the very heavy burden, and duty, of operating the industries seized as reparations from our former enemies, Germany and Japan, during World War II.

If there is litigation involved, then let this matter be settled by our courts. I trust and believe in, and I am sure you do, too, our system of jurisprudence.

My colleague, Congressman COLE, has in detail explained the ramifications of the vested property subject. He has described the errors we made following World War I.

I say, let's not do that again.

In brief, I most sincerely subscribe to the remarks of Representative COLE for the good of this country.

I am more than generally acquainted with the subject before this committee. As you know, the most important and largest vested property—or single seizure involved here—is the General Aniline & Film Corp. One of its very main manufacturing operations, or plants—the oldest dye manufacturing plant in this country—is located in my district—the Albany, N. Y., area.

Our Government retains it as an I. G. Farben cartel holding—a former enemy possession located in the United States.

A Swiss corporation, known as I. G. Chemie but more generally referred to as Interhandel, has sued this Government for its return. This they have the right to do.

But as I understand it, they are close to losing this lawsuit in the American courts—after an 8-year fight. The suit was dismissed, and with prejudice, by the United States District Court for the District of Columbia unanimously. This was for failure to produce required documents on the court's order. However, and in spite of 8 years of litigation, the court gave the Swiss corporation another 6 months' grace in which to produce these documents to prove ownership. An appeal was made to the United States Supreme Court, which refused—unanimously—to hear the case. May I say here that time continues to drag on, and that the same documents, awaited for more than 8 years now, are still awaited.

Now, here is an interesting point which I would like to bring to the attention of this committee. The Swiss firm, I. G. Chemie or Interhandel, lays claim that under the laws of its country, Switzerland, it cannot obtain release of the necessary documents to conclusively establish ownership. Yet, on the other hand, they are the plaintiff seeking the protection of our courts.

Our Department of Justice will tell you, if you ask, that when its lawyers visited Switzerland under court order to inspect the documents claimed to be held by I. G. Chemie, or Interhandel, that the Swiss Government immediately seized these documents and has kept them under lock and key ever since.

Such an order was also given to the attorneys for I. G. Chemie or Interhandel here in the United States, and our Department of Justice opened its files to them.

I think this an important point for the consideration of this commmittee and one to bear in mind.

I also think that this incident tends to set the scene for what has been going on now for some time on this subject—the pressure for return for these properties—and as exemplified by Chancellor Adenauer's request for return of the properties just 2 years after he signed an agreement that the United States shall retain these vestings as our only reparations of World War II.

On another interesting point, the Swiss newspapers—comparable to our own daily

financial publications, have reported expenditures by I. G. Chemie, or Interhandel, of over $400,000 in 1954 and around $350,000 in 1955 for the lawsuit and attorney fees in the United States.

This, of course, is the action to gain return of the General Aniline & Film Corp. This is a little over $750,000 in only 2 years. This, mind you, is for only 2 years and the claimant, I. G. Chemie, or Interhandel, filed its suit against this Government around 8 years or so ago. I wonder how much their total bill is now, overall, in this particular case?

I cite these figures without any insinuations of wrongdoing in any way. They are large enough, however, to be given consideration by this commmittee.

I might add that the articles, appearing in the Swiss financial newspapers, were connected with complaints by stockholders of Interhandel. And complaints which inquired as to where these funds were spent. The articles I have read merely gave totals without a breakdown of expenditures.

May I leave these thoughts with you as I think they should be given consideration.

In conclusion, I believe that this problem should be disposed of as quickly as possible—for economical reasons to this Government, and I sincerely believe there is every fairness in my bill and/or that of Congressman COLE'S which will expedite this matter and still leave the door open to a legitimate and qualified claimant who is not a former enemy.

Thank you for the opportunity of appearing here today. I hope that you will consider my remarks as part of the record of this hearing.

We've Got To Attract and Keep the Men To Man Our Planes

EXTENSION OF REMARKS
OF
HON. PAUL B. DAGUE
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 8, 1956

Mr. DAGUE. Mr. Speaker, when Gen. Horace Wade spoke in behalf of his Strategic Air Command and emphasized the fact that we are spending "billions for equipment and peanuts for people," he put his finger on the glaring defect in the treatment we accord those who want to elect the armed services as a career but who, out of deference to the needs of their families and consideration for their own future, are forced to seek more lucrative employment in industry and the professions.

General Wade, in his appearance before the Senate subcommittee, was supporting his chief, General LeMay, and the substance of their joint recommendation was to the effect that an adequate program of incentives designed to encourage enlistments could actually save money while making possible a truly professional Air Force.

The average serviceman occupies in the minds of too many of us the role of "hero in war, zero in peace"; and while nothing is too great for the soldier or airman who mans our defenses when we are under attack, our treatment of him in peacetime is both illogical and senseless. We spend millions on a modern plane and then expect the man who pilots it to work for less than an ordinary mechanic's wages, even though he has to be a technician of the highest type. But the thing we sacrifice so readily that is above price is the esprit de corps without which no military service ever amounted to a hill of beans. I say, with all of the emphasis I can command, that the time is here when we must make military service so attractive economically that we will have no difficulty in recruiting and keeping on the job the cream of American manhood to protect us from those who would destroy us.

Disabled American Veterans Endorse Extension of GI Home Loan Guaranty Program and Principle of H. R. 10469

EXTENSION OF REMARKS
OF
HON. DANTE B. FASCELL
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 8, 1956

Mr. FASCELL. Mr. Speaker, extension of the GI home loan guaranty program must become reality in this session of Congress. It is now due to expire July 25, 1957.

This portion of the Serviceman's Readjustment Act of 1944 has not burdened the American taxpayer. It instead has been to a large degree self-supporting. It has enabled the World War II veteran to become an integral part of his community through becoming a homeowner. Owning our own home was a privilege that only a limited few Americans could take advantage of prior to the enactment of this act. Through the act's home-loan guaranty provisions millions of veterans—yes, millions—now can say that they, too, own a small part of these great United States.

I ask you, What better could we do than to offer and allow our veterans an opportunity to own their own plot of land and their own home?

Is it too much to ask that we give them nothing other than an opportunity to purchase a home by merely guaranteeing their loan? I am sure that there are none who would or could objectively object to the granting of this consideration to our veterans.

Some 11 million veterans have not yet used their entitlement. Others have used only a part and still have a portion of their benefit remaining. Many of these World War II veterans are just now reaching the age and stage of financial responsibility where they can profitably afford to become homeowners.

Should we now take away their opportunity to purchase a home under the terms of this act merely because they have not yet reached this state? I think not.

Instead, I believe we should extend this proven program now, in this session of Congress. Let us allow ample time for these other millions of veterans to adequately prepare themselves so that they, too, can join in owning their own small part of America.

A bill I introduced April 12, 1956, will accomplish this. It provides for a gradual termination of the program over a maximum period of 3 years from the present expiration date July 25, 1957, by allowing a 1-month extension for each 2 months of active World War II service. It goes one step further and provides all disabled World War II veterans with an extension of 3 full years.

Maj. Omer W. Clark, of the Disabled American Veterans, has written me a letter wherein he states that his organization would endorse any reasonable extension of the GI home loan guaranty program and that H. R. 10469 definitely falls in this category. The letter follows:

DISABLED AMERICAN VETERANS,
Washington, D. C.

Hon. DANTE B. FASCELL,
House of Representatives,
Washington, D. C.

DEAR MR. FASCELL: The provisions of H. R. 10469, the bill which you introduced to amend section 500 of the Servicemen's Readjustment Act of 1944 to provide an additional period for World War II veterans to obtain guaranteed loans have been considered together with the information contained in the reprints of the CONGRESSIONAL RECORD concerning your reasons for believing that this is desirable legislation. There has also been noted H. R. 10884, a bill introduced by Mr. MURRAY of Illinois, on the same general subject but somewhat different in its time provisions.

It is my opinion that the Disabled American Veterans is definitely desirous of seeing that otherwise eligible veterans are enabled to obtain guaranteed loans after the present deadline of July 25, 1957, and to that end should be recorded as favoring any reasonable proposed legislation seeking to extend the time limit. The bill you have introduced is definitely in this category.

Sincerely yours,

OMER W. CLARK,
Director of Legislation.

Woodrow Wilson Centennial Year

EXTENSION OF REMARKS
OF
HON. PETER FRELINGHUYSEN, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 8, 1956

Mr. FRELINGHUYSEN. Mr. Speaker, under leave to extend my remarks, I should like to include a proclamation of the President of the United States concerning the Woodrow Wilson centennial year:

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA—A PROCLAMATION

WOODROW WILSON CENTENNIAL YEAR

Whereas Woodrow Wilson, the 28th President of the United States, gave to this Nation and to the world a concept of peace based on justice and freedom and supported by the brotherhood of man; and

Whereas this scholar, educator, and statesman led the United States successfully through the ordeal of a devastating war, which was fought to preserve those high principles which this Nation cherishes; and

Whereas Woodrow Wilson's outstanding character, his devotion to his country's service, his efforts to strengthen the Government and to promote the public welfare, his dependence upon divine guidance, and his unfailing confidence in our system of free government and the ultimate wisdom of the

American people, are a lasting inspiration to the Nation; and

Whereas the year 1956 marks the 100th anniversary of the birth of Woodrow Wilson, and the Congress, by a joint resolution approved August 30, 1954 (68 Stat. 964), established the Woodrow Wilson Centennial Celebration Commission to develop plans for commemorating that event; and by a joint resolution approved April 27, 1956, has authorized and requested the President to issue a proclamation inviting the people of the United States to observe the anniversary with appropriate ceremonies.

Now, therefore, I, Dwight D. Eisenhower, President of the United States of America, do hereby call upon the people of the United States to observe the centennial of the birth of Woodrow Wilson; and I urge interested individuals and organizations, both private and governmental, to participate in appropriate ceremonies during 1956 designed to honor and commemorate his life, his ideals, and his concern for the freedom of peoples throughout the world.

In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

Done at the city of Washington this 27th day of April in the year of our Lord 1956, and of the independence of the United States of America the 180th.

[SEAL] DWIGHT D. EISENHOWER.

By the President:

JOHN FOSTER DULLES,
Secretary of State.

Dangers for the United States in the Middle East Crisis

EXTENSION OF REMARKS
OF

HON. JAMES P. RICHARDS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. RICHARDS. Mr. Speaker, under leave to extend my remarks, I include the following address delivered by the very able gentleman from Texas, the Honorable OMAR BURLESON, before the American Council for Judaism, Inc.:

DANGERS FOR THE UNITED STATES IN THE MIDDLE EAST CRISIS

(By Representative OMAR BURLESON before the American Council for Judaism, Inc., 12th annual conference, Chicago, Ill., April 28, 1956)

Mr. Chairman, distinguished guests, ladies and gentlemen, my fellow Americans, I am pleased, as I am highly honored, at the invitation you have extended me to be with you on this occasion.

It gives me satisfaction to be identified with such men in your organization as your president, Clarence L. Coleman, Jr.; the chairman of your board, Lessing J. Rosenwald; your executive vice president, Dr. Elmer Berger; and others.

As a citizen of this great country, I am encouraged by the work, the attitude, and the dedication to principle of the American Council for Judaism. As a United States legislator and a member of the Foreign Affairs Committee, I am, if anything, even more keenly aware of the fact that you perform a great work, a much-needed service. I think every man and woman of your group displays great courage in taking the position you do on so many questions of concern to all Americans. I know your task is not an easy one, but I am deeply impressed by the fact that you have willingly shouldered the grave responsibility of attempting to inform not only Americans of the Jewish faith but all Americans that no international movement of a political nature represents all the people of Jewish faith; that the national identification of people of Jewish faith is with their country of citizenship; and that Americans of Jewish faith are by no means unified behind a proposition which, according to certain well-known propaganda media, suggests American Jews need and want a homeland other than these United States with its equality for all who are its citizens.

One could easily conclude that when 17 organizations, commonly referred to as Jewish groups, meet in Washington for a common purpose, they represent all the Jews of this country. In fact, it would appear that the motivation of such meetings is to give the impression they do represent everybody and that the political pressures they apply have virtually universal support.

Not long ago, I was walking through the corridors of the Capitol of the United States with your Dr. Berger. We encountered a fellow Congressman of mine. I performed introductions and explained that Dr. Berger was connected with, and devoting his time to, the American Council for Judaism. "Oh, yes," my colleague responded, "I have had a considerable amount of literature on the subject of Israel." He, of course, had no idea what organization it was that had sent him literature on the subject of Israel, but Dr. Berger and I were reasonably sure it was not the American Council for Judaism.

This, however, is how it is with a great many people with whom I come in contact. Pressure groups are certainly not new in Washington. But pressure from so many different sources concentrated in one spot, in the manner of the Zionists, amounts to a tremendously powerful force.

That is one of the reasons why it is encouraging and inspiring to me to know of a group of Americans who will take a stand against this force in the face of tremendous opposition and unpopularity. It is something in Washington to see a pressure group pressurized. That, it seems to me, is just what your organization had the courage to do when it contacted the Secretary of State to advise him that the 17 so-called Jewish organizations united to press for arms to Israel did not represent the views of all Americans of Jewish faith.

I wonder how many of you realize the total impact of the work you are doing. Of course, you know your purpose is to inform the public generally that you do not subscribe to the idea of Jewish nationalism. But I can testify that you do far more than this. By the stand you have taken, you give courage to those of us in political life who are sensitive to the enormous pressures which are put upon us virtually every day in the year.

The sad and bitter truth of the matter is that objectivity—a desire to keep an open mind on certain problems—runs the grave risk of being denounced as anti-Semitism. There is always the possibility of this devastating accusation being made when any of us in public office dare raise our voice against the methods of the Zionists of this country, or when we happen to disagree with any expression of the views of those who are dedicated to putting the power and influence of the United States at the disposal of, and for the furtherance of, the national aspirations of the Zionist State of Israel.

My subject this evening is Dangers for the United States in the Middle East Crisis. Certainly I do not represent myself as being an expert on this subject. There are those present who could better lay claim to such a qualification.

The claim I make for myself is objectivity. I can further assure you that I feel free of emotion in discussing these issues which are obviously loaded with emotionalism.

It seems obvious to me that before we can begin to understand the nature of the crisis which the United States faces in this most strategic area of the world, we must go back a little to the history of the problem which lies at the root of the trouble.

The Middle East, for a long time the world's forgotten child, has come alive—almost too much alive. The nationalism of the long-dormant Arab world is engaged in a bitter conflict with the nationalism of the State of Israel.

Arab nationalism and the consciousness of the necessity for social reform are mingled with a deep suspicion of the West which has a long history of colonialism in the area. Not unrelated to this suspicion and no little part of the antagonism to Israel is the historical fact that the Zionist experiment in Palestine—under the Balfour Declaration—entered the area as part of the colonial controls imposed at the end of World War I.

The Middle East, as you know, is of vitally strategic importance—oil and millions of people now stirring in a variety of emergent national revolutions make it so. Admiral Radford, Chairman of the Joint Chiefs of Staff, recently told a congressional committee; and here I quote:

"The importance of the Middle East to the free world can hardly be overestimated militarily and economically. First, its huge oil reserves now supply most of the wants of Europe, and their loss would be disastrous. Second, its geographic location is astride the lines of communication between West and East; and, third, it is only in this area that the Soviets have no buffer states."

In the Middle East lie the largest oil resources in the world—75 percent of the known reserves available to the free world. From the strategic United States airbase at Dhahran in Saudi Arabia, which figured so prominently in recent headlines, the Baku oilfields and other important industrial centers in the Communist world are easy targets.

The peacetime economy of Western Europe and of our allies there is dependent upon oil. And suppose, despite all of our efforts to wage peace, we should fail and find ourselves involved in a war with the Soviet Union. The problem of tankerage for oil which would be needed by our allies would be greatly increased if Middle East supply centers are lost, even assuming without argument that the supplies could be produced from our own sources. Furthermore, should the Soviet Union obtain access to the oil concessions of the Middle East now controlled by our allies, such acquisition might eliminate from the inscrutable calculation of the Kremlin one possible deterrent to war. Such a deterrent may now exist in the form of insufficient petroleum supplies under the control of the Soviet Union.

This Middle East area is important not only in itself, but because of the intimate ties of the people to struggling Arab nationalists in north Africa, to the west, and to the newly created Asian nations to the east. What is of moment in Cairo soon reverberates from Marrakech, in Morocco, to Bandung, in Indonesia.

The significance of the whole bloc of nations was dramatically illustrated at Bandung only about a year ago. If any of us are concerned with the welfare of our country for the future—in our own lifetime or certainly that of our children—we must find the ways to help these vast numbers of people to understand their aspirations and assist in the realization of their legitimate hopes.

It solves none of these problems for us to know that the United States has perhaps inherited more than it has created, of these annoyances and suspicions. There is little room in statesmanship for such rationalizing. The task of statesmanship is to obtain the facts, to face them and to construct the road of peace upon them.

In 1917 a hard-pressed British Government issued the Balfour Declaration as a war measure in the struggle against the Central Powers. The Balfour Declaration was a grant to establish—not a political state—but a Jewish homeland in Palestine for religious-minded Jews and refugees. And this grant was conditional: for included in the 67 words of the ambiguous declaration was the safeguarding clause which specifically protected the rights of the existing Arab communities.

Also included in the declaration was a general prohibition against anything being done by the Zionists "which may prejudice * * * the rights and political status enjoyed by Jews in any other country."

As we look back on the cumulative results of the history of Palestine, from the days of the declaration until now, it seems accurate to say that while Zionism exploited to the full the affirmations relating to the ambiguous entity designated as a national home, no one did anything effective about implementing either of the qualifying conditions.

At that time the Arabs constituted approximately nine-tenths of Palestine's population with the Jewish population in the Holy Land less than 50,000 at the turn of the century. The British hastened to assure the Arabs, who were rebelling against their Ottoman overseers, that they had no intent to subjugate the Arabs to Zionist rule.

Here I think it is important, for an understanding of the present impasse, to understand that this question of immigration was always the principal bone of contention.

Zionists were more or less satisfied with the yardstick of economic absorptive capacity. With this as the motivation, they appealed to the Jews of the world to supply money to build a Zionist economy in Palestine which might support increasing numbers of Jewish immigrants. At the same time, they opposed as contrary to the Balfour Declaration and the later mandate, every effort to establish self-government in Palestine, while there was still an Arab majority in the country.

Clearly, therefore, what the Zionists wanted and what was the substance of their long-range strategy was always a state in Palestine which they would control. While they were a minority in the country they demanded the right of complete sovereignty in the all-important question of immigration which would eventually determine the political character of the country. For all practical purposes, they succeeded in exercising this right.

Furthermore, and this is important both as history and in terms of understanding the present conflict, although the Zionists of Palestine could not accomplish this purpose alone, they were able to do so by reason of the political mechanism they operated, first in Britain and later in the United States.

In this process, the rights of the Arab population of Palestine were slowly whittled away. And, if I may say so, the increasing dependence of the Zionists in Palestine upon Jews outside for both political and economic support certainly blurred the qualification of the Balfour Declaration, which was intended as a safeguard against the involvement of non-Palestinian Jews in the political destiny of the Palestinian-Zionist undertaking. I suspect that it was precisely this increasing involvement of American Jews in a Zionist quasi-government in Palestine which brought about the creation of the American Council for Judaism.

This long-range strategy of Zionism, of course, became apparent only with the passing of time. The years between 1919–20 and 1947 were characterized by a three-way conflict. This was among official Zionism, which never lost sight of the political strategy of immigration, however much less official followers looked upon immigration as humanitarian; Arab nationalists who saw the ultimate outcome of such a policy; and the British Government, charged under the mandate with assisting the people of the country to reach an eventual condition of self-government.

Something like halfway through this three-way struggle, Hitler's rise to power confronted the world with as revolting and atavistic a chapter of savagery and brutality as any historic period has ever seen. And when the Hitler madness grew to the proportions of a threat to the whole civilized world, the specter of another global war confronted mankind. So another impasse was added to the long-festering Palestine problem. For in the very face of the need of refuge for as many of Europe's Jews as could be saved, there arose a complicating factor—the necessity for the West to have a friendly—or at least a nonantagonistic—hinterland of people in the Middle East.

British efforts to find a way out of this dilemma produced the campaigns of illegal Zionist immigration and subsequent violence for Palestine.

By the spring of 1947, the British had decided to give up the ghost and place the Palestine controversy before the United Nations. A special session of the General Assembly was convened, an investigating committee was sent to the troubled area, and 7 months later the international organization recommended the partition of Palestine. The bitter struggle for votes at Lake Success was featured by unparalleled pressures.

During the following spring, the United States reconsidered the partition plan. Reports of the National Security Council and the Central Intelligence Agency warned that the Palestine turmoil resulting from the actions of the United Nations acutely endangered the security of the United States. A trusteeship for Palestine became the new policy. While the United Nations debate was in progress, on May 15, 1948, the Zionists succeeded in setting up an independent state in Palestine, in territory which had been occupied for over 1,300 years by Arabs and which had not been Jewish for 2,000 years. Since that day, the Middle East struggle between the Arab and the Israeli has continued unabated.

Partition would never have won had it not been for the human factor. With the end of World War II, the plight of the displaced persons was pitiable. It was simple for the outside world, for humanitarian-minded Christians and Jews alike, to embrace a solution which seemed to solve two pressing problems at the same time—that of the refugees and that of the form of government Palestine was to assume. This is why so many Americans espoused the Zionist cause and favored the establishment of Israel.

Sympathy for the plight of the displaced persons was an emotion which we shall certainly never have cause to regret. But the support we gave to the Zionist plan for solving this problem by creating a Zionist state in Palestine has cost us dearly. It seriously undermined for our country the priceless high prestige we had always enjoyed in the Middle East among the people there because, unlike the British, the French, and the Spanish, we had never been a colonizing power. Our educators and missionaries had given to these people an example of selfless devotion to their welfare; an example of democracy at its best.

Tragically, this inestimable heritage of good will built up over the years was transformed, in a few moments, relatively speaking, by our well-meaning but ill-advised attempt to make it up to the Jews of Europe through aid to the Zionists in the Middle East.

What we achieved instead, in the Middle East, was to antagonize and embitter some 40 million people—an important part of the vast numbers of underdeveloped peoples whose friendship and support are really the big stakes in the East-West struggle. For if we, together with our allies in Western Europe, cannot persuade these underdeveloped peoples of the sincerity and integrity of our way of life, we—and our Western European allies—will some day be surrounded by great, heavily populated, rich-in-natural-resources areas of the world filled with suspicion and antagonism.

And, as we have come to expect, this embitterment to which we contributed in the Arab world was not missed by the Kremlin.

Disillusioned with the United States and the West, the Arabs were ripe for Russian advances. The more partial we became to the Zionists and the Israelis, the more the Arabs found themselves turning to the Soviets.

We, as Americans, make a great mistake—or perhaps I should say we are in danger of compounding our past errors—if we look upon this Soviet advance as an occasion for us to choose between Israel or the Arab States. This would suggest we must abandon one or the other.

In my humble opinion, the only American way to look at the present situation is against the background of this historical development of the problem which I have recited here in an extremely abridged form. What has taken place is that, for the first time in about two decades, the Arab States think they have a great power on their side. We know this great power is only another—and more vicious—form of colonialism. But our knowledge of this fact is not enough to save the Arab world for us. We fear Soviet advances will not stop at simple, commercial deals as the Arabs believe they will. But our knowledge of this fact, too, is not enough to prevent the subversion of the area.

If, as even the President of the United States has said, the Middle East is of great strategic importance to us, our national responsibility calls for positive action and avoidance of further negative irritants. Only in this way do we stand a chance of seizing away from the Soviets what now appears to be the initiative they have captured in the area.

It should be obvious to even the most partisan supporters of Israel that if the entire Arab world should go Communist, one casualty of such a catastrophe would be Israel itself.

Paradoxically, had we been less partial to Israel in the past, Israel, as well as the rest of the free world, might today be much more secure.

I am appalled when I reflect upon the difficulty of the problems we must face if we are to avert the most tragic consequences in the Middle East. For this task we shall need every ounce of our insight, our finest diplomatic skill, and a kind of transcendental integrity. Above all, we shall need to present to the world a nation united behind a policy motivated by the most unselfish, the most humane, the most impartial of motives. Unless we can so present ourselves, especially to the protagonists in the conflict, our efforts are doomed from the start.

It is for this reason, I am sure, that the Secretary of State, John Foster Dulles, said what he did to the Senate Foreign Relations Committee last February. You will recall that he repeated an earlier statement expressing the hope that the Arab-Israeli dispute be kept out of the presidential election campaign this year. The position of the Secretary of State is one with which I find myself in the most heartfelt agreement.

It seems to me that so long as the question of United States policy for the Middle East continues to be a political football on the

domestic scene we shall never arrive at any solution in the national interest. In this problem, as in all our problems of foreign policy, we must stick closely to the basic principle that differences among us cease at the water's edge. It is time for all candidates for public office in the United States—Republicans and Democrats alike—who have viewed this controversy as a convenient means of bartering for votes to realize that we have been callously playing politics with American national security.

When our first Secretary of Defense, James Forrestal, tried to get the Nation's two political parties to agree not to press the Middle East issue, he was met by rebuff and scorn. Mr. Forrestal was told that the Democratic Party would be bound to lose the advantage in certain States. His answer, as revealed in his diaries, was "It is about time that somebody should pay some consideration to whether we might not lose the United States." That retort of Mr. Forrestal's is more applicable today than ever.

Those of us who sincerely desire to demonstrate our friendship for the small State of Israel certainly will be yielding no ground if we ask that as the Middle East is debated, as it may be in election campaigns where our whole foreign policy is a legitimate subject for debate on a high level, the debate be on the issues of broad American interests in the whole area. It seems to me proper to ask any groups of Americans to assist in maintaining the debate on such a high level by avoiding the kind of partisan pressure tactics which led even so strong a friend of Zionism as Mr. Truman to complain. I think to suggest such standards for the debate is not to impugn the rights of any Americans. For our rights entail also responsibilities. And one responsibility of any American who petitions his Government is to be sure he is doing so as a free, sovereign, American citizen.

What I mean to say, above all, is that delicate negotiations which might lead to a just and equitable settlement of the complex problem in the Middle East can never be conducted against a background of bartering for a Jewish vote which I do not believe exists; the implied acceptance of which I believe to be a slander upon the integrity and the desire of Americans of Jewish faith to be part and parcel of the American people.

Among the many extremely useful things your organization has done, to my mind, have been your vigorous and repeated assertions that there is no such things as a Jewish vote presumably committed uncritically to the advancement of the foreign State of Israel. It seems to me to be self-evident that Americans who happen to profess the religion of Judaism, do not behave any differently in the voting booth than do Americans who happen to be Baptists or those who happen to be Methodists, Catholics, or Latter Day Saints.

I hope your organization continues to make it clear, particularly in this most important election campaign in which we are all about to become engaged, that anyone who says American Jews vote as a bloc to favor Israel slanders Jews, complicates an already highly complex problem for the United States Government and actually does Israel more harm than good.

Prof. William Ernest Hocking, of Harvard, in a letter to the New York Herald Tribune on March 4 wrote; and here I quote:

"We are again at a time when presidential issues are in the air, and when, as our political life has been running, it is prudent for any candidate or potential candidate to 'speak comfortably to Jerusalem.' I raise the question: What would happen if some presidential possibility were to speak uncomfortably to the present-day Jerusalem, in the interests of the honor and independence of the American voter?

"If it were suggested that votes might be lost, I ask, whose votes? They could be none but those prepared to put the interest of a foreign state prior to the interest of this country and of mankind. But can any candidate afford to lose them?

"I am looking for the man who will state this disgraceful situation clearly to the American people and publicly renounce any such vote."

I make no pretense to being the man for whom Professor Hocking is looking. But here and now I am prepared to say, as soberly as I know how, that I am one of what I fervently hope will be an increasing number who may seek to qualify.

My interest in this particular aspect of United States foreign policy is not new. About 2 years ago while witnesses from the Department of State were testifying on the foreign-aid program before the House Foreign Affairs Committee, they were questioned about the millions of dollars from the United States, contributed by American citizens in the form of bond sales and through the United Jewish Appeal to the Israeli Government.

Mr. Arthur Z. Gardiner, then politico-economic advisor to the State Department's Bureau of Near Eastern, South Asian, and African Affairs, said of these contributions, and I quote:

"Now these contributions, of course, are deductible for purposes of tax computation and they certainly have a bearing on our income-tax structure. How to evaluate or appraise that, I do not know."

A little later, Mr. Norman S. Paul, who was the State Department's Middle East regional director, made an extremely interesting statement. Here I quote him:

"The funds they have received through the United Jewish Appeal, just as the funds they received through these bond drives, have made up the pool from which they meet their defense as well as other requirements. * * * We can trace our funds definitely into projects and determine the commodities, but I don't think you could take the United Jewish Appeal contributions and do the same thing."

At this point, I said that if funds collected by the United Jewish Appeal were used for defense and for general economic development of Israel, they should definitely be taken into account in arriving at the question of what Israel needed from us. I said—and here I quote myself:

"When the dollars in the barrel are stirred you can't identify each, but nevertheless, those exempt contributions, as are the reparations payments, become available for any use. Why should this committee not take into consideration all these other contributions when we are considering grants-in-aid on that basis?"

I think of these questions our committee discussed 2 years ago when I notice that the increased armaments in the hands of Egypt are now being used as a sales-argument to raise a greatly increased quota this year for the United Jewish Appeal. I wonder about the logic, for the United States, in such a situation. One of the reasons Egypt turned to Czechoslovakia for arms was that the dollar cost of American arms to the Egyptians was too high. Egypt needed those arms to meet what, with concern for its own national security, it believed to be a rising threat from Israel following the Gaza attack of February 1955. Yet we in the United States help make it possible for Israel to purchase arms with dollars imported through the United Jewish Appeal but not segregated for strictly charitable purposes.

Soberly, earnestly, I ask those who direct and support such policies if they are of real, unqualified assistance to the United States at a time when our Nation's interests are gravely imperiled in the Middle East.

I am not making any accusations. I have little evidence of the extent—if any—to which the American taxpayer is without his knowledge or consent underwriting either the military power of the State of Israel or the pressure politics of the Zionist movement in the United States. I would hope, for the sake of our country and for all our citizens, that it is possible for someone to secure a detailed, fully audited breakdown, to the last dollar, of the ultimate disposition of the vast sums of money collected every year in this country in the name of philanthropy and which, to the extent that they are deductible from income tax, are subsidized by the American taxpayer.

It may be that such an accounting is available. If it is, I have not seen it. I raise the question only to point out that publication of such an accounting is perhaps long overdue. I raise it in the fervent wish that my suspicions may be proved to be unfounded. I raise it in all sincerity, hoping at the same time that I may be forced to apologize for giving rise to fears which may have no foundation.

I raise the question now, as I did in 1954, because of its very grave bearing upon our chances for reaching a settlement of the crisis in the Middle East. One of the factors which adds enormously to the difficulties we face in this area is the conviction, shared by many of the Arab States, that the United States Government is hopelessly subservient to Zionist pressures. One of the strongest indications, to the Arabs, that this is the case, is the fact that apparently no official of the United States Government dares to raise this kind of question in connection with what happens to the vast sums of money raised in this country and made available to the Israeli Government.

Once this, and perhaps certain other questions are clarified, it seems to me that American public opinion should certainly be willing to support a compromise settlement for the Middle East—a settlement which would be in the interests of American security; a settlement which would do justice to the Arabs, and a settlement which would not drive the Israelis into the sea—a widely held fear.

Such a settlement must accord justice to both sides. There are 900,000 Arab refugees who have become the innocent victims of the creation of the State of Israel. Both sides must be induced to make concessions which will help settle this problem. If Israel will offer to repatriate Arab refugees, that is, to let them have their land back or else compensate them for their losses, much of the Arab grievance would be dissipated. Many of the Arabs will not wish to return, but will prefer compensation. This refugee problem lies at the heart of the conflict.

Let us remember that just concessions at this time can avoid disaster. The alternative is that either the Israelis attack and conquer the Arabs or the Arabs attack and conquer them. In neither case is it likely that Israel can win. Should they initially conquer the Arabs, the task confronting 1,700,000 people of keeping under subjugation 40 million Arabs will prove an impossible one. Moslems of the surrounding countries will inevitably become involved. The floodgates to communism will be opened by the Arabs as they struggle to free themselves from any temporary rule under the Israelis. Can the West afford to permit this to happen? On the other hand, it becomes very difficult to see what the West can do if the Arabs become strong enough to attempt to throw Israel into the sea and if there is built into such strength increasing bitterness and hostility. For it is a certainty that the United States, either together with the West or alone, cannot engage the whole Moslem world in conflict in Israel's behalf. Nor can the United States alone, or with its allies, long avoid a decision to help the Moslem world in its emergent renaissance from North Africa to Indonesia.

In the vast expanse of territory and peoples, Israel must be seen in its proper perspective; and, in the long pull of history, if Israel is to endure it will be a service to it if American Jews do not encourage it, either directly or through pressure on their own Government, to hold an exaggerated opinion of its place in the context of world politics.

Unless one believes in some kind of pan-Israelism, or in some new version of the "white man's burden" in the form of an Israel destined to dominate the Middle East, I think nothing I have said can be construed as anti-Israel. Moreover, because I think I know something of the history of the problem, I am sympathetic to the reason why the Israelis hold an exaggerated opinion of their role in history. For too long the West—unmindful of consequences—yielded to almost every whim of Israel's Zionist progenitors.

But there comes a time, and nearly a decade in the life of a nation may not be too soon, when a sovereign nation demonstrates its maturity by seeing itself in its true proportions and in the perspective of the world's insistent desire for peace. One certain contribution Israel could make today to the peace of the world is to renounce its Zionist internationale; to bestow neither favors upon, nor require obligations of, people who are not its citizens; to turn its national face and energies, which are great, to the Middle East; to act the mature part which it claims for itself in its own comparisons of its sovereignty with the Arab world and, with a generosity commensurate with the favoritism it has enjoyed in the past, actively seek a peace with its Middle East neighbors. This, more than its propaganda, would demonstrate its dedication to western hopes for peace. In this way Israel might repay some of its debt to the West and, not the least, to Jewish citizens of the western nations, who for a complexity of reasons have showered on Israel and its Zionist antecedents innumerable blessings.

The role of impartiality for which the Department of State has pleaded is motivated by a desire to keep the Communists out of the area. In any arms race between the United States and Russia, the 40 million Arabs can more quickly absorb Russian weapons, incremented by the large obsolete quantities possessed by the Kremlin, than can the West supply Israel with arms. Israel's future then lies in making such concessions as will buy them what they most need to survive, namely, peace.

Will this problem ever be finally and completely solved? As Americans, we are accustomed to attacking problems head-on and fighting our way through to a complete and total solution. In my native State of Texas, for instance, the problems with which we deal seem to fall pretty largely in the area of combating the ravages of nature. We have to contend with drought, with excessive rains, with tornadoes, and floods. In all these cases, catastrophic though they may be, there is at least the satisfaction of knowing on which side we are.

In the political field, however, and most typically, it seems to me, in connection with the problems we have to face in the Middle East, we are dealing with issues which are not nearly as clear-cut and where, instead of there being a black-and-white contrast between good and evil, we have a situation in which there are shades of gray over virtually everything.

I have the feeling that the situation in the Middle East is in many ways comparable to that which prevailed there during the Middle Ages and earlier when the conflict, instead of taking place between Arab and Zionist nationalism was between two different groups, each of which referred to the other as infidels. Moslems and Christians for many generations in that area engaged in bloody battles with each other until somehow, with neither side ever being completely victorious, a kind of modus vivendi came to exist between them. The Christians and the Moslems never really made a formal peace with each other. I am sure that they still think of each other (privately) as infidels. Nevertheless, with the passing of time, they did learn to live with each other. The conflict between them, although never really resolved, did manage, by the very fact that it continued for so long, to ameliorate itself.

I am an optimist about the Middle East. However, I am not so much of an optimist as to believe that we are going to find a just, a permanent, and a peaceful solution which will satisfy everyone within the very near future.

Perhaps, in the present situation, we should lower our sights a bit. I believe if we accept the probability that the best we can hope to achieve for some time is a gradual amelioration of the intense emotionalism and bitterness which have characterized both sides to this controversy, we shall have come a long way.

In the long run, at any rate, it may be that this realistic view will help prevent the situation in the Middle East from deteriorating to the one irrevocable disaster of all-out war. Such a war could benefit no one except the power-hungry masters of the Soviet Union.

Perhaps our immediate objective, therefore, should simply be, not a final peace, but the continued absence of war. If both parties to the controversy continue to live as neighbors, if not at peace then at least not actually engaged in physical combat, the very passing of time itself may tend to dull the edge of the hatred which now divides them.

With the passing of time and the lessening of the hatred—and everything which we, as Americans of good will, can do to encourage the lessening of that hatred—the day of a final, lasting, and peaceful solution may not be as far off as it sometimes may seem.

I wish for the American Council for Judaism continued success in offsetting spurious claims to real authority over American Jews advanced by individuals or groups precommitted to linking American power and prestige in the area only to Israel.

United Mine Workers of America Express Opposition to the Passage of H. R. 5550

EXTENSION OF REMARKS

OF

HON. JOHN P. SAYLOR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. SAYLOR. Mr. Speaker, on April 26, 1956, the gentleman from Pennsylvania [Mr. EBERHARTER], placed a statement in the CONGRESSIONAL RECORD entitled "The Coal Industry and H. R. 5550." Among other things, this article included the following paragraph, and I quote:

Although representatives of the coal industry were opposed last year to the enactment of H. R. 1, the 3-year extension of the Reciprocal Trade Agreements Act, no spokesman either from the management or labor side of the coal industry came before the Ways and Means Committee to oppose enactment of this bill. This shows that even though the representatives of the coal industry were opposed to further reduction of tariffs, that they recognized that H. R. 5550 will not lower tariffs by one iota, but would on the contrary, help to get the greatest benefits for American export trade from foreign countries.

Mr. Speaker, I do not know about our colleague's mail, but I am thoroughly familiar with mine. On March 6, 1956, I received a letter from the United Mine Workers of America reiterating their opposition to the Reciprocal Trade Agreements Act and their vigorous opposition to the passage of H. R. 5550. Included with that letter was an attachment which further explained their opposition to this bill. As part of my remarks, I include both communications:

MARCH 5, 1956.

The Honorable JOHN P. SAYLOR,
House Office Building,
Washington, D. C.

MY DEAR CONGRESSMAN: For many years the United Mine Workers of America has opposed the Reciprocal Trade Agreements Act. We have opposed it because there is nothing reciprocal about it. It is used by the State Department without regard for the best interests of American business and labor, which must meet low-wage foreign competition.

H. R. 5550, a bill now in the Ways and Means Committee, sets up a rulemaking body which would legalize the rules and laws which up to now have been made illegally by the so-called General Agreement on Tariffs and Trade.

Each year the opposition to the Reciprocal Trade Agreements Act grows stronger. We are confident the day will come when the plight of American industry will force Congress to rewrite this legislation. As long as the Congress maintains full power to regulate commerce and to levy and collect duties on imports, we must accept its decisions. But we bitterly oppose the usurpation of these powers by GATT and the legal recognition of its stepchild, the Organization for Trade Cooperation.

We respectfully ask each Member of Congress from the coal-mining States to oppose the passage of H. R. 5550.

Sincerely yours,

ROBERT E. HOWE,
Director, Labor's Non-Partisan League.

ORGANIZATION FOR TRADE COOPERATION, H. R. 5550

The OTC, or Organization for Trade Cooperation, would be a specialized agency of the United Nations dedicated to the administration of the General Agreement on Tariffs and Trade, or GATT. This is the new international trade organization that Congress is now being asked to approve. The bill is H. R. 5550 and is now before the Ways and Means Committee of the House. The new OTC represents an effort to unload GATT on the United States in a form that will make it permanent.

The so-called Reciprocal Trade Agreement, of which OTC is a part, is now 21 years old. The United Mine Workers of America has opposed the Reciprocal Trades Act since its inception.

OTC has been advertised as calling for no supranational power, yet that is exactly what it would have in practice and in fact—and that is also exactly what the State Department wants it to have. Otherwise the Department would not be interested in it. Since the OTC would have an assembly, which means a law or rule-making body, passage of H. R. 5550 would make legal the rules and laws which up to now have been made illegally by the so-called General Agreement on Tariffs and Trade.

Our Constitution conferred upon Congress in unmistakable black and white the power to regulate foreign commerce and to lay and collect duties on imports. Congress has legislated repeatedly since 1951, when the escape-clause amendment to the Trade

Agreements Extension Act of that year was adopted. Congress has made its will known repeatedly in legislation, in many amendments to that escape clause, to make sure that all American producers faced with hurtful import competition have a reasonable remedy.

This legislation has been rendered impotent by the stubborn opposition of the State Department—a Department that seems to find it hard to believe that American producers are entitled to the most elementary considerations of fair treatment.

For years the United Mine Workers of America has advocated and supported legislation to provide quota limitations on foreign imports. Now we are told that Congress cannot legislate quotas or provide the mechanism for their imposition by an administrative agency without violating the letter and spirit of the General Agreement on Tariffs and Trade.

By just what pattern of reasoning the State Department could arrive at the notion that they could properly bind Congress against any particular type of legislation on quotas, or anything else, has not yet been explained. These powers have been, in effect, usurped by GATT and because of ignorance and indifference on the part of the Congress, they have succeeded in getting away with murder. Now they are attempting to make the past actions of GATT legitimate by having Congress pass H. R. 5550 which sets up the Organization for Trade Cooperation.

By defeating H. R. 5550 Congress would recapture its constitutional authority and responsibility and once more labor and business, the producers of this country, would regain their lost voices in the determination and direction of trade policies that are of the greatest importance.

Mr. Speaker, I know that the above letter and attachment were mailed to every Representative from districts where coal is mined and that a copy of same was read into the record of the hearings on H. R. 5550 by Representative CLEVELAND BAILEY.

I am also informed that coal-industry representatives support the same position as taken by the United Mine Workers of America.

Edward V. Gronet, Polish-American Leader

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. ANFUSO. Mr. Speaker, Polish-American professional and businessmen of the metropolitan area—Greenpoint, Brooklyn—honored Edward V. Gronet with a testimonial dinner-banquet, Sunday, April 15, 1956, in Brooklyn, N. Y. The event marked the 10th anniversary of Eddie Gronet as a polka disc jockey of Polish-American radio program Polka Time from station WWRL, Woodside, N. Y. He was the first to introduce a Polish-American TV program, WATV Polka Party, on channel 13, Newark, N. J., which covers four States: New York, New Jersey, Connecticut, and Pennsylvania.

The entire program for the testimonial dinner-banquet was prepared and arranged by the following Polish-American professional and business men: Chairman, Vincent Brunhard, president of the Ampol Baking Co.; vice chairman, Matthew Widlicki, vice president and treasurer of the D. & Z. Bottling Co.; Martin Weglicki, president of the White Eagle Market; treasurer, John Bucko, of the Bucko Jewelers; secretary, Ted Maksymowicz, of radio station WEVD; journal committee, Paul Pucilowski, of the Powers Furniture Co.; financial secretary, Mrs. Kashimira Garrison, of the Garrison Beauty Salon; ticket committee, Edward Zielenieski, of Martin's Shoe Store; and the reception committee, Al Bartosiewicz, of Newell Fuel Co., Hal Korman, and Dick Martin, WWRL–WATV.

As known to many friends and in the professional field, Eddie Gronet is a man of many accomplishments. In addition to his radio and TV programs, Eddie has one of the outstanding dance and recording orchestras in this area. The voice of Eddie Gronet is known to hundreds of thousands, if not millions, of Americans of Polish and non-Polish descent through his radio, TV programs, orchestra, and records.

Eddie Gronet received his education at the Sts. Cyril and Methodius Roman Catholic Parochial School, Bishop Loughlin Memorial High School, and Manhattan College—majoring in music and accounting.

During World War II he served in the United States Armed Forces with distinction for 4 years. Upon completion of his basic training, he was assigned to a tank destroyer unit and later transferred to the finance department at Camp Hood, Tex., where he was promoted to private first-class. Two months later he was promoted to staff sergeant and headed the enlisted personnel and officers day section. Third promotion in succession within 1 year raised him to the rank of warrant officer, junior grade, in the 8th Army Corps, Dallas, Tex. Later he was assigned to the 66th Infantry Division as an administration officer and was shipped overseas in 1944, where he served in England, Germany, France, and with the occupied forces in Vienna, Austria. While in Vienna, Gornet served in the Four Power Secretariat Office as chief clerk under Gen. Mark Clark. He was honorably discharged in May 1946 as chief warrant officer.

After returning from his tour of duty, Gronet resumed his radio and musical career. For the past 10 years he conducted, produced, and is the director of Polish programs at radio station WWRL, Woodside, Long Island, N. Y., and as such participated in many community drives for American Red Cross, heart fund, TB health fund, March of Dimes, Greenpoint Central Polish National Alliance of Brooklyn camp fund, and numerous Catholic and social charities.

Eddie Gronet has one of the outstanding dance and dance-recording orchestras in the New York-New Jersey metropolitan area, often appearing at Roseland Ballroom on Broadway. He is a recording artist, having performed for Columbia Records and currently under contract with Coral Records. He is also an instructor at the Harmony Music School.

In 1950 he was awarded a plaque for being chosen the favorite polka band in a contest sponsored by Melody Girls, affiliated with the Polish Singers Alliance of America, and in 1953 was awarded a plaque by St. Adalbert Alumni Association, of Bronx, N. Y., as the most popular polka disc jockey. He was also a winner of first prize in a band contest sponsored by Loew's Meserole Theater in 1944. Last September 1955 Eddie Gronet's WATV Polka Party was awarded the first prize blue ribbon by the New Jersey State County Fair held in Trenton, N. J., for the outstanding TV program of its type.

Besides his music and radio work, Gronet is very active in numerous church, social, fraternal, and community organizations. He served a brief term as president of the Polish-American Democratic Club of the 15th Assembly District in Brooklyn, during which term he was a candidate for the assembly; vice commander of George Washington Post, No. 3, Polish Legion of American Veterans—PLAV; secretary of the White Eagle Democratic Club; a director of downstate New York division, Polish American Congress, member of Musicians' Union, Local 802, A. F. of M.; member of the American Radio and Television Artists—AFTRA; Greenpoint Lions Club; Victory Club; Kosciusko Foundation; General Pulaski Memorial Committee trustee; Polish National Alliance; Sons of Poland; Holy Name Society; and Knights of Columbus.

Eddie Gronet is a true, a sincere, and a devout Polish and an American patriot, always willing to devote his time, energy, and services toward freedom and democracy. He serves and represents the Polish people of his and other communities well in all respects, and the Polish people are always very proud of him. Eddie, through his untiring efforts, continues to promote Polish culture in all fields among Americans. Eddie Gronet is considered one of the outstanding Polish-American leaders in the New York metropolitan area.

Keep Your Guard Up

EXTENSION OF REMARKS

OF

HON. ERRETT P. SCRIVNER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. SCRIVNER. Mr. Speaker, on Saturday, May 5, 1956, in my home town of Kansas City, Kans., a million-dollar National Guard armory was dedicated.

It was my honor and privilege, not only as a Member of the United States House of Representatives, and a member of the Defense Subcommittee of the House Appropriations Committee, but also as a former National Guard man for many years, to be selected to deliver the address of dedication.

That address follows:

I am happy to be home—home in a city whose citizens, not looking with outstretched hands to Uncle Sam, voted to spend their own money in building such a splendid armory, the most practical, usable armory I have ever seen. Quite frankly, and honestly, it is a much better, more practical and beautiful armory than you would have had if Uncle Sam had been mixed up in its construction, telling you how to build it, and what you could or could not incorporate in it.

I am happy to be here, in my official capacity as a Member of the United States House of Representatives, and of the Subcommittee on Defense Appropriations which provides the funds, not only for our regular military services, but also for the United States National Guard. I am proud of my nearly 20 years of service in the National Guard, both as a member of the 35th Division in World War I and later years after I made Kansas City, Kans., my home.

I am not here as a recruiting officer for the National Guard, but if I were here in that capacity, I would point out that despite the cynical smiles and sweet talk we now receive from Red Khrushchev and his Kremlin crew we must face the hard, inescapable fact that as long as Soviet Russia remains a menace to the peace and security of the world—including the United States of America—we must maintain a strong national defense, of which the National Guard is such an important part.

For this reason young Americans face an obligation of military service for the next 10, 20, 30, perhaps 50, years.

I would point out that in the local units of the National Guard young Americans can serve with men of their acquaintance and from their community—serve, and continue their studies—serve and work on their jobs—serve and live with their families and friends.

National Guard service, in peace or in war, is an honorable service, in which any American can take great pride. It is an important part of our national defense. That importance is recognized by the Regular Army—as proven by the message of Gen. Maxwell Taylor, the Army Chief of Staff, and the presence of his Vice Chief of Staff, General Palmer.

Audie Murphy, of whom you have heard or read, is recognized as the outstanding hero—the most decorated American soldier in World War II. Audie Murphy, holder of the Congressional Medal, is again serving his country—not in the Regular Army—but in the United States National Guard. If National Guard service was not an honorable and important service, service in which any soldier can take pride, do you think for a minute that Audie Murphy—hero, soldier that he is—would be in its service? The question answers itself.

I am happy, too, to be here on this occasion, upon which we dedicate this building, for another reason. It is more than a building—it is a dream come true—a tangible testimonial to the vision, tenacity, and faith of one man, Col. Mahlon S. Weed.

Years ago, as a 1st lieutenant, Company G, 137th Infantry, I listened long hours to the "Skipper," for he was then Captain Weed—draw his word picture of what we needed to properly train troops.

At that time, the National Guard armory—called that for lack of a better name—was the old theater, now the site of a laundry, at 15th and Central, just around the corner from here.

Offices and supply rooms were in small, insecure storerooms, with no heat in winter and no ventilation in summer. A side street was our drill field.

Later on the armory site was the basement of Memorial Hall—where units during drill had to dodge countless 36-inch square pillars; where classrooms were inadequate; where all other activity had to stop if any practice firing was to be done.

Even so, the National Guard units that trained there were well-trained and the men who were trained in those units went into World War II and made outstanding records, earning high awards and battlefield commissions—all trained under the leadership of officers like Captain Weed, Capt. Leo Swoboda, Capt. Harry Lyon, Captain Adams, Lieutenant Starry, Major Gloyne, and ever so many others, citizens of this community who saw and shared Skipper Weed's vision.

World War II found our National Guard units ready to answer the call to service from that inadequate memorial basement armory—these units were under the station commander, the late Lt. Col. C. P. Barshfield.

Company G, 137th Infantry, Capt. Mahlon S. Weed, commanding.

Second Battalion Headquarters Company, 137th Infantry, 1st Lt. Don A. Starry.

Medical Detachment, 161st Field Artillery, Maj. Louis Gloyne.

Band, 127th Field Artillery, W. O. Charles M. Nixon.

Thirty-fifth Signal Company, Capt. Clyde B. Adams, and 2d Battalion Headquarters Batteries of 127th Field Artillery, formerly 114th Cavalry, commanded by Capt. Leo Swoboda and Capt. Harry Lyon.

After World War II was ended, most of these men came home. Some had died in combat. National Guard activities were renewed in the basement of the Memorial Building, old units were revived, new units were organized. Today, in Kansas City, Kans., we have 8 units: Company F, 137th Infantry; Company G, 137th Infantry; Headquarters and Headquarters Company, 2d Battalion, 137th Infantry; 2d Battalion Platoon Medical Company, 137th Infantry; Headquarters and Headquarters Company, 197th Transportation Battalion; 137th Transportation Truck Company; 42d Army Band; and 772d Engineer Company.

In addition, facilities are provided for the administrative headquarters, 137th Infantry, and the three Regular Army advisers stationed here to supervise and assist with training.

These new units, with the advance of military science, demonstrated the need for new facilities. Many plans were developed and discarded.

Finally, with the bond election almost unanimous, the way was clear. Today you see the culmination of all those efforts. On this ground stands, by your efforts, this magnificent armory, in which the youth of today and tomorrow will receive training from experienced, dedicated men, noncommissioned, as well as commissioned, officers, training that some day may not only save their own lives, but may very well save your country and your life.

The history of the National Guard of the United States is part of the history of this Nation. Militia, it was called in the early days, but militiamen have made history in every war from the minutemen of Concord and Lexington, the Civil War, the Spanish-American War, the Mexican Border War, on through St. Mihiel, and the Argonne of World War I, to the steamy, slimy islands of the Pacific and the battlefields of north Africa, Italy, France, Belgium, and Germany in World War II—men who made history in the grey dawn of Omaha Beach, at St. Lo—right up to the very gates of Berlin—after bitter battling at Bastogne through that cold, cold Christmas of 1944.

In World War I over one-fourth of the troops in Europe were national guardsmen (including the 35th Division). World War II saw 9 National Guard units fight in Europe, and 9 in the Pacific. All turned in magnificent records, just as they did later in Korea.

And speaking of Korea, there are many interesting facts not generally recognized or appreciated by the general public. One of them is that Korea was not a so-called brushfire war. It was a war of considerable magnitude as demonstrated by the fact that nearly 2 million more men served during the Korean conflict than in World War I, and we World War I veterans thought that was a big war.

The other fact is that, in that conflict in faroff Korea, again it was civilian soldiers that carried the greater part of the burden.

As may be expected, in view of the almost overnight suddenness with which Korea began, the first ground troops in action were those hastily assembled Regular Army forces then on duty in the Far East. As the war progressed the ratio of Regular to non-Regular decreased so that in December 1951, 2 out of every 3 enlisted soldiers were civilians: National Guards, reservists, and selectees.

In the ranks of officer personnel, Army—and this was generally true of the Air Force, and the naval aviation—from the very beginning 4 out of every 5 officers engaged in the Korean conflict were reservists—non-Regular Army officers.

What was true there and in other wars will always be true. This Nation is not a military nation. Military service is not overly welcomed as career. We have never maintained a large peacetime military force until now. When, in this period of uneasy peace, we have just under 3 million men in service, a Regular Army of over 1 million, nearly a 1-million-man Navy, and almost a million-man Air Force.

Even so, when the "chips are down," "when the bell rings" when another war comes upon us, the major portion of our military manpower will, as it has in the past, come from our civilian soldiers such as the men in these and other National Guard units—and the Reserve components.

Today, as we sit here, Air National Guard pilots in jet planes, such as those participating today, are on the end of runways—on active duty—ready to answer any scramble warnings, as an every-day integral part of our air defense command—minutemen in every sense of the word—on the alert 24 hours each day—in the service of their country for its security.

We used to hear the phrase "A million men spring to arms overnight." That never was true, and it is further from the truth today than ever before.

The science of war, while basic, is ever-changing. The bow gave way to gunpowder, used in the early day, ineffective, highly inaccurate matchlock weighing nearly 20 pounds. These gave way to our effective, accurate, light, hand weapons of today. The pike gave way to the bayonet, which, incidentally, was originated in Bayonne, France, where it got its name when it was but a short sword or pike point to be inserted in a gun muzzle to make that early day doughboy a pikeman as well as a musketeer. Horse cavalry grudgingly gave way to tanks. Hand semaphore has been replaced by radio. Runners save their lives and legs by walkie-talkies. Television today shows a commander what goes on up front. Trucks, jeeps, helicopters and one-man "flying platforms" take the place of "shank's mare." Recoilless weapons, rockets, and missiles of many types displace some of the old artillery. Electronic devices of amazing complexity are just short of miraculous.

We sing in our national anthem about "the rockets red glare; bombs bursting in air." From those rockets used in the War of 1812, the new honest John is a far, far cry; and when it comes to the puny pop and flare of those bombs—as compared to our A and H bombs—there really is a change. Antiaircraft artillery is being superseded by Nike and other guided missiles, which can seek, track, and strike enemy planes.

The old Jn—the early days Army "Jenny"—has been surpassed by jets, fighters and

bombers, and guided missiles—pilotless bombers—in effect.

Our new modern Army, of which the 27 divisions of the National Guard and 27 Air National Guard wings are such an important part, needs new modern training facilities. Here in this modern building, which you have given them, your citizen-soldiers will learn about these modern weapons, radio, radar, electronics, the new as well as the older weapons of war. The faith and confidence you have shown in them will be returned to you a thousand-fold in the years to come.

After all, these young men are your sons; the pay they receive, and it amounts to one-half million dollars per year, is spent right here in their home community, which means that this is not only an investment in the future security of our Nation, but looking at it from a selfish angle, it is also a good business investment, because each one of those dollars turns over seven times before it leaves the community.

You have given a modest sum in your tax dollars, a premium on your insurance policy for national security. These young men who train here will give of their time—time taken from pleasurable pursuits, time taken from their families, time taken from vacations, perhaps they may even give their lives, all in order that you and the Nation may sleep better tonight and every night.

No one knows when they may again be called upon for peacetime duty, just as they were on black Friday, July 13, 1951, when the biggest flood of all times hit our homes.

No one knows when these units will be called into Federal service. Maybe tomorrow, perhaps never. Yet with the advent of atomic power, with Russia a menace to world peace, when it is possible, though not probable, that nearly any part of our Nation might become a target, the National Guard becomes more and more an integral part of our national defense system.

So it is with great pleasure that I share with you the joy you have in dedicating this building to the service of your community, your State, and your Nation, to be used in the training of your youth for service in time of war or peace. These young men serving in the units which will use this armory, I am sure, will in the future, just as their fathers did in the past, serve with skill, courage, and loyalty—serve in such an exemplary manner that they themselves, and you, will have great pride in their service and exploits should the call ever come.

With these marvelous modern facilities they will be far better prepared than they could have been otherwise. Even so, I am sure you join me in the prayer that, even though prepared, they will never be called upon to serve in time of war.

With them let this be your slogan, "Keep your Guard up."

At the conclusion of these remarks, and as a part of this dedication ceremony, I will present to Col. Mahlon Weed, station commander, this United States flag, which at my request was flown over the United States Capitol on the 5th day of August 1953, an anniversary of the 5th day of August 1917.

That date of August 5, 1917, does not mean much to today's generation, but to us older veterans of the National Guard it was a momentous day in our life.

That was the day when all of the National Guard units in the United States were mustered into Federal service for World War I.

Among those guardsmen was our guest, former President Harry S. Truman, who entered service as captain of Battery E, 129th Field Artillery; another was your host, then Sergeant Weed, Company H, 137th Infantry; Pvt. Errett P. Scrivner, later Pfc., took his oath along with others in Battery B, 129th Field Artillery.

Many of the leaders of this city, Kansas City, Kans., ceased being civilians on that day when their units were also mustered into service:

Company A, 137th Infantry.
Battery E, 130th Artillery.
Company B, 110th Engineers.
Company C, 110th Engineers.
Two ambulance companies, 110th Sanitary Train.
A section of ammunition train, 42d Division.

All of us—all of them—are proud of their service—which we will never forget although others may. Our service helped bring victory—just as National Guardsmen always have and always will.

We were proud to serve under our country's flag then—just as we are proud to live under it today.

This flag is more than mere threads of red, white, and blue. In its folds are contained all the glorious history of the past, and the hopes of the future of this great Nation.

And, as Francis Scott Key said, about the Star Spangled Banner, in those closing words of our national anthem:

"Long may it wave o'er the land of the free, and the home of the brave."

And it will wave long, because this Nation is—has been—and will be the land of the free because it is the home of the brave.

Brave because they have faith—
Faith in themselves—
Faith in their country—
Faith in its future.

And above all because they have an abiding faith in God—the divine providence—that has guided and guarded our beloved Republic for nearly 200 years.

Where's the Taxpayer's Surplus?

EXTENSION OF REMARKS
OF
HON. IRWIN D. DAVIDSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 8, 1956

Mr. DAVIDSON. Mr. Speaker, last month's issue of the U. S. News & World Report, in an article entitled "United States Treasury Strikes It Rich," tells us that for the year ending June 30, 1956, the Government's cash budget is to show a surplus of about $4,300,000,000.

The Wall Street Journal published on the same day as that article says that the Federal surplus will be only $2 billion.

Edward L. Dale, Jr., of the New York Times, quoted Mr. Eisenhower as having estimated in January of this year that the budget barely would be in balance, with a surplus of less than $250 million.

Before this so-called surplus disappears entirely, let us do something with it.

My first choice would, of course, be to use the major portion of any surplus revenue toward a reduction of our national debt, which is presently in the neighborhood of $280 billion. The administration seems very much in favor of this course.

Some Treasury officials are very proud of our military cutbacks even if we are dollar rich and security poor. Some people could sleep better with less of a cash surplus and, instead, an Air Force second to no other power on earth.

Let us not fool ourselves. There will be no large-scale reduction of the national debt. This so-called big surplus in the cash budget is quite different from a surplus in the regular budget, for it includes surplus income of social-security payments and other trust funds and excludes certain noncash transactions.

What does all this mean to John Q. Public who has a real tough time with his budget and somehow never has a surplus after he pays his taxes? It means he might stand a little consideration, also.

It is not demagogic to speak of tax reduction. Scientifically, taxes where necessary should be based on the ability to pay. Taxes and the basis for their imposition must be fair. Just as our people demand morality in domestic government and morality in international dealings, taxes must have a morally acceptable basic justification. People in the United States pay very high taxes because they have faith in the justice of their imposition. Heaven help the government whose people heed the anarchistic rantings and ravings of a demogogue such as France has had visited upon her in the person of the infamous Pierre Poujade.

I must stand opposed to tax reduction which has no moral or scientific justification. It is "Poujadism" to reduce taxes just because this is the year of a great national election.

If we have a surplus and taxes can be reduced safely and in good conscience without impairment of our national strength and essential governmental services, then Congress has the responsibility and, indeed, the duty to reduce them. I insist, however, that the reduction should be scientifically and fairly arrived at.

The reduction should be first and foremost for those upon whom the burden of taxes falls most heavily and cruelly. Our primary consideration must be for the man whose major problem is to make both ends meet, the taxpayer who labors under the greatest hardship and has the least ability to pay. Certainly we should eliminate for him any tax which is unfair or unjust before we do anything else in the field of tax reduction.

As a beginning, it occurs to me that a breadwinner must go to work every day. To do so, he requires transportation. This is an essential without which he not alone would be unable to support himself and his family, but likewise, without which he would not be able to earn any income upon which our Government might expect him to pay a tax. The average large business enterprise is permitted deduction from its taxable income of legitimate travel expense. Our Federal Government does not permit deduction of transportation costs from the home to the place of business or employment, in fact, it does not even allow for travel expenses incurred in a journey to another city to accept or seek employment, and I maintain that this poses a classic example of unreality and unfairness in our tax laws and regulations.

Transportation to and from work is a vital item of a man's business expense.

Ordinary public transportation costs for the average citizen are a not inconsiderable amount directly and intimately connected with the business of earning a living or holding a job.

Whether a breadwinner daily travels to his job or place of business by train, bus, trolley, subway, or car, the expense for him in employing these essential facilities has doubled or tripled in recent years. For him, these truly necessary business or job costs are an increasingly heavy burden.

Is it fair, is it morally justifiable that our tax laws and regulations should refuse to allow these expenses as a proper business deduction? Without the expenditure of transportation money from home to job, would there be a job to produce income?

In New York City a working man pays a minimum of $75 a year just to get from his home to his job and back each working day. This essential outlay is the very minimum he must pay. Many taxpayers are required to pay several times this amount. Commuters living in outlying districts and coming to a city to work each day are spending vastly more. It is sheer hypocrisy on the part of our tax regulations to characterize these sums as "living or personal expense"; they are in truth and in fact, job or business expenses. Why should this taxpayer's legitime business expense not be deductible? Is this not morally right? Is such an allowance not fair play?

This seems to me to be far more scientific than some of the proposed across-the-board cuts. An increase in dependency exemption is urged by many as being logical, but the present dependency exemptions, in the light of existing living costs, are so unrealistic that a modest increase in the amount of such dependency allowances, which is all that could be expected, would not bring us very much closer to the all important goal of the just and equitable tax base.

I have recently introduced a resolution to study the efficacy of this proposal, its impact and its reasonableness, in the hope that we can approach the question of tax relief morally, scientifically, and fairly—not politically. This is, I think, all that our people ask for and certainly what they have a right to expect of us.

Has the Sun Gone Down on Reality?

EXTENSION OF REMARKS

OF

HON. LEE METCALF

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. METCALF. Mr. Speaker, I wish to call the attention of my colleagues to these words in the committee report on H. R. 11177, the Agriculture Department appropriations bill which we passed yesterday:

> Farmers' Home Administration: * * * In the opinion of the committee, attention should be given to a thorough study of the organization and programs of this agency. Recent reports concerning the administration of this organization have been a source of concern to the committee.

Mr. Speaker, I, too, have had reports which have been a source of concern. Valid complaints about the harshness of Farmers' Home Administration collection policies first came to my attention at a meeting in Hamilton early in December 1954.

In general, they dealt with the impossibility of meeting a repayment schedule, set up several years ago, with today's farm income—which is down about one-third from 1951.

The result has been that many farmers, among them war veterans who have entered the industry in the past few years, do not even have enough money left over to eat or to dress their children properly for school—much less buy seed and fertilizer for another crop, repair and replace machinery, or meet other obligations such as mortgage payments.

I was told that the Farmers' Home Administration Ravalli County supervisor, Mr. Hector E. Rodgers, had stated that of 131 loans in Ravalli County, 80 had been made on uneconomic farm units and that he intended to close them out. Mr. Rodgers was quoted as saying 120 acres is the minimum economic unit in the county.

I asked anyone injured to write me, giving his experiences with the Farmers' Home Administration. Each of the specific cases I received was sent over to Mr. R. B. McLeaish, FHA Administrator. He, in turn, took up each one with the Montana FHA director.

On January 22, 1955, Mr. McLeaish came to my office at my invitation to discuss the situation which, at that time, I understood to be confined to Ravalli County.

He assured me that everyone whose financial condition had changed for the worse since the original contracts were made would be given an opportunity to get money for fertilizer, for feed, seed and for living expenses, even though such withholdings might reduce the Government's share below the required payment.

Mr. McLeaish said he was exploring the possibility of rewriting the payment contracts but, at that time, he did not feel that the notes themselves could be altered.

Although a delinquency would result from release of money for other expenses, including taxes, Mr. McLeaish said all those unable to meet their payments due to a change of markets or reduced farm income would have an opportunity to work out their indebtedness. He said foreclosure was the last thing they wanted to try.

There was discussion of Mr. Rodgers' statement relative to closing out the uneconomic units. Mr. McLeaish said that since the Department had made the loans on these farms, every effort would be made to help the people solve the problem.

This understanding was confirmed in writing by Mr. McLeaish last spring.

Because I heard nothing further from those concerned, I assumed Mr. McLeaish was keeping his promise to give sympathetic consideration to each individual situation.

I was shocked to learn that he was not—and that the attempt to make over a lending agency into a collection agency and thereby change a traditional economic pattern was not confined to Ravalli County.

Just before I returned home for the Easter recess, I was visited in my office by a farmer from Broadwater County. He described the same situation in his vicinity. When I was in Montana last month, I talked to farmers in the vicinity of Townsend and Polson. Several people came to see me about this when I was in Missoula.

As new cases come in, I am continuing to call them to the attention of the Administrator. In addition, I am making my files available to the House Committee on Agriculture which is holding hearings on farm credit bills, among them mine to declare a 1-year moratorium on 4 classes of FHA loans.

The situation in Ravalli County prompted the following editorial by Editor Miles Romney of the Western News, in the May 3, 1956, issue of the weekly newspaper published at Hamilton:

> HAS THE SUN GONE DOWN ON REALITY?
>
> Elsewhere in this edition is an astounding report of a situation which affects numerous farmers of the Nation and of our country. As I contemplate the matter I ponder over whether people should be indignant or appalled or both.
>
> Some years ago the Congress, aware of the need for providing cheap money to salvage submarginal agriculture, enacted legislation providing the machinery for financing farmers on long- and short-term basis. These were generally cases where private financing was not available, at least at that time.
>
> Through the Federal Farm Home Administration, and its predecessor Federal agencies, thousands of farmers were provided an opportunity to finance their operations with the hope of ultimate full ownership of their farm properties. Many achieved success and others were upon the road to success when the economy of the Nation, insofar as farming is concerned, came upon a decline.
>
> As most people hereabout are well aware prices of farm products have dropped sharply. This decline adversely affected all farmers, and what hurts farmers injures the small-business men of farming communities. In turn everyone in such communities feels the economic consequences of adverse farm prices. It is quite obvious that farmers who had borrowed funds, from no matter what source, had secured such loans when prices were high for commodities they had to sell. When these prices dropped away materially, as they have in the past several years, loans which were predicated upon the higher price plane, became difficult or impossible to pay. Farmers went to their banks and negotiated new loans based upon the current situation. Bankers were generally happy to accommodate their agrarian customers because they recognized realities.
>
> In turn farmers who had loans from the FHA expected similar treatment. Imagine their consternation when they found stern opposition to their prayers for assistance. Instead they were in many instances told they would have to pay upon the basis of their original contracts or be sold out. They were informed, in some instances that they were operating uneconomic units and should quit farming and go to the city and get a job in industry. They encountered no friendliness, no understanding of their cherished

desires for homes and farm operations. Naturally their cups are filled with bitterness.

It is apparently the policy of the Eisenhower administration that small farmers whose properties are not paid for and whose operations are not vast in scope, are not desirable in the American economy. It has been pointed out that they cannot operate upon an equal basis with the gigantic corporation farms. It has been pointed out again and again and again by responsible administration mouthpieces that there are too many farmers today, despite the sharp cut in numbers of persons engaged in agriculture. There can be no denial that the administration's policy has been aimed at reduction of farms and farmers and particularly of the small farmers.

I believe it has been the belief of numerous Americans, during the history of the Republic, that the family farm, owned by those who operate it, has been the foundation of the Nation. It certainly has been the desire to own and operate such units that called the pioneers across the Appalachian Mountains into the new lands of Kentucky, Tennessee, and the Ohio. It lured them across the wide Missouri and thence over the plains. It called them to Utah, to Montana, to Oregon and California. Everywhere men, and their women, were seeking a home of their own, upon land of their own, where they could cultivate the soil, grow their crops and raise their families.

It was such a search by our expanding population that built America. Now there are those who would decimate our farm population. Strangely they are the same characters who screamed their lullabies of dismay and hatred upon the occasion of the destruction, for economic reasons, of the little piggies during the agricultural travail in the early 1930's.

I still think there is nothing finer than for Americans to own their own farms and homes, to operate their own small acreages, their own little shops and maintain an individuality. I think that the original idea of the Farmers' Home Administration's predecessor agencies was splendid and should be encouraged. It was not antagonistic to private banking for it filled a need in which the latter was not interested. It aimed at building a solid agrarian citizenry upon the basis of the family home. Anyone who doesn't like that foundation for America is entitled to his opinion but it is counter to our national practices of generations past, and seems to me to be bad economics.

Because of his personal attitude in handling the situation, the local administrator of FHA, one Mr. Hector Rodgers, has become anathema to Ravalli County borrowers from the agency. Certainly his usefulness in operating the agency here, from the standpoint of the people who are customers of the agency, is ended, except and unless his functions are entirely directed toward closing out the operation as quickly and as ruthlessly as is possible. If such is the aim of the Federal Government, they apparently have the right man on the job here. But I think it unwise to foist all of the blame for this imbroglio upon the shoulders of Mr. Rodgers. To be sure he probably lacks finesse in handling the situation, but he is merely a hired man. He must be taking orders from those who are his superiors in the State FHA setup. They in turn are following directions from their superiors in the national system of the agency and thence all the way up the administrative ladder to the Secretary of Agriculture, whose policies in other respects are akin to those discussed within the framework of this comment. And at the top of the heap, where final responsibility rests, is President Eisenhower himself. To be sure, he cannot be cognizant of such matters in every nook and corner of the Nation, nor can Mr. Benson, but agricultural strategy is their determination, and such goings-on as have afflicted scores of Bitter Root residents, and many, many more in other areas, is a direct consequence of their decisions. Although we may not like the indelicate manner in which Mr. Rodgers accomplishes his mission, real responsibility rests upon the shoulders of those at the top.

This is a sad situation. The administration should review the matter. It should either close the agency altogether and destroy its borrowers or it should alter its methods to bring them in line with economic realities. Nobody could make farming or any other business a success under rules based upon altogether different economic circumstances. I cannot conceive that even the contemporary administration should be so blind as to wish to ruin a healthy segment of the American economy. It is to be hoped Eisenhower and company will awaken to the damage their policy is accomplishing in this respect and speedily remedy it. The Farmers' Home Administration is not now a helping hand for the little farmers, as it was born to be; it is not what it is supposed to be, but instead constitutes a trap, into which unwary persons have been led in good faith, only to learn too late that a supposed friend is a deadly enemy. Let us hope those who have contrived this condition will relent or learn of their error before tragedy ensues.

It is almost inconceivable that just because Mr. Eisenhower knew nothing but destruction before entering the White House, due to having spent his entire manhood in the military, that he would be so blind to the needs of people in his own country.

Make SUNFED a Part of Our Mutual Security Program and Avoid a Race With the U. S. S. R. as to Which Will Spend the Most

EXTENSION OF REMARKS

OF

HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 8, 1956

Mr. THOMPSON of New Jersey. Mr. Speaker, an increasing number of thoughtful and prominent citizens are speaking out in favor of channeling more of our foreign aid through the United Nations. The logic of these suggestions seems apparent to me, and I am happy to add my support to the campaign. I include herewith a statement which I made in support of SUNFED during the hearings held by the Committee on Foreign Affairs:

STATEMENT OF HON. FRANK THOMPSON, JR., OF NEW JERSEY

Mr. Chairman, I am grateful for this opportunity to testify in behalf of the mutual security program for fiscal 1957. My support for the general purposes of the program is most emphatic, but I do object, as you shall see, to the emphasis and omissions which the proposals of the administration reveal.

Although not a member of this committee, I have followed with the utmost interest the testimony which you and the Senate Foreign Relations Committee have been receiving, particularly from the administration witnesses. One conclusion which I have reached about this testimony is that military necessity forms its leitmotiv. Not only are the President's requests wrapped up in categories which trumpet the military defense aspect and soft-pedal the nonmilitary, but also the supporting testimony consistently sounds the note of hard-headed American military need. One almost wonders, after hearing such advocacy, why we bother with the relatively insignificant technical cooperation and development assistance programs at all. One wonders, too, how anxious the nations who are slated to benefit from such assistance will be to receive their grants when they learn of the military context in which they were pushed through the American Congress. I hope that the Embassies of Asian countries which read the administration's testimony for this legislation will take care to explain to their governments that the appeal of military necessity is a traditional sales technique on Capitol Hill.

If the nations which we propose to help through this legislation took the administration spokesmen completely at their word, I fear they might be frightened into other hands than our own for economic assistance. On the basis of much of the recent testimony, our own hand of economic aid lifts and pushes with the same motion. It lifts a nation's economy and pushes it into a more military posture. Our aid programs are described by the Secretary of State, before this Committee, as purely American in their origin, designed for our benefit, to economize on our defense needs, focused where we want them, and then worked out if possible in cooperation with the nations which receive them. Such a description may make the program more palatable to many American taxpayers in an election year, but I rather doubt that we can go on talking this way before a worldwide audience if we expect to retain the cooperation and respect of the underdeveloped nations which now receive such a large share of our aid. No longer can we offer foreign assistance programs designed in Washington with the assurance that if the needy nations do not accept our offer they will simply have to go without.

The Soviet Union has entered the field of economic and technical assistance and they have certain great advantages over us. The Soviet foreign aid promoters do not have to justify the expenditure of huge sums before a parliamentary forum such as ours. Not only does their dictatorial system of government not require it, but also much of what they offer abroad is based upon barter arrangements which their economy can easily support. Consequently, the agreements which they are ready to make do not become shrouded in the calculating self-interest which is wrapped about our own expenditures each year in Congress. The self-interest of the Soviets undoubtedly underlies their offers, but their system and their economy permit them to avoid professing it. In comparison, the United States must seem blatantly selfish, as our program has been presented this year.

This situation strikes me as terribly serious, Mr. Chairman, because we are only beginning to experience it, and we cannot accurately predict its effect. I regret that the administration has not demonstrated more sensitivity to the changed environment in which our economic and technical-assistance programs must henceforth be carried out. The present requests are made in the same manner as they were in the days when we had a monopoly in the economic-aid field, and the closest thing to recognition of the radically altered circumstances in which we must operate is the administration's acceptance of Senator GEORGE's suggestion that a special study be undertaken of the entire

program. Perhaps the exigencies of preparing budget requests many months in advance have precluded the kind of ready adjustment to the Soviet economic offensive which we would like to see in the President's requests for fiscal 1957. Yet, even conceding such an explanation of the lack of fresh ideas in these requests, there are certain omissions from this proposed program which, to my mind, should be rectified now, without the need of any further study.

The project which I believe is essential to include in next year's mutual-security program is a United States contribution to the Special United Nations Fund for Economic Development. This special fund, which is commonly known as SUNFED, is an American idea, which has been repeatedly supported in principle by our delegations to the U. N. General Assembly, but which has never been put into action because of our refusal to make any financial contribution. Only 2 months ago, 2 distinguished members of this committee, Mr. BROOKS HAYS and Mr. CHESTER MERROW, issued their report on the 10th session of the General Assembly of the United Nations at which they, as American delegates, pronounced the official United States position that the actual creation of SUNFED must await the time when substantial savings have been effected through reduction of armaments. In their fine report these Congressmen professed their disagreement with this inflexible approach, stating that they "believe that the United States must not unequivocally insist upon postponing a start toward aid of this type until disarmament becomes a reality." Furthermore, they expressed the view that it would be "of tremendous value to the United States" if we would be prepared at the next meeting of the SUNFED committee to offer constructive modifications of the plan which, if accepted, would enable us to participate.

This is very much needed advice. It is quite incongruous for the United States to find itself as the major stumbling block to the creation of SUNFED, because our Government originally developed the concept of such a special fund. One of the most vigorous suggestions for such a fund was made in the report of the United States International Development Advisory Board on March 7, 1951. This Board, appointed by President Truman, was under the chairmanship of Nelson Rockefeller, who only recently terminated several years of service under President Eisenhower.

In spite of the national emergency of the Korean war at the time which this Board drew up its report, they declared that "strengthening the economies of the underdeveloped regions and an improvement in their living levels must be considered a vital part of our own defense mobilization." The Board recommended that an international development authority be created to finance a portion of the cost of public works which are essential to the underdeveloped countries and which cannot attract loans from existing financial agencies. To use the language of economists, this report recommended an international fund, making "the fullest use of the United Nations and other international organizations," to invest in non-self-liquidating projects, to provide the fundamental economic structure needed in countries before private investment capital can undertake to develop their economies. In the underdeveloped areas of the world the prerequisites to economic expansion—such as roads, railways, ports and airfields, hospitals and schools, irrigation and drainage, clearing of land—most of these must be provided before private investors can be attracted in support of self-liquidating or profitable activities and industries.

The SUNFED proposal aimed at getting the wealthier nations of the world, which developed their economic foundations in the expansive frontier days of the last 100 years, to contribute a small amount of funds to an international effort to lift their less fortunate neighbors over the first hurdle to economic self-development. By combining their efforts through the existing structure of the United Nations the "have" nations would give that essential first push, through long terms loans or outright grants to the "have nots" to get them under way economically. Once this could be done, the less fortunate nations would be able to run on their own resources. The underdeveloped countries could than begin to offer to private or public investors transportation facilities for moving products to market, communication systems, a trained and healthy labor force and a growing managerial class.

The logic of this proposal seems obvious to me. One does not need an advanced degree in economics to understand the importance of building the basic structure of a country before investing in the more complicated economic enterprises which will ultimately make it self-sufficient. It is hard for me to understand how a nation as proud of its business acumen as is ours can fail to support, with dollars as well as words, the SUNFED program. What sense does it make, from a strictly financial point of view, to go on investing in technical cooperation and economic assistance as we are doing when we refuse to contribute funds which would enable the "have not" countries to lay a firm groundwork for the economies which we are helping to bolster on a piecemeal basis? It cannot be said that these countries can find private investors to develop their schools and hospitals and irrigation projects, because these undertakings are not self-liquidating and do not attract foreign capital. Only through the beneficence of some private or public agency can funds be obtained for such non-profit-yielding investments.

The special United Nations fund as presently planned would begin with capital amounting to $250 million, of which the United States is asked to contribute less than one-third. If our Government would put up the $80 million requested of us, the remaining funds would not be long in following. The amount which we are asked to contribute is less than half of what the President has requested for development assistance in this year's United States program. Eighty million dollars is only slightly more than half of the amount that we are asked to contribute to our own Technical Cooperation program. Yet, by investing this relatively small amount we would find it trebled through the contributions of other members of the United Nations, and we would not need to replenish it in the same or larger amounts each year, as we do with our unilateral development funds.

I realize that it is often argued that United Nations programs do not redound to our credit, as our own assistance projects are supposed to do. Of course, many Americans argue that we receive no gratitude whatsoever from our aid programs, and, though I disagree with this idea, I do believe that the credit which we receive for our projects is less than many taxpayers would like to think. Yet, granting that we do make some friends abroad from economic and technical assistance, it is time for us to reorient our thinking on this subject and drop the purely cold-war approach to foreign aid. Whether we like it or not, the Soviet Union has entered the foreign aid business and we cannot hope to keep them out by underselling or trading on our past generosities. Instead, it is time for us to adopt an attitude of long-range self-interest, which in short-range will be humanitarian and unselfish. We should face up to the fact that the economic development of the less advanced nations of the world will be to the greater economic advantage of all trading countries, and particularly our own; and we can no longer hope unilaterally to make this economic advancement possible and win exclusive political advantage thereby.

I ask the committee to consider the wisdom of shifting more of our economic assistance to the multilateral structure of the United Nations. By so doing we challenge the Soviet Union to demonstrate their own professed selfless desire for human betterment by contributing comparable amounts. We also increase the economic value of each dollar we invest, because it will be more than matched by the contributions of other member nations. We will find too that many more projects can be undertaken effectively under U. N. auspices than our own, because many nations, for political reasons, are more willing to have multilateral rather than United States sponsored projects undertaken within their frontiers. Also, U. N. programs often find personnel to draw upon who are more qualified in languages and tropical experience than are our own. If we are truly interested in our long-range objective of a more prosperous world trade, then the above considerations are of great importance.

Gradually some of our far-seeing leaders in both private and governmental positions are beginning to expound this insight. Willard Thorp, the former Assistant Secretary of State for Economic Affairs testified before the Senate Foreign Relations Committee in favor of SUNFED more than a year ago. The present Assistant Secretary for United Nation Affairs, Francis Wilcox, in a speech last January to the National Press Club, spoke in favor of SUNFED and expressed the hope that "ways and means will be found for the United States to participate constructively in such a fund." More recently, our Ambassador to the United Nations, John Cabot Lodge, has stated, as reported by the Washington Post of April 30, 1956, that the present world situation requires the United States to channel a larger share of its foreign aid through the U. N. The report of the Senate Subcommittee on Technical Assistance Programs, issued on May 7, 1956, states in cautious bipartisan language that an increase in the absolute amount of United States contribution to the U. N. programs "might be justified," provided other nations increase their amounts.

An increasing number of private individuals and organizations have also spoken out in favor of more aid through the United Nations and more concentration upon the humane rather than the cold war aspect of economic assistance. Chester Bowles made a strong plea for our joining SUNFED in a speech to the Cleveland Council of World Affairs on April 18, 1956. Adlai Stevenson has spoken in a similar vein. Victor Reuther of the United Auto Workers and Jacob Potofsky, vice president of the AFL-CIO have also supported SUNFED, for many years. Mrs. Franklin D. Roosevelt is prominent among the members of a new committee to support an expanded foreign-aid program, which strongly urges Congress to support SUNFED with an appropriation this year.

Mr. Chairman, it becomes apparent to me that our situation requires and public opinion is beginning to support a new concept of foreign aid which will give greater emphasis to multilateral programs and fundamental development, along with piecemeal projects. It would be an act of true statesmanship for this committee to consider now including the long-awaited United States contribution to SUNFED as a part of this mutual security program. Such a step would redound to the benefit of our national interests and would win for this committee the utmost credit for imaginative response to the changing international situation which confronts us.

SENATE

WEDNESDAY, MAY 9, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in whose sight all that concerns Thy children is precious, and whose merciful eyes note even a sparrow's fall: Speak to these struggling lives of ours, woven with such strangely tangled threads. Thou knowest all the days that go to make the total pattern as the years pass more quickly than a weaver's shuttle, days shadowed by sorrow, sparkling with mirth, bathed in tears, lifted up by gain and triumph, cast down by failure and loss. May all this medley of hopes and fears find its true meaning in Thy eternal purpose for our being.

In this violently agitated day open our eyes to perceive Thy presence in the mighty movements of these times, and to trust Thy wise and patient power to fashion a better day out of the strife and turmoil, the grief and bitterness, of this present time. In the deliberations of the Congress let every mind be attentive to Thy voice in this solemn day of global decisions, that we may know the things which belong to our peace and to the peace of the world. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 7, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the bill (S. 3254) to authorize the county of Custer, State of Montana, to convey certain lands to the United States, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills and joint resolution of the Senate, severally with amendments, in which it requested the concurrence of the Senate:

S.767. An act for the relief of Andrew Rosner;

S. 1111. An act for the relief of Eric A. Cummings;

S. 1883. An act for the relief of Pietro Rodolfo Walter Stulin;

S. 1970. An act for the relief of Kim Boksoon;

S. 2972. An act to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes; and

S. J. Res. 135. Joint resolution for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 7513) to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 9132) to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

The message further announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 877. An act for the relief of Mrs. Rose Amoresano and her children;

H. R. 2045. An act for the relief of Joe Bargas;

H. R. 2840. An act to promote the further development of public-library service in rural areas;

H. R. 2845. An act to amend the Veterans Regulations to provide additional compensation for veterans having the service-incurred disability of loss or loss of use of both buttocks;

H. R. 3532. An act for the relief of Seymour Robertson;

H. R. 3897. An act to relieve the Secretary of the Interior of certain reporting requirements in connection with proposed National Park Service awards of concession leases and contracts, including renewals thereof;

H. R. 4141. An act for the relief of Vivencio Fernado Raymundo, Bienvenida Raymundo, Lolita Raymundo, Agnes Raymundo, Henry Raymundo, and Fred Raymundo;

H. R. 5256. An act to provide for the redemption by the Post Office Department of certain unsold Federal migratory-bird hunting stamps, and to clarify the requirements with respect to the age of hunters who must possess Federal migratory-bird hunting stamps;

H. R. 5268. An act to amend section 303 of the Career Compensation Act of 1949 to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States;

H. R. 5790. An act relating to the application in the Territory of Hawaii of the Federal Aid in Wildlife Restoration Act and the Federal Aid in Fish Restoration Act;

H. R. 7144. An act to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service-connected;

H. R. 7190. An act restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes;

H. R. 7702. An act for the relief of Mrs. Elizabeth Shenekji;

H. R. 7835. An act for the relief of Maj. Gen. Julius Klein;

H. R. 8041. An act for the relief of Clyde R. Stevens;

H. R. 8225. An act to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota;

H. R. 8290. An act to provide for the appointment and promotion of the director and assistant directors of the band of the United States Marine Corps, and for other purposes;

H. R. 8385. An act to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes;

H. R. 8458. An act to amend Veterans Regulation No. 10 to provide that the widow of a veteran of the Spanish-American War (including the Philippine Insurrection and the Boxer Rebellion) who married the veteran before January 1, 1938, may be eligible for death compensation;

H. R. 8490. An act authorizing the Administrator of General Services to convey certain property of the United States to the city of Bonham, Tex.;

H. R. 8693. An act to amend the Career Compensation Act of 1949, as amended, in relation to the refund of reenlistment bonuses;

H. R. 8810. An act authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont.;

H. R. 8837. An act to amend certain sections of the Hawaiian Organic Act, as amended, relating to the Legislature of the Territory of Hawaii;

H. R. 8867. An act for the relief of the estate of F. M. Bryson;

H. R. 8922. An act to provide for the relief of certain members of the uniformed services;

H. R. 9207. An act to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands;

H. R. 9314. An act granting the consent of Congress to the States of Illinois and Wisconsin to enter into a compact relating to interstate public school districts where an educational community extends into both such States;

H. R. 9358. An act to require the Administrator of Veterans' Affairs to issue a deed to the city of Cheyenne, Wyo., for certain land heretofore conveyed to such city, removing the conditions and reservations made a part of such prior conveyance;

H. R. 9377. An act to provide for the sale to the Eagle Rock Young Men's Christian Association of certain real property located in Los Angeles County, Calif.;

H. R. 9451. An act to provide that certain lands shall be held in trust for the Seminole Indians and to provide that certain lands shall be designated as a reservation for Seminole Indians;

H. R. 9671. An act to provide for the conveyance of certain property of the United States to the village of Carey, Ohio;

H. R. 9822. An act to provide for the establishment of a trout hatchery on the Davidson River in the Pisgah National Forest in North Carolina;

H. R. 9841. An act to provide that in determining eligibility of a widow or child of a deceased veteran for a pension the income limitations applicable to such widow or child shall be increased $600 for the year in which the veteran's death occurs;

H. R. 9842. An act to authorize the Postmaster General to hold and detain mail for temporary periods in certain cases;

H. R. 9922. An act to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized;

H. R. 10006. An act for the relief of Vincent P. Svelnis;

H. R. 10013. An act for the relief of Sfc. Henry F. Ferry;

H. R. 10092. An act for the relief of the former shareholders of the Goshen Veneer Co., an Indiana corporation;

H. R. 10191. An act for the relief of Comdr. Cook Cleland;

H. R. 10251. An act to authorize the Administrator of Veterans' Affairs to deed certain land to the city of Grand Junction, Colo.;

H. R. 10441. An act to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act;

H. J. Res. 501. Joint resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organization;

H. J. Res. 605. Joint resolution for the relief of certain aliens;

H. J. Res. 606. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; and

H. J. Res. 609. Joint resolution for the relief of certain aliens;

The message also announced that the House had agreed to the following concurrent resolution (H. Con. Res. 228) approving the granting of the status of permanent residence to certain aliens, in which it requested the concurrence of the Senate:

Resolved by the House of Representatives (the Senate concurring), That the Congress approves the granting of the status of permanent residence in the case of each alien hereinafter named, in which case the Attorney General has determined that such alien is qualified under the provisions of section 6 of the Refugee Relief Act of 1953, as amended (67 Stat. 403; 68 Stat. 1044):

A-7294280, Awad, Hazem Issa.
A-7292377, Blumsztajn, Jankiel B.
E-12305, Cabanski, Edmund Stanislaus.
A-9686777, Chan, Gar also known as Gar Ding Chan.
A-6851486, Chang, Irving Beilin.
A-10135387, Chang, Amos Hwei-Cheh.
A-6703345, Chao, Ping Chang also known as Ping Chang.
A-10141758, Chao, Shou-Ting.
A-7921052, Chao, Anna-Shun-Ting.
A-8829313, Chen, Long Wen also known as Robert Chen.
A-6083615, Chen, Yu.
A-6967624, Chen, Hwei Ju Chang.
A-6236867, Chen, James Yu-Ping.
A-6620712, Chen, Marjory Liu.
A-7396904, Chen, Daniel Bo Yen formerly Bo Yen Chen.
A-7390333, Chen, Olivia An Ran (nee Ho).
V-812955, Chen, Shih-Yun (Allen).
A-7247325, Cheng, Ming Tzu.
A-9694636, Cheng, Wan Man.
A-9558812, Chia, Chee.
A-8870665, Chiang, Philomena or Chiang Yu-Ching also known as Sister Margaret Mary.
A-6848448, Chiang, Sing Pao.
A-6848172, Chien, Chien Chih.
0900-76967, Ching, Zee Yah.
A-6986484, Ching-Guee, Shia or Sister Mary Ursula.
A-10141592, Chow, Ching Te.
V-753917, Chu, Wai-Quan Chao.
A-7282145, Chu, Ro Lin Hsiung.
0300-460097, Chu, Sen Sun.
A-10141587, Chuang, Theodore Hsin-I.
A-6422502, Chung, Anthony Chi-Wu.
A-6429288, Chung, Jean.
E-084282, Deutsch, Joseph.
0300-372142, Deutsch, Sprinca or Sprinza Deutsch.
A-7244888, Diller, Izak Jakub also known as Jack Diller.
0300-322285, Dong, Lai Tong.
A-7357115, Dunnous, Jack or Yacoub (Jacob) Isaac Dunnous.
A-8876905, Fabisiak, Jane.
A-8876903, Fabisiak, Arlene.
A-8876904, Fabisiak, Martha.
A-7274363, Feng, Norma nee Wang.
A-7865108, Freund, Leopold.
A-7456034, Fried, Zolton.
A-7837290, Friedman, Efraim.
0300-351008, Friedman, Elizabeth.
A-6794982, Gensel, Aron.
A-6967503, Guee-Lung, Lee or Sister Mary Jordan.
A-7286951, Hegedus, John Steven also known as Janos Hegedus.
A-10141553, Ho, Duane Ying.
A-7299373, Ho, Louis Ting.
A-6642006, Ho, Pei-Shih.
A-7357781, Ho, Peter Wen-T'Sung.
0300-344935, Hoo, Sing Hour.
A-10141544, Huang, Jack Shih-Ta.
A-7414824, Huang, Robert Chi Tong.
A-6285850, Huang, Tsi.
A-6285857, Huang, Soo Mu.
A-6847801, Huang, Teh Cheng.
A-10141539, Hui, Kit Ming.
A-10141566, Hui, Shui Tong.
A-10141567, Hui, Sinclair Shui-Shing.
A-6986479, Hung-Sheng, Wang or Sister Mary Carina.
A-8870667, Hsia, Gau Yueh or Sister Malia.
A-6967610, Hsiang, Wen Cheng or Sister Mary Wendelin.
A-6704369, Hsiao, Shen-Shan also known as William Shen-Shan Hsiao.
A-6848557, Hsu, Chieh-Su.
A-6967722, Jung, Han Yung also known as Sister M. Jacoma.
A-7399687, Junik, Berl.
T-2056002, Kalan, Franc.
T-2056001, Kalan, Stefka.
1536/52, Kalan, Dusan Franc.
1536/53, Kalan, Darko Stefan.
A-10141576, Koo, Benjamin Yee Chieh.
A-6142215, Kuo, Hsing-Kuo.
A-3639250, Kuo, Tse-Chiu.
A-10141757, Kuo, Hsu-Hua King.
V-1525096, Kuofan, Anthony.
A-8870666, Lai, Pao Sui also known as Sister M. Theresa.
0900-57550, Lee, Chang Ling.
0900-45771, Lee, Charlotte Ho.
A-7078187, Lee, Chen-Hsi.
A-10035416, Lee, Wah Hee alias Lee Wah Hee, Leung Fung or Fung Lung.
A-6982265, Lee, Winston, Foong-Zung.
0200-86892, Li, Hon Chi.
0300-460546, Li, Shu-Hua.
0300-460547, Li, Wang Wen Tien.
A-7202726, Liang, Yu Bing.
A-6986530, Lien-Ying, Chu or Sister Mary Eugenia.
A-6851676, Lin, Cheng Shan.
A-7274382, Lin, Jean Chen (nee Chih-Ying Chen).
A-7292430, Liu, Chi Kong.
A-7436597, Liu, Joseph Tsu Chieh.
A-6737205, Lieu, Pei-Tsing.
A-6976663, Liu, Sheng Kuang.
A-10141632, Liu, Yung-Ling.
A-10141633, Liu, Tung Seng.
A-10141634, Liu, Korbin.
A-6620802, Loh, Wen Ying.
0300-398365, Loo, Jack H. also known as Loo Yee King.
A-8870414, Lu, Wan-Ging.
A-6848570, Lu, Peter Tseng-Li.
A-6986529, Luee-Hsiang, Chow or Sister Mary Francesca.
A-6986564, Ma, Chi Pei.
A-6730632, Ma, James Hsien-Ne.
A-6967747, Min, Chang Wen or Sister Mary Charlene.
A-7295516, Ming-Hsien, Wu or Linda Wu.
A-6959749, Mozes, Abram.
A-8106523, Mozes, Malke.
A-7274536, Nieh, Chung-San.
0200-86445, Nieh, Nicholas Yun-Chuan.
A-6967510, Pan, Hsi Lung.
A-7274523, Pan, Vivian Chang.
A-7913544, Pewzner, Schulim Ber.
0300-464390, Pewzner, Rachel (nee Nenanow).
0946097, Sumarin, Mikhaiovna Klavdia also known as Claudia Gregory.
A-7450208, Samarin, Elena also known as Helen Gregory.
A-7988231, Shao, William Hoyang.
A-6967665, Shen, Dora Chung-Yuin.
0300-468333, Shen, Irene I-Chuan.
0300-468335, Shen, Isabel I-Hsi.
0300-457386, Shen, Victor.
A-7292431, Shew, Bradford Shin formerly Shin Kay Shew.
A-8082801, Shih-Yu-How, Agnes also known as Sister Theresa Shih-Yu-Haw.
A-6986538, Siu-Chen, Yu or Sister Mary Stephana.
A-7415078, Sung, David Nguah Nyen or Sung Nguah Nyen.
A-7421087, Sung, Eling Waung.
A-7248500, Sung, Rhoda Yun-Yuan.
0300-459558, Szabo, Paul.
A-10141615, Sze, Marian Woo.
A-7367977, Tai, Shih Sheng.
A-7436692, Tan, Li-Te.
A-6923725, Tao, Clinton Wei-Hsun.
A-8227223, Tao, James Fu.
A-8235312, Teitelbaum, Moses.
E-084223, Teitelbaum, Jenny (nee Bergfeld).
A-6567124, Tsao, Wao-Chen.
A-8870436, Tsien, Wei Shiang.
A-6851339, Tso, Tien-Chioh.
A-6986555, Tso, Margaret Yu-Yi Lu.
A-10141601, Twanmo, Chong.
A-10141602, Twanmo, Katty C.
A-6691440, Vogel, Catherine Nai-Yung Chen.
A-6847913, Wang, Hsi-lan.
A-7391681, Wang, Kien Ming or James Kien-Ming Wang.
A-10141616, Wang, Ko Tsan.
A-10141617, Wang, Yu Er.
A-10141618, Wang, Eng Chou.
A-10141619, Wang, Don Cue.
A-10141620, Wang, You Lue.
A-10141549, Wang, Lai-Hsing.
A-7445763, Wang, Rosalind Mei-Lin.
V-1336131, Wang, Sze-Tseng.
A-7992595, Weismann, Eli.
A-6033441, Woo, Ching Chang.
A-8057901, Woo, Jeannette Kwoh Yu.
A-9825135, Wojtal, Stanislaw.
A-2225355, Wong, Tit.
A-7078167, Wu, Cheng-Kang.
A-6980066, Wu, Jen-Pei or Zung-Pah Woo.
A-10141763, Wu, Shang Ying.
A-7143986, Yang, An Tzu.
A-6699853, Yang, David.
A-7285805, Yang George Chao-Chih.
A-7910949, Yang, Dora Hsi-Chun.
A-6848670, Yang, Jen Tsi.
A-7393985, Yang, David.
A-7393986, Yang, Katherine Louise.
A-6967652, Yang, May also known as Tze-Hsin Yang.
A-7274375, Yao, Lin-En also known as Josephine Yao.
A-6703474, Yeh, Ching Siang Tang Yeh.
A-6855617, Yeh, Pai Tao.
A-6986481, Ying, Cheng Yuin.
E-094700, Yip, Kam Yung.
A-8870669, Yu, You Li also known as Sister Anna.
A-6986531, Yu-Lung, Fan or Sister Mary Fulgence.
A-8153741, Yung-Chang, Chen.
A-8039402, Yurman, Gino.
A-7184186, Bilinska, Helena Maria.
E-096405, Chan, Dai or Chan Dai or Da Chen.

0300–473418, Chan, Siu Yu.
A–4269801, Chan, Kam Shong.
0900–47509, Chan, Yuk Yung.
A–6851306, Chang, Chi.
A–6848661, Chang, Ching Chi.
A–6589870–T, Chang, Franklin Shih-Chuan.
A–7279318, Chang, Grace Dung Lien.
A–7419724, Chang, Huai-Yuan (Sister Mary Chang).
A–6848013, Chang, Shen Chin.
A–6567119, Chang, Mei Ling Wu (nee Wu).
A–6597177, Chang, Shih Yen.
A–10135727, Chang, Pen-Chun.
A–10135728, Chang, Sieu-Tsu.
A–6967614, Chang, Wan-Cheng, married name Wan-Cheng Cheng.
A–10141535, Chang, Yueh-Lien.
A–10141574, Chang, Yai-Nan.
A–10141537, Chang, Joan.
A–7296212, Chao, Julia Shih-Fan Yu.
A–6703343, Chao, Pei Chung.
0300–459052, Chou, Peter.
0300–456580, Chen, Hsiang.
A–6083606, Chen, Hsing Huan.
A–7178953, Chen, Yin Ching.
A–7991926, Chen, Wansu Wu.
A–8010541, Chen, (Frank) Minwei.
A–8010542, Chen, (David) Minwu.
A–8010579, Chen, (Philip) Minkang.
A–8870668, Chen, Tang Hsueh also known as Sister Katherina.
A–8102823, Cheng, Benny Kuo-Bin.
A–6148135, Cheng, Chiu Wan also known as Wang Cheng Chiu.
A–9578773, Cheng, Chuen.
A–10141533, Cheng, Wen Tao.
A–10141532, Cheng, Lu-I Lee.
A–10141531, Cheng, David Ta-Zun.
A–7874506, Cheng, Pao Hua.
A–7874505, Cheng, Chung Chu.
A–7874504, Cheng, Denis.
E–083251, Cheung, Kai.
0300–460538, Chew, Yee Poh.
0300–433053, Chi, Bo Heng.
A–7445429, Chi, Hu Yu, also known as Yu-Chi Hu Ma, also known as Shirley Hu.
0300–464404, Chi, Madeline.
A–6986526, Chi-Shuang, Li or Sister Mary Cyril.
A–7910846, Chin, Chung Shun.
A–7096304, Chih, Chung Ying.
E–118625, Chin, Hin.
A–7354752, Chin, Tsuan-Shek.
0300–459149, Ching, Chen Chae.
A–6986536, Ching-Guee, Liu or Sister Mary Leander.
A–6667194, Chiu, May Helen (nee May Helen Chow).
A–7274544, Cho, Ting-Li.
0300–400853, Chong, Ho or Cheong Hoo, also known as Ho Chueh.
A–9731876, Chong, Kong, also known as Gong Cheong.
0300–396049, Chong, Tan Yung.
A–10142099, Chou, Te-Chuan.
A–10142100, Chou, Nora Hsi-Feng Chang.
A–7399269, Chow, Junlin Wong.
A–7298960, Chu, Franklin You-Min.
A–6986548, Chu, (Victor) Wen-Hwa.
A–9708083, Chuck, Fung.
A–9782837, Chun, Chai Ah.
0300–458951, Deak, Niklas Charles, also known as Nicolas Carol Deak.
A–7193630, Deri, Emery.
A–7927387, Ding, Chang Ah.
0900–50655, Djordjich, Risto.
E–086433, Drumer, Lilly.
A–3920006, Durazinski, Henryk or Henry.
A–6933864, Eisdorfer, David.
A–7244889, Elinowitz, Welwel.
0300–457977, Elusalu, Johannes.
A–7274380, Euyang, Walter also known as Walter Hwa-Teh Euyang.
0300–456141, Euyang, Clementine Hoo formerly Clementine Shih-Hwei Hu.
A–7415457, Fan, Hsieh-Sen or Jason Hsieh-Sen Fan.
A–7445497, Fan, Catherine Ping-I Chang.
A–6967558, Feng, Tsun-Ying.
E–082591, Fischer, Alexander.
A–7354783, Fu, Ellen Hsiao Yen.
0300–460069, Fucheng, Hsu alias Hsu Cheng now known as Fucheng Hsu.
A–7365726, Ganz, Nisen.
A–6613745, Gfeliner, Theresa (nee Deri).
A–6959744, Giang, Sylvia H. Wu.
A–7444660, Goldstein, Hersh Meilech.
A–8031667, Goldstein, Etel.
A–7860110, Gruman, Kalman.
E–086547, Guttman, Josef.
A–7056939, Gyarmati, Geza.
A–8285615, Hafner, Mozes, or Moses.
0300–460251, Han, Ling Chen.
A–6973659, Han, Susan Su-Chin formerly Su-Chin Han.
A–6959722, Han, Yu-Wen.
A–6967491, Ho, Ching-Yu.
A–7435700, Ho, Don Tchengton.
A–8258324, Hong, Sheng-Chiao.
A–8829404, Hsia, Mitzie (nee Miau-Tze Chang).
A–10141551, Hsiao, Ching Yuen.
A–10141577, Hsiao, Helen Hui-Ying Yao.
A–10141578, Hsiao, Henry Shih-Han.
A–10141580, Hsiao, Ann Shih-An.
A–10141581, Hsiao, Dorothy Shih-Yi.
A–6849400, Hsiung, Chieh-Chang.
A–6534866, Hsu, Liang.
A–10141762, Hsu, Pao Cheng (Chang).
A–7802663, Huang, Doris Ma.
A–7802664, Huang, Victoria Tze-Fon.
A–7415175, Hsueh, Chia Ying.
0300–341751, Hsueh, Tsung Bei Wei.
A–7056498, Huei, Hsia Shu or Frances Hsia.
A–7383119, Hung, Loretta.
0300–458487, I-Giai Chung, or Ida Djung.
0300–406961, Kam, Chow.
A–7293137, Kao, Lucy Ming-Chu.
A–7244876, Katz, Sandor.
0400–43673, Ke, Ke Chuan or John Koo.
A–8057175, Kee, Tan Seng.
A–6694146, King, Myra Yin Suan.
A–7367998, Ko, Shao-Yen.
0501–20382, Koa, Chi Chang.
0501–20383, Koa, Suzanne S.
A–7247311, Krzyanowski, Kazimierz (Casimir) John.
A–6877774, Ku, Nien-Tseng.
A–10135396, Ku, Pi-Tuan.
A–7355365, Kwan, Yuk-Ying.
E–118842, Kwei, Whang Ah.
0300–462261, Kwok, Regina Yin-Han or Ying-Han Wing.
0300–468748, Labocha, Mitchell.
A–3523622, Lan, Yee or Ching Koon Yee.
E–096796, Lau, Tai.
A–7871911, Lee, Blanche.
A–6967505, Lee, Chang Yuan.
A–8189612, Lee, Yuen Hung also known as Yuen Hung Li.
A–6828793, Lee, John Chia-Chin.
A–7289348, Lee, Liang-Shen (Leo).
0300–465467, Lee, Sui Tsung.
A–6737246, Lee, William Ming-Sing alias Ming-Sing Lee or Di-Di Lee.
A–6967336, Lee, Yin Chen.
A–7934383, Lee, Ying.
A–6959876, Leonida, Madelaine (nee Ching Hun Kao).
A–6662660, Li, Ellen Hui-Chu also known as Hui Chu Li.
A–8103760, Li, Hsioh-Chien.
0300–460977, Li, Ruth Sien-Chuan.
0300–469161, Li, San Chih also known as San Chih Liu.
A–7202751, Li, Stephen Shih-Pu.
A–10141568, Liang, George Kuo-Chi.
A–10141571, Liang, Calvin Kuo-Yuan.
A–10141597, Liang, Eugene Kuo-Yu.
A–10141569, Liang, Helen Kuo-Hu.
A–10141570, Liang, June Kuo-Kiang.
A–7830590, Liang, Paolo Tao Tsun.
A–7362902, Ling, Ming Hui Chang.
E–096458, Ling, Tin Wong.
A. 7133230, Ling, Yuen-Hung Mei.
A–7184116, Li-Ting, Tsung or Sister Mary Adria.
A–7860197, Liu, Hao Wen.
A–7293130, Liu, Irene Ssu-Chin now Irene Chi-Ming Hou.
A–6970202, Liu, Julian formerly Chu-Jen Liu.
A–7436598, Loe, Agnes formerly Hsiao Chich Loe.
E–10665–T, Loong, Yu Cheng.
A–6851637, Lu, Ch'ung Tai.
A–6851635, Lu, Chi-Hui Ching.
A–6973687, Lu, Fei Pai.
A–7292414, Lu, Lydia Dze-Zau (nee Fu).
A–6847976, Lu, Lydia Keng-Yen.
A–2149500, Mah, Foo Chu.
A–6911247, Mah, Yu Ou Chen.
A–6911248, Mah, Ming Ching.
A–6911249, Mah, Ming Shu.
A–6911251, Mah, Priscilla.
A–6911252, Mah, George.
A–6911253, Mah, Howard.
0300–471609, Mao, Chun Gin.
A–6848593, Mao, Joseph T. K.
A–6848404, Mao, Tzu-Jen.
0300–459534, Mi, Miriam Deh-Fen also known as Deh-Fen Mi.
0300–457656, Mihailescu, Octavian.
A–6848122, Ming, Chu Feng.
A–7358949, Moh, Za Yu.
A–7296131, Mok, Bessie Oi-Bing.
A–7263700, Mow, Constance also known as Bik Chui Wong.
A–0946635, New, Yuh Tsung Zee (nee Yuh Tsung Zee) also known as Mrs. Way Sung.
A–7243065, Pan, Diana Yun-Ching (nee Diana P. Lu).
0900–50654, Pavlovich, Pavle.
A–7118663, Pan, Ruth Chi-Te (nee Chung).
A–7286979, Pan, Yum Hsueh.
E–083220, Petkoff, George.
A–6710400, Poon, Abigail also known as Wan-Fen Hwang.
E–79836, Popa, Augustin.
A–7421011, Schattauer, Mary.
A–8036393, Schiffman, Sandor.
A–7882491, Shao, Irene Meileng.
A–8088722, Shashoua, Elias Heskel.
A–8091352, Shing, Ng Khing also known as Eng Fong or Ng Khing Sheng.
0300–458478, Shopov, Constantine Panchev.
A–6847707, Sih, Peter Chwin-Jen.
A–7476054, Sih, Helen Hsu Chiu.
A–7863483, Sima, Lazzlo.
A–7074028, Siu, Moyra Tsu-Yu.
A–7941178, Sleszynska, Felixa or Feliksa.
A–7399277, Soo, Peter Hungteh.
A–6677301, Srych, Elizabeth (nee Bagarova).
A–6843540, Stern, Abraham.
A–7282964, Su, Chi-Hao (Kenneth).
A–7553094, Sze, Benjamin Chiatse.
A–7910997, Szentendrei, Janos (John).
A–6083791, Tan, Fang Hsia.
A–8829366, Tang, Ho-King Shao.
A–7144742, Tang, Tung-Men.
E–086276, Tao, Chew Pe.
A–8310963, Teodorovic, Svetozar.
A–6851460, Tong, Leonard Tsu-Wang, also known as Tsu-Wang Tong.
A–6545323, Tong, Patsy Lew, also known as Patsy I-Fung Lew.
A–7282984, Tsai, Frank Wei-Kang.
0300–413254, Tsang, Tom Kam, also known as Tom Kam and Tsen Kam.
A–7367943, Tsao, George Lingkwong.
A–7274652, Tsao, Peter Hsing-Tsuen or Tsao Hsing-Tsuen.
A–7277353, Tsien, Peng Lun.
0300–462355, Tsien, Richard Winyu.
A–7768053, Tsu, Kin Hsueh-Yuan.
A–6704073, Tsu, Laura Nyi Tsung.
A–6967373, Tung, Jui Hsueh.
A–6851406, Tung, Ting San.
V–754263, Tzu, Lien Chao.
V–754254, Tzu, Fei-Man Wang.
A–8012287, Unger, Jakub Isaac.
0300–380248, Unger, Esther Rojtblat.
0300–466957, Wang, Chen Ling.
V–1198214, Wang, Chung Chiang.
A–6848530, Wang, Jean (nee Yin Suen Djuh).
A–6470332, Wang, Chun-Tao Betty.
0300–465191, Wang, Lincoln, formerly Yin Tang Wang.

0300–465188, Wang, Grace, formerly Tsian Hsi-Jen Wang.
0300–465189, Wang, Henry, formerly Teh Yun Wang.
0300–465190, Wang, Stephen.
0300–463783, Wang, Nietsu.
0300–463782, Wang, Krystyma (nee Kawecka).
0300–463478, Wang, Juliana.
0300–463690, Wang, Aline.
0300–463271, Wang, Eva.
0300–463476, Wang, Danis.
A–6967724, Wang, Paul Wen-Shan.
A–1297282, Wei, Ellen.
0300–441924, Wei, Isabel Yung-Ling.
0300–382033, Whue, Lieo, also known as Lay Fay.
A–6847713, Wong, Grace, formerly Hong Yan Hung-En Wong.
0300–343829, Wong, Ying.
0300–3380021, Woo, Yen Kwong.
0300–308909, Woon, Kong Ng Yee.
A–6851709, Wu, Chao-Hsun, also known as Chris H. Wu.
A–7427748, Wu, Christine Wan-Ming.
0300–460897, Wu, Hou-Chang.
0300–460862, Wu, Jane Yeh.
0300–460861, Wu, Hsueh-Ping.
0300–460864, Wu, Hsueh-Ming.
0300–460863, Wu, Hsueh-Kun.
0300–458255, Wu, Hsueh-Shang.
0300–460865, Wu, Poansun.
A–7298489, Wu, Theodore Tsu-Wang.
0300–455917, Yah, Pao Yin nee Pao Yin Tsai).
A–10135608, Yang, Yu Feng.
A–7295488, Yang, Chi Yuan or Chi Yuan Young.
0300–429043, Yang, Yu Ying also known as Ci-Jin Yang Liu.
0300–372980, Yang, Yu Wen.
0300–450095, Yao, Sung Ling.
0300–450096, Yao, Sufan Kao.
0300–450097, Yao, Yu.
0300–450098, Yao, Tsu.
0300–450099, Yao, Pei (Pearl).
0300–450100, Yao, Ying.
0300–403211, Yeu, Josette Min Sheng.
A–7282993, Yo, Guy also known as Guy Gee Yo or Gee Yo or Guy G. Yo.
A–7486722, York, Alfred Shih Ou.
A–6877787, Yu, Mo Hsiang known as Frank Hsiang Yu Mo.
0300–329581, Yu, Natalie Lien-Tse Kwok.
A–6847782, Yu, Tom Teng-Pin.
0300–458997, Yue, Chang Ah.
A–8282335, Yuen, Chew Jun also known as Leung Yuen.
A–8098148, Adawi, Ibrahim Hasan.
A–8154184, Ausch, Desso or Deszo Ausch or Deszo Ausch.
A–7247076, Chang, Chin Bing.
A–7874959, Chang, Amy.
A–7399332, Berger, Hirsch.
A–6718370, Berke, Joseph.
0300–460118, Bien, Zue Sun.
0300–460116, Bien, Li Kuo-Kin.
0300–457204, Chang, Kin Jen.
A–7029620, Chang, Robert Lu Ling.
0300–471564, Chang, Yi.
0300–456358, Chang, Man.
0300–441601, Chang, Yuan.
E–086613, Chee, Choy.
0200–130687, Chen, Chien-Min.
A–7897614, Chen, Julia Angela, formerly known as Tseng Chen.
A–7463931 Chen, Kun Chih.
A–4527884, Chu, Kwan Sau.
A–7463932, Chen, Martin.
A–7463933, Chen, Annette.
A–6281889, Chen, Kwan Lun.
A–6704087, Chen, Ma Li.
A–7381280, Chen, Shi Chih.
A–6026501, Chen, Sze Te.
A–6848441, Chen, Tsun.
V–820003, Cheng, Lily Djeng-Ning formerly Hsiung Djeng Ning.
A–7436771, Cheng, Paul Ming-Ching.
0300–377472, Chu, Cheng-Chin.
A–6967731, Cheo, Peter Kong-Liang.
0300–318226, Cheuk, Hui Wing.
A–9504925, Cheung, Lam.
0300–468991, Chi, Helen H. formerly known as Hkiu Hsiang Chi.
A–6962886, Chia-Ching, Yeh or Charles Chia-Ching Yeh.
A–6848630, Yeh, Sally Shing-Shing (nee Liu).
A–7143027, Chiang, Allan I-Lung.
A–8103730, Chin, Cheng Hsin.
A–6851647, Chin, Grace.
A–10141604, Chin, Duck Chung.
A–10141605, Chin, Sui Ngor.
A–10141606, Chin, Jean Su-Jen.
A–10141607, Chin, William Wei-Yu.
A–10141609, Chin, Kenneth Wei-Ho.
A–10141608, Chin, Johnny Wei-Yao.
A–10068620, Ching, Tsoong Han.
0900–76968, Cho, Fat Yau.
0300–467734, Chow, Hsien-Hsien.
0300–467733, Chow, Bae-Pao Lu.
0300–467735, Chow, Gwynne Hsieh.
0300–467745, Chow, Lulu Caroline.
0300–467619, Chow, Anna Frances.
A–7436790, Chow, Mary (nee Puh Fang).
A–7777409, Chow, Vee Nai.
0300–331123, Chow, Laura Yeh-Tsung.
0301–20068, Choy, Choon.
A–10135607, Chu, Chia-Kun also known as John Chu.
A–6527758, Chu, Kung-Ji also known as Elizabeth Chu.
A–10198072, Chu, Cales Hung-Ye.
A–10198073, Chu, Rebecca (Wai Tu Chu).
A–10198074, Chu, Patricia Ann.
A–10198075, Chu, Phyllis Jean.
A–6848629, Chuan, Helen Keng-Ting.
A–6988156, Chu, Hsi-Ling.
A–9821915, Dai, Kwan.
V–754183, Dzo, Ging-Ru.
A–8099927, Eliahou, Ezra Haron Yousef.
0300–408020, Fin, Chon.
A–7846708, Frank, Fred Moshi, also known as Fouad Moshi Fraim.
A–7828313, Feldmar, Judith.
0300–233203, Friedman, Fred alias Ferdinand Friedman.
A–7988131, Fajncajg, Gitla.
A–10060369, Genger, Brocha.
0300–467887, Genger, Jeheszua.
A–7913449, Goldsand, Jakob.
0300–362178, Gluck, Elsa Friedman.
A–6055370, Grosman, Josef Aszer.
0300–329528, Grunzweig (Grunsweig), Ignaz.
A–8039224, Grunzweig (Grunsweig), Feiga.
E–6576, Gutwein, Izak.
0300–461047, Hettena, Ibrahim Khedoury Yousef.
0300–12961, Hing, Chen Shuey.
A–7174554, Ho, Julia.
A–7921878, Honovich, Antonio.
A–6831432, Hoo, Mona Yung-Ning.
A–6891822, Hsia, Hung.
A–6967367, Hsia, Eva E-Feng (nee Wu).
A–6851466, Hsiao, Chi-An.
0300–469513, Hsu, Chichang.
A–7274640, Hsu, John Tseng-Hsin.
A–7863550, Hu, Stanley Shao An.
A–7863551, Hu, Jane Chi-Jo Tsien.
A–7863552, Hu, George.
0300–454463, Hu, Leilani Shao-Tsin.
A–7125049, Hu, Susan Sze, also known as Tung-Lai Sze.
A–6847785, Huang, Tsui En.
A–6959720, Huang, Tzu Chuen.
A–7830835, Kahan, Samuel.
A–6621741, Kam, William.
A–9647122, Kan, Yip, also known as Feh Kan.
A–7274372, Kao, Irving Ke-Yung.
A–9728193, Ki, Chan or Chan Wah Sorn.
A–10066668, Kiang, Ai Chen or Anne Ai-Chen Wang.
A–6848410, King, Yung Kang.
E–085921, Kleiner, Wolf, also known as Wolf Klajner.
E–085930, Kleiner, Fredia, also known as Fredia Klajner.
E–085922, Kleiner, Mala.
A–6026389, Ko-Ching, Shih.
A–6041705, Shih, Chueh Ying Tzeng or Tzeng Chueh Ying.
A–9758472, Kokk, George.
A–7873165, Kuang, Cheng Wei known as Edmund Wei-Kuang Cheng.
A–6442514, Wei, Cheng Han Hsin, known as Dorothy Han Hsin Wei Cheng.
A–7049859, Kuchcik, Mendel.
0300–466868, Kung, Wei-Ven Yao.
0300–363444, Kung, Robert Cheng-Chung.
0300–363443, Kung, Nancy Tse-Chung.
A–7133276, Kuo-Chung, Chen.
E–6096243, Kwan, Chan.
A–7374681, Landau, Herman.
0300–323883, Landau, Serena.
0300–461751, Landau, Ervin.
E–096756, Lau Yau.
A–9235656, Lau, Kwai.
A–8259654, Lanza, Giovanni.
A–6847959, Lee, Dah Hsuan.
0300–318417, Lee, Dorothy or Dorothy Tsu.
0300–466310, Lee, Thomas Shung, also known as Lee Shung Sun.
A–6703320, Lee, Yaw Shuin.
0300–459356, Lefkovits, Irme.
A–7961287, Li, Hsiao-Jun.
A–7292450, Li, Ming Yu.
A–6958632, Li, Chou Hsiung.
A–6973662, Li, Shao Min.
A–6552719, Liang, Holt.
A–6855620, Liang, Yuan.
A–6967758, Li-Chuan, Wang.
A–6967493, Hwa, Lih or Hwa Lih Wang.
0300–360290, Lin, Frank Chang-Heng.
0300–360291, Lin, Ellen.
A–6847860, Lin, Priscilla Chung Dijh.
A–10135710, Li-Sooey, Evalina Doo.
A–7118752, Liu, Fu Tung.
A–6848072, Liu, George Bie, formerly Bie Liu.
A–6851311, Liu, Robert Yung-Yu.
0300–460252, Liu, Soo Yung.
A–7274431, Liu, Yee Yen.
A–7274432, Liu, Yen Wei.
0300–470004, Liu, Teh Ming.
A–6083659, Lo, Ching-Lung.
0300–471010, Lo, Hua-Tsing Chu.
0300–471011, Lo, Denis.
0300–471012, Lo, Sylvia.
A–6848683, Louis, Pauline Pao-Lien Soong.
A–10066444, Lu, Chin.
0300–345176, Majerholc, Edwin.
A–9731984, Mar, Chew.
A–6771870, Miao, David Cheng.
A–7295543, Moi, Peggy, formerly Peggy Wong.
A–7399331, Morozow, Szulem.
A–7355367, Mui, Chiu Ning.
0301–21592, Muscardin, Umberto.
0300–470522, Nacinovich, Romano.
A–6357633, Netupsky, Eugene A.
A–6504544, Ning, Lai Shung.
A–7462122, Nisenkiern, Samuel.
A–7244870, Noselis, Jacob.
0300–429827, Ong, Chih-Ta.
0300–471121, Ong, Ching Siu C. T.
0300–461044, Ong, Margaret.
A–7292435, Owyang, Hsuan.
A–6848503, Pei, Tseng Chi known as Chi Pei Peter Tseng.
0300–473098, Peros, Ivan.
A–7399686, Pevzner, Icchok.
A–9709852, Ping, Chan.
A–7586532, Ratajczak, Michal.
A–6848542, Ray, Hsia Pong known as Pong Ray Hsia.
A–7480707, Rubin, Simcha.
0300–375838, Sassoon, Edmond Solomon.
0300–375839, Sassoon, Yvette (nee Shayo).
A–7290185, Schonberger, Philippe.
A–7290186, Schonberger, Friderika.
A–7290187, Grunwald, Eva (nee Schonberger).
A–7290188, Schonberger, Alfred.
A–7290190, Schonberger, Tibor.
A–7366281, Schonberger, Georgette or Gyongyi.
A–8001182, Shen, James Cheng-Yee or Shen Cheng-Yee.
A–8871292, Shen, Grace Shu Hwei.

A–8871294, Shen, Christopher.
A–8871293, Shen, Patricia.
A–8871295, Shen, Michael.
0300–355800, Shen, Pearl Sung Hsu.
E–085326, Shing, Tam also known as Shing Tam.
A–5975137, Shoen, Tze Win.
0300–459063, Soo, Lum Wing also known as Frederico Lee.
A–7287952, Stoynich, Peter N.
A–6848149, Sung-Lan, Hsia known as Robert Sung Lan Hsia.
0300–460221, Susech, Giovanni.
E–10777, Svoronos, Milton Theodosios or Millon or Mittiadis Theodosios Svoronos.
A–7367944, Tai, Li Shu.
E–082730, Tak, Lee Ting.
A–8036392, Teitelbaum, Chiel Alter.
A–7115668, Thurnher, Majda Theresia.
A–1389416, Tin, Chan Chi.
A–7415104, Ting, Alice Lu.
A–6739732, Tsai, Helen Whitfield.
A–6735288, Tsai, William Wei-Lin.
T–607453, Tse, Emma Kuan Ching.
A–7290334, Tse, John Yung Dong.
A–6567126, Tseng, Hsien-Chi.
A–6967707, Tsou, Catherine Nan-Yun.
0300–464309, Tung, William L.
0300–464311, Tung, Yueh-Chiung.
0300–464308, Tung, James (Chien Min).
E–094525, Valjak, Arthur.
E–094628, Vlacich, Beniamino.
0300–420918, Vlacich, Giovanni, also known as John Vlacich.
A–6457535, Wang, Chi-Wu.
A–7846771, Wang, Da Chaw.
A–6851597, Wang, Hung I.
A–6606804, Wang, Lillian Yun-Hsia.
0300–463121, Wang, Loo Ing How.
A–6845064, Wang, Pei.
0300–462256, Waung, Tze-Kong.
0300–337048, Ching-Chyu, Wong.
0300–461685, Hsi-Fong, Waung.
A–8057928, Wojda, Stanley (or Stanislaw).
0300–336237, Woo, Alice Chia-Ying, also known as Alice Ching Woo.
A–0010333, Wong, Yok.
A–7247101, Wu, Ray Jui.
A–6689188, Wu, Robert Tze-Chun or Robert T. C. Wu.
0300–469639, Yang, Nai Chen.
A–10135775, Yang, Te-Fang.
0300–361326, Yang, Tien-Yi.
A–6849457, Yao, Eleanor Shin-Yee.
A–7265816, Yen, Yaa Tai or Anthony Yen.
A–9164094, Yeung, Yik.
A–7133285, Yien, Edward Yuen-Chiang.
A–6461101, Ying-Pe, Chang or Roy Ying-Pe Chang.
0300–329694, Yip, Lam Chun.
A–7274558, Yong, Pao Chung Ma.
A–8875522, Yu, Choi Kun.
A–6848711, Yu, David Chien-Seng formerly Chien-Seng Yu.
A–6848482, Yu, Teh Chi.
A–6848483, Chen, Siao-Fen.
A–6877754, Yu, Tsi-Van.
A–6848103, Yue, Soy Chung.
A–9686706, Yuen, Ben.
A–10135599, Zia, Zung Jai.
A–10135601, Zia, Hsu Chin.
A–9553245, Adolfijs, Alfred.
A–7385344, Beloerol, Franciszka.
A–6819166, Berger, Kato (nee Gluck).
A–7244887, Brook, Gershon.
0300–352716, Brook, Szyna (nee Gottlieb).
0300–329371, Bui, Ying King.
A–7913548, Chai, Ling Chi (nee Mao).
A–7124539, Chang, Chen Chi.
0300–448764, Chang, Nien Tze.
0300–366462, Chang, Henry Kunghui.
0300–419940, Chang, Hsi Huan, also known as Peter Chang.
A–7538671, Chang, Hsin Hai.
A–7295511, Chang, Hsin-Pao.
A–8065822, Chang, Huei-Yuen.
A–6848015, Chang, I-Chen.
0300–421485, Chang, Jimmy H.
A–7277488, Chang, Robert Mai-Hsien.
0300–335529, Chang, Sai-Cheng.
A–10141560, Chang, (William) Kwang Pao.
A–7436600, Chang, (Catherine) Shiao Chin Lu.
A–7416447, Chang, Yung Shan.
0300–461559, Chao, Marie I-Wei Lu.
0300–461560, Chao, Yung Yun also known as Shirley Chao.
0300–461562, Chao, Hsieh Lung also known as Thomas Chao.
0300–461561, Chao, Yung Hsia also known as Helen Chao.
A–7427944, Chao, Chung Yuan.
A–6704086, Chao-Hwa, Feng or Chao Henry Feng.
A–6236864, Chen, Hsuen-Ping Dorothy.
A–10141582, Chen, King Pao.
0501–19305, Chen, Mary Barbara also known as Ching Zen Chen.
A–7483722, Chen, Rose.
A–7841932, Chen, Vincent Vesin or Vesin Chen.
A–6905336, Chen, William Keh-Ching.
A–7053874, Chen, Elizabeth Dji-Shuh.
A–6163785, Cheng, George C. also known as Chi Chang Cheng.
A–6251492, Chen, Franklin Shou Chiang formerly Shou Chiang Chen.
0200–121730, Cheng, San-Hsi.
0300–423721, Cheng, Yung alias Cheng Yung.
A–6847880, Cheo, Pen Ching.
A–6958995, Cheo, Helen Ching Lan.
A–7435701, Cheung, Lok-Tin (Happy)
A–10193622, Cheung, Lydia Chi-Yan Lee.
A–6027148, Chi, Nung-Cheh.
A–6896402, Chi, Jean Ching-Chin.
0300–456510, Chi, James.
0300–391909, Chiang, Chun Lin.
0300–469810, Chiang, Yue-Tsing Huang.
0300–469814, Chiang, Yvonne or Yee Foong Chiang.
0300–469815, Chiang, Jane.
0300–469811, Chiang, Millard.
0300–469812, Chiang, Alice.
A–8870726, Chien, Dawn Sing or William S. Dawn.
A–8870724, Chien, Dawn Tze or Robert C. Dawn.
A–7417144, Chi-Hua, Wu Vivian also known as Vivian Chia-Hua Moh.
A–6843441, Chin-Hsu, Liu.
A–6534334, Liang, Huang or Liang Huang Liu.
A–8125645, Ching, Julia Chia-Yi (Sister Agnes Therese).
A–9948146, Chong, Lai also known as Leong Kow Kow.
A–6271454, Chu, Kuang-Han.
A–0933425, Chun, Hong Cha.
A–0933428, Chun, Kyung Shien Sung.
0300–366830, Chun, Sze Yung.
0300–366918, Chung, Mo Nan.
0300–344329, Dao, Sue Shing.
A–8870723, Dawn, Shin Yuan.
A–8870727, Dawn, Dunn Mei-Lih.
A–8870725, Dawn, Wei Mei or Victoria W. Dawn.
A–6377727, Djang, Su Dzung.
A–7282150, Su, Ruth Ching-Hsing (nee Tien).
0300–456769, Dimini, Stanislao.
A–6967498, Dun-Jen, Li.
0300–456942, Dzung, Kenyon Danlee.
0300–456938, Dzung, Nyui Sung.
0300–355990, Eu, Mary Jane Soong.
A–10141559, Fang, Siu Chun (nee Siu Chun Lai).
A–6760587, Feldstein, Aron.
A–7383072, Fisher, Max.
A–7399117, Friedman, Erno.
A–8065816, Friedman, Edith.
A–7913543, Gluck, Arthur.
A–6934982, Goldberg, Joseph formerly Jozef Goldberg.
A–7197344, Guo, (James) Tse Menglin.
A–7197345, Guo, (Lois) Rujen Wang.
0400–54898, Guo, (Grace) Hui-ping.
E–094784, Haber, Elias or Eliasz Haber.
0300–319444, Hardoon, Rouben Shaoul.
0300–460905, Hardoon, Marcelle.
0300–328520, Hardoon, Kathleen.
A–7197634, Henkin, Ella.
E–119220, Ho, Lau.
A–2418469, Ho, Pang Yung.
A–6077100, Hoo, Chin.
A–6916672, Houn, Franklin Willington.
A–7835199, Houn, Frances Lu.
A–7355369, Hsi-Kuang, Chi or Henry Hsi-Kuang Chi.
0300–371805, Hsi, Te-Ping.
A–6848376, Hsu, Jeng Mein.
A–8245936, Hsu, Priscilla C. Y.
A–10141598, Hu, Pei-Ying Beatrice.
A–6608765, Hu, Quang Hsi.
A–6851600, Huang, Aileen Yueh.
A–6986571, Huang, Chaang.
A–6967359, Huang, Wei Jen.
A–7286961, Huang, Irene Hwei-Lin nee Chang.
A–5941361, Hung, Wu Gee.
A–8829316, Huo, Peh Ping.
0300–471204, Ivanicek Franjo.
0300–325626, Jacob, Solomon Hillel.
0300–325694, Jacob, Helen.
0300–466392, Jankovich, Ladislav.
A–10067874, Jin, Kor Shiang also known as Madeline Jin.
E–118777, Jogis, Konrad Walter.
A–7297266, Jungreisz, Lipot.
A–7297267, Jungreisz, Laura.
0300–429358, Jungreisz, Antal.
0300–429359, Jungreisz, Izsak.
0300–452110, Jutrowski, Klemens Jan.
A–8870715, Kai, Chou Ven or Victor Ven-Kai Chou.
A–6851293, Chou, Clarice Hsi or Hsi Yao.
A–7961261, Katz, Marton.
A–8245999, Katzman, Zelig.
A–8246000, Katzman, Hilel.
A–9728194, Keam, Tan.
A–7244872, Kercer, Wolf.
A–9561968, Kiang, Tang Ching.
0300–473479, Konig, Joseph.
A–10035686, Kwei, Thomas Chen-Ying alias Chen Ling Kwei.
A–10035639, Kwei, Randolph Chen-Chi alias Chen-Chi Kwei.
A–7828712, Kwiatkowski, Czeslaw.
E–084349, Lau, Hung.
A–6815524, Lee, Helen Pao Hsin Tsao.
0300–472541, Lee, Hong Cheuk, also known as Richard H. C. Lee.
A–6775603, Lee, Justin.
A–6958991, Lee, Julia.
0300–374187, Lee, Laan-Fong.
A–2677372, Lee, Yen Shuang.
A–7297991, Leitao, Maria Stela.
A–5805395, Lew, Suie.
A–6851429, Liang, Chen Yu known as C. Y. Yu.
A–7285802, Liang, Robert Ting-Wei.
A–6962966, Liang, Emily Shui-Men.
A–7424932, Lin, Wei Shu now William S. Lin.
A–7841087, Chen, Tsai Chu now Jean C. Lin.
A–7841088, Lin, Annie.
A–7841089, Lin, Fu Ming now Dinah Rita Lin.
A–7841090, Lin, Cheng Lie now Dick Lin.
0300–277173, Ling, Chen Ping.
A–8001637, Ling, Homer Chuen-Cheng alias Chuen-Cheng Ling or Yung-Shen Ling.
A–7483978, Ling, Fidelia Hsu (nee Fidelia Pei-Lan Hsu) alias Pei-Lan Hsu.
0300–41791, Ling, Wong or Lun Wong or Wong Lun.
A–6744416, Loh, Yih H.
0300–456581, Loh, Mabel H. C.
0300–451406, Lok, Chung Sing.
A–9512598, Luk, Ng.
A–7202743, Lung, Yuan or Edward Lung Yuan.
A–6967574, Ma, Bernard Sing-Lu.
A–10141583, Ma, John T. T.
A–10141584, Ma, Mary Yong.
A–10141561, Ma, Joanna.
A–7945460, Mamczak, Julianna.
T–1866563, Mao, Kathleen (Kai) Lin.
A–7456082, Miller, Kalman Jacob.
A–7985644, Miller, Eda.
A–8871291, Ming, Hsu Yin or Doris Yin Ming Hsu.
A–7886505, Nieckarz, Alojzy.
A–8090380, Oiber, Hersch.

A–8057925, On, Young Man also known as Man on Young.
A–7269682, Ouyang, Mariana Tsao.
A–7118691, Owyang, Gilbert Hsiaopin.
A–8282962, Patock, Lverka.
E–1073, Peebo, Johannes.
0300–445130, Perich, John or Giovanni.
E–081290, Pien, Hsia Si.
0300–473086, Pui, Wong.
A–8154183, Rosenberg, Samuel.
0300–464312, Shen, Alexander or I-Shang Shen.
A–7957895, Shen, Chi Meng.
A–10015075, Shen, Ping Wen-Wu.
A–6083862, Shen, Roderick Chung-Chao.
0300–374307, Shen, Shih Hua.
0300–465579, Shen, Pao Kwei.
A–7274371, Sheng, Alice Tung-Fun (nee Alice Tung-Fun Kuan).
A–7184115, Shu-Ching, Suee or Sister Mary Ceciliana.
E–082521, Simon, David Salem.
A–737469, Soong, Hwa-Yu or Soong Hwa-Yu known as William Hwa-Yu Soong.
0400–52651, Spitzer, Gyula.
0400–52690, Spitzer, Ilona.
A–9825134, Sroka, Leon Stefan.
A–7860207, Ssutu, Edwin A.
A–6848027, Sun, Wu Tze.
A–7358509, Szasz, Joseph.
A–7961263, Tang, Kou Nan.
V–753791, Tang, Oscar Liu-Chien.
A–6083753, Tsai, Sydney Sung or Sung Tsai.
A–7483931, Tsai, Christina or Pei-Ching Chang Tsai.
0300–461764, Tsai, Jackson or Chieh Sung Tsai.
0300–455209, Tsai, Mason or Mei Sung Tsai.
A–7435716, Tsai, Wen Ying.
A–7285799, Tsang, Stella Shu-Ming Tai.
0300–457501, Tseng, Benjamin or Tseng Chao Ko.
A–7832588, Tsou, Ying also known as Anthony Y. Tsou.
A–7095971, Uranyi, Joseph.
A–7095973, Uranyi, Gabriella.
A–7193594, Uranyi, Gabrielle Margaret.
A–9099909, Vilusi, Villu.
A–8091658, Vosilla, Vittorio.
A–7778553, Wang, Cheng Fu.
0300–466141, Wang, Aimei.
0300–322737, Wang, Chi Chuan.
0300–322762, Wang, Yuan-So Cheng.
0300–326117, Wang, Yien Koo.
A–6877783, Wang, Hsin-Hui.
A–7643498, Wang, Shih Hua.
A–6986585, Wang, Mu (Diana) Cheng.
A–7367966, Weingarten, Adolph.
0300–314825, Weingarten, Anna.
A–7444635, Wen-Jhun, Chiang known as Helen Wen-Jhun Chiang.
A–9764838, Wong, Chin.
A–6407196, Wong, Gen Ching.
A–7809002, Wong, Han Min.
A–8021418, Chang, Jacqueline W. T.
A–6967663, Wong, Mary Ruth.
A–10141528, Wong, Shou-Fa.
A–8198495, Wong, Virginia also known as Bei Fung Wong.
A–6967532, Woo, William Chi-Wen.
A–10145013, Wu, Hou Cheng.
A–10145014, Wu, Kina Fu Yier Liao.
A–10135612, Wu, Jack Hsueh-I.
A–6849846, Wu, Pei-Hsing Lin.
0300–432370, Yak, Ah Sam also known as Yak Ah Sam.
A–6667949, Yank, Chuan Ying alias Yong Yang Chuan-Ying.
A–9798750, Yang, Margaret Wei-Chin.
A–6967741, Yang, Nien-Chu.
A–8015589, Yang, Shih-Ching.
0300–346772, Yang, Dorothy Tsae-Ling Fei.
0300–330626, Yang, Kiang-Si.
A–7392524, Yang, Tieh-Sung.
A–6847989, Yeh, John Chiung or Yeh Chiung.
0300–43062, Yen, Betty Hsin-Lien.
0300–391473, You, Wong King also known as Wong Ying.
A–7903279, Yu, Maria Hsieh-Yueh Chang.
A–7835340, Yu-Chen, Li.
0300–474919, Yueh, Shiela Hsuan Wen.
A–8198530, Chang, Li-Hsain.
E–079940, Chin, Tom.
A–6958642, Loh, Pichon P. Y.
A–9520221, Park, Hom.
A–7286680, Shen, Richard Tsu Hsun.
A–7133260, Tung, Yun Ming.
A–7975781, Chu, Boa-Teh.
A–8922049, Hing, Yuan Ying.
A–6846912, Kaminski, Henryk.
A–10143319, Schejbal, Dobruska Ann.
A–10143320, Schejbal, Dusan Josef.
A–6195641, Schejbal, Josef.
A–6159640, Skala, Hugo Michael.
A–7491761, Skala, John Paul.
A–7802497, Skala, Marie Hana.
A–6813127, Skarzynski, Stanislaw.
A–10042650, Chuan, Pai Shiu.
A–7948694, Maar, Julius (Gyula) I.
A–6967495, Li, Pei Chao.

The message further announced that the House had agreed to the following concurrent resolution (H. Con. Res. 230) authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means, in which it requested the concurrence of the Senate:

Resolved, by the House of Representatives (the Senate concurring), That there be printed 2,500 additional copies of the hearings on H. R. 5550, a bill authorizing the President to accept membership for the United States in the Organization for Trade Cooperation, held by the Committee on Ways and Means for the use of the said committee.

The message also announced that the House had agreed to the following concurrent resolution (H. Con. Res. 232) extending greetings to the American National Red Cross on the occasion of its 75th anniversary, in which it requested the concurrence of the Senate:

Whereas the American National Red Cross is now receiving congratulations from all over the world upon the occasion of its 75th anniversary; and

Whereas in the period following the adoption of the first Treaty of the Red Cross in 1864, to which the United States Government adhered in 1882, the name and emblem of the Red Cross has come to be recognized throughout the civilized world as a symbol toward which those in need can repair and under which all peoples dedicated to the impartial relief of human suffering can enlist; and

Whereas the obligations of this Government and its people under the Treaty of the Red Cross justified the establishment by the Congress of the American National Red Cross as the official agent of this Government to assist in the discharge of such obligations and to engage in other activities for the welfare and relief of the Armed Forces and the prevention and alleviation of human suffering resulting from disasters and emergencies at home and abroad; and

Whereas more than 50 years ago the Congress determined that the work of the American National Red Cross was of such importance to the Government and people of the United States and to the preservation of the dignity of all human beings that provision should be made for its operation under such grant of authority and such Government supervision as would impart official status and thus invite the confidence and support of all the peple, but that, to preserve and safeguard its impartial, nonpolitical character, it should carry out its duties solely by means of the voluntary contributions of funds and services by the peoples; and

Whereas the present American Red Cross membership of over 23 million, the record during the past half century of voluntary contributions totaling more than $2,350,000,000 and countless billions of hours of selfless Red Cross volunteer service, all devoted to the mitigation of human suffering in every country of the world, attests to the accomplishment of the intended purposes of the Congress: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress extend its greetings and felicitations to all the members of the American National Red Cross on the occasion of its 75th anniversary, express to them its appreciation for their services to humanity, and urge the continued voluntary participation by the American people in the work entrusted to the organization by the Congress and the Government.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and they were signed by the Vice President:

S. 419. An act for the relief of Eli E. Hood;
S. 637. An act to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes;
S. 885. An act for the relief of Alice Elizabeth Marjoribanks;
S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.;
S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona;
H. R. 1835. An act for the relief of the Board of Commissioners of Sedgwick County, Kans.;
H. R. 1989. An act for the relief of George D. Hopper;
H. R. 2338. An act for the relief of Charles F. Bullette;
H. R. 2717. An act for the relief of Giles P. Fredell and wife;
H. R. 2736. An act for the relief of Roy M. Butcher;
H. R. 2924. An act for the relief of David J. Dase;
H. R. 3638. An act for the relief of Joseph H. Washburn;
H. R. 3639. An act for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs;
H. R. 3725. An act for the relief of Herman F. Gierke, Jr.;
H. R. 3975. An act for the relief of Rev. Boniface Lucci, O. S. B.;
H. R. 4902. An act for the relief of Martin F. Kendrigan;
H. R. 5787. An act to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service hospital, Carville, La.;
H. R. 6452. An act for the relief of William H. Foley;
H. R. 7583. An act for the relief of Mary Viola Jones;
H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes; and
H. R. 9132. An act to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles, and referred as indicated:

H. R. 877. An act for the relief of Mrs. Rose Amoresano and her children;

H. R. 2045. An act for the relief of Joe Bargas;

H. R. 3532. An act for the relief of Seymour Robertson;

H. R. 4141. An act for the relief of Vivencio Fernado Raymundo, Bienvenida Raymundo, Lolita Raymundo, Agnes Raymundo, Henry Raymundo, and Fred Raymundo;

H. R. 7702. An act for the relief of Mrs. Elizabeth Shenekji;

H. R. 7835. An act for the relief of Maj. Gen. Julius Klein;

H. R. 8041. An act for the relief of Clyde R. Stevens;

H. R. 8867. An act for the relief of the estate of F. M. Bryson;

H. R. 9314. An act granting the consent of Congress to the States of Illinois and Wisconsin to enter into compact relating to interstate public school districts where an educational community extends into both such States;

H. R. 10006. An act for the relief of Vincent P. Svelnis;

H. R. 10013. An act for the relief of Sfc. Henry F. Ferry;

H. R. 10092. An act for the relief of the former shareholders of the Goshen Veneer Co., an Indiana corporation;

H. R. 10191. An act for the relief of Comdr. Cook Cleland;

H. J. Res. 605. Joint resolution for the relief of certain aliens;

H. J. Res. 606. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; and

H. J. Res. 609. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. R. 2840. An act to promote the further development of public library service in rural areas;

H. R. 8490. An act authorizing the Administrator of General Services to convey certain property of the United States to the city of Bonham, Tex.

H. R. 9358. An act to require the Administrator of Veterans' Affairs to issue a deed to the city of Cheyenne, Wyo., for certain land heretofore conveyed to such city, removing the conditions and reservations made a part of such prior conveyance;

H. R. 10251. An act to authorize the Administrator of Veterans' Affairs to deed certain land to the city of Grand Junction, Colo.; and

H. R. 10441. An act to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to restrict its application to insurance which has been in effect 6 months at the time benefits are sought under such act; to the Committee on Labor and Public Welfare.

H. R. 2845. An act to amend the Veterans Regulations to provide additional compensation for veterans having the service-incurred disability of loss or loss of use of both buttocks;

H. R. 7144. An act to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service-connected;

H. R. 8458. An act to amend Veterans Regulation No. 10 to provide that the widow of a veteran of the Spanish-American War (including the Philippine Insurrection and the Boxer Rebellion) who married the veteran before January 1, 1938, may be eligible for death compensation;

H. R. 9841. An act to provide that in determining eligibility of a widow or child of a deceased veteran for a pension the income limitations applicable to such widow or child shall be increased $600 for the year in which the veteran's death occurs; and

H. R. 9922. An act to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized; to the Committee on Finance.

H. R. 3897. An act to relieve the Secretary of the Interior of certain reporting requirements in connection with proposed National Park Service awards of concession leases and contracts, including renewals thereof;

H. R. 7190. An act restoring to tribal ownership certain lands upon the Colville Indian Reservation, Washington, and for other purposes;

H. R. 8225. An act to authorize the addition of certain lands to the Pipestone National Monument in the State of Minnesota;

H. R. 8385. An act to transfer certain responsibilities of the Secretary of the Interior to the Public Housing Commissioner and the Secretary of Agriculture, and for other purposes;

H. R. 8837. An act to amend certain sections of the Hawaiian Organic Act, as amended, relating to the Legislature of the Territory of Hawaii;

H. R. 9207. An act to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands; and

H. R. 9451. An act to provide that certain lands shall be held in trust for the Seminole Indians and to provide that certain lands shall be designed as a reservation for Seminole Indians; to the Committee on Interior and Insular Affairs.

H. R. 5256. An act to provide for the redemption by the Post Office Department of certain unsold Federal migratory-bird hunting stamps, and to clarify the requirements with respect to the age of hunters who must possess Federal migratory-bird hunting stamps;

H. R. 5790. An act relating to the application in the Territory of Hawaii of the Federal Aid in Wildlife Restoration Act and the Federal Aid in Fish Restoration Act;

H. R. 8810. An act authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont.; and

H. R. 9822. An act to provide for the establishment of a trout hatchery on the Davidson River in the Pisgah National Forest in North Carolina; to the Committee on Interstate and Foreign Commerce.

H. R. 5268. An act to amend section 303 of the Career Compensation Act of 1949 to authorize the payment of mileage allowances for overland travel by private conveyance outside the continental limits of the United States;

H. R. 8290. An act to provide for the appointment and promotion of the director and assistant directors of the band of the United States Marine Corps, and for other purposes;

H. R. 8693. An act to amend the Career Compensation Act of 1949, as amended, in relation to the refund of reenlistment bonuses; and

H. R. 8922. An act to provide for the relief of certain members of the uniformed services; to the Committee on Armed Services.

H. R. 9377. An act to provide for the sale to the Eagle Rock Young Men's Christian Association of certain real property located in Los Angeles County, California; and

H. R. 9671. An act to provide for the conveyance of certain property of the United States to the village of Carney, Ohio; to the Committee on Government Operations.

H. R. 9842. An act to authorize the Postmaster General to hold and detain mail for temporary periods in certain cases; to the Committee on Post Office and Civil Service.

H. J. Res. 501. Joint resolution to authorize participation by the United States in parliamentary conferences of the North Atlantic Treaty Organizations; to the Committee on Foreign Relations.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The following concurrent resolutions were referred as indicated:

H. Con. Res. 228. Concurrent resolution approving the granting of the status of permanent residence to certain aliens; to the Committee on the Judiciary;

H. Con. Res. 230. Concurrent resolution authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means; to the Committee on Rules and Administration; and

H. Con. Res. 232. Concurrent resolution extending greetings to the American National Red Cross on the occasion of its 75th anniversary; to the Committee on Foreign Relations.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The Internal Security Subcommittee of the Committee on the Judiciary.

The Permanent Subcommittee on Investigations of the Committee on Government Operations.

The Committee on Labor and Public Welfare.

The Fiscal Affairs Subcommittee of the Committee on the District of Columbia.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, for the transaction of routine business, subject to a 2-minute limitation on statements.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON FEDERAL CONTRIBUTIONS FOR CIVIL DEFENSE PURPOSES

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., transmitting, pursuant to law, a report on Federal contributions for civil defense purposes for the quarter ended March 31, 1956 (with an accompanying report); to the Committee on Armed Services.

REPORT OF SECURITIES AND EXCHANGE COMMISSION

A letter from the Chairman, Securities and Exchange Commission, Washington, D. C., transmitting, pursuant to law, a report of that Commission, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Banking and Currency.

RELOCATION OF NATIONAL TRAINING SCHOOL FOR BOYS

A letter from the Attorney General, transmitting a draft of proposed legislation to provide for the relocation of the National Training School for Boys, and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

REPORT ON CONTRACTS NEGOTIATED FOR RESEARCH AND DEVELOPMENT PURPOSES

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting, pursuant to law, a report on contracts negotiated for research and development purposes, for the period July 1 through December 31, 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT OF BUREAU OF MINES

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report of the Bureau of Mines, for the calendar year 1955 (with an accompanying report); to the Committee on Interior and Insular Affairs.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

REPORT ON AUDIT OF THE AMERICAN SOCIETY OF INTERNATIONAL LAW

A letter from the Executive Secretary, The American Society of International Law, Washington, D. C., transmitting, pursuant to law, an audit report on financial transactions of that society, for the year ended December 31, 1955 (with an accompanying report); to the Committee on the Judiciary.

AUDIT REPORT ON NATIONAL SAFETY COUNCIL

A letter from the President, National Safety Council, Chicago, Ill., transmitting, pursuant to law, an audit report of the financial transactions of that council, for the year 1955 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Finance:

"Resolutions memorializing Congress to enact legislation to waive certain charges against an employer relative to unemployment insurance

"*Resolved*, That the General Court of Massachusetts hereby urges the Congress of the United States to enact legislation which would authorize State unemployment insurance agencies to waive any charges against an employer where it would adversely affect his experience rate if the unemployment is caused by the curtailment of business resulting from hurricanes, floods or other acts of God; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth."

A memorial of the House of Representatives of the State of Arizona; to the Committee on Interior and Insular Affairs:

"House Memorial 12

"Memorial requesting the Congress of the United States to investigate the wasteful expenditures of the Helium Division of the United States Bureau of Mines

"*To the Congress of the United States:*

"Your memorialist respectfully represents:

"The Helium Division of the United States Bureau of Mines is presently spending $6 million at Excell, Tex., to extract small amounts of helium from natural gas. This process is hazardous, due to possible explosion, and in addition is very costly. The Bureau of Mines is now asking for an additional $10 million for another plant to be constructed in 1959.

"The demand for helium far exceeds the supply and it is now rationed by the United States Government which is presently the only supplier of helium. The Hoover Commission has recommended that the production of helium be turned over to private industry. It costs the Federal Government over $14 per 1,000 cubic feet to process helium from natural gas.

"Apache County in the State of Arizona has the world's only virgin helium-nitrogen wells. There are 2 wells completed that produce 8½ percent helium and 89 percent nitrogen (nonexplosive), and the total flow of both wells can now supply more helium than all the combined sources of the United States Government with no danger of explosions. A third well will be completed within 60 days, at which time it is intended to build a helium plant.

"The United States Government could save millions of dollars a year by assisting private industry to set up a plant in Arizona since it is the only source of virgin helium and nitrogen in the world. Such a plant can produce helium for 50 years. Moreover, nitrogen would be a byproduct and by building an anhydrous-ammonia plant it would supply Arizona with much needed nitrogen fertilizer, thereby aiding Arizona's expanding agriculture.

"Wherefore your memorialist, the House of Representatives of the State of Arizona, prays:

"That the Congress of the United States, in view of the current expenditure by the Bureau of Mines for the production of helium, study carefully the prospect of assisting private industry in producing helium in Apache County in the State of Arizona, for the purpose of obtaining a greater supply of helium and at the same time reducing costs substantially."

A letter from the American Tariff League, Inc., New York, N. Y., signed by Richard H. Anthony, executive secretary, transmitting memorials signed by sundry officials of companies and agricultural groups, as well as labor unions and employees, remonstrating against the enactment of the bill (H. R. 5550) to amend the Tariff Act of 1930 with respect to the administration of the General Agreement on Tariffs and Trade; to the Committee on Finance.

A telegram in the nature of a petition, signed by Elois P. Parham, of Houston, Tex., praying for the enactment of the bill (S. 3760) to provide for a more effective control of narcotic drugs, and for other related purposes; to the Committee on the Judiciary.

RESOLUTION OF GENERAL COURT OF COMMONWEALTH OF MASSACHUSETTS

Mr. KENNEDY. Mr. President, on behalf of myself and my colleague the senior Senator from Massachusetts [Mr. SALTONSTALL], I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Senate of the Commonwealth of Massachusetts on March 29, 1956, and adopted in concurrence by the house of representatives on April 11, 1956.

There being no objection, the resolution was referred to the Committee on Public Works, and, under the rule, was ordered to be printed in the RECORD, as follows:

Resolutions memorializing Congress to enact certain legislation

Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact such legislation as may be necessary for establishing proper flood-control measures in the Commonwealth of Massachusetts; reducing the age at which women may receive benefits under the Social Security Act from 65 to 62; reducing the age at which widows may receive such benefits from 65 to 62; reducing the eligibility age of persons entitled to old-age assistance to 60 years; providing for a study of the number of Veterans' Administration general medical and general surgical hospital beds within the Commonwealth of Massachusetts, with a view to increasing such facilities; providing that paid-up policies of insurance be issued to such veterans of World War I who have paid into the Treasury of the United States premiums in excess of the amount of the face value of such term policies and that thereafter all premiums thereon shall be waived; providing for two deliveries of mail daily by the Post Office Department; providing that a pension of not less than $100 be paid monthly to citizens who are over the age of 65 and have retired; providing that no concession be granted on the import of textiles from foreign countries; granting loans to private and public utilities so that they may place all cables and lines underground as a precautionary measure against the effect of storms and hurricanes; establishing a system of disaster insurance to protect against loss or damage of homes and industries caused by flood, hurricane, or other disaster; providing for the construction of Federal housing projects in the west, south, and north end sections of the city of Boston; providing for the establishment of a national health insurance plan; repealing the Immigration and Nationality Act of 1952, commonly known as the McCarran-Walter Act, and enacting an immigration act in which there shall be no quota system based on national origins; granting aid in the form of arms to the Government of Israel; preventing racial discrimination and to see that such laws are enforced, particularly in certain Southern States; establishing a program of Federal grants to States or political subdivisions thereof as an aid to education, whereby the reimbursement or payment of a specific sum be made to each student being provided with formal education; incorporating the Franco-American war veterans; and pertaining to the repeal of a treaty relative to the prosecution of members of the Armed Forces of the United States serving in foreign countries for alleged violations of the law of such countries; and be it further

Resolved, That the Congress of the United States take such action as may be necessary to insure that the Postmaster General issue a postage stamp in memory of the late Herman Melville, author of Moby Dick, the classic American novel of the sea and the whaling industry, and a postage stamp commemorating the 150th anniversary of the founding of the American Board of Commissioners for Foreign Missions; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of the Congress, and to each member thereof from this Commonwealth.

LITHUANIAN INDEPENDENCE—RESOLUTION

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution which was unanimously adopted at a meeting of the American Lithuanian Council on Febru-

ary 19, 1956, at Norwood, Mass., in commemoration of the 37th anniversary of the Declaration of Independence by Lithuanian people.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Unanimously adopted, after due deliberation by the Lithuanian Americans of the city of Norwood, Mass., gathered for the purpose of commemorating the 38th anniversary of the Declaration of Independence of Lithuania, held under the auspices of the local chapter of the Lithuanian American Council on February 19, 1956:

"Whereas there can be no harmony and peace in the world as long as millions of people are refused elementary human rights and are forced to live, write, believe, and to think as the Moscow Communist dictators order; and

"Whereas Soviet Union regardless of International Treaties made by her, create unrest and provoke armed conflicts in all corners of the world, and with proposed political agreements seek only one purpose: mislead free nations and win time for her feverish military preparation, spying and Communist fifth column infiltration to steal more military secrets from western nations for her ultimate goal; conquest of the world by armed force and treason; and

"Whereas our fathers and forefathers homeland Lithuania with her neighbors Latvia and Estonia and many other countries in Europe and Asia, Soviet Union converted into colossal slave camps forcing their people to work in dreadful conditions for her armament and enslavement of other nations; and

"Whereas people in Lithuania and other countries occupied by Soviet Union, for their adherence to freedom are massacred or deported to slow death in Siberia concentration camps on a scale unheard heretofore: Therefore, be it

"*Resolved*, That this mass meeting of Lithuanian Americans of the city of Norwood, Mass., reaffirming their strong will to support the Federal Government in all its efforts to strengthen our beloved freedom-country America, and achieve lasting peace in the world, plead for further dynamic and positive foreign policy defending all nations' right of self-determination and human rights in Lithuania and other countries enslaved by Soviet Union; be it further

"*Resolved*, That the Lithuanian Americans gathered here today voice their deepest gratitude to the administration and both Houses of Congress of the United States for the moral and material help given to Lithuania and her people in their fight for freedom and existence."

JOHN M. PECHULIS,
President.

POVILAS TYLA,
Secretary.

NORWOOD, MASS., *February 19, 1956.*

REORGANIZATION OF RURAL ELECTRIFICATION ADMINISTRATION—RESOLUTION

Mr. CARLSON. Mr. President, I present a resolution adopted by the board of trustees of the Jewell-Mitchell Cooperative Electric Co., Inc., of Mankato, Kans., expressing opposition to the adoption of the Hoover Commission recommendations on the reorganization of the Rural Electrification Administration, and ask that it be printed in the RECORD, and referred to the Committee on Agriculture and Forestry.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

MARCH 15, 1956.

Whereas the board of trustees of the Jewell-Mitchell Cooperative Electric Co., Inc., a borrower of the Rural Electrification Administration, serving approximately 5,000 farmsteads, has become quite concerned during the past months concerning the recent recommendations of the Hoover Commission regarding Government lending agencies, with special reference to the Rural Electrification Administration; and

Whereas, to determine the opinion of the members of the cooperative concerning the above-mentioned Hoover Commission recommendations, the board of trustees requested written statements from the members concerning the continuance of the Rural Electrification Administration as it now exists; and

Whereas, in reviewing the written statements received from the members, it was determined that 89 percent of those members answering this request was very definitely opposed to the adoption of the Hoover Commission recommendations regarding the Rural Electrification Administration and urged that the board of trustees vigorously oppose such action by the Congress; 4 percent of those answering this request stated that the board of trustees should request that the Congress adopt the recommendations of the Hoover Commission and that this cooperative should seek future financing elsewhere. Seven percent of the returns made no definite statements, but cited generally the benefits of central station electric service to the farmer, made possible by the establishment of the Rural Electrification Administration: Therefore be it

Resolved, That we, the board of trustees of the Jewell-Mitchell Cooperative Electric Co., Inc., do, this 15th day of March 1956, urgently request that you, as a Member of the legislative body of our Government, do everything in your power to oppose the adoption of Hoover Commission Recommendations on the reorganization of the Rural Electrification Administration which would, without question, cripple the rural electric program by increasing the retail rates of electricity to the members of REA borrowers.

G. W. CHRISTOLEAC,
President.

JOE M. HEIDRICH, *Secretary.*

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—PETITION

Mr. LANGER. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a petition signed by Rev. J. F. Williamson, and sundry other citizens of Blackwell, Okla., praying for the enactment of Senate bill 923, to prohibit all interstate alcohol advertising.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, without the signatures attached, as follows:

BLACKWELL, OKLA., *May 6, 1956.*

Senator WILLIAM LANGER,
House Office Building,
Washington, D. C.:

We, the undersigned, members of the local Evangelical United Brethren Church, wish to go on record as endorsing the Senate bill 923 to outlaw all interstate alcohol advertising, including magazines, newspapers, radio, and TV, as introduced by yourself.

Mr. LANGER. Mr. President, I also present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a petition in favor of the so-called Langer bill, to prohibit alcoholic beverage advertising in interstate commerce. The petition is signed by some fine citizens of the State of New York.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, without the signatures attached, as follows:

Hon. WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages. At a time when 1 out of 10 drinkers is becoming an alcoholic there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the powerful audio and visual suggestions of radio and television.

ANNIVERSARY OF ENACTMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT—RESOLUTION

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Corn Industries Research Foundation commemorating the 50th anniversary of the enactment of the Federal Food, Drug, and Cosmetic Act and the Meat Inspection Act.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas June 30, 1956, is the 50th anniversary of the enactment of the Federal Food, Drug, and Cosmetic Act and the Meat Inspection Act; and

Whereas these laws and their administration over the past 50 years have served to promote high standards in the production and marketing of foods, drugs, and cosmetics and have thus served to promote both consumer confidence in the products of the regulated industry and fair methods of competition; and

Whereas the 50th anniversary of the enactment of these significant laws is being commemorated by regulatory, consumer, and industry groups through varying activities on a nationwide scale: Now, therefore, be it

Resolved, That the Corn Industries Research Foundation, Inc., participate to every practical extent in the commemoration activities of the various organizations and encourage its members to do likewise; and be it further

Resolved, That the foundation commend, and hereby does commend, the regulatory officials for their conscientious and effective administration of these laws, and assure them, and hereby does assure them, of this industry's continued cooperation and support.

READJUSTMENT OF SIZE AND WEIGHT LIMITATIONS ON FOURTH-CLASS PARCEL POST MAIL—RESOLUTION

Mr. MAGNUSON. Mr. President, several measures pending at this session of Congress would readjust size and weight

limitations on fourth-class parcel post mail.

This proposed legislation has been brought to my attention again by several Pacific Northwest apparel manufacturers.

I ask unanimous consent to have printed in the RECORD a resolution adopted recently by the Pacific Northwest Apparel Manufacturers Association.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION IN SUPPORT OF H. R. 9566

Whereas the existence of an efficient, economical parcel post system is essential to the pattern of life of our citizens and businesses in both rural and urban areas; and

Whereas the present discriminatory parcel-post size and weight limitations seriously disrupt the service once enjoyed by all at great and unnecessary cost and inconvenience; and

Whereas there is no nationwide substitute for parcel post that can and will serve all citizens regardless of address; and

Whereas the present size and weight limitations have been both a financial and an administrative burden to the Post Office Department: Be it

Resolved, That the Pacific Northwest Apparel Manufacturers Association, representing 17 businesses in Portland and Seattle, favors immediate enactment of H. R. 9566 and restoration thereby of uniform parcel-post size and weight limits. It is respectfully requested that Senator MAGNUSON insert this resolution in the CONGRESSIONAL RECORD and that he request the chairman of the Post Office Committee to schedule hearings now on parcel post size and weight so that the citizens of Seattle, Wash., and Portland, Oreg., may have relief from the present law before the current legislative session is concluded.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MANSFIELD, from the Committee on Foreign Relations:

S. 3638. A bill to promote the foreign policy of the United States by amending the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.); with amendments (Rept. No. 1959).

REPORT ENTITLED "PROPOSAL TO CREATE AN ADMINISTRATIVE VICE PRESIDENT" (S. REPT. 1960)

Mr. KENNEDY. Mr. President, I submit the report of the Committee on Government Operations, made by its Subcommittee on Reorganization, upon the proposed creation of a position of Administrative Vice President in the Executive Office.

Members of the subcommittee will recall that former President Herbert Hoover last January recommended that the Congress establish such a position to relieve the President of the United States of some of his administrative burdens.

Hearings were held upon this proposal on January 16, 24, and 25, 1956. After thoroughly weighing the evidence presented at these hearings, the subcommittee, as the report I am filing at this time indicates, concluded unanimously that for the present no action should be taken on this proposal. This decision is based upon the following factors:

First. The evidence received by the subcommittee establishes conclusively that there are already sufficient appropriate officials within the executive branch to whom statutory administrative functions suitable for delegation may be assigned; and

Second. The administration has not indicated to the Congress any existing need for the creation of a position of Administrative Vice President in the executive office to relieve the President of administrative details at this time.

As the report points out, it is the conviction of the subcommittee that the Congress should always proceed with the utmost caution in its consideration of proposals affecting the President's office. The American Presidency was not intended by its creators, nor regarded by the majority of those who have held that office, as primarily a ceremonial or coordinating job, with its most essential responsibilities delegated to nonelected officers. The Congress, therefore, should not take the lead in diluting the President's responsibilities in order to lessen his burdens, unless such authority is actively sought by the President.

Although the subcommittee is not recommending the creation of the office of an Administrative Vice President, in my opinion, former President Hoover has rendered another great public service by focusing attention upon the administrative burdens shouldered by the President in the discharge of his official duties.

As the report I submit indicates, the administration has undertaken an extensive review of the entire structure of the Presidency to determine how its functions can be more efficiently performed.

I ask that the report be printed.

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from Massachusetts.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation three lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon, pursuant to law.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Foreign Relations:

Albert F. Nufer, of New York, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Republic of the Philippines, vice Homer Ferguson;

Willard L. Beaulac, of Rhode Island, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Argentina, vice Albert F. Nufer; and

Cecil B. Lyon, of New Hampshire, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile, vice Willard L. Beaulac.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 3802. A bill requiring Federal penal and correctional institutions to maintain a supply of Bibles and religious literature to be furnished to any Federal prisoner at his request; to the Committee on the Judiciary.

S. 3803. A bill providing for the retroactive payment of old-age insurance benefits under title II of the Social Security Act to farmers who retire after having attained more than 65 years of age; to the Committee on Finance.

S. 3804. A bill to amend section 416 of the Agricultural Act of 1949, as amended, so as to authorize the donation to the Bureau of Prisons of commodities acquired through price support operations; to the Committee on Agriculture and Forestry.

S. 3805. A bill to increase the equipment maintenance allowance for rural carriers; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. LANGER when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. MARTIN of Pennsylvania:

S. 3806. A bill to clarify the Internal Revenue Codes of 1939 and 1954 with respect to the allowance of percentage depletion in the case of sand and gravel extracted from navigable waters;

S. 3807. A bill to clarify the jurisdiction of the Tax Court in abnormality relief cases arising under the World War II Excess Profits Tax Act; and

S. 3808. A bill to provide for the income-tax treatment of indebtedness discharged more than 20 years after the date on which it was incurred; to the Committee on Finance.

By Mr. CARLSON:

S. 3809. A bill to provide for the establishment of a new fish hatchery at Cedar Bluff Reservoir; to the Committee on Interstate and Foreign Commerce.

S. 3810. A bill to amend the Act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of national security; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. CARLSON when he introduced the above bills, which appear under separate headings.)

By Mr. LONG:

S. 3811. A bill to amend title 28, United States Code, to prescribe certain qualifications for persons appointed as members of the Supreme Court; to the Committee on the Judiciary.

(See the remarks of Mr. LONG when he introduced the above bill, which appear under a separate heading.)

By Mr. DIRKSEN:

S. 3812. A bill granting the consent of Congress to the States of Illinois and Wisconsin to enter into a compact relating to interstate public school districts where an educational community extends into both such States; to the Committee on the Judiciary.

By Mr. DIRKSEN (by request):

S. 3813. A bill for the relief of Dr. James R. P. Wong; to the Committee on the Judiciary.

By Mr. KENNEDY:

S. 3814. A bill for the relief of Guiseppina Coppola; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. 3815. A bill for the relief of Kuo Cheng Wu and his wife, Edith Wu, and their two sons, Hsiu-Kwang Wu and Hsiu-Huang Wu; to the Committee on the Judiciary.

By Mr. WILEY:

S. 3816. A bill for the relief of certain aliens; to the Committee on the Judiciary.

(See the remarks of Mr. WILEY when he introduced the above bill, which appear under a separate heading.)

By Mr. BARRETT (for himself and Mr. O'MAHONEY):

S. 3817. A bill to amend the act of May 21, 1930, relating to the leasing of oil and gas deposits in or under railroad or other rights-of-way; to the Committee on Interior and Insular Affairs.

By Mr. PURTELL (for Mr. IVES):

S. 3818. A bill for the relief of Mutsuko Miyaji; to the Committee on the Judiciary.

By Mr. ALLOTT:

S. 3819. A bill relating to the transfer of Veterans' Administration hospitals; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. ALLOTT when he introduced the above bill, which appear under a separate heading.)

By Mr. ELLENDER (by request):

S. 3820. A bill to increase the borrowing power of Commodity Credit Corporation; to the Committee on Agriculture and Forestry.

By Mr. MAGNUSON (by request):

S. 3821. A bill to authorize the construction of two prototype ships, and the conversion of one Liberty ship, by the Maritime Administration, Department of Commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. GORE (for himself and Mr. JACKSON):

S. 3822. A bill to amend the Atomic Energy Community Act of 1955, and for other purposes; to the Joint Committee on Atomic Energy.

By Mrs. SMITH of Maine:

S. 3823. A bill to require that collectors of customs and certain other officers of the Bureau of Customs be appointed in accordance with the civil-service laws; to the Committee on Post Office and Civil Service.

By Mr. LEHMAN:

S. 3824. A bill for the relief of Marcial Moreno Pascual; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 3825. A bill to amend section 204 (c) of the Civil Aeronautics Act of 1938, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGNUSON (for himself and Mr. JACKSON):

S. 3826. A bill to amend certain provisions of the Columbia Basin Project Act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BUTLER (for himself and Mr. BYRD):

S. 3827. A bill to authorize the construction of a shellfish research laboratory and experiment station in the Chesapeake Bay area; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. BUTLER when he introduced the above bill, which appear under a separate heading.)

By Mr. WATKINS:

S. 3828. A bill to clarify the law relating to the grant of certain public lands to the States for school purposes; to the Committee on Interior and Insular Affairs.

By Mr. KERR:

S. 3829. A bill to authorize the establishment, maintenance, and operation of auxiliary communication networks composed of licensed amateur radio operators for military radio communications; to the Committee on Interstate and Foreign Commerce.

By Mr. BUTLER:

S. J. Res. 167. Joint resolution to establish a commission to study and report to the Congress on inequalities and inequities in the Federal tax laws; to the Committee on Finance.

By Mr. LONG:

S. J. Res. 168. Joint resolution proposing an amendment to the Constitution of the United States prescribing the term of office of members of the Supreme Court; to the Committee on the Judiciary.

(See the remarks of Mr. LONG when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. MAGNUSON:

S. J. Res. 169. Joint resolution to establish a joint committee to investigate the gold mining industry; to the Committee on Interior and Insular Affairs.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON STUDY OF ANTITRUST LAWS

Mr. O'MAHONEY submitted the following concurrent resolution (S. Con. Res. 77), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on the Judiciary 1,000 additional copies each of parts 6, 7, and 8, of the hearings held by the Subcommittee on Antitrust and Monopoly on a study of the antitrust laws of the United States, and their administration, interpretation, and effect.

INCREASED EQUIPMENT MAINTENANCE ALLOWANCE FOR RURAL CARRIERS

Mr. LANGER. Mr. President, I introduce a bill providing for an increase in the pay of rural mail carriers. In view of the fact that the cost of equipment has gone up, as have other expenses, in connection with the delivery of mail, and in view of the fact that rural mail carriers have to deliver the mail in rain, shine, or storm, I believe their compensation should be correspondingly increased.

I ask that the bill may be appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3805) to increase the equipment maintenance allowance for rural carriers, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

FISH HATCHERY AT THE CEDAR BLUFF RESERVOIR, KANS.

Mr. CARLSON. Mr. President, I introduce, for appropriate reference, a bill which would authorize and direct the Secretary of Interior to construct, equip, maintain, and operate a new fish hatchery at the Cedar Bluff Reservoir.

The site of the dam is located about 7 miles west of the Trego-Ellis County line and was completed in 1951. The reservoir formed by the dam has a total control storage capacity of 377,000 acre-feet and is an ideal location for a warm water fish hatchery.

Ross Beach, Jr., of Hays, Kans., chairman of the Kansas State Fish and Game Commission, has written me in regard to the possibilities of the authorization of this hatchery, and I can assure the Department of Interior that our State agency will be most pleased to cooperate with the Department in any way it can.

This location of a hatchery could serve a large area in several States in supplying fish for lakes and streams, of which we have large numbers, and the program for additional construction of recreational areas is expanding rapidly in our State.

Recently when the appropriation for the Fish and Wildlife Section of the Department of Interior was before the Senate, I called to the attention of the chairman, the Senator from Arizona [Mr. HAYDEN], the need for this hatchery, and he assured me once the authorization was secured, the Appropriations Committee would be pleased to look further into the matter.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3809) to provide for the establishment of a new fish hatchery at Cedar Bluff Reservoir, introduced by Mr. CARLSON, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

SUSPENSION OF EMPLOYMENT OF CIVILIAN PERSONNEL IN THE INTEREST OF NATIONAL SECURITY

Mr. CARLSON. Mr. President, I introduce, for appropriate reference, a bill which would amend the act of August 26, 1950, relating to suspension of employment of civilian personnel of the United States in the interest of national security.

As a member of the subcommittee of the Post Office and Civil Service Committee which held rather extended hearings last year in regard to our present national security, I believe that the approval of this amendment would not only be fair and just to the individual employee, but one that would greatly alleviate some of the injustices as a result of the program.

Section 1 of the present act requires that in all cases brought pursuant to it an officer or employee must be suspended without pay before he may be granted a hearing.

This mandatory requirement of suspension in many instances works an undue hardship on an officer or employee, without benefit from the standpoint of the national security.

This proposal would make discretionary the exercise of the power of suspension prior to hearing. The Government could suspend where suspension was considered necessary in the interest of national security, but on the other hand they would be given sufficient leeway to carry the officer or employee on the payroll where the circumstances did not warrant immediate suspension.

It is legislation I sincerely hope we can approve in this session of Congress.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3810) to amend the act of August 26, 1950, relating to the suspension of employment of civilian personnel of the United States in the interest of

national security, introduced by Mr. CARLSON, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

QUALIFICATIONS AND TERMS OF OFFICE OF MEMBERS OF SUPREME COURT

Mr. LONG. Mr. President, I introduce for appropriate reference a joint resolution proposing a constitutional amendment limiting the terms of the Justices on the Supreme Court to 12 years. I also introduce for appropriate reference a bill to require that at least half of the judges hereafter appointed to the Supreme Court shall be required to have more than 6 years' prior experience as a judge on a court of record.

During the past 30 years we have had the opportunity to see the Supreme Court exercise powers beyond those which any of our Founding Fathers ever anticipated. For example, the Supreme Court's interpretation of the general welfare clause and the interstate commerce clause during the past two decades has had the effect of changing the form of our constitutionally Federal Government from one of closely limited powers to one of almost unlimited power.

On momentous issues we have seen the Court repeatedly hand down decisions completely at variance with its prior decisions, to the astonishment and surprise of the overwhelming majority of the attorneys of our Nation.

I am confident that the vast majority of level-headed persons, familiar with our history and our laws, will agree that the Supreme Court of recent years has exercised powers far beyond those intended by our Founding Fathers. When the Supreme Court interprets a provision of a statute in a way that is not consistent with the intention of the Congress, then the Supreme Court is assuming to make law. When it interprets a provision of the Constitution to have a meaning different from that which was intended by the authors of the provision, then the Supreme Court is actually amending our Constitution without the consent of the people, although the consent of the people is intended by law.

Personally, I am not one of those who believe that the clear intention of the Constitution or the meaning of the laws passed by Congress change with the times. I recognize that there are some who feel that this should be the case. Even if it should be the case, such persons should agree that the power to amend the Constitution and to change the meaning of the statutes of the United States should not be an unlimited power vested in men who are appointed to serve for life. Like every other power in our Government, it should be subject to the checks and balances intended by our Founding Fathers.

It is true that much of the demand for a change of the meaning of our Constitution and our laws at the national level has come from groups who regard themselves as racial minorities. These minority groups would do well to remember that the rights which they enjoy in this Nation could be endangered if the majority of the people should turn against them.

The rights enjoyed by minorities would be much more secure were our Supreme Court composed of men who had demonstrated through the years their ability to dispense justice fairly and impartially. Likewise, the rights of all Americans would be more secure were they able to depend upon a Court that would follow the precedents. A court that decides cases in response to considerations apart from the actual purposes and meaning of the law can wipe out minority rights, in response to political pressure, just as easily as it can establish such rights.

The VICE PRESIDENT. The bill and joint resolution will be received and appropriately referred.

The bill and joint resolution, introduced by Mr. LONG, were received, read twice by their titles, and referred to the Committee on the Judiciary, as follows:

S. 3811. A bill to amend title 28, United States Code, to prescribe certain qualifications for persons appointed as members of the Supreme Court; and

S. J. Res. 168. Joint resolution proposing an amendment to the Constitution of the United States prescribing the term of office of members of the Supreme Court.

RELIEF OF CERTAIN ALIENS

Mr. WILEY. Mr. President, I introduce, for appropriate reference, a bill for the relief of certain aliens. I may say that there appears in the CONGRESSIONAL RECORD, volume 100, part 1, page 934, a statement I made in relation to a similar bill.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3816) for the relief of certain aliens, introduced by Mr. WILEY, was received, read twice by its title, and referred to the Committee on the Judiciary.

TRANSFER OF VETERANS' ADMINISTRATION HOSPITALS

Mr. ALLOTT. Mr. President, I am pleased to introduce, for appropriate reference, a bill to protect the interests of our veterans who need and are entitled to medical care. It is similar to a bill introduced by Representative WEAVER in the House of Representatives on March 2, 1956, H. R. 9729.

The purpose of the bill is to require a 90-day period for congressional review before the Veterans' Administration could transfer a veterans' hospital to any other agency of the Federal Government. It would require the Administrator of Veterans' Affairs to submit any such proposed transfer to the Congress together with the reasons for doing so. Such transfer could then take effect at the end of a period of 90 calendar days of continuous session of the Congress, but only if between the date of transmittal and the expiration of 90 days there has not been passed by either of the two Houses, by an affirmative vote of a majority of the authorized membership of that House, a resolution stating that that House does not favor the proposed transfer. It would take effect with respect to all transfers occurring on or after January 1, 1956.

I believe this measure is broad enough to allow adequate administrative control, and at the same time insure that no veterans' hospitals are thus eliminated from use by veterans without the consent of the Congress.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3819) relating to the transfer of Veterans' Administration hospitals, introduced by Mr. ALLOTT, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

SHELLFISH RESEARCH LABORATORY AND EXPERIMENT STATION IN CHESAPEAKE BAY AREA

Mr. BUTLER. Mr. President, I introduce, for appropriate reference, a bill to authorize the construction of a fish research laboratory and experimental station in the Chesapeake Bay area. Knowing of Senator BYRD's keen interest in such matters, after drafting the bill I sent it to him for his consideration. He has given it his careful consideration and has done me the honor of joining with me as a cosponsor.

The United States Fish and Wildlife Service has been studying the shell fisheries in the Chesapeake Bay for the last 10 years. Their laboratory has been located in Annapolis, housed in a recreation building of a temporary Federal housing installation. This building is almost one mile from the nearest water and dock. Under these conditions the research work has been limited to field studies.

The Service is planning to expand its shellfish research work on the Chesapeake Bay. They will include studies on hard and soft clams as well as expanded research on oysters. Additional personnel are in process of being transferred to carry on this work.

The Fish and Wildlife Service has shellfish research installations operating out of Woods Hole, Mass.; Milford, Conn.; Beaufort, N. C., and Pensacola, Fla. The oyster production from Maryland and Virginia waters totals in excess of 6 million bushels valued at $18 million to the catcher. After processing the value of the product increases to more than $30 million annually. This production is greater than any other area in the United States.

It is my strong feeling that the quality and extent of research would be greatly improved by the construction of an adequate marine laboratory. As I understand, the United States Fish and Wildlife Service is of the opinion that improved facilities such as those contemplated and to be authorized by this bill are essential for it to carry out an expanded research program.

The cost of construction of a laboratory to provide the building and facilities needed will approximate $250,000, I am reliably informed. I am confident that such an expenditure will result in findings which will repay this investment many times over.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 3827) to authorize the construction of a shellfish research labora-

tory and experiment station in the Chesapeake Bay area, introduced by Mr. BUTLER (for himself and Mr. BYRD), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

CONSTRUCTION OF CERTAIN WORKS OF IMPROVEMENT ON THE NIAGARA RIVER—AMENDMENT

Mr. COTTON submitted an amendment, intended to be proposed by him to the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes, which was ordered to lie on the table and to be printed.

TRANSFER OF CERTAIN GOVERNMENT-OWNED MANGANESE ORE FACILITIES TO SECRETARY OF THE INTERIOR—AMENDMENTS

Mr. DIRKSEN submitted amendments, intended to be proposed by him, to the bill (S. 3453) to transfer certain Government-owned manganese ore facilities to the Secretary of the Interior, to provide for the erection of one or more beneficiation plants to treat manganese ores, to stimulate the production of certain strategic and critical minerals, and for other purposes, which were referred to the Committee on Interior and Insular Affairs, and ordered to be printed.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENTS

Mr. KENNEDY submitted an amendment, intended to be proposed by him, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, which was referred to the Committee on Finance, and ordered to be printed.

Mr. WILLIAMS submitted amendments, intended to be proposed by him, to House bill 7225, supra, which were referred to the Committee on Finance, and ordered to be printed.

Mr. JOHNSTON of South Carolina submitted amendments, intended to be proposed by him to House bill 7225, supra, which was referred to the Committee on Finance, and ordered to be printed.

CONVEYANCE OF CERTAIN LANDS TO BOARD OF COMMISSIONERS, ST. JOHNS COUNTY, FLA.—AMENDMENT

Mr. MORSE submitted an amendment, intended to be proposed by him, to the bill (H. R. 7471) to provide for the conveyance of certain lands of the United States to the Board of Commissioners of St. Johns County, Fla., which was ordered to lie on the table and to be printed.

AMENDMENT OF FEDERAL-AID ROAD ACT—AMENDMENTS

Mr. NEUBERGER. Mr. President, I submit amendments to the bill (H. R. 10660) the Federal-Aid Highway Act of 1956, which is aimed at increasing the productivity, enjoyment, and usefulness of our national forest and national parks by expanding the existing roads within those areas.

The purpose of the amendments is to add to the version of the Federal Highway Act which was approved by the Senate Committee on Public Works, the amounts previously adopted by the House of Representatives for road building in four different categories: for forest highways, forest development roads and trails, national parks highways, and Federal parkways.

The amendments would provide the following amounts, which, as I pointed out previously, have already been approved by the House: for forest highways, $25 million; for forest developments roads and trails, $27 million; for national parks highways, $13 million; for Federal parkways, $16 million.

The amounts authorized by the House are fully justified by the increased demands on our forest and parks systems. The sound management of national forests for lumbering, recreation, and other uses, requires construction of roads to improve accessibility.

I would like to point out that these roads are not financed from gas tax or other highway-user levies, but from funds derived from the sale of timber harvested from the national forests. The record shows that this has been a favorable procedure for the Federal Government. The forest road-building programs of the past have provided $2 in revenue for every $1 invested by the Federal Government. In addition, these forest roads are built by private contractors and increase the revenues received at Federal timber sales by making harvestable timber available to a larger number of prospective purchasers, thereby increasing the activity of bidders.

A collateral benefit of improved forest access roads accrues to the millions of hunters, anglers, hikers, recreationists, and others who vacation in the national forest areas. The additional construction will open new areas to the vast numbers who seek relaxation in the forested slopes of the public domain.

The same is true of the national parks and national monuments, which are being visited each year by more and more vacationists. Without more adequate roads in the vast Federal recreation areas, our stepped-up Federal highway program would be much like building a dead-end boulevard. More and better roads in national forests and parks are vitally needed so that the millions of pleasure-seeking American motorists will have some place to go when they travel the improved Federal road system of the future. The increase authorizations constitute a realistic approach to attainment of this beneficial objective.

I am pleased to submit the amendments on behalf of myself, the senior Senator from Montana [Mr. MURRAY], my colleague, the senior Senator from Oregon [Mr. MORSE], the senior Senator from Washington [Mr. MAGNUSON], the junior Senator from Washington [Mr. JACKSON], and the junior Senator from Montana [Mr. MANSFIELD]. I ask unanimous consent to have the amendments printed in the RECORD at the conclusion of my remarks.

The VICE PRESIDENT. The amendments will be received, printed, and lie on the table; and, without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

At the proper place in section 106 (1) strike out the figure "$22,500,000" and insert in lieu thereof the figure "$25,000,000", and (2) strike out the figure "$24,000,000" and insert in lieu thereof the figure "$27,000,000"; and

At the proper place in section 107 (a) strike out the figure "$12,500,000" and insert in lieu thereof the figure "$16,000,000", section 107 (b) strike out the figure "$11,000,000" and insert in lieu thereof the figure "$16,000,000."

Mr. MORSE subsequently said: Mr. President, I am delighted to join in sponsoring this amendment to the highway bill with my colleague, the junior Senator from Oregon [Mr. NEUBERGER], who is a member of the Public Works Committee.

Several weeks ago, the Senators from Oregon testified on the House side for increases on timber access roads and we secured them over there. Chairman BUCKLEY wrote me that the testimony the junior Senator from Oregon and I gave, plus the letters of support from our distinguished majority leader, LYNDON JOHNSON, and Senators MAGNUSON, JACKSON, MURRAY, SYMINGTON, SPARKMAN, SCOTT, HUMPHREY, KEFAUVER, LEHMAN, and DOUGLAS, was instrumental in developing House support for the increase they provided.

We are interested in quickly passing a highway bill and I do not propose to argue the merits of the modest increase proposed by the amendment, against the long-range increases in forest roads that we need.

Favorable action by the Senate will be helpful. We have had a total absence of a real program presentation from the other end of Pennsylvania Avenue. This is a crying shame when we consider that the roads covered in these authorizations bring substantial revenues into the Treasury above their cost.

If we want to increase revenues and keep our economy healthy, this program is one of the best steps we can make toward this goal.

EXTENSION OF SUGAR ACT OF 1948—CHANGE OF CONFEREE

Mr. BYRD. Mr. President, I ask unanimous consent that the Senator from Pennsylvania [Mr. MARTIN] be excused from further service as a conferee on the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, and that the Senator from Colorado [Mr. MILLIKIN] be designated to serve in his place.

The VICE PRESIDENT. Is there objection to the request of the Senator from Virginia? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. LANGER:

Speech delivered by him at Carnegie Hall, New York, N. Y., on September 29, 1955.

By Mr. MAGNUSON:

Statement prepared by him relative to the 100th anniversary of the Order of the Sisters of Providence in the Pacific Northwest.

By Mr. WILEY:

Address on engineering research and development, delivered by him before a section of the American Society of Tool Engineers, at Madison, Wis., on April 20, 1956.

By Mr. STENNIS:

Remarks by Senator SCOTT before the Senators' breakfast group on May 9, 1956.

NOTICE OF HEARING ON H. R. 9424, S. 3341, AND S. 3424, BILLS AMENDING THE CLAYTON ACT RELATING TO MERGERS

Mr. O'MAHONEY. Mr. President, on behalf of the standing subcommittee of the Committee on the Judiciary on antitrust and monopoly legislation. I desire to give notice that a public hearing has been scheduled for Wednesday, May 23, 1956, beginning at 10:30 a. m., in room 424 Senate Office Building, on H. R. 9424, S. 3341, and S. 3424, bills amending the Clayton Act by requiring prior notification of corporate mergers.

Prior to the above mentioned date all persons interested in the proposed legislation should file with the committee such representations as may be pertinent, or communicate their desire to be heard.

The subcommittee consists of the Senator from Tennessee [Mr. KEFAUVER], the Senator from Missouri [Mr. HENNINGS], the Senator from West Virginia [Mr. NEELY], the Senator from North Dakota [Mr. LANGER], the Senator from Illinois [Mr. DIRKSEN], the Senator from Wisconsin [Mr. WILEY], and myself, chairman.

NOTICE OF RESUMPTION OF HEARINGS ON VARIOUS CIVIL RIGHTS PROPOSALS BY COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that the Committee will resume hearings on the various civil rights proposals beginning at 2:30 p. m., Wednesday, May 16, 1956, in the committee room, Room 424, Senate Office Building.

Persons desiring to be heard should notify the committe in order that a schedule of witnesses may be prepared.

PAYMENT TO CROW INDIAN TRIBE FOR TRANSFER OF CERTAIN RIGHT-OF-WAY

Mr. MURRAY. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives respecting Senate Joint Resolution 135.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 135) for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming, which were, to strike out all after the enacting clause and insert:

That from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, to be available in accordance with the act of June 20, 1936 (49 Stat. 1543), the sum of $1,500,000 as just compensation for the transfer to the United States as hereby provided of the right, title, and interest of the Crow Tribe in and to certain tribal lands required for the construction, operation, and maintenance of the Yellowtail unit, Missouri River Basin project.

SEC. 2. (a) Subject to the provisions of this section, there is hereby transferred to the United States the right, title, and interest of the Crow Tribe in and to lands situated in the Big Horn County, Mont., hereinafter described under the headings "Parcel A" and "Parcel B" and in and to such lands, additional to parcels A and B, as the Secretary of the Interior, hereinafter referred to as the Secretary, determines to be required for the construction thereon of minimum basic recreational facilities for the accommodation of the public visiting the Yellowtail unit.

PARCEL A

Lots 7, 8, 9, 10, 11, and 12, northeast quarter of the southwest quarter and the east half of the southeast quarter of section 18; lots 1, 2, 3, 4, 5, and 6, the southwest quarter of the northeast quarter, southeast quarter of the northwest quarter, and the northeast quarter of the southwest quarter of section 19, all in township 6 south, range 31 east, Montana principal meridian, and containing 573.84 acres, more or less.

A tract of unsurveyed, unallotted Indian land described as follows: Beginning on the westerly side of the Big Horn River at a point on the west line of lot 9, section 18, township 6 south, range 31 east, Montana principal meridian, said point being at elevation 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the east line of the southeast quarter of the northeast quarter of section 22, township 6 south, range 30 east, Montana principal meridian; thence southerly along the east line of said southeast quarter of the northeast quarter to a point on the east line of said southeast quarter of the northeast quarter, whose elevation is 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the south boundary of the Crow Indian Reservation on the westerly side of the Big Horn River; thence easterly along the said south boundary of the Crow Indian Reservation to a point of intersection with the middle of the thread of the Big Horn River; thence running upstream along the middle of the thread of the Big Horn River to a point of intersection with the south line of township 9 south, range 28 east, Montana principal meridian; thence easterly along the south line of said township 9 south, range 28 east, to a point on the south line of said township 9 south, range 28 east, Montana principal meridian, whose elevation is 3,675 feet; thence running downstream along a contour line whose elevation is 3,675 to a point of intersection with the west line of township 6 south, range 31 east, Montana principal meridian; thence northerly along the west line of said township 6 south, range 31 east, to the point of beginning, and containing 4,771.6 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation, further described as follows: Beginning at a point where the 3,675-foot contour to the left of the Big Horn River intersects the south boundary of the Crow Indian Reservation, said point being approximately 5,400 feet westerly of the point of intersection of the Big Horn River and the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence running easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 5.7 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation and along Hoodoo Creek further described as follows: Beginning at a point on the south boundary of the Crow Indian Reservation where the 3,675-foot contour on the east bank of Hoodoo Creek intersects the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to its intersection with the middle of the thread of Hoodoo Creek; thence running downstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 1.3 acres, more or less.

The total area above described is 5,352.44 acres, more or less, situated in Big Horn County, Mont.

PARCEL B

Lots 1, 5, and 6 of section 18, lots 4, 6, 7, and 8, and the south half of the northwest quarter of section 17, lots 6 and 7, section 16, all in township 6 south, range 31 east, Montana principal meridian, containing 325.50 acres, more or less, and situated in Big Horn County, Mont.

(b) There is reserved from the right, title, and interest transferred as to parcel B, the Indian Irrigation Service canal and appurtenant facilities, Big Horn unit, Crow Indian Irrigation Department, as now constructed or as they may be hereafter modified, until such time as said canal and appurtenant facilities may be replaced.

(c) Except as to such area as the Secretary determines to be required for the dam site and the construction and operating camp site, the right, title, and interest transferred shall be exclusive of the rights to minerals, including gas and oil beneath the surface: *Provided*, That no permit, license, lease, or other document covering the exploration for or the extraction of such minerals shall be granted by or under the authority of the Secretary except under such conditions and with such stipulations as the Secretary deems adequate to protect the interests of the United States in the construction, operation, maintenance, and use of the Yellowtail unit.

(d) The members of the Crow Tribe shall have the right to hunt and fish in and on the Yellowtail Reservoir and its shoreline, subject, however, to regulations, in the interests of conservation and proper operation, governing the corresponding use by members of the public generally.

SEC. 3. Unless suit to determine whether an additional amount to that specified in section 1 hereof is due as just compensation is brought in the Court of Claims by the Crow Tribe within 3 years after the effective date of this joint resolution, the sum provided by section 1 hereof shall constitute full, complete, and final settlement of any and all claims by the tribe on account of the trans-

fer to the United States, as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof. In the event of such suit, the court shall have jurisdiction as under section 1505, title 28, United States Code, and in determining just compensation shall take into account the sum specified in section 1 hereof and the rights reserved to the tribe by subsections (b), (c), and (d) of section 2 hereof. The amount embraced in such judgment, if any, as may be entered against the United States shall be deposited in the Treasury to be available in like manner as the sum specified in section 1 hereof. Review of the judgment entered shall be in the same manner, and subject to the same limitations, as govern in the case of other claims cognizable under the aforementioned section 1505.

And to amend the title so as to read: "Joint resolution for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming."

Mr. MURRAY. Mr. President, on Monday the House amended Senate Joint Resolution 135, providing for payment to the Crow Indian Tribe for transfer of the right-of-way for the Yellowtail Dam unit of the Missouri River Basin project. The House amendments are in the nature of a substitute for the language approved by the Senate, and make drastic changes in the philosophy and approach of the joint resolution as passed by the Senate, as well as in the amounts involved.

Mr. President, the Senate Interior Committee held exhaustive hearings on Senate Joint Resolution 135. At the hearings, representatives of the several factions of the Crow Indians, as well as spokesmen for the representatives of the executive agencies and all other interested parties, were heard at length. The committee then voted to amend the joint resolution in the light of facts brought out at the hearings, and reported to the Senate what the Members of the Committee considered an equitable bill which safeguarded both the interests of the Indians and those of the Federal Government. The Senate accepted the Committee amendments, and passed the joint resolution.

Mr. President, I move that the Senate disagree to the amendments of the House to Senate joint resolution 135, and request a conference thereon; and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. MURRAY, Mr. O'MAHONEY, Mr. BIBLE, Mr. WATKINS, and Mr. MALONE conferees on the part of the Senate.

ALBEN W. BARKLEY, OF KENTUCKY

Mr. FULBRIGHT. Mr. President, as were all other Members of the Senate, I was deeply shocked by the death of the beloved Senator from Kentucky, Alben Barkley. His passing marks the end of one of the great statesmen of our time. Although I shall miss his personal counsel and his great leadership, I am grateful for having had the opportunity of serving in the Senate with such a fine man.

Shortly after news of Senator Barkley's death was flashed over the radio, Mr. Edward R. Murrow gave his nightly comment on the news over the Columbia Broadcasting System. His tribute to Senator Barkley expresses better than anything I can say the sense of loss which all of us felt so deeply. I ask unanimous consent to have printed at this point in the RECORD an excerpt from Mr. Murrow's commentary.

There being no objection, the excerpt from the commentary was ordered to be printed in the RECORD, as follows:

In the woods, when a great and ancient tree that has weathered many storms suddenly comes crashing down, there is the noise of smaller trees snapping back into position, the rustle and cries of small creatures, and the descending noise of twigs, branches, and bits of moss falling to the ground. And then there is silence, more complete and oppressive than any silence that went before. Frequently this happens on a dead calm day, for no apparent reason. So it was today with Senator Alben Barkley of Kentucky. He was making the keynote speech at Washington and Lee University. The occasion was their mock democratic convention. The Senator had just said: "I would rather be a servant in the House of the Lord than sit in the seats of the mighty." He collapsed and was pronounced dead 10 minutes later.

It was altogether typical of the man that he devoted his last hour to politics and to youth. He was a man without cant, without rancor; a politician respected and admired, even by his opponents. In defeat he was resolute, and in victory indeed magnanimous. Few men have ever so endeared themselves in the hearts of their fellow men. He had humor, but seldom used it to hurt. He was a man who wore both power and popularity loosely, almost carelessly, like an old cloak. He was tolerant of most things, except intolerance. He had been in politics since 1905. He was helpful to young men. He was a tireless political campaigner. And he was an orator of what is generally called "the old school." Anyone who heard his keynote speech in Philadelphia in 1948, or his brilliant performance at Chicago in 1952, heard political oratory at its best. At Chicago he had thought the presidential nomination to be within his grasp. He lost it, knew he had lost it, and then went before the convention, shrugged his broad shoulders and proceeded to demonstrate how a good politician and a good loser should act and speak.

He served as Vice President under Mr. Truman, became known as the Veep, and was always the gentleman from Paducah. He loved the cut and thrust of parliamentary debate. He was known during his years in the Senate as the ready man, ready at the drop of a gavel to deliver a brilliant and lengthy speech, without benefit of notes or ghostwriters. While he was Vice President he refused to have a bodyguard, saying: "I'm a big boy now, and who would want to harm a young man like me, anyway?"

He was loyal to his party, but did not hesitate to break with Roosevelt in 1944 when the President vetoed a tax bill.

He was a man with manners, who liked people, who enjoyed good stories, some of them were old, but they were reinvigorated by the Barkley telling. After he finished his term as Vice President, he spent a couple of years in Kentucky and then went back to politics. He was elected the State's junior Senator for the term beginning in January of last year. So he went back to Congress where he had first arrived as a Representative in 1913. He once said he hoped to keep on politicking to the end—and he did.

The tributes, the expressions of shock and sorrow, are already coming in. Senator KNOWLAND, of California, says: "The country and Kentucky have lost a great citizen and a great Senator." Senator LEHMAN, of New York, says: "Senator Barkley's death is a great shock to me, and a national disaster. His place in history is secure, but his place in our hearts will never be filled." MCCLELLAN, of Arkansas: "The Nation has lost a great man; one of the most beloved men in America." ELLENDER, of Louisiana: "He was a great American and a great statesman. We have suffered a very grievous loss." Former President Truman called him a citizen that the United States can always be proud of. President Eisenhower said: "The Nation is the poorer by this tragic event."

To this reporter Senator Barkley was always a man who took his duties and his responsibilities seriously, but who was always able to laugh, both at himself and his opposition. There will be many tributes to his ability, his loyalty, and his humor. Some of them will be eloquent. But mostly they will resemble the sound of smaller trees snapping upright, branches, twigs, and moss falling to the ground—after a giant tree has come crashing down.

POLAND'S CONSTITUTION DAY: IN COMMEMORATION

Mr. LANGER. Mr. President, I send to the desk, and ask to have the clerk read, a short statement which I have prepared in regard to Poland's Constitution Day.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the statement will be read.

The legislative clerk read as follows:

Mr. LANGER. Mr. President, I should like, at this time, to make a rather belated statement in commemoration of Poland's constitution day. The Polish constitution of May 3, 1791, is a document of liberty and freedom. Like our own Constitution, it placed sovereignty in the people and based government on the consent of the governed. It is a remarkable document, and ever since its proclamation it has been an inspiration to freemen everywhere. The same high principles stated in this early constitution of Poland remain the goals to which the Polish people even now aspire.

Constitutional reform in 1791 was not an easy step for the Government of Poland. The roots of democratic government go back a long way in Poland's history. The first complete code of laws ever to exist in Christian Europe was established by Poland in 1347. Then, as early as 1430, laws were passed which safeguarded the security of the individual. Those laws were later broadened, and eventually became the basis of political and religious liberties in Poland.

Before the constitution of 1791 could be formulated, there was much deliberation in the Polish Diet on what its character should be. The constitution when completed contained many reforms reflecting the advanced thinking of the leaders of the liberty-loving Polish people. The people rejoiced and the world rejoiced at Poland's great progress. But Poland's joy was short-lived, for her strong neighbor, Russia, invaded her territory shortly thereafter. Liberty was submerged for many years in Poland, although the ideals burned even more brightly in the hearts of the people.

As a condition of the treaty of peace bringing about the end of World War I, America's President Woodrow Wilson called for the establishment of a new

and democratic government in Poland. This new freedom took effect on March 17, 1921, but this, too, proved to be but a brief period for democratic growth. For Poland was the first country to feel the weight of Hitler's aggression. Even though she knew full well that this resistance meant her obliteration, Poland courageously stood up against the Nazis and later against the Russians.

Today freedom is completely suppressed in Poland. If the Polish people dared to take note of this occasion of the anniversary of their constitution, they would most certainly risk imprisonment and death. And it is simply because this constitution is a document of liberty and freedom that it cannot be celebrated.

We know that the overwhelming majority of the Polish people are today unyieldingly opposed to Communist domination, they are our friends and allies, even though their Communist leaders are not. We will never recognize as legitimate or permanent that regime whose rule is based on police power, treachery, and brutal conquest. We hope and pray that Poland and the other East European nations may soon take their proud and rightful places as independent nations.

Mr. MARTIN of Pennsylvania. Mr. President, May 3, which was the 165th anniversary of the adoption of the Constitution of Poland, is known as Poland's Constitution Day.

Once again it becomes our honor to send words of warm and prayerful encouragement to all of the people of Poland who are held captive by the Communists, and whose liberties, as set forth in the Polish Constitution, have been taken from them by force.

But liberty burns brightly in the hearts and souls of all of our friends in Poland. They live for the day when they can again be freemen, enjoying the dignity of man, as stated in their constitution.

It is most appropriate that we repeat the undying and traditional friendship of the people of our country for the people of Poland.

Certainly, the people of Poland have proven to the world their unyielding determination to again attain the status of freemen. Their country has several times been partitioned by more powerful states, and at times Poland has been occupied, but the people of Poland have continued their struggle, in the face of almost incredible adversity. With patriotism, loyalty, and faith they have carried on with increasing determination.

In sending our prayers and encouragement to our friends in Poland, we can well add that America has a profound faith in their final victory.

Mr. HRUSKA. Mr. President, May 3 marked another anniversary of the adoption of the Polish Constitution. I ask unanimous consent to have printed in the Appendix of the RECORD a statement I have prepared commemorating that event.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HRUSKA

Mr. President, it is an honor to remind the Senate of another milestone in man's eternal struggle for freedom. May 3d is the anniversary of the Polish Constitution of 1791.

Although the Polish Constitution was adopted in the same decade as the United States Constitution and the French Declaration of the Rights of Man, it was not preceded by violent revolution. But, even without a blood bath, the revolution of ideas was no less significant than in France and America.

The Polish King, Stanislas, was a major instigator of the movement to adopt a new constitution. President George Washington noted that "Poland, by the public papers, appears to have made large and unexpected strides toward liberty, which, if true, reflects great honor on the present King, who seems to have been the principal promoter of the business."

The Constitution of 1791 established a constitutional monarchy and parliamentary system similar to that in England. Checks were put on the King by a cabinet which was made responsible to the parliament.

The promise of the Polish Constitution never was given a chance to fulfill. Czarist Russia could not tolerate democracy so near its borders and Catherine the Great ordered her armies into Poland less than a year later. Poland was partitioned and the new constitution abolished—branded a "dangerous novelty."

After 123 years of subjugation, Poland regained her freedom in 1918 but again in 1939, her democracy threatened dictators and was snuffed out in invasions from east and west.

A savage suppression was needed to quell the Poles. The Nazis quartered half-a-million troops in Poland in a futile attempt to keep a powerful underground in check. In the first 20 months of their occupation of Poland, Red Army officers deported more than 1.5 million people to Russian slave labor camps.

The memory of that dangerous novelty—freedom—still burns bright in Poland. New hope comes to enslaved Poles with the Kremlin's de-Stalinization campaign. In trumpeting the crimes of Stalin, the Kremlin tyrants betray the uneasiness of their rule.

Encouraged by Americans of Polish extraction and spearheaded by freedom-loving Poles behind the Iron Curtain, the spirit of the dangerous novelty still lives after 165 years. The flame of freedom will again burn as bright in Poland as it does in the hearts of her countrymen everywhere.

Mr. McNAMARA. Mr. President, the anniversary of an event which took place 165 years ago is of particular significance to all of us in this country and to the lovers of freedom and justice everywhere.

It was on May 3, 1791, that the people of Poland instituted a constitution which was an expression of the Polish people's belief in individual liberty. Coming as it did only a few short years after the adoption of our own great Declaration of Independence and Constitution, the Polish Constitution was another step forward in the never-ending fight for human liberty. We might particularly note and cherish that principle of the Polish Constitution which states that:

All power in civil society is derived from the will of the people.

We in America continued to fight for and strengthen our democracy through the ensuing years, but the gallant Poles were not so fortunate. Long a battleground of Europe, Poland was repeatedly overrun and subjugated—physically, but not in spirit. The people fought heroically against overwhelming odds on many occasions, and Poland was the first nation in Europe to stand up against the Nazis. It was cruelly betrayed by the Communist dictators, and today Poland suffers under the Russian yoke.

However, the spirit of the Poles as evidenced by the constitution of 1791 has not died. The constitution continues as a symbol of the day when Poland again will be free. And, with the help of God, Poland will again be free.

SUCCESS OF CHEMICAL PROGRESS WEEK IN PENNSYLVANIA

Mr. MARTIN of Pennsylvania. Mr. President, the celebration of Chemical Progress Week in Pennsylvania was most outstanding, and I ask unanimous consent to have printed in the body of the RECORD a brief statement which I have prepared on this important subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MARTIN ON CHEMICAL PROGRESS WEEK

The growth of our chemical industry in America has been one of the great phenomena of our age, enriching the lives of all of us.

During the week of April 23 to 28, the chemical industry marked Chemical Progress Week for 1956.

The purpose of the week was to make better known to the American people the significance of chemistry and the chemical industry in the terms of the daily life of the individual.

The week was especially successful in Pennsylvania and I take this opportunity of congratulating the chemical industry.

The State chairman for the activities was Mr. George M. Walker, executive vice president of Koppers Co., Inc., Pittsburgh.

It was brought out that—

1. Sales of chemicals and allied products have grown fivefold since 1939.

2. The chemical industry, in terms of assets, is now the Nation's fourth largest.

3. The chemical industry has created new industries and hundreds of thousands of jobs through the introduction of new synthetic fibers, plastics, rubbers, and chemicals of all kinds.

4. The chemical industry expends over $360 million annually in research.

5. Today over 8,000 different chemical products are available.

6. The chemical industry is the Nation's largest employer of scientific and technically trained people.

7. Pennsylvania ranks fifth in chemical manufacture. The value added by manufacture in Pennsylvania exceeds one-half billion dollars.

8. In 1955 there were 800 chemical plants in the State with payrolls of nearly a quarter billion dollars.

9. In terms of expansion, during the 10-year period ending June 1955, Pennsylvania ranks second in new industrial plant contracts, with total investment of $380 million.

10. Pennsylvania is the most important State in the Union in the production of chemicals from coke-oven byproducts, which go into the making of pharmaceuticals, dyes, plastics, and resins.

COMMENTS BY AMERICAN LEGION IN OPPOSITION TO REPORT OF COMMISSION ON VETERANS' PENSIONS

Mr. WILEY. Mr. President, I know that my colleagues share concern which I, for one, feel over the implications of the report of the Commission on Veterans' Pensions.

I have always believed that the ex-servicemen of our Nation are entitled to the program of rights which a grateful Congress and people have conferred upon them. I believe this program should be strengthened, rather than weakened.

As an indication of the deep feelings on the subject of the Commission by America's largest and greatest veterans' organization, I ask unanimous consent that a release from the American Legion's national public relations division be printed at this point in the body of the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

WASHINGTON, May 9.—The American Legion charged before the House Veterans Affairs Committee today that the Bradley Commission's report on veterans pensions is a "scare document * * * and in many material respects factually unsound."

Donald R. Wilson of Clarksburg, W. Va., a past Legion national commander and chairman of a special Legion group appointed to study the report, told committee members that the Bradley report should be "promptly relegated to the obscurity it deserves."

He said the report is filled with "cliches, self-contradictions, inaccuracies, looseness of expression, nonsequiturs, statistical monstrosities, and thrilling discoveries of the obvious. It is a disappointing piece of work."

The Wilson committee was apointed in April 1955 by then National Commander Seaborn P. Collins, of Las Cruces, N. Mex., to study the same subjects covered by the Bradley Commission. The present national commander, J. Addington Wagner, of Battle Creek, Mich., continued the committee when he assumed office last October.

Wilson accused the Bradley Commission of being "tragically preoccupied with extolling the virtues of the goddess of social security, not for what it is but for what it may be at some indeterminate time in the future." He said:

"It is on this altar that the veteran is to be stripped of the dignity of a special status which throughout the history of our country has always been accorded to him.

"Now, under a new concept, arbitrarily and unnecessarily announced by a mere commission of the executive branch of the Government, the veteran is told that since he performed no special service, the Government owes him no obligation in his declining years other than to give him a general right, if properly employed, to buy and pay for social security like any other citizen."

Wilson said the presumptuous nature of the Bradley report is practically an insult to the Congress which has developed the veterans program over 150 years.

He said "there is nothing" in the report which should deter the House Veterans' Affairs Committee from taking action on pending veterans' legislation now before it. Last month the Committee announced it had put off action on pending legislation until after it had made a study of the Bradley report.

(A Legion bill in committee (H. R. 7886) proposes raising monthly disability benefit rates, increasing income limitations, and making veterans age 65 and over automatically eligible for payments if they meet income limitations.)

He said the report is "discouraging and dangerous—discouraging because it belittles the contribution of the veteran to his country—dangerous because, by stealth cloaked in compliments, it exalts the welfare state and denies that there is any room in such a state for according to the veteran a special dignity because of service to country."

Wilson said the most radical departure the Bradley Commission has made from the philosophy of veterans' benefits is their contention that military service is an obligation of citizenship and should not be considered a basis for future Government benefits. He said:

"It is in making this statement that the Bradley Commission has cruelly departed from the philosophy of veterans benefits and has laid the foundation for a wholesale assault on the veterans' program."

Wilson said, however, the Legion recognizes that service in the Armed Forces discharges an obligation of citizenship. But, he added, the fact which has escaped the Bradley Commission is that there are some who discharged this obligation and others who have not. He said:

"So long as we maintain our Armed Forces, so long as we call them defenders of the country and so long as we subject them to the necessary disciplines and deprivations which an adequate military establishment must demand, we have created for them special obligations, duties, hazards or responsibilities which set them apart from the role which they would play as citizens alone.

"By reason of their peculiar sacrifices and hazards, they become a class of citizens select in nature and distinguished by peculiar service. No governmental commission, no amount of sophistry can deprive them of the special status."

Wilson said much of the Bradley report is a concentrated effort to establish a preconceived notion that the social-security program has become an adequate substitute for veterans' pensions.

"This is a significant and hostile part of the report," he said. It reflects little sound or honest thinking, but it does mirror the antagonism long noted in certain sections of the administrative branch of the Government toward veterans' programs."

He said, for example, social security is merely a form of compulsory insurance to which an employed must contribute. Veterans' pensions, he said, are not based upon a contractual relationship with the Federal Government.

"The veteran, who as any other citizen, has fulfilled his social-security contract, is entitled, as a matter of law, to receive the benefits of that contract. It is a tragic error to say that he is entitled to nothing more."

Wilson pointed out that the Bradley Commission recommended that social-security benefits should be considered as income that would count in determining a veterans need for pension purposes. He said:

"It is not funny that a distinguished Commission proposes that the law be changed to make it what it already is."

Wilson said the American Legion is concerned with the Bradley Commission's intimation that the Government has discharged its entire obligation to the non-service-connected disabled veteran through education, training, and readjustment programs.

He said the Government has an acknowledged, continuing obligation where need exists," and charged the Bradley Commission with being factually in error in saying these programs have eliminated need.

"So long as need exists there is a void for pensions to fill," Wilson said. "No amount of Bradley Commission statistics will change this concept."

He said, however, that because of these programs the numbers of veterans in need will be fewer, and hence, the Commission's general pension scare is considerably discredited.

NEED OF ADEQUATE AIR SERVICE FOR THE NEW ENGLAND AREA

Mr. PAYNE. Mr. President, on May 3, there appeared in the Houlton Pioneer Times, of Houlton, Maine, an excellent editorial entitled "A New England Issue," concerning the need of adequate air service for the New England area. I ask unanimous consent that the editorial be printed at this point in the body of the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A NEW ENGLAND ISSUE

The entire New England States area has an interest and a concern in the outcome of the appeal made by Northeast Airlines to have set aside the adverse decision of a CAA examiner on its petition to extend its service southward from its present New York City terminus, to Miami, Fla., and to substitute therefor affirmative action on its original application.

This interest and concern has nothing to do with any bias in favor of air carriers as opposed to other means of transportation. Rather it should be, in our judgment, construed as an objection to what appears very much like discrimination against the New England States. Most of us will now agree that airlines, as a factor in the transportation of humans as well as freight, are here to stay.

Northeast is the only airline that serves all of New England. As such its successful operation and the reasonable expansion of its services can have a considerable influence on the economy of this area as well as being incidental to the normal industrial and commercial progress of these six States.

One of the exhibits which might well have been given more consideration than it apparently was was the fact that Northeast, of all the airlines petitioning for the Florida run, was the only line which had ordered a large fleet of airplanes especially for use on this extended run. This should have been taken as convincing evidence of the determination of the carrier to give the utmost in service to its patrons and its willingness to back up its confidence to compete successfully, with the investment of a staggering number of dollars.

The seasonal factor was another sound argument which seemingly received little attention. Northeast operates on a peak schedule basis during the summer months but its loads per plane are considerably smaller in the winter season. Extension of its lines to Florida would have enabled the line to achieve greater operating stability by being able to shift planes from southern runs to northern runs, and vice versa, when the demands of the season dictated. The effect on net earnings of such an arrangement is obvious.

As we understand it, Northeast, like many other airlines, is the recipient of substantial Government subsidy, probably through mail contracts. Its limited operation thus far has made this necessary in order to maintain its service in its area of origin. If it continues to be confined to that same area, it is evident the subsidy will also have to be maintained. However it is reliably reported that the extension of its line to Florida might be expected to make a material difference in its overall financial picture, with the result that the subsidy might possibly not be needed.

There were many other angles to the appeal which it is hoped will induce the entire CAA board to reverse the decision of its examiner and award the franchise to Northeast who, in our opinion, of all the petitioning carriers, made out a stronger case. This, of course, in addition to the normal desire to see New England fairly treated and not either bypassed or ignored.

SOCIAL SECURITY FOR LAWYERS

Mr. HRUSKA. Mr. President, the Senate will soon consider a revision of

portions of the Social Security Act. I ask unanimous consent to have printed in the body of the RECORD an address entitled "Social Security for Lawyers," delivered recently by my colleague from Nebraska [Mr. CURTIS] before the Order of the Coif, in Omaha, Nebr. My colleague formerly served on the Ways and Means Committee in the House of Representatives; and in the 83d Congress he was chairman of the subcommittee on social security legislation. His address is a very well prepared one, and I believe it will be helpful in connection with our consideration of revision of the Social Security Act, which shortly will be before the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SOCIAL SECURITY FOR LAWYERS

(Speech of Senator CARL T. CURTIS before the Order of Coif, Omaha, Nebr., October 7, 1955)

In discussing the question, "Social Security for Lawyers," it is not my purpose to present an argument for or against the establishment of a national social-security system in the United States. To present a brief, and to make an oral argument, either lauding or condemning the enactment of the Social Security Act of 1935, and subsequent amendments which have extended the system to most of our population, would be to engage in a moot question.

The Social Security Act was passed. Its burdens now extend to practically all our population. Its benefits have been committed to a great portion of our population. Our economy has been called upon to bear the load of a social-security program. All occupations are now covered by social security, except dentists, lawyers, doctors, and policemen and firemen, and other governmental employees who have their retirement system.

In my opinion, there are many shortcomings in our present social-security system. I am not championing the cause of social security, or additional social programs of any kind to be carried on by the Federal Government. The word "extension" of social security is a two-pronged word. It raises two questions. The one question is, should our social-security system be expanded to include more benefits, higher benefits, disability benefits, compulsory health insurance, and all of the other programs that would add up to what has been called cradle to the grave security or the welfare state. My answer to that question on expansion of social security in that direction is "No." To amplify adequately that "No" would call for not only another speech but several speeches.

The other question is, should the social-security program which we now have, which already covers the great majority of our people, be extended to that very small minority of our population not now so covered? In answering this question, we must remember that social security consists of both burdens and benefits. Since our social-security system is not one whereby the individual pays for his own benefits, the cost falls on all producers. If our economy must carry the burdens of a social-security program, its benefits should be available to all occupational groups.

It should be borne in mind that many valid criticisms can be made of our social-security system. It is lacking from the standpoint of sound financing. The question of trust funds is generally misunderstood. The cost of our social-security system is going to be very, very heavy 40 or 50 years from now. It is a political system and just before the last several elections, the Congress has raised the benefits and usually provided for new and additional benefits. There is nothing on the horizon that would indicate that Congress will not continue to so legislate just before future elections even at the risk of acting irresponsibly.

But let us turn our attention back to the question of whether or not our present social security system should be extended to lawyers, and to dentists and doctors. Can we stop unsound trends in social security and bring about desired reforms in the program by withholding social security from lawyers, doctors, and dentists and by continuing social security coverage for our editors, architects, corporation executives and, generally, all other groups? I think not. It is not that simple. The problems in social security are the problems of all the American people and deserve the serious and immediate consideration of all the people.

The Social Security Act contains a number of titles. Title 2 of the act is called "Old Age and Survivors Insurance," and it is referred to as OASI. Usually when individuals are talking about the general term of social security, they are referring to title 2, which is the OASI program.

Old Age and Survivors Insurance (OASI) is not insurance. It is a system whereby a social benefit is paid to the aged and the orphans. These benefits are paid by a special tax on employees and employers and on the self-employed. At the present, the tax is 2 percent on both employer and employee, and 3 percent on the self-employed on wages and earnings up to $4,200 per year.

A beneficiary or an individual who will become a beneficiary in the next several years has paid or will pay only a small portion of the cost of his benefit. The benefits are largely paid by the young and middle aged. For this reason, coverage under social security of any group cannot be extended on a voluntary basis to the individuals. All must be brought in under the system to make it more workable.

The social security tax is imposed upon the first $4,200 paid in wages or earned as self-employment income. Under existing law, the rate of tax is 2 percent until 1960 on wages with a like amount to be paid by the employer. For the 5 years following 1960, the rate goes up to 2½ percent, or a total of 5 percent. The total tax rate on employer and employee from 1965 to 1969 will be 6 percent, from 1970 to 1974 7 percent, and for 1975 and thereafter 8 percent. The self-employed, which would include lawyers, were they to be covered, is one and one-half times the employee rate, or three-fourths of the total employee-employer rate. These rates are, of course, subject to change by the Congress at any time.

Benefits are paid out not in a flat amount, but are based upon the average wage or average self-employment income, with a provision for dropping out any 4 years since 1951 in determining that average.

Individuals to whom social-security coverage was extended before they were advanced in age, are required to be under social security for a period of 10 years to be what is referred to as fully insured. Those who are already advanced in years when social security is extended to them are required to be covered for a period less than 10 years which varies to as little as, in the case of the self-employed, 2 years. The spouse of a social security primary beneficiary, on reaching the age of 65, is entitled to a benefit of 50 percent of the primary benefit. Upon the death of a primary beneficiary, the widow, if 65, receives three-fourths of the primary benefit.

OASI also provides for survivor benefits. Upon the death of a person covered by social security, a benefit is paid to the widow and children until the youngest child reaches 18 years of age. Benefits are then discontinued, but are resumed for the widow when she reaches the age of 65, if she has not remarried.

The average benefit paid to an aged couple in February 1955 was $112.50 a month. The total expected value of such a benefit is estimated to be about $17,200. This benefit might be paid by reason of as little as $65 being paid in taxes by the husband and a like amount by his employer. The most that the husband could have paid in taxes for this benefit is about $425 with a like amount by his employer.

If OASI were to be extended to lawyers, based on existing law, a young lawyer now 25 years of age, earning $4,200 per year, would pay $3,550 in taxes in the next 40 years, and if he retires at the age of 65, according to present law, the benefits to be received would have a total expected value of $28,460. A lawyer now 40 years of age would pay in the next 25 years $4,725 in taxes, if he was 55 years of age at the present he would in the next 10 years pay $1,418 in taxes, a 62-year old lawyer would only pay in $378 in taxes in the next 2 years, and a 65-year old lawyer would have to pay in a total of $252 over a period of 2 years. The total expected value of the benefits in each case, including the wife's benefits, would be the same; to wit, $28,460. These figures are arrived at by using averages and are based on the United States white male and female life tables for 1949 and 1951 and, of course, are based on existing law which is always subject to change.

Were we to extend social security to lawyers right now and the lawyer continued to practice, earning at least $4,200 a year until he was 70 years of age and then retired, the total amounts paid in in taxes would be as follows: for the lawyer at age 25 $9,765, age 40 $4,985, age 55 $2,360, age 62 $1,003, and for age 65 $662. This, of course, is because he would continue to pay taxes for a period of 5 years longer. His monthly or annual benefits would be the same, but the total number of years that he will receive those benefits will be 5 years less. Consequently, the average benefit for a lawyer and his wife who would retire at age 70, based on these same figures, would be $22,450.

Of interest to younger lawyers are the benefits paid under OASI in the case of their death, should they die leaving a widow and small children. The amounts of these benefits vary, but I can give you a typical case based, of course, on existing law and upon averages.

If an individual comes under OASI at age 25, earns $4,200 per year, and dies at age 30, leaving a widow and 1 child, age 1 month, and 1 child age 1 year, they will receive a benefit until the youngest child is 18 years of age. If the widow lives to be 65 and does not remarry, she will then be eligible to draw a benefit. These survivor benefits will have an average total expected value of $45,200. The total taxes paid by the deceased husband, if a self-employed lawyer, would be $630.

In any consideration of social security, there are a few basic statistics that are helpful. The average life expectancy of a man aged 65 is 12 years. The life expectancy of women aged 65 is 15 years.

As of the first of this year, we had approximately 14 million individuals over 65 years of age. Of these 14 million, about 5⅓ million were OASI beneficiaries.

As of the first of this year, there was in the trust fund in cash and bonds a little over $20½ billion. By the time it is paid out, there will be an interest accrual bringing the total up to about $22 billion. However, to pay the future benefits of those beneficiaries already on the rolls as of January 1 last will require an estimated sum of about $34 billion. In other words, there is no money or bonds in the trust fund to pay the individuals who will reach retirement age tomorrow or any time in the future, or to pay the benefits of those already eligible for benefits who have not applied. These figures are based on the assumption that Con-

gress will never again raise the benefits, which assumption I do no choose to follow.

In citing figures for consideration in reference to social security for lawyers, we have dealt with the case of lawyers making as much as $4,200 a year. If their income is less than that, the benefits, of course, will be less. They can qualify for benefits if their self-employed income would be as much as $400 per year. In other words, were we to extend social security as of now to lawyers, a lawyer who is 65 or nearly so could, by earning $400 annually for a period of 2 years, qualify for benefits. In that case, he would pay a total tax of $24. He would then be eligible for the minimum benefits of $30 a month, with half that amount for his wife if she was 65. Based on averages, the combined benefits for the beneficiary and his wife would have a total expected value of $8,400.

The proposition is often advanced that the Jenkins-Keogh bill should be passed for lawyers and others in lieu of social security. The Jenkins-Keogh proposal is one which would give a present tax benefit for current income set aside for one's later retirement. It is a proposal with much merit. It is not a substitute for social security. In substance, it is designed to permit individuals to do for themselves tax-wise what corporations can do for their officers and employees, which is in addition to social-security coverage.

In closing, we return to the question as to whether or not social security should be extended to lawyers. Inasmuch as the cost of our social-security program is a burden upon all of our economy we cannot deny the benefits to a few selected groups. Inasmuch as the cost of benefits are not at the present time and for a long time to come paid by those who receive them, there is no sound argument for not requiring all producers in the country to share their just portion of the load.

There are some very practical reasons why social security should be extended to lawyers. Many lawyers are already covered by the program. If a lawyer is a director or an officer in a bank or building and loan company, or some other corporation, his fees received for such services are considered wages under the Social Security Act and he is covered. Other laywers are already covered by the program if they serve a client on a salary basis in the capacity of an employee. In many communities practicing lawyers also are abstracters, and in some cases insurance agents. Income from these two sources is covered by social security, as well as the executors' and administrators' fees. Thus we have a situation where part of our lawyers are covered by a program that does not cover them all. To extend coverage to the lawyers would not only add to the workability of the program, but it would provide equal treatment to all.

And may I add a few general truths that must never be lost sight of:

1. The greatest security that can be maintained for the American people is to have a sound and solvent Government.

2. More public enlightenment, more restraint, and more concern for the future taxpayers are basic reforms that are sorely needed in social-security financing and in governmental financing generally.

3. The Government cannot give an individual anything. All the money the Government has is that which it takes away from its citizens.

CELEBRATION OF BOOTSTRAP WEEK IN PUERTO RICO

Mr. LEHMAN. Mr. President, this week, in Puerto Rico, the Puerto Ricans are observing what they call Bootstrap Week, to celebrate the opening of the 400th new industry since the launching of what the gallant and imaginative Governor of that island, Luis Muñoz-Marín, named "Operation Bootstrap."

I think we on the mainland and we in the Congress should pause to take note of the signal accomplishments which have been achieved by the initiative, energy, and ingenuity of the government of Puerto Rico and the leaders of the Puerto Rican people, in cooperation with businessmen on the mainland and businessmen in Puerto Rico, too.

Just think of it. Four hundred new industries have been started in this little island alone since Operation Bootstrap was begun a little more than 10 years ago. Puerto Rico has surely raised itself by its own bootstraps. A very considerable number of new jobs have been created; but even more important than the actual jobs created has been the entire economic impact on the island. Almost everyone in Puerto Rico has benefited. Certainly not the least of the benefits of this program has been the impact on the morale of the people. Some unemployment and some economic distress still exist in Puerto Rico. The standard of living is much lower than I consider desirable for any area under the American flag. But there has been a forward movement, characterized by a dynamic spirit. There are those who laughed at "Operation Bootstrap"; but I think that the entire Carribean area and all of Latin America have taken note of the forward strides which have occurred in Puerto Rico as a result of Operation Bootstrap.

The Puerto Rican people have reason to be proud. As a Senator from New York, which contains several hundred thousand people of Puerto Rican birth and descent, I want to say here on the floor of the Senate: "Congratulations to the people of Puerto Rico and to their leadership, and especially to Governor Muñoz-Marín. I will be glad to see the infant industries which have started in Puerto Rico continue to grow and to multiply, so that the standard of living in that island will rise steadily higher."

NINTH ANNIVERSARY OF DEATH OF FRIEDRICH SCHILLER

Mr. LEHMAN. Mr. President, yesterday we commemorated the anniversary of the death of Johann Christoph Friedrich von Schiller, the great German poet, dramatist and historian. We do well, in this day and time, when tyranny covers half the earth, to recall Friedrich Schiller and to repeat for all the world his call to embrace freedom and to turn away from despotism and corruption.

Before all else Schiller is remembered as one of the greatest playwrights of the European tradition. Yet he stood out in the minds of those of his own day who knew him and who read and saw his plays, as the symbol of liberty and of individual freedom. The decadence of the contemporary political and social world of the Europe of the late 18th century distressed Schiller. He condemned the rulers for their despotism and the aristocracy for their political and moral corruption. In strong, impassioned language he expressed his lofty ideals of the genuine worth of mankind.

Schiller sought to express himself first in philosophy and later in the art of his drama and poetry, but always with complete intellectual integrity. His direct truthfulness makes him the most straightforward and open of writers.

His conviction of the ultimate worth of the individual never allowed him to be cynical. For, to Schiller, the esthetic form was not of value in itself; he made use of it as an expression of his deep moral concern for the future of mankind. He urged his fellow men to adopt a responsible attitude toward life and to hold to their values in spite of all the disillusionment of individual experience and in spite of all the reverses in the history of mankind.

Thomas Carlyle has called Schiller's play "William Tell" the celebration of the first arrival of freedom in our modern world. Schiller's love of freedom and his sense of moral responsibility were his guiding principles. His accent on liberty gave his lifework a universal ideal. It has many times been said that Friedrich Schiller contributed in a major way to the forward march of the forces of liberty.

We know that Schiller strongly influenced the German people of his own day. Even in the early day in which he lived, Schiller called for the unification of the German states. He, of course, did not live to see the fruition of this desire and if he could see his country today, divided, and perhaps more dangerously than ever before, he would surely be saddened by the sight.

For today half of Germany is free and half is enslaved.

We know that it is only a question of time before the nation can be unified and completely free. For the German people have not forgotten the call of such men as Friedrich Schiller to individual liberty and unity.

It was not long after Schiller died that my own father came to America from Germany. He brought with him the ideals of individual freedom and dignity which Friedrich Schiller helped to spread in Germany and abroad in that time.

Today we in the United States should pledge ourselves, as we observe this anniversary of Schiller's death, to the ideals both for Germany and ourselves, which Schiller breathed into his immortal works.

In terms of the issues of this day, this means that we should support the unification of Germany as a free democratic nation and at the same time support the cause of liberty and of international brotherhood which Schiller so nobly typified. We must ever seek to strengthen all free nations in common bonds of brotherhood.

ADDRESS BY THE SECRETARY OF STATE AT CONVENTION OF B'NAI B'RITH

Mr. SMITH of New Jersey. Mr. President, last night, at the banquet of the triennial convention of the Supreme Lodge of B'nai B'rith, the Secretary of State, Hon. John Foster Dulles, delivered an important address on the subject of our foreign affairs, particularly with relation to the situation in the Middle East.

I ask unanimous consent that the address be printed in full in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY HON. JOHN FOSTER DULLES, SECRETARY OF STATE, AT THE BANQUET OF THE TRIENNIAL CONVENTION OF THE SUPREME LODGE OF B'NAI B'RITH (INTERNATIONAL) WASHINGTON, D. C., MAY 8, 1956

I greatly appreciate the opportunity to speak before this organization. It stands for human values which are honored wherever men believe in the spiritual nature of man. You believe in the dignity of the human individual and in the brotherhood of man without regard to race or religion. You find in your religion basic truths which are also enunciated by all the world's great religions.

The law of your prophets was "Thou shalt love thy neighbor as thyself," and that was accepted by Jesus when He said "All things whatsoever ye would that men should do to you, do ye even so to them: for this is the law and the prophets." And the Buddha said "Hurt not others in ways that you yourself would find hurtful;" and the prophet of Islam taught "No one is a believer until he desires for his brother that which he desires for himself."

It is these fundamental truths taught by all the great religions that your organization practices. You engage in acts of compassion. In doing so, you are helping to lay the only dependable foundation for the world society of peace and justice for which we strive.

I have just returned yesterday afternoon from a meeting in Paris of the foreign ministers of the 15 North Atlantic Treaty countries. That treaty and its organization called NATO is one of the means designed to promote peace with justice. So far it has sought to do so primarily by setting up a military shield which would deter armed aggression and behind which moral principles could take root and grow strong and bear good fruit. We primarily dealt with the question of whether or not our countries were, in fact, doing all that they could or should to develop their own unity behind the military shield which was the initial and, so far, the dominant purpose of NATO.

I want to talk primarily about this problem of developing the Atlantic community. But before getting on to that I will mention one other topic of great interest to all Americans at this time which was discussed at the NATO Council meeting—that is the situation in the Near East.

That area is of intimate concern to the Atlantic community. For many generations, indeed for many centuries, the western nations have had close ties with the Near East. In recent years there has developed a large measure of economic interdependence affecting the very nature of the daily lives of the people of both areas.

The members of the NATO Council were acutely conscious of the problem of maintaining peace in the Middle East. When the Palestine mandate came to an end, the United States and other western nations supported United Nations consideration on the future of Palestine which resulted in the creation of the State of Israel. As members of the United Nations, we all intend that the State of Israel shall be maintained in its independence. Also we want friendly political, cultural and economic relations with all of the nations of the area on a basis of impartiality. We do not believe that these goals are incompatible.

There was grave concern that the Soviet Union had sought to further its ends by playing fast and loose with peace in the area. There was the feeling that that very fact made it more important for the Western nations to act with firm deliberation and with care.

There was recognition at Paris that wide discrepancies in armed strengths would be likely to create tensions. There was also a conviction that the safety of the countries of the Middle East is not to be found in an arms race, particularly one which tended to pit great world powers against each other.

It seemed particularly important to avoid a situation where great military powers confronted each other, by proxy, under conditions which would engage their respective prestige in a manner ominous for peace, not only within the area but possibly throughout the world.

There was a belief that reliance should, above all, be placed upon the processes of the United Nations, and that we can, perhaps, do so now with somewhat greater confidence, since the Soviet Union seems increasingly aware of the dangerous consequences of reckless action, and has indicated that it too would be prepared to support a solution through the United Nations.

We all welcomed the active part now being taken by the United Nations Security Council to preserve the integrity of the armistice agreements and we are encouraged by the fact that the Secretary General's mission to the area seems to have produced some initial positive results.

We believe that solid reliance can be placed upon the principles of the United Nations Charter and that no nation of the area which conforms internationally with those principles will stand alone. President Eisenhower made it clear, in his statement of April 9, 1956, that so far as the United States is concerned there could not be aggression with impunity.

Past efforts to move toward a settlement of the substantive issues in the Middle East have encountered serious obstacles. The task remains complex and no real solutions will be easily come by. But progress there is as necessary as it is difficult and there are grounds for hope that it may be possible to maintain the momentum now established by Mr. Hammarskjold's current efforts.

Let me turn now to the problem which particularly concerned us in Paris and that was the development of the Atlantic community into something more solid than is now the case.

All who know and share western civilization can take great pride in its accomplishments. It was based upon the Judeo-Christian conception of the spiritual nature of man. Out of this faith came individual resourcefulness and a sense of mission which brought much of good to much of the world.

But when we think with pride of what western civilization has accomplished, we must also think with regret of the fact that it has never yet found the way to live within itself at peace. If today the West is seriously challenged by believers in an atheistic creed, it is largely because two world wars, coming in quick succession, drained off the lifeblood of our finest and bravest youth and gravely impaired the economic strength of the West. Also the West has lost in moral authority because while professing a religion of peace it has not found a sure way to make peace a permanent reality within its own membership.

Since the end of World War II great strides have been taken to create unity at various levels within the Atlantic community. All these measures have been taken within the framework of the United Nations Charter which recognizes the inherent right of collective self-defense and which encourages development along regional lines.

The broadest effort at unity is represented by the North Atlantic Treaty itself, now embracing 15 nations, including 2 from this hemisphere, Canada and the United States. Under this treaty, great progress has been made, particularly in military terms. There is an integration of military forces on the Continent of Europe, including contributions from Great Britain, Canada, and the United States, the like of which has never been seen before. The newly developing forces of the Federal Republic of Germany will share that integration.

The military unity under NATO is supplemented by the new (1954) treaty for Western European Union which unites France, Germany, Italy, the United Kingdom, and the three Benelux countries under a system for limitation of armament and of armament supervision and control which is the most thorough and extensive that has ever yet been put into force. Thus, on the military front there has developed a unity and common organization which is of immense value and which has produced a morale which is itself of great unifying value.

In addition to these efforts on the military front, there is the Coal and Steel Community whereby France, Germany, Italy, and the three Benelux countries deal with the production of coal and steel. This is the first time that European nations have subordinated national powers in favor of a truly European organization.

There is the Council for Europe, where ministers and parliamentarians of European countries regularly meet for discusison of matters other than defense. There is the Organization for European Economic Cooperation (OEEC), and the European Payments Union, which contributes greatly to easing trade as between the members. These are some of the many steps which have been taken to establish unity within all or part of the Atlantic Community.

But at Paris last week we had to ask ourselves whether what has been done is good enough. There has been a marked development of the consultative process. But it still remains the fact that matters of vital importance to the Atlantic Community are not being given timely consideration on a community basis.

I have already referred to the problem of the Middle East which had never been seriously discussed by the North Atlantic Treaty Council, even though the future of Western Europe is deeply engaged by developments there.

We have seen in North Africa where serious disturbances within a part of the North Atlantic Treaty area have brought about a shifting of forces from continental Europe which alters the capability of defense as against a possible aggression from Eastern Europe.

There is the problem of Cyprus which deeply concerns three parties to the North Atlantic Treaty, the United Kingdom, Greece, and Turkey.

I do not suggest that any of these problems should today be made a matter of common consideration around the NATO Council table. At the point to which these particular problems have now developed, there can reasonably be questions as to whether consultation is or is not desirable. Neither do I imply any criticism of the past, for there has never been agreement or understanding that problems of this type should be discussed. But surely the Atlantic Community is not adequately organized if matters of this nature, which could shake the community to its foundation, develop over the years without any effort at broad consultation between the members.

Then there is the problem of the reunification of Germany. That subject was discussed by the NATO Foreign Ministers at special meetings which were held just prior to the Geneva "Summit" Conference with the Soviet rulers and before the Four Power Foreign Ministers' Conference which followed. But, as we know, the Geneva agreement by Messrs. Bulganin and Khrushchev on "the reunification of Germany by means of free elections" has been ignored by them, and they now unashamedly continue the division of Germany as though they had

never agreed to the principle of reunification. Most of the Western Powers have said, and rightly said, that there cannot be lasting peace and security in Europe unless Germany is reunified. But has the Atlantic Community as a whole sufficiently focused world opinion on the moral aspects of this problem?

Then we have the problem of the relation of the Atlantic community to the newly independent nations of the world. They now represent upwards of 650 million people composing 18 independent nations and more non-self-governing peoples are at the threshold of independence or knocking at the door. What has happened is an amazing tribute to the basic beliefs of the West in the rights of man and in government by consent. Nevertheless, it would be a great mistake to conclude that because these newly independent peoples have peacefully won their independence from the western powers that relations are in all respects good. In many cases there remain unresolved problems between the newly independent countries and the colonial powers. Above all, there remain barriers in terms of sensitiveness to racial arrogance which has at times been practiced by some persons of the West.

One-third of the world's population is ruled by Communist despots. Another third are new nations which are today the special target of the predatory tactics of international communism which seeks to stimulate the prejudices and to appeal to the aspirations of these peoples.

The members of the Atlantic community have so much to offer in the way of genuine brotherhood, they can do so much to strengthen the political and economic institutions of the newly independent peoples, that it is tragic that the outcome is anywhere in doubt. Certainly, as was often said at our Paris meeting last week, NATO, until now primarily military in its nature, is no proper organ for implementing political and economic policies between the Atlantic community and the newly independent countries.

But the community does contain within its own membership nations which themselves have been through the experience of being colonies and winning their independence. Also it contains colonial powers who have demonstrated and are illustrating great statesmanship in promoting evolution from colonialism to independence. Surely the members of such a community could generate greater dynamism to help, in acceptable ways, to sustain political and economic independence elsewhere. Also we should be able to help to find relationships expressive of true brotherhood and recognition of the fact that other civilizations than our own have immense values. We perhaps have material and technical things to give. They also have things to give. And if we are wise enough to perceive and to take what other civilizations have to offer, the balance struck between us will not be one-sided by any true measure of values, and will be consistent with the equal dignity of all the parties.

It may be said that the North Atlantic Treaty members already have a permanent council where problems can be discussed which vitally affect the welfare and integrity of the Atlantic community. There is a council composed of permanent representatives who are men of stature and great ability. In theory, they could discuss any problems of common concern. The fact is that, as they are now established, their discussions often have been merely reports of actions already taken or decisions already made. That is because the governments concerned have never taken the basic decision to have a council to which problems affecting the Atlantic community would normally and regularly be brought. If that decision were taken, it would greatly alter the entire character of the community relationship. It would not require different personalities at the council table, but a different approach and far greater "depth" in terms of political advisers than is now the case. But above all is the basic decision to take seriously the unity of the Atlantic community and seek to promote it, not by supergovernment but by common counsel.

Such a decision has not yet been taken, except in military terms.

This was the problem which was most actively discussed at Paris during the past week. In that connection we discussed the Soviet threat; the acts of violence which had marked Soviet foreign policy until recently and the latest changes in that policy. We recorded the fact that it was our joint military efforts which had successfully deterred Soviet aggression in Europe and contributed to the adoption by the Soviet Government of the so-called policy of coexistence. Our joint communique said that to the extent that this Soviet policy involves a certain easing of tension and the admission by the Government of the Soviet Union that war is not inevitable, it is welcomed by the Atlantic Powers. But also we recorded our joint conclusion that the reasons which gave rise to the Atlantic military alliance have not disappeared and that the Western Powers cannot relax their vigilance while many outstanding problems have not been solved and when there is no effective disarmament plan. Therefore, we said, "Security remains a basic problem and the Atlantic Powers must continue to give priority to the maintenance of their unity and strength. However, present prospects seem to leave scope for further peaceful initiatives on the part of the Atlantic Powers."

Then we went on to record what may prove to be a historic decision. The communique said that "the Atlantic Council considered it timely and useful for the members of the Atlantic Community to examine actively further measures which might be taken at this time to advance more effectively their common interests." And the foreign ministers went on to designate three of their members to advise "on ways and means to improve and extend cooperation in nonmilitary fields and to develop greater unity within the Atlantic Community." The three ministers were asked to submit their report as soon as possible.

It is significant of the importance attached to this matter that the task of exploration was given to, and assumed by, three foreign ministers themselves—the Foreign Ministers of Canada, Italy, and Norway. They are each men of wide experience, each of whom personally believes in the development of the Atlantic Community both on a broad base and, within the framework of that broad base, as between groups of members which can in certain respects work together with greater intimacy than can the whole. These three ministers will be conferring with each of the 15 governments during the coming weeks and, in the light of what they learn, will submit a report, perhaps early next fall, which the governments then can further consider from the standpoint of further action.

It would, I think, be prudent to note that there is as yet no clear definition of the concept of closer Atlantic unity. And we could hardly expect acceptance in advance.

The United States perhaps can visualize that concept more readily because of its membership in the Organization of American States. That organization traces its origin back 66 years to the foundation of the Pan American Union. It is not only the oldest but by far the most effective regional organization which has been created. It deals effectively with problems as between its members and has conspicuously done so within the last year or two in relation to the broad threat of international communism, and in relation to particular situations such as those that arose in Guatemala, in Costa Rica and as between Ecuador and Peru. It seeks to develop hemispheric international law.

It is obvious that the Organization of American States, which has developed in a particular environment to deal with problems typical of this hemisphere, cannot usefully be duplicated in detail as regards the Atlantic Community. Each community is distinctive. But the experience which the United States has had, in cooperation with the other American Republics, enables us perhaps to see more clearly the possibilities inherent in the Atlantic Community.

Speaking on April 23 prior to this last meeting of the NATO Council I said, "The North Atlantic Treaty already serves as an indispensable and vital instrument of the Atlantic Community, but the time has come, I believe, to consider whether its organization does not need to be further developed if it is adequately to serve the needs of this and coming generations. If that be the common desire of the NATO member nations, the United States will join eagerly in exploring the possibilities which now beckon us forward."

It is gratifying to report that it is the common desire of the NATO member nations at least to explore these new possibilities. That decision was taken not lightly, but after a discussion which prolonged our meeting of Friday and Saturday into the early hours of Sunday morning. It was recognized by all as being a decision which could be of historic importance, since it could contribute mightily toward erasing what has been the great weakness of the West, namely, its disunity. To erase that disunity, which has given birth to so many tragic consequences, is one of the greatest tasks of postwar statesmanship. Much has already been done. But much remains to be done. And the fact that that task is now being undertaken can give us all grounds for solid satisfaction.

REVERSAL OF ADMINISTRATION'S POSITION ON INTERNATIONAL LABOR ORGANIZATION CONVENTION CONDEMNING FORCED LABOR

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "United States Shifts Stand on Forced Labor." The article, which was published in the New York Times of today, is to the effect that the administration has reversed its position on the proposed convention of the International Labor Organization against forced labor, and that, instead of opposing it, as in the past, it will, according to Secretary Mitchell, now favor it. If this report be true, as I believe it to be, Secretary Mitchell deserves credit for convincing the administration that its former attitude was wrong. I wish to praise Secretary Mitchell most sincerely for his attitude on this subject.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES SHIFTS STAND ON FORCED LABOR—WILL BACK ILO CONVENTION CONDEMNING PRACTICE—VICTORY FOR MITCHELL

WASHINGTON, May 8.—The administration reversed its position today and decided to support an International Labor Organization convention condemning forced labor.

James P. Mitchell, Secretary of Labor, said:

"The United States Government has decided that at the forthcoming conference of the ILO, it will favor an appropriate convention which would outlaw forced labor and which would include a provision specifically prohibiting the products of forced labor in international trade."

Mr. Mitchell's views thus prevailed over those of the State Department. It was believed that the Secretary had taken his case to the White House.

His stand had been strengthened by Democratic pressure in Congress. Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, is sponsoring a resolution calling on the executive branch to exercise leadership in the ILO toward condemning forced labor.

At a hearing April 27 before a Senate Labor Subcommmittee, Francis O. Wilcox, Assistant Secretary of State, said forced labor was not an appropriate subject for treaty-making process. He said the State Department favored an ILO recommendation condemning forced labor.

Mr. Wilcox used the words "convention" and "treaty" interchangeably. Senator PAUL H. DOUGLAS, Democrat, of Illinois, the chairman, quarreled over this.

A treaty is subject to ratification by the President and approval by the Senate. But under the ILO constitution, Mr. DOUGLAS noted, the United States has other courses available in the case of a convention.

It may submit the convention to the Senate for approval, to Congress for consideration, or to the States.

Mr. Wilcox told the subcommittee he understood the administration's decision to support a recommendation rather than a convention had been arrived at jointly by the State and Commerce Departments. Secretary Mitchell said later, however, that the subject was still under discussion.

Mr. DOUGLAS. By far the greater share of the credit should go to the distinguished Senator from Minnesota [Mr. HUMPHREY], who, in January, submitted a resolution calling upon the United States to support the convention against forced labor.

At a public hearing on April 27, the absurdity and falsity of the State Department's position was quite thoroughly exposed.

An Assistant Secretary of State then tried to identify the convention of the International Labor Organization as being identical with a treaty, although the constitution of the International Labor Organization specifically provides that such convention may be submitted to the Senate, the treaty-ratifying body, but also to the Congress, or to the States individually.

As the New York Times article states, the hearing which was held on this subject was very influential in enabling Secretary Mitchell to obtain a reversal of the position of the administration.

I am also happy to announce that the Subcommittee on Labor has reported to the full Committee on Labor and Public Welfare a resolution calling upon the Executive to take steps effectively to eliminate forced labor. The Senator from New Jersey [Mr. SMITH] was very helpful in drafting the language of the resolution.

Mr. HUMPHREY. Mr. President, on April 25, 1956, I testified in support of Senate Joint Resolution 117, Senate Concurrent Resolution 75, and Senate Resolution 248, before the Subcommittee on Labor of the Senate Labor and Public Welfare Committee. These resolutions would call upon the Government of the United States to exercise leadership in the International Labor Organization to develop and adopt an international convention to outlaw forced labor.

I ask unanimous consent that my testimony be printed at this point in the RECORD.

There being no objection, the record of the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY BY SENATOR HUBERT H. HUMPHREY ON INTERNATIONAL LABOR ORGANIZATION

Mr. Chairman, the committee has before it this morning Senate Joint Resolution 117, which would call upon the Government of the United States "to exercise leadership in the International Labor Organization to develop and adopt an international convention which will effectively outlaw forced labor for political and economic purposes."

It has occurred to me since the introduction of Senate Joint Resolution 117, that an alternative form for expressing the sense of the Congress on this matter, without requiring a Presidential signature or veto, would be a concurrent resolution. Hence the Committee also has before it this morning, Senate Concurrent Resolution 75, which would achieve this purpose. Since the Senate has a special role in the coordination of foreign policy with the Executive, a third alternative might also appeal to this committee—the alternative of a simple Senate resolution. I have introduced this measure recast in that form too, as Senate Resolution 248, so that the committee may have it also for consideration in executive session.

Mr. Chairman, the primary question we must ask ourselves this morning is this: How can the United States expect to assert leadership among the world's forces for freedom, while refusing to cooperate in the efforts of the International Labor Organization to stamp out slave labor? As I shall show during the course of my remarks, almost all interested and articulate groups in America, with the exception of the State Department, enthusiastically support our cooperation with the ILO on this forced labor issue.

The American Federation of Labor initiated the whole international study of this question by its request to the United Nations in 1947. Following that request, a UN–ILO ad hoc committee conducted a comprehensive survey of forced labor conditions around the world. It completed and released a well-documented report in 1953. This report is the authoritative work on the subject. It shows in detail that the Soviet Union and its satellites have used forced labor on a major scale as an instrument of political terrorism and to provide a cheap, organized work force for major economic development programs. We know that Communist China has done the same. The account also shows that workers in Africa have in certain instances been subject to forced labor, but that conditions in many parts of Africa have improved in recent years.

Since its release, this UN–ILO report has been the basis for discussions in the Economic and Social Council in which the United States has joined. It has been the basis of a United Nations General Assembly resolution which we have supported. It has provided the documentation for our anti-forced-labor information programs, a constant element in our overseas broadcasts.

Yet when the ILO now prepares to implement its findings by circulating questionnaires among its member governments preparatory to proposing a new instrument or convention against forced labor, the United States refuses to respond. What kind of leadership is that in our fight for freedom in the world? How does that place us in the eyes of countries looking for leadership against communism, and, even more important, in the eyes of countries still uncommitted, still weighing us in the balance?

Mr. Chairman, I think the administration's foot-dragging on this issue is unpardonable. I think the Congress should so indicate.

The arguments for our participation in the ILO forced-labor convention are manifold, but they can be summarized under three headings: the moral arguments, the legal arguments, and the practical arguments. Let me briefly summarize all three.

MORAL ARGUMENTS

Mr. Chairman, I think the following moral arguments should persuade us to cooperate with the ILO on the forced-labor convention:

1. We must not abdicate our moral leadership in an issue that goes to the heart of the struggle between democracy and communism. Yet the State Department is putting us in the preposterous position of resisting the most practical proposal we have had for dealing with the most brutal of Communist practices, and for focusing a steady international spotlight on this abuse of basic human rights.

2. The United States should assume the leadership in the fight for human dignity if it is to be true to its own tradition. We fought a war to abolish slavery. Our statutes prohibit slave labor now. Indeed we prohibit the sale of goods in the United States which are produced by forced labor anywhere in the world.

3. We cannot ignore 15 million persons in inhuman slave-labor camps behind the Iron Curtain and elsewhere, merely as a gesture of political expediency toward neo-isolationist, right-wing domestic agitators, who entertain misconceived views about the United States Constitution and the treaty power.

4. The Catholic Association for International Peace has recently stated: "Our Government, employer and worker delegations should seize the opportunity to use the ILO as a forum to promote social progress and to stimulate the improvement of social and economic conditions in less-developed countries. It is time to go forward and assume leadership, not to withdraw and allow the Communist bloc to benefit from our default. Our Government should accept, not evade, this responsibility in the matter of conventions on labor standards."

LEGAL ARGUMENTS

Mr. Chairman, I think the following legal arguments should persuade us to cooperate with the ILO on the forced labor convention.

1. If the United States Government really believes that the ILO convention would undermine our constitutional practices, we should oppose, not merely abstain, from the adoptions of such conventions.

2. In the ILO the convention device is the major functions of the ILO conferences and a principal form of international cooperation provided for in the ILO constitution. To say that we cannot participate in the ILO conventions is tantamount to saying that we cannot participate in half of the ILO's work.

3. The ILO constitution provides that conventions dealing with Federal-State matters shall be regarded as recommendations by the United States, and not considered for ratification. This special provision was made for member countries with Federal constitutions to avoid the very problem the advocates of the Bricker amendment people worry about. ILO conventions dealing with subjects within the authority of States or other political subdivisions rather than the Federal Government can also be referred to the States for consideration as recommendations. The ominous fears that an ILO forced labor convention would supplant our domestic legislation and circumvent our constitutional processes are thus unfounded for various reasons, and the administration's acquiescence to pressure from the champions of such arguments is inconsistent and most unfortunate.

4. The State Department position disregards the provisions of the ILO constitution, which was accepted by the President in behalf of the United States on August 2, 1948, pursuant to Public Law 843, 80th Congress, 2d session. That public law authorized the President to accept the 1946 instrument of amendment to the ILO constitution. Congress noticed and approved the ILO constitutional provision providing for conventions to have the status of recommendations on Federal-State matters.

5. Hence under these circumstances, an ILO convention, even if it is adopted, cannot legally proceed further toward fulfillment in the United States unless it is framed in such a manner to be acceptable by us. No alien philosophy can be engrafted on a country without its consent. The ILO has no n eans of imposing its decisions.

6. The American Bar Association's standing committee on peace and law through the United Nations endorses the ILO convention procedure as appropriate.

7. The house of delegates of the American Bar Association has not only endorsed such convention procedure but expressly advocated that the ILO convention framework be used as a model for other participation of the United States in international measures to promote human rights.

8. Inconsistently, the President and the State Department as recently as May 26, 1955, have transmitted 4 conventions and 8 recommendations to the Congress pursuant to our obligations under the ILO Constitution with language expressly agreeing to the ILO constitutional provisions that these conventions and recommendations need not be ratified. The administration now takes the opposite position regarding the forced-labor convention, and refuses to explain why.

PRACTICAL ARGUMENTS

Mr. Chairman, I think the following practical arguments should persuade us to cooperate with the ILO on the forced-labor convention:

1. The whole idea of action through the U. N. and the ILO was an American idea, initiated by the AFL in 1947 and endorsed officially by the United States Government in the Economic and Social Council session in 1949. Forced labor was condemned by U. N. General Assembly vote on a resolution of which we were a sponsor.

2. The evils of forced labor in Communist countries have been a major theme of United States propaganda for years.

3. The U. N.-ILO ad hoc committee issued its comprehensive report on forced labor in 1953. Since then the ILO has been intimately involved with the assignment to implement its findings, and it will have to resolve the issue with or without cooperation from the United States.

4. Every European country, Communist and non-Communist, except France and Poland, has replied favorably to a questionnaire from the ILO inviting support for a forced-labor convention. France and Poland are expected to reply favorably soon. ILO sources believe that the United States will soon be the only major industrial country not on record in favor of a convention outlawing forced labor. Hence there is remarkable unanimity on the need for action, and majority favor the convention method.

5. The governing body of the ILO has decided to place the question of forced labor on the agenda of the 39th session of the International Labor Conference which will meet in June in Geneva. It is imperative that our position be clarified before then.

6. The ILO will support its proposed forced-labor convention by the overwhelming vote of a majority of the world's worker, employer, and government delegates, regardless of the opposition of the United States Government.

7. The United States has nothing to fear internally from a ban on forced labor for economic and political purposes.

8. Secretary of Labor James P. Mitchell has expressed himself as favoring United States Government support of an ILO convention against forced labor. Yet he, despite the fact that he has more reason to appreciate the value of such a convention than any other high administration figure, has been constantly overruled. His position has the practical endorsement of all articulate American labor groups.

9. The official administration position generally is supposed to be one of support for increased United States participation in the ILO now that the U. S. S. R. has returned to that organization. Hence this is not the time to dissipate our influence.

10. The administration position here, however, will isolate the United States at the forthcoming ILO conference, disillusion others about our motives and objectives, and foster Soviet leadership. It will undermine our efforts, public and private, to fight Communist influence in the trade union movement everywhere.

11. United States failure to support the adoption of the forced labor convention on alleged legal grounds, will be taken to mean that we do not support the substance of the antiforced labor position, and that we are seeking a technical way of avoiding such a commitment. Soviet propaganda will assiduously foster this impression.

12. Moreover, it is official administration policy to encourage the elimination of substandard conditions elsewhere in the world which may be promoting unfair competition in international trade. The administration attitude towards the ILO convention contradicts this policy.

13. It is official policy to support measures to improve working and living standards in other countries. The administration attitude towards the ILO convention contradicts this policy.

Mr. Chairman, whichever way you look at it, morally, legally, practically, the administration's position on the ILO forced labor convention is indefensible. I endorse the judgment of the New York Times editorial of February 7, 1956, which said in part:

"How ironic for the United States to be on the outside looking in, while the Soviet Union and the Communist block solemnly register their opposition to the forced labor of which they are the world's prime exponents. Whatever the Communist motives for endorsing this convention, what reason could there possibly be for the United States to disapprove or even to drag its feet as it is now obviously doing? * * * How can the State Department put this country in the position of opposing, or blocking, or hesitating on a convention against forced labor? * * * Such a policy may satisfy Brickerism, but it happens to put the United States in an absurd and untenable position."

I suggest, Mr. Chairman, it is not yet too late for the administration to extricate itself from this "absurd and untenable position." If it refuses to do so, at least through the means of the resolution this committee has before it, the Senate or the Congress can register its disagreement and protest, and help reassure the world of the decency of American intentions.

Mr. HUMPHREY. Mr. President, the purpose of my resolution is to encourage our Government, particularly the State Department, to take the active leadership in the adoption of a convention outlawing forced labor in the forthcoming conference of the International Labor Organization.

At the time I introduced the resolution, the State Department opposed such action, and it registered its objection to a convention declaring our official position on the outlawing of forced labor.

I participated in the hearings on two occasions. At one hearing I testified. At another hearing I participated in a discussion with the representative of the State Department, the Assistant Secretary of State, Mr. Wilcox.

I am happy to note this morning that according to an article in the New York Times our Government has now concurred with the position outlined in the resolution I introduced. The headline of the New York Times article reads: "United States Shifts Stand on Forced Labor—Will Back ILO Convention Condemning Practice—Victory for Mitchell."

The Mr. Mitchell referred to in the article, of course, is the Secretary of Labor, James P. Mitchell.

I wish to give Mr. Mitchell all due credit, and I am delighted that he has seen fit to support the convention procedure. At the same time, I should like to suggest that it is my view that the testimony before the committee by a large number of witnesses had a great deal to do with the reversal of what I considered to be an untenable position of our State Department. I am therefore delighted to note that our Government has at long last recognized the need for its exercising leadership in this field, instead of dragging its feet in connection with a very worthy cause.

Mr. President, the controversy over the administration's failure to support the prospective convention against forced labor has brought forth a number of comments in the foreign press. An interesting discussion of the Soviet position is contained in the April 1956 issue of the Journal of the German Federation of Trade Unions. An article written by Sigurd Paulsen has been translated from this journal, and I ask unanimous consent that it be printed at this point in my remarks.

There being no objection, the translation of the article was ordered to be printed in the RECORD, as follows:

[Summary translation]

THE ATTITUDE OF THE U. S. S. R. ON FORCED LABOR

(The Gewerkschaftliche Monatshefts (the Journal of the German Federation of Trade Unions) for April 1956 contains the following interesting article on the probable attitude of the U. S. S. R. on the question of forced labor. It is writen by Sigurd Paulsen.)

While the governing body was discussing forced labor in Rome, reports began to come in about strikes in forced labor camps in Russia, mainly because of disappointed hopes of an amnesty after the death of Stalin. This led to certain reforms or concessions by the authorities during 1954.

The Soviet Union has always spoken of "penal labor and labor as a means of education" and has denied the existence of slave or forced labor in that country. It could clearly be foreseen that the efforts of the ILO to secure the complete abolition of forced labor would soon lead to an improvement in Russian labor camps and a reduction in the number of inmates (estimated at some 15 million in 1953). The purpose would be to enable the Eastern bloc to press for the abolition of the remnants of forced labor in colonial and semi-independent territories.

It is now one of the primary aims of "world labor policy" to utilize the existing situation to secure as much improvement

as possible. It is hoped that the convention to be adopted in 1957 will mark an important step forward, although it would be optimistic to hope that it would provide a complete cure.

The conclusions of the ILO Report to the Conference propose a convention prohibiting 3 types of forced labor and a recommendation imposing certain restrictions on 3 other types. The recommendation will leave countries a certain freedom to define what they consider as "work forming part of normal civic obligations" and to determine the nature of the courts which can impose a sentence of forced labor. This is already clear from a careful study of governments' replies.

In February 1956 the surprising announcement came from Moscow that as far back as 1953 the authorities had abolished the secret police court which formerly had power to impose forced labor without trial and as a purely administrative measure. Henceforward there must be due process of law. The official Russian statement says that the dissolution of the court was linked up with the amnesty for forced laborers in the weeks following Stalin's death. The fact that the announcement was not made until 3 years after the event shows that it is a move to strengthen the negotiating position of the Soviet delegation at the ILO Conference.

Everyone can recall the repeated Communist denials of the existence of forced labor camps and the sensational revelations during the trial of David Rousset in France in 1950, all of which were still stoutly denied. Now the news of the abolition of the special court of the secret police provides proof that the allegations of forced labor without trial were in fact true; the amnesty of 1953 was in some sense a practical expression of contrition on the part of Stalin's successors.

In working toward a new convention, it is important to bear in mind that substantial changes have taken place in Russia with regard to forced labor. Information from German prisoners who only recently returned from Russia shows that a number of improvements have taken place since 1953. The reign of terror exercised by the criminal elements in conjunction with, or with the connivance of, the camp guards has been checked. Wages are higher and more fairly distributed within each work group. Inmates can write letters and receive visits and parcels.

The amnesty brought release by degrees to all within certain age groups and to the sick and infirm. Deportees belonging to national minorities, while not generally allowed to return home, were gradually given increased freedom, although still compelled to settle in specified areas (Omsk, Tomsk, etc.). The penalties on recalcitrant prisoners are less severe. In view of the necessity to continue the production of coal from the Arctic zone and gold and wolfram from northeast Siberia, recourse has been had to the "voluntary" migration of hosts of young workers to replace the lost labor from the forced-labor camps.

These are changes of methods rather than of principle, but it must be borne in mind that this process of more humane treatment which has been going on for over 2 years is not yet at an end and that in due course the bill will be presented. The West will be asked to pay mainly by granting better working conditions in colonial and dependent territories. It is significant that the U. S. S. R. reply to the Office questionnaire calls for the abolition of all forms of forced labor, including indirect compulsion. The U. S. S. R. points out—obviously with colonial territories in mind—that work can be considered as a "normal civic obligation" only if it is required of all adult citizens irrespective of their property status, race, nationality, etc. On the other hand Portugal, in replying to the same question, considers it undesirable to list such obligations, as the list would probably not be all-embracing.

There is a great likelihood that the Russian answer to the ILO's efforts in this field will be a worldwide propaganda offensive for improved labor legislation, especially in Asia and Africa. This is confirmed by certain passages in Khrushchev's address to the 20th meeting of the party, where he mentioned that in the past 10 years over 1,200 million people had been freed from colonial or semicolonial dependence. He went on: "One of the most urgent and acute problems now facing us is the complete abolition of the shameful system of colonialism." This must be interpreted in the West not simply from the narrow angle of foreign policies; it is the announcement of a policy of worldwide moral competition in the field of labor law. When a new convention on forced labor is adopted, the Eastern Powers will launch an unceasing stream of criticism against "indirect" forms of this abuse, such as the compulsion to work for natives of Portuguese Africa (with only very inadequate social protection) or the system in the Belgian Congo, where natives may be obliged to work in default of payment of money tax. The existence of a very slightly increased modicum of legal security for workers in the Soviet Union will be used as the basis for a campaign of "moral rearmament" in the colonies.

It is a mistake for the West to imagine that the policy of more humane treatment in the Soviet forced-labor system is due either to the pressure brought to bear by the sanguinary disturbances in certain camps in 1953 or to the need to improve the productivity of the camp inmates. These are only partial explanations. In part also it is a question of general policy, as will soon become apparent at the International Labor Conference.

It is gratifying to note that the preliminary work of the ILO seems to be based on a recognition of this situation. The Western colonial powers, whether advanced or backward, will not be able simply to evade the challenge by pointing out that "penal labor" can continue to exist in Soviet Russia in place of "forced labor," particularly in Arctic Siberia. Such countercharges will "cut no ice" with the indigenous peoples who are subject to Western labor law.

One particular reason for drawing attention to this situation is the demand of the NAM, in February 1956, that the United States Government should investigate the allegedly recent more intensive Communist activity within the ILO. There is no need to overestimate the importance of the NAM threat to send no delegates to the conference after 1956 unless "there is a change for the better." It will be recognized that this is not unconnected with the quarrel between the ICFTU and certain influential employers in Venezuela and in the Netherlands Antilles. Nevertheless, the threat of absence from the 1957 session, at which the final decision on forced labor will be taken, has a somewhat ominous ring. If this decision should be maintained, or if by any chance a similar tendency should gain ground in United States Government circles, it would be an extremely serious matter. Whether it likes it or not, the West constitutes a single unit in the work at Geneva. During the years to come it is particularly important that it should play its part in the competitive effort of the world to secure decent conditions of employment everywhere. Every effort should be made to insure that the new international convention on forced labor is not drawn up without the participation of American trade unionists and employers.

Mr. HUMPHREY. Recent indications from the Soviet Union suggest that the U. S. S. R. is prepared to manipulate and turn to its own advantage our failure to provide leadership on this subject. It is Kremlin's strategy to embarrass other western countries, too, on the relationship between forced labor and colonialism.

Hence I am also delighted to learn this morning that the Senate Labor Subcommittee has favorably reported my resolution, Senate Resolution 248, to the Senate Labor Committee.

I am very happy to see a victory for justice and good sense, and I hope that our delegates to ILO will now proceed forthwith to seize the initiative in this matter and actively proclaim the American position.

Mr. President, I would ask that the article published in the New York Times, to which I have referred, be printed in the RECORD at this point, but I understand it has already been printed in the RECORD on request of the Senator from Illinois [Mr. DOUGLAS].

CARROLL BINDER, OF THE MINNEAPOLIS TRIBUNE

Mr. HUMPHREY. Mr. President, on May 1 one of Minnesota's most illustrious citizens and one of the Nation's most talented journalists passed away. I refer to Mr. Carroll Binder, editorial editor of the Minneapolis Tribune.

The career of Carroll Binder was marked by many achievements and honors. He served as foreign editor and director of foreign service for the Chicago Daily News. He served his Government as an American representative with the United Nations—once as vice chairman of its subcommission on freedom of information and then as a member of the Executive Committee of the United States National Commission for UNESCO. The editorials which appeared in the Minneapolis Morning Tribune of May 2 and the Minneapolis Star of May 1 state beautifully and succintly the high regard, respect, and affection with which Carroll Binder was held by his associates and neighbors. I ask unanimous consent that these editorials be printed at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Morning Tribune of May 2, 1956]

CARROLL BINDER

Carroll Binder was truly a citizen of the world. He traveled widely across the face of it. He knew its peoples, its governments, its leaders, and its diplomats. He had lived under ruthless dictatorships in Russia, Italy, and Germany and he had breathed the good air of freedom in many lands.

To the affairs of the world, he brought a relentless curiosity and an extraordinary capacity for objective analysis. When Mr. Binder died, the Tribune editorial page lost a distinguished editor and the world witnessed the passing of an able writer who had reported and evaluated the story of this troubled era for more than three decades.

Mr. Binder was outstandingly successful in his field for many reasons. He had a keen, incisive mind. He had an insatiable hunger for facts. He had a sense of compassion and understanding which embraced the peoples of the world. His outlook was one of unlimited horizons, encompassing both the future and the past.

But most of all, Mr. Binder was a painstaking, honest craftsman. Only those who

worked most closely with him could fully appreciate his passion for thoroughness or his insistent striving for the objective point of view. Mr. Binder never guessed; before he wrote, he explored every available source of information, and assembled his facts in orderly array. The fund of personal experience and observation on which he drew seemed almost inexhaustible, and he enriched it constantly by travel, by reading, and by contacts with friends and former associates throughout the world.

For Mr. Binder the challenge to be well informed never ended. For him, life was a perpetual process of enlarging those world horizons on which he looked each day with new enthusiasm.

It was not surprising, therefore, that his life was full of honors and achievements. As foreign editor and director of foreign service for the Chicago Daily News, he gained an enviable reputation for those very qualities of craftsmanship and penetrating thoroughness which he later brought to this editorial page as its director. On two occasions he served in posts connected with the United Nations, once as vice chairman of its subcommission on freedom of information and later as a member of the executive committee of the United States national commission for UNESCO.

Mr. Binder won numerous honors during the period of more than a decade he was associated with these newspapers. Among these was the distinguished award for editorial interpretation he received in 1953 from the English Speaking Union. His native State of Pennsylvania honored him. For many years, he was in constant demand as a lecturer. His opinions on international affairs were widely sought. In newspaper circles, few men could match his reputation as a perceptive student of world problems. Almost none had a deeper knowledge of the Communist revolution, or the insidious forces which sprang from it.

To his immediate associates, Mr. Binder was first of all a loyal friend. But they admired him for his intellectual integrity and cherished the loyalty he gave them in generous measure. He had a sense of fairness which left a deep impression on this editorial page. His faith in the essential decency and nobility of his fellow men illuminated many of his writings. While his interests ran primarily to world affairs, he could write with great authority in many other fields. But whatever he wrote received the searching analysis of his scholarly and well disciplined mind.

The news of Mr. Binder's death will be received with sorrow by friends in many lands today. Among newspaper colleagues especially, there will be reminiscences touching the life of a man who took deep pride in his profession and honored it profoundly.

As for his colleagues on the Star and Tribune, our sense of loss is very heavy. We have all profited from the privilege of working with him and this page will miss his presence greatly.

[From the Minneapolis Star of May 1, 1956]

CARROLL BINDER

This is a sad day in these newspaper offices, for a valued colleague and friend is gone. We were proud of Carroll Binder, the editorial page editor of our associate publication, the Tribune, who was nationally and internationally known for his close study and intelligent interpretation of foreign affairs. In this field he had few peers and the many tributes paid him were well deserved.

He was an individual of integrity, and that, to those who knew him, seemed the keynote of Carroll Binder. He always wanted to be sure he had learned the facts about a situation before he expressed an opinion. To that end he was a constant reader, a frequent traveler abroad and a persistent questioner of all who could contribute to his knowledge—and thus to the understanding of his readers—of world events and background. He tried always to be fair. His professional ethics were in the finest traditions of journalism.

He was an upright man in the best meaning of the term—devoted to his ideals, his work, his family, his friends, his Nation. He was a gentle-natured though resolute person who had walked with the great and the humble of the earth and never lost his sense of perspective. We will miss his good counsel and kindly presence.

Mr. HUMPHREY. Mr. President, it was my privilege to know Carroll Binder as a friend. Only a few days before his death, we had a good heart-to-heart visit. Despite the fact that he had been ill for several months, his mind was alert and his spirits good. He was here in Washington attending the American Society of Newspaper Editors' annual convention. I am sure that he knew even then that he had but a short time to live, but he faced the future with courage and undaunted optimism. His great faith and serenity of mind left no room for fear or weakness. I shall always consider it an honor and a special privilege to have known this fine man. The Minneapolis Tribune has lost a great editor; Minnesota and the Nation have lost a great citizen.

An article which appeared in the Wednesday, May 2, issue of the Minneapolis Tribune reveals the philosophy of life that marked Carroll Binder's career. I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Morning Tribune of May 2, 1956]

NEVER-ENDING SEARCH FOR TRUTH STAMPED CARROLL BINDER'S LIFE

Carroll Binder's 35-year career as a working newspaperman, as revealed in some of his writings, was devoted to a search for truth, tempered by responsibility and scorn for sensationalism.

His interests ran the gamut of domestic and foreign affairs. His first love was reporting of the international scene—a task he performed with warmth and humanity.

His foreign correspondence and his more recent editorial commentaries were distinguished by a clear statement of the facts and an insistence that the public could be served only by the whole truth.

Mr. Binder's varied interests reached fruition in his 3-year fight within the United Nations committee on freedom of information.

There he brought the full force of his experience to support the proposition that "the fundamental principles of freedom of information cannot be the subject of compromise."

His belief that without freedom of information "a democratic society and (its) way of life cannot thrive" was based on the people's right to know, rather than an abstract right to publish.

"Freedom of information," he once told the United Nations committee, "is the right of every person to have access to all available facts, ideas and opinions, regardless of source—and not only to the information approved by his government and his party."

Mr. Binder found himself among the minority in the United Nations committee. Representatives of other nations stressed the "responsibility" of the press—a responsibility which they interpreted as necessitating strict censorship and governmental controls. Mr. Binder replied:

"The press does have one great responsibility. It is the responsibility to seek the truth and to report its findings as comprehensively and objectively as possible."

Mr. Binder often complained that sources of world news were stopped up even as international communications facilities became more widespread.

"When I first became a foreign correspondent," he wrote in 1952, "my colleagues and I could travel and report freely in most parts of the world.

"We encountered some censorships but they were open, that is, we took our dispatches to an official who promptly examined them and told us what—if anything—could be sent.

"We felt we were badly put upon by such censorships, which happily were not numerous. But when I think of the restrictions existing today I realize that those were halcyon days, the like of which I shall not see again in my lifetime."

"Large parts of the world," Mr. Binder went on, "no longer permit independent correspondents to visit their countries or so severely circumscribe their movements and contacts that they cannot possibly know what goes on."

Mr. Binder's defense of journalistic independence did not blind him to its defects. He once labeled as a weakness in world news gathering its failure to develop traditions of objectivity.

"In the straight telling of the facts," he said, "lies the quickest solution of the problems which so frequently are laid at the doorstep of the newspapermen—the promotion of peace, the promotion of racial and religious friendships, and tolerance and respect for human rights."

He disdained governmental controls as a remedy for shortcomings of the press.

"The remedy," he declared, "lies in the development of a greater sense of responsibility."

Mr. Binder's knowledge of the problems faced by correspondents did not carry over to tolerance for what he considered shoddy reporting.

When the Pulitzer Prize Committee in 1947 awarded Eddy Gilmore, Associated Press Moscow correspondent, its prize for international correspondence, Mr. Binder protested publicly that Gilmore's reporting was sugary and soft and that the AP writer often had left unreported the seamy side of Russian news.

His long experience both as a foreign correspondent and chief of a worldwide news service gave Mr. Binder a keen and prophetic insight into international events.

More than 2 years before World War II got under way, Mr. Binder was sounding the note of alarm, urging that the United States prepare for eventual participation in the coming struggle.

He scorned the isolationists of that period as men who "would have us lift our national skirts lest they become polluted as we pass through a sinful world."

However, Mr. Binder could record with satisfaction a decade later that American isolation was a thing of the past.

"The American people," he noted in 1948, "have learned the hard way that they are permanent members of the world community and that they must take the lead in mobilizing the freedom-loving nations of the world to resist Russian attempts to sovietize them by infiltration, by the creation of chaos, or by armed aggression."

Mr. Binder brought to his task as an observer of international affairs his hard-earned experience as one of the Nation's first specialists in reporting labor affairs. As a result, his dispatches from abroad often

reflected his keen perception of the economic issues which underlaid political events.

His interest in economics led him in 1941 to assemble facts disclosing the extent of forced labor in the Axis countries.

In his personal philosophy, Mr. Binder depended on what he once described as "one of the great secrets of friendship." This was to regard "each person with whom one associates as an end in himself, not as a means to one's own ends."

"The less one requires of material possessions," Mr. Binder said in his personal credo, "the better situated one is to stand up to changes of fortune."

Mr. Binder once said he sought to limit his ambitions "to goals within my probable capacity to attain."

"I have seen much inhumanity, cheating, corruption, sordidness, and selfishness," he declared, "but I have not become cynical.

"I have seen too much that is decent, kind, and noble in men to lose faith in the possibility for a far finer existence than yet has been achieved.

"I believe the quest for a better life is the most satisfying pursuit of men and nations."

Mr. HUMPHREY. Mr. President, Carroll Binder's neverending search for truth and his complete dedication to freedom of information are qualities of character and professional ethics that gained for him everlasting respect and admiration.

Early this year, February 20, Carroll Binder celebrated his 60th birthday. Just a few days before that occasion, I sent a letter to Carroll Binder, which was included with others in a document of testimonials and presented to him on that occasion. This letter expresses my heartfelt and sincere reflections on the character and life of my late and departed friend Carroll Binder. I ask unanimous consent that it be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 11, 1956.

Mr. CARROLL BINDER,
Editorial Editor, Minneapolis Tribune, Minneapolis, Minn.

DEAR CARROLL: Some of your friends were kind enough to inform me that February 20 will be your 60th birthday. I am pleased and honored to be permitted to participate with your many friends in their expressions of congratulations and best wishes.

The opportunity of knowing you and sharing in your friendship is indeed a privilege. I regret, however, that our visits have been all too infrequent and our time together all too short. You possess those endearing qualities of a warm heart and friendly spirit, combined with great intellect and the ability to translate your ideas into the written word. Yes, Carroll, your prowess as a journalist is second to none. Your insight into the complex problems of our generation has commanded the attention of your contemporaries.

We are particularly indebted to you for the high standard of your writings and for the intellectual and moral courage that you have always demonstrated. Your personal integrity manifests itself in each aspect of your life—your column, your civic service, and your relationships with your associates.

I particularly want to thank you for your outstanding services as an American representative on the Freedom of Information Commission.

Well, Carroll, you have had many years of interesting experience. Your writings would fill many books and your friends are legion. We who know Carroll Binder, know him as teacher, historian, public servant, philosopher, as journalist and a learned observer and commentator on international relations.

Added to all of this is your fine family. You have every right to be proud and happy. Your 60th birthday is of special significance primarily because it finds you in good health, good spirit, with a vigorous and alert mind.

Again let me express my gratitude for all the advice and counsel you have given me. Your words of encouragement have been a source of inspiration and strength.

As ever,

Your devoted friend,
HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, Carroll Binder has gone to his heavenly reward, but his works and deeds, his philosophy and his words live on. Like his soul and spirit, they are immortal.

ASWAN DAM PROJECT IN EGYPT

Mr. GORE. Mr. President, I ask unanimous consent that there be printed at this point in the RECORD an incisive and provocative article written by a distinguished writer, Mr. Morris Cunningham, the Washington representative of the Memphis Commercial Appeal. I ask that the headline and the byline be also printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TAX DOLLARS DENIED TVA WOULD BE GIVEN TO EGYPT UNDER ADMINISTRATION PLAN—FOES OF PUBLIC POWER ARE ANXIOUS TO FINANCE ASWAN DAM ALTHOUGH PROJECT POSES THREAT TO AMERICAN COTTON EXPORTS

(By Morris Cunningham)

WASHINGTON, May 5.—Midsoutherners would appear to have more than their share of interest in the gigantic Aswan Dam project in Egypt that the State Department is now pressuring Congress to approve.

To be built in a granite-lined gorge on the Nile River, the dam would be 2½ times bigger than any such project now in existence anywhere in the world.

It would require 15 to 18 years to build and would cost $1.3 billion, of which $400 million would be supplied in direct grants by the United States and England and $200 million would be supplied by the World Bank, to which the United States is the biggest contributor.

When completed, the dam would generate one-half as much electricity as the entire Tennessee Valley Authority, including all of the TVA's many dams and steam-electric plants—one of which, Kingston, is now the world's largest.

POWER APLENTY FOR CIVILIANS

Considering that more than half of TVA's output goes to the Atomic Energy Commission and other defense installations, this means that the Aswan Dam would produce more electricity than is currently being used by civilians and civilian enterprises in the entire TVA area.

But this is only a minor part of the significance the huge undertaking holds for midsoutherners. Its greatest potential is its effect on world cotton production and markets.

The State Department has admitted that the great dam would provide water to irrigate an additional 2 million acres of land in a region where, like the South, cotton is the main crop.

With irrigation American cottongrowers have proved that two bales or more can be made to an acre. And, in Egypt, it is said that the climate is such that with irrigation three crops can be made in 2 years.

EXPORTS ALREADY DWINDLING

Thus, the huge undertaking confronts southern cotton farmers with the serious prospect of large quantities of additional cotton being dumped upon already sagging world markets.

This would come at a time when American cotton exports are dwindling, in the face of rising foreign production and competition, and now have reached an alltime low of less than 2 million bales a year.

Small wonder that southern Congressmen are looking askance at a proposition that calls for the tax dollars of many of their constituents to be used against what appears to be their own economic interests.

Representative JAMIE L. WHITTEN, Democrat of Mississippi, an early and continuing critic of the State Department's apparently consistently generous disposition toward foreign agricultural competition, spoke out against the project last year.

Senator JOHN STENNIS, Democrat of Mississippi, and JAMES O. EASTLAND, Democrat of Mississippi, also have questioned its wisdom. And, more recently, Senator WALTER F. GEORGE, Democrat of Georgia, chairman of the Senate Foreign Relations Committee, has announced his opposition.

FARMERS WILL BE AFFECTED

They have pointed out that within recent years thousands of American families have been forced off of American cotton farms because of continuing acreage cutbacks which, in large part, have been forced by the decline in exports.

At recent hearings before the Senate Appropriations Committee, Senator STENNIS, a member, outlined the situation in forceful terms. "I do not think I can overemphasize the importance of this cotton question," he said.

This, of course, is aside from the notable contrast between the administration's benevolent attitude toward the Aswan project and its consistently tough policy toward TVA.

"WE'LL WIN FRIENDS"

The Aswan project would be owned by the Egyptian Government and apparently would be another example of "creeping socialism," such as President Eisenhower has described TVA.

Yet only last year, when the administration was formulating its contribution to the Aswan project, it was denying TVA $6.5 million to start a new steam plant near Memphis, an action that—coupled with the Dixon-Yates deal—forced Memphians to start building its own plant.

The State Department, in arguments for the Aswan project, has not mentioned the contrasting power policies. But it has sought to minimize the possibility that any large part of the newly irrigated lands will be planted to cotton.

The burden of the Department's arguments has been that American aid for the project will win friends for the United States, will help ease tension in the Middle East, and will eliminate the possibility that Egypt may turn to Russia for help, if American aid is denied.

These arguments will probably gain wider support in other sections of the Nation than they will in the Midsouth.

PLANS FOR CREATION OF A FOOD STOCKPILE—DISPOSAL OF SURPLUS COTTON

Mr. GORE. Mr. President, I invite attention to an article published in today's issue of the New York Times which quotes an anonymous high administration official to the effect that members of the North Atlantic Treaty Organization are studying plans for the creation of a food stockpile as an emergency

measure. As a Member of the Senate, Mr. President, I am interested in knowing the prospects of this program. It would be interesting to the Senate, to this Member of the Senate, at least, to know what high official spokesman brings this word and what are the plans. Perhaps it offers an opportunity to dispose and to make good use of farm surpluses which are piled high in our country. I do not envision in this program, however, very much opportunity for the disposal and sale of surplus cotton, since it is not a food commodity.

I should like to invite the Senate's attention to the fact that on February 28 the distinguished Secretary of Agriculture, Mr. Ezra Taft Benson, made a public announcement with respect to the sale of cotton on the world market. I should like to refer to the reported commitments and promises made during the consideration of the farm bill by the Senate. Those commitments and promises are not being lived up to. I do not wish to be severely critical in this regard, but rather to express the hope that on the next sale an arbitrary floor will not be placed on cotton held by the Commodity Credit Corporation, with the effect of defeating and preventing the sale of cotton which is being sought by the world market. Other opportunities for the sale of American held surplus cotton will soon be available. I hope the administration will take advantage of the opportunities, that arbitrary measures will not be thrown in the way, and that the commitments will be kept. If not, Mr. President, perhaps the Senate will find it necessary to write into the farm bill which is soon to be before this body provisions of law to facilitate the sale of surplus cotton abroad.

PULITZER AWARD TO CHARLES L. BARTLETT

Mr. GORE. Mr. President, I wish to bring to the attention of the Senate the fact that a distinguished young newspaper reporter, Mr. Charles L. Bartlett, Washington representative of the Chattanooga Times, has been accorded one of the highest honors which can come to a newspaper man. He was awarded the Pulitzer prize for national reporting. He is one of the youngest men in the newspaper fraternity ever to receive this high award.

Mr. Bartlett is a facile writer who is capable of incisive analysis and provacative presentation. He is indefatigable in his search for news, and is dedicated to the belief that Government business is public business, and that the duty of a free press is to inform the public of the actions of their Government, the actions of their officials.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial from the Chattanooga Times entitled "Pulitzer for Bartlett," together with a news article published in the Chattanooga Times, written by Mr. Henry Trewhitt, under the headline "Bartlett Calls His Award Result of 'United Effort.'"

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Chattanooga Times]

PULITZER FOR BARTLETT

Charles Leffingwell Bartlett at 34 years old has won for this newspaper its first Pulitzer prize—the most coveted honor in journalism.

The award to him of the trophy for national reporting, based upon his coverage of the story which led to the resignation of Harold Talbott as Secretary of the Air Force, gives us natural pride in his outstanding work as the Times' Washington correspondent and in the honor he has done himself and us.

There were, as always, many pieces of reporting that have merited the awards established by the late Publisher Joseph Pulitzer in a grant to the graduate school of journalism at Columbia University. For Mr. Bartlett's selection we are fortunate, humble, and grateful.

In many other facets Charley Bartlett has done what we consider to be an exceptional job—alone in grueling competition with the most high-powered news-gathering agencies in the world. These include a 25-man bureau of our big city cousins, the New York Times (1955 payroll: $28,543,700; newsprint cost: $22,993,000).

But in the Talbott case was singularly well exhibited the courage and devotion to public interest forever cherished by this newspaper. Charley Bartlett single handedly, in February 1955, went to work after receiving information that there was a conflict of interest in Harold Talbott's efforts, while he was Secretary of the Air Force, on behalf of a firm in which he had an interest and which had business with the Government.

In early March the Senate Permanent Subcommittee on Investigations took up the case as a result of this information. But not until July 13 could Correspondent Bartlett, in a 3-day national beat, disclose for publication that the inquiry was underway.

Between that time and almost exactly 1 month later, when Harold Talbott resigned, Mr. Bartlett's 17 dispatches to the Times told the Talbott story in graphic and unexcelled detail. He recorded the core of the issue involved, that of Mr. Talbott's inability to see the impropriety of writing prospective clients on Air Force stationery. The New York Times' publication of several of those letters forced Mr. Talbott to testify at the committee hearings.

Charley Bartlett came to the Times in 1946, a Yale graduate and member of a family some of whom he described facetiously as feeling Herbert Hoover was a dangerous radical. But he classes himself as an independent in politics and he has served his profession without fear or favor.

Congratulations, Charley. We expect more great things of you in the future. In the qualities of persistence, as well as those of courage, independence and enduring concern for the public welfare, you have written your name along side those of the great newspapermen. For they are qualities long held high both by the late great Joseph Pulitzer and in the legacy of ideals bequeathed to the Chattanooga Times.

[From the Chattanooga Times]

BARTLETT CALLS HIS AWARD RESULT OF UNITED EFFORT

(By Henry Trewhitt)

Charles L. Bartlett, a reporter with a deep conviction that Government business is public business, last night described his Pulitzer award as the result of a united effort.

He said the close cooperation of the editors and copyreaders of the Times made possible the publication of the last-minute details of the stories that brought him the award. Bartlett learned of the award while confined to his Washington home yesterday by a severe cold.

Bartlett, who joined the Times in June 1946, became the Washington correspondent in December 1947. His reporting of the national scene has frequently called public attention to officials in government who seemed to have forgotten their responsibilities as public employees.

The series of stories on which was based the citation and $1,000 Pulitzer prize, a top award in the profession, resulted from a casual, Sunday afternoon discussion of personalities in the Eisenhower administration between Bartlett and a friend who is an official of a large industrial concern.

Bartlett thus received his initial information that Harold E. Talbott, Secretary of the Air Force, had retained an active interest in a consulting firm which had several clients holding Government contracts.

This was in February 1955. He patiently investigated Talbott's outside interests for more than 5 months before his first story was published on July 13. The Senate Permanent Subcommittee on Investigations then officially took up the investigation. Talbott resigned as an aftermath of the disclosures.

The log sent to member papers by the Associated Press shortly after the story broke shows the impact of the initial Bartlett story:

"We had missed the boat Tuesday night," the log said, "by failing to pick up a Chattanooga Times exclusive from its Washington correspondent, reporting a Senate committee vote to look into the business connections of Air Force Secretary Talbott. (Chattanooga sent a detailed advisory message but nobody acted on it.) Tonight (Thursday) the New York Times got into the story in a big way and we reported it then. Later * * * the lesson was applied; we acted quickly to pick up fresh developments reported by the Chattanooga member."

"Mr. Talbott's resignation would never have been accomplished without Bobby Kennedy (Robert F. Kennedy, chief counsel to the subcommittee)," Bartlett said last night. "He alone of all the officials saw the implications of the situation and worked against odds to bring out the facts."

NATIVE OF CHICAGO

Bartlett, 34, a native of Chicago, received his secondary education at St. Mark's School in Southboro, Mass., and was graduated from Yale University with a bachelor of arts degree in 1943. He served in the Navy from early 1943 to 1946 as an officer assigned to the communications intelligence branch of the office of the chief of naval operations.

After his release to inactive duty as a lieutenant in 1946, he joined the Chattanooga Times as a general assignment reporter.

His coverage of the Washington scene has been broad, extending far beyond comprehensive reporting on Tennessee Congressmen, the Tennessee Valley Authority and other matters of particular regional interest. In 1951 and 1952 his stories initiated an investigation of the contract held by ARO Inc., for operation of the Arnold Engineering Development Center at Tullahoma. The result was a limitation on ARO fees from the Government.

His stories were the first on the appointment of John Marshall Harlan as associate justice of the United States Supreme Court; the appointment of Joseph Campbell as United States comptroller; the appointment of Gen. Herbert D. Vogel as chairman of the board of the Tennessee Valley Authority; the fact that President Eisenhower had determined to seek re-election.

His coverage of Senator ESTES KEFAUVER's campaigns for the Democratic presidential nomination has consistently been ahead of

that of his Washington competitors. He was the first to predict KEFAUVER'S victory in the New Hampshire Democratic primary in 1952, and the first to sense the change of climate that resulted in the Senator's Minnesota victory this year.

Bartlett was married on December 23, 1950, to Miss Josephine Martha Buck of Far Hills, N. Y. They now have two sons, Peter Buck, 4, and Michael Valentine, 2.

Mr. KENNEDY. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. KENNEDY. Mr. President, I should like to associate myself with the remarks made by the Senator from Tennessee. I have known and have been a friend of Charlie Bartlett for almost 15 years, and I am sure there is not a more devoted or more disinterested reporter in Washington. He has been a good reporter for a long time, and I am glad to hear that he has been recognized in this way by the Pulitzer committee.

Mr. GORE. I thank my distinguished colleague from Massachusetts. I agree with everything he has said.

Mr. President, I wish to close by saying, "Charlie Bartlett, congratulations. At the age of 34 you have written your name alongside the newspaper great."

RECOGNITION OF SCIENCE IN THE CONDUCT OF FOREIGN POLICY

Mr. HUMPHREY. Mr. President, with the Berkner report in 1950, the State Department recognized science as an element in the conduct of our foreign policy. An ambitious program was set up involving the establishment of scientific staffs at various American diplomatic posts abroad, as well as the appointment of leading scientists as attachés in the Foreign Service Reserve.

This ambitious and farsighted program reached its peak in 1952, and then declined. Today, 4 years later, when the administration is belatedly admitting that we face a critical shortage of scientists and engineers, this State Department program is limping along without any scientists abroad or at home.

An illuminating article entitled "What's Happened to Science in State?" was published in the Chemical and Engineering News for January 9, 1956. I ask unanimous consent that the body of this article appear at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[Reprinted from Chemical and Engineering News of January 9, 1956]

WHAT'S HAPPENED TO SCIENCE IN STATE?

The State Department, 5½ years ago, disclosed its plan for meeting its responsibilities in the scientific and technical aspects of foreign relations. A key element of this plan was the establishment of science staffs at selected United States diplomatic missions abroad. The plan was implemented by the appointment of leading scientists for limited terms as attachés in the Foreign Service Reserve.

The peak was reached in the summer of 1952 when there were 10 science attachés in five European embassies. But then appointments waned. Last year there were 4 attachés, 1 each in London, Stockholm, Paris, and Tokyo. But their terms have expired. By the 15th of this month, all four will have reported into Washington on their way home. To date, no replacements have been named. The field aspect of State's science function has ground to a halt.

Will this be the end of science in the State Department? Probably not, because State's Science Office is still operating. The Department's experience with the science attaché program and with the Science Office has demonstrated how frequently science is intertwined with foreign relations. The Office is an active one and is constantly being called upon by various desks and divisions within the Department of State for advice and assistance.

The State Department's experience with science had roots in several studies during the late war and early postwar period. One of these was Vannevar Bush's Science, The Endless Frontier (1945), a study undertaken at the request of President Truman to determine how the knowledge acquired by the wartime Office of Scientific Research and Development could be applied to the problems of peace. Another was Science and Public Policy (1947) by the President's Scientific Research Board under John R. Steelman. This study explored the interrelationships of science in various branches of the Government and how they could be coordinated. The report led directly to the formation of the Interdepartmental Committee on Scientific Research and Development and laid the groundwork for the National Science Foundation.

Another root was inside the Department of State itself. It was the London Office on Science and Technology that had been taken over from the Department of Commerce in 1946. The Mission was attached to the American Embassy in London for the purpose of facilitating liaison between British and American scientists and exchanging scientific and technological information between the two countries. Behind this move was the backlog of unpublished wartime research and the inability of periodicals to handle it expeditiously because of the paper shortage.

Because the basis for this office was an economic one, responsibility in the Department of State was assigned to the Assistant Secretary for Economic Affairs to carry out the project experimentally. Before the Office was set up, scientists inside and outside the Government were called on for advice. They suggested that scientists should compose the group, that their concern should be primarily with the promotion of interchanging unclassified scientific information, that the group should be a permanent staff of the Embassy, but that membership should be rotating, and that the products of the office should be as widely available as possible to American scientists.

First head of the London Office was Earl A. Evans, Jr., a biochemist from the University of Chicago. He served for 1 year. From his appointment to the end of 1949, 11 other scientists representing various disciplines served in the London office with tenures ranging from 4 months to 1 year. Occasionally, there were as many as 6 men assigned to the office at 1 time.

NOT FOR INFORMATION

The operation of the London Office indicated to the Department of State that scientists have a place in the conduct of foreign relations. As the work of the staff developed, it became clear to those concerned with the experiment, however, that if scientists were to function effectively they had to orient their functions more closely to the problems of foreign relations. The experience emphasized that the Department had no responsibilities itself for disseminating information to American scientists and had no facilities for doing so.

As a part of the State Department reorganization in 1949, and in cooperation with the National Academy of Sciences, several committees reviewed State's responsibilities in international science. On the basis of this review and on the experience of the London mission, the Department's International Science Steering Committee, under the chairmanship of Lloyd V. Berkner, issued the definitive report "Science and Foreign Relations." This document, which has come to be known as the Berkner Report, is the taproot of State's science operations. It demonstrates repeatedly that modern foreign relations consist of scientific and technical elements as well as political, economic, and military. It proposed that mechanisms be set up in the Department and in the embassies that would ensure adequate consideration of scientific and technical matters that have a bearing on foreign relations. It proposed that these functions be carried out mainly by men with background in international affairs and training in science.

To carry out these recommendations, the Berkner report suggested that a science office be established in the Department of State at the policy level, headed by a science adviser appointed as Special Assistant to the Under Secretary of State. It also recommended that the science adviser be supported by a small staff comprised of a deputy science officer, three scientists representing the physical, life, and engineering sciences, respectively, liaison officers from the political, economic, and public affairs areas, and from other Government agencies having international interests in science and technology, and such other personnel as are required to make the staff effective in the discharge of its responsibilities.

First to be appointed as science adviser was Joseph B. Koepfli, an organic chemist from California Institute of Technology who had served in the London Office with Evans. Appointed as science adviser early in 1951, he served 8 months past his original 2-year term before returning to Caltech.

Serving under Koepfli for 2 years as deputy science adviser was James W. Joyce, a Navy Department geophysicist. Now with the National Science Foundation, he had served as director of the Department's International Science Policy Survey Group, one of the committees that led to the Berkner Report. Joyce continued as acting science adviser for 6 months after Koepfli left to go to the Department of Defense in January 1954. Since that time, the office of science adviser has been vacant.

STATE USES SCIENCE OFFICE

The Science Office has become well known in the Department, and Rudolph reports that there are few desks or offices in the Department that do not call him from time to time for information or assistance. During a typical day recently he was called upon to write a statement for a Department committee, to advise one of the desks concerning a delegation of visiting scientists, and to advise another office concerning a proposed change in regulations involving a scientific body elsewhere in the Government. Several of these requests involved liaison with offices outside the Department. Between these duties, Rudolph took part in four committee meetings.

In the Department, Rudolph represents science. Toward science, he represents State. For instance, in the absence of a Science Adviser, Rudolph represented the Department of State at the meeting of the International Union of Scientific Unions in Oslo last August.

To implement its recommendations concerning operations abroad, the Berkner Report suggested that the State Department appoint scientists as attachés who would be integrated into the normal foreign-service structure of the embassies. Two attachés who had been appointed to the London Office continued under the new plan, and in 1951, 6 new attachés were appointed—2 to

London, 2 to Stockholm, and 2 to Bern. Six more were appointed in 1952, but in 1953 appointments began to slack off. The last appointee was Robert S. Mulliken, of the University of Chicago, who went to London a year ago. He is returning this week. During that interval, 19 scientists served in embassies abroad.

To find out how the science attaché program had functioned abroad, C. and E. N. asked the men who should best be able to answer—the science attachés themselves.

The question that is asked again and again is whether the Department of State wants a science operation such as it envisioned when it established the Science Office and the attaché program. For nearly 3 years the office operated without a Science Adviser and for 2 years without a scientist. The effects of this curtailment were harmful to the science attachés themselves. While they, like other officers of the United States missions abroad, are responsible immediately to the Ambassadors, they feel that "home base" is, after all, the Science Office in Washington. They have a common interest in science with that office. They believe it is only common sense that an office of the Science Adviser should be headed by a scientist. They feel that the Department either is not aware of the importance of science to foreign relations, or has been too slow in filling the vacancy.

At present, the Science Office is being operated by the Assistant to the Science Adviser, Walter M. Rudolph, and two secretaries. Rudolph, an economist, is the State Department career man on permanent assignment to the office as executive officer under the Science Adviser. He also served on the International Science Survey Group.

Rudolph has enormous responsibilities but little authority to implement the top echelon work that the Science adviser should be doing. Nevertheless, those who have worked with him agree that he has done an outstanding job of keeping the office going since its beginnings. Helping the office out of emergencies, Koepfli has frequently commuted from his California laboratory to Washington. But helping on emergencies and being active head of the Science Office are two different things.

The effects of having a Science Office without a scientist are harmful from the standpoint of public relations, the attachés indicate. Since their duties require them to confer with scientists abroad in universities, research institutions, Government offices, and elsewhere, science attachés frequently were obliged to discuss their individual place in the organization of Government. They felt embarrassed when they had to report the development in the Office of Science Adviser.

The curtailment of the science staffs in the European embassies from 2 or more several years ago to 1, was also bad for public relations. The attachés feel that many scientists and others abroad took this reduction as a slap at their science. The attachés believe that the curtailment had the effect of creating an attitude on the part of Europeans that Americans are vacillating and unreliable.

In direct contrast to this situation in Washington, the attachés report glowingly of their work and of the program's reception abroad. The Ambassadors and other mission officers have been cordial and helpful. Some Ambassadors relied directly on the science attachés for detailed advice and guidance on scientific matters affecting foreign relations. Good working relations were established between science attachés and other officers of the embassies with whom they frequently had to work on matters of common interest.

At Bonn, for example, Walter W. Greulich was able to contribute significantly toward formulating policy in Germany. In one instance, he reported the bitter opposition of German scientific and other organizations to the efforts by our industries and by some of our governmental agencies to recruit German scientists for work in the United States. These activities were misinterpreted by the Germans as an attempt on the part of our people to deprive them of their most valuable natural resource—their gifted young scientists. He was able to reassure the Deutsche Forschungsgemeinschaft (a research coordinating body) in this matter and to work out with them a mutually acceptable, modified policy of recruitment.

Greulich called to the attention of the head of the mission and to the Department in Washington the rapidity with which German science was recovering from the effects of the war and climbing again toward the position of world leadership which it considers properly its own. In his report, he stressed the grave consequences for our country, if, in the rapid and unpredictable course of history, the scientific resources of the Federal Republic of Germany should ever be lost to the West.

The science attachés at Bonn were in a somewhat different position from those in other missions because they were science advisers to the United States High Commissioner. On the other hand, the type of services they performed was not necessarily unique.

United States science attaché work found wide acceptance among scientists and others in foreign countries. The idea that science attachés were some sort of espionage agents was quickly dispelled, if the idea ever existed at all. Science attachés were accepted as officers representing at once the United States Government and American scientists. The attachés felt that this cordiality strengthened an important segment of foreign relations. They pointed out that no other officer in the embassies could effect this relationship because no other officer had access to influential foreign scientists.

The demands for the attachés' services were increasing all the time. Science in foreign countries is on the upswing and is active. Not only do the attachés have more work than they can do but they see many useful jobs they should be doing but cannot get around to doing.

One such job, for example, is that of coordinating the visits of American scientists. A science attaché may be asked to arrange that an American scientist visit a foreign laboratory. He does so. The next week a group of Americans visit the same laboratory unannounced and without his knowledge. They want to look at the same things the previous visitor looked at, ask the same questions, and go over the same material. Later the attaché is requested to set up another visit for an American scientist to the same laboratory to look at the same things, ask the same questions, and go over the same material. The process continues. The head of the foreign laboratory becomes irritable. The science attaché is embarrassed, frustrated. He feels Washington has let him down; it should have coordinated these visits and told him about them. The need for coordination was obvious.

Nearly all the attachés express the feeling that more than one scientist is needed in the science attaché office abroad. Some note the disparity between the number of military attachés and science attachés at various missions (19 to 1 in 1 case). Most of the attachés indicate that a tour of duty of 1 year is definitely not long enough. They feel that 2 years would be preferable.

A recent Hoover Commission report suggests that the backstopping of science attachés be placed with the Central Intelligence Agency. The science attachés view this recommendation with alarm.

Some believe that at best such a transfer would enervate the work of the science attachés, and at worst would create downright resentment abroad to the detriment of our foreign relations. Others believe that the recommendation must have been made without an understanding of the functions of the science attachés. Most of the science attachés are in agreement that the backstopping of their work should remain in the Department of State. Backstopping by the National Science Foundation has been mentioned as another possibility. Some feel, however, that this does not recognize State's day-to-day needs.

The science attachés are unanimous in expressing a strong belief that a lot of good has come from the functions they performed or are now carrying out. They have seen the benefits both in this country and in the country of their assignment. Some of the former science attachés have noted after their return to this country the snowballing of the private scientific exchanges they themselves had a part in promoting. They point out that scientists in this country feel that scientific cooperation can be one of the strongest instruments for furthering our foreign relations.

In the past, State has been successful in getting the funds it asked for the science program from Congress. It has been suggested that if money is the problem it stems from within the Department. The fact that the Office of Naval Research has operated a much larger office in London than any of the science attaché offices may be significant as far as Congressional approval is concerned.

SCIENTISTS FOR SCIENCE

A scientist who served early in the program mentioned a view that was then current in the United States foreign service that the position of science attaché provided special official representation of a field that is properly a function of the cultural attaché. It is rare, he adds, that a cultural attaché has the necessary scientific qualifications for the work. The scientific development in some countries, he points out, can greatly outweigh their economic affairs and should receive official Embassy attention by qualified officers.

Occasional references are made to the fact that State is "reevaluating" its science program, that the Department hasn't made up its mind about what kind of pattern it wants if any. Obviously, the Department has found its Science Office to be a useful arm of its day-to-day operation, even if it does not have a scientist. The scientists who have served abroad believe they have something unique to offer toward foreign relations.

Science today has an even greater impact on society than it did when State first recognized it. To let the science function die now, say the scientists, would be next to criminal and an enormous waste of their time and the taxpayers' money. The course of events mystifies them.

Mr. HUMPHREY. Mr. President, I call the article to the attention of my colleagues, especially those on the Committee on Foreign Relations and the Committee on Armed Services, because it reveals that a program which was well underway has now been permitted, for some undescribed and unknown reason, actually to die on the vine. It is a program which was designed to step up our scientific program, our program of education for scientists and of recruitment of top-grade scientists. That program now is a paper program only; it is not a reality in terms of activity.

THE SEASONAL RECURRENCE OF THE RAILWAY BOXCAR SHORTAGE

Mr. HUMPHREY. Mr. President, the Senate Committee on Interstate and Foreign Commerce concluded hearings yesterday on S. 2770. During these

hearings, an opportunity was given to examine again the serious national shortage of railway boxcars.

Mr. President, Senators have spoken on the subject of the boxcar shortage so many times that it has become almost a perennial topic. I think it is fair to say that for more than 20 years Congress has been faced every summer and fall with notice of a critical shortage of railway boxcars. The bill on which hearings have been held was introduced to see if something could not be done to stimulate the construction of boxcars so that there would not be the tragic losses in agricultural commodities during the harvesting season which have occurred in the past.

I feel certain that I speak for other Senators when I urge the committee to expedite action on this problem so that we may at last be saved from the seasonal recurrence of a boxcar shortage this year.

I ask unanimous consent that an article entitled "Action Urged on Shortage of Boxcars," published in the Minneapolis Star for Friday, May 4, 1956, be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ACTION URGED ON SHORTAGE OF BOXCARS

(By Herb Paul)

The executive committee of the National Association of Railroad and Utilities Commissioners (NARUC) meeting in Minneapolis urged immediate action by the Government and railroads to prevent "what may be the most drastic boxcar shortage this country has faced."

Charles H. Heltzel, public utilities commissioner of Oregon, chairman of the special committee to study railroad car shortages said the shortage of boxcars during the grain movement is expected to be the most severe this year.

In an effort to alleviate it, he said the committee took the following action:

Appealed to the Office of Defense Mobilization to extend the amortization program for rapid tax writeoff on new equipment which was terminated last year so more boxcars could be included in its provisions.

Asked the executive committee of the American Iron and Steel Institute to be more generous and allot more steel for freight car construction.

Urged the backing of a Senate bill which would permit the Interstate Commerce Commission to inflict heavier penalties on railroads for failure to supply cars to shippers as needed.

Urged that Congress appropriate more money for the ICC to increase its field force to enforce its regulations to avert car shortages.

BIPARTISAN MONEY-RAISING DRIVE FOR POLITICAL FUNDS

Mr. HUMPHREY. Mr. President, a unique bipartisan joint money-raising drive will begin on Thursday this week in Douglas County, Minn., as an experimental community chest drive for political funds. The project is the result of the initiative of Byron G. Allen, the Minnesota State commissioner of agriculture, and Philip Graham, publisher of the Washington Post and Times Herald. The experiment has already attracted national attention.

I ask unanimous consent that an article published in the Washington Post and Times Herald on Monday, May 7, be printed in the RECORD at this point in my remarks. I observe that the article relates directly to one of the problems before the Senate, and is embraced in what is called the Cain elections bill. I am very proud to call the attention of the Senate to the fact that one of the larger counties in Minnesota has been able to bring together both Republican and Democratic officials to engage in an overall, countywide campaign fund drive. The funds will be divided between the two political parties and will, of course, be used for very legitimate and good purposes in the coming campaign.

I suggest to my colleagues that they might wish to read the article carefully, because it may give them a reasonably good picture of what can be done in other sections of the country.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PARTIES JOIN FUNDS DRIVE IN MINNESOTA TEST

ALEXANDRIA, MINN., May 6.—Republicans and Democrats are joining hands here in a unique plan—a sort of community chest drive for political funds.

Beginning Thursday, two-man teams will start ringing doorbells in this bipartisan, joint money drive. Each team will have 1 Democrat and 1 Republican.

The experiment, a joint effort of Douglas County's GOP and Democratic organizations, is heralded by its sponsors as the first of its type. The proponents hope for sufficient success to spark nationwide fund collections on a similar basis.

They say their citizens march for good government offers political parties an opportunity to work together as fellow citizens in promoting a cause which rises above partisan politics.

The teams will start with 3 days of solicitations in Alexandria, the county seat. On June 1 and 2 they will cover the 10 villages in the county. Rural homes will be canvassed June 8 and 9.

The countywide goal is $10,000—$1 per each registered voter. It's figured more persons will contribute through the new system than otherwise. If $10,000 is collected, it would be about triple the total the two parties ever collected in years past.

Sponsors feel that voters who classify themselves as independents cannot be approached by party fund raisers but can be solicited by the citizens march.

The money collected will be divided into three equal parts—for the presidential campaign, for the Minnesota Seventh District congressional campaign, and for the gubernatorial campaign. Then each of the three divisions will be subdivided among the political parties, on the basis of the party vote cast for President in 1952 and for Congressman and governor 2 years ago.

The plan was suggested to the Douglas County party workers by Byron Allen, State commissioner of agriculture and past Democratic national committeeman, and Philip Graham, publisher of the Washington Post and Times Herald and a 1952 supporter of President Eisenhower. The two felt Douglas County would be a suitable place to make the experiment, because Republicans and Democrats voting in the county have been about equal.

THE AMERICAN PRESS AND UNITED STATES FOREIGN POLICY

Mr. HUMPHREY. Mr. President, the Nation's top-ranking military leader recently accused the American press of weakening our ties with our allies by presenting a "picture of confusion" of American policy. I refer, of course, to Admiral Radford. His statements if accurately reported, thoroughly deserve the editorial reply in yesterday morning's Washington Post and Times Herald.

I ask unanimous consent that an International News Service report of Admiral Radford's original remarks, printed in the Washington Post and Times Herald on May 7, 1956, and the editorial reply entitled "Who Causes Confusion?" and published in the newspaper yesterday morning be printed at this point in my remarks.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of May 7, 1956]

RADFORD SAYS UNITED STATES PRESS WEAKENS TIES WITH ALLIES

(By Raymond Wilcove)

The Nation's top-ranking military leader has accused the American press of weakening United States ties with her allies.

The charge was made by Adm. Arthur W. Radford, chairman of the Joint Chiefs of Staff, in testimony given to the House Foreign Affairs Committee behind closed doors last month.

Testifying about American relations with the rest of the Free World nations, Radford stated: "* * * In some of the countries, their resolves to stick by us through thick and thin are not so great as they were some time past."

Radford told the committee there were two reasons for this. One, he said, "Is because the Russian propaganda, the Russian handling of the situation, has been very clever."

He continued: "The other thing that contributes to it a great deal, in my opinion, is the picture of confusion that is presented to the rest of the world by the free press of the United States.

"Certainly I would not advocate a controlled press, but I do say that the operation of our democratic system, as reported by our press and transmitted around the world, unfortunately presents to many leaders in foreign countries, and their people, a picture of confusion in the United States."

Radford added that "they get the feeling that the United States doesn't know exactly what they want to do."

On the other hand, he asserted, "from the Russian side they get a very firm and direct picture of leadership," largely because the Russians do not have to account to their people for everything they do.

Radford said some way must be found "of combating this picture of confusion that we present to the rest of the world," but he didn't know the answer.

[From the Washington Post and Times Herald of May 8, 1956]

WHO CAUSES CONFUSION?

Admiral Radford is talking through his braided cap. His complaint that the free press in the United States presents a picture of confusion to the world is ludicrous indeed, coming from a man whose own bombast has caused so many misgivings abroad about the course of American policy. The free press attempts to report events as they happen, including what officials say. If there is confusion, it very often is because the statements are confused and the officials have not synchronized their voices.

Obviously, if unity of expression is what Admiral Radford wants, the United States al-

ways is going to be at a disadvantage as compared with the Soviet Union, where the captive press can present a nice, monolithic picture of unified Soviet policy (though even total planning seemingly was unable to prevent a Khrushchev eruption in London). Admiral Radford was careful to qualify his testimony before the House Foreign Affairs Committee to make it clear that he did not advocate a controlled press. But there is no line, as Alexis de Tocqueville observed more than a century ago, between a controlled press and one that reports the facts freely as they are. Diversity is one of the badges of America.

We seem to recall a number of headlines made by the Admiral himself, concerning intervention with nuclear weapons in Indochina and a naval blockade of Communist China If Secretary Dulles has taken the country to the brink of war, the Chairman of the Joint Chiefs of Staff has at least egged the Secretary on. Indeed, the President had occasion some months ago to restrain the warlike talk. The only sure way to avoid a "picture of confusion" is to avoid the contradictory statements that cause it; and perhaps what Admiral Radford needs most is a mirror. At least he could get together with some of the Democratic politicians who keep lamenting the uniformity of the so-called one-party press. What is a poor bedeviled editor to believe?

CALL OF THE CALENDAR

The PRESIDING OFFICER (Mr. PAYNE in the chair). Is there further morning business? If not, then under the unanimous consent agreement entered into on Monday, May 7, the Senate will proceed to the call of the calendar.

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senate will now proceed to the call of the calendar.

At the last call of the calendar, two bills were requested to be called at this time, namely, Calendar No. 1874, H. R. 3054, and Calendar No. 1883, S. 3113.

The clerk will call Calendar No. 1874, H. R. 3054.

BILL PASSED OVER

The LEGISLATIVE CLERK. A bill (H. R. 3054) for the relief of Allen Pope, his heirs or personal representatives.

Mr. PURTELL. Mr. President, I ask that the bill go over until the next call of the calendar.

The PRESIDING OFFICER. The bill will go over until the next call of the calendar.

AMENDMENT OF MERCHANT SHIP SALES ACT OF 1946, AS AMENDED

The Senate proceeded to consider the bill (S. 3113) to amend section 9 (c) of the Merchant Ship Sales Act of 1946, as amended, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, in line 7, after the word "after", to strike out "October 1, 1955" and insert "the date of enactment of this amendatory proviso"; and in line 11, to strike out "amendment" and insert "amendatory proviso", so as to make the bill read:

Be it enacted, etc., That section 9 (c) (2) of the Merchant Ship Sales Act of 1946 is hereby amended by inserting before ": and" at the end thereof the following proviso: *"Provided*, That the provisions of this subsection (c) (2) shall not apply to any such charter party executed on or after the date of enactment of this amendatory proviso; and the Secretary of Commerce is directed to modify any adjustment agreement to the extent necessary to conform to the provisions of this amendatory proviso."

The amendments were agreed to.

Mr. PURTELL. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. An explanation is requested of Senate bill 3113.

Mr. PURTELL. Mr. President, I ask that Senate bill 3113, go to the foot of the calendar.

The PRESIDING OFFICER. The bill will go to the foot of the calendar.

The next bill in order on the calendar will be stated.

MODIFICATION OF FLOOD-CONTROL PROJECT FOR MISSOURI RIVER AGRICULTURAL LEVEE UNIT 513-512-R

The Senate proceeded to consider the bill (S. 1358) to authorize modification of the flood-control project for Missouri River Agricultural Levee Unit 513-512-R, Richardson County, Nebr., which had been reported from the Committee on Public Works with amendments, on page 2, line 1, after the word "include", to strike out the colon and "(1) Altering and modifying an existing bridge, 2½ miles southwest of Rulo, Nebr., and 3¼ miles above the mouth of the Nemaha; to raise the existing approach spans and piers; to add one 36-foot approach span and bulkheaded abutment to each end of the bridge, and to construct necessary approach embankments, at an estimated Federal cost of $40,000; (2)", and in line 13, after "$163,500", to strike out "In lieu of accomplishing the work prescribed in (1) above, an equivalent contribution may be made toward work when and as accomplished by local interests", so as to make the bill read:

Be it enacted, etc., That the authorization for Missouri River Agricultural Levee Unit 513-512-R, lying within the area of Drainage District No. 1 of Richardson County, Nebr., included in the general comprehensive plan for flood control and other purposes in the Missouri River Basin, approved by the act of June 28, 1938, as modified by the act of December 22, 1944, and other acts, is hereby further modified to include Federal participation in certain highway bridge relocation and construction over the Nemaha River, to include constructing a new bridge near the mouth of the Nemaha River (exclusive of approaches to be provided by local interests) to replace a structure destroyed by the flood of 1951, approximately 300 feet long with 22-foot roadway, at an estimated Federal cost of $163,500.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BETTER FACILITIES FOR ENFORCEMENT OF THE CUSTOMS AND IMMIGRATION LAWS

The bill (H. R. 6769) to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws" to increase the amounts authorized to be expended was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes, was announced as next in order.

Mr. ERVIN. I ask that the bill go over. I do not think it is proper calendar business.

The PRESIDING OFFICER. The bill will be passed over.

IMPERIAL AGRICULTURAL CORP.

The resolution (S. Res. 252) referring H. R. 5285 to the United State Court of Claims was considered and agreed to, as follows:

Resolved, That the bill (H. R. 5285) entitled "A bill for the relief of the Imperial Agricultural Corp.," now pending in the Senate, together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same, in accordance with the provisions of said sections, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimants.

ROBERT GARTENBERG

The bill (S. 764) for the relief of Robert Gartenberg was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Robert Gartenberg shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

JONAS DERCAUTAN

The bill (S. 832) for the relief of Jonas Dercautan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of the Immigration and Nationality Act, Jonas Dercautan shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the

granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SHUN WEN LUNG (ALSO KNOWN AS VAN LONG AND VAN S. LUNG)

The bill (S. 2507) for the relief of Shun Wen Lung (also known as Van Long and Van S. Lung) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Shun Wen Lung (also known as Van Long and Van S. Lung) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

FRANK SEVCIK, JR., ALSO KNOWN AS FRANTISEK OR FRANCESCO SEVCIK

The bill (S. 2750) for the relief of Frank Sevcik, Jr., also known as Frantisek or Francesco Sevcik, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of the Immigration and Nationality Act, Frank, also known as Frantisek or Francesco Sevcik, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

BRIGITTE LECHNER WAGNER

The bill (S. 2801) for the relief of Brigitte Lechner Wagner was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Brigitte Lechner Wagner may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

YUE YIN WONG (ALSO KNOWN AS WILLIAM YUEYIN WONG)

The bill (S. 2834) for the relief of Yue Yin Wong (also known as William Yueyin Wong) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Yue Yin Wong (also known as William Yueyin Wong) shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ANTONIA SOULIS

The bill (S. 2838) for the relief of Antonia Soulis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (12) of the Immigration and Nationality Act, Antonia Soulis may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice have knowledge prior to the enactment of this act.

DR. SHOU SOON KWONG

The bill (S. 2843) for the relief of Dr. Shou Soon Kwong was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Shou Soon Kwong shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ETHEL KALLINS

The bill (S. 2874) for the relief of Ethel Kallins was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Ethel Kallins shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

ELISABETH DUMMER

The bill (S. 2888) for the relief of Elisabeth Dummer was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Elisabeth Dummer may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to a ground for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

OKSANNA OZTEMEL

The bill (S. 2931) for the relief of Oksanna Oztemel was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Oksanna Oztemel shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

LOTTE WINDSCHILD

The bill (S. 2941) for the relief of Lotte Windschild was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, the alien, Lotte Windschild, may be granted a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

MARIA CEDRONE DE RUBEIS

The bill (S. 2953) for the relief of Maria Cedrone de Rubeis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Maria Cedrone de Rubeis may be admitted to the United States for permanent residence, if she is found to be otherwise admissible under the provisions of such act. The provisions of this act shall apply only to a ground for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

EGBERT CARLSSON

The bill (S. 3361) for the relief of Egbert Carlsson was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of the act entitled "An act providing for the barring of claims against the United States," approved October 9, 1940 (54 Stat. 1061), the Comptroller General of the United States is authorized and directed to accept and consider any claim filed within 1 year from the date of enactment of this act by Egbert Carlsson, of McPherson, Kans., for compensation for the use by the Department of the Navy, from about November 1,

1943, through March 31, 1945, of certain lands in Lake County, Oreg., as part of an aerial gunnery range.

MRS. ESTHER REED MARCANTEL

The bill (H. R. 1488) for the relief of Mrs. Esther Reed Marcantel was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (H. R. 1913) for the relief of Mrs. Anna Elizabeth Doherty was announced as next in order.

Mr. PURTELL. I ask that the bill go over for further study.

The PRESIDING OFFICER. The bill will go over.

CITY OF SANDPOINT, IDAHO

The bill (H. R. 2423) for the relief of the city of Sandpoint, Idaho, was considered, ordered to a third reaidng, read the third time, and passed.

ESTATE OF NEIL McLEOD SMITH

The bill (H. R. 3526) for the relief of estate of Neil McLeod Smith was considered, ordered to a third reading, read the third time, and passed.

LT. COL. GEORGE H. CRONIN, UNITED STATES AIR FORCE

The bill (H. R. 4634) for the relief of Lt. Col. George H. Cronin, United States Air Force, was considered, ordered to a third reading, read the third time, and passed.

JOHN L. BOYER, JR.

The bill (H. R. 5633) for the relief of John L. Boyer, Jr., was considered, ordered to a third reading, read the third time, and passed.

SAMUEL E. ARROYO

The bill (H. R. 5951) for the relief of Samuel E. Arroyo was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF CERTAIN RURAL CARRIERS

The bill (H. R. 6622) for the relief of certain rural carriers was considered, ordered to a third reading, read the third time, and passed.

GAY STREET CORP., BALTIMORE, MD.

The bill (H. R. 6706) for the relief of Gay Street Corp., Baltimore, Md., was considered, ordered to a third reading, read the third time, and passed.

FRANK G. GERLOCK

The bill (H. R. 7114) for the relief of Frank G. Gerlock was considered, ordered to a third reading, read the third time, and passed.

EUGENE GARDNER AND OTHERS

The bill (H. R. 8306) for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy, was considered, ordered to a third reading, read the third time, and passed.

NATHAN A. KAHN

The bill (H. R. 8307) for the relief of Nathan A. Kahn was considered, ordered to a third reading, read the third time, and passed.

ARTHUR E. WEEDEN, JR.

The bill (H. R. 8308) for the relief of Arthur E. Weeden, Jr., was considered, ordered to a third reading, read the third time, and passed.

C. W. O. GEORGE C. CARTER

The bill (H. R. 8310) for the relief of C. W. O. George C. Carter was considered, ordered to a third reading, read the third time, and passed.

DANIEL O. HULSE, JR.

The bill (H. R. 8311) for the relief of Daniel O. Hulse, Jr., was considered, ordered to a third reading, read the third time, and passed.

HILDEGARD L. McNABB

The Senate proceeded to consider the bill (S. 1938) for the relief of Hildegard L. McNabb, which had been reported from the Committee on the Judiciary with an amendment in line 7, after the word "act", to insert a colon and the following proviso: "*Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act", so as to make the bill read:

Be it enacted, etc., That notwithstanding the provisions of paragraphs (9) and (19) of section 212 (a) of the Immigration and Nationality Act, Hildegard L. McNabb may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2048) for the relief of certain former employees of the Inland Waterways Corporation, was announced as next in order.

Mr. HRUSKA. By request, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ANNIEMAE M. SWANSON AND ARMYLEE V. SWANSON

The Senate proceeded to consider the bill (S. 2840) for the relief of Anniemae M. Swanson and Armylee V. Swanson, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 9, after the word "fees", to strike out "upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota for the first year that such quota is available", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anniemae M. Swanson and Armylee V. Swanson, adopted minor children of Eugene Warner Swanson of Alexandria, Minn., an American citizen, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DR. YONG WHAN KIM

The Senate proceeded to consider the bill (S. 2883) for the relief of Dr. Yong Whan Kim, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Dr. Yong Whan Kim shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee, under such conditions and controls which the Attorney General, after consultation with the Surgeon General, United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM JEFFREY JONAS

The Senate proceeded to consider the bill (S. 2944) for the relief of William Jeffrey Jonas, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, William Jeffrey Jonas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. IDA BIFOLCHINI BOSCHETTI

The Senate proceeded to consider the bill (H. R. 1016) for the relief of Mrs. Ida Bifolchini Boschetti, which had been reported from the Committee on the Judiciary with an amendment, on page

2, line 2, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MAJ. ROBERT D. LAUER

The Senate proceeded to consider the bill (H. R. 2284) for the relief of Maj. Robert D. Lauer, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 2, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

GRAPHIC ARTS CORPORATION OF OHIO

The Senate proceeded to consider the bill (H. R. 2893) to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claim of the Graphic Arts Corporation of Ohio, Toledo, Ohio, as to the liability of the United States, if any, either legal or equitable, for losses alleged to have been sustained by the said Graphic Arts Corporation of Ohio as the result of the performance of a contract, No. W33-038ac 2023, dated April 17, 1944, entered into with the United States Army Air Corps.

SEC. 2. Notwithstanding any statute of limitations or lapse of time, suit upon such claim may be instituted by the claimant within 1 year after the date of enactment of this act. Proceedings for the determination of such claim and review thereof, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under section 1491 of title 28 of the United States Code.

SEC. 3. Nothing contained in this act shall be construed as an inference of liability on the part of the United States Government.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MAJ. ORIN A. FAYLE

The Senate proceeded to consider the bill (H. R. 2904) for the relief of Maj. Orin A. Fayle, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

COMDR. GEORGE B. GREER

The Senate proceeded to consider the bill (H. R. 3268) for the relief of Comdr. George B. Greer, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 12, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

PAULINE H. CORBETT

The Senate proceeded to consider the bill (H. R. 3957) for the relief of Pauline H. Corbett, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 6, after the word "of", to strike out "$18,716.97" and insert "$38,317.19."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JAMES C. HAYES

The Senate proceeded to consider the bill (H. R. 4026) for the relief of James C. Hayes, which had been reported from the Committee on the Judiciary with an amendment on page 2, line 6, after the word "act", to strike out "in excess of 10 percent."

The PRESIDING OFFICER. It is the understanding of the Chair that the committee wishes to offer an amendment to the committee amendment, to add to the words proposed to be stricken out the word "thereof" on line 7, page 2.

Without objection, the amendment to the committee amendment is agreed to; and, without objection, the amendment, as amended, is agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

JAMES M. WILSON

The Senate proceeded to consider the bill (H. R. 4640) for the relief of James M. Wilson, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 1, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. ELLA MADDEN AND CLARENCE E. MADDEN

The Senate proceeded to consider the bill (H. R. 5237) for the relief of Mrs. Ella Madden and Clarence E. Madden, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 7, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

S. H. PRATHER AND OTHERS

The Senate proceeded to consider the bill (H. R. 5535) for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H., Prather, Jr., which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 22, after the word "skull", to insert a colon and *"Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LT. P. B. SAMPSON

The Senate proceeded to consider the bill (H. R. 6184) for the relief of Lt. P. B. Sampson, which had been reported from the Committee on the Judiciary with an amendment, on page 2, line 3, after the word "Act", to strike out "in excess of 10 per centum thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

LT. MICHAEL CULLEN

The Senate proceeded to consider the bill (H. R. 7164) for the relief of Lt. Michael Cullen, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 11, after the word "veterans," to insert a colon and *"Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

WILLIAM C. IRVINE, CHIEF WARRANT OFFICER, UNITED STATES AIR FORCE

The Senate proceeded to consider the bill (S. 422) for the relief of William C. Irvine, chief warrant officer, United States Air Force, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 7, after the word "of", where it appears the second time, to strike out "$3,890.87" and insert "$2,622.05", and on page 2, line 4, after the word "act", to strike out "in excess of 10 percent thereof", so as to make the bill read:

Be it enacted etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William C. Irvine, chief warrant officer, United States Air Force, Andrews Air Force Base, Washington, D. C., the sum of $2,622.05, in full satisfaction of his claim against the United States for reimbursement, in addition to the amount he received under the provisions of the Military Personnel Claims Act of 1945, for household and personal effects destroyed or damaged when the vessel aboard which such effects were being shipped ran aground while en route from England to New York: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELSA EMELINA ROSADO Y RODRIGUEZ DE BROWER

The Senate proceeded to consider the bill (S. 2785) for the relief of Elsa Emelina Rosado y Rodriguez de Brower, which has been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "be", to insert "granted a visa and be", and in line 8, after the word "act", to insert a comma and "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, Elsa Emelina Rosado y Rodriguez de Brower may be granted a visa and be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 201) approving the granting of the status of permanent residence in the case of certain aliens which had been reported from the Committee on the Judiciary, with amendments, on page 2, after line 18, to strike out "A–6967495, Li, Pei Chao."

And, on page 34, after line 4, to insert:

A–6967612, Chang, Chao-Kang.
0300–447092, Li, Fei-Yu Lin.
A–7841866, Li, Tieh Tseng.

The amendments were agreed to.

The concurrent resolution, as amended, was agreed to.

MR. AND MRS. HERMAN FLOYD WILLIAMS AND MR. AND MRS. W. C. SEGERS

The Senate proceeded to consider the bill (H. R. 6137) for the relief of Mr. and Mrs. Herman Floyd Williams and Mr. and Mrs. W. C. Segers, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "to", to strike out "Mr. and Mrs. Herman Floyd Williams" and insert "Herman Floyd Williams and Bettie J. Williams, of Marianna, Fla."; in line 7, after the word "the", to strike out "sum of $16,097.26, to Mr. and Mrs. W. C. Segers" and insert "sums of $4,563.41 and $8,500, respectively, to Alma G. Segers, of Marianna, Fla"; and, in line 9, after the word "of", to strike out "$5,000" and insert "$5,301.30."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alma G. Segers."

CONSTITUTION WEEK

The joint resolution (S. J. Res. 105) authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the President of the United States is authorized and requested to designate the period beginning September 17 and ending September 23 of each year as Constitution Week, and to issue annually a proclamation inviting the people of the United States to observe such week in schools, churches, and other suitable places with appropriate ceremonies and activities.

EDWIN K. STANTON

The Senate proceeded to consider the bill (H. R. 2057) for the relief of Edwin K. Stanton, which had been reported from the Committee on the Judiciary, with an amendment on page 2, line 3, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

MARY J. McDOUGALL

The Senate proceeded to consider the bill (H. R. 3366) for the relief of Mary J. McDougall, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 6, after the name "Dougall", to insert "of Napakiak, Alaska"; in line 8, after the word "quarters", to insert "at Napakiak, Alaska"; and in line 10, after the word "act", to strike out "in excess of 10 per centum thereof."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

RESOLUTIONS PASSED OVER

The resolution (S. Res. 253) certifying to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Robert Shelton to testify, was announced as next in order.

Mr. ERVIN. Mr. President, I ask unanimous consent that Calendar No. 1954, Senate Resolution 253; Calendar No. 1955, Senate Resolution 254; Calendar No. 1956, Senate Resolution 255; Calendar No. 1957, Senate Resolution 256; and Calendar No. 1958, Senate Resolution 257, be set for consideration on motion immediately following conclusion of the call of the calendar.

Mr. PURTELL. Mr. President, I concur in the request of the Senator from North Carolina.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Let the Chair inquire whether the Senator from North Carolina wishes to have the several resolutions go to the foot of the calendar.

Mr. ERVIN. No; but to have them considered by motion following conclusion of the call of the calendar.

The PRESIDING OFFICER. Under the unanimous-consent agreement which has been entered into, following conclusion of the call of the calendar the Senate will proceed to consideration of the unfinished business.

Mr. ERVIN. Then, Mr. President, I modify my request by asking that these resolutions go to the foot of the calendar.

The PRESIDING OFFICER. Is there objection?

Mr. PURTELL. Mr. President, reserving the right to object—and I shall object to consideration of these measures at this call of the calendar—let me

say that while we consider the resolutions to be most meritorious, expect to vote for their adoption, and hope they will be adopted by the Senate, yet we believe they are too important to be considered during the call of the calendar.

Mr. ERVIN. Mr. President, at the request of the majority leader, I ask that the unanimous-consent agreement previously entered into be modified to the extent of permitting the consideration of these resolutions following conclusion of the call of the calendar.

Mr. MORSE. Mr. President, reserving the right to object—and I shall object—let me say that I think it very important that the Senate act promptly on the District of Columbia transit bill. I see no reason why these resolutions could not be taken up immediately following action by the Senate on the District of Columbia transit bill. I do not have the slightest idea how long consideration of the resolutions will take. The District of Columbia transit bill is set for disposal this afternoon, and it is important that the Senate dispose of it.

I should like to suggest to my friend, the Senator from North Carolina, that the understanding be that immediately following disposition of the District of Columbia transit bill, the Senate take up these resolutions.

The PRESIDING OFFICER. Objection has been heard to the modified request of the Senator from North Carolina; and the resolutions will be passed over.

CONSTRUCTION OF BRIDGE ACROSS THE ST. LAWRENCE RIVER NEAR OGDENSBURG, N. Y.

The bill (H. R. 8547) to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y.," was considered, ordered to a third reading, read the third time, and passed.

ST. MARYS RIVER PROJECTS, MICHIGAN

The Senate proceeded to consider the bill (H. R. 8807) to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

The PRESIDING OFFICER. The Chair wishes to advise the Senate that a typographical error appears on page 1, in line 7, where the word "tool" should read "toll."

Without objection, that amendment will be agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. PURTELL. Mr. President, reserving the right to object—and I shall not object to the bill as it is—let me say that I believe this measure is not proper Consent Calendar business. For that reason, and that reason alone, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

REFERENCE OF CLAIM OF WILLIAM E. STONE TO THE COURT OF CLAIMS

The bill (S. 2582) to consider jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended, was announced as next in order.

Mr. PURTELL. Mr. President, may we have an explanation of the bill?

Mr. ERVIN. Mr. President, the bill merely confers on the Court of Claims jurisdiction to hear and render judgment on this officer's claim for disability retirement as a Reserve officer. It seems there is a controversy between the officer and the Department of Defense as to whether the officer's injuries were sustained in parachuting from his crippled plane in Germany in 1944. All the bill does is allow the Court of Claims to pass on the question of whether the officer is entitled to disability retirement for the injury. In other words, the bill will simply send to the Court of Claims, for adjudication, the controversy between the officer and the Department of Defense.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 2582) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims of the United States, notwithstanding the lapse of time or any statute of limitations, or any other limitation upon the jurisdiction of such court, to hear, determine, and render judgment on the claim of William E. Stone arising out of the failure of the War Department to retire him or to certify him for retirement as an Army of the United States or Reserve officer under the provisions of the act of April 3, 1939, as amended. In its consideration of such claim, the court shall determine whether or not said William E. Stone should have been retired for physical disability as an officer of the Army Air Corps. Should the court decide that the said William E. Stone should have been so retired, judgment shall be rendered in an amount equal to the amount the said William E. Stone would have received had he been so retired: *Provided*, That the passage and approval of this legislation shall not be construed as an inference of liability on the part of the Government of the United States.

Suit upon such claim may be instituted at any time within 4 months after the date of the enactment of this act. Proceedings for the determination of such claim, and appeal from, and payment of, any judgment thereon shall be in the same manner as in the case of claims over which the Court of Claims has jurisdiction as now provided by law.

PATRICIA A. PEMBROKE

The bill (S. 3472) for the relief of Patricia A. Pembroke was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act entitled "An act for the relief of Patricia A. Pembroke," approved August 28, 1954 (68 Stat. A231), is amended by inserting, in the proviso of such act, after the words "prior to the enactment of this act" the words "except hospital and medical expenses."

KINGAN, INC.

The bill (H. R. 3964) for the relief of Kingan, Inc., was announced as next in order.

Mr. ERVIN. Mr. President, I understand that the committee has requested that the amendment on page 1, in line 7, be withdrawn or eliminated from consideration.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with amendments.

Mr. EASTLAND. Mr. President, Kingan, Inc., is engaged in the meatpacking business. In January 1953, swine belonging to the corporation were destroyed after the outbreak of an infectious disease of swine. Previously, there had been worked out between the State and Federal Governments a program by which owners of swine destroyed to prevent the spread of the disease were to be reimbursed on a 50–50 basis for losses incurred. Under the program, the animals involved were to be appraised to determine the loss. When the corporation's swine were destroyed, State authorities made an appraisal; but, due to a misunderstanding, no Federal appraisal was made. The State of Virginia has made its share of the payments to Kingan, Inc., but Federal officials have withheld payment of the share to be paid by the Federal Government, assigning as the reason that there had been no specific Federal appraisal. This bill would authorize payment of the Federal share out of moneys previously appropriated for the Department of Agriculture.

The Department of Agriculture recommends enactment of the bill. The amount of the payment allowable if the bill is passed is $13,095.82, and the Department states it is of the belief this is a fair evaluation.

Since the report was submitted, information which has been received requires that the committee amendments—except No. 4 which strikes the attorney's fees—be rejected, pending receipt of further information.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The first amendment was, on page 1, line 7, after "$13,095.82", to strike out "an amount" and insert "and to Richmond Union Stock Yards Co., Richmond, Va., the sum of $1,255.50, amounts."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. EASTLAND. Mr. President, I ask that the amendment be rejected.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment will be stated.

The next amendment was, in line 11, after the word "Incorporated", to insert "and Richmond Union Stock Yards Co."

Mr. EASTLAND. Mr. President, I ask that this amendment be rejected.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment will be stated.

The next amendment was, on page 2, after the word "swine", to strike out "at its plant,".

Mr. EASTLAND. Mr. President, I ask that this amendment be rejected.

The amendment was rejected.

The PRESIDING OFFICER. The next amendment will be stated.

The next amendment was, in line 11, after the word "act", to strike out "in excess of 10 percent thereof."

Mr. EASTLAND. Mr. President, I ask that this amendment be agreed to.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The amendment to the title was rejected.

ARMY AND AIR FORCE NURSES

The bill (H. R. 4051) for the relief of certain Army and Air Force nurses, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

WRIGHT H. HUNTLEY

The bill (H. R. 8187) for the relief of Wright H. Huntley was considered, ordered to a third reading, read the third time, and passed.

JOHN J. COWIN

The bill (H. R. 4536) for the relief of John J. Cowin was considered, ordered to a third reading, read the third time, and passed.

CROSSE & BLACKWELL CO.

The bill (H. R. 4633) for the relief of Crosse & Blackwell Co. was considered, ordered to a third reading, read the third time, and passed.

ARTHUR H. HOMEYER

The bill (H. R. 5495) for the relief of Arthur H. Homeyer was considered, ordered to a third reading, read the third time, and passed.

THOMAS W. BEVANS AND OTHERS

The bill (H. R. 6395) for the relief of Thomas W. Bevans and others was considered, ordered to a third reading, read the third time, and passed.

KAHZO L. HARRIS

The Senate proceeded to consider the bill (H. R. 4162) for the relief of Kahzo L. Harris, which had been reported from the Committee on the Judiciary, with an amendment on page 2, line 2, after the word "act", to strike out "in excess of 10 percent thereof."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

CONVEYANCE OF CERTAIN LANDS TO ST. JOHNS COUNTY, FLA.—BILL PASSED OVER

The bill (H. R. 7471) to provide for the conveyance of certain lands of the United States to the Board of Commissioners of St. Johns County, Fla., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, H. R. 7471 proposes to authorize the Secretary of the Treasury to convey to the city of St. Augustine, Fla., without consideration, a tract of 5.82 acres of Coast Guard property surrounding the St. Augustine light station. The entire tract is within the municipal limits of St. Augustine and is valued at approximately $350. This bill would authorize a conveyance to the city for park purposes. It contains a reservation to the effect that the property shall be made available to the United States without compensation in the event of a national emergency. It also provides that no structure can be erected which would adversely affect the operation of the Coast Guard facilities located on the remaining 1.38 acres of the original tract.

The bill does not contain a reservation of minerals.

The Comptroller General's Office used the following significant language in its letter of August 12, 1955, in which he commented on this bill:

> Under section 13 (h) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1622 (h)), disposition of surplus real property suitable for park purposes to States and political subdivisions thereof, at 50 percent of the fair value, is authorized. It is provided in that section of law (50 U. S. C. App. 1622 (h) (3) (A)) that the deed of conveyance provide that the land shall revert to the United States at its option if the land is not used and maintained for park purposes for a period of 20 years. The disposition of the land as proposed in the instant bill would therefore appear to give preferential treatment to St. Johns County, Fla., as against other counties which have acquired lands for park purposes under existing provisions of law. However, considering the relatively small value of the tract and the provisions of section 2 of the bill subordinating its uses as a park to Coast Guard operations, this Office would have no objection to favorable consideration of the bill by the Congress.

The entire argument of the Comptroller General in his letter is, of course, against the principle of the bill. Then, apparently applying what might be said to be a de minimis principle, he says that because the value of the property is so small, he will raise no objection.

We cannot start drawing such lines of discrimination. Either we should carry out the principles of the Surplus Property Act or repeal the act. The act provides for 50 percent of the fair market value. It ought to be applied to the 5.82 acres of Coast Guard property involved in this case, having a value of some $350. The city of St. Augustine should pay 50 percent of the fair market value.

When we eliminate mineral rights, and consider the reversion clause, the appraiser will give consideration to such elements in the original appraisal. In my judgment, we have gone too far down the road toward protecting this principle to make an exception on the floor of the Senate today.

On the other hand, the Treasury Department wrote, under date of January 20, 1956:

> The site of the St. Augustine Light Station has for many years consisted of a tract of approximately 7.2 acres. However, the maintenance of this amount of land has created a problem. The present authorized complement of the light station is one man. To reduce the maintenance problem, 5.82 acres of the land have been declared excess to the needs of the Coast Guard.

I say most respectfully that it is difficult to justify an exception to the general rule that 50 percent of the fair appraised market value should be paid for the land described in H. R. 7471. The fact that maintenance problems have arisen with respect to the land seems beside the point unless such maintenance problems make the land valueless. The best way to find out is to place the property on the market and see what someone would pay for it. I therefore offer the following amendment which would provide for payment of 50 percent of the fair appraised market value and for the reservation of the mineral rights:

On page 5, strike out lines 9 through 12, and insert in lieu thereof the following:

> SEC. 2. The conveyance authorized by the first section of this act shall be subject to the condition that the city of St. Augustine, Fla., pay to the Secretary of the Treasury, as consideration for the land conveyed, an amount equal to 50 percent of its fair market value as determined by independent appraisal, and the deed of conveyance shall reserve to the United States all mineral rights, including oil and gas, in the land so conveyed, and shall be subject to such other reservations, limitations, or conditions as may be determined to be necessary by the Secretary to protect the interests of the United States.
>
> SEC. 3. The deed shall contain a covenant that no structure shall be erected on the land which will in any way adversely affect the operation of the Coast Guard facilities, and a covenant that the—

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ERVIN. Mr. President, I ask that consideration of the bill and the proposed amendment go over until the Senator from Florida [Mr. HOLLAND] can be present.

Mr. MORSE. Mr. President, will the Senator withhold his request long enough so that I may make a request that my amendment be printed and lie on the table?

Mr. ERVIN. Certainly.

Mr. MORSE. Mr. President, I ask that my amendment be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be printed and will lie on the table.

The bill will be passed over.

ADMINISTRATION OF PUBLIC AIRPORTS IN ALASKA

The Senate proceeded to consider the bill (S. 742) to improve the administration of the public airports in the Territory of Alaska, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments, on page 2, line 10, after the word "airports", to insert a colon and "*Provided, however,* That as to all powers granted by this section, primary jurisdiction for the investigation of all Federal offenses under the investigative jurisdiction of the Federal Bureau of Investigation shall remain with the Federal Bureau of Investigation."; on page 3, line 4, after the word "of", where it appears the second time, to insert "the unexpended balances of funds appropriated prior to the date of enactment of this section to carry out the purposes of this act and"; in line 7, after the word "appropriations", to insert "thereafter"; in line 9, after "July 1,", to strike out "1955" and insert "1956"; on page 5, line 21, after the word "under", to strike out "(1) and"; in line 22, after the word "subsection", to strike out "for contributions with respect to the service of any officer or employee for any period prior" and insert "on account of cases arising from injury, or death from injury, occurring prior"; and, on page 6, line 21, after "July 1,", to strike out "1955" and insert "1956", so as to make the bill read:

Be it enacted, etc., That the act of May 28, 1948 (62 Stat. 277), as amended, is amended as follows:

By striking out section 10 thereof and adding the following new sections 10 and 11:

"SEC. 10. (a) The Secretary of Commerce (hereinafter referred to as 'the Secretary') and any employee of the Department of Commerce appointed to protect life and property on the airports, when designated by the Secretary, are hereby authorized and empowered (1) to arrest under a warrant within the limits of the airports any person accused of having committed within the boundaries of the airports any offense against the laws of the United States, or against any rule or regulation prescribed pursuant to this act; (2) to arrest without warrant any person committing any such offense within the limits of the airports, in his presence; or (3) to arrest without warrant within the limits of the airports any person who, he has reasonable grounds to believe, has committed a felony within the limits of the airports: *Provided, however,* That as to all powers granted by this section, primary jurisdiction for the investigation of all Federal offenses under the investigative jurisdiction of the Federal Bureau of Investigation shall remain with the Federal Bureau of Investigation.

"(b) Any individual having the power to arrest as provided in subsection (a) of this section may carry firearms or other weapons as the Secretary may direct or by regulation may prescribe.

"(c) The officer on duty in command of those employees designated by the Secretary as provided in subsection (a) of this section may accept deposit of collateral from any person charged with the violation of any rule or regulation prescribed under this act, for appearance in court or before the appropriate United States Commissioner; and such collateral shall be deposited with such United States Commissioner.

"SEC. 11. (a) To carry out the purposes of this act, there is authorized to be established an Alaskan airports fund (referred to hereinafter as the "fund"). The capital of the fund shall consist of the unexpended balances of funds appropriated prior to the date of enactment of this section to carry out the purposes of this act and such amounts as may be advanced to it from appropriations thereafter made for that purpose, together with the value of the assets of the airports, less liabilities as of July 1, 1956. The value of the assets shall be determined by the Secretary of Commerce, subject to the approval of the Director of the Bureau of the Budget, taking into consideration original cost, less depreciation, the usable value to the airports if clearly less than cost, obsolete and unusable facilities and equipment, and other reasonably determinable factors which would reduce the value of the assets of the airports.

"(b) Unless the Congress otherwise directs, the Secretary shall pay into miscellaneous receipts of the Treasury at the close of each fiscal year, interest on the capital of the fund at a rate determined by the Secretary of the Treasury, taking into consideration the average yield to maturity (on the basis of daily closing market bid quotations during the month of June of the preceding fiscal year) on outstanding marketable obligations of the United States having a maturity date of 15 or more years from the first day of such month of June; except that no interest shall be payable on that portion of the capital which the Secretary determines to be properly allocable to national defense, nor on that portion which the Secretary determines to be equivalent to the Federal grants-in-aid that would have been received if the airports had been built and developed in their entirety subsequent to enactment of the Federal Airport Act and under its provisions by a local public agency with maximum Federal grants-in-aid. The determinations of the Secretary under this subsection shall be subject to the approval of the Director of the Bureau of the Budget.

"(c) Whenever any capital in the fund is determined by the Secretary to be in excess of the current needs of the airports, such capital shall be credited to the appropriation from which it was advanced, where it shall be held for future advances. The capital of the fund shall be considered reduced by the net amount of such credits.

"(d) Receipts from operations under this act shall be credited to the fund. The Secretary is authorized to charge any Government agency for facilities and services at the rates charged to the public, or to charge a lump sum which in the aggregate would approximate the total of the individual charges incurred by the using Government agency; except that no charge shall be made for services equivalent to those required to be rendered without charge by comparable public airports which have received grants-in-aid under the Federal Airport Act. The fund shall be available for payment of all expenditures of the Secretary under this act.

"(e) (1) Contributions shall be made from the fund to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil-service retirement system applicable to the officers and employees of the airports and their beneficiaries.

"(2) Contribution shall be made from the fund to the employees' compensation fund, on the basis of annual billings as determined by the Secretary of Labor, for the benefit payments made from such fund on account of the officers and employees of the airports and their beneficiaries.

"(3) Each such annual billing for contributions under (1) and (2) of this subsection shall include a statement of the fair portion of the cost of the administration of the fund with respect to which such billing is made, and a sum equal to such fair portion of the cost shall be paid by the fund into the Treasury as miscellaneous receipts.

"(4) The fund shall not be liable under (2) of this subsection on account of cases arising from injury, or death from injury, occurring prior to the effective date of this section, nor for payments for administrative costs with respect to any period prior to such effective date.

"(5) In carrying on the activities authorized by this act, the Secretary shall utilize, to the extent practicable, the available services and facilities of other agencies and instrumentalities of the Federal Government on a reimbursable basis.

"(f) Appropriations are hereby authorized for payment of such amounts as may be shown in the annual budget program of the airports as necessary to cover actual losses of prior years sustained in the conduct of its activities under this fund. Amounts appropriated to the fund under authority of this subsection shall not be added to the amount of advances and shall not require payment of interest under subsection (b) of this section.

"(g) Such sums as may be required to carry out the purposes of this act are authorized to be appropriated without fiscal year limitations, to remain available until expended. Advances shall be made to the fund from the appropriations made therefor when requested by the Secretary. This act shall take effect July 1, 1956."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF MERCHANT MARINE ACT OF 1936, AS AMENDED

The Senate proceeded to consider the bill (S. 1833) to amend the Merchant Marine Act of 1936, as amended, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 2, line 3, after "(2)", to strike out "In respect of hull insurance, the valuation in the policy for actual or constructive total loss of the vessel insured shall not exceed the amount that would be payable if the vessel had been requisitioned for title under section 902 at the time of the attachment of the insurance under said policy: *Provided, however*" and insert "In respect of hull insurance, the valuation in the policy for actual or constructive total loss of the vessel insured shall be a stated valuation determined by the Secretary which shall not exceed the amount that would be payable if the vessel had been requisitioned for title under section 902 (a) at the time of the attachment of the

insurance under said policy: *Provided, however,* That in the case of a construction-subsidized vessel, the valuation so determined shall be reduced by such proportion as the amount of construction subsidy paid with respect to the vessel bears to the entire construction cost and capital improvements thereof (excluding the cost of national defense features): *Provided further*"; on page 3, line 2, after the word "has", to strike out "so" and insert "not"; in the same line, after the word "valuation", to insert "the amount of any claim therefor which is adjusted, compromised, settled, adjudged, or paid shall not exceed such stated amount, but if the insured has so rejected such valuation"; in line 12, after "902", to insert "(a)"; in line 13, after the word "policy", to insert a colon and "*Provided, however,* That in the case of a construction-subsidized vessel, the valuation determined by the court as such just compensation shall be reduced by such proportion as the amount of construction subsidy paid with respect to the vessel bears to the entire construction cost and capital improvements thereof (excluding the cost of national defense features): *And provided further*"; in line 21, after the word "the", where it appears the first time, to insert "stated"; in line 23, after the word "contained", to insert "in the 12th paragraph under the heading Maritime Activities in title I of the Department of Commerce and Related Agencies Appropriation Act, 1956, in the 10th paragraph under the heading Maritime Activities in title III of the Department of State, Justice, and Commerce, and the United States Information Agency Appropriation Act, 1955"; and on page 7, after line 5, to insert:

SEC. 5. The first sentence of section 1206 of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1286), is amended by striking out the words "during any time the United States is at war or during any period of emergency declared to exist by the President of the United States."

So as to make the bill read:

Be it enacted, etc., That section 1209 (a) of the Merchant Marine Act, 1936, as amended (U. S. C., title 46, sec. 1289 (a)), is amended to read as follows:

"(a) (1) The Secretary, in the administration of this title, may issue such policies, rules, and regulations as he deems proper and may adjust and pay losses, compromise and settle claims, whether in favor of or against the United States and pay the amount of any judgment rendered against the United States in any suit, or the amount of any settlement agreed upon, in respect of any claim under insurance authorized by this title.

"(2) In respect of hull insurance, the valuation in the policy for actual or constructive total loss of the vessel insured shall be a stated valuation determined by the Secretary which shall not exceed the amount that would be payable if the vessel had been requisitioned for title under section 902 (a) at the time of the attachment of the insurance under said policy: *Provided, however,* That in the case of a construction-subsidized vessel, the valuation so determined shall be reduced by such proportion as the amount of construction subsidy paid with respect to the vessel bears to the entire construction cost and capital improvements thereof (excluding the cost of national defense features): *Provided further,* That the insured shall have the right within 60 days after the attachment of the insurance under said policy, or within 60 days after determination of such valuation by the Secretary, whichever is later, to reject such valuation, but shall continue to pay premiums upon such valuation at the rate provided for in said policy. In the event of the actual or constructive total loss of the vessel, if the insured has not rejected such valuation the amount of any claim therefor which is adjusted, compromized, settled, adjudged, or paid shall not exceed such stated amount, but if the insured has so rejected such valuation, the insured shall be paid, as a tentative advance only, 75 percent of such valuation so determined by the Secretary and shall be entitled to sue the United States in a court having jurisdiction of such claims to recover such valuation as would be equal to the just compensation which such court determines would have been payable if the vessel had been requisitioned for title under section 902 (a) at the time of the attachment of the insurance under said policy: *Provided, however,* That in the case of a construction-subsidized vessel, the valuation determined by the court as such just compensation shall be reduced by such proportion as the amount of construction subsidy paid with respect to the vessel bears to the entire construction cost and capital improvements thereof (excluding the cost of national defense features): *And provided further,* That in the event of an election by the insured to reject the stated valuation fixed by the Secretary and to sue in the courts, the amount of the judgment will be payable without regard to the limitations contained in the 12th paragraph under the heading Maritime Activities in title I of the Department of Commerce and Related Agencies Appropriation Act, 1956, in the 10th paragraph under the heading Maritime Activities in title III of the Department of State, Justice, and Commerce, and the United States Information Agency Appropriation Act, 1955, in the 11th paragraph under the heading 'Maritime Activities' in title III of the Department of Justice, State, and Commerce Appropriation Act, 1954, the 10th paragraph under the heading 'Operating Differential Subsidies' in title II of the Independent Offices Appropriation Act, 1953, the corresponding paragraphs of the Independent Offices Appropriation Act, 1952, and the Third Supplemental Appropriation Act, 1951, although the excess of any amounts advanced on account of just compensation over the amount of the court judgment will be required to be refunded. In the event of such court determination, premiums under the policy shall be adjusted on the basis of the valuation as finally determined and of the rate provided for in said policy."

SEC. 2. Section 902 (c) of the Merchant Marine Act, 1936, as amended (U. S. C., title 46, sec. 1242 (c)), is amended to read as follows:

"(c) If any property is taken and used under authority of this section, but the ownership thereof is not required by the United States, the Commission, at the time of the taking or as soon thereafter as the exigencies of the situation may permit, shall transmit to the person entitled to the possession of such property a charter setting forth the terms which, in the Commission's judgment, should govern the relationships between the United States and such person and a statement of the rate of hire which, in the Commission's judgment, will be just compensation for the use of such property and for the services required under the terms of such charter. If such person does not execute and deliver such charter and accept such rate of hire, the Commission shall pay to such person as a tentative advance only, on account of such just compensation a sum equal to 75 percent of such rate of hire as the same may from time to time be due under the terms of the charter so tendered, and such person shall be entitled to sue the United States in a court having jurisdiction of such claims to recover such amounts as would be equal to just compensation for the use of the property and for the services required in connection with such use: *Provided, however,* That in the event of an election by such person to reject the rate of hire fixed by the Commission and to sue in the courts, the excess of any amounts advanced on account of just compensation over the amount of the court judgment will be required to be refunded. In the event of loss or damage to such property, due to operation of a risk assumed by the United States under the terms of a charter prescribed in this subsection, but no valuation of such vessel or other property or mode of compensation has been agreed to, the United States shall pay just compensation for such loss or damage, to the extent that person entitled thereto is not reimbursed therefor through policies of insurance against such loss or damage."

SEC. 3. The first sentence of section 902 (d) of the Merchant Marine Act, 1936, as amended (U. S. C., title 46, sec. 1242 (d)) is amended to read as follows:

"(d) In all cases, the just compensation authorized by this section shall be determined and paid by the Commission as soon as practicable, but if the amount of just compensation determined by the Commission is unsatisfactory to the person entitled thereto, such person shall be paid, as a tentative advance only, 75 percent of the amount so determined and shall be entitled to sue the United States to recover such amount as would equal just compensation therefor, in the manner provided for by section 24, paragraph 20, and section 145 of the Judicial Code (U. S. C., 1946 edition, title 28, secs. 41 (20) and 250): *Provided, however,* That in the event of an election to reject the amount determined by the Commission and to sue in the courts, the excess of any amounts advanced on account of just compensation over the amount of the court judgment will be required to be refunded."

SEC. 4. All war-risk insurance issued under title XII of the Merchant Marine Act, 1936, which is in force on the date of the enactment of this act shall, as of the beginning of such date, be deemed to have been amended to conform to the requirements of section 1209 of the Merchant Marine Act, 1936, as amended by this act unless the insured, within 10 days after such date, objects to such amendment.

SEC. 5. The first sentence of section 1206 of the Merchant Marine Act, 1936, as amended (46 U. S. C. 1286), is amended by striking out the words "during any time the United States is at war or during any period of emergency declared to exist by the President of the United States."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MINERAL INTERESTS ACQUIRED IN CONNECTION WITH THE GARRISON DAM PROJECT—BILL PASSED OVER

The bill (S. 746) to provide for the return to the former owners of certain lands including Indian tribal lands, acquired in connection with the Garrison Dam project of mineral interests in such lands was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. LONG. Mr. President, the bill, as amended, would provide that the former owners of mineral rights with respect to lands flooded by the waters of Garrison Dam might purchase back the mineral rights taken by the Government. The bill, as proposed to be amended by the committee, would require that the fair market value of the mineral rights be paid.

I ask unanimous consent that the report of the committee be printed in the RECORD at this point as a part of my remarks.

There being no objection, the report (No. 1955) was ordered to be printed in the RECORD, as follows:

The Committee on Interior and Insular Affairs, to whom was referred the bill (S. 746) to provide for the return to the former owners of certain lands, including Indian tribal lands, acquired in connection with the Garrison Dam project of mineral interests in such lands, having considered the same, report favorably thereon with amendments and recommend that the bill do pass.

The amendments are as follows:

On page 1, line 5; on page 2, line 3; on page 2, line 6, insert the words "or devisees" immediately after the word "heirs."

On page 1, line 6, strike out the words "lands or interests therein were" and insert in lieu thereof the words "any mineral interest in lands or any estate in lands that included a mineral interest was."

On page 2, line 4, strike out the words "in such lands as were" and insert in lieu thereof the words "that were so."

On page 2, line 7, insert the words "upon the date of approval of this act" immediately after the word "interests"; and on page 2, lines 8–10, delete the phrase ", but not in excess of 5 percent of the purchase price paid for the land by the Government."

On page 2, add the following language at the end of section 1 of the bill:

"*Provided*, That where mineral interests in the same lands were acquired from more than one person or tribe, no conveyance shall be made unless it is established to the satisfaction of the Secretary that the proposed conveyance will operate in a manner which will be fair and just to each person (and the heirs or devisees of any such deceased person) or tribe from whom any mineral interest in such lands was acquired by the United States, and which will not prejudice the proper conservation and development of the mineral deposits affected by the conveyance. For the purposes of this act former mineral interests, whether or not in the same lands, may be combined or divided in such maner as may be requested by the applicant or applicants and approved by the Secretary."

Add to the bill a new section reading as follows:

"SEC. 3. In the event all of the mineral interests of the United States in and to all of the mineral deposits that are subject to any one lease, permit, license, or contract issued under the Mineral Leasing Act for Acquired Lands, approved August 7, 1947 (61 Stat. 913; 30 U. S. C., 1952 ed., secs. 351–359), as amended, are otherwise eligible for conveyance under section 1 of this act to a single grantee, or to several grantees as tenants in common, then such conveyance shall contain an assignment of all right, title, and interest of the United States in and to such lease, permit, license, or contract, including the right to all rentals, royalties, and other payments accruing under such lease, permit, license, or contract after the effective date of such conveyance. Except as provided in the preceding sentence, mineral deposits that are subject to any such lease, permit, license, or contract shall not be eligible during its continuance for conveyance under this act. Nothing contained in this act, shall affect the continued validity of any such lease, permit, license, or contract or any rights arising thereunder."

PURPOSE OF THE BILL

The purpose of this measure is to provide for the reconveyance of mineral rights in certain lands acquired for the Garrison Dam project to the former owners thereof.

An area in excess of 400,000 acres of land in North Dakota was acquired by the Department of the Army for the Garrison Dam and Reservoir project on the Missouri River as authorized by the act of Congress approved December 22, 1944 (58 Stat. 891). By late 1951, fee title to 173,577 acres of this area, including 13,483 acres comprising the dam site and other construction areas, had been acquired.

CHANGE IN LAND ACQUISITION

With the speculation in oil and gas leases which accompanied the significant oil and gas activity in the Williston Basin in 1951, the Department of the Army reviewed its remaining land requirements for the project and concluded that a reservation of oil and gas rights by owners of land within the project area, but not within specified distances of the main dam, spillway, outlets, powerhouse, embankment section, and so forth, would be compatible with the project requirements provided the rights reserved are subordinated to the right of the United States to flood and submerge the land as required and that the exercise of such rights is appropriately restricted.

In order to restrict the landownership requirements of reservoir projects to the minimum area essential to their development, operation, and maintenance, the Department of the Army in October 1953, revised its general land-acquisition policy so as to place greater emphasis on the acquisition of flowage easements instead of fee title, wherever feasible. The statement of the revised policy, which was developed in collaboration with the Department of the Interior, was published in the Federal Register on December 23, 1954 (19 Federal Register 8845). The revised policy is being applied in the acquisition of land for all new reservoir projects.

In furtherance of the revised policy, the Department of the Army has taken action in appropriate cases to amend pending condemnation cases and proceedings, as authorized by the act of Congress approved October 21, 1942 (56 Stat. 797), to provide for the taking of such lesser interest in lands as will conform these acquisitions to the revised policy. The Secretary of the Army, however, does not have authority to adjust in a similar manner acreage or title interest in lands acquired either through purchase, transactions, or condemnation proceedings in which final judgment has been entered.

BASIC OBJECTIVE

The lack of authority on the part of the Secretary of the Army to adjust title interest in certain lands gives rise to this legislative proposal to provide for adjustment in the title interest in that acreage outside the dam site and construction area acquired in fee prior to October 1951, so as to conform the title interest to be retained by the United States in these lands with the title interest acquired in conformity with the decision reached in 1951.

Some landowners in the Garrison Dam area took advantage of the opportunity to reserve oil and gas rights for whatever speculative value they had; others elected to convey the full fee-simple title to the United States. There is also included within the project boundaries an area consisting of approximately 152,360 acres which was acquired in fee from the Three Affiliated Tribes of the Fort Berthold Reservation in North Dakota in accordance with the joint resolution of Congress approved October 29, 1949 (63 Stat. 1026).

AMENDMENTS

The fact that these lands are subject to the Mineral Leasing Act for Acquired Lands (30 U. S. C., 1952 ed., secs. 351–359) makes desirable the addition of language of a technical and clarifying nature governing reconveyances of interests in land subject to oil and gas leases issued by the Department of the Interior under the above-mentioned act. All amendatory language of this character, suggested in the report received by the committee from the Department of the Interior, has been adopted. A full explanation of the need for such amendments is contained in the Department's report, which is set forth below with the report of the Bureau of the Budget.

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., January 31, 1956.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MURRAY: This is in reply to your request for the views of this Department on S. 746, a bill to provide for the return to the former owners of certain lands, including Indian tribal lands, acquired in connection with the Garrison Dam project of mineral interests in such lands which, we understand, supersedes S. 536, a bill to provide for the return to the former owners of certain lands acquired in connection with the Garrison Dam project of mineral interests in such lands.

We would have no objection to the enactment of S. 746, if it were amended in accordance with our suggestions below.

Section 1 of S. 746, if enacted, would require the Secretary of the Army to convey the mineral interests in lands acquired by the United States for the Garrison Dam project, upon application, to any Indian tribe or any person (or his heirs) from whom the lands were acquired, upon the payment of a purchase price equal to the fair market value of the mineral interests, but not more than 5 percent of the purchase price paid for the land by the United States. Section 2 of the bill would authorize the Secretary of the Army to include in each conveyance such reservations and restrictions as he may deem advisable for purposes relating to the construction, operation, and maintenance of the Garrison Dam and Reservoir or for other purposes that are in the public interest.

Since all of the lands to which this bill is applicable were acquired by the Department of the Army and are at this time subject to its jurisdiction, that Department is in a much better position than we to comment on the merits of the bill from a substantive standpoint. However, these lands are subject to the Mineral Leasing Act for acquired lands (30 U. S. C., 1952 ed., secs. 351–359), under which this Department is authorized to issue, with the concurrence of the Department of the Army, oil and gas leases on the lands. Twenty-six such leases were issued during the period from January 1953 to December 1954, and applications for additional leases are pending. Moreover, the beneficiaries of the bill would include the Three Affiliated Tribes of the Fort Berthold Reservation, and individual members of that Indian tribal group.

In the event favorable consideration is given to the enactment of S. 746, we recommend that it be amended in five respects.

1. The bill as now worded extends the privilege of obtaining a reconveyance of the mineral interests in the lands affected by its provisions to the former owners, if living, and, if deceased, to their "heirs." It may be questioned, however, whether the term "heirs" is entirely adequate to cover situa-

tions where the former owner has disposed of his estate by a will. We suggest, therefore, that at each of the 3 places where this term appears in the bill (p. 1, line 5; p. 2, line 3; and p. 2, line 6) the words "or devisees" be inserted immediately after the word "heirs". If this were done, we consider that the privilege of reacquiring the mineral interests of a deceased owner would be exercisable by those persons who, under the laws of the State of North Dakota governing the descent and testamentary disposition of real property, would have succeeded to such mineral interests had they remained as part of the estate of such former owner at the time of his death.

2. The bill as now worded does not identify with as much clarity as would be desirable the situations to which it is intended to apply. The person from whom surface rights were acquired by the United States for the Garrison Dam project frequently did not convey full mineral rights to the United States. In some cases this was because the mineral rights in the lands already belonged to the United States, having been reserved to it in the original patents or other instruments under which the lands were held by the surface owners. Thus, it is estimated that about 3,500 acres of the acquired lands were subject to a reservation of fall mineral deposits, and that about one-fourth of the acquired area was subject to a reservation of the coal deposits. In other cases the surface owners were unable to convey full mineral rights to the United States because they had made conveyances or leases of such rights to third parties. As a consequence of this situation, it was necessary for the Government to obtain relinquishments of mineral rights in hundreds of instances from persons other than the surface owners. In still other cases, some mineral rights were excepted from acquisition by the United States. Thus, we understand that oil and gas rights have been retained by the former surface owners in a number of instances.

In these circumstances we believe it most important that the bill should clearly express the principle that former surface owners, as well as former owners of mineral leases or grants, in the area affected by the bill are to be entitled to a reconveyance of only the particular mineral interests which the United States acquired from these owners. To this end we suggest the following amendments: (1) at page 1, line 6, strike out the words "lands or interests therein were" and insert in lieu thereof the words "any mineral interest in lands or any estate in lands that included a mineral interest was"; and (2) at page 2, line 4, strike out the words "in such lands as were" and insert in lieu thereof the words "that were so."

3. It is believed that the United States should benefit, in any reconveyance of mineral interests to former owners, from any increase in the value ascribed to those mineral interests while title to them is in the United States. For this reason, we believe that the provision in S. 746 which limits the price to be charged for the reconveyance of mineral interests to 5 percent of the purchase price paid for the land by the United States should be removed, and that the price charged the former owners should in every case be the fair market value of the mineral interests. Since the date of the enactment of S. 746 will be the time at which the policy of returning title to the mineral interests to the former owners will be effectively established, it would be appropriate to provide that the price to be charged the former owners be the fair market value of the mineral interests upon that date. To achieve these ends, we suggest the insertion of the words "upon the date of approval of this act" immediately after the word "interests" at page 2, line 7, and the deletion of the phrase ", but not in excess of 5 percent of the purchase price paid for the land by the Government" at page 2, lines 8–10.

4. In many of the situations where separate mineral interests in the same lands were acquired from two or more persons, restoration of the mineral interests acquired from one would be both impractical and inequitable unless accomplished as part of a restoration of the status quo with respect to all. Particularly is this true where a mineral lease was involved. In such a situation a satisfactory restoration could hardly be effected without the consummation of an agreement between the former lessor and former lessee reinstating the obligations created by the former lease, or substituting new obligations. Hence, the bill should condition the reconveyance of the interests of lessors or lessees or of other fractional, partial, conditional or future interests upon a showing that the parties in interest have worked out whatever arrangements may be necessary in order to avoid unfairness and to permit proper utilization of the mineral deposits. For this purpose, we suggest that the following provisions be added at the end of section 1 of the bill:

"*Provided*, That where mineral interests in the same lands were acquired from more than one person or tribe, no conveyance shall be made unless it is established to the satisfaction of the Secretary that the purposed conveyance will operate in a manner which will be fair and just to each person (and the heirs or devisees of any such deceased person) or tribe from whom any mineral interest in such lands was acquired by the United States, and which will not prejudice the proper conservation and development of the mineral deposits affected by the conveyance. For the purposes of this act former mineral interests, whether or not in the same lands, may be combined or divided in such manner as may be requested by the applicant or applicants and approved by the Secretary."

5. As pointed out in the forepart of this report, some of the lands affected by the bill are subject to outstanding oil and gas leases issued under the Mineral Leasing Act for acquired lands. We believe that the interunderlying the bill probably is to transfer the interests of the United States in these leases to the former owners of the mineral deposits covered by such leases, in the event the former owners apply for the reconveyance of their former interests in these deposits. If this is the true intent, we believe it needs to be spelled out in the terms of the bill. Furthermore, serious objections would exist to the conveyance of mineral interests in lands that are subject to an outstanding Federal mineral lease unless such interests cover all of the mineral deposits that are subject to the particular lease involved. Partial assignments of leases or of reverters or reversions in leased mineral deposits could result in burdening the lessees as well as the United States with additional and costly problems of accounting, operations and administration. Hence, we recommend that it leased mineral deposits are to be included within the application of the bill, such application be limited to situations where all of the interests of the United States in all of the mineral deposits subject to the particular lease involved are eligible for reconveyance under the bill, and where the effect of the reconveyance will be to transfer the entire interests of the United States in the lease to a single grantee or to several grantees holding as tenants in common. Both of the matters discussed in this paragraph could appropriately be handled by adding to the bill a new section, reading substantially as follows:

"SEC. 3. In the event all of the mineral interests of the United State in and to all of the mineral deposits that are subject to any one lease, permit, license, or contract issued under the Mineral Leasing Act for Acquired Lands, approved August 7, 1947 (61 Stat. 913; 30 U. S. C., 1952 ed., secs. 351–359), as amended, are otherwise eligible for conveyance under section 1 of this act to a single grantee, or to several grantees as tenants in common, then such conveyance shall contain an assignment of all right, title, and interest of the United States in and to such lease, permit, license, or contract, including the right to all rentals, royalties, and other payments accruing under such lease, permit, license, or contract after the effective date of such conveyance. Except as provided in the preceding sentence, minerals deposits that are subject to any such lease, permit, license, or contract shall not be eligible during its continuance for conveyance under this act. Nothing contained in this act shall affect the continued validity of any such lease, permit, license, or contract or any rights arising thereunder."

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely yours,

WESLEY A. D'EWART,
Assistant Secretary of the Interior.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate Office Building, Washington, D. C.

MY DEAR MR. CHAIRMAN: This will refer to our letter to you of February 10, 1955, concerning S. 536 and S. 746, bills which would authorize the return to former owners of mineral rights acquired in connection with Garrison Dam.

In that letter it was stated that the Bureau of the Budget would have no objection to enactment of these measures if amended to provide that the United States shall receive the full fair market value of mineral interests in these lands. Since that time we have reviewed our position on this legislation in the light of discussions with representatives of the Indian interests involved, and we have concluded that we would have no objection to enactment of these bills, if amended to provide that the United States shall receive for the mineral interests in these lands their full fair market value appraised as of the date of enactment of the legislation. It is understood that such a provision would be satisfactory to the Indian interests.

Sincerely yours,

PERCY RAPPAPORT,
Assistant Director.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MORSE. I commend the Senator from Louisiana for the protection which he has sought to give the taxpayers of the country by including in the bill provision for payment for the mineral rights.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. WILLIAMS. Do I correctly understand that, in addition to the mineral rights, the land itself is to be returned to the original owners?

Mr. LONG. No. In 1951 the Department of the Army changed its policy with regard to land acquisition, recognizing that, in acquiring floodways and lands to be flooded by dams, it is not necessary to acquire mineral rights, particularly mineral rights to oil and gas.

Therefore, since 1951, the policy seems to have been that unless it is necessary, the Department of the Army does not acquire mineral rights in order to have a dam in a certain area.

In this instance the landowners would like to be placed in a situation in which they could buy back the mineral rights. They would have to pay more for such mineral rights than the Government paid them, because there has been oil exploration in the area. Under the terms of the bill, they would pay the fair market value of such mineral rights.

Mr. WILLIAMS. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ROY M. HOFHEINZ AND HIS WIFE IRENE

The bill (H. R. 3738) for the relief of Roy M. Hofheinz and his wife Irene was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF MERCHANT SHIP SALES ACT OF 1946, AS AMENDED

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of Calendar No. 1883, S. 3113, which was placed at the foot of the calendar. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3113) to amend section 9 (c) of the Merchant Ship Sales Act of 1946, as amended.

The PRESIDING OFFICER. When the bill was considered previously on the call of the calendar, an explanation was asked for. Does the Senator from Connecticut renew his request in that regard?

Mr. PURTELL. The Senator from Connecticut does not renew his request, and he offers no objection to the passage of the bill.

The PRESIDING OFFICER. The amendments of the Committee on Interstate and Foreign Commerce were previously agreed to.

The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRANSPORTATION SYSTEM TO SERVE THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER. That concludes the call of the calendar. Under the order previously entered, the Chair lays before the Senate the unfinished business, which is S. 3073.

The Senate resumed the consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

The PRESIDING OFFICER. The clerk will read the unanimous-consent agreement which was entered into on Monday last and which governs the further consideration of the unfinished business.

The legislative clerk read the unanimous-consent agreement, as follows:

Ordered, That, effective on Wednesday, May 9, 1956, at the conclusion of the calendar call, during the further consideration of the bill S. 3073, the Washington Metropolitan Transit Authority Act, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, yield additional time to any Senator on any amendment, motion, or appeal. (May 7, 1956.)

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McNAMARA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The bill is open to amendment.

Mr. HOLLAND. Mr. President, I have two amendments which perhaps will not take long to consider. I call up, first, the amendment I now send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 71, after line 22, it is proposed to insert:

(e) In the event that Authority acquires specific items of real property or tangible personal property by eminent-domain proceedings under the provisions of this section, it shall take not less than the entire interest in such items of property which is vested in the owner thereof.

The PRESIDING OFFICER. How much time does the Senator from Florida desire?

Mr. HOLLAND. Mr. President, I yield myself 3 mintues.

This amendment is offered not only by myself but by the distinguished senior Senator from Oregon [Mr. MORSE] and the distinguished junior Senator from Colorado [Mr. ALLOTT]. This is a matter which was discussed at some length on the floor of the Senate during the debate day before yesterday, and was agreed upon at that time. I know of no one participating in the debate or who was present at that time who was not in accord with the provisions of the amendment. Under the amendment, if the owner has a fee simple title, the Authority must in condemnation proceedings, condemn the fee simple title. If the owner has a less important title, for instance, a possessory interest, such possessory interest must be taken as a whole.

The amendment, if adopted, will bring an end to any thought that the Authority might condemn less than the full interest in any property, and, particularly, might condemn for only a period of time such capital assets as rolling stock, street cars, buses, and the like.

Mr. President, I believe there is no objection to the amendment. I know of none. I yield back the remainder of my time, unless the Senator from Oregon or the Senator from Colorado wishes to supplement anything I have said.

Mr. President, I yield back the remainder of my time.

Mr. McNAMARA. Mr. President, unless some Senator wishes to speak in opposition to the amendment, I shall be glad to yield back our time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment offered by the Senator from Florida [Mr. HOLLAND] for himself and other Senators.

The amendment was agreed to.

Mr. HOLLAND. Mr. President, I send forward another amendment, also offered for myself, the Senator from Oregon, and the Senator from Colorado, and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Florida will be stated.

The LEGISLATIVE CLERK. On page 67, after line 3, it is proposed to strike out lines 4 to 12, inclusive.

At the beginning of line 13, it is proposed to change "(c)" to "(b)."

Mr. HOLLAND. Mr. President, this amendment also relates to a matter which was discussed in some detail on the floor day before yesterday. The question discussed was whether under the bill it was wise to give to the Authority the right to condemn the capital stock of a corporation which was the owner of assets desired by the Authority.

I believe it was agreed during the debate that such a provision was inserted as an alternative provision to be used only if further condemnation proved to be inadequate.

I have understood from the Senator from Oregon that on checking the matter it has been discovered that this particular provision did not have reference, under the plan of the Commissioners of the District of Columbia, to capital stock of the transit company, but, instead, to another situation entirely.

I find that we are all in accord with the feeling that it would be unwise to give to the Authority the right of condemnation of both capital stock and the assets represented by the capital stock, so that, in effect, by condemning both, the Authority would be sitting on both sides of the table representing the then operator of the line and also representing holders of the remaining assets of the transit company. It seems to me, Mr. President, that that would be particularly unwise when it is realized that by condemning only that part of the stock held by the present operating group of the company, the officers of the District of Columbia could be substituted for the corporate officers of the corporation and would then be in control of the assets of the corporation in which the minority stockhold-

ers have an interest. I am advised that there are 2,500 of those stockholders, all told.

It appears that the Senators who have discussed this matter are in substantial accord, and unless some Senator wishes to supplement my brief remarks, I shall be glad to yield back the remainder of my time. I shall be glad to yield time to either the Senator from Oregon, the Senator from Colorado, or the Senator from Michigan.

Mr. McNAMARA. Mr. President, I am on the floor at this time for the purpose of yielding back the time, because there seems to be no opposition to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. HOLLAND] for himself and other Senators.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ALLOTT. Mr. President, I call up at this time my amendment "5–7–56–C" and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 81, line 19, it is proposed to strike out the period and insert in lieu thereof a comma and the following:

And shall make and promulgate rules and regulations governing the conditions of employment of such personnel as may be employed by the Authority, including, but not limited to, the selection, appointment, reemployment, promotion, demotion, suspension, and dismissal of such personnel according to merit and fitness and without regard to political, religious, or racial considerations; the fixing of pay and hours of employment; the establishment of an employee grievance procedure; and the establishment of leave, welfare, and pension privileges, subject to the provisions of any collective bargaining agreement then in effect or thereafter adopted.

Mr. ALLOTT. Mr. President, I yield myself 3 minutes.

I believe there is no objection to this amendment as it is now written. The purpose of it is to make more definite and certain the language of the bill itself. The bill provides a rather elaborate and complete personnel and arbitration system, but fails to give the Authority the fundamental right of writing rules and regulations under which the work shall be carried on. That has now been done by this amendment.

I have no further remarks to make concerning the amendment, unless some other Senator wishes to comment.

Mr. MORSE. Mr. President, will the Senator from Colorado yield?

Mr. ALLOTT. I yield.

Mr. MORSE. Is it the Senator's interpretation that the use of the word "subject" on line 5, page 2, makes the amendment refer to the entire section?

Mr. ALLOTT. Yes; it is. That is my purpose.

If no other Senator wishes to speak on the amendment, I am prepared to yield back the remainder of my time.

Mr. McNAMARA. Mr. President, I am prepared to yield back the remainder of the time on the other side.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ALLOTT].

The amendment was agreed to.

Mr. ALLOTT. Mr. President, I call up my amendment "5–7–56–F," and I ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Colorado will be stated.

The LEGISLATIVE CLERK. On page 82, lines 20 to 23, it is proposed to strike out the following:

Subject to the provision that such employees as may not be absorbed at time of transfer shall retain their employment status and employment rights.

On page 83, following the sentence ending in line 1, it is proposed to insert the following new sentence:

Any person employed by such transit utility who is not, at the time the Authority acquires such utility, offered transfer and appointment as an employee of the Authority shall, for a period ending August 14, 1958, have a right of seniority for purposes of employment and employment benefits under the Authority in a position comparable to the position he last occupied while employed by such transit utility or in any other position the duties of which he is qualified to perform, in accordance with any collective bargaining agreement then in effect.

Mr. ALLOTT. Mr. President, I yield myself 3 minutes.

The purpose of the amendment is to spell out, in behalf of the employees, all the rights they shall have under the proposed Authority.

In the bill as printed, on page 82, beginning in line 20, the language reads:

Subject to the provision that such employees as may not be absorbed at time of transfer shall retain their employment status and employment rights.

That language was considered to be too vague. Therefore, I have prepared the amendment for the purpose of spelling out specifically the employment rights and benefits which the employees shall have when they transfer or are transferred to the Authority. The amendment makes the language very definite, as contrasted with the rather vague language which is now in the bill.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. ALLOTT. I am very happy to yield.

Mr. MORSE. As the Senator from Colorado knows, I support his amendment.

Does the Senator agree with me that what the amendment proceeds to make crystal clear is that the Authority shall not be required to employ any number of employees in excess of the number required to operate the system; but that any employees who are necessarily laid off will be, nevertheless, protected in their security rights if, as, and when additional employees must be hired, and that the Authority will at least offer top priority to those who were laid off because they were not needed at a particular time in the operation of the system?

What is sought to be done by the section of which the Senator's amendment will become a part is simply to make clear two things: First, that the Authority does not have to hire employees who are not needed to operate the system; second, if, as, and when the Authority needs to hire additional employees, it shall respect the seniority rights of the employees who were laid off.

Mr. ALLOTT. The Senator from Oregon has made abundantly clear the purpose of the amendment. It is not the intention of the amendment that the transit Authority will have to accept more employees than it needs, but the amendment protects the seniority of the employees when they are transferred. It was thought best to spell out that provision specifically in order that the rights of the employees would be made crystal clear.

Mr. President, I am prepared to yield back the remainder of my time on the amendment.

Mr. McNAMARA. Mr. President, on our side, we are prepared to yield back the remainder of our time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ALLOTT].

The amendment was agreed to.

Mr. ALLOTT. Mr. President, I call up my amendment "5–7–56–D" and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Colorado.

The CHIEF CLERK. On page 85 it is proposed to strike out the period in line 11, and insert in lieu thereof a semicolon, and between lines 11 and 12 to insert the following:

(10) For the purposes of the act approved August 9, 1955 (Public Law 330, 84th Cong.; 69 Stat. 624), the government of the District of Columbia and the Authority shall be deemed to be agencies of the United States, and such act shall in every respect be applicable to the officers and employees of the government of the District of Columbia and of the Authority.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. ALLOTT. I am happy to yield.

Mr. KNOWLAND. Since this is an amendment which, as I understand, will not be readily accepted, and because of the importance of the amendment, I wonder if it would be agreeable to the acting majority leader to have a quorum call, without the time for the quorum call being charged to either side.

The PRESIDING OFFICER. May the Chair inquire through the minority leader whether the Senator from Colorado has any other amendment to call up which may be noncontroversial?

Mr. ALLOTT. I have no more amendments. This will be the last one, so far as I know.

The PRESIDING OFFICER. The Chair thought that if there were any other amendments which were of a noncontroversial nature, they might be disposed of first.

Mr. KNOWLAND. I had understood there were no additional amendments to be offered by the Senator from Colorado.

Mr. McNAMARA. Mr. President, I agreed to the suggestion of the distinguished minority leader that there be

a quorum call, the time for the call to be charged to neither side.

Mr. ALLOTT. Mr. President, will I retain the privilege of the floor?

Mr. KNOWLAND. Mr. President, I include, as a part of my unanimous-consent request, that the Senator from Colorado shall retain the privilege of the floor.

The PRESIDING OFFICER. That will be understood.

The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allott	Frear	Long
Beall	Fulbright	McCarthy
Bricker	Holland	McNamara
Butler	Hruska	Morse
Byrd	Jackson	Neuberger
Carlson	Johnson, Tex.	Payne
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kennedy	Smith, Maine
Cotton	Kerr	Smith, N. J.
Curtis	Knowland	Watkins
Daniel	Langer	Williams
Dworshak	Lehman	Wofford

Mr. JOHNSON of Texas. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Tennessee [Mr. KEFAUVER], the Senators from West Virginia [Mr. LAIRD and Mr. NEELY], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from Rhode Island [Mr. PASTORE] is absent on official business attending the atomic energy tests in the South Pacific.

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT], the Senators from Indiana [Mr. CAPEHART and Mr. JENNER], the Senator from Arizona [Mr. GOLDWATER], the Senator from California [Mr. KUCHEL], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

The PRESIDING OFFICER (Mr. FREAR in the chair). A quorum is not present.

Mr. KNOWLAND. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. AIKEN, Mr. ANDERSON, Mr. BENDER, Mr. BENNETT, Mr. BRIDGES, Mr. BUSH, Mr. CHAVEZ, Mr. DIRKSEN, Mr. DOUGLAS, Mr. DUFF, Mr. EASTLAND, Mr. ELLENDER, Mr. ERVIN, Mr. FLANDERS, Mr. GEORGE, Mr. GORE, Mr. GREEN, Mr. HAYDEN, Mr. HENNINGS, Mr. HICKENLOOPER, Mr. HILL, Mr. HUMPHREY, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MARTIN of Iowa, Mr. MARTIN of Pennsylvania, Mr. MCCLELLAN, Mr. MILLIKIN, Mr. MONRONEY, Mr. MUNDT, Mr. MURRAY, Mr. O'MAHONEY, Mr. POTTER, Mr. PURTELL, Mr. ROBERTSON, Mr. SALTONSTALL, Mr. SCOTT, Mr. SMATHERS, Mr. SPARKMAN, Mr. STENNIS, Mr. SYMINGTON, Mr. THYE, Mr. WILEY, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. ALLOTT].

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

SENATOR WALTER F. GEORGE, OF GEORGIA

Mr. JOHNSON of Texas. Mr. President, we have all heard this morning with deep regret the news that the senior Senator from Georgia [Mr. GEORGE] is retiring from the Senate at the end of this term. All of us must respect the considerations of health which have impelled him to his decision. But, Mr. President, all of us feel a deep sense of sorrow that a friend and a leader is leaving this body.

WALTER F. GEORGE is one American whose place in history is already assured. For many years Senator GEORGE has enriched our public life with his statesmanlike advice and his always sound counsel.

WALTER GEORGE has been the man of calm reflection, of deep thought, of wide knowledge.

WALTER GEORGE has been the man upon whom all of us have leaned for support and for strength in the turbulent seas of the period following World War II.

WALTER GEORGE is a man whose roots, like those of a mighty oak, are planted deep in the soil of his native Georgia; but in a very real sense WALTER GEORGE is a national figure, and a world figure.

WALTER GEORGE'S name has become a household word in every dwelling in our land and across the seas and the oceans. In far away countries, and in places which are alien and strange, WALTER GEORGE is a magic figure, who symbolizes all that is best and noble in the United States.

I like to think that he embodies the finest traditions of this great Nation—courage, determination, moderation, and a desire to solve rather than to aggravate or exaggerate the problems of our time. I believe that every good American will join me in that thought.

I trust that I may be forgiven a personal note. WALTER GEORGE is to me more than a great leader, more than a towering figure of statesmanship. He is also one of my closest and most dearly beloved personal friends. For the past few years we have sat side by side in the Senate. He has always given me the advice and counsel of a wise father. Without him, I do not believe I would have done as well as I have.

The news tickers have carried the announcement of the President that he has offered Senator GEORGE a place in keeping with his great talents. This is a wise act, an act of patriotism. We can ill afford to lose such talents, and whatever the future may have in store, the people of America will always hold WALTER F. GEORGE, of Georgia, deeply enshrined in their hearts as a champion without fear, and a statesman for the ages.

Mr. KNOWLAND. Mr. President, I would not wish this opportunity to pass without, on behalf of the minority, rising and joining the majority leader in his admirable and timely statement regarding the services which WALTER GEORGE has rendered his country. He has not only been a tower of strength in the United States Senate, ably representing his State of Georgia, but in a very real sense he has been and is a Senator of the United States.

He has carried heavy burdens in the Senate. As chairman for many years of the Committee on Finance, and subsequently as chairman of the Committee on Foreign Relations, he has participated and been leader in many of the great decisions affecting the fiscal and foreign policies of our country.

He has carried forward the high traditions of the Senate and of the Government of the United States in developing and maintaining a bipartisan foreign policy, so that in meeting great international problems we could present to the world a united front.

Senator WALTER GEORGE is loved and respected in the Senate equally on both sides of the aisle.

Of course, all of us regret the news that he will leave the Senate at the end of his present term in January 1957. However, I think that we can temper our regret by the knowledge that he is not leaving the service of the Government and of the people of the United States. Inasmuch as we will not have him with us in the Senate after the present Congress has concluded its business, it is stimulating and satisfying to know that he will be using his talents and great abilities in helping to represent the Government of the United States in meeting some of the great problems confronting us in the North Atlantic alliance.

I know of no man who could be selected by the President of the United States who has a better background than Senator WALTER GEORGE. When the chips are down, Senator GEORGE acts as an American in meeting the great challenges that confront us.

He has never been a narrow or a bitter partisan. He has served, of course, the great party with which he is affiliated. But, more than that, he has served the United States, which he loves.

All of us regret that he is leaving the Senate, but all of us rejoice that he will have more years of service to give to the Government and to the people of the United States.

Mr. BYRD. Mr. President, one of the privileges that I treasure most highly is that I have been a close and intimate associate of Senator WALTER GEORGE for more than 23 years. We are now desk mates in the Senate, and I have sat next to him in the Senate Finance Committee for a long time. It has been an association that I shall value as long as I live, because I feel I have had the opportunity to know intimately one of the greatest statesmen of this age.

No one can be associated with Senator GEORGE without forming for him a rare kind of love and admiration which seldom occurs in human relationships. He has one of the greatest intellects among men in public life. His kind consideration to all endears him to his colleagues.

There has never been a time, I believe, in the history of our country when we

have needed so much men of the character and the capacity possessed by WALTER GEORGE. He will leave a void in the Senate deliberations and in the work of important committees of which he is a member that it will be impossible, in my opinion, to fill.

Of him it can be said that his actions always are determined by what in his conscience he believes to be for the best interests of his country.

I was more than shocked when I heard of his determination not to be a candidate for reelection. We in the Senate will miss him sorely. Throughout his career he has always borne serious responsibilities, and I can only hope that his future work will provide him with the opportunity to contribute the judgments of his superb intellect in his patriotic effort to accomplish those things which will add to the progress and security of America.

My friendship for him and my close association with him during our service in the Senate will ever remain one of the finest memories in my life. I sincerely hope our paths will cross frequently in the future so that, in the future as in the past, I can derive inspiration from his courage, his patriotism, and the fine judgment with which he is so richly endowed.

Mr. KERR. Mr. President, I share the feelings expressed by the Senator from Texas [Mr. JOHNSON], the Senator from California [Mr. KNOWLAND], and the Senator from Virginia [Mr. BYRD], about the great Senator GEORGE.

The avenues available to human beings for progress and eminence are limited and cherished. A man may become a great father, a great husband, a great friend, a great businessman, or a great statesman. WALTER GEORGE has achieved eminence in all these fields.

I have a new concept of statesmanship and patriotism because I have had the opportunity and privilege of being closely associated for nearly 8 years with WALTER GEORGE, of Georgia. I have become aware of a broader view of devotion to a man's native State. I have learned anew of the power of intellect and wisdom, as manifested by articulate eloquence.

As a boy, it was my privilege to hear William Jennings Bryan when he was rightly regarded as the most eloquent voice in his party. Mr. President, the voice of WALTER GEORGE is just as eloquent. He has an even greater authority and understanding and realization of the subjects to which he addresses himself and the relative position they occupy in respect to the welfare of his country and its people.

I realize the contribution he has made to bipartisan support of the foreign policy of the United States, whether under a Democratic or a Republican President. I am deeply aware that WALTER GEORGE is a great Democrat. No stronger voice was ever lifted in the Senate in defense of the rights and privileges and the opportunity to make the progress which belong to the average citizen, including the farmer.

Mr. President, as the years come and go, WALTER GEORGE'S stature and eminence in the fields of public service which he has adorned will become larger and larger and be more and more deeply appreciated.

WALTER GEORGE is a great friend. I appreciate the words of the distinguished majority leader on that point. I have no fonder feeling as regards my membership in the Senate than my association with the great Senator from Georgia.

To say that I personally will miss him is an understatement. In my judgment, he is the tallest timber in the great group of mighty trees we know as the United States Senate. When he leaves his place here, there will be a void in the forest as the eye looks toward the sky. Certainly, when he came to the Senate he filled a vacancy. When he leaves there will be a void which I do not expect to see filled in my lifetime.

I am happy that he has been offered a position of responsibility by the President of the United States, because, great as he is as a husband and father, as a friend, and as a champion of the common people, he has achieved his greatest eminence as a patriot.

So, Mr. President, in whatever position he may find himself, as a private citizen, as a representative of his President in an important position in the field of the development of peace, or as an adviser to friends of his in this body, I know that so long as he lives he will continue to be one of the greatest patriots America has ever known. We who have been privileged to serve with him count ourselves fortunate by reason of the blessing of his friendship, association, and the opportunity we have had to walk side by side with him.

Mr. ANDERSON. Mr. President, I am sure that all Members of the Senate have heard with sorrow that the dean of the Senate, the able WALTER GEORGE, has decided to retire from membership in this body.

I am deeply pleased to know that the President of the United States hopes to be able to continue to make use of the services of this great man in a position with the NATO organization. I think it was particularly fortunate that a great Republican, Warren Austin, was called upon by a Democratic President to take a responsible position with the United Nations. In the same spirit I think it is extremely pleasing that a great Democrat, such as WALTER GEORGE, can be called upon by a Republican President to assume responsibilities in a world organization. I know that in whatever work he shall undertake he will take with him the confidence, the faith, and the loyal friendship of every Member of this body.

In the case of another great American it was once said that the people were proud of him because of the enemies he had made. I should like to feel that the Members of this body are proud of WALTER GEORGE because of the friends he has made. I think it is a good thing once in a while for a man in an eminent position to have made enemies because of his stand, but I think it is a notable thing that WALTER GEORGE has made friends because of the way he has handled great questions, and because of the way he has treated all his fellow Members on the floor and off the floor of the Senate.

It is with a profound sense of personal loss that we who are to remain in the Senate realize that we shall not have him with us as a wise friend and counsellor after the conclusion of his term. I think the Nation can ill afford to lose him from the Senate of the United States. I hope it will be the privilege of the American people long to make use of his fine judgment and long to hear the ringing tones of his voice as he speaks out in behalf of the things to which he has pledged allegiance and to which he has given his very life.

We regard him as a truly great man, not because he has remained in the Senate a long time where he has rendered great service to the people of his State and Nation, although he has done that, but because it has been truly an inspiration to the Members of the Senate to have known him, and he will long be remembered as one of the kindliest men who ever served in this body.

We shall miss him very much. I hope this great American will relieve that situation by coming frequently to Washington and giving us many opportunities to renew the friendship we have enjoyed with him.

Mr. SMITH of New Jersey. Mr. President, I rise to pay my tribute to our friend, Senator GEORGE.

I have known WALTER GEORGE ever since I became a Member of the Senate, and I have received from him the uniformly courteous treatment he accords to everyone. But beyond that, Mr. President, I have had the privilege of being intimately acquainted with him during the 10 years I have been a member of the Foreign Relations Committee. Of course, he has been a bulwark of strength in our approach to foreign problems. I do not know how a man of his vision, his thoughtful approach, his ability to see all sides of problems, can be replaced. I know I speak for all the Members of this body when I say that he really is irreplaceable.

But beyond his ability, his statesmanship, beyond the affection in which he is held by all the Members of the Senate and, in fact, by all the people of the Nation, I wish to pay tribute to him as a warm personal friend, because I have found that WALTER GEORGE and his wife, "Miss Lucy," are two of the finest people whose friendship my wife and I have ever enjoyed. I wish to express our sorrow at his leaving the Senate and to wish him great success in his new assignment to the NATO organization.

Mr. FULBRIGHT. Mr. President, it was with profound regret that I heard of the decision of the senior Senator from Georgia [Mr. GEORGE] to retire from the Senate.

It is difficult to imagine the Senate without the steadying hand of Senator GEORGE. He has been at the helm, so to speak, ever since I have been in this body, so it will be certainly a very drastic change for me as well as for the Senate as a whole to lose his leadership.

It would be presumptuous on my part to attempt to tell this body about the great qualities of leadership possessed by

the Senator from Georgia. Many Senators have known him longer than I, and all of us have observed the wisdom with which he has handled so many of the most important problems to come before this body.

During the past 10 years I have served on the Committee on Foreign Relations with the distinguished chairman of that committee. He has always been a steadying influence in the deliberations of that committee. His great experience and his profound knowledge of the Constitution and of the Nation's history have been of invaluable aid to the deliberations of the Committee on Foreign Relations.

Mr. President, I could continue at length to discuss the great contributions which Senator GEORGE has made to the work of this body and to the welfare of his country. All that I might say, however, can be summed up in the simple phrase that he has been and is "a fine public servant." He has served his country and his State well. It is men like WALTER GEORGE who have made our Nation a strong and free community of civilized human beings which is the hope of the world. He deserves the acclaim of all free people, everywhere.

I know that I shall sorely miss his advice and leadership on the committee and on this floor.

I wish him and "Miss Lucy" Godspeed and many years of happiness which they so richly deserve.

Mr. O'MAHONEY. Mr. President, I think it is utterly impossible adequately to portray in words the confidence, the respect, and the affection in which WALTER GEORGE has been held by all his colleagues throughout his service in this body. He is a man of wisdom, a man of eloquence, a man of great influence, a man of vision, and, above all, a man of human understanding. He understands people. He understands their motives, and he understands the great principles upon which our Government was founded. There is no one who has ever associated with him who has not been enriched by such association. He left his mark upon everyone with whom he associated, a mark which meant the improvement and growth of those who worked on his committees or on the floor of the Senate with him.

There are many, many things to be said about the contributions which he has made to the welfare of the people of our country in all grades and all classes.

I was happy to have had the opportunity to serve with him before the end of the last war, when he brought to the floor a resolution providing for the creation of a special committee on economic policy and planning for the postwar period. Out of this committee, of which he was the chairman, and of which he was the guiding influence, came substantial legislation which prevented the development of the disastrous influences which so frequently follow great wars. Senator GEORGE was the author of legislation which made it possible for the United States to pass easily from the turmoil of active war to the rebuilding of civil life.

Senator GEORGE is a great man in the truest sense of the word. I have no hesitation in saying that, in my opinion, a greater man never stood on the floor of this Chamber.

Mr. SALTONSTALL. Mr. President, I have listened to the majority leader, the minority leader, and my other colleagues. With what they have said concerning the qualities and character of WALTER GEORGE as a Senator and as a man, I agree. He is an American statesman in the best sense of that word. He has had much to do with keeping our Nation financially sound because of his decisions when he was chairman of the Committee on Finance; and as the present chairman of the Committee on Foreign Relations he has shown that he always rises above partisanship in his decisions on international problems.

I should like to express the personal sense of pride Mrs. Saltonstall and I feel that we can call WALTER GEORGE and his wife, "Miss Lucy," our friends. Many, many times I have enjoyed our friendly conversations in the Capitol. Frequently I have listened to his convincing arguments on difficult problems. Often I have consulted with him.

We shall miss WALTER GEORGE in the Senate. I shall miss his friendly smile and fine sense of humor. But we shall follow him eagerly as he continues his service for his country in the halls and committee rooms of the North Atlantic Treaty Organization.

I join with his many friends in congratulating him upon undertaking this new and all-important assignment in a period of great uncertainty in the world.

Mr. MORSE. Mr. President, I heard this morning the sad news that Senator GEORGE intends to retire from the Senate at the end of his term. I sent him a note in which I said, "I always respect your judgment, but in this instance I am heartbroken over your decision."

In my opinion, the American people will suffer a great loss when Senator GEORGE walks out of this Chamber into retirement, because he has become the architect of foreign-policy decisions in the Senate under the advice-and-consent clause of the Constitution. Frankly, I know of no greater service Senator GEORGE possibly could render the people of the United States than to continue as chairman of the Senate Committee on Foreign Relations, but, I yield to his judgment. At the same time I think he should know of the high regard all of us have for him and of our appreciation of the great leadership he has given to the Senate in respect to foreign-policy matters. I say that as one who has not always agreed with him, and still does not, on some foreign-policy issues. But I know of no possible assignment which could be given to him outside the Senate in which he could make so great a contribution to the peace and security of this Nation as he could make if he continued to serve as chairman of the Committee on Foreign Relations.

I thought this should be said by one who at the same time respects the decision he has made, to retire from the Senate. I wish him Godspeed in any new assignment he undertakes; and I know that whatever that assignment may be, the people of the United States will be the rich beneficiaries of his future service.

Mr. GREEN. Mr. President, I have just come from a meeting of the Committee on Foreign Relations, over which Senator GEORGE was presiding. Word came to me that some of my colleagues had been paying tribute to him in view of the announcement that he would not stand for reelection, so I felt I must come to the Chamber and add a few words to what I know my colleagues would say about the remarkable ability and wonderful qualifications of Senator GEORGE for the positions he has occupied, about the notable work he has done as a Member of the Senate, and the loss we will sustain when his term comes to an end.

If I am not mistaken, Senator GEORGE has served in the Senate for a generation. That is 34 years—a remarkably long time. During that time he has acquired information and knowledge which has made him a great authority in two special fields, the field of fiscal affairs and taxation, and the field of foreign relations. We have all benefited by his experience, because he has shared it with us, especially in times of crisis. We have benefited not only by his knowledge, but also by his wisdom and by the application of his knowledge and wisdom to the changing conditions in the world.

I hope sincerely that both our country and the world will continue to benefit by the counsel and advice of Senator GEORGE at critical junctures. I earnestly trust that when he ceases to sit in the Senate, he will serve in some other position befitting his unequaled qualifications, and that we will still be able to avail ourselves of his experience, wisdom and judgment.

Having worked with Senator GEORGE for so many years in the Senate, I felt I could not let the opportunity pass without saying these few words.

There is one other qualification which adds to his value to us, but which will not, of course, be available if he is in some other position, and that is his unrivaled power of presentation. When he has mastered all the facts in a case, he can not only present them clearly to his colleagues in the Senate, but can also draw the inferences from them convincingly, and do it with a zeal and an enthusiasm which in themselves are moving.

When the time comes—and it will not be until next year that we will lose his voice in the Senate—I am certain we will have lost something which is irreplaceable.

Mr. President, I felt that I must say these few words. Now I feel that I must return to sit beside Senator GEORGE in a meeting of the Committee on Foreign Relations.

Mr. GORE. Mr. President, from time to time each Member of the United States Senate is referred to as a leader. Perhaps in a very real sense each Member of this body is a leader, particularly in the thought and action of the people whom he is honored to represent.

Some of us perchance, by fortune of position, seniority, talent, of courage, may upon occasion be a leader among

Senators. Senator WALTER GEORGE surpassed even that occasional, fortunate position. Senator GEORGE was a Senator's Senator, a man whose voice carried great weight, not only with the country, which had come to hold him in such high esteem, but with the more difficult body to lead, though fewer in number, the men composing this great legislative body.

As a new Member of the Senate in January 1953, I sought out the senior Senator from Georgia. He was gentle. He was kind. He was considerate. When I was a Member of the other body of Congress, of course I had known him, but I had not known him in any personal way. I had not known him in a manner to bring me into contact with the warmth of his personality, the gentleness of his spirit, his fine sense of humor, and his understanding of the problems of his colleagues. That element of his leadership in this body explains why he has had such great influence among his colleagues, and with officials of the executive branch of the Government.

That was by no means the only attribute which went into the makeup of the great leader that WALTER GEORGE has been, is, and is yet to be. Few men are blessed with the incisive intellect, the power of logic, the courage of conviction, and the inimitable ability to speak his thoughts in a way that grips the attention of his colleagues.

The news that he will no longer after this year serve in this body renders me disconsolate, and gives me a feeling of depression. This news represents not the passing of an era, but the passing from this Chamber of one of the greatest Senators who has ever graced it. That is not to say that upon all matters I have found him to be my leader. It is unnecessary to say that, Mr. President. It is unnecessary to say it for several reasons, not the least of which is the willingness of the senior Senator from Georgia to concede to all of his colleagues not only the right to disagree, but to concede to them the sincerity of their disagreement.

I could speak at great length upon the attributes of this man, the particular attributes which have made of him a leader among men, a Senator's Senator. Other Senators have already spoken, and therefore I shall conclude by saying that in giving recognition to the merits, the qualities, the influence, and the power of this fine citizen, President Eisenhower has done a grand thing. In his new field of work the senior Senator from Georgia can bring his great talents to bear, not only in a manner to render service to the United States of America in its relationships with the countries of Europe, but I venture to say that he can render a very great service to all members of the North Atlantic Alliance; and, through his talents of persuasion, vision, and understanding, he may make a most valuable contribution to the economic and political unification of Western Europe.

Mr. SYMINGTON. Mr. President, many years ago it was my privilege to meet the distinguished senior Senator from Georgia in the home of Gov. Max Gardner, of North Carolina. At that time Governor Gardner told me that in his opinion, without question, Senator GEORGE was our greatest living American.

After knowing Senator GEORGE over the years, I fully agree with that opinion; and it was my very great pleasure to say so in a recent talk in the great Georgia city of Savannah.

Mr. President, it is hard to picture the Senate without WALTER GEORGE. He is loved and completely respected by every Member on both sides of the aisle.

By his decision the Senate will lose its greatest Member.

Mr. SPARKMAN. Mr. President, I know that there is nothing I can add to the very fine statements and tributes which have been made upon the announcement of the forthcoming retirement from the Senate of our distinguished colleague, the President pro tempore of the Senate, the very distinguished chairman of the Committee on Foreign Relations, and the friend of all of us, the senior Senator from Georgia [Mr. GEORGE].

Mr. President, I can remember when Senator GEORGE came to the Senate from our neighboring State of Georgia. At that time I was a student in the university. Fourteen years later I came to Congress as a Member of the House, on the other side of the Capitol. I had ample oppjortunity to observe the work of the Senator from Georgia and to admire his growing stature. I never dreamed in those days, however, that I should some day be a colleague of his in this body of Congress, and, even more than that, to have the privilege of serving under his chairmanship on that great committee of the Senate, the Committee on Foreign Relations.

I have talked with Senator GEORGE frequently regarding his plans. I felt, as everyone must have felt this morning when the announcement finally was made that he was not going to become a candidate for reelection, that it signaled a real loss to this body, certainly to the members of the Foreign Relations Committee who serve under him, and who have served under him during the past several years; and, even more than that, a great loss to our country, and, indeed, to all the free world.

Some of the sting was taken out of the decision of the Senator from Georgia by the announcement and the very fine recognition on the part of President Eisenhower as to the great contribution the Senator from Georgia has yet to make, and the President's request to Senator GEORGE that he remain available for such work as might be given him, specifically, as has been referred to, as the President's special ambassador to NATO.

I am sure we were all delighted with the statement Senator GEORGE made that he would stand ready to be available at all times for such responsibilities and such tasks as the President might think he was capable of assuming.

Mr. President, even though I join with others in expressing my regret at seeing Senator GEORGE leave this body, I want to say that if any man ever earned the right to retire from the trying duties of public service day by day, Senator GEORGE has earned it, because during the 34 years he has been in the Senate, he has been one of its most active Members.

I know all of us join in wishing for him and "Miss Lucy" many years of great happiness and good health.

Mr. FREAR. Mr. President, the characteristics of a real statesman are not easily or quickly attained. Perhaps they are inherent qualities born in an individual, and not developed.

In any event, the honor of being designated as a statesman, with all that it implies, has come to but a comparatively few of the many who have served their country in high public office.

Surely we who presently serve in this distinguished body are fortunate in that we have in our midst a personality whose high patriotism, devoted service, deep understanding and appreciation of the Nation's welfare exemplify the qualities of statesmanship to the fullest and finest degree.

The distinguished senior Senator from Georgia, with the wisdom of his many years in Congress, has contributed able leadership in legislative matters affecting the Nation's fiscal affairs, as well as its foreign relations.

His position as chairman of the Foreign Relations Committee is perhaps the most sensitive and far-reaching assignment which any Member of the Senate can hold.

In his prior leadership of the Finance Committee, Senator GEORGE has presided over and carefully guided tax legislation of the greatest importance.

His success in these matters and in countless others has won for him the appreciation of the entire Nation.

Yet, though, he has always been acutely conscious of the need for the participation of the Federal Government in national affairs, he has also recognized the rights of the individual States, wherein the real strength of our Federal Union is found.

Mr. President, although Senator GEORGE has decided to relinquish the heavy burdens of his present position, we are happy in the thought that he will be available to us for counsel and guidance in the days ahead.

May I wish for him and his gracious "Miss Lucy" many additional years of health and happiness.

I know that as he leaves the Senate, he carries with him the warm and grateful thanks not only of his native State, but of the people of all the other States of the Union, which he has helped to strengthen and prosper through his dedicated service in the Senate of the United States.

Mr. MANSFIELD. Mr. President, it was with a sense of deep personal sadness that I learned today that our distinguished colleague the senior Senator from Georgia [Mr. GEORGE] has announced that he will decline to run for reelection.

Georgia owes this man a great deal. The United States of America owes him still more. The free world will be indebted to him for many years to come because of the positive action he has taken in the field of foreign policy, in seeing what he could do to keep the

democracies free, and to stop the onrush of atheistic aggression.

I know that the people of Georgia will miss him from his seat in the United States Senate; and I know, also, that they will remember him fondly and well because of the many contributions he has made to their welfare and betterment.

The people of the United States will miss him, because not only has he been a great Senator from the State of Georgia, but he has also been a great Senator of the United States. Mr. President, as a Senator of the United States, the senior Senator from Georgia [Mr. GEORGE] has been a recognized leader of national standing as far as all parts of our country were concerned.

I am delighted that Senator GEORGE has accepted an appointment from the President of the United States to be the United States representative to the North Atlantic Treaty Organization with the rank of Ambassador. I wish to commend the President for the courtesy, consideration, and understanding he has shown toward this great statesman.

All Members of the Senate are going to miss Senator GEORGE; but I know that Mrs. Mansfield and I will be able, as will the rest of the Members of the Senate, to see Senator GEORGE, of Georgia, one of the Nation's great statesmen, and "Miss Lucy" from time to time, because I am quite certain that in his new position he will return occasionally and will give us the benefit of his advice, his counsel, and his understanding.

So, Mr. President, although we shall miss him very greatly, indeed, after next January, from his seat in this Chamber, we are thankful that in the years to come we shall have the continued benefit of his service, his counsel, and his advice. We shall need them; and no person in the United States is better qualified than is Senator GEORGE, of Georgia, to act in that capacity, so that in the end the United States and the free world as a whole will benefit.

Mr. KENNEDY. Mr. President, I wish to join my colleagues in expressing my regret that the service in the Senate of the senior Senator from Georgia [Mr. GEORGE] is drawing to a close.

His contributions to the welfare of his own State of Georgia and to the Nation as a whole are well known. But I shall remember him especially for his unfailing courtesy and kindness of manner to all of those of us who served with him. We shall miss him greatly.

Mr. LONG. Mr. President, it will be a great loss to this body when, commencing with the next Congress, the great senior Senator from Georgia [Mr. GEORGE], the dean of the Senate, and our President pro tempore, will no longer be with us.

Senator GEORGE has served in the Senate for 34 years. All Senators know that seniority means a great deal in this body. Yet, Mr. President, the intellect and ability of the senior Senator from Georgia are such that if Senator GEORGE were to commence his service here today, he would be one of the great leaders of this body.

Only those who have served as Members of the Senate can fully understand the tremendous power and influence of Senator WALTER GEORGE, of Georgia, as a Member of the Senate of the United States.

The brilliance and eloquence of Senator GEORGE have moved this body to take the proper and the wise course when momentous decisions regarding foreign policy, taxes, social security, public welfare, and a great number of other matters were to be made by us. Time and again we have seen him save the day for that which we found to be in the best interests of the Nation.

It has been my privilege to serve under Senator GEORGE as a member of the Senate Committee on Finance, both when he was chairman of the committee and during the time after he stepped aside from its chairmanship, to serve as chairman of the Committee on Foreign Relations. He has been a most courteous and fair chairman. He has been sympathetic and helpful to all members of the committee, and has accorded to them every right which could possibly be expected by the committee members.

I believe that all Members of the Senate will agree that the understanding of Senator GEORGE of both our foreign policy problems and our tax problems is superior to that of perhaps any other Member who has ever served in this body.

We shall miss him, and we shall miss his help and advice.

Personally, I have never questioned the judgment of Senator GEORGE, because we have found that time generally proves him right.

If WALTER GEORGE should agree to accept an important position in connection with the foreign affairs of this Nation, I am sure that the bipartisan nature of our foreign policy would be greatly improved. Our position in world councils would be greatly strengthened. I trust that his service in that capacity, if he chooses to accept such an appointment, will be as great as his service in this body.

Mr. LEHMAN. Mr. President, I was extremely sorry to learn, today, that Senator GEORGE, of Georgia, has decided not to seek reelection this year, and that, accordingly, he will not be a Member of the Senate in the next Congress.

I have not known Senator GEORGE as long or as well as have some of my colleagues, for of course I am very much junior in service to him. I believe that he has served in the Senate longer than has any other present Member and he has won their high respect.

Mr. President, even Members of the Senate who have not always seen eye to eye with Senator GEORGE have recognized that he is a man of great stature, a man of high integrity and intelligence, and of the strictest devotion to duty.

I am sure that Senator GEORGE did not reach his decision to leave the Senate without the most soul-searching and prayerful thought, and for reasons which appeared to him to be completely sound.

Yet the Congress will be poorer when Senator GEORGE leaves this body. The entire Nation, which has profited so long and so greatly by his wise and devoted service, will suffer a serious loss. His long experience in the Senate has made him a most valuable member of both the Finance Committee and the Foreign Relations Committee and his views have always been respected by his colleagues and in most instances widely supported.

I am very happy, indeed, to know that President Eisenhower has offered him so important a position in the Foreign Service, where Senator GEORGE will, I hope, further strengthen the relationships between the United States and our allies in NATO.

I wish for Senator GEORGE everything good that he may desire for himself in the years which lie ahead. I hope he will be spared with Mrs. George for many, many more years of good health, happiness, and useful service.

Mr. CARLSON. Mr. President, when I learned of Senator GEORGE's decision to retire at the end of this session of Congress I was confronted with mixed emotions.

First, I thought of the loss of his great ability and his unselfish and patriotic service to the Nation and to the world. I thought we could ill-afford to lose the services of such an outstanding Member of the United States Senate at this time when our Nation confronts many delicate international problems.

I thought of how much I would miss him personally. I have had the privilege of serving with him as a member of the Finance Committee for the past few years. He has always been friendly. He has always been willing to advise those of us who are junior members of the committee. It has always been a pleasure to be associated with him when we came to deal with problems of taxation, social security, tariffs, and international trade programs.

I thought also of his many years of devoted service to the country, which entitle him to a few years of rest and retirement after his many fruitful years of service.

I know, too, how much Mrs. George will appreciate the greater opportunities for home life when Senator GEORGE is relieved of some of the burdens which must always be borne by a man who, for so many years, has been prominent in public life.

I make this last statement because this afternoon I rode to the Capitol from the Senate Office Building in the car with Mrs. George. She told me that she felt she had been relieved of a great load today.

Mrs. Carlson and I wish for Senator GEORGE and Mrs. George—"Miss Lucy," as she is affectionately known—a well deserved retirement and rest.

Senator GEORGE is always a perfect gentleman. Not only does he possess great ability, but he is willing to visit and work with those who need his advice and counsel, particularly the younger Members of this body.

I am pleased that again the President has shown sound judgment and has demonstrated his ability to select well-qualified men for important places by offering to Senator GEORGE the most important position as our representative in NATO. In that position he can render outstanding service not only to this Nation but to the world. We would, indeed, be fortunate to have such a representa-

tive. I sincerely hope that he will accept the position.

Personally I shall miss Senator GEORGE's services. I first met him when I became a member of the Ways and Means Committee of the House of Representatives in 1938. At that time we began to deal with tax problems. It has been my pleasure to be associated with him for 6 years on the Senate Finance Committee. It was a distinct privilege to have the opportunity to know him and to work with him.

I wish for Senator and Mrs. George a well earned rest and retirement.

Mr. BRICKER. Mr. President, I listened with most sincere approval to the fine commendations which have been spoken in regard to our distinguished colleague, the senior Senator from Georgia [Mr. GEORGE]. Although it has not been my privilege to serve on any committees with him, I wish to add a word of personal appreciation for the counsel and help he has given me in many matters since I first came to the Senate. His door was always open. He had no party inhibitions which might have prevented him from talking over frankly, earnestly, and sincerely with me the problems with which I was concerned at the time.

We regret Senator GEORGE's departure from this body, but we all sincerely hope that he will cross our paths often, and will be frequently among us. We hope that his great talents will continue to be at the service of his Government, as they have been for so many years past.

I know of no one who has been more nobly endowed in so many ways. He has been endowed with ability and experience for the strenuous work in which he has been engaged for more than a quarter of a century in this body.

It has been a great privilege to be associated with him. I wish for him and his family many years of companionship, and, for those who serve their Government, the benefit of many more years of his service, guidance, and counsel.

Mr. BUSH. Mr. President, like the Senator from Kansas [Mr. CARLSON], I experience a conflict of emotions, in view of Senator GEORGE's decision about which we have just heard.

Over the years he has been a great tower of strength to the Senate. At first I watched his work from a distance, as closely as I could, especially during the 1930's, when he stood firm on matters of principle which were vital and important to our Nation's economy and to the credit of the Government of the United States.

During my service in the Senate it has been a great privilege to watch him more closely, and to appreciate the great force of his wisdom and personality, and the impact which his intellect has made upon the United States Senate. I doubt if it was ever more clearly shown than last year, at the time when we had under consideration the far eastern treaties pertaining to the islands off the coast of China. I believe Senator GEORGE did more at that time to unify the Senate on a difficult issue than anyone I have ever observed or read about. He supported the President's policy vigorously and firmly, and in such a way that those of us who were in doubt were able to resolve our doubts by reason of the wisdom of Senator GEORGE, and the forceful way in which he expressed his conclusions on that issue.

I can hardly refrain from saying a personal word to indicate what a great privilege has been his friendship and that of "Miss Lucy," his wonderful wife, for whom Mrs. Bush and I have formed a very real affection.

I have often wished that I might have attained a degree of dignity in the eyes of my wife which would cause her to call me "Mr. BUSH." "Miss Lucy" has always called her husband "Mr. GEORGE" over the many years of their close association. I think we admire them particularly because of the great courtesy which they show not only toward each other, but to all their friends.

We regret the departure of Senator GEORGE from the Senate. We know that both he and Mrs. George will remain close to us, because they are the kind of people who always remain close to their friends.

Mr. STENNIS. Mr. President, when Senator GEORGE announced his retirement from the Senate at the end of this calendar year I felt that I was losing a senatorial father. He has meant just that to me, and I am sure that many other Senators can say the same thing.

Senator GEORGE led us, not by patting us on the back. I do not remember ever having heard him ask me or any other Senator expressly to vote for any measure in which he was especially interested. I doubt whether he asked any other Senator to do so, unless that Senator first approached him. He led and guided us by his logic. He compelled us by the soundness of his own ideas and conclusions. This attribute and the fine qualities of his character and his wisdom and unselfishness all go to make up the real elements of constructive statesmanship. His influence has been so great, and its foundation so secure, that I believe we will still have him with us in many ways even beyond the time of his term of office in the Senate. His influence will live with us, and his example in his approach to matters of state and to the problems of the Nation will continue to be a shining light and a guide for us.

I recall that not too long after I became a Member of the Senate, I came into the Chamber during the latter part of a yea-and-nay vote, and I voted without hearing any of the arguments. Later someone asked me how I had voted. I replied that I had voted against the bill then pending. The person said to me, "Well, there is no use asking you why you voted as you did; you did not hear Senator GEORGE's argument." That was true, Mr. President. Many times we have been indebted to him for his counsel. We have also been indebted to him for his speeches on the floor of the Senate, whereby, because of his compelling logic and sound reasoning, he was able to change votes on the floor, to change the outcome of a vote on an amendment, or on a bill.

Along the line of what was said by the Senator from Connecticut [Mr. BUSH] that Senator GEORGE's wife refers to him as "Mr. GEORGE," I have never been able to say "Walter," when referring to him, as we ordinarily refer to another Member of the Senate by his first name. It is because there is something compelling about Senator GEORGE's innate dignity, which commands, from my viewpoint, at least, that I give him the great title of gentleman. In the area from which I come, to call a man "Mister" is to give him the title of gentleman.

Mr. President, I should like to say about Senator GEORGE's retirement from the Senate that if he had felt he was physically capable of making a campaign, he would have made it. In view of his thought and his conclusion on that point, I am willing to take his judgment and abide by his verdict, that from a physical standpoint he has probably extended his years of service as far as he feels justified.

I know his influence will continue to be felt in the Senate. I believe he will continue to serve his Nation in some capacity in a truly great way; and from that service I hope he will reap great rewards and satisfactions.

Certainly he can leave the Senate with the knowledge that he is honored and respected, and that he has carved out a career which has brought him enduring fame. As he goes from the Senate, his fine life companion will go with him. She, too, can know that she has played a major part in, and has made a great contribution to, her distinguished husband's career and has been a source of inspiration to him. Among those who have had the pleasure and privilege of being associated with her there are included, of course, our wives, who appreciate and greatly love her.

Mr. MARTIN of Pennsylvania. Mr. President, when I heard this morning that Senator GEORGE had determined to retire from the Senate, I regretted it exceedingly. I had the privilege of becoming a member of the Committee on Finance when I first came to the Senate. As a result I have been very closely associated with Senator GEORGE during the past 10 years.

During that service, year after year, and day after day, I always considered Senator GEORGE to be an outstanding American. I know he has always made his decisions based on what he thought was in the best interest of America. He was a strong partisan, but he never hesitated to lay aside party considerations if that would result in greater benefit to his country.

My colleagues have made reference to the beautiful association that exists between WALTER GEORGE and "Miss Lucy." They have been an exemplary couple. I have enjoyed their friendship very much. I trust that they will come back frequently and visit with us. I am glad that Senator GEORGE will have an opportunity of continuing to serve America. I consider WALTER GEORGE a granite American. He is a patriot first. He has profound knowledge of his country and of its needs, and he exercises that knowledge for the benefit of the Nation.

Mr. DANIEL. Mr. President, I wish to associate myself with the words of tribute which have been spoken by our colleagues today in behalf of the distinguished senior Senator from Georgia, the Honorable WALTER F. GEORGE.

Despite his greatness, ability, and busy schedule, Senator GEORGE has been available always for counsel and advice to those of us who are younger in point of service in the Senate.

From the first day of my service in the Senate in 1953 until the present time I have depended upon Senator GEORGE for help in arriving at many of my official and personal decisions, and I know that the same has been true of many of the other younger Members of the Senate.

In the future the wise counsel and patriotic statesmanship of Senator GEORGE will be missed by the Senate and the Nation.

I can add nothing to what has been said except my personal word of appreciation for the honor of having served with Senator GEORGE in the United States Senate, and the inspiration and assistance which he has furnished all of us who have had the privilege of being numbered among his colleagues.

Mr. CASE of South Dakota. Mr. President, I have not had the privilege of serving on a committee with Senator WALTER F. GEORGE, the distinguished senior Senator from Georgia. But I did have the privilege of sitting as a member of the Committee on Armed Services in the joint sessions of the Committee on Foreign Relations and the Committee on Armed Services at which the two distinguished Senators from Georgia presided. The senior Senator from Georgia [Mr. GEORGE] presided as chairman of the Committee on Foreign Relations and the junior Senator from Georgia [Mr. RUSSELL] presided as chairman of the Committee on Armed Services at the joint session of the two committees when they were considering the so-called Formosa resolution last year.

The deliberations lasted for about 3 days, and at their close one of the very highly respected senior Senators of the Senate made the remark that in his 20 years of service in the Senate he had never been called upon to vote on a more important question. I mention that merely to reflect the atmosphere of the committee sessions at which the Senator from Georgia presided as the primary chairman. The fact that out of the joint sessions of the committees came a resolution of a character which commanded the respect and support it did in the Senate was in no small degree due to the wise guidance of the sessions of the joint committees by Senator GEORGE.

In another capacity I suppose I have had an experience which, so far as I know, no other Member of the Senate has had. When the select committee was created a few months ago to investigate a certain incident, the Senator from Georgia was named chairman of that committee. To a degree which I did not realize at the time, my own veracity, and my own standing in the Senate, perhaps, were at stake at the time. In going before that select committee, I, as a person whose statement was being investigated or considered, had no doubt in my own mind of the fairness and sound approach which would be taken by the committee under the chairmanship of Senator GEORGE.

I may be pardoned for saying that under those circumstances no higher expression of confidence could be given by anyone than the attitude I had in my own mind and heart when I knew that Senator GEORGE was selected as chairman and was to preside during that particular study and investigation.

Mr. President, throughout my entire experience in the Senate and in the House of Representatives Senator GEORGE has been regarded as one of the great statesmen of the United States. That was true at the time when it was reported that an effort was to be made to "purge" him. He commanded the confidence of the people of the Nation. He has never lost their confidence. He has stood as an example of unselfish patriotism, as a person utterly devoted to the welfare of his country, regardless of how his attitude might affect his personal standing at any particular time.

I wish to join with other Senators who have paid their tribute to Senator GEORGE.

I should like to say also that Mrs. Case has told me many times of the very high respect she has for the great lady known as "Miss Lucy." Mrs. Case and I join others in the high regard held for this couple. We are proud of the fact that the President of the United States has indicated that he has more work for this honorable elder statesman to perform.

Mr. ERVIN. Mr. President, I should like to follow the good old North Carolina custom and say that I am in hearty accord with everything which has been said about Senator GEORGE. Furthermore, Mr. President, all of us will always retain at "100 percent of parity" our admiration for Senator GEORGE and our love for "Miss Lucy."

Mr. BRIDGES. Mr. President, I wish to join with my colleagues of the Senate by adding my tribute to a good friend and a great American, WALTER GEORGE, and to wish him and Mrs. George years of happiness and pleasant associations in the work which he is about to undertake. The years of service which he has given to his country have redounded to its benefit, and his association and his leadership have been an inspiration to me during the 20 years I have served in the Senate. I wish him well in everything he may undertake.

Mr. MILLIKIN. Mr. President, I ask unanimous consent that I may be seated while I address the Senate for a moment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLIKIN. Mr. President, since I have been a Member of the Senate I have been, almost from the very beginning of my service, a member of the Senate Finance Committee. For a short time I was chairman of that committee, but always I worked in close cooperation and companionship with Senator GEORGE. A man may deem himself to be highly honored to have had that privilege.

During my experience on the Senate Finance Committee Senator GEORGE took the leadership in placing the work of that committee above narrow partisan considerations.

Mr. President, I wish to invite attention to two things. I do not know of any change which has ever been made in the staff of the Senate Finance Committee or in the staff of the Joint Committee on Internal Revenue Taxation, which serves the Senate Finance Committee, that has ever been made for partisan reasons. So far as I am concerned, and I am sure it is true of Senator GEORGE, there were no changes made in the staff. I took over the staff which Senator GEORGE had when I became chairman of the committee, and it was continued after I left the chairmanship.

Mr. President, I can add nothing to what has been said here today, and I shall not attempt to do so. I wish to express my gratitude for being able to say that Senator GEORGE is a thoroughly good man, and we shall miss him very much.

Mr. President, I wish to say a few words about the great lady who graces his home. Miss Lucy is certainly a lovely lady, and their devotion to each other has made their marriage an ideal one. Mrs. Millikin and I shall miss these true friends. I wish for them many more years of happy life together and success in their future.

Mr. MCCARTHY. Mr. President, I should like to compliment the Senator from Colorado for his outstanding attendance on the Senate floor, even though he has some temporary difficulty. I think he is due a vote of gratitude from all Senators and from all the people of the country for coming here as he does day after day and attending every session of the Senate.

Mr. BUSH. Mr. President, I should like to join with my distinguished friend from Wisconsin in acclaiming the Senator from Colorado for his attendance on the sessions of the Senate, and also for what the Senator from Colorado has just said about the distinguished Senator from Georgia. I doubt that there is any Senator on this side of the aisle who has had a better opportunity to judge the Senator from Georgia than has the Senator from Colorado. We are all very grateful to him for the thought which he has expressed and for his feeling of regard for the Senator from Georgia.

Mr. MARTIN of Pennsylvania. Mr. President, the Senate of the United States is very fortunate to have men like the Senator from Georgia [Mr. GEORGE] and the Senator from Colorado [Mr. MILLIKIN]. I have observed the Committee on Finance during the past 10 years. It is the committee which is in the best position to study the tax laws of our country as they affect the various segments of industry and the various segments of our society. The Senate of the United States is very fortunate in having on the Finance Committee two Senators of the great ability and character of Senator GEORGE of Georgia and Senator MILLIKIN of Colorado.

The PRESIDING OFFICER (Mr. KERR in the chair). With the indulgence of the Senate, the Presiding Officer at the

moment wishes to commend the statements made by the Senator from Pennsylvania [Mr. MARTIN] and the Senator from Wisconsin [Mr. MCCARTHY] about the great Senator from Colorado [Mr. MILLIKIN], and the remarks of the Senator from Colorado about our distinguished colleague from Georgia [Mr. GEORGE].

Mr. MURRAY. Mr. President, it was with profound regret that I heard the announcement of the senior Senator from Georgia that he would not seek reelection to the seat he so ably filled for many years.

When I came here 22 years ago, WALTER GEORGE was already an experienced and highly respected Member of the Senate. His legal training and logical mind made his counsel and advice in debate invaluable.

It was my privilege to serve with Senator GEORGE on the Foreign Relations Committee before the Congressional Reorganization Act of 1946. There I quickly learned to recognize his grasp of intricate problems involved in foreign affairs. His skill in dealing with delicate diplomatic matters always impressed the Senate. Since then his ability in this field has been recognized, not only in the United States, but throughout the world. He is known as one of the greatest authorities on, and one of the most skilled practitioners of the delicate art of diplomacy.

He has conducted the affairs of the Senate Foreign Relations Committee without a tinge of partisanship. Whatever successes this administration has had in the field of foreign policy must be shared in good measure by this illustrious Democratic chairman of the Foreign Relations Committee.

I know of no former or present Member of Congress who has had as strong and beneficial an influence on United States foreign policy and world affairs as has Senator GEORGE. He has achieved this rank by virtue of his vision, ability, and plain hard work. Yet he somehow manages to find the time to influence the Congress in enactment of domestic legislation. And I need not dwell on his particular value to the region and the State he has so ably represented. He was a genuine statesmen of the Nation.

We here in the Senate have been privileged to learn of other qualities in Senator GEORGE in addition to those which gained him worldwide renown. He is a gentleman of the old school. He is the kind of man whose every acquaintance and associate is the finer for having known and worked with him.

I am proud to count WALTER GEORGE as my good friend, and to have had the pleasure of serving with him these many years in the United States Senate. Our country will lose a great national leader, the Senate will be the poorer for his going, and I extend to the distinguished senior Senator from Georgia and his charming wife every good wish for many years of peaceful retirement with good health and happiness.

Mr. MAGNUSON. Mr. President, I would be derelict in my affection for the distinguished senior Senator from Georgia [Mr. GEORGE] if I did not add to the deserved remarks made about him today in the Senate. There is not much more I could say than that I deeply regret the retirement from the Senate of a great American.

Mr. BEALL. Mr. President, I was very much disappointed to learn that the distinguished senior Senator from Georgia had announced his retirement from this body. I have come to know Senator GEORGE as one of the great American statesmen. His loss will be felt by all of us. It is a loss not only to the people of Georgia, but to the country as a whole.

This is true because he has consistently acted for the good of all the people of this Nation.

Because of this, he has gained a reputation which has cut across State lines and party affiliations.

As a friend, as a colleague, and as a representative of the people of Maryland, I certainly regret his retirement.

Mr. BUTLER. Mr. President, one could not long be a Member of this distinguished body without first learning to respect the great Senator from Georgia and then to love him. It has not been my privilege to serve on a committee with that great man, but I have had the privilege of sitting here in the Senate for the past 6 years and of having heard the Senator from Georgia debate momentous national and international issues. I have never seen the time in the Senate, when we were all perplexed by some of the problems which confronted us, that the Senator from Georgia did not rise and, in his very calm and dispassionate way, advise and counsel the Senate and ultimately put us on the right course of thinking.

In the short time I have been in the Senate, the Senator from Georgia has debated with great skill and apparent ease such issues as troops-to-Europe the Bricker amendment and other equally important questions.

I am very sorry to hear that he is about to leave the Senate. I can think of no greater demonstration of the loss which the Senate and people of the country will suffer than to see the great and distinguished Senator from Colorado [Mr. MILLIKIN] "fill up" at the thought of Senator GEORGE's leaving us.

I wish to join with my colleagues in telling the Senator from Georgia and his lovely wife, whom I just met casually, how much I shall miss them. I wish the Senator Godspeed, and great success, which I know he will have, in any task he may undertake.

Mr. JOHNSTON of South Carolina. Mr. President, it is with considerable regret that I have learned of the plans of my beloved friend, WALTER GEORGE, the foremost statesman of the Senate, to retire. Throughout the time of my service in the Senate he has been an inspiration, certainly to me, and I believe to all of those who served with him. At all times he has placed above politics what he believed to be for the welfare, protection, and best interests of the United States.

He has been a genuine, humble servant of the people, without rashness, without intemperance and without bigotry regardless of what troubled or honors arose in his path of service. I shall miss the snowhaired gentleman from Georgia.

Mr. HILL. Mr. President, I want to express my deep regret over the departure from the Senate of my friend, my neighbor, and my wise counselor, Senator GEORGE. When I first entered the Senate some 18 years ago, there were in this body such giants as Senator William E. Borah, of Idaho; Senator George W. Norris, of Nebraska; Senator Hiram W. Johnson, of California; Senator Alben Barkley, of Kentucky; Senator Carter Glass, of Virginia; and Senator Pat Harrison, of Mississippi; and Senator George stood as a giant among the giants. It was my privilege to present him at a great gathering of Georgians and Alabamians at the breaking of ground for the Fort Gaines Dam last fall. In my words of presentation, I declared that if one were to walk into the gallery of the Senate, see every Senator in his seat, and the Chamber so quiet that the drop of a pin could be heard, one could well know that Senator GEORGE was the Senator addressing the Senate, because he was the most commanding figure in the Senate. By virtue of his ability, his industry, his character, and his magnificent leadership, Senator GEORGE has been a commanding figure from the day he first entered the Senate. The story of his speeches, his deeds, his accomplishments, and his leadership, is a brilliant chapter in the history of our country. So long as men love justice and cherish free institutions, WALTER GEORGE will be remembered. We shall sorely miss him. Our consolation in his going is in the knowledge that our country will have at NATO a spokesman, a representative and a statesman worthy of America's noble heritage and her finest traditions.

Mr. MONRONEY. Mr. President, I should like to join the majority and minority leaders and other Members of the Senate in expressing my deep regret in the decision of Senator GEORGE to retire from the Senate at the expiration of his present term.

During the many years of my interest in Congress—during my years of service here—Senator GEORGE has always represented the finest traditions of this great body.

To the average American, to our Government, to our colleagues, and to the freedom-loving nations of the world, the name of Senator GEORGE has been like the word "sterling" on true silver.

Senator GEORGE, during his many years of constructive service in the Senate, has not only distinguished himself by his leadership, his character, and his ability, but has reflected by this great service distinction also on our democratic processes and upon the legislative system.

As an individual, I regret to lose the friendly association I have enjoyed with this great leader. As a legislator I regret that loss of his advice, his counsel and his ability to give leadership to varying viewpoints within the Senate all because of the great respect in which he was held by all Members.

The record he has made by great service on both the domestic front and in the field of world peace will stand forever as

a tribute to one of Georgia's greatest sons.

I wish him all the success in the world in his new undertaking in behalf of strengthening the forces of the free world under NATO. It is characteristic of his great fighting spirit to be willing to extend his service continuously in the cause of a just and a lasting world peace.

VISIT TO THE SENATE OF A DELEGATION FROM THE GERMAN BUNDESTAG

Mr. SPARKMAN. Mr. President, there is seated in the back of the Senate Chamber a delegation from the German Bundestag. The members of it are visiting in this country under the cultural exchange program of the State Department. We are honored in having them visit the Senate Chamber on this day. They have been present during the time eulogies have been paid to the Senator from Georgia [Mr. GEORGE] as chairman of the Foreign Relations Committee. I know they have enjoyed those eulogies.

Mr. President, I should like at this time to have the privilege and honor of presenting the members of the delegation individually to the Senate, and I ask unanimous consent that there may be printed in the RECORD at this point a brief biographical sketch of each member of the delegation.

There being no objection, the biographic sketches were ordered to be printed in the RECORD, as follows:

(a) Full name: Dr. Fritz Hellwig.

(b) Place and date of birth: Saarbruecken (Saar), August 3, 1912.

(c) Citizenship: German.

(d) Home address: Duesseldorf-Oberkassel, Rheinallee 130.

(e) Academic training: Vienna and Berlin Universities, Ph. D.; Dr. habil., Heidelberg.

(f) Present position: Director of the Institue of German Industries in Cologne: Bundestag deputy (member of the CDU/CSU Bundestag faction).

(g) Previous positions: 1933–39, Chamber of Commerce Saarbruecken; 1937–38; Lecturer at Teachers' College, Saarbruecken; 1939–43, Regional Association of Iron and Steel Manufacturers, Duesseldorf and Saarbruecken (managing director).

(h) Knowledge of English: Fluent.

(i) United States program interests: Foreign policy discussions, State Department, visit to the Pentagon and discussion of procedures for letting contracts to industry in the defense field, talks with congressional leaders and committee staffs. Also interested in the following subjects: cartel and trade union problems, church-state relations, documentation and scientific research in the parliamentary field, labor-management and public relations in industry, the social impact of industrial development and automation.

(a) Full name: Ernst Mueller-Hermann.

(b) Place and date of birth: Koenigsberg (Prussia), September 30, 1915.

(c) Citizenship: German.

(d) Home address: Bremen, Kirchbachstr. 88.

(e) Present position: Editor; Bundestag deputy (member of the CDU/CSU Bundestag faction).

(f) Past positions: 1945–46, translator with the American Military Government (transportation section), Bremen; 1946–48, state business manager of the CDU in Bremen; 1948–51, editor of the Weser-Kurier, Bremen; 1946–52, member of the Bremen parliament; member of the first Bundestag.

(g) Knowledge of English: Adequate for individual travel.

(h) United States program interests: Discussions with journalists, the National Press Club, foreign-policy discussions, State Department, visit to Pentagon, discussion of problem of civilian and congressional control over the Armed Forces, House and Senate Committees on Interstate and Foreign Commerce, Public Works Committee, Armed Forces Committee. Also interested in the following subjects: Traffic and transportation problems, road and highway construction and financing, city planning.

(a) Full name: Dr. Karl Atzenroth.

(b) Place and date of birth: Cologne, September 23, 1895.

(c) Citizenship: German.

(d) Home address: Koblenz-Metternich, Ruebenacherstr. 11.

(e) Academic training: Study of political economy at Bonn University, Cologne University, doctor's degree (political science).

(f) Present position: Bundestag deputy (faction of the Free Democratic Party); owner of furniture factory.

(g) Past positions: Member of first Bundestag (1949–53); president of the European Association of Furniture Manufacturers.

(h) Knowledge of English: Adequate for simple private conversations.

(i) United States program interests: Foreign policy discussions, State Department, visit to the Pentagon and discussion of procedures for letting contracts to industry in the defense field, talks with congressional leaders and committee staffs. Also interested in the following subjects: cartel and trade union problems, church-state relations, documentation and scientific research in the parliamentary field, labor-management and public relations in industry, the social impact of industrial development and automation.

(a) Full name: Prof. Dr. Ernst-Christoph Bruehler.

(b) Place and date of birth: Mannheim, February 12, 1891.

(c) Citizenship: German.

(d) Home address: Freiburg im Priesgau, Valentinstr. 11.

(e) Academic training: Freiburg University, Ph. D.

(f) Present position: Director of the Evangelic Teachers' Academy in Freiburg. Bundestag faction leader of the Deutsche Partei.

(g) Past positions: 1919–43, high-school teacher in Land Baden; 1934, appointed school director; 1929, member of the Landtag in Baden.

(j) Knowledge of English: Adequate for conversation.

(k) United States program interests: Foreign-policy discussions, State Department, visit to the Pentagon and discussion of procedures for letting contracts to industry in the defense field, talks with congressional leaders and committee staffs. Also interested in the following subjects: cartel and trade-union problems, church-state relations, documentation and scientific research in the parliamentary field, labor-management and public relations in industry, the social impact of industrial development and automation.

(a) Full name: Dr. Alfred Gille.

(b) Place and date of birth: Insterburg (East Prussia), September 15, 1901.

(c) Citizenship: German.

(d) Home address: Luebeck, Rudolph-Groth-Str. 26.

(e) Academic training: Doctor's degree at Koenigsberg University.

(f) Present position: Lawyer; Bundestag deputy (Refugee Party).

(g) Previous positions: 1927–28, Judge at the Lower Court in Koenigsberg; 1928–45, mayor of the city of Loetzen (East Prussia).

(h) Knowledge of English: Insufficient.

(i) Proposed activities in the United States: Foreign-policy discussions, State Department, visit to the Pentagon and discussion of procedures for letting contracts to industry in the defense field, talks with congressional leaders and committee staffs. Also interested in the following subjects: cartel and trade-union problems, church-state relations, documentation and scientific research in the parliamentary field, labor-management and public relations in industry, the social impact of industrial development and automation. In addition, Dr. Gille would like to meet with persons dealing with Eastern European problems, including, if possible, visits to institutes conducting research on Eastern Europe. Dr. Gille would also be interested in visiting legal institutions, including a court session.

(a) Full name: Hermann Runge.

(b) Place and date of birth: Conradsthal/Silesia, October 28, 1902.

(c) Citizenship: German.

(d) Home address: Duesseldorf-Lohausen, im Grund 64.

(e) Present position: Manager of SPD party office for the Regierungsbezirk Duesseldorf. Member of the Bundestag.

(f) Past positions: 1917–31, locksmith; 1931–33, secretary of SPD party office for the county of Moers/Rhineland; 1933–35, locksmith, and illegal SPD activities in Rhineland-Westphalia; 1935–45, imprisoned for political reasons and sentenced by the Volksgerichtshof for the preparation of high treason; 1945–46, secretary of SPD party office for the county of Moers; 1946–47, member of Land Parliament; 1948–49, member of Parlamentarischer Rat (constitution-making body of the Federal Republic).

(g) Knowledge of English: None.

(h) United States program interests: Foreign policy discussions, State Department, visit to the Pentagon and discussion of procedures for letting contracts to industry in the defense field, talks with congressional leaders and committee staffs. Also interested in the following subjects: cartel and trade-union problems, church-state relations, documentation and scientific research in the parliamentary field, labor-management and public relations in industry, the social impact of industrial development and automation.

Mr. SPARKMAN. Mr. President, I now present to the Members of the Senate Dr. Fritz Hellwig; Mr. Ernst Mueller-Hermann; Dr. Karl Atzenroth; Dr. Ernst-Christoph Bruchler; Dr. Alfred Gille, and Mr. Hermann Runge.

[Applause, Senators rising.]

PROBLEMS CONCERNING THE PEACETIME ATOMIC ENERGY PROGRAM

Mr. ANDERSON. Mr. President, the Joint Committee on Atomic Energy is about to begin hearings on some fundamental problems which may well affect the future of the entire peacetime atomic energy program. These hearings were announced in my floor statement on April 26, and are scheduled to commence next Tuesday, May 15. Today I would like to say a few words more about their importance and about the objectives we hope to accomplish.

Two bills before the committee, H. R. 9701 and H. R. 9802, concern the question of public liability, or insurance, of companies engaged in the atomic energy program. As Senators know, the Atomic Energy Act of 1954 was intended to encourage private industry to construct and operate nuclear plants for

the generation of electrical power. The progress in this field to date has been slower than anticipated. During the past year the committee has been informed by private utilities and equipment companies that certain problems must be solved before they can proceed in the atomic power field.

Chief among these problems is the question of liability to the public of manufacturers and operators of nuclear reactors in the very remote event of a reactor accident. The two bills before us are intended to provide the needed protection for the companies against unlimited liability. We have invited interested parties to testify, and we have requested industrial witnesses to disclose any other roadblocks which they believe stand in the way of progress of private industry in this very important field.

After considering the insurance problem, we will commence public hearings on Wednesday, May 23, on S. 2725, known as the Gore bill, and on other proposals for accelerating the civilian reactor program. The Gore bill authorizes and directs the Atomic Energy Commission to build six nuclear power reactors to assure advancement of the nuclear art, either in addition to, or in the absence of, private industrial participation.

As you know, Mr. President, there has been mounting concern both within the Joint Committee on Atomic Energy and elsewhere as to whether or not the United States can maintain its position of world leadership in the industral and other peaceful applications of atomic energy, especially in view of significant progress reports made by the Soviet Union, and by our friends in Great Britain and France.

The joint committee has been continuously studying the world picture and our domestic status in the atomic energy field during the 84th Congress.

Thus, the committee members attended and observed the many interesting developments demonstrated at the International Conference on the Peaceful Uses of Atomic Energy at Geneva last summer. Also, following this, a panel of leading citizens, organized by the committee and known as the McKinney panel, studied and reported on our status and our future.

In addition, the committee conducted public hearings during the first 60 days of this session, in accordance with section 202 of the Atomic Energy Act, in order to study and hear testimony on the growth, development and future of the atomic energy industry. Following this, we conducted public hearings on the report of the McKinney panel.

In addition to these efforts, the committee conducted an informal advisory seminar to explore, with the help of many interested parties, the question of public liability as its affects civilian reactor progress. This seminar was most constructive in that it permitted the committee to receive a frank presentation of industry's views on this serious matter.

The time is now at hand, Mr. President, for our committee to place the whole situation in perspective, to examine the issues before us, and to provide congressional leadership in setting further objectives and policies to guide our civilian atomic energy program. Although consideration of the insurance problem has delayed congressional analysis of the whole civilian reactor problem, it is my hope that some action on both fronts can be taken in the present session of Congress. We cannot afford further delay. It is time that we attain a position where we may offer to the people of this country and to the free people of the world a product which is both advanced in concept and in being—not just paper plans and promises.

Our committee proposes to proceed in the following manner:

First, we feel that we must know more about the specifics of reactor hazards, safety practices, and insurance coverage. This is the purpose of the first set of public hearings on the question of public liabilty. We also want to identify other road blocks, if any, to private development.

Next, in executive session, we will examine the international aspects in order to compare the progress of the United States with that of other countries in this field. Here and in the public hearings which follow we will attempt to assess what would be the effect in the position of the United States in the world if we ceased to be the leading nation in the peaceful uses of atomic energy.

Finally, we will consider the Gore bill and other proposals for accelerating the program through Government construction of additional power reactors. Here we will want to determine the status of private atomic energy projects, and consider what additional efforts, if any, are required.

The McKinney panel, in its report, stated that if private industry does not or cannot assume the full risks and burdens of the nuclear power development, then the Government must do the job. Thus if Congress is expected to grant concessions to private industry, in addition to insurance or indemnity coverage in order to back up a lagging program, it may well conclude that more direct Government sponsorship and initiative is required to get the show on the road. This would not necessarily mean complete Government financing or construction of atomic powerplants. It could mean, for example, a cooperative arrangement such as the Shippingport project, where the AEC through its contractor is constructing the reactor and the Duquesne Power Co. is responsible for constructing the generating facilities and operating the entire plant.

After these hearings, I hope that our committee will be able to report to the Congress whether or not we believe that greater Government participation, in addition to that of private industry, is now required.

At the end of these hearings we should be able to report to Congress and to tell you, Mr. President, what, if anything, needs to be done to assure necessary atomic progress in the United States in order to maintain world leadership and to develop and conserve our own natural resources. Congress will then be in a position to take such steps as it considers necessary in order to achieve these objectives.

CONSTRUCTION OF NUCLEAR-POWERED PROTOTYPE MERCHANT SHIP

Mr. MAGNUSON. Mr. President, I wish to discuss a matter which I hope the distinguished minority leader has had an opportunity to consider.

Calendar No. 1285, S. 2523, is a bill to authorize the construction of a nuclear-powered prototype merchant ship for operation in the foreign commerce of the United States.

The PRESIDING OFFICER. The Chair must advise the Senator from Washington that the Senate is operating under a unanimous-consent agreement.

Mr. MAGNUSON. I merely wished to ask unanimous consent that the bill be taken from the calendar and recommitted to the Committee on Interstate and Foreign Commerce.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request made by the Senator from Washington?

Mr. KNOWLAND. Mr. President, temporarily reserving the right to object, I believe the request will be agreed to, but there is one member on our side of the aisle with whom I should like to discuss the question.

Mr. MAGNUSON. I have made the request now because the distinguished chairman of the Joint Committee on Atomic Energy [Mr. ANDERSON] is on the floor.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. ANDERSON. I wish to tell the distinguished minority leader that I have had 2 or 3 suggestions recently from the Chairman of the Atomic Energy Commission that plans are not available for a nuclear type merchant ship.

The resolution which is before the Senate, as the Senator from California will remember, embraces two ships, a merchant ship and an exhibit ship. It seems difficult to provide for a combined proposal. I therefore thought the bill might be recommitted to the Committee on Interstate and Foreign Commerce, as the House has done with a similar bill, and have the committee report a bill on the merchant ship, and then discuss with the Chairman of the Atomic Energy Commission what further action, if any, he desires to take.

Mr. KNOWLAND. I am certain the matter can be cleared up this afternoon.

The PRESIDING OFFICER. Does the Senator from Washington temporarily withhold his request?

Mr. MAGNUSON. Yes.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Has the Senate returned to the consideration of the unfinished business?

The PRESIDING OFFICER. The Senate has not taken positive action to return to that status. The Chair was about to recognize the junior Senator from Maryland, under the impression that he desired to make some remarks about the distinguished Senator from Georgia.

Mr. BEALL. That is correct, Mr. President.

[Mr. BEALL addressed the Senate in tribute to Senator GEORGE. His remarks appear elsewhere at the appropriate place in today's RECORD.]

TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER (Mr. KERR in the chair). By unanimous acquiescense, the Senate, for the past 2 hours, has been engaged in paying tribute to the distinguished senior Senator from Georgia. The Senate will now return to the unfinished business.

The Senate resumed the consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado [Mr. ALLOTT], on page 85, line 11.

Under the unanimous-consent agreement, the time for debate on the amendment is limited to 30 minutes, to be equally divided between the Senator from Colorado and the majority leader.

Mr. CASE of New Jersey. Mr. President, will the Senator from Colorado yield so that I may propound a parliamentary inquiry?

Mr. ALLOTT. Yes.

The PRESIDING OFFICER. The Senator will state it.

Mr. CASE of New Jersey. I believe the amendment offered by the Senator from Colorado is subject to a point of order on the ground of nongermaneness, under the unanimous consent agreement. I do not care to interrupt the Senator from Colorado, but I should like to reserve time to make the point of order at the earliest appropriate moment.

The PRESIDING OFFICER. The Senator will have the right to do that at an appropriate time.

Mr. ALLOTT. May I inquire if the Senator is making the point at this time?

Mr. CASE of New Jersey. Perhaps in the interest of saving time, it would be appropriate for me to make the point now.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. ALLOTT. I do not choose to yield any time for that purpose at this time. I do not want to argue the germaneness of the amendment at this time.

The PRESIDING OFFICER. The Senator from Colorado is entitled to the floor for 15 minutes. How much time does he yield himself?

Mr. ALLOTT. I yield myself 10 minutes.

Mr. MORSE. Mr. President, will the Senator yield for a unanimous consent request? I should like to suggest the absence of a quorum. I understand the majority leader wishes to have a quorum call before the Senate starts this debate. I should like to have unanimous consent that there be a quorum call, without the time being taken from either side.

Mr. ALLOTT. I would not object to such a request.

Mr. MORSE. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. KNOWLAND. Mr. President, I should like to have the Senator yield a moment, because it seems to me the suggestion has been made that a point of order might be raised. If the point of order should be sustained, the time used to discuss the amendment would largely be wasted effort. I do not believe the point of order which has been suggested is valid, because, as will be found, the original bill as introduced and then reported from the committee with the committee amendment, dealt with the very subject matter with which the Senator from Colorado is dealing in his amendment.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. ALLOTT. I should like to ask that the discussion on the point of order not be charged to my 15 minutes.

The PRESIDENT pro tempore. The discussion on the point of order will not be charged to the time of the Senator from Colorado.

Mr. KNOWLAND. I was going to say that since the Senator from New Jersey has suggested a point of order would be made, I thought, to save the time of the Senate, the point of order might be made first, because, if the point of order should be sustained, the debate on the amendment would be pretty much wasted effort, and it might be better to have the point of order settled now.

Mr. MCNAMARA. Mr. President, I shall be glad to yield such time as the Senator from New Jersey needs to make the point of order.

The PRESIDENT pro tempore. The Senator from New Jersey is recognized.

Mr. CASE of New Jersey. Mr. President, the amendment offered by the Senator from Colorado would amend the act approved August 9, 1955, Public Law 330, of the 84th Congress, and would provide that for the purposes of this act the government of the District of Columbia and the authority—that is to say, the Transit Authority proposed by the pending bill—"shall be deemed to be agencies of the United States, and such act shall in every respect be applicable to the officers and employees of the government of the District of Columbia and of the Authority."

The unanimous-consent agreement provides, in part, that "no amendment that is not germane to the provisions of the said bill shall be received."

Mr. President, it seems to me quite clear that nothing in the bill now being considered by the Senate contains any reference to the provisions of the act referred to in the amendment of the Senator from Colorado, namely, the act of August 9, 1955. It is quite true that in the bill as originally introduced, reference was made to that act; but the bill was reported by the committee to the Senate with amendments; and the amendment of the Senator from Colorado is offered, not to the original bill, but, rather, to one of the amendments. The subject matter of the amendment of the Senator from Colorado is not contained in the amendment in the nature of a substitute, reported by the committee.

Therefore it seems to me to be clear that the amendment of the Senator from Colorado is not germane, and should at this time be ruled out of order, on the point of order.

Mr. KNOWLAND. Mr. President, I should like to be heard on the point of order.

The PRESIDENT pro tempore. The Senator from California is recognized.

Mr. KNOWLAND. Mr. President, I submit that the point of order against the amendment of the Senator from Colorado is not valid, for the reason that Senate bill 3073, which was introduced in the Senate, and deals with this whole subject matter, contained the very language dealt with by the amendment.

I call attention to page 43 of the bill, which reads, in part, in the language stricken out by the committee amendment:

> For the purposes of the act approved August 9, 1955 (Public Law 330, 84th Cong.; 69 Stat. 624), the government of the District of Columbia and the Authority shall be deemed to be agencies of the United States, and such act shall in every respect be applicable to the officers and employees of the government of the District of Columbia and of the Authority.

Then, Mr. President, I submit that in the committee amendment there are to be found a whole series of provisions dealing with the District of Columbia Unemployment Compensation Act, the Longshoremen's and Harbor Workers' Compensation Act, and other matters which were dealt with in the original bill—one of the few eliminated being this particular section.

Under those circumstances, I submit that the bill deals with the matter of the public authority for the Transit Authority for the District of Columbia; that this is a pertinent part of any public ownership or public authority, and is within the jurisdiction of the Congress; that it was originally intended to be within the jurisdiction of the very bill we are considering; and that therefore the point of order does not lie.

The PRESIDENT pro tempore. Are there further remarks to be made on the point of order? If not, the Chair is prepared to rule.

In the opinion of the Chair, the point of order is not well taken; and therefore the point of order is overruled.

The question recurs on agreeing to the amendment of the Senator from Colorado [Mr. ALLOTT] to the committee amendment.

Mr. ALLOTT. Mr. President, I desire to modify my amendment, because as it

is written, I believe it poses some extraneous matters which I do not wish to have introduced into the determination of the question I shall discuss this afternoon. Therefore, I ask unanimous consent that my amendment be modified, so that in line 4 and following, it will read:

"(10) For the purposes of the act approved August 9, 1955 (Public Law 330, 84th Cong.; 69 Stat. 624), the Authority shall be deemed to be an agency of the United States, and such act shall in every respect be applicable to the officers and employees of the Authority."

As previously written, my amendment also included the words "the government of the District of Columbia." Because that involves other questions, I do not wish to have the issue on the determination of this amendment clouded by additional questions.

The PRESIDENT pro tempore. Without objection, the amendment of the Senator from Colorado to the committee amendment will be modified accordingly.

Mr. ALLOTT. Mr. President, in discussing my amendment to the committee amendment, I realize it is very difficult to suggest an amendment of this sort without being accused of being either prolabor or antilabor—in this instance, antilabor. But I desire to assure the Members of the Senate that in submitting the amendment, there is not in my mind, and there never has been, any thought of being antilabor.

As a matter of fact, I believe that the hearings on the bill show that repeatedly during the course of the hearings I submitted to the bill amendments which were for the purpose of spelling out and strengthening the position of the employees. As a matter of fact, the Senate has adopted two of those amendments this afternoon, and they materially strengthen and clarify the position of the employees in this matter.

Less than a year ago there was a strike in the Capital Transit system in the District of Columbia. It is not necessary for us to determine who was responsible for the strike. But I think I may well repeat some of the words used at that time by the distinguished Senator from Oregon [Mr. MORSE], who, when speaking last year, said:

This has not been an easy task, but I am satisfied that as a result of the cooperation we have received from our colleagues, we have brought to the Senate today, in behalf of the Commissioners of the District of Columbia, a bill for which the Commissioners have asked to enable them to perform their governmental duties in the District of Columbia, and to provide the many thousands of suffering people of the District with the transportation service they need.

In saying that, the Senator from Oregon said what many of the rest of us also said, namely, that the District of Columbia was, in fact, in dire straits because of the suspension of service.

Again I say I do not charge the union or the employees or anyone else with the responsibility for that situation. Suffice it to say that there was a strike, that many people were walking to work, that some of them were riding bicycles to work, and that the police force was spending from 12 to 14 hours a day on the streets, directing traffic, while the strike continued.

For our purposes, it is sufficient to state that the actual governmental functions of the Nation were impeded, and in some cases were stopped, because of the existence of the strike.

What is the situation today? During the course of the hearings on the bill, several questions were asked of the representatives of the employees, as to their wishes with respect to arbitration and other matters governing employee-employer relationships. I may say that, in my opinion, and to the best of my recollection, there is written into the bill every request they made for their protection. Voluntary arbitration is called for by the bill. In fact, so far as I can recall, everything else they requested is included in the bill to protect them.

From page 279, in volume 4, of the hearings, I quote what was said at the time:

Mr. BIERWAGEN. I can pledge you my word that if they will give to us a binding arbitration clause, we will give to them a no-strike agreement. But they must give to us a binding arbitration clause—not compulsory. We want them to volunteer to submit all issues not resolved by negotiation to final and binding arbitration. That is a self-imposed restriction. We have that on our side.

On the same matter, I quote from volume 3, page 229, of the hearings, a statement made by the same gentleman:

Voluntary contractual arbitration is the soundest and fairest terminal procedure for settling transit labor disputes when direct negotiation fails. Such arbitration has been actively sponsored by our international union for many years, and today it is generally accepted by both management and local labor representatives throughout the industry. Most public-transit authorities have followed the established practice of private industry in this respect, and their labor contracts include arbitration procedures. State and local governments and the Federal Government enacted laws to enforce or to encourage the use of arbitration, particularly in vital transportation industries. In the amendment which we have proposed, we have included arbitration machinery following the traditions and techniques that in the past have worked most successfully in the industry.

That is the end of the statement by Mr. Bierwagen.

What have we provided in the bill? I read from page 82, line 5:

In case of dispute over wages, salaries, hours, working conditions, health and welfare, insurance or pension or retirement provisions where collective bargaining and mediation do not result in agreement, the Authority may agree—

That makes it voluntary—

to submit such dispute to a tripartite board of arbitration and shall agree with such accredited representatives or labor organization that the decision of a majority of any such arbitration board shall be final and binding. Each party shall agree in advance to pay half of the expense of such arbitration.

The effect of that language is that, although the arbitration is voluntary in the first instance, the parties, having submitted themselves to arbitration, have both thereupon become bound by the final decision of the board of arbitration.

I am informed by representatives of the union—and I think it is generally conceded to be a fact—that if there is to be a no-strike provision in the bill, arbitration should be compulsory. I therefore tell the Senate very frankly that in the event my amendment is agreed to, it is my intention to offer another amendment, amending line 9 on page 82 so that the word "may" will read "shall," thereby making arbitration compulsory, and providing a method for accomplishing that purpose.

I know that as a general rule compulsory arbitration is not acceptable to those who deal with labor matters. However, it has been agreed that if my amendment should be adopted the bill would be better with the compulsory arbitration feature. The public law to which the employees would become subject is Public Law 330, which provides that no person shall accept or hold office or employment in the Government of the United States, or any agency thereof, if he participates in any strike or asserts the right to strike against the Government of the United States or such agency.

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. ALLOTT. I yield myself another 3 minutes.

I know that the argument will be made that this activity is a proprietary function of the Government. An unusual problem is posed by the contention that this is a proprietary function rather than a governmental function, and that therefore the right to strike should not be taken from the employees.

However, I remind Members of the Senate that less than 9 months ago the governmental functions of this country were tied up and brought almost to a literal standstill because of the strike.

If representatives of the union are willing, as they say, to give us a no-strike agreement, let us write it into the law. We owe it to the people of the District of Columbia and to the Federal Government. After all, the new Authority will cost the Government of the United States $2 million a year in lost taxes. The Federal Government will also be picking up the tab for any losses in operation. The Government has a vital interest in this problem. The fact that the activity is proprietary does not preclude the fact that the Government itself and the people of the District of Columbia suffered, and our governmental processes were slowed down because of the strike. The people of the District of Columbia are looking to us to take care of this problem. For that reason I believe that my amendment should be adopted.

Mr. MCNAMARA. Mr. President, I yield to the Senator from Oregon [Mr. MORSE] such time as he may require.

Mr. MORSE. Mr. President, I believe that this amendment, if it were adopted, would create a very unfortunate precedent in the Senate, for these reasons:

Consider the last point made by the Senator from Colorado. This activity

involves the exercise of a proprietary interest on the part of a governmental agency. It is not the exercise of a police power.

It has been made clear in many writings, upon many occasions, that when it comes to the exercise of the police power of a State the employees charged with such responsibility should not have the right to strike, because that would be a strike against the Government. It would be a strike against the exercise of the very functions of government itself in carrying out its police power.

But there is a borderline area of governmental activities which we call the activities of the proprietary interest of Government. They are, in a very real sense, the exercise of commercial activities on the part of the Government—for example, when there is public ownership of a municipal transit system.

We are dealing here with the question of public ownership and operation of our transit system in the District of Columbia for an interim period—and, in all probability, permanently, as the Senator from California [Mr. KNOWLAND], the Senator from Florida [Mr. HOLLAND], and other Senators yesterday predicted would very likely be the ultimate course of action.

In connection with this type of activity the police power of the State is not involved. It is proposed to say to fellow Americans, "You cannot exercise the economic power of the strike." I think that would be a very bad precedent to establish by Federal law.

I always try to be exceedingly fair and to give all facts in my possession in such situations. It is true that in some State jurisdictions there are laws similar to the principle of this amendment. There are municipal ordinances of that kind. It is true that in many cities in which there is municipal ownership of the transit system, there is a no-strike provision. There are certain exceptions. As I understand, Boston and Chicago are good examples of the exception.

The point I wish to stress is that it is proposed to say to streetcar operators, bus operators, garage mechanics, and other employees in this proprietary enterprise, "We take away from you a basic American freedom, namely, the right, in contests with management, to seek to enforce your demands for a better standard of living, better hours, wages, and conditions of employment, by the exercise of economic power."

I think it would be unfortunate to establish any such precedent, and I could not think of voting to deny to fellow Americans the right to strike in a proprietary activity of a municipality merely because a municipality, rather than a private industry, is operating the transit system.

The next step would inevitably be to try to enact legislation denying to fellow Americans the right to strike when they are working for a private company.

It is easy to draw the inference that, because the Government is operating this particular proprietary activity, the employees are therefore Government employees, in the sense that they are employees engaged in the operation of an essential activity of Government. I respectfully submit that such is not the case. The problem is as the Senator from Colorado has pointed out. In its present form, the bill does not include compulsory arbitration. I am against compulsory arbitration, because of its bad precedental implications, and because it is not necessary. It is not needed, Mr. President, when the parties to a collective bargaining agreement conduct themselves in good faith.

Reference has been made to the 52- or 53-day-long strike on the Capital Transit system last summer. Mr. President, there need not have been a day of strike if the company had been willing voluntarily to arbitrate the dispute. If the company had been willing to do that, the men would never have thrown a picket line.

The company was dealing with an international union which has a 63-year record of voluntary arbitration. It is an international union which will not let a local union go out on strike unless the company refuses to arbitrate the dispute. Any local of the international union which seeks to inaugurate a strike without offering to arbitrate the dispute loses its charter. That is the kind of union we are dealing with here, Mr. President.

Therefore, I do not believe we should impose a no-strike requirement in this situation. There is no need for it if what we are concerned about is the danger of a strike. If the public authority will arbitrate, the union will arbitrate. That is the record of the union. If a different situation should arise, we would still have time to act. The fact is that last year, in the debate on this subject, I kept pressing on the floor of the Senate the suggestion that the company accept voluntary arbitration.

I am glad to hear the Senator from Colorado say that if his amendment is adopted he will then move to change the word "may" to the word "shall" in the arbitration section of the bill.

I shall not vote for such a provision, because I am unalterably opposed to compulsory arbitration, as a principle and by reason of experience. Mr. President, we can pass all the laws we want in this field, but we cannot drive men to work. We can put them on buses and on street cars at the point of bayonets, but red-blooded, free American workers still will not work under compulsion in a free economy. I am making a fight for the maintenance of a free economy. I have faith in voluntaryism. I do not believe that in the operation of our economy in a democracy there is any need for compulsion, when government, in the form of a municipal institution, is the operator of a transit system.

In conclusion, I say most respectfully that we should try to operate under the provision as it is presently written in the pending bill. If the problem which the Senator from Colorado fears should develop, we can take care of it. I believe we have a bill which is based upon the principle of voluntaryism. I believe it will work. I believe the people of the District of Columbia will be given transportation without interruption by the exercise of the voluntary arbitration provision now contained in the bill.

Mr. McNAMARA. Mr. President, I yield 2 minutes to the other member of the subcommittee, the Senator from New Jersey [Mr. CASE].

Mr. CASE of New Jersey. Mr. President, I am opposed to the amendment offered by the Senator from Colorado. As one of the members of the subcommittee, I wish to say that we considered this particular problem with very great care and with no preconceived notions or doctrinaire ideas about it.

It seems to me that the two points of view have been quite well presented. I believe the Senate would be well advised to follow the arguments of the Senator from Oregon [Mr. MORSE] on this subject.

Merely because an employer happens to be a sovereign State or a municipality should not destroy the right to strike. We ought to look at the kind of function the employee is supposed to perform and is engaged in performing.

Certainly in the case of functions which are strictly governmental—that is to say, those which cannot be performed by anyone else except by the State or by a political subdivision, such as the protection of the people, and functions of that kind—the doctrine that a strike should not be countenanced against the State is a good doctrine and is sound in its application.

However, if the function is not one of that kind, but rather one which could equally well be performed by a private agency or by private enterprise under contract, then surely we ought not to extend the no-strike doctrine to that sort of enterprise, or to the relationship between the State in such a case and the employee, merely because the State or other governmental agency, or the creature of a State, happens to be the employing agency. The question is, What will work best?

I am sure the Senator from Oregon is right when he suggests that a freely operated system of relationships between employer and employee in this connection will work best. Certainly the presumption that it will work best is so strong that we ought to try it first without at the outset, in the very creation of the agency which will operate the Capital transportation system, undertaking to preclude a fair trial of voluntary operation.

The particular union involved has a long and honorable record. In its international constitution there is contained a provision to the effect that no local union may strike unless it has first offered arbitration and that the arbitration has been refused. Voluntary arbitration will work better, in the sense that we will have not only the pressure of the Government and of public opinion upon the employees who stay at work, but we will also have the pressure of the union itself and of its prestige with its members.

Therefore, the result will be better in the particular circumstances.

Just one more word, Mr. President. I am certain that if one of the great Republican leaders of this Nation were here, he would be against the pending amendment. I refer to the late great Senator Taft. One of the principles he always

emphasized was voluntaryism in the relations between employer and employee. Senators will recall that in the Taft-Hartley Act there is no ultimate provision for a dominated or directed settlement of strikes or the terms on which they must be settled.

The great Senator Taft was insistent that there should be provision merely for a cooling off period, with the right ultimately to strike left unimpaired. He insisted that any dispute which could not be resolved by negotiation should be dealt with on an ad hoc basis, with the parties coming back to Congress, which has the power to deal with them and to find the solutions the circumstances require.

Therefore, I believe we should restrain ourselves and not be led astray by unsound proposals; rather, we should deal with the essentials of the problem in ways which are calculated to bring about sound results and establish no unfortunate precedents.

Mr. MCNAMARA. Mr. President, I yield 3 minutes to the Senator from New York.

Mr. LEHMAN. Mr. President, I am very strongly opposed to the amendment offered by the distinguished Senator from Colorado [Mr. ALLOTT]. I do not believe it is necessary. I do not believe it is fair. The proposed agency is not, in the generally accepted understanding of the word, a direct Government agency. It is like many other authorities. There are a great number of such agencies in my State, and I have no doubt there are many also in other States. In New York State, so far as I know, we do not have a "no-strike" provision in such agencies. There is no such no-strike provision in effect in the municipally operated transit system of New York City. That situation has worked out very well. There has been no need for such a provision. The relationships have been amicable, and they have been constructive. There has been relatively little difficulty or conflict between the men working on the transit system and the government of the city of New York.

If we were to adopt the amendment, we would take away from labor one of its great weapons in its fight for fair treatment and just labor conditions.

I am also strongly opposed to compulsory arbitration. I have spent a substantial part of my life in mediating or arbitrating disputes. It is frequently very useful to have arbitration, but it must be voluntary arbitration and not compulsory arbitration, which in the final analysis leaves both sides dissatisfied and with very little accomplishment. Therefore, I shall certainly vote against the pending amendment which would impose a "no-strike" clause.

Mr. KNOWLAND. Mr. President, I yield myself 10 minutes out of the time on the bill, or so much thereof as may be necessary to speak in support of the amendment offered by the Senator from Colorado [Mr. ALLOTT].

Mr. President, is this an unsual piece of legislation? As has been suggested by the Senator from Colorado, the answer to that question is "No."

In the last session of Congress on July 29, 1955, the Committee on Post Office and Civil Service submitted a report on H. R. 6590.

Mr. President, I ask unanimous consent that a copy of that report may be printed in the RECORD at this point in my remarks.

There being no objection, the report (No. 1256) was ordered to be printed in the RECORD, as follows:

The Committee on Post Office and Civil Service, to whom was referred the bill (H. R. 6590) to prohibit the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

STATEMENT

Report No. 1152 accompanying H. R. 6590, as approved by the House of Representatives, is incorporated as a part of this report:

"This legislation will clarify and consolidate in a single, permanent, penal statute the rider reenacted each year in appropriation acts, as well as certain similar permanent provisions in existing law, which in effect prohibit the employment by the Government of (1) any person who advocates overthrow of our constitutional form of government or belongs to an organization that so advocates, and (2) any person who strikes against the Government or belongs to an organization of Government employees that asserts the right to strike against the Government.

"The appropriation rider first appeared in the Fourth Supplemental National Defense Appropriation Act, 1941, without the language relating to striking against the Government. With seven exceptions, it was repeated in each regular deficiency, and supplemental appropriation act through May 18, 1946. The Third Urgent Deficiency Appropriation Act, 1946, broadened the rider to include any person who strikes against the Government or who is a member of an organization which asserts the right to strike against the Government. With three exceptions, the rider as thus broadened has been repeated all in subsequent regular, deficiency, and supplemental appropriation acts to date.

"Existing law also contains three permanent provisions which are somewhat similar, in effect, to the appropriation rider. They are (1) section 612 of the Housing Act of 1949 (42 U. S. C., sec. 1445); (2) section 9A of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939 (5 U. S. C., sec. 118j), known as the Hatch Act; and (3) section 305 of the Labor-Management Relations Act, 1947, as amended (29 U. S. C., sec. 188), known as the Taft-Hartley Act.

"Section 612 of the Housing Act of 1949 is repeated, in substance, in paragraphs 1 through 4, inclusive, of the first section of H. R. 6590.

"Section 9A of the Hatch Act prohibits employment of persons who are members of 'any political party or organization which advocates the overthrow of our constitutional form of government in the United States.'

"This provision is reenacted in paragraph 2 of the first section of H. R. 6590.

"Section 305 of the Taft-Hartley Act requires the discharge of persons who strike against the Government. This is repeated in paragraph (3) of the first section of the bill.

"Accordingly, since H. R. 6590 includes all of these provisions of existing law such provisions will be repealed.

"Hearings were held at which representatives of the Civil Service Commission, the Department of Justice, and a number of Government employees' organizations appeared and testified favorably on H. R. 6590. There were no objections.

"General analysis

"The first section of the bill, as amended, will prohibit the employment in the Federal Government, or in any agency thereof, of any person who (1) advocates the overthrow of our constitutional form of government in the United States; (2) is a member of an organization that advocates overthrow of the Government, knowing of such advocacy; (3) participates in any strike against the Government or any such agency; (4) asserts the right to strike against the Government; or (5) belongs to an organization of Government employees that asserts the right to strike against the Government, or against such agencies, knowing that such organization asserts such right to strike.

"Section 2 (a) of the bill requires that, except as provided in subsection (b), every person accepting Federal office or employment, within 60 days after entering on duty, shall execute an affidavit that in doing so he does not violate the first section of the bill. The affidavit will be prima facie evidence that there is no such violation.

"Section 2 (b) provides that an affidavit will not be required from a person employed for less than 60 days for sudden emergency work involving the loss of life or destruction of property, but that this exception will excuse no one from liability for violation of the first section of the bill.

"Section 3 makes any violation of the first section of the bill a felony, for which the penalty shall be a fine of not more than $1,000 or imprisonment for not more than 1 year and a day, or both.

"The favorable report of the Civil Service Commission and the report of the Department of Justice interposing no objections to a similar bill (H. R. 617) follow:

"UNITED STATES
"CIVIL SERVICE COMMISSION,
"Washington, D. C., June 21, 1955.

"Hon. TOM MURRAY,
"Chairman, Committee on Post Office and Civil Service, House of Representatives.

"DEAR MR. MURRAY: This is in reply to your request of June 21 for the Commission's views on H. R. 6590, a bill to prohibit the employment by the Government of the United States of persons who are disloyal or who believe in the right to strike against the Government of the United States, and for other purposes.

"The bill would provide that no person shall accept or hold office or employment in the Government of the United States who (1) advocates the overthrow of our constitutional form of government in the United States; (2) is a member of an organization that advocates such overthrow, knowing that the organization so advocates; (3) participates in a strike against the Government; or (4) is a member of an organization that asserts the right to strike against the Government, knowing that the organization asserts such right. The bill further provides that every person who accepts office or employment in the Government shall, not more than 60 days later, execute an affidavit that his employment will not constitute a violation of the statute. Affidavits would not be required from persons employed for less than 60 days for sudden emergency work involving the loss of human life or the destruction of property. Violation of the statute would constitute a felony punishable by a fine of not more than $1,000 or imprisonment for not more than 1 year and a day, or both.

"The bill would repeal section 612 of the Housing Act of 1949 (42 U. S. C. 1445); section 9A of the Hatch Act (5 U. S. C. 118j); and section 304 of the Labor Management Relations Act (29 U. S. C. 188). Section 612 of the Housing Act is substantially identical

in its provisions to H. R. 6590, but is limited in its application to employment in the Housing and Home Finance Agency and the Department of Agriculture. Section 9A of the Hatch Act makes it unlawful for any person employed in the Government 'to have membership in any political party or organization which advocates the overthrow of our constitutional form of government in the United States.' The only penalty provided is removal from the service, with the provision that appropriated funds shall not thereafter be used to pay the compensation of such person. Section 304 of the Labor Management Relations Act forbids striking by Government employees, requires the discharging of an employee who strikes and the forfeiture of his civil-service status, if any, and makes him ineligible for employment for 3 years.

"For some years provisions similar to the proposed legislation have appeared in appropriation acts each year. The Commission believes that H. R. 6590 represents desirable legislation, since it would put such legislation into permanent form, and would also consolidate and supersede the several statutes which now partially cover the subject.

"Time has not permitted clearance of this report with the Bureau of the Budget. However, the Bureau advised it had no objection to our report on H. R. 617, a bill similar to H. R. 6590.

"By direction of the Commission.

"Sincerely,

"PHILIP YOUNG,
"Chairman."

"DEPARTMENT OF JUSTICE,
"OFFICE OF THE DEPUTY
"ATTORNEY GENERAL,
"Washington, April 25, 1955.

"Hon. TOM MURRAY,
"Chairman, Post Office and Civil Service
"Committee, House of Representatives,
"Washington, D. C.

"DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Justice relative to the bill (H. R. 617) to prohibit the employment by the Government of the United States of persons who are disloyal or who believe in the right to strike against the Government of the United States, and for other purposes.

"The bill would make it a felony for any person to accept or hold office or employment in the Government of the United States who (1) advocates the overthrow of that Government by force or violence, (2) is a member of an organization that advocates such overthrow, knowing that such organization advocates the same, (3) engages in a strike against the Government, or (4) is a member of an organization of Government employees that asserts the right to strike against the Government.

"Section 2 (a) of the measure would provide for the execution, by persons accepting office or employment in the Government of the United States, of affidavits to the effect that their acceptance and holding of such office or employment does not or will not constitute a violation of the bill's prohibitions. Subsection (b) would exempt from the application of subsection (a) persons employed by the Government of the United States for less than 60 days for sudden emergency work involving the loss of human life or the destruction of property. Such persons, however, would not be relieved of liability for a violation of the prohibitions contained in the bill. Section 4 would repeal section 612 of the Housing Act of 1949, a section which, with respect to officers or employees of the Housing and Home Finance Agency and the Department of Agriculture, contains provisions similar to those which would be provided for generally by this measure.

"Whether or not this bill should be enacted constitutes a question of policy concerning which the Department of Justice prefers to make no comment. However, there are certain matters to which the attention of the committee is invited.

"The prohibitions contained in section 1 of the bill are not new. Under existing law persons entering the employ of the United States are required to execute appointment affidavits which include certifications such as are contemplated by this bill. Likewise, various appropriation acts forbid the use of Government funds to pay officers or employees who fall within any of the categories enumerated in section 1 and provide penalties for the use of Government funds in violation of such prohibitions. Illustrative of other legislation which is concerned with the problem to which the bill is addressed is section 118 (j) of title 5 of the United States Code which provides that it shall be unlawful for any person employed in any capacity by any agency of the Federal Government whose compensation or any part thereof is paid from funds authorized or appropriated by any act of Congress to have membership in any political party or organization which advocates the overthrow of our constitutional form of government in the United States. Any person violating the provisions of the section shall be immediately removed from the position or office held by him and thereafter no part of the funds appropriated by any act of Congress for such position or office shall be used to pay the compensation of such person. Also, section 188 of title 29, United States Code, provides that it shall be unlawful for any individual employed by the United States or any agency thereof, including wholly owned Government corporations, to participate in any strike. If any individual employed by the United States or by any such agency strikes, he shall be discharged immediately from his employment and shall forfeit his civil-service status, if any, and for 3 years shall not be eligible for reemployment by the United States or any such agency.

"The Bureau of the Budget has advised that there is no objection to the submission of this report.

"Sincerely,

"WILLIAM P. ROGERS,
"Deputy Attorney General."

Mr. KNOWLAND. Mr. President, the report deals with what has become Public Law 330, which the Senator from Colorado proposes shall by amendment be applied to this bill.

I ask unanimous consent that Public Law 330 be printed in the RECORD at this point in my remarks.

There being no objection, the law was ordered to be printed in the RECORD, as follows:

[Public Law 330, ch. 690, 84th Cong., 1st sess.]

H. R. 6590

An act to prohibit the employment by the Government of the United States of persons who are disloyal or who participate in or assert the right to strike against the Government of the United States, and for other purposes

Be it enacted, etc., That no person shall accept or hold office or employment in the Government of the United States or any agency thereof, including wholly owned Government corporations, who—

(1) advocates the overthrow of our constitutional form of government in the United States;

(2) is a member of an organization that advocates the overthrow of our constitutional form of government in the United States, knowing that such organization so advocates;

(3) participates in any strike or asserts the right to strike against the Government of the United States or such agency; or

(4) is a member of an organization of Government employees that asserts the right to strike against the Government of the United States or such agencies, knowing that such organization asserts such right.

SEC. 2. (a) Except as provided in subsection (b), every person who accepts office or employment in the Government of the United States after the date of enactment of this act, shall, not later than 60 days after he accepts such office or employment, execute an affidavit that his acceptance and holding of such office or employment does not or (if the affidavit is executed prior to acceptance of such office or employment) will not constitute a violation of the first section of this act. Such affidavit shall be considered prima facie evidence that the acceptance and holding of office or employment by the person executing the affidavit does not or will not constitute a violation of such section.

(b) An affidavit shall not be required from a person employed by the Government of the United States for less than 60 days for sudden emergency work involving the loss of human life or the destruction of property. This subsection shall not relieve any person from liability for violation of the first section of this act.

SEC. 3. Any person who violates section 1 of this act shall be guilty of a felony, and shall be fined not more than $1,000 or imprisoned not more than 1 year and a day, or both.

SEC. 4. The following parts of acts are hereby repealed.

(1) Section 612 of the Housing Act of 1949 (42 U. S. C., sec. 1445);

(2) Section 9A of the act entitled "An act to prevent pernicious political activities," approved August 2, 1939 (5 U. S. C., sec. 118j); and

(3) Section 305 of the Labor Management Relations Act, 1947, as amended (29 U. S. C., sec. 188).

Approved August 9, 1955.

Mr. KNOWLAND. Mr. President, I should like to read a pertinent portion of Public Law 330:

Be it enacted, etc., That no person shall accept or hold office or employment in the Government of the United States or any agency thereof, including wholly owned Government corporations, who—

These paragraphs may not be pertinent to this particular case—

(1) advocates the overthrow of our constitutional form of government in the United States;

(2) is a member of an organization that advocates the overthrow of our constitutional form of government in the United States, knowing that such organization so advocates;

(3) participates in any strike or asserts the right to strike against the Government of the United States or such agency; or

(4) is a member of an organization of Government employees that asserts the right to strike against the Government of the United States or such agencies, knowing that such organization asserts such right.

Mr. President, I think all of us will agree that in dealings between a private company and its employees there is an entirely different situation. I hope that to the largest extent possible in this country of ours we shall keep private industry and that employers and employees will negotiate around the table in determining wages, hours, and working conditions. But here we have a transit system which exists in the Nation's Capital upon which the functioning of the Government of the United States to no little extent depends.

As a matter of fact, when the transit strike a year ago closed down trans-

portation, one of the arguments used on the floor of the Senate in connection with the legislation which was passed to take away the company's franchise was that it was very important to the functioning of the Government of the United States, since the Congress was about to adjourn and go home and leave the District of Columbia without a governing council that this rather drastic step should be taken.

I supported that legislation at the time, although with some misgivings, because it seemed to me that in the Nation's Capital, in a Federal District, established because of its importance to the Government of the Nation, the argument was pertinent that the closing down of the transportation system would vitally and adversely affect the very functioning of the Government of the people of the United States.

Mr. President, if because of a strike being called or as a result thereof we have not only canceled the franchise rights of a private company, but, in effect, have precipitated the issue of public ownership to the extent that the Government of the United States is going to underwrite, in effect, the operating costs without limit, we are all practical enough to know that once the transportation system of the District comes under public ownership it is very likely to remain under public ownership as long as any of us shall live, or, at least, such is a very strong possibility.

That means that the Government of the United States will, in effect, be underwriting whatever deficit there may be. We shall have to provide some of the funds for this Government ownership. We have applied the no-strike rule to other Government corporations. If we exempt the Transit Authority in the District of Columbia, which is a Federal District, then are we going to exempt other Government corporations?

I think it is a very vital issue as to whether there is a right to strike against the Government of the United States or the Federal City of the Government of the United States.

Under those circumstances, Mr. President, I think the amendment is well in order. Certainly, we are faced with the problem that if the transportation system shall be closed down again it will have an adverse effect upon the functioning of the Government.

Mr. CASE of South Dakota. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. CASE of South Dakota. Mr. President, first of all, I should like to say that I find myself well in accord with the general opinion expressed by the distinguished Senator from California. The very premise of the bill will be invalidated, it seems to me, if we accept the argument which has been made against the amendment. The whole premise of the bill is that the public welfare requires an Authority to operate public transportation in the Nation's Capital, come what may.

Mr. President, some years ago it was my privilege to be associated with the late mayor of the city of New York, Mr. La Guardia, in a panel discussion on the issues which are involved in this particular question. Everyone will recall the leadership which Mr. La Guardia gave in labor legislation. I recall that when the question was put to him on the panel that morning, "What happens if a municipality operates a hospital? Can the employees of that hospital strike?" Mr. La Guardia said, "I think we have to recognize that when certain functions pertaining to the public welfare, health, or safety, are involved, the normal right to strike does not exist," or words to that effect.

In my opinion, something of the same question is involved here. To me there is no justification for proposing or authorizing public ownership of a mass-transportation system in the District of Columbia, unless we put it upon the ground of the Nation's welfare in this instance because this is the Capital City. If that be true, then, it seems to me we should preserve for the Authority whatever is necessary to see that public transportation is carried on without interruption under any circumstances whatsoever.

With the record which Congress has in dealing with employees of the Government, I do not fear that a fair and square deal will not be given to the employees of the Authority which would operate the transportation system. I think in this forum and in the forum of the House of Representatives they will have adequate protection of their rights of seniority, working conditions, wages, and matters of that sort. If we are going to take the step of authorizing a public authority to operate the transportation system, then we must give it the power to carry it on without interruption. Otherwise, the whole premise of the bill would be defeated.

Mr. ALLOTT. Mr. President, may I inquire how much time remains?

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. KNOWLAND. Mr. President, I yield an additional 5 minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, there are 2 or 3 things which, it seems to me, ought to be settled here. Let us first discuss the proprietary matter. True, this is a proprietary function of the Government. But what did Congress say about this less than 9 months ago?

> That it is hereby declared that the business of mass transportation of persons for hire in the District of Columbia is clothed with a public interest and is essential to the proper functioning of the Government of the United States and the government of the District of Columbia. The continuous, uninterrupted, and proper functioning of such business in the District of Columbia is hereby declared to be essential to the welfare, health, and safety of the public, including the civilian and military personnel of the Government of the United States located in the District of Columbia and the metropolitan area of Washington.

That is a quotation from the act passed by Congress last August.

What is now proposed? First of all, it is proposed that we give up $2 million a year in taxes, in order to establish a Transportation Authority. Second, it is proposed that the Government lend $20 million in order to establish a transportation system. Third, the way the bill is drafted, the Government will pick up the tab for any deficit which may occur—and, in my opinion, the deficit will be frequent and probably large.

The next step is to bar the employees of the Authority from the right to strike. No one in the world deplores more than I do the denial of the right to strike in ordinary circumstances. I have always fought for the right to strike, and I shall continue to do so. But I believe there are some circumstances in which the right to strike should not exist. This is one of them.

It has been said, "Let us wait until we are confronted with that situation; then we will face it; then we will take care of it." But if Congress were not in Washington at the time a strike occurred, what would happen? Would we again subject the District of Columbia to what took place last July and August? Suppose it became necessary for Congress to act at a time when it was not in session. Would we let the people of the District of Columbia walk the streets for months at a time, while they awaited the passage of a law by Congress? I do not think we should allow that to happen.

It has been said also that the amendment would establish a new and a bad precedent. As a matter of fact, if the proposed authority were excluded from the provisions of Public Law 330, although it would be controlled and owned by the Government of the United States, and with the money for its establishment being put up by the Government, because Congress has said such an authority is vital to the welfare of the Government, we would indeed be establishing a new precedent, which would affect the Bureau of Reclamation, the Bonneville Power Administration, the Alaska Railroad Company, the Tennessee Valley Authority, the Atomic Energy Commission, and the Panama Canal Company. If we exempt the proposed Transit Authority, we will, in fact, be establishing a new precedent in government and then there would be no reason for not removing all the other agencies from the prohibition against the right to strike, under Public Law 330.

I do not suggest that the union is not acting in good faith in the matter, but there have been other strikes, including wildcat strikes. What would be done if there should be a wildcat strike? No one will march the employees at the point of a bayonet but neither can anyone contend that a union can paralyze the Government and paralyze the people who work for the Government. It cannot be contended that the union should have a right to repeat what it did last year.

Contrary to what my estimable and great friend from Oregon says, it is not a question of who was responsible for the strike. The fact is that the strike occurred. It is a fact that hundreds of thousands of persons, day after day, trudged many miles to work because they could not obtain public transportation. It is a fact that the functions of the Government were stymied, were foreclosed, were slowed down, for some

5 or 6 weeks, while a debate was in progress as to whether the employees should get what they were seeking in the strike.

I favor the right to strike in ordinary circumstances. But if we permit the employees of the Authority to strike, we will be establishing a new precedent. As a matter of fact, we will be establishing a new principle if we exempt the new Authority, which is about to be created, from the provisions of Public Law 330.

Mr. McNAMARA. Mr. President, I am advised that 2 minutes remain on our side. I should like to take a part of that time, at least, to say that it is a fact that a strike existed, or took place. The strike did not take place through action by the employees so far as arbitration was concerned. Before they went on strike, the employees offered to arbitrate. It was the management which refused to arbitrate.

The amendment offered by the Senator from Colorado would take punitive action against the persons who were the least guilty in the whole affair.

I think the two other members of the subcommittee, the Senator from Oregon [Mr. MORSE] and the Senator from New Jersey [Mr. CASE], have stated the view of the subcommittee, as we understand the problem. I associate myself with their remarks, and I hope the amendment will be rejected.

The PRESIDING OFFICER. All time for debate has expired.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Flanders	McNamara
Allott	Fulbright	Millikin
Anderson	Gore	Morse
Beall	Green	Mundt
Bender	Hayden	Murray
Bennett	Hennings	Neuberger
Bricker	Hickenlooper	O'Mahoney
Bridges	Hill	Payne
Bush	Holland	Potter
Butler	Hruska	Purtell
Byrd	Humphrey	Robertson
Carlson	Jackson	Saltonstall
Case, N. J.	Johnson, Tex.	Schoeppel
Case, S. Dak.	Johnston, S. C.	Scott
Chavez	Kennedy	Smith, Maine
Cotton	Kerr	Smith, N. J.
Curtis	Knowland	Sparkman
Daniel	Langer	Stennis
Dirksen	Lehman	Symington
Douglas	Long	Thye
Duff	Magnuson	Watkins
Dworshak	Mansfield	Wiley
Eastland	Martin, Iowa	Williams
Ellender	Martin, Pa.	Wofford
Ervin	McCarthy	Young

The PRESIDING OFFICER (Mr. WOFFORD in the chair). A quorum is present.

The question is on agreeing to the modified amendment of the Senator from Colorado [Mr. ALLOTT] to the committee amendment.

All time on this question has expired; and the yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas (when his name was called). On this vote, I have a pair with the senior Senator from West Virginia [Mr. NEELY]. If the senior Senator from West Virginia [Mr. NEELY] were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The legislative clerk resumed and concluded the call of the roll.

Mr. JOHNSON of Texas. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Rhode Island [Mr. FREAR], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. KEFAUVER], the Senators from West Virginia [Mr. LAIRD and Mr. NEELY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Georgia [Mr. RUSSELL], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Rhode Island [Mr. PASTORE] is absent on official business attending the atomic-energy tests in the South Pacific.

On this vote, the Senator from Nevada [Mr. BIBLE] is paired with the Senator from Delaware [Mr. FREAR]. If present and voting, the Senator from Nevada would vote "nay," and the Senator from Delaware would vote "yea."

I further announce that if present and voting, the Senator from Kentucky [Mr. CLEMENTS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. LAIRD], and the Senator from Oklahoma [Mr. MONRONEY] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT], the Senators from Indiana [Mr. CAPEHART and Mr. JENNER], the Senator from Arizona [Mr. GOLDWATER], the Senator from California [Mr. KUCHEL], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

The Senator from Nevada [Mr. MALONE] is detained on official business.

The result was announced—yeas 32, nays 42, as follows:

YEAS—32

Allott	Dirksen	Mundt
Bennett	Dworshak	Robertson
Bricker	Eastland	Schoeppel
Bridges	Flanders	Smith, Maine
Butler	Hickenlooper	Stennis
Byrd	Holland	Watkins
Carlson	Hruska	Wiley
Case, S. Dak.	Knowland	Williams
Cotton	Martin, Iowa	Wofford
Curtis	Martin, Pa.	Young
Daniel	Millikin	

NAYS—42

Aiken	Hayden	McNamara
Anderson	Hennings	Morse
Beall	Hill	Murray
Bender	Humphrey	Neuberger
Bush	Jackson	O'Mahoney
Case, N. J.	Johnston, S. C.	Payne
Chavez	Kennedy	Potter
Douglas	Kerr	Purtell
Duff	Langer	Saltonstall
Ellender	Lehman	Scott
Ervin	Long	Smith, N. J.
Fulbright	Magnuson	Sparkman
Gore	Mansfield	Symington
Green	McCarthy	Thye

NOT VOTING—21

Barrett	Ives	McClellan
Bible	Jenner	Monroney
Capehart	Johnson, Tex.	Neely
Clements	Kefauver	Pastore
Frear	Kuchel	Russell
George	Laird	Smathers
Goldwater	Malone	Welker

So Mr. ALLOTT's amendment to the committee amendment was rejected.

Mr. ALLOTT. Mr. President, I request the distinguished minority leader to yield to me 1 minute on the bill, in order to enable me to clear up one feature in connection with the amendment just disposed of.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the Senator from Colorado.

Mr. ALLOTT. During the course of the debate on my amendment this afternoon I made the statement that I had been informed that if the amendment were adopted, those directly involved would prefer that the arbitration clause be mandatory.

I further made the statement that if the amendment were adopted, I would offer a further amendment, to change the word "may" in line 9, on page 82, to "shall", in order to make the provision mandatory.

Inasmuch as I do not believe in compulsory arbitration, and agreed to offer the conditional amendment only in order to make the bill workable, and inasmuch as my previous amendment was not agreed to, I feel free to refrain from offering such an amendment as that described in my original statement, leaving the arbitration clause of the bill entirely voluntary.

The PRESIDING OFFICER. The committee amendment is open to further amendment.

Mr. PAYNE. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Maine will be stated.

The LEGISLATIVE CLERK. On page 82, line 18, in the committee amendment, after the words "corporate officers", it is proposed to insert "with less than 10 years' service."

Mr. PAYNE. Mr. President, I yield myself 3 minutes. I shall be very brief.

This amendment would give recognition in connection with the provision for retaining in the service, as the service might require, of those who would otherwise be left out under the present wording of the bill. I am sure an oversight was made. I have discussed the subject with several members of the committee.

If the bill as it is worded at present is passed, it will mean that 1 individual with 27 years' service with the Capital Transit Co., another with 14 years' service, another with 37 years' service, another with 20 years' service, another with 29 years' service, and another with 31 years' service will be excluded from the benefits of the provisions which apply to all other employees. My amendment applies to those with less than 10 years of service. It would give the career employees, regardless of their present status, an opportunty to remain on the job.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maine [Mr. PAYNE] to the committee amendment.

Mr. KNOWLAND. Mr. President, I wonder if we may have the yeas and nays ordered on final passage of the bill, in order that Senators may be informed.

I ask for the yeas and nays on final passage of the bill.

The yeas and nays were ordered.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PAYNE. I yield.

Mr. MORSE. As a member of the subcommittee I heartily support the Senator's amendment. My understanding is that the chairman of the subcommittee [Mr. MCNAMARA], also joins in support of it. I believe also that the Senator from New Jersey [Mr. CASE], the other member of the subcommittee, favors the amendment. I do not see him present in the Chamber, but I discussed the subject with him earlier this afternoon.

Mr. MCNAMARA. I am sure it is agreed that there is no objection to the amendment.

Mr. PAYNE. Mr. President, I yield back the remainder of my time.

Mr. MCNAMARA. Mr. President, I am glad to yield back the remaining time on this side.

The PRESIDING OFFICER. All time on the pending amendment has been exhausted or yielded back.

The question is on agreeing to the amendment offered by the Senator from Maine [Mr. PAYNE] to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The committee amendment, as amended, is open to further amendment. If there be no further amendment, the question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? Do Senators wish to use time on the bill?

Mr. JOHNSON of Texas. Mr. President, I yield back my time, with the understanding that the other side will do likewise.

Mr. CASE of South Dakota. Mr. President, I yield back the remainder of the time on this side.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas (when his name was called). On this vote I have a pair with the senior Senator from West Virginia [Mr. NEELY]. If he were present and voting he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. JOHNSON of Texas. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Delaware [Mr. FREAR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. LAIRD], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Oklahoma [Mr. MONRONEY], the Senator from West Virginia [Mr. NEELY], the Senator from Virginia [Mr. ROBERTSON], the Senator from Georgia [Mr. RUSSELL], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Rhode Island [Mr. PASTORE] is absent on official business attending the atomic energy tests in the South Pacific.

I further announce that on this vote, if present and voting, the Senator from Nevada [Mr. BIBLE], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. LAIRD], and the Senator from Oklahoma [Mr. MONRONEY] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT], the Senators from Indiana [Mr. CAPEHART and Mr. JENNER], the Senator from Arizona [Mr. GOLDWATER], the Senator from California [Mr. KUCHEL] and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

The Senator from Nevada [Mr. MALONE] is detained on official business.

The result was announced—yeas 41, nays 31, as follows:

YEAS—41

Aiken	Hennings	Morse
Allott	Hill	Murray
Anderson	Hruska	Neuberger
Beall	Humphrey	O'Mahoney
Bender	Jackson	Payne
Bush	Johnston, S. C.	Potter
Case, N. J.	Kennedy	Purtell
Case, S. Dak.	Kerr	Scott
Chavez	Langer	Smith, Maine
Douglas	Lehman	Sparkman
Ervin	Long	Stennis
Gore	Magnuson	Wiley
Green	Mansfield	Wofford
Hayden	McNamara	

NAYS—31

Bennett	Dworshak	Mundt
Bricker	Eastland	Saltonstall
Bridges	Ellender	Schoeppel
Butler	Flanders	Smith, N. J.
Byrd	Hickenlooper	Symington
Carlson	Holland	Thye
Cotton	Knowland	Watkins
Curtis	Martin, Iowa	Williams
Daniel	Martin, Pa.	Young
Dirksen	McCarthy	
Duff	Millikin	

NOT VOTING—23

Barrett	Ives	Monroney
Bible	Jenner	Neely
Capehart	Johnson, Tex.	Pastore
Clements	Kefauver	Robertson
Frear	Kuchel	Russell
Fulbright	Laird	Smathers
George	Malone	Welker
Goldwater	McClellan	

So the bill (S. 3073) was passed.

The title was amended so as to read: "A bill to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes."

Mr. LANGER. Mr. President, I move that the vote by which the bill has just been passed be reconsidered.

Mr. CASE of South Dakota. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Dakota to lay on the table the motion of the Senator from North Dakota.

The motion to lay on the table was agreed to.

AMENDMENT OF INTERNAL REVENUE CODE OF 1939 REGARDING GAINS.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1961, H. R. 6143.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1951, certain amounts received in consideration of the transfer of patent rights shall be considered capital gains, regardless of the basis upon which such amounts are paid.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Finance with an amendment, on page 3, after line 15, to insert:

SEC. 2. Certain claims against United States.

(a) Section 106 of the Internal Revenue Code of 1939 (relating to claims against the United States involving acquisition of property) is hereby amended to read as follows:

"SEC. 106. Certain claims against United States.

"In the case of any amount (other than interest) received by a taxpayer from the United States with respect to a claim against the United States—

"(a) involving the acquisition of property and remaining unpaid for more than 15 years, or

"(b) arising under a contract for the construction of installations or facilities for any branch of the armed services of the United States and remaining unpaid for more than 5 years from the date such claim first accrued and paid prior to January 1, 1950,

the portion of the tax imposed by section 12 attributable to such amount (other than interest) shall not exceed 30 percent thereof. For purposes of section 291 (a), relating to additions to the tax for failure to file a return, the term 'reasonable cause' shall include the filing of a timely incomplete return under circumstances which led the taxpayer to believe that no tax was due on amounts received under a settlement with the United States."

(b) The amendment made by this section shall apply only with respect to taxable years ending after December 31, 1948.

SEC. 3. Certain distributions in kind.

(a) Section 115 of the Internal Revenue Code of 1939 (relating to distributions by corporations) is hereby amended by adding at the end thereof the following new subsection:

"(n) Certain distributions in kind:

"(1) Notwithstanding any other provision of this section, a distribution of property by a corporation to its stockholders, with respect to its stock, shall be (except as provided in paragraph (2)) considered to be a distribution which is not a dividend

(whether or not otherwise a dividend) to the extent that the fair market value of such property exceeds the earnings and profits of such corporation accumulated after February 28, 1913, and the earnings and profits of the taxable year (computed as of the close of the taxable year without diminution by reason of any distributions, except those described in subparagraphs (A), (B), and (C) of paragraphs (3), made during the taxable year) without regard to the amount of the earnings and profits at the time the distribution was made. The preceding sentence shall not prevent the application of subsection (d) to any such distribution.

"(2) In the case of a personal holding company a distribution in property shall not be a dividend to the extent it exceeds the earnings and profits of such corporation accumulated after February 28, 1913, to the beginning of the taxable year, plus the higher of the earnings and profits of the taxable year or the subchapter A net income of the taxable year, adjusted in accordance with paragraphs (1) through (3) of subsection (a), computed as of the end of the taxable year without reduction for any distributions made during the taxable year except those described in subparagraphs (A), (B), and (C) of paragraph (3), made during the taxable year.

"(3) This subsection shall apply to any distribution of property other than—

"(A) money.

"(B) inventory assets, as defined in section 312 (b) (2) of the Internal Revenue Code of 1954, or

"(C) distributions described in section 312 (j) of the Internal Revenue Code of 1954."

(b) The amendment made by this section to section 115 of the Internal Revenue Code of 1939 shall be effective as if it were a part of such section on the date of enactment of the Internal Revenue Code of 1939. No interest shall be allowed or paid in respect of any overpayment of tax resulting from the amendment made by this section.

SEC. 4. Application to poultry of tax on transportation of property.

(a) (1) Section 3475 of the Internal Revenue Code of 1939 (relating to the tax on the transportation of property) is amended by adding at the end thereof the following new subsection:

"(g) Poultry: The tax imposed by this section shall not apply to amounts paid for the transportation of poultry in continuous movement from the farm where the poultry was raised to a dressing plant, located within the local area of such farm, for processing."

(2) The amendment made by this subsection shall apply only with respect to amounts paid after November 30, 1942.

(b) (1) Section 4272 of the Internal Revenue Code of 1954 (relating to exemptions from the tax on the transportation of property) is amended by adding at the end thereof the following new subsection:

"(f) Poultry: The tax imposed by section 4271 shall not apply to amounts paid for the transportation of poultry in continuous movement from the farm where the poultry was raised to a dressing plant, located within the local area of such farm, for processing."

(2) The amendment made by this subsection shall apply only with respect to amounts paid after December 31, 1954, for transportation which begins after such date.

(c) No interest shall be allowed or paid in respect of any overpayment of tax resulting from the amendments made by this section.

SEC. 5. Trademark and trade name expenditures.

(a) Part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is amended by inserting after section 176 thereof the following new section:

"SEC. 177. Trademark and trade name expenditures.

"(a) Election to amortize: Trademark or trade name expenditures paid or incurred after December 31, 1955, may, at the election of the taxpayer (made in accordance with regulations prescribed by the Secretary or his delegate), be treated as deferred expenses. In computing taxable income, such deferred expenses shall be allowed as a deduction ratably over such period of not less than 60 months after such expenditures are paid or incurred, as may be selected by the taxpayer.

"(b) Trademark and trade name expenditures defined: The term 'trademark or trade name expenditures' means any expenditure which—

"(1) is directly connected with the acquisition, protection, expansion, registration (Federal, State, or foreign) or defense of a trademark or trade name;

"(2) is chargeable to capital account; and

"(3) is not part of the consideration paid for a trademark, trade name, or business.

"(c) Time for and scope of election: The election provided by subsection (a) shall be made within the time prescribed by law for filing the return for the taxable year (including extensions thereof). The period so selected shall be adhered to in computing the taxable income of the taxpayer for the taxable year for which the election is made and all subsequent years."

(b) The table of sections of part VI of subchapter B of chapter 1 of the Internal Revenue Code of 1954 is hereby amended by inserting at the end thereof

"SEC. 177. Trademark and trade name expenditures."

(c) The amendments made by this section shall apply only with respect to taxable years beginning after December 31, 1955.

SEC. 6. Livestock sold on account of drought.

(a) Section 1033 of the Internal Revenue Code of 1954 (relating to involuntary conversions) is hereby amended by redesignating subsection (f) thereof as subsection (g) and by inserting after subsection (e) of such section the following new subsection:

"(f) Livestock sold on account of drought: The sale of livestock (other than poultry) held by a taxpayer for draft, breeding, or dairy purposes in excess of the number the taxpayer would sell if he followed his usual business practices shall be treated as an involuntary conversion to which this section applies if such livestock—

"(1) are held in an area—

"(A) in respect of which the President determines under the act of September 30, 1950, as amended (42 U. S. C. 1855–1855g), that a major disaster exists because of drought, and

"(B) which is found eligible by the Secretary of Agriculture for emergency assistance under section 2 (d) of the act of April 6, 1949, as amended (12 U. S. C. 1148a–2), or for relief under clause (2) of the fifth sentence of section 407 of the Agricultural Act of 1949, as amended (7 U. S. C. 1427), and

"(2) are sold (whether before or after such determination) by such taxpayer solely on account of such drought."

(b) The amendment made by this section shall apply only with respect to taxable years beginning after December 31, 1955.

The PRESIDING OFFICER. The question is on agreeing to committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended, so as to read: "An act to amend the Internal Revenue Codes of 1939 and 1954, and for other purposes."

INSURANCE AGAINST FLOOD DAMAGE

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1886, Senate bill 3732.

The PRESIDING OFFICER. The bill will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3732) to provide insurance against flood damage, and or other purposes.

The PRESIDING OFFICER. The question is on the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

LEGISLATIVE PROGRAM—RECESS

Mr. JOHNSON of Texas. Mr. President, I should like to announce for the information of the Senate that, following the disposition of Calendar No. 1886, Senate bill 3732, which has just been made the unfinished business, it is the purpose of the leadership to proceed to the consideration of Calendar No. 1896, Senate bill 3108, to encourage the construction of modern Great Lakes bulk cargo vessels; Calendar No. 1894, H. R. 483, to amend the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947, as amended, so as to provide for appointment of doctors of osteopathy in the Medical Corps in the Army and Navy; and Calendar No. 1899, H. R. 9429, to provide medical care for dependents of members of the uniformed services, and for other purposes.

The bills will be considered not necessarily in that order, Mr. President, but I should like the Senate to be on notice that the leadership has agreed to take up those bills.

It is not the intention to have any votes this evening. If no Senator desires to present any matter at this time, I shall move that the Senate take a recess until tomorrow.

Mr. President, I move that the Senate now stand in recess until 12 o'clock noon tomorrow. I suggest that if we may have a full day tomorrow and can dispose of all the measures which I have announced, it is possible that the Senate will go over until Monday.

I should like to give notice that such a motion may be made.

The PRESIDING OFFICER. The question is on the motion of the Senator from Texas.

The motion was agreed to; and (at 5 o'clock and 49 minutes p. m.) the Senate took a recess until tomorrow, Thursday, May 10, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 9 (legislative day of May 7), 1956:

NATIONAL SCIENCE FOUNDATION

The following-named persons to be members of the National Science Board, National Science Foundation, for terms of 6 years expiring May 10, 1962:

Laurence McKinley Gould, of Minnesota. (Reappointment.)

Paul M. Gross, of North Carolina. (Reappointment.)

George D. Humphrey, of Wyoming. (Reappointment.)

Frederick A. Middlebush, of Missouri. (Reappointment.)

Edward James McShane, of Virginia, vice John W. Davis, term expired.

Samuel Milton Nabrit, of Texas, vice Edwin B. Fred, term expired.

Julius A. Stratton, of Massachusetts, vice O. W. Hyman, term expired.

Edward Lawrie Tatum, of California, vice Earl P. Stevenson, term expired.

IN THE COAST GUARD

Joseph A. Kerrins for promotion to the permanent rank of rear admiral in the United States Coast Guard.

IN THE AIR FORCE

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); title II, Public Law 365, 80th Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947); and section 307 (b), Public Law 150, 82d Congress (Air Force Organization Act of 1951), with a view to designation for the performance of duties as indicated:

To be major, USAF (Medical)

Francies Marshall

To be captains, USAF (Medical)

Francis X. Farrell
Jack R. Starrett, O946664.

To be captains, USAF (Dental)

Edward E. Davis, AO2240587.
Donald E. Kurth, AO1906888.
Edward J. Prejean, Jr., O427771.
Arthur J. Sachsel, AO1906183.
Charles W. Seamands, AO1906530.
Ira L. Shannon, AO1906564.
Milton D. Wyngarden

To be first lieutenants, USAF (Medical)

Charles M. Aaronson, AO3043103.
Donald W. Acker, AO741437.
Thorne J. Butler, AO3043222.
William H. Carranza, AO3043224.
George R. Cary, Jr.
Don L. Christensen, AO3043225.
John E. Eagleton, AO3043231.
Robert H. Edwards, O4022249.
Richard C. Froede, AO3043198.
John T. Hart, AO2218328.
James S. Harvin, AO3000787.
James H. Hockenberry, AO3043193.
Vernon L. James, Jr.
Kenneth M. Jensen, AO3043245.
Charles C. Keith, Jr., AO3043203.
Gregory B. Krivchenia
Charles K. Landrum, AO1856169.
Vernor F. Lovett, AO3043093.
William K. I. Manning, AO3043252.
John F. McCloskey, AO3043134.
Jay W. McRoberts
Gunter R. Meng
Robert T. Miller, AO3043254.
Edward H. Mills
David P. Minichan, Jr., AO2233026.
William J. Mitchell, AO3043255.
Patrick J. Moore, AO2217030.
Herbert A. Muller, Jr., AO3043256.
John T. Purvis, AO2261924.
Howard F. Rickenbach, Jr., AO3043267.
James A. Roman
Anthony N. Scalco
Richard H. Schwarz
John R. Scott, AO3043273.
Ferdinand L. Soisson, Jr., AO3042884.
Donald B. Strominger, AO3001639.
Irwin T. Taylor, AO3001894.
Fred K. Viren, AO3044156.
Forrest S. Warner, AO3041625.
Morgan E. Wing, AO2255714.

To be first lieutenants, USAF (Dental)

Clair W. Andrus
Stephen T. Braum
Norman L. Esterl
James A. Hitchens, AO3001090.
Carl E. Johnson, AO730268.
Edwin B. Rosen
Robert R. H. Sutherlin, AO3043654.
John J. Travis
Wallace T. Urata, AO981869.

To be first lieutenants, USAF (Veterinary)

Donald L. Anderson, AO2261570.
Charles F. Clause, AO3000154.
Ernest B. Rushing, Jr., AO3000240.
Otto S. Shill, Jr., AO3000710.

To be first lieutenants, USAF (Medical Service)

Merrill B. DeLong, AO1327517.
William G. Neubrand, AO2230004.
Francis J. Smith, AO2213609.
Myrl E. Wilson, AO2241093.

To be second lieutenants, USAF (Medical Service)

James E. Bousser, AO2262010.
Elwood E. Fisher, AO3013109.
Jeremiah R. Lynch, AO3001446.
William H. Newton, AO2262019.
Walter H. Williams, AO3000093.

The following-named persons for appointment in the Regular Air Force, in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of sections 101 (c) and 102 (c), Public Law 36, 80th Congress (Army-Navy Nurses Act of 1947), as amended by section 5, Public Law 514, 81st Congress, and Public Law 37, 83d Congress, with a view to designation for the performance of duties as indicated under the provisions of section 307, Public Law 150, 82d Congress (Air Force Organization Act of 1951):

To be first lieutenants, USAF (Nurse)

Joan M. Caddell, AN795815.
Mary J. Evans, AN2214423.
Margaret H. Maschino, AN2241704.
Margaret T. Merritt, AN2244419.
Virginia M. Niebauer, AN2241662.
Mary E. Roop, AN1912791.
Katherine I. Shealy, AN2242119.
Beatrice N. Toth, AN2242922.
Lois J. Wikoff, AN792691.

To be first lieutenants, USAF (Medical Specialist)

Carolyn E. Bobo, AR3001035.
Marian J. Hayton, AR2485.

The following-named cadets, United States Military Academy, for appointment in the Regular Air Force, in the grade of second lieutenant, effective upon their graduation, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947). Date of rank to be determined by the Secretary of the Air Force:

Don Eugene Ackerman
Michael Houston Alexander
B. Conn Anderson, Jr.
Darrell Leslie Anderson
Gerald David Ankenbrandt
Robert Todd Barrett
Robert Chapman Beyer, Jr.
Robert Moulton Blocher
Stuart Waddington Bowen
Alfred Connor Bowman, Jr.
Robert Ellsworth Brown
Nicholas Joseph Bruno
Frank Albert Burd, Jr.
Edmund Dederick Burhans II
Dennis Lee Butler
Joel Richard Campis
Howard Ray Cannon
William Christi Carey
Darold Wendle Clonts
Thomas Joseph Cody, Jr.
James Arnold Cook
Roland Bertram Crase
Terry Wayne Creighton
William Penn Crum
Richard Joseph Daleski
Lee Armistead Denson, Jr.
Frederick Rodgers Dent III
Joseph Mark Dougherty
Paul Gustave Dougherty
Richard Patrick Dowell
Albert James Dye
Donald Lee Ernst
Theodore Martin Faurer
Hugh LaVerne Filbey
Norman Clark Folden, Jr.
Henry Ronald Gaude
James Harper Gordon
Robert English Grassberger
Merrill Anson Green, Jr.
Paul Hilger Greisen
John Martin Gromek
Alfred John Hallisey
Charles Rowland Hamm
John Arthur Hampton
Norris Brown Harbold, Jr.
Richard Henning Head
Joel Stanley Hetland
John Henry Higgins III
Alfred Hoffman, Jr.
Harold Gordon Holmquist
Gerald Lee Irwin
Paul Anthony Jakus
William Robert Jarmon
Douglas Stoddard Johnson
John Milton Kamm, Jr.
Lisle Greene Kendall, Jr.
Thomas Edward Kirchgessner
Harry Kotellos
Robert Douglas Krutz
Jerome Glen Lake
Kenneth Earl Lang
Samuel Murray Lansing
George Firmin Leonard
James Ambrose Linden
Aaron B. Loggins
Richard Wetzel Lorey
Neale Malcolm Luft
George Patrick Lynch, Jr.
Nicholas Alexander Mavrotheris
Irwin Benton Mayer
Lester Stearns McChristian, Jr.
William Wallace McClung
James Stephen McMahon
William Curtis McPeek
Stanley Herbert Meader
Porter Nelson Medley, Jr.
Mario Anthony Nicolais
Robert LeRoy Pearson
Leslie Terence Prossner
Matthew James Quinn, Jr.
Joseph Edward Ragland
Thomas Edward Reinhardt
Alan Bishop Renshaw
Rand Eliot Rensvold
Charles William Robertson
Thomas Eugene Ross, Jr.
Walter Charles Sager
Joe Edward Sanders
Donald Wade Satterfield
John Dwight Schannep
G. Richard Schaumberg
Marvin Francis Schwartz, Jr.
Jack Joseph Sharkey
John Albert Shaud
Donald Elmer Sheehan
Robert Bruce Sheridan
Jerald Henry Skatvold
Mark Edward Smith III
Perry McCoy Smith
Herbert Henry Spaeni, Jr.

Lawrence Alan Stebleton
Robert Kenneth Stein, Jr.
Robert Allan Stewart
Joseph Francis Stroface
Otis Peebles Studdard
John Samuel Sutherland
Alan Leigh Thelin
John Benton Tindall, Jr.
Charles Clayton Torrey
Edward Vallentiny
Vernon Roy Van Vonderen
Jan Edward Verfurth
Bruce McClain Wallace, Jr.
Joseph Patrick Waters
Jerome Hirsch Werbel
Robert Wetzel
William Taylor Wetzel
William Alfred White
Romain Alton Young, Jr.

The following-named midshipmen, United States Naval Academy, for appointment in the Regular Air Force, in the grade of second lieutenant, effective upon their graduation, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947). Date of rank to be determined by the Secretary of the Air Force:

Donald Joseph Alser
Spence McFall Armstrong
James Richard Arnold
Steven Ward Nixon Arnold
James Newton Barker
Allen Ellsworth Barlow
Harold Stephen Bauduit
Leonard Fred Benzi
Lawrence Wilton Berger
William Harland Black
Emil Nathaniel Block, Jr.
Bernard William Boshoven
Thomas Charles Brandt
Robert Joseph Brown, Jr.
Richard Guy Bryant
Jesse Walter Buckelew
James William Buddle
Norman Allan Burgk
Robert Salisbury Cecil
David Porter Chartrand
Charles Nicolas Chavarria
Charles Franklin Coker
John Burd Collins
Thomas McCulloch Colman
John Edwards Conway
Henry Fred Culberson, Jr.
Charles Glenn Curtis
Paul Bernard Cusick
Vernon Allan Dander
Joe Rex Davis
David Loren Debus
George Moreton Decell III
Arsenio Lopez Delgado
Eugene John DeNezza
Walter Sam Denham, Jr.
James Vincent Detore, Jr.
Nathaniel Otis DeVoll
William Maurice Dillon
Bruce Hamilton Dolph
William Peter Dunsavage
Michael Joseph Dwyer, Jr.
Duane Cameron Eggert
John Earle Elliott
James Peter Eri
Fred Henry Ernst
Philippe Bunau-Varilla Fales
Donald Otto Faust
Peirce George Ferriter
Dundas Ingoldsby Flaherty
Raymond Joseph Fleming
Donald Thomas Flood
John Wayne Forbrick
Bob Lawrence Francis
Raymond Frankenberg
Norman Lea Hutchings Frith II
Stephen George Gardella, Jr.
Daniel Tyler Garges
Stephen Ernest Gauthreaux, Jr.
Benjamin Wesley George
Jerry Lee Gibson
Kenneth Harrison Godstrey
George Bishop Gollehon
Gerry Francis Gossens
Robert Michael Greene
Sheldon Law Groner
Richard Payne Guest, Jr.
Charles Christopher Hackeling
Albert George Haddad
Harold Austin Haddock
Franklin Richard Hadley
Willard Harvey Hagenmeyer, Jr.
Hugh Elliott Hanna, Jr.
Charles Jasper Hansen, Jr.
Edmund Earl Hansen
Walter Hansen
Lyell Foster Harris
George Conrad Heidrich
Robert Theodore Herz
Fred Nyland Hopewell
Lawrence Joseph Hubert
Donald LeRoy Hugdahl
Ralph Henry Jacobson
Edward Charles James
Jerry Raymond Johnston
John Joseph Lally
Marc Theodore Wolff
Robert Duggan Jones
James Joseph Kamp, Jr.
John Karas
Richard Henry Kauffman
James George Kautz
John Daniel Kelly
Leo John Koerkenmeier
David Warren Lajeunesse
Thomas Charles Lampsa, Jr.
Gerald Barry Leavey, Jr.
Charles Allen Levis
Reed Holloman Lewis
Edward Coughlin Lovely
Roger Held Lyle
Thomas Cahoon Lynch
James Benjamin Mackey
John Flock Magagna
Armand David Maio
Lawrence Otis Marr
Jerry Patrick Masterson
John Robert McIntyre, Jr.
George James Mercuro
Charles Walter Missler
Charles Louis Mitri, Jr.
Donald Peter Murphy
Carl Harold Murray, Jr.
George Mushalko
Barton Myers, III
John Frederick Nelson
William Henry Niles
David Joseph Noonan
Mark Anthony O'Hara, Jr.
Ernest Arthur Olds
James Kelly Olson
David Lee Palmer
Edward Joseph Parent
Robert Edward Park
Kenneth Morgan Petch
Clifford Dean Peterson
George Walton Peterson, Jr.
Raleigh Edward Piatt, Jr.
Chester Allen Pilcher
Andreus August Piske, Jr.
George Emil Pitzer
Joe Daniel Pope
George Reagan
Richard Samuel Romero
George Laddie Rosenhauer
John Ellis Schaefer
John Clifford Schoep
Thomas Schwartz
William Caesar Shannon
Leo Joseph Sheehan
Richard George Shewchuk
James Cass Shortridge, Jr.
Richard Edward Smith
Stephen Arthur Soltesz
Ben Lutes Steele
William Howard Stewart
Leo Warren Stockham
Philip Long Sullivan
Richard Swanenburg
George Paul Textor
Richard Paul Tucker
Charles Duane Van Ry
Robert Fred Vaselenko
James Raymond Visage
Glenn Allen Warner
Richard Hawks Warren
George Warren Weigold, Jr.
Thomas Lee Weisner
Bernard Ira Weltman
J. Walden Westerhausen
William Edward Whitaker
Frank Durward White
George Thomas White
Ronald Litteer Widner
Oscar Eugene Williams, Jr.
Powell Jones Wilson, Jr.
James Ray Wolverton
James Alfred Franklin Wood
John Eugene Wood
Robert Emmett Zehnder

The following-named persons for appointment in the Regular Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947):

To be first lieutenants

Lawrence L. Brown, AO2220979.
Robert E. Buck, AO2227401.
Edward G. Bulka, AO2228534.
Weldon L. Burden, AO2228358.
Monti D. Callero, AO2228160.
Duane D. Campbell, AO2249725.
William S. Clarke, Jr., AO2228164.
John D. Collins, AO2221011.
Robert E. Craycraft, AO2227979.
Joseph E. Daneu, AO2228368.
Miles D. Dick, AO2228169.
Eugene P. Dikeman, AO2227871.
Arthur J. Disher, Jr., AO2221053.
Randall J. Dixon, AO2221054.
John J. Doyle, Jr. AO2228455.
Alexander G. Edgar, AO2221071.
Robert L. Engle, AO2227145.
Allen J. Gibson, AO3003709.
Merle Hahn, AO2228385.
Howard D. Harper, AO2228387.
Barry E. Harris, AO3002824.
John D. Hunt, AO2216925.
Jack King, AO3002997.
William A. Kobzeff, AO2251585.
Ronald J. Legner, AO3004484.
Herman W. Lehman, Jr., AO3004783.
Karl V. Lofstrand, AO3004815.
Truman A. Marr, AO3003048.
William E. Masterson, AO3005767.
Francis D. McCarthy, AO2221253.
Agamemnon R. Mourges, AO2227492.
Gerald J. Newlin, AO2254604.
Howard R. Nordeck, AO3004512.
Richard H. Rencurrel, AO2218182.
David A. Sena, AO2247526.
John D. Sharp, AO3003037.
Peter L. Smith, AO2228434.
Jack C. Snead, AO2228450.
William R. Southerland, AO2254641.
Billy W. Stephens, AO1865272.
Julian T. Stewart, Jr., AO3004858.
James M. Taylor, AO2228524.
Robert P. Taylor, AO3004629.
John F. Tiernan, AO3002516.
Virgil R. Van Haaften, AO3004545.
James L. Wallace, AO2228278.
Laverne A. Westling, AO3003614.
Ira L. Yoder, Jr. AO3004588.
John M. Ziegler, AO2228448.

To be second lieutenants

Roddee E. Lord, AO2255022.
William A. McLawhon, AO3017269.

The following-named person for appointment in the Regular Air Force, in the grade indicated, with date of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, 80th Congress (Officer Personnel Act of 1947); and section 301, Public Law 625, 80th Congress (Women's Armed Services Integration Act of 1948):

To be first lieutenant

Marie L. Killwey, AL2221188.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 9, 1956

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou infinite and eternal God, our Creator and Benefactor, who hast made us for Thyself, we beseech Thee to give us a humble spirit and a contrite heart as we again seek Thy blessing and favor in this fellowship of prayer.

Thine is the love which redeems us, the strength which sustains us, the providence which surrounds us, the beauty which attracts us, and the grace which is sufficient for all our needs.

We pray that Thou wilt take our wills and make them Thine, transforming our groping and faltering spirits into centers of light and loveliness and into channels of peace and power.

Grant that we may long to be worthy citizens of Thy heavenly kingdom, men and women of invincible good will and fellow workers with Thee in building a social order in which the principle of righteousness shall prevail and the law of love shall be victorious over hatred and strife.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

INCREASED PENSIONS FOR SPANISH-AMERICAN WAR VETERAN WIDOWS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, in the first session I introduced a bill at the designation of the United Spanish War Veterans for an increase of pensions paid to Spanish-American War widows from the present pitiful amount of $57 a month to $75 a month. I understand the distinguished chairman and members of the Veterans' Affairs Committee are all sympathetic with this legislation but that now it is caught in a roadblock created by the Bradley report. Time is running out on these Spanish-American War widows. There are not many of them left. I do hope the House will soon take action on this bill, and I suggest to my colleagues that they read Edward K. Inman's editorial in this week's issue of the National Tribune entitled "Pass the O'Hara Bill."

FORTY-THIRD NATIONAL CONVENTION OF NATIONAL RIVERS AND HARBORS CONGRESS

Mr. BROOKS of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS of Louisiana. Mr. Speaker, beginning tomorrow, through May 12, the 43d national convention of the National Rivers and Harbors Congress is going to convene at the Mayflower Hotel in the city of Washington.

The first day of that program will be devoted to committee meetings. The second day, Friday, they will begin the regular convention program. I as president of this organization am making this announcement here today because we have many Members of Congress on the program as speakers for river and harbor development and reclamation and water utilization throughout the United States. Under the constitution and bylaws of the National Rivers and Harbors Congress, Mr. Speaker, every Member of the House and Senate is ex officio a member of the congress and is invited and is expected to attend where possible the meetings of the convention. I urge every Member to attend some of our meetings.

MATANUSKA VALLEY LINES, INC.

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 7513) to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, if the Secretary of the Interior finds that the Matanuska Valley Lines, Inc., pursuant to its certificate of conditional purchases issued on August 20, 1951, for tracts 1, 2, 3, and 4 of block 27 of the east addition to the original townsite of Anchorage, Alaska, and tract 7 of block 34 of the east addition to the original townsite of Anchorage, Alaska, complied, prior to August 20, 1954, with the provisions of the Alaska Public Sales Act of August 30, 1949 (63 Stat. 679; 48 U. S. C., secs. 364a–364e), and the regulations issued pursuant thereto, except for the requirement pertaining to the application for the issuance of a patent, he shall grant to the Matanuska Valley Lines, Inc., such additional period of time within which to file such application for the aforesaid tracts as he shall deem reasonable.

"SEC. 2. If the Secretary of the Interior finds that Joe Blackard and Russell Swank, operating a joint venture as Blackard and Swank, pursuant to their certificate of conditional purchase issued on August 20, 1951, for tract 6 of block 34 of the east addition to the original townsite of Anchorage, Alaska, complied, prior to August 20, 1954, with the provisions of the Alaska Public Sales Act of August 30, 1949 (63 Stat. 679; 48 U. S. C., secs. 364–364e), and the regulations issued pursuant thereto, except for the requirement pertaining to the application for the issuance of a patent, he shall grant to Joe Blackard and Russell Swank such additional period of time within which to file such application for the aforesaid tract as he shall deem reasonable."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

JOHN M. LEE, 1887–1956

Mr. MURRAY of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MURRAY of Illinois. Mr. Speaker, it is with sadness that I report the death of a very close personal friend, a civic leader in the city of Chicago, an elder of the Democratic Party, and a former Illinois State senator and State representative—John M. Lee.

John M. Lee died on Thursday, April 26, 1956, at St. Bernard's Hospital in Chicago, Ill.

Senator Lee was born in Chicago, Ill. He was a leader in community activities during most of his lifetime. He served five terms in the Illinois House of Representatives, from 1922 until his election to the Illinois State Senate in 1933. He served in the Illinois Senate from 1933 until 1946.

Senator Lee's legislative career was marked by a devotion to the interest of the poor, the workingman, and the public in general. He was recognized as a spokesman for labor and fair employment practices. He introduced and successfully handled much of the prolabor legislation that has resulted in Illinois being recognized as one of the most progressive States insofar as labor legislation is concerned.

As tributes to his legislative skill and his interest in the workingman is the Illinois Unemployment Compensation Act, which he introduced in the Illinois State Legislature and successfully helped to effectuate into Illinois law. He was one of the legislative architects of the Illinois workmen's compensation law, the Illinois minimum-wage law, and the Illinois Department of Labor. This progressive legislation remains in our Illinois law as a monument to John M. Lee's service to the community.

Senator Lee was a leader of the Democratic Party from his early youth. He served as ward committeeman of the 18th ward regular Democratic organization from 1938 until the time of his death. In his capacity as a leader in the Democratic Party he constantly strove to help men of good will achieve public office. Numerous officials of the city of Chicago, State of Illinois, and the Nation owe in a great measure their success in public life to Senator Lee's assistance and guidance. Senator Lee was the first to suggest myself as a candidate for the Congress. My successful election as a Member of this great body is in a large measure due to his assistance and guidance. His only advice and caution to me when I took this office was to do a good job for the people of the Nation and our community.

Senator Lee was interred in Mount Olivet Cemetery in Chicago, Ill. Mass was offered in St. Sabina's Roman Catholic Church at 1210 West 78th Street, Chicago, Ill. The Reverend Patrick J. Molloy, pastor of St. Leo's Church, said the mass, and the Reverend Thomas McMahon, of St. Sabina's Church, gave the sermon.

Senator Lee is survived by his widow, Mae. To his widow I extend my deepest sympathy and assure her that her sorrow of his loss is shared by the many, many friends he has left behind.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1957

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 500 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That, during the consideration of the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, all points of order against the bill are hereby waived.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes of my time to the gentleman from Illinois [Mr. ALLEN], and at this time I yield myself such time as I may use.

Mr. Speaker, this resolution provides the usual rule for the consideration of the Defense Department appropriation bill.

Mr. Speaker, I reserve the balance of my time.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I yield to the gentleman from Iowa.

Mr. GROSS. Has it now become the usual thing for the Rules Committee to report all appropriation bills with points of order waived?

Mr. BOLLING. No; that, I think, is not an accurate statement. There are a number of appropriation bills reported that do not have points of order waived. This is an appropriation bill which over the years, for a number of years at least, has contained a substantial amount of legislation and it has been customary in the past to grant this type of a rule. This is an exceptional circumstance.

Mr. GROSS. May I say to the gentleman, it seems to me that it has become the exception rather than the rule to have an appropriation bill before the House without points of order being waived.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the able gentleman from Missouri [Mr. BOLLING] has stated that this rule provides for the waiving of points of order. There was no mention of amendments. This is an open rule and amendments, of course, will be in order.

Mr. Speaker, I want to fully subscribe to what the gentleman from Iowa [Mr. GROSS] has just said. I have been a member of the Rules Committee for about 20 years. During those many years that I have been on the Committee on Rules there have been times when legislative committees have come before the Committee on Rules and have acquiesced in the matter of waiving points of order, but in this particular instance the Committee on Appropriations has seen fit to insert, think of it, 63 legislative provisions—which is many, many times more than have ever been sought since I have been a member of that committee.

Now, it is true that any legislative committee appearing before the Committee on Rules has the right to ask the Committee on Rules to waive points of order, and by a majority of one the Committee on Rules has reported out this rule which waives points of order. I was and am opposed to this rule.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Iowa.

Mr. GROSS. Can the gentleman give the House an estimate of the number of legislative committees whose functions have been usurped by the rule that is proposed here today waiving points of order?

Mr. ALLEN of Illinois. Well, I would say that most of them are confined to the Committee on Armed Services.

Mr. GROSS. I would think that functions of most of the legislative committees are being usurped by the rule being offered here today. I am opposed to this rule, and I commend the gentleman for his statement.

Mr. ALLEN of Illinois. It was amazing to learn that the Committee on Appropriations waived points of order on these 63 legislative matters.

For instance, a Member might want some flood-control project in his district. He would go before the Committee on Public Works. The Committee on Public Works would go into the matter thoroughly, and he would be turned down. According to this theory, which the Committee on Appropriations has advanced, an individual Member can go to the Committee on Public Works on a flood-control project and be turned down and then go to the Committee on Appropriations and have that project inserted in the appropriation bill. Or, it might be that a Member is interested in some matter concerning foreign affairs. He might go before the Committee on Foreign Affairs, where it is given considerable consideration and be turned down after the most careful scrutiny and then be able to go to the Committee on Appropriations and have them insert some provision that no money in this bill will be expended unless some particular item is included. That same situation might prevail in certain departmental bills where you might have, for instance, a matter dealing with the Interstate Commerce Committee. You might go to that committee and after extensive hearings be turned down and then go to the Committee on Appropriations obtaining approval and then come before the Committee on Rules asking for a provision waiving points of order.

Mr. MORANO. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Connecticut.

Mr. MORANO. Does the gentleman know whether the Committee on Appropriations was unanimous in its request for the rule before the Committee on Rules waiving points of order?

Mr. ALLEN of Illinois. I could not answer that. I would say that the chairman of the subcommittee as well as the ranking minority member appeared before the Committee on Rules in this matter and both gave approval.

But I am not unmindful of the fact that in theory and in practice the Committee on Appropriations is definitely following a procedure here of much greater magnitude than ever before. While I am opposed to the rule, I am not attempting dilatory tactics because I have been told that it is important that this defense appropriation bill go forward to the other body as rapidly as possible.

It is my understanding that there are going to be some amendments offered to this bill, especially to section 633. That is a section which compels the Department of Defense to continue certain governmental enterprises, even though the Department of Defense feels that they are expensive, are not needed, inefficient, and not profitable. Nevertheless, under section 633, the Department is compelled to continue those unprofitable governmental enterprises in competition with private industry, even though they do not want to continue them.

Private industry, we must not forget, pays taxes. The Department of Defense comes before the Committee on Armed Services, feeling that certain governmental enterprises were not needed. Under section 633 the Department of Defense would be compelled to continue them whether they wanted to do so or not. This section forces them to do it. It prohibits them from stopping these governmental enterprises, even though they do not want to continue them, even though they say they are unprofitable or inefficient and are not needed.

Mr. Speaker, can you conceive of a proposal like that? Why should a department or why should anyone who does not want to operate an enterprise, who is not interested in it, who does not feel it is needed, be compelled to operate it? They are compelled to provide some service that they say is too expensive or is inefficient or is not needed. It seems to me that is about as ridiculous a proposal as could possibly be made.

If I were a member of a board of directors of some enterprise and we did not want to operate a certain activity, did not have any sympathy for it, how do you think I would feel if, by some edict or regulation or obiter or law or whatever, I were compelled to continue to operate it, when I had no confidence in that business, did not think it was necessary?

Mr. NICHOLSON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman.

Mr. NICHOLSON. Can we not offer an amendment to that section? Suppose the Department of the Navy, for instance, were in an activity in competition with private industry, could they not go out of that business themselves without any legislation?

Mr. ALLEN of Illinois. No; this section forces them to stay in it.

Mr. NICHOLSON. Whether they want to do so or not?

Mr. ALLEN of Illinois. Whether they want to do so or not. The Congress, under this section, compels them to do so. They say, whether you want to operate it, you need it or not, you have got to do it. That is what section 633 compels them to do.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman.

Mr. SIKES. Mr. Speaker, I have great respect for my friend's judgment, but I do think it would be well if I point out that there is another side to this story. The Congress simply has asked that it have a look at the reasons why the Department may want to discontinue an operation, or place it under private contract. Under the terms of the section to which the gentleman has referred, since the last Department of Defense appropriation bill was passed, the Department has sent to the Appropriations Committee a total of 112 activities that it proposed to discontinue or turn over to private enterprise. In only nine instances did the Congress disagree. Only in nine instances did the Congress say, "We think the Department should continue to operate this particular activity," and in most of those nine cases there was disagreement within the Department on whether the Government should terminate an activity and turn it over to private industry. In other words there was question within the Department about the wisdom or the economy of a change in method of operation. The language has worked no hardships in operation and has required a more orderly procedure in the operations of the Department.

Mr. ALLEN of Illinois. I thank the gentleman. I would say nine is too many. Nine is far too many to compel a department or an individual to operate something that they claim they do not need and do not want, but still compel them to go in and operate something that they say is inefficient and unnecessary.

In conclusion, Mr. Speaker, I hope, and I repeat, I expect that a member of the Committee on Armed Services will offer an amendment striking out section 633. If I were a member of that committee I would not like the Appropriations Committee to usurp 63 legislative functions that should come under the jurisdiction of the Committee on Armed Services. I do hope the Committee on Armed Services is cognizant of that, and it is just as important to other legislative committees. If some other committee can go before that committee and be turned down, and then you can go to the Committee on Appropriations and have them put in some project or development, I do not know why we should want any legislative committees.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. MASON. Do I correctly understand that the gentleman is suggesting we adopt the rule, which waives all points of order, and then center our attention on removing from the bill certain sections which are objectionable? Is that it?

Mr. ALLEN of Illinois. That is exactly right. I thank the gentleman. The only way you can do this is by offering amendments and voting down these things which the legislative committees have probably considered but which the Appropriations Committee feels they are better able and more intelligent to act upon in connection with these military questions than men like the chairman of the Committee on Armed Services, the gentleman from Georgia [Mr. VINSON].

Mr. BOLAND. Mr. Speaker, I disagree with the statement of the distinguished gentleman from Illinois [Mr. ALLEN] relative to section 633 of the Department of Defense appropriation bill.

This matter was thoroughly thrashed out on this floor in the last session of the Congress. It concerned section 638 of the Department of Defense Appropriation Act for 1956. It was the opinion of Congress then that this section should be kept in the bill. Again this year it is the opinion of the majority of the members of the Appropriations Committee and the Rules Committee that similar language in this year's defense bill be retained. In January of this year, a subcommittee on Department of Defense Appropriations held a hearing in respect to section 638 of the act of 1956. This hearing was occasioned by an announcement by the Department of Defense that it was to cease particular operations by the Department of Defense. I joined with many witnesses at that hearing in opposing the view of the Defense Department. At that time I emphasized the fact that I was concerned over the attitude of the Department of Defense in relation to work that had been done for a long period of time by agencies of the Department. I was concerned about the decision to cease operation of the ropewalk and chain forging that have been carried on at the Boston Navy Yard since 1801 and 1800. The skill, knowledge, and efficiency of the civilian employees in these operations have contributed much to the national defense. These employees have labored through the so-called period of rugged individualism and the heights of free-competitive enterprise. It is no answer to tell them now, after years of service, that their operations disrupt the competitive system. In my judgment, it is a ridiculous policy. It is one that can be carried and is being carried to excess. It gives concern to any area wherein any kind of Government work is being done.

This all-consuming desire to get the Government out of business is particularly injurious to my section. The Springfield Arsenal is in my district. It is operated by the Ordnance Corps and has been the center of research and development in the production of small arms over a long period of years. It is an efficient and well-run organization. I am concerned that if section 633 were removed from this year's defense appropriation bill, there might very well be an attempt to channel the production of small arms to private industry. I am unalterably opposed to this probability. Over the past years, there have been contracts for the production of the Garand rifle let to private industry. Experience has demonstrated that private industry does not do the job as well, as efficiently, nor as cheaply as the Springfield Arsenal has and is doing. I think it absolutely imperative that section 633 be retained. To me it is a penny-wise pound-foolish philosophy to take work away from Government installations, particularly work that has been done by Government installations over a long period of years, and direct that work to private enterprise. In the case of the Springfield Arsenal, we have a going concern, well equipped and well managed. It is a plant in being, and as such, it seems to me that it is entitled to all of the jobs it can handle in the small arms field. To channel work that it is now doing into private industry would make the plant an industrial wilderness. It would result in more layoffs of highly skilled and capable Government employees with long periods of faithful and efficient service. The interests of the Government could better be served if the Department of Defense would direct more work to plants like the Springfield Arsenal, rather than curtailing production. I sincerely trust that when the attempt comes to strike section 633 from this bill, it will be overwhelmingly defeated. I will vote against the attempt to strike this section from the bill.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON THE JUDICIARY

Mr. MULTER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit today and tomorrow while the House is in session during general debate.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may sit today and tomorrow while the House is in session during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

CALL OF THE HOUSE

Mr. ROGERS of Florida. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 43]

Adair	Fascell	Morrison
Ashley	Gamble	Nelson
Bailey	Gordon	O'Hara, Minn.
Bentley	Harrison, Nebr.	Osmers
Blitch	Hayworth	Phillips
Boykin	Hoffman, Ill.	Polk
Brown, Ohio	Hoffman, Mich.	Powell
Byrd	Holifield	Radwan
Carlyle	Jackson	Sadlak
Chatham	James	Short
Cooley	Jenkins	Staggers
Crumpacker	Johnson, Calif.	Taylor
Dawson, Ill.	Kearns	Thompson, La.
Deane	Kelley, Pa.	Tollefson
Denton	King, Calif.	Velde
Dodd	Knutson	Watts
Donovan	Lane	Williams, N. Y.
Dorn, N. Y.	McDowell	Willis
Eberharter	Matthews	Wilson, Ind.
Fallon	Mollohan	

The SPEAKER. On this rollcall 366 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1957

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate run throughout the day, the time to be equally divided and controlled by the gentleman from Massachusetts [Mr. WIGGLESWORTH] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10986, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. MAHON. Mr. Chairman, I yield myself 40 minutes.

Mr. Chairman, the Subcommittee on Appropriations which prepared this bill consists of 15 members. Of course, each year the bill is in a sense a continuation of the bill of the previous year. We began to work on this bill specifically on the 23d of January. We had a month of overall hearings, and then we broke into subpanels for the consideration of the details of the Army, Navy, and Air Force requirements. A great portion of our time has been taken in the consideration of major policy questions involving the defense and security of the United States.

Perhaps the most controversial matters which I shall discuss will involve the intercontinental ballistic missile and the B–52 intercontinental jet-bomber program.

Before I get into a discussion of any of the details of the pending measure I would like to make some overall observations.

We meet today for the consideration of the annual defense appropriation bill at a time when the military supremacy of the United States is being threatened by Soviet Russia. We have recognized for some time the great potential power of Soviet Russia, the existence of the Communist menace, the military threat; but not until recent months has our overall military supremacy been seriously challenged.

Of course, we have recognized that the Soviet Army was larger, vastly larger, than our own. But we have taken comfort, and with good cause, in the fact that we were away out front in the field of atomic and other nuclear weapons. And we have taken comfort in the fact that we did possess the only long-range bomber force in the world. Of course, we have relied upon the prowess of our Navy.

Today the Soviet Army has not receded. The Soviets have 400 submarines to challenge our Navy and our shipping. The Germans had only 58 at the beginning of World War II.

The Soviets are threatening us in the production of atomic and other nuclear weapons, and the Soviets are producing long-range, so-called intercontinental jet bombers at a faster rate than the United States of America.

Our position of military supremacy is in jeopardy and what we do within the next 2 to 5 years will determine whether or not we are to be definitely surpassed in overall military striking power by the U. S. S. R.

After all the heavy taxes we have borne and all the money we have spent on defense in recent years it must come as a bitter fact to the American people that our military supremacy is being challenged. We have talked, and rightly so, about our military might being a deterrent to war. We have said that we must get stronger and stronger in order to negotiate at the conference table from a position of strength. That has been one of our major premises. If we do not choose our course very carefully we are going to negotiate at the conference table from a position of relatively less strength and the Soviets are going to sit at the conference table and deal from a position of greater and greater strength. It is not pleasant or reassuring to talk of these possibilities. This is the first year I think that we have talked of them so frankly. But it is better to face up to the facts which are inherent in the present situation than to go along without realizing what the true situation is.

Our overseas bases have been valuable and they are valuable. But they are becoming more vulnerable from year to year both politically and militarily. As the long-range striking power of the Soviets develops, and it is developing, continental United States becomes more and more vulnerable. By reason of the growing development of long-range aircraft and nuclear weapons, the continental United States is more vulnerable to devastating attack today than ever before in our history. We are more vulnerable today than we were yesterday, and we will be more vulnerable tomorrow to devastating attack from the potential enemy than we are today. And I make that statement despite the fact that there have been notable improvements in our defense techniques. We are just living in a world of greater vulnerability to highly destructive attack.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. ALLEN of Illinois. Is it not true that every country in the world is more vulnerable to devastating attacks now because of modern weapons?

Mr. MAHON. That is the shocking truth that I am trying to point out, that the United States and every other country is much more vulnerable today to devastating and destructive attack than ever before in the history of the world. It is a fact that modern man must face up to.

A few years ago our Secretary of State, and I do not speak of him disparagingly, talked glibly about massive retaliation. Well, the Soviet Union is developing the same massive retaliation capability that we have. The bleak fact is that massive retaliation is rapidly becoming a two-way street. I regret to say it, but we may be threatened with massive retaliation in reverse. Secretary Quarles, the brilliant and able Secretary of the Air Force, refers to the period which we are entering as the period of "mutual deterrence."

Our people are abandoning the idea of overwhelming military superiority. They talk about a period of mutual deterrence. I quote from page 830 of the defense hearing, one of the pages in the 6,500 pages of hearings that are printed. I said to the Secretary:

> We are approaching a period of atomic plenty. What do you visualize will develop as this era of atomic plenty comes upon us?
>
> Secretary QUARLES. I believe it will mean that each side will possess an offensive capability that is so great and so devastating that neither side will have a knockout capability and, therefore, a situation in which neither side could profitably initiate a war of this kind. The point is that if either side did initiate it, before that side could knock out the other one, the other could do so much mortal damage to the aggressor that the aggressor would still come out of the war worse than he went into it, which means he would have no advantage in going to war. This has been frequently referred to as a position of mutual deterrence, and I believe we are moving into that kind of a situation.

I continue to quote:

> I must hasten to say that you only have mutual deterrence as long as both sides retain that kind of capability, and the only way we can retain that kind of capability is to be most determined and most progressive to keep our forces up to that requirement.

In the further testimony on that page he said it takes both a strong stomach and a big pocketbook to meet that requirement.

The problem is that so much of what troubles us is not something over which we have control. The growing industrial and military might of the Soviet Union is what troubles us.

We have several choices. We have got to more than match the Soviet Union to keep ahead; or we have got to reconcile ourselves to be on a military parity with the U. S. S. R. or we must allow ourselves to fall behind in military strength. Quantitatively—that is, from the standpoint of mere numbers—we have already been surpassed in several fields, and Chief of Staff of the Air Force, Gen. Nathan Twining, a man of a most composed and unexcitable disposition, says that the Soviets are closing the gap from the standpoint of quality, and that is what disturbs him.

I here quote for the RECORD a portion of his testimony on page 758 of the defense hearings:

> The questions, "Are we still ahead in airpower?" and "Are the Soviets overtaking us?" assume greater importance than ever before. * * * If we are speaking about numbers of aircraft in combat units, we are not ahead, and have not been ahead for years. * * * It is in quality that we have been able to stay ahead. However, the Soviets are now closing the quality gap. This concerns us much more than comparisons of numbers.

So many statements are made about the defense program from week to week and day to day that I think we come to the point where we are not very sensitive to the things that are said. But these quotes are the sober, reflected, printed, screened statements of people who ought to know what they are talking about.

We are on the threshold of a period of atomic plenty when each side will have enough nuclear weapons to destroy the other. Not only are we on the threshhold of atomic plenty, but we are on the threshhold of an age of ample capability to deliver such weapons on each other. The argument as to which side is stronger will be somewhat pointless when both sides have the full capability to destroy the other in a give and take contest. With the dramatic entry of the Soviet Union into the field of production of intercontinental jet bombers, we are not only on the threshhold of atomic plenty, but the period of ample capacity for delivery of such weapons from continent to continent is just about here.

I am not engaging in hysterics or in histrionics. I am just stating the facts. It is not wise to be hysterical or afraid, but it does become a Nation which has as much at stake as we have to be aware of the situation which confronts us.

It is hard to know what to do in the situation in which we find ourselves. I do not have the answers. If you will read the 6,500 pages of hearings in the 5 or 6 volumes on the pending bill, you will find them extremely interesting, but you will not find the answers to our dilemma.

In March the members of the Joint Chiefs of Staff went down to Puerto Rico, where they could be quiet and where they could sit down and think and commune with each other as to the plight in which this Nation finds itself. But, they did not find the answers. They only made a few minor, unspectacular changes in our program. They did not stop the threat of increased vulnerability to the United States.

Please do not misunderstand me. The members of the Joint Chiefs of Staff are men of great and proven ability. Moreover, we have some topflight civilians in the Pentagon, and, of course, the President, the Commander in Chief, is a military man of great stature.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. CANFIELD. I recall in committee last week the gentleman paid an extraordinary compliment to Secretary of the Air Force, Mr. Quarles. He expressed the highest confidence in him and his administration. I wonder if the gentleman is going to say something about him today.

Mr. MAHON. I am glad to concur in this tribute. I have already referred to him as the brilliant and able Secretary of the Air Force. I mark my words when I say he is, in my judgment, one of the finest public servants in the Government today. There are also other exceptionally capable civilian and military men in the Pentagon today.

Mr. Chairman, the defense bill is no place for partisanship, and I do not want to become partisan, though I may trample somewhat on some toes. I realize that the Democrats now have and have had their shortcomings, but I have been disturbed that about the only answer that this administration has to our problems is just money and more money, more appropriations of money from the Congress.

The military situation, relatively speaking, is bad. What is the answer given? Money and more money this year than last, and more money next year than this year. Despite occasional claims to the contrary, we have not done too well in the field of international relations. What is the administration's answer? The answer is long-range foreign aid, money and more money for foreign aid.

One would think that after pouring out billions of dollars since World War II, by both the Democratic and Republican administrations, we would have found that money is not the whole answer. The people of our country who are bearing the tax burden must be asking each other if this Government is bankrupt of ideas, lacking in imagination and finesse, and unable to come up with any answer to any major question that does not consist of just money and more money. It is the finding of a better answer than that which should engage the finest brains in the administration, and I would say the Congress and the people generally.

It comes down to this, that presently there is no adequate answer to our military and international problems. We are told that we must be patient, and indeed we must be patient. We hope eventually to ride out the stormy seas in which we find ourselves, and approach a more stable and satisfactory relationship with the Soviet Union.

I have been standing in the well of this House year after year for a long time trying to hold out a ray of hope at the time we present the annual gigantic money bill, but I regret to say that this year it is the same old depressing story that we related last year and the year before and the year before that.

Indications are that we must continue the high rate of military spending; not only continue it, but perhaps raise it a bit from year to year, as recommended for next year by Secretary of Defense Wilson. We have lost some of our supremacy and a military stalemate seems to be more or less expected in high places. It is in the offing. There may be, as Secretary Quarles says, a period of "mutual deterrence." During this period of mutual deterrence there is room to hope that mutual understanding and confidence may be nurtured. There is hope that some sort of moderate disarmament program can be agreed upon.

It is true that the disarmament conference which had continued for many weeks broke up in failure in London last week, but this does not have the effect of closing the door on future negotiations. It is true that the North Atlantic Treaty Organization, the so-called NATO, which we sponsored, is not fulfilling our hopes, to put it mildly. Yet there is considerable evidence that the leaders in the Kremlin recognize, and we do, that a global war would bring about unbelievable destruction and little victory for anyone.

The President's open-sky policy is attractive and sound. The Soviets have not refused to sit at the conference table and discuss it and other ways and means of achieving peace. We do not know what is happening within Soviet Russia, but we know that the country is in a changing status and that new and different policies are being considered and undertaken. We do not trust the Soviets, and we have ample reason not to, but we cannot bring ourselves to the point—and the President has brought out this fact—of discarding any hope that in the future some sort of satisfactory arrangement may be made whereby the armament race can be abandoned and military spending tapered off to some considerable degree. Our patience has been worn threadbare, but I think we might just as well face up to the long-range implications of the situation.

Through our strength and determination world war III has thus far been averted. In a measure, we have been successful. It is not beyond the realm of possibility that we may continue to avert world war III and eventually achieve with other free nations a period of relative stability and peace, a period which we so devoutly seek.

INTERCONTINENTAL BALLISTIC MISSILE

Now, I would like to get away from these generalities, important as I consider them to be, and discuss some of the other features which are in the minds of Members of Congress and the people generally throughout the country. I first come to the intercontinental ballistic missiles program that has been so controversial in the forum and in the public press.

The status of the intercontinental ballistic missiles program is one of the most controversial issues in the military field.

The very great potential destructiveness of this weapon has distrubed our military planners, and it so disburbed the members of the Appropriations Committee that we spent hours and days exploring and probing to make sure that we gave every single dime and dollar and latitude to the Defense Department in pressing for the development of the intercontinental ballistic missile.

This missile has been referred to, and probably only to a slight degree inaccurately, as the ultimate weapon. My own personal opinion, for whatever it may be worth, and I do not think anybody knows for sure, is that there is a 50-50 chance that the Soviets may be able to fire the first intercontinental ballistic missile. We are seeking through a duplicating effort, Army, Navy, and Air Force—and the duplicating effort is for the purpose of exploiting every possibility—to develop both an effective intercontinental ballistic missile, and the intermediate range ballistic missile. It is true that the Air Force has the sole control of the so-called intercontinental ballistic missile, but the breakthroughs in one field are to some very considerable extent applicable to the other fields.

Perhaps it is not clear in some people's minds just what the difference is between the intercontinental ballistic missile and the guided missile which we have been developing and utilizing in training over a period of years. I am no scientist, but the general idea is this: The ordinary guided missile proceeds at the speed of a jet bomber or a supersonic speed, perhaps faster, and the guidance factors may be applied throughout the flight. There are many different types of guidance factors.

The intercontinental ballistic missile is designed to fly through space with an intercontinental range and at a speed of over 10,000 miles an hour. In other words, a 5,000-mile flight, 30 minutes. Guidance factors can be applied only during the first few moments of flight. This fantastic range and speed would make the missile most difficult of interception, terrifying to comprehend, and the fact that it can carry an H-bomb warhead makes it tremendously devastating. The truth is that while it is expected that within a few years both the United States and Russia will be able to fly a test model of the ICBM, it will in all probability be 5 years or more before the ICBM could be fully perfected and production could begin for the use of our forces in the event of an all-out war.

Speaking of missiles generally I think there is little likelihood but that the United States, in the development of a wide variety of so-called guided missiles, is decidedly out in front of any other power.

With respect to the ICBM, the situation, unfortunately, is different. The Soviets captured during the closing period of World War II a large number of German scientists whom they later exploited and are now exploiting. They likewise captured many of the German secrets having to do with the V–2 rocket, which in a sense, is the forerunner of the ICBM.

Another important fact is that immediately after World War II the Soviets began an intensive program for the development of the ICBM. This country did not. We are trying now to make up for lost time, and whether we will be able to do it remains to be seen. History will answer that question. It is true that we have made significant breakthroughs which make it clear that we can perfect the ICBM.

One of the major problems was and is the matter of the warhead reentering the atmosphere near the end of its flight and in the area of the target at such terrific rates of speed. Normally, the reentry of the warhead at such a terrific rate of speed would result in the burning up and destruction of the warhead. Our scientists now think they have developed techniques for solving this problem. Of course, in the development of the ICBM, it is necessary to perfect a power plant, a guidance system and a warhead. Our research and development people tell us that there are no present insurmountable barriers to the ultimate perfection of this so-called ultimate weapon. I can say to the House that there are no barriers and there is not a line of testimony in the hearings to indicate there is any lack of funds for the intercontinental ballistic missile program.

We have made great progress in the last 5 years toward developing a couple of intercontinental missiles which are not of the ballistic type, one sonic, the other supersonic. They are the Snark and the Navaho.

The missile field is increasing in importance. The pending bill before you contains $2.8 billion for the continuation of research and development and production in the missile field. The missile is occupying an increasingly important part in the field of offense and defense.

THE B–52 JET BOMBER

I think everyone is interested in the controversy over the B–52, the long-range intercontinental bomber. We are making 4 or 5 a month. The schedule is to proceed up to 20 per month, which is fairly slow. We have two sources for the manufacture of this intercontinental bomber, but they are both plants of Boeing. Boeing has backlog orders of more than $2 billion for the production of the B–52.

When the appropriation bill was before the Congress last year this item became a matter of controversy, and the Congress took the initiative in increasing available funds for the B–52. After the initiative had been taken by the Congress, the Pentagon officials, including the Secretary of Defense, came to the Capitol and supported congressional determination to expedite the production of B–52's. Now the B–52 has become a controversial item again this year. Again as a result of congressional pressure the administration has stepped up B–52 procurement. In a supplemental budget request received from the President last month we were requested to provide $248 million additional for the B–52 program. This has resulted because it must be admitted that the Soviet Union is at this time producing the long-range intercontinental jet bomber faster than we are producing them. It is a disturbing factor that they are producing the bomber. It is a more disturbing factor that they undoubtedly have the devastating nuclear weapons with which it might be equipped.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Georgia.

Mr. LANHAM. Would it not be possible to speed this program up by giving contracts to large manufacturers other than Boeing? I understand that there are several plants in America that can make the B–52. Would it not be advisable to spread those contracts so as to take advantage of every facility that can make those huge bombers? We have one in Georgia that could readily make them, the Lockheed plant, at Marietta, Ga. It is the largest and best plant in the United States under one roof.

Mr. MAHON. I believe Lockheed is now being used. Is it not?

Mr. LANHAM. It is being used to make B–47's, and to modify them. Besides they are building C–130's, and are now beginning a huge atomic project looking to the making of an atomic engine for airplanes.

Mr. MAHON. Of course, we are going to phase out the B–47's. We have about all the B–47's, the medium jet bomber, that we require.

Will the gentleman let me proceed for a few moments, and I will comment directly on the question which the gentleman has raised.

It may be that amendments will be offered to increase the funds in the bill for the B–52. I shall not support such amendments. If we had 1,000 new B–52's tomorrow, we would not have the crews to maintain and man them and the airfields to operate them from. We can integrate a new weapon into our arsenal only as fast as we can provide the facilities and train the mechanics and crews necessary for its use.

The bald statement that the Soviet Union is producing long-range jet bombers faster than we are is, as President Eisenhower has said, not the whole picture. We have a large fleet of medium jet bombers, B–47's, and we are able to give them intercontinental range through aerial refueling tankers. In other words, we still outrank the Soviet Union in long-range bomber capabilities. Of course, our B–36's are becoming increasingly more vulnerable, and they can no longer be considered as first-line aircraft. They have served their purpose well.

In all frankness, I think we must all agree that we must hesitate to sit idly by and permit the Soviet Union to secure overwhelming superiority over us in the production of long-range heavy jet bombers, even though we do have greater long-range bombing strength by reason of refueling capabilities than the Soviets have.

In this bill we provide that the B–52 program will be expedited somewhat. About 10 days ago the Secretary announced that the Air Force is planning

to up the number of B–52's in each of its 11 strategic air command wings, from 30 to 45—that is a 50-percent increase—in the B–52 bomber program. Insofar as I know, the actual figure as to the whole program of B–52's has not been released to the public and I will not give it. But one can pretty easily figure out, if you had 45 in a wing and 11 wings, you would use a considerable number of them there. It is anticipated that next year we will continue with the B–52 program with additional appropriations.

The heavy-bomber program is shockingly expensive. When we couple funds previously appropriated with the funds provided in the bill before us for the B–52, and include research and development, we arrived at a cost of the B–52 program of $5,700,000,000. Still additional funds will be needed for this additional increase which has been decided upon very recently.

This all points up the fact, which I have already made clear, that the United States and Soviet Russia are becoming mutually more vulnerable in this highly explosive world.

Now as to the question raised by the gentleman from Georgia [Mr. LANHAM]. I doubt that an additional source for the B–52, the tooling of another plant, would have any serious effect upon the production of the B–52 in the next 12 months and very little effect in the next 18 months. But 2 or 3 years from now, of course, it would have a profound effect. But again, in 2 or 3 or 4 years from now we may be moving out of the production of the B–52 into the production of another type of bomber which is now on the drawing boards and which has not been finally firmed up.

The truth is I think the Boeing people by putting on additional pressure—they do work to some limited extent 3 shifts now on the B–52 bomber—but by putting on additional pressure, they could produce them faster. They have so said. But I am rather inclined to agree with the Department of Defense that perhaps the program that has now been fixed is the best program that we can have for the B–52 at this time. Of course, next year or perhaps later this year we will have to take another look at that situation.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield at that point?

Mr. MAHON. I yield to my leader.

Mr. McCORMACK. Many of us are concerned over the situation. I know that my friend from Texas is, and I appreciate the remarks that he has made. But I am sure that my friend from Texas does not think that any of us who fight for a strong national defense are fearmongers, are we?

Mr. MAHON. The gentleman has used a word that I believe appeared in the morning papers. If Paul Revere had not gotten on his horse and told the people what was happening, we might not be a free nation today. We need people to speak out, to speak the truth, in calmness and in frankness. A certain degree of fear is required when you live in a dangerous world. But we do not need to be panicky, we do not need to be hysterical, we do not need to engage in showmanship or headline hunting. But there is a desperate need that the American people realize the full impact of the situation which confronts this free Nation. We have been preeminent in the military field before, but we are losing ground, relatively speaking, despite the billions we are spending.

I read in the paper the other day where a man went into his office building and stepped down an open elevator shaft. It is not so important to be fearful, but it is important to be aware of the dangers lest we fall down, shall I say, the elevator shaft.

Mr. McCORMACK. If the gentleman will yield further, I might say that the gentleman's statement addresses itself to every Member of the House without regard to party. It addresses itself to every American. I wish every American could hear the stirring statement, just made extemporaneously by our distinguished friend from Texas, Mr. MAHON. We have our right to differ, and it is a good thing to have a crosssection of American life expressing its opinion, not only out through the country, but in this body. We may disagree in whole or in part without impugning the motives of others. But I felt very much disturbed when I read this morning's paper which quoted the Secretary of Defense as saying, in response to a question: "You are talking about the fearmongers now." My mind goes back to the time before Pearl Harbor when some of us were fighting with our backs to the wall to get legislation for the defense of our country in case we were drawn into World War II, as we were later on.

That is not the kind of language—and I say it temperately, not with any emotion—that is not the kind of language that I would want to hear from a man in such a highly responsible position.

We ought to welcome the penetrating mind, we ought to welcome the mind of caution, we ought to welcome the mind that asks questions to find out things, no matter in what direction. That kind of person, that kind of Member, makes a great contribution, and his motives should not be impugned.

Mr. MAHON. The gentleman points up the fact that the Secretary of Defense is on a very terrific spot. He has a terrific responsibility. He is chafing under criticism. He happens to be the Secretary of Defense as we go through this most difficult period when relatively we are losing some stature in the military field. It is too bad that the Secretary used the words. It is not the first time that the Secretary has been inept in the use of phrases.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Tennessee.

Mr. EVINS. I always listen to our chairman with profit, but in reading the report I notice that it is indicated that several Members appeared before the committee indicating that additional funds could be used for research and development, and that the committee was somewhat disturbed in that it feels we are falling behind in scientific research as compared with the Soviets. I know that we could have more manpower, we could have more equipment, but certainly we must not fall behind in research and development.

Mr. MAHON. The bill has in it $1,647,000,000, I believe, for research and development. That is almost as much as was required for the development and production of the atom bomb during World War II. It is a very large sum, but modern warfare is becoming so highly technical that larger and larger sums are required.

After the Joint Chiefs of Staff went down to Puerto Rico the President sent us an additional request for research and development funds and we granted those funds to the Secretary of Defense to be released to any of the three services. He will have a special fund of $85 million, I believe, to be used in case there is some significant breakthrough. Secretary Quarles indicated in his testimony that it might be necessary early next year to come back for more money, but the Defense Department will have available to it during the rapidly approaching fiscal year beginning July 1 nearly $69 billion for expenditure for all purposes. We want to keep some control; we want to keep our finger on the expenditures as far as we properly can. We did not feel we could give the Defense Department a blank check.

I should like to make another very significant statement before yielding the floor, that including development of experimental models and testing and that sort of thing there is in this bill today for research and development, and I underline the development, $5,500,000,000, which is a considerable sum in any man's country and in any type of bill.

Mr. EVINS. It is stated in the committee report that it is felt that a bold new approach to this field should be undertaken. Evidently the committee is considerably alarmed about the subject itself.

Mr. MAHON. The committee is and the words in regard to a bold new approach are my own. The gentleman has put his finger on a very sensitive and important, if not the most sensitive, field in the entire defense picture.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Kansas.

Mr. SCRIVNER. In connection with some of the research and development money, I could point out that in addition to the $85 million fund there is an additional $50 million authorization.

Mr. MAHON. I thank my colleague.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. EVINS. It is stated that the level of appropriations in this field is substantially what it was in the past 2 years. Does that mean a shifting of these funds for scientific purposes and for research purposes since there is an apparently similar level?

Mr. MAHON. We provide billions of dollars for procurement. Actually, some of those procurement dollars are not used actually to procure B–52's that go on the

line, for example, or guided missiles for the use of troops in combat, but for experimental models of some kind which are used in testing and so forth. So there is a pretty wide latitude there. I think it is a pretty healthy thing because there is a greater opportunity to move rapidly toward a solution to certain problems. One of the things that is wrong and one of the reasons why we have a czar in the intercontinental ballistic missiles program is that people get tangled up in details and in meetings and conferences, and so on, and the program gets so hobbled that it does not proceed as it should. I think probably we have done as well as we could do in that field.

Mr. EVINS. I thank the gentleman.

Mr. HOLIFIELD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. HOLIFIELD. First, I would like to express my sincere admiration for the work which the gentleman from Texas and the members of his subcommittee have done on this gigantic bill, which amounts to about $34 billion plus, I believe. I know that in handling a bill of that magnitude many months of hard work are involved. I was interested particularly in two things that the gentleman said. First, that in his opinion the condition of the world remains as it is as the result of the recognition by each side that the other side has tremendous power of attack. And also that there was a condition of increasing mutual vulnerability on each side. Now, in interpreting that language in layman's terms, would the gentleman say at this time in the history of the development and production of weapons that a decided advantage has accrued to the offense and a subsequent lessening of efficiency on the part of the defense?

Mr. MAHON. I think that our experts would agree to that. Certainly, I would agree that the gentleman is correct. We are pressing forward so rapidly in the development of new weapons of destruction that defense is not keeping up with offense. That is one of the reasons for the increasing vulnerability of the countries. For example, the intercontinental ballistic missiles flying through space up among the meteors at 10,000 miles an hour are not things that are subject to quick interception so that is our problem and certainly one of our serious problems.

Mr. HOLIFIELD. The testimony before the Subcommittee on Government Operations, of which I am chairman, from men of the caliber of General Smith, of the Continental Air Defense Command, and Gen. Curtis LeMay, of the Strategic Air Command, has borne out the statement that the gentleman has just made and a subcommittee of which I am now chairman has been studying for several months the gap in our ring of total defense, which is receiving very little attention and even some ridicule from the people of the Nation. That is the field of civil defense with relation to these potential attacks by supersonic planes or city destroying weapons. I wonder if the gentleman feels that the field of civil defense is an important field which should concern not only the civilians of our Nation but also the military people of our Nation.

Mr. MAHON. I must confess, perhaps, that along with many Members of Congress in the beginning, a few years ago, with reference to the civil defense program there was an inclination to gloss it over and push it aside. But the more we think of it, I think the more we are compelled to realize that perhaps if this terrible catastrophe of world war III comes the nation that is best prepared in civil defense may eventually be the victor—if there is to be any victor. I think it is an important field but has been too long neglected.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MAHON. Mr. Chairman, how much time have I consumed?

The CHAIRMAN. The gentleman from Texas has consumed 50 minutes.

Mr. MAHON. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, I would like to say, if I may, that I have, of course, not discussed the details of the bill. I have not even mentioned the dollar figure as to the appropriations. I have not given the details as to the number of men in our Armed Forces, the number of ships and planes provided—in short, I have not given the details of the huge defense appropriation which we are now considering.

Nobody of course will read the 6,500 pages of hearings, but I will include in my remarks which will be printed tomorrow a digest of the most pertinent facts. Of course the committee report, which was prepared by our staff—and we have a wonderful staff—contains a wealth of interesting and detailed information. We are fortunate in having a highly trained, efficient, and trustworthy staff. Members of the staff who worked regularly on the pending bill are Corhal Orescan, Sam Crosby, Frank Sanders, Earl Silsby, and Ralph Preston.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. BASS of Tennessee. I would like to commend the gentleman for his profound statement. It is indicative of a great deal of work and study.

Mr. MAHON. I am very much flattered.

Mr. BASS of Tennessee. The gentleman from Texas remembers that when the military bill passed the House last year concern was expressed about contract by negotiations. It came out of the Committee on Armed Services. Is there anything in the hearings on this bill which indicated that the Department of Defense was giving more consideration to negotiation of contracts?

Mr. MAHON. I wish the staff would hand me the study which we had made on procurement practices in the Department of Defense. Here are the hearings which contain the study. We spent many, many days in that field. We developed a lot of testimony. We have stressed our continued interest in competitive bidding and the problem of not using negotiated bidding unless absolutely required. But perhaps 90 cents of each defense procurement dollar is spent on negotiated bids. That is one reason why we often complain that the taxpayer is not getting a dollar in value for a dollar spent. We shall continue to press for a solution of this problem.

Mr. BASS of Tennessee. In the opinion of the gentleman is the Defense Department changing its attitude at all with reference to defense bidding? Do officials indicate they will continue this form of bidding?

Mr. MAHON. It is impossible to have competitive bidding for instance on a bomber of the B–52 type. It is impossible to have competitive bidding on an intercontinental ballistic missile or certain types of complicated electronics equipment. But our complaint is that this field should be narrowed and more progress should be made. If the gentleman will read the hearings, I think he will find that some progress is being made.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. FLOOD. I want to make it very clear that if you are looking for a fearmonger I am strictly a fearmonger. I am not as happy about this bill, I am not as happy about the report, I am not as happy about the defense situation as everybody else in the committee or the House today seems to be.

I want to make one point at this time, with the Chairman's permission, and I will take some time later, but just now I want to say that we had 6 or 8 weeks of hearings when we had the Secretaries and the Joint Chiefs of Staff on the stand before this committee. We asked them day after day, "Do you want any more money for B–52's?" They said, "Not a dime." "Are you doing everything you can?" "Yes."

"Then you do not want any more?" I even said, "Please take some more."

They said "No."

Then a distinguished Member from the other body from the great State of Georgia wrote a letter, before our hearings were terminated and before we marked up the bill, and the President and the Defense agency asked us for $500 million more in less than 6 weeks after the original statements were made.

Now, that is very disquieting to me.

Mr. MAHON. I thank the gentleman for his statement. I do not know how happy people are. I do not think they are too happy about the situation in which we find ourselves. I think it is a good sign that the President did send up the request for additional funds; and if we can be sure that additional funds are required I am perfectly willing to provide them, but I am not willing to get down on my knees and beg the Defense Department to spend money which the Defense Department will not spend and which it cannot possibly spend effectively. While on the one hand we must give every consideration for defense, yet on the other hand we must not approach a posture of fiscal irresponsibility. So it is a rather difficult road to follow.

I think the defense picture is going to continue to change and I predict that if the need arises the Defense Department will come to Congress for addi-

tional funds for some of the programs which do give promise at this time.

In conclusion I want to thank my friends for the generosity of their compliments, and I want to thank the Members for their patience in listening to these remarks. It is a joy and a great responsibility to work as the agent of the House through the years, as I have since 1940, on defense appropriations. Generally speaking, I think we are moving in the right direction in our defense program. Of course no approach to perfection is being made.

We spent days probing Defense Department officials, asking them: "Have you considered all the implications? Are we spending the money for the right things? Are we moving in the right direction? What about our over-all defense policy?"

There are many very significant and important facts contained in this volume entitled Department of Defense Appropriations, and I hope many of you will find the opportunity to read it. Many of the statements are worthy of our deepest thought and consideration.

I now insert, at this point, further information as to the details of the pending bill.

NEW FUNDS AVAILABLE

The new appropriations provided in this bill amount to $33,635,066,000. This is $512,784,000 less than the departmental request of $34,147,850,000. More than half of the committee reduction results from items budgeted for deposit to the United States Treasury as an offset to the use of foreign currencies under mutual defense agreements or occupied arrangements, leaving an actual net reduction made by the committee of approximately $236,000,000. This is a small reduction, indeed, in a $34 billion request, and the question may be asked, Why make any reduction in these military appropriation requests when there is so much concern for the military security of the nation? Regardless of that concern, however, the committee felt that it was at the same time mandatory to effect savings wherever possible, no matter how small. None of the reduction will affect the implementation of the military programs encompassed by the budget as amended, and presented to the committee.

There is another significant fact in regard to the funds in this bill. We are withdrawing and covering into the Treasury certain large sums heretofore appropriated to the Department of Defense. Putting it another way, rescissions of nearly $320 million of funds currently available are recommended.

AVAILABILITY OF FUNDS

These new appropriations will give the Department of Defense and the three Services approximately $69 billion in available appropriated funds for expenditure in fiscal year 1957 and subsequent years. This is more than the estimated entire expenditures of the Federal Government for fiscal year 1957. However, it is estimated that slightly less than half of the amount available to the Department of Defense for expenditure will be spent in fiscal year 1957. It is necessary to provide this margin of availability in excess of expenditures because so much of the military procurement requires several years between the time that orders are placed and the time that items are actually delivered and paid for. These funds cannot be expended except for the purposes appropriated. The funds are not withdrawn from the Treasury and they do not draw interest during the period they are available but are unexpended.

On the contractual or obligation side of the picture, we find that the Department of Defense and the three services will have available for carryover into fiscal year 1957, approximately $12 billion of funds that are unobligated on July 1, 1956. About one-fourth of this amount is represented by military assistance funds made available to the Department of Defense on a contingent basis. When this large carryover is added to the new appropriations provided in this bill, the Department and three Services will have available for obligation in fiscal year 1957 some $46 billion. It is estimated that approximately $37,500,000,000 will be obligated during the fiscal year. The amount left unobligated would be reserved to meet the following general requirements:

First. Contracts for shorter lead-time items, which should be let as late as possible to assure latest technological developments, while still keeping delivery in phase with longer lead-time items.

Second. Subsequent engineering changes which experience indicates are always necessary on most equipment after it has been placed in production.

Third. First destination transportation, the cost of which is an integral part of the cost of placing items in inventory.

Fourth. Spares for initial equipment, which are generally ordered after the initial equipment is ordered or delivered.

Fifth. Work after delivery, especially electronics and other equipment for ships.

In addition to the above requirements, the Army expects to have approximately $600 million of unobligated production and procurement funds. These result from the large appropriations made during the Korean war.

MILITARY AND CIVILIAN PERSONNEL

The appropriations in this bill and the military program which it supports provides for a formidable military force. At the end of fiscal year 1957, it is expected that there will be over 2,865,000 people serving in the three military services and the Marine Corps. In support of these forces, it is estimated that, as of the same date, civilian employment will be 1,168,000. Others following me will give more detail regarding the provisions for the respective services. However, I believe it appropriate that I should give you a brief summary of what is provided for each of the services, providing a little more detail for the overall requirements of the Department of Defense and the Department of the Air Force, for which I personally assume a more direct responsibility.

For the Office of the Secretary of Defense, the bill provides $14,950,000, which is $1,483,500 more than appropriated for fiscal year 1956. The committee is proposing that the requested amounts be approved. The increase is caused primarily by the civilian pay increases authorized by Public Law 94, 84th Congress, and an expansion in the program for scientific evaluation of weapons and weapons systems.

For the so-called interservice activities, the bill provides for appropriations totaling $643,875,000. The committee reduced the budget request by $13,500,000. The interservice activities provide for claims, contingencies, emergency fund, retired pay, and the Court of Military Appeals. Reductions in the requests for claims, retired pay, and contingencies, are based primarily on the current estimates for fiscal year 1956. The requested reappropriation of $100 million for serve tools and facilities was denied. This is not reflected as a committee reduction, since the request was for the reappropriation of previously appropriated funds. However, the effect is the same, because that amount will revert to the Treasury.

DEPARTMENT OF THE ARMY

For the Department of the Army the committee has recommended appropriations totaling $7,497,582,000 which will provide for 19 divisions, antiaircraft battalions and other combat support units. The end military strength on June 30, 1957, will be 1,045,300. This includes the increased requirements in support of the Reserve Forces Act and the Distant Early Warning Line. The amounts recommended for the Army Reserve have been tailored to more clearly reflect the estimated strengths under the Reserve Forces Act based on experience to date. A rescission of $110,000,000 has also been recommended from excess funds generated in the industrial fund operations.

DEPARTMENT OF THE NAVY

The bill contains $9,999,534,000 for the Department of the Navy in new appropriations, and on the other side of the ledger rescissions of $159,800,000 from stock and industrial funds.

The funds made available for the Navy contemplate the operation of an active fleet with an end strength of 1,005 ships, increasing from a beginning fiscal year strength of 985. The program includes the construction of 23 new ships and 4,629 tons of landing craft. The bill also provides for conversion of 23 ships to aid in modernizing the fleet.

In fiscal year 1957, the Navy will utilize approximately 12,600 active aircraft. The bill provides for the procurement of 1,468 new aircraft, which, when coupled with prior procurement, will provide 2,000 aircraft deliveries per year to calendar year 1958 .

The bill provides for end fiscal year strength of 672,000 officers and enlisted personnel for the Navy, and 205,735 for the Marine Corps. These show increases of 16,600 and 4,735 respectively from estimated strengths at the end of fiscal year 1956.

DEPARTMENT OF THE AIR FORCE

The bill includes $15,479,125,000 for the Department of the Air Force. This is $187,375,000 less than the amount requested for appropriations and $739,361,830 more than was appropriated for

the current fiscal year. The budget request and the amounts provided for the Air Force anticipate continuing expansion toward the goal of 137 wings by June 30, 1957. Not all of those wings, however, will be equipped and operational as of that date, but they will be organized and in the process of building and equipping what can be termed a fighting or operational unit.

For the procurement of aircraft and guided missiles, the bill provides an appropriation of $6,048,500,000. In addition, over $1,500,000,000 of prior year's appropriations have been applied to the fiscal year 1957 estimated program requirements. These funds are expected to procure 1,927 aircraft, such as the B–52 heavy bomber, the F–101 fighter interceptor, and the F–104 day fighter. The funds will provide for nearly a 60 percent increase in procurement and development of guided missiles.

For procurement other than aircraft, the bill provides $1,100,000,000 for such things as ammunition, vehicles, communications and electronics equipment, ground handling equipment, training equipment, and other similar procurement necessary for the Air Force. The appropriation in the bill provides $750 million more than was appropriated for the current fiscal year. This increase results primarily from the fact that a large part of the fiscal year 1956 requirements were financed from funds available from unused balances of prior year's appropriations, and a realinement between activities and items financed under the various Air Force appropriations which has resulted in placing a substantial amount of new procurement under this appropriation for the first time this year.

For research and development, the bill provides $610 million. This may not be enough to adequately carry out all of the programs contemplated under this appropriation. However, no firm estimates of additional requirements could be supplied. The committee has told the Department that should breakthroughs occur in any important weapons development areas, that available funds and facilities are to be used as rapidly as required, and that supplemental appropriations will be provided.

For the operation and maintenance of aircraft, equipment, and the physical plant of the Air Force, the bill provides an appropriation of $3,684,185,000. This is $101,815,000 less than the amount requested, and $86,688,000 more than the appropriation for fiscal year 1956. However, because of shifts between appropriations, the increase provided for these purposes for fiscal year 1957 amounts to $506,818,000 more than the amount available for the current fiscal year. This is an increase of 16 percent, and should be sufficient for the planned program activities of the Air Force. For example:

Military personnel is expected to increase 2.2 percent from 1956 to 1957.

Basic military training and technical training of these personnel will remain at about the same level for the 2 years. However, pilot production will decrease about 4.5 percent.

Civilian employment is expected to decrease by 600 man-years, or 0.2 percent.

The numbers of activated wings will increase from 131 at the end of 1956 to 137 at the end of 1957, or 4.6 percent.

The active aircraft inventory supported by these funds will be approximately 23,000, including those assigned to Reserve forces and will show an increase from the 1956 inventory of only about 1 percent.

Flying hours or the hours that aircraft will be in the air, counting each aircraft flying for 1 hour as a flying hour, will increase about 7 percent over fiscal year 1956, after allowing for a small decrease in the flying hour program for transport-type activities, as proposed by the committee reduction in this appropriation.

The major installations supported from these funds will increase from 309 in 1956 to 325 in 1957, or 4.5 percent.

Now, these percentage increases are not in any sense directly related to the proportionate increase in fund requirement for this appropriation. However, they are somewhat indicative of what the fund increase should be, and certainly the increase of 16 percent provided by the committee should be adequate to take care of all reasonable requirements. The flying hour program is of course the most significant factor affecting costs under this appropriation, and the fact that a larger percentage of these flying hours are being performed in jet aircraft which are much more expensive to operate accounts for a substantial percentage of the increased fund requirements.

For pay and allowances and other items directly related to military personnel, the committee is recommending an appropriation of $3,718,440,000, which is $8,560,000 less than the amount requested, and $37,790,000 more than was appropriated for fiscal year 1956. This will provide for an end year strength of 936,000 and an average military strength for the year of 920,800. The committee reduction applies primarily to the movements of individuals and household effects in connection with permanent changes in station. For Reserve personnel, the bill provides $59,300,000, or $15,737,000 more than was appropriated for the current fiscal year. This substantial increase provides for stepped-up efforts in the Reserve program, which are expected to increase the numbers participating in the Reserve program by more than 28,000.

For the Air National Guard, the bill provides an appropriation of $258,700,000, or $66,509,000 more than was appropriated for fiscal year 1956. This increase of nearly 35 percent will permit a further expansion and modernization of the Air National Guard. During fiscal year 1957, the Guard will be more nearly equipped with jet fighter aircraft, such as the F–84, F–89, and F–94 series.

Again this year, the committee is rescinding surplus working capital in the Air Force stock fund in the amount of $50 million.

The CHAIRMAN. The gentleman from Texas has consumed 56 minutes.

Mr. WIGGLESWORTH. Mr. Chairman, I yield myself 30 minutes.

The CHAIRMAN. The gentleman from Massachusetts is recognized.

Mr. WIGGLESWORTH. Mr. Chairman, this bill is, of course, the largest and most far-reaching appropriation bill that comes before the Congress. It carries appropriations aggregating $33.6 billions or over 50 percent of the entire Federal requirements for fiscal 1957.

Your committee brings its recommendations to you after 3 months of intensive work dealing with all aspects of the matter, both those that have been recently in the public eye and all possible other aspects.

The committee's labors, as has been pointed out, are reflected in 7 volumes of hearings, aggregating about 6,400 pages, and are summarized in a committee report of some 71 pages.

I think, Mr. Chairman, it is highly significant, considering the scope and the magnitude of this bill, that there is so little difference of opinion either between the members of the committee handling the bill or between the committee and the several armed services. I attribute this to the fact that this military budget in my opinion has been far better prepared and far better supported before the committee than any military budget I can recall in many years.

I want to express by appreciation to the members of the subcommittee, particularly to the chairman who has just spoken, and to the members of the Navy panel on which I served, as well as to our extremely able executive secretary and clerical staff of five members, whose assistance has been invaluable.

IMPORTANCE OF MILITARY POWER

Mr. Chairman, the military power of America and of our allies has compelled the Communist government of Russia to abandon for the time being the tactics of military aggression and to concentrate upon tactics in the field of the cold war in terms of economic and political penetration.

Under present world conditions that military power must be maintained. Lack of essential military power could have disastrous consequences.

Military power carries with it the best possible assurance that no one will be foolhardy enough to attack us—the best possible assurance of a peaceful world.

Under the leadership of our President and Commander in Chief, with his vast and successful military experience, we have been and are building tremendous offensive and tremendous defensive military power.

This bill, Mr. Chairman, is evidence of that fact.

Enacted into law it will give us the most powerful military organization ever maintained by this Nation in time of peace.

ANALYSIS OF MILITARY POWER PROVIDED

Let us analyze, briefly, the military power provided for under this bill.

Our Regular Armed Forces overall will increase from 2,814,074, the original June 30, 1956, estimate, to 2,865,558, as of June 30, 1957. That is an increase of about 50,000 and gives us a total just

about double the pre-Korean figure of 1,460,000.

Our National Guard and Reserve forces in drill pay status will increase from 967,419 to 1,099,784, an increase reflected in each of the 3 services aggregating about 130,000.

In addition, of course, there are some 4 million people in civilian life of military age, about half of whom have had military experience in Korea.

If we break down the overall increase, we find that the Army goes from 1,034,500, the original June 30, 1956, estimate, to 1,045,300, or an increase of about 11,000. The Navy, including midshipmen, aviation cadets, and officer candidates, goes from 662,714 to 678,223, an increase of about 15,500. The Marine Corps goes from 201,000 to 205,735, an increase of 4,375. The Air Force goes from 916,000 to 936,500, an increase of 20,500.

This gives a total increase of about 50,000.

On top of this, Mr. Chairman, there is a ceiling authorized in this bill, which makes possible a further increase of about 50,000, 10,000 or thereabouts in the Army and 40,000 or thereabouts in the Air Force.

It should also be noted that the operating ratio of our Armed Forces as a whole has increased since June 30, 1953, from 57 percent to 65 percent and that the reenlistment rate over all has increased from 23.7 percent to 43.3 percent in 3 years. The testimony of General Taylor indicates that the increases in these 2 fields are equivalent to an increase of 30,000 trained soldiers insofar as the Army is concerned.

AIRPOWER

What about our military planes and their power?

Well, the Air Force is going to 137 wings at the end of fiscal 1957, which compares with 127 as of today, with 98 on the day 3 years ago when Secretary Wilson took over, and with 48 as of just prior to Korea.

Modernization of planes, both in the Air Force and the Navy, is proceeding rapidly, the Navy expecting to reach a modernized percentage of 85 percent during fiscal 1957, the maximum that it hopes to attain at any time.

If we add the planes in the active inventory of the Air Force, including the National Guard and Reserves, numbering 25,342 to those in the active inventory of the Navy and the Marine Corps, numbering 12,570, we reach an overall total as of June 30, 1957, of 37,912 planes, not including the 4,000 or 5,000 planes in the Army. The operational figure is somewhat less, but it is far in excess of any overall figure that has ever been presented to the committee as representing the number of planes available to the Communist Government of Russia.

Secretary Wilson, in appearing before the Senate Committee on Appropriations yesterday, stressed the airpower of this country from an overall standpoint: power represented in our B–52's, in our B–36's, in our B–47's, and other military planes, in our overseas bases, in our refueling capacity, in our 15 Navy carriers and in other fields.

It is the overall picture, which counts.

SEAPOWER

What about the power and the number of our ships? Well, our active fleet is to increase from 984 to 1,005 vessels as compared with about 646 prior to Korea. Warships within the total are to increase from 407 to 411.

In addition, there were on hand as of December 31 last some 1,769 ships in the so-called reserve fleet.

The new construction program, calling for $1.415 billion, contemplates 23 new ships, 23 conversions, some 5,000 tons of landing craft, and advance procurement for a nuclear-powered carrier in fiscal 1958.

Emphasis is placed on the transition from a conventional fleet to a nuclear-powered fleet.

There is no question whatsoever that America has and will have the most powerful Navy in the world.

OTHER ELEMENTS OF POWER

If we turn to the field of weapons, I can only say that the evidence indicates, whether it be in respect to ballistic missiles, guided missiles, or other types of weapon, that progress is being made as rapidly as possible in the direction of providing and equipping our forces with the newest possible equipment.

The record also indicates that the firepower of a single division today is something like 85 percent in excess of the firepower of a division in World War II; that a single plane today has a firepower over 20,000 times the firepower of a single plane in World War II; for that matter, that a single plane today is capable of doing as much damage as all the damage done by bombing in Europe during World War II.

If we turn to continental defense we find that this is also increasing in power and in effectiveness. It is progressing on schedule and as fast as scientific developments permit.

Finally if we look at research and development, which has already been referred to, we find direct appropriations for fiscal 1957 of $1,647,000,000, $227 million more than provided in fiscal 1956 and $342 million more than provided in fiscal 1955.

We find in addition a probable carryover of some $76 million and testimony to the effect that in the Department of Defense as a whole there will be available over $5,500,000,000 for research and development and supporting activities. Other funds are, of course, available to other agencies.

The testimony of Secretary Wilson, the testimony of Admiral Radford, the testimony of Assistant Secretary Furnas, the testimony of Secretary Quarles, is all to the effect that the amount to be made available for research and development is adequate to meet all foreseeable needs in fiscal 1957.

These are some of the highlights of the military power contemplated by this bill, Mr. Chairman.

FORCE GOALS

The force goals recommended, I repeat, will give us the most powerful military forces ever maintained by this Nation when not engaged in a shooting war.

The force goals recommended are designed to provide military power capable of dealing with the initial phases of any war, global or otherwise; military power affording an ample base for rapid expansion if and when necessary; military power which can play its part in a balanced, powerful allied force representing the free world; military power which we can afford to carry over the years for the long pull, without undermining our economic strength.

Mr. Chairman, headlines are easy for those who criticize this or that aspect of our defense program, whether the author is or is not in touch with the details of the overall program. Criticism should, of course, be welcomed, provided it is informed and constructive. But headlines dealing with future policy in respect to some special element of the national defense picture are incidental to action on the program as a whole which the Congress is called upon to take here and now.

The force goals to be implemented by this bill are the force goals recommended after long consideration by the Joint Chiefs of Staff, by our civilian Secretaries, by the National Security Council and by the President of the United States.

They are recommended as adequate to meet all foreseeable needs in fiscal 1957.

Whatever the requirements may prove to be in fiscal 1958, fiscal 1959, or subsequently, these are their recommendations now.

Should any unforeseen emergency arise, they can of course come back immediately to the Congress.

Should the President deem it necessary in the interest of national defense, he can under section 613 of this bill waive the provisions of the Anti-Deficiency Act and spend available funds as rapidly as necessary.

Your committee after 3 months of careful consideration strongly recommends approval of the force goals to be implemented by this bill.

DOLLARS AND CENTS

To provide this military power, Mr. Chairman, your committee recommends appropriations aggregating $33,635,000,000, a figure which compares with appropriations for the current fiscal year of $31,853,000,000 and for the previous fiscal year of $28,700,000,000.

Added to the unexpended carryover, this will make available for expenditure in fiscal 1957, the sum of $68.9 billions as compared with $72.085 billions in the current fiscal year and $79.3 billions in the previous fiscal year.

The actual expenditure contemplated in fiscal 1957 is $33.9 billions comparing with $33.1 billions in the current fiscal year and $33.9 millions in the previous fiscal year.

If we look at unexpended balances, and unobligated balances, Mr. Chairman, we find, on a comparable basis, an estimated unexpended balance as of June 30, 1957, amounting to $35.7 billions, comparing with $36.4 billions as of

June 30, 1956, and $42.6 billions as of June 30, 1955; and an estimated unobligated balance as of June 30, 1957, of $9.3 billions, comparing with $10 billions as of June 30, 1956, and $16.9 billions as of June 30, 1955.

COMMITTEE ACTION

The action taken by your committee amounts to substantial approval of the funds requested, something that has not happened for many years. I repeat that in my opinion, this is largely the result of the fact that the military budget has been far better prepared and far better supported than for many years.

The cuts recommended aggregate $512,784,000. In addition rescissions are recommended in the amount of $319,800,000, giving a total for both of $832,584,000.

It should be noted, however, that of the cuts made, $276,319,000 is made on the assumption that foreign currencies will be made available in fiscal 1957 as heretofore. The balance of the cuts—$236,465,000 amounts to something like seven-tenths of 1 percent of the overall request.

It is clear that none of the recommended reductions will affect the full implementation of the military programs presented to your committee.

ECONOMY AND EFFICIENCY

We all appreciate, Mr. Chairman, I am sure, the tremendous difficulties confronting Secretary Wilson and his assistants 3 years ago in attempting to put the organization of the armed services, which had been flung into every corner of the world, on a business-like basis. It was an enormous task. There is still much to be done but very great progress has been realized.

Last year, in speaking on this bill, I referred to some of the major steps taken in this direction:

I mentioned those taken during the first year of Secretary Wilson's administration under 10 major headings.

I mentioned those taken in the second year of his administration under seven major headings.

To reflect the further progress made during the third year of his administration, I include at this point in the RECORD under leave to extend my remarks, pages 170–174 of this year's hearings on the Department of Defense, and I call attention to pages 175–221 of the same hearings for further details:

STEPS TAKEN BY THE DEPARTMENT OF DEFENSE DURING CALENDAR YEAR 1955 TO ELIMINATE WASTE AND ACHIEVE GREATER ECONOMY AND EFFICIENCY

The intensified drive to raise the level of economy and efficiency in the Defense Department, inaugurated in 1953, was continued with undiminished vigor during 1955. Notwithstanding the major improvements achieved in 1953 and 1954, noteworthy progress in this area continued to be made in 1955.

The attainment of a high level of economy and efficiency in Defense Department operations is not a onetime effort. There is always room for further improvement. New methods, techniques, and equipment are constantly being devised in private industry as well as in the Government, and management at all levels in the Military Establishment must be properly motivated to seek them out and apply them wherever appropriate.

Furthermore, the functions, activities, and personnel of the Department are always undergoing some change and new areas of waste and inefficiency inevitably crop up. These must be promptly identified and corrected as soon as they occur. This, too, is a continuing responsibility of management throughout the Defense Establishment.

Major changes in the organization of the Defense Department are now behind us but some additional organizational refinements were effected in 1955. At the Department of Defense level, the Office of the Assistant Secretary for International Security Affairs was reorganized along geographic lines similar to that of the State Department. This will not only provide the Defense Department with a more effective mechanism for the integration and coordination of the various programs pertaining to particular countries or regions, but will also facilitate coordination and liaison with the State Department with respect to military-political matters.

In the Department of the Army the traditional general staff was abolished and the military staff reorganized along lines roughly parallel to the civilian secretariat. Under the Chief of Staff of the Army there are now a Comptroller of the Army, a Chief of Research and Development, and Deputy Chiefs of Staff for Logistics, Personnel, and Military Operations, respectively. Organizational refinements of lesser importance were also effected in the other two military departments in 1955.

Continued progress was made during the year in improving the utilization of Defense Department manpower resources. Military personnel were reduced by almost 300,000, even though overall military strength, as measured in terms of major forces, actually increased during the year. The number of "noneffectives" on the military payroll—trainees, transients, patients in hospitals, and prisoners—were reduced by a total of 54,000. Civilian personnel, both in the United States and abroad, were substituted for military personnel wherever possible in support areas thereby making more men available for the operating forces. Overlapping functions and activities were further reduced through consolidation, cross-servicing, etc. For example, the Army was charged with the responsibility for providing military construction support for the Air Force overseas. This permitted the elimination of the so-called SCARWAF (Army construction troops serving overseas with the Air Force) and the saving of 16,500 military personnel spaces. Functional manpower studies and surveys designed to eliminate nonessential jobs were conducted in all three military departments with good results.

Notwithstanding the substitution of civilians for military personnel, the total number of civilian employees, including both direct hire and contract hire overseas, was reduced by about 50,000. The reduction in the Army and Navy Departments combined totaled 76,000, but the Air Force, which continued its buildup during the year, increased its civilian employment by 26,000 as compared with a decrease of about 10,000 in military personnel.

Although considerable emphasis was placed on reducing quantitative manpower requirements, even greater emphasis was placed on improving the quality of military personnel to meet the demands of rapidly changing technology and increasingly complex weapons required in modern warfare. Quotas for the intake of manpower in various mental groups were revised to reduce proportion of personnel enlisted in the lowest mental group IV who had created serious problems of personnel utilization. A reduction of group IV quotas from 27 percent to 18 percent enabled the services to recruit personnel more suitable for training in technical skills and advancement to supervisory and leadership positions. Due largely to the new military personnel legislation enacted by the Congress and intensified reenlistment efforts on the part of the services, the Armed Forces were able to retain many experienced personnel who otherwise would have left the service for civilian life. The reenlistment rate, which had dropped to 18.8 percent during the first 6 months of 1954, has increased steadily in recent months, reaching a level of about 30 percent during the first 6 months of 1955. This has substantially reduced personnel turnover, thereby permitting a further reduction in the number of personnel assigned to the training function and in the number of personnel in training status.

Action was also taken during the year to reduce the movement of military personnel, thereby reducing both the cost and time lost in travel. Specific steps include:

1. Directions to the military departments to review their educational and training requirements, reduce the rotation rate, and assure that trained personnel are being used to the greatest extent in their specialty.
2. The issuance of regulations, under the dislocation allowance provisions of the Career Incentive Act, prohibiting more than one permanent change of station during any 1 fiscal year.
3. Lengthening some foreign service tours.
4. Filling vacancies within same geographical areas so as to avoid long distance moves.
5. Encouraging the extensions and renewals of foreign service tours.
6. Improving reassignment procedures to eliminate intermediate moves between schools and overseas assignments.
7. Arranging for sea and shore moves and moves between types of ships to be made in the same port areas.
8. Increasing the number of stabilized duty assignments requiring continuity or special training and experience.

Additional progress was made in 1955 in improving supply management in the Defense Department. The Federal cataloging program, an essential step in improving supply management Defense Departmentwide, is proceeding on schedule. By the end of 1955, 2,200,000 items, approximately 76 percent of the estimated total stocked by the Defense Department, had been identified. Complete identification of all items in the supply system is expected by September 1956. Progress on the cataloging program has facilitated further progress on the defense standardization program. During 1955, approximately 123,500 items were eliminated from the supply system through standardization, thereby reducing warehousing and distribution costs. Through better merchandising methods the Department was able to realize a 3 percent greater return on the sales of surplus property than in 1954. At the same time, increased safeguards were established to assure that excess property disposed of is truly excess to the needs of all elements of the Department of Defense.

A regular review of materiel requirement, stock positions, and defense readiness of the military departments has been established to better coordinate the supply activities of the three military departments. This systematic review has served to facilitate the use of stocks excess to one department by another department. To further reduce duplication of effort in the supply area, the first single manager assignment was made in November 1955, under which the Department of the Army was given sole responsibility for all wholesale supply functions relating to food, for all of the military services. This single manager concept will be extended to the petroleum, medical-dental, clothing-textile, and photographic equipment areas in 1956. In this respect, it has been pointed out that the potentialities of single service assignment and subsequent cross-servicing in the supply man-

agement area of common use items will become a reality upon completion of the conversion portion of the Federal cataloging program. It is now apparent that single service assignment cannot be truly effective without the common language of the Federal cataloging program.

The Department of Defense in 1954 embarked on a program for the establishment of uniform standards and criteria for new construction, designed to insure proper quality of construction at most favorable cost. This program was further expanded in 1955. Uniform standards and criteria were issued for permanent types of administrative facilities, messing facilities for enlisted personnel, maintenance facilities, general warehouses, etc. Studies were made of airfields and airfield facilities, National Guard armories, Army Reserve training centers, etc. Preparation of the annual construction program and budget was speeded up and the fiscal year 1957 military public-works program was completed and forwarded to the Bureau of the Budget on the earliest date in recent years.

The first integrated program for the management of real property maintenance was issued in 1955. This program adapts proven military and business principles and practices and provides guidance for their uniform application at all levels of the Department. It covers standards, financial management, training, inspection, estimating, scheduling, work techniques, and cost control. By year end some Defense Department installations were achieving up to 30 percent more effective use of real property maintenance funds.

The intensive review of Defense Department real property holdings, begun in 1954, was continued in 1955. The total cost of leased space for military activities in continental United States was reduced by approximately $3 million. An additional number of industrial plants were sold or leased to private industry.

In order to accomplish optimum use of existing health and medical facilities and services, the military departments were directed to reduce, consolidate, or eliminate facilities in specific areas where another facility is available and can economically and efficiently provide the necessary support. For example, the hospital at Biggs Air Force Base, El Paso, Tex., has been reduced to a dispensary and all hospitalization and outpatient care for dependents of Air Force personnel in the area is being furnished by the Beaumont Army Hospital in El Paso, Tex. Plans were also made to accomplish this same type of joint utilization in the Tacoma, Wash., area. This is another example where unification is continuing to result in savings to the Government.

In the area of financial management, further significant progress was made during 1955. The Army has extended financial inventory accounting to bulk stocks at depots worldwide, excepting those in Okinawa and Korea, which will be converted during the first half of 1956. In addition, financial inventory accounting was extended to another 16 major installations in the United States, bringing the total to 48 as at the end of calendar year 1955.

The Air Force has brought under financial inventory accounting all of its depot and base stocks throughout the world. Procedures were developed for accounting control of all Air Force property in the possession of contractors and it is planned to put them into effect by July 1, 1956. The Navy has had financial inventory accounting since 1908, and in 1955 efforts were aimed primarily at further refinements.

Completion of this program will provide the military departments with the type of financial information required for effective management of the supply system, with specific application in facilitating reduction of supply inventories.

Financial management in the Department of Defense also has been made more effective by increasing the scope of stock funding in each of the military departments. These funds currently cover inventories of over $8.2 billion and their coverage is still being the management and control of stock of common-use-type items, make possible better distribution of supplies and equipment with a minimum inventory. By creating a buyer-seller relationship between the stock fund and the consumer, cost consciousness is encouraged at all levels.

During 1955, the Army brought the remaining inventories of consumable type items in continental United States depots into the stock fund as well as inventories of major overseas commands and selected continental United States posts, camps, and stations. Army emphasis, in the future, will be on extending coverage geographically.

The Navy, at the end of 1954, had covered in its stock fund most of its inventories of common-type consumable items. During 1955, the stock fund was extended to the printing of publications and forms. Additionally, studies have been undertaken with the view to bringing additional classes of technical items under stock funding, particularly ships, electronics, and submarine parts.

In the Air Force, during 1955, commissary inventories and also most of the common-use, standard-stock items of a consumable nature, in continental United States depots, were brought under stock-fund operations. The Air Force plans to further extend stock-fund coverage to both additional classes of items and geographical areas.

Evidence of the effectiveness of the stock-fund operations is that during the last 3 fiscal years alone, $2.5 billion have been returned to the Treasury from stock funds as inventories have been reduced through use of the stock-fund mechanism to achieve better inventory management. It is expected that inventory reductions will make available an additional $785 million by the end of fiscal year 1957 and this amount has been recommended in the proposed fiscal year 1957 budget to reduce new obligational authority which would otherwise be required.

Industrial funds are also being used to serve the same kind of businesslike purpose in commercial and industrial-type installations, and continued progress was made in extending this concept during 1955. This type of financing, by providing a complete financial picture of the operation, makes it easier for the responsible officials in the military departments to evaluate the performance of these activities. It provides local management with an up-to-date statement of costs thus highlighting areas in need of improvement. The buyer-seller relationship between an activity and its military purchasers or customers is encouraged and this, in turn, develops an attitude of cost consciousness throughout an activity.

The Army industrial fund has now been established at 18 activities and its extension to other activities such as equipment rebuild facilities, proving grounds, transportation terminals, has been programed. The Navy brought 4 additional activities under industrial fund financing, bringing the total number of Navy activities under the industrial fund to 40, excluding printing plant branches. All the major naval shipyards are now under industrial fund financing. The Navy plans to effect complete coverage of its installations of an industrial nature, and of prime importance is the present program to bring major air stations having overhaul facilities under this type of financing.

The Air Force placed 8 printing plants and 50 laundries and dry-cleaning plants under industrial fund operation during 1955. The Air Force expects to apply industrial funding to the transport operations of the Military Air Transport Service, as was specifically recommended by the Congress in connection with the fiscal year 1955 appropriation act. Also, it is planning to extend application to installations conducting major overhaul and maintenance of aircraft and components.

The above constitute only a few of the highlights of our efforts to eliminate waste, achieve greater economy, and improve efficiency in the management of the Defense Establishment. A more detailed account of the accomplishments may be found in the statements prepared by the military departments.

Reference has been made, Mr. Chairman, to the recent report by your committee investigators with reference to procurement policies and practices in the Department of Defense.

That report has been accepted by the Defense Department as helpful to the economy and efficiency which we all seek.

It covers a period running well back into the previous administration.

It states categorically that "no attempt is made to elaborate on the accomplishments of the three military services in their procurement methods and techniques" and also that "such progress has been substantial during the past 3 years."

In this connection, I include at this point in the RECORD, under leave to extend my remarks, pages 181–187 of this year's hearings on the Office of the Secretary of Defense, interservice activities and language changes, containing material prepared by the Office of the Assistant Secretary of Defense, Supply and Logistics:

DEPARTMENT OF DEFENSE, OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE (SUPPLY AND LOGISTICS)—IMPORTANT PROGRAMS TO IMPROVE EFFICIENCY AND ECONOMY

INTRODUCTION

This responds to Congressman WIGGLESWORTH'S request for a summary of the steps which have been taken to date by the Office of the Secretary of Defense and the military departments during Secretary Wilson's tenure serving to improve procurement methods and techniques. (Reference: p. 186, transcript of hearings before the House Subcommittee on Appropriations, Department of Defense Appropriations for fiscal year 1957, Procurement Policies and Practices of the Department of Defense.)

PROCUREMENT METHODS AND TECHNIQUE

Since early 1953, considerable progress has been made toward increasing the improving management leadership of the procurement process. Concentrated attention has been given to the systemization of procurement regulations at all echelons. Continuing effects have been made to include all procurement regulatory material in the Armed Services Procurement Regulations. Specific regulations of major interest included the return to virtual peacetime methods of purchasing in accordance with the Armed Services Procurement Act. Progress was made in the streamlining of termination procedures. Major revisions were made in patent policies, coordinated procurement, interdepartmental procurement, and regulations concerning the inspection and acceptance of material. The attainment of uniformity was a prime objective, resulting in the publication of many uniform contract clauses and Department of Defense wide forms for various facets of the procurement process. In particular the simplification of small purchases procedures, which affect almost 95 percent of all procurement actions resulted in considerable savings in administrative expenses. An accelerated

program of compliance and effectiveness field surveys was initiated and continued throughout the period.

Another requirement program to which considerable emphasis has been given is the development of effective arrangements for the procurement by one department of materiel for all the military services. Under this program, military requirements for office furniture, office machines, and office supplies are being purchased by the General Services Administration. Within the military, 47 procurement assignments already in effect (many of which were established prior to 1953) were reviewed to determine their value. All but four were retained in view of anticipated and actual advantages to the Department of Defense. Attention also has been focused on securing procedures which result in effective coordinated military procurement. These improved procedures have been put into effect in all but three commodity areas. In addition, steps have been taken to place the performance of the military departments under continuing observation, in order to correct inefficient and uneconomical coordinated procurement practices.

SUPPLY PROGRAMS WITHIN THE BROAD FIELD OF PROCUREMENT

Unified cataloging system: The program to identify identical items in the military catalogs with a single name and number has been accelerated to the point that we were able to begin conversion to the Federal catalog system in many commodity areas in 1955. Conversion of areas where the identification process has been completed is being carried on concurrently with the identification program in other areas. Basic identification is scheduled for completion in 1956 and conversion to the Federal catalog system throughout all elements of the military supply system is scheduled for completion in 1958.

Standardization of military items: The standardization program has been completely reoriented, to obtain improvement in supply management, as well as engineering feasibility. Great reductions in the number of types, kinds, and sizes of items are being realized through standardization, with resulting economy and speeding up of supply operations. Preservation, packaging, and marking of items has been made uniform for three levels of service requirements, depending on destination and storage.

Standard basis for requirements and budgets: In 1954 we established for the first time a uniform system for requirements calculation and review, so that mobilization reserves, current buying programs, and mobilization production can be planned on the basis of a systematic and integrated analysis of all factors of both mobilization and peacetime requirements and supply, for all three departments. The system is now applied to major items of equipment that do not require unique planning procedures, and we are extending the system also to many soft goods and common-use items.

Coordinated production scheduling: A coordinated production scheduling system was established in 1954, through which schedules and production records are uniformly developed for OSD review of about 500 major items (such as planes, ships, tanks, guided missiles). Schedules are submitted and intensively reviewed twice yearly and reports of deliveries against schedules are submitted monthly. This provides the basis for control of production to insure deliveries of major items as needed, and for identifying problem areas.

Excessive length of lead time in procurement of some major items was reduced as a result of this system. Substantial economies in procurement can be realized through such work.

Modern inspection methods: We have reorganized the inspection and quality-control program to emphasize prevention of defective products rather than mere detection. We have eliminated duplication of inspection by instituting single service inspection in industrial plants. Conservation and attainment of proper standards of quality of items while in service use has been emphasized.

Supply management based on facts: We have established a realistic inventory management program to base inventories on actual rates of peacetime consumption and mobilization reserve requirements. Each item of materiel used within a service is being put under the management control of one supply-demand control point. Working stocks are being reduced to an efficient minimum and cross-hauling and back-hauling of supplies are being reduced. An annual line-item inventory has been taken for the first time, as a factual basis for programing.

Financial property accounting has been made standard procedure within the supply systems of all military departments. It has been used successfully in one of the departments for many years, and in 1953 we began to develop it in the other military departments. Today, it is the method of accounting for all but a number of small, special activities. Operations and inventories are uniformly expressed in dollar terms, permitting analysis of supply operations in terms of kinds, costs, and performance.

Uniform warehouse space and workload reports have been established to improve the flow of management information and provide better control. Optimum cross-servicing in the use of storage and warehousing facilities is being accomplished through better warehouse management practices and proper coordination among the departments.

Clearing the system of excess property: Requirements and inventory management based on knowledge of the facts have speeded the identification of excess property that has been clogging the supply system and running up costs. Energetic and well-planned disposal programs have speeded the disposal of excessive stocks without disrupting commercial markets.

Using military resources for military jobs: Through the years the military departments have established many types of activities that use military funds and resources for jobs which, in the public interest, would be better assigned to private enterprise. We are examining each and every military activity engaged in commercial or industrial types of work to determine whether there is a military necessity for it or whether the economy, the national defense, and the mobilization base would be strengthened by having the work done by business concerns, freeing military resources for military jobs. To date 462 activities have been reviewed, and 267 are closed or recommended for closing.

Single manager system: Under a single manager commodity assignment the Secretary of one military department is made responsible for the performance of all supply management functions related to a specified commodity for all military services. This assignment encompasses the entire supply field, from research and development through issue or disposal, including cataloging, standardization, requirements determination, procurement, production inspection, storage, distribution, transportation, and maintenance. The Secretary of the Army has been designated the single manager for all subsistence supplies, and we are now extending this method to many other commodity areas including clothing and equipage, medical and dental supplies, petroleum, and others. The single manager system is designed to eliminate duplications and overlapping in the assigned commodity areas.

The evolution of the single-manager system has been progressive. It is the result of study of several existing joint-service operations, and avails itself of the lessons learned from these. A joint service operation permits no single ownership of stocks, but requires very costly equity accounts to show what belongs to each service. A joint agency is largely a service organization, able to provide for certain functional tasks such as procurement and contract administration, but it can perform only at the call of the stock owner, and cannot provide single direction since there is no single head. This is not the case in the single-manager plan. There is only one wholesale stock, effectively positioned, centrally controlled, yet designed for the total Defense Department requirement, with the single manager reporting only to the Secretary of Defense.

PROGRAMS IN SUPPORT OF PROCUREMENT

Safer and speedier transportation at lower costs: We began an intensive program for improvement of motor-vehicle management in 1953. We have reduced the number of vehicles by greater utilization and better maintenance policies also have contributed to lower costs. In transportation management we have increased economy by working closely with industry on methods to increase the safety and speed of transportation of materiel and personnel. We have now established close coordination between transportation elements and the agencies responsible for control, supply, and positioning of materiel. We are giving close attention to the continuing economy tasks of obtaining equitable rates from commercial carriers, greater use of air and rail charters, and timely traffic management changes.

Mobilization planning: We have reoriented our program for mobilization production planning with industry to make sure that the items that are most important and hardest to make are provided for first. Current procurement is being integrated with our mobilization plans with industry to broaden the mobilization base.

A complete inventory of all military owned machine tools was started for the first time in 1953. The inventory produces information on the physical condition and location of machine tools, and other data needed to properly assign and use the tools, where they may be most needed, in peacetime and in mobilization.

Priorities system readiness: We have completed and are keeping up to date an Emergency Priorities and Allocation Manual to insure readiness throughout the Department of Defense for quick conversion to an orderly system for carrying out national priority controls in a mobilization if necessary.

Small business: We have issued new policy and established new action programs to insure that small-business firms are given an equitable opportunuity to compete for military prime contract awards. Inasmuch as small business is able to make a greater contribution to defense through subcontracting, we started a program in 1955 which enlists the active efforts of prime contractors who make large and expensive equipment to place as much of their subcontract work as possible with small-business firms.

CONCLUSION

All of the above programs are among those generated at the level of the Office of the Secretary of Defense to provide guidance and policy direction to the military departments. It must be recognized that in such complex fields as supply and logistics, improvements and refinements are a continuing process rather than a single one-time, dramatic effort. Existing programs and policies are under constant review seeking to develop increasing efficiencies and economies.

Examples of military departmental actions to implement current programs, and other departmental actions to improve procurement methods and techniques in the supply management field, are presented in the accompanying Army, Navy, and Air Force statements.

MAJOR ARMY LOGISTICS PROGRAM TO EFFECT MAXIMUM ECONOMY AND EFFICIENCY

1. Progress in supply management: The Army has made further progress in its several programs to improve supply management. One of the major objectives in this area is to reduce depot and station stock, other than authorized reserves, to the minimum required to support the troops. We are doing this by: Disposing of materiel for which the Army has no foreseeable need; by "living off the shelf" by using up, without replacement, supplies above the level it is essential to keep on hand; cutting down on the number of different items in use; shipping direct from vendor to user where feasible; installing better methods of control over inventories and distribution of supplies in the field.

2. Living off the shelf: The most economical way for the Army to dispose of serviceable excess stocks is to consume them itself without replenishment, that is, by "living off the shelf."

3. Bypassing the depots: One of the best ways to keep depot inventories at minimum levels is to keep as many items as possible out of them altogether. To this end, the Army continues to emphasize direct deliveries from vendor to user and the use of open-end and call-type contracts.

4. Elimination of nonessential items: The Army's program to improve supply management does not end with the depot, but extends through all levels of supply to the individual troop units in the field. The Army has found that the most productive way to cut its investment in inventories is to reduce the number of items in the supply system. Four years ago, there were over 1,500,000 individual line items in the Army supply system. Despite the introduction of many new items of Army equipment in the intervening period, this number was reduced to about 950,000 as of January 1, 1956. This year we are reducing at a rate of 50,000 items per year. Our goal is to get down to between 700,000 and 800,000 items, and to stay there by dropping old items as new ones are added.

5. Better methods of control: The Army's knowledge and control of inventories has continued to improve as a result of extension of stock funds and financial inventory accounting and increased accuracy of dollar accounting and reporting. Peacetime supply economies—important as they are—cannot be the sole objective of Army supply management. The Army must also be prepared to cope with the complex problems of supplying dispersed and highly mobile combat units under the threat of actuality of nuclear warfare. This is the major purpose of a new project the Army has undertaken to devise a modern Army supply system (Project MASS). This project incorporates three major elements:

(a) Army field stock control.

(b) High-speed communications and data processing systems.

(c) Rapid movement of supplies.

6. Maintenance and repair parts management: The survival of Army troops on tomorrow's battlefield may depend in large measure upon our ability to maintain the equipment of dispersed and mobile units. This will require a streamlined system of repair parts resupply; reductions in the great number of different repair parts that confused and complicated equipment maintenance in World War II and in Korea; and increased maintenance capabilities at all echelons of command. The Army is attacking the problem of repair parts at its source—before new equipment enters the system. Maintenance engineers participate in development of equipment to insure that repair parts needs are held to a minimum.

7. Joint action with other services: In addition to the improvements in supply management that the Army has undertaken on its own initiative, the Army participates in joint programs with the Air Force and the Navy under the supervision of the Office of the Secretary. The single-manager system for subsistence as well as the extension of the single-manager concept to medical and other categories are examples.

8. Training of logistics managers: An Army supply management course began operation at Fort Lee, Va., on October 11, 1954, under the supervision of the Deputy Chief of Staff for Logistics. As of December 16, 1955, 185 officers and 142 civilians had completed the 12-week training course. Its purpose is to give career officers and civilians practical instructions in Army supply problems and methods of solving them. This was a need which neither existing service schools nor civilian institutions have satisfactorily fulfilled. The Army plan to have its 3,000 senior supply managers—both civilian and military—complete this training. A procurement school, also at Fort Lee, has been in operation since 1950. More than 1,400 officers and civilian employees have completed the courses of instruction offered at this school. The Army is currently investigating the feasibility of establishing a logistics center at which five courses would be taught: The supply management course; the procurement management course; a requirements management course; a course in storage and distribution management; and a course in maintenance management.

STATEMENT OF MEASURES TAKEN BY THE NAVY TO IMPROVE PROCUREMENT METHODS AND TECHNIQUES

Procurement methods and techniques provide contracting officers with the tools to make the best possible contracts considering price, performance and national objectives. To make good contracts requires training and experience as well as mature judgment by procurement personnel in the execution of procurement laws, directives and instructions.

Directives: We provided our procurement personnel with a completely revised set of Navy procurement directives in the fall of 1955. This revision reduced, through consolidation and editing, the number of pages from about 900 to 500 without reducing the quality of guidance furnished.

Training: To provide necessary training to contracting personnel, we have conducted contract negotiation training for 200 people in early 1953. In early 1954 a contract termination course for 270 people was conducted. At present we are sponsoring a course in contract administration for 400 key personnel. These courses not only afford graduate level training, but result in the development of handbooks that are everyday working tools for all procurement personnel.

Procurement review: The procurement review group was established in the fall of 1955 to continually review, analyze, and evaluate our efforts and to recommend improvements.

Letter contracts: Since 1953 the number of letter contracts awaiting conversion to fixed-price contracts has been reduced from 1,150 to 61 at present.

Redeterminable contracts: Redeterminable and incentive type contracts have been reduced from 1,200 to 564.

The above two improvements make possible better cost control and repricing on a timely basis.

Negotiation restrictions: In May 1954 the Navy tightened the rules for the use of negotiated procurement and in January 1956 practically eliminated the use of emergency authority to negotiate. This action insures the use of realistic justifications in all negotiated contracts.

Contract-termination settlements: Unsettled contract-termination backlog has been reduced in 1955 by $575 million from its all-time peak of $2,578 million. Existing regulations, particularly in regard to screening and disposal of termination inventory, were clarified and revised to expedite terminations.

Financing of defense contracts: A greater share of the financing of defense contracts has been placed in private hands and reduced the Government's burden in such financing through the insertion of more stringent clauses in new contracts.

Small business: To accomplish full coordination of effort in considering and resolving problems primarily affecting small-business concerns, the Navy has had in operation since March 10, 1955, a Council of Small Business Advisers consisting of the Chief of the Office of Small Business in the Office of Naval Material and the senior small-business specialists in our major procuring activities. This council is responsible for developing new and improved policies for increasing small-business participation in Navy procurement.

Summary: Improvements in a field as complex as military procurement are a continual and progressive process rather than sudden or dramatic. The Navy now has the mechanism to continue to improve the effectiveness of its procurement, and I believe that our methods and techniques will continue to improve.

STEPS TAKEN BY THE DEPARTMENT OF THE AIR FORCE TO IMPROVE MANAGEMENT IN THE LOGISTICS AREA

Consolidation of procurement regulations: All Air Force procurement regulations have been consolidated in one book, and all procurement instructions on one subject may be found gathered compactly in one place. The new Air Force Procurement Instruction, besides reducing a 4-foot stack of regulations to less than 4 inches, eliminates duplications and inconsistencies which evolve from a system of regulations emanating from a multitude of different sources. This consolidation has been one of the most important procurement-management projects; and efforts to refine and improve the instructions are continuing.

Small business: In fiscal year 1954 small-business concerns submitted the lowest acceptable quotations on 76 percent dollarwise of procurements suitable for small business, as compared with 73 percent in fiscal year 1953 and 55 percent in fiscal year 1952. Better procedures for providing small-business concerns with adequate and timely information on proposed procurements contributed in large measure to this improved situation. Contracting officers also have been authorized to set aside certain procurements for exclusive participation by small business. In the field of subcontracting, holding by far the greatest opportunities for small business, the Air Force has secured the cooperation of 200 of its largest prime contractors in voluntarily establishing a defense subcontracting small-business program to assure an equitable opportunity for small-business concerns to provide items or services which fall within their capabilities.

Prenegotiation conferences: The adoption of prenegotiation conferences has made a major improvement in contract negotiation. In these conferences the buying team presents the negotiation objective and the procurement plan to the Director of Procurement and Production at the Air Materiel Command. The buying team comprises the buyer, price analyst, administrative contracting officer, auditor, engineer, production specialist, and others as necessary. The purpose is to have the negotiator define his objective and be sure that he has all the facts relating to the negotiation. The discussions which take place in prenegotiation meetings provide information to Air Force management both as to the quality of the procurement job and the competence of the negotiators. A major contribution of

prenegotiation conferences has been the confidence furnished a buying team where a firm pricing objective has been justified and established with the complete understanding and backing of the Director and other top people in procurement management.

Depot maintenance management: Since April of 1953 the Air Force, with the assistance of consultants, has been developing and testing an improved system for aircraft maintenance activities at Sacramento air materiel area. The system as finally developed and put into effect in the depots includes work measurement, payroll distribution, earned-hour reports, production control, and standard cost accounting. The new system will provide factual, reliable, and timely information to all levels as a basis for sound and intelligent management in the maintenance area. With the successful installation of the system in the depots, a project has been started to apply the techniques to field and organizational maintenance wherever they are pertinent. The study, which is being made by an Air Force management engineering team, has just recently begun and the target date for completion is June of 1957.

Property disposal: In 1953 the Air Force developed and issued a new set of retention criteria which were based upon aircraft programed life plus mobilization reserves. For the first time in the history of the Air Force, this policy made it possible to put the disposal program on a par with requirements computation and budgeting and buying programs. The retention criteria, complete with established retirement dates on all types of aircraft, have now been translated into an operating program to assure continuous removal of excesses from the supply system.

Mechanization of supply activities: Replacement of manual operations with machines in supply activities has resulted in reduced personnel requirements to perform supply recording and reporting functions. In addition to manpower economies, the ability of machines to rapidly and accurately compile information has permitted better and quicker review and adjustment of stock levels, discovery of surplus supplies needed elsewhere in the Air Force, and the refinement of USAF inventories.

Electronic data processing: The Air Force is developing a more responsive and economical logistics management system through use of electronic equipment for computing requirements and transmitting supply data. This equipment also opens up the possibility of centrally maintaining complete and up-to-date information on the status of stocks at bases and depots. Completion and installation of electronic systems will speed up supply transactions and increase the level of accuracy both in requirements computations and in inventory accounting.

High value item control: A relatively small number of the items in the Air Force inventory represent the largest proportion of the inventory dollarwise. Conversely, the majority of items represent the lowest dollar investment. Accordingly, all items in the inventory have been identified in one of three categories to permit more effective inventory management. Items having a high unit value are placed in category I. They are inventoried more frequently than other items and their movement through the supply system is accelerated by the use of premium communications and transportation. Aircraft engines are handled separately and are accounted for by serial number. Category II represents the second largest proportion of the inventory and is subjected to less detailed but still adequate control. Category III comprises low-cost items. By increasing stock levels on these items and decreasing the frequency of resupply, it has been possible to reduce administrative costs and packing, crating, handling, and transportation expense.

Monetary inventory accounting: Dollar accounting and reporting of inventory has been established at depots and bases worldwide, and is being used extensively as an inventory management tool. Consolidated dollar data permits the timely analysis of serviceable and reparable inventory trends, stock levels, materiel losses, and disposal actions.

Movement of POL: The Air Force has undertaken a comprehensive analysis of the petroleum transportation system in the United States. The analysis covers every Air Force base and includes the present system of petroleum delivery, base receiving and storage, source of product, and in transit terminals. The efficiency and economy of pipeline delivery for volume petroleum are apparent. Pipeline delivery at two bases has resulted in a reduction of transportation costs of about $500,000 annually. Negotiations are underway to determine the feasibility of pipeline service to 30 other bases. A proposal has been submitted to provide this service to four bases. Preliminary examination of this proposal indicates that an annual transportation economy of over $1.5 million may be realized by pipeline service to these four bases.

Secretary Wilson and his exceptionally able group of assistants, in my opinion, have made tremendous progress in the direction of economy and efficiency.

There is still much to be done, as they would be the first to admit, but they have saved the people of America literally billions of dollars, in each year that they have been in office.

Their work is reflected in many ways, including a decrease in unexpended balances amounting to $26.5 billion, a decrease in unobligated balances amounting to $6.3 billion, a decrease in appropriations amounting to $11 billion, a decrease in expenditures amounting to $9.7 billion, and a decrease in taxes amounting to $7.4 billion, the largest tax reduction in any single year in the history of the Nation.

Theirs is a fine record. The country should be grateful.

Mr. MAHON. Mr. Chairman, the gentleman from California [Mr. SHEPPARD] is vice chairman of the 15-man Subcommittee on Defense Appropriations and he is also chairman of the panel for the Navy. Much of the good work, I think, which has been done on this bill was done by the gentleman from California and the members of his panel who served with him.

Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. SHEPPARD].

Mr. SHEPPARD. Mr. Chairman, I want to express my appreciation to my chairman, the gentleman from Texas [Mr. MAHON], and to the ranking minority member, the gentleman from Massachusetts [Mr. WIGGLESWORTH], for the manner in which they have covered the presentation because it will make my presentation to you much easier. There are some matters, however, which were effected by your Subcommittee on Navy Appropriations which, I think, should be brought to your attention.

The budget estimates for the Department of the Navy considered by the committee total $10,047,600,000, including $65,600,000 submitted subsequent to receipt of the President's budget. After careful and extensive hearings on these requirements, the committee has reduced the estimates referred to by $48,066,000, and recommends an appropriation of $9,999,534,000, an increase of $871,774,444 in the appropriations for fiscal year 1956. In addition, your committee has rescinded funds in the total amount of $159,800,000, including $100 million from the Navy stock fund, $3 million from the Marine Corps stock fund, $52 million from the Navy industrial fund, $3,800,000 from the appropriation for construction of ships, and $1 million from the appropriation for ordnance for new construction. These actions have resulted in an overall reduction in the Navy program, including working capital funds, of $207,866,000. The $48,066,000 of reductions were made in several categories and are explained in detail in the report.

Briefly, however, I would like to call the more important ones to your attention.

There was a general reduction recommended by the Department of the Navy due to the realinement of the program in the Operation Deepfreeze, which is the Navy portion of the Antarctic expedition now taking place.

Under the title "Military Personnel, Navy," the committee has recommended a reduction of $5 million in addition to $584,000 due to the aforementioned Deepfreeze reduction. This has to do primarily with funds requested for travel and transportation costs associated with military personnel.

A reduction of $400,000 for similar reasons has been made in the item for "Military personnel, Marine Corps."

Under the title "Marine Corps Troops and Facilities," we cut $4 million, in general operational savings in training and station operation areas, and the firm belief by the committee that a greater degree of efficiency and economy in the use of funds for this item is needed.

Under "Aircraft and facilities," the committee recommends a reduction of $1,500,000, in addition to the reduction caused by Operation Deepfreeze's requirement. The committee reduction relates to the need to maintain a greater degree of efficiency in the areas of aircraft and airframe overhauls and in the various items related to the flying hours training.

Under the appropriation item "Ships and facilities," the committee has recommended a reduction of $3 million in the belief that the Navy will more closely scrutinize the activities in this operation and achieve a greater degree of effectiveness in the use of funds.

Under the title "Procurement of Ordnance and Ammunition," a reduction of $5 million has been made by the committee. It is apparent that if the procurement policies and practices in this field are streamlined in a more efficient fashion, and the present apparent deficiencies are eliminated, that this reduction can be achieved without any detriment to the contemplated 1957 program.

A reduction of $3 million has been achieved in the appropriation for "Ordnance and facilities," which is applied to the transportation request for maintenance of ordnance and ammunitions, as well as in departmental administration

and improvements and alterations to facilities.

Under the item "Military construction, naval Reserve forces," the committee has recommended a reduction of $7,296,000, generally due to the elimination of 2 installations in the fiscal year 1957 program, and by an application of an unobligated carryover in funds previously appropriated.

Under "Research and development" the committee has eliminated $1 million from the $67 million budget program for so-called military sciences studies, in the belief that this entire program should be carefully scrutinized and many of the studies eliminated.

Under the last appropriation title, "Naval Petroleum Reserves," the committee has eliminated $529,000 requested for exploration and drilling for oil on San Nicholas Island, Calif. It is quite apparent, from the hearings and other data submitted, that there is no present need or specific legal authority for this activity.

In summary, then, the action which the committee is presenting to you today with reference to naval appropriations, constitutes a total cut of $48,066,000 in the budget estimates, and rescissions in the amount of $159,800,000, a total reduction of $207,866,000.

I want at this time, Mr. Chairman, to pay my compliments to the fellow members on the subcommittee with whom I have worked for many years, and say to you Members of the House that we have a most harmonious family and enjoy, as much as is possible with the responsibility that we have, a relaxation that we all appreciate.

I want further to pay my compliments to Mr. Frank Sanders, executive secretary of our staff, and to Mr. Orescan and all the other members of our staff who have been so cooperative in the many things we have called upon them to perform. It is really a most pleasant situation to have cooperation of that character. I feel as chairman of the Navy subcommittee that I should express to them our sense of deep gratitude for their efforts.

Before closing I feel it somewhat incumbent on me to refer to the comments made by the gentleman from Illinois, ranking minority member of the Committee on Rules [Mr. ALLEN], this morning, in which the gentleman rather caustically criticized the ineptness, and one could read into his comments if they so desired, the mental incapacity of members of the Appropriations Committee to understand and appreciate the category within which they should function.

I have had the honor of knowing the gentleman from Illinois for a good many years, and this is the first time that I can recall the gentleman's taking the floor of the House and discussing a subject which he was so ill prepared to discuss.

In the first place, I have lived and worked with the members of the Appropriations Committee for a good many years. In fact, I have been a Member of the House for 20 years and quite pridefully say that I have been automatically reelected for 2 more years and that I will continue to serve in my present capacity on the Appropriations Committee, of course, always subject to the will of the House. I merely state that with that kind of exposure to the functions of that committee I think I know something about the manner in which they work. I do not believe there is a Republican member of that committee or a Democratic member who has any personal desire to usurp or intrude upon the prerogatives of other committees, and they are quite conversant with the parliamentary procedure of this House and the limitations involved. Frequently in conference we find ourselves confronted with the situation wherein if the military stature is to be maintained in accordance with the requirements outlined by the Secretary of Defense and his astute officials, there is nothing we can do but have certain legislation appear in the bill. It is extremenly distasteful so far as I personally am concerned, and I think I can say the same of the other members of the Appropriations Committee.

In order to verify the necessities to which I am presently addressing myself, I was advised this morning by Chairman VINSON of the Armed Services Committee, for whom I have great respect, that his committee will come up within the next few days with what he termed a clean-up bill that would take out of the present operations the necessity for any further legislation on military appropriations. When and if that is accomplished, I compliment the committee for the job. If that had been done 2 years ago we would not have to usurp the prerogatives of another committee at this time.

I want to say to the Members of this House that when you sit on the Appropriation Committee for the Armed Forces the length of time that we are forced to sit and analyze the presentations that are made to you, you will find yourself encompassed in a situation of extreme responsibility to maintain the stature of military requirements in order to defend and protect our form of government and way of life.

I cannot speak for any other member of the Appropriations Committee, but I can say to the Members of this House that to the degree we found it necessary to apply legislation in this bill, with the acquiescence of the House of course, I have no apologies to make to the gentleman from Illinois [Mr. ALLEN] or to any other Member of the House.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 30 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. DAVIS of Wisconsin. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Forty-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 44]

Adair	Belcher	Boykin
Albert	Bentley	Brown, Ohio
Anfuso	Blitch	Byrd
Bailey	Bolton,	Byrne, Pa.
Barden	Oliver P.	Carlyle
Celler	Jackson	Powell
Chatham	James	Preston
Cooley	Jenkins	Prouty
Crumpacker	Johnson, Calif.	Radwan
Dawson, Ill.	Kearns	Sadlak
Deane	Kelley, Pa.	Short
Dodd	Knutson	Springer
Donovan	Lane	Staggers
Eberharter	McDowell	Taylor
Fountain	Mason	Thompson, La.
Gordon	Matthews	Tollefson
Green, Oreg.	Mollohan	Velde
Harrison, Nebr.	Morrison	Vursell
Hayworth	Nelson	Watts
Hiestand	O'Hara, Minn.	Williams, N. Y.
Hoffman, Ill.	Phillips	Wilson, Ind.
Hoffman, Mich.	Polk	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 10986, and finding itself without a quorum, he had caused the roll to be called, when 362 Members answered to their names, disclosing a quorum to be present, and he submitted herewith a list of the absentees for printing in the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Kansas [Mr. SCRIVNER] is recognized.

Mr. SCRIVNER. Mr. Chairman, while I share the concern for the security of our Nation, as expressed by our chairman, Mr. MAHON, I do not share his fears. This concern for the safety and security of this country, as far as I am concerned, has been well demonstrated by the fact, if you will pardon a personal reference, that when I came to the House of Representatives, one-half of my life had been spent in the military service and military preparedness of this Nation.

The gentleman from Texas, I am quite sure, anticipated some comments from me; in fact, he practically invited comments. I am sure he would be disappointed if I did not make some reply to some of the statements he made. With all the years we have been on this committee together we do have some differences, but we are all amiably disposed because I think in the true sense of the word that we, despite the differences in our political party beliefs, are really friends. You cannot work and live with men as long as the members of this committee work and live together without finding yourself friendly with them.

The gentleman from Texas has mentioned that the Soviet bomber force has been improving. That is to be expected; they would be complete dolts if they had not improved. But as the Soviet bomber force improves, so does our defense; and just as we are now more vulnerable than we were 3 years ago so is Soviet Russia. As far as Mr. Quarles comment about this situation of mutual deterrent is concerned I agree that such a situation may arise, and I agree with Secretary Quarles too where he said that this situation is bad, but it is better than war. The time may come when each of us having such terrific weapons of destruction as each of us do have and will have we will run into a position of stalmate and find that neither of us will ever use some of the destructive weapons in our stockpile.

I do not agree with the gentleman from Texas when he said our military situation is bad. It is not bad. The funds that you provide this year and have been providing in past years gives you the best, if not the biggest army in the world. It gives you the biggest and best navy in the world, and it gives you the best Air Force and the greatest airpower in the world.

There was some comment about what some of the objectives and programs are resulting in. It is an old saying, but it is just as true today as it ever was: The proof of the pudding is in the eating; and the proof of the pudding of this administration's program is the fact that since the armistice in Korea, mid-1953, not one single young American has died on the field of battle and this Nation is at peace.

The gentleman from Texas made some comment about spending. Well, we could go back in history and talk about quite a bit of that, and make a lot of references to where green-back poultices had been applied to cure some real or fancied ill. I cannot help but remember that the party of the gentleman from Texas has been in power and in control of the House and Senate for almost 2 years now, and if you have within yourself such profound wisdom I am surprised that you have not as legislators brought forth measures of remedial action that would call for fewer greenback poultices and reduce spending, but I have not seen that done.

Now, talking about the money required in this budget, let me read some remarks of Secretary of Defense Wilson; and I may say in passing that there is no ineptness in his expression of these views that I shall read. You will find them on page 14 of 1 of the 7 volumes of hearings that we have had. This is the one entitled "Amendments to the Budget for 1957." You will find Secretary Wilson saying this to our committee:

> It is quite clear to me that if we had a very small defense organization and spent a very nominal amount of money, like we did before World War I, between World War I and World War II, and between the end of World War II and Korea, we would be risking the security of the United States.

And he continues:

> Going to the other extreme, if we went into an all-out armaments race—and we could not spend a great deal more than we are spending now without mobilization and controls—on that side of the picture the danger of war would be increased. We would much more likely precipitate a war in the world if we went into one of those all-out races and stirred our people up to the degree that they would have to be stirred up in order to make them pay the taxes and stand for the regimentation and mobilization. Then we would be decreasing the security of the United States by increasing the likelihood of war. So I think that we are now at about the right place. As near as I can personally figure it, I think we are. No one can say within a percent or two one way or the other that this is exactly it, but somewhere in the middle—and I think we are about there—is the point of maximum security for the United States.

Mr. Chairman, I have made the statement often, and it is still true and is self-evident, that a strong national defense is not cheap. You have heard some pretty big figures quoted to you, but those figures and those facts in these 6,500 pages of hearings should convince anyone of the fact that a strong national defense is not cheap. Next year we are told quite frankly the requests will be more than they have been for this year.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Texas.

Mr. MAHON. The gentleman from Texas in addressing the House pointed out that unhappily it appeared this administration when confronted with major problems had about only one answer, and that was money and more money, more money for the Department of Defense, more money for foreign aid, and so forth. Also I think I pointed out that while the Democratic Party is in control of the House and Senate it is not in control of the executive branch of the Government where the money is spent. I pointed out that it was unfortunate that a better answer could not be found than money and more money. I believe the gentleman will agree with that.

Mr. SCRIVNER. I could not help but agree to a degree. But any administration cannot spend any money Congress does not give. I would point out that many of the things for which this administration is now asked to spend money is the result of some inherited world situations and prior commitments for which there is no other remedy. Let me ask the gentleman from Texas, Is he going to recommend any further reductoin in this military budget?

Mr. MAHON. I am not.

Mr. SCRIVNER. Is the gentleman going to recommend any reduction in foreign-aid spending?

Mr. MAHON. Yes; I surely am.

Mr. SCRIVNER. Well, so far as the gentleman from Kansas is concerned, he will join you in that.

Mr. MAHON. My point is this that it is a deplorable commentary on our world and on the Democrats and Republicans that we have not been able to come up with a more imaginative answer than just money and more money. I was trying to stimulate the administration to a consciousness of that situation with an urgent plea that a better answer might be found.

Mr. SCRIVNER. Well, the gentleman's party has been in control of the House and Senate for some time now, and could control appropriations.

Mr. MAHON. We do not have control of expenditure of the funds of the Federal Government. Will not the gentleman agree that this country is becoming increasingly more vulnerable to devastating attack and that Soviet Russia is also becoming more vulnerable to devastating attack and that while we do not want to be frightened or hysterical, the military situation is very bad when large segments of the population of the earth could be obliterated overnight by the power of an aggressor.

Mr. SCRIVNER. That is not the sort of situation that either the gentleman or I would choose and it is not of our making.

Mr. MAHON. My only interest is that we face up to this question and that we find the right road. I think I said that the road in defense spending that we are now following is probably approximately correct.

Mr. SCRIVNER. I agree with the gentleman on that. Our committee has faced up and has chosen the right road.

Mr. MAHON. I thank the gentleman.

Mr. SCRIVNER. I would add further that none of this spending we are talking about now includes any of the countless hundreds of millions of dollars, yes, billions, which we provide for the military use of atomic power.

The military program that we have before us is merely a continuation of the preparedness program for the long pull that has been underway now for the last 3 years. Every young American today must look forward to the fact that for the next 10, 20, 30 or 50 years, or as long as Communist Russia remains a threat to the world, he must look forward to a period of military service and the taxpayers must look forward to carrying the burden of preparedness just that long. As a matter of fact, if it were not for the mere existence of Russia and its announced intent to dominate the world, including, if necessary, by force of arms, this military budget could be cut down to one-fourth or one-third of what we are asking, and we would be perfectly secure. But despite the fact that we have seen some smiles and heard some sweet words from Khrushchev and some of his Kremlin crew the need for military preparedness still prevails and the American public must carry the burden of that program.

About half of this budget goes for the Air Force, and at the end of this fiscal year, June 1957, we will reach the long-set goal of 137 combat wings, and we will reach it at exactly the same time as it was proposed under the previously much-discussed 143-wing program. This Air Force of ours is manned by the best pilots the world has ever produced, and they are flying in some of the best planes that any nation has ever produced.

While we talk here presently about the Air Force, it must be recognized that the United States airpower is not confined just to the Air Force alone. Although many of the comparative figures would indicate that we have no other airpower in this entire country except the Air Force, we have in addition to the Air Force a magnificent naval aviation. In addition to naval aviation we have a magnificent marine air branch. And, while we separated or divorced the Air Force from the Army just a few years ago, the Army is now building up an aviation force of its own of someplace around 4,000 planes. In addition to that, you have as a very important factor your airpower in the Air Reserve and the Air National Guard, and when you talk about planes in all of the services together, combat planes I am talking about, we outnumber Soviet Russia 2 to 1.

Mr. Chairman, there are many things in here that have been discussed. The gentleman from Texas [Mr. MAHON] talked to you about them. We are providing new money for approximately 2,000 planes. Now, that is some fewer in number than we asked for last year,

but we do not have the requirement for quite a few of the lighter trainer type. However, the heavier ones are still provided for in this bill. We have to pay for the upkeep of all of our bases and all of our planes, and we have to provide money for the pay and allowances and maintenance of just under 950,000 airmen. That is a comparatively small Air Force, but it is larger than Soviet Russia's. We should recognize at the very outset that we never have intended and we do not now intend to try to compete with Soviet Russia on a man-to-man basis, and much the same thing, as I will point out later, on a bomber-to-bomber basis.

Now, the military force for which we are asking you to appropriate money is for the protection of this Nation and not for initially attacking any other. Perhaps our philosophy in that is wrong. Perhaps we should get the advantage of being the first to attack, but that has never been the policy of this Nation, and I doubt that it ever will be in the foreseeable future. But everybody knows that the force that attacks first has an initial advantage which is sometimes hard to overcome. But we have the power, we have the strength, we have the ability, we have the determination, we have the men who can and will, if Russia dare attack us, "whack back." Now, that is an old midwestern phrase that all of us out there can understand, but in the parlance of many others we call it retaliation. The two mean the same thing. We can whack back or retaliate with such devastating force that Russia could never recover or carry out any immediate subattack. Hence, our needs are fundamentally different from those of Russia, and for that reason the makeup of our forces should be and it is considerably different from Russia's makeup.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I think the gentleman has made a very striking and very reassuring statement on America's air might. I hope that the great press services of our country will do justice to his statement in covering this meeting of the Committee today.

Mr. SCRIVNER. The press probably would cover it a little bit more fully if I had an advance copy of my speech, but I have no prepared copy and what I say may not bear much resemblance to the notes I have before me.

Let us talk a little bit about our Air Force. Of course, the retaliatory force I have been talking about is the Strategic Air Command under the command of General LeMay. That is the dominant force, that along with our other services, which has been a deterrent to war. Strategic Air Command planes are ready today, every day, and all day, to carry indescribable death and destruction to any designated target no matter how remote. The Strategic Air Command is good and it is getting better every day, with newer, faster bombers, of longer range, with improved performance, as the older, obsolescent planes go out of the picture.

And if you are concerned about the number of bombers, I will go a little bit further than the gentleman from Massachusetts [Mr. WIGGLESWORTH] did and I will state that with A- and H-bombs today, one bomber—just one—can carry all of the potential death and destruction that was carried by all of our bombers on all of their sorties in all of World War II, including both the European and the Pacific Theaters.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. Certainly, I yield to the chairman of our committee.

Mr. MAHON. Does not the very significant fact which the gentleman has just mentioned point up the matter of the vulnerability of this country and the U. S. S. R.

Mr. SCRIVNER. Yes. I am coming to the defense portion of my statement now.

Mr. MAHON. In other words, Secretary Quarles tells us that in view of the growth of the Soviets and our own power, that we are coming into a period of mutual deterrence.

Mr. SCRIVNER. Yes, you mentioned that a moment ago.

Mr. MAHON. And the fact that the gentleman has pointed out that one plane could conceivably wreak so much havoc upon the United States in the event of war should cause us to pause and ponder what our policy should be.

Mr. SCRIVNER. We have been pausing and pondering in the committee for quite a while. But, as I said, I am coming to the defense side of the matter just now.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from California.

Mr. HINSHAW. In view of the statements that have been made by the gentleman from Kansas [Mr. SCRIVNER] and the gentleman from Texas [Mr. MAHON], I do not think that we should sit here and quake and quiver in fear of any attack from Soviet Russia. I decry that kind of statement.

Mr. MAHON. Mr. Chairman, will the gentleman yield to me?

Mr. SCRIVNER. I yield now to the gentleman from Texas.

Mr. MAHON. I do not believe in fearmongering and hysteria, as I said earlier in the afternoon. But is it not true that a calm, realistic approach to the actual facts of this situation is in order? That is what Secretary Quarles of the Air Force referred to in talking about this period of mutual deterrence. That is what I think our military people are doing. They are facing up calmly but realistically to this problem. And they are worried. You know they are worried. We all know they are worried and we have cause to be worried and that should give us the inspiration and the impetus to try to provide the best possible answer.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield to me?

Mr. SCRIVNER. I yield to the gentleman from California.

Mr. HINSHAW. I think we should not be worried, but that Russia should be worried. I do not see why anybody should stand here and say that we should worry. Of course, we should pay attention to our needs, but worry—no.

Mr. SCRIVNER. Let me add one more word, namely, that even though I, along with other members of this committee have been living with this day in and day out, month in and month out, year in and year out, I lost no sleep last night because of fear of a Russian attack, and I shall lose no sleep tonight.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. Yesterday, along with about a dozen other Members of the House, I had the privilege of seeing a fire power demonstration at the Eglin Field in Florida. I saw the same demonstration about 10 years ago. I am amazed at the progress we have made in the last 10 years. I daresay the things we are using now would hardly have been in the realm of imagination when the gentleman served in World War I. The progress we are making would make the American people bulge with pride. I hope that in the future we may put more emphasis on research and on the possibility of doing things even in a greater and a better manner than we are doing today. I think 10 years ago the B–29 was the "top dog" of all our planes. Today it is the B–52. We saw the B–52 perform yesterday. I am not sure that 10 years from now it will be our best plane.

Mr. SCRIVNER. Why wait 10 years, if the gentleman will let me interrupt? You are not going to have to wait more than a year to see some of our advances. Every day that goes by we are bringing out bigger, better, and faster planes of all kinds. We are not static. We do not freeze a model, we continuously improve and bring them out, so that we have a constantly modernized Air Force. It costs a lot of money to do it.

Mr. MILLER of Nebraska. I think that is right, and that is the way we should proceed.

Mr. SCRIVNER. Since these questions have been raised, you would think perhaps that we have been absolutely asleep at the switch as far as our continental defense is concerned. That is far from the truth. As a matter of fact, your Air Defense Command is going to increase and it too, is going to cost you more. Of course we do not have everything we would like to have, but it is improving rapidly. Today on bases throughout the world American pilots in American jet fighters and flighter-intercepters are on the end of the runway ready to go at a moment's notice, and that includes members of the Air Reserve and the Air National Guard.

We are spending literally hundreds of millions of dollars, yes, billions, upon far-flung radar screens going clear up into the Arctic, through mid-Canada with the radar picket planes flying across into the Atlantic and into the Pacific, and with Texas Towers in the Atlantic.

All of those things are part of our defense. Any of you who have ever studied military matters know that there is a period of time when perhaps the

offense is on top, and then the defensive measures come along and they are superior to that offense. Then finally the offense comes into supremacy again. So it is a constant battle between attack and defense.

While some could, and it is easy to do, draw a terrific picture of what would happen if Russia were to fire an intercontinental ballistic missile 200, 300 miles in the air, at a speed of 10,000 or more miles an hour, and say, "Oh, there is no defense," today that is right, but that flight is some time off. When that day arrives, I have enough confidence in our scientists to know that when that vehicle is ready to go into the air there will be a defense against it. Hard to do? Sure. But I have watched these men in the laboratories, I have watched these scientists, I have seen them do things and accomplish missions that I would at one time have said were absolutely impossible, they would be nothing short of a miracle, but these scientists have accomplished the aims.

Just the mere operation of these radar screens and all that is going to cost you right around half a billion dollars a year, and not much sooner will we have them installed than there will be new, more effective, longer-range radars that we will immediately have to procure, and start replacing the old ones. Then perhaps about the time these improved sets get to working there will be still better ones and still better ones, ones which will detect these missles in the air. Then of course we will have to replace the old ones and here again a terrific lot of money will be required.

I said we had the newest, fastest, most modern types of planes on bases ready to go today. We have. Some that will soon be in operation have performance features which have not yet been disclosed. When they are you will see what I am talking about when I say that as far as I am concerned we have a defense against any potential Russian attack today and in the foreseeable future—although the cold facts are that some enemy bombers could get through.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield.

Mr. BROOKS of Louisiana. I want to say to the distinguished gentleman from Kansas that today I presented for publication in the CONGRESSIONAL RECORD a list of the 44 questions asked and the answers given by General LeMay, head of the Strategic Air Command. I do not think it is a matter of fear or confidence so much, but I do think you will find in his answers straightforward, categorical statements on our air defense that every Member of Congress ought to read and study.

Mr. SCRIVNER. I thank the gentleman for his contribution.

Of course, we have the Tactical Air Command and we have the other commands, but time does not permit me to go into the details which you will find in the report. There has been some discussion about missiles, but others will discuss that subject in detail. We were told and the members of the committee acknowledged that the missile program was not near as dark as some people have painted it, that we were going full speed with the work so far as possible around the clock; and that there had been no lack of funds for the missile program. We were told too that while the Soviets may be ahead in some fields of missile development, they are not ahead in all fields and taking the problem as a whole the United States is ahead in this program. If you think I am coloring the picture a little, you can look at the record at page 1225 of the hearings and find where Democratic members of the subcommittee on appropriations who heard Assistant Secretary Robertson give his testimony state that they had found his statement very reassuring and that it was a splendid presentation.

There are a lot of things, as I said, that we could talk about, but let us go to this bomber matter for a few minutes. Of course, there is a great deal of attraction to this hokus pokus about pioneering up into the atmosphere above the atmosphere clear on up into the ozone and beyond where, as the gentleman from Texas [Mr. MAHON] said, the comets speed. We have been talking about bombers and what we have done and what Russia is supposed to be doing and about B–52s and the fact that we have augmented the production and speeded up the production of B–52s and that we will have all of these B–52s, much sooner than we otherwise would have them. On a military program as complex as this, we could talk for many hours. But let us just look at something else for a minute and see what the outstanding military authority of this Nation has to say on this subject. I am referring, of course, to President Eisenhower, the civilian Commander in Chief of our Armed Forces. I am reading from a verbatim report of a news conference which he held last week on Friday where Mr. Clark, of the INS asked the President whether he saw any cause for concern in the reports of the B–52 bombers and that we were lagging behind schedules:

EXCERPTS FROM PRESIDENT EISENHOWER'S PRESS CONFERENCE, FRIDAY, MAY 4, 1956

Question (Robert E. Clark, INS): "Mr. President, do you see any cause for concern in the reports that delivery of B–52 bombers to the Air Force is lagging behind schedule in the light of reports out of Russia that Soviet production of the same type of planes is forging ahead of us?"

The President: "I think we ought to broaden our vision a little bit more widely than looking at one particular phase or part of an organization when we begin to compare our position with those of others.

"Here was testimony in one particular part, the Strategic Air Command and, of course, it is disappointing that 37 of these planes had to be held up in delivery for modification because of some defect.

"It is, of course, a usual experience in these 'hot' airplanes, you have to go through modifications. We had to do it in the war. Indeed, I had to establish a plant in England to modify planes that were coming over from the United States before you could use them in combat.

"I am told or informed that, first of all, this defect has been—is being corrected, but I want to call your attention to these—there is still a lot of testimony to come forward.

"We have the most powerful Navy in the world. There is no navy that even approaches it in power, and it features one thing, air power.

"No one has talked about that. We have bases around the world, established for the particular purpose of using the medium bomber, and not being forced to make all your bases in the United States and therefore depend on intercontinental bombers."

And the President continued in his conference:

Now, remember, no matter how efficient a plane is in terms of long range, if the further forward you can carry it, the less time it is in the air, and the more efficient it operates in war. So I think by the time the Defense Department gets done presenting its full picture, the United States will see that they have had great bodies of men who have not been idle; who have not been indifferent to the security of the United States, and who have carried their duties, their responsibilities forward to the point that they will, the United States will, feel a lot better than just on this one piece of testimony.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. SCRIVNER. Then another question came from the CBS correspondent, Von Frend, who asked him whether that meant that the administration does not plan to step up the intercontinental-bomber program. The President again spoke:

The President said:

No, I don't think you can say that in those terms.

We have stepped up the originally agreed on rate of B–52 production, we have stepped it up twice since this administration has been in, and I don't know what the Defense Department is going to recommend next. But what I do want to say is that the whole question of airpower is not confined to one simple type of airplane.

Then Mr. Evans, of the New York Herald Tribune wanted to know whether or not despite the B–47 medium bomber force overseas "Do you say that it is vital that we try to stay ahead of Russia in production of the long-range bomber?"

The President:

No. I say it is vital that we get what we believe we need. That does not necessarily mean more than somebody else does. We have got to get what we need.

Then he continued in answer to another question:

Well, I said, first of all, we need in each type of bomber, in each classification of ship, we need what our requirements demand, and that doesn't necessarily mean that we have the same as anybody else.

Now we could go on for hours on this bill, as the chairman said. There are 6,500 pages of the printed hearings, and perhaps an equal amount off the record. But let us get to some other matters. One of them relates to the testimony of Mr. Trevor Gardner, at page 869 of the Defense hearings, and you can read the whole story. I think you will find that Mr. Gardner had two great objections. He felt that time had been lost through the system of committee reviews, where each important program had to be reviewed by committees, and he thought one man should be in charge of the missile program, a step that was underway when he made his plans. Then he

feared that perhaps some day there might be something happen if all three of the services kept working on the missile program; not that it had, but that it might. Second, he felt that the program of building and flying a few planes first before buying a large number was wrong. Despite what the congressional committees have developed as it relates to the McDonnell Navy plane fiasco, which certainly demonstrates the wisdom of flying before you buy, because they did not fly before we bought a large number.

Mr. Gardner also wanted to buy a large quantity of planes that had not yet been built, hardly off the drawing boards or in the design stage. No prototype at all. He thought, too, that the step by step research and development program was too conservative.

Mr. Gardner did say that the missile program had not been held up because of lack of funds. He did not say that Russia was ahead. He said it might be in some fields, and that in other fields we were ahead, although we might now be starting in to losing the lead in our planes, which we have not yet lost. So this was just an honest difference of opinion between him and Secretary Quarles.

Then one of the other side issues was the hearing of General Ridgway relating to some articles he had written for the Saturday Evening Post. He reasserted that he was surprised when the President said that there had been unanimous agreement by the Chiefs of Staff on the four levels for fiscal year 1955. You will find this by reading the hearings starting at page 596 of the defense hearings and carrying on up to page 615. When you read that you will find he had no reason to be surprised because he had repeatedly said that there had been unanimous approval of the program. General Ridgway was disturbed, of course, about the reduction in the size of the Army, and to hear him you would think it was the first time any such thing had been done; but it is not, and if you want to see what has been done under various administrations, not only Republican but Democrat as well, look at page 627 of the hearings and you will see where the departments had sent up to the office of the Secretary of Defense and then up to the budget certain sums which were asked. These were reduced, even in time of war. Should you think this is confined to Republican administration? You can find what a Democrat, former President Truman, has to say on page 592. General Ridgway did concede there should be some modifications in his language and he did say that there were no threats against him for his views and that he was not seeking to indict anyone.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield briefly to the gentleman.

Mr. CURTIS of Missouri. I would like to ask the gentleman a question with reference to page 47, the Air Force.

Mr. SCRIVNER. I hope the gentleman will excuse me but I would not like to get into that right now.

Mr. CURTIS of Missouri. Very well.

Mr. SCRIVNER. General Ridgway did say that he had had full opportunity to express his views clear on up to the President and that some of them were accepted, and he did say that he felt that airpower had been exaggerated and that he held to the view, and quite properly I agree, that all three services taken together were the real deterrent to war.

So, all in all, there was not anything new in his views. So we can pass from that.

We can summarize briefly the testimony of Secretary Quarles who, the gentleman from Texas, Mr. MAHON, our chairman, has described as the best expert in the Pentagon in the field of research and development. He told us about the future plans, that we were getting into the Air Force an ever-increasing number of guided missiles such as among many others, the Talos, Bomarc, and Falcon and the Matadors already in operation. We had a great deal of talk about missiles. Secretary Robertson and General Schrierer of the Western Development Command gave very comprehensive statements. Some of us thought the general was perhaps a little too optimistic as to it, but he assured us that it could be done by the date fixed, perhaps earlier. As a matter of fact, the gentleman from Pennsylvania [Mr. FLOOD] asked Secretary Robertson why it was if we could produce these things we did not fly them and within a couple of days, as though by some sort of telepathy, the Air Force did fly a missile for 2,000 miles, and it could have gone much farther.

The testimony of General Twining, of course, was quite interesting, but because of the limitation of time I will have to be brief that and put some of that in the RECORD.

General Twining is sold on the effectiveness of the Air Force, and quite properly. He said it is good. He told us about many things, including the reason why we did not have a turbo-prop bomber such as the Russians are reported as having. He told us that our jet-type bomber with tankers was more effective for us than the turbo-prop job.

He also stated that he recognized the force and effect and power of Navy Air and Marine Air, and although he did not mention it, I am sure he meant to have included the Air Reserve and the Air National Guard.

He had a lot to say about our Century series of fighters. He felt that our F–102 was superior to anything the Russians had in this field of fighting. Now, the Russians may have more, but they need more, because that is a defensive weapon. If and when the time comes that Russia may build a group of long-range bombers General Twining has indicated that our defense is ready and capable of meeting such an attack should it come.

He also asserted that ours is not a second-class Air Force.

Then, too, he discussed the comparison of quality and quantity of our planes and those of the Soviets.

On page 761 of the Defense Department hearings, General Twining said:

> These comparisons must be qualified. Except to indicate relative effort and progress, matching similar types is meaningless. More meaningful comparisons would be to match our bomber offensive capability against their defenses, including their radar, their fighters, and their missiles. Similarly, we must compare Soviet bomber capability against our defenses.
>
> Our own defenses and Soviet attack capabilities are both increasing. By the time the Soviets have a bomber force large enough and effective enough to wage a global war, our defenses will be formidable. Our present F–100 would be effective against the Soviet Bison, comparable to our B–52, but the Soviet Bison is available now only in limited numbers. By the time the Soviets get a sizable force of Bisons we will have the F–101, F–102, and F–104 in quantity, and this will provide us with an even more effective defensive weapon.
>
> Comparing our attack strength with Soviet defensive strength reduces itself to the question: Can our bombers get through? The Soviets have thousands more jet fighters than we, but they also have an enormous area to defend. In my judgment, the Strategic Air Command continues to have the ability to get through.

If you want to read more of that, turn to page 761 of the defense hearings.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. SCRIVNER. Mr. Chairman, I am sorry to take up so much time, but with the interruptions I hope you will pardon me. After all we have been working on this bill for about 4 months and this additional time is merely about 1 minute for each billion dollars of this defense budget.

In closing let me pay a tribute to the Reserve. The Air Reserve is doing a very fine job, as is the Air National Guard. The Air Force knows that when the chips are down, if the bell rings, they must depend upon citizens or civilian soldiers. We know that if war comes the citizen soldier, the weekend soldier, will outnumber the regular force 4 and 5 to 1, just as they did in World War II and just as they did in Korea. The training of these men in the Reserve wings is on a par with the regular Air Force, and many of them, even though they may be putting in only the weekends and drill nights are maintaining their proficiency. They are sacrificing their time from their homes, from their families, from their work and from their vacations in order that the Nation may stay strong.

There are 24 of these Air Reserve wings, tactical, bomber, fighter-bombers, troop carrier, and other support types. There are over 100,000 men operating over 1,200 planes training at over 40 bases and over 100 Air Reserve centers. They deserve a great deal of credit for their defense contributions.

The Air National Guard, which is composed of 27 wings with interceptor, light bombers, and reconnaisance planes are of inestimable value to the security of this Nation. Most, if not all, are D-Day units, ready to go. Many National Guard planes with National Guard pilots are at this very minute on the end of runways throughout this Nation ready to take off with their brother airmen of the Regular Air Force, as a part of the 24-hour alert air-defense program.

Practice alerts show that these 70,000 air guardsmen on their 94 bases with their 2,000 planes which are instantly available are an important part of our airpower, and they all deserve a great deal of credit for their time and effort.

I am sure the members of the Committee on Defense Appropriations will say that the presentation made by all the services through their witnesses this year was the best prepared and the best presented of any year. Their statements were concise, they were factual, they were so full and complete that we did not have to act as cross-examiners and dig out every little facet of information needed to form our judgment.

I firmly believe, as does the chairman of the committee, that this is a sound budget we are asking of you, and I urge the House of Representatives to give its unanimous approval to the bill as we have presented it to you.

Mr. SHEPPARD. Mr. Chairman, I yield 15 minutes to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, I want to express my appreciation for the cooperation and able assistance given me by the entire subcommittee, particularly by the Army panel, by the committee staff, and, of course, by the chairman of the committee, our distinguished colleague, the gentleman from Texas [Mr. MAHON], who, incidentally, has just been reelected with the blessings of both Democrats and Republicans in his district. That is bipartisanship of a very satisfactory type.

Mr. Chairman, we feel that in the budget presentation given to the committee this year we received the best presentation that it has been our privilege to hear from the Army. It is obvious that the Army is a hard-working team; it is on the ball; it is doing a job, and it is proud of its accomplishments.

I would like to give you the Army strength figures which are carried in the current budget. At the end of the third quarter of 1956 the Army had a strength of 1,063,500 people. At the end of fiscal 1956 it is calculated that the Army will have 1,040,300. At the end of fiscal 1957 under the budget now before you it is planned that the Army shall have a strength of 1,045,300. These include increased strength figures which have been requested for the Reserve Forces Act and for the distant early warning line.

Now, I would like to point out something that is of more than usual significance in these figures. The original figure programed for fiscal 1956 for the Army under the budget which was first submitted to the Congress a year ago was for 1,010,000 people. That figure was later revised upward to provide for 1,025,000 people at the end of fiscal 1956. Now, obviously, manpower alone does not give a real indication of strength or of effectiveness. However, I must point out that the Army has been subjected, even in recent weeks, to the peaks and valleys type of program which is the most costly type of defense, the type of defense which is injurious to the morale of personnel, and it is the type of defense that does not permit effective long-range planning.

Within the programed military strength we can point to an important accomplishment in that we have more combat units programed for the fiscal 1957 Army than at present. That indicates the Army is making a more effective utilization of its strength, putting more of its men into combat units and fewer men into supply housekeeping, and other noncombat activities.

General Taylor, Army Chief of Staff, testified, however, before us that he considered the optimum strength for the Army at this time would not be 1,045,000, as we are programing for, but 1,300,000, and General Taylor is a great soldier, a military leader whose knowledge is unquestioned.

Now, I do want to say emphatically, that we have a good Army, we have a strong Army, an improved Army, probably the strongest peacetime Army in the history of our country. I must go a step further, however, and say it is not the Army that certain optimistic statements from some highly placed people in our Government have indicated. I think the American public may have gained the impression from some of these statements that we have an Army that can be moved over night from Washington or San Francisco or any other place to Europe or to Korea or to Indochina or to any spot where trouble might develop. That simply is not the situation and it will not be the situation for a long time to come. Our objective is a highly mobile striking force, a striking force with adequate air transportability, with lightweight weapons and equipment, including tanks, and with atomic capabilities. The Army possesses some of all of those qualities. But to leave the impression that today's Army is an air transportable Army, with airborne weapons, which can be moved anywhere in the world almost overnight is simply ridiculous. Because of what has been said or inferred, many people do believe this. When the chips are down we have to admit that we would be straining ourselves materially to move one division to any distant part of the world within a matter of hours, and that they would have to leave the greater part of their heavy equipment behind. That division would possess, however, considerable atomic capabilities.

It boils down to this. We could get a lot more Army if we were willing to spend the money for it. We have taken a chance that the money that we have programed, backed by the recommendations of the people who are expert on defense, makes this an adequate budget for this time. The committee recommends the figures that are to be presented to you today and I shall give you those figures.

The revised 1957 budget estimate, including supplemental funds for the DEW Line and for the Reserve Forces Act is $7,761,425,000 compared with the 1956 appropriation of $7,329,953,000. The committee has recommended a reduction. It recommends an appropriation of $7,497,582,000. That means that the current bill is $263,843,000 below the 1957 revised estimates. But it is $167 million above the 1956 appropriation.

That reduction—and I want to emphasize this—that reduction of $263 million includes $228 million which is the amount budgeted to replace deutschemark support from the German Government; there is some question whether the German Government will continue to provide that deutschemark support for our forces overseas. If it does not, we shall have no choice but to go back and replace all or a considerable part of the $228 million thus deleted.

There is in this bill a rescission of $110 million from the Army Industrial Fund which is to go back into the general fund.

A great part of the money carried in the Army budget is, of course, for military personnel. That amount is $3,556,000,000. These are fixed costs about which very little can be done. They include uniforms, they include food, they include housekeeping costs. Those costs vary little from year to year. There is a slight reduction in the cost of food, not because of less adequate rations but because of reductions in the actual cost in the market.

Maintenance and Operation carries a recommended figure of $2,954,531,000. While this is a reduction of $237 million below the figure requested by the military personnel it is $123 million above the 1956 appropriation. That increase over last year was occasioned by an increase in civilian personnel costs. Although there will be 3,000 fewer civilian workers in the Army this year than last year, their salaries are higher and they cost us a net of more money.

There is a considerable increase here for the Reserve Forces Act. Seventy-three million dollars in additional money is included for the Reserve training program. Seventy-seven million dollars additional is included for research and development. Military construction for Reserves and National Guard carries the full amount of $40 million which was requested by the Army and which is programed and listed in the hearings. Incidentally, a list of the facilities to be constructed appears on pages 1344 through 1350 of the Army hearings.

On Reserve personnel, we have been impressed by the recent showing of progress in the 6 months' training program. It started out slowly. It looked as though it might be a failure. But in recent months there has been a considerable step-up and, as the Army moves into and gains more acquaintance with it, and as the public becomes more fully cognizant of what this program means and offers, we feel it will continue to grow. The Army wanted to budget for 100,000 trainees. Actually they now have 27,000, so it appeared that 100,000 was entirely too optimistic a figure to plan for. As a result, we have made a cut of $8 million in the amount that was requested by the Army. We feel that money will be adequate, but the committee does not want to take the position of limiting either the Reserve training program or the National Guard program, and the committee invites the Army to come back for supplementals if more money is needed in either of these programs.

I should like to touch for a moment upon research and development, because in research and development we have recommended the full amount of the budget estimate, $410 million. This is

$77 million more than was programed for 1956. We feel that it is a good program which possibly is being carried on as rapidly as it should be. There is not complete accord in the committee on that feeling. There is some apprehension that we may not be going fast enough in research.

General Gavin, who is doing an excellent work as head of Research and Development, stated to the committee quite frankly that he could use to great advantage additional money in this program. Yet the fact that there already is in this program $77 million more than we had last year, plus the fact that the Secretary of Defense has $50 million that he can use wherever he wants to in research and development, makes it appear to us that there is enough money in the program. We hope we are right. We certainly have no inclination to limit that essential activity.

Production and procurement, which always is a costly item, does not carry any requests for new funds under this bill but it does carry the approval of an obligational authority for $1,386,000,000. This will come out of money already on hand which has been accumulated in recent years primarily as the result of not buying as much equipment immediately following the Korean war as had been programed. This new obligational authority includes a shift of emphasis to the procurement of new weapons in the fields of guided missiles and aircraft and in the atomic fields. Actually major procurement has been held back awaiting the development of new, more modern weapons and equipment.

In other words, let me say that we have not made major cuts in the Army budget. We do not feel that major cuts are justified. We do not feel that there is room for complacency in considering the world picture. The strength of the Army in personnel has been markedly reduced over the period of the last 3 years. It should not be scaled down further or cut too deeply in fund requests. We cannot with safety go below a certain nucleus of a hard-hitting military force, which we believe we now possess. We feel there still is so much need for improvement of the Army in air transportability, in new-type light weapons, and in atomic capability, that we cannot afford to pare too deeply into the present budget structure of the Army.

A short time ago, the editors of this Nation stated that they considered the Russians are winning the cold war. Certainly, the Soviet peace offensive with its emphasis and achievements in diplomatic and economic spheres of activity cannot be ignored. But the thing that we are primarily concerned with today, as we discuss the military appropriations bill for the fiscal year 1957, is that the Soviets also continue to make decided military progress and that they may be ahead of us in very important fields. A number of national figures believe that the Soviets are ahead of us in guided missiles, one field where I do not think we dare let anybody get ahead of us. Statements made by the Russian leaders indicate that they are cocksure about their progress in guided missiles and that they may know they are ahead of us. Very recently there appeared in some of our leading publications the flat statement that the Russians stole the recent world atomic show which carried emphasis on peacetime utilization of atomic energy. The statement has been made time and again that the Russians are educating and training more scientists and technicians and engineers than we are. I do not think we can afford to be unmoved by these manifestations.

I do not think the Congress is unmoved or unconcerned by these dangers. I do not think Congress can be numbered among those who are complacent about our defense and our military posture in the world. Year after year the Congress in its judgment, and I respect its judgment, has taken the collective best opinions of the Nation's ranking military leaders and has, on the basis of their advice, provided the money which has been deemed essential for the defense job at hand. Although we have to depend on these experts for guidance, there is our own responsibility to evaluate the information which is given to us, and then to give to you the soundest and best recommendations we can advance. And that I confidently believe is the basis upon which today's bill is presented.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 20 minutes to the gentleman from Maryland [Mr. MILLER].

Mr. MILLER of Maryland. Mr. Chairman, this appropriation bill for the Department of Defense is a measure of outstanding importance both because of the astronomical sums involved and because of its direct bearing on the safety of our Nation and of the free world.

Providing as it does directly for the expenditure of over $33½ billion, it dwarfs all other current appropriations and roughly equals a half of the budget for fiscal year 1957. Thousands of items included are vital to the well-being of our Armed Forces and many of these items, did time permit, are of such significance as to warrant long and searching discussion. As has been pointed out, this subcommittee has held hearings contained in 7 volumes totaling 6,419 pages of on-the-record testimony, and has heard many hours of additional testimony which, because of its highly classified nature, cannot be printed.

Because of the vastness of the field it would be futile not to admit frankly that in many important instances time and human limitations have not permitted the subcommittee to more than scratch the surface and make spot checks here and there.

Nevertheless, we believe we have marked up a good and sound bill. It is brought to the floor with remarkable unanimity by this committee.

Perhaps it would be well to summarize briefly the problems this bill is designed to meet.

The major objective is simple to define. It is to provide the funds necessary to maintain adequate Armed Forces to protect our country and to so deter aggression against us and the free world that the calamity of war is minimized now and in the foreseeable future.

This requires that we maintain a posture of readiness, not only at the moment and during fiscal 1957, but for many years to come.

We must be capable of meeting on the instant either a so-called brush-fire war or an all-out conflagration. This seriously complicates the necessary posture as we must be ready at all times to meet different types of threats.

A localized outbreak might occur in many different parts of the world. We must have the capacity to check it promptly, lest it spread, irrespective of location and climate. Likewise, we must be ready to react on a moment's notice with devastating force against any aggressor who might initiate World War III and, in case of such a catastrophe, be in a position to hold the enemy at bay while expanding and mobilizing our forces and production for all-out effort.

Another factor of utmost importance is that this posture of readiness must be maintained for an indefinite period. We must not strengthen it as of today or tomorrow at such cost that economic collapse might occur later and make us vulnerable years from now. Our potential enemies are hoping for just that.

Of course, if our economy could afford it, it would be desirable to have larger forces in being. We would be more comfortable if we had more divisions battle ready, more air wings, more fighting ships and marines. There is not one of the Chiefs of Staff but would like to have more men and tools with which to discharge his heavy responsibilities. On the other hand, the larger our standing forces, the greater the drain on our national economy. A radical increase in our forces also would have worldwide political repercussions and intensify rather than reduce present tensions.

Likewise to meet any sudden emergency, the larger the stock of weapons, equipment, and munitions on the shelves—the better, but the rapid obsolescence in many categories makes this dearly expensive if the emergency does not develop in the immediate future. It is also recognized that an assembly line in being, made possible by a stretch-out in procurement, would be of more value in case of an all-out mobilization than to have more of the item completed and in storage. The long lead time necessary to get a new assembly line in operation might well result in a serious shortage at the most critical period. The situation requires maintenance of a large production base capable of rapid expansion but also requires at least a minimum number of skilled workers in many fields and to retain their skills, they must be employed.

The National Security Council, the heads of the departments, the Joint Chiefs of Staff, as well as the Bureau of the Budget and numerous other agencies are constantly confronted with these factors in a world where there are constantly changing technical and political conditions.

The bill now before us represents generally the best answer that our leaders have been able to bring forth to meet the complicated requirements.

The active strengths in the Army, Navy, and Air Force have been only slightly increased or, in some instances, slightly reduced.

Emphasis has been placed on securing ever-increasing firepower, mobility, and combat readiness and as a corollary better planes, ships, weapons, missiles, and equipment of all kinds. Speed, power, mobility, and quality are everywhere important. A well-balanced team on the ground, at sea, and in the air is essential and is what this bill seeks to provide.

Research and development always is and should be of top importance.

We believe that this measure contains adequate financing for research and development which, because of its very uncertainty and the indefinite time elements involved should be kept up constantly at nearly maximum level, year after year, regardless of the size of forces in being.

At long last a determined and promising effort is being made to build up our Reserves. This bill contains sufficient funds to meet current estimates in this important area and our committee has made clear that if there is greater acceleration than anticipated, it will gladly recommend additional funds when needed. Well-trained reserve and National Guard units will reduce the necessity of larger active forces and provide adequate security at much less cost.

Much has been heard of late of the importance of missiles in general and the midrange and intercontinental ballistic missile in particular. The testimony indicates that this bill contains about all the financial support that can be effectively used for missiles. It provides for some duplication which, though highly expensive is wise, and in fact a necessary precaution. We cannot afford to put all our eggs in one basket and we cannot afford to discard old and proved weapons and methods for new and untried although probably better ones. The cost must be met as necessary insurance until the new and better have been fully tried and tested.

Also we must be ready for the alternate types of emergencies I mentioned earlier. Weapons like an H-bomb with megatons of destructive force cannot be used in many situations. The foot soldier with bayonet and hand grenade at times is the only practical means of meeting the requirements. We must possess a large inventory of weapons and a variety of means of transportation, and be capable of great flexibility in their use.

In broad terms then, this is the problem this bill seeks to solve. The order is huge and so is the cost. On its overall sufficiency rides our fate and that of the free nations of the world.

The whole must be coordinated and kept in balance, and this is a task requiring the best brains and judgment of our leading experts, and they have been called on to give us just that. It is something that should not be altered piecemeal. If it is changed here and there it may throw the whole picture out of balance and destroy what is meant to be a carefully rounded out whole.

It would be easy to recommend funds to supply more planes or defense weapons, but overspending would, if carried too far, upset the national economy. Also, it is not sound business in any field to be weighed down by a surplus of spare parts. This not only applies to spare parts in the military sense but also to such things as engines for planes that do not exist, or to supply planes which you cannot use because there are not trained crews or maintenance men to handle them or airfields and bases from which they can operate, as our distinguished committee chairman mentioned in his remarks.

The emphasis should be on reorganizing to meet the new changing conditions.

One thing, I think, that has been made particularly clear to us is that, certainly, there is no sign of a push-button type of war in the foreseeable future where the foot soldier or the man with the bayonet, the man who can go in and hold and retain ground and keep order, will be replaced by machinery. We need ground forces today as crucially as we have ever needed them, but they are undergoing a great deal of transformation occasioned by the rapid changes in firepower because of new weapons and also the defensive problems that are involved in new deployments, wider areas of battle, which are envisaged as a part of an atomic war. With that comes more complication in communications. There is a great deal of money in this bill to provide adequate communication systems in this electronic age.

Another thing that is particularly gratifying in the reports of this year with respect to the Army and with respect also to the other services is that the efforts of the Congress and of the Defense Department to improve conditions or to improve fringe benefits and to make service life more attractive seems to have begun to pay off. There is nothing more expensive than constantly training new recruits. It is rather interesting to note that reenlistments in the Regular Army in 1954 were at a rate of 21.1 percent. By 1955 they had jumped to 60.2 percent and for the first half of 1956 to 64.8 percent. It gives us a great deal more for the taxpayer's money when a trained veteran reenlists. We have not only a better Army because we have trained men right there, but it also means that we do not have to have another trained man detailed to instruct. So the quality of our Army has improved materially. The providing of better living conditions and better advantages for our service people seems to be paying real dividends.

Another thing the Army has done, and I think it is to be commended, is the emphasis that has been put on using as many people in actual combat positions as possible rather than to have a big overhead of noncombat troops. The figures on that are very interesting, too. In 1950 the ratio of combat forces to all forces in the Army was 1 to 1.63. As of now and programed for the coming fiscal year it is 1 to 1.1, a drop of more than 50 percent.

We have discussed the reduction in forces. However, it is believed that our Army even though it is not as large as some would like does carry tremendous fighting power. One of the things that is obvious and on which a great deal of work is going forward is transportation of all sorts and communications of all sorts that I mentioned before. Some of that involves air development, helicopters, and special-purpose planes, which do not, to any great degree, come under the scope of the Air Force or Navy missions. When you hear about the 4,000 planes or aircraft that the Army is working on, do not be confused about that. There is no duplication there because, as a matter of fact, there are many functions that are necessary in modern battle where you need to get up in the air, which is not flying in the accepted sense of long flights or of the type of flights that is allocated to the Air Force and the Navy Air Force. We have to build up an air branch in the Army if we are to have a thoroughly modern Army, one that can be deployed correctly and efficiently.

The Navy is emphasizing new developments, too. Nuclear propelled submarines have revolutionized many things. There is more emphasis not only on missiles but on ships that will carry the missiles.

Mr. Chairman, I think I can assure the members of this committee that we have a dedicated team working in the Defense Department. Personalities may appeal to one more than another, but by and large I have never had the privilege of working with finer civilian and military officials than have come down and told their story to our committee. As my panel chairman has said, I think we have had the best justifications and the best presented case by the various agencies that have appeared before us that we have had in my experience.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Maryland. I yield to the gentleman from New Jersey.

Mr. CANFIELD. I am quite sure that my friend and colleague, the gentleman from Maryland [Mr. MILLER], will agree with me when I make this statement, I think that we now have the finest liaison between the Members of the Congress and the Pentagon that we have ever had. The members of the liaison staff are extraordinarily fine, outstanding officers and agents, and they do a remarkable job for the Members of the Congress. No longer does it take two or more weeks to receive answers to congressional mail. They are really on the job, and I am sure the gentleman will be glad to make a statement in their behalf in connection with his presentation today.

Mr. MILLER of Maryland. I fully concur with the statement of the gentleman with respect not only to the liaison officers but all personnel in the Armed Forces that have been specially delegated to work with the Congress. They have done an outstanding job as a whole, and they have been well chosen for the assignments.

Mr. MAHON. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. FLOOD].

Mr. FLOOD. Mr. Chairman, this bill deals with $36 billion, and it is obvious that this House is reconciled to the acceptance of this bill and this report by this committee, because, while we are talking about military matters, there is not a corporal's guard on the floor.

There are not 36 people here, hardly $1 billion a Member, as of this hour of the debate. Of course, I am satisfied, as I look about me to see who is here, that a great degree of appreciation and intelligence for the problem before the House is ably met by the Members who are present.

Mr. Chairman, I find this room today thick with an atmosphere of omniscient complacency, and out of an abundance of caution, if for no other reason, I violently take exception and beg to disagree with that attitude toward this bill and toward the circumstances with which it deals: the status of national defense.

I would like to begin by referring for a minute to the attitude of the Secretary of Defense to acts of Congress dealing with appropriations for national defense. Last year you will recall I was active in protesting and objecting to the Department of Defense demanding a cut in the Marine Corps of 15,000 men; this great elite combat corps of which we are so proud and the Nation is so proud. This Congress saw fit to agree with me and to disagree with the Secretary of Defense. And this Congress assisted, by passing the appropriation bill and restoring to the Marines 15,000 men and the necessary dollars for the support thereof.

That bill became law, was signed by the President of the United States. Despite that fact, the Secretary of Defense in his wisdom refused to utilize that money and refused to raise the Marine Corps 15,000 additional men.

Further than that, Mr. Chairman, he has imposed upon it this year a force strength which amounts to a cut of an additional 4,000-plus men.

At the hearings of the Defense Subcommittee this year I said to him, "Did you not in effect veto an act of Congress?"

And he said, "Yes."

I asked him if he consulted the President and he said, "No."

I asked him if he consulted the Attorney General on such a delicate and highly controversial constitutional question of law as between the administrative and the legislative; and he said, "No."

I asked him if he consulted the Chief Counsel of his own department, and he said, "No," that in his judgment he would not agree with the action of the Congress.

This very day, Mr. Chairman, I hold in my hand a statement from the Associated Press, taken from our ticker in the corridor, which shows that that same question was raised in the other body, when the distinguished Senator from New Mexico, Mr. CHAVEZ asked Mr. Wilson the same question on this problem:

Wilson said be believed Congress came to a "pretty snappy decision" last year in providing for an increase in the Pentagon-proposed manpower level for the Marine Corps.

Subcommittee Chairman CHAVEZ wanted to know why the Defense Department had asked to shift extra funds Congress voted last year in order to put 215,000 Marines in uniform.

Wilson said the Joint Chiefs of Staff had agreed on a personnel allotment of 193,000 Marines and the Corps itself "had not asked" for the increase. There had been sentiment in CHAVEZ's group for the higher level.

"While I wanted to give due consideration to what the committee had suggested," Wilson said—

I repeat this for the purpose of emphasis. Here is a beau geste, indeed. Quoting Mr. Wilson:

"While I wanted to give due consideration to what the committee had suggested—"

And add this parenthesis from me. We are certainly grateful for that consideration at least.

"I didn't think it was quite proper for a committee to set the force level exactly, especially without hearings."

For that reason, Wilson said, he decided as a compromise to leave the Marines where they were—

He decided—

between 200,000 and 205,000.

Now that is the situation. The Congress proposes and the Secretary of Defense disposes. And that is the end of that, constitutionally and every other way, in case, Mr. Chairman, you are still interested.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. Yes, of course.

Mr. FORD. Would it not be fair to say at this point that the amendment to which the gentleman referred in reference to the Marine Corps Fund for the fiscal year 1956 was defeated in this body. It prevailed in the other body by a 1-vote margin. In conference I believe $47 million was made available for this additional increment of about 15,000. After the appropriation bill was signed the facts are, I believe, that instead of going down to the ceiling as recommended by the President for the current fiscal year they went down about half way or thereabouts. The net result was that there was a compromise between the figure approved by the Congress and the figure recommended in the President's budget for fiscal 1956.

Mr. FLOOD. I may say to the gentleman from Michigan I have been quoting Mr. Wilson, and I think Mr. Wilson is a far superior authority on what he did or what he thinks than I. But the fact does remain that the Act of Congress was as I stated, and the fact also remains that Mr. Wilson did exactly what he told the Senate this afternoon.

Mr. FORD. The point I am making is that the sum of $47 million, which was the amount for the additional personnel for the Marine Corps for 1956, was used in part, and there were more men kept on active duty for the Marine Corps during this fiscal year than had originally been planned.

Mr. FLOOD. Except, and this is the point I make, that the Secretary of Defense did not comply with the Act of Congress.

Mr. FORD. Of course, he has ample precedent for that in the case of the previous administration.

Mr. FLOOD. The gentleman is going to follow me and he will do it well and ably. He knows the point I make. I know the point he makes. I hold a brief for nobody. I am not writing an editorial, I am merely reporting the facts. The record will establish all this.

May I say, Mr. Chairman, in addition I am concerned about the status of the Army. I was going to propose in due course an amendment to the Army bill asking that one more division be restored to the Army. I want you to know, Mr. Chairman, that the Chief of Staff of the Army, who knows far more about this problem than I do, and even you, Mr. Chairman, tells my committee, and I am on the Army panel, that to do the job he thinks should be done under all the circumstances the United States Army should be next year 1,300,000 men. That is the testimony of the Chief of Staff of the Army, not mine. Next year the administration is going to give the Army a little over 1 million men. They will have at least 275,000 men short of what the Chief of Staff of the Army says and thinks he should have. Oh, of course he agrees with the budget. Oh, of course he accepts the budget. Oh, of course he goes along with the Joint Chiefs of Staff. I am just telling you what he told my committee. You draw your own conclusions. Your Army will be short 275,000 men to do the best job that could be done. You are not going to get the best job with 1 million men, says the Chief of Staff of the Army, not me.

I wanted to raise that one division, $117 million, less than 22,000 men. I am satisfied that amendment will not prevail. I am satisfied this House is reconciled to the report and the action of this committee, and there is no sense of my flying in the face of them under that circumstance. I dissent. I cannot agree. If it were in my power, Mr. Chairman, I would vote the money for maintenance and supply, for materiel, and for men to raise the United States Army to that figure which the Chief of Staff says he can do the best job on under the circumstances existing in the world today, to 1,300,000 men.

Here is the situation. We do not have the biggest or the best army in the world—we do not have it. The pride of our Nation since we were born has been the power and the might of our Army. We do not have the biggest and the best army in the world today—somebody else has—we do not. We do not have the biggest and the best Air Force in the world today—somebody else has. We do not have the biggest and the best submarine fleet in the world today—somebody else has. We do not have the biggest and the best merchant marine in the world today—somebody else has. What have we left? What have we left? That is the situation. We are no longer top dog. Somebody is bigger than we are. Somebody is more powerful than we are in various areas—too many areas. We are settling—we want to make a deal—we are not the biggest, the strongest, the most powerful. The American people think so—well, they are wrong. That is no longer the case. If the American people know the truth—if the American people had the facts, and if the American people are satisfied with the second best Air Force, then that is up to the American people and I will not disagree with them, but I am sure they do not want it that way. I am sure they do not know it that way. But that is the way it is. He who prefers peace and prosperity in that situation must debate with me. I am not

that interested in balancing a budget—I am not that interested in getting elected. I am concerned more with the national security beyond question—beyond reasonable doubt, than I am with a balanced budget in an election year. Make this very clear, Mr. Chairman—I do not say that we are weak and defenseless. There is very little said by my colleagues today with which I can too much disagree on quality of men or nobility of performance in the records of our Army and Navy and Air. I find no quarrel and certainly I do not challenge. That is the way the situation is. Now this is the problem. Here are the two questions. I am not challenging the integrity or the patriotism of anybody in the Pentagon.

Certainly, Mr. Wilson and the civil Secretaries of Army, Navy, Air, and the Joint Chiefs of Staff are honest and sincere and loyal and patriotic Americans. I would be the first to defend any one of those men against any attack on those qualities, and I would do it proudly knowing I was right and the accuser and the attacker would be wrong. But is it lese majeste, Mr. Chairman, for me to disagree? Do I fly in the face of the gods in the House of Representatives if I cannot concur? Is that a question to my integrity and to my patriotism and to my honesty? I am sure no one will say me yea. So hear me, Mr. Chairman, this is the question—not the affirmative arguments made by my friend: How good the Air Force is; how good the Army is; and how great and good the Navy and their records are. With that I concur, but hear this: Has the administration decided that supremacy in the air is too costly and must yield to the balancing of the budget. Has there been a top-level decision that it is not necessary to stay ahead of Russia; that maintenance of a striking, yet not superior, long-range bomber force would be sufficient? Mr. Chairman, thereby hangs a tale. Has there for the first time in the history of the United States been a change at the highest level of the administration's defense policy that that is what is going to happen? Do you believe that the American people want to accept the fact that we are going to be a second best long-range bomber force, simply because our overall airpower is safe and good? I say, Mr. Chairman, that no matter what the effect, no matter what the strength or ability of the overall airpower, Marine, Navy, National Guard, Reserve and all the rest, I say the American people will never accept an administration policy which says that the long-range bomber Air Force of the United States must be second to anybody, regardless of what the airpower is in every arm of our department.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield.

Mr. THOMPSON of New Jersey. Yesterday the Secretary of Defense said something about fearmongers, those who defend the strength of our military defense and so on. Does the gentleman have any comment on that subject?

Mr. FLOOD. The Secretary of Defense has a special and peculiar genius for saying the wrong thing at the wrong time. That is just another glaring example.

Mr. Chairman, let us inquire for a minute about the bomber. It has been emphasized today that our medium bombers B–47, of which we have some 1,400, is a great striking bomber force; and nothing could be truer than that. That is great. We are lucky to have them. I am delighted, and so are you. That is the reason given for allaying your fears about the lack of a great B–52 long-range heavy striking force. Do not worry about that, we are told. Suppose we are No. 2 to Russia in heavy long-range bombers. Suppose they have a greater striking heavy bomber force than we have; we have the great medium-range bomber force that with tankers can cover a 1,500-mile radius. We have got them spotted in our positions all around the perimeter of Russia. There is where my friends fail in their thinking. Where are the bases from which these bombers must take off and to which they must return? In the United States? No. Not in our Territorial possessions? No. Every one of these bomber bases is in foreign territory, under the jurisdiction of a foreign sovereign power, north, east, south, and west. Let me direct your attention to the political instability on the face of the earth today. Let me direct your attention to the political instability of these allies, alleged allies and neutrals, where our bomber bases are located. Let me direct your attention to the fact that Soviet Russia has perfected a 1,500-mile ballistic missile, every one of them directed to and aimed at our bomber bases in those foreign countries. Let me ask you when the lid goes off what will be the first thing struck? In 1 hour against our bomber bases for our medium bomber planes, and then where are you? Where are you if even a part of that attack would succeed? Yes. Some of our medium bombers and sacrifice planes might get through.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MAHON. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. FLOOD. Those things are all true, but I say out of an abundance of caution if for no other reason, in keeping with the great purpose of the defense forces of this Nation, that upon ourselves we depend when the chips are down when we know we must, as we always have.

I say to you, Mr. Chairman, in this business there is no margin for error; no margin for error is pemitted in national defense, none; and in this budget there is absolutely no margin for error.

Let me point out to you what I mean. Secretary Wilson in testifying before the other body's committee yesterday said:

> This is an austere budget; this is a minimal budget; this is pared right down to the last dollar. There is no margin, there is nothing extra; this is right down to the limit; we have no cushion.

Let me call your attention to page 41 of this committee's report on this bill, and here I read the Air Force statement made by Gen. Nathan Twining, Air Force Chief of Staff:

> The program I have outlined in the budget for fiscal year 1957 is austere. It meets only our most essential needs on a minimum basis. To keep this minimum program going and to reach and support 137 wings, will require an increased budget in 1958.

What is there sacred about 1958? Is it just because it is an even number? Mr. Chairman, I will tell you what will happen in 1958. The minute November of 1956 this election year passes you will see requests for money coming to this Congress next year asking for another couple of billion dollars for the Air Force. A B–52 costs $8 million. Thirty B–52's cost $240 million.

Let me tell you what the problem is besides that: You must have the runways, you must have the airbases and you must have the personnel. We do not have them. Do you know that? We do not have them.

Not only do we not have the B–52's, we do not have the air bases from which to fly them if we did have them; and if we did have the airbases and if we did have the big bombers themselves we do not have the crews to man them anyhow; and the crews we do have are getting out of the Air Force. Ninety percent of them at the end of their 4-year hitch are leaving the Air Force. Why? Because you take care of everybody else. The goose hangs high, peace, prosperity, everybody eats high on the hog, everybody is driving a General Motors automobile, everybody has a beautiful house, but not the personnel in the defense establishments. You have your Air Force wives, your Air Force personnel, and your Air Force children. At Sidi-Slimane and other Air Force bases in North Africa they live like cattle, having to go to outdoor latrines, living in tents in the desert summer and winter.

You have no housing for the defense people, you do not educate them, you do not give them a chance, you do not properly care for their dependants, you do not give them a proper medical program for their dependants, you do not give them a proper life insurance program, you do not pay the enlisted man in any branch of the service, the Air Force especially, proper money. You pay them according to grade, you pay them according to their classification; you do not pay them according to skills.

And let me tell you what happens, Mr. Chairman. Talk about the great plane orders, remember this: If you had 100 B–47 bombers on the line tonight do you know that 30 percent of them could not take off? Thirty percent of your 100 bombers could not leave the ground; and of the 70 that did take off, 15 of them would turn back because of mechanical defects. In other words, only 55 of your 100 bombers could get going. Do you know that? We do not hear about that; but that is the way it is, because you have not the crews, you do not pay them, and you cannot keep them. I do not blame them. How would you like to be a crew chief working alongside of me? I leave the Air Force at the end of my hitch, say that was 30 days ago. Now, I come back as a technical representative hired by the Air Force getting $1,200 a month. Last month I was your buddy in the barracks.

Now I work as a civilian alongside of you. You get $250. I say to you, "Hello, sucker." What is a man going to do when his hitch is up? He is going to get out of the Air Force. He is going to get his $1,200 as a civilian and work alongside of your son getting $250 a month. That is what is the matter, too.

Do not stand up here and tell me, Mr. Chairman, about the great Air Force we have. You do not have it. But we must have it. What good is an Air Force if you cannot put it in the air and keep it there. You do not have the B–52's, you do not have the air bases to put them on, you do not have the crews to keep them there. That is where your Air Force is. Those are things you must examine.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Is it not true, may I ask the gentleman, if in the bill now before us there is a projected congressional cut of $236,465,000 in the budget as submitted by the President and Commander in Chief?

Mr. FLOOD. That is right, and I am against that. Is that clear? Let me add this, too: Much has been made today about the foreign aid bill and what is in the foreign aid bill. I refer to the President's foreign aid bill. Men have come down here today and defended this budget, to which I object as not good enough or big enough, for the national defense to balance the budget. I am not interested in balancing the budget if I think national defense is in jeopardy. These men say they are against the President's foreign aid bill. Let me tell you, I am against this budget and I am for the President's foreign aid bill. I am for giving the President every dime he wants for next year and for the next 10 years if he wants it. Put that in your pipe and smoke it.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Iowa.

Mr. GROSS. I thought the gentleman said just a little while ago that the situation throughout the world, or in most parts of the world, was very unstable

Mr. FLOOD. There is no question about that.

Mr. GROSS. Well, we have spent $60 billion and we have received nothing for it.

Mr. FLOOD. I am not interested in that. I am interested in paying a very expensive premium on an absolutely necessary insurance policy. That is what I will pay for and I know what the facts are.

Mr. GROSS. What good is an insurance policy if we have already spent $60 billion and have produced no friends in the world.

Mr. FLOOD. I am not interested in friends. You cannot buy friends any more than you can buy the love of a woman. I want security. I have the money and I will pay for it.

Mr. GROSS. After we have spent $60 billion?

Mr. FLOOD. That is for what we have today and we have this roof over the head of the Congress, here in this Capitol. That is worth $60 billion of anybody's money.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Michigan.

Mr. FORD. Although the gentleman from Pennsylvania and I may have some differences on this bill, I should like to emphasize one point which he has made that is not tied in with the foreign-aid bill frequently enough. If we do not appropriate enough money under the foreign-aid bill, the military part of it, we would undoubtedly have to make a substantial increase in the military funds for our own forces. Under the foreign-aid bill we are able to get substantial land, sea, and air support, which we get more cheaply than we would if we had to do it entirely on our own. I agree entirely with the gentleman from Pennsylvania.

Mr. FLOOD. I thank the gentleman from Michigan. Let me pay him the highest form of compliment that I can think of. I could not have said that better myself.

Mr. Chairman, there is one other thing I want to add and that has to do with air tankers. Let me emphasize to you—I do not think you know—the United States of America has no air tankers for B–52 bombers. Let me repeat that. The United States of America has no air tankers for B–52 bombers. Do you know that? Your air tankers are for your medium-type bombers. I might add that the best of our intelligence and information indicates that as far as we know the Russians have no air tankers of any kind that we so far are able to determine, and our Air Force has perfected the technique of air tankers for use with our 1,500-mile B–47 medium bombers. We have a done a beautiful job on that. There is much more on this bill I want to say but my time is up.

Mr. Chairman, I include as part of my remarks an article appearing in the Reader's Digest as well as articles appearing in the Washington Post and Times Herald, the Evening Star, and an article dealing with General LeMay's statement before the Senate investigating subcommittee:

[From the Reader's Digest of May 1956]

DO WE WANT THE SECOND-BEST AIR FORCE?

(By Francis and Katharine Drake)

(The first of two articles telling what must be done for the United States Air Force at once if Soviet Russia is to be deterred from ever starting World War III. Written after 4 years of patient research at Air Force bases across the world, this is the story of men, the humiliating record of how a great Nation is treating those on whom it depends for its very existence. The second article will concern machines—the truth about the combat planes our Air Force has and others it desperately needs.)

Creeping paralysis is today overtaking our entire Air Force. One-third of our planes are grounded for lack of sufficient skilled men to keep them flying. In Strategic Air Command, the world's No. 1 peace-enforcer, 30 percent of our precious global bombers are earthbound, powerless to strike back at an aggressor. In Tactical Air Command (responsible for shorter missions) it is the same story. In Air Defense Command (entrusted with the defense of our cities), hundreds of our latest jet fighters are unflyable in battle.

This shocking situation is of formidable important to the Nation. Unless it can be remedied, it will eat the heart out of our ability to deter aggression. World War III can be prevented only so long as we can maintain peace by deadlock, i. e., promise total destruction to any aggressor starting total war. Our planes must be able to take off at the drop of a hat and cancel out many hundreds of key enemy targets in one great saturation attack. We are losing this vital ability.

It is a grim fact that today, out of every 100 of our global bombers, 30 are grounded at any one time. Moreover, of the remaining 70 that take off, 15 more have to turn back because of malfunction in the air. Only 55 can be depended on to strike their targets. These appalling figures are not guesswork. They derive from current practice missions.

This wholesale breakdown in combat readiness is due to one main factor: the inability of the Air Force to hang on to its skilled help. Recent dropouts have been as follows: 1954, 186,000 failed to reenlist; in 1955, 213,000; in the first half of fiscal 1956, the rate has risen to 280,000.

The critical part of these losses is that the dropout rate is highest among the men who are needed most—the skilled technicians who are the mainstay of the service. In SAC, for example, 80 percent of the K-system-bombsight mechanics eligible to quit in 1955 did so; so did 88 percent of the radar technicians, 81 percent of the electronic experts, and 75 percent of the jet-engine mechanics. In that year 42,600 of SAC's trained men left the Air Force.

Because of these losses SAC is only 50-percent manned in the high-skilled levels. Its flight personnel has been similarly hard hit. Today its brilliant flying teams cannot fully muster even 1 crew apiece for its global bombers, whereas we should have 2 crews for each ship.

To replace these losses the Air Force is perpetually enlisting fresh volunteers. But it's an endless struggle: no less than 90 percent of the newly trained skilled technicians quit at the end of their first 4-year term. This means that the average skill of our airmen is constantly sinking. Modern combat planes are tremendously complicated weapons, involving a total of 239 assorted skills. Men who work on them need long and costly training. It takes an enlistee 3 years to qualify for bomber maintenance; it costs $25,000 for his training. It takes 5 years and costs $618,000 to train the triple-rated commander of a B–47. When such men quit, not only does their training cost go down the drain but the same amount again must be forthcoming to train replacements.

In 1955 personnel losses in SAC alone cost the taxpayer $837 million. Losses for the entire Air Force totaled no less than $2 billions. In short, taxpayers are being forced to pay for the training of 10 men to retain 1.

What is back of this mass walkout? Why are so many of our most capable young men turning their backs on an Air Force career? The answer is twofold. First, pay at the skilled levels is miserably low, far below that offered by industry. Second, living conditions are miserably inadequate.

There is a public impression that all service families enjoy the life of Riley—free housing, free medical care, generous insurance, income-tax exemption, cut-rate buying at base stores—fringe benefits that traditionally bridged the gap between service and industry pay. This is not true. Today fringe benefits are all but nonexistent. The Government has reneged on them.

To appreciate the predicament of tens of thousands of Air Force personnel, suppose

we trail Airman Bill Smith through his first hitch.

Bill is 19 when he joins the Air Force, intelligent, ambitious. Classified for radar training, he spends the first 30 months rewardingly enough, his head in a book or over a workbench, learning his job from master technicians, training for duty in SAC. Living in barracks he has few expenses, few complaints.

Then he makes airman first class ($140 a month before taxes), sends for his girl, marries and applies for family housing. The recruiting promise was free housing for married personnel—but SAC has 90,000 families and only 16,800 houses. Instead of free quarters, Bill is given the regulation $77 a month allowance to rent civilian accommodations in the nearest town, 15 miles distant (most bases are isolated), plus $1.05 a day for food.

There are plenty of areas where $77 would rent comfortable quarters; but the vicinity of a large, underhoused airbase is not one of them. For every vacancy, many applicants line up. When landlords see uniforms, rents soar; like most civilians, landlords think Uncle Sam pays for everything. Near some bases, especially in the South, Air Force families are paying as much as $100 a month for unheated wooden shacks with outdoor privies. Overall, there are some 250,000 Air Force families who are forced to chip in $20 to $50 a month above their quarters allowance for shelter.

The Smiths finally get a furnished apartment for $95, including utilities. Besides this, Bill must dip into his own pocket for around $20 a month for gas and oil to commute to and from the base daily. After paying rent, taxes, gasoline, there is $29 a week left out of his pay and allowances for living. Food averages $15 a week. That leaves the Smiths exactly $2 a day between them for clothing, supplies, spending money.

Mrs. Bill figures on economizing by shopping at the post exchange, where discount prices are supposedly traditional. She has an uppercut coming. She finds that food prices are no cheaper, frequently higher than downtown; stocks are restricted, selections less attractive and there are no specials. The newlyweds require some basic equipment. They find an electric grill priced at $23.50 in the PX; the duplicate sells for $17.50 downtown. An identical set of dishes sells for $1.55 more at the PX than in the five-and-ten. When Bill squawks, he is told that base stores are now forced to make high profits and turn them over to welfare funds for swimming pools and other recreational facilities which Bill, in common with the public, assumed were paid for by the Government. (In 1955, SAC PX's alone turned in no less than $3 million net profits to welfare funds.)

The grapevine gives Bill the background of this squeeze play. Retail merchants have an aversion to low-priced sales by the Government to servicemen. Their powerful lobbies are agitating in Washington to have base stores closed altogether, have already succeeded in restricting their stocks, raising their prices, imposing a 3½ percent surtax on all foods and a 10-percent tax on all PX sales—a strange gesture of gratitude to the airmen who are protecting their homes and families.

About this time Bill junior is on the way, and Mrs. Bill runs smack into one of the bitterest of all service grievances—lack of th promised medical care. The Air Force, overall, is 40 percent short of sufficient doctors, nurses, beds, facilities, equipment, even drugs, to care for its uniformed personnel alone. In SAC there are only 413 doctors to handle 180,000 men, scattered all over the world. The 304,000 SAC wives and children must make do with whatever care is left over. Men rate prior attention at all times; wives and children, even emergency cases, are often kept waiting for hours.

Of the doctors provided, over 80 percent are draftees fresh out of medical school, almost all of whom quit as soon as their 2-year hitch is up. There are no house calls, even for patients too ill to be moved. Only a minority of Air Force babies can be born at base hospitals, for lack of facilities. A shocking proportion of their mothers suffer from inexperienced handling and are forced to undergo subsequent repair work. At one of our largest bases, a veteran medical officer, a career doctor, told the authors: "Don't worry about exaggerating our troubles. It isn't possible. No matter when we get through there are always 50 more waiting outside."

At Bill's base there is no obstetrician, virtually no prenatal care, no guaranty of a bed when the time comes. The Smiths wind up doing what most Air Force couples have to do. They borrow from their families, get a civilian doctor and junior is born at the city hospital. From then on, the battle of the budget, on $2 a day, becomes a nightmare of spaghetti menus, patched shoes, evaporating savings.

But there are things on the credit side too. There is the sense of fraternity shared only by men who stand guard over their country, the pride of belonging to an elite corps. Then too, an air base is a sociable place and, with hundreds of families in the same fix, nobody puts on airs, troubles are shared, everyone helps out. Dependents' Mutual Assistance, a volunteer organization started by Mrs. Curtis LeMay (wife of SAC's fighting boss), is a lifesaver at SAC, especially during those long weeks when men are away on global missions.

There comes the great day when Bill, superbly trained, master now of the most secret equipment in the Air Force, is tapped by SAC for the big stuff; he is aglow at having been found worthy of such great responsibility. He works with tough, dedicated men, from whom a nod of approval counts for more than a page of praise from anyone else. Hearing those eight screaming jets blast his B–52 in from a global mission, listening to the blow-by-blow from her crew, is an incomparable thrill. Bill becomes proudly possessive, my crew, my plane. He averages 14 hours a day making sure that his job is perfectly done. But now comes the career haymaker.

With its critical shortage of maintenance men, SAC is obliged to hire technical representatives from industry to help out. Often as not these technical representatives are ex-airmen themselves, trained at the taxpayers' expense. Working alongside Bill on identical jobs, the civilians are earning up to $1,200 a month, compared to Bill's $247 (including allowances). When Bill thinks about reenlisting, the facts of life on the outside are brought home to him.

Here they are: Everywhere big industrial concerns are desperate for skilled help. Their representatives visit every base, their advertisements fill every paper. Highly paid jobs are waiting for all trained Air Force technicians. A C–124 panel engineer, drawing $194 from the Air Force, can make $545 for the same job with an airline. A master sergeant, drawing $400, can make $745 on the outside. A line chief, earning $375, is offered $600 as an airline lead mechanic.

These are only starting wages. Opportunities for promotion are unlimited. Firms are gunning for tens of thousands of additional skilled men over the next 5 years. The blandishments of industry, quite aside from high wages, are multiple and persuasive. They include the 40-hour week, paid vacations, group medical and dental care, moving allowances, retirement schemes and, frequently, valuable profit-sharing privileges.

The Smiths put in some sober thinking, but no amount of figuring can alter the essentials. The Air Force offer: a $639 bonus to reenlist; present pay $247 a month; eventual top pay, $450 a month; eventual pension, $152 a month after 20 years' service. The industry offer: present pay $550 a month, unlimited opportunity for advancement, and valuable fringe benefits. Bill has to decide what is best for his wife and baby. He quits.

The factors impelling enlisted men to leave the Air Force apply equally to officers. Officer pay checks are bigger, but so are the demands upon them, including regular assessments for charities (non-service), clubs, incessant entertaining of VIP's and Congressmen. Out of 2,500 SAC pilots eligible to quit before 1958, no fewer than 2,000 plan to do so. This will have the alarming result of breaking up no less than 1,000 combat-ready crews. Who can blame these young men, when industry is waiting with pay scales which within 2 years will enable them to earn more than a brigadier general, in 8 years to earn more than a 4-star chief of staff of the Air Force! (A chief of staff earns $15,000 a year; a senior airline captain up to $20,000.)

If conditions in this country are unhappy, those prevailing at our bases abroad are worse. Even in up-to-date countries like England and France, thousands of our service families are living in privation. In Japan conditions are disgraceful, but the low point comes in Africa.

French Morocco, the Air Force's greatest overseas bastion, has been the scene of indiscriminate bombing and shooting. Here USAF families are quartered as much as 65 miles from bases; they live in insanitary, jerry-built houses, near turbulent native areas, without telephones, transportation or protection. In Sidi-Slimane, wives and children, hurriedly rescued from impending mob violence, have had to be housed for months in canvas tents pitched on mud 2 feet thick. For lack of barracks, airmen are crowded into wood-and-canvas Dallas huts, which leak in winter and are insupportable in the desert heat of summer. With few French doctors available, hospitals (mostly of the quonset hut type) are inhumanly crowded.

At one of them, staffed by 4 doctors for 5,000 souls, the authors saw men, women, and children crowded into the same ward. Male patients were required to use outside latrines in all weather. Women and children shared a single toilet which, shielded by a sheet, was in a cubicle occupied by a dying woman. Americans would burn with shame to hear foreigners snickering at the way in which the richest country in the world treats some of its finest young people.

The mass walkout caused by Air Force living conditions is gravely imperiling the advantage we have enjoyed over Russia. The Soviet Air Force has no trouble in keeping its skilled men. The reason is not, as many might suppose, the duress of the slave state. On the contrary, the Russians have made their Air Force careers so attractive, so laden with honor and prestige, that volunteers throng to join it. Soviet air officers enjoy the top 5 percent of the national living scale, with a standard of comfort excelled only by the Politburo. Their pay—nearly three times that of the infantry—is untaxed. Only the best housing is good enough for them. Many supplies, including uniforms and cigarettes, are free. They rate a 50-percent discount at all stores and restaurants and on all forms of transportation. A single valor decoration entitles the wearer to free travel for life. Enlisted men share the same benefits in proportion to their ranks and skills.

Secretary for Air Donald A. Quarles sums up the USAF problem thus: "I can think of no invention, no new aircraft, no weapon, that would increase our Air Force capability in a measure so great as would be achieved by providing a stable corps of trained personnel."

If peace by deadlock is to be preserved, the Secretary's goal must be achieved. It can be achieved if the Congress, supported by the

people, wills it. After 4 years of researching Air Force personnel problems at home and abroad, evaluating the living conditions of officers, airmen, and their families, it is the belief of the authors that it would require the following minimum program to reach the goal:

Pay: The present Air Force method of paying by rank should be replaced by the industry system of paying by skill, and pay will have to be increased by at least 50 percent for the highest skills. (A recent Gallup poll showed that taxpayers were almost 3-to-1 in favor of raising service pay.) This move would actually save money, for it is cheaper to raise a skilled man's pay from $3,000 to $5,000, providing he reenlists, than it is to spend $25,000 a year to train his replacements.

Since even a 50-percent raise will still not equal the pay offered by industry, the difference must be made up by (a) restoring the $1,500 tax-exemption formerly granted servicemen, and (b) restoring the fringe benefits that have traditionally formed part of service pay, as follows:

Housing: Construction must be radically stepped up. The Air Force is 250,000 units shy; it has only 20,000 under construction for the whole of 1956. There is a way to build the necessary houses and still save the taxpayers' money. The Air Force is now paying out $450 million a year in quarters allowances. This money disappears into the pockets of civilian landlords. Under the Capehart law, however, the Air Force has the power to order new houses, assume the mortgages and pay them off out of this same quarters allowance. As things are, we shall pay landlords $3½ billion of rent during the next 8 years and have nothing to show for it. For the same money, in the same time, we could house every family in the Air Force, and have no further capital disbursements thereafter.

Medical care: A bill (H. R. 9429) has been introduced, providing for a group-insurance scheme under which service families would be able to use private doctors and hospitals, at Government expense, whenever service facilities were unavailable. This scheme would cost $10 a month per family. It is a good scheme, way overdue, a product of long study by numerous commissions. If it is adopted, it will banish at one stroke one of the major hardships of service life.

Commissary and PX privileges: The value of these privileges should be restored immediately. It can be done by removing the 3½-percent surcharge on food, the 10-percent tax on PX sales, reestablishing nonprofit prices and throwing out lobby-finagled curbs on what may be stocked and sold.

Education: Present Government subsidies toward college degrees should be made available to men who stay in the service, instead of being restricted to the men who get out. The Government now offers a man $639 for his first reenlistment, but, if he does not reenlist, it offers him $5,280 for a free college education. It would cost only $1,600 to subsidize the same education, through evening study, for men who agreed to reenlist for, say, another 6 years. This would not only raise the standard of education throughout the service but provide a major inducement to an Air Force career.

Life insurance: This should be increased to at least $25,000. The present maximum of $10,000 was established nearly 40 years ago when widows could bring up children at one-quarter the present-day costs, and when the hazards of jet flying were unknown.

Air Force surveys indicate that if some such program were put through, the reenlistment rate for skilled men would jump to about 65 percent, which would be ample for all needs. Such a retention of trained men would permit a tremendous cut in the everlasting retraining programs. Without buying another new plane, we could greatly increase our combat readiness. SAC estimates that with even a 5-percent improvement in maintenance and operation, it would be enabled to place 200 additional bombers over targets on any given day.

From the human point of view, some such program is shamefully overdue. Men who forgo the freedom and rewards of private industry and dedicate their lives to the defense of their country can never be repaid solely in money. But one thing we can do is to make sure that they will not be deprived of a decent American standard of living while guarding their country.

In the words of former Secretary for Air Harold E. Talbott: "We have the master weapons and the master plan. To persist in treating the master help like stepchildren is a reckless policy, for trained men are the only people in the world who can give plans and weapons any meaning. Our diminishing supply of skilled help in the Air Force is the most critical problem facing the Nation today."

Every American citizen who values the safety of his country should write his Congressman now and demand a decent living for the men who guarantee our safety.

[From the Washington Post and Times Herald]

Russia Caught Up in Air in 11 Years

(By Drew Pearson)

It was on May Day, 2 years ago this week, that the United States got its first shock indicating that Russia was on the way to forging ahead of us in airpower.

As American and allied military attachés stood reviewing the usual May Day exhibition of Russian military might, a giant jet thundered over Moscow housetops at an altitude of only 250 feet. The bomber was so tremendous that its shadow literally spanned the great Red Square as it flashed through the morning sunlight. American observers quickly noted that its four intake vents seemed larger than any they had seen at home, that the heavy plane easily kept up with swift jet fighter squadrons.

Messages of shocked reaction immediately burned the cables to Washington. But Secretary of Defense Charles E. Wilson refused to be alarmed. He dismissed the new bomber as a single, hand-built prototype assembled by the Russians to scare the Western World into more defense spending. He noted that the plane had only four engines and pronounced it an underpowered showpiece. Air Force generals disagreed, but Wilson overruled them.

Real shock came a year later—1955—when the Russians flew their prize bomber across the Moscow skyline again. By that time the lone giant of the previous May Day had company—18 more big battle planes. Of these, 13 bore routine Red air force markings. Six, with no markings, apparently were so fresh from the factory they hadn't been assigned to combat units. Each sported a new underbelly bulge, an ominous modification that experts identified as extra room for the H-bomb.

Eleven Short Years

Our intelligence agencies went to work compiling technical data. All available facts on the monster bomber were secretly supplied to our own manufacturers. They were asked to figure how long it took the Russians to produce such a plane. The whole Soviet air buildup was reexamined, and the fantastic truth emerged.

In 11 short years, the Russians had not only caught up with us in design, but outstripped us in production of jet planes. Numerically, the Soviet Union today has the world's largest air force. She has more combat planes than this country, and her factories are producing them faster. She has accomplished this so secretly that our intelligence has repeatedly been caught napping.

Our technical intelligence has made detailed examinations of 14 Soviet planes since 1945. These airplane autopsies showed that Soviet technology lagged behind us from 1945 until 1952. Since 1952, the Russians have equaled our best efforts in air weapons. In some categories, we are slightly ahead; in others, they are superior.

American manufacturers concluded from their secret study that Russia's giant jet Bison completed the cycle from drawing board to military service in 4 years—compared with the 8 years which the United States spent developing the B–52. The first Bison appeared over Moscow 2 years before our intelligence thought it could be possible. When the Russians flew 19 in formation a year later, the United States had only two complete B–52's.

Sealed in Factories

American agents report the Kremlin sealed engineers, technicians, and workers into plant 23 in Moscow and refused to let them out until they had built the Bison. The imprisoned personnel, working around the clock, set an astonishing production record.

The Soviets are now turning out the Bison at plant 23 at the rate of 5 every month. They are using unskilled labor wherever possible, taking short cuts and holding down design changes. Soon, says Air Force intelligence, plant 23 should be making 10 Bisons per month. Russia already has 20 jet-powered Bisons assigned to combat units. Our total of B–52s ready for combat is only 3. (In both countries, of course, many more of the big jets are near completion.)

On top of all this, Kremlin Czar Nikita Khrushchev has now boasted that Russia will also develop the first intercontinental guided missile with a hydrogen warhead. This missile will be capable of hitting anywhere in the world with a destructive force measured in millions of tons of TNT. Our experts say Khrushchev would not risk losing face by making this open boast unless he was sure of himself.

Note: The Eisenhower administration's economy program, more than anything else, has cost us air superiority. Administration spokesmen excuse this on the grounds that peace prospects are better, hence there is less need for a big Air Force. Air generals warn, however, that we must gear our strength to Russian capabilities, not guesswork on Russian intentions.

[From the Washington Post and Times Herald of May 4, 1956]

World Air Supremacy—Is United States Yielding Lead?

(By John G. Norris)

Has the administration decided that supremacy in the air is too costly and must yield to balancing the budget? Has there been a top-level decision that it is not necessary to stay ahead of Russia, that maintenance of a strong yet not superior long-range bomber force will be sufficient?

The question, in effect, was posed yesterday by the House Appropriations Committee and earlier in the week by some startling statements by Gen. Curtis E. LeMay and Defense Secretary Charles E. Wilson.

In approving President Eisenhower's 1957 defense budget largely as submitted, the committee declared it is evident that the U. S. S. R. will probably equal this Nation in offensive air power within a very few years unless plane production and the planned size of the Air Force is substantially increased. The question to be resolved, it stated, is:

"Should we attempt to stay ahead of the Soviets * * * or * * * attempt to maintain what is determined to be a sufficient Air Force equipped with the best modern aircraft

to act as a deterrent to any possible aggression?" The committee report said the position taken by Wilson and other Pentagon officials in its long hearings was that "the current Air Force budget is based upon the latter determination."

During public hearings before a Senate subcommittee, General LeMay said the Russians now have more long-range, modern bombers than he has in his Strategic Air Command; that the Reds are building them at a faster rate than the United States; and that, by 1958–60, under now-approved programs, the Communists will achieve superiority.

His warning did not get much attention in many sections of the country. Many newspapers featured another statement by LeMay: that as of today, the United States holds the upper hand and could win any war Russia might start—though with substantial losses. This was more comforting, even if it has been said many times before.

When Secretary Wilson was asked for comment on LeMay's words, he conceded that Red bomber output now exceeded that of the United States. But he would not agree that the Reds necessarily would pass this Nation in strategic air power within 2 to 4 years.

Wilson did not disagree, but said that too many "assumptions" of future Soviet action were involved to make such a forecast. And he defended the present B–52 bomber program as adequate for the present. The Pentagon chief termed LeMay a "dedicated specialist" in terms that recalled the administration's past treatment of military dissenters as being "parochial."

These developments suggest that a major change in United States military policy may be in the making or already decided. Yet little public interest seems to have been aroused over Wilson's qualified admission of growing Red superiority in air power. LeMay has been testifying on the vital questions at hand in Senate chambers almost empty of spectators. The thousands of spring visitors to the Capitol have been sitting in on more dramatized committee sessions or staying out in the sunshine.

It is true that the usually colorful SAC commander's appearances before the special Senate Armed Services Subcommittee investigating the question of Russian vs. United States air power have been unspectacular. At the instance of Chairman STUART SYMINGTON (Democrat, Missouri), LeMay largely has confined his statements in open session to reading prepared answers to written questions, previously submitted to the Defense Department for security clearance. He has volunteered nothing.

Nor has the Symington subcommittee been pressing for headlines. Apparently they are seeking only to make a factual record of Russian gains that will force the Pentagon into action. The Democratic majority on the group wants to avoid criticism of political partisanship or of disclosing information that will breach security.

Yet veteran Capitol observers question whether a Senate investigation of Administration policy can get anywhere without big headlines and aroused public interest. And SYMINGTON'S record of criticism of Republican defense policy and mention of his name as a dark-horse Democratic presidential candidate seem to have led some to dismiss disclosures of Red air gains as politics. So far, the vital question whether the United States has decided to abdicate its current air power only has been posed, not clearly stated.

One suggestion often heard in military circles is that the failure to put additional billions into holding air supremacy is an election-year decision. Worried military men hear that there was a high-level decision to balance the budget this year, and then boost arms spending to meet the crucial Red threat after the election. It is more assuring to them than the thought that a second-best air force is enough.

[From the Washington (D. C.) Evening Star of April 12, 1956]

WILSON LINKED TO CORPS CUT

Congress has been told Secretary of Defense Wilson ordered the Marine Corps to hold its strength 14,000 troops below the number for which appropriations were voted.

Testimony by Gen. Randolph Pate, commandant of the Marine Corps, under questioning by a House appropriations subcommittee, has just been made public.

General Pate said, "obviously the Marine Corps of 201,000 is not as effective a Marine Corps as 215,000. It was necessary to deactivate some supporting units of small size."

He said that while "I don't think there was any great material damage done to the corps," the Marines "would not have the staying power were we in combat that we would otherwise have."

Chairman SHEPPARD of California asked General Pate why the "special desire of Congress," reflected in an appropriation for a 215,000-man corps, was not carried out. Mr. SHEPPARD said the Marine Corps personnel plan calling for a strength of 201,000 by next June 30 "was actually a decrease of 4,170 from the strength at the beginning of the fiscal year."

General Pate replied: "We were not allowed to go to that strength." Mr. SHEPPARD asked, "By whom?" and General Pate said, "The Secretary of Defense."

WARNING VOICES

Gen. Curtis LeMay, chief of the Strategic Air Command, was talking in grim terms before the Senate Investigating Subcommittee when he compared American and Soviet long-range airpower—now and in the near future. And his conclusion that our superiority today may become inferiority by 1958–60 is one that both Congress and the executive branch should weigh with the utmost seriousness. For the blunt-spoken bomber chief, the answer is action—now, not later. Action, in his terms, would mean a stepped-up program of building B–52's and KC–135 refueling tankers, more SAC bases on the North American Continent and greater attention to developing even more powerful successors to our best planes of today.

In evaluating American deterrent power, General LeMay used a yardstick similar to that employed by Trevor Gardner, former Air Force research secretary, in a Look magazine article discussing missile development. It is, in short, that the Russians, apparently unrestricted by conventional budget considerations and interservice rivalries, are devoting a relatively greater effort to building or perfecting the critical weapons. There is, perhaps, no complete certainty on Russian progress either in quanity or in quality. There is evidence enough, however, to lead these two men—each an expert in specialized fields of air strength—to fear we are losing ground in an obviously vital race. There are others, with qualifications, who do not share these fears and who report encouraging progress in missile development. The Army, for example, has announced a new superior supersonic weapon of the Nike type and a significant scientific breakthrough on atomic weapons. But the years 1958–60 are close at hand. Those who have the ultimate responsibility for the national security should not be content for time alone to prove that we can get by safely with the present effort—or worse, that we cannot.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, may I, as a member of this distinguished subcommittee, pay my compliments to our distinguished chairman, the gentleman from Texas [Mr. MAHON], and to the ranking minority member, the gentleman from Massachusetts [Mr. WIGGLESWORTH], and to all of the members of this subcommittee, who have worked so closely together on what might be termed the most important appropriation bill to come before the House this year, or any other year, for that matter. It is a trying task and one of great responsibility, but, as has been said, we have worked together in harmony primarily in the interest of the defense and security of this country.

Mr. Chairman, in his state of the Union message, and in his budget message, President Eisenhower called for the maintenance of a Military Establishment that could deter aggression, preserve peace, and command the world's respect. The budget before us today is designed to build and sustain that kind of a Military Establishment. It will keep our Armed Forces strong, without transforming our Nation into a garrison State. It will give us the greatest military strength in our peacetime history, without placing on us an unendurable economic burden. It is not designed to match the enemy man for man, missile for missile, or bomber for bomber; but it is designed to provide overall strength of such variety and such striking power that war will be unthinkable.

It envisions only relatively slight increases in the actual size of our Armed Forces; but through increasing adaptation and use of nuclear power it will provide potential strength far beyond the quantitative increases that have been programed.

It is a large budget, but it is of a size that can be sustained indefinitely, if need be. As the President has wisely said:

> To build less would expose the Nation to aggression. To build excessively under the influence of fear could defeat our purposes and impair or destroy the very freedom and economic system our military defenses are designed to protect.

Mr. Chairman, the emphasis on new strategic and tactical weapons, including guided and ballistic missiles, and the increasing use of nuclear power as a means of propulsion, reflects, of course, the most revolutionary development in the history of warfare. With all possible speed, our strategic Air Force and the carrier forces of the Navy are being equipped to use nuclear weapons. The Army, the Marine Corps, and the tactical air units also have atomic capabilities. Our great new families of missiles are virtually all being developed to make use of atomic warheads. Wisely, the Appropriations Committee has called attention to the need for phasing out old-style and obsolete weapons, as these new and more powerful instruments of war are adopted, to avoid pyramiding defense burdens on our countrymen's backs.

As a member of the Navy panel of the defense appropriations subcommittee, it has been my particular responsibility and privilege to review the budget requests

of the Navy. I should like to deal with those requests in the next few moments.

I think it may be said fairly that, never in history, has a major branch of our Military Establishment undergone such far-reaching changes in so short a time, as has our Navy. As our overseas responsibilities and commitments have broadened out to cover virtually the whole free world, so also have the responsibilities of the Navy been broadened. And these new tasks and responsibilities were assigned at a time when the Navy was in the process of passing from steam to nuclear power; from gunpowder to nuclear weapons; from guns to missiles; and in the air, from propeller-type planes to supersonic jets.

There was a period, following the development of atomic power, when the role of the Navy in our defense program seemed uncertain. Today, however, sea power and sea-air power are recognized as the spearhead of our striking forces.

As the committee report aptly points out, the free world today is actually a large oceanic confederation, interlinked and interdependent, militarily and economically. If the free world is to survive, we must keep open the sealanes, control the seas, and if need be, project the armed might of the United States to any territory.

It is for this reason that the continuing emphasis on the relative strength of any one branch of our defense establishment is unrealistic. If a surprise attack should ever be launched against this country, or against any of our allies in such a way as to menace our own safety, it will not be turned back by reason of numerical equality with the enemy in any one category of weapons. It will be turned back by a multiplicity of attacking weapons, launched from land, sea, and air, against the enemy's bases, at long range and at short range. And among the most maneuverable, and swiftest of these counterattacking systems will be the Navy and the naval air arm. So far from rendering the Navy obsolete, the atom age has, if possible, increased its strategic value and importance.

The budget which is before you calls for the appropriation of approximately $10 billion for the Navy, of which more than $1.7 billion is for aircraft and related procurement. This is an increase of more than $871 million over the sum budgeted for this item in this fiscal year, and is a fair reflection of the greatly reinforced emphasis which is being placed on the naval air arm.

You will recall that the President, last week commented that we have today the most powerful Navy in the world, and, he said, it features one thing—airpower. I wish to deal with that in a moment.

Naval airpower begins with ships, however, and the present budget takes that fact into account. It envisions a fleet of approximately 1,000 ships, including some 15 large carriers, all equipped with aircraft with atomic capabilities. It includes 2 nuclear-powered submarines, the *Nautilus* and the *Sea Wolf*, with 12 more to come—6 already under construction and 6 funded in the present budget. In addition, the bill before you envisions the addition of another carrier of the *Forrestal* class, 12 destroyers and frigate guided missile ships, 1 nuclear-powered, guided missile cruiser, and 4,629 tons of landing craft. This bill also provides for the conversion of 23 ships, as part of the continuing program to modernize the fleet, and it will enable the Navy to begin work on nuclear powerplants for another carrier and another guided missile vessel.

With respect to aircraft, the bill will enable the Navy to procure about 1,468 new aircraft, and these, when coupled with prior orders, will insure the addition of about 2,000 new planes a year through calendar 1958.

The Marine Corps will be maintained at a level of 3 combat divisions and 3 combat air wings, with provision for an increase of 4,735 personnel to bring its total manpower to 205,735 by the end of fiscal 1957. Naval manpower is fixed at 672,000 officers and men, for fiscal 1957, an increase of 16,600 over the end strength set for June 1956.

It is not so much the quantitative strength of the Navy that is impressive today, but the qualitative growth and development of the Navy is decidedly striking.

The Navy is, normally, perhaps, the most complex of our armed services. It operates on land and sea; it operates in the air, and it operates under the sea. Moreover, it is not simply an aggregate of fighting units, but a carefully integrated system of striking power. As the Chief of Naval Operations, Admiral Burke, said in the hearings:

> Our ships, planes, and their organizations are, almost without exception, designed as multipurpose rather than single-purpose instruments of war, both because the multipurpose instrument is more economical than the single-purpose one, and because we believe that it is more efficient.
>
> The core of our striking power today is the attack aircraft carrier. Our carrier task forces, supported by mobile logistic support, can strike and restrike the enemy repeatedly over an indefinite period of time. Able to move over 700 miles a day, they can select their own launching sites at will. They are elusive targets, hard to find. In times of tension, short of conflict, they are impressive envoys.

Mr. Chairman, among the other types of powerful striking units in the Navy are the nuclear-powered guided-missile submarine, and the long-range jet-powered water-based aircraft, with its mobile tender bases and mobile fleet support.

I should like to take a brief moment, in this connection, to comment on the role of the aircraft carriers. In recent years, there has been extensive reevaluation of their functions and capabilities. Written off by some, with the dawn of the atom age, they are regarded by most naval men today as among our most valuable defense assets. A carrier task force, with its powerful air arm, its guided-missile ships, its submarine and antisubmarine forces, is perhaps the most versatile fighting force in the world. It is vulnerable, yes; anything on earth is vulnerable today. But it is less vulnerable than a fixed land base. Its position cannot be pinpointed by an attacking enemy, because it does not remain stationary. If the task force is sufficiently dispersed, it cannot be wiped out; and it cannot be immobilized by politics or saboteurs. It is a seaborne, sovereign part of the United States, swift-moving, elusive, and powerful.

So far from being obsolete, our carrier task forces are increasingly the key to preservation of the freedom of the seas in peacetime, and a weapon for massive retaliation if war should come.

Is the budget for the Defense Establishment adequate? In the next few days and weeks, we shall doubtless hear the point argued at length. Insofar as we on the Defense Appropriations Subcommittee are able to judge, after exhaustive hearings, it will be adequate. It will provide all the services with all of the funds that they can wisely use. It will probably not provide any of them with all the funds they want. Ever since 1778, as Admiral Burke recently observed, the services have been asked whether they are satisfied with what they got, and the answer is often "No"; because nobody is satisfied with what he gets—ever.

This budget will add great new strength to our Defense Establishment, however. It will discourage aggression, and make war unthinkable to anyone but a maniac. In a nation such as ours, more cannot be expected, and less should not be provided.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, had come to no resolution thereon.

LIMITATION OF DEBATE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that when debate is resumed on the pending measure H. R. 10986 tomorrow that general debate proceed for not to exceed 2 hours and that the time be divided equally between the gentleman from Massachusetts [Mr. WIGGLESWORTH] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE TO REVISE AND EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members who have spoken today may have permission to revise and extend their remarks and insert brief excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING TOMORROW

Mr. MAHON. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DOMESTIC SHIPPING INDUSTRY

Mr. BONNER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BONNER. Mr. Speaker, I have just introduced a bill, by request, which I believe is worthy of consideration by the Congress. For sometime now I have been greatly concerned over the plight of the domestic shipping industry, which has not until now been able to reestablish itself to the level of importance in our domestic transportation system which it enjoyed prior to World War II and which was completely disrupted during the war. Aside from its importance to our national economy as a vital link in our transportation system, domestic shipping has always been relied on by this Nation in time of war or national emergency to meet our initial military requirements in the shortest possible time.

While I am not yet ready to endorse all of the provisions of this bill, I do, wholeheartedly, applaud those who requested its introduction for their imagination and willingness to try something new and different in an effort to rehabilitate this trade. It may well be, upon careful scrutiny, that this new approach to develop and expand the coastwise trade will do much to get this segment of our shipping industry on the road to recovery.

For this reason, I have introduced this bill and hope soon to hold hearings before the Committee on Merchant Marine and Fisheries to determine the merits of the bill and whether it, or some acceptable substitute, may not provide a start toward remedying the ills that have beset our coastwise shipping trade for the last decade.

The bill which I have introduced would direct the Secretary of Commerce to charter for operation in the coastwise trade up to 20 Government-owned tankers now in the Reserve fleet, with the requirement that the charterer have constructed on the tanker a special cargo deck suitable for carrying cargo containers which could be quickly and easily loaded and unloaded to and from the vessel, thereby greatly reducing the cost of handling cargo, one of the principal deterents to the rehabilitation of the coastwise trade.

The bill would also require the charterer of the tankers to enter into a commitment with the Government requiring him to construct, for each 2 tankers chartered, one new high speed tanker also suitable for carrying cargo in containers. The charterer would also be permitted to trade-in two obsolete dry-cargo vessels for an allowance of credit on construction of the new tankers, such credit being paid by the Government to the shipyard building the new vessel.

Needless to say, such a program would also provide a much needed shot in the arm for our vital but depressed shipping industry.

I repeat, that while this bill may not be the complete remedy needed to revitalize the coastwise trade, I think it offers a program well worth inquiring into.

VETERANS' PENSIONS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this morning there appeared before the Committee on Veterans' Affairs Donald R. Wilson, past national commander of the American Legion. His statement is as follows:

STATEMENT BY DONALD R. WILSON, PAST NATIONAL COMMANDER, THE AMERICAN LEGION, BEFORE THE HOUSE VETERANS' AFFAIRS COMMITTEE IN CONNECTION WITH HEARINGS ON THE REPORT OF THE PRESIDENTIAL COMMISSION ON VETERANS' PENSIONS (BRADLEY COMMISSION), MAY 9, 1956

Mr. Chairman and members of the committee, we are here this morning to consider the impact of an attack which has been made on the Congress of the United States, established veterans' organizations and the veterans whom they serve.

On April 23, 1956, the Commission on Veterans' Pensions, headed by Gen. Omar N. Bradley (which we shall refer to hereafter as the Bradley Commission) transmitted to the President its final report, setting forth so-called findings and recommendations.

This 410-page document had the effect of stopping, for the moment at least, the progress of important legislation now pending before this committee.

We can understand the House Veterans' Affairs Committee's concern with the document and its desire to probe into the alleged factual studies and recommendations which the document contains. We, of the American Legion, believe that this House committee has been a conscientious, understanding, and progressive guardian of the programs helpful to the American veteran. We can understand, therefore, why it paused in its deliberations on important legislation. The Bradley Commission's report was preceded by press intimation that studies made for the first time would have an impact upon veterans' benefits. The Bradley Commission's report itself asserts, in substance, that its findings and recommendations cannot be disregarded by those who have the future well-being of the country in mind.

It is understandable, therefore, that this committee would want to assure itself that there was nothing in the Bradley Commission report which would alter the conclusions which this committee may have drawn from the extensive hearings which it has held on legislation involving compensation and pension bills. We can understand further that this committee would want to assure itself that there was no substance to the Bradley Commission's indirect and somewhat concealed attack on this committee's stewardship, conscientiousness, and awareness of the importance of the various veterans' programs.

The American Legion is of the opinion that the Bradley Commission's report is a scare document which is unfair, unworthy of the Commission that produced it, and in many material respects factually unsound. It should be promptly relegated to the obscurity which it deserves. Meanwhile, this House Veterans Committee can continue with the important and progressive work which it understands so much better than the Bradley Commission and report out the pension and compensation legislation which it has been considering.

It should be mentioned that the American Legion has been studying the general subjects which are encompassed within the Bradley Commission's report for a great many years. As to the specific studies made by the Bradley Commission, it must be stated that the American Legion has been studying these with particularity since April 4, 1955.

National Commander Seaborn Collins was deeply conscious of the fact that under the slogan of "efficiency and economy in government," there had been previous and substantial assaults upon the structure of veterans' program. He correctly diagnosed that the activities of the Bradley Commission, even though dressed in the robes of presumably advanced social and economic thinking, could easily produce an equal and similar assault on those programs by branding them as inconsistent with recently developed concepts of social planning and advancement, and economic orderliness and well-being. He believed that the American Legion should prepare itself in advance to receive the results of the Bradley Commission's studies. He believed that the American Legion had an obligation to make an objective survey of its own program in the light of modern conditions. He believed it essential to determine whether there could be merit in the proposition, rumors of which had already been heard, that social progress made anachronistic the 150 years of legislation by the Congress acknowledging that a special obligation was owed to those who had served and saved the Nation in time of war.

On April 4, 1955, National Commander Collins appointed Carl J. Rees, Deward H. Reed, and Donald R. Wilson as members of a special committee and charged them with the responsibility of reviewing the veterans' program as it had developed and of placing it in proper perspective with reference to the welfare of society as a whole. The tenure and function of this special committee were continued by our present National Commander Wagner.

In this assignment, the American Legion's special committee was assisted not only by a research specialist, but also by the rehabilitation commission and members of its staff and the members of other commissions and staffs within the national organization of the American Legion and many of the State organizations of the American Legion.

The report of the Bradley Commission, therefore, is not entirely new to the American Legion. The trend of the activities of the staff of the Bradley Commission has been carefully noted and the tenor of the Bradley Commission's final report was reasonably accurately forecast weeks in advance of the publication of its report.

PRELIMINARY COMMENTS ON BRADLEY COMMISSION REPORT

However, well-intended, the Bradley Commission's report comes to us filled with clichés, self-contradictions, inaccuracies, looseness of expression, non sequiturs, statistical monstrosities, and thrilling discoveries of the obvious. It is a disappointing piece of work. It is tragically preoccupied with extolling the virtues of social security, not for what it is but for what it may be at some indeterminate time in the future. It is on this altar that the veteran is to be stripped of the dignity of a special status which, throughout the history of our country, has always been accorded to him. Now, under a new concept, arbitrarily and un-

necessarily announced by a mere Commission of the executive branch of the Government, the veteran is told that since he performed no special service, the Government owes him no obligation in his declining years other than to give him a general right, if properly employed, to buy and pay for social security like any other citizen.

The presumptuous nature of the Bradley Commission's pronouncements is an insult to the Congress of the United States, the consistent guardian of the welfare of the veteran. The Bradley Commission, with only the wisdom of 13 months' activity on the part of governmental theorists, has concluded that the Congress, which has had 150 years of experience in developing the veterans' program and in keeping that program intact and progressive while at the same time legislating for general social needs, doesn't comprehend its full responsibilities to all the people, including the veteran, and that by discharging one of its responsibilities it must forget that historically it has an additional responsibility to the Nation's defenders.

The report is discouraging and dangerous—discouraging because it belittles the contribution of the veteran to his country—dangerous because, by stealth cloaked in compliments, it exalts the welfare state and denies that there is any room in such a state for according to the veteran a special dignity because of service to country.

MAJOR AREAS OF CONCERN

It is probably not appropriate at this point to submit a point-by-point analysis of the recommendations of the Bradley Commission. This is a project which can more successfully be discharged at a later time by the duly constituted commissions within the American Legion and their respective expert staffs. Nonetheless, the American Legion does believe that it has the obligation of pointing out to this House Veterans' Committee a general frame of reference within which specific comments on specific recommendations may be fitted. The accomplishment of this task can best be achieved by a consideration of the following major questions:

(a) Is there, at present, any clear national philosophy of veterans' benefits?

(b) Does the concept of social-security benefits preclude the orderly and economic development of pension benefits to veterans?

(c) Has the program of disability, rehabilitation, and readjustment benefits been reasonably effective in serving the legitimate needs of the qualified veteran?

(d) Has the Veterans' Administration been reasonably successful in the performance of the functions for which it was created?

The report of the Bradley Commission may be properly embraced and considered within these four questions which will be discussed in the order in which they were stated.

(A) IS THERE, AT PRESENT, ANY CLEAR NATIONAL PHILOSOPHY OF VETERANS' BENEFITS?

The Bradley Commission arrives at the astounding conclusion that because the present structure of veterans' programs, like the common law, is only an accretion of laws based largely on precedents built up over 150 years of piecemeal development, there is, therefore, no national philosophy of veterans' benefits. The Bradley Commission then indulges itself in a peculiar form of self-aggrandizement and proudly announces that it, by its own labors, has developed, apparently for the first time, a philosophy whose guiding principles can enable the Nation to discharge its obligation to veterans generously. If this announced accomplishment were true, we would all be eternally indebted to the Bradley Commission for its contribution. Unfortunately, for the Bradley Commission, its philosophical creation is composed of the body of philosophical principles evolved over the course of our country's history. The Bradley Commission has merely emasculated or distorted some of the already well-known principles by the introduction of new and dangerous concepts which would destroy the philosophy of veterans' benefits as it has evolved. The Bradley Commission would substitute a set of sociological principles not particularly related to the peculiarities of the veterans' problems.

The Bradley Commission's most radical departure from the existing philosophy of veterans' benefits is to be found in the statement that military service in time of war or peace is merely an obligation of citizenship and should not be considered inherently a basis for future Government benefits. It is apparently in the making of this statement that the Bradley Commission feels that it has made a major contribution to the philosophical concept of veterans' benefits. In fact, it is in the making of this statement that the Bradley Commission has cruelly departed from the philosophy of veterans' benefits and has laid the foundation for a wholesale assault on the veterans' program.

We take it that the history of aid and benefits to the American veteran which has evolved out of the constant concern of the Congress is a record of general devotion to the welfare of those citizens who have had to give up their normal civilian activities in order to defend the country in times of war and danger to our national safety and security. Veterans' benefits have come to be regarded, therefore, as special, and as benefits to be added to those benefits which the veteran may obtain as a citizen alone. We are not unaware of the current encouragement which has been given to the argument in many quarters to the effect that being selected or volunteering for service to the country in war is merely the discharge of one of the duties of citizenship. The argument continues that, by virtue of having done only what is required of a citizen, the veteran cannot logically consider himself to be a member of a special group of citizens. We would acknowledge the validity of the argument up to a point, but we would demand that the argument be carried to its only logical conclusion. It is true that one who serves in the Armed Forces of this country is discharging an obligation of citizenship. However, the fact which has escaped the Bradley Commission and others who pause at that point is that there are some who failed to discharge it. It is not sufficient to gloss over the disparity between the discharge of these obligations of citizenship by saying that in modern war all people are subjected to hazards. So long as we maintain our Armed Forces, so long as we call them defenders of the country, and so long as we subject them to the necessary disciplines and deprivations which an adequate military establishment must demand we have created for them special obligations, duties, hazards or responsibilities which set them apart from the role which they would play as citizens alone. By reason of their peculiar sacrifices and hazards they become a class of citizens select in nature and distinguished by peculiar service. No governmental commission, no amount of sophistry can deprive them of that special status. The claim of special status for the American veteran is an eminently sound and valid claim.

Acknowledging that historically the veteran has been regarded as a special class, we may also further conclude from the study of the history of veterans' benefits that the Congress has, through legislation, further subdivided the veteran class into those who are disabled as a result of their military service and those who merely by virtue of their military service are entitled to recompense. The Congress has consistently endeavored to maintain an equitable ratio between compensation payments and pension payments. At the same time, the line between service-connected and nonservice connected benefits and pensions has moved steadily in the direction of more inclusive benefits for a larger proportion of all veterans. A liberalization of benefits has almost inevitably followed every war as the needs of veterans increased. These obligations assumed by the Government throughout our history have never been limited to mere recompense for physical loss or suffering because of military service, nor have they been limited to men who actually were in the battle line.

It is through the establishment and refinement of principles such as the above that our present veterans' program has evolved and developed. If the Bradley Commission would depart from this history and this experience, it must carry the burden of proving conclusively that the departure which it recommends is not only necessary, but that it will not do violence to the moral obligation which the Nation owes to its defenders.

The Bradley Commission has failed to carry this burden of proof. It has contented itself with the pronouncement of platitudes in justification of a radical departure from acknowledged and well-established practices.

(B) DOES THE CONCEPT OF SOCIAL SECURITY BENEFITS PRECLUDE THE ORDERLY AND ECONOMIC DEVELOPMENT OF PENSION BENEFITS TO VETERANS?

Much of the Bradley Commission report is a concentrated effort to establish a preconceived notion that the Social Security program has become an adequate substitute for veterans' pensions. This is a significant and hostile part of the report. It reflects little sound or honest thinking, but it does mirror the antagonism long noted in certain sections of the administrative branch of the Government toward veterans' pensions. Successive studies by the executive branch of the Government under both major political parties have attempted to find rationales for justifying the elimination of pension benefits.

The most noteworthy predecessors of the Bradley Commission report were the two Hoover Commission reports of 1949 and 1955. Both of these had the flavor, not of objective studies but of planned attacks.

The sections of the Hoover Commission Report dealing with veterans' benefits were so obviously biased and malicious that no firm platform was established from which an attack could be launched that would convince the Congress. Antagonism in the Hoover reports ran high, but the arguments were weak and specious and obviously labored.

Even before the failure of the second Hoover report, busy brains in some branches of various Government agencies were casting about for a new device that could be used to provide a more successful platform from which to destroy large segments of the veterans' program which Congress had labored so hard to establish. Several years ago, someone in the Government conceived the idea that it could be argued that the social security program should make a splendid rationale for finding that veterans' pensions and some other veterans' benefits are no longer necessary. Where the idea began is not certain. It was put forth clearly in the Hughes study made by the Bureau of the Budget in 1953. The thought was quickly parroted and gained great currency in the executive branch of the Government, particularly in several agencies that do not deal intimately enough with veterans' affairs in their day-to-day operations to have a clear notion of what the veterans' programs are and how they operate in detail.

About a year and a half ago, the notion that social security is today an adequate substitute for veterans' pensions was worked into a public statement of the President—not, we believe, by the Administrator of

Veterans' Affairs, but by someone closer to the President than to the veterans' program. At that time, August 1954, President Eisenhower grudgingly signed a bill increasing by a small amount some of the existing monetary payments to veterans and their dependents. He stated, as he signed it, that he did so reluctantly and that it was his opinion that such benefits were probably no longer necessary because of social security and other general welfare programs of the Government.

He said that he would appoint a committee to look into this matter and to study the whole structure of veterans' pensions and compensation. Thus was the Bradley Commission born.

It should be noted that the theory that general welfare programs have, or should be considered to have, displaced veterans' pensions had not in any way been demonstrated. No specific conflict between the veterans' pension program and the social security program had been pinpointed. No facts had been arrayed which clearly showed that social security was, in fact, serving the purpose which veterans' pensions previously had served. The idea had merely been deliberately repeated with increasing frequency, but always without clear demonstration. The final results of the Bradley Commission report affirm that it struggled to justify this concept.

However, the Bradley Commission has been able to do no more than simply to repeat the thesis again. It does repeat it and it states affirmatively that it is its opinion that the advent of the general welfare programs, and social security specifically, has brought about a new era in which pensions for veterans are no longer necessary. It specifically says that all pensions should be tapered off and eventually eliminated. This is a softer and, on the surface, a more friendly approach than the one taken by the Hoover Commission. That is, it has much more molasses and less vinegar than the Hoover reports.

Only one thing is needed to convince the American Legion and veterans generally, that veterans' pensions can be ended and social security can be accepted as the perfect modern substitute; that is, to demonstrate clearly and factually, rather than merely make unsubstantiated claims, that without damaging the contractual rights of its present participants, social security, in its actual workings and design, is in fact a program that would and does offer to the Nation's veterans—in recognition of their war service—the same security and the same special consideration for special services rendered to the Nation in time of national danger that the pension program has provided.

Unfortunately, the Bradley Commission has been unable to carry this burden successfully.

Undoubtedly, the Bradley Commission would have given a clear demonstration if it had been able to. It is to the discredit of the Bradley Commission that it continued to advance and strengthen the argument by repetition in the face of a patent inability of establishing the point with a factual demonstration. On page 133 of its report, there is a passage headed "Need for a Factual Approach." The Bradley Commission, under that heading stresses that "Our national policies must be developed in the light of a full factual picture." We commend adherence to that thought to the Bradley Commission. We search in vain for the facts that permit the identification of social security as a substitute for veterans' pensions. None are offered. Actually, no factual demonstration is possible for the reason that social security is not and cannot be a substitute for veterans' pensions. If an attempt were made to make it so, it would work mischief not only to the veterans' pension program, but to the social security program as well.

Social security is based upon a tax placed upon some, but not all, individuals, in the form of compulsory insurance premiums, based upon the amount of money earned in certain not all-inclusive private employments. When its benefits, not always the maximum, are paid the amount of the benefit is in substance based upon the length of time worked in such private employments as may be covered by the law and the amount of money earned during that time. These are the essential facts of social-security coverage and benefits.

The Bradley Commission ignores these facts. It philosophizes that the veteran is not entitled to a preferred status. Then, on the basis of its disregard for the facts and its enunciation of a radical and unacceptable change in our basic philosophy, it states, as a supposedly constructive conclusion, that veterans must be rewarded for their war service in times of personal need by merely paying to them an amount based upon what they earned, provided they worked in private employment covered by the Social Security Act, and like all other citizens in such employments, paid the tax levied upon them during the years that they were so employed.

Social security is, in essence, an insurance contract whereby, for a stipulated payment, one party is obligated to compensate the insured upon the happening of a contingency. Veterans' pensions are not based upon a contractual relationship with the Federal Government. They are based upon the performance of duty in defense of one's country in time of war. They are not payable to all veterans but only to ones in need.

As a form of compulsory insurance which was never intended to meet even the minimum needs of its beneficiaries, social security cannot be considered as a substitute for veterans' pensions, but must continue to occupy the role originally intended for it, namely that of providing a base upon which can be erected other benefits.

The veteran who, as any other citizen, has fulfilled his social-security contract, is entitled, as a matter of law, to receive the benefits of that contract. It is a tragic error to say that he is entitled to nothing more. The ingratitude and contempt which produced such an error are emphasized by the basic factual differences between the two programs.

The requirements for payment of benefits under social security and pension plans are completely dissimilar. Veterans' pensions are payable by reason of honorable wartime service, with the basic criteria for payment predicated upon unemployability due to a prescribed degree of disability. Unemployability, without more, will not establish entitlement to pension. The additional requirement of a prescribed degree of disability is a necessary factor in showing entitlement. Under Social Security, unemployment is only a determinant in arriving at a figure that will eventually be paid. Unemployability is not a factor. Under the pension program, age is not a prerequisite to the payment of benefits. It is a factor for consideration with respect to pensions. Under social security, age is a definite requirement.

Under the veterans' pension program, there are income limitations which must be met. This factor insures that only veterans in financial need can receive a pension. Under the social-security program, income is a factor only if earned. Because payment under social security is a right based on monies contributed, benefits are not confined to the needy as such.

When you add to these factors an acknowledgment that social security was never intended to meet even the minimum needs of its beneficiaries, it becomes all the more impossible to reconcile the establishment of social security with the proposition that it should supplant all other benefits. Such a substitution would leave untouched and uncared for the vast numbers of those who, prior to age 65, because of prescribed degrees of disabilities making them unemployable, are in need of financial assistance. It would deprive them of the dignity of claiming such assistance as a gratuity from a government which they had well served.

Thus, if you want a blueprint for creating mischief, we can think of no better means than to adopt a national policy that would attempt to make Social Security serve the very different function of veterans' pensions.

The Bradley Commission professes that there is at present an overlap or conflict between veterans' pensions and social security. It does not pinpoint any such overlap or conflict beyond these general terms.

What is the relation between the two? The fact is that social-security benefits bear neither more nor less relation to veterans' pensions than any other income a veteran may receive. Social-security benefits are so much money in the veterans' pocket. The money is no different from money he may receive as pay for working, as dividends from stocks, as retirement pay from an employer or as proceeds from an annuity. Any conflict or overlap between the pension program and the social-security program can be no different from any conflict or overlap created by any other income which the veteran may receive.

Is there an overlap or conflict between any of these sources of income and the pension program? It is almost tragic that the Bradley Commission is unaware that by long-established law, an overlap that it conceives to exist does not exist at all. One of the conditions which a veteran must meet today in order to qualify for a pension is that his income from other sources must meet a "needs" measure, prescribed by establishing levels of other income which—if the veteran is over them—will disbar him from receipt of a pension.

Thus, all income which a veteran may receive is now, and has been for some time, considered to contain the germs of overlap or conflict with the pension program. The overlap was removed by laws which are today, and have long been, part of the existing veterans' pension legislation. Social-security benefits are, under today's law, included in that income which would disbar a veteran from a pension if it contributes to raising his non-pension income above the income levels stated in the law. It is this automatic check that prevents any overlap.

Believe it or not, on page 18 of its report, the Bradley Commission recommends a change in the law by which the receipt of social-security benefits would be considered as income that would count in determining a veteran's need, for pension purposes.

It is not funny that a distinguished Commission proposes that the law be changed to make it what it already is.

Summing up this preposterous mess of argument over nothing, the factual approach so strongly urged by the Bradley Commission yields just this:

1. Social security cannot be made to serve as a veterans' pension program without doing mischief to both programs.

2. The only possibility of an overlap or conflict between the veterans' pension program and any source of other income including social-security benefits has long been properly taken care of by provisions of the veterans' pension laws.

We can report very briefly regarding this matter of social security.

First, the argument repeated by the Bradley Commission will continue to be used—in the same specious form as in the past—in the hope that more and more repetition will persuade more and more people—so that this

pure figment of a hard-working brain in the Bureau of the Budget may create a chink in the armor of veterans' benefits through the "big lie" technique.

Second, when the day comes that social security provides security to war veterans, pensions will be taken care of automatically. When social-security benefits actually do that, such assistance which will carry all veterans over the income ceiling prescribed in the present pension laws will make itself known by the workings of the present law. On that day, the Veterans' Administration will report that it is paying no pensions, because other programs have carried every living veterans' income over the needs ceilings defined in the pension laws. According to the figures of the Veterans' Administration, that condition has not yet arrived.

(C) HAS THE PROGRAM OF DISABILITY, REHABILITATION, AND READJUSTMENT BENEFITS BEEN REASONABLY EFFECTIVE IN SERVING THE LEGITIMATE NEEDS OF THE QUALIFIED VETERAN?

Primarily, the Bradley Commission approves of the program of disability, rehabilitation and readjustment benefits which has been developed for the American veteran. It finds that we have developed reasonably successful methods for meeting the needs of our veterans. It asserts that the service-connected needs should be accorded the highest priority among the special programs for veterans and that service-connected compensation and death benefits should be liberal and even generous. It further states that the rehabilitation of disabled veterans and their reintegration into useful economic and social life should be a primary objective.

We cannot and do not take exception to such laudatory and sound statements. Nonetheless, we do have serious questions regarding the approach which the Bradley Commission employs toward the problem of improving the services which are offered to the service-connected class of veterans and to the rehabilitation and readjustment phases of the veterans' program.

We, of the American Legion, would certainly be the first to concede that none of these programs are perfect. We recognize now, and have recognized throughout the course of our existence, that there is a constant need for change. We cannot concur, however, in some of the radical, unrealistic and ridiculous suggestions adopted by the Bradley Commission.

(1) Presumptions

As illustrative of the type of improvement which the Bradley Commission suggests, and of the viciousness of it, we mention its recommendation that the presumption of service connection for chronic diseases, tropical diseases, psychoses, tuberculosis, and multiple sclerosis should be withdrawn. The Bradley Commission goes even further and states that there is otherwise in the law sufficient protection for the veteran to establish service connection of any and all diseases, and that accepted medical principles can reasonably and accurately establish the onset of a disease and the disability process.

It is apparent from a recommendation such as this that, while the Bradley Commission pays lipservice to the duty owed to the service connected, it would destroy the ability of large numbers to establish service connection. It has vastly overrated regard for the extent of medical knowledge. It credits the field of medicine with an omniscience which most doctors wish that they possessed.

Then the Bradley Commission compounds this offense by completely disregarding the fact that the question is not entirely a medical one. It is also in part a legal one. The purpose of a presumption is to free the veteran from carrying an unconscionable burden of proof in the establishment of the service-connected origin of a disease or a disability. As a part of the theory that the veteran should be given the benefit of the doubt, the principle behind the granting of a presumption says to the American veteran that it would be unfair in some cases to require him to prove medically that a given disease or disability did in fact have its inception during the course of his service, or resulted directly from that service. It states in substance that, in those instances in which it would be unfair to impose such a burden upon him, he is entitled to a presumption that the disease or disability did emanate from his service. This is a rebuttable presumption. It imposes upon the Government the burden of going forward with the evidence. It enables the Government, if medical knowledge is what the Bradley Commission says that it is, to rebut the presumption and to deny the veteran his service-connected status.

It is the opinion of the American Legion that until American medicine has reached a point where it can determine with more than a reasonable degree of accuracy whether in fact certain types of diseases did or did not have their inception during the course of man's service, the veteran should be entitled, in the areas of doubt now listed, to the presumption that his disease or disability, within reasonable periods now or to be specified, was the result of his service. Even if medical knowledge ever reaches the point where it can definitely establish the onset of a disease, there would still be no vice in continuing the presumption so long as it is a rebuttable presumption. The knowledge that would eliminate the necessity of a presumption in favor of a veteran would also enable the Government to rebut the presumption.

The inclination of the Bradley Commission to reach absurd results at the expense of the veteran makes many of its recommendations suspect and belies its announced motives.

(2) Rating schedule

The Bradley Commission is dissatisfied with the present rating schedule. We, of the American Legion are also dissatisfied in some particulars with the rating schedule. As a matter of fact, our rehabilitation commission has for a considerable period of time constantly suggested changes in the rating schedule and is now ready, when the time comes, to suggest specific improvements in connection with it.

We do not object to a review of the rating schedule, nor to a revision of it. However, we want to know, with more than a reasonable degree of certainty, the basis upon which the review is going to be conducted, and the basis upon which revisions are going to be made.

Our present rating schedule is founded upon the theory of the average impairment of earning capacity. As an average, it is not an absolute guide in the individual case. We know, however, from our experience that we cannot administer any program which is geared solely to the individual case. We have accepted the best standard we are able to find.

The Bradley Commission, by its research and in some of its charts, has established that, for the most part, the average impairment of earning capacity theory has done a remarkably wonderful job. The Bradley Commission's charts show that in most categories of disability, the amount of disability compensation drawn by the disabled veteran—when added to the amount which he is able to earn from whatever job he holds—is remarkably close to the average annual income of the nondisabled veteran. It is apparent, therefore, that the average impairment theory has been a reasonably successful standard.

The Bradley Commission is concerned, however, with the establishment of other factors which might be worked into a rating schedule. It is concerned with compensating a veteran for pain and suffering, for social inconvenience, for increased mortality, and so forth. If the Bradley Commission wants to add a figure which will take into account these factors, in addition to the figure established to compensate the veteran on the basis of the average impairment of his earning capacity, we certainly would have no objection to such a review. However, we do not dignify even the average impairment theory by calling it a scientific formula. It is merely a guide. It is one of the best guides that could be worked out under all circumstances. We would not want to have the Bradley Commission or anyone else think that you could reduce either the impairment of a man's earning capacity, or an evaluation of his pain and suffering, or his social inconvenience, or his increased mortality to a final and absolute and completely compensatory formula. We are willing and anxious to have the service-connected disabled veteran compensated further than he now is, but we caution against leading the American public to believe that this is being done in accordance with an absolute, compensatory formula.

Nonetheless, we do believe that a new rating schedule should be promulgated. It has been 10 years since the promulgation of the 1945 schedule. The comments and disability evaluations contained in the present schedule represent the consensus of medical opinion of a period sometime prior to 1945. The nine extensions to the 1945 schedule have led to some confusion and have made the use of the present rating schedule unwieldy, thereby decreasing its efficiency and accuracy. There are other contemplated changes which, if incorporated into further extensions of the 1945 schedule, will further complicate that schedule.

It is our belief that a new rating schedule could be made to represent the sum total of medical and technical knowledge of the Veterans' Administration, the major veterans' organizations, and the medical profession, acquired in the years since 1945—all of which would tend to produce evaluations that would be more compatible with present medical knowledge and experience.

(3) 10-percent and 20-percent ratings

Perhaps no area of the Bradley Commission's report more glaringly demonstrates duplicity and factual inaccuracy than the section on 10 percent and 20 percent disability ratings.

First of all, the Bradley Commission is shocked by the fact that there are over a million veterans in this disability area. The Bradley Commission now finds it wrong that there should be so many such veterans, and because of their numbers proposes to eliminate them.

The Bradley Commission attributes the large number of awards in this area, in part, to the alleged fact that there is a requirement that no further examinations are scheduled once the veteran's disability reaches the prescribed minimum rating for his condition. This is a flagrant misstatement of the Veterans' Administration's requirements. On this erroneous basis, the Bradley Commission proposes to meet its commitment to deal liberally, even generously, with these service-connected cases by reducing or destroying the entitlement of the largest single group of disabled veterans. It questions but does not refute the medical soundness of these ratings. Then it proposes to settle these so-called medically unsound ratings by an immediate outlay of money. In other words, it wants to buy off claims which it thinks are invalid even though many of the 10 percent or 20 percent disability ratings today can turn into the 100 percent service-connected disability ratings tomorrow.

The Bradley Commission's treatment of this sensitive and important segment of disabilities is confused, distorted, inconclusive,

and unconvincing. Even so, it is presumptuous enough to ask the Congress to buy this package, the contents of which are not known even by the Commission.

(4) *Statutory awards*

The Bradley Commission is apparently deeply distributed over the existence of statutory awards. It has recommended in substance that consideration should be given to incorporating statutory awards within a comprehensive rating scale that will encompass economic, physical, life-impairment and other factors.

From an historical standpoint it can be said that the Congress of the United States has, for almost a century, recognized and shown concern for the problems of those who have lost their limbs, or their ability to see, or who are otherwise seriously disabled.

A study of the history of statutory awards will reveal that the Congress has long been of the opinion that the same criteria cannot be employed in evaluating the disabilities of the group which is the subject of statutory awards as that employed in evaluating the disabilities of those less obviously disabled.

We cannot understand what objection the Bradley Commission has to the exercise by the Congress of a power which the Congress obviously has to legislate certain so-called statutory awards. We must conclude that for some reason the Bradley Commission wants to save money by abolishing statutory awards which the Congress thought to be meritorious.

This is merely another instance where the words of the Bradley Commission tend to cover up what must obviously be its real motives.

(5) *Education, training, and readjustment programs*

As to education and training programs and readjustment assistance programs, the Bradley Commission seems to be of the opinion that they have been properly devised and used; that they must be recognized as the best way of discharging the Government's obligation to the nondisabled; and that such programs not only benefit the veterans, but contribute materially to the stability of the society in which they live.

We are, of course, inclined to agree with these general statements. We have long been aware that no piece of legislation, nor its administration, can be entirely perfect. We are aware of certain abuses which occurred under the GI bill, but we are also familiar with the fact most of the possibilities of abuse were cured when the time came for the enactment of a Korean GI bill.

Even now there are additional improvements to be made in connection with the administration of these programs.

We are concerned with the Bradley Commission's intimation that by conferring these benefits, the Government has discharged its entire obligation to the non-service-connected disabled veteran. We point out that the Government has an acknowledged continuing obligation where need exists. If the Bradley Commission is of the opinion that these programs have eliminated need, it is factually in error. So long as need exists, there is a void for pensions to fill. No amount of Bradley Commission statistics will change this concept. However, it may be pointed out that because of these programs the numbers in need will probably be fewer. If this be so, the Bradley Commission's general pension scare is considerably discredited.

In addition, we are not persuaded that the Bradley Commission is completely in accord with the proposition that these education and training programs and readjustment assistance programs are primarily the function and the responsibility of the Veterans' Administration. We detect in certain of the recommendations of the Bradley Commission an effort to disestablish some of these programs from Veterans' Administration and to turn the administration of those programs over to other agencies. We are deeply disturbed by any such effort on the part of the Bradley Commission or any other agency of Government. We have fought too long and too hard for the establishment of a separate Veterans' Administration and for the establishment of the concept that the affairs of the veteran should be treated as a separate entity by a special branch of Government.

The type of proposal which would "phase out" veterans housing by merging it into FHA and those proposals constituting a wholesale attack on veterans preference and other proposals which would eliminate or curtail veterans' benefits make the Bradley Commission's entire report suspect. Words of praise are so frequently followed in the report by suggestions which would dismember and destroy the veterans' program.

(D) HAS THE VETERANS' ADMINISTRATION BEEN REASONABLY SUCCESSFUL IN THE PERFORMANCE OF THE FUNCTIONS FOR WHICH IT WAS CREATED?

On this question, the Bradley Commission concludes that, on the whole, a reasonably effective job has been done by Veterans' Administration in furnishing veterans with the benefits intended by Congress.

We are in accord with this general conclusion.

The Bradley Commission is concerned, however, with clarifying the mission of the Administrator of Veterans' Affairs to reflect his positive responsibility for the comprehensive analysis of program and long range policy development, including the function of advising the President. The Bradley Commission suggests further that the Administrator's personal staff should be augmented to include the highest caliber professional advisors in such fields as economics, statistics, public administration and sociology. The Bradley Commission further recommends that the research and statistical resources of the Veterans' Administration departments should be strengthened. It suggests that serious consideration be given to making the Administrator of Veterans' Affairs a member of the Cabinet, and that in any event, the President should establish a Cabinet Subcommittee on Veterans' Affairs, with the Administrator of Veterans' Affairs as a special member.

We are aware, of course, that such professional personnel as has been suggested may possibly, with charts and graphs and statistics and statistical projections, submerge the Administrator and overburden him with that type of detail which is so dear to the heart of the average governmental researcher and statistician. Nonetheless, a reasonably strong Administrator of Veterans' Affairs should certainly be able to discharge more fully his obligation to the veteran and to the country by a proper analysis of the material which could be prepared for him and upon the basis of which he could provide a greater degree of leadership in the field of veterans' affairs than he now does. In this connection, we would suggest that no real leadership in the field of veterans' affairs is possible until the complete dominance of the Administrator by the Bureau of the Budget is relieved.

There are other suggestions made by the Bradley Commission in connection with the office of the Administrator of Veterans' Affairs. One of these is that an additional limitation should be placed on his authority by more precise requirements and definitions and that the rules to be promulgated by him in large matters affecting the eligibility of veterans for benefits or involving changes in program objectives should be made subject to advance notice to and advance review by appropriate agencies of the Government.

So long as such a recommendation does not interfere unduly with such independence as the Administrator of Veterans' Affairs has been able to salvage, we would see no serious objection to the recommendation. However, we would strenuously object to the elimination of the authority of the Administrator by making him subservient to, or dependent upon, the approval of other agencies of Government prior to taking a proper action in the field that is exclusively within his own domain.

The Bradley Commission also suggests the establishment of a central administrative review, without affecting the ultimate finality of decisions by the Administrator of Veterans' Affairs. There is no great vice in the establishment of such review. It is true that it might well result in a standardization of decisions in different sections of the country. It is an additional expense; it is an additional step in the prosecution of a veteran's claim. We suggest that such problems as have developed might be just as ably handled by the present Board of Veterans' Appeals.

Finally, the Bradley Commission suggests that the laws affecting veterans should be codified and that in that process of codification, emphasis should be placed on simplification with mindfulness of the direct personal impact of the statutes, and that similar treatment should be given the related regulations.

Certainly, there can be no objection to making veterans' laws and regulations more simple in language and in clarifying and codifying those laws and regulations which govern such a large segment of our population. We warn, however, that such a project of codification and simplification could easily be turned into the vehicle for the embodiment of such changes as have been suggested by the Bradley Commission. The House of Representatives recognized such a danger as we now point to and specifically provided in the bill which it recently passed that the codification which it authorized be not used to change existing law.

SUMMARY

The Bradley Commission and its staff have labored mightily and expensively to bring down a very small bird. In spite of the presumed omniscience of the employees of the staff of the Bradley Commission, we, of the American Legion, are disposed to place the fate of the American veteran where it has always been—in the hands of the Congress of the United States. The Congress developed and will continue to develop a clear national philosophy of veterans' benefits. It will continue to relate those benefits properly to the other areas of legislation with which the Congress concerns itself for the social betterment of all the people. It will insist upon protecting the veterans as a class to which it acknowledged, during periods of war, a special obligation. It will not abandon that special obligation by substituting for it, as suggested by the Bradley Commission the opportunity to participate in social-security benefits which as citizens we are already entitled to do and for which, if we participate, we will have paid monetarily. It will continue to work effectively and constructively to take care of the demonstrated needs of the disabled veteran. It will protect him from overly egotistical individuals who would misrepresent the breadth of medical knowledge and destroy the veterans' capacity to obtain the benefits of presumptions in establishing his service connection. It will protect its right to concern itself with special classes of disabilities which it believes may be best handled by the use of statutory awards. It will preserve the integrity of the rehabilitation and readjustment benefit programs, protecting them against absorption by agencies of Government which believe that the veteran is owed no special obligation and which would seek to build little empires of their own at the expense of the best administration of the veterans' program.

The Administrator of Veterans' Affairs, if a courageous and independent individual, will be able to administer the program that the Congress has defined for him, recognizing that, as a member of the executive branch of the Government, he must have due respect for the remaining members of the executive branch of the Government and the programs which they administer.

We must reluctantly conclude that the Bradley Commission, in its report, has demonstrated that it bears close resemblance to the previous Hoover Commissions. It is another step in a little understood effort to represent the veteran as the creator of large problems adversely affecting the rest of America, who must be chastened, reduced in dignity, and made to forget that at one time he was assured of the gratitude, respect and continuing regard of all.

We do not know how many dollars have been spent in these efforts to diminish the stature of the American veteran, but whatever dollars have been spent have been wasted. We suggest that the time has now come to stop these senseless investigations of the same subject over and over again. The Congress is a capable body, aware of its legislative enactments in their entirety. It is accountable to the people. It is aware that many of those people who elect it and support it are veterans to whom pledges were made and will not be broken.

CONCLUSION

It is the American Legion's hope that by offering this broad analysis of the Bradley Commission's report, it may have been helpful to this House committee. We have tried to make it clear that there is nothing in the Bradley Commission's studies or report which should deter this House committee from continuing such action on pending bills as it may think proper.

We, of the American Legion, are interested primarily in the pension bill, H. R. 7886, and equally in the compensation bill, H. R. 9767, pending before this committee, on which we and others have testified at considerable length. This committee has shown great deference to the work of the Bradley Commission by scheduling hearings on its report. We suggest, and respectfully recommend now, that these pension and compensation bills which the House committee has so thoroughly investigated and which are so vital to so many veterans and their dependents, be now promptly handed to the Congress for its determination of their merits.

It is a very important report, Mr. Speaker, and there is a great deal of value in it.

CURTAILMENT OF THE BIRMINGHAM NAVAL AIR STATION

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, I request the indulgence of the House of Representatives to make a brief statement on behalf of my congressional district, Jefferson County, Ala. As you know, I represent the largest district in Alabama, in population, and the fourth largest in the Nation. Jefferson County includes the city of Birmingham, the cities of Bessemer, Fairfield, Tarrant, Homewood, Mountain Brook, Leeds, and 19 other incorporated communities. It is largely urbanized.

One hundred years ago there was no Birmingham. This dynamic American city was founded in 1871, only 85 years ago. It now is one of the greatest industrial centers of the South, yea, of the entire Nation. The progressive growth of the great cluster of cities which I represent is one of the most inspiring stories in the annals of our Nation. Our amazing progress can be attributed to the energy, the sturdiness, the initiative, and the faith which the people of Jefferson County have in themselves and in their firm belief that they can make a great contribution to the economy and general welfare of the State of Alabama and the United States.

I point with pride to my district, and to the people who have made its greatness possible, for a reason.

In taking the floor at this time, I am motivated by a concern that the Federal Government is apparently unaware of the economic, financial, and industrial importance of my district. We in Jefferson County and Birmingham have been slighted by the Government in Washington for so many years that we are getting a "hangdog" feeling about it. I believe it is time that we quit "taking it" and give back awhile.

Let me give you an example of the failure of the various agencies of the executive branch to give proper consideration to the vast potentialities of the Birmingham district.

Within recent days and weeks, the Navy Department has reached a decision to abolish the Birmingham Naval Air Station, or to institute what amounts to a drastic curtailment of naval activities in my district. They would leave us a shell of our Naval Air Reserve training program in the form of a Naval Air Reserve facility.

At our Naval air station, we now have 208 active-duty support personnel, including officers and enlisted men, who administer and provide training for 784 active Naval Reserve aviators, ground and staff officers, and enlisted men. The Naval air station currently employ 25 civilian personnel. Under the Navy's plan for a Naval Air Reserve facility, we would have only approximately 22 active-duty support personnel, limited facilities, and only about 8 aircraft. All civilian employees would join the ranks of the unemployed.

In addition, the ineffective facility arrangement would be operated under the administrative control of a parent air station, from which it would receive its logistic support. The Navy presently envisons that the impotent Naval Air Reserve facility at Birmingham would receive its support from another Naval air station over 125 air-miles away. It is evident that the bulk of Alabama naval reservists, air and ground personnel, would have to travel this distance for their training.

Training and flying jet aircraft, which we all know represents the real need of our air arm today, would be denied to Brimingham although we are, at long last, about to realize our ambition in extending our main runway to take care of jet aircraft. The old conventional-type aircraft is completely outmoded in this age and it follows that flying planes of World War II vintage is neither attractive nor of value to the Nation's defense effort. Our air arm is properly placing the real emphasis on jets and little glamor is attached to flying obsolete aircraft.

The city of Birmingham will complete its jet runway in about November of this year, and yet the Navy uses as one justification for reducing Birmingham's Naval Air Station to a mere shell the fact that jet operations cannot now be satisfactorily accommodated at Birmingham on the existing runway.

We in Jefferson County and Birmingham do not begrudge others their good fortune but, at the same time, we cannot help noting that apparently the Navy gave little, if any, thought to expanding the training activities and facilities at the Birmingham Naval Air Station before reaching the decision to remove the administrative functions to another city over 125 miles away.

This brings me to my major point. The Navy asserts that its action with respect to Birmingham was dictated by the desire to effect the most efficient utilization of the total manpower resources available. Navy spokesmen have stated that progress made by Birmingham has been disappointing in that it is presently supporting only six Reserve units, and it has a higher than average cost per trainee when compared with similar Reserve installations.

The Navy itself, in my considered opinion, must bear much of the responsibility for what they term disappointing participation in the Reserve program at Birmingham. This allegation is borne out by the extensive improvements being made by the Navy at many other Reserve installations of comparable size and potential. For example, the naval air stations at Birmingham, Lincoln, Nebr., and Niagara Falls, N. Y., were commissioned about the same time, and it is believed that these three stations have roughly the same potential Reserve personnel strength. There have been, to my knowledge, no expenditures at Birmingham other than for maintenance, whereas new facilities have been authorized for Lincoln and Niagara Falls at a total cost of over $10 million. Also, a new $4,500,000 facility is to be constructed at the naval air station in Atlanta so that jet aircraft can be supported. Extensive improvements and new facilities are planned for the naval air stations at Willow Grove, Dallas, Glenview, and Los Alamitos. The Grosse Ile and Akron stations are being moved to Willow Run and Cleveland, with the addition of new facilities.

In short, the Naval Air Reserve stations over the entire United States, with few exceptions, are now suffering from lack of jet runways and the Navy has announced plans for both jet runways and improved facilities at most of the stations, with the exception of Birmingham. We Alabamians fail completely to understand why Birmingham has been made the exception.

The city of Birmingham is constructing its new jet runway without the financial assistance of the Navy.

Further evidence that the Navy has completely overlooked the needs of the Birmingham Naval Air Station, in comparison with similar installations, is shown in that practically every other naval installation in this country has adequate barracks and BOQ facilities for the "weekend warriors." Most of these installations have adequate facilities for conducting physical fitness programs, including tennis courts, swimming pools, and gymnasiums. They also have enlisted men's clubs, CPO clubs, officers' clubs, movies, cafeterias, tailor shops, service stations, libraries, hobby shops, and many other activities which are not only convenient but provide outlets which attract membership in the Reserve program. None of these facilities, I repeat, none, exist at the Birmingham Naval Air Station. The Navy has most generously provided a small ship's service and a very small snack bar where a sandwich may be obtained.

We in Jefferson County and Alabama believe that, had funds been appropriated by the Navy for additional facilities at our naval air station comparable to the appropriations for similar stations in other parts of the country, we would now have 20 Reserve squadrons instead of 6, and our cost per trainee would be much lower than the average for the other Naval Air Reserve installations.

I should like to emphasize that the current annual cost of operating the Birmingham Naval Air Station is only $368,000. This is no more than sufficient to train three Naval Air Cadets at the Naval Air Station in Pensacola, Fla. The reduction of the Naval Air Reserve Training Program at Birmingham as proposed, would be the height of false economy. The cost of operating this station is so small and the results so great when compared with the overall expenditure for national defense that it is unthinkable that the Navy could be so shortsighted as to propose closing it in the interests of economy.

The Rand McNally survey shows that Birmingham ranked third in the Nation in business for 1955 and is one of the country's leaders in wage level increases with an 8-percent rise in the year just passed. The Federal Government, including the Navy, should be aware that it has been estimated that at least 3,000 new major industries will be located in the South within the next few years. I am confident that Birmingham and the State of Alabama will receive its share of these new industries. My district now has a population of 612,000 people. It is continuing to play a major role in the growth of business and its population is increasing at a phenomenal rate.

That the Birmingham area has a tremendous potential of naval and Naval Reserve personnel is obvious.

One other point with respect to the Navy's plan for Birmingham which I should like to bring to the attention of Congress is that Birmingham has been designated by the Civil Defense Administration and the Department of Defense as one of the prime target areat, that is, one of the first cities which will be attacked in the event of an atomic war. This, in itself, without regard to the other arguments which I have presented, should be a sufficient justification for maintaining a strong and expanded Naval Reserve training program in my city.

All we in Birmingham and Alabama ask is that we be given a chance to prove ourselves—a chance comparable to that given to other cities similarly situated. We know that if this is done, we will be able to make a much greater contribution to the Navy's Reserve training program. We have accepted the challenge if the Navy will give us equal treatment and facilities.

A TRIBUTE TO DAVE REED, OF EDWARDSVILLE, ILL.

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, a gentleman named Dave Reed—an old man of 90 years—died the other day. He had spent some time of late in a sanitarium in Edwardsville, in the 24th District of Illinois, that I have the honor to represent. He had been a miner, and a man of parts.

In a letter to the editor of the St. Louis Post-Dispatch, a friend of Mr. Reed paid tribute to the gallant man. He told of Dave Reed's belief in the right, rather than in power. He told how Dave Reed fought for his rights and the rights of his fellow man in his unions.

There are more Dave Reeds in America than we sometimes know of, but frequently they lack the friend who will write about their deeds and gallantry after they are gone. I was so impressed by the eloquence of the letter paying tribute to this fine American that, under unanimous consent, I ask to have it printed at the conclusion of these remarks, so that it will be a permanent part of our RECORD, and a permanent memorial to him:

WHAT DAVE REED DID

To the EDITOR OF THE POST-DISPATCH:

In January when we saw Dave Reed at the Edwardsville sanitarium, the 90-year-old-miner thought he would be up perhaps in time this spring to work his garden at Maryville, Ill. But in March when we returned he said complications had set in and he doubted if he would last out the month.

There was silence between us and Dave broke the lull with: "It will be all right for one of you fellows to say something over my grave; but don't put it on too thick."

Dave Reed died on April 4, and on April 7 he was buried at the Collinsville Cemetery under the direction of local No. 3 of the Progressive Mine Workers. Jack Battuello, former Wilsonville miner and Reed's coworker, drew the hard task of making the funeral speech and what a fine speech it was.

There is a pattern that is now clear about miners' speeches and that is that they are part of the world in which millions of other human beings reside, and they feel almost instinctively that the lasting solutions of mankind lie in world solutions. We rise or fall with the human race as a whole. That of course, is a high feeling, and this sentiment flows easily among the miners perhaps because they have suffered so much.

The sketch of Dave Reed's life reveals that he was born in Llewellyn, Pa., on December 21, 1866—the year after Lincoln's assassination. His parents were of Scotch ancestry. At the age of 9 he began work as a breaker boy and labored with coal diggers who as Union soldiers had dug the shaft which set off the blast under Confederate fortifications defending Petersburg. Douglas Freeman later defined the "big hole" which the miners blasted as one of the "secret weapons" of the Civil War.

Dave Reed's life then was to span practically the entire history of the various coalminers' unions: He knew the Molly Maguires, belonged successively to the Association of Miners' the National Miners' Association, the Knights of Labor, helped form the United Mine Workers of America, and joined the Western Federation of Miners when he worked in the Western States.

And when the Progressive Miners were formed in Illinois in 1932 he did not hesitate to lead his Collinsville local into the new union and his local was numbered 3 of the 177 locals that were chartered.

In 1937 the Progressive Miners elected Dave Reed to their highest office—the presidency. Throughout his life Dave Reed stood for what he believed was right and just: "Don't worry about power. Power is only temporary. Think about what is right. Help what is right along and the rest will take care of itself."

He was to practice what he preached. The division between the miners found the United Mine Workers on strike while the Progressives remained at work. This did not fit into what Dave thought was right and he summarily placed his job as president on the block of political controversy for he believed that the miners should reunite on the basis of an entirely changed situation from the conditions which had precipitated the schism.

The prejudices ran deep and a blood line separated the miners and they were to turn Dave Reed down on the question of reunification. Dave left the office without regret.

Dave Reed excelled as a pit committeeman and he could hold his own and defend the men's interests on the basis of what was in the contract. He worked overtime as a local union officer, delegate to conventions, funeral committees, sick committees, relief work, and many other tasks.

He was of the stuff that forges movements, the cement that held the union together, the real power that enabled leaders at the top to bargain for better things for working people.

Dave Reed left this world just about the way he came into it, without possessions, except for the four-room house he left to his wife, Catherine. This season while others will be preoccupied with their gardens, Dave Reed's small plot will be idle and unattended. The mine whistle will blow once to signal that his work is done.

GERRY ALLARD.

SPRINGFIELD, ILL.

THE TRANSIT SITUATION IN THE DISTRICT OF COLUMBIA

Mr. MACDONALD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MACDONALD. Mr. Speaker, the proposal in H. R. 8901 to restore the franchise to the Capital Transit Co. with very substantial and novel concessions is an unfortunate one. It will be remembered that the decision of the Congress to revoke the franchise of the

Capital Transit Co. was made during a strike—a strike which was but one more step in the long history of antipublic attitudes reflected in the Wolfson group's conduct of the business of the Capital Transit Co. That strike, you will recall, was provoked by the company's plain refusal to seek a realistic determination of the issues involved in the then-current labor dispute. In 1954, a Senate subcommittee, composed of Senators PAYNE, BEALL, and MORSE, filed a report on public transportation in the District of Columbia—Senate Report No. 1274, 83d Congress, 2d session. In discussing the proposal of Louis Wolfson in which Wolfson suggested the formation of a Washington Transit Authority, the report of the Senate subcommittee says—page 62:

The general managerial attitude of the Wolfson group toward the problems previously discussed in this section and their public statements clearly indicate that they place their own private financial interests above those of the public in their operation of Capital Transit Co. This attitude has given credibility to the widespread public belief that the Wolfson group is milking the Capital Transit Co. preparatory to dumping the system on the Government. Whether this is the intent of the group the subcommittee cannot, of course, conclusively determine; but there are strong indications that this well may be their ultimate goal.

The subcommittee also stated at page 62:

The Capital Transit Co. follows that course of action which best suits the interests of its controlling group, irrespective of the public interests.

In conclusion, the report states:

Lest this report seem too harsh on Capital Transit Co. and the Wolfson group, the subcommitee state that the facts have been developed and analyzed to the best of their ability with the staff and time available. No illegal actions on the part of Louis E. Wolfson and his asociates were discovered in the operation of the Capital Transit Co. The subcommittee found, however, that the general managerial attitude of the Wolfson group was contrary to the managerial attitude which should be held by the operators of a public transportation company.

When the Wolfson interests obtained control of the Capital Transit Co. in 1949, they obtained a block of 109,458 shares for $2,189,160, or $20 a share. In an article entitled "Profit Taken, Wolfson Ending Transit Venture," which appeared in the Washington Post and Times Herald on July 31, 1955, Edward F. Ryan and S. Oliver Goodman pointed out:

Here's what the Wolfsons have harvested from their original investment of $2.2 million:

Dividends, $3,119,580; $537,600 in Continental Enterprises stock; $1,688,000, market value of CTC shares sold or disbursed. This makes a total of $5,345,180. They still own 28 percent of outstanding CTC stock, with a market value currently of about $2.7 million.

Their original investment of $2.2 million has mushroomed into an estimated $8 million. However, in fairness to the Wolfsons, it must be emphasized that these estimates are gross amounts and that Federal income taxes in their earnings brackets are heavy.

Nor has this been all. For a time the public was burdened with extremely heavy salaries paid to officers of the company. In 1949, B. W.—before Wolfson—Edward D. Merrill served as chairman of the board and president at $36,000 a year; Robert V. Fleming served as chairman of the executive committee at $5,000 and J. B. Heberle served as vice president and comptroller at $19,000, all for a total of $60,000 a year in top salaries. By contrast, in November 1953, Louis Wolfson received $40,000 a year as chairman of the board; J. A. B. Broadwater, $40,000 a year as president and chairman of the executive committee; Doran S. Weinstein as executive vice president, $30,000; and Robert E. Harvey, $21,000 as vice president and comptroller. For that year the top salaries totaled $131,000.

While there have been changes in the top personnel, and Louis Wolfson no longer receives his salary as chairman of the board—although he does receive a substantial expense account—the doubling of the salaries as enumerated above, is indicative of the gains made, salarywise, by the Wolfson interests.

Prior to the coming of the Wolfson management, the company never paid more than $2 a share in dividends in any 1 year. In 1950, the first year after Wolfson came, the dividends were boosted to $3; and in 1951 to $4. In October of 1951, the Wolfson interests declared a 4-to-1 stock split. In 1952, an extra dividend of $10 was paid in addition to a regular dividend of $5.60. In 1953, dividends of $5.80 were paid, and 1954, $5.60—in each case, the dividends are on the basis of the shares before they were split up.

Let us remember also that on July 28, 1955, during the long, hot strike, the company offered to the Congress to surrender its franchise and to operate the property for 1 year until the termination of the franchise would become effective. The offer to give up the franchise undoubtedly gave impetus to the legislation revoking it. The Congress simply took Wolfson at his word. Now it appears that the Capital Transit Co. has changed its mind. Perhaps it senses in the vast concessions obtained in H. R. 8901 an opportunity to squeeze some more juice out of the lemon.

The company has already brought together large sums for distribution to the stockholders. In its most recent annual report, dated Mar. 7, 1956, Messrs. Wolfson and Broadwater stated to the stockholders that the company expected to distribute a substantial first liquidating dividend shortly after August 14, 1956. The report pointed out, page 5:

Estimated cash will amount to $6 million as of August 14, 1956.

The fact is crystal clear that H. R. 8901 does not represent any permanent solution to the transit problem in the District of Columbia. In all probability, the Wolfson management, once it has utilized the concessions made in H. R. 8901 for the primary benefit of the stockholders, will then rediscover their own proposal for a Washington Transit Authority. Let us not create a situation which will further enrich the Capital Transit Co. at the expense of the public and wind up with a public transit authority anyway.

PRESIDENT'S COMMISSION ON VETERANS' PENSIONS

Mr. LONG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LONG. Mr. Speaker, in studying the Bradley report on veterans' pensions, I was somewhat concerned as to whether the statements made before the Veterans' Affairs Committee by General Bradley were agreed to by the President. For the purpose of obtaining this information, I addressed the following letter to the President:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 7, 1956.

The PRESIDENT,
The White House,
Washington, D. C.

MY DEAR MR. PRESIDENT: May I respectfully invite your attention to the following paragraph of your letter to Gen. Omar N. Bradley, chairman of the President's Commission on Veterans' Pensions, which was released by your press secretary, James C. Hagerty, on March 5, 1955.

"The Commission on Veterans' Pensions, of which you are the chairman, has been appointed by me to carry out a comprehensive study of the laws and policies pertaining to pension, compensation, and related remedial benefits for our veterans and their dependents. I would like the Commission, on the basis of its studies, to furnish me with a report, including recommendations regarding fundamental principles, which I can use as the basis for making recommendations to the Congress for modernization of these benefits and clarification of their relationship to broader Government social insurance and family protection programs."

On April 23, 1956, the Commission did submit such a report to you; and on that date General Bradley appeared before the Committee on Veterans' Affairs, of which I am a member, and presented the report with a personal explanation to the committee.

To my knowledge, however, your approval or disapproval of the report has not been made known to the Congress nor to any committee thereof. The purpose of this letter, therefore, is to ask if you have approved the report in whole or in part and when your recommendations, if any, will be officially transmitted to the Congress.

As a member of the Committee on Veterans' Affairs, I am deeply interested in all veterans' legislation and the administration of the veterans programs as enacted by the Congress and your views with respect to the report will be most helpful, I am sure, in helping me to arrive at decisions when legislation is being considered by our committee.

Inasmuch as my committee is meeting on May 8 and 9, I would appreciate it if it would be possible for one of your secretaries to call and give me the information requested.

With best wishes for your continued physical improvement,

Respectfully yours,
GEORGE S. LONG,
Member of Congress.

In compliance with my request of the President for an immediate telephonic response to my letter, the following reply was telephoned to my office by Mr. Bryce Harlow, the President's administrative assistant:

The report of the Bradley Commission has been put under a tight analysis. It will be some time before any conclusions are reached

in regard to this report. All the background reports of the Commission have not yet been completed, and all this must be taken into consideration before the President makes any recommendations on this report.

AMERICAN CITIZENS DEPRIVED OF PROPERTY UNDER ALIEN PROPERTY LAWS

Mr. KILBURN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a statement.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KILBURN. Mr. Speaker, under leave to extend my remarks in the RECORD, I am including the following statement I submitted to the House Committee on Interstate and Foreign Commerce on April 30, 1956, in support of my bill, H. R. 5098, to amend section 32 (a) of the Trading With the Enemy Act.

Immediate favorable action on my bill will rectify a grave injustice in the existing law which discriminates against and deprives American citizens of property to which they are legally and justly entitled.

STATEMENT OF HON. CLARENCE E. KILBURN IN SUPPORT OF H. R. 5098, TO AMEND SECTION 32 (A) OF THE TRADING WITH THE ENEMY ACT

Mr. Chairman, I deeply appreciate the opportunity you have afforded me of submitting this statement in support of the bill H. R. 5098, to amend section 32 (a) of the Trading With the Enemy Act. The purpose of this bill is to correct an inequity resulting from the wording of the present law.

The Trading With the Enemy Act now provides that property vested in the Alien Property Custodian may not be returned if the owner of the property was a German citizen who was present in Germany during the period of the war unless he was deprived of full rights of German citizenship as a consequence of German laws discriminating against political, racial and religious groups. Section 32 of the Trading With the Enemy Act precludes turning over the property by the Alien Property Custodian to American citizens who become the rightful owners of such property under the terms of a will. I know of a particular case where fine patriotic American citizens who are the legatees under the will of a German citizen are being deprived of property which is rightfully theirs in the possession of the Alien Property Custodian.

It seems to me that it could not have been the intent of the Congress to deprive American citizens of property to which they are otherwise legally entitled merely because the former owner was present in Germany during World War II. That does not seem to be a valid criterion of the authority of the Alien Property Custodian to withstand the claims of American citizens. There were of course many individuals in Germany during the war who—while they were not actually persecuted because of their race or religion—nevertheless were not Nazis or supporters of the Nazi regime. However, I am not concerned in the present bill with the problem of returning property to those owners. This bill is intended to authorize the Alien Property Custodian to turn over the property to American citizens who are rightfully entitled thereto. If an American citizen would be otherwise entitled to the property it is manifestly unfair to deprive him of the property merely because the former owner of it was present in Germany during the war.

This bill will clarify section 32 (a) of the Trading With the Enemy Act to the extent that the person otherwise entitled to the propery may receive it from the Alien Property Custodian unless he was present in Germany during the war. This, I believe, is in keeping with the original intent of the Congress and is to my mind certainly more equitable and just than the situation brought about by the present language in the Trading With the Enemy Act.

It is a matter of great importance and the amendment will not interfere in the slightest with the philosophy of the present law.

I earnestly urge prompt and favorable action by your committee on the present bill.

AMENDMENTS TO THE SOCIAL SECURITY ACT LOWERING ELIGIBILITY AGE FOR RETIREMENT

Mr. FINO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FINO. Mr. Speaker, on numerous occasions I have spoken on the floor of this House to urge that we must humanize our social-security system by providing benefits for those workers who are so severely disabled that they are forced to leave their jobs, and to lower the eligibility age for retirement. In every session of Congress since I have been in Washington, I have introduced bills which would accomplish these results. My bills would provide disability benefits at any age, and lower the retirement age for men to age 60 and for women to age 55.

During the last session of the Congress, as you know, the House passed a bill which added these improvements which I have so long advocated, but in a limited form. Under that bill, benefits would be payable to workers who were totally and permanently disabled at or after age 50. And the eligibility age for women would have been lowered from age 65 to age 62.

I voted for that bill. It did not go far enough, in my opinion, but it was a step in the right direction.

These amendments to the Social Security Act are now being considered by the Senate Finance Committee. For many weeks, they have been listening to a long series of witnesses. I have watched these hearings carefully. And, if I may say so, practically everyone has been heard except the people who would be directly affected by this legislation. I refer to the men and women throughout the country who, because of a crippling disease or accident, can no longer support their families. Under existing law, they are told that they must wait until they are 65 years old until they are entitled to social-security benefits.

I refer as well to those older women—many of them widows—who, although they are in dire need, are also told that they must wait until they reach age 65 before they are entitled to payments from our social-security system.

Because I am convinced that the plight of these Americans must be our first consideration, I rise today to speak on their behalf.

The Senate committee has been told by most of the opponents of our Social Security System that such improvements would be too costly to the taxpayers. They have opposed the increase in the contribution rate of ½ percent on wages up to $4,200 by which the House bill would have absorbed the cost of these additional benefits. This sudden concern over the welfare of the American taxpayer shocks me.

Mr. Speaker, I want the record to show that I do not agree with the objection that these important new benefits would be too costly to the taxpayers. I am sure that the American people would be willing to pay this additional contribution if they knew the kind of increased protection they would receive as a result. I am sure that the American worker would willingly pay this relatively small additional amount if he knew that his wife would be entitled to benefits at age 62 instead of age 65, and that his family would be entitled to a regular social security payment in the event that he could no longer work because he was disabled.

The truth of the matter is that millions of workers in the country have already demonstrated their concern with this kind of protection. The Federal employees now pay a percentage of their total salary so that they can acquire protection against disability in this form. So do men and women covered by the railroad retirement system, by plans for employees of State and local governments throughout the country; and by workers in many private plans.

They want this kind of protection because they know that a disabling illness or injury may strike at any time, adding its own treatment costs at a time when wages have ceased. I dare say that there is no more haunting fear on the part of most husbands and fathers than that such an eventuality might occur.

And, I am convinced that, when we are discussing costs, we must always bear in mind the costs to the human spirit when wages stop at a time of crippling illness. The need for social-security benefits at this time is certainly demonstrable. Under our present plan, we pay benefits because of loss of wages caused by retirement. And we pay benefits because of loss of wages caused by the death of the family breadwinner. But we have so far refused to allow the American people to increase their protection—through their own contributions, mind you—so that they will be entitled to benefits when wages stop because they are disabled.

A very weak argument has been offered in opposing the lowering of the retirement age for women from 65 to 62. Such a change, the opponents of social security say, would tend to reduce job opportunities for many older workers and would conflict with the fact that more women are living longer and working longer than ever before. I wonder how many older women have been consulted in reaching this conclusion. How many older women are able to obtain jobs in the first place? What does the record show? In a speech before the

House of Representatives on March 17, 1953, I quoted the statement of Dr. John W. McConnell, which appeared in the report of the New York State Joint Legislative Committee on Problems of the Aging, calling attention to the tragic plight of those wives and widows who, after they have raised their families, suddenly find that they must fend for themselves. In Dr. McConnell's words:

> Nearly 4 million elderly women, previously married, and for the most part supported by their husbands, now are forced to find an independent source of income, and to adjust not only to the problems of old age and inadequate income, but to the problem of widowhood as well.

We must ask ourselves then, first of all, how many of these women are able to find jobs? And we must also ask ourselves how many of those women who do find jobs—usually at the lowest pay scales because of their inexperience—are working not because they want to work longer, but because they must, much to their regret, in order to maintain themselves and to earn their benefits.

By lowering the eligibility age for women from age 65 to age 62, as provided in the House bill, we would be relieving the plight of thousands of older women in our country, and creating job opportunities for younger workers at the same time. We would also recognize the special needs of all retired workers. For in paying a wife's benefit at age 62, we would also recognize that most wives are younger than their husbands. Under the present system, no wife's benefits are payable until the wife reaches age 65. In most families, the single retirement benefit to which the husband would be entitled until his wife reaches age 65 is not enough to maintain the family. It was in recognition of this fact that a wife's benefit was added to the social-security system in 1939. By reducing the age requirement for a wife's benefit, we would make it possible for many men to retire at 65 because the amount of social-security benefits they would receive would be adequate to maintain themselves and their wives. And once again, the labor market would thus be opened to younger men.

Mr. Speaker, I am not impressed with the warnings of our opponents of social security that the enactment of this bill would add 1 million women and disabled workers to the rolls of old-age and survivors insurance system. Have they talked to the hundreds and thousands of women in their 60's or to disabled workers? I believe they have the best answer as to the merits of this legislation.

Does such a position recognize the fact that an unemployed man at 45 finds it difficult to get a job? Does it recognize that modern miracles of production are inevitably shortening the work life of most of us if we are to maintain job opportunities for younger workers?

I find it difficult to understand the logic of the position which maintains that we must protect workers against a small increase in their social-security tax, at the cost of refusing to furnish them with the kind of protection which the House bill would provide. This is one tax which would establish a right to direct benefits to the worker himself and to his family. In this sense, it is an investment which will pay off in the future at a time when earnings cease. In making such payments the workers become, in effect, "stockholders" in the social-security system.

I believe the people of this country are in favor of a plan which would reach down below the arbitrary retirement age of 65 to award benefits to those workers who are forced to retire prematurely from the labor force because of a crippling illness or injury which makes them unable to perform any kind of work. As I said last year, when the House amendments were under consideration:

> For the truth of the matter is that a man who is the victim of an injury or illness which cannot be cured has been forcibly retired from the labor force by a tragedy over which he has no control. Such a crippling illness or injury does not wait until a 65th birthday, but can strike any one of us at any time. According to the best estimates, approximately 2 million Americans are away from their jobs each day because of a disability which has lasted 7 months or more. Most of these workers and their families face a bleak future. For the earnings of the family breadwinner have stopped because he is unable to work at a time when the expenses of the family have greatly increased due to the costs of his medical care. But, under the existing social-security law, he is not entitled to receive a social-security benefit until he reaches his 65th birthday.

I believe that the people of this country want to provide for the retirement of women at age 62, instead of holding to the old-fashioned eligibility age of 65 years which was chosen arbitrarily away back in 1935 and has not been changed since that time.

I am convinced that the people of this country are in favor of the social-security amendments as passed by the House last year because they represent a move in the direction of improving and humanizing our social-security system. As I have said, we must never overlook the costs in terms of family welfare and of the human spirit in failing to enact this type of legislation. Nor must we overlook the subsidiary costs arising from the delay and destitution characteristic of the assistance programs concerned with these problems.

It is certainly unrealistic to assume that every worker is able to work until he reaches the arbitrary age of 65. For example, experience has shown that disability rates tend to increase with the severity of the disablement at approximately age 50. But if a worker aged 50 is forced to quit work because he is unable to work, he is now subject to a double penalty: First, he loses his job and the wages it would bring in at a time when medical expense for the family is increased; and, second, he must wait until he is aged 65 before he is entitled to any benefits.

In providing disability benefits for such workers, and in adjusting the eligibility age for older women, we will be facing up to the economic realities of our time, and adding a measure of security to our social-security system which is in line with those realities. At the same time we will be helping to relieve the consequences of tragedy in millions of American homes.

I hope and trust that the Senate Finance Committee will have the courage to favorably report out this bill as passed by this House. In doing so they will be listening to the plea of millions of Americans as against a few who would tear down the benefits of our social-security system.

FACTS AND FIGURES—A CORRECTION OF DISTORTIONS AND OMISSIONS

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. RIEHLMAN] is recognized for 30 minutes.

Mr. RIEHLMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RIEHLMAN. Mr. Speaker, a few days ago the gentleman from Colorado [Mr. HILL] gave us a thoughtful and penetrating analysis of the past and present operations of the House Small Business Committee.

The gentleman from Colorado, as we are all aware, was the distinguished chairman of the committee in the 83d Congress and is the present ranking minority member of the Small Business Committee.

The gentleman has served on the committee for 10 years and can speak with authority, not only because of his long service, but as a small-business man in his own right.

For my part, I agree with the conclusions of my friend.

I wish to add some thoughts on the subject and to give you additional facts and figures which are accurate and unadorned.

I also desire to show that the problems of small business did not become "problems" when President Eisenhower took office.

The Eisenhower administration inherited most of these problems and has striven to correct them.

We do not believe our friends of the majority have fairly presented what they claim are comparisons on business failures, Government procurement, or on the activities and work of the Small Business Administration.

I hope Members of this House will recall one pertinent fact, namely, that they have received over the years cooperation on every small business problem from Republican members of the committee.

Particularly, I call to the attention of the members of the Small Business Committee the total absence of sharp shooting such as we have witnessed in the 84th Congress.

I say to my friends on the committee: Play all the politics you like, but do not play politics with small business.

Do not play politics with our system of free competition and free enterprise.

To do either is hazardous to our Nation's welfare.

There is no reason for the establishment of a Select Committee on Small

Business except for the avowed purpose of studying existing and future problems of small business and making a constructive effort to solve such problems.

May I say that for years our committee has had the respect of Members of Congress and businessmen throughout the country for its integrity and impartiality.

Such respect was justly deserved, for regardless of political affiliation the members of this committee, for the most part, have insisted on an objective analysis of whatever subject it had under study.

I seriously question whether our work in the 84th Congress thus far will merit this same respect.

In view of the way the committee has operated this past year, no other conclusion can be drawn.

Rather than enlist the full cooperation of all members to study the many areas in which difficulties confront small business, the majority has, with few exceptions, selected doubtful areas for its investigations and has operated almost wholly without consultation with the minority members.

In all fairness, and from my own personal knowledge, there has been an outstanding exception and that is Subcommittee No. 2, whose chairman is the distinguished gentleman from New York [Mr. MULTER].

It has been a pleasure for me to serve as a member of this subcommittee, and I have had the fullest cooperation.

There have been no hearings by Subcommittee No. 2, or plans for investigation, without the fullest consultation on the part of the gentleman from New York and the staff of the subcommittee.

However, the majority of the committee investigations have been almost entirely political.

A studied attempt has been made to incite small business to oppose the constructive efforts of the Eisenhower administration.

I want at this time to set the record straight in a few particulars.

First, I want to talk a few moments about the false issue of "big business" versus "small business."

If a fair analysis is made of the small business situation as it has existed over the years; this false concept is certainly no issue in this or any other campaign.

Of course, our friends will not make such an analysis.

The record of the Truman administration does not invite comparison.

I have made another analysis recently of reports of the House Small Business Committee published during the 81st and 82d Congresses when we had an administration and a Congress controlled by the Democrats.

These reports, Mr. Speaker, were unanimous reports, made after very thorough examinations by the committee under the chairmanship of the present chairman, the gentleman from Texas [Mr. PATMAN].

In these reports we find in the strongest terms committee criticism on the following points—criticism which clearly demonstrates the objectivity of the committee in those trying years of the committee's life.

Here are some examples:

First. The Small Business Committee was much concerned over the failure of Government procurement agencies to award a fair share of Government contracts to small business.

Writing in the fall of 1952, the committee stated—House Report No. 2513, 82d Congress:

> The only conclusion to this examination of the extent of small-business participation in Government procurement is that, with the exception of purchases of civilian supplies by civilian purchasing agencies, small business is receiving less of the military procurement dollar than ever before. The average small-business potential for all the armed services was determined to be 29.9 percent, but only 59.6 percent of this potential was actually awarded to small businesses. This is only 17.6 percent of the total dollar value awarded to all businesses. The small business share of prime contracts has fallen from 24.5 percent of the total dollar value in fiscal 1950, to 17.6 in 1952, a continuing decline since the attack on Korea (pp. 165–168).

The committee in its report—House Report No. 2513, 82d Congress, 2d session—again stated:

> Since small business now receives a very low percentage of military procurement, it is evident that the primary defect is in the attitudes and judgment of the officials responsible for the administration of the small-business policy in the Department of Defense. The present attitude seems to be that small business is already receiving its fair proportion. Such an attitude indicates bad judgment and failure to soundly appraise economic conditions in the Nation's business structure (p. 168).

Second. The Small Business Committee was similarly concerned about the large percentage of Government contracts awarded through the process of negotiation to the detriment of small concerns.

The final report of the 81st Congress—House Report No. 3237, 81st Congress, 2d session—stated:

> Periodic statistical information from the Department of Defense gave clear evidence of the very small share of defense contracts placed with small business. In the period following the Korean conflict the dollar value of defense orders placed with small business diminished at an alarming rate. At the same time, purchases made through advertised bidding declined in value, while purchases made by negotiation mounted correspondingly. Officials of the Munitions Board and the Department of Commerce were quoted in effect as saying that small business should get in touch with large business in order to participate in the defense program. This advice was tantamount to asking small business to "stay away from my door" (p. 20).

Third. Criticism was made of the failure of these same procurement agencies to adopt a more realistic definition of what constitutes a small-business concern despite the fact that the Selective Service Act of 1947 contained such a definition of small business.

In 1949, the committee said—House Report No. 1576, 81st Congress, 1st session:

> Under the Selective Service Act (Public Law 759, 80th Cong.), a concern is classed as "small business" if "(1) its position in the trade or industry of which it is a part is not dominant, (2) the number of its employees does not exceed 500, and (3) it is independently owned and operated." The committee has been informed by all branches of the armed services that their application of this definition is confined to the number of employees for use in classifying a business as large or small. No attempt is made to determine whether or not a business is dominant in its industry (p. 7).

In 1950, the committee stated—House Report No. 3237, 81st Congress, 2d session:

> The present definition of small business utilized by governmental agencies is the result of tortuous thinking during World War II. * * * At present, we have a definition which literally has little meaning in the executive departments and agencies; nevertheless, it is the law of the land. The committee recommends that the present definition of small business be realistically revised in order that all small business may be included in the meaningful definition (pp. 53 and 54).

Fourth. Much has been said recently concerning the position of big business in our economy. Let us see what the Small Business Committee had to say in 1952 about the awarding of a lion's share of Government contracts to a few very large corporations.

I quote from the final report of the committee to the 82d Congress—House Report No. 2513:

> The general pattern of channeling a high percentage of the dollar value of defense contracts to a relatively few large producers, as established in World War II, is being followed today. Sixty-six and two-thirds percent of the prime war-supply contracts were awarded to the 100 largest corporations from 1940 to 1944. More than 51 percent of the total prime contracts went to the top 33 corporations. The records of 252 of the largest corporations, which received the bulk of World War II prime contracts, show that these companies subcontracted only 34 percent of the dollar value of their prime contracts and that three-fourths of the value of the subcontracts went to firms with over 500 workers. From July 1950 through December 1951, the 100 largest companies and corporate groups received 59.9 percent of the dollar value of prime contracts awarded in the continental United States. * * * More than 46 percent of the dollar value of contracts went to the top 33 companies (pp. 137, 138).

Fifth. An extremely penetrating investigation of antitrust law enforcement caused the committee to comment on the complete failure or the Federal Trade Commission to properly enforce our antitrust laws—House Report. No. 3236, 81st Congress, antitrust law enforcement by the Federal Trade Commission and the Antitrust Division of the Department of Justice.

Mr. Speaker, in addition to the foregoing report the comments of our committee on page 5 of the final report to the 81st Congress—House Report No. 3237—and on pages 249, 308, and 310 of the final report of the 82d Congress—House Report No. 2513—concerning the operation of the Federal Trade Commission, are worthy of particular attention.

I wish to reiterate that the Federal Trade Commission was then under the majority control of the Democrats.

As an example, I quote one section of one of the foregoing reports—House Report No. 2513, 82d Congress.

The committee said in this report:

On the other hand, the committee would not be performing its duty to the Congress if it did not point out the continued existence of grave weaknesses in the operation of the Federal Trade Commission. Most ominous of all is the deep gulf that has appeared within the Commission, in respect both to the theory of the law and to the procedures of its enforcement. It is no secret that on almost every major issue, particularly those involving the Robinson-Patman Act, both the members of the Commission and the staff are sharply and sometimes irreconcilably divided. The unfortunate results of this conflict within the Commission are clearly evident. It is partly responsible for the delay in processing cases as it leads to almost endless debate. It tends to result in compromises on matters of principles where no compromise should be tolerated. * * * It leads to vacillation and erratic decisions. It produces a profound confusion among businessmen and the public generally as to the meaning of the law and the policy of the Commission.

In its earlier report, the Committee called attention to certain other weaknesses in the administration of the Federal Trade Commission and Clayton Acts. Among these are the low level of morale among the Commission's staff, the lack of consistent policy in the selection of cases, the lack of a vigorous program of enforcing cease-and-desist orders, the relative ineffectiveness of the trade practice conference program, and the need for more effective relief in price discrimination cases. Events of the past 2 years have not caused the committee to change its earlier conclusions.

The fact is clear that small business is not today receiving adequate protection against those restrictive and oppressive practices which tend to stifle free competition and foster monopoly. In spite of isolated successes, the Federal Trade Commission is not achieving its major goal of eradicating unfair and discriminatory practices. This committee is convinced that the time has come for the Congress to thoroughly review the role of the Commission in our antitrust program to determine whether the administrative process can be made sufficiently effective and if it cannot, to devise an alternative (p. 31).

Sixth. During these Democratic years we find comments of the committee in its reports on the continued trend toward economic concentration and the high rate of corporate mergers; on, seventh, the profits of small corporations as compared to those of large corporations; on, eighth, the continued need by small firms for long-term credit, aggravated by the tax rates of the time; and on, ninth, the inability of small firms to participate to the fullest extent in the rapid tax write-off of defense facilities.

Mr. Speaker, I could go on and on pointing out committee comments on the plight of small business during the 81st and 82d Congresses.

But, I am not going to say that things were terrible then and that there are no problem areas today.

I am going to be fair and say that small business still encounters many of these same difficulties and much work still needs to be done.

The Eisenhower administration has recognized this fact and has made considerable progress in correcting many of the inequities which were prevalent when this administration took office.

Small business, in general, has shared in the economic prosperity of the past few years.

The majority has placed particular emphasis on profits and business failures.

They would have us believe that the position of small business as compared with large business has deteriorated since 1952.

They attempt to show that since 1952, small-business profits have plummeted and the number of business failures has risen sharply.

Frankly, I prefer to use more realistic figures to describe what is happening today.

Of course, I have already quoted portions of committee reports for 1950, 1951, and 1952, which showed that small firms were having a real struggle during those days.

But let us see what the real story is today with regard to small business, because only through a fair analysis can constructive suggestions be made which will be of assistance to these concerns.

BUSINESS FAILURES

First, let us look at business failures.

Too much has been said about business failures without adequate consideration being given to the number of failures which have been characteristic of the business economy.

A fair evaluation can only be made after consideration is given to whether or not we are at war or at peace, at what period of time the study is made, the total number of business concerns in operation at a particular time and other factors.

I wish to state right now that comments on weekly business failures are meaningless, only a year-end evaluation gives the true picture.

Several times in the past 2 months my Democratic friends have expressed extreme concern over the business failure figures as reported weekly by Dun & Bradstreet.

They pointed out, for example, that for the week ending March 1, there were 293 failures reported, and that for the week ending March 15, there were 300 failures.

But have we heard anything about the week ending March 22, or the week ending April 5?

No, and why not?

I shall tell you why.

Because the number of failures for these weeks dropped way down to 208 and 217, respectively.

I point this out only to emphasize that weekly figures are of little significance.

In 1954, Dun & Bradstreet, Inc., reported 11,086 failures.

In 1955, some 10,969 failures occurred.

However, the average number of failures during the 20th century from 1900 to 1955 was 13,612.

Actually, it is more meaningful to consider the rate of business failures because of changes in business population.

In 1955, there were, according to Dun & Bradstreet, 41.6 business failures for every 10,000 firms listed.

In 1954, the rate was 42 for every 10,000.

This is considerably less than the rate for the first 55 years of this century, 1900–1955, which was 72.

I have remarked that in order to properly evaluate year-end statistics on business failures one must look at changes in the number of business concerns in operation.

Actually, in view of difficulties encountered by small firms during the period 1948–53, and considering the remarks of those who are engaged in spreading political propaganda, I do not think they have sufficient faith in our economy or in the rugged individualism of our small-business men.

These political merchants do not offer constructive criticism, but merely attempt to weaken the confidence that the people of our country have in its business.

But let me get back to my comments on business population.

BUSINESS POPULATION

The trend of growth of the business population has been similar to that of the increase in the human population.

However, there have been fewer businesses in relation to the human population during periods of depression and war.

For the period 1929–55, there was one business in operation for every 41 persons.

During World War II the business population declined sharply so that by 1944 there was only one business for every 47 persons.

Immediately after the war, there was a phenomenal increase in the number of businesses.

I am not going to recite all of the figures on business population, but I am including them as a part of my remarks and they will follow at this particular point.

In 1948, there was 1 business for every 37 persons.

In 1952, the ratio was 1 to 38 and in 1955, 1 to 39 persons.

Following the rapid rise in the business population immediately following the war, there has been a slow but steady growth since 1949.

During the first 6 months of 1955, there were 210,200 new businesses started and 165,400 discontinued.

Discontinuances include failures, but the majority of businesses were discontinued for other reasons.

The total business population on June 30, 1955, was 4,225,000.

This was a record number of business firms in operation.

The composition of the business population changes partly because of shifts which occur in the kinds of businesses required to meet the economic needs of the human population.

For example, relatively more contract construction firms are in operation when economic activity is greatest.

The number of such firms increased from 417,700 on December 31, 1952, to 457,100 on June 30, 1955.

In manufacturing there has been a trend for more than two decades toward

fewer firms in relation to the total business population.

A total of 257,000 manufacturing firms in 1929 represented 8.5 percent of the total business population.

However, by 1940, they had declined to 226,000, or 6.9 percent.

In 1944, during the war, the number of manufacturers had increased to 250,000, or 8.6 percent of all businesses.

After the war, the number reached a high of 328,000, but this represented a smaller percentage, only 7.9 percent of the total.

On June 30, 1955, there were 312,500 manufacturers, which represented 7.4 percent of the total number of all businesses.

PROFITS OF SMALL FIRMS

Unfortunately, the current financial position of small business cannot be determined except for manufacturing corporations which comprise about 3 percent of the total number of all business enterprises.

It may be that changes in the financial position of small manufacturing enterprises operated by individuals or partnerships may be similar to that of the small corporations.

However, there are no available statistics for nearly three and three-fourths million small nonmanufacturing enterprises.

As far as small manufacturing corporations are concerned, there was a significant loss in their financial position during the period 1947–52.

Mr. Speaker, here again I shall not read all of these figures, but I assure you that they are included as a part of my remarks at this point.

There was, it is true, an increase in sales of the corporations having total assets under $1 million from $33,883 million to $39,211 million, or 15.7 percent.

But, earnings before taxes declined from $1,885 million to $1,347 million, or 28.5 percent.

Similarly, earnings after taxes declined from $1,096 million to $610 million, or 44.3 percent.

During this same period, 1947–52, sales of the large corporations increased from $144,290 million to $219,758 million, or 52.3 percent.

Earnings before taxes of this group increased from $14,589 million to $18,877 million, or 29.4 percent.

Although earnings after taxes did decrease from $9,136 million to $8,266 million, or 9.5 percent, this decrease was not nearly as much as the 44.3 percent decrease of the smaller corporations.

Exhibit 1 below shows the changes in sales and earnings by size of corporation from 1947–52.

Exhibit 2 shows sales and earnings for 1953 and 1955.

These figures were compiled from "Statistics of Income for 1947–52" published by the United States Treasury Department, and from "Quarterly Financial Reports for Manufacturing Corporations," for first quarter 1953, through the fourth quarter 1955, published by the Federal Trade Commission and Securities and Exchange Commission.

EXHIBIT 1

United States manufacturing corporations—Change in sales and profits by size of corporation

Total assets, classes	1947	1952	Change
Sales:	*Millions*	*Millions*	*Percent*
Under $1 million	$33,883	$39,211	+15.7
$1 million or more	144,290	219,758	+52.3
Earnings before taxes:			
Under $1 million	1,885	1,347	−28.5
$1 million or more	14,589	18,877	+29.4
Earnings after taxes:			
Under $1 million	1,096	610	−44.3
$1 million or more	9,136	8,266	−9.5

EXHIBIT 2

United States manufacturing corporations—Change in sales and profits by size of corporations

Total assets, classes	1953	1955	Change
Sales:	*Millions*	*Millions*	*Percent*
Under $1 million	$36,341	$36,230	−0.3
$1 million or more	229,549	242,165	+5.5
Earnings before taxes:			
Under $1 million	1,360	1,335	−1.8
$1 million or more	23,043	27,225	+18.1
Earnings after taxes:			
Under $1 million	656	681	+3.8
$1 million or more	10,686	14,417	+34.9

Now, what has happened during the Republican administration?

For nearly 2 years there has been an improvement in the financial position of small manufacturing corporations as well as the large.

As shown in exhibit 3, below, earnings before taxes of the small corporations increased 31.8 percent compared with 36.7 percent for the large corporations, but the percentage of increase of earnings after taxes of the smaller corporations was greater, 39.8 percent compared with 34.2 percent.

EXHIBIT 3

United States manufacturing corporations—Change in sales and profits by size of corporations

Total assets, classes	1947	1952	Change
Sales:	*Millions*	*Millions*	*Percent*
Under $1 million	$33,701	$36,230	+7.5
$1 million or more	214,808	242,165	+12.7
Earnings before taxes:			
Under $1 million	1,013	1,335	+31.8
$1 million or more	19,918	27,225	+36.7
Earnings after taxes:			
Under $1 million	487	681	+39.8
$1 million or more	10,745	14,417	+34.2

Mr. Speaker, I readily admit that the level of earnings of small corporations is still far below peaks achieved during expanded production of the Korean emergency.

I do insist, however, that the decline in earnings experienced since that time was arrested in mid-1954 and that earnings are now definitely on the upswing.

I, too, am concerned over the relative difference in earnings between small and large corporations and the fact that many small firms have not shared in our current prosperity to the maximum extent that is desirable.

This was as much of a problem before this administration came into office as it is now.

In any evaluation we must give consideration to variances in technology, industry patterns, tax rates, and tax amortization for defense purposes, cyclical fluctuations in small-business earnings and many other factors which help determine this divergence in rate of profits.

We must always do all we can to assure the small concern of its rightful place in our economic society.

GOVERNMENT PROCUREMENT FOR SMALL BUSINESS

There have been many complaints over the years concerning the share of military prime contracts awarded to the small-business concerns of this Nation.

I agree that more can be done to assure small business a greater share of the procurement dollar.

However, this is another problem inherited by the Eisenhower administration and one it has worked on incessantly.

Let us see what has happened over these years to small business procurement.

In the fiscal year 1944, the small-business share of military prime contracts in terms of dollar value of contract awards was 17.4 percent; in 1945, it rose to 23.3 percent, and after VE-Day with tremendous cancellations in the large prime contracts, it rose to over 30 percent.

However, in fiscal 1949, the small business share had fallen to 27.2 percent, and in fiscal 1950 to 24.5 percent.

In fiscal 1951, it was 20.9 percent; 1952, 17.1 percent, and in fiscal 1953, it fell even further to 16.2 percent.

Since then the small-business share has risen to 25.1 percent in 1954 and to 21.8 percent in 1955.

Thus, for the three most recent fiscal years under a Democrat administration we find an average of 18 percent of the total procurement dollar going to small business.

For the fiscal years 1954 and 1955, under a Republican administration, small business received an average of almost 24 percent.

Mr. Speaker, despite all the statements to the contrary, no one can say with absolute certainty what constitutes a "fair share," percentagewise for small business.

That depends upon what is being purchased, whether we are at war or engaged in peacetime activities, and other factors.

What we have to do is continually try to increase the dollar value of Government purchases going to small firms and to ease the administrative difficulties which confront these firms in their contracts with the Federal Government.

May I remark here, parenthetically, that attempts have been made to relate what small firms should receive in Government contracts to the amount of goods they contribute to the economy as a whole.

For example, the 1951 Annual Survey of Manufacturers showed that small manufacturers with under 500 employees, on an enterprise basis, accounted for 35 percent of all value added by manufacturing.

It has been assumed, therefore, that 35 percent constitutes a fair share of

Government procurement for small business.

Such an assumption is fallacious, however, since the bulk of manufactured or processed goods is designed for civilian consumption and does not necessarily consist of items or merchandise purchased by the Government.

This is particularly true when we take into consideration the type of items purchased by the military which constitute over 90 percent of all Federal Government procurement.

While I agree that too much of military procurement is achieved through the negotiated procedure, let us share the responsibility for this situation.

The First War Powers Act of December 1941 empowered the President to diverge from the customary system of advertised procurement.

The Armed Services Procurement Act of 1947 also contained the authority to permit procurement by negotiation.

Section 2 (c) 1 has been the authority under which most negotiation has taken place since December 18, 1950, following a declaration of a national emergency by President Truman on December 16, 1950.

While the House of Representatives has attempted to amend the Armed Services Procurement Act of 1947 by eliminating a portion of section 2 (c) 1, it is agreed that the actual authority for the negotiation process will not be diminished.

Let us look at the dollar volume of negotiated procurement over the past few years and compare what happened under the Truman administration with what has happened under the Eisenhower administration.

In fiscal year 1951, the percentage of contracts awarded by negotiated procurement was 87.9 percent for work done in the United States.

In fiscal year 1952, 89.1 percent; in fiscal 1953, the same.

In 1954, it declined to 84.5 percent, and in fiscal 1955, to 83.8 percent.

Again I state, I am against so much negotiated procurement and would like very much to see it reduced.

The following table, which I will not read at this time, affords a comparison of advertised and negotiated contracts for the period July 1950 through June 1955:

Military prime contracts with business firms for work in the United States by percentage of total dollar value of contract awards, July 1950–1955

	Fiscal year				
	1951	1952	1953	1954	1955
Advertised	12.1	10.9	10.9	15.5	16.2
Negotiated	87.9	89.1	89.1	84.5	83.8

Source: Office of Assistant Secretary of Defense (Supply and Logistics).

There is no question of the need for greater percentages of military procurement to be purchased through the advertised-bid method but we do insist that negotiated contract procurement has been reduced during the past 3 years.

I am speaking of the total dollar value of military procurement and not selected categories which contain figures which would be favorable ones.

We cannot fairly select our figures by categories, we can only be fair when we include all figures in our computations.

In future discussions of this problem, Mr. Speaker, let us all recognize the facts and attack the problem with open minds.

I reiterate that many of the statements made during this Congress by our distinguished chairman concerning Government procurement have not realistically portrayed negotiated contract problems.

Moreover, no adequate answer has been given as to what actually constitutes a fair share of the total dollar value of military procurement which should be awarded to small business.

I do not say there is an answer, at least a precise answer, to the question of what constitutes a fair share.

But, I do say that the Small Business Committee of the House, and all others interested in the problem, should constantly strive to increase the number and value of contracts to small business.

We in the minority are now, and always have been, concerned with improving the position of small businesses in their effort to secure Government contracts.

We Republicans are aware of the difficulties which confront small firms not only in their dealings with the Government, but in maintaining their position in the civilian market.

I make the assertion, and I do not believe it can be successfully contradicted, that President Eisenhower not only is devoted to the interest of our total economy but, in particular, to the interests of small business.

The statement of President Eisenhower in his state of the Union message in January 1956, has formed the basis of this administration's entire approach to the small-business problem.

This statement will bear repeating.

The President said:

An integral part of our efforts to foster a strong and expanding free economy is keeping open the door of opportunity to new and small enterprises, checking monopoly, and preserving a competitive environment. In this past year the steady improvement in the economic health of small business has reinforced the vitality of our competitive economy. We shall continue to help small business concerns to obtain access to adequate financing and to competent counsel on management, product and marketing problems.

Through measures already taken, opportunities for small business participation in Government procurement programs, including military procurement, are greatly improved. The effectiveness of these measures will become increasingly apparent. We shall continue to make certain that small business has a fair opportunity to compete and has an economic environment in which it may prosper.

The economic history of this country has been based on the concept of personal initiative.

Otherwise we could not claim that we are a free enterprise Nation.

It is proper that the Federal Government should supplement and promote our business economy and make certain that the rules of the business game are applied equally to all concerned.

The Small Business Act of 1953 is designed along these lines.

THE SMALL BUSINESS ADMINISTRATION

Let us look at what has been accomplished by the Small Business Administration under the several programs authorized by this act.

May I preface my discussion of SBA by commenting that during this 84th Congress the activities of the Small Business Administration have been examined by the Subcommittee on the Small Business Administration and Problems Related to Procurement, Loans, and Disposal, of the House Small Business Committee.

This subcommittee held hearings early in the 1st session of this Congress and issued a report containing a fair and impartial analysis of this agency's operations.

However, supplemental views by a majority member of the subcommittee prevented a unanimous report.

Since that time the chairman of the full committee has criticized the SBA on several occasions.

As far as the minority is concerned the views presented by the chairman were his own views.

The minority of the Small Business Committee has completely disagreed with his statements.

I wish, therefore, to show what kind of a job has been done by SBA and to show how distortion of the facts has been used in an attempt to prove that this administration has failed to assist the small-business man or has given preference to big business.

In order to present these facts it would be necessary for me to quote a great many statistics.

However, time does not permit and I shall, therefore, include them as a part of my remarks on the Small Business Administration.

I hope the Members of this House will review the subject matter which I am including at this point on financial assistance and the manner in which loan applications are handled.

This includes, first, processing of applications; second, workload; third, approvals; fourth, withdrawals; fifth, declines; sixth, cancellations; and, seventh, disbursements.

FINANCIAL ASSISTANCE

The Small Business Administration had, as of March 31, 1956, approved 6,814 business and disaster loans for a total of $182,455,000. Of this number there were 2,789 business loans approved for a total of $135,221,000 and 4,025 disaster loans approved for $47,234,000.

This, I sincerely believe, is a good record.

The Small Business Administration's lending program is designed to supplement the lending of private financial institutions and not take their place as some of our friends in the opposite party seem to think should be done.

That is why we insisted in the writing of the act that SBA loans would only be made when a small firm could not secure financial assistance from his local bank or from some other source.

Congress also prescribed that loans would not be made which were not of sound value or where there was not a good chance of repayment.

In other words, the Federal Government is to be of assistance when the local bank is limited in the amount of money it can lend to one company, when certain lines of credit are filled, when the maturity requested is too long, or when a businessman is unable to secure credit for other reasons.

There is a legitimate need for SBA loans to fill the credit gap left by private financial institutions.

Despite all their talk, I seriously doubt if my majority colleagues wish to sponsor a subsidy program.

But, they have belittled the fine work done by the SBA and the genuine effort made to provide financial assistance to small firms.

First they said that SBA loans have amounted to less than one-half of 1 percent of the expansion in business debt during the years 1953 and 1954.

Mr. Speaker, this is true, but just so we will not lose our perspective, let me state that the small loans made by the RFC also amounted to only a fraction of 1 percent of commercial bank loans during any particular year.

As a matter of fact, the loans approved by either agency are relatively insignificant when compared to the loans made by the private financial institutions of our country.

Just remember that preliminary figures for the end of December 1955 showed that commercial banks had over $82 billion in loans outstanding.

Certainly, it would not speak well for our economy if the lending of any Federal Government agency were to assume significant proportions.

And, in this respect, I want to say that the SBA has done a good job.

Any firm which has been unable to get private financing but which can offer collateral and show that there is a good chance of repayment, as is required by law, can get a loan.

Because I know this to be a fact, I have resented the recent attempts of the Democrats to show that thousands of applications have been received by SBA, while only a few manage to get through.

Actually, these statements are absurd.

Let me quote a portion of the remarks made by the gentleman from Texas [Mr. PATMAN].

I quote from the CONGRESSIONAL RECORD dated January 18, 1956:

> Let me refer to loan inquiries and applications accepted. According to the last report we have, they were receiving 11,000 inquiries per month. The SBA has been in business since August 1953; therefore, this is the 30th month of their existence. That would be about 310,000 of applications for aid received from small business fellows all over the Nation. * * *
>
> After 2½ years of operation, through December 31, 1955, the SBA has allowed 7,010 formal applications to be filed. A number of these were subsequently withdrawn either on the initiative of the applicant or SBA, leaving a total of 6,013.

I call to the gentleman's attention these facts concerning SBA inquiries.

Initially, when the Agency first began its operations, it was considered advisable to have field offices record every inquiry of any nature, as an indication of interest in the lending program and as a rough measure of the workload in each office.

Many of these inquiries were no more than requests for information as to the nature of the program, filing procedure, individual company eligibility, and to obtain application forms.

These inquiries were predominantly by letter or telephone and usually involved no discussion of the small business concerns' financial problems or the prospects for their meeting credit requirements to obtain a loan from SBA.

Of the personal calls made to the field offices, many were individuals who had just learned of a new Government lending agency and who had no reasonable basis for obtaining a loan.

Some had previously been refused similar credit from other Government lending agencies and some had ideas or inventions of questionable value they wished to promote.

Still others were interested in having the Government finance their venture into a business without private investment or their demonstrated ability to operate a business successfully.

The rate of such inquiries has now declined and with a more realistic definition of the type of inquiries which should be recorded, an average of 3,270 inquiries per month were received during the 6 months period ending December 31, 1955.

This redefinition of inquiries was for the purpose of eliminating the recording of requests for application forms, descriptive literature, and other such contracts not generally associated with a review of an individual business' financial needs.

On this revised basis of recording inquiries, approximately 10 percent of the inquiries received results in the filing of loan applications.

This was approximately the same experience of the RFC.

The fact that only 10 percent of those making inquiry concerning the lending program actually file applications does not mean that the other 90 percent are not given an opportunity to file.

It is the policy of the SBA not to refuse an application from any applicant, if he wishes his application to be considered.

However, it would be a disservice to a small business concern and would increase the operating cost of this agency to encourage a prospective applicant to incur the expense of preparing and filing an application when it is obvious that there exists no basis for approval of a sound loan.

Let me repeat, one-half of the inquiries referred to by the gentleman from Texas [Mr. PATMAN] were by telephone or letter and did not represent a specific, prepared request for financial assistance.

Many of the remaining inquiries resulted in invaluable financial counseling rather than in the actual filing of an application.

PROCESSING OF APPLICATIONS

When an application is received, it is carefully considered, and every effort is made to work out a loan.

During the 6 months of the present fiscal year through December 31, 50 percent of the actions taken have been loan approvals.

The Small Business Administration has been working steadily to reduce its processing time, and now requires processing of applications within 21 calendar days.

A continuing check has been maintained with respect to this requirement and at the present time approximately 90 percent of all applications are being processed within the 21-calendar-day limit.

The delay in practically all cases exceeding the 21 days is due to the failure of the applicant to promptly furnish requested information.

Applications are only returned to an applicant when essential information is lacking or when the application is not signed.

The SBA has no requirement that applicants employ a certified public accountant or other professional assistance.

In fact, the Small Business Administration in each of its regional and branch offices as well as in the Washington office, has financial assistants who readily and willingly assist prospective loan applicants to fill out the necessary forms.

This assistance to applicants for loans is not a gesture on occasion, but it is an integral part of the policy of the Small Business Administration.

An applicant in working with SBA financial personnel often finds that an analysis of his position is such that a private loan could readily be obtained or that certain adjustments might, in fact, disclose factors which demonstrate that no loan is needed at all.

It is a part of the Small Business Administration counseling service to advise prospective borrowers when such advice is acceptable as well as to assist them in other ways.

No attempt is made by SBA personnel to advise and counsel a prospective loan applicant unless the applicant indicates his desire and willingness to have such advice and counsel.

The amount of information needed in each application varies and voluminous information is not required even in the most complicated cases.

At the time an application is being processed, SBA financial specialists review with the applicant the amount of the loan required, maturity, terms and conditions, and so forth.

In very few cases has SBA reduced the amount of the loan or the maturity requested or required additional collateral, and in every instance such changes were made in order that the loan could be approved on a sound basis.

WORKLOAD

The workload of the Financial Assistance Division of the Agency is determined to a great extent by the number of applications received and processed.

May I discuss this for a minute.

We are always hearing about how much the RFC did—let us therefore com-

pare the effort devoted by the two Agencies to business lending programs.

Admittedly, the programs are not entirely similar nor is it possible to precisely determine personnel figures for RFC at this late date.

This comparison was made last year, however, I think it bears repetition.

RFC had approximately 1,800 people working on its loan program.

During the fiscal year of 1955, the SBA had about 385 people connected with its financial-assistance program.

The average SBA loan is processed from filing date to final action in less than 21 days.

This compares to the 30–60 days processing time RFC considered reasonable after 20 years of experience.

Certainly, we can say with emphasis that on this basis the personnel of SBA are doing a good job.

APPROVALS

The SBA has approved 2,789 business loans for a little over $135 million.

Some 1,182 of these are on a deferred participation basis, while another 688 have been made on an immediate participation basis.

There were 919 approvals for direct loans.

This means then, that approximately 65 percent of the loans are made in cooperation with banks or other private financial institutions.

I do not believe it was the intent of Congress that the same firms should come again and again to a Government lending agency for loans with which to finance their operations, as was true with the RFC.

Government loans are designed to fill the credit gap so that small firms may get on a sound operating basis and establish a line of credit with the local bank.

As long as local financial institutions are willing to participate, this method should be utilized.

In fact, the Small Business Act of 1953 states that SBA must attempt to secure bank participation before making a direct loan where all the money would be advanced by the Agency.

Let us look at other things which might happen to a business loan application and which were referred to rather disparagingly by our chairman on January 18, of this year.

WITHDRAWALS

After an application is filed, it may be withdrawn from further consideration before reaching the approval stage.

As of March 31, 1956, there were 1,212 withdrawals.

This step may be taken for many reasons—an applicant may not supply necessary information either because he will not bother or because he has inadequate records—an applicant may find that he can get financing from another source—or he changes his plans—or for other reasons he may withdraw his application.

DECLINES

I wish only to say this about declined applications, of which there were 3,792.

This is not something SBA likes to do.

But, SBA is guided by certain criteria in the act.

We should always keep these criteria in mind: First, credit is not available on reasonable terms from other sources; and, second, all loans must be of such sound value and so secured as reasonably to assure repayment.

Admittedly, credit experts will even differ among themselves as to what kind of a loan would meet these criteria—it is strictly a matter of credit judgment.

I doubt if anyone could find many loans declined by the SBA which should have been made.

We are not credit experts, therefore we should not impose our thinking upon those in the Agency who must pass on these loans.

The Reconstruction Finance Corporation got into a lot of trouble because of that very thing.

CANCELLATIONS

Of the 2,789 business loans approved, 511 were canceled subsequent to approval.

Believe me, to cancel a loan is not a devious proceeding to be talked of in hushed tones.

There are some very good reasons why a loan is canceled.

The applicant may cancel a loan because his operations have improved, thereby making an SBA loan unnecessary—he may secure financing from a bank after SBA has shown it to be a desirable loan—sometimes the applicant will choose not to meet the credit conditions considered by the Agency to be necessary—or an adverse change may have set in so that SBA cannot make the loan and still be assured of repayment.

Let me assure you that SBA does not impose terms and conditions which are not considered absolutely necessary to making a loan to meet the criteria established by Congress.

The experience of SBA with regard to withdrawals and cancellations is very similar to that of RFC, with regard to both number of such actions and reasons given for withdrawals or cancellations.

It is not unusual for any lender—public or private—to require a loan applicant to guarantee a loan, to limit his salary or to require collateral.

If we have a proper understanding of business financing, we know that such things are frequently considered necessary for the good of the loan and the good of the business.

I am sure that some of our friends are not serious when they suggest that we have no collateral requirements and no assurance of repayment of the taxpayers' dollar.

DISBURSEMENTS

Much was said on January 18, 1956, concerning disbursement of SBA loans.

It was stated, for example, that disbursement is delayed long after terms and conditions of a loan authorization are met.

This, Mr. Speaker, simply is not correct and gives a completely erroneous picture of what actually happens.

Let us look at the disbursement figures as of March 31, 1956.

Of the 2,278 business loan approvals, after cancellation, totaling $109,726,000—1,743 have been disbursed for a total of $82,015,000.

This is the rate of 76.5 percent, or in round figures, 77 percent.

I am sure that comment will be made by some of our friends of the majority that only 979 loans had been disbursed for a total of $38,275,000, since that is the number of disbursed loans representing direct Agency loans and immediate participation loans.

The gentleman from Texas [Mr. PATMAN] has always disregarded the deferred participation loans where the local bank disburses the money but where the Agency is committed to purchase a major portion of the loan at some future date.

As of March 31, there were some 764 deferred participation loans totaling $39,245,000 which had also been disbursed.

May I say that without the SBA lending program and its agreement to purchase a share of these loans, they would never have been made.

This money has been disbursed and only as a result of the SBA program.

May I state that in addition to almost $82 million in business loans disbursed, the SBA has disbursed some 2,956 disaster loans for a total of $29,533,000 which is 81 percent of disaster loans approved.

Disbursement will, of course, be held up until an applicant completes the necessary papers such as the clearing of titles, execution of liens or mortgage agreements.

When the applicant has completed such paper work, he may ask for his check and receive it.

However, and this is most important, he does not always ask for his money right away.

Many loans are for the purchase of machinery and equipment at a later date, or a loan may be for construction purposes.

In either case the applicant does not take his money until he actually needs it—why should he pay interest on a loan until that time?

For these reasons SBA has established a limit of 4 months from date of approval by which time an applicant must accept his loan or furnish reasons why it should be further delayed.

On many loans the bank is responsible for disbursement.

Even here the Agency is continually reviewing disbursement procedure in an effort to place loan funds in the hands of applicants at the earliest possible date.

Perhaps the most significant illustration I could give you as to how active the SBA financial assistance program has been, is that almost a month ago the SBA exhausted the loanable funds appropriated to it by Congress.

Since the second week in April the SBA has been unable to approve anything other than disaster loans until such time as additional funds have been approved by Congress.

Their request is included in the second supplemental appropriation bill for fiscal 1956 and is now in conference.

On this point, I include a letter dated May 4 from the Administrator, Mr. Wendell Barnes, of the Small Business

Administration, to the Honorable WILLIAM S. HILL, ranking minority member of the House Small Business Committee.

The letter follows:

SMALL BUSINESS ADMINISTRATION,
Washington, D. C., May 4, 1956.

The Honorable WILLIAM S. HILL,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN HILL: I have noted recently that some critics have been making inaccurate statements to the effect that this agency has made only 395 direct business loans. Actually, the correct figure is 919 direct loans. This type of statement also ignores the fact that two-thirds of the 2,789 business loans made to March 31, 1956, have been bank participation loans. These are preferred to direct loans for the following reasons:

1. Because the Congress in the Small Business Act of 1953, as amended, required that the Small Business Administration insist that a borrower try to get a bank participation loan before a direct loan is considered;

2. Because participation loans keep expenditures low and thereby require less money to be appropriated and withdrawn from the Treasury, thus helping to balance the budget;

3. Because paticipation loans require fewer Government employees since much of the processing and servicing work is done by banks; and

4. Because such loans are of more assistance to businessmen since the repayment record helps establish a private line of credit with the bank for future use in a way that a direct Government loan does not.

We have approved over 63 percent of the regular business loan applications filed in March, and about 80 percent of the limited loan participation plan applications have been approved since this latter plan was established January 1, 1956, to assist very small firms such as retail and service businesses.

In addition to the business loan programs mentioned, the agency has made over 4,000 disaster loans during the past 2½ years, most of them direct loans.

The critics are best answered by the House Appropriations Committee report, dated April 27, 1956, page 11, which states as follows:

"The committee was impressed with the testimony presented by officials of this agency this year. It feels that they have done a good job in meeting loan needs during the past year, particularly in disaster areas. Accordingly, it is recommending the full budget estimates for the coming fiscal year."

Cordial regards.

Sincerely yours,

WENDELL B. BARNES,
Administrator.

PROCUREMENT AND TECHNICAL ASSISTANCE

Mr. Speaker, I also wish to make a few comments on the Small Business Administration's procurement and technical assistance programs.

While Members of Congress pay more attention to the financial programs, much valuable service has been rendered in the fields of military and civilian procurement by the Government and in providing technical assistance to small-business men.

Of particular importance to small firms has been the progress made, as required by the Small Business Act, in the joint set-aside program as established by the Small Business Administration and the Department of Defense.

Under this program all, or stated portions, of particular procurements are set aside for exclusive award to small business.

The SBA proposal to set aside a specific procurement must, of course, be concurred in by the procuring office.

That is required by the act.

This program of set asides has done much to assist small firms in their attempt to secure a fair share of Government purchases. Since the inception of the Agency through March 1956, some $914.7 million in set asides have been agreed to by the military.

These efforts, true enough, are belittled on the floor of this House occasionally.

It has been stated that these contracts are only a small portion of total military purchases.

While this is true, it is for valid reasons.

First, the SBA has been appropriated funds for personnel to cover only 36 of the major procurement installations.

These installations are considered to be ones where small firms need the most assistance.

The SBA has been able to assign only 18 procurement specialists to these offices, which means a division of time and effort in covering the 36 installations.

There are over 190 military procurement offices having a purchasing authority of over $5,000, which should be covered by SBA.

Although the Agency requested appropriations for the year ending June 30, 1956, to provide adequate coverage to the most important purchasing offices, this request was not granted by the Congress.

Secondly, until very recently not all military procurements were subject to set-aside for small business.

In the past, SBA has been excluded from screening emergency and classified procurements as well as certain proprietary items and large complicated machines and weapons.

Thirdly, many purchases in particular areas were not screened since small business normally received the largest percentage of such purchases.

I do not believe that this program was intended by Congress to cover every area in which small business might receive contracts.

It was rather intended to assure small business an opportunity to compete where difficulty had been encountered in the past.

In order to make certain that small business would have every possible opportunity, a new agreement has been made by the SBA and Pentagon officials which will extend the area of joint determination agreements.

Under the revised set-aside agreement with the Department of Defense, there is a mandatory base for screening procurements of $10,000 and over.

In addition, there will be screening of lesser amounts when considered practical.

The new agreement permits screening of all procurements without exception and, therefore, will include emergency, research and development and classified procurements.

The certificate of competency program and many other areas contemplated in the Small Business Act have also been strengthened by the revised agreement.

Such cooperation between the Department of Defense and the Small Business Administration is most important since the Small Business Act of 1953, as amended, provides a method for cooperation rather than positive authority on the part of SBA to institute set-asides on its own motion.

I wish to reiterate that this program of assuring small-business competition on particular procurements was not intended by Congress to replace or to encompass all areas in which contract awards are made to small firms.

Any attempt to relate the awards made to small business under the joint set-aside program to either total dollar value or to the total number of awards made to small-business concerns, indicates a complete lack of understanding as to what this program was intended to accomplish.

The SBA is not, nor should it be, trying to make a good showing on paper by spending time and money in those areas in which small firms consistently receive a high percentage of contract awards.

The Small Business Administration also has recently entered into agreements with the Veterans' Administration, the General Services Administration, and the Department of Agriculture.

These agreements which will permit set-asides of civilian type products are again intended to assure small firms every opportunity to participate in contracts for particular items purchased by these Agencies.

I wish to emphasize most strongly that the majority has, in its criticism of SBA, completely ignored the valuable assistance rendered by this Agency through referral to small-business concerns of prime and subcontracting opportunities.

Too, the Agency has done much to assist small firms to get on bidders' lists, to secure specifications and drawings and in recommending additional small business sources to procurement offices.

Frankly, it is statistically impossible to measure and report actual results in dollars and cents for many of SBA's programs to assist small business.

The SBA has reported that since its establishment procurements amounting to over $914 million have been restricted to small business by its joint set-aside program.

However, this is certainly an inadequate measure of the value to small business of having SBA representatives in procurement centers as the spokesman for small business.

These representatives help offset the tremendous advantage enjoyed by large firms who have representatives devoting their full time to learning of bid opportunities.

Set-aside figures are also no accurate indication of the tremendous aid given to small firms by these SBA representatives who are there to insist that qualified small firms be given the opportunity to participate in negotiated contract procurements.

Most small firms would not even know that such procurements were to be made,

let alone be given the opportunity to negotiate, were it not for SBA's procurement specialists.

SBA can demonstrate that since July 1, 1954, it has had more than 43,000 cases of counseling small firms on selling to the Government, that more than 200,000 notifications of suitable procurement opportunities have been sent to small-business firms, that approximately $425 million was awarded to firms as the result of these notifications—a figure considered to be greatly understated, that 6,700 small firms have been furnished for bidders' lists on which small-business competition was inadequate.

I consider the SBA procurement program to be one of its most valuable aids to the welfare of small business.

PRIME CONTRACTS

Much time was devoted on January 18, 1956, by the gentleman from Texas [Mr. PATMAN] on the failure of SBA to utilize its authority to take prime contracts.

It is quite true that this authority has not been used and the Administrator of SBA has testified to this fact at various committee meetings.

While such authority is written into the act, I believe that for many reasons the prime-contract authority should be used very sparingly and preferably only in the time of great emergency.

SBA's efforts can be concentrated on its other procurement programs with more beneficial results to small business.

On at least two occasions the Small Business Committee of the House has unanimously expressed the same viewpoint.

In each of these instances the committee was controlled by the party now in the majority.

I quote below from two reports which, as I stated, were unanimous reports and with which I still agree.

I was a member of the committee at the time the reports were issued.

May I say also, the minority had full access to all information and facts on which these reports were based.

We were not excluded from committee activities at that time.

The quotation follows:

First. Final report, 81st Congress, House Report No. 3237, 2d session, page 31:

> Actually, the Smaller War Plants Corporation took over very few contracts, but the power was there to do so if necessary, and was in effect, notice to the procuring agencies to award small business a fair proportion of the prime contracts. It is an effective provision by which the end result can be obtained without its being utilized to any appreciable extent.

Discussion of Small Defense Plants bill.

Second. Progress report, 1st session, House Report No. 1228, 82d Congress, page 55:

> If all else fails, the Administration (referring to SDPA) may act as a prime contractor itself * * * It is not expected that this power will be used extensively. It should, in fact, be employed only as a last resort.

The SWPC and SDPA were wartime agencies.

The Smaller War Plants Corporation took only 12 contracts during its existence valued at $35 million.

Over half of these contracts were for furniture, which was a distressed industry because of the wartime limitation orders in effect on their civilian business.

The SDPA never used this authority but instead in several cases took over contracts which had been previously awarded by the military establishment on the basis of an SDPA certificate of competency.

This was not the type of operation contemplated by the drafters of SDPA legislation.

But through its certifying authority, SDPA thereby became responsible for meeting the requirements of the prime contract.

SDPA then executed a subcontract for the production of the materials required under its prime contract with the small concern which had held the original contract.

In utilizing the prime contract authority the SDPA gross loss was about $142,000 of the taxpayers' money as the result of the failure of four subcontractors to perform their agreements with SDPA and the subsequent insolvency of these companies.

The net loss to SDPA, exclusive of the administrative costs of the program, was approximately $109,000.

The actual taking of prime contracts would require an extremely large staff of engineers, accountants, and financial experts.

Finally, may I say to my friends in the majority that there is already in existence provision for diversion of contracts to distressed labor areas.

I am referring to DMP 4 set-asides where contracts may be awarded to firms in distressed areas.

Military supply contracts set aside for surplus labor areas and industries were much higher in fiscal 1955 than a year earlier.

The increase was to $1,466 million from $557 million.

Mr. Speaker, the facts and figures which I have presented here will bear the closest scrutiny.

In fact, it is my earnest hope that every Member of this House, having any interest in small business, will read this brief record of the facts on business failures, Government procurement, and the general operation of the Small Business Administration.

As a matter of fact, there are some aspects of the small-business problem that I would like to deal with more extensively at an opportune time.

In these remarks I have not attempted to berate, belabor, or belittle any of the good work accomplished in the past by our committee.

Finally, I have not intended to be unduly critical of some of the statements which have been made, but what I have endeavored to do is to correct the record by supplying facts and figures.

If setting the record straight may be construed as criticism by some of my friends in the majority, I trust they will consider the criticism objective and in the future will enlighten the Members of this House and not present us with a misleading and distorted picture of the health and welfare of small business under the Eisenhower administration.

THE CONCENTRATION OF 95 PERCENT OF FEDERAL RESEARCH FUNDS IN A FEW BIG FIRMS HINDERS DEFENSE AND UNDERMINES FREE ENTERPRISE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New Jersey [Mr. THOMPSON] is recognized for 60 minutes.

Mr. THOMPSON of New Jersey. Mr. Speaker, it has become commonplace to say that we are living in an age of transition and in a period of mortal peril. As a matter of fact such sentiments have been echoed throughout history. Nonetheless, in two aspects our civilization is truly unique. In the first place, we are living in an age of unprecedented technological advancement. We have barely entered the age of atomic energy. The significance of the term "automation" is still unfamiliar to most of us, even when we are aware that it foreshadows tremendous changes in production techniques throughout our economy. Everywhere the frontiers of scientific knowledge are being pushed back and new discoveries are being made, not only by individual inventors and scientists, but even more by organized industrial, governmental, and educational research laboratories and institutions. The fruits of this research are being put to commercial use for the benefit of the people.

It is unique in a second way, however. This is an era in which the two most powerful nations of the world are in fundamental opposition in their political and economic philosophy, and as a result are engaged in a competitive struggle in many fields, not the least of which is in technology. This competitive struggle is all the more awesome and crucial in view of the tremendous nuclear forces which each has in its power to unleash.

In this framework, it follows that our Nation has two profound responsibilities.

First, it must advance its scientific and industrial research as rapidly as possible.

Second, we must demonstrate to the world that our economic and political system, with its emphasis on individual liberty and responsibility, can advance not only the prosperity of our people but the security of our Nation to such an extent that we will have nothing to fear from whatever schemes and plans a Communist dictatorship in Russia may devise.

We have already done a great deal to step up the pace of scientific and industrial research—both basic and applied—in this country. During the past 5 years the United States has spent $22 billion on such research, nearly half of the total amount spent in such pursuits since 1860.

We cannot, of course, be complacent about this growth in research. Nor are we. There has within recent months been unprecedented publicity about the present and impending shortage of scientists and engineers. The fact that Russia is now graduating two and a half

times as many engineers as we are has been widely broadcast. Every conference of scientists and educators points to the need for more and better trained young people to perform the highly complex tasks implicit in modern technology.

There is of course criticism not only as to the inadequacies of the amount of research currently being undertaken, but of the nature and quality of that research as well. A recent survey of American research, published in Fortune, indicates that there is a serious deficiency in the amount of basic fundamental research, as compared to applied research. To quote from this article:

> Many administrators of science feel that wherever funds are to be divided between basic and applied research, 10 percent is the minimum share that should be allocated to basic. In the Government program, basic research comes out with only 7 percent; 93 percent goes for research and development devoted to hardware for the armed services.[1]

Particularly significant is the growing role of the Federal Government in research. During World War II there was an unprecedented emphasis on research, climaxed of course by the development of the atomic bomb. But since the war, the responsibilities of the Government for research have not diminished, but instead increased. The following table indicates some of the significant trends in this connection:

Research and development: Selected data for 1946 and 1955

	1946	1955
Total cost	$1,780,000,000	$4,210,000,000
Total research engineers and scientists	122,000	197,000
Funds provided by:		
Federal Government	$910,000,000	$2,420,000,000
Industry	$840,000,000	$1,710,000,000
Nonprofit institutions	$30,000,000	$80,000,000
Dollar volume of performance by:		
Federal Government	$470,000,000	$680,000,000
Industry	$1,190,000,000	$3,110,000,000
Nonprofit institutions	$120,000,000	$420,000,000
Research engineers and scientists employed by:		
Federal Government	28,000	28,000
Industry	80,000	141,000
Nonprofit institutions	14,000	28,000

Source: U. S. Department of Defense, Office of the Secretary of Defense (Research and Development, Resources Division, Neal D. Crane, Director.)

In 1941, 41 percent of the total expenditure on research and development was made by Government and 57 percent by industry. In 1955 the percentages were exactly reversed, 57 percent being spent by Government and only 41 percent by industry. The highest percentage 62 percent—of Government expenditure for research was reached in 1953, in which year industry furnished 36 percent of all research and development funds. Nonprofit institutions have throughout the period been the source of 2 or 3 percent of research and development funds.

[1] Hodgins, Eric. The strange state of American research. Fortune, April 1955, p. 115. According to a 1955 report of the National Science Foundation, basic research accounted for 6.5 percent of all Federal obligations for research and development in fiscal year 1954, 6.7 percent (estimate) for fiscal year 1955, and 7.6 percent (estimate) for fiscal year 1956.

However, this decline in the relative importance of industry as a source of funds for research has been in sharp contrast to the predominance of industry in the performance of research. In 1955 industry performed 74 percent of all research and development—measured in dollar expenditure—almost the same as the 73 percent it did in 1941. In the intervening years this percentage declined to a low of 65 percent in 1945 and has been generally rising since that date. The percentage performed by the Government was 22 percent in 1941, rose to a high of 28 percent in 1944 and 1945, and has been declining ever since, reaching a low of 16 percent in 1955. This decline has been offset by a steady increase in the percentage of research performed by nonprofit institutions, rising from 5 percent in 1941 to 10 percent in 1955.

Thus while the Government has been furnishing an increased share of the funds for research, and the total funds have been growing substantially at the same time, there has been a real decline in the amount of research it has undertaken itself with its own personnel.

With the Government far and away the principal sources of funds for research and development, the way it uses these funds must be examined closely. According to the budget of the United States for the fiscal year 1957, this is the way these Federal expenditures on research and development are classified by purpose:

[In billions of dollars]

National security	1.92
Department of Defense (military functions)	1.52
Atomic Energy Commission	.40
Labor, health and welfare	.11
Commerce and housing	.09
Agriculture and agricultural resources	.08
All other	.06
Total	2.26

Thus it can be seen that 85 percent of all research and development expenditures of the Federal Government are for national security, and it is precisely in this area that Government contracts to industry are of such great importance. As Donald A. Quarles, now Secretary of the Air Force, stated in 1954:

> Since modern war is total war, industry must produce our weapons. For this and other reasons, we turn to industry for the bulk of our applied development work. About 60 percent of the defense research and development funds are expended on industrial contracts. About 10 percent of the total is done at the laboratories of universities and other nonprofit institutions, and the remaining 30 percent within Government establishments. I foresee no substantial changes in this breakdown. Our aim is to achieve a full partnership with science and industry to assure that weapons systems developed do, in fact, benefit by the most advanced technology that the country can produce.[2]

[2] Quarles, Donald A. What military research and development mean to industry. Conference on industrial research, June 1954. Proceedings. New York, King's Crown Press, 1955. P. 266.

All of us, of course, concur in this aim as set forth by Secretary Quarles. However, another objective should never be lost sight of. And that is the objective referred to above, that we keep our system of free competitive enterprise strong. This objective, regrettably, seems to have received little attention to date in the way research contracts have been distributed. Obviously the way in which the Department of Defense and the Atomic Energy Commission let their huge contracts to industry for developmental and other research will have, and is having, a tremendous impact upon the competitive structure of American business.

It is true that a large proportion of the funds committed by the Department of Defense for research and development work goes to produce goods which have, primarily, military uses. But even this kind of industrial research results in important commercial advances, for the simple reason that techniques and production processes for making military items almost always have applications to commercial products and production. A large proportion of the funds being spent by the Department of Defense is for projects of a general industrial nature, as in the fields of electronics, communications, power, aircraft, and many others.

Dr. A. V. Astin, Director of the Bureau of Standards, has stated:

> I could cite scores of examples where wartime developments have been turned to peacetime uses.

Indeed, from my own knowledge, I could cite numerous cases where revolutionary and commercially valuable techniques have grown out of Government contracts.

Eli Whitney is said to have developed the techniques of mass production, which rests on interchangeability of parts, while producing rifles on contracts with the Army.

Automation, the use of revolutionary new techniques as a result of application of electronic devices, was advanced most substantially during World War II. The first fully automated plant grew out of an army ordnance contract during World War II.

The modular technique used in producing electronic equipment—a technique which permits the use of very flexible automatic machine methods—resulted from a wartime project called "Tinkertoy."

The first of the so-called "thinking" machines, ENIAC, was developed and financed on a Government contract.

The harnessing of atomic energy was of course entirely financed by the Government.

This is, of course, only a very partial list, including just those examples which immediately come to my mind. These and scores of other industrial products and processes are a direct outgrowth of research financed with Federal funds.

We should know much more than we do as to how these research contracts are distributed. Obviously those firms that are able to have a substantial part of their experimental research and development activities financed by the Fed-

eral Government will have a great lead, sometimes an unsurmountable lead, in the commercial race. The firms that receive the research and development contracts are in a position to hire, preempt, and control the available supply of trained technicians, scientists, and other industrial research personnel, the supply of which, as we know, is now critically short. These companies will gain the know-how and have the inside track with new products and processes. Furthermore, as I have been told, when the Department of Defense grants a contract for research and development work, it actually allows the private firm receiving the contract to take out the patents on patentable inventions it makes with the use of Government money.

As Tom C. Clark, Attorney General, reported to the President in 1947:

> Throughout this period [1941–44] the general practice in the [War] Department was to leave to the contractor the patent rights in inventions resulting from performance of contracts, reserving for the Government a nonexclusive, royalty-free license, sometimes coupled with a free right to reproduce the article called for by the contract (that is, a free license under "background patents," those acquired by the contractor independently of the contract and used or embodied in the article). So firmly committed was the War Department to the policy of leaving the commercial rights to the contractor that when standard forms of patent clauses were first issued by the Department in September 1941, together with instructions as to their use, no provision was made for an assignment of title to the Government under any circumstances. * * *
>
> On April 5, 1945, a uniform policy was prescribed for the department by regulations reaffirming the traditional policy of leaving patent rights to the contractor subject to a Government license, but for the first time making express provision for an assignment of the patent to the United States in limited circumstances.[3]

This policy has not, to my knowledge, been significantly altered since then.

Considering these advantages accruing to corporations receiving Federal research contracts, the actual record, insofar as we know it, is highly disturbing. Thanks largely to the constant vigilance of the Small Business Committees of the House and Senate, the concentration of Government procurement contracts in the hands of the large major corporations of the Nation has been widely publicized, and efforts have been made to provide for small businesses a greater share of these contracts. However, until a few months ago, there was no definite information available as to the distribution of the research and development contracts, as distinguished from procurement contracts generally. For example, the following statement made in a House Small Business Committee report in July 1955 reflected both its acute awareness of the problem and its inability to get accurate data on the distribution of research contracts:

> The military services have handed out billions of dollars for research and development and are currently awarding between $1 billion and $1.5 billion a year in research and development contracts. Private firms are using these funds for developing new products and production processes, and the usual condition of the contract is that the private firm so engaged may receive patents on the products and processes invented. Such firms obviously may thus forge ahead in the technological race, and the distribution of these funds has, therefore, a vital effect upon competitive relationships. Most of the research and development contracts have gone and are going to the big firms of the Nation.[4]

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from New York.

Mr. MULTER. May I commend the gentleman for bringing this matter to the attention of the House. The gentleman is always alert to the needs of his district, his State, and the Nation. The problem he is discussing is a very important one. It has had the attention of the House Committee on Small Business on which I have had the privilege to serve for many years, and I am certain that that committee will continue to give this very vital subject its attention.

Mr. THOMPSON of New Jersey. I thank my distinguished friend from New York, and I would comment here that I have found him most helpful in my preparation of this material. I am certainly grateful to him for his guidance.

Largely as a result of this committee's probing into the matter, the Congress in August 1955 amended the Small Business Act—Public Law 163, 83d Congress—to require the Department of Defense to make monthly reports to Congress showing the value of research and development contracts awarded after June 30, 1955, separately from date on other types of contracts, and showing the value of such contracts placed with small business. The resultant reports are highly disturbing. In the 7 months ending January 31, 1956, the Department of Defense awarded research and development contracts amounting to almost $1 billion, to be more precise, $982 million. Of this huge sum only 5 percent went to firms having 500 employees or less. In other words, the concentration of research contracts among the large companies is even greater than procurement contracts generally, and small business concerns are for all practical purposes completely ignored.

It may be admitted, of course, that there are certain research projects which only particular firms with special skills and equipment can handle. And no one is arguing that the Government should deprive itself of the facilities and talent which a particular large corporation may have. Nonetheless there are countless instances in which results as good or better could have been obtained if smaller firms had been awarded particular research contracts. Moreover, if there were a better chance of being considered for Federal research contracts, many small businesses would expand their own research facilities and personnel. And such an expansion would unquestionably be in the Nation's interest as well as in the interest of the small businesses themselves.

Thus far we have few figures on the extent to which Federal funds influence the direction of research in an individual corporation. One instance, however, is quite informative, and shows how much weight government research contracts do carry. The Bell Telephone Laboratories in 1939 were spending more than $20 million a year for research, only 1 percent of which was for Government work. By 1944, through an enormous expansion of research, they were engaged in a program of research more than three times greater than before the war and more than 80 percent of the total was on Government contract. They had cut their own research program in half, and even this work was largely war connected. In 1955, their research budget had gone up to $112 million, of which $50 million was for contract work for the armed services, about as much as was contracted for in terms of dollars at the height of World War II—United States Congress, Senate, Committee on Military Affairs. The Government's wartime research and development, 1940–44, report from the Subcommittee on War Mobilization; part II, Findings and Recommendations, July 23, 1945; reprinted in United States Congress, Senate. Committee on Military Affairs. Legislative proposals for the promotion of science, 79th Congress, 1st session, Senate Document No. 92, August 1945, Washington, United States Government Printing Office, 1945, page 26; and Fortune, April 1955, page 220.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to my friend from California.

Mr. ROOSEVELT. I, too, would like to commend the gentleman for bringing before the House this most important subject and to add that in the limited work which we have been able to do so far in the Committee on Small Business on this subject I think we find ample evidence that it needs much greater investigation and a much more searching look.

As a concrete example of what the gentleman says, our recent investigation has pointed out that the patents which have been developed by the Bell Telephone Laboratory, while they have been ostensibly made available to the public, have been tied down under the consent decree by the fact that a charge may be made for the implementation of those patents in order to make them workable, which is nothing more than another way of saying that they must pay a royalty for the license. It would seem, therefore, that there is a job in this field by the Committee on Small Business and I join my colleague from New Jersey in hoping that this challenge will be met and we will preserve for small business the opportunity to take part in the

[3] U. S. Department of Justice. Investigation of Government patent practices and policies; report and recommendations of the Attorney General to the President. Vol. I, final report proper. Washington, U. S. Government Printing Office, 1947, pp. 80, 81.

[4] Statement by Hon. JOE L. EVINS in: U. S. Congress. House. Select Committee on Small Business. The Small Business Administration and related activities—a preliminary report of the Subcommittee on Government Procurement, Disposal and Loan Activities, July 1, 1955 (84th Cong., 1st sess., H. Rept. No. 1045). Washington, U. S. Government Printing Office, 1955, pp. 19–20.

amounts of money which are being handed out by the Government of the United States so far as possible, with the results therefrom which I think they are capable of producing in contribution to the welfare of the Nation.

Mr. THOMPSON of New Jersey. Mr. Speaker, I thank the gentleman. I am fully aware of his great interest and of his activity as a member of the Select Committee on Small Business and as chairman of the subcommittee, in this subject. I would thank him in the RECORD, too, for his counsel and guidance and I would apologize to all of the Members of the committee for preempting at least this much of their subject matter.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman.

Mr. EVINS. I do not think the gentleman need apologize for the contribution which he is making, but rather I think he should be applauded for that and the assistance which he has given us in bringing this important matter to the attention of the House. It is true the committee has given extensive study to the subject of contract procurement and through extensive investigations and in the calling of many procurement officers of the Department of Defense before our committee we have repeatedly insisted that there be a wider distribution of contracts, a broadening of the base, so to speak, so that small business may participate to a greater degree. We think that the work has in the past been somewhat helpful, but all of the assistance that can be given in this regard is beneficial.

The gentleman certainly need make no apology for his work. He is rather to be commended for it. I think he is making a splendid contribution and I wish to join with others in commending him in this connection.

Mr. THOMPSON of New Jersey. I thank the distinguished gentleman. I might point out to him that I quoted at length a statement by him made as a result of a study of the Subcommittee on Governmental Procurement, Disposal, and Loan Activities in July of 1955, first session, House Report No. 1045.

Mr. EVINS. Mr. Speaker, will the gentleman yield further?

Mr. THOMPSON of New Jersey. I yield.

Mr. EVINS. I would state that while there have been some advances in the past, this is a subject to which there must be unrelenting attention given.

More recently there was called to my attention an extensive 6- or 7-page mimeographed procurement form for a very small item in a very limited quantity of material, which was supplied to small business. In other words, certain procurement officers make the problem extremely difficult and too difficult for small-business men to participate in by having such procurement forms and much redtape. Also, a great effort should be made in the field of subcontracting. Where large prime contracts are granted, there should be insistence that the prime contractor subcontract as much as possible in a wider area.

Mr. THOMPSON of New Jersey. I could not agree with anything more than the last statement of the gentleman, in which he advocates the distribution of subcontracts to small businesses. This has been a tremendous problem and has caused great suffering among businesses which are now in fact capable of doing this work.

Mr. WILLIAMS of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield.

Mr. WILLIAMS of New Jersey. I join the other Members in commending my friend from New Jersey on a very thoughtful statement, and on bringing to the attention of this body a problem that certainly should have the searching study that he suggests. I notice that he described the growth of the Bell Telephone Laboratories during the period from 1939 to the present. The Bell Laboratories are in the area that I represent. I have watched with a great deal of pride the growth of the laboratories. I know in our area, where we are familiar with the work they are doing, that we feel there is a significant contribution made by the laboratories to the national welfare and the national security. I am sure the gentleman would agree to that as far as the laboratories are concerned.

Mr. THOMPSON of New Jersey. I do agree as far as the laboratories are concerned. They might well fit into a category which I mentioned earlier of an organization with particular and peculiar qualifications, which certainly should not be deprived of the great research work which they have been doing. I mention them only to point up the amazing statistic of the growth of Government participation in research and development. There is no question that they have done great work up there in northern New Jersey, in Union County, in the gentleman's district, and I hope they continue to do so. I hope also that in the same field or related fields others will be given an opportunity, too, because we are going to need to continue expanding our research facilities.

We know enough to be disturbed about the concentration of research contracts among relatively few large corporations. We do not know enough, however, to take the action which will, at the same time, assure the greatest possible technical advancement and the preservation of our free enterprise system. For this reason, I have introduced a resolution (H. Res. 452) calling upon the Small Business Committee of the House, which has already shown such enlightened awareness of the problem, to make a thorough investigation of the various aspects of the problem of the distribution of Federal research and development contracts among the industrial firms of the Nation. The following are some of the more important aspects of this problem which, I am convinced, the committee would want to investigate: First, the extent to which Federal funds for research and development are being concentrated among particular firms; second, the methods and standards used by Federal agencies in distributing these funds; third, ways in which the interest of small business in research and development work can be safeguarded and the participation of small businesses in research activities fostered; fourth, the relationship between the distribution of Federal research and development contracts and the distribution of Federal contracts for procurement of supplies and services; fifth, the effect of Federal policy on research and development contracts on the distribution of scientific and technically trained personnel; and sixth, the patent policies of the Federal Government as it relates to inventions developed by industrial firms in their research work under Government contract.

Once these facts are brought out into the open, it is safe to assume that appropriate action will be recommended by the Congress to assure achievement of the two goals of rapid technological advancement and preservation of our free enterprise system, both of which are indispensable to the continued strength and prosperity of our people.

THE SMALL BUSINESS COMMITTEE APPRECIATES THAT BIG BUSINESS FAVORITISM WITH FEDERAL RESEARCH FUNDS WILL SQUEEZE OUT SMALL BUSINESS—AN INVESTIGATION WILL BE MADE

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Speaker, I want to congratulate the gentleman from New Jersey [Mr. THOMPSON] on his speech. It is certainly most educational; he has brought to our attention a most important matter and his presentation here today shows a remarkably thorough and careful piece of research on his own part. Certainly it has made me, for one, appreciate the scope and importance of this problem of the distribution of Federal money for industrial research, more than I had previously.

The gentleman from New Jersey has brought out several facts which I doubt if many of us have known. First of all, the Nation's spending on research—counting both Federal and private money—is currently at a rate which makes the Nation's previous research activities seem puny indeed. Just think of it; there has been as much money spent on research and development in the past 5 years as was spent in this Nation during the previous 90 years.

I doubt furthermore whether many of us had realized that the Federal Government is footing the bill for 57 percent of all of the research and development work done in the Nation, including both basic scientific research and all kinds of industrial and commercial research and development. Furthermore, the Department of Defense is handling the expenditure for substantially all—at least 85 percent—of the Federal funds spent for research; and substantially all of these funds distributed by the Department of Defense go to private business firms.

I assure the gentleman from New Jersey [Mr. THOMPSON] that the Small Business Committee will certainly do everything it can to investigate these matters stated in his resolution. However, I must point out that the gentleman's resolution contains a large order.

His resolution poses, itself, a job of research which would be very large and very difficult for any committee of Congress, even if we could expect to receive sympathetic cooperation from the Federal agencies who are distributing these vast sums of Federal money. Our past experiences lead me to believe, moreover, that cooperation, and even sympathy for the problem, will not be forthcoming from the Department of Defense. This Department is disinclined to give the public information, or to give Congress information, bearing upon its conduct of the public business as it relates to such matters as to the impact of this business upon competitive industrial relationships. As a matter of fact, on some of the most important matters in this area the Department is inclined to keep even itself uninformed.

The gentleman from New Jersey has already quoted from a report of one of the subcommittees of our committee, issued in July of last year, which pointed out in a general way the magnitude of the sums being distributed by the Department of Defense and the dangers to our competitive enterprise system which are inherent in maldistribution of these funds, as well as the dangers in other administrative procedures which fail to safeguard the competitive enterprise system.

Consequently, when Department of Defense officials came before the Banking and Currency Committee later in July, last year, I inquired about reports on the distribution of the Department's research and development funds as between big business and small business. Specifically I requested such reports of Mr. R. C. Lanphier, Jr., the Deputy Assistant Secretary of Defense for Supply and Logistics. It was apparent that Mr. Lanphier was uninformed on this subject; but he promised to see what he could do and supply reports for the record—hearings on H. R. 7071, page 107, and following. In order to have comparisons, I asked Mr. Lanphier to supply such reports covering the previous 2 fiscal years and, if possible, the previous 5 fiscal years.

Subsequently the Department of Defense was able to have prepared a report for the Air Force, covering the calendar year 1954, and in addition, the Department was able to submit a report covering one branch of the Navy. The Department's letter, which was inserted in the record of the hearings, indicated that it was not able to make any report at that time on the amount of research and development funds distributed by the Army, as between big business and small business, nor was it able to make such a report for the other branches of the Navy Department. The Department's letter indicated, however, that it was "investigating the possibilities of setting up a system for regular reporting of this kind of information."

In order to make sure that at least some minimum information on this subject would be reported regularly, the Small Business Committee made recommendations to the Banking and Currency Committee for an amendment to the Small Business Act, the renewal of which was then being considered. The Banking and Currency Committee accepted our recommendation and wrote into its bill a requirement that the Department of Defense report to Congress, each month, the amount of money spent or contracted to be spent with private business firms for research and development work, and the proportion of such money going to small firms. This bill passed, and the law became effective August 1, 1955; the Department of Defense is now required by law to make reports providing this minimum amount of information, although this information is, of course, much too sketchy and incomplete to permit of any real appraisal of the Department's handling of research funds.

When the reports for the first 2 months of the fiscal year came to us, I was greatly amazed to learn that although the Department of Defense committed itself to distribute $187 million of Federal research funds with private firms in those months, less than 5 percent of the total was committed to firms having 500 employees or less. Assuming that substantially all of these commitments went to firms in the manufacturing field, it was apparent that this 5 percent of the money could be compared with about 45 percent of the manufacturing activities carried on by firms with less than 500 employees. As I say, I was greatly astonished and disturbed. Realizing moreover, that the Secretary of Defense himself had previously not had an indication of how the research funds were being divided between big business and small business, and that the news reports on this subject possibly had not come to his attention, I wrote the Secretary on October 26, 1955, calling this matter to his attention. In my letter to Secretary Wilson I said:

> In view of your long industrial experience, I am sure it will be overwhelmingly obvious to you that the way in which research and development funds are distributed will have an incalculable impact on private competitive relationships. The few big firms receiving this money will have immeasurable competitive advantages over their smaller competitors in commercial markets, as they will also have the inside track for defense production work.

Finally, I attempted to make it clear to the Secretary of Defense that I was not asking any subsidy for small business. Furthermore, I tried to make it clear to the Secretary that the Small Business Committee was not trying to put itself in the position of looking over his shoulder to see that the Department distributed its vast research funds in a reasonably fair way, and in a way which would tend to preserve competitive relationships and safeguard a continuation of the free enterprise system. I felt that the Secretary himself would have these considerations very much in his mind, although I did suggest that the reports which had eventuated as a result of the amended law indicated a clear need for somewhat more detailed and revealing statistical summaries on the distribution of research funds. The Members may be interested in the following excerpts from my letter to Secretary Wilson:

> I am not asking you to subsidize small business. But I am asking you to give thoughtful consideration to the consequences which will surely follow if you continue passing out the huge research and development funds which have been placed at your disposal exclusively to big business.
>
> Although my own experience has taught me that public reporting on the activities of the executive departments is the best safeguard against serious mismanagement of the public's business, I think I would be correct in saying that the change in the law to require the Department of Defense to compile statistical summaries of research and development contracts was made, not so much for the purpose of having the summaries public, as for the purpose of making sure that you and your assistants would yourselves be informed. May I now suggest that you direct the military departments to compile somewhat more detailed summaries of research and development contracts, so that both you and Members of Congress may be informed as to the distribution of these funds among firms of several size classes and among several industrial divisions may be compared?

Although that letter was written on October 26, so far there is no indication that any more detailed statistical summaries have been made, or that the Department has any intention of making such summaries. Secretary Wilson did acknowledge my letter, stating that he had asked his assistant, Mr. Pike, to comment on my letter. Subsequently, on January 10, 1956, I had a letter from Mr. R. C. Lanphier, Jr., Mr. Pike's deputy, commenting on the 95–5 percent division of research money as between big firms and small firms. The burden of Mr. Lanphier's letter was that, although when he was before the Banking and Currency Committee in July he had not the slightest idea what the division was; on January 10 he considered the 95 to 5 percent division eminently satisfactory, to his way of thinking. In point of fact, Mr. Lanphier rather overlooked the question of what the Department of Defense might be doing for, or to small business, but rather indicated his satisfaction with what small business was doing for the Department. Mr. Lanphier said:

> Taking together all of the considerations which I have mentioned, the contribution of small firms to this aspect of the defense program appears to be entirely creditable.

So while I am in complete agreement and sympathy with the suggestions made in the resolution of the gentleman from New Jersey [Mr. THOMPSON], at the same time, to be realistic, I must ask for the sympathy and understanding of the author of this resolution, as well as the other Members of the House. The problems of your Small Business Committee are not easy ones to solve when the heads of the executive agencies are not in sympathy with small business and cannot be readily prevailed upon to inform either themselves or the committee on some of the fundamental aspects of their programs.

I assure the gentleman from New Jersey, however, that our committee will do all it can to gather revealing information on this important subject and report this information to the House.

AVIATION COMMISSION

The SPEAKER pro tempore (Mr. HOLLAND). Under previous order of the House, the gentleman from Michigan [Mr. MEADER] is recognized for 30 minutes.

Mr. MEADER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEADER. Mr. Speaker, on Monday of this week I introduced H. R. 11065 to create a commission designed to study the agencies of the executive branch of the Government having some responsibility with respect to aviation with a view to their reorganization so that aviation problems can be more intelligently, promptly, and effectively resolved.

At this point in my remarks, Mr. Speaker, I set forth the full text of H. R. 11065:

H. R. 11065

A bill to amend the Budget and Accounting Procedures Act of 1950

Be it enacted, etc., That section 104 of the Budget and Accounting Procedures Act of 1950 (31 U. S. C. sec. 18a) is amended to read as follows:

"IMPROVED ADMINISTRATION OF EXECUTIVE AGENCIES

"SEC. 104. (a) The President, through the Director of the Bureau of the Budget, is authorized and directed to evaluate and develop improved plans for the organization, coordination, and management of the executive branch of the Government with a view to efficient and economical service.

"(b) (1) In order to provide for a study to be made to determine appropriate methods of eliminating the present multiplicity of departments, administrations, commissions, committees, boards, consultants, and other similar agents and agencies created by law or Executive order and having responsibilities or engaging in activities with respect to aviation and related activities; eliminating the present conflicts, duplications, and overlapping of functions and activities, and lack of coordination, between and among such agencies, as well as between such agencies and State and local governmental bodies and foreign governments and international organizations; and eliminating the present impediments to the prompt, efficient, and effective resolution of aviation and related problems arising from such conflicts which hamper and delay necessary progress in and development of aviation, result in waste and inefficiency, and threaten flight safety, there is hereby created a commission to be known as the Commission on Reorganization of Aviation Agencies (hereafter in this subsection referred to as the 'Commission'), which shall consist of 16 members, 8 appointed by the President (4 from the executive branch and 4 from private life), 4 Members of the Senate appointed by the Vice President (of whom not more than 2 shall be of the same party), and 4 Members of the House of Representatives appointed by the Speaker of the House (of whom not more than 2 shall be of the same political party). Any vacancy on the Commission shall not affect its powers, and shall be filled in the same manner in which the original appointment was made.

"(2) In order to carry out the purposes for which the Commission is created, the Commission, after a full and complete investigation and study, shall formulate and recommend to the President for transmittal to the Congress, specific programs and policies calculated to eliminate conflicts, duplication, lack of coordination, and overlapping of functions and activities in the field of civilian and military aviation and related activities, and more effectively to discharge the responsibilities of the United States, in conjunction with State and local governments, and foreign governments, and international organizations, in the promotion of aviation for the common welfare and national defense.

"(3) The Commission shall elect a Chairman and a Vice Chairman from among its members. Nine members of the Commission shall constitute a quorum. The Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable, without regard to the provisions of the civil-service laws and the Classification Act of 1949.

"(4) Members of the Commission who are Members of Congress shall serve without compensation in addition to that received for their services as Members of Congress; each member of the Commission who is in the executive branch of the Government shall receive the compensation which he would receive if he were not a member of the Commission, plus such additional compensation, if any, as is necessary to make his aggregate annual salary $12,500; members of the Commission from private life shall each receive $50 per diem when engaged in the performance of duties vested in the Commission. Each member of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of his duties as a member of the Commission.

"(5) The service of any person as a member of the Commission, the service of any other person with the Commission, and the employment of any person by the Commission, shall not be considered as service or employment bringing such person within the provisions of sections 281, 283, or 284 of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

"(6) The Commission may create such committees of its members with such powers and duties as may be delegated thereto. The Commission, or any committee thereof, may, for the purpose of carrying out this subsection, hold such hearings and sit and act at such times and places, and take such testimony, as the Commission or such committee may deem advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or before any committee thereof. The Commission, or any committee thereof, shall have power to require by subpena or otherwise the attendance of witnesses and the production of books, papers, and documents; to administer oaths; to take testimony; to have printing and binding done; and to make such expenditures as it deems advisable within the amount appropriated therefor. Subpenas shall be issued under the signature of the Chairman or Vice Chairman of the Commission or committee and shall be served by any person designated by them. The provisions of sections 102 to 104, inclusive, of the Revised Statutes of the United tSates (2 U. S. C., secs. 192–194) shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this subsection.

"(7) The Commission, or any committee thereof, is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this subsection; and each such department, bureau, agency, board, commission, office, establishment, or instrumentality shall furnish such information, suggestions, estimates, and statistics directly to the Commission or any committee thereof, upon request made by the Chairman or Vice Chairman of the Commission, or of the committee concerned.

"(8) The Commission established by this subsection shall cease to exist on June 30, 1958."

Mr. Speaker, this Commission, to be known as the Commission on Reorganization of Aviation Agencies, would be composed of 16 members—8 from the Congress appointed by the Vice President and the Speaker of the House on a bipartisan basis, 4 from the executive branch of the Government and 4 from private life.

Mr. Speaker, in connection with the introduction of this bill, I issued a statement to the press today which I incorporate at this point in my remarks:

Representative GEORGE MEADER, Republican Michigan, asked Congress today for quick passage of a bill to "clean up the mess in the executive branch of the Government and the numerous and conflicting agencies controlling aviation."

In a speech prepared for delivery on the House floor, MEADER declared:

"I am not at all satisfied with the past record of predominance of the executive branch of the Government, and within the executive branch the predominance of the military departments in determining issues in the field of aviation."

MEADER cited a special Budget Bureau report calling attention to 75 separate agencies, boards, commissions and special consultants "each" he said, "with a hand in aviation policy matters."

He asserted the right of policymaking belongs with Congress.

On Monday, MEADER introduced a bill calling for establishment of a 16-man commission to reorganize aviation agencies. It would be composed of Members of Congress, representatives of the executive branch, and persons from private life.

The Michigan lawmaker said the jet age in air transport has brought with it a "multitude" of problems, including high speeds, lack of suitable air navigation aids and control facilities, conflicting demands on the shrinking air space, as well as lack of airports to handle heavy jet transports.

He added:

"Scores of agencies in the executive branch of the Government are studying those problems without apparent results and without clear-cut responsibilities, and with little or no coordination.

"I hope we will not have to suffer some catastrophe, such as disastrous midair collisions with loss of life, before we awake to the fact that we in Government are way behind technological advances in the field of rapid air transport."

Mr. Speaker, many may remember that I was instrumental in urging the Legal and Monetary Affairs Subcommittee of the House Committee on Government Operations to undertake an investigation of the Federal airport-aid program. That committee under the chairmanship of the Honorable ROBERT H. MOLLOHAN, of West Virginia, has undertaken that investigation.

The committee has not commenced public hearings, but I am informed by the staff that their preliminary investigation has progressed to the point that

public hearings may commence in a couple of weeks.

The bill which I have introduced, which would create a commission to study executive agencies across the board, dealing in the field of aviation, in my judgment, is not in conflict with the investigation of the Mollohan committee, of which I have the honor to be the ranking minority member. In fact, it is my hope that since this bill was referred to the Committee on Government Operations, it will be referred to the subcommittee of which Mr. MOLLOHAN is chairman, the Legal and Monetary Affairs Subcommittee. Thus, the hearings which the committee proposes to hold in the investigation of the Federal airport-aid program may also be convenient for considering H. R. 11065, at the same time. The bill is not confined to the Federal airport-aid program.

Mr. Speaker, my interest in aviation problems was stimulated a year ago when a controversy arose between two airports in the neighborhood of Detroit. I refer to the Willow Run Airport, which is owned by the University of Michigan in my congressional district, and the Detroit Wayne Major Airport, some 6 air miles away, near Romulus, Mich. That controversy has been a hot one since March of last year and is still far from being resolved.

Just recently the Detroit Economic Club had both sides of this controversy aired in a luncheon meeting of the club in Detroit and recently the Detroit Board of Commerce published in its weekly organ, the Detroiter, on April 16, 1956, a very well-written article by William A. Mara, who is head of the Detroit Board of Commerce Aviation Committee, and an official of the Bendix Corp.

At this point I include Mr. Mara's article in my remarks:

WHICH SHOULD BE DETROIT'S MAJOR AIRPORT?

(EDITOR'S NOTE.—Here is the complete text of William A. Mara's speech before the Economic Club recently. He is chairman of your board's aviation committee.)

If Detroit is to avoid becoming a whistle-stop town in a jet age, our public officials will have to do a sudden right-about-face and show much more wisdom in their airport planning. And if the taxpayer is to escape a terrible licking by having 30 million of his tax dollars spent foolishly, these same public officials will have to substitute reason for the confusion which has been their trademark in dealing with our airport problems.

I want to make it clear at the outset that the board of commerce is concerned first with Detroit travelers and shippers, and not necessarily with the airlines. In fact, by design, there have never been any airline people on our aviation committee. Therefore, if we seem to agree with the airlines' viewpoint it is because we believe that that viewpoint will result in better service for the public and will make the most economical use of the taxpayer's dollar.

The subject assigned to today's talk is perhaps the best illustration of the confusion which surrounds the Detroit airport problem. The subject is, "Which Should Be Detroit's Major Airport?" Mr. Richards and some of our other thoughtless officials are guilty of horse-and-buggy thinking when they call Wayne our Major airport and relegate the northeast site to a subordinate role.

They just aren't facing facts. The facts are that no one airport can properly serve the needs of the Detroit metropolitan area. To do this we need at least two major airports and, most of all, we need to acquire land for the construction of the northeast site before this land is built up and we are forced north to Pontiac. The northeast airport is needed to balance our west side airports.

Everyone will agree that in order to save the travelers time, an airport should be located as centrally as possible. With central location in mind, I call your attention to the chart drawn from information furnished by the Detroit Metropolitan Area Regional Planning Commission. On this chart circles ranging from 5 to 12½ miles have been drawn around both the Northeast and Wayne County sites. They show in simple arithmetic that northeast is closer to almost four times as many people as Wayne—2,200,000 to 600,000.

Shown also is the fact that Willow Run and Wayne can serve the west and southwest sides of our metropolitan area, but by reason of off-center location, can never properly serve the entire area. A series of recent articles by Jean Pearson, of the Detroit Free Press, have dealt thoroughly and intelligently with our airport situation. From these articles you can get the facts in detail on all phases of the problem.

Because Wayne and Willow Run are so close together, and because from a traffic-control standpoint they are actually operated as one airport, the board of commerce does not agree with the city and county position that the airlines should be moved from Willow Run to Wayne. In our opinion, this move would not produce enough additional traffic to pay the staggering cost of $28 million or $30 million to complete Wayne as a major airline airport. Practical considerations demand that these funds be spent for the development of the Northeast airport.

Recently our public officials have put on a performance which is apparently dictated more by hysteria than reason. In spite of the fact that the council approved and ordered condemnation of the Northeast site in 1954, no determined drive has been made to press this suit to successful conclusion. Failing to sell the airlines on moving to Wayne as a good business proposition, they have tried to force them thereby the threat of transferring Navy, National Guard, and Air Force operations to Willow Run in spite of a military investment at present of more than $7 million in Wayne Airport. The airlines are fighting this move and Navy and National Guard officers have expressed their opposition. There are perhaps two reasons for the illogical and apparently senseless position which our city and county officials are taking. One is that so much money has already been spent and is planned to be spent on the Wayne County Airport that they are willing to throw in an additional $30 million to rescue it. The other reason is a compelling one, but is more difficult to understand unless one has lived with this problem. It is that Wayne Airport is the brain child of LeRoy Smith, our county highway engineer, who is considered by many to be the most able politician in these parts.

When he began Wayne Airport years ago, some called it Smith's Folly, because of its off-center location, far southwest of the city at that time. This rankled the old gentleman and made him more and more determined to force the adoption of this location as Detroit's major airport. It has become an obsession with him and I am sure he views this airport as his monument. At any rate, he has been eminently successful in blocking all other attempts to solve our airport problem. He maintains John P. McElroy, a registered lobbyist and his assistant, as a member of the State aviation commission as Lansing. It is McElroy's job to get funds for Wayne Airport and kill funds for any airport which threatens Wayne. Mr. McElroy does not operate for the common good but only for what Mr. Smith considers to be good. Mr. Smith is also the brains who plans all the present airport campaign moves. He thinks up the words which Mr. Richards uses, and Mr. Smith has used Mr. Richards in the past to block airport progress. Mr. Smith works effectively in the background, where he pulls the strings which move the actors about the stage.

I have tried earnestly to work with Mr. Smith on various airport projects. I invited him to be present at meetings of the board of commerce aviation committee. In one of my last conversations with him I asked him, in the presence of the committee, if he would support and work for the northeast airport. He replied definitely that he would not do so until such time as Wayne County Airport had been completed and the airlines had moved there.

Mayor Cobo can straighten out the Detroit airport mess if he decides to do so. He can cope with Mr. LeRoy Smith successfully if he chooses. In my opinion, Mr. Cobo has been our most able mayor. He is a dedicated man and his integrity is unquestioned. He has named a Detroit Aviation Commission with capable men like Packer, Reese, Boyer, Joy, Carroll, and Burnett who understand our aviation problems. They want to see Northeast developed, and have so recommended, but the mayor, instead, seems to listen to LeRoy Smith who wants another $30 million to fully develop his Wayne County monument.

We urge the mayor to listen to his Aviation Commission instead of to Mr. Smith. The mayor has the whip hand because Detroit pays the bulk of Wayne County's taxes. He can force the successful completion of Northeast and save taxpayers $30 million if he will assume the leadership of which he is so capable.

In 1960, 3,100,000 air travelers will arrive and depart in the Detroit metropolitan area. That is 1 million more than we have today. We need two airports to do this job.

A determined mayor and a determined citizenry can take us out of the whistle-stop category and give us the jet-age airports to which our town is entitled.

Mr. Speaker, I only wish to add with reference to the controversy between those two airports in the Detroit area that I am convinced that it does not make sense to spend $30 to $33 million to develop Wayne-Major Airport, which is in the same traffic pattern as an existing airport, Willow Run. As Mr. Mara points out in his speech, there is a need for a second airport in the Detroit area but in a different traffic pattern and serving a different center of population.

Unfortunately the chart which is a part of the article cannot, under the rules for printing the CONGRESSIONAL RECORD, be incorporated in the RECORD. But suffice it to say that in addition to the narrative material of the article the chart shows that the Northeast Airport, which is advocated by experts in aviation in the Detroit community, would serve a far greater center of population than the Detroit Wayne-Major Airport, and the Detroit Wayne-Major Airport being so close to an existing airport in Detroit, Willow Run, will simply duplicate facilities already existing. This is an inordinate waste of funds.

So much for the airport aid problem which will be considered by the Mollohan Committee.

I wish to return to the broader aviation problems. These include air navigation facilities, the control of airways, competition for air space, the relationship between military and civilian aviation; the relationship between the Federal Government and State and municipal

governments in aviation; and the relationship between the Federal Government and foreign governments and international organizations with respect to aviation.

I assert that the handling of the problems in the field of aviation are in a state of utter confusion. I insert at this point in the RECORD in support of my assertion a circular of the Air Transport Association dated March 27, 1956:

AIR TRANSPORT ASSOCIATION OF AMERICA,
Washington, D. C., March 27, 1956.

Operations memorandum No. 56–52.

Subject: Chart of simplified research and development structure and coordinating organizations involved in the common system of air navigation and traffic control.

To: Conference members.

Attached is a copy of an organizational chart showing lines of authority and coordination by the groups of industry and the executive branch of the Government. The heading on the chart states that this is a simplified chart. This is a factual statement and is not intended to be facetious.

This diagram was prepared by a branch of the Government and was used in top level discussions. Note this diagram does not include the legislative branch of the Government nor are all of the agencies of the executive branch shown.

As stated in the recently issued Harding committee report, there are 75 committees, subcommittees and groups of the Government and/or industry directing their attention to aviation facilities within the executive branch of the Government. Industry is represented or participates, to varying degrees, in approximately 40–45 of these committees.

This chart is furnished primarily for information although it has been observed that there are scores of people in the airline industry who think of that portion of the Government having to do with the industry in terms of 1–2 persons. Also there is quite an apparent lack of appreciation that both the executive and legislative branches of our Government have independent responsibilities and that most programs require concerted action on the part of both these branches of the Government.

MILTON W. ARNOLD,
Vice President, Operations and Engineering.

Unfortunately because of the restriction on printing charts in the CONGRESSIONAL RECORD it will not be possible for me to insert in the RECORD the chart attached to the circular.

The chart is headed: "Simplified Research and Development Structure and Coordinating Organizations Involved in a Common System of Air Navigation and Traffic Control." I submit that anyone who looks at that chart and the numerous agencies on it and the lines of communication between them will see that probably there is no more mixed up set of agencies dealing with problems in any field of activity in the Federal Government. Here is bureaucracy, redtape, and confusion gone wild. I submit that a look at that chart itself supports the proposition that there is duplication, conflict, and lack of coordination in the agencies of the Federal Government having to do with the field of aviation.

In addition, Mr. Speaker, there is an excellent article dealing with problems of aviation and its future development in the New York Sunday Times of April 29, 1956. I incorporate that article by Mr. Richard Witkin entitled "Jet Age Planning Worries Airlines" at this point in my remarks:

JET AGE PLANNING WORRIES AIRLINES—600-MILES-PER-HOUR-CRAFT CREATING PROBLEMS OF NOISE, TRAFFIC CONTROL, AND FACILITIES

(By Richard Witkin)

Going the rounds of the aviation industry is a Government document that, isolated from other data, might terrify the bank and insurance executives who have arranged financing for $1,100,000,000 worth of jet airliner purchases.

The very title of the document, drawn up by the Civil Aeronautics Administration, is disconcerting. It reads: "CAA Jet Age Planning, the 100 Problems."

The figure 100 is a minimum. The man assigned to compile the list cut it off there for fear he would never be able to stop. The list contains, alongside such obvious items as jet-engine noise and the question of runway length and strength, a multitude of difficulties unsuspected by any but the experts.

For instance, a conventional altimeter—the gage that tells a pilot how high he is—loses its accuracy at altitudes where 600-mile-an-hour airliners will fly. Piston-engine airways are stacked vertically at 1,000-foot intervals. The spread will have to be much greater at the rarefied jet altitudes unless better altimeters can be perfected.

EVEN RADAR AFFECTED

Consider radar. Piston-engine airliners, picked up by radar, bounce back a strong signal that forms a bright blip—a small, luminous streak—on the dark radarscope. The main impetus for the strong return signal comes from the thrashing of the propellers. Propellerless jets will require more powerful radar transmitters.

The difficulties are seemingly endless. Will the harmonics of jet noise shatter the huge picture windows that have become fashionable at modern air terminals? What is the best machine for clearing runways of pebbles and dirt that could chew up a jet engine's insides? How steep a descent from extreme jet altitudes will passengers be able to tolerate?

Britain devised workable solutions for many operational problems when it put its fleet of Comet I's in service. Of course, the tragedies that later suspended the Comet operations testify that British planning left something to be desired. Yet even if the Comet I had been a success—and it missed by only a small though catastrophic margin—this country could not get by with a duplication of British methods. There are several reasons.

The American jets slated to start commercial service by early 1959—the Douglas DC–8 and the Boeing 707—are much larger and faster than the Comet I. They will carry three times as many passengers. The general run of aerial traffic in which the American jets will operate will be congested. The traffic the Comets had to contend with was light by comparison. By the early 1960's there will be dozens of American jets streaming into and out of major terminals. Comet I production was halted while still a trickle.

The almost overwhelming tasks confronting the American aviation industry will strain both its technical ingenuity and its financial resources, which include whatever funds the taxpayer will make available in governmental budgets.

Many of the problems—most glaringly traffic control—are not peculiar to the jet but already are plaguing the industry. Jets will vastly complicate traffic control, however.

Another complication will call for collaboration with other governments. It will be vital to achieve international standardization of many operational jet procedures and much equipment. Otherwise international carriers would be compelled to install several navigational systems in their planes to perform the same function in different countries. The extra equipment would be costly and would slice into passenger or cargo capacity.

THREE CATEGORIES OF TROUBLE

Most of the difficulties the industry faces divide into three categories: Noise, traffic control and airport facilities.

In the public mind, noise has been the prime concern from the moment the industry raised the specter of jet airliners operating near homes and offices. Experimental work on a suitable noise suppressor has not yet been completed. But tests to date have been successful enough to warrant statements from the manufacturers that their planes will be no noisier—perhaps less noisy—than piston-engine planes.

Piping down to piston-engine raucousness is not going to mollify those who feel that even pistons rate banishment to outlying provinces. But there is little doubt that municipal authorities will accept the jet airliner at existing airports if piston-engine noise levels are achieved.

Other things being equal, jet planes have some decided advantages over piston planes when it comes to minimizing the impact on the public nervous system. Once jets are off the ground, their speed and climbing ability carry them out of earshot a good deal more quickly than current planes.

Taming the noise of jet engines during ground run-up is technically much simpler than during takeoff, of course. In designing an in-flight suppressor (the most promising is a corrugated nozzle for the tailpipe), engineers must make sure it does not absorb too much engine power or overburden the plane with its weight and wind resistance.

EARS MUST BE PROTECTED

For ground testing, loss of engine power and size of suppressor are technically not so important. If need be, the boisterous exhaust can be—and sometimes is—piped through a soundproofing chamber bigger than the plane.

Unmuffled jet roar, sometimes necessary in ground tests, can damage the hearing of ground crewmen nearby. Mechanics probably will have to be equipped with protective devices for their ears. On the other hand, an Air Force study shows there is no danger of hearing loss or other physical injury to people living off the airport, whatever their psychological reactions.

The most imposing of all the industry's tasks is undoubtedly the modernization of the already archaic traffic-control system. The task is so imposing that the first jet fleets almost certainly will be controlled by nothing better than the current basic system jogged by heavy infusions of interim gadgetry.

It is widely believed that what is needed in the long run is a fully automatic system in which electronic brains will calculate traffic patterns and transmit instruction signals to dozens of cockpits. Such a system is quite a few years away.

To appreciate the added difficulties that will be encountered in handling jet traffic, it is necessary to understand how the traffic-control system works—or muddles through—today. In good weather, there is a minimum of control from the ground. That is, ground stations do not tell a pilot what altitude to fly or when to let down for a landing. He simply flies in accord with visual flight rules.

EYESIGHT RULES

Visual rules require that planes flying the airways, which are marked out by the CAA, maintain odd-numbered altitudes (7,000 feet, 9,000 feet, etc.) going north or east and even altitudes going south or west. Pilots must rely on their eyesight to keep from colliding with other planes. There are comparable rules for off-airways flights.

When instrument weather moves into an area, ground controllers go to work. Every plane then is required to file a "flight plan" with traffic control authorities. Planes are assigned specific altitudes and told when to take off.

Since pilots plowing through an overcast cannot see other traffic, safety dictates that planes be dispatched at regulated time or distance intervals if they are to share a particular altitude. The rules call for a minimum separation of 10 minutes, unless the area is monitored by radar. Ten minutes in a 360-miles-an-hour DC–7 is 60 miles.

If the 60-mile safety margin is threatened because a DC–7 is overtaking a slower DC–4, ground control finds out from position reports radioed from the planes. In that case, the DC–7 is ordered to circle for a time over a radio beacon or is assigned a new altitude.

In areas where controllers can "see" the planes on radar, the rules permit narrowing the separation of traffic to as little as 5 miles. Controllers can advise the pilots what headings to fly and watch the planes' blips on the radarscope to make sure they comply. With the breathtaking increase in traffic putting more and more of a premium on air space, radar has saved an overloaded system from virtual collapse.

HUMAN LIMITATIONS

But radar is no panacea. Human brains must absorb the radar information and base traffic instructions upon it. There is a limit on how many blips a single brain can safely juggle.

What are the basic defects in the traffic system? Both the scheduled airlines and the military which have jointly led the campaign to overhaul the existing setup start from the premise that visual flight rules need sweeping revision. They insist that for most operations pilot vision no longer is an adequate safeguard against collision, even in a cloudless sky.

It should be emphasized that the airline-military approach to the problem is loudly challenged by the private pilots, represented by the Aircraft Owners and Pilots Association. The association fears that the airline-military campaign aims at running the private pilots out of the skies or at least relegating them to the "sticks."

The airlines have buttressed their case with a survey on the mid-air collision hazard conducted by their trade group, the Air Transport Association. The survey produced the statistic that airliners in this country are involved in four near-collisions every day, most of them in clear weather.

The Air Force has reported equally alarming conditions. While some observers sympathetic to the airline-military point of view feel that the survey's definition of a near-miss may be slightly loose, there appears little doubt that the incidence of near-misses is dangerously high.

This will seem less surprising when it is realized that the head-on closure rate of two modern piston airliners is much faster than the speed of a revolver bullet. The closure rate will be far greater with two 600-mile-an-hour jets. The private fliers' association, while conceding there is a collision problem, strongly distrusts the airline survey and bridles at the cures proposed.

RULE CHANGE DISPUTED

The airline-military view is that the logical answer to the near-miss hazard is to compel planes to follow bad-weather rules in good weather, at least in critical areas. To fly under bad-weather, or instrument, rules, a pilot must have an instrument proficiency rating. Also his plane must be equipped with a minimum of radio and navigation equipment—a minimum many private pilots cannot afford.

The private pilots have been assured there is no intention to relegate them to remote areas. They have been assured that adequate air space will be set aside for visual private flying, even in such crowded areas as New York.

The private pilots' association is not buying such assurances. It proposes as the answer to the near-miss hazard:

Speed limits in congested terminal areas.

Better cockpit visibility.

Round-the-clock, all-weather control only at the high altitudes where jets will normally cruise.

The pros and cons of the dispute are complex. In any case, the proposal to curtail visual flight rules flying is somewhat academic at the moment. However urgent the airlines and military officials might consider such curtailment for reasons of safety, economics, or national defense, the change cannot come overnight.

The outmoded traffic-control system lacks the capacity to handle the normal good-weather flow of traffic. It cannot even handle the lighter flow that seeks control when instrument weather moves in.

Today, when bad weather blankets a heavily congested area and makes instrument rules mandatory, one-third or more of scheduled airline flights must be canceled. Other flights are delayed an hour, 2 hours, sometimes more. This slowdown is irritating enough as an occasional phenomenon; it would be ruinous as a permanent condition. The reasons for the incapacity of the system are many.

PRESENT CONTROL CUMBERSOME

Along a 250-mile route at one particular altitude there is room for only 4 DC–7's if 10-minute separation is required. Given complete coverage with present radar, and thereby enabled to narrow separation to 5 miles, controllers still could not handle today's traffic volume. Jet-age traffic would overwhelm them.

There are insufficient communications channels between controllers and pilots. Devices to give constant and positive identification to each radar blip still have to be perfected. The system for relaying data from one controller to another as planes move from zone to zone dates back almost to the time of the mah-jong craze. The reference comes to mind because the system in operation bears some resemblance to that parlor pastime.

Data on each flight—altitude, route, estimated arrival time, etc.—must be scribbled on rectangular strips mounted in aluminum holders. The strips are posted on top of one another on a slanted board. Controllers have a hectic time shuffling holders and relaying information to each other, to pilots, and to airline operations shacks over a mass of wires plugged into walls, ceiling, and floor. The system is crying for automation.

At present the CAA is evaluating an electronic brain that automatically transcribes data onto the strips by use of punched cards.

The extra speed of jet airliners (600 instead of 360 miles an hour) will mean less time to waste in clerical chores and waiting for a chance to get in touch with a pilot over a party-line radio channel.

Because jet airliners will intrude into regions above 30,000 feet, hitherto reserved for the military, the interweaving of military and civilian traffic will become exceedingly involved.

Finally the gluttonous fuel consumption of jets will mean a limit on stacking planes over an airport while they await their turn to land.

On average, jet airliners will carry enough fuel to "hold" for an hour or so over destination before heading for an alternate airport. This is nothing like the holding endurance of piston planes. Figures on fuel consumption show why. A DC–6B requires only 1,420 pounds of fuel to hold for an hour at 10,000 feet. A DC–8 jet will require 9,000 pounds for an hour at 15,000.

The profit margin in jet operations will not tolerate habitual waste of 9,000-pound fuel loads. Nor will it tolerate chronic diversions to alternate airports with the airline then responsible for hotel bills or refunds (or both) for 100 to 140 passengers at a clip. Traffic control will have to weave jets through the skies to prompt landings on a good majority of occasions.

Another point: Traffic control must control right up to the parking gate where passengers board and debark. Quick clearance of runways to enable a second plane to land, avoidance of taxi-strip congestion, smooth access to an adequate number of passenger gates, all must figure in the equation if the system is to cope with predicted traffic volumes.

The Government, at long last, is pulling together and accelerating many rambling efforts to help traffic control catch up with the growth of air traffic. The efforts have rambled not for lack of specialists who knew what was needed but for lack of leadership and congressional funds.

REVOLUTION NOT HERE

It is not expected that a revolution will have been brought about by the time the first jet fleets start operating commercially. But some major reforms should have been accomplished. There will be many more radar installations, more controllers, more navigation aids, more communications channels—quantitative advances.

There should be some qualitative changes, too. But radical transformation of the traffic-control system is a long-range project that will not gather real momentum until sometime after the jet airliners have been introduced. The directions of research and development are well defined, however. They forecast the shape of the eventual traffic-control system, though the exact contours may be affected by how successful the private pilots are in resisting clear-weather control.

Great effort is being expended on improving radar. The newest installations are equipped with moving target indicators that filter out confusing stationary targets, such as buildings and towers. Another improvement prevents rain and other precipitation from cluttering the scope.

A device called a transponder, situated in the plane, holds great promise of increasing return radar signals from jets. It transmits a strong signal in answer to the radar signal sent from the ground. In addition, its reply can be coded—can transmit double blips, colored blips, blips with special symbols. Coded replies could identify the flight or its altitude. Interference between radio frequencies is impeding progress on the device, however.

Parallel research is aimed at producing devices that will enlarge blips and display them so that controllers can easily keep track of them. Another high-priority project is development of a proximity warning device that will alert a pilot if he is on a collision course with another plane.

In the long run, electronic calculators will keep track of the radar blips, calculate the best course for each plane to fly and transmit instructions to the planes.

PILOTS TO BE MONITORS

The instructions will not even have to filter through the pilot. They will go directly to an automatic pilot. The human crewman will merely monitor the operation and be ready to take over in case of a malfunction. Machines will transfer flight data not only from ground to air, but between controllers, and from control center to control center.

A good deal of automatic equipment for traffic control already is in the development and evaluating stage. SAGE (standing for semiautomatic ground environment), the air-defense system that coordinates the radar search for enemy planes and plots courses for

interceptors, probably will play an important role in traffic control. A Government team is studying what features of SAGE can be adapted.

The needs are so complex that it may be a decade or more before automation really takes hold as a traffic controller. It won't be enough for some enterprising automation concern to design an electronic thinker and then go around peddling it.

Each device or facility for navigation, communication, or airport operation in the jet age must be considered in relation to the rest of the system. Scientists these days are always talking about the "systems" approach. In aviation, President Eisenhower has appointed a special assistant—Edward P. Curtis, a former Air Force general—to study the Nation's overall aeronautical requirements for the next 20 years.

Mr. Curtis, operating from an office at the White House, will come up with a comprehensive long-range systems blueprint within the next year or year and a half. This plan will have great bearing on what types of electronic brain will control traffic, what new departures in communications should be used, what the standard airport layout should be.

Airport construction is a subject that generates a good deal of controversy when jet-age problems are discussed. At a jet-age symposium in Washington early this year, a high point in plain-talking came when a slim, earnest individual asked for the floor and identified himself as the mayor of Atlanta, William B. Hartsfield.

The audience of aviation specialists was not too startled to catch a mayor in their midst since mayors are notoriously sensitive to the noise problem. But Mr. Hartsfield had other things on his mind: Airports, and who was to pay for them.

The stimulus for Mr. Hartsfield's comments was the impression that had got about that jet airliners would require lengthening of runways at most of the Nation's major airports. The mayor said somewhat heatedly that he wished the manufacturers would consider the capacity of cities to float new bond issues.

"For 15 years," he said, "we have been madly raising funds, lengthening runways, and enlarging airports to keep up with the growth of aviation." He suggested it was time this stopped. It was time aircraft manufacturers designed their products to fit existing runways. Land for airport extension was becoming harder and more expensive to get. And runways at $1 million a thousand feet had to compete with schools and highways for the taxpayer's dollar.

Since Mayor Hartsfield's oration, the manufacturers and some of the airlines have been making a determined effort to allay the concern of municipal authorities. The nub of their argument is that there will have to be very little lengthening of runways.

The misunderstanding—if such it is—stems from the original announcement of the two manufacturers about runway requirements. They said their jets would need, for top-load takeoffs on a standard-temperature (59° F.) day, about 9,000 feet. Current regulations require minimum runway length to be increased by one-half of 1 percent for each degree the mean temperature of the hottest month exceeds 59°. An 80° hottest-month figure would require a 10-percent, or 900-foot, increase.

Runway length must be increased another 7 percent for every 1,000 feet above sea level, and 20 percent more for each degree of uneven grade. It appeared therefore that the average jet runway would have to be at least 10,000 feet. There are only 3 that long in the entire country, and 1 is at Denver, where the 5,000-foot altitude would add several thousand feet to the minimum requirements. The other two are at Boston and St. Louis.

How do the manufacturers nullify the implications of all this figuring? They reason this way:

The public and its municipal spokesmen have been misled by reference to "top-load" takeoffs. There will be few occasions when jets will have to carry capacity fuel loads, since few routes will extend over the planes' maximum range. Certainly domestic trips will not require capacity loads. And cities such as Atlanta will not be running top-range flights to Paris.

SKEPTICAL VIEWS GIVEN

The manufacturers' arguments are somewhat reassuring. But they have far from dispelled the doubts. The skeptics suggest that the performance of the production planes may deviate, on the minus side, from the paper calculations. It is still not certain how much performance will be sacrificed in the use of noise suppressors. And some insiders who remember how aviation has outpaced all predictions have a hunch that top-load takeoffs will be desired more often than the manufacturers think.

Jets flying against prevailing headwinds from Europe to the United States will have heavy fuel requirements, for instance. And who is to say that Atlanta will not wish to schedule flights to Paris in 10 years? Or that a proliferation of polar routes will not increase the number of occasions when top-load takeoffs will be desired?

Airport operators, and the airlines that will use their facilities, have a lot of other things to think about:

Runway strength requirements.

Flush lighting on the center of the runway to facilitate all-weather operations.

High-speed turnoffs to clear a landing plane off the runway as quickly as possible.

Bypass strips to enable jets, which need no engine runups, to taxi past piston planes, which do.

Facilities to process passenger loads habitually exceeding 100 for each jet airliner.

Improved baggage-handling facilities.

Underground fuel tanks topped by hydrants to refuel planes that would use the contents of several conventional fuel trucks.

AIRLINES AWARE OF TASK

A few months ago an airline president, somewhat shaken by the experience of ordering a fleet of jet planes costing $6 million each, is reported to have said in a tone of strained jocularity:

"We are buying airplanes that haven't yet been fully designed, with millions of dollars we don't have, and we're going to operate them off airports that are too small in an air-traffic control that is too slow, and we must fill them with more passengers than we've ever carried before."

At the time, if the element of hyperbole was discounted, there was a lot to what he said. There still is, though some of the gloomier aspects of the assessment have brightened in the interval.

What must be most heartening to the airline president in question is the gathering evidence that aviation leaders of all stripes realize the size of the workload ahead of them.

The first jet operations are almost 3 years off. The industry already is putting in overtime weeks getting ready.

I might, before I go further, mention the work of the Harding committee. The Harding committee was a group appointed a year ago by the Bureau of the Budget to study agencies dealing with the field of aviation in the executive branch of the Government. Last December that committee submitted a report to the Bureau of the Budget and asserted that there were over 75 committees, subcommittees, and special working groups concerned with aviation facilities matters.

The Harding report did not criticize the number of these agencies; it called attention to the difficulty in the proper coordination of their activities.

The Harding committee concluded that aviation would suffer in the future unless steps were taken promptly to study existing agencies in the executive branch of the Government having responsibilities in the field of aviation.

It concluded also that some top level study and master plan was required to provide a basis upon which "to build a comprehensive legislative and fiscal program for aviation facilities development."

The Harding report recommended that the study be conducted by an individual of national reputation to work with existing departments and agencies in the executive branch of the Government backed by Presidential authority. As a result of this recommendation, Mr. Edward T. Curtis of the Eastman Kodak Co. has been appointed special Presidential Assistant on Aviation Facilities Matters.

Mr. Speaker, I concur in the Harding report conclusion that a study of executive agencies and their proper relationship with each other is urgently needed. Where I disagree with the Harding report is that this study should be made by a single individual and completely within the confines of the executive branch of the Government.

Under that program the executive agencies will debate and compromise among themselves and eventually some kind of proposition will probably be submitted to the Congress. It is my belief that a problem of this magnitude deserves the attention of the Congress, that the Congress should participate in the study and in the formulation of the policies which would flow from the study.

Equally important in my view are the interests of the various segments of our national economy in the aviation field. I speak of trade associations for scheduled airlines, like the American Transport Association, trade associations for private flying, manufacturers of aircraft and aircraft equipment, and the owners of public airports, the cities, States, and the general public.

Mr. Speaker, the only way in which all elements of our economy, not only the executive branch of the Government and the Congress but private business and the general public, can jointly participate in this study so urgently needed is through the formation of a commission such as I have suggested.

Mr. Speaker, through my interest in the controversy between the two airports in the Detroit area and because of my experience in being submitted to what I regard as an example of bureaucratic tyranny in the handling of decisions in this field by an executive agency, I have made quite a study of the activities of the Air Coordinating Committee.

That Committee was created by Executive Order 9781 signed by President Truman on September 19, 1946.

The text of that Executive order is as follows:

A. Executive Order 9781 establishing the Air Coordinating Committee:

By virtue of the authority vested in me as President of the United States, and in order to provide for the fullest development

and coordination of the aviation policies and activities of the Federal agencies, and in the interest of the internal management of the Government, it is hereby ordered as follows:

1. (a) There is hereby established the Air Coordinating Committee (hereinafter referred to as the Committee) which shall have as members one representative from each of the following-named agencies (hereinafter referred to as the participating agencies): the State, War, Post Office, Navy, and Commerce Departments and the Civil Aeronautics Board. The members shall be designated by the respective heads of the participating agencies. The President shall name one of the members as the Chairman of the Committee. The Director of the Bureau of the Budget shall designate a representative of the Bureau as a nonvoting member of the Committee. (For amendment of this paragraph, see appendix E, p. 21.)

(b) Each officer or body authorized under subparagraph 1 (a) hereof to designate a member of the Committee shall also designate one or more alternate members as may be necessary.

(c) The Committee shall establish procedures to provide for participation in voting, by a representative of any agency not named in subparagraph 1 (a) hereof in connection with such aviation matters as are of substantial interest to that agency.

2. The Committee shall examine aviation problems and developments affecting more than one participating agency; develop and recommend integrated policies to be carried out and actions to be taken by the participating agencies or by any other Government agency charged with responsibility in the aviation field; and, to the extent permitted by law; coordinate the aviation activities of such agencies except activities relating to the exercise of quasi-judicial functions.

3. The Committee shall consult with Federal interagency boards and committees concerned in any manner with aviation activities; and consult with the representatives of the United States to the Provisional International Civil Aviation Organization or to the permanent successor thereof and recommend to the Department of State general policy directives and instructions for the guidance of the said representatives.

4. The Committee, after obtaining the views of the head of each agency concerned, shall submit to the President, together with the said views, (a) such of the Committee's recommendations on aviation policies as require the attention of the President by reason of their character or importance, (b) those important aviation questions the disposition of which is prevented by the inability of the agencies concerned to agree, (c) an annual report of the Committee's activities during each calendar year, to be submitted not later than January 31 of the next succeeding year, and (d) such interim reports as may be necessary or desirable.

5. The heads of the participating agencies shall cause their respective agencies to use the facilities of the Committee in all appropriate circumstances and, consonant with law, to provide the Committee with such personnel assistance as may be necessary.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 19, 1946.*

The order has been amended from time to time, mainly to add members from additional executive agencies. The most recent amendment is Executive Order 10655, dated January 28, 1956.

The Air Coordinating Committee's decisions, when unanimous, bind the entire executive branch of the Government.

See what that means? Here is an agency not recognized by the Congress, not created by statute, delegated no legislative or administrative authority by the Congress, but created solely by Presidential order, yet, when it makes a decision it binds all of the agencies to whom Congress has delegated authority.

Let me illustrate how that operates. We have the Federal Airport Aid Act. In that act we delegated to the Secretary of Commerce the right to help create a proper airport pattern in the United States, subject to certain definite criteria which are set forth in the statute. But the airport use panel of the Air Coordinating Committee held hearings last June, almost a year ago, in the city of Detroit and came out with a conclusion that Detroit Wayne-Major Airport should be a commercial terminal and that military operations should be concentrated at Willow Run.

You ask, What does that have to do with airport aid? It has this to do with it: Willow Run Airport asked the Civil Aeronautics Administration for a modest $86,500 for certain improvements on that airport out of the current fiscal year's allotment. The management of the rival airport at Detroit Wayne Major asked for $1,300,000. In addition their representatives came to Washington, saw the officials of the Civil Aeronautics Administration and said: Do not give 1 penny to the Willow Run Airport because the airport use panel has made a decision that it should be developed not as a commercial airport but as a military airport, therefore it should have no airport aid funds.

The result was that Willow Run did not get any money while Wayne Major, on the other hand, got almost all it asked for. There you see the Air Coordinating Committee, with no authority from Congress, has usurped the power of the Department of Commerce where Congress specifically vested the authority under definite standards to decide upon the allocation of airport aid funds.

There are levels upon levels of executive agencies conflicting with each other in the field of aviation, and unless we do something about it we are going to find that technology has advanced, and Government has fallen behind. It may take some spectacular catastrophe, like a midair collision, to arouse the American people and the Congress to the fact that there must be a reorganization and a realinement of our agencies making decisions in the field of aviation, so that we may have prompt and intelligent resolution of aviation problems and rapid progress in aviation.

Mr. Speaker, the Air Coordinating Committee, without any statutory recognition, as I have said, has in practice been dominated by the military. On the airport-use panel which considered the problem in the Detroit area there were four representatives of the military and two civilians; a representative from the Army, the Navy, the Air Force, and the Department of Defense, being four, and only two civilian representatives from the Civil Aeronautics Administration and the Civil Aeronautics Board, for a six-member panel.

Mr. Speaker, no one wants to deny the military all they need for the proper defense of this country, but under our basic principle of civilian control the military should not be the final arbiters on decisions where there is a conflict between civilian and military needs.

It is my judgment that the Air Coordinating Committee, being dominated as it is by the military, has neglected to give proper attention to the future of civil aviation. In the long run, our defense rests upon the health of our national economy equally as much as upon our excellence in Military Establishments and the weapons of war.

I hope that the Committee on Government Operations will take prompt action on this legislation and that it will receive the enthusiastic support of the leadership of the House on both sides of the aisle, and that before this Congress adjourns this step in the direction of promoting the interests of aviation can be taken. If no action is taken in this session of the Congress, a year will have been lost in commencing this all-important study, or we will have abandoned the study to the executive branch of the Government where policies will be worked out without congressional participation.

DISTRICT TRANSPORTATION LEGISLATION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. HESELTON] is recognized for 15 minutes.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, since H. R. 8901, the District of Columbia transit bill, may be called up before the end of this week, I want to take this opportunity of making a few points as clear as I can as to it, as to the substitute recommended by the majority of the Interstate and Foreign Commerce Committee and as to H. R. 10871. I do so because of the numerous inquiries I have received with reference to these three legislative proposals.

Under the parliamentary situation, I cannot offer H. R. 10871, the interim transit bill, as a substitute for H. R. 8901 unless the committee substitute is rejected. Therefore, it is entirely possible that the important and significant vote will come on the acceptance or rejection of the committee substitute. And it may be the only vote.

I have been asked repeatedly whether I am in favor of public ownership. I have stated, and I repeat for emphasis, "No, unless it becomes absolutely necessary." I have been asked also whether it would not be possible to offer amendments to the committee substitute which, if accepted, would permit Members of the House to support an amended version of the committee substitute without making it necessary for the House to return to the Capital Transit Co. the charter and franchise which Congress repealed last August through Public Law 389. I devoted many hours in an effort

to prepare such proposed amendments, but I came to the considered conclusion that any attempt to offer such amendments, even if successful, would be confusing, impractical, and futile. Therefore, I filed H. R. 10871 as the only practical alternative I could present for the committee substitute. I offered it and I shall offer it if it is possible to do so here on the floor, because I will not reverse my vote to revoke the charter and franchise of the Capital Transit Co., which vote I believe was amply justified upon all of the evidence we have had or now have.

In this connection, when President Eisenhower signed Public Law 389 on August 14, 1955, he stated in part:

. . . both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Co., beginning several years ago and continuing up to the present time, has failed to measure up to its responsibilities in the District.

In connection with our action on Public Law 389, I have been asked whether I have available any tabulation of the earnings and dividends paid by the company, which was in August of last year a matter of serious concern to Members of this House. I have been given a table which I now include under permission granted to me, as follows:

	Net earnings reported to PUC	Dividends paid	Dividends per share ($100 par basis)
1940	$872,082	$240,000	$1.00
1941	1,299,969	300,000	1.25
1942	1,717,188	420,000	1.75
1943	1,508,844	480,000	2.00
1944	1,534,920	480,000	2.00
1945	1,317,958	480,000	2.00
1946	965,854	480,000	2.00
1947	(93,416)	480,000	2.00
1948	396,315	120,000	.50
1949	325,816	480,000	2.00
1950	878,274	720,000	3.00
1951	1,413,250	960,000	4.00
1952	1,046,389	3,744,000	15.60
1953	897,461	1,536,000	6.40
1954	754,898	[1] 1,670,330	4.80 plus 2.16
1955	[2] 1,215,353	576,000	2.40

[1] $1,152,000 cash dividend and $518,330 in stock of Continental Enterprises.
[2] $524,518 net income offset by a $1,739,871 streetcar writeoff.

As I noted in my minority views to accompany H. R. 8901, Louis E. Wolfson and his associates obtained control of the Capital Transit Co. in 1949.

A number of my colleagues have asked me if Members would not be required to vote either to return the charter and franchise to the Capital Transit Co., basically upon its own terms, or for public ownership, in terms of a Washington Metropolitan Transit Authority. The answer to that question is clear beyond any possible dispute. H. R. 10871 specifically authorizes the Interim—and I underline the word "Interim"—Authority to sell the properties it would take under H. R. 10871 to such competent private operators as it could locate prior to August 15, 1959. This means that the proper government authorities of the District would be charged with the responsibility of continuing their efforts, which have been unsuccessful to this time, to search for and sell to any competent private operator who would then own and manage the transit system of the District. Personally I still hope and believe that will be possible in a city where passenger volume is reasonably constant and where a reasonable profit could be expected at fair rates. I cite title III, section 304. Section 304 of that title "terminates the existence of the Authority upon the sale of its property," except to take all necessary action to "close out its affairs as expeditiously as possible."

It is very important to note also that section 305 of that title requires the Board of Directors of the Interim Authority, consisting of the District Commissioners, to report to Congress within 15 days of June 15, 1958, the steps taken to effectuate such a sale and the reasons for failure to make such a sale, if none is made by June 15, 1958. Obviously, upon the receipt of any such report Congress then would have full and complete authority to pass any legislation it feels is necessary and proper under the facts reported to it by the Interim Authority. Only if Congress did not act upon such report would the permanent Authority come into being. In that event the only loss to the people of the District of Columbia would be the very doubtful advantage of having had the Wolfson group operate its transit system for another 3 years upon terms far better, from the point of view of that group, than they had when they brought on the cancellation of their charter and franchise by their own conduct. And the best interests of the people of the District of Columbia is our responsibility, whether we welcome or dislike this role of a city council.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. MEADER, for 30 minutes, today.

Mr. HESELTON, for 15 minutes, today and tomorrow.

Mr. HOLLAND, for 1 hour on Monday, May 14.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. RODINO and to include extraneous matter.

Mr. WICKERSHAM in three instances.

Mr. MCCORMACK.

Mr. COLMER.

Mr. ABBITT (at the request of Mr. THOMPSON of New Jersey) and to include extraneous matter and to revise and extend his remarks.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1835. An act for the relief of the Board of Commissioners of Sedgwick County, Kans.;

H. R. 1989. An act for the relief of George D. Hopper;

H. R. 2338. An act for the relief of Charles F. Bullette;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

H. R. 2736. An act for the relief of Roy M. Butcher;

H. R. 2924. An act for the relief of David J. Dasé;

H. R. 3638. An act for the relief of Joseph H. Washburn;

H. R. 3639. An act for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs;

H. R. 3725. An act for the relief of Herman F. Gierke, Jr.;

H. R. 3975. An act for the relief of the Reverend Boniface Lucci, O. S. B.;

H. R. 4902. An act for the relief of Martin F. Kendrigan;

H. R. 5787. An act to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service hospital, Carville, La.;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 7583. An act for the relief of Mary Viola Jones;

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes; and

H. R. 9132. An act to provide for the approval of the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 419. An act for the relief of Eli E. Hood;

S. 637. An act to provide for the conveyance of Camp Livingston, Beauregard, and Esler Field, Louisiana, to the State of Louisiana, and for other purposes;

S. 885. An act for the relief of Alice Elizabeth Marjoribanks.

S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.; and

S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

ADJOURNMENT

Mr. MAHON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 13 minutes p. m.), under its previous order, the House adjourned until tomorrow, Thursday, May 10, 1956, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on the Judiciary. H. R. 9810. A bill to provide for the conveyance of certain land of the United States to the State of Indiana;

with amendment (Rept. No. 2123). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. H. R. 8110. A bill to incorporate the National Music Council; without amendment (Rept. No. 2141). Referred to the House Calendar.

Mr. FRAZIER: Committee on the Judiciary. H. R. 9956. A bill to amend subdivision (e) of section 58, Notices of the Bankruptcy Act, as amended; without amendment (Rept. No. 2142). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. H. R. 10417. A bill to amend the Federal Register Act, as amended, so as to provide for the effectiveness and notice to the public of proclamations, orders, regulations, and other documents in a period following an attack or threatened attack upon the continental United States; without amendment (Rept. No. 2143). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORRESTER: Committee on the Judiciary. House Resolution 488. Resolution referring the bill H. R. 10826 to the United States Court of Claims; without amendment (Rept. No. 2124). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. House Resolution 490. Resolution providing that the bill, H. R. 6365, and all accompanying papers shall be referred to the United States Court of Claims; without amendment (Rept. No. 2125). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 4456. A bill for the relief of Cpl. Oscar H. Mash, Jr.; with amendment (Rept No. 2126). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 6029. A bill for the relief of Robert D. Grier (individually and as executor of the estate of Katie C. Grier) and Jane Grier Hawthorne; without amendment (Rept. No. 2127). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 8008. A bill for the relief of Mrs. Warren D. Cooper and her son, Teddy Devere Cooper; with amendment (Rept. No. 2128). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 8643. A bill for the relief of the Knox Corp., of Thomson, Ga.; without amendment (Rept No. 2129) Referred to the Committee of the Whole House

Mr. BURDICK: Committee on the Judiciary. H. R. 9371. A bill for the relief of John R. Henry; without amendment (Rept. No. 2130). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 4031. A bill to consider residence in American Samoa or the Trust Territory of the Pacific Islands by certain employees of the governments thereof, and their dependents, as residence in the United States for naturalization purposes; with amendment (Rept. No. 2131). Referred to the Committee of the Whole House.

Miss THOMPSON of Michigan: Committee on the Judiciary. H. R. 4137. A bill for the relief of Mitsuko A. Hachita; without amendment (Rept. No. 2132). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 5808. A bill for the relief of Judith Kao; without amendment (Rept. No. 2133). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 6742. A bill for the relief of Rumiko Fujiki Kirkpatrick; without amendment (Rept. No. 2134). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 456. Joint resolution for the relief of certain relatives of United States citizens; with amendment (Rept. No. 2135). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1026. An act for the relief of Nihat Cengiz; with amendment (Rept. No. 2136). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1244. An act for the relief of Eva Gershbein Rubinstein; with amendment (Rept. No. 2137). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2327. An act for the relief of Takako Iba; without amendment (Rept. No. 2138). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. Senate Concurrent Resolution 76. Concurrent resolution amending Senate Concurrent Resolution 67, favoring the suspension of deportation in the cases of certain aliens; without amendment (Rept. No. 2139). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 611. Joint resolution for the relief of certain relatives of United States citizens; with amendment (Rept. No. 2140). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 11106. A bill to amend the Internal Revenue Code of 1954 and the Narcotic Drugs Import and Export Act to provide for a more effective control of narcotic drugs and marihuana, and for other purposes; to the Committee on Ways and Means.

By Mr. BYRNES of Wisconsin:

H. R. 11107. A bill to amend the Internal Revenue Code of 1954 and the Narcotic Drugs Import and Export Act to provide for a more effective control of narcotic drugs and marihuana, and for other purposes; to the Committee on Ways and Means.

By Mr. BOGGS:

H. R. 11108. A bill to protect the public health by regulating the manufacture, compounding, processing, distribution, and possession of habit forming barbiturate and amphetamine drugs; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRNES of Wisconsin:

H. R. 11109. A bill to protect the public health by regulating the manufacture, compounding, processing, distribution, and possession of habit forming barbiturate and amphetamine drugs; to the Committee on Interstate and Foreign Commerce.

By Mr. ELLIOTT:

H. R. 11110. A bill to amend the Fair Labor Standards Act of 1938, as amended; to the Committee on Education and Labor.

By Mr. HOLT:

H. R. 11111. A bill to amend the Fair Labor Standards Act of 1938, as amended; to the Committee on Education and Labor.

By Mr. ANDREWS:

H. R. 11112. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. COON:

H. R. 11113. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act so as to clarify employer liability, and for other purposes; to the Committee on Education and Labor.

By Mr. HIESTAND:

H. R. 11114. A bill to provide for the control of destructive aphids; to the Committee on Agriculture.

By Mr. JARMAN:

H. R. 11115. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. LESINSKI:

H. R. 11116. A bill to provide additional compensation for employees of the postal service; to the Committee on Post Office and Civil Service.

By Mr. PILLION:

H. R. 11117. A bill to amend the Railroad Retirement Act of 1937, as amended, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. POLK:

H. R. 11118. A bill to provide for the conveyance of the Camp Sherman Rifle Range to the State of Ohio, and for other purposes; to the Committee on Armed Services.

By Mr. ROOSEVELT:

H. R. 11119. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act so as to clarify employer liability, and for other purposes; to the Committee on Education and Labor.

By Mr. THOMSON of Wyoming:

H. R. 11120. A bill to amend the act of May 21, 1930, with respect to certain oil and gas deposits underlying railroad or other rights-of-way; to the Committee on Interior and Insular Affairs.

By Mr. BELL:

H. R. 11121. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. BONNER (by request):

H. R. 11122. A bill to promote the development and rehabilitation of the coastwise trade, to encourage the construction of new vessels, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BYRNE of Pennsylvania:

H. R. 11123. A bill to authorize the Secretary of the Interior to acquire certain additional property to be included within the Independence National Historical Park; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 11124. A bill to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges; to the Committee on the Judiciary.

By Mr. DAWSON of Illinois (by request):

H. R. 11125. A bill to validate certain payments made to members and former members of the naval service; to the Committee on Government Operations.

H. R. 11126. A bill to adjust the application of section 322 of the so-called Economy Act of 1932 to premises leased for Government purposes; to the Committee on Government Operations.

By Mr. DAWSON of Utah:

H. R. 11127. A bill to clarify the law relating to the grant of certain public lands to the States for school purposes; to the Committee on Interior and Insular Affairs.

By Mr. MACK of Illinois:

H. R. 11128. A bill to provide that a commemorative stamp shall be issued depicting the home of Abraham Lincoln at Springfield, Ill.; to the Committee on Post Office and Civil Service.

By Mr. PRIEST:

H. R. 11129. A bill to amend certain provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the Trust Indenture Act of 1939, as amended, and the Investment Company Act of 1940, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS of Texas:

H. R. 11130. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mrs. ST. GEORGE:

H. R. 11131. A bill to amend the act of June 22, 1936, relative to flood control, and for other purposes; to the Committee on Public Works.

By Mr. SPENCE:

H. R. 11132. A bill to increase the borrowing power of the Commodity Credit Corporation, and for other purposes; to the Committee on Banking and Currency.

By Mr. YOUNG:

H. R. 11133. A bill to provide that the Secretary of the Interior shall investigate and report to the Congress as to the advisability of establishing the Lehman Caves-Mount Wheeler area of Nevada as a national park; to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

H. R. 11134. A bill to amend certain provisions of the Columbia Basin Project Act, and for other purposes; to the Committee on Interior and Insular Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HESELTON: Resolutions of the General Court of the Commonwealth of Massachusetts memorializing Congress to enact legislation to waive certain charges against an employer relative to unemployment insurance; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUDGE:

H. R. 11135. A bill for the relief of Mrs. Kenna Moore (nee McCarthy); to the Committee on the Judiciary.

By Mr. DAGUE:

H. R. 11136. A bill for the relief of Esther Danon Wright; to the Committee on the Judiciary.

By Mr. HAYWORTH:

H. R. 11137. A bill for the relief of Mrs. Zakiat Barhoum; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 11138. A bill conferring jurisdiction upon the Court of Claims of the United States to consider and render judgment on the claim of the Cuban-American Sugar Co. against the United States; to the Committee on the Judiciary.

By Mr. KILGORE:

H. R. 11139. A bill for the relief of Homer Cazamias; to the Committee on the Judiciary.

By Mr. ROGERS of Colorado:

H. R. 11140. A bill for the relief of James Edward Bundgaard; to the Committee on the Judiciary.

By Mr. SHELLEY:

H. R. 11141. A bill for the relief of Mary G. Nechaeff; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 620. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. J. Res. 621. Joint resolution to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1010. By Mr. BROOKS of Louisiana: Petition on fluoridation of public water; to the Committee on Appropriations.

1011. By Mr. JENKINS: Petition of 153 veterans of Athens County, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1012. Also, petition of 45 veterans of Athens County, Ohio, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1013. By Mr. WOLCOTT: Petition of Mrs. Vera E. Sutherland and 14 others to bring H. R. 4627, a bill to limit the advertising of alcoholic beverages, out of committee and onto the floor for open debate; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Statement in Support of Proposed Appropriations for the Soil Conservation Service

EXTENSION OF REMARKS

OF

HON. VICTOR WICKERSHAM

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1956

Mr. WICKERSHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me in support of proposed appropriations for the Soil Conservation Service before the Senate Appropriations Committee:

The duties and responsibilities of the Soil Conservation Service are among the most essential of all Federal Government activities. In developing and carrying out a national soil and water conservation program through soil conservation districts, it is contributing immeasurably to the welfare of our great farm population and to the Nation.

A mere listing of its activities is sufficient to bring home this fact. Its watershed protection and flood-prevention projects and river-basin investigations are of inestimable benefit to all of the Nation. Reduction of flood damage in 11 major watersheds is one activity which is difficult to measure in monetary value but almost beyond calculation in actual value to those who will thus be protected from loss of property and even loss of life.

Soil, water, and range resources of our country are the foundation blocks of the structure of the national economy. It is the Soil Conservation Service which coordinates, develops, broadcasts information, and carries out many of the most effective measures for the protection of the sources of our food and much of our clothing. How well the resources of soil and water are protected and conserved and even improved will have a direct effect on our standard of living throughout the Nation far into the future.

In the short span of its history the Soil Conservation Service has rendered services of great value to us all. It would be difficult to envisage a farm economy without the vital services which it performs. In the past year, throughout the 2,700 soil conservation districts, over 1,200,000 individual farmers and ranchers were assisted in some measure. Over 4½ million farms totaling over 1½ billion acres are now organized into soil conservation districts. These districts serve as centers for sharing information with all of their members.

Ask almost any farmer and he will tell you that he has benefited mightily from the services offered by the Soil Conservation Service. He may have had his entire farm surveyed and a plan for its most efficient utilization prepared. Such a survey would make use of the most effective conservation measures as well as means of improving the quality of the land and crops. The farmer may have been aided in application of such complex measures as drainage and water-disposal systems, farm ponds (a sight now familiar to even the city dweller), diversions, waterways, contouring, stripping, and many others. He is also constantly advised in maintaining such measures of soil and water conservation after it has been applied to the land.

A broader activity of the Service is the upstream watershed protection and flood-prevention program carried out as an integral part of the total soil and water conservation job. The Service works with local organizations that sponsor watershed projects as well as individual landowners and operators in watershed project areas. It aids in preparation of a plan for the entire watershed and helps the local interests to carry out measures found to be most effective.

We have only to remember reading in the daily press, hearing on radio and TV the constantly recurring accounts of floods throughout our Nation to realize the vital need for flood-prevention measures.

The needs of our rapidly increasing population for food and raiment must be met. All we have whereby they can be met are our soil and water resources. They must be protected in every way possible. The Soil Conservation Service is rendering a vital and valuable service in so doing. It is essential that the work be continued and even expanded in the future.

Economically the farmer is now going through a period of straightened circumstances. He must be helped a little now, and he certainly deserves it. We, as a nation, owe much to our farmers in the past, now, and increasingly will in the future. So I beg of you do not stint in providing funds for one of the most valuable and essential needs of the farmer, the Soil Conservation Service.

Mr. Chairman, I especially urge you to follow the recommendations of Nolan Fuqua, of Duncan, Okla.; L. L. Males, Cheyenne, Okla.; Harral Allen, Ada, Okla., and president of the Oklahoma Association of Soil Conservation Districts, for $5 million for upstream measures on the Washita and other similar projects.

The project on the Sand Stone Creek typifies the great value of such projects and is a monument to such men as Mr. Frank Dunaway, of Jones, Okla., Dick Longmire of Pauls Valley, and Dave Vandever of Chickasha, who work without compensation, and many other civic minded citizens who realize that there is an average of only 3 inches of top soil remaining in this world and if it is not conserved, 200 years hence there will be no top soil left.

I wish to commend and compliment the especially good work done by men like Mr. Ray Walker, in charge of Soil Conservation Service in Oklahoma, his assistant, Harry Chambers, Earl Wade, and Ed McVicker of Chickasha, and many others who are serving beyond duty.

This $5 million is for the Washita Valley Flood Control project which is 1 of 11 pilot watersheds established in 1946 by an act of Congress. I had the privilege of assisting in writing this legislation.

There are 64 substation sheds in the Washita Valley. Six or eight are completed, or nearly so. Forty percent of the Washita project is planned and 15 percent is completed.

Another $5 million is needed now, and $5 million per year for 7 years, making a total of $35 million.

There are many other projects needed in the soil conservation district—one near Waurika where we have had devastating floods recently.

The Federal Civil Defense Administration

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 9, 1956

Mr. McCORMACK. Mr. Speaker, last October, I attended in Boston the national conference of the United States Civil Defense Council, which is composed of city and county civil defense officials. At that time, I became impressed with the difficult job faced by some 400 State and local civil defense directors at the conference and by the overall responsibility of the Federal Civil Defense Administration.

In order to help civil defense, and particularly its education and training program, which is of interest to all Americans, I introduced H. R. 10432, which will help develop national civil defense training schools. The following facts are of interest by way of background:

The Federal Civil Defense Administration expects to offer a graduate course during the coming months for civil defense command and staff personnel. Completion of this course will prepare a graduate to function effectively in an operational capacity during a civil defense emergency, natural or manmade. The course will be about 3 months in length.

Experience with the 1-week courses which have been conducted since 1951, have shown that many civil defense officials at the State and local levels who should attend such courses are not able to do so because of their budgetary limitations. Passage of this bill will enable more State and local officials to attend, thus assuring a greater uniformity in organization and training in civil defense throughout the Nation. If this bill is not enacted, most civil defense officials who so badly need this training will be unable to attend and the civil defense effort will be seriously handicapped.

The bill recommends payment of travel expenses and per diem allowances in accordance with Government travel regulations. Enactment of the bill would result in no additional increase in the Federal Civil Defense Administration's budget as the cost of the program would be absorbed in FCDA's 1957 appropriation.

Annual Pilgrimage to Old Stone Church

EXTENSION OF REMARKS
OF
HON. WATKINS M. ABBITT
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 9, 1956

Mr. ABBITT. Mr. Speaker, 350 years ago this year, a little band of pioneers set sail from Blackwell, England, in three small sailing ships, the *Susan Constant*, the *Godspeed*, and the *Discovery*. These are the people who, after a harrowing, 5-month-long journey, landed in what was later known as Jamestown in the sovereign State of Virgina—my State.

Across the river there was later established the little town of Smithfield, a pioneer in another notable way, in the production of unique food products which have become famous the wideworld over.

And this month, the month of May, is the time of the annual pilgrimage to Smithfield for the benefit of the Old Stone Church in Smithfield, St. Luke's Church, the oldest known church still in existence. This old church was first built in 1632, a year before the first record of the settlement as a port for tobacco export, 120 years before the formal establishment of Smithfield as a town in 1752.

An important part of this annual pilgrimage in honor of olden times, is the serving of famous, unique Smithfield ham sandwiches. No other spot in the country can produce Smithfield hams. They have been shipped overseas for about 200 years. There is, on record, an invoice for the year 1779 for hams shipped to the West Indies. And one for the 19th century for ham shipped to Her Majesty, Queen Victoria.

But, gentlemen, there is another unique food product which originated in this colonial settlement, that is the now-popular barbecue. Yes, gentlemen, though other parts of this great country claim the barbecue, the Encyclopedia Americana will tell you that the word was in use in Virginia prior to 1700. It further states that the institution of the barbecue is of southern origin. And in a cookbook from Colonial Virginia, printed in 1742, there is a recipe marked "old recipe from Toano, Va.," for "barbecued squirrel."

Now, when we are marking with due respect the establishment of the colony at Jamestown, the building of a church at Smithfield, the development of the famous Smithfield ham, I believe that we should, at the same time, honor the pioneers who first prepared meat in a savory sauce by open-kettle simmering, even as it is still done today in Smithfield, Va. For the barbecue, one of this age's most delicious heritages, is but one more of the wonderful gifts handed down to us by those valiant pioneers of two centuries and more ago.

One Hundredth Anniversary of the Order of the Sisters of Providence in the Pacific Northwest

EXTENSION OF REMARKS
OF
HON. WARREN G. MAGNUSON
OF WASHINGTON
IN THE SENATE OF THE UNITED STATES
Wednesday, May 9, 1956

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared relative to the 100th anniversary of the Order of the Sisters of Providence in the Pacific Northwest.

Not only has this order of sisters pioneered in religious and charitable work, but it has been outstanding in the field of hospital work in the Pacific Northwest.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

I should like to call to the attention of the Senate a centennial observance in the State of Washington which has more than sectional interest. I refer to the 100th anniversary of the Sisters of Providence Order in the Pacific Northwest and the work carried on, first by a handful, and then by an ever-growing militant army of dedicated Christians intent upon alleviating ignorance and suffering in the northwest corner of our Nation.

Eighteen hundred and fifty-six was the year when five Sisters of Charity of Providence arrived at Fort Vancouver. They had traveled by riverboats, overland wagons, and packtrains before arriving at Fort Vancouver, Wash. At that time, Vancouver was a fur trading post of the Hudson's Bay Co. The northwest will never forget the leader of that group, Mother Mary Joseph. The daughter of a Montreal carriage maker, she was familiar with woodworking tools, a gifted wood carver, and an architectural designer, in addition to being a practical builder. Upon arrival at Fort Vancouver, she transformed a shack into a residence and schoolrooms.

We still point to that school as being the first permanent school to be established in the State of Washington. Today we know it as Providence Academy.

Mother Mary Joseph then converted a log cabin into St. Joseph's Hospital. This was the first permanent hospital in the Pacific Northwest. It is still in operation and last year had 3,368 patients.

Both the school and the hospital had been established by 1858.

Early in the 1860's the Sisters of Providence had set up schools at Walla Walla, Steilacoom, Cowlitz, and Colville. These schools educated the territories' youngsters before public schools were established.

Seattle began to feel that beneficent hand of the Providence nuns in 1877. Pioneer doctors and city fathers of that day had called for establishment of a farm to care for the poor and aged. This was set up at Georgetown. Only a year elapsed before the first Providence hospital was built and placed in operation at Fifth and Madison Streets in downtown Seattle. Now, Providence Hospital is located at 17th and East Jefferson Streets and cares for more than 16,000 patients per year.

In addition, the Northwest now boasts the 600 bed Sacred Heart Hospital in Spokane which annually cares for more than 22,000 patients and St. Elizabeth's in Yakima which cares for more than 8,000 patients.

The motivation of the order and the motto probably accounts greatly for the success with which the order accomplished from its very beginning. Its motto is: "The Charity of Christ impels us."

The founding of the order took place in Montreal when a wealthy widow established an Institute of Servants of the Poor.

The Order of the Sisters of Charity of Providence has left a permanent mark upon the entire North American continent by establishing hospitals, schools, and homes for the aged along the Pacific coast from Anchorage and Fairbanks, Alaska, to Burbank, Calif., and from Seattle to Montreal.

The hospitals of the order are internationally known for representing the highest standards of medical science.

Never in the order's life has the original intent been forgotten. In addition to caring adequately for the sick and needy, they have maintained clinical and outpatient services for the needy and have kept their hospital kitchen doors open to the hungry.

It is fitting that there will be a series of observances starting April 8, and concluding June 15, throughout the Pacific Northwest. One of the highlights of the celebration will be a solemn pontifical mass on May 8, at St. James Church, Vancouver, with His Excellency the Most Reverend Thomas A. Connolly, archbishop of Seattle, as the celebrant. His Excellency the Most Reverend Edward D. Howard, archbishop of Portland, will preach the sermon.

Then, a solemn pontifical mass of thanksgiving will mark the formal ceremonies June 14 in Mount St. Vincent Chapel, Seattle.

Archbishop Connolly will be the celebrant, and the Most Reverend Joseph P. Dougherty, bishop of Yakima, will preach the sermon.

The applied Christianity of this order has known no racial, religious, or monetary bounds.

Widespread public gratitude knows no bounds in this centennial observance.

The Meaning of UNICO

EXTENSION OF REMARKS

OF

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1956

Mr. RODINO. Mr. Speaker, in these times of industrial expansion, increase of scientific interest, and proposed voyages into the stratosphere, we are prone to lose sight of the down-to-earth activities daily carried on by the many benevolent service groups, whose volunteers aid worthy local and national projects ranging from family aid to the endowment of cultural interests.

In 1922 Dr. Anthony Vastola, an American of Italian heritage, gathered together 14 fellow citizens from Waterbury, Conn., and formed what is known today as UNICO National. This organization whose membership is now over 2,500 includes men of business and professional interests in some 50 cities throughout the United States, has had the singular honor of establishing 6 new chapters during the past 5 weeks. The name UNICO, based on the Italian word meaning unique, derives its form from the first letters of unity, neighborliness, integrity, charity, and opportunity. These five meaningful abstractions are the core of the Unican's creed which each member learns and aims to exemplify.

Over 1,000 students have studied or are now studying on UNICO scholarships. The Don Gentile scholarship fund alone has contributed over $25,000 to the assistance of worthy students. UNICO National is currently engaged in a program to raise money for the costly medical care of an Italian youngster stricken with a rare malady. UNICO is also raising money to provide a room in the International College of Surgeons. Of international interest UNICO is currently engaged in its most extensive financial participation. I am referring to UNICO's effort to raise generous donations for the erection of the Pius XII Library on the campus of St. Louis University. There in mid-America will be erected a great center of research which will house the treasured microfilm collection of the entire manuscript section of the Vatican Library in Rome. The completely functional building, the last word in modern library science, will include the name of UNICO among its founders.

While the national fund-raising campaigns are in full force, the many local philanthropies of the UNICO chapters are still continued. Add to these hundreds of local projects, the half-million dollars raised for Italian relief and the generous thousands given to Boys Town of Italy, and we realize how completely philanthropic this society of Americans of Italian extraction has been.

In order to invite the deserved attention of what this growing organization is doing, I respectfully request that this tribute be recorded in the RECORD of this date.

The current president, under whose dynamic leadership the expansion program has made such rapid strides, is Alphonse A. Miele, businessman. President Miele himself represents the ideal Unican and has cast his ideals into action since he was elected to office, August 1955.

Requests for UNICO chapters have come from dozens of cities in all sections of the country. So inspiring has been the story of UNICO National that sincere tributes have been offered by civic leaders and church dignitaries in each city which is privileged to have a UNICO chapter.

National School-Lunch Program

EXTENSION OF REMARKS

OF

HON. VICTOR WICKERSHAM

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1956

Mr. WICKERSHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement made by me in support of the national school-lunch program before the Senate Appropriations Committee:

STATEMENT OF VICTOR WICKERSHAM IN SUPPORT OF THE NATIONAL SCHOOL-LUNCH PROGRAM BEFORE SENATE APPROPRIATIONS COMMITTEE

From a small beginning, the school-lunch program has expanded rapidly until today approximately 10.5 million school children in the United States are participating in the program. In Oklahoma about 170,870 children were participating as of December 1955.

The National School Lunch Act, which became effective June 4, 1946, placed the school-lunch program on a permanent basis. It states that the purpose of the program is to safeguard the health and well-being of the Nation's children by encouraging them to eat more nutritious food. In signing the bill, on June 4, 1946, President Truman commented: "In the long view, no nation is any healthier than its children or more prosperous than its farmers; and in the National School Lunch Act, the Congress has contributed immeasurably both to the welfare of our farmers and the health of our children."

Congressional discussions of the school-lunch program have generally credited it with a two-fold purpose—the use of surplus agricultural commodities, and the improvement of the health and nutrition of school children. In its early stages, the program seems to have been chiefly inspired by the surplus of agricultural commodities. School lunches were one method adopted for distributing these surpluses. But as the program has developed, the two purposes have received equal emphasis; and, particularly in educational and health circles, the greater emphasis has tended to be upon the health and nutritional benefits.

To assist the States in carrying on a school-lunch program, Federal funds are allocated on the basis of an equalization formula which takes into account the per capita income of each State and the school population. For the years 1947 to 1950, inclusive, the States were required to match each dollar of Federal funds by $1 from sources within the State. For the years 1951 to 1955, payments were based upon the condition that for each dollar of Federal funds, the State's matching requirement would be $1.50. For any fiscal year after 1955, each Federal dollar must be matched by $3 from sources within the States. However, in the case of any State whose per capita income is less than the per capita income of the United States, the matching required for any fiscal year shall be decreased by the percentage which the State per capita income is below the per capita income of the United States.

The Federal Government appropriation for the national school-lunch program for fiscal year 1955 was $83,236,197. In addition to the cash appropriation, the Federal Government donated about $70 million worth of surplus commodities to the States to be used in the program. Of the cash appropriation for fiscal year 1955 Oklahoma received about $1,228,129, and in addition to that amount

received about $3.7 million worth of surplus commodities.

The cooperation of States and the local communities in the administration of this program and financial contributions in making the national school-lunch program a success is most commendable. It proves to us again that the Federal Government assistance in this program, which provides some incentive for carrying on the program, is highly justifiable. We must, however, keep the program up to date. As participation increases contributions must be increased to maintain comparable nutritional standards from year to year.

The necessity for better nutrition was demonstrated to us during World War II. The national school-lunch program is an important means of spreading knowledge of better nutrition among all people throughout the country. While results of this aspect of the program cannot be measured in quantitative terms, it may well be that future generations will look upon this basic step toward better nutrition for our children as the most important single achievement of the program.

U. S. Department of Agriculture—Agricultural Marketing Service

SELECTED STATISTICS ON NATIONAL SCHOOL-LUNCH PROGRAM IN OKLAHOMA, FISCAL YEARS 1947–55 AND PRELIMINARY 1956

	Fiscal years									
	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956 (preliminary)
Number of schools participating	1,561	1,447	1,393	1,546	1,590	1,669	1,653	1,696	1,771	1,763
Number of children participating	117,634	107,240	115,561	129,763	139,515	145,578	145,873	154,975	163,382	168,865
Federal cash apportionment	[1] $1,400,252	$1,216,167	$1,452,971	$1,523,239	$1,508,514	$1,313,928	$1,320,151	$1,318,060	$1,228,129	$1,181,309
Value of sec. 6 commodities [2]	$123,354	$315,442	$360,736	$364,210	$419,775	$342,654	$343,459	$275,499	$240,633	[3] $149,300
Value of surplus commodities [4]	$61,714	$397,682	$632,295	$839,972	$775,815	$475,394	$1,106,714	$1,818,138	$3,700,471	[3] $843,000
Number of meals served in program	16,249,000	16,706,000	18,538,000	21,183,000	22,868,000	23,177,000	23,690,000	25,482,000	26,864,000	[3] 12,439,000
Value of foods purchased locally by schools	$2,228,350	$2,578,494	$2,691,054	$3,023,175	$3,449,072	$3,793,063	$3,812,323	$3,854,572	$4,287,895	[3] $2,230,283

[1] Does not include $210,443 apportioned for equipment.
[2] Acquired under sec. 6 of the National School Lunch Act.
[3] July–December 1955.
[4] Acquired under price support and surplus removal programs.

Another Mississippian Honored—Mississippi 4-H Girl Represents United States Youth at International Teen-Age Conclave in Paris

EXTENSION OF REMARKS
OF
HON. WILLIAM M. COLMER
OF MISSISSIPPI
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 9, 1956

Mr. COLMER. Mr. Speaker, I seriously doubt that among all of the 48 States of the Union there is another State that compares favorably with my native State of Mississippi in its contribution to leadership in the various segments of the society and economy and the Nation. Surely, there is no other State in our glorious union of States which furnishes more national leaders on a per capita basis. From time to time I have called the attention of this body to instance after instance where an outstanding Mississippian has been chosen in national competition over other Americans. For instance, there was Sgt. Jake Lindsey, of Lucedale, Miss., who, during the last months of the recent World War, was selected as the outstanding hero to receive the 100th Congressional Medal of Honor for valiant service rendered on the battlefield of France. Sergeant Lindsey enjoys the unique distinction of being the only recipient of that highly coveted honor to receive the Congressional Medal of Honor at the hands of the President of the United States in a joint session of the Congress.

Some 2 years ago when Boys Nation and Girls Nation held their national convention here in the Capital City of Washington, an outstanding Mississippi youth, Eddie Perry, of Bay St. Louis, Miss., was selected as president of Boys Nation, and, believe it or not, at the same time Miss Jerolyn Ross, of Meridian, Miss., was chosen as president of Girls Nation. This was indeed an unusual situation of an outstanding boy and an outstanding girl being selected to head up these two splendid youth organizations both from one State, the great State of Mississippi. I doubt, Mr. Speaker, if a parallel situation has ever existed or for that matter ever will again.

Only last week the Honorable A. Boyd Campbell, of Jackson, Miss., an old schoolmate of mine, retired as president of the United States Chamber of Commerce after an outstanding year's leadership of that great organization.

Other instances of Mississippi's contribution to the leadership of the Nation could be mentioned. But, Mr. Speaker, my purpose this morning is to call the attention of the House to another star that has been added to the galaxy of the crown of Mississippians' achievements.

Mr. Speaker, Miss Marilyn Graves, 19 year-old 4–H girl of Jones County, Mississippi, has just returned from Paris where she represented United States youth at an international teen-age conclave.

The Mississippi girl was one of 40 young women—20 from France and 20 from other countries around the world—who took part in a two weeks' conference to discover how teen-agers in many nations live, think, and feel.

Other countries represented were: Germany, Australia, Belgium, Argentina, Cameroons, Brazil, French Northwest Africa, Egypt, Spain, Denmark, Great Britain, Holland, Greece, Italy, Japan, Portugal, Sweden, and Switzerland.

Host for the meeting was a French magazine, Elle, and each delegate was selected by a leading publication in the country she represented. Miss Graves was chosen to represent the United States by the magazine, Seventeen, which reaches about 2½ million teen-agers, and which last fall featured her in a magazine article as "Miss Young America in 4–H."

Commenting on Miss Graves' selection, Mrs. Enid A. Haupt, publisher of Seventeen, said: "It is a great responsibility to select a girl who will represent America's 8 million teen-age girls at a foreign conference. We are especially pleased that Marilyn is so active in 4–H work—because we feel this is such a typically American activity. Marilyn to us represents the best type of American girl because she has truly kept her 4–H pledge to use the 4–H's—head, heart, hands, and health—for her club, community, and country.

An outstanding member of this organization of farm youth, Miss Graves has traveled through the 4–H Club program to Minnesota, Chicago, New Orleans, and Washington, D. C.; given 230 speeches, and appeared on television and radio as a representative of the organization.

Miss Graves lives on a 260-acre farm with her parents and brother. They raise beef cattle and grow corn and cotton. A graduate of Jones County Agricultural High School and Junior College, she is now working for a degree in home economics at Mississippi State College for Women.

Thus, Mr. Speaker, another Mississippian has been honored and has received national recognition.

Engineering Research and Development

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES

Wednesday, May 9, 1956

Mr. WILEY. Mr. President, not long ago it was my pleasure to deliver an address in Madison, Wis., before a section of the American Society of Tool Engineers. My subject was the competitive race between the United States and the Soviet Union, in the field of guided missiles, research, and development. Subsequent developments have underlined the significance of this subject.

I ask unanimous consent that the text of my remarks on that evening be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR WILEY

I am indeed honored to address your society. It is one which contributes indispensably to the future of America.

In our industrial society, trained and skilled manpower and tools are the keys to production and to success.

And you highly trained engineers, and your companies, have the responsibility and satisfaction of creating the tools which make America great.

We of the United States, as you know, lead the world in production. We have accomplished the greatest feats of engineering. We are looked to, and increasingly visited, for our advanced industrial know-how.

OUR RACE WITH SOVIETS FOR SUPREMACY

And we are now, of course, engaged in a tremendous struggle to determine whether free men can remain supreme in their production achievements and thereby remain free, or whether they might become the slaves of a Communist industrial state, because of the latter's possible gaining of supremacy in time to come.

I am convinced, as I know you are, that just as we have won in shooting wars against dictators, so in peacetime we can prevail in competition against a dictatorship.

I do not believe in either overestimating or underestimating Soviet engineering capabilities. But I, for one, after years of warning about the Kremlin's determination, was not surprised when Khrushchev announced in Burma last December that "we shall see who has more engineers, the United States or the Soviet Union."

WE MUST BE NO. 1 ON GUIDED MISSILES

I want to talk to you tonight about the implications of this matter of the number of engineers and the quality of engineers.

It is particularly appropriate that you and I weigh the problem on this occasion, because just during this past week, a subcommittee of the United States Senate Armed Services Committee began, as you know, an investigation of the program of our guided missile and long-range and medium-range bomber programs.

I am not on that particular committee. I don't purport to know what its findings will be.

A great deal of its testimony must necessarily be in executive session, because matters of the highest security will be taken up, just as they are taken up in many of our Senate Foreign Relations Committee meetings.

SOME REPORTS ASSERT REDS ARE AHEAD OF US

But I do know this: There has been report after report, apparently based upon information available to United States and allied intelligence, that the Soviets have been making spectacular progress in guided missiles research.

Some reports assert that the Reds are actually ahead of us in the development of a 1,500-mile medium-range guided missile. Some reports assert that we are still ahead in the race for a 5,000-mile intercontinental guided missile, or a ballistic missile (the latter being, as you know, an unguided missile, fired like a bullet or an artillery shell).

It is next to impossible to know how reliable these various reports are. I have confidence in our military authorities, and I know that they have been trying to do their best. I have confidence in the President of the United States, who certainly has the finest military judgment available to this Nation in these hours of stress.

The President's recent request to the Congress for a half-billion dollars more in funds for long-range bombers—B–52's—showed, however, that all is not as well as we would want it to be. It shows that we have got to step up our activity.

The guided missile program, the bomber program, the development of antiguided missiles and antibomber systems—these will determine, in time to come, the very life of this Republic.

We dare not be second best in guided missiles; we cannot be second best in our bomber program.

DANGER OF SOVIET OVERCONFIDENCE IN A BLITZ

If ever the Soviet Union gets the idea that it could blitz us in an all-out attack, that it could rain down a shower of missiles with hydrogen bomb warheads on defenseless cities and defenseless airdromes, that it could smash our strategic air force before it could retaliate—if ever the Soviet Union gets that false idea—then it will be a bad day indeed, and the chance of war will be that much increased.

The recent appointment of a Chief of Guided Missiles in the Pentagon, shows that we recognize that we have got to proceed all-out on the development of that particular weapon.

We cannot, of course, put all our eggs in one basket. We cannot simply rely upon any one weapons system.

But neither can we be second best in the most crucial weapons and the most crucial weapons systems.

The day of mass armies is long since completely over. This is as you and I so well know, an age of science and technology.

But we are losing technicians from the Armed Forces at an alarming rate, and the strongest steps must be taken to replenish that supply.

We cannot have engineers and technicians available to the Armed Forces unless, in the first place, we graduate sufficient numbers of youngsters from the high schools and the institutions of higher learning in America.

OUR BASIC CHALLENGE—MATCHING SOVIET GRADUATES

And that brings me back to the principal point of my comments tonight. It brings me to the one point on which I know you, of this society, will agree with me completely. This Nation must take steps, in a comprehensive program, to expand the number of engineers and technicians available to United States society.

In the dictatorial state of the Soviets, they have power to order as many students as they wish to study engineering. Their government can order that enough money and facilities are made available for training engineers. They don't need to pay too much attention to the standard of living of the Russian people, and they pay no attention at all to their liberty.

Knowing that they need more engineers for defense and for their industrial machine, they merely arrange and order the number of engineers to be turned out.

It is something like our planning a production line to turn out machines. The single mindedness of their program makes it easier. But the concept of dictating to human beings is utterly objectionable to us.

We need more engineers, too, but we will leave the decisions basically to the people.

We do not coerce our people, nor require them to serve what some men may regard as the present fleeting interest of the state. One of our cherished liberties is the freedom of the individual to choose his own vocation.

LOW TECHNICAL STATE FROM WHICH SOVIETS STARTED

Meanwhile, there is no doubt whatsoever that Russia has come a long way in technical achievement since its 1917 revolution.

Czarist Russia was not an industrial state and was very backward in technological matters as compared to the United States.

Consequently, almost any Russian advances in engineering and science appear as great strides compared to the lack of such technical activity before the industrial revolution entered Russia.

About 40 years ago 50 percent of the Soviet population could not read. Since then they have built an elementary school system with a 7-year course and are planning, by 1960, 10 years of basic schooling will be compulsory throughout Russia.

Those schools are open 6 days a week, and more hours per day and more weeks per year than ours are. The students are treated with semimilitary discipline.

We might expect these students to be too machine-like to have the independent initiative and imagination of Americans when they grow up. But we must not discount the fact that they do turn out highly qualified technical engineers.

If we have as many engineers, I am sure that our results will be better than theirs. But there is a limit beyond which imagination and initiative cannot make up for numbers.

We must not let that limit be reached.

RUSSIAN ENGINEERS INCREASE RAPIDLY

In 1954 Russia had more than 540,000 engineers.

This increase to 540,000 engineers may be compared with the figures for 1929 when Russia had only 41,000 engineers.

They may also be compared with the American total of between 500,000 and 525,000 engineers.

In addition, their other scientists numbered about 160,000. We have between 210,000 and 225,000 such scientists.

Their combined total of engineers and scientists is 890,000, according to 1954 figures. Our total is between 700,000 and 740,000.

SOVIET EDUCATION'S VAST ENROLLMENT

Student enrollment in the Russian institutions of higher education rose to 2½ million students in the fall of 1954. And the growth of Soviet college population is continuing.

In 1954 universities and other institutions in the Soviet Union graduated 53,000 engineers.

The Soviet Union is stepping up its rate of graduating engineers. It graduated 63,000 in 1955.

While the Russians have been making this enormous effort in training engineers and scientists, we in the United States of America, speaking generally, have not been concentrating our national efforts upon the problem. We have not focused our attention on the production of engineers and scientists adequate to meet our needs in the modern world.

It is, of course, good that we leave the selection of the individual's career to the individual concerned. I would not have that changed one iota nor would you.

But let us look for a moment at how our achievement in the production of engineers and scientists stacks up against that of the Soviet Union.

AMERICA'S TECHNICAL POPULATION

In the United States, the creation of professional workers (including engineering and scientific people) has increased nearly two times as fast as the Nation's population.

In 1890 the census showed about 30,000 engineers in a total population of 63 million in the United States. In manufacturing, construction, utilities, and transportation, there was only one engineer for every 290 workers.

When the American population had risen to 151 million people in 1950, we had 535,000 engineers. That gave us one engineer for every 65 workers in those same fields of manufacturing, construction, utilities, and transportation.

This was a remarkable increase and is, to a great extent, responsible for the rise in

our industrial efficiency and in our standard of living.

The United States now has between 700,000 and 740,000 engineers and scientists.

Most of these engineers and scientists are employed by private industry. More than 400,000 engineers and more than 100,000 scientists were working in private industry in January 1954.

ENGINEERS IN THE FEDERAL GOVERNMENT

Not only industry but also Government requires engineers. More than 30 Federal agencies employ about 47,000 professional engineers. And many agencies have numerous high positions to fill. They cover the fields of mechanical, electrical, electronics, chemical and civil engineering, as well as others.

LOW RATE OF GRADUATION IN UNITED STATES

But the graduation of engineers and scientists in America (which moved up between World War II and Korea) has since slumped badly.

This fall not only reflects the decline in births about 20 years before but also the lack of enough discipline requiring study of mathematics and science in high school and college.

To put the sad story to you bluntly, the Soviet institutions of higher education are graduating engineers about 2½ times faster than we are—2½ times.

Now, this is a sorry state of affairs to face a country like ours which has developed a continent through hard work and technical know-how. Our country has always led the world in technical performance and engineering. We are a Nation accustomed to producing surpluses, not shortages.

NO NEED FOR FEAR OR DESPAIR

We must solve our shortage with courage and hard work. I do not believe in an attitude of fear or despair.

"For God hath not given us the spirit of fear; but of power, and of love, and of a sound mind" (II Timothy 1:7). This is what Paul wrote to Timothy, and it is directly applicable to us as we face world problems today. We must banish fear. We must take courage. We will go forward to solve the difficult problems and to overcome the foes we face.

It was not through inattention or through lack of technical skill that we increased our national income from about 70 billions of dollars (which it was in 1939 when Wisconsin first sent me to Washington) to the current figure of about 327 billions of dollars. That is an increase of more than four times, and it was done in the comparatively small period of 17 years.

Now I am not saying that we have plenty of time in which to step up our production of technically skilled people. We don't have. We must work hard and fast.

We had, as you recall, 2 years in which to get ready even after we were attacked at Pearl Harbor, but we would not now have as much as 2 hours if we were attacked by atomic and hydrogen bombs showering our principal cities.

And in this connection may I remind you that, with the speed of modern airplanes, we, here in Wisconsin, are less than 5 hours from Soviet Siberia.

UNITED STATES CHIEFS WARNED AGAINST OVERCONFIDENCE

Adm. Arthur Radford, Chairman of the Joint Chiefs of Staff, said in a speech last January that:

"Perhaps the most insidious weakness a nation can have is complacency. This is the belief that we can do everything better than anyone else."

I continue to quote Admiral Radford:

"It is something like the popular song called 'Anything You Can Do I Can Do Better.'"

He said that the Soviet achievements in developing "modern long-range bombers, submarines, jet engines, and nuclear weapons" rebutted the thought that we can afford to be complacent about Soviet technology. He concluded:

"There are no rational grounds to presuppose that American defense technology is invincible."

A recent statement by the Chairman of the Atomic Energy Commission, after the atoms for peace conference, said that, "What we learned was enough to shatter any complacency we may have enjoyed in regard to our own imagination and ability."

Therefore, we must redirect and reemphasize our engineering program so as to step up the number of highly trained engineers available to support our expanding economy. Meanwhile, we must maintain our defense posture, our readiness to repel attacks, with the most advanced scientific weapons conceivable.

And this must be done within the freedom of our American competitive system of individual enterprise.

We have already made a start. We have already reversed the downward trend of engineering graduations, and we are aiming upward.

Fortunately, the enrollment in the engineering classes of our higher educational institutions in America has been increasing during the last 3 years.

The increase last fall was about 10 percent. And, if this trend continues, the Office of Education in Washington believes that there will be over 40,000 engineering graduates in 1964. This is a substantial increase, but we must remember that in 1950 we graduated over 52,000 engineers. With sound planning and energetic drive, we can again focus the attention of our professional people upon producing engineers who will help protect us from the Communist danger.

And this can be done through the incentive of our system of individual initiative.

THERE ARE ATTRACTIVE FINANCIAL INDUCEMENTS

Salaries and demand for engineering experience have been high. As you know, in city after city, the newspapers carry advertisements seeking engineering personnel for employment at high salaries with glowing futures.

The continuing demand for engineers and qualified scientists will probably serve to maintain the salary incentive. Consequently, boys and girls, who learn of the glowing opportunities in the engineering and scientific fields, will more and more wish to follow those careers.

INCREASE NUMBER OF MATH STUDENTS

But, one of the greatest problems in training engineers and scientists quickly is the lack of mathematicians in high school. Since 1910 there has been a consistent decline in the proportion of high school students who take college preparatory mathematics. This conclusion is the result of a survey by the Educational Testing Service under a grant from the Carnegie Corporation. The youngsters just don't realize how important their math is, to themselves and to the country.

One of the survey's conclusions, after looking at 60 mathematics classes, was stated as follows:

"That genuine and efficient mathematical learning was going on in only eight of them."

And that:

"What we are facing is not a shortage of talent, but of trained talent."

And that:

"It is a problem which merits the attention of all men and women accustomed to concerning themselves about the future of America."

Almost half of the schooltime of high-school children in Russia is spent on science and mathematics.

There has been a distressing tendency in our country to let study of mathematics slide. Under the elective system, most students avoid it. True, it is hard; but it sharpens the mind and it helps toward success in later life.

SIX-POINT PROGRAM TO SPUR ENGINEERING

Now, I earnestly urge that we give serious consideration to an engineering and scientific educational program under which we will do the following things:

1. Emphasize science and mechanics in counseling those boys and girls who show aptitude for that sort of thing.
2. Stimulate them to study hard and to keep up their studies.
3. Direct them to the sources of scholarships, to competitions for tuition grants, and to sources of loan funds which have been made available to foster scientific education.
4. As Government officials and as college or corporation executives, appropriate and allocate adequate funds for scientific study and research and for scholarships.
5. Help our great private and public university system in its wonderful work.
6. Counsel graduates as to scientific and engineering employment and so make the Nation's opportunities available to them.

UNCLE SAM IS FINANCING VAST RESEARCH

Uncle Sam is of course already busy. The Federal Government lets tremendous contracts for research and development. These are awarded on a competitive basis to universities, colleges, research institutions, and industrial corporations which have the skilled manpower and the facilities for their performance.

As a result, many of our colleges are being partially financed by doing Federal Government work in scientific and engineering fields.

And many of our companies are able to finance their engineering research and development by doing defense work for the Pentagon.

This is going on in our truly American way without subjecting the thinking of any of these universities, colleges, institutions, or corporations to the influence of what the Government wants them to think. And that is as it should be. For there must be no censorship of thought in our country.

So I leave with you the message that, although the future may look somber and although we may face a strong enemy, we need not despair. We can be of good cheer because we have the capacity, we have the energy, and we have the incentive to win.

But it will not be easy.

THE VITAL IMPORTANCE OF MACHINE TOOLS

I have been speaking principally about the shortage of United States engineers in relation to the Soviet's mammoth concentration on increasing the number of engineers for weapons development.

I want to emphasize now, however, that I am thinking of the shortage of engineers in terms of our peacetime economy, as well. I am thinking of engineers not simply for the development of guided missiles and B–52 bombers, but for the development of that vast array of tools, which you know, even better than I, is the backbone of America's industrial strength and its military might.

In modern war, toolmakers are as essential as soldiers. But the machine tool industry is an industry of feast or famine. There is either a great demand for its production, or there is little demand at all.

MACHINE TOOL RESERVE POOL

Our unfortunate experience in World War II, when we did not have nearly enough machine tools to turn out quickly the military equipment we needed, has led the Federal Government, as you know, to establish, very wisely, a machine tool reserve pool.

This is administered by the Department of Defense under policies defined by the Office

of Defense Mobilization. Several years ago, an American industrialist, Harold S. Vance (formerly chairman of the executive committee of the Studebaker-Packard Corp. and now a member of the Atomic Energy Commission) headed a committee which described the policy to govern that reserve.

The Vance Committee concluded, after careful study, that a stockpile of end items was not enough. It recommended that machine tools be bought and stored against the time when war would suddenly require American industry to step up military production and go on an all-out basis. This Committee recommended annual appropriations of more than $500 million to establish this pool. Consequently, separate appropriations were made for the establishment of this reserve stockpile of machine tools.

It has been decided by the Pentagon to procure machine tools, both for stockpile and for current use, out of their general appropriations. The effect of this decision is to place the responsibility for stockpiling machine tools on each military service. This places the burden for justifying appropriations for this reserve where the burden lies for all military appropriations.

TRIGGER PROGRAM FOR M-DAY

One of your past presidents, Joe Crosby, is giving his time until July to the Department of Commerce to help solve the machine-tool problem. As you no doubt know, the Department of Commerce and the General Services Administration have cooperated to develop a trigger program to be shot into action, if and when we have an M-Day again.

The Government is now offering to enter into contracts with your companies effective immediately to produce specified machine tools which will be needed for wartime production. Manufacture of the tools would begin upon notice from the Government on or about M-Day. Later, these contracts may be made effective automatically on M-Day without further notice. The requirements of the contracts would be reviewed twice a year, and proper adjustment made. Just the other day, the Commerce Department and the General Services Administration completed their cooperative preparations for this machine tool trigger program.

THE CHALLENGE OF AUTOMATION

One cannot, I believe, discuss our machine tool industry without bringing up the challenging issue of automation.

There has been, as you know, concern expressed in some quarters, particularly labor circles, about the trend toward automation. There has been a fear that it would result in displacement of jobs.

There is no question but that in specific instances, some unemployment may result as manual jobs are replaced by machine-run machines. But the whole inspiring history of the expansion of the American free enterprise system has shown this fact—industrial progress in America, while invariably making obsolete some particular type of job, tremendously increases the number of new jobs in totally new fields.

The horseshoemaker, the harnessmaker, and the other jobs, which were dependent upon horses in the America of the 19th century, have been replaced. But there were literally millions of new jobs created, thanks to the "horseless carriage," the great American automobile industry.

The development of nuclear science, the continued progress in electronics, the miracles of American chemistry, particularly in developing new plastics—the miracles in physics research—these are symbols of the new frontiers of American industry.

So, contrary to the fear talk, we should welcome the trend to automation, because it means a higher, not a lower standard of living, more jobs, not fewer.

AUTOMATION NOT REALLY NEW

I should like to point out that automation is really only a further development of an old concept in America. It involves the increasing use of laborsaving machinery. This machinery is almost continuous in its operation and sometimes is self-regulated. It is, as you know, increasingly used in offices, as well as in factories.

MANY KINDS OF AUTOMATION

Some automatic machinery performs a cycle of operations according to an established pattern without further human intervention.

Other machines save human labor in the automatic movement and handling of materials.

Still other machines automatically control the work of machinery, substituting machine calculation in place of graders and inspectors.

And in offices, electric computers and data-processing machines perform miraculous calculations in split seconds.

PURPOSE OF AUTOMATION IS GOOD

All these are the brain-children of mankind. And they are calculated to lift toil from the backs of mankind, men and women.

As we exercise statesmanship, in government, in business and in labor, we can foresee a shining future when there will be more leisure, more happiness and less physical and mental exhaustion in the lives of all our people.

But we must exercise patience and forbearance, and labor long to foresee the problems which this transition to more automatic processes will entail.

If greater automation increases production, we must be sure that the engineers and the small entrepreneurs receive an adequate return for their imagination, foresight, and risk taking.

On the tax phase, let me mention this: Whether or not the rapid tax amortization program is continued in connection with defense expenditures, the Government now permits a more realistic write down of investments in plant and facilities. This should stimulate the business of the machine-tool industry.

And of course, we must protect the rights of labor in this changing world. If workers have been faithfully doing one job for years, have acquired seniority rights and limited skills, we must try to help them to secure fair compensation for these rights or transfer them to the other jobs for which their study and increasing skill will fit them.

And here I must reemphasize that hard work and study throughout our lives will fit us for increasing responsibility.

FURTHER TRAINING OF WORKERS NECESSARY

If any workers are displaced by automation, they should be able, with proper help, to improve their skills to the point where they will earn more in more responsible jobs.

In this connection, I commend to your attention a pamphlet issued under the name of our Secretary of Labor. It is called, "The Skilled Work Force of the United States," and it deals, among other things, with the relation of skill to unemployment. It points out that automation will increase the proportion of skilled workers in American life, and stresses the importance of continued self-education.

There are many ways in which our people can improve their skills. They can do it at home, in school, or while serving with the Armed Forces. Through initial apprenticeship, through technical institutions or junior colleges, by participating in training programs within industry and by accumulative job experience at their daily work. But no one becomes skilled by chance. You didn't, and no one else can. Special effort is necessary.

And so, while the Federal Government foresees the great gains coming from automation, it is not overlooking the considerations necessary to help gradual adjustments to the new jobs which automation will bring about.

WISCONSIN WILL PROSPER IN AUTOMATION ERA

It seems to me that a great State like Wisconsin, with a marvelous university system, a State which has rightly prided itself upon the skills and crafts of its laboring people and its managerial people, a State where quality of product has always been a matter of deepest pride, stands to benefit far more so than the average State—in the scientific, industrial, and atomic era of our times.

I look, therefore, for greater prosperity of our State than we have ever known before. But I emphasize that it must be a well-rounded prosperity in which the progress of industry and labor is accompanied by prosperity in agriculture. Unfortunately, the latter situation—prosperity in farming—has not sufficiently prevailed, but it must prevail if our whole society is to remain healthy.

And I want to mention still another essential unit for well-rounded prosperity—our great teaching profession.

INCREASES TEACHING FACILITIES

In the process of greater automation, and the training of the greater number of scientists and engineers which automation will require, the Federal Government, as well as private industry, should make increasing use of our great universities.

They should make increasing use of our splendid laboratories and our fine private inventive and engineering talent in the laboratories of our many corporations.

In this way, America can move ahead by improving our civilian economy while maintaining superiority in weapon systems for our own national survival.

In order to continue our technological progress, we need, as I have said, more engineers and scientists; and to train these, we need more teachers. Teachers are woefully underpaid. We must bring every effort to increase their compensation, so that they will regain the position of real leadership and the place of respected importance in our lives which we all remember our own teachers had 30 or 40 years ago.

CONCLUSION—THE BRIGHT HOPE OF OUR PIONEERING AGE

If we think ahead, if we continue to act with pioneering spirit, if we follow in the footsteps of the settlers of America, we will have nothing to fear from increasing automation.

We can rely on it, as Daniel Boone relied on his long rifle, for defense, for food, and for a better life.

If we avoid fear and if we follow hope, if we buckle down with hard work, we will succeed beyond the imagination of any of us here present.

Remarks by Hon. W. Kerr Scott, of North Carolina, Before the Senators' Breakfast Group, on May 9, 1956

EXTENSION OF REMARKS

OF

HON. JOHN STENNIS

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Wednesday, May 9, 1956

Mr. STENNIS. Mr. President, this morning it was my privilege to hear a short talk made by the distinguished

Senator from North Carolina [Mr. SCOTT]. The Senator from North Carolina has a fine appreciation for the enduring values, including things of the spirit. He has a great understanding of human nature, as well as things of nature. His remarks are always helpful to others. I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

TALK BY SENATOR W. KERR SCOTT BEFORE THE SENATORS' BREAKFAST GROUP, UNITED STATES CAPITOL, MAY 9, 1956

Friends:

"One is nearer God's heart in a garden
Than anywhere else on earth."

So wrote the poet enthralled by the newfound discovery that flowers, even if not possessing a soul, are a part of the spiritual values with which the Creator has surrounded us and our lives.

Edward William Bok, a great American editor and public benefactor, recognized the spiritual value of flowers and man's need for their comfort and relaxing power when he built and endowed that famous beauty spot known as Mountain Lake Sanctuary, or Bok Tower, near Lake Wales, Fla.

He turned a barren, sandy wasteland into a garden of 53 acres of flowers and trees—and trees are only massive flowers—that has relieved the tensions and refreshed the souls of the hundreds of thousands of visitors who have passed through it.

And Luther Burbank, the great naturalist who spent his life skillfully blending the colors and other characteristics of flowers into even more splendid beauty, also found inspiration in the words of the poet, words inscribed on a plaque at Bok Tower:

"The kiss of the sun for a pardon,
The song of a bird for mirth,
One is nearer God's heart in a garden
Than anywhere else on earth."

Flowers, and the love and devotion they symbolize, are an integral part of the joys and sorrows of the most moving moments of life—of courtship, marriage, birthdays, illness, and even death.

They walk with us, and we among them, finding in them pleasure and solace all the days of our lives.

A wedding without a bridal bouquet would be like food without salt.

Death of a loved one calls for banks of flowers, a tribute to the goodness of his life and to ease the sorrow we feel at his or her passing.

Flowers even have a language of their own. Lovers and sweethearts know it and speak it to each other throughout courtship and marriage.

On Mother's Day we wear a red rose if the one who gave us life is still living, a white rose if she has passed on into the great beyond prepared for us by the Creator and from which no traveler returns.

In ancient days the warrior going forth to battle carried close to his heart a pressed flower, a talisman of love and devotion from his beloved designed to bring him home safely. And when the hero returned from the wars, a garland of flowers was placed around his neck by an acclaiming populace.

After a loved one dies we return, time and time again, to lay an offering of flowers on his grave—a silent tribute that speaks its own message.

And who, I ask, can look upon the splendors of a rose or the delicate face of a pansy and say with certainty that flowers themselves do not possess a soul.

Joyce Kilmer, after a solitary walk in the forest—surrounded on every hand by wild flowers shyly peeping toward the sun while protected from the raging winds by their big brothers, the trees—became pensive and wrote:

"I think that I shall never see
A poem as lovely as a tree.
A tree that may in summer wear
A nest of robins in her hair.
Poems are made by fools like me
But only God can make a tree."

"Consider the lilies of the field," we are told by the Master in Luke 12: 27, "how they grow; they toil not, neither do they spin: And, yet I say unto you, that even Solomon in all his glory was not arrayed like one of these."

Yes; it is true, flowers neither toil nor spin, but Solomon in all his glory was not arrayed like one tiny flower created by God to sustain man in his deeper emotional and spiritual moments.

The conclusion is inescapable that Divine approval, if not guidance, has been given for our entwining the beauty, innocence, and purity as symbolized by flowers—and the inspiration, comfort, and pleasure they give us—into the fabric of our daily lives and our acceptance of the darkness of the grave.

In the song of Solomon, which depicts the love of Christ for the church, we read: "I am the rose of Sharon, and the lily of the valley," and, "For, lo, the winter is past, the rain is over and gone; the flowers appear on the earth; the time of the singing of birds is come."

As I reflect upon the words, "the flowers appear on the earth," I am aware of the fact that the flowers appear in this worship garden spot each time we meet here through the devotion and thoughtfulness of Mr. Bellamy, the only non-Senator member of our group who regularly attends. He has captured and faithfully nurtures the consciousness that flowers symbolize the love of man for man, the love of man for God, and the love of God for man.

Flowers truly are the currency of love, honor, and adoration. What boy raised in the country has not sought out in the early spring on sunny hillsides delicate, pale, dancing forget-me-nots to shyly lay a tight little bouquet in his mother's lap? What boy raised in the country has not searched the shady forest nooks for violets—those "purple teardrops that live betwixt Heaven and earth, but closest to earth"—to honor that sel'same mother?

Our Father in Heaven, in casting the important scenes of His Divine Plan, has chosen flower bedecked gardens as the stage for most of them.

"And the Lord God planted a garden eastward in Eden," we read in the second chapter of Genesis.

Centuries later it was in the Garden of Gethsemane that our Saviour fell upon His face, and the man-side of His nature cried out in anguish, "Oh, My Father, if it be possible, let this cup pass from Me."

But, even then, winding along the garden paths, came the traitor Judas to betray Him to the multitude armed with swords and staves who demanded His crucifixion.

And when the shameful trial had ended, and He had died on the Cross, it was to a nearby garden that His sword-pierced body was taken for entombment.

It was from that spot, a garden where tiny early spring flowers were bravely lifting their heads toward the warmth of the sun, that the Saviour who died for the sins of all men arose on that first Easter Morn to take the place prepared for Him on the throne of the Lord God of Creation.

Yes, one is nearer God's heart in a garden than anywhere else on earth.

It is only after the shouting and tumult has died, and our friends and loved ones left behind have bedecked our grave with flowers of remembrance, that we can get closer to the heart of God than we can in a garden where flowers grow.

In closing I would leave you with the Song of the Roadside Flowers:

"We are the roadside flowers,
Straying from garden grounds;—
Lovers of idle hours,
Breakers of ordered bounds.

"If only the earth will feed us,
If only the wind will be kind,
We blossom for those who need us,
The stragglers left behind.

"And, lo, the Lord of the Garden,
He makes His sun to rise,
And His rain to fall like pardon
On our dusty paradise.

"On us He has laid the duty—
The task of the wandering breed—
To better the world with beauty,
Wherever the way may lead.

"Who shall inquire of the season,
Or question the wind where it blows?
We blossom and ask no reason,
The Lord of the Garden knows."

Statement in Support of Appropriations for the Rural Electrification Administration

EXTENSION OF REMARKS
OF
HON. VICTOR WICKERSHAM
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 9, 1956

Mr. WICKERSHAM. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement by me in support of appropriations for the Rural Electrification Administration before the Senate Appropriations Committee:

The city dweller first knew the blessings of electricity as early as 1882 when Thomas A. Edison built his famous Pearl Street plant in New York. The rural dweller had to wait many years to realize these benefits. During the three succeeding decades the farmer waited, more or less patiently. Electric utilities, public and private, for a long time ignored him. Farmhouses were thought to be too far away from generating plants and were too far apart. There could be no profit in serving them.

Eventually the transmission lines crept out into the country from the cities, slowly and painfully. By 1935 only 10 percent of the Nation's farms were electrified and prospects of this percentage increasing rapidly were exceedingly dim in the midst of a period of depression. It was then that the Rural Electrification Act of 1936 was passed. The Federal Government then assumed the responsibility of bringing the blessings of electricity to the long-suffering farmer. Today over 94 percent of farms throughout this broad land are electrified. There are now over 1,000 REA financed systems, owned by the farmers themselves, which maintain 1,300,000 miles of line serving over 4½ million rural consumers. This is a truly remarkable achievement.

By means of electricity it is certain that many lives have been lengthened and made more complete. Productivity of the farm has attained heights unknown elsewhere in the world, due largely to the coming of electricity to the farm.

Over $3 billion has been authorized for loans. It is significant to me that repayment of loans and of interest is almost 100 percent perfect. At the first of the year only 15 of the borrowers were delinquent more than 30 days and the amount overdue was less than one-tenth of 1 percent of the amount billed. Few businesses of any kind can boast of such a record.

The strength of the Nation is its people. Americans have become strong by accepting responsibility, demonstrating initiative and perseverance. Nowhere has this been better proven than in the Rural Electrification program. Once given the opportunity our rural dwellers have shown that they are mature and self-reliant. Today the financial position of the program is sound.

Every 7 years the farmer has been doubling his use of electricity. He has come to consider electricity as an absolute necessity, and it is resulting in a need for increasing the capacity of many REA systems. For that reason, and for the development of new sources of energy it is essential that more funds be made available to maintain efficiency and expand capacities of many REA cooperatives.

It is essential that the program be carried on, both for the purpose of improving and expanding existing systems and to reach the few remaining farms not yet served with electricity.

In 1949 Congress belatedly recognized an anachronism. Many farms, even in this modern age of electronics, had no telephones. It then authorized the REA to extend its lending services to interests, public as well as private, who would extend telephone service to those needing it, or to improve existing but poor service.

The first telephone loan was made in February 1950, at a time when the United States census showed only 38.2 percent of all farms had telephones. Variation was extremely wide in separate areas. By December 31, 1955, 415 borrowers had sought $273 million and already over 15,000 miles of lines had been constructed to reach 286,000 subscribers. This is a remarkable record for so short a time and deserves to be encouraged by all means. Authorized totals would include, at the end of 1955, 86,543 miles of line on 246 systems.

The activity of the REA rural telephone program has stimulated activity by all operating in the field. The job of getting modern telephone service on every farm in the United States is not REA's alone. All units of the industry are working toward that end.

In my own State I have witnessed the remarkable growth of these two programs. In 1935 only 2.6 percent of Oklahoma's farms were electrified when the first loan was approved. On January 1 of this year, 90.8 percent were electrified. Farms so served had increased from 5,648 to 108,079. Loans have been made totaling over $120 million, which will eventually result in nearly 62,000 miles of lines to serve over 151,000 rural consumers. I am proud to say not one of the 28 borrowers in my State are delinquent in repayment of their obligations.

In 1940 only 18.1 percent of Oklahoma's farms had telephones, and when the REA telephone program began only 1 out of 3 farms had phones. By the end of 1954 this had been increased to 44.8 percent, or 53,299 farms, served by 2,368 miles of line. REA rural lines have brought new service to 3,107 and 3,521 are benefiting from improved services. The nearly $3 million in loans to 9 borrowers is being well used.

The American farmer has little to cheer him in these days of surplus crops and depressed prices for farm products. But we must not forget that he has been a stalwart pillar of strength throughout our history, and he will be needed more and more in the future. Our increasing population will demand an ever-increasing amount of farm products. The health, happiness, and productivity of our farm population must be preserved. The REA programs of electrification and telephone service are essential to the farmer's efficiency and must be continued until there is no penalty to the rural dweller from the fact of living in the country. The farmer is entitled to the full use of electricity and of communication with his fellow no less than the city dweller. For these reasons, I appeal to you to grant the full amount sought by the REA for continuing unabated its useful and valuable program.

Address by Hon. William Langer, of North Dakota

EXTENSION OF REMARKS
OF
HON. WILLIAM LANGER
OF NORTH DAKOTA
IN THE SENATE OF THE UNITED STATES
Wednesday, May 9, 1956

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a speech I made in New York City on September 29, 1955.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR LANGER AT CARNEGIE HALL, NEW YORK, SEPTEMBER 29, 1955

Mr. Chairman, Mrs. Sobell, and my friends, I am delighted that Mrs. Sobell told you that I was the Senator from North Dakota. North Dakota, believe it or not, is the greatest State in the Union. Every once in a while this evening when one of these distinguished guests came to me and said they were glad I was here and commenced to pay compliments to me for being here, I said to them that we have scores of folks out there in North Dakota who would do it if they were in my place.

I believe one of the greatest jobs in the United States is that of being United States Senator. That is especially true if you represent a great State, if you don't owe any obligations to anybody but to the people, where you can say anything you want to and do anything you want to and be entirely happy while you are doing it. I want the press to know that, and they are here, I understand, tonight, to report my speech. I want them to tell the press in North Dakota that WILLIAM LANGER spoke here tonight and he is very, very happy to be here.

Upon these other occasions on which I have appeared here in Carnegie Hall, I promised to put certain articles and legal instruments into the CONGRESSIONAL RECORD. I placed, and maybe Mrs. Sobell will feel better, I think, when I tell her, I placed the William Peters case into the CONGRESSIONAL RECORD, and he won. And I put the Schneider case into the RECORD, and he won. Of course, you all know that great champion of human rights here in New York City, Corliss Lamont. I can't tell you the great pleasure it gave me to rise on the Senate floor at the time when he was cited for contempt by the McCarthy committee, to appear there and help Senator LEHMAN, of your State, in that great fight we made to keep Corliss Lamont from being cited. And what particularly pleased me was that a few weeks later, we, Senator LEHMAN and I, had the great pleasure of reading the decision of the court upon the floor of the Senate, saying that Corliss Lamont was not guilty of contempt.

When I became attorney general of my State, as Mrs. Sobell told you, I was only a young fellow. I found 441 men (they weren't all men; there were 7 women) 441 altogether, confined in the penitentiary. It gave me a great deal of pleasure to have a thorough investigation made of every case. You would be interested to know that in there we found 2 Negroes, and you know in North Dakota we only have a population of 208 Negroes altogether, and so when I found 2 of them in the penitentiary sentenced to life, Mr. Williams and Mr. McGee, we spent $400 and got out the record and got it before the pardon board. Then we found out that both those men were absolutely innocent and both of them were discharged. It is our belief out there in North Dakota it is better to have 99 guilty go free than have 1 innocent man sent to the penitentiary.

When I came to the Senate, I had had varied experiences. One was as county attorney of a county, and as attorney general of the State, and as governor. When I became a United States Senator, I promptly proceeded to organize a committee on national penitentiaries. Nobody else wanted the job so they gave it to me. I was the chairman of that committee for a great number of years, and when the Democrats got in—due to WAYNE MORSE—I lost my chairmanship and the result was I am only 1 of 3.

In these penitentiaries we have 21,500 inmates and most of these people haven't got a friend on earth. A lot of them aren't as lucky as Morton Sobell to have a beautiful, fine wife who is loyal to him and anxious to help him. You find quite the opposite in some of these cases. As chairman of that committee and as a member of that committee, I have investigated many penitentiaries in the United States of America, every Federal prison, all 18 of them, and also the work farms. It is a very simple procedure. You get up about 3 o'clock in the morning and you go over to the penitentiary and investigate the food. You have a card of admittance and they can't keep you out, because you are either the chairman or a member of this committee. We investigate to see whether there's been any discrimination—any racial discrimination. We investigate to find out whether there has been an excess of solitary confinement. We make a thorough investigation to ascertain just exactly how that penitentiary is run. And you know, my friends, upon my tombstone, if I have nothing else, I hope there will be something on there that will say that since the organization of that committee there has not been a single riot in all the 11 years in any Federal penitentiary, not one. Certainly we people here in America can run those prisons in a humane manner and not run them the way Atlanta prison was run shortly before this committee was created. All the riots that they have had in various States (men have been killed, guards have been killed, guards have been held as hostages, and millions of dollars worth of property has been burned), have been due to the fact that the prisoners were not treated in a humane manner, with sufficient food and with all that goes with being confined in a penitentiary.

Yet I can tell you this—of all the prisons in the United States, the worst hellhole of all is Alcatraz. I have been there time and again. I have made report after report asking that that prison be closed up. It was established by Spain during the period of the Spanish Inquisition over 400 years ago. There it is today, 12 acres, not enough land out there to give exercise to the prisoners. Former Attorney General Frank Murphy made an investigation of Alcatraz and he recommended that it be closed. I've taken this matter up as a United States Senator time and time again, and I'm happy to in-

form you tonight that at last Jim Bennett, Director of Prisons of the United States Government, is also recommending that Alcatraz be closed, closed forever in the United States of America.

Being attorney general of a State is a replica of being Attorney General of the United States. The United States Attorney General only operates on a larger scale than does the attorney general of the State. I have always maintained that it's the duty of the attorney general of the State to be just as much interested in seeing that no innocent man is sent to a penitentiary, as it is to see a guilty man sent there. As chairman of the Judiciary Committee of the United States Senate that was my object. It's hard to describe to you here tonight the terrific power, the almost unbelievable power, that is in the hands of the Attorney General of the United States of America. The entire Department of Justice is in his hands, the FBI, J. Edgar Hoover's department, 10,000 young men and some women who are working for them. You can readily understand that when a prosecutor goes in convinced that a man is guilty, what small chance that man has. I think it is just as much the duty of the FBI and the Attorney General to dig up the other side of the question.

So it was when Mrs. Sobell came to me in Washington in 1954 I said to Mrs. Sobell, "I am satisfied that the Attorney General of the United States, when the Judiciary Committee asks him to intercede, will see that you get a fair deal." Now the Sobell case is going to be up in the Court of Appeals. I want you to know that just as soon as that is disposed of, and also in the meantime, we will do what we can down there in that Senate. Believe me, that body of Senators is an honest group of men who want to do what's right. When you know those men, when you know them as I know them, you're proud of them. Now some of the men may not agree with some of your views on some matters. A Senator may be in favor of the railroads, but he's elected by the people and if the people weren't interested enough to elect somebody who had opposite views, certainly that Senator has a right to make his views known to the country. We have down there the conservatives, and the so-called liberals, and I want to tell you tonight there's no distinction either side of the aisle between Democrats and Republicans, because we have liberals and conservatives on the Democratic side and liberals and conservatives on the Republican side. Happy to say that down there some of my most liberal friends and some of the best men on that Judiciary Committee, some of the men who are just as much interested in Morton Sobell as I am myself, would gladly put their hands to the plow, to help out to see that he gets the justice to which he is entitled.

May I say, however, that there's one thing that I've discovered down there in Washington that I don't like—and it isn't only down there but I found that in State after State after State. You find a prosecutor who wants to make a record, a prosecutor who will get hold of the press and get them to write up stories, just like they did in the Sobell case, month after month after month after month, and poison the feelings of the people in that community before the man ever comes to trial at all, stories that aren't true, stories that mention people who never are called to testify when the trial itself takes place. They create a prejudiced atmosphere—my friend Waldo Frank referred to the atmosphere in the courtroom. In spite of the fact that a juror may be honest and say that he isn't prejudiced in that particular lawsuit, nevertheless, subconsciously, there in the back of his head he's read these stories and he's heard this stuff over the radio. You can't tell me that it hasn't made an impression. I believe if we're going to have the kind of justice we're so proud of in the United States of America, the kind of justice we should have, and the kind of justice that I believe every member of the Senate Judiciary Committee wants, somehow or other we've got to do something when a poor man, or a rich man either for that matter, when any man is charged with a crime, so that the newspapers don't blazen a lot of stuff that isn't true about that man or about that woman, and prejudice the community.

I want you folks to know that the Judiciary Committee has this very much at heart—this matter of convicting an innocent person before he's proven guilty, in the minds of the public, so that when you finally get a jury, they're unconsciously prejudiced, with the result that instead of having a fair trial like our Constitution says every man or woman should have, that man or woman doesn't get it. And I think that down there in Washington too we need legislation—I don't mean a new law, but I mean an interpretation which will say to the Attorney General of the United States: We believe it is just as much your duty to see to it that an innocent man is not sent to the penitentiary as it is to send a guilty man there—just as much your duty to use all the services of the F. B. I., all the services of all these other men that you've got, to see that all the evidence is brought out, to see that no evidence is suppressed and that the jury may have all the facts. And so tonight, ladies and gentlemen, I can't tell you how delighted I've been to have been invited here. I want you to come forward, Mrs. Sobell. [Motions to Mrs. Sobell to stand at his side.]

My friends, I want you to know that I've got four daughters just about the same age as this young lady standing here beside me tonight, and I pledge you that everything I can do as a member of the Judiciary Committee of the United States Senate will be done to see that her husband gets justice.

SENATE

THURSDAY, MAY 10, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Fr. Eugene Lazar, pastor of the Rumanian Orthodox Church, the Descent of the Holy Ghost, 1133 Madison Street, Gary, Ind., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

O Heavenly King, Spirit of Truth, who art present everywhere, treasure of blessings, and bountiful Giver of Life: Come Thou and abide among us, as we pray that unto our God-fearing President, and the Members of this House, and all civil authorities, and our Armed Forces, Thou wilt grant a peaceful life, health, salvation, and conquest over the enemies of these United States of America.

O Almighty God, our help and refuge, fountain of wisdom and tower of strength, who knowest that we can do nothing without Thy guidance, direct us to divine wisdom and power, that we may accomplish whatever task we may undertake, faithfully and diligently, as we beseech Thee, O Master, to remember those who live in oppression and fear, in countries behind the Iron Curtain, as they seek the same freedoms Thou hast bestowed upon us so generously, who are judged and condemned to prison and exile and bitter slavery, and who have need of Thy mercy.

And as Thou desirest, O Lord, that all people be free, we ask that Thou especially remember the God-fearing people of the Kingdom of Rumania, on this memorable day, and as in the past they found and enjoyed the gift of freedom, assist them to find the same road to recovery, to liberation, and to freedom from injustice and the yoke of tyranny, and that Thy blessings be upon them as upon us in this hour.

This we ask in the name of the Risen Christ our Lord and Saviour. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 9, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on today, May 10, 1956, the President had approved and signed the act (S. 1212) for the relief of Dr. Lincoln Roy Manson-Hing, Mrs. Joyce Louise Manson-Hing, Collin James Manson-Hing, and Jennifer Lynn Manson-Hing.

IMPLEMENTATION OF HOOVER COMMISSION REPORT—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Government Operations.

(For President's message, see House proceedings of today.)

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 1488. An act for the relief of Mrs. Esther Reed Marcantel;

H. R. 2423. An act for the relief of the city of Sandpoint, Idaho;

H. R. 3526. An act for the relief of the estate of Neil McLeod Smith;

H. R. 3738. An act for the relief of Roy M. Hofheinz and wife Irene;

H. R. 4051. An act to provide for the relief of certain Army and Air Force nurses, and for other purposes;

H. R. 4536. An act for the relief of John J. Cowin;

H. R. 4633. An act for the relief of Crosse & Blackwell Co.;

H. R. 4634. An act for the relief of Lt. Col. George H. Cronin, United States Air Force;

H. R. 5495. An act for the relief of Arthur H. Homeyer;

H. R. 5633. An act for the relief of John L. Boyer, Jr.;

H. R. 5951. An act for the relief of Samuel E. Arroyo;

H. R. 6395. An act for the relief of Thomas W. Bevans and others;

H. R. 6622. An act for the relief of certain rural carriers;

H. R. 6706. An act for the relief of Gay Street Corp., Baltimore, Md.;

H. R. 6769. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

H. R. 7114. An act for the relief of Frank G. Gerlock;

H. R. 7513. An act to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska;

H. R. 8187. An act for the relief of Wright H. Huntley;

H. R. 8306. An act for the relief of Eugene Gardner, Byron H. Barbeau, John R. Reaves, and Jackson L. Hardy;

H. R. 8307. An act for the relief of Nathan A. Kahn;

H. R. 8308. An act for the relief of Arthur E. Weeden, Jr.;

H. R. 8310. An act for the relief of C. W. O. George C. Carter;

H. R. 8311. An act for the relief of Daniel O. Hulse, Jr.; and

H. R. 8807. An act to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Internal Security Subcommittee of the Committee on the Judiciary was authorized to meet during the session of the Senate today.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Committee on Finance was authorized to meet during the session of the Senate today.

On request of Mr. KENNEDY, and by unanimous consent, the Subcommittee on the Air Force of the Committee on Armed Services was authorized to meet during the session of the Senate today.

ORDER FOR RECESS UNTIL MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 12 o'clock noon on Monday next.

The VICE PRESIDENT. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the transaction of routine business with a limitation on statements of 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, for action on the nominations which appear on the Executive Calendar under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

Sam H. Bober, of South Dakota, to be a member of the Federal Farm Credit Board, Farm Credit Administration.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar under the heading "New Reports."

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Albert F. Nufer to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Willard L. Beaulac to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Cecil B. Lyon to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified immediately of the nominations today confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON AN OVEROBLIGATION OF AN APPROPRIATION

A letter from the Secretary of State, reporting, pursuant to law, on the overobligation of an appropriation (with an accompanying paper); to the Committee on Appropriations.

REPORT ON PROPERTY ACQUISITIONS, CIVIL DEFENSE ADMINISTRATION

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., reporting, pursuant to law, on property acquisitions, for the quarter ended March 31, 1956; to the Committee on Armed Services.

AUDIT REPORT ON FEDERAL DEPOSIT INSURANCE CORPORATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Federal Deposit Insurance Corporation, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

CLARIFICATION OF LAW RELATING TO GRANT OF CERTAIN PUBLIC LANDS TO THE STATES FOR SCHOOL PURPOSES

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to clarify the law relating to the grant of certain public lands to the States for school purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AMENDMENT OF SECTION 69 OF HAWAIIAN ORGANIC ACT

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 69 of the Hawaiian Organic Act (with an accompanying paper); to the Committee on Interior and Insular Affairs.

CYRUS B. FOLLMER

A letter from the Secretary of State, transmitting a draft of proposed legislation for the relief of Cyrus B. Follmer (with an accompanying paper); to the Committee on the Judiciary.

REPORTS OF NATIONAL ACADEMY OF SCIENCES

A letter from the President, National Academy of Sciences, transmitting, pursuant to law, reports of that Academy, for the fiscal years ended June 30, 1953, and June 30, 1954 (with accompanying reports); to the Committee on Rules and Administration.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

EXTENSION OF MINIMUM WAGE LAW TO PUERTO RICO—PETITION

The VICE PRESIDENT laid before the Senate a telegram in the nature of a

petition, from the Puerto Rico Free Federation of Labor, San Juan, P. R., signed by Nicolas Mogueras Rivera, president, praying for the extension of the minimum wage law to Puerto Rico, which was referred to the Committee on Labor and Public Welfare.

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—PETITIONS

Mr. LANGER. Mr. President, I present, for appropriate reference, petitions signed by 3,085 citizens of the State of Ohio, praying for the enactment of legislation to prohibit liquor advertising on television, over the radio, and in newspapers. I ask unanimous consent that one of the petitions may be printed in the RECORD, without the signatures attached.

There being no objection, the petitions were referred to the Committee on Interstate and Foreign Commerce, and one of the petitions was ordered to be printed in the RECORD, as follows:

To Our Senators and Representatives in Congress:

We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages. At a time when 1 out of 10 drinkers is becoming an alcoholic there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the powerful audio and visual suggestions of radio and television.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. DOUGLAS, from the Committee on Banking and Currency:

S. 3332. A bill to amend the Employment Act of 1946, as amended; with amendments (Rept. No. 1961).

By Mr. THYE, from the Committee on Agriculture and Forestry:

S. 2967. A bill to amend the act of June 22, 1948 (62 Stat. 568), and for other purposes; without amendment (Rept. No. 1962).

By Mr. BEALL, from the Committee on the District of Columbia, without amendment:

H. R. 7228. A bill to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes" (Rept. No. 1963); and

H. R. 8130. A bill to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge" (Rept. No. 1964).

FEDERAL-AID HIGHWAY ACT OF 1956 (S. REPT. NO. 1965)

Mr. CHAVEZ, from the Committee on Public Works, to which was referred the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, reported it favorably, with an amendment, and submitted a report thereon, together with supplemental views of Mr. MARTIN of Pennsylvania, Mr. COTTON and Mr. HRUSKA, and individual views of Mr. MCNAMARA, Mr. NEUBERGER, Mr. BUSH, and Mr. KUCHEL, which was ordered to be printed; and, pursuant to the order of the Senate of April 30, 1956, the bill was referred to the Committee on Finance.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JENNER:

S. 3830. A bill for the relief of Nikolai E. Khokhlov; to the Committee on the Judiciary.

By Mr. LAIRD:

S. 3831. A bill to provide for the establishment of a fish hatchery in the State of West Virginia; to the Committee on Interstate and Foreign Commerce.

By Mr. FULBRIGHT (by request):

S. 3832. A bill to provide for the disposal of the Government-owned synthetic rubber research laboratories at Akron, Ohio; to the Committee on Banking and Currency.

By Mr. MARTIN of Iowa:

S. 3833. A bill for the relief of Peter G. Coutavas; to the Committee on the Judiciary.

By Mr. SCHOEPPEL:

S. 3834. A bill for the relief of Chin-Ok-Kim; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 3835. A bill to amend the Commodity Exchange Act to provide for hedging anticipated requirements of processors and manufacturers; to the Committee on Agriculture and Forestry.

By Mr. HUMPHREY:

S. 3836. A bill for the relief of Anna Teresa Steinhauser and Dominic Paul Steinhauser (Hiroshi Tsuruda); to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 3837. A bill for the relief of Willis H. Lawrence; to the Committee on Armed Services.

By Mr. FULBRIGHT (by request):

S. J. Res. 170. Joint resolution to authorize the disposal of the Government-owned tin smelter at Texas City, Tex., and for other purposes; to the Committee on Banking and Currency.

RESOLUTIONS

The following resolutions were submitted, considered, and agreed to:

By Mr. JOHNSON of Texas (for Mr. CLEMENTS):

S. Res. 260. Resolution providing for the payment of the funeral expenses of the late Senator Alben W. Barkley of Kentucky.

(See the remarks of Mr. JOHNSON of Texas when he submitted the above resolution, which appear under a separate heading.)

By Mr. LANGER:

S. Res. 261. Resolution providing for the printing of additional copies of report on juvenile delinquency.

(See the remarks of Mr. LANGER when he submitted the above resolution, which appear under a separate heading.)

FUNERAL EXPENSES OF THE LATE SENATOR ALBEN W. BARKLEY, OF KENTUCKY

Mr. JOHNSON of Texas. Mr. President, on behalf of the Senator from Kentucky [Mr. CLEMENTS], I submit a resolution, and ask for its present consideration.

The VICE PRESIDENT. The clerk will state the resolution for the information of the Senate.

The legislative clerk read the resolution (S. Res. 260), as follows:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of Hon. Alben W. Barkley, late a Senator from the State of Kentucky, on vouchers to be approved by the chairman of the Committee on Rules and Administration.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Texas?

There being no objection, the resolution (S. Res. 260) was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF REPORT NO. 62, RELATING TO JUVENILE DELINQUENCY

Mr. LANGER. Mr. President, I submit a resolution, and ask unanimous consent that it may be read.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the resolution will be read.

The legislative clerk read the resolution (S. Res. 261), as follows:

Resolved, That there be printed for the use of the Committee on the Judiciary not more than 2,000 additional copies of the Report No. 62, 84th Congress, of the Committee on the Judiciary to the Senate on its study of juvenile delinquency in the United States.

Mr. LANGER. The resolution I have just submitted provides for the printing for the use of the Committee on the Judiciary of not more than 2,000 of Report No. 62, 84th Congress, of the Committee on the Judiciary to the Senate on its study of juvenile delinquency in the United States.

Copies of this report, which deals with the impact of crime and horror comics on juvenile delinquency, have been completely exhausted for some time. However, we have been receiving numerous requests from people all over the country, as well as Members of the Congress, for this report, especially since recently we have submitted reports on the collateral subjects of television and its impact on juvenile delinquency and movies and their impact on juvenile delinquency, and we have held hearings on indecent and pornographic literature and its impact on juvenile delinquency, which is before the printer for committee prints.

Since the appointment of a comic book authority, the interest in the impact of comic books, especially horror and crime comics, on juvenile delinquency has been brought to a greater focus, thus resulting in the many requests for this report.

Mr. President, I ask that the resolution lie on the desk until later this afternoon.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KENNEDY subsequently said: Mr. President, the Senator from North Dakota [Mr. LANGER] earlier today submitted a resolution (S. Res. 261), which was ordered to lie on the desk temporarily. The resolution reads:

Resolved, That there be printed for the use of the Committee on the Judiciary not more than 2,000 additional copies of the Report. No. 62, 84th Congress, of the Committee on the Judiciary to the Senate on its study of juvenile delinquency in the United States.

I ask for the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection?

Mr. KNOWLAND. Mr. President, I have no objection to the immediate consideration of the resolution. It was discussed this morning with both the majority and minority leaders.

There being no objection, the resolution (S. Res. 261) was considered and agreed to.

AMENDMENT OF FAIR LABOR STANDARDS ACT, RELATING TO DEFINITION OF "EMPLOYEE"—AMENDMENT

Mr. CAPEHART submitted an amendment, in the nature of a substitute, intended to be proposed by him to the bill (S. 1437) to amend the Fair Labor Standards Act by clarifying the definition of "employee," and for other purposes, which was referred to the Committee on Labor and Public Welfare and ordered to be printed.

AMENDMENT OF SOCIAL SECURITY ACT—AMENDMENT

Mr. JOHNSON of Texas (for Mr. KEFAUVER) submitted an amendment, intended to be proposed by Mr. KEFAUVER, to the bill (H. R. 7225) to amend title II of the Social Security Act to provide disability insurance benefits for certain disabled individuals who have attained age 50, to reduce to age 62 the age on the basis of which benefits are payable to certain women, to provide for continuation of child's insurance benefits for children who are disabled before attaining age 18, to extend coverage, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1957—AMENDMENT

Mr. BEALL submitted an amendment, intended to be proposed by him, to the bill (H. R. 10003) making appropriations for the District of Columbia for the fiscal year ending June 30, 1957, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed.

FURTHER AMENDMENT OF MUTUAL SECURITY ACT OF 1954—AMENDMENT

Mr. DOUGLAS. Mr. President, I submit an amendment, intended to be proposed by me, to House bill 10082, the foreign aid bill, which is now before the Committee on Foreign Relations. I ask unanimous consent that the amendment may be printed in the RECORD, together with a statement in support of the amendment, which I made this morning before the Senate Committee on Foreign Relations.

The VICE PRESIDENT. The amendment will be received, printed, and referred to the Committee on Foreign Relations; and, without objection, the amendment and statement will be printed in the RECORD.

The amendment is as follows:

At the end of the bill insert a new section as follows:

"SEC. —. (a) It is the declared policy of the Congress to resist the spread of communism. The issue between the free and the slave world is essentially whether freedom shall survive. The struggle to preserve freedom, however, is not to be won solely by further resistance to enslavement, but also by keeping alive in the hearts of enslaved people the spirit and hope of freedom. It is the purpose of this section to advance the cause of freedom by providing aid and support to those groups which are actively engaged in maintaining, inspiring, and instilling that spirit and hope.

"(b) (1) There is hereby created an agency under the name 'Freedom Administration' (hereinafter referred to as the 'Administration'), which shall be under the general direction and supervision of the President and shall not be affiliated with or be a part of any other agency or department of the Federal Government. The principal office of the Administration shall be located in the District of Columbia, but the Administration may establish offices in such other places as may be determined by the Administrator of the Administration.

"(2) The management of the Administration shall be vested in an Administrator (hereinafter referred to as the "Administrator") who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. The Administrator shall receive compensation at the rate of $17,500 per annum. There shall also be appointed to the Administration, by the President, by and with the advice and consent of the Senate, 7 Deputy Administrators who shall each be paid at the rate of $15,000 per annum. The Deputy Administrators shall be outstanding citizens of the United States, 1 of whom shall be of German descent, 1 of Polish descent, 1 of Lithuanian descent, 1 of Latvian descent, 1 of Estonian descent, 1 of Czechoslovakian descent, and 1 of such descent as to represent the remaining nations in the Communist world.

"(c) The Administration shall have power to adopt, alter, and use a seal which shall be judicially noticed. The Administrator is authorized, subject to the civil-service laws and the Classification Act of 1949, to select, employ, appoint, and fix the compensation of such officers and employees as are necessary to carry out the provisions of this section. The Administration, with the consent of any department or agency of the Government, may avail itself on a reimbursable basis of the services, facilities, and personnel of any such department or agency.

"(d) For the purpose of carrying out its functions under this section, the Administration—

"(1) may sue and be sued;

"(2) may adopt, amend, and repeal rules and regulations governing the manner in which its business may be conducted and its powers exercised;

"(3) may make and carry out such contracts and other arrangements as are necessary or advisable in carrying out its functions;

"(4) may determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid subject to the provisions of the Government Corporation Control Act, as amended; and

"(5) take such other action as may be necessary to carry out the purposes of this section.

"(e) (1) The Administrator is authorized to make grants to any private or semiprivate nonprofit organization, committee, or group which is actively engaged in broadcasting, publishing, correspondence or other activities designed to keep alive the spirit and hope of freedom, and the will to resist enslavement, in persons residing in Communist or Communist-dominated countries.

"(2) In making any grant under this section, the Administrator shall advise and consult with the director of Central Intelligence, and no such grant shall be made except with the concurrence of a majority of the deputy administrators of the Administration.

"(f) (1) There shall be established in the Treasury Department a special fund which shall be available without fiscal-year limitation for financing the operation and expenses of the Administration. There shall be credited to the fund one-half of 1 percent of any fund appropriated pursuant to any authorization contained in (1) this act, and (2) any act of Congress, enacted after the date of enactment of this act, authorizing the appropriation of moneys for mutual defense assistance or foreign economic assistance.

"(2) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, foreign currencies or credits owed to or owned by the United States shall, with the approval of the President, be made available to the Administration for the purpose of making any grant authorized by this section.

"(g) The Administrator shall submit to the President for transmission to the Congress at the beginning of each regular session an annual report of its operations under this section.

"(h) Section 101 of the Government Corporation Control Act, as amended (31 U. S. C. 846), is amended by inserting after 'St. Lawrence Seaway Development Corporation;', the words 'Freedom Administration;'."

The statement presented by Mr. DOUGLAS is as follows:

TESTIMONY OF SENATOR DOUGLAS BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE PROPOSING A FREEDOM ADMINISTRATION

Mr. Chairman and members of the Foreign Relations Committee, first of all, Mr. Chairman, I wish to thank you and your committee for your courtesy in granting me an opportunity to appear here and to testify before you today. As the course of action which I shall advocate and support is easy to understand, I will not take more than a few minutes of your time unless members have questions which they wish to ask.

I am here, Mr. Chairman, to propose that an amount equal to one-half of 1 percent of the foreign-aid funds from each annual appropriation be earmarked for the purpose of keeping freedom alive in the now subjugated countries behind the Iron Curtain. In particular, I refer to countries held captive by Russia; namely, Lithuania, Latvia, Es-

tonia, Poland, Czechoslovakia, Albania, Bulgaria, Hungary, and Rumania. In addition, Mr. Chairman, I am proposing that the Congress recommend—and authorize where necessary—the use of certain counterpart funds, and also funds credited to the United States by foreign countries under section 550 of the Mutual Security Act of 1951 and section 402 of the Mutual Security Act of 1954 for the same purpose.

These funds, Mr. Chairman, would be used to create and establish an independent agency of the Government, directly under the President, to be called a Freedom Administration. This Freedom Administration would allocate the funds provided to approved national freedom committees for the following purposes, among others:

1. To maintain and expand broadcasting activities to the enslaved peoples of Iron Curtain countries.

2. To expand existing programs of correspondence to subjugated peoples for the purpose of keeping alive the spirit of freedom and resistance.

3. To aid other programs by national groups such as the printing and distribution of pamphlets and information, to keep freedom and hope alive in the enslaved nations.

4. To finance programs to encourage and aid those who, at the risk of life itself, flee or have fled to the free world from the Communist world, and to offset the Communist drive to get these refugees to return to their original countries.

5. To give monetary support to resistance groups which aim at eventual independence of now satellite nations.

6. To publicize the names of those former democratic leaders of the Iron Curtain countries who still remain in jail or work camps so that the world may know their fate and their struggle.

7. To assist in promoting and maintaining other programs which aim at the eventual freedom of enslaved peoples. And I may say in this respect, that by providing adequate assistance to an agency and a staff of competent people, many other effective methods and ways may be found to further this cause.

Mr. Chairman, there is certainly ample reason to believe that the program I am advocating meets both the spirit and the letter of the pledges solemnly made to the American people in the 1952 Presidential campaign. I am not advocating a program to which, by any clear use of the English language, the present administration is uncommitted. I am hopeful the administration will welcome with open arms this proposal to help them carry out their solemn pledges.

In an article in Life magazine on May 19, 1952, Mr. John Foster Dulles wrote:

"Consider the situation of the twenty-odd-non-western nations which are next door to the Soviet world. * * * Today they live close to despair because the United States, the historic leader of the forces of freedom, seems dedicated to the negative policy of containment and stalemate.

"But liberation from the yoke of Moscow will not occur for a very long time, and courage in neighboring lands will not be sustained unless the United States makes it publicly known that it wants and expects liberation to occur."

And he continued:

"The mere statement of that wish and expectation would change in an electrifying way the mood of the captive peoples. It would put heavy new burdens on the jailers and create new opportunities for liberation" (Life, May 19, 1952, p. 154).

In the Republican Party platform of 1952 there was this statement:

"The policies we espouse will revive the contagious, liberating influences which are inherent in freedom. They will inevitably set up strains and stresses within the captive world which will make the rulers impotent to continue in their monstrous ways and mark the beginning of their end."

You will recall, Mr. Chairman and members of the committee, that the chairman of the committee who wrote this section of the Republican Party platform in 1952 was the present Secretary of State, Mr. John Foster Dulles.

Speaking before the American Legion Convention on August 25, 1952, Candidate Eisenhower had this to say:

"We must tell the Kremlin that never shall we desist in our aid to every man and woman of those shackled lands who seek refuge with us, any man who keeps burning among his own people the flame of freedom or who is dedicated to the liberation of his fellows." (New York Times, August 26, 1952, p. 12.)

My proposal, Mr. Chairman, would help make it clear that the United States "never shall * * * desist in our aid to every man and woman of those shackled lands who seek refuge with us."

Following this speech by General Eisenhower, he and Mr. Dulles conferred and the results of the conference were made public in a news conference by Mr. Dulles on August 26, 1952. Mr. Dulles made this statement, and I quote from the New York Times of August 27, 1952, pages 1, 15:

" 'General Eisenhower agreed with me again that the most important single issue before the American people is the issue of foreign policy.

" 'What we should do is try to split the satellite states away from the control of a few men in Moscow,' he urged. 'The only way to stop a head-on collision with the Soviet Union is to break it up from within.'

"Mr. Dulles said the United States should never accept a divided Korea, a divided Germany, or a divided Austria as a finality. 'Truce negotiations should be continued to end the fighting in Korea,' he said, but they should not be used 'as an arrangement which divides Korea permanently.' "

And on August 27, 1952, in a speech before the American Political Science Association at Buffalo, N. Y., Mr. Dulles has this to say—and I quote from the New York Times of August 28, 1952, page 12.

"Next, he said, resistance movements would spring up among patriots, who could be supplied and integrated via air drops and other communications from private organizations like the Committee for a Free Europe."

Although there were many other specific pledges in the 1952 campaign, I wish to quote only two more by General Eisenhower. Speaking in Cincinnati on September 22, 1953, he made the following statement:

"These principles demand that we use every political, every economic, every psychological tactic to see that the liberating spirit in the nations conquered by communism shall never perish.

"Thus, we shall help each captive nation to maintain an outward strain against its Moscow bond. The lands closed in behind the Iron Curtain will seethe with discontent; their peoples, not servants docile under a Soviet master, but ardent patriots yearning to be free again. Nothing is so damaging to a tyrant's war machine as the steadfast spirit of an unhappy people." (New York Times, Sept. 23, 1952, p. 16.)

And on September 27, 1952, Mr. Eisenhower made this pledge in a letter to the town meeting, Old Sturbridge, Mass., and I quote:

"In the struggle against expanding communism, we must miss no opportunity to rally men and women everywhere to the cause of freedom and progress, as opposed to the reaction of totalitarian policies and methods. We must fully develop under efficient, able direction every psychological weapon that is available to us." (New York Times, Sept. 28, 1952, p. 52.)

Now, Mr. Chairman, I believe those pledges were straightforward and clear. I believe that there were no ifs or buts about them. I believe further that what I am proposing is clearly in line with those pledges made to the American people in 1952 and that there is no basic principle by which the administration can, in good conscience, object to the plan I am putting forward. At least I am hopeful it will not be said that these pledges were made only to carry through 1954.

Now, Mr. Chairman, let me be more specific; first, about the Freedom Administration which I am proposing, and second, about how it can be financed.

My amendment would create a Freedom Administration, an independent agency with an Administrator who is an American citizen and directly responsible to the President of the United States.

In addition, my amendment provides for 7 Assistant Administrators, 1 of whom would be an outstanding German-American, 1 a Polish-American, 1 a Lithuanian-American, 1 a Latvian-American, 1 an Estonian-American, 1 a Czechoslovakian-American, and 1 American chosen to represent all other enslaved national groups.

The Administrator would be paid $17,500 per year and each Assistant Administrator, $15,000, or a total of $122,500.

The Administration, with the approval of any four of the Assistant Administrators, could use the funds appropriated for various purposes and specific projects among which are those which I have already mentioned and outlined.

Obviously, the President of the United States would have the final say-so on how and where the funds were to be used. My amendment would allow the Administrator to coordinate his programs with the Central Intelligence Agency. My amendment does not put the Agency under the State Department for a number of valid reasons, but there is no reason why the President who, after all, is responsible for our foreign policy, could not consult with his Secretary of State on policy questions.

In addition to the one-half of one percent of each year's foreign aid appropriation, which this year would amount to almost $24 million if the full administration request is granted, the Freedom Administration could draw upon counterpart funds now on deposit in Europe to the credit of the United States, with the approval of the President, for allocation to approved national Freedom Committees now or hereafter functioning in the free world, to enable these committees to maintain and to step up their broadcasting, publishing, correspondence and other campaigns to keep alive freedom and resistance behind the Iron Curtain. Committees to which counterpart funds are allocated shall have the approval of a majority of the Assistant Administrators.

As the committee knows, in Europe and in Greece and Turkey at this time, 10 percent of the counterpart funds deposited to match dollar funds obligated in the country are reserved for United States use. This has been true since June 20, 1952 and before that time there was a 5 percent requirement. In the fiscal year 1955, the amount of funds of European countries transferred to United States use amounted to $31.9 million, and from April 3, 1948 to June 30, 1955, the cumulative amounts so deposited amounted to $610.6 million. Here, Mr. Chairman and members of the committee, is a source of funds available for United States use which has already been appropriated by the Congress and which certainly can be and ought to be used in part for the purposes I have outlined here.

In addition, funds are made available for United States use under sections 550 of the

act of 1951 and 402 of the Mutual Security Act of 1954. These are funds made available to the United States in the currency of the local country from the sale of United States surplus agricultural commodities. On June 30, 1955, the amount of the balance on deposit for Europe alone was $80,882,000. These funds, of course, are used for a variety of purposes including direct forces support, defense support, and development assistance programs. Yet, there is no reason why a fair share of these funds could not be used for the purposes of establishing a Freedom Administration Agency.

Thus, Mr. Chairman, it is possible to establish and carry out a Freedom Administration program to keep alive the spirit of freedom of the now subjugated peoples behind the Iron Curtain. The program can be carried out largely with funds which the Congress has already appropriated or which Congress will appropriate in the future for our mutual security needs.

The program is badly needed. Too many people are being lulled into a sense of well-being and forgetfulness because of what I believe is only an "apparent" shift in Soviet policy. There is increasing talk in high circles in this country about coexistence and this can lead to dangerous concessions which will be in fact, although not in name, acts of appeasement. We must not forget those of our fellow men who still struggle against the chains of Communist slavery. We have pledged ourselves as a matter of national policy to do all we can to keep their hope and spirit alive and to help them achieve their freedom and dignity as free men which all men everywhere deserve as a right. I hope, Mr. Chairman, that this committee will approve of my proposal and that it will not have the relucant acceptance or disapproval of the administration, but rather the open-armed acceptance by the administration which its previous pledges deserve.

AGRICULTURAL ACT OF 1956—AMENDMENTS

Mr. BYRD submitted an amendment, intended to be proposed by him to the bill (H. R. 10875) to enact the Agricultural Act of 1956, which was ordered to lie on the table and to be printed.

Mr. O'MAHONEY subsequently said: Mr. President, I submit an amendment which I intend to offer to the farm bill which has been reported, H. R. 10875. The amendment I submit is intended to secure such protection of the livestock industry as would have been effected by an amendment adopted upon the floor of the Senate when H. R. 12 was under consideration.

Under the present laws, the cattle interests of the country have no supports. Under the soil bank provision, if it should be enacted, there is no effective provision against farmers using for grazing those lands which they set aside. There is a prohibition against it, but no effective penalty is imposed.

The purpose of the amendment which was offered by my colleague, the senior Senator from Wyoming [Mr. BARRETT], for himself, and on behalf of myself and Mr. ALLOTT, Mr. BENNETT, Mr. BIBLE, Mr. CASE of South Dakota, Mr. CURTIS, Mr. DANIEL, Mr. DWORSHAK, Mr. GOLDWATER, Mr. HRUSKA, Mr. KUCHEL, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MURRAY, Mr. WATKINS, and Mr. WELKER, was to make the provision in the bill effective. The penalty provision was taken out in conference. Therefore, from our point of view, it was unjust to the livestock interests of the United States.

I wish to submit the amendment at the present time, because the Senate is about to take a recess. I ask unanimous consent to have the text of the amendment printed in the RECORD, so that all who may be interested in the farm bill may know that the protection of the livestock interests of the United States from increased grazing by reason of the soil bank is the subject of the amendment and that it represents an effort to secure protection for the livestock industry.

The VICE PRESIDENT. The amendment will be received, printed, and lie on the table; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 4, line 24, after the word "grazing." insert the following: "In the event that the Secretary determines that there has been a violation of this provision prohibiting the grazing of reserve acreage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, the producer shall forfeit all rights to further payments or grants under his contract, shall refund to the United States all payments and grants theretofore received by him thereunder during the crop year in which the violation occurred, and shall forfeit all, none, or such part of such price-support benefits he may otherwise be entitled to receive for such year under the provisions of the Agricultural Act of 1949, as amended, and shall refund to the United States all, none, or such part of such benefits theretofore received by him under the provisions of said act during the crop year in which such violation occurred, as the Secretary may determine to be appropriate."

AMENDMENT OF MERCHANT MARINE ACT, RELATING TO CONSTRUCTION OF A NUCLEAR-POWERED PROTOTYPE SHIP—RECOMMITTAL OF BILL

Mr. JOHNSON of Texas. Mr. President, on behalf of the chairman of the Committee on Interstate and Foreign Commerce, the Senator from Washington [Mr. MAGNUSON], I ask unanimous consent that Calendar No. 1285, the bill (S. 2523) to amend section 212 of the Merchant Marine Act, 1936, to authorize the construction of a nuclear-powered prototype merchant ship for operation in foreign commerce of the United States, to authorize research and experimental work with vessels, port facilities, planning, and operating and cargo handling on ships and at ports, and for other purposes, be taken from the calendar and recommitted to the Committee on Interstate and Foreign Commerce.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

AUTHORIZATION FOR COMMITTEE ON PUBLIC WORKS TO SUBMIT REPORTS DURING RECESS OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Committee on Public Works be authorized to file reports with supplemental and individual views on any bill reported, during the recess of the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE ON AGRICULTURE AND FORESTRY TO SUBMIT A REPORT DURING RECESS

Mr. ELLENDER. Mr. President, I am glad to announce that the Committee on Agriculture and Forestry, which has had under consideration the bill (H. R. 10875) to enact the Agricultural Act of 1956, is ready to report the bill to the Senate. The committee report has not been completed up to this time, however. I ask unanimous consent that the committee may be authorized to file its report, including minority views, before midnight tomorrow.

The VICE PRESIDENT. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 10, 1956, he presented to the President of the United States the following enrolled bills:

S. 419. An act for the relief of Eli Hood;

S. 637. An act to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, La., to the State of Louisiana, and for other purposes;

S. 885. An act for the relief of Alice Elizabeth Marjoribanks;

S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.; and

S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. GOLDWATER:

Address on the subject of right-to-work legislation, delivered by him before the Young Men's Business Club of New Orleans on May 9, 1956.

By Mr. LEHMAN:

Address delivered by him at cornerstone-laying ceremony of the B'nai B'rith, in Washington, D. C., on May 6, 1956.

By Mr. WILEY:

Excerpts from address delivered by him before the Veterans of Foreign Wars at Oshkosh, Wis., on May 5, 1956.

SENATOR WALTER F. GEORGE, OF GEORGIA

Mr. SMATHERS. Mr. President, on yesterday, when I learned the news that the beloved and distinguished senior Senator from Georgia, WALTER F. GEORGE, would retire from the Senate next January, after 34 years of honorable and outstanding service to his State and Nation, I was struck with a deep sense of personal loss and sadness.

It has been my honor and pleasure to serve with Senator GEORGE on the Finance Committee. As a freshman Senator, I have reaped immeasurable benefit from his generous counsel and his wisdom, gained from decades of leadership. Never was there a time when I sought his guidance that I found him too preoccupied to lend a helping hand and give helpful advice. In every sense of the word, he is a true friend; and to him I shall ever be grateful.

As dean of the Senate, he has been for years the most loved, respected, and influential member of this body. He is a man of character, brilliance and great personal strength who has given unselfishly of his great talents to the benefit of his State and the Nation.

Senator WALTER F. GEORGE has written his name in flaming statesmanship across the decades that brought consecutive crises in depression, war, and cold war. Few men have been privileged to serve their country so greatly and constructively. Few men have achieved the lofty and noble statesmanship of this man, who has had such an influence for good on the activities of the growing, burgeoning free world. He has made his mark upon history, as his voice was the strong voice in forging the foreign policy of a nation which emerged from the war as the foremost power in the world.

He will be sorely missed next January by each of his colleagues. But, more than that, the entire Nation will bemoan his loss from this Chamber. However, statesman that he is, I know he will stand ready to render to us all the benefit of his guidance and wisdom gained from his illustrious career of public service. Senator WALTER F. GEORGE has carved his niche in the hall of fame, and has earned well the title of "Great American."

In his future endeavors, I wish him and his charming and loyal wife, "Miss Lucy," Godspeed and many years of happiness, which they so richly deserve.

RUMANIAN INDEPENDENCE DAY

Mr. SMITH of New Jersey. Mr. President, today Americans of Rumanian descent are celebrating the anniversary of their independence.

Unfortunately, the people of Rumania are not permitted to join in this celebration. Therefore, it is a privilege for us in America, and in the other free nations of the world, to keep alive this important Rumanian holiday.

Rumania endured first Nazi occupation, and now suffers under Communist totalitarianism.

At the end of World War II we signed a declaration with the Soviet Government and our other Allies, in which the following statement was agreed to:

> The establishment of order in Europe and the rebuilding of national economic life must be achieved by processes which will enable the liberated peoples to destroy the last vestiges of Nazism and Fascism and to create democratic institutions of their own choice.

The Soviet leaders pledged themselves to this agreement.

Yet today, Mr. President, the people of Rumania still remain in chains, not Nazi chains to be sure, but Communist chains.

At the Yalta Conference the Soviet Union pledged:

> The earliest possible establishment through free elections of governments responsive to the will of the people.

The people of Rumania yearn for the freedom of former years.

Today, as we join in honoring their former independence, we should pledge ourselves to continue our peaceful efforts to assist the people of Rumania once again to be free, independent, and self-governing.

All the world needs to be reminded of the broken pledges made at the end of World War II by the Soviet Government.

The Rumanian people are not forgotten. The day will come when they will again be free.

LOSS OF FREEDOM BY RUMANIA

Mr. PAYNE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I have prepared with regard to Rumania's loss of independence.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE

The emergence of a national and independent Rumania marked a turning point in the history of the peoples of Eastern Europe. The example set by the Rumanian people in their use of the privileges of democracy was an inspiration to the formation of other Balkan nations. Today the people of Rumania are no longer free. Their government is an echo of the Kremlin. But Rumanians have known freedom and will not tolerate forever the bondage they are now under.

As long as the spark of freedom is alive in the hearts of the Rumanian people—and it is a spark which, once ignited, can never be extinguished—free people everywhere can look forward to the day when the people of Rumania will again enjoy the privileges of national independence and individual freedom.

The leaders of Rumania have a deep moral obligation to recognize the legitimate aspirations of the peoples whose very lives are under their rigid control. When the men who now run the Rumanian Government receive their directives from their own citizens rather than from the Soviet Union, Rumania will again be a truly free nation.

On this day which was once a national holiday in Rumania, men and women throughout Rumania and the United States will pause to rededicate themselves to principles of justice and ideals of liberty, and to the hope that these principles and ideals will again become a living reality for all the Rumanian people.

FOREIGN AID

Mr. SMITH of New Jersey. Mr. President, in connection with the pending hearings on the so-called foreign-aid bill, a number of notable editorials have appeared in the newspapers from time to time. Under date of May 2, there appeared an editorial in the New York Times entitled "Self-Help Abroad." The opening paragraph of this editorial reads as follows:

> When President Eisenhower sent his foreign-aid message to Congress more than a month ago, he described the program as "indispensable to the security of every American citizen." That, we believe, describes the situation in a nutshell. The authorization of over $4.5 billion that Congress is asked to approve for the next fiscal year is not a relief expenditure, a giveaway program, or any other form of charitable enterprise. It is the sum considered necessary to insure the continuing security of the United States, apart from the funds—many times larger—spent directly on our own Military Establishment.

This stresses the security angle.

The closing paragraph of the editorial reads:

> Certainly economic-aid programs are expensive, but to place all our faith in mere military aid and its concomitants is to bury our head in the sand and invite both moral and political disaster. Both kinds of assistance are needed, and the United States can afford both kinds. In fact, at the present stage of world affairs the United States cannot possibly afford not to engage in both kinds, with the stress increasingly on the economic and social progress that flows naturally from a peaceful and flourishing democracy.

This stresses the point that we should not place all our faith in mere military aid, but should think in terms of the nonmilitary economic- and technical-assistance part of the program.

Because of the importance of the subject and the timeliness of the editorial, I ask unanimous consent that the full editorial to which I have referred be inserted in the body of the RECORD in connection with my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SELF-HELP ABROAD

When President Eisenhower sent his foreign aid message to Congress more than a month ago he described the program as "indispensable to the security of every American citizen." That, we believe, describes the situation in a nutshell. The authorization of over $4.5 billions that Congress is asked to approve for the next fiscal year is not a relief expenditure, a giveaway program or any other form of charitable enterprise. It is the sum considered necessary to insure the continuing security of the United States, apart from the funds—many times larger—spent directly on our own Military Establishment.

As Secretary Dulles described this "hard-earned taxpayers' money," it is part payment for the "national insurance policy" we have had to take out against potential Soviet aggression; and it ought to be considered in the same light as all the other defense expenditures that run to more than $40 billions a year. The only difference is that this small fraction of the total is spent in various forms of assistance abroad. Most of it, as a matter of military necessity, goes

for direct military or so-called defense support purposes, the latter being defined as budgetary and economic aid needed to enable our friends and allies to have the armed forces necessary to resist aggression. The question naturally arises, Does the peaceful front the rulers of the Soviet Union are now turning to the world mean that we can afford to let our guard down? To ask the question is to answer it. Obviously, we cannot afford to do so, although the ostensible slackening of the Soviet military threat makes the temptation stronger every day.

This is where the necessity of imaginative, vigorous, dynamic statesmanship on the part of both the administration and the Congress comes in. Until the imperialists who rule Russia show by positive action that they are no longer interested in pushing outward the limits of the Russian Empire we must keep our defensive strength at high level. But at the same time we have to recognize that military strength is worse than useless without moral strength; and moral strength in very large and important parts of the world—including the neutral areas—requires the positive, nonmilitary kind of assistance in improving the economic and social condition of our fellow men, without involving them in political entanglements, that only one free nation can give to another. Some of this may be done, as Mr. Dulles suggested, by private investment; but for a long time to come most of it will have to be done through governments. It involves long-term planning; and the relatively small amount that the President has asked for this purpose can be but a mere beginning.

Certainly economic aid programs are expensive; but to place all our faith in mere military aid and its concomitants is to bury our head in the sand and invite both moral and political disaster. Both kinds of assistance are needed, and the United States can afford both kinds. In fact, at the present stage of world affairs, the United States cannot possibly afford not to engage in both kinds, with the stress increasingly on the economic and social progress that flows naturally from a peaceful and flourishing democracy.

WILL WATER BECOME SCARCE?

Mr. MANSFIELD. Mr. President, the Senate Committee on Appropriations is now considering the Public Works appropriation bill. In this connection the issue of U. S. News & World Report dated April 27, 1956, carried a very timely interview with Lieut. Gen. Samuel D. Sturgis, Jr., Chief of Engineers, United States Army, entitled "Will Water Become Scarce?" I understand that, pursuant to a request made previously, this article is to be printed in the RECORD.

The public-works appropriation bill is mainly concerned with providing funds to construct Army engineer and Bureau of Reclamation projects in the United States. These projects are both small and large, multipurpose and limited in their benefits. As the interview with General Sturgis so aptly points out, these projects have a great deal to do with the Nation's supply of water. They will play an extremely important part in utilizing our water resources to the best advantage in years to come, when we will be facing an increased scarcity of water.

I recommend that all my colleagues in the Senate give this recorded interview a great deal of thought prior to the time when the public-works appropriation bill comes to the floor of the Senate. The progress of our flood-control and multipurpose projects is dependent upon the funds appropriated in this bill.

The year 1955 was marred by a number of flood disasters along the Atlantic coast in New England. More recently we have had reports of severe flood conditions in California. According to General Sturgis, a large portion of the damage done by these floods could have been prevented if there had been more completed flood-control projects in these disaster areas.

General Sturgis says:

The amount of that estimated potential damage eliminated by complete flood-control works, like these that we've been talking about, and others throughout the country, is $491 million annually. Which means that about 55 percent of all potential damage has now been prevented by completed works.

The annually estimated potential damage is $911 million a year.

There still remains the 45 percent of the potential damage to take care of. We can do this by providing sufficient funds in the public-works appropriation bill to speed along construction of flood-control projects already started and to get construction on authorized projects underway.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Ghost Over the Drought Area," written by Doris Fleeson, and published in the Washington Evening Star of April 25, 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GHOST OVER THE DROUGHT AREA—MIDWEST WATER PROBLEM HAUNTS LIFE OF BOTH CITY AND COUNTRY CITIZEN

(By Doris Fleeson)

LYONS, KANS.—"If President Eisenhower ever came out here on a windy day, he'd do something for us."

The wheat farmer who said this was talking about drought. That problem haunts the daily life of city and country dweller alike in the plains area and threatens them with woes extending far beyond a diminishing annual income.

For the dust storms are back. Every time the wind gets up to 40 miles an hour, the powder-dry soil thickens the air like a Dickens "London particular" fog and settles on the furnishings of fine and humble homes, wherever they may be.

The entire winter Wheat Belt has taken this ghastly beating. Rains are localized and never bring more than an inch at a time. "The last time we were ever bothered with mud was 1952," said a Kansan.

The drought exaggerates all aspects of the wheat surplus with its consequent federally planned reduction of acreage.

Land taken out of wheat went into milo, but due to drought the milo crop has been almost a failure. Last year 70 acres taken out of wheat and put into milo brought 1 landowner near here a profit of 77 cents an acre.

People who live in the Great Plains understand very well that this is no passing calamity. Even if an abrupt change in rain and snowfall occurred, there is no guaranty of it being lasting in effect.

They worry about the water table and look to Washington for creative planning. There is talk there of another study, but mention of studying problems in Washington at this point has little appeal among farmers. They think open eyes are all that is needed.

The reference to President Eisenhower's duty in the matter represents a distinct change of political temper in this rock-ribbed Republican area. Farmer unhappiness has transferred itself to him from Secretary of Agriculture Ezra Taft Benson, who has been written off as a possible source of help and comfort.

There is no question that in this area the President's golfing vacation during the farm bill hassel hurt. The politicians who reflected such dissatisfaction with the Eisenhower timing really had their trained ears at the grassroots.

What will it mean politically?

An editor answers that it is too early to tell.

An astute GOP political leader in Kansas predicts the loss of at least three Republican Congressmen, no matter who runs against them. He says Senator FRANK CARLSON would be in real trouble, too, if Democrats had an aggressive and widely known candidate.

"All that saves us is that this is just about a one-party Republican State," he said. "If Democrats had some good candidates, we'd be in bad trouble. If it would only rain and rain and rain."

A CONTRAST IN POLITICAL DRIVES

Mr. MANSFIELD. Mr. President, I should like to bring to the attention of my Democratic colleagues in the Senate a most interesting article appearing in the Sunday New York Times of April 8. The article I refer to is headlined "Political Drives Bare a Contrast," with a subheading of "Plush GOP Setup in Capital Overshadows Vote-Getting Machinery of Rivals."

Both Houses of Congress maintain campaign committees to assist the Members in their electioneering. At this point I may say that during the time I have been in Congress, the Democratic campaign committees have done a very fine job. On the Senate side, the Democratic and the Republican campaign committees are generally about the same size in staff and operation.

However, on the House side this article reveals a most fantastic contrast between the two congressional campaign committees. The Democrats have a staff of three in an office hidden in the corridors of the Old House Office Building. The Republican Congressional Campaign Committee is an elaborate organization, complete with movie, radio, television, and photographic facilities, numerous publicity stunts, and a staff of about 30. The Democrats have reason to be envious, but the Democratic Party does not have access to the kind of money it takes to put on such a show.

I think the motivation behind all of this is the forthcoming Presidential race. In fact, there is no doubt about it. The opposition are running scared, and they know they have an uphill fight next year for congressional control. The Republicans are using mass media to the fullest extent. A good deal of it is publicity by association. They tried this approach in the 1954 election, but it did not work. Neither will it work in the election this November.

Mr. President I ask unanimous consent that the article to which I have referred be printed in the RECORD at the conclusion of my remarks.

In conclusion, I should like to say that it might be very appropriate to redesignate the Eisenhower bandwagon as the Brink's truck, as suggested by the author of the article, Mr. Alvin Shuster.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICAL DRIVES BARE A CONTRAST—PLUSH GOP SETUP IN CAPITAL, OVERSHADOWS VOTE-GETTING MACHINERY OF RIVALS

(By Alvin Shuster)

WASHINGTON, April 7.—One of the sharpest contrasts between the two parties on Capitol Hill these days is in their vote-generating machinery.

Both the Republicans and Democrats maintain political factories designed to produce the tools to enable electioneering lawmakers to put the screws to their opponents this year.

But the Republicans, faced with an uphill fight for congressional control, have set up a far more elaborate mechanism.

Its congressional campaign committee has taken over a number of suites in a hotel behind the House Office Buildings and appointed them with a staff of about 30, a projection room, an artists' studio, and a photo darkroom that last year alone turned out 50,000 picture postcards of Republican Members of Congress chatting with the folks from home.

On shelves sit some 20 films the committee has produced so far this year for use by Republican Members on local television programs.

CHOICE OF FILM TOPICS

Film topics range from the President's desk (made when President Eisenhower was away from it), Navy frogmen, narcotics, atomic living and trade fairs. There even is a film featuring four daughters of Secretary of Agriculture Ezra Taft Benson singing an Eisenhower campaign song.

Just off the production line, are films entitled "These Wonderful Peaceful Years," which attempts to show how well off the typical American family is today, and "The Mystery of the Missing Depression," which chides Democrats for predicting an economic slump under the Eisenhower administration.

About finished, too, is a film on the "Democrat Record," and "The Presidency," which shows highlights of General Eisenhower's White House tenure, from his inspection trip of drought areas to his flight to the Korean battlefields.

Of a somewhat more practical nature, the Republican committee has come up with a film for housewives on "How to Cut up Beef Properly."

All a Republican Member of Congress has to do to become identified with any of these subjects, is to say a few words at the beginning and at the end, and ship the film home for local viewing.

EASTER SCENES POPULAR

In all, one Republican official said, 120 different Republican Members of Congress appear on television each month. Last week alone, 88 used the "Easter in Washington" film showing the cherry blossoms, the Tomb of the Unknown Soldier, and the Eisenhowers going to church.

Some Members of Congress have found other uses for the films. They have sent them to groups in lieu of a personal appearance, and have shown them in their own political tents at the local county fairs.

Moreover, the Republicans on the Hill have at their disposal their own still photographers, who at the drop of a possible vote shoot hundreds of pictures a year of Members posing with visiting drum majorettes, or local officials, or just plain citizens from his home State.

The pictures are developed and printed the same day and rushed to the local newspapers at home. The visitors get picture postcards of the event to send to the folks home. Last Thursday, for example, more than 600 picture postcards were printed in the committee darkroom.

In short, everything is booming, including the funds. And to the Democrats viewing all this, the Eisenhower bandwagon looks more like a Brink's truck.

SHARP CONTRAST NOTED

For in contrast to all this Republican activity, the House Democratic campaign committee, with a staff of only three, operates from a cubby hole of an office in the bowels of the old House Office Building. The office door is unmarked and most anytime a visitor walks by he can hear emanating groans about those "rich Republicans."

"If we had the money though," one Democrat said, "we would spend it like that, too."

Both the campaign committees in the House and those in the Senate operate closely with the national committees of the parties, which have their offices downtown.

On the Senate side, where there are always fewer seats at stake than in the House, the two parties are fairly much on an equal footing. Both have small staffs, though the Republicans there too have a couple of staff photographers.

Democrats who want this same kind of good will photographic service must pay the commercial fees.

Meanwhile, the salesmen of the slogan-bearing campaign merchandise are making their periodic rounds and showing no partisanship. The Democrats on the Hill have room in their quarters for only catalogs.

But the Republicans have a big display of the gadgetry, including message-carrying beer openers, golf tees, silk stockings, change purses, potholders, etc.

BULGANIN AND KHRUSHCHEV

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Visiting Reds Spur Protest," published in the Baltimore Sun, of April 23, 1956.

The article tells of the protest by outraged Poles and other refugees from the satellite countries, who fought bravely with the British forces against Nazi totalitarianism, only to find their countries were surrendered by the allies to Soviet totalitarianism, and who watched with shock and dismay the visit of state by Khrushchev and Bulganin to the British Government.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

VISITING REDS SPUR PROTEST—25,000 EXILED EASTERN EUROPEANS MARCH IN LONDON

(By Joan Graham)

LONDON, April 22.—In absolute silence nearly 25,000 exiles from Eastern Europe today staged a demonstration of protest in London against the Communist domination of their native countries.

In a file 6 persons abreast and 2 miles long, 17,000 of them marched in silence through the streets of London. The majority were Poles, but in the ranks there also were contingents of Ukrainians, Czechoslovakians, Latvians, Estonians, Hungarians, Jugoslavs, and some Bulgarians.

After a special mass in the Roman Catholic Brompton Oratory they marched to the Cenotaph where another estimated 7,000 awaited them—again in silence. Today was Free Poland's day of mourning and prayer. The men wore black ties and armbands, and the women wore black clothes or had black scarves over their heads.

FLAGS DRAPED IN BLACK

The flag of each nation was draped in black crepe and each contingent was headed by banners identifying the marchers.

There were parties from most of the industrial areas of Britain, groups of exservicemen wearing their medals and one of British wives of Poles.

Slogans were borne aloft and one banner carried by children in the national dress of Poland, depicted the head of Christ on Calvary with his mouth bound up. Under it were the words: "May the silenced church of Poland be a warning to the free world."

The police had nothing but praise for the orderly way in which the march was conducted. In addition to the tread of the feet the only sound that could be heard was from a loudspeaker van marked "Polish Ex-Servicemen" which directed and shepherded the marchers with orders in Polish.

In his address at Brompton Oratory, Archbishop Josef Gawlina, Apostolic visitor to the exiled Poles in Western Europe and Britain, did not once mention the names of Bulganin and Khrushchev now visiting England, but asked "What is the West doing to end this vile persecution of free peoples? Nothing."

Among the inscriptions on the banners were demands such as "Freedom for Poland," "Messrs. B. and K. Put Right the Wrong Done by Stalin," "Khrushchev, Deeds, Not Words," and many more in the same vein.

As the marchers reached the cenotaph each contingent was applauded and especially loud rounds came for the Polish airmen, Polish underground, and the British wives.

A wreath of red and white flowers, the colors of Poland, bearing the words "In memory of our patriots who perished under Communist terror," was laid at the opposite end of this huge memorial of the dead of two wars to that at which Bulganin and Khrushchev laid their own man-sized wreath on Thursday.

The national anthems of each country were sung, and there was one moving moment when the fine voices of the Ukrainian men were raised in singing a hymn of their country.

EXILED LEADERS THERE

Around the memorial were General Anders, former Polish commander in chief, General Bor, and Malcolm Muggeridge, editor of Punch, and many exiled leaders.

Then, 4 dark-suited men wearing black ties left the cenotaph and, escorted by a police inspector, walked to 10 Downing Street carrying 10 black-bound books containing 60,000 signatures to a memorandum to the British Government.

They went inside No. 10 where the memorandum was received by an official. The memorandum appealed to the Government to raise with Bulganin and Khrushchev the question of free elections in Poland, the release of Poles still held by Russia, and the fate of 11,000 Polish officers who disappeared after being taken prisoner during the war.

Mr. JENNER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD two documents from the Scottish League for European

Freedom, which supply important information on the careers of Bulganin and Khrushchev.

I am indebted to Mr. Alfred Kohlberg for a copy of this most important document.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

SCOTTISH LEAGUE FOR EUROPEAN FREEDOM,
Edinburgh, October 17, 1955.

To All Leaders of All Christian Churches in the British Commonwealth:

Annexed is a protest and appeal we have sent to the British Prime Minister. We beg you to study it carefully and to join us in a protest and appeal against receiving Khrushchev and Bulganin, two frightful oppressors in this country as guests of the British Government, and thus condoning their atrocities, encouraging them to persist in them, and dealing a grave blow to the Christian nations they oppress, and on whom they are still committing dreadful atrocities.

The excuse so often heard, that the churches cannot interfere in politics, does not apply here; it is not a matter of politics but of Christianity, following the teachings of Christ and rescuing the perishing. Many sincerely Christian peoples are now perishing through planned annihilation by these men, who epitomize the Kremlin.

We submit that, in this vital matter, it is the plain duty of the churches to raise their voices in no uncertain manner.

JOHN F. STEWART,
Chairman.

OCTOBER 15, 1955.

The Right Honorable Sir ANTHONY EDEN,
K. G., *Prime Minister.*

SIR: We learned with deep grief and sadness of the invitation to this country as guests of the government of Bulganin and Khrushchev. We strongly protest against this invitation and recognition, and we are asking all the leaders of all the Christian churches in all countries of the British Commonwealth to join and support us. It is not a matter of politics, but of humanity. Possibly the career of these two men has never been made known to you. We recognize that all details of all foreign matters cannot be meticulously supervised by yourself or the Foreign Secretary, and that both have to depend on the Foreign Office, and recent disclosures in connection with that institution might suggest that interested parties in high office there have taken care that details of both policy and men have been kept from their ministers.

Bulganin and Krushchev are powerful members of the Communist Party; Bulganin can be dismissed in a few words. He is one of the most cruel heads of the Soviet Government, and his whole career is one of cruelty, from the time of his joining the Cheka in 1918. Where extreme measures of cruelty were needed to stimulate production in any industry Bulganin was appointed the head, and carried out his work efficiently by means of shooting, imprisonment and slave camp.

Khrushchev has been known in eastern Europe for years as the hangman of Ukraine. He was prominent and active in the Communist Party at the time of the deliberately planned starving to death of over six million Ukrainian men, women, and children in 1933, described in our brochure Tortured But Unconquerable Ukraine—which is enclosed.

In 1935 Khrushchev became the all-powerful Secretary of the Communist Party in Ukraine and was in supreme control particularly in the years to which we now refer: 1937–39.

During those years men and women, mostly middle-aged, working class and peasants, were, in twos and threes, quietly taken from their homes in the middle of the night, and no more was heard of them, although not even a trifling offense was alleged against them. Only one case need be cited, that of Vynnytsia, a city in Ukraine, from which, and its neighborhood, thousands had disappeared in those years.

When the Russians were being driven back in Ukraine in 1941 the Ukrainian local authorities began excavating at a spot in the public park which had been walled off, and they laid bare the secret of the disappearance of their peoples. It was a mass grave in which were the bodies of 12,000 men, clothed, and women, nude, all killed by a pistol shot in the back of the neck. This was the work of Khrushchev, and there are many Vynnytsias, in Ukraine, and, doubtless, in all the other subjugated countries. An international body of neutral medical experts of the highest professional standing examined the bodies and unanimously decided that these people had been murdered in the years 1937 and 1938, that is, when Khrushchev was in control. The whole terrible story is told in our publication, also enclosed, the Crime of Moscow in Vynnytsia, where proofs are given of the methods of murdering of harmless people. As there was never any political or criminal reason it must have been sheer love of slaughter that actuated Khrushchev.

It seems impossible that anyone could add anything more ghoulish to this, but Khrushchev succeeded; on the top of the mass grave he had, after the ground being leveled, erected an open-air theater and swings, roundabouts and other appliances for play. Think of it, little children playing on the grave of thousands of their fathers, mothers, brothers and sisters.

But it should be emphasized that this crime of which we give some details is not an isolated case of the rule of Khrushchev; his whole control of Ukraine has meant a reign of terror, torture, bloodshed, deportation and cruelty and these attributes of this frightful being are being carried out at this present day without the least cessation.

We are confident that you will reconsider this most regrettable action, and cancel the invitation.

Yours faithfully,

JOHN F. STEWART,
Chairman.

THE UNITED STATES OLYMPIC ASSOCIATION—THE CASE OF JOHN E. B. WOFFORD

Mr. SCHOEPPEL. Mr. President, as one who in his lifetime has been somewhat interested in sports, I wish to refer to a matter about which I am seriously concerned.

I note that in the not-too-distant future the United States is to participate in the great Olympic Games. By way of preface to my remarks with reference to the United States Olympic Association, let me say I understand it is a corporation which was created by an act of Congress which became effective on September 21, 1950. That act states that the purposes of the corporation—the United States Olympic Association—shall be, among other things, to—

Arouse and maintain the interest of the people of the United States in, and to obtain their support of, creditable and sportsmanlike participation and representation of the United States in the Olympic Games and the Pan American Games.

To select and obtain for the United States the most competent amateur representation possible in the competitions and events of the Olympic Games and of the Pan American Games.

The final section of the creating act declares that:

The corporation shall, on or before the first day of September in each year, transmit to Congress a report of its proceedings for the preceding calendar year, including the full and complete statement of its receipts and expenditures.

Under Public Law 11, approved March 14, 1955, personnel of the Armed Forces of the United States are authorized to participate in the Olympic Games. The Government continues the pay of such personnel, and bears their expenses. Thus, the Congress has a direct interest in the Olympic Games in this respect.

The act creating the Olympic Association authorized the association to finance its activities, and this is done by public appeals through various media, including the press, television, and radio.

I understand that contributions to the Olympic Association are tax deductible. In effect, this means that the Federal Government subsidizes a considerable portion of the funds contributed to the Olympic Association.

What is this leading up to? I will say frankly that there has been brought to my attention a case concerning one John E. B. Wofford, a young man 25 years of age. I am particularly interested in that case, because he was reared in my State. His parents were very fine people. The family originally came from the great State of South Carolina. They made their home near Junction City and Fort Riley, Kans., until 1943, when the elder Wofford passed away.

He had a very distinguished career as an Army officer in the cavalry. A great deal of the time he was stationed in my State at the Fort Riley Cavalry School. He was a member of the United States international riding team at various times between 1930 and 1940.

With that background, I was disturbed when I received a letter under date of May 7, 1956, addressed to me as a United States Senator, setting forth certain pertinent information and statements which I think are of somewhat serious proportions.

Attached to the letter are certain data concerning John E. B. Wofford and his equestrian record.

I ask unanimous consent that a copy of the letter, together with the attached statement, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

MAY 7, 1956.

Hon. ANDREW F. SCHOEPPEL,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SCHOEPPEL: In September of 1955 I won the combined Open National Championship and Olympic Trials in the Equestrian 3-Day Event held at Oxford, Mich. Subsequently, competitors who finished behind me, in 2d, 3d, 4th, and 5th places, were selected as members of the United States Olympic squad in riding. I was not selected.

Prior to September 1955, I had won 3 national championships including 2 Olympic

trials. I competed as a member of United States international riding teams in both the 1952 Olympics held at Helsinki, Finland, and the Pan American Olympic Games in March 1955, at Mexico City, Mexico.

My amateur status has never been questioned, and I have never broken any of the rules of conduct prescribed in the regulations of the United States Olympic Association.

Following the Pan American Games last year, I was barred by the Olympic Equestrian Games Committee, members of which are Maj. Gen. Guy V. Henry, Brig. Gen. F. W. Boye, Brig. Gen. John T. Cole, Maj. Gen. Thomas W. Herron, Whitney Stone, Walter Devereau, and Adrian Van Sinderen, from competing in the coming 1956 Olympic Games. Also, this committee has circulated three false reports on my performance in the Pan American Games—reports which have done serious damage to my reputation not only as a competitor but also as a person.

These false reports and implications were in the form of:

1. A questionnaire circulated in April 1955.

2. A report made to the directors and members of the United States Equestrian Team, Inc. (approximately 60) in June 1955, by members of the committee.

3. A report to the executive director of the United States Olympic Team Association from the United States Equestrian Games Committee.

These reports are false in two particulars: (1) They contain grossly erroneous statements about the facts and circumstances surrounding my performance in the Pan American Games, and (2) they contain a falsified report on the number of penalties supposedly incurred by me in my performance in the Pan American Games.

I am in a position to prove the falsity of the reports.

At my request the executive board of the United States Olympic Association held a hearing on Sunday, April 15, 1956, purportedly to arrive at justice in this matter. The Olympic Equestrian Games Committee was invited to the hearing, as well as myself.

On the appointed date I appeared before the board with counsel and witnesses. The members of the Equestrian Games Committee failed to appear.

My attorney and I repeatedly requested that whatever charges against me the executive board had received from the games committee or from any other source be read into the record at the hearing so that I might have an opportunity to know specifically what these charges consisted of and to refute them. The board failed to act on my pleas for such information.

Since the hearing, I have obtained a copy of a report, dated October 6, 1955, from the Equestrian Games Committee to Mr. J. Lyman Bingham, the executive director of the Olympic Association.

The account of my performance in the Pan American Games as contained in this report is a malicious distortion of the facts. Moreover, so many of the statements made in the report are so clearly incorrect that I do not understand how the executive board of the United States Olympic Committee could have been unaware of the inaccuracies.

The refusal of the executive board to state the charges set forth in this report, which was in their possession at the time of the hearing, and their refusal to allow the charges, then unknown to me, to be made a part of the official transcript of the hearing, causes me to conclude that the executive board was more interested in protecting the Equestrian Games Committee than in unbiased consideration and justice to the competitor involved.

On April 26, 1956, my attorney received notification from Mr. Bingham that the Olympic Association could see no reason to reverse the Equestrian Games Committee on the basis of the evidence submitted at the hearing.

This statement especially astonished me because no evidence was presented against me at the hearing, either by the members of the executive board or the members of the Equestrian Games Committee, who, as has been pointed out before, were not present. The only evidence presented at the hearing was the evidence submitted on my behalf.

I sincerely believe that the executive board of the United States Olympic Committee has not acted in a fair and reasonable manner in this case.

Your consideration of this matter and any action you deem wise will be greatly appreciated.

Sincerely yours,

JOHN E. B. WOFFORD.

DATA CONCERNING JOHN E. B. WOFFORD AND HIS EQUESTRIAN RECORD

John E. B. (Jeb) Wofford, age 25, Rimrock, Milford, Kans.

1950, July, first place preliminary zone Olympic trials.

1951, October, first in 3-day trials for Olympic equestrian team at Fort Riley, Kans. Team coach and manager was Col. John W. Wofford. The Wofford's donated five horses to the team. Three-day equestrian team placed third in the Olympics at Helsinki, Finland.

1953, was first in the national 3-day event at Fort Riley.

1954, was second in the national trials at Nashville, Tenn., in the equestrian 3-day event.

1954, Col. John W. Wofford resigned as coach and manager of the Pan American equestrian team as a result of controversy with other members of the Olympic Equestrian Games Committee, General Henry, General Cole, Mr. Stone, and General Boye. Colonel Wofford withdrew his resignation as coach of the team when he learned statments made by Mr. Stone concerning the attitude of other members of the 3-day team were incorrect.

1955, J. E. B. Wofford, Walter Staley, and Frank Duffy comprised United States 3-day equestrian team. Colonel Wofford ill and could not go to Mexico City for the Pan American games.

1955, February, J. E. B. Wofford returned to the United States and remained until after death of father March 1, 1955. J. E. B. Wofford returned to Mexico after funeral of father. Jeb donated horse to Duffy and rode animal which had previously been quite ill. At 19th fence of cross-country race, Jeb's horse suffered bad fall, throwing him and giving him concussion in fall. Mexican committee prevented him from continuing in race, and procured medical care for him. After event, with blood still on Wofford's face and down shirt front and trousers, Mr. Stone criticized Wofford to the effect that his riding had amounted to a disgrace for the American team and insinuated Wofford had deliberately ridden in such manner.

1955, June, Wofford barred from ever again competing in Olympic or other international riding events on grounds of alleged temperamental unsuitability by Olympic Equestrian Games Committee.

1955, September, Wofford won combined national championship and Olympic trials at Oxford, Mich. Same month requested hearing before executive board of United States Olympic Association.

1956, April, hearing before board.

Mr. SCHOEPPEL. If the statements contained in this letter are true—and I will say frankly that I do not know all the circumstances surrounding this matter—the case merits the consideration of the proper officials within the organization, with a view to clearing up the situation as expeditiously as possible.

I feel very seriously that this young man, who has taken the time and the trouble to write to me, has presented a situation which I hope the proper officials, in due time, and with proper dispatch, will clear up.

TROUBLE BREWING IN THE ILO

Mr. LEHMAN. Mr. President, the administration has frequently expressed its great sympathy with the aims and purposes of the International Labor Organization, which is composed of more than 60 nations of the world. It has been one of the great organizations, and its work has been most important in furthering sound labor practices throughout the world. Of the more than 60 nations that compose the International Labor Organization, only 6 or 7 are in the satellite bloc.

However, some 2 or 3 weeks ago, when the question of authorizing an appropriation for the ILO was before the Senate, the distinguished senior Senator from Ohio [Mr. BRICKER] moved in an amendment that very serious limitations be placed on the appropriation authorization. Even though it was perfectly clear to some of us, at least, and, I believe, to that part of the public which is familiar with the work of the ILO, that such a limitation would strike a serious blow at the prestige, work, and effectiveness of this great international organization, that proposal was acted on favorably by the Senate. It was also a blow at the administration, which had always claimed to support the ILO, and I believe did wish to support it. Unfortunately, the administration, however, did not raise its voice against the proposal of the Senator from Ohio [Mr. BRICKER], which was adopted by a vote of 43 to 40. A change of 2 votes would have preserved the prestige of our country in the ILO and supported the administration.

Mr. President, recently, the distinguished columnist, Marquis Childs, wrote an article in which he called attention to the probable consequences of the Bricker amendment, which has limited the effectiveness and the powers of the ILO and the prestige of the United States. I ask unanimous consent that his very informative and interesting article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TROUBLE BREWING IN THE ILO

(By Marquis Childs)

The difference between doing and saying is something this administration has never understood. The words sound fine, but more often than not, deeds fail to match words.

The latest example is in the approach to the International Labor Organization, which is a United Nations agency concerned with labor standards, the training of workers in industry and such matters.

After holding back for a long time, the Soviet Union decided, as it had a right to do, to join up and sent delegates representing organized labor, the employer and government, as the ILO charter requires.

Now, obviously, for Soviet Russia to send representatives of employer and employee organizations is a fiction, since any such organizations in a totalitarian society are window dressing.

But the large majority of the 71 member nations of ILO believed it was preferable to challenge this fiction within the ILO framework and, therefore, opposed any effort to keep Communist Russia's representatives out.

Not so, however, the American employer representative, William L. McGrath, who began conducting something resembling a one-man sit-down strike at the ILO in Geneva.

McGrath, named by the Chamber of Commerce and the National Association of Manufacturers, is an old-fashioned isolationist who supports the Bricker Amendment limiting the treaty-making power of the Government, an amendment which President Eisenhower and Secretary of State John Foster Dulles have said would seriously handicap the conduct of foreign policy.

The Eisenhower administration proposed to increase the American contribution to ILO which was limited by a ceiling of $1.75 million. This gave Senator BRICKER, frustrated in his main goal, a chance to snipe at ILO. He introduced an amendment providing that no increase should be granted if it was shown that employer or employee representatives from Soviet Russia or the satellites had been permitted to vote in ILO.

Not a single spokesman for the administration arose on the Republican side to explain or defend the administration proposal and the reasons why the amendment would be harmful to America's position in the ILO and the world.

The defense came from the Democratic side, with Senators declaring that the amendment would be interpreted as an attempt by the United States to dictate unilaterally the policy of this U. N. organization.

The vote was 43 to 40 for the amendment. In voting for it, 6 Southern Democrats joined 37 Republicans. Among the latter were Minority Leader WILLIAM F. KNOWLAND of California and Senators STYLES BRIDGES of New Hampshire and LEVERETT SALTONSTALL of Massachusetts. Only seven Republicans voted in opposition to the amendment. The House has not yet acted on it.

The ILO under the vigorous direction of its executive director, David Morse, has pushed an investigation into slave labor that is the most far reaching of its kind, showing the extent of forced labor in the Communist countries. A recent supplementary report concludes that, while there has been some slight improvement in recent years, the use of slave labor is still widespread in the Communist countries.

Covering Communist China for the first time, the report expresses the belief, on the basis of a great deal of documentary evidence, "that forced labor exists on a very large scale and that the number of persons involved represents a considerable proportion of the total population."

The documented exposé of forced labor has led to a demand within ILO for a convention which upon adoption would require member nations to abolish it. And here is a striking instance of the new flexible strategy of the Soviet Union in the post-Stalin era. In a confidential poll of members, Soviet Russia has said it would vote in favor of the convention and the satellites also will support it.

But such conventions are anathema to Senator BRICKER and those who believe like him that they infringe State and Federal laws. So the United States has not made up its mind on this question, which is sure to come up when the ILO meets again in June.

It could turn out that the United States was the only major power opposing such a convention or declining to be recorded on it. With the Communists voting for it, this would put the American delegation in a highly embarrassing position.

For the free trade unions and for most European employers, the ILO is an important organization for good. It is carrying on extensive work in underdeveloped countries teaching industrial skills. For the millions who regard it as an instrument for strength and cohesion in the free world, the American attitude is hard to understand. America appears to be afraid to meet the challenge of communism in the ILO.

As several speakers pointed out, the Communist countries can muster at most only 32 votes against 280. So there is no real danger they could dominate the organization.

Senator HUBERT HUMPHREY, Democrat of Minnesota, concluded his plea for defeat of the amendment as follows:

"I should hate to think that we in America were less confident of our position than is, let us say, Great Britain or any one of the other countries. I personally feel that any time we have an opportunity to join issue on any matter of politics, economic, culture or social welfare with delegates from the Soviet bloc countries, we should accept it not only as a challenge but as an opportunity. We have never lost an argument in the United Nations. When it came to arguing with the Soviet bloc, we won the argument by vote."

Through much of the argument for the ILO fund amendment ran a reminiscent theme of past isolationism. If these European countries would not follow the American precept, then it might be better just to let them stew in their own juice.

This is an ominous portent for the decisions that lie beyond this election year when American policy in matters far more important than ILO may be overruled.

POLICY OF DEPARTMENT OF DEFENSE WITH RESPECT TO GRADUATES OF THE MARITIME ACADEMIES

Mr. PAYNE. Mr. President, the American Merchant Marine plays an extremely important role in our national defense. Indeed, I believe that it can safely be said that in time of war our military effectiveness would be seriously curtailed if we did not have an effective merchant marine to maintain our supply lines around the world. The importance of the merchant marine has been so repeatedly recognized by Congress and the executive branch of the Government that it is not necessary for me to cite specific instances here.

Because of the recognized importance of the merchant marine, this Nation has established maritime academies to provide a continuing supply of trained officers for the service. Just this year the importance of this program was confirmed by the Congress when it enacted into law a measure making the United States Merchant Marine Academy at Kings Point, N. Y., a permanent institution.

On March 29 I made a statement here on the Senate floor calling attention to a critical situation that faces the merchant marine, which is caused by an unrealistic position taken by the Department of Defense, and suggested that the Department of Defense review its decision. At that time I placed in the RECORD a copy of a letter I had sent to the Secretary of Defense concerning this situation.

Basically the situation is this. The State and Federal maritime academies together produce about one-third of the merchant marine's annual need for new officers. Prior to January 1, 1953, students at these academies were midshipmen in the Merchant Marine Reserve of the United States Naval Reserve. The Armed Forces Reserve Act of 1952, through an oversight, failed to continue the statutory authority for this program which exempted maritime academy students from draft liability and did not require active naval duty upon graduation. In order to continue the military status of students at these academies, which was considered vitally important, the Navy initiated a temporary program of appointing them as officer candidates, but only did so with the understanding that legislation would be introduced to reinstate the Merchant Marine Reserve of the Naval Reserve.

A bill to accomplish this purpose was introduced last year by my distinguished colleague, the senior Senator from Maine [Mrs. SMITH], as S. 1748. It would restore the former program retroactive to January 1, 1953. The bill had the active support of the Navy Department and was passed by the Senate on July 30 of last year. During the fall recess, the Department of Defense raised objections to the bill and caused the Navy Department to withdraw its support. As a result no action has been taken on the bill by the House Armed Services Committee.

This year the maritime academies will graduate students who were appointed under the temporary officer candidate program. According to existing law the Navy must require these men to serve on active duty. It is obvious that such service will prevent the merchant marine from getting these trained officers which it so vitally needs. If S. 1748 were enacted into law, the Navy would not be required to call the graduates to active duty.

Since the Navy does not consider the merchant-marine academies as a source of naval officers and does not wish to call graduates of the academies to active duty, it has announced that it will not continue the officer candidate program. Therefore, if some legislation is not enacted this year, students entering the academies this fall will have no military status, no draft protection, and no assurance of a Naval Reserve commission upon graduation.

The Department of Defense has assumed the position that it cannot support any draft deferment or exemption in a military status that does not lead to active military service. In my letter

to Secretary Wilson of March 29, I pointed out that I believed this position to be unrealistic, unreasonable, and untenable because it failed to recognize the role of the merchant marine in our national defense.

The Department's reply to my letter, which is dated May 2, avoids the whole problem by raising a smokescreen. Basically the letter states that the Department recognizes that a serious problem exists. Nevertheless, the Department adheres to the position that exemption of maritime academy students in a military service without requiring them to serve on active military duty would seriously undermine the philosophic concepts embodied in the Universal Military Training and Service Act, and the Armed Forces Reserve Act of 1952 as amended by the Reserve Forces Act of 1955. No such danger exists because Congress has many times indicated that service in the merchant marine is service in the Defense Establishment of this Nation.

The Department of Defense then seeks to avoid the problem by suggesting amendments to S. 1748 which would place maritime academy students in a strictly civilian status, the same result that will be achieved if the bill is not enacted. In essence the Department of Defense would wash its hands of the problem. Needless to say, this is not the way to insure a strong, effective merchant marine.

The Department of Defense is the one agency of the Federal Government that is charged with providing for the national defense. As such it has a definite responsibility to the merchant marine which it cannot shirk, no matter how much it would like to do so. It appears to me that the Department's real objection to S. 1748 is based on a fear that some individuals would use the maritime academies as a means of avoiding all service to the Nation, by graduating from one of these institutions and then refusing employment in the merchant marine. This loophole could be easily covered by a simple amendment to S. 1748 which should not be objectionable to anyone, and which I personally would strongly recommend.

Recently I wrote to the Secretary of Defense in reply to the Department's letter of May 2 and once again urged the Department to reconsider its position on this matter. It is my hope that the Department will at least withdraw its opposition to S. 1748, but whether it does or not I believe that this bill should be enacted into law.

Mr. President, I ask unanimous consent that my letter to the Department of Defense of March 29, the letter I received from the Department of Defense dated May 2, 1956, and my reply of May 10, 1956, be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

MARCH 29, 1956.

Hon. CHARLES S. WILSON,
Secretary of Defense,
Department of Defense,
Washington, D. C.

DEAR MR. SECRETARY: Prior to January 1, 1953, students at the State and Federal maritime academies were appointed as midshipmen, merchant marine reserve, United States Naval Reserve, by the Secretary of the Navy. Under the Universal Military Training and Service Act (title 50, U. S. C. App. sec. 456 (a) they were relieved of liability for registration and active military service. The Armed Forces Reserve Act of 1952, which became effective January 1, 1953, withdrew statutory authority to appoint midshipmen, merchant marine reserve, United States Naval Reserve.

For some time the Navy Department has given support to the maritime academies because of the importance of the merchant marine and the need to have the merchant marine prepared to work closely with the Navy in time of war. To the best of my knowledge the Navy has never considered the maritime academies as a source of naval officers and does not desire to do so today.

The effect of the 1952 legislation was to withdraw the justification on which the Navy contributed to the operation of the maritime academies. At the urgent request of the Maritime Administration, the Navy instituted a temporary program to appoint maritime academy students as officer candidates. This action was taken with the understanding that legislation would be prepared to reinstate the midshipmen program. The Navy Department, at that time, realized that by appointing students as officer candidates they would not be exempt, but only deferred, and that upon commissioning, the Navy would be compelled to call them to active duty. This is undesirable both because of the damage to the merchant marine which needs 1,000 to 1,600 new officers annually and because if the Navy is required to call these graduates to active duty, it may force a curtailment of normal naval officer procurement programs.

Senator MARGARET CHASE SMITH introduced a bill (S. 1748) on April 20, 1955, which would provide statutory authority to appoint midshipmen, merchant marine reserve, United States Naval Reserve, retroactive to January 1, 1953. When this bill was considered by the Senate Armed Services Committee, it was actively supported by the Navy Department. It was passed by the Senate on July 30, 1955, and is now before the House Armed Services Committee.

During the congressional recess last fall the Department of Defense indicated its opposition to the bill, and the Navy Department withdrew its support to conform with Department of Defense policies. This opposition is based on an interpretation of the Reserve Forces Act of 1955, under which the Department states it is forced to oppose any exemption during training which does not lead to active military duty. However, if the bill were amended to conform to the position taken by the Department of Defense it would not help the present critical situation.

As the problem now stands, the maritime academies are 1 of the 2 principal sources of merchant marine officers. The merchant marine annually needs more officers than these sources can supply. Without the adoption of S. 1748, the Navy will be compelled to call graduates of the maritime academies to active duty to the severe detriment of the merchant marine. The Navy may also be forced to withdraw its support of the academies which would be contrary to the best interests of both the Navy and the merchant marine to say nothing of being contrary to overall national security interests.

President Eisenhower and the Congress have repeatedly recognized the merchant marine as a vital segment of the national defense establishment. In the particular problem at hand, the Senate of the United States has expressed itself as favoring the exemption of maritime academy students because of the particular needs of the merchant service. Therefore, it appears that the position taken by the Department of Defense is unreasonable and untenable as well as contrary to the best interests of the United States as clearly stated by both the executive and legislative branches of the Government.

For these reasons I strongly urge that the Department of Defense withdraw its opposition to S. 1748 in order that action may be taken expeditiously to prevent possible severe injury to the effectiveness of the American merchant marine. It will be appreciated if you will advise me at the earliest practicable date of the Department's final position in this matter.

Sincerely yours.

FREDERICK G. PAYNE,
United States Senator.

ASSISTANT SECRETARY OF DEFENSE,
MANPOWER, PERSONNEL AND RESERVE,
Washington, D. C., May 2, 1956.

Hon. FREDERICK G. PAYNE,
United States Senate.

DEAR SENATOR PAYNE: This is in reply to your letter of March 29, 1956, in which you urge that the Department of Defense withdraw its opposition to pending legislation, S. 1748, in order to prevent possible severe damage to our merchant marine, and to advise you of the Department of Defense final position in this matter.

Your letter points out some very important areas in which the Department of Defense has always maintained a keen interest. This has led me to reexamine this entire problem which has resulted in some delay in forwarding an answer to you.

S. 1748 would amend the Universal Military Training and Service Act to permit the appointment of maritime academy students as Reserve midshipmen (merchant marine), United States Navy, and would provide for their student exemption in military status under section 6 (a) of that act. S. 1748 would also amend the Armed Forces Reserve Act to give the Secretary of the Navy the responsibility as appropriate Secretary in making these appointments.

In July 1955 this bill was supported before the Senate by the Department of the Navy on behalf of the Department of Defense. Before action was taken by the House of Representatives, the Reserve Forces Act of 1955 was enacted. As you know, this legislation reiterated a long-standing philosophy of the Congress "that in a free society the obligations and privileges of serving in the Armed Forces and the Reserve components thereof should be shared generally, in accordance with a system of selection which is fair and just * * *." It further established a new concept with respect to the Reserve Forces in that it provided authority for a Ready Reserve which was basically trained and ready to meet any emergency which might confront our country. In keeping with this basic concept the Congress specifically and mandatorily provided that commissioned graduates of officer-producing programs would either perform active duty for a specific length of time or, in lieu of such active duty, a mandatory period of 6 months' active duty for training. This latter provision was the basic reason why the Department of Defense was forced to revise its position with respect to S. 1748.

Having reexamined the maritime academy situation we should like to submit for your consideration possible avenues of approach to resolve it. These proposals are made in a constructive vein since it is recognized that the ultimate responsibility for legislation in this area is in the realm of national policy which of course vests in the Congress.

With this in mind there follows a brief outline of factors which we believe should be

considered in any proposed legislative enactment.

1. The Congress has already enunciated in law certain nonmilitary categories of individuals who shall be exempt.

As you have stated in your letter, the Senate has expressed itself as favoring exemption of maritime academy students because of the peculiar needs of the merchant marine. Therefore, it is suggested that in keeping with the long-standing policy of the Congress that if exemption is to be given to maritime academy students that such exemption be given in civilian status and not in military status.

I believe you will agree that legislation granting maritime academy students either exemption or deferment in a military status without the expectation that such students will be required to serve in the military might well result in a serious undermining of the philosophical concepts embodied in the Universal Military Training and Service Act and the Armed Forces Reserve Act, as amended by the Reserve Forces Act of 1955.

2. Military status for maritime academy students is not necessary to gain a Naval Reserve commission. The Department of the Navy maintains a program for direct commissioning of eligible individuals who have maritime academy training, as well as for direct commissioning of other eligible civilians. In keeping with the intent of the Congress as expressed in the Merchant Marine Act of 1936, the Department of the Navy will continue to grant commissions to those eligible maritime academy graduates who so desire. In this connection the Department of the Navy has stated that it will determine annually whether or not any maritime academy graduates not required by the maritime industries can be used on active duty with the Navy. Within the numbers so determined, those volunteers who are qualified in all respects will be directly commissioned and placed on active duty. The Department of the Navy has also stated that it will offer direct commissions to all eligible maritime academy graduates who so request after they have dispensed their normal military obligation or have reached the upper limit of draft age. Further, the Department of the Navy has repeatedly stated that it will continue to support the naval science courses at the maritime academies in order that future licensed officers of the merchant marine may be familiar with Navy procedure so that they may be more useful in time of war.

3. The maritime academies are recognized as the major merchant marine officer procurement program. I believe any legislation pertaining to maritime academy students should preserve this concept. The Department of Defense agrees with you that the maritime academies should not be considered as a reserve naval officer procurement program.

The above factors indicate what is in my opinion the long-term solution to the problem and I believe S. 1748 can be so reworded as to attain the objectives sought by yourself and by the Department of Commerce.

The Department of Defense cannot support S. 1748 in its present form for the reasons indicated. However, in view of the fact, as you have already stated, "* * * the Senate of the United States has expressed itself as favoring the exemption of maritime academy students because of the particular needs of the merchant service," and in keeping with congressional philosophy already alluded to in the Universal Military Training and Service Act you may wish to give consideration to amending S. 1748 as follows: by inserting in section 3, page 2, lines 3 and 4 the words "Midshipmen (merchant marine) enrolled at Federal and State maritime academies" rather than the words "Reserve midshipmen (merchant marine), United States Navy."

Such an amendment would make the Secretary of Commerce the appropriate Secretary with respect to midshipmen (merchant marine) and would vest in him control of said midshipmen which is necessary in order that he may properly discharge his responsibilities toward the maritime academies.

Further, the Department of Defense suggests that consideration be given to amending the bill so that students at the maritime academies would be "deferred" rather than "exempted" while in civilian status in these schools. The Department of Defense in keeping with past policy would actively support such a measure. In addition we will be happy to assist in any further action necessary to resolve this important problem.

I appreciate the opportunity to be able to present to you the views and the reasons for the position taken by the Department of Defense with respect to this matter.

Sincerely yours,

CARTER L. BURGESS.

MAY 10, 1956.

Hon. CHARLES E. WILSON,
Secretary of Defense,
Department of Defense,
Washington, D. C.

DEAR MR. SECRETARY: This will acknowledge and thank you for the Department's letter of May 2, 1956, signed by Assistant Secretary Carter Burgess, in reply to my letter of March 29, 1956, concerning the position of the Department of Defense with regard to S. 1748, the bill to reinstate the United States Navy Reserve midshipmen (merchant marine) program for students at the State and Federal maritime academies.

The letter goes into great detail to indicate the Defense Department's recognition of the problem facing the merchant marine and suggests some amendments to the bill which would in reality be no solution at all to the present problem. Essentially the letter suggests that S. 1748 be amended so that students at the maritime academies would be in a civilian rather than a reserve status. As a practical matter this is exactly what the situation will be if the bill is not passed.

Let me briefly review the background of the present situation. Prior to January 1, 1953, students at the maritime academies were appointed as midshipmen, Merchant Marine Reserve, United States Naval Reserve, and were exempt from the draft while so serving. Upon graduation they were given Naval Reserve commissions, but were not called to active duty. When the statutory authority for this program was withdrawn by the passage of the Armed Forces Reserve Act of 1952 the Department of the Navy instituted a temporary program of appointing maritime academy students as officer candidates. It was realized that this would lead to mandatory active duty, but the interim measure was initiated only with the understanding that legislation to restore the former program would be introduced. It was expected that such legislation would be passed before the students appointed as officer candidates graduated. In reality then the officer candidate program was a stop-gap measure to continue the military status of the students at the maritime academies and was instituted because both the Navy and the Department of Commerce considered that military status was an important aspect of maritime training.

S. 1748, which would restore the Merchant Marine Reserve, United States Naval Reserve, and the exemption of maritime academy students from draft liability, was passed by the Senate last July with the full support of the Department of the Navy. Since that time the Navy has withdrawn its support of the bill because of a Department of Defense determination of the intent of the Congress expressed in the Reserve Forces Act of 1955. In my letter to you of March 29 I stated that I believed the Department of Defense position in this matter to be "unreasonable and untenable as well as contrary to the best interests of the United States" and Mr. Burgess' letter of May 2 does nothing to alter my opinion.

At the present time the Navy Department has announced that it will not continue the temporary officer candidate program for the maritime academies. Accordingly, in the absence of any change by legislation, the students at the maritime academies will not have any military status. The Department's recent letter suggests that S. 1748 be amended in a manner that would accomplish exactly the same result. While many of the benefits of military status are intangible, it does play a very important part in the training given by our maritime academies. In this connection the Navy has indicated that it will continue to grant commissions to qualified maritime academy graduates after they have met their normal military obligation. This seems to me to be directly contrary to the intent of the Merchant Marine Act of 1936 which requires that officers serving on subsidized vessels hold Naval Reserve commissions. The granting of a certificate stating the officer is not qualified for a Naval Reserve commission would not appear to meet the intent of the Congress.

Page 2 of the letter signed by Mr. Burgess contains the following paragraph:

"I believe you will agree that legislation granting maritime academy students exemption or deferment in a military status without the expectation that such students will be required to serve in the military might well result in a serious undermining of the philosophical concepts embodied in the Universal Military Training and Service Act and the Armed Forces Reserve Act, as amended by the Reserve Forces Act of 1955."

Let me state categorically that I do not agree with this statement. It is not necessary to repeat here the many pronouncements by both the legislative and executive branches of the role that the merchant marine plays in our national defense establishment. Although the merchant marine is not technically a military service, service in it is service in the national defense, and I believe that the philosophical concept embodied in the laws mentioned in the quotation is only that the burden of meeting the defense needs of the Nation shall be distributed equally, not that the strictly military needs be distributed equally. Accordingly, I do not believe that any violence would be done to the Reserve Forces Act of 1955 by exempting from active military duty graduates of the maritime academies who serve in the merchant marine.

Although it is not specifically stated, the Department's position appears to be based on a fear that some individuals would use the maritime program as a means of avoiding all service. Let me assure you that I have no sympathy with those who attend and graduate from the maritime academies and then refuse employment in the merchant marine or directly allied industries. I would be most agreeable to amending S. 1748 to provide that on graduation maritime academy students would serve on active duty as commissioned officers in the Navy for 3 years unless they produced evidence of current employment in the merchant marine industry either afloat or ashore.

As the agency of the Federal Government charged with providing for the national defense, the Department of Defense has a very definite responsibility for the American mer-

chant marine. If service in the merchant marine is not recognized as service to the Nation, the maritime academies may well cease to exist. If a national emergency ever arises and there are not competent merchant marine officers available the responsibility will be squarely on the Department of Defense. This responsibility cannot be met by what amounts to an attempt to ignore the problem through conferring jurisdiction on another agency which is what the amendments to S. 1748 proposed by the Department would appear to do. The position assumed by the Department of Defense appears to be a smokescreen to avoid the real issue involved.

Once again I urge the Department to reconsider its position with regard to S. 1748. It is my hope that the amendment I have suggested will make the bill acceptable to the Department and accordingly I recommend that the Department withdraw its opposition to S. 1748. Since the present situation has become extremely critical it will be appreciated if you will personally look into this matter at the earliest opportunity.

Sincerely yours,

FREDERICK G. PAYNE,
United States Senator.

IVAN WHITE, COUNSELOR OF THE EMBASSY AT TEL AVIV, ISRAEL

Mr. NEUBERGER. Mr. President, there has been brought to my attention a statement by Representative ABRAHAM J. MULTER, of the State of New York, before the House Committee on Foreign Affairs. In the course of that statement, Representative MULTER made certain critical comments about Mr. Ivan White, counselor of the Embassy at Tel Aviv.

Naturally, Mr. President, I am not in the position to know all the details of the international situation in the Middle East which Mr. MULTER discussed before the House Foreign Affairs Committee. Nor am I in any way criticizing Mr. MULTER, whom I know to be an outstanding and illustrious Member of the House of Representatives.

I merely want to put on the record in the Senate my high opinion of Mr. Ivan White. Mr. White is a native of Salem, Oreg., in my State. I have known him and his family for a good many years. In my opinion, Mr. White is an enlightened, sincere, conscientious, and patriotic citizen. I cannot believe that he would do anything or undertake anything which would knowingly jeopardize the foreign relations of the United States or imperil the future of the great nation of Israel, which we all recognize as an outpost of democracy in the Middle East.

Without in any way entering into a controversy with which I am not familiar, I desire to make plain to the Senate my recommendation personally of Mr. Ivan White and my personal assurances that, to the best of my knowledge, he is a citizen of character and honesty and sincerity.

REFUGEE LIFE IN GERMANY

Mr. DOUGLAS. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Refugee Life in Germany Grim, With Little Hope of Betterment," written by Arthur J. Olsen, and published in the New York Times of Thursday, May 10, 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REFUGEE LIFE IN GERMANY GRIM, WITH LITTLE HOPE OF BETTERMENT—CAMP CONDITIONS ARE POOR, JOBS SCARCE, CHANCES OF INTEGRATION SLIM AND EMIGRATION NEARLY IMPOSSIBLE

NUREMBERG, GERMANY, May 5.—At a rate of 120 a month, new fugitives from Communist lands straggle into the West German Government's big reception center here in Bavaria to join the foreign refugee community.

The flow of refugees follows a seasonal pattern. It falls to a trickle in deep winter and rises sharply in the early autumn months when tall grass and leafy underbrush along the Czechoslovak and East German frontiers make concealment easiest.

The 800 temporary residents of Valka Lager, the reception center, present a cross-section of East European nations. There were 23 ethnic groups represented in the community May 1.

The majority of newcomers now are Yugoslavs, most of them sent along to West Germany by Austria. Poles, Czechoslovaks, Balts, and Russians, who make up the most of West Germany's "permanent" refugee population, no longer come West in substantial numbers.

INFLUX THREE TIMES EXODUS

The flow of new refugees is about triple the rate of redefections. But informed officials estimate that the net movement today is eastward across the Iron Curtain in the case of Russians and Czechoslovaks.

The rate of redefections from the ranks of 220,000 East European refugees living in West Germany has been rising for the last year. The total was placed officially at 333 individuals in 1955. The concensus among informed persons is that it will be substantially higher this year.

The reasons are two: a massive "come home" propaganda campaign launched in 1955 by the Soviet and satellite Governments and the nearly hopeless prospects of an overwhelming majority of West Germany's foreign refugees. The latter is unodubtedly the compelling reason for most redefections to date.

By any standard, the lot of the 220,000, most of them living in nominal freedom for a decade or more, is hard. Except for a tiny fraction that obtains emigration visas each year, the refugees in West Germany constitute the hard core of 2,500,000 persons who took advantage of the disorder following on World War II to flee from Communist tyranny.

EMIGRATION IS DIFFICULT

By 1951, when the International Refugee Organization ceased operations, virtually all of the displaced persons and refugees had been resettled in Europe or abroad. Those who remained were the unwanted—persons too sick or too incompetent to meet the stiff standards of the United States and other countries willing to accept immigrants.

Five years later they remain in substantially the same "temporary" existence they had in 1951. A total of 31,000 reside in government-operated camps, most of them former German Army barracks. A large proportion of the rest live in apartment housing developments put up by the West German Government with some financial help from international agencies.

Most camps and settlement dwellers live in some degree of dire poverty. Most are condemned to idleness. The average unintegrated refugee owns only a few dollars worth of property, enjoys no permanance as to residence or occupation and lives from day to day.

The "homeless foreigner" has exactly the same status and perquisites as refugees from East Germany, except that non-Germans do not have voting and citizenship rights.

However, the East European refugees are separated from their enforced country of residence by a psychological gulf. Their low level of competence, language troubles and unpleasant memories of German-Slav relationships during World War II make easy integration into West German society impossible.

Poverty and a sense of aloneness in a strange country keep them huddled together in refugee communities not much different from the forced labor compounds many of them lived in from 1942 to 1945.

The West German Government pays residents of the refugee camps and settlement projects a monthly living allowance based on the rate of 55 deutschemarks ($13.10) for a single male less than 60 years of age. A family of four gets 140 marks. Rent for living space in the camp runs upward from 7 marks a month for a bunk in one corner of a barracks room.

CHILDREN ATTEND SCHOOLS

A refugee's children may attend local German schools, and he is eligible for free medical treatment under West Germany's social welfare program. Many are free patients in Government tuberculosis hospitals. The refugee death rate is low.

All may leave the camps and settlements at will and take any job they can get. But they may not hit the road in the historic pattern of migrants in the United States. If a traveling refugee cannot produce a permanent address certified by local police officials, he is returned to the camp or settlement from which he came.

Since most exile communities were set up in rural areas of Bavaria, lower Saxony, and Schleswig-Holstein, the average refugee is far from the easy job market in the Ruhr and other industrial areas. Camp directors regard an employment rate of 10 percent of all residents as good.

The modern, brick-and-stone settlements are an improvement over the grimy, noisome camp environment. But most of the refugee's problems move with him into his new apartment.

He has no money to furnish the bare rooms adequately. Since his rent is higher, he has less money for food. Work is no easier to find. Nor does the stand-off attitude of the average German soften.

INMATES ARE DEMORALIZED

Up to 11 years of "ghetto" life in the camps has demoralized a high percentage of the exile population.

Seventy percent of the adult males in some camps have served time in West German jails for common crimes and misdemeanors. Many teen-age girls enter into prostitution. German employers complain that a refugee is likely to disappear for a week or more after payday.

Last year three United States private welfare agencies, backed with funds of the United States escapee program, began experiments aimed at a permanent solution of at least a fraction of the refugee problem. Their goal is the integration of tens of thousands of exiles into West German society.

In Cologne a team of welfare workers from the International Rescue Committee and the American Friends Service Committee operates a combined employment and counseling service. Unmarried men are brought to that industrial city, assigned to living quarters and a job and helped along, financially and psychologically, in their adjustment to a normal life.

In nearby Solingen in the Ruhr the American Friends of Russian Freedom is running a similar pilot project exclusively for families. In this case, the head of the family is brought out of the camp first and takes on

the responsibility of heading a household only after he has settled down.

United Nations and United States officials engaged in refugee affairs believe that the Cologne and Solingen approach is a feasible way to cut down substantially the size of the refugee "hard core." There are insufficient funds available at present, however, to test the integration concept on a large scale.

PHYSICAL EDUCATION AND PHYSICAL FITNESS

Mr. NEUBERGER. Mr. President, in the final analysis all we have are the land and the people in this country. America consists of our human beings and the natural resources on which they are dependent for survival. If our people are not healthy, our country and its future are far from bright. An extremely effective paper on the health of the children of the great State of Oregon was presented on April 19, 1956, to the Oregon Congress of Parents and Teachers by Prof. H. Harrison Clarke, of the University of Oregon. The title of Professor Clarke's presentation is "Proper Physical Education Improves the Physical Fitness of Oregon Children."

I call particular attention to the 3-point program emphasized by Professor Clarke concerning physical fitness and school physical education programs. In 1955 our State of Oregon unfortunately took a backward step and repealed 2 laws requiring health and physical education instruction in our public schools. I am pleased to report that my wife, Mrs. Maurine Neuberger, herself a former teacher of physical education, voted against this unwise step in her capacity as a member of the Oregon House of Representatives.

It is my opinion that cogent presentations, such as that of Professor H. Harrison Clarke, will induce future sessions of the Oregon Legislature to repair the damage done in 1955.

Mr. President, I ask unanimous consent that Professor Clarke's entire paper on physical fitness and the children of Oregon be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Today was the day 181 years ago when the shot was fired at Lexington which was heard around the world. The shots we fire here today may not be as world-shattering as those fired by our forefathers in their fight for freedom, but may we hope that they have far-reaching benefits for the physical, mental, and social well-being—in the effective education—of Oregon children.

The influence of this State Congress of Parents and Teachers has been a potent force in supporting educational programs which have been effective in preparing Oregon's children for lifetimes of usefulness. The health and physical educators of the State appreciate deeply the aid you gave, albeit unsuccessfully, in attempting to defeat the bill before the last State legislature which wiped from the statutes all laws affecting this field. May I especially pay tribute to three fine and gracious women of this State whose penetrating understanding and resourcefulness have been a boon to the profession I represent. They are: Mrs. Gideon, chairman of your legislative committee who gave unstintingly of her time in behalf of health and physical education during the meetings of the State legislature; Mrs. Jennelle Morehead, who has consistently been a tower of strength in matters pertaining to this field, as well as all education; and Mrs. Maurine Neuberger, who has recently written an effective statement deploring the harm which has come to health and physical education as a consequence of repealing these State laws.

The subject for my brief statement this morning is Proper Physical Education Improves the Physical Fitness of Oregon Children. There are, of course, other important objectives of this field, including the improvement of personal and social traits and emotional control and the acquisition of skills of value for recreation and of those needed for effective athletic performances. If time permitted, also, attention could well be given to the relationship of physical fitness to mental accomplishments in the totality of the individual.

Physical fitness today has become a vital issue in the Nation, stimulated by one man, Hans Kraus, a doctor of physical medicine in the New York University—Bellevue Rehabilitation Center. About 3 years ago, Dr. Kraus published statistics in the New York Medical Journal comparing the physical fitness of American and European children, much to the disparagement of our boys and girls. Fifty-eight percent of American children failed one or more of his six simple muscular fitness tests, while only 9 percent of European children failed. Recently, similar surveys in Iowa, Indiana, Massachusetts, Pennsylvania, and Saskatchewan revealed a large number of failures on these tests, ranging from 44 to 66 percent.

As a consequence of the Kraus findings, a number of feature articles have appeared in popular magazines, with such eye-catching titles as: "The Report That Shocked the President," by Robert Boyle in Sports Illustrated; "America's Achilles Heel," by Joe Miller in Kiwanis magazine; and "Are We Becoming a Nation of Weaklings?" by John B. Kelly (Grace's father) in American magazine. Also, and much more significant, last July, President Eisenhower called a White House luncheon to consider the use of sports in combating juvenile delinquency and in raising the physical standards of United States youth. The President planned a full-fledged conference for Denver last fall, only to postpone it because of his heart attack. Every indication points to the rescheduling of this conference. These articles and the President's interest grew out of Dr. Kraus' revelations.

Oregon is not idle in the face of this rapidly mounting concern for the physical fitness of our children. A number of studies now being completed at the University of Oregon bear on this problem. Two graduate students, Donald Glines and Glenn Kirschner, have conducted a survey of Eugene elementary schoolchildren with the Kraus tests. Eugene children on the whole are superior to those reported elsewhere, with 38 percent failing one or more tests as contrasted with the Kraus figure of 58 percent. And, in the Eugene schools, fewer failures were found where good physical education programs existed and higher percentages where little or no physical education was provided. However, the number of failures here is still high as contrasted with the 9 percent of European children.

Again at the university, in a study by Douglas Whittle, 12-year-old boys in elementary schools with good physical education programs were greately superior to the same-age boys in elementary schools with poor physical education in such factors as physical fitness, motor fitness, and motor ability. A third informal study revealed that young men entering the University of Oregon from 4-year high school physical education programs scored much higher on a standard physical fitness test than did their classmates with only 2 years of high school physical education.

Finally, the Oregon Association for Health, Physical Education, and Recreation is now sponsoring pilot physical fitness programs in 11 high schools of the State. In so doing, Oregon can take pride in the fact that it is the first State in the country to respond with a definite action program to President Eisenhower's appeal to improve the fitness of our youth. The Oregon physical fitness program is designed to identify boys and girls who are below acceptable levels of physical fitness by the use of standard tests and to provide special developmental activities for these subpar individuals based on their needs as revealed by case studies. During January and February, physical fitness index tests were administered to 100 boys and 100 girls in the sophomore classes of the 11 pilot schools; retests in these schools have just begun and will be completed by the middle of May. The achievement of the boys as a whole on the first testing conformed well to the national norms constructed for this test in 1938. A recent report on eastern boys with the same test, however, indicates Oregon superiority.

In the above reports, three very important facts are disclosed. Firstly, Oregon boys and girls tend to be superior in physical fitness to boys and girls in other parts of the country. Secondly, Oregon children who participate in good physical education programs in both elementary and secondary schools score much higher on physical fitness tests than do those who participate in little or no physical education. Thirdly, despite favorable averages, there are still many Oregon boys and girls who do score low on these tests, thus indicating their need for special activities designed to improve their physical fitness.

In closing, may I emphasize three facts. One, the physical fitness emphasis in our school physical education programs should be placed on those who are below par in this respect. The common practice of giving all students identical activities can never be truly effective in meeting their physical fitness needs. Two, evidence reveals the need for proper physical education in the elementary schools. Generally, it is at this level that we have the poorest provisions for physical education facilities, equipment, and trained professional personnel. Three, the abolishment of all Oregon State laws relative to health and physical education will unquestionably reduce the level of fitness of boys and girls in those schools which take advantage of this situation by reducing their requirements, as is now being done in some places.

Since 1946, Oregon schools as a whole have had good physical education programs. Can we relate the present levels of physical fitness of Oregon children to the generally complete programs conducted during this period? Will these higher levels of physical fitness continue with present curtailments in the physical education requirement? May I urge this organization and its members to watch this situation. Only by the insistence of parents can we insure continuance of adequate programs in this field.

THE CRY OF "GIVEAWAY"

Mr. GOLDWATER. Mr. President, the cry of "giveaway" has echoed through these halls time and again, and across this great land of ours these same hollow words have been heard. They have been carried by the winds of publicity,

aided and abetted at times by writers who have more of an ear for publicity than an eye for the truth. They are meaningless words, and the people of the Nation whom the Department of the Interior touches most intimately know this and are resentful of their constant repetition.

What has been given away? That challenge to the sowers of these seeds of half truths has been offered time and again, but no answer has been forthcoming. Now comes a chance for these people to be paid for their efforts or forever hold their peace.

A cattleman, tired of these baseless charges, has offered $1,000 to the person who can prove one example of giveaway. Will his challenge be accepted? I do not believe it will be, for the purveyors of this propaganda know that their half truths cannot be stretched into the whole truth.

I ask unanimous consent that an article entitled "Pendleton Rancher Offers $1,000 Check to Anyone Able To Prove Giveaway," published in the Oregonian of May 2, 1956, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A $1,000 certified check was put up Tuesday by Rex Ellis, Pendleton rancher and Republican ex-State Senator, to pin down the meaning of "giveaway" as used by Democrat Party propagandists.

The offer was announced by E. C. Sammons, president of the United States National bank, who found the certified check in his mail when he returned Tuesday from a visit in Hawaii.

"Because the President of the United States and his Secretary of the Interior, Douglas McKay, have been accused by certain persons of giving away the public domain without just compensation, thereby implying fraud and immorality." Ellis wroe to Sammons, "I hereby hand you a certified check for $1,000."

ELLIS LISTS RULES

"My instructions (are) that if anyone can prove by due process of law that the President of the United States or Secretary Douglas McKay has committed fraud in any transaction or ruling made by the President or the Secretary of the Interior to have given away any part of the public domain without due process of law, then that party shall receive the $1,000."

Ellis said he is making the offer "as a citizen and not as an affiliate of either political party."

He does not intend to charge anyone with "abusing the right of freedom of speech in making false statements."

He means no criticism of press reporting of the charges, he said.

"In my opinion," he said, "it is really news and rates the front page when a Member of Congress is so uninformed that he accuses the Secretary of Interior of giving away a power site when that right to do so is denied the Secretary of Interior by the Congress themselves."

Ellis did not identify the "Member of Congress" to whom he referred, but it undoubtedly meant Senator WAYNE L. MORSE, Democrat, a candidate for reelection, and possibly Senator RICHARD L. NEUBERGER, Democrat, who defeated Senator Guy Cordon in 1954. Both have used the term "giveaway" freely in criticism of McKay, and particularly in reference to the disputed development of Hells Canyon in the Snake River.

BOTH PARTIES PRAISED

"There are fine men and women with the highest honor and integrity in both political parties," Ellis wrote Sammons. "The average American, be he Democratic or Republican, demands fair play and honesty in the field of sports, business and politics. That is 'the American's creed.' The violators of this American's creed of fair play have accused the President of the United States and Secretary of Interior McKay of giving away public domain, implying fraud and lack of morality by these two fine men.

"I challenge the persons who make these accusations to prove their point by due process of law, and pick up the $1,000, or admit they have been making false and malicious statements by their own lack of action in claiming the $1,000."

Ellis, 63, has an extensive mining background in addition to his ranching operation. He served in the State senate from 1937 through 1953.

THE WATCH INDUSTRY AND NATIONAL DEFENSE

Mr. KNOWLAND. Mr. President, at the request of the distinguished Senator from Illinois [Mr. DIRKSEN], I ask unanimous consent to have printed in the body of the RECORD an article entitled "Watch Firm Acts To Prove It Is Vital Defense Link," written by Hal Thompson, and published in the Chicago American of May 9, 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Remember when some critics of the American watch industry were pooh-poohing the suggestion of its friends that it could play a vital role in any future defense of the United States, That wasn't very long ago.

At that time these opponents, which included some importers of Swiss watches and the Swiss watch industry, were seeking to deprecate the importance of the American watch industry to the Nation's Military Establishment. Thus they were attacking the contention of spokesmen for the American watch industry that it was a vital defense unit—and for this reason its financial health and future should be assured by curbing the rising influx of Swiss watches into this country.

DEVELOPS GEM BEARINGS

This columnist doubts that these critics will continue to insist that the American watch industry is not important to the Nation's defense in view of what is happening in Elgin, Ill. At the plant of the Elgin Watch Co., in that city, there is under test development the production of synthetic sapphire bearings.

The tiny gems, which are being manufactured in a so-called pilot plant, could be used to provide almost frictionless surfaces for aircraft instruments, test gages, and precision mechanisms for use by the military.

Commenting on the new project, which has been authorized and is being paid for by the United States Bureau of Ordnance, George W. Fraker, general manager of the watch company's micronics division, stated that the firm hopes to develop production processes which could be used in an emergency as the nucleus for a domestic source for these gems. Fraker added:

"We have taken only preliminary steps in automatic production of jewel bearings, but initial results are encouraging."

The watch firm's project centers around 26 automatic and semiautomatic machines developed to speed production of the bearings. Up to the present such bearings were fashioned by hand by skilled workers.

If this project is successful—and officials of the Elgin Watch Co. are reasonably confident it will be—it will provide the United States with a domestic supply of these vital gem bearings for the first time in its history.

SWISS WERE CHIEF SOURCE

Up to the present Switzerland has been the principal world supplier of such gems designed for industrial usage. During World War II the shortage of jewel bearings was so critical they were smuggled out of Switzerland in the briefcases of diplomatic couriers.

In view of this venture which has been undertaken by an important member of the American watch industry it would certainly appear now that the President and the Tariff Commission acted wisely when they rejected the plea of the watch importers that the United States watchmakers did not need financial assistance and placed some restriction on further Swiss watch imports.

ALBEN W. BARKLEY, OF KENTUCKY

Mr. NEUBERGER. Mr. President, all of us in the Senate feel sad and nostalgic when we look at seat No. 94, which was occupied by our never-to-be-forgotten colleague, Senator Alben W. Barkley. I ask unanimous consent that a moving and eloquent editorial tribute to Senator Barkley, published in the East Oregonian of May 2, 1956, be printed in the body of the RECORD, as one of many outstanding memorials to this great and illustrious Senator from the State of Kentucky.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

YOU COULDN'T HATE ALBEN BARKLEY

The role Alben Barkley played within the Democratic Party was never so clearly defined before or since a sweltering night in Chicago at the 1952 convention of the party. We can best recount it by going back to a story we wrote from the convention for the July 24, 1952, edition of the East Oregonian:

"Mr. Barkley had not been listed on the formal convention program. However, after he announced Monday night that he was withdrawing from the race for the party's presidential nomination because certain labor leaders would not support him, the word was sent to the convention directly from the White House that the Vice President was to be invited immediately to address the convention.

"There was much speculation as to what the Vice President would say. In his announcement of withdrawal he had some bitter words for 'self-anointed labor leaders' and in some quarters it was predicted he would make a speech in which much of the bitterness he clearly felt, after the shabby treatment he was accorded, surely would be spoken.

"But there was one thing the prognosticators forgot about Alben Barkley, and it was fundamental. He is first, last, and always a Democrat and his devotion to his party can be surpassed by none.

"Mr. Barkley spoke without a text or notes. He spoke from the heart his devotion to a party with which he has been closely identified for some 50 years. He set down the record of that party over the past 20 years and he told the Democrats in this convention and Democrats at radio and TV sets in thousands of homes why he was proud of his party and its accomplishments and why they should be.

"From the time he walked to the podium until the huge audience reluctantly permitted him to depart, much later, the hard feelings between the various factions within the

party were forgotten. There was unconcealed joy on all sides. There was unconcealed pride in every Democrat that he was a member of the party.

"We doubt that anything like it has been equalled since the party's 1936 convention when Franklin Roosevelt was nominated for a second term and the factional splits within the party had not yet appeared.

"What will be the long-range significance of Mr. Barkley's talk? In the first place, he gave the Democrats something to tie to. For the first time in the convention they heard words that gave them courage and the determination to win in November, plus the belief that they can win. His message renewed their faith in the party and its program for the people of America."

Mr. Barkley had millions of friends within his party. You will recall, of course, the memorable occasion when Franklin Roosevelt demanded that Senator Barkley support legislation to which the Senator was strongly opposed. The Senator submitted his resignation as majority leader in the Senate and his colleagues rallied in such numbers to his side that the President was forced to eat crow. You will recall many other occasions when the rank and file of party members rallied to Mr. Barkley—in the 1948 campaign when Harry Truman was giving 'em hell and Alben Barkley was, as the vice presidential candidate, making 'em laugh—and many, many other times.

Alben Barkley was one of the last, and one of the most effective of a long line of old school orators. He gathered an audience to him and then did as he wished with it. But his delivery was not the full measure of his success. He always had something to say. And his attacks on the opposition were far more devastating than those of the eat-'em-alive politician.

The Democratic Party will sorely miss Alben Barkley. Beyond that he will leave a void in American politics. He played the game hard, but always fair. Members of both parties who hate those whose political thinking differs from theirs could make life more pleasant in an election year by taking a closer look at the career of the man from Kentucky. He didn't hate his opponents. And it was impossible for them to engender bitterness toward him, even when he was most outspoken in his disagreement with their philosophy of government.

He understood that all Americans have the same hopes and desires, that their differences grow from the choice of paths to those goals, that Republicans and Democrats have far more in common than in dispute.

In this election year before harsh words are spoken and friendships threatened, the memory of Alben Barkley will, we hope, be frequently recalled. He proved the practice of politics can be a noble profession.

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD another outstanding editorial about the late Senator Alben W. Barkley, of Kentucky, which appeared in the Oregon Statesman of May 2, 1956. I call particular attention to that portion of the editorial which refers to our great, departed colleague as a loyal and distinguished American, one whom his political foes respected and admired."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DEATH COMES TO "VEEP"

Alben Barkley died as he must have preferred—on the stump proclaiming the virtues of his own Democratic Party. The genial Kentuckian mounted the political stairs from prosecuting attorney, county judge, Representative in Congress, United States Senator to become Vice President of the United States, 1949–53, and then returned to the political wars and was elected Senator in 1954.

Barkley was an authentic Democrat, one of those partisans whose political beliefs are inborn and ingrained. From a border State, he was in a way a "border" Democrat, but not in the sense that his party loyalty ever wavered. He was not as conservative as most southern Democrats—the "Dear Alben" letter of President Roosevelt in 1937 helped him win the post of President of the Senate over Pat Harrison, of Mississippi, after the sudden death of Senator Robinson, of Arkansas. Barkley quite consistently supported the policies of F. D. R. and Harry Truman. At the same time, he was not a blown-in-the-bottle New Dealer, like some of the northern breed of Democrats.

Barkley was an able campaigner, a keynoter at party conventions, and, like his fellow townsman, Irvin Cobb, an apt story teller. His fund of stories was inexhaustible, and he tempered his oratory with humor.

Barkley was loved by his colleagues, regardless of party. As Vice President, he was popularly esteemed as the "Veep," and his septuagenarian romance with a St. Louis widow excited the friendly interest of his fellow citizens.

Politics was Barkley's career, and in it he won high distinction. Only his age prevented him from top consideration at the Chicago convention in 1952. Loyal to party though he was, he was, nonetheless, a loyal and distinguished American, one whom his political foes respected and admired. He was part and parcel of the stuff which has made America great.

WILLIAM L. PHILLIPS, MANAGEMENT SPECIALIST OF THE KLAMATH INDIANS

Mr. GOLDWATER. Mr. President, in March of this year remarks were made on this floor to the effect that Secretary of Interior McKay had foisted a Mr. William L. Phillips on the Klamath Indians as a management specialist for that tribe. The inference was made that these Indians had no choice in the matter, but had to accept the dictates of the Secretary.

Today a resolution, which was adopted by this tribe on April 3, comes to my attention, and in reading it I cannot associate its contents with a tribe who had been imposed on in the manner described by a Member of this body. To the contrary, it seems to me that they are highly pleased with the services of Mr. Phillips.

To clear up any political implications which might have been left with the Members of the Senate by the statements I refer to of March last, I wish to insert in the body of the RECORD the resolution I have referred to, and a letter from the Secretary to the chairman of the executive committee of the Klamath Tribe explaining Mr. Phillips' connection with Mr. McKay, who is now a candidate for public office in Oregon.

There being no objection, the resolution and letter were ordered to be printed in the RECORD, as follows:

RESOLUTION 1956–24

"Be it hereby resolved, That the executive committee of the Klamath Indian Tribe invite William L. Phillips, Sr., to continue to serve as a member of the management specialists committee whenever his services are deemed necessary by the other two members of the committee; and be it further

"Resolved, That Mr. Phillips' compensation be limited to per diem and travel expenses incurred through his continued service as a member of the management committee."

We hereby certify that the above resolution was duly adopted at a meeting of the Klamath Tribal executive committee held on April 3, 1956 (a regular scheduled meeting) by a vote of six for and none opposed; such action being in accordance with the constitution and bylaws of the Klamath General Council approved October 10, 1950.

DELFORD LANG,
Chairman, Executive Committee.
DIBBON COOK,
Secretary, Executive Committee.

APRIL 11, 1956.

Mr. DELFORD LANG,
Acting Chairman, Klamath Executive Committee, Klamath Agency, Oreg.

MY DEAR MR. LANG: I have before me Resolution 1956–24, dated April 3, 1956, in which the Klamath executive committee requests that Mr. William L. Phillips continue to serve "whenever his services are deemed necessary" by the other two management specialists, Thomas B. Watters and Eugene Favell.

While I appreciate the confidence in Mr. Phillips which is reflected in the tribal resolution, I do not believe that it would be appropriate for him to serve the tribe or management specialists in any capacity under the circumstances. As you know, Mr. Phillips will be associated with me in the forthcoming months. Although I am sure Mr. Phillips would be most willing to assist the tribe and management specialists in any way possible, I feel that the nature of his duties in the period ahead would not permit me to approve his serving in the capacity expressed in the resolution.

Sincerely yours,

DOUGLAS MCKAY,
Secretary of the Interior.

ONE HUNDREDTH ANNIVERSARY OF THE ESTABLISHMENT OF THE PRESENT TWO-PARTY POLITICAL SYSTEM

Mr. ALLOTT. Mr. President, this year is the 100th anniversary of the establishment of our present two-party system. Since 1856, when the Republican Party nominated its first candidate for the presidency, all of our chief executives have come from either the Democratic or the Republican Parties.

A member of my staff, Svend Petersen, who has compiled a Statistical History of Our Presidential Elections, has prepared a tabulation that shows the votes and percentages thereof that were cast for all candidates for the presidency during the period from 1856 to 1952. He also has listed the names of all the nominees.

As I believe this information will interest not only my colleagues on both sides of the aisle, but will have considerable value to students of government and history, I ask unanimous consent that the tabulation and the list be printed in the body of the RECORD.

There being no objection, the tabulation and list were ordered to be printed in the RECORD.

Candidates for President, 1856 to 1952

Year	Democratic	Republican	Prohibition	Socialist-Labor	American	Greenback	Farmer-Labor
1856	James Buchanan	John C. Fremont					
1860	Stephen A. Douglas	Abraham Lincoln					
1864	George B. McClellan	do					
1868	Horatio Seymour	Ulysses S. Grant					
1872	Horace Greeley	do	James Black				
1876	Samuel J. Tilden	Rutherford B. Hayes	Green C. Smith		James B. Walker	Peter Cooper	
1880	Winfield S. Hancock	James A. Garfield	Neal Dow		John W. Phelps	James B. Weaver	
1884	Grover Cleveland	James G. Blaine	John P. St. John			Benjamin F. Butler	
1888	do	Benjamin Harrison	Clinton P. Fisk	[1]	James L. Curtis		
1892	do	do	John Bidwell	Simon Wing		James B. Weaver [2]	
1896	William J. Bryan	William McKinley	Joshua Levering	Charles H. Matchett			
1900	do	do	John C. Woolley	Joseph F. Malloney	Eugene V. Debs [3]	Wharton Barker [2]	
1904	Alton B. Parker	Theodore Roosevelt	Silas C. Swallow	Charles H. Corregan	do [3]	Thomas E. Watson [2]	
1908	William J. Bryan	William H. Taft	Eugene W. Chafin	August Gillhaus	do [3]	do [2]	
1912	Woodrow Wilson	do	do	Arthur E. Reimer	do [3]		
1916	do	Charles E. Hughes	J. Frank Hanly	do	Allan L. Benson [3]		
1920	James M. Cox	Warren G. Harding	Aaron S. Watkins	William W. Cox	Eugene V. Debs [3]		Parley P. Christensen
1924	John W. Davis	Calvin Coolidge	Herman P. Faris	Frank T. Johns		William Z. Foster [4]	
1928	Alfred E. Smith	Herbert C. Hoover	William F. Varney	Verne L. Reynolds	Norman M. Thomas [3]	do [4]	Frank E. Webb.
1932	Franklin D. Roosevelt	do	William D. Upshaw	do	do [3]	do [4]	Jacob S. Coxey.
1936	do	Alfred M. Landon	D. Leigh Colvin	John W. Aiken	do [3]	Earl R. Browder [4]	
1940	do	Weldell L. Willkie	Roger W. Babson	do	do [3]	do [4]	
1944	do	Thomas E. Dewey	Claude A. Watson	Edward A. Teichert	do [3]		
1948	Harry S. Truman	do	do	do	do [3]	Farrell Dobbs [5]	
1952	Adlai E. Stevenson	Dwight D. Eisenhower	Stuart Hamblen	Eric Haas	Darlington Hoopes [3]	do [5]	

[1] In 1888 the Socialist-Labor Party had an electoral slate but no candidate.
[2] Populist.
[3] Socialist.
[4] Communist.
[5] Socialist-Workers.

MISCELLANEOUS

1856: Millard Fillmore, Whig (and American); Gerrit Smith, Land Reform.
1860: John C. Breckinridge, Democratic; John Bell, Constitutional Union; Gerrit Smith.
1872: Charles O'Conor, Democratic (and Labor Reform).
1888: Alson J. Streeter, Union Labor; Robert H. Cowdrey, United Labor.
1896: John M. Palmer, National Democratic; Charles E. Bentley, National Prohibition.
1900: Seth H. Ellis, Union Reform; Jonah F. R. Leonard, United Christian.
1904: Austin Holcomb, Continental.
1908: Thomas L. Hisgen, Independence; Daniel B. Turney, United Christian. (A group without a party designation also received votes.)
1912: Theodore Roosevelt, Progressive.
1916: Theodore Roosevelt, Progressive.
1920: James E. Ferguson, American; Robert C. Macauley, Single Tax. (The Black and Tan Republicans also received votes.)
1924: Robert M. LaFollette, Progressive; Gilbert O. Nations, American; William J. Wallace, Commonwealth Land.
1932: William H. Harvey, Liberty; John Zahnd, National; James R. Cox, Jobless. (The Jacksonian Party also received votes.)
1936: William Lemke, Union; William D. Pelley, Christian.
1940: Alfred Knutson, Independent.
1944: Harry F. Byrd, Southern Democrat; Gerald L. K. Smith, America First. (Texas Regulars also received votes.)
1948: J. Strom Thurmond, States Rights Democratic; Henry A. Wallace, Progressive.
1952: Vincent Hallinan, Progressive; Douglas MacArthur, Constitution; Henry Krajewski, Poor Men's.

Votes (and percentages) cast for candidates for President, 1856 to 1952

Year	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent	Votes	Percent
	Democratic		*Republican*		*Breckinridge*		*Constitution Union*		*Whig*		*Gerrit Smith*		*Greenback*		*United Labor*		*Union Reform*		*United Christian*		*Single Tax*		*Commonwealth Land*		*Jacksonian*	
1856	1,839,227	45.63	1,341,028	33.27					849,872	21.08	484	0.01														
1860	1,379,434	29.40	1,867,198	39.79	854,248	18.20	591,658	12.61	---	---	172	0.00														
1864	1,805,063	44.85	2,219,362	55.15																						
					Prohibition						*O'Conor-Democratic*															
1868	2,703,933	47.29	3,013,313	52.71																						
1872	2,833,711	43.82	3,597,375	55.63	5,588	0.09			*American*		29,464	0.46														
1876	4,287,670	59.93	4,035,924	47.94	9,630	.11			2,508	0.03			82,797	0.98												
1880	4,444,976	48.21	4,454,433	48.32	10,364	.11			1,045	.01			308,649	3.35												
1884	4,875,971	48.50	4,852,234	48.26	150,957	1.50	*Social-Labor*		---	---	*Union Labor*		175,066	1.74												
1888	5,540,365	48.64	5,445,269	47.81	250,122	2.20	2,068	0.02	1,591	.01	147,606	1.30	*Populist*		2,818	0.02										
											National															
1892	5,556,982	46.04	5,191,466	43.01	271,111	2.25	21,561	.18			*Democratic*		1,029,960	8.53	*National Prohibition*											
1896	6,516,722	46.72	7,113,734	51.00	131,285	.94	36,475	.26	*Socialist*		135,456	0.97	---	---	14,003	0.10										
1900	6,358,160	45.50	7,219,828	51.67	210,200	1.50	33,435	.24	95,744	0.69			50,605	0.36			5,695	0.04	521	0.00						
											Continental															
1904	5,084,533	37.59	7,628,831	56.40	259,163	1.92	33,737	.25	402,714	2.98	830	0.01	114,790	.85					---	---						
															Independence		*No Party*									
1908	6,410,665	43.05	7,679,114	51.57	252,704	1.70	14,030	.09	420,858	2.83			29,147	.20	83,739	0.56	63	0	400	0						
											Progressive															
1912	6,301,254	41.85	3,485,831	23.15	209,644	1.39	29,290	.19	901,255	5.99	4,127,788	27.42														
																			Black and Tan Republicans							
													Farmer-Labor				*American*									
1916	9,131,511	49.26	8,548,935	46.12	220,505	1.19	14,273	.08	585,974	3.16	35,034	.19														
1920	9,147,353	34.15	16,153,785	60.31	189,467	.71	29,173	.11	919,801	3.43			265,121	0.99			47,968	0.18	27,247	0.10	5,353	0.02				
											Progressive				*Communist*											
1924	8,386,624	28.82	15,725,016	54.04	57,551	.20	39,021	.13	---	---	4,831,470	16.60	---	---	33,361	0.11	23,967	.08					1,532	0.01		
1928	15,016,443	40.79	21,430,743	58.22	20,106	.05	21,602	.06	267,420	.73			6,390	.02	48,667	.13										
																	Liberty				*National*		*Jobless*			
1932	22,821,857	57.41	15,761,841	39.65	81,869	.21	34,046	.09	384,781	2.23			7,309	.02	102,991	.26	53,434	0.13			1,645	0.00	725	0.00	104	0.00
											Union								*Christian*							
1936	27,751,841	60.80	16,679,491	36.54	37,661	.08	12,315	.03	188,497	.41	892,390	1.96			80,160	.18			1,598	0.00						
													Knutson													
1940	27,243,466	54.69	22,334,413	44.83	58,725	.12	14,892	.03	116,514	.23			545	.00	46,251	0.09										
																			Southern Democratic							
																	Texas Regulars				*America First*					
1944	25,612,474	53.39	22,017,570	45.89	74,761	.16	45,189	.09	79,010	.16							135,439	0.28	7,799	0.02	1,781	0.00				
													States Rights Democratic		*Social Workers*											
1948	24,104,030	49.51	21,971,004	45.13	103,343	.21	29,240	.06	139,523	.29	*Progressive* 1,157,063	2.38	1,169,032	2.40	13,611	0.03	*Constitution*									
																			Poor Man's							
1952	27,314,992	44.38	33,937,252	55.14	72,778	.12	30,376	.05	20,189	.03	140,178	.23			10,306	.02	17,205	.03	4,203	0.01						

"0.00" signifies that the party received some votes, but less than 0.01 percent.
Douglas received the votes shown in the Democratic column for 1860.
The American Party of 1876 to 1888 was not the same as that of 1920 and 1924.
The Progressive Parties of 1912 and 1916; 1924; and 1948 and 1952 were 3 separate and distinct parties.

In 1876, Hayes defeated Tilden in the electoral college, although the latter had the edge in popular votes
Similarly, Harrison defeated Cleveland in the electoral college in 1888, although the latter had the edge in popular votes.

FARM AND NONFARM EARNINGS

Mr. NEUBERGER. Mr. President, last year, according to the Bureau of Labor Statistics, the total wages and salaries of the working people of the United States rose 6.3 percent over those of 1954. For this same period the Department of Agriculture reports a 10.6-percent decline in net income of farm operators.

With these facts in mind, I think it is very instructive to note that corporate profits in the United States increased by 22.5 percent. It is also interesting to read in a New York Times article of April 29, 1956, that the profits of 1,000 industrial firms canvassed in a representative survey rose from over $8 billion to over $11 billion—a gigantic 32-percent increase over 1954.

Mr. President, I ask unanimous consent to have this article from the New York Times printed in the body of the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CORPORATE PROFIT SOARED 32 PERCENT IN 1955—SURVEY OF 1,000 COMPANIES SHOWS RECORD EARNINGS—1956 OUTLOOK MIXED

(By Clare M. Reckert)

Like Jack and the beanstalk, profits of industrial manufacturers climbed last year to new heights. The seeds were of many kinds, and they were sown in a fertile combination of capital expenditures and record consumer spending.

The economic climate last year was one destined to stimulate lush sales and earnings. In fact, it may have been so vigorous that for many companies it may take a new sowing of magic seeds before it is witnessed again.

Current indications and first-quarter reports point, however, to another year of prosperity. Industrial production, gross national product (amount of all goods and services), employment, consumer spending, and capital outlays continue at or near peak levels.

On the other hand, there are some setbacks that bear watching. They are curtailed automobile production and home building, declining farm income, lagging agricultural equipment, and home appliance sales, rising prices and interest rates, tight money and mounting consumer and business debt.

Outlays for plant and equipment account for a good portion of the expanding credit. Capital investment this year is estimated at a record total of $35 billion, up $6 billion from the peak outlay of last year. The largest advances are planned by durable goods manufacturers.

AIM: TO CUT COSTS

Besides the desire to meet the needs of the growing population, management is impelled to cut operating costs by building more efficient facilities. Sharp competition and tighter profit margins stress cost-control measures.

The huge sums invested in the giant American industrial machine to produce new and better products contributed importantly to corporate income last year—the highest in business history.

Annual reports of 1,000 industrial manufacturers showed a total net profit for 1955 of $11,712,660,306. This was 32 percent above the $8,887,039,626 earned by the same group in 1954. Significantly, 801 companies showed larger income, while only 199 registered declines. Losses were sustained by 43 concerns, fewer than half as many as operated in the red in 1954—93.

Of the 65 manufacturing classifications in this survey of the New York Times, 6 showed declines in profits. These were factory machines, electrical supplies and equipment, household appliances, grain milling products, brewery, and apparel. The woolen segment suffered a loss, as it did in the preceding year.

The most pronounced gains generally were made by the bigger companies in an industry, reflecting the benefits of their vast expansion and improvement programs. On the whole, however, the Nation's manufacturers prospered as never before, in spite of taxes that roughly halved their earnings.

Reflecting capacity operations to meet heavy demand, the steel group turned in substantially greater earnings. Lukens was the only one to fall below its 1954 figure. The iron and steel fabricators shared the uptrend, with 22 of the 25 reporting companies well ahead of their results for 1954.

Only 19 of the 37 factory machine companies improved profits, and 3 showed losses. The light machinery and metal parts makers fared well, with 26 out of 33 on the higher side.

Led by Standard Oil of New Jersey, whose profits shot up to $717 million from $584,793,000, the group of 39 oil companies forged ahead, with only 6 down from 1954.

The coal and coke producers made a strong comeback. Only 2 of the 13 surveyed had losses last year, in contrast to 6 in 1954. The metal mining and products group of 31 showed 3 on the lower side. All of the 13 nonferrous metal companies had higher earnings.

Big gains by Chrysler, General Motors, and Ford accounted for the bulk of the increase by the automotive industry. General Motors turned in $1,189,477,082, against $305,973,697 in 1954; Chrysler $100,063,330, against $18,516,770; and Ford $437,000,000, against $227,800,000. Checker Cab, Studebaker-Packard, and American Motors reported losses. Of the 60 supplier companies, 43 showed improvement, 5 ended in the red.

Changes in Government and airline purchases were reflected in the earnings of the aircraft makers. Only 10 of the 22 reporting companies improved their income.

Four of eighteen tire and rubber-product manufacturers slipped back. Sizable gains were made by all of the 39 chemical companies, with the wider increases scored by the bigger firms. Among 24 pulp and paper producers, only 1 eased, and that slightly.

The boom in construction was evidenced in the results of building-materials manufacturers. Two out of twelve ended lower. Glass, cement, clay products, gravel and limestone, lumber, plumbing, heating, paint, building equipment, locks, and hardware also benefited from the building upsurge.

FEDERAL BUDGETING AND ACCOUNTING PRACTICES

Mr. PAYNE. Mr. President, any discussion of budget and fiscal reforms or procedures always seems to lack the glamour which the discussion of many other subjects enjoys.

However, it has been refreshing to the junior Senator from Maine to note the tremendous drives which have been undertaken by the administration in trying to bring about in this field many corrections that have been needed for a long time.

On Monday last I entered in the CONGRESSIONAL RECORD an exchange of correspondence between the President of the United States and Percival F. Brundage, Director of the Bureau of the Budget, relating to many features of the Hoover Commission report touching on this subject.

Today Congress has the benefit of another outstanding message by the President of the United States with further reference to Federal budgeting and accounting practices and the need for reforms, many of which are under way and being accomplished to a large extent by the administration through its executive agencies.

More important, however, still others will come before Congress before the session is over and I hope they will be presented in a comprehensive bill which will definitely implement the most important provisions of the Hoover Commission recommendations. Those recommendations are presently being drafted into bill form under the able direction of the junior Senator from Massachusetts [Mr. KENNEDY], the chairman of the Subcommittee of the Committee on Government Operations, which is studying this activity.

It is my hope that Congress will give this unglamorous subject, which may mean tremendous savings of money to the people of this country, the full import it honestly and rightfully deserves when the bill is reported to the Senate.

I ask unanimous consent that the message of the President of the United States be printed in the RECORD at this point in my remarks.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

To the Congress of the United States:

The Commission on Organization of the Executive Branch of the Government, headed by former President Herbert Hoover, has set important and desirable objectives for the improvement of Federal administration and for providing more effective methods in the financing and control of Government services. Cooperative action on the part of the legislative and executive branches is required in order to bring about more rapidly the fulfillment of those objectives.

The Commission's report on Federal budgeting and accounting practices is an important contribution toward the attainment of more effective and economical governmental services. It includes significant recommendations showing how the Federal Government can bring about improvements in budgeting, accounting, and management practices generally. Because these recommendations pertain to vital responsibilities of the Chief Executive, I am especially and personally appreciative of the contribution which Mr. Hoover and his distinguished associates have made.

These recommendations of the Commission have been studied extensively by the executive branch with a view toward identifying all possible actions that can be taken to strengthen the administration of the executive agencies. I have already approved plans developed by the Director of the Bureau of the Budget to intensify efforts of the executive branch toward that objective. These plans include actions to accelerate the establishment and use of modern accounting methods and improved budget presentations and controls. I consider it desirable and necessary that the executive departments and agencies actively and fully participate in carrying out these plans.

The actions being taken by the executive branch to put many of the Commission's proposals into effect will require close coordination with the legislative branch and merit the support which the Congress should and can provide. I urge that the Congress seek the early enactment of appropriate

legislative provisions to support the major objectives of the Commission's recommendations.

The initial recommendation of the Commission's report on budget and accounting calls for the strengthening of the management review and budgeting functions of the Bureau of the Budget. This is of signal importance to the attainment of the Commission's objectives in this field. It has a direct bearing on how fast and how well the executive branch carries out the plans which I have approved. Because the resources of the Bureau of the Budget must be increased if it is to provide, on my behalf, strengthened leadership in the improvement of executive branch budgeting, accounting, and other management practices, I am proposing to the Congress a supplemental appropriation to permit an expansion of the Bureau's staff for this purpose.

Today's Government demands the use of the best and most economical methods that can be devised. To that end, we should take full advantage of the constructive proposals put forth by Mr. Hoover and his able associates.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 10, 1956.*

BIRTH OF GRANDSON OF SENATOR WILLIAM F. KNOWLAND

The VICE PRESIDENT. The Chair would like to make what he considers an appropriate announcement at this time. Yesterday a future political leader of California was born, the fourth grandchild and the first grandson of the minority leader of this body, the senior Senator from California. Appropriately, the grandson bears the name of the minority leader, WILLIAM F. KNOWLAND. [Applause.]

Mr. KNOWLAND. Mr. President, I wish to express my appreciation of the statement made by the Vice President and Presiding Officer. He is quite correct as to this being the fourth grandchild and the first grandson, but the time of his arrival was today and not yesterday.

The VICE PRESIDENT. The Chair is glad to be corrected on that point.

Mr. MANSFIELD. Mr. President, in view of the announcement just made by the distinguished Vice President and the distinguished minority leader, I should like to say that there are very few granddaughters or grandsons who arrive under such auspicious circumstances.

Mr. GOLDWATER. Mr. President, we in Arizona have long been accustomed to the rather exorbitant claims of our sister State to the west, California, but only this morning have we known that such claims could be substantiated. We marvel at and admire the youth of the couple who have produced four grandchildren. We are happy, along with the rest of the Nation, that the great name of BILL KNOWLAND will be perpetuated, and I hope my grandchildren will have the happiness of serving in politics with the grandson of BILL KNOWLAND.

LIVE TELEVISION PROGRAM ON ST. LAWRENCE SEAWAY

Mr. WILEY. Mr. President, I have been pleased to be in contact with Mr. Barry Wood, director of special events at the National Broadcasting Co., and executive producer of its famous Wide, Wide World program with regard to a forthcoming historic television program.

On Sunday, June 3, Wide, Wide World will be devoted exclusively to the inspiring St. Lawrence Story.

The program will be a joint international undertaking, utilizing the facilities of both NBC and the Canadian Broadcasting Corp. Announcement of the project has come from Mr. Sylvester L. Weaver, Jr., chairman of the board of NBC and A. D. Dunton, chairman of the board of governors of the CBC.

It is fitting that the superb television cratfsmanship of Wide, Wide World should be devoted to so breathtaking a subject as the Great Lakes Waterway.

The eyes of the people of our Nation and of our good neighbor to the north will therefore be focused on the NBC and affiliated television channels on June 3.

I send to the desk the text of a release which I have received from the NBC press department on this subject. I ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

THE ST. LAWRENCE STORY TO BE TOLD ON WIDE, WIDE WORLD JUNE 3—STORY OF A NEW SEAWAY AND A NEW SOURCE OF POWER TO BE TELECAST LIVE ON NBC AND CBC

The St. Lawrence Story, the story of a new seaway and a new source of power for North America, will be told on Wide, Wide World Sunday, June 3, in a joint international undertaking utilizing the facilities of both the National Broadcasting Co. and the Canadian Broadcasting Corp., it was announced today by Sylvester L. Weaver, Jr., chairman of the board of NBC, and A. D. Dunton, chairman of the board of governors of the CBC.

The program, which will be telecast live on the entire NBC and CBC networks, will be produced by Herbert Sussan and is the last of the 1955-56 series of Wide, Wide World programs. Barry Wood, director of special events at NBC, is executive producer of Wide, Wide World, which will resume in the fall.

In announcing the St. Lawrence Story (NBC-TV, 4-5:30 p. m., eastern daylight time) Mr. Weaver said: "An ocean is moving into the heart of North America in consequence of an engineering feat that ranks with the greatest of all time. To capture the scope and sweep of this project which will change the face of the continent, two great networks are merging to tell a single story. The cooperation of CBC and NBC to tell a story so vital to America and Canada is symbolic of the labors expended by both nations—and Wide, Wide World, with its internationally roving live cameras, is the ideal vehicle for the storytelling."

Mr. Dunton observed: "The St. Lawrence seaway is rapidly becoming one of the greatest cooperative ventures by two neighboring countries. I think it is significant and appropriate that this historic undertaking be recorded for the peoples of both our countries by another 20th century miracle—television.

"It is, of course, a distinct pleasure for us in CBC once again to join forces with the National Broadcasting Co. in a telecast of mutual interest. And while this is the largest single cooperative effort we have shared together, perhaps it is just a forecast of what can be done in television in the future."

In its role of electronic sidewalk superintendent for the big project, Wide, Wide World will traverse the entire length of the new inland waterway—from the Atlantic Ocean down the St. Lawrence River and through the Great Lakes to the ore and grain center of Duluth, Minn.

It will explain, in its numerous live stops, how the project will enable big ships to penetrate the continent for the first time to load and unload in the Great Lakes industrial area—and, of equal importance, how big ships will be able to sail from Duluth and keep on going to foreign ports.

The two big obstacles to such free traffic now are the Lachine Rapids in the Montreal area and the Long Sault International Rapids at Cornwall, Canada. The rapids will soon be detoured by shipping, but at the same time the force of the rushing waters will be harnessed to provide a tremendous new force of inexpensive electric power for Americans and Canadians. Wide, Wide World will explore the dual significance of the rapids.

The live cameras will focus first on the waves of the ocean crashing on the Atlantic coast. Thence to the following places, subject to final survey:

Quebec, where cameras mounted on the historic Citadel will show the entrance to the seaway.

To Montreal, for shots of the dredging and demolition work involved in creating a channel to bypass the Lachine Rapids.

To the Cornwall, Canada, Massena, N. Y., and Iroquois, Canada, area for one of the most complex groups of live TV originations ever essayed.

Here cameras will be mounted inches from the 10-foot waves of the Long Sault Rapids to show the rapids in all their violence, and to show the Barnhardt Island Dam being built by the New York Power Authority and the Ontario Hydro-Electric, a dam split in the middle of the border of two countries.

Other cameras in this origination will show the bustling activity of Massena, a city suddenly turned into a boom town. Still more cameras will visit Iroquois, a city forced to abandon its site by the big project. And another camera, located in one of the largest construction cranes in the world, will show the construction work on a canal lock, the Robinson Bay lock.

Then the show will move on to Toronto for the Ontario Hydro-Electric's hydraulic model laboratory at Islington—a model that shows what will actually happen when the project is completed.

To St. Catherines, Canada, and the Welland Canal where 7 locks lift boats from Lake Ontario to Lake Erie—a height of 326 feet.

To Buffalo, N. Y., for a panoramic shot and on to Cleveland, Ohio, for pictures of the big steel operations.

To Detroit, where facilities are being enlarged to meet the demands of increased shipping. Cars are being loaded here and steel unloaded.

To Milwaukee, where 5 miles of lakefront are being developed for the future's port and recreation facilities.

To Chicago, for a view of river traffic congestion soon to be relieved by the seaway.

To the end of the line, the port known as Duluth-Superior, the biggest ore- and grain-shipping port in the world.

One side trip will be made to Baltimore, a port which may be affected when the new seaway is constructed. Baltimore's present port activities will be shown and an official will discuss the future.

The people to be seen and heard on the St. Lawrence story include a dredgeboat operator in Montreal, a crane operator at the Barnhardt Dam, a project engineer at the Robinson Bay lock, a ship's captain at the Welland Canal, a man in the street in Massena, a displaced housewife in Iroqouis, a steelworker in Detroit, a lighthouse keeper in Milwaukee, and an ore loader in Duluth.

VISIT TO THE SENATE BY A GROUP OF ITALIAN BUSINESSMEN AND BUSINESSWOMEN

Mr. CAPEHART. Mr. President, I should like to have the honor of introducing to the Senate a group of businessmen and businesswomen from Italy. They are primarily in the electronics business, and are in this country purchasing electronic equipment, and are today paying their first visit to the United States Senate. [Applause.]

INSURANCE AGAINST FLOOD DAMAGE

The PRESIDING OFFICER (Mr. PAYNE in the chair). Is there further morning business? If not, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 3732) to provide insurance against flood damage and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CITATION OF ROBERT SHELTON FOR CONTEMPT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1954, Senate Resolution 253.

The PRESIDING OFFICER. Does the Chair understand that the Senator from Montana intends to ask unanimous consent that the unfinished business be temporarily laid aside so that the Senate may proceed to the consideration of Calendar No. 1954, Senate Resolution 253?

Mr. EASTLAND. Only temporarily, Mr. President, and also to permit the Senate to consider several other measures in sequence.

Mr. LEHMAN. Mr. President, the understanding is that the unfinished business will be only temporarily laid aside, and that I will be recognized immediately upon the conclusion of the remarks of the Senator from Mississippi; and at that time I intend to yield to the Senator from Montana, and also briefly to the Senator from Delaware.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Montana that the unfinished business be temporarily laid aside to permit the Senate to proceed to the consideration of several resolutions? The Chair hears none, and it is so ordered.

The first resolution referred to by the Senator from Montana will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 253) certifying the refusal of Robert Shelton to testify before a subcommittee of the Senate Committee on the Judiciary.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to the consideration of the resolution.

Mr. EASTLAND. Mr. President, Robert Shelton appeared before the Internal Security Subcommittee, pursuant to a subpena, on Wednesday, December 7, 1955, and on Friday, January 6, 1956. Although the presiding Senator specifically directed him to answer certain pertinent questions, Mr. Shelton refused to do so.

Moreover, Mr. Shelton expressly declared that he was not invoking his privilege against self-incrimination under the fifth amendment.

As a result of Mr. Shelton's refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly, the Committee on the Judiciary recommends that Robert Shelton be declared in contempt of the United States Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 253) was considered and agreed to, as follows:

Resolved, That the President of the Senate certify under the seal of the United States Senate, to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Robert Shelton, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Robert Shelton may be proceeded against in the manner and form provided by law.

CITATION OF SEYMOUR PECK FOR CONTEMPT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1955, Senate Resolution 254.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 254) citing Seymour Peck for contempt of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. EASTLAND. Mr. President, Seymour Peck appeared before the Internal Security Subcommittee, pursuant to a subpena, on Friday, January 6, 1956. Although the presiding Senator specifically directed him to answer certain pertinent questions, Mr. Peck refused to do so.

Moreover, Mr. Peck expressly declared that he was not invoking his privilege against self-incrimination under the fifth amendment.

As a result of Mr. Peck's refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly, the Committee on the Judiciary recommends that Seymour Peck be declared in contempt of the United States Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 254) was considered and agreed to as follows:

Resolved, That the President of the Senate certify, under the seal of the United States Senate, to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Seymour Peck, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Seymour Peck may be proceeded against in the manner and form provided by law.

CITATION OF PAULINE FEUER FOR CONTEMPT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1956, Senate Resolution 255.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 255) certifying the report of the Committee on the Judiciary regarding the refusal of Pauline Feuer to testify.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. EASTLAND. Mr. President, Pauline Feuer appeared before the Internal Security Subcommittee, pursuant to a subpena, on Thursday, April 5, 1956. Although the presiding Senator specifically directed her to answer certain pertinent questions, Mrs. Feuer refused to do so.

Moreover, Mrs. Feuer expressly declared that she was not invoking her privilege against self-incrimination under the fifth amendment.

As a result of Mrs. Feuer's refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly the Committee on the Judiciary recommends that Pauline Feuer be declared in contempt of the United States Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 255) was considered and agreed to as follows:

Resolved, That the President of the Senate certify, under the seal of the United States

Senate, to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Pauline Feuer before the Subcommittee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Pauline Feuer may be proceeded against in the manner and form provided by law.

CITATION OF ALDEN WHITMAN FOR CONTEMPT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1957, Senate Resolution 256.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 256) citing Alden Whitman for contempt of the Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. EASTLAND. Mr. President, Alden Whitman appeared before the Internal Security Subcommittee, pursuant to a subpena, on Friday, January 6, 1956. Although the presiding Senator specifically directed him to answer certain pertinent questions, Mr. Whitman refused to do so.

Moreover, Mr. Whitman expressly declared that he was not invoking his privilege against self-incrimination under the fifth amendment.

As a result of Mr. Whitman's refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly the Committee on the Judiciary recommends that Alden Whitman be declared in contempt of the United States Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 256) was considered and agreed to, as follows:

Resolved, That the President of the Senate certify, under the seal of the United States Senate, to the United States Attorney for the District of Columbia, the report of the Committee on the Judiciary of the United States Senate as to the refusal of Alden Whitman, before the Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, to answer questions pertinent to the subject matter under inquiry, together with all the facts in connection therewith, to the end that the said Alden Whitman may be proceeded against in the manner and form provided by law.

CITATION OF WILLIAM A. PRICE FOR CONTEMPT OF THE SENATE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1958, Senate Resolution 257.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 257) citing William A. Price for contempt of the Senate.

The PRESIDING OFFICER. Is there objection to the consideration of the resolution?

There being no objection, the Senate proceeded to the consideration of the resolution.

Mr. EASTLAND. Mr. President, William A. Price appeared before the Internal Security Subcommittee, pursuant to a subpena, on Thursday, January 5, 1956. Although the presiding Senator specifically directed him to answer certain pertinent questions, Mr. Price refused to do so.

Moreover, Mr. Price expressly declared that he was not invoking his privilege against self-incrimination under the fifth amendment.

As a result of Mr. Price's refusal to answer the questions propounded by the presiding Senator and by the chief counsel of the subcommittee, the Internal Security Subcommittee has been deprived of pertinent evidence which it was seeking to adduce within the scope of its authority.

Accordingly the Committee on the Judiciary recommends that William A. Price be declared in contempt of the United States Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 257) was considered and agreed to as follows:

Resolved, That the President of the Senate certify the report of the Committee on the Judiciary of the United States Senate as to the refusal of William A. Price to answer questions before the Senate Subcommittee To Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary of the United States Senate, said refusal to answer being pertinent to the subject matter under inquiry together with all the facts in connection therewith, under the seal of the United States Senate to the United States Attorney for the District of Columbia, to the end that the said William A. Price may be proceeded against in the manner and form provided by law.

AMENDMENTS OF 1956 TO THE UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1978, S. 3638.

The PRESIDING OFFICER (Mr. LAIRD in the chair). The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3638) to promote the foreign policy of the United States by amending the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.).

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with amendments on page 1, line 3, after the word "That", to strike out "(a) so much of"; in line 4, after "1948", to strike out "as precedes paragraph (1) thereof"; in line 5, after the word "amended", to strike out "to read as follows" and insert "by adding before the final period a semicolon and the following new subparagraph (d) to paragraph (2)"; after line 7, to strike out:

"SEC. 2. The Congress hereby declares that the objectives of this Act are to enable the Government of the United States of America to increase in other countries respect for and confidence in the United States, its purposes, its democratic practices, culture, and society, to increase mutual understanding, respect, and confidence between the people of the United States and the peoples of other countries, and to broaden the areas of cooperation between them in the educational exchange, cultural and information fields. Among other means in achieving these objectives, the Secretary of State is authorized to establish."

(b) Paragraph (2) of section 2 of such Act is amended to read as follows:

"(2) an educational exchange service to cooperate with other nations in—

"(a) the interchange of knowledge, skills, information, and experiences;

"(b) the interchange of technical and other services;

"(c) the interchange of developments in the field of education, the arts, sciences, and professions; and

On page 2, line 20, after the word "projects", to insert "for diffusion of knowledge which are"; in line 22, after the word "and", to strike out "the", and in the same line, after the word "countries"; to strike out "involved through diffusion of knowledge."; in line 24, after "(a)", to strike out "The heading of title II of such act is amended to read as follows:" and insert "Section 201 of such act is amended by inserting the following new sentence after the first sentence and by designating such two sentences as '(a)':"; on page 3, after line 3, to strike out:

TITLE II INTERCHANGE ON KNOWLEDGE, SKILLS, AND EXPERIENCE

(b) Section 201 of such act is amended to read as follows:

"Persons

"SEC. 201. (a) As a means of insuring interchange on a cooperative basis of leaders and potential leaders between the United States and other countries, the Secretary is authorized to provide for and otherwise facilitate programs for the exchange of (1) students and trainees; (2) teachers, fellows, and lecturers; (3) professors and research scholars; (4) specialists in any of the arts, sciences, trades, or professions; and (5) leaders of thought and opinion at the National, State, or local level. Such exchanges shall be for the purpose of long- or short-term study or practical training, teaching, lecturing, or research, and observation, consultation, or other experience or activity

which may be essential to the successful operation of the programs and which will not deprive American citizens or aliens lawfully admitted for permanent residence of opportunities for gainful employment or professional training. The Secretary is also authorized to bring foreign nationals to the United States to interpret and present the art and culture of cooperating countries."

On page 4, at the beginning of line 2, to strike out "The" and insert " "The"; after line 4, to insert "for the purpose of study of subjects pertaining to or affecting the United States or of participation in meetings sponsored by individuals or public or private organizations of the United States"; in line 9, after the word "served", to strike out "thereby." and insert "thereby." ", and, in the same line, following the amendment just stated, to strike out "The Secretary shall, wherever possible in connection with these programs, utilize the services of existing reputable agencies which are successfully engaged in such activity."; after line 12, to insert:

"(b) Section 201 of such act is further amended by substituting for the last six sentences thereof the following:".

On page 5, line 25, after the word "act.", to strike out "No person admitted as an exchange visitor under this section or acquiring exchange visitor status after admission shall be eligible to apply for an immigrant visa or for a nonimmigrant visa under section 101 (a) (15) (H) of the Immigration and Nationality Act, or for adjustment of status to that of an alien lawfully admitted for permanent residence, until it is established that such person has resided and been physically present in a cooperating country or countries for an aggregate of at least two years following departure from the United States: *Provided*, That upon request of an interested Government agency and the recommendation of the Secretary of State, the Attorney General may waive such 2-year period of residence abroad in the case of any alien whose admission to the United States is found by the Attorney General to be in the public interest: *And provided further*, That the provisions of this paragraph shall apply only to those persons acquiring exchange visitor status or, who, having such status, obtain an extension of stay thereunder, subsequent to the date of the enactment hereof."

On page 7, line 17, after the word "subsection." ", to insert a semicolon and "and (2) by adding the following new sentence: 'After July 1, 1956, the Commission on Information shall consist of seven members, not more than four of whom shall be from any one political party; and the appointments of the two additional members initially shall be for terms ending in January 1957 but thereafter shall be for 3-year terms.' "

On page 8, after line 2, to strike out:

(c) Section 602 (h) of such act is amended to read as follows:

"(h) The Department is authorized to provide the necessary professional, technical, secretarial, and clerical assistance for the Commissions."

After line 12, to insert: "Binational Commissions."

On page 9, after line 3, to insert:

SEC. 8. Section 702 of such act is amended by designating the present provision as "(a)" and by adding the following new subsection:

"(b) Whenever the President determines it to be necessary for the purposes of this act, not to exceed 10 percent of the funds made available to carry out United States information program activities may be transferred to and consolidated with the funds made available to carry out international educational exchange activities and may be used for any of the purposes for which the latter funds may be used."

At the beginning of line 15, to change the section number from "8" to "9"; on page 11, at the beginning of line 6, to change the section number from "9" to "10"; after line 6, to strike out:

(1) by inserting "(a)" after "SEC. 802.";

At the beginning of line 8, to strike out "(2)" and insert "(1)"; in line 9, after the word "after", to insert "the first"; in line 10, after "(2)", to insert "and"; at the beginning of line 11, to strike out "(3)" and insert "(2)"; in line 17, after the word "illness", to insert "for alien employees while assigned temporarily for duty outside the countries in which they reside or for participants in activities authorized by this act and to pay for accompanying medical attendants in such cases"; on page 12, line 2, after the word "separation'.", to strike out the semicolon and "and"; after line 2, following the amendment just stated, to strike out:

(4) by adding at the end thereof the following new subsection:

"(b) The Department and any Government agency conducting any nonmilitary exchange of persons program or any program of furnishing technical information and assistance are authorized to pay, in the case of foreign nationals participating in such program, amounts necessary to meet United States income taxes where, except for participation in such program, the liability for such tax would not have been incurred."

At the beginning of line 13, to change the section number from "10" to "11"; at the beginning of line 21, to change the section number from "11" to "12"; and, on page 13, at the beginning of line 3, to change the section number from "12" to "13", so as to make the bill read:

Be it enacted, etc., That section 2 of the United States Information and Educational Exchange Act of 1948 is amended by adding before the final period a semicolon and the following new subparagraph (d) to paragraph (2):

"(d) the development of projects for diffusion of knowledge which are of interest and value to the United States and other countries."

SEC. 2. (a) Section 201 of such act is amended by inserting the following new sentence after the first sentence and by designating such two sentences as "(a)":

"The Secretary may also provide for the attendance of nationals of one cooperating country at selected institutions of learning or places of study in another cooperating country, for the purpose of study of subjects pertaining to or affecting the United States or of participation in meetings sponsored by individuals or public or private organizations of the United States, when he determines that urgent foreign relations objectives would be served thereby."

(b) Section 201 of such act is further amended by substituting for the last six sentences thereof the following:

"(b) The Secretary may provide for orientation courses and other appropriate services and materials in the case of persons coming to the United States from other countries and going to other countries from the United States under provisions of this act or for purposes which the Secretary determines to be in furtherance of the objectives of this act.

"(c) When any country fails or refuses to cooperate in the program provided herein the Secretary shall terminate or limit such program, with respect to such country, to the extent he deems to be advisable in the interests of the United States.

"(d) The foreign exchange visitors provided for in this section shall be admitted as nonimmigrants under section 101 (a) (15) of the Immigration and Nationality Act for such time and under such conditions as may be prescribed by regulations promulgated by the Secretary of State and the Attorney General. Exchange visitors so admitted shall not be eligible for a change of status under the provisions of section 248 of the Immigration and Nationality Act, nor for adjustment of status under provisions of section 245 of that act. An exchange visitor who fails to maintain nonimmigrant status and exchange visitor classification or who fails to depart from the United States on the termination of such status or classification, shall, upon warrant of the Attorney General, be taken into custody and promptly deported pursuant to sections 241, 242, and 243 of the Immigration and Nationality Act. Exchange visitors who engage in activities of a political nature detrimental to the interests of the United States, or in activities not consistent with the security of the United States shall be considered to have failed to maintain exchange visitor classification. Deportation proceedings under this section shall be summary and the findings of the Attorney General as to matters of fact shall be conclusive. Exchange visitors shall not be eligible for suspension of deportation under section 244 of the Immigration and Nationality Act.

SEC. 3. Section 202 of such act is amended to read as follows:

"BOOKS AND MATERIALS

"SEC. 202. The Secretary is authorized to provide for interchanges between the United States and other countries of books and periodicals, including Government publications, and for the preparation, publication, distribution, translation, and interchange of such writings and other cultural and educational materials, including visual and auditory materials of all kinds."

SEC. 4. Section 601 of such act is amended by inserting after the words *"Provided, however,"* the following: "That the Commission on Educational Exchange shall recommend policies and programs to further cultural relations with participating countries by means of exchange of persons and other means, and shall recommend criteria for the selection of persons for participation in exchange programs under this act: *And provided further,"*.

SEC. 5. (a) Section 602 (a) of such act is amended (1) by inserting before the period at the end thereof a colon and the following: *"Provided,* That no office under a State university, land-grant college, or other similar educational institution shall be deemed to be a compensated Federal or State office for the purposes of this subsection."; and (2) by adding the following new sentence: "After July 1, 1956, the Commission on Information shall consist of 7 members, not more than 4 of whom shall be from any one political party; and the appointments of the 2 additional members initially shall be for terms

ending in January 1957, but thereafter shall be for 3-year terms."

(b) Section 602 (c) of such act is amended by striking out of the words "and public service" and inserting in lieu thereof the words "public service, professional, business, agriculture, and labor."

SEC. 6. Section 603 of such act is amended by striking out the words "a semiannual" and substituting the words "an annual" therefor.

SEC. 7. Title VI of such act is amended by adding at the end thereof a new section as follows:

"BINATIONAL COMMISSIONS

"SEC. 604. The Secretary is authorized to establish in any country in which a program under this act is in effect an advisory commission which may be composed of citizens of such country or citizens of the United States, or both. It shall be the function of any commission so established to advise the Secretary with respect to matters concerning the administration of such program. The Secretary is also authorized, wherever practicable, to utilize in the administration of exchange programs under this act the services of any binational commission established under authority of any other law providing similar exchange programs. Appropriations made to carry out the purposes of this act shall be available to the Secretary for payment of the expenses of any commission established or utilized pursuant to this section."

SEC. 8. Section 702 of such act is amended by designating the present provisions as "(a)" and by adding the following new subsection:

"(b) Whenever the President determines it to be necessary for the purposes of this act, not to exceed 10 percent of the funds made available to carry out United States information program activities may be transferred to and consolidated with the funds made available to carry out international educational exchange activities and may be used for any of the purposes for which the latter funds may be used."

SEC. 9. (a) Section 801 (6) of such act is amended to read as follows:

"(6) to create, with the approval of the Commission on Information and the Commission on Educational Exchange, such advisory committees as the Secretary may decide to be of assistance in formulating his policies for carrying out the purposes of this act; and from time to time to hold meetings of representatives of United States cultural and educational institutions and other organizations interested in programs under this act for the purpose of making reports on, and obtaining comments and suggestions with respect to, such programs. Such persons will not be considered as persons 'employed or assigned to duties by the Government' within the meaning of the act. No such member of an advisory committee or representative of any such institution or organization shall be allowed any salary or other compensation for services, but he may be paid his actual transportation expenses and per diem in lieu of subsistence and other expenses at the rate prescribed by or established pursuant to section 5 of the Administrative Expense Act of 1946, as amended (5 U. S. C. 73 b–2) while away from his home in attendance upon meetings within the United States or in consultation with the Department under instructions."

(b) Section 801 of such act is further amended by striking out "'and" at the end of paragraph (5), by striking out the period at the end of paragraph (6) and inserting in lieu thereof a semicolon, and by adding at the end of the section the following new paragraphs:

"(7) to engage the services of experts and consultants, or organizations thereof, as authorized by section 15 of the act of August 2, 1946 (U. S. C., title 5, sec. 55a), and individuals so engaged may be compensated at rates not in excess of $50 per day and, while away from their homes or regular places of business, may be paid travel expenses, including per diem allowances in lieu of subsistence at the rates provided for in the Standardized Government Travel Regulations."

SEC. 10. Section 802 of such act is amended—

(1) by inserting "contracts for insurance, guaranty, and indemnity, and" after the first "including" in paragraph (2); and

(2) by striking "and" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and by adding after paragraph (4) the following new paragraphs:

"(5) to pay emergency medical expenses and expenses of travel incurred by reason of illness for alien employees while assigned temporarily for duty outside the countries in which they reside or for participants in activities authorized by this act and to pay for accompanying medical attendants in such cases; and

"(6) to pay the travel expenses, including a per diem allowance in lieu of subsistence, of alien employees and their dependents when such employees are authorized to travel in connection with appointment, change of duty, or separation.".

SEC. 11. The first sentence of section 902 of such act is amended to read as follows: "If any other government or any international organization shall express the desire to provide funds, property, or services to be used by this Government, in whole or in part, for the expenses of any specific part of the program undertaken pursuant to this act, the Secretary is authorized, when he finds it in the public interest, to accept such funds, property, or services."

SEC. 12. Section 1008 of such act is amended by inserting before the period at the end thereof a comma and the following: "except that the report concerning activities under the educational exchange programs authorized by this act shall be submitted annually on or before the 31st day of December of each year to apply to activities conducted during the previous fiscal year."

SEC. 13. The United States Information and Educational Exchange Act of 1948 is further amended by adding the following new sections at the end thereof:

"PAYMENT OF CERTAIN CLAIMS

"SEC. 1012. For the purpose of promoting and maintaining friendly relations abroad by the prompt settlement of meritorious claims arising in a foreign country, the Secretary of State and the Director of the United States Information Agency, and such other officers as they may designate for such purposes, and under such regulations as they may prescribe, are hereby authorized to consider, ascertain, adjust, determine, and make payments, where accepted by the claimants in full satisfaction and in final settlement, of claims on account of damage to or loss or destruction of public or private property both real and personal or on account of personal injury or death, including claims respecting personal property bailed to the Government and claims for damages incident to the use and occupancy of real property, whether under a lease, express or implied, or otherwise, whenever caused by any instrumentality, officer, agent or employee of the department or agency, incident to the performance of any official functions for the United States, when the amount of such claim does not exceed $5,000: *Provided*, That in cases where the amount exceeds $2,500 but does not exceed $5,000, payment shall be made only after approval by the Secretary or Director.

"The Secretary or Director may certify to Congress any meritorious claim or portion thereof which is in excess of $5,000 as may be deemed to be just and reasonable for payment out of appropriations that may be made by Congress therefor.

"No claim shall be considered unless presented within 1 year after the claim arose, except for good cause shown that the claim could not have been presented within that period of time.

"Every claim settled under the authority of this act shall be final and conclusive for all purposes, notwithstanding any other provision of law to the contrary.

"UNITED STATES INFORMATION OFFICERS

"SEC. 1013. (a) In accordance with regulations prescribed by him and after suitable examination, the Director of the United States Information Agency may appoint persons to be known as United States Information officers. Such officers shall be appointed, promoted, and retained on the basis of merit and fitness and may be separated only in accordance with law. Except for the limitations of time contained in sections 522 and 527 of the Foreign Service Act of 1946, as amended, all provisions of law not inconsistent herewith which are applicable to Foreign Service Reserve officers shall be applicable to United States Information officers, and the Director shall be guided by the policies and principles prescribed in those sections. The Director shall established such examining and selection boards or panels as may be necessary for use in the appointment, promotion, and separation of United States Information officers.

"(b) Any United States Information officer may be separated by the Director for unsatisfactory performance of duties, but only after a review of his case by, and opportunity for a hearing before, an impartial advisory board appointed by the Director. The Director shall also provide for the periodic appraisal of such officers and, in accordance with regulations prescribed by him, may separate those who are consistently ranked below a minimum level prescribed for their class.

"(c) The Director may establish an independent retirement and disability system for the benefit of United States Information officers based on the provisions of the Foreign Service Act of 1946, as heretofore or hereafter amended. Any officer separated pursuant to subsection (b) hereof shall be entitled to the payments or retirement benefits prescribed in sections 634 or 637 of that act, as appropriate.

"UNITED STATES INFORMATION SERVICE

"SEC. 1014. The agency established by section 1 of Reorganization Plan No. 8 of 1953 shall hereafter be known as the 'United States Information Service' and all references in such reorganization plan or in any statute, regulation, agreement, or other legal instrument to the 'United States Information Agency' shall be construed to refer to the 'United States Information Service'. Nothing in this section shall be construed to alter or affect in any way the functions, authorities, or responsibilities of the agency."

Mr. MANSFIELD. Mr. President, the purpose of S. 3638 is to make more effective the International Educational Exchange Service conducted by the Department of State and the United States Information Service conducted by the United States Information Agency. The proposed amendments to the United States Information and Educational Exchange Act of 1948 are mainly administrative in nature. They relate to personnel matters, methods of operation, and requirements for reporting to the Congress. These changes will not substantially affect either the cost of the existing programs or their content.

These amendments make no change in the objectives or philosophy of either the educational exchange program or the information program. The proposed amendments will make possible a better administration of these two programs which constitute important instruments for carrying out the foreign policy of the United States.

Mr. President, I ask unanimous consent that a summary of a statement which I have prepared may be printed at this point in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MANSFIELD

S. 3638 was introduced by Senator SMITH, for himself and Senator MUNDT, on April 16, 1956, at the request of the executive branch. S. 3638 brings together in one bill the following separate bills or executive branch requests for legislation: (1) S. 631, introduced on January 21, 1955, by Senator MUNDT and relating to the educational exchange program; (2) S. 2410, introduced on July 5, 1955, by Senator SMITH and relating to the information program; (3) a letter from the Department of State dated March 5, 1956, relating to the exchange program; and (5) letters from the United States Information Agency dated March 5 and March 27, 1956, relating to the information program.

The Subcommittee on State Department Organization and Public Affairs held a public hearing of S. 3638 on April 17, 1956. Testimony was received from Deputy Assistant Secretary of State for Public Affairs, Mr. Robinson McIlvaine; the Director of the United States Information Agency, Mr. Theodore Streibert; Assistant Secretary of State-Controller, Mr. Isaac W. Carpenter, Jr.; and Deputy Assistant Secretary of State for Personnel, Mr. George Wilson. No other statements have been received either for or against the bill.

For those Members of the Senate who have not had a chance to study S. 3638 I shall briefly give the highlights of what the bill, as amended as the subcommittee proposes, will do. First, the bill would authorize the Director of the United States Information Agency to establish a career category of officers to be known as United States information officers. These officers would have substantially the same status as Foreign Service officers with respect to pay, job security, and retirement, but they would not be confirmed by the Senate and they would be commissioned as diplomatic officers only with the approval of the Secretary of State. Second, the bill authorizes the Secretary of State to send foreign students from one country to another country in order to study subjects pertaining to the United States or to participate in meetings sponsored by individuals or organizations of the United States. Third, the bill would authorize the Secretary of State and the Director of the United States Information Agency to settle claims arising in foreign countries on account of death or injury of persons or damage to property when such harm is caused by any agency or employee of the Department of State or the United States Information Agency and when the amount of such claims does not exceed $5,000. Fourth, the bill authorizes the administrators of the information program and the exchange program to protect certain private contributors to these programs against damage to them resulting from such contributions. For example, this authority would allow United States Information Agency to protect contributors of paintings or art objects loaned to the Agency for exhibition.

These are the main new authorizations in the bill. There are, in addition, a number of rather minor administrative improvements which the bill authorizes.

I believe that S. 3638, together with the amendments which the committee has recommended, is a sound bill. I believe it contains amendments to the Smith-Mundt Act which will be very useful in carrying out the objectives of that act.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am delighted to yield.

Mr. KNOWLAND. Is it not the Senator's understanding that the bill was reported by the Committee on Foreign Relations by a unanimous vote?

Mr. MANSFIELD. That is correct.

Mr. KNOWLAND. It was supported before the committee by testimony both by the United States Information Service and the Department of State, whose representatives appeared in favor of the proposed legislation. Is not that correct?

Mr. MANSFIELD. That is correct. I might say that extensive hearings were held on all phases of the proposal.

Mr. President, in response to a request from the Senator from North Dakota, [Mr. LANGER] the committee was furnished with the figures, indicating what the estimated cost of the proposed legislation will be. I ask unanimous consent that the matter be printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

COST ESTIMATES UNDER S. 3638

No additional funds are to be requested by the State Department or the Information Agency for implementation of the proposed changes. All expenses of the changes will be absorbed out of regular appropriations.

Since there are no mandatory provisions in the bill which will require additional costs, the estimates of costs for the Exchange Program of the Department of State are amounts which experience has demonstrated as desirable if sufficient funds are available. These estimates are valid only to the extent that total funds provided for international educational exchange activities warrant their use.

The estimates of costs of the proposed changes are as follows:

Sec. 1	State	$100,000.
Sec. 2 (a)	State	$847,000.
Sec. 2 (b) (under new sec. 201 (b) of the act).	State	$486,500.
Sec. 3	USIA	No additional cost.
Sec. 4	State	Do.
Sec. 5 (a)	State	Do.
	USIA	$1,000.
Sec. 5 (b)		No additional cost.
Sec. 6		Small saving.
Sec. 7	State	$125,000.
Sec. 8 (a)	State	$17,000.
	USIA	$1,000.
Sec. 8 (b)	State and USIA.	$3,000.
Sec. 9 (1)	USIA	$25,000.

The estimated cost of purchasing insurance to cover borrower paintings and other objects for exhibit would be less than $25,000 per year. The agency is not able to estimate the extent of the liability which might be incurred by it under contracts indemnifying exhibitors of its films against third-party claims. However, the agency would not employ such contracts of indemnity except in unusual situations where the financial risk of the United States was outweighed by the benefits to be derived from the film showings. Few such situations are anticipated.

Sec. 9 (a):		
Medical expense under sec. 802 (5) of the act.	State	$25,000.
	USIA	$2,000.
Travel of aliens and dependents under sec. 802 (6) of the act.	USIA	$30,000.
Sec. 10		No additional cost.
Sec. 11	State	Small saving.
Sec. 12:		
Claims under sec. 1012 of the act.	USIA and State.	$12,000.
U. S. Information Officers under sec. 1013 of the act.	USIA	$125,000.

Estimated cost to the Agency of the new personnel authority is about $125,000 per year due to minor individual salary adjustments in converting present officers of the Agency to United States Information officers. This sum will be absorbed from regular appropriations.

With reference to the cost of financing the retirement system, the Agency is informed by the Treasury actuarial staff that the modified "pay as you go" plan, which it is understood is now favored, will require no appropriations for the first 4 years of operation of the new retirement system. The cost of subsequent years of operation would be included in regular appropriations, but this cost would in part be offset by a reduction in the cost of Civil Service Retirement benefits for Agency employees converted from this system.) At present most USIA employees are covered under the Civil Service Retirement System.)

Change of name under section 1014 of the act, USIA, no additional cost.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the committee amendments will be considered and agreed to en bloc.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. SMITH of New Jersey subsequently said: Mr. President, this morning, when I was absent from the floor, on request of the Senator from Montana [Mr. MANSFIELD] the Senate passed Senate bill 3638, which had been reported favorably from the Committee on Foreign Relations S. 3638, and which contains the 1956 amendments to the United States Information and Educational Exchange Act of 1948. Since I participated in the proceedings on the bill, and since, by chance, I happened to be absent from the floor, I ask unanimous consent that there may be printed in the RECORD, following the passage of the bill, a statement which I have prepared on the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMITH OF NEW JERSEY

I should like to add a few words to the statement made by Senator MANSFIELD in support of S. 3638, which contains the 1956

amendments to the United States Information and Educational Exchange Act of 1948. It was my privilege to introduce S. 3638 on April 16, 1956, for myself and Senator MUNDT. This bill brings together in a single consolidated bill S. 631, introduced on January 21, 1955, by Senator MUNDT with my cosponsorship and S. 2410, which I introduced on July 5, 1955, for myself, Senator FULBRIGHT and Senator MUNDT. A hearing was held last year on S. 2410. In March of this year the Department of State and the United States Information Agency requested that the Committee on Foreign Relations consider S. 3638 in lieu of further consideration of S. 631 and S. 2410. A public hearing on S. 3638 was held on April 17, 1956. Testimony favoring the bill was heard from representatives of the Department of State and of the United States Information Agency. No other statement was received by the committee either for or against the bill. On May 8, 1956, the full Committee on Foreign Relations, after approving certain changes in S. 3638, voted unanimously to report it favorably to the Senate.

The junior Senator from Montana has summarized the principal provisions of the bill. I should like to say a special word about two of the features of the bill. Section 2 (a) of the bill would authorize the Secretary of State to provide for the attendance of nationals of cooperating countries at selected institutions of learning in another cooperating country for the purpose of study of subjects pertaining to or affecting the United States or of participation in meetings sponsored by individuals or public or private organizations of the United States. For example, it might be in the interest of the United States to bring together at one school in a particular Latin American country a group of Latin American teachers of English to take an intensive course under American professors in the teaching of the English language. This provision would also permit sending the nationals of other countries to such American schools abroad as the American University at Beirut, Robert College in Turkey, and the Salzburg Seminar in Austria.

Another feature of the bill which deserves a special mention is section 13 which would add a new section 1013 to the United States Information and Educational Exchange Act. This would authorize the Director of the United States Information Agency to establish a career category of officers to be known as United States information officers. This authority has been recommended by the United States Advisory Commission on Information in its reports to the Congress for the past 2 years. The new section would permit the Director to give these United States information officers substantially the same status as Foreign Service officers with respect to classification, pay, allowances, job security, promotion, leave, medical benefits, recreation facilities, and retirement. There would be some differences between United States information officers and Foreign Service officers. The new information officers would not be confirmed by the Senate and they will have an independent although substantially identical retirement system. As is well known, the United States Information Agency is carrying on very important activities of the United States abroad. If the Agency is to do its job well it must have able people. Recruitment of able employees is vastly facilitated if the Agency can offer them career opportunities; that is, the chance to start work in an organization in which they will be paid and promoted according to merit, will be protected from arbitrary or partisan political action, and in which they may look forward to retirement with a reasonable income.

The new authority provided in section 13 of the bill will permit the Director of the United States Information Agency to provide such career opportunities. This important step forward is one which must be taken carefully. We expect the Director of the United States Information Agency as he administers the new personnel system to do so in a manner that will reduce insofar as possible friction among United States personnel abroad; which will insure that the new personnel system will be a merit system and that political considerations will not be influential in appointments; and which will insure that the United States Information Agency's personnel system will be as like the United States Foreign Service and the Department of State personnel systems as may be practical.

It is my conclusion and that of the Committee on Foreign Relations that S. 3638 contains necessary and important modifications of the United States Information and Educational Exchange Act of 1948 which will help the Department of State carry out a more effective United States educational exchange program and help the United States Information Agency to administer a more effective United States information program.

TREASON IN A WAR THAT IS COLD

Mr. EASTLAND. Mr. President, this is May 1956. We in the United States Senate, in our deliberations, have been watching the deterioration of opposition to communism in the Far East. As chairman of the Internal Security Subcommittee, I have had to listen to testimony now for a long time about how American citizens, working in a tightly knit conspiracy, have been doing everything in their power to bring Soviet power into Asia. They have lent their pens and voices to the Soviet world propaganda apparatus with a villainy that is almost inconceivable to decent Americans. They have participated in anti-American demonstrations of every kind, on the air, on the platform, and in the press throughout Asia. They have falsely accused their own countrymen of the most reprehensible misconduct. They have provided the tools for the brainwashing of American prisoners of war. And at least one of them, as I am about to show, took a leading part in the actual Sovietization of Chinese peasants.

One witness, a good American, told us that the activities of these renegades would have a most disastrous effect in China. I quote him:

> It would give (the Chinese) the impression that the people of the United States were pro-Communist and were held down from expressing their procommunism by the imperialistic government in Washington. It tended to destroy the hope or minimize the hope in the hearts of many, many Chinese, the hope for liberation, the hope for freedom.

In the course of all this testimony, I have frequently wondered about the application of an important section of our Constitution which defines treason against these United States.

Section 3 of article III of the Constitution reads:

> Treason against the United States shall consist only in levying war against them, or in adhering to their enemies, giving them aid and comfort. No persons shall be convicted of treason unless on the testimony of two witnesses to the same overt act, or on confession in open court.
>
> 2. The Congress shall have power to declare the punishment of treason.

I think we in Congress have not pursued this mandate of the Constitution sufficiently in terms of present realities. I think that we should analyze the activity of those American citizens who have, even during a period of war, adhered to our enemies and have given them aid and comfort. I also think that we in Congress, particularly those of us on the Internal Security Subcommittee, should do a great deal toward casting the evidence concerning Communist activity that we have obtained into the mold of this section and article of the Constitution. I believe that the recent indictment of three people who appeared before the Internal Security Subcommittee—John W. Powell, Sylvia Powell, and Julian Schuman—is a step in that direction.

When I speak of present realities, I refer, of course, to that new kind of international conflict, the cold war. When the Constitution was drawn, war was conducted by hostile armies marching across borders. Enemies were the members of those hostile armies. But the cold war is not quite like that. As the Senator from Indiana pointed out some time ago:

> Communist subversion is and always has been the spearhead of Communist military attack. If the free world unites to put down subversion first, it may never have to face military attack at all.

And again:

> Communist subversion is a net, woven in Moscow and stretched from country to country all around the world.

We all know that, Mr. President. All three branches of the United States Government have found that American communism is a conspiracy to overthrow our Government by force and violence. They have found that this conspiracy is directed from Moscow. They have found that the participants in the conspiracy, regardless of their nationality, have no loyalty except to Moscow.

Consider the case of Klaus Fuchs, the man who gave Moscow the secrets of the atomic bomb. He had been a Communist in Germany and a Communist in England. His name was found among the documents which were seized when the Canadian Government struck at the Communist conspiracy in Ottawa. He handed over the atomic secrets to an American Communist on an American street corner. The American Communist saw to it that those secrets reached the hands of his Russian masters in the Kremlin.

Consider another notorious Kremlin operation, the Sorge conspiracy in Asia. Sorge himself was a native-born German but his only loyalty was to the Communist International, which he served. His Red lieutenants were Chinese, Japanese, British, Belgian, and American.

The President of the United States recognized the realities, when he said:

> What did this penetration into Government mean? It meant contamination in some degree of virtually every department, every agency, every bureau, every section of our Government. It meant a government by men whose very brains were confused by the opiate of this deceit. These men

were advisers in a foreign policy that—on one side of the world—weakly bowed before the triumph in China of Communists hailed as agrarian reformers. On the other side of the world this policy condoned the surrender of whole nations to an implacable enemy whose appetite for conquest sharpened with every victory. This penetration meant a domestic policy whose tone was set by men who sneered and scoffed at warnings of the enemy infiltrating our most secret counsels.

It meant—in its most ugly triumph—treason itself.

Mr. President, the cold war against the United States was declared in the Kremlin nearly 40 years ago. It has been waged against us ceaselessly ever since. I ask Senators to think in terms of these realities, as we consider legislation to implement the constitutional definition of treason.

I know of no better way to illustrate these realities than by outlining the story of William Hinton, whose testimony the subcommittee releases today.

On July 6, 1953, William Howard Hinton walked into the American consulate at Prague, Czechoslovakia, and asked for a passport application. He was a former OWI and UNRRA worker, who had gone to China nearly 7 years before and remained there after the Communists conquered the mainland. His UNRRA passport had long since expired, and to get out of Red China he had obtained an exit permit, which got him across the Soviet Union and into Communist Czechoslovakia. Now, he wanted a document which would give him entry to the United States.

The application which was handed to him contained the following words:

I (have) (have not) accepted or performed the duties of any office, post, or employment under the government of a foreign state or political subdivision thereof.

Hinton, or someone in the consulate, typed over the word "have" and added some additional phrases, so that the application read:

I have not accepted or performed the duties of any office, post or employment under the government of a foreign state or political subdivision thereof, unless employment as agricultural technician on the Chuang Chiao State Farm, Tunghsien, Hopei, China, may be interpreted as coming under any of the above provisions.

He reaffirmed this statement on another page of the application, declaring, "I have never accepted" employment under a foreign government, "unless the above mentioned" Shuang Chiao state farm job were held to be such.

Hinton swore that the statements quoted here were true. He further swore to "support and defend the Constitution of the United States against all enemies foreign and domestic" and to "bear true faith and allegiance to same." So he was given the passport which got him back to America.

Subsequently, Hinton made several appearances before the Subcommittee on Internal Security. On one of these occasions, he was examined by the junior Senator from Idaho [Mr. WELKER], as follows:

Senator WELKER. Did you tell the passport division over there * * * the truth on your application?

Mr. HINTON. I decline to answer that (on the grounds of the first and fifth amendments).

Senator WELKER. Did you lie to the passport division in Prague in order to get back to the United States of America?

Mr. HINTON. I decline to answer that on the same grounds.

In his first appearance before the subcommittee, Hinton made four requests to read a prepared statement which, according to him, described his experiences in China. He was told of our rule requiring witnesses to submit such documents 24 hours before a hearing. Nevertheless, that rule was waived on his behalf, and the statement went into the record. Of course, it was a transparently servile piece of propaganda on behalf of the Red Chinese Government, which has killed, tortured and starved so many of Hinton's fellow countrymen. But it contained one brief paragraph which is clearly relevant to our present discussion. Remember, Mr. President, the words I am about to read are William Hinton's own. Remember that they were prepared with forethought by him, and were inserted into the record at his insistent request. Here are those words:

In drawing up this statement, I have been handicapped by the fact that all of my notes, diaries, correspondence and background material on China were seized by the United States Customs when I returned to the United States.

There is general agreement, Mr. President, that nothing like William Hinton's notes, diaries, correspondence and background material has ever come into our subcommittee's possession. To my knowledge, nothing like this has fallen into the hands of the free world since the cold war began. They are a day-by-day, family-by-family, village-by-village chronicle of the Sovietization of China's farmers. They include schedules, tabulations, interviews, and charts to inform Communist authorities just who was robbed, and how often; who was beaten, and how often; who ran away, and how often; and who died.

They were written by one who began as an observer. Then he joined a work group, and learned how to purify the party—purify being a Marxist synonym for purge. His zealousness, his passionate, repeated, fully-expressed determination to wipe out all anti-Communist thought, elevated him finally to the post of upper cadre. As Hinton himself makes clear, this means that he occupied a place in the Communist command.

"We organized," he says in the notes, "diaries, correspondence and background material, which were seized from him by United States Customs." He also says, "we purified, we sent directives."

He also says that they—or we—treated different classes differently, and that we upper cadres must take the blame.

The Hinton papers are also a compendium of Communist doctrine, of Communist official propaganda in both English and Chinese. There are nearly 400 photographs, some of them from official propaganda sources, and some which seem to be the work of amateur photographers. They include pictures of many Americans whose activities the subcommittee is scrutinizing in its current study of The Scope of Soviet Activity.

Added up, these notes, diaries, correspondence and background material are the autobiography of a traitor. Does any Senator question that word? Well, Mr. President, here is William Hinton's picture, which we found among the background material he told us about. He is dressed in Chinese garb, standing on a platform in front of the Communist hammer and sickle, the flag of Communist China, and a picture of China's Communist dictator, Mao Tse-tung. He is making a speech to his fellow Communists.

Here are some of William Hinton's own words, which we found among the notes, diaries and correspondence that he swore were his. First, are selections from a letter he wrote to his two sisters, Jean and Joan.

Jean Hinton, incidentally, was a protégé of Nathan Gregory Silvermaster, one of the most dangerous of Soviet spies. Joan worked under Robert Oppenheimer at Los Alamos. Her mother—and probably Joan herself—was given the use of Oppenheimer's ranch for a summer vacation. Joan followed her brother's example and went East, where she remains, a passionately devoted, viciously dishonest propagandist for Red China's cause. It should also be noted that the Hintons were closely associated with the family of Owen Lattimore.

Before Joan's flight to China, she and Jean received a letter from their brother in far-off Tientsin. He did not like the news from home. "That great beast, America," he told his sisters, "looks down upon the world and licks its lips."

And then he wrote this:

So far I have seen no evidence of the anti-American feeling that is supposed to be rampant here. This worries me a little since it indicates the people have not yet learned who their enemies are. The soldiers are a little more conscious of the facts of life and always look astounded when you tell them you are an American.

I repeat, Mr. President, William Hinton's notes, diaries and correspondence are the autobiography of a traitor.

The Red Chinese soldiers who crossed the Yalu to kill American boys, have a special place in Traitor Hinton's heart.

Among his possessions was an account of a trip from Yenan to Mongolia, which he made during the Korean war. It is clear from this document that the Communist Hinton had full freedom to come and go throughout Red China at a time when other Americans were being brainwashed, starved, and tortured in Communist prisons. There is no difficulty in understanding why, once we examine this cheerful little travelog. Let me read a few passages.

He visits a fort, and reports joyfully that "Life is moving ahead here with a swing."

The walls of the forts are plastered with slogans—

He writes—

Carry out the new marriage law, raise production, join in the great land reform rechecking movement, oppose America and aid Korea, study the thought of Chairman Mao.

He meets a doctor, and complains because the latter seems to still have a little "Chung Mey"—worship America—attitude. But, says Hinton, the doctor "is learning fast and putting into practice many Soviet techniques."

Then, in a railroad station, he looks upon—

A long crowded platform of People's Volunteers dancing and singing, as they waited for their train.

When this or that group got tired of dancing they stopped, lined up, and burst into song, singing "Leap Across the Yalu" and other popular tunes of the day. * * * The whole scene was one of collective gayety and good spirits. I could not help thinking what the American soldiers must be like as they leave for the front. Do they dance and sing, laugh and joke, study reading and writing, push health and exercise?

Hinton reports:

Everyone is putting renewed effort into aid for Korea to see to it that the imperialists never again dare poke their pig's snout into liberated China.

He taught in a North China university, where boys and girls were trained for every kind of Communist revolutionary task. He took those boys and girls to a "struggle meeting" in a former Catholic Church, and gloated while one shivering human was shrieked at by a Red mob for 11 solid hours, for indulging in the crime of "landlord thought."

He conferred and banqueted with a commissar of the Central Committee of China's Communist Party.

He taxed, purged, classified, and brought wholesale Communist discipline to terrified peasants in Chinese villages.

He made a speech in a town square, urging his listeners not to yield to tolerance. He surveyed a Red propaganda display and complained because it did not inflame the peasants to "a broader scope of accusation."

He went to a meeting of foreign writers at a Red army school. He conferred with the Red army's chief of staff on the very eve of the great offensive of 1948. He danced in the streets to celebrate Soviet holidays and the victories of China's Red army. He met with Communist cadres to discuss recruiting, militia, preferential treatment for soldiers families and training with rifles, grenades, mines, and so forth.

He wept at the memorial service where Red China officially commemorated Agnes Smedley's 20 years' service in the Communist underground, and to which it sent Red Army soldiers to lay flowers on her grave.

He rejoiced at the spectacle of People's Volunteers on the way to North Korea to kill American boys.

He brainwashed himself and others, time and time again, to wipe the last vestiges of Americanism from his mind and soul.

His papers tell the story of that brainwashing, Mr. President. Here are a few passages, which show his gradual progression from an agricultural technician to an upper cadre of China's Communist legions.

When he was still an UNRRA worker in Nationalist territory, he wrote this to his then wife, Bertha, who was in the United States:

There is a move on here to get me into the job of supplying Communist areas and if I can get it, I will take it * * *. I would be on salary and doing something that I have no qualms about.

Shortly thereafter, he begged her to "come to China right away. I have burned certain bridges behind me," he said. His wife burned bridges, too, in response to that plea, and her bridges remain burned. One of the first things Hinton did on returning to the United States was to get a Reno divorce and cast his wife and child adrift behind the Bronze Curtain.

Here is an example of self-brainwashing, of that Communist passion to believe everything good about the Soviets and everything bad about the United States:

I suppose you have enough sense not to credit any of the stories about Russian artillery, Russian shells, Russian officers, Japanese troops, etc., that are pouring out of Mukden. There is no doubt that these are all fabrications * * *. No Russian arms, equipment, men, or anything else have ever been seen in Manchuria since the Russians withdrew. The American Government and the American press know this full well—after all, we have a whole corps of men on the spot whose main task is to prove that the Russians are helping the Reds. So far they have been grossly disappointed—yet they continued their insinuations, innuendoes, and outright lies.

The story develops in many documents, including letters to Sidney Engst, another former UNRRA worker and renegade, who married Hinton's sister Joan in China. Note it, against the background of Hinton's sworn statement at the American consulate in Prague, to the effect that he had simply been an agricultural technician at a single state farm.

I was just settling down to a quiet period of teaching and study when the land reform began in this Hsien—

He writes to Engst.

Many students went out to join in the work and I got ants in my pants and rushed around until I too got permission to go * * *. We are in no way a high-powered group, so we made some bad mistakes and wandered all over the lot. After 2 months we still haven't organized the Peasants League, but we have organized the basic groups and purified the party.

"Purified the party?" He means purged, does he not, Mr. President? This American, this so-called agricultural technician is beginning to practice Soviet discipline upon Chinese peasants on their own Chinese soil.

A little later, the agricultural technician lays down his tools.

As for the tools, he says—

I have been so busy with this land reform that I have neglected them quite a bit.

Listen, Mr. President, as he becomes more and more enraptured:

Everyone who calls himself a revolutionary or wants to work for the Chinese people must now examine himself, prepare himself for mass work, for handing leadership to poor peasants and hired laborers, to give up one's own land, perhaps even struggle against one's own parents.

"Well when you are going to treat different classes differently you must have some idea of who is in what class and that was one of the most interesting parts of the work. Standards were set by the central committee (based, by the way, on standards drawn up by Lenin back in 1919) and everyone including the most backward and illiterate peasants studied them. You have never seen such a mass education movement as this was. Millions of peasants learned how to distinguish a rich farmer from a middle farmer (this is the key point since the former are struggled and the latter protected) and a poor farmer from a middle one. They learned it by applying these standards to all the families in their village. The whole village was classified three times so that there would be no mistake. Each time everyone appeared before the people of his part of the village, reported his land and property and his opinion of his class. Then all discussed and decided what he was. After the whole village was finished the list was posted. * * *

My work mainly consists of going from farm to farm, looking into the way things are done, helping to solve problems, criticizing and encouraging. * * * To arrive at any of the state farms is like a homecoming for me, for almost all of the drivers are my students, old friends and comrades. * * * Every day, no matter how busy the work is there is at least an hour or two of political study, and if it can't be carried out in an organized way during the heaviest rush of work it is done individually through reading the paper whenever there is a spare moment.

It was while we were assembling the combines for the 10,000 mou wheat harvest that the Stockholm peace appeal reached the Chi-Heng State Farm. It was discussed for several days and was signed by everyone.

The Stockholm peace appeal, of course, Mr. President, was a routine Moscow fraud.

Of all the things I have seen in this last year and a half the most striking has been the development of the cadres and workers through the political education led by the Communist Party.

Through countless work-review meetings and meetings for self and mutual criticism the people are gradually united and steeled.

The people were united in other ways than in work-review meetings, Mr. President. They were united in death. Time magazine reported a few weeks ago that "at least 20 million Chinese have been deprived of existence since the Communists took over." Time adds:

In no previous war, revolution, or human holocaust, either in the days of Tamerlane or in the time of Hitler, have so many people been destroyed in so short a period.

There is no charity, no grief, no horror at this human holocaust in William Hinton's heart. In all the thousands of pages in the footlocker he brought home, we found only a paragraph or two to express disapproval. It is not the disapproval of Christian outrage. It is the ideological disapproval of the Communist upper cadre.

Here it is:

The leftist errors really began to be serious in May 1947. Correction in our area began after Chairman Mao's Christmas report in about the middle of January. Beginning at that time we sent three directives from the Taihang subregion to the Diwey Party committees. * * * The peasants must be under proletarian leadership. Without proletarian thought to guide them they commit just such errors and destroy the revolution. It has been our experience

that whenever the peasants are mobilized to struggle they push on toward extreme equalitarianism and the cadres invariably follow along. In this case we upper cadres must take the blame for not having given the lower cadres full explanation and education about this point.

What is the goal which William Hinton sought? He tells us in a single, all-embracing sentence:

If gas ever becomes cheap here this may be the first genuine collective farm in Asia outside the Soviet Union.

Let us forget Hinton as an individual, and examine in perspective the material which he unwittingly put in our hands. The first successful Communist revolution in Europe, the Bolshevik uprising of 1917, occurred in a country whose population was overwhelmingly agricultural. The first successful revolution in Asia occurred in China, whose population was of the same character. The Asian revolution is rolling onward toward other great masses of land-hungry peasants.

Lenin drew the farmers into his revolution with the slogan, "All land to the peasants."

Mao Tse-tung did the same for his, with the cry of "Land to the tillers."

Listen to this. This is one of the many statements of basic Communist doctrine, which William Hinton brought home. It is entitled "The 1946 Mass Movement in Shantung Province by Chang Yeh, Director of the Mass Mobilization Department of the Provincial Party Bureau."

Section IV deals with Land Reform in Front-Line Regions.

The cadres must become convinced—

Says this basic Communist document—

that only through coordinating land reform with the military struggle can both activities be successful.

To clear the way of obstacles, the people must be mobilized to fight against big puppets ar landlords who collaborate with Chiang Kai-shek. The sentiment of the people can only be aroused by launching an accusation movement against such persons.

All cadres and militia leaders must be under the sole leadership of the party in order to support the military campaign as well as conduct the land reform program.

Front-line struggles need support from other regions. They need material help as well as mass leaders and militia leaders who can reinforce their own leaders in launching a real attack.

Could any statement be clearer than this? The so-called land reform program, the trick of pretending to give "land to the tillers" was simply a means of recruiting them as cannon fodder for the Red army.

That is why Hinton, this agricultural technician, this tractor expert, asked so many questions in the villages and drew so many reports and charts on recruiting, militia, and soldiers' families. That is why he sought the facts about training with rifles, grenades, mines, et cetera. That is why he wanted the peasantry inflamed to a broader scope of accusation.

He was a recruiting sergeant, disguised as a grease monkey. As I have shown, Lenin fueled his revolution with the promise of "all land to the peasants." Then what happened? He and Stalin took the land away. They called it collectivization. They called it socialization of agricultural property. It was theft. It was murder. It reached its climax in the awful planned famine, when Stalin deliberately starved to death 5 million men, women, and children because they wanted to keep the land which had already been given them.

Mao Tse-tung fueled his revolution with the same kind of promise. And what is he doing now? Exactly what Lenin and Stalin did before him. Here are some passages from a Red Chinese broadcast, which the State Department monitored on January 26:

PEKING, January 25.—Mao Tse-tung, chairman of the People's Republic of China, called a meeting of the Supreme State Conference this afternoon to discuss the draft 1956–67 national program for agricultural development. * * *

Chairman Mao Tse-tung made a speech at the meeting. He said that the country was at present in a high tide of the great Socialist revolution. The founding of the People's Republic of China signified that the Chinese Revolution had begun to move from the stage of bourgeois democratic revolution to the stage of Socialist revolution. This meant that the Chinese revolution had entered the transitional period from capitalism to socialism.

The Socialist revolution was aimed at releasing productive forces, Chairman Mao Tse-tung said. The changeover from individual ownership of agriculture and handicrafts to Socialist collective ownership, and of private industries and commerce from capitalist ownership to Socialist ownership would certainly lead to an ever greater releasing of productive forces.

What was it the land reformer, William Hinton said?

If gas ever becomes cheap here, this may be the first genuine collective farm in Asia, outside the Soviet Union.

The first.

Thirty-five years ago, Mr. President, an American named Harold M. Ware worked on one of the first collective farms in the U. S. S. R. Then he came home in 1931 to nourish communism on the misery of our depression-stricken farmers. He organized farm strikes, milk strikes and violence throughout the Middle West. But those were nothing compared to the harm Hal Ware did to the cause of human freedom on the day he enlisted Alger Hiss into the Red government underground.

Is William Hinton a reincarnation of the late Hal Ware?

What is Hinton doing now? According to his own calculations, Mr. President, he has made 300 speeches since his return to the United States.

He is talking to students. He made a speech to the Scattergood School near West Branch, Iowa, in July of 1954. He was a participant on several panels at the University of Colorado from April 18 to April 22, 1955, according to information received from the president of the university. I call particular attention to this appearance at the University of Colorado, which occurred 8 months after Hinton's first appearance before the Subcommittee on Internal Security, where he had been fully exposed as an agent of Red China's government and where he had repeatedly invoked the fifth amendment rather than tell the truth about himself or other members of his family.

He was a member of the faculty—note that, Mr. President—at the 13th annual Institute of International Relations, auspices of the American Friends Service Committee, which was held at the Pennsylvania College for Women in March 1954.

The program for that institute states that it is located "about 1 mile east of the cathedral of learning."

Today, Mr. President, the Internal Security Subcommittee releases the testimony taken at the most recent Hinton hearings. I urge all Senators to give it most careful study for many reasons.

It shows, from the very inside, how Chinese Communist farmers were trapped by the Communist lie of "Land to the tillers" into shedding their own blood for the Communist cause. By the same token, it shows that the sinews of ultimate Communist overthrow will come from those same farmers, not only in China, but also in Rumania, Bulgaria, Czechoslovakia, Poland, and Russia herself.

It shows, through the deeds of one man, how the Soviet conspiracy can move its puppets from government bureau to government bureau, from farm to farm, from platform to platform, from country to country, from continent to continent.

It shows how the mind and soul of an educated American was turned upside down by Communist unreason, until that American became the incarnation of Dostoevsky's Possessed.

It shows the relations of this American with others of his kind, who are linked in a conspiracy of betrayal to their country, which extends from a Vermont village to a Mongolian farm.

Some of the photographs we found in Hinton's footlocker, Mr. President, were taken during that Red-run ceremony of fraud known as the Asian and Pacific Peace Conference. In one of these, John W. Powell, his wife Sylvia Powell, Julian Schuman, and Joan Hinton are seated on a platform, apparently listening to the recording of a germ-warfare confession, which was extorted from an American aviator and repudiated by him as soon as he came home.

The Powells and Julian Schuman have all appeared as witnesses before the subcommittee. They were the people who ran the China Review, which Red Chinese used to brainwash American prisoners of war, with death as a possible penalty if the prisoner resisted.

As I have already pointed out, the Powells and Julian Schuman were indicted by a Federal grand jury in San Francisco a few days ago.

Hinton's story has a clear connection with that of the Powells, Julian Schuman, and other Americans who participated in the so-called Asian and Pacific Peace Conference.

But do not all these stories, all of them, trace back to the story of Harold M. Ware, who was trained for treason in the U. S. S. R. 35 years ago? And is it not time for the Congress to recognize this

relationship, in terms of the constitutional definition of treason?

Mr. LEHMAN obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. For how long a time?

Mr. MANSFIELD. For not more than 20 minutes. Will the Senator yield to me with the understanding that he will not lose his right to the floor?

Mr. LEHMAN. Mr. President, I ask unanimous consent that I may yield to the Senator from Montana for not more than 20 minutes, provided I do not lose my right to the floor.

The PRESIDING OFFICER (Mr. LAIRD in the chair). Is there objection? The Chair hears none, and the Senator from Montana may proceed.

REVIEW OF FOREIGN POLICY—V. FOREIGN POLICY FOR THE AMERICAS

Mr. MANSFIELD. Mr. President, from time to time during the past few months I have discussed various aspects of our foreign policy on the floor of the Senate. I have now reached, so to speak, the fifth installment in this series.

My previous remarks were addressed to the need for a review of policy, to the situation in Southeast Asia, to the North African crisis, and to developments in the Middle East. Today, I wish to consider this country's relations with the other American Republics. Crisis on crisis elsewhere in the world has diverted our attention from Latin America in recent years. The absence of attention, however, is not necessarily an accurate measure of importance.

Inter-American relations are today, as they long have been, of the greatest significance to the United States. For decades, as a people, we have understood the value of these ties—of close and cooperative intercourse with the other nations of the Western Hemisphere. Unfortunately, Mr. President, what the American people have long understood has not always been faithfully reflected in our contacts with Latin America.

Over the years we have more than once pursued ill-conceived and irritating policies toward countries in that region. These aberrations in our national attitude ought not to loom large in the total of inter-American relations. I regret to say, however, that they do, for they have left a lingering aftermath of bitterness. They can still lead to sudden and often unreasonable outbursts of resentment against this Nation and its policies. They can still lead to misunderstanding and estrangement.

I mention these uncomfortable facts at the outset because I see no value, but much potential harm, in deluding ourselves into believing that they do not exist. If we are going to strengthen inter-American relations, it seems to me essential that we face them honestly. If we do so, we can avoid the inflaming of old wounds. If we do so, we can act to reduce their importance by advancing against them the positive promise of pan-Americanism, the great promise of hemispheric progress through hemispheric action.

The Senate will recall that that was the purpose of the good neighbor policy. With the strong support of this body, it served the purpose admirably.

Out of the good neighbor policy came technical aid programs, a steady flow of sound investment capital to Latin America, and joint undertakings like the Falcon Dam on the Rio Grande. These and similar measures provided a powerful impetus for the vast expansion in inter-American trade of recent years.

Out of the good-neighbor policy came a great increase in travel and in cultural and educational cooperation. This interchange of peoples and ideas promoted widespread understanding among the Republics of the Western Hemisphere. It gave rise to a new appreciation on the part of each for the intrinsic worth of the others. It stimulated a rediscovery of the essential unity of the Americas.

Out of the good-neighbor policy came the Rio Pact and the revivifying of the Pan American Union as the Organization of the American States. These achievements reduced the danger of war within the Western Hemisphere and provided a basis for cooperative defense against threats from external aggressors. The Organization of the American States, moreover, established machinery for common progress in many fields other than defense. That machinery awaits only an inspired leadership to turn it, with great effectiveness, toward the mutual benefit of the entire hemisphere.

The good-neighbor policy, to sum up, explored and enlarged the horizon of common interest among the American states. In so doing, it lifted hemispheric cooperation to its highest point in a century or more. It held the American Republics together through the difficult and dangerous years of World War II. It provided a setting in which totalitarian enemies found little opportunity to irritate old wounds to the detriment of freedom in this hemisphere.

Mr. President, I am afraid that what was true of inter-American relations through the war and early postwar years is no longer true. The unity of the American Republics has weakened; the ties have grown slack.

I know that some will contend that these observations are unfounded. They will point to the common positions which the American nations continue to take at the United Nations. They will cite unanimous resolutions passed at inter-American conferences. In my view there may well be shadows of unity, not the substance. They may serve only to conceal the dissatisfaction which is spreading throughout the Americas.

The last two conferences of the American Republics will serve to illustrate the point. We obtained passage of resolutions against communism. These merely restated what everyone knows, that the nations of the Western Hemisphere are opposed to Communist totalitarianism. Yet, on the basis of the passage of these resolutions, the executive branch proclaimed these conferences to be a great success.

What did the press reports, however, have to say of these conferences? They reported their lack of constructive achievement. They reported the spreading bitterness among the Latin American States over what they believed was our failure to give sympathetic treatment to their problems. An observer went so far as even to describe one of the conferences as a meeting between two belligerents under a flag of truce.

As further evidence of disunity, we may note that it is not uncommon these days for Latin American officials to be publicly critical of this country. They speak of Latin America as the forgotten continent in United States policy. Finally, I would point to the shift in attitudes toward the Soviet Union in the Latin American countries. A few years ago a Russian diplomatic and economic offensive directed at Latin America might have been dismissed with ridicule. Today, it is no longer a laughing matter.

Mr. President, we may well ask ourselves what these and similar disturbing indicators mean. They certainly do not mean that the ties which bind the Americas have been damaged beyond repair. Nor do they mean that Latin America is moving from the camp of the free nations to the Soviet bloc.

They do signify beyond any doubt, however, that in Latin America as in other areas of the globe a change of direction has set in and it is definitely not a change for the better.

What has happened, I believe, is that the vast reservoir of good will between ourselves and the Latin American nations has begun to run out. Despite warnings from many quarters little has been done to refill it. What was created by two decades of the good-neighbor policy is now in danger. In our relations with Latin America, in short, we are beginning to pay the price of years of neglect.

I am fully aware of the extenuating circumstances behind this neglect. The demands on our policy elsewhere in the world have been continuous and have been heavy. It is a tribute to the good sense of the Latin Americans and to the constructive work of the good-neighbor policy that the neglect has not already done more damage.

Nonetheless, Mr. President, we cannot expect inter-American relations to flourish indefinitely on past momentum, on accumulated capital. Since it is to our interest that these relations do continue to flourish, we must act to strengthen them within the framework of the total requirements of our foreign policy.

When the executive branch altered the name of Latin American policy from good neighbor to good partners, I thought the change signalled an intent to do precisely that. Partner, after all, suggests a more active cooperation even than neighbors. Unfortunately, we have had not more cooperation but less. We have had over the past 3 years an acceleration of the trend toward disunity in the Americas. Good partners, so far, has meant not progress beyond the good-neighbor policy; it has not even meant the preservation of the achievements of that policy.

In these circumstances, it is important to emphasize once more the dangers of

foreign policy by slogans. It is important to counsel the executive branch that the peoples of the Western Hemisphere did not respond with enthusiasm to the good-neighbor policy because of some strange magic in the words. They reacted not to words but to the inspiration and the sincerity which were inherent in the policy. They reacted to its solid achievements, achievements which served the interests of all the American Republics.

For my part, I am quite prepared to indulge this administration in its desire to be different. There is no reason why a policy of good partners cannot be at least as effective as a policy of good neighbors. If it is, I shall support the new as wholeheartedly as I have supported the old. I am confident that the Senate, the Congress, and the American people feel the same way.

But, Mr. President, I must reiterate that good partners is not yet a policy. It is a phrase; and it is destined to remain a phrase unless it begins to promote what it promises—the greater progress and prosperity of the American Republics.

The executive branch must begin to unfold the meaning of this phrase in action, and it must begin soon. Otherwise, we will find that the good partnership not only has failed but that the good neighbors have been alienated in the process.

I know that such is not the intention of the executive branch. The President has made clear his interest in inter-American relations in many ways. One of the early acts of his administration was the dispatch of Dr. Milton Eisenhower, a distinguished citizen and a wise choice, to Latin America to appraise the situation. More recently he convened a conference with the President of Mexico and the Prime Minister of Canada at White Sulphur Springs. It has also been reported in the press that the President is anxious to attend the next inter-American conference in Panama.

Personal contacts of this kind can be helpful. Like slogans, however, they are not enough. If good partners means anything at all, it means a continuing, a determined, and a reasoned effort to strengthen the ties which bind together the nations of the Western Hemisphere.

It seems to me that any such effort must be based on a clear recognition of what the other American nations mean to us and what we in turn mean to them. This community of interest contains the key to common action for common progress.

If we did not know it before, World War II made clear to all the interdependence of the Americas in the defense of the freedom in this hemisphere. Few Latin American countries failed to recognize their stake in the outcome of World War II. Many joined with us at the outset in prosecuting the war. Before it was over, 17 of the 20 Latin American nations were actively opposing our enemies.

On our part, the knowledge that the southern approaches to the United States were secure enabled us to prosecute the war vigorously elsewhere. The availability of strategic materials in Latin America—of copper, tin, petroleum, and others—helped immeasurably to sustain our war production when other sources of supply were cut off.

The examples of the interdependence of the Americas for defense could be multiplied. I know, however, that the Senate is well aware of this, and I shall not labor the point. What I wish to stress, however, is that this interdependence is only a part of a larger pattern for the defense of our country. We ought not to proceed under the illusion that the safety of this country and, in truth, of all the Americas can be provided for behind the ramparts of a nonexistent fortress America.

A few geographic facts will illustrate the need to regard inter-American defense not as something apart but as a part of a whole. If we consider Madison, Wis., as the geographic center of the United States, we will find that it is closer to Moscow than it is to Buenos Aires or even to Rio de Janeiro. And Madison is closer to London than to any country in Latin America other than those which face the Caribbean.

In the light of these and similar strategic realities, hemispheric defense can find its validity only in the broader concept of the defense of freedom. But within that concept the validity is very great indeed.

We have, I believe, in the Rio Pact and the Organization of the American States, the instrumentalities for giving adequate recognition to the common defense needs of the Western Hemisphere. There is certainly no requirement for vast grants of military aid such as have flowed to Western Europe. So far as I am aware, the Latin American nations do not seek such aid.

We can keep peace among ourselves and contribute to keeping the Americas and the world at peace, I believe, by preserving and perfecting the machinery under the Organization of the American States which was created for that purpose under the good neighbor policy. The community of interest of the Western Hemisphere in this respect is clear-cut and unmistakable, and it coincides with and supplements the similar interest of free nations elsewhere in the world.

If common hemispheric concern for defense is great, the community of economic interest among the American Republics is scarcely less important. The Latin Americans look to this Nation as a principal foreign source of investment capital and technological skills. Some $6 billion of private and profitable American investments are concentrated in Latin America. Additional billions have been made available through the Export-Import Bank and other lending facilities. These, too, have paid a good return. The Latin Americans find markets for their products in the United States and we in turn sell ours in the Latin American countries. In 1955 the level of this trade reached $7 billion annually—23 percent of our worldwide commercial trade. What this trade means to the United States is highlighted by the fact that some 40 percent of all automobiles and vehicles exported go to Latin America.

What has already been achieved in terms of mutually beneficial investment and trade relations is only a beginning. Latin America is now on the threshold of what could be a vast expansion in its capacity to produce and to consume. As it is now, the per capita income of most Latin American nations is scarcely $250 a year. Health and educational facilities are for the most part seriously underdeveloped. With both area and population greater than that of the United States, Latin America has less than 10 percent of the paved roads and installed electric power.

The basic resources and the will to use them in economic development are present today in most of the other American Republics. These countries, in fact, have set a very rapid pace of development in the years since the end of World War II. They have done so, as is appropriate, largely by their own efforts. The labor is theirs. Except in certain highly specialized areas, the skills are theirs. And 90 percent of the capital investment is theirs.

This country, and particularly private American capital, has played a part in the phenomenal progress of Latin America during the past 10 years. Technical aid programs have supplied some needed skills and training. Loans from the Export-Import Bank and other sources have provided funds for many basic undertakings on which the economic expansion of Latin America has rested.

Despite the great mutual benefit which has stemmed from inter-American economic relations, there is widespread discontent in Latin America with the present state of these relations. There are many aspects to this discontent, but I shall cite the one which appears to be at the root of the difficulties. The Latin American countries point to the contrast between the vast aid programs in other regions of the world and comparatively limited aid to Latin America. They seek a greater flow of investment capital from the United States. They argue that failure to maintain a high rate of economic development based on larger capital investment will increase the pressures of Communist and other forms of totalitarianism within Latin America.

The position of our Government, as I understand it, is that ample sources of sound credit are available in this country. It is contended that private capital as well as loans from official lending institutions like the Export-Import Bank would flow to Latin America, if the countries of that region would provide a more favorable legal climate for investment.

Mr. President, I am not sufficiently versed in the intricacies of international finance to discuss the merits of these conflicting points of view. I shall leave those matters to the distinguished chairman of the Committee on Banking and Currency [Mr. FULBRIGHT] and the other able members of that committee.

As I see it, however, the issue comes to this. There is a danger everywhere, including Latin America, if the influx of foreign capital is of a kind or at a rate which produces a boom and bust type of economic development. Conversely,

however, there is also a danger everywhere, including Latin America, of adverse social and political consequences if economic development is too long delayed.

Let me say again what I have said many times in the Senate. The primary responsibility for the economic development of any country rests with the people of that country and their leaders. We can supply neither the leadership nor the determination. If both are present, however, and what is lacking is a margin of investment, then I believe it is in our interest as well as in the interests of our neighbors to do what we can to make that investment.

It ought not to be beyond the capacities of the executive branch to devise means for meeting the sound capital import needs of the Latin American countries. Whether the formula involves additional incentives to private investors, the expansion of existing official credit facilities, or new regional lending institutions, is a matter which the specialists in these problems are better equipped to comment on than I.

From the point of view of cooperative inter-American relations, however, I think that the urgent requests of the Latin Americans for expanded credit sources should receive the most serious and sympathetic consideration from the executive branch. If these requests are sound and reasonable, we ought to try to meet them. If they are not, then we ought to have the courage to say so and to give our reasons for this conclusion. That this has not been done seems to me to provide one more indication of why a thorough and an independent review of our foreign aid policies is in order.

Beyond common defense needs, beyond economic interdependence, lies still another great area of human interrelationship in which the American nations can contribute to their mutual enrichment. We of this hemisphere, including Canada, are great repositories of Western cultural achievements. These have flowed to the new world through the centuries in fixed and separate channels running east and west across the Atlantic. There would be nothing incongruous in enlarging this pattern of communication by providing additional lines running north and south to link the American continents. The additions would serve only to add to the splendor of the design.

Each of the American nations has added unique contribution to the Western heritage. Yet we still know comparatively little of the newer achievements in Latin America and the Latin Americans of ours. The machinery for stimulating interchanges of this knowledge of the Americas largely exists in the Organization of the American States. What is needed is a full utilization of the potentialities of that body.

I should like to suggest in this connection the possibility of an expanded role for the Organization in carrying out technical assistance within the hemisphere. I should like to suggest, too, that greater emphasis be given to inter-American exchange in such fields as art, literature, and the sciences.

Finally, Mr. President, I should like to urge careful exploration of the idea of establishing a great University of the Americas in some centrally located area, perhaps in Puerto Rico, which is in many ways the confluence of all the cultural influences that have shaped the Americas—the European, the African, and the Indian.

I know there are many difficulties inherent in this concept. But if it is a sound concept ways can be found to surmount the difficulties. I believe it is a sound concept, a great University of the Americas can provide a focal point for deepening understanding of the shared values of the civilizations of the Americas and for enlarging the interchange of ideas, skills, knowledge and achievements among the American Republics.

What I have been outlining here this afternoon, Mr. President, is merely suggestive of what I would regard as a constructive policy. I believe I have said enough, however, to indicate that there are many avenues to the fulfillment of the promise of pan-Americanism—the promise of hemispheric progress through hemispheric action. The role of the Senate is to advise and to consent in these matters. It is the business of the President to act. If the executive branch has the will to act and the intelligent initiative to act, action will be forthcoming which will once again point us toward rather than away from expanding hemispheric cooperation. If the executive branch has the will and the initiative, in time, perhaps, the good-partner policy may come to mean as much and even more to the peoples of this country and the other Americas as its predecessor, the good-neighbor policy.

I thank the Senator from New York for yielding to me.

Mr. CAPEHART. Mr. President, will the Senator from New York yield half a minute to me?

Mr. LEHMAN. I yield, provided I do not lose the floor.

Mr. CAPEHART. I wish to congratulate the able Senator from Montana on his speech, and likewise to say I think the record proves that the President and his administration have been doing the very things the Senator from Montana advocates, and I congratulate them upon it. I believe the record will show that under the President and his administration we have been lending more money, giving more help, and showing more friendliness than we have possibly at any time in the past 25 years. In spite of the good work which we have been doing, I think we ought to do more.

OPERATION BY UNITED STATES GOVERNMENT OF A RACETRACK AND EMPLOYMENT OF ITS GENERAL MANAGER

Mr. WILLIAMS. Mr. President, will the Senator from New York yield to me, with the understanding that he will not lose the floor?

Mr. LEHMAN. With that understanding, I yield.

Mr. WILLIAMS. Mr. President, I am sure that the American people will be interested to know that the United States Government is operating a racetrack, has employed as its general manager a nationally known racketeer, and is paying that former racketeer an annual salary of $35,000.

Tax claims of over $2½ million had been filed by the United States Government against William G. Lias, of Wheeling, W. Va., and a receivership had been requested and granted. Details of the Government's case against Mr. William G. Lias may be found in the CONGRESSIONAL RECORD, volume 97, part 10, pages 13325 to 13330.

Mr. Lias had been classified by the Department of Justice as one of the Nation's prominent racketeers, and I was very much surprised to find that they had hired him at a salary of $35,000 a year to manage his own receivership. He also has a record of many prior convictions.

The Wheeling Downs racetrack, Wheeling, W. Va., was a part of the receivership and is currently being operated for the United States Government by Mr. Lias, its former owner.

Mr. Lias, in referring to his position as manager of this racetrack, states that he considers himself now to be an employee of the United States Government; and if we assume such to be the case, it means that this racketeer, against whom the Government has a $2½-million tax lien, is, with his $35,000 annual salary, about the fourth highest-paid employee on the Federal payroll. His salary surpasses those of all Members of Congress, all members of the President's Cabinet, and the top officials of any Government agency.

During the same period Mr. Lias has been drawing this $35,000 salary to manage his own receivership, charges of being an undesirable alien were brought against him by the Department of Justice, and a deportation order was requested by the Attorney General.

Thus at the same time Mr. Lias was appearing in court defending himself against charges by the Attorney General of being an undesirable alien, he was drawing his $35,000 salary as manager of the receivership being operated for the same Government. In addition, Mr. Lias' wife is also on the same payroll.

In other words, he was drawing $100 a day from the Government while appearing in court answering the charges of being an undesirable alien.

To assist Mr. Lias in managing this racetrack, the receivers approved the hiring of a Mr. George Lewis, formerly of San Anselmo, Calif.

At the time of his employment Mr. Lewis was under a prison sentence for evading his taxes, and the Government at that time held a tax lien of more than $1 million against him and his wife.

The record of Mr. Lewis' case is as follows:

On January 13, 1954, an indictment was returned by the grand jury in the northern district of California, charging Mr. Lewis with the evasion of income taxes. The indictment contained three counts.

On February 18, 1954, Mr. Lewis pleaded not guilty and requested a jury trial, and on May 13, 1954, the jury returned a

verdict of guilty on all three counts of the indictment.

On June 8, 1954, the defendant's motion for probation was denied. The defendant was then sentenced to prison for 1 year on each of the 3 counts, terms of imprisonment to run concurrently, and he was fined a total of $24,000.

On June 15, 1954, Mr. Lewis filed notice of appeal from the sentence, and while this appeal was pending he was hired by the receivers as an assistant to Mr. William G. Lias to help him in managing Wheeling Downs for the Government receivership.

He retained this position until August 13, 1955, or 15 days after I had made inquiry of the Treasury Department about his employment.

The outstanding tax claims against Mr. Lewis and his wife at the time of his employment as an assistant to Mr. Lias were as follows:

Ida Lewis, Docket No. 51599

Year	Deficiency	50 percent penalty	Total
1946	$60,369.07	$31,351.19	$91,720.26
1947	179,875.65	89,937.83	269,813.48
Total			361,533.74

George W. Lewis, Docket No. 51600

Year	Deficiency	50 percent penalty	Total
1942	$7,068.61	$3,534.31	$10,602.92
1943	957.89	478.95	1,436.84
1944	20,674.26	10,337.13	31,011.39
1945	35,615.49	17,807.74	53,423.23
1946	62,517.12	31,258.56	93,775.68
1947	180,309.85	90,154.93	270,464.78
Total			460,714.84

George W. Lewis and Ida Lewis, Docket No. 51601

Year	Deficiency	50 percent penalty	Total
1948	$179,140.54	$89,570.27	$268,710.81

Mr. Lewis left his job at Wheeling Downs August 13, 1955, and on October 27, 1955, he was placed in the Federal Correctional Institution at Terminal Island, San Pedro, Calif.

This is the background of the Mr. George Lewis who was selected by the receivers as an assistant to Mr. William G. Lias to operate the Wheeling Downs racetrack as a part of the receivership for the United States Government.

The Government operating a racetrack having as its managers two tax delinquents—one a former racketeer, owing the Government over $2½ million and currently being charged as an undesirable alien; and the other owing the Government over $1 million and actually under a pending prison sentence at the time of his employment.

The Treasury Department disclaims any responsibility for the employment of these individuals on the basis that after the receivership was appointed the responsibility rested with the Department of Justice. The Department of Justice claims that the naming of the receivers was the responsibility of the Federal court, and that the selection of the personnel was then the responsibility of the receivers.

But regardless of who is responsible, of one thing we can be certain; and that is that this situation cannot be defended, and that so far as the ultimate answer is concerned, the loser will be the American taxpayers.

It is inconceivable that any division of the United States Government should have approved these two men, each with a highly questionable background, to operate a receivership which apparently had been requested for the purpose of protecting the Government's $2½ million tax claim.

On October 17, 1951, I criticized the situation wherein during the time the Government was investigating the tax liability of William G. Lias and establishing the $2½ million tax claim, the Treasury Department had knowingly allowed Mr. Lias to transfer a substantial portion of his assets to members of his family and accepted gift tax payments upon these transfers, thereby greatly diminishing the possibility of the Government's ever collecting its tax claim.

We find that the Government has now approved this same racketeer's drawing a $35,000 salary to administer his own receivership covering the remainder of his assets.

It is long past time when the Department of Justice and the courts should stop handling these racketeers in this kid-glove manner.

I think the courts should demonstrate that our tax laws will at least be enforced as vigorously against members of the underworld as they are currently being enforced against the average John Q. Public.

RULES OF INTERPRETATION GOVERNING QUESTIONS OF EFFECT OF ACTS OF CONGRESS ON STATE LAWS

Mr. BYRD. Mr. President, will the Senator from New York yield to me for 10 minutes, without his losing the floor?

Mr. LEHMAN. I yield with that understanding.

Mr. BYRD. Mr. President, the purpose of these remarks is to urge consideration and enactment before Congress adjourns of Senate bill 3143, now pending before the Judiciary Committee.

THE BILL

The purpose of the bill is to tell the Federal Supreme Court that when Congress intends a Federal law to invalidate all State laws in the same field it will say so, and otherwise the Court is not to presume such intention.

A companion bill, H. R. 3, is pending before the House of Representatives Judiciary Committee. The bills are short and to the point. They read as follows:

Be it enacted, etc., That no act of Congress shall be construed as indicating an intent on the part of Congress to occupy the field in which such act operates, to the exclusion of all State laws on the same subject matter, unless such act contains an express provision to that effect. No act of Congress shall be construed as invalidating a provision of State law which would be valid in the absence of such act unless there is a direct and positive conflict between an express provision of such act and such provision of State law so that the two cannot be reconciled or consistently stand together.

The bill was first introduced in both the House and the Senate early in 1954 when, under the Federal Supreme Court preemption doctrine, the Pennsylvania State Supreme Court held the Federal Smith Act invalidated the Pennsylvania antisedition law, under which Steve Nelson had been convicted of Communist activity.

The bill was reintroduced in 1955, when the present Congress convened. This particular Senate bill was introduced early this year.

House bill 3, is sponsored by Representative HOWARD W. SMITH, of Virginia, a former judge. In the Senate, S. 3143 was introduced by the Senator from Arkansas [Mr. MCCLELLAN], with 11 other Senators as cosponsors. Of the 12 Senators sponsoring the bill, 1 is a former State supreme court justice, 2 are former judges, 1 is a former State attorney general, 2 are former prosecuting attorneys, and 5 others are lawyers. I am the only sponsor who has been neither lawyer nor judge.

ORIGIN OF DIFFICULTY

The need for enactment of this bill now arises as a result of current application of a questionable theory, characterized by split decisions, developed many years ago by the Federal Supreme Court. The theory holds that when Congress enacts legislation on a subject, the Court may presume that Congress intends to take exclusive jurisdiction in the field, and State laws on the subject are nullified.

This theory has become known as the preemption doctrine. At the time when the doctrine was originated, the Federal Government was not legislating in the broad field it has now usurped, and no great significance was attached to it. Under today's expansive interpretation of interstate commerce, Congress is legislating on nearly every conceivable subject. Times have changed; and, if our form of government is to be preserved, the preemption doctrine must be outlawed.

UNDER THE DOCTRINE

A few examples of extremes to which the Federal Supreme Court has gone under the preemption doctrine demonstrate the urgent requirement for immediate enactment of legislation such as Senate bill 3143.

Congress passed a pure-food law; and the Federal Supreme Court, in the case of Cloverleaf Co. against Patterson, held that the State of Alabama was powerless to enforce its own laws for the protection of the health of its citizens.

The Nelson case in Pennsylvania is a more recent and even more dangerous example. Nelson, a notorious Communist, was operating in Pennsylvania in open violation of the State's sedition laws. He was prosecuted and convicted. But, when he appealed to the Pennsylvania State supreme court, it held in January 1954 that, in view of the Federal Supreme Court's application of the preemption doctrine, the State's antisedition law had been invalidated by the

Federal Smith Act. On April 2 of this year the Federal Supreme Court confirmed the Pennsylvania court decision, and thereby nullified antisedition laws in nearly all the States, Hawaii, and Alaska.

In recent days the Federal Supreme Court, in the case of United Auto Workers and UAW-CIO against Wisconsin Employment Relations Board, has granted a writ of certiorari, indicating its possible intention to prohibit the States from exercising ordinary police power for the preservation of peace and order in labor disputes. The case involves assault, battery, rioting, taking over public streets, arrest, and capture of persons on highways—all in violation of State laws.

RESULT OF TREND

The writ of certiorari in this case is ominous warning of the extent to which the Federal Supreme Court may further deprive the States of the basic, fundamental, sovereign right of States to protect their citizens from crime.

Based on what we have already experienced, it is frightening to contemplate where else State law may be struck down. For example, there is Federal legislation controlling traffic in narcotics and kidnapping. Should State laws protecting their citizens against these heinous crimes be invalidated?

The mere mention of 1 or 2 fields such as these, where the Federal Supreme Court may further deprive the States of jurisdiction, indicates the scope and danger of the present trend in Federal courts to take unto themselves jurisdiction to the exclusion of the States, when there is the slightest excuse to do so.

It is not my purpose to indulge in extravagances; but as chairman of the Finance Committee of the United States Senate, and as a member of the committee who has been voting on tax legislation for 23 years, I want to make the record clear in this respect:

I can think of no more direct way to destroy our system of government than to preclude State taxation in fields now occupied by Federal taxes. I cannot imagine that a responsible court would be capable of such a decision. But 5 years ago I would not have believed that the Court would ever strike down antisedition laws in practically every State in the Union. I submit that no tax bill has ever come out of the Senate Finance Committee with the intention that it would invalidate State tax laws in the same field. But the author of the Smith Act is authority for the statement that Congress did not intend to have that act nullify State laws.

URGENCY FOR LEGISLATION

If present application of the preemption doctrine is to prevail, how long will it be before the States are reduced to the status of provinces completely under Federal law construed only by Federal courts, perhaps contrary to the intent of Congress?

The gravity of the present trend in the Federal Supreme Court to usurp functions of State courts cannot be exaggerated, any more than can its tendency to destroy State jurisdiction. Each decision takes us further away from the constitutional system of government in which we have taken so much pride.

The time has come for Congress to exercise its power and perform its duty; to state—beyond any judicial interpretation to the contrary—the extent to which it intends that States shall be ousted from jurisdiction over local matters arising within their borders.

That is why we have introduced S. 3143 and H. R. 3.

These bills have no effect on any question committed to Federal courts by the Constitution. These bills would not apply in cases where there is conflict between State and Federal law; the Federal law would still prevail. They simply strike at presumption of law by Federal courts.

The bills are intended to do no more than say to the Federal Supreme Court that Congress does not intend to invalidate State laws unless it says so, and that no presumption of intent to exclude jurisdiction of State courts from any subject shall be taken from mere passage of an act of Congress.

This was the position taken by both Chief Justice Stone and Justice Frankfurter in a strong dissent to the Cloverleaf decision. They contended that State laws should be nullified only when the act of Congress in question specifically provides for invalidation.

There is ample room for concurrent jurisdiction by both State and Federal courts in many areas where the Constitution expressly has not given exclusive jurisdiction. Among other advantages of proper concurrent jurisdiction is more expeditious meting of justice. Under the present trend, congestion in Federal court dockets is denying justice.

GENERAL LEGISLATION

There are pending in Congress several other bills which should be kept in mind to avoid confusion. They would only correct the one decision in the Steve Nelson case. They should not be considered in such a manner as to sidetrack the enactment of general legislation. To correct only one case at a time, after injury has been done, would be sham and subterfuge.

Further delay in action of a general nature to preserve the sovereignty of States and save the dignity of State courts would be worse than doing nothing. Unless Congress is willing now to pass a general law precluding further application of the preemption doctrine, and restoring to the States the means to protect their citizens in peace and order, the situation will surely degenerate to a point which will compel the enactment of remedial legislation.

The importance of the principle involved and the vital necessity for general legislation is too great to warrant standing by for pressure group demagoguery or quibbling over language. If there is need for clarification of language, different language, or different bills, let us proceed to do what is necessary.

Effort will be made to relate these bills with the Federal Supreme Court decisions in segregation cases. From the inception, there has been no such relationship. I know of no better way to refute the contention than to repeat that the proposed legislation was prompted by the Steve Nelson case, and was introduced originally before the segregation decisions were handed down.

The contention will be made by labor unions that the bill in some way may involve the Taft-Hartley Act. The answer is that the Federal law prevails when State law is in conflict.

On the other hand, the bills are indorsed by such groups as the American Bar Association, the American Farm Bureau Federation, the National Economic Council, Inc., the National Grange, and the Committee of States' Attorneys General.

While the Department of Justice takes an adverse view of the proposed legislation, on the grounds that it would be difficult to administer, and confusion might result, it is also on record in the Steve Nelson case with a strong brief urging reversal of the preemption doctrine in that instance. Perfecting suggestions from the Department would be welcomed.

The proposed legislation has been pending a long time. The urgency for its enactment is increasing rapidly. I hope Congress will not adjourn without taking action on this matter, which is so vital to law and order and the administration of justice.

Mr. MURRAY. Mr. President, will the Senator from New York yield to me for the purpose of suggesting the absence of a quorum?

Mr. LEHMAN. I yield for that purpose, provided I do not lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	Millikin
Allott	Gore	Monroney
Anderson	Green	Morse
Bender	Hayden	Mundt
Bennett	Hennings	Murray
Bricker	Hickenlooper	Neuberger
Bridges	Hill	O'Mahoney
Bush	Holland	Payne
Butler	Hruska	Potter
Byrd	Humphrey	Purtell
Capehart	Jackson	Robertson
Carlson	Jenner	Russell
Case, N. J.	Johnson, Tex.	Saltonstall
Case, S. Dak.	Johnston, S. C.	Schoeppel
Chavez	Kennedy	Scott
Cotton	Kerr	Smathers
Curtis	Knowland	Smith, Maine
Daniel	Kuchel	Smith, N. J.
Dirksen	Laird	Sparkman
Douglas	Langer	Stennis
Duff	Lehman	Symington
Dworshak	Long	Thye
Eastland	Magnuson	Watkins
Ellender	Mansfield	Wiley
Ervin	Martin, Iowa	Williams
Flanders	Martin, Pa.	Wofford
Frear	McCarthy	Young
Fulbright	McClellan	
George	McNamara	

Mr. JOHNSON of Texas. I announce that the Senator from Nevada [Mr. BIBLE], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from West Virginia [Mr. NEELY] are absent on official business.

The Senator from Rhode Island [Mr. PASTORE] is absent on official business attending the atomic energy tests in the South Pacific.

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT], the Senator from Maryland [Mr. BEALL], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

The Senator from Nevada [Mr. MALONE] is absent on official business.

The PRESIDING OFFICER. A quorum is present.

INSURANCE AGAINST FLOOD DAMAGE

The Senate resumed the consideration of the bill (S. 3732) to provide insurance against flood damage, and for other purposes.

Mr. LEHMAN. Mr. President, on behalf of the Banking and Currency Committee, I urge the enactment of S. 3732, the Federal Flood Insurance Act of 1956.

This bill was unanimously reported to the Senate by the committee, for which I am privileged to speak and over whose hearings on this proposed legislation I had the assignment of presiding.

The report of the committee is before the Senate. It is a comprehensive report. It states the case for the bill and describes the background of the bill, certainly better than I can in the course of the remarks I shall make today. I shall try not to duplicate too much of what is contained in the report.

There are also available to each Member copies of the two sets of very comprehensive hearings which the committee held, first on the general question of disaster insurance and on the nature and extent of the tragic floods which affected the Northeast and the east coast last year, and second, on the specific proposed legislation which was introduced at the beginning of the session to meet the need that was so clearly demonstrated in our hearings last fall.

Third, there is available for those Members who wish to look closely into this matter, a most exhaustive and authoritative staff study of the subject of disaster insurance, printed as Senate Report 1313.

There are available, in fact, all the known data and information that could be gathered together for presentation during the consideration of flood-insurance legislation. No one, I think, can complain of a lack of background information and authoritative testimony, insofar as there is anywhere available such information and insofar as such authoritative testimony could be obtained.

During all of last fall I presided over hearings held in almost every one of the disaster areas. This year we held very detailed hearings on the proposed legislation which had been formulated by the administration and by the various unofficial experts whose services some of us in the Senate were able to mobilize.

From all these data and from all the legislative proposals which were before us, the Banking and Currency Committee has written a bill—a bipartisan bill, a bill reported by unanimous vote—for the consideration of the Senate. I hope that consideration will be favorable and that the bill will be passed.

I had the privilege of working first very closely with the junior Senator from Massachusetts [Mr. KENNEDY] in the formulation of S. 3137. The Senator from Massachusetts brought to this task the benefit of the insight and experience which had been gained from the disasters which struck Massachusetts last year. Subsequently, I worked over a long period of time with the distinguished senior Senator from Connecticut [Mr. BUSH], a member of the Banking and Currency Committee, who shared with me the main burden of attendance at the many hearings we held and whose knowledge of this subject and eagerness to devise an operable flood-insurance program contributed greatly to the legislative proposal which is now before the Senate.

I would be less than truthful if I did not say that the task of writing a practical flood-insurance bill was a long and a most difficult one, and that many problems remain still unsolved in connection with this proposed legislation.

This is avowedly a pilot program designed to gain experience in this field, but at the same time it is designed to provide some protection for people who desperately need it.

At this point I should like to take a moment to speak generally about the urgent need for flood insurance.

As far back as our records go, this country has been intermittently plagued with floods. No State has escaped their devastation, although in particular areas their impact may be more pronounced at one time than at another.

Consider the most recent example, one with which I happen to be particularly familiar. Last summer the northeastern section of this country was visited by one of the most devastating floods in the records of the United States Weather Bureau. The deluge released by Hurricane Diane, falling on ground already saturated by Hurricane Connie, wrought terror and devastation in the six Northeastern States affected. One hundred and sixty-seven persons were killed and more than 5,000 were injured.

Property damage was more than a half billion dollars. Half a billion dollars, Mr. President, is a conservative estimate. It includes only the direct damages. The immense additional losses—losses which are just as real, losses represented by the interruption to business activities, the time lost while men and organizations concentrated their entire energies on rebuilding—are not included in that figure of a half billion dollars of damage.

Nor does that figure attempt to encompass the toll of human misery and suffering. Every dollar of that half-billion is a dollar lost of somebody's savings, of his home, or the accumulated products of his life's work. The human mind can scarcely grasp what that means.

Take a very small example. A few weeks ago, I read into the RECORD a letter from a constituent who had suffered the least—the smallest possible form—of flood damage. He had had his basement filled with water. That sounds like a mere inconvenience, does it not? Let me read again what he said about this "mere inconvenience:"

> We borrowed quite a bit of money last fall to put in a new furnace and to make repairs as a result of the flood in March 1955. That money and those repairs are lost, we can't borrow again, we haven't paid off last fall's loan.
>
> We have no heat as yet, our hot water tank is broken, our washing machine is ruined, the basement floor is damaged and everything stored in the basement is lost. These may seem like small matters to some people, but to small people like us, trying to raise a family, it's close to a disaster.
>
> We can't sell this house; we have tried through the real-estate dealers. The only thing left is to let the house revert to the bank and lose our GI rights.

That letter represents perhaps $500 worth of that half billion dollars' worth of damage. Nearly 1 million people suffered that much or more during Hurricane Diane.

Mr. President, the pending bill is an effort to meet the needs of people like the ones I have just described. There are hundreds and thousands of others who suffered much greater damage. Some persons lost their life's savings.

I point out that the committee bill makes provision for a deductibility clause in all policies to eliminate nuisance claims. But cases of real hardship can and will be relieved through this program by making available, as widely as possible, insurance against the risk of flood damage.

The reason I am so strongly for this program, Mr. President, is my concern for the little fellow, the family with low and moderate income, with a home having a mortgage on it, a family which can be left, by one of these catastrophes, with only the prospect of debt piled on debt.

The big business concerns—at least the profitable ones—and the wealthy home owners can insure themselves, and write off damage against income in their tax returns. The average home owner cannot do this at all, and the small, struggling businessman finds it difficult and frequently impossible.

It is for these people that I have chief concern, and it is for these that the members of the committee have showed concern in writing this bill.

The private insurance companies do not write flood insurance on real property. There is no question of this fact. The record is replete with authoritative testimony to this effect. Witness after witness so testified before the committee.

All the representatives of the insurance companies said they recognized the need. They said it would be good if private insurance companies could write the flood insurance. But they are not now prepared to do so. They say it is practically impossible for them to do so on the basis of the data now available.

In view of the urgent public need, this is a place where government must move in. There is no alternative to a government program.

The committee does not propose to settle for inaction.

The President of the United States and his administration have urged a Federal

flood-insurance program. An administration bill, S. 2852, was introduced. The committee bill is a reconciliation of the administration bill, sponsored by my colleague from Connecticut [Mr. BUSH] and other Senators, and S. 3137, the Lehman-Kennedy bill. The committee has worked closely with administration experts in formulating this legislation.

I do not say that the committee bill conforms in every respect with what the administration wants, but it takes cognizance of every valid criticism and suggestion the administration has made.

We heard extensively from representatives of the private insurance industry. I would not say that this bill is warmly supported by all the private insurance companies, but it certainly takes into consideration all the constructive suggestions which they have made to us. Moreover, time and again, the private insurance industry has offered its counsel and services in carrying this program out if the Congress, in its wisdom, enacts it into law.

Mr. President, I do not pretend, and the committee does not pretend, that this program of flood insurance meets entirely the problem of floods in this country. Flood insurance is only a part of the answer. Another part of the answer lies in flood-control works.

For the past month I have spent much of my time supporting appropriations for flood-control projects in various sectiions of our country. There is no substitute for the planning and construction of physical works to control floodwaters. It is equally true, however, that no system of works designed for flood prevention and control can alone answer the need.

If the Corps of Engineers had the wisdom of Solomon, it could not foresee every flood. Floods occur where no flood ever has struck before. Local floods may be caused by conditions that appear but once in a century. Sometimes a town or city must run a calculated risk of occasional flooding, because the expense of complete protection would be prohibitive.

Moreover, even if it were true—which it is not—that all presently approved construction plans for flood control would, if completed, be adequate to prevent floods, still the fact is that many people must remain exposed to flood danger for many years—for many generations, if you will—to come; for the fact is that the existing plans are far from complete. Many have not even been commenced.

In the course of our hearings, the Chief of the Corps of Engineers, Gen. Samuel D. Sturgis, Jr., estimated that even if Congress should now proceed with all dispatch to make appropriations for the full schedule of flood-control projects which the Corps of Engineers has recommended, and for which it now has plans, it would require a minimum of 22 years to complete these flood-control works. Moreover, the Chief of Engineers made clear that under the basic statutes governing the activities of the Corps of Engineers, a flood-control project must be economically justifiable before it can be recommended by the Corps of Engineers.

Finally, Mr. President, as I have already indicated, floods sometimes strike where there was never an indication of a flood before. There were heavy floods in New York State in 1935 and 1936, but when the first tropical hurricanes hit the northeastern coast of the United States in 1938, they were the first such major flood storms to hit that area in more than 100 years.

The Chief of the Geological Survey and the Chief of the Weather Bureau both testified that gross changes are taking place in the weather pattern—they do not know exactly why—which have resulted in unexpected weather phenomena in many parts of our country.

Mr. President, for these reasons, nothing can be done to guarantee absolutely against flood damage by flood-control works and by protective structures. Insurance protection must be made available. If the private insurance companies will not make such protection available, the Government must. At least, the Government must show the way.

As I have said, the private companies have said repeatedly that they cannot now offer flood insurance. Some time in the future they may do so; and our program is so designed as to invite their participation as soon as they feel able to join in, and in whatever way they are able to join in. The fact remains that they are not now offering it, and do not expect to do so within the foreseeable future. Therefore, Mr. President, I say again that the Government must undertake this responsibility.

It is for that reason, and to serve that need, that the Committee on Banking and Currency has unanimously reported S. 3732.

I have said that, generally speaking, it is impossible in this country to purchase insurance against flood damage to real property, as well as to many types of personal property. Private insurance companies are not willing to risk a general entry into the flood-insurance field. Two main fears deter them. First, they doubt that any program would result in sufficient profits. Second, they are concerned lest floods cause catastrophic damage leading to an amount of insurance claims which would bankrupt the limited resources of a private insurance company.

Let me refer to the provisions of the pending bill.

First, it would authorize the Commissioner of the Federal Flood Insurance Administration—a new constituent agency of Housing and Home Finance Agency—to offer insurance or reinsurance against flood damage to real and personal property in the United States, whenever such insurance or reinsurance is not available on reasonable terms from other public or private sources. In doing so, the Commissioner will make use of the facilities and services of private organizations to issue the policies and to aid in adjustment of claims. This should serve to avoid the need of a large, costly, bureaucratic Federal organization to handle this program.

What we normally consider premiums for the Federal flood insurance will be computed as follows: The Commissioner will first compute what S. 3732 calls estimated rates, which are so-called actuarial rates, on each piece of property, according to its class, its location, and its vulnerability to flood damage. These rates would be so computed that, if collected, they would be sufficient, over a reasonable period of years, to pay all insured losses. I have noted that many insurance representatives believe these rates would be too high to attract purchasers of flood insurance. In recognition of this circumstance, the bill authorizes the Commissioner to collect only part of the estimated rate from the insurance purchaser. The part collected is referred to in the bill as a fee.

In the Commissioner's discretion, the fee may be lower than the estimated rate by as much as, but not more than, 40 percent of the estimated rate. The bill authorizes the Commissioner to establish a schedule of fees designed to provide insurance protection at reasonable costs designed to achieve marketability. Within the 40 percent limit, the Commissioner may fix different classifications of fees according to use of the property to be insured, the extent of availability of insurance from private sources, and the ability of the insurance prospect to self-insure or to provide mutual self-insurance through a reciprocal reinsurance arrangement. The Commissioner may then set different levels of fees for these classifications, but all within the 40 percent limit above noted. Within any given class of property, the fees will be uniform for similar risks; the intent being that a greater risk will call for payment of a higher fee.

The difference between, on the one hand, the fee actually charged to the insured and, on the other hand, the higher estimated rate he would otherwise have been called upon to pay in order to raise sufficient proceeds to pay insured losses, is an admitted subsidy. This must be paid by the Federal Government under the bill. It can never exceed 40 percent of the total difference between estimated rates and fees. At this stage of the proceedings, lacking operating experience on a nationwide basis, it is not possible to express the maximum subsidy exactly in dollars and cents.

As experience is gained under this program, it is expected the Commissioner will be able to set the fees at levels approaching the estimated rates, thus reducing the Federal subsidy, to the extent this proves to be consistent with providing the flood-damage insurance protection intended by the bill. Many hold the opinion that after an adequate experimental period with this program, it should be possible to operate it on a breakeven basis without requiring any Federal subsidy toward claim payments. Still others expect operations under the program to demonstrate that it can be run as a profitmaking commercial venture.

The bill requires that the Commissioner continually study the feasibility of having private-insurance companies take over the programs authorized by the bill, either with or without Federal finacial support. The bill also requires

that the annual report for the calendar year 1961 express an opinion by the Commissioner, supported by findings, as to whether it would be advisable for the Federal Government to withdraw from the flood-insurance field, keeping in mind the desirability of having flood-insurance protection made available to the public. After long and intensive study of this problem. I am convinced that the only practical way to obtain reliable answers to these problems is to operate a nationwide pilot-plant program of flood insurance and reinsurance such as that authorized by the bill.

In order to isolate the effect of administrative expenses on the feasibility of the program, the bill provides that these shall be paid out of funds appropriated through the usual congressional channels.

At the outset of the program, the bill limits the total face amount of flood insurance and reinsurance that can be made available under it to $3 billion. It permits the President to increase this limit by as much as an additional $2 billion, if an increase is advisable to carry out the purposes of the bill. As fees are collected on insurance policies sold, the above limits are increased by a like amount. On the other hand, they are decreased by an amount equal to claims approved under outstanding policies. This will limit the total size of the insurance and reinsurance program the Federal Government can operate under this legislation.

Let me point out that this represents the face amount of insurance that can be outstanding—not the expected cost to the Federal Government. In private insurance operations, the company's exposure to risk greatly exceeds the losses incurred—in fact, this is the very nature of the principle of insurance. The losses of the few are paid for from premiums paid by many who deem themselves potential victims of the perils insured against. Testimony was given our subcommitte to the effect that many private companies keep no record whatsoever of their total exposure to risk under property damage policies. Instead, they rely on the expectation that actuarially sound premiums will be sufficient to pay all insured losses and administrative costs, and to yield an acceptable profit. A single insurance company, it was reported, has about $20 billion exposure to risk of windstorm and other perils included in the company's extended coverage endorsement on fire-insurance policies, as compared with total assets of that company amounting to only $1¼ billion. By comparison, the $3 billion to $5 billion program authorized by this bill seems minute. But it is believed it will be sufficient to inaugurate a representative operating flood insurance program. I wish to emphasize again that the $5 billion figure represents the face amount of insurance and reinsurance under the bill. It is much higher than the expected cost of this program to the Government.

Because we have placed a stringent limit on the amount of insurance and reinsurance that can be made available under the bill, it has been necessary to place a limit on the amount available to any one person. In an effort to spread the available protection as far as practicably possible, a policy limit of $250,000 per person has been prescribed, provided that a lower limit of $10,000 per dwelling unit and connected structures and personal property has been set. The committee deemed these limits to be ample to furnish a fair share of protection to those who choose to take part in this program; although the limits may not be high enough to allow every person, corporation, and public body to buy all the flood insurance each would like to carry. These limits, of course, apply only to direct flood insurance issued by the Federal Government; they do not prohibit private insurance companies from issuing flood-insurance policies covering the risk above these limits on property so insured. Under the bill, policies so issued by private companies could be reinsured by the Federal Government. So by combining direct Government insurance with private company insurance, a person, corporation, or public body may be able to obtain the amount of flood insurance desired, depending upon the willingness of private insurance companies to enter this field either with or without the backing of Federal reinsurance.

Among the most tragic flood losses that came to the committee's attention, apart from loss of life and personal injuries, were those in which families of small or moderate means lost all their worldly possessions in a flood. Even more poignant were instances in which homeowners lost their mortgaged homes to the flood, but still owed the money due on the mortgage. In some cases the savings of a lifetime, earned by years of toil and laid aside through prudent husbandry, were wiped out in one swift rush of angry waters. It became necessary to use these savings immediately after the flood to pay day-to-day living expenses, in the absence of wages due to unemployment caused by the same flood, and to try to replace furnishings destroyed or damaged by floodwaters.

Many of these people have pleaded with us to use the powerful forces of the Federal Government in order to make some form of flood insurance available. Had the programs authorized by this bill been in effect, these flood victims would have been able to use the proceeds of insurance claims to repair and replace flood losses without such a heavy blow to their lifetime savings. The mortgagor would have been better enabled to meet the payments on his outstanding mortgage and to obtain a new mortgage in order to replace or repair his flood-damaged home. The $10,000 limit per dwelling on Federal flood insurance would be a substantial achievement by itself toward this goal.

Other far-reaching flood losses occurred when business enterprises were made inoperable, causing layoffs for most of their employees. To the worker this meant loss of wages; to the employer it meant loss of production and income; to the Government it meant loss of taxes from many sources. In the floods last fall, many small businesses were particularly hard hit. Operating a small business presents enough problems of obtaining working capital in the absence of a flood, but the flood damage compounds the problems. It compels the management to seek credit at a time when the physical business assets are at a low ebb. In many cases it presents the need for making the serious decision as to whether to resume business operations in the same location, or at all. Unless the enterprise resumes, the community may lose a source of employment for many of its citizens, with resulting adverse repercussions on the welfare of the entire community in the case of smaller towns.

Not all these problems will be solved by the pending bill, but the insurance and reinsurance programs it authorizes will make a helpful start toward their solution. Again, as in the case of homeowners, insurance proceeds come at the time they are most needed, relieve the insured's other assets from pressure, and maintain the credit of the insured. Insurance proceeds give him an immediate source of funds for the repair of flood damage.

The programs placed in operation under the bill should provide a fair amount of protection to those who purchase flood-insurance policies.

The proposed legislation requires a minimum loss deductible provision in each Federal policy equal to $100 plus 5 percent of the balance of each claim. This will serve to reduce nuisance claims, keep down the cost of servicing claims, and give the insured an incentive to minimize flood loss. In addition, the Commissioner may impose coinsurance requirements, so that property underinsured in terms of value will result in only partial recovery of partial losses. Under the bill, the Commissioner may increase the amount or percentage in the loss-deductible provision upon issuance of a policy, considering the class of risk involved. This will further decrease the Federal Government's exposure to loss under the insurance program, but I hope the Commissioner will keep in mind the aim of this bill to furnish the insured a fair amount of protection.

Although the bill limits the operating insurance program to flood, as defined in section 20, it directs the Commissioner to study the feasibility of offering insurance against other natural disaster perils whenever it is not generally and practically available in the United States from public or private sources. Another provision of the bill requires the Commissioner to include in the annual report for 1961 his opinion as to the feasibility of withdrawing the Federal flood insurance and reinsurance program, keeping in mind the desirabiliy of having such protection made available to the public. Moreover, no insurance or reinsurance can be issued under the bill if it is available on reasonable terms, from any public or private source. Finally, the Commissioner is directed to make use of the facilities and services of private insurance and adjustment organizations in carrying out the programs authorized.

Mr. President, in my opinion the matters I have discussed are the main features of the bill. More detailed explanation of these and other provisions may be found in the report.

The programs authorized will offer insurance protection to many who are actually potential flood victims, whether they realize it or not. One of the rather startling facts that developed out of the floods and hurricane rains of 1955 is that many are subject to water peril, even though their property is not located on streams. The deluge proportions of the rains caused damage to property on high ground. It also caused a backing up of water in small headwater streams causing serious flooding in areas not suffering such conditions for many preceding years, if ever. It was from victims such as these in my own State of New York that I have received heartrending requests for the institution of a flood-insurance program. Personally, I want to do all within my power to provide an opportunity to these people, and others who may find themselves in a like situation in the future, to purchase flood insurance at reasonable rates.

In the past, flood-insurance legislation has reached various stages of progress, but never has a bill on this subject been reported to either House of the Congress. Our committee has given long and very careful consideration to flood-insurance problems. This bill was unanimously ordered reported favorably by all committee members present. I urge its immediate enactment.

Mr. President, I wish to add a personal word: The committee held hearings in almost every one of the States which suffered damage as a result of the floods of last August and last October. The committee did not have an opportunity to hold hearings on the Pacific coast; but, in all, the committee held 14 hearings, as I recall. As I have stated, at the hearings there appeared before us many hundreds of persons, including manufacturers, merchants, the Governor and the Senators from each State in which we held hearings, teachers, Government workers, factory workers, farmers, and—above all—the owners of small homes. All those persons came before the committee and told their story. I suppose that in most cases the small homes whose owners testified before the committee had a value not exceeding $10,000, and in many cases a lesser value than that. In most cases the homes were saddled with mortgages probably amounting to the full value or as near the full value of the homes as it was possible to obtain on mortgages. When the homes were destroyed, as a result of the flood waters, the mortgages remained in effect; and the owners still owed $7,000, $8,000, or $9,000 for what were perhaps $10,000 homes. After the flood, they had to seek new loans, which were superimposed on the original loans. The home owners had no means of obtaining compensation to make it possible for them, through cash resources to which they are entitled, to get back on their feet.

Only a few Government agencies provide any relief of this kind. It is true that the Department of Agriculture makes some very small loans; and the Small Business Administration and the HHFA also makes some small loans. However, aside from those small loans, which must be repaid, no relief is available, save through private agencies.

The Red Cross has done excellent work in helping these people; but at a time when damage amounting to probably $1 billion has been suffered—and let me say that the estimates vary from $700 million or $800 million to twice that amount; but I have been conservative in figures I have been using—the amount of help which can be obtained through the Red Cross, from the public-spirited people of the United States, is small in comparison to the need.

Mr. President, it is impossible for me to find words to describe adequately the feelings of those who appeared before the committee and pleaded with it for assistance and action. I recall that in South Carolina there was a community, located near the ocean, consisting of 500 small houses. When the hurricane came, the tidal waters rose so high that all but one of those homes was swept into the sea. How that one home was saved is a miracle which no one can explain. The owners of all the other homes in that community suffered a complete loss.

The Senator from Connecticut [Mr. BUSH] and I and other members of the committee can speak to the Senate for hours, I am sure, in discussing the tragic situation created by floods; and the other members of the committee can speak much more eloquently than I have spoken. However, I have seen sufficient of the damage done by floodwaters—and let me say that I have personally seen in my own State of New York enough of the damage done by the floods which occurred in 1935 and 1936, when the people of New York suffered damage amounting to nearly $100 million—to convince me that it is the duty of the Congress to take steps now, immediately, to make at least this small portion of relief available to the people. Of course, Mr. President, the steps we propose are not wholly adequate steps; they will not meet the entire need. We should not make promises to the people which will not be realized. But, I am convinced that we must act at once. I urge the immediate passage of the bill without crippling amendment.

Mr. KENNEDY. Mr. President, will the Senator from New York yield to me?

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from New York yield to the Senator from Massachusetts?

Mr. LEHMAN. I am glad to yield.

Mr. KENNEDY. I desire to congratulate the Senator from New York on the very able statement he has made, and, more importantly, on the work he has done in connection with this matter since last September. I attended the hearings in Boston, and at that time I thought the job was an almost insuperable one, particularly in view of all the problems which were presented to the committee; and I did not know whether it would be possible for affirmative action to be taken.

I know of the work which has been done by the committee. I desire to congratulate the Senator from New York, and also to thank him on behalf of all the people of Massachusetts, for the splendid work he has done. I also desire to thank the distinguished Senator from Connecticut [Mr. BUSH] for the excellent work he has done. Their work has made it possible for this measure to be reported to the Senate.

Mr. LEHMAN. Mr. President, I thank the Senator from Massachusetts for his remarks.

Let me say that on many occasions during the hearings, and also between them, I was deeply discouraged; it seemed to me that the difficulties inherent in the situation were so great, and the problems were so intricate and involved, that it would be virtually impossible to work out an operable bill. However, I think we have done just that, although I wish to emphasize that it is not a perfect bill. Nevertheless, if enacted, I believe it will bring a very substantial measure of relief to those who are in such great need of relief.

Mr. BUSH. Mr. President——

The PRESIDING OFFICER (Mr. WOFFORD in the chair). The Senator from Connecticut.

Mr. BUSH. Mr. President, first, I wish to congratulate the distinguished Senator from New York [Mr. LEHMAN] upon his excellent presentation of this subject, and also for his untiring efforts during the past 7 months. He tackled this job as long ago as last October. I venture to say that in the intervening months this issue has taken far more of his time than has any other. He has given most unselfishly of his strength, his energy, and his wisdom to this very difficult task. I think that is perhaps the chief reason why we now have before us a flood-insurance bill which seems to be a workable one.

Incidentally, Mr. President, it is interesting to observe—and I believe that the Senator from New York will recall that I am correct in this matter—that this is the first time a bill designed to provide insurance against flood damage has been reported to either House of the Congress. I am sure the Senator from New York and I are very happy that we have worked together to make this first appearance with a flood-damage insurance bill.

Mr. President, the bill is the outgrowth of 2 or 3 measures; one might say it is a merger. More than 20 Senators have sponsored one or more of the bills. So we already have evidence of the broad support this issue has. The Senators who support this proposed legislation come from both the east coast, the west coast, and the Middle West. So I am very hopeful that the bill will receive a very large vote of approval in the Senate so that it may go to the House with impressive support. As yet the House has not done very much about this problem. Some hearings were held on the House side, but a great many difficulties were encountered in connection with preparing proposed legislation. I believe that Members of the House decided to wait and see what the Senate would do on this subject. The House has done nothing about it for several months. So I think it is very important that the bill receive a very large vote of approval in the Senate, in order that we may convince the House that we feel we have a very good bill.

I am pleased to support wholeheartedly the Federal Flood Insurance Act of 1956. I cannot help but feel a strong sense of accomplishment in seeing this proposed legislation reported to the Senate favorably by a unanimous vote of a majority of the Committee on Banking and Currency. Enactment of this bill would perform a great public service for the people of the United States by making available indemnity against flood damage to real and personal property. No commercial insurance is generally available at present to furnish such protection.

I take satisfaction, on behalf of the people of my own State, in seeing the legislation progress this far because we share an intense interest in obtaining adequate flood-indemnity protection. Connecticut sustained the heaviest loss of any State during the floods that struck the Mid-Atlantic and Northeastern States in August and October 1955. The most recent estimates from the Federal Civil Defense Administration indicate that in those disasters, Connecticut suffered almost 100 lives lost, nearly 5,200 injured, and damage to physical property amounting to $236 million. However, mere figures are insufficient to portray the hardship and human misery caused by the flood.

One would have to walk through the ruined towns and cities, as I did repeatedly, and see firsthand the terrible damage and suffering wrought by the angry waters, in order to appreciate the real need for the legislation now proposed. In conference in Connecticut with public officials of the affected States, President Eisenhower pledged the Federal Government to seeing whether flood insurance could be offered through cooperation between insurance companies, States, and the Federal Government.

Impressed with the need for a careful study of means of providing insurance protection against such damage, I telegraphed Chairman FULBRIGHT of our Banking and Currency Committee on August 23, 1955, urgently requesting that the staff immediately undertake a study of the feasibility of Federal disaster insurance. Since that time I have worked closely with other members of the committee, insurance representatives, the committee staff, and the executive department to devise a workable flood indemnity program.

At my request, the committee staff prepared a comprehensive background study of disaster-insurance problems, and a proposed disaster-insurance bill. Together with other pieces of proposed legislation, this bill served as a vehicle for developing useful ideas for a plan of flood insurance during the 8 days of hearings held by the committee from October to December of last year. I was privileged to take part in these hearings, held under the able chairmanship of the distinguished Senator from New York [Mr. LEHMAN], both in Washington and in the areas afflicted by the floodwaters.

As soon as the Congress convened this year, with several cosponsors—there were 19, including my distinguished colleague [Mr. PURTELL]—I introduced a flood-insurance bill (S. 2862) representing the administration's suggestions to carry out President Eisenhower's state of the Union message recommendation for an experimental program of flood-damage indemnity. As amended on January 18, this bill joined S. 2768, the Kennedy-Saltonstall bill, and S. 3137, the Lehman-Kennedy bill, to form a triumvirate of proposals on which 5 additional days of hearings were held in February.

The bill reported by the committee contains features from each of these measures. With the single exception of a requirement that the States participate financially, it embodies all the major points of policy contained in S. 2862, as amended on January 18, and recommended by the administration.

Briefly these points consist of:

First. The manner of computing fees charged for the indemnity made available, placing a limit on the Federal subsidy;

Second. The incentive placed on State and local governments to minimize flood losses;

Third. A per person limit on policies issued;

Fourth. An overall limit on the programs;

Fifth. A minimum loss-deductible provision;

Sixth. Administration of the programs within the Housing and Home Finance Agency; and

Seventh. Testing the feasibility of turning the programs over to private insurance companies after 5 years.

The question of requiring participating States to bear a share of the cost of the admitted subsidy involved was examined thoroughly by the subcommittee and the full Committee on Banking and Currency. Although I favor the idea, and fought for it during the discussions held in executive session, I was forced to yield by the weight of the practical obstacles which arose.

The fact of the matter is that very many of the States, if not all, have provisions in their State constitutions which raise very grave doubts whether they could participate in the proposed program if financial participation were a prerequisite. At a minimum, insistence upon State financial participation would cause lengthy delays in getting under way a program which is needed now, not 2, 3, 4, or more years from now. It would handicap the program in most of the States, and make it totally ineffective in some of the very States where it is most urgently needed.

That applies particularly to the State of Connecticut, and I believe with particular emphasis to the State of Massachusetts. It applies also to the State of California and other States.

Moreover, a requirement of State financial participation in the bill is not needed to accomplish the essential purposes for which it was proposed, namely, first, to provide an incentive to the States to reduce flood hazards; and, second, to reduce the possible cost to the Federal Treasury. These ends can be achieved, practically and effectively, by the flood-zoning provisions of the bill.

I. RATEMAKING

Under the bill, rates will be set at levels sufficient to pay insurance claims as they become due. But, if the Commissioner thinks these are too high to obtain enough purchases, he may collect as much as 40 percent less from the insured. The difference between the amount collected and the higher rate needed to meet claims would be paid into an insurance fund as a Government subsidy. Other bills considered and rejected by the committee on this point would have set no percentage limit on the amount of the subsidy. It is expected that the Commissioner will keep this subsidy to a minimum by collecting as much of the amount needed to pay claims as is consistent with providing the protection sought to be made available by the provisions of the bill.

II. STATE PARTICIPATION

I am particularly pleased that the bill reported from the committee places on each State an incentive to keep flood damage to a minimum. It withholds Federal flood insurance or reinsurance from property used in violation of local flood zoning. After June 30, 1958, it withholds benefits from any area which fails to adopt flood zoning restrictions, if any, deemed necessary by the Commissioner. With such clear mandates to State and local governments to minimize flood losses, any added incentive in the form of money contributions by the States ceases to have the importance it would assume in the absence of such provisions.

III. POLICY LIMIT

The bill limits each Federal indemnity contract to $250,000 per person, just as in S. 2862, the administration bill. It contains a further proviso of a $10,000 limit per dwelling unit, together with appurtenant structures, furnishings and other personal property. Together these limits should serve to distribute the benefits of this legislation to many people who need them. Additional coverage may be obtained from private insurance companies, if they are willing to provide such coverage either with or without Federal reinsurance. Some limit per policy is obviously required in view of the limit placed by the bill on the total face amount of indemnity contracts that may be outstanding under its provisions.

IV. PROGRAM LIMIT

As reported by the committee, the bill contains a higher program limit than that set forth in any of the measures it considered. An immediate limit of $3 billion is provided, with authority in the President to increase it to $5 billion if advisable to carry out the purposes of the bill. After considering testimony of insurance representatives, the committee concluded that a program of this size, in the form of insurance or reinsurance, would give a fair opportunity to test the workability of flood insurance. In usual insurance operations, the amount of exposure to risk is greatly in excess of the ultimate cost of the program to the insurer. It is hoped that the same attributes will attend this program. If so, the cost to the Federal Government will be small and well justified in view of the public service performed and the increase in income tax revenues resulting from the reimbursement of losses now treated as tax deductible items.

V. LOSS-DEDUCTIBLE PROVISION

The bill requires a minimum loss deductible provision excusing the Government from liability for the first $100 of each claim and 5 percent of the balance. While S. 2862 would have fixed a higher minimum of $300 plus 10 percent of the balance of each claim, the bill as reported permits the Commissioner to raise the minimum to this level or even higher, considering the insured risk. The levels should be high enough to eliminate the expense of processing very small claims, making possible a lower total charge to the insured for protection on the remainder of each claim. On the other hand, it should be low enough to provide adequate insurance proceeds when needed by those taking part in the program.

VI. ADMINISTRATION

The program will be handled by the Housing and Home Finance Agency through a Commissioner of a Federal Flood Insurance Administration. General supervision and housekeeping functions will be within the control of HHFA. Daily operations will be handled by the Commissioner. Coupled with use of the services and facilities of private insurance organizations, these provisions should make possible a successful program with a small, policymaking Government staff. The former war damage insurance program worked quite successfully under a similar pattern, being a subsidiary of the Reconstruction Finance Corporation.

VII. FEASIBILITY TEST

The bill, as did S. 2862, requires that at the end of 1961, those handling the insurance and reinsurance programs must advise the Congress whether, considering the desirability of affording flood insurance protection, it will be possible at that time for the Federal Government to withdraw financial support from this field of endeavor. The bill contemplates that the Commissioner will do his very best to learn by experience whether it is feasible to operate flood insurance and reinsurance on a commercially profitable basis.

At present there is no practical way in which people can purchase insurance against flood losses, especially in the case of homes and business structures. My State of Connecticut is widely recognized as the insurance center of the United States. Although successful insurance plans have been devised against many other forms of natural disaster, the insurance industry has not yet deemed it advisable to offer flood insurance generally as a profitable commercial venture. Insurance experts have studied the problem carefully—especially in recent years—but generally believe that the frequency and extent of flood damage would result in too high a schedule of premiums to attract buyers, if handled according to usual insurance practices. Representatives of the industry, however, have been most cooperative in offering to aid the Federal Government in operating a workable indemnity program such as that authorized by the bill now before us.

This should prove in operation to be a test program in which private groups experienced in insurance problems will, in conjunction with Government, be placed in a position to test the feasibility of flood insurance as a commercial venture.

The bill contains adequate safeguards to prevent any unfair competition of this program with private insurance enterprise. It expressly prohibits the issuance of insurance or reinsurance covering risks against which insurance is available on reasonable terms from other public or private sources. It mandates the use of private insurance organizations as Government agents. It encourages the interchange of useful information between the Government and private insurance organizations. It requires the Commissioner to study the part taken by private insurance companies in programs authorized under the bill, so that, whenever practicable, the protection authorized can be provided through private insurance company policies reinsured with the Government, rather than through direct Government insurance. Finally, the bill directs the Commissioner to study the feasibility of having private insurance companies take over the programs authorized by the bill, either with or without Federal support.

All these provisions contemplate a program so run as to demonstrate, if possible, that flood insurance can be handled as a normal function of private enterprise. But, whether or not this proves to be feasible in the long run, much good will have been done by making it possible for potential flood victims the Nation over to purchase some peace of mind protection, knowing that if they are unfortunate enough to be afflicted by flood damage, they will at least be assured of the financial means of repairing that damage. This alone is greatly needed. I know this firsthand from the sad experience of thousands of flood victims in Connecticut.

But I wish to emphasize that this legislation will not help Connecticut only. Its benefits will be nationwide. No one knows for certain just where in the United States the next major flood will strike. As shown by records kept by Federal agencies, it may be in any of the major river basins. Average annual flood losses have gone as high as $800 million during the last 2 years. Over a long period, they average about $350 million.

The humanitarian aid furnished by our Government to the citizens of other nations afflicted by misfortune in various forms is well known and commendable. I submit that we should treat with the same solicitude those living in the United States who become the unwilling victims of natural forces beyond their control. They do not seek—nor does this bill provide—outright Federal grants. But it does lend the capabilities of the Federal Government toward providing a plan whereby in return for fees paid in advance, our residents may buy a fair share of indemnity protection against the ravages of flood loss.

All our people ask is an opportunity to help themselves through the medium of facilities that at present can be provided only by the Federal Government. More than this they do not want. Less than this we cannot afford to provide as representatives of our constituents.

I noted earlier that, with my cosponsors, I had introduced the administration's bill on this subject. It received thorough and fair consideration in both subcommittee and committee under the capable chairmanship of the junior Senator from New York [Mr. LEHMAN]. Under his direction, the subcommittee and the committee have conducted an exhaustive study of available material on flood-insurance problems. In my opinion, this study amply justified legislation of the type we are now considering. As is true in much legislation, the bill reported from the committee embodies a melding of ideas evolved in the course of the committee and subcommittee study.

Knowing the President's deep concern with the need for flood indemnity, as set forth in his statement at Bradley Field, near Hartford, Conn., and again in his state of the Union message, I feel confident that the bill we are now discussing will be acceptable to him.

The time is fast approaching when our Nation may again feel the fury of hurricane winds and rains. Some progress is being made in this Congress toward providing physical flood protective works. We have appropriated funds enabling an early start on an accelerated flood-protection program for the Northeastern States, but completion of the flood-control system will require several years. The Senate recently adopted S. 3272, introduced by myself with several cosponsors, which would permit the Corps of Engineers to break through the bottleneck of time which has been obstructing construction of small, but urgently needed flood-control works for local communities. It is my hope that early action will be taken by the House on this needed legislation. But even when all the presently planned flood-control works are in being, there still will remain a need for flood insurance. The Chief of Engineers himself recommends adoption of a flood indemnity plan to dovetail with the flood protective works administered by the Corps of Engineers. The one will effectively supplement the other.

The Congress has seen flood indemnity proposals introduced in earlier years. But not until the present has a bill been reported favorably to either House of the Congress, after intensive committee work on the problems involved. I urge my colleagues with all the power at my command to make good use of this opportunity to place in effect a workable program of flood indemnity. The need is urgent. The time for action is now. I highly recommend immediate passage of S. 3732.

In closing, let me say that while there are many large figures in the bill—there is one figure of $3 billion, and another of $2 billion—we have tried rather hard to estimate what the actual cost of the bill might be to the Federal Government. I think it is impossible to do that, because we do not know what the losses will be, and we do not know to what extent people will buy insurance.

I think it is interesting to observe that over a period of years it has been esti-

mated that flood losses have been on the order of $300 million a year.

The records of the last flood in the Northeast showed that only 9 percent of the losses were in the nature of losses affecting dwellings. I think 11 or 12 percent were in the nature of losses affecting commercial establishments. The larger percentages were represented by losses affecting public property, such as bridges and roads, and by corporate losses, to railroads, factories, and similar corporately owned property in large volume.

The large total in dollars, therefore, is made up, to the extent of approximately 80 percent, by large losses, losses by large losers, so to speak. However, the larger number of losses, as the Senator from New York has pointed out, has been among poor families with all their possessions in small homes, without any protection.

There is a provision in the bill to the effect that no individual may take more than $10,000 worth of insurance protection on any dwelling. It would be unlikely that all those seeking protection would take the entire amount. Some might insure their homes and possessions to the extent of half the total value, or something on that order. Most of the losses which were sustained in my section and throughout the flood areas were not complete losses. Although there were many complete losses, such losses constituted a relatively small percentage of all the losses which were sustained. All the exemptions should be borne in mind and also the fact that no corporation or industry or commercial enterprise may take out more than $250,000 worth of insurance. The fact is that the large losses were sustained by the corporations like the New Haven Railroad, which sustained a loss of approximately $20 million, and the American Brass Co., which lost several million dollars, and it can be seen from the bill that there will be no insurance issued against such large losses, but only to the extent of $250,000 each, so far as corporations are concerned.

Therefore I protest very strongly that the pending measure is not what can be called a big money bill. It is evident that most of those who will take out the insurance will pay for it. At least 60 percent of it will be of that type, and it will be taken out for a period of 5 years, while the experiment is being carried on. Therefore I do not at all concede that this is a bill which will be very expensive to the Federal Government.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. WATKINS. First I should like to say that I am in complete sympathy with what the Senator is trying to accomplish. He has described one of the great hazards of the American people who live along the rivers of our country, and who have no means of protecting themselves against floods. Inasmuch as we are about to provide insurance for losses sustained from too much water, I wonder whether the Senator from Connecticut would be willing to think about doing something with regard to the reverse situation, namely, hazards involved in situations where there is not enough water, as compared with too much water. I have in mind drought conditions in many areas of the West, which make whole areas of our country unlivable, since they are incapable of producing crops and consequently families are forced to leave their land.

Would the Senator from Connecticut favor an amendment to provide for drought insurance, to compensate people who sustain damage by not having enough water, to the same extent that the pending bill would provide protection against too much water?

Mr. BUSH. I should like to say to the Senator from Utah that there is one characteristic about the proposed flood-insurance program which should be kept in mind throughout this discussion, and that is that flood damage is the only damage or hazard against which a person cannot buy some kind of insurance. A person can insure his property against damage by wind or fire or other disasters, but no flood insurance is available at this time.

I should be glad to consider very sympathetically any bill which the distinguished Senator from Utah might devise which would offer protection to homes and other properties against ravages of disease that may result from drought or other conditions.

Mr. WATKINS. As a rule, diseases do not result from drought conditions. Droughts come on rather gradually, but as a rule, last a very long time and have very devastating effects. Whole areas have to be abandoned because of drought conditions. My thought is that if we are to provide insurance against too much water, we might also provide insurance against too little water, which in many cases forces people to give up their homes and to abandon crops, or make it impossible for them to grow crops on their land.

Mr. BUSH. I appreciate the Senator's suggestion. I would certainly view with very great sympathy any proposal along that line that he would make.

However, I venture to hope that the pending bill, on which we have worked for many months, will not be complicated by any amendment along that line. If the Senator desires to have my help, based on any experience I have gained on this subject, in preparing legislation of the type he has in mind, I shall be very happy to give him such help.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. LEHMAN. I merely wish to point out to the Senator from Utah, who, I believe, was not on the floor throughout my remarks——

Mr. WATKINS. No; I came in later.

Mr. LEHMAN. I should like to say to the distinguished Senator from Utah that although we have not provided for any immediate insurance against other catastrophes than floods, there is a provision in the bill which directs the Commissioner to study the situation and to make reports to Congress with regard to any other forms of disaster which should be covered by insurance and for which no insurance is now readily procurable through regular commercial channels.

Mr. WATKINS. So far as I know, there is no insurance against drought obtainable at the present time. There may be, but I have not heard of it.

Mr. BUSH. I believe the crop-insurance program applies to a certain extent.

Mr. WATKINS. That applies to disasters in the field of agriculture, but I do not believe it provides any insurance against drought.

Mr. BUSH. I should like to read from the bill the provision to which the Senator from New York has referred. The following language is found on page 16 of the bill:

> SEC. 15. (a) The Commissioner shall undertake a continuing study of the practicability of extending the coverage of insurance programs similar to those authorized under this act to any one or more natural disaster perils, other than flood, against which, and for the period during which, insurance protection is not generally and practically available in all geographical locations from other public or private sources.

That is a mandate to the Commissioner to look into the very situation to which the Senator from Utah has referred.

Mr. WATKINS. I merely wish to add that I thought it would be a good idea to have someone think about the reverse of the situation we are discussing here. I come from an area where we do not have enough water, instead of too much water.

Mr. BUSH. I wish we could give the Senator some of our water. He does not have enough, and we have too much.

Mr. WATKINS. As a rule we do not get too much sympathy from other areas of the country which are always seeking flood relief. I merely wished to call attention to the fact that in my section of the country we suffer from drought disasters, just as the people in the States represented by the Senator from Connecticut and other Senators suffer from too much water, or from floods.

I am in sympathy with the Senator's bill, and I shall vote for it. However, I wished to call the Senate's attention to the fact that other people, who also suffer from disasters, do not get too much sympathy for the losses they sustain, although the effects in their case are just as devastating and just as ruinous as those caused by the flood conditions to which the Senator from Connecticut has referred.

Mr. BUSH. The Senator has made a good point, and I am in complete sympathy with it.

Mr. PURTELL. Mr. President, I wish to commend the committee, the subcommittee headed by the distinguished Senator from New York [Mr. LEHMAN], and my distinguished senior colleague from Connecticut, and to congratulate and thank them for the excellent bill which the Senate is now considering.

I, too, saw the results of the floods in our area, particularly the second flood. As was stated by the senior Senator from Connecticut and the Senator from New York the people who suffered the effects of that disaster were willing to pay for protection, but were unable to

do so. I remember that Abraham Lincoln said one of the functions of government was to operate in those fields in which the people could not do as well or do at all for themselves.

This is one of those fields. There is no flood insurance available to people, much as they would like to purchase it.

Mr. President, I saw people whose homes had been swept away. I saw people who within a period of 60 days had suffered two disastrous floods in areas in which no floods had occurred for more than 100 years. Those floods could not be anticipated. As the distinguished Senator from New York has stated, people found themselves burdened not only with one mortgage, but with two mortgages. I saw families who had put themselves in hock, to use a slang expression, for goods already washed away.

There are some provisions in the bill that I wish could be improved. One improvement will be sought to be made by an amendment which I understand will be offered today. I shall vote for it. However, generally, the bill is a fine piece of work. People all over the country need this kind of protection now. It is the only kind of protection which will be available to them. The people will purchase the protection. They will pay for it, perhaps not wholly, but certainly in part. I know of nothing that is needed more by people in our area than this kind of protection.

I like to think of the proposal contained in the pending bill as a pilot plan. That is what I would call it. It represents a means by which people may obtain protection. At the same time experience can be developed to determine what can be done by private initiative after the gaining of that experience.

THE AAU: A STUDY IN DISRESPECT

Mr. CARLSON. Mr. President, on February 20 and 23 of this year, I called the attention of the Congress to the calculated action of the Amateur Athletic Union of the United States, commonly called the AAU, in permanently exiling this Nation's outstanding mile runner, Lt. Wes Santee, from amateur competition.

I think it is now proper to pursue the subject further. My purpose is to inform the Congress and the public about reent developments in this scandalous case of a young man forced to defend his rights against the totalitarian persecution of a powerful private organization.

Wes Santee, as Senators may recall, is a native Kansan, a graduate of the University of Kansas, an outstanding athlete, and a respected member of the United States Marine Corps. He is a responsible family man of whom we can all be justly proud and who, if afforded the opportunity, could become the deserving idol of schoolboys throughout the world. He actually is an extremely fine example of young American manhood, despite the totally unfair mantle of deceitful wrongdoing with which the dictatorial leadership of the AAU has cloaked him.

Lieutenant Santee was convicted in AAU star-chamber proceedings of willfully accepting more expense money than the archaically stringent rules of that organization allow. He does not deny receiving overpayments of approximately $1,500 for the 22 meets in which he engaged under AAU sanction, but he does point out, quite logically, that these overpayments were knowingly and voluntarily made by the AAU's own pious members and that this had been the accepted practice for many years. Therefore, they were not considered by him to be culpable actions meriting permanent ostracism from this same organization. Actually, Wes Santee is guilty only of having mistakenly placed faith in the noble ideals of an organization which originally was sound and desirable but which now has deteriorated to a mockery of its former status.

I have no quarrel with the stated aims of this organization. I sincerely believe the AAU has performed a valuable service for this Nation by restoring some measure of trust to amateur athletic competition. But I also believe the inconsistent practices sanctioned by the present leadership of this organization have converted it from a valuable national asset to a serious liability. These bumbling officials of the AAU adhere rigidly to their program of severe austerity in isolated instances, such as the Santee case, while other equally serious malpractices are totally ignored, perhaps even encouraged, by these same officials. This discriminatory regulation has led to widespread disrespect and contempt for the so-called governing system of the AAU.

Offenses such as race-fixing, bribetaking, perjury, falsification of records, immoral conduct, or unethical racing practices merit the most severe punishment at hand. But Wes Santee is not accused of these offenses. His reputation is unsullied in the eyes of everyone except the AAU officials who knowingly gave him too much expense money and then turned on him in despicable fashion for accepting it when it became public knowledge.

I consider it highly significant that the board of managers of the Missouri Valley Association, an AAU member organization under whose jurisdiction it properly came, last year acquitted Lieutenant Santee of any charges of professionalism by a 21-to-7 vote. However, this acquittal action did not suit the purposes of the national clique of AAU dictators. In secret judgment and without due process of law, they promptly overruled the considered decision of the Missouri Valley Association and disbarred Santee from further amateur competition for life. By killing his amateur status, in effect, they invoked the organization's capital punishment proviso for a hitherto acceptable misdemeanor which merited at most a stinging slap on the wrist. It was a cruel move calculated to restore some measure of public faith in AAU leadership, which had tumbled from the seat of righteousness, lo, these many years ago, and which it will never fully regain. These men care not that they have sacrificed the brilliant athletic career of a fine young man on their seldom-used altar of effacing propriety. Nor do they care that in so doing they have created a monstrous blot of disrespect on the public view of the entire program of amateur athletic competition in this Nation. It is a saddening spectacle of irresponsibility.

Despite my strong revulsion toward the AAU's whipping-boy view of Lieutenant Santee and its utter disregard of his rights, I am even more gravely concerned about the manner in which the AAU officials are persecuting those who would associate with this fine young man. They have made him the leper of the sports world. He is, according to AAU prognosis, an untouchable who must be isolated from association with other amateurs. Those who associate in any manner with him are also accorded leper status by the AAU.

On April 14, 1956, for example, a dual track meet was held between William and Mary College at Williamsburg, Va., and the United States Marine Corps Base at Quantico, Va., where Lieutenant Santee is stationed. At this time I quote from a letter written by Mr. Jack Freeman, director of athletics at the host William and Mary College, regarding AAU action concerning this track meet:

> On April 14, 1956, a dual meet was held between William and Mary College and the Quantico marines. This meet was scheduled last season.
>
> A question arose prior to the meet: "Should Lieutenant Santee be allowed to run in the meet, since he is ineligible under AAU rules?"
>
> The William and Mary officials said they were not running against Santee; they were competing against Quantico, and who were they to say who should make up the Quantico team for a dual meet. It is "S-O-P" (standard operating procedure) for colleges all over the country to compete against service teams, and most service teams have some ineligible athletes on their team, AAU-wise.

I should like to interrupt my reading of the letter at this point to state that the meet occurred as scheduled and Lieutenant Santee did compete, with two William and Mary athletes among his opponents. I now resume reading Mr. Freeman's letter:

> On April 30, 1956, the AAU announced that all of the William and Mary athletes who competed in the above dual meet were barred from further AAU competition because they and Santee were in the same meet, regardless of whether or not they ran against Santee.
>
> There is no rule covering the above dual meet in the AAU rule book. The AAU simply makes up rules to fit the case, the way they want it. This action by the AAU is a direct injury to a team of young athletes and shows how incompetent the AAU is.
>
> Such action, as the above, by the AAU not only causes injury to a few boys from one school, but is a direct injury to the athletic program in which the youth of America take part. If this kind of action is allowed to continue, it will have grave effect on the youth of America and therefore I recommend that serious consideration be given to the AAU's action, by the present Congress.

That letter, written and signed by a responsible athletic director representing a fine American school, strikes at the heart of the problem with which the amateur athletic program of the United States is faced today. It is a typical example of the dictatorial manner in which the present AAU leadership flagrantly abuses the rights of innocent people to preserve its profitable hold on the American sports program. Such

totalitarian rule, employing guilt by association and discriminatory judgment, has no rightful place in the conduct of activities in this Nation and should be abolished immediately and forever.

The foregoing William and Mary incident is not an isolated instance of irresponsible action by the AAU leadership. The organization also meddles in affairs with which it is not rightfully concerned. Here is a recent example of this form of meddlesome persecution:

One of the many AAU rules specifically states:

> Members of the Armed Forces when competing among themselves do so without AAU registration or sanction and without the status of the amateurs being affected by the fact that one or more of those competed with or against are professionals or otherwise ineligible under AAU rules, provided such competitions or exhibitions be for prizes other than money or its equivalent.

On April 28, 1956, a 1-mile race was scheduled as the last event on the program of the Virginia Pilot Relays at Norfolk, Va. The relays meet was primarily designed for high-school participation and was publicized as such. The special 1-mile event was intended as a drawing card and was publicized as an event for military personnel only, with 4 marines and 2 Navy men scheduled to compete.

AAU officials in New York City heard of this proposed mile race, in which Lieutenant Santee was an entrant, and promptly telegraphed foreboding instructions to their representative in Virginia, Mr. John T. Gore. The telegram stated that any of the military athletes who competed against Lieutenant Santee would be ineligible for further AAU competition. Mr. Gore publicized the AAU telegram at the site of the Virginia Pilot Relays in advance of the scheduled mile race and, in effect at least, threatened the other military athletes with expulsion from AAU membership and permanent loss of amateur status if they competed against Santee. The result, of course, was that some of the entrants were browbeaten into withdrawing from the race rather than face the censorious wrath of the all-powerful AAU. The relays suffered a substantial loss in prestige. Lieutenant Santee's nose was ground a little farther into the muck of disrepute by the AAU's repeated inference that he is unfit for association.

In all fairness to the AAU, however, I must admit its officials did not disbar from further amateur competition all the high-school athletes who appeared on the relay program with the contaminated Lieutenant Santee. They apparently had a change of heart following their vengeful action against the William and Mary athletes for the same offense. Or perhaps they simply found other compelling factors, including righteous public indignation, as a basis for sparing the innocent high-school youths.

The fact still remains, however, that the AAU officials willfully and maliciously interfered with the conduct of this special mile race despite the fact the AAU's own regulation specifies approval of such a race. These officials lamely defended their reprehensible action by stating its rule did not apply in this particular instance because the military race was held off a military reservation. It is further proof of Mr. Freeman's previous statement that the AAU leadership simply interprets its own rules or makes up new ones to suit its own questionable purposes.

I think it should be clearly evident to everyone at this point that the present leadership of the AAU shows a wanton disregard for the rights of others; that it jealously guards its treasured grip on amateur athletics by interpreting its own rules to suit its own special interests; that the inconsistencies of its policies are detrimental to the best interests of a nation of sports-loving people. I think it should be further evident that the AAU officials are infuriated that Lieutenant Santee will not roll over and play dead after they have executed him; that his rightful challenge of their power to ride roughshod over him and his associates has made them determined to persecute him with every weapon at hand, regardless of the cost to the nation's athletic program.

I want it clearly understood that I do not hold Lieutenant Santee innocent of violating the AAU's antiquated regulation of expense money. He frankly admits having accepted overpayments in expense money, although he told me the violations were done openly, that AAU officials participated in the violations, and that such overpayments have been the accepted custom in the amateur athletic program of this country for a number of years. I have no reason to doubt his veracity, and I have ample reasons to believe him.

I would call attention to a lengthy article written by Mr. Jack Newcombe and published in the April 30, 1956, issue of Life magazine. This article contains statements made by former outstanding athletes of this country which disclosed widespread hypocrisy in the sports program under AAU leadership. Mr. Newcombe states:

> The most remarkably convincing defense of Santee comes from his fellow athletes. In interviews with Life they confessed that they themselves had done essentially what Santee did—with no complaint from AAU officials and with the connivance of meet promoters. They have even allowed their names to be used in revealing how the amateur code is flouted in sports today.
>
> Santee, who has never denied that he broke the rules governing payments to amateurs, has raised two basic questions: What is an amateur? And how faithfully is the amateur code obeyed? In an Olympic year when the best athletes of all nations will meet in Melbourne, Australia, these questions are of international importance to the world of sports. * * *

Typical of the interviews which Newcombe obtained for his article is this one by Joe Nowicki, a collegiate half-mile champion at Fordham University and later an AAU official:

> It was the practice to talk with other runners and find out what they were getting. If the man you were beating got more than you did, you asked for more the next time. When the Santee case broke, I thought it was unfair to start enforcing rules that have been waived for years. I know AAU officials who, when they were competing, took just as much as Santee did.

Further along in the article, Newcombe wrote:

> Payments to amateurs have become an accepted part of sports simply because an athlete cannot afford to spend the necessary time training unless he is paid for it. The time has passed when a weekend sportsman could be a star athlete. Becoming a national or world champion is now a full-time job; a Davis Cup player must all but live on the tennis court the whole year around; a star runner like Santee must run or exercise 3 or 4 hours every day; a top golfer must practice all the time if he expects to place high in the major tournaments.
>
> There are still many fullblooded, wholehearted, simon-pure amateurs in the old-fashioned sense of the word. But they seldom win championships. As Harry Carpenter, a British sportswriter, said, "Carry the Santee case to its logical end, and Melbourne this year would be a deserted Olympic village."
>
> In spite of all this, the Amateur Athletic Union still clings to its classic definition of an amateur as an athlete "who engages in a sport solely for the pleasure and physical, mental or social benefits he derives therefrom and to whom sport is nothing more than an avocation." Under the AAU rules an amateur can accept only $15 a day in expenses and, as a prize, a medal or an occasional wristwatch (provided that it cost no more than $35).
>
> But the bigtime track promoters, some of whom are themselves members of the AAU, know that they can seldom get great runners to compete for $15 a day expense money. And champion runners cannot afford to go through the training grind if all they are going to get out of it is "physical, mental, or social benefits." Unless he is independently wealthy, an athlete must also consider other benefits, such as food, clothing, and shelter.
>
> For years the AAU's high-sounding rules have been slyly broken with almost no recriminations and no questions asked. The practice is so widespread in the United States that it has evoked a cynical but realistic distinction between a professional and an amateur: "A pro will take a check and an amateur won't." The amateur, who must protect himself against written proof of guilt, prefers all transactions to be in cash.
>
> The AAU and other amateur certifying bodies are faced with the alternative of enforcing their rules conscientiously at all times or of admitting that the code is outmoded and needs changing. * * * But AAU Secretary-Treasurer Dan Ferris still says, "For the sake of amateurism there can be no deviation. The AAU has got to stand or fall on the code as it is now written."

This statement attributed by Mr. Newcombe to Mr. Ferris is further evidence to me of the AAU leadership's stubborn and ridiculous attitude of invincibility. It will not budge from its biased position despite much evidence of complicity in shady dealings. It still holds the view that the supposed "fall guy" — Lieutenant Santee — must be crushed as an example of its invincibility or the leadership itself will lose face. Fortunately, in my opinion, these officials have already lost face in their asinine persecution of Lieutenant Santee.

I have had a great deal of correspondence from individuals and organizations who deplore the actions of the AAU leadership as being contrary to the best interests of amateur athletics in this country. One such letter was written by Mr. Glenn Opie, vice president of the Great Bend (Kans.) Junior Chamber of Commerce. Mr. Opie enclosed a resolution

proposed by the Great Bend organization and cosponsored by the Lawrence (Kans.) Junior Chamber of Commerce which was adopted on April 29, 1956, by the Junior Chamber of Commerce of Kansas in State convention at Salina, Kans. I should like to quote a portion of Mr. Opie's letter:

We (meaning the Kansas Junior Chamber of Commerce members) feel, and are hopeful that you will share our opinion, that this is a significant expression of the way the young people of Kansas feel about this outrageous AAU situation, and have taken the liberty of sending you a copy of the resolution adopted. * * *

Observers at the convention tell us the resolution is unprecedented, in its length, comprehensiveness and strong stand, which we again hope is some criteria to judge attitudes on this situation.

The State organization now plans to carry its views to the national convention, and elsewhere to the various circles throughout the country also incensed at the crying injustice done our fellow Kansan.

We respectfully hope you will see fit to scrutinize this situation most closely, and will initiate such action as you see fit to restore integrity to amateur athletics in America.

Mr. President, I ask unanimous consent that a resolution adopted by the Junior Chamber of Commerce of Kansas be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas Jaycees are vitally interested in youth, sports, and fair play, and have repeatedly raised money to insure United States Olympic competition; and

Whereas overwhelming public demand will continue to compel brilliant athletic achievement with the attending consequence that still more dedication of self, and personal sacrifice of both time and money on the part of the athlete will be required; and

Whereas the implications of international sports competition against athletes of countries who need observe no restrictions with regard to the taking of financial or other reward continue to pose an ever-increasing problem to the intellectually honest athlete; and

Whereas an organization known as the Amateur Athletic Union of America purports to exercise absolute jurisdiction over every amateur athlete in the United States from birth to death; and

Whereas many amateur athletes of prominence (high school, college, and noncollege) have for decades been receiving, directly or indirectly, sums of money in violation of AAU rules; and

Whereas the AAU has either ignored the foregoing, or in standing by its ancient and archaic concepts of amateurism, and refusing to be realistic has thus continued completely unwilling to review the dynamic and changing American sports scene and maintained instead autocratic and hypocritical attitudes which have resulted in vicious discrimination and denial of the inherent principles of fair play; and

Whereas the actual control of the AAU is not vested in the competing athlete, or for the most part even with experienced former athletes, or equitably according to the geographical location of competitors so that in effect the athlete has no assurance whatsoever of fair play, no right to be judged by an unbiased forum, but is denied the cherished American guaranty of equality before the law and due process; and

Whereas we believe some sort of athletic organization is necessary, yet deplore any action as vicious, cruel, and vengeful which singles out any athlete for sole persecution, and clearly and vigorously condemn the AAU as un-American to the extent it has applied its rules by whim and caprice instead of in a uniform manner to all, and further censure the AAU for so bungling its internal disciplinary problems as to make the American athletic picture appear confused, inconsistent, and dishonest in the eyes of the world: Therefore be it

Resolved by the Kansas Junior Chamber of Commerce assembled this 29th day of April 1956, in Salina, Kans., That this organization:

1. Urges the AAU reconsider any action which has made a scapegoat of any athlete, and revise its punishment along fair lines; and

2. Urges the AAU review and revise all penalties for infractions of its rules so that punishments shall be inflicted within the American philosophy of severity in accordance to gravity of offense;

3. Urges the AAU take an honest and realistic stand on this confused amateur-professional athletic problem, and redraft its statutes so that the dedicated athlete may be reasonably rewarded for his efforts, openly and unafraid, not only in prestige, but financially;

4. Failing assurances that the AAU will launch a searching study of these its abuses, and follow its study with positive action, we urge the Congress of the United States investigate these general problems, because the appearance of this Nation's athletes in the world arenas is clearly within the purview of public concern;

5. And should the AAU fail to take action, we further urge Congress pass legislation to guarantee fundamental fairness to the competing athlete, that corrective measures be made retroactive, and a realistic approach to this unfortunate situation be taken.

6. And failing assurance the AAU will cooperate in its housecleaning, we wholeheartedly approve and sanction any other organization which may presume to sponsor athletic contests within the spirit and attitude of this resolution.

7. And until assurance shall be given from the AAU along the lines aforesaid, the Junior Chamber of Commerce of the State of Kansas shall take no part in the raising of money for any event in any way associated with the AAU, nor support the AAU in any other manner whatsoever, whether the activity be for the junior- or senior-age group.

8. And the Jaycees of Kansas shall vigorously work with all resources at its disposal to promulgate the aforesaid to the national level to the end the national junior chamber of commerce shall adopt this resolution and work for realization of the same.

9. Be it further resolved, That copies of this resolution be sent to all Jaycee clubs throughout Kansas, all Jaycee clubs throughout the United States, all Jaycee national directors, all principal sources of public information, the Senators and the several Representatives of the State of Kansas, and such other persons as the Kansas Jaycees may designate.

Adopted in State convention, April 29, 1956.

Mr. CARLSON. Mr. President, this resolution effectively states the problem and the solution. I commend the young people of my home State for their perception and initiative in drafting and adopting it.

Another letter came to me from Mr. Everett Montgomery, sports editor of the Dodge City Daily Globe at Dodge City, Kans. On May 4, 1956, Mr. Montgomery wrote:

We here in Kansas feel especially strong against the AAU because of the lifetime disbarment of Wes Santee, an Ashland boy, from all AAU competition and the additional stigma attached to him by the subsequent ruling of ineligibility of all athletes who compete with and against him.

Many of us feel that a congressional inquiry is in order into the actions of a group which rules with such dictatorial force as does the AAU.

I agree wholeheartedly with Mr. Freeman, Mr. Newcombe, Mr. Opie, Mr. Montgomery, the Jaycees of Kansas, and all the other fine people of the United States who are disturbed by the present AAU program. I think it is high time corrective action was taken.

We all cherish the traditional policies of decency and fair play in human conduct, and we are proud that America is the wholesome athletic playground of the world. We were rightfully incensed by basketball, boxing, and baseball scandals of the past, and we demanded and obtained corrective measures in those instances.

Now we are faced with an even greater menace to our sports program. We have unwittingly stood by while the grasping leadership of an all-powerful private organization has gained dictatorial control of our national amateur athletic program. The rights of individuals and the reputation of the country are at stake. It is time these men of petty mind and grand power were restored to their proper low station.

I suggest that Mr. Ferris and his associates in the AAU explain in detail to the people of the United States why the program they so jealously administer has fallen to a state of such low repute. I also would like them to explain publicly why this program cannot or should not be made into a workable, realistic program of modern athletic ideals.

I further suggest that this matter, which involves our international, as well as national, regional, and local athletic policies, is properly in the province of Congress to investigate and regulate, if the need should arise. And I serve notice here and now to Mr. Ferris and his AAU associates that if the existing policies of the Amateur Athletic Union of the United States are not quickly corrected, and if the recent injustices heretofore mentioned are not immediately rectified, I will do everything in my power to have the organization's full activities reviewed by Congress, with an eye to corrective legislation.

Such disgraceful actions as those recently perpetrated by the AAU cannot be tolerated, and they must cease. A nation of sports-minded people will see to that.

Mr. President, I yield the floor.

INSURANCE AGAINST FLOOD DAMAGE

The Senate resumed the consideration of the bill (S. 3732) to provide insurance against flood damage, and for other purposes.

Mr. SCOTT. Mr. President, the bill that is now before us, Senate bill 3732, in my opinion, leaves no room for controversy.

Every Member of the Senate, I believe, is anxious to make a sincere effort to help reduce the loss from hurricanes, floods, and other natural disasters.

Senate bill 3732 will help do this. It is a bill which was thrashed out thoroughly

in committee, after extensive hearings were held in those areas of the Nation hardest hit by natural disasters in recent years.

I shall not attempt to go into the technical provisions of the bill, because I am not qualified to do so, but I should like to tell Senators briefly what has happened in my home State of North Carolina in the past 2 years.

Within the past 18 months four major hurricanes have swept across North Carolina, causing damages totaling well over $300 million. Three of the four hurricanes occurred within a 5-week period.

The ravaging winds and floodwaters left a sad, almost hopeless, sight. In coastal areas there was nothing left but a few utility poles in some communities. Property owners had to have lots resurveyed to find even the boundaries. Thousands of homes were destroyed or damaged. Many of those that were not blown or washed away were left roofless, pulled from their foundations, and standing cockeyed in several feet of water.

The wind and water knew no friend. They treated homeowners, farmers, and merchants alike. Large business houses with costly inventories, and farms with crops in the fields, were wiped clean. In many areas of eastern North Carolina, it was as if a giant steamroller had lumbered past, leveling everything in sight.

With several hurricanes coming in rapid succession, the people in the affected areas were whipped down psychologically, in addition to the material losses they had suffered.

But immediately new buildings started going up, in the universal determination to rebuild what nature had destroyed. The Red Cross, the Salvation Army, the Civil Defense Administration, the State government, and several agencies of the Federal Government all pitched in and offered the meager assistance they could. But, by and large, the recovery that has been made has come about by the efforts of the people who suffered the losses, by digging into their own pockets and getting loans from local banks.

After everything is added together, the Federal Government has given more advice than action. It has done a lot of consulting and conferring, but very little constructing and conserving.

I assure you, Mr. President, that the people of North Carolina do not labor under the mistaken notion that the Federal Government owes us immunity, or even complete repair from natural disasters; but I do feel that the Federal Government has a very real responsibility in making tangible assistance available. I am speaking of such tangible assistance as the legislation that is before us today.

Certainly, the very least the Federal Government can do is establish an insurance program whereby the dollar loss of the individual can be reduced.

The thousands of buildings and homes and the many acres of farmland that have been rebuilt, repaired, and restored are today without insurance protection against possible future disasters.

Private insurance companies say that disaster insurance includes too many loss factors which cannot be calculated for them to offer it on a broad scale.

With this I agree. And, to make matters worse, I understand that many insurance companies are now hesitant about writing any kind of storm or wind insurance in areas frequented by hurricanes.

It is not only proper, but it is the duty of the Federal Government to bridge the gap in such cases through a disaster-insurance program.

In North Carolina it is a matter of public emergency. The same is true of all Atlantic seaboard States, which in recent years have become hurricane row.

For these reasons I hope the Senate will give its unanimous approval to Senate bill 3732.

Mr. KNOWLAND. Mr. President, I offer the amendments, which I send to the desk and ask that they be read for the information of the Senate.

The PRESIDING OFFICER. The amendments will be read for the information of the Senate.

The CHIEF CLERK. On page 5, line 5, before the period, it is proposed to insert a colon and the following:

Provided, That insurance policies issued under this act after June 30, 1959, shall be issued only with respect to property in those States which participate as provided in section 5 (a) of this act.

On page 6, line 10, before the period it is proposed to insert a colon and the following:

Provided, That after June 30, 1959, each State shall pay from time to time into the Disaster Insurance Fund, hereinafter created, an amount equal to one-half of the difference between the fees charged for insurance policies issued after such date on property in such State, and the amount which would have been charged if the "estimated rates" were applied.

On page 11, between lines 14 and 15, it is proposed to insert a new subsection as follows:

(e) The Administrator may from time to time consult with representatives of the various States to the extent deemed necessary by him to effectuate the purposes of this act.

On page 13, line 3, before the period, it is proposed to insert a comma and the following:

and, after June 30, 1959, the contributions made by the respective States in accordance with section 5 (a) of this act.

On page 19, line 22, after the period, it is proposed to insert the following:

The annual report for the calendar year ending December 31, 1958, shall contain a list of the States which can be expected to participate in the insurance program authorized by this act after June 30, 1959.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the amendments may be considered en bloc.

Mr. LEHMAN. Mr. President, will the Senator from California repeat the request? I had difficulty hearing him.

Mr. KNOWLAND. I have requested that the amendments be considered en bloc, inasmuch as all of them relate to the same subject matter.

Mr. LEHMAN. I have no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing en bloc to the amendments offered by the Senator from California.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, on the question of agreeing to my amendments, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. NEUBERGER. Mr. President, as one of the cosponsors of S. 3127, one of the bills for Federal flood insurance from which developed the legislation now before us, I am most pleased and gratified that we have the opportunity today to enact this forward-looking new program. Proposals to establish a Federal flood insurance program go back at least as far as 1951, and much credit is due the distinguished junior Senator from New York and the Committee on Banking and Currency for having brought the present unanimous committee bill before the Senate this year.

The need for a flood insurance program was shown, of course, in the series of disastrous floods which were suffered in New England and on the Pacific coast during the past 2 years. My own State of Oregon was hard hit, our latest serious floods have occurred as recently as January of this year.

I reviewed the extent of these floods, and the tragic damage which they caused, in my remarks on the floor of the Senate in sponsoring S. 3137 on February 7, 1956, and in my statement in support of this bill to the Senate Committee on Banking and Currency on February 27. I shall not repeat this unhappy and shocking story in a long speech now. I would like just to cite some of the final consolidated statistics compiled by the Oregon State Civil Defense Agency after the Oregon floods of this past winter: 14 people dead; $475,000 worth of damage to crops and $38,000 worth of livestock lost; $450,000 worth of damage to farm buildings and $250,000 worth to homes; total property damage of $7 million.

The first concern of the people in flood-affected areas, and of their representatives in the Congress, is, of course, with flood prevention. The Committee on Public Works, on which I have the honor to serve, is continuing its efforts on this task. However, an insurance program can do much to alleviate the heavy financial loss which inevitably strikes families and communities where flood prevention has proved impossible or inadequate.

In the absence of any private insurance against flood damage, it is both appropriate and necessary for the Federal Government to step in with a Federal program. We already have ample precedents in Federal crop insurance, as

well as other Government insurance programs for war damage, bank deposits, housing mortgages—even veterans' life insurance.

S. 3732 may not be a perfect program. But it has won the unanimous support of the Committee on Banking and Currency and it deserves the support of every Senator. It is a beginning. Only by actual trial and experience over a number of years will we be able to accumulate the knowledge to pass an accurate judgment on the proposed program and to improve it if necessary. The establishment of a Federal flood insurance program is a great step forward, and one which will be greeted with hope and satisfaction by the men and women who live in flood-danger areas in Oregon and elsewhere in the Nation. The bill is particularly essential this year, with the heaviest snowpack in decades now mantling the high mountain ranges of western United States and western Canada, where rises the vast Columbia River system.

It is my understanding that this is the first time in history that a bill providing for Federal flood insurance ever has been reported to the floor of either House of Congress. I am pleased to have had a very minor role in cosponsoring and supporting the bill.

I congratulate the distinguished Senator from New York [Mr. LEHMAN] for his leadership in this urgent humanitarian project. Can we continue to allow flood victims to be without some protection financially by their Government?

In conclusion, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a brief editorial entitled "Western Floods Advance Plan for Conservation," published in the Christian Century magazine of January 11, 1956.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

Christmas floods which cost scores of lives and resulted in damages of over $100 million in California and southern Oregon rammed home a lesson which the people of that area have been slow to learn. The waters had not receded before it was observed that losses occasioned by the raging streams would have made a substantial downpayment on the cost of dams which had been discussed for years but not built. One of these was to have been built at Oroville on the Feather River, which devastated Marysville and Yuba City. These communities were depending on levees built on plans which were laid down more than a generation ago—plans which managed to find their fulfillment in pork-barrel bills passed by a succession of Congresses. The levees broke and from that moment were worse than useless. But a short distance away on the American River—like the Feather, a tributary of the Sacramento—Folsom Dam held firm and protected the State capital. Great dams at Shasta, Friant and Pine Flat were in operation during the floods, so no cries of distress were heard from the rivers they control. The foresight which resulted in their construction was justified, and the communities they protected from disaster could more cheerfully pay their cost when they realized from the plight of other areas what trouble they had been spared. Now Congress is to be urged to appropriate funds for projects it authorized more than a decade ago, but did not finance. It will find western representatives more insistent than ever before that not another year shall be allowed to pass before the West, whose population is increasing so rapidly, is protected from disasters like the Christmas floods.

Mr. WATKINS. Mr. President, in announcing my intention to support this bill to provide a pilot-program study of the feasibility of flood insurance and reinsurance, I want it thoroughly understood that I am doing so on the basis of the national interest in this measure.

So far as I am concerned, as a resident of a semidesert, interior State, this is regional legislation that will benefit predominantly the coastal States and certain other States which have a record of heavy flood damage in the past. It will not materially benefit my State and many others, where only occasional, and reasonably light damage is caused by floods.

This regional nature of flood insurance was clearly shown in the record of the Senate hearings on Federal disaster insurance. A table on page 40 of the hearing record gave these estimates of flood losses in the United States by major river basins from 1924 through 1955:

Colorado River Basin	$8,000,000
Great Basin	14,000,000
South Atlantic	50,000,000
Eastern gulf	56,000,000
Great Lakes	124,000,000
Red River Basin	149,000,000
Western gulf	222,000,000
Lower Mississippi	230,000,000
Arkansas	242,000,000
Pacific coast	300,000,000
Upper Mississippi	369,000,000
Ohio River	836,000,000
North Atlantic	1,328,000,000
Missouri River	1,640,000,000

I am willing to concede that the greater the loss, the greater the need, and also that the greater the need, the greater the Federal cost. However, I am sure that the residents of the Colorado River Basin and the Great Basin are willing to help their neighbors in other parts of the country ease the losses and damage threats hanging over other flood-ravaged drainage basins, where the problem is too much water in the wrong places. We, on the other hand, hope that these other areas will be sympathetic with our problem in protecting our semiarid areas against an opposite type of problem—lack of water in a desert climate.

As one of the cosponsors of S. 2862, one of the basic bills incorporated in this proposed legislation, I am willing to support this experimental approach to flood insurance, and I sincerely trust that this program, supplemented with serious local and State efforts, and conscientious flood zoning, will help our flood-threatened communities move toward an area of greater economic and physical security.

Mr. MORSE. Mr. President, as a member of the Committee on Banking and Currency, I rise to support and speak in behalf of Senate bill 3732, which is a committee revision of the original measure introduced earlier this session, of which I was one of the cosponsors.

Mr. President, I urge immediate enactment of S. 3732, the Federal Flood Insurance Act of 1956. I have long been convinced that recurring floods with their accompanying severe toll to life and property constitute an area demanding Federal action. The Federal Government acknowledged such a responsibility in the enactment of the Flood Control Act of 1936. Proper measures of flood control should be planned and built with Federal aid, but flood protective works alone will not prevent all flood damage. Considerable time must elapse between the initiation of plans for dams, dikes, levees, and retaining reservoirs and the final completion of the works. Testimony presented to our committee by the Chief of Engineers indicated that at the present rate of congressional appropriations, a minimum of 22 years would be required to put in place those Federal flood protection works already approved by the Federal Government. Yet, as demonstrated by our experience in 1955, new flood threats arise in areas not within the scope of presently planned Federal flood-protection programs. Even where erected, flood protective works may be overflowed by floods of unprecedented magnitude.

Federal aid is now made available only for flood protective works that are economically justifiable in the sense that they result in preventing flood damage costing more than it costs to construct the protective works. Therefore, many areas exist throughout the United States, especially those devoted to agricultural pursuits, which cannot be assured of absolute protection from flood damage under the present Federal flood control legislation.

For all these reasons there are a large number of potential flood victims throughout the Nation who should not be left to depend upon charity and their own meager savings in the event they are unfortunate enough to become flood victims. At present, as testimony given our committee demonstrates, there is no private or public source to which these potential victims can turn in order to obtain flood insurance against most forms of property damage. Private insurance companies in general are not willing to risk company funds in such a venture. They fear the possibility of sudden catastrophic flood losses that could bankrupt a single company overnight. They likewise fear that premiums for such flood insurance, if computed according to usual actuarial principles, would be too high to attract insurance prospects.

The bill we are now considering meets both of these fears by providing a backstop of Federal credit, both against catastrophic losses and unduly high insurance premiums.

This is truly a national problem. I wish to stress its national aspects. It is a national problem, in my judgment, from the standpoint of several angles of Federal responsibility. It is a national problem from the standpoint of responsibility of the Federal Government to promote the general welfare and to protect the general welfare. It is not a regional problem solely. I believe we need keep in mind that our so-called regional problems have great national effects and implications.

I supported the upper Colorado River Basin program, not on the basis that it was a regional proposal, but that it raised a national question; namely, the responsibility of all the people of the country, no matter where they live, to come to the assistance of their fellow citizens and to support projects which will guarantee to future generations of Americans an adequate water supply in the upper Colorado River Basin. It was basically a great water conservation program, in the sense that it would help to develop the water resources of that area for the needed use of future generations of American boys and girls.

It is very important in America these days for us to raise our sights beyond provincialism and beyond regional arguments and to recognize that what helps the people of Maine, for example, in connection with a flood program, also helps the people of California; it helps the national economy as a whole.

I shall never stand on the floor of the Senate and be either for or against any project on the basis of any regional argument. The time has come when we Americans had better face the problems of Americans everywhere in our country from the standpoint of the premise that as we help one, we help all.

Therefore, I am pleading this afternoon for a bill which will give assistance to our fellow Americans who live in so-called flood areas, where there is a surplus of water from time to time, resulting in serious flood damage.

As I have said, the bill seeks to help solve a national problem and a national need, as well as local needs.

Statistics presented in the staff study prepared for our committee document this point through records gathered by several Federal agencies, including the United States Weather Bureau, the Corps of Engineers, the Department of Agriculture, and the Federal Civil Defense Administration. I shall not take the time of the Senate by going into detail on this point. The facts and figures are fully set out in the staff study. The year 1955 alone indicated the widespread nature of flood damage. Hurricanes and accompanying rains inflicted severe damage on the Middle Atlantic and Northeastern States in August and October. Heavy rains caused disastrous flooding and landslides on the west coast in December of that year and January of this year.

The Federal Civil Defense Administration estimated the total physical property damage in Oregon alone to be $8,600,000 from these disasters. Unofficial estimates of property damage in Oregon wrought by the floods range up to $14 million. The chief of engineers in the Department of the Army estimated the total direct and indirect damage caused by the flood of December 22–26 in Oregon to be $13.6 million, of which $9.2 million was caused in the Willamette River basin and $4.4 million by Oregon coastal streams.

The widespread nature of the catastrophe is shown by the fact that severe losses were sustained in at least 17 of the 36 counties in Oregon. Almost 23,500 individuals were directly affected by the floodwaters. Of these 2,000 were evacuated and 14 lost their lives. Sixty-four private homes having a value of $423,500 were totally destroyed; 233 private homes suffered major damage to the extent of almost $700,000; almost 1,800 private homes suffered minor damage to the extent of $471,000.

On the farms of Oregon, flood damage to farm homes amounted to $251,000. Damage to other farm buildings was computed at almost $450,000. Farm equipment having a value of $52,000 was destroyed and an additional $65,000 of damage was done to other farm equipment. Crops sustained a loss of more than $475,000. Livestock to a value of almost $40,000 was lost in the flood. $117,000 in damage was done to farm fences. Farm roads sustained a loss of $224,000; irrigation systems suffered a $115,000 loss and the effects of erosion resulted in a loss of $819,000.

Small business in Oregon suffered estimated losses of $400,000. The physical damage to private utilities approached $128,000, and industrial establishments sustained a total estimated loss of approximately $275,000. Churches and schools and other public buildings also felt the serious effect of the floodwaters.

The foregoing statistics apply to the State of Oregon alone. The same series of storms also affected other west coast States. Recent estimates made by the American National Red Cross indicate that on the west coast, almost 30,000 families were affected by flood. Of these, 73 were killed, 284 were hospitalized and almost 4,000 suffered injury or illness. Nearly 17,000 homes were damaged and more than 1,300 were totally destroyed. According to estimates of the Federal Civil Defense Administration, the States of Oregon, California, and Nevada suffered total property damage amounting to more than $226 million in the December-January floods.

As a result of the west coast floods, the Small Business Administration received a net total of 344 applications for disaster loans amounting to $2.8 million, of which it approved 252 for a total of $1.5 million. The American Red Cross had expended $8 million on West Coast flood assistance as of January 17, 1956. Important as it is to the recipients, the aid rendered by these two agencies represent only a small portion of the total flood damage inflicted on west coast States.

Properly administered, the bill we are now considering will extend flood insurance protection to many who must now look to charity for relief in the event of flood.

In an effort to spread its benefits on as wide a scale as feasible, the bill limits the outstanding face amount of each insurance policy to $250,000 per person. The bill itself defines "person" to include an individual, a group of individuals, a corporation and a public body. Home coverage is further limited to $10,000 per housing unit and appurtenances. These salutary provisions should make it possible for those needing it to obtain a fair measure of insurance protection under the terms of this bill.

In my opinion this bill, as reported by the committee, will come much closer to assuring such protection than would the bill introduced under sponsorship of the administration, S. 2862. That bill would have required the State in which the insured property is located to make a monetary contribution toward the payment of the premium of each insurance policy. This theory was advanced under the plausible guise of Federal-State partnership. However, a little serious thought on the part of the administration would have demonstrated that this proposed partnership is as detrimental to the public interest as is the case of proposed power developments suggested by the administration as Federal-private partnership arrangements. The sponsor of the administration's bill, the distinguished senior Senator from Connecticut [Mr. BUSH], was forthright and candid enough to admit, after listening to the testimony presented to our committee, that the proposed State participation scheme would not work. If the administration is seeking a method to scuttle this program while at the same time paying lip service to it, it could find no better way than to insist upon State financial participation.

It is well to note that many States have constitutional barriers against using public funds for private purposes. While legislatures may venture to declare what may be a public purpose, it is generally true that the ultimate determination as to this matter rests with the judiciary. The net effect of such a provision in the bill would be to throw the question into the courts on the basis of suits instituted by taxpayers. Needless to say, this would undoubtedly delay the institution of Federal flood insurance protection in any State where this occurred, regardless of the final court decision.

Wholly apart from the legal problems involved, however, is the fact that many States may not find themselves financially able to participate in this program even though they may be most willing and anxious to do so.

Finally, there may be many States that look upon this as a Federal rather than a State problem and do not forget, Mr. President, that, in the main, we are dealing with navigable streams which are overflowing, over which problem the Federal Government has jurisdiction. These States will not be inclined to make available State funds toward this program, feeling that the State has already suffered a heavy burden as the aftermath of flood damage.

If, as a result of all of these factors, we achieve a program of flood insurance in but a few of the 48 States, it is easy to foresee that States not enjoying the benefits of the program will be inclined to work against its continuation. In other words, the program will not solve the problem of operating a truly objective pilot program to test the feasibility of a flood insurance program. Rather, will it be hampered from the start with State constitutional and financial problems which need not be thrust upon a Federal flood insurance program. The Members of Congress should constantly keep in mind that this

program is intended primarily to benefit potential flood victims rather than the State or the Federal Government.

This same thought should be kept in mind in the administration of the insurance and reinsurance programs authorized by this proposed legislation. I think care must be exercised in operating the reinsurance portion of the flood insurance program in such a manner that it does not result in a subsidy to the private insurance industry. The bill properly assigns to the Commissioner the duty of negotiating a fair reinsurance fee to be charged to the private insurance companies making use of the reinsurance programs. Obviously, if the Commissioner sets the fee at too low a level, the difference between that level and the higher level that should have been charged, represents a subsidy which must be assumed by the Federal Government. Whether or not this is passed on to the insured depends upon the terms and conditions of the flood insurance policy written by the private insurance company that takes advantage of the Federal reinsurance program.

I see the further danger that, unless properly administered, the reinsurance program may result in Federal backing for private insurance companies that choose to write flood insurance policies involving the better risks, leaving the poorer flood risks to be assumed, if at all, by the direct Federal flood insurance program. I do not intend to impeach the good faith of the private insurance industry.

In fact, as a member of the committee, I wish to thank some of the leaders of the private insurance industry for the fine cooperation and assistance they gave to us in trying to work out an acceptable program. As I think the industry should, it has offered to assist the Federal Government in the operation of these programs, and I wish to express my appreciation of the private insurance agencies for their offer of assistance. But I am saying that the Commissioner of the program must constantly bear in mind that its benefits are designed for the potential flood victim rather than the private insurance industry.

Along the same lines, I think the Congress must be cautious in following up the operation of the insurance and reinsurance programs authorized under this bill so that 5 years hence, or at some future date, they do not add to the already mounting number of giveaway programs surrendered by the Federal Government to private industry without adequate compensation.

I appreciate that there is nothing in the bill now before us which by itself would authorize the Government to turn over any part of the insurance or reinsurance program to private industry, but there are provisions in the bill looking toward the ultimate take-over of these programs by private insurance companies. I think it becomes the burden of the Congress to see to it that these programs are administered with an eye to providing protection to potential flood victims rather than as a means of building up an attractive reserve that will ultimately benefit private insurance companies.

The programs authorized by this bill can be made to work. A sincere and competent Commissioner, keeping in mind the true aims of this legislation, can do much to bring into being a helpful insurance program that will afford protection to potential victims of floods who now seek that protection in vain.

Even the administration concedes that this is a proper sphere for Federal activity. While personally I might hope for more adequate safeguards in this bill to protect the public interest, I think it offers an immediate prospect of assistance to inhabitants of the United States who sorely need that assistance. For these reasons I shall personally support this bill and I urge my colleagues to join me in that support.

Mr. President, in closing, I ask unanimous consent to have printed in the RECORD as a part of my remarks, excerpts from certain letters, in some instances the complete letters, and a statement which I made on February 6, 1956, together with another statement I made on January 5, 1956, in support of flood insurance legislation.

There being no objection, the letters and statements were ordered to be printed in the RECORD, as follows:

EXCERPT FROM LETTER FROM FRED M. SLADE, OF PORTLAND, OREG., INSURANCE MAN

Senate bill 3137 appears to me to be by far the best proposal since it would require much less time to set up the mechanics of the plan outlined by this bill. In addition it is designed to provide reasonable rates which will encourage wide participation and will attract buyers in the less hazardous areas as well as the districts where flood is a constant threat.

I believe it will be possible to develop markets with the private insurance companies for excess flood insurance once the Government was in a position to provide the first $10,000 on residential property and $100,000 on industrial properties.

EXCERPT FROM LETTER FROM R. W. MADDOX, OF CORVALLIS

I am deeply interested in insurance for flood victims for the reason on December 21, 1955, the water in my front yard was 2½ feet deep and had it risen 6 inches more it would have ruined my entire possessions. At the present, I am unable to get flood insurance from any of the insurance companies. I trust you can see fit to support this bill.

FROM KEN G. WHITAKER, TVA PUBLIC POWER ASSOCIATION

Until levees or dams can be built, we think it nothing but fair and just that some form of insurance be established to reduce to as great an extent as possible the disastrous effect in loss of life and property.

EXCERPT FROM LETTER FROM A. W. METZGER, BOX 269, SALEM, OREG., JANUARY 6, 1956

As you know, we are still having rain and high water. I am interested in your attitude toward starting of flood control dams, also dams for electrical energy. It is a shame politics interferes. The late Charlie McNary has told me more than once, that we pay for a dam with the loss of property and topsoil after a flood, yet have no dam. So more power to you, let's get these dams in and help the flood conditions. The present dams have done a wonderful job.

One more item is: Disaster insurance. Outright grants of the Red Cross are definitely helpful and I cannot say too much for them, but loans by the governmental agencies, while useful, I don't believe is the right approach to the problem. When a loan is made from a governmental agency you have meddling and dictatorship from the agency making the loan, which is not desirable.

PORTLAND, OREG., *January 17, 1956.*

Hon. WAYNE MORSE,
United States Senate

DEAR SENATOR MORSE: We are desperately in need of help in a project far beyond our own capabilities. A year and a half ago, in August 1954, we purchased 150 feet of river frontage land on the Columbia River at 185th and Marine Drive, Portland, Oreg. At that time, there was sufficient land on which to build a house.

Last year during the high water an eddy, which swings around at this point due to a rock projection up river, ate out about 5 feet of the property. At that time we called the United States Army engineers, Pittock Block, Portland, Oreg., and were advised that nothing would be done as they had no report as to any need for corrective measures.

Last December, during the high water which just recently receded, at least 7 feet of bank, including trees, roots and all, were washed away. This is so serious that it is apparent that in the next high water which should be around May 1956, another 3 or 5 feet will be washed away.

With this movement, it is impossible for us to go ahead with our plans to build as in another year if another 10 feet is washed away, it will be very close to the base of the dike with insufficient land on which to build. We do not know who's responsibility it is to keep the bank of the Columbia River from washing away. However, we do know that it will be a very short time when it will definitely jeopardize the dike itself if left to continue, and in another year our property will be worthless to us, an investment of $1,500.

We have also talked to the Multnomah County Drainage District, to whom we pay drainage district taxes, and have been informed that it is not their responsibility until the bank is washed away up to the dike itself—and as far as we are concerned, that will be too late.

The measurements we have quoted above we are sure are correct—we measured this particular ground last fall when we planted flowers in the plot of ground which washed away. The fallen trees and roots are still there as mute evidence to these facts. We would like to know where the responsibility lies in reinforcing the river bank, and at what stage action will be taken.

We urgently need your assistance as we have exhausted any local information we can get.

Thanking you, we are
Sincerely yours,
Mr. and Mrs. CHARLES H. WEATHERSTON, Jr.

EXCERPT FROM LETTER OF L. M. TYVOLL, LEABURG, OREG., DECEMBER 12, 1955

The canal runs parallel to our place across the highway and it seems that the Eugene Water Board empties this during high water and it increases the flow of water on our property. Yesterday a hole appeared in our driveway where my car was parked and water was flowing under this hole. This perhaps means that the whole driveway will go into the river at any time.

We would like to preserve our home but are at a loss as to what action we can take. It seems very probable that the house itself could be washed away in the not too distant future.

GRANTS PASS, OREG., *May 6, 1956.*

SENATOR WAYNE MORSE,
Washington, D. C.

DEAR MR. MORSE: My good friend, Mayor Elwood Hussey, Cave Junction says you are for and with the small-property owner.

I retired here about 10 years ago, bought 20 acres on the Rogue River, still owe $7,200 which I am paying off at $100 a month. I grow fruit, vegetables, melons, berries, and do a little real estate to make a living.

Both floods last winter got us. The first water was 5-foot deep in cabin, swept out or ruined most of contents. Took a bulldozer several days to remove trees, level sand and gravel bars. Our loss was around $5,000.

We hope you will remove the nightmare of another flood by securing flood control, not only for the Rogue River Valley, but all of southern Oregon. The cost will be repaid by folks retiring, buying homes, business, etc., and loss by future floods.

Read in paper the Folsom Dam above Sacramento, Calif., saving an estimated flood damage of $85 million, about cost of the Folsom Dam.

Proper dam or dams on the Rogue and other rivers will not destroy fish or wildlife—this has been proved by the Shasta Dam above Redding, Calif., and other dams—but increase them.

Flood control means peace, security, prosperity for those like myself who have their all invested, and the hundreds of thousands that will come once flood control is assured.

My most sincere thanks and gratitude for what you already have done.

Sincerely yours,

CARL D. FRERICHS.

GRANTS PASS, OREG., *January 11, 1956.*

Senator WAYNE MORSE,

Washington, D. C.

DEAR SIR: I am writing to you to tell you that any flood control that will help our little neighborhood would be so greatly appreciated. We had 54 inches of water in our home and it isn't the water that does the damage as much as the silt and odor. Our damage is about $2,500 and at our time of life that is quite a loss. My husband is 58 and I'm 54. Besides the financial loss, there are the irreplaceable items such as books (old and new) photos and snapshots and diaries that I've kept since 1930. Some of our neighbors lost more, others less. All this just before Christmas. We had ordered a TV set as our Christmas gift and luckily they hadn't delivered it yet, so we had to cancel that first thing. I never realized the anguish and despair to come back into a home that had been flooded, until I came into my own. To see all your belongings in mud—furniture upturned, everything covered with mud—including electric stove, sewing machine, table, chairs, end tables, etc. Lamp shades on floor in the mud. Tomorrow, it will be 3 weeks since the flood and the refrigerator and oven are still dripping water. We have 2 straight chairs to sit on and eat at a card table.

So anything that can save about 100 families from all this chaos and despair and feeling of hopelessness will be worth while. A person would feel more like fixing the walls, floors, and woodwork, and replacing the furniture if one felt this wouldn't happen again through some sort of flood control.

We have contacted rehabilitation and think we will get around $500 in aid from them, which will help us so very much.

Here's hoping for flood control.

Very truly yours,

MARGARET KAUFMAN
Mrs. Lloyd Kaufman.

EXCERPT FROM LETTER FROM MR. AND MRS. NORVAL MOORE, MAY 2, 1956

According to the paper, the Army engineers used to work on a flood-control program for the Rogue Basin and report to Congress by 1958. That will be too late to prevent great damage here in case there is more high water. * * * A man from the Medford office that made the survey said that there was a dandy place to build a dam. Why wait and risk further damage and spend more thousands on the channel which may go down the river? We can rebuild our dike but wonder how much good it will do if there is no overall program which will fix the banks above ours.

We thought we wanted to live by a river but we came too close to being in it. If we had known 5 years ago what we know now, we would not have built a $20,000 house so close to it. The water came up in the yard but came no closer than 15 feet or so from the back of the patio. There was a big hole washed in our orchard and piles of debris left in the yard. Our total damage according to our local soil men's survey was $7,200. We do hope and pray that some permanent plan can be worked out on flood control and soon.

EXCEPT FROM DR. SAMUEL A. BRANDON, DENTIST, PORTLAND, JANUARY 13

I own a farm on the Willamette River near Canby. The high water of the river is causing erosion and has washed away about 50 feet of the property. A man from the United States engineers office came out last week and took pictures of the damage. They told me that the situation is serious, but they cannot do anything without the matter being voted on by Congress.

We purchased the property in 1952 and have planted the river bank with willows, bamboo, and blackberries, but each winter these planting are washed away. All the large firs which were consirerably within the property have toppled into the river and now there is nothing to hold back the erosion. This year I have lost about 10 to 15 feet in width, and 1,000 or more feet in length. I have tried to take care of the situation, but it has gone beyond my control and I feel it is a Government job. If this continues I will lose my filbert orchard and home.

Later letter: Since our last letter a large fir tree has toppled into the river and more land has fallen, now reaching our fence. We do hope that something can be done.

EXCERPT FROM CONGRESSIONAL RECORD, JANUARY 5, 1956, PAGE 110—REMARKS OF SENATOR WAYNE MORSE, DEMOCRAT, OF OREGON

FLOOD CONTROL

Mr. President, our problem is not only to bring relief to the people who have suffered these disasters, and to provide some insurance protection to help them when other disasters come, but our real job of statesmanship in this field is to proceed with public works which will prevent the recurrence of such disasters.

I should like to show the Senator from Connecticut the horrible disaster in those parts of my State where we had not developed the dams which would have prevented the recent floods. Then I should like to show the Senator from Connecticut the parts of my State which, if we had not built the dams that are there now, would have been washed out along with those parts of the State that suffered the great flood disaster.

I should like to take the Senator from Connecticut to my home county in the area below Detroit Dam and show him what happens when we build flood-control dams.

I wish to stress at this point—and I shall not take longer now, because I shall discuss the subject at some length next week—we need to build many flood-control dams throughout the Nation. The importance of a preventive program of speeding along with the multiple-purpose dams, for which I have been fighting during all my years as a Member of the Senate should be faced up to by this session of Congress. I call particular attention to the Hells Canyon Dam and to the great flood-control water storage which it would provide in my State from that standpoint alone. If flood-control water storage were the only justification for the Hells Canyon Dam, it would be sufficient justification for the Federal Government to build the dam. I contrast the great water storage which would be provided by Hells Canyon Dam with the puny water storage which would result from the Idaho Power Co.'s plan, on which this administration to its discredit has placed its stamp of approval.

What we should do at this session of Congress is stop stalling on legislation which would protect our people from unnecessary flood losses and proceed with a Federal flood-control program by appropriating money for the most rapid completion in the Willamette Basin of Cougar Dam, for example, by the Federal Government of the Hills Creek project, by the Federal Government of the Green Peter project. Then on the Columbia we should appropriate the money for speeding up the John Day project as a Federal Government project, contrary to the unfortunate and sorry partnership recommendation of the President of the United States in his state of the Union message today. We should vote the necessary funds to speed up Ice Harbor and every other authorized project so sorely needed to give the people in the Pacific Northwest protection from the constant threat of flood disasters. Do I plead alone for the people of my State? Not at all. Each one of us is a Senator from our State for our Nation. I plead for a comprehensive flood-control program for the Nation. I pledge my support to other Senators who are confronted with the same flood-control needs in their States. If we build such great monuments to disaster prevention, we will live up to the requirements of statesmanship in the field of disaster prevention.

In this session I recommend such Federal projects to the President of the United States, and I respectfully suggest that he send to Congress an amended state of the Union message on the whole matter of water resource development and flood prevention.

STATEMENT OF SENATOR MORSE ON COSPONSORSHIP OF FLOOD INSURANCE BILL

It is my hope that the tragic lessons of the flood disasters of recent months have been learned sufficiently to get vital legislation for prevention and relief enacted.

The Lehman bill, which I am cosponsoring, would provide a workable plan for protecting individuals and businesses from bearing the full burden of future flood losses. It is a great improvement over the administration proposal which would bog down because of the requirement for State participation. Our bill also provides standards for rate making that promise to provide insurance at rates individuals and corporations can afford.

This is badly needed legislation. It is only part of the program needed to meet the flood problem.

Congress must press forward with authorizations and appropriations for urgently needed flood control to prevent the loss of life and property.

Congress has already acted to provide needed disaster low interest loan authority to business and homeowners. We must be sure that this legislation in practice meets the needs of homeowners and small business establishments in digging out and starting over.

Some revisions of the tax law would also assist families and corporations in overcoming their losses in part. As an example, erosion of land is not presently treated as a flood loss, although it would be covered by our insurance bill. Under present regulations of the Internal Revenue Service business losses due to flood casualties are not fully deductible. The IRS regulations only

permit a percentage deduction which presently appears to me to be artificial and a handicap in recovering from disaster losses. Under the present law, buiness capital replacements are not available for deductions but must be treated in large part as new capital investments. These subjects require study and revision. They are not within the jurisdiction of the Banking and Currency Committee which will handle the flood insurance bill and thus cannot be included in our bill. But they are part of the overall problem and should receive attention at this session in order to aid farms and firms in rebuilding.

I am continuing a study of the feasibility of other assistance to flood victims including limited direct compensation.

For thousands of Americans the real problems of floods begin, not end, when the waters recede. Congress has the double obligation of meeting the threats of past floods and aiding those who have already lost the fruits of years of saving and effort.

Mr. NEUBERGER. Mr. President, will my colleague from Oregon yield?

Mr. MORSE. I yield.

Mr. NEUBERGER. What is the attitude of the senior Senator from Oregon regarding the amendment which proposes so-called payments by the States of matching funds?

Mr. MORSE. As I said, I think such an amendment would have the effect of scuttling the bill. There are two great drawbacks to the proposed amendment. One is the constitutional barrier which would have to be hurdled in a great many States, and, in my judgment, in many instances it would be insurmountable.

Furthermore, in a great many States there is not sufficient financial reserve to put up the money.

Mr. NEUBERGER. Does the Senator know of any similar provision that calls for the insurance of crops which are damaged by hail or any other catastrophe?

Mr. MORSE. I do not know of any at all.

Mr. NEUBERGER. Does the Senator know of any such provision in connection with Federal insurance of bank deposits?

Mr. MORSE. I do not.

Mr. NEUBERGER. Does the Senator think the protection of people and families who have been devastated, washed out of their homes by floods, is as important as the protection of bank deposits?

Mr. MORSE. Yes; and it is also very important under the general welfare clause of the Constitution.

Mr. NEUBERGER. Is it not a fact that floods which often cause such tragedy and destruction are no respectors of State lines, and certainly do not stop or turn back when they reach State boundaries?

Mr. MORSE. The Senator is correct. I think it is a great mistake to take a so-called regional approach, or provincial approach, to problems of national catastrophe, because it is not a Maine catastrophe, it is not a Massachusetts catastrophe, it is not a Connecticut catastrophe when a great flood occurs in those States or in States in the West. It is a national catastrophe. I also happen to believe that it places upon all Americans the responsibility of coming to the assistance of the people through the Federal Government, and I think it is in keeping with the philosophy which I have expressed many times on the floor of the Senate, that, after all, this Government was designed to promote the general welfare.

When a segment of our population finds itself confronted with a disaster, then I think the Federal Government has the moral responsibility and the legal duty of coming to the assistance of the victims of the disaster, which is what the bill purports to do.

Mr. NEUBERGER. The Senator and I live in a State which is drained by one of the greatest river systems on the globe, the Columbia River watershed. Just as that river system offers many benefits, it also presents, from time to time, certain perils. I feel sure that the people of Oregon, who have been confronted with flood dangers on many occasions in the history of our State, will be grateful that their senior Senator has taken a position and has assumed a role of leadership in helping to develop the first Federal flood-insurance bill ever presented to either House of Congress.

Mr. MORSE. I appreciate what my colleague has said, but he knows that all I am doing is standing shoulder to shoulder with him in a cause which I think is in the interest of the general welfare of our people.

The Senator has mentioned the benefits which come from our great river system. The benefits from that great river system are not limited to the States through which the river flows; the great economic benefits of that river system accrue to the economic advantage of every man, woman, and child in America, wherever they may live, because those benefits contribute to the national economy.

Again, I think we must take a broader look at these great social welfare programs—for that is what this one is—because when we help to carry out a program in one part of the country, we benefit the entire country.

Mr. KUCHEL. Mr. President, there is no need for me to retell any part of the tragic story of last winter's floods as they devastated life and property across the Nation. Suffice it to say that the State which I have the honor, in part, to represent is fully aware of the tragedy which resulted by reason of floodwaters ruining whole communities and areas in California.

It was on Christmas Day last year when my colleague, the distinguished senior Senator from California [Mr. KNOWLAND] and I participated in a meeting called by the Governor of California, the Honorable Goodwin Knight, in the capital of our State, at which many individuals representing various agencies of the Federal Government, including the Military Establishment, met with the members of the State government and Members of our congressional delegation, to see what could be accomplished toward rapidly alleviating the disaster caused by the flood, and to determine what might be done by Congress to be of greater assistance in the future.

I think I should, in the beginning of these remarks, take a moment to congratulate the various agencies of the Federal Government for the unselfish and complete cooperation which they gave to the various areas in California which were damaged or destroyed last winter. As a result of that misfortune, I was very glad, in January, to join with a number of my brethren in sponsoring proposed legislation designed to provide for flood insurance. I remember very well how elated all of us were when the President of the United States asked Congress to consider that problem as a basis for legislative action this year. Now the Senate is about to vote on a carefully considered bill.

I offer my sincere congratulations to the distinguished junior Senator from New York [Mr. LEHMAN], who conducted long hearings into all the ramifications of the whole field of disaster insurance; and in congratulating him, I may say that, in my judgment, the bill is one of the best to have been reported at this session of Congress.

Mr. LEHMAN. I thank the distinguished Senator from California.

Mr. KUCHEL. I wish particularly to speak with the distinguished Senator from New York in reference to one aspect of the proposed legislation, because, as he knows, my interest was not merely in the field of providing Federal flood insurance; but by reason of the peculiar terrain and history which California has, I likewise was interested in developing the possibility of legislation providing for insurance against disaster broad enough to include such other types of hazards of nature as earthquakes. Again, I wish to say that I am grateful for the manner in which the Senator from New York permitted me to testify and to supply data relating to that additional hazard.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. LEHMAN. I merely wish to say that in the first tentative bill which I presented to the Committee on Banking and Currency, I included not only all natural disasters, but also man-made disasters, and provided protection against losses from attack by atomic and hydrogen bombs, in the unhappy event, which I hope will never happen, that we should again become involved in a war.

But as we proceeded with the hearings and into a consideration of the situation, we found that the subject was so complicated that if we attempted to go beyond the first step, which was the most urgent step, of protecting people against floods, we would have no chance either of agreeing to a bill in the committee or of having it passed by the two Houses of Congress. So it was decided, temporarily, at least, to limit the bill to flood insurance, or rather to insurance against waters which brought about floods, whether they came from rainfall or high tides or hurricanes. I think any other course would have made it impossible for us to have met with any degree of success.

The Senator from California has been most helpful in every way in the preparation of the bill, as he has been in many other ways.

Mr. KUCHEL. I thank the Senator from New York.

Mr. LEHMAN. I think the Senator will recall a provision to the effect that the commissioner shall study the situation and make recommendations to Congress with regard to the possibility of including other forms of natural disasters which would not conflict with the purposes of the bill.

We made a very definite dividing line between catastrophes for which insurance was available. My first instinct was to go very, very far into the matter; but, I felt that, as a practical matter, it was perfectly hopeless to do so. We wanted to have this bill passed, and I think it is a great step forward.

Mr. KUCHEL. I could not agree more completely with the Senator from New York, and I point out that a section of the bill provides, as my friend has suggested, that the commissioner shall make studies of other types of disasters, which may well furnish us the basis, assumling the bill becomes law, on which to offer in the next session of Congress amendments to broaden the scope of the present bill.

Mr. LEHMAN. I have no doubt that that will happen.

Mr. KUCHEL. I sincerely thank the Senator from New York.

I also wish to pay my respects to the distinguished Senator from Connecticut [Mr. BUSH], who likewise has worked long and painstakingly in this field, and who, must receive great credit for having the bill brought before the Senate today.

In that connection, Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter dated February 22, 1956, written by the junior Senator from New York [Mr. LEHMAN] to me, and a letter dated May 1, 1956, written by me to the junior Senator from New York.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., February 22, 1956.

Hon. THOMAS H. KUCHEL,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR TOM: I want you to know how deeply I was interested in your testimony on disaster insurance before my subcommittee yesterday morning. It was constructive testimony, and I want you to know that as far as I am concerned I will give very sympathetic consideration, indeed, to any informational surveys you can supply on the availability of earthquake insurance, including its availability at what might be considered reasonable rates.

Although the insurance representatives at our hearing yesterday testified that earthquake insurance was in fact generally available, it may well be that what they consider generally available at reasonable premiums is not what an objective survey of the situation might disclose. Of course, I would like to make the program we are working on as broadly appealing as possible, but, at the same time, I would like to see it kept within such limits as will make it invulnerable to the potential charge that it is encroaching on the proper preserves of the private insurance industry.

There is a point that I don't think you covered in your testimony, as I remember it, on which I would sincerely like to have your guidance and reaction. A provision in the administration bill requires State contributions to the cost of the insurance in order to make any person in that State eligible for coverage. It seems to me a most unwise and impractical provision, since many States will be unable to participate and, hence, the program will never get off the ground. I would like to have your judgment on this point in regard to California. I would be glad to have your view either informally and unofficially or on the record, whichever you prefer. I look forward to hearing from you on this.

With kind personal regards.

Very sincerely yours,

HERBERT H. LEHMAN.
United States Senate.

MAY 1, 1956.

Hon. HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.

DEAR SENATOR LEHMAN: In the event the Flood Insurance Act of 1956 (S. 3732) comes up on the Senate floor for consideration while I am necessarily absent, I shall be grateful if you will comment on an aspect of the disaster insurance problem in which I have been deeply interested and about which I have corresponded with you. I refer to the availability and cost of protection against property damage due to earthquakes.

I appreciate that the complex nature of various disaster insurance problems impelled the Committee on Banking and Currency to limit the scope of the experimental program indemnities for flood losses. Without question, there is a desperate need for such protection for our people and their properties and the tremendous damage due to floods each year warrants the speediest possible action to initiate an insurance program against such catastrophes. I should support the bill presented by the committee enthusiastically, were I present when it is taken up for debate and action.

I note that the committee has incorporated in this legislation a provision directing the Flood Insurance Commissioner to make continuing studies of the availability of privately issued insurance against risks from other natural disasters, including earthquakes. I trust that such studies can and will be aggressively carried forward because, as I wrote you on December 1, I believe "it is incumbent upon every agency with resources and facilities that might be employed to cushion the blow, to minimize the damage and make possible the quickest and least costly recovery" from floods, forest fires, earthquakes, hurricanes and such other unforeseeable and unpreventable disasters.

You will recall, I am sure, that I appeared before the subcommittee during hearings on disaster insurance bills and subsequently wrote you submitting further information about the availability of earthquake insurance. I realize this problem has several unique and complicating factors which require more investigation and consideration than were feasible in preparing S. 3732 for presentation in time for discussion and action this session. However, I should like to point out once again that the coverage against earthquakes presently available is limited in many regards, is much more costly than other types of protection against catastrophic losses, and invariably carries a unique deductible feature which even the private insurance industry concedes reduces its attractiveness. If through this legislation better protection can be afforded, our Nation as a whole will benefit materially.

I wish to commend you and the members of your Subcommittee on Securities for the industrious and sympathetic manner in which the various disaster-insurance proposals were considered and to join in the hope that through this legislation the people of our Nation may be provided added protection against the exceedingly costly direct and indirect monetary blows which floods too often inflict.

With best wishes, I am,

Sincerely,

THOMAS H. KUCHEL,
United States Senator.

UNITED STATES SENATE,
Washington, D. C., April 9, 1956.

Hon. THOMAS H. KUCHEL,
United States Senate,
Washington, D. C.

DEAR TOM: I understand that the Banking and Currency Committee staff has already sent you a copy of the second series of hearings on Federal disaster insurance, in which you were good enough to participate.

I am sure you will be interested to know, if you have not already heard it, that our subcommittee has been meeting in executive session with a view to resolving the differences between my bill and the administration bill, and to solving some of the substantive and technical problems that were brought out in the course of the hearings. Good progress has been made in this direction and I am hopeful now that we will be able to report a bill to the full committee, and then to the Senate, by the end of April.

With kindest personal regards, I am,

Yours very sincerely,

HERBERT.

Mr. KUCHEL. Mr. President, I want to say, as I conclude, that this proposed legislation presents an opportunity to the Congress of the United States to provide assistance to people—little people—whose homes or whose businesses are ravished and destroyed when flood strikes, and who today are completely unable to find any type of insurance against that kind of disaster and to enact legislation which will give some measure of protection against similar disaster in the years ahead.

Mr. SCHOEPPEL. Mr. President, before I speak on an entirely different matter than the measure presently before the Senate, I wish to say, since I have listened to the debate and the presentations on the part of those supporting the proposed legislation now pending, that I approach the matter with a great degree of understanding, because of the fact that my State, and the sister State of Missouri, in 1951 suffered great devastation and harmful results because of a tragic flood. So we look with much feeling, compassion, and understanding upon the situation sought to be covered by the bill.

I want those who have been in charge of the bill to know that it will have my wholehearted support.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. SCHOEPPEL. I yield.

Mr. LANGER. I wish to commend the Senator for what he has just said about the flood that took place a few years ago, which affected Missouri and Kansas City; but I want him to know that every once in a while we have floods in the State of North Dakota.

The Cannonball River ran over its banks and washed away a large number of buildings which were located on the river. The people affected were desperate. Of course, they received disaster loans, but the loans proved to be unsatisfactory, especially when the interest rates were raised.

I am delighted to join with the Senator from Kansas in supporting the bill now before the Senate.

LOBBYING AND CAMPAIGN CONTRIBUTIONS

Mr. SCHOEPPEL. Mr. President, with the permission of this honorable body—and I should like to emphasize that it is an honorable body—I shall make some brief remarks concerning the investigative project of the Special Senate Committee, formed under Resolution 219, to receive testimony on the current practices in lobbying and campaign contributions.

Regarding the Committee's first directive, it is the hope of all of our members that this investigation will result in important benefits to the present procedures of lobbying. But I believe that most of us can also conceive of the possibility of its resulting in very substantial damage to the dignity and stature of this legislative body.

Regarding lobbying in America, I am reminded of an article, written in 1935 by Raymond Moley, who is truly an elder statesman in the field of political journalism. Mr. Moley wrote:

> Lobbies, about which we are hearing so much these days, are an inevitable aspect of republican government.
>
> They fill a need created by modern economic life, which is a mesh of many interests.
>
> If we recognize these interests as legitimate, we speak of them as interests; if we do not like them, we call them in an italicized voice interests. If we hate them and are fighting them, we call them big, vested, or special interests.
>
> But interests they are, and they multiply, overlap and conflict.

It is the admitted responsibility of the Congress and the Senate to prepare and pass upon the ground rules under which these overlapping and conflicting interests compete with each other. But it is, I believe, also the responsibility of the Congress and the Senate to gather the evidence and write the rules, dispassionately and with dignity.

We should run no risks that our deliberations may turn into a Roman holiday for the benefit of sensational journalism.

And, referring to the general area of the activities which we call lobbying, I should like to again quote Mr. Raymond Moley:

> It is difficult to indict a method which, in its essence, is the ancient right of petition in a modern dress.

Mr. McCARTHY. Mr. President, will the Senator from Kansas yield?

Mr. SCHOEPPEL. I yield.

Mr. McCARTHY. The Senator is making a very important speech. I wonder if he would like to have me suggest the absence of a quorum. There should be more Senators present to hear the Senator from Kansas.

Mr. SCHOEPPEL. I thank the Senator, but I should like to forego his suggestion.

Mr. President, regarding the right of petition, there is a traditional policy in Washington which every American citizen critical of lobbying should know and understand: On nearly every entrance door in the Senate Office Building there is a sign which reads, in effect, "Come in, you are welcome."

Were this sign ever to be removed, dictatorship would get its first toehold on the Republic of the United States of America.

II

Mr. President, those among our population who, in their lack of information, condemn the practice of business lobbying as a sinister influence in our public life, would be astonished to discover that the widely publicized groups referred to as the power lobby, the oil and gas lobby, the steel and chemical lobbies, and so forth, are relatively unimportant, compared to other groups, such as the farmers, the veterans, the labor unions, and others whose activities are usually considered to be exclusively in the public interest, instead of in the private interest. These citizens would be still more astonished to make the discovery that the biggest of all lobbies are the departments of the Federal administration—the Army, the Navy, the Air Force, the Post Office, the State Department, the Treasury Department, foreign aid, and its associated lobbies.

Another fact to be considered is the widespread public ignorance of the Supreme Court decision in 1954, which declared that the much-criticized activity of inducing private citizens to telegraph, write, or telephone their elected representatives in Washington, falls outside the legal area of lobbying, and therefore falls outside the area of the special committee's jurisdiction.

As to the actual day-to-day operations of Washington lobbies, I do not know a single Senator or Representative who does not value the data and information emanating from these offices. Regardless of whether one wishes to support or oppose a given piece of proposed legislation, our positions can be assumed much more intelligently and articulately by securing the boiled-down viewpoint of the protagonists on both sides. The public, which, unfortunately, is preoccupied with the more sensational aspects of lobbying, does not know that one single, well-written, time-saving analysis is more influential over congressional action than a dozen offers of special favors, free dinners, or elaborate cocktail parties.

But it is inevitable that there will be coming before the special committee witnesses who will spend much of their allotted time dramatizing the special favors, the free dinners, and the elaborate cocktail parties. And it is also inevitable that the prejudiced segments of the press will miss no opportunity to use this testimony to excite the uninformed public.

III

Mr. President, the work of this special committee will also certainly involve a discussion of certain legal attitudes, in force today which, in my opinion, are not completely rational.

There are two large groups of citizens, both of which sincerely believe that they have conflicting interest which should be properly represented in Washington. These two groups are: the millions of people who work for corporations, and the millions of people who own those corporations.

For a long time it has been held illegal for the management of American corporations, representing their millions of owners, to use any of the owners' money in support of political candidates sympathetic to their problems. But it is completely legal for the heads of the other group, the leaders of organized labor, to spend huge amounts of their members' money to support candidates who, if elected, can be counted upon to support proposed legislation which the labor leaders consider beneficial to their interest.

It would seem to me that any furtive, undercover campaign contributions which might come from illegally minded corporations would be puny indeed, compared to the $3 million now reputed to be in the war chest of labor. Moreover, the members of labor unions have their own built-in lobby, known as the United States Department of Labor—and I am not objecting to that; whereas, the members of the stockholding group have no such official representation in the Federal administration.

Regarding this low lobbying estate of the investing American public, many of us will remember the shabby official treatment accorded by Congress and New York State about 10 years ago to a completely legitimate effort to organize stockholders into their own union and give them political-action equality with their employees. I am referring to the now defunct Tool Owners Union. In Washington, this fast-growing project was declared to be objectionally reactionary. In New York State, it was denied the right to incorporate as a union, and, under the skillful guidance of labor lawyers, it was quietly put to death.

So, as matters now stand, the political interests of corporate stockholders can be advanced neither by themselves nor by their corporate officers.

IV

Let us review the lobbying that created such a sensation during the Senate's consideration of the now famous natural-gas bill. Four groups of citizens were either for or against this proposed legislation; two were for it, and two were against it. The fact that there is some duplication in the reasons for their position does not change the basic facts. The first two pro-or-con groups were composed of people emotionally for or against the socialized control of natural resources. These people had no specific economic interest in the outcome of this legislative contest. They were merely lobbying—as is their constitutional right—for the kind of economic system they wish America to have. They were, therefore, fighting on ideological, rather than economic grounds.

The other two pro-or-con groups were motivated by their specific economic interests involved in the question of Federal price control over the price of natural gas at the wellhead.

Those opposed to the price control were the gas producers and pipeline operators who were arguing for a free competitive market for their production and service.

Those favoring price control were certain big-city mayors, certain organized consumer groups, and certain gas-distributing public utilities.

Unlike the two groups previously mentioned, the actions of these protagonists were not dominated by any ideology: they were natural and justifiable attempts to improve or protect their economic positions. And to deny them that privilege would be to deny them the protection of the first amendment of our Constitution.

V

Mr. President, regarding the ideological aspects of the natural gas price-control dispute, it is important to consider the long-range objectives of socialism. Natural gas is more important to the future of Socialism in America than might appear on the surface. Gas is not only made by Mother Nature in the ground; it can be made, and is also made, from coal, the socialization of which is very near and dear to the hearts of our leftishly inclined citizens. Moreover, socialized coal might at some future date become an important source of motor fuel, an event which could not help but please those who are dedicated to the destruction of America's free competitive enterprise system. This last remark will, of course, evoke columns of pious sarcasm and criticisms of witch hunting from the left-wing press, whose members can see America's future only through the distorted lens of what is called a split economic system—half socialized and half free—with socialized segments controlling the raw materials upon which the supposedly free segment must depend for its operations.

But the hard fact remains, as was remarked by the senior Senator from New Hampshire [Mr. BRIDGES], that Federal price-control of natural gas could logically be extended to the cutting of the smallest woodlot on the smallest farm.

VI

Every spear must have a spearhead, Mr. President, and the spearhead of this investigation is the recently aroused public opinion against the efforts of the gas and oil industry to assure the passage of the natural gas bill.

The nasty word "corruption" has been injected into these efforts.

In this regard, I am reminded of the famous story told by Representative CARROLL REECE, from the State of Tennessee. During his first campaign for office, he was receiving financial support from one of the pillars of his local church. One morning this constituent walked into CARROLL'S office, wearing a worried look. "Brother REECE," he said, "I hear bad reports of the way you are conducting your campaign. I understand that you are enticing, entertaining, and otherwise corrupting certain voters in our district."

CARROLL carefully explained that the measures currently being taken to make his political rallies more entertaining, attractive, and nutritious, were traditional practices in the political field and would not reflect upon the ethics of his campaign.

The conscientious objector was only partially convinced, and he said, in parting, "Very well, Brother REECE, you may proceed, but let's not be any more corrupt than we have to, to win."

Regarding the alleged corruption involved in the natural gas deliberations, if the attempted bribe of the junior Senator from South Dakota and others had been dreamed up and engineered by those opposing the natural-gas bill, it would have been a sheer stroke of genius.

Although it falls outside the area of lobbying, I think we will all admit that the abortive efforts of Mr. Neff suggest and brand new approach to the defeat of legislation.

VII

The national furor over this stupid incident serves, however, as a good example of the importance of complete analysis of corrupt practices.

Any proper analysis of anything must meet two requirements: it must be correct qualitatively and it must be correct quantitatively.

Before judging the whole by the characteristics of any part, that part must be proven to be characteristic of the whole.

Nothing in our imperfect world is ever perfect, particularly the social institutions under which we live.

Judged only by occasional miscarriages of justice, our jury system needs a complete overhauling.

Judged only by the incidence of racketeering, labor union regulations require a complete overhauling.

Judged only by Teapot Domes and attempted $2,500 bribes, the lobbying relations of the oil industry require complete overhauling.

But as a matter of fact, none of these statements are true.

As I remarked before, all four of the groups involved in the natural gas bill were simply doing what came naturally; and in an overwhelming majority of cases their behavior was completely proper.

But this being an election year, no doubt there will be a great temptation on the part of a few committee witnesses to attack and counterattack with an eye to headlines.

Big names may be bandied about.

Half truths may get into the record.

And what would be much worse, half truths may get into the public press.

The resulting damage would damage everyone concerned, because the public is in no position to accurately discriminate in a rough and tumble political argument, between the alleged sheep and the alleged goats.

Let us pray, therefore, that this investigation will not involve partisan political considerations and will not depart from its proper bipartisan judicial processes. I have every reason to believe that it will be most constructive.

AUTHORITY FOR COMMITTEE MEETING TO BE HELD IN NEW YORK ON MAY 14, DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Investigating Subcommittee was authorized to hold a hearing in New York on Monday, May 14, 1956.

INSURANCE AGAINST FLOOD DAMAGE

The Senate resumed the consideration of the bill (S. 3732) to provide insurance against flood damage, and for other purposes.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing en bloc to the amendments offered by the Senator from California [Mr. KNOWLAND].

Mr. KNOWLAND. Mr. President, first of all, before speaking to the amendment—and I shall not speak for more than 10 or 15 minutes at the most—I wish to commend the Committe on Banking and Currency, the distinguished Senator from New York [Mr. LEHMAN], who made the presentation for the committee, and the distinguished Senator from Connecticut [Mr. BUSH] for the work they and their associates have done in this field. As they have pointed out, they have been treading on new ground. We have not had the experience which will obviously be needed in order to place the insurance plan on a sound actuarial basis. The work the committee did in trying to reconcile the points of view of several bills has been constructive, and I am sure it is appreciated by the Senate.

After the Senate acts in its judgment on the proposed legislation, and after the House has had an opportunity to act on it, I hope such experience will be gained as will encourage private industry to pick up the burden once it learns just what it will be.

The amendment I have offered deals with the subject of the States making contributions. The original administration bill provided for a 50–50 division of the cost as between the Federal Government and the States, over and above the amounts paid in the form of premiums by persons buying the insurance.

I believe a valid argument could be made that if that requirement went into effect at the time the law became operative, there might be, and indeed would be, some States which, because of their statutes, because of court decisions or administrative rulings, or, indeed, perhaps because of State constitutional provisions, would not be able to comply.

When that fact was pointed out, I felt it was a valid point. Therefore, in the amendment it is provided that "the insurance policies issued under this act after June 30, 1959, shall be issued only with respect to property of those States which participate in section 5 (a) of this act."

That will be the 50–50 contribution.

We provide 3 years of experience, during which the Federal Government will be carrying the load. That is ample time, it seems to me. Some State legislatures meet annually, while others meet biennially. Therefore, we provide ample time for States either to amend their

constitutions, if that is necessary, or to enact statutes, so that they may participate in the program.

We hear a great deal about the rights and interests of States. It seems to me that the States should very properly have an interest in the matter of flood insurance. They indicated their interest in this whole program when the President met in conference with some of the governors.

The bill would provide, after 3 years, for an equal division of the remaining 40 percent between the Federal Government and the States. On that basis I believe the amendment is a constructive amendment. It takes care of the valid objection which could be raised if States were forced either to participate immediately or be unable to get protection for their citizens.

I hope the amendment will be adopted.

Mr. SALTONSTALL. Mr. President, I join with the distinguished minority leader in hoping that the amendments will be adopted and that the bill will be passed. I am heartily in favor of the principle involved in the bill concerning flood insurance. I am heartily in favor of it because I have seen the damage caused by floods to the homes of countless numbers of people.

As the Senator from California has pointed out, the amendment would not take effect until January 1, 1959. It would give States which cannot now participate in such flood insurance time to change their laws and, if necessary, to change their constitutions in order to participate.

My own State of Massachusetts, under its constitution, could not participate in flood insurance with the Federal Government in respect to the 40 percent remaining above the 60 percent which is paid by the insured. The constitution of Massachusetts, of course, can be amended. The process is as follows: First, the legislators must act twice; then the proposal is submitted to the people. Our legislature is in session at the present time. The present session of the legislature could act on the proposal if it desired to do so. Then a new legislature, which meets next January, could also act on it. If the incoming legislature acted favorably on it, two legislatures would have acted on the proposal. Then the proposed amendment would be submitted to the people to vote on it in November 1958. If the people adopted the amendment in 1958 the State could participate in January 1959.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. BUSH. I should like to ask the Senator how long he believes the present legislature of Massachusetts is likely to remain in session.

Mr. SALTONSTALL. The Massachusetts Legislature was in session until September of last year. Presumably it will be in session until the latter part of July or August of this year.

Mr. BUSH. I raise the point because when the Senate gets through with the bill, it will have to go to the House. It may be some weeks before the House acts on the bill, and there is some question in my mind whether the Massachusetts Legislature will be able to act on it during the present session.

Mr. SALTONSTALL. I feel reasonably confident that the Massachusetts Legislature will be in session for at least 2 more months. We all know—if I may make this additional point—that this form of insurance is greatly desired. We know that the State government, the local government, is involved, and that a local administration will help in seeing to it that the work is carried out efficiently. I have in mind particularly the tornado which hit Worcester, Mass., several years ago. In that case the Red Cross took action. The State contributed to the relief fund, and the city of Worcester did also. The Federal Government participated through President Eisenhower's emergency fund. There was local administration, which carried out the aid which was provided. It was carried out extremely well and efficiently. No money was wasted. The work was done as quickly as it could be. That was because there was interest by the local government. There was interest by the State government. There was participation by the Federal Government. I had that situation very much in mind when I joined with the Senator from California [Mr. KNOWLAND] in offering the amendment to the flood-insurance bill.

I conclude by saying that I hope the amendment will be adopted. It will make a good bill a better bill. I hope the bill will be passed with the amendment.

Mr. LEHMAN. Mr. President, I have been listening all afternoon to the various speeches of every Member of the Senate who has spoken on the subject, and they have expressed great interest in and sympathy with the proposed legislation which is before the Senate. Every Senator who has spoken has said he thought there should be legislation of the character of that presented, that it was needed by the people, that it would be an act of justice to enact such a bill.

Yet, Mr. President, if the Senator from California, the minority leader, and the Senator from Massachusetts will forgive my speaking very frankly, I have no hesitation in saying that the adoption of the amendment which has been offered would ruin the bill. It would make it almost ineffective in many ways.

Mr. President, there are 48 States in the Union. Every State has a constitution. I am not familiar with the constitutions of any of the States except my own. I ceased to be Governor of New York many years ago, and I am not now so familiar as I once was with all the provisions of the New York State constitution, but I know that, so far as New York State is concerned, it would be necessary to amend the State constitution before the State could join in the undertaking proposed, should the amendment be added to the bill. I have no doubt that the same is true of a great many other States of the Union.

Mr. HOLLAND. Mr. President, when the Senator from New York reaches a point where he can yield, I should like to ask him to yield.

Mr. LEHMAN. I wish to finish my statement, and then I shall be very glad to yield to the Senator from Florida.

In the case of New York—and I think it is probably true of most of the other States—in order to adopt a constitutional amendment, affirmative action must be taken by two legislatures, and then there must be an affirmative vote of approval by the people of the State. So the minimum time in which an amendment could possibly be adopted would be 3 years.

The constitution of the State of New York contains a provision which is more drastic, I believe, than is found in the constitutions of many of the other States, because under it no expenditures can be made for public purposes involving payments made to or in behalf of any individual living in the State. That provision has been in our constitution for generations, perhaps, for all I know, as far back as the early days of New York State after it ceased to be a colony.

I do not believe the State of New York would consider changing its constitution in this regard merely to obtain the rather small, although important, help provided by the bill which is before the Senate. I do not believe it would do so in time to qualify under the bill. I do not believe Connecticut would do it. I believe Connecticut, too, has to go through a very cumbersome process in order to amend its constitution.

Why should we adopt such a provision, Mr. President? Why should we require the States to participate?

I have before me, and shall place in the RECORD, statements by the Governors of North Carolina, New York, Rhode Island, and Connecticut, strongly opposing this proposition.

Mr. KNOWLAND. Mr. President, will the Senator from New York yield at this point?

Mr. LEHMAN. I yield.

Mr. KNOWLAND. The Senator says certain governors are opposing the provision now proposed. The formula prescribed in the measure which, in the committee was called the administration bill, which is the way the Senator referred to it in his remarks this afternoon, would have required matching from the very inception. I thought when I discussed the subject with some of the Senators they had a valid argument, that the States might need some time in order to get into compliance. For that reason, it is provided in the amendment that for 3 years the Federal Government will carry the burden, and the people of New York, Connecticut, North Carolina, or any other State of the Union will not be foreclosed from receiving the benefits of the insurance. But it does give them time to bring themselves into compliance and then to share in solving this very real problem of flood insurance.

So, Mr. President, the amendment does not contemplate the same situation as did the original measure, under which the States would have been eliminated if they did not participate.

Mr. LEHMAN. This particular amendment has not been submitted to the governors. In fact, I myself had not seen it until 2 hours ago, and I did not know it would be offered.

Mr. President, while I do not wish to burden the Senate by reading them, the statements made by the governors refer to State participation, and their objection is not based on a matter of time, although they do bring up that point in some instances.

Another objection which I have, which is a very serious one, is that if we assume that the States put up half of the subsidy—I call it, very frankly, a subsidy—as provided in the bill, then they will also demand half of the responsibility and authority in administering the bill. In other words, each one of the States which enters into the proposed agreement by which they share 50–50 with the Federal Government, will also demand the right to share 50–50 in the administration of the law. That would present a completely impossible situation. We cannot possibly have a program which is turned over to the Federal Government, to the Housing and Home Finance Administration, and also give the States the right, because of their participation in the financial responsibility, to demand an equal share with the Federal Government in the administration of the program. It simply would not work. It would not be possible. It would lead to endless confusion.

Mr. SALTONSTALL. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. If I may finish my statement, then I shall be very glad to yield to the Senator from Massachusetts.

Furthermore, Mr. President, the States feel that this is very fundamentally a Federal responsibility.

Mr. HOLLAND. Mr. President, I hope the distinguished Senator from New York will not forget that I asked him a few moments ago to yield to me.

Mr. LEHMAN. If the Senator from Massachusetts does not mind, I shall yield, first, to the Senator from Florida, because he asked me first.

Mr. HOLLAND. I thank the distinguished Senator from New York.

I agree with the Senator completely that flood insurance is a Federal matter and should be handled as such. I wish to ask him, first, a question as to how he thinks the Federal crop insurance program, under the authority of the Department of Agriculture, which the bill requires to be coordinated with the program now under debate, could be very effectively coordinated with a program which is part Federal and part State. Could it be coordinated on anything like the terms of ease and effectiveness which would be the case if both programs were clearly and entirely Federal?

Mr. LEHMAN. As I recall, the crop-insurance program operates only in a relatively small number of counties.

Mr. HOLLAND. It operates in 800 counties out of 3,000, and it operates, of course, only to protect growing crops. But the purview of any flood insurance would necessarily allow of duplication, unless there were vested somewhere the authority to coordinate programs, because Federal crop insurance is certainly available in many counties on growing crops which are produced in locations where the crops are subject to possible flood damage.

I am simply calling the Senator's attention to the fact that that is a wholly Federal program, and I think properly so. To require such a Federal program to be enmeshed with a program which is not wholly Federal would afford all kinds of difficulties, all kinds of inefficiencies, all kinds of proration of costs, which are so difficult to calculate, and proration of damage, which is very difficult to estimate; whereas there would be no difficulty at all if the same authority and the same paying capacity were standing back of both programs.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HOLLAND. I do not have the floor.

Mr. LEHMAN. I yield.

Mr. KNOWLAND. My remark is pertinent to the point just raised. The able Senator from Florida is one of the outstanding members of the Committee on Agriculture and Forestry, and has, of course, far more information than perhaps many of the rest of us who do not serve on that committee.

My understanding is that, except for overhead and administrative costs, the crop insurance is paid for by farmers, and that they carry the program.

But in the proposed program we have obviously—and I am not making a criticism of it—a subsidy which has to be included, because there has not been any experience thus far.

Mr. HOLLAND. The property owners are required to pay a part of the cost of the program under the picture as it is known. The point I am making is that we have two insurance programs which are enmeshed. The same property is subject to both those programs. There must be authority to coordinate the programs, so that there will not be a duplication in payments, double coverage, and double premiums.

It seems to me it is so obvious that the only way in which the programs can be effective is by having the control of both equally managed by the same government, and equally under the control of the same legislative authority—that is, Congress, sitting in Washington—that it is hardly susceptible of argument that the program is much sounder when both corporations are federally controlled, when both look to Congress for the enactment of legislation, and when the coordination of the two programs would take place right in this city, with both of them being administered here.

Does the Senator from New York feel that that is correct?

Mr. LEHMAN. I thank the Senator from Florida for his statement. I agree with it. It was a matter which was discussed by the committee. A provision was included in the bill——

Mr. HOLLAND. I have just read the provision. It requires coordination.

Mr. LEHMAN. I should like to read it for the benefit of my colleagues. It is section 11, subsection (d).

(d) In carrying out the functions authorized in this act, the Commissioner may consult with other agencies of the Federal Government and interstate, State, and local public agencies having responsibilities for land use and flood control and for flood zoning and flood-damage prevention in order to assure that the insurance and reinsurance programs are consistent with the programs of such agencies. Where the program of the Commissioner may affect existing or proposed flood-control works under the jurisdiction of agencies of the Federal Government these agencies shall cooperate with the Commissioner in coordinating their respective programs. The Secretary of Agriculture and the Commissioner shall coordinate the administration of their respective programs relating to flood insurance and reinsurance for agricultural commodities.

It is purely a Federal responsibility, and the authority is wholly lodged in the Federal agency.

Mr. HOLLAND. I thank the distinguished Senator from New York. I wanted to point out what seemed to me was clear, namely, that the most effective handling of the problem will be when two Federal corporations, wholly owned and administered in Washington by the Federal Government, and controlled by legislation which looks only to one legislative body, Congress, can dovetail their programs appropriately.

I should like to ask the Senator from New York another question. Is it not true that repeatedly in recent years, in connection with disaster appropriations and the preparation of disaster legislation, it has been proposed to the Senate, and the Senate has every time turned down the proposal by a very heavy vote, that the States be required to take over some fixed portion of the payment of such disaster relief as a condition to the giving of disaster relief to the citizens in the State affected?

Mr. LEHMAN. I feel certain that is true. The Senator from Florida, of course, has had far greater experience in that field because of his longer service in the Senate.

Mr. HOLLAND. Whenever that question has come up—and I know it has come up on the floor not once, but several times, since I have been a Member of the Senate—the Senate has taken the high ground, and I think the sound ground, that when disaster strikes any community in the United States, the Federal Government can afford to take action, and should do so, wholesomely and wholeheartedly, and that any extension of aid should not be conditioned upon the requirement that the State must first meet some fixed proportion of the disaster payments.

I ask the distinguished Senator from New York if he does not think that the oft-repeated policy, oft announced by the Senate, is sound, and applying it to this situation, that a Federal corporation is by all means the only one properly equipped to handle such a program, which is a disaster-anticipation program.

Mr. LEHMAN. I am in full agreement with the Senator from Florida. I thank him for expressing the facts in the case much more clearly than I have done.

Mr. HOLLAND. Is it not true that the field of flood prevention and the avoidance of flood damage from the construction of flood works is a field which, under various legislative acts, has been taken over by the Federal Government and is administered under acts passed by the Federal Legislature—Congress?

Mr. LEHMAN. That is quite true.

Mr. HOLLAND. Is it not true, under this program, that if the Federal Government had been quicker to give aid against or provide for prevention against disaster in one State than in another, the cost of flood insurance would necessarily be greater and heavier on the State to which the generous hand of the Federal Government had not yet been extended, and that under this program it would be required, therefore, that the State, in meeting any fixed part of the expense, would be penalized simply because the Federal Government had not yet reached the granting of flood-control protection in that particular area?

Mr. LEHMAN. That is absolutely true.

Mr. HOLLAND. From the things which the Senator from Florida has mentioned and the various things so well mentioned in the original speech delivered by the Senator from New York, is it not a very strong conviction of the Senator from New York that this amendment, while postponed into the future for its operation, still would operate in such a way as to deprive the States, and the citizens of all States, of equally merciful, equally fair, and equally just treatment, and that the only way to keep the extension of this helpful program on a completely fair and just basis is to make it a wholly Federal program?

Mr. LEHMAN. I fully agree with the Senator from Florida.

Mr. HOLLAND. I thank the distinguished Senator from New York.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. SALTONSTALL. I have listened with interest to the discourse between the Senator from Florida and the Senator from New York. As I see the picture, it is not a question of disaster. If there is a disaster, the Federal Government will, of course, come forward to help. This is a program which is set up as a business proposition of insurance under a Federal corporation. What we are seeking to do is to have it administered as efficiently as possible in time of trouble after the insurance premiums have been paid by the private persons and the Government has helped.

The Senator from New York has pointed out that there cannot be divided administration. As I saw the disaster in Massachusetts, the Federal Government had an agent; but that agent worked with the insurance agency established by the State government and the local government. That agent was asked to turn over the responsibility of making decisions to a local person, who knew the situation, who knew the homes, who knew the persons concerned, and who could work better than could an agent brought from Washington.

As I see it, this is a long-term proposition. It is not designed merely to cover disasters which happen overnight. If such disasters occur, the Federal Government should, of course, come into the picture, just as it has in the past. But if this is to be a long-term proposition, then local leaders, representatives of the local and State governments, should be brought in, so that the program could be administered locally in time of trouble. That would help the Federal Government, rather than hinder it.

Mr. LEHMAN. I may say to the Senator from Massachusetts that, of course, the officials of the State of Massachusetts, the State of Connecticut, the State of New York, and the State of Pennsylvania will be glad to cooperate with the Federal Government in every way possible. They have always done that. I can speak from experience as governor, as the Senator from Massachusetts can. Whenever such a matter came up between the State and the Federal Government, the State government was always happy to cooperate.

But I am a little bit confused, really, when I hear the Senator from Massachusetts say it is not a question of disaster legislation. I thought it was. I frankly would have hesitated to give as much of my time to the matter as I have in the past 7 months, as have also the Senator from Connecticut [Mr. BUSH] and the junior Senator from Massachusetts [Mr. KENNEDY], if I had not thought that we were acting because of a disaster, and also because similar disasters might happen anytime, anywhere in the country. Such disasters are not only statewide; they are nationwide. Certainly, they affect many States.

This is one of the arguments I should like to have considered against the amendment, and I think it is a very important one: This is not a State proposition or a State problem, singly. It frequently involves several States. I do not intend to cover the map and say what States might be affected by a flood disaster in the Middle West or in the far West or on the Pacific coast or in the Northwest, although I am quite sure that in many cases what I am saying would hold true in those areas. Let us consider New York State for a moment. The worst flood area we have is created by the merging of two rivers, the Susquehanna and the Chenango. Eight-tenths of the Susquehanna flows through Pennsylvania. It comes to New York State only at Binghamton, which has been badly flooded at times. The Chenango River is in New York State.

Let us consider the Delaware River. The Delaware River affects New York, Pennsylvania, and New Jersey. Perhaps it affects other States, but I know those are three States through which it flows.

When we conceive of a situation on the Delaware River which would affect three or more States, or other rivers which affect several States, any procedure which would take one course in one State and another course in another State would discourage people from taking out insurance. People are not going to take out insurance when they are told that after 3 years they will not know whether the insurance will be continued or not, or whether the States in which they live will change their State constitutions, which is quite unlikely to happen. I think the Senator from Massachusetts, as the former governor of a large and great State, will agree with the latter statement. I know the people of my State would not want to take out insurance under those conditions.

Mr. SALTONSTALL. Will the Senator yield further?

Mr. LEHMAN. I yield.

Mr. SALTONSTALL. As I understand, the premiums would be paid on an annual basis. Anybody who participated in the program would go into it, on an annual basis, for 3 years. If the State did not join, the participant would not pay any further premiums. On the other hand, if the participant were interested and felt the insurance were valuable, he would do his utmost to see that the State laws and State constitution complied with the provisions, so that the insurance could be continued.

Mr. LEHMAN. It takes more than the attitude of the few people who might be insured to change a State constitution.

Mr. PURTELL. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. PURTELL. In view of the colloquy which has taken place, it may possibly be the understanding of some that in view of the fact that insurance may be available under the Federal law, and other insurance would also be available, that situation might be taken advantage of. Is it not true that on page 13 of the report it is stated that "under the express provisions of this bill, no insurance can be written by the Federal Government covering risks against which insurance is available on reasonable terms from other public or private sources"?

So if crop or other insurance is available the insurance provided under the bill cannot be obtained. Is that correct?

Mr. LEHMAN. That is provided in section 10, on page 9, of the bill. I realize that. I referred specifically to the question of coordination of administration by the Secretary of Agriculture and the Commissioner, with regard to matters which come under their cognizance, relating to flood insurance and reinsurance on agricultural products.

Mr. PURTELL. But which insurance would be available only where no other insurance were available. Is that correct?

Mr. LEHMAN. That is true, providing the insurance were available elsewhere on a reasonable basis.

Mr. PURTELL. Is it not true that while much of the flood control work would be done with Federal funds, the States recognize that much can be done on the local level? Once the major projects are undertaken by the Federal Government, a State must step in and do the additional work for flood control.

Mr. LEHMAN. To get back to agricultural insurance, I think the Senator from Connecticut overlooks the fact that there is no real agricultural crop insurance that is nationwide in scope. It is completely under the control of the Federal Government.

Mr. PURTELL. That is right. Eight hundred counties are covered.

Mr. LEHMAN. But it is not available to the country as a whole, because of 3,000 counties only about 800 are covered, and even in those cases only certain crops are covered, and under certain specific conditions. That does not make insurance as available as the pending bill would make it.

Mr. PURTELL. The bill would make the insurance available in the counties other than the 800 counties now covered.

Mr. LEHMAN. But not in those 800 counties.

Mr. PURTELL. I say, the bill would make the insurance available to those who find it presently unavailable.

Mr. LEHMAN. That is correct.

Mr. PURTELL. If something can be done to encourage States to do whatever is necessary to control floods in addition to what is done at the Federal level, the work will be done quickly, and the cost will be reduced that much faster, when the States recognize the need to do their part in flood control.

Mr. LEHMAN. I may say to the Senator from Connecticut that in my somewhat long tenure of office as governor of New York, I not only preached, but practiced, full cooperation with the Federal Government. I had the pleasure of being Governor of New York at the time my beloved friend, Franklin D. Roosevelt, was President of the United States, and we certainly coordinated very well.

I believe very definitely there is nothing in the amendment which would indicate there would be any greater disposition to coordinate or cooperate. This is merely a matter of assuming some of the responsibility, and, as a corollary of that, normally some of the authority, which I think would create a situation of confusion that would be boundless. I do not think it could be worked out. I think it would be out of the question to be able to do it.

Mr. PURTELL. Will the Senator agree with me that while this proposed legislation springs from an emergency, and will protect those who take advantage of its provisions, it will not, in fact, be the way in which the Federal Government will step in and handle an emergency in which everybody will have to be given some relief? The bill, if enacted, will relieve only those who subscribe to the insurance and help pay the cost.

Mr. LEHMAN. That is correct. This is not relief; it is an insurance operation, in which the man who is injured pays a very substantial part of the cost.

Mr. KNOWLAND. Mr. President, will the Senator from New York yield to me?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from New York yield to the Senator from California?

Mr. LEHMAN. I am very glad to yield.

Mr. KNOWLAND. Because of the discussion which occurred earlier in the afternoon, I wish to call attention to the hearings which Senators have on their desks. I refer now to part I of the hearings on Federal disaster insurance, at page 73, where the hearings deal with the present mechanism for Federal disaster relief. They go on to say:

> The Federal Disaster Act, which is administered by FCDA, goes into effect when the Governor of a State applies directly to the President, certifying that the damage outruns the resources of the State and when the President declares that it is indeed a "major disaster."

So even in the disaster field there is a responsibility in respect to which the State is supposed to function.

I also call attention to page 75, dealing with Executive Order No. 10427:

> SEC. 6. Federal disaster relief provided under the act shall be deemed to be supplementary to relief afforded by State, local, or private agencies and not in substitution therefor; Federal financial contributions for disaster relief shall be conditioned upon reasonable State and local expenditures for such relief.

So again there is a definite State and local responsibility which is recognized.

In the case of crop insurance, as we have already pointed out, with the exception, as I understand, of handling the administrative costs, the farmers themselves are bearing the burden, and it is running as a perfectly sound operation in that field.

Mr. LEHMAN. That is a Federal program; not a Federal-State program.

Mr. KNOWLAND. Yes, it is Federal; but we do not have in effect a subsidy of some 40 percent in addition to the administrative costs, which we would carry under this insurance plan.

Mr. LEHMAN. If the Senator from California is trying to get me to admit that this bill involves a subsidy, he does not need to work very hard, for I said so earlier in my remarks. In all probability, the bill will require a subsidy. I hope it will not be a subsidy for any great length of time, but I cannot give any assurance that no subsidy will be required.

Mr. DOUGLAS. Mr. President, will the Senator from New York yield for a question?

Mr. LEHMAN. I yield.

Mr. DOUGLAS. I know the Senator from New York has been on his feet for a long time. I have been studying this matter during the afternoon. The amendment of the very able Senator from California is regarded in some quarters as a States rights amendment. But is it not true that about the only right it gives the State is the right to bear the burden of paying expenses which the State itself has had no opportunity to prevent?

Mr. LEHMAN. The Senator from Illinois is entirely correct, of course.

Mr. DOUGLAS. For instance, let us consider Hurricane Connie and Hurricane Diane. Would Connecticut, Rhode Island, or Massachusetts have had any ability to have averted those catastrophes?

Mr. LEHMAN. Of course not. Not only would they not have had any ability to avert those catastrophes, but by themselves they did not have the resources with which to care for the needs arising because of those catastrophes.

Mr. DOUGLAS. In other words, such catastrophes are interstate, and any particular State is powerless to guard against them; is not that true?

Mr. LEHMAN. That is true.

Mr. DOUGLAS. I notice the Senator referred to the fact that the Delaware River affects the States of New York, New Jersey, and Pennsylvania. Is it not true that the Connecticut River is the boundary line between Vermont and New Hampshire, and then runs through Massachusetts and Connecticut? So a flood on the Connecticut River touches 4 States, and therefore is beyond the power of any 1 State to guard against; is not that correct?

Mr. LEHMAN. That is correct. I had overlooked the Connecticut River.

Mr. DOUGLAS. Although my memory of New England rivers is not so accurate as it once was, yet I think it is true that the Merrimack River flows through both New Hampshire and Massachusetts; and the Androscoggin River rises in New Hampshire and flows through Maine. So such rivers are not confined to any one State.

Therefore, even in the case of floods arising on the headwaters of a river, the State which suffers from the flood is not necessarily the State which bears any responsibility for the origin; is it?

Mr. LEHMAN. That is quite true.

Mr. DOUGLAS. And the great tropical hurricanes, which seem to be occurring more and more frequently, are outside the power of any one State to control; are they not?

Mr. LEHMAN. Yes; they are certainly entirely outside the power of any one State to control, if indeed anything can be done to control them.

The PRESIDING OFFICER. The question is on agreeing en bloc to the amendments of the Senator from California [Mr. KNOWLAND].

Mr. RUSSELL. Mr. President, I have not been privileged to hear all the debate on this measure, but I have examined it.

I am deeply concerned about the provisions of subparagraph (b) of section 12, appearing on page 11 of the bill. If I construe aright this provision, I think it is very unreasonable and unfair, and the Senate should not adopt it as a precedent.

The provision to which I refer reads as follows; it is in two parts, and I shall read first the first one, as follows:

> (b) No claim under color of any insurance or reinsurance made available under this act shall be liable to attachment, levy, garnishment, or other legal process before payment to the insured or the insurer, as the case may be—

Mr. President, if I correctly understand the meaning of that provision, if a man sold his house to his neighbor, and took a mortgage on it, and if a flood destroyed the house, the man who had sold his home and had substituted a mortgage for it could not collect on the mortgage, because the Congress of the United States would be saying that that money would be beyond any judicial process whatsoever.

Mr. President, it seems to me that is a very unreasonable proposal. All mortgagors are not the great banking institutions or the great business houses. In the United States there are thousands of cases of individuals who, in changing their homes or in moving, retain mortgages on their homes; and sometimes the mortgage amounts to about all such persons own.

The provision to which I have referred is rather remarkable, and would go a long way; but to my mind the remainder of the subparagraph is even more remarkable, and, if I construe it aright,

even more shocking. I read the remainder of the subparagraph:

Nor shall any such claim be subject to reduction on account of indebtedness of the insured or his estate, or the insurer, as the case may be, to the United States, except claims of the United States arising under this act.

Mr. President, I have not had an opportunity to read all the bill and to ascertain whether this vice is cured elsewhere in the bill. But if it is not, then, Mr. President, under this bill a man could have a fraudulent income-tax case against him, as a result of defrauding his government, and the Government would subsidize 40 percent of his insurance program, and yet if the flood occurred, because of the flood he would be permitted to capitalize on his fraudulent act against the Government of the United States in the matter of his income taxes. That is the common construction which it seems to me is inescapable under this language. If that is true, certainly this provision should be stricken from the bill.

It may be that some reason has been given for this very drastic provision. I regret that I was not here to hear it given, if it was. But it seems to me that we go very far when we say that not only will the Government subsidize the insured against the hazards of flood, but that if a flood occurs, no legal process whatsoever, of any kind, may attach to the proceeds of the insurance. To my mind, that is a most unreasonable provision; and I cannot conceive that the Senate of the United States would put its approval upon any provision of that nature.

Mr. LEHMAN. Mr. President, is the Senator from Georgia addressing a question to me?

Mr. RUSSELL. No; I am not. I made a statement regarding my construction of that provision.

Mr. LEHMAN. I should like to answer.

Mr. RUSSELL. I shall be glad to yield to the Senator from New York.

Mr. LEHMAN. It seems to me that the answer is very simple:

Section 12 (b) of the bill, among other provisions, protects an insured claim against attachment, or levy, and against setoff for debts due the United States, except for United States claims arising under this bill.

This provision was included in the Lehman-Kennedy bill, S. 3137, and also in the administration bill, S. 2862, as originally introduced. It was not included in the amendment in the nature of a substitute for S. 2862 later introduced by the senior Senator from Connecticut [Mr. BUSH].

The purpose of this entire bill is to provide funds to insured disaster victims so that the insurance proceeds will be available to enable their speedy recovery through the repair or replacement of property damaged by flood. If the United States Government or someone else is to be given the right to take all or part of the insurance proceeds because of some prior debt owed to the Government or such other person by the insured, the bill will fail in its purpose because the insured would then be deprived of the means of repairing flood damage. The insured will still owe the Federal Government or the other person the prior debt, but the creditor must find other assets of the insured with which to satisfy the debt. By himself the insured can do nothing to bring about conditions under which he becomes the holder of a claim under the insurance policy. It takes a flood to put him in that condition. Under the circumstances, the Government, or other creditor, would be taking undue advantage of a windfall in their favor in order to collect a debt due from the insured.

I realize that this provision gives special exemption from setoff for debts owed the Government, which normally take first priority over all other obligations, and that the insurance proceeds may provide a ready source of cash from which to satisfy back tax claims of the Government. But I think it is more important that the insured be certain of use of insurance proceeds to rehabilitate himself.

It seems to me that the entire purpose of the bill is to help people who have suffered from floods to reinstate themselves. If the Government has a claim against a man, I do not believe that merely because of the accident of a flood the Government, in order to reimburse itself, should be able to take from the man the money which comes to him as insurance compensation, by reason of a premium which he has paid.

Mr. RUSSELL. If the flood does not come, the Government can levy on the property. If the flood does not come the man who has a mortgage on the house, and who perhaps sold the home, can levy on the property. Why should the fact that a flood comes give the man a right he would not otherwise have?

Mr. BUSH. Mr. President, will the Senator yield?

Mr. LEHMAN. Let me answer that question. I am very glad the Senator has brought it up. I wish to make an explanation to the Senator from Georgia, for whom I have great respect, as he knows.

Mr. RUSSELL. I thank the Senator.

Mr. LEHMAN. The bill would not in any way exclude the Government from levying a claim against the man's property. It would simply prohibit the Government from levying a claim against the proceeds which come to him as a result of the insurance policy to which he is a party. The bill would not in any way prohibit the Government from filing a claim against the man's property.

Mr. RUSSELL. Mr. President, I have great respect for the Senator from New York, but I think that is a pretty tenuous argument—that the Government can levy on the property, which is later washed away by a flood, but cannot get the money due it from insurance on the property. It is giving the man a benefit which he would not enjoy but for the flood.

If the flood does not come, the property is subject to lien. But, if the flood does come, why should one who sought to defraud the Government be exempted from paying the debt from the insurance proceeds? I am old fashioned, but I was taught a great many maxims in my youth. Among others is the maxim that one should be just before he is generous. I think we should be just as between two citizens of the United States, and not say to one of them, "The house is washed away. Therefore you, who have your whole life's savings in the mortgage, cannot collect a dime," while we say to the Government of the United States that it cannot take the proceeds of the insurance, and say to the occupant of the property, "because there has been a flood, you can take your insurance money and go scot free, and not be subject to payment of the debt." We seek as best we can—although I concede that we have failed miserably—to bring about some equality in taxation.

Mr. LEHMAN. The Government could always levy a claim against the man's house.

Mr. RUSSELL. The house is gone.

Mr. LEHMAN. Why did not the Government levy the claim while it was there? Suppose a man has a house worth $10,000, and it is damaged to the extent of $2,000. That does not eliminate the right of the Government to levy a claim against the house, but it does prevent the Government from levying a claim against the $2,000 of insurance money which he has received to reimburse him for the damage he has suffered.

Mr. RUSSELL. I cannot split hairs to that extent.

This provision is not only unfair and unjust as between citizens of the United States, but it would be a very dangerous precedent for the Congress to establish. We should not play in this casual way with taxes due the United States, and say that if a flood occurs a man does not have to pay his taxes, and that if a flood occurs he does not have to pay the price of the house which is washed away. If another man happens to be so unfortunate as to have a mortgage on the house which is washed away, he rather than the man actually on the premises, becomes the victim of the flood.

Mr. LEHMAN. Mr. President, I do not wish to give the impression that the Senator from Georgia has convinced me of the soundness of his argument; but I want the bill passed. If the Senator has any particular fears with respect to this provision, I suggest that, at the appropriate time, he offer an amendment to strike this particular section from the bill. I shall not oppose it.

Mr. RUSSELL. I thank the Senator. I have a very deep concern about this particular provision.

Mr. LEHMAN. I shall be very glad indeed to agree to such an amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from California, [Mr. KNOWLAND] which are to be voted upon en bloc.

Mr. BUSH. Mr. President, I rise to oppose the pending amendments, not because I am philosophically opposed to them. Actually a similar provision was in the original administration bill, which I introduced, calling for State participation. However, as we have gone into the subject and examined it from every angle, it has become quite evident to me that if these amendments are accepted they may defeat the purpose of the bill,

because they may have the effect of keeping certain States out of the program when they wish to come into it, and are entitled to be in it if they wish to be.

The reason is that various States have provisions in their State constitutions which prevent public moneys being used to aid individuals. In a broad way, that is what the State constitutions provide. That is true in Massachusetts, Connecticut, California, and other States.

In addition, in many of the States a constitutional amendment cannot be accomplished in one session of the legislature. Sometimes 2 or more years are required. Many State legislatures meet only every other year. It is perfectly conceivable that a State which might wish to participate in the program, and which might be able to do so through its legislative process, might not be able to participate within 3 years.

Under Connecticut law—and I believe possibly under the laws of other States—the finding of a lack of public purpose could not be cured merely by an amendment to the constitution. The Connecticut Supreme Court of Errors has already created a body of law in our State indicating that any such amendment would likely run afoul of the provisions of the United States Constitution dealing with the republican form of government and equal protection of the laws to all persons, despite State action to the contrary. It cites article IV, section 4, of the Federal Constitution, and amendment No. 14.

The issue of State participation has been taken care of in the bill, not on a financial basis, but by requiring the State to establish flood control zones and flood control laws and ordinances. If it does not do so within 2 years, in a manner satisfactory to the Commissioner, under the terms of the bill it will not be able to participate.

It does put the burden of responsibility on the State in a very sound way. As I said before, I am not philosophically opposed to the question of the States' financial aid, but, as a practical matter, I think it will not work. Therefore I urge the Senate to vote down the amendments.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing, en bloc, to the amendments offered by the Senator from California [Mr. KNOWLAND]. The yeas and nays have been ordered. The Secretary will call the roll.

The Chief Clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Rhode Island [Mr. PASTORE] is absent on official business attending the atomic energy tests in the South Pacific.

On this vote, the Senator from New Mexico [Mr. CHAVEZ] is paired with the Senator from Maryland [Mr. BEALL]. If present and voting, the Senator from New Mexico would vote "nay" and the Senator from Maryland would vote "yea."

The Senator from Kentucky [Mr. CLEMENTS] is paired with the Senator from South Dakota [Mr. MUNDT]. If present and voting, the Senator from Kentucky would vote "nay" and the Senator from South Dakota would vote "yea."

The Senator from Florida [Mr. SMATHERS] is paired with the Senator from Idaho [Mr. WELKER]. If present and voting, the Senator from Florida would vote "nay" and the Senator from Idaho would vote "yea."

I further announce that if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Missouri [Mr. HENNINGS], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT], the Senator from Maryland [Mr. BEALL], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Ohio [Mr. BRICKER], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

The Senator from Nevada [Mr. MALONE] and the Senator from South Dakota [Mr. MUNDT] are absent on official business.

On this vote, the Senator from Maryland [Mr. BEALL] and the Senator from New Mexico [Mr. CHAVEZ] are paired. If present and voting, the Senator from Maryland would vote "yea" and the Senator from New Mexico would vote "nay."

On this vote, the Senator from South Dakota [Mr. MUNDT] is paired with the Senator from Kentucky [Mr. CLEMENTS] If present and voting, the Senator from South Dakota would vote "yea" and the Senator from Kentucky would vote "nay."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Florida would vote "nay."

The result was announced—yeas 39, nays 31, as follows:

YEAS—39

Aiken	Dworshak	Potter
Allott	Flanders	Purtell
Bender	Frear	Robertson
Bennett	Goldwater	Russell
Butler	Hruska	Saltonstall
Capehart	Jenner	Schoeppel
Carlson	Kerr	Smith, Maine
Case, N. J.	Knowland	Smith, N. J.
Case, S. Dak.	Martin, Iowa	Thye
Cotton	Martin, Pa.	Watkins
Curtis	McCarthy	Wiley
Dirksen	Millikin	Williams
Duff	Payne	Young

NAYS—31

Bush	Johnson, Tex.	Monroney
Daniel	Johnston, S. C.	Morse
Douglas	Kennedy	Murray
Eastland	Kuchel	Neuberger
Ervin	Laird	Scott
Green	Langer	Sparkman
Hayden	Lehman	Stennis
Hill	Long	Symington
Holland	Magnuson	Wofford
Humphrey	Mansfield	
Jackson	McNamara	

NOT VOTING—25

Anderson	Ellender	McClellan
Barrett	Fulbright	Mundt
Beall	George	Neely
Bible	Gore	O'Mahoney
Bricker	Hennings	Pastore
Bridges	Hickenlooper	Smathers
Byrd	Ives	Welker
Chavez	Kefauver	
Clements	Malone	

So Mr. KNOWLAND'S amendments were agreed to en bloc.

Mr. LEHMAN subsequently said: Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at the appropriate place, as a part of my remarks, two memoranda prepared by Mr. William F. McKenna, counsel, on the subject of the legality of the use of State funds to pay flood-insurance premiums.

There being no objection, the memoranda were ordered to be printed in the RECORD, as follows:

LEGALITY OF REQUIRING STATE FUNDS TO BE USED TO PAY PART OF THE PREMIUM FOR FLOOD INSURANCE AUTHORIZED UNDER S. 3732

S. 2862 (the administration bill), as introduced, required each State to pay a portion of the premium charged for flood insurance issued by the Federal Government covering property within that State. S. 3732, as favorably reported by the committee, does not include any such requirement. Neither did S. 3137, the Lehman-Kennedy bill.

It is reported that the President has indicated a desire that S. 3732 be amended to incorporate the idea of State financial participation in the program. Such a suggestion raises the question as to whether the use of State funds to pay a part of the flood-insurance premium would be legal. No easy answer exists for this problem. As to each State, Territory, and possession of the United States, solution of the problem requires a careful examination of the constitutional provisions, laws, and court decisions (State and Federal) governing the particular jurisdiction involved. Upon inquiry, both the Legislative Reference Service of the Library of Congress and the Council of State Governments replied that they had available no body of material that would prove decisive in answering this problem. The Service did furnish some views, using West Virginia as an example. It noted the Federal Government can impose constitutional conditions on its grant of benefits. But these must also pass State constitutional tests. Unofficially, the Council expressed doubt that such a use of State funds would be constitutional in several States. Within the very

limited time available, as counsel for the committee, I have endeavored to check the material readily available concerning the legality of expenditures of State funds. While not complete, my research has been sufficient to sustain the following findings:

GENERAL STATEMENT

While the Federal Constitution is a grant of powers, each State constitution is a restriction on the exercise of powers. Its main function is to distribute the powers of the State as among executive, legislative, and judicial branches. Since State governments, as institutions, existed before the adoption of a State constitution, they possessed all rights and attributes of sovereign States. State constitutions were primarily outgrowths of the distrust of governments by colonists who shortly before had broken off allegiance to the English Government. The State constitution marked the boundaries of power beyond which State officials could not go.

Every State legislature possesses all legislative power of which it is not deprived, either by the Federal Constitution or the constitution of its own State. Powers of a State legislature are not granted or enumerated by a State constitution, but they are restricted by such constitution.

We therefore must look to (1) the State constitution and (2) the Federal Constitution to find limitations on a State's legislative power. Of course, the decisions of the State and Federal judiciary tell us how these limitations apply in given cases.

As noted in *Savings and Loan Association* v. *City of Topeka* (20 Wall. 655, 22 L. ed. 455, 87 U. S. 655 (1875)) there are some inherent limitations on what constitutes legislative power. This case held that even in the absence of a specific State constitutional provision to that effect, no State legislature has the right to levy taxes for a private purpose, as distinguished from a public purpose. On this theory it held unconstitutional a bill enacted by the Kansas legislature authorizing cities of the second class to issue their bonds to aid establishment of factories in Kansas. In this particular case, the city of Topeka tried to use the purported authority in order to induce establishment of a private iron bridge construction works in Topeka. The court voided the act as being an attempt to take the property of the citizen under the guise of taxation to pay bonds and use it to aid an enterprise not public in character. Noting that taxation can only be exercised for a public use, the court asserted that the taxing power was here being perverted to aid individual interests and personal purposes of profit and gain. It stated that in every free government there are private rights beyond State control, else Government deteriorates into a despotism of the majority. It flatly rejected the theory of unlimited power in a State legislature to tax people.

The first test thus becomes whether taxes are to be used for a "public purpose" as distinguished from a "private purpose."

Many State constitutions expressly prohibit the use of public funds for a private purpose.

What constitutes a public purpose is a question of fact to be resolved in the first instance by a State legislature, subject to being overruled by a contrary interpretation reached by appropriate officers in the executive department (such as the State attorney general) and the judicial department, State and Federal.

The Topeka case mentioned above noted that past experience is helpful in determining when State expenditures could be approved as being for a public purpose. It was careful, however, not to restrict the use of State funds for such customary purposes. In general, the courts give much weight to the finding of the legislature as to what constitutes a public purpose. They emphasize the presumption in favor of holding acts of the legislature to be constitutional. The courts also insist, however, that the ultimate determination of what constitutes a public purpose is a judicial problem. Therefore, the courts have the final say, as distinguished from the legislature on this point.

There is no commonly accepted definition of public purpose which can be applied to each given situation in order to determine whether a proposed expenditure of State funds is constitutional. With changing times, situations once deemed to be outside the pale of public purposes are later held to fall within that category. For example, the Connecticut courts have held that payment of a bonus to veterans of the Armed Forces who were not inducted from the State of Connecticut did not constitute a public purpose as of 1912, but did as of 1947. Due to a changing pattern of traffic, the Delaware courts have held it a public purpose to provide parking space to motor vehicles, noting that it would never have been seriously contended that operation of a livery stable by a public body would be a proper public purpose for the expenditure of tax funds.

Examples of items now constituting a public purpose include veterans' benefits of various types (bonuses, tax exemptions, civil-service preferences), State aid to private educational institutions, encouragement to reforestation, highway improvement, care of the aged poor, slum clearance, compensation for the destruction of tubercular cattle, college dormitory construction, aid to county agricultural societies, maintenance of public libraries, and construction of public buildings.

No specific instances involving the payment of insurance premiums have been found except in the case of California. There, recent opinions of the Attorney General have drawn a fine line as to which insurance premium payments constitute a public purpose and which constitute a private purpose. The use of public funds to pay a portion of the premium for group life, health and accident insurance covering public officers and employees has been held to be a public purpose permissible under the California constitution. The Attorney General has held it to be doubtful whether the State can use public funds to insure a State officer against personal liability incurred under statutes that do not create a liability on the part of the State. In another later decision, the Attorney General has held that school districts are not authorized to purchase insurance covering the liability of pupils and parents for damages occurring from accidents that happen during automobile driver training instruction. Thus, in these three groups of opinions dealing with an insurance premium paid for wholly or partly out of public funds, we note the careful distinction made between public and private purpose.

No cases have been found involving the particular point at issue here, namely whether it is lawful to spend State tax funds for the purpose of paying part of the premium for flood insurance carried by a private citizen. Under the circumstances, it is not possible to state categorically whether such an expenditure would be considered as a public purpose in each State, Territory and possession. Before a conclusive answer could be obtained, it would be necessary to await judicial action in each State, Territory and possession. However, because of particular constitutional provisions in certain States, there are strong indications that any such expenditure of public funds would be held unconstitutional.

One of these States is New York. Article 7, section 8 of the 1938 New York constitution expressly provides "the money of the State shall not be given or loaned to or in aid of any private corporation, or association; or private undertaking; nor shall the credit of the State be given or loaned to or in aid of any individual, or public or private corporation or association, or private undertaking * * *." The omitted portion contains specific exemptions for certain State educational funds, and welfare, health, and retirement purposes, as well as an exemption for protection by insurance or otherwise, against the hazards of unemployment, sickness, and old age. In considering similar provisions in the 1894 New York constitution, the highest New York court in the case of *People* v. *Westchester County National Bank* (231 N. Y. 465, 132 N. E. 241 (1921)) held invalid a statute providing for grants to veterans. The court noted that while these grants could be held to constitute a public purpose, nevertheless, they were prohibited by the constitutional provision above mentioned. The specific exemption for old-age and unemployment insurance hardly seems broad enough to sustain a finding that the payment of flood-insurance premiums from State funds would also be exempt from the prohibition of the constitutional provision. An amendment to the New York constitution would, therefore, probably be necessary to sustain the validity of any such payment.

Other types of specific State constitutional provisions prevent certain expenditures of State funds even though the purpose to which they are to be devoted is a public purpose. For example, article 1, section 1 of the Connecticut constitution prohibits exclusive public emoluments to be given to any man or set of men. As recently as 1952, the Connecticut Supreme Court of Errors held unconstitutional, as being in violation of this particular section, a statute providing veterans' benefits to a limited number of the members of a police and fire department in a single city. The court likened this provision to that found in article 14 of the Federal Constitution prohibiting States from denying to any person the equal protection of the laws.

The same court took cognizance of article 4, section 4 of the United States Constitution, which guarantees a republican form of government in each State. The court concluded that this particular provision forbade the raising of taxes for any but a public purpose. In view of this holding, mere amendment of the State constitution would be insufficient to make valid an expenditure of State funds for other than a public purpose. In fact, the language used by some of the courts, including the United States Supreme Court, indicates that the legislative power itself is limited by fundamental principles of natural justice, regardless of specific provisions in constitutions.

The foregoing is sufficient to indicate that any amendment to S. 3732 requiring State payment of a portion of a flood-insurance premium charged for policies covering properties within a given State would raise serious doubts as to the constitutionality of such an arrangement. This is not to say that such payments would not ultimately be held to be valid in any given State. However, a long period of delay may well ensue pending determination of this matter in the various State or Federal courts. The accompanying memorandum discusses some of these problems as they arise under specific State constitutions.

LEGALITY OF USE OF STATE FUNDS TO PAY FLOOD INSURANCE PREMIUMS

CALIFORNIA

Article IV, section 31 of the California constitution denies the legislature power to make any gift or authorize the making of any gift of public money or thing of value to any individual, municipality or other corporation.

The recent case of *Mallon* v. *City of Long Beach* (44 Cal. (2d) 199, 282 p. (2d) 481 (1955)) holds that this provision prevents

the city of Long Beach from using income from tideland oil and gas to construct local public improvements, where this income had been granted in trust to the city by the State. The court admitted the proposed use was for a "public purpose." But it said that since the city public projects would be of no benefit to all people of the State, it was tantamount to a gift of State funds to a municipality. It noted this was expressly prohibited by the above provision of the constitution.

The court distinguished the case of *County of Los Angeles* v. *Southern Calif. Tel. Co.*, (32 Cal. (2d) 378, 196 p. (2d) 773) on the ground that the franchises in that case resulted in a continuing benefit to the State itself, not merely a county benefit.

In a similar vein, in the *City of Oakland* v. *Garrison* (194 Cal. 298, 228 p. 438) the court upheld as valid the appropriation of county funds to improve a city street, because under the circumstances, the street benefited the people of the county in general.

County relief payments to an indigent Indian living on a reservation in the county were upheld in *Acosta* v. *San Diego County*, (Cal. 272 p. (2d) 92 (1954)).

In upholding a school district's power to dedicate school land for a public road, the court in *Ransom* v. *Los Angeles City High School District* (Cal. 277 p. (2d) 455 (1954)) noted that such a use of public property isn't barred by the provisions of article IV, section 31 of the California constitution (see above), as long as (1) it is to be used for a public purpose, and (2) it will benefit the entity making the appropriation, rather than merely some lesser-included entity.

Under these tests the following expenditures of public funds were judicially approved:

Erection of memorial hall for war veterans—*Allied Architects Association* v. *Payne* (192 Cal. 431, 221 p. 209); compensation for destruction of tubercular cattle—*Patrick* v. *Riley* (209 Cal. 350, 287 p. 455); slum clearance, *The Housing Authority* v. *Dockweiler* (14 Cal. (2d) 437, 94 p. (2d) 794).

But two recent transactions have failed to qualify under the same tests. In the first, providing State money through the State welfare board to an aged person found not to be in need was held to violate article IV, section 31 (the court noting that had the person been needy, the expenditure would have been made constitutional by art. IV, sec. 22 of the California constitution authorizing State care for indigent aged persons). (*Bertch* v. *Social Welfare Department of the State* (Cal., 276 p. (2d) 891 (1955).)

In the second, a purported contract was held unconstitutional under article IV, section 31, of the California constitution. By the contract the city of Los Angeles tried to grant joint use of its sewage facilities to the city of Vernon without receiving from the city of Vernon a proportionate share of construction and maintenance costs. The court held this constituted a gift of the property of the citizens of Los Angeles in violation of the constitutional provision. *City of Vernon* v. *City of Los Angeles* (Cal. 275 P. (2d) 72 1954)).

McQuillin in his work on Municipal Corporations (vol. 2, 3d ed., sec. 4.184, p. 237) comments that California decisions recognize no distinction between use of public funds to bestow a mere gratuity and their use to pay a claim resting on a moral (but not an enforcible legal) obligation. Both uses fall under the ban of article IV, section 31, of the California constitution. He cites *Conlin* v. *San Francisco* (114 Cal. 404, 46 P. 279); *Conlin* v. *San Francisco* (99 Cal. 17, 33 P. 753); *Creighton* v. *San Francisco* (42 Cal. 446).

Recent decisions of the California courts, as shown above, do not follow the timorous path taken by the court in 1891. A situation then involved the legislature's power to appropriate State funds to pay a surveyor for services performed before California became a State. The court held it could not look into the facts of the case, but must rely on the legislature's action in finding that suitable facts existed to justify enacting the bill. *Stevenson* v. *Colgan* (91 Cal. 649 (1891)); see *Rankin* v. *Colgan* (92 Cal. 606).

Opinions of the attorney general

Recent opinions of the attorney general of California have drawn a fine line between public purpose and private purpose in the use of public funds to pay insurance premiums.

A series of these opinions has upheld such use of public funds by counties and other public agencies to pay part of the premium on group life, health, and accident insurance covering public officers and employees. (Attorney General's opinion No. NS 3976, January 7, 1942; see also Attorney General's opinion Nos. NS 474, July 27, 1937; NS 475, July 24, 1937; NS 2272, January 22, 1940; and NS 2272a, March 27, 1940.)

But in other opinions, the Attorney General has held it to be doubtful whether the State can insure the personal liability of a State officer under statutes not creating a liability on the part of the State. (Attorney General's opinion No. NS 1213a, October 28, 1938; see Attorney General's opinion No. NS 3304, February 26, 1941.)

Finally, in a later opinion, the Attorney General held that school districts are not authorized to purchase insurance covering the liability of pupils and parents for damages from accidents that happen during automobile driver training courses. (Attorney General's opinion (1950) 15, p. 153.)

The distinction between public purpose and private purpose is noticeable in the reasoning of these three groups of opinions by the Attorney General. At what point in this spectrum payment of part of the premium for flood insurance would fall, it is difficult to say. These various decisions serve as guides to the principles involved in the answer, but are not in themselves conclusive as to the answer.

In passing, it should be noted that cases dealing with use of public funds pursuant to a freeholder's charter do not serve as precedents for the use of State funds. The case of *Tevis* v. *City and County of San Francisco, Calif.* (272 P. (2d) 757 (1954)) noted that article IV, section 31 of the California constitution appears in that portion regulating the powers of the State legislature, and does not apply to powers derived from a freeholder's charter authorized directly by a different section of the constitution. Hence a local government may be able to spend public funds under such a charter in a manner the State legislature is prohibited from doing by article IV, sections 31 and 32 of the constitution.

The amendment to S. 3732 suggested by the President would call for the expenditure of State, rather than local government funds. Hence article IV, section 31 requires consideration in connection with any such expenditures.

Problems requiring judicial answers are (1) would such a use of State funds be for a public purpose? (2) If so, would it benefit all the people of the State or is it rather merely a gratuity to those who happen to buy flood insurance on property located in California, thus being barred by article IV, section 31 of the California constitution?

No court decision is now conclusive on these points. An answer must therefore await final court action on this problem by State or Federal courts. Meanwhile validity of the Federal flood insurance program as it applies in California would remain in doubt.

No such doubt exists in the absence of an amendment to S. 3732 requiring the State to pay part of the flood insurance premium on policies covering property in California.

CONNECTICUT

Problem

Can Connecticut State funds be lawfully used to pay a portion of the premium for flood insurance purchased by an insured on real or personal property located in Connecticut?

Discussion

No case decisive of this issue beyond doubt has been found after a thorough search of Connecticut law.

Public versus private purpose

One of the leading cases in Connecticut concerning the issue as to whether an expenditure of public funds was made for a public or a private purpose is *Beach* v. *Bradstreet* (85 Conn. 344 (1912)). The criteria for deciding this issue as laid down in that case are still good law in Connecticut, even though the application of those criteria to specific situations has changed with changing times.

Legislative power

The court noted that the range of powers permitted by the State constitution to each department of State government is limited by the United States Constitution and the State constitution. It also raised, without completely deciding, the possibility that such powers are also limited by fundamental principles of natural justice constituting the ligament of the social compact upon which all constitutional government rests. The court stated, however, that the legislative power of the Connecticut General Assembly was limited by those essential principles of liberty and free government set forth in the Connecticut Bill of Rights.

Taxing power for public purpose only

Among the legislative powers is that of taxation, conferred by necessary implication in Connecticut. This is also subject to the same essential principles of liberty and free government that condition the existence of the entire State government.

The court quoted with approval from the 1875 United States Supreme Court case of *Loan Association* v. *Topeka* (20 Wall. (U. S. 655)) the following principle:

"There is no such thing in the theory of our governments, State and National, as unlimited power in any of their branches."

From the same case the court adopted the holding that a foundation principle of all constitutional government is that taxation can lawfully be imposed only for a public purpose. The Connecticut court supports its view by holding that article 4, section 4 of the United States Constitution, guaranteeing a republican form of government in each State, thereby forbids the raising of taxes for any but a public purpose. Further protection for this view, says the court, is provided by the 14th amendment to the United States Constitution, which voids any act of State legislation denying the fundamental law of its land.

Constitutional provision

To this 14th amendment prohibiting States from denying to any person equal protection of the laws, it likens article first, section 1 of the Connecticut constitution. This section provides that no man or set of men are entitled to exclusive public emoluments or privileges from the community. Neither, the court notes, prevents the legislature from dealing differently with different classes, provided there is some natural and substantial difference germane to the subject and purposes of the legislation between those within and those outside the class.

This combination of valid classification and accomplishment of a public purpose must conjoin in order to uphold as valid the expenditure of public tax funds on behalf of a portion of the Connecticut public.

Public purpose

What is a public purpose? The Connecticut court expresses the answer in several similar ways. *Beach* v. *Bradstreet*, supra, dealing with a Civil War veterans' bonus, used this test: "Will it serve a recognized object of government, and will it directly promote the welfare of the people of the State in equal measure?" In another reference, the court in this case said the purposes of taxation must be kept within the range of subjects which bring to the State a direct benefit. *Lyman* v. *Adorno* (133 Conn. 511 (1947)), dealing with the World War II veterans' bonus, and *Walsh* v. *Jenks* (135 Conn. 210 (1948)), dealing with limited exemption of World War II veterans from real property taxes, phrased the test of public purpose in these terms: Will it promote the public welfare of the people of this State? In the Walsh case, the court quoted favorably language used by the United States Supreme Court in *Loan Association* v. *Topeka*, supra, indicating that in deciding whether a tax is imposed for a public purpose, reliance is placed on usage as to purposes deemed necessary to the support and proper use of government. But this is not the sole test as to whether a tax is levied for a public purpose. *State ex rel. Higgins* v. *Civil Service Commission* (139 Conn. 102 (1952)), dealing with promotion preference for World War II veterans under the civil-service system, suggested the act must promote, among other things, the general welfare of the community.

By all these tests, the court was able to uphold the various benefits conferred on World War II veterans as falling within the limits of a public purpose. Promotion of patriotism meets the test of public purpose. On the other hand, the Civil War bonus had been rejected as unconstitutional under the same tests, because in the eyes of the 1912 court, paying Connecticut funds to a veteran who served in the Federal Armed Forces as part of the quota from a State other than Connecticut would confer no more than an indirect benefit on Connecticut; not such a direct benefit as would sustain an expenditure of Connecticut State funds. Changed conditions since Civil War times led the court to hold that World War II veterans contributed a direct benefit upon Connecticut by serving in the Federal Armed Forces, regardless of from which State they were inducted into those forces.

Indirect private benefit permissible

Under Connecticut law, if a statute is found to serve a public purpose, it is not made invalid merely because it also confers a direct benefit on one or more individuals. This principle was laid down in detail in the Lyman case, supra, and affirmed in the Walsh case, supra, and *State ex rel. Higgins* v. *Civil Service Commission* (139 Conn. 102 (1952)). As example, the court cited tax exemption of lands appropriately planted with forest trees and of private educational institutions. In these cases, direct benefits flow to the landowner and students, respectively, but the statutes have been upheld as being for a public purpose. (See *Baker* v. *West Hartford* (89 Conn. 394).) In the Lyman and Walsh cases, direct benefits were received by the veterans receiving the bonus and tax exemptions there involved; yet the statutes were sustained as serving the public purpose of patriotism.

Federal program immaterial

Both the Lyman case and the Walsh case noted that merely because it is a Federal, rather than a State, function to wage war, it does not follow that the State cannot receive a direct benefit from the performance of this function. In the Lyman case, supra, at page 519, the court said:

"Such service no less protects this State and its people because it is rendered under the Federal Government."

Presumption in favor of validity of statute

The Lyman case, supra, notes that the initial determination that a statute serves a public purpose is for the legislature, citing *State* v. *Gilletto* (98 Conn. 702) as saying the legislature is the arbiter of public policy. Neither the wisdom of the statute nor the magnitude of the amount it involves is any concern of the court. The legislature's declaration of the existence of a public purpose is deserving of great weight, and in the absence of any express legislative declaration of purpose, the statute will be presumed to have been enacted in order to serve a public purpose, if in fact the court finds the statute is appropriate to serve a public purpose. Unless the statute is invalid beyond a reasonable doubt, in the judgment of the court, it will be presumed to be constitutional. Compare *State ex rel. Higgins* v. *Civil Service Commission*, supra.

But having noted all these factors tending to sustain the constitutionality of a statute, the court in the Lyman case, supra, at page 517, goes on to say:

"While legislative findings of fact are persuasive, the question whether an expenditure of public money is for a public purpose is a subject of judicial inquiry, and they are not controlling upon the courts which are required to determine such a question."

In other words, the final say on this matter of whether the statute serves a public purpose rests with the courts rather than with the legislature.

And in *Warner* v. *Gabb* (139 Conn. 310 (1952)), the Connecticut Supreme Court of Errors exercised its prerogative of reviewing the facts to determine whether a public purpose really existed. The case involved a statute giving extra pension retirement benefits to World War II veterans in the Hartford police and fire departments who had been employed in either department when they entered the Armed Forces. The court found a public purpose existed that could be the constitutional foundation for an appropriate statute. It cited the encouragement to recruitment of civil servants in these departments, the increase in performance efficiency attained because of a sense of security, and the prevention of rapid turnover in department personnel.

Nevertheless the court held the statute unconstitutional, because it found the act was not reasonably designed to further these public purposes. The statute foundered on the rock of article 1, section 1, of the Connecticut constitution, forbidding exclusive public emoluments to any man or set of men. Because the act applied to such a small class of persons (certain members of the police and fire departments in one city) as compared with the larger number who might have qualified under the public purpose involved, the court held this statute created an unjust discrimination rather than a valid classification.

In this case we have a very recent example of a statute held to be unconstitutional even though it passed the test of involving a public purpose.

Conclusion

Coming to the instant problem of the legality of the use of State funds to help pay an individual's flood-insurance premium, two major problems seem to require solution.

First, would this expenditure involve a public purpose?

Second, would aid so granted only to those who choose to purchase flood insurance be an appropriate method of carrying out a public purpose, if such a purpose is found to be involved?

Under existing Connecticut law, it appears it would be necessary for these two questions to receive an affirmative answer, first, in the general assembly; and second, in the courts, before a statute bringing such aid into being could be definitely held constitutional.

It also seems important to point out that under current Connecticut law, a finding of lack of either public purpose or valid classification could not be cured merely by amending the Connecticut constitution. As noted above, the Connecticut Supreme Court of Errors has already created a body of law indicating that any such amendment would likely run afoul of provisions in the United States Constitution dealing with a republican form of government and equal protection of the laws to all persons despite State action to the contrary (art. 4, sec. 4, and amendment 14, respectively).

ALABAMA

Section 93 of the constitution of Alabama, 1901, forbids the State from being interested in any private or corporate enterprise, or lending its money or its credit to any individual, association, or corporation.

Section 94 of the constitution prohibits the grant of public money to an individual.

In Opinion of the Justices (244 Ala. 632, 15 So. (2d) 41), the court held section 93 was directed against the lawmaking power of the legislature.

In *State ex rel. Dorlan* v. *Stone* (30 Ala. App. 413, 6 So. (2d) 898) the court held that payment of a just, though legally unenforceable, claim against a county is not prohibited by section 94.

ARKANSAS

Amendments No. 13 and 20 of the Arkansas constitution prohibit the State and its subdivisions from lending their credit and restrict the issuance of State bonds.

In *McArthur* v. *Smallwood* (Ark. 281 SW (2d) 428) the Supreme Court of Arkansas upheld as not violating these provisions a 1955 act creating the Arkansas Justice Building Commission.

DELAWARE

Article 8, section 8, of the Delaware constitution prohibits a municipality from lending credit or appropriated money to a private corporation, person, or company. The recent case of *Wilmington Parking Authority* v. *Ranken* (105 A. (2d) 614 (1954)) upheld as constitutionally valid an act of the Delaware Legislature declaring off-street parking of motor vehicles to be a public purpose. Admitting that public funds may not be constitutionally appropriated for private purposes, the court upheld the statutory provision permitting the authority to acquire off-street parking areas and lease out space on a commercial basis in order to help finance the parking facilities. It noted that the phrase "public purpose" is not susceptible of precise definition and that it is not possible to adopt any rigid rule by which to determine whether a purpose or use is to be held public or private, but it stated it to be clear that as public needs vary with the times and with changed conditions, so an activity once thought to be strictly private may become a proper subject for public action or control. As an example, it stated that 60 years ago no one would have suggested that a State operated livery stable would have served a public purpose; but, at the present, grave problems created by the automobile, including parking, are a fit subject for public concern.

The Court followed the usual rule in holding that while legislative finding of public purpose is entitled to great weight, it is not conclusive and the determination of what constitutes a public purpose is ultimately a question for the courts. It commented that the evil aimed at by the constitutional provision above noted is the union of public and private capital or credit in any sort of enterprise. However, it held that the constitutional provision does not prevent a municipality from devoting funds

to its own public improvements, even though these include the process of leasing out space for commercial purposes.

FLORIDA

Article 9, section 10 of the Florida constitution forbids the State from pledging or lending its credit to any individual, company, corporation or association.

In *State* v. *Inter-American Center Authority* (Fla. 84 So. (2d) 9; (1956)), the Florida Supreme Court held that a State statute to finance construction, from public funds, of an Inter-American Cultural and Trade Center was for a "public purpose," and therefore did not violate the above provision of the constitution.

IDAHO

Article 8, section 2 of the Idaho constitution provides that State credit shall not in any manner be given or loaned to or in aid of any individual, association, municipality or corporation.

The highest court in Idaho, in the recent case of *Davis* v. *Moon* (Ida., 289 P. (2d) 614), upheld as not in violation of that provision the Legislative Act of 1955 appropriating funds to pay certain dormitory revenue bonds, including interest, issued in 1950 by the State Board of Education to construct a dormitory at Northern Idaho College of Education. Since the legislature appropriated no funds for operation of the college in 1951, it had ceased operations. In 1955 the college resumed operations as the Lewis-Clark Normal School. The court held the 1955 act was for a public purpose, not a private purpose.

LOUISIANA

Article 4, section 12 and article 6, section 29 of the Louisiana constitution of 1921 prohibit the loan of State credit to a corporation.

MAINE

Article 9, section 14 of the Maine constitution prohibits the loan of State credit to a corporation.

MICHIGAN

Article 10, section 12 of the Michigan constitution provides that the State's credit shall not be granted to or in aid of any person, association, or public or private corporation.

The court in *City of Dearborn* v. *Mich. Turnpike Authority* (344 Mich. 37, 73 N. W. (2d) 544), upheld as not violating this constitutional provision the Turnpike Act appropriation of $500,000 from the State highway department's share of the motor vehicle highway fund as a revolving fund for use in planning toll roads.

MISSOURI

The Missouri constitution contains prohibitions against giving special privileges, lending public credit, and granting public property in aid of a private person, association, or corporation. *V. A. M. S. Constitution* (art. 1, sec. 28; art. 3, secs. 38 (a) and 30; and art. 6, secs. 23 and 25). In a recent case the highest court in Missouri has held that none of these constitutional provisions is violated by the Missouri land clearance for redevelopment authority law, which permits the authority to take and redevelop blighted areas and resell them to private persons at a price less than the cost of acquisition, demolition, and improvement. (*State on Information of Dalton* v. *Land Clearance for Redevelopment Authority of Kansas City, Mo.* (270 S. W. (2d) 44).)

NEW HAMPSHIRE

In a program to aid the location of industry in New Hampshire, the highest court of the State, in a declaratory opinion, held that the proposed legislation creating an industrial park authority was objectionable under the State constitution because it would make no provision for determining that a particular industrial project would serve the public purpose or for determining that the public is not already adequately served in this respect. The court noted that such a provision would be needed to assure the undertaking would actually be for a public purpose. Secondly, the court objected to the bill because it lacked standards to guide and control the action of the authority in using its powers. Third, the court noted that the bill lacks provision for an authoritative finding that a particular industrial project would be within the stated purposes of the act and would not primarily benefit private users. The court noted that it is the essential characteristic of the bill rather than its declared purpose that must govern in deciding whether it promotes a public purpose. Holding that an appropriation of public money for a private purpose is forbidden, the court posed itself the question of deciding whether the proposed expenditures under the bill would be primarily of benefit to private persons or private uses, or whether they would serve public purposes for the accomplishment of which public moneys may properly be used.

The court noted that if the public purpose would be no more than the indirect public advantage accompanying industrial welfare and general prosperity, this alone would not serve to sustain the bill as being constitutional in view of the constitutional principle against taxation for private purpose.

The court noted that the bill presents a double aspect in that in some respects it would benefit the public and in another it would benefit private individuals. It held that such legislation is neither necessarily invalid because individuals as such may profit from it, nor necessarily valid because of benefits provided for the public. It stated that the question is whether the legislation bears directly and immediately or only remotely and circumstantially upon the public welfare. As noted, the court determined that House bill 424 in the form in which it was presented to the court could not pass the constitutional test. *In re Opinion of the Justices* ((94 N. H. 515, 53A (2d) 194); *in re Opinion of the Justices* (88 N. H. 484, 190A.425). Compare *Velishka* v. *Nashua* (99 N. H. 161, 106A (2d) 571).

The similarity of the problems discussed by the court concerning House bill 424 and the problems involved in requiring the State to pay a portion of the premium for flood-insurance policies covering properties located in New Hampshire is apparent.

NORTH DAKOTA

Section 185 of the North Dakota constitution prohibits donation of public funds to individuals.

In *State* v. *Amerada Petroleum Corp.* (N. D., 71 N. W. (2d) 675), the court held this was not violated by a resale of land foreclosed by the State, even though the value of the land greatly increased in value after the sale due to discovery of oil on the land.

OHIO

Article 8, section 4 of the Ohio constitution prohibits State credit from being given or loaned to or in aid of any individual, association, or corporation.

In the case of *Auditor of Lucas County* v. *State ex rel. Boyles* (75 Ohio St. 114, 78 N. E. 955), the court held to be in violation of this constitutional provision an act providing a payment from public funds of $25 per quarter year to blind persons. The court held that this required an expenditure for a private purpose of public funds raised by taxes. The court cited *Savings and Loan Association* v. *Topeka* (20 Wall. (U. S.) 655, 22 L. ed. 455), as holding that an incidental public benefit is not sufficient to save a law from the charge of unconstitutionality as a use of public funds for a private purpose.

The Ohio State constitution had to be amended in order to make valid the enactment of statutes providing for bonuses for veterans.

Examples of cases in Ohio upholding expenditures of public funds as being consistent with the above provision of the constitution are:

State ex rel Dickman v. *Defenbacher* (164 Ohio St. 142, 128 N. E. (2d) 59 (1955)), involving an appropriation of public funds to certain veterans' organizations for the rehabilitation of veterans and the promotion of patriotism. This was held to constitute a public purpose;

State ex rel. Leaverton v. *Kerns* (104 Ohio St. 550, 136 N. E. 217), involving State aid to a county agricultural society. The court held that an agricultural fair is a public institution designed for public instruction, rather than an agricultural business. Article 8, section 4, of the constitution would prevent the State from furnishing financial aid to such a business;

State ex rel. Pugh v. *Sayre* (90 Ohio St. 215, 107 N. E. 512), involving an allocation of public funds derived from police court fines to a private corporation, namely, the Franklin County Law Library Association, in order to maintain a law library used by all officers exercising judicial functions in the county.

As to the meaning of "public purpose" in Ohio law, the court in *State ex rel. Leaverton* v. *Kerns*, supra, quoted from *Walker* v. *City of Cincinnati* (21 Ohio St. 14, 8 Am. Rep. 24), which in turn said:

"On this subject we cannot do better than to adopt what is so well said by Judge Cooley, in his treatise on Constitutional Limitations, pages 128, 129, where, in speaking of limitations upon legislative authority, he says: '* * * But what is for the public good, and what are public purposes, and what does properly constitute a public burden, are questions which the legislature must decide upon its own judgment, and in respect to which it is vested with a large discretion which cannot be controlled by the courts, except perhaps where its action is clearly evasive, and where, under pretense of a lawful authority, it has assumed to exercise one that is unlawful. Where the power which is exercised is legislative in its character, the courts can enforce only those limitations which the constitution imposes, and not those implied restrictions, which, resting in theory only, the people have been satisfied to leave to the judgment, patriotism, and sense of justice of their representatives'."

VIRGINIA

The recent case of *Almond* v. *Day* (Va. 89 S. E. (2d) 851) declared unconstitutional a statute providing for payment of tuition and fees from public funds to children attending private schools. The court held that this action would violate section 141 of the Virginia constitution, which generally forbids appropriations of public funds to any school not owned or exclusively controlled by the State or some political subdivision of the State. As regards sectarian schools the court held the proposed appropriation would also violate sections 16, 58, and 67 of the Virginia constitution dealing with religious freedom and the 1st and 14th amendments to the United States Constitution. In reaching its decision, the court followed what it called the general rule that the purpose and constitutional validity of a statute must be determined by its natural and reasonable effect, no matter the language in which it is phrased.

No case more directly in point has yet been found in Virginia within the limited time available for research.

WISCONSIN

Article 8, section 3, of the Wisconsin constitution prohibits the State from giving or lending its credit.

State ex rel. Thomson v. *Giessel* (Wis., 72 N. W. (2d) 577 (1955)) holds this provision

doesn't prohibit incurring a State obligation to pay rent contingent upon the corresponding enjoyment of property rights. It also held State university dormitory construction did not violate the State debt limit in article 8, sections 4 and 6, of the constitution, nor was this an internal improvement the State was barred from engaging in by article 8, section 10, of the constitution.

Mr. LEHMAN subsequently said: Mr. President, I ask unanimous consent to have inserted at the appropriate place in the RECORD, as a part of my remarks, a letter addressed to the Senator from Arkansas [Mr. FULBRIGHT], chairman of the Senate Banking and Currency Committee, by Dr. Ernest S. Griffith, Director of the Legislative Reference Service of the Library of Congress.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, D. C., May 4, 1956.

Hon. J. WILLIAM FULBRIGHT,
Chairman, Senate Banking and Currency Committee, United States Senate, Washington, D. C.
(Attention Mr. William F. McKenna, counsel.)

DEAR SENATOR FULBRIGHT: This is in reply to your letter of May 2, 1956, wherein you refer to a statement of the Housing and Home Finance Agency relating to desired information concerning limitations on State participation in a flood-indemnity program. (See Federal Disaster Insurance, hearings before a subcommittee of the Committee on Banking and Currency, Feb. 16, 1956, pt. 2, pp. 951–952.)

According to a memorandum submitted by the Agency, the proposal is for a flood-indemnity program on a Federal-State partnership basis. Individual States may participate in this program by agreeing to make certain financial contributions to a Federal flood-indemnity fund. Such contributions would be matched by the Federal Government. If a State agrees to participate, flood-indemnity contracts would be made available to the owners of property located in that State, upon payment of a fee, protecting them against flood loss or damage. The total amount of the State's contribution would depend on the amount it was required to pay with reference to each individual contract covering property in that State, as well as the total volume of indemnity contracts written in the State. The Administrator would determine the State's share as to individual contracts according to standards set forth in the bill. This may be any amount up to one-third of the amount of the fee paid by the person indemnified.

We find it impossible, within the time available, to prepare a complete answer based on the four points outlined in your letter concerning possible State constitutional or other legal barriers. However, in an attempt to be of some assistance in the matter, we believe we can use West Virginia as an example to indicate the nature of the problem faced in connection with the proposal to require that as much as 20 percent of the total premium charge for the policy issued by the Federal Government shall be paid by the State in which the insured property is located.

We start with the proposition that Congress has power to condition its grants; that it is hardly lack of due process of law for the Government of the United States to regulate that which it subsidizes. (*Wickard* v. *Filburn* (1942), 317 U. S. 111, 131.) While the United States is not concerned with, and has no power to regulate, local or State activities as such, it does have power to fix the terms upon which its money allotments to States shall be disbursed. (*Oklahoma* v. *Civil Service Commission* (1947), 330 U. S. 127, 143.)

The problem cannot, however, be disposed of merely by noting this power of Congress to condition its grants. Consideration must be given to State constitutional limitations or applicable statutory provisions. The latter, of course, are more easily adjusted. For example, the provision in the constitution of the State of West Virginia (art. X, sec. 4) reads:

"No debt shall be contracted by this State, except to meet casual deficits in the revenue, to redeem a previous liability of the State, to suppress insurrection, repel invasion, or defend the State in time of war; but the payment of any liability, other than that for the ordinary expenses of the State, shall be equally distributed over a period of at leas' 20 years."

The State supreme court of appeals held that the compact provisions pledging cooperation in maintaining waters in the Ohio River Basin and a sanitary condition through the administrative mechanism of the Ohio River Valley Sanitation Commission, and requiring appropriations to cover the proper proportion of the annual budget, conflicted with the above section and for that reason was not binding on West Virginia.

In reversing the State court on this point, the United States Supreme Court noted its own constitutional jurisdiction to entertain an original suit to settle interstate disputes relating to such pollution. However, the Constitution of the United States has provided also an alternative method of settlement by compact. A proper settlement by the latter method, said the Court, could not be foreclosed by a State constitutional restriction. (See *West Virginia* v. *Sims* (1951), 341 U. S. 22.)

As we understand the 20-percent proposal you have referred to, no compact or similar Federal constitutional power or arrangement is involved which would override a State limitation. Accordingly, we are unable to say that State constitutional provisions such as article X, section 4, supra, would not be construed as impeding State participation. Of even greater importance, perhaps, are other constitutional provisions, such as section 6 of article X, supra. It states:

"The credit of the State shall not be granted to, or in aid of, any county, city, township, corporation, or person; nor shall the State ever assume, or become responsible for the debts or liabilities of any county, city, township, corporation, or person; nor shall the State ever hereafter become a joint owner or stockholder in any company or association in this State or elsewhere formed for any purpose whatever."

Under this, an appropriation by the legislature of public revenues for private purposes is said to be beyond its legitimate powers. (See, for examples, *State ex rel. Bennett* v. *Sims* (1948), 131 W. Va. 312, 48 S. E. 2d 13; *State ex rel. Catron* v. *Sims* (1950, 133 W. Va. 610, 57 S. E. 2d 465; *State ex rel. Board of Governors of West Virginia University* v. *Sims* (1954), 82 S. E. 2d 321.)

These are indicative of problems which proponents of the State contribution requirement probably should resolve unless they intend to use that requirement to force States to make constitutional or statutory adjustments. As a further indication of the types of constitutional provisions which may be of importance, we invite attention to Index Titles of State Constitutions (1915) prepared for the New York State Constitutional Convention Commission by the Legislative Drafting Research Fund of Columbia University. See particularly the entries under the subheading "State Debt," pages 1303 ff.

Sincerely yours,

ERNEST S. GRIFFITH,
Director.

Mr. RUSSELL. Mr. President, I offer the amendment which I send to the desk and ask to have stated. It was discussed earlier.

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia will be stated.

The LEGISLATIVE CLERK. It is proposed to strike from page 11, line 20, all of subsection (b), beginning on line 20, through line 2, on page 12, and relettering subsection (c) as (b).

Mr. LEHMAN. Mr. President, I cannot help taking this opportunity to say that the bill over which we have worked for months, for which the people have been waiting, and which would have rendered a very great service, has been seriously crippled by the amendment which has just been adopted.

I shall, of course, accept the amendment offered by the Senator from Georgia, as I have previously agreed to do.

Mr. KNOWLAND. Mr. President, may we have the yeas and nays on the final passage of the bill?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. RUSSELL].

The amendment was agreed to.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the final passage of the bill.

The yeas and nays were ordered.

Mr. KERR. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The LEGISLATIVE CLERK. It is proposed, after the word "flood" or the words "flood or floods," wherever they appear in the bill, to insert the words "tornado, wind, or cyclone."

Mr. LEHMAN. Mr. President, is the Senator from Oklahoma going to speak to his amendment?

Mr. KERR. I shall not if it is accepted.

Mr. LEHMAN. Mr. President, is the amendment now before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

Mr. LEHMAN. Mr. President, I did not know whether the Senator from Oklahoma was going to speak to his amendment.

Mr. KERR. I did not intend to do so. If the Senator from New York opposes the amendment——

Mr. LEHMAN. I oppose the amendment.

At the beginning, Mr. President, we felt that we should have a very comprehensive bill which would include not only natural disasters, but manmade disasters.

After the hearings had proceeded it was soon perfectly clear that we would get nowhere with regard to that procedure. We also thought of various natural disasters which should be included, such as tornadoes, earthquakes, fires, and other disasters. The situation became so complicated and there was so much opposition on the part of insurance com-

panies that it was found impossible to include the number of natural disasters which ordinarily should be, in the opinion of many persons, included. So we decided merely to include insurance against loss from flood disasters. That is what the bill now contains.

The basis of our philosophy is that all other natural disasters, such as tornadoes, earthquakes, and hurricanes, can be protected against by private insurance. Flood damage to property cannot be generally covered by any private insurance now available. Therefore, we decided to limit the bill to flood insurance. There is no reason for including tornado insurance that I can see. I dislike to differ with my very highly respected colleague from Oklahoma, but there is no reason for including tornado insurance. That can be covered by countless insurance companies, and has been for many, many years. There is no difficulty about it, and the rate is not prohibitive, at least, no more prohibitive than it would probably be under Government auspices, in the absence of a subsidy.

I think that to include other disasters would be a final blow to the bill. It would open the door so wide to the insurance, that the very limited amount of liability which would be permitted to the Government—$3 billion, with an extra $2 billion to be used in the discretion of the President—would mean absolutely nothing. Only a small fraction of the people could be covered by the flood insurance, which is the matter now before us, and on which the Committee on Banking and Currency was engaged for several months.

I hope the amendment will not prevail. I feel that already almost irreparable damage has been done to the bill, which I hope, nonetheless, will pass, because it may do a little good for the people.

But, Mr. President, if the amendment of the Senator from Oklahoma should be adopted, the door would be opened so wide that there would be no significance whatsoever in respect to the provisions of the bill as it now stands.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. LANGER. The Senator believes in Federal insurance for everything for which private insurance companies will not insure, does he not?

Mr. LEHMAN. I believe in Federal insurance for everything which private insurance companies will not insure, provided the liability of the Federal Government can be widened to a point which is practicable. Therefore, we have in the bill a provision to require that a continuing study shall be made by the Commissioner of Insurance with respect, first to additional natural disasters which might be covered by Government insurance, and also that the Commissioner shall report to Congress periodically, and finally in 1961, with regard to whether the whole program of insurance by the Government against flood damage should be continued.

Mr. LANGER. The Senator knows, does he not, that no private insurance can be obtained against droughts. In the Middle West, we are bothered very much with droughts. Does the Senator from New York have any objection to including droughts in the program?

Mr. LEHMAN. I am sorry to say that I object very much to including anything else in the bill, because I think that would be another way of making the whole program contemplated by the proposed legislation completely ineffective. I do not think we could do it.

The time may come when many natural disasters can be covered. As a matter of fact, I started with the idea of including in the bill manmade disasters, such as would result from atomic or hydrogen bomb attacks. But it was perfectly evident that we would not get anywhere with such a program, and that it seemed completely outside the means of the Government to insure against that kind of disaster on actuarial principles.

Mr. BUSH. Mr. President, I urge the Senate to reject the amendment. I support everything which the Senator from New York has said. The whole purpose of the bill is to provide insurance against flood disaster, because that is the only type of disaster which is not insurable by private sources. This is a very serious matter. I hope the Senate will reject the amendment.

Mr. LANGER. Will the Senator from Connecticut be so kind as to tell me where a farmer can get insurance against drought?

Mr. BUSH. The only such insurance that I know of which would be available to farmers is under the crop-insurance program.

Mr. LANGER. Unfortunately, that does not help the farmer who suffers from drought.

Mr. KERR. Mr. President, I think the amendment is very much in order. It seems to me that every word the Senator from New York has uttered shows how important the amendment is. He said that if we were to accept the amendment it would so greatly expand the program that the provision of funds would be inadequate. In other words, what the Senator from New York says is that the damage from hurricane, cyclone, and wind is even greater than that from floods.

I ask Senators this question: What can we say to our constituents who are damaged more by tornadoes and cyclones if we vote for a program whereby the Federal Government will subsidize a flood-control insurance program by 40 percent but will refuse equal protection to the victims of disaster caused by tornadoes and cyclones?

I call attention further to the fact that flood damage can be prevented by adequate flood-control projects and programs. But there is no way yet known to man whereby damage and destruction from cyclones and tornadoes can be prevented.

Moreover, Mr. President, in the areas where cyclones and tornadoes occur, the insurance rates are so high that the average person cannot procure insurance coverage to protect him from the loss thereby.

I submit, therefore, that in simple justice the victims of tornadoes and cyclones are equally entitled to the protection provided by the bill for victims of flood damage or destruction.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. NEUBERGER. Would the distinguished Senator from Oklahoma accept an amendment to his amendment and include in the list of disasters which he proposes to add to the bill, landslides and avalanches?

Mr. KERR. No, but I would support such an amendment.

Mr. NEUBERGER. I did not intend to raise the question on the floor so long as the bill was narrowed to the matter of floods; but in my State of Oregon during the past winter a considerable number of families suffered greatly, and one family, including several small children, was wiped out completely, due to the terrific landslides and avalanches which came off the mountainsides of our State.

It seems to me that if other disasters are added—and the Senator from Oklahoma has made a very persuasive case—then in the States where there are great mountain ranges, such as in Oregon, and where there are very steep hillsides on which people live, insurance against avalanches and landslides should be included.

Mr. KERR. I think the Senator's remarks are meritorious, and I would support an amendment to add that kind of disaster to the benefits which would be covered under the bill.

I say to the distinguished Senator from North Dakota, who was speaking about drought, that he is entirely right; that when a man is a victim of destruction caused by drought, his disaster is just as deadly as is that caused by floods.

However, the amendment which I have offered is limited to disaster caused by tornadoes, winds, or cyclones.

Mr. CASE of South Dakota. Mr. President, will the Senator yield for a question?

Mr. KERR. I yield for a question.

Mr. CASE of South Dakota. Would the Senator from Oklahoma object to adding fire when caused by lightning?

Mr. KERR. I think I would.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. DOUGLAS. Would the Senator object to adding earthquakes?

Mr. KERR. I would support an amendment for earthquakes, but I would not want to add disaster by earthquake to the amendment I have offered.

Mr. ERVIN. Mr. President, the distinguished senior Senator from Oklahoma has a very simple answer to his question as to what he should tell his constituents. He should tell his constituents that they can now procure insurance from private insurance companies against the hazards he is concerned about. But the victims of floods cannot procure flood insurance; and large sections of the Nation have been grievously injured by floods. Recently my State suffered damage to the extent of $3 million as a result of floods caused by hurricanes.

I attended a great many meetings in my State to discuss the problem of flood

insurance. Those meetings were attended by representatives of insurance companies and by other persons who were interested. I learned at that time that insurance could then be obtained against tornadoes and wind damage, but that it was impossible to procure insurance anywhere in the United States against flood damage.

It seems to me that the bill should be passed without these crippling amendments, so as to meet a situation where actual need exists.

If the Senate wants to kill the bill it ought to kill it in a forthright manner, not by indirection in these respects.

While I am on the floor, I wish to take the occasion to commend the very strong fight which the distinguished Senator from New York [Mr. LEHMAN] and the distinguished Senator from Connecticut [Mr. BUSH] have made in the Senate on behalf of the bill, which as it has come from the committee is a meritorious bill and ought to be passed for the purpose of affording needed relief in a field where no relief is now available.

Mr. KERR. Mr. President, I want to say just a word. Insurance at reasonable rates is not available to the people in the known path of tornadoes and cyclones, and Senators from States which have been so afflicted in the past are aware of that fact.

I submit it was not the purpose of the Senator from Oklahoma to cripple the bill, but to strengthen it, and to provide for the victims of one catastrophe of nature equal justice to that given the victims of flood-control catastrophe.

The PRESIDING OFFICER (Mr. LAIRD in the chair). The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. KERR].

The amendment was rejected.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered; and the clerk will call the roll.

The legislative clerk called the roll.

Mr. JOHNSON of Texas. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Louisiana [Mr. ELLENDER], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

The Senator from Rhode Island [Mr. PASTORE] is absent on official business attending the atomic-energy tests in the South Pacific.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Kentucky [Mr. CLEMENTS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. HENNINGS], the Senator from Tennessee [Mr. KEFAUVER], the Senator from West Virginia [Mr. NEELY], the Senator from Rhode Island [Mr. PASTORE], and the Senator from Florida [Mr. SMATHERS], would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Wyoming [Mr. BARRETT], the Senator from Maryland [Mr. BEALL], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Ohio [Mr. BRICKER], the Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

The Senator from Nevada [Mr. MALONE] and the Senator from South Dakota [Mr. MUNDT] are absent on official business.

The Senator from Maryland [Mr. BUTLER] is detained on official business.

If present and voting, the Senator from Maryland [Mr. BEALL], the Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] and the Senator from South Dakota [Mr. MUNDT] are paired. If present and voting the Senator from Idaho would vote "yea" and the Senator from South Dakota would vote "nay."

The result was announced—yeas 61, nays 7, as follows:

YEAS—61

Aiken	Holland	Morse
Allott	Hruska	Murray
Bender	Humphrey	Neuberger
Bennett	Jackson	Payne
Bush	Jenner	Potter
Capehart	Johnson, Tex.	Purtell
Carlson	Johnston, S. C.	Saltonstall
Case, N. J.	Kennedy	Schoeppel
Cotton	Knowland	Scott
Curtis	Kuchel	Smith, Maine
Daniel	Laird	Smith, N. J.
Dirksen	Lehman	Sparkman
Douglas	Long	Stennis
Duff	Magnuson	Symington
Dworshak	Mansfield	Thye
Eastland	Martin, Iowa	Watkins
Ervin	Martin, Pa.	Wiley
Flanders	McCarthy	Williams
Goldwater	McNamara	Young
Green	Millikin	
Hill	Monroney	

NAYS—7

Case, S. Dak.	Langer	Wofford
Frear	Robertson	
Kerr	Russell	

NOT VOTING—27

Anderson	Clements	Kefauver
Barrett	Ellender	Malone
Beall	Fulbright	McClellan
Bible	George	Mundt
Bricker	Gore	Neely
Bridges	Hayden	O'Mahoney
Butler	Hennings	Pastore
Byrd	Hickenlooper	Smathers
Chavez	Ives	Welker

So the bill (S. 3732) was passed.

DEPENDENTS' MEDICAL CARE ACT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1899, H. R. 9429, a bill to provide medical care for dependents of members of the uniformed services, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make a brief announcement. It is planned that following action on the unfinished business the Senate will proceed to the consideration of Calendar No. 1896, S. 3108, a bill to encourage the construction of modern Great Lakes bulk cargo vessels, and Calendar No. 1894, H. R. 483, to amend the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947.

Following the consideration of those bills, it is planned to proceed to the consideration of the Niagara power bill, which is Calendar No. 1428, S. 1823. I hope we shall reach that bill by the middle of the day on Monday.

It is expected that the Senate probably will sit late on Monday and all day Tuesday, in an effort to complete action on the Niagara power bill early on Wednesday, if possible, and then take up the farm bill.

I hope that perhaps on Wednesday or Thursday we can conclude action on the farm bill.

Mr. President, as I have said, all these hopes are tentative, and depend upon the pleasure of the Senate. But that is the schedule the minority leader and I have tentatively agreed upon.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Has an order been entered that at the conclusion of the business of the Senate today, the Senate will take a recess until Monday?

The PRESIDING OFFICER. Such an order has been entered.

Mr. JOHNSON of Texas. I wonder whether my friend, the Senator from Minnesota [Mr. HUMPHREY], will—when he concludes the remarks he intends to make, and when other Members have concluded whatever remarks they may wish to make—move that the Senate stand in recess, subject to that order—in other words, until Monday.

Mr. HUMPHREY. I shall be happy, indeed, to do so, Mr. President.

AUTHORIZATION TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DURING RECESS

On motion of Mr. JOHNSON of Texas, it was

Ordered, That the Vice President or the President pro tempore be authorized, during the recess following today's session, to sign enrolled bills and joint resolutions passed by the two Houses and found to be truly enrolled.

MINNESOTA HOSPITALITY WEEK

Mr. HUMPHREY. Mr. President, this week has been proclaimed by Gov. Orville L. Freeman, of Minnesota, as Minnesota Hospitality Week. During this week Minnesotans everywhere will be writing to their friends, relatives, and business associates, inviting them to visit Minnesota this summer, next year, or, without fail, in 1958—when Minnesota will be celebrating its centennial with a year-long schedule of exciting and entertaining events.

As a good citizen of Minnesota, I have accordingly composed an open letter of invitation to include each Member of this body.

Mr. President, I shall not take time this evening to read the letter; but let me say it is written in the spirit of fellowship and warmheartedness. I encourage every Member of the Senate forthwith to pay a visit to the great North Star State of Minnesota.

Mr. President, I ask unanimous consent that the letter be printed at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., May 10, 1956.

Dear SENATOR: This week has been proclaimed by Gov. Orville L. Freeman, of Minnesota, as Minnesota Hospitality Week. Minnesota is by nature a notably hospitable State. However, in anticipation of the State's great statehood Centinenial Celebration in 1958, hospitality gains new emphasis in Minnesota, and visitors to the North Star State will be met with an exceptional welcome during the coming summer and fall, and all through 1957 and 1958.

Minnesota offers extraordinary recreational opportunities. With more than 11,000 lakes, numerous sparkling rivers, and a wilderness area of unusual beauty along the northern border of the State, Minnesota is a paradise for the fisherman, boatman, swimmer and camper. Sailing, canoeing, and motorboating on Minnesota waters rank as outstanding summer attractions in Minnesota. The cool, fresh summers of Minnesota offer a haven for the heat-oppressed. Duluth and the north shore of Lake Superior beckon to the victims of hay-fever and those who yearn for pleasant and exciting vacation in this rugged north country.

Minnesota's majestic autumns and winters, with some of the most strikingly beautiful landscapes of the entire Nation, are a separate challenge to the photographer and outdoorsman. After the colorful autumn leaves fall, ice fishing and ice skating, skiing and tobogganing—all of these brisk and invigorating sports are in full swing throughout the Minnesota winter.

Visitors will find, too, remarkable educational and medical facilities—the magnificent University of Minnesota leading the Nation in many fields, second in size in the whole Nation. There are many other outstanding colleges and institutions of higher education. Then, too, we have the great Mayo Foundation at Minneapolis and Rochester, along with our public and private hospitals.

With a remarkable economic and geographic diversity, Minnesota includes rich, rolling, black-earth farm land; wide-sweeping plains golden with summer wheat; the deep forests and lakes, fertile and productive fields of corn, feed grains, soybeans, flax and vegetables; green pastures with some of America's finest beef cattle and dairy cows; the deep forests and lakes of the north; the north shore along Lake Superior—"Mediterranean of the North," with its deep water harbor at Duluth; the remarkable Minnesota Iron Range, producing most of the great American steel industry's iron ore; the striking new taconite development which converts hard rock into highgrade iron ore in a massive and complex new Minnesota industrial development. Minnesota offers something for the most farflung interest and curiosity.

For those who enjoy good food, I need only mention the preeminent position of Minnesota's sweet-cream butter; Minnesota is in first place in production of sweet corn for processing; second in turkey production, honey and oats; third in meatpacking, wheat and flour, cheese, and milk production. Minnesota is fourth in the Nation in the production of eggs, barley, and sugar beets.

Minnesota's bakers are renowned for their breads, cakes, and pies; particularly German and Scandinavian pastries. Minnesota cattle furnish some of the finest steaks in the world, and lean hogs some of the richest bacon, hams, and porkchops to be found anywhere.

Obviously, Minnesotans love to work and play and to live well. They want their visitors to enjoy the same good things of life. They are a warm, friendly and energetic people, with many nationality origins and colorful patterns of life.

I should like at this time to extend to you, my colleague in the United States Senate, an invitation to visit the State of Minnesota and to share in the warm welcome which will come from every Minnesota citizen.

Sincerely yours,

HUBERT H. HUMPHREY.

Mr. DOUGLAS. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I am glad to yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, I have listened with much interest to the eulogy of Minnesota which the Senator from Minnesota has been giving. It reminds me of a comment made by Dr. George E. Vincent, formerly president of the University of Minnesota. After visiting the Pacific Northwest, he said he never knew a group of people who took so much credit for what the Lord had done for them.

I wonder whether that remark of Dr. Vincent's is applicable to Minnesota.

Mr. HUMPHREY. Indeed the Lord has been kind to Minnesota; and not only do we who are the people of that great State wish to take care of the great heritage which is ours, but, more than that, because of our genuine feeling of fellowship for our neighbors and friends in the United States, we want to invite all of them, including all Members of the Senate and all their associates, friends, and constituents, to pay a visit—particularly this summer—to Minnesota, when Minnesota will be as beautiful as any area in the world. I wish to assure all Senators that when they visit Minnesota, they will find the warm hand of welcome extended to each one of them.

Mr. DOUGLAS. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. DOUGLAS. So long as the Senator from Minnesota gives the credit to the Lord, I think perhaps we may visit Minnesota, provided it is understood that there is a limit on the amount of self-praise in which Minnesotans indulge.

Mr. HUMPHREY. Let me say to my friend, the Senator from Illinois, that there will be a minimum of self-praise. We are only reciting what nature has provided for us, and we want to share these wonders of nature with each and every Member of the Senate.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. I do not remember history or poetry too well; but do I correctly recall that Minnesota is the land of Minnehaha, the land of laughing waters?

Mr. HUMPHREY. Yes, indeed; Minnesota is the land of laughing waters and happy people, and is the land of 11,000 lakes. I have set forth those things in my letter.

Mr. President, rather than send the letter to each Member of the Senate individually, I am having it printed in the RECORD. I know the CONGRESSIONAL RECORD will be delivered to the doorstep of each Senator; and in that way the invitation to visit Minnesota will be given to each one of them personally, just as if I had delivered it myself in person.

Mr. DOUGLAS. Mr. President——

Mr. HUMPHREY. Mr. President, I can see that I must say a kind word for Illinois. Let me say that when my colleagues return from their visit to Minnesota, it would be well for them to visit Illinois.

Mr. SPARKMAN. Mr. President, will the Senator from Minnesota yield further to me?

Mr. HUMPHREY. I yield.

Mr. SPARKMAN. Let me say that in the State of Alabama there are some very beautiful lakes, in which freshwater fish abound. I refer to the lakes in the TVA area in northern Alabama.

Mr. MORSE rose.

Mr. HUMPHREY. Mr. President, I can see that in a moment I shall hear a word about Oregon. However, at this time, let me say that after my colleagues visit Minnesota, we shall be more than happy to have them visit Alabama, whose hospitality is rarely, if ever, equaled.

Mr. SPARKMAN. It is rarely equaled, but never exceeded.

Mr. MORSE. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. MORSE. Mr. President, no one need speak for Oregon's scenic beauty; its beauty speaks for itself.

Mr. HUMPHREY. Certainly the Senator from Oregon speaks amply in this Chamber for his State.

Mr. MORSE. I thank the Senator from Minnesota.

ATTITUDE OF THE STATE DEPARTMENT ON THE INTERNATIONAL LABOR ORANIZATION CONVENTION AGAINST FORCED LABOR

Mr. HUMPHREY. Mr. President, the current issue of Life magazine which appeared on the newsstands this morning contains a lead editorial condemning the State Department's attitude on the

proposed International Labor Organization Convention Against Forced Labor. It begins:

Senator HUBERT HUMPHREY has caught the State Department in what he calls—all too accurately, alas—"a glorious example of pettifogging." It is a story that throws light on two things: (1) Why Republicans don't get any official support from organized labor, and (2) how the United States muffs chances for diplomatic victories in the cold war.

I ask unanimous consent that the context of the Life editorial be printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DANGER: PETTIFOGGERS AT WORK

Senator HUBERT HUMPHREY has caught the State Department in what he calls—all too accurately, alas—"a glorious example of pettifogging." It is a story that throws light on two things: (1) Why Republicans don't get any official support from organized labor, and (2) how the United States muffs chances for diplomatic victories in the cold war.

The International Labor Organization, of which the United States has been a member since 1934, has recently done some first-class work on the subject of forced labor—i. e., the mass enslavement of political dissenters. In 1953 it published a 620-page report which spread on the record more data than had ever been assembled about the monstrous use of slave labor in Soviet Russia and its satellites. (Communist charges of slave labor in the United States were also examined and dismissed.) Recently an ILO committee reconfirmed all these findings, added Communist China to the list of offenders and urged that the monstrosity be outlawed. In reply to an ILO questionnaire, most member countries favor a firm convention banning forced labor, rather than a mere resolution deploring it.

Our State Department, however, has not even answered this ILO questionnaire. Its reason is even more humiliating. Although the Department of Labor, our U. N. delegation and other branches of the Government favor a convention, the State Department legalists are afraid it would steam up the advocates of the Bricker amendment. They argue that the treatment of labor is a matter for jurisdiction by the 48 States and therefore not a fit subject for a Federal treaty. This should come as news to the authors of the Emancipation Proclamation, the 13th amendment and various statutes making all kinds of bondage and peonage a Federal crime. "Pettifogging" is certainly a mild word for such an argument.

One other factor complicates but does not change the rights and wrongs of this situation. The ILO itself is in the doghouse with a lot of important people, including some Senators, because it was unable to stop the Soviets from rejoining it last year (as U. N. members, they have a legal right). Our AFL-CIO representatives, to their credit, have welcomed this chance to show up the Communists in ILO debate and have done so time and again. The NAM and the Chamber of Commerce, however, prefer to sulk or attack the ILO itself as a "back door to socialism." All of which adds to the State Department's timidity on the slave labor convention.

So here's what may happen. The Soviets, for internal reasons of their own, have been relaxing and revising their slave labor methods. Whole armies of prisoners have had their sentences erased or reduced (other whole armies have not) and it might even be possible for Moscow to invite ILO inspection of Vorkuta, Kolyma and other notorious slave camps as model penal colonies. As if in preparation, the Soviets have already voted for an ILO convention on forced labor. They are set to become the leading spokesmen in ILO for free labor. The irony will be compounded if the United States, at the coming June meeting in Geneva, is found sulking in silence, unable to discuss the most rudimentary of social advances, instead of proudly leading a cause which was settled in this country nearly a hundred years ago. And all because the State Department is buffaloed by a handful of legalists and Senators. How far out of touch with American sentiments and American principles can you get?

Mr. HUMPHREY. Fortunately, yesterday, after Life had gone to press, the administration reversed its position; and the State Department's attitude has now been overruled.

I ask unanimous consent that an editorial entitled, "Against Forced Labor," which appears in this morning's New York Times, be inserted at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AGAINST FORCED LABOR

President Eisenhower has acted with wisdom and courage in deciding that the United States Government will favor an International Labor Organization convention binding the governments which ratify it to outlaw forced labor within their borders and to prohibit trading in the products of forced labor. The alternative would have been a mere "recommendation" to members of the ILO.

The decision was wise because no less than 47 other nations, including even the U. S. S. R., have given advance notice that they will support such a convention, while the United States had, until now, held back. Also, to oppose forced labor in the ILO by words, but not by forthright action, would have made us ridiculous before the entire world.

The President was courageous because the State Department has long opposed the action which he took. Apparently in deference to the views of Senator BRICKER and the extreme rightwing of the Republican Party, Mr. Dulles has argued that a forced labor convention would be in effect a treaty dealing with a matter within the jurisdiction of the several States—overlooking the fact that the States have already outlawed forced labor everywhere in this country by ratifying the 13th amendment. Even had this not been so, ILO conventions, to be effective, must be ratified by states in countries where such a procedure is required. The argument against approval of the ILO convention was specious, but it was backed by political power which called for genuine courage to defy.

THE POLITICS OF TIGHT MONEY

Mr. HUMPHREY. Mr. President, I should like to call to the attention of the Senate an intensely interesting editorial entitled "The Politics of Tight Money," which appears on the last page of the issue of Business Week magazine of May 5, 1956.

The editors point out that "members of the Federal Reserve System are up to their armpits in politics." Mr. President, I want the RECORD to show clearly that I have only read what the editors of Business Week magazine have had to say.

One gets the impression that the editors would like to reverse the Federal hard-money policy for the next 6 months—until election day—because the fact that the "general level of interest charges has been raised to the highest point in 23 years, will cause no sadness in the Democratic National Committee."

Again let me say to my colleagues that I am reading from the editorial.

The editorial makes it quite clear that an easy-money policy would be in the interest of the Republican National Committee for the duration of 1956, and it castigates the Federal Reserve Board for "subjecting the country to the most drastic credit squeeze since early 1953."

The editors of Business Week spell out their fears in direct language:

If the Federal Reserve persists in this course, we may expect the current hesitation in business to develop into a downtrend. Such a downtrend in the normal course of events ought to be plainly evident in terms of falling sales and rising unemployment by September and October next.

The editorial concludes on a straightforward political note, suggesting that it is high time that our national credit policy be recast to serve the purposes of the Republican campaigners, for otherwise the Federal Reserve System itself "will not survive if it attempts to close its eyes to the political consequences of its actions."

Mr. President, I recommend this editorial especially to those of my colleagues who have made it a habit of identifying the manipulation of national economy with Democratic politics and policies.

Furthermore, Mr. President, I recommend a reading of the editorial to those who seem to be fearful that if the American economic society has available credit, it may get out of hand. It seems to me that we are going to approach the very stage we were in 1953, when certain Senators rose on this floor to admonish the administration that hard money, tight credit, and high interest rates were not desirable, and could cause a great deal of trouble in the American economic structure.

Mr. President, I ask unanimous consent that the entire editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE POLITICS OF TIGHT MONEY

The prestige of the Federal Reserve System, which had fallen to a low estate during the first postwar years, has had a remarkable recovery. Under the chairmanship of William McC. Martin, the Federal Reserve Board has met skillfully and courageously the problems of a turbulent economy. At home and abroad, there is an almost alarming degree of confidence in its ability to steer our economy between the dangers of boom and bust.

The renaissance of the Fed reached a high point last week when President Eisenhower reaffirmed the complete independence of our central banking organization. He acknowledged that the policy of credit stringency now being pursued by the Federal Reserve was one that raised grave doubts on the part of his own advisers. Nevertheless, with his usual patience and breadth of view, the President defended the right of the Federal Reserve to pursue an independent course. No other President has ever spoken thus.

Yet at this moment of triumph, the Federal Reserve System, it seems to us, stands

in considerable peril. No matter how secure their independence, Martin and his fellow members of the Federal Reserve System are up to their armpits in politics.

It is impossible to influence the basic trend of a nation's economy without at the same time influencing its politics. Economic intervention, if it is effective, is bound to be political action. And at this moment, the Federal Reserve is subjecting the country to the most drastic credit squeeze since early 1953.

It is not simply a matter of increasing interest rates, although the general level of interest charges has been raised to the highest point in 23 years. It is a question of the actual availability of money. Day after day, business enterprises are turned away as they seek to obtain credit to carry out their plans.

The Federal Reserve is afraid of inflation. Yet to some of its friends it appears to be acting as though it is afraid of growth. How is it possible to set a goal of a $500 billion economy by 1965, as the President has done, if the money supply is to be frozen at a level inadequate to support a gross national product of less than $400 billion?

WHEN THE SQUEEZE IS ON

Unless the Federal Reserve relaxes its stringent policy, and that promptly, we shall have to revise considerably these widely accepted goals of an expanding economy. American industry has planned this year to invest $35 billion in new plant. The Federal Reserve's policy is designed to prevent any capital expansion program of this size.

If the Federal Reserve persists in this course, we may expect the current hesitation in business to develop into a downtrend. Such a downtrend in the normal course of events ought to be plainly evident in terms of falling sales and rising unemployment by September and October next.

Without in any way impugning the purity of the Federal Reserve Board, we may assume that this timing will cause no sadness in the Democratic National Committee.

The credit squeeze strikes most directly at smaller business. The giants like General Motors and General Electric will get the money for their capital expansion programs, but the smaller enterprises are already having to lay aside or cut their capital expansion plans. Thus the political charge that the Eisenhower administration favors big business will be strengthened if the Federal Reserve keeps the credit screw turned tight enough long enough.

WHEN THE SQUEEZE COMES OFF

Nor is that all. In 1953, when the Federal Reserve finally reversed its tight money policy, it slashed member bank reserve requirements and bought nearly $1 billion of Government securities in the open market. It thus increased bank reserves by over $2 billion. The inevitable consequence was that Government and other gilt-edged bonds, having been depressed unduly, rebounded sharply. Any financier of average intelligence was offered a guaranteed profit. All that was necessary was to sell enough Government bonds at the lower prices to wipe out the year's tax liability, switch the funds into comparable issues, and sit back for the free ride.

If the Federal Reserve has to make a similar abrupt reversal this year, the same thing will happen. It will take no very skillful demagogue to point out that all this does no good to the farmer or to the worker—but it richly lines the coffers of the Wall Street banks, insurance companies, etc.

The Federal Reserve system ought to be above politics. It ought not to use its great powers for political purposes, and we are quite sure that no responsible official of the system would, under any circumstances, knowingly consent to such a course. Yet the system will not survive if it attempts to close its eyes to the political consequences of its actions. If the Federal Reserve system, by overdoing its policy of credit restraint, brings on a business recession this year, we may be certain that a new administration of another party would not wait long to take away powers that can be used, however correct the motives, to accomplish such drastic political consequences.

FOREIGN POLICY RECONSIDERATION

Mr. MORSE. Mr. President, on May 8, 1956, there was published in the Washington Post and Times Herald an editorial entitled "Stakes in Korea." I ask unanimous consent that the editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

STAKES IN KOREA

The sudden death of the leading opposition presidential candidate in Korea emphasizes the barren grounds that exist for new leadership in that tragedy-ridden land. P. H. Shinicky, the 61-year-old leader of the Democratic Party who unhappily succumbed to a heart attack, proved less durable than the octogenarian and perennial President Syngman Rhee. Although his campaign for the May 15 election had been pretty much a forlorn affair because of Dr. Rhee's thoroughgoing control of the police and the machinery of government, Mr. Shinicky had managed to attract a considerable following with his forthright speeches. The grief of his followers during the procession that carried Mr. Shinicky's body from the Seoul railroad station to his home near President Rhee's mansion erupted into demonstrations and riots which the government at first termed "premeditated rebellion." The strong-arm police tactics that followed are unfortulately all too representative of Dr. Rhee's regime.

It has been a foregone conclusion that Dr. Rhee will be reelected ever since he consented, after demurring in what amounted to a stage play, to be a candidate to succeed himself. There can be no question that Dr. Rhee is genuinely popular among many Koreans to whom he is the symbol of Korean independence and the fight against aggression. But the aged leader has sought to extend his grip by controlling the politics of Korea so as to make it almost impossible for any free opposition to take root. After he consented to be drafted, Dr. Rhee advanced the election date in such a way as to make opposition campaigning difficult; he also proposed an expenditure limitation of approximately $1000 that would have drastically impaired the campaigns of his opponents. Charges of police repression and manipulated "spontaneous demonstrations" have been common. The United States of course has had many experiences with Dr. Rhee's intractability, as in his efforts to frustrate the truce, his attempt to expel members of the Neutral Nations Supervisory Commission and his adamant stand in the fisheries dispute with Japan.

Obviously the United States should not intervene in the Korean election. But American policymakers ought to have some concern about the reports spread by Dr. Rhee's supporters that a defeat for him might dampen American enthusiasm for continuing the aid program there. That aid program is, in fact, the largest in Asia, and it ought not to become a vehicle for holding back the emergence of new leadership that sooner or later must succeed Dr. Rhee.

Mr. MORSE. Mr. President, this is a very disturbing editorial, because the allegations and implications it contains reflect very seriously on the policies of the Rhee administration, so far as the procedures affecting the rights of individuals are concerned in that land, which I still hope is a republic.

As a member of the Committee on Foreign Relations of the Senate, I am particularly disturbed about this editorial because it contains many allegations and implications very similar to those contained in a considerable quantity of mail which I have received from Americans in Korea, including some of our staff members serving on Government assignments.

In addition to the mail which I have received, it is fitting for me to say that I have been briefed rather extensively by Mr. Stanley Earle, a distinguished citizen of my State who is now a member of the council of the city of Portland. He spent some time in Korea. So many of the things which he told me are so similar to the allegations of this editorial that my concern and disturbance are intensified by finding what might possibly be supporting evidence of the observations made by Mr. Earle.

So, Mr. President, as one who has supported and who intends to continue to support the Republic of Korea, but also as one who thinks that if abuses exist there we should not aid and abet them, I make these few brief remarks.

This seems to be a period of reappraisal in foreign-policy matters, agonizing as it must be to the administration. The subject of redesigning American foreign policy in the light of today's and tomorrow's realities has occupied much of my own thinking.

I ask myself whether we have not been deceiving ourselves, not willfully but perhaps wishfully. I wonder, too, whether we have not been taken in by some of the governmental leaders we have been supporting in our efforts to hold back the spread of Communist tyranny. How many governments do we support that are in fact democratic in practice? How many totalitarian governments in part are we supporting? I ask myself, are we not betraying our own heritage and also our future well-being by rendering any support to totalitarian governments anywhere? I ask myself, if the chips were down, what sort of support could be expected from nondemocratic governments which we are supporting in the name of the rationalization that they are a buffer against communism?

A tyranny alined with the great democratic states of the free world is no less a tyranny than one alined with the Communists. A tyranny all wrapped up in democratic slogans supported by us bespoils our historic ideals and weakens our prestige in the areas of the world where the fight for freedom has to be won.

In thinking about a new policy for America, I wonder if it would not be wise for us to take stock specifically of some of the nations we support. Let us for a moment take a good look at Korea. I want to support a free Korea. Yet we hear disturbing reports about alleged police-state cases in Korea. On the 15th of this month Syngman Rhee will be overwhelmingly reelected President of

the Republic of Korea. He is, in his eighties, a venerable patriot and an implacable adversary of communism. The American press will in all likelihood announce, following his overwhelming victory, that freedom and democratic processes have triumphed once again in Korea. I hope the facts will support such an appraisal of government procedures in Korea. If we took a good, hard look at South Korea today, I wonder whether or not reality might erase such a pretty picture. I wonder whether or not, in reality, we should erase some of our heretofore held notions with respect to the governmental processes of South Korea. I wonder whether a thorough investigation of Korean-American relations is not in order, as a part of the reappraisal of American foreign policy in Asia. I think it might be wise for the State Department to look into the following questions:

First. How free is the Korean election?

Second. What part do President Rhee's police force and military play in his election campaign?

Third. How widespread is corruption in the handling of American aid?

Fourth. Are the Korean people voting for President Rhee's reelection because he has led them to believe that American aid will be cut off unless he is reelected, as indicated in the Post editorial?

Fifth. Why has he so frequently altered the Korean Constitution?

Sixth. Is there actual congressional immunity for those who would criticize President Rhee in the National Assembly?

Seventh. Does he in fact completely control the press, radio, and other mediums of public information?

Eighth. Has the Rhee administration succeeded in exercising undue influence upon some American officials administering our program in Korea?

Ninth. Has the Rhee administration discriminated against American businessmen, as some allege?

Tenth. Is there a heavily financed Korea lobby operating in the United States seeking to influence American public opinion?

As I have indicated, Syngman Rhee will be overwhelmingly reelected President on May 15. The other day his chief opponent died suddenly of natural causes. Mr. Shin Ik Hi's death brought on serious rioting before Dr. Rhee's presidential mansion. The fact that a few thousand people dared protest against his regime as they did was puzzling to many of us who want to believe that the Rhee administration is soundly democratic in its governmental procedures and policies. I believe our Secretary of State, Mr. Dulles, should investigate the policies of any government which receives our aid, not in any attempt to encroach upon its sovereignty, but only to determine if its policies are alienating support for the United States among its people.

As I have said on another occasion, I do not accepet the notion—for example, to take the Middle East situation—that we should send military aid to a totalitarian government in the Middle East on the basis that the aid is needed to put down possible dissension within those countries. I say that because I have a suspicion that dissident groups in those countries—non-Communist dissident groups—fighting for the rights of the individual are groups we should not be opposing; that is, we should not use the military aid program of the United States to put down freemen.

The difficulty in that problem, as I very well know on the basis of what I have learned in the Committee on Foreign Relations, is that very frequently a movement within a totalitarian government on the part of freemen becomes honeycombed—if the people in the movement do not watch out—by totalitarians of the Communist stripe.

I point out that we are losing a great deal of ground, so far as world opinion is concerned, by the fact that in too many areas of the world we seem to be supporting totalitarian leaders. Perhaps we have been taken in by some of our friends.

When we watch the election returns from Korea in the middle of this month, let us hope that the election will be truly free, with no justifiable fear on the part of the voters or the opposition leaders that retaliatory actions, either economic or political, will confront any of those who openly oppose the Rhee administration.

I wish to make clear that I have always supported aid to Korea. It is my present intention to support it again in this year's aid bill. However, I am greatly disturbed by reports I receive as a member of the Committee on Foreign Relations about undemocratic procedures in Korea.

I am opposed to police state methods, be they Communist or Fascist. I am opposed to my country aiding and abeting the denial of human rights and freedom to the individual in any country into which we pour millions of dollars of our taxpayers' money. I forewarn that there is a growing opposition in our country to any part of a foreign aid program which may be going to support any government that suppresses freedom.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the amendments of the Senate to the concurrent resolution (H. Con. Res. 201) approving the granting of the status of permanent residence to certain aliens.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 8547) to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y.," and it was signed by the Vice President.

RECESS TO MONDAY

Mr. HUMPHREY. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 7 o'clock and 33 minutes p. m) the Senate took a recess, the recess being, under the order previously entered, until Monday, May 14, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 10 (legislative day of May 7), 1956:

RENEGOTIATION BOARD

Russell A. Stuart, of Virginia, to be a member of the Renegotiation Board, vice Frank L. Roberts, resigned.

IN THE ARMY

Anthony Clement McAuliffe, O12263, Army of the United States (major general, U. S. Army), to be placed on the retired list in the grade of general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Conrad Stanton Babcock, O16104, Army of the United States (colonel, U. S. Army).

Brig. Gen. William Everett Potter, O17098, Army of the United States (colonel, U. S. Army).

Brig. Gen. Carl Henry Jark, O17556, Army of the United States (colonel, U. S. Army).

Brig. Gen. John Elliot Theimer, O17566, Army of the United States (colonel, U. S. Army).

Brig. Gen. Henry Ray McKenzie, O17623, Army of the United States (colonel, U. S. Army).

Brig. Gen. Barksdale Hamlett, O18143, Army of the United States (colonel, U. S. Army).

Brig. Gen. James Lowell Richardson, Jr., O18232, Army of the United States (colonel, U. S. Army).

Brig. Gen. August Schomburg, O18422, Army of the United States (colonel, U. S. Army).

Brig. Gen. Edwin John Messinger, O18503, Army of the United States (colonel, U. S. Army).

To be brigadier generals

Col. Jacquard Hirshorn Rothschild, O18077, United States Army.

Col. John Anderson Berry, Jr., O18473, United States Army.

Col. Gunnar Carl Carlson, O18515, United States Army.

Col. John Chandler Steele, O18668, United States Army.

Col. Robert Augur Hewitt, O18713, United States Army.

Col. Ray Joseph Laux, O42102, United States Army.

Col. Joseph Edward Bastion, Jr., O19162, United States Army.

Col. Chester Braddock DeGavre, O19262, United States Army.

Col. William Beehler Bunker, O19402, Army of the United States (lieutenant colonel, U. S. Army).

Col. John Lathrop Trockmorton, O19732, Army of the United States (lieutenant colonel, U. S. Army).

CONFIRMATIONS

Executive nominations confirmed by the Senate May 10 (legislative day May 7), 1956:

DIPLOMATIC AND FOREIGN SERVICE

Albert F. Nufer, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

Willard L. Beaulac, of Rhode Island, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Argentina.

Cecil B. Lyon, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Chile.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 10, 1956

The House met at 11 o'clock a. m.

Rabbi Arthur Schneier, M. A., Congregation B'nai Jacob, Brooklyn, N. Y., offered the following prayer:

Almighty God, who hast delivered me from the hands of the Nazi and Communist tyrants and hast brought me to these blessed shores, I lead Thy children in prayer for our land, the haven for the homeless, the refuge for the oppressed, the beacon of hope and faith for all the enslaved in the world.

O Lord, bestow Thy blessings of plenty upon our precious homeland. Protect her against the furor of nature's disasters and the onslaught of her enemies. May she remain the wonder garden of Thy creation where we, Thy children, dwell together in peace and brotherhood.

O Father, bless the men of this sanctuary of deliberations. Give them and their families health of body and soul, peace of mind, and happiness. May their dedicated service, zeal, and enthusiasm earn the faith and confidence of the people they represent so that they may continue to labor in Thy vineyard for peace and security on this troubled earth and the preservation of our American heritage. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On May 9, 1956:

H. R. 6162. An act to provide for longer terms of office for the Justices of the Supreme Court of Hawaii and the circuit courts of Hawaii;

H. R. 6227. An act to define bank holding companies, control their future expansion, and require divestment of their nonbanking interests;

H. R. 6573. An act to authorize renewals of a lease of the Annette Island Airport to the United States;

H. R. 6703. An act to authorize the sale of certain land in Alaska to Victor Power, of Juneau, Alaska;

H. R. 8334. An act to permit the importation, free of duty, of racing shells to be used in connection with preparations for the 1956 Olympic games;

H. R. 8942. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Theater Equipment Trade Show, New York, N. Y., to be admitted without payment of tariff, and for other purposes;

H. R. 8959. An act to permit articles imported from foreign countries for the purpose of exhibition at the International Photographic Exposition, to be held at Washington, D. C., to be admitted without payment of tariff, and for other purposes;

H. R. 9078. An act to provide that the authorized strength of the Metropolitan Police force of the District of Columbia shall be not less than 2,500 officers and members;

H. R. 10754. An act to authorize the Honorable SAM RAYBURN, Speaker of the House of Representatives, to accept and wear the award of the Order of Sikatuna, Lakan Class, tendered by the Government of the Republic of the Philippines;

H. J. Res. 457. Joint resolution for the relief of certain relatives of United States citizens.

On May 10, 1956:

H. R. 907. An act for the relief of Justin G. Maile and Theodore R. Hilbig;

H. R. 1500. An act for the relief of Charles F. Brickell;

H. R. 2465. An act for the relief of Bernard L. Denn;

H. R. 2898. An act for the relief of the F. Delizia Co., Inc.;

H. R. 4118. An act to amend section 606 (5) of the Merchant Marine Act, 1936, relating to the computation of the 10-year recapture period;

H. R. 4781. An act to authorize the Territory of Alaska to incur indebtedness, and for other purposes;

H. R. 4865. An act for the relief of Stanley Rydzon and Alexander F. Anderson; and

H. R. 6282. An act for the relief of Nathan L. Garner.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 1488. An act for the relief of Mrs. Esther Reed Marcantel;

H. R. 2423. An act for the relief of the city of Sandpoint, Idaho;

H. R. 3526. An act for the relief of the estate of Neil McLeod Smith;

H. R. 3738. An act for the relief of Roy M. Hofheinz and wife Irene;

H. R. 4051. An act to provide for the relief of certain Army and Air Force nurses, and for other purposes;

H. R. 4536. An act for the relief of John J. Cowin;

H. R. 4633. An act for the relief of Crosse & Blackwell Co.;

H. R. 4634. An act for the relief of Lt. Col. George H. Cronin, United States Air Force;

H. R. 5495. An act for the relief of Arthur H. Homeyer;

H. R. 5633. An act for the relief of John L. Boyer, Jr.;

H. R. 5951. An act for the relief of Samuel E. Arroyo;

H. R. 6395. An act for the relief of Thomas W. Bevans and others;

H. R. 6622. An act for the relief of certain rural carriers;

H. R. 6706. An act for the relief of Gay Street Corp., Baltimore, Md.;

H. R. 6769. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

H. R. 7114. An act for the relief of Frank G. Gerlock;

H. R. 8187. An act for the relief of Wright H. Huntley;

H. R. 8306. An act for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy;

H. R. 8307. An act for the relief of Nathan A. Kahn;

H. R. 8308. An act for the relief of Arthur O. Hulse, Jr.;

H. R. 8310. An act for the relief of CWO George C. Carter;

H. R. 8311. An act for the relief of Daniel O. Hulse, Jr.

H. R. 8547. An act to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y."; and

H. R. 8807. An act to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills and a concurrent resolution of the House of the following titles:

H. R. 1016. An act for the relief of Mrs. Ida Bifolchini Boschetti;

H. R. 2057. An act for the relief of Edwin K. Stanton;

H. R. 2284. An act for the relief of Maj. Robert D. Lauer;

H. R. 2893. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio;

H. R. 2904. An act for the relief of Maj. Orin A. Fayle;

H. R. 3268. An act for the relief of Comdr. George B. Greer;

H. R. 3366. An act for the relief of Mary J. McDougal;

H. R. 3957. An act for the relief of Pauline H. Corbett;

H. R. 3964. An act for the relief of Kingan, Inc.;

H. R. 4026. An act for the relief of James C. Hayes;

H. R. 4162. An act for the relief of Kahzo L. Harris;

H. R. 4640. An act for the relief of James M. Wilson;

H. R. 5237. An act for the relief of Mrs. Ella Madden and Clarence E. Madden;

H. R. 5535. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr.;

H. R. 6137. An act for the relief of Mr. and Mrs. Herman Floyd Williams and Mr. and Mrs. W. C. Segers;

H. R. 6143. An act to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid;

H. R. 6184. An act for the relief of Lt. P. B. Sampson;

H. R. 7164. An act for the relief of Lt. Michael Cullen; and

H. Con. Res. 201. Concurrent resolution approving the granting of the status of permament residence to certain aliens.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 422. An act for the relief of William C. Irvine, chief warrant officer, United States Air Force;

S. 742. An act to improve the administration of the public airports in the Territory of Alaska;

S. 764. An act for the relief of Robert Gartenberg;

S. 832. An act for the relief of Jonas Dercautan;

S. 1358. An act to authorize modification of the flood-control project for Missouri River Agricultural Levee Unit 513-512-R, Richardson County, Nebr.;

S. 1833. An act to amend the Merchant Marine Act of 1936, as amended;

S. 1938. An act for the relief of Hildegard L. McNabb;

S. 2507. An act for the relief of Shun Wen Lung (also known as Van Long and Van S. Lung);

S. 2582. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended;

S. 2750. An act for the relief of Frank Sevcik, Jr., also known as Frantisek or Francesco Sevcik;

S. 2785. An act for the relief of Elsa Emelina Rosado y Rodriguez de Brower;

S. 2801. An act for the relief of Brigitte Lechner Wagner;

S. 2834. An act for the relief of Yue Yin Wong (also known as William Yueyin Wong);

S. 2838. An act for the relief of Antonia Soulis;

S. 2840. An act for the relief of Anniemae M. Swanson and Armylee V. Swanson;

S. 2843. An act for the relief of Dr. Shou Soon Kwong;

S. 2874. An act for the relief of Ethel Kallins;

S. 2883. An act for the relief of Dr. Yong Whan Kim;

S. 2888. An act for the relief of Elisabeth Dummer;

S. 2931. An act for the relief of Oksanna Oztemel;

S. 2941. An act for the relief of Lottie Windschild;

S. 2944. An act for the relief of William Jeffrey Jonas;

S. 2953. An act for the relief of Maria Cedrone De Rubeis;

S. 3073. An act to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes;

S. 3113. An act to amend section 9 (c) (2) of the Merchant Ship Sales Act of 1946, as amended;

S. 3361. An act for the relief of Egbert Carlsson;

S. 3472. An act for the relief of Patricia A. Pembroke; and

S. J. Res. 105. Joint resolution authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week.

The message also announced that the Senate disagrees to the amendments of the House to the joint resolution (S. J. Res. 135) entitled "Joint resolution for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MURRAY, Mr. O'MAHONEY, Mr. BIBLE, Mr. WATKINS, and Mr. MALONE to be the conferees on the part of the Senate.

The message also announced that the Presiding Officer had appointed the Senator from Colorado, Mr. MILLIKIN, as conferee on the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, vice the Senator from Pennsylvania, Mr. MARTIN.

ADMISSION OF ELDERLY PERSONS TO FEDERALLY ASSISTED LOW-RENT HOUSING PROJECTS

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I have today introduced a bill which, if enacted, would authorize the Public Housing Commissioner to enter into agreements with local public housing authorities for the admission of elderly persons to federally assisted low-rent housing projects.

My interest in such legislation came to my attention rather forcibly through a letter I received from an elderly lady in St. Louis who wrote me recently asking for my assistance in helping her to obtain housing.

Under the present law, elderly persons cannot be admitted to low-rent housing projects unless there is a blood relation to share it. The lady who wrote me is 69 years of age, has no relatives, and is partially disabled and unable financially to pay high rent.

I contacted the Public Housing Administration and was advised that under existing law, only families of low income shall be admitted. Under the terms of my bill, in an effort to alleviate this serious situation, elderly persons 65 years of age or over may be admitted to such low-rent housing projects with priority, of course, to families with children. I have written the ranking Republican member of the House Committee on Banking and Currency, Congressman WOLCOTT, which committee has charge of housing legislation, asking that consideration be given my bill, and I hope that you, my colleagues, will give serious thought to it when it comes before you.

Below quoted are certain excerpts from the letter I received:

> Called every housing project and the same bad news from them all. No elderly women admitted alone—wonder why. What are we poor souls going to do or where can we go? Wonder who made such a ruling and was so inconsiderate of people like me. They all tell me when I phone that they cannot do anything about it and for me to write my Senator or Congressman or President Eisenhower himself. I am writing you and truly hope you will do something about this all-important matter. * * *
>
> Cannot get into any old folks home until the age of 70 and the waiting lists are very long, besides there has to be quite a sum of money assured in most of them and all personal effects must be signed over, so that is that. Please try and do something soon about this as I probably will be evicted if I cannot pay present rent on what I get. Still would like to know why old women alone are not admitted to cheaper rent projects. We would not harm anyone. A sin and a shame to bar us.

CALL OF THE HOUSE

Mr. MAHON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 45]

Ashley	Fascell	Moulder
Barden	Gamble	Nelson
Belcher	Gavin	O'Hara, Minn.
Bentley	Gray	Polk
Blitch	Green, Oreg.	Powell
Boykin	Gubser	Preston
Brooks, La.	Gwinn	Prouty
Brown, Ohio	Harrison, Nebr.	Radwan
Burdick	Hayworth	Sadlak
Carlyle	Hoffman, Ill.	Short
Carnahan	Hoffman, Mich.	Sieminski
Chatham	James	Staggers
Cooley	Johnson, Calif.	Taylor
Crumpacker	Kearns	Teague, Tex.
Dawson, Ill.	Knutson	Thompson, La.
Deane	Lane	Tollefson
Diggs	McCarthy	Velde
Dondero	McConnell	Watts
Donovan	McDowell	Williams, N. J.
Eberharter	Mollohan	Wilson, Ind.

The SPEAKER. On this rollcall 369 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1957

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 10986, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Under the unanimous-consent agreement of yesterday general debate will continue for not to exceed 2 hours, to be equally divided between the gentleman from Texas [Mr. MAHON] and the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. MAHON. Mr. Chairman, I yield 30 minutes to the chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, the bill before us is the most important bill of the session. It deals with the most vital and most important issue before the American people today. It carries inevitable, imperative, and inescapable allocations and it appropriates vastly more money than all the rest of the appropriation bills that have been passed or that will be passed by this Congress. It provides the money for national defense. It carries funds for the preservation of free government around the globe. It is the last hope of civilization. If it fails, if America falls, there is no other people, no other government left to take up the torch stricken from our hands.

So we have little option, little latitude in the drafting of this bill. It is merely a matter of how much money can be used effectively by our technicians,

our masters of strategy, and our agencies of production. So the committee is going along, largely, with the budget. We are accepting in general the decisions of the President and the Pentagon as to amounts and allocations, although there are some of us on both sides of the aisle who must reserve judgment on some items.

We are reaching a critical period in a time of our greatest national danger. The situation demands sane and constructive thinking divorced from political interest or partisan influence. We must have the facts. The stakes are entirely too high for us to take a chance on the slightest uncertainty.

The principal editorial in the Washington Post of this morning says:

> The military structure ought to be scrutinized from top to bottom.

Then it continues:

> A study by independent men of stature could help to bring to bear by appropriation time next year some of the fresh thinking everyone talks about and seemingly no one does.

That is a rather drastic castigation of this budget, but it is the considered opinion of one of the great newspapers of the Nation. The duty of such scrutiny and such thinking devolves upon this House and for the time being no one else can discharge that responsibility. It has been in the hands of the committee since January, and we now submit it to you for your adjudication.

Let us look at the fundamentals.

First, can we avoid war? Will we ever be called on to use the armaments for which we are spending this $33 billion or $35 billion? Of course, all of us are by nature optimists. We prefer to believe that there will never be occasion to defend our families, our cities, our Nation, against predatory murder and rapine, against the Tamerlanes, the Genghis Khans, the Stalins in Russia, the Mao Tse-tungs in China, the Ho Chi Minhs in Vietnam, or the Kim Il Sungs in North Korea.

We hope we shall never have to defend our Nation against these barbarians who torture body and soul as in the case of General Dean and Cardinal Mindszenty and thousands of others who have suffered unspeakable martyrdom, a martyrdom which they threaten to inflict on every American in the United States.

We are a peace loving, peace prospering people. All our interests lie along the paths of peace and international amity. We have endeavored in every way possible for the past 10 years to reach an honest and honorable agreement with Russia. We have humiliated ourselves in numerous conferences, and all without avail. Just a little more than a month ago, the United Nations Disarmament Subcommittee with representatives from France, Canada, Britain, and the United States resumed discussions in London with that in view. All were agreeable except Russia. Russia alone dissented. Russia alone insisted upon maintaining the present status and continuing the race of armaments which is disturbing the whole world. The Kremlin offered only lip service and in the meantime Russia has continued to manufacture more arms; has made more progress in scientific warfare than any previous year in the history of that nation or any other nation in the world in like time.

There can be no cause for apprehension on the part of Russia. The United States by its long and consistent course of honorable associations with other nations of the world has shown itself to be a friend under all circumstances. We established the Cuban Republic when that fertile island was thrown in our lap, and we could have had it for the asking. Instead of appropriating and exploiting it as a dependency, we preferred to make it an independent nation. In the Philippines we spent billions of dollars rebuilding the war-torn islands and rehabilitating the people and establishing schools, roads, and commerce and self-government to such an extent that everyone there today is our friend. We could have taken the Philippines over, without opposition, had we entertained any disposition toward colonization. Instead we made them a free and independent people in the family of nations.

In our relations with our sister Republic, Mexico, on all occasions we have accorded her the most deferential and amicable treatment, leaving no doubt in anyone's mind of the peaceful and friendly attitude of the United States toward all the peoples of the world. We entertained the same friendship for Russia and the Russian people. We saved her in her war with Germany. But for American ships, American planes, American arms, and American food she could not possibly have survived. But no sooner was the danger past and peace assured than the Soviet Government, seizing every adjacent nation, announced her policy of extending Russian communism and Russian rule throughout the world. In pursuit of that policy she closed down the Iron Curtain and prepared to subjugate the globe by force. And from 1945 down to the present day, the factories and laboratories of Russia producing war materials have been running on 3 shifts, 24 hours a day, in the feverish effort to prepare themselves to take us over, as they have taken over Poland, Estonia, Czechoslovakia, Latvia, Bulgaria, Lithuania, Hungary, Rumania, Albania and adjacent territories. One by one their inhabitants were subjected to selective massacre and their property carried to Russia and all are today abjectly under the heel of the Russian tyrants.

When they have so often and so emphatically expressed their hatred for us, our form of government, our religion, and our way of life, what reason have we to believe that, once they have enough long-range bombers, America and Americans would receive any different treatment?

In this continuous preparation for war throughout the last decade the Soviets could have no other possible purpose than the subjugation of America, the wholesale destruction of the majority of our people, and the looting and confiscation of everything we possess to such extent that the miserable remnant of the American people would be decimated as completely as the famine-stricken Kulacks of Russia, who were starved and exterminated by the millions in the purges instituted by Stalin to establish his dictatorship.

But even if we could secure a covenant with the Soviets, it would not warrant a slackening of our preparations for defense. The Soviets have never kept a single international agreement they have ever made. That is a sweeping statement, but wholly justified by the facts.

The distinguished gentleman from Missouri [Mr. SHORT], former chairman of the Committee on Armed Services, now ranking minority member of that committee, called attention to this situation when he reminded us in January that the Reds have consistently broken the Korean truce in order to build up their airpower. They realized that airpower is critical and supreme. They solemnly agreed when they signed the truce that they would not increase their forces or their war facilities. At that time they had 12 airfields. Today they have 39. When the armistice was signed, they did not have a single Mig plane. They now have 350. On the night of July 27, 1953, the day the armistice was signed, planes were detected entering North Korea from Manchuria. If they broke their word the very day the treaty was signed, what can we expect in the future?

They have all these years publicly proclaimed their hatred of us and their determination to destroy us and they have never retracted or deviated from that purpose.

But now there are alarming developments. We have always believed that our superior Air Force rendered us immune to attack. It has never occurred to us that any nation, much less backward Russia, could develop intercontinental bombers or nuclear bombs which could be used against us. Now, within the last few months it has become increasingly evident that we are losing our battle with communism. Those in a position to know have testified before House and Senate committees that Russia is attaining a frightful lead over the United States in long-range bombers and guided missiles.

Although in 1945 the United States had the most powerful Army, the greatest Navy, and the most effective Air Fleet in the world, top-ranking military officers now inform us that the Soviets have a numerical advantage in long-range bombers and the rate of production of nuclear aircraft.

With a continuation of the present trends they will have a greater striking power than we in 1958 or 1960, if not before.

General LeMay testified that even today the Soviets have more Bisons and Bears—that is the equivalent of our B–52's—in their armory than we have B–52's; and that statement is not disputed. And the ominous feature of it is that we are told by our military authorities that the United States Air Force does not now plan to increase the rate of production of the B–52's, even to equal to the combined production of the Russians

in modern-type bombers. They are producing more rapidly, and we agree they are producing more rapidly, yet we have no plans whereby we propose to remedy that situation.

To further impair American defense, Russia has just announced they will soon have an intercontinental missile with a hydrogen warhead they can place anywhere in the world. There is no known defense against a ballistic missile.

Already Russia claims to be on the way to production of a missile with a practical range of 1,500 miles. That would bring within range all our European allies.

Air Force Secretary Quarles said on April 24 that in view of our past experience with Russian claims there is little room to doubt her announcement of an intercontinental missile. For example, he said Molotov boasted in 1948 that Russia had the secret of the atomic bomb. At that time we were certain nobody but the United States had the secret, but that very year they exploded their first bomb 4 years in advance of the shortest time we had reason to expect they could possibly develop it.

Again in June of 1953 Malenkov announced they had the secret of the hydrogen bomb which we considered unknown to anyone outside the United States, and the following August they fired their first hydrogen bomb.

The Russians in the past have made good on their claims, said Secretary Quarles, and there is no reason to disbelieve them now.

In this connection, while we have had reason to believe we have the most advanced scientists in the world, we are now warned by the Chairman of the Atomic Energy Commission, who certainly should know what he is talking about, that the Russians are surpassing this country in the training of technicians of all kinds. They have today more young men studying in approved scientific schools than we have and they are turning out more than twice as many as the United States is training. According to estimates by the Engineers' Joint Council of the United States Bureau of Labor Statistics, our minimum need for engineers from our graduating classes is 40,000 each year for the next 10 years. Last year we graduated only 23,000. I have just spoken to the gentleman from Illinois [Mr. PRICE] here, who has been long a member of the Committee on Armed Services and also a ranking member of the Joint Committee on Atomic Energy, and he tells me he is thoroughly familiar with that situation and fully agrees with the estimate.

Mr. Chairman, here is something of which we should take particular note. You remember very well when we used to laugh at the idea of the Russians knowing anything about mechanics. We were told that when we delivered an automobile over there it was shortly out of commission and nobody could repair it. We thought they were just inept, incapable of mechanical training. As in everything else we underrated them. But we have discovered that frequently they are outmatching our own scientists and mechanicians.

Mr. Chairman, America won the First World War and the Second World War by outproducing our enemies. What is the situation today? We are falling down on the job. Our factories have shown themselves to be remarkably deficient. Hundreds of our jet planes will not fly in battle. Out of every 100 bombers delivered, 30 do not fly. You cannot get 30 of them off the ground. And out of the remaining 70, an average of 15 always turn back before they reach the target.

That is the fault of the plants. It is inefficient production. It is inefficient supervision of our production facilities. Up to this time our plants have delivered to our military authorities only 78 B–52's, when they are the heart and life of national defense. It is the one and only weapon with which we can reach the heart of the enemy. In the coming war we must strike Moscow and the production plants of Siberia. We must drive straight to the center of Russia. Yet there is at this time only 78 planes that can deliver bombs on those targets. Out of the 78 B–52's that have been delivered only 47 have been accepted. What is the matter with our factories? What is the matter with the supervision of production in this country? What is the matter with the strategic command that temporizes with this tragic situation? We must have B–52's. Nothing else will fill the bill; still we have only had 78 delivered and out of those 78 only 47 can fly.

In February, March, and April of this year, down to May 1, our factories have delivered only 17 B–52's, while the Russian factories are in full production. Out of the 17 B–52 planes delivered to us only 2 were accepted in more than 3 months—2 of these vital planes in 3 months, and in the moment of America's greatest danger. Think of it. When only a show of strength will keep us out of war, how can we hope to avoid attack when the B–52 is the only weapon Russia fears?

These defects and these delays may have been the responsibility of the manufacturers. But what about the responsibility of the Department? Fifty-six planes were ordered by the Navy Department at a cost of $1,350,000 each. They were delivered at intervals, one by one, over a period of a year and a half. All delivered and all paid for. And not a one of them would fly. They could not even get them off the ground. The first plane was delivered and the Navy paid for it. It would not fly. The second was delivered and again the Navy paid for it. It would not fly. And so over a year and a half the remainder of the 56 planes were delivered and paid for. Who was asleep at the switch in this critical period while Russia was taking the lead in airpower?

Secretary Wilson, who comes to us from one of the most efficient production plants in the world, seems to be somewhat confused as to why or whether Russia is ahead. During the inquiry when he was before the committee, I asked him about our relative production and he declined to commit himself. I tried to get him to say "Yes" and he would not say "Yes." I tried to get him to say "No" and he would not say "No." But when he was pressed for information by the newspapers, he gave them information he would not give the committee. He said both "Yes" and "No," and at the same time. On May 2 he told the reporters, and I quote what he said:

> The best information I have is that Russia is currently building at a somewhat higher rate than we are.

But on May 9, as reported in the Washington Post of that date, he flatly denied that Russia is, and I quote again: "far outstripping the United States in terms of airpower."

I am certain that when you consider the phraseology the two statements can be harmonized.

But, again on May 8 Secretary Wilson said:

> The production schedule of B–52 bombers, which has been 6 per month against the planned rate of 17 per month, will be stepped up to 20 a month.

And only 2 out of the 17 were accepted.

From January 1 to May 1, 1956, only 6 of these planes have been accepted. That is less than two a month. Is it any wonder that Russia is forging ahead of us in terms of production?

So, the newspaper men, despairing of securing detailed information from the Secretary, appealed to the President. President Eisenhower told them that the fact that Russia was ahead of us was nothing to worry about.

Nothing to worry about.

In that respect the President differs from every magazine and, so far as I am informed, from every newspaper in the United States which has referred in its news or editorial columns to Russian superiority in rate of aircraft production. The Reader's Digest, for example, with the largest circulation of any periodical in the world, and the Saturday Evening Post, with the largest circulation in the United States, have carried for the last 2 years comprehensive and emphatic articles by eminent authorities in which they predict the most ominous results unless something is done to step up our production of long-range planes. Many other periodicals have carried similar articles, a number of which have been inserted in the CONGRESSIONAL RECORD.

Articles and editorials in this week's papers, notably the Washington Post, carry instructions from the civil defense authorities, who after more than 3 years study of the situation, advise all citizens to prepare food and work out a route over designated highways and at the first signal to evacuate the cities in such haste as not to wait for members of the family in other parts of the city. Gen. Earl Partridge, head of the Continental Command, told a congressional committee he could not defend this country against even a small atomic attack.

After more than a century and a half during which America has never been invaded, Americans do not take kindly to the idea of a second-best Strategic Air Command.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. MAHON. Mr. President, I yield the gentleman 10 minutes additional.

Mr. CANNON. Mr. Chairman, I shall condense as much as possible.

Mr. Chairman, the President, for whom I have the warmest personal regard, and whom I have followed implicitly in all defense recommendations, did not deny that Russia is outstripping us in rate of production. He did not deny that Russia now has more effective long-distance bombers than we have. He did not comment on the claim that Russia has better planes than we have.

He said:

We have the most powerful Navy in the world and it features one thing—air power.

Then he said:

We have bases around the world established for the particular purpose of using the medium bomber.

The medium bomber is the B–47 which must be based abroad or be refueled in the air. As was pointed out in the hearings we are short on tankers and we especially lack long-distance tankers. And tankers which supply bombers in midair are particularly, almost fatally vulnerable. A high-ranking officer asked significantly what chance a tanker, or a B–47 in need of fuel, would have with a pursuer on its tail.

"The strongest navy in the world" will not be a factor in the next world war. The President was talking in terms of 50 years ago—in terms at least prior to the last war. The submarine and the airplane have relegated the navy as a fighting factor to the limbo of the past. Germany had only 58 of the old-fashioned submarines, which had to surface to recharge their batteries, in the last war. But they drove our shipping from the Atlantic and all but froze New England for lack of oil. Russia has 426 modern snorkel submarines which can stay under for weeks. And airplanes flying so high and so fast they can neither be heard or seen would complete the work. But granting the navy could stay afloat, why would Russia bother to fight the Navy when her planes can fly overland all the way?

The committee report quotes:

In time of war, the great oceans become a giant, interconnected battlefield. * * * He who has command of the seas can, in his own time, assemble and motivate these vast human and material resources against the land of his enemy. * * * Once control of the seas is lost, he can do little more than postpone the inevitable defeat which he faces.

Could anything be more ridiculous? What attention would a B–52 or a Bison en route to bomb Detroit or Moscow pay to a thousand ships or 10,000 ships?

Again, the committee report quotes:

The aircraft carrier today represents one of the most important parts of our overall security program. It makes possible the location of air power in areas into which we might not otherwise be able to put United States air power. * * * The carrier introduces an element of uncertainty on the part of the other fellow. He cannot always know where they are.

General Twining said in testifying only this morning before a congressional committee that the ability of the Navy to strike telling nuclear blows in a strategic air war with Russia was out of the question. He said the contribution of Navy carrier-based planes in such an attack would be small. He also noted that the range of carrier aircraft is relatively short compared with land-based craft.

You cannot defeat Russia by nibbling around the edges and no carrier-based plane could ever reach Moscow or touch the war factories in Siberia.

General Vandenberg said more than 2 years ago that with his Air Force he could sink every carrier afloat regardless of any defense that could be provided.

And General LeMay said here the other day he could sink every carrier at sea in 2 hours.

So far as the element of uncertainty is concerned, even if the carrier were no larger than the traditional mustard seed, Russia's incomparable espionage system, which stole the atomic bomb and ran rings around our own secret service, would know where it was every minute in the 24 hours. And when in fact a carrier, with its auxiliaries and protecting escort covers miles of sea, it would be as impossible to conceal it as it would be to hide the moon. No carrier could live a day in the Atlantic much less in the Mediterranean or the North Sea.

The Navy carrier is the greatest handicap to national defense. The cost of a carrier fully equipped with its full complement of planes and auxiliaries and its defense fleet is close to a billion dollars. But the cost is its least obstructive impediment. Its construction consumes the largest amount of rare and strategic material, and employs the greatest amount of technical and skilled labor of any mechanism ever built. The Air Force now limits use of tungsten and columbite tantalite in jet engines because our suppplies are short. Russia uses considerably more in her jets. But Russia is not wasting a major part of her strategic stockpiles on carriers. The extent to which this scarcity applies is shown by the fact that only this week, the week of May 7, the Air Force turned down pleas of three leading aircraft manufacturers for permission to use more tungsten. As Chairman MAHON has frequently said the reason we cannot use more money in the building of B–52's is that we do not have the plants and facilities and specialized labor to build them. The largest allocations of material, labor, and engineering is consumed in building carriers, none of which could survive a day at sea after war started. For this reason we do not have the needed material, men, and manufacturing plants to build more B–52s, the only weapon that can defend us when war starts.

But the most significant development in our defense program is one about which less has been said than any other. In order to get a practical demonstration of the place of airpower in modern warfare, the Department staged a tremendous campaign covering 12 States simulating as nearly as possible actual wartime conditions. An equal number of planes was assigned to each side, one representing the enemy and the other the defenders. The enemy attacked and the defenders used every means to protect the homeland.

Although months were consumed in planning and arranging the test it was over in a few minutes. The defenders were protected by the usual radar screens the counterpart of those actually protecting America from attacks from abroad, but the enemy planes, by flying too low for the screens to register, took the defense by surprise. Within 17 minutes after the warning signal the enemy bombers were in contact with the defenders and in 23 minutes, as reported in the local papers, had destroyed 80 percent of the home airbases, knocked out half the defender striking force, and taken complete control of the air. The decisive phase of the war was over in 40 minutes and the United States had lost.

We come now to the inevitable aftermath. Russia is developing a mighty war machine. We have faltered while Russia forged ahead. It is becoming increasingly apparent to our allies that we cannot protect them if the present gap between Russian planes and American planes continues to widen. Already our allies are falling away. They have little option in the matter. If they are to be under Russian's bombs and missiles, they must make their peace as best they can and they are inviting visits from the Russian leaders and Churchill is inviting the Russians to join NATO. NATO was one of the most brilliant achievements in the history of American diplomacy and it was impregnable as long as we controlled the air. And Russia used every means to destroy it. But now that there is a very definite prospect that Russia may dominate the air, our allies have no choice but to seek cover.

We are confronted by an aggressive and triumphant communistic empire reaching from the Elbe in Germany to and including a large section of Indochina. It has been victorious in the field and at the conference table. It has defeated and exterminated the finest troops France could mobilize at Dien Bien Phu, and it won everything at Geneva.

General Twining said in a speech at Boston last August that an air attack "could pour out of the Soviet Union engulfing and overwhelming not only our cities and States but our entire Nation."

And Nikita Khrushchev, who visited London smiling and left with a bitter scowl on his face, said between his teeth, "Don't shake your fist at a Russian. If anyone believes our smiles involve abandonment of the teachings of Marx and Lenin, he deceives himself poorly."

Time works against us. Based on programs already in existence, the strategic air strength of the United States will decline in relation to that of the Soviet Union until in 1960, or sooner, when without allies and without dominant air power we face the inevitable.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from Wisconsin [Mr. DAVIS].

Mr. WOLVERTON. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. WOLVERTON. Mr. Chairman, the bill now before us is one of unusual importance. The uncertain condition that exists throughout the world makes it highly imperative that the greatest care be observed in providing adequate military security. That this bill does do this is made certain by the approval that

has been given to it by President Eisenhower.

While there may be criticisms expressed by some as to its effectiveness in certain particulars, yet I am convinced that the military knowledge of President Eisenhower far outweighs and sets to naught the claims of dissenting critics. In my opinion there is no one in all the world more competent, more able, or possessing more knowledge of the military needs of the present day than President Eisenhower. And, when he is satisfied that to me is sufficient. I think we are fortunate at this time to have as President a man so eminently qualified in military matters to lead us in determining what is adequate as means of defense in the matter of the armament necessary to protect our national security.

Mr. DAVIS of Wisconsin. Mr. Chairman, I listened to the chairman of our committee who preceded me with a considerable amount of interest and with a greater amount of concern. I do not know where he got some of the information, purportedly factual that he presented to you. I can tell you that he did not get much of that information from the hearings which we held in the last 3 months. Some of the things which were given to you, purporting to be facts, if they were facts, in some cases were given in a classified manner, are not printed in the hearings, and if they are facts, were not properly submitted to you on the floor of the House here today. That is a serious charge, and I would not say it, if I did not feel very strongly about it. The things that were said here taken together, and if taken seriously, and I suppose they will be taken seriously because of the high position in the House which the gentleman from Missouri holds, represent a damning indictment of this 84th Congress; they represent a damning indictment of the Appropriations Committee and the subcommittee which held hearings on this bill and presented it to you for your consideration here this week. If you are to believe the things you have been told by the chairman of the Appropriations Committee, then I submit that in good conscience the only thing this House could do is to recommit this bill to the committee from which it came and ask the members thereof to revise this entire appropriation on the basis of those things which were presented to you as the truth by the speaker who just preceded me. I cannot refrain from saying that I think such statements, presented under these circumstances, are harmful to the defense of this country and represent a disservice to the country that everyone of us is here to serve in the consideration of this measure.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. PRICE. I might say to the gentleman I certainly have heard in committee meetings from responsible authorities of our Military Establishment every word that the gentleman from Missouri has spoken.

Mr. DAVIS of Wisconsin. Then, they were in a different committee.

Mr. PRICE. They certainly were from responsible authorities, and I concur fully in what the gentleman from Missouri has said here this afternoon.

Mr. DAVIS of Wisconsin. Then I think the gentleman from Illinois should take the responsibility of presenting that information to the House because it is information, if true, in some respects that is in conflict with that which was presented to the Appropriations Committee.

Mr. PRICE. If the gentleman will yield, I think the gentleman from Illinois on many occasions has, and I think other Members of the Congress have, presented such information to the Congress.

Mr. DAVIS of Wisconsin. The gentleman should take the responsibility for that in presenting it to the House.

But there are still some things I would like to say.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I am happy to yield to the gentleman.

Mr. McCORMACK. Only within the past few weeks a high ranking officer who told me something privately on a prior occasion in testifying before the subcommittee said something of a different nature. I said to him, "How come? You told me this and I understand you are testifying differently." He said, "I am under orders."

Mr. DAVIS of Wisconsin. Then I think the gentleman from Massachusetts has the responsibility to reveal those inconsistencies to the House.

Mr. McCORMACK. The gentleman is talking about responsibility. The orders come from the administration. The responsibility rests with the administration to let those men come before committees and testify to their honest views.

Mr. DAVIS of Wisconsin. I think the gentleman does a great disservice to the members of the committee which held the hearings on this bill in making that kind of statement, because those people who appeared before the committee were given every opportunity to express their personal opinions on these things that are before us. I would think that it does a great disservice to those men in high responsibility in and out of uniform of the Defense Establishment of this Nation if you are to infer that they did not tell the truth before the committee.

Mr. McCORMACK. The gentleman talks about disservice, as if everything he says is absolutely correct and nobody can have any different opinion.

Mr. DAVIS of Wisconsin. No, no.

Mr. McCORMACK. The gentleman from Missouri, Mr. CANNON, is a voice in the wilderness, warning the American people not to be influenced by the mask of a smile, and that we had better keep our guard up. Whether you agree with everything he said, or not, the basic argument he made was a great argument and he was rendering a great service to the country.

Mr. DAVIS of Wisconsin. The gentleman is entitled to his opinion. I did not say whether I agreed with what he said. I am saying there is a conflict in what he said and what was presented to our committee in the course of the hearings.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield.

Mr. SCRIVNER. Might it not be well for that voice in the wilderness to point out who was chairman of the Committee on Appropriations and President of the United States when this contract was made?

Mr. DAVIS of Wisconsin. Well, I think the record will bear out that the contract was made when the White House and the Appropriations Committee chairmanship were both occupied by Missourians.

Mr. Chairman, I want to say that I support this bill as presented to the committee by the Subcommittee of the Committee on Appropriations, with the single exception of section 633. I shall vote to strike that section from the bill. Otherwise I am in complete accord with what has been recommended here.

Every appropriation bill—and certainly it is true of this one—represents to a great extent a matter of judgment. We can never be sure that we are exactly right. If we get into world difficulties, then whatever we may appropriate will not be enough. If we have a year with no difficulties at all, then we shall always have the feeling, I suppose, that we could have spared the American people some of the great burden that the appropriations here involved represent. This bill as it is before you represents the composite judgment of responsible men who have the right and responsibility to presents the results of their judgment to you. It represents the judgment of the top people in the Armed Forces, both in and out of uniform. It represents the judgment of the President of the United States. It represents the judgment of the subcommittee which has the responsibility for conducting the hearings and presenting it through the full committee to you today. That is true because the pattern, in spite of minor variations, has remained constant throughout all the steps in making those recommendations.

I suppose that one would feel more sure and more self satisfied about a measure of this kind if he did not sit through all of the 3 months of hearings to which we were subjected; if we were not required to acquire some knowledge of the destructive force of modern weapons, both in the hands of a potential enemy or in the hands of the Armed Forces of our own country. No one can go through that kind of experience without feeling some kind of mental and emotional peaks and valleys that come from acquiring such knowledge. Just as I suspect that some of you have felt futility and frustration as you have listened to this discussion; and then a feeling of supreme confidence as you hear of the weapons in our own arsenals.

In a sense this particular defense program and all defense programs must to some extent be a compromise and a reconciliation of various views among the people who are responsible for our defense. There are some people, and some of these views have been widely heralded in the press, who feel that if

we simply had enough B–52 bombers that that is the only thing we need to worry about, that the defense of this country would be safe. There are others who conceive the defense of this country as being in a huge central information center where you could simply push buttons to release a number of guided missiles anywhere in the world, and that that is the only way to secure the complete defense of the country. There are others who envision our defense as being centered in a group of huge super-carriers roaming the seas; and I suspect there are some other people who feel that if we would just build the Marine Corps to about 10 times its normal size that we would never have anything more to worry about. So it goes. If those views were to be followed we would not have air defense, for instance, a group of fighter interceptor bases to ring our country as a means of defense. Had we listened to all these suggestions most probably we would not have a great Army because there would be the feeling that ground forces were outdated and we do not need them. So we come down to the attempt to arrive at a reasoned judgment and a balanced program of defense for our Nation, and I believe that this appropriation bill does provide that kind of defense.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. DAVIS of Wisconsin. I yield to the gentleman from New York.

Mr. TABER. Would the gentleman care to tell the House at this time how much money has been provided in this bill for research and development over all?

Mr. DAVIS of Wisconsin. I am a little in doubt about the overall figure. It would depend on the inclusion of items collateral to research and development funds.

Mr. TABER. It would be more than 5½ billions of dollars, would it not?

Mr. DAVIS of Wisconsin. I was going to say that you could go as high as $6 billion. If that is not correct, would the gentleman from Massachusetts correct me?

Mr. WIGGLESWORTH. I think the record indicates that in the Department of Defense there will be over $5½ billion available for research and development and supporting activities, and that there will, of course, be funds available for other agencies.

Mr. DAVIS of Wisconsin. Funds that could be transferred.

Mr. WIGGLESWORTH. Not transferable but available for research and development in the field of national defense.

Mr. DAVIS of Wisconsin. My few remarks outside of general references will be confined principally to my work with the Air Force panel. As many of you know, this subcommittee of 15 held about a month of hearings to attempt to get the overall picture of the armed services; then we divided into panels of 5 each. It happened to be my responsibility to work with the Air Force panel. I suppose in a sense this necessary division is unfortunate in that perhaps it leads to what you might call provincialism, but the sheer bulk of the job and the details that we had to inquire into made it necessary and I suppose that will be true so long as our defense problems remain as complex as they are today.

There are three major problems that caused some controversy and a certain amount of discussion in connection with the Air Force. One of them is the importance of the procurement and production which is handled in a separate report that dealt with the procurement policies of the Air Force, and a considerable amount of inquiry was made along that line.

Whenever you have Government officials with authority to place contracts amounting to billions of dollars every year it will always be necessary to watch those appropriations and those contract lettings very carefully; but I think it is fair to say that the procurement policies and programs of the Air Force show a meritorious improvement in the course of the past year, since we last had a chance to examine them. I would say they are better in terms of overall policy. The record will show a greater percentage of the procurement has been based on competitive bidding and a lesser percentage on the cost-plus-fixed-fee basis. There has been a greater percentage that has gone to small business, and that, too, appears to be in accordance with desirable policy.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Wisconsin. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. On page 47 of the committee report, in discussing financial management, the statement is made:

> The Air Force responded to this criticism most admirably. The hearings this year, from the standpoint of information made available and presented to the committee, have been very satisfactory.

I presume it is along those lines the gentleman is discussing the matter. Would he say that in his opinion the information now supplied to the committee this year is adequate in order for us to form an intelligent judgment in regard to the appropriation bill before us?

Mr. DAVIS of Wisconsin. I would say generally the answer to the gentleman's question is yes. I would say the presentation and the format of that presentation were much improved. I would say, further, that the people who appeared before our committee were very well informed on the programs which they sought to present to us.

Mr. CURTIS of Missouri. I thank the gentleman.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. DAVIS of Wisconsin. Mr. Chairman, as I said, there can never be complacency in a program of the size of this procurement program, and when you are dealing with that amount of the people's money there must be the greatest vigilance. I think, too, as a corollary to that, we have a responsibility as Members of Congress, not simply to be beating the armed services over the head from year to year about their procurement policies. Collectively and individually we as Members of Congress have a responsibility to help them in improving their procurement programs. We have been guilty of something less than crystal clarity in providing the guidelines for their procurements. In theory I think we will all say that purchasing ought to be done on a competitive basis and on a bidding basis, the contract should be let to the man who submits the lowest bid to the Government; but I think as a practical matter we all recognize, first of all, that there is a great deal of our procurement that does not lend itself to competitive bidding. Secondly, we do believe in the necessity of alternate sources of some of our critical defense weapons. We believe also in the necessity for the dispersal of production facilities. And, also, from time to time there has been a feeling expressed here that certain areas of the country should be recognized as hardship areas and some of this procurement should be let in those areas. All of those things have come into play in lesser or greater degree to modify this general overall theory that we are to let all procurement bids to the lowest bidder. I say again we owe it to the Defense Establishment to give them understanding, constructive assistance in working with the problems which they have to deal with.

The second important matter of controversy was with respect to the B–52 procurement. That has been mentioned often enough—especially by my colleague the gentleman from Kansas [Mr. SCRIVNER]—to require little more. It should be pointed out again that the B–52 is a complex war machine. We cannot say "presto" and put a lot of B–52's on the production line simply by saying that that shall be so. The question will always arise in matters of this kind as to whether we have to buy large numbers of this particular weapon or whether we shall buy a moderate amount, keeping in mind that one particular weapon may be outdated by the time complete deliveries under procurement contracts could be made.

The third important matter for discussion within our subcommittee was our guided-missile program. I think this should be kept in mind: Most of our research and development is in the field of guided missiles and most of our money spent for guided missiles is in the field of research and development. So, when we are talking in the Air Force about research and development, we are talking mostly about guided missiles, and when we are talking about guided missiles, we are talking mostly about research and development. Certainly this is the most awesome, dramatic, and fearsome instrument of warfare in our arsenal. We have so much to learn about it. The possibilities are so great that we cannot afford to be second best in this field. But, I think this should be pointed out, and the record of our hearings will bear this out, that there is no development in the field of guided missiles that will be delayed by lack of money. The testimony of Secretary Quarles, in two separate instances, makes it very clear that there

shall be all needed money made available. If it becomes necessary to use more money than is provided specifically in this bill, there is transferability on the one hand; on the other hand, Congress will be here after the first of the year to make those necessary funds available if necessary. I think most of us will buy that kind of a policy, and we feel that is the proper way it should be handled; that if there are significant breakthroughs the Congress should be informed and the Congress should have an opportunity to exercise its judgment in making these huge amounts of money available if the necessity for that does arise.

Secretary Quarles' pertinent statements were:

BALLISTIC MISSILES PROGRAM

Secretary QUARLES. Mr. Chairman, just to be sure that I am not misunderstood I might add that this restudy also developed the fact that we had considerable uncertainties in our ballistic missiles program which is developing so rapidly and the restudy made it seem likely that the present funding for the ballistic missiles research and development program would not meet the full situation as the year 1957 developed. However, there are such great unknowns in that whole area that we felt we could not at this time properly revise our budget request. We just do not see ahead clearly enough to do that. I am merely mentioning it in order to indicate that this is the one uncertainty in the 1957 picture that we are leaving unsolved at the time we make this supplemental request that you now have before you.

Mr. MAHON. When do you think that issue may crystallize to the point where you would know whether or not you would need additional funds?

Secretary QUARLES. I do not believe we can tell until along toward the end of this calendar year because it all depends on how fast we find it possible to move ahead in some of these technical areas. If things break against us, we will have enough money because we cannot move fast enough. If we get the breaks and can push ahead as fast as we would like to, we may very well have to come before you for a supplemental appropriation in order to meet that specific situation.

Mr. MAHON. Do you believe that is the best way to meet the situation?

Secretary QUARLES. It seems so to me, because any other way would be guessing at this time.

* * * * *

Mr. MAHON. I do not like to be in the position of begging the executive branch of the Government or the Department of Defense to spend more and more money. We want more and better defense, but we do not want to be in the attitude of beating you people over the head and trying to get you to spend or take more money from Congress which is in effect taking money from the taxpayers, but we do want to make sure that we are getting the type of defense program that we ought to have.

I think that should be obvious to you.

Secretary QUARLES. Mr. Chairman, you realize that it would be easier in administering a program of this kind to be sort of high, wide, and handsome about it, and spend everything that you might need. That is easier than making judgments that you can soundly spend less and do the job. These are human judgments, we recognize, and all I can say is that we are making them to the best of our ability and believe that if we execute the program that has been presented to you with the best economy and to the best of our ability, it is a sound program and a sound course of action for us.

So, Mr. Chairman, in conclusion, let me repeat, as I said in the beginning, that it is always easy to be scared to death and attempt to scare other people to death in relation to our appropriation for our national defense. The responsible thing is frequently not the dramatic thing, and I submit that this subcommittee has presented the responsible thing to this House for its action here this week.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 30 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, before discussing some of the Army portion of this appropriation bill, I feel it my responsibility to make several comments concerning the subcommittee of which I am a member, the staff, and the Army personnel that appeared before our group. The hearings this year under the leadership of the gentleman from Florida [Mr. SIKES] were very ably conducted and most constructive. In addition it has been a great pleasure and a very real privilege for me to serve with the other members of our Army panel: the gentleman from South Carolina [Mr. RILEY], the gentleman from Pennsylvania [Mr. FLOOD], and my good friend, the other Republican on this panel, the gentleman from Maryland [Mr. MILLER]. We were most adequately and effectively aided and assisted in our deliberations during the 3- or 4-month period that we operated by our Army panel clerk, Earl Silsby. This has been my 4th year on the Army panel. It seems to me that each year the Army presentation becomes progressively better. I thought we had good witnesses. They gave us all the information that we sought. And the action taken by the Army panel in reference to the budget this year, I think, reflects their presentation.

The President recommended to the Congress for the Army new obligational authority for the fiscal year 1957 totaling $7,761,425,000. The Army panel recommended to the full committee and now to the House new obligational authority for the fiscal year 1957 totaling $7,497,582,000. This appears to be a dollar reduction of $263,843,000. Actually the reduction in money is somewhat less than that inasmuch as $228, 944,000 of that proposed reduction involves what we call deutschemark support. Since the end of World War II, our Armed Forces in Germany have received considerable financial and manpower aid and assistance from the German economy. Last May the United States concluded an agreement with the West German Government providing that the deutschemark issue should be fully determined within the next year. It may be that Germany will substantially reduce this deutschemark support but as yet no conclusive decision has been reached.

Our subcommittee felt that since these negotiations were still in process, we should strike from the bill all of the deutschmark support which, as I indicated, totals slightly over $228 million for the Army. When negotiations are completed by the State Department and we know precisely where we stand then the other body can make certain necessary dollar modifications.

The actual dollar reduction as far as the Army is concerned totals $34,899,000. This is a very minor reduction when you consider the fact that the total made available in new obligational authority is $7.4 billion. In reality, however, the $7.4 billion obligational authority for the Army is not the full picture inasmuch as the Army has had since the end of the Korean war a substantial amount of procurement and production money which has not been used. So to get the full picture of the Army obligational authority for fiscal 1957 you have to take the $7.4 billion new money and add to it $1.8 billion approximately which they are authorized to use in the procurement and production field. The net figure then becomes for Army obligational authority about $9.4 billion in fiscal 1957.

It should be pointed out that the Army has on hand in depots, posts, camps, and stations, a total inventory of over $20 billion plus over $4 billion worth of inventory in the hands of troops. So that the Army supplies on hand dollarwise total almost $25 billion.

This availability of this inventory, all or most of it at the present time of conventional type weapons, ammunition and equipment, has permitted the Army in fiscal 1957 to plan for a different type of procurement program. Our Army has in its inventory a certain mobilization reserve of their conventional or old-type weapons. They have that mobilization reserve up to what they feel is a safe level for any Korean-type engagement and reasonably good for an all-out war. So the Army plans in the next fiscal year to change its equipment procurement program.

It was well pointed out by General Magruder, an outstanding witness before the committee, as Deputy Chief of Staff for Logistics, that the Army will expend most of its procurement and production money for new weapons, those which will greatly increase the firepower and the effectiveness of our Army.

I think that is probably the most significant change, in my opinion, in the Army program for fiscal 1957. It would be wise, in my opinion, if each of you would take the Army hearings and read what General Magruder had to say on page 1448. It is very worth while, and points out precisely what the Army had in mind.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Illinois.

Mr. SPRINGER. I note on page 20 of the committee report that there will be a projected drop in Army personnel by June 30 of 1956 of approximately 65,000 men. It will then go back up to where it will be only 58,000 men below the present on June 30, 1957. My question is: In what categories or groups is this 65,000 being reduced?

Mr. FORD. Let me make a somewhat different answer to the gentleman's question. If he will turn to the Department of Defense hearings, the last hearings we held, he will find on page 95 the

actual Army strength beginning with July 31, 1955 and what they estimate the figure to be on June 30, 1956. It indicates that from a high on July 31, 1955 of 1,119,000 they will gradually drop down, not down to a valley and then up to a peak but rather a gradual drop down, to 1,040,250.

In other words, there has been some slight revision in the Army strength figures within the last several months because of the DEW line operations of the Army, the SCARWAF obligations of the Army, and the Reserve forces obligations of the Army, so that instead of going down and then back up they are gradually going to fall off to 1,040,250. Most of those reductions that have been made are in the support-type activities and in the training activities. That results from the fact that the Army reenlistment rate has gone up extremely well in the last year or year and a half. The net result is that you are having more people with experience staying on in the Army, which means you can cut down your training load. For every 4 men you train in the Army you have to have 1 experienced man as a trainer. As we build up our supply of trained men we get more experienced men and we increase our combat ratio. So that when we reduce our personnel it is not out of combat efficiency but out of support-type activities.

Mr. SPRINGER. I am glad to hear that. Sixty-five thousand men would be equal to approximately three divisions of men fully equipped. Is it the opinion of the gentleman from the testimony that has been rendered that this reduction is not going to appreciably affect our combat effectiveness?

Mr. FORD. It is my honest personal opinion that this reduction in personnel will have no appreciable effect on the combat effectiveness of our Army. In fact, our Army in fiscal year 1957, overall, will be a better Army, a stronger Army than in past or previous fiscal years.

Mr. SPRINGER. There is one further question: There have been quite a few articles here recently, and this has been with reference to the Air Force, as to the number of men who were not reenlisted. I notice in your report that the number of 6-year enlistments has risen during the past 2-year period, including 1956. Is the 6-year enlistment the only classification the Army has?

Mr. FORD. No; the Army has a reenlistment program of, I think, 4 years and possibly 3 years, plus an indefinite reenlistment term.

Mr. SPRINGER. On the 3-year and 4-year classifications, have those reenlistment rates been going up or down?

Mr. FORD. I cannot honestly break it down to that extent. All I can say is that the Army's reenlistment rate has gone up from around 20 percent as of several years ago to 68 percent at the present time. That is the regular Army reenlistment rate.

Mr. SPRINGER. I would like to ask this one further question which, perhaps, the gentleman may be able to answer. Can the gentleman give us any reason why the reenlistment rate in the Air Force should be so bad and the reenlistment rate in the Army appears to be at the present time on the increase, and projected ahead is estimated to be on the increase?

Mr. FORD. I am not qualified to comment on the situation in the Air Force. I can only say for the Army that they have made a very great effort to convince young men that the Army is a good career. As a consequence, they have been getting results. Perhaps it would be wise for the gentlemen to speak to the gentlemen on the Air Force panel in reference to that specific problem.

Mr. SPRINGER. I thank the gentleman.

Mr. FORD. Another significant point in this budget is that in the fiscal year 1957 we are finally going to conclude the cataloging, standardization and identification work for the Department of the Army. About 6 years ago, I think it was, Congress passed this legislation which required the services to standardize and to catalog. It was estimated at that time that substantial dollar saving would be the result. Last year we were told by the Army witnesses that they were 64 percent through this tremendous job. At the present time, they are about 85 percent through. By September 30, 1956, they anticipate to have the job done insofar as identification and stock numbers are concerned. That is a tremendous job. It might interest you to know that it cost about $21 million for this current year and it will cost about $27 million in the next fiscal year, to finally conclude this vital job.

You might be interested in certain similarities in this year's budget as compared to the fiscal 1957 program. Dollarwise, under direct obligations in fiscal 1955 the Army had $10.7 billion. In the current fiscal year, 1956, the Army will have direct obligations of about $9.5 billion. In fiscal year 1957 direct obligations will total approximately $9.4 billion. In other words, the Army has about leveled off. From a point of view of net expenditures in fiscal 1955, the Army had net expenditures totaling $8.9 billion. In fiscal 1956, they estimated it will be $8.5 billion. In 1957, $8.6 billion.

In other words, the Army's funds are about on a level plane and that, in my judgment, has produced results. From the point of view of personnel, as I have brought out in colloquy with the gentleman from Illinois, the Army personnel will get down in June this year to the figure, which I believe, will carry on for a considerable period of time—about 1,040,250. Included with the uniformed personnel for the Army, the Army has approximately 435,000 employed civilians. So the total Army personnel picture is about 1,500,000, when you include both uniformed personnel and civilians.

The Army has continued during fiscal 1956 and they expect more or less to finish in fiscal 1957 their financial management program. They have carried on with their integrated accounting, their financial inventory account, their industrial funds, their stock funds, their consumer funds and their internal auditing. All of these programs which have been pushed ahead in the last several years will pay big dividends dollarwise and otherwise.

Now, if I could turn to some of the differences between fiscal 1957 and fiscal 1956; first, procurement and production. The big change there is in missile procurement. If you will turn to page 425 of the defense hearings, you will find that the Secretary of the Army says that 55 percent of Army procurement in fiscal 1957 will be for missiles. That includes Nike, Honest John, and Corporal, missiles which the Army actually has with its troops. If you will turn to pages 1448 and 1450 of the Army hearings, you will find a statement by General Magruder, Deputy Chief of Staff for Logistics, indicating that in 1955 the Army spent $403 million for missiles. It was originally planned for missiles, procurement, and production, for fiscal 1956, to spend $406 million. That program has been revised upward so that in fiscal 1956 the Army will spend for missiles $489 million.

In fiscal 1957 you will find that the Army will spend for missiles, in procurement, and production, $861 million. Let me emphasize that this money is for Nike, Honest John, and Corporal, all of which are operational. In other words, the Army's program is aimed at these newer weapons. Almost 60 percent of the Army procurement funds will be in this category.

Now let us turn to another significant difference between fiscal 1956 and fiscal 1957. Under research and development we have almost the same situation. Greater emphasis is on missile research. In fiscal 1955 the Army spent on this kind of research $68 million. In fiscal 1956 they expect to spend $107 million on missile research. In fiscal 1957 they expect to spend $113 million on missile research. That is almost twice as much as was spent on this research in fiscal 1955. Actually it is better than 25 percent of the Army research and development fund.

In addition to this kind of money which is programed for fiscal 1957, if there is any further need for missile research for the Army, the Secretary of Defense has in a little kitty in his office $85 million in direct obligation authority, and authority to transfer an additional $50 million. So the Army is going to have the money they need, the total which they get is $407 million, $77 million more than for the present fiscal year, and they have authority to go to the Secretary of Defense and say "For a special project can we have some of this additional money which the Secretary of Defense has available for all three branches of the service for vital research and development projects?"

There is another significant change between fiscal 1957 and fiscal 1956. Last November the Army and the Air Force conducted Operation Sagebrush. That was a major exercise jointly conducted by the two services. You might be interested in the comments made on that exercise by General Taylor. If you will turn to page 435 of the Defense Department hearings, you can see his thinking.

The net result is that the Army is going to change their divisional structure. That is necessary because of the problems involved with atomic warfare. I think that those changes in divisional

organization will be coming along rather rapidly now. I understand the Army has pretty well firmed up its views in this area at the present time.

You might also be interested that in fiscal 1957 the Army will put together the first completely air-transportable airborne division. It will probably be the beginning of many divisions in that category.

Another significant change, 1957 to 1956, is the full impact of the Reserve Forces Act of 1955. The legislative committee carried that legislation through the House and Senate last year. The services started the program in October 1955. The Army hopes to have around 88,000 young men trained under this 6-months' training program during fiscal 1957. They got off to a slow start, but they are building up very rapidly. Our committee wholeheartedly endorses this program, and if they need more money I am sure we would be most willing to make it available. Where you have this Reserve program building up as a result of the 6-months' training program you have to provide new facilities for the Reserve units. There is money in this budget for the construction of 180 new Reserve armories for the Army. Incidentally, that is going to cost about $35 million.

There is also a very significant change comparing this fiscal year with next, and that is the combat effectiveness of our Army. In 1953 the ratio of noncombat forces to total forces was not very good. Your combat ratio actually as 59 percent; today it is up slightly over 70 percent. I think it is the kind of Army we want and it is the kind of Army that our leaders have been able to get for the country. It may be difficult to go better than that, but they deserve commendation for that accomplishment.

I would now like to make a comment or two about the personnel in the Army. General Taylor made some very significant comments before our subcommittee, and if you will turn to page 442 of the Defense Department hearings you will see this statement. He was answering a question propounded to him by the chairman, the gentleman from Texas [Mr. MAHON]. General Taylor made this statement:

> The increasing professional character of the Army, as I said in my testimony, really gives me 30,000 more troops. The 1,025,000 really has 30,000 more effective troops in it for 1957 than it had the previous year, and there are other assets of that nature.

In other words, because your reenlistment rate has gone up, because you have increased the effectiveness of your training, the Army today even though the total numbers are slightly less, has, General Taylor says, 30,000 more effective combat troops.

I would ask you now to turn to page 535 of the same hearings where General Taylor had this to say. I was interrogating him. I will read you a portion of the colloquy:

> Mr. FORD. In other words, divisionwise we have shown a decided improvement?
>
> General TAYLOR. Yes.
>
> Mr. FORD. In some of the other units we have made some small decreases?
>
> General TAYLOR. Now, your question. Where are these 30,000 men? If we had not had the increase in our enlistments, the increase in professional percentage, 30,000 of our present men would have to be recruits receiving training by a certain number of people. Of the total 30,000, about 25,000 of that number would be recruits and 5,000 trainers and overhead. Instead, these people are in tactical units performing useful military work.

In other words, even though the numbers in our Army this next fiscal year will be about what we have at the present time, the net result is that our Army will be infinitely more effective.

Now let us turn to another part of the manpower situation and I refer to the Army Reserves. The Army Reserves in fiscal 1956 show a total on a yearly average of about 190,000. In fiscal 1957 they expect that yearly average to be 256,000. In other words we go from an average of 190,000 in fiscal 1956 to 256,000 in fiscal 1957. I believe in the prepared statement that the Secretary of the Army submitted to our committee he estimated the increase in the Army Reserve personnelwise would be about 35 percent.

The average strength of the National Guard for fiscal 1956 will be 376,000. In fiscal 1957 it is anticipated their average strength will be 407,000. In other words, numberwise your Army Reserves and your National Guard will be substantially stronger comparing this fiscal year with the next.

The next question is, Will they be any better trained? Will they be more adequate to do the job? I refer to General Taylor's testimony on page 536 of the Defense Department hearings. At that point I asked this question:

> Based on your observations within the last 6 months since you have become Chief of Staff, how would you rate the potency of our National Guard and the Army Reserve?
>
> General TAYLOR. I visited some of the guard training last summer and I was impressed by the general improvement in the quality of the training I saw. Certainly the guard is stronger in experienced officers than at any time I have had an acquaintance with it; also its strength is quite good.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman from Michigan 5 additional minutes.

Mr. FORD. Mr. Chairman, pursuing that particular point further, when General Lindeman, who is in charge of the Army Reserve program, was before the committee, I asked this question:

> General Lindeman, will you give for the record your estimate of the quality of the Army Reserves at this time compared with a year ago? I would appreciate your full and frank analysis of the readiness of the Army Reserves, comparing the current situation to the circumstances in 1955.
>
> General LINDEMAN. I feel that the quality of the Army Reserves has improved over last year.

He goes on to make certain other comments, but that is the net result of his testimony.

When General McGowan of the Army National Guard was before the committee, I propounded several questions to him. The gentleman from South Carolina, in addition, pursued this line of questioning. Mr. Riley asked:

> Do you have a proficiency rating of the National Guard?

Colonel Taylor, who was then testifying, said, "Yes."

Mr. Riley asked this question:

> Could you give us a little of your estimate of the proficiency of the National Guard?
>
> General MCGOWAN. I can say it is at its highest point in history.
>
> I think the gentleman has in mind perhaps mobilization readiness.

On page 1324 of the hearings General McGowan, in response to a question, said, in effect, the same thing. I asked this question:

> Earlier in the hearing this afternoon Mr. Riley was asking you about the efficiency or quality in the guard today, and you explained means and methods by which that is evaluated?
>
> General MCGOWAN. Yes, sir.
>
> Mr. FORD. If you were asked the categorical question, Is the National Guard today better trained than it was a year ago, what would you answer?
>
> General MCGOWAN. I would say each year I have continued to be amazed at the evident increased efficiency of the units I have been associated with.

In other words, our Regular Army and our Reserve forces are today, according to the testimony of General Taylor and the responsible officials for the Reserves and the National Guard, are in the best shape in their history.

Now, we may have an amendment subsequently proposed today which would seek to increase the strength of the Army by one division. I would like to point out why I think that amendment is unnecessary. General Taylor was asked in the hearings, if he had an opportunity to get more money, what would he use that money for, and on page 466 of the hearings General Taylor replied as follows:

> Before asking for more manpower I would feel I needed more money for this particular Army.
>
> Mr. SIKES. What would that money be spent for?
>
> General TAYLOR. It would be spent in part for equipment. It would be spent for deferred maintenance. It would really go across the board, but the emphasis would be first on equipment.
>
> Mr. SIKES. What type of equipment?
>
> General TAYLOR. I will get my "shopping list" out.

Incidentally, he pulled out a shopping list, and he enumerated the kind of equipment that he would want if he had some additional money. He did not ask for a single additional soldier.

Now, he further emphasized that on page 439 in response to a question propounded by our chairman:

> Mr. MAHON. If you were going to have a sizable slice of additional money, how do you think it could be best applied? How would you want to apply it?
>
> General TAYLOR. I always have a priority list of Army needs. If you gave me another dollar, I could tell you how to spend it. I could use more money for equipment up to a certain point, then I would look at the Army force structure and see if I wanted to get more people.

Then the gentleman from Texas [Mr. MAHON] asked this question:

So your first few millions would probably be spent for equipment?

General TAYLOR. Yes; I would say so. In fact, the first 200 or 300 million.

Mr. MAHON. What kind of equipment?

General TAYLOR. Do you want my list?

And, he pulled out the shopping list.

Now, never once in his testimony—and he was interrogated by some able, experienced people—did he ask for an additional soldier. He said if he was to get more money, he would spend it on equipment. Now, he did say that if he could ignore all other considerations and if he could just pick the optium size Army, he would ask for an Army the size of 1.5 million. "But," he said, "under the current circumstances, if I got any additional money, it would be spent for equipment first."

Now, that brings up the final point. If we are to give them more money for equipment—and that is what General Taylor says he wants first—we do not have to appropriate another dime. The hearings brought out that the Army has in unobligated authority at the beginning of fiscal 1957 more money than they expect to obligate in fiscal 1957 under procurement and production. In fact, they will end fiscal 1957 with an unobligated balance of about $700 million plus reimbursements, which is almost three times what General Taylor says he would need if he was to buy additional equipment. So, we do not have to appropriate one dime in additional money to meet the most urgent needs that General Taylor says he has. The money is there for equipment. He says he does not need any more personnel. So, I say under the current circumstances the Army has ample funds; they have ample personnel; they are a well run, well led Army. They have got the best combat ratio I have ever seen. They have the best firepower, mobility, and communications in the history of the Army. They have the best Reserve program the Army has ever had, both Army Reserve and National Guard, and they have the support of some potent, formidable allied forces.

Mr. Chairman, I think the recommendations of this committee are sound. I fully and totally subscribe to them.

In conclusion may I say this. Sometimes we fail to appreciate how much money we are spending in toto for our national defense. I do not begrudge a dime of it. But do you realize, if this program goes into effect that in the fiscal year 1957 we will spend for the 3 services in the Department of Defense almost $3 billion a month, almost $100 million a day? It is well over 50 percent of the tax revenue which we extract from our citizens.

Because I feel that our Armed Forces overall are well led, well trained and ready to defend our country, even though the cost is great, I wholeheartedly subscribe to making this money available.

Mr. MAHON. Mr. Chairman, I yield 4 minutes to the gentlewoman from Illinois [Mrs. CHURCH].

Mrs. CHURCH. Mr. Chairman, I could not fail today to express my own strong conviction that section 633 should be removed from this bill. This section would simply perpetuate the roadblock placed by section 638 of the 1956 Defense Appropriations Act against the progress of the Department of Defense in eliminating and turning over to private enterprise its unnecessary business and industrial-type activities.

I am sure that this Congress knows of my own keen interest in securing ample consideration of all the recommendations of the Second Hoover Commission and of my even keener hope that this Congress, even in its closing days, will accomplish the implementation of such of the recommendations as will produce the Government economy and efficiency, so patently necessary. It was my belief in such necessity for action that has led me, during this 84th Congress, to introduce 77 bills drawn up to implement the recommendations of the Second Hoover Commission. One of these bills, H. R. 7316, seeks to establish a Defense Supply and Service Administration within the Department of Defense, and actually contains a provision that the Secretary of Defense shall report semiannually to the Congress on the progress being made in "the reduction or elimination of facilities and business enterprises that can be handled by private industry."

In the study that led to the introduction of this bill, I became increasingly aware of conditions which vitally call for the elimination of section 633 of this present bill. At the time of its careful investigation, the Hoover Commission estimated that there were 2,500 tax-supported Government-run businesses or industrial-type activities carried on by the Department of Defense; and what is more significant, it further stated that at least 1,000 of these could be eliminated and turned over to private enterprise without bringing any harm whatsoever to our national security or welfare.

The Hoover Commission endorsed the policy of the executive branch that "the Federal Government will not start or carry on any commercial activity to provide a service or product for its own use if such product or service can be procured from private enterprise through ordinary business channels," and recommended that the commercial-type bakeries, meat-cutting plants, clothing manufacturing plants, laundries, and dry-cleaning plants operated by the Department of Defense be closed, except in isolated and overseas locations.

The final recommendation of the Commission was that Congress review all public laws which permit the armed services to engage in business operations which can be performed by private industry.

It is to the great credit of Secretary Wilson that, starting last June 1955, he moved vigorously to close some 46 of the estimated 1,000 business-type enterprises—enterprises which compete needlessly, I would remind you, with taxpaying enterprises. These include such things as bakeries, laundries, machine shops, and even ice cream factories. In the midst of the worthy efforts of Secretary Wilson to end such unnecessary commercial activities, this Congress, over the strong opposition of many of us, voted into the 1956 Defense Appropriations Act, section 638. President Eisenhower himself promptly made strong protest against this section, as a clearly unconstitutional invasion of the authority of the executive branch. The Comptroller General sided with Congress—and from that time on, the Department of Defense has been hampered in its efforts to decrease its unnecessary commercial activity.

Repeal of section 638, or removal of section 633 in this current legislation, would open the way for the Department of Defense to resume, without hampering on the part of the Congress, its de-competition effort.

I would like to point out to the Congress that this interest in the elimination of competition with private enterprise by departments of the Government is not new. As far back as 1932, the 72d Congress appointed a special committee of the House of Representatives to investigate Government competition with private enterprise. After extensive hearings, that committee made strong recommendations to counter this dangerous trend. In the 82d Congress, when I was then serving on the House Committee on Expenditures of the Executive Department—later re-named the Committee on Government Operations—the Intergovernmental Relations Subcommittee spent months in careful study of the various aspects of Federal supply management. The subcommittee, in drawing up its sixth intermediate report indicated the commercial-type operations in the military departments; and stated that, except in isolated areas and in emergency, such operations were to be questioned, and that private enterprise should be given an opportunity to replace them. The same subcommittee, in the 83d Congress, went even deeper into the problem and recommended in its seventh intermediate report that "a permanent vigorous preventive and corrective program be inaugurated"; and stated further that the only justifiable guides to be used are essentiality of service and economy. It further went on to say that even economy should not be accepted as a reason for Government operation, where competitive industry could provide the establishment of a fair price. In that same 83d Congress, H. R. 9835 passed the House and was under consideration in the Senate when Congress adjourned. Public Law 108 was actually enacted, however, in this 83d Congress, establishing a Commission on the Organization of the Executive Branch and declaring the policy of Congress to include, first, the abolishment of services, activities, and functions not necessary to the efficient conduct of Government; and second, the elimination of nonessential services, functions, and activities which are competitive with private enterprises.

Finally, this current Congress has produced in Senate Report No. 129 from the Senate Select Committee on Small Business the strongest condemnation of Government competition with private business. This report points out over 100 areas of business activity in which the military departments compete with private firms and states that the net result

of such competition is proving a serious threat to the economic future of the Nation. In its closing statement, the committee unequivocally takes the position that "the time has come when we need a straightforward, aggressive attack upon a steadily growing cancer in our economy."

This congressional interest, so long expressed by words, led the Department of Defense to undertake a forthright and initially successful attack upon the problem, until blocked by the passage of section 638 of the 1956 Defense Appropriations Act.

The Department of Defense, itself, is opposed to section 638 of the 1956 Defense Appropriations Act and the inclusion of section 633 in the 1957 Defense Appropriations Act now under consideration. As Assistant Secretary of Defense—Supply and Logistics—Thomas P. Pike said in his testimony yesterday before the Committee on Armed Services, in support of section 27 of H. R. 7992:

It is the basic policy of the Department of Defense not to engage in the operation of commercial and industrial type facilities unless it is militarily necessary or the product or service cannot be obtained from private sources at a reasonable price due to the lack of competition or for any other reason.

The Department of Defense has given assurance that full consideration in the reduction of their commercial and industrial activities will be given to the protection of the national security and economy. DOD Directive 4100.15 specifically states:

No commercial and industrial type facilities of the Department of Defense will be terminated where:

1. The military demand for the product or service cannot be met by private industry at all times, including a period of mobilization without delay; or
2. The facility is required for the training of personnel for operation in a zone of action or advance base or overseas operations where commercial facilities will not be available; or
3. There would be a danger of compromising security information which would be prejudicial to the interests of the United States; or
4. It is ascertained that the product or service cannot be obtained from private sources at a reasonable price, whether by reason of lack of competition or for any other reason.

The program of reduction begun by Secretary Wilson deals principally with activities of a small-business nature, which were started only because of the circumstances of war and emergency. Such operations, like others in government, have perpetuated themselves long after the emergency is over and have, in fact, been part of a trend toward an increase in military, commercial and industrial type activities. Such a trend must be reversed and would be reversed if section 633 could be stricken from this current bill. A policy must be laid down by the Congress to encourage, not discourage, the Department of Defense in its reduction of operation of commercial and industrial type facilities. Not only would such action further economy of operation, it would, in addition, release military personnel for actual military service. Such a step, with subsequent reduction of government competition with free enterprise, would be merely a restatement and reimplementation of what has come to be known the world over as the American system.

The responsibility, in fact, the question of whether or not further reduction of nonmilitary operation will be carried on, rests at this moment not with the Department of Defense—which has proved its good intent—but with this Congress. I cannot believe that any Member, faced with the moral as well as the economic implications of this decision, will for any reason whatsoever, personal or political, fail to meet this challenge of his faith in government economy and in the American principles of free enterprise.

Mr. MAHON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, after I have utilized these few minutes, I hope we can proceed to the reading of the bill for amendment under the 5-minute rule.

Many statements have been made in Congress and in the newspapers and periodicals in regard to our defense program. To the American people I think these statements must be most confusing. It is my opinion that if we had the time to read all these statements and all the fine print the picture would probably be reasonably clear.

The defense picture is so big and complex that if one chooses his words and facts carefully he can leave almost any impression he wants to and still be accurate.

The Secretary of Defense was criticized yesterday for the use of the word "fearmongers." I think a better choice of words could have been made. However, the Secretary has a very fine sense of understanding of some of our problems. We do not always agree with him. The Secretary is chafing, in my judgment, under a situation that troubles everybody who thinks deeply on this problem of national defense. The Secretary, being an industrialist, knows that more difficult days are ahead than the present days. He has pointed out in these hearings that Russia is just entering the industrial revolution in a big way. We went through the industrial revolution a long time ago.

We know something of the terrific power that Germany had in World War II. She was relatively small as a nation, particularly in numbers of people, but we know something of the power Germany had. In my judgment, the Secretary feels that Russia is coming toward a period when she will develop terrific industrial power and she has one-fifth of the surface of the globe within her borders, that is, of the habitable surface of the globe. Her population is of course much larger than our own.

There is no indication that there is any lack of petroleum or lack of oil or other such important resources. There is no indication there is any lack of steel potential. So while the American people want to see all nations do well—we have a point 4 program to help raise the standards of all peoples insofar as we can, the only thing is that we do not want the resources of the Soviet Union to be developed and channeled almost exclusively into military production. As I say, nobody understands this particular matter any better than Secretary Wilson. In the testimony on the bill in response to a question, let me show you how he understands this—and I do not believe the American people yet understand it. They will understand it in a few years:

Mr. CANNON. Inasmuch as we are preparing for defense against Russia, as you say, and you are asking to increase the budget, it is evident you think Russia is making some progress in armaments?

Mr. WILSON. That is correct. Well, they have been ever since World War II instead of demobilizing and reducing their military program and military expenditures like we did in our country, they kept on and on—

That is not the point I am particularly referring to, but here is what I want to emphasize:

Also, Russia itself has come late—

Come late—

into what is often described as the industrial revolution.

That is the thing that Mr. Wilson has pointed out:

But they did have the advantage of the knowledge of all the other things that other people have done.

The point he is making is that they can pass through the industrial revolution much faster than we did because they have the advantage of all the development by the other countries in the industrial revolution of the past. I quote:

But they did have the advantage of the knowledge of all the things other people have done so what seems like a rather disturbing progress is what you could expect of people who had that opportunity.

From the Library of Congress, I quote these figures which point up what Mr. Wilson is saying.

In 1955, steel production in Soviet Russia was 45 million tons. Prior to World War II or about 1938, our production was 47 million tons. In other words, in steel production they are just about where we were when World War II started. Now, how long will it take the Soviet Union to produce as much steel as we do—I do not know. It is that kind of thing on the horizon which, in my judgment, is more significant than any paragraph in this defense bill.

Quoting the Secretary again:

The Japanese made the same kind of progress 50 years sooner. If you go back 100 years, Japan was a feudal type country, but after they started to open it up and got the idea of technical progress and the use of mechanical horsepower and so forth, they made great strides in their industrial development.

I could continue to quote but I shall not take the time of the House. I would like to refer to the testimony of Secretary Quarles on page 155 of the hearings on the supplemental defense budget.

His testimony points up the fact that this situation in which we find ourselves now in all probability will worsen. It points up what I referred to yesterday that probably Secretary Quarles is correct when he talks about our going into this period of mutual deterrence—with

terrific power on both sides. It points up further the utter futility of hoping that by the mere expenditure of billions of dollars—and there are $33½ billion in this bill—we can settle the problems of our world.

It points up very much the urgent necessity that some method be found to settle the problems which have plagued our world. They cannot be settled by military might alone. Certainly we hope that our leadership, and I do not mean either Republican or Democrat, but I speak of the leadership of the free world, we hope that our leadership somehow will find some other approach than money.

If we just continue to rely on the power of American industry and money alone, we are going to lose this battle for peace just as surely as I am standing on the floor of this House today. And we will probably live to see it. We must have a more effective, bold program for peace if we are going to succeed. That is where the greatest challenge to the free world is today—not in the armament race.

The CHAIRMAN. The time of the gentleman from Texas [Mr. MAHON] has expired.

All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Office of Public Affairs

For salaries and expenses necessary for the Office of Public Affairs, $450,000.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask the members of the committee a few questions, beginning with this title I.

I note on page 2, under "Salaries and expenses" there is $60,000 for the Office of the Secretary of Defense for emergency and extraordinary expenses. Then on page 3 there is $32,500,000 for emergencies and extraordinary expenses. On page 4 there is appropriated $50 million to be used upon determination by the Secretary of Defense that such funds can be wisely and profitably and practically used. It seems to me that those funds can all be spent on the account of the Secretary of Defense and ought to be lumped together. Perhaps they are needed, but why are they listed separately?

Mr. MAHON. These funds, the first $60,000, have to do with the Office of the Secretary of Defense. Actually this is a legislative provision which would make available these funds for extraordinary things, such as the meeting which it held at Quantico each year under the direction of the Secretary of Defense.

Mr. GROSS. I am not so much interested in what they are being spent for because I suspect at least some of the spending is of a classified nature. You have $82 million spread out here for apparently the same purpose.

Mr. MAHON. It is for extraordinary purposes in one field—in the Office of the Secretary. Contingencies is a different situation, having to do with our intelligence operations and otherwise. When the Defense Department officials come before the committee on these confidential matters, they give the committee a list of the purposes for which the funds will be expended and they break it down in detail, and they are required to follow, in the expenditure of the funds, the pattern which they have laid out in their request for the funds. These items are in no way associated with each other.

Mr. GROSS. Then what might the $50 million be spent for, apparently and solely on the account of the Secretary of Defense?

Mr. MAHON. That is in the field of research and development, I believe.

Mr. GROSS. It is on line 2, page 4.

Mr. MAHON. That is the same. It is for research and development. In other words, if you give the services all they want for research and development, there would hardly be a limit. We have tried to limit it to what can be justified and then we tell officials that if they break through faster on the intercontinental-missile program or some other developmental work they have under way and this happens at a time when Congress is not in session and they feel they must have more money they can go to the Secretary of Defense, who has some funds which would be available.

Mr. GROSS. May I ask the gentleman this question: Is this the only money in the bill for research and development, this $50 million?

Mr. MAHON. No. The services are allotted in separate chapters in the bill funds for research and development projects. For example, the Air Force people have $610 million, which should be enough to carry them through on their research and development unless they have some breakthrough; and if that occurs, as I have previously stated, and they needed additional funds and make a proper showing, they can get some of the additional money which is placed in the hands of the Secretary of Defense.

Mr. GROSS. As I see the language of this section it does not say that this money shall be used for the purpose stated by the gentleman if there is a breakthrough. It uses this language:

That such funds can be wisely, profitably, and practicably used in the interest of national defense.

It does not say that $50 million shall be used for research and development if there is a breakthrough; but I do not want to pursue the point. I just think this is a tremendous amount of money to give the Secretary of Defense to be spent largely as he desires and some of it without any accounting provision whatsoever. I think it is a tremendous amount of money, $82 million, for this purpose.

Mr. MAHON. The Air Force indicated at a pretty high level that it could well use $200 million more.

Mr. GROSS. I do not doubt that.

Mr. MAHON. We denied the suggested funds, but this is one of the answers to it; and on page 3, under the title "Emergency funds," we say under the Department of Defense:

Available for research and development, to be merged with and to be available for the same purposes, and for the same time period as the appropriations to which transferred—

And so forth.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 3 additional minutes.)

Mr. GROSS. I thank the gentleman from Texas and I regret to spend so much time upon this proposition. There is another matter to which I wish to refer.

A little while ago the gentleman from Michigan [Mr. FORD] spoke of the reserve training program. When the bill was before the House of Representatives with respect to the 6 months' training program I believe I asked a question of the gentleman from Georgia [Mr. VINSON], concerning the necessity for expanding training facilities for the Reserves and asked whether that program would require the spending of substantial sums of money for facilities, and the answer I got back I am sure was that it would not require substantial expansion of facilities; yet I understand that it is proposed to construct a large number of buildings and perhaps other facilities.

Mr. MAHON. The situation is that there has been an estimate made as to the number of people who would be in this Reserve training program and funds were provided for the training program. The funds for installations and for construction generally except for National Guard armories and the Reserves are not included in this bill. Funds of that type will be included in the military public works bill which should be on the floor within about 3 or 4 weeks, but as I understand no additional funds will be requested for facilities, but I will yield to a member of the subcommittee who may have more current information.

Mr. SIKES. There is no money in here whatever for the training facilities for the 6 months' trainees. There is money here for the regular National Guard armory program and the Reserve armory program in continuation of the program we have had for a number of years.

Mr. GROSS. Then are the reservists using the same facilities?

Mr. SIKES. After completing the 6 months' training they go back home to the Reserve unit, and they will use the armories there.

Mr. GROSS. Does not that get to the point that if the 6 months' training program is expanded that because of such expansion additional facilities will be needed? They may not have been expanded so far, but that will be the reason for expanding existing facilities.

Mr. SIKES. Of course, if you are going to train the 6 months' trainees and then send them back home and do not give them facilities in which they can drill and keep on training you will not get much good from the expanded program.

Mr. GROSS. May I ask the gentleman, Is there any more money authorized under this bill for an increase in Army personnel to train the 6-months reservists?

Mr. SIKES. Yes, a slight increase.

Mr. GROSS. Yet we were told on the floor of the House it would not require

an increase in personnel to take care of that matter, that it would be done without increasing the Regular establishment.

Mr. SIKES. I am not familiar with that, but there is a slight increase in Army personnel for the 6-months' training program.

Mr. GROSS. The gentleman has no responsibility for that, I know, but I believe I begin to see some light. What we were told when the 6-months' training bill went through may not be exactly correct from the standpoint of expansion of facilities and the use of Armed Services personnel.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. SEELY-BROWN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, on Wednesday, May 2, the gentleman from Texas [Mr. PATMAN] extended his remarks in the CONGRESSIONAL RECORD under the heading "Twelve Small Business Organizations Adopt Resolution to Support H. R. 9067." This extension appears on pages 7362 and 7363.

I have been forwarded copies of letters from Mr. John Marschalk, executive director, Small Defense Industries Association, 3780 West Sixth Street, Los Angeles 5, Calif., to Honorable WILLIAM S. HILL, under date of May 8; and to Mr. Robert I. Black, Independent and Small Business Coordinating Committee, 1317 F. Street, Washington 4, D. C., under date of May 7.

The tenor and content of these letters is to deny any participation described in the remarks of the gentleman from Texas [Mr. PATMAN] in a meeting which was said to have been held in Washington, D. C., a few days before May 2, 1956, and which meeting apparently adopted a resolution in support of our chairman's tax bill. There was a list of not only association representatives but also individuals who were allegedly in attendance at the meeting in question. Mr. Marschalk states in the attached letters that apparently the report of Mr. Robert I. Black, acting secretary of the Independent and Small Business Coordinating Committee, to the chairman of the Small Business Committee, was in error, since no representative of the Small Defense Industries Association attended this meeting nor endorsed H. R. 9067.

Evidently Mr. Marschalk has done considerable checking on the attendance at the meeting where the resolution allegedly was drawn. In his letter to the gentleman from Colorado [Mr. HILL], under date of May 8, Mr. Marschalk says:

> First, the resolution by the committee for which Mr. Black was acting does not represent an action by the several associations who had representatives in attendance. The membership of each association must decide whether it wishes to join in support of the committee resolution. Thus, it is an error to state that 12 associations have joined in endorsing H. R. 9067.
>
> Second, it appears that at least four of the listed associations, including ourselves, did not, in fact, have any representative present at the meeting of the committee. At least 12 of the persons shown in the CONGRESSIONAL RECORD as having been present at the committee meeting did not attend.

The letters which follow make it very clear that the Small Defense Industries Association is supporting my bill, H. R. 9851, which provides new corporate tax rates for the specific purpose of aiding small business. However, H. R. 9851 in no way penalizes larger businesses. Mr. Marschalk also states in his letter to Mr. HILL that—

> Since the presentation of committee action misstates the views of this association, we feel it is highly probable that similar misstatement has been made with respect to others who did not attend. We cannot speak for the others absent, but feel sure they would want an opportunity to have the record corrected.
>
> We believe it is beyond question that all the associations—with representatives present or absent—do favor early congressional action to provide tax relief for small corporations, but we know of none who wish to impose inequities on any group of other corporations to accomplish this purpose.

It is also pointed out in these letters "that rates above 55 percent approach the levels of confiscation and hence pose a threat to the entire economy." The letters also state that "the greatest need exists among the smallest corporations and that any approach to corrective tax legislation should afford maximum relief to the smallest concerns." These assertions have my hearty concurrence.

In making this statement and including these letters, I want it understood beyond peradventure of doubt that I do not and shall not question the motives of the gentleman from Texas [Mr. PATMAN] in placing the report from Mr. Robert I. Black in the CONGRESSIONAL RECORD because, I believe, he acted in good faith in so doing. I know there are a great many of us on both sides of the aisle who sincerely and honestly desire to bring about tax relief for small and independent business. Personally, I have come to the conclusion, after long study and analysis, that the most effective aid which we can offer in support of our free enterprise system and the small and independent business institutions of this country is to speedily enact tax measures which will contribute to the health and prosperity of the entire small business community.

The letters follow with certain unimportant deletions in the opening paragraph as indicated from the letter to the gentleman from Colorado [Mr. HILL]:

SMALL DEFENSE INDUSTRIES ASSOCIATION,
Los Angeles, Calif., May 8, 1956.

Hon. WILLIAM S. HILL,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: This letter is addressed to you * * * as the * * * ranking minority member * * * of the House Select Committee on Small Business. Our purpose is to bring about the correction of serious errors which we are aware * * * you * * * will (not) wish to leave uncorrected, once the facts are known.

On May 2, Mr. Robert Black, signing himself as Acting Secretary of the Independent and Small Business Coordinating Committee addressed Representative PATMAN and forwarded to him a copy of a resolution purportedly endorsed unanimously by the representatives of twelve small-business associations.

On May 7, this association addressed Representative PATMAN, calling his attention to what we believed to be an unintentional error in Mr. Black's material. Mr. Black had indicated that Mr. William Brown of the Small Defense Industries Association was present at the meeting of his committee. This same material also indicated that Mr. Hampden Wentworth, president of this association, though not present in person, had an authorized representative at the meeting.

The facts are: Mr. Brown was not present; Mr. Wentworth was not present; nor was there any representative from the Small Defense Industries Association in attendance. The Small Defense Industries Association does not endorse H. R. 9067.

Today, we have received a copy of the CONGRESSIONAL RECORD for May 2. We find, on pages 6599 and 6600, that Mr. Black's error regarding the Small Defense Industries Association has been picked up and made a part of Representative PATMAN'S remarks. As the only national association representing the smaller firms which specialize in defense production, SDIA is anxious that the viewpoint of our membership be known and that the record be set straight.

It is also deemed important to call attention to other errors which undoubtedly resulted from misinterpretation of the material furnished by Mr. Black to Representative PATMAN.

First, the resolution by the committee for which Mr. Black was acting does not represent an action by the several associations who had representatives in attendance. The membership of each association must decide whether it wishes to join in support of the committee resolution. Thus, it is an error to state that 12 associations have joined in endorsing H. R. 9067.

Second, it appears that at least four of the listed associations, including ourselves, did not, in fact, have any representative present at the meeting of the committee. At least 12 of the persons shown in the CONGRESSIONAL RECORD as having been present at the committee meeting did not attend. According to the record of the committee meeting, the following were present:

Julius Hoffman, president, and C. R. Green, assistant to the president, United Businessmen's Association of Philadelphia. (We know of no representative of this group who was in attendance at the meeting.)

S. S. Parsons, president, Parsons Engineering Corp., past president, Smaller Business of America, Inc.

Jules Schweig, president, Security Fire Door Co., and president, St. Louis Small Business Council.

Joseph D. Henderson, national managing director, American Association of Small Business, New Orleans, La. (We know of no representative of this association who attended.)

William I. Shuman, builder and developer, representing the Maryland Small Business Council, Baltimore. (We know of no representative for this group who attended.)

Robert Grant, South Bend, Ind., former Member of Congress.

Walter Ploeser, president, Mississippi Valley Association and former Member of Congress.

T. K. Quinn, president, T. K. Quinn Co.

Dewey Anderson, executive director, Public Affairs Institute.

Hampden Wentworth, president, Longren Aircraft Co.

William H. Brown, president, Aluminum Taper Milling Co.

Since the presentation of committee action misstates the views of this association, we feel it is highly probable that similar misstatement has been made with respect to others who did not attend. We cannot speak for the others absent, but feel sure they would want an opportunity to have the record corrected.

We believe it is beyond question that all the associations—with representatives present or absent—do favor early congressional

action to provide tax relief for small corporations, but we know of none who wish to impose inequities on any group of other corporations to accomplish this purpose.

In conclusion, we feel it proper to state the views of this association as endorsed by a large majority of its membership and in accordance with the official action of its board of directors:

1. Our association endorses H. R. 9851, the Seely-Brown bill, and is hopeful that it will receive bipartisan support.

2. In the quest for any compromise legislation, we feel that no graduated tax bill should embrace rates in excess of 55 percent on any corporation of any size. We believe that rates above 55 percent approach the levels of confiscation and hence pose a threat to the entire economy.

3. We feel the greatest need exists among the smallest corporations and believe that any approach to corrective tax legislation should afford maximum relief to the smallest concerns.

4. At this time, we believe any proposed legislation should maintain present levels of Federal revenue.

Our association will be deeply grateful for your courtesy in making a correction of the RECORD and for bringing this correction to the attention of those who may have been misinformed as to our position.

Most respectfully yours,

JOHN MARSCHALK,
Executive Director.

(Copy to Robert Black; associations at interest.)

SMALL DEFENSE
INDUSTRIES ASSOCIATION,
Los Angeles, Calif., May 7, 1956.

Mr. ROBERT I. BLACK,
Independent and Small Business Coordinating Committee, Washington, D. C.

DEAR BOB BLACK: Thank you very much for the copy of the material issued by you after the meeting of the Independent and Small Business Coordinating Committee on April 30.

Referring to my phone call, Bob, there is no question whatsoever about your integrity—Nor any question as to the integrity or sincerity of purpose of what you are doing.

What has disturbed us is whether outsiders will recognize this integrity, whether everyone will feel that there is no reason to be suspicious.

You will recall that one of the early rumors circulated about the proposed Institute of Independent Business was that it was inspired by certain Democratic Members of Congress in order to create a favorable sounding board for party proposals in behalf of small business.

When we first met in Washington nearly a year ago, you assured me this idea was quite false and pointed to the balance among Republicans and Democrats who were taking part. This was good enough for me and it was impressive to our SDIA members who have made it clear that it will never be the policy of our association to take political sides.

You will also recall it was our suggestion that an early subject of interest to all small business would be the matter of graduated taxes. In fact, I believe you said during our May 3 telephone conversation that it was my initiation of this topic which lead you to pursue it avidly.

All of your work, I'm sure, has been activity on a strictly nonpartisan basis. It is only the way a series of events took place which may lead some people to be skeptical. I've done my best to reassure those who have questioned me, but I realize there may be many more people who react this way, and I know you will want to be able to make a clear case that will reassure all. Here is the sequence of events which has caused the raised eyebrows:

1. On February 29, SDIA directors approved recommending a graduated tax scale designed to give relief to small and medium corporations—most relief to the smallest—a very slight increase (2 percent to those over $700,000), to about 1 percent of all corporations—and current revenues maintained at present levels. This proposal was described in our February bulletin with copies sent simultaneously to Republican and Democratic Members of Congress as well as the rest of our mailing list.

2. On March 8 * * * Congressman HORACE SEELY-BROWN introduced H. R. 9851 which proposed the same scale recommended by this association.

3. On this same day, I talked with you in Washington and we discussed a meeting of various representatives of small and independent business to be held during the week of April 9. You felt this date would be workable and I made plans accordingly. It was our thought that with several tax proposals in the hopper—the Seely-Brown bill, the Patman bill and the Fulbright bill—we could get together and work out a scale and other provisions which would represent a compromise among the beliefs and desires of diverse representatives of small business.

4. You and I had two more telephone conversations during March, the last on March 28. In each case, you commented on the high interest in the Seely-Brown scale and mentioned a number of persons who seemed favorably inclined toward it—among them, as I recall, Miles Pennybacker, Walter Ploeser, and S. S. Parsons. I pointed out that our group wasn't concerned with pride of authorship, that we were anxious to work on a compromise proposal, that the one point we were set on was opposition to any bill that would impose a near confiscatory rate on very large companies. (For example, the 75 percent top rate in the Patman bill).

5. During our March 28 conversation, you again indicated that a meeting for the week of April 9 was all set. As a result, I scheduled my trip to cover the period from April 4 through April 23 to be able to attend.

6. Not until I was in Washington and reached you on April 5, did you indicate that the proposed meeting would not be held; that it was postponed to April 30. Let me emphasize, Bob, that I am personally sure that you had been working up to that moment to try and get everyone lined up to attend on the original date. But now, in view of what happened at the April 30 meeting, others need more convincing.

7. An April 30, a committee of four drafted a resolution which the group adopted—a resolution in support of the Patman bill. Two members of this committee were from the Smaller Business Association of New England. Of the entire group, nine were from the New England association, almost half of the total persons at the meeting.

Again, Bob, there is no thought that the committee was loaded, intentionally or otherwise. Nor have we any argument with the New England group. What we are having to answer is the question of whether this preponderance of New England representatives (which is where the Patman bill is understood to have been originated) had more than ordinary influence in bringing about the unexpected action.

These events are recited in sequence to make them easier to review. Many people think they need a lot of explanation, that there is a serious danger here which threatens any future hope of bringing small-business organizations together to achieve mutual strength.

So, Bob, how can we explain this series of events to the satisfaction of all—to remove all doubts and questions? How can we explain that a meeting which was called to work out a compromise among several measures wound up by endorsing a Democratic measure? How can we provide a clear answer to those people who have contended all along that the disguised purpose of the Independent and Small Business Coordinating Committee was to provide backing for Democratic Party legislation?

Most of all, how can we justify to our members the fact that the new committee has endorsed a measure which embraces near-confiscatory rates on the largest firms? Many want to know, if a 75-percent rate can be justified by expedience today, what is to prevent adoption of a 99-percent rate tomorrow?

Those people with whom I've talked are confident that not a single member of the committee would approve confiscation of any segment of business. But in what way can we demonstrate that the committee did not consider very-big business as expendable? Didn't anyone, in my absence, take opposition to this phase of the bill?

Best personal wishes,

JOHN MARSCHALK,
Executive Director.

P. S.—You know the views of our board of directors—that any compromise scale will be acceptable providing it fulfills basic requirements: (1) maintaining present Federal revenue; (2) no punitive rates (over 55 percent) on any corporation of any size; (3) maximum relief to the smallest companies. At this writing, the Small Defense Industries Association cannot be listed as taking part in the resolution of the committee.

Mr. RIVERS. Mr. Chairman, I move to strike out the requisite number of words and I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Chairman, recently General Twining, in his appearance before the Armed Services Committee, gave what I believe to be the finest, clearest and most honest analysis of the military problems facing the United States.

In summing up his testimony, General Twining made the following observation:

In the situation we face, we cannot afford to be complacant. It looks like the Communists could catch up. If they continue their rapid pace, it may be necessary for us to speed up.

The program I have outlined and the budget for fiscal year 1957 is austere. It meets only our most essential needs on a minimum basis. To keep this minimum program going and to reach and support 137 wings, will require an increased budget in 1958. On this basis, I urge support of this year's program.

Mr. Chairman, we are told by the administration that it is committed to the 137-wing program.

But you will notice that General Twining claims we will require increased funds in fiscal year 1958 "to reach and support 137 wings."

Does all this mean that the Department of Defense and the administration is again deferring necessary defense expenditures purely because of political expediency?

The fact of the matter is that the 137-wing program—less than the one the previous administration or the Joint Chiefs of Staff considered to be the minimum requirement—is in jeopardy. The

truth is that the administration for politically expedient purposes has not requested the funds necessary to achieve the current goal.

It appears that the administration budget cutters have ignored many national security requirements.

All of this, Mr. Chairman, has occurred despite known Soviet developments.

During the past few years, the Kremlin has devoted considerable attention to neutralizing the one weapon that this country has in avoiding surprise attack and worldwide conflict. As General White, the Air Force Vice Chief of Staff, has so cogently pointed out, the U. S. S. R. has, during the past several years "expended great effort to make Soviet airpower equal or superior to our own."

In all types of aircraft, with the exception of medium-range bombers, the Soviets have now reached the point where they exceed the capabilities of the United States Air Force quantitatively.

Up until recent times, this country has been content to depend upon the quality of its weapons system. We have sacrificed the need for great numbers of aircraft and have instead concentrated on the improvements in weapons quality.

But, as General Twining has so clearly pointed out in his statement to the Armed Services Committee, the Soviets are even now closing the quality gap. "This," says General Twining, "concerns us much more than comparison of numbers."

General Twining's concern is prompted solely because of money, or rather, the lack of it. As he has indicated "planned readiness may not be possible" because of proposed limitations in operating and maintenance funds.

Lacking these funds, the experience and combat-crew proficiency that has given the Air Force that extra qualitative "oomph" will be lost. We must maintain these skills in old crews and support all efforts to create it in replacement crews. Additional funds must be given to the Air Force to finance more effective levels of readiness.

Mr. Chairman, the one-weapons system which provides the principal deterrent to potential Soviet aggression is the B–52. This one weapon, capable of near sonic speeds, can range throughout the length and breadth of the world. It could represent a naked sword hanging over the necks of the misguided leaders within the Kremlin. It could serve as a visible reminder to them that any aggressive attempts on their part would result in immediate retaliation and devastating destruction.

Instead of speeding up production of this weapon of retaliation, we can only be led to believe that the procurement of this aircraft and other vitally needed aircraft and their supporting elements is to be stretched out. We have already been given the shocking information that the actual rate of B–52 production does not now exceed four per month.

This administration proposes a $5.8 billion aircraft-procurement program for fiscal year 1957. This is $700 million less than what the Air Force requested. Of this amount, only $4.4 billion is to be used for the procurement of aircraft. The remaining amount is earmarked for the procurement of missiles systems. In the current fiscal year, on the other hand, $6.3 billion was devoted to aircraft procurements, with only $605 million being devoted to the procurement of missiles systems.

Now, I heartily endorse the expansion in the missile-procurement program, but to do so at the expense of procuring manned aircraft is foolhardy.

Mr. Chairman, is it any wonder that General Twining claims that the combat readiness of the Air Force is still a goal and not a reality? As long as the Department of Defense proposes budgets such as it has these past 3 years and for the next fiscal year the Air Force program will always be only a goal. It will never become a reality.

General Twining has said that achievement of this goal is dependent on two things—men and money.

This administration has given neither to the Air Force.

This administration's budget juggling act has created an impossible manpower situation as far as the Air Force is concerned. For instance, in 1953 the Air Force had 106 wings supported by 977,000 military personnel. In 1957, the Air Force is supposed to have 137 wings. To operate and maintain this force, the Air Force is expected to do so with 936,000 military personnel. Even a man like Houdini could not overcome an impossible situation such as this.

Mr. Chairman, money will make the difference between an effective and an ineffective combat force. The lack of funds these past 3 years not only reduced aircraft procurements but has seriously jeopardized the base expansion program of the Air Force. For instance, in 1950 the Air Force had 47 wings and 122 bases in the United States. By 1955, the number of wings had increased 160 percent, the number of bases only 40 percent. General Twining's warning could be no more pointed than when he said:

> Our present deficiency of facilities not only endangers our striking force, it slows our build-up.

This efficiency, Mr. Chairman, endangers the striking power of the Air Force. It has cut its combat capability. The Air Force has simply outgrown its base system. The lack of adequate facilities and the crowded conditions at installations that I have personally seen may well jeopardize our survival in war.

Mr. Chairman, as a member of the Armed Services Committee and as Chairman of the Special Subcommittee on Acquisitions and Disposals, I have been shocked to learn firsthand the utter unconcern that the Department of Defense has displayed toward the recommendations and requirements of the Air Force. I have witnessed the gradual retrogression of our Air Force's effectiveness.

Mr. Chairman, what the proposed fiscal year 1957 budget means is that the 137 wing Air Force program is dead, as dead as the 143 wing program. The life blood of both of these programs has been drained away by the scalpel of the Administration's fiscal surgeons.

All of this is most disturbing. This is especially so when the predominance of our airpower is seriously questioned by military leaders such as General Twining and General White. There was a time when we could enjoy the peace of mind that our technical superiority once gave us. Today, our margin of advantage is no longer so great that we can afford to continue with our complacent attitude.

Mr. Chairman, I recommend and give my urgent support to any consideration to an increase in the Air Force budget. This will insure the necessary build-up of this deterrent weapon dedicated to the maintenance of peace. By the addition of a minimum of $1.5 billion to the proposed Air Force budget for fiscal year 1957, a substantial contribution could be made to change the downward trend in the effectiveness of the Air Force.

It will permit the increased procurement of aircraft, the expansion of base support facilities, a stepped-up research and development program, and provide the necessary operating funds to achieve the desired and required state of readiness.

This additional amount is approximately the amount that the administration cut out of the Air Force's initial request.

The responsibility of the Congress is to give to the Nation an Air Force that will guarantee peace, or if peace is broken, survival.

I intend to live up to my responsibilities.

Mr. JONES of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to speak very briefly about an amendment I intend to offer a little later. I will say at the start that this amendment has been adopted by the House on two different occasions. I shall offer the amendment not so much for the purpose of saving the money, although it would save a considerable amount of money, but in proportion a very small amount of the total in this bill. It has to do with the recruiting services.

One reason why I am going to offer the amendment is as a matter of principle and of policy. The armed services as we know spend money at times recklessly, without much consideration for economy. A year ago I offered an amendment which would have limited the amount of money to be spent for recruiting to 50 percent of what was spent the previous year. The amendment also would cut out the renting of space for recruiting service.

I am not interested in doing away with recruiting, but I am interested in trying to put a little common sense into it. At the time, that amendment was adopted in this body by a vote of almost 2 to 1 and I think everyone recognized that there was a problem that every person could understand. Many of us do not know how much money it should cost to build a guided missile. We do not know how much money it should cost to build a carrier or a B–52, although we are told that it costs several million dollars. We do not know how many of these we need.

But we know from our own knowledge and observation what is going on in the recruiting service throughout the country.

At the present time we have approximately 10,000 people, which would be equivalent to a division of men, in that service.

After the amendment adopted here last year was knocked out in the other body and was not restored in conference, I took the matter up with the chairman of the Committee on Appropriations and the chairman of the subcommittee, the gentleman from Texas [Mr. MAHON]. Through his courtesy we had directed a letter to the Department to get some direct information on the amount of money being spent for recruiting. That letter was sent under cover of the chairman of the Committee on Appropriations. We asked for the location, including the street addresses, in each city and town in which the Government is paying rent on buildings, rooms, office space, and other facilities, and so forth. A reply came back, directed to the chairman, which furnished certain information, but listed only 271 places throughout the country for which rent was being paid for recruiting facilities. It was apparent that that information which was given in response to that letter was erroneous and was a direct evasion of the committee's request.

We now find that the reason they did not give us the correct information is that in approximately 1,000 different places that were being used for recruiting services, the rent was being paid by the General Services Administration, so that instead of a few thousand dollars which they said in their letter was being spent—and may I say that they went to great lengths to get up this information, even had it duplicated, made many copies of it—they are paying a rental of $825,000 for 71 main recruiting places, and $278,000 as rent on small recruiting places; but of that amount something over $350,000 was being paid by the General Services Administration.

Mr. Chairman, I say to you that that is a good example of how the Department of Defense and the people who are in the military are trying to keep information from the public. There is nothing classified about this information. We know that we are assigning 10,000 people to the recruiting service. We are assigning to those individuals over 4,000 vehicles which are operated at a cost of over $2 million a year. They base that cost, for one thing, on a basis of getting 15 miles to the gallon, to operate those vehicles. Anybody who has ever operated a truck or even his own automobile knows that on these short trips you cannot average 15 miles to the gallon. I merely point this out so that when the amendment is offered, Members will understand the situation and support the amendment. The amendment will be offered at the proper place in the bill. Also I want to say that in offering this amendment, it is not intended as an effort to cut out all recruiting. It is an effort to cut out the wastefulness in there and to put the manpower to the best use. General Hershey pointed out to this committee and at other places that last year the report showed we appropriated something over $44 million for recruiting. Actually, with the Selective Service working, we can get all of the manpower necessary.

I take this time simply to give advance notice that this same amendment will be offered again, and I hope that I can have the same support I had a year ago.

The Clerk read as follows:

MAINTENANCE AND OPERATIONS

For expenses, not otherwise provided for, necessary for the maintenance and operation of the Army, including administration; medical and dental care of personnel entitled thereto by law or regulation (including charges of private facilities for care of military personnel on duty or leave, except elective private treatment), and other measures necessary to protect the health of the Army; care of the dead; chaplains' activities; awards and medals; welfare and recreation; information and educational services for the Armed Forces; recruiting expenses; subsistence of prisoners at disciplinary barracks, and of civilian employees as authorized by law; expenses of apprehension and delivery of prisoners escaped from disciplinary barracks, including payment of rewards not exceeding $25 in any one case, and expenses of confinement of such prisoners in nonmilitary facilities; donations of not to exceed $25 to each prisoner upon each release from confinement in a disciplinary barracks; military courts, boards, and commissions; authorized issues of articles for use of applicants for enlistment and persons in military custody; civilian clothing, not to exceed $30 in cost, to be issued each person upon each release from confinement in an Army or contract prison and to each soldier discharged for unsuitability, inaptitude, or otherwise than honorably, or sentenced by a civil court to confinement in a civil prison, or interned or discharged as an alien enemy; transportation services; communications services, including construction of communication systems; maps and similar data for military purposes; military surveys and engineering planning; contracts for maintenance of reserve tools and facilities for 12 months beginning at any time during the current fiscal year; alteration, extension, and repair of structures and property; acquisition of lands (not exceeding $5,000 for any one parcel), easements, rights-of-way, and similar interests in land; utility services for buildings erected at private cost, as authorized by law (10 U. S. C. 1346), and buildings on military reservations authorized by Army regulations to be used for a similar purpose; purchase of ambulances; hire of passenger motor vehicles; tuition and fees incident to training of military personnel at civilian institutions; field exercises and maneuvers, including payments in advance for rentals or options to rent land; expenses for the Reserve Officers' Training Corps and other units at educational institutions, as authorized by law; exchange fees, and losses in the accounts of disbursing officers or agents in accordance with law; expenses of inter-American cooperation, as authorized for the Navy by law (5 U. S. C. 421f) for Latin American cooperation; not to exceed $4,681,000 for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, and his determination shall be final and conclusive upon the accounting officers of the Government; $2,954,581,000: *Provided*, That during the fiscal year 1957 the maintenance, operation, and availability of the Army-Navy Hospital at Hot Springs National Park, Ark., and the Murphy General Hospital in Boston, Mass., to meet requirements of the military and naval forces shall be continued.

Mr. NORRELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wish to ask a question of the gentleman from Florida [Mr. SIKES], but first I want to say that I appreciate very much his consideration as chairman of this panel, and also the consideration of the other members of the panel. I think you have done a marvelous job. I believe the Army will carry out the wishes of this committee.

May I ask this question: What amount of money will be available for use at the Army-Navy Hospital in case the order is carried out?

Mr. SIKES. May I say to my distinguished friend from Arkansas that there is in the fiscal 1957 budget for the operation of the Army-Navy Hospital at Hot Springs $1,367,000.

While I am on that subject, may I say for the benefit of those who are interested in Murphy General Hospital that there is in the budget $1,894,000 for the operation of that facility. That includes medical care and logistic support as well as the military personnel that would be required.

If my good friend will bear with me just a little longer, I must point out also that this is a considerable reduction from the amount of money that was required for the operation of those facilities in prior years. For instance, in fiscal 1953, which was the last time the facilities of the Army-Navy Hospital at Hot Springs were utilized to their capacity, and that was immediately following the Korean war, the total cost was $3,676,490.

I think I should point out to the House that we are seeing what we consider a deliberate attempt on the part of the Department of Defense to phase out one of the best hospitals the military services now own. As a matter of fact, testimony indicates that the only hospital in our military establishment which is superior to this one in facilities and equipment is the hospital in Hawaii. The Army-Navy General is the only general hospital that is sufficiently far-removed from the coastal areas of this country to be free from an attack if an attack were made on the coastal areas by guided missiles from submarines or by aircraft or missiles from hostile shores.

It is the only hospital located in the area utilized for the great Sage Brush exercise last fall. This important exercise taught us a great deal that we need to know about military operations under atomic conditions.

I want to take this opportunity to pay particular tribute to the gentleman from Arkansas [Mr. NORRELL] for his interest in the Army-Navy General Hospital, and to the gentleman from Massachusetts [Mr. DONOHUE], who is interested in Murphy General Hospital, and the others among our colleagues who have worked with our committee in helping to keep these two important facilities in operation.

I trust the Department will recognize and respect the need for these facilities and the fact that they are superior to those that would have to be substituted

if the committee were not to insist on their continued operation.

Mr. NORRELL. May I again say thank you for your wonderful cooperation. I thank the gentleman very much.

Mr. DONOHUE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. DONOHUE. Mr. Chairman, I wish to be recorded wholeheartedly in favor of H. R. 10986.

My particular interest in asking for this time is to express my concern of the Murphy Army General Hospital, located within my congressional district, and your approval of funds to continue its operation and services through the fiscal year 1957. This hospital is the only Army general hospital within the New England region and has been serving the population of that whole area; the next such general hospital to the New England area would be the one located at Valley Forge, Pa.

The permanent-type building construction and the most modern medical services available at Murphy Hospital make it the equal of any other such hospital in the United States. As evidence of the appreciation of its superior services and popular recognition of them, may I at this time introduce a statistical breakdown of the services rendered at the hospital during the period from January 1, 1953, through April 9, 1954—these being at the time when the Department of Defense was previously advocating the closing of the hospital as an unnecessary military medical unit.

PERIOD FROM JANUARY 1, 1953, THROUGH APRIL 9, 1954

Admissions:

Admitted 5,313 patients, 2,258 military and 3,055 civilians.

Delivered 913 babies.

Admitted direct from overseas, 537.

Dispositions:

Discharged 5,412 patients from the hospital, 2,347 military and 3,065 civilians.

Returned to duty 69 percent of all military patients.

Occupancy:

Average daily patient census	437
Average number of beds occupied	320
Occupied by military patients	264
Occupied by civilian patients	56
Average number of bassinets occupied	17

1. Outpatient service, 59,705 visits.
2. Dental service, 16,999 sittings.
3. X-ray service, 14,442 patients examined.
4. Laboratory service, 143,908 procedures performed.
5. Occupational therapy section, 12,891 patient visits.
6. Physical therapy section, 15,436 patient visits.
7. Physical reconditioning section, 15,758 patient visits.
8. Pharmacy section, 40,358 prescriptions filled.
9. Psychological tests administered to 581 patients.
10. Anesthetics administered, 1,453.
11. Operations performed, 2,061.

As some of you Members here will recall, the Defense Department last year did not request funds to continue the operation of Murphy Hospital, but this committee wisely decided that their reluctance was impractical and approved funds in the Defense Department Appropriation Act of 1956 with express direction to the Army to keep the Murphy Hospital in continuing operation for the fiscal year. Currently, the Defense Department is again persisting in their long attempt to close the hospital and have announced their intention of discontinuing this medical facility for all of New England unless your committee again approves funds for and directs the continuing operation of the hospital.

However, in this most recent pursuit of their determined objective, they have attempted to inject a bit of a more practical appeal than heretofore by stating that they need the hospital space to accommodate the housing of the offices of the New England Division of the Army Corps of Engineers, certain Air Force personnel, and the conduct of an electronics research project. Now this they try to tell us with the apparent thought that no one in Massachusetts or New England is aware of a military facility called the Boston Army Base, which embraces a total area of approximately 1,440,000 square feet of space. Some of this space is unquestionably being used, but I myself have been unable to obtain official advice on exactly how much of that space is actually being used. Their nearest approach to any true revelation is the vague information that most of it is being used or has been committed; I call your attention to that word committed, since no one in the Defense Department has yet told us how much space has been committed and to what or for what it has been committed.

On the other hand and in contradiction thereto, advice reaching me from sources associated with the Boston Army Base indicates that there is over 400,000 square feet of space at the Boston Army Base that could be used by the Army Corps of Engineers at a cost of approximately 35 cents per square foot for maintenance, whereas the Murphy Army Hospital maintenance cost of occupancy by the Corps of Engineers would approximate and might exceed as much as $1 per square foot. It would seem, then, that the Defense Department wishes to avoid any clear revelation of the factual space conditions at the Boston Army Base in order to use the excuse of space necessity for other military units in their clouded appeal for your influence.

Another factor undoubtedly bearing on this particular phase of the matter is the Defense Department officials' unhappy consciousness that the Members here will recall their economic fiasco of closing the hospital just 2 months prior to the Korean war, when they were forced to reopen it at an unnecessary cost to the American taxpayer of more than a quarter of a million dollars. Recalling their unfortunate and impractical action at that time, I think it is quite pertinent, on behalf of the many thousands of service personnel and their dependents in the New England area, to question whether their judgment can be any better now than it was then.

Daily we read about the mounting tensions and the increasingly threatening war dangers in the Middle East, around Formosa, and the many other trouble spots in our confused world of today. You and I know that the President, the Joint Chiefs of Staff, and all the Members of Congress are vitally concerned about the frightening possibility of open warfare breaking out at any one of the several tinderboxes now smoldering in response to the slow-match burning technique of Communist intrigue and propaganda incitement.

I submit to you that no member of the Defense Department can or will step forward to assure us, under these conditions, that the prospect of war is declining and the goal of peace in the world is just over the horizon. Nevertheless, it seems that these same officials still persist in wanting to make the same mistake that they did just before the Korean outbreak when there was much less evidence generally of war possibility than there is today. I earnestly believe that it is the high responsibility of this committee to insure that such an impractical gamble does not occur again at a time when no one can foresee the dangers of tomorrow, not even the Defense Department itself.

Let me please, at this time, further emphasize to you that while the Defense Department is attempting to tell us they do not need Murphy Hospital, they yet cannot or will not get us any estimate of the impact upon military hospital units of our area that unquestionably will arise from enactment into law of H. R. 9429, which was recently passed by the House and now is under consideration by the Senate. This bill, as you well know, the so-called Military Dependents Medical Assistance Act, is designed to provide medical care for all the dependents of members of the uniformed services, and I think you will agree that we can state with reasonable certainty that the measure will be enacted into law before this session of Congress ends.

On this score, may I in passing direct your attention to the letter of April 10, 1956, forwarded to the Vice President and the Speaker of the House, in which the Commander in Chief endorses and recommends early passage by the Senate of H. R. 9429. May I further quote the sentiments expressed on this subject by the Defense Secretary himself. He says:

> Medical care for dependents is one of the strongest inducements for servicemen to continue in a military career. Yet, today approximately 40 percent of our military dependents cannot be given medical care through service facilities. This is one of the major obstacles in our efforts to enhance the attractiveness of military service because it affects the wives and children of servicemen directly.

Mr. Chairman, I certainly do not have to emphasize to you that despite possession of the most advanced weapons, the only true measure of the fighting efficiency and determination of any military unit is the height of their morale. In my judgment, the duty of the Congress is to exercise every possible effort to insure the maintenance and continuation of the highest morale among our uniformed services personnel, and it is im-

possible for me to understand how we can meet that duty if we cooperate in a military gamble of impractical limitation of the hospital treatment and medical attention to which the members of the Armed Forces and their wives and children from the New England area are rightfully and legally entitled.

In a weak attempt of acknowledgment, acceptance, and planned correction of the startling authoritative evidence that 40 percent of our military dependents cannot now be accorded adequate military medical treatment, and it seems in avoidance of dutiful comment upon the further impact on the presently limited military medical services that will be made by passage of H. R. 9429, some of the Defense Department representatives have tried to tell us that a good part of the patient load can be taken care of at private hospitals on a fee basis. I think that you and I will dismiss this inadequate response rather summarily because we all know, and particularly those Members who have served on the Veterans' Affairs Committee emphatically know, that the Veterans' Administration tried this same scheme, and the projected cost was astronomical and economically disastrous.

While we are speaking of the difference between wise and false economy, let us consider the military's exaggerated claim of tremendous savings that might accompany their planned closing of Murphy General Hospital. Realizing that the permanent-type buildings are already standing there, wards, laboratories, and operating rooms are already established there, and the medical instruments, or whatever you want to call them, such as X-ray machines, whirlpool baths, and so forth, are now there, then let us forcefully appreciate that the largest single operating cost item by far is military pay. It is obvious, of course, that military salaries must be paid wherever the personnel are, so there can be no savings on that item. If the hospital were to be closed or used for other purposes, there can be no question of accelerated depreciation of the hospital value of grounds and buildings which would be an actual financial loss. People of hospital experience tell me that the moving of permanently installed medical machinery is tremendously costly and extremely precarious because it is very seldom that such movement does not disastrously affect the sensitivity of these delicate recording instruments of modern medical science. It is, then, reasonable to say that such attempted movement would be inevitably accompanied by great cost and substantial losses which certainly cannot be interpreted as an economy action or a financial saving.

Please keep in mind that this proclaimed military savings attempt is in a field of uniformed services morale affecting the lives and safety of their wives and children. I think it is quite fair to ask if the Defense Department has been demonstrating as much anxiety to effect savings in other less vital fields of their responsibility.

Now, this committee itself has been concerned with the wasteful and extravagant operations of the Defense Department, but perhaps more recently the House Military Appropriations Subcommittee on Defense has been looking into this subject. As recently as last March 23 in a 96-page report issued by that subcommittee, the military establishment was charged with glaring errors in procurement and chaotic conditions in inventory that were costing the taxpayers untold millions of dollars. Among the documented accusations were excessive profits in many defense orders, tons of military equipment lost in the mud, planes out of commission for lack of 25-cent parts, instances where certain items were declared to be surplus on the one hand while the military was out buying the same items on the other, and so on. The Defense Secretary when asked about these deplorable happenings in appearance before the subcommittee on February 21, last, stated that he was "sad and mad" about the whole problem.

I do not excuse these kinds of things if they are true—

He said.

There is some explanation of it, probably, because people do not purposely do such sloppy things.

Now I am inclined to agree with our Defense Secretary that military people do not purposely do such sloppy things. I do not, for instance, for 1 minute think that certain Defense Department officials are purposefully trying to weaken the morale of a great number of our armed services personnel by attempting to greatly restrict the military hospitalization and medical treatment available to themselves and their dependents, but what I certainly do question is their balance of judgment. The continuing operation of Murphy Army Hospital for the next fiscal year would more actually and more truly cost in the neighborhood of less than a million dollars. It would then appear from the facts of the record that overlooking the certain savings to the taxpayers to be gained by scrupulous correction of admittedly existing waste and extravagance of untold millions, they are more intent upon gambling with military morale and military career incentives for the sake of an attempted savings of something less than a million dollars, and this at a time when the war clouds are increasingly darkening the horizon.

Now, I personally do not want this committee to recommend the expenditure of one unnecessary or unprofitable cent of the American taxpayers' money, but I most seriously question the practical wisdom and the economic trueness of any comparatively small savings gamble that takes a chance on destroying the high morale essential to the effectiveness of our fighting forces by not fully and completely providing military hospitalization and military medical treatment for them and their family dependents. To me, that is the moral, the patriotic, and the economic question involved in this matter, and on that question I pray your conscientious judgment and recommendation of funds to keep Murphy Army Hospital and other military hospitals open and operating, at least until the prospects of peace are less gloomy, foreboding, and threatening than they admittedly are today.

In summary, may I emphasize that Murphy Army General Hospital in Waltham, Mass., is designed to serve the whole New England area. It is admittedly ideally accessible by train, plane, and automobile. The New England area is among the very highest, if not the highest, potential military recruitment sections of the country in time of peace and in time of war. Lying adjacent to the city of Boston, Mass., it is advantageously located, for consultation services, next to one of the greatest and most renowned medical centers of the world. The expansion of military bases at Limestone, Maine, at Otis and Bedford Airfields, with accompanying military housing construction at these and other military units, is constantly bringing an ever-increasing military population to our area, thus projecting an ever-higher potential of military medical requirements and needs for the service people and their dependents.

The President himself has expressed his concern over the vital necessity of improving military career incentives to prevent the large military turnover involving staggering training costs for short service enlistments. The Secretary of Defense himself has declared medical care for dependents is one of the strongest inducements for servicemen to continue in a military career. Yet, in spite of and in the face of these pronouncements by the two highest officials of national defense, certain of the Department officials appear to be unwittingly determined to disastrously weaken the currently declining incentives to pursue a military career by further elimination and deprivation of the New England section of the country of the full opportunity of hospitalization and medical treatment to military dependents.

Mr. Chairman, this great Nation has granted, in Christian generosity, untold billions of needed financial aid to desperate people in foreign lands and as a Christian country we can be modestly proud of such action. In reasonable amount, it is, at the very least, a gamble on the side of God and peace. However, our own American willing and patriotic taxpayers have a prior and predominant claim on the resources of this Government, and I think that they are more and more beginning to feel that this Congress should evidence more concern about their welfare. Investments in foreign lands to promote world freedom and national security may well be wise financial actions, but I believe the American taxpayers desire us to extend a comparable consideration to them and a calculated investment return to them of their own money. On all the facts that I know of this hospital situation, which remain contradicted, I am impelled to believe that a moderate investment here at home to protect against chance by trying to provide adequate military medical services to those entitled to them and thus insuring a higher military morale and greater military career incentive is a wise and sound investment.

I am confident that this committee will fully explore this problem and give this matter the same conscientious and

patriotic attention they did last year when you approved the funds for the continuing operation of the Murphy Army General Hospital.

Mr. MILLER of Maryland. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when the last of the seven volumes of these committee hearings was released recently, press articles appeared quoting certain parts of the RECORD in which I had made suggestions regarding the merging of the Veterinary Corps with the Army and Air Force Medical Corps. Headlines and quotations, some of them out of context, gave some readers the impression that I was casting aspersions on the very fine traditions and upon the officers and men of the Veterinary Corps with the result that many communications, some of them rather hot, were received. So let me hasten to make the record clear. I have a high regard for the officers and men of the Veterinary Corps both past and present. They have performed gallant service for our Nation over the years. Through my own experience in two wars, I have observed some of them. I remember in World War I, in the regiment in which I served, the veterinary surgeon not only cared for our animals but he gave heroic and skillful attention to the human casualties at the battalion front line aid stations. In World War II, I well remember a veterinary colonel who served not only in his professional capacity, but also as G–2 in an important headquarters out in CBI. The devotion of these officers and men and their capabilities has always been great. However, I do feel the time has come when this service should be merged with the Medical Corps of the Army and Air Force. You can read these figures in the hearings. The Defense Department has in all nearly 2 veterinary officers and some 5 enlisted men for each horse or mule which is owned by the Department of Defense. The figures are rather interesting. In the present Veterinary Corps in the 2 branches mentioned, there are 2 generals, 34 colonels, 738 other officers, and 2,200 enlisted men. On the other hand, the Department of Defense has 167 horses, 43 of them in the Navy, and 314 mules. We do not have the figures for the very fine dogs who are also in the armed services, and they are among our most gallant defenders, but I doubt if they amount to more than 100 or 200 in the Department of Defense. Be that as it may, it seems ridiculous that we would maintain in these days and times of the atomic age a Veterinary Corps as such. The meat inspecting responsibility is a very essential one, but no one, I think, would say that it could not be performed just as well in the Medical Corps and that the fine personnel of the Veterinary Corps could be merged with the overall medical group. Incidentally, there it would probably be in better focus and better opportunities for advancement and promotion would be provided for the personnel.

The suggestion that our committee was considering had no reflection on the personnel involved, it was just a question of regrouping. I think it might well be looked into to see if the Medical Corps should absorb in both the Army and the Air Force the fine men and officers who are serving in the veterinary establishments.

Mr. BOLAND. Mr Chairman, I move to strike out the last word.

Mr. Chairman, I rise to express the gratitude of my community to the gentleman from Florida [Mr. SIKES] and his Army panel for the very effective manner in which they handled a problem that was giving much concern to Springfield, Mass.

The devastating floods of August 1955 weakened a dam owned by the Department of Defense resulting in a decision by the Department to declare surplus the dam and pond backed up by the dam. The area covered by the pond and known as Watershops Pond is some 220 acres. This pond had been in use for over 100 years and was widely known for its beauty and recreational value. Hundreds of homes had been built along the water's edge. Real estate developments had sprung up in the immediate area. The pond has always been a real asset to Springfield College.

This committee extended the courtesy of a hearing to Senators Saltonstall, Kennedy, Mayor Brunton, Dr. Stone, of Springfield College, and myself. It was impressed with the equity of our request. As a result of that hearing and the evolved testimony, the committee requested the Secretary of the Army to restore the dam and preserve the lake. Secretary Brucker cooperated wholeheartedly and work is now underway to effect the necessary repairs.

Mr. Chairman, this action by this congressional committee and the Department of the Army clearly demonstrates that this, indeed, is a Government with a sense of its moral obligations.

For the way in which it met and solved a purely local matter, I again express the thanks of my community.

The Clerk read as follows:

REDUCTION IN APPROPRIATION

Army Industrial Fund

The amount available in the Army Industrial Fund is hereby reduced by $110 million, such sum to be covered into the Treasury immediately upon approval of this act.

Mr. JONES of Missouri. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. JONES of Missouri: On page 11, after line 22, add a new section, to read as follows:

"No part of any appropriation in this act shall be used to pay rent on space to be used for recruiting purposes; and no part of any appropriation in this act may be used for pay and allowances of military personnel assigned to recruiting duty in excess of 50 percent of the amount expended for such purposes during the fiscal year ending June 30, 1956."

Mr. JONES of Missouri. Mr. Chairman, as I said previously, this is not offered for the purpose of cutting out recruiting activity. It is offered for the purpose of saving several million dollars both in the rent paid on facilities in towns and cities where free facilities are available and could be used.

Also repeating, I will say that this amendment has been adopted twice in the House. I think that this is an operation that all of us would be acquainted with and know something about by seeing the number of recruiting offices that are kept open over the country.

After this amendment had been knocked out last year—and to me it was in direct defiance of what the House had indicated was its desire—the Defense Department on July 1 last year made further commitments, and where they had been operating recruiting offices that were occupied by both the Army and the Air Force they instead rented two buildings in the same town. In many towns you will find four services operating recruiting, with each one of them maintaining a vehicle. Last year, at the request of our colleague the gentleman from Texas [Mr. MAHON], the Department of Defense did furnish this information which purported to show the number of people engaged in recruiting, and by adding that up we come to the figure of 9,216. That has since been increased.

We also find in those same figures there were 271 locations which were supposed to be used for recruiting. I wish to read from this letter to Mr. MAHON:

It is noted for your information that the list of facilities noted in the above paragraph does not include the Armed Forces examination and induction stations, as these facilities handle all types of inductees and would be necessary regardless of the status of the recruiting program. The list of personnel and vehicles includes those persons whose primary duty is recruiting, but, of course, does not include those persons who perform minor recruiting functions which are incidental to their other duties.

So we have no way of knowing how many installations there are on which the Government is paying rent. We have no way of knowing the total number of personnel who are engaged. I have secured from the committee these figures which show, according to the hearings conducted this year, that they propose to spend $62,577,000 for recruiting; but the clerk of the committee told me it was his understanding that that was for operations only. That being the case, that is an increase of $18 million over the $44 million which was in the bill last year. So instead of trying to cut this down they are raising it instead. We also know that with the selective service there is ample opportunity to get all of the manpower necessary.

Last year before the committee General Hershey made a statement in which he said that he could supply all the men and could save at least $40 million in recruiting expense.

I think this amendment will have a good effect on showing the Department of Defense that we want to provide all of the money that is necessary for carrying on the defenses of this Nation, but that we are unalterably opposed to wasting money and not utilizing the free locations which could be used for recruiting and without paying all of that money.

For these reasons, Mr. Chairman, I ask for a favorable vote on this amendment.

Mr. FORD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, 7 or 8 years ago when I first came to the House I had views

that coincided with those expressed by the gentleman from Missouri. Since serving on this particular subcommittee I have had an opportunity to see a different point of view, and as a result I rise to oppose his recommendations. It is true that you could cut down the number of personnel, the number of recruiting offices and seemingly save money, but when you add up the financial benefits which accrue to all three branches of the service and specifically to the Army through longer term enlistments, you find that you save substantial money by having recruiting programs.

It is true that General Hershey if we stopped all recruiting, through Selective Service could get for the Army, the Navy, and the Air Force all of the 2-year men that are required. But if you will analyze the situation you will find that that 2-year enlistment program is a very expensive operation, referring to General LeMay's testimony over in the other body just a few days ago. His big problem today in keeping his Air Force efficient is the fact that he is losing people who have been trained over the years.

A man in the military is relatively useless from a combat point of view or a maintenance point of view until he has had almost a year's training. The net result is that under a 2-year enlistment or a 2-year induction he has only 1 year of productive service. Consequently, it seems to me that if we can get people into the service on a 4-year hitch, a 6-year hitch, or longer, we can save tremendous sums of money and we can increase the combat effectiveness of our Army, Navy, and Air Force infinitely.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. JONAS. In addition to that will the gentleman not agree with me that it is far better to build up our military strength through a recruiting program than through the Selective Service? Every man the recruiting service gets into the establishment is one less man who has to be drafted. Is that not true?

Mr. FORD. That is absolutely correct. The figures presented to our subcommittee for the Army indicate that the reenlistment rate among 2-year inductees is very low; something like 3 or 4 percent. This means that hardly any of your inductees intend to make the Army a career. So we have a very considerable turnover among those who serve just 2 years by compulsion.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield for a question?

Mr. FORD. In just a minute, please.

Among those who in the first instance have been recruited you find a much better reenlistment rate, and as a result we not only save money but we also increase our combat effectiveness.

One further point: This Congress passed last year the Reserve Forces Act of 1955. That program is almost entirely dependent upon the job that is done through your recruiting offices. There is no compulsion in that act. In fact, the Congress specifically said there should be no compulsion. The only way you can make that legislation work is to have good recruiters out selling our young men between 17 and 18½ years of age on the program. If you want to sabotage, if you want to ruin your Reserve Forces Act of 1955, you should approve the amendment offered by the gentleman from Missouri. If you want to make that legislation effective and give us for the first time a high-class Reserve program, you should vote down the amendment offered by the gentleman from Missouri.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent (at the request of Mr. MILLER of Maryland), the gentleman from Michigan [Mr. FORD] was allowed to proceed for 3 additional minutes.)

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Maryland.

Mr. MILLER of Maryland. Is it not a fact the testimony has shown that the anticipated inductions in the Army for fiscal 1957 are only 153,000, whereas, for instance, in 1955 there were 215,000 and in 1953 there were 563,000? Does that not show the recruiting, however it may be handled at the moment, is getting results and it would be unwise to alter it while it is making good progress?

Mr. FORD. The gentleman from Maryland has made an excellent point. Let me remind you that in fiscal 1957 they will induct 153,000. In fiscal 1955 they inducted 215,000. In other words, our recruiting program has substantially reduced the burden under Selective Service. When you sign up somebody by recruiting they intend to make the service a career. That is where we save dollars and increase our combat effectiveness.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. I would like the gentleman to tell me how many people he thinks they are recruiting who would not be drafted, who are not coming in there before they come in from Selective Service? The gentleman has not touched on the point why it is necessary to have 3 separate buildings in a town for 1 man to occupy and each 1 of those men have an automobile.

Mr. FORD. Let me answer the first question first. I think it is immaterial how many are recruited who otherwise would have been inducted. The point is, we get people for longer terms of service, and they are the kind who reenlist. So we get people with previous training and we end up with a far more effective military service.

Secondly, I do not condone the three separate or duplicating offices.

Mr. JONES of Missouri. If the gentleman does not condone it, let us adopt my amendment and we will cut it out.

Mr. FORD. I do not think the gentleman's amendment necessarily ends that kind of expense and operation.

Mr. JONES of Missouri. It would end renting buildings everywhere and make them use the courthouses, the Federal buildings, the post offices, and other buildings that are available without paying that rent of over a million dollars a year.

Mr. FORD. The gentleman's amendment does not necessarily end the situation. What the amendment does, in my opinion, is this: It restricts, it hinders, a recruiting program which, according to the statistics we have seen, saves dollars and increases the military effectiveness of our personnel in the Army, Air Force, the Navy, and Marine Corps.

For the reasons stated I most emphatically urge disapproval of the pending amendment.

Mr. SIKES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, recruiting is a selling activity. It is selling the American people on the advantages of military service; it is advertising; something that has to go on and on. The big companies do not stop advertising and say, when sales are good, "We can ride through next year on the advertising we have done this year." They keep on advertising. That is what the services are doing in their recruiting programs. They are selling the advantage of military service to the American people, some of whom are already in the service, admittedly. The program is directed primarily at getting long-term recruits and reenlistments. They are the nucleus, the hard core of any well-organized military force that must be able to move out tomorrow and do a job for defense.

The Navy and the Marine Corps expect to obtain in the next fiscal year, under the terms of this bill, 145,000 recruits and reenlistments through its recruiting program. The Army expects to obtain 144,000, and the Air Force 142,000. Now, if these people are not obtained by voluntary enlistment, what do you fall back on? The only people you can possibly fall back on, if we are to fill the gaps so that we can have personnel necessary for a functioning military establishment, are the 2-year inductees. And the 2-year inductees are the most costly kind of trainees. They spend the greater part of the first 6 months in basic training. Most of the time he is in the service, the chances are, he wants out. Certainly that is true if he did not want to be inducted into the service in the first place. In that case he wants to get out as soon as he can. That man gets little if any advanced training. There simply isn't time. Yet detailed and intricate training is essential for the personnel of our military services today. It costs considerably more to train and maintain a 2-year inductee, than a career man.

Under the terms of this amendment, no money could be used for rental. You could have no recruiting offices unless you could have free space. Where are you going to get free space? We have had no public building construction for years in this country. Most of the post offices and the Federal buildings are crammed full of activities and space cannot be relinquished. There would be little likelihood of obtaining free space. Under general law, many of the facilities now in use are paid for by GSA. This amendment would not touch that situation at all. Fifty percent of the current expenditures for recruiting would also have to be eliminated under the terms of the amendment before you.

On the surface it would appear to save money but only on the surface, because in operation you would be falling back on the 2-year inductee, the man who only has basic training, and you would have a military organization with lower morale, lower efficiency, lower effectiveness, and with higher operating costs.

Mr. Chairman, I think the amendment should be defeated.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SIKES. Of course I yield. And may I say now with respect to my distinguished friend, I know he is fully sincere and I respect him for his objectives, but I do not think his amendment should be accepted.

Mr. JONES of Missouri. The gentleman does not understand that I am trying to cut out recruiting by this amendment, does he?

Mr. SIKES. It could have the effect of cutting out a very effective part of recruiting. As the gentleman from Michigan well said, the 6-month training program is just now beginning to work. The recruiting services are doing an excellent job in acquainting the Nation with the value of the program. If the recruiting programs were cut at this time, it could cripple the 6-month training program.

Mr. JONES of Missouri. Can the gentleman justify the use of 3 buildings and also the use of a post office in a town of 10,000 population?

Mr. SIKES. I think the gentleman from Michigan has agreed, and I agree, that there should be as little duplication as possible, and I would like to see all duplication eliminated. However, I do not think there is as much duplication as the gentleman has indicated.

Mr. JONES of Missouri. I can show the gentleman—and I showed it to the chairman last night—that immediately after the beginning of the last fiscal year and in spite of the fact that this House adopted this amendment, the forces went out and rented additional buildings and separated the Army and the Air Force in various towns.

Mr. SIKES. The program was expanded in preparation for the 6-month training program, and for greater emphasis on career men, and, as a result, the facilities had to be expanded.

Mr. SHEPPARD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know the gentleman who has offered this amendment has made his presentation on what he considers to be facts, however, I am very much concerned with the end result as it pertains to the Navy. I do not have the same information as to the other branches of our military service. I should like to present for the consideration of the Members of the House the following cost appraisals and other data relating to the pending amendment.

First, the cost comparison of 4-year voluntary enlistment versus a 2-year inductee. In the Navy, there is a difference in cost per year of service in operating forces for a recruit as compared with that of an inductee of $943.81. For the Marine Corps that difference is $868.88.

The estimated savings in fiscal year 1957 program as a result of using volunteer recruits instead of inductees is a total, for the Navy and the Marine Corps of $133,313,980.

The recruit provides the Navy with 3½ years of service in the operating forces, while the inductee provides the Navy with 1½ years of similar service. Both of these enlisted personnel require a half year training.

For the total 4-year cycle, the increased cost to the Navy Department in utilizing only inductees would be approximately $443,093,000.

The cost to the Government of procuring an inductee through Selective Service is comparable to the cost of recruiting a volunteer. Hence, there would appear to be no net savings to the Government.

In order for the Navy Department to realize a net savings of about $24 million, which is the approximate cost of the recruiting program, the Selective Service law would have to be revised to be revised to authorize induction for a minimum of 4 years.

It takes seven 2-year inductees to provide as many hours of service in the operating forces as three 4-year volunteer enlistees.

To maintain the same size operating forces in the Navy with inductees as maintained with 4-year volunteers would require increased manpower ceilings as the training load would approximately double.

Motivation of a volunteer 4-year enlistee and the quality of performance allied thereto are an intangible benefit to the Government which cannot be measured in terms of dollars. However, the probability of a volunteer, 4-year enlistee reenlisting is much greater than that of a 2-year inductee. Every reenlistment after 4 years' service would result in an additional savings of about $3,200 which is not included in the savings mentioned previously.

In summary, volunteer enlistments enable the services to maintain a higher state of readiness as well as substantially reducing requests for appropriated dollars for military personnel activities.

Directing the balance of my comments to the rental aspect of the matter, I had a very exhaustive examination made so that I could make this presentation of facts.

There are approximately 435 Navy recruiting stations and substations. Of this number 325 are joint facilities, used in cooperation with the other services. There are only 68 locations where the Navy and all of the other services occupy separate facilities in the same town. Of these, only 5 are in Navy-leased space. Annual cost of this leased space is only about $20,000.

In accordance with established policies of the Department of Defense and Navy Department, the Navy recruiting facilities are invariably operated jointly wherever practical.

Under the circumstances I have just recited, there is nothing that I can do insofar as the Navy aspect of the recruiting program is concerned but, very definitely, ask you to vote with me against the amendment.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. JONES of Missouri. Does the gentleman know how many personnel are used by the Navy in that recruiting program?

Mr. SHEPPARD. At the moment I do not have the figure, but I can get it for the gentleman.

Mr. JONES of Missouri. As of July 1, last year, it was 3,690.

Mr. SHEPPARD. At the time that was true. I will even go so far as to give you the benefit of the breaks and say it is 7,000. I have given you the facts with reference to the savings involved in any recruits instead of inductees, that is what we are interested in.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The amendment was rejected.

Mr. FLOOD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are now about at the end of the Army section of the bill. In committee I introduced an amendment to raise the Army one more division to give its manpower 20 divisions. In the cut last year, which I opposed, with the cuts in the Marines and the Navy, we found ourselves with 18 divisions. Combining certain regimental combat teams we brought that up to 19 combat divisions.

I wanted and intended to introduce an amendment today to raise that strength to 20 combat divisions, which would entail the expenditure of about $117 million and less than 22,000 men. I thought best, in view of the statements made by witnesses before the committee, not to pursue that today.

However, let me tell you this: General Taylor, a grand soldier and the Chief of Staff of the Army, before this committee of ours when I examined him and asked him how many men he thought he needed this coming year to do the best job that, under all the circumstances, he as Chief of Staff of the Army thought should be done, told me 1,300,000 men. This budget provides for 1,045,000. You will be over 200,000 men short of what the Chief of Staff of the Army told this committee in his best judgment the circumstances demanded and required.

I know what he said about "the first dollars you give me I will use for munitions and equipment." I heard all of that, too. But I heard General Ridgway before this same committee last year and, when I asked General Ridgway what he should do, he replied to my questions, and it cost him his head. He was fired for telling us the truth.

Mr. Chairman, I want to say these words for the Army. I do not recognize the Army as low man on the totem pole at the Pentagon. I see the Army as an equal partner in a tridimensional defense organization for the security of this Na-

tion, not the stepchild of the "fly boys" and the Navy brass under any circumstances. The importance of the Army cannot be denied despite snide remarks that may be so intended. Let me say to you the Army has a great mission. For one thing, its existence as a strong fighting power is a deterrent to war—an advice to the enemy that the Army stands ready and it is ready. It is the great antiaircraft arm of your national defense, and only the Army for the past year has operating in the field the Nike antiaicraft installations defending the great cities of America. Only the Army is in the field with guided missile and antiaircraft and has been for a year and will develop a greater family of such ack-ack defense. That is the Army. It is your Army that is training the indigenous forces of our allied and other nations who are supporting us. It is the Army in the field which is facing the potential enemy nations in Europe. It is the Army in the field in Korea two miles behind the front line facing enemy troops and in Germany and all across Europe. Keep in mind, Mr. Chairman, that the Army undoubtedly is the queen of battle. They will go in and take ground and hold it, and not the long-haired, flat-heeled scientists and the laboratory technicians of the world—they will not hit a line and take the mud and stay there. That is the Army—and that is the queen of battle—the infantry in all countries in this war and in all wars.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

The Clerk will read.

The Clerk read as follows:

SHIPS AND FACILITIES

For expenses necessary for design, maintenance, operation, and alteration of vessels; maintenance and operation of facilities; procurement of plant equipment, appliances, and machine tools, and installation thereof in public or private plants; procurement of equipment, supplies, special clothing and services; installation, maintenance, and removal of ships' ordnance; lease of facilities and docks; charter and hire of vessels; relief of vessels in distress; maritime salvage services; industrial mobilization; and departmental salaries; $766,040,000; of which $16,240,000 shall be transferred to the appropriation "Coast Guard operating expenses, 1957" for the operation of ocean stations: *Provided*, That notwithstanding the availability of the trust fund "Naval reservation, Olongapo civic fund," this appropriation shall be available for such support of the town of Olongapo as may be authorized by law.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask a question concerning the language on page 17, which reads:

Provided, That notwithstanding the availability of the trust fund "Naval reservation, Olongapo civic funds."

What is the meaning of this civic fund? Are we now in the business of financing cities and towns?

Mr. SHEPPARD. This particular municipality is a part of a military operation and there are certain provisions in our agreements that we have to abide by. The expenditures which have taken place there and to which the gentleman presently is addressing himself, have to do with the protection of the entire military force within the reservation because of a lack of proper facilities—sanitation and various and sundry things of that character. It is a definitely established obligation which we have to take care of because of the circumstances which prevail there.

Mr. GROSS. I would like to ask one other question of the gentleman. Do we make this kind of a contribution anywhere else in the world?

Mr. SHEPPARD. Insofar as the Navy is concerned—not to my knowledge because we have no other situation of a comparable character.

Mr. GROSS. This does constitute an unusual and a very necessary situation?

Mr. SHEPPARD. Definitely.

Mr. GROSS. I thank the gentleman.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am glad to yield to my friend from Texas.

Mr. MAHON. I wish the gentleman from Iowa would yield to the gentleman from California to tell us how you pronounce Olongapo? Is it Olongapo or Olangapo with the accent on the last syllable? What is the pronunciation?

Mr. SHEPPARD. Not being a specialist in languages, as the gentleman knows, I will say from common use, let your vocal abilities function and you will have it.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

TITLE V

DEPARTMENT OF THE AIR FORCE

Aircraft and related procurement

For construction, procurement, and modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 1136, Revised Statutes, as amended, for the foregoing and other purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; reserve plant and equipment layaway; and other expenses necessary for the foregoing purposes, including rents and transportation of things; $6,048,500,000, to remain available until expended.

Mr. FLOOD. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. FLOOD: On page 23, line 17, strike out "$6,048,500,000" and insert "$7,048,500,000."

Mr. FLOOD. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FLOOD. Mr. Chairman, the purpose of my amendment, I take for granted by this time, is clear. The purpose of my amendment is to provide $1 billion additional for the purpose of purchasing B–52 long-range intercontinental heavy bombers to transport, if and when necessary, A-bombs and H-bombs any place in the world that it is necessary so to do.

I have in mind the startling news stories of 2 years ago this month when there came from Moscow the announcement that a great new bomber had flown across Red Square. At the next meeting of this committee I asked the Secretary of Defense about that and he said to me in effect, "Do not worry about that. That is a hand-made, experimental job. It is a fake and does not mean a thing." That is what the Secretary of Defense said 2 years ago this month.

One year later the same military observers in the same Red Square counted 20 big intercontinental heavy Russian bombers flying across the square in Moscow. That was 1 year ago this month.

Mr. Chairman, I am not going to burden this House longer with the pros and cons of this highly controversial problem. Yesterday in general debate I stated these as the questions involved in my amendment:

They are two: Has this administration decided that supremacy in the air is too costly and must yield to the balancing of the budget?

Secondly, has there been a top level decision that it is not necessary to stay ahead of Russia, that maintenance of a striking, yet not superior, long-range bomber force would be sufficient?

Those are the questions, Mr. Chairman, in this amendment.

I am aware because of my service during the years that I have sat on this defense subcommittee, I know all about the Navy air arm; I know about carriers. I went through all of that vote and that fight on this floor and in the Appropriations Committee several years ago. When the vote came to a tie in the Appropriations Committee to build the Forrestal carrier at the joint Senate-House conference I was the last man to vote, and I voted for the carrier. You got it by one vote, and you have built several since.

I know about carriers, and the air arm of the Navy. I know about the National Guard air arm and the Reserve air arm; of those things this committee and I are aware; but I say to you, Mr. Chairman, that the people of the United States knowing all about the Navy air arm, and the Army air arm, and the National Guard and Reserve air arms, under no circumstances will the people of the United States of America accept this policy of this administration that regardless of our air strength and regardless of our airpower we will not permit any nation to surpass us in the number and the quality of long-range intercontinental bombers, under no circumstance.

Now, that is the issue. Once the American people know the fact they would vote for this amendment to a man.

They are concerned about balancing the budget; so am I and you; but I say please do not balance the budget even in an election year before parity at least with Soviet Russia on B–52 bombers. I do not want to get elected to anything that much; no, Mr. Chairman.

There is word that we have 1,500 B–47 medium bombers. We do; they are great bombers; it is a great fleet. Where are they based? They must be based at airbases that are on the perimeter and periphery of potential enemy nations, everyone of them. In case of war every one of them will be based on foreign territory under the jurisdiction of a foreign sovereign nation, ally, quasi-ally, and neutral—pick your own word—but not on American soil. That is where your B–47 bombers will be.

Let me direct your attention, Mr. Chairman, to the political instability of all of those nations of which we speak; and how secure are your bomber bases for B–47's? You know and have heard that Soviet Russia has perfected or is about to perfect any day an intermediate range ballistic missile—1,500 miles. Every one of your air bases on foreign soil from which our B–47's must take off is a direct target today, tomorrow, within a year for Russian guided missiles; and they will destroy your bases and your bombers just like snapping your fingers.

I am not going to debate what an atom bomb or bombers will do to a fleet of carriers. We went through that. You decide. Suffice it to say it is highly debatable.

Mr. Chairman, in this business in the world today there is no margin for error, none. I say to you that with the new wings at 60 planes a wing, this amendment of mine, with the money already provided, will substantially increase the number of B–52 planes. We have about 50 of those planes today ready and available. We have been building them for nearly 2 years about 2 a month. You know the story in General LeMay's B–52 bomber testimony about what is good and what is bad. I am not going to talk about that. This is a good aircraft. It does not have the bugs of the B–36. It is a good plane. There are some bugs in it, there are some communication bugs in it that will be straightened out. But do not worry about the aircraft itself. It is a good one and we do not have anything to take its place. We are not building anything to take its place. Any plans for any substitute for B–52 will take years to produce. The B–58 is a substitute for the 47. The B–58 is not a substitute for the 52. This is what you have, this is all you have for the next 5 years, and Mr. Chairman, you better buy it now.

Mr. SCRIVNER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Pennsylvania [Mr. FLOOD].

Mr. Chairman, I, too, have been a member of the Military Appropriations Subcommittee for a number of years, more years than has the gentleman from Pennsylvania; yet I do not claim I know all there is to know about the Army, the Navy or the Air Force. If we did have all this knowledge we would not need to hold hearings. But we do not have this knowledge. That is one of the reasons we have men come up to us who do know their job, the Secretary of Defense, the Secretary of the Air Force, the Chief of Staff of the Army, Navy, and Air Force, and the Chairman of the Joint Chiefs of Staff, to tell us what the problems and programs are and give us the benefit of their experience and knowledge based on that experience.

It should be clear to all who will look and listen that you do not fight bombers with bombers. You fight bombers with fighters. You were told by no less an eminent authority than the President himself that it is not a matter of matching the number of bombers against bombers. The Chief of Staff of the Air Force, General Twining, said the same thing. I assume that in his position as Chief of Staff of the Air Force he knows what he is talking about from many years of military experience.

In addition to that, as relates to incoming bombers we have been spending billions of dollars upon many things, including radar screens, the finest fighters in the air any place, including Russia, for guided missiles, both the Nike and the other ground-to-air missiles that will soon be in effect, together with guided missiles on the very planes themselves.

The B–52 program has been stepped up. This plane is being procured at a higher rate. They are being procured now on the basis of buying a few of them, flying the guts out of them, finding out what is wrong and then going into production as the last word. Already underway are plans for a better, a larger, a longer range, and a faster long-range bomber to succeed this one. If you desire to have a modern Air Force it is unwise to pile up a supply of expensive planes costing $8 million each which each day become obsolescent until finally they become obsolete. The present program keeps the Air Force modern. As a matter of fact, in recent months it has been possible for the Air Force to greatly increase the altitude, the speed, and the range of the B–36 which, though obsolescent, still can do a magnificant job and which General Twining and General LeMay say can get to chosen targets at any time they are called upon to do it.

Now, as far as planes are concerned, General Twining told us they were getting new planes and especially the B–52's as fast as the Air Force can absorb them, train the crews, train the specialists, and provide adequate bases. It does not do any good to have them if you do not have the men to fly and maintain them. And, if you read the testimony carefully, we need not worry about the production of planes. We can outproduce Russia any time we need to. But, it does take time to train these men to maintain these very complex new planes that we have which are filled clear up from end to end with more complex electronic and other gadgets. It is amazing. And, without these planes being in operation, there is no use having them around, with bugs in them, on the runways waiting for modification. I am sure we can trust the good judgment of the men now in charge of our Air Force to tell us, when the time comes, that they need and can use and will be able to absorb more of these bombers. When they do tell us, they will get the money based on their testimony, not upon some story printed in some newspaper or magazine.

Mr. Chairman, I trust this amendment will be defeated.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, all of us are interested in the defense of our country and naturally look with favor upon any proposal which gives promise of being essential to the defense of the country.

In seeking to solve the problems of our Nation we keep coming back to this business of seeming to think that all we need to do to answer the problem which confronts us is to provide money and more money. You will not at this time improve the defense posture of the United States, in my judgment, by appropriating an additional billion dollars for B–52's. Let us reflect just a moment. We are the fiscal agents of our people. When we pass this appropriation bill, do you know how much money will be available to the Department of Defense for expenditure come July 1? Sixty-nine billion dollars. That is more than the President estimates will be spent by the Government for all purposes in the coming fiscal year. Why make a gesture of fiscal irresponsibility and provide an additional billion dollars when the funds could not be properly used at this time? Next year the funds, no doubt, will be required. The available funds for the Air Force alone—and I am not speaking of the Navy but the unobligated available funds for the Air Force alone—on July 1, if this bill becomes law, for the procurement of aircraft and related items, will be $10.5 billion; $10.5 billion that the taxpayer must dig down in his pocket and provide to the Department of Defense. Not only will this be available for obligation, but if you couple that with funds obligated but unspent which the Air Force already has for the procurement of aircraft and related procurement, you find that the Air Force will have more than $18 billion for aircraft and related procurement. So, it just would not make good sense to provide the additional billion.

If we could snap our fingers and bring into being today 1,000 additional B–52's, we would not necessarily be a great deal better off. We would not have the men to man them, the mechanics and technicians. We need enough planes, but more is involved than just planes. It takes time to integrate a new plane. If we had the 1,000 B–52's now, they would be outmoded to some extent next year and the year after that. One thing that we desperately need to strengthen our Air Force is more trained personnel. That is where the weakness is; it is in trained personnel to handle our new aircraft that are being produced. We have the most modern jet fighters on the runways today that we cannot adequately use because we do not have the trained personnel for this new, highly efficient fighter that we have been able to produce. What we need is more technicians, more trained personnel, more experience. Of course, when these new planes come in, it just takes time to train the men. We always have that problem to some extent. It has been pointed out in this debate, I believe, that many of the B–52's that have already been produced are not being used because they have certain imperfections. It takes time to perfect a big new intercontinental bomber. That is typical of

all new aircraft. So it seems to me wiser to go along with the funds already provided for the B–52. And do you know how much we have provided for the B–52? Five and three-quarter billion dollars, including the funds in this bill, will have been provided for the B–52. So it seems to me that the increase in funds is unwise. Moreover, the Department could speed up the production of the bomber without the additional funds.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. ARENDS. Mr. Chairman, I simply want to say that I think the gentleman has made a very factual and conclusive statement which impresses me.

Mr. MAHON. I thank the gentleman. We are providing for 11 heavy bomber wings. We have got to have the bases, the different types of runways, the different types of ground-handling equipment, the trained personnel for these 11 wings of B–52's, and there will be 45 in a wing. That will mean over 500 planes. For several years we have been providing funds for these purposes. And in this bill we have provided an additional $248 million for the B–52 in addition to the amount included in the President's original budget.

This question arose in our hearings and we urged the Air Force to go back and take a second look; "Don't be short on funds for the B–52. We will give you every dollar you ask for if you convince us you need it."

They required an additional $248 million and those funds are included in this bill for the B–52.

In my remarks yesterday I discussed the B–52 program in some detail.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MAHON. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Now I would like to say that these B–47's, 1,500 of them, referred to in the debate, are not over on the periphery between the free world and Soviet Russia. These planes are based, insofar as I know, without exception, on bases in continental United States. We have not been so foolish as to base this great striking power right at the front door of the potential enemy. We do rotate every month some of these planes to England and to North Africa. But they do not remain over there in a vulnerable position. That would be impractical and unwise.

Mr. Chairman, I think that just about covers the situation. I think the Members of this House want more and better planes. We are providing the funds for them. It is up to the people of the Department of Defense, our scientists, our technicians, labor and industry, to provide these planes. The B–52, while it has a lot of bugs in it now, is a great airplane. Probably when we have had a little more experience with it, we will find that it is going to be the finest plane that has ever been produced. It is a great plane. That is the reason we are putting so much money in it for additional procurement, in this bill, nearly $2 billion.

So let us go along in an orderly way and next year let us decide whether or not we need additional billions for the B–52.

Mr. PRICE. Mr. Chairman, I rise in support of the amendment.

It is difficult to disagree with such an able committee as that which has brought this military appropriations bill to the floor this afternoon. Almost every member has long service on the committee and has dealt with the military appropriations problems for many years.

I can get little comfort from the fact that we have an adequate force of intermediate bombers, the B–47, for instance, that can be refueled in midair. I personally would not want to conduct a war depending on the type of bombers it was necessary to refuel in the air either on the way to the target or returning from the target. I can well imagine would would happen with the pursuing enemy aircraft on their tail.

We know that under the prodding, the criticism from Members of this Congress, the administration civilian leaders in the Pentagon have month by month changed positions in regard to this matter of the B–52, the long-range bomber. We know that under prodding they have announced at least 1 and maybe 2 step-ups in the production of the B–52. So I am not going to accept the statement here this afternoon that we cannot again step up this program, although I recognize the fact that we do not have adequate manpower to keep our bombers in the air.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Texas.

Mr. MAHON. I think the gentleman is correct in saying that this program could be stepped up. Boeing is working three shifts but only to a very limited degree. Without an additional dollar, if we wanted to produce the B–52 faster, with the $5 billion contained in this and previous bills for the B–52 a step-up in production could be provided.

Mr. PRICE. I appreciate the statement made by the able chairman of this committee. As I say, I am almost in agreement with him. I recognize his responsibility. He has a very difficult task. When an executive department brings down an appropriation and says, "This is adequate to meet our needs," it is a little difficult for him or any other member of the committee to refute those statements.

I am not expressing my own opinion here this afternoon. I serve on two committees, the House Committee on Armed Services and the Joint Committee on Atomic Energy, and this service brings me into contact with most of our military leaders, sometimes not in committee meetings. Sometimes you learn a lot more outside of committee meetings than you learn in them.

The fears I express this afternoon have been expressed to me continuously and over the period of the last couple of years by our military leaders, who fear we are falling behind in our manpower and in equipment. They are concerned about another nation's having leadership over us in numbers. We have to fear that. We are not only falling behind in numbers of aircraft, we are falling behind in manpower, in trained manpower, in scientific and technically trained manpower, and in the production of engineers. We are falling behind in many ways, and it behooves us to show a little fear and to do something about it. We have an opportunity at least to show that we want to do something about it, and I think one way to show it is by supporting the amendment offered by the gentleman from Pennsylvania here this afternoon. We are not only cutting back our Air Force dollar-wise, we have already cut it back in personnel.

The gentleman from Texas yesterday made a profound statement in explaining one of the reasons why he felt you could not put too many more B–52's in operation at the present time. He said this:

If we had 1,000 new B–52's tomorrow we would not have the crews to maintain and man them and the airfields to operate them from.

I agree with that 100 percent, but is it not time that we do something about it? Is it not time that we provided adequate funds to do something about it? We should have the trained crews and we should have the manpower. We should have the bases to house the planes that we need. Of course, you do not fight bombers with bombers, but it is better to have the bombers than not have them because they are the offensive weapon that we will need in world war III.

Recently, the Joint Committee on the Economic Report made its findings on the President's 1956 Economic Report. Based upon its studies, the Joint Committee concluded that this administration is not meeting its responsibilities in insuring a strong military posture.

I wish to quote the most significant conclusion reached by the Joint Committee:

> Our defense preparedness appears to have been limited by considerations of "economy" and by basing decisions as to requirements on what we have done so far rather than on what other nations are now accomplishing. We are not critical of efforts to obtain the greatest efficiency in our military spending and applaud efforts to provide greater strength at lower cost. The American economy, however, can support a substantially greater defense effort if needed.

Mr. Chairman, I have repeatedly charged this administration with shortsightedness and false budgeteering. The Pentagon, by its actions, is permitting this country's Air Force, our principal deterrent against Soviet aggression, to degenerate to a shocking state of impotency.

This Nation's Air Force is being starved for lack of funds, coordinated into feebleness by a bewildering variety of bureaucratic devices within the Defense Department and is being throttled by middle-of-the-road and wishy-washy philosophies.

In its proposed budget for fiscal year 1957, the Pentagon claims that the amount of money requested for the Air Force is designed to continue the build-up to a 137-wing Air Force. We are also told that this budget will insure the Air Force modernization with the latest and most advanced types of aircraft.

These two assertions are still further examples of the type of doubletalk that this country has been fed by this administration and the Pentagon.

Back in 1953, the present Secretary of Defense, completely disregarding the recommendations of the Joint Chiefs of Staff, threw overboard the previous administration's 143 wing Air Force program which was scheduled to be achieved by 1955. In its place, the present administration arbitrarily reduced this force goal to 137 wings. This new program was scheduled for completion by June 1957.

The Pentagon told us that the 143 wing program was unrealistic and could not be achieved by the scheduled year of 1955. To make certain of this, the Pentagon budgeteers cut $5 billion out of the 1954 Air Force budget, reduced the flow of new aircraft to a trickle, and have turned a deaf ear to the budget requests submitted by the Air Force since 1954. They reduced the Air Force's initial request for 1957 by $2.3 billion.

Cutbacks of the Air Force program have not been limited to dollars. Equally serious have been the unrealistic personnel ceilings that have been imposed.

The previous administration estimated that the Air Force would require at least 1.2 million men to operate, maintain, and administer the Air Force.

This administration, in cutting fat, has been more successful in cutting muscle. It has reduced Air Force manpower levels to the point where aircraft today are being grounded because of the lack of trained personnel. Over the past 3 years, the critical personnel situation within the Air Force has been made even more serious by budget bungling within the Pentagon and the Bureau of the Budget. Their ridiculous approach is evident when we note that in 1953 the Air Force had 106 wings supported by 977,000 military personnel. On June 1957, the Air Force has been told to support 137 wings within a ceiling of 975,000 officers and airmen.

By virtue of these cuts, the Air Force has suffered. The modernizing program has been set back. The rate of production and procurement of new aircraft has been sharply curtailed. The rate of new aircraft procurements for the period 1954–57 are but one-third the obsolescence and attrition rate.

Mr. Chairman, for the past 3 years, every responsible Air Force representative has spoken out against the Pentagon's highhandedness. Despite and in the face of ever-increasing censorship by this administration, these Air Force officials have in honest and unmistakable terms given their warnings of the tremendous progress made in Soviet airpower.

This new Soviet Air Force poses one of the greatest challenges ever faced by this Nation.

Despite warnings by the Air Force, this administration, for reasons of political expediency, has determined to limit the Air Force program to an arbitrarily imposed budget ceiling. The Pentagon refuses to recognize the implications resulting from the many Soviet achievements in their development of a mighty Red air fleet.

If the 1957 budget proposed for the Air Force is approved by this Congress as submitted by the Defense Department, the Air Force will fail to achieve the goal that this administration had set for itself back in 1954. It will serve notice to the Communists that our airpower will continue in a state of decline; that our policy of peace through strength is based on bluff alone.

The proposed budget simply continues the limitations that this administration has placed on Air Force base construction, personnel strength, recommended and required Air Force levels, and expenditures for modern aircraft and funds to maintain and operate them.

Both Secretary Quarles and General Twining have admitted that if this budget is approved it will necessitate a request for a greatly increased amount of funds in 1958 and even a greater amount in later years. This, in effect, is an indication that the administration is again postponing the buildup of the Air Force.

The administration's budget reduces funding for new aircraft procurements by $1.2 billion. It will purchase 600 less aircraft than are being bought in the current fiscal year.

It will result in the neglect of a dynamic research and development program, not only in the field of guided missiles, but also revolutionary advances in manned aircraft.

The pathetic support given by the Pentagon toward the development of missiles is already well known. In 1953, the Air Force devoted 25 percent of its research money toward the development of missiles. In 1957, it has been proposed to spend only 7 percent on this vital program.

There has been a similar watering down in the research and development of manned aircraft, new electronics equipment, and weapons. These and other projects are starving for lack of money to stimulate and exploit technological breakthroughs.

The budget contains a deficit of between $300 million and $400 million in critically needed maintenance and operations funds. This deficit will have an immediate effect on the combat capability of the Air Force.

And finally, proposed Air Force funding for fiscal year 1957 will further limit the necessary expansion of the Air Force's base support construction program. The lack of adequate air base facilities has led to a dangerous and impossible strategic situation. For the period 1950 to 1955, Air Force strength increased by 160 percent. The number of bases, on the other hand, increased only 40 percent. This has caused a serious overcrowding and, according to General Twining, has endangered our striking force.

Mr. Chairman, approval by this Congress of the proposed Air Force budget for the next year will result in that service's inability to reach its required state of readiness and modernity at any time in the near future. The pressures being exerted by the administration to reduce military expenditures purely on the basis of political expediency is self-deception in its most brazen form.

It is no secret that this country is already woefully behind the Soviets in those categories of combat aircraft that can cause us the most harm.

This budget will only widen the gap.

This administration has completely failed to devote adequate attention to the air defense needs of this country. It has ignored the problem; it has disregarded the real nature of the threat.

Mr. Chairman, matching Soviet capabilities and strength must not be delayed any longer. We must not fail to permit at least the present tempo of Air Force buildup. To do otherwise can only lead to national disaster.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FLOOD].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 608. No part of any appropriation contained in this act shall be used directly or indirectly except for temporary employment in case of emergency, for the payment of any civilian for services rendered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, executive, or supervisory position unless such person is a citizen of the United States of America or the Republic of Panama: *Provided, however,* (1) That, notwithstanding the provision in the act approved August 11, 1939 (53 Stat. 1409), limiting employment in the above-mentioned position to citizens of the United States from and after the date of approval of said act, citizens of Panama may be employed in such positions; (2) that at no time shall the number of Panamanian citizens employed in the above-mentioned positions exceed the number of citizens of the United States so employed, if United States citizens are available in continental United States or on the Canal Zone; (3) that nothing in this act shall prohibit the continued employment of any person who shall have rendered 15 or more years of faithful and honorable service on the Canal Zone; (4) that in the selection of personnel for skilled, technical, administrative, clerical, supervisory, or executive positions the controlling factors in filling these positions shall be efficiency, experience, training, and education; (5) that all citzens of Panama and the United States rendering skilled, technical, clerical, administrative, executive, or supervisory service on the Canal Zone under the terms of this act (a) shall normally be employed not more than forty hours per week, (b) may receive as compensation equal rates of pay based upon rates paid for similar employment in continental United States plus 25 percent; (6) this entire section shall apply only to persons employed in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone directly or indirectly by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in part by the United States Government: *Provided, further,* That the President may

suspend from time to time in whole or in part compliance with this section if he should deem such course to be in the public interest.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

I would like to ask the chairman a question concerning the provision to be found on page 35, line 19:

Provided further, That the President may suspend from time to time in whole or in part compliance with this section if he should deem such course to be in the public interest.

Is that not a tremendous amount of authority to give any President with respect to the working conditions compensation paid the people working in the Panama Canal Zone? What is the reason for it, if I may ask the gentleman?

Mr. MAHON. The gentleman refers to the language in the last part of section 608:

Provided further, That the President may suspend from time to time in whole or in part compliance with this section if he should deem such course to be in the public interest.

The Panama Canal Zone is, of course, in a very vulnerable area. In the event of an emergency, it would be imperative that the President should have full authority, regardless of who the President might be, to suspend any regulations or provisions which might hamper the control of the Panama Canal Zone.

Mr. GROSS. Has this same language been carried in other appropriation bills?

Mr. MAHON. This is an old provision. It has been in this bill, I believe, since the gentleman from Iowa and I have been Members of the Congress. At any rate it has been in the bill for several years.

Mr. GROSS. I must confess I have never seen it before. But, if this provision can be included in a bill with respect to the Panama Canal Zone, would it not be possible to apply the same language to any part of this country or to any other area over which we have any control?

Mr. MAHON. May I say to the gentleman from Iowa that it shakes my faith somewhat when the gentleman from Iowa says that he has not seen this provision before because, I believe, the gentleman goes over these bills and scrutinizes them very carefully. I do not say this in any disparaging sense because I think the gentleman from Iowa performs a good service in scrutinizing legislation. I feel that it is desirable that all Members undertake to familiarize themselves with all the bills which come before us.

Now, in case of an all-out emergency or war, of course, the Congress would quickly take action with respect to legislation involving the Nation itself. But the Panama Canal Zone is in a very vulnerable position. This language has always been there a long time. Certainly I would not want to withdraw it from this bill.

Mr. GROSS. I think it is a tremendous grant of power to any President over any area or territory. I would like to ask one other question. Am I correctly informed that the Federal Government pays property taxes in the State of Michigan, and perhaps other States? Does the gentleman know?

Mr. MAHON. I believe that in many instances the Government makes payment in lieu of taxes in order to help support the local communities. There is no provision in this bill with respect to that matter, however.

Mr. GROSS. I will say to the gentleman that I read in the hearings a reference to the Federal Government paying property taxes to the State of Michigan. I found no explanation and that is the reason I raised the question.

Mr. MAHON. The Federal Government has much property all over the United States, and there is a great campaign about reducing the amount of land and property held by the Federal Government unnecessarily. In some areas the Federal Government owns so much that it is hard for the local communities to pay the costs of operation of the community government. There are payments in lieu of taxes.

Mr. SIKES. Will the gentleman yield?

Mr. GROSS. I yield.

Mr. SIKES. I think what the gentleman is speaking of is taxes paid by the Federal Government on a standby plant which is not the property of the Government. Plants held in a standby status under certain contractual arrangements worked out with the local authorities are in that situation.

Mr. GROSS. Is that done in all States where we may have standby properties?

Mr. SIKES. I think this type situation is the exception. I do not think it is a general thing, although special legislation, I believe, was enacted last year to cover a situation in Missouri involving the Navy.

Mr. GROSS. I thank the gentleman.

The Clerk read as follows:

SEC. 609. Insofar as practicable, the Secretary of Defense shall assist American small business to participate equitably in the furnishing of commodities and services financed with funds appropriated under this act by making available or causing to be made available to suppliers in the United States, and particularly to small independent enterprises, information, as far in advance as possible, with respect to purchases proposed to be financed with funds appropriated under this act, and by making available or causing to be made available to purchasing and contracting agencies of the Department of Defense information as to commodities and services produced and furnished by small independent enterprises in the United States, and by otherwise helping to give small business an opportunity to participate in the furnishing of commodities and services financed with funds appropriated by this act.

Mr. ROOSEVELT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROOSEVELT: On page 36, line 13, section 609 is amended by adding at the end thereof the following language:

"The expenditures of all appropriations contained in this act effected by this section shall be made in accordance with the policies and provisions of Public Law 413, 80th Congress, section 2 (b) and Public Law 163, 83d Congress, section 203."

Mr. WIGGLESWORTH. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman is recognized for 5 minutes in support of his amendment.

Mr. ROOSEVELT. Mr. Chairman, I appreciate the gentleman reserving his point of order, because I recognize the propriety of the point of order. I have offered this amendment in recognition of the fact that this bill carries $34½ billion of appropriations, a large part of which, although of course not the majority of it, would I hope be made available to the small business of this country. The committee very obviously recognized this in writing into the proposed legislation section 609. However, I think it is important also for me to say that in this amendment there is no criticism implied or intended of the committee or of the administration or anybody else. It is simply that we may call attention again to the importance to our national economy of small business.

Probably no group deserves more credit for the winning of World War II than our small-business enterprises. It is important, therefore, that in any legislation we keep emphasizing this fact in order that it not be overlooked. Therefore, I have simply by this legislation renewed and called attention to legislation which already exists in order that the Defense Department may again have it called to its attention.

There is no restriction on the Department of Defense, no curbing of funds, there is no new legislation, there is no additional expense; it does stress existing laws written because Congress has recognized that the great importance of small independently owned business to the national defense must be emphasized at all times.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I gladly yield to the distinguished gentleman from Texas.

Mr. MAHON. The purpose of the gentleman's amendment, as I understand, is to emphasize existing law and to emphasize the will and purpose of Congress that small business be utilized in every reasonable and proper way under the enacted laws of the country.

Mr. ROOSEVELT. That is quite right, Mr. Chairman; and I do so because section 609 seemed to emphasize mostly information for small business to the exclusion of other things. I desire to place emphasis on all the aspects of helping small business. I sincerely hope the gentleman from Massachusetts will see fit to withdraw his point of order.

Mr. WIGGLESWORTH. Mr. Chairman, the gentleman from California [Mr. ROOSEVELT] was good enough to give me in advance a copy of his proposed amendment, and I have submitted it to a number of my committee colleagues. We are all very much in favor of helping small business. The bill as written is designed to that end. Because of the views entertained by those with whom I have conferred; however, I feel constrained to insist on the point of order.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ROOSEVELT. No, Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is conceded.

The Chair therefore sustains the point of order.

The Clerk read as follows:

SEC. 616. Notwithstanding any other provision of law, executive order, or regulation, no part of the appropriations in this act shall be available for any expenses of operating aircraft under the jurisdiction of the Armed Forces for the purpose of proficiency flying except in accordance with the regulations issued by the Secretaries of the Departments concerned and approved by the Secretary of Defense which shall establish proficiency standards and maximum and minimum flying hours for this purpose: *Provided,* That without regard to any provision of law or executive order prescribing minimum flight requirements, such regulations may provide for the payment of flight pay at the rates prescribed in section 204 (b) of the Career Compensation Act of 1949 (63 Stat. 802) to certain members of the Armed Forces otherwise entitled to receive flight pay during the fiscal years 1956 and 1957 (1) who have held aeronautical ratings or designations for not less than 20 years, or (2) whose particular assignment outside the United States makes it impractical to participate in regular aerial flights.

Mr. SCRIVNER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, many of us, many years ago when we were younger in school, remember an old poem which had something to say about "cannons to the right of them, cannons to the left of them, volleyed and thundered." The gentleman from Missouri, chairman of the Committee on Appropriations, usually is quite moderate in his remarks, but I feel that he did not measure his words quite as carefully today as he usually does when he charged—and these are the words as carried on the teletype:

The President was talking in terms of 50 years ago, CANNON asserted; and if that is all the defense we have, God help us.

What he was talking about was the comment that President Eisenhower had made in which he pointed out the importance to our defense structure of our magnificent United States Navy and its naval air power. I was surprised when the chairman made that statement because my recollection is he became chairman of the Appropriations Committee about 15 years ago and during all of those years he has always supported all appropriations for the Navy. Certainly, if we have nothing of value in our Navy he must share some of the blame.

When he so referred to the President, who is Commander in Chief and under whose guidance, wisdom, judgment, and leadership we came to victory in the greatest war this world has ever known, I feel, again, that he did not measure his words well because all of us know the magnificent military mind of our President and the military achievements which he has attained. Certainly, we could go back and say, if the President is talking in terms of 50 years ago, that nevertheless the President did a magnificent job in World War II and we can depend on his military judgment to keep us secure at this time.

I would also point out that a careful study of some of the comments made some time ago by certain of the Soviet leaders will not bear out statements made by the chairman of the Appropriations Committee. I read those statements carefully. The Russians did not say they have a 1,500-mile missile. They said they will soon have it and it will carry a hydrogen warhead. So will we and so will ours. When they were talking about their development of the H-bomb their remarks were not comparing our progress but were related to England.

It seems to me a travesty to think all of this pandora box of the troubles aroused by the Russian threats had the key put in to open it back in 1933 when the United States recognized Russia which was then a tenth-rate power. With the very aid and assistance we have given them through the years, up to and including World War II, we have built them up to what we now face.

I trust that when the chairman reads his remarks before he sends them to the printer tonight for the CONGRESSIONAL RECORD he will modify them and use the moderate language which he usually and customarily does use. I hope when he does that he will point some dates. You will recall I tried to get him to yield to inquire about the dates of the contract for the planes which did not fly and upon which we spent so many millions of dollars. I trust he will revise his remarks and put in the RECORD the dates so that we may be fully advised as to that situation, and be informed as to whose administration that occurred.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I am sure the gentleman knows quite well the Commander in Chief of the Armed Forces of the United States during World War II was Franklin D. Roosevelt, also Harry S. Truman.

Mr. SCRIVNER. Oh, yes, I know that but did not think that I had even mentioned them. But mentioning them have raised some other points that could well be referred to. The gentleman will probably take Mr. Truman's word against mine. One of the things Mr. Truman tried to emphasize in his articles in Life is the situation with which we are now faced, where we have had to publicly state the numbers of planes and things like that, which we have always held in security. Mr. Truman said that all that was necessary for an enemy of this country to do was to work up a congressional investigation and our enemies could get all of the information furnished them without the cost, by reading the papers. And further, it should be recalled that it was Mr. Truman who froze funds Congress voted to provide a 70-wing Air Force.

The Clerk read as follows:

SEC. 629. During the current fiscal year, appropriations of the Department of Defense shall be available for reimbursement to the Post Office Department for payment of costs of commercial air transportation of military mail between the United States and foreign countries.

Mr. HAND. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise only for the purpose of asking my distinguished friend, the gentleman from Texas [Mr. MAHON], a question or two about the language in section 629. Now, that language on the surface seems to be wholly innocent. It says that:

During the current fiscal year, appropriations of the Department of Defense shall be available for reimbursement to the Post Office Department for payment of costs of commercial air transportation of military mail between the United States and foreign countries.

I confess without hesitation that I have not looked into this thing personally and with any great care, but the question has been raised with me that section 629 in effect, despite the innocence of its language, actually gives in excess of $12 million a year of business in flying Army mail to 2 or 3 of the favored and very large commercial air carriers. Can the gentleman give me any comment on that situation?

Mr. MAHON. Under our system, the Post Office Department itself is supposed to handle the mail, and the Post Office Department handles this overseas mail for the services. Now, if the Armed Forces should negotiate directly with the carriers and the Armed Forces should take over the handling of the mail, which has been the traditional function of the Post Office Department, it may be that some funds could be saved, at least temporarily. This mail is handled under the regulations of the Post Office Department and the CAB.

Mr. HAND. If I may interrupt, I understand that $8,000 or $9,000 a day might be saved by direct negotiations.

Mr. MAHON. It is claimed that some funds could be saved if we would change the basic law and permit the Armed Forces to take over the handling of this mail; at least for a time the carriers wanting to get into this field probably would carry it for less than the carriers who are now carrying the mail.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Kansas.

Mr. SCRIVNER. This language is similar to language that has been in the bill previously, and first arose in June 1954 in the conference report, and it became necessary at that time because of the action taken separating the subsidization of the mail. And, if you will refer to the CONGRESSIONAL RECORD, volume 100, part 7, page 8888, you will see where the gentleman from Massachusetts [Mr. HESELTON] and I discussed this very language concerning which you are now raising a question. In that colloquy I made these remarks:

Mr. SCRIVNER. This section became necessary due to the action which we have taken in separating subsidies for mail. When that arose there was no provision for the carrying of the airmail to and from the servicemen scattered throughout the world.

This is merely authorization to the Defense Department to use available funds for that purpose under agreements with the Post Office Department; and of course, we expect the Post Office Department to get this

mail carried in the most expeditious manner and at the lowest possible rate of pay.

Mr. HAND. Would the gentleman comment on the question which has been raised that this mail is actually all concentrated in the hands of 2 or 3 companies and they carry it at a much greater cost than may be the case if other companies were permitted their share of the business?

Mr. SCRIVNER. I am not familiar with the operations of the Post Office Department in making these contracts, but I assume that they give the contracts to the best and lowest bidder.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield to the gentleman.

Mr. MAHON. I should like to read here a statement prepared by the Defense Department with respect to this section.

Basic law—title 39, United States Code, section 654 C—provides that mail transported between the United States and its naval and military forces and between the forces shall be paid for "out of the appropriation for the transportation of foreign mail." Deletion of this provision would require the inclusion of funds in the Post Office Department appropriation for such payments.

We have the funds here in this bill for making these payments. Otherwise they would be in the bill for the Post Office Department. The rates are not fixed by the Department of Defense but properly fixed I think by the Civil Aeronautics Board and the Post Office Department.

At this point I insert the following statement on this problem:

Under existing law (49 U. S. C. 486) rates for the transportation of mail are fixed by the Civil Aeronautics Board. The Board also determines which airlines are eligible to carry mail.

The Department of Defense has no authority to enter into a contract for the transportation of military mail at rates not approved by the Civil Aeronautics Board. As a matter of fact, in a decision of the Civil Aeronautics Board of November 19, 1954, the Board specifically held that military mail was not cargo and was required to be carried by eligible carriers at rates fixed by the Board.

Even if contracts could be entered into directly with carriers and at cheaper rates, the result would be a diversion of traffic from the carriers certified to carry mail. This loss of revenue to the certified carriers would merely result in increased subsidy to them by the Federal Government.

Mr. HAND. I want to say to the gentleman that I am, of course, reluctant to offer an amendment to a good bill which comes from my own committee, but I do hope that the gentleman from Texas [Mr. MAHON] and the gentleman from Kansas [Mr. SCRIVNER], will help, if it is necessary, in saving a little money that can be saved and also in seeing to it that all companies get a good crack at this mail delivery instead of just 2 or 3.

Mr. MAHON. Mr. Chairman, I should like to say to the gentleman that we had quite an extensive hearing in regard to the Military Air Transport Service—MATS—and this matter was discussed in considerable detail. It is true that a few airlines have the lion's share of this business, as I understand it. I share the gentleman's hope that it can be spread out as much as possible and handled by as many carriers as reasonably possible.

Mr. HAND. I shall address myself to the gentleman on that subject.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. FLOOD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Chairman, I desire to comment further on the inquiry made of our distinguished committee chairman, by the distinguished gentleman from New Jersey [Mr. HAND], concerning unnecessarily high expenditures by the defense for commercial air shipment by Army Post Office mail between the United States and foreign countries. I should like to make it clear that I am in entire sympathy with the natural desire to cut down on unnecessary expenditures and I believe that the desirable savings can be accomplished.

I want to be very clear in my explanation of the matter so there can be no misunderstanding as to the position of our Committee on Appropriations. Our distinguished subcommittee chairman [Mr. MAHON] referred to the hearings on the Military Air Transport Service. As the chairman knows, I urged those hearings on MATS be held and the record indicates my position that MATS has gotten out of hand.

It is no longer just my position. It is the position of the Subcommittee on the Department of Defense Appropriations and with the adoption by the full Committee on Appropriations of the subcommittee report this became the position of the full Committee on Appropriations.

With the adoption today by the House of Representatives of this bill and House Report No. 2104, this becomes the intent of the House of Representatives.

We quoted the President's Air Coordinating Committee recommendation, page 46, of our report House Report No. 2104:

The Government should, to the greatest extent practicable, adjust its use of air transportation so as to use existing unutilized capacity of United States air carriers.

I invite attention to the following statement:

The committee strongly endorses that statement.

There has thus been a statement of policy made that the Congress intends that the Government should adjust its air transportation policies so as to use the unutilized capacity of United States air carriers.

I point out to the gentleman from New Jersey that we are not just saying to the Pentagon: "Make more use of one airline."

We are saying to the Pentagon: "Make use of the unutilized capacity of all responsible United States air carriers."

Now, in encouraging the growth of a civil airlift reserve by transferring military air traffic, and by the word "traffic" I mean what the General Accounting Office says: "Military mail, cargo, and passengers," from the Government-owned airline to commercial airlines, we want to make sure that this transfer, this adjustment in policy, is made without unreasonable expense to the Department of Defense.

At present the Department of Defense is able to secure commercial air transportation for passengers and cargo at around 25 cents to 30 cents a ton-mile.

But, we find the Defense Department is spending about twice as much, or a rate of 53 cents a ton-mile for the shipment of sacks of APO mail.

There is no sense to such an arrangement.

Our committee does not sanction the use of soldier mail as a device to subsidize airlines by having the Defense Department pay unnecessarily high rates.

The Defense Department makes direct payments to ocean shipping lines when sacks of APO mail are sent by ocean vessel and there is nothing in section 629 which can possibly be interpreted as preventing the Defense Department from doing the same thing with commercial airlines.

Reference has been made here in today's discussion to title 39 United States Code 654 (c) and it was read here a few minutes ago. But that provision of law does not prevent the Pentagon from dealing directly with commercial airlines. That section of the code was cited by the Pentagon in its letter to former Senator Ferguson which appears in the CONGRESSIONAL RECORD, volume 100, part 6, page 8446 after what the Pentagon admitted themselves in that letter was "a quick review of the situation." At that time it was Senate amendment No. 35 of the appropriations bill and it is exactly the same language as section 629 before us now.

But there is nothing in this cited provision of the code which prevents the Defense Department from paying for the transportation directly. How does the Defense Department explain how they can pay the shipping lines directly? How do they explain loading APO mail on chartered commercial planes in the Pacific?

Of course, title 39, section 654 (c) of the United States Code is no impediment to the Pentagon from dealing directly with the airlines, nor is there any impediment in section 629, as it was numbered in the bill reported by our committee. My interpretation of section 629, which is the same as the old Senate amendment 35, is exactly in accordance with that expressed by the Postmaster General in his letter of July 9, 1954, to the Secretary of Defense:

I would like to point out that the Post Office Department does not interpret the reimbursement amendment No. 35 as restricting your existing authority in any way, or precluding your Department from making direct arrangements with commercial air carriers for the transportation of such mail, or from moving it on the Military Air Transport Service.

The Civil Aeronautics Board establishes the rates, and selects the carriers,

which the Post Office Department—which really is, as they have frequently complained, a captive customer—shall pay for transportation of mail, although the Civil Aeronautics Board has no such authority over Defense Department traffic.

What has been happening is that the Defense Department has been taking a restrictive interpretation of what is numbered in the committee bill now before us as section 629 and as a result has been making payments to cover the cost of commercial air transportation of Army Post Office mail only by the method of reimbursing the Post Office Department which in turn is forced to pay at the very high rate, set by the Civil Aeronautics Board, of 53 cents a ton-mile, which rate therefore has to be reimbursed, by Defense. Therefore the Defense Department is paying 53 cents per ton-mile for service which they could obtain directly from commercial air lines at rates as low as 25 cents per ton-mile, thus bringing about a saving of over 50%.

Instead, with Section 629, the Defense Department could perfectly well permit the Army Post Office to move APO mail on commercial airlines at the low freight rates of approximately 25 cents per ton-mile, and doing so would be in accord with the recommendation of the General Accounting Office on page 66 of its report of April 9, 1956, which states:

> We believe that the airlines should be able to carry mail at rates and yields that are closely related to those of freight.

This would encourage the Defense Department to carry out, at the lowest charge obtainable by the Army Post Office, at least the military mail part of the recommendation on page 30 of the General Accounting Office report of April 9, 1956, which reads:

> We believe it important that the Congress direct the Department of Defense to transfer, wherever possible, military mail, cargo, and passengers to United States certificated air carriers.

According to page 877 of the Federal Budget, the Defense Department, if restricted solely to this reimbursement method, is expected to have to spend $12,700,000 in 1957. The amount involved is, therefore, sufficiently large to warrant action by the Secretary of Defense in the interest of economy.

There is nothing in section 629 nor in our committee's report to prevent the Secretary of Defense from obtaining commercial air service for Army Post Office mail at charges below those set by the Civil Aeronautics Board.

The distinguished gentleman from Massachusetts [Mr. HESELTON] estimated—CONGRESSIONAL RECORD, June 24, 1954—that liberating the Defense Department to deal directly with commercial airlines whenever charges lower than those set by the CAB (for which reimbursement to the Post Office is required) were obtainable, as my proposed amendment would do, would save the Defense Department approximately $8,000 per day on the European channel alone.

Why does not Secretary Wilson do it? Why does not Secretary Wilson save $8,000 on tomorrow morning's shipment? The answer is that he can make this saving, and our committee intends for him to do it. It should be remembered that approximately 2 years ago the Congress expressed its intent that responsibility for payments for commercial air carriage of Army Post Office mail between the United States and foreign countries should rest with the Department of Defense and not the Post Office Department.

Reference-statements of intent by Senator BRIDGES, floor manager of the Post Office appropriation and Senator KENNEDY—CONGRESSIONAL RECORD, volume 100, part 5, page 6538—and the same statement of intent on the part of the House by Congressman CANFIELD, who was managing the bill for the House Committee on Appropriations and Congressman HESELTON — CONGRESSIONAL RECORD, volume 100, part 5, page 6840.

Still later there was a case before the Civil Aeronautics Board in docket 6489 holding that APO mail is not property within the meaning of the Civil Aeronautics Act and that therefore the property tariffs filed by two companies to carry this traffic at 25 cents per ton-mile had to be rejected.

Nevertheless, I am advised that a number of methods exist which, if properly pushed by the Department of Defense, could surmount any legal difficulties, which may be imagined to exist, to the transportation of APO traffic at rates below those set by the CAB. I have been advised, for example, that it would be possible for the CAB to set special rates for APO mail which are lower than those for United States mail and that the result would obviously be reduction in the expenditures of the Army post office on this item. A number of justifications for a lower rate have been suggested, among them the fact that APO traffic represents two-way loads for the airline carrying it, whereas United States international airmail is largely one-way traffic with the return loads being given to foreign-flag airlines by foreign postal administrations. It has also been pointed out that contract or charter agreements could be devised for the sake of lower rates for APO traffic. There have been additional suggestions that exemption orders such as have been issued in the past for military traffic, or special authorizations for the carriage of APO traffic could be secured, if the Defense Department pushed the case at the CAB and elsewhere.

I am not going to suggest, Mr. Chairman, what particular method should be used to secure a lower price on commercial air transportation of APO mail, but I do want to make it clear that the House intends the Defense Department to explore all possible methods and to make use of them. The Congress has provided that, for example, a letter from a girl in Texas to her soldier boyfriend stationed in Frankfurt, Germany, can be addressed to APO 858, care of Postmaster, New York, N. Y. This letter bears only 6 cents domestic air-mail stamp instead of the normal United States-international air-mail postage stamp of 15 cents, so that when the Post Office has flown this letter from Texas to New York and delivered it to the postmaster, the 6 cents has been used up. The postmaster in New York then turns the letter over to the Postal Concentration Center run by the Army. What happens then is up to the Army.

> The Post Office Department delivers mail to the various APO offices in our country such as New York and San Francisco, and the responsibility from there on rests with the Defense Establishment. (CONGRESSIONAL RECORD, May 19, 1954, quoting Congressman CANFIELD as floor manager for the Committee on Appropriations).

If the Army ships that letter by boat, the Army pays the shipping line directly. If the Army chooses to have that letter flown, it is the view of the Post Office Department that air delivery is a fringe benefit of the soldier, and the Army must pay the bill. If the Army chooses, it can fly that letter on MATS. If the Army wants to turn the letter over to the custody of the Post Office Department, the Army will have to reimburse the Post Office Department at the high CAB rate of 53 cents per ton-mile. There are other additional methods, however, which the Defense Department can employ to secure lower charges than this 53 cents for flying this letter from the airlines who are now flying this traffic or from other United States flag commercial airlines. We want the Defense Department to use all possible methods to secure lower commercial charges.

It is fair to say that on most APO channels—example: only 1,600 pounds a month, channel 8 to Brazil—it is not worthwhile for the Army to make special arrangements and they are probably better off turning their few APO sacks over to the custody of the Post Office Department and reimbursing the Post Office through section 629 of this bill for the commercial air trip to Rio.

But on channel 30 to Europe, for example, the volume of APO mail is some 450,000 pounds a month, and on channel 34 to Japan and Korea, the volume is as much or more. The huge return loads, back to the States from these areas are all sorted, sacked, and loaded onto commercial planes entirely by the Army.

The Post Office Department does not even see this return-haul APO mail, coming from soldiers stationed overseas to their families and friends in the States until after it has arrived in this country. The Post Office never has custody of it. The Army handles the whole thing. So why payment for this return haul APO mail should be made by Army via Post Office at an artificially high rate is something no one has explained yet. Here are two places where special arrangements such as contracts, charters, or special CAB exemptions for certificated freight lines, and so forth, for such large loads can be made, and should be in the interests of economy.

For example, suppose the APO loads to Frankfurt and back for 1 month totalled 450,000 pounds. At present the Army is paying 53 cents per ton-mile—which is equal to $1.06 per pound, New York City to Frankfurt, Germany—or a total of $477,000—to commercial airlines via reimbursing the Post Office—for that 1 month.

But is, instead of using the Post Office reimbursement methods, the Army pushed special arrangements to pay the

airlines directly, and if the Army had to pay for APO traffic no more than they are paying for passengers and cargo, around 25 cents per ton-mile; which is equal to 50 cents per pound to Frankfurt, their airline bill for the month would be only $175,000.

The saving in the Army expenditures on this 1 channel for this 1 month would thus be $225,000, or $8,400 per day.

Additional savings are possible on the large volume now moving to the Far East.

This is enough of a saving to warrant Secretary Wilson's attention; and therefore I say he should take the handcuffs off his own Department and push them into making this saving.

I do not believe there is any impediment in the availability of this appropriation for direct payment, as well as for reimbursement.

We have expressed ourselves clearly. Now it is up to the Secretary of Defense.

What is there to prevent his making a special arrangement for his Army Post Office to tender tomorrow morning's shipment out of Frankfurt bound for the States directly to a United States commercial airline at a freight rate? Nothing. Nothing at all. He can save his Department $8,000 a day, beginning tomorrow.

There isn't a commercial airline flying the United States flag across the ocean that wouldn't jump at a chance to carry APO mail at half the price the Defense Department is paying now. The airlines who are now carrying it—at twice a reasonable price would still be glad to take it at half the present price. And, as the GAO report to the Congress recommends, there are other United States certificated airlines, flying several trips a day across the Atlantic between the United States and Frankfurt, where most of this APO traffic moves, who are ready and able to provide the service for the Army Post Office, who could do it tomorrow morning, and who have actually offered to do so at rates of less than half what the Secretary of Defense is paying now. Their unused space should be used for this traffic, as our committee report obviously intends. There are other lines certificated by CAB across the Atlantic. Our report says the others are included too.

The distinguished gentlemen from New Jersey [Mr. HAND] and Massachusetts [Mr. HESELTON] have done a real public service in pointing up this place where money can be saved.

As a member of our Committee on Appropriations, who has been intimately bound up for weeks and weeks, in just this air-transport problem, on both the defense subcommittee and also on the Civil Aeronautics Board subcommittee, I assure the House that our committee intends that this potential $8,000 a day saving shall be made by the Defense Department.

PROGRAM FOR THE WEEK OF MAY 14

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do this for the purpose of asking the majority leader if he would advise us of the program for the balance of this week and for next week.

Mr. McCORMACK. If this bill is disposed of today, we shall go over until Monday.

Monday is District day. The following bills are to be called up:

H. R. 2603, increase area, for residing.

H. R. 6732, regulation, sale of goods.

H. R. 7804, apply, uniform, simultaneous death act.

H. R. 10060, pay periods, police and firemen.

H. R. 10375, enlarge awards, police and firemen.

H. R. 10768, increase annuities, District of Columbia teachers and school employees.

The Department of Agriculture appropriation bill for 1957 will be the next order of business. If not disposed of on Monday, it will go over until Tuesday.

Tuesday is a primary day in Nebraska and Friday is a primary day in Oregon.

The usual procedure will be followed in case of any rollcalls on Tuesday and Friday, if a session, since they are primary days. If the Department of Agriculture appropriation bill is disposed of on Monday, there is no program for Tuesday.

On Wednesday we shall take up the District of Columbia transportation bill, H. R. 8901.

Any further program will be announced later. Conference reports may be brought up at any time.

Mr. ARENDS. The gentleman from Nebraska [Mr. MILLER] asked me if the gentleman could give us further information about the sugar bill conference.

Mr. McCORMACK. The gentleman did talk with me. Of course, the bill has been over 20 days in conference. I am sorry I cannot give any direct information on it at this time. I do not know if any member of the Committee on Agriculture who is a member of the conference committee is present and may be able to advise us.

Mr. ARENDS. Perhaps the gentleman can make further inquiry and give us light on that a bit later.

Mr. McCORMACK. I can say this with reservations. The best information I have is that it is the intention of the conferees to go into conference after the Agriculture bill is disposed of in the other body. It is thought that the conference report would come in the latter part of May. The gentleman from Nebraska [Mr. MILLER] in talking with me indicated that the bill has been in conference such a period of time that a preferential motion might be made. He did not say he was going to do that, but he indicated he had it in mind.

I make that announcement so that the House conferees may be aware of the fact that such a motion may be made. Like the gentleman from Nebraska, I hope the conferees will get together as quickly as possible and bring in a report as soon as possible. The gentleman from Nebraska has talked with me, and I thought his position was very fair. I do not know what he intends to do, but I am alerting the House conferees to the fact that he may make that motion. Of course the logical thing for them to do would be to meet to forestall any such motion being made.

The Clerk read as follows:

SEC. 633. No part of the funds appropriated in this act may be used for the disposal or transfer by contract or otherwise of work that has been for a period of 3 years or more performed by civilian personnel of the Department of Defense unless justified to the Appropriations Committees of the Senate and House of Representatives, at least 90 days in advance of such disposal or transfer, that its discontinuance is economically sound and the work is capable of performance by a contractor without danger to the national security: *Provided*, That no such disposal or transfer shall be made if disapproved by either committee within the 90-day period by written notice to the Secretary of Defense.

Mr. ALLEN of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ALLEN of Illinois: On page 46, strike out all of section 633, beginning in line 21 and extending through line 7 on page 47.

Mr. ALLEN of Illinois. Mr. Chairman, I spoke on this subject the other day so I do not expect to consume my 5 minutes.

On the question before this House now, we can all ask ourselves this question: Are we who speak so much for private industry, and we all have spoken in behalf of private industry, for it, or are we for the Government's keeping on with governmental enterprises when those charged with the responsibility of operating them do not want them and say they do not need them? Still, this section would force the Department of Defense to operate and supervise certain governmental enterprises despite the fact that that Department says they do not need them, they do not want them, and that certain of those enterprises are inefficient and unprofitable.

Mrs. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. I wish to thank the gentleman for introducing this most valuable and necessary amendment. As the gentleman knows, I had planned to introduce this amendment myself, but deferred with great pleasure to his seniority and great wisdom. I have spoken at length on this amendment, and certainly commend it and hope it will be adopted.

Mr. ALLEN of Illinois. I thank the gentlewoman. I think I am correct in saying that there is not a Member in this body who has not, at some time or other, said that they were in favor of private enterprise, that they wanted private enterprise and would do all within their power to keep the Government out of business. I do not think there is a Member in this body who does not know that private enterprise cannot compete with governmental enterprises because of taxation, for one thing. Private corporations pay a 52-percent tax. There are real estate taxes. On the other hand, the Government does not have to pay such taxes and does not have the overhead expenses that private enterprise has. It seems inconceivable to me and unimaginable for us here in the Congress to force the Department

of Defense to operate certain plants which they claim, after the most careful consideration and study, that they do not need and they do not want. If I can give you an example which, perhaps might be considered a little on the ridiculous side, it would be the same situation if today when the cavalry is obsolete as a component of our Armed Forces, we were to insist that the Department of Defense keep open certain governmental enterprises for making saddles.

Mr. McVEY. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. McVEY. I want to associate myself with those who are in favor of striking section 633 from this bill. I think the striking out of this provision would be the exercise of the necessary restraining influence on the disposition on the part of various governmental departments to compete with private enterprise. I am very much in favor of striking this language from the bill.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. CURTIS of Missouri. I am very happy to join the gentleman in his remarks. I would like to make a further observation and see if the gentleman does not agree that not only is this in the interest of private enterprise, but the private enterprise that we are mainly talking of is small business. There is a good deal of talk about people being for small business, but it is in this area of small business that our military is mainly competing such as laundries and little garages and the 101 various activities that compete with small business. It is in that area that we who are interested in private enterprise and small business will all get behind this amendment, and I commend the gentleman for introducing the amendment.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. MORANO. I wish to join the gentleman in his remarks. I am going to vote to strike this section from the bill.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. POFF. I join with the gentleman in his remarks. Is it not true that this section would have been subject to a point of order under a straight rule?

Mr. ALLEN of Illinois. The gentleman is correct.

Mr. HAND. Mr. Chairman, will the gentleman yield?

Mr. ALLEN of Illinois. I yield.

Mr. HAND. I agree with what the gentleman has said. I offered a similar motion in committee, and I shall gladly support the gentleman's amendment at this time. In addition to what the gentleman says, I am very much convinced that this section is an unconstitutional invasion of the executive authority. I think we should be jealous when the executive branch invades our authority—the authority of the legislative branch, and we should be equally careful not to invade the authority of the executive. The President announced himself last year as being opposed to this invasion of the authority of the President.

Mr. ALLEN of Illinois. I thank the gentleman.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment.

Mr. SIKES. Mr. Chairman, section 633 which was carried in the last defense appropriation bill as section 638 is quite well known to the House by this time. The best test of any piece of legislation is in its operation. Objectives, operation, and results are what you measure legislation by; not by the telegrams which attempt to influence your stand. The language of section 633 has been in operation for a year and we know how it works. I assure you that Congress has not created a monster in this section. Congress has created a safeguard, a simple and workable safeguard to protect the tax money of the people of the United States and to protect needed activities in the national defense establishment. I state categorically that section 633 has not resulted in any additional costs to the Government. Certainly it is reasonable to assume that before the Department of Defense decides to contract out to private industry an activity previously carried on within the Department, it would determine the economics of such a step. It would not be in the public interest to make such decisions blindly, without prior investigation.

Having determined the economy of such an action, it is only one step more for the Department of Defense to send to the Congress the figures showing why it is advisable to terminate that activity or dispose of it through private contract. It has worked no hardship whatsoever.

Now let us look at the actual operation of this section. The Department has sent to the Congress a list of 112 activities that it wanted to discontinue or contract out to private industry. What happened? The Congress gave its assent in all but nine cases. In only 9 cases out of 112 did the Congress say "We think you should not terminate or contract this activity." In most of those nine cases there was disagreement within the Department as to whether the work could be done more economically within the Department than it could under contract. In some of them there were important research aspects which would have been lost.

In 1 or 2 there simply was no private facility capable of doing the work, construction of facilities by private industry for such an operation at considerable cost—to be deducted from taxes of course—simply does not sound like good economy to me. In one operation it would have been necessary for the contractor to subcontract back to the Government for the operation to be carried on. There was nothing to indicate a saving.

Perhaps there were some more flagrant examples of activities scheduled for contracting to industry that the Government did not bother to send to the Congress because it was known there was no justification for a change.

Big business objects to this simple language which obviously is intended to protect the taxpayer. Why? It has shown by actual operation that there is nothing wrong with the section. It gives the people who appropriate the money for the operation of a specific activity an opportunity to look before the activity is contracted or given away and closed down, with possible injury to the Defense Establishment.

Do not forget there is a human side to this problem. There is know-how and skill accumulated through faithful service to the Government by the workers who carry on these activities. Are they to be turned out without a word and without consideration because big business smells a profit in what they are doing? The skill of these workers will be invaluable in time of emergency. Where will you turn for know-how or facilities at that time?

Let me say this: Some of the drive to eliminate this section seems to have come from recommendations of the Hoover Commission. I remember many instances when the recommendations of the Hoover Commission have not been considered sacrosanct. As a matter of fact, I think most of them have had to be tempered down quite a little bit before we found them practical, workable, or acceptable. Secretary Wilson said that this is working no hardship. He showed no disposition, on being questioned by me, to have this section eliminated. I submit it is a good section.

If you want the final measure on this, the House Committee on Armed Services has prepared a bill, and will present it shortly, which carries on this same operation. It is in different language, yes, but it will carry on the same activity that we proposed a year ago and which was adopted a year ago, and which has proved itself in operation.

The CHAIRMAN. The time of the gentleman from Florida [Mr. SIKES] has expired.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

This is a wonderful time in the consideration of this bill for us to beat our breasts and talk about how much we love free enterprise. Most Members are on the floor and I do not see a man before me on either side of the aisle who is not devoted to free enterprise and willing to fight for it on any and all occasions. We are now fighting for the cause of free enterprise and economy and good management. But there is some degree of shadow boxing in this demonstration. One would think that the administration is just about ready to get the Government out of business. The Defense Department, headed by Secretary Wilson, is employing at this time about 1,170,000 civilians. About one-half of these people are directly or indirectly engaged in business-type or semibusiness-type operations. One would think that except for Congress Secretary Wilson would turn all these business-type operations over to private business. Please do not be misled; these are not the facts.

Under this section of the law all the Secretary has to do is to tell the Congress that he wants to discontinue a certain operation and we have 90 days in which to veto it. If we take no action, the Secretary is free to act. He sent up 112 sug-

gestions and we agreed with him in all but 9. I have a list of the 112 here. The list is far from being impressive. Here it is: Officials wanted to close up coffee roasting shops in Atlanta, Auburn, Oakland, and in New York, and a few other places. The shops were using 191 people. We told them to go ahead. They could have done this 3 years ago. No one was stopping them. Not even this section of the bill was in effect until less than a year ago.

Then there is a ropewalk in Boston. They wanted to close that up. There are 78 people involved there. Out of this 1,170,000 civilians employed by the Department of Defense, there were 78 employed at the ropewalk. They wanted to close up the ropewalk, and under section 633 they cannot close it up over congressional objections but they can reduce it to one man, can reduce operations to the very minimum and let much of the work out to private enterprise. The ropewalk is, in a measure, a research and development project.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I am delighted to yield to my distinguished friend from Massachusetts.

Mr. NICHOLSON. This ropewalk the Navy wants to close up received notice last June that they were going to be closed up, but due to a little political manipulation it still keeps open.

I would, however, like to call the gentleman's attention to the fact that we have a cordage company in Plymouth where the first people in the United States landed with the exception of the Virginia colony. What about their business? What about the Government going in competition with the Plymouth Cordage Co. or the New Bedford Cordage Co.? Is there anything in the Constitution that gives them that right?

Mr. MAHON. I believe this ropewalk is not manufacturing any rope at this time. It is mostly experimental. In time of war it does engage in considerable production.

I suggest that the gentleman discuss the problem with the gentleman from Massachusetts [Mr. McCORMACK] and the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. That ropewalk has only been in existence since 1837.

Mr. MAHON. And here they have 51 people at a paint shop in Norfolk and some in Mare Island; and here is a bakery in Camp Kilmer with 9 people, and here is a cobbler shop. We are getting the Government out of business in a big way. Is this not wonderful? A cobbler shop in Gary Air Force Base in Texas, one man. We are getting the Government out of business. This is mostly administration propaganda.

And here is a cobbler shop at another Air Force base. We surely are getting the Government out of business in a big way—one part-time employee, that is all at this particular base.

This is so laughable. And over here in Fort Francis E. Warren, in Wyoming, they want to do away with the cobbler shop there and displace one cobbler. We agreed to all this but please do not think that this indicates that the Defense Department is really getting the Government out of business.

Go through this list. None of the projects amount to anything much compared to the total number of civilians employed by the Defense Department. The Defense Department is not getting out of business; the Defense Department has a half million people in commercial-type activities, and they come in here with this chickenfeed, this gesture which is apparently meant to impress people.

In the Department of Defense there are hundreds of thousands of people employed in arsenals, navy yards, repair depots and places of that sort. Do not be deceived by the discontinuance of a few cobbler shops, bakeries and minor operations where only a handful of people are normally employed. The Defense Department is making practically no progress in getting the Government out of business. The window dressing is not impressive if you take a good look at it.

I would be interested in knowing if the Defense Department wants to get out of business in a substantial way, removing thousands of civilians from Government payrolls, making a substantial reduction in the 1,170,000 civilians on the Defense payrolls. No such suggestion has been made by this Administration. I would be glad to agree to vast reductions if the cause of economy and defense can thereby be served.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent Mr. MAHON was allowed to proceed for 3 additional minutes.)

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I want to continue speaking about the importance of the Government getting out of business. Yes, I yield to the gentleman briefly, to my friend.

Mr. NICHOLSON. If all this is chickenfeed why not throw it all out and just forget about it?

Mr. MAHON. It is regrettable that the Government is not doing a better job of getting out of business. I have not heard from responsible officials any real substantial recommendation that the Government get out of business, particularly the Defense Department.

Secretary Wilson has a good sense of humor and he takes all this with a twinkle in his eye and a large grain of salt. On page 101 of the hearings on defense appropriations, Mr. SIKES said:

> I take it that this section has not caused you any material difficulty in its operation.

Secretary Wilson replied:

> I do not think so. It is just one of the added ones, you know, around your neck. We can carry that load.

If you knock the section out of the bill—that is a matter for you to decide—please do not think that free enterprise, which we all represent, has won a signal victory, because it will be pretty empty, just a few cobblers, bakers, candlestick makers and a small number of others. They are the only ones involved and unfortunately the Government seems to find it necessary to remain in business-type activity in a big way.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Washington.

Mr. PELLY. I wonder if the gentleman has not found that some of these eliminations are somewhat of an ideological spur which the Defense Department has given. I know of cases in my Navy Yard where it would increase greatly the expense to the Defense Department if certain activities were eliminated.

Mr. MAHON. There is one forge in the world capable of making the chain for the *Forrestal* carrier. It is in the Navy Yard. The committee was told that in order to make a showing on private enterprise, officials tried to give private enterprise the contract, then they found they would have to lease the forge to private enterprise to make this chain for the *Forrestal* carirer. How ridiculous can you get?

Mr. PELLY. I support the gentleman's position.

Mr. O'NEILL. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Is it not true, speaking of the chain for the *Forrestal* carrier, which was made at the Boston Shipyard, the contract had originally been let out to a private contractor to make the chain, but he came back to the Government saying he did not have the proper dies to make the chain and he returned the contract to the shipyard so that the shipyard might make the chain?

Mr. MAHON. Yes. We do not want the Government competing with private enterprise but there are instances, like in connection with the making of the chain for this big carrier, that it would seem utterly ridiculous to change the present procedure.

Let me make this point clear. Congress gave the Defense Department the money to set up the forging plant to make the big chain for the *Forrestal* carrier. Under section 633 it is provided that before the Defense Department can discontinue the operation, Congress must be consulted and given an opportunity to take affirmative action in opposition. If no affirmative action in opposition is taken, the Defense Department is free to abandon the enterprise. Why should not Congress keep its fingers on the purse strings and try to see to it that an increasingly better job is done when Government funds are involved. Business-type operations in the Government came into being through congressional appropriations. Congress should have some say-so in what is done with these activities. Expensive Government machinery should not be abandoned and heavy losses to the taxpayers incurred without Congress having an opportunity to take action.

As stated before, the Defense Department has suggested the closing of 112 business-type operations such as cobbler shops, et cetera. Congress has concurred in the closing of 103 of these installations. I feel confident that Secretary of

Defense Wilson feels that he is maintaining a wonderful batting average, and I do not believe that he is too unhappy about the situation.

I voted against this amendment when it was presented to the Appropriations Committee last year. I am about to decide that it is not such a bad amendment after all. I trust that we shall have an opportunity to concur in the closing of a much larger number of business-type Government-operated facilities. I certainly favor such action if such action is in the interest of national defense and economy.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, it is mighty easy for us to get exercised over issues here in the House, particularly where it is represented as being pro or anti private enterprise. Understand, there are about $34 billion in this bill and our activities are spread throughout the world. Back through the years there have been many services, many things in our Military Establishment and many times those things had to be made by the Military Establishment itself. The Congress has made appropriations for these activities and for these workings in the Military Department. Now, due to the fact we are not actually at war, with time we have found that many of these activities could well be stopped by the Military Department and placed with private business even though the Congress has provided funds for these particular activities for years.

What has the Congress done in this section? It has said that we recognize that with changed conditions many of these activities could well be done away with but since we have given the money for these activities for years and since it may be essential to continue some of them, we direct that the military report to the Congress these activities which they have been carrying on for all of these years which have served the needs of the Service, but which the Department of Defense now wishes to close. We say, "Tell us about them before closure." There were only 9 out of 112 submissions where the committee has said the military should carry on. Why? Much of the work to support a big Military Establishment is research in its nature. You have to determine the type of rope and how the rope will stand up under trying conditions. You have to determine what kind of paint will stand up under the conditions of warfare. The Government is going to have to do much of that research.

Is it not sound to manufacture at least some quantity of the product on which you are doing experimental research so that in the use the military can minimize the cost of your research, or is it better to stick to less and invite somebody to go into business to produce something that the Government knows all about where the Government has to provide all of the initial expenses? There have been 9 times where we have said that since you have to carry on this research to serve the needs of the military department, we think you should produce enough of this product that you will have a sufficient quantity to really try out the results of your research.

My friends, it is one thing to favor private enterprise, and we should; it is quite another thing to set up a new private enterprise at increased cost of research carried on by your Government and give a handout to somebody that wants to move in on the Government. We need Government out of business, but we need some business in Government. Here again the Congress has told the military through the years, by giving them appropriations and approving their activities that "We support these many, many activities that you do; we give you the money for it; it is working well. Now we have agreed that much of it should quit." But, in order to be on sound ground, we have said, "Tell the Congress about it so Congress can at least tell the public what is going on, so it will be the real McCoy." Now, the rope factory, the chain factory, and the 8 or 9 other instances that have been outlined, you will find that the service affected, the service which knew about it, the service which we depend on, has been in accord with the Congress. It is the national Defense Department which has issued orders to the particular service, because somewhere somebody started this drive: Let us get the Government out of private business, even if we do it at tremendous cost to the taxpayers. I say you go too far when you overlook the last statement that I made.

Mr. MASON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time just simply to serve notice on the House and on the Committee that there will be no more extensions of time, because I shall object.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, like my colleague from Illinois, I, too, in the past have proposed an amendment to strike this section from the bill. Let me say to my good friend from Texas, whom I admire, that Secretary Wilson may have said that he could live with this, but it is just like living with the measles. When we have them, we have to live with them, but you would be lots better off without them. So, I think we could get along without this.

Mr. Chairman, I earnestly urge that section 633, which is a proposed reenactment of section 638 embodied in the Defense Department appropriation bill last year, be stricken from the pending defense appropriation bill. It precludes the Secretary of Defense from disposing of any of the innumerable business enterprises in which our vast Defense Establishment has been engaged without first having the approval of the House and Senate Committees on Appropriations.

In the first place, this provision has no rightful place in an appropriation bill. It is not a limitation on an appropriation. It is legislation, pure and simple, over which the Committee on Appropriations, in my opinion, has no jurisdiction whatsoever. In this instance, and in altogether too many instances, the Appropriations Committee has arbitrarily arrogated to itself legislative powers that belong exclusively to our Committee on Armed Services.

Day in and day out our Armed Services Committee reviews the various aspects and countless operations of our Military Establishment. No real estate is acquired or disposed of by the Defense Department without the proposition being first reviewed by our committee. Members of our committee have an intimate, firsthand knowledge of every phase of our defense needs, functions, and operations, both at home and abroad. I think it is fair to say, and I do so with all due respect to the Appropriations Committee, that the Armed Services Committee is much more familiar with defense operations than the Appropriations Committee could possibly be. That is part of our job, so to speak.

Whether the Secretary of Defense should or should not discontinue any of the specific business-type enterprises in which our Military Establishment has been engaged is something for the Armed Services Committee to decide. There is no reason whatever why the Appropriations Committee should have the right to make such decisions. For that reason, if for no other, this section, giving the Appropriations Committee the right of review that belongs to the Armed Services Committee, should be stricken from the bill.

But there are other reasons, Mr. Chairman, why this provision should be eliminated. It retards, delays, and obstructs the splendid job our Secretary of Defense has been doing in taking the Government out of business in competition with private enterprise. And, in my judgment, taking the Federal Government out of those enterprises and activities that rightfully belong to private enterprise is one of the major undertakings of the present administration. I can see no reason for this provision except to obstruct the program and to protect certain bureaucratic vested interests.

At the last session of the Congress the Hoover Commission submitted its report on business enterprises in which the Federal Government is engaged. The magnitude and diversity of such operations is almost beyond imagination. To say the least, it is shocking and alarming. It has constituted a threat to our system of private, competitive enterprise, as well as an unnecessary burden on American taxpayers.

The Hoover Commission reported that in the Defense Department alone the total number of Government commercial and industrial type facilities probably exceeds 2,500, in which the capital investment probably exceeds $15 billion, involving 47 different categories of activities, such as coffee roasting plants, ice cream plants, cement mixing, jewelry repair shops, and even tree and garden nurseries.

To be sure, some of the business enterprise activities are essential to the Defense Establishment, such as when private enterprise itself cannot provide the service or possibly because of geographic isolation. But, at the very least, half of the defense facilities of this character could be eliminated without injury to our national defense or any essential governmental function.

In accordance with the Hoover Commission recommendations our able Secretary of Defense undertook to eliminate the unessential, and he has made excellent progress in that regard. He has been endeavoring to dispose of those facilities which have been in competition with private enterprise, where the capital invested could be recovered and where unnecessary expenditure and losses could be eliminated.

To this worthy undertaking on the part of the Secretary of Defense resistance developed. Personnel of the agencies operating the facilities protested. They did not want to lose their jobs. Citizens in the communities where the facilities were located protested. They did not want to lose this special benefit to their area. These vested interests, regardless of the public interest, seem to have been sufficiently loud and strong in their selfish protests to cause the Congress to write into the appropriation bill at the last session this wholly unnecessary restriction on the Secretary of Defense.

Except in a very few instances, Government business-type enterprises pay no taxes, little or no interest on the capital invested and generally the directing personnel is on the Government payroll. All this comes out of the taxpayer's pocket. Not only that, with the Government operating the business instead of private enterprise the Government is deprived of taxes that it would get from a private operation.

Section 633 of this bill brings into sharp focus the basic issue: shall we serve the public interest or shall we yield to the vested interests? If we want to serve the public interest, if we are really interested in getting the Government out of competition with private enterprise, we will vote to remove this provision from the bill.

The Hoover Commission made an exhaustive study of our governmental organization and operations. It was a monumental undertaking, with its findings and recommendations filling 38 volumes of ways and means to make our Government more efficient and to eliminate waste and duplication. It has outlined the way by which over $7 billion a year could be saved.

And yet this Congress has done nothing by way of legislation to carry out even a part of these recommendations. On the contrary, it is proposed by this provision to restrict the Secretary of Defense in his efforts to do what he can by administrative action for accomplishing what the Hoover Commission recommended for his Department.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mrs. ROGERS of Massachusetts. Mr. Chairman, I should like to ask if that means that Members who are not standing may claim time under that agreement?

The CHAIRMAN. The Chair will note the Members standing and allocate the time among them.

Is there objection to the request of the gentleman from Texas?

Mrs. ROGERS of Massachusetts. Mr. Chairman, I object, unless I may have 4 minutes.

Mr. WOLVERTON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. MAHON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 30 minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Texas.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Chairman, I rise in opposition to this amendment. Section 633 of the Defense appropriations bill is not discriminatory against private business. It does not prohibit the transfer of an activity now performed by the Government to private industry. All that it does is to safeguard the interests of the Nation by assuring that any proposed transfers are proper and for the good of the entire country.

I think the best refutation of the arguments being presented here this afternoon for the elimination of section 633 is to be found in the report which accompanied last year's appropriation bill. That report stated:

> Attention of the committee has, on a number of occasions, been directed toward plans within the Department of Defense for the disposal or transfer of work traditionally performed by civilian personnel of the Defense Department. The committee recognizes that there may be circumstances which make a contract operation more desirable than continuations of work by civilian personnel. In some instances, however, this represents a radical departure from established customs and it is conceivable that contract operations could, if carried to extremes, result in a loss of trained personnel and know-how within the departments with the dispersal of tools and facilities and result in an actually greater cost to the Government over the years. Particularly would this be true in the event of a sudden emergency which would require rapid expansion of on-base activities. In view of the Government's own great investment in its shops and facilities and the know-how of its civilian personnel and because of the committee's responsibility in the matter of appropriations it is felt that a justification of transfers before the appropriate committees of Congress is proper before the transfers take place.

All of us here know that the most peculiar rules of conduct in all the world are the rules applied by executive agencies in the interpretation of congressional intent. I have sat in on committee hearings on all manner of things from vocational rehabilitation to control of Indian lands—and listened to administrators of executive agencies tell Congressmen what Congress meant when it enacted a specific piece of legislation. I can recall very vividly the chairman of the House Committee on Education and Labor protesting that the United States Office of Education was not interpreting the law on vocational education in the manner in which the chairman had intended it should be interpreted when he helped to write the law. I can recall that the gentleman from North Carolina [Mr. BARDEN] then told the United States Office of Education that he knew what he had in mind when the law was written. The executive agency officials did not agree with him and there was little if anything that the cosponsor of that legislation could do about it.

I am talking from experience. I do not want to have that situation repeated.

I am quite willing to agree that the Defense Department should have some leeway in the awarding of contracts for the production of goods and services required by Military Establishments. However, I want it made clear right now that I cannot bring myself to the point where I am a party to granting to the Defense Establishment—or any other executive agency—what amounts to carte blanche authority to determine the areas within which the military establishments of our country shall take care of their own needs. You permit them to have this authority by your action today and you will live to regret the manner in which they will interpret that grant of power.

Far more than dollars and cents is involved here. Homes and families are of much greater concern than would appear whenever an executive agency official points to what he claims is a help to the national budget.

If the attitude of the Defense Department, as it is presently being demonstrated, is permitted to go unchallenged, it is my opinion that without doubt such conduct will be encouraged in all other Federal agencies. There are many, many thousands of Federal employees who will be threatened with the possibility of sacrificing years of faithful service to the whim of some official who encourages the demands of private corporations who seek first, last, and always their own preferred position in the economic life of the country.

I am fearful that the exercise of this authority to curtail and eliminate Federal activities which now employ hundreds of thousands of people, under the guise of helping private industry, actually will result in depriving those hundreds of thousands of the means of earning a living, paying for their homes, educating their children and contributing their share to the growth of a healthy economy. In all honesty, I say this autocratic authority in the hands of Federal officials—and I sincerely fear its spread beyond the ranks of the Defense Establishment—can have a most damaging effect upon the proper functioning of all Federal activities.

All I ask is that this Congress, made up of men and women elected by the people of the country, be afforded the honorable and honest privilege of taking a second look at the curtailment of any Federal activity which employs those who in the last analysis are the heads of America's families.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, years ago it used to be possible for the Committee on Appropriations to go over these Government industries and analyze them and do what it could to get

rid of those that were not desirable. Today it cannot be done. There is no report made of all these operations and what they are doing, all these activities that infringe upon private industry. Let us adopt this amendment and fix it so that the Department of Defense can do what it believes ought to be done to get rid of them. It is time we did something along that line and stopped interfering with proper efforts on the part of the Department. Whatever happens, I am going to try next year to see that the Department of Defense comes forward not only with the 8 or 10 that they want to get rid of but the 400 or 500 that I believe they really should get rid of right away.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. DAVIS].

Mr. DAVIS of Wisconsin. Mr. Chairman, I rise in support of the Allen amendment to strike section 633 from the bill.

All of us will recognize that this section is contrary to our general philosophy. All of us will agree with the theory that the Government should relinquish as many industrial and commercial activities as possible.

Perhaps it is natural for a congressional committee, such as the Committee on Appropriations, to desire to keep whatever authority may be placed in its hands. However, the existence of section 633 is harmful for the Appropriations Committee and harmful for the Department of Defense because it is an open invitation to backscratching among members of the Appropriations Committee.

It has been suggested that this section does no harm, that section 638 in the current year's Defense Department appropriations bill has worked out satisfactorily. Such proponents have cited the language of Secretary of Defense Wilson to the effect that the Department of Defense has not had much trouble with section 638. Does it not seem rather strange that the same people who now rely on Secretary Wilson's single sentence are for the most part the same people who delight in taking Secretary Wilson's statements out of context for the purpose of criticism and ridicule?

In fact, this section does more harm than shows on the surface. Certainly, people in the Department of Defense are aware that some very important Members of Congress on both sides of the aisle are interested in specific industrial and commercial activities now being conducted by the Department of Defense. Certainly, they are aware that influential members of the committee which passes on defense appropriations are personally concerned and interested in certain such industrial and commercial activities. I think it is logical to believe that the hullabaloo which has been raised over such items as a ropewalk and a telephone exchange has prevented the Department from submitting other discontinuances for approval.

I can hardly follow the logic of the chairman of our subcommittee, Mr. MAHON, of Texas, when he stated in effect that the way to encourage the Department of Defense to get out of business was to continue this roadblock in the way of doing just that.

Does it not appear incongruous that here we are today appropriating $33.7 billion to the Department of Defense under terms which permit great latitude and discretion and yet we will not permit the Secretary of Defense to exercise his judgment on the question of an operation of a ropewalk or telephone exchange?

In our subcommittee markup session I offered an amendment to strike section 633. In the full committee, Mr. HAND, of New Jersey, offered an amendment to strike that section. Both efforts were defeated. I hope the House will reverse those previous decisions by adopting the Allen amendment here today.

One further suggestion. If the House does not see fit to strike out section 633, I hope it will permit it to remain as is. In other words, I think the choice should be between the present language and the complete deletion of that language. I believe any so-called attempt to write compromise language can only be confusing.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. O'NEILL].

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to transfer my time to the gentleman from Massachusetts [Mr. O'NEILL].

Mr. MASON. I object, Mr. Chairman. There will be no transfers of time.

Mr. O'NEILL. Mr. Chairman, I rise to support section 633. It was interesting to note in the discussions here that there are only nine industries presently active in the navy yards, as I understand, and two in the Boston Naval Shipyard located in my district.

It is interesting that it was in the 20th Congress, in 1828, that the ropewalk was first established. For about 125 years now there have been certain people who have been trying to close this ropewalk over the objection of the Navy itself. Now, the Department of Defense wants to close the ropewalk over the objections of the Navy. Rope is a strategic material. It is one of the most important things used by the Navy. It is an integral part of the Navy. Actually, how much rope is manufactured in the ropewalk? The figures show that 1½ percent of the rope manufactured in the United States is manufactured in the Navy ropewalk. They make rope for the Navy. During the Korean conflict in 1952, the Federal Government bought for defense purposes 11½ billion pounds of rope. Three and one-half billion pounds of rope was manufactured in the ropewalk itself. We have heard all these bleeding hearts for small business, but I want to point out that there are only 15 manufacturers of rope and cordage in the United States. When it comes to the kind of rope that is manufactured at the Boston Naval Shipyard ropewalk, there are only four manufacturers of rope in America who are able to compete and bid. This is not small business.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, we had this fight last year and on a rollcall vote we kept the Sikes provision in. There will be another rollcall vote if the Committee of the Whole adopts it. The Sikes amendment is commonsense. I hope the Allen amendment to strike it out is defeated.

Mr. Chairman, I yield to my colleague, the gentleman from Massachusetts [Mr. O'NEILL].

Mr. O'NEILL. I thank my colleague. At the present time, there are only 38 employees in this ropewalk in Boston. There were about 50 employees in the chain shop. We have heard about the controversy in the colloquy which was had with the gentleman from Texas [Mr. MAHON]. Actually, a contract was awarded to a company to build a die link chain for the *Forrestal*. They returned that part of the contract saying that they did not have dies sufficiently large enough to make the chain. So actually the chain had to be made in the Boston shipyard. Of the 112 businesses that were in the navy yards there are only 9 at the present time in operation. The gentleman from Texas [Mr. MAHON] has mentioned the number of employees. It is just a paltry few. We need these businesses that we have in the shipyards at the present time. We need them for the defense of the Nation. That is the reason. In 1939, when the draft act went through, and when we needed rope and cordage for tents, these 15 cordage plants could not supply it. If it had not been for the naval shipyard ropewalk, we would not have had enough material to supply our Armed Forces. In 1952, if it had not been for the fact that we had the ropewalk at the navy yard, the ships of the United States Navy and the soldiers who were in Korea would not have had sufficient rope. This ropewalk is needed in the event of a national emergency.

The Federal Government and the taxpayers of the United States have over $2 million invested in this activity. Do you want to shut down that plant? What about the taxpayers' investments? What about the welfare of these employees who have given a lifetime of service to their country?

The real issue is what is in the best interest of the national defense.

Those who best answer this are the Navy themselves. They are for the retaining of these plants.

I hope the Sikes—section 633—amendment remains in the bill.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, there is concern upon my part because of the effort that certain Members of great influence in the House insist that an amendment of the bill be made to strike out section 633, which reads as follows:

SEC. 633. No part of the funds appropriated in this act may be used for the disposal or transfer by contract or otherwise of work that has been for a period of 3 years or more performed by civilian personnel of the Department of Defense unless justified to the Appropriations Committees of the Senate and House of Representatives, at least 90 days in advance of such disposal or transfer, that its discontinuance is economically sound and the work is capable of performance by a

contractor without danger to the national security: *Provided*, That no such disposal or transfer shall be made if disapproved by either committee within the 90-day period by written notice to the Secretary of Defense.

The above section is placed in the bill to prevent the closing down of any military installations unless and until the Appropriations Committees of the House and Senate, or either of them, either approve or fail to express dissent within the 90-day period.

This section has been included in the bill because too often there is an apparent desire upon the part of the Defense Department to close down facilities that have been built up through a period of years and have rendered, and still are rendering, valuable service to the Government. There is a prevalent thought in some quarters that private enterprise should take over all facilities that are capable of operation by it regardless of the efficiency of the operation that is being conducted by Government agencies.

There are many reasons that could be urged in opposition to such a course, among which are the following:

First. The effect on the employees that are now, and in some cases have been for many years, employed by the Government in these facilities would be most unfortunate. These employees have as high a degree of efficiency as exists in private industry. They have continued with the agency for many years. They are anxious to make it their career. They have gained seniority rights that could not be gained if suddenly placed in private industry.

Second. Many of these employees have made a career of their work with the Government. In many instances they have given years of faithful service. Thus, their age would prevent them going into private industry, and certainly it would be impossible for them to gain the status and security rights they now possess. All of this would be destroyed as they entered private employment. Their seniority and civil service security rights would be a thing of the past. Furthermore, most of them, as they applied for jobs in private industry, would be met by the age barrier that so frequently prevents them from gaining employment after reaching 45 years of age. These difficulties are real and substantial and should be recognized by those in the higher echelons. Unfortunately, such is not always the case. Too frequently the desire to eliminate Government work, that can be done in private industry, overlooks the human element, namely the effect on the worker and his family when dismissed from a Government job. The dollar and cent argument is given precedence over the human welfare argument. This should not be the case.

Third. But even if the dollar and cent viewpoint is given consideration, then it might be examined from the standpoint that many Government facilities are, in effect, pilot plants. They do not do enough work to disturb private industry or make it worth while for private industry to reach out and take it over. But the part that is done by a Government facility, small in amount though it may be, is nevertheless sufficient to fix and determine proper specifications and fair price. Thus, Government facilities are justified as a check on improper specifications, type and character of work done, and most important to make certain that the price is right. The work done under Government operation thus pays for itself many times over in making sure that the Government gets what it is entitled to and at a proper price.

Fourth. It has also been shown that the cost to the Government in maintaining these services and facilities has shown that Government operation is not any more expensive than private operation. Thus, even on a dollar-and-cent theory there is no real or practical reason for destroying Government facilities that by their very nature have and still are protecting the Government from overcharges or improper workmanship that could easily result if such Government activity did not exist.

Fifth. Furthermore, it should not be overlooked that these Government facilities also provide a skeleton force that can be quickly and effectively used in the case of emergency. This phase of the situation cannot be overestimated. Innumerable examples could be given where private industry was not in a position to immediately take up production and make delivery without disturbing the work they were doing as private concerns. The Government, time and again, has had to call on its facilities to do what private industry was not in a position to do. This in itself, in my opinion, is sufficient to justify the existence of Government facilities.

There are many additional reasons that could be offered of a substantial character in opposition to the removal of the slight protection to workers and the Government that is given by section 633 of the bill. This section should remain. In fact, it is my opinion that it could with great advantage be even increased in strength as a protection to workers and the Government.

The CHAIRMAN. The Chair recognizes the gentleman from Utah [Mr. DIXON].

Mr. DIXON. Mr. Chairman, section 633 of the Defense Appropriations Act for 1957 is highly undesirable. The Commission on the Organization of the Executive Branch of the Government in its report on Government business enterprises found that there were at least 2,500 separate business enterprises in the Department of Defense. The Hoover Commission, which was charged by Congress with the task of recommending the termination of unnecessary business enterprises of the Government, found that at least 1,000 of these business enterprises ought to be eliminated. It made specific recommendations for the elimination of many types of these activities.

Section 633 is an unnecessary barrier to the Department of Defense in the elimination of unnecessary business enterprises. In the first place, the section slows up the process because the Department must give to the Appropriation Committees of both Houses at least 90 days notice of its intention to close any such activity.

Second, because this provision gives to each of the two Appropriations Committees a veto on such closings, it constitutes an unnecessary hurdle to the closing of undesirable business enterprises of the Government. Although, out of some 112 enterprises that have been submitted by the Secretary of Defense, only 9 have been rejected by an Appropriations Committee. I am afraid that when it comes to closing significant enterprises, the record will not be as good. Many of the enterprises that have been submitted since last August have been very small and insignificant. The only really significant ones that have been submitted have been rejected; that is, the paint factories at Norfolk and Mare Island Navy Yards, and the ropewalk and chain factory at the Boston Navy Yard.

Third, this provision implies that the Appropriations Committees have a better understanding of what is necessary for the defense of the country than the Secretary of Defense because it confers upon either committee the right to veto purely administrative action.

Fourth, this provision is an unconstitutional intrusion of Congress into the executive sphere of the Government. President Eisenhower, a year ago when he signed the 1956 Appropriations Act, made clear his strong opposition to the inclusion of a comparable section at that time. His opposition was based upon the ground that this was an improper intrusion by Congress into the executive sphere.

The Attorney General in a statement of July 14, 1955, indicated that he considered this section to be unconstitutional. He said in part:

> The practical effect of these provisions is to vest the power to administer the particular program jointly in the Secretary of Defense and the members of the Appropriations Committees, with the overriding right to forbid action reserved to the two committees. This, I believe, engrafts executive functions upon legislative members and thus overreaches the permitted sweep of legislative authority. At the same time, it serves to usurp power confided to the executive branch. The result, therefore, is violative of the fundamental constitutional principle of separation of powers prescribed in articles I and II of the Constitution which places the legislative power in the Congress and the executive power in the executive branch.

For these reasons, I strongly oppose the inclusion of section 633 in the Department of Defense appropriations bill.

The CHAIRMAN. The Chair recognizes the gentlewoman from Illinois [Mrs. CHURCH].

Mrs. CHURCH. Mr. Chairman, I offered during general debate this morning what I hoped were cogent reasons for passing this amendment. I now rise, being persistent, merely to ask the gentleman from Florida [Mr. SYKES] the question for which he did not have time to yield to me a little earlier.

What are the nine enterprises which the Defense Department wished to terminate and for the termination of which the Appropriations Committee refused permission?

Mr. MAHON. If the gentlewoman will yield?

Mrs. CHURCH. I yield.

Mr. MAHON. They are a paint shop at Mare Island, with 52 people employed. The ropewalk in Boston, with 78 employees. The chain forge plant in Boston. A micrometer shop employing about 12 people in Norfolk, and other small facilities.

Mrs. CHURCH. I wonder if the gentleman would place the rest of the list in the RECORD, because of the limitation on my time.

Mr. MAHON. Certainly. I shall gladly do so.

There have been two reports submitted by the committee which explain our action on the Department proposals, parts of which I insert at this point. To these inserts I have added the numbers of employees involved.

REPORT OF JANUARY 13, 1956

In compliance with provisions of the above, the Department of Defense has by letters of August 8, 1955, November 3, 1955, November 17, 1955, and January 4, 1956, advised the committee of its intent to discontinue a total of 56 commercial and industrial type operations and facilities at various Army, Navy, and Air Force installations. Although, with respect to the activities contained in the Department's letter of August 8, the 90-day period expired November 7, the committee requested and the Department agreed to withhold action until the reconvening of Congress in order that full and proper consideration could be given the Department's proposals.

The hearings on these facilities disclosed considerable doubt as to the advisability of closing the following facilities and which, accordingly, are disapproved by the committee. These are as follows:

	Number of employees
Ropewalk, Naval Shipyard, Boston, Mass	78
Chain manufacturing, Naval Shipyard, Boston, Mass	42
Paint manufacturing, Naval Shipyard, Mare Island, Calif	52
Paint manufacturing, Naval Shipyard, Norfolk, Va	51

The committee is of the belief that the ropewalk should be continued in operation to the extent necessary to provide the Navy with adequate research and development and testing facilities. Obviously a certain amount of rope will have to continue to be manufactured for this purpose, and it would seem that production adequate to an economical operation should be planned.

It was testified that the chain manufacturing shop is the only such shop where chains for the *Forrestal*-type carriers can be manufactured. This type production is planned to be continued by the Navy. However, as in the case of the ropewalk, sufficient output of other chains should be planned if necessary to insure economical operation. When and if requirements for the *Forrestal*-type carriers are fulfilled, another review of the chain manufacturing facility will be in order.

With respect to the paint manufacturing plants at Norfolk and Mare Island, the committee is convinced that it is premature to close these plants at this time. Information received indicates that the industry is not quite prepared to assume production of certain special-type paints now being manufactured. Many of the Navy ships are required to remain at sea for long periods of time and a special type paint, which has been developed by the Navy, and which is presently being used for this purpose, is not readily available from private industry. The Navy requested bids of 47 paint manufacturing companies some time ago for certain types of required paint, and only one qualified offer was received. Under all the circumstances, the committee feels that it would not be in the best interest of national defense or the Government for the paint shops at Norfolk and Mare Island to be discontinued. However, the committee would be glad to give further consideration to the matter at some future time if the situation is changed.

REPORT OF MAY 3, 1956

In compliance with provisions of the above, the Department of Defense has by letters of March 6 and 17, 1956, advised the committee of its intent to discontinue a total of 56 commercial and industrial-type operations and facilities at various Army, Navy, and Air Force installations, covering 9 types of activities. These are in addition to the 56 installations previously submitted and on which the committee has already acted.

Justifications for the closing of these facilities and testimony by other than departmental witnesses were carefully reviewed by the committee. It would appear that sufficient doubt exists as to the advisability of closing the photographic equipment and supply facilities and the watch, clock, and jewelry repair shops which, accordingly, are disapproved by the committee. These facilities are as follows:

	Number of employees
Photographic equipment and supplies:	
Mare Island Naval Shipyard, Vallejo, Calif	1
Puget Sound Naval Shipyard, Bremerton, Wash	2
Philadelphia Naval Shipyard, Philadelphia, Pa	2
Watch, clock, and jewelry repair:	
Norfolk Naval Shipyard, Norfolk, Va	12
Puget Sound Naval Shipyard, Bremerton, Wash	9

As to the first category, information received by the committee indicates that Government production of sensitized blueprint paper, the function of these facilities, results in a total annual saving of $57,846 when compared to costs under private contract at reasonable competitive prices. The Office of the Assistant Secretary of Defense (Supply and Logistics) responsible for the administration of section 638 was requested on April 16 to supply the committee with cost data for use in its consideration of the item. This information was not received in time to be of value.

With respect to the second category, above, it should be stated that the heading, as submitted by the Department of Defense, is somewhat misleading. It was testified by employees engaged in this activity at the Norfolk shipyard that these shops are primarily chronometer repair facilities and only a portion of the work is on clocks or watches. The shops have nothing to do with jewelry.

The present facilities were established in 1950 at the time this work was discontinued at the Naval Observatory in Washington, D. C., with one chronometer repair shop on each coast. In proposing discontinuance, the Department in its justifications stated, "* * * it has been determined appropriate to negotiate a one-year trial contract with commercial firms for a portion of the chronometer repair work prior to making a final determination on the future operation of these two facilities. In other words, the Department itself does not know whether or not this work can be performed satisfactorily under private contract. In the meantime it would be risking the loss of the experts it now employs for this purpose. It was also testified, and with considerable logic, that even if the repair and testing of chronometers were done under contract, the chronometers, because of the high degree of accuracy and extremely limited performance tolerances required, would have to be retested before placement on ships on account of possible damage resulting from shipment and handling. It does not appear that the proposal to discontinue these facilities has been given very thoughtful consideration.

The committee is dissatisfied with the manner in which this provision of law has been administered and with the poor judgment shown in certain of the proposals for discontinuing activities made to the Congress thus far. Provisions of the section are recommended for inclusion in the Department of Defense Appropriation bill for 1957. Additional comments of the committee on this provision are found in the report accompanying that bill.

Mrs. CHURCH. I am sure of that. I would like to say this, that we fought over this matter last year. There are many of us who might be affected by accepting this amendment. We are not unaware, further, of the human values involved, to which consideration should be given, and will be given, by those making the decisions.

Yet surely those decisions can and should be left to the Defense Department—and Congress should remove this unconstitutional roadblock to its serious attempts at efficiency and economy.

Some time ago in the other body a notable young Senator wrote a stirring book called Profiles in Courage. I think that we need that kind of courage here today.

The CHAIRMAN. The Chair recognizes the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I rise to oppose the amendment of the gentleman from Illinois [Mr. ALLEN]. We are considering here an appropriation bill for the national defense, for military departments, and facilities upon which our Nation must depend for its safety. Our prime purpose here then is to see to it that our national defense is equipped with all of the facilities to do the job required to adequately and completely protect this Nation.

In various areas of the Nation are located these facilities—the arsenals and navy yards on which the Army, Navy, and Air Force must depend for the production of certain types and kinds of tools and equipment needed by these military services.

Under the proposed amendment of the gentleman from Illinois, the manufacture, the production, of these military equipment necessities would be channeled into private business and taken from the arsenals and navy yards. To do this is an erroneous step for this Nation to take, and, very briefly, this is the reason it is wrong. Private business operates for profit and private gain. The arsenals and navy yards do not. They operate for the benefit of the military services. In the arsenals and navy yards there are thousands of highly skilled workers of many years experience. If the work is taken away from the arsenals and navy yards in favor of private business these facilities must close down much of their operation. This means the skilled workers must go. They must

sell their homes, uproot their families, and go wherever they can get employment. The important fact is they are lost to the navy yards and arsenals for good.

Now if this country should find itself in an emergency facing war or actually in war as we did on December 7, 1941, the military services are going to need the arsenals and navy yards in full capacity. Where would they obtain skilled workers? The older ones would be gone and there would be none in the process of training. Great manufacturing processes and operations cannot be built overnight. In any future war however, 24 hours will be a long time and very vital to the safety of our country.

This appropriation bill is for $32 billion. It is extremely foolish to throw away manufacturing processes and operations and organizations that have taken many years to perfect and billions of the taxpayers money to develop into the efficient facilities they are at this moment.

Our national defense is too vital, too precious, too well organized to be wrecked by political considerations bordering on the selfish. These political pressures to chip away the work so ably done, so efficiently performed by our arsenals and navy yards are resulting in a great disservice, and a great mistake.

There is enough needs of various types in this great Nation for private business. There is no need whatsoever to destroy the work of the arsenals and navy yards on the political grounds this work is needed by private business. To play politics with the national defense is to play with ultimate disaster. The manufacture of munitions, parts for guns, parts for ships, parts for airplanes is a very important operation. Upon the performance of these parts depends the lives of the military men using them and countless others. They must be made perfectly. On a number of occasions, it has been found, private business failed to measure up and men have lost their lives. There is, also, always the possibility of sabotage. Private business cannot be screened as closely and efficiently as can the military services, the arsenals and the navy yards. This was proved during the last war.

It seems to me there is enough required by this country together with the world responsibility it has assumed, particularly with our allies, for private business to have all that it can handle without taking the work away from the arsenals and navy yards, the work they perform so well and on which so much and so many depend.

These, then, are some of the reasons why I am opposed to this amendment.

The CHAIRMAN. The gentleman from Virginia [Mr. HARDY] is recognized.

Mr. HARDY. Mr. Chairman, the experience of this past year with the operation of this particular provision, it seems to me, points up very clearly the need for the continuation of this or a similar provision. We talk about small business. Once it was proposed to close the chronometer shop at Norfolk because the watch industry of this country was sick, yet there was a total of only 11 people employed in the chronometer shop. How silly can we get?

I completely agree that there are many of these things that should be closed but they should be done on the basis of practical commonsense.

I will agree also that perhaps consideration of specific proposals should be referred to the Armed Services Committee of which I am a member, but until we have the authority under which that committee can take these matters up we must retain this section 633.

I would like to mention just one specific proposal that was recently under consideration by the Department of Defense. That was a proposition to prohibit the manufacture of acetylene gas in the shipyard in Portsmouth in my district. Prominent business people in the shipbuilding and repair business tell me that the navy yard could not oper ate efficiently without producing and controlling the supply of acetylene. We must maintain our shipyards and we must permit and provide those essential subordinate activities which operating efficiency and effectiveness require.

I could cite other proposals which like this shows how far these crusaders would go if we let them. Congress must maintain a check on disposal as well as inauguration of business-type activities. Until new legislation is provided from the Armed Services Committee this section should be retained.

The CHAIRMAN. The gentleman from Indiana [Mr. BROWNSON] is recognized.

Mr. BROWNSON. Mr. Chairman, we have been hearing from distinguished members of the Appropriations Committee of the insignificant size of the commercial type operations involved in section 633. "An 11-man operation, a 31-man operation, a 50-man operation," they say. Their very testimony points out that this is truly small business which they are discussing; the very type of small business I am striving to protect from the competition of big government. The more they talk the more sure I am of the insidious qualities of section 633 which will be removed from this bill by the amendment of the gentleman from Illinois [Mr. ALLEN].

There are several vital issues which must be discussed this afternoon before we vote. Is this section of the bill constitutional? Is it proper and legal to direct the President to beg of the Congress permission to remove the Defense Department from areas of operations which are not its normal concern? Are we to allow log-rolling to rise above the welfare of our constituents?

When you vote on this amendment, today, remember President Eisenhower's message last year when he signed this same appropriation bill reluctantly and said, forcefully:

> This section violates the constitutional principles that the three branches of the Government are separate and coequal. The Congress has the right and power to grant or to deny an appropriation, but once the appropriation is made the appropriation must, under the Constitution be administered by the executive branch of the Government alone, and the Congress has no right to confer upon its committees the power to veto executive action or to prevent executive action from becoming effective.

Editorial comment from responsible publishers has been almost universally favorable to the elimination of this stumbling block in the path of Federal efficiency. In my own district the Indianapolis Star, the Indianapolis News, and the Indianapolis Times have expressed themselves in favor of the elimination of section 633 in the interest of economy, efficiency, and constitutional government. Only today, the Scripps-Howard publication in Washington, the Daily News, stated editorially, and I quote briefly:

> Members of the House Appropriations Committee still are insisting on veto power over the Defense Department's program for the disposal of commercial and industrial facilities the Department doesn't need.
>
> The Department was operating some 2,500 such businesses—from clothing factories and ice cream plants to cobbler shops and jewelry repair shops.
>
> The Hoover Commission last year reported the Department could dispense with at least a thousand of these operations—to the large benefit of the taxpayers. But the Appropriations Committee stuck a rider on the money bill saying the Department had to get committee O. K. before dropping any of these enterprises.
>
> Out of 112 proposals by the Department, the committee vetoed 9. And the Department went along with these vetoes—despite President Eisenhower's rebuke to the committee and his avowed intention to ignore the committee orders.
>
> In the new Defense Department appropriation bill, on which the House was due to vote today, the veto "gimmick" is riding high. If the House doesn't kick it out, the Senate should. And if it stays in, the administration has a legal and moral obligation to disregard it.
>
> The duty of Congress is to make policy. The duty of the executive department is to administer law.

My constituents are writing me daily in increasing numbers. They are clamoring and demanding economy and efficiency in Government to pave the way for tax reductions. They ask me, "What have you done to effectuate the recommendations of the Hoover Commission?" If this amendment goes to a record vote as the gentleman from Massachusetts, the majority leader, has suggested, my answer will be plain for all to see. This is the time the chips are down. Those who favor economy can clearly establish their position on this vote today. Only yesterday, the Honorable Thomas P. Pike, Assistant Secretary of Defense, stated in his testimony before the House Armed Services Committee that:

> The Department of Defense is opposed to section 638 of the Defense Appropriations Act for 1956 and inclusion of section 633 contained in the Department of Defense appriations bill for 1957 as reported out of committee.

A previous speaker has referred to those of us who believe that private enterprise can shoulder the responsibility for production for defense as being bleeding hearts. If this be so, I plead guilty, because I have heard few arguments today which establish to my satisfaction the necessity for placing in the path of the Secretary of Defense this legalistic hurdle. Back in 1951 the Bonner subcommittee, of which I was proud to be a

member, established the fact that the armed services were engaging unnecessarily and unprofitably in civilian-type enterprises. Wartimes must not be used as a peacetime excuse for the expansion of big government in competition with its small businesses.

The issue today is clear. When you vote for the Allen amendment to take out this section you vote in behalf of every small-business man in your district; you vote with every taxpayer who seeks economy and efficiency in Government; you support the Hoover Commission; and you vote against big government encroachment in the field of the small machine shop, the local carpenter, the local laundry and the small rubber stamp manufacturer. This is your chance, if you are for the small-business man. He is looking at you today. Stand up and be counted. He can share in our victory when this amendment is carried and the socialistic section 633 is finally removed from the Defense Department appropriation bill. You can share in his gratitude next November.

The CHAIRMAN. The gentleman from Massachusetts [Mr. NICHOLSON] is recognized.

Mr. NICHOLSON. Mr. Chairman, there is a lot more in this than just closing up a ropewalk. The Government in my day has gotten down to the proposition now of trying to run every city and town, trying to take over all the laws and their execution that have been passed through the last three centuries; and I think it is about time that the Government did what the Constitution says it should do. There is nothing in the Constitution that gives the Government the right to go into business. There are a hundred and one other things that the Government has assumed. It is about time that most of us should wake up here and get this Government where we had it. We have been making rope down in Plymouth for over 100 years.

I hope, Mr. Chairman, that today we will start turning back this country to the State and to the people themselves.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I support the Allen amendment and oppose the Sikes provision in the appropriation bill for two reasons. First, I think the Sikes provision is unconstitutional. Second, I think it is socialistic.

No one has had a greater desire than I to see the prerogatives of the Congress preserved. I have frequently complained that Congress has permitted the executive branch of the Government to invade the policymaking, legislative functions of the Congress and I have urged the Congress to take steps to recapture its policymaking power under the Constitution.

By the same token, I do not believe the Congress should attempt to engage in ministerial and executive activities, including day-to-day decisions of the character here involved. In fact, our attempt to invade executive functions and to assume them makes it less likely that we can recapture the policymaking authority which we have lost, because our time is limited and there is just so much we can do.

Let us stick to policymaking and not attempt to invade the executive branch, and let us see that the Executive does not take any more power away from us.

The Sikes provision, while the magnitude of industrial operations it affects may not be great, expresses an underlying philosophy favoring Government performance of industrial and commercial operations instead of Government buying what it needs from the free-enterprise system under which our country has flourished.

This could go on. They start making boxes, then engage in scrap-metal processing, then coffee roasting, paint manufacturing and other manufacturing activities. Where is the end of it? You can justify all kinds of industrial activities such as making aircraft or tanks or ships under the philosophy of the Sikes amendment. Government in business is socialism.

Mr. Chairman, I hope the pending amendment will be agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Chairman, I am for the Sikes amendment and against the Allen amendment, because the Sikes provision is constitutional and it is not socialistic.

The Constitution says that Congress shall provide the Army and Navy; and the President shall be Commander in Chief.

Why should we not inquire into our creature? We created the Army and Navy. Why should we not ask the Defense Department: We have given you that money, what are you doing with it? The Sikes amendment is abundantly sensible and predominantly constitutional. It is ridiculous to say it is not. Everybody knows that.

There is a lot of talk about some of these other things, such as the Hoover Commission. Reference has been made to the Hoover Commission. But they had someone in the Hoover Commission who had an ax to grind for some ship operating company. They came and got the Hoover Commission to say: Let us abolish the Military Sea Transport. If we had abolished the Military Sea Transport where would we have been in Korea when Harry Bridges closed up all the docks? Constitutional? Of course this is constitutional.

Let me tell you something else. We are going to take this thing up in the Committee on the Armed Services. We fought this thing out and we won. We are going to take this thing up in our committee, and that is where it belongs.

If you do not have an accounting of those people in the Defense Department, you do not know where you are.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Chairman, I rise in support of the Allen amendment, and I want to say right off the bat that I am awfully sorry to notice that it is all Members on this side of the aisle who have risen to speak in behalf of it. I am very happy to see the distinguished chairman of the Committee on Armed Services present.

Mr. VINSON. I have a very bad throat. I am for the Allen amendment. I only wish I could speak on it.

Mr. CURTIS of Missouri. The reason I made those remarks was because my interest in this matter came when, as a Member of the 82d Congress, I was a member of the Committee on Small Business and also of the Bonner subcommittee of the then Expenditures Committee. There we found out that there had grown up considerable competition to small business in the Military Establishment. Those committees were chaired by the Democrats, and a majority on the committees, of course, were Democrats, and I honor them for bringing this matter out. Here we have a chance to really continue on ahead with this program, and yet we find many of the people who were originally behind this program now trying to thwart it by throwing this particular Sikes amendment in the way.

There is one other aspect to the Allen amendment, and I have not much time to talk about it. It is not the United States Chamber of Commerce that is involved in this thing. I think the gentleman from Texas, listing these items as he did, clearly indicated that what I said is true, that we are talking about small business. That is the main area in which the Government is in competition. This is, indeed, a matter of private enterprise and of small business. I hope the Allen amendment will be adopted.

Now, Mr. Chairman, under the privilege to extend my remarks, I want to discuss one other aspect of the defense appropriation bill as reported by the Appropriations Committee. I had wanted to bring the matter out on the floor, but the time limit on debate has precluded this. However, the purpose of calling the matter to the attention of the House and the public is served by this extension of my remarks.

The Appropriations Committee report on page 6 discusses the general problem of the reputed current scarcity of scientists and engineers. The report stated the committee "is not in position to suggest any method or plan of training and education which would foster interest and eventually increase our potential in the field." This, of course, is true for many reasons not the least of which is the fact that the Armed Services Committee is the proper committee of the House to exercise jurisdiction in this area.

This whole matter of military manpower usage requires professional and unprejudiced studies. The human resource studies being conducted at the Graduate School of Business, Columbia University, is one of the most encouraging things being done along this line. Every publication this group has made to date should be familiar to the Armed Services Committees.

Yet the congressional and other governmental agency hearings and reports since World War II on subjects which directly bear on this overall and basic problem, such as universal military

training, extension of the Draft Act, the military reserve programs, military career compensation, the new code of military justice, Federal aid to vocational education, show a lack of comprehension of the basic problems involved.

As long as the Pentagon follows the blind philosophy expressed by General Hershey to the effect that the civilian skills are largely of no use to the Military Establishment and that the military in effect has to untrain and retrain the personnel it intends to utilize, we are not going to be able to cope with these problems.

Eighty percent of the skills needed and utilized by the present Military Establishment are not military—combat—skills, but rather are skills that exist and, in many instances, are highly developed in our civilian society. The supply of scientists and engineers in our society needed to fill our civilian and military requirements is dependent upon an intelligent approach to the entire problem of military manpower usage, recruitment and training.

It is slowly sinking in that the civilian distributive system, for example, should be utilized rather than duplicated by the Military Establishment. And incidentally, the issue on the Sikes amendment is to a large degree a rear-guard action on the military's part to remain in the distributive and servicing fields. I am hopeful that it will also start to sink in that it is just as important that the civilian educational and training system should be utilized rather than duplicated. This means, of course, that the military does not need to draft or enlist personnel to carry out these extensive functions, either as students or instructors. We have permitted our educational processes to be interfered with greatly by the manpower policies of the Military Establishment and we are experiencing some sad results.

I am putting in the Appendix of the daily RECORD an article recently written by James R. Killian, president of Massachusetts Institute of Technology, entitled "Four-Point Plan To Get Scientists" appearing in last week's Life magazine. This article merits real consideration.

The article interestingly enough starts off by accepting as a premise the widely publicized statements to the effect that Soviet Russia is passing us in educational output of engineers and scientists. I think it is about time there was some clarification in this matter of Soviet educational output in these fields. The recent rash of statements from high governmental officials, military leaders, Congressmen, Senators, columnists and commentators, most of which consist in quoting each other on this subject, all have their origin in a very fine study published last year. The book is entitled "Soviet Professional Manpower, Its Education, Training, and Supply," by Nicholas DeWitt, of the Russian Research Center, Howard University. This is a fine scholarly work and it is a shame that most of the statements made by public officials fail to pay attention to what is set forth in the book. Most statements are of such a nature that it is obvious that either the person making them has not read the book or has not used much judgment in evaluating what the book sets out.

First of all the book makes it quite plain that our knowledge about Russia's educational system is quite limited. In fact, Russia's knowledge about her own system is quite limited due to a lack of accurate and meaningful statistics. Second, the educational system of Russia is full of serious flaws.

I will give 2 short references to illustrate these 2 points, but I think it is advisable that anyone who wants to discuss the subject read the book for himself.

On page 133, under the heading "Training in Scientific Fields in Soviet Higher Educational Institutes," subhead four "Comparability of Soviet Scientific-Technical Training and American Professional Education" this basic statement appears:

> In other words a detailed comparative study of the quality of Soviet and American higher education is handicapped by the absence of standards essential for such comparisons. Therefore, this study perforce had to resort to generalities rather than to venture into details. Despite these shortcomings in the present survey, it seems, from the examples discussed above, that the following statements are justifiable.

On pages 146–150 under the heading "Factors Affecting Quality of Training" subhead seven, "Supply and Quality of Textbooks" the difficulties and inadequacies of the Soviet higher educational and professional training set out are such that the alarm being created among the American public about Russia's prowess in this field is incomprehensible. This is made more so when other basic features of the Soviet educational program are presented showing similar serious shortcomings.

The gentleman from Massachusetts, the majority leader, yesterday expressed resentment of the term "fearmongers" being applied to some of the public figures sounding the national alarm on the status of our military might in relation to that of Soviet Russia's. I agree with the gentleman to the extent that we need and will always need honest public discussion and indeed well-founded criticism of our defense problems. But it is quite within the realm of public debate to examine the statements and criticism made to determine if it is indeed based upon studies and intelligent differences of opinion or is based upon rumor, ignorance and catch words. I think the gentleman from Massachusetts will agree with me that misstatements or half statements whether stemming from willfulness or ignorance if creating public fear is fearmongering. I am willing to examine with him some of these statements including several that have been made on the floor during this debate. Regretfully I say that they fit the term "fearmongering."

I think it is doubly important that persons who occupy high positions or through their previous positions appear to have special knowledge in the area of military strengths be extremely careful of the statements they make in this area. Because, in this present cold war the contest to a large degree rests on the impression we or Russia make on the neutral countries. If Russia's game is bluff we certainly assist her in achieving her goal by overstating her prowess.

I am satisfied that much of Russia's game is bluff and I say this feeling quite strongly that it is much better to overestimate a potential enemy's power than to underestimate it. I am satisfied that some—not all by any manner of means—of the statements about Russian prowess are untrue, unsubstantiated, and are utilized to stir up the American people to a concern for their safety. I believe those who do this mean well. They see what they think is a dangerous apathy on the part of our people to the dangers in the modern world. I again say, this is a dangerous procedure when so much of the cold war is directed toward influencing other nations. Indeed, if Russia is so powerful the logical conclusion is their system cannot be as bad as we picture it to be. Well, I think their system is bad and I think their prowess, if accurately judged, bears out this statement.

I am going to close by giving an example of a half-truth that has been bandied about for some time about Russia's submarine prowess. It used to be that a strange submarine was sighted off the coast of California or in the Gulf of Mexico right around the time the military appropriation bill was up. Now the statement that Russia has 400—a couple of years ago it used to be 200—submarines is made by various military leaders and picked up by others, as our chairman of this subcommittee did yesterday in his address to the House. Well, maybe Russia has 400 submarines, but frankly I do not think it can be substantiated. But that is only part of the story.

A major restriction on the effectiveness of submarine power is the number of submarine bases Russia does not possess one ice-free open sea submarine base. Yet these facts do not discourage the irresponsible reiteration of this bit of fear mongering. These facts about the limitation of submarine warfare and Russia's particular limitation in this area is a simple matter to comprehend. It is not at all complicated and not at all classified information. The public can be given this information and the public can grasp the significance of it. So too the public can grasp the significance of other bits of fear mongering if it is pointed out to them. It is time to start separating proper public discussion and criticism in the defense areas from that which is improper, being based upon ignorance or untruths. Both political parties have a stake in accomplishing this.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. BALDWIN].

Mr. BALDWIN. Mr. Chairman, I rise in opposition to the Allen amendment and in favor of section 633 as it stands in the bill. It seems to me, if I understand section 633, it in no way prevents the Defense Department from disposing of activities. It simply requires them to justify that the disposition is for the best interests of this country.

There is one example that occurred during the past years, in the nine cases mentioned by the committee, which seems to me to show the importance of having a check upon this. The Defense Department notified the Committee on Appropriations that it desired to close the paint manufacturing facilities at Norfolk and at Mare Island. When that matter came before the Committee on Appropriations the witnesses from the Navy Department testifying before that committee stated that they did not feel it was in the best interest of the Navy Department that these two paint manufacturing facilities be closed. The testimony before that committee showed that during World War II these particular paint-mixing facilities had developed types of bottom paints for use in our fleet that caused our vessels to be able to stay out in the ocean without coming into drydock approximately three times as long as they had ever been able to stay out before. This particular discovery in these two paint-mixing facilities saved our Government literally millions of dollars from the standpoint of bringing the ships in and getting them back as well as the importance from a defense standpoint of this discovery. In this particular instance private enterprise had an opportunity, but up to that time had never shown that they could develop this particular type of need for the Defense Department.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HIESTAND].

Mr. HIESTAND. Mr. Chairman, I dislike very much to disagree with the distinguished gentleman from California who just spoke, but there are several other aspects in addition to the small-business angle and to the executive responsibility angle that might be here stressed.

First of all, the 84th Congress instructed the Government as far as possible to get out of business competing with its taxpaying citizens. I do not think we stress that enough. We instructed them to do it, and now we have given them the orders to do it, and they are trying to do it, but the proposed section 633 could check on them and force them to bring back request for permission, permission, if you please, to discontinue one man. They have to come to the committees of Congress and wait 90 days for approval and get the approval of both Houses before they can fire 1 man or 2 or 5. The word "silly" has been used. How silly can we get to ask the mighty Defense Department that has this terrific responsibility, when they want to clean up and make this more efficient, contantly to come up here and ask permission for the discontinuation of small departments?

Mr. Chairman, I sincerely hope that the amendment will carry.

The CHAIRMAN. The time of the gentleman from California has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. ALLEN].

The question was taken, and the Chairman announced that the "noes" appeared to have it.

Mr. ALLEN of Illinois. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MAHON and Mr. ALLEN of Illinois.

The Committee divided; and the tellers reported there were—ayes 156, noes 116.

So the amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment with the recommendation that the amendment be agreed to, and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KEOGH, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

The previous question was ordered.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

On page 46, strike out all of section 633, line 21 on page 46 through line 7 on page 47.

The SPEAKER. The question is on the amendment.

Mr. SIKES. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 222, nays 156, answered "present" 1, not voting 54, as follows:

[Roll No. 46]

YEAS—222

Abbitt	Cederberg	Friedel
Abernethy	Chase	Fulton
Adair	Chelf	Gary
Alexander	Chenoweth	Gathings
Alger	Church	Gavin
Allen, Ill.	Clevenger	Gentry
Andersen, H. Carl	Cole	George
	Colmer	Gray
Andresen, August H.	Coon	Gross
	Cooper	Haley
Arends	Corbett	Halleck
Auchincloss	Coudert	Hand
Avery	Cramer	Harden
Ayres	Cretella	Harrison, Va.
Baker	Cunningham	Harvey
Bass, N. H.	Curtis, Mo.	Hébert
Baumhart	Dague	Henderson
Beamer	Davis, Ga.	Heselton
Becker	Davis, Tenn.	Hess
Bennett, Mich.	Davis, Wis.	Hiestand
Berry	Dawson, Utah	Hill
Betts	Devereux	Hinshaw
Boggs	Dies	Hoeven
Bolton, Frances P.	Dixon	Holt
	Dodd	Hope
Bolton, Oliver P.	Dolliver	Horan
	Dondero	Hosmer
Bosch	Donovan	Huddleston
Bow	Dowdy	Jackson
Boyle	Durham	James
Brooks, La.	Ellsworth	Jarman
Brown, Ga.	Fallon	Jenkins
Brownson	Fenton	Jensen
Broyhill	Fino	Johansen
Budge	Fisher	Jonas
Burleson	Fjare	Jones, N. C.
Burnside	Flynt	Judd
Bush	Ford	Kean
Byrd	Forrester	Kearney
Byrnes, Wis.	Fountain	Keating
Canfield	Frazier	Kilburn
Carrigg	Frelinghuysen	Kilgore
King, Pa.	Phillips	Talle
Knox	Pilcher	Teague, Tex.
Krueger	Pillion	Thompson, Mich.
Laird	Poage	
Landrum	Poff	Thompson, Tex.
Latham	Prouty	Thomson, Wyo.
LeCompte	Rains	Trimble
Lipscomb	Ray	Tuck
Long	Reece, Tenn.	Utt
Lovre	Reed, N. Y.	Van Pelt
McConnell	Rees, Kans.	Van Zandt
McCulloch	Reuss	Velde
McDonough	Rhodes, Ariz.	Vinson
McGregor	Riehlman	Vorys
McIntire	Robeson, Va.	Vursell
McVey	Rutherford	Wainwright
Mack, Wash.	St. George	Walter
Martin	Saylor	Weaver
Mason	Schenck	Westland
Meader	Scherer	Wharton
Miller, Md.	Scott	Wickersham
Miller, Nebr.	Scudder	Widnall
Miller, N. Y.	Seely-Brown	Williams, Mass.
Minshall	Selden	Willis
Morano	Sheehan	Wilson, Calif.
Mumma	Shuford	Wilson, Ind.
Murray, Tenn.	Siler	Winstead
Nicholson	Simpson, Ill.	Withrow
Norblad	Simpson, Pa.	Wolcott
O'Konski	Smith, Miss.	Yates
Osmers	Smith, Va.	Young
Ostertag	Smith, Wis.	Younger
Patman	Springer	Zablocki
Patterson	Taber	

NAYS—156

Addonizio	Gregory	Natcher
Albert	Griffiths	Norrell
Allen, Calif.	Gubser	O'Brien, Ill.
Andrews	Hagen	O'Brien, N. Y.
Ashley	Hale	O'Hara, Ill.
Ashmore	Hardy	O'Neill
Aspinall	Harris	Passman
Bailey	Hays, Ohio	Pelly
Baldwin	Healey	Perkins
Barrett	Herlong	Pfost
Bass, Tenn.	Holifield	Philbin
Bates	Holland	Price
Bell	Holmes	Priest
Bennett, Fla.	Holtzman	Quigley
Blatnik	Hull	Rabaut
Boland	Hyde	Rhodes, Pa.
Bolling	Ikard	Richards
Bowler	Jennings	Riley
Bray	Johnson, Wis.	Rivers
Brooks, Tex.	Jones, Ala.	Roberts
Burdick	Jones, Mo.	Robsion, Ky.
Byrne, Pa.	Karsten	Rodino
Cannon	Kee	Rogers, Colo.
Chiperfield	Kelley, Pa.	Rogers, Fla.
Christopher	Keogh	Rogers, Mass.
Chudoff	Kilday	Rogers, Tex.
Clark	King, Calif.	Rooney
Curtis, Mass.	Kirwan	Roosevelt
Delaney	Kluczynski	Schwengel
Dempsey	Lanham	Scrivner
Denton	Lankford	Shelley
Dingell	Lesinski	Sheppard
Dollinger	McCormack	Sieminski
Donohue	McDowell	Sikes
Dorn, N. Y.	McMillan	Sisk
Dorn, S. C.	Macdonald	Smith, Kans.
Doyle	Machrowicz	Spence
Elliott	Mack, Ill.	Staggers
Engle	Madden	Steed
Evins	Magnuson	Sullivan
Fascell	Mahon	Teague, Calif.
Feighan	Mailliard	Thomas
Fernandez	Marshall	Thornberry
Flood	Matthews	Tumulty
Fogarty	Merrow	Udall
Forand	Metcalf	Vanik
Garmatz	Miller, Calif.	Whitten
Gordon	Mills	Wier
Granahan	Morgan	Wigglesworth
Grant	Moss	Williams, N. J.
Green, Oreg.	Moulder	Wolverton
Green, Pa.	Murray, Ill.	Wright

ANSWERED "PRESENT"—1

Bonner

NOT VOTING—54

Anfuso	Cooley	Hays, Ark.
Barden	Crumpacker	Hayworth
Belcher	Davidson	Hillings
Bentley	Dawson, Ill.	Hoffman, Ill.
Blitch	Deane	Hoffman, Mich.
Boykin	Derounian	Johnson, Calif.
Brown, Ohio	Diggs	Kearns
Buckley	Eberharter	Kelly, N. Y.
Carlyle	Edmondson	Klein
Carnahan	Gamble	Knutson
Celler	Gwinn	Lane
Chatham	Harrison, Nebr.	McCarthy

Mollohan	Powell	Thompson, La.
Morrison	Preston	Thompson, N. J.
Multer	Radwan	Tollefson
Nelson	Sadlak	Watts
O'Hara, Minn.	Short	Williams, N. Y.
Polk	Taylor	Zelenko

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Brown of Ohio for, with Mr. Thompson of New Jersey against.

Mr. Taylor for, with Mr. Anfuso against.

Mr. Derounian for, with Mr. Carnahan against.

Mr. Bonner for, with Mr. Barden against.

Mr. Hoffman of Illinois for, with Mr. Hayworth against.

Mr. Gamble for, with Mrs. Kelly of New York against.

Mr. Kearns for, with Mr. Celler against.

Mr. Williams of New York for, with Mr. Klein against.

Mr. Gwinn for, with Mr. Boykin against.

Mr. Nelson for, with Mr. Buckley against.

Mr. Hillings for, with Mrs. Knutson against.

Mr. Radwan for, with Mr. Multer against.

Mr. Bentley for, with Mr. Watts against.

Mr. Belcher for, with Mr. Zelenko against.

Mr. Crumpacker for, with Mr. McCarthy against.

Mr. Johnson of California for, with Mr. Davidson against.

Mrs. Blitch for, with Mr. Eberharter against.

Mr. Morrison for, with Mr. Powell against.

Mr. Thompson of Louisiana for, with Mr. Polk against.

Until further notice:

Mr. Carlyle with Mr. O'Hara of Minnesota.

Mr. Chatham with Mr. Sadlak.

Mr. Cooley with Mr. Tollefson.

Mr. Deane with Mr. Harrison of Nebraska.

Mr. Hays of Arkansas with Mr. Hoffman of Michigan.

Mr. RAINS and Mr. YOUNG changed their vote from "nay" to yea."

Mr. BOLAND changed his vote from "yea" to "nay."

Mr. BONNER. Mr. Speaker, I have a live pair with the gentleman from North Carolina, Mr. BARDEN. If he were present he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MAHON. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken, and there were—yeas 377, nays 0, answered "present" 1, not voting 55, as follows:

[Roll No. 47]

YEAS—377

Abbitt	Arends	Baumhart
Abernethy	Ashley	Beamer
Adair	Ashmore	Becker
Addonizio	Aspinall	Bell
Albert	Auchincloss	Bennett, Fla.
Alexander	Avery	Bennett, Mich.
Alger	Ayres	Berry
Allen, Calif.	Bailey	Betts
Allen, Ill.	Baker	Blatnik
Andersen, H. Carl	Baldwin	Boggs
Andresen, August H.	Barrett	Boland
Andrews	Bass, N. H.	Bolling
	Bass, Tenn.	Bolton, Frances P.
	Bates	Bolton, Oliver P.
	Bonner	Bosch
	Bow	Bowler
	Boyle	Bray
	Brooks, La.	Brooks, Tex.
	Brown, Ga.	Brownson
	Broyhill	Budge
	Burdick	Burleson
	Burnside	Bush
	Byrd	Byrne, Pa.
	Byrnes, Wis.	Canfield
	Cannon	Carrigg
	Cederberg	Chase
	Chelf	Chenoweth
	Chiperfield	Christopher
	Chudoff	Church
	Clark	Clevenger
	Cole	Colmer
	Coon	Cooper
	Corbett	Coudert
	Cramer	Cretella
	Cunningham	Curtis, Mass.
	Curtis, Mo.	Dague
	Davis, Ga.	Davis, Tenn.
	Davis, Wis.	Dawson, Utah
	Delaney	Dempsey
	Denton	Devereux
	Dies	Dingell
	Dixon	Dodd
	Dollinger	Dolliver
	Dondero	Donohue
	Donovan	Dorn, N. Y.
	Dorn, S. C.	Dowdy
	Doyle	Durham
	Edmondson	Elliott
	Ellsworth	Engle
	Evins	Fallon
	Fascell	Feighan
	Fenton	Fernandez
	Fino	Fisher
	Fjare	Flood
	Flynt	Fogarty
	Forand	Ford
	Forrester	Fountain
	Frazier	Frelinghuysen
	Friedel	Fulton
	Garmatz	Gary
	Gathings	Gavin
	Gentry	George
	Gordon	Granahan
	Grant	Gray
	Green, Oreg.	Green, Pa.
	Gregory	Griffiths
	Gross	Gubser
	Hagen	Hale
	Haley	Halleck
	Hand	Harden
	Hardy	Harris
	Harrison, Va.	Harvey
	Hays, Ark.	Hays, Ohio
	Hébert	Henderson
	Herlong	Heselton
	Hess	Hiestand
	Hill	Hinshaw
	Hoeven	Holifield
	Holland	Holmes
	Holt	Holtzman
	Hope	Horan
	Hosmer	Huddleston
	Hull	Hyde
	Ikard	Jackson
	James	Jarman
	Jenkins	Jennings
	Jensen	Johansen
	Johnson, Wis.	Jonas
	Jones, Ala.	Jones, Mo.
	Jones, N. C.	Judd
	Karsten	Kean
	Kearney	Keating
	Kee	Kelley, Pa.
	Keogh	Kilburn
	Kilday	Kilgore
	King, Calif.	Kirwan
	Kluczynski	Knox
	Krueger	Laird
	Landrum	Lanham
	Lankford	Latham
	LeCompte	Lesinski
	Lipscomb	Long
	Lovre	McConnell
	McCormack	McCulloch
	McDonough	McDowell
	McGregor	McIntire
	McMillan	McVey
	Macdonald	Machrowicz
	Mack, Ill.	Mack, Wash.
	Madden	Magnuson
	Mahon	Mailliard
	Marshall	Mason
	Matthews	Meader
	Merrow	Metcalf
	Miller, Calif.	Miller, Md.
	Miller, Nebr.	Miller, N. Y.
	Mills	Minshall
	Morano	Morgan
	Moss	Moulder
	Mumma	Murray, Ill.
	Murray, Tenn.	Natcher
	Nicholson	Norblad
	Norrell	O'Brien, Ill.
	O'Brien, N. Y.	O'Hara, Ill.
	O'Konski	O'Neill
	Osmers	Ostertag
	Passman	Patman
	Patterson	Pelly
	Perkins	Pfost
	Philbin	Phillips
	Pilcher	Pillion
	Poage	Poff
	Price	Priest
	Prouty	Quigley
	Rabaut	Rains
	Ray	Reece, Tenn.
	Reed, N. Y.	Rees, Kans.
	Reuss	Rhodes, Ariz.
	Rhodes, Pa.	Richards
	Riehlman	Riley
	Rivers	Roberts
	Robeson, Va.	Robsion, Ky.
	Rodino	Rogers, Colo.
	Rogers, Fla.	Rogers, Mass.
	Rogers, Tex.	Rooney
	Roosevelt	Rutherford
	St. George	Saylor
	Schenck	Scherer
	Schwengel	Scott
	Scrivner	Scudder
	Seely-Brown	Selden
	Sheehan	Shelley
	Sheppard	Shuford
	Sieminski	Sikes
	Siler	Simpson, Ill.
	Simpson, Pa.	Sisk
	Smith, Kans.	Smith, Miss.
	Smith, Va.	Smith, Wis.
	Spence	Springer
	Staggers	Steed
	Sullivan	Taber
	Talle	Teague, Calif.
	Teague, Tex.	Thomas
	Thompson, Mich.	Thompson, Tex.
	Thomson, Wyo.	Thornberry
	Trimble	Tuck
	Tumulty	Udall
	Utt	Vanik
	Van Pelt	Van Zandt
	Velde	Vinson
	Vorys	Wainwright
	Walter	Weaver
	Westland	Wharton
	Whitten	Wickersham
	Widnall	Wier
	Wigglesworth	Williams, Miss.
	Williams, N. J.	Willis
	Wilson, Calif.	Wilson, Ind.
	Winstead	Winthrow
	Wolcott	Wolverton
	Wright	Yates
	Young	Younger
	Zablocki	

ANSWERED "PRESENT"—1

King, Pa.

NOT VOTING—55

Anfuso	Eberharter	Multer
Barden	Gamble	Nelson
Belcher	Gwinn	O'Hara, Minn.
Bentley	Harrison, Nebr.	Polk
Blitch	Hayworth	Powell
Boykin	Healey	Preston
Brown, Ohio	Hillings	Radwan
Buckley	Hoffman, Ill.	Sadlak
Carlyle	Hoffman, Mich.	Short
Carnahan	Johnson, Calif.	Taylor
Celler	Kearns	Thompson, La.
Chatham	Kelly, N. Y.	Thompson, N. J.
Cooley	Klein	Tollefson
Crumpacker	Knutson	Vursell
Davidson	Lane	Watts
Dawson, Ill.	McCarthy	Williams, N. Y.
Deane	Martin	Zelenko
Derounian	Mollohan	
Diggs	Morrison	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Brown of Ohio.

Mrs. Kelly of New York with Mr. Derounian.

Mr. Boykin with Mr. Harrison of Nebraska.

Mrs. Knutson with Mr. Hillings.

Mr. Klein with Mr. Taylor.

Mr. Hayworth with Mr. Short.

Mr. Anfuso with Mr. Bentley.

Mr. Healey with Mr. Hoffman of Michigan.

Mr. Polk with Mr. Gamble.

Mr. Preston with Mr. Nelson.

Mr. Davidson with Mr. Crumpacker.

Mr. Morrison with Mr. Gwinn.

Mr. Zelenko with Mr. Hoffman of Illinois.

Mr. Chatham with Mr. Johnson of California.

Mr. Barden with Mr. Tollefson.

Mr. Carnahan with Mr. Vursell.

Mr. Celler with Mr. Williams of New York.

Mr. Carlyle with Mr. Belcher.

Mrs. Blitch with Mr. O'Hara of Minnesota.

Mr. Buckley with Mr. Radwan.

Mr. Multer with Mr. Sadlak.

Mr. McCarthy with Mr. Kearns.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CORRECTION OF SECTION NUMBERS IN DEFENSE APPROPRIATION BILL

Mr. MAHON. Mr. Speaker, section 633 of the appropriation bill for the Department of Defense was stricken. I ask unanimous consent that the numbers of the remaining two sections of the bill be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members speaking on the bill just passed may have permission to revise and extend their remarks and include brief excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the Defense Department appropriation bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 401)

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

The Commission on Organization of the Executive Branch of the Government, headed by former President Herbert Hoover, has set important and desirable objectives for the improvement of Federal administration and for providing more effective methods in the financing and control of Government services. Cooperative action on the part of the legislative and executive branches is required in order to bring about more rapidly the fulfillment of those objectives.

The Commission's report on Federal budgeting and accounting practices is an important contribution toward the attainment of more effective and economical governmental services. It includes significant recommendations showing how the Federal Government can bring about improvements in budgeting, accounting, and management practices generally. Because these recommendations pertain to vital responsibilities of the Chief Executive, I am especially and personally appreciative of the contribution which Mr. Hoover and his distinguished associates have made.

These recommendations of the Commission have been studied extensively by the executive branch with a view toward identifying all possible actions that can be taken to strengthen the administration of the executive agencies. I have already approved plans developed by the Director of the Bureau of the Budget to intensify efforts of the executive branch toward that objective. These plans include actions to accelerate the establishment and use of modern accounting methods and improved budget presentations and controls. I consider it desirable and necessary that the executive departments and agencies actively and fully participate in carrying out these plans.

The actions being taken by the executive branch to put many of the Commission's proposals into effect will require close coordination with the legislative branch and merit the support which the Congress should and can provide. I urge that the Congress seek the early enactment of appropriate legislative provisions to support the major objectives of the Commission's recommendations.

The initial recommendation of the Commission's report on budget and accounting calls for the strengthening of the management review and budgeting functions of the Bureau of the Budget. This is of signal importance to the attainment of the Commission's objectives in this field. It has a direct bearing on how fast and how well the executive branch carries out the plans which I have approved. Because the resources of the Bureau of the Budget must be increased if it is to provide, on my behalf, strengthened leadership in the improvement of executive branch budgeting, accounting, and other management practices, I am proposing to the Congress a supplemental appropriation to permit an expansion of the Bureau's staff for this purpose.

Today's Government demands the use of the best and most economical methods that can be devised. To that end, we should take full advantage of the constructive proposals put forth by Mr. Hoover and his able associates.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 10, 1956.*

HON. CHAUNCEY W. REED

Mr. McCULLOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McCULLOCH. Mr. Speaker, I wish to insert in the RECORD a letter sent to the Speaker of the House of Representatives by the Secretary of State, with a resolution adopted by the Council of the Intergovernmental Committee for European Migration.

Mr. Speaker, this letter concerns our late, great colleague, the Honorable Chauncey W. Reed.

DEPARTMENT OF STATE,
Washington, April 13, 1956.

The Honorable SAM RAYBURN,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: I have the honor to transmit to you a copy of a special resolution concerning the late Hon. Chauncey W. Reed adopted by the Council of the Intergovernmental Committee for European Migration at its meeting on February 20, 1956. As you know, the late Representative Chauncey W. Reed served with honor as a member of a number of United States delegations to the sessions of the Council of the Intergovernmental Committee for European Migration and won the respect and admiration of the council for his many helpful services.

Sincerely yours,

JOHN FOSTER DULLES.

INTERGOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION, FOURTH SESSION—SPECIAL RESOLUTION CONCERNING THE LATE HONORABLE CHAUNCEY W. REED (ADOPTED AT THE 30TH MEETING, FEBRUARY 20, 1956)

The Council of the Intergovernmental Committee for European Migration having learned of the untimely death in February 1956 of the Honorable Chauncey W. Reed, eminent Member of the Congress of the United States of America, distressed by the loss of his devoted services to the committee, wishing to pay tribute to his memory, a person known to all for his humanitarian principles, for his untiring efforts directed to the creation of the Intergovernmental Committee for European Migration, for his capable and effective service as chairman of the Subcommittee on the Constitution, and for his sympathy and understanding as a friend, resolves to request the delegation of the United States of America to convey to the Government of the United States and to his family and friends a copy of this resolution with the expression of the deep sympathy, the regret, and the homage of this Council.

RENE MITCHELL,
Chairman of the Council.

The verbatim report of the proceedings thereon held in Geneva, Switzerland, on February 20, 1956, is as follows:

INTERGOVERNMENTAL COMMITTEE FOR EUROPEAN MIGRATION, FOURTH SESSION—TRIBUTE TO THE MEMORY OF THE HONORABLE CHAUNCEY W. REED, UNITED STATES OF AMERICA, MADE AT THE 30TH MEETING OF THE COUNCIL ON FEBRUARY 20, 1956

The CHAIRMAN (Mr. Micheli, Switzerland). Since our last session we have with great regret learned of the death of Mr. Chauncey W. Reed, a Member of the United States House of Representatives and former chairman of the House Judiciary Committee, a member of the United States delegation at several sessions and chairman of the Subcommittee on the Constitution at the sixth session of the committee in Venice. As chairman of the third session, I addressed on your behalf a telegram of condolence to the Speaker of the House of Representatives and I propose that we should stand to pay tribute to the memory of this generous man who had such a keen interest in the work of the committee. [Silence.]

I should like to submit for your approval the following draft resolution concerning the death of the Honorable Chauncey W. Reed:

"The Council of the Intergovernmental Committee for European Migration having learned of the untimely death in February 1956 of the Honorable Chauncey W. Reed, eminent Member of the Congress of the United States of America, distressed by the loss of his devoted services to the committee, wishing to pay tribute to his memory, a person known to all for his humanitarian principles, for his untiring efforts directed to the creation of the Intergovernmental Committee for European Migration, for his capable and effective service as chairman of the Subcommittee on the Constitution, and for his sympathy and understanding as a friend, resolves to request the delegation of the United States to convey to the Government of the United States and to his family and friends a copy of this resolution with the expression of the deep sympathy, the regret and the homage of this Council."

Mr. HAVEMAN (Netherlands). Mr. Chairman, I was very sorry, as I am sure are all the members of this committee, to hear the sad news of Judge Reed. I would like to express my sympathy with the American delegation in the loss of this important member. He took a large part in drawing up our constitution and showed great interest in many ways in the life of our committee. I remember him addressing the committee several times and I am quite sure that he will live in our memory for a very long time to come. I have the honor to support the resolution submitted by you, Mr. Chairman, to this committee.

Mr. HARRY (Australia). Mr. Chairman, I am sure we shall all regret the passing of Mr. Chauncey W. Reed. For those of us who were in Venice, his chairmanship of the Subcommittee on the Constitution will be an unforgettable experience. He showed then and continued to show, I believe, right up until the time of his death, a very keen interest in the growth and working of this committee, and I feel that a resolution such as you proposed would be most appropriate. Thank you, Mr. Chairman.

Mr. CONTEMPRE (Belgium). Mr. Chairman, I welcome and should like to support the

statements just made by our Netherlands and Australian colleagues, as there is nothing for me to add to the words of praise of those speakers who have preceded me. Mr. Reed was a remarkable president of our very important session in Venice during which our committee's constitution was drawn up. Thank you, Mr. Chairman.

Mr. SPINELLI (Italy). Mr. Chairman, the Italian delegation wishes to associate itself with the acceptance of this resolution for the commemoration of Congressman Chauncey W. Reed. My country has, through the course of centuries, experienced all aspects of migration problems and had the opportunity of appreciating at its fullest the contribution which the statesman of the United States of America, recently deceased, brought to the solution of such problems. The work carried out by Congressman Reed in the drafting of what became our Constitution, which used to be referred to as the Venice Constitution from the time that the most important act of all organizations was perfected, is still present in our minds. The contribution which Congressman Reed made to the committee will not be easily forgotten by any of us and particularly by those who in my country participate in the common effort of this undertaking, trying to improve the social and economic conditions of the people.

(The resolution was adopted.)

Congressman MCCULLOCH (United States). Mr. Chairman, members of the committee. On behalf of the delegation representing the United States of America, I wish to say that we are pleased, indeed, that the resolution in memory of our departed friend and colleague has been unanimously adopted by the committee. It is a fitting tribute to one who, until the very end, did so much for this committee and its great work. Those of you who have been members for a while know of his work as chairman of the subcommittee which drafted the Constitution for this committee, and likewise you know of his masterful presentation of that Constitution to the Congress of the United States, where it was unanimously approved. Our colleague, and my great friend, Chauncey W. Reed had a knowing mind and an understanding heart and if this committee has lost an able friend and adviser, which it surely has, the Congress of the United States has lost an outstanding leader in his important field. Our delegation and our country deeply appreciate and thank you for your resolution of respect and we wish you to know that a copy will be delivered to the members of his family and a copy will be spread on the official Record of the Congress of the United States of America.

GRANTING STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Concurrent Resolution 201, approving the granting of the status of permanent residence to certain aliens, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the resolution.

The Clerk read the Senate amendments, as follows:

Page 2, strike out line 19.
Page 34, after line 4, insert:
"A-6967612, Chang, Chao-Kang.
"0300-447092, Li, Fei-Yu Lin.
"A-7841866, Li, Tieh Tseng."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ADJOURNMENT UNTIL MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week and the week following be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE ON APPROPRIATIONS

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow night to file a bill and report to accompany same on the agricultural appropriation bill for 1957, and that it may be in order to bring that bill up for consideration on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. H. CARL ANDERSEN reserved all points of order on the bill.

SECOND SUPPLEMENTAL APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until tomorrow night, Friday, May 11, to file a conference report on the bill H. R. 10004, the second supplemental appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

NATIONAL RAISIN WEEK

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. SISK] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SISK. Mr. Speaker, I have the honor to rise today to call the attention of the Members to our country's longest celebrated event honoring one of our great food industries—National Raisin Week.

This important agricultural industry is centered around Fresno in my district of California, and this week marks the 47th annual observance of the importance to our economy of this product.

Each year observance of National Raisin Week includes a California-wide contest, participated in by our finest cooks and sponsored by the Central Valley Empire Association, to select the finest and most luscious raisin pie.

Today I have received the prize-winning pie, sent direct from the oven by air express, and I have had the honor, on behalf of the Central Valley Empire Association and the good people of my State, to present it to our honored Speaker. I leave it to the most agile of our Members to determine those who may share it with him.

Through the years, raisins have contributed greatly to California's economy. Since 1851 thousands of California farmers have depended on the stability and vigor of the raisin industry. Substantially all United States raisins and about one-half of the world's supply are produced and processessed in the San Joaquin Valley of California.

From a 500-ton crop in 1878, production of raisins has grown to a crop of 220,000 tons with a first sale value of about $40 million. Some 60,000 persons are directly employed in the industry. Raisins are a versatile food, with a great variety of uses to provide fine flavor and quick energy, alone or in combinations with other food products.

Our raisin industry is progressive and is quick to adopt means of helping itself. It was one of the first agricultural industries to broaden its markets by nationwide advertising, and I am sure many of you will recall from the past the pictured and printed question: "Had your iron today?" The industry stabilizes itself and seeks foreign markets under a national marketing order and has adopted the most modern methods of culture, processing and packaging. Even now, I am asking the cooperation of the Congress and the Department of Agriculture in research work to further expand the usefulness of raisins in packaged food products. This progressive and creative attitude will help solve surplus problems in this industry, and I think the same principles will work equally well in other surplus situations.

I am sure my colleagues will want to join with me and with the people of my district in our observance of National Raisin Week, honoring a great agricultural industry.

LEGISLATION TO STRENGTHEN THE ANTITRUST LAWS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. EBERHARTER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I have today introduced legislation which would strengthen the antitrust laws.

The antitrust laws of the United States, effectively applied, have historically provided the chief bulwark against the development of monopoly in

the United States. Today's headlines make clear that their vigorous enforcement, on a continuing basis, is essential to prevent the spread of monopolistic practices in this country.

One of the most important means of enforcement of the antitrust laws are the so-called private treble damage suits whereby one party, harmed through monopolistic practices of another, may sue under the antitrust laws and recover not only the actual damages suffered, but also an additional amount as punitive damages. It is this combination of compensatory and punitive damages working together which gives private parties the necessary incentives to institute suits under the anti-trust laws, thereby providing the Government with its most effective means of enforcement.

Unfortunately, the income-tax laws operate independently of the antitrust statutes. As recently interpreted by the Supreme Court, the punitive element in an anti-trust damage action constitutes taxable income fully taxable in the year of receipt. As a result of this decision, if a lawsuit is successfully prosecuted or settled against a violator of the antitrust laws, all of the funds so obtained are bunched together in the same year for purposes of the Federal income tax. This produces artificially high surtax rates and causes a confiscatory tax to result. In effect, the present application of the Internal Revenue laws removes all of the private stimulus to enforcement of the anti-trust suits.

To remedy this situation, the proposed legislation would exempt from tax the punitive element in an antitrust damage action—recovered through prosecution of a suit or its settlement. This will insure that parties wronged by a violation of the statute will receive the full benefits conferred upon them by the antitrust laws without dilution by taxes. This will also produce maximum private enforcement efforts as is intended by the Congress.

The bill would make clear as to the compensatory element of the damages—that is, the portion of the recovery which redresses the injured party for damages actually suffered—that this amount can be spread back for tax purposes over the years in which the damages were actually suffered. By this approach the wronged party will be placed in precisely the same position as he would have been had the violation of the antitrust laws never occurred.

In order to make this proposed legislation fully applicable, the bill provides for its application as if it were enacted as part of the Internal Revenue Code of 1954.

RUMANIAN INDEPENDENCE DAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. FRIEDEL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, the 10th of May is the anniversary of Rumanian independence. But the people of Rumania are not free. After more than 10 centuries of sacrifice and struggle for democratic principles; they are once again trying to forge a national unity in order to gain their freedom and independence. Although the ruthless Russian war machine has abolished the celebration of Rumanian independence day, there is still that deep-rooted nationalism and faith in God that arises spontaneously in the hearts and minds of every man, woman, and child of Rumanian descent on May 10. This spirit of faith is the inspiration which welds the Rumanian people together in resisting the despotic rule of communism.

In the past decade, Rumania, has been sealed firmly behind the Iron Curtain. They have been denied all the basic hopes and privileges of free people. Tyrannical dictatorship is the order of the day. Purges, persecutions, and slave labor camps are the rewards of anyone that defies the Communist Government. Yet, with all these formidable punishments to keep the Rumanian people in line, there is still extensive activity by the Rumanian people to break the Communist yoke of despotism. The Rumanian people will not let their inherent consciousness of unity and independence be destroyed by brutality, lies, or stringent oppression.

The barbaric foreign rule of the Russians had not been able to uproot the Rumanian people's sacred attachment to the traditional celebration of the 10th of May. The Russians have deviously tried to alter the significance of this day by celebrating the 9th of May as the anniversary of a Soviet victory. Although flags are now raised on the 9th of May, Rumanians in their captive homeland still celebrate in their hearts and minds the day that follows.

Possibly never before in the history of Rumania has the future looked so dark. But on the other hand, never before has such a devoutly united feeling of hope and freedom arisen from a nation. No matter how dark the situation may seem, Rumania is a nation that in the past has achieved freedom and independence and will again.

We here in America are strongly aware that the Rumanian people have kept their courage and faith. Therefore, on this day representing freedom and independence, I wish to join with the American people in expressing the deepest hope that Rumania will soon be free.

REPORT OF THE BRADLEY COMMISSION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I find there is a very erroneous idea that the Bradley Commission is in reality not a report to the President of the United States as it is, but is a bill that has been sent to us for action. That is, of course, not the case. It is merely a report to the President with recommendations. I hope with all my heart those recommendations to the President will not be carried out. Many of them would make great hardships—I find everywhere and I think very ill thought out. Veterans and their dependents are living in fear.

We have just passed a $32 billion defense bill, expenditures for the men going into the national service. Certainly we want to do everything we can after they come out of the military service to protect them, and show gratitude for their sacrifices. It would be a sorry thing to pass a bill like this but not take care of the men in such matters as compensation, insurance, training, and so forth. As this bill was being debated and acted upon, I constantly thought of our men and women who have given their lives for us and of those who are so splendidly serving us. May I always help and support them in every way possible. I am mindful of the fact that much of the military service is not only trying but also fraught with great danger.

PERSONAL EXPLANATION

Mr. VURSELL. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds and to revise and extend my remarks.

The SPEAKER. Is there objection to te request of the gentleman from Illinois?

There was no objection.

Mr. VURSELL. Mr. Speaker, I just want to say that I was detained on a long distance telephone call from one of my constituents and arrived a few seconds too late for the vote on the Defense appropriation bill. Had I been here I would have made the vote unanimous by voting for the bill, because I supported it in the Committee on Appropriations and in the Committee of the Whole.

RUMANIAN INDEPENDENCE DAY

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, May 10 marks a triple anniversary for all Rumanians. On this day in 1866, Prince Carol, who later became King Carol I, arrived in Rumania and the existence of the Rumanian Kingdom was proclaimed. On the same day in 1877, Rumania gained her full independence. And later, in 1917, the unification of all Rumanian provinces took place on May 10.

Thus this day is far more than the anniversary of a single event. It is a holiday on which we celebrate both the birth and growth of a nation which through the centuries has played a leading role in the cultural, political, and economic development of western civilization.

However, May 10, 1956, is not a joyous occasion for the Rumanian people and their friends around the world. All of us are aware that today the proud people of Rumania are living in tragic circumstances. All progress in that noble state has come to a halt under the crushing heel of the Communist regime.

The Communists have taken drastic steps to crush traditional Rumanian freedom of thought and expression. Because resistance within the country has been so vigorous, Red tyranny has been especially severe. The task of the gallant Rumanian people to keep alive the spark of liberty and national pride has been made that much harder, but they have not failed.

Word leaking out to us from behind the Iron Curtain indicates the degree to which Soviet domination has failed to intimidate the Rumanian people. A prominent case in point is the Rumanian farmer. Since the country is primarily built on an agricultural economy, the Russians have made great efforts to force the farmers to join together in collective farms. But the Rumanian farmers have stood solidly together, and in spite of the exorbitant taxes which have been levied on them and the fact that a large portion of their crop is confiscated by the government, they have resisted collectivization.

By decree of the government, these farmers have been reduced to virtual serfs, but this stringent measure, intended to cow them, has merely served to intensify their opposition to the Communist regime.

On this occasion we pay tribute to those loyal and sturdy patriots who stand fast in their faith for the future of Rumania and assure them that the American people have not forgotten their plight.

The men from Moscow fear Rumanian Independence Day so much that its celebration is denied behind the Iron Curtain. Nevertheless, loyal Rumanians, in their hearts and minds, continue to honor this sacred day.

Let us all hope and pray on this May 10 that the day is not too far distant when the Rumanian people will be able to celebrate openly their historic day of independence, free from Russian domination and once again a member of the family of free nations.

ADDITIONAL COMPENSATION FOR EMPLOYEES OF THE POSTAL SERVICE

Mr. LESINSKI. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LESINSKI. Mr. Speaker, yesterday I had introduced H. R. 11116, a bill to give postal employees a flat $600 pay increase. I am one of the Members of the House who feels that we did not give the rank and file employees an adequate pay increase under Public Law 68 passed early in this session. Many of us tried our level best to provide a better pay increase for the rank and file letter carrier, post office clerk, rural carrier, motor-vehicle employee, mail handler, custodial employees, and others, but our efforts were thwarted by administration opposition and vetoes. The pay of postal employees has not kept pace with the American standard of pay. According to the April 7, 1956, issue of The Nation's Business the Nation's income has increased 335.8 percent since 1941. The postal employee increase has been a mere 210 percent. We live in a dynamic economy, not a static economy. The standard of living is constantly on the move upwards; the increases we have granted to the postal employees have scarcely kept pace with the cost of living; these increases have failed to keep the postal employees in step with the standard of living prevalent in the United States today.

According to a recent study by the Bureau of Labor Statistics, a city worker with a wife and two children in Washington, D. C., for a "modest but adequate" standard of living, requires $4,522 per year. The Heller budget for a wage earner with a wife and two children in the city of San Francisco requires an annual salary of $5,465.74. Is it any wonder that in every large city in the country Civil Service Commission officials are finding few applicants for postal jobs? Is it any wonder that a postmaster in a California city was recently compelled to advertise nationwide to get men to take letter carrier jobs? After 25 years of faithful service the top pay is merely $4,710 per year, far less than the minimum prescribed by the Heller study. The need for an increase of $600 provided for in my bill is very great indeed and should be given favorable consideration.

THE HARDWOOD FORESTS OF THE SOUTH — AN IMPORTANT RESOURCE

The SPEAKER pro tempore (Mr. MILLS). Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 20 minutes.

Mr. SIKES. Mr. Speaker, I want to discuss with you for a few minutes one of our most neglected and one of our most important resources, the hardwood forests of the South. I use this term "neglected resource" advisedly because the hardwood forests of the South are truly a great resource and in comparison with the attention other kinds of forests are receiving, they are really neglected.

First, let us see how large the resource is and what it means to the country as a whole, as well as the South. The total land area of the Southern States from Virginia through Tennessee to the eastern half of Texas is about 329 million acres. Of this, 193 million acres are classed as commercial forest land, or land available to grow forest products for commerce. The hardwood forests occupy one-third of the total land area of the South—an area one-third greater than the renowned southern pine.

This vast area supports nearly 175 billion board-feet of hardwoods in trees large enough for lumber. According to the most recent estimates, nearly 5 million feet of hardwood lumber were harvested in 1 year in the South. This cut was 60 percent of the total hardwood lumber produced in the country. So it is amply clear that the production of hardwoods occupies an extremely important part in the economy of the South and of the Nation.

One significant point to remember about hardwood lumber, much more than softwood, is that it enters into many remanufacturing processes, thus contributing more to labor and industry than the sawing of boards alone. The fabrication of hardwood lumber into furniture well illustrates this point. Through the manufacturing process the value of the wood is enhanced many times.

Manufacture of furniture is a good example of a rapidly growing southern industry dependent in large measure on southern hardwoods. The South now manufactures over 40 percent of all furniture made in the Nation. And much of the furniture made elsewhere is made from lumber from these southern hardwood forests. Hardwoods suitable for fancy veneers, paneling, and flooring are our most valuable forest trees. The place of hardwood in general construction is too well known to require comment. So again I say hardwoods are a very important resource.

But we do have problems that retard progress. The vast area of hardwood timber is something that Nature gave us and we have been cutting the best of it and letting the poorer species take over. This creaming process has left us with gradually deteriorating forests in terms of quality. Fires, disease and insects have all contributed to this situation. Fires in hardwoods are less spectacular than in pine forests but more insidious in their damage. Hardwoods have thinner bark and they do not have any pitch to heal over the fire scars. As a result the wood is exposed to decay and attack by insects. The losses from decay are enormous. Very little is known about these wood destroying diseases and insects which cause such heavy losses in hardwoods. Improved methods should be developed for detecting and combating them.

Because of these damaging agents our hardwood mills find a high percent of decay and cull in what ought to be high quality logs for furniture, flooring, and other special uses. In pine forests, after a severe fire you start over with a new stand of seedlings or a new plantation. With hardwoods you are likely to have the ground occupied by a stand of culls and sprouts and you cannot get a good forest back without investing a lot of money to get rid of worthless trees.

So the fire problem is different, and the firefighting job is different too. It calls for different equipment and methods. To get ahead, we need an active fire research program tailored to fit problems on hardwood lands.

How to achieve more intensive utilization and marketing of low-grade hardwoods is an extremely important problem. High quality hardwoods can be sold easily. The big problem is lack of sufficient markets for the poor grades. This problem is especially acute on small

holdings in the South. There are 1.8 million private owners of small forests who own three-fourths of all commercial forest land in the South, and one-fourth of all the forest lands in the Nation.

The use of hardwoods for pulpwood in the South has more than doubled during the past 5 years but that still accounts for only a fraction of the hardwood pulpwood supply available. Expanded use of hardwoods for other products such as lumber and veneer has been encouraging but inadequate. Research must develop more efficient methods of timber marketing, improved procedures for supplying timber owners and operators with market and price information, and new outlets for surplus low-grade hardwoods. Progress should be possible with a stepped-up program of research in the processing of lumber from little used species and lower grades. What is needed more, however, is utilization outlets for large volumes of wood not suitable for sawing and fabrication. Further development in the pulping of hardwoods is one distinct possibility.

A promising field for using large volumes is that of chemical conversion. Wood, and especially hardwood, can serve as a base raw material for manufacture of many needed chemical products. The pyramiding plastics industry, for example, demands each year a much greater variety and amount of organic chemicals. Acceleration of research in chemical utilization of hardwoods applicable to southern species is needed.

In much of the South hardwoods are replacing pines as the great demand for softwood timber results in removal of the pine forests. This poses two problems. First, is the land better suited for growing pines or hardwoods and, second, how can the hardwoods be removed feasibly if the land is better suited to pines? There need to be, then, studies of the soils under which the many important hardwood species will do best in comparison with the pines. Such an approach will guide timberland owners in how to manage forest land most profitably.

An extreme case of where scrub hardwood has taken over a former pine area is in my own district in west Florida. Here there are large areas where the soil is too sandy to grow good hardwoods and the scrub oaks now present do not grow to real tree size. The obvious answer is to replace the scrub oak with pine if a way can be found. As I have stated on this floor before, a way is being found by the forest research men through the use of heavy machinery and the landowners of that area are pretty happy about the progress being made. It looks like we are on the way to a solution of this particular idle land problem.

I would not want to give the impression that all hardwood production problems are concerned with poor quality hardwoods. Actually we have millions of acres where good hardwoods still occupy the land. For example, in the bottomlands and on the better upland soils very fine hardwoods can be grown. For these forests there is a general lack of information on the best way to care for and harvest the trees and keep the land growing the more desirable kinds of hardwoods.

The hardwood forests of the South present both an opportunity and a challenge. They now support an important segment of the economy. Through an adequate research program in protection, utilization, marketing, and management they could be made to do much more.

It is with great gratification therefore that I observe that the Senate has seen fit to increase the funds for the forest-research program of the Forest Service, a substantial portion of which should be available for work on hardwoods. I sincerely hope that the House will support this increase.

PRESERVATION OF STATES RIGHTS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Georgia [Mr. BROWN] is recognized for 30 minutes.

Mr. BROWN of Georgia. Mr. Speaker, while we were a group of Thirteen Colonies struggling for the right to be independent we were warned "no free government, nor the blessings of liberty, can be preserved to any people, but by a firm adherence to justice, moderation, temperance, frugality, and virtue, and by frequent recurrence to fundamental principles."

Our progress as a Nation is written in our devotion to the fundamental principles of our Government. We are a Federal Republic created by a group of sovereign States. Our charter of existence as a Nation is a document wrought soundly by men with strong faith in the principles they advocated. How difficult it must have been for these men to surrender the smallest portion of their right to local self-government. Only the complete failure to establish a nation under the Articles of Confederation convinced them that some surrender was necessary.

So to a Federal Government they delegated those powers which are essential to a national government. All other rights and powers were expressly reserved to the States and the people. And these are the rights and powers of a people who fought to govern themselves locally in the light of traditions of their own creation.

In our Constitution has been written the method by which our laws shall be enacted. What has happened through the years? Have we forgotten the fundamental principles so deeply embedded in our traditions? The penetrating vision of Jefferson warned us long ago:

> It is not by the consolidation or concentration of powers, but by their distribution, that good government is effected. Were this country not already divided into States, that division would have to be made, that each might do for itself what concerns itself, and what it can so much better do than a distant authority. If we were directed from Washington when to sow and when to reap, we would soon want bread.

We are today faced with our most serious internal crisis in many years. I refer to the issue of desegregation, raised by the Supreme Court on May 17, 1954. No other question has so greatly aroused human passions. The recent decision in the segregation case is but one of many instances of judicial legislation against the constitutional rights of our States. It is the constitutional prerogative of the Supreme Court to judge laws enacted by Congress when an issue is properly before the Court. It is not the function of any court to effectively amend a law into something more than the language of the law says it is. This practice has been disastrous to the rights of our States.

A review of recent cases of the Supreme Court clearly reveals that confusion has been created in many fields throughout the various States as a result of the Supreme Court having embarked upon a course of substituting personal concepts for the written provisions of the Constitution and of the laws enacted by the Congress. These personal concepts are set forth in recent opinions which more closely resemble essays on the establishment of a new social order than judicial decisions. In these opinions the Supreme Court acknowledges that words to them may have one meaning when written and another meaning when interpreted by the Court. In these opinions the legal precedent of judicial decisions has been abandoned, and in its interpretation of the 14th amendment to the Constitution, the Supreme Court has ignored the authority of the Congress to enforce by appropriate legislation the provisions of the 14th amendment. In one of these opinions the Supreme Court has spoken of looking beyond the tangibles, and in another it has looked beyond the language of specific acts and construed several acts of the Congress when taken in combination to constitute a plan by the Congress to take away the rights of a State.

The segregation cases are but one example of the effect that Supreme Court decisions are having upon the States and the fundamental rights of the individual citizens. The fact that the Supreme Court stated in the segregation case that it cannot turn back the clock to 1868 when the 14th amendment under consideration was adopted cannot, of course, be confined to public education. This decision means that to the present Supreme Court the wording of the 14th amendment had one meaning when it was written into the Constitution in 1868 and another meaning today.

This new concept of the Supreme Court strikes at the very heart of judicial interpretation and constitutional government in America, for, if the Supreme Court is to be consistent, this new theory of ignoring the meaning of words when written will have equal application to all other provisions of the Constitution, as well as legislation passed by the Congress.

In a decision rendered by the Supreme Court on January 8, 1934, concerning a matter unrelated to segregation, Justice Sutherland thought that it was hardly necessary to say that a provision of the Constitution does not admit of two distinctly opposite interpretations, and that it does not mean one thing at one time and an entirely different thing at another time.

In 1856, Chief Justice Taney stated that as long as the Constitution continues to exist in its present form, it speaks not only in the same words, but with the same meaning and intent with which it spoke when it came from the hands of its framers, and was voted on and adopted by the people of the United States. Chief Justice Taney further stated that any other rule of construction would abrogate the judicial character of the Supreme Court, and make it a mere reflex of the popular opinion or passion of the day.

In 1824, Chief Justice Marshall stated that—

> As men whose intentions require no concealment, generally employ the words which most directly and aptly express the ideas they intend to convey, the enlightened patriots who framed our Constitution, and the people who adopted it, must be understood to have employed words in the natural sense, and to have intended what they have said.

In addition to the unwillingness of the Supreme Court to agree that the 14th amendment continued to mean what it said when adopted, there appears to be the same inclination on the part of the Supreme Court with respect to whether Congress means what it has said in legislation. For, in *Pennsylvania* v. *Nelson* (350 U. S. 497), the Supreme Court held in a decision rendered on April 2, 1956, that the Smith Act of 1940, as amended in 1948, supersedes the enforceability of the Pennsylvania Sedition Act.

In this decision the Supreme Court stated that the Federal statutes touch a field in which the Federal interest is so dominant that the Federal system must be assumed to preclude enforcement of State laws on the same subject. This decision of the Supreme Court precluding the enforcibility of a Pennsylvania State law was rendered even though the Smith Act appears in title 18 of the United States Code, which title codifies the Federal criminal laws, and even though section 3231 of that title provides that—

> Nothing in this title shall be held to take away or impair the jurisdiction of the courts of the several States under the laws thereof.

In this case the Supreme Court ignored the language of the Congress in the same manner that it cast aside the language in the 14th amendment to the Constitution. I am glad that the various States have taken notice of this decision, for its restriction on the rights of the States cannot be limited to the State of Pennsylvania any more than the ill effects of the abandonment of judicial precedent in the segregation cases can be limited to one subject or to one State.

Therefore, I am supporting H. R. 3, introduced by Congressman HOWARD SMITH of Virginia, on January 5, 1955, which provides that no act of the Congress shall be construed as indicating an intent on the part of the Congress to occupy the field to the exclusion of all State laws on the same subject matter, unless such act contains an express provision to that effect. His bill further provides that no act of the Congress shall be construed as invalidating a provision of State law which would be valid in the absence of such act unless there is a direct and positive conflict between an express provision of such act and such provision of the State law so that the two cannot be reconciled or consistently stand together. I urge that H. R. 3 be passed.

The hearings before the House Judiciary Committee, from April 28, 1955, to July 12, 1955, leave no doubt that the States view the encroachment of the Federal Government upon the rights of the States by means of judicial interpretation with serious concern. The attorney general of the State of Missouri stated that the Attorneys General Conference has had the matter of the preemption doctrine under discussion and were very much concerned with it because they think the States are being reduced to more or less vassals and that the Federal Government is being strengthened to an unusual degree. The attorney general of New Hampshire testified that he believed it would be helpful to the Court to have an indication from Congress that you do not want them to find this doctrine of suppression by implication unless there is a direct and positive conflict so that the two cannot stand together. The assistant attorney general of Illinois, the assistant attorney general of South Carolina, and a representative of the Speaker of the Texas House of Representatives appeared in support of legislation. A member of the Wisconsin Employment Relations Board testified that this board is always faced with an attack on the power of the board to take any action. The legislative director and assistant legislative director of the American Farm Bureau appeared as representatives of a voluntary organization of 1,609,000 farm families and quoted from their policy resolution as follows:

> In recent years a number of court decisions have seriously eroded the authority of State governments. The effect of these court decisions has been to declare that when the Federal Government has extensively legislated in a field, it has preempted this field and deprived the States of jurisdiction. Should the Federal preemption doctrine prevail, we foresee the eventual destruction of the States rights. We will actively support legislation to prevent this Federal preemption.

This restriction on States rights was extended to California in *Barrows et al.* v. *Jackson* (346 U. S. 249) in a decision rendered by the Supreme Court on June 15, 1953. In this case a group of citizens had entered into a covenant legally binding under the laws of the State of California, and it was alleged that respondent broke the covenant. The Supreme Court, while acknowledging the right to enter into such a covenant, construed the award of damages through a State court to be punishment of the respondent and thereby decided in favor of the breach of a covenant acknowledged to be legally binding under the laws of California.

In a case decided on May 16, 1955 (349 U. S. 1), the Supreme Court of the United States reversed the Supreme Court of the State of Michigan and in effect held it to be unconstitutional for a State judge to punish a contempt, previously committed before him while acting as a one-man grand jury, after a full hearing in open court. Yet, with respect to Federal courts, rule 42 (a) of the Federal Rules of Criminal Procedure allows a trial judge to immediately and summarily punish for contempt, and the Federal Court rule was upheld by the United States Supreme Court in *Sacher et al.* v. *the United States* (343 U. S. 1) on March 10, 1952.

Of the recent decisions of the United States Supreme Court which I have mentioned, each ignores either the written language of the Constitution or the written language of an act of Congress, and each of these decisions ignores article X of the Constitution which provides that—

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

The means for amending the Constitution has been provided in the Constitution, and this power was not granted to the Supreme Court. The power for enforcing by appropriate legislation the provisions of the 14th amendment are lodged with the Congress under the last of the enumerated powers set forth in the 14th amendment, and this power was not granted to the Supreme Court. In *Gibbons* v. *Ogden* (9 Wheat 188), Chief Justice Marshall wrote that Congress is authorized to make all laws which shall be necessary and proper for this purpose.

The present Supreme Court would have us believe that "the history of the 14th amendment is inconclusive as to its intended effect on public education." Yet, in *Plessy* v. *Ferguson* (163 U. S. 537), the Supreme Court stated in 1896, that the most common instance of laws permitting, or even requiring, separation of the races is connected with the establishment of separate schools, and further stated that this has been held to be a valid exercise of the legislative power even by courts of States where the political rights of the colored have been longest and most earnestly enforced.

It has been pointed out on the floor previously that the same Congress which proposed the 14th amendment to the Constitution provided for segregated schools in the District of Columbia and that when the 14th amendment was submitted and ratified, segregation was and continued to be a matter for the determination of the States. It is an odd legal interpretation which gives less weight to the mutual understanding of the States at the time of the ratification of the 14th amendment than would apply to a contractual obligation between individuals. In Plessy against Ferguson the Supreme Court held in 1896 that the object of the 14th amendment was undoubtedly to enforce the equality of the two races before the law, but in the nature of things it could not have been intended to abolish distinctions based upon color, or to enforce social, as distinguished from political equality, or a commingling of the two races upon terms unsatisfactory to either. In 1896, the Supreme Court further stated that the State legislature is at liberty to act with reference to established usages, customs, and traditions of the people, and with a

view to the promotion of their comfort, and the preservation of the public peace and good order.

Under the Constitution the legislative branch of the Government was established under article I; the executive branch, under article II; and the judiciary, under article III. And I repeat, that under article X, "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people." The Supreme Court has arrogated unto itself powers under the Constitution which were never intended, and has usurped the power of the States and of the Congress by its insistence on invading the legislative field and its refusal to confine its activities to the judiciary. I am sure that the lawyers find it most difficult to advise their clients with any degree of accuracy as to what constitutes the rule of law today, for they must look beyond the Constitution and statutes to the personal concepts of the Court. Almost every field of endeavor can now become a matter for the Supreme Court, whether it be the processing of butter; the title to land; the growing, harvesting, and processing of sugar; the shipment of processed agricultural products; the method of figuring income taxes, or any number of activities which have been interpreted by the Court to be matters for Federal regulation.

The decisions of the Supreme Court affect the daily lives of the people of all of the States. The recent decisions of the present Supreme Court strike at the very foundations of the life we have known in America based upon individual freedom and liberty.

Is it any wonder that editorials are being written which refer to the Supreme Court as a Third House, when the rights guaranteed to the States under the Constitution are being ignored; the authority of the Congress is being disregarded; judicial precedent is being cast aside; and language is being written into the Constitution by means of judicial interpretation? Is it any wonder that the decisions of the Supreme Court bring uncertainty and confusion as a substitute for the peace and good order which earlier Courts felt obligated to preserve? The Constitution of the United States has served us well for more than 160 years, the wisdom and foresight of its framers remain unequaled in history, and it is my belief that it is not less imperative that we adhere strictly to the principles of constitutional government today.

It is now time for the Supreme Court to retrace its steps to the point that its decisions are in accord with the intent and purposes of the framers of the Constitution.

Mr. LANHAM. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield.

Mr. LANHAM. I commend the gentleman for the splendid statement he is making. At this point I want to emphasize the fact that it affects not only us in the South, but the very case that the gentleman discussed earlier in his remarks of *Pennsylvania* v. *Nelson* (350 U. S. 497) shows that the threat is not to the South alone but to our entire country and every State in the Union. Again, I want to say how important this statement is and how thoroughly I agree with my distinguished colleague.

Mr. BROWN of Georgia. I thank the gentleman for his contribution.

Mr. LANDRUM. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield.

Mr. LANDRUM. I compliment my distinguished friend and colleague for the statement he is making here, but beyond that I would like the RECORD to show, and I would like the people to know, that through more than 20 years of service in this Congress, PAUL BROWN has stood for the very things about which he is now talking. Had many of the people throughout these United States who have had the opportunity and the privilege of serving with him observed to the same degree and to the same depth that he has observed and is now observing the real threat that the alien philosophy in the minds of those who now occupy the Supreme Court have brought us to, we probably would not be faced with the many serious threats to the destruction of State government that we are threatened with today. I hope the Members of this body will join in supporting the Smith bill and that more of the Members will come to realize what our friend, the gentleman from Georgia, is saying here this afternoon—and that is that the Supreme Court is out to wipe out the lines of demarcation between the States and the Federal Government and destroy the sovereignty of the several States.

Mr. BROWN of Georgia. I thank the gentleman.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. I would like to say, Mr. Speaker, I have listened with great appreciation to the masterful and learned address which the distinguished gentleman from Georgia [Mr. BROWN] is delivering to the House. I agree with him in these sound sentiments and I join with him also in his support of the bill H. R. 3 and commend the gentleman most heartily for his splendid address.

Mr. BROWN of Georgia. I thank the gentleman.

Mr. SMITH of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. Mr. Speaker, I wish to pay my respects to the gentleman for the fine manner in which he has addressed himself to the most serious domestic issue in which our country is involved today. The gentleman is performing a great service not only to the Congress but also to the country as a whole by the scholarly discussion he is making.

Mr. BROWN of Georgia. I thank the gentleman.

UNDERSTANDING THE SCHOOL DECISION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. HESELTON] is recognized for 15 minutes.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I have listened with great interest to the very able remarks of my friend—and I consider him my personal friend—the gentleman from Georgia [Mr. BROWN], on a matter which is of great importance to everyone in this country.

I am reminded that Prof. Paul A. Freund, the Charles Stebbins Fairchild professor of law of the Harvard Law School, who is considered one of the great constitutional authorities of this country, recently wrote two very able articles discussing the background of the unanimous Supreme Court decision in the so-called school segregation case and the decision itself, *Brown* v. *Board of Education, etc.* (347 U. S. 483).

I placed them in the CONGRESSIONAL RECORD in March. Under permission to extend my remarks, I shall insert them at this point in the RECORD, for I feel they will be of great assistance to anybody who is interested in a dispassionate discussion of the issue involved here. They are:

I

Unanimous decisions of the Supreme Court are uncommon enough in ordinary cases, and especially rare in extraordinary ones. When, therefore, the unanimous decision in the school segregation cases provokes attacks on the Court for "judicial usurpation" and "naked judicial power," the lines of communication between the Court and the people have been badly tangled. The phrases just quoted are taken from the Declaration of Constitutional Principles issued by 19 Senators and 81 Representatives in the United States Congress.

This declaration (popularly known as the Southern manifesto) is only the latest and most dramatic item of evidence that we may be facing not only a crisis in race relations but—what could in the long run be even more shattering—a crisis in the role of the Supreme Court as the authoritative voice of our highest law. The latter threat, no less than the former, calls for the fullest possible measure of understanding.

One thing can surely be said of the segregation cases: They were not hastily or thoughtlessly decided. Every contention now advanced against the decision was presented to the Court in briefs, running to hundreds of pages, and in oral argument. The Court was exceptionally deliberate in its treatment of this litigation. The cases were originally set for argument in October 1952. Argument was postponed by the Court until December. In June 1953, the Court ordered the cases reargued at the following term, specifying certain questions, including historical inquiries, to be canvassed by counsel.

In December 1953 the reargument took place. The Court was assisted not only by the unusually thorough briefs of the complainants and the defendant States but by a full-scale brief submitted by Attorney General Brownell, in support of the complainants' position. On May 17, 1954, the decision was finally handed down; but even then the Court avoided precipitate action. Still another argument was ordered on the question of the form of relief.

The attorneys general of all States requiring or permitting racial discrimination in public education were invited to present their views, and the representatives of six States—Florida, North Carolina, Arkansas, Oklahoma, Maryland, and Texas—were in fact heard, in addition to the States directly involved in the cases—Kansas, South Carolina, Virginia, Delaware, and the District of Columbia.

The judgment of the Court was announced on May 31, 1955, more than 3 years after the cases had been docketed there, and after every forewarning that a momentous decision might be forthcoming, but still with forbearance in the order for enforcement. The NAACP had asked for decrees effective not later than the opening of the next school year. The Attorney General's brief had suggested decrees requiring plans to be submitted by the States within 90 days, "for ending, as soon as possible, racial segregation of pupils in public schools."

The Court took the more moderate course of directing the lower courts to enter "such orders and decrees consistent with this opinion as are necessary and proper to admit to public schools on a racially nondiscriminatory basis with all deliberate speed the parties to these cases." The phrase "deliberate speed" is a term of legal art deriving from 18th century chancery practice, and not as certain litterateurs surmised from the haunting refrain in Francis Thompson's religious poem The Hound of Heaven: "Deliberate speed, majestic instancy."

The literary reference does, however, serve by contrast to underscore the judicious restraint shown by the Court. Majestic instancy would have been too heroic a demand for mortal men faced with genuine problems of school districting, allotment of facilities, transfer of teachers, grading of pupils, and similar administrative burdens. Nevertheless the opinion made it plain that delay for reasons of community nonacceptance would not be legitimate. "But it should go without saying," the opinion of Chief Justice Warren declared, "that the vitality of these constitutional principles cannot be allowed to yield simply because of disagreement with them."

Those who disagree with the decision on constitutional grounds argue that it is not justified by either the language or the history of the 14th amendment. The Congressmen's declaration, for example, states: "The original Constitution does not mention education. Neither does the 14th amendment nor any other amendment."

This, of course, is true. The 14th amendment provides that "No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person the equal protection of the laws."

But the argument from the silence of the Constitution about education proves much too much. It is the very essence of the Constitution that it speaks in generalities like "equal protection of the laws," and it is the very essence of the judicial process that it must apply the generalities to the concrete facts of experience. Nowhere does the Constitution mention agriculture; are there then literalists who would conclude that Congress is out of bounds in debating Federal price supports for agricultural commodities?

Note, too, that the argument from the silence of the Constitution would rule out any Federal standard whatever for public education, the separate-but-equal standard no less than desegregation. In this respect the declaration is not free from ambiguity, for it quotes with apparent approval the separate-but-equal doctrine as an "established legal principle almost a century old." It is not clear, that is, whether the usurpation by the Court is thought to begin when any facilities at all are required for the public education of Negroes, or equal facilities in separate schools, or admission without regard to race.

The argument from the historical background, rather than the text, of the 14th amendment, is subtler, and it leads to some basic questions about the nature of constitutional interpretation. To quote once more the declaration of the Members of Congress: "The debates preceding the submission of the 14th amendment clearly show that there was no intent that it should affect the systems of education maintained by the States."

Here there is a further ambiguity. If the meaning is that there was no specific, calculated purpose to deal with education, the statement is undoubtedly true. If the meaning is that there was a specific, calculated purpose to exclude education, the debates are plainer to the signers of the declaration than they were to the Court or to the Attorney General. The word used by Chief Justice Warren to describe the debates is inconclusive. This is hardly surprising, in view of the relatively minor role of public education at the time, and the correspondingly fragmentary attention it received in the spacious discussions in Congress over privileges and immunities of citizens and equal protection of the laws.

Most schooling in the South was private in 1869; for Negroes it was virtually nonexistent there; and throughout the country the public-school system and compulsory education as we know it were in a rudimentary stage. The Congress which approved the 14th amendment did not foresee the development in education which has taken place and did not foreclose the participation by Negroes in that development on a plane of equality, for equal protection of the laws was adopted as a standard without exceptions or exemptions.

Even if the legislative history had shown more evidence than it did of the intention not to cover public education the interpretation of the 14th amendment would not necessarily be circumscribed by that sentiment. The Founding Fathers in the convention of 1787 voted down a proposal to authorize Congress to grant charters of incorporation. This negative vote did not later prevent such charters from being granted and upheld, under general language which the framers approved.

Very often, and very properly, the real intention of constitutional assemblies is to establish principles and to leave the hard questions of their application to be worked out in the unknown future. Thereby trouble is not borrowed for the present, and the unfolding life of the future is not straitjacketed.

The process is misunderstood if it is thought to be peculiar to the 14th amendment. The sixth amendment, for example, provides that "the accused shall enjoy the right * * * to have the assistance of counsel for his defense." When this was formulated in 1789, the right of an accused person even to employ counsel to assist at his trial was denied in England for many types of crimes; not until 1836 was that right fully granted in England.

With us, however, the guarantee has come to mean more than the right to have the assistance of counsel who is employed. It has come to mean, as interpreted by the Supreme Court, the right of an indigent defendant to have counsel appointed for him by the trial court. This is simply an illustration of Chief Justice Hughes' pronouncement in the famous mortgage moratorium case in 1934:

It is no answer to say that this public need was not apprehended a century ago, or to insist that what the provision of the Constitution meant to the vision of that day it must mean to the vision of our time. If by the statement that what the Constitution meant at the time of its adoption it means today, it is intended to say that the great clauses of the Constitution must be confined to the interpretation which the framers, with the conditions and outlook of their time, would have placed upon them, the statement carries its own refutation.

II

Is there, then, no criterion of meaning for the general guaranties of the Constitution? Must the Justices do what they are accused of doing in the Congressman's declaration, substituting personal, political, and social ideas for the estabished law of the land?

The answer is that as the function of a Justice is necessarily something more than to be a grammarian, it is decidedly less than to be a zealot. The Court interprets to us our own ideals implanted in the constitutional document, as they have flowered in our national life. Justice Holmes put a complex idea concisely, in speaking of the provisions of the Constitution: "Their significance is not formal; it is to be gathered not simply by taking the words and a dictionary, but by considering their origin and the line of their growth."

"The line of their growth" is a key to the understanding of the segregation cases. Whatever the purposes of the 14th amendment may serve—and it has come to serve a good many collateral ones, such as the rule of "1 thing, 1 tax" in State taxation—its basic aim concerned equality of rights for Negroes. The development of that concept is a story of successive applications of the principle to a widening variety of practices.

In 1880 the right to be included on juries was established. In 1917 racial restrictions in zoning laws were held invalid, despite the argument of the municipality that property values and public order required the discrimination.

In 1927 the all-white primary election was ruled invalid, despite the argument of the State that primaries are a private political affair. In a passage resembling some current protests, the brief of the State of Texas declared, "It must be remembered that nominating primaries were unknown at the time of the adoption of the Constitution of the United States and of the constitution of Texas in 1876. The question of parties and their regulation is a political one rather than legal."

Although the 15th amendment deals with the right of suffrage, Justice Holmes said, for the Court, "We find it unnecessary to consider the 15th amendment, because it seems to us hard to imagine a more direct and obvious infringement on the 14th."

Then in 1938 a Negro applicant was ordered admitted to the law school of the University of Missouri, despite the State's offer to pay his tuition at a nondiscriminating law school in a neighboring State. Since Missouri had no separate (and equal) law school for Negroes, the color line had to be broken in the State university. Mr. Justice McReynolds, who dissented from the opinion delivered by Chief Justice Hughes, saw clearly enough the line of growth in education, and he did not like it. He said:

"For a long time Missouri has acted upon the view that the best interest of her people demands separation of whites and Negroes in schools. Under the opinion just announced, I presume she may abandon her law school and thereby disadvantage her white citizens without impairing petitioner's opportunities for legal instruction; or she may break down the settled practice concerning separate schools and thereby, as indicated by experience, damnify both races."

All of these cases had their sequels, in which the Court turned back attempts to circumvent the decisions or to blunt their effect by differentiating them from cases coming before the courts. Much of the progress was made before World War II. Since then, in Korea and in military posts around the globe, as well as at home, we have

extended the principle of desegregation. The question before the Court in the school cases was whether the vital growth had come to an end in the educational sphere with the separate-but-equal doctrine or whether it carried through to desegregation.

The Court could have answered in any of three ways. It could have answered as it did, finding that the principle of equality was not exhausted by separate but equal facilities; that as a Nation we had moved beyond that stage in profession and to a substantial degree in practice; and that the real and painful difficulties of adjustment in certain areas would be given proper respect by allowing time for administrative changeovers.

The second possible choice for the Court would have been to leave the matter to Congress under the power to enforce the provisions of the 14th amendment. That course would have been the easiest for the Court to take, but it would not have been the most straightforward.

The advances already made in applying the principle of equality had been achieved through resort to the Court, not to Congress: zoning, primaries, university education. Congress was not in the habit of taking responsibility in this field, or indeed in any of the other ramifications of the 14th amendment as limits on the powers of the States. To have dropped the issue in the lap of Congress would have been extraordinary. Congress, on its part, could have been expected to regard the issue as a judicial one and to play an Alphonse-Gaston game.

The third possibility was to decide that education is not included in the guaranty of equal protection of the laws, or that the guaranty is satisfied by separate public schooling. This would have been a pronouncement that as a people we do not recognize fellowship in the educational process to be a minimum standard for governments to observe in our common life, that the vital growth of the principle of equality has not carried to this point.

Would we have been satisfied with this reflection of our own better nature as a people? For it is just that better nature which we mean the Court to hold up to us in interpreting the Bill of Rights. A philosopher, Alexander Meiklejohn, once described the Court's function in this way:

"That Court is commissioned to interpret to us our own purposes, our own meanings. * * * And its teaching has peculiar importance because it interprets principles of fact and of value, not merely in the abstract, but also in their bearing upon the concrete, immediate problems which are, at any given moment, puzzling and dividing us."

If the Court was wrong in the school cases it is because the Court misjudged our present-day ideal of equality in law. To judge the decision, therefore, is to judge ourselves, all of us, for the Constitution sets a common, not a sectional, standard for the country. That is why it is supremely important that we understand the meaning of the decision and the role of the Court in reaching it. That is why it is important, too, that those who believe the Court judged rightly, as well as the critics, should let their voices be heard.

I want also to refer to one of the very few valuable contributions to this subject made here on this floor or elsewhere in Congress. This was a special order by the gentleman from New York [Mr. KEATING], the ranking minority member of the Committee on the Judiciary on March 15, beginning at page 4223 of the RECORD.

His speech merits and should receive the thoughtful and serious study of every citizen of this country who is interested in this vital problem. It should have the widest possible distribution. I am glad to have this opportunity to call attention to it again. I urge that every group and organization now engaged in presenting the facts as to this problem to the American people should undertake to make it available to every one of its members and to all others who wish to have an understanding of this momentous and historical decision of the Supreme Court.

Our colleague's thorough and careful analysis of the history of the Brown case is by a lawyer of recognized and outstanding ability, an active member of the House Committee on the Judiciary and, for some time, the ranking minority member of that committee, who has had occasion to deal directly with this vital problem of civil rights before that influential committee. I am confident that each of his colleagues, irrespective of his or her individual opinion as to the civil rights issue, will concede that the gentleman from New York [Mr. KEATING] has exercised excellent judgment and strong leadership in making it possible for a majority of the Committee on the Judiciary to recommend recently the enactment of the civil rights legislation which had been recommended by the present Attorney General of the United States.

I want to include here the final two paragraphs of that speech by our colleague from New York, as follows:

To this I would add one more brief quote, from an act done in the First Congress, from which we who are assembled here today trace our origin, in a document signed 180 years ago:

"We hold these truths to be self-evident: That all men are created equal; that they are endowed by their Creator with certain unalienable Rights; that among these are Life, Liberty, and the pursuit of Happiness; that, to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed."

I hope we shall be able to keep this great heritage in focus. I agree with my esteemed friends from Southern States that we are facing challenges akin to those which plagued our Nation in the sad days of reconstruction. But I am sure that, on reflection, none of us will wish to carry his partisanship on this matter beyond the limits of judicial reconsideration, or legislative or constitutional revision. And I hope that the wisdom and restraint of the Court's own language in these decisions will prove helpful to all of us.

I know that the great majority of this House expects and intends that it shall be given an opportunity to express its deep convictions upon these recommendations by the Committee on the Judiciary in the very near future.

I think all will admit, even though they may not approve, the undisputed fact that the executive departments have made substantial and significant contributions in implementing an excellent civil rights program.

Few would challenge the fact that progress has been made in the judicial department, and particularly by the Supreme Court of the United States and by the Federal courts, in defining and upholding the civil rights of American citizens.

Unfortunately, there has been little in the record of Congress over the years, so far as this great issue is concerned, to commend itself. We must admit, with regret, the fact that progress by Congress would have been possible if it had not been for unfortunate delay and obstruction, primarily through such inexcusable devices as filibusters.

Now that a constructive and valuable program has been recommended by a majority of one of our outstanding committees, each of us must accept an individual responsibility for doing everything within his power to insure that the individual Members of this House will have the opportunity to express herself or himself in this field of legislation before adjournment of this Congress. It is an absolute and unqualified responsibility of the House, irrespective of what may happen elsewhere.

Mr. Speaker, I ask unanimous consent further to extend my remarks at this point in the RECORD and to include certain extraneous matter.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

DISTRICT TRANSPORTATION LEGISLATION

Mr. HESELTON. Mr. Speaker, now that H. R. 8901, the District of Columbia transit bill, has been rescheduled for consideration next Wednesday, I want to discuss certain further points with reference to H. R. 10871, which I intend to offer as a substitute for H. R. 8901, if that becomes possible under the parliamentary situation.

I want to emphasize that it is entirely possible that the only vote by the House may well be confined to acceptance or rejection of the committee substitute. Of course, if the committee substitute should be rejected, it would be possible to seek recognition to offer H. R. 10871 as a substitute. However, I want to add that I have also asked the advice of the House Parliamentarian as to whether H. R. 10871 could be incorporated in a motion to recommit and he has advised me that this cannot be done. While I do understand that the simple motion to recommit to the committee might be offered, in view of the time element involved and of all the circumstances, personally, I do not believe that public interest would be served by such a recommital. Consequently, I hope that it will be possible to present the single fundamental issue of whether the charter and franchise of the Capital Transit Co. which was revoked last August by the Congress shall be returned to that company, under its present control, or an interim Authority can be created to carry on the efforts of the District authorities to locate competent private operators prior to August 15, 1959. I hope it is clear by now that public ownership, as such, is not a real issue. Title III, section 301, section 303, and section 305 not only direct a continued effort toward such a sale but would terminate the existence of the interim Authority upon that sale and, most important, would require the Board of Directors of that Authority to report to Congress within 15 days of June 15, 1958, all the steps taken to bring about such a sale

and the reasons for failure to make such a sale, if none occurs by June 15, 1958. Therefore, Congress would retain full and complete authority after the receipt of such a report to pass any legislation it then considers necessary and proper. Only if Congress did not act upon such a report would the permanent Authority come into being.

At this point I want to include a brief memorandum of references I have prepared in order to reply to the inquiries I have received:

Because of the increasing number of inquiries I have been receiving with reference to this legislation I have prepared this brief memorandum of references, thinking it may be convenient for those who are interested in this legislation.

1. The minority views I filed on April 27 is report 2034, part 2.

2. The so-called interim transit bill, which I hope to be able to offer on the floor, is House Resolution 10871.

3. The following citations to the CONGRESSIONAL RECORD to and including May 9 may be of some interest and possible value.

(a) May 2, page 7325.
(b) May 7, page 7592.
(c) May 7, page 7646.
(d) May 9, page 7857.

4. The following citations are to references to comments as to this legislation, although there may have been other references which have not come to my attention:

(a) Congressman HAYWORTH, May 2, Appendix of the Daily RECORD, page A3510.

(b) Congressman MACDONALD, May 8, page 7712.

(c) Congressman MACDONALD, May 9, page 7836.

Several possible amendments to H. R. 10871 have been suggested to me. I have not had an opportunity yet to study them as I intend to do over this weekend. However, it seems to me that some of them are constructive and might improve H. R. 10871, if it becomes possible to offer that bill as a substitute. Therefore, I believe it would be useful to mention them briefly at this time.

The first would be an amendment to insure that, in acquiring any specific items of real or tangible personal property by eminent domain, the interim Authority could not take less than the entire interest in such items of property vested in the owner.

The second would make it clear that the interim Authority would not have the right to take by eminent domain both the assets represented by the capital stock of the Capital Transit Co. and also the capital stock itself.

The third would specify more clearly the employment rights and benefits the employees of the company would have in the event they were transferred to the interim Authority.

The fourth would provide that all present career employees of the Capital Transit Co. would have an opportunity to retain their positions under the interim Authority.

I hope to be able to discuss these, and any other amendments which may be suggested to me, on Monday or Tuesday of next week and to place in the RECORD the precise language of any such amendments as I would feel justified in offering or supporting.

RUMANIAN INDEPENDENCE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Indiana [Mr. MADDEN] is recognized for 20 minutes.

Mr. MADDEN. Mr. Speaker, all Rumanians in America and throughout the world are today commemorating May 10 as their historic day of independence.

The Kremlin, in its efforts to sovietize Rumania, has abolished and prohibited any commemoration of this national independence day. Since 1944 Rumania, a former free country, has been occupied and ruled by large Soviet military forces. The people are living under constant terror and slavery. The peace treaties with Rumania and Hungary provide that the Russian troops withdraw from Rumania and Hungary within 90 days from the conclusion of the Austrian Peace Treaty. After the signing of the Austrian Peace Treaty last year, the Russian troops should have withdrawn from the Rumanian border within 90 days, but up to now, they have not departed and evidently do not intend to do so. Our Government, the United Kingdom, and Soviet Russia are signators for the treaty providing for this withdrawal of Communist troops from Rumania. I firmly believe that it is the obligation of our State Department to insist that the Soviets fulfill their treaty obligations and retire from the Rumanian border. Apparently it was a great mistake to conclude the peace treaty with tyrannical governments forcibly installed by Moscow, but once our State Department made these incredible concessions to the Soviets, we should at least make an effort to see that these treaties are respected. The peace treaty with Austria has been concluded and over 6 months have elapsed, but there is no sign of the Russian troops withdrawing from Rumania and Hungary. The Soviet Union is thus violating its obligations under these peace treaties. Until now, the United States and the United Kingdom have not raised the issue of the withdrawal of the Red troops, although it is their obligation to do so. A profound silence reigns over the whole situation. Moreover, the Communist governments of Rumania and Hungary which have been infringing the treaties and are subservient accomplices to this last Soviet violation, have been rewarded for their crimes by being accepted as respectable members of the United Nations. The State Department should take the necessary steps for asking for the fulfillment of these treaty provisions. Articles 38 of the Rumanian and 40 of the Hungarian peace treaties provide for the procedure to be followed in this case. Congress could raise this vital problem and ask for action on this agreement to which the signature and interests of the United States are involved. Regardless of the recent change of face and smiling visits of Bulganin and Khrushchev to free countries, it is highly necessary that the Soviet dictators be compelled to live up to their treaties and agreements. This so-called change of attitude on the part of the Kremlin is nothing more than a strategic maneuver to get time to consolidate its control over captive nations so their economy can become stronger and in a few years continue their drive for world domination.

Rumania and the people of other captive nations, as well as the people living in free democracies, should not be misled by Soviet diplomatic maneuvers and relax in her fight for freedom and independence. If the people of the free world will continue their opposition to further Communist expansion and also expose the real facts and truth about communism, Rumania and other captive countries will again enjoy self-government and freedom. The history of the world reveals that tyrannical governments who rule by fear, slave labor camps, purges, and mass murders, cannot continue long in power. The Communist tyrant's rule over Rumania is sure to suffer defeat and extinction and we all hope that the day is not far distant.

I wish to incorporate with my remarks on this anniversary commemoration of Rumanian independence, a statement from Mihail Farcasanu, president of the League of Free Rumanians, setting out historical facts on Rumanian independence:

THE LEAGUE OF FREE RUMANIANS—HISTORICAL NOTE ON RUMANIAN INDEPENDENCE

The independence of the Rumanian people was fully reestablished by the Congress of Berlin, 1878, after almost three centuries of being under the suzerainty of the Ottoman Empire. Up to the moment of the Turkish advance into the Danube area the Rumanian lands had been ruled by national Domni (independent princes) who took an active part in the defense of Europe and of Christian civilization, through an unceasing fight against the invasions from the East. "The victories you have gained with equal wisdom and bravery over the unbelievers, our common foe, have raised your fame to the point that your name is on everyone's lips, and all agree in exalting you"—wrote Pope Sixtus IV to Stephen the Great, one of these Rumanian Domni ruling in the second half of the XVth century.

The Rumanian people, descendants of the Roman colonists of Dacia (the ancient name of the land inhabited by the Rumanians) form a strong Latin and Christian outpost at the Eastern confines of Europe. The country, numbering now 20-odd millions, has preserved its national integrity throughout centuries of vicissitudes. A deeply rooted nationalism and Christian faith are once more today the inspiration which welds the Rumanian people together in an unyielding resistance to communism.

The circumstances under which the independence of Rumania was recognized in 1878 are worth remembering.

On the eve of the war between Russia and Turkey on April 16, 1877, Mihail Kogalniceanu, Rumanian Minister for Foreign Affairs, signed a convention with Russia. The convention assured to the Russian armies free passage across Rumania, provisioning and the use of roads and railways, and pledged her to respect Rumanian laws and institutions. Article II of this convention had the following text: "In order that no inconvenience should result for Rumania from the fact of the passage of the Russian troops through her territory, the Government of His Majesty the Emperor of all Russias pledges himself to maintain and to make respected the political rights of the Rumanian State, such as derive from its internal laws and the existing treaties, as well as to maintain and defend the present integrity of Rumania."

What happened immediately after this convention was signed is typical. "Meanwhile the Russian attitude was disquieting," writes the English historian, Seton Watson. (A History of the Rumanians, Cambridge, 1934, p. 336.) "There was a tendency to override or ignore Rumanian susceptibilities and treat the country as a mere Russian dependency. Rumania's cooperation on equal terms was airily rejected by the vain and pompous Gorchakov (the Russian Chancellor): the most that he would concede was that she might join the war uninvited, but in that event there must be complete fusion and unity of command. 'Russia', it was stated quite explicitly, 'does not need the assistance of the Rumanian army'."

But "in the second half of July the Russians suffered more than one reverse, and, finding themselves in urgent need of reinforcements, pressed the Rumanians to come to their aid. * * * Prince Charles, with a fresh army of 50,000 men and 180 guns at his disposal, was this time able to lay down specific conditions for cooperation, and the Russians dismounting from their high horse, gracefully offered him the command of the united armies before Plevna. * * * On September 8 the Rumanian army had its real baptism of fire in the redoubts of Grivita, before Plevna: and the foreign attachés and correspondents were unanimous in their praise of its extreme gallantry and steadiness, which contributed very materially to the final defeat of the Turks." Osman Pasha surrendered on December 9.

The reward for this cooperation came very soon. On January 29, 1878, Gen. Ion Ghica—the Rumanian representative in Moscow—was officially informed that Russia demanded the districts of southern Bessarabia, which had been returned to Rumania by the Treaty of Paris. "The plea that the territory in question had been for centuries an integral part of Moldavia and had fallen to Russia the first time only 44 years before the Treaty of Paris, seems to have made not the slightest impression upon either the Tsar or Chancellor."

The possession of Bessarabia with control of the mouths of the Danube, was cynically made by the great powers an object for bargaining, and the Berlin congress sanctioned this amputation of Rumanian territory to Russia. "In politics," remarked Lord Beaconsfield to the Rumanian Prime Minister Bratianu, "ingratitude is oftentimes the reward for the most distinguished services." It was in vain that Gladstone accused the British Government of "selling Bessarabian liberty to Russia."

A similar incident happened, when, in the autumn of 1944, Sir Winston Churchill sold Rumanian liberty to Communist Russia. But this time there was no Gladstone to protest against this political felony. Thus was the great American principle of self-determination which President Woodrow Wilson upheld and made a reality in Eastern Europe, sacrificed to placate a Communist tyrant. The fact that from September 1944 until the end of the war, the Rumanian army substantially contributed to the Allied offensive and considerably shortened the war, being considered at that time, as the London Times put it, "the fourth combative force," has not affected the cynical bargain between the great powers in 1944. The situation is remarkably similar to that of 1878; when Russia raped a province from Rumania, her ally, who had saved her from defeat.

Rumania has been blatantly subjugated by Soviet Russia on March 6, 1945; through the politically and militarily enforced ultimatum delivered to King Michael, by Andrei Vishinsky 2 weeks after the Yalta Declaration. The United States and the United Kingdom officially recognized this enslavement by signing a so-called peace treaty with the nonrepresentative Moscow installed puppet government in Paris in 1947.

Thus does history repeat itself, but this time with infinitely more tragic consequences both for Rumania and for the world.

AID FOR THE AMERICAN SHIPBUILDING INDUSTRY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 30 minutes and to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I have had called to my attention by William A. Calvin, international president of the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, AFL–CIO, an article that recently appeared in the Wall Street Journal and written by Vinton McVicker.

This alert and progressive union is the bargaining agent for the employees of most of the shipyards in the United States of America and is to be complimented for the legitimate concern it evidences for a distressed and sick industry as well as for the shipyard worker. Mr. McVicker emphasizes that American firms are ordering quite a few new vessels, but that only a relatively small number of orders are being placed with American shipyards. The result is that while the general shipbuilding industry throughout the world is enjoying a high level of activity with a very reassuring backlog of firm orders, American shipyards have been desperately fighting for their very survival because of a dearth of orders for new ships in recent years.

This underutilization of our shipbuilding resources is of great significance to the Nation. First of all, shipbuilding is a highly technical operation, requiring a relatively large force of highly trained and specialized workers. The skills of these workers can be preserved only through constantly practicing their art—that of building vessels. This is possible only when the shipyards have orders for ship construction. In the absence of orders, the shipyards are forced to close down, turning loose their most irreplaceable commodity—their skilled workers.

The immediate distressing effect is to swell the unemployment ranks by the thousands. If the condition is allowed to persist for long, these skilled workers become completely dispersed and are absorbed into other industry, from whence they may never return. The ultimate ill effect would be an irreparable loss to the Nation of its shipbuilding technique. I am certain that the Nation will never permit such a major catastrophe to occur, although we came close to this prior to World War II. It would be unwise and dangerous to permit this condition to develop and to exist.

The second element of significance of the American shipbuilding industry is economic. This industry is a part of our broad economy; and so long as it remains a sick industry, it constitutes a cancerous spot in that economy. In this connection, it must be borne in mind that the industry is an important user of steel and of many prefabricated and finished items.

The shipbuilding industry is of major importance to my district and to the State. In addition to the Navy Yard at Boston, there are the Bethlehem yard at Quincy, and various other facilities throughout the area. The depressed condition of these installations has an undesirable effect on the entire economy of the State. And we are acutely sensitive to the resulting unemployment.

But this is not just a problem for Boston, nor even for New England alone. Privately owned shipyards exist in all coastal areas. Shipbuilding is an important industry on the Pacific coast and in the gulf area, as well as on the Atlantic coast. Thus, this problem of a depressed shipbuilding industry is truly one which is national in scope.

The third element of significance is the extreme importance of the shipbuilding industry to national defense. When war strikes, we are completely dependent on our ability to build ships quickly. Certainly the lesson of two world wars is that a strong merchant marine is absolutely indispensable to our war effort. For the safety of the Nation, we simply must maintain a foundation of personnel and facilities upon which to build and expand, if the time ever comes that we again must build a wartime lifeline of ships. In this respect it has been authoritatively established that the minimum safe nucleus of skilled shipyard workers for mobilization of the industry in wartime is 36,000. At the present time, the total amounts to only 11,000. While the industry is picking up now, we are still a long way from achieving this goal. If war came tomorrow, we would have less than one-third of what has been established as the minimum shipyard labor force on which to build a warshipping potential.

We are seriously concerned with the trend of American firms taking their orders for new ships to foreign shipbuilders. The principal reason advanced is that costs are considerably higher in the United States—30 percent higher, according to Mr. McVicker, and 40 percent higher according to other sources. Thus, they say, cost is the prime factor involved in the placing abroad of shipconstruction orders.

But this is not the complete answer. If we were to apply this reasoning to all fields of production and business activity the results to our American economy would be disastrous, with unemployment and reduced purchasing power resulting therefrom.

However, every study and effort should be made to try and bring our costs as near as possible to the prevailing cost levels in foreign yards, and I am informed from reliable sources that this can be done without affecting the American standard of wages and living among our workers in America's shipbuilding plants. There is a growing conviction that this high-cost problem in shipbuilding can be tackled with great success.

This is a conviction to which I heartily subscribe because I am quite aware of the vital importance of this great industry. For many years it was accepted

without question that the American shipbuilding industry was characterized by high costs and that nothing could be done to lower those costs. This is now being questioned in reliable quarters and some very constructive suggestions have been made.

It is clearly understood that building a large ocean vessel cannot be adapted to pure production-line methods as are employed to manufacture automobiles. But there are being advocated procedures which are expected to result in definite reductions of costs. One outstanding suggestion is for the standardization of basic ship design.

An example of the advantage of standardization was described for the wartime shipbuilding industry. At a particular shipyard which was building tankers, the first round, or in other words, production of vessels on the existing ways, took 149 days. By the time the yard had turned out 10 such rounds of tankers, the time for the 10th round had been reduced to 41 days. High volume of ship orders undoubtedly played an important part in effecting some economies. However, there was definite advantage gained from advancements in methods and techniques.

More and more, as the ship was put together in sections before going on the ways, methods were found to make the production not only faster but less costly.

The Chairman of the Federal Maritime Board and Maritime Administrator, Mr. Clarence G. Morse, has expressed himself on the subject in forthright fashion:

> Break down the cost picture into its various components: a basic degree of standardization can result in greatly decreased construction costs, the ready interchangeability of ships in various trades, the ability to stockpile a minimum of spare parts, improved cargo handling gear, modern propulsion machinery—all the advantages of good basic designing plus the evolution lessons of mass production. And, in the first instance, much lower design and plan costs.
>
> We are putting too much money into paper. I intend to lend my support to having that money spent on iron and steel and still have the best designed, best built and best operated ships of the world.
>
> I don't think this is going to represent any aggregate loss of business to the ship designers because if we don't go along these lines of standardization, in my opinion, we won't have the total amount of shipbuilding we are all working toward. As a matter of fact, the impact of all these programs will be so great that it will be difficult to meet the normal engineering requirements. There are many and varied modifications that each operator will need for his particular trade; in each of our joint enterprises under the subsidy laws there is a constant exchange of ideas and planning with the individual operator and his design agent. And there are limitless horizons ahead for the design of new and specialized equipment and building techniques which will call for all our expert services.
>
> I must repeat, the Government is not in favor of nonstandardized ship types. This position, I submit, is consistent with our entire economy; we must cut down on the overhead before we price our merchant marine out of business. Another thing which is often forgotten—our greatest problem today is not ship design, it is not ship operation—basically it is ship construction. We need more work and more skilled workers in our shipyards.

The Maritime Administration has implemented its position on vessel standardization through the establishment of a proposal for seven basic ship designs. The 7 consist of 4 dry-cargo types, a tanker, a bulk carrier, and a ship designed to carry truck trailers.

The last named type of vessel represents the water carrier counterpart of the railroad operation known as trailer on flatcars. Ship-trailer operations hold some promise of helping to revitalize coastwise and intercoastal shipping. Such a development is especially significant since by law only ships built in the United States can be used in coastwise or intercoastal trade.

A related factor germane to this discussion concerns the threat of block obsolescence, or having the existing merchant marine fleet become obsolete in a relatively short period of time. The threat involved in block obsolescence is having to replace a large number of ships in a few years' time. This leads to a very unstable, feast-or-famine condition in the shipbuilding industry. The solution is to place into effect a leveling off plan for ship replacement. Such a course would lend some assurance to shipyard operators of the continuing availability of a reasonable number of orders for new construction.

After reaching an alarmingly low level in recent years, the shipbuilding industry in the United States has received some encouragement lately. Favorable congressional legislation is one factor. Ships to accommodate truck trailers, mentioned earlier, is another factor. The prospects for shipbuilding activity have decidedly improved.

Now that we are in the process of revitalizing our shipyards, I think that this is an excellent time to consider new cost-saving methods and techniques, including the proposal to standardize the basic design of ships. It is my considered judgment that now, while shipyard operators are in the process of planning for the future of the industry, the operators should sit down at the conference table with labor representatives to seek new methods and techniques, and ways of adopting them. I recognize fully that it is a wise course to permit labor to have a voice in such far-reaching proceedings. And I am confident that both management and labor will recognize my proposal as a suggestion for positive action to aid in reviving the shipbuilding industry in the United States and maintaining it at the high level at which it properly belongs.

Mr. Speaker, we in America have a proud maritime heritage which has evolved through all the years of our existence as a Nation. We have built good ships to serve our foreign commerce needs, and those of other nations. This heritage is threatened because of high costs of operation in relation to the shipbuilding industry abroad. We need to effect significant savings in shipbuilding, and I am confident that with all our technological knowledge and inventive ingenuity we can devise methods and techniques which will result in such savings. This, Mr. Speaker, is the positive, forward-thinking approach to our shipyard problem.

The article that appeared in the Wall Street Journal follows:

RUNAWAY SHIPS—MANY AMERICAN FIRMS BUILD MONSTER VESSELS IN FOREIGN SHIPYARDS—TANKERS IN FRANCE, JAPAN; ORE CARRIERS IN GERMANY; BANANA BOATS IN BRITAIN

(By Vinton McVicker)

A CLOSE LOOK AT HAMBURG

HAMBURG.—To discover many of the merchant ships, great and small, which American companies are building today—and will build tomorrow—you must seek out shipyards in foreign lands.

At this moment Tide Water Associated Oil Co. is negotiating with French yards at Dunkerque and St. Nazaire to build 2 gargantuan tankers, each capable of splashing along at 17 knots, hauling 60,000 or more tons of crude oil in a single trip to its new Delaware River refinery from the neutral zone between Saudi Arabia and Kuwait. The expectation is that when delivered, in 1958, these would be the world's largest tankships, though so hot is the competitive pace of construction that no one can guarantee it. Tip one of these craft on end and it would fall just a few feet short of the RCA building in Rockefeller Center. Its total weight, loaded, would be over 80,000 tons—exceeding the *Queen Elizabeth*, world's largest liner. The price: Probably at least $8 million apiece.

A monster almost as large, and the biggest thing of its kind now afloat, is the 55,000-ton-capacity Sinclair *Petrolore*, which arrived at Santos, Brazil, a few days ago with a cargo of crude oil from Kuwait. It is of a revolutionary design, capable of hauling not only oil but also such dry cargo as ore and coal. Built this year by Universe Tankships, Inc., of Liberia, an affiliate of National Bulk Carriers, Inc., of New York, the *Petrolore* will be taken over next month by Sinclair Oil Corp. on a long-term lease. Slated for round-the-world service, the *Petrolore* will carry oil from Kuwait to the United States and ore from Venezuela to Japan. Universe Tankships has other vessels abuilding in Japan, two of them even bigger than the *Petrolore*.

Ore ships, banana boats

Here in Hamburg the order books of Germany's largest shipbuilder, Deutsche Werft, have a fresh entry. Hendy International Corp. of Philadelphia has signed up for 8 big seagoing ore carriers. Designed to haul 34,500 tons each, at better than 14-knot speed, the vessels are slated to carry ore for big United States steelmakers, as well as some bauxite for aluminum companies.

In the British shipbuilding center of Birkenhead an ore carrier destined to move bauxite is being assembled at the yard of Cammel Laird & Co. This 31,000-tonner is for Pan-Ore Steamship Co., Panamanian subsidiary of Aluminum Co. of America. Three 6,000-ton banana boats are being put together near Glasgow, Scotland, by Alexander Stephens & Sons, for a subsidiary of United Fruit Co. The same yard is making, for the same customer, an 8,700-ton cargo ship which will also carry passengers.

This is the merest sampling of the American business flowing into foreign shipyards. While United States yards are operating at a fraction of capacity, West Germany's yards have enough domestic and foreign business booked right now to keep them busy for 2 or 3 years, and Britain's shipbuilders have about 4 years' work in hand.

The explanation, of course, is that United States costs run at least 30 percent higher; American yards would get almost no business except for Federal construction subsidies to shipping lines. The oil companies and others who receive no subsidies turn to a cheaper source of supply. This great group includes even some of the shipping lines. For instance, Isbrandtsen Lines of New York,

through its affiliate, Liberian Steamship Co. of 1955, Inc., has ordered a motor cargo ship of 4,550-ton capacity to be delivered late next year by Howaldtswerke Hamburg A. G., a yard owned by the German Government.

Even with a 10-percent pay increase that took effect October 1, the highly skilled craftsman in a German yard still averages only about 54 cents an hour. The parking lots at the gates hold motorcycles, motor-scooters, and bicycles, with only a sprinkling of Volkswagens and other tiny German cars. There have been no strikes and no threats of strikes.

Such competition is likely to seem unfair to United States shipbuilders, who are constantly seeking more Government aid. But the fact is that dollars spent abroad for ships all find their way back to America in the form of demand for the myriad products which can be made cheaper in the States. The foreign shipbuilding boom itself creates such direct demand for United States wares; so far this year Germany has imported about 50,000 tons of ship plates—all of it from American steel mills.

Subsidies are not unknown in shipbuilding industries abroad, of course. The French Government pours subsidies into its yards, as into most of its export industries. The principal question in Tide Water's negotiations for its two new supertankers is how large a French subsidy will be made available. Germany has spurred shipbuilding with tax incentives and loans at cheap interest.

Tanker building

Even a casual glance shows that the international oil companies, including those headquartered in the United States, are prime instigators of the shipbuilding boom.

The Texas Co. now has a couple of 28,000-ton tankers abuilding at the Harland & Wolff, Ltd., yard in Belfast, Ireland, and 2 more turbine tankers of about the same size at the Deutsche Werft yard here in Hamburg, which earlier this year launched an 18,300-ton motor tanker for the company's Norwegian subsidiary. The company has a 16,000-ton tanker under construction in Norway and an 18,000-ton vessel in the works in the Netherlands.

Overseas Tankship, Ltd., an affiliate of Caltex, the joint creature of Standard Oil of California and the Texas Co., has two 18,000-ton tankers going up in the United Kingdom shipyards of Hawthorn Leslie, Ltd., and Scott's Shipbuilding & Engineering Co., Ltd.

Standard Oil of New Jersey affiliates have 27 tankers on order, mostly from foreign shipyards, and in the foreseeable future expect to order 26 more. One subsidiary, Panama Transport Co., has ordered two 35,500-ton tankers from Italian yards. In the Netherlands, Jersey Standard's Dutch affiliate expects delivery next spring of a 26,650-ton tanker, the Esso Nederland. In Denmark, the company's Danish affiliate has on order a 26,225-ton tanker.

French yards have just completed one 37,000-ton tanker, the Esso France, for the French affiliate of Standard Oil of New Jersey, and another tanker, the Esso Colombia, will shortly be launched for another subsidiary, Panama Transport. A British affiliate has two large tankers on order at the Vickers-Armstrong yards at Walker-on-Tyne, three small tankers going up in Yorkshire, and a bitumen carrier in Aberdeen, Scotland.

Jersey Standard's German shipping subsidiary, Waried Tankschiff-Rederei, has just placed orders with three Bremen and Hamburg yards for six 36,000-ton tankers, to cost about $36 million. The new order was given just as the company received the last of four smaller tankships from German yards. And the British affiliate of Esso has ordered two large tankers in Germany.

Britain still leads

Great Britain is still by far the world's biggest shipbuilder, with 2,147,000 gross tons under construction as of September 30, up from 2,058,000 a year earlier. But its share of the booming construction around the world was somewhat shrunken—34 percent compared with 37 percent a year before. One big reason: The postwar revival of the shattered shipbuilding industries of Japan and Germany. Germany nosed out Japan for second position last year; they are fighting it out again now. The Netherlands, France and Italy are not far behind.

Britons admit their prices are about 10 percent higher than German quotations, and delivery dates tend to be more distant. One result: Only about 24 percent of orders received in the past 12 months have been for foreign customers. In contrast, about 70 percent of Germany's total order backlog, about 2.4 million gross tons, represents foreign business. So perhaps it's worth a closer look.

German shipbuilding centers in Hamburg and in nearby Bremen, Bremerhaven, Kiel, and Lubeck—an area about the size of New Jersey. As you stroll through one of these yards—dodging trucks and steel-laden freight cars, hearing the rat-a-tat of riveters and thump of huge steel-stamping presses, seeing the sparks fly as flames cut through thick steel plates for ships' hulls, gazing upward at towering spiderwebs of girders in the shipways—it's hard to believe the ground about you was nothing more than a mess of tangled steel and rubble a few years ago.

For all today's rush of building, which keeps more than 90,000 workers busy on overtime schedules, is being handled in yards that for several years after the war lay wrecked and idle. Allied bombs had put them effectively out of service. And what little equipment was left had to be dismantled under orders from occupation forces.

Not until Allied restrictions on German shipbuilding were lifted in late 1950 and early 1951 could rebuilding start. After that, however, the cleanup and reconstruction job was swift. Today West Germany's shipyards equal the world's best in modern machinery and efficient operation. And in skilled, industrious manpower the yard managers say they can't be beaten anywhere.

BOATS IN BRITAIN

Foreign orders mount

As fast as yards were put into shape to resume work, orders poured in. They came first from German firms eager to rebuild their own merchant marine. But business from abroad grew quickly, too.

In 1951, first year of the revival, West German yards turned out 255,910 gross registered tons of ships—nearly all for German buyers. They doubled that tonnage in 1952, and more than half of that year's total was in ships to sail under foreign flags. Steadily upward has been the production curve since then, nearly 700,000 tons in 1953 and over 880,000 tons in 1954. Last year's output was worth about $426 million.

Before World War II, the total output of all German shipyards, including some now behind the Iron Curtain, ranged about 500,000 gross tons a year. Last year's West German production alone topped that by more than 75 percent. And this year the prewar all-German output was equaled by the West German yards in 8 months.

In those 8 months, through August, 182 oceangoing ships, aggregating 553,645 gross tons, were delivered. Of that output, 61 ships of 260,658 tons, were for export, the rest for German buyers. The foreign-flag vessels run bigger than those for home delivery.

The scarcity of steel and capital now make it hard to expand German output much more.

Steel obtainable from West German plants averages about 50,000 tons a month. The yards need more than that for full-scale production, and are resorting to imports to the extent their finances permit.

Imported steel costs more, but the yards have to use it to meet guaranteed delivery dates. They claim they can get steel from America in 2 or 3 months from date of order, while home-produced plates may keep them waiting 8 months. The shipbuilders hope German steel output will grow enough to meet their needs in the next few years. However, shortage of capital slows down steel plant growth as well as shipyard expansion.

Visit to Howaldtswerke

Typical of the boom atmosphere in the shipbuilding industry is the Howaldtswerke Hamburg establishment here. It has orders on hand for 30 ships with cargo capacity of 300,000 tons.

That backlog is nearly three times the yard's 1954 output, which it expects to equal this year. Delivery dates on these ships run as far ahead as 1960, and the firm's capacity is booked almost to the limit through 1957.

On this yard's slipways at the moment are four 10,000-ton cargo ships. Three are for German owners, one for a shipping line in India. Tied up alongside, other ships are getting the finishing touches that come after launching. While this year's output will be about half foreign, half domestic, Dr. Niese estimates it will run 60 to 70 percent for export in the next few years.

One reason German yards have been able to snare so many foreign orders is that they started from scratch when the worldwide boom in shipbuilding began, while their British and other European competitors were already getting up to their ears in orders. Thus, the Germans were able to promise quicker deliveries. And, even more important in many cases, they could guarantee firmer prices on these quick jobs, since they didn't have to write into their contracts escalator clauses as broad as those British builders needed for protection against rising wage rates and material prices.

That differential is tending to shrink, some German builders admit, now that the German bookings are beginning to run almost as far into the future as those of their competitors.

British business to Germany

As things stand now, however, some British buyers still are turning to German yards with their orders, in spite of their own country's top rank as a shipbuilder.

Of 43 tankers ordered in the last few months by the Royal Dutch-Shell group (British and Dutch controlled), 8 are to be built in German yards, 21 in Britain, and 14 in the Netherlands. The German orders, for 2 tankers of 32,000 deadweight tons and 6 at 18,000 tons, went to Howaldtswerke Kiel, A. G. Weser, and Deutsche Werft.

A few months ago the British shipping firm, Shaw Savill & Albion, a subsidiary of Furness, Withy & Co., went into the market for four fast freighters for its New Zealand and Australia runs. After shopping around, it gave the orders for three of the ships to the Bremer Vulkayard at Bremen. Only one of the vessels was placed with a British firm, Harland & Wolff.

Th German builder promised delivery dates—one ship in November 1956, the others in early 1957—which the buyer said no British shipbuilder could approach. The shipping firm also estimated the British-built ship would apparently cost about 15 percent more than those built in Germany, because of differences in the escalator clauses.

Cost-cutting tricks

German shipbuilders say there is little if any difference in current labor and material costs between their yards and those elsewhere in Europe. Any price shaving they are able to do in comparison with European competitors, they say, reflects the industry and skill of their workers and their cost-cutting tricks in production.

Deutsche Werft demonstrated one of those economy measures when it built its biggest tanker to date, the *Cabimas*, launched last year for an American buyer, Gulf Oil Co. That 32,467-ton ship was constructed in two pieces, each in a shipway of its own. Then, after launching, the two parts were towed into a floating dock and welded together there.

This sectional building technique is being used in other yards also to speed up the work of putting big ships together.

Similar in method was a job Howaldtswerke Hamburg did in inserting a new midship section in a tanker for Standard Vacuum Transportation Co., Ltd., a joint subsidiary of Socony-Mobil and Jersey Standard. The *James W. McGuire* was sliced in two, and the newly built section was spliced between the bow and stern in a floating dock. The result was a longer tanker, of greater carrying capacity, rechristened the *Stanvac Nairobi*.

Another speedup method in nearly all German yards is the prefabrication of parts of ships, perhaps much of a bow or stern assembly or a large section of deck on the ground in roofed shops before work starts in the huge shipways. The steel plates are fastened together there, and then the entire assembly is hoisted into the spiderweb of girders that make up the shipway, for quick insertion. This jigsaw-puzzle method keeps any one ship's time in the ways at a minimum and lets it be moved out quickly for another.

Two supertankers finished in 1953 and 1954 did much to swell Germany's export tonnage in those years. Howaldtswerke Hamburg built them for Aristotle Socrates Onassis, fabled Greek-Argentine shipowner. Rated at 45,000 and 47,000 deadweight tons, they were the biggest cargo ships in the world when launched.

How Hollywood Helps Build Super Oil Tankers

PARIS.—Hollywood is cashing in on the boom in shipbuilding abroad.

American movie companies have no trouble earning francs in France, where the public is currently flocking to see not only such 1955 releases as We're No Angels and Strategic Air Command, but also revivals dating back to a King Vidor production of 1929. Their big trouble has been in converting those francs into American dollars; the French Government chronically blocks a large proportion of them.

But now, under a special deal, these blocked francs are being used to help build four huge tankers for Tide Water Associated Oil Co. Ordered last January, they are under construction at the Penhoet yard in St. Nazaire and the Chantiers de France yard in Dunkerque, at a total cost reportedly approaching $20 million. As the Motion Picture Export Association feeds francs into this project in Paris, it receives 24 hours later in New York dollars supplied by the oil company.

The oil concern benefits because instead of getting the official exchange rate, 350 francs to the dollar, it is able to obtain from beleaguered movie firms an amount approaching the black-market rate. That means a bonus of perhaps 30 or 40 francs for every dollar.

HON. FIELDING LEWIS WRIGHT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Mississippi [Mr. COLMER] is recognized for 30 minutes.

Mr. COLMER. Mr. Speaker, during the past weekend an event of monumental proportions in the annals and affairs of Mississippi and the Nation occurred. The Honorable Fielding Lewis Wright passed into the great unknown as a result of a sudden heart attack. Born at Rolling Fork, Miss., on May 16, 1895, educated in the public schools of Mississippi, the Webb School at Bell Buckle, Tenn., and the University of Alabama, Fielding Wright was a great civic leader. He served his native State of Mississippi as State senator, speaker of the house of representatives, Lieutenant Governor, and twice as Governor of the great State of Mississippi. He was a devoted member of the Methodist Church and a man of high and honorable character. In addition to the countless thousands of Mississippians he is mourned by his devoted wife and a devoted son and daughter. The whole State was left shocked and appalled as a result of the untimely death of this outstanding Mississippi statesman. For, truly he was a statesman in every sense of the word. In no sense of the word was he a politician in the common application of that term to the average public officeholder.

Neither the plaudits of the public nor the glamour of high office could sway him from the path of righteous duty once he determined that course.

Serene of purpose, a man of indomitable courage yet gentle of manner, he was most personable and approachable. A man of unusual modesty, unostentatious, often mistaken for a businessman, Governor Wright made Mississippi a splendid Governor. He gave it a business administration motivated only by the desire to do the job at hand.

Outside of his native State which today mourns his passing, Fielding Wright was best known for the fact that he was the vice presidential nominee of the States' Rights Party in 1948, with characteristic modesty having refused consideration for the nomination for the Presidency on that ticket. A firm believer in the Jeffersonian principle of States rights, a conservative, an outstanding opponent of the ever-increasing tendency to centralize all of the power of government, at the expense of liberty, in Washington, it was perfectly natural that he should be in the forefront of any States rights movement. No one realized more than he that the office for which he was nominated was not to be had by him under this movement. But, motivated by a desire to raise the storm signals of the dangers ahead, he reluctantly accepted the nomination and carried the fight. He loved and respected the Democratic Party. In fact, at the time of his death he was Mississippi's Democratic committeeman—a position he had accepted with reluctance and reservation and which he had threatened to leave if those presently in charge of the party machinery persisted in their efforts to ignore the Southland for which he had a great passionate devotion. Fielding Wright was a States rights statesman. He believed in the philosophy of the Founding Fathers. He had the courage to do something about it other than render lip service.

Mr. Speaker, we of the Mississippi delegation here in the Congress today honor and respect him for his manly principles, for his outstanding public service, for his courage and for his high sense of duty and integrity. We extend our sympathy to his splendid family and to the thousands of Mississippians who mourn the passing of this leader, this man of high integrity and devotion to duty.

A sturdy oak in the forest of men has fallen.

Mr. Speaker, the Honorable Frederick Sullens, editor of the Mississippi Jackson Daily News, and a long-time close associate and devoted friend of Governor Wright, paid tribute to this outstanding statesman in a timely and appropriate editorial as follows:

Fielding L. Wright Passes

Rugged honesty, sincerity, unselfishness, frankness of speech and a passionate love for his native State were the outstanding traits in the life and character of Fielding L. Wright, whose notable career was brought to an abrupt close by a heart attack early Friday night. In his passing Mississippi has lost a statesman of first rank, a well-beloved citizen, and a man who played well all his appointed parts in human affairs.

Fielding Wright battled valiantly in behalf of many causes during his memorable career, and he always fought fairly. He was open and aboveboard in every thought and action. Indeed, some of his closest personal friends and supporters felt that he manifested too much kindness and courtesy in dealing with opponents but it was a trait of character for which he had no apology to offer.

Friendship was a word of much meaning for Fielding Wright. He had many thousands of devoted friends and admirers throughout the State, and for them he cherished a deep and abiding love. He bound his friends to him as with hooks of steel—the warm and devoted type of friendship that overlooks all petty faults or foibles and magnifies the good while minimizing the bad in mankind. Among those whom he counted as close friends he found nothing false or insincere, no selfish motives, no ulterior purposes. Their friendship was based on a genuine affection, a friendship that sprang from a trusting heart and became a love akin to that of David for Jonathan or Damon for Pythias.

Because of his rugged honesty, his unswerving devotion to duty and his eagerness to faithfully serve the State and its people, Fielding Wright did not accumulate a large amount of worldly goods but he did gather and jealously hold a huge fortune in friendships, and these friends meant much more to him than Midas-like wealth or the praise and applause of the multitude.

Another trait of Fielding Wright was his modesty. He was soft of speech, quiet of manner, devoid of pretense, never indulged in boasting or self-praise, and the qualities all too common among men in public life had no part in his being.

To every trust Fielding Wright was true. As a member of the lower house of the legislature, as speaker of the body, as Lieutenant Governor, and for 7 years Governor, he measured up to a high standard of faithful, fearless, and intelligent public service. It was frequently said that he was the most popular man who ever left the Governor's office; that he had more friends and fewer enemies than any man who had ever occupied that place. This was unquestionably true. Some may have differed with him concerning plans and policies, but none every doubted his sincerity or spoke of him with lack of respect.

It can be truthfully said of Fielding Wright that he concentrated his entire life to making his beloved State a better and more prosperous State in which to live. He was always advancing, always struggling to bring about a betterment of human conditions, to carry on some much-needed reform, to develop the natural resources of the State, to help humanity to a large chance

and to put Mississippi in her proper place in the sisterhood of States. The value of the work he performed, of the things he achieved is beyond estimate. It is a subject that must be left for future historians to evaluate.

Despite his quiet, modest, unassuming manner, Fielding Wright was always at his best when fighting a battle in behalf of some worthy cause. In his inaugural message when installed as Governor for a 4-year term he sounded a clarion call to arms in behalf of the restoration of State rights—a call that culminated in the State rights movement and his own nomination as a Vice Presidential candidate. That one note in his inaugural message can rightly be called the foundation stone of the present State rights movement to which the Nation is now being awakened.

Fielding Wright was a man of mature judgment. He thought soundly on public questions and the issues of the day. He was never impractical, never blinded by passion, and always sought to improve social conditions and to promote the progress and prosperity of the State he so faithfully served.

Fielding Wright had within him the elements of greatness.

He was great because he always thought clearly and acted wisely.

He was great because he stood squarely for the highest and noblest things in life.

He was great because he was a man of courage and convictions.

He was great because he was a man of broad and sympathetic understanding.

He was great because he was honored and universally respected by the people he served.

He was great because he commanded the instant admiration and wholesome respect of all who met him.

He was great because of the genuineness and everlasting quality of his friendship.

Fielding Wright was a devoted husband and father and one of the beautiful things in his life was his love and devotion for his frail, white-haired mother. His private and home life was one of supreme joy and happiness. His mind and heart were ever centered on those who were near and dear to him by ties of kinship.

For the intimate friends of Fielding Wright the parting is hard. His death came as a rude shock. It seems well-nigh unbelieveable. Apparently he was in the best of health and spirits. In the midst of their sorrow they can find solace only from "Him who doeth all things well," confident that the useful life and goodly deeds of Fielding Wright will live and be a part of the warp and woof woven into the life of our commonwealth. To his loved ones we add:

"I cannot say and I will not say
That he is dead.
He is just away!
With a cheery smile and a wave of the hand,
He has entered into that unknown land;
Think of him still as the same, I say,
He is not dead, he is just away."

At this time I yield to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I wish to join with my colleagues in expressing our deep and sincere sorrow at the death of Hon. Fielding L. Wright, former Governor of Mississippi.

Governor Wright was one of the finest men, a man of sincerity, integrity and courage, one of the most outstanding public officials the State and Nation has ever known.

It was my privilege to enjoy a close personal friendship with Fielding Wright for many years. He was a man of energy and sound judgment. Possessed of even temper and splendid character, he kept himself in position to pass temperate judgment on issues presented, however heated the debate, in legislative councils or in the public press.

With the fairness of a real judge, he always applied his experience and good judgment to sound solutions.

He made Mississippi an outstanding Governor, serving continuously longer than any other in Mississippi's history. After discharging his duties in an exemplary manner he left our State in best financial condition we have ever known.

Governor Wright was one of the first to recognize the dangers which threaten the constitutional government. He was one of the first to point out the dangers of encroachment on the rights of the States by the legislative, judicial, and executive branches of the National Government. He could see the dangers in the attitude of the leaders of the two great national parties.

He was a candidate for Vice President on the States rights ticket, not for any reason of personal advancement but because he truly believed that existing conditions are destroying provisions of the Constitution and endangering our future as a Nation. Yet, as strongly as he felt, his earnest and sincere beliefs were expressed in such manner as to reflect credit to his State and the Southland, and to warrant the serious consideration of all citizens of the Nation.

Fielding Wright did not desire a multiparty system. He did know that unless the rights of the people to maintain their local differences within the respective States were continued, eventually the two-party system would be destroyed with a resulting many-party Nation, which would become ineffective as a nation on the order of France and Italy today.

Governor Wright was a good father, a fine husband and a loyal friend. We mourn his untimely passing. We take pride in his accomplishments and know that he leaves a sound and outstanding record, one which is a real challenge to all.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS of Mississippi. Mr. Speaker, Mississippi will long mourn the loss of Fielding Wright. I knew Fielding Wright as a very close, intimate friend, and I feel a very great personal loss in his passing.

Fielding Wright was the embodiment of the best in human virtues. He was a man of deep convictions. He was a man of integrity, a man of limitless courage, and one who had the ability to put forward his beliefs.

Perhaps Fielding Wright will best be remembered throughout the Nation as one of the standard bearers of the States' Rights Party in 1948, when he was an unsuccessful candidate for Vice President on that ticket. However, Fielding Wright will be remembered by the people of Mississippi and the South, not for having a place on that ticket, but for having the courage to permit his name to be placed on it.

I recall his inaugural address in 1948, when he made a statement that I shall never forget, one that became his political creed and one which I have sought to adopt as mine; that "undying truths and eternal principles transcend party lines."

As far as I know Fielding Wright never made a dishonest move or committed a dishonest act. He was, indeed, a great man, and he will long be remembered and revered by Americans everywhere.

I join my distinguished dean and other Members of my delegation in mourning his tragic and untimely passing, and in extending our deepest sympathies to his family and loved ones.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. ABERNETHY].

Mr. ABERNETHY. Mr. Speaker, I would like to join with my colleagues in paying tribute to and extending sympathy to the family of the late Fielding L. Wright, one of the great men of my State.

Although Mississippi has produced many men of accomplishment, none exceded Fielding Wright in quality or stature.

If we were to enumerate all of the qualities of this great man we would begin by referring to his sterling character. Being the possessor of such all other qualities naturally obtain. Irrespective of the accomplishments of any man, without character, good character, he cannot become nor can he be classified as one of greatness. Fielding Wright met this test with a high score.

As a defender of his country, as a lawyer, as a legislator, a governor, and just as a plain citizen with which, due to his modesty, he preferred to be associated, Fielding Wright was a leader among men. He left behind a record and a mode of life which all would do well to emulate. He led an unselfish life, always making paramount the interest and welfare of those for whom he served at great personal sacrifice. He regarded public office as a public trust. He neither sought nor expected reward. His only desire was to serve for the benefit of his fellow man.

Like our Founding Fathers, he was a staunch advocate of the individual and rights of the States. He spurned and opposed the centralization of power in the Federal Government.

In 1948 when the trend had turned toward the ideology of a government which our Founding Fathers attempted to guard against, Fielding Wright did not seek but accepted the position on the States Rights ticket for Vice President of the United States. He did so without expectation of being elected. He profoundly believed in the cause and the objective. Characteristic of his sacrificial nature, he accepted the post that he might sound the alarm and alert the country which he loved and defended as a soldier, to the dangers confronting it. The trend and events of this very hour have proven his position to be so right.

He was a man of great accomplishment. When the history of our Nation is written, historians will record as his greatest accomplishment the undying will with which he inspired the individual citizen and the States to continue their fight for constitutional government

and against the centralization of power at the Federal level.

For what greater cause, Mr. Speaker, could man devote a life of public service?

Mr. Speaker, because of the life of Fielding Wright, because of the principles in which he believed and for which he fought, because of his devotion to a great cause and because of his great ability, devotion to duty, unselfishness and unimpeachable character, our lives have been enriched and our country is a better place in which to live.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. WINSTEAD].

Mr. WINSTEAD. Mr. Speaker, with deep sadness I join in this memorial tribute to former Governor of Mississippi, Fielding L. Wright, who died May 5, 1956 of a heart attack. The Nation, as well as the State of Mississippi, has sustained a great loss in the passing of one of our most highly respected leaders and citizens.

Fielding Wright began his public service career as an attorney in his home town, later serving in both branches of the Mississippi Legislature. He served as Speaker of the House the last 4 years of his two terms as a member of that body. In 1944 he was elected lieutenant governor as running mate of the late Governor Thomas L. Bailey. After the death of Governor Bailey, he became Governor for the 2 years of the unexpired term. In 1947 he won the governorship over four candidates in the first primary.

Throughout his entire career, Fielding Wright was a strong advocate of constitutional government, states rights and all those principles which have made our country the greatest on earth. His dynamic leadership for the causes in which he believed made many refer to him as "one of the ablest Mississippians we ever had." Mississippi, the South and the entire Nation are poorer because Fielding Wright is gone.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Mississippi [Mr. SMITH], in whose congressional district the late Governor Wright resided.

Mr. SMITH of Mississippi. Mr. Speaker, the sudden death of Fielding L. Wright was a great loss to the people of Mississippi and the United States. It will be hard to conceive of affairs in Mississippi without the steadying influence of his advice and counsel.

On Monday afternoon I joined the great throng of mourners who paid their last respects to Governor Wright at the Methodist Church on the banks of Deer Creek in the little town of Rolling Fork. The people of the Delta area, whom I have the honor to represent in the Congress, held Fielding Wright in the highest regard. In his campaigns for State offices, Fielding Wright always carried his native Delta by large margins, but his personal friendships extended to every county in the State. He stood for principles in public life that commanded firm respect, regardless of sectional differences within the State.

Fielding Wright began his service to Mississippi in the State legislature as senator from Sharkey and Issaquena Counties. He later moved to the house of representatives, where his role as a leader was recognized by his election as speaker of the house during the administration of Gov. Hugh L. White.

In 1944 Mr. Wright was named lieutenant governor of Mississippi, and he succeeded to the governorship upon the death of Thomas L. Bailey in 1946, winning election to a full 4-year term by an overwhelming margin in 1947.

Governor Wright's role of leadership in the States rights struggle has sometimes obscured the many accomplishments of his administration as governor of Mississippi. I was very proud to have had a part in that administration as a State senator.

Under the Wright administration there were vast improvements made in the public school system. A State-aid road program was established to revitalize the rural road work in the counties. The State 4-year medical school was authorized, and Mississippi took the lead among the States in a program of cooperation under the Hill-Burton law to provide adequate hospitalization for every community. An oil and gas conservation law was passed that has done much to assure sound development of the mineral resources of our State. A long struggle was climaxed when a workmen's compensation law was passed for the first time, a law which then Secretary of Labor Tobin described as a model for the entire country. Important new building programs were established for virtually every State activity.

Despite the great progress achieved in virtually every responsibility of the State government, the conservative financial guidance of Governor Wright enabled Mississippi to act without burdensome additions to the tax structure. The administration of Fielding L. Wright as Governor will long rank as one of the State's great periods of progress.

Governor Wright's great dedicated purpose, of course, was to bring the people of the United States to an awareness of the dangers that were involved in extensions of Federal power without regard to the needs and differences of the individual States. Thanks to his leadership, the entire South became aroused and for the first time responsible and farsighted peoples in other parts of the country began to see that the dangers of centralized power were far from limited to legislation and administrative action in the field of race relations.

The States rights presidential ticket symbolized the extent of the revolt against this trend toward centralization. Governor Wright accepted the nomination as the vice presidential candidate, not from any desire for personal glory, but solely in order to serve the movement to which he was so completely dedicated. I have always personally felt that he should have been the choice for President on this ticket.

The protest of the States rights movement having served an effective purpose, Fielding Wright continued his fight within the Democratic Party and in every other public forum that was available to him. His last speech just a few days before his death served notice that there must be no letup in the fight.

Because of his outstanding role in helping to awaken our Nation to some of the dangers confronting our system of government, Fielding Wright deserves rank among the great political prophets of his time. His passing is not only a loss to the Mississippi Delta and the State of Mississippi, but to the entire United States. I feel a distinct personal loss in a valued friend and constituent whom I greatly admired and respected.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Virginia [Mr. TUCK], who served as Governor of Virginia while Governor Wright was serving as Governor of Mississippi.

Mr. TUCK. Mr. Speaker, I join the distinguished gentleman from Mississippi and others in paying tribute to the memory of the Honorable Fielding L. Wright who served for more than 6 years as Governor of that great State. I had the privilege of serving as Governor of Virginia much of the time he served as Governor of Mississippi. I knew him for many years. I was closely associated with him in matters of mutual public concern. His administration of the affairs of his State were such as to enhance the already high standing of the office to which he was elected. He made a valuable contribution to the public service of his State and Nation, and set an example that should be emulated by all.

Fielding Wright was imbued with the fundamental principles upon which our Government was established. He had the intelligence, the character, the courage, the determination to adhere to these principles. He possessed admirable and sterling qualities of character and was thoroughly established in the confidence and esteem of those who knew him. He was my warm personal friend. I had unbounded confidence in him. His calmness and composure, and the straightforward manner in which he met the problems confronting him were such that he was a pillar of strength. I leaned heavily upon him for counsel and advice in hours of storm and stress.

It is regrettable that one so steeped in our American traditions should be called away from us at such a time as this, and particularly at an age when we could normally expect many more years of service and usefulness. But, "the wine of life keeps oozing drop by drop, and the leaves of life keep falling one by one." No one knows the day nor the hour when the grim messenger with inverted torch will beckon us on to that long and eternal home.

Despite the fact that in this hour we are sad and forlorn, we are nevertheless grateful that we were privileged to serve and be associated with a man of such qualities of mind and heart. I shall always appreciate the associations which I enjoyed with our late departed friend, and I shall ever cherish his memory.

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Speaker, it was with a great deal of sadness that I learned of the untimely passing of Governor Wright, of Mississippi. I did not have the privilege of knowing him intimately but I did have the privilege

of making his acquaintance and talking with him on more than one occasion here in Washington when he visited our Capital City. I admired him and I respected him as a man and a public official.

He possessed in great measure a quality which is becoming more and more rare in public officials, the quality of having the courage of his convictions, and the courage to stand in support of those convictions even though it might have been his lot to stand almost alone, as he did.

His passing leaves a great vacancy not only in the State of Mississippi but in our country. I join with the distinguished Members of the House who have already spoken in extending my sympathy to his family in this time of bereavement.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SHEPPARD, for 20 days, to May 30, 1956, on account of official business.

Mr. HAYWORTH, for the balance of the week, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. COLMER (at the request of Mr. FORRESTER) for 30 minutes, today.

Mr. MADDEN, for 20 minutes, today.

Mr. BAILEY, for 15 minutes, on Monday.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks, was granted to:

Mr. KELLEY of Pennsylvania in two instances.

Mr. MORANO (at the request of Mr. ARENDS).

Mr. DAWSON of Utah (at the request of Mr. ARENDS) and to include extraneous matter.

Mr. ARENDS and to include an editorial.

Mr. COOPER and to include a press release issued by him.

Mr. MACHROWICZ (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. POWELL (at the request of Mr. ALBERT).

Mr. WICKERSHAM (at the request of Mr. ALBERT).

Mr. ANFUSO (at the request of Mr. ALBERT).

Mr. FASCELL and to include extraneous matter.

Mr. MILLER of Nebraska.

Mr. DURHAM.

Mr. MACDONALD.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 422. An act for the relief of William C. Irvine, chief warrant officer, United States Air Force; to the Committee on the Judiciary.

S. 742. An act to improve the administration of the public airports in the Territory of Alaska; to the Committee on Interstate and Foreign Commerce.

S. 764. An act for the relief of Robert Gartenberg; to the Committee on the Judiciary.

S. 832. An act for the relief of Jonas Dercautan; to the Committee on the Judiciary.

S. 1358. An act to authorize modification of the flood-control project for Missouri River Agricultural Levee Unit 513-512-R, Richardson County, Nebr.; to the Committee on Public Works.

S. 1833. An act to amend the Merchant Marine Act of 1936, as amended; to the Committee on Merchant Marine and Fisheries.

S. 1938. An act for the relief of Hildegard L. McNabb; to the Committee on the Judiciary.

S. 2507. An act for the relief of Shun Wen Lung (also known as Van Long and Van S. Lung); to the Committee on the Judiciary.

S. 2582. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of William E. Stone for disability retirement as a Reserve officer or Army of the United States officer under the provisions of the act of April 3, 1939, as amended; to the Committee on the Judiciary.

S. 2750. An act for the relief of Frank Sevcik, Jr., also known as Frantisek or Francesco Sevcik; to the Committee on the Judiciary.

S. 2785. An act for the relief of Elsa Emelina Rosado y Rodriguez de Brower; to the Committee on the Judiciary.

S. 2801. An act for the relief of Brigitte Lechner Wagner; to the Committee on the Judiciary.

S. 2834. An act for the relief of Yue Yin Wong (also known as William Yueyin Wong); to the Committee on the Judiciary.

S. 2838. An act for the relief of Antonia Soulis; to the Committee on the Judiciary.

S. 2840. An act for the relief of Anniemae M. Swanson and Armylee V. Swanson; to the Committee on the Judiciary.

S. 2843. An act for the relief of Dr. Shou Soon Kwong; to the Committee on the Judiciary.

S. 2874. An act for the relief of Ethel Kallins; to the Committee on the Judiciary.

S. 2883. An act for the relief of Dr. Yong Whan Kim; to the Committee on the Judiciary.

S. 2888. An act for the relief of Elisabeth Dummer; to the Committee on the Judiciary.

S. 2931. An act for the relief of Oksanna Oztemel; to the Committee on the Judiciary.

S. 2941. An act for the relief of Lottie Windschild; to the Committee on the Judiciary.

S. 2944. An act for the relief of William Jeffrey Jonas; to the Committee on the Judiciary.

S. 2953. An act for the relief of Maria Cedrone De Rubeis; to the Committee on the Judiciary.

S. 3113. An act to amend section 9 (c) (2) of the Merchant Ship Sales Act of 1946, as amended; to the Committee on Merchant Marine and Fisheries.

S. 3361. An act for the relief of Egbert Carlsson; to the Committee on the Judiciary.

S. 3472. An act for the relief of Patricia A. Pembroke; to the Committee on the Judiciary.

S. J. Res. 105. Joint resolution authorizing the President of the United States to designate the period beginning September 17 and ending September 23 of each year as Constitution Week; to the Committee on the Judiciary.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 1835. An act for the relief of the Board of Commissioners of Sedgwick County, Kans.;

H. R. 1989. An act for the relief of George D. Hopper;

H. R. 2338. An act for the relief of Charles F. Bullette;

H. R. 2717. An act for the relief of Giles P. Fredell and wife;

H. R. 2736. An act for the relief of Roy M. Butcher;

H. R. 2924. An act for the relief of David J. Basé;

H. R. 3638. An act for the relief of Joseph H. Washburn;

H. R. 3639. An act for the relief of Ralph Bennett and certain other employees of the Bureau of Indian Affairs;

H. R. 3725. An act for the relief of Herman F. Gierke, Jr.;

H. R. 3975. An act for the relief of the Reverend Boniface Lucci, O. S. B.;

H. R. 4902. An act for the relief of Martin F. Kendrigan;

H. R. 5787. An act to authorize settlement of claims for residential structures heretofore erected at the expense of patients on the grounds of the Public Health Service Hospital, Carville, La.;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 7583. An act for the relief of Mary Viola Jones;

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes; and

H. R. 9132. An act to provide for the approval and the report of the Secretary of the Interior on the Ainsworth unit of the Missouri River Basin project.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1488. An act for the relief of Mrs. Esther Reed Marcantel;

H. R. 2423. An act for the relief of the city of Sandpoint, Idaho;

H. R. 3526. An act for the relief of the estate of Neil McLeod Smith;

H. R. 3738. An act for the relief of Roy M. Hofheinz and wife Irene;

H. R. 4051. An act to provide for the relief of certain Army and Air Force nurses, and for other purposes;

H. R. 4536. An act for the relief of John J. Cowin;

H. R. 4633. An act for the relief of Crosse & Blackwell Co.;

H. R. 4634. An act for the relief of Lt. Col. George H. Cronin, United States Air Force;

H. R. 5495. An act for the relief of Arthur H. Homeyer;

H. R. 5633. An act for the relief of John L. Boyer, Jr.;

H. R. 5951. An act for the relief of Samuel E. Arroyo;

H. R. 6395. An act for the relief of Thomas W. Bevans and others;

H. R. 6622. An act for the relief of certain rural carriers;

H. R. 6706. An act for the relief of Gay Street Corp., Baltimore, Md.;

H. R. 6769. An act to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," to increase the amounts authorized to be expended;

H. R. 7114. An act for the relief of Frank G. Gerlock;

H. R. 7513. An act to direct the Secretary of the Interior to grant an extension of time to the Matanuska Valley Lines, Inc., and to Russell Swank and Joe Blackard within which to apply for patent to certain lands in Alaska;

H. R. 8187. An act for the relief of Wright H. Huntley;

H. R. 8306. An act for the relief of Eugene Gardner, Byron M. Barbeau, John R. Reaves, and Jackson L. Hardy;

H. R. 8307. An act for the relief of Nathan A. Kahn;

H. R. 8308. An act for the relief of Arthur E. Weeden, Jr.;

H. R. 8310. An act for the relief of C. W. O. George C. Carter;

H. R. 8311. An act for the relief of Daniel O. Hulse, Jr.;

H R. 8547. An act to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y."; and

H. R. 8807. An act to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

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H. R. 8807. An act to extend for an additional 3 years the time within which the State of Michigan may commence and complete the construction of certain projects heretofore authorized by the Congress.

ADJOURNMENT

Mr. SMITH of Mississippi. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 24 minutes p. m.), under its previous order, the House adjourned until Monday, May 14, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1829. A letter from the Administrator, Federal Civil Defense Administration, transmitting the quarterly report of Federal contributions for the quarter ending March 31, 1956, pursuant to subsection 201 (i) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1830. A letter from the Comptroller General of the United States, transmitting a report on the audit of Federal Deposit Insurance Corporation for the fiscal year ended June 30, 1955, pursuant to section 17 (b) of the Federal Deposit Insurance Act (12 U. S. C. 1827) (H. Doc. No. 397); to the Committee on Government Operations and ordered to be printed.

1831. A letter from the Administrator, General Services Administration, transmitting a report on contracts negotiated during the 6-month period ending December 31, 1955, pursuant to section 302 (c) (10) of Public Law 152, 81st Congress; to the Committee on Government Operations.

1832. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to clarify the law relating to the grant of certain public lands to the States for school purposes"; to the Committee on Interior and Insular Affairs.

1833. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to provide for the relocation of the National Training School for Boys, and for other purposes"; to the Committee on the Judiciary.

1834. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill for the relief of Cyrus B. Follmer"; to the Committee on the Judiciary.

1835. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated January 4, 1956, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Pantego Creek and Cucklers Creek, N. C., authorized by the Flood Control Act approved June 30, 1948 (H. Doc. No. 398); to the Committee on Public Works, and ordered to be printed with one illustration.

1836. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated February 28, 1956, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of Oceanside, Ocean Beach, Imperial Beach and Coronado, San Diego County, Calif., prepared under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 399); to the Committee on Public Works, and ordered to be printed with five illustrations.

1837. A letter from the Secretary of State, transmitting a report of a violation by an employee of the Department of State under subsection (h) of section 3679 of the Revised Statutes, pursuant to subsection (i) (2) of section 3679 of the Revised Statutes; to the Committee on Appropriations.

1838. A letter from the Administrator Federal Civil Defense Administration, transmitting a report on property acquisitions for the quarter ending March 31, 1956, pursuant to subsection 201 (h) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

1839. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 7, 1943 (57 Stat. 380) as amended by the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

1840. A letter from the Chairman, Securities and Exchange Commission, transmitting the 21st Annual Report of the Securities and Exchange Commission covering the fiscal year 1955, pursuant to section 23 (b) of the Securities Exchange Act of 1934, approved June 16, 1934; to the Committee on Interstate and Foreign Commerce.

1841. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to amend section 69 of the Hawaiian Organic Act"; to the Committee on Interior and Insular Affairs.

1842. A letter from the President, National Safety Council, transmitting a report of the audit of the financial transactions of the National Safety Council for the year 1955, pursuant to Public Law 259, 83d Congress; to the Committee on the Judiciary.

1843. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to Section 212 (d) (6) of the Immigration and Nationality Act; to the Committee on the Judiciary.

1844. A letter from the executive secretary, the American Society of International Law, transmitting the annual audit by a certified public accountant of the financial transactions of the above society and of the corporate books and records pertinent thereto, covering the year ended December 31, 1955, pursuant to section 9 of the act of September 20, 1950, to incorporate the American Society of International Law (64 Stat. 869); to the Committee on the Judiciary.

1845. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1957 in the amount of $405,000 for the Bureau of the Budget, Executive Office of the President. (H. Doc. No. 400); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PRIEST: Committee on Interstate and Foreign Commerce. S. 3246. An act to increase the amount authorized for the erection and equipment of suitable and adequate buildings and facilities for the use of the National Institute of Dental Research, with amendment (Rept. No. 2144). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 10108. A bill to amend section 314 and section 374 of the Agricultural Adjustment Act of 1938, as amended; without amendment (Rept. No. 2145). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 2151. An act to provide for the segregation of certain funds of the Fort Berthold Indians on the basis of a membership roll prepared for such purpose; without amendment (Rept. No. 2146). Referred to the Committee of the Whole House on the State of the Union.

Mr. ZABLOCKI: Committee on Foreign Affairs. Report of the Special Study Mission to the Middle East and the Western Pacific; (Rept. No. 2147). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHUDOFF:

H. R. 11142. A bill to provide a deduction for income-tax purposes, in the case of a disabled individual, for expenses for transportation to and from work; and to provide an additional exemption for income-tax purposes for a taxpayer or spouse who is physically or mentally incapable of caring for himself; to the Committee on Ways and Means.

By Mr. CURTIS of Missouri:

H. R. 11143. A bill to authorize the Public Housing Commissioner to enter into agreements with local public housing authorities for the admission of elderly persons to federally assisted low-rent housing projects; to the Committee on Banking and Currency.

By Mr. DAGUE:

H. R. 11144. A bill to amend the Internal Revenue Code of 1954 to reduce the tax on certain cigars which do not contain reconstituted or processed tobacco; to the Committee on Ways and Means.

By Mr. DAWSON of Utah:

H. R. 11145. A bill to amend the definition of dependent to permit working mothers and widowers to deduct amounts paid for care of children while parent is working and to correct present inequities in this provision; to the Committee on Ways and Means.

By Mr. METCALF:

H. R. 11146. A bill to provide that certain lands shall be held in trust for Indian tribes on the Fort Peck, Fort Belknap, and Blackfeet Reservations, and to provide that such lands shall become part of such reservations; to the Committee on Interior and Insular Affairs.

By Mr. MORANO:

H. R. 11147. A bill to amend the Internal Revenue Code of 1954 to provide for increased deductions for employers who employ individuals who are 60 years of age or over; to the Committee on Ways and Means.

By Mr. EBERHARTER:

H. R. 11148. A bill to amend the Internal Revenue Code of 1954 so as to provide relief with respect to the tax treatment of damages in antitrust actions; to the Committee on Ways and Means.

By Mr. HOLMES:

H. R. 11149. A bill to amend certain provisions of the Columbia Basin Project Act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PRIEST:

H. R. 11150. A bill to amend the Communications Act of 1934 with respect to the use of broadcasting stations by presidential, vice presidential, and congressional candidates; to the Committee on Interstate and Foreign Commerce.

By Mr. MACDONALD:

H. R. 11151. A bill to amend the Refugee Relief Act, as amended, to provide a certain number of visas for persons of ethnic Armenian origin; to the Committee on the Judiciary.

By Mr. TUMULTY:

H. R. 11152. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide for retirement of certain officers and employees involuntarily separated from positions in the Canal Zone Government and the Panama Canal Company, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ALGER:

H. R. 11153. A bill to amend the Davis-Bacon Act to establish a procedure for making wage determinations under that act, and to provide for judicial review of such wage determinations, to the same extent as wage determinations are made and judicial review is provided under the Walsh-Healey Act; to the Committee on Education and Labor.

By Mr. ANFUSO:

H. R. 11154. A bill to increase from $600 to $800 the personal income-tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age or blindness); and to provide a deduction for certain expenses paid by a taxpayer for the education of his children; to the Committee on Ways and Means.

By Mr. BAKER:

H. R. 11155. A bill to amend the Internal Revenue Code of 1954 and the Narcotic Drugs Import and Export Act to provide for a more effective control of narcotic drugs and marihuana, and for other purposes; to the Committee on Ways and Means.

By Mr. CRETELLA:

H. R. 11156. A bill to provide that citizens or a free corporate union of Trieste may acquire certain surplus merchant vessels from the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. HARRISON of Virginia:

H. R. 11157. A bill to amend the Internal Revenue Code of 1954 to grant nonprofit educational institutions exemptions from the excise taxes which are now applicable to public educational institutions; to the Committee on Ways and Means.

By Mr. HYDE (by request):

H. R. 11158. A bill to create a Czechoslovakian Claims Fund to settle claims of certain United States nationals against Czechoslovakia; to the Committee on Interstate and Foreign Commerce.

By Mr. KLEIN:

H. R. 11159. A bill to amend the Tariff Act of 1930 to provide for the free importation of silk waste, noils, and partially manufactured silk fibers if not twisted or spun and for the free importation of spun silk or schappe silk yarn of numbers finer than 40 (English) count, not manufactured in United States in appreciable commercial quantities; to the Committee on Ways and Means.

By Mr. LANKFORD:

H. R. 11160. A bill to amend section 6 of the act of August 24, 1912, as amended, with respect to the recognition of organizations of postal and Federal employees; to the Committee on Post Office and Civil Service.

H. R. 11161. A bill to provide for the procurement by the Government of insurance against risk to civilian personnel of liability for personal injury or death, or for property damage, arising from the operation of motor vehicles in the performance of official Government duties, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 11162. A bill to provide in certain additional cases for the granting of the status of regular substitute in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. SCUDDER:

H. R. 11163. A bill to amend section 2 of the act of March 29, 1956 (70 Stat. 58), authorizing the conveyance to Lake County, Calif., of the Lower Lake Rancheria, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of New Jersey:

H. R. 11164. A bill to provide for the construction, equipment, and furnishing of a new building for the United States Court of Claims; to the Committee on Public Works.

By Mr. WHARTON:

H. R. 11165. A bill to amend the Communications Act of 1934, so as to direct the Federal Communications Commission to provide for the licensing of television reflector facilities and VHF translator facilities; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to enact legislation to waive certain charges against an employer relative to unemployment insurance; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BALDWIN:

H. R. 11166. A bill for the relief of Ilda dos Santos Thomas; to the Committee on the Judiciary.

By Mr. BURDICK:

H. R. 11167. A bill for the relief of Joseph Romero; to the Committee on the Judiciary.

By Mr. DONOVAN:

H. R. 11168. A bill for the relief of Antonio Ciolino; to the Committee on the Judiciary.

By Mr. FASCELL:

H. R. 11169. A bill for the relief of Mrs. Lore Anna Rominger Campbell; to the Committee on the Judiciary.

By Mr. GRANAHAN:

H. R. 11170. A bill for the relief of Michael George Petrakis; to the Committee on the Judiciary.

By Mr. HÉBERT:

H. R. 11171. A bill for the relief of Mr. Gerard Phillip Dunn; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 11172. A bill for the relief of Beniamino Rocco Giordano; to the Committee on the Judiciary.

H. R. 11173. A bill for the relief of Michele Pepi; to the Committee on the Judiciary.

By Mr. ROBERTS:

H. R. 11174. A bill for the relief of Edward J. Moskot; to the Committee on the Judiciary.

By Mr. RUTHERFORD:

H. R. 11175. A bill for the relief of Andres Amadeo Macha; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 11176. A bill for the relief of Alvise Pietro Naccari; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of the rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1014. By Mr. BOW: Four petitions of Floyd Hughes Post No. 693, Inc., Veterans of Foreign Wars, of Canton, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

1015. By Mr. BUSH: Petition of Loyalsockville Evangelical United Brethren Sunday School, Williamsport, Pa., urging enactment of S. 1636 and H. R. 8540, bills relative to humane slaughter methods; to the Committee on Agriculture.

1016. Also, petition of Eldred Grange No. 1604 urging enactment of S. 1636 and H. R. 8540, bills relative to humane slaughter methods; to the Committee on Agriculture.

1017. By Mr. SILER: Petition of Mrs. William Sharpe and 3,723 other residents of Columbus, Baltimore, Basin, Pickerington, Groveport, Mount Pleasant, Ragland, Dillonvale, Martin's Ferry, Adena, Harrisville, St. Clairsville, Ravenna, New Milford, Freedom Station, Steubenville, Wintersville, Russellville, Ripley, West Union, Youngstown, Amanda, Lima, Delta, Hamden, Chillicothe, Toledo, Zanesville, Lancaster, Norwood, Cloverdale, Kansas, Bellville, Springfield, Clyde, Batavia, Xenia, Jackson, Van Wert, Seaman, Clarksville, Salem, Conesville, Waynesfield, and other towns and cities in Ohio, urging the enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

1018. By Mr. WESTLAND: Petition of Mrs. Mary Owen, of Custer, Wash., and 40 other residents of the second district of Washington, urging enactment of the Siler bill, H. R. 4627, a bill to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Address by Hon. Alexander Wiley, of Wisconsin, Before Veterans of Foreign Wars

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Thursday, May 10, 1956

Mr. WILEY. Mr. President, on Saturday last I was privileged to speak to the Veterans of Foreign Wars at Oshkosh, Wis. It was Loyalty Day. On that particular occasion I was given a citation by the Veterans of Foreign Wars. I ask that excerpts from the address which I delivered on that occasion be printed in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

SENATOR WILEY STRESSES ACTION AS SYMBOL OF LOYALTY: OUTLINES IMPROVED PROGRAM FOR VETERANS: EXPRESSES SERIOUS CONCERN OVER BRADLEY COMMISSION FINDINGS

I am happy to join you in this luncheon today to celebrate Loyalty Day.

I know that you need not be reminded of the meaning of loyalty. For who, over the breadth of our great land, knows the meaning better than you V. F. W. men who have left our shores to fight and sacrifice for life and country.

Each of us is loyal in his own way in civilian life. We obey the laws; we live decent lives in our communities, doing what is requested of us.

But real, true loyalty is more than that. It is pursuing our freedom. It is helping to develop the greatness that is our land. It is inventing and producing the good things of life. It is performing our jobs the best way we know how—whatever our station is in life.

TRUE LOYALTY IS NOT STATIC

Loyalty is not static; it is a growing thing. Out of heartfelt loyalty, we must work toward progress, and attainment of future goals—which are now only dreams and visions.

We must accept the challenges in this atomic-jet age, and create things for a better life.

ACTION, NOT WORDS

Loyalty, as you know, must be demonstrated by action.

It was so demonstrated on the battlefield by you and your buddies.

It must and will be demonstrated in the Halls of Congress, in the office, factory, farmfield, and on every roadway of American life. It must be an active, living spirit of patriotism within each of us, flaming with the fiery zeal of modern-day Patrick Henrys.

Each of us, in his own way, doing a good job at that which he knows best and does best, is the kind of all-around loyalty that needs to be demonstrated.

LOYALTY DAY CELEBRATIONS

As we celebrate, the tramp, tramp, tramp of our marching men thrills our hearts with pride.

A tramp tramp, tramp—echoing in our hearts—is also the memory of men who have given their lives for us, who have died for our freedom, who protected our land of liberty.

To the hallowed memory of these great men of our past, and to the promise of the future, we need to rededicate our efforts to preservation and improvement of our climate of freedom.

FULL USE OF FREEDOM

We must make full use of our freedoms:

Freedom to live as we choose, to open a business, to enter a profession.

Freedom to travel, to be educated, to enjoy our rich heritage of music, art, and drama, and to benefit by the tremendous technological and scientific progress of our country.

Freedom to participate, freely and imaginatively, in our future progress.

WE MUST REBUFF COMMUNISM

We must realistically acknowledge that short of annihilative war communism is with us to stay, at least, for a while.

This major evil in the world today is not an abstract, theoretical form of Government. This is a real, ever-spreading totalitarianism that uses all the methods of deceit, terror, threat, promise, and subversion to attain its goals.

COLLECTIVE LEADERSHIP—A FARCE

The recent declaration of a return to a collective leadership by the Soviets, of course, is a farce. This is a mere disguise under which the top-echelon Communists are struggling for power. Why? Because not one of them is yet strong enough to assume the ghostly cloak of Stalin as supreme dictator of the Kremlin.

But the specter of Stalinism hangs over the Communist leaders. All the crimes he is accused of will be perpetrated again by other dictators of this Soviet regime oppressing the populace behind the Iron and Bamboo Curtains.

WITHOUT COMMUNISM WE WOULD HAVE A FREER LIFE

Without communism, we would have a freer life. We would have the opportunities to concentrate on building for a better America and a better world.

Without communism, we could apportion a greater share of our resources to feeding the hungry, sheltering the cold, and going about the tasks of enriching the earth with a better economic, cultural, and spiritual life.

As it is, we have an uneasy tension in the world. Free nations are attempting, by every possible means, to avert the capture of more innocent people by Soviet despotism, without the holocaust of a nuclear war.

Such a war, we are all aware, would destroy cities and nations. It would make the earth a wasteland in which only the mutilated escapees of atomic and hydrogen war would exist.

We must utilize every possible means, national and international, to avert such a war of human annihilation.

NATO

The recent proposals for achieving greater benefits from NATO, I believe, should be completely examined. We should weigh carefully the undeveloped idea of making the NATO military alliance, in fact, an economic and political force for peace.

As you know, Secretary Dulles is in Paris right now, together with the representatives of the other NATO nations to explore the possibility of utilizing NATO for the lessening of international tensions.

NEED OF LEADERSHIP

Our leadership, at whatever level it exists, must be constantly attuned to the progress of our times, and to the problems of our State and Nation. We must provide for the changing needs of our people and eradicate the shortcomings of existing programs.

A soldier can no longer go into battle with an old flintlock or muzzle loader; he must have modern weapons. So it is, if our country is to progress, that we must have new and modernized laws and programs to fulfill the needs of our fast-moving age.

ANTISUBVERSION

We must, of course, exert every effort toward meeting the external challenge of communism. This must be accompanied by a tough policy toward internal attempts at subversion.

The FBI has done an admirable job of keeping a finger on Communists and their activities.

As a member of the Senate Judiciary Committee, I, too, have had the opportunity and the responsibility to legislatively assist in this effort. I have joined in many legislative proposals to strengthen our laws.

Some of the objectives of my recent legislation are:

To toughen the penalties against seditious conspiracy and advocating the violent overthrow of the Government.

To crack down by requiring registration of Communists or other foreign agents who have been trained in espionage or sabotage.

To strengthen the antiperjury statutes, by simplifying the problems of convicting perjurers.

LAWS A-PLENTY—YET NEW LAWS ARE NEEDED

As we look at the maze of laws and statutes on the books, we might be inclined to think that enough laws have been passed to last this country for generations to come. However, this is not true. Laws become obsolete—just as guns, machinery, and automobiles become obsolete.

We are ever in need of new different laws—to cope with ever-new needs of our people:

Laws for projects like the St. Lawrence Seaway, to handle the increased commerce in American products.

Laws for tax reforms, liberalizing social security, and for cultural and educational purposes.

Laws to resolve the problems of agriculture, conservation, and water pollution.

And many other refinements of laws and statutes are required to meet the needs of modern times.

These legislative acts must, of course, be in accord with technological and economic changes, as these affect our population.

INCREASE IN VETERANS

In recent years, as we are all aware, there has been a tremendous increase in the number of veterans in the United States. In 1940, there were only 4 million veterans. These, and their families, represented only 11 percent of the population.

Today, there are over 22 million veterans. These, with their families, number 75 million, and constitute more than 45 percent of our total population—49 percent, if those still in the Armed Forces and their families are included.

VETERANS' PROGRAMS ARE FAIRLY GOOD

The status of veterans' programs, on the whole, is good. Naturally, however, there is considerable room for improvement. Changes in military, economic, and social conditions have outmoded some of the early concepts of veterans' benefits. The philosophy of help for veterans must be modernized, and the whole structure of our programs brought up to date.

The objective of ar adequate program, of course, is to help the veteran overcome special, significant handicaps incurred as a consequence of military service.

These programs are based on the realistic acknowledgment that (1) we owe a special debt to our ex-servicemen, and (2) our veterans face special problems arising from their adjustment to society, when they rejoin the ranks of the civilians.

IMPROVEMENT OF VETERANS' PROGRAMS

We need public acceptance of the hard facts of life that, while the threat to the free world exists, it is likely to be the continued duty of each qualified civilian to make an individual contribution to our national defense.

Meanwhile, we must strengthen, rather than weaken, our veterans' programs.

We must improve the pattern of transition from civilian to military, and back to civilian life.

We need to provide more adequate benefits for the families of veterans (especially those in remote camps and outposts), including hospitalization and medical care. For these families suffer displacement, either in surroundings or in financial circumstances, often as great as the veteran himself.

In addition, we need to:

Iron out the existing inequities in the present programs of benefits to completely disabled veterans.

Provide adequate housing for servicemen, to provide them with satisfactory standards of living.

Preserve and improve retirement entitlements.

Continue and expand efforts to rehabilitate disabled veterans and integrate them into our social and economic life.

Develop a successful Reserve program, to unite with our active Armed Forces, for the needs of national defense.

SENATOR WILEY'S LEGISLATION

As you may be aware, I have been constantly concerned with the problems of providing adequate benefits for veterans. In the 84th Congress, I have introduced legislation for such projects as:

New Veterans' Administration facilities at Wood, Wis., to replace obsolete hospital and domiciliary units.

Extension of the GI home-loan benefits. (Only 17 percent of our Wisconsin GI's have thus far utilized their home-loan entitlements. If not renewed, the opportunity expires under present law in July 1957.)

And, too, I have offered legislation for construction of urgently needed housing for personnel in the Armed Forces and their families.

I have, of course, been an ardent supporter of well-merited benefits to veterans, dating back far beyond my participation in the original GI bill of rights for World War II veterans.

WARY OF BRADLEY COMMISSION REPORT

As you know, the House Veterans' Affairs Committee is now studying the Bradley Commission findings. The consensus seems to be that there are some sound recommendations made by this Commission on behalf of the severely disabled, combat veteran.

I am, however, extremely wary and seriously concerned with some of the Commission's additional proposals—for example, those relating to service-connected disabilities. Such proposals would undermine present programs which have proved necessary and effective in benefiting the Nation's ex-servicemen.

You may be assured of my vehement opposition to efforts to undo programs that have proved both desirable and successful in providing much-needed benefits for those who have served our country.

VETERANS' LEGISLATION IN CONGRESS

There are, as you know, literally hundreds of other legislative proposals before the Congress. Consideration of these, however, has been temporarily postponed, pending review and evaluation of the Bradley reports.

These pending bills, as you are well aware, touch upon a multitude of subjects: Pensions, employment, hospitalization, rehabilitation, educational benefits, and other real, significant problems facing veterans of today.

CONCLUSION

Since we are expecting a continuation—temporarily, at least—of world tensions, we must gear our veterans' programs, as our national-defense effort, to the long haul.

On this loyalty day, we must reaffirm our dedication to fulfilling the needs of those who have shown the utmost loyalty and devotion to our country.

Buoyed up by the spirit of loyalty—based on action—I believe that we shall succeed in meeting the great challenges of our times, of defeating atheistic communism, and of providing the greatest benefits for all our people.

Laos Celebrates Constitution Day

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. POWELL. Mr. Speaker, I wish to felicitate the people of Laos, His Majesty Sisavang Vong, and His Excellency Ourot R. Souvannavong, Ambassador of Laos, on the occasion of the celebration of Constitution Day, May 11, 1956.

For the ninth time the flags flutter high over Laos to commemorate their birth of freedom. As nationalism and anticolonialism spread throughout southeast Asia they found fertile soil in Laos. The Laotian people, fired by their own burning desires for freedom and inspired by the examples of their neighbors in the region, actively fought against colonialism and second class citizenship and thus achieved their independence.

Less disrupted by Communist aggression than some of its neighbors, Laos has consequently known a smoother transition from colonial status to independence. The government established at the close of the colonial era was that of a constitutional monarchy with a king who is popular among his people. A constitution guaranteeing democratic freedoms to the Laotian peoples was promulgated May 11, 1947. Legislative power is exercised by a national assembly elected by direct universal suffrage. The independence acquired has been gradually shaping up into a more concrete form and has become complete after the signature with France of a treaty of amity and association on October 22, 1953.

Laos has been active on the international scene. She has been a partner in the conclusion of agreements on American military and economic aid to the Indochinese States as well as a participant in numerous international conferences such as the Colombo plan. Laos also cooperates with several of the specialized agencies of the United Nations.

I salute Laos upon her accomplishments during her short period of nationhood and wish for the Laotian people continued success as they embark upon a new year of national life.

Statement by Hon. William A. Dawson, Republican, of Utah, on Legislation To Correct an Injustice in Present Child-Care Deductions for Income-Tax Purposes

EXTENSION OF REMARKS
OF
HON. WILLIAM A. DAWSON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. DAWSON of Utah. Mr. Speaker, it has come to my attention recently that certain provisions of the new Income Tax Code are working to defeat tax relief for many divorced or widowed mothers who have to work to support their families. The 83d Congress, wisely, I think, recognized that providing child care during working hours placed an unfair burden on divorced mothers, widows and widowers working to provide for their children. As a result, the new income-tax law provides that the cost of child care, up to a reasonable maxi-

mum, is a deductible expense for income-tax purposes.

There is a hitch in the law, however, which prevents it from benefiting many mothers whom, I believe, Congress intended it should benefit. I refer to divorced mothers whose former husbands contribute something to the support of their child. There are many instances where these contributions enable the husband to claim the child or children as his dependents for income-tax purposes. The contributions, however, are not large enough to permit the mother to remain at home. In order to supplement the support payments, she must work and while working must pay for care of her children.

As the law is now written, she is not entitled to the benefits of the child care provisions because the children are dependents of her former husband in the eyes of the Internal Revenue Service.

I have today introduced legislation to correct this injustice. Its only effect would be to make divorced women, widows and widowers eligible for a child care deduction despite the fact that another contributor to the support of the children is entitled to claim them as dependents.

This is meritorious legislation. It will create no new discriminations or injustices. It will remove a hardship caused, I believe, by some unfortunate wording in the present law.

Rumanian National Independence Day

EXTENSION OF REMARKS

OF

HON. THADDEUS M. MACHROWICZ

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. MACHROWICZ. Mr. Speaker, the 10th day of May is a significant one in the annals of Rumanian history. On May 10, 1866, Prince Carol was chosen to the throne of Rumania and a constitution of liberal principles was adopted. On May 10, 1877, on the eve of the war between Russia and Turkey, Rumania signed a convention with Russia which established further progress toward Rumania's freedom and self-rule.

And again on May 10, 1881, Rumania was recognized as a sovereign kingdom and proceeded to expand its ancient culture without interference from her powerful neighboring countries.

Today, 75 years later, there is little cause for rejoicing among the people of Rumanian ancestry. A government has been imposed upon that freedom-loving nation, which has practiced the most brutal acts of tyranny and despotism known to modern civilization.

Actions of that government are wholly contrary to the principles, aspirations and freedoms guaranteed by our American form of democratic government.

Voluminous testimony taken 2 years ago before the congressional committee, of which I had the privilege of being a member, disclosed vividly the firm resistance of the Rumanian people to this autocratic tyranny and their indestructible will to continue their struggle for freedom until it is fully restored to them.

The question of restoring freedom to that poor country is a problem which deeply concerns us in the United States.

The Austrian Peace Treaty, concluded a few months ago, contained provisions that within 90 days thereafter Russian troops shall be withdrawn from Austria and Rumania. The time has long elapsed and Russian troops continue to occupy Rumanian soil.

It is important for us to remember that the peace treaty provisions are guaranteed by the three great powers—United States, United Kingdom, and Soviet Russia—the treaty being a contract between those three powers and the interested countries.

Although, therefore, the violation was merely that of Soviet Russia alone, it is still the equal responsibility of all three powers to implement the provisions of the treaty.

Of course, we had no business to enter into an agreement as partners of the Soviets who had already amassed a record of breaking every treaty it entered into. But, at least, we could show our own good will by demanding forcefully that the Communists keep their pledge and withdraw the Red troops as they obligated themselves to do.

On this Rumanian Independence Day, I sincerely hope that the President of the United States and our Secretary of State reaffirm and prove our friendship to the people of Rumania and adherence to the cause of Rumanian independence, by demanding immediate action from Soviet Russia to keep the solemn pledges it had previously given.

Statement of Hon. Augustine B. Kelley, of Pennsylvania, Regarding Farm Legislation

EXTENSION OF REMARKS

OF

HON. AUGUSTINE B. KELLEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. KELLEY of Pennsylvania. Mr. Speaker, under permission to extend my remarks in the RECORD, I am including my statement regarding the farm legislation.

This is such a vital question today, and its solution means so much to the economy of the country as a whole. No real prosperity can exist in this country unless the farmers have prosperity. It is one of the soft spots and is indicative of trouble ahead for our economic prosperity.

The statement follows:

The Congress is making another attempt at passing some farm legislation to help the Nation's badly depressed agricultural sector of the economy. When President Eisenhower vetoed the bill passed last month, it appeared for a while there would be no farm legislation. But the fact that the parity ratio—that is, the relationship of farm prices to farm and living costs—continues to hover around 82 percent, while the farm outlook remains anything but optimistic, has prompted the agricultural committees to try to get something through.

I pointed out recently that the agricultural part of the economy and the coal industry have been experiencing similar troubles—that both are now running at a little more than 80 percent of the parity level of the Truman administration. These do not constitute isolated situations. The economy is so closely tied together that when large individual segments of it run into continuous difficulties, the whole economy eventually is affected.

Some people in this administration act and talk as if it might be a good idea to help the farmer a little, this being an election year. That's why the administration apparently is so sold on the old Henry Wallace plan for paying farmers to take land out of production. They hope to be able to parcel out some of this money to the farmer between now and election day.

But there is a stronger need right now than just being nice to the farmer in an election year and helping him along a little with a handout of something. It is, rather, imperative that we get the farm segment of the economy back into balance with the rest. And we must go after other depressed segments of the economy—and depressed areas, too—and make sure they get the kind of help which will put them back on a parity basis. Otherwise, the whole economy eventually sinks to the level of the depressed parts of it.

Florida's Senator George Smathers Endorses GI Home Loan Guaranty Extension

EXTENSION OF REMARKS

OF

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. FASCELL. Mr. Speaker, Florida's Senator GEORGE SMATHERS too recognizes the need for immediate congressional action in extending the GI home loan guaranty program.

He has offered his assistance in obtaining favorable action on H. R. 10469 in this session of Congress.

I take this opportunity to call to the attention of my colleagues in the House the Senator's letter of endorsement and to urge them to make their views on this proven program known:

UNITED STATES SENATE,
COMMITTEE ON FINANCE,
May 2, 1956.

Hon. DANTE B. FASCELL,
House of Representatives,
Washington, D. C.

DEAR DANTE: I would like to take this opportunity to commend you on introducing legislation to extend the Veterans' Administration guaranteed home loan program beyond July 25, 1957, the expiration date of the present law, on a sliding-scale basis.

Unquestionably your action will receive the full support of all veterans, veterans' organizations, and industry, for the extension of this program is of extreme importance to the economy of their respective communities.

Few of us realize that there are over 11 million World War II veterans under the age of 35, who have not used their GI home loan entitlement. Since a large percentage of

these will be unable to take advantage of the present law unless it is extended, the need for this legislation is readily apparent.

There is, as you know, considerable sympathy in the Congress to extend the program, with adequate safeguards to protect the interest of the veteran home buyers.

I can assure you that I will most certainly cooperate in every way to be of assistance to you in obtaining favorable action on your bill in this session of the Congress.

With kindest regards, I am

Sincerely yours,

GEORGE SMATHERS,
United States Senator.

A Method To Encourage Employment of the Aged

EXTENSION OF REMARKS
OF
HON. ALBERT P. MORANO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. MORANO. Mr. Speaker, in recent years science has made tremendous advances in the conquest and control of infectious and degenerative diseases. Life expectancy of Americans has increased as a result.

The average age of persons eligible for gainful employment has also increased. However, American employers have not revised their long-standing prejudice against hiring people of middle age and beyond, even though such persons are otherwise well qualified to perform the duties of the job.

Of course legislation might be enacted to prescribe discrimination against job applicants because of age but such legislation would undoubtedly be difficult and expensive to enforce and would probably not be very effective.

I have therefore introduced today a bill whose purpose is to effectively encourage the employment of mature and qualified citizens by a fair and persuasive but noncoercive method which would be practicable and inexpensive and self-operating.

The present revenue act allows employers, in computing taxable income, to deduct 100 percent of all wages and salaries paid to employees. My bill would amend the revenue act to permit employers to deduct from gross income, in computing taxable income, 101 percent of wages and salaries paid to employees between the ages of 60 and 61; 102 percent of wages and salaries paid to employees between the ages of 61 and 62; 103 percent of wages and salaries paid to employees between the ages of 62 and 63; 104 percent of wages and salaries paid to employees between the ages of 63 and 64; and 105 percent of wages and salaries paid to employees between the ages of 64 and 65. Thereafter, the tax deductions could rise by 1 percent as the employee increased in age beyond 65 and remained employed. The maximum deduction should not exceed 115 percent of such wages or salaries paid—but to reach 115 percent the employee would have to be 75 years old. The foregoing increased deductions should apply only to the first $5,000 of wages and salaries paid to each such employees in any tax year; and employers should be limited to the usual 100-percent tax deduction with respect to that part of any wages or salaries in excess of $5,000 paid to any such employees in any tax year.

Of course, such proposed increased tax deductions would slightly affect Federal revenues but this would be offset by the taxes on the income of citizens who otherwise might not be employed at all. More important, however, than the effect on Federal income is the immeasurable benefit to the country by effectively encouraging the employment of its mature and qualified citizens at a time when the number of our mature citizens is constantly increasing.

Amending the Refugee Relief Act of 1953

EXTENSION OF REMARKS
OF
HON. TORBERT H. MACDONALD
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. MACDONALD. Mr. Speaker, I have today introduced a bill which is designed to amend the Refugee Relief Act by permitting 20,000 persons of Armenian ethnic origin to enter the United States under the provisions of the Refugee Relief Act.

For the past 2 years I have repeatedly urged that the total number of refugees admissible under the Refugee Relief Act should be increased substantially. The bill I have introduced today would do this very thing for 20,000 refugees of Armenian ethnic origin.

At the time the Refugee Relief Act was passed the Congress of the United States was very thoughtful of the oppressed peoples of the world who, because of political and economic conditions, became refugees. These include people from Greece, Italy, Germany, Austria, and Holland.

However, the Armenians in the Refugee Relief Act of 1953 were not included although they have been persecuted and driven from their homes during World War I and in World War II and also on many other occasions have been forced from their homes. It seems to me that their sufferings and hardships are certainly comparable to the sufferings and hardships of any other single minority group in the history of the world. That is why I am asking that Armenians of ethnic origin be included within that 1953 act.

I want to take this opportunity to point out that my bill covers those who have left the area of Turkey which was formerly Armenia either under duress, or voluntary in order to escape religious and political persecution. The coverage of the bill is limited to those who on the date of enactment are registered with a consular officer abroad for an immigrant visa. Their entry must be chargeable to a country that has an oversubscribed annual immigration quota of 310 or less. From the foregoing it is plain to see that my bill seeks to admit those who as a matter of practical fact could never be admitted under the annual immigration quotas established by the McCarran-Walter Act.

Here in the United States, a quarter of a million Armenian citizens of Armenian origin are living proof of the magnificent character and spirit of a virile race. The records show that Armenians have proved themselves worthy of being counted among the most useful and loyal racial elements of our Nation. There are many people of Armenian descent living in my Eighth Congressional District of Massachusetts and it is very true that their contributions to our economic, social, and cultural life have been most welcome and constructive.

When this proposal is enacted into law it will end the persecution of at least 20,000 of those maltreated and displaced ethnic Armenians, for whom their relatives in this country will provide homes and jobs aiding them to become useful citizens of this great country of ours.

A Remedy for Delayed Sugar Legislation

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. MILLER of Nebraska. Mr. Speaker, I hesitate again to take the floor to plead for action on the sugar bill, but because of the extreme delay in submitting a conference report to the House I feel that I must do so.

To reiterate, last July 30, 1955, the House, at the urgence of the chairman of the House Agriculture Committee, passed a bill amending the Sugar Act so as to give our domestic producers a more just and equitable share of the American sugar market. A part of the market that has been going to the Cuban and Puerto Rican sugar industry would be apportioned to the beet and cane sugar producers in the United States. Congress adjourned before this measure could be considered by the Senate, but promptly after the second session of the 84th Congress convened the other body began consideration of the bill, and on February 8 passed a bill which, in my judgment, is more satisfactory than the one approved by the House. Senate conferees were appointed that same day.

For some reason the gentleman from North Carolina failed to appoint House conferees until March 15, some 36 days after this action was taken by the other body, and then only after he had been repeatedly urged to do so by myself and other colleagues who are interested in this legislation.

I am now extremely disappointed to learn that the conferees, some 55 days after they were appointed by the House and more than 3 months after they were appointed by the Senate, have not made a report to the House; and, as a matter of

fact, they have not held a single meeting. This is hard to understand, because the chairman of the House Agriculture Committee, on July 30, 1955, when this bill was passed, said of the bill: "It is of far-reaching importance because it affects people in far distant places and it vitally affects every one of your constituents."

The fact that the gentlemen have other important legislation to consider does not lessen the urgency or importance of the sugar legislation. It is the farm program to many of my constituents in the Fourth Congressional District of Nebraska, and because of its importance and the extreme delay I may feel constrained on Wednesday next to ask that the matter be brought up on a motion of privilege. I hope, however, that the conferees will make this action unnecessary. I understand the conferees have a meeting scheduled for this weekend. If progress can be made by the conferees then the motion of privilege may not be necessary. I hope a bill can be promptly reported. It is long overdue.

Address by Hon. Herbert H. Lehman of New York, at Cornerstone Laying Ceremony of B'nai B'rith

EXTENSION OF REMARKS
OF

HON. HERBERT H. LEHMAN

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Thursday, May 10, 1956

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered at the cornerstone-laying ceremony of the B'nai B'rith, in Washington, D. C., on May 6.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR LEHMAN AT CORNERSTONE LAYING CEREMONY, B'NAI B'RITH, 17TH STREET AND RHODE ISLAND AVENUE, NW., WASHINGTON, D. C., ON MAY 6, 1956

If we were today dedicating the cornerstone of an ordinary building, however, beautiful it might be, however, useful or even, however, helpful to the community, this would not be an especially remarkable occasion. Our Nation's capital has many such beautiful structures, and has had many such occasions. But neither this nor any other city in the land has contemplated an institution like the one which is being launched by this cornerstone laying here today.

It is fitting that a unique establishment should be sponsored by a unique organization. B'nai B'rith is unique not only because it is America's oldest Jewish organization, having been founded in this country nearly 113 years ago. It is the only group that unites Jews of different doctrinal practices of the Judaic faith, of different economic backgrounds, of different social and political ideologies, and of different views on the fate and future of our people. And B'nai B'rith unites them, more than 350,000 men, women, and young people, for common action in a constructive program on which they can all agree, to promote the welfare of those of our faith, the interests of our beloved country, and the well-being of humanity generally.

I am proud that I have long been a member of B'nai B'rith, as was my father before me.

But if B'nai B'rith is unique, so will be this building whose cornerstone we dedicate today. For in spite of the fact that Jews have been part of the fabric of America for more than 300 years, this will be the first shrine in which their innumerable and priceless contributions to our country will be dramatically demonstrated. Elsewhere there are magnificent libraries and museums of Judaica, rendering splendid service to scholars, historians, and teachers. But only on this corner, where we stand today, will there be a popularly designed exhibit for all the people, showing Jewish contributions to American democracy, in the capital of world democracy.

It has been said that the mortar of ancient Judaic tradition cemented the foundations of American demorcracy. What are some of the basic concepts common to our faith and to our country? I would say they include liberty under law, equal justice for all, the sanctity of human personality, and the right of all to seek a richer, fuller, and more abundant life.

And on the strong foundation of these concepts and traditions, we have built in this country the freest and most democratic society the world has known in modern days. And here the freedoms have been developed to as great an extent as any other place on earth.

That achievement—and not merely material wealth—has made America great. And because history has propelled us into the position of moral leadership, we cannot shirk the responsibility that accompanies that leadership.

Today the challenge posed by communism to our free way of life is more formidable than ever before. The new and softer face presented by the ruling group in the Kremlin reveals no weakening of their basic determination to impose their kind of society and their view of man upon the whole world. The free world is properly concerned lest the Communist bloc, by concentrating all its human and material resources, achieve military superiority.

The Kremlin is building weapons as destructive as those we have developed. Indeed, they may be building them faster today than we are. But as long as Communist pilots, soldiers, scientists, and workers have to keep looking over their shoulders to see if they are being shadowed by their suspicious and intolerant masters, we should enjoy a clear advantage. If our scientists can work free of the restraints of serving any ideology but truth, we should not need to fear being outstripped by Communist technology. And we would have a better claim, too, on the minds and hearts of the millions throughout the world who are still uncommitted in the contest between democracy and communism.

Unforunately, we in this country have weakened our own cause by misreading the nature of the Communist threat, and the true requirements of American loyalty and security. For too many years we have lived in a fog of synthetically manufactured fear. We have treated with elaborate dignity the smears and reckless charges which in a happier day we would have recognized immediately as false. We have seen Congress permit its Chambers to be used as a privileged sanctuary for the launching of irresponsible assaults against the good name of perfectly loyal individuals and institutions.

In the last year or two, the fog has begun to lift. For this improvement, courageous individuals, and organizations like B'nai B'rith and others, who refused to be stampeded or silenced by the political demagogues, are to be congratulated. But much remains to be done.

Only the other day the Attorney General proposed to Congress the adoption of a law that he said would permit Government agencies to retain employees against whom security charges have been filed until final adjudication of their cases. This surely is the plain requirement of American due process, and one that is long overdue in view of the hardship that has been visited upon thousands of suspended employees who were finally restored to their jobs after months of heartache.

But the Attorney General does not need this authority from Congress. The Administration today has all the power it needs to institute, by executive order, this necessary reform. The Attorney General does little to improve the climate of freedom when he shows the lack of political courage implicit in passing the buck to Congress.

Many years ago, we proudly turned to the world the face of our Statue of Liberty with words of welcome that kindled hope and enthusiasm in millions of hearts in the tired lands of the old world. But in recent years the words of welcome have been blurred by the cruel hardships and inequities we have written into our immigration laws.

B'nai B'rith, to its credit, has fought constantly to return to the American tradition of humanitarianism and equality in our immigration laws. And we have made progress on this front. Today the principal leaders of both political parties have publicly and repeatedly decried the gratuitous insult offered to seven-eighths of the peoples of the world by the national origins quota system—a system that just a few years ago was considered too dangerous even to criticize.

I assure you that it would be vastly encouraging to me to see this Congress retract the insult inherent in the national origins quota system and make honorable amends, not only for the sake of our prestige everywhere, but for the sake of our own traditions and self-respect. I pray that this culmination of our efforts will one day soon be realized.

As men and women who support the spread of democratic ideals everywhere, we are deeply troubled by the present situation in the Middle East. Today, Communist influence is strong there because of the vast quantity of aggressive armaments sold to Egypt by the Soviet bloc, while Israel's pleas for defensive weapons from the United States have gone unheeded.

We all pray that the present cease-fire, brought about by the United Nations, will endure, and ripen into real peace. But unless it does—and I fear it will not—the danger of war will continue. The best interests of our own country require a just and lasting peace in the Middle East. But peace cannot be established by merely wishing for it. It must be sought by bold and courageous action. One part of such a course of action would be to furnish defensive arms to Israel now—before it is too late.

The policy of our Government has not seemed to those of us outside the administrative branch either bold or courageous. I trust and pray that that situation is going to be remedied. I will not cease to raise my voice in protest until it is remedied.

One facet of this policy which has attracted my concern in recent months has been our Government's tolerance, and even complicity, in the intolerable discriminations practiced against American citizens by the Saudi Arabian Government and others. Once upon a time, our Government would have denounced, with fine indignation—as it frequently did in past generations—any government which sought to distinguish between one American citizen and the other on the basis of his religious faith or descent. But today, our Government actively connives with the Government of Saudi Arabia, for instance, to keep American soldiers who happen to be of Jewish faith from serving

in American installations which happen to be in Saudi Arabian territory.

I know that great issues are at stake in the world today, but what greater function of American sovereignty is there than the traditional function of upholding the integrity of American citizenship? What greater obligation rests upon the American Government than the denial to any nation, regardless of the interests involved, of the right to distinguish and discriminate among American citizens on the basis of their religious faith?

I favor a policy of friendship with all Middle Eastern countries, and indeed, a policy of large-scale assistance to the Arab nations, as well as to Israel. But I place little store on relationships which are grounded on appeasement and acceptance of discriminations which are alien to every tradition we hold dear.

And so, as we glance briefly over some of the large issues that agitate our world today, we are increasingly conscious of the need for high and noble ideals that can serve as a beacon for our endeavors. Such ideals will be embodied in this new B'nai B'rith Building. They will serve their purpose well if they fill us not only with a modest pride in what people of our faith have already achieved in this blessed land, but with a firm determination to continue to be worthy of our great Jewish and American heritage.

Comment on Statement Regarding Admiral Radford

EXTENSION OF REMARKS
OF
HON. AUGUSTINE B. KELLEY
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. KELLEY of Pennsylvania. Mr. Speaker, under permission to extend my remarks in the RECORD, I wish to include my newsletter for the present week regarding a statement by Admiral Radford and the press.

I think it is time cognizance should be taken that the freedom of the press should in no way be interfered with:

The newspaper editors of our country must be puzzled, indeed, by the reported statement of Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff, that our free press is partly responsible for confusing and perhaps alienating our allies.

The admiral's position is that the free press—which he seems to regard as something of a necessary evil—digs around and comes up with so much divergent and contradictory material on national policy that it is difficult if not impossible for friendly nations abroad to follow the ins and outs of our policies. In contrast, he told the House Foreign Affairs Committee, the Communist line is more definite and consistent.

This may or may not be true as between our country and Soviet Russia. After all, the highest Communists in the Soviet hierarchy seem to have been very busy lately rewriting their own line to suit the newest conditions arising out of their devaluation of Stalin. But at least when Khrushchev puts out a policy statement, nobody else in the high command dares to dispute it.

On the other hand, we find numerous instances day after day in our own Government when one official disputes another, when one department's policy position is contradicted by another, and when the President and his Cabinet are not only disputing each other but changing their own statements in a few days' time.

This may be inefficient from Admiral Radford's point of view, but unfortunately it is the situation. What probably puzzles the newspaper editors, however, is what the admiral thinks they should do about it.

Should they edit the President's statements? Should they censor Cabinet officials who stick their feet in their mouths? Should they suppress the comments of high-ranking Government leaders just because their honestly held views might confuse people abroad?

The fact is that whenever the free press acts as if it considers itself the protector of a particular administration in office and considers its functions that of presenting the administration always in the best possible light—even to the extent of editing the President's statements, censoring Cabinet members or suppressing dissenting views of top officials—then the less it fulfills is obligations to the people of this country and to the cause of American democracy.

FAULT LIES NOT WITH PRESS

I would say to Admiral Radford that if there is confusion abroad about our policies, that is not the fault of the American press for reporting the contradictions in high policy. The fault would lie in the indecision and the wide diffusion of authority and in the lack of central direction and control over the farflung agencies and functions of government.

The Government of our country just can't be run successfully along the military chain-of-command principle. Mr. Truman used to point out, with a little slogan on his desk: "The buck stops here." It can't successfully be passed down to lesser officials. Policy must be centered at the top.

This is not to say that there should be no room for disagreement or controversy within an administration. The experts in the staff positions should certainly have an opportunity to voice their views and get them to the top through the regular channels. No one is infallible, and each high official should be big enough to listen to all the arguments—and even to pass along to the President the fact that there is disagreement on some important policy matter.

Instead, we have found by reading the resourceful American press, and through congressional hearings as well, that the President is frequently unaware of disagreements in his official family on some of the vital issues confronting the country. Dissent seems to be hushed up and kept from him. That is a bad policy.

Rumanian Independence Day

EXTENSION OF REMARKS
OF
HON. VICTOR WICKERSHAM
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. WICKERSHAM. Mr. Speaker, May 10 is Rumania's Independence Day. To all true Rumanians, that day is to them what July 4 is to all true Americans—the symbol of their individuality as a nation.

The collective leadership of the Soviet Union is afraid of days which recall liberty to the temporarily subjugated European satellites. They were afraid of Polish Constitution Day, May 3. They tried to change the Polish national holiday to July 22. They tried to change the date of Rumania's Independence Day to May 9—when the Russians observe VE-day. How miserably they have failed. Rumanians, in their homeland, take new heart on May 10, remembering the impact of that day on their history, and looking forward to the time when liberty shall be restored to them.

On May 10, 1866, the first elected monarch of Rumania was inaugurated.

On May 10, 1877, while engaged in the Russo-Turkish War, the principality of Rumania proclaimed its independence from the Ottoman Empire.

On May 10, 1881, Charles I was crowned king of Rumania by the will of the people who had chosen him to govern.

More than half a century of peace, progress, and prosperity followed May 10, 1881. It is no wonder that true Rumanians remember that date. It would be a wonder if they should ever forget it.

Mr. Speaker, I have been in Rumania twice since World War II—in 1945 and again late in 1954. I came away with a strong, well-founded respect for the unbreakable courage of the Rumanian people.

On one occasion I noticed a gang of men in convict uniform building a road. My American diplomatic escort told me that these men, guarded by Communists with machineguns, were sons of former Rumanian leaders in industry, science, and government. When the guards momentarily looked the other way, one of these men stared directly at me and raised his right hand. I recognized in that brief instant the sign of "V for victory." He had done this at the risk of his life.

On another occasion, a Jewish rabbi—his body unbelievably emaciated from starvation and forced labor—told me in broken English, "the best way to solve the problem of too few jobs for too many Rumanians is to close the eastern border and open up the western border."

It takes the bravery of the battlefield to dare death while engaged in slave labor. It requires a crown of courage to crack a joke in the shadow of imprisonment. But that, Mr. Speaker, is Rumania.

Rumanian oil, Rumanian lumber, Rumanian farm crops are siphoned into the Soviet Union, leaving only a small percentage for home consumption. Since I represent a great oil-producing and agricultural State, Oklahoma, this was of interest to me.

I asked one of Rumania's Communist leaders how the average Rumanian was making both ends meet. He told me, with pride, that the average monthly income for workers was then about $80 per month in our money. Next, I asked him how much the average worker was paying per gallon for gas for his car. His answer was that the average worker did not have a car. "How much per gallon if he had a car?" I insisted. He finally broke down and confessed that gasoline could be bought at $2.23 per gallon. I also learned that eggs could be purchased—at 30 cents apiece. Actually, they cost more than 30 cents apiece, for 4 out of 5 eggs sold in Rumania are not fit for human consumption.

Eighty dollars a month does not go far at such prices.

I do not know how Rumanians keep alive under such enforced exploitation. But they do. And they keep freedom alive, too.

Mr. Speaker, there is just one thing I wonder as we who are free prepare to honor Rumania's Independence Day. When I was in Rumania in 1954 there was a great deal of pointing with pride to the school, corresponding to our own West Point, that trained officers for the Communist army. It was then called the Stalin Military Academy. I wonder if it is still called the Stalin Military Academy in 1956.

It is my hope and prayer, Mr. Speaker, that on a not-too-distant May 10, we may welcome free Rumania once more into the fellowship of independent nations.

Right-to-Work Legislation

EXTENSION OF REMARKS
OF
HON. BARRY M. GOLDWATER
OF ARIZONA
IN THE SENATE OF THE UNITED STATES

Thursday, May 10, 1956

Mr. GOLDWATER. Mr. President, yesterday it was my pleasure to address a meeting of the Young Men's Business Club of New Orleans at New Orleans, La. I ask unanimous consent that the text of my address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR BARRY GOLDWATER BEFORE THE YOUNG MEN'S BUSINESS CLUB OF NEW ORLEANS, NEW ORLEANS, LA., MAY 9, 1956

One fact should be made crystal clear before this discussion gets underway. I do not profess to speak for the Republican Party nor for the administration when I direct my remarks today to the subject of the right to work. I support right-to-work legislation, as do many members of the Republican Party, and, I am happy to say, also many members of the Democrat Party. I wanted to clear up this point before starting, because many times when a member of a party stands up to speak on a subject some people immediately take his remarks as being the position of his party or the administration that he represents. I do not represent the Republican Party nor the administration in these remarks any more than does Secretary of Labor Jim Mitchell when he attacks States rights. He has a perfect right to do that. I have a perfect right to defend them. The remarks that I make today, then, are my own, BARRY GOLDWATER, and mine alone.

It is time that we stop and ponder over what has been accomplished under the right-to-work laws since they were first enacted slightly over 10 years ago. Since that time a total of 18 States have seen fit to take advantage of section 14 (b) of the Taft-Hartley law and enact legislation in their States that guarantees the right of a worker to obtain and keep a job without being a member of a union; and, on the other side of the coin, to guarantee the union man the right to gain and hold a job in spite of his being a member of a union. When these laws were first enacted, in fact when the very spirit of 14 (b) was first developed, the CIO said that these would be right-to-wreck laws, they said that this section of Taft-Hartley and the subsequent enactment of right-to-work laws were destined to destroy unions. Now let's take a look at the record and see what has happened since the first enactment of these laws.

In 1945 there were approximately 54 million people in the civilian labor force and 14,800,000 of these are estimated to have belonged to unions. This means that in 1945, 27.5 percent of the civilian labor force belonged to unions. In 1955, and these figures are only estimates because the complete figures are not available as yet, we find the laboring force in the neighborhood of 64 million, with 18 million estimated to be members of unions; which would mean that 28 percent of the civilian labor force belonged to unions in 1955. Certainly, these figures do not indicate that there has been any destruction of the union movement nor any appreciable slowing down in the rate at which membership has been growing. But let's look further at what the right-to-work laws have accomplished in the 10 years that they have been in existence.

Secretary Mitchell said in Los Angeles last summer that the right-to-work laws have adverse effects on communities that adopt them. Now let's again turn to the record and see what has happened during this period. The study that I refer to will include only 11 of the 18 States that now have right-to-work legislation because only 11 of these States have had the laws a sufficient length of time to be able to base any judgment upon their experience. I want to commment at this point, also, before getting into these figures—that we cannot assume that the right-to-work law alone is responsible for the remarkable record that has been made in these various States; however, we can call it coincidence and it is still a true fact that the States that have enacted right-to-work legislation compare more than favorably with the rest of the Nation in any area we care to explore.

Total nonagricultural employment in the 11 States has risen 21 percent. During this time the total population in these 11 States has increased by 12 percent. During this same period, a 14 percent rise in nonagricultural employment occurred in the United States, while the Nation's rise in population was 12 percent. Now, going to another economic area, in the 11 States with right-to-work laws passed during the 1946–1948 period, the number of business establishments has increased approximately 24 percent while at the same time the increase nationally in the number of new business firms was only 15 percent. When we investigate the income from wages and salaries, we find that in the 11 right-to-work States that we are studying there was an increase of 69 percent, while the national income derived from wages and salaries rose just above 59 percent. While these increases were occurring, the opportunity to work was on the rise in the 11 States more than it was in the Nation as a whole. In the 11 right-to-work States we are examining, man-days idle due to work stoppages dropped 33 percent between the period of 1947 and 1953, while nationally the decline in man-days idle was 18 percent. Surely these figures should convince even the most skeptical that the fears of the CIO that the right-to-work laws would wreck the unions and the fears that are expressed by Secretary Mitchell that these laws are detrimental to the communities that enact them are baseless and groundless. I must reiterate that we cannot say that the right-to-work laws in themselves have created these situations, but it is a peculiar circumstance that in the States in the Union that have enjoyed the most healthy gains in nearly every area of their economies, we find right-to-work legislation.

Having looked quickly at the history of the right-to-work period, I think it is well at this time that we stop and ask ourselves why this legislation became necessary and why 18 States have passed these laws and why other States are seriously interested in adopting them for the protection of their own workers and their own economy. The concept of the right to work is based upon two premises, the first of which is the freedom of the individual and the second the right of association.

Let's explore the first one first—freedom of the individual. The right-to-work bill is a civil-liberties measure. As more and more employers in the country were signing agreements with the union or closed-shop clauses, it became evident that with the arbitrary power placed in unions, a man's membership in a union was becoming more important than his rights as a citizen because his livelihood depended on maintaining his membership. The obviousness of this fact created an interest among the very workers affected in the States that have enacted these laws to the extent that sufficient interest was aroused to create their passage.

I believe that the best expression I have ever read concerning the freedom of the individual was expressed by Mr. Bennett B. Patterson in his book, the Forgotten Ninth Amendment. Mr. Patterson said, and I quote, "Individual freedom and the recognition and development of the spiritual nature of mankind are the essence of democracy; indeed, they are the essence of life itself. We believe that by nurturing and encouraging the natural development of the individual to the point that he will achieve his greatest work, society as a whole will profit in the greatest measure."

Our whole system of government and our whole system of enterprise is based upon individual rights and freedom. Our basic writings abound with the proof of this statement and we need only look at the Declaration of Independence to find the substance of all our freedom. The Declaration of Independence says, "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness." That is not only the cornerstone of our Republic, an expression recognizing the source of our freedom as stemming from God, it also spells out our fundamental rights. The right to work is one of our rights. It is fundamental, for without it a man cannot retain the right of liberty or the right to pursue happiness, for both are dependent on his right to work.

For years those people who now travel erroneously under the name of liberal have been stating that the right to a job is one of the basic human rights and they go further to say that our Government is not only bound to protect this right but must create it. These same pseudoliberals are highly concerned today because 18 States have passed legislation or contained these provisions in their constitutions to protect the workers from being deprived of their jobs by reason of membership or nonmembership in a union.

The question that rises at this point is this: Is the right to a job really a basic human right or is this right restricted to union members only? Actually, there is no right to a job in this country or any other country that follows our concepts of freedom. Man was created equal, our Declaration of Independence says. He was created equal because he was a free child of God, but at the point of his birth the equality ceased. The right to a job, if such a right does exist, exists only in man's determination to get a job and to keep a job, and if there are rights connected with that then those rights are wrapped up in the expressions of the right-to-work law that recognizes that a right to work, whether a man belongs to a union or not, is a basic right,

expressed in our Declaration of Independence and further outlined at various places in our Constitution.

The right to work is coextensive with the right of life itself. Shakespeare said something about this, and while Shakespeare was no labor-management relations expert, nevertheless his philosophy certainly can apply. In The Merchant of Venice, he wrote, and I quote, "You take my house when you do take the prop that doth sustain my house, you take my life when you do take the means whereby I live." When a man must belong to a union to obtain or retain work, then that man does not have the right to work under our concept of rights and we, in effect, if we fail to recognize that, would be living in agreement with Shakespeare's quotation, "You take my life when you do take the means whereby I live."

Let's look at the Constitution and see what the Constitution has to say about the subject of right to work and the other rights which man enjoys in connection with employment. The famous fifth amendment of the Constitution says in part, "No person shall be held to answer for a capital or otherwise infamous crime," then it goes on to list several other exemptions and says, "nor be deprived of life, liberty, or property without due process of law." Certainly, if a man is forced to join a union in order to obtain or retain employment, that action, being one of compulsion without the process of law, violates that part of the fifth amendment. Likewise, if a man were denied employment because of membership in a union, that action would be in similar violation of this amendment. Quite similar language is contained in the 14th amendment which says in part, and I quote, "Nor shall any State deprive any person of life, liberty, or property without due process of law."

Thus we see in amendments 5 and 14 the clear intent of the Constitution to protect any right bearing upon life, liberty, and property and the right to work is fundamental to these rights. If a man is denied work by either nonmembership or membership in a union, then he is deprived of these rights without the due processes of law.

There is another amendment, not often referred to by students of the Constitution, or generally known by the American public, but it contains what is to me one of the basic statements about our rights. The ninth amendment says, and I quote, "The enumeration in the Constitution of certain rights shall not be construed to deny or disparage others retained by the people."

When our Constitution was framed, in fact when our first basic papers were written, after our forefathers began to think about our concept of freedom, all of these documents believed that our rights were inherent because these rights and freedoms came from God. They didn't believe it was necessary to outline in detailed form each and every one of these rights and that is the reason that the Bill of Rights was not written when the Constitution was first presented. It was only after these wise designers of our documents began to think that the time might come when there would be some doubt about these rights that they set them down in the first 10 amendments to the Constitution. Believing the rights to be inherent by virture of their being a gift from God, the Constitution set out to protect these rights. The 9th is a broad statement of the protection and extent of these rights. It recognizes that all the rights of men are protected. It recognizes that the individual and not the State or the Federal Government is the source and basis of our social comport. It further recognizes that sovereignty rests with the individual. The right to work is a right that must be protected if the very rights of life, liberty, and the pursuant of happiness are to be maintained in this Government of ours.

Near the outset of this discussion, I stated that there were two aspects to the right-to-work bills, one being the rights of the individual, which we have just discussed, and the second being the right of association. After having studied these laws for the past 10 years and after having watched their operation, I have come to the conclusion that the right of association is probably the heart of the right-to-work movement.

The freedom of association being an important side of the right-to-work coin, we should see what our Constitution says in amendment I about this freedom. It says, and I quote, "Congress shall make no law respecting an establishment of religion," then it goes on and states, "or the right of the people peaceably to assemble." Again we get back to the freedom of the individual, for this right springs from the liberty of the individual to order his life as he sees fit, to choose where he will work, to choose his church, his political party, his lodge, his union—if he desires to affiliate with any of these. No law should compel him to join, or condemn him for joining, any organization or group. Some men want to belong to unions, some do not, it's as simple as that; but some union leaders want the right of assembly destroyed by the extension of compulsory unionism into the States where that right is now protected. There are young men who want to belong to the organization that I am addressing today, there are other young men who do not want to belong to it, and I am sure that both sides would resist any Federal law that would say that all young men have to belong to this organization. They may not want to belong because they don't like some of the members, they may not want to belong because they don't like the program; there are many reasons that would make a man hesitate at joining any organization, just as there are many compelling reasons that make men want to associate with others in the pursuance of a common objective.

Having reviewed the past history of the right-to-work movement, and having refreshed our minds on what I consider to be the two important points involved in any argument for a right-to-work law, let's look briefly into the crystal ball of the future to see what might be in store for those States who have, by an expression of their citizenry, adopted these laws.

There are several bills in both Houses at the present time that would destroy section 14 (b) of the Taft-Hartley law. As is to be expected, the pseudoliberals of today, blinded by their devotion to the doctrines of Walter Reuther, are the ones who have introduced and who are pressing for this legislation. One of these individuals is a Member of Congress by the name of JAMES ROOSEVELT. Mr. ROOSEVELT said on March the 15th of this year, and I quote, "I am sure he," referring to his father, "would have been horrified at the so-called right-to-work laws and would have done everything he could against them." Now again, in an effort to keep the record perfectly clear, I would like to remind the son of our former President of what his father once said on this subject, and I quote, "I tell you frankly that the Government of the United States will not order, nor will Congress pass, legislation ordering a so-called closed shop. It is true that by agreement in many plants of various industries the closed shop is now in operation. This is a result of the legal collective bargaining and not of Government compulsion on employers or employees. It is also true that 95 percent or more of the employees in these particular mines belong to the United Mine Workers Union. The Government will never compel this 5 percent to join the union by Government decree. That would be too much like the Hitler methods toward labor." Now if the remarks of the senior Roosevelt do not refresh the memory of the son, I would like to refer Jimmy to what his mother once said in her column My Day, "I do not believe that every man and woman should be forced to join a union."

I inject the Roosevelt name at this point only to show the extent to which some of the younger generation of the pseudoliberals will go in order to confuse the issue. While both President Roosevelt and Mrs. Roosevelt were strong advocates of strong unions and both did a lot to help in these movements and both provided constructive thinking to the progress of these organizations, both of these liberal-minded people recognized that compulsory unionism has no place in America.

It is difficult to understand why there exists here in America, the land of the free, the desire on the part of some people to force a man to join a union in order to gain and retain employment. There are unions in other parts of the world, successful unions, there are countries that are far more unionized than the United States, so with this in mind I obtained a report from the International Labor Organization and there are some interesting revelations in that report. Seven of these countries have compulsory unionism in some form but none of them have compulsion by law. The others prohibit, except in some rare cases, and these cases by collective agreement only. The most unionized group of countries in the world, the Scandinavian countries, prohibit compulsory unionism by law—it is not allowed—and yet, in spite of that, we find a greater percentage of the working people belonging to unions in these countries than in any other countries in the world. Universally, compulsory unionism is frowned on. Leaders across the world recognize that in compulsion you also have the seeds of destruction, but allow a man the freedom to join or not to join and when a man does become a union member after exercising his free right to determine this choice, he becomes a good union member and an asset to his organization that only can strengthen that group.

Maybe in this country Walter Reuther is afraid of free men's choices. Perhaps he doesn't recognize that free men recognize the need and the value of unions; that free men will join unions when the unions show free men that they are better off belonging to them than not belonging to them. Perhaps he doesn't recognize that Americans do not like coercion, that Americans do not like to be told what to do or when to do it, or to have to pay for a right to do it. Perhaps Mr. Reuther is not aware of the fact that many members of his union and many people who do not belong to unions do not like the way that his union has violated the desires of the minority group of his organization.

I speak now of political freedom and in this I speak for the President and for the Republican Party, for Ike told the AFL–CIO merger convention last December that "The rights of minorities holding differing social, economic, and political views must be scrupulously protected and their views accurately reflected."

And I speak of the forgotten civil-rights problem, I speak against the use of compulsory union dues for political purposes, and in that I feel sure that I speak for a strong minority of the union movement and for a great majority of the workers who are nonmembers of unions. Mr. Reuther's reply to the President's request that these rights of minorities be protected was merely that his unions would spend more, that they would destroy the Republicans, and that somehow they would get around the law, which they are doing today.

Here is a civil-rights violation that crosses both racial and political lines, yet it is being ignored by these same pseudoliberals. I am not talking about a mere handful of individuals, although I would stand up for the rights of any individual American. I am talking about some 8 million Americans

who have become second-class citizens as a result of the merger of the AFL and the CIO.

These second-class citizens come from both sides of the political fence. They are Republican workers who are forced to pay compulsory union dues, part of which are used for candidates whom the workers personally vote against. But they are also Democrats who find these compulsory union dues used to influence Democrat primaries. And you in the South know that this primary is the equivalent of the general election in the North.

I say to you in all sincerity that this is not a labor-relations problem—it is a civil-rights problem since it amounts to nothing less than nullification of the vote of an individual American, and I am sure I don't have to explain nullification to southerners.

Now what can you and I do, people who are interested in this right-to-work move, to protect it, to see that the Federal statutes remain on the books, that allow the several States to have these laws. I think you and I have to engage in a program of education. This program of education does not entail a bitter fight with some leaders of the union movement, it entails explaining to the working man what we mean when we talk about the right to work. If this is done, not only with the working man but with management itself, then I feel that a free expression of the people of the States will be heard by the State legislators and that the legislators assembled will act in accordance with the wishes of the people.

This is a matter of freedom that you and I are discussing today. It is a matter of nothing else. It is not wrapped up in economics, it is not wrapped up in the social problems of America, it is wrapped up in the basic freedoms of America and as Americans you and I have a duty to see that those rights and freedoms are observed and protected.

Administrative Changes In Excise Tax Structure

EXTENSION OF REMARKS

OF

HON. JERE COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 10, 1956

Mr. COOPER. Mr. Speaker, for the past 2 days the Committee on Ways and Means has been considering an important report issued by the Subcommittee on Excise Tax Technical and Administrative Problems. This subcommittee, under the able chairmanship of the Honorable AIME J. FORAND, of Rhode Island, has made a thorough and comprehensive study of our Federal excise-tax structure. Based on that study, the subcommittee prepared a report containing 80 specific recommendations for improvements in our Federal excise tax structure.

As chairman of the Committee on Ways and Means, I today issued a press release setting forth the decisions of the committee reached to date in connection with its consideration of the subcommittee report. For the information of the Members of Congress and the interested public, I will insert in the Appendix of the RECORD a copy of that press release. The committee will continue its work on this report in executive session next Monday.

CHAIRMAN JERE COOPER, OF THE COMMITTEE ON WAYS AND MEANS, ANNOUNCES TENTATIVE DECISIONS OF THE COMMITTEE ON THE RECOMMENDATIONS OF THE SUBCOMMITTEE ON EXCISE TAX TECHNICAL AND ADMINISTRATIVE PROBLEMS

Hon. JERE COOPER, Democrat, Tennessee, chairman of the Committee on Ways and Means announced today that the committee had reached the following tentative decisions thus far on the recommendations of the Subcommittee on Excise Tax Technical and Administrative Problems:

I. MANUFACTURERS EXCISES

1. Electric direct motor-driven fans and air circulators should be taxed only if they are of the household type rather than, as at present, if they are of the nonindustrial type.

2. The tax on television and radio components should be applied only to those suitable for use on or in connection with "entertainment type" sets rather than on all sets.

3. The tax on refrigeration components should be repealed.

4. Temporarily passed over, to permit further staff study, the recommendation that credits or refunds should be available with respect to the tax on gasoline destroyed by fire or as the result of a disaster (as so declared by the President) to the extent that the tax losses are not compensated by insurance or otherwise.

5. To remove items of little or no revenue significance, the base of the tax on sporting goods should be revised to delete: (a) curling stones; (b) deck tennis rings, nets, and posts; (c) lacrosse balls and sticks; and (d) sleds (measuring more than 60 inches in length).

6. The tax on trucks and truck trailers which are leased instead of sold should be limited to the tax due where these articles are sold. This is already true in the case of utility trailers. This treatment would be provided, however, only if the manufacturer sells (instead of leases) some of the trucks and truck trailers.

7. The tax on tires and inner tubes should be levied at the time the tire or the tube initially leaves the manufacturing plant or a warehouse within 20 miles of such plant, instead of at the time of the sale by the manufacturer in the case of sales by a manufacturer having wholesale or retail outlets.

8. Temporarily passed over, to permit further staff study, the recommendation that in the case of sales by manufacturers directly to retailers, the manufacturers' price on which the tax is computed should be based upon the price at which the manufacturer sells to wholesale distributors. This alternative to the actual price charged by the manufacturer would not be available where sales to the retailers are the normal method of distribution within the industry and would not be available where the manufacturer does not make a sufficient number of sales to independent wholesalers.

9. Temporarily passed over, to permit further staff study, the recommendation: "Present law provides that the base on which the manufacturers' tax is computed is to be constructed where a manufacturer makes a sale (otherwise than at arm's length) at less than the fair market price. In practice a sale to a selling subsidiary in such a case would be presumed to be not at arm's length. This administrative presumption should be codified."

10. Temporarily passed over, to permit further staff study, the recommendation that the status of cooperative advertising in relation to a manufacturers tax base should be clarified by a specific ruling of the Internal Revenue Service. The subcommittee has been informed that the Service will issue a ruling providing substantially as follows:

(a) The distinction between national and local advertising is abolished.

(b) Where a manufacturer's selling price to his customer contains an unsegregated advertising charge, it is a part of his tax base.

(c) In the case where a manufacturer makes a separate charge to his distributor for advertising and the proceeds are kept in a separate account earmarked for advertising, the separate advertising charge is not a part of the tax base. This separation can be evidenced by showing that the charge is either listed on the sales invoice or billed separately; the contributions from distributors are set aside as a fund to be used for advertising for the benefit of these contributors and the funds are so used, or the unexpended portion is held in trust or refunded to the contributor upon his withdrawal from the program.

(d) Where the manufacturer makes a contribution to the advertising account in the case of a separate fund, the amount of the manufacturer's contribution may not be deducted in computing the taxable sales price. However, the subsequent allowances against such contributions to distributors for expenditures by them or their dealers for advertising should be treated as readjustments of sales price.

11. For the purpose of eliminating competitive discriminations arising from the existing manufacturer's excise tax base—

(a) Gas incinerator garbage disposal units, which are in competition with electric garbage disposal units, should be taxed at 5 percent;

(b) Electric floor polishers and waxers, which are presently taxed under the category electric, gas and oil appliances should be removed from this tax base since they are in competition with untaxed vacuum cleaner attachments suitable for use in waxing and polishing floors;

(c) Tape and wire recorders should be taxed at 10 percent;

(d) Recordplayers, which are in competition with phonographs, should be taxed at 10 percent; and

(e) Tubeless tires should be taxed at a rate 1 cent a pound higher than tires requiring separate innertubes. This is recommended to preserve existing revenues from tires and tubes.

The committee rejected the recommendation that transitors, which are in competition with radio and television tubes, should be taxed at 10 percent.

II. RETAILERS EXCISES

1. Existing law imposes a 10-percent retail jewelry tax upon pearls, precious and semiprecious stones, and imitations thereof. The question as to whether or not a stone is semiprecious should not be decided until a sale occurs after the stone has been cut or polished. A cut or polished stone would then be subject to tax or free of tax, depending upon tests presently applied, such as Mohs' scale of hardness.

2. The so-called basket clause under the 10 percent tax on luggage should be removed and a longer list of articles should be specifically made subject to tax. They would be: Bathing-suit bags; beach bags, or kits; billfolds; briefcases of leather or imitation leather, brief bags; camping bags; card and pass cases; carryall bags; carrying kits; collar cases; cosmetic bags and kits; dressing cases; dufflebags; furlough bags; garment bags; designed for traveling; hatboxes for use by travelers; haversacks; key cases or containers; knapsacks, knitting or shopping bags (suitable for use as purses or handbags); makeup boxes; manicure set cases; memorandum pad cases (suitable for use as pass cases, billfolds, purses, or wallets); musette bags; pocketbooks; purses and handbags; ring binders, capable of closure on all sides, of leather or imitation leather; salesmen's sample or display cases, bags or

trunks; satchels; shoe and slipper bags; suitcases, toilet kits and cases; tote bags; traveling bags; trunks; vanity bags or cases; valises; wallets; and wardrobe cases.

The chairman stated that the revenue effect of these tentative decisions will be found in the subcommittee report beginning on page 13. He added that detailed explanations of these recommendations will be found in this subcommittee report beginning on page 16.

Series of Hearings To Be Held by Joint Committee on Atomic Energy

EXTENSION OF REMARKS
OF
HON. CARL T. DURHAM
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. DURHAM. Mr. Speaker, I wish to announce to my colleagues of the House a series of hearings to be held by the Joint Committee on Atomic Energy starting Tuesday, May 15, to explore ways and means and develop, if necessary, legislative assistance for expediting the critically important program for the peacetime application of atomic energy. I feel impelled to make this announcement—as did the chairman of the committee yesterday in the Senate—because of the extremely important nature of these proceedings.

For many months the Joint Committee on Atomic Energy has been carefully studying the progress of commercial application of atomic energy both domestically and in foreign countries. Last summer, for example, members of the committee attended the Geneva Conference as official observers and had an opportunity to study the status of progress in foreign countries.

When the current session of Congress reconvened, the committee conducted a series of comprehensive hearings to explore the development and status of peacetime applications of atomic energy here in the United States. These hearings were held under the statutory obligation of the committee to conduct such a review during the first 60 days of each session of Congress.

In addition to the foregoing, the committee a year ago established a panel of outstanding representatives of industry, science, and labor to study this same problem. The committee has before it for its consideration the report on the status of the peacetime applications of atomic energy of this group of men together with their recommendations.

As a result of these detailed studies and hearing one problem assumes major importance and that is the question of the financial liability of manufacturers and operators of nuclear reactors to the public in the extremely remote event of an operating accident.

Previous testimony received from representatives of the manufacturing and operating companies was to the effect that this was a major roadblock to further progress in the construction of reactors for power generation. For this reason the committee held an informal seminar of these representatives, together with spokesmen from the leading insurance firms and other interested organizations. This seminar was most beneficial in that for the first time, the committee was able to receive directly in an atmosphere of informality the views of all interested parties on this extremely critical problem.

As a result of the committee's long and thorough study of the problems involved, certain legislation has been introduced by members of the committee which have been designed to cope with these problems. The committee has before it for consideration during the forthcoming hearings to which I referred to above, commencing Tuesday, May 15, four bills: H. R. 9701, introduced by my colleague the gentleman from Illinois [Mr. PRICE], and H. R. 9802, introduced by the gentleman from New York and former chairman of the Joint Committee on Atomic Energy [Mr. COLE], both of which deal in different ways with the insurance problem. These two bills in effect would obligate the Federal Government to assume varying degrees of liability up to—in one instance—$500 million, in the rare event of an accident to a privately owned power reactor. The problem here, Mr. Speaker, is the apparent inability of regular insurance companies to provide at an economical price sufficient liability insurance to cover manufacturers and operators of reactors, in the highly unexpected event of a major accident during the course of operation of these facilities.

It is generally the opinion of members of this Joint Committee who have studied the problem over a long period of time and in great detail that the United States is ahead of our competitors on both sides of the Iron Curtain in the development of atomic energy for peacetime purposes. It is just as generally held by members of this committee that this lead is rapidly becoming very tenuous. We feel as time goes along and more information becomes available, that there is an increasing need for additional efforts by this country to maintain this leadership.

Therefore, another purpose of the forthcoming hearings is to develop additional information as to what, if any, other conditions exist both now and in the immediate future which are delaying or could prevent a rapid acceleration of our effort in this field.

Two members of the committee feel that the most rapid progress in the construction of large scale power generating nuclear powerplants can be accomplished by the Federal Government. To this end, identical bills have been introduced during this session and are now before the committee for consideration. My colleague, the gentleman from California [Mr. HOLIFIELD], has introduced a bill—H. R. 10805, which is identical to the bill introduced earlier in the Senate by the junior Senator from Tennessee [Mr. GORE], identified as S. 2725. These bills would authorize and direct the Atomic Energy Commission to build six nuclear power reactors at various locations around the United States to assure advancement of the art, in addition to or in the absence of similar activities of private industry.

If I may, Mr. Speaker, I would like to outline briefly the manner in which the committee plans to proceed in this matter.

Firstly, we are convinced that there is a considerable body of knowledge and fact as yet undeveloped and which needs to be made available as to what the potential hazards are in the operation of large scale power reactors. More specific information must be had as to what the standards are for the safe and efficient operation of such reactors. As an integral part of this problem is the need to know much more of the details of the methods and bases used by the insurance companies in computing the cost of and the limits to insurance coverage which this industry has made available up to the present time.

The committee also needs to develop information on any other roadblock that may now or in the future affect the most rapid progress in this program. The committee's attention has been drawn to the requests being made by private industry for changes to existing laws. For example, hearings have been recently held on a bill to amend the Holding Company Act so as to exclude those private utilities which join together in a common effort to construct a nuclear powerplant, from the provisions of that act.

Many of these same companies feel strongly that any funds they expend for research and development in the atomic energy field should be given special tax treatment.

Secondly, the committee plans to examine in executive session the most recent and up-to-date information available about progress of foreign governments in the peacetime applications of atomic energy in order to make the most current and factual comparison of our position vis-a-vis that of our competitors. To the maximum extent possible following these executive hearings, the committee will endeavor to make public this evaluation insofar as possible.

Thirdly, the committee will receive testimony from all interested parties on the Holifield and Gore bills in an effort to determine if the only manner in which the most rapid progress can be made is by means of a program of governmental construction of nuclear powerplants. To do this in the most impartial and effective way the committee needs to know much more than has been made available to it up to now about specific progress being made on the several projects initiated and financed by private industry. We hope that spokesmen for these organizations will come to us and frankly and candidly discuss their problems, their progress, and their plans for the future.

There are indications that the full responsibility for our progress in the field of peacetime applications of atomic energy may be too large and too technically complex for private industry to carry alone. I refer again to the report of the panel of civilian experts mentioned earlier—known as the McKinney panel. One of its most important conclusions was that if private industry does not or cannot assume the full risks and burdens of the nuclear power development program then the Government must do the

job. Therefore, if it appears at the conclusion of these hearings that Congress must make unusual and far-reaching concessions to private industry in addition to providing large-scale insurance or indemnity coverage to bolster up the lagging program, it may very well conclude that a substantial program of direct Government sponsorship and initiative is required to get the job done. This does not necessarily mean that it must be done by means of complete governmental financing and construction of atomic powerplants. It could mean a cooperative undertaking, for example, similar to the arrangements made between the Atomic Energy Commission and the Duquesne Power Co. which will result in the nuclear powerplant now under construction at Shippingport, Pa. Here the Government is building and financing the reactor and private industry constructs and pays for the generating facilities and will operate the whole plant.

At the conclusion of this series of hearings, Mr. Speaker, I am confident that the committee will be able to report to both Houses of Congress what in its collective judgment needs to be done in order to maintain the world leadership by the United States in this vitally important field of the peacetime application of atomic energy. We dare not delay the necessary action any more than we dare to shirk our responsibility in this matter. The Congress will then be in a position to take such steps as it deems necessary to keep our country in the forefront—not only for the great economic benefits to our citizens but to all freemen.

The Taxpayer's Burden Should Be Reduced

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. ANFUSO. Mr. Speaker, it is now generally believed that the United States Treasury will show a much greater surplus at the end of the current fiscal year than that originally estimated by Secretary of the Treasury George M. Humphrey. Last January Secretary Humphrey estimated the surplus at about $200 million. The Joint Congressional Economic Committee predicted in April a $2 billion budget surplus during this fiscal year. Our distinguished colleague the Honorable RICHARD M. SIMPSON, who is a member of the House Ways and Means Committee, has said he believes this year's surplus would be closer to $4 billion.

If the facts bear out these estimates and predictions, I think the time is propitious for serious consideration of a tax cut to benefit the low-income and middle-income sections of our population. Even if the surplus is around the $2 figure, instead of the $4 figure indicated by our colleague, it is still sufficiently large to warrant a reduction in the taxpayer's burden. Mr. Humphrey, as usual, claims it would be unwise, inexpedient, and unjustified to reduce personal income taxes at this time.

I believe the time to consider a tax cut that will benefit the lower income groups is right now, so that it can go into effect at the beginning of the next calendar year on January 1, 1957. In recent years, the low-income groups have not shared fairly in tax reductions, most of the tax benefits have gone to the big corporations, the big investors, and big business generally. The low-income and middle-income groups deserve tax relief without further delay. A tax cut for low-wage families is desirable as a matter of equity. I fear that if this is not done in the near future, another give-away of some kind will be found to split up this year's surplus among the rich and big business will walk off with a juicy plum at the expense of the lower-income groups.

Mr. Speaker, for this reason I am now introducing a bill to raise the existing tax exemption from $600 to $800 for all taxpayers and their dependents, including the exemption for old age and blindness. This measure is aimed to aid directly the low-income and middle-income groups by providing added income for each family. For the average wage-earner, adoption of my bill would mean about $3 more each week in his pay envelope, or about $150 additional income per family per year. Incidentally, the added income will undoubtedly augment the purchasing power of the Nation, stimulate greater consumption, help to improve business everywhere, take surplus goods off the shelves, and serve as a boon to the economy of the country.

My bill also seeks to help the taxpayer in another way. It contains an amendment to the Internal Revenue Code which provides for a deduction for parents for expenses up to $1,000 incurred in connection with the education of their dependent children. This deduction is to be in addition to the regular exemption now provided in the law. The bill requires that the dependent must pursue a bona fide course of higher education beyond the high school level, meaning at a college or university or other institution of higher learning.

Of late, we have had several surveys and reports by governmental and private agencies which indicate a growing shortage of scientists and professional people of all types. It is noted that Soviet Russia is educating young people in the scientific and professional fields at a more rapid pace than we are doing. If we continue at this rate, we shall undoubtedly fall far behind and in time endanger the national security and the social and economic progress of our country because of a lack of sufficient trained personnel.

The fact is that we are not lacking in human resources, nor does the youth of America show a lack of ambition or ability. It is simply that we are not doing enough to encourage our people, to afford them with the means and the opportunity to develop their abilities in accordance with the needs and the well-being of our country. It is generally accepted that there exists a great need for increasing the supply of our scientific and professional manpower, which is of such vital importance to the Nation in times of peace or war.

The best way to accomplish that is by encouraging larger numbers of our youth to seek a higher education. But a college education is quite an expensive undertaking these days, and in many instances it is beyond the reach of low and middle income families. The loss in such instances is not merely that of the individual concerned or his family, but it is a loss for the entire country. When added up, it might perhaps affect hundreds of thousands of young people who are denied the opportunity of a higher education, and that means a terrific loss of trained manpower at a crucial time.

For our own self-interest, I believe we ought to help lighten the burden for parents who desire to give their children a higher education. A mere $600 deduction for a dependent who is maintained at school is not a realistic approach to the problem. It costs the taxpayer several times that much to maintain a son or daughter at college annually.

In looking into the figures, I find that the United States Office of Education has made a study of tuition costs at 196 private and public institutions of higher learning and has come up with an estimated average annual tuition of $305 in the academic year 1954–55. A survey conducted by the New York Times and published in its issue of June 22, 1953, estimates the average costs of room and board at about $523 per academic year. To these costs, should also be added such expenses as books, transportation, clothing, and perhaps other expenses, all of which could conservatively be figured at about $500 per year per student. Thus, the average total expense would be around $1,300 annually. My bill, however, would allow a reduction on expenses up to $1,000, although in instances where students live at home and no expenses are involved for room or other costs the figure would be considerably lower.

What would be tax savings to parents, or the revenue loss to the Government? It is difficult to give exact figures, but a rough estimate can be made. The Census Bureau estimated the number of college students in the country through the age of 24 in the current academic year at 1,824,000. Allowing for full-time and part-time students, and also deductions for tuition paid by the GI bill and other methods, the total tuition incurred for tax purposes is estimated at $309 million. For purposes of computation it is reasonable to assume that 25 percent would be a fair tax percentage to use in this instance, yielding a total of over $77 million. This means that about $77 million would accrue to parents of college students as a saving on their taxes which they would apply to tuition.

Even if we include tax savings on room, board, and other expenses, the total loss to the Government would not exceed $200 million annually. This is not a huge sum, comparatively speaking. We shall be spending about 25 times that

amount in foreign aid alone during the coming fiscal year.

From the standpoint of our Nation's needs, we must approach this problem in a more practical manner. We must give the taxpayer a fair deduction for educational expenses in order to encourage him to afford a higher education for his dependent children. The resulting loss in revenue to the Government would be made up a hundredfold in the long run and the whole country would benefit by it.

Mr. Speaker, I believe that if Congress could see its way clear to amend our tax laws in these two respects—by increasing the exemption from $600 to $800 and by providing a deduction for educational expenses—the burden of the taxpayer would be considerably reduced.

Representative E. Y. Berry

EXTENSION OF REMARKS
OF

HON. LESLIE C. ARENDS

OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 10, 1956

Mr. ARENDS. Mr. Speaker, I have requested permission to extend my remarks today in order that I might briefly outline some of the outstanding accomplishments of our colleague, E. Y. BERRY, who has so ably represented the Second District of South Dakota during his three terms in Congress. I know that you Members of the Congress who have worked closely with Congressman BERRY are very much aware of his fine service while a Member of this body, but I take this opportunity to give permanent recognition to the stewardship of our colleague by inserting the following in the CONGRESSIONAL RECORD:

COMMITTEE MEMBERSHIP

Representative E. Y. BERRY has done outstanding work on his committee and has earned the respect of his fellow members on the House Interior and Insular Affairs Committee. He is the fourth ranking Republican of the 29-member committee.

As indicative of the work he has done, both the Republican and Democratic chairmen of that committee have paid him high praise for his endeavors. On June 15, 1954, after BERRY, as chairman of the Indian Affairs Subcommittee, had held extended joint hearings with the Senate subcommittee, Representative MILLER, Republican, Nebraska, chairman of the full committee, said:

I want to say at this point, for the RECORD, in my opinion the Subcommittees on Indian Affairs in the House and in the Senate have done a remarkable job of working with the different Indian problems. * * * Thank you very much (BERRY) for your effort so far, and I hope you continue with as much patience as possible because I believe you are getting results we never had before. I think the joint hearings between the Senate and House committees have been a healthy thing. If we can work out more of these joint hearings, I think it would save much time and effort and money for the people that come into Washington to be heard on the problems.

It is not only the Republican members of the committee who have paid their tribute to Representative BERRY. At the same time, Representative CLAIR ENGLE, Democrat, California, who is now the chairman of the full Interior and Insular Affairs Committee, paid this tribute to E. Y. BERRY when he said:

May I, too, express my admiration and appreciation to the chairman of the Subcommittee on Indian Affairs (BERRY), who has certainly worked with tremendous diligence and perseverance on what is the most trying problem this committee has. He has demonstrated the patience of a Job equal to anything that Job suffered during his most troublesome days, and he certainly has my sincere admiration and respect and deserves the thanks not only of this committee but of all of the people of this country who are interested in getting a disposition of this Indian problem.

Western South Dakota has many interests, businesses, and resources. BERRY has been active in promoting all of these. One of the principal resources is agriculture.

FARM PROGRAM

BERRY has been an active worker for farm legislation that will give the farmer his fair share of the nationwide prosperity he has helped to create. His insistence on the importance and urgency of the passage of a sound farm bill which would increase agricultural income is evidenced by his statement on the House floor on March 26, 1956—CONGRESSIONAL RECORD, page 5581—when he said:

Mr. Speaker, I take the floor today to demand that there be no congressional Easter recess unless and until the farm bill has been approved by both Houses of Congress and has been sent to the President.

There is nothing to come before Congress this session that is as important to the economy of the entire Nation as the immediate passage of this legislation. By fast action, the differences between the two Houses could be resolved prior to the Easter recess. If, however, these differences are not resolved, there should be no congressional recess.

Spring planting time is rapidly creeping up on the farmers all the way across the Nation. Time is tremendously important. So far as I am concerned, I, too, would appreciate a 10-day "breather" from our labors here on Capitol Hill, but I want no part of any vacation until the farm bill is passed and signed by the President.

The continued high level of the economy of this Nation rests upon the foundation of a thriving agricultural economy. If the national economy is to remain at its present level, then farm income and the farm economy must be improved. * * *

Mr. Speaker, I demand that the House and Senate withhold any plans for an Easter recess until the farm bill is passed.

SOIL BANK

In line with the President's suggestions, Representative BERRY joined with members of the House Agriculture Committee in introducing a new soil-bank bill within minutes following the vote in the House on the President's veto. BERRY has advocated the soil-bank plan as one of the ways to increase farm income without building greater agricultural surpluses and yet retain the productive areas in conservation programs for future needs of an expanding population.

WHEAT

BERRY has also vigorously urged passage of a domestic wheat plan that would provide 100 percent of parity for all wheat used domestically with the farmer having the choice of selling the surplus on the world market or storing it for sale the following year. He introduced legislation providing for such a program following the President's veto of the farm bill.

WOOL

The Berry wool amendment to annual defense appropriations acts requires the armed services to buy only domestic wool in all military orders and has benefited the sheep and wool industry by millions of dollars. In 1952 when Congress was considering this matter the hard-working Congressman made the following remarks:

Mr. Chairman, certainly we must protect American industry and labor through the Buy American provision of this defense appropriation bill, but we must, at the same time, protect our wool industry. The bill provides that the Army buy food and clothing grown and produced in the United States so long as it is available. This amendment simply requires that the clothing be made from domestic wool so long as that domestic wool is available. Is that not fair? Is that not just? Is that not American?

REA PROGRAM

He has assisted REA and RTA groups with loan applications and related matters. On the floor of the House he said:

Mr. Speaker * * * the REA has done a magnificent job in our State in electrifying our farms and ranches. * * * I salute the pioneers and users, the borrowers and owners, of this vast REA program which has changed the lives and made a brighter future for every South Dakota citizen.

LIVESTOCK

The stockmen of South Dakota have been able to count on BERRY as an aggressive proponent of their best interests. One example is the establishment of a foot-and-mouth-disease laboratory at Plum Island which was championed by the West River Congressman. He helped in obtaining an increased appropriation for the control of brucellosis in the present session and has been very active for several years in obtaining effective brand legislation.

RECLAMATION

BERRY has been very active in promoting reclamation and irrigation development throughout the West. Speaking to the House in support of the small-projects bill on May 6, 1955, BERRY said:

I stated at the outset that this is a partnership bill. It provides more local autonomy in the development of badly needed and financially feasible projects. It is a move to permit the construction of many small projects which are being delayed because of the lack of local financing and which are not of enough magnitude to receive priority consideration by either the Bureau of Reclamation or by special legislation in Congress. It will provide many projects which the local people are not able to finance themselves, but which in the interests of the economy of this Nation should be constructed and can be constructed if this legislation passes Congress.

MINERAL RESOURCES—URANIUM

Last year during the first session of this Congress, BERRY introduced and succeeded in guiding to passage through the House a bill validating the filing of mineral claims for uranium ore deposits located in lignite beds on public domain lands. The bill became law and served as a key to unlocking part of the potential mineral treasure chest in northwestern South Dakota. In his explanation of the problem before the House Interior Committee on June 20, 1955, BERRY said:

Mr. Chairman, Public Law 585, enacted last year, recognized the multiple-use doctrine which would permit multiple use of these public lands in the United States, that is, the right of a mineral locator to obtain a patent to his location, but which would be subject to the reservation to the United States of all leasing materials and the right to enter and remove such minerals. * * *

The purpose of this bill is to bring these areas under the mineral location law with the right of removal upon the payment to the Government of a royalty for fuel minerals that are destroyed as uranium is extracted.

From report of proceedings, House Interior and Insular Affairs Committee, June 20, 1955.

GOLD

A strong advocate of a free market for gold, on March 22, 1956, BERRY called the matter to the attention of the House, saying:

Mr. Speaker, the Canadian Government announcement yesterday that it is going on a free market places the question squarely up to the United States whether it wants to stand on the sidelines alone or whether it wants to follow the free market lead of the other nations. Those of us who are interested in domestic mineral production have been pressing for this action for some time. The present price of gold at $35 an ounce precludes the mining of any low-grade ore resulting in the wasting of our gold resources.

MICA

Western South Dakota produces many more minerals which our Nation must have to be militarily and economically strong. When the domestic stockpile program for strategic mica began to lag because of pricing and grading policies of the Emergency Procurement Service, BERRY vigorously pressed responsible officials for an equitable purchasing program that would give miners sufficient return on their investments. In testifying before the Senate Interior Committee on April 20, 1956, favoring the extension of the strategic mineral purchasing program, he said in part:

The program has been changed very little, the price has been changed none, the grading has not been changed since the beginning of World War II. The result was that miners could not get enough out of their mica to pay them and the grading process was not satisfactory. In my county, at least, there has been very little mica mined recently. But I think under the new buying program this mica is going to come in. I doubt, however, that we are going to be able to fill the stockpile needs prior to June 30 of next year. I urge that this bill be enacted.

VETERANS

BERRY has a splendid record of working for the best interests of the war veterans. He has successfully worked for the improvement of the veterans' hospitals in Sturgis and Hot Springs as well as nearby areas. He has urged increased payments under the GI bill and veterans' pensions. He has represented veterans before military appeal boards and cooperated with the servicemen's organizations.

BUSINESS IN GOVERNMENT

As a businessman himself, BERRY has emphasized the need for business practices in Government:

Mr. Speaker, while this does not involve a too great amount of money, it is, in my judgment, one of the most important bills to come before this Congress at this session because it demonstrates a trend in the program of this administration to put more business in Government and get the Government out of as much business as possible.

From the CONGRESSIONAL RECORD, volume 100, part 10, page 13160.

NATIONAL PARKS

BERRY has ably represented the best interests of the national parks and monuments in his district. Supporting the Interior appropriation bill before the House on April 6, 1954, he said:

Mr. Chairman, I commend the committee for including in this bill funds for the improvement of Mount Rushmore National Park. This great shrine is one of the great inspirational spots in America. Since this appropriation will be repaid to the Treasury of the United States, it is a good investment. * * * This entire development program is the result of cooperation between the National Park Service, the Mount Rushmore National Memorial Society, and friends of this great shrine in an effort to accommodate the increasing numbers of visitors who come each year.

AIRPORTS AND HOSPITALS

BERRY has spoken out in favor of Federal-aid programs needed for the benefit of the Nation as well as his district where local communities are unable to do the needed job themselves, such as airport and hospital construction.

Mr. Speaker. * * *. Federal assistance in airport construction is one of the most important considerations due general aviation, and I hope therefore that this $22 million item will be appropriated.

And—

One of the services in which our rural communities are most deficient is adequate hospital facilities. Many of our small South Dakota towns have had difficulty interesting doctors because of the lack of needed hospitals. As you know, the authorization for this program was just signed by the President last week. It is one of the important parts of his health program.

INDIANS

The Indian people, not only of South Dakota, but of the entire Nation have never had a better friend or a more aggressive fighter for their rights than BERRY. Believing that the Indian problem can be solved only through education and trades training, BERRY is devoting much of his time to legislation to accomplish these ends. He feels that rehabilitation should be accomplished through loans to those who are able to make a success of operating ranches and livestock on the reservation areas and that a program of training for those who cannot successfully farm must be devised.

BERRY has been cooperating with the Commissioner of Indian Affairs in his effort to bring industrial plants on or near Indian reservations to provide employment. His trades training program will fit these people for such employment. His plan to incorporate rehabilitation into bills providing settlement for damages to reservation areas is a new and effective program since it is handled by the Indians themselves through a business manager with authority to handle these finance programs without the delay of going through the Indian Department itself on each loan.

BERRY has become nationally recognized for his work in behalf of the Indian people. As Mr. ENGLE, chairman of the Committee on Interior and Insular Affairs, has said:

He * * * deserves the thanks, not only of this committee but of all the people of this country who are interested in getting a disposition of this Indian problem.

An editorial appearing in the April 12, 1956, issue of the Rapid City Daily Journal, which is the largest daily in the South Dakota Second District, expresses some of the reasons why the people of western South Dakota appreciate Congressman BERRY's stewardship in his public trust.

The editorial follows:

NO WONDER THE WEST RIVER LIKES E. Y. BERRY

No congressional district in the United States has such a diversity of interests as South Dakota's Second Congressional District, which covers all of the State from the Missouri River west.

The West River district has national parks, national forests, a large strategic airbase, an ordnance depot, a Federal fish hatchery, two Veterans' Administration hospitals, large acreages of public lands with oil and mineral deposits, vast expanses of farm and ranch land, reclamation projects, mining, and 30,000 Indian people with the Federal Government as the guardian for their properties.

It takes a man of patience, balance, and a broad understanding of the multiple problems of this large district to represent the West River in Washington, D. C.

We are fortunate to have just that man in Congress—Representative E. Y. BERRY, of McLaughlin. Born near Philip, a lawyer and a newspaper publisher, BERRY had a fine record of public service before being elected to Congress in 1950.

BERRY's diversified background made it easier for him to start out right in the difficult job of filling the vacancy FRANCIS CASE left when he was elected at the same time to the United States Senate. CASE was extremely helpful, of course, in briefing BERRY on the many ramifications of representing the West River in Congress. CASE continues to be a helpful colleague—the two have worked closely on legislation benefiting this region during the past 6 years. CASE and BERRY have been close personal friends for years and their association in Washington has only increased this friendship and understanding for the benefit of South Dakota.

HELLO, E. Y.!

During the Easter recess of Congress, Representative E. Y. BERRY returned to his district, where he visited with miners, Indians, Government workers, farmers, ranchers, townspeople—in short, his constituents. The people were glad to see him and to give him their viewpoints. All of us like to have personal contact with the men who represent us in Washington.

BERRY is personable and modest. There are many good reasons, aside from the point that they like him, why the people of the

West River were happy to see BERRY. He has done a good job for them.

We checked BERRY's record in the CONGRESSIONAL RECORD, and it is a record of accomplishment for the West River ever since his first term in Congress.

Perhaps you would like to review, as we did, the things BERRY has done.

BERRY BILLS INTO LAW

His bill requiring the Armed Forces to use only domestic wool in the purchase of any material containing wool has meant millions of dollars to the sheep industry during the 4 years BERRY's bill has been the law of the land.

His bill to validate the filing of mineral claims for uranium ore deposits in the lignite beds on public land opened up tremendous possibilities for northwestern South Dakota.

BERRY's bill for the Cheyenne River Indians established a new pattern for the Indian people, giving them a new freedom in handling their own affairs. For the Indians whose land will be inundated by water from Oahe Dam, BERRY's bill provides $3 million for the land plus $5.5 million for rehabilitating the displaced Indians.

BERRY also successfully sponsored a bill providing long-term leasing of Indian land for commercial and industrial purposes.

Another helpful law for the Indians was the BERRY law which authorizes the mortgaging of Indian trust property as the basis for financing Indian ranch units through regular commercial channels.

STRIKES FOR AGRICULTURE

For agriculture, still the West River's major industry, BERRY—in addition to the wool bill—cosponsored legislation which increased durum wheat production outside allotment quotas while durum is in short supply.

He cosponsored the bill which established the foot and mouth disease research laboratory on Plum Island—legislation of great significance to all stockgrowers.

BERRY also cosponsored legislation removing ASC acreage compliance requirements for eligibility to receive soil conservation payments.

OTHER ACCOMPLISHMENTS

And that's not all.

BERRY has consistently worked for the expansion and development of Ellsworth Air Force Base, Rushmore Memorial, our national parks, and veterans hospitals in the West River.

He assisted in securing the uranium mill at Edgemont, helped straighten out the mica buying mess at Custer, has been active in promoting the Missouri River development program. BERRY successfully led the fight in Congress for increased appropriations for coyote and rodent control and for increased appropriations to curb brucellosis in livestock.

BERRY has worked closely with REA associations, assisting them to speed up loans to expand their services in our rural areas. He is an active spokesman for Eisenhower's highway expansion program and works closely with the Indian Department in locating small industries on or near Indian reservations.

IMPORTANT COMMITTEE

There is an impressive list of bills, still pending in Congress, which BERRY introduced. All are of benefit to the people and the economy of the West River.

BERRY is the fourth ranking Republican member on the Interior and Insular Affairs Committee which has 27 members. Aside from agriculture, this committee deals with all legislation vitally affecting western South Dakota. The subcommittees on which BERRY serves handles legislation concerning public lands, irrigation and reclamation, mining, and Indian affairs.

While E. Y. BERRY is hired to work for all of us, it never hurts to tell an employee he is doing a good job.

Congressman BERRY, we in the West River appreciate your untiring efforts. You'll know how truly we appreciate your worth when the votes are tallied next June 5 and again in the November election.

SENATE

MONDAY, MAY 14, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Dr. Caradine R. Hooton, general secretary, the Methodist Board of Temperance, Washington, D. C., offered the following prayer:

O Lord, our Heavenly Father, who through good mothers and by Thy blessed Son hath taught us that love never faileth, we beseech Thee graciously to bless all who give themselves to creative service of their fellow men.

While we here enact laws for the common good and devise measures for national security, may we surely remember that it is not by might nor by power, saith the Lord, but by Thy spirit that we safeguard the public welfare.

In the conflict between old world customs and the Word may we not become so fearful of foreign intrigue as of internal disintegration. In the age-old race between the right and the wrong, may these Thy chosen leaders so allow Christian conscience to prevail over pagan caution that wise statesmanship may outdistance weak diplomacy.

Give us courage, Lord, to transform fear into faith, handicaps into hardihood, and lust for power into love of people.

Thus let us prove our heavenly birth
In all we do and know,
And claim the kingdom of the earth
For Thee, and not Thy foe.

In the name of the Lord Jesus Christ we pray. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 10, 1956, was dispensed with.

REPORT OF A COMMITTEE SUBMITTED DURING RECESS

Pursuant to the order of the Senate of May 10, 1956, the following report of a committee was submitted on May 11, 1956:

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

H. R. 10875. A bill to enact the Agricultural Act of 1956; with amendments (Rept. No. 1966).

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed a bill (H. R. 10986) making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes, in which it requested the concurrence of the Senate.

LEAVE OF ABSENCE

Mr. MORSE. Mr. President, this is primary election week in the State of Oregon, and I am confronted with the same problem with which colleagues of mine are confronted from time to time, namely, the problem of deciding whether to stay here or to go home. Let me say good-naturedly that there is usually involved in that question the evaluation as to whether, if we do not go home, we may stay home permanently. So I am about to ask unanimous consent to be excused from further attendance on the sessions of the Senate this week.

Mr. President, I wish the RECORD to show the reason for my request. It is that I am going home not only to be able to vote come Friday next, but also to the best of my ability to seek to influence some votes between now and Friday next.

So that my constituents can read it, I wish to state for the RECORD that I have an understanding with the majority leadership of the Senate that every effort will be made to see to it that my vote will count in my absence, by obtaining live pairs for me on the issues which arise.

I regret very much, let me say for the RECORD to my distinguished friend, the Senator from New York [Mr. LEHMAN], that I shall not be here to participate in the debate on the Niagara power bill. But I have discussed it in times past. The Senator from New York knows that as he votes, so will I vote, by way of a live pair, because we have stood shoulder to shoulder in support of the Lehman proposals in connection with the Niagara power issue.

I also regret that I shall not be here to vote in case any controversy arises over any phase of the new farm bill. But here, again, I understand from the leadership that no serious controversy is anticipated. However, to the extent that any may develop, my record on the farm issue is likewise very clear; and with the cooperation of receiving a live pair, my vote on any controversy which may develop will be counted.

Therefore, Mr. President, I ask unanimous consent to be absent from the floor of the Senate from the close of business today until Monday next.

The PRESIDENT pro tempore. Without objection, leave is granted.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that statements made in connection therewith be limited to 2 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and take up the nomination on the Executive Calendar under the heading "New Report."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Two hundred and seventy-seven postmasters.

The PRESIDENT pro tempore. If there be no further reports of committees, the nomination on the Executive Calendar under the heading "New Reports" will be stated.

FARM CREDIT ADMINISTRATION

The Chief Clerk read the nomination of Sam H. Bober to be a member of the Federal Farm Credit Board, Farm Credit Administration.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the nomination today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ANNOUNCEMENT OF JOINT MEETING OF THE TWO HOUSES ON THURSDAY NEXT

Mr. JOHNSON of Texas. Mr. President, I should like to announce that on Thursday, May 17, at 12:30 p. m., there will be a joint meeting of the two Houses in the Chamber of the House of Representatives to hear an address by the President of the Republic of Indonesia, Dr. Sukarno.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

IMPROVEMENT OF CAREER OPPORTUNITIES OF NURSES AND MEDICAL SPECIALISTS OF ARMED FORCES

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to improve the career opportunities of nurses and medical specialists of the Army, Navy, and Air Force (with accompanying papers); to the Committee on Armed Services.

REPORT OF ATTORNEY GENERAL ON OPERATIONS OF DEFENSE PRODUCTION ACT

A letter from the Attorney General, transmitting, pursuant to law, his report on operations under section 708 (e) of the Defense Production Act of 1950, as amended, dated May 9, 1956 (with an accompanying report); to the Committee on Banking and Currency.

SFC. THOMAS F. CALLAHAN

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Sfc. Thomas F. Callahan (with an accompanying paper); to the Committee on the Judiciary.

PROCEDURE FOR ALTERING CERTAIN BRIDGES OVER NAVIGABLE WATERS

A letter from the Secretary of the Army, transmitting a draft of proposed legislation relating to the procedure for altering certain bridges over navigable waters (with an accompanying paper); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on the Judiciary:

"Resolutions calling upon the Attorney General of the United States to investigate and prosecute the violations of the civil rights of American citizens in the State of Mississippi

"Whereas it is apparent that numerous violations of the civil rights of American citizens have occurred in the State of Mississippi; among them (1) the unsolved murder of Rev. George W. Lee, of Belzoni, Miss., who was cut down by a shotgun blast from a speeding automobile to stop him from campaigning to register voters; (2) the unsolved murder of Lamar Smith of Brookhaven, Miss., killed on a lawn of the courthouse for having registered to vote after certain townsmen had warned him to the contrary; (3) the unsolved murder of Emmett Till of Chicago, Ill., and the refusal of a Leflore County, Miss., grand jury to indict for kidnaping those who had publicly admitted the abduction of said Emmett Till; and

"Whereas, it now appears that those responsible for these tragic crimes are not being brought to justice; and

"Whereas, it now appears and has been apparent that the local administration of justice in the State of Mississippi is either unable or unwilling to function; and

"Whereas it clearly appears that American citizens have been and continue to be denied in Mississippi the protection of civil rights guaranteed by the United States Constitution and amendments and laws enacted thereunder; and

"Whereas the general court has found the people of the Commonwealth to be shocked and horrified at these events and wishes to express the profound regret and sorrow of our citizens; therefore be it

"*Resolved*, That the General Court of Massachusetts urges the Attorney General of the United States to investigate the violations of the civil rights and the breakdown of local law enforcement in the State of Mississippi; and be it further

"*Resolved*, That the Attorney General of the United States invoke the Federal laws and the facilities of the United States Department of Justice to apprehend, indict, sentence and punish those responsible for these brutal crimes and those who have conspired to defeat the enforcement of law and the administration of justice in Mississippi; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the Attorney General of the United States, to the presiding officer of each branch of Congress, and to each of the Members thereof from this Commonwealth."

A telegram in the nature of a petition from William H. Mattax, of Tulsa, Okla., praying for the enactment of legislation to amend the Social Security Act relating to the lowering of the retirement age of those who reach the age of 60 years; to the Committee on Finance.

A resolution adopted by Miranda Grange 690, of Humboldt County, Calif., favoring the enactment of legislation to provide funds for the safeguarding against floods on the Mad and Eel Rivers, South Fork of Eel River, Redwood Creek, Klamath, Mattole, and Van Duzen Rivers, Calif.; to the Committee on Public Works.

A resolution adopted by the board of county commissioners, Allegheny County, Pa., expressing the gratitude of the people of that county for the long and faithful public services rendered by the late Senator Alben W. Barkley, of Kentucky; ordered to lie on the table.

PROHIBITION OF LIQUOR ADVERTISING IN INTERSTATE COMMERCE—PETITIONS

Mr. LANGER. Mr. President, I present, for appropriate reference, petitions signed by approximately 400 citizens of the United States, praying for the enactment of the so-called Langer bill, to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting on the radio or television. I ask unanimous consent that one of the petitions, without the signatures attached, may be printed in the RECORD.

There being no objection, the petitions were referred to the Committee on Interstate and Foreign Commerce, and one of the petitions, without the signatures attached, was ordered to be printed in the RECORD, as follows:

To Our Senators and Representatives in Congress:

We, the undersigned, respectfully petition you to exercise the proper discretion vested in you by passing legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce, and its broadcasting over the air, a practice which nullifies the rights of the States under the 21st amendment to control the sale of such beverages. At a time when 1 out of 10 drinkers is becoming an alcoholic there should be no encouragement to increasing the use of such beverages. Children and youth are being misled to consider them harmless, especially by the

powerful audio and visual suggestions of radio and television.

Mr. MAGNUSON. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD a petition signed by Mary Owen and 42 other citizens of the State of Washington, praying for the enactment of Senate bill 923, relating to the prohibition of alcoholic beverage advertising in interstate commerce.

There being no objection, the petition was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

We, the undersigned, are depending on you, the Honorable WARREN G. MAGNUSON, United States Senator from the State of Washington, and chairman of Interstate and Foreign Commerce Committee, to push the Langer bill, S. 923, until it comes before the Senate for a vote.

(Signed by Mary Owen and 42 other citizens of the State of Washington.)

SIZE AND WEIGHT OF PARCEL-POST MAIL—LETTER AND RESOLUTION

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter sent to me by the Pacific Northwest Apparel Manufacturers Association, under date of April 27, 1956, transmitting a resolution adopted by that association, favoring the enactment of House bill 9566, relating to the size and weight of parcel post mail matter.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

PACIFIC NORTHWEST APPAREL MANUFACTURERS ASSOCIATION,
PORTLAND, OREG., *April 27, 1956.*

The Honorable WAYNE MORSE,
The United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: Attached hereto is a resolution passed by the Pacific Northwest Apparel Manufacturers Association. This association represents every major producer of sportswear and related apparel in the Pacific Northwest.

As you will note, the resolution deals with the attempt to eliminate the present discriminatory parcel-post size and weight limitations. This matter is of particular importance to business in the State of Oregon. We have many small communities served only by parcel post. We have many small industries whose shipments are in package size. The present restrictions result in additional cost to local businesses and in additional cost to the Post Office Department, to the benefit of no one.

We hope that we will have your support in this matter.

Sincerely yours,

W. F. LUBERSKY.

RESOLUTION IN SUPPORT OF H. R. 9566

Whereas the existence of an efficient, economical parcel-post system is essential to the pattern of life of our citizens and businesses in both rural and urban areas; and

Whereas the present discriminatory parcel-post size and weight limitations seriously disrupt the service once enjoyed by all at great and unnecessary cost and inconvenience; and

Whereas there is no nationwide substitute for parcel post that can and will serve all citizens regardless of address; and

Whereas the present size and weight limitations have been both a financial and an administrative burden to the Post Office Department: Be it hereby

Resolved, that the Pacific Northwest Apparel Manufacturers Association, representing 17 businesses in Portland and Seattle, favors immediate enactment of H. R. 9566 and restoration thereby of uniform parcel-post size and weight limits. It is respectfully requested that Senator WAYNE MORSE insert this resolution in the CONGRESSIONAL RECORD and that he request the chairman of the Post Office Committee to schedule hearings now on parcel-post size and weight so that the citizens of Seattle, Wash., and Portland, Oreg., may have relief from the present law before the current legislative session is concluded.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 3412. A bill to extend the provisions of title XIII of the Civil Aeronautics Act of 1938, as amended, relating to war-risk insurance for an additional 5 years (Rept. No. 1998); and

H. R. 8810. A bill authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont. (Rept. No. 1969).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 3457. A bill to authorize the Secretary of the Treasury to convey certain property to the county of Pierce, State of Washington (Rept. No. 1970).

By Mr. PAYNE, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 2937. A bill to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service (Rept. No. 1968).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 510. A bill for the relief of Mary A. Mouskalis (Rept. No. 1992);

S. 806. A bill to amend sections 3182 and 3183 of title 18 of the United States Code so as to authorize the use of an information filed by a public prosecuting officer for making demands for fugitives from justice (Rept. No. 1993);

S. 875. A bill for the relief of Angel Maria Olaeta Goitia (Rept. No. 1994);

S. 1245. A bill for the relief of Agnes V. Walsh, the estate of Margaret T. Denehy, and David Walsh (Rept. No. 1972);

S. 1895. A bill for the relief of Anna Maria Fuller (Rept. No. 1973);

S. 2341. A bill for the relief of Gertrude Heindel (Rept. No. 1974);

S. 3011. A bill for the relief of Chan Lee Nui Sin (Rept. No. 1979);

S. 3058. A bill for the relief of Javier F. Kuong (Rept. No. 1981);

S. 3147. A bill for the relief of Elsie M. Kenney (Rept. No. 1982);

H. R. 1471. A bill for the relief of William J. Robertson (Rept. No. 1984);

H. R. 1878. A bill for the relief of Mrs. Gertrud Maria Schurhoff (Rept. No. 1985);

H. R. 5047. A bill to increase the compensation of trustees in bankruptcy (Rept. No. 1986);

H. R. 5652. A bill to provide for the relief of certain members of the Army and Air Force, and for other purposes (Rept. No. 1987);

H. R. 6623. A bill to amend the act of July 1, 1952, so as to obtain the consent of Congress to interstate compacts relating to mutual military aid in an emergency (Rept. No. 1988);

H. R. 8309. A bill for the relief of Col. Henry M. Zeller (Rept. No. 1989);

H. R. 9257. A bill to amend title 18 of the United States Code, so as to provide for the punishment of persons who assist in the attempted escape of persons in Federal custody (Rept. No. 1990); and

S. J. Res. 39. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women (Rept. No. 1991).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 2722. A bill for the relief of Fai Hoo (Rept. No. 1977);

S. 2930. A bill for the relief of Eladio Ledesma-Gutierrez (Rept. No. 1978); and

S. 3040. A bill for the relief of Gertrud Charlotte Samuelis (Rept. No. 1980).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 2352. A bill for the relief of Maj. Luther C. Cox (Rept. No. 1975);

S. 2690. A bill for the relief of William G. Jackson (Rept. No. 1976); and

S. 3410. A bill to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges (Rept. No. 1983).

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary, with amendments:

S. 2226. A bill to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941 (Rept. No. 1971).

By Mr. WILEY, from the Committee on the Judiciary:

S. 1273. A bill to amend sections 1, 3, and 4 of the Foreign Agents Registration Act of 1938, as amended; without amendment (Rept. No. 1996).

By Mr. DANIEL, from the Committee on the Judiciary, without amendment:

S. 3760. A bill to provide for a more effective control of narcotic drugs, and for other related purposes (Rept. No. 1997).

Mr. DANIEL. Mr. President, I ask unanimous consent that the names of the Senator from Wisconsin [Mr. WILEY] and the Senator from Montana [Mr. MANSFIELD] be added as cosponsors of Senate bill 3760, entitled "Narcotic Control Act of 1956," the next time it is printed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

By Mr. CHAVEZ, from the Committee on Public Works:

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively; without amendment (Rept. No. 1995).

AMENDMENT OF HOUSING ACT OF 1949, AS AMENDED, RELATING TO URBAN RENEWAL ASSISTANCE TO DISASTER AREAS

Mr. BUSH. Mr. President, from the Committee on Banking and Currency, I report favorably, an original bill to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas, and I submit a report (No. 1967) thereon. I ask that the bill be printed and placed on the calendar.

The PRESIDENT pro tempore. The report will be received, and the bill will be placed on the calendar.

The bill (S. 3844) to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas, reported by Mr. BUSH, from the Committee on Banking and Currency, was received, read twice by its title, and placed on the calendar.

Mr. BUSH. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a copy of a letter from the town of Farmington, Conn., which, I believe, will quite clearly set forth the need for this proposed legislation. I also ask unanimous consent to have printed in the RECORD, following the letter, a table having to do with urban renewal activities in flood areas and disaster projects.

There being no objection, the letter and table were ordered to be printed in the RECORD, as follows:

TOWN OF FARMINGTON, CONN.,
March 15, 1956.

Senator PRESCOTT BUSH,
United States Senate,
Washington, D. C.

HON. SENATOR BUSH: I first wish to sincerely thank you for the fine work that you are doing in Washington for our communities in Connecticut who suffered so heavily by the devastating floods of this past year. I personally am grateful and I know the majority of the citizens in Farmington are also very pleased with the manner in which you have conducted your office during these trying times.

I have two problems which I would like to see if you may be of some assistance. First, as you are aware, the town of Farmington wishes to take up some of this flood devastated land and make it into park and recreational use under the Federal redevelopment law. Our application is now in the hands of the Housing and Home Finance Agency, to be processed so that we may proceed to accomplish our objective. In talking with the officials in their New York office, they now express doubt that we will qualify for the full aid. They are now saying that our area is predominantly opened and thereby does not qualify for the full two-thirds Federal participation. We maintain that this area is predominantly residential because that is what it was before the flood and also we are under the impression that President Eisenhower said that this redevelopment law should be made available to communities such as ours to control areas heavily hit by the flood waters.

Also during all of our preliminary discussions with officials of the New York office, we were led to believe that this area would be definitely considered as residential and thereby qualify for the full Federal participation. At the present time, we have approximately 70 families who are up in the air about relocation and also what will happen with their damaged property.

I wish to request of you that you intercede with the Housing and Home Finance Agency to see that our application will be quickly processed to receive the full amount of Federal participation.

Secondly, in regards to your Senate bill 2853, I believe it to be an excellent piece of legislation and will happily do anything possible to see that this legislation is passed favorably and in the very near future so that the flood control projects in our area may be completed.

Thank you for all of your past cooperation.

Sincerely,

STEPHEN A. FLIS,
Town Manager.

ALL DISASTER PROJECTS—HOUSING AND HOME FINANCE AGENCY, URBAN RENEWAL ADMINISTRATION, URBAN RENEWAL ACTIVITIES IN FLOOD AREAS

Urban renewal projects (title I of the Housing Act of 1949, as amended)

	Planning advances	Capital grant reservations
Applications approved: Total (14 projects)	$821,273	$12,670,695
California: Santa Cruz	80,180	600,000
Connecticut:		
Naugatuck (2 projects)	42,672	844,000
	27,604	261,333
Seymour (2 projects)	39,261	330,000
	49,761	300,000
Norwalk	62,720	2,356,241
Washington	20,000	256,000
Waterbury	60,348	666,000
Putnam	75,868	1,687,912
Winsted	29,600	360,000
Torrington	44,400	407,090
Stamford	143,859	2,300,000
Pennsylvania: Scranton (2 projects)	25,000	602,119
	120,000	1,700,000

Urban planning assistance projects (sec. 701 of the Housing Act of 1954)

	Status of application, approved—	Amount
Total		$236,989
Connecticut Development Commission:		
Conn. P-1—Planning assistance to 14 flood-affected small communities	Oct. 5, 1955	87,509
Conn. P-2—Regional planning in 2 river valleys (Farmington and Naugatuck)	Nov. 10, 1955	68,200
Conn. P-3—Regional planning in Quinebaug River Valley	Mar. 14, 1956	27,280
Oregon State Board of Higher Education:		
Oreg. P-1—Planning assistance for 3 small communities	Feb. 21, 1956	9,000
Oreg. P-2—Planning in Springfield-Eugene metropolitan area	May 14, 1956	11,500
Rhode Island Development Council:		
R. I. P-1—Regional planning of Rhode Island shore area	Nov. 19, 1954	16,000
R. I. P-2—Planning assistance to 7 small areas	Oct. 10, 1955	17,500

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BEALL (for himself and Mr. BIBLE):

S. 3838. A bill to provide for the maintenance and operation of the bridge to be constructed over the Potomac River from Jones Point, Virginia, to Maryland; to the Committee on the District of Columbia.

By Mr. POTTER:

S. 3839. A bill to provide for the duty-free entry of mosaics designed for the use of any corporation or association organized and operated exclusively for religious purposes; to the Committee on Finance.

By Mr. DIRKSEN:

S. 3840. A bill for the relief of the Vermont, Ipava, and Table Grove Unit School District No. 2, in the State of Illinois; to the Committee on Labor and Public Welfare.

By Mr. WATKINS:

S. 3841. A bill to provide for the relocation of the National Training School for Boys, and for other purposes; to the Committee on the Judiciary.

By Mr. CURTIS:

S. 3842. A bill to amend the Labor Management Relations Act, 1947, as amended, and for other purposes; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. CURTIS when he introduced the above bill, which appear under a separate heading.)

By Mr. McCLELLAN (by request):

S. 3843. A bill to adjust the application of section 322 of the so-called Economy Act of 1932 to premises leased for Government purposes; to the Committee on Government Operations.

By Mr. BUSH:

S. 3844. A bill to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas; placed on the calendar.

(See the remarks of Mr. BUSH when he reported the above bill from the Committee on Banking and Currency, which appear under a separate heading.)

By Mr. LANGER:

S. 3845. A bill to authorize the Secretary of Agriculture to sell certain quantities of wheat and cotton to the Republic of India; to the Committee on Agriculture and Forestry.

S. 3846. A bill to provide additional compensation for employees of the postal service; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. LANGER when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. CASE of New Jersey:

S. 3847. A bill for the relief of Arthur L. Peirson, Inc.; to the Committee on the Judiciary.

By Mr. SYMINGTON:

S. 3848. A bill to amend section 172 (d) of the Internal Revenue Code of 1954; to the Committee on Finance.

By Mr. LANGER:

S. 3849. A bill to repeal all Federal retailers excise taxes, certain manufacturers excise taxes, and the excise taxes on facilities and services; to the Committee on Finance.

By Mr. MORSE (for himself and Mr. NEUBERGER):

S. 3850. A bill to provide financial assistance for the rehabilitation of orchards destroyed or damaged by natural disaster; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE (for himself, Mr. NEUBERGER, Mr. MAGNUSON, Mr. YOUNG, Mr. JACKSON, and Mr. LANGER):

S. J. Res. 171. Joint resolution to direct the Interstate Commerce Commission to undertake an investigation of the shortage of railroad freight cars in order to determine a program for the purpose of eliminating such shortage; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MORSE when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTIONS

The following resolutions were submitted, and referred as indicated:

By Mr. JENNER:

S. Res. 262. Resolution authorizing the printing of a revised edition of Senate Document No. 85 as a Senate document and providing for additional copies; to the Committee on Rules and Administration.

(See the remarks of Mr. JENNER when he submitted the above resolution, which appears under a separate heading.)

By Mr. LANGER:

S. Res. 263. Resolution extending greetings to the Bundestag of the West German Republic for the unveiling of a bust in honor of Carl Schurz; to the Committee on Foreign Relations.

(See the remarks of Mr. LANGER when he submitted the above resolution, which appear under a separate heading.)

By Mr. STENNIS:

S. Res. 264. Resolution relative to judicial service requirements of nominees to be Associate Justices of the Supreme Court; to the Committee on the Judiciary.

(See the remarks of Mr. STENNIS when he submitted the above resolution, which appear under a separate heading.)

By Mr. JENNER:

S. Res. 265. Resolution favoring withdrawal of Soviet armed forces from Rumania and Hungary, pursuant to treaty obligations; to the Committee on Foreign Relations.

(See the remarks of Mr. JENNER when he submitted the above resolution, which appear under a separate heading.)

PRINTING OF ADDITIONAL COPIES OF PART 7 OF HEARINGS HELD BY SUBCOMMITTEE ON IMPROVEMENTS IN FEDERAL CRIMINAL CODE

Mr. DANIEL submitted the following resolution (S. Res. 266), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Committee on the Judiciary, 1,200 additional copies of part 7 of the hearings held by the Subcommittee on Improvements in the Federal Criminal Code.

AMENDMENT OF LABOR-MANAGEMENT RELATIONS ACT, 1947, RELATING TO PRESSURE BY UNIONS ON BUSINESS TO UNIONIZE

Mr. CURTIS. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and the Senator may proceed.

Mr. CURTIS. Mr. President, a number of small businesses in Nebraska are being forced out of business by the wrongful acts of a few union bosses. I refer to the practice of applying pressure on neutral employers to compel them to stop doing business with other business firms unless the other firm unionizes. Under present law it is an illegal secondary boycott if pressure is applied against employees; coercion of employers is not now covered.

I wish to call your attention to a letter of January 26, 1956, signed by John Bridge, executive chairman of the Motor Carrier Labor Advisory Council, of 56 East Walton Street, Chicago, Ill., directed to a trucking concern at Omaha, Nebr. The letter is as follows:

> Until further notice, I recommend that you discontinue freight interchange with the Nebraska carriers listed below in order to avoid unnecessary interruption of your service outside of the State of Nebraska: Heuton Transfer, Lyons Transfer, Abler Transfer, Ross Transfer.

These acts and other acts are not only directed against truckers, but against department stores and small businesses of all kinds.

Mr. President, the strengthening of the secondary boycott provisions of the Taft-Hartley law carried in the bill I am introducing today is in the interest of the employees, the employers, and the public. Great numbers of union members and the vast majority of union leaders disapprove of these wrongful acts intended to be reached by this legislation. These union members and leaders are to be commended for their desire to have these abuses eliminated and for their resentment of the actions of outside troublemakers.

In the State of Nebraska at this very moment a number of small-business men are being subjected to threats by the teamsters' union that unless they force their employees to join the teamsters, they will find that other firms will refuse to do business with them. This is the typical secondary boycott. These are not idle threats. One Nebraska trucking firm was put out of business within the past few weeks. His is a tragic story—the story of a mighty union abusing its monopoly power to put a 26-year-old company out of business and its 27 drivers out of work.

Coffey's Transfer Co., of Alma, Nebr., received a demand on August 22, 1955, that they compel their 27 drivers to join the teamsters. The union did not want to submit to a National Labor Relations Board election, and it employed all of the delaying tactics possible to postpone an election. When the election finally was held January 24—5 months after the organizing drive and its accompanying secondary boycotts began—not a single workman voted for the union.

Delays by the NLRB also contributed to the union's success in putting this firm out of business. Instead of seeking an injunction, when Coffey filed secondary boycott charges October 14, 1955, as the law requires, the Board's representatives gave the union an opportunity to sign an agreement promising to stop the secondary boycott. The union never kept its promise and the boycotts continued until Coffey was forced to close its doors February 28. Its 27 drivers and other employees had to look for new work.

Other trucking firms also were drawn into this dispute by the union. Employees of the Des Moines Transportation Co. in Minneapolis and Omaha were told to go on strike because Coffey was bringing freight to Des Moines in those cities.

In Norfolk, Nebr., at this very moment the Clark Bros. Transfer Co. is experiencing a secondary boycott that is strangling them out of business.

Their story is almost a carbon copy of the tactics used against Coffey. The attempt to force workmen into a union against their will, a refusal by the employer to comply with such an unfair demand, and the usual secondary boycott followup. The NLRB again attempted settlement instead of proceeding for an injunction, and again the union's promise to discontinue the secondary boycott was worthless. From a staff of 26 employees, 8 have been laid off because of the boycott. This small trucking company which has been serving Nebraska citizens for years is now facing a business death because the company maintains the principle of free collective bargaining and voluntary unionism.

These two examples are merely part of a statewide drive against small Nebraska trucking companies to use secondary boycotts to organize more drivers against their will.

But this is not just a State issue. This drive is directed from other areas. I have a copy of a letter dated January 26, 1956, from one John Bridge, executive chairman of the Motor Carrier Labor Advisory Council, Chicago, to the Bee Line Motor Freight Co. in Omaha, showing that the secondary boycott is an interstate conspiracy. The letter addressed to W. L. Pruner, president of Bee Line, reads:

> Until further notice, I recommend that you discontinue freight interchange with the Nebraska carriers listed below in order to avoid unnecessary interruption of your service outside of the State of Nebraska: Heuton Transfer, Lyons Transfer, Abler Transfer, Ross Transfer.

Next to violence, the secondary boycott is the most vicious weapon used by union bosses. The incidents in Nebraska are but a proverbial "drop in the bucket" when the overall situation is surveyed. Permit me to just hit a few high spots of current or recent secondary boycott activities in all parts of the United States.

In Massachusetts the teamsters have attempted to prevent shippers from using "piggyback" service on the New York, New Haven Railroad. They seek to restrain this type of service that has been given by the railroad for 18 years.

In Baltimore, the building trades unions are trying to compel contractors to agree to secondary boycotts in advance. By contract, they want general contractors to promise not to do business with a subcontractor whose employees are not members of the building trades union. To further monopolize the labor market they seek to make union subcontractors refuse to do work for nonunion general contractors. Secondary boycotts have been used to try to compel contractors to agree to such agreements.

The Daily Oklahoman of March 31 reports from Oklahoma City, and I quote:

> A teamsters, union plan to picket three large Oklahoma City grocery chains because they handle nonunion bread was revealed Friday.

Union men in Utah followed a cheese truck belonging to the Cache Valley Dairy Association of Smithfield, Utah, 2,300 miles to New York City to picket the truck on its delivery of cheese to the New York distributor. There was no labor dispute involved: the union was merely trying to compel the dairy to make its men join the union unwillingly.

In Los Angeles, carpenters refused to install doors made in Wisconsin and kitchen cabinets made in Iowa because they do not have a union label. Insisting on this restraint of trade, the union used a secondary boycott to force west coast firms to stop doing business with

the companies in Wisconsin and Iowa. In the Iowa case, the vast majority of the cabinetmaker's employees were union members.

In New York City a new weekly newspaper, the New York Sunday Graphic, was boycotted out of business before it could get out of the pressroom. Why? Because the editor did not obtain advance permission from a circulation union that he could go into business.

Also in New York, folks who owned Royal typewriters were picketed if they attempted to have the typewriters repaired while the union at Royal was on strike against the firm.

In Akron, Ohio, the Burt Manufacturing Co. has a certified union—men who are members of the AFL–CIO steelworkers. But the AFL–CIO sheet metal workers refuse to install Burt ventilators because they do not make the ventilators. Architects are intimidated that if they order Burt products there will be trouble on the job site.

The Benjamin Electric Co., of Des Plaines, Ill., reports that although 80 percent of its employees are union members, their products cannot be sold in St. Louis and several other cities because the company refuses to apply the union's label to their product. The company's merchandise is kept off the market by a threat of a secondary boycott.

In St. Louis, Swift & Co.'s products were kept from meat market counters because of a secondary boycott by the meatcutters' union. The union insisted that Swift salesmen join it.

In Newcastle County, Del., the construction of an airport was held up nearly 5 months because the county gave the electrical work to the lowest bidding contractor. It happened his employees chose to remain outside the International Brotherhood of Electrical Workers.

I introduce, for appropriate reference, a bill to amend the Labor Management Relations Act of 1947, as amended, and for other purposes. I ask unanimous consent that the bill, together with an explanation of the bill, prepared by me, may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and explanatory statement will be printed in the RECORD.

The bill (S. 3842) to amend the Labor Management Relations Act, 1947, as amended, and for other purposes, introduced by Mr. CURTIS, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Labor Management Relations Act, 1947, as amended, is hereby further amended as follows:

(a) Section 8 (b) (4) of title I of such act is amended to read as follows:

"(4) To exert, attempt to exert, or threaten to exert (regardless of the provisions in any collective bargaining or other contract) against an employer economic coercion of any type, by picketing or by any other means, where an object thereof is—

"(A) forcing or requiring any employer or self-employed person to join any labor or employer organization;

"(B) forcing or requiring an employer or other person to cease doing business with any other person;

"(C) forcing or requiring any other employer to recognize or bargain with a labor organization as the representative of his employees unless such labor organization has been certified as the representative of such employees under the provision of section 9;

"(D) forcing or requiring any employer to interfere with his employees' right to join or refrain from joining a labor organization as set forth in section 7;

"(E) forcing or requiring employees to join or refuse to join a labor organization;

"(F) forcing or requiring any employer to assign particular work to employees in a particular labor organization or in a particular trade, craft, or class rather than to employees in another labor organization or in another trade, craft, or class, unless such employer is failing to conform to an order or certification of the Board determining the bargaining representative for employees performing such work: *Provided*, That nothing contained in subsection (b) shall be construed to make unlawful a refusal by any person to enter upon the premises of any employer (other than his own employer), if the employees of such employer are engaged in a strike ratified or approved by a representative of such employees whom such employer is required to recognize under this act."

(b) Section 10 (1) of title I of such act is amended by striking out the first sentence and inserting in lieu thereof the following: "Whenever it is charged that any person has engaged in an unfair labor practice within the meaning of paragraph (4) (A), (B), (C), (D), (E), or (F) of section 8 (b), the preliminary investigation of such charge shall be made forthwith and given priority over all other cases except cases of like character in the office where it is filed or to which it is referred."

(c) Section 303 of title 3 of such act is amended to read as follows: "Whoever shall be injured in his business or property by reason of any act or acts which are made an unfair labor practice under section 8 (b) (4) of the National Labor Relations Act, as amended, may sue therefor in any district court of the United States subject to the limitations and provisions of section 301 of this act without respect to the amount in controversy, or in any other court having jurisdiction of the parties, and shall recover the damages by him sustained and cost of the suit."

The explanatory statement, presented by Mr. CURTIS, is as follows:

EXPLANATORY STATEMENT BY SENATOR CURTIS

The following statement explains the purpose, background, and detail of S. 3842 which I have today introduced before the United States Senate:

I. PURPOSE OF THE BILL

The bill is designed as a substitute for the present language of section 8 (b) (4) of the Taft-Hartley Act. Its purpose is to make more effective the prohibition on secondary boycotts which Congress intended at the time of the passage of the original act in 1947.

In drafting the language, an effort has been made to simplify the wording so that the intent shall be clear and understandable. As with the present language of section 8 (b) (4), secondary boycotts are the primary concern, but certain primary activities directly related to secondary boycotts are also covered.

II. THE BACKGROUND OF THIS PROPOSAL

1. Status of secondary boycotts prior to passage of the Taft-Hartley Act

Even before the passage of the Taft-Hartley Act, secondary boycotts were generally regarded as unlawful. Numerous court decisions going back for many years had adopted this view. Writing in 1940, a recognized authority on labor law, Mr. Ludwig Teller, said:

"American judicial decision has come into general agreement that there is a distinction between a primary boycott and a secondary boycott, and, as shall be seen hereafter, that the primary boycott, if peacefully carried on, is legal, while the secondary boycott, illegal because involving the exercise of coercion upon innocent third persons not parties to the dispute." (Teller, Labor Disputes and Collective Bargaining, vol. I, p. 454.)

Federal statutory relief became necessary because of the difficulty of securing adequate relief in Federal and State courts * * * a situation brought about by the restrictions placed on the issuance of injunctions in labor disputes by the Norris-LaGuardia Act and similar statutes in many States. Thus an admitted evil—the secondary boycott—existed, but affected parties were unable, because of procedural restrictions, to get effective help.

2. Legislative history of section 8 (b) (4) of the Taft-Hartley Act

Prior to the passage of the Taft-Hartley Act, lengthy hearings were held by congressional committees on the need for a more balanced labor-relations statute. As the committee reports show, one of the most discussed evils was the secondary boycott. Testimony before both the Senate and House committees showed in minute detail the unfair and undesirable technique and purpose of secondary boycotts.

There is no question but that the Congress in passing section 8 (b) (4) sought to prohibit the use of secondary boycotts in industries subject to the provisions of the act. The point is almost too clear to require documentation. The conference report to the House of Representatives referred to section 8 (b) (4) (A), as follows:

"Under clause (A) [of 8 (b) (4)] strikes or boycotts, or attempts to induce or encourage such action were made unfair labor practices if the purpose was to force an employer or other person to cease using, selling, handling, transporting, or otherwise dealing in the products of another, or to cease doing business with any other person. Thus it was made an unfair labor practice for a union to engage in a strike against employer A for the purpose of forcing that employer to cease doing business with employer B. Similarly it would not be lawful for a union to boycott employer A because employer A uses or otherwise deals in the goods of, or does business with, employer B" (H. Rept. No. 510, 80th Cong., 1st sess., 43).

Senator Taft, who was sponsor of the bill in the Senate, discussed on the floor of the Senate the secondary boycott section in the following terms:

"Under the provisions of the Norris-LaGuardia Act, it became impossible to stop a secondary boycott or any other kind of a strike, no matter how unlawful it may have been at common law. All this provision of the bill does is to reverse the effect of the law as to secondary boycotts. It has been set forth that there are good secondary boycotts and bad secondary boycotts. Our committee heard evidence for weeks and never succeeded in having anyone tell us any difference between different kinds of secondary boycotts. So we have so broadened the provision dealing with secondary boycotts as to make them an unfair labor practice" (93 CONGRESSIONAL RECORD 4198).

3. The language of section 8 (b) (4)

Although intended to prohibit secondary boycotts, the language of section 8 (b) (4) does not use the term. It was apparently

felt that, by describing the technique normally used, the matter could be more effectively handled. Consequently, it was made unlawful for a union or its agents to induce or encourage employees to refuse to perform work where an object is to force one employer to cease doing business with another. Within this phraseology certainly falls the majority of the situations which have traditionally been regarded as secondary boycotts. It did not, as subsequent experience has painfully shown, cover all. Moreover, this fact has led those who have sought to circumvent the act to use boycott methods which deviate sufficiently from the specified activity so as to be untouched by the sanctions of the act.

4. Board and court interpretations of section 8 (b) (4)

Congressional intent to prohibit secondary boycotts has not been carried out. Board and court interpretations have made serious inroads on the statutory framework. Inadvertent omissions in the original language have also contributed to the present situation. As a result, important loopholes now exist which, when carefully used by well-advised parties, can permit the very type of activity which Congress sought to prohibit.

Some of the so-called loopholes are listed below:

(1) Threats to Employers

The present language makes unlawful only the inducement of employees to refuse to perform work. The threat of a boycott directed to an employer or its agent goes unchallenged. Particularly where small businesses are concerned, the threat of a secondary boycott directed toward a company president or a plant manager can be even more effective than the inducement of his employees. Often, the company is in no position strategically to wait and see if the union means to or has the power to carry out its threat. This fact of life has been recognized by the unions, and threats to neutral employers have been used with telling effect.

(2) Hot Cargo Clauses

Early in the administration of the Taft-Hartley Act the Board issued a decision in the now famous Conway's Express case (Conway's Express (87 NLRB 130, enforced, 195 F. 2d. 906)) which, in effect, stated that a clause in a collective bargaining contract permitting unionized employees to refuse to handle goods labeled as unfair or "hot" by the union would serve as a valid defense to otherwise unlawful inducement of a secondary boycott. The Board's decision was upheld on appeal by the Second Circuit Court. Although the decision of the court may not necessarily be as complete an endorsement of the hot cargo clause as is generally thought, unions were quick to seize on the Conway decision as a convenient vehicle to circumvent the act. All that was needed was a clause in a collective bargaining contract permitting a secondary boycott. Given sufficient bargaining strength on the part of the union, the result was easy to foresee. Hot cargo clauses appeared all over the country. Secondary boycotts were conducted with impunity under the protective wing of such provisions.

A majority of the Board continued to follow the Conway doctrine until the McAlister case (McAlister Transfer, Inc., 110 NLRB No. 224) which was decided in 1954. At that time, changes in Board personnel resulted in a restudy of the matter In the McAlister decision, a majority of the Board adopted the view that hot cargo clauses could not be sustained as a valid defense against otherwise unlawful conduct unless the employer acquiesced in their observance. The present Board now follows the rule set forth in the McAlister case, with two Board members dissenting on the theory that the Conway decision is controlling, and a third Board member concurring specially with the majority opinion on the ground that the existence of such a provision should be regarded as illegal per se. See, for example, the Board's decision in Sand Door & Plywood Co. (113 NLRB No. 123).

It seems difficult to understand the Conway decision and the rationale behind it. In effect it espouses the principle that private parties can, by contract, set aside or circumvent an important matter of public policy embodied in a statute passed by the Congress. To my knowledge, no precedent exists for such circumvention. Even if the parties to a collective bargaining agreement containing such a clause were the only ones involved in congressional consideration of the secondary boycott problem, there still would be no justification for a contradiction of that policy once it had been clearly set forth. Here, of course, Congress was clearly considering interests going far beyond the primary employer and the union with which it is at the time doing business. Congress was seeking to protect neutral and third party employers, their employees, and perhaps most important, the community as a whole. Indeed, a major purpose of section 8 (b) (4) was to limit the area of industrial strife to those directly involved in the dispute. In this posture it is obvious that the hot cargo doctrine as set forth in the Conway case constitutes a flagrant attempt by an administrative agency to destroy a clear congressional mandate.

While the present Board has adopted a more reasonable view of the matter, the problem is so important that it should not be left to the opinions of appointees to administrative office. Congress must speak once and for all in regard to the matter.

(3) Refusal To Enter Employment

In certain industries where occasional or per-job employment is the rule, unions have found that a secondary boycott can be conducted, not by inducing employees to refuse to perform work—which is unlawful—but merely by refusing to let members accept work with an employer who is unfair. The technique is effective where the union controls most of the skilled help in the market and where employment is on a per-job basis. The present act does not, according to Board and court decisions, reach this type of tactic, and it was so held in *Joliet Contractors Association* (99 N. L. R. B. 139).

(4) Secondary Customer Boycott

The language of section 8 (b) (4) does not prohibit secondary customer boycotts. Thus, for example, a union can apparently picket the customer entrances of a retail store which is carrying a product manufactured by a company with which the union has a primary dispute. Similarly, a union can organize a consumer or customer boycott against a soft drink distributing company merely because that company advertises on a radio or television station with which the union has a primary dispute. These are examples of secondary customer or consumer boycotts where the secondary employer offers goods or services directly to the consuming public. Such a boycott is a potent form of economic pressure.

(5) Restricted Definitions of the Terms "Employer" and "Person"

For the general purposes of the application of the act, there are set forth in section 2 definitions of terms used in the act. Among the definitions included are those for the terms "employer," "employee," and "person." In applying the secondary boycott section of the act the Board has, in a number of cases, adhered strictly to these definitions, thus permitting otherwise unlawful conduct. For example, the *International Rice Milling Co., Inc.* (84 N. L. R. B. 360), the Board held that a railroad company was not an employer within the meaning of the act. Hence, its employees could be induced to refuse to perform work even though the objective was to force the railroad company to cease doing business with another person. The interpretation was reversed by the fifth circuit court in *The International Rice Milling Co., Inc.*, v. *NLRB* (F. 2d 21), but the court's opinion has apparently not been generally accepted. See *Sprys Electric Co.* (104 N. L. R. B. 1128), where otherwise unlawful inducement was permitted because a governmental agency was the organization involved in the interruption of business.

It is my opinion that the legislative history of the present act indicates an intent on the part of Congress to broadly apply the secondary boycott prohibition. As our Fifth Circuit Court has pointed out, the need for restricted definitions of certain key words, which undoubtedly exist in connection with the application of some other parts of the act, does not exist in applying the boycott provisions.

(6) Ambulatory Picketing

In an early decision of the Board (*Schultz Refrigerated Services, Inc.* (87 NLRB 92)) picketing of the trucks of a primary employer was permitted wherever those trucks stopped to pick up or deliver. Subsequent decisions in the past several years have restricted the application of the doctrine, but it should be settled once and for all. The theoretical basis of the doctrine lies in a legitimate desire to protect primary picketing at or near the premises of the primary employer. The trucks become an extension of the premises. Hence, the following of the trucks has been permitted. The reasoning overlooks the obvious fact that picketing away from the premises of the primary employer has quite plainly the principal objective of inducing employees of the secondary employer to refuse to perform work. Consequently, in my judgment, it should be regarded as unlawful.

The above listing is not intended to cover all the loopholes that exist in the present framework of boycott protection. There are others. The proposed language is intended to cover all the indicated loopholes, but it is not intended that the construction of the proposed wording be limited to those situations covered by existing interpretation plus the loopholes. Where there is economic pressure on an employer for one of the stated objectives, the activity is intended to be unlawful, whether it fits a presently contemplated situation or not.

III. A COMPARISON OF THE LANGUAGE OF S. 3842 AND SECTION 8 (B) (4) OF THE TAFT-HARTLEY ACT

In this section, the several parts of the proposed bill are discussed and compared with comparable wording in Section 8 (b) (4) of the Taft-Hartley Act.

1. Introductory wording:

The present act makes it an unfair labor practice for a labor organization or its agents—

"(4) to engage in, or to induce or encourage the employees of any employer to engage in, a strike or a concerted refusal in the course of their employment to use, manufacture, process, transport, or otherwise handle or work on any goods, articles, materials, or commodities or to perform any service, where an object thereof is * * *."

The comparable language in S. 3842 reads as follows:

"(4) to exert, attempt to exert, or threaten to exert, (regardless of the provisions in any collective bargaining or other contract) against an employer economic coercion of any type, by picketing or by any other means, where an object thereof is * * *."

The proposed wording is at once a simplification and an extension of the present statutory language. The Taft-Hartley wording in essence makes unlawful the inducement of employees to refuse to perform work. Experience has shown that there are

other and equally effective forms of economic coercion against the neutral or third party employer besides inducing his employees to refuse to perform work. If the objective of the section is to prevent economic pressure directed toward a neutral employer in order to force him to cease doing business with some other person, then it inevitably follows that all sorts of economic pressure should be prohibited. In other words, if the vice of the secondary boycott is economic pressure against a neutral, all types of economic pressure should be prohibited, not merely the type which is traditionally the most used, that is, a refusal to work by his employees. There is no logical half-way point in attacking this problem. Either all economic pressure against the secondary employer is prohibited, or none at all. Union activity designed to coerce a third party employer is no less a secondary boycott because it uses an approach which is not usual. Indeed the limitation of the prohibition to a particular technique encourages resort to other means.

The proposed language references "economic coercion of any type" against a third party employer. Admittedly, this is a comprehensive reference. It is intended to be. Nothing less than this is acceptable if secondary boycotts are to be prohibited. This was, of course, the intent of Congress in 1947. I believe that it is the intent of Congress today. Let us effectuate that intent.

Before discussing by way of illustration the types of economic coercion which are covered let it be said that the language does not, nor is it intended to, limit or interfere with the right to conduct a primary strike. There were those who challenged the present language of the act as prohibiting the picketing normally incidental to a primary strike on the theory that the picketing had the effect of inducing employees of third party suppliers not to cross the picketline. Whatever an overly literal reading of the present language may reveal it is obvious that Congress, in 1947, intended no such result. Nowhere in the legislative history of the act is there the slightest indication of such intent. Obviously, it is a result which is not to be lightly inferred.

The proposed language does not interfere with the right to conduct a primary strike, nor with the usual picketing that normally occurs at or near the situs of this primary dispute. The extension of such picketing or other forms of inducement to the premises of a secondary employer does, of course, raise an entirely different problem.

On the postive side the proposed language prohibits the type of inducement covered by the wording of the present act. It goes beyond this to include all types of economic pressure whether directly or indirectly applied. Illustrative of the types of economic pressure intended to be covered by the language are the following:

(1) Threats of economic coercion directed to owners, managers, and their representatives.

(2) Threats to induce or the actual inducement of customer or consumer boycotts of the product or services of a secondary employer.

(3) Threats to refuse or the actual refusal to accept employment with secondary employers.

(4) The inducement of employees to refuse to perform work.

The above listing is illustrative, and is not to be regarded as covering all types of economic pressure covered by the wording.

The parenthetical inclusion in the proposed language relates to the hot cargo clause problem. By this wording, it is intended that hot cargo clauses shall not serve as a defense to otherwise unlawful conduct. It is further the intent of the wording that no contract language shall in any way be construed so as to bind an employer to permit or acquiesce in an otherwise unlawful refusal on the part of his employees to perform work. The declared public policy of the United States against secondary boycotts cannot be modified by private contractual agreements. I might add that, in my judgment, the insistence by a union of the inclusion of such a clause in a collective bargaining contract should be regarded as a refusal to bargain in good faith.

The term "employer" as used in this section is not limited to the strict definition of the term as set forth in section 2 of the present act. It is specifically intended to cover any employer, whether or not he be subject to other provisions of the statute. Among others this would include railroad companies, State and Federal Governments, employers of farm labor, etc.

It may be argued by some that the comprehensive nature of the prohibition proposed makes it subject to constitutional challenge. Such an objection is unfounded. It was raised and disposed of by the courts in connection with the present language of section 8 (b) (4). (*International Brotherhood of Electrical Workers, Local 501* v. *NLRB* 341 U. S. 694.) There is no constitutional right to induce, or threaten to induce, even by peaceful means, acts which are unlawful. Congress has declared secondary boycotts to be unlawful. Their inducement, or threats thereof, is not privileged.

2. "(A) forcing or requiring any employer or self-employed person to join any labor or employer organization":

The language here relates to forcing or requiring an employer or self-employed person to join a union. The wording is the same as that contained in the first part of paragraph "(A)" of the present Taft-Hartley Act. Although the language has received relatively little application insofar as the present act is concerned, no one will dispute the wisdom of its inclusion. It is placed in a separate paragraph here for purposes of clarification only. No change in meaning or interpretation is intended.

3. "(B) forcing or requiring an employer or other person to cease doing business with any other person":

This is the heart of the proposed amendment, just as generally similar language is the heart of section 8 (b) (4) of the present act. The paragraph is essentially the same as the last part of section 8 (b) (4) (A) of the Taft-Hartley Act. The only change is the elimination of the enumeration in the present language. It is felt that the phrase "cease doing business with" covers the specific items now mentioned such as selling, using, handling, etc. The use of the single phrase "cease doing business with" which is contained in the present act, along with the enumeration, is not intended to imply a more restricted interpretation of the language. The simplification is proposed merely for the purpose of clarity so that the average person on reading the language will more readily understand just what is meant.

4. "(C) forcing or requiring any other employer to recognize or bargain with a labor organization as the representative of his employees unless such labor organization has been certified as the representative of such employees under the provision of section 9":

The language here is exactly the same as that now contained in section 8 (b) (4) (B) of the Taft-Hartley Act. Existing interpretation of that section is regarded as satisfactory.

5. "(D) forcing or requiring any employer to interfere with his employees' right to join or refrain from joining a labor organization as set forth in section 7":

This language is not contained in section 8 (b) (4) of the Taft-Hartley Act. It is designed to prohibit the use of economic coercion for the purpose of forcing an employer to interfere with the right of his employees to join or refrain from joining a union. Among other things, the wording would prohibit what is now known as recognition picketing.

The cornerstone of the Wagner Act and the Taft-Hartley Act is contained in section 7. In the original law, the guaranty set forth in section 7 declared as a matter of public policy the right of employees to self-organization—the right to freely select their own bargaining representative. Added to this basic right in 1947 was the corollary right to refuse to participate in union activity. Taken together, these guaranties form the basis of our national labor policy. It is a sound basis. The cornerstone is well laid.

With this as a basis, it follows necessarily that neither a company nor a union should have the right to coerce an employee in the exercise of his right to join or refuse to join a labor organization. And from this it follows that an employer should be free from economic pressure or coercion designed to force him to interfere with the rights of an employee.

Section 9 of the present act generally follows the scheme set up in the Wagner Act whereby the selection of a bargaining agent can be made by secret ballot in an election conducted by the National Labor Relations Board. This is a procedure which gives meaning to the guaranty of an uncoerced choice. The thousands of elections conducted by the Board over the past 20 years indicate beyond question the efficacy of the balloting procedure.

Today, however, a serious inroad on the right of freedom of choice has been made. It is an inroad which is not covered by present statutory language. It is recognition picketing.

In the usual situation, recognition picketing takes places where an employer has refused a demand that the union be recognized as a majority bargaining agent and thereafter a picket line is set up at or near the employer's place of business. The only way that the employer can resolve the situation is to recognize the union, regardless of the wishes of his employees, and sign up with the union. For the employer to do so is to engage in an unfair labor practice. Yet the fault is not his. Economic pressure of the picket line in some cases forces him to make a choice between signing up with a union or going out of business. It is difficult to blame him when he takes the course of saving his business, even though it means violating the law.

The election machinery set up in the act should be used to determine majority status. Recognition picketing should be permitted only where the employer refuses to accept the choice of his employees in selecting a bargaining agent.

The overwhelming majority of State courts today have declared recognition picketing to be unlawful. These courts have realized the inconsistency between a guarantee of free choice and economic coercion which forces an employer to select a bargaining agent for his employee. Consequently, in most jurisdictions, such picketing can be enjoined. This fact does not, however, solve the problem at the Federal level. With the Supreme Court's decision in the Garner case, which emphasized the preemption by the Federal Government in certain important areas in labor-management relations, State jurisdiction in recognition picketing situations may well be now limited to those situations in which the National Labor Relations Board either does not have jurisdiction, or does not seek to exercise its jurisdiction (*Garner* v. *Teamsters, C. & H. Union* (346 U. S. 486)). A large segment of the American economy is therefore left open to this patently unfair and coercive device.

The recognition-picketing problem is included in this section of the act because it is closely allied to the secondary boycott issue. Studies have shown that a majority of secondary boycotts arise from situations in

which the union is trying to recognize the employees of the primary employer. Unsuccessful by direct appeal, the union seeks to pressure the employer into recognition by putting economic pressure on the secondary employer who does business with the primary employer. The language of the present act covers those situations in which the recognition is being forced through the use of pressure on a secondary employer. The proposed language would add a necessary element to the protection by prohibiting economic pressure directed toward the primary employer. While such pressure is normally in the form of picketing, the proposed wording covers all types of economic pressure which has as an object the forcing or requiring of an employer to interfere with the right of his employees to join or refrain from joining a labor organization.

There can be no question today of the constitutionality of a prohibition against recognition picketing. In *Building Services Union* v. *Gazzam* (339 U. S. 532), the United States Supreme Court upheld a lower court decision permitting an injunction against recognition picketing in the State of Washington. The public policy of that State condemned interference with the right of employees of that State to self-organization. The same treatment would undoubtedly be accorded a congressionally enunciated policy on the subject.

6. "(E) forcing or requiring employees to join or refuse to join a labor organization":

The proposed language is not found in the Taft-Hartley Act. Its purpose is to prohibit the use of economic coercion against an employer where an object is the forcing or requiring of employees to join or refuse to join a labor organization. Obviously this purpose is related to that discussed in proposed paragraph "(D)."

In picketing situations today, where the union is seeking to become the bargaining agent, there is the much-debated problem of recognition versus organizational picketing. In a few jurisdictions, particularly in New York, there is an effort to distinguish between the two types. Theoretically, this can be done. Recognition picketing involves a situation in which the union demands recognition from the employer and, failing to get it, puts up a picket line. Organizational picketing, on the other hand, embraces the situation where the union makes no demand on the employer for recognition but pickets allegedly for the purpose of organizing the employees. While a difference does exist in theory, it is open to question as to how much validity it may have in practice.

From the employer's point of view, in both cases the picket line is there. If the existence of the pickets reduces the number of customers as it often does, for example, in the case of a retail store, or induces the employees of a third-party employer to refuse to pick up or deliver at the premises of the picketed employer, the economic effect is the same. The loss is just as great whether the union has demanded recognition or whether it claims merely to be organizing the people. The solution for the employer, if he cannot stand the pressure, is to force his employees into the union and to sign up.

From the point of view of the employees of the picketed employer, the difference is also insubstantial. The economic coercion against the employer is just as real in one case as in the other. If, as a result, they feel they have to join the union, their freedom of choice is impaired, whether the picketing is said to be organizational or recognition in character.

From the union's point of view, the answer is obvious. If recognition picketing is prohibited and organizational picketing is permitted, all the union has to do is to make sure that it never overtly demands recognition and sticks to its claim that the picketing is organizational in character. The important weapon is the picket line. If it brings about the requisite degree of economic coercion, the employer and the employees will be forced to line up.

From a legislative point of view—whether it be Federal or State—the restriction on organizational picketing raises a difficult problem. To the extent that it is an appeal to employees for support, it should be protected. To the extent that it coerces by economic pressure employees into joining a union, it should be condemned. This dual character of organizational picketing is the source of considerable confusion. My own view is that, where all the facts of the case show the picketing to be coercive—that is, to have the effect of forcing or requiring employees to join a union—it should be prohibited. Such is the intent of the language here proposed.

It is not the intent of this language to impinge upon the legitimate efforts of unions to preach the benefits of organization to employees. I would not intrude upon this right if I could. To me it is both important and necessary. On the other hand, I would not permit the use of this right as a technique to coerce employees in the exercise of their right to select or reject a union. In my judgment, organizational picketing in most contexts goes beyond an appeal to reason and becomes an instrument of coercion. Where election machinery is available, and where the law prohibits employer interference with the right of employees to select their own bargaining agent, let unions sell the benefits of organization by appeals to reason, not by the use of economic force.

The specific language used refers to "forcing or requiring employees." In my judgment, these words have nothing to do with persuasion, exhortation, or the right of free speech. Where organizational picketing has the effect of forcing or requiring employees to join or not to join a union, it should be struck down. It is at that point no longer privileged as free speech.

While the language is most importantly directed toward picketing, it also is intended to include other types of economic coercion where an object is forcing or requiring employees to join or to refuse to join a labor organization.

In some quarters there may exist a belief that the proposed language runs afoul of the constitutional guaranty of free speech. I would not propose it, nor support it if it did. I am convinced that it does not. My conviction is supported by two significant court decisions, one by the Supreme Judicial Court of Maine and the other by the Wisconsin Supreme Court. In the Maine case (*Pappas* v. *Stacey* (116 Atl. (2d) 497)) a restaurant was picketed for the alleged purpose of organizing the employees. The issuance of an injunction was upheld on the grounds that the picketing violated a Maine statute guaranteeing freedom of self-organization. Overruled by the court was the union's contention that the injunction infringed on constitutional rights. The decision was appealed to the Supreme Court of the United States, and was there dismissed without opinion (*Pappas* v. *Stacey* (U. S. Sup. Ct., No. 336, Oct. 24, 1955)).

The Wisconsin case (*Vogt, Inc.* v. *Teamsters Local* (Wis. Sup. Ct. (1956), 37 LRRM 2535)) also involved a typical organizational picketing situation. In an initial decision (*Vogt, Inc.* v. *Teamsters Local* (270 Wis. 315)) the Court reversed on constitutional grounds a lower court decision granting an injunction. On reconsideration, the original decision was reversed and the lower court judgment was affirmed.

While the Supreme Court of the United States has not directly passed on the question, I believe that these recent decisions indicate the direction of judicial thinking in those areas where it is necessary to draw a line between free speech on the one hand, and the right of employees to self-organization on the other. When speech in a context of action becomes coercive, it can be prohibited.

7. "(F) forcing or requiring any employer to assign particular work to employees in a particular labor organization or in particular trade, craft, or class rather than to employees in another labor organization or in another trade, craft, or class unless such employer is failing to conform to an order or certification of the Board determining the bargaining representative for employees performing such work: *Provided*, That nothing contained in subsection (b) shall be construed to make unlawful a refusal by any person to enter upon the premises of any employer (other than his own employer), if the employees of such employer are engaged in a strike ratified or approved by a representative of such employees whom such employer is required to recognize under this act":

The wording here is exactly the same as that contained in paragraph 8 (b) (4) (D) of the Taft-Hartley Act.

The above represents an effort to set forth in detail both the reasons for the proposed changes in present language, and the intended application of the wording suggested. Obviously, not all situations can be spelled out in advance. In 1947, Congress thought it was outlawing secondary boycotts. The objective has not been reached. It may be that, even with the language here proposed, loopholes will develop. It is my sincere belief that if those who are construing the language of this bill will recognize and accept the fundamental concept of the intent of Congress to do away with secondary boycotts the objective can be achieved.

ADDITIONAL COMPENSATION FOR EMPLOYEES OF POSTAL SERVICE

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to provide additional compensation for employees of the postal service. I ask unanimous consent that a statement, prepared by me, in connection with the bill, may be read by the clerk.

The PRESIDENT pro tempore. Without objection, the clerk will read the statement.

The Chief Clerk read as follows:

Mr. LANGER. Mr. President, today I am introducing a bill to increase the salary of all postal employees $600 per year, and all substitutes 30 cents per hour. We passed a bill last year increasing salaries, but in the case of the majority of postal workers the increase was far too small. The salary for postal workers has not kept up to the improved standard of living. We must consider giving these employees a standard of living in keeping with the standard enjoyed by all other American citizens. The Heller Budget for Wage Earners indicates that for a man, wife, and two children a modest budget is $5,465.74 per year. The top pay of a letter carrier or postal clerk after 25 years is merely $4,710.

There is little wonder that the Post Office is finding it difficult to recruit employees; there is little wonder that the Post Office is finding it hard to retain employees.

Two recent examples have been brought to my attention that illustrate clearly that standard of pay in the postal service is far below that in private industry.

One of our letter carriers has been in the postal service for over 16 years and is now in the second longevity step. This carrier has a son, who has just turned 21 years of age, and has been employed by the telephone company as a splicer for the past 3 years. The son has had no specialized training and has progressed in the telephone company at the normal rate of advancement; yet during the year just past the son, with only 3 years of service, received over $500 in salary more than the father with 16 years of service.

In another instance, the wife of one of our letter carriers who has not worked in any job since their marriage some 18 years ago, recently went to work for one of the large concerns on the west coast. In a period of less than 6 months in the job, for which no specialized training or knowledge was required, her take-home pay exceeded that of her husband. Not only was the wife's pay greater, but the letter carrier claimed exemption for the three members of the family for income-tax purposes, while the wife took no exemptions.

Despite recommendations that have been or will be received from the administrative branch of Government, we have our responsibility to our postal employees. We shall have shirked our duty unless we grant our postal employees pay raises commensurate with their training and their faithfulness, and with the American standard of living.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3846) to provide additional compensation for employees of the postal service, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

INVESTIGATION OF RAILROAD FREIGHT-CAR SHORTAGE

Mr. MORSE. Mr. President, I shall not take the time of the Senate to read a statement which I have prepared on the annual railroad freight-car shortage, but I wish to say that I am greatly in debt to the distinguished Senator from Washington [Mr. MAGNUSON] for the magnificent job he has been doing as chairman of the Interstate Commerce Committee in trying to obtain some action on the part of the Interstate Commerce Commission and the railroads in regard to the freight-car shortage.

In order to buttress his work, I think we need to support it by the passage in the Senate of a joint resolution which I introduce on behalf of myself, my colleague, the junior Senator from Oregon [Mr. NEUBERGER], the junior Senator from North Dakota [Mr. YOUNG], the senior Senator from North Dakota [Mr. LANGER], the senior Senator from Washington [Mr. MAGNUSON], and the junior Senator from Washington [Mr. JACKSON].

I ask unanimous consent to have my statement in support of the joint resolution printed at this point as a part of my remarks, together with the text of the resolution itself, and I ask to have the resolution appropriately referred.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and statement will be printed in the RECORD.

The joint resolution (S. J. Res. 171) to direct the Interstate Commerce Commission to undertake an investigation of the shortage of railroad freight cars in order to determine a program for the purpose of eliminating such shortage, introduced by Mr. MORSE (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Whereas annually serious freight-car shortages have occurred throughout the Nation; and

Whereas freight-car shortages in recent years have had increasingly adverse effects on the shipment and handling of many products, including lumber and grain and other farm commodities; and

Whereas the lack of freight cars for handling lumber, grain, farm commodities, and other products during peak shipping periods has caused great losses to farmers, workers, and businessmen, and has resulted in deterioration and spoilage and delays in the movement of a wide variety of products; and

Whereas American class I railroads between 1951 and 1955 have received enormous Federal income-tax benefits by way of rapid amortization of freight-car construction costs to assist in providing an adequate fleet of freight cars; and

Whereas despite such tax benefits the total fleet of freight cars continues to decline; and

Whereas there appears imminent a freight-car shortage of even more disastrous proportions this year; and

Whereas by law the Interstate Commerce Commission is required to submit to the Congress annual recommendations as to additional legislation relating to the regulation of commerce as may be deemed necessary: Now, therefore, be it

Resolved, etc., That the Interstate Commerce Commission shall immediately undertake, in consultation with shippers, railroads, and interested Federal and State agencies, a comprehensive investigation and study of the freight car shortage and shall report and recommend to the Congress by not later than 6 months from the date of enactment of this joint resolution, a comprehensive program to be undertaken by the Federal Government or the railroads, or both, to assure an adequate supply and proper distribution of freight cars within a reasonable time. Such investigation shall include, but not be limited to, the following subjects: (1) the establishment of a separate corporation to be financed by the railroads to supply an adequate pool of freight cars to serve the needs of the shipping public, (2) adequacy of funds available for hire of car service agents to enforce Interstate Commerce Commission orders, (3) adequacy of freight car construction and rebuilding facilities and programs in the United States and policies of the railroads with respect to such rebuilding and reconstruction.

SEC. 2. Such program as submitted to the Congress by the Interstate Commerce Commission shall include proposals for any legislation that may be required to obtain the necessary freight car supply; an estimate of the costs, if any, to the United States or to the railroads, or both, of carrying out such program; and any other matters that in the opinion of the Interstate Commerce Commission may be helpful to the Congress in its consideration of effective means to terminate the annual freight car shortages.

The statement, presented by Mr. MORSE, is as follows:

STATEMENT BY SENATOR MORSE

The present indications are that this year's boxcar shortage will be one of the most serious that has hit the shippers of this Nation in the entire history of the perennial car shortage problem. The situation on car supply is becoming tighter and is considerably worse than it was at this time last year. During the week ending May 5, 1956, we had a shortage of 6,994 freight cars and a surplus of only 4,891. For the comparable week in 1955 there was a daily average shortage of 5,010 freight cars as compared to an average daily surplus of 15,726. Parenthetically, I should point out that we should not be misled by the coexistence of an average daily shortage and average daily surplus of cars. The difficulty is that the surpluses occur in areas other than where the shortage arises so the surpluses do not help eliminate the shortages.

So far as the lumber industry in western Oregon is concerned, if the present trend continues the car shortage will result in one of the most serious economic disruptions that has ever occurred in this vital industry. The freight car shortage probably will reach a peak during or immediately after grain harvest and will bring into bold focus the serious economic results of too few freight cars and improper distribution of the cars that are now in use. It is my opinion that the time has come to call upon the Interstate Commerce Commission for a searching and intensive study of the entire car shortage problem to be followed by recommendations to the Congress for legislation which will once and for all alleviate these annual shortages in rail transportation facilities which would appear to be wholly unnecessary if there were proper planning and coordination on the part of the American railroads and the agencies of Government that are charged with the responsibility of seeing to it that interstate commerce shipments travel swiftly, efficiently, and without interruption. American shippers are entitled to the finest types of transportation during peacetime and in times of national emergency our Government is entitled to rapid and complete transportation facilities. As the situation now stands neither American shippers nor the Government can be assured of attaining either of these objectives. The time has come to do something affirmative about this problem and I propose that we start at the Interstate Commerce Commission level.

The Interstate Commerce Commission is an arm of the Congress established to handle varied problems relating to the Nation's railroad transportation system. I know of no agency that is better equipped to handle an investigation of the freight-car shortage matter than the ICC. After all, it has been in business prior to the turn of the century. It has accumulated a wealth of facts and experience in this field and is ideally equipped to make a penetrating analysis of this problem which has become such a sore spot in our rail transportation program. For that reason, Mr. President, I am offering at this time a joint resolution calling for an investigation and report by the Interstate Commerce Commission to remedy the freight-car situation. I sincerely hope that the Congress will take speedy action on this resolution because the matter has become one of our prime domestic problems which urgently calls for rapid action and solution.

At this time I should mention that Senator MAGNUSON, of the State of Washington, chairman of the Senate Interstate and Foreign Commerce Committee, has been of inestimable help to all of us in our search for a solution of the car-shortage problem. At the request of Senator NEUBERGER and myself, Chairman MAGNUSON scheduled hearings on

the boxcar shortage which brought to light many facts of great help to us in analyzing the situation. From Senator MAGNUSON and his committee there has been full cooperation in an endeavor to find ways to meet this shortage. He has given intensive study to this situation to get at the root of the trouble. The shippers throughout the Nation owe him a debt of gratitude for his efforts and I am sure that I express particularly the sentiments of lumber shippers in western Oregon when I pay the chairman this much-deserved praise.

It is my understanding that the subcommittee on Freight-Car Shortages, composed of Senator MAGNUSON, chairman, and Senators MONRONEY and SCHOEPPEL, will soon offer a report on S. 2770 on which hearings have recently been held. I shall look forward to this report because I am satisfied that it will be most informative and helpful.

On behalf of myself and Senators NEUBERGER, MAGNUSON, JACKSON, YOUNG, and LANGER, I have introduced, for appropriate reference, a joint resolution to direct the Interstate Commerce Commission to undertake an investigation of the shortage of railroad freight cars in order to determine a program for the purpose of eliminating such shortage.

PRINTING AS A SENATE DOCUMENT REVISED EDITION OF SENATE DOCUMENT 85, 84TH CONGRESS, ENTITLED "SOVIET POLITICAL TREATIES AND VIOLATIONS"

Mr. JENNER. Mr. President, the new leaders of Soviet Russia, in many public utterances since the death of Joseph Stalin, have proclaimed a desire for friendship with the nations of the free world.

It is again time to take cognizance of the record of the Soviet Union in its formal relationships with other nations—not the word-of-mouth promises but the official written pledges which the Kremlin has made since the imperialist regime was overthrown in 1917.

The Senate Internal Security Subcommittee has brought up to date a staff study of this record which was published in 1955. Its supply of the original document is nearly exhausted. Because of the newly aroused interest in the attitude of the Soviet leaders, I submit, for appropriate reference, a resolution providing that the study may be printed as a Senate document and as a revision of Senate Document No. 85, 84th Congress, 1st session, and that 12,500 additional copies be printed for the use of the Committee on the Judiciary.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 262) was received and referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed as a Senate document a revised edition of Senate Document No. 85, current Congress, entitled "Soviet Political Treaties and Violations," and that 12,500 additional copies be printed for the use of the Committee on the Judiciary, United States Senate.

NATIONAL MINERALS POLICY—AMENDMENTS

Mr. DIRKSEN submitted amendments, intended to be proposed by him, to the bill (S. 3764) expressing the sense of the Congress with respect to a sound national minerals policy, to prevent widespread unemployment in certain localities, and directing certain action in furtherance of such policy, which were referred to the Committee on Interior and Insular Affairs and ordered to be printed.

PROTECTION OF NATURAL RESOURCES—CHANGE OF REFERENCE

Mr. EASTLAND. Mr. President, at a recent meeting the Committee on the Judiciary authorized the chairman to request that the Committee on the Judiciary be discharged from further consideration of the joint resolution (S. J. Res. 139) to provide for the commemoration of the 50th anniversary of the First Conference of State Governors for the protection in the public interest of the natural resources of the United States.

On July 30, 1955, an identical joint resolution was introduced and referred to the Committee on Interior and Insular Affairs. When the present resolution, Senate Joint Resolution 139, was introduced on February 7, 1956, this measure was referred to the Committee on the Judiciary.

A study of Senate Joint Resolution 139 discloses that it primarily concerns the preservation of our natural resources.

Accordingly, Mr. President, on behalf of the Committee on the Judiciary, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate Joint Resolution 139, and that it be referred to the Committee on Interior and Insular Affairs.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Mississippi? The Chair hears none, and it is so ordered.

AMENDMENT OF UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948—MOTION TO RECONSIDER VOTE

Mr. EASTLAND. Mr. President, on May 9, 1956, the bill (S. 3638) to promote the foreign policy of the United States by amending the United States Information and Educational Exchange Act of 1948, Public Law 402, 80th Congress, was reported from the Committee on Foreign Relations and passed the Senate on the following day, May 10, 1956.

Mr. President, I enter a motion to reconsider the vote by which S. 3638 was passed by the Senate.

The PRESIDENT pro tempore. The motion will be entered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. THYE:

Address delivered by him before the Reserve Officers Association at St. Paul, Minn., on May 5, 1956.

By Mr. WILEY:

Address on the subject of disarmament, delivered by him at a luncheon of the Civic Conference on Disarmament, at Chicago, Ill.

By Mr. MORSE:

Address delivered by Senator KEFAUVER at 25th annual convention of the Young Democratic Clubs of Oregon, at Portland, Oreg., on April 21, 1956.

NOTICE OF HEARING ON NOMINATION OF CHARLES E. WHITTAKER TO BE UNITED STATES CIRCUIT JUDGE, EIGHTH CIRCUIT

Mr. EASTLAND. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, May 22, 1956, at 10:30 a. m., in room 424 Senate Office Building, on the following nomination: Charles E. Whittaker, of Missouri, to be United States circuit judge, eighth circuit, vice John Caskie Collet, deceased.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON], the Senator from Indiana [Mr. JENNER], and myself, chairman.

NOTICE OF HEARING ON H. R. 5284, A BILL FOR THE RELIEF OF KEITH A. BOTTERUD

Mr. WATKINS. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, notice is hereby given of a public hearing that will be held on Wednesday, May 16, 1956, at 10 a. m., in room 424 Senate Office Building, on H. R. 5284, a bill for the relief of Keith A. Botterud. At the indicated time and place those interested in the proposed legislation will be afforded an opportunity to be heard.

The subcommittee consists of the Senator from West Virginia [Mr. NEELY] chairman, the Senator from Wyoming [Mr. O'MAHONEY], and myself.

ORDER FOR RECESS TO 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 11 o'clock tomorrow morning.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Without objection, it is so ordered.

NIAGARA RIVER POWER DEVELOPMENT

Mr. GOLDWATER. Mr. President, I ask unanimous consent that I may be allowed to proceed for not more than 8 minutes.

The PRESIDENT pro tempore. Is there objection?

Mr. JOHNSON of Texas. Mr. President, I shall be glad to suggest the absence of a quorum, if the Senator from Arizona so desires.

Mr. GOLDWATER. I prefer to proceed without that being done.

Mr. JOHNSON of Texas. Mr. President, I have no objection to the Senator's request.

The PRESIDENT pro tempore. Without objection, the Senator from Arizona may proceed.

Mr. GOLDWATER. Mr. President, it is my understanding that S. 1823, the Niagara power bill, will come up for consideration today. Because of my required absence from the city in the next few days, I wish to make a few remarks on that bill.

S. 1823 is another example of the extremes to which the Federal power advocates will go in an attempt to force their philosophy upon the American people. Their basic philosophy was expressed by President Harry Truman when he said, on May 12, 1950:

> I am sure we will continue to overcome the opposition just as we already have done in building Grand Coulee, just as the people already have done in Nebraska, in large parts of Washington and Oregon and in other sections of the country where they have decided to distribute power through public bodies and cooperatives. The benefits of public investment must be passed on to the people whose tax money is being used. Those benefits must not be diverted for private profit.

Aside from TVA, a recognized Federal power monopoly, existing agencies of the Federal Government have no constitutional or statutory rights to develop any water resources except those the primary functions of which are flood control, navigation, or reclamation. The Niagara development embraces none of these features. It is strictly and entirely a power development.

The first attempt of Federal power advocates was to have this development accomplished by the Army engineers, but they soon found that approach doomed to failure. So the next attempt, a second best in their minds, was Senate bill 1823, which would turn the development over to the New York State Power Authority, with certain Federal requisites.

Now we hear that Niagara is a resource of the State of New York and should be developed by the people of the State for the State. This is an attempt to appeal to those who believe in States rights, as I do. But under this bill is the power developed by the people of the State of New York for the people of that State? Does the bill permit the State of New York, under its authorized power authority, to develop the project in accordance with the laws of the State governing that authority? The answers to those questions are obvious. All one has to do is read the bill.

The bill not only tells the State of New York how to develop power at Niagara, but also tells the State where this power will be sold, and under what conditions. It even tells the State how to distribute the power to the extent of authorizing the construction of transmission lines duplicating those already in existence. Passage of this proposed legislation would result in the amazing and incongruous picture of the State of New York, after first putting up the money, and after doing all the work, then being forced to operate the project according to the dictates of the Federal Government, which seems increasingly inclined toward domination of the States.

The bill directs the Federal Power Commission to issue a license to the New York Power Authority for construction and operation of the Niagara project. The FPC is not permitted to use its own judgment or to consider the qualifications of other applicants in issuing the license.

The bill imposes upon the State agency a restrictive preference provision which denies any customer of an electric company the right to receive any of the power developed at Niagara except for that power which might be left over after needs of preference customers are satisfied. More than 5 million New York electric customers—97 percent of the total—who now get their power from private companies would be denied the right to share on an equal basis in the benefits of the Niagara development. Even worse, this preference provision is coupled with a further provision permitting withdrawal of even this leftover power should it be required by preference customers in the future.

The fact that these preference and withdrawal policies are in direct conflict with existing New York State laws has been entirely ignored. The New York law says that "such projects shall be considered primarily as for the benefit of the people of the State as a whole and particularly the domestic and rural customers."

Tied in with the preference provision is an authorization for construction of duplicating transmission lines "as necessary" to carry the power to so-called preference customers, wherever they might be. This provision would turn the State power agency into an interstate power distributor. Under its provisions, the State would be forced to serve privileged groups as far away as Ohio or Pennsylvania, even if it had to build transmission lines to do so, while thousands of New York citizens were left on the sidelines.

The proposed legislation takes away from the New York State Public Service Commission the power of supervising the service and the regulation of rates for the additional electricity which would be produced at the Niagara project.

Usually when attempting to promote public power, proponents backing this bill try to justify the need by showing shortages or underdeveloped areas, either real or imaginary, or expanding development in areas which are already predominantly supplied by public projects. None of these arguments will hold in this area. The State of New York is 100 percent electrified. Power now being developed at Niagara is being developed by private companies, and has been for 61 years. Engineering plans which will be used for the development of this additional power, whether it be done by Federal, State, or private companies, are the plans that the companies presently developing power at Niagara proposed in the early 1920's. Over 95 percent of electric power consumers in the State of New York are now purchasing their requirements from private companies. Rural cooperatives, which would become preference customers under this bill, have less than 5,000 customers out of more than 5,000,000 consumers in the State of New York.

To me, one of the most important things we have to consider in any undertaking is what the people want, not what some people in an all-powerful Federal Government might want to force on them. So it is important to consider what the people of the State of New York want. Through statements of civic, farm, and labor groups, the people of the State of New York have registered tremendous support for a continuation of the Niagara development by regulated private utilities. More than 200 such organizations within the State have supported that position. In recent polls by New York State Representatives in Congress in areas which would receive Niagara power, the people have expressed overwhelming support of private development. Of the daily and weekly newspapers in New York State expressing themselves editorially on the subject, 180 have supported private development, while only 4 favor State development.

Furthermore, the House of Representatives in 1953, by a vote of 262 to 120, supported private development, at which time 32 of 41 New York Representatives in the House voted in favor of the private development. It seems that the ones who do not want this bill are those who are going to use the power and pay for the development. Have we become so dictatorial in this all-powerful Federal Government that we must tell the people of any State what is best for them, what they have to take, and how they must use it, without concern for what they want?

Mr. President, we could spend days arguing the pros and cons of this bill; but it has one unique feature which I think there is a tendency to overlook, and that is that if the bill passes, the Federal Government, by Federal statute, will impose upon a State requirements which are in conflict with existing State statutes. This can easily establish a dangerous precedent, in direct violation of States rights, which can be carried forward in future legislation concerning other functions of States. So, instead of being a States rights bill, it is actually a further Federal encroachment upon States rights.

DEATH OF DAVID F. CONNERY, ADMINISTRATIVE ASSISTANT TO SENATOR McNAMARA

Mr. LEHMAN. Mr. President, I learned with very deep regret this morning of the death last night of David F. Connery, administrative assistant to our colleague the Senator from Michigan [Mr. McNAMARA].

I have had the opportunity of working closely with Dave Connery. He has worked closely with my staff, and with the staffs of many other Members of the Senate.

He was a sweet, gentle soul, beloved by all. He was hard working and very close to the Senator from Michigan, not only as an aide, but as a friend.

I wish to express my deep personal sympathy to Dave Connery's family, and to the Senator from Michigan.

DEVELOPMENT OF NORTH ATLANTIC TREATY ORGANIZATION

Mr. NEUBERGER. Mr. President, in recent days, we have seen a good deal of attention directed to the question of the future development of the North Atlantic Treaty Organization. Before leaving for the NATO Council meeting in Paris, the Secretary of State announced that the time has come for NATO to grow from a military alliance to "the totality of its meaning" as the expression of a community of political and economic interests among its member nations. At the Paris meeting, various suggestions for nonmilitary functions for the Atlantic community were put forward by different members and seriously discussed. For the first time, more than lipservice seems to have been given to the need for meaningful action under section II of the North Atlantic Treaty, the section which already in 1949 recognized and established nonmilitary objectives for the Atlantic community.

A special 3-man committee has been charged with the task of recommending to the 15-nation organization steps which might be taken toward defining and carrying out new nonmilitary functions. The membership of this special committee—the Foreign Ministers of Canada, Norway, and Italy—is cause for confidence that this task will be undertaken with the energy of real conviction. Mr. Pearson, of Canada, in particular, has long been an outspoken leader toward maintaining the momentum of the North Atlantic Treaty toward forming a solid political core for a free and democratic world.

SENATOR FROM GEORGIA TAKES OVER TASK

Finally, the great importance which the United States is beginning to ascribe to this task can be recognized from the announcement that one of the greatest of American statesmen in the field of world affairs, the senior Senator from Georgia, and chairman of the Senate Committee on Foreign Relations [Mr. GEORGE], is to become this country's special representative to the North Atlantic Treaty Organization.

These are encouraging developments, and they have been long overdue. For a long time all suggestions of political institutions for the Atlantic community have met with nothing but timidity and total absence of imagination on the part of the administration. But, Mr. President, in the light of recent events, this is a time to abandon timidity, and to use our imagination. Perhaps the administration, always apprehensive about the isolationist fringe, has been surprised by the widespread approval and support which have greeted its first modest venture into political, rather than military, internationalism. Personally, I believe the American public is away ahead of the administration. I have no doubt that the Nation would support President Eisenhower in any farseeing program he might propose for developing into a political and economic community the military alliance he headed as NATO commander under President Truman's administration.

ATLANTIC COMMUNITY NEEDS STRONG BACKING

When testifying before the Committee on Foreign Relations, on July 29 of last year, I reviewed some of the conditions which already then made it apparent that the emphasis of the Atlantic community had to shift from military to political and economic problems, both within itself and in its relations with the rest of the world. I ask unanimous consent to have a condensed version of my testimony, as reprinted in the October 1955 issue of the magazine, Freedom and Union, included in the RECORD at the end of my remarks.

The PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

(See exhibit A.)

Mr. NEUBERGER. Mr. President, although in the 9 months since I made that statement, many new events have emphasized the necessity for such a shift. I believe the six specific points of my recommendations at that time remain a good guide to the needed development of new functions.

I understand that, at the present time, our Government has suggested only a permanent council of high-level diplomatic representatives from NATO members to discuss and attempt to correlate various foreign-policy positions of their governments. Valuable as this may be, it will hardly do much to stimulate a sense of community among the people of the member nations themselves. The Atlantic community needs some public institution to represent these people, besides mere military and diplomatic committees.

WHY IS SUPPORT OF NATO JEOPARDIZED?

The pattern already exists in the form of our delegations to the United Nations. We also have permanent diplomatic representatives to the U. N.; but annually, our delegation to the General Assembly includes Members of the Congress and delegates drawn from public leaders outside the Government. I suggest today that an annual assembly of delegations formed on this pattern, to review the work of the Organization and to chart its course, might well be the next step for the Atlantic community.

In conclusion, Mr. President, I want to refer very briefly to one specific item of significance in this connection. At the very time when we are beginning to face up to the new challenge to Western unity, which is posed by the new, softer line of the Kremlin, the administration asked for only a very modest $300,000 for our contribution to the informational and educational work of NATO. The item was stricken from the budget by the House Appropriations Committee. I believe this is the very field in which a much bolder, better planned, and more dramatic program is called for. I hope, fervently, that funds for such a program will be restored by the Senate.

The future strength of the free Western democracies is not to be found in the secrecy of committees of professional soldiers and diplomats. It must grow from an informed popular understanding of our community of ideals, of institutions, and of social and economic progress in peace and freedom.

EXHIBIT A

EXCERPTS FROM STATEMENT BY SENATOR NEUBERGER BEFORE SENATE COMMITTEE ON FOREIGN RELATIONS ON JULY 29, 1955

[From Freedom and Union of October 1955]

EVENTS ARE DRIVING ATLANTIC DEMOCRACIES TO SEEK COMMON POLICIES, GREATER UNITY

Two events of the recent past point to the desirability of affirmative action on the resolution (S. Con. Res. 12).

One of these events is, of course, the conference among the four heads of state at Geneva. The other—less publicized and of less immediate impact, but also, I believe, of long-run significance—is the conference held in Paris of parliamentary delegations from the members of the North Atlantic Treaty Organization.

Our Government has treated the North Atlantic Treaty Organization as a military alliance, designed for military defense against military aggression by Soviet Russia. As a consequence, the very existence of NATO is always thought to be potentially at stake when, as at Geneva, the antagonists in the cold war meet to discuss lessening of tensions or new approaches to European security.

As long as NATO is thought to meet only the needs of military defense, it is vulnerable to every gesture of the Russian Government toward reducing Soviet military pressure in Europe. It permits the men in the Kremlin to jeopardize the essential unity of the West every time they decide to turn the record over and play the peace side for a while.

In its 6 years, NATO has been a historic success in its original role as a military shield for Western Europe. Yet I think it will be unable to fulfill even that original function unless it transcends its present limitations from the military to the political and economic field.

The central problem of Europe remains the future of Germany. Germany insists above all else on reunification, and it will achieve it in time. The German Federal Republic has joined NATO; but as long as NATO is only a military alliance, the Germans will regard it as merely a means to the end of reunification. The consequences of this limited view are suggested in a dispatch by Mr. M. S. Handler, datelined Bonn, July 23, in the New York Times of Sunday, July 24, which is entitled "Bonn Sees Geneva as Setback for German Reunification." The article concludes that if membership in the military alliance cannot soon achieve reunification, a future German government may break away from the entire policy of unity with the West so painstakingly built up by the 80-year-old Chancellor Adenauer.

Yet the possibility of a unified, rearmed Germany, free to engage in its traditional power politics, must be of the greatest concern not only to Western Europe but to the United States. Only the ties and guarantees of the North Atlantic Treaty made possible the rearmament of Western Germany. And only stronger, permanent, political ties within the West can make possible an acceptable solution to the problem of reunification.

I mention the problem of Germany only as the most immediate instance of the need of the Western democracies to speak with a single voice. The need also exists in relation to the Far East. And within the free world itself, there are many serious economic and social problems that call for united action.

It would be easy to multiply examples. But Senate Concurrent Resolution 12 does not seek immediate solutions to short-run problems; it should be judged in a wider historical context.

Oceans once meant security

Whether by this resolution or another, the development of greater unity among the de-

mocracies of the Atlantic basin is, in any case, being forced on us by the conditions of modern history.

Fifty years ago, our own Nation, secure between two great oceans, could concern itself exclusively with the domestic problems of the economic development of this continent. Fifty years ago, France and Great Britain could think of themselves as centers of great sovereign empires with rich possessions far across the globe, and their physical security depended only on the adjustment of a delicate balance of power within western Europe itself. The ascendancy of western institutions of political and economic freedom throughout the world was taken for granted.

Yet in the lifetime of most of us, the position of western democracy in the world has changed radically. It has been on the defensive—not only because of the recent encroachments of communism, but since the crises following World War I. Both world wars and the great world depression of the 1930's started among nations who shared western traditions and were, or had been, parliamentary democracies.

As a result, not only has the West been weakened economically, but the values and institutions which we prize most highly have been challenged both within the western countries and in the great new nations which are now rising to independence from centuries of colonial status.

Common threat to freedom

The American people have recognized that challenge, and we have cooperated in extraordinary steps to meet it since the war: The Marshall plan in Europe, point 4 in Asia and other underdeveloped areas, the mutual security program. Yet if democracy is to regain the initiative throughout the world, we must think, not of challenges to the United States, or to Great Britain, or to France, but of the great challenge to the freedom, the social progress and the humanitarian ideals that are the joint heritage of western civilization.

Let us remember that, even together, we constitute only a minor fraction of the Earth's population. Yet, if in this century the Atlantic Community can rise above the narrow national divisions that, for many centuries, have brought it only death and destruction, freedom and democracy—rather than communism—will again be the truly revolutionary force in the world.

Needless to say, adoption of Senate Concurrent Resolution 12 would not be acceptance of any concrete program of creating specific political institutions for the Atlantic Community. It is only an essential first step to initiate the exploration of such possible political institutions. Without trying to suggest an exhaustive list, I might just mention a few important areas of common concern, in which common political institutions might develop common policies by the entire Atlantic Community:

Six fields for Atlantic government

1. Foreign policies toward the rest of the world.

The dangers and burdens of our relations with Soviet Russia and China, which now loom so large, would dwindle to manageable proportions if the immense military and economic power of the Atlantic Community stood behind a single authoritative, responsible agency of foreign policy.

2. Shared responsibility toward non-self-governing and underdeveloped countries within the rest of the free world.

The Atlantic Community should develop new patterns for sharing, above the national level, responsibility for assisting the technical and economic growth of underdeveloped countries and for the political stewardship of its remaining non-self-governing territories. Such an imaginative new approach should be designed to dispel the suspicion and resentment which burden individual members of NATO because of their heritage and colonialism.

3. International trade and currency policies, both within the Atlantic Community and toward the rest of the world.

The problems of world trade and currency transfers exist—except for the case of Japan—almost wholly within the Atlantic Community itself. They should be treated as internal economic problems by institutions of that Community. Western Europe has in recent years initiated many steps toward economic integration. At the very least, I believe, the Organization for European Economic Cooperation should be expanded into an Organization for Atlantic Economic Cooperation, to include as full members all members of NATO.

4. Transportation, travel and communications within the Atlantic area.

For obvious reasons, shipping, air transport and other aspects of travel and communication within this area is an internal problem of the Atlantic Community and might well be treated as such.

I would add to that list two considerations that seem to me important elements of Western policy, whether pursued through joint or separate institutions:

5. Nothing we do ought to be, or need be, inconsistent with full and wholehearted participation in the worldwide community of the United Nations; and

6. The Atlantic Community must not become an exclusive club. Its institutions must remain open to new members—without regard to race, creed, or prior status—who can and will accept its standards of political and economic freedom and democracy. Only thus can it point to goals which can claim the confidence and support of the rest of the free world.

In conclusion, as I have said before, events are driving us to seek these common policies in any case. The question is only whether we shall seek them effectively—through common democratic institutions responsive to popular control, or haltingly—through a dozen foreign offices individually responsive only to the divisive pressures of domestic politics.

Article II of the North Atlantic Treaty already contemplates the extension of NATO functions from military to economic and social fields. We are indebted to our northern neighbors, the people of Canada—whose associations with the countries in both the Old and the New World help them bridge the Atlantic—for having long taken the lead toward making this extension a reality. And dispatches from the Paris meeting of NATO parliamentary delegations—which included Members of Congress—indicate that, partly on Canadian initiative, the participation of representatives from democratically elected legislatures will become an accepted part of NATO's political processes.

This is an important development, for the open discussions of an assembly of legislators will, far better than the deliberations of ambassadors, symbolize the basic moral and political unity of the people of the western democracies. It is a development which should be encouraged and speeded along, as proposed in Senate Concurrent Resolution 12.

I believe that, with bipartisan leadership from the President and the Congress, the American people are prepared to enter upon the exploration that Senate Concurrent Resolution 12 proposes. The very beginning of our tradition as a nation stands as a brilliant experiment in the science of government, and we have often developed new political tools to meet new problems in our 166 years as a Federal State. And the period of isolationism is past. Under the pressure of hostile forces, we are again coming to recognize that the Atlantic has been not only a moat but also a great highway for the exchange of cultural values, ideas, and institutions, as well as of material goods.

The great majority of Americans trace their origin to one or several of the nations of NATO. The several peoples of the Atlantic area share each other's music, art, and literature. By study or by family ties, many of us understand a little of the language of another of us. And we know we share ideals of individual freedom and dignity that we want to pass securely on to future generations.

To protect and promote those ideals, we should continue to explore every avenue to closer political ties within the Atlantic community.

PROPOSED RECOGNITION OF RED CHINA BY THE UNITED NATIONS

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "Committee for One Million Watchdog on U. N., Red China," written by Pierre J. Huss and published in the Houston (Tex.) Chronicle of April 22, 1956; and an editorial entitled "United States Must Prepare Now To Slam U. N. Door on Red China," published in the same newspaper on April 24, 1956, relating to the proposed admission of Red China to the United Nations.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Houston (Tex.) Chronicle of April 22, 1956]

COMMITTEE FOR ONE MILLION WATCHDOG ON U. N., RED CHINA

(By Pierre J. Huss)

A whispering campaign alleging that immediately after the American presidential elections next November, the Eisenhower administration will give way in the U. N. Assembly to Red China's entry into the global organization is being sharply counteracted by United States sources.

It is an open secret among U. N. diplomats that the Western Powers supported by a sizable majority of small countries have a gentlemen's agreement to keep the Chinese hot potato off the Assembly's agenda for another year. This is accomplished at each annual Assembly session by a majority vote stipulating that debate on the seating of Red China in place of Nationalist China be shelved for the duration of the session.

Highly qualified Washington sources have said that the basis for this gentlemen's agreement stems from the January meeting of President Eisenhower and British Prime Minister Sir Anthony Eden, with the French in on it through diplomatic channels.

It is a generally accepted fact that as long as the Western Powers, together with their scores of supporters among the 76 U. N. members, stand together against the ousting of Nationalist China, the assaults of the Communist bloc aided and abetted by India will be of no avail.

There is an effective watchdog organization on the job against any sneak and covert moves to slip Red China into U. N. either by the front or back door. That is the powerfully organized "Committee of One Million," whose officers and members read like a who's who in the diplomatic and industrial field from coast to coast.

The honorary chairman is Warren R. Austin, former Senator from Vermont and first United States Ambassador to U. N. In a written opinion as to why Red China cannot be permitted to shoot or sneak its way into U. N., Austin said:

"In this era when a divided world lives under the shadow of nuclear war, we believe

U. N. will stand or fall on its ability to promote and maintain a just and lasting peace.

"Our committee speaks for 1 million Americans of both our political parties. We believe that the admission of Red China would undermine the integrity, destroy the influence and paralyze the functions of the U. N. by giving a double permanent veto to Communist totalitarian powers on the security council.

"To so reward a government which was an open aggressor against U. N. itself would make a mockery of the organization as an agency to preserve peace, and break faith with the men who died in Korea. It would amount to inviting the unrepentant criminal to sit on the judge's bench."

[From the Houston (Tex.) Chronicle of April 24, 1956]

UNITED STATES MUST PREPARE NOW TO SLAM U. N. DOOR ON RED CHINA

In the current issue of the news letter issued periodically by the Committee of One Million, United States Senator WILLIAM F. KNOWLAND brings up an important suggestion for consideration by Americans before they go to the polls in this election year. He proposes that each candidate for President or any other Federal office on both Democratic and Republican tickets be required to assert himself in opposition to the recognition of Red China and to admission of the Peiping regime into the U. N.

As Senator KNOWLAND explains, we could not approve the admission of Red China to the U. N. without withdrawing our recognition from the legitimate government which is the Nationalist Government of Chiang Kai-shek on Formosa. This would mean repudiation of a government we have maintained friendly relations with for more than a quarter of a century, a government that staunchly supported us throughout our war with Japan and a government that has given constant and heroic resistance to the spread of communism.

On the other hand, such an act would dignify with diplomatic recognition the regime at Peiping which, under the leadership of Chou En-lai and Mao Tse-tung, has matched if not exceeded the barbarism and brutalities of Moscow. We know Red China was our enemy in Korea. We know Red China accounted for most of our 130,000 casualties in that war and we know that Red China still holds our civilians and military prisoners in violation of terms of the U. N. armistice negotiated to bring hostilities to an end in Korea. How, then, can we consider recognition of this government? How can we even consider the Red China regime a legitimate government? It is an oligarchy of military power holding 400,000-000 civilians in frightened captivity.

If we are to withdraw recognition from any nation let it not be from Nationalist China. Let it be rather from the Iron Curtain countries whose embassies in this country are packed with secret agents and spies. We have the ministries here of Poland, Czechoslovakia, Hungary, and Rumania all in addition to the Embassy of Soviet Russia. Let recognition of these be withdrawn, not Nationalist China.

The important thing for us to remember is that the U. N. delegations of these Iron Curtain countries, banking on the assistance of a considerable bloc of neutrals, will soon launch a new drive to seat Communist China in the U. N. To prevent this, our own officials must be sworn to use every effort to defeat the Red Chinese, even to the point of invoking the veto if necessary. This one defeat we must not permit ourselves to suffer. Only through our vigilance can we expect to win.

BAN BY SAUDI ARABIA ON AMERICAN SOLDIERS OF JEWISH FAITH

Mr. LEHMAN. Mr. President, on a number of occasions I have addressed the Senate regarding the ban by Saudi Arabia on American soldiers of the Jewish faith from serving at our base in that country. In my several statements I pointed out that the acceptance of this ban by our Government was, in my opinion, both morally and politically utterly wrong. I emphasized that the surrender of our sovereignty and our duty to protect the rights of all American citizens, regardless of religious faith, inevitably lowers our self-respect and the prestige of our country in the eyes of the world.

Therefore, Mr. President, some days ago I was amazed to note that President Eisenhower said, at a recent press conference:

I have never heard this, that American Jews cannot go into our airbases.

Obviously, Mr. President, the President of the United States has been badly informed in regard to this very important subject. However, he does know the facts now and I deeply hope that he will assert himself vigorously to uphold the dignity, the honor, and the moral principles of our country.

The distinguished and widely read columnist and author, Mr. Max Lerner, recently wrote an article entitled "The Saudi Arabian Ban," which appeared in the New York Post on Friday, May 11. I commend this article to the reading of all Members of Congress and the people of America generally. I ask unanimous consent to have it printed in the body of the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A burdened President, who depends on staff briefings for his knowledge of important events, cannot be expected to know things that most intelligent newspaper readers know. Yet granted this, it was a jolt to read the passage in the President's press conference on the anti-Jewish ban by Saudi Arabia.

When the Post reporter asked about the Saudi Arabian policy of barring American Jews from the United States airbase there, Eisenhower said, "Now I have never heard this, that American Jews cannot go into our airbases." He was told of the Pentagon confirmation of the silent understanding between American and Saudi Arabian authorities that no Jews were to be sent as part of our military forces. At this he shifted ground, said he would have to talk to the State Department ("that is where I get my exact information"), and ended by defending on grounds of sovereignty the Saudi Arabian right to determine if an American is persona non grata and can't enter.

It was a confused and shameful performance on the part of the President. It accords wretchedly with his high professions of morality in the conduct of government and his often stated principle that the individual is the supreme value.

Maybe it is a cruel thing to subject the President's remarks to a close scrutiny and analysis. But a great deal is at stake in this issue, and it is important to know how the President really regards it.

First there is the objective question of whether Jews are or are not in fact excluded from the soldiers and technicians we send to the airbase. At first the President averred that he had never heard that they were, then he gave his theory of why the Saudi Arabians have a right to exclude them. If he did not know of the agreement, then why defend it? And if he did know of the agreement he defended, why did he at first deny that it applied to American Jews in the American Armed Forces?

I am tempted whimsically to ask to whom else such an agreement with Saudi Arabia could apply? Did the Saudi Arabians insist on excluding Seventh-Day Adventists? Or Presbyterians? Or perhaps Republicans? Or people born in Kansas? Or residents of Texas or Pennsylvania? Obviously if they have exacted an agreement from us for excluding certain people, it applies to Jews. And it would be better for the President to be honest and say so.

Disposing of the factual question we turn to that of whether our action can be justified.

The President did justify and defend it. "Certain of our agreements," he said, "accord to a nation where these bases are situated the right to determine if an American is persona non grata and can't enter." I can understand that a nation leasing an air base to another may stipulate its right to reject particular persons who might be sent. But in this case Saudi Arabia has put a ban on a whole ethnic category, not on particular individuals. By accepting that ban we in effect enter into complicity with Saudi Arabia. We accept for working purposes of national defense the Arab theory that Jews as Jews are either dangerous or inferior or both.

Can the President possibly have understood the implications of what he was thus saying?

I put the same question to him on his argument from sovereignty. "After all," says the President, "we don't get that territory on the same basis as you do an Embassy. We are not a sovereign there." You can see what the President is driving at. In the case of our Embassies our own laws apply, while in the case of the lease of an airbase we have first to "get the territory," hence the Saudi Arabians "do have some rights that you have got to accord them."

No one doubts it. Saudi Arabia has the right not to lease the airbase, and the right to get a certain payment and certain terms when it does lease it. But the real question is not whether Saudi Arabia is sovereign on its territory, but whether America is so unsovereign and abject as to accept degrading and humiliating Saudi Arabian conditions.

Let me restate it. The issue is not whether Saudi Arabia had the right to stipulate its anti-Jewish ban in its contract with America, but whether we were right to accept the wrong they imposed on American Jews.

Suppose that South Africa, with its laws of apartheid, were to give us an airbase with the stipulation that no American with colored blood is to be sent there as part of the Armed Forces. Suppose Catholic Spain were to stipulate that no Protestants were to be sent. Would the President have dared, either in conscience or opportunism, to accept such a tabu?

If the Secretary and the President will look at the history of our diplomacy they will find that we have never until now practiced this kind of abjectness. When the Tsar of all the Russians tried to infect us in diplomacy with the guilt of his anti-Semitism we threatened to break off diplomatic relations. Airbases come and go, but the American doctrine of the equality of all religions and of all ethnic groups under the law must outlast the accidents of defense because it alone makes defense possible and worth while.

There is much intellectual confusion in what President Eisenhower has said about Saudi Arabia and the Jews. But the greater danger is his moral confusion. When a man who bases himself primarily on morality lets

his moral base slip from him, what else is left?

I suggest respectfully to the President that the place to start, intellectually and morally, is with the doctrine of the equal rights of Americans inside our own country. The next step is to say that we will enter into no contract with another nation by which we will barter away those rights, whether for airbases or any other earthly power. From that point on, we can't get lost.

BROADENING OF MARKETS FOR AMERICAN WHEAT AND GRAIN PRODUCTS

Mr. NEUBERGER. Mr. President, disposal of mounting grain surpluses is a problem of great concern to American wheat farmers. They, more than any other group, foresee the dangers in a constant buildup of the amount of wheat produced in excess of market demand. Contrary to the impression given in some quarters, wheat ranchers are not sitting idly by as the surplus picture darkens. This was evidenced in recent weeks by reports from Osaka, Japan, where an International Trade Fair has been in progress.

In an effort to broaden the market for wheat and American grain products, the Oregon Wheat Growers League set up an effective display at the Osaka fair. A report on the exhibition indicates the success of this venture. The wheat exhibit was literally mobbed by crowds of Japanese. Some 100,000 sweet rolls, thousands of samples of new processed wheat food—developed especially for the far-eastern market—and other baked wheat goods were given away as samples. Public reaction to the efforts of the Oregon Wheat Growers League to expand the overseas market for wheat products is proof that many outlets are available for the wheat surplus.

The Oregon Wheat Growers League has been in the forefront in attempting to solve the surplus problem. Their forward-looking officers and members undertook the pioneering educational work in promotion of the domestic parity "two-price" plan for wheat, which was included in the farm bill recently vetoed by the President. It is regrettable that the domestic parity program probably will not be put into effect this year. I believe that it deserved a fair trial as a new approach to reducing surpluses and to taking the Government out of the grain-storage business.

The project undertaken by the Oregon Wheat Growers League is only a part of the program which it has planned for tapping new consumer markets for wheat. The league has signed a contract for an expenditure of $391,800 over a 2-year period for wheat-promotion activities in Japan. This organization of wheat producers is to be commended for the initiative it has shown in trying to solve the major economic problem facing its industry.

Mr. President, I ask consent to have printed in the RECORD a story from the Pendleton (Oreg.) East Oregonian of April 30, 1956, and another of May 5, 1956, reporting on the activities of the Oregon Wheat Growers League in relieving the pressure of surplus wheat by opening new market opportunities.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the East Oregonian, Pendleton, Oreg., of April 30, 1956]

THREE HUNDRED NINETY-ONE THOUSAND EIGHT HUNDRED DOLLAR PROMOTION PLAN SIGNED

Oregon Wheat League secretary, Richard K. Baum, said today a contract had been signed with the United States Department of Agriculture calling for an expenditure of $391,800 over a 2-year period for wheat promotion activities in Japan.

Baum, who returned from Washington, D. C., last weekend, said it was the largest contract for marketing development signed to date by the foreign agricultural service.

Baum said $28,000 would be contributed by the league to pay for salaries and facilities.

Baum said Department spokesmen thought the development important because they think "the approach we're using can be applied to other countries."

VISITED JAPAN

Baum and USDA representatives have made trips to Japan during the past 2 years to set up promotions aimed at introducing United States wheat to Japan consumers. Wheat market analyst Joe Spiruta is presently in Osaka supervising grain exhibits at the International Trade Fair.

The wheat league would be completely responsible for expenditures under the new contract, Baum said. He said the league planned to contract with two Japanese organizations to promote the consumption of wheat foods.

LEAVES FRIDAY

Baum will leave Friday for Tokyo to work with Spiruta in furthering projects lined up in previous visits, he said.

Japan has ranked as one of the chief importers of United States wheat, particularly grain from the Pacific Northwest. The nation imported more than 45 million bushels of wheat in the last calendar year, Baum said.

The $391,800 is the equivalent of Japanese yen income to United States gained through the sale of surplus commodities to the far-eastern nation.

[From the East Oregonian, Pendleton, Oreg., of May 5, 1956]

CONTROLLING TRADE FAIR CROWDS KEEPS WHEAT MAN ON HIS TOES

Wheat promotion efforts of the Oregon Wheat Growers League at the International Trade Fair in Osaka, Japan, turned out to be almost too successful, according to a report just received from Joe Spiruta, Pendleton, who was in charge of the project for the league.

The exhibit literally was mobbed by crowds of Japanese. The final day, in fact, more than 100 police had to be called to keep the thousands of people from completely overrunning the wheat exhibits in the American pavilion.

One of the big attractions, Spiruta wrote, was the distribution of free samples of wheat foods. Some 100,000 sweet rolls, countless thousands of samples of new processed wheat food, and recipe folders printed in Japanese were distributed during the 15-day fair.

Japanese also had their first experience with American prepared cake mixes at the baking demonstration kitchen in the league's exhibit. Spiruta reports the cake mixes made a big impression on the Japanese public, millers and bakers, as did the scones, sweet breads and other baked goods prepared in this booth.

In the Ala demonstration booth, a Japanese home economist and four assistants spent full time preparing and explaining dishes made from this new wheat food. Public reaction assures a booming market in Japan for Ala, provided government restrictions can be overcome, Spiruta said.

Huge 4- by 5-foot full color photographs of Oregon wheat harvesting scenes made the League's exhibit the most attractive feature of the American pavilion, Spiruta said. A model combine in action, and displays of Pacific Northwest grains also proved crowd pullers.

Spiruta said twice as many people were reached through the exhibit as had been expected, and told wheat growers it will pay off in more new customers for Oregon wheat. He added:

"I am more than ever convinced that Japan, with her ever-growing population, will continue to be one of the most important outlets for Oregon wheat—if we are willing to devote the necessary time and effort needed to teach these people the use of wheat foods in their diet. The important thing is to give them, especially children, opportunities to taste wheat foods."

The Oregon man added that an intangible but important result of the United States exhibits at the fair was showing the American way of life to the Japanese people.

"I know of no better way of counteracting communistic propaganda," Spiruta said. "Oregon growers can take some pride from the fact that while helping themselves they also were helping their country and the cause of freedom."

THE CHRISTIAN LEADER AND POLITICS

Mr. WILEY. Mr. President, in this morning's mail I was pleased to receive from Ellis H. Dana, executive vice president, Wisconsin Council of Churches, at Madison, Wis., a most interesting brief exposition of the responsibilities of a Christian leader as an active public-spirited member of the American electorate. I believe that he has set forth a series of points which will be well received by innumerable thinking Americans as they seek to apply their Christian creed into their day-to-day conduct, particularly in view of the challenge of the November 1956 election.

I send to the desk the text of the statement and ask unanimous consent that it be printed in the body of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE CHRISTIAN LEADER AND POLITICS

(By Ellis H. Dana)

A most interesting brochure had just come to my desk entitled "Questions for Christians in 1956," which is sponsored and put out by 16 national Protestant denominations, about issues and obligations in the forthcoming presidential election.

Among other things, this timely leaflet underscores the following guide points (with which, as a church leader, I heartily concur) that Christians as citizens should:

1. Take part in political life, working in the party of their choice to improve its practices and fulfill its promises.

2. Help develop informed public opinion on important local, State, national, and international issues, using discussion, forums, radio-TV, and all the channels of communication toward that end.

3. Resist name calling, accusation without proof, appeals to prejudice, wild promises that cannot be fulfilled, and other demagogic methods sometimes used in political campaigns.

4. Judge candidates by their stand on important issues, past performance, and integrity rather than their appearance, mannerisms, campaign slogans, or even church affiliation.

5. Find out what groups and interests give support to each candidate and party, what they expect to gain by it, and what influence they would have upon the candidate if elected.

6. Register and vote and encourage others to do so. Christian citizens should study the issues, the candidates, the pressures.

Yes, and I agree with my friend Charles P. Taft of Cincinnati, a great Episcopalian lay leader, that, "It is high time that men of religion, both clerical and lay, should face up to their responsibilities in life, and politics is one of them."

Of course, when and how to do it in politics becomes the peculiar problem for each one of us and often, as religious leaders, we can learn much by first consulting with informed and friendly lay leaders who may have more real wisdom, as experts on the issue at stake, than we. Having done that, however, then, we should never be unnerved at the prospect, nor the clear challenge to speak out and take part publicly.

Indeed, I have always felt that a Christian leader, as a Christian citizen, has a grave yet double responsibility—first to the unique institution which he serves inherent in the consecrated position he holds as its representative head and then also, at the same time, to his community and country. Thus, in this dual capacity he must be absolutely fair to both—sensitive, considerate and prayerful about the opportunities he chooses and the methods he uses, so far as possible trying to be objective and unbiased.

But beyond that, as a fearless Christian citizen leader, he must then be willing to run the calculated risks of whatever participation he conscientiously feels should be undertaken for a cause, or for an issue—in fact, against the likely possibility of being publicly misinterpreted and unfairly castigated. Even unwarranted personal attacks should not deter us from fighting for moral and religious principles in order better to help vitalize the public conscience; but this should be done in humility and with a spirit of good will.

And what redblooded American as an individual Christian—be he professional leader or layman—wishes to be classed among those who are fainthearted and weak-kneed, especially in these critical days? No great community nor people has ever been lifted up by complacent and fearful leaders.

For American democracy has always depended—as it depends even more surely today—upon the educated leadership contributions publicly shared and risked by those with helpful insights from all our professions and vocations, that is, if our democracy is to go forward in representing our political best. This is, after all, merely advancing our Christian best as we approach the problems in our community and country.

Yes, the Christian always has had and always will have a very real stake in politics.

STATEHOOD FOR HAWAII AND ALASKA

Mr. NEUBERGER. Mr. President, the Territory of Alaska, long unfairly frustrated in its search for statehood, has finally taken the desperate step of deciding to elect two Senators and a Member of Congress to lobby in the Halls of Congress for admission to the Union.

I ask unanimous consent to include in the CONGRESSIONAL RECORD a fine article entitled "Alaska Seeks Statehood the Tennessee Way," from Freedom and Union for April 1956. The author of the article is George Lehleitner, an enlightened business leader of New Orleans, La., who has been a true good neighbor and friend of distant Alaska in working diligently to try to bring about statehood, not only for Alaska but also for Hawaii.

I also ask unanimous consent to include in the RECORD a column entitled "Practice Versus Preachment," by the distinguished commentator, Marquis W. Childs, from the Washington Post and Times Herald of May 1, 1956.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From Freedom and Union for April 1956]

ALASKA SEEKS STATEHOOD THE TENNESSEE WAY

(By George Lehleitner)

Resigned to the fact that, like Hawaii, they will not attain Statehood this year, Alaskans are now looking beyond the election and pinning their hopes on the 85th Congress.

Successive disappointments, however, have convinced them that more than hope is necessary if their dream of admission as the 49th or 50th State of the Union is to be realized in the near future. Consequently, when the voters of the Territory ratify their brand-new "State Constitution" in the April 24 primary, they are also expected to adopt the "Tennessee Plan."

So-called because Tennessee was the first, but not the last, State to gain entry into the Union by means of it, the plan simply provides for the election of two Senators and a Representative who go to Washington along with the full-fledged Members of Congress. There they will use moral persuasion and anything else they can properly get away with in an intensive and sustained effort to have the status of the Territory elevated to that of a State.

These tactics paid off for Tennessee after her application for admission had at first been stymied because of North Carolina's claim to the Territory. The Tennesseans jumped the gun by sending their elected representatives to Washington in defiance of their eastern neighbor; having convinced the 4th Congress that North Carolina was wrong in seeking to invoke section 3 of article IV of the Constitution, the "Volunteer State" was finally admitted as the 16th State, on June 1, 1796. Six other territories, including California and Michigan, followed suit in later years, so the precedent is well established.

Discovered by Vitus Bering, a Dane, in 1741, Alaska belonged to Russia until purchased from her in 1867 by Secretary of State Seward for the sum of $7,200,000. Regarded as so poor a bargain that it was contemptuously referred to as "Seward's Folly," it has since contributed to United States wealth almost $4 billion worth of products.

Over half a million square miles in area (Texas will cease to be the largest State in the Union when, eventually, Alaska is admitted), the Territory is fabulously rich and produces, in addition to canned salmon and furs, many minerals of great value in modern industrial production. Among these are tin, platinum, tungsten, gypsum, coal, lead, antimony and marble, as well as silver and gold.

First organized as a Territory in 1912, it has a locally elected two-house Legislature and a Governor appointed by the President for a 4-year term. Its delegate to the House of Representatives—Democrat BOB BARTLETT—is allowed floor privileges but no vote. The Territory is heavily Democratic and its population of 160,000 has more than doubled since 1939.

Last November 8, 55 delegates from all parts of the Territory met in Fairbanks to draft the Alaska State Constitution. By February 4 the delegates—six of them women—had produced a streamlined 15-article Constitution based to a large extent upon that of New Jersey (as revised in 1947), and of Hawaii (1950). This the voters of Alaska will undoubtedly ratify by an overwhelming majority on April 24. Moreover, delegates to the Constitutional Convention, in January, voted to refer the Tennessee Plan to the people, and unanimously recommended its adoption, which is thus also virtually assured.

Feeling on the statehood question is very strong in the Territory. It is felt that in this day and age Congress has been strangely slow to see the tremendous international capital which could be made out of the granting of statehood to both Alaska and Hawaii. Two years ago it looked as though they were on the verge of gaining the long-sought prize. The Senate voted approval of a statehood bill for both Territories by 46–43. All but three of those favoring the bill were Democrats and all but two of those against were Republicans. Hopes were dashed, however, when it was allowed to die in the House, and BOB BARTLETT and his opposite number from Hawaii—Mrs. ELIZABETH FARRINGTON, a Republican—have sought in vain to have the question reopened. In the meantime, both continue in Washington as House Representatives without power to vote.

With the ratification of its Constitution, Alaska will be on a par with Hawaii, though the latter has not, as yet, considered adoption of the Tennessee plan. Observers at the convention were unanimous in their tributes to the political maturity and sense of dedication of the Alaskans. Democrats and Republicans alike refrained from playing politics with the Constitution question.

The Constitution provides for voting at 19, and for a joint legislature—the senate with 20 members and the House with 40 (voting together they can overrule the Governor's veto). Some hard thinking on recent invasions of civil liberties resulted in specific clauses designed to protect the basic rights of citizens who may be the subject of investigation. Other clauses reflect the concern of the delegates to protect the Territory's enormous natural resources against reckless exploitation.

The convention, in its closing session, lauded New Orleans businessman George Lehleitner and appointed him an honorary member. Lehleitner has striven for 10 years to secure passage of the statehood bill and is respected for outstanding work not only on behalf of Alaska but Hawaii also. When both of them are States he will get two statues, and deserve them.

While the Alaskans are confident that the day of their entry into the Union is not far off, there is no complacency. Narrow and selfish interests in Congress have thus far served to frustrate their aspirations. There are still some minor technical difficulties which can be advanced by those who remain opposed to admission. Even so, the prospects look brighter than for some time past. Alaska may not gain admission within 4 months of sending its 2 Senators and Congressman to Washington as did Tennessee. But it will try.

[From the Washington Post and Times Herald of May 1, 1956]

PRACTICE VERSUS PREACHMENT

(By Marquis Childs)

"The quick admission of Alaska and Hawaii to statehood will show the world that America practices what it preaches."—Dwight D. Eisenhower in a speech in Denver on September 16, 1950.

One of the conspicuous—and tragic— failures of the decade since the war's end is the failure to admit the Territories of Hawaii and Alaska as States of the Union. It amounts to a confession that the American system is incapable of further expansion.

There still might be a chance for the bill for statehood for the two Territories, pending from the last session of Congress, if the President wanted to get his administration behind it. In the campaign of 4 years ago and several times since, he has preached the

admission of Hawaii and Alaska. But practice has fallen far short of preachment.

In the elections recently held in Alaska, the voters, by a majority of 2 to 1, adopted a constitution anticipating approval of statehood.

By nearly as large a majority, they approved what is known as the Tennessee plan. Under this plan, which was used by Tennessee to force the issue of admission to the Union in 1796, Alaska will go through the motions of electing 2 Senators and 1 Representative as though it were a State.

When the 85th Congress convenes next January the two Alaskan Senators and the Alaskan Representative will be waiting on the doorstep demanding admission. They will not be seated, but their voices raised in a demand for statehood may at last be heard.

Michigan, Oregon, and California all used the Tennessee plan as a lever to overpower the forces that more than a century ago resisted the westward expansion of the Republic.

Something of the same division that tore the country apart over slavery works against the admission of both Hawaii and Alaska.

Hawaii is an outstanding example of the capacity of the races of West and East to live together in harmony. The courage and the stamina of the Nisei in World War II were legendary. These men of mixed inheritance proved in the heat of battle their loyalty to a country that had not yet granted them full citizenship.

Yet the suspicion of race lurks behind the conventional arguments against statehood, particularly among southern Democrats. The same suspicion works against the Eskimo in Alaska.

Among some members of the world's most exclusive club; namely, the Senate of the United States, there is implacable opposition to letting down the bars to foreigners.

Racial prejudice coincides with certain powerful economic interests to insure a roadblock big enough regardless of the actual voting strength in Senate and House on statehood, to hold it back. Southern Democrats and conservative Republicants in this instance, as in so many others, form a working coalition exercising a veto power. Although it is not at all fashionable to speak about it, this is the focus of the stalemate that prevails in so many areas.

Although they have no proof for it, many Alaskans firmly believe that President Eisenhower has been influenced against statehood for Alaska by his good friend and close associate, Gen. Lucius Clay.

Clay is chairman of the board of the Continental Can Co., which has close ties to the Alaska canned-salmon industry. If one can believe the story of resentful Alaskans, Clay persuaded the President that Alaska was not yet ready for statehood.

The fear of the salmon fishing industry is that if Alaska should become a State, the industry would be subject to restrictive regulations that would really be enforced.

In a fiery speech at Alaska's constitutional convention last November, Ernest Gruening, Governor of Alaska from 1939 to 1953, charged that Alaska was America's colony and subject to the same kind of colonial exploitation this country denounces when practiced by European powers.

As a result of discriminatory legislation, according to Gruening, Alaskans pay higher freight charges, higher wharfage and longshoring charges, and higher maritime charges than anywhere else.

This increases the cost of living above the national average which, in turn, restricts the population and helps to keep Alaska in the status of a colony.

"If there is a clearer and cruder example of colonialism anywhere," Gruening said of the Federal law covering Alaska shipping, "let it be produced. Here is a clear case where the Government of the United States—through its legislative branch which enacted the legislation, the executive branch, through the President, who signed it, and the judicial branch which, through its courts, upheld it—imposed a heavy financial burden on Alaskans exclusively for the advantage of private business interests in the 'mother country'."

In the case for statehood, a distinction has long been made between Alaska and Hawaii. The latter, it has been argued, is far more ready for statehood with a rapidly growing population, industry, and agriculture in striking contrast to Alaska with its unpopulated areas of forest and mountain.

A bill granting statehood to the two Territories has been bottled up in a subcommittee for many months. The chances for action at this session are virtually nil. But the hope that springs eternal is that in the new Congress next year, practice will finally catch up with preachment.

The PRESIDENT pro tempore. Is there further morning business?

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE TARIFF ON WATCHES

Mr. BEALL. Mr. President, I have noted the article of May 11 in the New York Journal of Commerce entitled "Watch Tariff Reasoning Scored by Governor McKeldin." I believe the Governor's views to be of broad and timely interest to the Congress.

The article, which I request unanimous consent to have printed in the body of today's RECORD, refers to a recent letter sent by the distinguished Governor of the free State of Maryland, Theodore R. McKeldin, to President Dwight D. Eisenhower on the subject of our foreign trade policy and one particular aspect of it which has concerned him. This aspect is the watch tariff controversy which has stemmed from the July 1954 decision to increase the duties on Swiss watches by 50 percent. This is a matter in which I, too, have been quite concerned.

On November 16, 1954, Governor McKeldin addressed the National Foreign Trade Council in New York and called for a review of this 1954 tariff increase. In his recent letter to the President, which I also request be reprinted in the body of the RECORD, he makes an important and constructive suggestion that would permit a return to the lower tariff rate without adversely affecting the domestic watch industry. It is a positive suggestion that merits attention and support. I sincerely hope that it will be followed by the President.

There being no objection, the article and letter were ordered to be printed in the RECORD, as follows:

WATCH TARIFF REASONING SCORED BY GOVERNOR MCKELDIN

(By Tom Connors)

WASHINGTON, May 10.—Gov. Theodore R. McKeldin of Maryland has taken his fight for repeal of the 1954 tariff increase on Swiss watches directly to President Eisenhower.

The Republican Governor, who late last year asked Treasury Secretary George M. Humphrey to seek withdrawal of the 50 percent duty hike, has written to Mr. Eisenhower, asking the President to give "your personal attention" to a review of the 1954 action.

NEW STUDY URGED

Governor McKeldin called particularly for a "searching examination" of the thesis put forward by Mr. Eisenhower 2 years ago—that the jeweled watch manufacturing industry was essential to defense—as justification for the boost in import duties.

He also warned that recent moves by the domestic watch industry to further increase import restrictions threaten to become a broad cloak for protectionism covering the whole of United States trade policy.

The Maryland chief executive, an early Eisenhower backer who is said to be close to the President, expressed complete accord with the stated trade views of the Federal administration.

IMPACT ON TOBACCO

The 1954 order, however was a disappointment to him, not only because it had adverse effects on Swiss purchases of Maryland tobacco, but because he fears the defense argument put forward might lead to narrow, insular thinking which could block the United States off from its overseas allies.

The defense argument was also rejected by the Governor on the grounds that the basic need of the industry today is less for skilled production workers than for developmental personnel, scientists and engineers capable of designing the complex machinery used in modern automatized plants.

This view, which the Governor said is held by many industrialists, runs counter to the watch industry doctrine which is based on primary importance of the assembly-line worker and his protection from imports.

The Governor suggested that if protection is ever necessary for a domestic industry, it should not come from indirect means such as tariffs and import quotas which hamper our trade relations.

DIRECT AID FAVORED

Instead, the Governor said he believed that direct assistance, as part of the cost of the defense budget, should be granted to such vital industries, in keeping with the recommendations of the Randall Commission. Such assistance would be "simpler, more economic and more effective," he said.

In calling for a reexamination of the watch argument, Governor McKeldin referred to the announcement recently that the Office of Defense Mobilization is studying new appeals from the watch industry for tariff protection.

ABSOLUTE QUOTA SOUGHT

Domestic producers are requesting an absolute quota on watch imports, plus establishment of a Government jeweled-watch stockpile program.

Besides the ODM restudy of the 1954 decision, the mobilization agency also is studying a possible policy shift toward deemphasis of protecting high-degree production skills in favor of design-engineering and managerial talent.

The Tariff Commission also is restudying its 1954 recommendations to the President for higher watch tariffs. This is in line with an Executive order directing periodic reviews. USTC's new recommendations will be in the President's hands by the end of July.

ANNAPOLIS, MD., *May 1, 1956.*

The Honorable DWIGHT D. EISENHOWER,
President of the United States,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: As you know, I have been in complete accord with your efforts to improve free world strength and security

through the expansion of mutually beneficial trade. I have, on the occasions when I was able, attempted to do what I could to advance the cause of your foreign trade policy. I shall endeavor in the future to offer firm and unwavering support to your enlightened program.

There is one aspect of our foreign trade policy in which I have become particularly interested. This is the relationship between our broad program of encouraging increased international trade and our efforts to maintain essential skills vital to the defense of the United States. My interest in this subject stemmed from the 1954 tariff increase on Swiss watch imports which, as you will recall, was based in large measure upon defense considerations. I cannot hide the fact that I was disappointed with that decision, not only because it was destined to have an adverse impact upon the sale of Maryland tobacco to the Swiss, who are our best cash customers in Europe, but also because I viewed the defense argument as possibly leading toward narrow, insular thinking which could block the United States off from its overseas allies.

In a speech I delivered to the National Foreign Trade Council last November 16, I expressed the hope that the watch tariff decision would be reviewed and that the duties would be restored to the level set in our 20-year-old trade agreement with Switzerland. I understand that the Tariff Commission is now engaged in such a review and that a decision is expected within the next 3 months.

I have noted in recent press announcements that a new study is also underway by the Office of Defense Mobilization, in accordance with section 7 of the Trade Agreements Extension Act of 1955, concerning the essentiality of the domestic watch industry to our national security. You will recall that, despite the sharply divergent views of your Defense Department, the 1954 decision to raise tariffs by 50 percent was based to a large extent on the consideration that the watch industry was essential to the national defense and that domestic production of watches should be sustained at a high level.

This aspect of the decision disturbed me for several reasons. First, it engendered a great deal of controversy both within and outside Government on the merits of the case. Many men, expert in their knowledge and sincere in their desire to do everything necessary to maintain our national security, questioned the validity of this finding of defense essentiality. For example, the view has been expressed by some eminent industrialists that the dynamic technology which is characteristic of American industry—of which automation is the most recent development—has changed the nature and degree of skills required in our industrial mobilization base. Where formerly the emphasis in precision manufacturing was on skilled production workers, the basic need today is for an adequate number of highly trained scientists and engineers capable of designing the complex machinery used in modern plants. At the same time, there is now a lesser degree of skill required for production-line workers, who can usually be quickly trained.

Second, I am fearful lest the defense argument become a broad cloak for protectionism. Since the watchcase is expected to be the first test under a section 7 proceeding, it seems to me that particular care must be taken because of its precedent-setting nature. In other words, should further protection be granted to the domestic watch manufacturers, it could lead to a deterioration in our trade relations with our friends and allies and, therefore, lead to that which we seek to avoid: the impairment of our national security.

Therefore, I express the earnest hope that the question of defense essentiality of the domestic watch manufacturers will be subjected to a searching examination in the light of these increasingly important considerations.

In conclusion, I am prompted to offer the following suggestion: Should it ever be deemed necessary to preserve the productive facilities of a domestic industry for reasons of national defense, direct means should be employed for that purpose rather than such indirect means as higher tariffs and import quotas. Such direct assistance, when granted, should be considered as a cost to the defense budget. It is simpler, more economic and more effective than the use of indirect devices that impair our international trade and our foreign-policy objectives.

This suggestion, as you know, is in keeping with the recommendations of the Randall Commission and is in accord with the views expressed by public groups who support your foreign-trade program. As this is a subject of such great importance to a policy in which I share your deep convictions, I trust it will merit your personal attention.

With highest regards and best wishes, I am

Sincerely,

THEODORE R. MCKELDIN,
Governor of Maryland.

FOREIGN POLICY DISCUSSIONS WITHIN THE AFL–CIO

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article entitled "Inside Labor," written by Victor Riesel, on the subject of discussions and differences of opinion on foreign policy within the American Federation of Labor–CIO organization, between Mr. George Meany, president, and Mr. Walter Reuther.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INSIDE LABOR

(By Victor Riesel)

(EDITOR'S NOTE.—Victor Riesel, whose bravery during the painful period of hospitalization amazed everyone, continues to confound doctors, nurses, attendants, family members, and friends, with his magnificent acceptance of the fact of blindness. His spirit and morale are excellent. His interest in the column is—if that's possible—more intense. He's champing at the bit, eager to be back to his desk and already calling some of his contacts on the telephone. He's busy planning for the future—a future that portends not a letdown, but an intensification of his fight for decency in labor, politics, industry, and Government. Everyone is cautioning Riesel's family and staff that there must be a reaction and that it will be a severe one. We can only tell his millions of readers that as of this moment there is not the slightest indication of anything but a courageous, calm, almost philosophical acceptance of sightlessness.)

The brothers Reuther move in cycles. And the past weeks saw the resurgence of the tightly knit trio—Walter, Victor, and Roy—as they took on AFL–CIA President George Meany in a bitter fight that can literally shape the future of many a government abroad.

Immediate issue is India. But the implications of the ideological hassle between the leader of the conservative wing of labor and the trio of tacticians for the semi-Socialist segment of the AFL–CIO will be far-reaching indeed.

As America's mighty labor movement goes, so goes the powerful union forces in Europe and Asia. In many of those countries labor either controls the entire governmental apparatus or is the most influential section within cabinets. Decisions by these groups—shaped materially by the role of the United States unions—can make or break governments, change basic domestic and foreign policies, and vitally affect hundreds of millions of people. This, then is no mere casual debate going on between Meany and the three brothers.

The Reuthers themselves have served notice that this is no routine difference of opinion. Walter chose to pick up George Meany's challenge on foreign policy at a meeting of the AFL–CIO executive council in a bitter exchange of words that lasted for most of the session and reached vitriolic heights. This marks the first time that Meany has been taken on publicly by the leader of the old CIO unions.

Particularly interesting to informed observers was Walter's blunt statement that his brother, Victor, was authorized to speak for him when he's away and that what Victor said could be taken as what he thinks and would say. For Victor Reuther, long CIO's top man on international affairs, has been sparking the fight to get rid of George Meany's closest advisers on foreign policy.

Targets of the Reuthers are two men—Jay Lovestone, secretary of the Free Trade Union Committee, and Irving Brown, formerly the AFL's European representative, and more recently Meany's personal envoy to India. Meany dispatched Brown to the convention of the National Trade Union Congress, there to present the official views of American labor and take the sting out of some of Reuther's personal, off-the-cuff remarks which Meany felt misrepresented the position of United States unions.

Meany is a man who never ducks a fight. He took on John L. Lewis in the past. He took on the racket-ridden ILA. More recently he took on Dave Beck. And he didn't dodge the battle with Reuther.

The AFL–CIO president made it clear that he was totally anti-Communist and had no patience with a soft approach to Communist aggression, trade with Soviet nations or seating Red China in the U. N. This is the essence of the neutralist policy espoused by the Reuthers.

Meany feels that there is no such thing as neutralism in the battle against the global Soviet conspiracy. In his book, if you favor a soft position, you are neutral against us.

Reuther's public blasts at Meany will serve to promote some curious realinements of power within the merged labor federation. Many of the old-line craft unions—especially those in the construction trades—were somewhat leery of Meany's emergence as a strong leader. They were fearful of his insistence on concentrating more power in the national office. These were the elements which never quite took with total grace the expulsion of the ILA from the AFL—a move inspired by Meany.

These are the men, too, who will stand by the Teamsters in their fight to maintain strict lines of autonomy within the AFL–CIO. Prominent old-line unionists like Maurice Hutcheson, leader of the rapidly mushrooming Carpenters' Brotherhood, and Dick Gray, head of the Building Trades Department, have indicated that they will stand by Dave Beck in the battle over the ILA—which may yet be resolved by a formula that will bring the independent Longshoremen's Union back into the AFL–CIO.

They felt Meany was perhaps getting too close to Reuther for comfort. This battle will move them back behind Meany, who, in turn, will be forced to depend on them for support more and more as Reuther and the old CIO unions step up their attacks on him.

So, with labor's marriage less than 6 months old, feuds are "bustin' out all over." Walter and Victor Reuther are spearheading the fight on foreign policy. Kid brother Roy, who heads up the auto workers' political

action department, is carrying the ball on the political front as the Reuthers move for closer ties with the Democrats.

Keep your eyes on old man Valentine Reuther's three kids. They're up to something again.

SEVENTY THOUSAND DOLLARS IN A BROWN PAPER BAG

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a recent article written by Ray Tucker.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SEVENTY THOUSAND DOLLARS IN BROWN PAPER BAG—WHO PAID BILL FOR TRUMAN'S RADIO TIME?

(By Ray Tucker)

WASHINGTON.—Were two of Harry S. Truman's windup radio speeches in the 1948 campaign paid for by an admitted income-tax evader who was then seeking to escape prosecution at a time when T. Lamar Caudle, of tragi-comedy memory, headed the Tax Division of the Department of Justice? The cost was $70,000, and the bill had to be paid in advance, because the Democratic National Committee was "broke."

Federal authorities and the McClellan lobby committee may try to answer this question in a revival of the so-called Truman administration scandals on the eve of another presidential campaign. On the basis of an exposé by the St. Louis Post-Dispatch, Senator JOHN J. WILLIAMS, of Delaware, nemesis of crooked Internal Revenue Bureau officials in 1951 and 1952, has demanded action by Attorney General Brownell or the McClellan group.

The case has unusual political and historical interest, for Truman's slashing radio talks just before the election admittedly turned the tide against a seemingly victorious Thomas E. Dewey. In that year normally heavy Democratic contributors refused to give a nickel to Truman, who was hard put to pay for his whistle-stop campaign train or time on the air. But money flowed in from somewhere for his last week's Garrison finish.

It is a tangled tale of intrigue and political high finance as unwound by the aggressive Post-Dispatch and placed in the CONGRESSIONAL RECORD by angry Senator WILLIAMS.

Joseph Mitchell, owner of the Jefferson Loan Co., at St. Louis, came under investigation for income-tax evasion as early as 1947. He eventually pleaded guilty and served part of a 3-year sentence. But he managed to elude prosecution and conviction for 3 years through political influence.

In late October 1948 according to admissions by associates, Mitchell showed up at Democrat national headquarters here with the $70,000 in a brown paper bag. He denies having made the alleged contribution.

But S. Acey Carraway, then finance director of the national committee, has told of Mitchell's appearance with the money. Carraway says he rejected the offer when he learned from Caudle that the donor was suffering from income-tax pains.

Vernon Neubauer, then president of the Jefferson Loan Co., says that he heard Mitchell agree to make the $70,000 gift. Neubauer is now under sentence to prison on conviction of using the mails to defraud. Mitchell helped to get him convicted, because, he charges, he lost $1 million because of Neubauer's activities.

Carraway admits that he interceded with the Justice Department on Mitchell's behalf after receiving a $5,000 loan from Mitchell's firm on an unsecured note, to buy two farms in nearby Virginia. Only $100 has been repaid, although Carraway subsequently organized a $1 million firm that obtained lush contracts from the Navy.

In testimony before congressional committees, it was brought out that Caudle and Representative FRANK W. BOYKIN, of Alabama, intervened many times on behalf of Mitchell. Carraway, Caudle, and Mitchell frequently hunted and fished at the wealthy Boykin's place near Mobile.

Ironically, it was an assistant attorney general named John Mitchell, who obtained the St. Louis Mitchell's conviction in the face of these political obstacles. But because of his persistence and success, Caudle ordered that no more tax cases be assigned to him.

Caudle, who was a picturesque figure during the "mink coat" era—his wife got one—was eventually fired by Truman. He is now under indictment at St. Louis for conspiracy to defraud the Government in another tax case.

SAFETY RECORD OF THE COLUMBIA-GENEVA STEEL DIVISION IN UTAH

Mr. WATKINS. Mr. President, recently, on March 27, I had occasion to refer on the Senate floor to a national safety award to the Colur..bia-Geneva Steel Division in Utah. This was on the occasion of the National Safety Council declaring—for the fourth consecutive year—the above Utah plant to be the safest major steel plant in America.

From later correspondence with the Geneva plant's general superintendent, Mr. L. F. Black, I am happy to report this further development: Geneva employees as of April 26 have not suffered a disabling injury since November 17, 1955, that is, a period of more than 5 months.

This has resulted in a new alltime safety record of 5,118,488 injury-free man-hours of employment at the Geneva works.

Such a figure is more meaningful if we regard it in this light: It represents 100 men working 40 hours a week for 52 weeks a year for a period of 23.79 years without accident.

I should like also to report to the Congress that in view of the recognition accorded the Geneva works' management and employees by publication of their safety achievement in the CONGRESSIONAL RECORD the Safety Summary issued for March 1956 has been entitled the "Congressional Record Issue."

Such an achievement, in such employment as blast furnace and open-hearth operations and on such a major scale, is worthy of study and emulation by leaders in industrial management and employment everywhere. I commend to them the Geneva plan for safety.

INVESTIGATION BY POLISH GOVERNMENT OF THE KATYN FOREST MASSACRE

Mr. DOUGLAS. Mr. President, the able chairman of the Illinois division of the Polish American Congress, Mr. Roman C. Pucinski, has made a positive suggestion to Secretary of State John Foster Dulles that deserves the most serious consideration in connection with the rumored investigation by the Polish Government of the Katyn Forest massacre of 15,000 Polish officers.

Mr. Pucinski's proposal is that the technical data and evidence gathered by the select committee of the House in 1952 be offered to the Polish Government to test their willingness to bring out the true facts, to see if in the Communists' new rewriting of history they are in any respect willing to tell the truth.

Because of the importance of this issue and the widespread public interest in it, as well as for the information of Members who may wish to support this request, I ask unanimous consent that Mr. Pucinski's letter to Secretary Dulles be printed at this point in the RECORD.

I wish to say, Mr. President, that I have written a letter to Mr. Dulles urging that he conform to it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COPY OF LETTER SENT TO SECRETARY OF STATE JOHN FOSTER DULLES ON APRIL 26, 1956, BY THE ILLINOIS DIVISION, POLISH AMERICAN CONGRESS

The Hon. JOHN FOSTER DULLES,
Secretary of State, State Department,
Washington, D. C.

DEAR MR. DULLES: Unconfirmed reports emanating out of Poland indicate the Warsaw Government has launched its own investigation of the Katyn Forest Massacre in which 15,000 Polish Army officers were murdered during world War II.

As you recall, a select committee of the United States House of Representatives conducted an extensive investigation of this crime in 1952 and, after assembling exhaustive evidence, concluded unequivocally that the Polish officers were murdered by the Soviet troops in the spring of 1940.

The record will show that the congressional committee's investigation was carried out within the strict provisions of the International Rules of Evidence and all of the testimony was taken under oath which should be ecceptable in any part of the world.

We, of the Illinois Division, Polish-American Congress, earnestly urge you take whatever steps are at your command to first determine whether the Warsaw Government actually has undertaken such a probe and then make available to the Warsaw Government all of the records and evidence produced by the United States congressional committee. The records of this committee, for which I served as chief investigator, now are stored in the National Archives Building and are readily available.

In order to test the sincerity of the Polish investigation, we suggest you also offer the Warsaw Government any technical assistance it may need from the United States committee's former staff.

You will recall that at the time of the congressional investigation, our committee had asked both the Polish and Soviet Governments to furnish us whatever evidence either government might have had bearing on this great international crime. Both these governments flatly rejected our invitation.

Our committee proved the Polish officers were executed on direct orders from Premier Joseph Stalin. We are fully aware the Warsaw Government may corroborate our findings and then place full blame on Stalin in keeping with the current Communist program of vilifying the late Premier. But the Polish investigation—despite any propaganda value to the Communists—can be helpful for many reasons. One such reason would be to corroborate testimony given before our committee that the present Soviet Ambassador to the United States, Georgi Zarubin, actually was commander of the

camp at Kozielsk from which the Polish officers were removed to their death in the Katyn Forest.

We urge you to give this matter your earliest attention.

Respectfully,

ROMAN C. PUCINSKI,
President.

ADMINISTRATION'S ATTITUDE REGARDING INTERNATIONAL LABOR ORGANIZATION ANTI-FORCED-LABOR CONVENTION

Mr. DOUGLAS. Mr. President, it would appear from the story in the New York Times for last Friday that the praise and congratulations given by the Senator from Illinois and the Senator from Minnesota to the administration on the Senate floor last Wednesday on the question of the ILO anti-forced-labor convention was premature.

Although President Eisenhower, in rather general terms, to be sure, supported the ILO convention in his press conference on Wednesday, the later report suggests that the State Department is backtracking and is willing to condemn only international commerce in slave-made goods.

I, therefore, wish to reserve any congratulations until I can discover whether the State Department can make up its mind to give this Government's wholehearted support to a convention which clearly condemns all use of forced labor for political and economic purposes.

The apparent legalistic teetering of this administration over whether to join in a convention outlawing one of the worst crimes against humanity is a sorry demonstration of our real devotion to freedom and opposition to tyranny. I hope that sober reflection may persuade this administration to follow the more constructive recommendations of its Secretary of Labor, James P. Mitchell, rather than the timid counsels of its legal pettifoggers.

Mr. President, I ask unanimous consent that the article which appeared in the New York Times on Friday, May 11, concerning this matter be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES VIEW IN DOUBT ON FORCED LABOR—BUT AGREEMENT ON POSITION AT CONFERENCE OF ILO NOW APPEARS LIKELY

WASHINGTON, May 10.—The Government's position on an anti-forced-labor convention in the International Labor Organization is not as clear cut as at first seemed.

What the State and Labor Departments have agreed on is a parliamentary and legal approach that does not satisfy anybody completely but apparently stands a good chance of acceptance by all involved—employer and worker delegates as well as the Government.

On Tuesday, James P. Mitchell, Secretary of Labor told what the Government's position would be. The State Department was noncommunicative at the time but later let it be known that it took an unhappy view of Mr. Mitchell's phraseology.

UNOFFICIAL EXPLANATION GIVEN

There was a better interdepartmental feeling today, but the State Department was still unwilling to say officially what the Government's position finally is. As unofficially explained it is this:

The United States will offer a convention condemning the use of forced labor for the production of goods that go into international commerce. This will clearly give an international aspect to the subject. It meets the State Department's objection that forced labor, as such, is a domestic matter for each country and not an appropriate subject for a treaty or international convention.

If the United States fails to confine the convention to the international commerce aspect, it will give nominal support to a broader convention with the expressed reservation that it will not deal with it as a treaty.

The broader form of convention that is now proposed would outlaw the use of forced labor for political and educational purposes and also for economic purposes.

The ILO conference opens on June 6 in Geneva. The anti-forced-labor convention will have only a first reading then. A vote on adoption will not come until a year hence.

LABOR DELEGATE CRITICAL

George P. Delaney, employee delegate, said of the Government's position:

"While it moves in the direction of trade-union objectives, by no means does it meet the moral or legal obligations of United States Government participation in the ILO."

The employer delegate is Cleveland H. Smith, Jr., president of the Steel Improvement & Forge Co., Cleveland. He and Mr. Delaney will have staffs of advisers.

The Government delegates will be David W. Wainhouse, Deputy Assistant Secretary of State for United Nations Affairs, and J. Ernest Wilkins, Assistant Secretary of Labor.

LIBERALIZATION BY HOUSE OF REPRESENTATIVES OF SOCIAL-SECURITY PROGRAM

Mr. DOUGLAS. Mr. President, the House of Representatives passed a good social-security bill. In addition to expanding the coverage of the act, over which there is little dispute, the House bill liberalized the social-security program in two important respects. First, the House bill provided for payments to insured persons 50 years of age or older who are permanently and totally disabled. This is a vital step forward in providing protection for those who lose their ability to earn a living. Second, the House bill provided for retirement benefits to be paid to women at age 62. This was in recognition of the fact that wives tend to be younger than their husbands, and that forcing the wife of a retired man to wait until she is 65 before drawing her pension often works a real hardship.

Mr. President, what is the attitude of the administration toward these important improvements in our social-security program? This administration opposed both of them. Like Mrs. Hobby before him, Mr. Folsom, too, deserves the label "Secretary of not-too-much Health, Education, and Welfare." He came up here as we all know and opposed as vigorously as he could both of the House improvements.

The President is very fond of saying that he is a liberal in matters affecting human beings and a conservative in money matters. That is a fine slogan, but its test is in the application. How often in the 3 years he has been in the White House, has the President found an issue which affects human beings, so that he could be liberal? Somehow, this administration always seems to find that the issue involves money rather than human beings, and so it winds up being conservative.

Mr. President, how could we find an issue which more deeply affects human beings than social security? Isn't the problem of how to live, which faces the family whose breadwinner is totally disabled, a human problem? This administration doesn't think so. It sees this problem as one involving money, not human beings.

Apparently the President has had his way with a majority of the Senate Finance Committee, which announced that it has knocked out the House provision for disability payments and that it has knocked out the provision for lowering the retirement age for women. A sop was thrown to the old folks by permitting widows to receive benefits at age 62.

Mr. President, most of the issues which come before us involve both human beings and money. I am proud to say that I try, and the Democratic Party tries, to consider the human problems first. We do not scratch around to see if we can find that a few pennies are involved so that we have an excuse for refusing to consider the human values. We make an effort to meet the human needs if that is at all possible.

There are very real human problems which are still not met by our social-security program. Under 20 years of Democratic administration much has been achieved, but there are still many needed improvements. First among these is the need for disability payments. I intend to support the amendment of the senior Senator from Georgia to provide payments to the permanently and totally disabled without respect to age.

I agree with him that the need is the same at whatever age the man becomes disabled.

Some time ago I introduced an amendment to provide for a flexible system of retirement, with higher benefits for postponed retirement, but permitting retirement for both women and men as early as 60 years of age. This plan permits earlier retirement for those who are in poor health, but not permanently and totally disabled. It permits earlier retirement for wives younger than their retired husbands and for widows who are not part of the labor force but who are dependent upon social security for their major income. On the other hand, it encourages that who are able to do so to continue working by increasing their benefits if retirement is postponed. Surely, it is desirable to encourage our older workers to continue to use their talents if they are able to do so. I have explained my amendment in a letter to the Washington Post, which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMENDING SOCIAL SECURITY

I read with interest your editorial on Amending Social Security of April 8. In the article you supported the disability fea-

tures of the House bill but thought that there were good arguments against lowering the retirement age for women.

I have an amendment to the bill which I believe meets the objections your editorial and people in general have against lowering the retirement age for women. The amendment provides for a flexible retirement age with benefits scaled according to the age at which retirement begins. Benefits for retirement at age 65 remain the same as at present; but if retirement takes place earlier the benefit per month is reduced, and if retirement is postponed beyond age 65 there is an increase in the monthly benefit according to the following schedule:

Age at retirement	*Percent of present benefits at age 65*
60 [1]	70
61	76
62	82
63	88
64	94
65	100
66	104
67	108
68	112
69	116
70	120
71	124
72	128

[1] The earliest permitted.

(Under the present law full benefits accrue at age 72 without regard to continued employment.)

There are several advantages to my amendment. First, it would permit a man to retire and draw benefits for himself and for a younger wife who was not yet 65—fulfilling the same objective as reducing the retirement age for women to 62.

Second, it would permit persons in poor health, but not totally disabled, to retire before reaching age 65. It would not, however, promote this practice except where badly needed because of the reduced amounts.

Third, it would offer a positive inducement to persons who are able and willing to do so, to work beyond the age of 65 by providing larger pensions upon later retirement. The percentages have been worked out on an actuarial basis.

The cost to the system of adopting this amendment would be only slightly greater than the cost of reducing the retirement age for women to 62. That there is any cost at all is due to the fact that we have a system based on retirement at age 68½ and not based on retirement at age 65 as most people suppose. That is, the average age of retirement for recipients of retirement benefits under the Social Security Act is 68½, and the system saves the amount which would have been paid them between the ages of 65 and 68½.

I believe that the greater flexibility which my amendment would introduce into the Social Security system and the advantages to be obtained from it, make a worthy addition to the act, and I intend to continue to seek its adoption.

PAUL H. DOUGLAS,
United States Senator from Illinois.
WASHINGTON.

Mr. DOUGLAS. Mr. President, as was to be expected, the administration opposed my amendment along with the other proposed improvements in the Social Security Act. In a letter to the Finance Committee, Mr. Folsom argues at one point that "the reduced amounts to be paid under the amendment to persons who have been compelled to retire before age 65 might be inadequate for their maintenance." However, he proposes to give them nothing until they are 65. I am afraid I do not understand the kind of reasoning which concludes that a little is worse than nothing. But I fear that this is typical of the administration's lack of concern with human problems. The Senate must make sure that this type of thinking does not prevail.

CONSTRUCTION OF BRIDGES OVER POTOMAC RIVER

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1981, House bill 7228.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 7228) to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes."

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSON of Texas. Mr. President, I wish to ask the distinguished Senator from Nevada to give a brief explanation of the bill.

Mr. BIBLE. Mr. President, this particular bill authorizes the construction of a bridge across the Potomac River known as the Jones Point Bridge, the subject matter of which has been before the Congress for the past 4 or 5 years. All the interested parties are now in agreement. The bill has the unanimous approval of the Committee on the District of Columbia. The bill provides that the bridge shall be constructed by the Bureau of Public Roads of the Department of Commerce. The committee recommends favorable action upon the bill.

The PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time and passed.

DESIGNATION OF PROPOSED BRIDGE OVER POTOMAC RIVER IN VICINITY OF JONES POINT, VA., AS "WOODROW WILSON MEMORIAL BRIDGE"

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1982, H. R. 8130.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8130) to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

Mr. BIBLE. Mr. President, I should like to make a brief explanation of the bill. The bill is a companion to the bill just passed, and designates the bridge proposed to be constructed in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

The bill received the unanimous approval of the Committee on the District of Columbia, and the committee recommends favorable action on it by the Senate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Without objection, it is so ordered.

EFFECTS OF FOREIGN TRADE ON MINNESOTA

Mr. HUMPHREY. Mr. President, a book has recently been published by the University of Minnesota Press which is the culmination of 2 years of hard and dedicated effort, and in which I have had a particular interest. The book is entitled "The Effect on Minnesota of a Liberalization of United States Foreign Trade Policy," and it is the report of the Business Executives' Research Committee, under the advice and editorship of Harlan M. Smith and Robert J. Holloway, and is sponsored by the University of Minnesota.

The Business Executives' Research Committee is a cooperative research team of selected Twin Cities business executives and university faculty members studying specific economic problems, operating under the auspices of the school of business administration of the University of Minnesota. This is a report on studies made by them during 1954–55 on foreign trade policy and its effects on Minnesota.

These studies do not attempt to support either the more liberal or the more protectionist side of the trade debate. They simply try to assess the effects of foreign trade by studying the economy of Minnesota, the involvement and dependence of various sections of the Minnesota economy on foreign trade, the vulnerability of the other sections of the Minnesota economy to foreign trade, the number of Minnesota workers affected each way, and other related factors.

The project originated in my office in 1954 in conversations conducted with Dr. Howard S. Piquet of the Legislative Reference Service of the Library of Congress. Dr. Piquet had already written Aid, Trade, and the Tariff, and had directed several studies of the impact of world trade on various congressional districts. One such study of Indiana's Eighth District had been published in popular form in Harper's magazine. I asked Dr. Piquet whether he could do a similar study for the entire State of Minnesota. He told me that he would like

very much to do it, but that the Legislative Reference Service was simply not equipped for the job.

As we explored the situation further, it became obvious that Minnesota would be an ideal State for such a pioneer study. Its variegated economy made it sufficiently interesting for analysis, and yet it was not so complex as to be unmanageable.

The more we considered the project, the more the possibility of a study under the auspices of the University of Minnesota seemed appropriate. Professors Holloway and Smith of the school of business administration at the university seemed especially well qualified to coordinate this study, and they in turn asked the university for a research grant for assistance. When the initial university grant appeared to be inadequate, many other leaders of business and the professions in the Twin Cities were contacted. Beginning in April 1954, my office was in continuous communication with various philanthropic, business, and community groups in Minnesota in an effort to procure the necessary additional financial assistance. Mr. John Cowles, president of the Minneapolis Star and Tribune; Mr. William P. Stevens, executive editor of the same newspaper; and Mr. C. B. Meech, manager of the international division of the Minneapolis Honeywell Regulator Co., were particularly helpful in cooperating with us during the initial stages. The search for additional financial support was eventually successful.

Dr. Holloway came to Washington in July 1954 to discuss this project with Dr. Piquet. Members of my staff worked with them in close consultation.

During the course of the winter of 1954 and 1955, the Business Executives' Research Committee and interested university faculty members conducted a series of meetings studying various aspects of the problem of tariffs and trade. An elaborate system of information gathering was devised, data from 400 Minnesota industries was reported to the faculty group, and the offices of other Minnesota Members of Congress were contacted. By May 1955 the study was in its last stages of discussion, and a preliminary report was in preparation. Unfortunately, at that time the project lost the talents of Dr. Holloway, who left on a teaching assignment in the Philippines in June. Under the competent editing of Prof. Harlan Smith, the project has been seen through to its completion and release last month.

Mr. President, this 176-page study is a detailed and unique analysis of the impact of foreign trade on Minnesota. It is a mine of information for the people of our State, and its conclusions are important to the entire country in the context of the continuing debate on American foreign trade policy.

Included in the study is a careful description of the composition of the Business Executives' Research Committee, the technical organization of the study, a statistical examination of Minnesota exports and import competition, and an up-to-date evaluation of current American restrictions on imports processed in Minnesota, and of foreign restrictions on Minnesota exports. Over 100 pages are devoted to a breakdown of the probable effects of trade liberalization upon Minnesota industries and agriculture. The industrial analysis is divided industry by industry into various degrees of impact: high benefit, moderate benefit, low benefit, high injury, moderate injury, low injury, and no effect. To a lesser extent, an evaluation is also made of trade liberalization upon American agriculture.

In a 40-page section discussion of the implications of the study for our foreign-trade policy, the following general conclusions were reached:

First. Trade restrictions on imports of the kinds of products produced in Minnesota are essentially like those for the United States. There are some free items, some with a wide range of duty rates, and some restricted by quota arrangements.

Second. Over half of Minnesota's manufacturing employment is in industries which would be unaffected directly by trade liberalization; of the remainder, a larger part is in industries which would gain from liberalization than in industries which would lose.

Third. Minnesota agriculture appears to be more vulnerable to increased imports than is the case of industry insofar as United States farm commodity prices are maintained above world prices.

Fourth. Reductions of tariffs and quotas would not always result in a large increase in imports due to a number of factors which in some cases give the local producer a distinct advantage over the foreign competitor.

As a result of these conclusions, and in the light of certain economic principles specifically listed in the concluding section of the report, the Business Executives' Research Committee has made the following 11 recommendations:

1. The BERC recommends that full support be given the implementation of the legislation extending the reciprocal trade agreements program.

2. The BERC is convinced that a clear-cut policy of tariff liberalization will help strengthen the community of political and economic interest between our allies and ourselves, and increase their sense of solidarity with the United States.

3. The BERC recommends that, as one of the strongest economic powers in the world, we should take the lead in liberalizing trade opportunities, and that considered reciprocal concessions be vigorously bargained for, but not be a prerequisite to unilateral reductions on our part. Concessions requested of other nations need not necessarily be tariff concessions.

4. One exception BERC makes to a program designed to minimize the restrictiveness of tariffs is the maintenance and protection, in some form or other, of industries truly essential to national security militarily.

5. In implementing a policy of promoting increased trade among nations, elements such as quotas, the escape clause, the peril-point provision, and "buy American" legislation, should be deleted, or substantially modified since in their present form they are a serious obstacle to those seeking to develop market opportunities in the United States for foreign goods.

6. The BERC is convinced that tariff simplification, and the reduction or elimination of red tape in customs procedure, would be extremely valuable, and consistent with a liberalized trade policy.

7. It is recommended that tariff reduction be sufficient in amount to encourage a freer exchange of goods, thus enabling free nations to earn dollars with which to purchase goods from us, raising the standard of living of all.

8. We further recommend that tariff reductions be gradual, and so scheduled as to cause minimum temporary dislocation to United States labor.

9. In the creation of an atmosphere favorable to increased trade, we must give clear assurance that the direction of our future tariff changes will be downward, thus adding stability to our commercial policy.

10. An educational program should be instituted, preferably under nongovernmental sponsorship, to educate the American public on the subject of reciprocal tariffs.

11. We make no recommendation with respect to liberalization of trade restrictions on agricultural products except to point out that study should be given to the possibility of reconciling foreign trade policy and agricultural policy.

Mr. President, an article discussing the Minnesota study appeared in the April 9, 1956, Time magazine on page 37. I ask unanimous consent that the text of that article be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DOGMA DOCUMENTED

Despite the high stakes involved—1955 United States commercial exports ($14.3 billion) and imports ($11.4 billion) were the largest in history—the perpetual debate on United States tariffs is seldom illuminated by any fresh statistical documentaton of the dogmatic claims of either low or high tariff men. Nearly 2 years ago the Minnesota Business Executives Research Committee, a study group sponsored by the University of Minnesota's School of Business Administration, decided that it was time to move the tariff controversy into the realm of local reality. Last week, after interviewing officials of about 400 Minnesota companies, the committee released an item-by-item survey of the probable effects on Minnesota's industry of a United States tariff reduction.

GAINS AND LOSSES

The committee discovered that many of the State's industries, such as iron ore mining and processing, the economic backbone of northern Minnesota, now have little or no tariff protection. Others, like the thriving apparel industry, specialize in products geared to ever-changing demands on the part of the United States consumer; because of their greater familiarity with the market, United States firms would continue to have an advantage over foreign competitors. All in all, tariff reduction would make little direct difference to 52 Minnesota industries employing 66 percent of the State's mining and manufacturing workers.

Another 26 Minnesota industries, accounting for 25 percent of the State's industrial labor, would directly benefit from liberalization of tariff laws. For instance, manufacturers of mining drills could, with tariffs off, sell more of them in the oil boom areas of central and western Canada.

Eleven industries, employing in 1947 about 7 percent of Minnesota's industrial labor, would be hurt by tariff reduction, the committee decided. Only three of the smallest of these would suffer serious damage. Some of the State's leather glove and belt manufacturers would be hard hit by foreign competition, and imports of cheap foreign china could cripple the production of pottery, one of the principal industries of Red Wing (population 10,645). Hardest hit of all would be Minnesota's four beet sugar refin-

eries; unrestricted admission of Cuban sugar would wipe out the uneconomic growth of sugar beets by Minnesota farmers.

WEIGHT OF EVIDENCE

The committee did not make as detailed a study of Minnesota agriculture as it had of industry. The report conceded that freer trade would probably hit Minnesota farmers harder than it would manufacturers. But, the committee concluded, the evidence was that "a general policy of gradual liberalization of United States trade policy seems likely to benefit Minnesota more in the long run than to harm it."

Mr. HUMPHREY. Mr. President, a careful analysis of the study has also been prepared by the authors, Professors Holloway and Smith. This article entitled "Minnesotans Look at Foreign Trade Policy" appears in the March 1956 issues of Business News Notes, a publication of the School of Business Administration at the University of Minnesota. I ask unanimous consent that the text of this article appear at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MINNESOTANS LOOK AT FOREIGN TRADE POLICY

(By Robert J. Holloway, associate professor of economics and marketing, and Harlan M. Smith, associate professor of economics)

THE PROBLEM

Is it desirable to increase United States imports? There seems to be no uniform opinion in the United States for during nearly every session of Congress the pros and cons of foreign trade are debated. There are volumes of testimony from protectionists and freetraders alike.

The Minnesota BERC sought a sound basis for consideration of foreign trade policy by citizens of the State. The group undertook to ascertain the probable effects of trade policy liberalization on Minnesota and its findings are summarized below. The specific conclusions are tentative and are subject to modification if more extensive evidence becomes available. Though the study was made from the standpoint of a single State, it recognizes that the problem of framing a wise foreign trade policy for the United States cannot be solved purely in terms of specific sectional economic interests.

PROCEDURE

The group began by delving into past and present and even future aspects of the problem. The heart of the project was an attempt to find the impact on individual industries in Minnesota likely to follow a reduction in United States trade restrictions in general and specifically a reduction of tariffs on the products of each industry considered. The approach was twofold. A statistical study attempted to depict Minnesota's trade position by showing the State's proportionate interest in imports and exports. A survey was also made to gather informed opinion from persons in the various industries. The League of Women Voters helped by interviewing several hundred business executives located throughout the State.

There is a high degree of conjecture in any estimates of the restrictiveness of tariffs and quotas or the likely impact of their liberalization. There is no way of knowing absolutely what will happen, but there are many factors within the situation of each individual industry which bear upon the likelihood of one result or another; an opinion based upon knowledge of these factors is better than an opinion which is less well-informed.

SELECTED FINDINGS

Minnesota's exports: An earlier university study showing the variety of exports of Minnesota manufacturers was confirmed by the BERC study. Though no statistical record of all Minnesota exports is available, an estimate of the importance of these exports can be made. By assuming that Minnesota's interest in exports is in proportion to its share of United States production and exports, one can get some idea of the importance of exports to the State and table 1, on this assumption, indicates the importance of exports to Minnesota in terms of employment.

TABLE 1.—*Employment in Minnesota dependent directly or indirectly on United States exports, 1947* [1]

Industry	Minnesota employment	Percent dependent on exports	Minnesota employment dependent on exports
Food (processed) and kindred products	46,565	6.0	2,794
Tobacco manufactures	22	12.1	3
Textile-mill products	2,569	14.5	373
Apparel	11,064	3.2	354
Lumber and wood products	4,239	6.9	292
Furniture and fixtures	3,182	2.5	80
Paper and allied products	8,958	9.6	860
Printing and publishing	18,143	6.0	109
Chemicals	2,416	13.1	316
Products of petroleum and coal	1,599	13.3	213
Rubber products	486	11.8	57
Leather and leather products	816	4.4	36
Stone, clay, and glass products	3,191	9.2	294
Iron and steel	6,141	16.6	1,019
Nonferrous metals	829	13.9	115
Plumbing and heating supplies	1,480	3.9	58
Fabricated structural metal products	3,687	5.1	188
Other fabricated metal products	4,972	11.5	572
Agricultural, mining, and construction machinery	10,407	19.6	2,040
Metalworking machinery	1,546	16.5	255
Other machinery except electrical	11,370	13.8	1,569
Motors and generators	1,915	16.4	314
Radios	767	9.4	72
Other electrical machinery	11,691	8.7	1,017
Motor vehicles	2,429	11.6	282
Other transportation equipment	603	11.7	71
Professional and scientific equipment	1,112	12.1	135
	162,199	-------	13,488

[1] 1947 is the latest year for which this kind of data can be obtained. Employment figures are derived from the 1947 United States Census of Manufactures when available, and otherwise estimated.

It perhaps comes as a surprise that the State is exporting so many kinds of products—food, paper, and paper products, machinery and other kinds of metal products, to name but a few. Minnesota's primary interest is not in exporting and not all producers have a common export interest, however.

Trade restrictions: Foreign trade exists despite many kinds of restrictions but it is not easy to evaluate the degree of restrictiveness. Common methods used include the use of the average tariff rate, the percentage of dutiable imports to free imports, and the volume of trade which comes in over a tariff wall. For many reasons these measures can be misleading. For example, United States tariffs are lower now than in the early 1930's, yet a higher percentage of imports entered the country duty-free in 1931–35 than in the post-World War II period.

Another common method is to compute the average tariff level by dividing total tariff revenue by the total value of dutiable imports. This average obscures the fact that the duties on some products or on the exports of some countries may be quite high even though rates on others are low. Prohibitive rates will not be reflected in the average at all.

The volume of trade over a tariff wall can also be misleading. An almost prohibitive tariff rate may look insignificant simply because it appears that little trade is affected. On the other hand, the complete absence of imports may not mean that the duty is the obstacle. The duty may be entirely irrelevant, and other things may be preventing imports. A large volume of trade, however, does not necessarily indicate as it might seem to, that the duty is not restrictive. Trade might still increase greatly if the duty were reduced.

The simplest measure is, of course, the ad valorem tariff or the ad valorem equivalent. Here the danger lies in the inevitable comparison of rates between commodities. Clearly, on any single commodity, the higher the ad valorem rate the more restrictive is the tariff. But a given percentage rate on one product may have quite different significance from that of the same percentage rate on another product. What we need to know with respect to any single product is the extent to which a given rate excludes the imports of that commodity.

A better way to get a reliable idea as to the restrictiveness of tariffs or quotas is to interview persons who have direct knowledge of the significance of any given level of quotas or tariff rates for their industry. In this connection, the BERC and the League of Women Voters interviewed businessmen in many industries. The complexity of the problem and the paucity of accurate information made the interview a difficult task.

TABLE 2

DEGREE OF RESTRICTIVENESS OF TARIFFS AND QUOTAS ON IMPORTS COMPETITIVE WITH PRODUCTS OF MINNESOTA AGRICULTURE AND INDUSTRY

High

Meat animals and products.
Oil-bearing crops.
Processed dairy products.
Grain mill products.
Sugar.
Vegetable oils.

Moderate

Food grains and feed crops.
Other agricultural (wool).
Wood containers and cooperage.
Paper and board mills.
Converted paper products.
Other leather products.
Pottery and related products.
Blast furnaces, steel works, and rolling mills.
Nonferrous foundries.
Hand tools and hardware.
Construction and mining machinery (diamond drills only).
Electrical appliances.
Toys and sporting goods.

Low

Stone, sand, clay, and abrasives.
Meat packing and wholesale poultry.
Miscellaneous food products.
Textiles and apparel.
Sawmills, planing and veneer mills.
Fabricated wood products.
Metal furniture.
Partitions, screens, shades, etc.
Soap and related products.
Paints and allied products.
Miscellaneous chemical industries.
Miscellaneous rubber products.
Leather tanning and finishing.
Footwear (excluding rubber).
Glass.
Abrasive products.
Other miscellaneous nonmetallic mineral products.
Metal stampings.
Lighting fixtures.
Miscellaneous fabricated metal products.

Metalworking machinery.
Special industry machinery.
General industrial machinery and equipment.
Commercial machines and equipment, not elsewhere classified.
Valves and fittings.
Motors and generators.
Radio and related products.
Storage batteries.
Truck trailers.
Railroad equipment.
Instruments, etc.
Optical, ophthalmic, and photo equipment.
Medical and dental instruments and supplies.
Miscellaneous manufactured products.

Negligible

Poultry and eggs.
Farm dairy products.
Plastic products.
Vegetables and fruits.
Iron ore mining.
Canning, preserving, and freezing.
Bakery products.
Alcoholic beverages.
Tobacco manufactures.
Logging.
Wood furniture.
Pulp mills.
Printing and publishing.
Drugs and medicines.
Fertilizers.
Animal oils.
Petroleum products.
Coke and products.
Paving and roofing materials.
Cement.
Structural clay products.
Concrete and plaster products.
Iron and steel foundries.
Tin cans and other tinware.
Heating equipment.
Construction and mining machinery (except diamond drills).
Internal combustion engines.
Farm machinery and equipment.
Boiler shop and fabricated metal products.
Refrigeration equipment.
Valves and fittings.
Machine shops.
Electrical control apparatus.
Electric lamps.
Communication equipment.
Motor vehicles.
Ships and boats.
Clocks.
Jewelry and silverware.

Table 2 gives, in effect, the estimated degree of protection provided individual Minnesota industries by United States trade restrictions. A low rating means that in the absence of the trade restrictions the volume of imports would not be substantially larger. A high rating means that a considerably larger volume of imports could be expected upon removal of present restrictions.

Many industries either have no protection or believe that such protection as exists is of negligible importance to them. The highest degree of restriction is found on the imports of some farm products, either before or after processing. Where the imports are severely restricted, the restriction is accomplished by quotas rather than by tariffs alone. The industries which have moderately restrictive tariffs on the imports of their products are not, in general, the large industries in Minnesota.

Restrictions are found the world over and a number of Minnesota industries find exporting difficult because of restrictions placed by other nations. Minnesota producers of so-called nonessential goods also face severe restrictions placed by countries with dollar shortages.

Impact of trade liberalization: Much of the BERC study was directed toward estimating the impact of trade liberalization upon Minnesota industries and agriculture. Certain economic gains and losses for the State can be anticipated if foreign trade policy is liberalized. Some Minnesota industries can expect to feel increased competition from imports; others can expect export opportunities to expand as foreign countries acquire more United States dollars, or reduce their restictions reciprocally. Some industries could also expect to gain in terms of an increased availability of imports for use in their productive processes.

The impact of any trade liberalization would be unevenly distributed among Minnesota industries. Agriculture would be affected differently than manufacturing and individual industries within each of these major segments would feel different effects.

The BERC data indicated that industries with approximately 25 percent of the manufacturing employment would probably we benefited, while industries with about 7 percent would likely be injured. The balance, employing about 66 percent, would probably show little or no net effect. Of the total, about 12 percent of employment might expect a high degree of benefit and less than 1 percent would expect serious loss.

TABLE 3.—*The net effect of trade liberalization upon Minnesota manufacturing employment by industry groups benefited* [1]

[Number employed, 1947]

HIGH

Industry:	*Number of employees*
Farm machinery and equipment	7,196
Electrical control apparatus	6,361
Plastic products	3,640
Construction and mining machinery	3,211
Motors and generators	1,915
General industrial machinery and equipment	1,590
Internal combustion engines	1,191
Total	25,104
Leather products except footwear	[2] 456
Pottery and related products	[2] 336
Sugar refining	[2] 303
Total	1,095

MODERATE

Industry:	
Refrigeration equipment	5,266
Advertising specialties	[2] 5,000
Heating equipment	[2] 1,172
Commercial machines and equipment, not elsewhere classified	[2] 995
Abrasive products	770
Miscellaneous electrial products	291
Medical and dental instruments and supplies	227
Total	13,721
Injured: Spinning, weaving, and dyeing	[2] 732

LOW

Industry:	
Canning, preserving, and freezing	[2] 4,021
Boiler shop and fabricated structural metal products	3,687
Electrical appliances	[2] 1,970
Special industry machinery	1,923
Radio and related products	767
Tin cans and other tinware	[2] 660
Miscellaneous rubber products	486
Optical and photo equipment	[2] 421

[1] Industries likely to be unaffected, or to experience about equally benefits and injury, are not shown in this table. Employment data primarily from the 1947 U. S. Census of Manufactures.

[2] Number of employees estimated for part or all of the industry.

TABLE 3.—*The net effect of trade liberalization upon Minnesota manufacturing employment by industry groups benefited*—Continued

Industry—Continued	*Number of employees*
Railroad equipment	[2] 370
Boats	[2] 245
Valves and fittings	183
Miscellaneous fabricated metal products	[2] 91
Total	14,824
Processed dairy products	6,143
Miscellaneous manufactured products	[2] 1,712
Hand tools and hardware	[2] 1,213
Stone, sand, clay, and abrasives	[2] 1,211
House furnishing and other nonapparel	[2] 1,139
Vegetable oils	907
Wood containers and cooperage	845
Total	13,170

[2] Number of employees estimated for part or all of the industry.

Table 3 shows the net effect of trade liberalization upon Minnesota's manufacturing employment for 1947. In order to conserve space, the not affected group is not included in the table. The not affected group included both those industries which would not feel any effect at all and those industries which would register approximately equal gains and losses.

Each important industry was studied by some BERC member. Digests of the industry studies are included in the complete BERC report but cannot be included here. The report on the farm-machinery industry, as an illustration, showed that no United States tariffs exist on products of the industry, that local industry has felt no serious import competition and does not anticipate serious foreign competition in the future. Even if foreign suppliers were to develop products of comparable quality, they would face the problems of having to establish in this country an adequate marketing organization and adequate service facilities. It became quite clear that the farm-machinery industry in Minnesota could only benefit from a liberalization of United States foreign trade policy which would enable them to increase their exports.

Sugar refining, on the other hand, is clearly an industry which could be seriously injured by trade liberalization. Quota restrictions on imports make possible the present level of the Minnesota industry. Free trade in sugar would probably eliminate the domestic industry entirely. A careful and complete evaluation of the effects of reducing restrictions on sugar imports must go beyond the fairly obvious losses to the State's sugar-beet industry from increased import competition and examine the effects on Minnesota of increased exports to Cuba and a lower price of sugar for Minnesotans.

The farm machinery and sugar cases were exceptions in that the conclusions could be drawn rather quickly and with considerable assurance of the accuracy of the conclusions. In most cases the answers were clouded with many complicating factors, bearing indirectly as well as directly upon the issues.

Some factors lessen the importance of the tariff as a restriction on trade and also work against the Minnesota exporter. For example, some Minnesota apparel manufacturers do not fear foreign competition because the styles made and sold locally are considerably different from any foreign product. On the other hand, the Minnesota apparel firm may find it difficult to get foreign acceptance for his styles. Thus some of the most important kinds of impediments to world trade have little to do with our foreign trade policy.

Manufacturers of an article with a high style element, or requiring an extensive marketing structure, or needing elaborate repair and service facilities will probably not worry very much about the level of the United States tariff, nor will the firm be concerned about its export potential. In some instances Minnesota firms have overcome some of these problems.

Agriculture: Agriculture is a very important segment of the Minnesota economy and in 1954 accounted for about 11.4 percent of personal income distributed in Minnesota as compared to only 5.3 percent nationally. The controversy over what is wise and desirable international commercial policy with respect to agriculture appears to be even greater than the controversy over what international commercial policy is best for industry. The agricultural picture is complicated by the price-support programs for grains and dairy products. The BERC felt that, although a complete analysis of trade policy with respect to agricultural products requires full consideration of farm policy, a few things could be said on the problem of trade liberalization without entering into the issues surrounding the price-support program.

Prior to any discussion of trade-policy effects, a few facts about the present Minnesota agricultural situation should be presented. First, the Minnesota farmer is primarily a seller of meat, dairy, and poultry products. In 1954, about 70 percent of his cash farm receipts came from these sources. Second, the larger part of farm cash income in this State comes from nonsupported commodities. Third, most of the grain produced in the State is used as feed and the market for animal products, is therefore, more important than the grain market for the Minnesota farmers.

The probable effects of trade-policy liberalization upon Minnesota agriculture are summarized in table 4.

TABLE 4

IMPACT OF TRADE POLICY LIBERALIZATION UPON PRIMARY AND PROCESSED AGRICULTURAL PRODUCTS

Primary products

Low benefit: Corn, soybeans, peas and canning corn.

Not affected: Hogs, poultry and eggs, fluid milk, tobacco, other vegetables and fruit.

Low injury: Cattle, feed barley.

Moderate injury: Oats, malting barley, rye, flax.

High injury: Wheat, sugar beets, wool.

Processed products

Low benefit: Lard, hides, evaporated milk, soybean oil, canned corn, canned peas.

Not affected: Fresh meat, canned meat, grease and tallow, poultry, fluid milk, flour, prepared animal feeds, alcoholic beverages, tobacco manufactures, canning (except corn and peas).

Low injury: Butter, cheese (Cheddar), woolens and worsteds, dried milk.

Moderate injury: Linseed oil.

High injury: Sugar.

The Minnesota farmer's ability to compete with foreign producers in our domestic market and in the foreign market, in the absence of price supports and import restriction, depends upon his comparative advantage in various farm products. There is not sufficient factual evidence with respect to specific products to prove what would result in terms of injury from imports or benefits from exports.

Any change in trade policy with respect to agriculture is likely to produce some change in the pattern of farm production. Trade restrictions which are advocated as a means of avoiding changes in the pattern of farm production may not in the end be of benefit to farmers. Each case must be examined on its merits.

The BERC study indicates that changes from the existing agricultural pattern would probably come in wool, sugar, and to a lesser extent in wheat. These three products appear to be most vulnerable to import competition. On the other hand, expansion might come in soybeans, lard, and eventually in dried milk. There might be minor gains in exports of corn and canning crops. For other primary and processed products, little or no effects from trade policy liberalization would be expected. These best guesses of the BERC, it should be reiterated, must be regarded as speculative. More study needs to be given this highly controversial problem, especially with regard to the reconciliation of the aims of farm programs and trade liberalization. In general, there is somewhat less scope at the present time for liberalizing import restrictions on agricultural products than on industrial products.

Conclusions and recommendations: In addition to findings with respect to the products of specific industries, some of which have been mentioned here, the BERC reached several broad conclusions:

1. United States imports of some of the kinds of products produced in Minnesota enter duty free, others have a wide range of duty rates, and some are restricted by quota arrangments.

2. Over half of Minnesota's manufacturing employment is in industries which would be unaffected directly by trade liberalization; more is in industries which would gain from liberalization than in industries which would lose.

3. Minnesota agriculture appears to be more vulnerable than industry to increased imports insofar as United States farm commodity prices are maintained above world prices.

4. Reductions of tariffs and quotas would not always result in a large increase in imports due to a number of factors which in some cases give the local producer a distinct advantage over the foreign competitor.

In addition to reaching these conclusions, the BERC made several recommendations with respect to United States foreign trade policy. The results of the study prompted recommendations for a continuation and extension of the reciprocal trade agreements program, and for other trade liberalization measures. It is the belief of the BERC that a clear-cut policy of tariff liberalization will help strengthen the community of political and economic interest between our allies and ourselves.

The trade policy liberalization recommendations by the BERC call for a gradual program designed to prevent serious dislocation to the economy of the State. Tariff reductions should be sufficient in amount to encourage a freer exchange of goods, thus enabling free nations to earn dollars with which to purchase goods from us. The BERC made no recommendation with respect to liberalization of trade restrictions on agricultural products except to point out that study should be given to the possibility of reconciling foreign trade policy and agricultural policy.

Mr. HUMPHREY. In conclusion, Mr. President, I want to commend this entire study most earnestly to my colleagues. I can think of no better source for an up-to-date and reliable analysis of the impact on a community of 3 million people of our present foreign trade policies. As one who has long been devoted to the principles of liberalized trade, I am delighted that the conclusions of this study bolster my own position and show that the interests of the State of Minnesota coincide with the interests of the United States as a whole in increasing and developing world trade.

Mr. President, I also ask unanimous consent to have a special letter to the editors, which I prepared for the week ending May 19, 1956, printed in the RECORD at this point in my remarks.

There being no objection, the newsletter was ordered to be printed in the RECORD, as follows:

FOREIGN AID

As the Congress turns its attention this month to the vital question of world economic policy, it becomes ever more evident that the direction of our domestic and foreign economic policy will be perhaps decisive in the worldwide competition with communism. With the Soviet Union moving aggressively into the field of technical and economic aid, and making great efforts to expand its own economy, it behooves us to plan wisely.

MINNESOTA STUDY

An important document is fortunately now in the hands of foreign policymakers. It is a recently published book: The Effect on Minnesota of a Liberalization of United States Foreign Trade Policy—an intensive examination of the impact of foreign trade on our State. In the form of a report of the business executives' research committee—a cooperative research team of Twin Cities business executives and university faculty members—it covers studies made during 1954 and 1955. Published by the University of Minensota, it was edited by Profs. Harlan M. Smith and Robert J. Holloway of the university.

BEGINNING THE STUDY

This unusual project began 2 years ago in my office. I was discussing with Dr. Howard S. Piquet of the Library of Congress, an outstanding authority on world trade, his recently completed study of the impact of world trade on an Indiana congressional district. It occurred to me that a larger and more comprehensive study should be made of an entire State. Minnesota would be an ideal State for the study, with its varied economy and yet manageable size. Piquet agreed. From that day on I was to have the pleasure of working with many Minnesota leaders in business and education to find the necessary financial assistance for the proposed project. Among private, university, and corporate sources the funds were finally put together and the study begun. Eventually more than 400 Minnesota industries coordinated by the Business Executives' Research Committee of the university were to participate in the collection of data.

RESULTS

After 2 years of detailed study the report is complete. More than 162,000 Minnesotans are found to be employed in industry either directly or indirectly affected by United States exports. One-fourth of these workers would probably be benefited by freer trade, and more than 12 in a hundred would be benefited greatly. Only 7 percent of these workers would probably be adversely affected by a general liberalization of our foreign trade policy—and less than one in a hundred would expect serious loss.

NATIONAL PICTURE

You may be sure that the vital statistics and findings of this Minnesota study will be carefully considered. The facts are plain—that at least in one State the benefits of freer trade, with appropriate safeguards for vital industries, would far outweigh any losses due to greater imports. Again Minnesota leads the way. What Minnesota has been able to do may be followed by further studies of other sections of the Nation—the kind of factual data upon which a more constructive economic foreign policy can be built.

REBUTTAL OF CHARGES BY BERTRAND RUSSELL IN CONNECTION WITH ROSENBERG TRIAL AND SOBELL CASE

Mr. HUMPHREY. Mr. President, on April 23, I brought to the attention of the Senate my dismay over the unfounded charges by Bertrand Russell in connection with the Rosenberg trial and the Sobell case. My initial remarks may be found in the CONGRESSIONAL RECORD for that date on pages 6764–6767.

I am delighted to find that the Manchester Guardian, which first printed Lord Russell's attack on the FBI, carried an appropriate story on April 26, 1956, reporting my rebuttal to the original carges. I ask unanimous consent that the article I have just referred to, which was written by the Guardian's competent Washington correspondent, Max Freedman, be inserted at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR ATTACKS LORD RUSSELL—"RECKLESS LIBERTIES"

(From Max Freedman)

WASHINGTON, APRIL 25.—The Sobell case and the Rosenberg case, together with Lord Russell's charges against the Federal Bureau of Investigation, have now reached the floor of the Senate.

The issue was presented by Senator HUMPHREY, Democrat, of Minnesota, who began by placing on the CONGRESSIONAL RECORD the letter from Lord Russell to the Manchester Guardian in which he accused the FBI of using perjured testimony and following Nazi-like methods. Senator HUMPHREY declared:

"I am dismayed by the reckless liberties which Lord Russell has taken with the facts and with our Nation's great legal and judicial traditions. What is more important, I am deeply concerned that, because Lord Russell has in the past been an anti-Communist and an independent thinker, the outside world may take his allegations seriously. There is no necessity for me to defend the FBI against this attack. It can stand with honor and distinction upon its own customarily excellent record. I believe, however, that something should be said to demonstrate to our British friends that Lord Russell's comments are irresponsible and false."

ILL-INFORMED ATTACK

The Senator then placed in the CONGRESSIONAL RECORD the letter to the Manchester Guardian from Mr. Green, a former attorney with the Atomic Energy Commission, and Mr. Ferman, the assistant director of the American Civil Liberties Union. Senator HUMPHREY said that he was deeply disturbed that a man with Lord Russell's worldwide reputation should have contributed such a damaging and ill-informed attack on American justice. He went on:

"It is even more serious when so many persons have long recognized the many fine contributions to literature and the social sciences which Lord Russell has made. I say, in a most forgiving and understanding manner, that the purpose of my comments today is merely to correct the record and not to chastise or unduly to criticize. Nevertheless, I feel that in matters of such gravity as this it is important for Members of Congress and other persons to speak out and to defend what we know to be true, namely, that the due process of law was followed; and that these cases were appealed not only to the highest courts of the land but also to two Presidents of the United States. I know of no President who would in any way have permitted a violation of the rules of justice in the name of security if he had any evidence to indicate that a person was innocent."

In conclusion Senator HUMPHREY declared that the evidence was replete as to the guilt of the persons concerned, and that the courts of the United States, as well as two Presidents, had made it crystal clear that justice was done.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 2057. An act for the relief of Edwin K. Stanton;

H. R. 2893. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio;

H. R. 5535. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr.; and

H. R. 7164. An act for the relief of Lt. Michael Cullen.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOPER, Mr. MILLS, Mr. GREGORY, Mr. REED of New York, and Mr. JENKINS were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2603. An act to increase the area within which officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia may reside; and

H. R. 10060. An act to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended.

HOUSE BILLS REFERRED

The following bills were read twice by their titles and referred, as indicated:

H. R. 2603. An act to increase the area within which officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia may reside; and

H. R. 10060. An act to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended; to the Committee on the District of Columbia.

H. R. 10986. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

DEPENDENTS' MEDICAL CARE ACT

The Senate resumed the consideration of the bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes.

Mr. RUSSELL. Mr. President, the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL], who is the ranking minority member of the Committee on Armed Services, and who has contributed mightily to the bill, has a statement to make. Since he has an appointment to be elsewhere, I shall waive my opening statement until he has an opportunity to make his statement.

Mr. SALTONSTALL. Mr. President, I thank the Senator from Georgia, the chairman of the Committee on Armed Services. I wish to say that I join wholeheartedly in supporting the bill, and what few remarks I have to make will really be supplementary to the remarks the Senator from Georgia will make in going into detail on the bill. I wish to refer to one of the fundamental reasons why the bill should be passed and become a law at the earliest possible opportunity.

The point which I wish to stress particularly, almost exclusively in view of the detailed presentation which is to be made by the distinguished chairman of our commmittee, is simply this: The very highest priority must be given now, as never before, to the retaining of trained men in our Armed Forces and to the recruiting of young men who can in due course become equally trained and effective members of those forces.

The dependents' medical care bill is one item referred to specifically by the President in his special message to the Congress of January 1955 on personnel turnover in the military services. A more recent communication from the President, dated April 9, 1956, transmits a letter from the Secretary of Defense reviewing the serious nature of the personnel situation in the Armed Forces and outlining legislative proposals as a means of improving military career incentives.

In the earlier message, the President included striking illustrations of the investment in skilled manpower of the Armed Forces. It costs approximately $3,200 to put 1 man through the normal course of basic training. It costs an additional $2,000 to $5,000 to train a man in the typical technical skills which are essential in the military system of today. It costs $120,000 to train a jet pilot.

In this regard I was profoundly impressed, as were all who heard him, by General LeMay's recent public testimony to the effect that the principal problem faced by the United States Air Force is one of manpower, not of materiel. General LeMay made it strikingly clear that unless trained personnel, fully adequate in numbers and experienced in their skilled jobs, were made available in increasing numbers to the Air Force, no increase in the number of aircraft themselves would be of particular value from the standpoint of our Nation's security. The accent must, at this time, very clearly be upon men, not missiles; upon people, not planes. In saying this I do not minimize for one moment the great need for continued research, development, and progress in the field of guided missiles and in the production of the great B–52 bombers and more advanced type aircraft. I simply emphasize General

LeMay's statement that manpower must now be given top priority.

This bill, as I see it, will make a definite contribution toward stimulating both enlistments and recruitments in our armed services, and toward reducing the number of resignations from the services, which have in past months given us much concern.

Of course, it is almost impossible to trace an improvement in reenlistments or a reduction of resignations to any one legislative item. The dependents' medical care bill is one of several proposals which, taken together, are designed to make a military career more attractive generally. Already enacted are measures for increased pay, greater reenlistment allowances, more housing for dependents, and a career incentive measure for medical and dental officers.

Let me add that in the past year we have had some encouraging results regarding the rate of reenlistment. We want by every proper means to keep this momentum going, and to accelerate it if we can. The overall enlistment rate for regular personnel was 27.2 percent in the fiscal year 1955, and experience to date indicates that for the fiscal year 1956 this figure will increase to 42.8 percent. The reenlistment rate for those whose first enlistment was expiring was 15.7 percent for the fiscal year 1955, and it looks as if this figure will increase to 23 percent for the fiscal year 1956. This is encouraging, but we are simply making up somewhat for the tremendous drops in these rates which occurred prior to the fiscal year 1955. We cannot now afford to lose this important advantage that seems to be ours if, by the enactment into law of such measures as this, we can accelerate reenlistments and bring about a substantial reduction in resignations from the services.

From the economic standpoint it should be pointed out that the Department of Defense estimates that 949,000 persons will have their obligated tours of duty expire in the fiscal year 1957. Eight hundred and seventy-three thousand of these are enlisted men. Since it costs approximately $3,200 to give basic training to each replacement, if an additional 10 percent of the 873,000 could be induced to reenlist, an investment of almost $280 million would be preserved.

It is even more important, however, let me repeat, Mr. President, that highest priority be given to our trained men and to those who can and will become so if given sufficient encouragement and inducement.

This single bill is not in itself an answer to all our manpower problems, of course. It does, however, to my mind, represent a long step forward toward the attainment of our objective, namely, the completely adequate defense of the United States not alone in terms of weapons and materiel but, more important, in terms of the men and women ready, willing, and able to devote themselves without interruption of career to the building up of the Nation's security.

For those reasons, among others, I believe the bill should be enacted into law.

The chairman of the committee is thoroughly familiar with the provisions of the bill, and the committee has gone over the bill line by line.

After hearing the chairman of the committee explain the bill and the encouragement it will provide for continued service, particularly in the case of benefits to dependents, I am sure the Senate will pass the bill.

Mr. President, I thank the chairman of the committee for permitting me to speak at this time. I am confident that after he concludes his remarks it will be very clear why the committee unanimously supports the bill.

Mr. THYE. Mr. President, will the Senator from Massachusetts yield to me?

Mr. SALTONSTALL. I do not have the floor.

Mr. RUSSELL. Mr. President, I am glad to yield to the Senator from Minnesota.

Mr. THYE. I thank the Senator from Georgia.

Mr. President, I wish to commend the distinguished and able senior Senator from Massachusetts [Mr. SALTONSTALL], the senior Republican member of the Armed Services Committee, for his able presentation of the questions involved in the bill.

This subject has been of great concern to me, because from time to time I have observed that some of our ablest younger officers have left the armed services because of financial reasons. That has been particularly true in the case of officers with families. The provisions of the bill make me confident that, if it is enacted, we can expect reenlistments or continued service on the part of these men, who are so valuable to the armed services.

Therefore I wish to commend the Senator from Massachusetts for his strong support of the bill and his thorough explanation of its provisions.

Mr. SALTONSTALL. I thank the Senator from Minnesota for his remarks.

Personally, Mr. President, I agree with the views of the Senator from Minnesota regarding the effectiveness of the bill. It constitutes one of five steps which already have been taken or are in the process of being taken. There are several others yet to come.

We know how important it is to keep well-trained men in the armed services, and we know how seductive to them can be some of the aspects of private employment, particularly the high wages paid. Although we realize that it will never be possible for the armed services to maintain pay scales as high as those of private concerns, yet we believe that continued service in the Armed Forces will be greatly encouraged by making provision for increased additional benefits.

Mr. THYE. That statement by the Senator from Massachusetts is similar to the testimony Mr. Wilson gave last week before the committee.

Mr. SALTONSTALL. Mr. President, I thank the Senator from Georgia for his courtesy in yielding.

Mr. RUSSELL. I have been glad to yield.

Mr. President, this bill is one of several pieces of proposed legislation suggested by the President of the United States and the Department of Defense to increase the so-called fringe benefits for the members of the armed services.

As stated by the administration spokesman, the primary objective of the bill is to undertake to reduce the tremendous turnover in military personnel.

The bill has an appeal to me which is over and beyond that purpose, because, Mr. President, enactment of this measure will eliminate a great inequity now existing between various members of the Armed Forces.

At the present time the dependents of those who are stationed overseas in the Armed Forces of the United States have available to them hospital and medical care of all kinds. Within the United States, the dependents, accompanying military personnel who are assigned to installations which have available hospital space and uniformed doctors likewise have complete medical and hospital care. The bill seeks to provide medical care for the estimated 40 percent of the dependents who do not have a military medical facility available to them. Glaring inequity has existed for many years, particularly in the cases of the lower enlisted grades of the armed services whose members cannot take their wives and children with them, sometimes for financial reasons and also because they cannot obtain living quarters for them near the post. Not only have those dependents been denied the companionship of the person who is in the Armed Forces, but they have been denied any medical care.

I doubt not that most Members of the Senate have received communications from dependents of members of the Armed Forces seeking assistance in the form of medical care which they seriously needed, and which they did not have the financial means to obtain. In some cases they were compelled to do without such care, because their sponsor, the one who was in the Armed Forces, was not able to have them near him, where medical care in the Armed Forces was available.

The bill would bring relief to the group which is now seriously disadvantaged in comparison to those dependents who can accompany their sponsors to stations where medical care from service facilities is available. It is heartening to me to know that the bill will eliminate this element of unfairness.

Mr. President, without question the most significant feature of the bill before the Senate is that it would authorize a contract to provide medical care from private physicians and in private hospitals for the spouses and children of members of the uniformed services who are on active duty. This represents a new departure in the field of dependent medical care. Indeed, it is almost revolutionary in its nature. For the first time it makes civilian medical care available to dependents who now are unable to secure such care from uniformed physicians and hospitals operated by the uniformed services. Such medical care as is now available to dependents is furnished by uniformed physicians and in hospitals operated by the uniformed services. At this point let me say that

the term "uniformed services" includes the Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, and the commissioned corps of the Public Health Service and the Coast and Geodetic Survey.

The civilian medical care that this bill proposes to authorize would be provided under a medical service, health insurance, or health plan. Under the medical-service concept, which is usually associated with the Blue Cross and Blue Shield organizations, members of these organizations pay monthly premiums for the privilege of availing themselves, when needed, of medical services and hospitalization to the extent provided in a contractual agreement. The organization itself secures agreements from physicians and hospitals to provide specific services and facilities in exchange for definite fees and charges.

The health insurance approach is, as the term implies, an insurance policy underwritten by insurance companies. The insured person pays a premium to the insurance underwriters. The policy specifies monetary benefits of definite sums in the event of need for medical care and hospitalization of the types covered by the policy. While these insurance benefits can be assigned to the hospital or the physician providing the services, the compensation of the physicians and hospitals flows directly from the person insured and the fees and charges do not necessarily correspond to the money benefits paid under the policy.

A third method that is possible of utilization under the bill is a group-health plan. Group-health plans generally provide medical service through physicians and clinics serviced by physicians who participate, and hospitalization is furnished through contracts with local hospitals.

The growth of systems involving prepayment of medical expenses in this country within recent years is impressive. There now are 70 Blue Shield plans in the United States and its Territories, with approximately 33 million people being covered. There are 86 Blue Cross plans covering more than 51 million Americans. Premiums paid to the companies comprising the American Life Convention and the Life Insurance Association of America, 2 organizations whose companies underwrite 85 percent of the group accident and health insurance in the United States, were in excess of $1 billion in 1955. These figures are mentioned merely to furnish some indication of the magnitude of existing programs for prepayment of medical and hospital expenses. Despite the extent of these programs, the scope of the medical care contemplated by the pending bill is somewhat different from any medical service program or health insurance operation now in effect. It appears that the plan of administration must be specially organized to carry out the medical care program involved in this bill.

The authority to enter into a civilian contract for the medical care of spouses and children is broad enough to permit utilization of any of these plans. Thus the Secretary of Defense, through negotiations with representatives who could administer each of the plans, would determine which method could provide the most satisfactory services for the least expenditure of Government funds.

The plan that would be entered into would cover all the spouses and children of active-duty personnel. The cost to the person receiving the care is limited to the first $25 of hospital expenses, or the prevailing subsistence rates in service hospitals multiplied by the number of days hospitalized, whichever is greater. The bill as received by the committee provided for payment of only the first $25 of hospital expenses.

A person receiving hospitalization in a service facility is required to pay a subsistence charge, now $1.75, for each day of hospitalization. Thus, the ultimate cost for long periods of hospitalization would have been somewhat greater in service facilities. In an attempt to eliminate considerations of cost from the election of civilian or military facilities, the committee adopted the alternate feature of deductibility mentioned above. Of course, a person receiving civilian hospitalization for any period of time must pay the first $25 of hospital expenses, and to this extent civilian hospitalization will prove more expensive than service hospitalization for short periods. However, the $25 deductible feature was adopted initially as a deterrent to prevent abuse and is, I believe, in accordance with recommendations of the Moulton Commission, a private group appointed by the Secretary of Defense to make a comprehensive study of dependent medical care, that there should be some restraint on excessive demands for medical attention. Still another reason for committee adoption of this alternate feature of deductibility is the realization that a person not requiring hospitalization would incur a cost of at least $1.75 per day for subsistence. Leaving the deductible feature at only the first $25 of hospital expenses would, in some cases, have had the effect of placing a dependent who required hospitalization in a better financial position than a contemporary who was not ill.

The civilian contract may provide the following maximums: First, hospitalization in semiprivate accommodations up to 365 days; second, medical and surgical care incident to a period of hospitalization; third, complete obstetrical and maternity service, including prenatal and postnatal care; fourth, required services of a physician or surgeon prior to and following hospitalization for a bodily injury or for a surgical operation; and fifth, diagnostic tests and procedures. Thus it will be seen that the authorization is fairly comprehensive, the principal item not included and which is available from service facilities being outpatient care. Inclusion of outpatient care generally would pose even more formidable problems of administration and costs. This program admittedly is experimental and it seems wise to begin on a cautious basis.

This brings us to the consideration of the so-called freedom of choice provision that is contained in subsection 201 (b) of the bill. This subsection provides that the dependents for whom civilian care will be contracted may elect to receive medical care in service facilities or in private facilities, except that the Secretaries concerned may limit this privilege of election where spouses and children are residing with members in areas where adequate service medical facilities are available for dependents. Many private physicians and hospitals apprehend that the power to limit choice would cause the construction of new service hospitals and the induction of more physicians to provide dependent medical care. The view of the Department of Defense is that unlimited free choice could result in an unjustifiable and an uneconomical failure to use existing capacities at service hospitals. Career medical personnel of the services also desire the opportunity for a diversified practice afforded by treatment of dependents. Members on active duty presumably are healthy and their treatment offers limited diversification. This subsection has been left virtually intact by the committee in the realization that an expansion of service facilities or an increased requirement for service physicians solely to provide dependent medical care could not be accomplished without congressional approval. The committee is not disposed to assume that the present Secretary of Defense, or some future one, would flagrantly abuse the power to limit free choice.

The new authority for Government payment for civilian care should benefit private physicians and hospitals, if not by increasing volume, then certainly by assuring payment for services rendered, and it is difficult to foresee that the power to restrict free choice will substantially diminish this benefit.

The cost of this new civilian contract authority is estimated at between $50 and $55 million for the first year of operation. This estimate is arrived at by making an assumption of the number of eligible dependents and a further assumption that physicians and hospitals will agree to abide by a maximum fee schedule. By setting up a proportion involving ratios of the medical care provided outside the United States to the number of dependents overseas, where almost all medical care is provided in service facilities, and the medical care provided within the United States to the number of dependents here, it has been calculated that 40 percent of the eligible spouses and children of members of the uniformed services do not now receive medical care in service facilities within the United States. Since there are some 2.1 million spouses and children in this country, this means that almost 840,000 eligible dependents do not now receive care in service facilities. This does not mean that all 840,000 were turned away from service facilities, since undoubtedly many of them lived in remote areas or did not require medical care. The incidence of illness and hospitalization expected to occur among the 840,000 spouses and children is the basis for estimating the first-year cost at the figures I gave, to wit, from $50 to $55 million.

It should be made abundantly clear that the cost to the Government will be in the nature of a cost-plus arrangement, although that term has come to have an unpleasant connotation. Be-

cause of the many uncertainties, the medical service and health insurance organizations could hardly underwrite the program on a risk basis initially. Even so, this arrangement may inure to the financial benefit of the Government. What the contract probably will involve is payment by an intermediary, acting as fiscal agent for the Government, of the actual costs of medical and hospital care, with the fiscal agent receiving a fee or charge for administering the plan. Assuming that the cost of administration is reasonable, and the figure of 5 percent has been mentioned, the Government could finance this type of program cheaper than if the payments or premiums had to include elements attributable to risk and to reserves.

The bill provides for a review and adjustment of payments within 4 months after the end of the first year in which the plan operates, and for a report to the Armed Services Committees within 90 days of this review and adjustment. These reports would serve to inform the Congress on the reliability of the cost estimates and the amount attributable to the cost of administration.

As referred to the committee, the bill contained permissive authority for the Secretary of Defense to enter into a civilian medical-care plan for dependents other than spouses and children of active-duty personnel—parents and parents-in-law—for retired members and their dependents, and for dependent survivors of deceased personnel. The cost estimates for providing civilian medical care to persons in these categories were somewhat high in relation to the numbers involved because of the relatively higher ages of the retired members and dependents who would have been eligible. The committee deleted this permissive authority in the thought that a new program such as this should be started on a limited basis. If it proves workable and reasonable in cost as applied to the spouses and children of active-duty personnel, consideration may be given at a later time to an extension of the program. This is surely not the last occasion for congressional interest in the dependent medical-care program and the committee was not inclined to grant at this time every authority that may conceivably be desirable at some time in the future, as a result of experience gained from the operation of the plan.

Having discussed the principal new authority that this bill would grant, I now turn to the types of medical care that can be provided, and the persons eligible to receive this care, in medical facilities of the uniformed services. Today, the military departments furnish medical care to dependents under authority of different laws. These statutory provisions are incomplete and, as a result, there are differences among the services in the type of dependent medical care provided and in the dependents who are eligible to receive this care. Dependents of members of the Coast Guard when it is operating as a service in the Treasury can secure medical treatment only in facilities of the Public Health Service. The second major objective of the bill is to apply to all the services a common standard of dependent eligibility and the types of medical care authorized for dependents. The results of unification of the Armed Forces, first attempted in 1947, have been disappointing to many of us, but this would be another step in that direction.

Beyond the objective of achieving uniformity among the services, the bill also contemplates interchangeability of the medical facilities of the Armed Forces and of the Public Health Service.

Eligibility for care of dependents in service facilities would be established for wives and unmarried legitimate children under the age of 21. Also included are children over 21 who are incapable of self-support because of a physical or mental incapacity prior to reaching this age, and children under the age of 23 who are full-time students. The children and the unremarried widows of deceased personnel would be eligible for care in service facilities. Comparable definitions are provided for dependents of women members of the services, except that a husband must be dependent on the member for over one-half of his support, and the unremarried widower of a deceased female member would be eligible only if he were dependent upon her at the time of her death for over one-half of his support because of a mental incapacity.

Parents and parents-in-law have been excluded by the committee from the definition of eligible dependents. All the services now extend care to parents who are in fact dependent on the member for more than one-half of their support. The Army and the Air Force include parents-in-law who are dependent on the member for more than one-half of their support, but the Navy does not. If parents are to be made eligible, it is difficult not to include parents-in-law, stepparents, and persons who stand in loco parentis to the member. In the realization that 95 percent of the dependents of active duty personnel are spouses and children, the committee has excluded parents from eligibility rather than to venture into these indistinct and questionable areas.

For dependents to be eligible, the member must be on active duty or active duty for training under orders that do not specify a period of 30 days or less. The eligibility of dependents would terminate when the member is released to inactive duty. Dependents of persons who died while a member of a uniformed service, retired members, including those retired under title III of Public Law 810, 80th Congress, and their dependents, and dependents of persons who died while retired members would be eligible for medical care in service facilities. This eligibility, I should emphasize, depends upon the availability of the necessary space, facilities, and capabilities of the medical staff.

Service hospitalization is prohibited for domiciliary care and for elective medical and surgical treatments. Hospitalization for chronic diseases and for nervous and mental disorders would be authorized only in special cases of hardship for not to exceed 12 months. There is a general exclusion of the furnishing of prosthetic devices, hearing aids, orthopedic footwear, and spectacles, but exceptions may be made and these articles furnished at Government cost to persons outside the continental limits of the United States and at remote stations within the United States where adequate civilian facilities are not available. Home calls and ambulance service could be provided only in exceptional circumstances. Dental care for dependents is prohibited except in emergencies, as a necessary adjunct to medical or surgical treatment, and outside the United States or in remote areas within the United States where adequate civilian dental services are not available.

The limitations and exclusions I have just mentioned differ from current practice in that the Army and the Air Force provide dental care to dependents generally when this does not interfere with the dental care of persons on active duty, while for practical purposes the Navy provides no dental care for dependents. Another difference is that the Navy does not provide dependent care for nervous and mental disorders, nor does it provide domiciliary care, while the Army and the Air Force are not prohibited from furnishing such care when the necessary facilities are available. Still another change is that dependents of Navy and Marine Corps personnel would for the first time be eligible for treatment of contagious diseases.

One of the significant committee changes relates to the eligibility of persons retired under title III, Public Law 810, 80th Congress, and their dependents for medical care from service facilities. This eligibility now exists in the Navy, but not in the Army or the Air Force. Considering the emphasis that is being placed on vitalizing the Reserve forces, the committee was reluctant to acquiesce in what the Reservists considered an invidious exclusion. Admittedly, this is an area in which it is hard to reach an equitable solution, since reservists retired under title III will have periods of active duty ranging from none to almost 20 years.

Eliminated from the bill was a provision designed to place persons retired after having served on active duty for at least 30 years in a preferential status regarding their continued care in facilities of the uniformed services. The committee was not unsympathetic to the wishes of retired personnel to be hospitalized in facilities of the uniformed services instead of being transferred to other Federal hospitals under the control of the Veterans' Administration. However, there was a reluctance to nullify existing Executive orders requiring persons retired for physical disability who require hospitalization for blindness, tuberculosis, and psychiatric disorders to be treated in facilities of the Veterans' Administration. The committee was advised that the Veterans' Administration has special facilities for the treatment of these diseases and the Executive orders on the subject seem not to be unreasonable.

The bill contains provisions requiring transfers of funds between departments when members, retired members, or dependents, receive medical or dental care from facilities of a uniformed service

that is different from the one of which the member, or the sponsor of the dependent receiving care, belongs. The reimbursement is to be at rates established by the Bureau of the Budget to reflect the average cost of providing the care.

Retired enlisted personnel of all the services would be provided subsistence without charge when hospitalized in service medical facilities. Retired enlisted personnel of the Navy and the Marine Corps now receive a subsistence allowance when they are hospitalized in a Federal facility. This allowance is set off against the subsistence charge made against these retired persons when they are hospitalized. Retired enlisted personnel of the Army and the Air Force do not receive a subsistence allowance when hospitalized. To achieve uniformity, the bill provides that retired enlisted personnel of all services shall not be charged for subsistence when hospitalized in a service medical facility and repeals the existing law that grants subsistence allowances to retired personnel of the Navy and the Marine Corps when hospitalized.

Thus far, I have dealt more with what the bill would do than with the reasons for its enactment. Only last month, the President transmitted to the Congress a letter from the Secretary of Defense outlining major legislative proposals designed to improve military career incentives. Enactment of these measures was urged to stop expensive turnover of manpower in the Armed Forces. This bill is one referred to specifically in the President's message. Included in the letter from the Secretary of Defense are statistics disclosing the extent of fringe benefits now being offered by private industry. The statement is made that of industrial workers covered by some type of company sponsored health insurance plan, 70 percent of the covered workers are also offered health insurance for their dependents, and that for 38 percent of these, the employers assume the full cost for dependent coverage.

Mr. President, I am certain it is unnecessary for me to elaborate upon the importance of Congress taking every step possible to eliminate the great waste which is brought about by the excessive turnover of military personnel. A cynic might comment, however, that if the savings which it was estimated would accrue from the bills passed by Congress in recent years had actually accrued, the Department of Defense would practically be operating at a profit, because bill after bill has been introduced with the statement that the turnover of personnel would be reduced and thus there would be saved millions of dollars which it was necessary to spend in training replacements. Congress has enacted nearly every one of those bills, but the Military Establishment is not yet paying any dividends in the way of financial profit.

Seriously, it is practically impossible to establish a cause-to-effect relationship between the enactment of any one measure and a diminution of personnel losses. However, we are gratified to observe that within recent months reenlistments have increased. The Department of Defense officials attribute a part, at least, of the credit to the career incentive measures passed by Congress within recent years. I fervently hope that the passage of the bill will not only eliminate the inequities which have heretofore existed in furnishing medical care to the dependents of members of the Armed Forces, but that it will make a real contribution toward maintaining a more stable personnel structure.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. STENNIS. Mr President, I commend the Senator from Georgia for his excellent presentation of the bill and also for his work as chairman of the committee on the preparation of the bill. The bill has far-reaching consequences. It will set many precedents. It is of major importance, of course, to the members of the Armed Forces themselves.

I think there is one thought which the chairman shares with all members of the committee, namely, that a large amount of discretion is vested in the Secretary of Defense and the Secretary of Health, Education, and Welfare. As a member of the Committee on Armed Services, I should like to ask the Senator from Georgia if he does not agree with me that it is necessary to have a large amount of discretion vested in some Government agency in order to have the program operate successfully.

In the exercise of such discretion, does not the Senator feel that the utmost care, deliberation, painstaking attention, and sound judgment will be necessary in order to have the bill operate within the framework of what was intended by the committee in reporting it?

Mr. RUSSELL. As the Senator from Mississippi has well stated, this is one of the most unusual experiments to be conducted by the Government which has ever come to my attention, and I have been a Member of the Senate since the "100 days" of the Roosevelt administration in 1933. It is an entirely new venture into this field. It is, in effect, the Government undertaking to apply something similar to the Blue Cross and the Blue Shield to the dependents of persons in the Armed Forces.

It was impossible for the committee to write a detailed bill, which would have effectuated the purposes we had in mind, when there has been so little experience on which to predicate action. Therefore, it is absolutely necessary to vest very broad discretion in the Secretary of Defense.

As the Senator from Mississippi well knows, the committee undertook to elicit from the spokesman of the Department of Defense statements as to how it was proposed to exercise this discretion. The committee had to leave the matter of the administration of the plan very largely to the discretion of the Secretary of Defense, but we provided that periodic reports were to be made to the Congress.

The committee intends to keep in close touch with the operation of the program, so as to make certain that it is in no way abused and that it really accomplishes the purpose we have in mind, namely, the making available of medical care to the 40 percent of the dependents of those serving in the Armed Forces who are not now receiving it from service facilities.

Mr. STENNIS. I thank the Senator from Georgia for his additional remarks. I agree with him that we must emphasize the very grave responsibility which the Secretary of Defense and the Secretary of Health, Education, and Welfare carry under the operation of the bill.

It is my opinion that within the bill there is the framework of what could lead to the socializing of the great medical profession. I emphasize "could lead" to that. I do not believe the bill is intended to, or if soundly administered will, lead to that, or that the bill is a step in that direction. Nevertheless, it creates, as I see it, some possibilities which could be used as a leap in the direction of socialized medicine.

Mr. RUSSELL. If the proposed law is administered as it has been outlined to us it will be, it cannot lead to socialized medicine any more than the Blue Cross or the Blue Shield do; but I must say there are some elements of discretion which if improperly exercised might point in that direction.

Mr. STENNIS. That tends again to emphasize the importance of the sound, judicious use of the discretion vested in the two Secretaries.

Mr. RUSSELL. And it also emphasizes the responsibility of the Committees on Armed Services to keep in touch with the program, to make certain that no such thing occurs.

Mr. STENNIS. Yes; that is true, too. I thank the Senator from Georgia for yielding.

Mr. LANGER. Mr. President, I wish to commend the distinguished Senator from Georgia for the very excellent speech he has made in support of the bill. I agree with him wholeheartedly. I think it will be very fine for the Armed Forces to have this kind of measure passed.

Mr. RUSSELL. I thank the distinguished Senator from North Dakota.

The PRESIDING OFFICER. The committee amendment will be stated.

The amendment of the Committee on Armed Services was to strike out all after the enacting clause, and insert:

That this act may be cited as the "Dependents' Medical Care Act."

TITLE I

SEC. 101. The purpose of this act is to create and maintain high morale throughout the uniformed services by providing an improved and uniform program of medical care for members of the uniformed services and their dependents.

SEC. 102. (a) As used in this act—

(1) The term "uniformed services" means the Army, the Navy, the Air Force, the Marine Corps, the Coast Guard, the Commissioned Corps of the Coast and Geodetic Survey, and the Commissioned Corps of the Public Health Service.

(2) The term "member of a uniformed service" means a person appointed, enlisted, inducted or called, ordered, or conscripted in a uniformed service who is serving on active duty or active duty for training pursuant to a call or order that does not specify a period of 30 days or less.

(3) The term "retired member of a uniformed service" means a member or former member of a uniformed service who is entitled to retired, retirement, or retainer pay or equivalent pay as a result of service in a uniformed service.

(4) The term "dependent" means any person who bears to a member or retired member of a uniformed service, or to a person who died while a member or retired member of a uniformed service, any of the following relationships—

(A) the lawful wife;

(B) the unremarried widow;

(C) the lawful husband, if he is in fact dependent on the member or retired member for over one-half of his support;

(D) the unremarried widower, if he was in fact dependent upon the member or retired member at the time of her death for over one-half of his support because of a mental or physical incapacity;

(E) an unmarried legitimate child (including an adopted child or stepchild), if such child has not passed his 21st birthday; or

(F) an unmarried legitimate child (including an adopted child or stepchild) who (i) has passed his 21st birthday, if the child is incapable of self-support because of a mental or physical incapacity that existed prior to his reaching the age of 21 and is, or was at the time of the member's or retired member's death, in fact dependent on him for over one-half of his support, or (ii) has not passed his 23d birthday and is enrolled in a full-time course of study in an institution of higher learning as approved by the Secretary of Defense or the Secretary of Health, Education, and Welfare and is, or was at the time of the member's or the retired member's death, in fact dependent on him for over one-half of his support.

(b) Except as otherwise provided in this act, the Secretary of Defense shall administer this act for the Army, Navy, Air Force, and Marine Corps and for the Coast Guard when it is operating as a service in the Navy, and the Secretary of Health, Education, and Welfare shall administer it for the Coast and Geodetic Survey and the Public Health Service, and for the Coast Guard when it is not operating as a service in the Navy.

SEC. 103. (a) Whenever requested, medical care shall be given dependents of members of a uniformed service, and dependents of persons who died while a member of a uniformed service, in medical facilities of the uniformed services subject to the availability of space, facilities, and the capabilities of the medical staff. Any determination made by the medical officer or contract surgeon in charge, or his designee, as to availability of space, facilities, and the capabilities of the medical staff, shall be conclusive. The medical care of such dependents provided for in medical facilities of the uniformed services shall in no way interfere with the primary mission of those facilities.

(b) In order to provide more effective utilization of medical facilities of the uniformed services, the Secretary of Defense and the Secretary of Health, Education, and Welfare shall jointly prescribe regulations to insure that dependents entitled to medical care in a medical facility of a uniformed service under the provisions of this act shall not be denied equal opportunity for medical care because of the service affiliation of the service member.

(c) The Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, shall establish fair charges for inpatient medical care given dependents in the facilities of the uniformed services, which charges shall be the same for all dependents.

(d) As a restraint on excessive demands for medical care under this section, uniform minimal charges may be imposed for outpatient care but such charges shall be limited to such amounts, if any, as may be established by the Secretary of Defense after consultation with the Secretary of Health, Education, and Welfare, under a special finding that such charges are necessary.

(e) Any amounts that are received in payment for subsistence and medical care rendered dependents in facilities of the uniformed services shall be deposited to the credit of the appropriation supporting the maintenance and operation of the facilities furnishing the care.

(f) Medical care under this section shall be limited to the following:

(1) Diagnosis;

(2) Treatment of acute medical and surgical conditions;

(3) Treatment of contagious diseases;

(4) Immunization; and

(5) Maternity and infant care.

(g) (1) Hospitalization under this section is not authorized dependents for domiciliary care or elective medical and surgical treatments.

(2) Hospitalization under this section is not authorized dependents with nervous and mental disorders or chronic diseases, except that the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, by regulation, may provide in special cases for hospitalization of not to exceed 12 months for dependents with such disorders or such diseases.

(h) Dependents shall not be provided under this section—

(1) prosthetic devices, hearing aids, orthopedic footwear, and spectacles, except that outside the continental limits of the United States and at remote stations within the continental limits of the United States where adequate civilian facilities are not available, those items, if available, from Government stocks, may be provided to dependents at prices representing invoice cost to the Government;

(2) ambulance service, except in acute emergency;

(3) home calls, except in special cases where it is determined by the medical officer or contract surgeon in charge, or his designee, to be medically necessary;

(4) dental care, except—

(A) emergency care to relieve pain and suffering but not to include any permanent restorative work or dental prosthesis;

(B) care as a necessary adjunct to medical or surgical treatment; and

(C) outside the continental limits of the United States and in remote areas within the continental limits of the United States where adequate civilian dental facilities are not available.

TITLE II

SEC. 201. (a) In order to assure the availability of medical care for the spouses and children who are dependents of members of the uniformed services, the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, shall contract for medical care for such persons, pursuant to the provisions of this title, under such insurance, medical service, or health plan or plans as he deems appropriate, which plan or plans shall not include more than the following:

(1) Hospitalization in semiprivate accommodations up to 365 days for each admission, including all necessary services and supplies furnished by the hospital during inpatient confinement;

(2) Medical and surgical care incident to a period of hospitalization;

(3) Complete obstetrical and maternity service, including prenatal and postnatal care;

(4) Required services of a physician or surgeon prior to and following hospitalization for a bodily injury or for a surgical operation;

(5) Diagnostic tests and procedures, including laboratory and X-ray examinations, accomplished or recommended by a physician incident to hospitalization.

For each admission the plan shall also provide for payment by the patient of hospital expenses incurred under paragraph (1) hereof either (1) $25 or (2) the charge established pursuant to section 103 (c) of this Act multiplied by the number of days hospitalized, whichever is the greater.

(b) The dependents covered under this section may elect to receive medical care under the terms of this act in either the facilities of a uniformed service under the conditions specified in title I of this act or in the facilities provided for under such insurance, medical service, or health plan or plans as may be provided by the authority contained in this section, except that the right to such election may be limited under regulations prescribed by the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare, for such dependents residing in areas where the member concerned is assigned and where adequate medical facilities of a uniformed service are available for such dependents.

SEC. 202. Any insurance, medical service, or health plan or plans which may be entered into by the Secretary of Defense with respect to medical care under the provisions of this act shall contain a provision for a review, and, if necessary, an adjustment of payments by the Secretary of Defense or Secretary of Health, Education, and Welfare not later than 120 days after the first year the plan or plans have been in effect and each year thereafter. Within 90 days after each such review, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and of the House of Representatives a report covering the payments made during the year reviewed, including any adjustment thereof.

SEC. 203. In order to effectuate the purposes of this title, the Secretary of Defense is authorized to establish insurance, medical service, and health plan advisory committees to advise, consult, and make recommendations to the Secretary of Defense, provided that the Secretary issues regulations setting forth the scope, procedures, and activities of such committees. These committees shall consist of the Secretary of Defense or his designee, who shall be chairman, and such other persons as the Secretary may appoint. Their members shall be, to the extent possible, representative of insurance, medical service, and health plan or plans, and shall serve without compensation but may be allowed transportation and per diem in lieu of subsistence and other expenses.

SEC. 204. The scope of medical care provided under this title shall not exceed the maximum care provided under title I.

TITLE III

SEC. 301. (a) Medical and dental care in any medical facility of the uniformed services shall, under regulations prescribed jointly by the Secretaries of Defense and Health, Education, and Welfare, be furnished to all persons on active duty or active duty for training in the uniformed services.

(b) Medical and dental care in any medical facility of the uniformed services may, under regulations prescribed jointly by the Secretaries of Defense and Health, Education, and Welfare, be furnished upon request and subject to the availability of space, facilities, and capabilities of the medical staff, to retired members of the uniformed services.

(c) Medical care in any medical facility of the uniformed services may, under regulations prescribed jointly by the Secretaries of Defense and Health, Education, and Welfare, be furnished upon request and subject to the availability of space, facilities, and capabilities of the medical staff, to dependents of retired members of the uniformed services and dependents of persons who died while a retired member of a uniformed service, except that any such care furnished such dependents shall be limited to the care authorized dependents of members of the uniformed services under title I of this act.

(d) When a person receives inpatient medical or dental care pursuant to the provisions of this act in a facility of a uniformed service that is not the service of which he is a member or retired member, or that is not

the service of the member or retired member upon whom he is dependent, the appropriation supporting the maintenance and operation of the medical facility furnishing the medical care shall be reimbursed at rates established by the Bureau of the Budget to reflect the average cost of providing such care.

SEC. 302. Commissioned officers and warrant officers, active and retired, shall pay an amount equal to the portion of the charge established under section 103 (c) of this act that is attributable to subsistence when hospitalized in a medical facility of a uniformed service. Retired enlisted personnel, including members of the Fleet Reserve and the Fleet Marine Corps Reserve, shall not be charged for subsistence when hospitalized in a medical facility of a uniformed service.

SEC. 303. Where a person who is covered under an insurance, medical service, or health plan or plans, as provided in this act, requires hospitalization beyond the period of time provided under such plan or plans, if such hospitalization is authorized in medical facilities of a uniformed service, such person may be transferred to a medical facility of a uniformed service for the continuation of such hospitalization. Where movement to such medical facility is not feasible, the expenses for such additional hospitalization required by such person in a civilian facility are authorized to be paid, subject to such regulations as the Secretary of Defense after consultation with the Secretary of Health, Education, and Welfare, may prescribe.

SEC. 304. All determinations made under this act by the Secretary of Defense or the Secretary of Health, Education, and Welfare with respect to dependency shall be conclusive for all purposes and shall not be subject to review in any court or by any accounting officer of the Government, except for cases involving fraud or gross negligence. Such determinations may at any time be reconsidered or modified on the basis of new evidence or for other good cause.

SEC. 305. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

SEC. 306. The following laws and parts of laws are hereby repealed:

(1) So much of the act of July 5, 1884 (ch. 217, 23 Stat. 107), as is contained in the proviso under the heading "Medical Departments";

(2) The act of May 10, 1943 (ch. 95, 57 Stat. 80), except section 4 of such act, and except that part of section 5 which relates to persons outside the naval service mentioned in section 4 of such act;

(3) Section 326 (b) of the Public Health Service Act, except as it relates to dependent members of families of ships' officers and members of crews of vessels of the Coast and Geodetic Survey;

(4) Section 710 (a) of the act of July 1, 1944 (ch. 373, 58 Stat 714), as amended;

(5) Public Law 108, approved June 20, 1949, to the extent it authorizes hospital benefits for dependents of members of the Reserve components of the Armed Forces;

(6) Section 207 of the act of June 25, 1938 (52 Stat. 1180).

SEC. 307. This act shall become effective 6 months after enactment.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 9429) was read the third and passed.

FIFTIETH ANNIVERSARY OF THE DEATH OF CARL SCHURZ

Mr. LANGER. Mr. President, I ask unanimous consent, because of a temporary affliction to my eyes, that a speech I have prepared be read by the clerk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chief Clerk read as follows:

Mr. LANGER. Mr. President, I wish to call attention to the fact today, the 14th of May, that half a century has passed since the death of Carl Schurz, who became an outstanding citizen of the United States.

At the time of President Grant's administration he was a Member of the Senate and as such a member of the Foreign Relations Committee. Therefore, it seems altogether fitting and proper that today he should be honored in this Chamber. The life of Carl Schurz has been a source of inspiration to many Americans and, I may add, he has been a hero to me since early boyhood.

Let us, for a moment, look back over the wide range of his life, his youth in Germany and the courageous part he took in the struggle for political freedom and unity of the people over there. Let us then visualize his amazing career in this country. From an unknown immigrant he rose, within 5 years, to be the unanimous choice of his party for the office of lieutenant governor of Wisconsin, losing the election by only a small margin of votes.

Today, we also remember him as an American Minister to Spain, as a major general of the Union Army and commander of the XI Corps in the Battle of Gettysburg, as a United States Senator from Missouri, as President Hayes' Secretary of the Interior, as an eminent editor and author, a sturdily independent, public-spirited citizen, and an outstanding political leader.

In the whole history of this Nation, there was perhaps no other man of foreign birth so perfectly welded into the life and fabric of his adopted country who played an equally important role.

Some of Carl Schurz' keen observations, though written many decades ago, are as timely today as if they were made just now. He was probably one of the first, in 1858, to perceive the greatness of Abraham Lincoln. In October 1864, when Lincoln's administration was severely criticized, and his reelection at the polls by no means certain, Carl Schurz wrote these words:

I will make a prophecy which may perhaps sound strange at this moment. In 50 years, perhaps much sooner, Lincoln's name will stand written upon the honor roll of the American Republic next to that of Washington, and there it will remain for all time. The children of those who now disparage him will bless him.

Carl Schurz was not born an English-speaking person. He did not learn our language in school, but acquired the knowledge of it in manhood. Yet he became a master of it as he made American political ideals his own ideals. Some passages of his speech, On True Americanism, delivered in 1859, nearly a century ago, still have a timely note when we think of the unfortunate peoples now enslaved by the Kremlin dictators and their satellite henchmen:

America and Americanism—

Schurz spoke of his early experiences in Germany—

appeared to me as the last depositories of the hopes of all true friends of humanity. I say this to show you what America is to the thousands of thinking men in the Old World, who, depressed by the saddest experience, cling with their last remnant of confidence in human nature, to the last spot on earth where man is free to follow the road to attainable perfection, and where he acts on his own responsibility.

Schurz then proceeded to speak of the various elements making up the fabric of our Nation:

The Anglo-Saxon establishes and maintains his ascendancy, but without absolutely absorbing the other national elements. They modify each other, and their peculiar characteristics are to be blended together by the all-assimilating power of freedom. This is the origin of the American nationality, which did not spring from 1 family, 1 tribe, 1 country, but incorporates the vigorous elements of all civilized nations on earth.

The Anglo-Saxon, the leader in the practical movement, with his spirit of independence, of daring enterprise and of indomitable perseverance; the German, the original leader of the movement of ideas, with his spirit of inquiry and his quiet and thoughtful application; the Celt with the impulsive vivacity of his race; the Frenchman, the Scandinavian, the Scot, the Hollander, the Spaniard, and the Italian—all these peaceably congregating and mingling together. Thus was founded the great colony of free humanity, which has the world for its mother country.

Schurz ended his ringing appeal for true Americanism—let the makers of Yalta and Potsdam take notice—with these words:

It is a matter of historical experience, that nothing that is wrong in principle can be right in practice. People are apt to delude themselves on that point; but the ultimate result will always prove the truth of the maxim.

The logic of things and events cannot be turned and twisted by artificial arrangements and delusive settlements; it will go its own way with the steady step of fate.

Thus we mean to answer the anxious question of downtrodden humanity: "Has man the faculty to be free and to govern himself?" The answer is a triumphant "Aye," thundering into the ears of despots of the Old World that "a man is a man for all that"; proclaiming to the oppressed that they are held in subjection under false pretenses; cheering the hearts of the despondent friends of man with consolation and renewed confidence. This is true Americanism, clasping mankind to its great heart. Under its banner we march; let the world follow.

In order fully to appreciate these words, it should be realized that the speaker, Carl Schurz, was then an American citizen of not yet 2 years standing. He was addressing in Boston's time-honored Faneuil Hall an audience of distinguished New Englanders, among whom were Henry Wadsworth Longfel-

low and Oliver Wendell Holmes. It was to them that he expounded the meaning of true Americanism.

The life of Carl Schurz thus proves to all the world that this truly is a land of opportunity. This is a land of political opportunity, not for those who preserve their alien identity, and would wish to scheme for aliens' aims, but for those who fully merge themselves into their adopted country and wholeheartedly dedicate themselves to the noble ideals guiding the course of this Nation of ours to an ever-greater role in the affairs of mankind.

Mr. President, I ask, furthermore, unanimous consent to have printed in the RECORD as a part of my remarks the English version of an article in commemoration of Carl Schurz, which has just been published in the Bonn weekly journal, Das Parlament. The article may indicate how closely the Germans are in unison with us in acclaiming the record of a great political figure. The author, Dr. Richard Sallet, is a known scholar and outstanding student of American-German relations.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CARL SCHURZ, CHAMPION OF FREEDOM AND JUSTICE IN GERMANY AND THE UNITED STATES

(By Richard Sallet,[1] member of the Steuben-Schurz-Gesellschaft)

Born, March 2, 1829, Liblar near Bonn; died, May 14, 1906, New York City. In commemoration of the 50th anniversary of the death of the American statesman.

There is a long line of distinguished Americans of German birth, such as Peter Minnewit, who in 1626 bought Manhattan Island for $24, and in 1638 established the Swedish colony in what is now Delaware, or John Peter Zenger, the New York printer, who in 1735 fought the first successful battle for the freedom of the press, continuing with Theodore Frelinghuysen, Henry Melchior Muhlenberg, Baron von Steuben, John Jacob Astor, Francis Lieber, Ottmar Mergenthaler, and many others. None of them, however, played as prominent a role in American public life as Carl Schurz. The happy nature of a son of the Rhineland may have facilitated his auspicious start in the United States; but it was the intense urge for individual and political freedom—an urge which should be emulated by Germans of today—which rapidly led him into politics in America as naturally as a duck takes to the pond.

In his famous speech on True Americanism, delivered in April 1859 in Boston's traditional Faneuil Hall, Schurz tells a touching incident, how as a small boy in his native village of Liblar he had watched in the dawn of a morning the covered wagon train of an emigrant family wending its way along the ancient Roman military road to Cologne. They were part of that wave of German emigrants to America among whom we remember Gustave Koerner, later to become lieutenant governor of Illinois. Then and there it was, Schurz told his audience, that the United States for the first time entered his mind, when he overheard one of the bystanders characterize it as "the country where a man can be himself."

His brief career in Germany came to an abrupt and dramatic end. After an elementary education in his father's village school in Liblar he attended classes in the neighboring town of Bruehl and, then, the gymnasium in Cologne after which he was admitted to Bonn University. Here the rebellion of 1848 drew him into politics with an irresistible force. At the first students' meeting he showed early oratorical talent. With his teacher, Gottfried Kinkel, a young assistant professor, he stood on the stairways of Bonn's city hall unfurling the black-red-gold flag of a Germany united in freedom. But the people did not respond to his call for a levy in mass and young Schurz, a few months later, had to "skip town." He joined insurgent troops in the defense of Rastatt, Baden, and when this last stronghold of the revolutionaries fell, he escaped to Switzerland. Kinkel, his teacher, was arrested and imprisoned in Spandau. In the autumn of 1850, Schurz secretly returned to Germany and, in a most daring coup, got Kinkel out of prison and safely to Britain.

There and in France, Schurz earned a livelihood working as a newspaper correspondent. However, he was unable to adapt himself to refugee life there. Doubtful of an early political change in Germany, he decided to migrate to America and, in 1852, landed in New York. The former student of classic languages acquired his first knowledge of English from a classic piece of English political literature, the Letters of Junius, which he translated and retranslated checking his style. Thus, he himself became a master of this language. Frederic Bancroft, who edited the six volumes of speeches, correspondence, and political papers of Carl Schurz, called him "our American Burke," and stated that his mastery of English has perhaps never been and may never be surpassed by any German beginning to learn it after reaching manhood.

When in March 1854, Schurz for the first time visited the Nation's Capital, he was able to discuss with several Members of Congress the political affairs of Europe and America. Again it became evident that politics was his field. "When I come in touch with this atmosphere of political activity, I feel the old fire of 1848 running through my veins as fresh and young as ever," he wrote his wife. "I feel that the true vocation of my life lies where my endeavor will reach out to universal problems." One of those Congressmen meeting him again on the following day remarked: "Sir, you have a fair opening before you. You will have a future in this country. I talked about you with my friends and we came to the conclusion that, if you settle in one of the new States, we will meet you in a few years in this city, and then we shall listen to you in the Halls of Congress as you now listen to us."

Schurz heeded the advice and moved to Wisconsin, which had been admitted to statehood 6 years before, settling in the village of Watertown. His clear perception of American life is shown in one of his very first letters written from America: "If there should not be any brighter prospects, I shall at once go into a legal career. Lawyers are the regular politicians of the people." In 1858, he opened a law office in Milwaukee.

From the very first day, Schurz clearly saw his future in the United States and dedicated himself wholeheartedly to the country of his choice. This was in contrast to Francis Lieber, Frederick Kapp and others who for many years could not rid themselves of the idea of returning to the old country. Kapp abandoned a highly prosperous New York law practice, returned to Germany and was elected to the Reichstag.[2] "I love America," Schurz wrote in 1855 to Kinkel, "I am vitally interested in the things about me—they no longer seem strange. I find that the question of liberty is in its essence the same everywhere, however different its form * * * My interest in the political contests of this country is so strong, so spontaneous, that I am profoundly stirred. More self-control is required for me to keep aloof than to participate in them." Schurz never went into any venture in a half-hearted way; after carefully making up his mind he would then stand up and be counted.

The time of 1856, just a century ago, was eventful for both Carl Schurz and his wife, Margarethe Meyer Schurz. This year marks the 100th anniversary of the opening by Mrs. Schurz of the first American kindergarten in Watertown, Wis. Today, in the United States alone, tens of thousands of kindergarten classes are attended by the majority of American children of kindergarten age. The word has since been adopted by English-speaking people everywhere. Carl Schurz himself had been campaigning in 1856 for the presidential candidate of the newly founded Republican Party with such striking success that in the following year the Republican State convention unanimously nominated him for lieutenant governor. He lost the election by an eyelash, 107 votes, and this 5 years after landing as an immigrant in America. His speeches were widely printed and commented upon. Even in Minnesota, then the frontier of white man's settlement, his name became known in almost every log cabin, and sturdy pioneers came from far afield to listen to that tremendous Dutchman. Literary giants like Longfellow and Holmes were impressed by the careful and accurate diction with which he expounded his thoughts in English.

In 1860, Schurz headed the Wisconsin delegation to the Republican National Convention, participated in drafting the platform, and cooperated in nominating Abraham Lincoln. "You are an awful fellow. I understand your power now," said Lincoln to him when he listened to one of his speeches. After the Presidential inauguration, Lincoln appointed Schurz, 32 years of age at the time, to be American minister at Madrid. But the tour of duty in diplomacy was an intermezzo. A strong sense of responsibility for his adopted country drew him to the battlelines of the raging Civil War. One curious incident might be mentioned here: His Excellency the Honorable Carl Schurz, Envoy Extraordinary and Minister Plenipotentiary of the United States near the Court of Her Royal Majesty the Queen of Spain, chose to return from Madrid via Hamburg. However, the warrant for his arrest still being in the files of many police stations in Prussia, the Berlin Minister for the Interior, Count Schwerin, found it necessary to issue urgent instructions that no objection should be raised to the passage of "the Schurz." (The most noble count did not concede to the American diplomat as much as the humble appellation of "Mr.")

Carl Schurz was appointed brigadier general and went to the front. He was eventually promoted major general, then the highest attainable United States Army rank, and in 1863 commanded with distinction the XI Corps in the Battle of Gettysburg. After the war he settled down in Washington and became correspondent for the New York Tribune. The general's sword decorated a wall of his study while the children played with spurs and riding whip. A year later he edited the Detroit Post, and sometime

[1] Dr. Sallet has been following, in the United States, the career of Carl Schurz for many years and knew some of his friends and disciples. He was graduated from Harvard, received a doctorate from Königsberg, taught government at Northwestern University, had later been in the German Foreign Service, and is the author of several volumes dealing with diplomacy, history, and geography.

[2] His name is today remembered in Germany chiefly through his New York born son who, in 1921, headed an ill-starred putsch against the Reich government.

thereafter joined his friend, Dr. Emil Praetorius, in publishing and editing the Westliche Post, a German-language daily in St. Louis. The career of newspaperman with which Schurz at one time or another was connected throughout his life found a temporary end in 1869. So successful had he been campaigning, in the preceding presidential election, for his old commander in chief, Ulysses S. Grant, that the Missouri Legislature after only 2 years of residence in that State elected him to the Senate in Washington.

The office of United States Senator is the highest distinction which the American people can by elective choice confer upon a foreign-born naturalized citizen. When on March 4, 1869, the 40-year-old Carl Schurz took his seat in the Senate Chamber he may well have remembered the words of that Congressman at his first visit to the Nation's Capital 15 short years ago. Schurz was appointed to the Senate Foreign Relations Committee headed at the time by his friend, Senator Charles Sumner. Though Schurz had been in 1868 a temporary chairman of the Republican National Convention which nominated General Grant it did not mean that he was now willing to follow automatically the President's policies. Quite to the contrary; during his 6 years in the Senate, Schurz persistently fought the principal legislative measures of the Grant administration. When at the next presidential election in 1872 the Republicans renominated Grant, Schurz and other progressives organized a Liberal Republican Party and nominated as their candidate Horace Greeley.[3]

In the Hayes-Tilden campaign of 1876 Schurz supported the Republican candidate. After his election Hayes invited Schurz to join his cabinet as Secretary of the Interior. It was in this office that he achieved an outstanding record. Schurz brought about an improvement in the condition of the colored population; he saw to it that restitution was made for the wrong done the Ponca Indians of Dakota and that an end was put to exploitation of the Indian population; that the great forest reserve was protected against exhaustion and first steps were taken toward the exemplary American forestry service of today. He also laid the basis for the national parks which as preserves of nature are now being admired the world over; and he brought about, in his Department of the Interior, a civil-service reform that became a model reform for all Federal offices. (In later years he presided over the Civil Service Reform League.) Though Schurz achieved this record as a Cabinet member in a Republican administration it is characteristic of his thoroughly independent thinking that in the presidential campaigns of 1884, 1888, and 1892 he threw the whole weight of his influence in the balance for the Democratic candidate, Grover Cleveland, whose fight for integrity in administration has been his mark in history.

Returning to private life and the newspaper profession Schurz for several years was editor in chief and copublisher of the New York Post and for 6 years an editorial writer for Harper's Weekly. For 4 years he represented as general agent the Hamburg-American Line. He also distinguished himself as an author. In the biographical series on American statesmen, Houghton, Mifflin & Co. in 1887 published his two volumes on the Life of Henry Clay.[4] In its edition of June 1891, the Atlantic Monthly published his 30-page essay on Abraham Lincoln, a review of the big Lincoln biography of J. G. Nicolay and John Hay.[5] This book review, separately printed, went through numerous editions—the latest in 1920 with a foreword by Calvin Coolidge, the later President—and is still considered by American historians to be the best essay on Lincoln.

In the presidential campaign of 1896, Schurz once more favored the Republican candidate, William McKinley, and warned against unsafe currency plans of the Democratic candidate, William J. Bryan. When McKinley was elected plans were soon afoot to have Schurz join his Cabinet. It was at this point that Schurz gave an example of his uncompromising sincerity in public life—a principal note of his character: In a public letter he requested that under no circumstances be he considered for a place in the Cabinet. The writer suggests to project this occurrence upon our own West German political institutions to realize how far we are from having reached this high level.[6] When in 1900 McKinley was renominated, Schurz this time came out in favor of the Democratic candidate, Bryan, because conscience demanded that he oppose the imperialistic trend of his own party; he remained true to his ideal. Opposing the rising imperialistic trend, a chapter in American history which ended about the first decade of this century, filled a major part of his later years. While a Senator Schurz had successfully opposed Grant's intention to annex Santo Domingo and had later on fought every attempt—more correctly; temptation—to extend the domain of the United States over Cuba and other Central American countries. Adding tropical lands with a racially different population he regarded as dangerous to his ideal of freedom.

His political maxim was a sentence taken from the famous utterance of Stephen Decatur, "Our country, right or wrong!"—which Schurz had amended in his own characteristic way: "If right to be kept right; if wrong to be set right." Verily, this is a truly democratic way of thinking. Shortly before his death Schurz urged the then young Governor of Wisconsin, Robert M. La Follette, a sturdy independent, to go to the Senate in Washington. The latter has in some respects been a disciple of Schurz.

Viewing, in retrospect, the long career of this one-time rebel of 1848, the question may be raised: Does Carl Schurz still have a message for the present-day generation? The writer would draw the attention to three aspects of his life. Firstly, his conduct as a citizen. Schurz was an exemplary politician in the best meaning of that word. Never would he for political advantage compromise his principles of right and justice, but would rather choose to go the thorny path of opposition. Secondly, and this may be especially appropriate after 10 years of United States occupation rule in Germany, his opinion of the American people merits the attention of every interested German. In a letter to a fraternity brother of student days in Bonn he wrote: "Here in the United States you see humanity as it is with all its obvious shortcomings and all its hidden virtues. The former should not frighten you away from the effort to realize the latter. Only thus will you understand one another."

His views about the purpose of the German element in the United States is most noteworthy. How much confusion and tragic damage would have been averted had people in later years paid close attention to it: "The so-called mission of Germandom in America of which some people make so many words can consist only of a modification by the German way of the American way of thinking, while the two nationalities merge." On the position of the United States in a future world Schurz wrote in 1863 to this same fraternity brother these prophetic words: "In this Nation, the sum, the amalgam of all civilized nations there is a Titanic strength which will draw humanity forward like a giant locomotive. Old Europe is going to feel its power."

And, lastly, his observations on the relationship between the United States and Germany: About 100 years ago, not yet 3 years after his landing in New York, we read in a letter of the 26-year-old to his teacher and friend, Gottfried Kinkel: "It is my belief that the future interests of America and Germany are closely interwoven. The two countries will be natural allies. * * * However different the two nations may be in character, they will have the same opponents, and that will compel them to have a corresponding foreign policy. American influence in Europe will be based on Germany, and Germany's world position will depend essentially on the success of America. Germany is the only power in Europe whose interests will not conflict with those of America, and America is the only power in the civilized world that would not be jealous of a strong, united Germany * * * the Germans will become convinced of it as soon as they consider a national foreign policy." The letter, dated March 25, 1855, could almost have been written a century later.

Since the Venezuelan crisis had, like a sudden lightening in the dark, thrown American-German relations into sharp relief, the elderly Schurz contemplated about it on various occasions. On February 5, 1903, at a time when the reorientation of American policy toward Europe was in process, he answered an inquiry about the possibility of a war against Germany: "A war between the United States and Germany would be so awful, so incalculable a calamity that only the most absolute and evident necessity could serve as an excuse for it. * * * In fact, there is no real question of difference between the two countries important enough to disturb their ancient friendship. A war between them would therefore not only be criminal, but idiotic."

While at the conference of the Great Powers in Algeciras the United States was about to take position against Germany, Carl Schurz in one of his very last letters, dated April 8, 1906, wrote: "It is a matter of course that every proper effort to guard against any disturbance of the existing peaceable and friendly relations between the United States and Germany has my sincerest and warmest sympathy. The friendship between the United States and Germany is as old as this Republic itself. It has remained unbroken because it was demanded by all considerations of interest, of civilization and of international good will. And it is as much so today as ever before. There is between the two nations not the slightest occasion for discord. To provoke such a discord without the most imperative cause would be a crime as well as an absurdity. I am well aware that here as well as abroad voices are sometimes heard which represent as probable such a discord and even an armed conflict between the two nations. I do not hesitate to say that whoever wishes a war without the most commanding necessity belongs to an era of barbarism but not to the civilized society of this century."

In spite of the reassuring words to the addressee there is in this letter an underlying note of apprehension—so well justified since the Venezuelan affair—that the two nations were parting ways and that a critical period lay ahead for American-German relations which, a half century before, the

[3] Horace Greeley found among the German element many admirers. The father of the later Reich bank president, then living in the United States, named his son in honor of the great American editor, Hjalmar Horace Greeley Schacht.

[4] Henry Clay is the great-granduncle of Gen. Lucius DuBignon Clay, lately head of the American Military Government in Germany.

[5] The two former private secretaries to the martyred President. John Hay became later well-known as Secretary of State.

[6] A few years before, a group of New York German-Americans, having learned of the difficult financial situation of Carl Schurz, subscribed to a fund of $100,000; but Schurz protested and refused to accept the gift.

young immigrant had so uncannily forecast. Five weeks later, Schurz fought his ultimate battle. "It is so easy to die," were his last spoken words.

Fifty years have passed since. They were filled with mounting political enmity, two bloody wars, crushing defeats of Germany, endless misery, and now a new beginning. And, again, "voices are sometimes heard" arguing that the relations between the two nations may once more become problematical. Are we to share the last worries of the great man? After a few brief years of pursuing a common goal, are we again moving toward a critical phase? This writer shares, and opts for, the conception of young Carl Schurz in March, 1855.

Mr. LANGER. Mr. President, today, in the city of Bonn, West Germany, a bust of our American statesman, Carl Schurz, is being unveiled on the grounds of the university. Bonn had been the scene of his first political activities when, in the turbulent year of 1848, he had been a student at its university. The bust of Carl Schurz is to remind young Germans of this and coming generations of their obligation to live up to his inspiring example.

Mr. President, I ask unanimous consent to submit a resolution by conveying friendly greetings to the Bundestag of the West German Federal Republic upon the unveiling of this monument in honor of Carl Schurz, and I ask that it be appropriately referred.

The PRESIDING OFFICER. Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 263) was referred to the Committee on Foreign Relations, as follows:

Resolved, That the Senate hereby conveys friendly greetings to the Bundestag of the West German Federal Republic on the occasion of the unveiling of a bust on the campus of the University of Bonn in honor of Carl Schurz.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from New York.

Mr. LEHMAN. I wish to associate myself with the remarks of the distinguished senior Senator from North Dakota. I knew Carl Schurz as a boy and a young man. He was an intimate friend of my father, and I went to school with some of his sons. He was a man who had won the respect of the American people, both because of his service in the war, as a leader of the military forces, and also as a man of peace, who helped to build up the growing country and played a great role in bringing prosperity, security, and peace to our Nation.

I am very glad, indeed, that the senior Senator from North Dakota has given expression to his admiration, in which I share, for this man and has recommended the observance of the 50th anniversary of his death.

Mr. LANGER. I thank the junior Senator from New York.

Mr. PAYNE. Mr. President, I suggest the absence of a quorum.

Mr. LANGER. Mr. President, I have the floor. I shall not yield for that purpose.

ANALYSIS OF THE MIDDLE EAST SITUATION

Mr. MORSE. Mr. President, at this point will the Senator from North Dakota yield to me?

Mr. LANGER. I am glad to yield to the Senator from Oregon.

Mr. MORSE. I thank the Senator from North Dakota; this is another example of the very great courtesy he always extends, not only to the Senator from Oregon, but to all his colleagues in the Senate. I would not request the Senator from North Dakota to yield to me at this time, except for the fact that I have some Senate business off the floor to which I must proceed at once.

Mr. President, I have the habit of accumulating in my office material which periodically I seek to introduce into the RECORD. At this time I shall request consent to have several such items printed in the RECORD.

Mr. President, I have received a very penetrating and keen analysis of the Middle East situation, by a constituent of mine, Mr. Fred E. Taylor, who lives at Lincoln Beach, Oreg. He has traveled extensively in the Middle East, and he has written me a letter setting forth his observations. I wish to say I believe they constitute one of the best discussions of the Middle East problems that I have read in recent months. He is critical of American foreign policy in the Middle East and, certainly, there is much about our foreign policy in the Middle East that should be criticized. I happen to hold to the point of view that in the Middle East we are selling freedom short, and it is going to plague us, as will be seen when the history of this particular period is written.

I ask unanimous consent to have Mr. Taylor's letter printed at this point in the body of the RECORD, in connection with my remarks. His letter gives an analysis which I hope each Senator will read.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LINCOLN BEACH, OREG.,
April 10, 1956.

Senator WAYNE MORSE,
United States Senate Offices,
Washington, D. C.

DEAR SENATOR MORSE: This letter is the substance of one sent the President's office in which I expressed my personal confusion and the deep concern of myself and many others over our policy in that portion of the globe long known as "a low pressure area of international storms," the Near and Middle East.

We cannot understand the spirit that would nurture potential democracies and friendly nations as we do on one hand and on the other seemingly disregard the one bastion of free people in that section of the world. In recent years I visited over 21 different countries. This does not qualify me as an authority, however, my study of these lands, extending over many years, together with my visit tags Israel as one of the relatively few countries where you actually see democracy at work—where even their bitter enemies, the Arabs, are given the right to vote and hold office, and they do. At the end of October 1955, there were 198,000 non-Jews (mostly Arabs) in Israel out of its population of 1,774,000.

On the other hand I talked to many in isolated places where, particularly the British were subsidizing and training Arab forces to fight Israel, much to the disgust and distrust of some of the British officers. The chickens are now coming home to roost. We delighted in our visit to the Arab lands and learned to think much of these sons of Ishmael, who have willingly, and according to the will of Allah, lived under centuries of oppressive rule, but I deeply regret our position of courting their feudal lords for their grimy oil dollars. Certainly our position is not morally sound and I doubt its economic stability over a long-term period.

I suggest that there are far more people than you may think who are much disturbed with the position we hold but who, like myself, hesitate to join the critics of any administration because of the tiresome and inconsistent bickering of political leaders. I say this as a registered Democrat for 40 years. This is my first personal letter to our national leaders in my 61 years of life, or to the newspapers, and trust my letter is clear enough as to not distort my motives.

No doubt the President and the Secretary of State have taken into consideration many important matters before making such serious decisions—no doubt among them are:

1. The Balfour declaration and its repudiation by the white paper.

2. The assassination of millions of Jews in Europe as the world looked on.

3. The Jewish return to what seemed to be the only place of reasonable refuge, Palestine.

4. The Arabs were more than willing to sell their properties in Palestine at blood-sucking prices of six times their values until the ambitious Jew changed the very face of the land—then he became jealous even though he was, by association with the new prosperity, in a much improved state. In their own sections the Arab continues to live in his traditional way—living standards of 2000 B. C.

5. The suffering Arabs excluded from Palestine were deluded by their Arab masters and forced into a position where they now suffer from what, in other similar cases, we dismiss so easily as "the fortunes of war." I have in my possession photostatic copies of official British documents which report that the Jews implored the Arabs during their exodus in 1948 to not leave their homes or their properties.

6. The number originally excluded or who left Palestine of their own choice is far less than that so carelessly published today by the Arabs who, in this case, do not show the traditional hatred of census taking, which heretofore included only the able-bodied men of fighting strength. Naturally, the increase since the exodus is great. What have the Arab leaders done for their unfortunate brothers?

7. The drums of the Arab leaders still beat the never-ending refrain, "We will never make peace with the Jews." "We shall never rest until they are driven into the sea and exterminated." Need we name names and dates?

8. I know that you are also aware of the thousands of "unauthorized attacks" on the part of the Arabs who deny any responsibility for these vicious raids on Israel villages and homes. You also know of the overwhelming proofs that these raids are actually planned by Arab authorities and that unbelievable human tolerance and restraint has been shown by Israel authorities. We also know that some of the relatively few retaliatory raids on the part of the Jews have been both official and unofficial, but just how much can a human twig be bent before breaking?

9. We also know that you are aware that Israel is an isolated island surrounded by a sea of enemies on a land area of 1,692,423 square miles against that of only 8,084 square miles in Israel. The 43,905,000 in the Arab League of Nations have ample room for their

traditional roaming propensities, while the 1,500,000 Jews in Israel must live by scientific and intensive use of their lands. Who would deny this people a small parcel of land which is traditionally theirs and legally theirs by right of purchase and defensive conquest after having been driven out of their own homes from country to country during the centuries, merely because they are guilty of being Jews? Where is our boasted tolerance of all races, colors and creeds? Of course, I may not like some of the Jewish traits but I doubt if he is enthusiastic about some of mine.

Would our Nation, with its reputation for humane policies then say (as reported in the papers): "We are committed to a balance in power among these nations." "We can't give them arms unless we give arms to the Arabs also." "We don't want to start an arms race." Would we be guilty of the annihilation of the little nation of Israel by allowing other nations to arm the huge Arab nations and let Israel rot on the vine as we seem to be doing? Certainly the army of 250,000 (one-sixth of its total population) ascribed to Israel cannot be taken too seriously when we consider their precarious position and the 43,000,000 hostile Arabs surrounding them. We could furnish "too little too late," to a seriously outnumbered nation.

Although this may not be subscribed to by either the Jew, the Arab or the Gentile, as a whole, it would not be amiss if our leaders would recall that the Bible has something to say about these problems and if they would follow its record of the Jew and the Arab. There are still a few people who believe that their future states are found in that record. Need I quote the portions? Do you not value the scholarly appraisal of the once desolate land of Palestine and its Arab-Jewish problem by our noted government soils authority, Walter Clay Lowdermilk, in his "Palestine—Land of Promise," or Justice William O. Douglas' "Lifting the Yoke of Feudalism."

I am sure you realize the concern we have for what may be a too modern approach to this age-old Arab-Jewish problem or its over simplification. Many people do not realize that the Arab, as an Oriental, actually thinks and acts contrary to an Occidental. I doubt if Nasser considers himself inconsistent, at least not according to Oriental standards. A neutral authority on Orientalisms is hard to find but he would be invaluable at a time like this. Ben Gurion and others who have dealt successfully with the Arabs by daily contact for so long really understand the Arabs and can get along with them providing there is no outside interference or exploitation by their feudal leaders. I wish that space would allow some illustrations.

In dealing with this deep-rooted problem of ancient origin, I hope our leaders will make a reappraisal of their stand and endeavor to reach a reasonable but firm solution. Temporary measures will surely result in continued tragedies for new generations.

Sincerely,

FRED E. TAYLOR.

GREAT LAKES BULK CARGO VESSELS

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1896, Senate bill 3108.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 3108) to encourage the construction of modern Great Lakes bulk cargo vessels.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill.

THE COMMUNIST CONSPIRACY AGAINST PRIVATE PROPERTY

Mr. LANGER. Mr. President, I send to the desk the text of a speech I wish to make; and because of the temporary affliction to my eyes, I ask unanimous consent that the speech be read by the clerk.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Is there objection to the request of the Senator from North Dakota? The Chair hears none, and the clerk will read as requested.

The Chief Clerk read as follows:

Mr. LANGER. Mr. President, on February 1, I presented to the Senate a detailed account of the operations of the Moscow directed Communist conspiracy to undermine the principle of the sanctity of private property throughout the world, and especially in the United States, by promulgating legislation confiscating the private property in the United States of civilians of the countries with which we were formerly at war. All directed by and carried out by traitor Harry Dexter White, top Communist agent, his associates, and fellow travelers.

One of the purposes of that speech was to call attention to a flagrant violation of one of our basic principles which we heretofore had always observed, and also to demand justice for the victims of this outrage resulting from this Communist conspiracy. Another was to tear away the misunderstanding, confusion, and lies deliberately fostered by the Communists to make the world believe that two American Presidents, Franklin D. Roosevelt and Harry S. Truman, had with full knowledge abandoned American principles of the inviolability of private property against confiscation and instead had adopted basic Communist policy that there is nothing sacred about private property.

RELUCTANCE OF THE PRESS TO PUBLISH THE FACTS

I had hoped the subject concerning so vital a matter as justice and honor, both to President Roosevelt and President Truman and the victims of this conspiracy, that it would receive the widest attention in the press. I was disappointed in part. The chief comments from the major press services dwelt principally on the fact that the speech was read for me and was 80,000 words long. It seems appropriate therefore that I explain why it was read and why this occurs now.

The Lord has visited me with an affliction upon my sight. I am told that it is temporary, but even so, now I find it difficult to read in the conditions under which a speech is made. I have been told to spare my eyes as much as possible and I therefore ask your kind indulgence in that, on extended talks, my statements must be read for me by another.

I find, however, that the limitations of physical sight have served to sharpen the more important sight which must be had to see what is important and what must be done if principle and justice are to survive in the world. Hence, my present physical affliction may well be a blessing which the Lord has given me.

RESPONSE FROM CITIZENS

In view of the limited attention which the press and particularly the press in the eastern part of the United States saw fit to give to my remarks made on February 1, I have been amazed at the response to my speech. I have received many letters from distinguished Americans who are gravely concerned with these departures from American principles that I described. I have been commended by men who have been at the forefront in exposing and fighting the Communist conspiracy not only for years but for decades—Republicans and Democrats alike—who never believed that any President of the United States would deliberately and with full knowledge become a part of the Communist conspiracy by deliberately promoting spies and traitors—a charge which every American must not only reject but must deeply regret.

I have had countless more letters from these solid Americans who see confiscation of private property, the taking of estates, trusts, copyrights, patents, bank accounts, real property, shares in private businesses, as morally wrong and who resent any action which makes their government a party to wrong doing. I have even received some letters from abroad from people who appreciate that it is adherence to moral principle that is the difference between the free world and the Communist world of slavery. I received not one letter from anyone who disagreed with my statement that the basic difference between governments of the free world and Communist controlled governments lies principally in one thing, namely, that in the free world the governments are dedicated to the principle of the inviolability of private property rights as the foundation stone of personal freedom and their governments are designed to create and protect equality of opportunity and a better life for all under the free enterprise system. Communist governments are dedicated to the destruction of all private property rights, and consequently, all freedom, for Karl Marx, Engels, Lenin, and Stalin all taught that communism cannot succeed nor could the Communist Party dictatorship continue to hold power as long as the means of production are owned by individuals, and now Khrushchev preaches the same doctrine.

To all these people, students, professors, judges, diplomats, Congressmen, Senators, businessmen, and citizens who have responded to my speech, I give my deep and heartfelt thanks. My voice may be a voice coming out of the darkness, it may be a voice that is not repeated on broadcasts, but I have in these countless letters the proof that the truth I sought to spread does get through.

WITNESSES ARE COMING FORWARD WITH THE FACTS

I am deeply moved by the number of truly patriotic men and women, in and out of Government service, some associated with these confiscated businesses run by the Office of Alien Property, De-

partment of Justice, who since my speech on February 1 have come forward to supply the remaining few links that are missing in this worldwide conspiracy and who confirmed all I said in that speech. I said patriotic men and women because as the subcommittee of the Senate Judiciary Committee in its report on Interlocking Subversion in Government Departments just released says in its foreword on page VI:

> Witnesses are few, and often loath to defy the physical and ideological victimization with which the Communists deal with so-called informers.

I quote further:

> Hence it is necessary to piece together every fragment of information with the most painstaking care in order to arrive at a conception of the nature of the enemy's apparatus in our midst.

I say to these men and women who have not yet come forward to have no fear but to come forward and tell me, or any Senator, Republican or Democrat of either the Senate Subcommittee Investigating Interlocking Subversion in Government Departments or the Senate Subcommittee Investigating the Communist Confiscation Policy under the Trading With the Enemy Act, what they know, and I assure them their disclosures will be held in confidence.

I FIRST EXPOSED HARRY DEXTER WHITE

The report of the Subcommittee of the Senate Judiciary Investigating Subversion in Government Departments confirms everything I said about that master conspirator, Harry Dexter White, and names his closest associates who took part in this confiscation program. May I recall that more than 2 years before the Attorney General, Mr. Herbert Brownell, exposed Harry Dexter White in a speech at Chicago on November 6, 1953, I had charged that Harry Dexter White was the top Communist agent in the United States, in speeches I made on this Senate floor which appeared in the CONGRESSIONAL RECORD on January 29, 1951, and again on February 5, 1951.

Yes, my speech of February 1 was 80,000 words long, but for the first time the entire conspiracy was laid bare, fully documented and fully proven.

It took 80,000 words to present the facts in chronological order from the time of the birth of the Communist policy in Moscow, based upon the teachings of Marx and Lenin to drive from the minds of men that there is anything sacred about private property until its final fruition, namely, confiscation, brought about by the lies, trickery, and deceit of traitors. And these lies involved two Presidents of the United States—Franklin D. Roosevelt and Harry S. Truman. Now it is proven that these two Presidents were betrayed by friends and neighbors in whom they had every right to have confidence. Ever since the end of World War II the Communists and fellow travelers and even some capitalist pirates who want to hold onto these stolen properties for their own gain, have made it appear that President Roosevelt inaugurated and President Truman carried out Moscow's policy for destroying private property rights throughout the world, thus laying the foundation for the spread of communism throughout the world as we have witnessed.

THE FRAUDULENT DOCUMENT IN THE BOOK GERMANY IS OUR PROBLEM

In my speech of February 1, I said that Communist conspirator, Harry Dexter White and his Communist associates and fellow travelers deceived the American people and President Truman into believing that President Roosevelt and Winston Churchill had actually approved the confiscation of all German private assets throughout the world when they initialed a document at the second Quebec Conference on September 11, 1944. I charged that the photostatic reproduction of the Morgenthau plan as it appeared in Morgenthau's book Germany Is Our Problem which was admittedly written by Harry Dexter White and which was published only a few months after President Roosevelt's death, was fraudulent because it included paragraph E providing for the confiscation of all German private assets throughout the world, and that this fraudulent reproduction implied that that document was signed by Winston Churchill and President Roosevelt with that provision in it. I charged that Winston Churchill and President Roosevelt never signed a document providing for worldwide confiscation of private property of German civilians but that the Communists deliberately made it look as if they did.

Fortunately, in the release of the second Yalta papers in December of 1955, there was included an unusual document. I say unusual since it did not refer to Yalta at all, but referred to the Second Quebec Conference. This document was the memo made by Harry Dexter White for his chief, Henry Morgenthau, telling of their meeting immediately after the Second Quebec Conference with Secretary Cordell Hull and Secretary Stimson, at which Mr. John J. McCloy, who was then Assistant Secretary of War was present.

In order to prove this deceit and fraud perpetrated upon a President of the United States, I said in that speech that I was going to write a letter to Mr. McCloy and ask him for an explanation. I felt that he, being chairman of the board of a large banking institution in the United States and who after serving as Secretary of War became High Commissioner for Germany, would certainly have protested against such a confiscation clause had it been in that document. I now have a reply from Mr. McCloy and I want to put it in the RECORD so that all the people will know that President Roosevelt at no time approved the confiscation policy. Here is Mr. McCloy's reply to my letter. It reads as follows:

MARCH 27, 1956.

MY DEAR SENATOR LANGER: I have just had an opportunity to read your letter to me dated February 13. The letter came after I had left for a somewhat extended tour of the Middle East, from which I have very recently returned. I have also read with interest your references to me contained in the speech that you made to the Senate on February 1, which references are contained on page 1795 of the CONGRESSIONAL RECORD which you were good enough to send to me.

Unfortunately, I do not have ready access to many of the records which were made at the time of the meeting to which you refer. My personal records are scattered about and so I would have to reply to you at the present time purely from memory. My recollection of the meeting in Mr. Hull's office to which you refer is, however, very vivid. I also recall very well the paper which was initialed by Mr. Roosevelt and Mr. Churchill and the manner in which it was presented to the group by Mr. Morgenthau.

This paper set out the general principles under which Germany was to be administered after the expected victory was accomplished. There had been considerable discussion regarding the principles of our policy respecting defeated Germany. The discussions took place in the War Department, the State Department, and, to some extent, in the Treasury Department. If my recollection serves me right, the War Department was the first one to initiate any draft directives on this subject as it was presumably their responsibility to administer defeated Germany. However, the State Department proceeded to draw up some principles under which Germany was to be governed and the Treasury Department did likewise. Both of these proposals shocked Mr. Stimson, the proposal of Mr. Hull only a little less than that of Mr. Morgenthau. For Mr. Stimson's reaction to the Hull and the Morgenthau proposals and my part in it all, I would refer you to Mr. Stimson's book entitled "On Active Service in Peace and War." If you will refer to page 568 of this book you will there find a discussion of the so-called Morgenthau plan. It is an entirely accurate account so far as I can now recall.

Mr. Morgenthau had apparently pressed upon Mr. Roosevelt and Mr. Churchill at Quebec an endorsement of his views as to how conquered Germany should be administered. On his return to Washington he brought with him the initialed memorandum which you referred to in your speech. He laid it before Mr. Hull and Mr. Stimson in the former's office in the State Department. I was present in Mr. Hull's office when the document was presented. I have no record to confirm it but I believe I recall that Mr. White was also present at this meeting. I say this because Mr. White was usually present at meetings which Mr. Morgenthau attended dealing with the administration of Germany. The initialed agreement between Mr. Roosevelt and Mr. Churchill is set forth in full at the bottom of page 576 and the top of page 577 of Mr. Stimson's book. I saw the original and it conformed to the copy in the Stimson book.

I took part in the drafting of all the memoranda which Mr. Stimson submitted to his colleagues in protest to the so-called Morgenthau plan as well as to the original Hull plan.

As you will see from the initialed agreement as it is set forth on pages 576–577 of Mr. Stimson's book, there is no reference made to the confiscation of German assets throughout the world. Though I think the original initialed memorandum has disappeared, there is no doubt that the reproduction of it in Mr. Stimson's book is complete and accurate. I believe that a number of photostatic copies still remain in existence.

I believe the foregoing gives you the essential data that you are seeking in regard to the initialed agreement and to Mr. Stimson's and my connection with it. The record, I think, is quite clear that Mr. Stimson and I, from the beginning, were in strong disagreement with the so-called Morgenthau plan, particularly as it was reflected in the agreement between Mr. Roosevelt and Mr. Churchill which was initialed in Quebec; but it contained no reference to German assets

throughout the world. If there is any further information that you seek and I am in a position to supply, I shall be glad to do so.

Sincerely,

JOHN J. MCCLOY.

Mr. McCloy also sent a letter to the Voluntary Citizens Committee for the return of all confiscated German and Japanese private properties, and I want to read it. It reads:

DEAR MR. FINUCANE: I have your letters of February 6 and 24 in regard to the statements made by Senator LANGER on the floor of the Senate in regard to initialed agreement of Mr. Roosevelt and Mr. Churchill respecting the policies to be applied to Germany in the postwar period. I received a letter from Senator LANGER asking me to state what I know of this memorandum and I have replied in the form attached.

As you will see from my reply to Senator LANGER, the initialed document which was presented to the meeting in Mr. Hull's office was as set out in Mr. Stimson's book. I think Mr. Morgenthau had the original copy with him and displayed it to us. He also had some photostatic copies. The agreement, as he presented it to us, had nothing to say about the confiscation of German assets throughout the world, nor did I ever hear it suggested that Mr. Roosevelt or Mr. Churchill advocated such a policy. Subsequently, I heard that some attempt was made to find the original initialed copy but it could not be located. I always had a feeling that someone in the White House—not Mr. Roosevelt—had destroyed it after all the criticism of the policy had appeared in the newspapers. I am certain the original was initialed in the handwriting of Mr. Roosevelt and Mr. Churchill, both of whose handwriting I was familiar with. There were also several photostatic copies about. The text of the initialed statement was just as it appeared in Mr. Stimson's book—no more, no less.

Sincerely,

JOHN J. MCCLOY.

Note what Mr. McCloy says:

The original document which he saw which was initialed by Roosevelt and Churchill at Quebec did not contain a provision to confiscate German private assets throughout the world.

I am indeed happy that I, as a Republican, have contributed in a small measure to clearing the good name of our Democratic President, Franklin D. Roosevelt in this matter and I thank Mr. McCloy for his cooperation. My only regret is that Mr. McCloy did not come forward long ago and tell us the facts. He should have done so. Although Mr. McCloy in his letter is not clear as to whether or not Harry Dexter White was there, we now have Harry Dexter White's own memorandum proving that he was present at that meeting.

Note further what Mr. McCloy said. He said that the original document was destroyed by someone in the White House, not President Roosevelt.

Mr. McCloy also addressed a letter to the Senator from South Carolina [Mr. JOHNSTON], chairman of the Subcommittee of the Senate Judiciary Investigating the Operations of the Communist Conspiracy Under the Trading With the Enemy Act. Mr. McCloy's letter to Senator JOHNSTON is dated April 17, 1956, and I wish to read Mr. McCloy's letter. It is as follows:

APRIL 17, 1956.

MY DEAR SENATOR: I have your letter of April 13 and I am very pleased to take this opportunity to state my viewpoint on the matter of vesting former enemy assets and particularly to make clear some of the statements which have been made in connection with a recent letter I wrote to Senator LANGER in regard to some inquiries which he addressed to me respecting the memorandum initialed by Messrs. Roosevelt and Churchill at Quebec.

Taking the latter subject first, I enclose a copy of my letter to Senator LANGER, which I understand has already appeared in the CONGRESSIONAL RECORD. In that letter I was simply replying to the suggestion that a reference of some sort to the seizure of enemy assets had been contained in the Quebec memorandum but had subsequently been suppressed. My letter denied that suggestion. However, I really believe that the contents of that memorandum, as well as the contents of my letter, have no real relevancy to the question of the vesting of former enemy assets. Whatever the motivation for the action which resulted in the seizure of enemy assets may have been, they were seized in accordance with a custom that is as old as the hills in case of wars. In short, I am quite clear that neither the seizure nor the possibility of return was an incident of the so-called Morgenthau plan.

As to the general principle of the return of former enemy assets, I have always felt that, assuming the claims of American private citizens were adequately taken care of, our policy should always be directed toward the return of seized private property. I recognize that certain transcendent national policies or security considerations may be involved which would contravene in certain cases the full recognition of this policy, but these contraventions should be the exception rather than the rule. I have not examined the provisions of the various bills now before Congress but to the extent that they do operate to recognize this principle I would be in favor of them.

I hesitate to express my views, particularly in relation to German assets, by reason of the fact that I was somewhat recently a Government official dealing with the rehabilitation of Western Germany. I am aware of some complexities in regard to the German situation as to which I would be hesitant to testify without a fuller knowledge of all considerations that might apply to particular pieces of the proposed legislation. But quite apart from my interest in Germany and my former position as United States High Commissioner to that country, I do feel that the principle that I have stated above is a sound one and ought to be recognized by the United States.

Sincerely,

JOHN J. MCCLOY.

Note what Mr. McCloy says in his letter to the Senator from South Carolina [Mr. JOHNSTON]:

In short, I am quite clear that neither the seizure nor the possibility of return (referring to these confiscated German and Japanese private property) was an incident of the so-called Morgenthau plan.

I am afraid Mr. McCloy still does not know the facts, but I am happy that at this late date he agrees with the general principle of the return of former enemy assets. I say at this late date. He should have taken a position long ago, for while he was High Commissioner in Germany this is what he did. Under date of March 29, 1956, there appeared a long, 3-column story about Krupp global interests in the Wall Street Journal, and as a part of that story I wish to quote the following about Mr. McCloy:

On July 31, 1948, after 3 years in jail awaiting trial, Alfred Krupp stood before a court at Nuremberg and heard 3 American judges sentence him to "forfeiture of all your property, both real and personal." He was also given a prison term that was supposed to run until April 1957.

But in 1951, John McCloy, then United States High Commissioner for Germany (now chairman of the Chase Manhattan Bank) ordered Herr Alfred Krupp's release. And he canceled seizure of the industrial empire on the ground that confiscation of private property conflicts with American ideals of justice.

That is the quotation from the Wall Street Journal.

Mr. President, I am sure that if Mr. McCloy, along with other bankers and financiers throughout our great country, men who should always defend the private enterprise system, the right to own private property, had come before our committee, and said he was just as interested in taking care of the little people in Germany as he was in taking care of Alfred Krupp, we would not be in the situation we are in today.

I say that Mr. McCloy was right when he ordered the return of all the real and personal property belonging to Mr. Alfred Krupp.

I hope that this administration will now have his assistance and his cooperation and the cooperation of his associates in bringing about a complete return of these still confiscated private properties belonging to the "little" citizens in Western Germany.

Let us remember that McCloy was appointed High Commissioner to Germany by President Truman. I am sure Mr. McCloy's decision to return all the real and personal property belonging to Alfred Krupp had the approval of President Truman or he would never have done it. This is further proof that President Truman was against the confiscation policy.

ROOSEVELT WAS AGAINST THE CONFISCATION POLICY

If there are still some people who would like to confuse the matter further and who would like to blame President Roosevelt for adopting basic Communist policy, may I recall to them the speech President Roosevelt made from the White House to the American people less than 1 month after the Second Quebec Conference. That speech was broadcast nationally on October 5, 1944, and I quote from that speech which is reprinted in Vital Speeches, the issue of October 15, 1944. In that speech President Roosevelt confirmed his belief in the inviolability of private property for he said:

I have never sought and I do not welcome the support of any person or group committed to communism or fascism, or any other foreign ideology which would undermine the American system of free competitive enterprise and private property.

I am sure that President Roosevelt did not refer to private property rights in the United States only. I am sure that President Roosevelt knew the basic difference between Communist-controlled governments and governments of the free world, and I am confident that he was not going to impose upon the German and Japanese people Communist principles by promulgating a Communist scheme to confiscate their private property.

CHRISTIAN LEADERS WARNING UNHEEDED

That Christian leaders throughout the world, during that period, knew what was going on, is established beyond a question of a doubt when 10 days before the Quebec Conference, where Harry Dexter White tried to put through the Communist program for the complete destruction of private property rights throughout the world, the Holy Father, Pope Pius XII, in a broadcast from Vatican City entitled "Rights of Private Property," made on September 1, 1944, stated as follows:

Leo XIII in his encyclical "Rerum Novarium" laid down the principle that a legitimate economic and social order should rest on the indisputable foundation of the right to private property.

Christian conscience cannot admit as right a social order that denies the principles or renders impossible and useless in practice the natural right to ownership of commodities and means of production.

Are we to submit to the dictatorship of a political group that as a ruling class, will control the means of production?

Future social and economic policy organizing activity of the state, of local bodies, of professional organizations, will not be able to achieve their lofty aims in continuing the fruitfulness of the social life and normal returns of a national economy unless they respect and protect the vital functions of private property in its personal and total value.

I repeat what Pope Pius XII said:

Protect the vital function of private property in the personal and total value.

Talking about the end of the war, he said:

The problem of the future aspect of the social order will be the subject of keen strife between the various tendencies.

He says further that in this struggle:

The Christian social idea has the arduous but noble task of bringing forward and demonstrating to those who follow other doctrines in theory and in practice, that in this sphere, so important to the peaceful development of human relationships, the postulates of true equity and Christian principles can be closely joined, guaranteeing salvation and well being to all who can give up their prejudices and passions and listen to the preaching of truth.

In my limited way, and in all humility, I hope that what I say today will contribute to the winning of this struggle of the true Christian social idea by demonstrating the complete falsehood of the doctrine of confiscation anywhere in the world or that there is nothing sacred about private property as the Communists teach, and as some capitalist pirates practice, regarding other people's private property.

STEP BY STEP THE CONSPIRACY IS UNFOLDED

I have shown in my speech of February 1 that President Truman totally rejected the theory of confiscation of private property of German and Japanese civilians located in this country. I have documented the conspiracy and have shown that Harry Dexter White and his crowd forced the Office of Alien Property and the State Department to join with them in a message to President Truman asking for authority to recommend to Congress the passing of legislation to permanently eliminate existing German and Japanese private property rights in the United States with no provision for any return or compensation directly or indirectly and I showed that President Truman rejected this request. I charged that they would never have had to force the Office of Alien Property or the State Department to join with them in that memo to President Truman had either President Roosevelt or President Truman ever approved such a policy.

I shall return for a moment to the message Pope Pius XII sent to the world on September 1, 1944:

The Christian social idea has the arduous but noble task of bringing forward and demonstrating to those who follow other doctrines in theory and in practice, that in this sphere, so important to the peaceful development of human relationships, the postulates of true equity and Christian principles can be closely joined, guaranteeing salvation and well-being to all who can give up their prejudices and passions and listen to the preaching of truth.

In the performance of the responsibilities arising out of this obligation to make the truth known, I began on February 1, before this distinguished body of Senators, each of whom is under a solemn oath to be a champion of law and justice, the presentation of the facts whereby the greatest and most vicious faction in the world today undertook, and so far has undertaken successfully, to make the Government of the United States an instrument for the destruction of individual rights rather than the steadfast and constant defender of them.

No sane and literate man today can deny that freedom and communism are irreconcilably opposed.

We Americans believe that man is born free and of right should remain free. We who believe in the Declaration of Independence believe also that man's right to be free was conferred upon him by God, and that the true function of government is to protect this and the other rights with which man is endowed by his Creator.

Whether we examine the matter philosophically or from the viewpoint of human experience, we must inevitably conclude that the right to freedom cannot stand unless it is accompanied and supported by the right to property, just as the right to property is meaningless unless men are free. There is no instance in recorded history to the contrary.

In propositions of this basic nature, we are concerned with fundamentals which permit of no deviation. Either private property is wholly inviolate or private property is not inviolate. Just as the person who harms no man in all the world except the man he kills becomes a murderer, and the man who steals only one purse becomes a thief, the sanctity of private property must be completely observed or the right to property is violated.

WHAT THE COMMUNISTS THINK OF PRIVATE PROPERTY RIGHTS

The opposite of freedom is communism. Whether we cite Marx in the Communist Manifesto of 1848:

The abolition of bourgeois individuality, bourgeois independence, and bourgeois freedom is undoubtedly aimed at. In a word you reproach us with intending to do away with your property. Precisely so; that is just what we intend.

Or Stalin in 1929 and 1940:

The last hope of the capitalists of all countries who dream of restoring capitalism in the U. S. S. R.—the sacred principle of private property—is collapsing and vanishing.

Or Stepanyan in 1946:

War between people will disappear only when this private ownership and the antagonistic classes are destroyed forever.

Or Khrushchev in 1955:

The days of capitalism in the world are approaching their end. Our system will win.

The answer is the same: The cardinal aim of the Communists is the destruction of the institution of private property.

I am sure James Madison would have termed any group in the United States united in a common program to achieve this stated purpose of communism a faction of the greatest danger to the rights of the individual and to the common good.

When such a faction badly admits to a philosophy which approves deceit, trickery, and lies, I have no doubt that James Madison and his colleagues of the Federalist papers would have characterized such a faction as a menace which no man who cherishes freedom can ignore without peril to his freedom.

William Henry Chamberlin in his introduction to Blueprint for World Conquest, a collection of the Communist plans for the conquest of the world by communism, only repeats in the terms of today what the authors of the Federalist papers said in 1787:

With this precedent (of Hitler) in mind, it would be unwise to brush aside as trivial or unimportant the amazing blueprint of world conquest through internal propaganda, division, subversion, and treason which is unfolded in such minute detail (by the Communists). It would be more sensible to reflect on how large a part of the Communist dream of world conquest is already a reality.

These are the two worlds—the world of freedom and the world of communism. They truly are as far apart as the poles. There is truly no way for them to come together except by capitulation. If freedom is worth while, we will not capitulate.

On February 1, I presented to the Senate a documented account of the program and operations of the Communist faction to undermine the principle of the inviolability of private property in the United States.

I showed that this program of confiscation originated in Moscow.

I showed that the plan to carry it out was developed and executed under the guidance and direction of a group of Communists and fellow travelers in Government offices who have since been revealed in their true light by the several subversive activity committees.

I showed how this group of Communists and fellow travelers, through the skillful use of the well-known Communist practices of treachery, deceit, and lies, and a Democratic administration and a Republican Congress, were made the unwitting dupes to carry out this

program directed at the destruction of the institution of private property, the institution which is both the cornerstone of economic activity in a free-enterprise society and an essential support of the right to be free.

I showed how this group of Communists and fellow travelers, through lies and trickery, made the people believe that President Roosevelt and President Truman had abandoned basic American principles.

I showed how this group of Communists and fellow travelers, by their agility and dexterity, maneuvered and infiltrated themselves into positions of responsibility in our Government so that they could and did use the prestige and power of the United States to cause other nations to adopt policies of confiscation. Fortunately, one by one these nations have seen the error of such action and have taken steps to make amends. It is high time that we do like wise.

CANADA JOINS THE OTHER NATIONS WHICH HAVE RETURNED THESE CONFISCATED PROPERTIES

I am pleased to hear that since my speech of February 1, our great and friendly neighbor, Canada, which was also the victim of Communist conspiracy—for Canada also had its problems with Communist traitors—has now joined the long list of allied countries which have already returned to basic principles and returned the confiscated properties, and has decided to return all these private properties to their German and Japanese owners.

It is high time that we do likewise.

I showed how this Communist-inspired assault on this great basic principle of morality and of our society was introduced on the theory that only the private property of enemy aliens would be confiscated. Wartime passion, the spirit of vengeance, the legitimate desire for recompense for those suffering from the brutality of World War II, were skillfully played up, while principle, tradition, and the fact that the penalty was imposed on individuals who were not responsible for the atrocities of their dictator masters was played down, if not ignored altogether.

I showed that once the principle of the inviolability of private property was undermined, it mushroomed and extended itself, under the Trading With the Enemy Act, even to confiscating the property of Americans and the citizens of friendly neutral nations.

THE PRIMARY OBJECTIVE OF THE COMMUNIST CONSPIRACY

What I said on February 1, I trust made clear that the primary objective of this Communist faction and their Moscow masters was to prove to the world that the principle of the inviolability of private property was disintegrating, not only in one country after another taken over by the Communists, but all over the world. This was the main objective. Of course, the Communists wanted the property for themselves, but this was secondary. The first objective was to keep the property from its rightful owners. For 15 years they have been successful. They have been successful because the Government of the United States has been their instrument which has prevented the return of this property to its owners. There is more reason for laughter in the Kremlin. Even the ghost of Stalin may be smiling, for if property is not secure in the United States, where in the world can a man go and hold his property inviolate?

The fact is that American citizens and the citizens of friendly neutral nations have had their property confiscated under the Trading With the Enemy Act without at any time having a hearing on the justice or correctness of the seizure of their property. I believe this is a fact which will shock every American who believes that every man is entitled to his day in court. Nevertheless, this fact is a true fact, and it exists by reason of action of the Government of the United States. It has happened here. It happened under the Trading With the Enemy Act. It has profoundly shocked me. It profoundly shocked our great and good friend, the late Senator Robert A. Taft. The letter in which Senator Taft expressed his intense and deep indignation over such practices by a government "dedicated to doing justice" will be studied with profit as long as there are men concerned with justice among men.

I repeat what I have just said, "Of course, the Communists wanted this profit for themselves." I mean just that. They actually tried to get it even in the United States. As an example of brazenness, effrontery, and audacity, it is unexcelled.

James Madison, in the 10th of the series of papers which are the greatest contribution to the literature of government an American has yet given to the world, asserts that the dangerous vice of faction is the greatest danger which popular government faces. By faction Madison meant any group of people, whether a majority or a minority, united and actuated in some common impulse of passion or interest adverse to the rights of others or to the common good. The instability, injustice, and confusion that factions introduce into the public councils, he adds, are the mortal diseases of popular governments. Because liberty of the individual, however, is, and must remain the purpose of our Government, Madison concedes we cannot eliminate the cause of factions, for freedom is too precious to have it curtailed merely because some who are free use their liberty to abuse others. The best alternative, and the alternative which was adopted by our forefathers, is a system to control the effects of factions.

The alternative adopted rests on the profound conviction that there is a sense of justice and of right in the American people which ultimately will triumph over passion, prejudice, corruption, and greed. It proceeds on the basis that if the American people are given the truth, they will cause decisions to be made which are right and just. Therefore, it is essential to this alternative that there be a means to bring the truth to the people so that they can soberly and calmly determine the way of justice. Accordingly, under this alternative, in order to make it effective, there is imposed on those who know the truth, and who are concerned with justice, the obligation to speak up so that the people may know and may act.

I mentioned that since my speech of February 1, more and more people are coming forward with the facts, and I shall tell them to the American people.

AMERICAN CITIZENS RIGHTS VIOLATED

It will be recalled that on February 1, I pointed out that even American citizens were threatened, intimidated, and dispossessed of their property by the traitors in the Treasury Department under Harry Dexter White. I told the story of Mr. Ernst Halbach, an American citizen, and his associates, all of whom were American citizens and who owned General Dyestuffs Corp., which had a contract with General Aniline & Film. I told how the record now establishes that Harry Dexter White sent his agents into that company and seized it, on the theory that these Americans were cloaks for the Nazis. I showed how Treasury agents under Harry Dexter White called on Mrs. Halbach alone in her home, where she was dying of cancer, and intimidated her through threats, to the point where Mr. Halbach was forced to sell his stock to the Government at a price way below its real value. I showed that Mr. Crowley, Alien Property Custodian, testified before our committee that Mr. Halbach was a patriotic man, and that all this was a mistake; and I showed that Mr. Halbach sued the Government to get back his stock that was vested. I showed how the Government could not prove that Mr. Halbach was a cloak for the Nazis, and then forced Mr. Halbach and his two daughters, who also were born in this country, and whose husbands were serving their country in the Army, to settle for a sum of money much less than the stock was worth, and paid them out of the funds actually in the treasury of General Dyestuff Corp.

Mr. Halbach and other American citizens settled in early 1945; so that result was that the United States Government then owned all the stock in General Dyestuff Corp. It had already vested over 90 percent of the stock of General Aniline & Film with which General Dyestuff had an exclusive distribution contract.

Mr. Edward M. Shaffer, an investigator appointed by Mr. Leo Crowley, Alien Property Custodian, to investigate this corporation, testified as follows:

> Mr. SHAFFER. I will summarize it. I believe that the United States Government made a mistake in vesting the stock of Mr. Halbach * * * the year 1939 saw the mark of the complete break, in my opinion, from the former association by personnel, and I mean Dietrich Schmitz and General Aniline Film & Dyestuff into a completely new and wholesome set of owners, namely, Halbach, Swenson, Dr. St. George, people of that nature * * * I believe it was in error to have designated these gentlemen as nationals of an alien enemy country and then proceed to seize their stock. I still feel that way. (Hearing before a subcommittee of the Committee on the Judiciary, United States Senate, 83d Cong., 1st sess., proposing amendments to the Trading With the Enemy Act of 1917, 1953, p. 340).

Judge John Burns, former counsel to the Securities and Exchange Commission, at the request of Mr. Crowley, also

investigated this matter. Judge Burns testified as follows before the hearings referred to above:

Shortly after that, maybe 2 months from that, Mr. Crowley sent for me and said that he had vested the stock of General Dyestuffs, but he was somewhat concerned about the propriety of it, and he would like to have me go in as general counsel. My particular task in addition to acting as lawyer for the company was to make a very careful investigation and report to him as to whether or not I found any basis which would tend to prove that Mr. Halbach was either a nonnational, under the wording of the statute, or that his holding was a cloak for alien interests. So I took up that assignment, and together with my partner, Mr. Rich, we made a very careful investigation, looking into practically all the files that seemed relevant. We talked to the employees, talked to Mr. Halbach and his associates, and tried to get as many leads as we could from Government sources to explore them to find out what possibly might be the basis of any charge against the owners of the dyestuff stock * * *

To sum up, I reported to Mr. Crowley after this investigation that I could not find the slightest basis which would justify his action in vesting the stock of General Dyestuff. I recommended, out of a consideration of simple honesty and fairness to the American citizen, that Mr. Crowley should return the property. Thereafter I talked with him and he indicated very definitely general sympathy toward Mr. Halbach and accepted my reporting apparently without questioning.

Later on, when Mr. Crowley went on some other Government assignment, I talked to his successor and made the same point; that I felt, in view of what I had come to know, that the retention by the Government of this property in the light of all those circumstances, particularly while the Government was continuing Mr. Halbach in the primary responsible position as operator, and while he was serving his country as the expert on dyestuffs for the War Production Board, that the deprival of his property under those circumstances was highly immoral. I did not see any legal basis upon which it would be supported. That is about all I have to say.

Mr. Halbach, president of General Dyestuff Corp. and in charge of its operations, not only continued in a management capacity for years after the seizure and vesting, but also served as consultant to the War Production Board during the war. Commendations for efficient and effective service were given him for his work. Thus, on September 7, 1945, Gen. Brehon Somervell, commanding general of the Army Service Forces, wrote Mr. Halbach:

You and your associates and employees must have a deep sense of satisfaction as you look back upon your accomplishments on the war production front * * * now that the war is won, I want to express to you the gratitude and appreciation of the Army Service Forces for the magnificent achievements of your organization.

On December 20, 1945, Brig. Gen. Georges P. Doriot, Director of the Planning Division of the Office of the Quartermaster General, said in a letter to Mr. Halbach:

This office wishes to express its appreciation and commendation to you and the personnel of your company for the many contributions afforded the Quartermaster Corps during the past few years. We are particularly grateful for the time you have given personally to the consideration of our problems * * *.

Mr. Crowley testified as follows concerning Mr. Halbach's character and patriotism:

During my course as Alien Property Custodian, I got to know Mr. Halbach very well. You people that were here during the war know there was a lot of emotion, which there always is, during a war, and Mr. Halbach was accused of being a cloak for the Germans and being anti this and anti that. We had an investigation made of Mr. Halbach. I think the FBI did one for me. I know the military did. And I had Mr. Shaffer make an investigation for me. As Judge Burns told you, he made an investigation. And we found no evidence anywhere, where anyone could cause any criticism to be made against Mr. Halbach's integrity or against his patriotism.

Ultimately, however, Mr. Halbach was discharged from his position with the corporation by the Alien Property Custodian. The circumstances leading up to this event are described in a memorandum dated March 9, 1945, which appears as exhibit M in part 2 of the hearings of the subcommittee, at pages 857 and 858. The pertinent parts of this memorandum appear as follows:

EXHIBIT M, MEMORANDUM FOR THE FILES, MARCH 9, 1945

Re: Conference with representatives of Alien Property Custodian and Department of Justice concerning vesting on March 8, 1945.

Present: For Alien Property Custodian: Messrs. McNamara, Creighton, and Cutler.

For Department of Justice: Messrs. Jones and Parker.

For Treasury: Messrs. Coe, Aarons, Alk, Arnold, Day, Friedman, Glasser, Richards, Saxon, Mrs. Gold.

In leading the discussions, Mr. Coe followed, in general, the agenda and answers circulated on March 1 by Alk and Arnold.

* * * * *

Mr. Coe said that the Treasury was troubled by the fact that Halbach had not been discharged by General Dyestuffs. He indicated that the retention of such a person in a concern under the jurisdiction of the custodian appears to indicate an inconsistency between the domestic policy followed by this government and that which it was urging abroad with respect to the discharge of German fronts. Mr. McNamara responded that the difficulty is a conflict between the policy of the Government concerning blocked nationals and the business judgment of the General Dyestuffs directors who find Halbach a valuable employee. Halbach's resignation has been submitted and the custodian has informed the board that he must leave the employ of the company but a vote on the matter has been postponed for a month. Mr. Jones then inquired whether cleaning out suspect personnel is not at least as vital a matter as the termination of German and Japanese property interests. The Treasury representatives agreed heartily and Mr. Coe asked whether there were other cases than that of Halbach to be cleared up. Messrs. McNamara and Cutler took the position that the Halbach matter is a "peculiar case."

A comparison of the date of the memorandum last quoted and the dates of the commendations previously mentioned is significant. This significance increases if reference is made to the report of the Subcommittee of the Committee of the Judiciary on Interlocking Subversion in Government, dated July 20, 1953, beginning at page 6, which discusses Harold Glasser and Virginius Frank Coe.

Those who read my speech of February 1, know that I established that Glasser and Coe were right-hand men of Harry Dexter White to carrry out this conspiracy to confiscate private property of all German and Japanese citizens throughout the world and to carry out the most essential part of the Communist program to drive from the minds of men that there is anything sacred about private property.

I suggest that every American citizen study not only this release of July 20, 1953, by the Subcommittee of the Judiciary investigating subversion in Government, but also the latest documentation on Harry Dexter White and his associates, released only a few weeks ago by the same committee.

V. Frank Coe was a close friend of Harry Dexter White, and one of his right-hand men in the Treasury Department. I named him as already a leader in this Communist conspiracy in 1951. Since that time he has appeared before congressional committees, and has refused to answer any questions. He has become a fifth amendment Communist. He was also a friend of Harold Glasser. Ex-Communist agent Elizabeth Bentley testified long ago that Harold Glasser was a member of the Perlo group; and later we discovered that Alger Hiss, of the State Department, had taken Harold Glasser and 2 or 3 others and turned them over to direct control of Soviet representatives in this country. The Communist apparatus of the Treasury Department that infiltrated every other department of the Government was so large that it will take considerable time to bring out the facts of each one's part in the conspiracy. I have only touched a few up to this time but I promise that I shall expose the parts that all of the leaders played in this program at a later date.

Now I wonder and I am sure everyone wonders why these things happened to American citizens. Not until after my speech of February 1 was I provided with facts which give us some of the answers. And I say the facts are amazing. I should say shocking. Here they are:

RUSSIANS WANTED TO TAKE OVER

We have now discovered that at the same time in early 1945 when the Treasury Department and the Office of Alien Property, Department of Justice, were trying to force Mr. Halbach and other American stockholders out and settle their suit—the same time the Harry Dexter White crowd was forcing the Office of Alien Property and the State Department to join with them in a message to President Truman, as I detailed in my speech of February 1, in which they asked for Presidential approval of their plan to recommend to Congress a program aimed at the permanent confiscation of German and Japanese private properties in the United States which President Truman refused to give them—that at the same time, the Russians in the United States under direction of their Embassy here in Washington were actually trying to take over General Aniline & Film.

Mr. Louis Johnson was ordered to entertain Russian agents who wanted to take over this American corporation.

It has come to light that early in 1945, someone in Washington connected with the seized General Aniline & Film Co., which latter company the Swiss, from the day it was seized until today, have claimed to be Swiss owned, ordered Louis Johnson, who at the time was a Government man appointed president of the General Dyestuffs Corp., to prepare for the arrival in New York of a dozen Russians who wanted to look over General Aniline & Film plants and eventually take them over or make some kind of a deal to get General Aniline & Film processes, if not the outright plants and equipment.

Finally, we know that this meeting took place regardless of the protests of Louis Johnson. Mr. Johnson gave a luncheon for the Russians at the University Club in New York. More than 12 people were at that luncheon; and after the luncheon the Russians took off to inspect each plant of General & Film. Nothing came of the Russians' plans, thanks to Louis Johnson and a few others. Now I know that Mr. Johnson, who later became Secretary of Defense, kept a diary in which he recorded the events of each day that he was in Government service. I think it is time for Mr. Johnson to come forward and tell us all about that luncheon, what preceded it, what followed it, and who the men were in the Treasury Department and Office of Alien Property who ordered him to give this luncheon. I am going to write Mr. Johnson a letter as I did to Mr. McCloy, and when I get his reply I will put it into the RECORD. I am also going to write a letter to Mr. James E. Markham, who was Alien Property Custodian at the time and who, I understand, was first asked to make these arrangements for the Russian visitors but who refused. Mr. Markham should tell us what happened. I am going to write a letter to Mr. Dallas Townsend, asking him to make available all the records in his Office of Alien Property to the Subcommittee of the Senate Judiciary investigating this matter.

The Communist conspiracy becomes clearer as we dig deeper. Obviously Mr. Halbach and the other Americans who owned stock in General Dyestuffs, which corporation in turn had an exclusive sales contract with General Aniline & Film for its products, had to be removed, if the Russians were either to get General Aniline and its equipment or its technical know-how or products. It is the duty of Mr. Brownell, as Attorney General, to give the committee investigating the operations of the Trading With the Enemy Act the facts on this matter. His Office of Alien Property still refuses to give out any information regarding General Aniline & Film and the reason given is that the Swiss are suing for a return and that such information might be detrimental to the Government's case, which claims the Swiss were cloaks for the Germans, but I do not believe the American people can ever be made to believe that giving them the facts surrounding this Communist conspiracy could hurt the Government. Furthermore, if it should be detrimental to the Government, and these things are true, I am sure the American people, in utter disgust, would repudiate the conduct of its officials as a shameful betrayal of a trust.

TERROR METHODS TO INTIMIDATE AMERICAN CITIZENS

More has come to light since my speech of February 1. It will be recalled I quoted from the hearings held by the Subcommittee of the Senate Judiciary investigating the operations of the Trading With the Enemy Act and the part played by Harry Dexter White and his fellow travelers in bringing about permanent confiscation of these private properties. I quote from the hearings held on April 1, 1953 as follows:

Mr. HALBACH. My wife, as you all know, was desperately ill and the newspaper notoriety and the beating that she got and she knew that I was getting, weighed terribly heavy on her and my daughter and myself and her brother, who is one of the trustees, were very anxious to relieve her of that stigma and the effect of that on her because she was an intensely and rabidly loyal American.

The testimony continues:

The CHAIRMAN. As a matter of fact, your wife had cancer and these Federal men kept bothering her?

Mr. HALBACH. Federal agents came out. I came home one night and I could hardly believe it. I saw her face was scarlet and I said "what on earth is the matter with you?" She told me that these two agents from the Treasury had been there and questioned her about me and my connection and trying to intimate that I was German or something to that effect. I never could get it out of her. She was so upset and so bewildered by it all that I never could find out, except I knew these two men had been there.

Not until after my speech of February 1, did we discover that, one hour before Mr. Halbach appeared before the committee on April 1, 1953 to tell the committee the entire story, the United States Government, Office of Alien Property, Department of Justice, through General Aniline & Film, had just then sued him in the Federal Court of New Jersey for $6¼ million. He was notified of the suit by long-distance telephone. Terrorized as he was, after having been stripped of almost everything he owned, he was now being intimidated as a witness appearing before a congressional committee. I was a member of that committee and Mr. Halbach was a scared witness. He did not tell me, nor did he tell any other Senators taking part in the hearing, what had happened, except to say that an action to enjoin him from taking any employees of General Aniline & Film into his new business, just established, had been made, nor did any persons from the Office of Alien Property, Department of Justice, or their employees and appointees to General Aniline & Film who crowded the hearing room, even utter one word about this suit for $6¼ million. Had the members of the committee known all that had happened that day, I am certain that contempt citations would have been voted unanimously. This happened in a Republican Administration under a Republican Attorney General.

What was the suit about? It claimed that Mr. Halbach had opened his own little factory to make dyestuffs, and that he was taking experts from the Government—confiscated and operated General Aniline & Film. Now we have found out that Mr. Halbach's personal finances at that time were at the lowest point in his life. He had spent all of his savings in defending his good name and reputation; and here we have the preposterous situation of the United States Government suing him for $6¼ million. We have also found out that Mr. Halbach's little new division of his Verona Chemical Co., with 12 employees, did less than $15,000 business in dyes in the month of March 1953.

Why was this suit brought? Obviously, to close Mr. Halbach's mouth so that he would be afraid to tell the committee investigating the operations of the Communists just what had happened.

What happened to the suit? It was later quietly dismissed. By whom? General Aniline & Film controlled by the Government of the United States, Office of Alien Property, Department of Justice, who told their appointees in General Aniline & Film to dismiss the suit. There was no publicity in connection with the dismissal of the suit, as it was done in the judge's chambers.

I do not want to leave the impression that my friend, Dallas Townsend, who is now Director of the Office of Alien Property, had anything to do with the filing of the suit on April 1, 1953, against Mr. Halbach, because Mr. Townsend was not appointed until after May 19, 1953; but I must warn my friend, Dallas Townsent, that he too, like President Rooseselt and President Truman, may become the victim of his friends and neighbors, in whom he has apparently so much confidence, and those who have set out to hold onto these business plums for their personal gain regardless of what their conduct does to our foreign relations.

THE RELATIONSHIP BETWEEN UNPRINCIPLED CAPITALISTS AND COMMUNISTS

There is a definite affinity between capitalist piracy and communism. The two are closely related. Bishop Fulton J. Sheen, in his work entitled "Communism and the Conscience of the West," says, on page 79:

Monopolistic capitalism concentrates wealth in the hands of a few capitalists and communism in the hands of a few bureaucrats, and both end in the proletarianization of the masses.

I say that is why we will always find an alliance between unprincipled immoral capitalists who will take the property of others as their own and Communists, who will take the property of others to further their scheme of state ownership of the means of production, which reduces men to slavery, and makes it possible for a small minority under a dictatorship to remain in power.

So it should not come as a surprise to anyone that some American capitalists who hope to profit still more will join with the Communists to defeat a return to basic American principles of justice and honor.

I appeal to the President of the United States to give direction now to his subordinate cabinet officers to put an end to these conditions and to return to basic American principles, and return all the confiscated properties in full.

WE MUST HAVE A WORLDWIDE MAGNA CARTA OF PRIVATE PROPERTY RIGHTS

I appeal to the President to lead the free nations of the world in creating a worldwide Magna Carta of private property rights. I do this because I believe in principles, and I further believe that we shall never be able to take from the backs of the American taxpayer the burden of the never ending foreign aid programs until such time as private capital, and the savings of all the people in the free world, are secure against confiscation when invested under a free enterprise system in underdeveloped countries in order to raise the standard of living of the people so vital to the peaceful development of those nations and our own security. Such investments can be secure only under a Magna Carta. I submit to the President of the United States that he is correct when he says that we must help the underdeveloped countries, but I disagree with the contention that this must be done solely at the taxpayer's expense. Of course, so long as the great United States fails to rectify the wrongs of the past, so long will this burden remain on the American taxpayer, and there cannot be such a Magna Carta. Government handouts, with all the bureaucracy that goes with them, is not the answer, for then we compete only with the Communists in creating government-controlled businesses in these underdeveloped nations. The development of these countries will come either under a system of communism or under the free-enterprise system, the capital for which must, for the most part, come voluntarily from the people of the free world. To bring that about we must first return to basic principles. To create such a Magna Carta we must first correct the wrongs of the past.

I am happy that in many countries of the free world, expressions along that line, the results of a great deal of sound thinking, are finally seeping through. Only 2 weeks ago, Ambassador Henry Cabot Lodge, upon returning to his United Nations post after a tour of the Midde East and Africa, said:

> Those who have studied Communist tactics in Europe and China know very well that the Soviet Union never extends economic aid without there being very dangerous strings attached and that the purpose is always infiltration of personnel with a view to eventually taking the country over.
>
> To neutralize it successfully does not mean to appropriate more money. But it may mean conducting our economic activities in a different way.

I agree with Mr. Lodge about Communist tactics, but I say that unless we return to the principle of the inviolability of private property, all we do will be in vain. Let me call attention to a speech made by an eminent economist. He believes that through cooperation of the peoples of the free world these problems can be solved. He is no stranger to the United States, although he is a citizen of the Federal Republic of Germany, our partner in the defense of the free world. He is Mr. Hermann J. Abs, who addressed the Society to Promote the Protection of Foreign Investments in Cologne, Germany, on March 27, 1956. The title of his address is "Free Enterprise and International Protection of Private Interests—Precondition for a Sound World Economy." I ask unanimous consent that his remarks be added as an appendage to my address.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

(The legislative clerk resumed reading Mr. LANGER'S statement, as follows:)

Mr. LANGER. I appeal to President Eisenhower to put an end to the confusion, and lead the way back to basic American principles.

The press gave much publicity throughout the country to what Ambassador Lodge said when he returned from his tour of the Middle East and Africa. Strangely enough, however, the American press was silent when important statements were made in West Germany less than 3 weeks ago. I am sure that if the Congress of the United States had, during this month, ratified a new treaty of friendship with the Federal Republic of Germany, it would not only have been printed in the press in the United States, but in all the newspapers in West Germany.

How does it happen, however, that on April 12, 1956, the Federal Republic of Germany ratified the new Treaty of Friendship, Trade and Shipping with the United States, and although the news was published throughout Germany and the United Press, although the Associated Press and the International News Service, in fact all of the press services in Germany, carried the story and put it on their cables to their New York offices, their cable offices in New York did not put one word on their wires to the newspapers in the United States on the ratification of this important treaty? I wonder whether this was because members of all the political parties making up the West German Government rose before the vote on this treaty and protested against the continued confiscation of the private property of their citizens in the United States? Only last week a former general manager of the Associated Press protested against the Government censorship which is still going on. Is this a case of Government censorship, the withholding of vital information that the American people are entitled to know, or do we still have a conspiracy of silence in the United States to drive from the minds of men that there is anything sacred about private property? The West German people are our partners, our friends, and yet we continue to hold onto their private property which everyone knows now was brought about by Communist traitors in our Government.

It is high time that the American people begin to realize that every nation of the free world has been and continues to be infiltrated by Communist agents and spies. We will find them in a Democratic administration and in a Republican administration. That is the way the Communists work.

The administration continues to withhold more than 50,000 words of documentation of the Yalta Conference. They have not, as yet, released any of the documentation of the second Quebec Conference which preceeded the Yalta Conference and the Potsdam Conference which followed. I demand that these papers be made available. I am positive they will show further that President Roosevelt and President Truman at no time supported a confiscation policy, the taking of the private property of German civilians throughout the entire world, but were unalterably opposed to it. I demand that these papers be produced.

I appeal to President Eisenhower to put an end to this confusion and lead the way back to basic American principles.

I submit that to return these properties only in part, as the administration has suggested to Congress, as a matter of grace, would be a ratification of Communist principle, alien to our historical American position. Only Communist-controlled governments claim the right to confiscate private property of persons and corporations without full compensation.

To return some of these properties in part as a matter of grace would ratify a Communist promulgated plot and basic Communist principles.

I know the Communists have created great confusion in the Office of Alien Property, Department of State, and there are many knotty problems, relating to full return, but I ask President Dwight D. Eisenhower not to listen to those who advocate compromise but to heed the words of Benjamin Franklin, who, when faced with a very knotty problem and when advised to compromise, said:

> We will stick with principles and the knots will untie themselves.

EXHIBIT 1

FREE ENTERPRISE AND INTERNATIONAL PROTECTION OF PRIVATE INTERESTS—PRECONDITION FOR A SOUND WORLD ECONOMY

(Address of Herman J. Abs, in Cologne, on March 27, 1956, upon incorporation of the Gesellschaft zur Förderung des Schutzes von Auslandsinvestitionen e. V. (Society To Promote the Protection of Foreign Investment))

The "German miracle," accepted slogan for postwar economic recovery in Western Germany which many of us must confess to have helped popularize, has lately evoked both justified and unjustified foreign demands upon the Federal Republic and the West German economy. Similarly, the Federal Minister of Finance's bulging till is an inducement for taxpayers and other interested parties to scramble for what they claim as their rightful shares of the overflow, as long as the going is good. This proves once again that wealth is not without its sacrifices, certain contributions toward the common welfare being rightfully demanded from those who can afford to part with some of their affluence.

German economic recovery is undeniable and not exclusively owed to the untiring labors of our people. Many favorable factors have been equally effective, last but not least the decisive material and moral assistance given to us during the first postwar years by our former enemies, particularly the

United States of America. Yet, all these efforts and aids would have been in vain—on this point I think all Germans agree—if the previous directed or controlled economy had not incidentally been replaced by a practically free market economy, i. e., if the brakes had not been removed which for years had repressed the natural impulsion of private initiative and free enterprise.

On this occasion it must be stressed once more that, as far as Western Germany is concerned, the bold decision to break with the past is owed in the first place to the Federal Minister of Economics who has spoken before me. Without being pretentious I may say that this new policy, even internationally, has contributed much toward hollowing out the state-controlled economic systems which had been built up in many countries as a result of two world wars. We all know that restoration of free enterprise has since had exceedingly wholesome effects on the standard of living of peoples in the Western World.

We must continue steadily along this path if present achievements are to be confirmed and further progress made toward the final goal of an absolutely free world economy, based on mutual confidence—in spite and because of the new countermining attacks recently being made from the East.

I began my address by alluding to German economic recovery and to our obligations resulting therefrom. The European countries were among the first beneficiaries of United States reconstruction aid. Now, Europe for her part is rightly expected to lend economic assistance both to countries which are in the process of development and to countries experiencing difficulties due to general adverse circumstances. As the Federal Minister of Economics has just stated, we are entirely conscious of our obligations and convinced that it is necessary to give these countries investment and credit aid thereby helping them to raise the standard of living of their peoples to a recent level.

Apart from development projects of basic character and from exceptional cases, where specific circumstances or overdimensional tasks are at stake, this aid can be given and taken in the first place by means of private capital and enterprise. Indeed, private initiative must prevail if we intend continuing along the road toward our recognized ideal, a free world economy.

Quite apart from the fact that national budgets, particularly in Europe, are too strained to be able to assume additional obligations in this field, a state which, beyond supervising and directing economic policy, undertakes definitely to act as an entrepreneur and creditor on a large scale, is inevitably drawn in a direction ultimately culminating in overall State control.

History proves that the present stage of economic development in both the European countries and the United States of America would never have been reached without efficient and profit-seeking private initiative and the pioneer spirit of large and small entrepreneurs. So-called capitalism, like all other human phenomena, certainly has its weak points, faults, and misuses. Yet, compared with any form of State controlled economy it has the decisive advantage of being best adapted to the peculiarities of human nature. The State as an entrepreneur is necessarily apt to operate clumsily and uneconomically, because efficiency and profitability, which are stimulated by free enterprise, have no more than indirect influence upon State actions. Numerous public institutions, particularly in less developed countries, which had been established to develop the resources of these areas, have failed because they were called upon to assume functions which Government cannot be expected to execute. Also, it is more difficult for such public enterprises to attract private, especially foreign capital, than for private corporations, because the former are subject to State interference, a circumstance which always entails great risks for the investor.

On the other hand, close collaboration between private enterprise, particularly in developing the productive potential of those areas, promotes cooperation between the native populations and foreigners, makes it easier for both to appreciate their respective problems, strengthens their sense of responsibility, conduces to a more profitable choice and operation of projects, and awakens new interest and more widespread activity. This is essential, if the development of these economies is to be borne upward by all classes of the indigenous people. If, thanks to such collaboration, these people feel convinced that they are taking an increasing share in the construction and extension of their economy, a conviction which is already widespread today in nations with an advanced capitalistic system, the construction work will proceed on a solid and evolutionary basis. At the same time, indigenous key personnel and skilled labor are bound to come forth and will soon be in a position to assume full responsibility on a broad scale.

This should not prevent the State from lending initial assistance, as it did in Germany atfer the end of the last war. But even in such circumstances, the State should never act as an entrepreneur, but pay chief attention to fostering and protecting private initiative. In this connection, permit me to draw attention to pertinent statements made in March 1955 by the vice president of the International Bank for Reconstruction and Development, Mr. Robert L. Garner, concerning the purpose of the International Finance Corporation. The IFC is typical for the consistent efforts of the Western World, particularly the United States of America, to arouse greater interest among private capitalists and entrepreneurs in foreign investments, primarily in important projects in such areas all over the world the economies of which are on the verge of fuller development.

Eager as private business and the banks are to contribute in this manner to creating a free-world economy and thereby raising the standard of living among all peoples, it is not easy for them to act accordingly considering the limited means and opportunities at their disposal. Beside other handicaps, two particularly important conditions are lacking:

1. Administrative, tax, and other regulations often make it difficult for foreign investors to become active, acquire participations, and to stand their ground on an equal footing with nationals and firms of the countries in question.

2. In some parts, tendencies are recently gaining headway either to make untenable foreign investments and discourage other foreign interests by discriminating measures or, what is far worse, to block or even expropriate the foreign capital and assets already invested.

Point 1 is a special matter not included in the subject of my talk today. Nevertheless, it is exceedingly important inasmuch as free, nondiscriminatory treatment is a fundamental precondition for major investments of private capital abroad. Governments which are interested in their countries' development should give greater attention to this question than heretofore.

The second problem—the security of foreign investments—is our chief concern today and even more important and decisive than the first. Without the guaranty that invested capital will remain the investor's property, bear interest, and be repaid in due time, it will be impossible to mobilize sufficient private capital for foreign projects. It must not be forgotten that private capital both in Europe and the United States has sufficient opportunities to work profitably at home without having to assume the additional risks regularly connected with foreign investment. After all, the private capitalists' funds and the private firms' enterprise applied in foreign countries are the product of their own and their employees' and stockholders' efforts, just as foreign aid from public funds can only originate from the savings and labor of the creditor country's people. Nobody, and least of all the countries which are in the process of development, will expect the investor to stake these assets if he realizes that his foreign investments and thus the proceeds of work done on foreign account are being endangered by official measures. Only the East can afford such risks, because no regard is had there to the wage level, standard of living and well-being of its populace. This is the only explanation for the uneconomical credit terms which the U. S. S. R. has recently been offering as an allurement to politically interesting countries of the Near, Middle, and Far East.

We have had occasion again only quite recently to experience a number of grave direct or indirect impairments of foreign interests which prove how thoughtlessly some of the countries belonging to the Western World and accepting the fundamental Western principles have disregarded the inviolability of private rights and property. May I call to mind, for instances, the blocking of the assets of numerous firms operating with foreign capital by the Argentine Government. What is the use of international rules of law, of property protecting clauses in Western constitutions, national laws and numerous commercial treaties, further of declarations on the equal treatment and protection of foreign capital made by statesmen in many countries, if they are not unreservedly observed in practice. The matter is all the more serious, because measures to discriminate and discourage foreign investors are beginning to multiply again at a time when our Western World is fighting desperately against Eastern collectivism which denies personal freedom and all private property rights.

These recurring relapses are attributable to past political and economic developments for which, in the end, responsibility does not rest with the countries in question but rather with the entire Western World. They are the fruit of two world wars with their devastating economic and financial consequences. These war effects have not only caused private rights in the international sphere to be impaired or extinguished. Even within the individual countries personal rights were overridden.

1. The rigorous foreign exchange control laws hailing from after World War I, for example, were nothing but a form of expropriation as far as they forced national subjects to liquidate their foreign investments and deliver the foreign exchange proceeds to their central bank, or if they deprived foreign creditors and investors of the interests on their credits and the profits from their investments. The interruption of the German foreign debt service before the last war was a further example for the radical disregard of vested foreign rights, in this case not from necessity, but due to unscrupulous political machinations.

2. One of the reasons for the general confusion over property protection which must not be passed over is the policy of confiscating private enemy property practiced as part of total warfare, insofar as governments went to the length of definitely expropriating and liquidating such assets. Such confiscations and controls are justified, if the firms which are operated with enemy capital or other forms of enemy participation, either of their own accord or influenced by enemy government agencies, are in a position or suspect of countermanding the opposite party's war efforts. However, the foreign owners of vested rights ought to be given back their

property or should at least be handed over the liquidation proceeds of their assets, as soon as relations between the former enemies have been normalized to an extent excluding the danger of interference with national interests. This normalization may be assumed where the countries involved have become partners and friends and are pulling together in politics and economic policy.

Only very few countries have declined to adopt the general practice of liquidating and confiscating foreign property; several others, among them especially Switzerland and quite recently Sweden, have recognized the fatal consequences which the violation of private rights will have for the Western World and have done their best to make good for former measures taken against private foreign property.

Neither myself nor anyone in Germany proposes to reproach the countries in question for the interference with foreign property which originated during the war. It is not for us to throw stones, because we practiced most of the unfortunate violations of the principles of unviolable private rights ourselves or even caused them to be employed by others—a fact which cannot be stressed often enough. I am solely concerned about the common cause of the Western World. In order to carry the victory in ideological warfare against the East, we should practice what we teach, otherwise we might be defeated with our own weapons.

Without self-praise I may say that in pursuance of this course of thought we have attempted to reestablish the reputation and credit abroad of the Federal Republic and German business and to make amends as best we can for the wrongs which have been done in the past to the life and property of so many of our contemporaries. But, much still has to be done in that direction in many fields. Both our Government, our official agencies, and every one of us in Germany must continue to do their very best in order to again pay full regard to individual rights of foreigners and nationals alike.

There is no need for me to explain that communism welcomes the above-mentioned diversity of attitudes in our Western World concerning the protection of private rights and properties. We positively know that communism has even nurtured such dissensions in order to prepare the soil for a Communist world revolution which, according to recent declarations made by Mr. Khrushchev and other Soviet statesmen, is still the final goal aspired by the U. S. S. R.

For several reasons many authoritative quarters in the West have failed to see through this game and adopt timely countermeasures. In view of the continual military menace from the East, the military-strategical warding off of open aggression naturally stood in the foreground of interest, while the defense of western ideologies was neglected in the delusion that they could be sufficiently protected by propagating the slogan of our "Western way of life." Now that Soviet policy has adopted the method of subversive disintegration and infiltration, the many gaps and loopholes in our line of defense are gradually coming to light. In the heat of the cold war we had no time to account for the fact that in many respects we had been straying from the "Western way of life" in our own garden. A typical example is provided by the Austrian Treaty. Certainly, this treaty was a political compromise and chiefly aimed at the evacuation of Russian troops. Only few realized, however, that the Soviets were no longer interested in clinging to this small outpost of their military power. To make up for this unimportant withdrawal, the U. S. S. R. planted the seed for a further consistent pursuance of collectivism in Austria. For example, the expropriation measures agreed in the Austrian Treaty to which I am alluding would, I believe, hardly have been approved by the three great Western powers if they had realized that, as a result of the automatic transfer of former German assets to the Austrian state, the most important branches of Austrian industry will remain collective property more or less indefinitely, together with the enterprises which had already been nationalized before by the Austrian Republic. I am not complaining about the attendant personal losses of the former owners. Scores and scores of individuals and private firms have in other fields suffered much greater war losses. I only speak of the effects of this successful Soviet move on our world economy and the consistency of western freedom.

By this time we have discarded most of our old garments and false notions and found our way back to recognizing that the individual and his rights are the fundamental and stimulant of economic activity. Yet, we are still burdened with heavy mortgages from the past which provide many points of attack for a further infiltration of Communist ideas.

We have seen how these encumbrances are already standing in the way of building up a really free world economy, an economy divested of all avoidable risks which would enable us to utilize fully all available economic resources in favor of the less developed areas. Which will be their true effects in the event of a general depression that nobody can prevent in case, for some reason or other, this depression were to assume universal dimensions? If, in such an eventuality, our attitude toward the ethics of our "way of life" were still interspersed with contrasting element, there would be little chance of mastering the situation without departing from our principles. The East is actually waiting for this moment, knowing that people whose moral principles are not firmly anchored are particularly susceptible to temptation and infiltration when destitute and depressed.

At this point, I should like to give you an example of how we, that is the European industrial states and the United States of America on the one hand, and the less developed countries on the other, are actually contributing to generate future world economic depressions. Every industrial country and national economy naturally seeks to maintain employment at as steady a level as possible—last but not least for social reasons. Other countries, in the first place those which, after having discarded colonial bonds, are beginning to stand on their own feet, just as naturally wish to catch up with the achievements of the industrialized nations. Thus, the aims of both groups are complementary. Yet, this can be a source of great danger—that is, of an excessive strain on all the parties concerned—particularly in the field of public finance and balances of payments. In some cases, the initially sound competition for markets among the supplying countries has been carried too far. Often, terms and conditions for deliveries abroad are being offered by these countries which are entirely inconsistent with sound financial and economic principles. In some purchasing countries such tempting offers naturally may awaken illusions, as if they might make spectacular and rapid progress without undue strain upon their financial or foreign exchange situations. Consequently, they would accept too many offers of that kind within too short a period. These illusions might even be encouraged if, in the interest of full employment, and considering the afore-mentioned uncertainty of legal protection abroad, the governments of the delivering countries relieve their private corporations and firms of most of the political, economic, and transfer risks involved in their deliveries and credits by providing state guaranties. This procedure with respect to the export of capital goods has become quite common in many countries. Unsound underbidding by means of credit terms will not cease before the practice is abandoned by which the delivering firms, together with their governments and taxpayers, in addition to the work they are performing for their foreign customers, assume most of the risks connected with the fulfilment of the latters' obligations. The accumulation of too many development projects at a time, which might be the result, contributes to a further increase in international indebtedness which has already assumed excessive proportions in a number of countries. In this manner, ever less importance is bound to be attached to the question of profitableness by the purchasing countries, and the suppliers are asked for accommodating terms which their national economies are really unable to afford.

I am convinced that, to the good of their countries and populations, the economic growth of the less developed areas would proceed on a more evolutionary, reasonable, and financially sounder basis if both sides were to reassure the full measure of their respective responsibilities—the supplying country for contracted deliveries and services, and the receiving country for the agreed payments. Otherwise, the receiving economies will be the first to experience setbacks in their development and a deterioration of their people's standard of living in the event of possible future depressions, if not before. An excessively forced opening up of too many of the so-called underdeveloped areas at a time might even become partially responsible for a general world economic depression. The present volume of private credits outstanding from capital goods deliveries is enormous, quite apart from the state-to-state development credits. In addition, European governments and others have assumed extensive guaranties against political and economic foreign risks. It is easy, therefore, to predict the economic, financial, and moral effects on both creditors and debtors which would result if the debtor countries' liabilities were to definitely rise out of proportion with their ability to raise and transfer funds for the discharge of their foreign obligations.

Viewed in this light it is neither in the interest of the delivering nor receiving country to demand that governments create new financing institutions for the provision of export credits which are to run for longer terms than justified by the economic circumstances. An appeal of this kind was recently made in our country.

The above-mentioned new Soviet economic offensive in the so-called underdeveloped areas of the Near, Middle, and Far East is being launched against this vulnerable spot in our western economic structure. The conditions at which the U. S. S. R. is offering credit and development aids are decidedly even more tempting than the assistance which the West has been able to propose or promise, unless the underlying political implications are recognized by the countries concerned. Certainly, the western states, when offering economic assistance to other countries, also have some political line in mind. But, contrary to Soviet policy, their fundamental idea and purpose is to increase wealth among the peoples of these areas by unfolding their productive potential. In this manner they seek to promote the economic and political independence of such countries to a degree permitting them to eventually play an important role in the free world, uninfluenced by open or subversive outside aggression.

To doubt that the Soviet economy will actually be able to fulfill promises of investment aid is a mistake frequently made in the West. The area controlled by the U. S. S. R. has enormous resources and can already boast of an unusual wealth of technical and organizatory experience. Contrary to democracies in the West, the U. S.

S. R. is able to rapidly turn economic activity toward new directions and purposes, because the Government is absolutely autocratic, and no consideration is had of their subjects' standard of living and general well-being. Also, the Soviet economic potential will become greater as disarmament proceeds, which we are all hoping for.

Yet, even if all or part of the Soviet offers were insincere, they are fit to produce perplexion, undue economic and financial optimism in countries which so far have not had a taste of communism. They conduce to multiplying the aforementioned exaggerations of competition and all the devastating consequences for debtors and creditors, suppliers and customers, to the disadvantage of a sound world economic development.

The Western World, and last but not least, the European countries, realize that the policy of a further unfolding of the economic potential in all countries is a condition sine qua non for attaining a stable and well-balanced period of world economic prosperity, and that the less developed areas must receive their full share from such policy. As already mentioned, I consider it the very duty of the advanced economies to lend these areas economic and financial aid and give them advice on the technical and administrative upbuild and operation of their development projects. In doing so, greater stress than heretofore must be laid on the following points:

1. Advancement in these areas must proceed at a pace and in a manner adapted to their structure and resources.

2. Care must be taken to reestablish and maintain stability of the currency and balance of payments in these countries, in order to avoid inflationary tendencies.

3. Indigenous capital, labor, and other resources must be induced to partake in the various projects on a broad line, so as to strengthen their sense of responsibility for and interest in the development of their economy and lay the foundation for the growth of national capital markets.

In this manner it will be possible to avoid or correct many of the mistakes which had been made during the last century in developing the industrial countries in Europe and North America, and even more recently in opening up new countries. Naturally, all this calls for mutual confidence and cooperation between the giving and receiving economies, whereby I wish to emphasize that this cooperation in operating and completing the common projects must amount to a form of true partnership, in which none of the parties can take advantage over the other. To this end, the foremost responsibility lies with those who invest their capital in the economies of the receiving countries. In particular, in developing and utilizing natural resources, it is very important that due consideration is had of the national interests of the countries concerned. On the other hand, these countries must see to it that the capital employed to their benefit and the plants erected with the help of foreign funds or materials are permitted to operate unhampered and on an equal footing in every respect. Further, guaranty must be given that foreign creditors and investors may dispose of the proceeds of their efforts and that the receiving countries will engage to abstain from measures designed to block, confiscate, or expropriate the vested foreign interests. This principle, of course, must be reciprocally recognized and practiced.

At this point, I refer to a suggestion which I already made last year, namely, the conclusion of an international Magna Carta, by which if possible all countries in the free world engage to respect and protect rightfully acquired foreign property and other foreigners' rights. By this Carta, the contracting parties should submit to sanctions determined by an international arbitration court in the case of proven violations of this fundamental agreement. Perhaps it might be suitable for the Magna Carta to embody general basic rules concerning the fair treatment of foreign investments. May I recall that as early as in 1931, the International Chamber of Commerce adopted a resolution which envisaged the same manner of protecting foreign rights. Unfortunately, this resolution was not carried into effect as a result of the aforementioned unfortunate developments. Similar ideas are found in the report of President Eisenhower's Commission on Foreign Economic Policy, published in 1954 and universally known as the Randall report.

The conclusion of a Magna Carta of this kind would entail the following great advantages:

1. It will be sure to give an important stimulus to the revival and unfolding of private initiative. Further, it will contribute decisively toward reestablishing sound relations between governments and private business.

2. It will create a stable fundament and favorable atmosphere for a more extensive investment of foreign capital and technical and material resources in construction and development projects, particularly in all the new areas all over the world.

3. This Magna Carta is the key to financial and economic stability and responsibility in the national and international sphere, both of which are absolutely essential if further progress is to be made toward developing a free, healthy, and balanced world economy.

4. It will contribute decisively toward reestablishing international confidence and legal security and at the same time provide effective evidence of the free world's firm belief in the inviolability of private rights and interests.

5. The Carta will support the moral buttress of the free world which we have erected against the property-denying forces of communism.

6. It will contribute to realizing the ideal of all devoted champions of freedom, which is to see the respect for individuals and their vested rights reinstated as the unwritten law of nations.

I am well aware that great efforts on all sides are needed to create the proper atmosphere for an international convention of this kind. As a preliminary, but essential preparatory task, past mistakes in the treatment of the private rights of foreign nationals must be made good, misunderstandings and distrust removed, and the entire attitude toward this important problem revised with a view to reaching our common goal.

Ladies and gentlemen, we are at a turning point in our struggle for the maintenance of freedom and the elementary rights of all peoples. The Communist intention to exert direct influence on world events, proclaimed at this year's Congress of the Soviet Party, the new Communist economic policy, insofar as it is to be carried beyond the eastern sphere of influence, and the new orders given to form peoples-front governments in the western countries, have surely opened our eyes to the crossroads lying ahead of us. The battle can only be won if we realize the whole implication of our own principles, carry them into effect without compromise, and reinstate them wherever and for whichever reason they were departed from or neglected during the past. This is the only way to resist underhand communistic disintegration activity, particularly in times of depression. It is the only means of finding a suitable platform from which to ward off political encroachment of the U. S. S. R. in the international economic sphere by constructive international cooperation among ourselves.

For very good reasons Germany is particularly concerned about future developments. We have first experience of politics during the previous German regime and the devastating effects they had on individual rights. Consequently, we are able to see clearly through the continually progressing infringement of personal freedom and private property in the parts of Germany on the other side of the Elbe, where, according to recent proclamations of influential Soviet statesmen, the present political system is to be perpetuated as a precondition for German reunification. If this demand of the Soviets is given way to even in the least degree, the rest of Europe might easily be carried away by the Communist current.

Most of the founders of the newly established Gesellschaft zur Förderung des Schutzes von Auslandsinvestitionen (society to promote the protection of foreign investment) belong to important circles of German political and business life and have an intimate knowledge of the perils surrounding us. They feel it to be their responsibility to help the world realize the extent of these dangers in the economic sphere and to seek and win friends and promoters of their cause all over the world.

We realize that, in order to reach the aspired ends, a great measure of insight and courage is needed, if only to discard misguided principles and practices of the law. But we know that many authoritative personalities as well as scores of unknown persons in the western world share our principles and give much thought to finding ways and means of emerging from our present dilemma. I am thinking, in the first place, of outstanding men in the United States of America. This freedom-loving country is particularly awake to the common problems because, by tradition, it has adopted the cause of the individual and the protection of his rights. In the shape of Government aid and private foreign investments the United States of America owns by far the most extensive interest abroad. By its influential position in the political world, its wealth and capital resources, the country feels particularly responsible for the continued advancement of the free world economy and the welfare of all peoples. Only recently, Americans of both the great parties, e. g., the Senators JOHNSTON, KNOWLAND, LANGER, WILEY, and others have expressed their concern as to the maintenance of international protection of rights all over the world. Their concern is a result of the very same events and developments which I have described today.

In conclusion, I trust I have been able to contribute a modest but constructive share toward propogating and promoting the cause which, together with many of my countrymen, I have very much at heart. I hope this will give new impulse to all of us living in our world who share our fundamental ideals and are earnestly intent upon helping to assure the development of a secure, flourishing, free universal economy.

Mr. LANGER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SCOTT in the chair). Without objection, it is so ordered.

REQUIREMENT OF JUDICIAL EXPERIENCE FOR APPOINTEES TO THE SUPREME COURT

Mr. STENNIS. Mr. President, last year, on March 14, 1955, I introduced S. 1440, which would add to section I of title 28 of the United States Code the requirement that at least 1 of each 2

successive appointees to the office of Associate Justice of the Supreme Court of the United States would have at least 10 years' judicial experience before being nominated to that office.

This bill was introduced because I felt it necessary that some qualifications of judicial experience should be a requisite for at least one-half of the nominees for this post and as a result of the fact that in recent years such experience has not been considered of prime importance by those persons who advise the President on his selection of nominees.

It seems to me that during the last 25 years the judicial branch has been the most neglected branch of our Government. But I believe it is still the most important branch of our great constitutional system.

This is not a personal attack on the character of any of the present members of the Court. Most of them have achieved eminence in other fields of government or the legal profession, but the fact remains that the cumulative prior judicial experience of the present Supreme Court is less than 10 years.

Mr. President, a seasoned justice is not created overnight. Judicial maturity is attained only after long years of painstaking study, research, and analysis. His experience should be gained under conditions where his aberrations and deviations from the law will be brought forcefully home in reversals by higher courts. He should not be placed in a position where his errors will be perpetuated in the law books for generations to come. A judicial approach is the result of years of development; it is the essence of self-restraint. Historically, the most effective check on the Supreme Court of the United States has been its own self-restraint.

Located, as it is, at the very apex of government, with its vast power to strike down State and congressional laws, and any and all parts of State constitutions, requires that men selected to fill its numbers be the best qualified in the entire United States. Certainly the best qualification is experience.

S. 1440 was introduced in good faith, although I was aware of the implicit constitutional question involved. The question of establishing qualifications for offices prescribed by the Constitution itself has never been settled definitely to my satisfaction. Subsequently, I have sought the opinions of several authorities on constitutional law, and the very variety of their opinions indicates to me the magnitude and the complexity of the question. I do not want an unanswered constitutional question to delay further consideration by the Senate of this important problem.

The President has historically been considered to have an untrammeled choice in making nominations, and there is considerable authority to the effect that this is a valid exercise of the Executive power under the separation of powers embodied in our Constitution.

Conceding then, for the moment, that such congressional or legislative act would be in contravention of the President's prerogatives, what is the constitutional duty of the Senate in respect to the process of appointment?

The answer is found in the Constitution itself. Article II, section 2, of the Constitution provides that the President "shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur; and he shall nominate, and by and with the advice and consent of the Senate, shall appoint Ambassadors, other public ministers and consuls, Judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments."

In the earliest days of our history, President Washington solicited advice on his appointments and considered recommendations at great length before making his nominations to fill positions. With the growth of the two-party system in our country, however, the Senate's advice to the Executive in regard to nominations has been a totally neglected constitutional obligation. The function is now performed apparently by the Department of Justice or the Attorney General of the United States, himself an appointee of the President. It is, indeed, curious that this constitutional duty of the Senate should have, through neglect, crossed the line of the separation of powers and devolved to the Department of Justice—or the Attorney General—the chief litigant in our Federal courts.

The phrase "advice and consent" is not a new or novel concept, nor was it original at the time it was written into the Constitution. While its origin may be obscure, former Senator Pepper, in his oral argument before the Supreme Court in Myers against United States, traced this important phrase back to 759 when he said:

> The story, in English constitutional history, of the phrase "advice and consent" is coincident with the whole story of the rise and development of English parliamentary government. I find the phrase first used back in the eighth century, 759, when a Northumbrian king does such and such things with the "advice and consent" of his wise men. It comes down through Magna Carta. It comes down through all the ages. And when in 1787 it became necessary, as between those who were championing a strong executive and those who were championing the legislature, to find a middle ground, it was provided, in the language of old English law, that such-and-such things should be done by the President "with the advice and consent" of the Senate.

In America, I find that it was used in the second charter of the Massachusetts Bay Colony, in 1691.

Records of the Constitutional Convention indicate that, when the question of the appointive power was considered, an impressive group of delegates, including Benjamin Franklin, of Pennsylvania, urged that the Senate should have this sole responsibility. Alexander Hamilton, the Great Federalist, although insisting upon Executive nominative power, suggested that the Senate should have the power of "rejecting or approving" a nomination made by the President.

It was, however, Delegate Gorham, of Massachusetts, who, after pointing out that this method had been in use in his Commonwealth for 140 years, was successful in having "advice and consent" inserted in our Constitution, as it remains today.

"Consent" may well have been the power which Hamilton sought to have conferred on the Senate. It implies and means a concurrence of will or agreement. Hearings preceding confirmation usually determine whether consent to the appointment will be given or withheld.

However, no action is normally taken by the Senate to advise the Executive prior to the nomination of a particular person to fill a vacancy in a constitutional office.

This I suggest be done by action of the Senate, and I am today submitting a resolution to set forth and prescribe the minimum qualifications which the Senate would apply in confirming future appointments.

Mr. President, I ask uanimous consent that the resolution be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, for emphasis, I point out that this device in no way interferes with the discretion of the President in making his selection, but is, in essence, a restraint upon the future discretion of the Senate in its unique function of confirmation.

Other qualifications may occur to Senators, and while more restrictive criteria than mere professional experience may be the subject of debate on their merits, I feel that by the use of the Senate resolution our constitutional duty to provide a lawful and helpful guide to the President, regardless of who he may be, is one method of returning to the spirit and letter of our Constitution.

The PRESIDING OFFICER. Without objection, the resolution submitted by the Senator from Mississippi will be received and appropriately referred.

The resolution (S. Res. 264), submitted by Mr. STENNIS, was received, and referred to the Committee on the Judiciary, as follows:

> *Resolved*, That from and after the date of adoption of this resolution, at least 1 of each 2 successive nominees confirmed by the Senate for the office of Associate Justice of the Supreme Court shall, at the time of the confirmation, have had at least 10 years of judicial service. For the purpose of this paragraph, "judicial service" means service as a justice of the United States (as defined in sec. 451 of title 28, U. S. C.), a judge of a court of appeals or district court, or a justice or judge of the highest court of a State or of any other State court having general jurisdiction.

Mr. STENNIS. Mr. President, had this standard of selection obtained for the last 25 years, I doubt that we would have heard of "paramount rights" which produced, instanter, a new Constitution law doctrine in the submerged and tidal land cases; I doubt that we would have seen the finger of scorn pointed judicially at judicial precedent and contemporaneous legislative construction in order

to open a new area of Federal power in locally maintained public schools throughout the country. I doubt that we would have seen a case remanded to the very board whose constitutionality was in issue as in the Communist Party case decided Monday, April 30. Such startling concepts are hardly a stabilizing influence in our Government.

WITHDRAWAL OF SOVIET ARMED FORCES FROM NEIGHBORING COUNTRIES

Mr. JENNER. Mr. President, on May 10, Members of Congress marked the anniversary of the independence day of free Rumania, but there is something much more practical that Congress can do for the victims of the Soviet colossus.

Today, Rumania is occupied by 30,000 Soviet troops.

That is our official estimate.

Rumanian sources put the numbers at from three hundred thousand to five hundred thousand.

I am told that, as always, they occupy strategic positions like the coast of the Black Sea, where they can threaten Turkey, and the borders from which they can quickly move westward.

The presence of Soviet troops on the soil of Rumania is a direct violation of the peace treaty of 1947 and the Austrian Treaty of 1955.

There are officially 30,000 Soviet troops in Hungary in violation of the same agreements.

We have seen clearly in the recent hearings of the Internal Security Subcommittee that even a few Soviet agents, and their armed thugs, can kidnap on American soil those to whom we gave asylum, and leave no trace of them except a bloody shirt, a dismantled room, and letters from the sailors saying they refused absolutely to see the Soviet agents who wanted to brainwash them.

Is the United States going to sit idly by, as usual, while the Soviet Union flaunts its violations of its treaty pledges?

We have simple legal remedies under these violated treaties.

Why has our Government failed to invoke them?

The treaties were signed in 1947.

We were signatories along with the Soviet Union.

The treaties provided that the U. S. S. R. could keep Soviet troops in Rumania and Hungary, to maintain its lines of communication with Austria.

This was incredible on the face of it.

The shortest and most convenient lines between the U. S. S. R. and Austria lie outside Rumanian territory.

The Krakow line is only 400 miles long, and is far better equipped than the lines through Rumania, which are 800 or 900 miles long.

The number of supporting troops was also fantastic.

Secretary Byrnes tried again and again at the conference of foreign ministers to limit the Soviet forces to 5,000 men, even when they were supposed to have lines to guard.

This absurd provision in the peace treaties merely gave the Soviet Union 10 years of immunity in which to communize, by force, these two freedom-loving nations. These treaties signified that the Soviet troops would leave Rumania and Hungary not more than 90 days after completion of the treaty with Austria.

As we well know, the Soviet Union delayed the signing of the Austrian Treaty for 8 years, but it finally went into effect on July 27, 1955.

The 90 days have come and gone, and Soviet troops are still on the soil of presumably independent states. The puppet rulers of the satellites boast that they asked the Soviet Government to keep its forces in their country in spite of the treaty pledge, because of the "threat" of NATO.

Has our Government protested these violations of solemn international agreements? No, indeed. On the contrary both Communist governments were recently rewarded with admission to the United Nations, through the infamous "package deal."

The Soviet Union imposed its puppet government on Rumania by force, on March 6, 1945. At that very moment, Rumania had 19 divisions, or over 300,000 men, fighting alongside the allies, in Hungary and Czechoslovakia.

The Communist governments of Rumania and Hungary still exist only by means of bayonets and other forms of armed force. Apparently they dare not try to carry on without Soviet armed protection. They still continue to murder their political opponents, and leave their bodies unburied in the streets.

If Soviet troops occupy key points in these countries, how are they sovereign states? On what basis are they counted as sovereign states in United Nations voting?

How many Charley McCarthy governments is the Soviet Union going to be allowed to vote in the United Nations against our interests and our security, while she laughs at our softness?

The 1947 peace treaties provide that any dispute about interpretation of any clause is to be referred first to the heads of mission of the parties involved. If they cannot settle the dispute within 2 months, it is to be referred to a commission composed of—

> One representative of each party and a third member selected by mutual agreement of the two parties from nationals of a third country.

Should they fail to agree within 1 month upon the appointment of a third member, then—

> The Secretary General of the United Nations may be requested by either party to make the appointment.

This simple machinery lies right at hand; but it has never been invoked by the United States, to insist that Soviet troops withdraw from areas outside their borders, or that their puppets lose the status of members of the United Nations.

The issue concerns both our honor and our security.

When the Austrian treaty was before us, I said on the floor of the Senate that the agreement was a serious threat to American national defense. Neutralization of Austria was totally unlike the neutrality of the Swiss. The Swiss are armed with all the military strength they need to repel hostile threats to their liberty, but Austria was made into a disarmed and helpless victim waiting unprotected in a no-man's land between East and West.

The device of neutralization was designed to carve a new ring of satellites out of the free world, in order to protect past Soviet conquests and soften up a new area, which will be gradually transformed into new satellites, closer to us. A neutralized Austria was meant to be a smokescreen behind which the conquest of its neighbors could be carried to the bitter end, while the Soviet leaders traveled abroad to talk of peaceful coexistence. It is a "Cordon Sanitaire," in reverse, which protects the Soviet conquests from sight of the West, and bars the subject people from any help.

I have pointed out again and again that every addition to the Soviet system of satellite and neutralist states strengthens the Soviet war machine, and weakens the military and political strength of the United States. In addition, every victory of communism is a carefully calculated warning to the resistance leaders in the satellite states and to the anti-Communist leaders of the still free nations of Western Europe that the United States has abandoned them.

Politically and militarily, we are in retreat. In our apparent security and pleasant luxury, we may ignore for a while the clear meaning of these Soviet moves; but the resistance leaders and the West European anti-Communists are closer to the day of execution. Their minds are cleared by the nearness of danger. They know defeat and death are brought immeasurably closer to them by our submission to Soviet violations of its plighted word.

We know the time bomb is set for us also. Every step we take to dismantle the Soviet war machine in the satellite nations is a vital link in American defense.

I submit a resolution, asking that the President authorize the Secretary of State to insist forthwith on withdrawal of Soviet armed forces in neighboring countries in violation of its solemn commitments. If that fails, the resolution proposes that we close the embassies and all consulates of both nations, and have the American Ambassador to the United Nations insist upon the removal of these nations from the United Nations on the ground that they are subject provinces of the Soviet Union.

There being no objection, the resolution (S. Res. 265) submitted by Mr. JENNER was received and referred to the Committee on Foreign Relations, as follows:

> *Resolved*, That it is the sense of the Senate that the President should greatly strengthen the military defense of the United States and our position in the field of psychological warfare with world communism, by directing the Secretary of State to insist forthwith on the withdrawal of all Soviet armed forces from Rumania and Hungary, in accordance with the provisions of the 1947 and 1955 treaties.
>
> SEC. 2. It is further the sense of the Senate that, if the Soviet Government refuses to honor its treaty obligations, it is the solemn duty of this Government to close the embassies and consulates of Rumania and Hun-

gary in this country, and to demand, through our representatives to the United Nations, the expulsion of these governments from the United Nations on the ground that they are occupied provinces of the Soviet Union.

NIAGARA RIVER POWER DEVELOPMENT

Mr. CHAVEZ. Mr. President, the development of hydroelectric power at Niagara Falls, N. Y., was first undertaken by private enterprise about 60 years ago. Since that time there have been many proposals for additional development of power at that location. Such development until recently was not possible, because much of the international water of the Niagara River was not properly allocated between the United States and Canada.

A treaty between the two countries was ratified in 1950 providing for the additional diversion of waters at Niagara Falls for power purposes, and dividing such diversions equally between them. The treaty contained a reservation providing that no project for use of the United States share of the water would be undertaken until specifically authorized by an act of Congress. The treaty also provided that either country could utilize the other's share of water until that country completed its power installation.

Since the ratification of the 1950 treaty, various bills have been introduced in Congress providing for the development of the available power on the American side of the Niagara River, but no action has been completed on these measures. In the meantime, power installations have been completed on the Canadian side, and Canada is now utilizing the United States share of the water provided by the treaty.

The Committee on Public Works has given careful consideration to the bills introduced in each Congress. Public hearings were held for 2 days in 1951. In 1953 joint hearings were held with the House Committee on Public Works for 2 days, and for 9 days on the Senate bills. Last year the committee held hearings for 3 days on this matter.

Some of the earlier bills provided for the development of power as a Federal project, but that idea has been discarded, and we no longer are concerned with proposed legislation of that nature. However, as the Senate placed the reservation in the treaty expressly reserving the right to Congress to pass legislation on how the power is to be developed, we, the Congress, could authorize its development as a Federal project if such a course were desired.

Two bills have been introduced in the 84th Congress providing for the development of power at Niagara Falls. One of these would direct the Federal Power Commission to issue a license to a private corporation for development of the power; the other one would direct the Commission to issue a license to the State Power Authority of New York, an agency of the State of New York, for such development, such license to include provisions granting preference in the disposition of the power to public agencies, municipalities, and cooperatives.

The State Power Authority of New York seeks authority for the specific purpose of developing the available power at Niagara Falls and the International Rapids section of the St. Lawrence River. The Federal Power Commission granted a license to the Authority for development of the St. Lawrence power, and construction on that project is under way. It will be completed in 1958. The State power authority now desires a license for developing the Niagara power in conjunction with the St. Lawrence project.

It should be noted that the State power authority obtains its funds from the sale of revenue bonds, just as any private company does, without appropriations from the State treasury. No Federal funds are involved in this case.

The Committee on Public Works of the Senate gave long and deliberate consideration to the two bills before it, disapproved the private-enterprise bill, and reported to the Senate S. 1823, the New York State Power Authority bill.

New York State claims ownership of the waters of the Niagara River. The private companies recognize this and now pay the State $1,900,000 annually for the use of the water which is being utilized for power purposes. They have stated that they would pay the State $5 million for the use of the additional water provided. Had the reservation not been placed in the 1950 treaty requiring an act of Congress to provide for this power development, both the State power authority and the private corporation could have made application to the Federal Power Commission for a license for such project.

The Federal Power Act provides that, in issuing preliminary permits or licenses, the Commission shall give preference to applications therefor by States and municipalities, provided the plans for the same are deemed by the Commission equally well adapted, or shall, within a reasonable time to be fixed by the Commission, be made equally well adapted, to conserve and utilize in the public interest the water resources of the region. Under these provisions the Federal Power Commission would have issued the license to the State authority, since both applicants propose the same plans for the power development.

The New York and New England area has the highest power rate of any section of the country. The wholesale power cost to rural electric systems in New York is 1.12 cents per kilowatt-hour, the Nation's average is .76 cent, and it is .58 cent in Alabama. The average cost of purchased power to municipalities and other publicly owned electric utilities is .97 cent per kilowatt-hour in New York, .44 cent in Tennessee. It is hoped that a source of cheap, dependable power will provide an adequate yardstick, and permit lower power rates and greater use of electricity over a large area of the northeastern section of our country.

It is my belief that, generally, where private enterprise is able and willing to construct power facilities, it should be permitted to do so, but that where going public agencies have been organized for development of public resources for the benefit of all the people, without the use of the taxpayers' money, they should be permitted such course of action. This latter procedure has been the established policy of the Federal Power Act and other Federal legislation for over 50 years.

The Committee on Public Works recommends Senate bill 1823 as the most desirable method of development. The New York State Power Authority is now a going organization. It is ready, willing, and able to undertake this project. It will dispose of the power to rural and domestic customers, and create widespread benefits to the general public in that area.

The electric power which can be produced at Niagara Falls is urgently needed in the northeastern section of the United States, and can be produced at less cost than at any place on the American Continent. It is estimated that by 1960 there will be a demand for 1,500,000 kilowatts additional capacity in the Niagara area alone, with a demand for 1,600,000 kilowatts in the adjacent areas.

The reservation to the treaty provides for development "for the public use and benefit." The most desirable method of conforming with this requirement is by public development, with the consumer safeguards contained in S. 1823.

These safeguards include the usual preferential rights of public agencies and nonprofit cooperative distribution systems to obtain their power supply from the Niagara project. They are necessary to effect the proper influence on the high electric rates in the area, which are now among the highest in the Nation.

The preference provisions contained in S. 1823 are an important part of any public power development. Preference in disposition of power from such development by a public nonprofit organization should be given to other public nonprofit bodies. Public development and public distribution—the two go hand in hand. They cannot be separated.

So we have here a proposal for development of a wonderful power project by a great State agency. If the provisions of S. 1823 are applied under our traditional Federal power policies, it will be possible for homes and farms to use more electricity, and industry in the area to modernize and expand.

Standards of living will rise, the economy will expand, and full employment will result. This expansion of business and industry will increase the regional prosperity and provide increased revenues and lower taxes. Public development and low-cost power, with all the consequent benefits, will make a great contribution to the Public Treasury.

Mr. President, so far as the bill is concerned, I wish to emphasize the fact that it is not going to cost the American Federal taxpayer one penny. Of late, I have been hearing much about States rights. The State authorities of the State of New York will provide the funds to construct the project.

GREAT LAKES BULK CARGO VESSELS

Mr. LEHMAN. Mr. President——

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. What is the pending order of business?

The PRESIDING OFFICER. Senate bill 3108, to encourage the construction of modern Great Lakes bulk cargo vessels.

Mr. MAGNUSON. That is what I thought. The Senator from Michigan and I have been here for 2 days, waiting to get action on the bill. It is the pending business, and it will not take too long to dispose of it.

The Senate resumed the consideration of the bill (S. 3108) to encourage the construction of modern Great Lakes bulk cargo vessels.

Mr. POTTER. Mr. President, will the Senator from New York yield to me, in order to permit me to speak on the Great Lakes bulk-cargo vessels bill?

Mr. LEHMAN. I shall be very glad to yield, if I may do so without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LEHMAN. Then I yield.

Mr. WILLIAMS. Mr. President, will the Senator from Michigan yield? I believe we should have a quorum call at this time, before the Senator from Michigan begins his remarks.

Mr. POTTER. Mr. President, the distinguished Senator from New York has been here all afternoon, as have several other Senators, including myself, waiting to present our views. With that in mind, there have been 4 or 5 quorum calls. I shall be delighted to yield, if the Senator from Delaware so desires.

Mr. WILLIAMS. There are not more than half a dozen Members on the floor at this time; and I think the measure the Senator from Michigan will discuss is of sufficient importance to justify a quorum call at this time.

Mr. POTTER. Very well.

The PRESIDING OFFICER. The Senator from New York [Mr. LEHMAN] has the floor.

Mr. WILLIAMS. I should like to have a quorum call had at this time, before debate on the bill begins. In that way I believe we shall avoid the necessity of considerable repetition.

Mr. LEHMAN. As a courtesy, I have been glad to yield to other Senators, with the understanding that in doing so I shall not lose the floor.

Mr. WILLIAMS. I merely suggest that there be a quorum call at this time, before the Senator from Michigan [Mr. POTTER] explains the bill.

Mr. LEHMAN. Of course I have no objection to having that done. Therefore, Mr. President, I suggest the absence of a quorum, provided it is understood that in doing so, I shall not lose my right to the floor.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from New York [Mr. LEHMAN] may yield to the distinguished Senator from Delaware [Mr. WILLIAMS] for not to exceed 15 minutes, without losing his right to the floor.

Mr. WILLIAMS. Mr. President, the Senator from Michigan and the Senator from Washington wish to present their arguments. Why not let them proceed first, and then the Senator from New York may yield to me for the purpose of offering an amendment?

Mr. JOHNSON of Texas. The Senator from Delaware wishes to offer an amendment, and the Senator from Washington and the Senator from Michigan wish to answer him.

Mr. WILLIAMS. Neither the Senator from Washington nor the Senator from Michigan has as yet discussed the bill.

Mr. JOHNSON of Texas. I understood that the request which I was making was satisfactory to the Senator from Michigan.

Mr. POTTER. Mr. President, it makes no difference to me if the Senator from Delaware wishes to offer his amendment at this time. However, neither the Senator from Washington nor I have spoken on the bill.

Mr. JOHNSON of Texas. The Senator from Michigan has no illusions that his presentation on the bill will cause the Senator from Delaware to forgo offering his amendment.

Mr. POTTER. I gave up that hope long ago.

Mr. JOHNSON of Texas. The majority leader thought an understanding existed between the two distinguished Senators.

Mr. POTTER. The arrangement suggested is agreeable to me.

Mr. WILLIAMS. Frankly, I am perfectly willing to approach the consideration of the bill on the basis that its authors and sponsors have no defense for its enactment. I think that is the true situation. But I wonder if the Senator from Michigan or the Senator from Washington wishes to allow the RECORD to stand that way.

Mr. JOHNSON of Texas. Neither the Senator from Washington nor the Senator from Michigan has explained the bill in detail. I understand that the Senator from Delaware wishes to move to recommit the bill.

Mr. WILLIAMS. I do not know. I shall offer an amendment, and may possibly make a motion to recommit the bill. But certainly the Senator from Washington and the Senator from Michigan have a right to present their arguments in favor of the bill.

Mr. JOHNSON of Texas. I understood that the agreement which I asked the Senator to enter into would be acceptable to my friend from Michigan. If not, I withdraw the request. The Senator from Michigan needs no one to protect him.

Mr. POTTER. The Senator from Michigan will lean over backward in extending courtesies to the Senator from Delaware.

Mr. JOHNSON of Texas. If the Senator from Delaware will do the same for the Senator from Michigan, we shall make progress. The Senator from Delaware can offer his amendment, discuss it, and ask for the yeas and nays upon it. The Senate can then proceed to vote upon his amendment. Then, if any other Senator wishes to offer an amendment to the bill, he may do so. The Senator from Delaware can then make his motion to recommit.

Mr. WILLIAMS. When would the Senator from Washington or the Senator from Michigan have an opportunity to present their arguments in favor of the bill?

Mr. JOHNSON of Texas. Whenever they choose to speak. That would be up to the Senator from Michigan and the Senator from Washington, and not to the Senator from Texas or the Senator from Delaware.

Mr. WILLIAMS. There is always too much talk in the Senate, and I do not wish to add unnecessarily to the volume especially when it is not necessary. If there are no arguments for the bill, I will not waste time debating against it. Let the bill remain on the calendar, and die.

Mr. JOHNSON of Texas. As I understand, the Senator from Washington and the Senator from Michigan are willing to vote on the bill without too much talking.

Does the Senator from Delaware object to the request? If so, I will withdraw it.

Mr. WILLIAMS. The orderly procedure would be for the Senator from Washington and the Senator from Michigan first to proceed to discuss the bill following which I will make my own remarks.

Mr. JOHNSON of Texas. Mr. President, I withdraw my request, and I ask unanimous consent that the Senator from New York may yield to the Senator from Michigan [Mr. POTTER] for 10 minutes, without losing his right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I thank the Senator from Michigan for his usual courtesy.

Mr. POTTER. Mr. President, the bill under consideration, Senate bill 3108, is not complicated. It is in line with a policy which was established in 1936.

It is a bill to encourage the construction and maintenance of a fleet of privately owned United States-flag Great Lakes cargo vessels adequate to supply the demands of essential industries for basic bulk commodities in time of peace and in time of national emergency. Vast quantities of basic commodities flow over the Great Lakes between Canada and the United States in international trade, which is open to vessels of all nations. Without encouragement from the United States, Great Lakes vessels under the American flag will be unable to compete with foreign vessels for this international trade, because of much greater construction and operating costs. The result will be that the United States fleet will diminish to a point where it will be

sufficient to transport only the Nation's peacetime domestic needs.

Past experience has demonstrated that in time of war vessels of foreign flags cannot be counted upon to move the quantities of bulk commodities necessary to meet the demands of national defense industries. Without a Great Lakes fleet of United States flag vessels of sufficient capacity to transport essential commodities in both foreign and domestic commerce, the industrial strength of the Nation will be seriously impaired.

A tremendous commerce in the movement of such vital bulk commodities as iron ore, coal, limestone and grain occurs on the Great Lakes. In 1955 that commerce totaled 193,750,000 tons, of which 162,650,000 tons were domestic to the United States, 7,850,000 tons domestic to Canada, and 23,250,000 tons international between the two countries.

In recent years, two distinct trends have developed in Great Lakes commerce. First, international trade between the United States and Canada has increased; and, second, the portion of such trade transported in United States flag vessels has become less and less.

In 1925 the commerce in bulk commodities between the two countries amounted to 9,900,000 tons. In 1955 it had increased to 23,250,000 tons, to which may be added 4,750,000 tons of other commodities, for a total of 28 million. Considerable increase is probable within the near future.

In 1955 the movement of Ontario and Quebec-Labrador ores into the United States amounted to about 10 million tons. From Skillings' Mining Review, issue October 15, 1955, it would appear that this movement will be doubled by 1960.

The Lake Superior district supplied formerly about 85 percent of the iron ore required by the Nation's steel industry. Skillings' indicates that by 1970 this percentage may be reduced to about 50 percent, with South America, Africa, and other overseas sources supplying something more than Canada.

In time of war, it is inevitable that these overseas sources will be cut off. In that event, the Nation will again, as it has in past wars, have to rely on the Great Lakes area for iron ore and on Great Lakes vessels for its transportation.

Because of higher construction and operating costs, United States flag vessels have lost ground in the transportation of the bulk commodities moving between the United States and Canada. Of such commerce the percentage borne by United States vessels has shrunk from 76 percent in 1925 to 29 percent in 1955.

The commerce between the United States and Canada is open to the vessels of all countries. Upon completion of the St. Lawrence Seaway, United States Great Lakes vessels will be exposed to competition from large, modern, efficient, low-cost vessels of all countries.

Vessel construction and operating costs give foreign-flag vessels a great advantage over United States vessels in this international trade. Canadian costs are approximately 66⅔ percent of United States costs. Operating costs of other foreign vessels average less than 55 percent of ours. Construction costs in other foreign countries, where substantial bulk vessel tonnage is presently being built, average only about 40 percent of United States costs.

It is evident that the future size and capabilities of the Great Lakes bulk vessel fleet under United States flag depend upon the ability of such vessels to compete with vessels of other countries in this growing international trade between the United States and Canada.

At the present time there are 343 Great Lakes bulk cargo vessels under United States flag, representing a total trip capacity of 3,380,000 tons. Of these vessels, 103 are now 50 or more years old. By 1960, however, 201 vessels or approximately 60 percent of the entire United States flag Great Lakes bulk cargo fleet will be 50 or more years old. These vessels represent a total trip capacity of 1,900,000 tons.

Unless Great Lakes bulk vessels under United States flag are able to compete with foreign vessels in this international trade, the trend toward greater and greater use of the latter vessels will continue until finally United States vessels will have been driven entirely from this trade. In that event, the United States fleet will decrease to a capacity sufficient only to transport the Nation's peacetime domestic commerce in these bulk commodities. In time of war such a fleet would not be adequate to handle the increased foreign and domestic commerce which would inevitably result at a time when this Nation would be compelled to rely more fully on its own resources.

The existence of a strong and efficient Greak Lakes bulk fleet under United States flag capable of competing with foreign vessels is essential to the domestic trades. Unlike other geographical areas, Great Lakes domestic and foreign commerce are closely interwoven. Vessels move freely within the two trades and this flexibility is essential to achieve and preserve efficient and economic operation.

The more efficient are our own vessels the better will United States industry and agriculture be able to compete with foreign products, as, for example, Lake Superior iron ore in supplying the needs of our steel industry and the United States farmer in marketing his grain.

Therefore, in order to encourage the construction and maintenance of modern, efficient, high speed Great Lakes bulk cargo vessels, capable of meeting foreign flag competition, the needs of peacetime commerce, and the demands of national defense, it is proposed that citizens of the United States be permitted to transfer to the United States existing Great Lakes vessels as they become obsolete in exchange for an allowance of credit to be applied upon the cost of new vessels constructed in the United States. The allowance of credit should be based upon the inherent cost advantage of foreign flag operators in constructing similar vessels abroad. Vessels so acquired by the United States would be placed in a reserve fleet for use during periods of emergency.

In essence, that is the purpose of the bill.

We know that the St. Lawrence Seaway will be completed in approximately 3 years, and we also know that ships which are now on the drawing boards of many foreign ship construction companies are designed specifically for use in the Great Lakes trade. They will move into the Great Lakes area and take over the shipment of ore from the Labrador range to American ports.

We also know that ship construction costs in foreign countries are 40 percent lower than such construction costs in the United States. On the other hand, American ships must be built in American yards, where ship construction costs are 60 percent higher than they are in foreign countries. Therefore American ships will be unable to compete with foreign ships as the foreign ships come into the Great Lakes area.

Irrespective of the effect such a development would have on the domestic trade, it has been the policy of our Government in connection with national defense to develop a strong merchant marine for defense purposes. All of us realize how vital it was for us to maintain a strong Great Lakes fleet during the last world war.

In case of another emergency, the ships we have today would be wholly inadequate to take care of the vital link in our national defense which provides for the transportation of ore to our steel mills.

We also know that shipments of ore from foreign countries cannot be depended upon as sources of raw materials in case of war. Foreign ships, possibly because of enemy action or because of the needs of foreign governments, will be unable to furnish us with sufficient transportation of ore from foreign sources. Therefore we will be required to supply ore for our steel mills from the Great Lakes region. If we allow our ore carriers to dwindle away in the face of foreign competition, we will weaken a vital link in our national defense.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. WILLIAMS. Are there any limitations contained in the bill with reference to the number of ships which would be constructed?

Mr. POTTER. There is no limitation in the bill with respect to the number of ships, any more than there is any limitation in the present act with reference to the trading in of salt water vessels.

Mr. WILLIAMS. How many ships could be involved in this particular bill, under this authorization?

Mr. POTTER. I will say to the distinguished Senator from Delaware that the Congress has never, in measures of this kind, set a limit as to the number of ships. There is a problem of obsolescence. Various companies which operate ore carriers say that if there is a trade-in of 3 ships a year over the period of the next 5 years, that will probably be all that will be traded in.

We must also realize that there is a limitation upon the shipbuilding facilities on the Great Lakes. I do not believe there are sufficient facilities to build more than from 3 to 5 vessels a year.

Mr. WILLIAMS. Does the bill provide that they can be built only in the shipyards along the Great Lakes?

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from New York may yield 5 additional minutes to the Senator from Michigan.

Mr. LEHMAN. I shall be glad to do so, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. POTTER. I thank both the distinguished Senator from Texas and the distinguished Senator from New York.

Mr. WILLIAMS. How many ships, at the maximum, can be involved in this authorized trade-in? Is it not a fact that approximately 300 can be involved?

Mr. POTTER. If the Senator will refer to the definition of an obsolete ship he will find there are many obsolete ships in the ore trade.

Mr. WILLIAMS. An obsolete ship is described in the bill, and the bill is what we are acting on today. Is it not a fact that, based upon the definition in the bill, approximately 300 ships would be eligible?

Mr. POTTER. That is correct.

Mr. WILLIAMS. What is the average payment which would be involved for each ship under the formula contained in the bill?

Mr. POTTER. The bill provides that a shipowner may turn in an obsolete ship, as described in the bill, to the Maritime Board. It will be then placed in a laid-up fleet. The Maritime Board will then make a determination of the cost to replace the tonnage of a new vessel in a foreign yard. A contract will be let to an American yard for the replacement of that tonnage through a new vessel, as outlined in the bill, and a credit will be given for the construction of a new ship, the credit representing the difference between the cost of construction in a foreign yard and the cost of construction in an American yard.

The Senator well knows that the differential will run from 40 to 45 percent.

Mr. WILLIAMS. Is it not true that the cost is estimated at approximately $8 or $9 million for each ship?

Mr. POTTER. A 12,000-ton cargo vessel will cost approximately $7 million. I will say to the distinguished Senator that the cost can very well run from $7 million to $8½ million per ship.

Mr. WILLIAMS. The Maritime Commission used the figure of $9 million, based on the same formula which the Senator has just outlined. If the subsidy is to be 40 or 45 percent of the construction cost, the credit would amount to $3 million to $3½ million for each ship. Is that not a correct assumption?

Mr. POTTER. That may be correct.

Mr. WILLIAMS. Is it not also true that this subsidy of from $3 million to $3½ million, allowed under the formula in this bill, has no relation to the original cost of the ship, and that more than likely many of the ships will be traded in at an allowance that will be much more than the original cost of the ship when it was constructed?

Mr. MAGNUSON. Mr. President, will the Senator from Michigan yield?

Mr. WILLIAMS. I should like to have the Senator from Michigan answer my question, first.

Mr. POTTER. As the Senator well knows, we are requiring that the ships be built in American yards. Otherwise, by having the ships built in Germany or in Denmark, the 40 percent could be saved.

Mr. WILLIAMS. There is already a requirement that the ships be built in domestic yards.

Mr. MAGNUSON. Oh, no; there is not.

Mr. POTTER. There is not if the ships engage in international trade.

Mr. WILLIAMS. That is right.

Mr. POTTER. That is the purpose of the bill.

Mr. WILLIAMS. Does the bill restrict the ships strictly to Great Lakes carrying? Are there any restrictions as to where they can ultimately be used, such as in coastal traffic?

Mr. POTTER. The restrictions is to the Great Lakes region up to the head of the St. Lawrence River.

Mr. WILLIAMS. Are they restricted to that point, or can they go beyond that?

Mr. POTTER. They are restricted to the head of the St. Lawrence River.

Mr. WILLIAMS. The committee report indicates that they were not so restricted. The Comptroller General makes that point in voicing objection to the bill as well as taking exception to the more liberal trade-in formula.

Mr. POTTER. It is less liberal.

Mr. WILLIAMS. Let me read from the Comptroller General's statement at page 6 of the report.

I quote:

> Nothing in this subsection shall be construed as restricting the trade in which such new vessel may be used.

Over on page 5, reading from the Comptroller General's same letter, I quote:

> S. 3108 proposes a method of determining credit allowances for obsolete Great Lakes bulk cargo vessels acquired by the Government which is a significant deviation from the present provisions of sections 507, 510 (d), and 510 (h) of the Merchant Marine Act, 1936, applicable to other vessels.

Mr. MAGNUSON. Mr. President, will the Senator from Michigan yield?

Mr. POTTER. I yield.

Mr. MAGNUSON. That is not a statement by the committee. It is a letter from the Comptroller containing his opinion. We did not agree with some of the Comptroller's interpretations.

Mr. WILLIAMS. But the Comptroller General interprets the law. Does he not also point out that this is a more liberal formula?

Mr. POTTER. There is an amendment, which I should like to read to the Senator.

Mr. MAGNUSON. I think the RECORD shows that the Senator from Delaware pointed out that 300 ships could be traded in. It is still completely in the discretion of the Maritime Board, which could turn down any application. It is not mandatory. The Board has turned down many applications. By the same theory we can say that the 1,800 ships which are plying over the world may all be immediately turned in. The economy of the situation takes care of that, together with the discretion of the Maritime Board and, incidentally, the necessary financing. The proposition would have to be a solid one, or application could not be made. I think we would be very fortunate if the number topped five a year.

Mr. POTTER. That is correct. I wish there could be more. But, as a betting man, I would not take any bets that there will be five a year.

Mr. MAGNUSON. If something along this line is not done, in my opinion, we shall find our American ore-carrying fleet gone and carriers under foreign flags taking the business. If we do not pass this bill, such ships as we have in mind will be built in Japan. These are not very elaborate ships. They are easy to build. If the Panamanian flag should be placed on them, our fleet would disappear.

Mr. POTTER. The Senator from Washington, who is probably the best informed authority in the Congress on maritime matters, has been greatly concerned over what we call the run-away flags—American capital invested in foreign-built ships operating with foreign crews.

We are inviting the same thing to happen with reference to Great Lakes ships unless something is done along the lines of this bill.

Mr. MAGNUSON. It is true that the Comptroller General was concerned about two features, one of which was the matter of a trade-in on an obsolete ship. The amount would be determined by the Maritime Commission. If the amount is determined by the Commission to be $50,000, that is all that would be paid.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. WILLIAMS. If the Senator will back up that statement, I will go along with him. All we are arguing now is whether these ships ought to be traded in at actual or some inflated valuation.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that we may proceed for 10 more minutes without the Senator from New York losing the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MAGNUSON. The Comptroller General made a valid objection when he raised the point as to whether or not these ships, at present age, would be worth while for a reserve fleet, or whether they were simply worth the price of scrap. That involves, I think, a difference of opinion. I do not know that they would be worth much, to be honest with the Senator, if we kept them, and at the same time acquired fast, new ships. Our concern is not so much about obsolete ships as it is about

the objective of the bill, which is to get new ones.

Mr. POTTER. The worth of these ships would be demonstrated in a time of national emergency. We would then have to utilize, as we did in World War II, every bulk carrier which would float. While it may be an inefficient operation in peacetime, we would find in time of war that the old vessels would certainly prove to be of great value.

Mr. WILLIAMS. The Senator from Washington made a statement on which I think we might reach an area of agreement, namely, that the bill be amended to provide for allowance only of the actual value of the ships.

Mr. POTTER. I might add that during World War II some allowances were made because vessels were needed.

Mr. WILLIAMS. What was done on previous occasions certainly does not justify a giving away of ships at present or authorizing a new form of hidden subsidy. The Senator from Washington well knows that a couple of years ago I argued the same proposition in connection with another bill when the Government was putting up for sale 6 ships on the Great Lakes, ships which cost $7¼ million apiece to build. Yet all the Government got for them when they were sold was $102,000 each. The ridiculous feature of that transaction was that 3 of the ships were sold to 1 company; and after the company paid $102,000 each for the 3 ships which cost the Government over $7 million, the RFC approved a loan of $4,500,000 on the same 3 ships, and the loan was stopped only after the matter was exposed in Congress.

So certainly that type of operation condoned in the past is no justification for what is sought to be done today.

Mr. MAGNUSON. That was probably the Maritime Board. But Congress must legislate to provide administrative authority. We cannot legislate the price of the ships. We cannot legislate the trade-in value. We cannot legislate the decision of the administrative authority that, in its wisdom, these ships are necessary.

Mr. POTTER. Irrespective of what the Government received from the sale of those vessels at that time, the vessels were put to important use during the Korean war. They will be much more valuable to our national defense by being in use on the Great Lakes for carrying ore than they will be in the laid-up fleet in the Delaware River.

Mr. WILLIAMS. With respect to the use of those ships, within 3 months after they had been given away, Congress was asked for authority to build more ships of practically the same type for use in the Korean war.

Congress authorized the sale of those ships and knew exactly to the penny what would be received for them. It was our responsibility.

Mr. HUMPHREY. Is it not true that the ships to which the Senator from Delaware refers were package freight ships?

Mr. WILLIAMS. Yes.

Mr. HUMPHREY. At the time that legislation was enacted, the Korean war had begun. Is it not also true that there were plans made for package service ships, ships which were available for less than full cargoes, but that that plan had to be held in abeyance, because those ships were used as ore carriers, at a time when it was necessary for us to build up our production as much as 20 or 25 percent?

Mr. POTTER. That is correct.

Mr. HUMPHREY. It is not at all unusual for the United States Government to sell ships at low prices or to give them away, is it?

Mr. POTTER. That is correct. We practically gave away thousands of ships to foreign governments.

Mr. WILLIAMS. Simply to keep the record straight, of the 3 ships which were sold for $102,944 each, one ship cost the Government $7,733,694, the second ship cost the Government $7,802,672, and the third ship cost the Government $9,125,039.

They were sold in the early days of the Korean war over the objections of the Department of Defense, the Department of Commerce, and the Navy Department. Every agency concerned came before Congress and said that in the interest of the security of the United States, those ships should not be demobilized from oceanic traffic and should not be placed on the Great Lakes. But Congress acted over the objection of every Government agency involved and practically gave them away.

Mr. MAGNUSON. How could the Department of Commerce object when they had to approve the sale?

Mr. WILLIAMS. They did not approve the sale. Congress approved it. The bill was passed over the objection of the Department of Commerce in the same manner that the pending bill, if it shall be passed, will be passed over the objection of the Department of Commerce.

Mr. MAGNUSON. The Comptroller General was the objector.

Mr. WILLIAMS. Am I to understand that the Senator from Washington believes the Department of Commerce favors the proposed legislation?

Mr. MAGNUSON. I do not know whether they are for it or against it.

Mr. POTTER. I am old fashioned enough to believe that Congress is the branch of our Government which legislates.

Mr. HUMPHREY. That is a very refreshing attitude.

Mr. POTTER. I do not feel that I must favor or disapprove of proposed legislation depending on whether a Federal agency is for it or against it.

The Department of Commerce came before the committee and said, "We must do something. If we do not, the Great Lakes fleet will go out of existence."

Mr. WILLIAMS. Who said that?

Mr. MAGNUSON. The Department of Commerce. They were off again and on again.

Mr. POTTER. We asked, "What do you recommend?"

They replied, "We do not have any recommendation to make."

I do not believe Congress can sit back on its hands and wait for an agency downtown to make up its mind as to what should be done.

This is a good bill. It conforms with existing maritime policy. As an independent branch of the Government, it is the responsibility of Congress to legislate; and I do not apologize one iota for the fact that we do not have a gold-worded letter from the Department of Commerce.

Mr. HUMPHREY. I thank the Senator from Michigan for his sponsorship of the bill, of which I am proud to be a cosponsor.

Is it not true that at the time Congress authorized the sale of certain ships for the package trade, the whole package trade business on the Great Lakes was at the point of actually being lost?

Mr. POTTER. That is exactly correct.

Mr. HUMPHREY. Is it not further true that those ships were surplus vessels, lying idle at great cost to the Government?

Mr. POTTER. That is true.

Mr. HUMPHREY. Is it not also true that the reason a concessional sale was made was that it would have required several million dollars to convert those ships for the kind of transport use to which they were to be directed?

Mr. WILLIAMS. That is not correct and there is no testimony to support the statement.

Mr. POTTER. That is correct. For the package trade, they had to be converted.

Mr. HUMPHREY. Is it not true that at the time the plans for conversion were being made, the Korean war began, and the ships had to be restored for use as ore carriers?

Mr. POTTER. That is correct.

Mr. HUMPHREY. With all deference to our friends from the coastal States, anyone who has lived along and been on the Great Lakes knows that the package ship is the life of the trade on the Lakes. I think it is about time we made up our minds that if we are going to utilize this great inland body of water for something else than fishing, even though we invite our friends to enjoy that pastime, it is necessary to have ships designed for the commerce of the Lakes. That will put revenue into the Federal Treasury.

The ships are lying idle, unused. The fact that they were able to be used during the Korean war was a part of the general legislation that the ships could be used for national security purposes.

Why have them lying now in some river or bay, where they will gather barnacles and rust, when they could be used for commercial purposes?

The purpose of the bill is to provide a modern fleet on the Great Lakes. No other country on the face of the earth would think of having within its boundaries a body of water such as the Great Lakes and not use it to its maximum.

All we are asking for is the privileges which the ocean carriers have, in substance, so that we can have a fleet on one of the greatest of the God-given bodies of water which the world has.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. POTTER. I yield.

Mr. LANGER. The arguments made by the Senator from Minnesota are so

familiar to me. I heard him and the distinguished Senator from Washington——

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. POTTER. Mr. President, I ask unanimous consent that I may have 10 additional minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LANGER. We heard the same arguments about this beautiful body of water and new ships not being used, but the Senator from North Dakota wants to know to whom those ships were sold and how many millions of dollars were made in buying them.

Mr. HUMPHREY. I would be happy to supply that information, but the Senator from Michigan is present and he has it.

Mr. LANGER. The Senator from North Dakota knows of some of the profits. I should be delighted to hear from the Senator from Michigan.

Mr. POTTER. Is the Senator from North Dakota referring to package ships?

Mr. LANGER. Yes.

Mr. POTTER. Some were sold to the Government and some were requisitioned during the war. I do not know what vessels the distinguished Senator has in mind.

Mr. WILLIAMS. If the Senator will yield to me, it will not embarrass me to tell the Senator from North Dakota who bought the ships, how much they paid for them, and what they cost.

Mr. LANGER. I should like to have that information.

Mr. WILLIAMS. These three particular new ships were sold by the United States Government upon orders of the Congress in 1950. They were built by the Bethlehem Shipbuilding Co. at Sparrows Point. They were not obsolete package ships, nor were they battle scarred. They were C–4's, the most modern freighters at that time, completed in 1946.

The name of one of the ships was the *Mount Mansfield*, a C–4, which was delivered to the United States Government on March 15, 1946, at a cost of $7,733,694.

The United States Government sold the ship in 1950 to the Nicholson-Universal Steamship Co. for $102,944 for use on the Great Lakes.

The second ship was the *Scott E. Land*, a C–4, delivered to the United States on May 17, 1946, at a cost of $7,802,672. The United States Government received $102,944 for that ship.

The third ship was the *Louis McHenry Howe*, another C–4, delivered on January 31, 1946, at a cost of $9,125,039. The Government received $102,944 for this ship, a total of around $310,000 for all three ships.

After they were sold I pointed out on the floor of the Senate that the RFC had approved a loan on these same three ships of four and a half million. They were sold under a bill passed by Congress at the beginning of the Korean war, over the objections of every agency of Government. The Secretary of the Navy and the Department of Defense said that the sale of the ships for use on the Great Lakes was detrimental to the security of the United States and strongly urged that they not be sold.

They said that the ships were badly needed to transport goods and supplies to our troops in Korea, yet Congress ignored their plea.

Let no one be disillusioned that the sale was a plain giveaway and those in Congress voting for it must accept the responsibility.

Mr. POTTER. Mr. President, we have been spending two-thirds of the time used on the bill on past history, without discussing the bill itself. I know the distinguished Senator from Delaware opposed the original sale. I believe the Government received much more value for those vessels during the Korean war, in the form of the transport of ore, than it would have received had the vessels been laid up in the Delaware River.

Mr. HUMPHREY. Mr. President, will the Senator from Michigan yield to me?

Mr. POTTER. I yield.

Mr. HUMPHREY. Furthermore, the fact that the shipping companies asked for an RFC loan, as the Senator from Delaware has indicated, is exactly the reason why the ships were sold as inexpensively as they were to the shipping companies—namely, the ships could not be used on the Great Lakes as they were then constructed; they had to be converted. They had to be converted into package freighters for the Great Lakes. Those ships had to be moved all the way from the eastern seaboard to the Great Lakes. They were there when we needed them for the purposes of national security. Furthermore, the Government did not lose its right to these ships, as it loses no right to a ship whenever it needs it. Our package freight ships were taken by the Government in World War II; so the package freight service was destroyed.

I have no brief for the shipping companies, but I ask the Senator if it was better to let the ships lie idle on the eastern seaboard, gathering barnacles and rust, or enable them to be used.

Mr. WILLIAMS. It would have been better to have them used, as the Government agencies said, in the transportation of goods to Korea. The point is that if the trade on the Great Lakes cannot afford to pay more for ships than the percentage indicated by the relationship of $102,000 to $9 million, it is time it closed down.

Mr. MAGNUSON. What has that to do with the bill?

Mr. POTTER. It has nothing to do with the pending bill.

Mr. WILLIAMS. The question came up, and I was answering it. I do not blame Congress for wanting to forget that transaction.

Mr. MAGNUSON. This has nothing to do with the bill whatsoever.

Mr. POTTER. The Senator from Delaware has spent half the time talking about past legislation. Whether it was good or bad legislation is not under discussion.

Mr. WILLIAMS. I point out that what the Senate is being asked to do under this bill is comparable, to a lesser degree, to what was done previously. There is here being authorized a subsidy of from 3 to 3½ million dollars per ship and it is being done again over the objections of every agency of Government. Contrary to what the Senator from Washington has said about Commerce having approved this bill, I have a copy of a letter addressed to him as chairman of the committee, signed by the Secretary of Commerce, in which he says that the Department recommends against the favorable consideration of the bill. The Maritime Commission recommended against favorable consideration of the bill.

Mr. MAGNUSON. That is a part of the Commerce Department.

Mr. WILLIAMS. They are agencies of the Government, responsible for administering this law if enacted and they are both against it.

Mr. MAGNUSON. If the Senator from Delaware will calm down, we shall get the matter straightened out. There was testimony given by officials of the Commerce Department, which we shall be glad to put into the RECORD. I am not the author of the bill. The bill concerns the Great Lakes. The Senator from Michigan held all the hearings. It was testified that there was a great necessity for the bill.

There was a little quibbling about the financing formula of cost that should be used, with regard to foreign cost as against American cost. The Maritime Commission uses the cost of construction in Holland, which seems to be a sort of average throughout the world. It was testified that companies could not possibly afford to finance the ships unless the bill were passed. It is the same procedure that is used with regard to domestic freight and iron-ore carriers.

When the 1936 law was enacted, which established the maritime policy of the United States, the particular interests under discussion were not included because at that time their fleet was fairly modern and efficient, and they saw no reason to come under the act. Now most of the ships are more than 50 years old.

Mr. WILLIAMS. I say to the Senator from Washington if there be a need for a subsidy, let us recognize it and call it a subsidy, and not talk about a bona fide trade-in allowance, which is a backhanded way of getting a subsidy.

If it can be justified then spell it out openly and do not try to conceal it from the taxpayers under some fancy language.

If you propose a $3 million subsidy for two or three hundred ships say so in plain language and put the accurate price tag on it.

You know that if that is done not many of these subsidy bills would ever get by the committee.

Mr. MAGNUSON. Let us get this clear. The Senator from Delaware is always talking about a hidden subsidy. There is no hidden subsidy at all. The Maritime Act provides for a trade-in. A ship may be worth $50. A trade-in allowance is offered for the same purpose that a trade-in allowance on a refrigerator is offered. There may be an offer of $50 on a refrigerator which is worth only $25. That has been our consistent

maritime policy. That is not hidden. Everybody approves it. The Senator can go to the Committee on Appropriations and see that all the facts and figures are before the subcommittee dealing with the Commerce Department appropriation.

Mr. WILLIAMS. Would the Senator be willing to amend the bill so that there would be a provision that the trade-in allowance would be only the fair and reasonable value?

Mr. MAGNUSON. Then there would have to be added 40 percent.

Mr. WILLIAMS. If that were done, the American taxpayers would know what this program would cost them, what they were doing, and who would get the money. That is the point I am making.

Mr. MAGNUSON. The American taxpayer can find that out right now. When the budget request is submitted, that is all set forth. Let us take a carrier that is worth $200,000——

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The time of the Senator from Michigan has again expired.

Mr. MAGNUSON. Mr. President, I ask that an additional 2 minutes be granted the Senator from Michigan.

The PRESIDING OFFICER. Is there objection?

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, earlier in the day the leadership assured the Senator from New York [Mr. LEHMAN] that the Niagara power development bill would be considered by the Senate today. Since then, time has been yielded to the Senator from Michigan [Mr. POTTER] in the belief that the Great Lakes bulk cargo vessel bill which he wished to discuss could be acted upon rather quickly. However, debate on that bill has become somewhat protracted. I wonder whether it will be satisfactory to all Senators concerned to have the Senate consider at this time the Niagara power development bill, and let the Great Lakes bulk cargo vessel bill go over. Perhaps the Senator from Michigan and the Senator from Washington will hold conferences with the Senator from Delaware [Mr. WILLIAMS] and perhaps the bill in which they are interested—the Great Lakes bulk cargo vessel bill—can be considered further by the Senate after action on the Niagara power development bill. However, in view of our agreement with the Senator from New York, I think it would be unfair not to proceed at this time with consideration of the Niagara power development bill.

Mr. MAGNUSON. However, the Great Lakes bulk cargo vessel bill has already been made the unfinished business.

Mr. JOHNSON of Texas. Yes; but it was made the unfinished business because of the belief that action on the bill could be completed speedily. However, that has not occurred.

Mr. MAGNUSON. On the other hand, I do not think there is any real opposition to the Great Lakes bulk cargo vessel bill. There may be some misunderstandings about the bill. The only real opposition to the bill would be on the part of those who might be opposed to enactment of a bill for private ore carriers.

Let me say that I am not the author of the bill; I have simply tried to be helpful to the Senate in connection with the explanation of the bill. The Senator from Delaware [Mr. WILLIAMS] has been asking questions in connection with the explanation.

Mr. POTTER. Mr. President, let me say to the distinguished majority leader that aside from having time for a clarifying amendment which I would submit, I do not care to have additional time. I do not know how much time the Senator from Delaware has planned to use.

Mr. WATKINS. Mr. President, I should like to speak for 12 or 15 minutes on the bill.

The PRESIDING OFFICER. The time yielded to the Senator from Michigan has expired; and the Senator from New York is entitled to the floor.

NIAGARA RIVER POWER DEVELOPMENT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1428, Senate bill 1823, relating to power development on the Niagara River.

Mr. BUSH. Mr. President, let me ask the Senator from Texas about the bill.

Mr. JOHNSON of Texas. It is the Niagara power development bill, which we have already agreed to take up.

Mr. MAGNUSON. In the event that bill is to be taken up at this time, I think we should withdraw consideration of the Great Lakes bulk cargo vessel bill.

Mr. JOHNSON of Texas. That would be the result of agreeing to the motion I have made.

Mr. BUSH. However, notice has been given that the Great Lakes bulk cargo vessel bill would be voted on this evening.

Mr. JOHNSON of Texas. However, Senators are not yet ready to vote on the bill. The Senator from Delaware wishes to submit an amendment, and the Senator from Michigan wishes to submit an amendment, and the Senator from Utah wishes to discuss the bill. We would be breaking faith if we did not now proceed to the consideration of Senate bill 1823.

The PRESIDING OFFICER. Is there objection to temporarily laying aside the unfinished business——

Mr. JOHNSON of Texas. Mr. President, I do not wish to have the unfinished business temporarily laid aside. I have moved that the Senate proceed to the consideration of Senate bill 1823. After that bill is disposed of, I wish to have the Senate take up whatever measures are ready for consideration at that time.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas that the Senate proceed to the consideration of Senate bill 1823.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. JOHNSON of Texas. I ask unanimous consent that on tomorrow, the Senator from New York [Mr. IVES] be recognized for 1 hour, immediately following the morning hour.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I understand that at this time the Senator from New York [Mr. LEHMAN] will be recognized. I thank the Senator from New York for his courtesy and his indulgence.

Mr. LEHMAN. I thank the Senator from Texas.

ASSISTANCE FOR OREGON'S DISASTER-STRICKEN ORCHARDS

Mr. MORSE. Mr. President, will the Senator from New York yield to me, to permit me to make an extraordinary request?

Mr. LEHMAN. I yield.

Mr. MORSE. I make the request with an apology on my lips. Let me explain that I am trying to catch a plane to go to Oregon to the political wars, so to speak; and there is an emergency matter which I wish to discuss very briefly for the RECORD. I wonder whether I can impose upon the courtesy of the Senator from New York long enough to make a brief presentation of that matter, with the understanding that in doing so, I shall not cause him to lose his right to the floor.

Mr. LEHMAN. I am very glad to yield for that purpose to the Senator from Oregon.

Mr. MORSE. Mr. President, I so request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MORSE. Mr. President, in the month of November 1955 a disaster struck the fruit orchards of northeastern Oregon and part of the States of Idaho and Washington in the form of a sudden, unprecedented freeze which completely wiped out the long-established and highly productive fruit orchards of approximately 450 farm families in my own State. This was not merely the type of freeze which destroys 1 year's crop. It completely killed the trees themselves, leaving the farmers without the slightest hope for a fruit crop before approximately 7 years.

The sad fact is that a majority of the farmers who were hit by this tragic occurrence do not have the means or the financial reserves with which to rehabilitate their orchards. They are faced with heavy costs of clearing out the dead trees, purchasing nursery stock, and bringing the young trees to productive maturity. Activities of this type require money; but the orchardists who have brought their problem to my attention have told me that even after exercising the most diligent efforts, they have been unable to obtain locally or through the facilities of the Federal Government credit which will enable them to do this rehabilitation job under a loan program

which is consonant with their practical needs.

Representatives of these Oregon orchardists have talked to officials of the Farmers' Home Administration in the regional office, as well as here in Washington; but their efforts have been futile. The FHA apparently takes the position that repayment installments should begin soon after the original loan is made. Obviously, such a condition does not accord with reality, because the plain fact is that it takes about 7 years from the time of planting the nursery stock to the time when production commences in paying quantities.

Mr. President, the farms that have been hit by this unprecedented disaster have generally, and over a period of 50 years or more, established their economic value, as evidenced by a fine record of production of an important item in our Nation's food supply. In most instances, the farmers who have experienced this disaster have exhausted their efforts to refinance their farm operations; and unless they can obtain assistance from the Federal Government, and obtain it quickly, there appears to be no alternative other than forced liquidation of some very fine farms. This, in turn, will simply mean that more farm families will have to join the growing numbers who are leaving their farms to reside in urban areas.

In order to assist in bringing these fine farms back into production, I am introducing a bill to provide financial assistance for the rehabilitation of such orchards. Under this bill, the Secretary of Agriculture is authorized to make emergency loans to orchard operators and owners in disaster areas, designated as such by reason of freeze, drought, hurricane, disease or other natural causes, provided they establish that they are unable to obtain financial assistance from private sources, and show that they have reasonably good chances of repaying such loans.

Loans made under the bill would be not in excess of $25,000, and for not to exceed 15 years, at 2½ percent interest per annum.

The repayment period would not begin prior to six crop years from the date of the loan in any case in which it is determined by the Secretary of Agriculture that the borrower's income will be insufficient to make payment at an earlier date. However, the bill would also authorize variable payments, to meet the situations in which net earnings and ability to pay are higher or lower than normal.

The bill would authorize the Secretary of Agriculture to assume not to exceed 50 percent of the cost of clearing the disaster-stricken orchards and initiating replanting or redeveloping the land.

Mr. President, I introduce this disaster-aid bill on behalf of myself and my colleague, the junior Senator from Oregon [Mr. NEUBERGER]; and I urge its prompt and sympathetic consideration by the appropriate Senate Committee, because of the emergency nature of the problem covered by this proposed legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD, as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3850) to provide financial assistance for the rehabilitation of orchards destroyed or damaged by natural disaster, introduced by Mr. MORSE (for himself and Mr. NEUBERGER), was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized to make emergency loans to eligible orchard operators and owners in the area declared by the Secretary in December 1955 to be a production disaster area because of unseasonable freeze, and in any area hereafter declared to be a production disaster area by the Secretary because of freeze, drought, hurricane, disease, or other natural causes.

(b) Any orchard operator or owner in any such area shall be eligible for assistance under the provisions of this act if the Secretary finds—

(1) he has suffered, as the result of any such disaster, substantial financial losses;

(2) he is in need of financial assistance which he cannot obtain from private credit sources on such terms and conditions as he could reasonably be expected to meet; and

(3) that he has a reasonably good chance of repaying it.

SEC. 2. (a) Any loan made under the provisions of this act shall be made—

(1) for an amount not to exceed $25,000;

(2) for a period not to exceed 15 years;

(3) at a rate of interest not to exceed 2½ per centum per annum; and

(4) under such other terms and conditions as the Secretary shall prescribe.

(b) The Secretary may delay the initial annual repayment of any such loan for a period of not more than 6 crop years from the date of the loan in any case in which he determines that the borrower's income will be insufficient to make the initial payment at an earlier date, but this provision shall not have the effect of extending the maximum term of any loan.

(c) The Secretary is authorized and directed to establish, with respect to all loans authorized under the provisions of this act, variable repayment plans with payments adjusted, without regard to previous excess payments, to the net earnings and ability of the borrower to pay from year to year.

SEC. 3. The Secretary is authorized to assume not to exceed 50 percent of the cost incurred by any person eligible for a loan under this act in clearing orchard land of any trees rendered commercially unproductive or destroyed as the result of any disaster referred to in the first section of this act, and in the initial replanting or redevelopment of such land.

SEC. 4. (a) The Secretary is authorized and directed to utilize the facilities of the Farmers' Home Administration for the purpose of administering the provisions of this act.

(b) The Secretary is authorized to make such rules and regulations and such delegations of authority as he may deem necessary to carry out the provisions of this act.

SEC. 5. There are authorized to be appropriated to the Secretary such sums as may be necessary to carry out the purposes of this act.

Mr. MORSE. Mr. President, I shall seek from the chairman of the Senate Committee on Agriculture and Forestry [Mr. ELLENDER] an answer in regard to whether, under the oncoming new farm bill, it will be possible to bring these orchardists and others who wish to participate in the so-called soil bank program under the conservation features of the soil bank, so that by election, they can, under the provisions of that bill, receive the payments if they keep the land out of the usual production, and if they seed it to some sort of cover crop or grass crop.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEHMAN. Mr. President, I have been waiting and working for this moment for 6 years.

Since 1950 I have had pending before the Senate successive bills providing for the redevelopment of the waters of the Niagara—waters made available to the United States by the United States-Canadian Treaty of 1950—for the benefit of the people of New York, of neighboring States, and of the Nation.

Now, at last, there is before us a bill, introduced by myself in association with 16 other Members of the Senate, as amended, improved, and reported by a bipartisan majority of the Public Works Committee.

I congratulate the Public Works Committee, and especially the distinguished chairman of that committee [Mr. CHAVEZ] and the distinguished chairman of the pertinent subcommittee [Mr. KERR] for their patient, persistent, and brilliant work in conducting the hearings, working out the necessary agreements and reporting the bill in time for passage of this legislation in this session of Congress.

The bill was reported out on January 16. It has now been on the calendar for several months. There has been ample opportunity to study the terms of this bill. I look now for an incisive debate and a favorable decision.

Mr. President, the facts are simple and can be summarized as follows:

First. The pending legislation would authorize the State of New York to build, operate, and maintain a hydroelectric power project on the Niagara River, utilizing a diversion of waters agreed upon and made available under the terms of the United States-Canadian treaty of 1950.

Second. The pending authorization bill, S. 1823, would not cost the Federal Government, now or later, a single cent in Federal appropriations. New York State is ready and anxious to build the project and operate it. New York State seeks no financial help whatever, in any

form, from the Federal Government for this purpose.

Third. The pending legislation is necessary because of a reservation, the so-called Aiken reservation, named after its original sponsor, the senior Senator from Vermont, attached by unanimous vote of the Senate to the 1950 treaty. That reservation stipulated that Congress, by subsequent act, would dispose of the new power potential made available under the terms of the treaty.

Fourth. The Niagara development is multipurpose, under the specific terms of the treaty—to preserve and enhance the beauty of Niagara Falls, and to develop hydroelectric power. This development also has, for both countries, vital national defense implications and purposes.

Fifth. The Niagara River itself is a short stream linking Lake Ontario and Lake Erie. It is the western boundary between New York and Canada, and carries the full flow of the four Western Lakes into Lake Ontario, and forms a part of the Great Lakes-St. Lawrence water system.

Sixth. The power which would be developed on the Niagara would constitute one of the largest blocs of low-cost energy that could be produced at one site on the North American continent.

Seventh. Starting immediately after the ratification of the treaty, Canada has virtually completed the construction of the project works to utilize her share of the Niagara diversion. Canada has developed this additional Niagara power through a public agency of the Province of Ontario. All Canada's power in this area is publicly developed and publicly distributed.

Eighth. Canada today is using most of the United States share of the Niagara waters, in addition to her own share, as she is permitted to do under the terms of the treaty. She may continue to do so until we are ready to use our share.

Ninth. For many years New York State has had on its statute books legal authority and instructions to develop the hydroelectric potential on the St. Lawrence River. A public agency, the New York Power Authority, was created for this purpose and is now, in fact engaged in building project works on the St. Lawrence.

Tenth. In 1951 the New York Legislature, on the recommendation of Gov. Thomas E. Dewey, amended the State Power Authority Act, and authorized and directed the State power authority to include the Niagara power development in the mission and responsibility of the State power authority.

Eleventh. New York State is thus instructed by law, as well as by long-standing and frequently reaffirmed public policy, to develop the Niagara power resource, under public auspices, for the public use and benefit.

Twelfth. The Niagara River water-diversion plan, in a manner to preserve and enhance the beauty of the falls, was originally worked out under the direction of the New York State Power Authority. Subsequently, this general plan was translated into specific engineeering details by the Bureau of Power of the United States Federal Power Commission, and the Corps of Engineers, United States Army.

Thirteenth. The President of the United States has said—he so stated in a press conference only last week—that congressional action should be taken now, and that there is no justification for further delay. He has said, moreover, that the Niagara resource should be disposed of in the manner desired by New York State.

Mr. President, these are the simple and unchallenged facts. Now, let me define the basic issue which confronts the Senate by virtue of this legislation. There have been, unfortunately, attempts to confuse the issue.

The chief issue is clearly whether Niagara power shall be developed by the State of New York, under its statutory authority and instructions, or whether the Niagara resource should be given away by Congress, despite the laws of New York State, to a private power monopoly.

Make no mistake about it. That is the issue before the Senate. That is the issue in New York State and in the country.

The only legislative alternative to the pending bill, the only alternative bill submitted to the Public Works Committee, was, and is, S. 6, for the giveaway of Niagara Falls power to a private power combine.

I understand that my colleague, the senior Senator from New York [Mr. IVES] has been critical—and he will speak for himself, of course—of the preference provision of S. 1823, a provision which is identical with that in almost every congressional authorization of a public power project, dating back to 1906—I certainly did not invent it.

But, Mr. President, it is a fact that not a single Member of the Senate, so far as I know, submitted to the Public Works Committee any proposal for an amendment of that section or any other section of S. 1823.

My distinguished colleague from New York did not appear before the Public Works Committee to urge amendment or elimination of the preference provision or of any other provision of S. 1823.

Indeed, no Senator formally made or pressed any such or similar proposal.

I am, in fact, puzzled by the attitude of my colleague. He is on record, repeatedly, and recently—in the campaign of 1954—in favor of public development of the Niagara. In two previous Congresses, he had introduced proposed legislation for the public development of this resource by the New York Power Authority. He did not introduce such a bill in this Congress.

Senator IVES' proposal of previous years was somewhat different from mine. It did not provide for preferences. It did not contain safeguards of the consumer interest approved and reported by the committee. But it was, in other respects, similar to the bill which is before the Senate.

Governor Dewey, long the dominant figure in the Republican Party of New York State, if not the Nation, has repeatedly urged and advocated public development of Niagara power. Indeed, it was at his behest, in 1951, that the State legislature authorized and directed the New York State Power Authority to construct and operate power project on the Niagara.

Governor Dewey has vigorously condemned those who advocate the giveaway of the Niagara resource to private enterprise.

The only Republican to be elected to statewide office in the elections of 1954, Attorney General Jacob Javits, voted against a private giveaway of Niagara—identical to S. 6—while he was a Member of the House of Representatives 3 years ago.

Attorney General Javits has recently circulated among Members of the Senate a memorandum favoring and urging public development, and supporting the principle of S. 1823, although proposing a possible revision of some details.

The Republican chairman of the New York State Power Authority has taken a position somewhat similar to that of Attorney General Javits, although Mr. Moses has specifically said that the Power Authority can operate under the terms of S. 1823.

The present Governor of New York, Gov. Averell Harriman, and his administration, support S. 1823, as reported out by the committee, without qualification or reservation. Governor Harriman was elected, in 1954, on a platform pledging the public development of Niagara specifically along the lines of S. 1823. New York State thus voted for the public development of Niagara just a year and a half ago, in November 1954, and Governor Harriman has acted to carry out this statewide public mandate.

So, Mr. President, let us keep our eye on the real issue—the issue of the right of the State of New York to build and operate this power project versus the right of a private power monopoly to be given free access to this precious resource in violation of the law of New York State which reserves this resource to the people, to be publicly developed for the public use and benefit.

The Senate Public Works Committee has examined all the provisions of the pending bill, S. 1823. The committee has weighed all the arguments against preference, some of which were made by Bob Moses, chairman of the New York Power Authority. But the committee, in its wisdom, decided in favor of the preference provision, as committees of the Congress have on every similar occasion of which I have knowledge, since 1906, 50 years ago.

I am sure the proponents of this bill, including members of the committee, will be prepared to answer challenges to specific provisions of the bill. But let us keep the main issue before us.

I challenge the opponents of this bill to pose the main issue by offering on the floor of the Senate the private giveaway bill, S. 6, introduced by the Senator from Indiana [Mr. CAPEHART] and rejected by the Public Works Committee as a substitute.

I should like to see a record vote on that substitute proposal.

Of course this so-called private enterprise proposal is not new in the Senate. It has been presented to this body before. It was presented to the Senate back in

1931, in the form of a protocol to the Treaty of 1909, a protocol which provided that the Niagara Falls Co., which has since become a wholly owned subsidiary of the Niagara Mohawk Co., which is trying today to get possession of this resource, might build necessary remedial works at Niagara Falls and receive in return the right to develop power from 10,000 cubic feet per second of Niagara water.

Do Senators know what happened to that protocol? It was unanimously rejected by the Senate Foreign Relations Committee. Nineteen members of that committee voted unanimously against it. One of the votes cast was that of the distinguished senior Senator from Georgia [Mr. GEORGE], now the chairman of that great committee. I shall refer again to that historic action.

But this is the issue today, as in 1931, 25 years ago—and for years before that time and since that time—the attempt by selfish private monopoly to get possession of more of the Niagara resource than they had already obtained in the early years of this century. The Niagara Mohawk Co. today has the use of 20,000 cubic feet per second of the precious Niagara waters, which belong to all the people of New York State and of this country. They have it by virtue of a license issued by the Federal Power Commission in 1921, confirming grants secured by one means or another in prior years.

I do not propose—and this bill does not propose—to disturb the Niagara Mohawk Co. in its present enjoyment of the profits of those early grants and that 50-year license issued in 1921.

But I am opposed—and I know the Senate is opposed—to giving this private monopoly any more of the Niagara waters, secured by the treaty of 1950 for the benefit of the people of New York State and of the Nation.

Mr. President, I have summarized the facts and defined the chief issue. I shall be glad, and other proponents of this legislation will be glad, in the course of this debate, to reply specifically to points made against specific provisions in this bill, or to questions as to the basic validity of this measure,

But for the sake of an orderly consideration, I should like now to proceed to fill in, with some detail, the background of this proposed legislation and its antecedents.

Mr. President, as I said before—and I wish to emphasize—the pending bill, S. 1823, does not request, nor does it involve, now or later, the appropriation of a single dollar from the Federal Treasury.

The bill authorizes the construction, operation, and maintenance by the Power Authority of the State of New York of a self-liquidating power project on the United States side of the river. The Niagara is confined wholly to the State of New York and the Province of Ontario. It forms, as I have said, a part of the natural boundary between Canada and the United States.

S. 1823 would fully implement, and is wholly consistent with, the Niagara Treaty of 1950 with Canada.

I doubt if any project in history has received more thorough study and painstaking consideration than has been given by committees of the Congress to the subject matter of this proposed legislation.

In addition to the hearings held on the treaty by the Committee on Foreign Relations in 1950, the Committees on Public Works of both the House and the Senate have taken literally thousands of pages of testimony from hundreds of witnesses at public hearings held in 1950, 1951, 1953, 1954, and 1955.

Every phase of the Niagara development has been carefully explored. Every provision of the pending bill has been justified by the weight of the evidence taken at the hearings.

The result is S. 1823 as reported on January 16 by the Committee on Public Works with the support of a bipartisan majority of its members. The committee, moreover, has improved and perfected the bill, by amendments to shorten and clarify its provisions and compose differences of view which arose in the course of the hearings. I heartily concur in the committee amendments, and I wish to associate myself completely with the interpretation placed upon the provisions of the bill in the committee's report.

An identical bill, H. R. 8109, introduced by Chairman BUCKLEY of the House Public Works Committee, is now pending before that committee in the House. The House committee, having also completed its hearings on this subject, is awaiting action by the Senate.

Mr. President, I request that the summary of the main provisions of S. 1823, as contained in the committee report, together with the conclusions of the committee, be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LEHMAN. Mr. President, in a unique sense, the Niagara River is familiar to more people than is any other river on the North American Continent. The grandeur of its scenic spectacle, the magnitude of its potential hydroelectric power, are well known to the people of all the States of the United States and the Provinces of Canada, and countries the world over, who have been visiting it by the millions for many years. In 1955 the recorded visitors at the falls numbered 4,252,000.

I am sure every Senator recognizes the tremendous value of this marvelous resource of nature and takes pride in its conservation and development as a priceless part of our national heritage.

Now, just a word about the treaty obligation to preserve and enhance the beauty of the falls. This is being done (a) by remedial works designed to control the flow of water to insure an unbroken crestline over the escarpment now threatened with ultimate destruction by progressive erosion; and (b) by provisions, in the pending bill, to make the Niagara more accessible to the public by the construction on the United States side of the river of a magnificent parkway, comparable to the improvements already made on the Canadian side.

Mr. President, the hydroelectric project will create 1,600,000 kilowatts of new generating capacity. It will produce an annual average of approximately 10 billion kilowatt-hours of low-cost hydroelectric energy.

I am confident that legislation for these purposes commands the support of an overwhelming majority of the people of my State, and of the Nation. The passage of this bill, at this session, and its signature by the President, would be an historic and constructive achievement in the public interest and reflect lasting credit alike upon both the Congress and the President.

At the public hearings held in this Congress, and under the preceding administration, the Committee on Public Works has found no difference of opinion among the executive departments, their power experts, their engineers, and hundreds of other witnesses as to the economic feasibility and the desirability of developing the full power potential of the Niagara River.

The complete soundness of this development in a self-liquidating project is generally conceded. It is not questioned in the views filed by a minority of the committee. The minority, in fact, recognizes the tremendous value of the Niagara resource and favors its prompt utilization. But the minority does express a preference for its private exploitation by private utility corporations of New York State.

Let me turn now, briefly, to the so-called safeguard provisions—provisions designed to protect the interests of neighboring States, of the Nation, and of the general public, and of the consumers of Niagara power.

The committee found that these safeguard provisions are essential if the millions of consumers in New York, and in its sister States of the Northeast, are to realize the potential benefits of the Niagara, once it is publicly developed.

The committee accurately points out that the average residential rates in New York State for domestic and rural consumers "are among the highest in the Nation".

The committee bill carries the usual congressional provisions for service to public and rural electric cooperative agencies as preference customers. It provides for the use of existing transmission lines, or of nonduplicating lines built only where needed and where economically justified. It provides further that neighboring States shall have equal access to and a reasonable share of project power, subject to allocations by the Federal Power Commission in the event of disagreement. With these safeguards, the committee estimates that Niagara power could be used to produce "an annual saving of about a third of a billion dollars in the region's annual electric bill."

I need not labor the point that Niagara power is desperately needed in the Northeast and will readily be absorbed by consumers in New York, Pennsylvania, Ohio, and neighboring States. There is general and complete agree-

ment on this point. The needs which will be served by the pending bill have, indeed, grown more urgent since the Senate gave its advice and consent to the ratification of the treaty nearly 6 years ago.

In the meantime, with the sanction of the Canadian Parliament, the Province of Ontario, through its public agency, the Hydro-Electric Power Commission, has already nearly completed a gigantic new project, directly across the Niagara River from the State of New York. This new powerplant, with an ultimate capacity of 1,275,000 kilowatts, is already in operation and will soon be utilizing the entire Canadian share of the waters of the Niagara made available by the Treaty of 1950.

Unless and until Congress acts, Ontario will also be free to use the United States share of the flow of the Niagara to produce power for consumption in Canada. Ontario has every right, under the express terms of article VIII of the treaty, to utilize our share of this water which otherwise, in the absence of the New York power development authorized by the present bill, would continue to run to waste.

It is therefore unmistakably clear that, until Congress acts, all the additional low-cost power that can be produced in such great volume on the Niagara, under the 1950 treaty, will be publicly developed and transmitted by the Ontario Commission to municipalities, rural electric cooperatives, and the expanding industries of that Province. Many of these industries, including the dairy industry, are directly competitive with producers in the Northeastern United States. Ontario already enjoys a competitive advantage, with electric rates far below the cost of power and electric service in New York, Pennsylvania, Ohio, and the New England States.

The rate for power in Niagara Falls, N. Y., is almost twice as high as the rate in Niagara Falls, Ontario, immediately across the river.

In the light of these conditions, presented at the hearings, the committee has wisely recommended the immediate public development of our share of the Niagara water. It has reported the present bill as the best means of utilizing this resource, under long-established congressional power policy, and in a manner to assure lower electric bills to consumers throughout the Northeast.

When the magnitude and the value of this power are taken into account, it is shocking to contemplate the losses which have already resulted from our delay in authorizing the development of the United States share of the treaty water.

Most recently, in the pending majority report, and before that, in 1954, in minority views, there was an estimate that rate reductions obtainable from the Niagara development could reach as much as $300 million annually for consumers in the Northeast.

My successor as Governor of New York, the Honorable Thomas E. Dewey, presented a pertinent engineering report to the committee at its hearings in the last Congress. This report estimated that the coordinated development of the Niagara and the St. Lawrence, and the integration of hydro and steam power supply, would result in rate reductions for New York State consumers alone, amounting to annual savings of $95 million.

So great is the value of this power, and so great is the demand for electric energy in the Northeast, that the Corps of Engineers reported to the committee in the 82d Congress that the sale of Niagara energy will yield revenues exceeding the estimated project cost of $400 million within 10 years.

These and other estimates on the record support the committee bill and the conclusion that domestic and rural consumers of the Northeast, and many small industries of the area, depressed and stunted for lack of low-cost power will enjoy a direct savings from this project, amounting to tens of millions of dollars a year.

In our consideration of the bill, there is another important factor which will surely not escape public notice and the thoughtful attention of the Members of this body.

The United States being the leader of the free world, it has been a part of our foreign policy under the present and the preceding administrations to aid and encourage the development of water resources, and thereby to raise the standards of living of the people of friendly and uncommitted nations, whose well being and security are important to our own.

All over the world the people are aspiring to improve the conditions of their daily living and to increase their industry and production by utilizing the gifts of nature from a bountiful providence.

Great hydroelectric projects are rising, or are finding a place on the drafting boards, in Pakistan, Iran, India, Formosa, Israel, Egypt, Turkey, Greece, Afghanistan, and in other quarters of the globe.

Many of these countries have looked to us and have secured loans and grants for such projects. Virtually all of these projects call for the public development of these water resources, under Government auspices.

And those projects which have been built have resulted, in those countries, in lower electric rates and production costs, the creation of new wealth, new industry, and new taxable income and values.

I have consistently supported the appropriations we have made to stimulate and assist these projects abroad, because I am convinced that raising the standard of living of these people is of critical importance to the security and well being of the United States and the free world.

But I say it would be nothing less than an economic crime against the American people if, while we are rightly aiding other nations to develop their great rivers, we continue, with profligate waste, to delay the use of such a magnificent resource as the Niagara.

After we have finished authorizing more foreign aid at this session, I do not see how any of us will be able to explain or justify a vote against the bill, a bill which would merely permit one of the sovereign States of the United States to proceed with a self-liquidating project that can be built, operated, and maintained in perpetuity without a single dollar of cost to the taxpayers of the United States.

The authorization of the Niagara project at this session of Congress under the present bill will, of course, bring its most direct benefits to the people of New York, Pennsylvania, and Ohio, and to the power-starved rural electric cooperative, municipal plants, and many of the diversified industries of the Northeast.

By the interconnection of the Niagara and the St. Lawrence developments, and with the delivery of power by interchange and displacement, this project will also fortify the available power supply throughout the Northeast, and thus directly serve the interest of neighboring New England States.

But, Mr. President, I am not urging the passage of the bill solely because of its direct and indirect benefits to the Northeast and to the people of my own State.

My colleagues will bear witness that I have consistently supported and voted for the authorization of sound river development projects in all parts of our country; and I have also supported and voted for the vast appropriations usually required for such projects, projects unlike that proposed in the pending Niagara bill for which no Federal appropriations will be required. I have cast my votes for TVA, Bonneville, and the upper Colorado, for instance, on the principle that a sound development of our resources in one section benefits the whole Nation, and that what is good for our country as a whole is good for the people of New York.

The wise application of this principle by Congress has made possible the great developments on the Colorado, the Tennessee, the Columbia, the Missouri, and other major streams. I have supported such projects, as I support flood-control and power development in the Northeast. While these projects seem to bring their most immediate benefits to people living in the vicinity of a given development, they inevitably contribute to the strength of our economy as a whole.

On precisely the same principle, I am appealing to the Senate now, not for the appropriation of Federal funds for the construction of a Federal project in the Northeast, but for the authorization of a State development of the unused resource which lies on our threshold on the Niagara frontier, without expense to the Federal Government.

Under the terms of the bill, this wholly self-liquidating project will be financed by the State through the sale of the revenue bonds of the New York Power Authority. That agency has already successfully marketed $335 million of its revenue bonds for the St. Lawrence project now under construction.

Mr. President, the proposal for a public development of our hydroelectric resources is certainly not new or radical in New York State.

This policy has been recommended and advanced by virtually every Governor of the State of New York for more than 50 years, regardless of party.

Long before I was elected Governor in 1932, the State development of our great waterpower resources in New York was urged by Theodore Roosevelt, by Gov. Charles Evans Hughes, and by Gov. Alfred E. Smith. The Power Authority of the State of New York was set up under Gov. Franklin D. Roosevelt in 1931. This was the first public agency of its kind created in the United States. Mr. President, you will find many of the important safeguard provisions contained in the pioneering Power Authority Act written almost verbatim into subsequent Federal statutes, and in the enabling legislation which set up similar agencies in South Carolina, Texas, Nebraska, Oklahoma, and other States.

My immediate predecessors, Governor Smith and Governor Roosevelt, envisioned the coordinated public development of both the St. Lawrence and the Niagara by the power authority of our State, but both projects were bitterly opposed and obstructed for many years by the private utilities and allied special interests.

During the 10 years of my administration as Governor of New York there never was a time when the private utilities were not using every device to gain control of the remaining undeveloped power of the Niagara. Time and time again, by action taken in the executive department, in the legislature, and in the highest courts of our State, it was necessary for the State government to beat back the importunate claims of private power companies to the outright ownership of the Niagara resource.

In 1939 I submitted to the legislature, and forwarded to the appropriate committees of Congress, the exhaustive engineering report of the New York State Power Authority for the development of the Niagara along with the St. Lawrence.

This report, for the first time, formulated a definite program for the coordinated public development of Niagara-St. Lawrence power and for the integration of these new sources of hydroelectric power supply with expanding steam power facilities of the State, both public and private.

In many messages and public statements as governor of New York, and in testimony before congressional committees, I strongly urged this program. A long step toward achieving its benefits was taken in 1951. In that year the legislature finally passed, and Governor Dewey signed, the State law giving the power authority the same mandate to construct the Niagara power project, subject to Federal approval, as that agency was given in 1931, and is now exercising, to build the St. Lawrence power project.

I have cited this history to show that New York State, by the action of its governors of both parties, Republicans and Democrats, has effectively conserved its major public power resources in the interest of the people, and thus far has prevented their alienation to private monopoly interests. If the principle of States rights is to be respected, then there is only one method by which the Niagara resource may be immediately utilized, and that is by public development.

To this end, I introduced the original version of the pending bill promptly after the United States and Canada signed the Niagara Treaty early in 1950. House hearings were held on a companion bill after the Senate approved the treaty. But it was then too late in the session to obtain a vote to authorize the project, so that we might keep pace with Canada in utilizing the treaty water.

The bill I introduced in 1950 has, of course, been revised to meet changing conditions. The very complete hearings held by the Committee on Public Works and close study of the project by the able members of the committee now give us a bill which has been greatly improved and strengthened. It retains, however, the basic provisions of the 1950 bill, namely, that the Niagara waters shall be publicly developed and the project shall be operated by the State of New York, through its accredited public agency, and that the usual safeguards shall be maintained, in authorizing the development, so as to protect wholesale customers and ultimate consumers in neighboring States as well as in the State of New York.

The bill containing these provisions was unopposed at the public hearings held in 1950. The distinguished Senator from Arkansas [Mr. McCLELLAN], at the next session in 1951, promptly called and ably conducted Senate hearings on the Niagara development, as chairman of the Public Works Subcommittee. In the course of those hearings, as the Senator from Arkansas will recall, my bill for public development of the Niagara was endorsed by the Federal Power Commission, the Corps of Engineers, the United States Army, the Rural Electrification Administration, and all the executive departments principally concerned with this project.

The Niagara Mohawk Power Corp., which dominates the power supply in most of upstate New York, presented no witnesses against the public project at the initial House hearings in 1950. By 1951, however, formidable opposition had been organized to resist public development on the Niagara in any form.

The organized opposition which was then launched has continued unabated, up to this session of the Congress, against the utilization of the Niagara resource by the method approved by the Committee on Public Works in the pending bill.

As a matter of fact, Niagara Mohawk had set its sights on winning control of all the remaining power at the falls long before the Senate approved the 1950 treaty.

Through a wholly-owned subsidiary, the Niagara Falls Power Co., Niagara Mohawk presently uses 20,000 cubic feet per second of Niagara water for power production, under a standard-form license for 50 years, granted by the Federal Power Commission in 1921. That use will not be disturbed; in fact, it may be considerably enhanced in efficiency and economy, under the terms of the committee bill.

For many years, the Niagara Falls Power Co. boldly asserted its claims to the use of all the water of the river and all the remaining power that could ever be developed from the Niagara Falls and Rapids.

During my administration as governor, this company tried by every means to establish its claims, but it tried in vain. The courts of the State of New York upheld and vindicated the dominant rights of the public over the public waters of the Niagara. And when the company, in a test case, sought to increase its diversion of Niagara water beyond the limit then fixed in the Federal license, its application was flatly rejected by the Federal Power Commission.

The pioneer developments of power at the falls, at the dawn of the electrical age, were not, of course, made by the Niagara Mohawk Power Corp. or by its wholly-owned subsidiary, the Niagara Falls Power Co. Through a long series of mergers and consolidations, the properties and rights of the original owners and enterprisers, and their successors, were taken over, step by step, until generations later, they passed under the complete control of Niagara Mohawk.

Having failed to establish its claims to all the remaining power of the river, Niagara Mohawk saw the glittering prize almost within its reach during the consideration of the Niagara Treaty of 1950. That treaty, for the first time in 40 years, permits increased permanent diversion of water from the Niagara for power purposes, beyond the limit of 20,000 cubic feet per second for the United States, fixed in the Boundary Waters Treaty of 1909.

Under the new treaty, the United States share of the Niagara diversion will amount to an annual average of 65,000 cubic feet per second. This more than trebles the amount of the permanent diversion heretofore used by Niagara Mohawk under its Federal Power Commission license, which will continue under the committee bill.

Mr. DOUGLAS. Mr. President, will the Senator from New York yield for a question?

The PRESIDING OFFICER (Mr. KERR in the chair). Does the Senator from New York yield to the Senator from Illinois?

Mr. LEHMAN. I am very glad to yield.

Mr. DOUGLAS. Is it not true that, in addition to the increased diversion from 20,000 cubic feet a second to 65,000 cubic feet a second, the additional 45,000 cubic feet, instead of being dropped from a height of approximately 100 feet, will be dropped from a height of more than 300 feet, by being taken farther downstream through a canal, where the cliffs are higher above the river than at the falls themselves, so that from the same amount of water, approximately 3 times as much energy will be obtained?

Mr. LEHMAN. There is no question at all that the Senator from Illinois is correct. We certainly will get much more power as a result of the greater drop of the water from the falls. There is no question whatsoever about that. What the Senator from Illinois has pointed out is generally accepted by all the experts.

Mr. DOUGLAS. The Senator from New York may know that in November I spent 2 days studying the problems of water and power at Niagara Falls,

and then spent 2 days studying the situation at the St. Lawrence River. I was struck by the fact that the present utilization of power on the American side of the falls is very uneconomic, in that the full potential fall is not really being used. I believe the distance between the top of the falls or some distance above the falls and the immediate bottom of the falls is only a little over 100 feet. But if the water is taken downstream approximately 3 miles, through an open canal, and then is dropped over the side of the cliff near the Whirlpool Rapids, there will be a fall of more than 300 feet. That would be a much more economic use of a given amount of water.

On the Canadian side, I found that the Canadians have already done precisely that; and now, as the Senator from New York knows, in addition to the original generators which the Canadians installed some years ago, they have installed an equal number of additional generators to take care of the added diversion permitted them under the 1950 treaty. However, on the Canadian side the water is taken underground, I believe; whereas on the American side, because of the contour of the cliffs, it is not necessary to take the water underground, but, instead, it could be taken downstream in an open canal. Furthermore, in order to adjust the flow and preserve the scenic beauty of the falls, it will be possible for us to use the Canadian system of having the water from the falls go in part into an interior lake; and then the flow from the lake will take care of the flow of the falls during the daylight hours in the tourist season, so that a steady flow of power will be maintained. Am I correct as to that?

Mr. LEHMAN. The Senator from Illinois is eminently correct.

I wish to say that I was happy when I heard he had spent some days at Niagara Falls, both on the American side and on the Canadian side. The value of his visit there is certainly demonstrated by his very evident knowledge of the situation existing there. There is no doubt that what he has said is correct. The power can now be generated much more efficiently and much more economically than was the case when the plants on both the American side and the Canadian side were originally developed.

I wonder whether the Senator from Illinois noticed another matter which has given me very great concern; in fact, I think it has given the people of the United States very great concern. I love Canada, and I think Canada is a great nation. I have only the greatest admiration for Canada. On the other hand, I do not want to have the Canadians have any particular advantage over us, in respect to the development of resources. I am sure that the Senator from Illinois noted that on the Canadian side of the Niagara River, industrial development and residental development are proceeding at a very much more rapid pace than on the American side.

Mr. DOUGLAS. Of course the Senator from New York is entirely correct. The low power rates which the Ontario Hydroelectric Power Authority is able to offer to both residential customers and industrial users have permitted tremendous development. Yet the interesting thing is that scenically the Canadian side of the Niagara River is beautiful, whereas the American side of the Niagara River from Buffalo to Lake Ontario is a horrible eyesore.

Let me ask the Senator from New York whether my impression is correct, namely, is it the intention of the Power Authority that, if this project is approved, the earth which is excavated in order to construct the canal from a point somewhat above the falls to 3 miles or so below the falls, at the rapids, will be used in such a way that a scenic highway somewhat comparable to the highway on the Canadian side can be constructed there.

Mr. LEHMAN. The Senator from Illinois is correct. The bill provides for the building by the State of New York of a scenic highway, at a cost estimated to be approximately $15 million, right along the edge of the falls.

Mr. DOUGLAS. For that purpose, the earth which will be excavated to create the canal—and which otherwise would have to be disposed of elsewhere—will be used to create a beautiful parkway; is that correct?

Mr. LEHMAN. I am told that is correct. I am not an engineer, but I understand that is the intention.

The Senator from Illinois has referred to the great development of power for both residential use and industrial use on the Canadian side of the Niagara River. I should like to emphasize that, on the Canadian side, electric power is less than one-half as expensive as is power on the American side. To be exact, if my memory serves me correctly, on the American side 250 kilowatts of power cost $5.03, whereas on the Canadian side the cost is approximately $2.40—or less than one-half. I think that is a typical case, which I could multiply many, many times by giving the cost of public power in various other places. However, that is a graphic and dramatic case; and that situation has permitted the Province of Ontario to develop much more rapidly than it has been possible for the adjoining areas in the United States to develop.

Mr. DOUGLAS. Mr. President, will the Senator from New York yield for a further interruption?

Mr. LEHMAN. I am very glad to yield.

Mr. DOUGLAS. The Senator from New York has stated that, although he is a friend of Canada, he does not wish to see Canada obtain more power than the United States obtains. Is it not true that if the United States does not act in this case Canada will be entitled not only to her half of the power but also to all the power which we do not use?

Mr. LEHMAN. Yes; all of it.

Mr. DOUGLAS. Although the Canadians have installed additional generators some miles down the river, they have the three antiquated plants at the foot of the falls, on the Canadian side, which they intend to use for the development of power which otherwise would be ours, but which will be Canada's unless and until we act. Is that not true?

Mr. LEHMAN. That is perfectly true. Even today I believe their output of power is more than three times as great as ours.

Mr. DOUGLAS. I only wish that Members of the United States Senate and House of Representatives could spend the night at Niagara Falls and stay in the hotel on the Canadian side, because, as the Senator from New York knows, one can look out the windows of the hotel on the Canadian side and see the three antiquated powerplants on the Canadian side at the foot of the falls, where the drop is only something like 112 feet. The Canadians will take water which belongs to the United States under the treaty of 1950 and convert it into electric power, but they will convert it very inefficiently, because they will have a drop of only a little more than 100 feet.

If we carry out the suggestions of the Senator from New York, we not only will be able to take the water, but by taking it downstream, we shall obtain a drop approximately three times the drop on the Canadian side of the falls, and hence will add to the total amount of power threefold, in addition to getting for ourselves some of the potential power now used by Canada.

Mr. LEHMAN. The Senator is quite correct.

The use Canada is making of this waterpower resource, I think, has been illustrated in an amusing way, and yet it is a rather tragic and pathetic way. I am told that last night in Buffalo, from 9:23 to about half past 11, a period of more than 2 hours, there was a complete blackout. The reason for the blackout was that something happened to power production on the Canadian side, and the Niagara Power Co. was getting its power from Canada. It was not generating it itself. It was importing power from Canada to supply the needs of Buffalo and some of the other areas.

Mr. DOUGLAS. And in all probability, was it not buying the power at low rates from the Ontario Hydroelectric Authority and selling it at high rates to the residents and industries of Buffalo?

Mr. LEHMAN. There is no question about it. As I said, it would be amusing, if it were not so tragic. I sympathize very much with the people of Buffalo and the surrounding area, who were in a complete blackout for more than 2 hours.

In view of the questions raised by the Senator from Illinois, I wish to read a memorandum, as a part of my speech, in reply to some of his questions.

DIVERSIONS OF NIAGARA WATER FOR POWER PURPOSES

Diversions of water from the Niagara River for power purposes have been strictly limited by international treaty between the United States and Canada for more than 45 years.

The Boundary Waters Treaty of 1909, signed by the United States and by Great Britain, on behalf of Canada, was negotiated under President Theodore Roosevelt by Secretary of State Root and Ambassador Bryce, submitted to the Senate by President Taft, and ratified in 1910.

This treaty limited United States diversions from the Niagara to 20,000 cubic feet of water per second, and Canadian

diversions to 36,000 cubic feet of water per second. This apparent disparity was designed to offset the Chicago diversion from the Great Lakes system by the United States and also the use of Niagara water on the Canadian side by powerplants then owned by United States power companies which transmitted their output from Ontario to New York customers.

By exchanges of notes in the defense emergency preceding United States entrance into World War II and during the war both the United States and Canada arranged to increase their diversions on a temporary basis. I emphasize the word "temporary." Otherwise, the limits fixed in the 1909 treaty for permanent diversions stood until the Niagara Treaty of 1950. The new treaty increased the total permanent diversions to 130,000 cubic feet per second for both countries, evenly divided to permit an annual average of 65,000 cubic feet per second for each.

Canada has now virtually completed its new project on the Niagara, with an ultimate capacity of 1,375,000 kilowatts, to utilize the full Canadian share of the Niagara diversion under the treaty of 1950.

The United States, on the other hand, until S. 1823 authorizes redevelopment on our side, will enjoy the use of only 20,000 cubic feet per second on a permanent basis, and the temporary use of an additional 12,500 cubic feet per second permitted under the wartime emergency arrangements, which may be terminated at any time.

In summary, the United States Niagara diversions are as follows:

Under 1909 treaty, 19,725 cubic feet per second. This is all the water covered by the FPC license of 1921, permitting permanent use by Niagara Falls Power Co., the licensee, until 1971.

Niagara Falls Power Co. applied for, but was denied by FPC, an amendment to its license, permitting the permanent use of the remaining 275 cubic feet per second of the 1909 Boundary Waters Treaty water.

Under World War II temporary arrangements, 12,775 cubic feet per second, including the 275 cubic feet per second noted just above.

Total, permanent and temporary, 32,500 cubic feet per second.

Thus, the United States cannot use its full share of 65,000 cubic feet per second, on a parity with Canada, until the authorization for redevelopment in a new project on the United States side, provided for in S. 1823, is passed. Until then, the permanent use of water by the United States will remain at 19,725 cubic feet per second, and the temporary use at 12,775 cubic feet per second.

The recommittal or defeat of S. 1823 would thus delay for an indefinite period the use of waters capable of development in a project producing tremendous blocks of low-cost hydroelectric energy.

It should not be overlooked that the Niagara Falls Power Co., a wholly owned subsidiary of Niagara Mohawk Power Corp., has a very large vested interest in delay on this bill, S. 1823, even if it fails to obtain passage of S. 6, the Capehart private development bill.

The licensee may hope to continue its present temporary use of 12,775 cubic feet per second until Congress acts to authorize the new redevelopment project. The new project under S. 1823 would use this water, plus an additional 23,225 cubic feet per second, or a total of 45,225 cubic feet per second. The remaining 19,725 cubic feet per second would continue to be used by the Niagara Falls Power Co. under its 1921 FPC license, running until 1971.

The records of the Public Service Commission of New York show that the licensee has made millions of dollars in profits from its temporary use of the Niagara diversion, which would cease when the Congress acts.

Let me say to the Senator from Illinois that I am very grateful to him for posing these questions, because he has given me the opportunity, in addition to answering many other issues, of placing this memorandum in the RECORD in reply to his inquiry. I think there is comparatively little understanding of the main issue, that if we do not develop the power, Canada will develop it.

We will not gain. Of course, a motion to recommit would delay the bill for a long time. I cannot believe that Congress would ever turn over this great natural power resource to private development. It would not make sense to do so, and I cannot believe that the people of the United States would approve such action.

Therefore I am very grateful to the Senator from Illinois for asking the questions he has asked.

Niagara Mohawk vigorously supported the ratification of the 1950 treaty at the public hearings held early in that year before the Committee on Foreign Relations. The president of the corporation, Mr. Earl J. Machold, gave formal written notice to Chairman Connally and the committee that Niagara Mohawk would file an application for private development of all the additional Niagara power, under a license from the Federal Power Commission, as soon as the Senate approved the treaty.

The able Senator from Vermont [Mr. AIKEN], with keen foresight, had anticipated this very demand on the part of Niagara Mohawk many months before the treaty was signed and submitted to the Senate. In a speech on this floor, February 8, 1948, the Senator warned that the utilities, even then, were driving for private development of the tremendous power potential of the Niagara. If such an attempt succeeded, the Senator aptly stated, it would be the biggest raid on our public power resources in the history of the Nation.

It was only as a result of the timely action taken by the Committee on Foreign Relations and by the Senate itself, in the consideration of the 1950 treaty, that such a raid was forestalled.

The Senator from Vermont, who was not then a member of the committee, submitted a draft reservation to the treaty, which, after deliberate consideration, was unanimously approved by the committee and reported to the Senate with the treaty. Its text is as follows:

The United States on its part expressly reserves the right to provide by act of Congress for redevelopment, for the public use and benefit, of the United States share of the waters of the Niagara River made available by the provisions of the treaty, and no project for redevelopment of the United States share of such waters shall be undertaken until it be specifically authorized by act of Congress.

Thus the committee proposed that instead of turning the new power potential of the Niagara over to the Niagara Mohawk Power Corp. by placing these waters under the jurisdiction of the Federal Power Commission, both branches of Congress and the President should exercise their constitutional powers to provide by the usual legislative method for the authorization of the Niagara project.

Let me point out and emphasize that at that time, in 1950, there was no public agency in the State of New York authorized by State law to apply for a license or to construct a public power project on the Niagara.

It was not until the following year that the New York State Legislature gave the State power authority this function and jurisdiction, subject to the 1950 treaty and congressional approval. The Niagara Mohawk Power Corp., on the other hand, had the corporate power to build the project and was in a highly strategic position in 1950 to obtain a license as the sole applicant.

The committee was, of course, also fully aware that most of the major river development projects undertaken, since the Federal Power Commission was created in 1920, have been authorized by congressional legislation, without in anywise repealing or amending the Federal Power Act or impairing the proper functioning of the Federal Power Commission.

The Aiken reservation was adopted by the Senate without a dissenting vote from any Member of this body, Republican or Democrat. The then minority leader, Senator Wherry, of Nebraska, drew attention to its text as reported to the Senate and stated on the floor:

I understand the reservation, and I appreciate it very much.

The reservation was adopted on August 9, 1950, and thereafter, also without a dissenting vote, the Senate gave its advice and consent to the ratification of the treaty, subject to the reservation.

This was by no means the first time, Mr. President, as I have already said, that the Committee on Foreign Relations has been called upon to take timely and effective action to safeguard the Niagara resource in the public interest.

On February 18, 1931, the committee met to consider the Niagara protocol, a treaty which had been negotiated and signed with Canada to increase the diversions of water for power purposes. Under this treaty, it was proposed that the Niagara Falls Power Co. should build the remedial works at the falls. In return, the power company was to receive as a "gift"—as the committee chairman called it—the right to divert 10,000 cubic feet of water per second, in addition to the diversion under its license.

That treaty was rejected by the unanimous vote of the 19 members of the committee. Joining in this action were such notable members of this body as Chair-

man Borah, Senator Vandenberg, Senator Wagner, Senator La Follette, Senator Walsh of Montana, Senator Robinson of Arkansas, and our distinguished colleague, the present chairman of the committee, the senior Senator from Georgia [Mr. GEORGE].

The matter of the Niagara power diversion arose again in the defense emergency of World War II, and again the committee and the Senate acted to protect the public's immense stake in this resource.

We were then suffering an acute power shortage in New York as a result of the staggering demands for defense production. The program for public development of the Niagara and the St. Lawrence envisioned by Governor Smith had been blocked for more than 20 years. It therefore became necessary in the midst of the world war to increase our power supply from every available source.

We at Albany—and I was Governor at the time—cooperated with the Federal Government in a program to divert some additional amounts of Niagara water, on a strictly temporary basis, to meet the emergency. Washington exchanged a series of notes with Ottawa to agree on temporary increases in the Niagara diversions permitted under the treaty of 1909.

I recall vividly how the senior Senator from Georgia [Mr. GEORGE] held that these agreements, although temporary in nature, were, in effect, amendments to the 1909 Boundary Waters Treaty and would require the advice and consent of the Senate. As a result of his insistence on this procedure, New York was then able to maintain and reassert its policy for the use of this water for subsequent public development. I expressed the views of New York State on this matter in an official communication from myself as Governor, which the senior Senator from Georgia presented on the floor of the Senate during consideration of the treaty amendments. By the action then taken by the Foreign Relations Committee and the Senate, the wartime diversions were kept on a temporary basis and the Niagara resource has come down to us, unimpaired, for full-scale public development under the pending bill.

Mr. President, the only measure we have before us is S. 1823, reported by the Committee on Public Works with a strong nonpartisan recommendation for its passage.

One other bill has been introduced in the Senate and considered by the committee during this Congress dealing with the Niagara. That is S. 6, offered in each Congress since 1951 by the able Senator from Indiana [Mr. CAPEHART].

I recognize the complete sincerity of conviction of the Senator from Indiana in pressing vigorously, as he has for the past 5 years, in support of this private development bill. That measure was originally introduced in the House with perfectly open support from the Niagara Mohawk Power Corp. It has been endorsed by the heads of Niagara Mohawk at all the hearings held on the project since 1951. It, of course, provides for private utility development of all the remaining power of the Niagara.

It was stated at the hearing that, under the first version of this bill, the power would be developed, transmitted, and marketed, with full control over this enormous block of potential energy, from the bus bar to the ultimate consumer, by a single private power company—Niagara Mohawk.

Since 1951, however, Niagara Mohawk has announced agreements with four other large but completely noncompetitive private power companies in New York State, which, it states, will participate to some extent in the private development. Consolidated Edison of New York City, which has always been closely allied with Niagara Mohawk, is one of these companies.

The distinction drawn, in connection with the present version of the bill, between turning Niagara over to 5 companies instead of 1 company, is more apparent than real. Niagara Mohawk is the principal power company in upstate New York. It controls the main transmission lines running from the project site at Niagara Falls, east from Buffalo to Albany, and south to the gateways of the city of New York. Under the bill S. 6, Niagara Mohawk would unquestionably build, own, and operate the project, and control the transmission and distribution of the great bulk of project power.

The Senator from Indiana, I am sure, will be the first to concede that he is strongly opposed on principle to public power projects, whether they be State or Federal. He has opposed previous measures for public development of the Niagara, offered by my colleague [Mr. IVES], and endorsed by Governor Dewey, with the same vigor and impartiality as he now opposes the bill recommended by the committee.

As I said in the beginning of my remarks today, the choice here lies between S. 1823, recommended by the committee, and S. 6, rejected by the committee. Every Senator must realize, in making this choice, that S. 6 flies in the teeth of the laws of my State, and the declared policies of its Governors and the New York State Legislature for over half a century. S. 6 cannot be enacted without sweeping aside these State laws and public policies. It would inevitably lead to further intolerable delays and the continued shocking waste of our major unused hydroelectric resource.

I am aware, Mr. President, that another plan was proposed in the last Congress as an alternative to congressional authorization of the Niagara project.

It was not reintroduced in the Senate in this Congress. It was not made the subject of the 1955 public hearings before the committee, and it is not dealt with in the committee's report.

I refer to S. 2599, of the 83d Congress, 1st session. This bill was reported, but was not recommended for passage by a majority of the committee in the last Congress.

This previously proposed measure would call upon the Senate to reverse its historic record for safeguarding the Niagara resource, and, in effect, repeal the protective reservation to the Niagara Treaty of 1950.

Of course, no such bill has been introduced at this session and it is not pending before Congress. I assume that the general idea was considered—and rejected—by the Public Works Committee. I should like to state, at this point—in the event any Senators have been urged to consider this method as a possible alternative to the measure recommended by the committee—that in my own judgment, this would be a most unwise and unfortunate alternative.

It would completely bypass the ordinary legislative procedures of the Congress and take the matter out of the jurisdiction of the committees of Congress which have devoted so much study to the Niagara project over the years.

If the Federal Power Commission should be given the jurisdiction they do not now have to dispose of the Niagara resource, there would be no possibility, as the Federal Power Commission has itself affirmed, of stipulating safeguard provisions—those conditions which Congress has traditionally insisted upon for the protection of the interest of the consumers.

The law of New York State contains general language which is perfectly consistent with the preference provision of S. 1823, but the language of the New York law is not detailed in regard to preferences and other safeguards. Hence, it is highly essential that the Congress stipulate these conditions as set forth in S. 1823.

Moreover, the so-called shortcut method of turning over the Niagara resource to the discretion of the Federal Power Commission would raise the possibility at least of having this resource turned over to the private utility monopoly, under license from the FPC.

Finally, it would involve further inexcusable and unjustifiable delays in the use of this precious waterpower. The Senate has before it a bill reported by the Public Works Committee. If this bill is approved and if the House thereafter acts speedily, as it can because the House Public Works Committee has already completed its hearings on this proposed legislation, work on the Niagara project can start this very fall. To delay it further would be an extravagant waste, an imposition on the interests of the United States.

Should a proposal be made on the floor of the Senate to substitute for the pending bill the proposal to turn this resource over to the jurisdiction of the Federal Power Commission, I shall have more to say on the subject. I am sure the members of the Public Works Committee will, also, have further debate on the subject.

Certainly, at this point, the proposal I have just referred to is moot and academic.

Mr. President, I am not going to try to answer all the arguments which might possibly be raised against S. 1823, although we are fully prepared to answer each of them. But I shall wait until the arguments are actually made.

I know, for instance, that the proponents of the private giveaway will talk, as they did in committee, about the loss to the Federal Treasury of the taxes a

private utility might pay. We are prepared, at an appropriate time, to present the affirmative argument on the actual relationship of the Niagara development to the question of tax revenue and the question of our free enterprise system.

We are prepared to show beyond question that the Niagara project, as authorized under the terms of S. 1823, will result in the creation of new wealth, new industry, and new income, and will mean a substantial net increase in public revenues, and not a loss.

We shall likewise show that the Capehart bill, S. 6, rejected by the committee and described in the text of the bill as furthering private enterprise, proposes a program that is, in fact, neither private, nor does it involve enterprise in the ordinary meaning of the term. That plan would simply utilize the power of government to exploit a great resource in the public domain, to produce a sure profit for private owners under a government license, involving no risk and no enterprise on the part of the private monopoly combine.

Other proponents of this bill will discuss in more detail than I the safeguard provisions of S. 1823. These provisions will enable nonprofit and public agencies, including rural electric cooperatives and defense agencies of the Government, to gain access to a reasonable share of project power. It will do this in accordance with the long-established right of such agencies to be considered preference customers.

In closing, I wish to touch briefly on just one more of the extraordinary arguments put forward by the utility industry itself to influence congressional action on the pending bill.

An organized effort has been made to lead the general public and the Congress to believe that the people of New York State do not support the public development of the Niagara and would prefer to see their invaluable resources surrendered to private interests.

Hundreds of thousands, if not millions, of dollars have been expended over the last 5 years to promote the private development plan in radio and television broadcasts, in full-page magazine and newspaper advertising, and by the use of other mass circulation media.

I can assure you, Mr. President, out of a lifetime of experience in intimate contact with the people of New York State, that this familiar type of special interest propaganda is utterly false and completely misleading.

Mr. President, I have been a candidate for statewide public office in New York nine times since 1928, and each time I have stood unreservedly for public development of the State's major hydroelectric power resources. If the people of my State opposed that program and embraced the program of the private utilities, it is obvious that I would not be here addressing the Senate today.

In the last statewide election in New York, in 1954, as I have previously noted, the Democratic and Republican Parties, and also the Liberal Party, pledged, in specific planks in their platforms, the public development of the Niagara, along with the St. Lawrence, for the primary benefit of the people as domestic and rural consumers. A combined total of 5 million votes were cast in that election for our present Governor, Averell Harriman, and for his opponent, the senior Senator from New York [Mr. IVES], both of whom repeatedly advocated the public development of both the Niagara and St. Lawrence resources.

Mr. President, before this debate ends, I shall be prepared to present abundant concrete evidence of the public support in New York State for a public development of the Niagara. I propose to address myself at some little length to the synthetic charge that New York State does not want this public development.

There is not a scintilla of doubt in my mind as to how the people of New York State stand on this issue and I would be glad to challenge any New Yorker, of either party, to run for statewide public office on a platform of private development of the Niagara.

Mr. President, I have not given all the arguments for S. 1823. Many points which I have not covered are contained in the excellent report which is before you. I have, however, tried to summarize some of the arguments and to sketch in some of the historic background. I hope that the Senate will consider that the stage has been set for a speedy consideration of the merits of this bill and for an early affirmation of the action by the Senate Public Works Committee in recommending that the bill be approved.

EXHIBIT NO. 1

NIAGARA REDEVELOPMENT ACT OF 1956

(Excerpts from report to accompany S. 1823)

[The Committee on Public Works, to whom was referred the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.]

Senate bill 1823, introduced by Senator LEHMAN, authorizes construction of power facilities for utilization of the United States share of the waters of Niagara River in compliance with the reservation contained in the treaty between the United States and Canada, and in accordance with existing general laws of the United States and the provisions of the bill. The bill authorizes and directs the Federal Power Commission to issue a license to the New York Power Authority for construction and operation of a project for power development of Niagara River, subject to the terms deemed necessary and required under the Federal Power Act, and including specific licensing conditions as follows:

1. In contracting for the disposition of project power, the New York Power Authority will give preference to public and nonprofit agencies, including rural electric cooperatives, and defense agencies of the United States, and make flexible arrangements in its contracts with private utility companies for withdrawal of sufficient power to meet the future needs of preference customers.

2. The use of such transmission lines as are necessary to make power and energy available to privately owned companies, preference customers, or neighboring States at reasonable rates, shall be arranged by contract or acquired by lease, purchase, or construction.

3. Provisions shall be included to make a reasonable share of the power available to neighboring States within economic transmission distance, the Federal Power Commission to determine the applicable portion of such power available in event of disagreement.

4. Power shall be sold and distributed primarily for the benefit of the people, particularly domestic and rural consumers, at the lowest possible cost and to encourage the widest possible use.

5. If power is sold for resale, provisions shall be made for establishing resale rates approved by the licensee, consistent with (4) above.

6. In cooperation with the appropriate agency of the State of New York concerned with development of parks, the licensee shall construct a scenic drive and park on the American side of the Niagara River near Niagara Falls, pursuant to a plan approved by the Federal Power Commission, the cost of such drive and park up to a maximum of $15 million to be borne by the power project and considered a part of the licensee's net investment in said project.

The license issued shall be in conformance with the Rules of Practice and Procedure of the Federal Power Commission, but in the event of any conflict, the provisions of S. 1823 will govern.

COMMITTEE HEARINGS

The Committee on Public Works held hearings on S. 6 and S. 1823 on July 13, 14, and 15, 1955. At these hearings testimony was received orally or in written form from Senators, Members of the House of Representatives, the executive department, counsel to the Governor of the State of New York, representing the Governor, the chairman of the New York Power Authority, city and county officials, representatives of farm, labor, manufacturers, chambers of commerce, public power, and citizen groups, private power companies, and rural electric cooperatives.

These witnesses expressed their views with regard to the bills before the committee. Practically all of them agreed that there is urgent need for early development of additional power at Niagara Falls, to prevent the waste of water now going over the falls and to utilize the portion of such water allocated to the United States by the treaty. Information was presented on the need for power in the northeastern region of the United States, and the high power rates that now exist in the area.

GENERAL STATEMENT

As to the economic feasibility and the desirability of developing the full power potential of the Niagara River, the committee is convinced, and in fact there is no difference of opinion. The committee is further convinced that the unique Niagara Falls hydroelectric resource should be utilized under the long-established congressional power policy in a manner to assure lower electric bills to consumers throughout the Northeast.

Before the Niagara power can be developed in any way legislative action is necessary because of the reservation which the Senate attached to its ratification of the Niagara Water Treaty, retaining the jurisdiction of Congress over the manner of development of this resource. The Senate, under the terms of the reservation, reserved to Congress the final disposition of this hydroelectric resource.

There is no controversy as to the most desirable engineering plan of development. Plans have been developed for the proposed project by cooperation among the Bureau of Power of the Federal Power Commission, the Corps of Engineers, the New York Power Authority, and the Niagara Mohawk Power Corp. * * *

The committee believes that development of Niagara power by the Power Authority of the State of New York as provided in Senate bill 1823 will have the effect of bringing down power supply costs for these public and cooperative systems, and will mean lower rates for all the consumers throughout the region. Testimony presented at the hearings esti-

mated that such development would result in a reduction of 20 percent in the power costs in the area, which would mean an annual saving of about a third of a billion dollars in the region's annual electric bill. It was estimated that the Niagara power alone would save approximately $25 million annually in fuel bills over an equal amount of power developed by steam-electric sources.

It is recognized that both Niagara and St. Lawrence power will be generated, transmitted, and distributed on the Canadian side of the rivers on a public-ownership basis. This may become a factor in competition for expansion of business and population. All classes of electric service are available at lower rates in Canada. As a result, average consumption of electricity in Ontario is more than double that on the United States side of the border. In 1950 the average home in Toronto purchased 3,888 kilowatt-hours of electric service at less cost than the average home in Rochester, N. Y., that only used 1,252 kilowatt-hours. Industrial power rates in Rochester are 82 percent higher than in Toronto, based on a power demand of 1,000 kilowatts and a monthly use of 400,000 kilowatt-hours of energy.

The committee therefore recommends enactment of S. 1823 at an early date to permit prompt planning and early completion of this most desirable project in order that the many benefits may accrue to serve the needs of the northeastern region of the United States.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LEHMAN. I am very glad, indeed, to yield.

Mr. DOUGLAS. First, I wish to congratulate the Senator from New York not only upon his speech but upon the attitude which he has always taken as a citizen, as Lieutenant Governor of New York, as Governor of New York, and as United States Senator, in advocating the public development of the latent power at Niagara Falls and on the St. Lawrence.

I think, however, that the Senator from New York is much too modest when he says he has been waiting and working for this moment for 6 years, because I believe he has been working for this moment for well over 35 years.

If the Senator from New York will permit me to make a further remark, I may say that one of my chief sources of reading matter as a boy was the old New York World. My family were Yankee Democrats and subscribed to the New York World, which we received every morning, although it was always some 2 or 3 days late.

The New York World, under the editorship of the great Joseph Pulitzer, was insistent, in the early days of the century, first, that the scenic beauty of Niagara Falls should not be destroyed by power developments; and, second, that any development which did occur should be by public authority rather than by private companies. Am I not correct?

Mr. LEHMAN. The Senator is quite correct.

Mr. DOUGLAS. As I remember it, since the Senator from New York has mentioned it, when Charles Evans Hughes was elected Governor of New York as a result of the insurance scandals in 1905, he opposed the attempts of private companies to take the water of Niagara Falls and spoil the scenic beauty of that area.

Mr. LEHMAN. He opposed it very vigorously and very successfully.

Mr. DOUGLAS. Then later, in the years from 1918 to 1928, during 8 of which Alfred E. Smith was the Governor of New York, did not Governor Smith make as his principal campaign argument the fact that the waters of the Niagara should be developed by a public authority?

Mr. LEHMAN. The Senator from Illinois is entirely correct. I will have to digress a moment in my answer. I mentioned that I had lived and worked with this project for 6 years. I limited the period to 6 years because that was the period in which I was vested with authority, until the treaty with Canada was ratified. As a matter of fact, I have been living and working with this project, and with the St. Lawrence, as well, for 35 years.

The Senator from Illinois has mentioned Alfred E. Smith. That ties up entirely with my statement that I have been interested in the matter for 35 years.

Mr. DOUGLAS. The Senator from New York was one of the closest friends and one of the most confidential advisers of Governor Smith, was he not?

Mr. LEHMAN. I was. I remember hearing Governor Smith at a dinner of the League of Women Voters of New York describe the usefulness and the necessity, really, of developing both the St. Lawrence and the Niagara. He did it in such a graphic and dramatic way that he sold me on the proposition completely. That was the origin of my knowledge of the waterpower development of our natural resources and of my great interest in them. That was 35 years ago. I appreciate very much having the Senator from Illinois remind me of that, because it possibly would have escaped my recollection.

Mr. DOUGLAS. The Senator from New York probably does not remember the fact, but I first met the Senator from New York when he was lieutenant governor, in 1931, when the then Governor of New York, Franklin D. Roosevelt, called a conference on employment problems.

Mr. LEHMAN. I remember that very well.

Mr. DOUGLAS. I was invited to the executive mansion in the evening, and I remember conversing there with both Governor Roosevelt and Lieutenant Governor LEHMAN about the problem of the development of electric power on the Niagara and the St. Lawrence and the necessity for public development of low-cost power being obtained for the citizens of New York.

Mr. LEHMAN. I remember that meeting very well indeed. That was a good many years ago. I may say that one of the great satisfactions I have had in being a Member of the Senate is that I have been able to continue that association with the Senator from Illinois.

Mr. DOUGLAS. The Senator from New York has mentioned the fact that he has run for office 9 times since 1928, each time on a platform favoring the public development of the St. Lawrence and the Niagara. If I am correct, I believe the Senator from New York has been victorious in 8 of those 9 contests.

Mr. LEHMAN. That is quite correct. I was successful in 8 campaigns; and in the ninth, in which I was defeated, I ran 450,000 votes ahead of the ticket.

Mr. DOUGLAS. But the Senator was defeated at that time, in 1946, by a very honorable man, who is now the senior Senator from New York [Mr. IVES].

Mr. LEHMAN. Yes; and my only regret is that he is not on my side this time.

Mr. DOUGLAS. That gives the junior Senator a batting average in New York of approximately .889 percent. Is not that correct?

Mr. LEHMAN. I am not so fast in my mathematics.

Mr. DOUGLAS. I think that is the batting average. Would not that be an extremely high batting average in any political league? Perhaps the Senator does not want to answer that question, so I will say for him that it would be an extremely high average.

The people of the State of New York know the Senator's sentiment on this matter, do they not?

Mr. LEHMAN. I do not think there is anyone in New York who does not know my sentiments. I do not think there is anybody in New York State who has not had the matter presented to him in every one of the campaigns which have been waged since 1918.

Mr. DOUGLAS. That was true in the campaigns of Alfred E. Smith, who won 4 times out of 5, was it not?

Mr. LEHMAN. Yes.

Mr. DOUGLAS. And also of the campaigns of Franklin Roosevelt, who won both times that he ran?

Mr. LEHMAN. The Senator is correct.

Mr. DOUGLAS. The Senator from New York was victorious in his campaigns for governor in 1932, 1934, 1936, and 1938, and he has been twice victorious in his two campaigns for the Senate since 1949.

Mr. LEHMAN. That is correct.

Mr. DOUGLAS. And he was twice victorious in his campaigns for lieutenant governor in 1928 and 1930.

Mr. LEHMAN. Also, it is true of the present governor, Governor Harriman.

I think it may be a matter of some interest to state that the only governor within my memory, with whom I was personally acquainted, who did not support the public development of power was Governor Miller.

Mr. DOUGLAS. He was elected, I believe, in 1920.

Mr. LEHMAN. In 1920.

Mr. DOUGLAS. And he was defeated in 1922.

Mr. LEHMAN. Yes, he was defeated in 1922, when he did not support the public development of power. He was defeated by Gov. Alfred E. Smith. So the only governor who did not support public power was defeated for reelection.

Mr. DOUGLAS. I congratulate the junior Senator from New York, and I express the hope that we shall shortly see the successful fruition of the half century of struggle by the people of New York and the struggle of a third of a

century by the distinguished junior Senator from New York. He deserves the richest praise from the people not only of New York but also of the Nation.

Mr. LEHMAN. I thank the Senator from Illinois very much indeed.

RECESS TO 11 A. M. TOMORROW

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. LEHMAN. Mr. President, in accordance with the previous order, I now move that the Senate stand in recess until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 7 o'clock and 1 minute p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Tuesday, May 15, 1956, at 11 o'clock a. m.

CONFIRMATION

Executive nomination confirmed by the Senate April 14 (legislative day May 7), 1956:

FARM CREDIT ADMINISTRATION

Sam H. Bober, of South Dakota, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for the term expiring March 31, 1962.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 14, 1956

The House met at 12 o'clock noon.

The Reverend Harold B. Sedgwick, St. Thomas' Church, Washington, D. C., offered the following prayer:

Almighty God whom to forget is to stumble and whom to remember is to rise again, set Thy seal, we beseech Thee, upon every work which we do in Thy name, that we may not begin an action without a pure intention—we may not continue it without Thy blessing.

Give to each of us a passionate desire to see the truth, courage to say yes when it would be easier to say no, and no when it would be easier to say yes. May we never be content with anything less than the best, for Thou hast entrusted into our hands great responsibilities and infinite powers.

Deliver us from pettiness when human life is at stake. Teach us when to speak and when to be silent, when to rise up and when to sit down—so by the manner of our life may be judged the stature of our soul. Finally, O God, grant that we may so quit ourselves this day that when evening comes, we may be deserving of rest and quietness that only Thou canst give, at peace with ourselves and with our own consciences. Amen.

The Journal of the proceedings of Thursday, May 10, 1956, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 3732. An act to provide insurance against flood damage, and for other purposes.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 56–13.

AMENDING THE INTERNAL REVENUE CODE OF 1939

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid, with Senate amendments thereto, disagree to the Senate amendments, and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. COOPER, MILLS, GREGORY, REED of New York, and JENKINS.

SUPPLEMENTAL APPROPRIATION BILL—CONFERENCE REPORT

Pursuant to authority granted on May 10, Mr. CANNON on May 11 submitted a conference report and statement on the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

REV. HAROLD BEND SEDGWICK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, the Reverend Harold Bend Sedgwick, who has just given the opening prayer, has the distinction of being the great-great-grandson of a former Speaker of this body. Dr. Sedgwick's distinguished ancestor was Theodore Sedgwick, a Representative from the great State of Massachusetts. He was the Speaker of the House during the sixth session of the Congress and was the first Speaker to preside over the House when this body first met in the city of Washington.

Speaker Sedgwick presided over this body on November 18, 1800, when the Congress first met in Washington. The quarters in which the House met and over which Speaker Sedgwick presided, were the rooms now occupied by the Senate Disbursing Office in the original north wing of the Capitol, now known as the Supreme Court section of the Capitol.

Theodore Sedgwick served as a delegate, as a Representative, and also as a Senator from the State of Massachusetts. He was a member of the Continental Congress and was also a delegate to the State convention that adopted the Federal Constitution in 1788. Among his many distinguished public services were his service as President pro tempore of the United States Senate in 1798.

The great-great-grandson of this eminent son of Massachusetts, Dr. Sedgwick, who served as our chaplain today, is rector of St. Thomas' Church in Washington, D. C. We are glad to welcome him to this House, once so ably presided over by his fine ancestor.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. McCORMACK. I want to associate myself as an individual Member of the House, and speaking for the Democratic Members, with the remarks made by my friend, the gentleman from Massachusetts [Mr. MARTIN], in relation to Dr. Sedgwick. We are very happy to have Dr. Sedgwick with us to offer prayer on the occasion of the meeting of the House today. I know it must bring to Dr. Sedgwick a great feeling of happiness to know that he offered prayer in the very body over which his great-great-grandfather presided with such dignity, strength, and effectiveness.

For my colleagues I join my dear friend from Massachusetts [Mr. MARTIN] in the very appropriate remarks that he made on the occasion of Dr. Sedgwick offering prayer in the House today.

EDWIN K. STANTON

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 2057, an act for the relief of Edwin K. Stanton, together with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 3, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

GRAPHIC ARTS CORPORATION OF OHIO

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 2893, an act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio, together with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That jurisdiction is hereby conferred upon the Court of Claims to hear, de-

termine, and render judgment upon the claim of the Graphic Arts Corporation of Ohio, Toledo, Ohio, as to the liability of the United States, if any, either legal or equitable, for losses alleged to have been sustained by the said Graphic Arts Corporation of Ohio as the result of the performance of a contract, Numbered W33-038ac 2023, dated April 17, 1944, entered into with the United States Army Air Corps.

"SEC. 2. Notwithstanding any statute of limitations or lapse of time, suit upon such claim may be instituted by the claimant within 1 year after the date of enactment of this act. Proceedings for the determination of such claim and review thereof, and payment of any judgment thereon, shall be had as in the case of claims over which such court has jurisdiction under section 1491 of title 28 of the United States Code.

"SEC. 3. Nothing contained in this act shall be construed as an inference of liability on the part of the United States Government."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

S. H. PRATHER, MRS. FLORENCE PRATHER PENMAN, AND S. H. PRATHER, JR.

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5535, an act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr., together with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 21, after "skull" insert "*Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. FORRESTER]?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

LT. MICHAEL CULLEN

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7164) for the relief of Lt. Michael Cullen, together with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 11, after "veterans" insert ": *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. FORRESTER]?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mrs. PFOST. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have permission to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. MURRAY of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service may have until midnight tonight to file a report on the bill (H. R. 11040) to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain department activities, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

LEGISLATIVE PROGRAM FOR THIS WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I desire to announce to the Members of the House at this time that the conference report on the supplemental appropriation bill will come up for consideration on Wednesday next. I also desire to alert Members on both sides that, as far as I know at the present time, there is liable to be a floor fight on this matter, so that the Members may govern themselves accordingly.

I also desire to announce that on Thursday next His Excellency, Dr. Soekarno, President of the Republic of Indonesia, who will be in the United States at that time on an official visit, will address a joint meeting of the Congress. That is Thursday, May 17, at 12:30 p. m. We hope that as many Members as possible will be present.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Nebraska.

Mr. MILLER of Nebraska. I rise to inquire about the conference report on the sugar bill.

Mr. McCORMACK. Well, the gentleman from Massachusetts went as far as he possibly could the other day, and there is nothing further that he can add, and there is no further assist he can give at this time.

SEVER DIPLOMATIC RELATIONS WITH RUSSIA

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, recent events involving Communist Russia call for a study of the intent and purpose of that Government. The American people are entitled to know if the Russian Embassy and other satellite embassies are espionage centers. The record, Mr. Speaker, would seem to indicate that Russia is an international outlaw. Her actions to date confirm that statement. Has not the time come when we should consider ending our relations with men who control a government we cannot trust? As we look about the world today we know that wherever there is trouble it is being agitated systematically by world-wrecking Communists. There can be no peace, no hope for peace, so long as godless communism has a seat in the family of nations and is accorded the dignity of diplomatic, cultural and economic recognition.

Mr. Speaker, toward that end I have today introduced a House concurrent resolution to establish a joint congressional committee composed of 5 Members of the Senate and 5 Members of the House of Representatives. The purpose of this committee will be to conduct a full and complete study and inquiry with respect to all aspects of the question of severance of diplomatic, economic, cultural and all other relations between the United States and the Union of Soviet Socialist Republics.

Mr. Speaker, it did not take the Australian Government very long to close the Russian Embassy in Australia when it was discovered it was serving as an espionage center with the sole purpose of destroying the Australian Government. Can we afford to do less in view of events that have transpired in the past 5 years, not only here but throughout the world?

Mr. Speaker, the diplomatic history of the Soviet is a long and sordid one. Since 1917 Moscow has renounced more than 1,000 treaties, the latest being flagrant Communist violation of the Korean armistice. Evidence continues to accumulate that the longer we try to do business with Communists the deeper we are in the hole. Moscow's idea of diplomacy is subversion, and I repeat that her embassies and those of her satellites are espionage centers.

Her diplomatic missions are not channels for peaceful international relations but are merely new avenues of intrigue.

Mr. Speaker, the record is clear, you cannot do business with Communists.

Faith, trust and confidence are the very foundations of international relationships. Russia lacks all of these virtues.

TENNESSEE AND THE RURAL DEVELOPMENT PROGRAM

Mr. REECE of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. REECE of Tennessee. Mr. Speaker, Tennessee has deep interest in the rural development program. Examination of House Document No. 149, Development of Agriculture's Human Resources, shows Tennessee as having both substantial and serious low income and level of living areas in agriculture. Plans to improve these conditions should be encouraged.

Resulting from the interest of President Eisenhower, and the studies by the Department of Agriculture which culminated in the President's message to Congress on April 26, 1955, a meeting was held at Memphis, Tenn., in June 1955. At this time broad general plans were discussed on the national level for the rural development program.

In August, a Tennessee State meeting on the same subject was held in Nashville. Following this, three pilot counties were selected for intensive study and work to see what could be done through coordinated, concentrated effort. These three counties are Grainger, Macon, and Hardin. They are representative of different areas and conditions within the State.

Not only a State committee but an active county committee in each of these countries has been at work. Studies, plans, and programs have been developed. There is enthusiasm.

Hardin County says:

It is * * * believed that through coordinated effort of all local groups and organizations using all available local resources along with States and Federal assistance, that outstanding progress can be made in raising the economic, social, educational, recreational, and religious level of the low-income group of people. * * *

It is difficult to foresee, at this time, all the help needed to initiate and activate the work on specific problems identified in this plan as immediate approaches to the expansion and progress of the rural development program. However, it is recognized that consultant service and technical assistance in conducting research projects and surveys, additional full-time personnel, and extra funds will be needed for the immediate growth of this program.

Technical assistance is needed from the State and national level to: Assist in research or factfinding studies; supply authentic information, both verbal and written; provide advisory and counseling services in all phases of this program.

Some additional full-time personnel is needed at the local level, including: * * * a trained person to coordinate the rural development program; a veterinarian; and a forester.

Additional funds will be needed to: * * * employ additional personnel; meet other expenses necessary to the development of the program.

Among the possible solutions listed by Macon County, are:

More liberal low interest credit needs to be offered these low-income farmers. To be specific we need a full-time Farmers Home Administration supervisor in Macon County to make loans for fencing, seeding, fertilizer, and establishing foundation herds of livestock.

The Soil Conservation Service district needs additional help for laying out contours in strawberry fields, digging additional livestock ponds, and general conservation practices on all farms.

Add special agents to the present extension staff to carry out educational aspects of this program and do farm and home planning on these low-income farms in particular.

Grainger County includes among items of immediate help needed:

Increased ASC funds for conservation practices. * * *

Additional technically trained extension personnel. * * * More space is needed for materials, records, posters, demonstrations, office visits, and workshops.

More adequate research information, census data, conservation needs, group desires, interests, farm potentials.

A plan of action for reforestation and fire protection in the county, for watershed control of farms, communities, and the county.

Credit loans for buildings, equipment, and farm-home needs. * * *

Specialists' help in overall program.

In its budget requests for fiscal year 1957, the Department of Agriculture provided reasonable minimum sums for initiating the type of work outlined above in some pilot counties throughout the areas of need within the United States. The report of the Appropriations Committee recommends severe cuts in these sums. The needs are so great and the requests are so reasonable that I feel we should restore to the budget the full amounts for these purposes requested by the Department of Agriculture.

WORKMEN'S COMPENSATION LAW FOR THE DISTRICT OF COLUMBIA

Mr. MILLER of Nebraska. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Nebraska. Mr. Speaker, this is District Day. At a meeting of the Committee on the District of Columbia, 2 or 3 weeks ago, we reported out a number of bills. Among them was H. R. 3015 which has for its purpose enacting a workmen's compensation law for the District of Columbia. I notice the bill is not listed for consideration today although the committee took definite action to the effect that it should be brought up on District Day.

My inquiry is, how do we bring up a bill in conformance with the wishes of the committee, that committee having voted out the bill to be considered on District day?

The SPEAKER. The Chair will state that the chairman of the committee has not consulted with the present occupant of the Chair on the matter of bringing up that bill.

Mr. MILLER of Nebraska. Mr. Speaker, the bill was reported out by the full Committee on the District of Columbia.

The SPEAKER. That does not automatically put it on the program.

Mr. MILLER of Nebraska. It is on the Union Calendar now, having been reported May 7. Does it require a rule to take it off the Union Calendar, or may any member of the Committee on the District of Columbia bring the bill up for consideration?

The SPEAKER. If the committee directs and authorizes some Member to bring it up, he may do so. The Chair will recognize him for that purpose.

PUBLIC WORKS APPROPRIATION BILL, 1957

Mr. RABAUT. Mr. Speaker, I ask unanimous consent that it shall be in order to consider the public works appropriation bill for 1957 on May 22 without regard to the fact that it will be reported on May 21.

Mr. MARTIN. Reserving the right to object, Mr. Speaker, is that agreeable to the minority members of the committee?

Mr. RABAUT. I may say that the gentleman from Wisconsin [Mr. DAVIS] cannot be here on the day it was scheduled for before.

Mr. MARTIN. This is agreeable to him?

Mr. RABAUT. It is agreeable to him.

Mr. MARTIN. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

ATOMIC SCIENTIST WARNS UNITED STATES GOVERNMENT AGAINST DRAGGING ITS FEET ON PEACETIME AND INDUSTRIAL USE OF ATOMIC ENERGY—UNITED STATES BEHIND BRITAIN AND U. S. S. R. IN THIS VITAL FIELD

Mr. BASS of Tennessee. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BASS of Tennessee. Mr. Speaker, on April 19, 1956, Dr. Alvin M. Weinberg, a noted authority on atomic energy pointed out some appalling facts before the Atomic Energy Industrial Forum, at Oak Ridge, Tenn.

Certainly the development of atomic energy for peaceful and industrial use is a subject which demands immediate and forthright action by this Government. Dr. Weinberg pointed out that the British Government and the Government of the Soviet Union are already spending a billion dollars each for the development of industrial uses of atomic energy. The United States Government has turned this tremendous task over to private industry and in his remarks Dr. Weinberg indicated that certainly our Government is dragging its feet in the development of this great potential.

I am placing in the Appendix of the daily RECORD the full text of Dr. Wein-

berg's statement at Oak Ridge and I hope that the Members of this body will study his remarks and give serious consideration to the emergency need now existing on the part of the United States Government in the development of atomic energy for peaceful and industrial uses.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. This is District of Columbia day. The Chair recognizes the gentleman from Arkansas [Mr. HARRIS].

APPROPRIATIONS FOR THE DISTRICT OF COLUMBIA

Mr. HARRIS. Mr. Speaker, in the absence of our distinguished chairman, the gentleman from South Carolina [Mr. MCMILLAN], I call up the bill (H. R. 6782) to amend section 7 of "An act making appropriations to provide for the Government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That paragraph No. 39 of section 7 of the act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended (sec. 47–2339, D. C. Code, 1951 edition), is amended to read as follows:

"PAR. 9. (a) The Commissioners of the District of Columbia are authorized and empowered to classify dealers in secondhand personal property (referred to in this paragraph 39 as 'dealers') and to fix and collect a license fee for each such class of dealer, which fee, in the judgment of the Commissioners, will be commensurate with the cost to the District of Columbia of inspection, supervision, and regulation of such class of dealer.

"(b) In classifying dealers the Commissioners may take into consideration the kind of property dealt in, whether the property is retained by the dealer for sale at retail, whether the property is disposed of by the dealer out of the District of Columbia, whether the property is disposed of by the dealer as junk or otherwise, and such other criteria as the Commissioners may deem appropriate.

"(c) Any person engaging in the business of buying, selling, trading, exchanging, or dealing in secondhand personal property of any description, including the return of unused portion of any ticket, order, or token purporting to evidence the right of the holder or possessor thereof to be transported by any railroad or other common carrier, however operated, from one State or Territory of the United States, or from the District of Columbia, to any other State or Territory of the United States or to the District of Columbia, shall be regarded as a dealer, and shall obtain the appropriate license and pay the fee therefor fixed by the Commissioners. For the purposes of this paragraph 39, the term 'secondhand personal property' shall not include any item of personal property (1) received as part payment or allowance on the sale of a new or rebuilt item of personal property, (2) returned by the purchaser of a new or rebuilt item of personal property for credit, refund, or exchange, or (3) which has been repossessed.

"(d) When any property has been stolen and sold in the District of Columbia to a dealer under such circumstances that the Commissioners of the District of Columbia, after such dealer has been afforded a hearing, are satisfied that such dealer had cause to believe, or could have ascertained by reasonable inquiry or investigation that the property was stolen, and that the dealer did not make reasonable inquiry or investigation as to the title of the seller before making the purchase, the Commissioners are authorized and directed to revoke the license of such dealer; and this action shall not be a bar to criminal prosecution for receiving stolen goods: *Provided*, That nothing in this subparagraph shall be construed as prohibiting the Commissioners from suspending or revoking the license of such dealer under the authority contained in paragraph No. 46 of this section."

SEC. 2. Paragraph 46 of section 7 of such act is amended (a) by inserting the designation "(a)" immediately before the first sentence of said paragraph 46; and (b) by adding thereto a subparagraph "(b)" reading as follows:

"(b) Notwithstanding any of the provisions of this section requiring an inspection as a prerequisite to the issuance of a license, the Commissioners are authorized to provide by regulation that any such inspection shall be made either prior or subsequent to the issuance of a license, but any such license, whether issued prior or subsequent to a required inspection, may be suspended or revoked for failure of the licensee to comply with the laws or regulations applicable to the licensed business, trade, profession, or calling."

SEC. 3. The first section of this act shall take effect on November 1 next year after the approval of this act.

With the following committee amendment:

Page 3, strike out lines 3 to 7, inclusive, and insert in lieu thereof the following: "item of personal property (1) which the possessor thereof has acquired as part payment or allowance on the sale by such possessor of a new or rebuilt item of personal property, (2) which the possessor thereof has acquired by reason of its return to him for credit, refund, or exchange by a person having purchased such item from such possessor, or (3) which is offered for sale, trade, or exchange by the person who repossesses the same."

The committee amendment was agreed to.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, paragraph 39 of section 7 of the act of July 1, 1902, provides that dealers in secondhand personal property shall be licensed and further provides that every person engaged in the business of buying, selling, trading, exchanging, or dealing in secondhand personal property of any description shall be regarded as a secondhand dealer.

The scope of this provision of the License Act of the District of Columbia is such as to require the licensing, as a secondhand dealer, of every person dealing in used personal property, regardless of whether the sole or primary business of such person is the buying, selling, or exchanging of used personal property, or whether his dealing in used property is only incidental to his buying and selling of new personal property, or to his dealing in used personal property as a result of his repossession of new merchandise sold by him, or whether he acquires the used property as part payment for new merchandise.

Existing law also requires that every person licensed as a secondhand dealer pay an annual license fee of $50, without regard to the extent to which such person deals in used personal property. For example, the operator of a small gasoline station taking in a few used tires and batteries as part payment on new tires and batteries is required to pay the same annual fee as any other person dealing in any and all classes of used personal property.

Certain provisions of the License Act require that certain inspections be made before a license can be issued. Thus an accumulation of license applications creates a backlog for certain kinds of licenses.

In order to allow a better and more equitable administration and application of the License Act provision relating to the licensing of second-hand dealers, and to expedite the issuance of license for certain business, trades, professions, or callings for which prelicensing inspections are now required, the Commissioners have recommended legislation which would accomplish the following:

First. Amend existing law so as to authorize the Commissioners to classify dealers in secondhand personal property and to fix the license fee for each such class of dealer.

Second. Amend existing law so as to authorize the Commissioners, by regulation, to provide for making inspections required under the act either before or after the issuance of a license, as the best interests of the District may indicate.

This proposed legislation would accomplish the following:

First. Authorizes and empowers the Commissioners to classify dealers in secondhand personal property and to fix the fee to be charged for the licenses to be issued the dealers coming within each such class at an amount commensurate with the cost to the District of inspecting, supervising and regulating each class of dealer.

Second. Establishes a number of standards to be observed by the Commissioners in connection with the classifying of dealers in secondhand property.

Third. Excludes from the category of used personal property new property which has been repossessed, used property traded in on new or rebuilt property, and new or rebuilt property returned by a purchaser for credit, refund, or exchange. This provision will relieve from compliance with the requirement that they be licensed as dealers a large number of merchants who deal principally in new or rebuilt merchandise and take in used property only as an incident to the sale of such new or rebuilt merchandise.

Fourth. The bill also provides that the Commissioners may by regulation require

either prelicensing or postlicensing inspections so as to prevent a log jam of license applications.

This legislation has the approval of the Commissioners of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPLICATION OF UNIFORM SIMULTANEOUS DEATH ACT IN DISTRICT OF COLUMBIA

Mr. HARRIS. Mr. Speaker, I call up the bill (H. R. 7804) to provide that the Uniform Simultaneous Death Act shall apply in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act, providing for the disposition of property where there is no sufficient evidence that persons have died otherwise than simultaneously and to make uniform the law with reference thereto, shall be in effect in the District of Columbia on and after the date of the enactment of this act.

NO SUFFICIENT EVIDENCE OF SURVIVORSHIP

SEC. 2. Where the title to property or the devolution thereof depends upon priority of death and there is no sufficient evidence that the persons have died otherwise than simultaneously, the property of each person shall be disposed of as if he had survived, except as provided otherwise in this act.

SURVIVAL OF BENEFICIARIES

SEC. 3. If property is so disposed of that the right of a beneficiary to succeed to any interest therein is conditional upon his surviving another person, and both persons die, and there is no sufficient evidence that the two have died otherwise than simultaneously, the beneficiary shall be deemed not to have survived. If there is no sufficient evidence that two or more benficiaries have died otherwise than simultaneously and property has been disposed of in such a way that at the time of their death each of such beneficiaries would have been entitled to the property if he had survived the others, the property shall be divided into as many equal portions as there were such beneficiaries and these portions shall be distributed respectively to those who would have taken in the event that each of such beneficiaries had survived.

JOINT TENANTS OR TENANTS BY THE ENTIRETY

SEC. 4. Where there is no sufficient evidence that two joint tenants or tenants by the entirety have died otherwise than simultaneously the property so held shall be distributed, or descend as the case may be, one-half as if one had survived and one-half as if the other had survived. If there are more than two joint tenants and all of them have so died the property thus distributed or descended shall be in the proportion that one bears to the whole number of joint tenants.

The term "joint tenants" includes owners of property held under circumstances which entiled one or more to the whole of the property on the death of the other or others.

INSURANCE POLICIES

SEC. 5. Where the insured and the beneficiary in a policy of life or accident insurance have died and there is no sufficient evidence that they have died otherwise than simultaneously, the proceeds of the policy shall be distributed as if the insured had survived the beneficiary.

ACT DOES NOT APPLY IF DECEDENT PROVIDES OTHERWISE

SEC. 6. This act shall not apply in the case of wills, living trusts, deeds, or contracts of insurance, or any other situation where provision is made for distribution of property different from the provisions of this act, or where provision is made for a presumption as to survivorship which results in a distribution of property different from that here provided.

UNIFORMITY OF INTERPRETATION

SEC. 7. This act shall be so construed and interpreted as to effectuate its general purpose to make uniform the law in those States which enact it.

SHORT TITLE

SEC. 8. This act may be cited as the Uniform Simultaneous Death Act".

REPEAL

SEC. 9. All laws or parts of laws inconsistent with the provisions of this act are hereby repealed.

SEVERABILITY

SEC. 10. If any of the provisions of this act or the application thereof to any persons or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provisions or application, and to this end the provisions of this act are declared to be severable.

With the following committee amendments:

Page 3, line 22, insert the following:

"ACT NOT RETROACTIVE

"SEC. 7. This act shall not apply to the distribution of the property of a person who has died before it takes effect."

Page 4, line 2, strike out "7" and insert "8."

Line 6, strike out "8" and insert "9."

Line 9, strike out "9" and insert "10."

Line 12, strike out "10" and insert "11."

The committee amendments were agreed to.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, this bill is to make the Uniform Simultaneous Death Act, as amended, apply in the District of Columbia. The District of Columbia is without any orderly plan of distribution of estates in case of simultaneous death. The District of Columbia and the other courts of the Federal jurisdiction utilize the common-law rule when confronted with the problem of survivorship in common disaster cases.

The Federal courts, including the District of Columbia, in applying the common-law rule, encounter enumerable problems of proof, and the result of discarding presumptions and exacting evidence is to put the burden of proving survivorship on any party claiming to derive title to property from a deceased person whose ownership during life depended upon his outliving some other person who was deceased. The result is that if the party on whom the burden of proof rests cannot make his proof, his case fails.

The common-law rule is stated in Wigmore on Evidence in the following words:

> Where two or more persons have perished in the same disaster, there is at common law no presumption of law that either survived the other, or that all perished at the same time. The burden of proving that one survived another will commonly be on any claimant for whom the fact is essential to his own chain of title (3 Ed. 2532).

The Supreme Court has said in the case of *Young Women's Christian Home* v. *French* (187 U. S. 401, 23 S. Ct. 184, 186, 47 Ed. 233), as follows:

> The rule is that there is no presumption of survivorship in the case of persons who perish by a common disaster, in the absence of proof tending to show the order of dissolution, and that circumstances surrounding the calamity of the character appearing on this record are insufficient to create any presumption on which the courts can act. The question of actual survivorship is regarded as unascertainable, and descent and distribution take the same course as if the deaths had been simultaneous.

The result of the common law rule has been the burden of proof which resulted from it. Whoever had the burden of proving survivorship was faced with an impossible situation, since, by the very nature of the problem, survivorship could not be ascertained.

In order to provide a solution to the problem of death in common disaster, resort has been to statutory enactment. The pending bill is the Uniform Simultaneous Death Act, as amended, prepared some years ago by the National Conference of Commissioners on Uniform State Laws and amended by it.

Forty-one States have enacted the Uniform Simultaneous Death Act, including the neighboring States of Maryland and Virginia. This act provides that where title to property or devolution thereof depends upon priority of death and there is no sufficient evidence that the persons have died otherwise than simultaneously, the property of each person shall be disposed of as if he had survived, except as provided otherwise in the act. It further provides that if property is so disposed of that the right of a beneficiary to succeed to any interest therein is conditioned upon his surviving another person, and both persons die and there is no sufficient evidence that the two have died otherwise than simultaneously, the beneficiary shall be deemed not to have survived. And if there is no sufficient evidence that two or more beneficiaries have died otherwise than simultaneously and property has been disposed of in such a way that at the time of their death each of such beneficiaries would have been entitled to the property if he had survived the others, the property shall be divided into as many equal portions as there were such beneficiaries and these portions shall be distributed respectively to those

who would have taken in the event that each of such beneficiaries had survived. The second sentence of section 3 constitutes an amendment of the original act adopted by the Commission on Uniform State Laws.

The bill further provides that where there is no sufficient evidence that two joint tenants or tenants by the entirety have died otherwise than simultaneously, the property so held shall be distributed, or descent as the case may be, one-half as if one had survived and one-half as if the other had survived; and that if there were more than two joint tenants and all of them have so died, the property thus distributed or descended shall be the proportion that one bears to the whole number of joint tenants.

The bill further provides that when the insured and the beneficiary in a policy of life or accident insurance have died and there is no sufficient evidence that they have died other than simultaneously, the proceeds of the policy shall be distributed as if the insured had survived the beneficiary.

The act shall not apply in the case of wills, living trusts, deeds, or contracts of insurance, or any other situation where provision is made for distribution of property different from the provisions of the act, or where provision is made for a presumption as to survivorship which results in a distribution of property different from that provided in the act.

The Judiciary Subcommittee of the House District Committee held a public hearing on this legislation on April 11, 1956, at which time no one appeared in opposition thereto. The bill has the approval of the Bar Association of the District of Columbia as well as the Commissioners of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETIREMENT OF PUBLIC SCHOOL TEACHERS IN THE DISTRICT OF COLUMBIA

Mr. ABERNETHY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 10768) to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public school teachers in the District of Columbia," as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the act of August 7, 1946, entitled "An Act for the retirement of public school teachers in the District of Columbia," as amended, is amended by adding at the end thereof the following:

"(C) (1) The annuity of any person who now or hereafter is receiving or entitled to receive an annuity from the teachers' retirement and annuity fund shall be increased, effective on October 1, 1955, or on the commencing date of the annuity, whichever is later, in accordance with the following schedule:

If annuity commences between—	Annuity not in excess of $1,500 shall be increased by—	Annuity in excess of $1,500 shall be increased by—
August 20, 1920, and June 30, 1955	12 per centum	8 per centum.
July 1, 1955, and December 31, 1955	10 per centum	7 per centum.
January 1, 1956, and June 30, 1956	8 per centum	6 per centum.
July 1, 1956, and December 31, 1956	6 per centum	4 per centum.
January 1, 1957, and June 30, 1957	4 per centum	2 per centum.
July 1, 1957, and December 31, 1957	2 per centum	1 per centum.

"Such increase in annuity shall not exceed the sum necessary to increase such annuity, exclusive of annuity purchased by voluntary contributions under this act, to $4,104. The monthly installment of each annuity so increased shall be fixed at the nearest dollar.

"(2) The increases provided by this subsection, when added to the annuities of retired employees, shall not operate to increase the annuities of their survivors, except that the annuity of any such survivor who becomes entitled to annuity shall be increased by the percent provided in subsection (C) (1) of this section appropriate to the commencing date of such survivor's annuity."

With the following committee amendments:

Page 1, line 7, strike "(C)" and insert "(c)."

Page 2, line 14, strike "(C)" and insert "(c)."

The committee amendments were agreed to.

Mr. ABERNETHY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ABERNETHY: Add a new section reading as follows:

"SEC. 2. Any person entitled to annuity pursuant to the provisions of the act approved January 15, 1920 (41 Stat. 337), as amended, or the act approved August 7, 1946 (60 Stat. 875), as amended, may decline to accept all or any part of such annuity by a waiver signed and filed with the Commissioners of the District of Columbia or their designated agent. Such waiver may be revoked in writing at any time, but no payment of the annuity waived shall be made covering the period during which such waiver was in effect."

Mr. ABERNETHY. Mr. Speaker, this bill would increase annuities of retired teachers and school officers and of annuitants under the act of August 7, 1946. The amount of the increase is set forth on a percentage basis and would depend upon the commencing date of the annuity, as shown in the following schedule:

If annuity commences between—	Annuity not in excess of $1,500 shall be increased by—	Annuity in excess of $1,500 shall be increased by—
August 20, 1920, and June 30, 1955	12 per centum	8 per centum.
July 1, 1955, and December 31, 1955	10 per centum	7 per centum.
January 1, 1956, and June 30, 1956	8 per centum	6 per centum.
July 1, 1956, and December 31, 1956	6 per centum	4 per centum.
January 1, 1957, and June 30, 1957	4 per centum	2 per centum.
July 1, 1957, and December 31, 1957	2 per centum	1 per centum.

The increase, which would be permanent, would not exceed the sum necessary to increase regular annuities—excluding annuity purchased by voluntary contributions—to $4,104. The bill includes language limiting the increase in annuity provided by the bill to $4,104. This language is identical to that which is contained in Public Law 369, 84th Congress, which applies to persons retired under the Federal Civil Service Retirement Act. Public Law 369 became effective October 1, 1955. The provision limiting increases in annuities to $4,104 has been construed by the Civil Service Commission as not adversely affecting any annuitant already retired or to be retired in the future under the Civil Service Retirement Act. It is the intent of the committee that this bill will have the same effect. It was the intent of this committee, at the time this legislation was considered, that no teacher under the District of Columbia school system would suffer adversely under this legislation. This would include past, present and future teachers in the school system.

The present value of the increased disbursement resulting from enactment of the bill is estimated at $2,619,100. The first year cost would be approximately $252,800.

This bill gives to retired teachers and school officers and to surviving annuitants of teachers and school officers the same percentage increases as was given to retired personnel and surviving annuitants under the Federal Civil Service Retirement Act by Public Law 369, 84th Congress.

The Commissioners of the District of Columbia have reported that they favor the increases in annuities which would be effected by this bill.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Maryland.

Mr. HYDE. Mr. Speaker, I am happy to see this bill being acted on. I introduced a companion bill to it with only slight differences.

I recommend for the future consideration of the House that when annuity bills are being considered for civil-service employees the teachers of the District of Columbia be considered at the same time and not have to wait in the

future for another year or maybe several years, which has happened sometimes in the past, before they are given the same annuity benefits that are given other regular civil-service employees.

I thank the gentleman from Mississippi for yielding to me.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA POLICE AND FIRE DEPARTMENT AREA OF RESIDENCE

Mr. HARRIS. Mr. Speaker, following the presentation of the bill by the gentleman from Mississippi [Mr. ABERNETHY], the chairman of the Subcommittee on Health, Education, and Recreation, I now yield to the chairman of the Subcommittee on Police, Firemen, Streets, and Traffic, the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 2603) to increase the area within which officers and members of the Metropolitan Police force and Fire Department of the District of Columbia may reside, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That there shall be no limitation or restriction of place of residence of any officer or member of the Metropolitan Police force, or of the Fire Department of the District of Columbia other than residence within the Washington, D. C., metropolitan district. For the purposes of this act, "Washington, D. C., metropolitan district" shall be held to include the District of Columbia and the territory adjacent thereto within a radius of 20 miles from the United States Capitol Building. Any officer or member of the Metropolitan Police force or the Fire Department of the District of Columbia living outside of the District of Columbia shall have and maintain a telephone at all times in his residence.

SEC. 2. No member of the Fire Department of the District of Columbia shall, unless on leave of absence, go beyond the confines of the District of Columbia, or be absent from duty without permission. Nothing in this section shall be construed to limit the right of officers and members of the Fire Department to reside anywhere within the Washington, D. C., metropolitan district. Leaves of absence exceeding 20 days in any 1 year shall be without pay and shall require the consent of the Commissioners of the District of Columbia. Thirty days shall be the term of total sick leave in any 1 year without disallowance of pay. Leave of absence with pay of members of the Fire Department of the District of Columbia may be extended in cases of illness or injury incurred in line of duty, upon recommendation of the board of surgeons approved by the Commissioners, for such period exceeding 30 days in any 1 year as in the judgment of the Commissioners may be necessary. For the purposes of this subsection "any one year" shall mean a year from January 1 to December 31, both dates inclusive.

SEC. 3. The following laws or parts of laws are hereby repealed:

(1) Section 373 of the Revised Statutes of the United States relating to the District of Columbia (D. C. Code, sec. 4–132).

(2) The act entitled "An act to amend section 483 of title 20 of the Code of the District of Columbia as to residence of members of the Police Department," approved August 9, 1935 (D. C. Code, sec. 4–132).

(3) The second paragraph under the heading "Fire Department" of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1914, and for other purposes," approved March 4, 1913, as amended (D. C. Code, sec. 4–409).

(4) The act entitled "An act to amend section 559 of title 20 of the Code of the District of Columbia as to restriction on residence of members of the fire department," approved August 9, 1935 (D. C. Code, sec. 4–409).

With the following committee amendment:

On page 2, lines 13 through 16, strike out the following: "Leaves of absence exceeding 20 days in any one year shall be without pay and shall require the consent of the Commissioners of the District of Columbia."

The committee amendment was agreed to.

Mr. DAVIS of Georgia. Mr. Speaker, the purpose of this legislation is to increase the area within which officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia may reside.

Under existing law police and firemen may only reside within a 12-mile radius. This proposed legislation would permit them to reside within a 20-mile radius.

It is felt that if this bill is enacted into law police and firemen will be able to secure better housing at a more reasonable rate. Since there appears to be a trend among the younger men in the Departments to have large families the enactment of this bill would mean that they would be able to secure better housing with more land at a more reasonable price—thus having a place for their children to play rather than to have them in an apartment or a row brick house. It is further felt that the morale of the members of the Police and Fire Departments would be improved due to better living conditions.

This legislation has the approval of the White House Police, the Metropolitan Police Department, the Police Association of the District of Columbia, and Local 36, Fire Fighters Association of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA POLICE AND FIREMEN'S SALARY ACT

Mr. DAVIS of Georgia. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 10060) to amend the District of Columbia Police and Firemen's Salary Act of 1953, as amended, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 405 of the District of Columbia Police and Firemen's Salary Act of 1953 (67 Stat. 72), as amended (sec. 4–821, D. C. Code), is amended by adding thereto the following new subsection:

"(e) Notwithstanding the provisions of subsection (c) of this section, the period June 27 to June 30, 1956, both dates inclusive, shall constitute a special pay period for the officers and members of the Metropolitan Police force, the White House Police force, and the United States Park Police force. Each day during such period shall be a workday for each such officer and member, and the provisions of subsections (a), (b), (c), and (d) of the first section of the Act entitled "An act to provide a 5-day week for officers and members of the Metropolitan Police force, the United States Park Police force, and the White House Police force," approved August 15, 1950 (64 Stat. 447), as amended (sec. 4–904, D. C. Code), shall not be applicable during such period."

Mr. DAVIS of Georgia. Mr. Speaker, the purpose of this legislation is to amend the District of Columbia Police and Firemen's Salary Act of 1953, so as to have the Police Department pay and work periods coincide, and thereby to eliminate certain administrative difficulties.

Until July 1, 1953, the pay periods and the work periods for the Metropolitan Police force coincided, with both the pay period and the work period commencing on a Sunday and ending on a Saturday. This coincidence made it possible for the Police force to be at greater strength during the peak days of police activity—Friday, Saturday, and Sunday—while at the same time allowing the police officers their two days off per week on the less active days of the week. The Salary Act of 1953, however, went into effect on July 1, 1953, a Wednesday, causing the Police force pay periods to begin on that day and end on a Tuesday. Because of the need for greater police strength at the weekend, it is not feasible to make the Police work period coincide with the pay period, and the lack of coincidence tends to create administrative difficulties in the department and hardship for the officers.

The bill establishes a four-day transitional pay period, beginning June 27 and ending June 30, 1956. During this four-day period, the days-off provision in existing law would be suspended, and all members of the Police force would be on duty. It is understood the members of the force have no objection to this provision. Beginning Sunday, July 1, 1956, the work period and the pay period would coincide.

The cost of the bill, resulting from the additional police services during the four-day transition period, will be approximately $25,000. The current appropriation for the Police Department is sufficient to absorb the cost. No additional cost to the District will be incurred in the future.

July 1, 1956, is a particularly opportune time to change from the present

pay period to a standard biweekly pay period running from Sunday to Saturday, since July 1, 1956, a Sunday, is the first day of the new fiscal year.

A bill to accomplish the same objective for the Fire Department was enacted as Public Law 139 of the 83d Congress.

The legislation has the approval of the Commissioners of the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MERITORIOUS SERVICE BY POLICE AND FIRE DEPARTMENTS OF THE DISTRICT OF COLUMBIA

Mr. DAVIS of Georgia. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 10375) to amend the act entitled "An act to provide recognition for meritorious service by members of the Police and Fire Departments of the District of Columbia," approved March 4, 1929, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the first section of the act entitled "An act to provide recognition for meritorious service by members of the Police and Fire Departments of the District of Columbia," approved March 4, 1929, is amended to read as follows:

"That for the official recognition of outstanding acts in the line of duty by the members of the Police and Fire Departments of the District of Columbia there shall be awarded annually 1 gold medal and 1 or more silver medals, appropriately inscribed, to those members of each Department who have by outstanding or conspicuous services earned such awards."

Mr. DAVIS of Georgia. Mr. Speaker, the purpose of this legislation is to enlarge the opportunities for the members of both Departments to receive more than 1 silver medal award in any 1 year.

The chairman of the Commissioners' Committee of Award for Valor, Police and Fire Departments, has recommended that it be made possible to award 1 or more silver medals to appropriate recipients due to the fact that in recent years, with the enormous growth of our city, the Committee has found great difficulty in the bestowing of the silver medal of valor on only 1 member of each Department, especially when the same act of heroism is performed by 2 or more officers of any one Department. The Committee also felt that there should be only one gold medal for each Department, when merited, as is now provided by law.

This legislation has the approval of the Board of Commissioners for the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA WORKMEN'S COMPENSATION BILL

Mr. MILLER of Nebraska. Mr. Speaker, may I be recognized for 3 minutes in connection with one of the bills which is to come up on District day? I would like to ask a question of the chairman of the committee relative to the compensation bill.

The SPEAKER. Without objection, the gentleman is recognized.

There was no objection.

Mr. MILLER of Nebraska. I want to ask the gentleman from Arkansas [Mr. HARRIS], who is acting as chairman relative to the bill H. R. 3015, the District workmen's compensation bill, which the gentleman was instrumental in getting out of committee and which was reported, as to when we may expect to have the bill called up. It is not on the calendar for consideration today.

Mr. HARRIS. All I can say to my distinguished colleague is that I had no advance information regarding the program today. The chairman of the committee could not be here today and asked me to act as the chairman today, which I was glad to do. I observe that the bill was not included in the program for this week. Today being District Day, the bills which were programed were called up and have now been passed and acted on by the House.

Mr. MILLER of Nebraska. I thank the gentleman.

DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION BILL, 1957

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11177) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes. Pending that, I ask unanimous consent that general debate on the bill be limited to not to exceed 2 hours, one-half of the time to be controlled by the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and one-half by myself.

Mr. H. CARL ANDERSEN. Will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. H. CARL ANDERSEN. I have no objection to general debate being set at 2 hours, 1 hour on each side.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTEN]?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 11177, with Mr. FORAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Mississippi [Mr. WHITTEN] will be recognized for 1 hour; and the gentleman from Minnesota [Mr. H. CARL ANDERSEN] will be recognized for 1 hour.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I yield myself 18 minutes.

Mr. Chairman, our subcommittee has the responsibility each year of reviewing the overall activities of the Department of Agriculture. We sit for weeks questioning witnesses from the Department, studying the facts and figures having to do with the various activities and programs in the broad field of American agriculture.

The gentleman from Minnesota and I, as well as other members of our subcommittee, have been at this job for several years. In that period of time we have come to understand, to a considerable degree, many of the programs, but it is extremely difficult to be really conversant with every field of activity that is touched by the Department of Agriculture.

It was my privilege to serve under the gentleman from Minnesota [Mr. ANDERSEN] for several years while he was chairman of this subcommittee. The American farmer has never had a better friend. H. CARL ANDERSEN knows farm problems and he knows the Department. As a member of this subcommittee and as chairman, he has made full use of such knowledge to the best interests of agriculture and the Nation.

I also want to thank the other members of the subcommittee for their help and cooperation in bringing this bill to you today. Mr. MARSHALL, Mr. DEANE, Mr. NATCHER, Mr. HORAN, and Mr. VURSELL deserve full credit for their contributions to this effort. I do not believe any group could be more devoted to American agriculture and its place in the general economy of the Nation.

We have been helped on that subcommittee by the staff member who devotes his attention to that subject, Mr. Ross Pope. He has worked with us for a number of years, and I believe he has more information at his fingertips and more sound judgment with regard to various agricultural programs than perhaps any man in the country. I wish to pay this tribute to these gentlemen because I have worked with them.

We have brought you a very good bill making appropriations for the Department of Agriculture this year, particularly in view of the circumstances with which agriculture and those who farm are faced.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. H. CARL ANDERSEN. I said the other day in our Subcommittee on Appropriations for Agriculture, and I want to repeat it here that I have found the gentleman from Mississippi [Mr. WHITTEN] through the years, devoted to the best interests of agriculture. When I say agriculture, I mean nationwide. I do not know of a man in the Congress who has tried to do more for agriculture, as we know it, than the gentleman from Mississippi [Mr. WHITTEN]. I say that

after having served with him on the Appropriations Committee for 14 years. I feel that the House should realize that it is largely through the efforts of the gentleman from Mississippi that the avenues of exporting farm commodities have again been opened.

The gentleman from Mississippi [Mr. WHITTEN] was joined in that great effort by our colleague the gentleman from Washington [Mr. HORAN].

I want to say to the gentleman from Mississippi that I think he has performed a great service to agriculture.

Mr. WHITTEN. I wish to say to my friend and colleague from Minnesota that his kind words are much appreciated. Under his chairmanship one time and my chairmanship the next time, and it alternated over recent years, the committee has worked steadfastly for the benefit of agriculture in the United States. I do deeply appreciate his statement.

Mr. Chairman, in this bill we have tried to deal with the problem which agriculture has faced and which is one of the rather serious problems. Agricultural income has gone down drastically in the last several years. We find that farm income the last few years has gone down as much as 24 percent, whereas the income of the rest of the people of the country has gone up 14 percent.

We have checked into this matter of acreage reduction. We find that the cotton farmer has been reduced 35 percent and the acreage of the wheat farmer cut 25 percent. While we are curtailing production in the United States to the hardship of certain groups of farmers who have had their operations reduced, hoping that it might be some basis to correct the situation, we find that foreign agriculture has increased to a greater extent than our own agriculture has decreased. Over a period of years we have been trying to bring worldwide supply and demand into balance by working on our own country. Certainly the experience of the last few years has proven that cannot be done.

This being an appropriation bill, we cannot change the law governing cotton acreage or corn acreage; we cannot do anything in this bill toward price stabilization. There are many things we cannot do to correct situations that bother those engaged in agriculture. The thing we can do is try to give thought to those programs that may be of slight benefit in meeting the problems we have today.

Among those programs is that of research. This committee has always been very much interested in agricultural research. Today, due largely to newspaper articles and editorials in every farm magazine and disseminated by every farm organization, people have come to realize the great benefits that may inure to agriculture through the research program. Not only do the newspapers and magazines insist upon it in their editorial columns, but also in their news items.

I would point out that in the last 4 years we have made substantial increase in the funds for research. One of our problems in this bill has been in trying to see that there is no duplication, in trying to see that State and local governments put up their part of the funds, and in trying to see that projects are such as to be of real benefit.

In this bill we have substantially increased funds for research. We have provided funds for a seed storage facility, where we will accumulate basic stocks of early seeds that we have in this country for future use in meeting the needs of agriculture.

We have included funds for a poultry house at Beltsville; we have established a laboratory in Texas, and we have provided increased funds for soil and water research. In other words, what we have been doing is to allocate those funds so as to help the farmers throughout the length and breadth of the United States in the various fields of agricultural research; and we feel we have done a good job in that regard.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Florida.

Mr. HALEY. I want to thank the committee for including in the appropriation bill for the Agriculture Department this year funds for the research laboratory at Winter Haven. I note that you have reduced the amount considerably. I wonder if the gentleman would make a general statement on that and if the Senate in further exploring this matter is inclined to give it a little additional consideration, would the gentleman's committee feel kindly toward that?

Mr. WHITTEN. I may say to the gentleman from Florida, who has been vitally interested in this project and who appeared before us with a strong delegation, that in approving this project we have agreed with the gentleman's presentation to our committee. In our years of experience on this committee we have found that when you once sell the Budget on an item, as the gentleman and his cohorts have sold the Department and the committee, frequently the amount of money is at a maximum. As a result we find it necessary to hold the amount down in order to bring about a further review by the Department. But we do mean to go along with this project and to make it a sound one. Should it develop that these funds will not meet the need, it will have our sympathetic consideration to the extent it is necessary to help bring about, whatever it takes.

Mr. HALEY. I thank the gentleman.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Washington.

Mr. HORAN. I want to say to the gentleman from Florida that first of all we were very much impressed with the attitude of the people of Florida in trying to meet the problem of the burrowing nematode in the citrus industry, which is the greatest single fruit industry in the entire world by far. Secondly, we were a little confused about the Budget item because previously we had had some overtures for laboratory funds even less than we allowed in this bill. However, I am sure that in the other body this will be worked out. I am only happy that we have made a start because I think the people of Florida richly deserve every proper Federal assistance in connection with your problem down there. It is something that should affect the whole Nation and it is something of a continuing nature. But we have made a start, I will say to the gentleman from Florida.

Mr. WHITTEN. Another item that is of prime interest to many people in the Congress and to the country as a whole is the school lunch program. That has been increased in this bill by over $16½ million. For a number of years the Congress has held the annual appropriation down to about $83 million. The States and local people have put up about four times that amount. But notwithstanding these efforts, 31 States ran out of funds during the spring of this year and were unable to finish out the school term. In view of the ever-increasing number of students in our schools, and in view of the fact that more schools are participating in the program, the committee felt it was time that a substantial increase be made for this program. I would point out, however, that this is not a program for which the Federal Government should pay the whole cost. If we provide greatly increased amounts of money at the Federal level, you will find there will be less interest at the local levels. So we have to balance the need so as to bring out a really strengthened program. May I say that a considerably larger number of commodities are expected to be available from purchases by section 32 funds and from other sources. The committee has approved this action after several years; in fact, it has directed the Department to take action in that direction.

We have in this bill also increased money for soil-conservation technicians. We are all familiar with the soil bank and with the pending legislation which would authorize it; we are familiar with the Department's efforts to bring about some improvement in farm conditions through the soil-conservation program. Yet the record shows that during the last number of years the soil technicians available to the soil-conservation districts to render this technical assistance are approximately one to each district. That is wholly inadequate. We have made substantial increases in the funds available for technical assistance in the soil-conservation districts. The increasing workload which will be made necessary by the soil-bank program will require additional funds beyond those in this bill. The funds in this bill are for the regular districts, the regular organization. We feel that it will be much more sound and the Government will get much more return if the work is carried out through the regular organizations and in the regular way.

We have carried forward in this bill 3 provisions which created quite a discussion last year. The record shows that the inventory of the Commodity Credit Corporation has increased from $1 billion in 1952 to $6 billion in 1955. For most of that time, the Department of Agriculture was not even offering these commodities in world trade on a competitive basis. It was at the insistence of this subcommittee that we first got

them to offer limited quantities for sale in world trade, and we got them to sell additional quantities. Last year we finally got them to offer 19 commodities. We were able to get them to offer everything except cotton in world trade at less than the price offered in the United States, on the theory that it was much cheaper to move these commodities instead of paying storage and reducing acreage, and thereby putting the American farmer out of his home.

Beginning this spring they finally offered 1 million bales of cotton. They sold it in 60 days. They had hoped to sell it in 7 months. But, I was displeased, as was our committee, that now they have changed the rules in offering the whole 6.7 million bales of cotton and are turning down bids. This means that once again they are setting up an umbrella over world production. We have not covered that as fully as I would like in this report, but the Department gave us their assurance that, if their present practice did not bring the desired results in moving the commodities in world trade as the American farmer has a right for them to be moved, the present approach would be changed, and they would offer limited amounts for sale on a competitive basis and sell it.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. SPRINGER. Referring to page 13 of the report with reference to the Foreign Agricultural Service, the gentleman will recall that Public Law 480 is administered primarily by the Foreign Agricultural Service. My question is this: Does the gentleman feel, as the result of the hearing this year, that the Foreign Agricultural Service is doing a better job and is able to meet this problem of the sale of our produce in world trade? Does he feel that they have done an improved job?

Mr. WHITTEN. I think they are doing a splendid job if you take into consideration all of the problems they have had. They have had this change from the old attaché service to the new one. I have had many people come to me inquiring about the possibility of obtaining personnel. They are not really salesmen as such.

We put in a provision last year to bring in information as to what foreign countries were doing in regard to their commodities. They are making full reports to Congress now showing what has happened throughout the world and what the demand and supply situation is. This, in turn, leads to selling in world trade, so that we can get the Department to offer these commodities for sale on a competitive basis.

Mr. SPRINGER. My second question is this. The Director of the Foreign Agricultural Service informed me last year that they had increased the number of agricultural attachés, who are the people primarily who look for these buyers in foreign countries. He informed me that they had increased the number from something like 50 to something like 90 in 1955. Is there any expansion of that program being considered in order to get these salesmen the gentleman mentioned just a moment ago?

Mr. WHITTEN. I think the funds will provide for some additional people. They had funds last year for more people than they were able to employ. The reason is that it takes a man who can fit into the program for a particular country, who knows agriculture, and who has a lot of other qualifications that enter into the makeup of a good man for that purpose. We are giving them funds as fast as they themselves think that they can get needed personnel.

Mr. SPRINGER. I have this third question. Are there any funds in this bill to implement Public Law 480? It was my understanding the other day from the Department of Agriculture that they were almost out of funds.

Mr. WHITTEN. Public Law 480 funds do not come in this bill, except for reimbursements to the Commodity Credit Corporation.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Washington.

Mr. HORAN. Of course, Public Law 480 can be operated under the umbrella of the Commodity Credit Corporation.

Mr. SPRINGER. My point was this. What the gentleman from Washington [Mr. HORAN] has just stated does not fully answer my question. Are there funds for the implementation of Public Law 480?

Mr. WHITTEN. Public Law 480, as I recall, provided that the Commodity Credit Corporation as a corporation shall provide funds for its operation. We, in turn, in this bill restore the funds to the Commodity Credit Corporation.

Frankly, the Corporation itself is getting close to the ceiling of its authority. There are two sources of funds to that Corporation. One is for the Congress to increase the borrowing authority. The other is through the sale of commodities, the money received therefrom being in turn available to meet all of the obligations of the Commodity Credit Corporation.

In this bill we do have substantial amounts for the restoration of the capital impairment of the Commodity Credit Corporation which, in turn, will strengthen it in carrying out its various obligations.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield to me?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. MARSHALL. In this bill we have $67,477,228 that will be reimbursed to the Commodity Credit Corporation for exports under Public Law 480.

Mr. WHITTEN. In other words, the Commodity Credit Corporation has advanced that money and in this bill we repay the CCC for what it has spent in the past.

Mr. HORAN. If the gentleman will yield to me for a moment, he will find in the table on page 25 a special commodity disposal program. My colleague from Minnesota [Mr. MARSHALL] mentioned the exact amount, but on page 25 of this bill the gentleman will find $257 million. Of course, Public Law 480 is operated under that fund.

Mr. SPRINGER. Does that answer my question? I am still somewhat in the dark. Does that answer my question whether the Commodity Credit Corporation has adequate funds on hand with which to implement Public Law 480? The answer is yes, is that true?

Mr. WHITTEN. That is true at the moment. If we pass this bill it will restore over $1 billion to the Commodity Credit Corporation which will give them that much increased operating capital. So that they definitely will have ample funds to meet that problem.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from West Virginia.

Mr. BAILEY. Mr. Chairman, as a member of the Committee on Education and Labor, I should like to take this opportunity to express my appreciation of the action of the gentleman's committee in increasing the amount for the hot school lunch program.

Mr. WHITTEN. I appreciate the statement of my friend and colleague from West Virginia. May I say further, we have also urged the Department to make more commodities available under the purchase program, which will be in addition to the funds.

Mr. BAILEY. Now that flour and cornmeal are being processed, I see no reason why they should not be made available in the school hot lunch program.

Mr. WHITTEN. I would now like to discuss the committee's action under the various appropriation items included in the bill.

AGRICULTURAL RESEARCH SERVICE

The committee recommends a total of $49,972,000 for research, an increase of $10,816,845 over 1956. The increase will provide additional funds for nearly every phase of research activity conducted under this appropriation. It is in addition to over $8,000,000 of increases granted for this purpose since 1953, and is an increase of 56 percent in the past 4 years.

The budget for 1957 included funds for three new major construction projects: $810,000 to build a new research laboratory at Winter Haven, Fla.; $225,000 for a modern poultry brooder house at Beltsville, Md.; and $450,000 for a national seed storage facility. Of the amounts requested, the committee has approved $500,000 for the Winter Haven Laboratory, $150,000 for the poultry brooder house at Beltsville, and $300,000 for the national seed storage facility. Also, the committee has included $100,000 of the $330,000 requested for research on assistance to low-income farm families.

The committee recommends that the savings be used to strengthen other activities which also urgently need attention. It proposes that $200,000 be allocated to initiate construction of a horticultural, soil, and water research laboratory in the Rio Grande Valley of Texas. It also recommends that the funds for the National Arboretum be increased from the budget estimate of $372,570 to $500,000, to speed up work on buildings, roads, and other physical facilities at

the Arboretum. The balance of the saving will be used to intensify soil and water conservation research work, particularly with reference to the Department's programs on the 11 major watersheds.

During the hearings on the bill numerous members and other witnesses made what appears to be a good case for special research projects costing limited amounts of money. The committee has not dealt separately with each of these because the Department, within the large amounts provided in this bill for research, has ample authority and funds to meet these and other similar research problems.

A total of $22,594,000 is recommended for plant and animal disease and pest control. This is an increase of $2,413,300 over funds available for 1956 and is a decrease of $1,106,000 in the budget estimate. The amount recommended includes the following increases: $500,000 for the contingency fund for emergency outbreaks of insects; $500,000 to be transferred to the Bureau of Customs for increased baggage checks to prevent importation of dangerous insects; $110,300 for increased inspection at ports of entry; $53,000 to strengthen inspection and quarantine work along the Mexican border; and $1,750,000 for eradication of the gypsy moth.

The committee is cognizant of the serious threat of the gypsy moth in the New England area and the need to take precautions to prevent its spread to the rest of the country. It had a great deal of testimony presented to it on this subject, most of which, however, was in support of an increase of only $1,500,000. The increase provided, together with the sum of $545,200 already included in the budget, will provide a total of $2,295,200 to meet this problem during the coming fiscal year.

In working out the program for the use of the additional $500,000 to be transferred to the Bureau of Customs, the Department is directed to develop a program which will prevent passengers from embarking at foreign ports on carriers destined for the United States with dangerous articles and materials in their luggage. It is recommended that all customs notices and declaration forms be revised to include adequate notice to travelers as to what items are not permitted to enter this country. It is also suggested that prominent signs and notices be posted at foreign points of embarkation to bring this matter to the attention of those destined for American ports. The committee also believes that, as far as practicable, arrangements should be made for preinspection at foreign ports to reduce to a minimum the inspection required upon arrival in the United States. The committee is of the opinion that the great majority of travelers will cooperate fully and will be anxious to avoid carrying prohibited articles in their luggage if given adequate advance notice.

The committee recommends the sum of $15,500,000 for meat inspection, an increase of $131,000 over the appropriation for 1956 and a decrease of $245,000 in the budget estimate. The committee feels that efficient operation of this service will permit it to meet its workload during the coming fiscal year within the amount provided.

The full budget estimate of $29,503,708 is recommended for payments to States, Hawaii, Alaska, and Puerto Rico. This is an increase of $4,750,000 over funds provided for fiscal year 1956. It represents an increase of nearly $17 million in the funds of this program since 1953, an increase of 133 percent.

For the fiscal year 1957, the sum of $3,500,000 is recommended for research on diseases of animals and poultry. This is an increase of $1,555,000 over funds appropriated for 1956 and is a decrease of $493,000 in the budget estimate. These funds are provided for the operation of the foot-and-mouth disease laboratory at Plum Island. Research officials of the Department estimate that this laboratory will be completed and in full operation in July 1956.

House Document No. 383, dated April 18, 1956, included a supplemental budget estimate of $18,915,000 for the construction of an animal disease laboratory at Beltsville, Md. The committee recommends an appropriation of $10 million for the coming fiscal year for this purpose.

In June 1955, the major animal disease research laboratories in Washington, D. C., Auburn, Ala., and Denver, Colo., were closed due to the lack of adequate safeguards to protect the health of laboratory workers. An appropriation of $250,000 was included in the Supplemental Appropriation Act, 1956, for plans and surveys for new laboratory facilities. Preliminary plans have been completed and form the basis for the estimate considered by the committee.

The committee is not fully satisfied with the proposed plans. It is particularly concerned with the proposal to locate these facilities at Beltsville. The former laboratory facilities were closed because of hazards to human and animal health. The location of the new facility at a research station where numerous persons and animals are located in connection with other types of activities, would present the same problem. The committee also questions the advisability of locating a facility of this type in an area where it could become a threat to the health of millions of people in the event of attack by hostile forces.

EXTENSION SERVICE

The sum of $49,615,000 is included in the bill for payments to States, Hawaii, Alaska, and Puerto Rico. This is an increase of $5,125,000 over funds available for 1956 and is a decrease of $500,000 in the budget estimate. The amount recommended represents an increase of over $17 million above the appropriations for the fiscal year 1953, an increase of 54 percent.

The budget estimates included an increase of $890,000 to expand educational work in low-income areas under the rural development program. The committee recommends a reduction of $500,000 in this amount in the belief that this program should be handled within the regular functions of the Extension Service. Since the purpose of the Extension Service is to work with farmers of all income levels to assist them in carrying out their farming activities, the committee believes that the problem can be met more adequately through added emphasis by regular personnel.

The committee recommends the sum of $3,650,000 for the Federal Extension Service, an increase of $20,000 over appropriations for 1956, and a decrease of $65,000 in the budget estimate. This amount includes $2 million for administration and coordination and $1,650,000 for penalty mail. The amounts recommended appear adequate to meet the needs of this Service during the coming fiscal year in view of sums expended during the past several years for this purpose.

FARMERS COOPERATIVE SERVICE

The bill includes $550,000 for the fiscal year 1957, an increase of $123,000 over the appropriation for 1956 and a decrease of $27,000 in the budget estimate. While the committee realizes the value of this program to the farmer cooperatives of the country, it is not satisfied that the program is making an effective contribution to those organizations. The testimony presented to the committee on this item did not support the funds requested. The committee urges the Service to review its programs and operations and to develop a better basis for future budget requests.

SOIL CONSERVATION SERVICE

The committee recommends an appropriation of $67,500,000 for conservation operations, an increase of $4,557,255 over the 1956 appropriation and an increase of $2,285,000 in the budget estimate.

The committee has substantially increased funds for soil conservation technicians to enable this organization to meet the increasing requirements of the soil conservation districts, both old and new. It is contemplated that extra and outside activities which do not fit into the district type of operation will be met from allocations from soil bank authorizations and will be in addition to funds in this bill.

It has come to the committee's attention that the soil technicians in this agency are frequently required to devote a considerable amount of time to routine clerical duties. The committee recommends that a portion of the increase provided for the next year be used to employ clerical personnel to relieve these technicians of clerical work so as to better use their technical training and abilities.

In view of the terrific demand for vegetative covering and seedlings which will develop from the new soil bank program, the Soil Conservation Service should take proper steps to see that this need is met. Since the total supply of such seedlings apparently will be far short of that necessary to meet the full demand which will grow out of the expanded program, it is apparent that the combined efforts of the Soil Conservation Service, the Forest Service, State and local agencies, and private nurseries will be called upon to the fullest extent. Therefore, the committee feels that this organization should review its conservation nursery program to make certain that all of the nurseries formerly operated by this Service are available to meet this need.

These nurseries should either be operated directly by the Soil Conservation Service, or should be handled on a cooperative or contract basis with State, local, or private organizations.

The committee is not entirely satisfied with the soil conservation research program of the Department. It has some doubts that the transfer of this responsibility to the Agricultural Research Service was a wise action. There is some question whether this type of research can ever be conducted satisfactorily and effectively outside of the direct jurisdiction of the Soil Conservation Service. The committee has taken no action to transfer the funds back to this appropriation heading, recognizing that the primary responsibility for organizational matters rests with the Secretary. It feels, however, that the Secretary should give this matter his personal attention to be certain that the most satisfactory and effective results are obtained.

The committee has provided a substantial increase in soil and water conservation research funds appropriated under the Agricultural Research Service, in view of the urgent need to expand soil conservation programs and to speed up the watershed protection and flood prevention activities. It expects the Soil Conservation Service to take an active part in determining how these funds can be most effectively used to improve research findings in this field. It feels that particular emphasis should be given to research within the 11 existing major watersheds.

The appropriations recommended for the coming fiscal year include $17,500,000 for watershed protection and $12 million for flood prevention. The amount recommended for watershed protection is an increase of $5,505,935 over 1956 and an increase of $1,500,000 over the budget estimate. The appropriation included for flood prevention is an increase of $2 million over 1956 and an increase of $1,300,000 over the budget estimate.

As was pointed out last year, construction on the 11 major watersheds authorized in 1936 is only about 25 percent complete after 20 years of work. Testimony from Department witnesses indicates that, on the basis of the amounts included in the 1957 budget, it will take up to 35 years to complete most of these projects. In view of the urgent need to complete these projects as rapidly as possible to conserve the soil, and in view of the additional cost which will result from stretching out the period of construction, the committee has exceeded the budget estimates for these programs. The committee urges that action be taken by the Department to push ahead the completion date of these projects.

The sum of $232,000 is recommended for 1957 for the Eden Valley project in Wyoming. In view of a delay due to construction difficulties, no funds were appropriated for this purpose in 1956. It is expected that this project will be completed in 1962.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

For the fiscal year 1957, an appropriation of $217,500,000 is recommended, an increase of $3 million over funds appropriated for 1956. It is expected that the amount recommended will provide adequate funds to meet all commitments made to participants under the 1956 program authorization. The committee recognizes the obligation of the Government under the program announced last year. If the amount provided proves insufficient, the committee will recommend additional funds when needed.

An advance authorization of $250 million for the 1957 program is included in the bill. This is the same amount as was provided for the 1956 program.

The committee is of the opinion that this well-established program of the Department should supplement whatever soil bank or diverted acreage program may be put into effect. For many years, this program has met a definite need for a long-range conservation, and the committee feels that it should be continued in the future, regardless of any other conservation and acreage reserve program which may be adopted.

AGRICULTURAL MARKETING SERVICE

A total of $26 million is recommended for marketing research and service, an increase of $1,672,860 over 1956 and a reduction of $581,000 in the budget estimate. This amount includes $13 million for marketing research and agricultural estimates and an equal amount for marketing services.

The increase of $1,347,370 for research and agricultural estimates provides additional funds to expand and improve the crop and livestock reporting service and to increase marketing research work. The committee has not approved the proposed increase for research on problems of low-income farmers under the rural development program. The committee feels that there is no real difference between the regular program designed to aid and assist all the farmers of the Nation, and those proposed for low-income farm families.

For marketing services, the committee has approved an increase of $325,490 over funds provided for 1956. The amount recommended includes an increase of $150,000 to expand and improve marketing news services in various areas of the country. The balance of the increase will strengthen grain and tobacco inspection services, supervision of federally licensed warehouses, and administration of the Packers and Stockyards Act.

The sum of $1,100,000 is recommended in the bill for payments to States, Territories, and possessions, an increase of $100,000 over funds available for 1956 and a decrease of $100,000 in the budget estimate. Payments are made on a matched-fund basis to State and Territorial marketing agencies for projects aimed at getting into use, in the marketing of farm products, improved methods and practices developed in the marketing research program. The additional funds provided will cover increased work designed to reduce spoilage, increase marketing outlets, reduce marketing costs and improve quality of products.

The committee recommends the sum of $100 million for the school-lunch program for the fiscal year 1957. This is an increase of $16,764,788 over funds provided for 1956.

Much evidence has come to the committee of very strong support throughout the country for an increase in this program. Numerous Members of Congress as well as individuals representing organizations interested in this program have urged the committee to provide a sizable increase for this appropriation.

Even before the passage of legislation establishing this program, this committee strongly supported it. Year after year, it has recommended the maximum possible appropriations for this purpose and has encouraged the use of surplus commodities of the Department to supplement such funds. For each of the past 3 years, it has restored large cuts proposed in the annual budgets, and has resisted all efforts to curtail this program.

The committee recognizes that, while Federal appropriations have remained approximately the same during recent years, the needs of the schools for funds under this program have continued to increase in view of steadily increasing school enrollments, in view of the larger number of schools participating each year, and in view of the increased cost of serving lunches. It believes that the need has reached the point where a rather substantial increase in funds for this purpose is necessary. Therefore, it has gone above the budget by $16,764,000 to provide the sum of $100 million for fiscal year 1957.

FOREIGN AGRICULTURAL SERVICE

For the fiscal year 1957, the committee recommends $3,600,000 for this program, an increase of $157,000 over appropriations for 1956, and a reduction of $200,000 in the budget estimate. In view of large increases granted to this activity during the past several years, the committee feels that the amount recommended for the coming year is ample. The increase will permit the Service to expand studies of foreign competition with American agricultural products, and will permit the strengthening of efforts to expand American export markets for United States agricultural products.

At various times the committee has received reports and charts showing the volume of agricultural exports during recent years. It has noted that such releases reflect such information in terms of total disposals of United States commodities, including donation, barter exchanges, grants, relief shipments, and sales for foreign currency under Public Law 480. Since they do not provide sufficient breakdown to indicate the quantity sold for dollars, the committee considers such releases to be misleading. Therefore, the committee urges that all future releases of this type clearly differentiate between sales for dollars through normal channels and exports made under various other categories of disposal.

The committee is not opposed to disposals through all channels available. It believes, however, that every effort should be made to sell United States commodities in world trade for dollars, prior to giving them away or exporting

them under relief or grant programs. Also, it feels that the American public is entitled to know to what extent total exports result in sales for dollars.

COMMODITY EXCHANGE AUTHORITY

The committee recommends $780,000 for the coming fiscal year, an increase of $5,000 over funds available for 1956 and a decrease of $7,400 in the budget estimate.

The Supplemental Appropriation Act, 1956, provided $33,000 for regulation of futures trading in onions pursuant to Public Law 174, 84th Congress. However, the program did not become effective until September of last year and the appropriation covered only 10 months of operation. The increase recommended in this bill will place this program on a full year basis in 1957.

COMMODITY STABILIZATION SERVICE

An appropriation of $41 million is included in the bill for the agricultural adjustment programs, an increase of $1,850,000 over funds appropriated for 1956 and a decrease of $463,000 in the budget estimate.

In its report last year, the committee recommended that the regular full-time employees of the ASC county offices be required to meet civil service qualifications for their work and be paid on a basis comparable to other Federal agencies. This recommendation was based on a need to strengthen the personnel policies in the county offices, so as to hold such personnel fully responsible for performance of their duties, reduce turnover, and increase employment deficiency.

Pursuant to this directive, the Department has developed a 3-year program to increase the rates of pay for county committee employees to a level comparable to those paid by Federal agencies and private employers in the same areas. The increase recommended for this appropriation item will enable the Department to undertake this program.

The committee recommends the sum of $62,600,000 for Sugar Act program, an increase of $3 million over funds appropriated for 1956 and a decrease of $5 million in the budget estimate. The funds provided under this appropriation are used to establish consumption requirements, administer quotas, and make payments to domestic producers of cane and beet sugar who meet specified conditions. Since the inception of the program in 1938, collections of excise and import taxes have totaled $1,298,858,419 and expenditures have amounted to $986,210,043.

FEDERAL CROP INSURANCE CORPORATION

The committee recommends the full budget estimate of $6,210,000 for 1957. In addition, it recommends an increase of $500,000 for administrative and operating expenses to be paid from premium income. During the fiscal year 1956, this program is operating in about 950 counties. With the amounts recommended for next year, the program will be expanded to an additional 50 counties.

RURAL ELECTRIFICATION ADMINISTRATION

The budget for 1957 included the sum of $145,300,000 for rural electrification loans, together with a contingency fund of $25 million. The budget also included the sum of $49½ million for the rural telephone program. In view of strong representations from the REA co-ops throughout the country that total funds of $214 million will be required for rural electrification loans, instead of the $170,300,000 included in the budget, the committee has increased the contingency fund by the sum of $43,700,000. Also, in view of indications that $100 million may be required for the rural telephone programs, in lieu of the sum of $49½ million included in the budget, the committee has included a contingency fund of $50½ million for loans under that program.

For administrative expenses, the committee recommends the sum of $8,500,000, an increase of $364,215 over 1956 appropriations and a decrease of $200,000 in the budget estimate. The increase recommended will enable the administration to meet the increased workload involved in processing telephone loans and handling the construction program. It also will enable the administration to give closer attention to the protection of the Government's investment through its loan security work.

FARMERS' HOME ADMINISTRATION

The committee recommends the full budget estimates for loan authorizations administered by this agency as follows: Farm ownership loans, $19 million; production and subsistence loans, $140 million; and soil and water conservation loans, $5,500,000. In addition, the committee has, for the first time, provided a contingency fund of $50 million to meet unforeseeable needs for loans during the coming fiscal year. This contingency fund is similar to the one which has been carried in the REA portion of the bill for a number of years and is based on the same underlying considerations.

We have provided this contingency fund for all the loan programs of FHA should the need for additional funds arise, including funds for continuation of the rural housing program for the coming year.

The full budget estimate of $26,405,000 is included in the bill for salaries and expenses, an increase of $215,520 over the appropriation for 1956.

In the opinion of the committee, attention should be given to a thorough study of the organization and programs of this agency. Recent reports concerning the administration of this organization have been a source of concern to the committee. The committee recognizes that the farm is a unit that requires the most effective balance between farm and home management. It believes that the programs of this agency are vitally needed, particularly under present agricultural conditions. The committee has approved the increases in the budget recommendations so that the organization can restore the program for home supervisors, in part at least, which was discontinued several years ago. In the opinion of the committee, this can be one of the most vital programs to meet the needs of low-income farmers in these critical times.

OFFICE OF THE GENERAL COUNSEL

An appropriation of $2.7 million is recommended for the General Counsel for the coming fiscal year, an increase of $43,000 over funds available for the fiscal year 1956 and a reduction of $62,700 in the budget estimate. The increase covers additional legal service relative to the determination of surface rights on mining claims under the act of July 23, 1955.

OFFICE OF THE SECRETARY

The committee recommends $2.5 million for the Secretary's Office, an increase of $10,195 over funds provided for 1956 and a decrease of $10,500 in the budget estimate.

OFFICE OF INFORMATION

For the coming year, the committee recommends $1,325,000 for the Office of Information, an increase of $26,400 over funds available for 1956 and a decrease of $23,100 in the budget estimate. The increase will permit this office to conduct a special review of all Department publications. Such a study will cover the distribution, format, readability, and use of bulletins and publications. It is expected that such a study will improve the usefulness of these releases and it is hoped that it will result in a saving of funds in the future.

LIBRARY

The bill includes $725,000 for the library during 1956, an increase of $25,050 over 1956 and a decrease of $48,000 in the budget estimate. The increase will enable the library to meet the increased needs of the research personnel of the Department for scientific information resulting from expanding research programs of the Department.

COMMODITY CREDIT CORPORATION

The sum of $929,287,178 is included in the bill for 1957 for restoration of capital impairment of the Corporation through June 30, 1955.

The committee wishes to direct attention to the fact that nearly half of the amount is required for mandatory nonbasic commodities, which includes principally butter and milk. It also calls attention to the fact that only $194.5 million of the total is chargeable to basic commodities.

The committee recommends the full budget estimate of $31 million for the administrative expenses of the Commodity Credit Corporation during the coming fiscal year. The small increase over funds available for the current fiscal year will enable the Corporation to meet its responsibilities under price-support programs in the coming year and will cover any additional responsibilities resulting from the new soil-bank program. Under the bill recently passed by the House, the financing of the soil-bank program during the next year will be handled through the Commodity Credit Corporation.

RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL MATERIALS

The committee recommends $314,000 for the coming fiscal year, the same amount as provided for the fiscal year 1956. With the amount recommended, the Department can continue at present levels its investigations of domestic production of vegetable tannins, develop-

ment of a domestic source of castor oil, and research on domestic production of strategic fibers.

REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION

For reimbursements to the Commodity Credit Corporation for non-price-support activities, the bill for the coming year provides funds as follows: annual disease eradication, $13,060,954; grading and classing activities, $367,740; and special commodity disposal programs, $257,420,988. These funds cover reimbursement to the Commodity Credit Corporation for advances made for these purposes during the fiscal year 1955.

The reimbursement for animal disease eradication includes $1,269,330 for advances made for eradication of foot-and-mouth disease in Mexico. It also includes $11,791,624 to cover costs incurred for an accelerated brucellosis eradication program authorized by the Agricultural Act of 1954.

The reimbursement of $257,420,988 under the heading "Special commodity disposal programs" includes $101,130,155 for the International Wheat Agreement; $88,628,927 for emergency famine relief to friendly peoples authorized by the act of August 7, 1953; $67,477,228 for transactions under Public Law 480; and $184,678 for hay and pasture seeds furnished in drought areas under the act of July 26, 1954.

FARM CREDIT ADMINISTRATION

The committee has approved administrative expense limitations of $6,356,000 for the Farm Credit Administration and its member institutions for the coming fiscal year, an increase of $66,000 over funds authorized for 1956.

The amounts recommended include $2,230,000 for the parent organization, the Farm Credit Administration, $550,000 for the Federal Farm Mortgage Corporation, $1,932,000 for the Federal intermediate credit banks, and $1,644,000 for the production credit corporations. These amounts represent limitations on the amount of corporate funds of these organizations which may be used for administrative expenses and are not direct appropriations from the Treasury of the United States.

The small increases provided for the Federal intermediate credit banks and the production credit corporations are necessary to handle an increased volume of loans and discounts growing out of the adverse conditions which have affected agriculture in recent years. These institutions are faced with increasingly difficult credit problems as a result of the cost-price squeeze on farmers and stockmen and the effects of drought and other adverse weather conditions which have affected extensive areas of the country for several years.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I would first like to commend the chairman of the subcommittee for a very good statement on this bill.

May I ask the chairman one question for the record? I believe we should make this record positively clear in case there is need for interpretation.

You will note that on page 5 of the report we use this language under the heading "Soil Conservation":

> In this bill, the committee has exceeded the budget for the Soil Conservation Service by $5 million, to assure adequate technical assistance to an increasing number of soil conservation districts, and to accelerate the watershed protection and flood prevention programs of the Department.

Further, on page 9 we use this language which could be construed as contradictory. This is under the heading of "Soil Conservation Service":

> The committee has substantially increased funds for soil conservation technicians to enable this organization to meet the additional responsibilities which will result from the new soil bank program.

I am sure the chairman joins me in the interpretation that despite the need for the soil bank program the increased funds here made available are definitely for additional technical help to soil conservation districts for this nationwide operation.

Mr. WHITTEN. The gentleman is right. Our reference to the soil bank and to the problems that would come from it was an indication that that would increase the need for technicians and all that within the regular existing service. Of course, actually the soil bank is not yet the law and we have had no intention of trying to implement that law through any separate organization. This merely implements the existing Soil Conservation Service so that it can meet its existing problems and such other work as may be referred to it in the future.

Mr. H. CARL ANDERSEN. That is correct. I appreciate the gentleman's interpretation, which is in agreement with mine.

Now, I would like to say a few words about the bill we have before us. As is customary, the subcommittee chairman has just presented a detailed analysis of the various appropriation items. In the years in which I have served as chairman of the subcommittee it has been my responsibility to make such a presentation to set the stage, so to speak, for debate and approval of our bill. The gentleman from Mississippi [Mr. WHITTEN] has done his usual excellent job, and little remains to be said other than by way of emphasis.

AGRICULTURAL RESEARCH SERVICE

As has been indicated, we recommend a total of $49,972,000 for research. This is $10,816,845 above the appropriation just last year. It is also an increase of over $18 million over 1953, an increase of 56 percent in just 4 years. That is a most significant increase, and it reflects an important trend both in agricultural appropriations and in the administration of the Department of Agriculture.

Personally, I am pleased with this trend and am proud to have been a party to it. Agricultural research, like most research, is designed to find answers to problems. American agriculture is faced with a complex array of problems ranging all the way from falling commodity prices to invasions of our forest lands by gypsy moths and our fields by alfalfa aphids. Research takes time and money. Time is always running against us and our only hope to catch up is through expenditure of more money on vital research—and this bill out of our committee makes that additional money available.

As the gentleman from Mississippi [Mr. WHITTEN] has said, we have shown our confidence in the research personnel of the Department of Agriculture by leaving them rather wide discretion in the budgeting and use of the funds proposed for research. We have approved the full budget estimate of $29,503,708 for payments to the States, representing an increase of $4,750,000 or about 20 percent above the funds provided last fiscal year. This expansion of research in partnership with the States is most encouraging to those of us interested in concrete results from our research dollars.

EXTENSION SERVICE

Our committee has taken into consideration the fact that research by itself is no end unless the results of such research are given practical application, and we have accordingly materially expanded the appropriation for the Extension Service. We recommend $49,615,000 for payments to the States and Territories. This is an increase of $5,125,000 over last year, and is more than $17 million above 1953—an increase of 54 percent in 4 years.

You will note the close relationship between the increases for extension and those for research. In the last 4 years, we have provided a total of 54 percent in increases for extension and 56 percent in increases for research. There is a very sound reason for this. From a purely practical standpoint, research is wasted if the results are not applied in actual practice. Primarily, it is the job of the Extension Service to convey research findings to the farm people who need them and thus complete the research process. The Extension Service—all the way from the land-grant college to the county agent and his assistants—bridges the gap between the scientists and the men and women on the soil. That is why I have through the years urged approval of increased appropriations for the Extension Service not only to help our farm people help themselves but also to protect our investment of tax dollars in important agricultural research.

The men and women who make up the Extension Service throughout the Nation have done an outstanding job in their field, and I can assure you that this is one of the wisest possible expenditures of agricultural dollars. I cannot too strongly urge approval of the full amount we propose for this purpose.

SOIL CONSERVATION SERVICE

We are recommending $67,500,000 for conservation operations—an increase of $4,557,255 over last year of which $2,285,000 is above the budget estimate. As one of the more persistent advocates of an expanded and effective Soil Conservation Service, perhaps I owe a brief explanation of my personal position on the subject.

While most of the agricultural programs included in this overall appropriation are for the immediate benefit of agriculture and farm people, the work being carried forward by the Soil Conservation Service is not only of benefit today but represents a permanent contribution to the physical wealth and well-being of our Nation. Many of the problems of agriculture could be solved tomorrow almost as well as today, but this is not true when it comes to conserving our precious soil and water resources. Topsoil is not replaceable. Once it has washed away and been deposited in the Gulf of Mexico or the bottom of the great rivers and tributaries, it is lost forever.

Our scientists have found substitutes for almost everything else, but so far they have not presented us with satisfactory substitutes for soil and water. It therefore behooves us, as a Nation looking to the future, to take steps now to conserve for our own time and for the generations yet to come these irreplaceable resources.

As has been established in the exchange a few moments ago between the gentleman from Mississippi [Mr. WHITTEN] and myself, we fully intend that these increases be made available to the Soil Conservation Service without any contingency upon soil bank or any other legislation which may be subsequently enacted. Reference has been made in our report to the pending soil bank legislation, but that is purely explanatory and has no real bearing upon the funds we propose to appropriate in this bill.

The increases over last year fall in three major categories. As I said earlier, $4,557,255 of the increase is for conservation operations. This will provide for more technicians in the present conservation districts and also for the staffing of new districts as they are organized. We have also suggested to the Department that clerks be employed where needed to relieve highly skilled and higher salaried technical personnel from clerical duties. By this provision of additional technical guidance and leadership to farmers interested in conservation, we fully expect to obtain many, many times the cost of the program in actual conservation practices.

The second major category is watershed protection, and we propose an increase of $5,505,935 in this field. This is an increase of $1,500,000 over the budget estimate. I have a deep personal interest in the watershed protection program as evidenced by my joint authorship of the Andersen-Hope pilot program and active support of Public Law 566 which came the following year.

The watershed programs have been widely accepted and are proving to be extremely popular not only with farm people but also with municipalities seeking protection from flood damages. In my own congressional district, I have seen townspeople join enthusiastically with their neighboring farmers in efforts to advance the watershed projects. I am happy to report that later this year we will start actual construction on one of the major watershed treatment projects in my district and the people in that area are giving it their all-out support.

The appropriation proposed for flood prevention is an increase of $2 million over last year and an increase of $1,300,000 over the budget estimate. We hope by increased appropriations and emphasis on this important work to make a further contribution to efforts to reduce the devastating effects of floodwaters on the upper streams with collateral benefits on the main channels themselves.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

We propose an advance authorization of $250 million for the 1957 program and an appropriation of $217,500,000. If this appropriation is insufficient, the committee is agreed that it will recommend more money as needed. We also feel that this program serves an extremely important purpose in its own right and should be continued whether or not a soil bank program is enacted. The fundamental purposes of the two programs are quite different and the enactment of the soil bank would have no bearing on ACP as a conservation program.

AGRICULTURAL MARKETING SERVICE

Research and related marketing services are vital to our agricultural economy. We propose an appropriation of $26 million to be divided equally between research and marketing services. This is an increase of $1,672,860 above last year. Personally, I would like to see even more funds made available for this important work if overall budget conditions permitted.

The very substantial increase we propose will facilitate expansion of crop and livestock reporting services and increased marketing research. As the hearings will show, our committee has impressed upon those responsible for research in the Department of Agriculture the desirability of placing increased emphasis on utilization and marketing research to develop new outlets and uses for agricultural products and to expand the old. Proper emphasis on such research can do much to solve the perplexing problem of surpluses of some commodities.

SCHOOL LUNCH PROGRAM

As in previous years, we have materially increased above the budget the appropriation for the school lunch program. We propose $100 million for the next fiscal year—an increase of $16,764,788 over last year.

Personally, I recognize the urgent need for even greater increases in this item and we propose to meet that need in part at least by increased distribution of surplus foods and perishables under the section 32 program. Despite past increases in the Federal contribution to the school-lunch program, the Federal share of the cost of individual meals served in the public schools has been shrinking each year. This is attributable to both increased school enrollment and improvements in the quality of the meals.

FOREIGN AGRICULTURAL SERVICE

We recommend $3,600,000 for the Foreign Agricultural Service, an increase of $157,000 over last year. I am sure our colleagues are well aware of the intense interest our committee has demonstrated insofar as the Foreign Agricultural Service is concerned. We have nurtured it through the years and now we believe it to be on the threshold of outstanding service to American agriculture. With a staff of men and women who excel in their field, this agency is now moving our agricultural products in increasing volume into markets throughout the world. Today, we are not only recapturing old markets lost through inept handling or neglect in previous years, but we are also opening up new markets we never enjoyed before. It is to the advantage of this Nation as well as our customers to move our abundance of food and fiber into world trade channels for the good of all. We are much encouraged by the progress that has been made and look with confidence to the future of this program.

RURAL ELECTRIFICATION ADMINISTRATION

For electrification loans, we have approved the entire budget estimate of $145,300,000 in regular funds and have increased the contingency funds from the budget estimate of $25,000,000 to $68,700,000. This will make available a total loan authority of $214,000,000, if necessary, to meet the maximum demand anticipated by the REA co-ops.

The REA program has shown good progress in recent years and we want to assure sufficient loan authority to maintain that progress. Among the encouraging developments in recent months was the approval of a loan to the Elk River Cooperative in Minnesota to facilitate the construction of an atomic-energy generating plant. Here we have demonstrated the pioneering of REA co-ops and in the months and years ahead this new plant is expected to contribute not only to the area it serves but also to the badly needed experience and know-how of this new source of power.

We have also approved the budget estimate of $49,500,000 in regular loan funds for the telephone loan program plus contingency funds of $50,500,000 for a total loan authority of $100,000,000 if needed. Again, we are pleased with the progress that is being made and want to assure sufficient loan authority so that no deserving application will be denied or delayed.

The repayment experience in both loan programs has been so outstanding as to warrant the full confidence of the Congress in them. I strongly urge the approval of our recommendations on these items.

FARMERS' HOME ADMINISTRATION

We have approved the entire budget estimates for loan authorizations of the Farmers' Home Administration. These include $19 million for farm ownership loans; $140 million for production and subsistence loans; and $5,500,000 for soil and water conservation loans—a total loan authority of $164,500,000.

Both farm mortgage and short-term debt have been rising sharply in recent years. Accompanied by continuing declines in farm commodity prices and farm income, credit has gradually tightened in farming areas. As a result, it may well be that many farmers who previously had little or no difficulty in obtaining necessary credit from commercial sources will find it necessary to

turn to the Farmers' Home Administration for credit.

This credit problem is being met in two ways. First, I have introduced bills to materially liberalize the credit operations of the Farmers' Home Administration. If enacted, these bills will permit the consolidation of existing indebtedness and also the refinancing of both unsecured and mortgage obligations. A number of other bills have been introduced along the same general lines, hearings have been held by the House Committee on Agriculture, and I hope that such legislation will be enacted at this session.

The other step we are taking is the provision in the bill before us of a contingency fund of $50 million to meet these anticipated needs as they arise. This additional credit may mean the difference between survival and failure for many good farmers throughout the Nation.

COMMODITY CREDIT CORPORATION

The committee will note that on page 19 of the report we have made available for restoration to the capital fund of the Commodity Credit Corporation the total sum of $929,287,178. That constitutes about one-half of the money in this bill.

The point I should like to call to the attention of the committee at this time is that basic commodities, concerning which we have had all the fuss and furor in the Congress recently, have consumed only $194 million of this $929 million. In other words, the only loss chargeable to the five basics which could possibly be shown on the books of the Commodity Credit Corporation amounts to approximately one-fifth of the total figure.

If you will refer to the bottom of page 18, you will see that we have expended $441 million that could be construed as a loss on dairy products, a mandatory nonbasic commodity, and on other nonbasic commodities we have entailed a loss of $162 million. This, with about $135 million in administrative expenses, makes up the total of $929 million restored to the Commodity Credit Corporation in this bill.

I would think the fact that we have found it necessary to restore only $194 million properly attributable to basics, in itself would be clear proof that the 90 percent of parity price-support program on the basic commodities has not been prohibitive as far as the taxpayers of the United States are concerned. Advocates of flexible price supports would do well to consider that it was necessary to practically give away $441 million worth of dairy products in this past fiscal year, largely because the Secretary reduced price supports on dairy products from 90 percent to 75 percent. Why, Mr. Chairman, dairy products represent more of a loss to the taxpayers of the Nation than the so-called potato fiasco. But, the point I am emphasizing here now is that in the face of these facts and figures certainly no one can make out a good case for flexible price supports.

Mr. WHITTEN. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, 4 years ago a great general left his profession to become a candidate for the highest office in the land. The general as candidate made two speeches that attracted headlines then, and endless attempts to interpret them ever since.

These two speeches were made with the clear intent of satisfying any qualms the voters might have about candidate Eisenhower's attitude toward the farm program.

One of these speeches was made at Kasson, Minn., on September 6, 1952, in which he said:

> And here, and now, without any "ifs" or "buts," I say to you that I stand behind—and the Republican Party stands behind—the price-support laws now on the books. This includes the amendment to the Basic Farm Act, passed by votes of both parties in Congress, to continue through 1954 the price supports on basic commodities at 90 percent of parity.

On October 4, 1952, he made another speech at Brookings, S. Dak., in which you will find these words:

> The Republican Party is pledged to the sustaining of the 90-percent parity price support and it is pledged even more than that to helping the farmer obtain his full parity, 100-percent parity, with the guaranty in price supports of 90.

This is an election year and because this is an election year, there is ample indication that the administration will put its best foot forward to convince farmers that the inept handling, the lack of a positive program, and the grand economic theories of the past 4 years did not really exist. Like the candidate's words, the administration's deeds will be clouded in explanations, interpretations, and obscurations. Once again they will try to convince farmers that there has been a change of heart—at least until November.

In contrast, I think you will find that the work of our subcommittee on Department of Agriculture appropriations carries the same message year in and year out. Election year politics have not shaped the bill before you today. As in the past, it means what it says. It represents our best efforts to promote the welfare of American agriculture and to guarantee it full partnership in the economy of the Nation.

I have the highest regard for all of the members of this subcommittee and for our chairman, the Honorable JAMIE WHITTEN, of Mississippi. He has always extended to me the utmost courtesy and consideration.

It is a genuine pleasure to serve on this subcommittee. The record is filled with many instances in which we have contributed ideas and concrete suggestions for improving the administration of farm programs for the benefit of farmers and consumers. We only regret that the administration has negelected or ignored these recommendations at the expense of our farm families. I am proud of the fact that the efforts of our subcommittee have been constructive; that they have generated ideas and proposals which have won the approval of thoughtful men seeking answers to the complex problems of modern agriculture. Some of these ideas have even been accepted belatedly, and possibly reluctantly, by the administration after unfortunate delays at a time when prompt action was needed.

In reviewing the work of the Department of Agriculture, it would be well to consider facts and figures that come from the Department itself. The House can reach its own conclusions on the basis of the evidence presented.

The present Secretary of Agriculture, Ezra Taft Benson, first appeared before our subcommittee on February 25, 1953. In explaining why it was necessary to review President Truman's budget, memorandum No. 1320 from the Secretary of Agriculture was placed in the 1954 agricultural appropriations hearings on page 22. The following is a paragraph from that memorandum:

> As public servants, we must recognize the duty and responsibility we have to serve the public efficiently and well. The people of this country have a right to expect that every one of us will give a full day's work for a day's pay. They have a right to expect that we will find more effective and economical ways of doing our job. In these times of unprecedented public debt and continued high Federal expenditures, the public rightfully expects us to put forth even greater effort to effect savings in Government operations and to reduce public expenses. Fulfillment of this responsibility will require the undivided loyalty and support of every agency head and employee in the Department. We must work as a team if we are to meet the problems that lie ahead and render the greatest possible service to the farmers of America, the entire agricultural industry, and to this great and good country we love so much.

When the same Secretary of Agriculture appeared before our subcommittee this year with his budget for the regular activities of the Department for the 1957 fiscal year, he asked for $753,326,108—The Benson budget for the 1954 fiscal year was $639 million—Losses of Commodity Credit Corporation require an additional appropriation of $929,287,178.

In 1953, there were 63,928 employees in the Department of Agriculture and two assistant secretaries. The estimate for the 1957 fiscal year is 70,312 employees and 3 assistants.

On page 7 of the 1954 agricultural appropriations hearings, the Secretary said:

> No problem that we have inherited has been more difficult than the decision on the support price for butter.

On March 8, 1956, when your subcommittee was considering the supplemental appropriation, the gentleman from Illinois [Mr. VURSELL] asked the Under Secretary of Agriculture, True Morse, this question:

> Let me raise this point: I have been led to believe by reading some dairy magazines and by talking with farmers—quite a responsible dairy farmer today—that the dairy situation is considerably better than it was 2 years ago or even a year ago. Does the picture you get and the knowledge you have indicate that the dairy farmer is slowly pulling out of the low level of the depressed area into a little more satisfactory outlook for prosperity than he was in 2 years ago?

The Under Secretary, Mr. Morse, replied:

Yes, sir. That varies by areas; but generally the dairy farmers have a much improved milk-feed ratio; in fact it has been more favorable than in any recent years and as a result we have had reports from many areas of definite improvement in the condition of dairy farmers.

Now, let us look at the record. In 1952, the dairy price support program cost the Federal Government $169,800,000 for the marketing year ending March 31, 1953. For the marketing year ending March 31, 1956, it is estimated by the Department that the cost of the dairy products acquired by the Government under the price support program will be $275,522,000.

For the week ending April 25, 1956, the Government bought 8,033,879 pounds of butter alone. From October 17, 1933, to June 30, 1954, the Government lost $267,238,427 in its transactions on butter, cheese, and dried milk. From July 1, 1954, through January 31, 1956, the Government loss on butter, cheese, and dried milk totaled $627,598,394. The House can decide if these facts and figures indicate that the dairy problem has been solved.

On page 25, of the 1955 agricultural appropriations hearings, my good friend and colleague the gentleman from Washington [Mr. HORAN] asked the Secretary:

When you took office the livestock industry particularly was not in good shape, was it?

The Secretary replied:

No indeed, it was not.

Let us look at the price today as reported by the Department of Agriculture in this year's hearings before your subcommittee. On January 15, 1953, the average price received by farmers for beef cattle was $19.70 per hundred.

On April 15, 1956—this year—the average price received by farmers was $15 per hundred.

On January 15, 1953, the average price received by farmers for hogs was $17.80 per hundred.

On April 15, 1956—this year—the average price for hogs received by farmers was $14.30 per hundred.

Of course, the Congress felt that Secretary Benson needed more help than we gave to his predecessor, Secretary Brannan. We proceeded to give him two additional assistant secretaries in accordance with the recommendations of the Hoover Commission.

Let us look at the advice some of these people are giving the Secretatry. On page 251, of the 1956 agricultural appropriations hearings, Dr. Butz, Assistant Secretary of Agriculture, said:

With respect to this parity ratio that stood last month at 86, I believe, nobody can predict accurately what that is going to be in the next 12 months. My personal feeling is that this is now at a bottom and if it makes any material change in the next 12 months it should be on the side of a modest rise.

This statement was made on February 7, 1955.

As reported in the hearings this year, the parity index on April 15, 1956, stood at 82 and at no time during the past year has there been the modest rise above 86 that the Assistant Secretary predicted.

Throughout the land, the voice of the Secretary has been heard proclaiming that if it were not for the huge accumulation of surpluses accumulated during the period of high rigid price supports, farm income would be $2 billion higher.

Many people have asked me how the Secretary of Agriculture arrived at this figure.

Your committee was unable to find out. I would urge Members of the House to read his explanation on page 1508 of this year's hearings. It is about as clear as a drunken sailor trying to spell with an ouija board at midnight during an eclipse of the moon.

The dilemma of the cost-price squeeze facing American farmers is apparent to all of us. We need only review the price relationships of some of our commodities as shown on page 1504 of this year's hearings. These are figures offered by the Department of Agriculture.

Commodities under mandatory price support of 90 percent of parity, show less decline in price during the past 4 years than do those left to the discretion of the Secretary of Agriculture.

For example, on January 15, 1953, the average price received by farmers for cotton was 29.79 cents a pound.

On April 15, 1956, this price was 32.50 cents a pound.

Average price received for wheat on January 15, 1953, was $2.10 a bushel.

On April 15, 1956, the average price was $2.03 a bushel.

Average price received for corn on January 15, 1953, was $1.48 a bushel.

On April 15, 1956, the average price of corn was $1.32 a bushel. Now, let us look at the difference in prices of the nonbasic commodities:

Average price received for rye on January 15, 1953, was $1.65 a bushel.

On April 15, 1956, the average price of rye was $1.01 a bushel.

Average price received for oats on January 15, 1953, was 82.1 cents a bushel.

On April 15, 1956, the average price of oats was 62.3 cents per bushel.

Average price received for barley on January 15, 1953, was $1.37 a bushel.

On April 15, 1956, the average price of barley was 94.9 cents a bushel.

Average price received for potatoes on January 15, 1953, was $2.06 a bushel.

On April 15, 1956, the average price of potatoes was $1.72 a bushel.

Average price received for butterfat on January 15, 1953, was 68.3 cents a pound.

On April 15, 1956, the average price of butterfat was 57.9 cents a pound.

Average price received for eggs on January 15, 1953, was 45.8 cents a dozen.

On April 15, 1956, the average price of eggs was 38.5 cents a dozen.

There is a barrage of propaganda on the accumulation of surpluses. Just what are our surpluses now compared with stocks when this administration took office? Let's look at the record again. I am sure that you will find the information on page 1409 of the hearings of interest. Page after page of testimony elicited by the gentleman from Mississippi [Mr. WHITTEN], will confirm the point that much of this surplus is the result of the failure of the administration to offer these commodities on the world market at competitive prices.

One question often asked is how much these price-support programs cost the taxpayers. Pages 1294 and 1295 of last year's hearings, and pages 1824 and 1825 of this year's hearings show the costs of Commodity Credit Corporation price support operations.

Figures of the Department of Agriculture show that costs of price-support operations for the period October 17, 1933, through June 30, 1953, totaled $1,110,136,889. This covers the 20-year period for which Democratic administrations were responsible.

Cost of price-support operations from June 30, 1953, through June 30, 1956, comes to $2,035,615,222. This covers the 3 years for which Secretary Benson is responsible.

You will note that under Benson cost of price supports in 3 years has been nearly double the cost for 20 years of Democratic administration.

Last year I called your attention to the fact that Secretary Benson was a costly Secretary of Agriculture.

Since this is an election year, how much additional cost will there be for the taxpayers in the next fiscal year?

Another subject deserves mention here today. Two years ago my good friend and colleague from Minnesota, the Honorable H. CARL ANDERSEN, and I introduced a diverted acres or soil bank bill. In 1954, the Department of Agriculture was reluctant to give serious consideration to our proposal and recommended against passage of the bills.

In the opening months of this 84th Congress, we again introduced identical bills.

On February 8, 1955, the Secretary appeared before the Subcommittee on Agricultural Appropriations. On page 257 of the hearings you will find Mr. ANDERSEN asking this question:

Let me ask, Mr. Secretary, relative to this proposal of Mr. MARSHALL and me, just what is your opinion of it?

The Secretary replied:

I don't know that I have studied it enough personally to express on opinion.

A few months later an adverse report was sent to the chairman of the House Committee on Agriculture. In view of the recent statements of the Secretary and the President, this is a surprise, is it not?

But listen to this. The President and the administration now claim that the soil bank which incorporates the basic elements of our bill is the crash program they have always had in mind to solve the farm problem. Much to our surprise, it appeared in the President's state of the Union message, despite the written opposition of the Department of Agriculture only a few months earlier.

On Monday, April 30, 1956, more than 2 years after our bill had been introduced, the same Secretary of Agriculture appeared before our subcommittee and said:

As the President said, the long delay in getting this bill makes it too late for most farmers to participate on the soil bank on this year's crops.

I emphatically agree with the Secretary's statement.

After 2 years of indecision on the part of the administration and the Department of Agriculture this confession comes with some ill grace. But that is not all. On the same day—and it appears on page 1501 of this year's hearings—Secretary Benson said:

Mr. Chairman, I do not think I have made any exaggerated statements as to what it (the soil bank) will accomplish. I am hopeful it will be very helpful. Nobody knows what will be accomplished until we put it into operation and try it.

I indicated that we had thought at first we might be able to bring about a balance in our production and marketing without resorting to a program which would pay the farmers for keeping land idle. Following our very heavy production of 1955 and the failure of the control of production through acreage control we came to realize we had to have something more vigorous and more dramatic.

In all frankness, I ask you if you think the Secretary would have accepted such a "dramatic" proposal if it were not an election year?

Of course, Mr. Chairman, we still have the Soil Conservation and Domestic Allotment Act on our statute books. In the period before World War II when we were faced with agricultural surpluses, this was an effective program for shifting production. This law remained the law of the land and could have been used by the present Secretary of Agriculture to great advantage.

Instead, however, the Eisenhower administration attempted to cut the authorization for this program to $140 million in 1954. This year, Mr. Benson is asking for $250 million for advance authorization and the committee is recommending this amount to the House.

If the need for vigorous and dramatic action is now so apparent to the Secretary, it would seem that he would request enough to place the diverted acres plan in operation. I am sure that the Congress would have given earnest consideration to such a request. Indeed, we might have done so without the interest of the Secretary if there were assurance that the program would be efficiently administred for the welfare of farmers.

The following figures supplied this subcommittee by the Department of Agriculture and found on page 2041 of this year's hearings show the extent of the decline in participation in this program by farmers.

In my own State of Minnesota, 114,362 farmers participated in the program in 1952.

In 1954, only 53,799 farmers participated.

Nationwide, 2,525,913 farmers participated in 1952.

In 1954, this number dropped to 1,134,758 farmers.

Why has this program, which had the cooperation of the farmers, failed to accomplish this objective in recent years?

Under Democratic administration, farmers were encouraged to take an active part in the management and direction of their farm programs. Farmers exercised independent judgment in electing their neighbors as community and county committeemen to administer farm programs.

When Mr. Benson became Secretary of Agriculture, he apparently was reluctant to let farmers run their own farm programs. Secretary Benson is an advocate of advisory committees. He apparently feels farmers should be content to advise.

On page 2044 of this year's hearings I am certain members will be interested in noting the changes outlined by Secretary Benson affecting local ASC committees.

Administration by advisory committees leaves farmers outside looking in. Their information comes second hand or not at all. Regulations become floundered in bureaucratic prose intelligible only to the author, if to him.

All of this in the name of economy. Once again, however, the facts show a different picture. In 1952, the total expense of operating county committees in Minnesota was $2,123,539. By 1955, it had risen to $4,640,157.

In Indiana it rose from $1,050,397 in 1952 to $2,871,298 in 1955.

In Iowa it rose from $4,481,449 in 1952 to $12,194,890 in 1955.

Across the Nation it rose from $44,280,557 in 1952 to $92,552,272 in 1955.

This committee has urged that the Department make a study of the spread between what the farmer receives for his products and what the consumer pays for such products. On page 767 of our hearings information from the Department shows that the farmer received 47 cents of the food dollar in 1952. This sank to 38 cents in December of 1955. In reviewing the hearings where we have noted the increase of personnel, storage costs, and salary increases, it might be well for the Department in making this study also to determine how much the Department itself has contributed to the profit of the middleman.

Page 1494 of this year's hearings shows the high income of the packers. Income was up as much as 749 percent over 1954. The packer profits were at an unprecedented high level. During this period the farmer was receiving less and less for his livestock.

I have only mentioned a few of the instances that a study of the Appropriations Committee hearings would reveal. Our newspapers and magazines are presently filled with news items expressing concern as to how the farmer will vote this fall. I am certain that a full and complete study of the hearings before the Agricultural Appropriations Committtee would indicate a good reason for such concern.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 17 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, our committee, in its exhaustive hearings, conscious of the fact that the farmers are not fully sharing in the prosperity of the Nation, has sought to help them where we justifiably could in certain sections of the bill, which has been explained by previous speakers.

The bill before us carries an appropriation of $783,061,708 for regular activities of the Department. It provides for loan authorizations for REA and Farmers Home Administration of $359,300,000—both in title 1 of the bill.

Under title 2 it provides for administrative expenses for the Commodity Credit Corporation of $31 million, together with an appropriation of $929,287,178 to restore capital impairment of CCC; and $271,163,682, most of which covers reimbursement to the CCC for funds advanced to finance programs authorized by the Congress to meet special emergency conditions.

These special activities and the amounts can be found on page 25 of the report. On page 18 of the report you will find explanation of the $929,287,178 item of expense of Commodity Credit reimbursement.

To avoid repetition of previous speakers, I would discuss only a few provisions which may be of particular interest to some Members:

RURAL ELECTRIFICATION

We allowed the full budget request of $145,300,000 for REA, and in addition provided for a contingency fund of $43,700,000 which can be drawn on by cooperatives if they need more money by justifying same before the Bureau of the Budget.

For the rural telephone program we approved the budget amount, and, in addition, provided for a contingency of $50,500,000—which can also be drawn on by justifying such additional request before the Bureau of the Budget.

While the committee feels such contingency may not be needed, yet, inasmuch as such appropriation does not affect Treasury balances until such funds are actually required, we decided to increase the contingency funds, as indicated, in case an emergency made such funds necessary.

REA is, as always, doing a good job and the committee wants to give it full cooperation.

SOIL CONSERVATION

Because of the great importance to the farmers, and to the future of our national economy, here is one of the changes in the bill in which we sought to give the farmer a little help. In some other parts of the bill we reduced appropriations where we thought justified in doing so, and we have added a part of such reductions to soil conservation.

The budget asked for $65,215,000 for fiscal year 1957, and we increased that amount $2,285,000 to a total of $67,500,000. The committee feels that more soil-conservation technicians will be necessary to meet the additional responsibilities, which will result from the new soil-bank program.

RESEARCH AND EXTENSION SERVICE

Now, briefly, I want to discuss two items in this bill: Research and Extension Service.

For agricultural research, the committee recommends a total of $49,972,000—an increase of $10,816,845 over the available funds for 1956.

Practically all publishers of farm journals, land-grant agricultural colleges of the Nation, the Farm Bureau, its county agents, and all farm organizations unanimously agree that the great forward strides in agriculture have been made possible largely through the work of the Agricultural Research and Extension Service.

Their work has made possible the tremendous increase in production, distribution, and marketing, which has helped to provide the highest standard of living in the world for our people.

Without the thousands of men and women, many of them the leading scientists of the world, in cooperation with the United States Department of Agriculture and with the State experiment stations and Extension Service, who constantly seek to improve and increase farm products, we would not have the abundance throughout our land, the surpluses we sell and give to other nations that are short of food—largely because they do not have the type of scientific research and Extension Service we have developed here in the United States.

Our scientists also do a tremendous job in protecting farm crops from the ravages of insects. They develop new farm products, and find new markets for the farmers' commodities. They find ways to help the farmer cut his cost of production, and find ways, by marketing research, to cut his cost of transportation and marketing.

These agricultural research scientists work in all phases of agriculture. For instance, breeding up of dairy herds for greater production; improving grades of cattle, hogs, livestock, and poultry, and the Extension Service assists the farmers by helping them apply the scientific knowledge gained by research, which brings to agriculture great and lasting benefits.

While the Congress helps the farmer with legislation to the best of its ability, yet, the best authorities agree that the Research and Extension Service has brought to the farmer far greater benefits than could the Congress.

They help the farmer to increase production. They protect the farmer's production by developing chemicals, and by other means, that help to protect the farmer's crops from the ravishes of insects. Even with this constant fight to protect them, we find the farmers sustain a loss of $3 billion a year to their crops, livestock, forests, home and farm buildings. Millions of acres of our forests each year are sprayed from airplanes in the fight against insects.

On the other hand, were it not for the work the scientists are doing, the loss would run double or more that amount, and the insect pests, if left unrestrained, would ultimately almost destroy agriculture. This insect fight alone is a much greater problem than the average citizen can imagine.

We now spend a total of about $12 million a year on plant pest control, insects and plant quarantine activities. We must keep up a continuous fight against the Japanese beetle, sweetpotato weevil, citrus black fly, the Mexican fruitfly, phony peach and peach mosaic, barberry eradication, pink bollworm, golden nematode, cyst nematode, white fringed beetle, hall scale, gypsy moth, grasshoppers, and many other insects.

HYBRID CORN

Back in 1909, research scientists of the United States Department of Agriculture, cooperating with various Department of Agriculture experiment stations, conceived the idea of plant-breeding and crossing, and building up a new variety of corn. They followed through on this work by plant cross-breeding, and developing, until 1933, when they produced hybrid corn.

During those years, they grew a stronger stalk, and developed a type of corn with the ears on the stock at almost even height. They developed a stronger shank, through cross-breeding, which fastens the ear to the stalk. When they announced the development of the Iowa hybrid 939 (in 1933, they had a corn that increased production 25 percent, and a corn with ears so uniform in height on the stalk, from the ground, that it was almost perfectly adapted to gathering with the least loss by the mechanized corn picker. This new method released a great deal of farm labor to industry, which was a saving to the farmer and a boost to industry.

RESEARCH SCIENTISTS—BRUCELLOSIS

When the research scientists began the fight against brucellosis, in 1930, 10 percent of the cattle were infected. Today the percentage of infection is down to 2½ percent, saving the farmers hundreds of millions of dollars.

The United States Department of Agriculture says that in the last 20 years losses from brucellosis have been cut from approximately $100 million a year to $50 million annually at this time. The Department estimates total losses in that time at about $1,500 million to the livestock industry: The efforts toward its complete eradication being increased through the experiment stations, county agents of the Farm Bureau, and by all farm organizations nationwide.

Tremendous savings to the livestock industry, and to the economy of our country which are being made compared with the small amount that is being spent in this brucellosis campaign again proves the great benefit gained through Research and Extension Service.

SOYBEANS

Soybeans, which were first used as a minor forage crop, have been developed through the research scientists in agriculture into one of the largest and most profitable crops in the Nation.

Since 1935, our scientists by plant breeding have developed 16 new varieties of soybeans, all producing higher yields with greater resistance to plant disease. On an average, these new varieties yield 20 percent more oil and 10 percent more beans than the varieties they have replaced. Our acreage has expanded 600 percent, with 17 million acres of soybeans planted and harvested last year. Our production increased from 49 million bushels in 1935 to 371 million bushels last year.

Today soybeans provide 70 percent of all vegetable oils used in margarine, and 54 percent in all vegetable shortenings.

Research scientists have opened one market outlet for 211 million pounds of soybean oil, which is annually used in paints, varnishes, and other industrial products requiring drying oil.

Entirely new industrial products have been developed, including acids, and special resins. In the fields of plastics, printing, paper, tile, textile sizing and automobile tire cord sizing the market continues to expand.

Finding of new uses for this farm product, and new markets have created such a demand that with the largest crop of soybeans ever produced in 1955, the demand has pushed up the price from $2 a bushel at harvest time, to about $3 and over at the present time.

Our exports in soybeans have increased tremendously to the countries of the Middle East and Europe.

RESEARCH IN LIVESTOCK

In 1935, we were getting 1,756 pounds of pork per sow. We are now getting 2,118 pounds of pork per sow.

In 1935, we were getting an average of 4,184 pounds of milk per dairy cow. We now are getting 5,512 pounds per cow.

In poultry in 1935, we were averaging 122 eggs per hen. We are now averaging 184 eggs per hen annually.

In 1935 we were producing 429 million broiler chickens. We produced in 1955 1,060,000,000 broilers. We used to have chicken on Sunday. Now it is chicken every day in all restaurants.

It's the same way with turkeys. In fact poultry has become a major part of our diet. The scientists have produced, by crossbreeding, and improving their feed ration, finer quality of fowl that will produce more pounds in a shorter time on less feed.

By research on proper feeding, the scientists have developed a chicken of increased weight in less time and on less feed. Hence the farmer makes more profit.

CCC SURPLUSES

We still have huge surpluses in the CCC, largely due to the fact higher yields for most crops were harvested in 1954, and again in 1955. And due to the fact that we carry over more than a billion bushels of old wheat last July 1 before the bumper 1955 crop came in.

We also had over 11 million bales of cotton on hand before the last big crop was harvested.

We had on hand more than enough wheat and cotton to supply a whole year's demand for both domestic consumption and exports, and the carryover is expected to be even a little larger this summer.

On February 29, CCC had $8.9 billion invested in inventory and loans; approximately $5.7 billion represented cost of inventory items—already taken over, and owned outright by CCC. The other $3.2 billion was advanced on nonrecourse price-support loans.

On February 29, $2.6 billion of CCC borrowing authority was tied up in net realized losses, not yet reimbursed receivables, under Public Law 480, other accounts receivable, storage facilities, and similar commitments. This, combined with the investment in price-support loans and inventories, brought the total of CCC borrowing power in use to $11.5 billion.

Heavy loan operations, partly because of the big cotton, corn crop, will make necessary a further increase of the CCC borrowing power during this session.

SALES RESULTS

Surplus disposal of CCC products of about $1 billion in fiscal 1953 have risen to $1,400,000,000 in fiscal 1954, and to more than $2,100,000,000 in 1955. Since last July, we have disposed of $1.54 billion worth of commodities, bringing the overall total to over $5.5 billion in the 3⅔-year period. It is estimated

that the disposal for the 1956 fiscal year will be increased to a total of $2.6 billion.

SALES PROCEEDS

I might add that sales have been stepped up to the point that from July 1, 1955, through March 1956 the Department of Agriculture has sold of commodities owned by the CCC on the competitive market—for dollars—in the amount of $1,108,317,720.22.

EXPORTS

Exports of all of our major United States commodity crops are presently at a high level. Total exports have increased by 16 percent in the past 2 years. In 1955, our agricultural exports stimulated by the special programs which are in effect were more than 60 percent higher than those of the immediate prewar period, 1936 to 1940. They were 22 percent above the average of the previous 30 years.

Sales proceeds, July 1955 through March 1956

PROGRAM AND COMMODITY	AND SALES PROCEEDS
Price support program:	
Basic commodities:	
Corn	$144,142,421.64
Cotton, extra long staple	7,611,724.88
Cotton, upland	147,225,404.18
Peanuts, farmers' stock	2,931,865.02
Rice, milled	26,279,597.93
Rice, rough	25,899,330.36
Tobacco	24,652.58
Wheat	399,219,723.46
Wheat flour [1]	3,992,787.45
Total basic	757,327,507.50
Designated nonbasic commodities:	
Milk and butterfat:	
Butter	14,138,668.36
Butter oil	630,590.29
Cheese	10,840,128.25
Milk, dried	10,334,902.21
Milk, fluid	
Whey	627,262.03
Tung oil	4,329,036.03
Wool	16,364,749.35
Total nonbasic commodities	57,265,336.52
Other nonbasic commodities:	
Barley	61,650,995.20
Beans, dry edible	8,264,884.19
Cottonseed and products:	
Cotton linters	10,903,936.74
Cottonseed meal	3,374,630.53
Cottonseed oil, crude	4,351,974.89
Cottonseed oil, refined	35,545,546.30
Flaxseed	25,726,170.45
Grain sorphum	70,014,938.40
Linseed oil	8,520,232.87
Naval stores:	
Rosin	4,593,740.93
Turpentine	355,735.29
Oats	13,102,631.97
Rye	6,443,416.32
Seeds, hay and pasture	6,343,960.50
Seeds, winter cover crop	3,021,260.26
Soybeans	31,510,821.36
Total other nonbasic commodities	293,724,876.20
Total price-support program	1,108,317,720.22

[1] Acquired by exchange of price support wheat for disposition under Public Law 480, title II.

Mr. Chairman, I think, in fairness to the Department of Agriculture, which is so essential to the prosperity of the farmers, and to the economy of our country, that we should all who know the facts admit that Secretary Benson and other officials in the Department of Agriculture who are responsible for its administration inherited, when they came to office, an emergency situation that never before faced any Secretary of Agriculture or his Department.

In this I refer to the fact that controls were not put on when they should have been, in the latter part of the previous administration, which permitted two bumper crops of wheat, cotton, corn, and farm products generally throughout the Nation, which had to be bought by the Government and stored, consisting of over billions of dollars worth of farm commodities. This at a time when farm prices had been falling from 1948 to the advent of Secretary Benson's being called to administer the Department of Agriculture.

As a member of this committee, before which Secretary Benson and his principal assistants testified last year, and again this year, and from the information we receive from them, I feel anyone, after evaluating the situation with which he was faced, and the effort he and his assistants have made to reduce these surpluses will agree that he has done a remarkably fine job, and deserves now and, in my opinion, in the future the commendation of the people of the Nation.

He has from the beginning had the courage to follow sound policies, which would remove the cause of these surpluses, and he has refused to compromise by giving the farmers only a sedative, which would wear off shortly, and they would find they were in a worse position as the months rolled on.

The sound policies that he and the President have worked out, and to which they have steadfastly adhered, have stopped the downward trend of prices which are now pointing up for farm products. His insistence on trying to remove the cause that has been penalizing the farmers is only beginning to pay off for the dairy interests, the livestock interests, the poultry interests, and other interests that bring to the farmers over 60 percent of their income.

After spending about 2 months in sitting across the table from Secretary Benson and his principal assistants, in committee, last year, and about 2 months this year, I have been impressed with their absolute honesty, their tremendous interest in alleviating the conditions of the farmers, and it is my belief if they have the proper cooperation of the Congress in enacting the soil-bank program, the Secretary has contended for, that agriculture from the present time on will become more profitable.

I believe we are on the threshold of better days for agriculture, but I insist, and most of the successful farmers of the Nation realize, that we must reduce the mountains of surpluses that are overhanging the market and depressing the farmers' prices before the farmers can fully share in the prosperity of the country.

That is the Eisenhower-Benson farm program, and, in my judgment, it is the only program that will put the farmer in a position where he will not have to produce for the Government, and sell his products at 80 or 90 percent of parity. If we can reduce these surpluses, and bring production in line with the demand, then the farmer will get 100 percent parity in the market place, to which he is entitled, without having to come to the Government, asking for 80 or 90 percent of what he should have.

This farm question will never be settled, as it should be, until we bring the surpluses down nearer to domestic and export demands.

May I repeat, public sentiment in the near future will give to Secretary Benson the rich commendation he deserves.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Illinois since he has been a member of our subcommittee has been one of the leaders in dealing with the programs about which he has been speaking in this research and extension work. As the gentleman knows, he himself urged very strongly the appropriations for research in this bill. As the gentleman knows I doubted that the qualified scientists necessary to justify this additional $10 million program in research in this particular field could be found at this time.

I wonder if the gentleman would not perhaps agree with me that in some way there should be emphasis placed upon the training of young people to qualify as scientists for working in this great field. I wonder if he would care to comment on this before he proceeds further. I would appreciate it.

Mr. VURSELL. I remember the position taken by the gentleman from Minnesota, and I think he took a rather sound position in raising this question; but I think part of the answer to the gentleman's question is simply that our committee has started to become more concerned with the programs that are being laid out and that we are recommending that there be a very careful selection of these programs. I am of the opinion that with the cooperation of the scientists, and they have always been very cooperative, that we can carry out this extended work probably without any additional help and expense to speak of. I think we can meet the problem through those methods and, of course, with emphasis on agriculture in this country we are and will continue to develop more competent people along that line.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield further?

Mr. VURSELL. I yield.

Mr. H. CARL ANDERSEN. I doubt whether there has been any one thing that has brought as much in direct returns to agriculture through the years as research. I recall 30 years back I worked in very close cooperation with one of the first county agents who came to my home county of Lincoln in Minnesota. When we look back over the years

we can see that one item alone, the development of hybrid seed corn, has meant an additional half billion dollars income each year to the farmers of America. The money invested in research has been well spent. I hope some means can be found to accentuate the speed of training technicians and scientists in our land-grant colleges throughout America for this great work.

Mr. VURSELL. I think that is a very good point.

Mr. H. CARL ANDERSEN. May I make one short statement further. We are all proud of the fact we have on our subcommittee a colleague from the State of Minnesota [Mr. MARSHALL], whose father was the first county agent in the State of Minnesota. That is a good many years ago, I believe around 1913?

Mr. MARSHALL. In 1912–1913.

Mr. H. CARL ANDERSEN. He commenced his service in one county in my congressional district, Traverse County.

Mr. MARSHALL. That is correct, Traverse County.

Mr. H. CARL ANDERSEN. This illustrates just how closely knit both sides of this subcommittee are with extension and research. I thank the gentleman for yielding.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from California.

Mr. SISK. I notice on page 6 of the report, with reference to the hearings on the bill, that numerous Members and other witnesses made what appears to be a good case for special research. It goes on further to say:

> The committee has not dealt separately with each of these because the Department, within the large amounts provided in this bill for research, has ample authority and funds to meet these and other similar research problems.

Because of a statement that I made before the committee and due to my prime interest in a small research project which I believe only calls for an expenditure of $25,000 that we feel would eliminate the surplus in our raisin program, I was wondering if that applied in this case?

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. May I say to my colleague that this is the type of case we have in mind. I recall the testimony given before our committee. We did look on that with merit as we did other similar problems called to our attention. As big as the overall research activity of the Department is—there is over $92 million for research in this bill—certainly there should be funds to meet research needs of this type. These projects similar to yours that frequently come before us should have the attention of the Department. They have the money and they have the authority.

Mr. SISK. I thank the gentleman and I appreciate very much the statement of the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Chairman, the Subcommittee on Agriculture of the Appropriations Committee once again brings to the floor of the House for your approval the annual appropriation bill of the Department of Agriculture.

It has been a pleasure working with our chairman, the distinguished gentleman from Mississippi [Mr. WHITTEN], and the other members of this committee. We were ably assisted by our executive secretary, Ross P. Pope.

For fiscal year 1957 we recommend appropriations of $783,061,708 for regular activities; $359,300,000 for loan authorizations; $929,287,178 for corporate expenses; $271,163,682 for special activities, and $6,356,000 for the Farm Credit Administration.

Today, Mr. Chairman, we are searching for a constructive answer to the farm problem. Agriculture is undergoing a cost price squeeze while other segments of our population are prospering. We discuss our surplus commodities and at the same time realize that several million American families lack adequate diets, and throughout the world hundreds of millions of people today fear starvation. A decline in agriculture threatens the lasting prosperity of all of our people. It is impossible to have a sound prosperity unless the American farmer and agriculture generally receive an equitable share of the national income. It is a well known fact that well over one-third of our entire population is dependent upon the American farmer.

I, for one, believe that our surplus commodities are a blessing and not a liability. We must dispose of our surplus commodities in an orderly manner keeping in mind the necessity of such commodities in case of war. A Nation as wealthy as ours should be able to afford a year's supply of commodities properly stored in proper places in case of such an emergency. We will need a large national agricultural productive capacity in case of war. We appropriate each year huge sums for essential materials which are stockpiled, and it is just as wise to have adequate food supplies on hand if we are faced in the future with an all-out nuclear war. We might be faced overnight in this country with starvation. We must keep in mind that we only have a 3 months' supply of corn, 13 months' supply of wheat, 13 months' supply of cotton, 7 months' supply of rice, 1 month's supply of butter, and so on down the list of our surplus commodities. We have on hand today no important crop which exceeds a 14 months' supply.

The net income for the American farmer for the calendar year 1955 amounted to $10,710,000,000. Our decline in farm income became very severe in the year 1951, and since that time the net income of our farmer has dropped 35 percent, with 12 percent of same taking place during the year 1955. Farm production in 1955 was 12 percent greater than in 1947, but gross farm income was 9.4 percent below 1947 and net farm income was down 38 percent. Our national income from sources other than agriculture increased nearly 68 percent during this period of time. Our American farmer experienced a drop in parity ratio from 115 percent in 1947 to 80 percent in January of 1956.

Our total exports of agricultural products from this country in the year 1955 amounted to $3,143,000,000. Our farmer today produces enough food and fiber for 18 consumers, and this is twice as many as 30 years ago. Through research and ingenuity our output has been increased by improved power, machinery, seeds, fertilizers, and chemicals. One of our main troubles arises from the fact that means to increase production have grown much faster than ways to expand markets and increase utilization of the farm output.

The total farm mortgage debt of the United States has increased 86 percent in this country from January 1, 1945, to January 1, 1955. In my own State of Kentucky we have a total increase of 113 percent in our farm mortgage debt during this period of time. This is a concrete example of the situation facing the American farmer today.

Mr. Chairman, for the fiscal year 1957 appropriations totaling some $65,900,000,000 will be approved by the Congress of the United States, and only 4.8 percent of this amount is for agriculture. I say to you quite frankly that if 10 percent went for agriculture we would not be out of line.

SOIL CONSERVATION SERVICE

Our Soil Conservation Service was established on April 27, 1935, and today we have some 2,700 local soil conservation districts covering about 90 percent of all the farms and ranch lands in this country. Approximately 1½ million farmers and ranchers are active district cooperators applying soil and water conservation practices on their land. This is an increase of about 200,000 per year. We heard testimony to the effect that additional technicians were needed in nearly all of the soil conservation districts, and found that 45 percent of the districts today have fewer technicians than at any time in the past. In the Second Congressional District of Kentucky we have 12,572 farm cooperators in soil conservation. Some 4 or 5 years ago we were seeking additional farm cooperators, and now we do not have enough personnel to furnish cooperators the necessary technical service on our farms. Soil conservation is one of the great assets of our present-day Government, and in Kentucky we believe in soil conservation. We have 122 soil conservation districts. We realize that erosion is taking a heavy toll, and that in some instances our soils are deteriorating faster than we are building them up. We have enough good land left in this country to keep us prosperous and well fed if we conserve and improve it. Our committee recommends an appropriation of $67½ million for conservation operations, which is an increase of $2,285,000 over the 1957 budget estimates, and $4,557,255 over the 1956 appropriations; $17½ million for watershed protection, which is $1½ million over the 1957 budget estimates, and $5,505,935 over the 1956 appropriations; $12 million for flood prevention, which is $1,300,000 over the 1957 budget estimates, and $2 million over the 1956

appropriations. We have resisted every effort to curtail the soil conservation programs, and to assure adequate technical assistants we have increased the amounts requested for the Soil Conservation Service. We recommend a total of $97,232,000 for Soil Conservation Service, which is an increase of $5,085,000 over the Department's budget request, and $12,295,190 over the 1956 appropriations. We sincerely believe that this figure should be approved, thereby placing our farmers in a position in this country to be able to continue to conserve soil and water resources.

SCHOOL-LUNCH PROGRAM

Our greatest asset is our schoolchildren and we all realize the importance of good school meals for both the health of the children and effective teaching programs. Over 10 million schoolchildren received their school lunches each day and this represents over one-third of all of our schoolchildren. The request made for the school-lunch program totaled $83,236,000, and, after hearing numerous witnesses, including a great number of the Members of Congress, we believe that the total appropriation for our school-lunch program should call for the sum of $100 million. This is an increase of $16,764,000 over the 1957 budget estimates, and $16,764,788 over the 1956 appropriations. We request approval of this item.

RURAL ELECTRIFICATION ADMINISTRATION

If the Hoover Commission report were adopted, and especially recommendation No. 36 of the report, REA would be destroyed. Recommendation No. 36 provides that the Rural Electrification Administration be recognized on a self-supporting basis, and that it secure its financing from private sources. When Ancher Nelsen, the Administrator of the Rural Electrification Administration, appeared before our committee I inquired as to whether or not he believed the Hoover Commission report on REA should be adopted, and I am glad to inform you that the Administrator disapproved of the suggestions made in the Hoover report concerning the destruction of the REA. When Secretary Benson appeared before our committee the same questions were asked, and he, in turn, stated that he was against the adoption of recommendation No. 36. Today 91 percent of our farmers have electric service. Our Rural Electrification Administration is one of the greatest achievements of our present-day Government, and this fact is recognized by every member of our committee. We recommend a total of $194,800,000 for loan authorizations for REA, with $145,300,000 for electrification and $49,500,000 for rural telephones.

FARMERS' HOME ADMINISTRATION

Farmers' Home Administration renders great service to a group of people who are unable to obtain the necessary financial assistance when in need. We recommend a total loan authorization for our Farmers' Home Administration of $164,500,000. Approval of this amount will assure the little farmer financial assistance for the future.

AGRICULTURAL RESEARCH SERVICE

We recommend an appropriation of $49,972,000 for research with this amount being $10,816,845 more than the 1956 appropriation. We further recommend $22,594,000 for plant and animal and pest control, which is $2,413,300 more than the 1956 appropriation. We recommend a total appropriation for Agricultural Research Service of $131,069,708 for fiscal year 1957, with this amount being $29,416,145 more than the 1956 appropriation.

EXTENSION SERVICE

Extension Service has been of great benefit to the American farmer and especially so in the State of Kentucky. Funds appropriated for our Extension Service are used to supplement funds appropriated by State, county, and local governments for the employment of county agents, home demonstration agents, 4–H Club agents, and State specialists who, in turn, bring into force the additional programs of the Department of Agriculture. The county agents in my district, and in my State, are well qualified, dedicated people, and have performed a great service. We are losing county agents in my section of Kentucky due to the fact that the salaries received are wholly inadequate to take care of present-day living costs. The county agent with the necessary education and experience to carry out his duties is certainly entitled to receive a better salary than he receives under the present salary scale as provided for in my State of Kentucky. I pointed this fact out to the Secretary of Agriculture when he appeared before our committee, and we were assured that although the Department of Agriculture was not responsible, under the law, for setting the salary scale for county agents, discussions would be held with the proper officials of our land-grant colleges concerning this matter. Our county agents must be well qualified from the standpoint of education and experience, and are entitled, in turn, to a salary commensurate with the duties that they perform. We recommend a total of $53,265,000 for Extension Service, with this being an increase of $5,145,000 over the 1956 appropriations.

GOVERNMENT-OWNED LANDS PRODUCING SURPLUS COMMODITIES

We are informed today that we have in cultivation some 350 million acres of land, and that this is 50 million acres too much for our present needs. During our hearings I requested the General Counsel for the Department of Agriculture to file as a part of his testimony a report showing the total number of acres of Government land which was today producing agricultural commodities. This report may be found on page 1260 of our hearings, and shows that the Federal Government owns 405 million acres of land in this country, which is 21.3 percent of the total land area. This report further shows that the Federal Government, through its different departments, in the year 1954 had under lease 245 million acres of land, which was being used for grazing, and that the Department of Defense had under lease 1,400,000 acres of Federal land under contract for farming purposes. It is almost impossible to ascertain what portion, if any, of the 245 million acres of grazing land is used for the purpose of producing commodities which are now in surplus. Land under lease from the Federal Government which was condemned or purchased for public work sites and for use by the different departments of Government which are under lease part time to original owners when the land may be used for cultivation of agricultural commodities is good practice, but, in my opinion, all land leased today by the Federal Government which is producing agricultural commodities now in surplus which does not fall in this category should be immediately withdrawn. If we have too much land in production certainly the Federal Government should not be in the business of producing agricultural commodities which are now in surplus.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

We recommend an appropriation of $217,500,000 for Agricultural Conservation Program Service for fiscal 1957. This is an increase of $3 million over the 1956 appropriations.

AGRICULTURAL MARKETING SERVICE

Our committee recommends an appropriation of $127,100,000 for Agricultural Marketing Service, with this being $18,537,648 more than the 1956 appropriations, and $16,083,000 more than the 1956 budget estimates. We all agree that the marketing activities of agriculture must be encouraged.

COMMODITY CREDIT CORPORATION

Our total investment in loans and inventories for basic commodities as of March 31, 1956, amount to $7,841,180,000. The total investment in loans and inventories for corn amounts to $1,910,615,000; cotton $2,275,499,000; peanuts $27,010,000; rice $229,309,000; tobacco $547,292,000, and wheat $2,820,422,000. We recommend an administrative expense authorization for the Commodity Credit Corporation of $31,000,000, together with an appropriation of $929,287,178 for restoration of capital impairment.

Mr. Chairman, as you well know, tobacco is one of our important agricultural commodities. This bill contains sufficient funds for proper administration of the tobacco program.

We all realize that agriculture must prosper if the Nation is to prosper, and our American farmer has the right to demand a standard of living in keeping with the contribution he makes to the national economy.

Our committee recommend this bill to the Members of the House.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished friend from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, when the time came to add a Democrat to our subcommittee at the beginning of this Congress, it was our good fortune to have Mr. NATCHER assigned to our group. He has been diligent in attending to his work, has rendered splendid service, and I think will be of inestimable value to our subcommittee in the years to come.

Mr. NATCHER. I thank my friend from Minnesota, and desire to say at this time that I consider my friend, Mr. H. CARL ANDERSEN, as one of the able Members of this House, and a true friend of the farmer.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield further?

Mr. NATCHER. I yield to my distinguished friend from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, I shall yield 3 additional minutes to the gentleman from Kentucky.

Mr. NATCHER. I thank my friend.

Mr. H. CARL ANDERSEN. The gentleman has well stated that this problem of surpluses should be considered as a blessing rather than a curse. I think anybody who has had the good fortune or misfortune, whichever we may wish to term it, to go to the Near East, especially in the close vicinity of the Israeli border, and has been able to check into the manner in which about 350,000 human beings are living, in camps which are really indescribable, to say nothing of the additional 550,000 refugees who are being taken care of further inland, in Lebanon, Syria, and Jordan—when he sees all of those people with scarcely enough to keep body and soul together he will be set to thinking that we in America should consider ourselves blessed to have this superabundance of food. I think the gentleman would agree with me that conditions would be really bad in this country if the time ever comes when there is not sufficient food to feed our own people here in America.

Mr. NATCHER. I thank my friend for that fine statement and certainly agree with him.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield.

Mr. EVINS. I commend my friend from Kentucky on his very excellent statement on this bill.

I notice that the sum $145,300,000, which is $14,700,000 less than last year, was allocated for the rural electrification program, and that the amount for the rural telephone service is $25,500,000 less than last year. I am sure the gentleman has inquired fully from representatives of these two services as to the adequacy of the funds and whether or not these representatives could use additional funds. Will the gentleman explain the reductions?

Mr. NATCHER. I will say to my distinguished friend from Tennessee that at the time these two items were presented to our subcommittee they were carefully considered and a great deal of time spent with the Administrator of the Rural Electrification Administration and all witnesses who appeared before our committee to ascertain whether or not the amounts under discussion were ample for the fiscal year 1957. I, like my friend from Tennessee, am very much interested in the Rural Electrification Administration, and state that the amounts set forth in the bill are ample for 1957.

Mr. BASS of Tennessee. You were assured that these funds are adequate?

Mr. EVINS. You were assured that those funds were adequate?

Mr. NATCHER. The amounts in this bill are ample.

Mr. EVINS. I thank the gentleman for his explanation.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished friend, the majority leader [Mr. McCORMACK].

Mr. McCORMACK. I want to congratulate the chairman of the subcommittee and all the members of the subcommittee of both parties for the action taken on the school lunch program. I understand there are $100 million in the bill for that purpose for the next fiscal year.

Mr. NATCHER. That is correct.

Mr. McCORMACK. That is $16,764,000 more than the budget estimate; is that correct?

Mr. NATCHER. That is correct.

Mr. McCORMACK. That makes not only me, but many other Members happy because this is one of the finest and one of the most meritorious programs that I know of. It is a highly constructive program. I want further to add that whenever I have appeared before the subcommittee, and I have done so on a number of occasions in connection with the school-lunch program, the members of the subcommittee have always been most gracious and most generous. I want to express my deep thanks to the chairman and all the members of the subcommittee not only for the hard work they have done on the entire bill, but particularly for the action taken on the school-lunch program.

Mr. NATCHER. I thank my friend, the majority leader. I will say quite frankly that, since I have been a Member of the Congress, our distinguished majority leader has always shown his interest in our school-lunch program and to agriculture generally. He, too, believes, Mr. Chairman, that our schoolchildren are our greatest asset.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished friend, the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. I think I would be remiss at this point if I did not call attention to the fact that, in addition to the school-lunch funds which we have appropriated in this bill, there are also available to the Secretary funds for the surplus commodities. Last year, he turned back to the neighborhood of $114 million which were unused, and this sum could be tapped and is available, or at least a good-sized portion of this sum is available for next year so that he can supplement the school-lunch program out of these funds for surplus commodities.

Mr. NATCHER. I thank my friend.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to my distinguished chairman.

Mr. WHITTEN. I wish to express my appreciation to the majority leader for his kind reference to me as chairman of the committee. I would like to say that the gentleman from Massachusetts [Mr. McCORMACK] not only has evidenced his interest in the school-lunch program through the years, but there has never been a greater friend of American agriculture in the Congress. The gentleman from Massachusetts [Mr. McCORMACK] has always given us of his time and of his efforts in behalf of agriculture, and I wish to express my appreciation to him at this time.

Mr. NATCHER. I certainly join with my chairman in that statement.

Mr. McCORMACK. Thank you very much for your kind remarks; may I say to my friend from Mississippi, they are unexpected but deeply appreciated. I might say, like my friends, the gentleman from Mississippi and the gentleman from Kentucky, as well as other Members on both sides of the aisle, no matter what section of the country we come from, we view these great problems which confront our country from the angle of the best interest of the country as a whole.

Mr. NATCHER. I thank my friend.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. Mr. Chairman, I want to thank the ranking member of the committee on my side of the aisle for giving me this time. I am not a member of the committee but I did desire time to make one or two basic points.

I believe this committee in future years could render a great service to this Congress if they began thinking about the fundamental ways in which we are going to work out this agricultural problem ultimately. I have been a Member of this House for the sixth year. Each year that we come here, whether it has been my side of the aisle that has been in control, or the other side, we have merely tried to meet the agricultural problem through stop-gap measures. In other words, we have tried to legislate on something that occurred probably within the last 12 months. I think it is time for this committee to go to the problem of determining where we are going in agriculture and how we are going to meet the long-term problem in agriculture.

You say to me, "What have you got to suggest?" I have thought a lot about this, because I am as vitally affected as any member of this committee. It seems to me there are two things that have to be done. Preliminary to that, we want to be sure that agricultural income is not going to drop; that that is at least going to be retained.

One is to expand the sales which agriculture can make. Within this country we are somewhat limited. That is one reason why I, together with several others authorized Public Law 580, because I saw a chance to expand our markets abroad where we could get rid of this surplus.

That is one way of going at it.

In the second place, it seems to me we would have to have some reduction in supply itself. We cannot keep on producing surpluses beyond what we can use, especially within the basic crops that are supported; where we are paying, in effect, parity or a subsidy for the production of those particular products. That is the reason that you saw me on

this floor at least six times asking that the soil-bank plan be passed and implemented this year. It provided a method for reducing acreage without reducing the farmers' income.

I do not see how you are going to basically get at the farm problem except in those two ways. First, you have to sell more. Second, you have to reduce the supply without reducing the farmers' income. Within those two suggestions I do not know what this committee could offer.

I am not going to be critical of it, because this committee has blazed the trail along two paths to help the situation. In the first place, you have said to the Department of Agriculture, "You must tell us what your needed reserve is. You have said to the Department of Agriculture: "You must tell us what our critical supply is; what we must have on hand if we reach an emergency which is declared as the result of aggression or some world action which we and our allies might have to face." Then we will know what our surplus is over and above the critical supply that we have to have available 365 days in the year. That is one thing you have done.

In the second place, you have put pressure upon the Department in the last 2 years to sell these surpluses upon the world market at the going price. You have said to the Secretary of Agriculture, "You cannot keep these surpluses in this country and sell them above the world price and make it impossible for us to make a sale." I want to compliment the committee because of those 2 things you have done in the last 2 years.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. WHITTEN. For the sake of emphasis let me point out 2 or 3 things that I am sure the gentleman is aware of, points he made also, and to say that in all the years we have been bringing these bills here the gentleman from Illinois has been most helpful to us in the discussions, taking our side on some of these matters where there was some controversy about it. But I want to point out that while our committee is greatly interested in these various programs and supports them, we have nothing to do wtih directing them. We handle appropriations for 1 fiscal year at a time. Other than having investigations and releasing the information, other than giving directives to similar information in the Department on actions which we took last year we cannot direct. We get information, of course, as to increased production, but when for instance we develop the facts on what happens to the spread in prices between the farmer and the consumer our hands are tied, for we cannot write new legislation.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WHITTEN. Mr. Chairman, I yield the gentleman 4 additional minutes.

Mr. Chairman, I wanted to say that we do devote a great deal of our attention to pointing out the long-range things that are essential.

Mr. SPRINGER. I understand the gentleman and I am willing to admit that a great deal of what he has said is true. In the last 2 years several things you have done had an impact upon our markets and surpluses.

I have talked with officials in the Department a great deal. If there is one critcism that comes to my mind it is that they do not do enough long-range thinking or develop fundamental approaches. Without that how are you going to meet the agriculture problem? I come back again to the proposition that we are doing too much year-to-year thinking and providing stop-gap legislation, trying to do things that may be beneficial for the moment, going about things from year to year, whereas it should be on a 5- or a 10-year basis.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. VURSELL. I believe the gentleman will agree with me that the officials of the Department of Agriculture have done a tremendous amount of thinking about moving these surpluses not only into the foreign markets but into the domestic markets as well. I undertake to say that in my judgment holding to what they consider a sound policy that they have done a remarkable job, and I have figures here to show that only in the last 9 months they have moved out of the Commodity Credit Corporation considerably over a billion dollars worth of food products.

In addition to that we have representatives abroad doing research as to how to get rid of these commodities, because this committee has insisted that all of the attachés of the Department of Agriculture be put under the State Department. They are making their reports directly to the State Department. They are giving them the world situation and they are looking as good salesmen at the same time for opportunities to increase the sales of our products abroad. The result has been that within the past 2 years exports have gone up 16 percent and we are now beginning to regain our export market. In my judgment it presents a rosy picture as to getting rid of surpluses by increasing exports and in other ways that are being thought out by our committee and are receiving the kind cooperation of Secretary Benson and Mr. Butz and some of the ablest men in Government.

Mr. SPRINGER. I thank the gentleman for the statement he has made, but I still come back to the proposition that the people down in the Department are not giving enough thought to the long-range fundamental problems of agriculture. I do think that is one of our greatest needs.

The gentleman from Illinois, Mr. VURSELL, pointed out a minute ago the increased production of pork. There are great increases also in cattle and poultry. The same is true in the other basic commodities. In the next 5 or 10 years we are going to see additional substantial increases basically in production.

These are the basic problems we have to think about in agriculture, and that is all long-term thought.

Mr. WHITTEN. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. ALBERT].

Mr. ALBERT. Mr. Chairman, I take this time to make a brief statement and to propound an inqury of the gentleman from Mississippi [Mr. WHITTEN], chairman of the subcommittee.

The Committee on Agriculture has received reports from several States indicating that the spotted alfalfa aphid has spread over wide areas and has caused damage to alfalfa crops in several Western and Southwestern States ranging up to as much as 75 percent of the total crops. Losses have already been estimated in terms of tens of millions of dollars. The pest is spreading rapidly and will probably be found in all alfalfa producing States within a year or so. Control of the pest is very expensive.

A special subcommittee of the Committee on Agriculture has conducted hearings on this matter. We were told by Dr. B. T. Shaw, administrator, Agricultural Research Service, that the Department knows of no way of either eliminating this aphid or preventing its spread. Dr. Shaw expressed the opinion that the Federal Government's participation in this problem should be limited to research looking toward the control of the pest and the breeding of resistant alfalfa strains. He advised that the budget contemplates $28,000 for control, and $45,000 for the development of resistant types. Dr. Shaw was of the opinion that this amount was ample, particularly in view of the fact that these items could be increased if need be by his authority to transfer use of funds within his operations.

Apparently some of the directors of State experiment stations feel that it would be unwise to transfer any funds from other operations. They feel that all items in the budget are needed for the purposes for which they were budgeted. Dr. Louis E. Hawkins, who is director of the Oklahoma Experiment Station and chairman of the legislative committee of all of the 53 State and Territorial Agricultural Experiment Stations, has expressed to me the opinion that more funds should probably be earmarked for the spotted aphid program.

In this connection I would like to ask the gentleman from Mississippi, chairman of the subcommittee, whether he feels that the Department will have ample authority and will have ample funds in this bill to meet the aphid problem?

Mr. WHITTEN. I may say to the gentleman from Oklahoma that this bill carries a total of $49,972,000 for agricultural research services. The report points out what these projects are and we also point out that they have ample authority to transfer funds should the occasion arise and, having as many projects as they have, they can finish some projects each year. May I point out that in the budget of the Department itself they have $78,000 listed for research work having to do with the aphid problem. So within the funds in the bill, within the authority they have to transfer and with the knowledge that they complete some projects each year, certainly this is one of the projects they have plenty of authority and money to meet.

Mr. ALBERT. I thank the gentleman.

Mr. HIESTAND. Mr. Chairman, during the past 2 years the farmers of the Antelope Valley of California, which I have the honor to represent, have been hit with one of the worst blights in the history of hay farming.

Alfalfa, the major crop, has been attacked, and crop after crop has been practically wiped out by a rapidly spreading spotted aphid. Insecticides, very expensive insecticides, have been applied with only fair success, but at almost ruinous cost to the farmers.

I brought this tragedy to the attention of the Secretary of Agriculture last year, and immediately added funds were assigned for research for insecticides and research and development for substitute aphid-resistant varieties of hay.

Lahontan proved the best resistant variety, but seed takes time and several crops to raise in quantity.

I appealed for some sort of subsidy arrangement so the farmers could get their insecticides either free or at a reduced cost to save them from ruin. Unfortunately there was nothing in the law to permit it.

I, therefore, am very happy to hear from the chairman that at least part of the $10 million increase for research and development can be applied to this spotted aphid problem, so important to the alfalfa farmers of California and the 21st District.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I requested this time to confirm my understanding of the situation in regard to the gypsy moth control. As the subcommittee well knows, that has been a very serious situation in New England, and particularly in Massachusetts, spreading, as I understand it, into parts of southeastern New York, northern New Jersey, and eastern Pennsylvania. As a result of a meeting between officials of the Department of Agriculture and of all interested States, including representatives of State agricultural and conservation departments, held there on March 5, my impression is, it was generally recognized that if the infestation is not controlled, it could cause very extensive damage to timber and recreational facilities and to fruit, shade, and ornamental trees everywhere east of the Mississippi River.

My understanding is that the bill as reported by the committee for fiscal 1957 represents an increase of $1,750,000, or a total of $2,295,000. I further understand that within a year or so a technique has been developed of using a spray, I think composed of DDT and oil, which completely eliminates the insect where the area is sprayed and that an excellent cooperative program has been established between the Department, the States, and the local governments, and also private individuals and organizations.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I am glad to yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman is correct. Furthermore, I want to say to the gentleman that I have appreciated the great interest which he has shown in trying to do something constructive toward preventing this very destructive pest from going all the way westward to the Rocky Mountains. And, that is just what will happen unless we get this thing under control. Further, I want to assure the gentleman that I am positive, from the attitude of the Department of Agriculture, that if this particular sum of money is not sufficient, they will come in early next spring with a request for a supplemental to not only hold the gypsy moth in check but to push it back and ultimately eradicate it.

Mr. HESELTON. I want to express my appreciation of the work that the subcommittee has done as well as of the fine individual efforts of the gentleman from Minnesota. I know the subcommittee does understand the threat and is anxious to cooperate wherever that can be done effectively. I would appreciate it if the chairman of the subcommittee would be willing to comment on the matter.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the chairman of the subcommittee. While the Northeast has the most heavily infested area, I understand the District of Columbia, all of Kentucky and West Virginia, most of Tennessee, and large parts of North Carolina, South Carolina, Georgia, Alabama, Mississippi, Missouri, Arkansas, Oklahoma, and Texas now have clear areas but which are highly susceptible. I know the gentleman from Mississippi [Mr. WHITTEN] has been deeply concerned and has demonstrated his determination that this threat must be controlled.

Mr. WHITTEN. I think the gentleman has fully covered it, and the gentleman is right concerning the amount of money placed in the bill. The committee recognized the importance of this problem when it placed the funds here. A technique has been developed, and they are highly hopeful that they can do it on a large scale. Up to this time they have not done so. But, I think the facts are as the gentleman has explained them.

Mr. HESELTON. It is my understanding from the subcommittee hearings that the method of spraying can only be conducted during the period April 15 to about June 15.

Mr. WHITTEN. That was the testimony of the Department; in other words, during the period that the larva is coming out, and we have to get at it in the inception.

Mr. HESELTON. And the committee had that definitely in mind in making his recommendation?

Mr. WHITTEN. Yes.

Mr. HESELTON. I thank the gentleman. I am certain as to the subcommittee attitude. I am confident that Congress, the Department, State, and local officials and interested individuals and groups recognize the seriousness of this infestation and will continue to cooperate fully to eradicate it as soon as possible.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from Pennsylvania. I understand that a part of eastern Pennsylvania, as well as southeastern New York, including most of Long Island and northern New Jersey, are in an extremely dangerous and exposed position with reference to the spread of this pest.

Mr. FLOOD. I want to say to the gentleman and to the committee that in my district, in Luzerne County, in the mountains of Pennsylvania, we had serious trouble for many years with this infestation of the gypsy moth. For a number of years this committee and the Department were striving to halt this plague in that area, and it has been terminated and the situation cured. And, that is why I want to express my concern and the concern of the committee, since the gentleman's district is not too far from mine—right over the hill, so to speak—and we are alarmed again with this potential danger in the New Jersey area.

Mr. HESELTON. It is my understanding that if it is not controlled, past experience has shown that frequently a million-acre tract will be made worthless in a very short period of time. I believe the latest official estimate is that between 35 and 40 million acres are infested and I understand that from 8 to 9 million acres of this total developed during the increase of infestation in the last 2 years.

Mr. FLOOD. It is deadly in destruction. There is no question about that. It will devastate your trees.

Mr. HESELTON. I appreciate the gentleman's comments. They are encouraging as to what can be done but they are also a warning from experience of what might happen in any area susceptible to this pest.

At this point, under permission granted to me in the House, I include a letter to me from Mr. E. D. Burgess, Chief of the Plant Pest Control Branch of the United States Department of Agriculture, dated today, together with the enclosures to which Mr. Burgess refers.

UNITED STATES
DEPARTMENT OF AGRICULTURE,
AGRICULTURAL RESEARCH SERVICE,
PLANT PEST CONTROL BRANCH,
Washington, D. C., May 14, 1956.

Hon. JOHN W. HESELTON,
House of Representatives.

DEAR CONGRESSMAN HESELTON: This will serve to confirm the information Dr. Clarkson furnished you by telephone on Friday and our conversation of this morning in regard to the appropriation outlook for gypsy-moth control.

The gypsy moth is an introduced pest which generally infests extensive areas of New England and New York. It is a destructive defoliator of forest, shade, and fruit trees and ornamentals. During periods of severe outbreaks it is not uncommon for a million acres or more to be completely defoliated. Its further spread during the past 2 years to the South and West is a matter of grave concern to both forest and recreational interests, nurserymen, and conservationists.

The number of inquiries reaching the Department, both from Congress and various sources in the States resulted in the Agricultural Research Service inviting State commissioners of agriculture to a meeting in Washington, D. C., on March 5 for the purpose of getting a more complete picture of what State officials, both within and outside the infested area, were thinking in regard to the future of this work. There is attached

a résumé of the conclusions reached. (See attached résumé.)

Your question as to the Department's recommendation for additional funds to expand spray operations during the remainder of the fiscal year 1956 and for fiscal year 1957 is shown in the following table:

Funds available for fiscal year 1956	$545,000
Amount of supplemental recommended for fiscal year 1956	[1] 500,000
Additional funds recommended for 1957	2,500,000
Total recommended for 1957	3,045,000

[1] Witnesses from outside the Department recommended that $1,500,000 be provided to expand work during the current season.

The amount reported in the House bill for fiscal year 1957 represents an increase of $1,750,000 for a total of $2,295,000.

There are attached two tables showing by States the Federal and non-Federal expenditures for gypsy-moth control for the period 1948 to 1956, inclusive.

If there is additional information that we can furnish please let us know.

Very truly yours,

E. D. BURGESS,
Chief of Branch.

RÉSUMÉ OF A MEETING HELD TO CONSIDER THE GYPSY-MOTH PROBLEM, ROOM 218–A, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C., MARCH 5, 1956

The meeting opened with 15 States represented. The chairman outlined the purpose, stressing the countrywide interest that has developed in the gypsy moth problem as indicated by the number of inquiries reaching the Department. There was need to consider with the States a source of action for the future, so as to derive the utmost in results from State and Federal expenditures. Such a meeting is in accordance with the policy on Federal-State relations in pest prevention and control activities jointly developed by representatives of the Department and the executive committee of the National Association of Commissioners, Secretaries, and Directors of Agriculture.

A colored movie of the gypsy moth reviewed the life habits of the pest, the extent and type of damage that it has caused in New England, and the effectiveness of current control procedures. Some 8 or 10 colored slides were shown emphasizing particular phases of the program.

A prepared statement on survey procedures described the unprecedented spread of the pest since 1953, and the improvements that have been made in trapping methods in recent years.

Representatives from States having had long experience with the gypsy moth were invited to present their views on the subject. Representatives from States as yet free from infestation were called upon to express their views.

The enclosed situation statement was then offered for consideration by the group.

The discussion that followed led to general concurrence in the following:

1. The gypsy moth is capable of causing extensive damage to timber and recreational values throughout the area from the Mississippi Valley east.

2. There is little to be gained and much to be lost by merely extending the present Federal-State resources to cover the enlarged area.

3. The demonstrated efficiency of control procedures now in use and the damage that would accrue to additional States as they become infested justifies a much more vigorous program than is now in operation.

4. A carefully planned and executed education and public relations program must precede expanded spraying operations.

5. Because of the many factors that must be taken into account in planning and executing a program of this kind it was considered inadvisable to estimate a completion date.

6. It was agreed that the quarantine has been highly successful in preventing long-distance spread of the pest. To prevent local spread, however, regulations must be backed up with spraying operations aimed at putting out the small fires that may come to light along the periphery of the generally infested area.

7. Survey procedures have been refined to a point that the presence or absence of the gypsy moth in a given area may be determined with a high degree of effectiveness and at relatively low cost.

Experience in carrying out large-scale control operations in Massachusetts were reviewed in some detail. This included a discussion of the spray program on Cape Cod 4 years ago and work of a similar character that has been done elsewhere in the State since then.

Considering the cost of year-to-year control in States such as Massachusetts, Connecticut, and eastern New York and the losses accruing in spite of such control effort, it was considered both feasible and economically sound to take the necessary steps to prevent further spread. There was complete agreement on effectiveness of procedures now available.

The 3 alternatives outlined on page 4 of the situation statement were discussed at length. Alternative No. 1 was considered inadequate. A program aimed at preventing or retarding the spread of an insect such as the gypsy moth cannot remain static. Either ground is gained or lost. To confine infestation to the area the gypsy moth now occupies without the help of a natural barrier of some kind has proved to be expensive and not entirely adequate.

The States bordering the generally infested area and those in line of spread were generally in agreement that an all-out eradication program should be undertaken immediately. While in earlier years, materials and equipment offered less encouragement to undertake eradication of a widespread pest, the point was made that modern methods provide much better opportuiity for eradication than have existed heretofore.

Much attention was devoted to the need for educational work and public relations in advance of an expanded spray program, particularly in suburban areas and under circumstances where pastures for livestock, home gardens, and lakes and streams stocked with fish may be involved.

States within the generally infested area questioned whether the participating agencies should be committed to an all-out eradication program at this point. After reviewing experiences in Massachusetts, both with respect to the effectiveness of the spraying that was done on Cape Cod, and the favorable attitude of the public toward such a program once benefits are fully recognized, representatives of States that do not have infestation as yet but are in the path of recent spread were unanimous in their support of an aggressive spray program directed toward eventual eradication of the pest.

The concluding remarks of a number of conferees emphasized the need for complete Federal-State cooperation in an undertaking of this kind—and a positive goal to shoot at. The goal identified as being the most realistic was to undertake immediately the elimination of known infestations in Michigan, New Jersey, and Pennsylvania, and to spray a protective border in New York State, this year's work to be followed in 1957 and succeeding years with a further expansion of the program, looking to the eventual eradication of the pest. Representatives from Massachusetts, Pennsylvania, Michigan, and New Jersey each cited evidence of what can be done in the way of accomplishing permanent relief from the past. The approach generally favored would permit year to year evaluation of the program as progress is made, first in reducing the area of extension of the moth, and finally in working toward complete eradication.

MARCH 25, 1956.

U. S. DEPARTMENT OF AGRICULTURE, AGRICULTURAL RESEARCH SERVICE

Gypsy-moth control

FEDERAL OBLIGATIONS

	1948	1949	1950	1951	1952	1953	1954	1955	Estimated, 1956
Connecticut	$71,900	$79,900	$70,226	$64,374	$76,426	$78,170	$88,570	$63,700	$61,300
Maine	23,300	23,600	22,851	21,500	17,984	41,460	21,827	21,500	18,700
Maryland [1]								8,000	5,900
Massachusetts	68,800	85,000	104,447	87,380	92,521	81,692	57,240	48,200	42,400
Michigan							3,020	15,200	13,600
New Hampshire	23,400	24,400	17,380	15,305	13,060	25,986	19,244	19,700	20,700
New Jersey	700	600	768	347	345	1,883	1,621	1,500	700
New York	126,300	140,300	145,013	171,731	187,994	128,567	182,292	258,000	234,700
Oklahoma [1]					14,446	23,572	10,970		
Pennsylvania	174,166	146,200	108,423	93,731	49,707	30,112	20,068	25,700	33,100
Rhode Island	9,114	9,400	8,500	7,278	5,712	6,495	6,925	4,600	3,200
Vermont	77,600	80,700	70,094	72,321	85,727	92,958	62,666	57,600	66,300
District of Columbia	28,584	27,158	21,845	23,854	41,026	26,799	27,980	32,900	44,600
Total	603,864	617,258	569,547	557,821	584,948	537,694	502,423	556,600	545,200

NON-FEDERAL OBLIGATIONS

Connecticut	$36,420	$48,721	$54,800	$57,240	$94,877	$57,960	$42,000	$255,000	$290,000
Maine	20,000	29,300	29,500	47,000	33,500	62,400	60,650	41,600	43,100
Massachusetts	862,053	910,543	814,270	1,246,315	588,175	849,628	812,070	1,279,500	870,500
Michigan								73,440	57,000
New Hampshire	36,496	42,337	34,295	88,718	91,052	89,700	84,092	184,000	126,350
New Jersey	13,175	13,781	15,410	14,435	12,845	23,680	23,680	23,680	20,455
New York	200,000	224,000	218,000	312,972	354,854	359,930	364,107	196,550	290,775
Pennsylvania	170,000	199,788	121,598	124,140	116,943	65,000	117,000	119,000	120,000
Rhode Island	9,000	6,000	5,000	95,800	106,763	120,483	113,075	104,210	110,960
Vermont	2,848	3,326	3,000	6,239	12,955	15,550	12,510	25,500	24,910
Total	1,349,992	1,477,796	1,295,873	1,992,859	1,411,964	1,644,331	1,629,184	2,302,481	1,954,050

[1] Equipment center.

The map which the subcommittee received and accepted for its files in its hearings—page 1644—provides an excellent visual picture of the status of the gypsy moth infestation as of September 1, 1955, as well as an indication of the disastrous potential spread in the hardwood forests throughout the area ranging easterly from northeastern South Dakota from a line running south to central Texas.

Much very valuable additional evidence is contained in the subcommittee hearings, particularly from page 1641 to page 1659, inclusive.

In view of the constructive action recommended by the subcommittee and approved by the full committee, I think it might be helpful to the many able Federal, State, county, and local officials, as well as to private groups and individuals, who are seriously concerned with the threat this moth presents, to mention several additional points from that testimony, as follows:

First. The gypsy moth is a serious pest of forest, fruit and shade trees, and ornamentals. The caterpillars, or larvae, feed on foliage and often strip large areas of woodland. Defoliation retards tree growth and weakens the trees. Repeated defoliations may kill the trees. While the gypsy moth normally prefers hardwood trees, pine and other valuable trees are frequently attacked. Gypsy moths cause damage not only to trees on farms and forest but also to trees in recreational and residential areas.

Second. Normally the natural spread of the gypsy moth is relatively slow. The female cannot fly, but newly hatched larvae are often carried considerable distances by strong winds. Usually long-distance spread occurs as a result of egg masses being carried on articles in commerce such as timber and quarry products. Christmas trees, nursery stock, and the like. The recent hurricanes along the Atlantic seaboard have also been a contributing factor in the recent spread of the pest.

Third. Until recently, a cooperative Federal-State regulatory and control program had been successful in confining gypsy moth infestation to the New England area and a narrow strip in eastern New York. During the outbreak of 1953 and 1954 which was the most intense and widespread of any yet experienced in this country, the current program proved inadequate to hold infestation in check. Recent surveys have confirmed a light but scattered infestation over large areas to the south and west of the area heretofore described as generally infested. This development leaves no natural barrier which could be utilized in a future holding program. Natural spread to the west and south is likely to continue at an accelerated rate. The threat to the extensive hardwood forests of the eastern and central parts of the United States is great.

Fourth. Quarantine enforcement: A Federal quarantine has been effectively enforced for many years to prevent interstate spread from the infested area. Partially infested States have parallel State quarantines to protect their uninfested portions. These quarantines regulate movement of products that may carry infestation and provide for treatment of infested materials so that they may move safely in commerce. Control work carried on in areas from which such products are shipped is an effective aid to quarantine enforcement.

Fifth. Adequacy of available procedures: In 1946 DDT in oil applied by aircraft as a mist spray was used for the first time with spectacular results. Since then control procedures have been further perfected and the per acre cost substantially reduced. DDT is applied when the insects are in the larval stage which permits a control season of about 60 days' duration. One properly applied treatment at the rate of 1 pound of DDT and at the overall cost of $1 per acre will achieve eradication.

Sixth. Outlook: The gypsy moth now infests an estimated 35 to 40 million acres. The infestation is mostly in New England, however, it now extends to some 8¾ million acres in southeastern New York and limited areas in 2 counties in Pennsylvania, and 2 in New Jersey where infestation was discovered following the widespread and destructive outbreak of 1953 and 1954. It is now generally accepted by forest conservationists and entomologists alike that there are no further natural barriers to fall back on as an aid in preventing spread to the west and south. Should the gypsy moth reach the southern Appalachians and the Ozarks, it may find conditions, both climate and forest type, more to its liking than it has in New England. It is estimated that the gypsy moth now infests about 2 percent of the area of the United States.

Seventh. State cooperation: On March 5, 1956, representatives of State departments of agriculture, plant boards, and conservation departments met with representatives of the Department to consider a future course of action. The size and scope of the problem was discussed and there was complete agreement on the following points:

Eighth. Method of financing: During the period 1948 through 1955 Federal support for all phases of this program approximated $565,000 annually. The amount contributed by cooperating States, cities, towns and individuals during this same period increased from $1,350,000 in 1948 to a maximum of about $2,302,000 in fiscal year 1955. It is expected that in the aggregate the States will share in the overall cost of the expanded program on about a 50–50 basis. The extent of responsibility resting with individual States will be worked out in joint conferences, giving apropriate recognition to values at stake in relation to the size of the area needing treatment, and the immediate benefits to be realized in the way of protection to woodlands, parks, and recreational areas.

Ninth. Proposed plan: This budget amendment is proposed to continue the expanded program and to cooperate with the States where infestation occurs in carrying out control measures where necessary to prevent widespread damage to timber and recreational areas in the fiscal year 1957. It would provide for spraying approximately 2½ million additional acres. Contracts would be let to apply DDT spray by either aircraft or mist blowers. Multimotored aircraft will normally treat 1,200 to 2,000 acres per hour of actual flying time. Contractors with necessary experience and equipment are available to do the job.

It is estimated that funds at this same level will be required for a period of 8 to 10 years to insure the initial treatment of all known infested areas, including scattered infestations in new areas totaling 8¾ million acres. The program being undertaken contemplates the eventual eradication of the gypsy moth.

Tenth. A recent letter requested by Hon. JAMIE L. WHITTEN, chairman of the subcommittee, from Hon. Ervin L. Peterson, Assistant Secretary of the United States Department of Agriculture:

DEPARTMENT OF AGRICULTURE,
Washington 25, D. C., February 28, 1956.

Hon. JAMIE L. WHITTEN,
House of Representatives.

DEAR CONGRESSMAN WHITTEN: This is in response to your request for a statement regarding the gypsy-moth program.

The larval form of the gypsy moth is a destructive defoliator of forest, shade, and fruit trees and of ornamentals. A pest introduced from abroad many years ago, it has been confined until recently to the New England States, a narrow strip of eastern New York, and sporadic infestations in New Jersey, Ohio, Pennsylvania, Canada, and Michigan. The Federal program of quarantine and suppression has been designed primarily to assist the States in eradicating outlying infestations, and preventing long-distance spread of the pest through quarantine action. Federal expenditures for these purposes have approximated $545,000 per year.

During the past two seasons, trapping and inspection surveys disclosed a very serious spread of this pest in southeastern New York with extensions into northern New Jersey and eastern Pennsylvania. Winter egg surveys in these States, which are now substantially completed, have confirmed the earlier indications of scattered infestations in new areas totaling 8¾ million acres.

The Department has not recommended an increase in the appropriation for this work. Gypsy-moth control is a joint responsibility. For the work to be successful a substantial proportion of the planning and financing of additional work must be done by State and local agencies and interested organizations in areas where infestation exists.

You will recall that during the hearings we reviewed with the committee a statement of policy and procedures recently worked out by the Department and the States covering Federal-State relations in pest prevention and control activities. In furtherance of the procedures outlined in that statement, the Department is evaluating the gypsy-moth problem in collaboration with the States. The Agricultural Research Service has invited the heads of State departments of agriculture, plant boards, and conservation departments to a meeting to be held in Washington next Monday, March 5. All information available to the Department will be presented at that meeting for comparison and consideration with information presented by the States. The conclusions reached will help the Department in formulating and guiding its future program. We feel sure the meeting will also assist the States in formulating their programs.

We are attaching a map showing the areas of new infestation as indicated by last summer's trapping and tables showing Federal and non-Federal expenditures during the period 1948–56.

Sincerely yours,

E. L. PETERSON,
Assistant Secretary.

While emphasis has been placed upon an expanded spray program in the northeastern part of the country, a most significant statement as to the potential danger in other parts of the country was the following by Dr. W. L. Popham, Director, Crops Regulatory Programs of the Agricultural Research Service in the United States Department of Agriculture:

We think the valuations would be much greater. Of course, such a program would have the added advantage of protecting very extensive areas of hardwoods in the southern Appalachians and Central States and into the Ozarks. Some of the scientists, entomologists, and foresters who made a rather exhaustive study of this problem a few years ago at the request of the Council of State Governments concluded that there may be areas in the central part of the country and in the Ozarks more to the liking of the insect than New England, where it happened to be introduced. In other words, historically it has been more damaging in the open types of timber to be found in the southern Appalachians—or more particularly across southern Illinois, Missouri, and the Ozark region.

This should be considered in the light of a brief statement filed by the Department at the request of the chairman of the subcommittee:

LOSSES CAUSED BY GYPSY MOTH

Defoliation by the gypsy moth causes economic damage by retarding the growth of trees, or creating other conditions that impair land values, and may ultimately kill the trees. The amount of defoliation varies from year to year. White pines and other conifers usually die after a single stripping of the foliage.

Estimates based on a 20-year study of some 200 representative observation points in eastern New England put the standing timber value of hardwood trees killed in those areas at $16 million. Further estimates for the remainder of the infested area during that period placed the loss at $10 million. This was prior to the extension of the area of infestation to an additional 9 million acres in southeastern New York. No evaluation was placed on the accompanying mortality of young white pine trees, which has continued since the studies were made and is hard to estimate because the trees are usually killed before they obtain sufficient growth to have any more than potential value.

A significant effect of defoliation is the loss in increment of tree growth. Apparently the loss of growth in trees varies proportionately with the amount of defoliation—a tree defoliated 75 percent generally will put on only 25 percent or less of its annual normal growth. Estimates place the monetary loss of growth of trees from defoliation and consequent loss of lumber in the infested area at an average of $1.5 million yearly.

The death of trees in woodland creates several problems. One is the opening of the forest stand, which affects the remaining growth so that the subsequently developing trees may be unsuitable or of inferior quality for timber. It also affects the good forest cover that helps to regulate streamflow and minimize floods. The loss or damage to trees in recreation areas has proved a major consideration on Cape Cod and elsewhere in New England. Severe outbreaks have brought a reduction in land values. Heavy infestations of the caterpillars can make a home or vacation property extremely unpleasant, and, of course, increase the hazard of spread of the pest by the traveling public.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 3 minutes to the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, I have asked for this time to ask a question or two of the distinguished gentleman from Mississippi, mostly as a matter of clarification.

I notice the overall funds for the Soil Conservation Service have been increased to the extent of $5 million. That is set out on page 5 of the committee report. Then over on page 9, as I read the report, $2,285,000 of that $5 million has been allocated for the soil-bank program. Is that correct?

Mr. WHITTEN. No, that is not correct. The soil-bank program has not yet become law, as the gentleman knows.

Mr. AVERY. That is right.

Mr. WHITTEN. But in view of the large size of the soil bank or the large size of the program, if the Federal Government is to get real results from expenditures under the conservation part of it and under the other part of it, they must apply the best technical knowledge that they have. Now, we have the soil conservation district organization, which is short of employees and is hard taxed to carry on the present program. In addition to the short supply of technicians in the conservation districts now, we are going have four new ones, and recognizing that those technicians will be the best sort of information to handle the other program, we have increased these funds available to the soil-conservation program under existing law. But the fact that this other program is in sight did enter into our recognition of the need to strengthen this service.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. AVERY. I yield to the distinguished gentleman from Minnesota.

Mr. H. CARL ANDERSEN. The gentleman from Kansas has discussed this question with me. He is very much interested in seeing that the Soil Conservation Service is supplied with ample technical help to do the job it has. Earlier today, the gentleman from Mississippi [Mr. WHITTEN] and I had a conference on the floor and agreed that it was not intended that this language on page 9 be interpreted as offsetting the language which the committee has in the report on page 5. It was the committee's intention to aid not only the new soil-conservation districts which have been formed but also to give additional necessary technical assistance to the districts now in operation.

Mr. AVERY. I should like to ask the gentleman this further question. I notice on page 5 of the report there is the language "to an increasing number of soil-conservation districts." That language would not preclude the use of this money for technical assistance to existing soil-conservation districts?

Mr. H. CARL ANDERSEN. Certainly not. It is the intent of the subcommittee that this additional money be used to increase technical assistance in the Soil Conservation Service wherever they need it throughout the United States of America.

Mr. AVERY. If I may ask one further question of the gentleman from Minnesota. We all know that in some areas there is a very critical need for increased technical assistance and in other areas of the country the need is not so great. Is there ample authority in the basic law for this increased amount of money to the districts to be used in areas where it is most needed or does it have to follow some established formula?

Mr. H. CARL ANDERSEN. I am sure that my subcommittee would agree with me in this statement, that the Soil Conservation Service has all the authority it needs administratively to do just what the gentleman wants to see done; that is to see that technical assistance be given where it is needed and can do the most good.

Mr. AVERY. I thank the gentleman.

Mr. WHITTEN. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk proceeded to read the bill.

Mr. H. CARL ANDERSEN. Mr. Chairman, may I ask the subcommittee chairman, in view of the fact that there are no amendments of which we are cognizant, if he will not ask that the bill be considered as read and open for amendment at any point.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MACK of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I notice in this bill there is a $10 million item of appropriation for animal disease laboratory facilities. According to the report this is for an $18 million research facility, animal disease laboratory, to be located at Beltsville, Md. It occurred to me that it might be much more appropriate to locate such a facility, which is going to study animal diseases, in an area where the animals are produced and where they are available.

I am vehemently opposed to the construction of a laboratory near the densely populated area of Washington, D. C. I see no necessity for it. I think this type of facility should be located in the Midwest, where the markets, the packinghouses, and the livestock facilities are located.

I believe that some investigation should be made of this proposal to see if it would not be more appropriate to locate it in the center of the livestock-producing area. They have other research facilities that I know of; 1 in Alabama, 1 in Denver, Colo., and 1 in Illinois. They have many land-grant colleges throughout the country with facilities which could be used in conjunction with the research laboratory.

Mr. MARSHALL. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield to the gentleman.

Mr. MARSHALL. I might say to the gentleman that I am sure the committee shares some of his concern over this item. There is no question that something needs to be done from the Federal standpoint to establish a laboratory because of the fact that the health of

the people working at these laboratories in Denver, Auburn, and in Washington has been impaired because of conditions at the facility. The committee is not at all satisfied that the laboratory as such should be in this thickly settled area, for a number of reasons. We are urging that the Department review that particular matter and come up with the best answer. The committee has not said that they shall not build it in Beltsville because we feel the committee should rely on the best advice of the people working on this. However, there is a great deal of concern on the part of the members of the committee about the placing of this laboratory at Beltsville, in a thickly settled area, away from the heavy animal population, and in a place where there is some danger to the public health of the citziens in this area.

Mr. MACK of Illinois. I thank the gentleman. There seemed to be considerable question in my mind as to why they would locate such a facility in this densely populated area.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield to the gentleman from Mississippi.

Mr. WHITTEN. The research that was done earlier was done in one of the departmental buildings here. Every objection that they had to using one of the departmental buildings could be applied to moving the project out to Beltsville. It was, therefore, our feeling as a committee that further study should be made of this location. We also feel that great economies could be brought about if it were put someplace else. After all, out at Beltsville we have all kinds of healthy animals and other research projects which would be endangered, in addition to human life. There is also the fact that you would be bringing 25 highly contagious diseases close to the District of Columbia.

Mr. MACK of Illinois. I thank the gentleman for his statement.

Mr. Chairman, I heartily favor the construction of such a research facility as I feel that this type of research is urgently needed. I do sincerely hope that the Department of Agriculture will reconsider the proposed site as it would be ill advised to locate this facility in the Beltsville area. This is a permanent institution with an estimated cost of $18,915,000, and, therefore, it should be appropriately located.

The committee report has questioned the advisability of locating a facility of this type in an area where it could become a threat to the health of millions of people in the event of an attack by hostile forces. Nearly half of the animal diseases to be studied are transmissible to man. In the event of a hostile attack we would be endangering the inhabitants of the entire area. This, I believe, should be considered when the Department of Agriculture makes its determination as to where this facility should be located.

In the hearings, a representative of the Department of Agriculture stated that reinforced concrete was to be used in the construction of these facilities to protect them from bomb attacks. This appears to be entirely inadequate and the only real solution to this problem would be to relocate this facility at some point removed from the highly populated area. Mr. Chairman, I am not going to offer an amendment to remove this appropriation, as I feel it is justified, but I sincerely hope that the Department of Agriculture will take appropriate action to locate this facility somewhere in the Midwest.

This also offers us a real opportunity to carry out the intent of decentralization of our Government. We have continued to build up the Washington area. Instead of locating facilities which could more logically be located in other sections of the country, it appears to me that this institution could serve its purpose much better if it were completely removed from the Washington area.

Mr. CRAMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take these few minutes for the purpose of directing a couple of questions to the chairman, and also to thank the committee for its consideration of probably one of the most important, or two of the most important agricultural problems in Florida today. One has to do with the Mediterranean fruitfly infestation which was recently found to exist in both Broward and the Miami-Dade County area and the other with regard to the activity of the Department of Agriculture concerning the spreading decline, a citrus disease which has meant much in the way of the destruction of many acres of citrus crops in the State of Florida. I want to thank the committee for the serious consideration which I know it gave to both of these all-important problems. But, I want to direct these questions to the committee in order to make certain that I fully understand the program for the future. It is my understanding that there was requested of the committee $856,000 for the purpose of additional customs inspections, and I see on page 7 of the report where the committee has actually provided a new item of appropriation of $500,000 which is less than that requested for the purpose of working out a program for the use of this additional money to be transferred to the Bureau of Customs to develop a program which will prevent passengers from embarking in foreign ports on carriers destined for the United States with dangerous articles and materials and for domestic inspections. I would like to ask this question, Mr. Chairman: Was it the opinion of the committee, and did it have testimony before it, as to whether this amount rather than the amount requested would be adequate to provide 100 percent inspection by customs in the future, it being my understanding that since 1953 there have only been spot checks and it being understood that this is one of the possible reasons and one of the possible sources of this fruitfly infestation in this area.

Mr. WHITTEN. May I say to the gentleman that the language in our report on page 7 probably expresses it much better than I can here on the floor. But, primarily the point we make is this: We went through the customs announcements and things of that sort. We have been trying to have a thorough check on everybody who lands in the United States. We did have that at one time, but then we got into this spot-checking business. Spot checks do not work. Neither is it sound to let all these things be taken aboard in foreign countries, particularly on planes and ships and then try to catch them after they get into our own country. But if you try to meet the problem by giving customs all the money it, in turn, says it will have to have in order to do this work for the Department of Agriculture, it turns out that that becomes completely out of line with what is sound. After going over this with all the witnesses, we think, and I think I reflect the views of all of us on the committee, that this amount would be enough to substantially meet the requirements of this inspection service, depending on the time element, if proper notice is given to the embarking passengers in foreign countries prior to taking off for the United States. In other words, there was evidence that if the passengers had notice before they took this contraband aboard, we would not have one-tenth the problem over here that we do. So this is now trying to reconcile what we really need for the time being, but at the same time we are telling them to review the whole thing and stop these things before leaving the foreign shores.

Mr. CRAMER. I appreciate the chairman's explanation and the fact that the committee has shown great awareness of this problem. But, is it true that $500,000 that has been provided will be adequate to give 100 percent inspection at customs in the areas in the State of Florida where it has been shown there is a definite need?

Mr. WHITTEN. We feel that if they will get busy on this, you can have 100 percent inspection prior to working the matter out. It is our opinion that the figures submitted by customs, which is a transfer, or at least they were in my own opinion, were considerably higher than actually should be the case.

Mr. CRAMER. You feel that these funds are adequate to carry out the inspection?

Mr. WHITTEN. I do.

Mr. CRAMER. I want to thank the chairman and to say that as of last Friday, as a matter of fact, 100 percent inspection has been put into effect in the State of Florida. I have only one additional question which I want to ask the chairman with reference to the $1,500,000 contingency fund for the control of the outbreak of insect plant disease on page 3 of the bill. As you know, that has been a very serious problem in Florida with regard to spreading decline. Is it the opinion of the committee with regard to that as well as this Mediterranean fruitfly problem that that contingency fund is adequate?

Mr. WHITTEN. Of course, I may say to my friend that when we agreed on this figure and on that sum, we recognized the problem that needed to be met, otherwise, we would not have gone along with it. In our judgment, we think it is sufficient to meet the problem of the Mediterranean fruitfly threat which has developed in recent weeks. The gentleman, perhaps, is aware that it came to

our attention after we had virtually gotten ready to mark up the bill. But we did reopen the hearings to hear testimony and I call the attention of the gentleman to the fact that it is an emergency fund. We told them it was adequate to initiate the program and we are looking forward to their taking it up in detail in the other body.

Mr. CRAMER. Then it is my understanding that you do contemplate sometime during the remainder of this session that a supplemental request will be made or, in the alternative, a request made in the Senate to take care of this, which is recognized as an emergency problem in Florida.

Mr. WHITTEN. I recognize that will probably happen. I would not want to commit myself other than as I have here. This would initiate a program, pending the working out of the problem.

Mr. CRAMER. I want to thank the chairman of the committee for the recognition which the committee has given to these two important problems in Florida and in the future, when the supplemental request is brought in, I trust it will be given the same careful consideration.

Mr. Chairman, I would take the opportunity at this time to compliment the Department of Agriculture on its effective and prompt action in regard to the two threats that have faced the Florida citrus industry this year.

Spreading decline—burrowing nematode—is an imported disease that is seriously threatening the great groves of our State and, since its appearance in the past 2 years, considerable research and many control methods have been effected. In conjunction with the State of Florida the Department has worked diligently to search out infected areas and to control the spread of this disease.

One hundred and fifty thousand dollars was appropriated from contingency funds in fiscal 1956 to make surveys of the infection which at the present time disclose, as of the 14th of May, that 878 acres of grove have been treated, 260 acres are ready for treatment and some 2,017 are being prepared for treatment. Total infection is known to have spread to 7,000 acres of our groves. Department of Agriculture requests for fiscal 1957 now total nearly $500,000 for further mapping and other steps planned to control spread of the disease and to prepare for elimination of certain areas and treatment of others. The State has fully participated in this program and has appropriated $1,800,000 for the biennium ending July 1957.

The Department has acted with sincerity and dispatch in moving to our assistance in this problem. We have been assured of their continued support as needed.

The Mediterranean fruitfly has recently been discovered in an area reaching from Pompano Beach to Kendall on the east coast of Florida. Those people familiar with the destruction caused by this infestation many years ago know how costly and dangerous it can be. Millions of boxes of fruit and millions of dollars revenue loss was suffered by the State by the previous infestation.

The fly was first identified by scientists in the Department of Agriculture on May 19 this year. Immediate action was taken on the two phases of protection needed to prevent spread of the infection and further infestation. Inspectors were immediately transferred to the State with 3,500 traps to determine areas of infestation. Ten thousand traps will soon be ready throughout the State and additional inspectors have been transferred to the area. With the interest of the White House being expressed, additional funds in the amount of $500,000 have been asked by the Department and approved today in the contingency funds to commence this work in the State. Additional supplemental appropriations requests will be made to meet the full need for fiscal 1957.

In the second phase of defense against further spread of this dangerous infestation the Department has set up $500,000 for 100 percent inspection by the Customs Bureau which has already gone into effect. Hearings were held May 9 on inspection quarantine methods for fruit shipment and will be effective this week on publication.

I think that the cooperation and action of the Department of Agriculture and customs is worthy of high commendation and I take this opportunity in the discussion of their appropriation requests in 1957 to make these remarks and point out the sincere efforts in the past of this administration to serve in the field of agriculture in a manner that is beneficial and of high importance. Their response to the need of a particular situation in a specified instance in the State of Florida is demonstrative of the attitude of the Department and its officials at all times.

The Committee on Appropriations has certainly to be complimented on its full realization of the needs of Florida in this instance in approving administration requests.

The CHAIRMAN. The time of the gentleman from Florida [Mr. CRAMER] has expired.

The pro forma amendments were withdrawn.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, the best ambassador of good will America has is former President Harry S. Truman. There is no person in the United States, in or out of public life, except possibly the President, who could visit other countries and attract and grip the imagination and interest of their people and in a manner favorable to our own country. For the world knows it was under the leadership of Harry S. Truman that communism was stopped in its efforts to dominate all of Europe, Asia, and Africa, and to bring all countries and peoples under the domination of the Kremlin.

In the national interest of the United States it is most unfortunate that the present administration feels so bitter toward former President Truman that it did not recognize the great psychological value that his trip abroad offered to us, and did not ask former President Truman, in his present trip abroad, to take some kind of an official status so that the full benefits of his visit and reception could be utilized in our own best interests.

Former President and Mrs. Truman are going to visit a number of countries abroad on their present trip. The people of the countries they will visit, most, if not all, free from Communist domination because of the leadership of Harry S. Truman, will I am sure, show them their affection by giving the President and Mrs. Truman a wholesome and rousing reception.

While former President and Mrs. Truman are abroad on their first tour of Europe since the former President dropped his official duties as President, and while he is traveling in no official capacity, the peoples of the countries they will visit will remember his sterling leadership which brought hope and confidence to them and which brought to Harry S. Truman the title of "Courageous Harry."

Despite the fact the visit abroad is as individual citizens, former President Truman will keep uppermost in his mind the doing and saying of those things that will be for the best interest of our country and the free world.

With or without any official status, Harry S. Truman is the best ambassador of good will the United States has today. It is small leadership and petty minds that fail to recognize this fact.

In their trip abroad countless millions of Americans wish former President and Mrs. Truman a most happy and pleasant journey.

Mr. WINSTEAD. Mr. Chairman, I wish to take this opportunity to pay tribute to my colleague and the very able chairman of the Subcommittee on Appropriations for Agriculture, Mr. WHITTEN, and the entire committee, for a job well done in bringing out this appropriation bill.

I feel that this entire bill is a good one, and I am especially pleased that the committee has seen fit to recommend increases for such vital programs as the lunchroom program, which has meant so much to so many people in every section of the country. With increasing attendance and a larger number of schools participating, funds have become wholly inadequate; to the Soil Conservation Service for additional technical assistance; the Agricultural Research Service; and the Extension Service. I am also pleased with their insistence upon competitive sales, together with many other provisions which will be helpful to our agriculture, at this time when farm income is lagging far behind other segments of our population.

Since it is admitted by all that the farmers of our country are in such serious trouble, I feel that this program will have the full support of every Member of the House.

Mr. DONOHUE. Mr. Chairman, I desire to join in complimenting the distinguished chairman and the very able

members of his energetic committee who have labored so long and studiously to present this Department of Agriculture appropriation bill for fiscal 1957. This measure before us is obviously the result of the most studied effort on the part of the committee, after extensive hearings and the appearance of multitudinous witnesses, that could be exerted to provide for the full operation of the Department of Agriculture in the greatest public interest, while at the same time eliminating or reducing those items of expenditure which experience has demonstrated are of little or no value to the general welfare.

Among the great many important items provided for in this bill, there are two that have been of particular personal interest to me over the past several years. The committee has recognized the great importance of these items and very wisely insured their greater application and expansion.

The first one is the so-called schoollunch program for which I have earnestly advocated a substantial increase because I felt it was eminently justified. There is, I believe, no better investment this country can make than attempting to improve the health of our schoolchildren, the citizens of tomorrow. As we all realize, the number of students in our grade and high schools all over the country has been steadily increasing and is destined to continue so increasing for an undetermined number of years ahead. It is, then, practical as well as patriotic wisdom to reasonably guarantee that these guardians of tomorrow's national security receive during their school years the essential foundation of health that can come only from an adequate food intake during their most energetic days. The committee has seen fit to increase this item by over $16.5 million and directed the Agriculture Department to take other steps also that would appear to adequately cover the situation for the present at least, and the committee deserves the highest praise for this wise action.

In recognition of another serious problem, the control and eradication of the gypsy moth threat, the committee has provided a total of $2,295,200. It has long been authoritatively judged and warned that if the insidious infestation of this type of moth is not controlled, it would cause even greater damage than it already has to timber, recreational facilities, fruit crops, and ornamental trees. I understand that the increase in this year's bill of nearly $2 million is to encourage the use of a new technique in application of a most effective spray composition which promises to completely eliminate this dangerous insect and that an excellent cooperative program has been established between the Agriculture Department, and the various States and local governments and also private individuals and organizations. Certainly, such a program is in the general interest by promoting conservation of our physical resources and the committee has again demonstrated their patriotic wisdom in taking cognizance of the situation.

Of course, there are a great many other important provisions of this measure affecting the general welfare, such as soil conservation, agricultural marketing research and service, meat inspection to protect the general health, and so forth, all of which have been thoroughly explained by the floor managers of this bill and I do not intend to intrude unnecessarily upon the time of this House by repetitious recital. I very earnestly feel that the overall content of the measure has been conscientiously designed to economically promote our agricultural concerns in the greatest national interest, and I hope that the bill will be passed promptly and unanimously.

Mr. HALEY. Mr. Chairman, I rise to pay tribute to the great wisdom of the committee in including in the agriculture appropriations bill for 1957 emergency funds to combat the menace of another disastrous outbreak of an unwelcome visitor to our shores, the Mediterranian fruitfly.

This destructive insect, which threatens particularly a citrus industry vital not only to the great State of Florida which I am privileged to represent, but will affect the economy of other States as well, first reappeared in the southern tip of Florida only a few short weeks ago.

Memories of a disastrous earlier invasion of the fruitfly still lingers in Florida, and the first warning of its reappearance was answered promptly and unanimously by the Florida delegation in this House and in the other body. After conferring with leaders of the citrus industry, with officials of the Florida Plant Board, we met with officials of the Agriculture Department to outline a recommended plan for control of the fruitfly.

Time was of the essence, for the fruitfly is such nature that immediate and urgent steps must be taken not just to wipe it out where ever it exists, but to isolate it promptly when it is found, thus preventing its spread.

I am happy to say that our efforts were not unrewarded. Officials of the Agriculture Department, recognizing as we did that the fruitfly knows no politics and has no partisanship in its destructive operations, leaped into the breach to begin the fight against this deadly menace.

And similarly, the subcommittee on this bill, under the leadership of the able gentleman from Mississippi [Mr. WHITTEN], has recognized the need for action now to implement the plans of the Department to control the fruitfly.

The committee has recommended, and I urge this House to concur, that $500,000 be added to the Department's contingency fund for emergency insect outbreaks, that another $500,000 be appropriated for transfer to the Bureau of Customs for 100 percent inspection of baggage coming into Florida, and that $110,300 be added for increased inspection at ports of entry.

For many years, members of the Florida delegation in Congress have recognized that the present system of spot inspection of baggage is not adequate to prevent the recurrence of the Mediterranean fruitfly, and guard against other unwelcome visitors. We do not believe the fruitfly would be with us now had there been 100 percent inspection.

But this is no time for looking backward to what might have been. We say that the subcommittee has been wise in its handling of the problem, and we are assured that the funds sought are sufficient not only for the immediate emergency work needed, but to initiate a total inspection program to avert further emergencies.

I also would like to commend the committee's action in providing adequate funds for assisting the State of Florida in its all-out fight against spreading decline of citrus, caused by a burrowing nematode which, in its long-range effects, appears to be capable of wreaking as much disaster as the fruitfly.

This, too, is a vital matter, and I am happy to be able to state here that it is not a responsibility which the State of Florida has sought to shove off on the shoulders of the Federal Government. The record will show that the State government is bearing two-thirds of the cost of the research and control programs needed.

Mr. ROGERS of Florida. Mr. Chairman, I want to express gratification for the prompt action which the Congress has taken to meet an emergency situation in Florida which can have dire consequences for the entire Nation and particularly the southern one-third of the United States. I speak of the discovery of the Mediterranean fruitfly in Florida which was located in Miami but has now been found as far north as west Palm Beach, which is in my own congressional district. As soon as the first word of the discovery of the Mediterranean fruitfly in Florida was heard, the State of Florida went into action, as well as the Florida congressional delegation, which called upon the Department of Agriculture to lend all possible aid. I want to commend not only the State of Florida, but the Department of Agriculture as well, for the very fine cooperation that has been extended and is continuing to meet this problem.

Senator HOLLAND, who is a member of the Appropriations and Agriculture Committees of the Senate, joined by Senator SMATHERS, presented the problem to the necessary committees of the Senate and had the experts from Florida and the Department of Agriculture to explain the extent of the problem. Our own House Agriculture Subcommittee of the Appropriations Committee, headed by its very able chairman, Hon. JAMIE L. WHITTEN, when contacted by the Florida House Members, was most sympathetic to our problem. The gentleman from Mississippi [Mr. WHITTEN] took the unusual step of opening up his committee's hearings, which had already been concluded, to allow testimony to be presented to the committee so that the emergency situation could be dealt with effectively. I think this is one of the finest examples of showing how rapidly Congress can and does step forward to meet those situations which are in the national welfare. I want to commend the Appropriations Committee for expressing its concern about the discovery of the Mediterranean fruitfly in south Florida. The committee stated in its report:

The committee is concerned about the recent discovery of the Mediterranean fruitfly

in southern Florida. It feels that every necessary action must be taken immediately to control and eliminate this threat to the citrus industry of the country.

In the appropriation bill reported from the committee, and acted upon by the House, increases are given for $500,000 for the contingency fund for emergency outbreaks of insects; $500,000 to be transferred to the Bureau of Customs for increased baggage checks to prevent importation of dangerous insects; and $110,300 for increased inspection at ports of entry.

As I stated at the beginning, the Mediterranean fruitfly has now been found in West Palm Beach, which is some 70 miles north of the first located infestation in Florida. This means that the problem is larger than first anticipated, and I feel that we will have to call upon the Congress for additional funds when the full extent of the infestation is known. Work is going ahead rapidly now to discover this information. I feel sure that the committee which has acted so promptly in initiating a program to combat the Mediterranean fruitfly, will give the same careful consideration to requests for supplemental appropriations so that this infestation may be completely controlled.

Mr. FASCELL. Mr. Chairman, complete devastation of our Nation's fruit and vegetable crops could become a reality if the Mediterranean fruitfly recently discovered in Florida is not completely eradicated immediately.

The fly is now infesting fruit and vegetable crops at numerous spots in both Dade and Broward Counties, Fla. It was first found April 18, in Miami Shores, Fla., near the Miami International Airport. Pest-control experts of the United States Department of Agriculture and others were immediately rushed to the area after it had been definitely ascertained that adult Mediterranean fruitflies were present.

I have high praise for those in the United States Department of Agriculture who went into action so quickly to identify this menace and to curb it. Check points were set up around the infested area, extensive surveying by trappings is continuing in order to determine the locale of the infestation. Steps for eradication have already begun. Undoubtedly, the Department's recognition of the dangers facing the entire United States and their prompt action will save the Nation's major crops and untold millions of dollars.

The Mediterranean fruitfly has defeated all but one attempt by man to eradicate it. It has won and stopped entirely fruit and vegetable growing in Spain, Italy, Algeria, South Africa, Egypt, Tasmania, France, Greece, Brazil, Madagascar, Hawaiian Islands, and in the Holy Land. Crops can only be grown there if each fruit or host is individually bagged.

Only in Florida has the pest been stopped. That was in 1929. The United States Department of Agriculture knew then, as it knows now, that the Mediterranean fly has a capability of spreading and wiping out the entire crop of fruit and vegetables grown in the United States. They know definitely that it could infest all of the west coast area, the entire tier of Southern States, and while there is no definite proof as to how far north the fly could live and exist, nobody wants to find out. This last infestation of 1929 was brought under control and completely eradicated, but it took 5,000 men, 18 months, and $7½ million, as well as the assistance of the National Guard. The pest was found in 20 Florida counties before eradication was completed.

The present infested area is in Dade County in an 18-square-mile area surrounding the Miami International Airport. The infestation has also been found in South Broward County, on Miami Beach, and the most recent at Kendall, Fla., which is 8 miles south of the International Airport and in the heart of the great fruit and vegetable district of Dade County. Indications are that new infestations will continue to be found as trapping activities are extended.

Reaction and response of the local people and governmental units have been prompt and willing. Growers and producers have voluntarily offered men and equipment. The county commissioners of Dade County made available immediately $25,000 for State plant officials and for the United States Department of Agriculture to meet immediate payrolls. The State cabinet is making $100,000 available immediately and will supply for the State's participation a million dollars, or whatever sum is necessary.

A State quarantine on Dade County was invoked, and a Federal quarantine followed.

Federal assistance and participation is needed and requested. Any quarantine and inspection, to be effective, must be under Federal control. This will require the assignment of many personnel during the entire emergency. In addition, in the national interest, the Federal Government has a vital part to play in the eradication and control programs.

The United States Department of Agriculture has prepared a budget request for funds to meet this emergency; and that the budget request is now being considered by the Bureau of the Budget.

I am sure that the entire committee appreciates and recognizes the seriousness of this problem. We can't emphasize too strongly that action must be prompt and that whatever money needs to be spent should be spent to completely eradicate this pest. It is very obvious that $1 spent now will save hundreds of dollars later.

In behalf of the entire Florida delegation, I wish to express my appreciation to the chairman, JAMIE WHITTEN, and the members of the Agriculture Subcommittee of the Committee on Appropriations who at my request extended to us the great courtesy of hearing this emergency matter and including it in the record and their report on the Agricultural Appropriation Act, although the regular public hearings of this subcommittee have been concluded for some time.

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 11177) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes, he reported the same back to the House with the recommendation that the bill do pass.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

MILITARY PROGRAM AND APPROPRIATIONS IN MUTUAL SECURITY BILL

Mr. SELDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. SELDEN. Mr. Speaker, the mutual security bill, now under consideration by the Committee on Foreign Affairs, of which I am a member, is a package affair that includes both military and nonmilitary programs. The military portion, consisting of tanks, guns, planes and other equipment, accounts for more than 60 percent of the funds requested in this bill, or approximately $3 billion.

The nonmilitary part of the bill is a collection of programs that go under a variety of names such as defense support, development assistance, and technical cooperation. This year the Administration is asking Congress to vote $1.9 billion for all of these, or slightly less than 40 percent of the new money requested.

The committee has been assured repeatedly that the military money in the mutual security program is not only for the defense of our allies but is for our own defense as well. Admiral Radford, Chairman of the Joint Chiefs of Staff, told our committee last year that "the military aid program is part and parcel

of the United States Defense Department program. The expenditures abroad in support of our alliances do not differ in purpose, scope, or objective from our own military expenditures. The fact that this part of our program is not included in the Defense Department budget is more a matter of procedure and administration than of substance."

This year Admiral Radford testified that the mutual security program "is an essential part of the defense of the United States and of the free world. In planning military programs of the United States the existence and scope of the military assistance program is fully considered. There is no duplication. They supplement each other. Both are essential to our own national defense."

Mr. Gordon Gray, Assistant Secretary for International Security Affairs, Department of Defense, made the point that "but for the military forces generated, stimulated, and assisted by our military assistance program, to attain the same measure of military security in the world our own forces would have to be larger."

Mr. Gray threw further light on the close relation between this program and our own defense program when he informed the committee that our allies "are getting more and more of the same equipment that we have actively in the hands of our own troops. Indeed, there are some items now in our programs which are being delivered simultaneously to Allied countries and to our own troops, where this is possible without impairing the combat effectiveness of our own troops."

I have attempted, as have other members of the Committee on Foreign Affairs, to ascertain the reasons for not including the military portions of the mutual security program in our defense appropriations since the expenditures of these funds are so vital to our own defense. The answers that have been given to date have not, in my opinion, been satisfactory.

We were told last year, and again this year, by witnesses from the executive branch that the separation of the two military programs was due to historical reasons. That is, of course, correct. But it does not explain the reasons for perpetuating the separation of these two programs that are now recognized as having a common objective—the defense of the United States.

Mr. Struve Hensel, Mr. Gray's predecessor, admitted last year that there was much to be said for putting the military money of the mutual security program in the Department of Defense budget. He added that he thought it could well be handled from the money angle in that budget. Mr. Gray testified this year that "the Defense Department could live under either structure" and noted that "nobody has initiated a change."

Some of us derived hope last year that a change would be made when Secretary Dulles testified. On the matter of moving the military part of the mutual security program into the Defense Department's appropriation he stated that—

> That aspect of the matter will be reviewed particularly in connection with the reorganization which is planned, at which time * * * a number of the activities of the FOA which relate to direct military aid will be transferred to the Defense Department. * * * I would think that the reorganization which is taking place would at least give rise to a reconsideration of that matter for the future.

The reorganization about which Secretary Dulles spoke has taken place. If the merger of the two military appropriations was considered, it must have been rejected because this year we are right back where we were last year.

In my own judgment, funds for the military program should be included in the budget of the Department of Defense. I have reason to believe there is substantial support for this point of view. Therefore, I shall ask the Committee on Foreign Affairs to include a section in its report on the mutual security bill strongly recommending that all military expenditures now included in the mutual security program be incorporated in the future in the budget of the Department of Defense.

Such an approach, if adopted by the administration, will distinguish clearly between military and nonmilitary aid and will give the Members of Congress an opportunity in the future to vote for or against a mutual security bill that contains purely nonmilitary items.

The legislative situation is such at this time in the present session that it is impossible to include the foreign aid military money in the defense appropriation. But as a step in that direction, and in an effort to overcome the bureaucratic inertia that seems to exist, I shall also ask the Committee on Foreign Affairs to consider the possibility of reporting this year 2 rather than 1 mutual security authorization bills—1 military and the other nonmilitary.

Whether this moderate proposal is acted upon favorably or rejected, it will serve notice on the administration that there is an increased interest in presenting foreign aid military money as part of our Defense Department appropriation.

If the executive branch offers a package foreign aid bill again next year, it should be prepared to justify it on grounds other than historical.

THE SOLUTION OF THE ENGINEERING PROBLEM

The SPEAKER. Under the previous order of the House, the gentleman from Pennsylvania [Mr. HOLLAND] is recognized for 60 minutes.

Mr. HOLLAND. Mr. Speaker, the Western World is in a new, grave kind of danger. The West has many times been threatened by military and political domination from the East. But never before has it faced the loss of its leadership in science and technology.

Today that leadership is in the greatest jeopardy.

In fact, it will certainly be lost unless we find new ways to meet the new and dangerous challenge coming from Russia.

Today's struggle is no mere military struggle limited to the fields of Europe or Asia Minor. This is a military, political, economic, and technological race between two giants of the entire world—the United States and Russia. The key to that race is supremacy in scientific and technological manpower.

As Dr. Joel Hildebrand, president of the American Chemical Society, said recently:

> We are pitted against forces who have more land, more resources, more people than we have. If we let them go ahead of us in education, the national disaster for us and our way of life is inevitable. Our hopes lie in an enlightened people from whom we can obtain the essential leadership necessary to build the kind of world in which we all want to live.

And Gen. David Sarnoff, chairman of the board of the Radio Corporation of America, put it this way:

> American security and industrial strength—two goals which are completely intermeshed—are today dependent upon our success in overcoming present shortages and assuring an expanded reservoir of scientists, trained engineers and technicians. This hardly needs to be proved, it is so self-evident. There is no substitute for brains and practical skills in a technical age like ours. Automation, it is true, is advancing with giant steps. But every step, if it is not to turn into a stumble, demands additional contingents of qualified personnel.
>
> It is extremely disturbing, therefore, to learn that Soviet Russia is already turning out engineers at a greater rate than we do. It comes as a shock to be told that if the present trends continue, the land of communism will, within a decade or sooner, outstrip the United States across the technological board. In the struggle between freedom and communism now under way, this is a situation that we cannot afford to view complacently.

We have not, of course, been viewing it complacently. Nearly every educator in the United States has spoken out about our falling behind the Soviet world in this most critical area of competition—the education and training of enough scientists, engineers and technicians.

We have had enough warnings. We have had enough speeches. But we have had little action.

Today I propose action. I propose a concrete Government program that will lick the problem.

I shall not review in detail the dismaying statistics that describe our predicament so graphically. The full picture can be found in the report by the Joint Committee on Atomic Energy entitled "Engineering and Scientific Manpower in the United States, Western Europe and Russia."

But so that there need be no doubt as to the seriousness of this shortage of scientists and engineers, I shall just sketch some of the most important facts.

According to the Engineering Manpower Commission, the United States needed 35,000 new graduate scientists and engineers in 1955 to keep up defense work and to maintain our standard of living. We actually got 23,000—less than two-thirds of those needed.

With the advent of automation and other scientific advances, our needs will increase steadily. But there is little hope

of filling the gap—unless the kind of bold, constructive action I propose today is taken.

While American output of engineers lags, the Soviet Union has been expanding its output by leaps and bounds. The Russians are now graduating 10 times as many engineers as they did 25 short years ago. And with single-minded fanaticism they are continuing to expand. In 1954, they turned out 53,000 engineers and scientists. In 1955, the number is estimated at 63,000—nearly 3 times as many as were graduated here in the United States.

And they are not inferior engineers, either. According to former Senator William Benton, publisher of the Encyclopedia Britannica, Russian university training is far more rigorous than ours.

I am sure you all know of the desperate need for engineers in American industry, much of which is intimately involved in our national defense effort, in the development of jet planes, guided missiles, and earth satellites on which our very existence depends. I am sure you all read recently in Life magazine the elaborate recruiting setups large corporations maintain. These firms send their agents to college campuses all over the country, and almost always the number of firms bidding for students outnumber the students available. As a company official said as he watched 400 firms compete for graduates of the Massachusetts Institute of Technology, if the graduates had been divided equally, each firm would have gotten seven-tenths of a man.

Other schools give similar reports:

At the University of Alabama, 475 firms bid for 1 class of undergraduates.

At the University of New Hampshire, 93 students were available for 500 jobs offered.

At the University of Delaware, 75 prospective graduates were mobbed by 500 firms seeking new employees.

One more anecdote, as reported in the Pittsburgh Press will suffice to show the cut throat competition which the engineer shortage has brought on:

"When a small engineering college permitted a 2-day recruiting period on its campus, agents from 175 firms showed up to compete for the school's 123 graduates. All graduates got jobs, and—get this—1 eager agent hired away from their firms 6 of the other agents."

Even if there were no Russia, this lack of engineers would be a serious bottleneck to the expansion of our economy. The Russian threat makes it crucial.

Why has America fallen into this situation? And what is to be done about it?

To get the best answers to these questions and the best guidance in drawing up my bill, I went to those responsible for the education of engineers—the deans of America's engineering schools.

I wrote to the dean of every accredited engineering school in the country. By means of a questionnaire, I asked for their explanation of the shortage and their suggestions for solving this problem that threatens America's national security and industrial strength.

I would like to read you each letter I received. Every one contains valuable information every Congressman should have. But it would take hours.

I will be glad to furnish copies of the deans' letters and questionnaires to every Congressman who is interested in knowing what deans in his district are thinking.

The deans were unanimous in their grave concern over the engineering shortage. And they agreed on two main reasons for our failure to produce enough engineers.

First, we are wasting our precious manpower in failing to enable many bright high school students to continue to college. According to Government reports, only 53 percent of students with an I. Q. of over 120 reach college. And only 40 percent of them are able to graduate.

It is safe to assume that the great proportion of these intelligent youngsters do not go to college because they cannot afford to; and of those who do go, not enough go into engineering.

Thus we need to offer this vast, untapped reservoir of talent new incentives; first, to get them to college, and second, to get them into engineering.

My survey of deans found that the second big roadblock toward getting enough engineers is our shortage of qualified teachers of engineering at the college level, and of qualified mathematics and science teachers at the high school level.

And because of the much higher salaries industry can offer, many of the best teachers are being lured into industry every year.

As Dean E. J. Taylor, of the College of Applied Science, at Ohio University, put it:

> Our best young men, who should be going into teaching or research, are accepting employment in industry due to the large wage differential. This is a grave situation, and anything that can be done to prevent the loss of trained teachers and also to encourage talented young men to enter the teaching profession, should be done.

Dean W. W. Haggerty, of the University of Delaware's Engineering School, says his faculty lost six members to industry last year because of higher salaries involved.

> To replace them and to take account of increased enrollment, we were forced to hire new faculty members. All of these came from other schools or were recent graduates. In other words, we merely acted as a training ground for industry for the six men who left us. Since we anticipate that our faculty will nearly double in size in the next decade, this problem will become increasingly acute.

Dean Ben T. Bogard, of the Louisiana Polytechnic Institute, quoted an Iowa engineer as saying:

> If something isn't done, industry will soon eat up its own seed corn.

Now what kind of incentives can we offer in order to get more engineering students and teachers?

In Russia, the police state compels its youth to enter careers the State deems best. It conscripts the minds of the young people as it conscripts their bodies. May God forbid that kind of regimentation ever holding sway in our country.

In America, our methods of increasing our supply of trained engineers must conform completely to our tradition of free choice, and the measure I submit today does so with meticulous care.

Many of the incentives we can offer are intangible. As General Sarnoff put it:

> We must rekindle in our youth that sense of adventure in pushing forward the horizons of science, research and invention. They must be helped to feel the thrill of delving into the mysteries of chemistry and physics, of electronics, atomics and aerodynamics. They must be made conscious of wonderful scientific worlds to be explored, mapped and opened up for the good of all mankind.

Better teaching, especially in high schools—an integral part of the problem—can bring that reawakening about.

We must also give the engineer increased status in our society, and we must stop treating teachers like nursemaids and counselors at summer camps, and again lift them to the position of dignity and prestige their responsibilities deserve.

But the main incentives must be economic. Boyhood dreams of scientific adventures are vain unless the dreamer can afford to go to college. Improved status for the teacher is useless in aiding him to support a family.

The bill I propose today looks toward these essential economic incentives to attract our best talent to engineering and to teaching.

Although the need is immediate, it was the deans' consensus that this acute scarcity could not be remedied by a crash program. Only a long-range program, they feel, will do the job. Thus, this bill is designed not as an immediate, miraculous cure-all, but a plan that will, within a few years' time, return America to its preeminence in science and technology.

The question arises, why a Government program? We have had other suggestions toward solution of the problem. General Sarnoff suggests a program initiated by private industry to give engineers a year's leave of absence at full pay in order to let them teach in high schools. Bills now in Congress suggest tax credits for those contributing to educational institutions and for parents who make tuition payments for their children.

These are all valuable ideas, but it is evident that they do not offer more than a small part of the solution. It is apparent that private individuals and industry have not, cannot, and should not be expected to solve this problem. It is a national problem. What cannot be solved independently of Government, must be solved by Government, acting for the welfare and security of all the people. In this case, only the Federal Government has the resources and prestige required for adequate and effective action.

In broad terms, what will this bill accomplish?

First, it will meet our estimated future deficit of 13,000 new engineers a year.

Thirty scholarships will be offered to outstanding residents in each congressional district in the continental United States and in the Territories. This part

of the program will become a reality in 4 years, the time it takes to turn out the first class of engineers.

Second, it will help meet our shortage of secondary-school teachers. It will offer outstanding engineering graduates the economic and professional incentives to devote a 3-year period to secondary-school teaching immediately after graduation.

The professional incentive would be the promise of a 3-year graduate fellowship leading to an advanced degree in engineering.

The economic incentive—to be applied both during the 3-year teaching period and the 3-year graduate fellowship—would be a Government grant sufficient to keep the grantee's income up to that of young engineers in industry.

The number of graduates who would enter this 6-year program is, of course, impossible to predict, but it is reasonable to assume that 60 percent, or nearly 8,000 qualified engineers will be available from each year's class to enter the 3-year secondary-school-teaching stint.

After the program attains its height, it will furnish approximately 24,000 high-school science and mathematics teachers the Nation would otherwise be without.

Third, the program will be of immediate benefit to engineering schools and engineering teachers. In order to help the engineering schools hold their faculties, engineering teachers at schools participating in the program will receive supplemental salary grants raising their incomes to the level paid industrial engineers with equal qualifications.

Teachers will then be able to afford to continue in their chosen profession, and engineering colleges will no longer have to worry about raids on their faculties.

These benefits will accrue to engineering schools and faculties as soon as the program starts.

Fourth, and perhaps most important in the long run, the program will eventually provide a steady, increased supply of engineers with advanced degrees for both industry and teaching. The salary supplements will apply to these teachers, as well.

I shall not take the time of the House to spell out all the details of this bill, but I would like to mention some other features.

This bill is, in effect, an amendment to the National Science Foundation Act of 1950, and administration of its program will be in the hands of the Foundation's Director, subject—as all the Foundation's activities are—to the decisions of the National Science Board.

But I should like to emphasize in that connection that a section of the bill specifically forbids any Federal direction, supervision, or control over the administration, personnel, or curriculum of any educational institution. This is not a bill to control the teaching of engineering in America. It is purely and simply an incentive bill, to encourage America's great engineering schools toward greater realization of their own goals, according to standards and policies which they themselves set out.

Let us take a student from his first examination to his graduate degree, and note how carefully all control over him or the schools he attends or at which he teaches is avoided.

The Foundation will hold exams in each congressional district early in each year, beginning in 1957, for entrance into college the following fall. Outstanding secondary school seniors in each district will take the exams, and the top 30 will be chosen. They will receive scholarships to the schools they choose, but only on the basis that the school accepts the scholarship plan and the applicants who apply.

Thus, there is no pressure on student or school. Schools are free to accept or reject applicants on the same basis they do now, insofar as this bill is concerned.

In addition to exemption from tuition fees, each student will receive a living allowance of $100 a month during the school year.

The school itself will receive not just the tuition fees for each student it accepts under this program, but the actual cost of training him. This provision should encourage schools to enlarge their facilities for training engineers. But they need not do so, if they choose not to.

If a student does satisfactory work, his scholarship will be continued until he receives his bachelor's degree.

Following his graduation, the student may apply for a graduate fellowship. Under this 6-year program, he is granted 3 years of schooling toward an advanced degree, provided he first spend 3 years teaching at a secondary school.

During the entire 6-year period, he will receive Government grants sufficient to maintain his income at a level equal to that afforded by private industry.

Again there is no compulsion about the school at which the graduate fellow must teach, or on any school to accept him.

But he need not apply for this graduate work. He is free to go into industry or out of engineering altogether. If he is held, it is purely by the incentives. I believe the incentives will hold him.

Again, he is free to go to any school that will accept him, without pressure on either party. All the student must do is keep up his grades, as he must do anyway. All the school must do is maintain its scholastic standing.

In a discussion of costs, it is essential to recognize that money appropriated for this bill will go to develop our most precious resources, manpower. It will be money spent to meet an imperative need. Nothing is too costly if it is essential.

For example, look at the billions we are spending on our military establishment, our foreign aid program, our farm program, and on other measures necessary to national welfare and security. In comparison, this program is a modest one.

The cost of the undergraduate phase of the program is estimated as follows:

$3,000 a year per student for 13,000 students, or about $40 million for each year's class. The teacher salary supplements are estimated at an additional $23 million. Thus, the cost of the undergraduate phase would be $63 million in the first year, rising to $183 million for the fourth and succeeding years.

Until it is known how many graduate students will enter the advanced fellowship program, that cost cannot be estimated, but it is not expected that it will exceed by much the cost of the undergraduate program.

It is my opinion that this program will pay for itself, not in money flowing back into the Treasury, but in increased know-how for the Nation. The fruit of that increased know-how will be, not only improved national defense and technological superiority, though on that basis alone the expenditure is not only advisable, but essential.

But this program will also help win the war against want, the cause of all wars. It will help bring about more scientific miracles that banish disease and make life easier and more enjoyable.

That has been the payoff of American technological skill, not only for America, but the whole world—a better life, control over disease, and progress toward abundance for all.

If we act promptly to clear this roadblock, that American payoff to the world can continue. If we fail to act, we are likely to lose the big race with Russia, and with it our chance to do anything for anyone, including ourselves.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. FRAZIER (at the request of Mr. PRIEST) for remainder of the week, on account of Committee on Un-American Activities hearings in Denver, Colo.

Mr. DAVIS of Tennessee, for Wednesday and balance of week, on account of official business.

Mr. UTT (at the request of Mr. MARTIN) for 1 week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. EVINS, for 40 minutes on Wednesday next.

Mr. PATMAN, for 20 minutes on Wednesday next, to revise and extend his remarks and include extraneous matter.

Mr. HESELTON, for 15 minutes on today and Tuesday.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the RECORD, or to revise and extend remarks was granted to:

Mr. SIMPSON of Pennsylvania (at the request of Mr. MARTIN).

Mr. JOHNSON of Wisconsin and to include extraneous matter.

Mr. MULTER and to include extraneous matter.

Mr. REED of New York and to include extraneous matter.

Mr. BOW in two instances and to include extraneous matter.

Mrs. ST. GEORGE and to include extraneous matter.

Mr. BETTS.

Mr. JENNINGS.

Mr. HESELTON, his remarks today on the Agriculture Department appropria-

tion bill and to include tabulations, correspondence, and minutes of a meeting.

Mr. VURSELL to revise and extend the remarks he made in the Committee of the Whole today and include a table.

Mr. VORYS and include a speech.

Mr. PELLY in two instances, in one to include a letter.

Mr. MCCORMACK (at the request of Mr. ALBERT) and include a compilation prepared by the Library of Congress.

Mr. DINGELL (at the request of Mr. ALBERT).

Mr. SMITH of Wisconsin.

Mr. JENSEN.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 3732. An act to provide insurance against flood damage, and for other purposes; to the Committee on Banking and Currency.

BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H. R. 8547. An act to revive and reenact the act entitled "An act authorizing the Ogdensburg Bridge Authority, its successors and assigns, to construct, maintain, and operate a bridge across the St. Lawrence River at or near the city of Ogdensburg, N. Y."

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 56 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 15, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1846. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill to improve the career opportunities of nurses and medical specialists of the Army, Navy, and Air Force"; to the Committee on Armed Services.

1847. A letter from the Attorney General, transmitting the third of the reports required by section 708 (e) of the Defense Production Act of 1950, as amended by Public Law 295, 84th Congress; to the Committee on Banking and Currency.

1848. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation entitled "A bill to amend section 104, title 4, United States Code"; to the Committee on Interior and Insular Affairs.

1849. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Sfc. Thomas F. Callahan"; to the Committee on the Judiciary.

1850. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill relating to the procedure for altering certain bridges over navigable waters"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of May 10, 1956, the following bills were reported May 11, 1956:

Mr. WHITTEN: Committee on Appropriations. H. R. 11177. A bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2148). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee of conference. H. R. 10004. A bill making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes (Rept. No. 2149). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted May 14, 1956*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LESINSKI: Committee on Post Office and Civil Service. H. R. 9085. A bill to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to members of the civilian faculties of the United States Naval Academy and the United States Naval Postgraduate School; without amendment (Rept. No. 2150). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. H. R. 7992. A bill to enact certain provisions now included in the Department of Defense Appropriation Act and the Civil Functions Appropriation Act, and for other purposes; with amendment (Rept. No. 2150). Referred to the Committee of the Whole House on the State of the Union.

Mr. LESINSKI: Committee on Post Office and Civil Service. H. R. 3489. A bill to amend the Federal Employees' Group Life Insurance Act of 1954 to bring employees of Gallaudet College within its coverage; with amendment (Rept. No. 2152). Referred to the Committee of the Whole House on the State of the Union.

Mrs. PFOST: Committee on Post Office and Civil Service. S. 3315. An act to amend section 5 of the Civil Service Retirement Act of May 29, 1930, as amended; without amendment (Rept. No. 2153). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. S. 3524. An act to give effect to the Convention on Great Lakes Fisheries signed at Washington September 10, 1954, and for other purposes; without amendment (Rept. No. 2154). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. H. R. 10368. A bill to amend the Civil Service Act of January 16, 1883, so as to require that certain reports and other communications of the executive branch to Congress contain information pertaining to the number of civilian officers and employees required to carry out additional or expanded functions, and for other purposes; without amendment (Rept. No. 2155). Referred to the Committee of the Whole House on the State of the Union.

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 2156. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. LONG: Joint Committee on the Disposition of Executive Papers. House Report No. 2157. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. RHODES of Pennsylvania: Committee on Post Office and Civil Service. S. 3237. An act to provide for continuance of life insurance coverage under the Federal Employees' Group Life Insurance Act of 1954, as amended, in the case of employees receiving benefits under the Federal Employees' Compensation Act; without amendment (Rept. No. 2158). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. House Joint Resolution 607. Joint resolution to authorize the disposal of the Government-owned tin smelter at Texas City, Tex., and for other purposes; with amendment (Rept. No. 2159). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 10285. A bill to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes; with amendment (Rept. No. 2160). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. H. R. 11040. A bill to advance the scientific and professional research and development programs of the Departments of Defense, the Interior, and Commerce, to improve the management and administration of certain departmental activities, and for other purposes; with amendment (Rept. No. 2161). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of May 10, 1956, the following bill was introduced on May 11, 1956:

By Mr. WHITTEN:

H. R. 11177. A bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes.

[*Introduced and referred May 14, 1956*]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHLEY (by request):

H. R. 11178. A bill to provide certain increases in annuity for retired employees under the Civil Service Retirement Act of May 29, 1930, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BARTLETT:

H. R. 11179. A bill relating to the north one-half of section 33, township 28 south, range 56 east, Copper River meridian, Alaska; to the Committee on Interior and Insular Affairs.

By Mr. DAVIS of Georgia:

H. R. 11180. A bill to provide that certain retired officers of the Army of the United States who were advanced in rank at the time of or after their retirement shall receive retired pay of the rank to which advanced; to the Committee on Armed Services.

By Mr. GREGORY:

H. R. 11181. A bill to authorize the coinage of standard 50-cent piece in commemoration of the 100th anniversary of the city of Paducah, Ky., and in honor of the late Senator Alben W. Barkley; to the Committee on Banking and Currency.

By Mr. HARRIS:

H. R. 11182. A bill to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes", approved May 1, 1906, as amended;

to the Committee on the District of Columbia.

By Mr. KEARNEY:

H. R. 11183. A bill to amend the act of June 22, 1936, relative to flood control, and for other purposes: to the Committee on Public Works.

By Mr. McCARTHY:

H. R. 11184. A bill to amend paragraphs 1773 and 1774 of the Tariff Act of 1930 to permit free importation of certain religious articles by additional organizations; to the Committee on Ways and Means.

By Mr. McINTIRE:

H. R. 11185. A bill to reorganize the Department of the Interior by establishing a Commercial Fisheries Division under an additional Assistant Secretary of the Interior to exercise all functions having to do with the commercial fisheries, now carried on by branches of Fish and Wildlife Service of such Department; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of Maryland:

H. R. 11186. A bill to authorize the construction of a shellfish research laboratory and experiment station in the Chesapeake Bay area; to the Committee on Merchant Marine and Fisheries.

By Mr. ROGERS of Texas:

H. R. 11187. A bill to repeal the act of September 25, 1950, relating to the Old Stone House in the District of Columbia, and to provide for the sale of such property; to the Committee on Interior and Insular Affairs.

By Mr. SHELLEY:

H. R. 11188. A bill to amend section 4 (a) (11) of the Refugee Relief Act of 1953 so as to permit the issuance of visas to certain refugees residing in the Far East; to the Committee on the Judiciary.

H. R. 11189. A bill to amend the Refugee Relief Act of 1953 so as to relax certain requirements for qualifying under such act; to the Committee on the Judiciary.

H. R. 11190. A bill to amend section 20 of the Refugee Relief Act of 1953 so as to extend the time for the issuing of visas under such act; to the Committee on the Judiciary.

H. R. 11191. A bill to amend section 5 (a) of the Refugee Relief Act of 1953 so as to increase the number of visas authorized to be issued under such section, and to raise the age limitation of orphans entitled to such visas; to the Committee on the Judiciary.

H. R. 11192. A bill to amend section 5 (a) of the Refugee Relief Act of 1953, entitled "Orphans"; to the Committee on the Judiciary.

H. R. 11193. A bill to increase the number of visas authorized to be issued to eligible orphans under the Refugee Relief Act of 1953, and for other purposes; to the Committee on the Judiciary.

H. R. 11194. A bill to extend the time during which visas may be issued under the Refugee Relief Act of 1953; to the Committee on the Judiciary.

H. R. 11195. A bill to provide for the allocation of certain special nonquota immigrant visas which are authorized to be issued under the Refugee Relief Act of 1953; to the Committee on the Judiciary.

H. R. 11196. A bill to amend sections 201 and 202 of the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. SIKES:

H. R. 11197. A bill to provide for the retention in public ownership of certain lands around the Jim Woodruff Reservoir, Fla. and Ga., being administered by the Florida Game and Fresh Water Fish Commission; to the Committee on Merchant Marine and Fisheries.

By Mr. TEAGUE of California:

H. R. 11198. A bill relating to the retired pay of certain retired officers of the Armed Forces; to the Committee on Armed Services.

By Mr. THOMAS:

H. R. 11199. A bill relating to clerk hire of Members of the House of Representatives; to the Committee on House Administration.

By Mr. HOLLAND:

H. R. 11200. A bill to amend the National Science Foundation Act of 1950 to encourage the training of additional engineers and the expansion of facilities for engineering education by providing supplementary salary grants for engineering teachers and scholarships and fellowships for engineering students; to the Committee on Interstate and Foreign Commerce.

By Mr. KEATING:

H. R. 11201. A bill amending section 500 of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. GREGORY:

H. J. Res. 622. Joint resolution to designate the dam and reservoir authorized to be constructed on the lower Cumberland River in Kentucky as Barkley Dam and Barkley Lake; to the Committee on Public Works.

By Mr. SMITH of Wisconsin:

H. Con. Res. 238. Concurrent resolution to establish a joint congressional committee to conduct a study and inquiry with respect to severance of diplomatic, economic, and other relations between the United States and the Union of Soviet Socialist Republics; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred, as follows:

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to investigate and prosecute the violations of the civil rights of American citizens in the State of Mississippi; to the Committee on the Judiciary.

Also, memorial of the Legislature of the Virgin Islands, memorializing the President and the Congress of the United States relative to requesting the enactment of certain clarifying amendments to the Revised Organic Act of the Virgin Islands, approved July 22, 1954, now under consideration by the House Committee on Interior and Insular Affairs; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 11202. A bill for the relief of Chu Leung; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 11203. A bill to direct the issuance of patent to Thomas C. Haley of Sitka, Alaska, to certain land in Alaska; to the Committee on Interior and Insular Affairs.

By Mr. BUDGE:

H. R. 11204. A bill for the relief of Ben Wilson Robison; to the Committee on the Judiciary.

By Mr. BURDICK:

H. R. 11205. A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claims of Roy Cowan and others arising by reason of the flooding of land in the vicinity of Lake Alice, N. Dak.; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 11206. A bill for the relief of Han Hong Wang and An-Yin Chen Wang; to the Committee on the Judiciary.

By Mr. FORRESTER:

H. R. 11207. A bill for the relief of Cyrus B. Follmer; to the Committee on the Judiciary.

By Mr. KEATING:

H. R. 11208. A bill for the relief of Edward H. Turri; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 11209. A bill for the relief of T. W. Wheeler, doing business as Winton Truck Lines; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 11210. A bill for the relief of Maria Rodriguez Gomez Garcia; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. R. 11211. A bill to provide for the advancement of Brig. Gen. Manus McCloskey, United States Army, retired, to the grade of major general on the retired list; to the Committee on Armed Services.

By Mr. SHELLEY:

H. R. 11212. A bill for the relief of Alejo T. Tano; to the Committee on the Judiciary.

H. R. 11213. A bill for the relief of Ignacio Martal Romano; to the Committee on the Judiciary.

H. R. 11214. A bill for the relief of Marcos Sabuloan Jampas; to the Committee on the Judiciary.

H. R. 11215. A bill for the relief of Paulino Josue Elizalde; to the Committee on the Judiciary.

H. R. 11216. A bill for the relief of Jose Garcia; to the Committee on the Judiciary.

H. R. 11217. A bill for the relief of Magtangol C. Polintan; to the Committee on the Judiciary.

H. R. 11218. A bill for the relief of Modesto Erispe Tanoja; to the Committee on the Judiciary.

H. R. 11219. A bill for the relief of Emiliano Jesmundo Magellanes; to the Committee on the Judiciary.

H. R. 11220. A bill for the relief of Eriberto Chavez Abella; to the Committee on the Judiciary.

H. R. 11221. A bill for the relief of Federico Tamayo Dagdagan; to the Committee on the Judiciary.

H. R. 11222. A bill for the relief of Rodrigo Corope Alaura; to the Committee on the Judiciary.

H. R. 11223. A bill for the relief of Marcial Mariano Yamio; to the Committee on the Judiciary.

H. R. 11224. A bill for the relief of Carlos Odac Magahiz; to the Committee on the Judiciary.

H. R. 11225. A bill for the relief of Laudelino Tejada Avelino; to the Committee on the Judiciary.

H. R. 11226. A bill for the relief of Gaudioso Trumata Macias; to the Committee on the Judiciary.

H. R. 11227. A bill for the relief of Godofredo Matados de la Cruz; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 11228 A bill for the relief of Dr. Ting Su; to the Committee on the Judiciary.

H. R. 11229. A bill for the relief of Mrs. Boyd Dinehart and Richard Reams; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 11230. A bill for the relief of Valente Hernandez-Hernandez; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 11231. A bill for the relief of Aram Peltekian; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1019. By Mr. ASHMORE: Petitions of William R. Claytor, Jr., and 877 other residents of Slater, Greer, Taylors, Greenville, Simpsonville, Marietta, Piedmont, Pelzer, and Travelers Rest, S. C., urging enactment of

legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

1020. By Mr. BURDICK: Petition of E. W. Oster and 89 other residents of Williston, N. Dak., and the surrounding territory urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1021. By Mr. BUSH: Petition of Stanley Dominikoski and other residents of Morris Run and Tioga County, Pa., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1022. By Mr. GROSS: Petition of George Welch and 22 other residents of Waterloo, Iowa, and vicinity urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1023. By Mr. HINSHAW: Petition of James L. Orr and 44 other residents of Pasadena, Calif., and vicinity, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1024. Also, petition of Guy M. Voorhees and 44 other residents of Burbank, Calif., and vicinity, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1025. Also, petition of Clark W. McIntyre and 41 other residents of Pasadena, Calif., and vicinity, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1026. By Mr. NORBLAD: Petition of Mrs. A. R. Nelson and eight other citizens of the State of Oregon urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1027. Also, petition of Charles Carson and 135 other citizens of the State of Oregon urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1028. By Mr. SHORT: Petition of Herman Thomas and other citizens of Stone County, Mo., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1029. Also, petition of Mr. and Mrs. J. H. Woods and other citizens of Purdy, Mo., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1030. By Mr. THOMPSON of Louisiana: Petition of Mrs. N. J. Amy of Eunice, La., and 12 other residents of Eunice, Rayne, and Ville Platte, of the Seventh District of Louisiana, urging enactment of the Siler bill, H. R. 4627, a bill to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

1031. By Mr. VORYS: Petition of 45 residents of Ohio urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1032. By the SPEAKER: Petition of Mrs. G. J. Watumull, Watumull Foundation, Honolulu, T. H., petitioning consideration of their resolution with reference to urging a joint congressional investigation of the fluoridation of public drinking water, and the mortality statistics and high disease incidence in fluoridated areas like Grand Rapids, Mich., and Newburgh, Mass.; to the Committee on Appropriations.

1033. Also, petition of Herbert L. Wiltsee, southern representative, the Council of State Governments, Chicago, Ill., relative to a resolution adopted April 28 by the southern regional conference of the Council of State Governments at Charleston, S. C., relating to "rules of construction to guide the Supreme Court"; to the Committee on the Judiciary.

1034. Also, petition of the executive secretary, the American Tariff League, Inc., New York, N. Y., transmitting additional petitions to those sent on May 4, bringing to 635 the number of companies and unions for which petitions have been signed relating to the subject of H. R. 5550; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Address by Hon. Edward J. Thye, of Minnesota, Before Reserve Officers Association

EXTENSION OF REMARKS
OF

HON. EDWARD J. THYE

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

Monday, May 14, 1956

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered before the Reserve Officers Association at St. Paul, Minn., on May 5, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR EDWARD J. THYE TO RESERVE OFFICERS ASSOCIATION, STATE OF MINNESOTA, AT ST. PAUL, MINN., May 5, 1956

Never before in our history has the United States been required to invest so heavily in preparing for conflict at a time when its citizens are receiving and enjoying the dividends of peace. As a world leader, we are in the position of leading the forces for freedom and peace in the tense struggle against Russia and her satellites.

This type of position in world affairs presents many problems which we have not faced before. On the one hand, we must make every effort to establish friendly relations and a desire for peace by all nations and, at the same time, think in terms of a war which promises mass annihilation. We must investigate all possibilities for disarmament, but, at the same time, continue our development of the most destructive weapons man has ever known. Within our own Nation, we must gradually build our Armed Forces into an effective and efficient fighting unit, but, at the same time, we must place a priority upon the factors which make up a peacetime economy and society.

We are, as a nation, in the position of a man working in the sunshine with the clouds of a summer storm in the background, threatening to interrupt his activity.

To maintain a proper balance between our search for peace and our preparation for a possible conflict demands the greatest skills of leadership available. In President Eisenhower, we have such leadership. He is particularly suited for leadership at this time because he, above all others, combines the type of statesmanship and diplomacy needed to build a foundation for peace, with the vast experience which he has in guiding the military destinies of the United States and the free world.

The many difficult problems which we have at the present day, however, demand the maximum efforts of all citizens in positions of responsibility. That is why I am pleased to have the opportunity to meet with the Minnesota State Reserve Officers Association. As a veteran of World War I, when I served as both an enlisted man and as an officer, and as your Senator, I understand your problems and recognize the importance of your program in supplying the type of leadership we need today.

Our main concern right now is to establish a proper balance between our manpower reserve and research into existing and new weapons within the budgets established by the administration and the Congress.

The greatest possible effort must be made in the development and research in the field of guided and interceptor missiles. We have already spent millions of dollars in missile research and development and will continue to make this program a priority in our defense preparation. We also realize that the Russians are concentrating right now on missile development. It is no secret that the intercontinental missile, when fully developed, will have a deep impact on relations between the major world powers. At the same time, an interceptor missile which is capable of destroying a missile already in flight will further change the pattern of any future conflict.

At this point, I would like to make clear that I do not view a conflict of major powers as imminent. I believe that all nations are coming to the point where they realize the futility of war. However, we cannot operate on the assumption that peace is assured. We must protect ourselves against any possible outbreak of war. We learned very costly lessons at Pearl Harbor and in June 1950, when the Korean war started. Never again can we afford to be caught off balance.

I should also like to take issue with those who state that manpower is no longer important to our defense planning because the next war will be a pushbutton war and will be over in a short time. No matter what scientific advances we make in the development of new weapons, we will still need well-trained manpower in all branches of the service.

The Congress had this in mind when it passed the Reserve Forces Act of 1955. The passage of that act was a major step in the development of a strong and effective Reserve, which can be trained and schooled in methods of modern warfare.

In drafting this legislation, the Congress recognized certain facts which make the task of building a Reserve force difficult. We might as well admit from the outset that we are a peace-loving Nation and that during times of peace it is hard to generate enthusiasm for an active fighting force and for a large Reserve. This is a psychological hurdle which must be met.

The young high-school graduate will always have doubts as to why he should be called into service during times of peace. That is only natural. Once he sees that he has a responsibility to his country to maintain its defenses, he will be willing to cooperate and serve in the active forces. However, he would like to have that new responsibility set forth in the most definite terms. That is what the Reserve Forces Act does. It gives the high-school graduate or the person under 20 a variety of alternatives in serving his country.

You are all aware of the provisions of the law and the choices the men have in fulfilling their military services. The opportunity to serve in Active Reserve units not only stimulated Reserve activity but also made the Reserve a most important element in our defense planning.

The present goal is to establish by 1959 an Active Ready Reserve of 2,900,000 men. We also hope to have a Standby Reserve of approximately 2 million men by 1959. Much of the responsibility of reaching that goal rests on you as Reserve officers. If we are to meet the goal, we must carry out a consistently effective education program to inform the prospective reservists of the various opportunities which are available. This program must be carried into every community and high school of the United States. The law is a good one. It seeks to alleviate hardships and inequities. It attempts to show the young men in definite terms what is expected of them and enable them to plan for the future. It allows them to proceed with their education at higher levels with the least amount of dislocation.

These facts must be made known to the parents of these men. It is only natural that a parent should be concerned over the future welfare of his child. Parents who want to send their children on to college and university should know that they can do so with no serious delay because of military service.

Prospective employers of these prospective servicemen should be aware of the provisions of the act. They should be encouraged to hire men of military age. They need not fear that a man will be taken away for a long period of time after he has been trained in a business or vocation. These were all factors which made your work difficult in the past. We have tried to make your task easier through this legislation.

The provision allowing for 6 months' active duty and 7½ years in the Reserve should stimulate greater scholarship achievements in our high schools. This, in itself, will have many favorable ramifications. The high-school graduates should also be told that the Armed Forces today make every attempt to place them in positions for which they have an aptitude or for which they have prior training and experience.

This entire program is designed to allow the graduate to fulfill his military duty when it interferes least with his education and plans for a career. This will remove him from the uncertainties of the draft calls.

Another provision of the law which is of great importance is the screening of ready reservists in peacetime. This is a constant process whereby persons of unusual civilian skills may be transferred to the Standby Reserve. This serves to stabilize our civilian labor force so that we may avoid serious dislocations and inequities if it becomes necessary to carry on an actual war.

This Reserve program should have the solid support of all citizens. This support will develop as the people become aware of the many benefits of this plan. It is too early to evaluate the success of the Reserve program either in terms of enlistments or of public acceptance and support.

Another problem which we face is that of retaining already trained men who are on active duty. This has become an increasingly serious problem, due to our domestic economic and social advances made in the past 10 years.

The high degree of prosperity which we enjoy in our civilian society has made a military career less attractive. Just the other day, I came in contact with a striking example of this. A major in the Air Force who had 13 years of active service found it necessary to take a job in civilian life. He told me that his date for retirement would come up at the same time that his children would be of college age. His desire is like most other parents—to send his children to college. The only way he can plan for that is to accept a position at a higher pay level. Here is one case, and there are thousands of them, where the Armed Forces will lose a trained and qualified man who has spent 13 years of his life in the military service.

As your Senator and as a member of the Appropriations Committee, I can see the same thing happening not only with officers and enlisted men but with highly skilled civilian employees. Private industry today can give to these men a greater amount of economic and financial security.

The last session of Congress took some steps to correct this situation, and the current session will take further action. Such items as reenlistment bonuses, improved medical care for military dependents, and increasing career incentives for doctors and dentists. It is necessary that action be taken to provide service personnel benefits which are more comparable with those enjoyed in civilian life.

There are indications that this inducement program has already eased the manpower situation. The general Department of Defense reenlistment rate for Regulars has increased from 27 percent in fiscal year 1955 to about 43 percent up to March 1 in fiscal 1956. As a result of the increased reenlistment bonuses and career incentive measures, there has been a sharp rise in the proportion of 6-year reenlistments. The total reenlistments in fiscal year 1954 was 47 percent, as compared with 77 percent in the current fiscal year.

There is another facet in this entire manpower situation which does not directly affect the Reserve program, but which is tied in directly with our entire manpower and research and development program.

At the present time, the United States has taken the lead in scientific and technological development, but at the same time we are faced with a shortage of future manpower in these same fields. We must continue our leadership in these areas and make certain that the Russians do not surpass us.

The Soviet Union today is graduating each year over twice as many engineers and scientists as are being graduated in the United States. We are faced with a marked and continuing decrease in the number of qualified teachers at the high-school and college levels in the basic-science fields. As a result, we have fewer and fewer students each year who are pursuing studies in the sciences and in engineering. We are now faced with a situation that at the same time as science and technology are moving to a position of unprecedented importance, the manpower to maintain our progress is declining.

To meet this situation, the President has appointed a nationwide commission to advise the administration as to what can be done to solve this dilemma. Along the same line, I have introduced in the Senate a resolution to establish a Joint House-Senate Committee on Scientific Research. The legislative branch cannot escape the fact that it is going to become more deeply involved in this area of activity. We will be called upon to work with plans and programs established by the executive branch of Government, including the Department of Defense. Such a committee would work in cooperation with the executive agencies, industry, and our institutions of learning. It would, as a result of its work, be in a position to advise and counsel the proper legislative committees which will be called upon to legislate in this area.

We must be ever mindful of our responsibility as a world leader to establish a firm foundation for peace and freedom for all peoples of the world. The Reserve Officers Association must play a key part in the progress which we make. Without a large and well-trained Reserve, we cannot prevail. No one can predict at this time whether our destiny is to be written in terms of war or peace. We must maintain a steadfast faith and confidence in the hopes for peace, but at the same time, we must be ready to defend the cause of freedom and justice whenever the time should come.

Status of Forces Agreements

EXTENSION OF REMARKS

OF

HON. FRANK T. BOW

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. BOW. Mr. Speaker, an examination of the reciprocal features of the NATO Status of Forces Agreement as they have worked out in 3 years of practice discloses that reciprocity exists only on paper. The numerical results, from any approach, fail to sustain the claim.

We have a million of our men serving abroad. There are only a few thousand foreign servicemen in our country at any one time, the total who may come and go during the year being about 12,000.

As of November 30, 1955, a total of 10,249 of our personnel had been accused of offenses subject to the primary jurisdiction of foreign courts throughout the world. In the same period only 3 foreign servicemen had been charged with any offenses in our courts.

Invariably proponents of the status agreements will say that we would not want to give up the right to try foreign servicemen in our courts, usually offering some unjustified hypothetical case of murder or rape. Again, this thought is not supported by the fact. In 1944 we adopted an act to implement the jurisdiction of service courts of friendly foreign sovereigns within the United States. The American Legion has favored granting the right of trial to foreign troops if the United States is given the right to exercise complete jurisdiction over its servicemen.

We should recall that our troops are serving abroad in complete organizations and prepared to try their own men. In many cases the foreign servicemen are in such small numbers that it would not be possible for them to hold a trial by their own nationals. We also have the Uniform Code of Military Justice which was provided by Congress in carrying out its constitutional right and duty to make rules for the Government and regulation of the land and naval forces.

The code contains all the safeguards provided for an accused under our Constitution and more safeguards than afforded by any foreign court under any

system of jurisprudence or by treaty. It was adopted so that all serving in our Armed Forces would be treated alike.

The Status of Forces Agreement, and similar agreements with countries outside NATO, have thwarted the will of Congress. Our servicemen in this country enjoy a favored position, while our servicemen stationed abroad are exposed to almost as many systems of justice and degrees of punishment as there are agreements.

Legislation Accomplished in This Session of Congress

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. McCORMACK. Mr. Speaker, in my extension of remarks, I include a memorandum prepared for me by the Legislative Reference Service of the Library of Congress comparing the legislation accomplished in this session of Congress with that accomplished in about the same period in the 2d session of the 83d Congress:

COMPARISON OF LEGISLATION ACCOMPLISHED IN THIS SESSION OF CONGRESS WITH THAT ACCOMPLISHED IN ABOUT THE SAME PERIOD IN THE 2D SESSION OF THE 83D CONGRESS

As of May 1, 1954, there were 60 public bills enacted into law.

As of May 1, 1956, there were 112 public bills enacted into law.

As of May 1, 1954, there were eight bills in conference.

As of May 1, 1956, there were 10 bills in conference.

As of May 1, 1954, there were 11 bills through conference.

As of May 1, 1956, there were nine bills through conference.

As of May 1, 1954, the Senate had passed 397 measures.

As of May 1, 1956, the Senate had passed 575 measures.

As of May 1, 1954, the House had passed 442 measures.

As of May 1, 1956, the House had passed 404 measures.

As of May 1, 1954, the Senate committees had reported 426 bills.

As of May 1, 1956, the Senate committees had reported 674 bills.

As of May 1, 1954, the House committees had reported 418 bills.

As of May 1, 1956, the House committees had reported 404 bills.

Yea-and-nay votes:

As of May 1, 1954, there were 48 in the Senate and 19 in the House.

As of May 1, 1956, there were 57 in the Senate and 19 in the House.

Executive nominations:

As of May 1, 1954, the Senate had received and considered 11,680 nominations requiring senatorial confirmation.

As of May 1, 1956, the Senate had received and considered 33,777 nominations requiring senatorial confirmation.

Some of the major proposals which have received action during the 2d session of the 84th Congress are:

Natural gas bill (H. R. 6645) vetoed February 17, 1956.

Disaster loans (H. R. 7871) approved February 2, 1956, Public Law 402.

Home disaster relief (H. J. Res. 471) approved February 10, 1956, Public Law 405.

Farm-gas tax exemption (H. R. 8780) approved April 2, 1956, Public Law 466.

Tax Rate Extension Act (H. R. 9166) approved March 29, 1956, Public Law 458.

Federal Highway Act of 1956 (H. R. 10660) passed House April 27, 1956.

Navy shipbuilding and conversion (H. R. 7993) passed Senate April 26, 1956.

Farm bill (H. R. 12) vetoed April 16, 1956; veto sustained April 18, 1956.

School-milk program (H. R. 8320) approved April 2, 1956, Public Law 465.

Merchant Marine Academy (H. R. 6043) approved February 20, 1956, Public Law 415.

Willful aircraft destruction, penalty (S. 2972) reported in House March 29, 1956.

Aeronautical research (H. R. 8675) passed House February 27, 1956.

Colorado River project (S. 500) approved April 11, 1956, Public Law 485.

Taxation of insurance companies (H. R. 7201) approved March 13, 1956, Public Law 429.

Medical-dental officers, incentives (H. R. 9428) passed Senate April 18, 1956.

Military dependents' medical care (H. R. 9429) passed House March 2, 1956.

Military-procurement contracts, advertising (H. R. 8710) passed House February 20, 1956.

Poliomyelitis Vaccination Assistance Act, extension (S. 2990) approved February 15, 1956, Public Law 411.

Military construction (H. R. 9893) passed House April 12, 1956.

Foreign Service pay increase (S. 3481) passed Senate April 12, 1956.

Food and Agricultural Organizations and International Labor Organization (S. J. Res. 97) passed Senate April 19, 1956.

Atomic Energy acquisitions (H. R. 10387) passed Senate April 19, 1956.

National bank examinations (S. 1188) approved April 30, 1956, Public Law 502.

Red Willow and Wilson Dams (S. 1194) approved May 2, 1956, Public Law 505.

Federal Reserve bank authority to purchase obligations (H. R. 9285) passed House April 19, 1956.

War orphans' education (H. R. 9824) passed House April 23, 1956.

Veterans' housing loans (H. R. 9260) passed House April 23, 1956.

Bank holding companies (H. R. 6227) passed Senate April 25, 1956.

Opposition Views on OTC

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. REED of New York. Mr. Speaker, I believe that the minority views on H. R. 5550, the bill authorizing United States membership in OTC, should be of interest to the Members of the House. These minority views will be found in the report of the Committee on Ways and Means on the bill (H. Rept. No. 2007, 84th Cong., 2d sess.). A summary of these minority views follows:

(1) OTC is designed to implement the General Agreement on Tariffs and Trade (GATT). Therefore, enactment of this bill will be interpreted inevitably as constituting congressional endorsement of GATT although the provisions of GATT itself have never been submitted to the Congress for approval.

(2) GATT is dedicated officially to the primary objective of substantial reduction of tariffs and enactment of this bill will commit the United States to the furtherance of this objective even though the Congress itself has not given its approval to any reduction in United States tariffs beyond the limited authority delegated to the President under existing law. This official dedication of GATT is of grave significance to the textile, chemical, and many other industries already hard hit by tariff reductions.

(3) OTC will create a permanent international bureaucracy susceptible to use as a powerful propaganda agency directed against the essential protection of United States industry, agriculture, and labor and to opening our domestic market to the low-cost producers of the world.

(4) Authorization of United States membership in OTC will result in an almost complete transfer by the Congress to an international organization of its constitutional authority over United States foreign-commerce policy. There is serious doubt of the constitutionality of such a delegation.

(5) Several of the substantive provisions of GATT conflict directly with established principles of United States law, particularly with regard to quotas on imports of agricultural commodities designed to implement our domestic price-support program.

(6) As a member of OTC, the United States will have but one vote. Thus, the United States, having the largest single proportion of world trade of any member nation and required to make the largest single contribution to the expenses of OTC, will be on a voting par with the other 34 member nations and will be bound by their majority decision.

(7) The agreement on OTC declares the intention of the contracting parties to seek a specialized-agency status within the United Nations. Achievement of such a status can only result in our tariff policy being further subordinated to considerations of international politics rather than to considerations of domestic economic interest.

(8) OTC contains no mechanism, by hearing or otherwise, for the direct presentation of the views of United States industry, agriculture, and labor in the formulation of recommendations vitally affecting their interest.

(9) Finally, the amendments adopted by the committee make no substantive improvement in the defects inherent in OTC–GATT.

Address by Hon. Estes Kefauver, of Tennessee, at Convention of Young Democratic Clubs of Oregon

EXTENSION OF REMARKS
OF
HON. WAYNE MORSE
OF OREGON
IN THE SENATE OF THE UNITED STATES

Monday, May 14, 1956

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by the Senator from Tennessee [Mr. KEFAUVER] at the 25th annual convention of the Young Democratic Clubs of Oregon, in Portland, Oreg., on April 21, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. Chairman and fellow Democrats, I am always grateful for a chance to come to Oregon. I have been doing it for a long time

now. I am grateful for the warmth and the loyalty of thousands of friends here. As a Democrat I have been gratified by the great growth of the Democratic Party in this State.

As both a Democrat and a Member of the United States Senate—and above all as an American—I am grateful that the people of Oregon are represented in the Senate by as fine a pair of Senators as represent any State of the Union.

WAYNE MORSE and DICK NEUBERGER are great Americans. They work assiduously for the welfare of this State and its people. But beyond that they work unceasingly for the welfare of all our people. Their voices are heard whenever the forces of progress and growth are under attack. They fight for a decent, liberal, prosperous America, and a peaceful world.

WAYNE MORSE and DICK NEUBERGER do not content themselves with just voting in the Senate and letting others carry the brunt of the battle. Wherever the fighting has been hardest, they have been in the thick of it. No one will ever call them lily livered.

The fact that WAYNE MORSE has been so effective in behalf of the people of Oregon and the Nation is the reason why this year he will be the No. 1 target of the Republican Party.

The other day, Douglas McKay told a reporter in Washington that WAYNE MORSE "has put more roadblocks in the path of the Eisenhower administration than any other single politician I can think of."

The Democrats of Oregon ought to glory in that statement.

WAYNE MORSE has often stood like the boy with his finger in the hole in the dike, keeping the land from being inundated by the galloping giveaways.

No wonder the Republicans hate him. No wonder the fat cats and big mules of the predatory interests will be pouring money into this State this fall in an unending stream. No wonder the Republican Party's propaganda experts will be as numerous in Oregon this fall as fleas on a lazy dog.

Mr. McKay calls WAYNE MORSE a turncoat for leaving the Republican Party. I doubt that WAYNE MORSE could be said to have left the Republican Party. I think it left him.

WAYNE MORSE represented the final beachhead of the liberal tradition in the Republican Party. From Abraham Lincoln, through Theodore Roosevelt, Gifford Pinchot, George Norris, Charles McNary—and perhaps even Wendell Willkie—it had been a long line. But as big business and selfish interests have gained more and more control of the Republican Party, there has been less and less room for liberalism.

I know how hard WAYNE MORSE worked to keep that faint flame alive in the Republican Party. The remarkable thing to me is that he strove so hard and so long when all the odds were against him.

I am glad that WAYNE MORSE made his great decision. I am glad for the Democratic Party—which he has strengthened not only here in Oregon, but nationally. I am glad for the liberal position in the Democratic Party which his presence and his counsel strengthen and encourage. I am glad for WAYNE MORSE, who has found a party in which, when he puts his shoulder to the wheel, the wheel turns.

Possibly there remains some doubt as to who will be chosen by the Republicans to oppose Senator MORSE. I understand that Douglas McKay is the candidate of President Eisenhower and the Republican national committee. Perhaps he won't make the grade with the Republicans of Oregon, but whether he does or not, Mr. McKay is going to be the campaign issue.

He personifies the Eisenhower approach to the development of natural resources. The Eisenhower approach is "don't do it."

In the whole of McKay's tenure as Secretary of the Interior, he managed to hold just one press conference. I assume that there was too much he didn't want to explain.

At that one press conference, he announced the administration's partnership policy for power development. When he gets out here to campaign I hope you people of Oregon will ask him how it is that his partnership policy has failed to develop a single kilowatt of electric power.

I hope that the people of Oregon will find out from McKay how and why he sought to avoid the preference clause put in the law by Congress to see to it that the public got the first crack at power produced at Federal installations. I hope he will be asked about the abandonment of so-called wheeling arrangements for the transmission of power, which was one way of getting around the preference clause.

While he is out here and within easy reach, I hope you will find out something that Congress has never been able to find out—nor has the press been able to find out: That is why on earth he ever let that Al Serena deal go through.

The conservationists in this State—and there are a lot of them—also ought to find out on what basis Secretary McKay justifies opening up nearly every wildlife refuge to the oil companies.

I am told that Mr. McKay's chief asset is his amiability. In general this is a nice quality and one which we all admire. But when the country has an amiable Secretary of the Interior there always arises the question as to who he is amiable with. Is it the people who would like to destroy public power in America? Is it the people who want to do a little timber mining? Is it the people who tell the ducks and geese to move on somewhere else so that they can look for oil?

The simple truth is that the Eisenhower administration, by its failures in the field of resource development, has put a ceiling on the progress of the West and of this great State of Oregon. And Douglas McKay has been the instrument of that failure.

Oregon and the Northwest have been pushing forward on the impetus they got in the years of Presidents Roosevelt and Truman. The business and industry that won't get started, the jobs that won't be there when the need comes, the acres which will remain without water and life—the failures due to the inaction of President Eisenhower and Douglas McKay, lie in the future. But that future is too near at hand for comfort.

It took only a few moments and a scratch of the pen for Douglas McKay to write off the great dam at Hells Canyon. But the people of the Northwest may take generations to pay for one of the most callous acts in the history of western development.

I have nothing against the development and sale of power by private means and private capital. I have never been persuaded that power ought to be a governmental monopoly.

What I know the growth of the United States requires, however, is plenty of electric power at the lowest possible cost. And when the most power at the lowest cost can be produced only by public means, then we must adopt methods which will produce the most for the least. When Douglas McKay signed away Hells Canyon he was performing the act of a man who does not believe much in the future of America.

If America is going to grow—and if Oregon and the Northwest are going to grow—we must have tremendous new supplies of energy to make that growth possible.

The growth of industry in this area has in large part been due to prior development of power resources by the Federal Government. One of the greatest factors in this growth has been the increasing development of the electro-processing industries. In 1950 these industries were consuming 17 percent of all power used by industry. By 1975 these industries will be using an estimated 30 percent of all our industrial power. This means that power consumption by these industries alone will increase 425 percent in a quarter of a century.

The growth of these industries can continue only if power costs are kept low—and a difference of 1 mill a kilowatt may make an enormous economic difference—and the future supply growing to meet the demands to be made upon it.

There is no native source of great energy in this region except hydroelectric power. The only hope for the region lies in the development of the full potential of the Columbia, the Snake, and other rivers of the area. It is to this development that Douglas McKay has said "No."

As it is, it is going to take a long time to make up for the mistakes and the failures of President Eisenhower and Douglas McKay in the field of resource development. I hope and expect that next January a Democratic President and a Democratic Secretary of the Interior will be able to reverse this sorry trend. And I hope that WAYNE MORSE and DICK NEUBERGER will both be there in the Senate of the United States to help them.

The Democrats and independents of Oregon started the tide turning in 1954, when DICK NEUBERGER was sent to the Senate. This year let's go all the way. Unite and organize and fight—and put Oregon in the Democratic presidential column, elect Democrats up and down the line, and, most of all, reelect WAYNE MORSE.

Disarmament as a Part of a Just and Durable World Peace

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, May 14, 1956

Mr. WILEY. Mr. President, last Saturday it was my privilege to address a civic conference in Chicago on the theme of disarmament as a part of a just and durable world peace.

I ask unanimous consent that my address be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SENATOR WILEY URGES INTENSIFIED EFFORT TO EXPLORE DISARMAMENT PLANS; QUESTIONS REAL SOVIET ATTITUDE

It is, indeed, a special honor for me to be with you today. It is more than gratifying to see an assembly of local civic groups bound together by a mutual concern for meeting the greatest international challenge of our times—maintenance of world peace through the achievement of workable, safeguarded disarmament.

Secretary Dulles' remarks before the General Assembly in September of 1953 ring truer today than ever before. He said at that time:

"Destructive power inherent in matter * * * must be controlled by the idealism of man's spirit and the wisdom of his mind. They alone stand between us and a lifeless planet. There are plenty of problems in this world, many of them interconnected. But there is no problem which compares with this central universal problem of saving the human race from extinction."

Such is the measure of the problem of regulation and control of armaments in the grim atomic-hydrogen age.

THE SENATE IS FULFILLING ITS RESPONSIBILITY

It is fitting and proper that the Senate of the United States, acting on behalf of the people of our country, has wisely established our 12-man subcommittee, for the exclusive purpose of exploring this central problem.

It is my view, as I know it is yours, that the Congress has an inescapable obligation continually to review this problem with the highest officials of the Government of the United States, with leading citizens' organizations, and with individual spokesmen for the American public.

It is our task to help spotlight this challenge in all its implications and then, to leave no stone unturned, no channel unexplored, no constructive suggestion unconsidered in trying to help meet this immense and complex problem.

We are all aware that disarmament plans could not possibly be worked out by the executive branch in a vacuum, or all by itself.

Plans must and will be worked out in full accordance with the constitutional prerogatives of the Senate in its advice and consent function and in full accordance with the clear interests and responsibilities of the House of Representatives as well, speaking for our people.

WORLD OPINION'S CRUCIAL ROLE

In turn, disarmament discussions can only advance within the framework of what world public opinion wants and understands and is ready for; and that is where you in particular come in, with your constructive thinking and suggestions.

To better equip yourselves, you are, during this all-day session, getting the benefit of the judgment of a great many experts who have devoted a very considerable amount of time and energy to exploring all phases of this problem. I will not duplicate what they will say or have already said in their respective fields, but I may briefly touch upon some of their areas.

My own principal theme is, that you may feel confident that your Congress and, in particular, your Senate, is moving ahead, seeking earnestly to fulfill its responsibility in this awesome field.

We are not of course, seeking to arrogate unto ourselves any of the powers and rights of the executive branch in spearheading United States diplomacy, nor are we, however, idly sitting back and abandoning our own clear obligation to work as a member of the executive-legislative team, on behalf of world peace.

WE WATCH ENTIRE WORLD STAGE

We are keeping our eye on the main ball, and we are not losing sight of the other East-West balls either.

The talks in London were of course, but one part of the fast-changing world stage.

Inevitably, all that transpires in the dynamic field of foreign policy may affect the climate and, indeed, the fate of disarmament negotiations.

The latest Bulganin and Khrushchev statements from the Kremlin; the latest signs of dissension over the downgrading of Stalin; new developments in the explosive Middle East; new Soviet trade and technical assistance offers to underdeveloped lands; new Soviet cultural exchanges; the exploration by the three wise men of NATO of greater economic and political cooperation within that vital organization; new nuclear discoveries from laboratory and testing ground— these are but a few of the factors on the world scene which interrelate, if only indirectly, with the problem before us.

They give us clues, signs and omens of the state of Soviet thinking.

THE MOST BASIC OF ALL PROBLEMS: SOVIET INTENTIONS

And always, we get back to the most basic problem of all: Is there, in the heart of the Soviet leaders (as we know there is in our heart) a genuine desire to do everything humanly possible to have all of us succeed in the disarmament talks. Is there a real desire for—just and durable peace, because after all disarmament is not a goal in and of itself but rather is a vital part of a just and durable peace.

Or, are the Soviet leaders simply sparring for time? Are they simply maneuvering for propaganda value—for example, with phony offers on meaningless reduction of their huge ground forces?

Only the future will really tell. But the past does tell us something. And it is this: we have good reason to be on our guard, to be vigilant. We have good reason to be hopeful, and yet, not to be naive.

We have welcomed word from Harold Stassen, of progress made during the 5 Nation Conference of 6 weeks in London. Indeed, we have welcomed every sign at any time, that, despite the enormous gap which still separates East and West, we have moved toward a closing of at least part of the gap between the United States and her allies on the one hand, and the Soviet position, on the other hand.

There is no reason for discouragement or despair.

But we still don't know the real answer to the real question: What is actually in the mind of the Kremlin?

Does it actually desire to do everything possible to avert an H-bomb holocaust in the world, to avert it by genuinely constructive deeds—irrevocable, ironclad deeds?

Do the "powers" in Moscow truly realize the ominous implications of the ever-mounting East-West stockpiles of nuclear weapons and the ever-increasing destructiveness of these weapons?

Do the "powers" in Moscow actually seek some constructive way out of the arms race, the nuclear deadlock? Or are they only paying lipservice to the problem, while actually repeating their "Nyet," "Nyet," "Nyet"?

In his recent visit to Great Britain, Mr. Khrushchev said to a group of his hosts: "It would not be of much use to our peoples if we were to stand facing each other like fighting cocks. * * * Such an attitude would lead to an arms race involving tremendous costs; an arms race that can lead only to war; and with modern weapons, war can lead only to disaster for all."

As for ourselves, we clearly perceive the nature of such a possible disaster. So, we will work patiently and persistently, and we will seek "to move mountains" to see that disaster does not befall the human race.

SOVIETS CAN BE MOVED

For the present, we can only say that the Soviets are not immovable. They have moved. They are definitely subject to the pressure of world opinion and Russian opinion itself.

When we look back at the Soviet position in 1946, we very definitely see modifications. Russia has come a long way from her old arbitrary insistence that prohibition of nuclear weapons should precede an "effective system" of international control.

She now acknowledges the indispensable concept of stages in the process of bringing a disarmament program into being.

Yet, it is true that the Soviets have continued their pattern of "running from specifics." And the areas of disagreement still overweigh those of any agreement. Any optimism in London got a particular setback by statements of Messrs. Khrushchev and Bulganin in outright criticisms of the Disarmament Subcommittee's efforts.

Russia is still unwilling to agree to an adequate inspection system, including combined air-ground inspection and controls.

For the present, she accepts only ground installation inspection. She unsoundly maintains that aerial survey has nothing to do with real disarmament control—that it has "other aims." What these aims are were not specified.

It would seem that Russia suffers "conveniently" from "loss of memory," forgetting that in 1945 she herself introduced a proposal, providing an international air force under the United Nations, to help maintain peace.

Also, the Soviet Union still does not want to comprehend that a settlement of world political problems is part and parcel of general disarmament. How can we possibly agree to her disarmament plans which insist on the neutralization of Germany and Korea, which would mean the complete withdrawal of Western defense forces from world tension centers?

Nor has Russia met the West on definite proposals for even partial—first phase—nuclear disarmament.

She has failed too, to respond to our suggestions for certain confidence-binding gestures such as: Test control areas, exchange of technical missions, and exchange of information on troop movements.

Moreover, we must remember that President Eisenhower is still awaiting a belated reply from Marshal Bulganin in answer to our historic proposal in his letter of March 5. As you well recall, the President had suggested for the first time an East-West freeze on stockpiles of nuclear weapons (with appropriate inspection safeguards of course).

IRON CURTAIN HAS ONLY A FEW PEEPHOLES

Basically, the Iron Curtain remains exactly that. There are a few peepholes for looking through it, but there is no sign of anything like the comprehensive inspection system which must be at the very core of disarmament plans.

Meanwhile, Harold Stassen informs us that in another year, scientific know-how on the hydrogen bomb will have spread around the world. If this information becomes common stuff to other countries before an international disarmament treaty is drawn up, tensions and dangers will be seriously increased.

PROMISING NEWS ON U. N. ATOMIC AGENCY

While we are waiting for some disarmament blueprint, we must and will continue to take the lead in seeing that our "Atoms for Peace" program is carried out. We have already made great strides in seeing a United Nations Atoms-for-Peace Agency drafted and approved. But, the specifics have yet to be put down in print. As set up, this new atomic code would at least help assure to all peaceful nations throughout the world a share in the marvelous benefits of nuclear energy—benefits which will lift mankind to higher levels of well-being.

Most significant for our discussion here today, is that this proposed agency would bar the warlike use of any atomic materials pooled with it, and would set up an inspection system to see that this was carried out. Is it possible that this could be a first step in limiting atom bomb production? The prospects are promising, and the United States should drive for approval of this agency, when it comes up for authorization in September.

OPPORTUNITY IN JUNE AND SEPTEMBER

On an overall basis, our Government is wisely determined to continue its dedicated effort to try to come to sound terms with the Russians. The U. N. Disarmament Subcommittee will meet again in about 6 months—time enough for reappraisal of proposals and positions by both sides. It is obvious that Russia wants some thinking time

on United States proposals. Perhaps we will get an inkling of something new when delegates of the five nations report to the full U. N. Disarmament Commission in mid-June, for a review of their latest effort.

As Mr. Stassen remarked, "It is America's policy to turn the armaments spiral downward." In carrying this policy out, we will never slacken our drive to reach a workable accommodation with the Soviets, if it is humanly possible.

We know that our own national interest—our very lives—are directly involved. Life on this planet is directly involved. We cannot afford to be lax. Nor can we afford to make mistakes. We cannot afford to be impractical. We cannot afford to allow scientific and military developments to render our proposals obsolete.

We are fortunate that the President of the United States and the Secretary of State clearly recognize all of the facts which I have mentioned, and that we have the services of so competent a leader as former Governor Stassen.

AVOID BOTH FALSE IDEALISM AND CYNICISM

We must constantly move ahead with judgment and discretion. We, as a people, must and will avoid the bluster of threatening statements, or the impatience of immaturity.

We must avoid any fuzzy-eyed idealism, which would cause us to take ill-conceived, unilateral disarmament steps, without the tightest and most effective safeguards.

But, at the same time, we must avoid the so-called realism which may only be a blind cynicism, which refuses to admit of the possibility of progress in this field.

Instead, the world needs hope; it needs faith. The world hungers for constructive efforts. We will not allow this hunger to go unmet.

Meanwhile, one-third of the Members of the Senate face reelection this year, and all of the House of Representatives. This issue, however, like other key foreign policy issues, must and will be kept out of partisan politics. It is too big, too important. And I am satisfied that this fact is clearly understood.

As we move ahead, it is up to us in the Congress to continue to furnish light for the American people, and for the peoples of the world, in cooperation with our associates of the executive branch.

It is up to us to warn America, however, that we may expect more and more Soviet propaganda tricks between now and the time the disarmament talks resume. We may expect that the Reds will make more showy efforts, for example, to reduce their swollen, conventional land forces. But we will not be deceived.

STAFF STUDIES BY SUBCOMMITTEE

Our subcommittee will help keep the spotlight on this problem. Our competent staff has, as you know, already completed several important studies which are being widely distributed throughout the country to interested citizens and civic organizations such as yours.

For example, our study of the Executive Branch and Disarmament Policy outlines all machinery within the executive branch responsible for carrying out a sound plan for control and reduction of armaments. After all, final policy can only be as effective as the agencies involved in formulating it. Are they as efficient and clear-cut as they could be? Is there possibly any duplication or overlapping of efforts? Are lines of coordination, for instance, between Mr. Stassen's office, and Departments of State and Defense clear in analyzing arms control proposals? These are some of the questions we hope to answer.

Another study, A Selected Chronology on Disarmament, has afforded us one of the first really concise outlines of disarmament developments over the decades. These past experiences are highly significant today, and should serve as vital lessons for present and future courses of action over the conference table.

These and other subcommittee publications are gladly available to the public, and should prove of further educational benefit.

Our group will not only keep itself informed of all current developments in disarmament policy; in cooperation with the President, we will continue actively to seek new approaches in controlling the destructive forces unleashed by nuclear energy. Probably the most important phase of our work is collecting the viewpoints of the experts and public. This has already proved a three-way learning process; enlightening to us; to those in attendance; and, I would venture to say, informative to the experts themselves.

Thus far, we have heard from such officials as Secretary Dulles, Mr. Stassen, Admiral Strauss, and Secretary Wilson. In our hearings with these and other representatives of the executive branch, I think we can stimulate fresh thinking on disarmament. In fact, it is not too presumptuous to believe that our conferences with them may have been helpful in presenting the recent arms control plan.

PAST MEETING IN BOSTON; COMING SESSION IN MINNEAPOLIS

But we have wisely gone to the people, as well, at the grassroots.

Our first out-of-town meeting in Boston was highly successful and informative. We heard from distinguished educators, scientists, clergymen, and private individuals. Their testimony not only took in specific parts of a total disarmament program, but they integrated disarmament with other foreign policy problems.

Needless to say, Boston certainly lived up to its reputation as a center of learning and pursuit of knowledge. Such opportunities to get an exchange of ideas, to talk out the problems at hand, and to receive original disarmament proposals, can but lead to new techniques.

We now look forward to our second "grassroots" meeting in Minneapolis on June 16. Again, printed copies of these hearings will be made available for public distribution.

Earlier, on June 8, we will have held another major hearing in Washington.

We are hoping for the broadest possible press coverage of it, for it is hard to conceive of hearings more genuinely meaningful to our own and all other peoples.

YOUR OWN ROLE

By our mutual efforts, we will help overcome any apathy which exists among our own people.

We know that time is running out and passive indifference must give way to an active searching for peace. Thus, it is up to responsible community organizations such as that of the groups represented here to continue leadership in this job of public education. We need your continued cooperation in stimulating broader interest.

Through your local discussions and studies, you are arousing expert opinions and working toward an ever-better informed citizenry. At the same time, you are enabling people to help shape and share in policy-making on this crucial subject. The American people must have a still wider chance to participate in constructive discussions on disarmament; for how else are they to understand it and finally accept the policies pursued?

Our universities and colleges should be moving more rapidly into basic research on this problem—in particular, tying in disarmament with their studies in foreign affairs and international relations. Our Boston meeting underlined the important role of our higher educational institutions, in concentrating more specifically on the problem.

CONCLUSION

In summing up, may I congratulate all those who have contributed to the conception and the holding of this conference.

I hope that the work carried on today will move ahead in the days and weeks and months up ahead.

The road to a practical blueprint for weapon control remains a long and hard one. But setbacks and disappointments should only serve to speed constructive efforts on all our parts.

As our President has said, "There is no alternative to peace."

To win this most prized of all goals, we must and will do our part—each and every one of us.

Logic of Arguments Against H. R. 4090

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. PELLY. Mr. Speaker, H. R. 4090 would amend part 2, title 3, of the Communications Act of 1934, so as to require the installation of an automatic radio alarm device on United States cargo ships of 1,600 gross tons or more carrying less than two qualified operators. Under this legislation, the device would be capable of being set manually to simultaneously receive and respond to international Morse code signals as follows: First, the ship station call signal; second, the international distress signal; third, the international safety signal; fourth, the international urgency signal; and, fifth, any other emergency code desired.

As a former member of the Interstate and Foreign Commerce Committee, I became familiar with this legislation at a hearing on a somewhat similar bill, H. R. 6004, which was held before this committee during the 83d Congress.

First, let me say that while my careful study of the report on this bill convinced me that there is no justification for making this device mandatory, at the same time, I recognize that the interest of the sponsor of this measure, the distinguished majority leader, is safety at sea, a very meritorious motive.

Since it may be that Members will not have an opportunity to read the entire 130 pages of testimony, I think that they should at least know that outside of the splendid statement in behalf of the objectives of his bill by the gentleman from Massachusetts [Mr. McCORMACK], the only other proponents were Abraham W. Sereysky, the son-in-law of the owner of the patents to this device, and Benjamin B. Green, the owner. These witnesses should be somewhat prejudiced. Also support was given it by Mr. Morris Harvey Strichartz, a representative of the Radio Officers Union. Since the ultimate effect of this bill might well require the employment of extra radio officers on cargo vessels that now only carry one

operator, it might be surmised likewise that Mr. Strichartz would be an interested party. So outside of the author of the bill, the proponents—all three of them—have a stake in the passage of this measure.

By the same token, representatives of certain groups opposing the legislation might have biased viewpoints. So let us discount the fact that the American Tramp Shipowner Association testified the equipment was "unnecessary from the standpoint of safety, efficiency, or sound operation." On a similar count, discount the testimony of the American Merchant Marine Institute and their statement that it was "inappropriate and premature to consider the mandatory installation of an unknown and untried piece of equipment" and, finally, discount the statement of the Pacific American Steamship Association. These opponents might be prejudiced.

Now the remaining part of the report on this legislation comes from agencies of Government which certainly should be completely objective. Two Departments, Treasury and Navy, have stated that they have no opposition. The Bureau of the Budget "suggests further study and experimentation before enacting." The Commerce Department recommends against enactment. The report of the Federal Communications Commission based on tests and technical examination states it is not convinced that the uses are clear enough to justify making the device mandatory. Of particular importance is the individual testimony of the Honorable Edward M. Webster, a member of the Commission, which boils down to the conclusion that H. R. 4090 is unnecessary and premature. So there are no Government agency reports favoring the bill—and three against its enactment.

Being against safety is like being against sin or motherhood. It just is not always the easiest position to take, but if this device had been in use in the past as far back as the sinking of the *Titanic* in 1912, I cannot find that any disaster would have been averted or any lives saved. The degree of safety that this equipment would add if installed on board a ship, to my mind, is exceedingly limited. Otherwise, cost, which is probably somewhere around $3,000 per unit, would have little bearing on the matter. The real cost, however, is not installation. Take, for example, the fact that tests indicate under favorable conditions during a 16-hour period when no radio operator might be on duty, the overtime for answering the alarms would amount to $32.90 per day, or estimating the ship to be at sea 50 percent of the time, approximately $6,000 per year per ship. Obviously, however, no radio operator could stand the strain of 10 alarms during his rest time, so the indirect cost would be actually the cost of a second operator, estimated to be in excess of $12,000 per year.

On the 266 Government-subsidized vessels, the Federal Government would pay the entire added cost estimated to be $3.3 million. On the 771 nonsubsidized vessels, the industry would have increased operating costs of $9.5 million.

These figures do not include any indirect expense such as that of providing space for a second operator. If such additional expense was arrived at by agreement through collective bargaining, we could find no fault with it, but passing legislation on the basis of the testimony presented in the hearings on this and former bills would be the triumph of emotion over good judgment and reason.

That H. R. 4090 duplicates existing equipment with an untested and untried device and bypasses international safety and communication conventions certainly suggests referring the bill back to the committee for further study. Any regulation having to do with navigational messages outside domestic waters and safety should be by international agreement and not be established by a law of this nature, particularly when it would set up a monopoly on an extremely limited and highly questionable system of safety communications.

H. R. 4090 is cloaked in respectability. The Commerce Committee sought to eliminate its private-interest element by an amendment providing that the patents on the device owned by the one organization must be available at reasonable cost to other organizations. How naive can we get?

There are presently approximately 1,000 cargo vessels that would come under the provisions of this legislation. In manufacturing so limited a number of pieces of equipment there would be no place for competition. There would only be one manufacturer whether it would be the present owner of the patents, or another organization which would acquire the rights. The bill could not help but create a monopoly. And the measure is private-interest legislation. It should be pointed out that through increased subsidy the Federal Government would have to make up a good part of the cost.

The Commerce Committee tried to keep the measure from being an out-and-out unconditional signed order for the owner of the patents. It provided an amendment saying the device must be found workable by the Federal Communications Commission.

Of course, this would open the door to political pressure on the Federal Communications Commission to approve the device even though it is subject to false alarms and other weaknesses. Why the hurry? The Federal Communications Commission is testing other equipment to perform the same function. Why hand one favorite patent owner an advance order and give his patents priority?

I do not charge there is anything wrong here, but I certainly think suspicious people would draw their own conclusions and I feel it would be a favor to the bill's sponsor to defeat the measure.

I know how busy Members are, and all I say to my colleagues is just read Federal Communications Commissioner Edward M. Webster's testimony in opposition to this legislation. That will convince any fairminded person of the logic of arguments against H. R. 4090.

Gen. John Salling: Symbol of America

EXTENSION OF REMARKS
OF
HON. W. PAT JENNINGS
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. JENNINGS. Mr. Speaker, I wish today to bring to the attention of the Members of the House an observance that will take place tomorrow, May 15, in Scott County of the Virginia Ninth Congressional District.

Tomorrow is the 110th birthday of Gen. John Salling, Virginia's only surviving veteran of the Confederate States Army and one of the last three surviving Confederate veterans. It is appropriate that we pause here today to take note of General Salling's birthday, and I know that every Member of Congress joins me in sending best wishes for many more years of health and happiness.

Last year, when General Salling celebrated his 109th birthday, the Bristol Herald-Courier published the following editorial, which I feel will be of interest to the Members. The press, of course, is again taking considerable interest in the general's birthday, and I am sure other editorials will be written in his honor tomorrow.

The editorial follows:

GEN. JOHN SALLING: SYMBOL OF AMERICA

The Nation was young when John Salling was born in 1846.

There were only 27 States in the Union and the population of the United States was somewhere in the neighborhood of 23 million.

We were at war with Mexico. "Californy" was just "out there," waiting for the great Gold Rush of 1849 and admission to the Union in 1950.

Just 14 years ahead lay another war, pitting South against North, States against States, Americans against Americans, the energies of men like John Salling against the stamina of men like "that Yankee" from Minnesota.

Ahead, too, lay the Spanish-American War, World War I, World War II, the Korean war. John Salling has seen them all.

Today, at 109 General Salling is a symbol of the Old South, the Confederacy, Robert E. Lee, Stonewall Jackson, Jefferson Davis. But today, General Salling also is a symbol of all America. He is a cherished link with the past, a man who has bridged the gap between "then" and "now," a man who has come to like "that Yankee," a man who has weathered the stress of time and the strains of physical labor.

He has seen 21 States swell the ranks of the Union. He has seen the population of the United States rise to more than 160 million. He has seen the advent of the automobile, the airplane, the military tank, electric lights, radio, television, atomic energy, movies, ironclad ships, submarines, mechanized farming, telephones.

He has been privileged to watch this Nation rise from the despair and destruction of internal conflict to a position as the greatest power on earth.

And, today, we are privileged to have him with us as a reminder of all the things which have come to pass in his lifetime. We hope this day will be a happy one for him and that we can repeat that hope again in the future.

General Salling, who is still quite active despite his 110 years, mined saltpeter for gunpowder during the Civil War. He has lived most of his life on his farm in Scott County, about 2 miles from his birthplace.

Many distinguished visitors are expected to call on the general during tomorrow's birthday celebration. Among them will be a delegation from the Governor of Virginia to present the general with a 10-gallon Texas-style hat and a Confederate shirt to complete his uniform. Also an area bakery will deliver a huge cake to the general's farm home.

Mr. Speaker, in observing the birthday of one of my most distinguished constituents, I would like to call the attention of the House to a bill, H. R. 6392, which I introduced last year for the relief of the last three surviving Confederate veterans. This bill is pending before the House Committee on the Judiciary.

This bill provides that the Administrator of Veterans' Affairs be "authorized and directed to pay to the proper person or persons an amount equal to the expenses incurred for medical treatment and care furnished on and after the date of the enactment of this act, and during the 1-year period immediately prior thereto."

In the natural course of events, these last representatives of the gallant gray host will not be with us much longer. Can anyone of us find it in his heart to deny these three Confederate veterans the comforts due to their venerable years with tender respect for the honored uniforms they once wore?

Last year, the Congress approved a bill for the relief of the last surviving Union veteran. I urge you to suppport this proposed bill to aid our last three Confederate veterans.

And so, Mr. Speaker, I wish to conclude by saying that General Salling, who at 110 maintains an active life, is interested in his farm and his Government, deserves our respect and our best wishes. He is, indeed, a symbol of America. I hope that his 110th birthday will be a happy occasion and that we will be privileged to observe many others with him in the future.

A Letter From the President to Hon. Frederic R. Coudert, Jr.

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mrs. ST. GEORGE. Mr. Speaker, we Congressmen are apt to be the recipients of a good deal of criticism, slings and arrows of outrageous fortune, some of it unjust. So it is pleasant for us all, regardless of party, when one of our number receives an approving word from his or her leader.

Our friend and colleague, FREDERIC R. COUDERT, Jr., has received the following letter from the President, which we all know is well merited, but nonetheless welcome. The letter follows:

THE WHITE HOUSE,
Washington, April 28, 1956.

The Hon. FREDERIC R. COUDERT, Jr.
House of Representatives,
Washington, D. C.

DEAR FRITZ: I should feel remiss if I failed to express to you my appreciation of your cooperation in the Congress in connection with a number of matters of vital importance to our country which have come before the Committee on Appropriations. I am aware that on several occasions your efforts have contributed a great deal to the success of key programs, and for this I am personally grateful. I look forward to the continuance of your effective public service in the years to come.

With kind regard,
Sincerely,
DWIGHT D. EISENHOWER.

H. R. 5550

EXTENSION OF REMARKS
OF
HON. RICHARD M. SIMPSON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mr. SIMPSON of Pennsylvania. Mr. Speaker, I wish to call to the attention of the House that officials of 635 predominantly small industrial concerns, agricultural producers, and labor unions from all over the United States, have filed with the Speaker of the House petitions protesting against passage of H. R. 5550, now pending before the House, and instead urging that the General Agreement on Tariff and Trade be brought before Congress in accordance with the treatymaking provisions of the Constitution.

The industries for which these petitions were signed are located in 42 States. They have their main offices or plants in such industrial centers as New York, Chicago, Los Angeles, Philadelphia, Detroit, Baltimore, Cleveland, St. Louis, Boston, San Francisco, and Pittsburgh, and, in addition, in 183 other congressional districts—approximately 350 districts affected.

The various industrial and agricultural products represented by the petitions include:

Cotton and wool textiles, thread cordage, lace, carpets, felt, blankets, narrow fabrics, elastic fabrics, hats, gloves, hosiery, embroidered articles, wearing apparel, glue and gelatin, colors and pigments, coal, chemicals, steel, nonferrous ores and metals, aluminum wares, silverware, wood products, leather, paper, plywood, building materials, scientific instruments and glassware, surgical and medical supplies, optical goods, tools, electrical equipment, machinery, antifriction bearings, refractory materials, bicycles and motorcycles, clocks, guns and ammunition, metal closures and fasteners, miscellaneous metal products, counting devices, fishing tackle, toys, games, plastic products, buttons, glassware, chinaware and pottery, ceramics and tiles, rubber products, pencils, brushes, sugar, figs, olives, raw wool, and miscellaneous food products.

Petitions were also signed by officials of labor unions and employees of many industries including: leather, glass, pottery, knit glove, scientific apparatus, rubber, lace, woolen textile, and wall products.

The petition which these officials signed reads as follows:

PETITION MEMORIALIZING THE PRESIDENT OF THE UNITED STATES, THE PRESIDENT OF THE UNITED STATES SENATE, AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES ON THE SUBJECT OF H. R. 5550

We, the undersigned, respectfully petition and memorialize you in accordance with amendment I to the Constitution of the United States of America, to refrain from enacting H. R. 5550 and instead to bring the General Agreement on Tariffs and Trade before the Congress of the United States in accordance with the treatymaking provisions of the Constitution, for the following reasons:

1. Passage of H. R. 5550 would impair the right of petition and redress guaranteed in our Constitution, since tariff policy and foreign commerce would be made subject to determination by an international agency.

2. H. R. 5550 would hinder labor and business from obtaining effective action by the Congress of the United States, as guaranteed by article I, section 8 of the Constitution, which declares: "The Congress shall have power to lay and collect taxes, duties, imposts, and excises * * * to regulate commerce with foreign nations, and among the several States * * *"

3. H. R. 5550 would remove from Congress its full and effective freedom to exercise its constitutional responsibilities in these fields.

4. H. R. 5550 would remove tariff and trade policy determinations from the Federal Government and subject them to an international organization in which the people of the United States are not adequately represented and where the United States delegate would have but 1 of the 35 votes, the same as the Grand Duchy of Luxembourg, Haiti, and other countries with populations less than many cities and States in this Nation.

Now, therefore, we request that this petition and memorial be formally placed before the Congress of the United States.

United States Foreign Aid During the Period July 1, 1940, Through December 31, 1955

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mr. SMITH of Wisconsin. Mr. Speaker, from time to time I have been submitting for the RECORD figures on the extent of foreign aid. At this time I submit the figures for United States foreign aid during the period July 1, 1940, through December 31, 1955. In other words the record on our spending programs abroad is brought down almost to date, at least to December 31, 1955.

The information contained in this report was furnished by Dr. Ernest S. Griffith, Director of the Legislative Reference Service, and particularly by Mr. Hermann Ficker, Analyst in International Trade and Finance, Economics Division. I am indebted to these men for

this material and commend them for the excellent service they have rendered:

As summarized in the first table United States foreign aid to all countries and international organizations for the period covering World War II and the postwar period ending December 31, 1955, amounted to $111,126,234,000. This total does not include United States capital investments in the International Bank for Reconstruction and Development ($635 million) and the International Monetary Fund ($2,750 million) although these add to the foreign aid underwritten (reclaimable) by the United States Government.

Lend-lease totals were divided into two sections, namely for the war emergency period and for the postwar period. During the postwar period additional funds were not authorized; the totals extended for lend-lease were merely for the supplies in the so-called "pipelines" and final settlement of goods not yet delivered.

Grants-in-aid are also divided into the war and postwar periods. In general no repayment was requested. The only condition stipulated in all grant agreements was that the United States could request a return of a percentage of Counterpart Funds in national currencies or in strategic raw materials from the recipients of aid.

On the other hand, net authorized credits are loans or other agreements which gave rise to specific obligations for repayment. Utilized credits for the war period amounted to $1,096,000,000, but only the total for the overall period July 1940–December 31, 1955, is given by country as there was a continual readjustment in payments as well as previous grants being transferred to the loan account.

Summary of aid

Lend-lease (grants-in-aid):	
I. (a) July 1, 1940–June 30, 1945 (war period)	$46,728,287,000
I. (b) July 1, 1945–Dec. 31, 1955 (postwar period)	2,040,033,000
Total	48,708,320,000
Grants-in-aid, other than lend-lease:	
II. (a) July 1, 1940–June 30, 1945 (war period)	1,400,010,000
II. (b) July 1, 1945–Dec. 31, 1955 (postwar period)	44,102,380,000
Total	45,502,390,000
Net authorized loans and credits:	
III. July 1, 1940–Dec. 31, 1955 (war and postwar period)	16,855,524,000
Summary total	111,126,234,000

I. (a) Lend-lease—July 1, 1940–June 30, 1945

[In thousands of dollars]

Bolivia	5,026
Brazil	347,945
Chile	22,038
Colombia	8,278
Costa Rica	156
Cuba	6,154
Dominican Republic	1,458
Ecuador	7,208
El Salvador	877
Guatemala	1,736
Haiti	1,362
Honduras	368
Mexico	38,621
Nicaragua	885
Paraguay	1,952
Peru	18,001
Uruguay	6,942
Venezuela	4,480
Unspecified Latin America	108,539
Belgium	68,774
United Kingdom	28,600,797
Australia	896,641
India	610,172
New Zealand	249,432
Union of South Africa	93,370
China (Formosa)	845,743
Czechoslovakia	2,760
Ethiopia	1,238
France	2,613,543
Greece	75,365
Iran	7,791
Liberia	236
Netherlands	114,690
Norway	37,039
Poland	12,119
Saudi Arabia	5,489
Turkey	90,041
U. S. S. R.	10,760,975
Yugoslavia	32,050
Unclassified	1,245,077
Total	46,728,287

I. (b) Lend-lease—July 1, 1945–Dec. 31, 1955

[In thousands of dollars]

Brazil	3,616
Colombia	11
Dominican Republic	3
Guatemala	1,347
Mexico	553
Paraguay	2
Peru	237
Belgium	59,480
United Kingdom	341,462
Australia	12,300
India	3,000
New Zealand	2,300
China (Formosa)	729,418
Czechoslovakia	2
France	372,441
Greece	5,956
Iran	750
Italy (civilian supplies)	134,444
Netherlands	64,334
Poland	92
Saudi Arabia	1,591
U. S. S. R.	277,254
Yugoslavia	76
Unspecified	29,364
Total	2,040,033

II. (a) Grants-in-aid—July 1, 1940–June 30, 1945

[In thousands of dollars]

Argentina	1,239
Bolivia	1,926
Brazil	12,693
Chile	2,864
Colombia	2,230
Costa Rica	1,722
Cuba	503
Dominican Republic	400
Ecuador	4,132
El Salvador	1,026
Guatemala	1,484
Haiti	1,131
Honduras	2,720
Mexico	8,130
Nicaragua	2,267
Panama	989
Paraguay	2,406
Peru	3,485
Uruguay	814
Venezuela	2,557
Unclassified Latin America	4,373
Austria	1,022
United Kingdom	16,158
Australia	108
Bermuda	1
British East Africa	301
Hong Kong	368
India	77
Trinidad and Tobago	3
China-Formosa	385,116
Czechoslovakia	5,717
Egypt	1,700
Finland	1,489
France	7,449
Algeria	15,945
French Equatorial Africa	118
French Morocco	68
Greece	3,627
Iceland	99
Iran	353
Ireland	308
Italy	310,166
Eritrea	15
Ryukyu Islands (Japan)	4,122
Liberia	236
Indonesia	3,625
Norway	70
Philippines	52,515
Poland	84
Portugal	1
Spain	1,759
Sweden	766
U. S. S. R.	15,205
Yugoslavia	1,028
Trust Territories in Pacific	1,826
International organizations	53,238
Unclassified areas	447,379
Total	1,400,010

II. (b) Grants-in-aid, July 1, 1945 to Dec. 31, 1955, and calendar years 1954 and 1955

[In thousands of dollars]

	July 1, 1945 to Dec. 31, 1955	1954	1955
Argentina	198		
Bolivia	42,554	14,718	21,331
Brazil	20,091	2,833	5,550
Chile	10,504	1,358	1,825
Colombia	7,155	1,322	2,184
Costa Rica	13,899	1,858	2,400
Cuba	1,437	242	416
Dominican Republic	2,002	276	534
Ecuador	8,514	1,267	1,681
El Salvador	5,026	883	1,196
Guatemala	20,964	463	10,708
Haiti	11,719	2,844	3,934
Honduras	6,005	1,006	1,812
Mexico	104,758	3,964	1,625
Nicaragua	10,530	1,326	2,012
Panama	9,113	1,796	2,756
Paraguay	8,271	1,047	1,944
Peru	14,703	2,462	3,206
Uruguay	1,994	235	253
Venezuela	2,152	152	189
Unspecified	300,109	49,011	30,827
Afghanistan	3,375	1,228	1,655
Albania	20,444		
Australia	239		
Austria	1,057,470	18,251	7,534
Belgium-Luxembourg	521,980	6,285	574
Burma	20,725	1,052	720
Canada	3,964		
Ceylon	167	9	112
China (Formosa)	1,420,111	105,538	92,941
Czechoslovakia	185,825	839	1,535
Denmark	247,600	1,117	248
Egypt	30,954	4,513	22,332
Ethiopia	8,736	1,667	3,885
Federation of Rhodesia	1		
Finland	3,522	46	1,424
France	3,914,830	461,789	405,871
Algeria	107		
French Morocco	647	201	175
French West Indies	17		
Tunisia	335	56	137
East Germany	17,349	6,946	2,099
Federal Republic of Germany	3,768,428	75,494	31,399
Greece	1,649,328	55,934	54,143
Hungary	5,855	2,999	497
Iceland	29,791	831	501
India	170,206	28,790	88,429
Indochina (total)	403,912	69,496	264,709
Cambodia	27,957	12	27,945
Laos	36,873	4	36,869
Vietnam	230,249	38,322	191,928
Unspecified	108,833	31,158	7,967
Indonesia	114,083	5,912	6,743
Iran	171,358	65,273	33,395
Iraq	7,382	2,216	2,908
Ireland	18,346		
Israel	240,167	55,958	22,909
Italy (civilian supplies)	2,401,706	112,495	65,354
Trieste	47,821	360	734
Japan and possessions	2,579,391	16,230	30,333
Jordan	26,120	6,705	13,418
Korea	1,310,360	161,746	250,223
Lebanon	15,315	3,796	6,777
Liberia	6,238	1,292	1,697
Libya	24,814	4,263	17,307

II. (b) Grants-in-aid, July 1, 1945 to Dec. 31, 1955, and calendar years 1954 and 1955—Continued

[In thousands of dollars]

	July 1, 1945 to Dec. 31, 1955	1954	1955
Nepal	3,076	637	1,946
Netherlands	846,870	15,424	[1] 1,854
Surinam	422	220	202
Norway	235,419	15,077	3,465
Pakistan	161,699	12,202	64,607
Palestine	175	----------	----------
Philippines	750,584	17,279	13,165
Poland	364,886	----------	----------
Portugal	15,979	3,031	1,370
Saudi Arabia	2,652	764	340
Spain	68,211	12,750	53,939
Sweden	87,143	8	1
Switzerland	1,803	----------	----------
Syria	970	452	21
Tangier	17	17	----------
Thailand	36,569	4,624	14,327
Turkey	444,490	75,892	49,183
U. S. S. R.	188,180	----------	----------
United Kingdom	3,396,667	163,457	81,343
Bahamas	34	----------	34
British Borneo	137	----------	136
British East Africa	29	----------	29
British Guiana	97	18	74
British Honduras	147	----------	85
British Leeward and Windward Islands	163	----------	163
Federation of Malaya	546	47	488
Gambia	25	----------	25
Gold Coast	16	----------	12
Hong Kong	2,568	1,464	1,104
Jamaica	506	----------	503
Malta	596	86	356
Nigeria	27	----------	25
Sierra Leone	7	----------	6
Singapore	24	----------	24
Yugoslavia	730.305	52,931	81,411
Trust Territories in Pacific	4,444	----------	----------
International organizations	1,092,148	43,447	47,759
Unspecified areas:			
Asia and Pacific	2,603,938	759,075	456,969
Europe	10,153,496	2,039,745	1,365,653
Near East Africa	1,506,676	324,360	308,509
South Asia	15,654	13	1,127
Other	330,979	38,541	40,185
Total	44,102,380	4,949,958	4,128,343

[1] Credit.

III. Net authorized loans and credits, period July 1, 1940, to Dec. 31, 1955

[In thousands of dollars]

Country	Total period July 1, 1940 to Dec. 31, 1955	Unutilized on Dec. 31, 1955
Argentina	162,137	60,072
Bolivia	47,043	2,621
Brazil	784,942	89,558
Chile	148,764	4,550
Colombia	86,293	2,812
Costa Rica	21,335	10,303
Cuba	80,228	8,060
Dominican Republic	3,284	----------
Ecuador	38,565	6,499
El Salvador	1,476	----------
Guatemala	2,619	2,125
Haiti	37,891	7,163
Honduras	1,118	----------
Mexico	309,747	64,836
Nicaragua	5,550	300
Panama	6,488	----------
Paraguay	13,900	7,670
Peru	147,755	120,134
Uruguay	22,011	2,673
Venezuela	23,822	5,376
Unspecified	144,624	7,111
Afghanistan	40,934	14,300
Australia	22,559	----------
Austria	34,807	4,446
Bahrein	17,048	----------
Belgium	234,972	----------
Luxembourg	3,000	----------
Belgian Congo	1,550	----------
Burma	5,043	----------
Canada	198,621	2,625
China (Formosa)	367,858	16,723
Czechoslovakia	30,377	----------
Denmark	54,341	----------
Egypt	25,674	7,740
Ethiopia	31,707	24,000
Eritrea	50	----------
Federation of Rhodesia and Nyasaland	60,686	11,291
Finland	152,313	----------

III. Net authorized loans and credits, period July 1, 1940, to Dec. 31, 1955—Continued

[In thousands of dollars]

Country	Total period July 1, 1940 to Dec. 31, 1955	Unutilized on Dec. 31, 1955
France	2,463,407	1,430
Algeria	680	----------
French Equatorial Africa	4,368	----------
French Morocco	18,378	40
New Caledonia	1,501	----------
Germany	1,345,706	124
Greece	126,790	2,073
Hungary	15,917	----------
Iceland	6,249	----------
India	409,216	45,270
Indonesia	180,770	32,952
Iran	120,626	55,780
Iraq	889	----------
Ireland	128,200	----------
Israel	162,398	5,401
Italy	481,209	26,355
Japan	620,474	75,359
Korea	27,428	2,500
Latvia	11	----------
Lebanon	1,550	----------
Liberia	44,773	18,100
Netherlands	472,172	----------
New Zealand	20,453	16,120
Norway	140,830	----------
Pakistan	35,136	20,000
Philippines	144,652	7,686
Poland	81,268	----------
Portugal	59,465	4,548
Angola	65	----------
Saudi Arabia	31,826	----------
Spain	142,033	47,424
Sweden	28,311	----------
Thailand	8,505	1,250
Turkey	155,520	11,182
Union of South Africa	151,714	30,179
U. S. S. R.	222,493	----------
United Kingdom	5,216,757	----------
British East Africa	2,394	----------
British Guiana	128	----------
British Honduras	482	----------
Jamaica	20,930	----------
Nigeria	674	----------
Yugoslavia	55,900	----------
International organizations:		
Schuman plan (European coal and steel)	100,000	----------
United Nations headquarters loan	65,000	----------
Export credits—Export Import Bank	167,143	167,143
Total	16,855,524	1,053,904

Sources:
(1) Foreign Aid, 1940-51; Office of Business Economics, Bureau of Foreign and Domestic Commerce, U. S. Department of Commerce, 1952.
(2) Foreign Grants and Credits, Office of Business Economics, U. S. Department of Commerce, April 1956.

Gordon Keith Chalmers

EXTENSION OF REMARKS
OF
HON. JACKSON E. BETTS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. BETTS. Mr. Speaker, last week Dr. Gordon Keith Chalmers died at the age of 52. Dr. Chalmers was president of Kenyon College at Gambier, Ohio, a small private church school of higher learning.

In Congress Kenyon has many friends. Kenyon Bolton, son of Congresswoman FRANCES BOLTON, is a trustee. Congressman PAT HILLINGS studied there while in the armed service. Former Congressman Robert Crosser and myself are graduates. Congressman WIDNALL, of New Jersey, and Dr. Chalmers were schoolmates at Brown University.

As head of Kenyon, Dr. Chalmers gained a wide reputation, both as an educator and administrator. But more than that, he appreciated the need of small private colleges in our system of education and understood their difficulties in a day when much attention is focused on large State universities operating at public expense. He realized the need of both private and public-supported colleges and universities to advance the educational and cultural life of America. To that end he served both as a member and head of organizations endeavoring to keep the small school a going concern on the American educational scene. His death is a loss not only to Kenyon, but to the intellectual progress of the country.

Cinco de Mayo

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. DINGELL. Mr. Speaker, on May 5 the Mexican people celebrate a day memorable in the annals of Mexican history. That day is the anniversary of the Battle of Puebla, in which the heroic defenders of Mexican freedom repulsed the proud, battle-hardened troops of Napoleon III who had invaded their soil. I think it is fitting that we in the United States also pay homage to the defenders of Puebla, for in a very real sense those brave Mexican troops struck a blow for freedom for the entire Western Hemisphere.

Mexico, after independence from Spain had been achieved, suffered a long period of intermittent warfare in the struggle to create a government. In 1857 the liberal forces at last established a democratic constitution. Benito Juarez, an Indian of humble origin but of great intelligence and honor, was elected president of the Mexican people in 1861. The aristocratic and conservative elements, however, fearing for the loss of their privileges, continued to give battle. They even intrigued with Europeans to put an end to the democratic, republican government of the young nation.

England, Spain, and France, vexed by the unpaid claims upon Mexico of their citizens, agreed to send a joint squadron to Mexico to force payment. The allied nations landed troops in the coastal cities. President Juarez promised to meet Mexico's obligations as soon as the weakened country was on the road to recovery. The President's promise satisfied Spain and England, who promptly withdrew their troops. But the French remained, and the ambitions of Napoleon III to set up a French colony in the Americas soon became apparent. Napoleon had visions of a vast French Empire, stretching from the border of the United States, down through the Isthmus of Panama, where the French had plans to build a canal, and even to the southernmost tip of Tierra del Fuego. The moment was opportune

to get a foothold. Mexico was weak and tired; French troops were already on Mexican soil; some powerful members of Mexican society supported the French designs; and the United States was too occupied with its own bloody civil war to keep check on French maneuvers. Napoleon ordered his troops to seize Mexico City, the capital.

On May 4, 1862, the French division of some 6,000 encamped on the outskirts of Puebla. The following day, an inferior force of raw recruits, badly equipped except for their grim determination and patriotism, clashed with the well-organized, well-disciplined troops of the French emperor. The Mexican victory in Puebla on that memorable May 5 was the event that gave the nation courage to continue resisting the invaders.

Napoleon sent reinforcements from France and finally forced Emperor Maximillian of Austria upon the Mexican people. But the battle of Puebla had given the Mexicans courage and confidence in themselves. The victory at Puebla had taught them that the mighty French were not invincible.

It was not until 1867 that Juarez returned to his rightful position of leadership in the Mexican capital. Many battles were fought before the French troops and puppet emperor were routed. But none holds the place in Mexican hearts of the first encounter, when Mexican men stood up to the might of Europe and in doing so served notice that the young American Republics were no longer prey for the imperialist nations of the Old World.

Status of Forces Agreements

EXTENSION OF REMARKS
OF
HON. FRANK T. BOW
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mr. BOW. Mr. Speaker, today a sergeant in the Marine Corps is serving a 4-year sentence in a Japanese prison. He was fortunate, through appeal, to secure a reduction in his original sentence of 8 years. This reduction was apparently only a sop thrown to the victim of foreign justice.

The observers at this serviceman's trial described the testimony on which he was convicted as not only preposterous and fantastic, but in some respects patently impossible. They further said the conviction was manifestly unfair and unwarranted. Testifying in February before a subcommittee of the Senate Armed Services Committee, General Hickman said the appeal had not cured the original defects in the trial amounting to a denial of justice.

This is but one example of the justice meted out to our servicemen abroad by foreign courts. Yet the House Foreign Affairs Committee told you in its report on the Mutual Security Act that hearings which the committee had held did not bring to light a single instance where an innocent American serviceman had been imprisoned by a foreign court, or an American sentenced for an act which in the United States would not be considered a crime. This also ignored the French practice of trying a man for an alleged crime solely to enable the prosecuting witness to assert a civil claim. Americans have been tried by the French when our court-martial board did not think the facts warranted prosecution. The penalty imposed may be only a small fine, but the serviceman is thus made a criminal statistic.

Rumanian Independence Day

EXTENSION OF REMARKS
OF
HON. KATHARINE ST. GEORGE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mrs. ST. GEORGE. Mr. Speaker, the 10th of May has passed by silently in Rumania. But when that country was free, May 10 was the day on which they celebrated their independence and that freedom they have now lost.

We are partly to blame for the plight of Rumania, and of many other nations behind the Iron Curtain, and I want at this time to review some of the events that have led up to the present situation, specifically, in Rumania.

Once the Austrian peace treaty had been concluded and the Russian troops withdrawn from Austria, the Soviet Union had the obligation as provided in the peace treaties with Rumania and Hungary of withdrawing her armed forces from these two countries. It should be stressed that the formal motive, as mentioned in the peace treaties, of the presence of the Soviet armies in Rumania and Hungary was the insuring of the Russian lines of communication with the Soviet zone of occupation in Austria. The peace treaties with Rumania and Hungary provide that the Russian troops should withdraw from Rumania and Hungary within 90 days from the conclusion of the Austrian peace treaty. It should also be pointed out that these provisions are guaranteed by the three great powers, United States, United Kingdom, and the Soviet Union, the peace treaties being a contract between the three of them and the above countries. Therefore, the implementation of these treaties' provisions is the equal responsibility of all three.

It was, of course, an error to conclude peace treaties with nonrepresentative, tyrannical governments, forcibly installed by Moscow, but once that incredible concession was made to the Soviets and signed, we should at the very least have seen to it that these treaties were respected.

The peace treaty with Austria has been concluded, the 90 days from its conclusion have elapsed and then another 90 days have elapsed, and there is no sign of the Russian troops withdrawing from Rumania and Hungary. The Soviet Union is thus violating its obligations under these treaties. Until now the United States and the United Kingdom have not raised the issue of the withdrawal of the Red troops, although it is their obligation to do so. A profound silence reigns over this whole question. Moreover, the Communist Governments of Rumania and Hungary which have been permanently infringing on the treaties and are subservient accomplices to this last Soviet violation, have been rewarded for their crimes by being accepted as respectable members of the United Nations.

Why does not our country take the necessary steps, asking for the fulfillment of these treaty provisions as it is our obligation to do? Articles 38 and 40 of the Rumanian and Hungarian peace treaties provide for the procedure to be followed in this case. We in the Congress could raise this vital question and ask for action on this matter.

The independence of the Rumanian people was fully reestablished by the Congress of Berlin, 1878, after almost three centuries of being under the suzerainty of the Ottoman Empire. Up to the moment of the Turkish advance into the Danube area the Rumanian lands had been ruled by national Domni—independent princes—who took an active part in the defense of Europe and of Christian civilization, through an unceasing fight against the invasions from the east.

> The victories you have gained with equal wisdom and bravery over the unbelievers, our common foe, have raised your fame to the point that your name is on everyone's lips, and all agree in exalting you—

Wrote Pope Sixtus IV to Stephen the Great, one of these Rumanian Domni ruling in the second half of the 15th century.

The Rumanian people, descendents of the Roman colonists of Dacia—the ancient name of the land inhabited by the Rumanians—form a strong Latin and Christian outpost at the eastern confines of Europe. The country, numbering now twenty-odd millions, has preserved its national integrity throughout centuries of vicissitudes. A deeply rooted nationalism and Christian faith are once more today the inspiration which wealds the Rumanian people together in an unyielding resistance to communism.

The circumstances under which the independence of Rumania was recognized in 1878 are worth remembering.

On the eve of the war between Russia and Turkey on April 16, 1877, Mihail Kogalniceanu, Rumanian Minister for Foreign Affairs, signed a convention with Russia. The convention assured to the Russian armies free passage across Rumania, provisioning and the use of roads and railways, and pledged her to respect Rumanian laws and institutions. Article II of this convention had the following text:

> In order that no inconvenience should result for Rumania from the fact of the passage of the Russian troops through her territory, the Government of His Majesty the Emperor of all the Russias pledges himself to maintain and to make respected the political rights of the Rumanian State, such as derive from its internal laws and the existing treaties, as well as to maintain and defend the present integrity of Rumania.

What happened immediately after this Convention was signed is typical.

Meanwhile the Russian attitude was disquieting—

Writes the English historian Seton Watson.

There was a tendency to override or ignore Rumanian susceptibilities and treat the country as a mere Russian dependency. Rumania's cooperation on equal terms was airily rejected by the vain and pompous Gorchakov (the Russian Chancellor), the most that he would concede was that she might join the war uninvited, but in that event there must be complete fusion and unity of command. "Russia," it was stated quite explicitly, "does not need the assistance of the Rumanian Army." (A History of the Rumanians, Cambridge 1934, p. 336.)

But—

In the second half of July the Russians suffered more than one reverse, and finding themselves in urgent need of reinforcements pressed the Rumanians to come to their aid * * * Prince Charles, with a fresh army of 50,000 men and 180 guns at his disposal, was this time able to lay down specific conditions for cooperation, and the Russians dismounting from their high horse, gracefully offered him the command of the united armies before Plevna. * * * On September 8, the Rumanian Army had its real baptism of fire in the redoubts of Grivita, before Plevna; and the foreign attachés and correspondents were unanimous in their praise of its extreme gallantry and steadiness, which contributed very materially to the final victory.

The reward for this cooperation came very soon. On January 29, 1878, Gen. Ion Ghica, the Rumanian representative in Moscow, was officially informed that Russia demanded the districts of Southern Bessarabia, which had been returned to Rumania by the Treaty of Paris.

The plea that the territory in question had been for centuries an integral part of Moldavia and had fallen to Russia the first time only 44 years before the Treaty of Paris seems to have made not the slightest impression upon either the Tsar or Chancellor.

The possession of Bessarabia with control of the Mouths of the Danube, was cynically made by the great powers an object for bargaining, and the Berlin Congress sanctioned this amputation of Rumanian territory to Russia.

In politics—

Remarked Lord Beaconsfield to the Rumanian Prime Minister Bratianu—

ingratitude is oftentimes the reward for the most distinguished services.

It was in vain that Gladstone accused the British Government of "selling Bessarabian liberty to Russia."

A similar incident happened, when, in the autumn of 1944, Sir Winston Churchill sold Rumanian liberty to Communist Russia. But this time there was no Gladstone to protest against this political felony. Thus was the great American principle of self-determination which President Woodrow Wilson upheld and made a reality in Eastern Europe, sacrified to placate a Communist tyrant. The fact that from September 1944 until the end of the war, the Rumanian army substantially contributed to the Allied offensive and considerably shortened the war—being considered at that time, as the London Times put it, "the fourth combative force"—has not affected the cynical bargain between the Great Powers in 1944. The situation is remarkably similar to that of 1878; when Russia raped a province from Rumania, her ally, who had saved her from defeat.

Rumania has been blatantly subjugated by Soviet Russia on March 6, 1945; through the politically and militarily enforced ultimatum, delivered to King Michael, by Andrei Vishinsky 2 weeks after the Yalta Declaration. The United States and the United Kingdom officially recognized this enslavement by signing a so-called Peace Treaty with the nonrepresentative Moscow installed puppet-government in Paris 1947.

Thus does history repeat itself, but this time with infinitely more tragic consequences both for Rumania and for the world.

To Assist Farmers in Planting Woodlots, Windbreaks, and Shelterbelts

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. JENSEN. Mr. Speaker, on May 7, I introduced a bill H. R. 11030, which will assist and encourage farmers to plant greatly needed woodlots and shelterbelts.

The bill is as follows:

H. R. 11030

A bill to provide assistance in soil and water conservation and the establishment of proper land use to farm owners and operators who convert small tracts of crop or other land to woodland and to cooperate and assist the States in carrying out such development

Be it enacted, etc., That it is hereby recognized that the planting and development of woodlands on small tracts of cropland and on other farm lands not suitable for cropping contributes to the public welfare in that it assists in the control of soil erosion and destructive floods, results in more favorable conditions of water conservation and flow and provides for windbreaks, shelterbelts, and woodlots yielding a more adequate supply of timber and other tree products; and that the growing of trees involves a deferment by the landowner of income from the land. It is hereby declared to be the policy of the Congress that in order to promote woodland conservation on privately owned lands and provide other assistance to owners and operators of small tracts of land, the Secretary of Agriculture shall assist in the establishment and maintenance of woodlands thereon.

SEC. 2. In order to effectuate the policy of this act, the Secretary of Agriculture (hereinafter called the "Secretary") is authorized—

(a) to approve plans for a conservation program of woodland tree planting submitted by State oil conservation committees, boards, or commissions in cooperation with State officials and State foresters for the purpose of assisting owners of small tracts of land in affecting the policy herein stated: *Provided, however,* That any such plan, insofar as it affects private land within the boundaries of legally established soil conservation districts, shall provide for the carrying out of the plan in cooperation with such soil-conservation districts, and to avoid duplication shall provide that the technical and other assistance provided such districts under other Federal authorizations for assistance in developing and carrying out their soil and water-resource programs shall be utilized in the planting of trees on farm woodlands and for windbreaks;

(b) to assist the State in carrying out such plan as he has approved under this act, which assistance may include giving of advice and technical assistance and furnishing financial contributions including the cost of planting, replanting, and other operations necessary to the establishment of woodland tracts as he shall deem proper, provided that the financial contribution expended by the Federal Government for tree planting and woodland development on non-Federal land within the State during any fiscal year shall not exceed the amount expended by the State for the same purposes during the same fiscal year, and the Secretary is authorized to make financial contributions on the certificate of the State official(s) in charge of the administration of the plan as to the amount of expenditures made by the State; and

(c) to give technical advice and assistance to owners of such tracts, including the marketing of the forest products produced therefrom.

SEC. 3. In any plan that coordinates woodlands under the jurisdiction of any Federal agency other than the Department of Agriculture, the Secretary shall obtain the cooperation, assistance, and approval of the Federal agency having jurisdiction thereof.

SEC. 4. The Secretary may prescribe such rules and regulations as may be appropriate to carry out the purposes of this act.

SEC. 5. There are hereby authorized to be appropriated such sums as may be necessary to carry out the objects of this act, such sums to remain available until expended.

Mr. Speaker, the bill to assist farmers in planting and developing windbreaks and small woodlots is to complement title IV, the forestry provisions of the Agricultural Act of 1956, H. R. 10875. That section authorizes additional cooperative activity between the Department of Agriculture and the States in tree planting and reforestation—to build up and maintain a level of timber growing stocks adequate to meet the Nation's domestic needs for a dependable future supply of industrial wood. This bill seeks to provide farmers needed assistance to plant and manage woodlots and windbreaks largely for protection purposes and to supply wood for fuel and rough lumber for local farm use only. It is not intended to help commercial tree growers and large forestry enterprises.

I am particularly interested that this Congress give as much help and assistance as possible to those farmers who are in need of it, particularly those who have misfortune come to them because of drought or other circumstances over which they had no control. I want to see the farmer along with labor and business get an even break.

Somehow we have managed to do away with the rows of trees and the woodlots that served to protect farm crops from the hot winds of summer, and to save the livestock and buildings from the cold winds of winter. Of course, there were areas in my State of Iowa, and in the States to the west where trees were not native. However,

it has been demonstrated that trees will grow in most all of these areas, but farmers do need help to get them established.

Of importance right now is getting cropland out of production. Actually many farmers are trading crops for land. By that I mean crops are being harvested from land unsuited to cropping. This land is becoming poorer and poorer because of being cropped. Erosion is so serious on such land when it is cropped so as to reduce the yields and make such use unprofitable. Part of this kind of land should be converted to woods not only putting it to its best use but further reducing production of crops now in surplus.

Farmers need windbreaks to protect crops from hot winds that sear corn tassels and burn up grain. This is particularly true in the western Corn Belt. The cycle of dry hot weather that has persisted in the South and Middlewest since 1950 has cut yields on many farms to the point where farm income has been meager irrespective of the price of the product. Also, windbreaks are needed around every farm for shelter and protection for livestock and buildings throughout the central and northern parts of our country.

Wind erosion in the southern Great Plains has damaged over 5 million acres again this blow season. This is the seventh year that drouth has seriously damaged the wheat crop and reduced the productive capacity of much of the land in five southern Great Plains States. Shelterbelts have been successfully established in most of the Great Plains area and most of them could do a great deal toward holding the soil in place.

Nearly 40 million acres of cropland in this country are still being damaged at a critically rapid rate by erosion. Much of this acreage is in small tracts on thousands of farms. These small acreages make some contribution to crop surpluses too and they should be taken out of cropping and planted to trees. Not only will erosion on this land be reduced, but putting the land to trees will contribute immeasurably to reducing water runoff.

Farmers have been establishing good land use through the soil conservation district program for nearly 20 years. During that time some 20 million acres of cropland unsuited to continued cropping have been converted to grassland and woodland. The immediate need for further reducing crop acreage stimulates me to offer additional assistance to farmers in order to speed up the program of cropland conversion. The emphasis that has been placed up to this time on Federal assistance to private landowners and operators in forestry problems other than in the soil conservation district programs has been limited. Of course, under the Clarke-McNary Act, cooperation with the States has materially increased the production and distribution of trees and other planting stock. Also, the Secretary of Agriculture is directed under the Cooperative Forest Management Act to cooperate with the States in respect to management of woodlands and to provide technical services in the harvesting, marketing, and processing of trees. All of the work under these acts is done largely in cooperation with the States, and material contributions to the problem are being made. It is my intention in introducing this bill for stepping up the woodlands program that additional funds and assistance from Federal sources be made available to farmers cooperating with their soil conservation districts. It will augment the small amount out of the total Federal funds now being appropriated for forestry purposes which are utilized to assist farmers to plant and develop small woodland tracts.

Mr. Speaker, there is a clear difference between the provisions for tree planting in the soil-bank bill recently passed by the House, and the provisions and purposes of my bill, in that the soil-bank bill puts emphasis on commercial forests for the production of lumber, whereas my bill provides for small wood lots and shelter belts for farmsteads. For the past half century we Americans have carried on a tree-slaughtering program with a vengence, and in addition we have been straightening our small streams and creeks. Had we planned a desert here, we could not have made a better start. Our soil-conservation program on our farms has been most effective so far as water and soil erosion and flood prevention are concerned, and in which I have long taken a leading role in Congress.

But we are annually losing millions of acres of our priceless topsoil and crops from wind erosion. About 3 years ago I drove through the best agriculture section of France. There I saw what small wood lots and trees along the fence lines can do to stop wind erosion, and certainly it is now a national must here in the United States of America. Some may say trees along fence lines shade too much of otherwise productive cropland, but the greater area they protect from hot withering winds far exceeds the shaded area, also a fertilizer has now been developed which, when applied to shaded land, will produce about equal crops to unshaded land.

Taking the Seventh Iowa District as an example, I am very sure that, if every farm had a small woodlot, say 2 acres, as a windbreak for the buildings and a row or two of trees along the southernmost boundary of each farm the loss of crops from hot winds and drought would be greatly reduced. True it will take a few years before the trees will be big enough to be greatly effective, but there is no time a start can be made earlier than now. Maybe all of us will not be here long enough to enjoy and reap all the benefits but our children will.

Trees not only serve as windbreaks but the amount of moisture which a good sized tree will hold is almost unbelievable, which serves to moisten the dry destructive winds so only with a few hundred trees on each farm the combined benefit of thousands of trees in a neighborhood would be of untold benefit to exerybody.

I sincerely hope and pray that this tree-planting program will be put into effect at an early date.

Not One Federal Department Favors Enactment of H. R. 4090

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mr. PELLY. Mr. Speaker, H. R. 4090 would require an automatic radio alarm device on United States cargo ships of 1,600 gross tons or more carrying less than 2 qualified radio operators.

That I oppose H. R. 4090 in no way diminishes my regard for the objective of safety at sea, or recognition of this being the desire of the sponsor of the bill. I shall outline clearly the reasons why I believe the rule when it comes before the House next week should not be adopted, but first in fairness to the majority leader, who introduced H. R. 4090, I refer briefly to an article in the Baltimore Sun. It quoted me as saying the gentleman from Massachusetts was a friend of the owner of the patents for the device which would become mandatory under this bill.

I assure the House publicly as I have the gentleman from Massachusetts privately, I never made such a statement and consider it regrettable. Perhaps I should not dignify the newspaper article by this reference. It embarrassed me and makes my opposition to H. R. 4090 more difficult.

As to the reasons why I believe the rule should be defeated, let me say that one of my reasons is the high regard all of us have for the author of H. R. 4090. As I fear it was in the Interstate and Foreign Commerce Committee, it might well be if the measure reaches the floor, it might be adopted out of sheer deference to the majority leader. That, in my opinion, would be unfortunate.

Mr. Speaker, this is a highly technical subject; it deals with complicated and delicately balanced labor agreements; it deals with maritime law and intricate shipping regulations; it deals with involved electronic questions. The influence and personality of a zealous advocate of safety of life at sea should be matched by technical knowledge and testimony which the Interstate and Foreign Commerce Committee in reporting the bill ignored.

I am not in the well of this House representing the selfish interests of shipping companies. I am here, opposing this rule, because not one agency of the Federal Government from which the Commerce Committee requested a report, not one Department favored enactment of H. R. 4090.

The Department of Commerce flatly recommended against enactment, and the Federal Communications Commission's report found no justification for making the installation of this device mandatory even though it could be developed to a point where it is considered satisfactory. With such reports it is inconceivable that this bill if passed by

Congress would not encounter an Executive veto. Why, under such circumstances should the valuable time of Members be taken for consideration of a bill which will never, in my judgment, become law?

If, as I hope will not prove to be the case, a rule on H. R. 4090 is voted, I intend to offer amendments to defer effect of this bill: First, until reliability of operation of the device is assured by international standardization of criteria governing characteristics of signals to which the device is required to respond; second, until it is determined that agreement cannot be effected internationally to permit use of the present auto-alarm for the purposes which would be served by the call selector device; and third, unless and until an automatic radio call selector is required by the next International Convention for Safety of Life at Sea to be installed on all vessels subject to such Convention.

Frankly, Mr. Speaker, I believe granting of a rule and the adoption of these amendments is a waste of this body's time. But if we adopt a bill, for heaven's sake let us limit coverage until we can include foreign as well as domestic cargo vessels. Communications on the high seas should be on an internationally uniform basis. Otherwise we would have chaos.

Commissioner E. M. Webster, of the Federal Communications Commission, out of his wide experience and background testifying on this bill, emphasized, in opposing it, the desirability of a common standardized system in the world.

I hope the rule will be defeated. The legislation will add about $12 million to the cost of our merchant marine. If it would save lives it would be well worth the expense, but it will not; it simply would require installing a duplicative and unnecessary alarm system—if the patented device owned by one person can be perfected. I cannot find that any life in any sea tragedy from the disaster of the *Titanic* on down to the present, would have been saved—not one life—if this device had been in operation in United States cargo vessels.

And referring again to the cost, bear in mind Americans owning cargo vessels affected by H. R. 4090 can register their vessels under Panamanian or other foreign flag. They can, and have been in increasing numbers transferring ships foreign and replacing the personnel with low-wage foreign crews. The cost of $12 million to the American shipping industry under this bill would encourage that sort of thing.

There were five basic reasons advanced by Commissioner Webster in his testimony against H. R. 4090: First, there can be no operational reliability of this device because radio operators do not have a uniformity of speed in sending dots and dashes—the device is technically impractical and has, of course, never been tested under actual operational conditions at sea; second, no device should be made compulsory until after there has been sufficient experience and acceptance upon which to base an intelligent analysis; third, any merit to the device is convenience—not safety; fourth, cost is discriminatory against United States Merchant Marine and cannot be justified; and fifth, present international system is performing its job satisfactorily.

Finally, let me add one point more. Listen to this. Can any member of the Commerce Committee or the author of the bill state that the presently used auto-alarm which this new device, the automatic call selector, would duplicate—can anyone say the present alarm cannot be altered to serve exactly the same safety purposes as the device—the monopolistic device—under H. R. 4090 is proposed to serve.

There should be an investigation into alternative and more reliable methods.

I urge strongly defeat of this rule. Send H. R. 4090 back to committee for further study when it comes to the floor of the House.

Keynote Speech by Congressman John M. Vorys, Republican Mock Convention, Ohio State University, May 12, 1956

EXTENSION OF REMARKS
OF
HON. JOHN M. VORYS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 14, 1956

Mr. VORYS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

KEYNOTE SPEECH BY CONGRESSMAN JOHN M. VORYS, REPUBLICAN MOCK CONVENTION, OHIO STATE UNIVERSITY, MAY 12, 1956

I am honored to be asked to address this convention. You have met to frame a platform to support a successful campaign, and 4 years of wise and good administration after victory in November.

The Democrat convention will be engrossed and involved in the ambitions and intrigues of half a dozen presidential candidates, all of whom I have met personally, none of whom is big enough to be President; but they want to run for it, anyway!

Our convention is different. We are concerned with principles. We are inspired and influenced by the radiating personality, the moving spirit of our humble, friendly, beloved, great President, Dwight D. Eisenhower.

Here is a curious thing. We have a President who does not believe in one-man government, indispensable men, a rubber stamp Congress. Last September 10, before his illness, he said, "We don't believe for a minute that the Republican Party is so lacking in inspiration, high quality, personnel and leadership, that we are dependent on one man. We don't believe it for a minute." * * * He said, "Never pin your flag so tightly to one mast that if a ship sinks you cannot rip it off and nail it to another."

Yet this humble man has shown such a genius for team work, such a lifting spiritual quality, such ability in action, such a hold on the hearts of the people, that his already deathless spirit will permeate the conventions of both parties and will influence their decisions. We have had many would-be dictators in the world; some in this country. Our President, who would not be a dictator, has a voluntary following, based on affection and respect, here and over the world without parallel in history. Others would rule by fear; he leads by friendship.

You are young people. Others may feel that what you do or say is unimportant. President Eisenhower does not. He believes in youth. He is an old soldier. He learned in war that winning battles depends upon—not just generals, but youth. He has said: "The old tactical textbooks say that the commander always visits his troops to inspire them to fight. I for one soon discovered that one of the reasons for my visiting the front lines was to get inspiration from the young American soldier. I went back to my job ashamed of my own occasional resentments or discouragements. * * * The young American in action is something to inspire anybody." On the political front, he has said, "Each lower echelon of leadership should in its composition, respond to the need for youth, for the idealism, the enthusiasm of youth."

So as you meet here, inspired by our President, remember that he is inspired by what you are doing.

II

I have been asked to make a keynote speech. I warn you, I am no orator. In fact, I am dubious about the value of campaign oratory, a phrase that has become synonymous in the public mind with hokum and buncombe. Campaign oratory makes everything black and white; what the opposition does is black, what we do is white. Our country is not that way; our parties are not that way; our government is not that way. I believe in 2-party government as the bulwark of our liberties; one-party government is despotism, as in Russia. Many parties means paralysis of government, as in France. Therefore, I believe in two good parties; I just want ours to be the best. As the President has said, "No party has a monopoly on brains or idealism or statesmanship." You have heard about a bipartisan foreign policy. Many people do not know that in the committees in Congress, and on the floor, most of the work is bipartisan. We have many bipartisan policies, and bipartisan opposition to them: For instance, in agriculture, civil service, roads, veterans. I would estimate that easily 95 percent of the text of bills and reports and debates in Congress is bipartisan or nonpartisan. It is that critical 5 percent that counts, and makes the difference between the parties.

Many people wish there were greater differences between our two great parties. They wish the other party would accommodate by being against everything good, and for everything that is bad. It would make campaigning easier. But neither party will accommodate the other in this respect. This is hard on campaign oratory. It reveals, however, the essential unity of the vast majority of our people.

We have a big country, with a complex economy, many divergent regions and interests. Communism despises majority rule, so the Communist Party, the only party permitted, can be small and exclusive. In a free country a national party seeking a voluntary majority following must be large and inclusive. Measures that are vital necessities in one section may seem unimportant extravagances to those absorbed in the interests of another section.

An Italian statesman once said, "We have 14 parties, but only 2 factions; you have 2 parties and 14 factions." This was a witty remark, but it did not reveal the great weakness of government by coalitions of parties. We have many factions in this country who want their party to represent only their ideas. Their trouble is that they cannot get all the others to agree, or to drop out. So usually they exercise their right to stay in, and complain.

There is diversity within our parties. There is unity in many things among our people, but there are fundamental differ-

ences between our great parties in principle, in practice, in promises, in people.

III

There are cleavages between the northern and southern Democrats that may tear their party apart this year.

What is the Republican Party like in 1956? Some of our right-wingers say it has become Socialistic and is trying to out-deal the New Deal. On the other hand, the Democrat hopefuls in their campaign oratory are saying the Republicans are the party of big business. Both of these statements cannot be true. As a matter of fact, neither of them is.

We are the middle-of-the-road party, conservative in economics, progressive in meeting human needs. Three words sound the keynote of our country's great desires, our party's principles, practices, and promises. The Republican Party stands for peace, prosperity, and progress. For the first time in a quarter century we have both peace and prosperity. Everything but the guns are booming, and we are marching right up the middle of the road to progress in a Republican administration. We stand, as the President has said, for "a Nation whose every citizen has reason for bold hopes, where effort is rewarded and prosperity shared, where freedom expands and peace is secure."

IV

Let us look first to our record of performance. On the Archives building in Washington are inscribed these words, "The past is prologue." When it comes to campaign promises, the Democrats always outdo us. They are the most "promising" party in America; but we older people remember that Franklin Roosevelt won in 1932 on a platform to balance the budget and reduce spending 25 percent. People this year, hearing the Democrats, will remember Emerson's words, "What you do speaks so loudly I cannot hear what you say." What have we Republicans done?

Peace

The President promised to end the fighting in Korea. It ended July 27, 1953.

War for Formosa has been prevented.

We went to the brink of war in our offers to help stop Chinese Communist aggression in Indochina, but our allies failed us, and we refused to join in the abject cease-fire in Vietnam.

Nevertheless, we have furnished arms and defense support to keep South Korea, Formosa, and South Vietnam free in the face of constant danger of Red aggression.

We led in forming and implementing SEATO for mutual defense in Southeast Asia.

To the south of Russia, Secretary Dulles led in the northern tier concept, which resulted in the Baghdad Pact, binding together Pakistan, Iran, Iraq, and Turkey.

In Europe, Western Germany, with her sovereignty restored, has joined the Western powers in NATO.

Little Austria has at last secured a peace treaty.

The problem of Trieste has been settled.

Bases for our bombers are being built in Spain.

In Latin America the Communist regime in Guatemala was overthrown. Peron is gone from Argentina, and the 21 American Republics have joined unanimously in agreement to resist Communist aggression, subversion, or infiltration in any Latin American country.

The Soviets find themselves now completely hemmed in by a system of regional defenses, with weapons and defense support we furnish, backed by our mobile airpower and military might. And this complex, potent, deterrent to Communist aggression is maintained at less cost to us than the spotty forces supplied under the Truman administration.

So the Soviets have changed their strategy. They know that aggression will not pay right now, and so we have a strategic new look of sweetness and light in their unswerving campaign for world domination. As Secretary Dulles says, the fact that they changed, shows that they think they are unsuccessful.

We have helped the 18 underdeveloped countries that have emerged from colonial status to independence since World War II. We have furnished moral support, economic aid, and technical assistance. Now the Soviets are launching a program of economic aid and technical assistance. As Secretary Dulles says, if imitation is the sincerest flattery, perhaps we should be flattered that they are imitating our programs. He warns, however, that this flattering imitation increases, rather than decreases, the challenge of the Soviet new look.

The dramatic proposal of our President for the use of atoms for peace has captured the imagination of the world. The Soviet charges of American warmongering have been quietly dropped, because nobody believes them any more.

I was opposed to the President's going to the summit meeting at Geneva. I was thinking about Yalta. I should have known better. He made no promises or commitments, but his open-sky inspection proposals electrified the world in the cause of peace and effective safe disarmament.

We have certainly not yet achieved perfect peace.

We must not be lulled into a false sense of security by any means. The Soviet "new look" creates new problems and dangers. But we are not fighting and, with wars under Democrat administrations in recent memory, those who love peace would do well to go forward with Republican President Eisenhower, the master of war, now dedicated to peace, and a Republican team in Washington, down the middle of the road to more just and lasting peace.

Prosperity

Prosperity is like health and fresh air—hard to appreciate while you have it. We are the most prosperous nation in the world in all human history. We have had the highest wages, the highest national income, the highest employment, the highest standard of living, in our own history, in the last 3 years under this Republican administration dedicated to sound government fiscal policies, giving the American free-enterprise system a chance. This record of prosperity is not an accident, or a coincidence. It is the direct result of Republican policies.

Under the Republicans, controls were eliminated on wages, prices, rents.

A Republican Congress in 1954 made the biggest tax cut in all history—$7.4 billion, with 62 percent going to individuals and 38 percent to corporations.

Inflation is stopped and the cost of living has been stabilized. In 3 years the Republicans held the dollar to within 1 cent of its 1953 value, compared with a 12-cent loss in the last 3 Democrat years.

The budget submitted this year is in balance.

The Government got itself out of over 100 business activities and turned them back to private enterprise; everything from synthetic rubber plants and barge lines down to dry cleaning and coffee roasting.

Under a great Ohioan, Secretary of the Treasury George M. Humphrey, the fiscal affairs of the country have been managed with imagination, caution, and skill, to encourage private enterprise, to avoid an inflationary boom.

The pattern of prosperity is not perfect. Our farmers are not getting a sufficient share. Many factors account for this, especially the continuance of rigid price supports, initiated to produce wartime needs, into a period of peace by the Truman administration, resulting in ruinous surpluses. The Republican administration proposed the soil-bank plan, boldly designed to strike at the root of the problem, to compensate the farmer, save the land, and reduce our agricultural surpluses. A Democrat Congress loaded down this proposal with a pork barrel of panaceas to buy votes. Our President courageously vetoed it and went to the people. As a result, Congress sustained his veto, a soil-bank bill has passed the House, and I believe will pass the Senate.

The farmers have this choice; either to go back to the party which had depression or war for 20 years and pull everybody down to the farmer's present level, or to stay with the party that brought peace, and prosperity enough for all, including the farmers, if we are given enough time to adjust for past Democrat mistakes.

Progress

Sometimes fiction is stranger than truth. For years, the Democrats, their columnists and commentators, have pictured the Republican Party as mossback, reactionary, old fogies. This strange fiction is belied by the facts.

In their first period in power in 20 years, the Republican Party has proven progressive. In the last 3 years, forward steps have been taken in government, in human welfare:

1. The Department of Health, Education, and Welfare was established under a Cabinet officer. It was appropriate that this new Department, needed for 20 years, should have as its first head a woman, Mrs. Hobby.

2. An Air Force Academy has been established. As an old World War I flier, I can testify to the longtime need for this institution.

3. After three decades of talk, this Republican administration, with a Republican Congress, launched the St. Lawrence seaway, which, among other things, puts Ohio on the seaway map of the world.

4. The Eisenhower administration launched the plan for the interstate highway bill which has now passed the House. This pay-as-you-go measure to create a 40,000-mile defense highway system has been needed for many years.

The Republicans have been progressive in meeting the basic human needs of people; for instance:

1. Social security has been expanded to include 10 million more people.

2. Unemployment insurance has been extended to 4 million more people, in government and small business.

3. Vocational rehabilitation used to help 60,000 annually; now it helps 200,000 each year.

4. Civil rights have been made a reality in the District of Columbia. Integration has been completed in the Armed Forces. Following the Supreme Court decision handed down by Chief Justice Warren on school disintegration, a proposal for Civil Rights Enforcement Division in the Department of Justice has been submitted to Congress.

This is a partial record of progress under Republicans in the last 3 years. After long experience in Congress, I want to remind you that all of our problems have not yet been solved; many that look solved will need additional action later. But on meeting human needs, government needs, which party will be most progressive? The party that promises, or the party that performs, the Republican Party? Charting the future by the past, the Republican Party is going forward, up the middle of the road in peaceful, prosperous progress.

V

You will be drafting a platform for the future. It must contain principles, a program, for the campaign and for the 4 years of responsibility to follow. Our President has said, "Fellow Republicans, the campaign

before us is concerned with those things that count most—people and principles."

We are interested in people as individual citizens with God-given rights and duties, their needs, and hopes, and ambitions, not as statistics, or blocs, or classes.

We must make solemn pledges we intend to use in the campaign and carry out afterward. These pledges must be based on principles, not on expediency.

We must avoid the Democrat tactic of setting class against class, selfish appeals to pressure groups, resulting in a meaningless mosaic of conflicting, insincere promises of everything to anybody.

On the other hand, our principles, our program, our pledges, our platform must be broad enough to include the legitimate needs and aspirations of many kinds of good people living all over a vast Republic, in a complex economy, so as to draw them together in a united citizenry.

It is not my function to name a ticket or outline a platform for you. I think it would be helpful, however, to remind you of some fundamental principles of our party, as expressed by our first Republican President and by our latest Republican President.

Abraham Lincoln, who stood for union and freedom, said: "The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do at all, or cannot so well do, for themselves, in their separate and individual capacities. In all that the people can individually do as well for themselves, Government ought not to interfere."

President Eisenhower said, on April 17:

"I am a Republican, because I share our party's deep-lying trust in what freemen can do—a fundamental trust in the nature and capability of individual human beings.

"I believe the Republican Party, in its methods and traditions and broad philosophy:

"Offers the best hope of preserving the self-reliance and vigorous independence of individual Americans;

"Best serves the Nation in the search for peace with justice and freedom;

"Best fosters a competitive enterprise economy whose purpose is a wider prosperity fairly shared;

"Best answers the concerns of people for the meeting of their human needs;

"Best assures our children, and their children's children, the heritage of an America rich in all the resources of nature, dynamic in great traditions and ideals and purposes.

"I so believe because the Republican Party remains true to its heritage.

"Our party was born to vindicate the equal dignity of all men, their equal right to life, liberty, and the pursuit of happiness. The dedication of its earliest days still animates our party, in this age when worldwide corrosion eats away at freedom, and justice and opportunity for men."

VI

Our campaign, as the President said, is concerned with people and principles. After we have the principles for people incorporated into our platform, what about the people?

In our campaign we must remember that people do not vote in blocs or classes or groups. People vote one at a time, in secret.

We must get the Republicans to vote Republican. We must get many Democrats to vote with us. But the election for President and Vice President, for the House and Senate, will turn on the vote of the independents.

We have independent Republicans and Democrats, but how about the unattached, who say, "I belong to no party. I vote for the man."

There are three things we must do.

1. We must have a ticket and a platform that should appeal to any and every right-thinking citizen.

2. We must tactfully remind our independent friends that hardly anyone has the time, or the intelligence, to investigate every candidate thoroughly. I hear people say, "I'm going to vote against so-and-so" because of "this, or that." Then I find that they know nothing about the so-and-so they are going to vote for. People who do not claim omniscience, and do not want to be guilty of negligence, should associate themselves with the party that generally suits them, and then rely upon the collective choice of like-minded people on candidates, unless they know personally about each candidate and his opponent. Independents do not realize that they are political hitchhikers. They expect someone else to pick candidates, to write a platform—and then they may go along for the ride. Let's try, tactfully, to get them to understand the importance of the two-party system and then to join our party, and help it to get along.

3. When it comes to choosing a party, many of us were born into the Republican Party. We cannot say much, from personal experience, when an independent says, "why should I join the Republican Party?" We might call their attention to three very intelligent, very high minded, very experienced, very independent, very different men who asked themselves such a question: Abraham Lincoln, in 1856, had served in Congress as a Whig; the Whigs were dying out; there were a number of new parties around; he searched for principles and like-minded people, and became a Republican. There was Herbert Hoover, in 1920; he was a successful man; both parties courted him; he became a Republican. There was General Eisenhower, a successful general, a successful college president; both parties wanted him; he became a Republican. Henry Clay said, "I would rather be right than President." We cannot guarantee that every good man who joins us will become President. We can prove that wise, successful independents of presidential caliber became Republicans. An independent who joins us may not become President, but he will be right.

Finally, let us remember our keynote is peace, prosperity and progress, as proven by our pledges and our practice, based on our principles, promised in our platform. Politics is an exciting game, but it is more than that. It is more than a deal—new, fair, or otherwise. It is one of the noblest activities of a citizen in a country that would be free. Representative government is on trial all over the world, challenged by Communists seeking a popular front with Socialists. Our Constitution does not mention Democracy, but it guarantees to every State a republican form of government. Our party can guarantee to the Nation a republican form of government, with peace, prosperity and progress, after victory in November.

An Open Letter to Secretary of State Dulles

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. MULTER. Mr. Speaker, Secretary of State Dulles has recently stated to congressional committees that he does not know what Communist arms Egypt has received. I accordingly address him as follows:

DEAR MR. SECRETARY: Is it not a fact that as of April 16, 1956, your files record that Egypt had a minimum of the following: 50 Ilyushin jet bombers, 200 Communist jet Migs, 50 Stalin tanks (60 tons each), 400 Katushka rocket launchers, 6 Soviet submarines, 18 battle cruisers, Communist-made motor torpedo boats?

Please do not say the information is classified.

Nothing can be classified that the whole world knows about.

Sincerely yours,

ABRAHAM J. MULTER.

Gas and Oil Leasing on Wildlife Refuges

EXTENSION OF REMARKS
OF
HON. LESTER R. JOHNSON
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES

Monday, May 14, 1956

Mr. JOHNSON of Wisconsin. Mr. Speaker, the May 1956 issue of Sports Afield carries a statement by the former Secretary of the Interior, Douglas McKay, concerning his side of the controversy over the Department of the Interior order permitting oil and gas drilling on wildlife refuges. Because this matter is of such interest to conservationists all over the United States, I am putting in the CONGRESSIONAL RECORD Secretary McKay's article, The Truth About Our Wildlife Refuges. I might add that the two articles to which Secretary McKay refers have previously been reprinted in the CONGRESSIONAL RECORD. The first one, One Man Can Wipe Out Our Wildlife Refuges, by Arthur Carhart, was carried in the daily RECORD of May 23, 1955, pages A3538 to A3540. The second article, Refuges Doomed, was reprinted in the daily CONGRESSIONAL RECORD on page A1782 of the February 27, 1956, issue.

Secretary McKay's article, along with the note of the editor, follows:

THE TRUTH ABOUT OUR WILDLIFE REFUGES

(By Secretary of the Interior Douglas McKay)

(EDITOR'S NOTE.—It is Sports Afield's deep conviction that the greatest safeguard to the future of our wildlife resources is America's vast army of alert, well-informed sportsmen. In so vital a part of that future as the wildlife refuge program, it is imperative that these sportsmen have access to all the facts. In this connection, Sports Afield feels privileged to present this article by Secretary Douglas McKay, offering the Department of the Interior's side of the controversy over the recent order permitting oil and gas drilling on the refuges.)

Sports Afield readers have such a very real stake in the preservation of wildlife in this country that they are entitled to nothing less than the full truth about the operations of our national wildlife refuge system.

It is unfortunate and unfair that the truth has been distorted by articles such as those appearing in recent months under the headings "One Man Can Wipe Out Our Wildlife Refuges" and "Refuges Doomed."

In this connection a moral can be drawn from the old fable about the boy who cried wolf once too often. False prophecies of doom can do great harm to the cause of conservation. Certainly, sportsmen-conservationists cannot and will not be fooled all of the time by glibly voiced cries of alarm when no danger exists. This could lead to the very real danger that champions of conservation might fail to rally in time

when an actual threat to wildlife preservation arose.

Last June, for instance, Sports Afield readers were asked to believe the absurd charge that one man—the Secretary of the Interior—could "wipe out our wildlife refuges by merely signing a typewritten order." Moreover, it was insinuated that I was actually opposed to our excellent refuge program. The only hope of salvation, you were told, lay in appealing to the Congress to protect the refuges from the Secretary of the Interior.

It is ironic, perhaps, that shortly thereafter two congressional committees rejected the protests by sportsmen-conservationists against the proposed transfer of 10,700 acres of the Wichita National Wildlife Refuge to the Department of the Army and only the refusal of the Secretary of the Interior to sign a transfer order has protected the integrity of that vitally important wildlife sanctuary.

After barking up that wrong tree, uninformed alarmists recently have stampeded off in another direction to set up their cries of "Wolf. Wolf." This time the cause of true conservation is being harmed by widespread circulation of misinformation about the stringent new regulations governing oil and gas leasing on wildlife refuges.

Unfortunately, Michael Hudoba, Washington editor for Sports Afield, is among those who resorted to snap judgment rather than objective study of the new regulations. His article "Refuges Doomed?" presented an unfair and distorted picture of the effect the new regulations will have on refuge protection.

What is a National Wildlife Refuge? Although Mr. Hudoba does not answer that question, he is quite willing to say how they should be run.

His article refers to actions which defeat the very purpose of the entire refuge system, reverse policies to preserve the integrity of the wildlife refuges, and now open wildlife refuges to oil and gas leasing. It does this without in any way defining what the real purpose of the wildlife refuge system is or stating the true facts with regard to the availability of wildlife refuge lands for oil and gas leasing as well as other economic uses for more than 20 years.

Anyone who is casually familiar with a Federal wildlife refuge knows that it has two principal purposes. One is the protection of game against hunting and the other is the furnishing of suitable habitat to encourage or supplement other nesting, resting, and feeding areas. Insofar as migratory birds are concerned, each of the wildlife refuges is used by the birds during only a few months of the year and in many instances only on portions of the refuges are there concentrations of such birds. The balance of the refuge lands are utilized for a variety of purposes including the production through ordinary farming methods of grain and other feeds.

In other words, wildlife refuges are not wilderness areas nor are they national parks.

Of the approximately 16 million acres of public domain that is administered in part for wildlife conservation, only half—8 million acres—is administered solely by the Fish and Wildlife Service and about 7 million acres of that half lies in Alaska. On the other 8 million acres of land the Fish and Wildlife Service has rights along with the Bureau of Reclamation, the Bureau of Land Management for grazing, the Corps of Engineers, and other Federal agencies. Even where the lands were withdrawn for the sole use of the Fish and Wildlife Service, oil and gas leasing was permitted in many of the withdrawal orders. A total of 1,398,089 acres has been acquired by funds appropriated for the use of the Fish and Wildlife Service. Some of these lands, particularly in the refuges along the Gulf of Mexico, were acquired subject to the reservation of mineral rights and almost all of these areas along the gulf have producing oil and gas wells. More than half a million acres of lands have been leased by the Fish and Wildlife Service and its uses are subject to the terms of these leases.

The act of June 15, 1935 specifically contemplated that grants of privileges for economic use of refuges would be made and that part of the revenue therefrom would be returned to the communities where the refuges were situated. The term "privileges" includes not onyl sharecropping, grazing, timber removal, and similar activities, but also any other economic use of the areas as does not interfere with the use of the area for its primary purpose, namely, the conservation of wildlife.

Thus, to charges that any recent action of the Department "defeats and nullifies the basic refuge purposes" is to ignore completely the facts about the multiple uses which have historically been made of the refuges.

Are the wildlife refuges doomed?

Mr. J. Clark Salyer, chief of the Branch of Wildlife Refuges of the United States Fish and Wildlife Service, certainly is as well qualified to answer that question as Mr. Hudoba. While on the witness stand before the House Committee on Merchant Marine and Fisheries he was asked point blank:

"Now do you feel that under your regulations and operating plans, the wildlife will be protected adequately where an oil lease is entered into?"

Mr. Salyer replied:

"I do or I would be up here screaming bloody murder right now."

Is Mr. Salyer as well qualified as Mr. Hudoba to answer that question?

Mr. Salyer is a civil servant. He has no ax to grind. His record speaks for itself.

He is one of the dedicated group of wildlife conservationists who came to Washington with "Ding" Darling 22 years ago and laid the foundation on which the wildlife refuge system has grown from one-half million acres to over 17½ million acres.

Mr. Hudoba made the point that the new regulations would compel the Fish and Wildlife Service to prove the value of each acre of wildlife land. Mr. Salyer demonstrated the falsity of this conclusion in his testimony before Congress. He testified that before an oil lease could be granted the Fish and Wildlife Service would have to be satisfied that wildlife values are adequately protected. Representative Dingell then asked:

"So, in effect, the Wildlife Service, has to come forward and prove the need of protection of certain types in that area."

Mr. SALYER. "I wouldn't say we have to prove it. We have to state it."

Mr. DINGELL. "And you have to show that certain forms of action are necessary to preserve that?"

Mr. SALYER. "No, the shoe is on the other foot, with these new regulations. The oil companies have to do it."

Mr. DINGELL. "The oil companies have to do it?"

Mr. SALYER. "They have to show that they have a plan that will protect the wildlife interests."

Actually, it's a little surprising the new lease regulations didn't bring protests from oil and gas development interests. The new rules are that one-sided in their design to safeguard wildlife values on lands administered by the Department. They could not be more restrictive in favor of wildlife and still stay within the requirements and the intent of the various acts, treaties, and laws under which Fish and Wildlife Service areas were acquired and are administered.

An attempt has been made to mislead the public by an accusation that these revised oil and gas regulations—signed after 2½ years of study, conference and discussion by officials and experts of the Geological Survey, the Bureau of Land Management and the Fish and Wildlife Service—opened lands of the wildlife refuge program to oil and gas development for the first time.

This is not true.

Issuing leases for oil and gas exploration and drilling dates back to, and is authorized by, the Mineral Leasing Act of 1920. The intent of this act was later reaffirmed by amendment. The Mineral Leasing Act for Acquired Lands, and the act of June 15, 1935, relating to administration of wildlife refuges, also authorize oil and gas leasing on wildlife areas.

Under previous regulations pertaining to these acts, leases were in effect on approximately 4 percent of all wildlife areas administered by the Fish and Wildlife Service. Eleven separate areas were involved. The first lease for these areas was issued in 1947. From then until I became Secretary of the Interior in 1953, leases were issued on eight federally-managed wildlife areas: Creedman Coulee, Mont.; Desert Game, Nev.; White River, Ark.; Strawberry Valley, Utah; Bitter Lake, N. Mex.; Delta and Breton, La.; and Fort Peck, Mont.

Far from being the first Secretary of the Interior to open refuge lands to oil and gas leasing, I was actually the first one in the history of the Fish and Wildlife Service to close certain refuges to exploration in deference to irreplaceable wildlife values.

Soon after I took office it became obvious that Department of the Interior regulations relating to oil and gas leases, adopted in 1947, were not adequate in providing safeguards for wildlife values. Under those mildly protective rules an oil or gas lease had to be approved and issued automatically if certain minimum conditions were met by the operator-applicant. Several leases had been issued under such conditions, seemingly without anybody noticing that the Department's responsibilities for migratory birds and other wildlife were being overlooked.

I authorized a stop order on August 31, 1953, suspending leasing by the Bureau of Land Management under the 1947 regulations. The order was to stay in effect until new regulations could be drawn which would guarantee necessary protection to wildlife values on refuges, and at the same time reflect awareness of the publicly owned oil and gas reserves underground, and laws concerning those reserves. As Secretary of the Interior I cannot forsake one resource while catering to another. It would be remiss to ignore publicly owned oil reserves while safeguarding wildlife, as surely as it would be to disregard wildlife while protecting the public's rights in oil reserves under public lands.

Some unscrupulous conservation commentators charged that applications for oil and gas leases flooded the Fish and Wildlife Service as soon as the stop order was lifted and the new regulations were announced. The fact is that now, 3 months later, we can report that only the usual number of applications have been made, approximately the same number as under the old regulations. In fact, only one refuge—Lacassine Refuge in Louisiana—has been approved for oil exploration since the new regulation became effective. The new rules obviously have not encouraged oil and gas drilling operations on the refuges, as predicted.

Incidentally, applications for leases are not made to the Fish and Wildlife Service; the Bureau of Land Management is the leasing agency. One question would have set these reporters straight so their readers could have had accurate information.

The new lease regulations place absolute veto power, as well as the right to approve where wildlife values will not be harmed, with the Fish and Wildlife Service. Career wildlife management experts—some of them the same ones who have been responsible for developing the Service's refuge program over the past 22 years—will have sole authority to analyze probable effects of exploration and

drilling. If they object to the proposals, no lease will be issued. This places authority where it ought to be, with the agency having primary responsibility and interest in refuge values.

This was not the case under the previous regulations. In the past it has happened more than once that in spite of Fish and Wildlife Service objections leases have been issued. The new regulations do not permit this.

Yet, it has been argued that placing responsibility for approving or rejecting lease applications with the Fish and Wildlife Service will force refuge personnel to neglect their fundamental duties and become oil and gas experts. I can't imagine a refuge manager not being delighted at the chance to have the say about what will be done on the area in his charge. I believe the refuge experts are the people who should decide what effect certain proposed activities will have on their areas. I intend to see to it that they do the deciding. Conservationists, in general, I am confident will say amen to this. If those people who are denouncing these protective segments of the code were responsible for carrying out the many mandates of the Fish and Wildlife Service I am sure they would welcome the reassurance the new regulations provide.

A look at some of the facts may tend to dispel unwarranted conclusions, and fears, and point out why so many refuge areas are not, and cannot be, entirely inviolate.

First, category A under the revised code, contains the so-called inviolate refuges, the areas on which no lease will ever be considered except in case of national emergency or when drilling may be required to protect publicly owned oil from being drained by other operations. These areas are the ones determined indispensable for rare or endangered species, remnant big game herds, and irreplaceable examples of unique plant or animal ecology. However, it should be noted that the Secretary of the Interior lacks authority to make even these refuges entirely inviolate. He can not prevent oil and gas developments where mineral rights within these refuges are privately owned.

At present category A contains about 3,200,000 acres. Of these more than 50,000 acres are subject to oil and gas rights retained by former owners. The Fish and Wildlife Service could not in the past, and cannot now, prohibit oil drilling on these 50,000 acres.

Category B, consisting of approximately 6 million acres, includes refuges designated as wilderness, recreational, and water development or marsh. These are refuges on which, the Fish and Wildlife Service has declared, oil or gas development might seriously impair or destroy usefulness of the lands for wildlife conservation purposes. Only after a complete, detailed operating program guaranteeing full protection of the particular refuge values has been approved by the Fish and Wildlife Service, will leases be issued for any of these B areas.

Of the 6-million acres of these group B refuges, more than 800,000 acres are outside the Fish and Wildlife Service's jurisdiction so far as oil and gas rights are concerned.

Of nearly 8 million acres of other National Wildlife Refuge lands, more than 2 million in the United States are available for oil and gas development, because under terms of their establishment as wildlife areas there is a provision that "nothing is to interfere with prospecting or development."

But there is reassurance in the fact that while heretofore this provision was interpreted as meaning that prospecting and developing could be permitted even over Fish and Wildlife Service objections, now operations on these areas require Fish and Wildlife Service approval. Wildlife values will be afforded protection they never had before.

Under the old regulations big-game ranges were open to leasing without consideration for wildlife values. This was true because most of these areas were administered jointly by the Bureau of Land Management for grazing and by the Fish and Wildlife Service for wildlife use. As a result, in the past many leases for oil exploration were granted on game ranges without the consent or even knowledge of the Fish and Wildlife Service.

This situation has been changed. Game ranges are to be accorded the same protection regarding wildlife values as all other areas in the Federal refuge program.

The frantic fear some conservationists have expressed over secondary uses on refuge lands is not justified. Multiple-use of many refuges has been pointed to with pride by both Department and Service people for years. Surplus animals have been transferred to restock underpopulated States areas. Timber—millions of board feet annually—and hay have long been harvested and sold. When certain fur animals, notably muskrats, become too numerous they are trapped and sold for their pelts. Grazing and share-crop farming have long been accepted as good refuge management practices. Numerous producing oil wells have been in operation on refuges for many years. Mr. Salyer has stated emphatically that those producing wells which are on Federal leases have not harmed wildlife values.

Over the years a good deal has been made of the fact that the law requires that 25 percent of revenues resulting from these secondary uses must go to the counties in which the refuges are located, for the local school and road funds. The point has been made that this compensation offsets loss to local tax rolls when lands are withdrawn for refuge purposes. Total revenue from these secondary uses last year was almost $2¼ million. It is clear that modern wildlife management as practiced by our refuge technicians is also good business.

Secondary uses are not limited to profit-making business. Last year 5¼ million people visited the refuges. Nature study, bird watching, biology classes, field trials for retrievers and pointing dogs and beagles, fishing, picnicking, and, on a few areas, hunting are some of the recreations that attracted these millions. We know the number of visitors will increase. Human values will have to be considered in future refuge program plans.

To make sure the people in the Fish and Wildlife Service who will be evaluating lease applications and drilling operation plans will understand fully the intent of the revised regulations definite guidelines have been prepared. These instructions tell which areas are to be inviolate refuges. They point out that where drilling may be consistent with an area's primary purpose it may be possible to gain improvements by establishing certain conditions in the lease agreement. For example, access road dikes may be used to create needed pools. Or eventually they may be cut to form nesting islands. Pest vegetation may be reduced and food plants established in sections where operations tend to spread the pest species.

To assure the refuge technicians that the new regulations have teeth in them, the instructions emphasize that refuge managers are authorized to suspend oil or gas operations where conditions of a lease are not being complied with. Indemnity bonds to guarantee conformance to approved plans are required automatically. Final approval for a lease can be given only by the Director of the Fish and Wildlife Service. He is sole judge, in case of dispute, as to compliance with operating plans.

There is no loophole. Every restriction and requirement suggested by the Fish and Wildlife Service has been incorporated in the regulations. The refuges have protection now they never had before.

Since becoming Secretary of the Interior I have frequently stated my belief that we need to expand our Federal refuge program. Nine new refuges comprising 28,095 acres have been established since January 1, 1953. The Migratory Bird Conservation Commission, of which I am Chairman, approved purchase of 30,189 acres of waterfowl habitat in 1955, and an additional 4,219 acres for the first half of 1956. Cost of these 34,408 acres of refuge land was $842,014. As of June 30, 1955, the number of refuges in our national program had increased to 276, having a total of 17,903,682 acres.

Our wildlife refuge program is healthier and bigger now than it has ever been. In addition, under the new lease regulations the refuges now have safeguards to insure their primary objectives.

SENATE

TUESDAY, MAY 15, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The VICE PRESIDENT. In the absence of the Chaplain, the Members of the Senate will repeat the Lord's Prayer.

Thereupon Senators, led by the Vice President, repeated the Lord's Prayer, as follows:

Our Father, which art in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done on earth, as it is in heaven. Give us this day our daily bread. And forgive us our debts, as we forgive our debtors. And lead us not into temptation, but deliver us from evil: For thine is the kingdom, and the power, and the glory, forever.

Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 14, 1956, was dispensed with.

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On May 10, 1956:

S. 31. An act for the relief of certain aliens;

S. 83. An act to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of three aliens;

S. 1255. An act for the relief of Brigitta Poberetski and Nickolas Menis; and

S. 1905. An act for the relief of Winston Bros. Co. and the Utah Construction Co. and the J. A. Terteling & Sons, Inc.

On May 14, 1956:

S. 637. An act to provide for the conveyance of Camp Livingston, Camp Beauregard, and Esler Field, Louisiana, to the State of Louisiana, and for other purposes; and

S. 2267. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the city of Henderson, Nev.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 6782. An act to amend section 7 of "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended;

H. R. 7804. An act to provide that the Uniform Simultaneous Death Act shall apply in the District of Columbia;

H. R. 10375. An act to amend the act entitled "An act to provide recognition for meritorious service by members of the Police and Fire Departments of the District of Columbia," approved March 4, 1929;

H. R. 10768. An act to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public school teachers in the District of Columbia," as amended; and

H. R. 11177. An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 6782. An act to amend section 7 of "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended;

H. R. 7804. An act to provide that the Uniform Simultaneous Death Act shall apply in the District of Columbia;

H. R. 10375. An act to amend the act entitled "An act to provide recognition for meritorious service by members of the Police and Fire Departments of the District of Columbia," approved March 4, 1929; and

H. R. 10768. An act to amend section 5 of the act of August 7, 1946, entitled "An act for the retirement of public school teachers in the District of Columbia," as amended; to the Committee on the District of Columbia.

H. R. 11177. An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Juvenile Delinquency Subcommittee, the Internal Security Subcommittee of the Committee on the Judiciary and the Committee on Interstate and Foreign Commerce were authorized to meet today during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour, with a limitation on statements of 2 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and act on the nominations on the Executive Calendar under the heading "New Report."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, and withdrawing the nomination of George T. Anderson to be postmaster at Mayville, Mich, which nominating messages were referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

The VICE PRESIDENT. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar under the heading "New Report."

POSTMASTERS

The Chief Clerk proceeded to read sundry nominations of postmasters.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations of postmasters be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations will be considered en bloc, and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified immediately of the nominations today confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF SECTION 104, TITLE 4, UNITED STATES CODE

The VICE PRESIDENT laid before the Senate a letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 104, title 4, United States Code, which, with the accompanying paper, was referred to the Committee on Interior and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A letter, in the nature of a petition, from Charles M. Baxter, of Seattle, Wash., relating to reciprocal trade agreements, and so forth; to the Committee on Finance.

A letter, in the nature of a memorial, from the American Tariff League, Inc., New York, N. Y., signed by Richard H. Anthony, executive secretary, transmitting a list of sundry officials of companies and agricultural groups, as well as labor unions and employees, who signed memorials remonstrating against the enactment of the bill (H. R. 5550) to amend the Tariff Act of 1930 with respect to the administration of the General Agreement on Tariffs and Trade; to the Committee on Finance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 4604. A bill relating to the issuance of certain patents in fee to lands within the Blackfeet Indian Reservation, Mont. (Rept. No. 1999).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 6990. A bill to provide for the conveyance of certain lands by the United States to the Board of National Missions of the Presbyterian Church in the United States of America (Rept. No. 2000).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

S. 3547. A bill to amend section 1 of the act of August 9, 1955 (69 Stat. 555), authorizing the sale of certain land by the Pueblos of San Lorenzo and Pojoaque (Rept. No. 2003);

H. R. 6374. A bill to repeal legislation relating to the Gallup-Durango Highway and the Gallup-Window Rock Highway at the Navajo Indian Reservation (Rept. No. 2001); and

H. R. 9207. A bill to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands (Rept. No. 2002).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 1907. A bill to provide that the United States hold in trust for the Pueblos of Zia and Jemez a part of the Ojo del Espiritu Santo Grant and a small area of public domain adjacent thereto (Rept. No. 2004).

By Mr. SPARKMAN, from the Committee on Banking and Currency, without amendment:

H. R. 7540. A bill to provide for the sale of a Government-owned housing project to the city of Hooks, Tex. (Rept. No. 2006).

HOUSING AMENDMENTS OF 1956

Mr. SPARKMAN. Mr. President, from the Committee on Banking and Currency, I report favorably an original bill to extend and amend laws relating to the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and for other purposes, and I submit a report (No. 2005) thereon. I ask unanimous

consent that a statement prepared by me relating to the bill may be printed in the RECORD.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3855) to extend and amend laws relating to the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and for other purposes, reported by Mr. SPARKMAN, from the Committee on Banking and Currency, was received, read twice by its title, and placed on the calendar.

The statement, presented by Mr. SPARKMAN, is as follows:

STATEMENT BY SENATOR SPARKMAN

These are the main features of the bill (S. 3855):

A new program of Federal Housing Administration insurance would provide liberal mortgage terms for elderly persons housing. Elderly persons 60 years of age or over would qualify for the new program. The bill provides for 40-year mortgages on both sales housing and rental housing.

On sales housing, mortgage insurance could be up to 100 percent of value. The only cash payment would be $200 at the time of purchase, which would cover closing costs, insurance, and similar expenses. Mortgage insurance on rental housing would be available to both private builders and to nonprofit organizations. An insured mortgage would be up to 100 percent of value if the sponsor is a public or private nonprofit organization or a public body such as a local community.

An important feature of the new program is a provision that permits third parties to make the required downpayment on sales housing, contribute toward rental payments, or assist in meeting equity requirements. A $50 million revolving fund is created in Fanny Mae to assist in financing the new program.

In addition to a new private housing program for elderly persons, the bill authorizes 15,000 low rent public housing units for elderly persons for each of 5 years beginning July 1, 1956. These would be specially designed units for elderly persons aged 65 or over.

The committee, by a 10-to-5 vote, restored the public housing program started under the Housing Act of 1949. This means a program of 135,000 units of public housing a year for at least 3 years, with authority for the President to raise this number to 200,000 or lower it to 50,000, depending upon economic conditions. The administration had asked for 35,000 units a year for 2 years. Senator SPARKMAN has said that the administration's request would fall short even of meeting the minimum needed to house low-income families displaced by Goverment action in urban-renewal areas. The administration itself has estimated the public housing needs of displaced families at approximately 130,000 units over a 3-year period.

Under a provision proposed by Senator DOUGLAS, of Illinois, the bill would authorize payments of up to $100 to individuals or families, and up to $2,000 to business concerns, to reimburse them for the expense of relocation or business losses if forced out of their existing premises by slum clearance and urban-renewal activities.

The FHA program of insurance for home repair and modernization loans would be extended. The maximum loan amount would be increased to $3,500 from the present limit of $2,500 and the maturity could run to 5 years instead of 3. The committee also added a provision setting a ceiling on the interest rate at $5 discount on the first $2,500, and $4 discount on the portion of the loan over $2,500.

An expanded military housing program would increase the authorization from the present level of $1.4 billion to $3 billion and extend the program for 3 years. A provision was also included to protect existing military housing projects at installations where the Department of Defense is planning to build new housing projects.

A number of amendments are included to stimulate slum clearance and urban renewal. The committee report also urges the administration to accelerate its activity in the slum-clearance and urban-renewal field.

The farm housing program is renewed and extended for a 5-year period.

Liberalizing amendments are also included to assist the cooperative housing program and the program for families displaced by slum clearance and urban renewal.

The committee increased the revolving fund for college housing loans from $500 million to $750 million and rejected an administration proposal to increase the interest rate for college housing loans.

A Commission on National Housing Policy would be established to make recommendations, by June 30, 1957, on the housing needs of the Nation; the discounting of Government-supported mortgages; the prospect for developing new sources of investment funds; the extent to which the resources of Fanny Mae can be used to stabilize the mortgage market; and ways and means of increasing the supply of adequate housing for families of moderate income. The Commission would consist of 11 members—5 officials from the executive branch and 6 persons to be appointed by the President from private life.

A $2.5 million research program is authorized to study various aspects of the housing market. The Housing Administrator could enter into research contracts with agencies of State or local governments, educational institutions, and other nonprofit organizations.

The Administrator is also authorized to spend $500,000 annually for a 3-year period to provide scholarships and fellowships at the graduate level to train planning officials in the housing field.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RUSSELL (for himself and Mr. SALTONSTALL) (by request):

S. 3851. A bill to amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. RUSSELL when he introduced the above bill, which appear under a separate heading.)

By Mr. MUNDT:

S. 3852. A bill to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.; to the Committee on Interior and Insular Affairs.

S. 3853. A bill to amend title VI of the Public Health Service Act, as amended, in order to make certain nonprofit corporations and associations eligible for Federal aid under such title; to the Committee on Labor and Public Welfare.

By Mr. CARLSON:

S. 3854. A bill for the relief of Elizabeth Schueren and her two minor children; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 3855. A bill to extend and amend laws relating to the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and for other purposes; placed on the calendar.

(See the remarks of Mr. SPARKMAN when he reported the above bill, from the Committee on Banking and Currency, which appear under a separate heading.)

By Mr. MARTIN of Pennsylvania:

S. 3856. A bill to provide for the income tax treatment of indebtedness discharged more than 20 years after the date on which it was incurred; to the Committee on Finance.

By Mr. MAGNUSON (by request):

S. 3857. A bill to clarify section 1103 (d) of title XI (Federal Ship Mortgage Insurance) of the Merchant Marine Act, 1936, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBERTSON:

S. 3858. A bill to amend the act of June 28, 1935, authorizing participation by the United States in the Interparliamentary Union; to the Committee on Foreign Relations.

By Mr. IVES:

S. J. Res. 172. Joint resolution providing for participation by the United States in the ceremonies celebrating the 300th anniversary of the signing of the Flushing Remonstrance; to the Committee on the Judiciary.

AMENDMENT OF CENTRAL INTELLIGENCE AGENCY ACT OF 1949

Mr. RUSSELL. Mr. President, by request, on behalf of myself and the Senator from Massachusetts [Mr. SALTONSTALL], I introduce, for appropriate reference, a bill which is requested by the Central Intelligence Agency and is accompanied by a letter of transmittal explaining the purpose of the bill. I ask unanimous consent that the letter of transmittal be printed in the RECORD immediately following the listing of the bill.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter of transmittal will be printed in the RECORD.

The bill (S. 3851) to amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes, introduced by Mr. RUSSELL (for himself and Mr. SALTONSTALL) (by request), was received, read twice by its title, and referred to the Committee on Armed Services.

The letter accompanying Senate bill 3851 is as follows:

CENTRAL INTELLIGENCE AGENCY,
Washington, D. C., April 13, 1956.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

DEAR MR. VICE PRESIDENT: There is forwarded herewith a draft of legislation to amend the Central Intelligence Agency Act of 1949, as amended, and for other purposes, together with a sectional analysis of that legislation.

The Bureau of the Budget has advised that it has no objection to the submission of this proposed legislation to the Congress, and the Central Intelligence Agency recommends its enactment.

The purposes of this legislation are to provide for a limited amount of additional flexibility in the procurement operations of this Agency, to provide certain benefits to CIA employees serving abroad and their families, and to make certain technical changes in the existing law.

Section 1 of the proposed legislation contains three amendments to the Central Intelligence Agency Act of 1949, relating to procurement authorities. The first of these is designed to provide this Agency with authority identical to that of the armed services as to the circumstances under which purchases and contracts may be made without advertising. Although the volume of CIA purchases and contracts is negligible compared to that of the armed services, we are confronted in general with all of the typical situations with which the services are faced in this field. A second proposed amendment provides that Agency contracts in the research and development field may extend over an initial term of not to exceed 5 years, with a possible extension of an additional 5-year maximum period if funds are available therefor. I have described to committees of the Congress with jurisdiction over CIA matters certain types of special projects of a unique and important nature which this Agency undertakes from time to time in the research and development field. In order to provide necessary lead time in these projects we feel we need the authority to contract over a period of years in a manner substantially similar to authorities and procedures governing contracts by the military services in similar fields. The third and last amendment in the procurement field is technical in nature, and simply involves a redefinition of the term "head of the Agency" which conforms to the present organizational structure of the Agency.

Section 2 of this proposed bill is intended to provide a variety of benefits which will bring CIA employees and their dependents into a status comparable to that of employees and their dependents in other agencies which conduct substantial operations in the foreign field. The group of American employees serving overseas which most nearly correspond to those of CIA in terms of living conditions, medical problems, etc., are those in the Foreign Service, and for that reason the great majority of the proposed amendments are identical with authorities which are now in existence or have been proposed as amendments to the Foreign Service Act of 1946, as amended.

The attached sectional analysis contains a detailed description of the objects and purposes of each of these amendments, which deal with such matters as home leave, travel, storage, transportation, and medical care for dependents. I would simply like to add, in forwarding this proposed legislation to the Congress, that I regard the benefits proposed under this section as matters of the highest importance in maintaining the morale and effectiveness of the Central Intelligence Agency in carrying out its vital functions. The employees of this Agency, particularly those serving abroad, are not eligible for tangible benefits and awards available to other Government employees, such as appointments to high diplomatic posts, public decorations for services well performed, and so forth. They are in this exacting and at times hazardous business because they are interested in it and feel that what they are doing is of some importance to the security of the United States. These amendments are designed to help encourage the concept of a worthwhile career in the foreign intelligence field, and I am convinced that they will be of immeasurable benefit to this Agency and to the Government as a whole. As the Congress will observe, we are not requesting benefits or privileges over and beyond those now enjoyed or being requested by other agencies of the Government with important responsibilities in the foreign field. To have to operate without these benefits, however, could seriously affect the overall effectiveness of the Agency in the longer run.

Section 3 of the proposed legislation increases from 15 to 35 the maximum number of retired military officers which may be employed by this agency at any one time. This proposal is consistent with a recommendation by the Clark task force of the Hoover Commission, and is considered desirable. Although the agency has been able to adhere to the previous limit of 15 retired officers without a serious loss of efficiency, we feel that there have been cases where more qualified individuals for certain posts could have been obtained from the ranks of retired military officers had the authority been available.

Section 4 of the proposed legislation is designed to permit advance payments for such items as rent, where such payments are in accordance with the laws or customs of certain foreign countries, and the inability to provide them works a hardship on the individuals concerned. This proposed exemption from the operation of section 3648 of the Revised Statutes (31 U. S. C. 529) will place CIA overseas personnel on a similar footing with personnel of the Armed Forces and of the Foreign Service.

Section 5 of the proposed legislation is purely technical, and is intended to correct a typographical error in the original Central Intelligence Agency Act of 1949.

The net incremental cost to the agency resulting from this proposed legislation is estimated to be in the neighborhood of $80,000 annually. It is contemplated that these costs can be readily absorbed within our normal operating budget.

It is respectfully urged that the Congress act favorably on this proposed legislation during the present session.

Sincerely,

ALLEN W. DULLES,
Director.

AMENDMENT OF FEDERAL-AID ROAD ACT—AMENDMENTS

Mr. FULBRIGHT. Mr. President, on behalf of myself and Senators SPARKMAN, CAPEHART, HUMPHREY, KENNEDY, BEALL, DUFF, MORSE, SMATHERS, LEHMAN, DOUGLAS, WILEY, and SMITH of New Jersey, I submit amendments, intended to be proposed by us, to the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes. These amendments are patterned after the bill (S. 3129) to establish corporate income-tax rates of 22 percent normal tax and 31 percent surtax, which proposes tax relief for small businesses.

I introduced S. 3129 on February 3, 1956, and on March 15, 1956, I offered it as an amendment to H. R. 9166, the bill which extended existing corporate tax rates. Subsequently, on March 21, 1956, I testified before the Senate Finance Committee in behalf of this amendment. For the information of the Senate, exhibit A to this statement contains a brief summary of the need for and the effects of this amendment.

In view of the urgency for extension of certain excise taxes contained in H. R. 9166, I was advised by the chairman of the Finance Committee that the committee would be unable to hear witnesses for or against my amendment, and that such hearings could be held at a later date if the amendment were offered to another revenue measure.

On April 11, 1956, and May 4, 1956, I wrote the chairman of the Finance Committee urging him to schedule these hearings. On May 8 the chairman wrote me that he would present my request to the committee, and I am still hopeful that hearings will be held. On May 11, 1956, I replied to the chairman of the Finance Committee and stated my intention to offer an amendment to H. R. 10660.

Mr. President, I will not burden the RECORD by repeating the statements I have previously made on this subject. This by no means indicates a change in attitude or determination to obtain consideration of my proposal. Since the last time I spoke on this subject, however, certain factors regarding the condition of small businesses in this country have come to my attention, and I believe that these factors strengthen the argument for small business tax relief.

First, there is the factor of business failures. These are the statistics on business failures for the last 6 years—the President's Economic Report of January 24, 1956, page 231:

1949	9,246
1950	9,162
1951	8,058
1952	7,611
1953	8,862
1954	11,086
1955	10,969

The number of business failures was dropping steadily from 1949 through 1952—the number in 1952 being almost 18 percent lower than in 1949. Beginning in 1953 the number of failures began to rise, and by 1955 failures were over 44 percent higher than in 1952. In no year since 1941 have there been more business failures than there were in 1954 and 1955—and it is common knowledge that these statistics relate almost exclusively to failures of small businesses.

The second factor which should be of grave concern to the Senate is the reduction in the rate of increase of operating businesses. Page 231 of the President's Economic Report of January 24, 1956, contains the following data:

Year:	*Net increase of operating businesses*
1949	52,000
1950	50,000
1951	58,000
1952	59,000
1953	26,000
1954	−4,000
1955	(1)

[1] Not available.

Although final figures for 1955 are not available, it appears that the increase in business firms for 1955 will be no higher than the increase in 1953. These statistics show that the average increase in the number of operating businesses for the 4-year period for 1949 through 1952 was approximately 55,000. In 1953 this steady increase declined over 50 percent, and in 1954 there was an actual net reduction in the number of operating businesses of 4,000. In fact, 1954 is the only year since 1943 in which there has been

a reduction in the number of operating businesses in this country.

A third indicator of the need for small business tax relief is shown by the following statistics on the earnings, after taxes, of manufacturing corporations:

United States manufacturing corporations earnings (after taxes) by asset size

[Index: 1947-49=100]

Year [1]	Index of earnings		Disparity in favor of large concerns	Average disparity
	Assets under $1 million	Assets over $1 million		
1947	98	143	45	
1948	103	112	19	
1949	55	90	35	22
1950	122	130	8	
1951	96	106	10	
4th quarter 1952	86	103	17	
4th quarter 1953	49	103	54	
4th quarter 1954	59	119	60	58
1st quarter 1955	68	127	59	

[1] Annually 1947-51.

The computation of disparity in favor of large concerns is made for the purpose of comparison. Using 1947 to 1949 as an index of 100, the earnings index of large concerns averaged 22 points higher than the index for small firms throughout the period of 1947 to 1952. In the years 1953, 1954, and 1955, however, this average disparity has risen to 58 index points. In other words the relative disadvantage in earnings of small manufacturing corporations has almost tripled in the last 3 years.

A fourth factor pertinent to the consideration of tax relief for small business is shown by the following table of earnings, after taxes, on stockholders' equity:

United States manufacturing corporations—Earnings (after taxes) on stockholders' equity by asset size

[Expressed in percentage]

Annual rate for year	Index of earnings on equity		Disparity in favor of large concerns	Average disparity
	Assets under $1 million	Assets over $1 million		
1947	16.3	15.5	−0.8	
1948	12.6	16.3	3.7	
1949	7.0	10.6	3.6	2.8
1950	12.5	15.7	3.2	
1951	9.0	12.6	3.6	
1952	7.9	10.6	2.7	
1953	7.1	10.8	3.7	
1954	5.4	10.3	4.9	4.7
1955	6.9	12.3	5.4	

This table shows that the percentage of earnings on stockholders' equity has declined 1 percent for small businesses from 1952 to 1955, but that the percentage for large businesses has increased 1.7 percent during the same period. Furthermore, throughout the period 1947 to 1952 large firms returned to stockholders an average of only 2.8 percent more than did small firms. But in the last 3 years, 1952–55, earnings on equity for large corporations have averaged 4.7 percent higher than the earnings on equity of smaller corporations. The position of the owners of small businesses has declined steadily since 1952.

A final factor to indicate the deteriorating position of small business in recent years is in the record of net sales of manufacturing corporations. This record is shown by the following table:

United States manufacturing corporations net sales by asset size

[Index—1947-49=100]

Year [1]	Index of net sales		Disparity in favor of large concerns	Average disparity
	Assets under $1 million	Assets over $1 million		
1947	94	100	6	
1948	105	107	2	
1949	97	100	3	15
1950	104	120	16	
1951	115	140	25	
4th quarter, 1952	115	150	35	
4th quarter, 1953	97	146	49	
4th quarter, 1954	103	150	47	49
3d quarter, 1955	108	158	50	

[1] Annually, 1947-51.

The increase in net sales for small firms has lagged far behind the net sales of larger corporations. Using 1947 to 1949 as an index of 100, the net sales index of large manufacturing corporations averaged only 15 points higher than the index for smaller corporations throughout the period 1947 to 1952. This disparity in favor of large businesses rose rapidly in 1953 and for the last 3 years the net sales index for big corporations has averaged 49 points higher than the index for smaller firms. This trend to sales dominance by big businesses is consistent with increases in earnings and return on investment which have also characterized business activity since 1953.

I hope that it will be possible for the proponents and opponents of my amendment to be heard by the Finance Committee. In any event, however, I intend to press for the passage of this amendment, and I look forward to the support of all Members of the Senate.

I ask unanimous consent to have printed in the RECORD a brief résumé of the equitable readjustment of the tax burden for small business, without revenue loss.

The VICE PRESIDENT. The amendments will be received, printed, and referred to the Committee on Finance; and, without objection, the résumé will be printed in the RECORD.

The résumé, presented by Mr. FULBRIGHT, is as follows:

EQUITABLE READJUSTMENT OF TAX BURDEN FOR SMALL BUSINESS—WITHOUT REVENUE LOSS

Sponsored by Senators FULBRIGHT, SPARKMAN, CAPEHART, HUMPHREY, KENNEDY, BEALL, DUFF, MORSE, SMATHERS, LEHMAN, DOUGLAS, and WILEY.

Present law provides normal tax rate of 30 percent, surtax rate of 22 percent. The first $25,000 is exempt from surtax.

The amendment reduces the normal corporation tax rate to 22 percent, and increases the surtax to 31 percent. The 31-percent rate would apply to income over $25,000.

Effect on revenue: Increase by $20 million a year.

Effect on corporations: See table below. Examples: Corporations with incomes $5,000 and less—save $400, 26.7 percent; $15,000, save $1,200, 26.7 percent; $25,000, save $2,000, 26.7 percent; smaller savings on incomes up to $225,000; slight increases on incomes above $225,000.

Number affected: Latest figures (1952 income tax returns) show out of 672,071 active corporations only 13,194 earned over $250,000. This proposal would reduce taxes for 98 percent of all corporations—with no revenue loss.

NEED

Three sources of small business capital: Equity, Loans, and Retained Earnings. Expense of raising equity of $300,000 in securities market: 20 percent to 30 percent. Large corporation financing may be fraction of 1 percent. Forty to fifty times as expensive to small corporation. Loans: 6 percent or higher for small, 3½ or 4 percent for large.

Small corporations are, therefore, more dependent on retained earnings, yet earn less per dollar of sales. (Second quarter of 1955 corporations with assets under $250,000 earned 1.1 cents per dollar of sales; corporations $100 million and over 7.4 cents per dollar.) Smaller corporations also losing out in volumn of sales—increased only 3 percent 1954–55, as against 19 percent for large corporations. Large corporation greatly exceeds small in ratios of profit on investment. (Second quarter of 1955: 5.3 percent for small, 13.5 percent for large.)

Number of new firms declines: Annual increase of new firms 55,000, 1948 to 1952; only 28,300 from 1954 to 1955.

Business failure—Increasing—Exclusively small business. In 1945, 809; 1953, 8,862; 1954, 11,086; 1955, 10,969.

Mergers also increasing. Dexter M. Keezer, V. P. McGraw-Hill Publishing Co.: "Maintaining this rate (present corporate tax rate) means that you are going to have larger corporate units at the expense of smaller units, a matter of great social, political and economic significance."

Effect of a normal tax rate of 22 percent and a surtax rate of 31 percent

Income subject to normal tax and surtax	Present tax liability (normal rate 30 percent, surtax rate 22 percent)	Proposed tax liability (normal rate 22 percent, surtax rate 31 percent)	Change	
			Amount	Percent
$5,000	$1,500	$1,100	−$400	−26.7
$10,000	3,000	2,200	−800	−26.7
$15,000	4,500	3,300	−1,200	−26.7
$20,000	6,000	4,400	−1,600	−26.7
$25,000	7,500	5,500	−2,000	−26.7
$50,000	20,500	18,750	−1,750	−8.5
$100,000	46,500	45,250	−1,250	−2.7
$225,000	111,500	111,500	(1)	(1)
$500,000	254,500	257,250	+2,750	+1.1
$1,000,000	514,500	522,250	+7,750	+1.5
$10,000,000	5,194,500	5,292,250	+97,750	+1.9
$100,000,000	51,994,500	52,992,250	+997,750	+1.9

[1] No change.

AGRICULTURAL ACT OF 1956—AMENDMENT

Mr. MUNDT submitted an amendment, intended to be proposed by him, to the bill (H. R. 10875) to enact the Agricultural Act of 1956, which was ordered to lie on the table and to be printed.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. HUMPHREY:

Article entitled "Nation's 'Age of Innocense' Becoming One of Maturity," written by Representative EUGENE MCCARTHY, of Minnesota, and published in the Listener, British Broadcasting Corp. magazine.

NOTICE OF CONSIDERATION ON CERTAIN NOMINATIONS BY COMMITTEE ON FOREIGN RELATIONS

Mr. GEORGE. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the following nominations:

Walter C. Dowling, of Georgia, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to the Republic of Korea, vice William S. B. Lacy resigned.

J. Graham Parsons, of New York, a Foreign Service officer of class 1, to be Ambassador of the United States to the Kingdom of Laos, vice Charles W. Yost resigned.

Notice is given that these nominations will be considered by the Committee on Foreign Relations at the expiration of 6 days.

RUMANIAN INDEPENDENCE DAY

Mr. HUMPHREY. Mr. President, it had been my intention, prior to the weekend, to make a statement pertaining to Rumanian Independence Day. Because of the fact that there was no session on Friday, however, I was unable to do so. I ask unanimous consent that a statement which I prepared for a free Rumania rally which was held in Cleveland, Ohio, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MESSAGE BY SENATOR HUBERT H. HUMPHREY ON RUMANIAN INDEPENDENCE DAY

On May 10, Rumania's most important national holiday, free men everywhere will salute the people of Rumania, struggling today under Communist oppression. Their continued devotion to liberty and freedom serves as an inspiration to those countries still in possession of their freedom. The example of Rumanian resistance makes us ever more anxious to retain and cherish our own hard-earned liberties and to work continuously for the freeing of Rumania from Communist tyranny.

Rumanian Independence Day should be celebrated throughout America to prove to the Communists that their totalitarian domination cannot stamp out the national heritage of a once-sovereign people. Individuals and groups in this country are working for the ultimate freedom of Rumania. I stand with these groups again Communist aggression, against the suppression of free peoples under the guise of Communist liberation.

HEROIN SMUGGLING

Mr. DANIEL. Mr. President, according to the news services, the United Nations Commission on Narcotics, meeting at Geneva, Switzerland, has stated its alarm at the increased smuggling of heroin throughout the world during 1955.

A United Press report, datelined Geneva, Switzerland, May 15, says:

Narcotics experts are alarmed at figures which show that the world's police forces in 1955 seized nearly one-third more heroin than the year before.

They believe that more than twice that amount was smuggled undetected across borders with the United States and Canada the principal "target" countries.

These worldwide figures are completely in line with recent findings of our Judiciary Subcommittee concerning the increased incidence of heroin smuggling into our country, as evidenced by the increase in the number of seizures over those in previous years. Our committee recently received from the Bureau of Customs a report showing that its seizures of heroin at ports and borders increased 165.3 percent in weight during the first 8 months of fiscal year 1956, as compared with the same period in 1955. The total number of heroin seizures increased 19.7 percent. Seizures of heroin in 1955, moreover, were the largest since 1937.

Heroin, the most deadly of all narcotic drugs, is used by 80 percent of the drug addicts in this country. These facts make all the more important early enactment of the proposed legislation reported by the Judiciary Committee, Senate bill 3760, which would increase the penalities for the smuggling of this destructive drug into our country, and would greatly improve the procedures for apprehending and punishing the heroin smuggler. I hope that this bill, S. 3760, will be scheduled for early and prompt action at this session.

THE ROLE OF THE ORGANIZATION FOR TRADE COOPERATION AND THE INTERNATIONAL MONETARY FUND IN FURTHERING CURRENCY CONVERTIBILITY

Mr. MARTIN of Iowa. Mr. President, a group of nongovernmental advisers accompanied the United States delegation now completing their negotiations for new tariff agreements in Geneva. These negotiations were conducted under the powers granted to the President when we extended the Trade Agreements Act last year. The nongovernmental advisers included Elliott V. Bell, editor and publisher of Business Week, and chairman, executive committee, McGraw-Hill Publishing Co., New York; Homer L. Brinkley, executive vice president, National Council of Farmer Cooperatives, Los Angeles; Bryant Essick, president, Essick Manufacturing Co., Los Angeles, Calif.; and Stanley N. Ruttenberg, director of research, AFL–CIO, Washington.

They have recently reported to the President on their experience at Geneva and I ask unanimous consent that their statement to the President be printed in the RECORD at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ORGANIZATION FOR TRADE COOPERATION—STATEMENT TO THE PRESIDENT BY THE NONGOVERNMENTAL ADVISERS TO UNITED STATES DELEGATION NEGOTIATING TARIFF AGREEMENTS IN GENEVA, MAY 4, 1956

Having had an opportunity to observe at first hand the tariff negotiations now drawing to a conclusion at Geneva, we are happy to report to you that the interests of our country have been well served. We have been greatly impressed by the competence of the career men from the nine departments and agencies of the Government who have handled these important negotiations. The members of the Trade Agreements Committee particularly have worked long hours for many months with a high degree of concentration and effort.

We were particularly impressed with the unfailing concern of our negotiators to advance the broad interests of the United States. By no stretch of the imagination could the tariff negotiations, as we observed them, be called a giveaway program. The entire program is, of course, based upon reciprocal concessions and we found our negotiating teams and the Trade Agreements Committee to be bargaining in what seemed to us to be the best Yankee tradition. They insisted on obtaining concessions of full value for each concession made by the United States. There is great need for a better public knowledge of these facts.

The hard work and intelligence that went into the tariff negotiations are the more noteworthy because the present tariff session, following upon earlier negotiations, was restricted to a comparatively narrow range of trading. It required patience and persistence on the part of our representatives to obtain the many important agreements that are being reached.

On the basis of our observations in Geneva we are strongly of the opinion that there is need for the permanent administrative machinery that is provided for in the proposed Organization for Trade Cooperation. The adoption of this administrative machinery subscribed to by all the interested nations would clearly be in our enlightened self-interest. It would help make all our trade agreements more truly reciprocal. It would also strengthen both the resolve and ability of the member nations to continue their efforts toward an expanding and mutually profitable world trade. It would provide an effective, continuously operating instrument in giving fuller effect to existing commitments to remove such trade barriers as currency restrictions, quotas, discriminatory taxes and other indirect devices that limit the exchange of our goods with other nations. Failure on the part of the United States, the world's greatest trading nation, to join in setting up this organization would cause great dismay and disappointment throughout the free world at a time when the Soviet Union is stepping up its foreign economic efforts.

Accordingly, we wish to support very strongly your recommendation for adherence by the United States to the OTC. We appreciate deeply the opportunity that has been given us to participate as observers in these tariff negotiations. It has been for all of us an interesting and rewarding experience.

Mr. MARTIN of Iowa. One of the principal benefits the United States will derive from the establishment of the Organization for Trade Cooperation is that there will be an organization to investigate and deal with trade barriers which have been erected in lieu of tariffs by some of the countries benefiting from tariff concessions which we granted.

Everyone realizes that the United States is one country in which there are no currency restrictions which can be used to block the import of commodities. The full benefits of the trade-agreements program will only be realized when the world once again can return to a complete mutilateral system of trading. This, of necessity, implies full currency convertibility. The International Monetary Fund is one of the mechanisms which our Government has supported to

assist in bringing about currency convertibility. This organization is a specialized agency of the United Nations and makes periodic reports to the Economic and Social Council.

On April 19 Dr. John C. Baker, president of Ohio University at Athens, Ohio, and United States representative to the Economic and Social Council appointed by President Eisenhower, reviewed the annual report of the International Monetary Fund for the year 1955. Dr. Baker's comments are significant in that he believes that real progress is being made toward currency convertibility. We still have a long way to go, but I am happy we have made progress.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of Dr. Baker's statement on this occasion.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY DR. JOHN C. BAKER, UNITED STATES REPRESENTATIVE IN THE ECONOMIC AND SOCIAL COUNCIL, ON THE ANNUAL REPORT OF THE INTERNATIONAL MONETARY FUND, 1955

Mr. President, once again we have had the benefit of hearing Mr. Rooth's clear and informative account of some of the more significant economic and financial developments of the last year. We have learned to look forward to this annual presentation of the fund's report by its managing director as an unparalleled opportunity to obtain sage counsel from a master of the subject.

These annual reports of the fund have come to be accepted as, perhaps, the most authoritative analysis of recent and continuing financial trends. The 10th annual report which Mr. Rooth has brought up to date by his remarks follows the worthy example set by its predecessors. To say this is to accord the report the highest of praise.

We have come a long way toward the goal of achieving the fund's objectives since that day, about 10 years ago, when the fund started to cope with the exchange problems of a war-shattered world. In those early days we all underestimated the task faced by the fund. At that time none of us quite realized that the task of restoring the physical destruction caused by the war was easy in comparison with the job of recreating the economic and financial foundations of the world trading community.

At times progress in this field has seemed disheartening slow. Over this 10-year period we have seen both successes and failures. At times it appeared as if the failures were more numerous than the successes. In retrospect, however, we must be impressed with the real achievement of this decade.

Trade and payments are freer from restrictions than at any time since the war. Reserves of gold and dollars held outside the dollar area have grown considerably since their postwar lows. In the last 2 years there has been an increasing tendency to reduce discrimination as between imports from different currency areas. In particular, there has been a trend toward more equal treatment of goods from the dollar area.

It is true that no country has formally announced the convertibility of its currency. However, during the last 2 years there has developed a large measure of de facto convertibility of some of the currencies important in world trade. Particularly encouraging in this respect are the actions taken to render sterling and deutschemarks more freely transferable, though the fund appropriately reminds us that some progress has been made in the case of other currencies also.

During the period covered by the fund's 10th report, progress has been significant but somewhat slower than in the preceding 12 months. To a large extent the year was one of consolidation of the gains previously realized. The fund's report wisely comments that this period of consolidation—this stage where national economies are being adjusted to the competitive conditions implied in measures taken earlier—is a necessary precondition to further progress.

The past year has been a year of almost universal prosperity. It is not surprising, therefore, that the economies of some countries have been subject to strain. New inflationary tendencies have begun to appear. What is most encouraging is that the important trading countries, notably the United Kingdom, have not attempted to cope with these new difficulties by reinstituting or intensifying exchange and import controls. They have instead used monetary and fiscal policy to dampen down import demand and thus to maintain stability in both the internal and external aspects of their economies.

All in all, one of the most encouraging signs of recent years has been the increasing evidence of financial sanity throughout the world. More and more there is a recognition that import controls, restrictions on exchange, multiple currency practices, and the like merely treat the symptoms of inflation. They do not get at the root causes. There is an increasing awareness that only through wise monetary and fiscal policies can countries maintain the financial stability which is necessary both to economic progress and to stable economic relations with the rest of the world.

There was a time when financial stability was considered a luxury which could only be afforded by the more developed countries. That time has passed. We now know that financial stability is of equal importance to the underdeveloped countries.

After all, the most basic element in the economic development is the wise and economical use of the resources at hand whether they be resources found within the borders of the developing country or resources imported from abroad. Only through financial stability—avoiding the extremes of inflation and deflation—can such a wise use of resources be assured. It is financial instability which underdeveloped countries cannot afford—not financial stability. In this connection we can all profit by studying the example of India which has maintained financial stability while carrying on a vast program of economic development.

If financial stability is in the best interests of all countries, so also is convertibility. We therefore welcome the explicit reaffirmation by the fund that the attainment of general convertibility would be in the best interests of the underdeveloped countries as well as of the more highly developed countries. We agree with the fund that while the initiative for action in this field rests mainly with the highly developed countries, the widespread attainment of convertibility would be of equal benefit to the developing countries. Under present conditions they have to dispose of their products at competitive prices in world markets. They need the freedom to use the proceeds of their exports to every country in payment for their imports from any country. It would be of benefit to them to purchase capital equipment to the best advantage regardless of the currency area in which it may be found. Finally, as the fund so aptly reminds us, convertibility of their currencies would be, perhaps, the single most important positive contribution toward the establishment of a climate favoring private foreign investment in the underdeveloped countries.

During the year there has been little new use of the fund's resources. Many countries which had previously drawn from the fund have effected repurchases—and many such repurchases have been voluntary. This in itself is a sign of strength.

In this connection it is a matter for satisfaction that the fund's report includes an agreed statement of the circumstances under which member countries can use its resources. This careful definition of the conditions governing the possibility of governments relying on these resources as a secondary reserve should make this potential source of temporary assistance of greater benefit to them.

One of the most significant developments of recent years has been the increasing use by member countries of the technical facilities of the fund in dealing with their internal and external financial problems. These quiet consultations, this technical assistance in the financial field, have become perhaps the most important contribution of the fund to the difficult problems faced by its members.

One technical assistance activity of the fund is worthy of separate mention. Its training program for junior officers from ministries of finance and central banks is now in its sixth year of successful operation. Each year the applicants, all of whom must be sponsored by their governments, have exceeded the available facilities. The fund has developed a happy combination of training in balance of payments and other statistical and research techniques with an opportunity to apply them by working with its staff on individual projects.

The fund is continuing to contribute importantly to the solution of the exchange problems faced by its member countries. It is worthy of our continued support. My Government will continue to give the fund the full measure of its support and cooperation.

Finally, the fund has assembled an outstanding staff of exceptionally competent and devoted technicians. This staff has achieved universal recognition for its contributions to the understanding and solution of the difficult financial problems faced by many member countries. My delegation congratulates Mr. Rooth and his staff on their effective performance in this highly technical field.

NIAGARA RIVER POWER DEVELOPMENT

Mr. JOHNSON of Texas. Mr. President, if there are no Senators who desire to speak in the morning hour, the Senator from New York [Mr. IVES], under the order entered yesterday, I believe, is to be recognized as soon as the morning hour is concluded.

The VICE PRESIDENT. If there is no further routine morning business, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

The VICE PRESIDENT. The Senator from New York is recognized for 1 hour, under the order entered on yesterday.

Mr. IVES. Mr. President, in the first place, I wish to express my deep appreciation to the majority and the minority leaders for the great consideration they have shown me during my forced absence from the meetings of the Senate. I assure you, Mr. President, my absence was not of my own will.

For more than 6 years, 3 successive Congresses have been considering various

bills providing for the development of additional hydroelectric power at Niagara Falls, N. Y. The need for this additional power in the western part of New York State and adjacent areas in other Northeastern States is acute.

This issue has been thoroughly studied in the Senate Committee on Public Works and in the House of Representatives. However, it has not previously come to the floor of the Senate. Therefore, I believe that I, as the senior Senator from the State of New York, should review the history of this important matter and my reasons for being opposed most strenuously to Senate bill 1823.

The development of hydroelectric power at Niagara Falls, N. Y., began before the turn of the century. Private power companies undertook at that time the construction of the first large-scale hydroelectric power development in the United States. The Niagara Mohawk Power Co. and its predecessors have served the Niagara frontier ever since. Therefore, the development of additional hydroelectric power from the waters of the Niagara River cannot be considered a new project. To this extent, it is comparable to the additional development of hydroelectric power on the Coosa River, in Alabama, which the 83d Congress authorized the Alabama Power Co. to undertake. If Niagara Falls were not one of the wonders of the world and if the Niagara River were not an international boundary, it is likely that the Congress long ago would have reached the same conclusion that the 83d Congress reached with respect to the Coosa River.

In 1950 the Dominion of Canada and the United States entered into a treaty providing for the development of additional hydroelectric power on both sides of the Niagara River, at Niagara Falls. At that time, the only group in New York State qualified to develop the power was an organization of private utility companies under the leadership of the Niagara Mohawk Power Co., which had already developed such power successfully at Niagara Falls.

When the 1950 treaty came before the Senate, a reservation to the ratification of the treaty, providing that the Congress should decide who would develop the power on the American side of Niagara Falls, was adopted. That is the only reason why we are still considering the question of Niagara power today.

One of the agencies of the New York State government is the New York State Power Authority. It was created many years ago for the sole purpose of developing power in the St. Lawrence River, 200 miles away from Niagara Falls. Only in 1951, when the government of New York State sought a way of preventing Federal development of the Niagara project, was the State power authority's scope expanded to include Niagara Falls. After the New York Legislature had amended the State Power Authority Act to that end, Representative W. STERLING COLE and I sponsored proposed legislation which would have permitted the New York State Power Authority to undertake the American portion of the Niagara power development authorized by the treaty of 1950 with Canada.

I introduced proposed legislation of this nature in both the 82d and 83d Congresses, for several reasons. First, I was unalterably opposed, as I am now, to Federal development; second, my proposed legislation was consistent with the laws of the State of New York, as well as with the public policy of both the Republican and Democratic Parties of the State of New York, as established for more than 20 years; and, third, I had great confidence in the administration of the State of New York at that time, and I believed that development of Niagara power by the State would not endanger the existing privately owned, integrated system which well serves more than 95 percent of the people in the State.

No action was taken by the 82d Congress. During the 83d Congress, the House of Representatives passed, by a vote of 262 to 121, a bill which would authorize development of the Niagara project by private enterprise. After extensive hearings the Senate Committee on Public Works reported favorably a bill which would have referred the entire matter to the Federal Power Commission, for determination. The issue would have gone to the Federal Power Commission originally, except for the treaty reservation. This bill was reported to the Senate just prior to the adjournment of the 83d Congress, and no action was taken.

The situation today is approximately the same as it was in 1950. The advocates of public power now endorse State development, but would require the inclusion of preferences to municipalities and rural electric cooperatives. These preferences would be inconsistent with the laws of the State of New York. The advocates of private development are still adamant. And so a hopeless congressional deadlock continues. The people of New York State have grown weary of this situation and rightly demand action.

I am unalterably opposed to Senate bill 1823. I am opposed to it because it is in direct conflict with the law and policy of New York State. Second, it would discriminate against over 95 percent of the residents of New York State by granting a preference to the few isolated cooperatives and municipally operated powerplants scattered throughout the State. Third every segment of the economy of New York is opposed to it, including labor, agriculture, business, and the overwhelming majority of consumers in the affected area.

The history of this particular bill is most interesting. In the 83d Congress, when it became obvious that sufficient support for Federal development was lacking, my colleague from New York joined with former Representative Franklin D. Roosevelt, Jr., to introduce bills substantially the same as S. 1823. They clearly preferred Federal development; but if that were impossible, they would settle for State development—but on their own terms. This proposed legislation, having failed in the 83d Congress, was introduced again in the present Congress.

The attorney general of the State of New York stated publicly in a document addressed to Members of the Congress, under date of February 13, 1956, that there is grave doubt whether the New York State Power Authority could proceed with construction if Senate bill 1823 were enacted; that the preference provisions contained in it are inconsistent with the State law, under which the power authority must proceed.

The present chairman of the power authority and his predecessor have testified time and again before the committees of the Congress against the preference provisions embodied in S. 1823. Thus, on March 13, 1954, the Honorable Robert Moses, chairman of the New York State Power Authority, said:

> The Lehman-Roosevelt bill (S. 2966, 83d Cong.) provides for a license to the New York State Power Authority but with conditions and preferences not incorporated in the State law, and never approved by our State legislature. Such legislation by Congress would represent an unwarranted interference by the Federal Government in State affairs.

Senate bill 2966 in the last Congress was similar to Senate bill 1823 now before the Senate. Again, as indicated in the hearings before the Senate Public Works Committee, Mr. Moses stated:

> The existing State law governing our authority gives no preference in service to public powerplants. We must operate under this law, and we do not and cannot prefer municipal as against private utility operation, nor could we as a practical matter sell our bonds on any such theory.

As recently as last January 12, Chairman Moses stated that the provisions desired by the sponsors of Senate bill 1823, authorizing the construction of duplicate transmission lines in many parts of New York State to furnish the scattered few cooperatives and municipal plants with preference power "could conceivably prevent the authority's acceptance of a Federal Power Commission license because of a direct conflict with New York law."

In the session of the New York State Legislature ended last month—and I point out that this is the most recent expression of the government of the State of New York on this subject—the present Governor requested the State legislature to enact legislation in the following words:

> I recommend that your honorable bodies enact legislation at this session which will enable the power authority to construct transmission lines and to require the autority in its sale of power to give preference to State agencies, municipalities, and other subdivisions of the State, and to rural electrict cooperatives.

These provisions were rejected by the New York State Legislature.

These facts and circumstances make it clear that S. 1823, the bill before the Senate, is a device seeking to employ a Federal legislative power of the Congress to impose upon the people of New York State that which they have expressly rejected. This alone constitutes sufficient reason for the defeat of S. 1823, but there are other compelling reasons for such action.

S. 1823 apparently envisions the use of Niagara power as far away as New York

City and New England. Without exception every responsible person familiar with the situation now agrees that Niagara power will never reach New York City or New England. The New York State Power Authority has publicly stated that geography makes it uneconomical for St. Lawrence power to reach New York City, and Niagara Falls is even farther away. In fact, the power authority has stated that—

> Western New York will form the principal market area for power from the Niagara development.

The project area is very highly developed. No area and no person in it is without electric service. New York is the Nation's second largest dairying State, and every one of its 106,000 operating farms is electrified. Of the 16 million people in the State, 95 percent receive their electricity from private utility companies, whose rates are regulated by the New York State Public Service Commission. Thus, under S. 1823, only the remaining 5 percent, comprising the consumers of scattered municipal distribution systems and five small REA cooperatives, would qualify in the preferred category for this tax-free hydroelectric power. Thus again, the 95 percent of New York consumers would be discriminated against in favor of the relatively few purchasers from the five cooperatives and scattered municipally operated plants in New York State.

On January 12, 1956, the chairman of the New York State Power Authority made several additional observations with respect to the preference provisions contained in S. 1823. I quote him again—

> The Lehman bill gives States and their subdivisions, cooperatives and defense agencies absolute preference in the purchase of power, apparently without regard to where they are located. * * *
>
> Consideration should be given to the question of whether the preference provisions and transmission line provisions in the Lehman bill taken together would require the sale of power to municipalities who demand it no matter how far removed and whether within the economic market area. If the postage stamp principle were adopted and all customers charged the same price for power and for the transmission of power, regardless of the distance involved, with the result that transmission costs to distant customers were borne in part by nearby customers, a distant preference customer might well have a motive to make such a demand. This, of course, could result in absurd situations.

I am still quoting Chairman Robert Moses, of New York State Power Authority:

> It should be borne in mind that most hydroelectric power developments are in areas of the country much less developed than that of the Niagara and hence legislative language and marketing practices adapted to such areas may not make any sense at all in this highly industrial region. In addition, seemingly slight changes or omissions in tested language of other statutes may have radical and unintended effects.

At an earlier date, the chairman of the power authority made the following statement with respect to both the development of hydroelectric power on the St. Lawrence, which is already underway, and the proposed development of Niagara power:

> It has been suggested that the Federal license for the St. Lawrence and the Federal law to be passed with respect to the Niagara should require that preference be given to municipally owned distributing and producing organizations and to cooperatives. This appears to be impractical because 98 percent of the consumers in the State receive their power from private utilities and only 2 percent from municipally owned utilities and cooperatives. These 2 percent cannot be given an absolute preference over the 98 percent because they are scattered all over the State, many of them hundreds of miles from the site where the power is produced, so that the cost of transmission would be prohibitive.

These observations by Mr. Moses are wholly consistent with my own views on this important matter—and are based upon his personal experience.

Is it any wonder under these circumstances that an overwhelming majority of the people in the area to be served are vigorously opposed to S. 1823 and have expressed clearly a desire that Niagara power be developed by private enterprise? Statewide organizations including every segment of the economy have continually urged successive Congresses to oppose similar legislation and approve private development.

Among these organizations are the following: The New York State Federation of Labor, the Independent Brotherhood of Electrical Workers, the CIO Utility Workers of America, the New York State Farm Bureau Federation, the New York State Grange, the Empire State Chamber of Commerce, the Association of Towns in the State of New York, the Association of County Supervisors in the State of New York, and the Associated Industries in the State of New York.

In this connection, because it is so pertinent, let me say that only the other day I received a letter which I should like to read into the RECORD. It came to me from Mr. Harold C. Hanover, secretary-treasurer of the New York State Federation of Labor. The letter is dated April 26, 1956, and reads as follows:

NEW YORK STATE FEDERATION OF LABOR,
Albany, N. Y., April 26, 1956.

HON. IRVING M. IVES,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR IVES: It has been brought to our attention that you are interested in the communication which we addressed on May 14, 1953, to Hon. GEORGE DONDERO, chairman of the House Committee on Public Works, with reference to the proposed development of power resources of Niagara River, Niagara Falls, N. Y.

I shall not read the letter to Representative DONDERO, of which I have a copy. I do not think it is necessary. I think Mr. Hanover's letter is quite conclusive. I continue quoting from the letter from Mr. Hanover:

> Herewith I enclose a copy of that letter, which is also noted in the CONGRESSIONAL RECORD, and rather than supply you with a duplicate addressed to you, I felt that you would like to have the letter as it exists, and to say to you that insofar as a great majority of our membership in the State of New York are concerned—

That is, the New York State Federation of Labor—

> we have felt from the very beginning that this work should progress under private auspices both from an economy standpoint to our citizens and from the maintenance of private employment by the several companies involved.
>
> Our position is amply borne out by a good look at what is transpiring on the St. Lawrence River under the auspices of the power authority of the State of New York. Many who have thought that this development would redound to the benefit of the average homeowner and consumer of electricity are now beginning to express genuine doubt as to the real worth of a power authority in this State.
>
> Frankly, our average citizen knows little or nothing about what is to transpire under this power authority and misgivings are expressed as articles are read in the public press citing contracts with private corporations at a rate which is not publicized, and the negotiation of further contracts with corporations and with adjoining States. I might add here that the sentiments conveyed in our letter to Mr. DONDERO are just as true today as they were when written. In fact more so, for we have seen borne out in reality the statements which we made at that time.
>
> We do not feel that the consumers of electricity in New York State will pay more through private construction and management of the facilities of the Niagara River. As a matter of fact, we feel that in the long run the citizens will be paying less because the amount of taxes paid by these companies will serve to offset much of the hidden increase in taxes imposed upon them were the project to be done by the power authority.
>
> As we have repeatedly pointed out, if a question of rate per kilowatt hour is of paramount importance, we have a public service commission in the State of New York who are thoroughly competent to readjust rates of electrical energy so that our citizens in all parts of the State would be paying on a fair basis.
>
> In conclusion you may have gathered by now that we feel very strongly on this point, and we want to assure you that we have been steadfast in this thought and sincerely hope that in your approach to this problem in the near future you will be able to take the long view of this highly controversial problem, and we want to assure you that, should you take the viewpoint we have set forth you will have our utmost support.
>
> With sincere personal regards.
>
> Cordially yours,
>
> HAROLD C. HANOVER,
> *Secretary Treasurer.*

In this connection, Mr. President, I am constrained to observe that my colleague in his remarks yesterday, to which I was unable to listen but which I have read very carefully in the RECORD, emphasized the fact that the overwhelming majority of the people of the State of New York are in favor of his bill.

I doubt that. I wish it would have been possible to hold a referendum to ascertain how the people of the State of New York stand on the question. However, the organizations I have listed, and many others which I could list, constitute not only hundreds of thousands of residents of New York State, but in their influence and in their actions represent millions of people of that State.

I do not believe there is any justification whatever for my colleague's remarks

regarding the sentiment on this question in the State of New York.

He also brought up the question of the campaigns in which he has been engaged, and the campaign of 1954, in which I was engaged. He referred particularly to that campaign. I wish to point out that at no time during the campaign of 1954 did I mention the Niagara redevelopment, so far as I can recall, and at no time did my opponents do so. That was not an issue in the campaign, nor has it been an issue in any campaign in which I have been engaged in the State of New York.

As everyone knows, or as everyone should know, I myself have stood for the State development of hydroelectric power at Niagara Falls, but not by any means on the basis proposed by my colleague from New York. I am in utter disagreement with him on that question.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at the close of my remarks, letters I have received from the Utility Workers of America, CIO, the New York State Grange, and the New York Farm Bureau.

I am asking that the letters be printed in the RECORD because they are of more recent date than many others I have received which I could also put in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibits 1, 2, and 3.)

Mr. IVES. Mr. President, recent polls conducted by area Members of the House of Representatives—and this is very important—have shown that 75 percent of the constituents replying opposed S. 1823 and favored private development.

Under the circumstances which I have stated, I strongly urge the Senate to reject S. 1823. Its provisions would require my State to pursue a course which it cannot pursue under existing laws and policies, and which it does not desire to pursue.

If any Senator has any questions to ask, I shall be glad to yield for that purpose. Otherwise, I yield the floor.

EXHIBIT 1

UTILITY WORKERS UNION OF AMERICA, CIO,
New York, N. Y., April 2, 1956.

Hon. IRVING M. IVES,
Senate Office Building,
Washington, D. C.

DEAR SENATOR IVES: In view of the action of the Senate Public Works Committee in reporting out the Lehman bill providing for construction by the State of New York of the hydroelectric installation at Niagara Falls, we want to advise you of our interest.

On many prior occasions, we have had the opportunity of informing you of our opposition to either State or Federal Government construction of the project, and you know that we have testified before the Senate and the House of Representatives in favor of the Capehart, Miller, Martin, and Dondero bills.

May we, therefore, take this opportunity, once again, of assuring you of our unalterable opposition to any legislation that will result in making our present and future members government employees. We want the advantages of labor legislation presently enjoyed by us maintained and passed on to our children.

Respectfully yours,
ANDREW J. MCMAHON,
President.

EXHIBIT 2

NEW YORK STATE GRANGE,
Brasher Falls, N. Y., April 25, 1956.

Hon. Senator IRVING IVES,
Washington, D. C.

DEAR SENATOR IVES: It has come to my attention that the matter of public versus private development of the electrical power at Niagara Falls is again to be considered.

We of New York State Grange, 130,000 of us, want you to know that we stand solidly for development of that power to the fullest extent by private industry. It would seem to us that in all of the debates on the question that the wishes of the people outside of the city of New York were being bypassed.

We feel that government has too much to say regarding how our money shall be spent, and in this particular case we cannot sit idly by and see such a development take place, in which case there would not be any compensatory taxes levied to help pay the bills incurred.

Surely in these times of diminishing returns for agricultural products it would seem to us that any such contemplated project should be handled as far as possible by private capital so that the project itself as well as the returns from it would be taxed to help defray operating expenses of our local, State and National Governments.

We cannot see why the power from this project should be thrown on the market, tax free, to compete with power that has to pay taxes. We are expressly opposed to the preferential clause in the Lehman bill.

As you know we are an organization representing a cross section of the people of New York State. We therefore urge that you do all that you possibly can to obtain passage of a bill that will permit construction and operation of Niagara power by private capital.

For your information I am sending a resolution adopted at our 1955 session of the State grange at Rochester the vote on which was unanimous. I might also add that similar resolutions have been presented for the past number of years and always have passed the delegate body in the same way.

Yours sincerely,
LELAND D. SMITH,
Master, New York State Grange.

EXHIBIT 3

NEW YORK FARM BUREAU,
Ithaca, N. Y., April 2, 1956.

Senator IRVING M. IVES,
Senate Office Building,
Washington, D. C.

DEAR SENATOR IVES: I am taking this opportunity to again reemphasize the policy of New York Farm Bureau in connection with the much debated Niagara power issue. By official action of the delegate body of New York Farm Bureau, our organization favors development of Niagara power by private enterprise.

Private enterprise, which has made our country great, cannot be strengthened by Government siphoning off the functions that private enterprise can and is willing to perform under private capital.

It is a well-established fact that the hydroelectric power in Niagara Falls is economically sound and can pay its way under private enterprise without Government subsidy, and without preference to any group of consumers. It is evident that Government's advantage in developing Niagara would lie largely in tax exemption. However, our country wasn't built on tax exemption, nor will it be strengthened by tax exemption. Under Government development the whole scheme of preferential treatment of municipalities and REA cooperatives is unsound and is nothing short of a vote-buying device.

We have not wavered in our conviction that Niagara should be developed by private enterprise.

Sincerely,

P. S. FOSTER,
Executive Secretary.

BIRTHDAY CONGRATULATIONS TO SENATOR BUSH

During the delivery of Mr. IVES' speech.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. JOHNSON of Texas. I wish to congratulate the distinguished Presiding Officer [Mr. BUSH] on his birthday. I hope he will have many more. All of us have great respect and affection for the Senator from Connecticut, and I express to him the congratulations and best wishes of all Members of the majority. That does not carry over into November, but it certainly applies during the sessions of the Senate in the 84th Congress.

The PRESIDING OFFICER (Mr. BUSH in the chair). The Chair hopes it is not out of order for the Presiding Officer to acknowledge this gracious statement.

Mr. IVES. Mr. President, I join in tendering congratulations to the Presiding Officer, and paying him tribute. I did not know it was his birthday, although I talked with him earlier in the day.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, it is hoped that we may be able to enter into a unanimous-consent agreement to vote on the pending bill some time tomorrow.

Following the disposition of the pending business it is the plan of the leadership to have the Senate proceed to the consideration of the farm bill, and perhaps conclude the consideration of that bill on either Thursday or Friday.

The Senate has already disposed of the urgent deficiency bill for 1956 and the Treasury and Post Office appropriation bill.

It is expected that the conference report on the second supplemental appropriation bill will be brought before the Senate tomorrow, after the morning business.

The Interior Department appropriation bill has already been passed by the Senate, and it is hoped that the Senate may be able to act on the conference report on that bill as soon as agreement is reached by the conference committee.

The leadership is informed that the Committee on Appropriations expects to report the agricultural, District of Columbia, General Government matters, independent offices, and Commerce Department appropriation bills some time during the week of May 18 to 25.

The State-Justice-judiciary appropriation bill is now before the committee and hearings on it are being held both mornings and afternoons. I am chairman of the subcommittee, and I hope we may have that bill before the Senate by the end of the month.

The public works appropriation bill will be reported to the Senate some time next month.

We have not yet started hearings on the Mutual Security appropriation bill, because authorizing legislation must be considered first. Of course, we will also have the legislative and supplemental appropriation bills at a later date.

The Committee on Appropriations is to be commended on the progress it has made on the various appropriation bills. I am hopeful the committee will soon be able to mark up and submit final reports of the bills I have enumerated.

I make this announcement at this time so that Members of the Senate who are interested in action being taken by the Committee on Appropriations may be informed that the Senate will take up the appropriation bills as soon as they are reported.

The Senate will also consider a social-security bill, which will be reported by the Committee on Finance. There will also be a number of housing bills and a number of other bills which have been placed on the calendar during the past few days.

I shall confer with the minority leader before making a definite announcement, but it is anticipated that there will be a call of the calendar on Monday next.

Mr. IVES. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I am delighted to yield to the Senator from New York.

Mr. IVES. I wonder whether the Senator could enlighten us as to his plan with reference to the highway bill.

Mr. JOHNSON of Texas. That is another very important piece of proposed legislation, and we expect to act on it very promptly as soon as the Committee on Finance acts on the tax title of the bill, which it is now considering.

I thank my good friend from New York for calling that bill to my attention. It is a very important piece of legislation. The Senator from Virginia [Mr. BYRD] and his committee have been carrying a very heavy load this year with tax, social security, and sugar legislation. As soon as his committee is ready to report the highway bill, the Senate will take it up.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The CHIEF CLERK. On page 1, line 4, after the word "in", it is proposed to strike out "ratifying" and insert "giving its advice and consent to the ratification of."

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NEUBERGER. Mr. President, the Niagara power bill, which we are debating today, is the supreme test of the sincerity of the power program of the Eisenhower administration.

In innumerable speeches and statements, the President and his aides insist that they are opposed to further Federal projects like Grand Coulee and Bonneville, because they want construction by so-called local interests.

Here is a bill before us to let the State of New York undertake development of the remaining hydroelectric resources on the American side of the border, at Niagara Falls. Could anything be more truly and genuinely "local" than a State government? It is responsive to the people. It belongs to the people. It can be changed by the people.

Throughout the Pacific Northwest, where I live, the Republican administration talks continually of "local" erection of power projects. Why? Because in the Northwest, the only choice is between the Federal Government and private power companies. State governments in the Northwest do not have the financial means, nor have they implemented the political authority, to undertake huge dams such as those proposed by the 308 report of the Corps of United States Army Engineers at Hells Canyon or John Day. My own State of Oregon, for example, has had to saddle its citizens with the highest State income tax in the Nation so as to maintain its obligations in the field of education.

HOW "LOCAL" DO YOU HAVE TO GET?

But the government of the State of New York is something else again. New York's population equals that of all of Canada; it is 10 times that of Oregon. Its legislature has approved the necessary enabling bills to bring about State development of Niagara. The State has a power authority of the State of New York which has all the essential machinery to this vast undertaking. New York State is ready to go. Why will not the administration and the Republicans let it proceed? Is not the State of New York sufficiently "local"? How "local" do you have to get? Or, is an absentee-owned utility company in the Pacific Northwest regarded as "local" to that region, while the State government of New York is not regarded as "local" in New York?

I have emphasized these facts because they strip down to the last veil the hypocrisy in the power program of the present administration. In the Northwest, where State governments lack the finances to undertake vast multipurpose projects, we hear that we must surrender choice hydroelectric sites to so-called "local" interests. Invariably, these "local" interests are predominantly private power companies.

But in New York, where State government is ready, willing, and eager to tap Niagara's immense potential in thundering waters, the talk of local participation is as silent as the tomb—because, to the average American, his State government seems pretty authentically local; in fact, it is about as local as you can get, unless the city or county is to get in on the act.

The people of New York and New England have long had about the most outrageously high electric rates of any group of consumers in the entire United States. I repeat here the famous remark of former Gov. Thomas E. Dewey, of New York, when, in 1951, he said of the year 1949:

> The New York State cost (of electric power) was 170 percent higher than in the State of Washington; 146 percent higher than in Oregon; and 132 percent higher than in Tennessee.

In general the same condition holds for the entire New England area. It is high time that we give to the small electric consumer of the Northeast the advantages of low-cost power long enjoyed in other parts of the United States.

NO FEDERAL INVESTMENT AT NIAGARA

Some Senators may hesitate to give the license to a public agency such as the New York State Power Authority because of their fear of alleged socialism—creeping or otherwise. I would hasten to reassure such Senators that this is certainly no more socialistic than was the upper Colorado storage project, which many of my Republican colleagues voted for in April of last year. But the Niagara proposal has the added appeal that no Federal investment whatever is required.

In the case of the upper Colorado, the bill was supported by the power companies and by the administration. In this case, at Niagara, the electric cooperatives are for it, and the municipal electric systems are for it.

Now I want to show further comparisons between the upper Colorado storage project and this present proposal.

In each case we have a multipurpose project—on the one hand irrigation, flood control, and power generation, and on the other the preservation and enhancement of the beauty of Niagara Falls and, again, the generation of power. In the matter of power generation the total capacity as provided for in the 2 bills is nearly the same—1.1 million kilowatts in the combined and revised upper Colorado compared to 1.2 million kilowatts to be added at Niagara. However, the output at Niagara will be considerably greater because of the better flow conditions resulting from the huge storage basin of the four Great Lakes. Niagara is one of the best remaining partially developed hydro sites in the United States.

Although there are differences between Niagara power redevelopment and the upper Colorado project in costs and power output, there is a close parallel in the manner which both proposals provide for disposal of the electric energy produced. Provisions in the Niagara bill, as in the upper Colorado authorization, represent an extension of the historic

pattern giving to public bodies and other consumer-owned electric systems a priority for the available power.

PREFERENCE CLAUSE A TIME-HONORED PRINCIPLE

This principle was established in the Reclamation Act of 1906 so that consumer-owned systems—generally without the financial strength to construct their own generating facilities—could be assured of the power supply necessary for their continued operation. As a policy of Government, the so-called preference clause was deemed necessary to equalize the opportunities for development between publicly and privately owned facilities in a natural monopoly field. The preference clause was conceived to enhance the possibilities for the public to make a choice as to how it wants to be served in this field. As Theodore Roosevelt said in 1909:

I esteem it my duty to use every endeavor to prevent the growing (power) monopoly, the most threatening which has ever appeared, from being fastened upon the people of the Nation.

The priority in availability given by the preference clause is the basic ingredient which insures the right of choice between public and private operation. Since 1906, the preference clause has been included in the Federal Water Power Act of 1920, the Salt River Project Act of 1922, the Boulder Canyon Act, the Tennessee Valley Authority Act, the Rural Electrification Act, the Bonneville Act, and the Fort Peck Project Act.

It is noteworthy that some of the strongest supporters of the preference clause in the past have been leaders of the Republican Party. On July 29, 1935, the first bill providing for sale and distribution of hydroelectric power from Bonneville Dam was introduced in the United States Senate. The author of the bill was Charles Linza McNary, Republican minority leader and Senator from Oregon since 1917. Section 3 of that bill provided as follows:

In the disposal of such power not required for navigation facilities, preference shall be given to States, counties, municipalities, and to cooperative organizations of citizens not organized for doing business at a profit.

SENATOR M'NARY BACKED PREFERENCE CLAUSE

Charles Linza McNary, Republican minority leader in the Senate, was the father of the Bonneville Act, which carried forward the established principle for public preference. The strength of his belief in this concept of priority is indicated by the fact that he reaffirmed that viewpoint in later legislation for marketing of the power from Bonneville Dam. Section 4 of the Bonneville Power Marketing Act said:

In order to insure that the facilities for the generation of electric energy at the Bonneville project shall be operated for the benefit of the general public, and particularly of domestic and rural customers, the Administrator shall at all times in disposing of electrical energy generated at said project give preference and priority to public bodies and cooperatives.

I should like to call to the attention of the Senate the striking parallel between the language of the preference clause advanced by the late Senator McNary and that which is contained in the Niagara power-redevelopment bill now under consideration. Section 4 of the Niagara bill, authored by the able Senator from New York [Mr. LEHMAN], provides:

(4) Project power shall be sold and distributed primarily for the benefit of the people as consumers, and particularly for the benefit of domestic and rural consumers, to whom it shall be made available at the lowest rates reasonably possible and in such manner as to encourage the widest possible use.

The similarity between the Bonneville and Niagara Acts makes it apparent that the concept espoused by Senator McNary lives on in subsequent legislation for development of our Nation's water resources. The preference clause has become the time-honored means for permitting freedom of choice in the distribution of energy from publicly financed water projects.

PRIVATE COMPANIES PROSPER UNDER PREFERENCE

Yet its existence will not prevent private companies from buying this power; it merely acts as a deterrent to monopoly. In the Pacific Northwest, private power companies buy a large share of the power marketed from Federal dams by the Bonneville Power Administration. For instance, during fiscal 1955, the Bonneville Power Administration sold approximately 21 billion kilowatt-hours of electricity. Of this total, about 4½ billion kilowatt-hours went to privately owned utilities and about 9 billion kilowatt-hours to industrial consumers. Both of these groups are nonpreference customers, yet they received more than 60 percent of the federally generated power in the Columbia River system.

Private interests—the nonpreference users—received their fair share of Bonneville power, and at even lower rates than did the public agencies. The average rate for Bonneville power sold to private industry was 2.12 mills per kilowatt-hour, and the average to private utilities was 2.17 mills per kilowatt-hour. Yet, some of the so-called preference customers—the public utility districts, cooperatives, and municipalities—paid an average of as much as 4.35 mills per kilowatt-hour, largely because of a lower power demand by their predominantly residential consumers.

Is there any indication that in actual practice the preference clause places an undue burden on the operation of privately owned utilities? Certainly that is not the case in the Pacific Northwest, where private utilities have grown and prospered since the advent of the Bonneville Power Act, fathered by the late Senator Charles McNary. It would appear that the effect of the preference clause, more than anything else, is a spur which makes the private companies more enterprising. Its existence makes them more conscious of their public utility responsibilities, more cognizant of the requirements of their customers. It is a prod toward competition in a field where complete monopoly can have many unfavorable aspects.

SHOULD NIAGARA BE SURRENDERED TO MONOPOLY?

In conclusion, I wish to comment briefly on one bit of irony in the reasoning of the minority views, which were submitted by some of my distinguished colleagues on the Senate Committee on Public Works. They claimed that citizens of other States would have to make up in their own tax payments, the $23 million in revenues which the private utilities allegedly would pay to the Government on their installations at Niagara Falls, if they are given the site.

This is a curious claim. It presumably could be amplified to support, for example, private operation of all our harbors, ship channels, and ports, if only the private interests acquiring these deepwater navigation avenues will pay taxes upon them. We might even have a private Army and Navy, which would charge fees for defending us, if these "Hessian armies" and mercenaries then would pay taxes to the Government on their weapons and uniforms.

Also, it is significant that the minority views complain bitterly over the fact that the so-called tax-free power authority will sell power only at 3 mills a kilowatt-hour. But the same minority views protest, with even greater bitterness, the public-power preference clause in the Lehman bill. Evidently, private utilities desire to purchase the 3-mill energy which is so much questioned in another portion of the report.

It is my belief that great benefits will flow to the people in the northeastern part of the United States from enactment of the Niagara power redevelopment bill. It will open a new source of low-cost power, distributed under a method which provides freedom of choice in the instrumentality of delivery. I will support this bill because it represents another forward step in the principle of developing the Nation's water resources with the widest possible benefits to the greatest number.

Mr. LEHMAN. Mr. President, will the Senator from Oregon yield?

Mr. NEUBERGER. I am glad to yield.

Mr. LEHMAN. I wish to compliment the Senator for his very clear and useful speech, which sets forth the facts regarding the preference clauses which are included in my bill.

Much has been said on the floor of the Senate and elsewhere about the effect of the passage of the bill upon the public development of Niagara, and the effect such public development will have on the private utility companies. Of course, the private utility companies want to get this extremely valuable resource under their own control, to do with it as they wish. But experience has shown that every time the price of power is reduced—and this will be possible, I am convinced, under my bill, provided the preference clauses remain—the per capita consumption of power is tremendously increased.

The anomalous situation exists that in Niagara Falls, N. Y., the power rate is twice as high as it is across the river, in Niagara Falls, Ontario. The electric bill of a residential user consuming 250 kilowatt-hours in Niagara Falls, N. Y., is $5.03. Yet right across the river—and the river nowhere is more than a mile or a mile and a half wide—the cost of 250 kilowatt-hours of electricity is only $2.39, less than one-half the amount charged in Niagara Falls, N. Y.

As a result, there has been phenomenal growth and development in both the field of industry and the field of residential expansion in Ontario, while many organizations, householders, and farmers on the United States side of the Niagara River have been penalized.

I point out that the cost of 100 kilowatt-hours in New York City is $4.44; in Yonkers, N. Y., $5.10; in Boston, Mass., $4.74; in Waterbury, Conn., $4.16; and in Providence, R. I., $4.60.

On the other hand, the charge for 100 kilowatt-hours in Tacoma, Wash., which has the benefit of the public development of power, is only $1.70; in Seattle, $2.72; in Eugene, Oreg., $1.80. As a result of the lower rates, which have been made possible by the public development of electricity, the consumption of power has tremendously increased in direct proportion to the lowering of the rates.

In Tacoma, Wash., where the rate is $1.70 for 100 kilowatt-hours, the average annual residential electric consumption is 6,659 kilowatt-hours, as against an average annual consumption in New York City of only 1,058 kilowatt-hours, a consumption which is less than one-sixth as great as that in Tacoma, Wash.

In Spokane, Wash., the annual average consumption is 5,726 kilowatt-hours; in Providence, R. I., it is only 976 kilowatt-hours—again, only about one-sixth as great.

I could mention area after area to prove my point, which is irrefutable, in my opinion, that the per capita consumption of power increases in direct relationship to the lowering of the price. There can be no question whatsoever about that.

I may say, too—and I repeat what I think possibly has been said—that wherever prices have been reduced because of the competition of public power, the profits of the private utility companies have increased. I do not believe there is a single large private utility company in the State of New York whose profits have not increased steadily over the past 10 or 15 years; and I feel certain that the profits of every private utility company on the Pacific coast, in the Southwest, and in the Southeast, where there is the competition of public development of power, have proportionately increased.

I again thank the Senator from Oregon and compliment him on a most valuable contribution which he has made to the debate.

Mr. NEUBERGER. After thanking the distinguished Senator from New York for his undeserved compliments to me, I wish to say to him: that we from the Pacific Northwest are particularly grateful to him, because he has had the political courage and the personal wisdom to include in the Niagara power bill the public power preference clause. We realize that there are many persons in his own State who do not understand fully the importance of the public power preference clause, and we regard the Senator as a pioneer of signal valor in the field of politics for including in the bill the public power preference clause, and for fighting for it.

I also desire to say that in fighting for the public power preference clause, he is carrying forward a political reform which was begun by one of the most illustrious sons ever produced by the State of New York, President Theodore Roosevelt, who played a very active part in politics in the State of New York, as the Senator from New York himself did before he came to the United States Senate.

I have listened with some amusement to some of the objections to the public power preference clause. Most of those objections come from Republican Members of this body. Yet I think it is of special significance that the public power preference clause was fathered during the Presidency of Theodore Roosevelt, one of the most outstanding Presidents who ever occupied the White House, and it was advocated repeatedly on the floor of the Senate by a Senator from my own State, Charles L. McNary. I have been particularly eager to bring before the Senate the record of the Bonneville Power Administration under the preference clause, which was sponsored by the late Senator McNary.

Today we are hearing on the floor of the Senate, from the opponents of the Lehman bill, how adverse the public power preference clause is to private utilities. Yet I have shown by figures which I have just obtained from the Bonneville Power Administration that during the fiscal year 1955 more than 60 percent of Bonneville's power, even under the preference clause, went to nonpreference customers. In other words, more than 60 percent of the energy went to either private utilities or private industry, neither of which comes under the scope or application of the preference clause.

The inclusion of the preference clause in the bill of the Senator from New York is for one purpose, and that is to prevent monopoly. That is the whole reason for the preference clause. If the preference clause is left in the bill, there will be competition in the distribution of power. There will be a yardstick to gage the rates charged by the private utilities. If the preference clause is deleted from the bill, as is proposed by the able senior Senator from New York [Mr. IVES], whose recovery from illness pleases us all, power from Niagara may be completely monopolized by the private utility companies. That is the issue before the Senate today.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. NEUBERGER. I am happy to yield to the distinguished Senator from Illinois.

Mr. DOUGLAS. I was much interested in the statements of the Senator from Oregon about the upper Colorado project, which was fostered by the administration. That project provided for the generation of power by a Federal authority, the Bureau of Reclamation. Is that not correct?

Mr. NEUBERGER. That is true.

Mr. DOUGLAS. Is it not true that the upper Colorado would produce extremely high-cost power? As I remember, the upper dams will have generating costs of from 6 to 7 mills per kilowatt-hour. Is not that true?

Mr. NEUBERGER. That is correct.

Mr. DOUGLAS. As the Senator from Oregon knows, I opposed the upper Colorado project, because I thought its irrigation features were excessively costly, and because I thought the generating costs, so far as power was concerned, were excessively high.

May I ask the Senator from Oregon what he understands to be the generating costs at Niagara?

Mr. NEUBERGER. I may say to the distinguished Senator from Illinois that I did vote for the upper Colorado project, although I had some slight misgivings. I supported it on the yea-and-nay vote because I believed the vast intermountain territory, which is a major portion of our country, urgently needs development, more population, and a greater agricultural and industrial economy, and I felt the upper Colorado project would contribute toward meeting that goal. The Rocky Mountain area requires this development.

Mr. DOUGLAS. I do not wish to get into an argument with the Senator from Oregon about the upper Colorado project. I think he was wrong in voting for it. I merely mentioned it to indicate that I am not an unqualified supporter of public power. I am opposed to it if it is uneconomical. However, what I am trying to get at is the difference between the costs of Columbia River power, on the one hand, and the Niagara and St. Lawrence power, on the other hand, both of which the administration is opposing, and the high-cost power on the upper Colorado, which the administration favored.

Mr. NEUBERGER. The Senator from Illinois has asked a very cogent question. As he correctly pointed out, power at some of the sites on the upper Colorado will cost between 6 and 7 mills per kilowatt-hour. Power from the vast Niagara Falls project will cost about 2 mills per kilowatt-hour. Power at Hells Canyon on the Snake River will cost approximately 2.7 mills per kilowatt-hour.

The Senator from Illinois has highlighted a curious irony and paradox of the power program of the present administration. It favors surrender to private utilities of Niagara Falls hydroelectric power, where energy can be generated for about 2 mills per kilowatt-hour, and it favors surrender to a private utility, in this case the Idaho Power Co., of the magnificent Hells Canyon site, where power can be generated for about 2.7 mills per kilowatt-hour, but it reserves for development by the taxpayers of the United States the upper Colorado where, as the Senator from Illinois has emphasized, the cost will be between 6 and 7 mills per kilowatt-hour. This is a policy of turning over the skim milk to the public and reserving the most nutritious, rich butterfat content, whipped cream for the private utilities.

Mr. DOUGLAS. I am very glad the Senator from Oregon makes this point, and I only hope that with the passage of time the consciousness of sin in connection with the upper Colorado project may deepen.

I should now like to ask the Senator from Oregon a question. I believe the Senator from Oregon said that the power

rates in upper New York and northern New England—in fact, all of New England—were now approximately the highest rates in the country.

Mr. NEUBERGER. That is my understanding.

Mr. DOUGLAS. Would not Niagara and St. Lawrence power, distributed through municipalities and cooperatives at lower rates, be a powerful force in reducing general power rates in upper New York and in New England? They would largely afford a yardstick which would force the public utility commissions to reduce private power rates.

Mr. NEUBERGER. It most certainly would, if the lesson of recent history is to be again demonstrated. All one has to do is look not only at power rates, but at average residential consumption in areas where there is a Federal power yardstick. In such areas, for example in the TVA area and in the Columbia basin, where there is a Federal power yardstick, rates are low and consumption is high. Where the Federal power yardstick is lacking and there is no competition, rates are high and residential consumption is low. It is as simple as A, B, C. It is the record of the last quarter of a century in the United States.

For example, as the distinguished Senator from New York pointed out at Tacoma, Wash., which has the benefit of public power, and which purchases a part of its electric energy from the Bonneville Power Administration, through the protection of the preference clause sponsored by the late Senator McNary, the consumption in the average household is approximately 6,700 kilowatt-hours a year, whereas in some of the communities in Massachusetts, for example, and in other areas of New England the consumption is approximately 900 kilowatt-hours a year.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield further to me?

The PRESIDING OFFICER (Mr. MURRAY in the chair). Does the Senator from Oregon yield to the Senator from Illinois?

Mr. NEUBERGER. I yield.

Mr. DOUGLAS. Is it not true that the high rates in New England at least are holding back the industrial development of that region, because the high rates result in high power costs and hence are a competitive disadvantage?

Mr. NEUBERGER. I would answer the question of the Senator from Illinois by asking another question, albeit a hypothetical one: If the Senator from Illinois were an industrialist and if he depended upon electric energy to move the machinery in his plant, would he establish his plant in such an area as the Pacific Northwest or the TVA area, where electricity can be purchased for 2 mills a kilowatt-hour, or would he move the plant to New England, and pay anywhere from 8 to 15 mills a kilowatt-hour?

Mr. DOUGLAS. I think I would follow the advice of Horace Greeley and "Go west, young man."

Mr. NEUBERGER. "And grow up with the country," as Greeley also said.

Mr. DOUGLAS. Is it not true that the New York Power Authority is an independent corporation, although its members are publicly appointed, and that it has the power to issue bonds, contract debts, and obtain revenue? Will it not do so in connection with Niagara?

Mr. NEUBERGER. That is my understanding.

Mr. DOUGLAS. Is not the chairman of the New York Port Authority the very able Mr. Robert Moses?

Mr. NEUBERGER. I believe he is.

Mr. DOUGLAS. Is it not true that the New York Power Authority is generating power on the St. Lawrence River, below Lake Ontario, and that the waterpower of the St. Lawrence is being shared equally between Canada and the United States, and the power authority is developing approximately 1 million kilowatts of electricity there?

Mr. NEUBERGER. That is also my understanding.

Mr. DOUGLAS. Is it not true that so far as the St. Lawrence project is concerned, the New York Power Authority is selling the power in preference to the REA cooperatives and to plants which are municipally owned?

Mr. NEUBERGER. That also is my understanding of the situation.

Mr. DOUGLAS. When I was at the St. Lawrence, in November, a contract had just been made to supply 100,000 kilowatt-hours to the federation of REA cooperatives in Vermont, thus giving to Vermont some of the power that State has badly needed and for which the senior Senator from Vermont [Mr. AIKEN] has fought. A contract had also been made to furnish 30,000 kilowatts to the city of Plattsburg, which has a municipal plant. If it is proper for the New York Power Authority to give preference to REA cooperatives and municipalities, insofar as the St. Lawrence power is concerned, why is it not also proper to do the same insofar as the power from the Niagara is concerned?

Mr. NEUBERGER. It seems to me that the Senator from Illinois has touched the Achilles' heel of the argument of the other side. They both hold with the hounds and run with the hare. When they wish to consider something as being socialism, they cry, "It is socialism." But when they want to do exactly the same thing in another realm, the cry "socialism" is not heard.

For example, we need refer only to the upper Colorado project. Many Members who now decry the Niagara project voted for the upper Colorado project. I may be dense and without very good thinking processes, but I doubt anyone could convince me that what is socialism in the State of New York is just good, old, free enterprise in the Rocky Mountain area. How can it be that public development of the upper Colorado conforms to all the free-enterprise clichés of the Eisenhower administration, but public development of Niagara Falls or Hells Canyon is socialism? It just is not possible to turn on and off the cry "socialism" like a beer spigot. But as the Senator from New York has pointed out, that is done in the entire discussion of the public power preference clause. We have heard the public power preference clause denounced as being socialistic; yet we point out that the public power preference clause was conceived by a Republican President of the United States, and was advocated on the floor of the Senate by one who served as Republican minority leader for—if I am not mistaken—10 or 12 years, which certainly is a long time in the annals of the Senate for one to serve consecutively as the leader in this body of a great political party.

The entire program of the administration in the field of hydroelectric resources cannot undergo careful scrutiny. What they really want to do is favor public power when they have available for development a site which is marginal, where the waterflow is not dependable, and where no private utility in its right mind would touch the site with a 300-mile transmission line, to say nothing of a 10-foot pole. But when they have a choice site still available, such as the remaining waters at Niagara Falls or Hells Canyon, on the Snake River, then they are 100 percent in favor of private enterprise, because that is a site which the private utilities crave.

Mr. DOUGLAS. Does the Senator from Oregon believe that attitude indicates that the administration believes in the socialization of losses?

Mr. NEUBERGER. The Senator from Illinois has a better knowledge of economics than I do; but it seems to me he has given a good description of the situation, because the administration believes in socializing sites which are of dubious payout, but in surrendering to the private utilities the sites which will be financially successful.

I cannot overemphasize the great service the Senator from New York has rendered in including in his bill the public-power preference clause. It would have been very easy for him to have omitted it from the bill; but he realizes, as we do, that such an omission of the public power preference clause would have permitted the remaining power at Niagara Falls to be monopolized by the private companies.

Mr. DOUGLAS. Is it not true that in upper New York State there are a number of municipalities which have municipally owned power systems? For example, I think of the city of Jamestown, N. Y., a city primarily composed of Americans of predominantly Swedish descent. I think Jamestown is a strongly Republican city. Yet, as I recall, it has a municipally owned plant. Steam plants of such relatively small size may become technologically obsolete. Would it not be a great aid to the conservative people living at Jamestown, N. Y., and vicinity, if they could get their power from Niagara, through a transmission line which would give them preference?

Mr. NEUBERGER. The Senator from Illinois is more thoroughly acquainted with the State of New York than I am; but it seems to me that if the people of Jamestown, N. Y., could supplement or replace obsolete steam-power equipment with low-cost Niagara energy, it is obvious that this would be to the benefit of the homes, stores, and industries in Jamestown.

Mr. LEHMAN. Mr. President, will the Senator from Oregon yield to me?

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Does the Senator from Oregon yield to the Senator from New York?

Mr. NEUBERGER. I am happy to yield to the Senator from New York.

Mr. LEHMAN. I wish to emphasize 1 or 2 points which I think may be misunderstood or, rather, not understood at all. We speak of preference clauses to public bodies, municipalities, defense agencies, and rural electric cooperatives. When we talk about preferences I do not want anyone to believe that we are asking for any preference in price for these organizations. There is no such thing. They will have to pay exactly the same price anyone else pays.

Mr. NEUBERGER. It is even possible, I may say to the Senator from New York, that as in the Pacific Northwest, the public agencies may pay a little more, because they will undoubtedly not buy power in as large quantities as do either industries or private utility companies. We in the Northwest have not objected to that. What we do not want—and I know the Senator from New York does not want it, either—is to have power monopolized so that public agencies are not assured of a supply.

I am glad the Senator from New York brought up the subject of price, because not only do we not seek any favoritism with respect to price, but all we ask is that the public agencies, which are in most instances far smaller than the private utilities, have the right not to be excluded completely from Niagara power or from Bonneville power.

Mr. LEHMAN. In my judgment, that is an absolutely accurate statement. The reason why I am pressing so vigorously for the inclusion of the preference clauses, and the reason why I am so unalterably opposed to any diminution of that policy, is, as the distinguished Senator from Oregon has already pointed out, that I want to prevent monopoly in the distribution of power. If we are to get reasonable power charges in New York and in other areas of the Northeast, in neighboring States, I think it is highly important that we have a yardstick on which to proceed.

I also point out to the distinguished Senator from Oregon that we are not making this fight for New York State alone. We are making it for other States in the Northeast.

Under the provisions of the bill which my colleagues and I have introduced, a reasonable share of this cheap power must be made available to Ohio, Pennsylvania, and any other States which are within economical transmission distance from the point at which the power is generated.

Mr. NEUBERGER. The Senator from New York has taken the broad-gage viewpoint, as he characteristically does. In other words, he realizes that Niagara Falls, like any other great thundering river, belongs to all the people, and he does not want Niagara Falls monopolized by a corporation. Nor does he want it monopolized geographically.

I am pleased that the Senator from New York stresses the issue of monopoly. In 1940, when I was a journalist, I was assigned to write for Life magazine a long profile of Senator Charles L. McNary, who had just been nominated for the Vice Presidency on the Republican ticket as Wendell Willkie's running mate. I spent a considerable length of time with Senator McNary at his farm home near Salem, Oreg., which he called Fir Cone, because of the fir trees which dotted the beautiful place where he was born and brought up.

I remember saying to him something like this: "Senator, some people who are prominent in national politics criticize the fact that you are on the ticket with Mr. Willkie. They think you are too radical, because you have sponsored public power preference clauses in various bills affecting the Pacific Northwest hydroelectric development."

I remember so well Senator McNary saying to me, as he sat there on the lawn at Fir Cone, "All that the preference clause does is to prevent monopoly."

Then he added, "It really should be called an antimonopoly clause. That would be a better description of it."

I recall today that statement by Senator McNary. It was brought to my mind, not during this debate, but a few days ago, when Mrs. Neuberger attended a luncheon for the ladies of the Senate, and for the first time met Mrs. Charles L. McNary, the widow of the distinguished Republican leader.

After the episode and meeting had been recounted to me by Mrs. Neuberger, again there entered my mind what Senator McNary had said in defense of the preference clauses. It seems to me axiomatic that unless there is a preference clause, this power will be monopolized.

Mr. LEHMAN. Mr. President, will the Senator yield for a further brief observation?

Mr. NEUBERGER. I am happy to yield.

Mr. LEHMAN. We have been talking about the difference in cost, as between New York and other sections of the country, which are served by publicly developed power. Of course, the rate which is charged for the use of electrical energy in the Northeastern States, the New England States, and New York State, is far above the average charge in the country, and dramatically above the rate charged in those States which are served by public power.

In 1949 Governor Dewey, who was my successor as Governor of New York State, in his message to the legislature set forth, among other things, the following figures, which I think are very interesting: The New York cost was 170 percent higher than the cost in the State of Washington; 146 percent higher than in Oregon; and 132 percent higher than in Tennessee.

Governor Dewey pointed out further that with such high-cost power it is not surprising that the average residential use of electricity is far below the national average—in fact, the consumption is lower in only 7 of the 48 States of the Union.

The States with which comparison has been made are all served by public power. New York State, of course, is not, and the Northeastern States are not. To me it would be a calamity, and a completely unjustifiable thing, to stop the development of this power publicly and turn it over, as it is now proposed in the bill introduced by my colleague from Indiana [Mr. CAPEHART] to the private utility companies.

Mr. NEUBERGER. As the Senator from New York has so ably pointed out, it would mean a continuation of high rates and low-power consumption in a region of the United States which should have low rates and high-power consumption.

I was particularly interested in the very able address delivered on the floor of the Senate a short time ago by the senior Senator from New York [Mr. IVES] in which he made the claim that the preference clause in the Lehman bill—and I quote him exactly:

> Would discriminate against 95 percent of the residents of New York State by granting a preference to the few isolated cooperatives and municipality operated powerplants scattered throughout the State.

If I may be pardoned for saying so, I believe that that statement of the senior Senator from New York is diametrically contrary to the fact. The way to do something for the 95 percent of New York consumers who are at present served by private utility companies is to provide for them the low-rate yardstick which Niagara Falls and the preference clause could make possible. Unless that low rate yardstick is created, they will continue to be at the mercy of the private utility companies for the rest of their lives, and, far into the future beyond that point, their descendants will be at the mercy of the private power companies, which charge high rates and bring about low consumption.

But if we pass the Lehman bill, and make available immense quantities of Niagara Falls power at low rates, with a public power yardstick, the private utilities will have to reduce their rates. That has been the example in the Pacific Northwest. That has been the example in Tennessee. I cannot think of a single argument which would tend to prove that a similar pattern would not be effective in the State of New York, and generally in the northeastern part of the United States.

The public power preference clause is what 95 percent of New York consumers need. Those are the people who were mentioned by the senior Senator from New York [Mr. IVES]. However, if his wishes prevail, those consumers will merely continue to be at the mercy of private utilities.

The only possible way to bring about the situation we have in the Northwest and in the Tennessee Valley, with low rates and high residential consumption and high industrial consumption of power, is with the public power preference clause.

Theodore Roosevelt, Charles McNary, George W. Norris and other progressive Republicans like that saw it a quarter of a century and more ago, as the distinguished junior Senator from New York sees it today in the bill he is sponsoring for Niagara Falls.

I wish to say to my friend from New York again that it is a great privilege to

work in the ranks under his leadership in the effort to save this invaluable hydroelectric resource for not only the people of New York State and New England, but also for all the people of the United States.

Mr. LEHMAN. Mr. President, I thank the Senator.

Mr. DOUGLAS. Mr. President, will the Senator from Oregon yield for a few more questions?

Mr. NEUBERGER. I am happy to yield.

Mr. DOUGLAS. The Senator from Oregon is a member of the Committee on Public Works. Does he remember the testimony of Mayor Dougherty, of Dunkirk, N. Y.?

Mr. NEUBERGER. I do.

Mr. DOUGLAS. Is it not true that, as the record of the hearings indicates, Mayor Dougherty pointed out that the city of Dunkirk, which has a municipally owned utility plant, has the lowest rate for residential electricity of any community on the Atlantic seaboard, in the New England States, in the Middle Atlantic States, and in the South Atlantic States? That is found at page 211 of the hearings.

Mr. NEUBERGER. I do indeed remember Mayor Dougherty's very effective testimony, either from reading or hearing it.

Mr. DOUGLAS. He testified that Dunkirk was buying its power from private utilities and paying 8.6 mills for it.

Mr. NEUBERGER. But nevertheless Dunkirk was underselling the private utilities in that area when it came to distributing the power to residential users.

Mr. DOUGLAS. That is correct. With a generating cost of a little more than 2 mills per kilowatt-hour, even if there were added the transmission cost for the 65 miles or so from Niagara Falls to Dunkirk, power could still be laid down in Dunkirk at a very much lower rate than consumers in Dunkirk are now paying. Is that not correct?

Mr. NEUBERGER. That is obvious. The Dunkirk power rate could be cut in half, perhaps even more, despite the low prevailing rates.

Mr. DOUGLAS. That is, the wholesale power costs. Is that correct?

Mr. NEUBERGER. That is correct; the wholesale power costs.

Mr. DOUGLAS. Is it not correct to say that Mayor Dougherty listed 22 municipalities in New York State which have municipal powerplants, and that this list is found at page 214 of the hearings?

Mr. NEUBERGER. That is correct.

Mr. DOUGLAS. The mayor listed the following cities: Dunkirk, Ilion, Salamanca, Mohawk, Fairport, Penn Yan, Jamestown, Solvay, Green Island, Westfield, Springville, Watkins Glen, Freeport, Plattsburg, Herkimer, Bath, Wellsville, Hamilton, Rockville Center, Frankfort, Tupper Lake, Lake Placid, and Greenport. I had already mentioned Plattsburg in connection with the St. Lawrence Seaway.

Therefore, there would be a considerable demand already existing from these 23 municipalities, most of which apparently buy their power wholesale from private power companies. Is that correct?

Mr. NEUBERGER. That is correct. As I remember, in nearly every instance presented by Mayor Dougherty, the communities nearby, which had private power distribution, had higher rates than the communities which were served by municipal plants. That was not universally the case. There were a few isolated exceptions, as I remember.

Mr. DOUGLAS. There were six exceptions, as I remember.

Mr. NEUBERGER. I am not sure of the number. However, there were a few exceptions. Generally, the overwhelming pattern was that in those New York regions, a city with a public-power system charged substantially lower rates to the consumers than were charged the consumers in a neighboring community, which was served by a private power company.

Mr. DOUGLAS. Of course, in many instances municipal authorities in communities which own municipal powerplants have kept their utility rates high in order to make a large profit and in that way reduce the taxes levied upon local real estate. Therefore, a comparison of rates is not a perfect one, because in many cases the community has chosen to pass the benefit on not only to the users of electricity and perhaps not primarily to them, but to all payers of local taxes, or to finance municipal improvements, which otherwise would not be undertaken.

Mr. NEUBERGER. There are many cities which are served by public power where needed community services are financed out of profits or income from the public-power system.

Mr. DOUGLAS. One of the most amusing cases which has come to my attention is that of the beautiful little north shore community of Winnetka in my own State, which has as residents perhaps the largest proportion of corporation lawyers and utility lawyers in the country. The community set up a municipally owned electric plant, but the local authorities provided that the rates should be the same as those charged by the private utilities in the neighboring communities, so that there would be no pressure put upon the private utilities to readjust their rates.

Winnetka made large amounts of money on its utility operation, which it has used for public facilities and to reduce taxes. In that way the utility lawyers and utility executives and corporation executives living in Winnetka, along with its other citizens, profited greatly from this experiment which, for less favored people, most of them denounce.

Mr. NEUBERGER. Have they regarded themselves as having been socialized in the process?

Mr. DOUGLAS. I try to be a polite man, and I have never asked them that question. However, I would say that they were not socialized; no.

Does the Senator from Oregon remember the testimony of Mr. Gordon F. Clapp, who at the time of his testimony was deputy city administrator of the city of New York?

Mr. NEUBERGER. I do remember the testimony of Mr. Clapp.

Mr. DOUGLAS. He pointed out that the New York City Transit Authority buys one-third of the power used to operate the subways in New York City from the Consolidated Edison Co. and that it costs 15 mills per kilowatt-hour. That testimony is found at page 258 of the hearings.

Mr. NEUBERGER. I remember the testimony. That is a very high rate.

Mr. DOUGLAS. Yes; 15 mills. Mr. Clapp testified that, in view of the low generating costs, amounting perhaps to a little more than 2 mills per kilowatt-hour, it was his belief that either the power could be transmitted directly from Niagara Falls to New York City, or that a shuttle system could be used by which the power could be moved from Niagara for a distance of perhaps 150 or 200 miles, and the power released along the line through a wheeling arrangement; and that in this way it would be possible to get a very much cheaper rate for the power delivered in New York City.

Mr. NEUBERGER. The poor, harassed subway riders of New York City, who have had to face a constant increase in the subway fare, might perhaps get some relief if the subway systems of New York City could buy power generated at Niagara Falls.

Mr. DOUGLAS. The financial problems of New York City, which are very great, with large revenues having been devoted to——

Mr. NEUBERGER. To a so-called subsidizing of subways——

Mr. DOUGLAS. That is correct—the financial problems could be reduced, could they not?

Mr. NEUBERGER. Of course they could be reduced in that way. I recall that when I read Mr. Clapp's testimony, and noted that he mentioned the 15 mills per kilowatt-hour, I could not help but contrast that rate with the Bonneville rate for power which is delivered to industrial uses in the Pacific Northwest. That rate is a little more than 2.1 mills per kilowatt-hour. When we consider the vast amount of electrical energy that is needed to operate the subway systems of New York City with its thousands of trains, we can well imagine the difference it would make if the city could buy power for somewhere between 2 and 3 mills, instead of for 15 mills.

Mr. DOUGLAS. Of course the power would probably cost more than 2 or 3 mills delivered in New York City.

Mr. NEUBERGER. Perhaps it would. However, I still think this is a basic thing that we must consider, and I am sure the Senator from Illinois has taken cognizance of it—the Bonneville rate is extremely low at point of delivery. I should like to call attention to the fact that the Bonneville rate to the large aluminum plants in the Pacific Northwest is approximately 2.1 mills, delivered.

Mr. DOUGLAS. Delivered how far?

Mr. NEUBERGER. For example, the plant at Wenatchee is about 150 miles from the dam at Grand Coulee. I would say that the Reynolds Aluminum plant at Longview is approximately 100 miles from the dam at Bonneville. I am merely trying to estimate now, and I do not have a map in front of me. However, there are some substantial distances

involved in the transmission of the energy.

Mr. DOUGLAS. In any event, there is a great latent demand for this power in New York State, is there not?

Mr. NEUBERGER. Of course, there is.

Mr. DOUGLAS. The demand comes not only from private concerns but also from municipal enterprises; is that correct?

Mr. NEUBERGER. The demand in the State of New York, which is the most populous State of the Union, is unlimited, it seems to me. If the rates should come down, the demand, of course, would be infinitely greater.

Mr. DOUGLAS. I was very much pleased to note that the distinguished senior Senator from New York, for whom I have in general a very high opinion, although with reference to this particular amendment I cannot agree with him, stated that the need for additional power in the western portion of New York State, and in adjacent areas in other Northeastern States, is acute.

Mr. NEUBERGER. It seems to me that the people of New York have this choice: If their need for power is going to be met by energy which may sell anywhere from 2 to 5 or 6 mills per kilowatt-hour, or energy that may sell anywhere from 8 to 15 mills per kilowatt-hour, all they have to do is to consider the difference in consumption as between the two contrasting rates in those general realms.

Mr. DOUGLAS. Would it not also be true that if the municipalities and cooperatives do not take all the power, as I assume they will not, there would then be left large amounts for industry?

Mr. NEUBERGER. That is correct.

Mr. DOUGLAS. The aluminum industry and the ferro-alloy plants, which require a large amount of electrical power, would be expected to develop within this area.

Mr. NEUBERGER. These are industries which are vital to our manufacture of consumer goods as well as products for national defense. Along the line of the Senator's question, I believe it is significant to point out that under the preference clause the Bonneville Power Administration, in fiscal 1955, sold 9 billion kilowatt-hours of energy to industrial consumers.

Most of the industries were in the general aluminum or light metal field. I am speaking of 9 billion out of a total production of 21 billion kilowatt-hours of electricity. Under the preference clause, both private utilities and industrial users, neither of which qualify as a preference customer, have fared extremely well and successfully in the Northwest.

Mr. DOUGLAS. This has led not only to the making of aluminum, but has it not also led to the establishment of large numbers of aluminum fabricating plants, so that a wide and varied industry has developed, including forest products industries?

Mr. NEUBERGER. The Stanford Research Institute, which, to my knowledge, is very reliable, made a study in the Pacific Northwest about 2 years ago and pointed out that 85,000 new jobs had been created in the Pacific Northwest—directly or indirectly—solely because of the production of aluminum in that area. That number of jobs involves a vast payroll. It may not seem like a great many jobs in the most populous State of the Union, but 85,000 new jobs, when we consider all the families dependent upon the men on the payrolls, are an enormous addition to the economy of the Pacific Northwest. Without low-cost public power, there would have been no aluminum in the Northwest.

I should like to state the record of aluminum for the benefit of the distinguished Senator from Illinois and the distinguished Senator from New York.

Prior to the year 1940, not one single ounce of aluminum was smelted anywhere west of the Mississippi River—not enough to make a thimble. But, because of the low-cost energy available from Bonneville and Grand Coulee, there came about within a few years the production of nearly half our expanded national capacity of aluminum in the Pacific Northwest, in the States of Oregon, Washington, and Montana.

Every one of those aluminum plants was purchasing its power from the Bonneville Power Administration at the low rate of a little over 2.1 mills a kilowatt-hour.

Again, Mr. President, I wish to stress the fact that such a vast and burgeoning increase in the aluminum industry, created under a policy which also recognized the preference clause, would otherwise have been lost without the low-cost power.

Mr. LEHMAN. Mr. President, will the Senator from Oregon yield?

Mr. NEUBERGER. I yield.

Mr. LEHMAN. I am glad the Senator brought up the question of the need for power and its usefulness in such industries as the chemical and metallurgical industries, and he has given us his experience in the Northwest in connection with aluminum companies. I wish to point out that for years the great plant of the Aluminum Company of America, at Messina, N. Y., has been and is now importing large quantities of power from Ontario. The company has not been able to get the power elsewhere. It is bringing it 150 or 200 miles from Ontario, in Canada. This shows, of course, the great need for electric energy.

We are depending today on Canada for a great deal of the power used in New York State. I mentioned this briefly yesterday. Night before last all the lights in Buffalo went out and also in eight of the western counties of New York State. Why did they go out? They went out because electric power is being brought in from Canada, from a Canadian development on the Niagara River, and storms interrupted the transmission of the electricity.

Canada, as we know, has been manufacturing and producing far more power on the Niagara River than has this country, and it will continue to increase its production and, possibly, take all the available power, unless we do something about it. Canada has been exporting electricity to this country. There was a failure of the power, with the result, as I have said, that for 2 hours all the lights in Buffalo and in some adjacent counties, went out. There was a complete blackout in that area. We have to import power from Canada to light the city of Buffalo which is within a few miles of the Niagara River. That shows the great need.

Mr. NEUBERGER. The Senator from New York has touched on another irony of this situation. While the vast, thundering, colossal waters of the Niagara River go unused over the brink of Niagara Falls, industry in his State must import energy from Canada. To my mind, that is extreme irony.

In the Pacific Northwest there is a duplication of that situation, in some respects, because this administration has closed down on the development of such sites as Hells Canyon. We now have no further additions to the low-cost electricity for the aluminum industry, and, therefore, our country is confronted with the need to import aluminum itself from Canada, produced at the Kitimat project in northern British Columbia. So we have a situation in the extreme upper left-hand corner and the extreme upper right-hand corner of this country, where there is a developing shortage of energy for household use and industrial uses, because our great waterpower sites are not being developed in the public interest.

Mr. LEHMAN. There is no doubt that. I again thank the Senator from Oregon.

Mr. NEUBERGER. I wish to thank the Senator from New York for his courageous leadership in this issue. I have no doubt that he was acting in accordance with a great tradition, not only for his State but for the Nation, when he sponsored this bill. He is acting in the time-honored tradition of Theodore Roosevelt, Franklin D. Roosevelt, and of other great leaders of both parties in his and other States, such as Robert F. Wagner, Charles L. McNary, George Norris, and others who have favored the development of public resources for all the people. Those men long fought for legislation which would prevent resources from being monopolized.

Mr. President, I yield the floor.

Mr. SCOTT. Mr. President, it is significant, I think, that the pending proposed legislation for the development of over 1 million kilowatts of electrical capacity at Niagara Falls by the State of New York will require no Federal appropriation whatsoever. Notwithstanding the absence of Federal financing, the project will, nonetheless, be executed in conformity with established Federal power policy. The proposed legislation embodies those principles of Federal power marketing which have been announced and reaffirmed by the Congress for some 50 years.

By passing the bill, Congress can, without committing itself to any appropriations, make possible the construction of 1,240,000 kilowatts of capacity at a cost of some $405 million, or $327 a kilowatt, which is less than half of the $685 a kilowatt cost of the Colorado River Storage project power.

Not only will no Federal funds be required in the undertaking of this $405-million Niagara project, but also I think it can be anticipated that the taxpayers of the State of New York will not be

called upon to assume the financing burden.

The New York Power Authority, which presumably would undertake the construction of the Niagara Falls redevelopment, has already successfully financed and is currently carrying on the construction of the great St. Lawrence power development. New York State has not asked its taxpayers to underwrite construction of the St. Lawrence project, but has rather secured its construction capital through the issuance of revenue bonds. I think we can assume that similar procedures will be followed if the State of New York is authorized, under the pending legislation, to go forward with the redevelopment of Niagara.

We can, therefore, perceive that the proposed legislation will not lead to a federally controlled taxpayer-financed undertaking, as has been charged in many quarters, but that the project will actually be constructed from funds obtained in the commercial money markets available to the State of New York.

The people of the State of New York are to be congratulated upon evolving a plan for development of a great resource like Niagara Falls on their own initiative and with guaranties that the small municipal and cooperative electric distribution systems will share in equitable proportion with the major utility networks the benefits to be derived from the project.

It seems to me that the bill, S. 1823, now under consideration, is an excellent compromise between those who favor outright Federal development of natural resources, and those who support such development by investor-owned utility companies. The New York plan, as embodied in S. 1823, contains the guaranties which are necessary to assure that power from the project will be disposed of in a manner so that benefits will not arbitrarily be restricted within a special favored group of purchasers, nor within arbitrary geographical limits.

Since the turn of the century, the Federal Government has encouraged and aided the comprehensive development of water resources in many parts of the country, but not in the Northeast.

We can no longer afford to ignore the ever-pressing necessity for the conservation and utilization of all the water resources of the country, be they consumptive or nonconsumptive. In the bill, Congress has the opportunity to use its broad power for the encouragement of resource development in an area which has, until now, not had one source of low-cost power.

This opportunity to encourage resource development in the East does not depend upon Federal appropriations or upon the necessity of the Federal Government to undertake the operation of the project. All that is required is that the blessing of the Federal Government be placed on the State of New York to undertake a power development under a plan conceived by the people of that great State.

Niagara Falls is one of the best remaining undeveloped hydroelectric sites in the country.

There is no question that the power capabilities at Niagara Falls should be developed to its fullest extent, and I take this opportunity to say that I am wholeheartedly in favor of the proposed legislation, and to urge its merit upon every Member of the Senate.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. LEHMAN. I thank the Senator for his speech. I think it is a very clear statement of the situation.

I had to leave the Chamber for a minute or two while the Senator from North Carolina was speaking, so I am not sure whether he pointed out that the proposed development will not cost the Federal Government a single cent; that the cost will be defrayed by the State of New York through the sale of revenue bonds.

Mr. SCOTT. Yes, I pointed that out; and I am glad to reiterate it.

Mr. LEHMAN. I thank the Senator from North Carolina.

Mr. COTTON. Mr. President, if all the fancywork and all the trimmings were stripped from this debate, what we would have left would be the question of whether the taxpayers or the utility companies would develop the additional electric power at Niagara Falls.

As a matter of principle and practical Government policy, I do not believe the taxpayers should be burdened with this kind of load. The record is abundant and clear as to the willingness and desire of the utility companies to develop the power. No question of high dams or low dams is involved. There are no side issues of flood control, or navigation, or river valley development. It is simply a question of private versus Government enterprise, and I believe in private enterprise. That is the main reason why my name is affixed to the minority views included in the report of the Committee on Public Works.

However, there are also some technical differences which I believe should be brought to the attention of the Senate.

One of these differences between the public and private development of the Falls involves the remedial works in the Niagara River above the Falls. These remedial works consist of various engineering devices in the river to control the spread and flow of water at the Falls.

Under the terms of the Lehman bill, S. 1823, which provides for the development of the power by the New York State Power Authority, the cost of these remedial works would be borne by the taxpayers of the Nation.

If the Capehart bill is adopted instead, the cost of the remedial works will be borne by the power development and paid for by the utility companies and their customers.

The remedial works, which are now under construction, will cost about $12,800,000. Since Canada and the United States have split the cost equally, the United States share will be $6,400,000.

Let us briefly see who should pay these costs. In other words, are these remedial works so essential and so integrated with the power project that the power developers should pay for them? Or are they properly chargeable to the citizens of New Hampshire, which I, in part, represent, and the rest of the Nation?

The record before the committee is clear and indisputable. The remedial works are an essential part of the power project and should be paid for by the power project, as provided in the Capehart bill. Their cost should not be loaded onto the taxpayers, as provided in the Lehman bill.

The International Joint Commission, a joint agency of the United States and Canada, which is responsible for the design and construction of the works, concluded that they were essential to preserve the beauty of the falls because of the power project, and further that the power project would not be practical without the remedial works. The Commission recommended that the power developer pay for them, and not the taxpayers generally.

The Bureau of the Budget, the Department of the Army, the Federal Power Commission have all declared that the power project should pay for the cost of the remedial work.

In 1951, Commissioner Thomas C. Buchanan, then vice chairman of the Federal Power Commission, told the Senate Public Works Committee:

> Inasmuch as the remedial works are absolutely necessary in connection with the diversion of the additional water now available for power purposes, it would be appropriate that the United States share of the cost of the remedial works be borne by power and included in the cost of the power-development works. Such action seems clearly warranted. Incidentally, the Canadian share of the cost of the remedial works is to be borne by power on the Canadian side of the river.

I have read from page 79 of the hearings of August 1951. The Congress itself has taken the same position and insisted that the power development pay for the costs of these remedial works. The treaty between Canada and the United States regarding Niagara and the subsequent report of the International Joint Commission required the construction of the works within 4 years. Because of the delay in authorization of the power projects, and in order to live up to our agreement, funds have been appropriated for their construction. As a matter of fact, the final appropriations needed for this work are now under consideration in the appropriations committees.

The appropriations to date were requested and granted by Congress "on the basis that the United States share of the cost of these remedial works is to be chargeable against the construction of power-producing facilities at this site." These words are quoted from the statement of the managers on the part of the House accompanying the conference report on the 1954 supplemental appropriation bill. The conferees unanimously approved this arrangement and the Congress concurred.

I refer to House Report No. 1075, to accompany H. R. 6200.

Unfortunately, the committee majority and the Lehman bill blithely ignore this mass of fact and propose to saddle the taxpayer with this extra expense, all the while telling him what a great bargain he is getting.

If adopted in its present form, the Lehman bill would contain this additional public power subsidy to the tune of $6½ million. This is not an indirect

subsidy. It is an outright gift. Some would call it a giveaway. The taxpayers of the country will pay this difference right out of their pockets. While $6½ million may not be a lot of money to the Federal Government in this day and age, to a frugal New England Yankee "it isn't peanuts," and it is more than we can afford to donate to a rich and powerful State like New York.

This item may be only a technical difference between the bills under consideration. To me it is typical of the difference between private and government development of power. It illustrates one of the reasons why I intend to vote, if I get the opportunity to do so, for the Capehart substitute, or for any bill which will permit the prompt and immediate development of the power facilities of the Niagara by private utility companies that are prepared and ready and willing to proceed with such development.

I have already sent to the desk an amendment to the Lehman bill which would require the New York Power Authority to pay for the cost of the remedial works. I shall call up my amendment for consideration by the Senate at an appropriate time.

Mr. President, returning now for a moment to the general question involved in the bill, as a member of the minority of the committee opposing it, I wish to make 2 or 3 brief points. In the first place, I want to make sure that the record of this debate and the records of the Senate make crystal clear, and put an end to any possible doubt, whether or not northern New England, of which my own State is a part, can possibly profit or can possibly receive a kilowatt of electric power as a result of development of the Niagara project.

I have noted that in the Senate in the past 2 days, yesterday and this morning, several references have been made to the fact that higher rates prevail in northern New York and northern New England. I do not know that I have heard any Senator assert directly that northern New England would be the beneficiary of any of the power to be developed by the project provided for by the bill.

If I am wrong, I hope the author of the bill, the distinguished Senator from New York, will correct me, but I wish to say to the Senate that I listened to the testimony in the hearings before the Committee on Public Works, I have examined those hearings, I have gone over the evidence, I have studied, to some extent, previous hearings on this question, and I have yet to find a direct statement in the record by any person of knowledge and authority to indicate that New England will receive any power as the result of the Niagara development.

I have before me a publication issued by the New York State Power Authority, in which I find this statement, which appears on page 21:

> Power market: Western New York State will form the principal market area for power from the Niagara redevelopment. After full absorption of power from the St. Lawrence project in central New York State, which it is estimated will be accomplished by 1962 at the latest, there will begin to be a shortage of power in that area (assuming the present rate of increase in demand to continue) which could, and undoubtedly would, be met by Niagara. Also, the project is within economical transportation distance of areas in Pennsylvania and Ohio, having a power demand equal to or slightly greater than that for western New York.

I call the attention of the Senate to the fact that not one single word is said about New England, and not one single mention is made, for instance, of New York City, as even being contemplated now or at any future time, in the statement by the New York Power Authority itself, which is issued for the information of the public, and I assume for the Congress as well.

I want to make it perfectly clear that it is not because my own section of New England, which is power hungry, and which is severely handicapped, as has been noted in the debate, and most sympathetically noted by some of the speakers favoring the bill, cannot possibly benefit from the contemplated development by a single kilowatt, I, as a member of the Committee on Public Works and as a Member of the Senate, am opposing the bill. That would be an extremely selfish attitude, and that is not my purpose.

The reason why I am emphasizing this fact is that in the debate on the development of the Niagara River so many references have been made—I am sure without any intent to hold out false hopes or any intent to deceive the people of my section—to the high cost of power in northern New York and in northern New England, and the suggestion has been so often made that those areas need more power, which I would be the last to deny, that the impression has been gained by many persons that the redevelopment of the Niagara will ultimately redound to the good of these power-impoverished areas. Therefore, I wish to make it plain—so that he who runs may read—that that is not the case. But that is not necessarily a reason for opposing the bill, as I shall show in a moment.

Mr. LEHMAN. Mr. President, will the Senator from New Hampshire yield to me?

Mr. MAGNUSON. Mr. President——

The PRESIDING OFFICER (Mr. LAIRD in the chair). Does the Senator from New Hampshire yield; and, if so, to whom?

Mr. COTTON. I yield first to the distinguished Senator from New York.

Mr. LEHMAN. Mr. President, I am quite amazed at the statement just made by the Senator from New Hampshire. Two great public power developments are in existence or are contemplated in New York State. One—namely, the St. Lawrence—is already a reality. The other is the Niagara Falls development.

In the case of the St. Lawrence development, provision has already been made to provide to the New England States—notably, Vermont and New Hampshire—a reasonable and fair supply of cheap power. There is a further provision that if the States are not satisfied with the allocations of power made to them, they can appeal to the Federal Power Commission.

In the case of the Niagara development, of course no definite allocation for New Hampshire is provided in the bill. But let me say to the distinguished Senator from New Hampshire that the idea is to pool the power resources which come from the development of the Niagara and the St. Lawrence; and while more power will be provided, through public development of Niagara Falls, to New York, and, I hope, to Pennsylvania and Ohio, more power will also be made available to the cities, towns, and areas in the New England States.

Let me say that this matter should be of very great interest to the State of New Hampshire. The pamphlet to which reference has been made, and which I hold in my hand—and let me say the pamphlet has been issued by the Public Affairs Institute of Washington—shows that the rate charged in Manchester, N. H., with which I am sure the distinguished Senator from New Hampshire is familiar, is $4.72 per 100 kilowatts, as opposed to a rate of $1.80 in Eugene, Oreg., which is supplied by public power from the Columbia River; and a rate of $2.50 at Chattanooga, Memphis, Knoxville, and Nashville, which are supplied by the TVA.

So we find that the rates charged in New England are 2 or 3 times as high as those charged in the areas serviced by public power.

It is equally interesting to note that the amount of power consumed in New Hampshire is only a fraction of the amount consumed in the low-cost areas, such as Tacoma, Wash., which on the average uses 6,659 kilowatts annually; or Spokane, which uses almost 6,000 kilowatts; or Nashville, which uses 5,283 kilowatts. In comparision, we find that in New England the consumption is very much less. For instance, the consumption in Fall River, Mass., is 886 kilowatts, or less than one-sixth the consumption in Tacoma, Wash. The consumption in Lowell, Mass., is 991 kilowatts, or only about one-sixth that of Tacoma, Wash.; and the consumption in Providence, R. I., is only 976 kilowatts.

So this matter is of very great interest, in my opinion, to New England, as it is to New York.

Of course, I fully recognize the sincerity of the position taken by the distinguished Senator from New Hampshire; but I am disappointed that he does not see the situation as I do and as it is seen, I think, by many persons who have studied the high cost of power and the effect of high-cost power in the Northeastern States and New York and Pennsylvania. I wish to make that very clear to my highly respected colleague from New Hampshire.

Mr. COTTON. Mr. President, I reciprocate fully the high regard and respect the Senator from New York has expressed. But what he has said confirms my conviction that it is very necessary that the situation regarding the Niagara development and its effect on northern New England be made clear to the people of my State and to everyone else.

The Senator from New York has stated that the Niagara development should be of very great interest to the Senator from New Hampshire because, says the Senator from New York, power rates in New Hampshire are high.

I desire to assure the Senator from New York that power rates in New Hampshire are high; that the Senator from New Hampshire is keenly and bitterly aware of that fact; and that if New Hampshire were going to receive power from this development, that matter certainly would be of keen and intense interest to the Senator from New Hampshire. But let me say, first, to the distinguished Senator from New York that I have observed that he has asserted that at the present time the St. Lawrence Seaway has allocated cheap power to Vermont and New Hampshire. I am sure the Senator from New York is completely sincere in making that statement. However, it is my understanding—and heaven knows I have been sufficiently interested to watch most carefully and anxiously the development in connection with the St. Lawrence Seaway—that up to the present time, certain allocation has been made to Vermont, which of course is west of New Hampshire, and nearer to the Province of Quebec and to the St. Lawrence, but that as yet no definite allocation has been made to my own State. If I am in error about that matter, I shall be glad to be corrected; and if the Senator from New York has definite information to that effect, I shall be most happy to be apprised of it.

Let me ask him how much power has been allocated to New Hampshire.

Mr. LEHMAN. I do not know. But does the Senator from New Hampshire claim that New Hampshire is not entitled to cheap power which is developed publicly on the St. Lawrence River? Does the Senator from New Hampshire claim that is not a fact?

Mr. COTTON. The Senator from New Hampshire is most desirous of seeing New Hampshire get some of that power if it can get it. But the Senator from New Hampshire was about to add to his reply to the Senator from New York that even during the debate and throughout the propaganda and the controversy—not only in the Congress, but also in the press, over the radio, and in every public forum in this country—prior to the passage of the St. Lawrence Seaway bill, the only estimates, and the most favorable and optimistic ones, which at that time were made regarding the possibility that some of the St. Lawrence-generated power would seep through to my own State, were that eventually we might—I do not say we would—expect to receive an amount of power sufficient to care for the normal growth in my own State in 1 year. That is to say, if the use of and demand for power continue in accordance with the normal, average scale, all we could ever hope to get from the St. Lawrence Seaway project would be that amount.

I did not intend to labor this subject. I repeat that I am not opposing the bill merely because I do not believe that my particular State and my own people will get a share of the frosting. That is not my fundamental purpose. I do not wish to delay too long on this question. However, in view of the very sincere and helpful remarks of the distinguished Senator from New York, I refer him to page 136 of the hearings before the subcommittee of the Committee on Public Works last year, the most recent hearings. I invite the attention of the Senator to a diagram or chart which is supposed to indicate the farthest possible distance that could be reached by transmission lines from the Niagara project. A circle with a radius of 300 miles is drawn. It is my understanding that Robert Moses, chairman of the New York State Authority, has said that 200 miles is probably as far as it would be practicable to go.

It is also my very keen recollection that last year, in the hearings before the Committee on Public Works, experts and engineers of the Tennessee Valley Authority, which has the most modern and most powerful transmission equipment that has yet been developed, testified that the longest practicable distance for transmission would be 175 miles.

This chart goes far beyond what the engineers of the Tennessee Valley Authority say is practicable. It goes far beyond what I am told Robert Moses says is practicable. A circle with a radius of 300 miles is drawn, with the center at Niagara Falls. As I recall, the circle barely touches the extreme borders of Massachusetts, the southwestern corner of Vermont, and not a single other point in New England.

I wish to be entirely fair on that point before I leave it. I am speaking of direct transmission of power from the Niagara project to New England. It may be possible that throwing into the general power pool this additional power might indirectly, somewhere, at some time, release some existing power which may be serving a given area, to make more power available. I do not assert that that is not so. I do not say that it is impossible. However, I do say that the amount of such additional power would be negligible. It certainly would not be important.

I emphasize the fact that I am not opposing the bill merely on the ground that if the development would take care of New Hampshire I would be for it, and because it does not I am not for it. That is not the reason.

My memory does not go back far enough in the Congress to enable me to speak with certainty, but I believe that for the first time we are considering a proposal for public power in the absence of the factors usually taken into consideration. Such factors include low dams, high dams, navigation, irrigation, and all the other factors which have been more or less recognized as reasons for Federal development of power, and could be asserted as reasons for State development. None of those factors appear.

It is suggested that this power be developed by the New York State Authority, when private utilities are—and back in 1950, when the treaty was made, were—ready to develop it. Nine million dollars in Federal taxes would be paid by the private utilities. If the power is developed by the New York State Authority, it will mean that the people of my State and of every other State will bear their share of the loss in taxes.

I am not blaming the good people of New York or the good people of the Tennessee Valley, or the good people of the Columbia River Valley, for the fact that nature has been good to them, and that they have tremendous potentialities for cheap power. Nature has smiled upon them. If the State of New York can develop the tremendous power flowing over the great Niagara Falls, I do not want to see the people of my State, who are already carrying all the burden they can carry, as has been indicated again and again in this debate, compelled to contribute even in a small degree.

Last night, just before the recess, I noted, in the very able speech of the distinguished Senator from New York, the author of the bill, the assertion that if during the course of the debate the point should be raised that the proposed development by the State of New York Authority would mean tax-free power, and that the Federal Government would lose taxes, he would be prepared to nail that argument to the mast and to show how illogical it is, because he is prepared to show that the new industries which would be attracted to northern New York and to the area around Niagara Falls because of cheap tax-free power would more than make up to the Federal Government any possible loss of taxes.

That may well be so, but that answer is not much comfort to a representative from industrial New England, which, down through the years, has been the most highly industrialized section of the entire Nation.

Where are the industries coming from which will make up to the Federal Government its loss of revenue? They will come from Massachusetts and from New Hampshire. We have already lost many of our mills to the Tennessee Valley, while at the same time our taxpayers have been digging into their pockets year after year to see to it that the Tennessee Valley Authority has money without paying interest, and is able to grow and expand without the necessity of paying taxes.

Now it is suggested that there be another public, tax-free development. It has been asserted again and again—and I am sure it is a fact—that because such power would be tax-free, and be produced by a public authority, it could be provided cheaply. But who pays? The other States, where utilities are paying taxes, and where there is no possibility of that kind of development, will lose their industries. My good friend says that the Federal Government will not lose, because the new industries will pay additional taxes.

I refer to another point, which may be a minor one. There is no more majestic spectacle in the United States than the great Niagara Falls. Untold thousands of people travel to see it month after month and year after year. They have done so through the years and will continue to do so in the future.

The bill provides that if the proposed development shall be carried out $15 million of the income from the development shall be used to build a great scenic highway, which will attract many more people to Niagara Falls.

To use a power expression, I say more power to them and congratulations to the sponsors of the bill for having that in mind. However, I again say that the

State of New Hampshire, which I have the honor, in part, to represent, derives one-third of its income from the recreational and tourist trade, and that the White Mountains, with their majestic beauty, are one of the remaining assets in the East, as the wealth of the country moves westward and southward.

Again, it seems a little unjust that in the proposed development of public power some of the proceeds derived from that development should be used to increase and make more accessible the beauties of Niagara Falls, when we know that other States, which are struggling to pay for scenic highways and for other attractions, must compete with attractions in other States.

I have in mind an apt comparison. When I was on the Committee on Appropriations in the House of Representatives I had occasion, year after year, to go over the budget of the Tennessee Valley Authority. One of the items I found most irritating, if the Senate will forgive the word, was the item providing that some of the appropriations, or that some of the income from the development—and if it was income it was income from an investment without interest that Congress had made in the Tennessee Valley Authority—should be used to develop parks and places of scenic beauty along the Tennessee River; and that some of that money should be used—and I ask Senators to mark this particularly—to assist local chambers of commerce, and cities and towns in the Tennessee Valley, in advertising to the country the scenic attractions of the Tennessee Valley. In other words, the taxpayers of my State were contributing money, through the Federal Government, not only to develop cheap power, and in that way take away our industries, but also to advertise the allurements and attractions of another section of the country, in competition with our own activities.

My State is one-third agricultural, one-third industrial, and one-third scenic. Therefore I am opposed to the bill, not because New Hampshire would not benefit by it, but because through my years of service in Congress I have come to realize that if we let public power get its head under the tent, there will be no end to what will happen. Public-power projects expand over the years, and every time they expand, and every time they take in a further slice of territory, the burden becomes heavier on the rest of the country.

It is said with considerable justice that those of us who buy our power from private utilities pay high rates. However, when new slices of prolific territory are taken over by public projects, whether they be Federal or State, each time the pressure on the rest of the population of the country becomes heavier, and the burden harder to bear.

I was in complete sympathy with the distinguished Senator from Illinois [Mr. DOUGLAS] in his comments about the upper Colorado development. I voted against that bill. I believe that is an instance of development by the public of a lean section of the country where the power potentiality is meager. For every one such instance there are many other instances where public power is developed in prosperous places; but every time we expand such developments, whether it be in the Tennessee Valley or in upper New York State, the pressure on those who live around the perimeter becomes heavier.

Consequently, because I do not believe in taxing all for the benefit of a few, and as one of the signers of the minority views, I sincerely hope that the Senate will decide to let the private utilities develop the Niagara River power. The evidence before our committee indicates they are ready and willing to do so.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. DOUGLAS. First I wish to express my personal esteem for the Senator from New Hampshire. I should like, however, to ask the Senator whether he maintains that there is proposed a direct tax subsidy to be paid by the Federal Government to the New York Power Authority.

Mr. COTTON. Not at all. When the Senator came into the Chamber, I was referring to what may seem to be a trifling amount of money, and I was referring to the fact that whatever is lost in Federal taxes, other States must contribute.

Mr. DOUGLAS. Is the Senator from New Hampshire opposed to Government ownership of some of the forests?

Mr. COTTON. No; I am not opposed to Government ownership of forests, where it seems necessary to preserve and conserve our forests and our water supply.

Mr. DOUGLAS. Is it not correct to say that in the Senator's own State the timber in the White Mountains, a region which he has so properly extolled, was formerly owned by the State; that the State authorities, shortly after the Civil War, gave away for virtually a song, or sold for a very nominal price, all the timber land in that region; that private companies then came in and cut off the timber completely; that, as the result, the White Mountains were being ruined as a recreational area; that there was also heavy flood damage in that area; and that in 1905, Mr. John W. Weeks, then a Member of Congress from Massachusetts, later Secretary of War, and Senator, and the father of the present Secretary of Commerce, introduced a bill providing that the Federal Government should buy the forests of the White Mountains and conserve them?

Mr. COTTON. I may say to the distinguished Senator from Illinois that I think what he has said is all true. I should like to add, however, that it is true that back in those days, not only in New Hampshire but in many other States, private lumber companies committed acts which were most regrettable and which resulted in waste. They had very little regard for the conservation of our forests, and the country suffered greatly.

I would add, however, that I cannot see how that analogy applies to this discussion of power. I think the Senator from Illinois has a much more profound knowledge of the subject than I have. Every State in the Union has public utility commissions to control power and fix rates, and we also have a Federal Power Commission. In the period from which the Senator has tried to draw an analogy, when the forests were devastated, there was no such control.

Mr. DOUGLAS. Is it not true that the taxpayers of the State of Illinois and of other States paid large sums of money to buy up the forests of New Hampshire and restore them so that the people of New Hampshire might have abundant timber and so that the people of the country might have a great national scenic resort? This was a tax upon the people of the rest of the country, because the forests are largely tax-exempt when they are Government-owned.

Mr. COTTON. It may be true that some tax money from the citizens of the the great State of Illinois may have been used for the purchase of forests in the State of New Hampshire, but it so happened that money was raised in my State, I am proud to say, by public subscription to buy some of the lands and to turn them over to the Federal Government. It is also true that one national forest in the State of Minnesota is larger than the entire State of New Hampshire. Of course, I recognize that size is not important, but the fact remains that it is my understanding that the purchase and holding of forest lands by the Federal Government is carrying out a consistent public policy of conservation which applies to every region and every section of the Nation. Personally, I do not believe in the socialization of power, but if we must have it, we should have it everywhere, not merely where the sun shines on some favored few.

Mr. DOUGLAS. There is one national forest in the southern portion of the State of Illinois, but, in comparison with those in other States, the national forests in Illinois are meager. Yet we pay our taxes to protect the White Mountains and we do it willingly, because it is in the national interest. The State of Illinois being a level State with few hills or mountains, also has very little potential hydroelectric development. From a narrow point of view, the State of Illinois has nothing involved in the Niagara question, or in connection with the Snake River. Politically, I suppose it is disadvantageous to me to support such measures, because the public utility companies are very strong in my State. From a narrow point of view, we in Illinois have nothing to gain; but, like the Senator from New Hampshire and like nearly every other American, I am interested in the Niagara River. There has been developed a method which will conserve the power of Niagara and yet preserve the full flow during the daylight hours in the tourist season and which will merely utilize the flow during the night hours and during the nontourist season. It is done by a very ingenious system of a reservoir to steady the flow, which will make available to New York and other sections, including the Northeastern States, a tremendous reservoir of power which is not now used.

The Niagara River is an international river. It flows between the United States and Canada. It is the boundary

line between the United States and Canada at that point, and it would seem to me that the Federal Government must certainly have jurisdiction.

The late George Norris said that if the water which falls upon the earth is God's gift to man, then in our country the water as it falls belongs properly to the people of the United States. We may give temporary franchises to private companies, but I submit that we are merely using what is our own if we develop our resources for the purpose of obtaining power under a public authority.

As the Senator from New Hampshire well knows, and as I believe he stated, it is not the Federal Government that is to develop this. We are permitting the Power Authority of the State of New York to do it and to issue bonds on its own credit. There will be no financing out of taxes or out of appropriations. The market rate of interest will be paid and the New York Power Authority will provide for the amortization of the bonds as would an ordinary commercial enterprise. So, Mr. President, while I appreciate the sincerity of the Senator from New Hampshire, it seems to me that his argument is not well founded. Should not a State which wishes to develop power under a public authority be permitted to do so?

Mr. COTTON. I may say—and I shall say it very quickly, because other Senators are desirous of having the floor, and, as a comparatively new Member of this body, I do not wish to take too much time of the Senate—I may say, by way of comment on what the Senator from Illinois has just said so well, I am sure the State of New Hampshire is grateful to the State of Illinois and to every other State whose people have been broad-minded enough to contribute to the preservation of our national forests. If this particular bill is necessary to preserve the beauties of Niagara Falls and to develop our full share of the power potentialities, if this is the only way to do it, I think the people of New Hampshire might be willing to sacrifice in the matter of loss of taxes or in connection with anything else which might happen. But, having listened to the testimony of many persons and many organizations from the State of New York, including the Grange, the Farm Bureau, some of the labor unions, and chambers of commerce, and having listened to representatives of private utilities, I am convinced that the private utilities are ready and prepared to develop the power. Failure to pass the bill will not mean a waste of power.

Furthermore, Mr. President, I wish to correct one statement. The Senator from Illinois asked me if I claimed there was any direct subsidy, and I answered in the negative. I was talking originally about my proposed amendment, which I hope will be accepted; but there is no provision in the pending bill concerning the remedial work for which the Federal Government has already paid and that for which it is paying, and for which it is to be reimbursed under the Capehart bill if the development is made by private utilities. To that extent there is a direct subsidy unless such a provision is added to this bill.

Mr. DOUGLAS. Is this not a subsidy to preserve Niagara Falls as one of the great scenic wonders of the United States?

Mr. COTTON. The testimony was that the remedial works were necessary for power development. I invite attention to page 42 of the hearings. It was stated by Robert Moses that such works should be chargeable to the power development. I would also invite attention to the fact that the distinguished Senator from New York stated on page 23 of the hearings in 1951:

> The remedial works and the power works should be undertaken together. They should be built by an agency with the maximum amount of experience in this type of undertaking.

Unless I have misread his words, that apparently was his own conviction and suggestion at that time. The occasion was a debate as to whether the Federal Government or the State should take over the construction of the project. It was his contention that whoever developed the power should pay for the remedial works to be constructed, in order to spread the flow of water, preserve the falls, and, at the same time, permit the diversion of water for power.

Before yielding to the Senator from New York, I wish to place in the RECORD a direct quotation from the testimony of Robert Moses, chairman of the Power Authority of the State of New York, before the subcommittee of the Committee on Public Works, regarding the remedial works which are concerned in my proposed amendment. In a letter written by Mr. Moses to the Honorable DENNIS CHAVEZ, chairman of the Senate Committee on Public Works, under date of July 12, 1955, Mr. Moses said:

> Also, as part of the cost of the project, the licensee at its own cost and expense should pay to the United States the United States share of the cost of the remedial works undertaken in accordance with article II of said treaty. This will not exceed $10 million. It is our understanding that this is the wish of the administration and it is consistent with what is being done in Canada. We are presently paying our share of the Joint International Board of Engineers on the St. Lawrence.

In view of that statement, I was hoping that the distinguished junior Senator from New York would not oppose my amendment.

Mr. LEHMAN. We are not coming to a vote on the Senator's amendment at this time. I merely rose to correct an erroneous impression which was received by the Senator from New Hampshire as indicated in his quotation of a part of the hearings of 1951.

At that time I was advocating the building—the actual construction—of the remedial works and the power development by the Federal Government; but it was understood, of course, in the part of the plan which I was supporting, that at the completion of the construction of the works, the power development and operation would be turned over to the State of New York, against reimbursement by the State of New York with regard to all the costs. But that applied to the power development, not to the remedial works.

The remedial works do not increase the power potentialities of the Niagara; they simply regulate the flow of the Niagara waters, so as to preserve for all time, it is hoped, the beauty of the falls. Of course, the falls are a national monument, the property of all the people of the United States and of Canada. But the remedial works are not necessary to increase the flow. If anything, they regulate the flow, and slow it up to a certain extent.

I merely wished to correct a false impression which the Senator might have gained.

Mr. COTTON. I understand that completely. I did not in any way intend to misrepresent the attitude of the distinguished junior Senator from New York. I certainly would not do so, as he surely knows.

But is it not a fact that the reason why the remedial works must be constructed is to permit the diversion of water for power purposes? Unless they were constructed, it would not be possible to develop power without the danger of injuring the falls as a place of scenic beauty.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. COTTON. I am glad to yield.

Mr. JOHNSON of Texas. The leadership was hopeful that it would be possible to obtain a unanimous consent agreement which would set a definite time for voting on the unfinished business. The majority leader discussed with the distinguished minority leader the possibility of entering into an agreement to become effective at 2 o'clock tomorrow afternoon, to allow 30 minutes on each amendment and an hour on the bill. I assume that that would be agreeable to the distinguished author of the bill, with whom I spoke yesterday.

Mr. LEHMAN. That is entirely agreeable.

Mr. JOHNSON of Texas. The distinguished minority leader was pursuing that suggestion with some of the Senators on his side of the aisle, but he is now occupied in a policy meeting. I, myself, have just returned from a policy meeting. It would seem that we are making more policy, perhaps, than we are legislation.

As chairman of a subcommittee, I shall have to be at the hearing room for a meeting with the Secretary of State at 2 o'clock, so I wonder if my friend, the distinguished Senator from New Hampshire, would be considerate enough, in view of the problem which confronts us, to yield to me for the purpose of permitting me to suggest the absence of a quorum, in the hope that our friend, the distinguished minority leader, will come to the floor. It would be understood, of course, that by so doing the Senator from New Hampshire would not lose the floor.

Mr. COTTON. I shall be very glad to yield to the Senator from Texas with that understanding.

Mr. JOHNSON of Texas. The Senator from New Hampshire will be very gracious and accommodating to me if he will do so.

Mr. COTTON. As a matter of fact, I have completed my statement; and if

the distinguished Senator from New York does not wish to question me further, I yield the floor.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. JOHNSON of Texas. Mr. President, I send to the desk a proposed unanimous-consent agreement on behalf of the distinguished minority leader, the distinguished author of the bill, the Senator from New York [Mr. LEHMAN], and myself, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the proposed unanimous-consent agreement.

The legislative clerk read as follows:

Ordered, That, effective on Wednesday, May 16, 1956, beginning at 1 p. m., during the further consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement? The Chair hears none, and the agreement is entered into.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, notified the Senate that Mr. DONOHUE had been appointed a manager on the part of the House at the conference of the two Houses on the bill (H. R. 1637) for the relief of Sam H. Ray, vice Mr. LANE, excused.

The message also notified the Senate that Mr. DONOHUE had been appointed a manager on the part of the House at the conference of the two Houses on the bill (H. R. 3996) to further amend the Military Personnel Claims Act of 1945, vice Mr. LANE, excused.

ENROLLED BILLS SIGNED

The message announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 2057. An act for the relief of Edwin K. Stanton;

H. R. 2893. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio;

H. R. 5535. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr.;

H. R. 7164. An act for the relief of Lt. Michael Cullen;

H. R. 7228. An act to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; and

H. R. 8130. An act to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to say that I have conferred with the minority leader, and it is our purpose to complete action on the Niagara power bill tomorrow. If all the time allowed is used on the amendments and on the bill, it may be necessary to continue in session until a late hour, but tentative arrangements have been made with the distinguished chairman of the Committee on Agriculture to follow the pending bill with the farm bill. We hope to dispose of that bill on Thursday, if possible. Therefore, I desire that all Senators be on notice that we intend that the Senate remain in session until we complete action on the pending bill tomorrow evening, if it is at all possible.

APPEAL OF SENATOR WILEY, FOR FUNDS FOR NATIONAL INVENTORS COUNCIL

Mr. WILEY. Mr. President, the Senate Appropriations Committee now has under consideration a small but immensely significant appropriation request. It is for $90,000 for the National Inventors Council—an advisory unit in the Department of Commerce.

I have appealed this year, as I have appealed in many preceding years, for funds for this Council.

I ask unanimous consent that the text of a letter which I addressed to the committee, urging this allocation be printed at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 11, 1956.

Re: Recommendations of $90,000 for National Inventors Council.

The Honorable SPESSARD HOLLAND,
United States Senate, Chairman, Department of Commerce Subcommittee, Senate Appropriations Committee, Senate Office Building, Washington, D. C.

MY DEAR MR. CHAIRMAN: Your subcommittee has just received the testimony of Mr. John C. Green, Director of the Office of Technical Services, of the Department of Commerce, respectfully urging $90,000 for the 1957 fiscal year appropriation for the National Inventors Council.

I would like to underline most emphatically Mr. Green's statement.

One can hardly think of a single modest appropriation for our entire defense-industrial establishment, which potentially can pay more handsome dividends to our country than this small $90,000 request.

Down through the years, I have been in close contact with the Council, and have been tremendously impressed with how much it has done with so very little.

Its record of achievement during World War II is of course particularly noteworthy.

But even since the war, while inventive ideas forwarded to it from the general public have naturally declined in number, it has compiled, time after time, invaluable suggestions to pass along to the Armed Forces.

The Council itself is, as your subcommittee may know, benefited by the presence of a number of truly outstanding Americans whose combined services virtually no private company could possibly afford.

With their splendid help, the flood of incoming ideas is most carefully sifted, for forwarding thereafter to the appropriate governmental unit.

The $90,000 requested would actually merely be a continuation of the status quo, since $50,000 is currently being supplied to the Council through the Pentagon (over and above the Council's own insignificant $40,000). But the $50,000 figure should be authorized directly by the Congress to the Council, it seems to me without having to be reallocated from the military budget.

Mr. Green has conservatively estimated that by November of this year, the Council's workload would be approaching 21,000 items a year, out of which perhaps 85 would find their way into productive use. A single one of that estimated 85 could repay the $90,000 many fold. Surely, therefore, we will make available the necessary funds for an adequate Council staff and facilities. Surely, with American-intensifying the competitive arms-industrial race with the Soviet Union, we will not fail to top the inventive genius of America.

And so, I do hope therefore, that you and your colleagues will act favorably on behalf of this $90,000 item.

I should like to ask that the text of this letter be printed in the body of the printed hearings of your committee.

Thanking you, and with best regards, I am

Sincerely yours,

ALEXANDER WILEY.

PLANS FOR JUNE, DAIRY MONTH

Mr. WILEY. Mr. President, all over the State of Wisconsin intensive plans are being made for the celebration of June, Dairy Month, for making it the greatest success which even our own dairy-conscious State has ever achieved. Last year, the farmers of my State sold 15½ billion—I said "billion"—pounds of milk. The total of the cash receipts from milk sold, and the value of milk which they used on their own farms, was $516,318,000. It is only natural, therefore, that America's Dairyland should want Dairy Month this year to achieve maximum success. The 2.3 million milk cows in Wisconsin are the symbols, not only of a crucial economic factor, but they are the symbols of a whole way of life—a fine, constructive way—essential to American health.

As an indication of the grassroots efforts which are being made on behalf of June, Dairy Month, I send to the desk the text of a news clipping which

was published in the May 12 issue of the Janesville Gazette. It shows how public-spirited civic leaders are planning intensively for the full month observance. I hope that their efforts will be duplicated throughout the entire Nation.

I ask unanimous consent that the text of the writeup be printed at this point in the body of the RECORD.

There being no objection, the news article was ordered to be printed in the RECORD, as follows:

[From the Janesville Gazette of May 12, 1956]

DAIRY CAMPAIGN PLANNED IN JUNE

June, Dairy Month will be widely observed in Rock County with the expectation of selling greatly increased amounts of milk and dairy products, it was reported Thursday night at a county dairy promotion meeting held in the courthouse here.

Thirty-five delegates, representing farm, processing, and distribution-retail attended the gathering to hear Dale Bruhn of the State department of agriculture outline plans for State and national campaigns and the part which this county might play in the observance.

Rock will join with Walworth, Jefferson, and Waukesha Counties to take the lead in setting up a dairy pageant of progress for the Junior Wisconsin State Fair, and for parade and entertainment there August 22 it was decided.

Those who volunteered to help during the campaign next month, included Robert Westfall, secretary of the Janesville Chamber of Commerce; John Bort of the Beloit Association of Commerce; William Muck, Footville; Tom Edge, Evansville; Hollister Raymond, Edgerton; Arnie Agnew, Milton Junction; Harvey Ernst, Whitewater; LeRoy Scott, Orfordville; and George Snyder, Clinton. Local leaders were asked to call meetings in their own communities within 10 days to work out plans.

Howard Miller, representing Pure Milk Association; Ernie Lowry, of the County Farm Bureau; William Canary, Footville banker; and County Agent Hugh Alberts were named to the county general committee.

WOMEN TO COOPERATE

Mrs. Harold Russell, State president of Farm Bureau women, announced plans for county and State cheesecake baking contests, with the Rock County event on May 23. She said that the average cheesecake requires in some form or another, 26 pounds of fluid milk.

One of the features discussed was that milk dispensers be set up at least 1 day per week during June in each urban district in Rock County. Milk would be furnished by the local dairy promotion committee.

Stores and other outlets for milk and dairy products will display special sales banners and literature. Orders for these materials will be handled by the county committee, with County Agent Alberts in charge. The orders are due by May 20.

NINETEEN HUNDRED AND FIFTY-FIVE DRIVE EFFECTIVE

Bruhn, in his talk to the group said that the 1955 June record indicated an extra 21 million pounds of milk sold in Wisconsin as a result of the effort. For this year, he said, dairy plants, milk bars, grocers, restaurants, bankers, feed and machinery dealers, newspapers, and radio-TV have pledged aid. The Wisconsin Bankers Association with 750 members, and the Wisconsin Feed Dealers Association with 800 members are expected to be of materials help. Allis-Chalmers, Sears-Roebuck, and other companies have also promised aid, he said. Major grocery chains and the Wisconsin Restaurant Association will cooperate.

Much of the planning and promotion expense will be handled by the American Dairy Association and by the State department.

Farm organizations represented included the Grange, Farm Bureau, Rock County Breeders, Rock County Guernsey Breeders, Rock County Holstein Breeders, and Pure Milk Association.

ORDER FOR RECESS TO TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. JACKSON. Mr. President, S. 1823, the Lehman bill to authorize construction and operation of the Niagara project by the New York Power Authority, with appropriate application of the preference principle, has my most enthusiastic support.

I joined in cosponsoring this bill out of the conviction that public development of the Niagara project is legal, desirable, and, in fact, necessary to give the people of New York State and the entire northeastern area of our United States a yardstick against which private power costs and charges may be measured.

Mr. President, I am happy and proud that I come from one of the great public power sections of the Nation. More than 70 percent of power produced in the Pacific Northwest is generated by public agencies. This fact, combined with our great water resources, has given my region the lowest power rates in America.

For instance, the wholesale cost per kilowatt-hour of energy purchased by REA borrowers from all suppliers in my State of Washington is 3.1 mills; in Oregon, 3.5 mills; in Montana, 4.7 mills; and in Idaho 4.8 mills. The corresponding costs in the States that would benefit from the Niagara project are 8.6 mills in Ohio; 9.4 mills in Pennsylvania; and 11.2 mills in New York.

Consider now, Mr. President, the testimony in the hearings on S. 1823 that 95 percent of the consumers of electric energy in New York State are served by privately owned utilities.

I submit that one important reason for the difference between the average wholesale rate for power furnished by all suppliers in my own State, which is 3.1 mills, and that furnished in New York State, which is 11.2 mills, is that we in Washington State have a public power yardstick that squeezes the fat out of private rates but still leaves private utilities a healthy diet of profit.

I might add that the private utilities of the Pacific Northwest themselves have benefited handsomely from low-cost public power, for while they generate only 29.4 percent of the total power produced in Washington, Oregon, Idaho, and Montana, they distribute 62 percent of the power generated in those four States. In other words, they are able to buy low-cost public power for resale to their own customers.

A vital feature of S. 1823, Mr. President, is the provision requiring the New York State Power Authority to give preference to public agencies in New York and neighboring States, where feasible. The same preference principle is in effect in our Northwest States; and, as I have shown, it still leaves the opportunity for private companies to purchase public power. The preference feature of Senate bill 1823 would not prevent the sale of power by the New York State Power Authority, on a wholesale basis, to privately owned utilities.

The reason why the preference principle is so vital to Senate bill 1823 is that evidence shows that the many small municipal and rural electric cooperative systems of the Northeast are paying twice the cost for their purchased power supply that is being paid by similar systems in areas where the preference clause under Federal power policy is in effect. These systems generally are so small they cannot even consider any generation of their own. Public development of the full power potential of the Niagara River—under the treaty of 1950 with Canada—is the only way these systems will ever get the low-cost power which they need and their customers deserve.

Incidentally, I am sure everyone understands that no Federal funds are involved in Senate bill 1823. The only reason why the project is now before the Senate is that the treaty of 1950 with Canada reserved to the Congress the right to pass on whatever development of the Niagara there might be on the American side.

The question involved in Senate bill 1823 is, of course, not whether the Niagara shall be developed. The question is who shall develop it, whether it shall be developed to put great profit into the hands of a few, or to provide low-cost power for the people who will receive power directly from the Niagara installation, and lower-cost power for other consumers throughout the area. I say other consumers in the area will benefit from public development, too, because testimony presented at the hearings on Senate bill 1823 indicates that public development of this project, with its resultant low rates, would force a reduction of 20 percent in the power rates of the entire area.

It is said by advocates of private development that the United States Treasury will suffer heavily in loss of taxes if the Niagara site is developed by the New York Power Authority, instead of by a private utility. However, as the report on Senate bill 1823 points out:

Experience in both the TVA and Bonneville Power Administration areas has demonstrated how low-cost power increases a region's contribution to the Public Treasury far more than would be accomplished by private utilities if the same power resources are turned over to them for development. The people of the area should not be asked

to forego the inevitable expansion of business and industry, increased regional prosperity, and the increased revenues of more widespread, less burdensome taxes.

I should like to add some specifics to this assertion in the committee report. In my own State, in 1940, internal-revenue collections amounted to only $31 million. By 1954 they were up to $725 million, or 24 times as great.

Allowing for the increase in tax rates, for the increase in population of my State, and for the wartime boost to our economy, I hold that the profits and pay checks behind this tremendous increase in tax payments to the United States Treasury could not have come about without low-cost power—and lots of it.

Grand Coulee power started coming on the line in 1941; and during those same 14 years, from 1940 to 1954, while income-tax payments in my State were increasing 24 times, power production in my State increased nearly 6 times—from 3,944,180,000 kilowatt-hours in 1940 to 22,980,782,000 kilowatt-hours in 1954.

Opponents of public development of the Niagara say that the people of America will have to make up the loss in taxes that would be paid by the consumers of power produced by a private developer. They say the Nation's taxpayers will suffer, while a relatively few consumers of the public power will benefit.

I disagree completely. I say that not only will the direct consumers of the public power benefit, but other consumers throughout the area will benefit from a reduction in rates forced by the yardstick of public power. Lower power rates for industry—if experience in my own State and region is any criterion—will mean an increase in the general prosperity of the whole region. In turn, more money will flow into the United States Treasury, in the form of corporate and personal income taxes, than ever would be paid by the private power utility alone. The Nation's taxayers will not lose by public development of the Niagara. They will gain.

Mr. President, this is the real importance of Senate bill 1823. It is a bill to assure that all of our people, not merely a few, profit from the development of this, the greatest single potential power site in America.

Mr. LANGER. Mr. President, because of a temporary affliction to my eyes, I ask unanimous consent that my speech on the pending bill be read at the desk.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota? The Chair hears none. Without objection, the clerk will read.

The legislative clerk read as follows:

Mr. LANGER. Mr. President, the five big New York power companies want to grab off one of the most lucrative hydro sites in the country. This is the largest remaining hydro site in America, and probably one of the most feasible economically. Because it is the most feasible remaining hydro site, it would be a real financial bonanza for these five big New York power companies if they are able to complete this grab. I want to tell you right now that I am opposed to this grab, and I want to stand firmly behind the Senator from New York [Mr. LEHMAN] in support of his bill, which would permit the development of these resources for the people. There is no question that this would be a very lucrative venture for these power companies, and on this point I should like to quote no less an authority than Bob Moses, a prominent Republican, and present chairman of the New York Power Authority. Mr. Moses said in a memorandum which he submitted to the House and Senate Public Works Committees on January 12, 1956:

> New York State law mandates the power authority to develop the waters of the Niagara for power in the precise manner that it is now developing the same waters at the St. Lawrence. The State owns the bed of both streams and the right to use their waters subject to the paramount right of the Federal Government to control navigation and commerce.
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> The bills sponsored by the utility people seek to interfere with this ownership and these rights of the State of New York, and to effect a grant of the State's property to the corporation which they would own and dominate.
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> In establishing the corporation the sponsors would put some money into it, but undoubtedly the amount would not exceed $10 million out of a total cost of some $400 million. The balance of the $400 million which would be needed would be borrowed by the corporation at an interest rate in the neighborhood of 3½ percent. The corporation in selling energy would be allowed a return of 6 percent not only upon the $10 million of its own money which is used but also upon the $390 million which it borrowed. This 6 percent is after the payment of all taxes, including corporation income taxes. It would also be allowed depreciation. It would amortize the debt out of net revenue and the charges allowed for depreciation, such revenue including the difference between the 3½ percent interest paid and the 6 percent return allowed. With a 35-year bond issue, it would amortize more than half the debt in 20 years, about 70 percent in 25 years, and all of it in less than 35 years.
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> The average depreciation on the project as a whole would probably not be more than 1 percent per year because a large part of the project features, for example, the tunnel or canal to be built, would hardly depreciate at all. Using the 1 percent figure, at the end of 20 years, the stockholders, instead of having $10 million worth of net assets would have $320 million with a debt of only $178 million; at the end of 25 years $300 million worth of property, with a debt of only $111 million; at the end of 35 years $260 million and no debt at all. This represents a gain of 2,500 percent after being assured at least a 6-percent return at all times on the money actually invested.
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> Quite obviously, the stock of the corporation, being assured such a 6 percent return and schedued to receive such accretion of wealth, would become extremely valuable immediately after the corporation got started in business and become increasingly so as time went on. Hence, the promoters would not have to wait long to cash in on their enterprise and perspicacity. If at the end of the license the Federal Government exercised its right to recapture the project, the corporation would receive the original cost, less depreciation, in cold cash.
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> The new Niagara power constitutes a one-shot deal and involves no risk. The private corporation which would perform the development would have no other power facilities, would own no distribution lines, and would merely sell its output to other corporations. Hence, that corporation would have a great natural resource turned over to it, not as an incident to other business carried on by it, but as a single and unique venture.

I surely would like to own something that would represent a gain of 2,500 percent after being assured of at least a 6-percent return at all times on the money actually invested. There are not very many private companies that are so fortunate as to be able to participate in such a lucrative venture. I am sure that the stock of such a corporation would be very valuable.

On March 2, 1921, the Federal Power Commission issued to the Niagara Falls Power Co., now the Niagara-Mohawk Power Co., a 50-year license for the development of power on the United States side of the Niagara River at Niagara Falls, N. Y. Apparently the power company did not feel that it should even pay New York State a small fee for the water which it was utilizing at Niagara Falls. In a memorandum to the Senate Public Works Committee on March 13, 1954, Robert Moses stated:

> For many years, private power interests which had gone a long way toward ruining the entire escarpment on our side, fought even against paying a reasonable rental for the use of the State's waters, and it took years of litigation to compel them to do so. I was associated with Gov. Alfred E. Smith more than 30 years ago in proposing a State power authority. Such an authority has been in existence for 23 years. In all that time, the private utility companies who now pose as the friends of cheap, widely distributed, labor-saving power by one means or another prevented the State authority from functioning.

Governor Dewey stated in an appearance before the Senate Public Works Committee on July 23, 1953:

> One of my first acts as governor was to ask the legislature for authority to charge the Niagara-Mohawk Co. for 15,000 cubic feet a second, which it was diverting from the Niagara without payment, and had been so doing for many years. The legislature passed that law and we started collecting for that diversion of water for the first time in the history of the State of New York, upon the basis that that waterpower belonged to the people of the State of New York, and that charge was paid and contested and tried out in the courts; and the courts sustained us.

Dewey apparently was not fooled by the desire of the power company to develop the people's resources without having to pay 1 cent for them. Power companies have a fine record of trying to utilize the people's resources for the maximum benefit to them rather than to the people who own the resources.

What sort of a record do these power companies have in the development of the water which is now available to them at Niagara Falls for power purposes? Are they fully utilizing this water? Have they developed it efficiently? Are they getting the maximum power output out of the water that they can now divert for power purposes? I should think that before any consideration is given granting them a license for the development of this great public resource that these questions should be answered. Apparently their record in this area, as in many other areas, is poor. In 1949 the Bureau of Power of the Federal Power Commission issued a comprehensive re-

port on the possibilities for the development of Niagara Falls for power. This is one of the most comprehensive studies ever made on the development of the Niagara River for power. In this report it is stated time and time again that the power companies are not now utilizing the water available to them at Niagara for power purposes. The following quotations appear on page 11 of this report:

Present facilities at Niagara Falls in the United States do not develop fully the existing diversions of water and as a result there is a continuing waste of a great and magnificent natural resource.

The existing Schoellkopf station is valuable and adapted to any comprehensive plan for the redevelopment of Niagara Falls for power in the United States; the existing Adams station should be retired from normal generating service but can be used for voltage regulation and kept in standby reserve for generating use in event of a grave emergency.

Let us make it very clear that the FPC refers in its report to "a continuing waste of the great and magnificent natural resource" by the power company now having facilities at Niagara Falls. Why should we give them the full United States output diverted for power purposes when they have not even developed the amount which is now available to them? Why should we continue to let this great natural resource go to waste? I for one want to make it absolutely clear that I oppose any sort of legislation which could result in their getting a license for the development of Niagara power and also which would result in the rural electric cooperatives and municipal systems not getting preference in the marketing of such power.

Also, according to the FPC report, one of the present generating stations of the Niagara-Mohawk Co. at Niagara Falls is obsolete and should be retired from normal generating service. This is the Adams generating station which has an installed capacity of 80,000 kilowatts. I want this power at Niagara developed by a State agency which is committed to efficiently and fully utilize the potential available to them and which will under the bill introduced by the Senator from New York give preference in the marketing of that power to rural electric systems and municipal electric systems. Then we will have efficient development with a yardstick in the marketing of such power.

All through this comprehensive 1949 FPC report on Niagara you can find references to the fact that the Niagara-Mohawk Power Co. is not utilizing the amount of water available to them. I am reading from page 35 of the report:

Existing power developments do not fully utilize the possibilities at the site either from the standpoint of use of presently authorized or temporary diversions, or in consideration of the maximum possible amounts of water available which may be diverted for power use.

I ask then, should we not pass legislation which would prevent a condition like this developing in the generation from the remaining water available at Niagara? I want to see these public resources developed to the maximum extent possible. I do not want any half development or quarter development. I want them fully developed, and I want some of the benefits to go to the rural electric systems through the preference contained in the Lehman bill.

On page 47 of the FPC 1949 report there is a description of the inefficient Adams generating station of the Niagara-Mohawk Power Co. I am now quoting from page 47 of this report:

The Adams station is an old development utilizing only a fraction of the total head available. For years prior to World War II, it had been used only as a condenser for voltage regulation. Because of defense and war needs it was put back into service utilizing water made available by temporary agreement. Since it does not make the best use of the water necessary to operate the plant, it should be returned to an inactive status as a generating station, or used again for voltage regulation. During periods of extra large flows when water is available it could be used to generate steam replacement energy. It could be placed in service in event of extreme need occurring after the redevelopment although it would take water away from the falls and thus reduce the scenic spectacle to some undetermined degree.

I want to emphasize from this statement: "Since it"—the Adams generating station—"does not make the best use of the water necessary to operate the plant, it should be returned to an inactive status as a generating station, or used again for voltage regulation."

With such inefficient generating equipment now being used by the Niagara-Mohawk Co. at Niagara Falls, what assurance do we have that they will fully and efficiently utilize the amount of water which could be diverted for their use if the private power companies are permitted to develop this great public resource. I do not think we have any assurance at all, and that is why I am for a bill which stipulates that the New York Power Authority should develop this power and that preference should be given to rural electric systems and municipal systems. I am in favor of a little competition and I think this will bring a little competition into an area which has never had any competition from public generation of electric power. Also, I am for getting the benefits from this great public resource down to the farms, homes, and factories and I think this will be done through the preference contained in the Lehman bill. Without this preference we have no assurance that the total output of this project, even if constructed by a public authority, would not be sold to power companies and industry close to the site.

Perhaps these five big New York power companies are not interested in getting any low-cost power into the State of New York. The present rate structure certainly indicates this. For example, the Niagara-Mohawk Power Co. now generates approximately 400,000 kilowatts of capacity at the Niagara Falls site. This is a large block of hydroelectric power. But the typical electric bills for 1955 published by the Federal Power Commission shows that for residential electric service, the average bill in New York State for 250 kilowatt-hours a month was $7.85, which places New York State as the 13th highest State in the Union for such service and among the top 37 percent of all the States. I want some assurance that this will not continue. I want this power developed for the use of the people, for all the people, and I think the only way that this can be done is through the Lehman bill which provides for the construction and operation by the New York Power Authority with preference in the marketing of the power for rural electric cooperative and municipal electric systems. I am sure that when such a yardstick is established in the Northeast this rate situation will change and that these present high rates will start to decline.

Niagara Falls is a great and beautiful site, truly one of the natural wonders of the United States. Many a young married couple has started life together by going to see this beautiful site. I want to see the scenic beauty of the falls not only preserved but developed further so those who come to view the falls will see miles of beautiful parkways and parks. Power companies will certainly not be the ones who will undertake such a comprehensive development of the scenic beauty. Their record in the past has been very poor on this point, and no one should know better about their record on this than Mr. Robert Moses, a prominent Republican, chairman of the New York Power Authority, and also chairman of the New York State Council of Parks. Mr. Moses states in an introduction to a publication of the New York State Power Authority entitled "Niagara Power and Park Development," dated December 1954:

The private utilities on our side have bedevilled the Niagara River for 75 years. In spite of a record of shameless exploitation, they still have the effrontery to claim that the only question here is that of making power, that this is exclusively their business, that further development at Niagara is merely an extension of their business and is opposed only by socialists who are against all private enterprise. This argument completely overlooks both history and the basic underlying issue, which is the unquestionable public ownership and inalienability of the greatest natural resource of the State of New York.

Private exploitation of Niagara Falls and the Niagara frontier is an old story. The record shows that the private companies have never had any genuine interest in the preservation of these public assets. Their interest lies in the exploitation of the diversion and fall of water and its conversion into power by the cheapest and most expeditious means, regardless of basic State conservation policies, of scenic or other damage, and of future public need of these natural resources. Precisely these considerations led the Canadians to provide for the preservation of these great natural resources for their inalienability, for public control under international treaty, and for a unique frontier park and parkway system for the use and enjoyment by all of their people and visitors present and future. This has been the Canadian point of view for years, and one which we should from the beginning have emulated.

I do not want to entrust such great scenic beauty to exploitation by five greedy power companies whose only interest is in developing as cheaply as possible the amount of power which will be made available to them. I want some

consideration to be given to the preservation of this great natural wonder. Young couples for generations to come can go there on their honeymoon and become inspired by this beautiful site. It is for that reason that I am pleased to note in the Lehman bill, section 2 (b) (6), there is a provision that stipulates the power project at Niagara shall bear $15 million of the cost of a scenic drive and park on the American side of the Niagara River near the Niagara Falls.

The question today really resolves itself into a very simple matter. Do we want a private exploitation of natural resources which belong to all the people, or do we want them developed for the benefit of all the people by the people's own agency? I want to put myself squarely on record in support of the bill introduced by the Senator from New York [Mr. LEHMAN] which provides for construction and operation of the Niagara power project by the Power Authority of New York with preference in the marketing of such power for rural electric cooperatives and municipal electric systems. I want the people to have a honeymoon at Niagara Falls, not the big five private power companies.

FARM DEPRESSION SPREADING TO TOWNS

During the delivery of Mr. LANGER'S speech,

Mr. HUMPHREY. Mr. President, I wonder if the Senator from North Dakota will yield to me for a brief statement, which will require not more than 5 minutes.

Mr. LANGER. I yield on condition that I do not lose the floor.

Mr. HUMPHREY. I ask that the Senator from North Dakota may yield to me without losing his right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LANGER. I am always delighted to yield to my distinguished neighbor from Minnesota.

Mr. HUMPHREY. It is always a joy to work with the Senator from North Dakota, and I appreciate his courtesy.

I wish to make a brief statement concerning an evaluation of the agricultural situation in the Midwest, on the basis of reports from country bankers.

COUNTRY BANKERS' REPORTS SIGNAL FARM DEPRESSION SPREADING TO TOWNS

In the April 21 issue of Commercial West, an authoritative trade publication of the banking industry in the upper Midwest, the results of a survey of leading bankers in Minnesota, North Dakota, South Dakota, Iowa, and Wisconsin were published, vividly demonstrating what is happening to midwestern small town and city merchants due to the enormous drop in farmers' purchasing power.

Fourteen out of 21 Minnesota bankers specifically reported trouble for local farm machinery dealers. Eleven out of 19 North Dakota bankers and 12 of 20 South Dakota bankers reported similar trouble for implement dealers. Three of the 4 Wisconsin bankers quoted, and all of the 5 Iowa bankers reporting, told of decreases in demand ranging from slight to severe.

Listen to the comments of some of these bankers:

Austin, Minn.:

Machinery dealers in the area are indicating that very little profitable business is being done.

Balaton, Minn.:

Farmers are not buying as much machinery. Deposits are going down.

Hallock, Minn.:

The farm implement retail business has been extremely slow and the automobile business only fair.

Rochester, Minn.:

New machinery moving slowly. * * * Farmers are making their old machinery do until the farm prices situation clarifies itself. * * * There will be a few young farmers who, if they do not have a good season this year, will be forced to sell out this fall.

I should comment that the Rochester area is one of the best farming areas in the entire upper Midwest.

Listen to the comments of some other bankers:

Bismarck, N. Dak.:

Sales are down as compared to 1955.

Killdeer, N. Dak.:

Machinery dealers are hurt.

Valley City, N. Dak.:

Most stores down in sales. Farm machinery sales down.

Williston, N. Dak.:

The trend is still to the bigger farmer getting bigger and the smaller going out of business.

Arlington, S. Dak.:

Machinery sales way down.

Miller, S. Dak.:

Lots of machinery but very little of it being sold.

Vermillion, S. Dak.:

Most businesses report less volume to date than a year ago. Farm machinery sales are down.

Princeton, Wis.:

Machinery and implement dealers complaining that farmers are not buying.

Denison, Iowa:

Machinery and automobile dealers report sales far below last year.

Jefferson, Iowa:

No new machinery is being bought.

These men are hard-headed American businessmen.

When such trained observers report trouble for the farm machinery industry at the retailing level, that is a warning flag we must heed.

The farm depression has begun to move into the towns and cities of the Midwest. Unless this administration does something about it, it will not be farmers alone who will suffer, nor even small-town merchants. It will be the factories of Detroit and Dearborn and Moline.

Let the farmer go down—as this administration seems determined to do—and you will let the whole country go down the drain. It happened in the 1920's. It seems to be happening all over again.

I conclude by noting that the inventory of 1956 models of automobiles is at an all-time high in the history of the automobile business, with the exception of 1 month. At present there are more than 900,000 unsold automobiles, 1956 models, despite the sharp curtailments in automobile production. During the past week every automobile plant in the United States took off at least 1 day, laying off all workers.

Indications are that the recent credit squeeze placed on the economy by the Federal Reserve bank is beginning to take its toll. I sound a warning note in the Senate, as I shall do from time to time, and as was done a couple of years ago, when the tight-money, high-interest-rate policy was inaugurated. Subsequently it was relaxed. Again we are beginning to see the squeeze upon credit, and this credit squeeze is hurting the independent businessman and the farmer. They are caught in a period of deflation, so far as their business is concerned, while large business is apparently somewhat touched with inflation. If it continues, we can expect more and more trouble in the American economy.

I am hopeful that warnings such as this—and I hope warnings also from any other Members of the Senate—will alert our Government to the fact that it is possible to put on the brakes too much and in the process cause almost irreparable damage to the American economy.

It is about time that the credit policies of the Federal Reserve Board be carefully reviewed by the appropriate committees of Congress. I call the attention of the Committee on Banking and Currency and of the Joint Committee on the Economic Report to what I believe to be symptoms and signs of difficulty in some areas—I repeat, in some areas—limited as they are, in the American economic structure. I call the attention of those committees to the area of independent businesses of America having $1 million in assets or less, our agricultural economy, and certainly the automobile industry, which industry is a sort of bellwether as to what is going on in terms of consumer purchasing power.

Finally, I would note that the number of housing starts this year are sharply down from last year. The availability of credit at reasonable rates of interest is becoming an ever more serious problem. Surely, we cannot countenance a retreat in the construction and housing industries.

I hope that provisions for veterans' loans, which are rather liberal, and which have been very effective and useful, will be continued for several years to come.

The credit structure is good, if it is used for constructive purposes. However, I warn Members of Congress that interest rates of 5 percent or 5½ percent are too high in the American economy as it is presently constituted. That is exactly what is beginning to happen in far too many areas of the American economic structure.

I thank the distinguished Senator from North Dakota [Mr. LANGER] for his kindness and consideration in yielding to me at this point.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. LEHMAN. Mr. President, for the past 6 years, we have been witnessing in this country, and especially in New York State, operation avalanche, in regard to the Niagara project. I mean avalanche of propaganda—propaganda in favor of the turnover of the public resource of the Niagara Falls to the private power monopoly. Throughout the country, in every town and hamlet newspaper, in every magazine, in every public medium, there have appeared paid advertisements favoring the Niagara giveaway. An army of paid lecturers has appeared before every possible Rotary and Kiwanis Club, junior chambers of commerce, and other similar organizations throughout the country.

The whole focus of this propaganda has been to the effect that letting New York State develop this resource was socialism, while letting the private monopoly have this public resource was private enterprise.

Nowhere has operation avalanche concentrated so intensively as in New York State. And as a result there have been resolutions passed by various organizations in New York State, including some farm organizations and some labor organizations, in favor of the giveaway.

The arguments given by the proponents of the giveaway are familiar to all of us—the mythical loss in tax revenue and the dangers of creeping whatever-it-is.

And it was no great trick, on the basis of this cloud of propaganda, to get resolutions passed. It is a simple trick with which we are all familiar. And some, of course, took this stand out of sincere conviction.

What astounded me earlier today, however was to hear my distinguished colleague [Mr. IVES] take a leaf out of the propaganda book of the private monopoly crowd and use their leading argument as his own. I refer to his assertion that New York State does not want my bill.

Mr. IVES. Mr. President, will my colleague yield at that point?

Mr. LEHMAN. I should like to finish my statement, and then I shall be glad to yield. It will take no more than 3 minutes.

The fact is, and my distinguished colleague fails to mention this, that all the resolutions he refers to are not in opposition to my bill, S. 1823. They are in favor of the private giveaway bill, S. 6. These resolutions he refers to are opposed to any form of public development in New York State. And I challenge my colleague [Mr. IVES] to state otherwise. The record of the hearings are very clear on this point.

But these resolutions in favor of the giveaway do not represent the majority sentiment in New York State. They represent a minority sentiment, a tiny minority sentiment, in my judgment—a minority that, for the most part, has been fooled and bamboozled by propaganda.

The overwhelming majority sentiment in New York State is for public development. The State platforms of the Republican Party, the Democratic Party, and the Liberal Party—all three parties in New York State—favor public development of Niagara.

My senior colleague favored public development in his last race for public office. Attorney General Javits favors public development.

At this point I ask unanimous consent to have printed in the RECORD pertinent excerpts from the 1954 platforms of the Republican, Democratic, and Liberal Parties of New York.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

DEVELOPMENT OF THE ST. LAWRENCE AND THE NIAGARA RIVERS

(1954 platform adopted by the Democratic State convention)

We propose to speed the construction in the next 4 years of the projects for full development of the St. Lawrence and the Niagara Rivers conceived and long advocated by Democratic Governors and Presidents for their direct benefit of the people.

These invaluable resources were saved for the people, against Republican attempts to hand them over to private interests, by the forthright action of Gov. Alfred E. Smith, Senator Robert F. Wagner, President Franklin D. Roosevelt, and Senator Herbert H. Lehman.

The St. Lawrence project will be built by use of the engineering plans completed in 1942 in surveys ordered by Governor Lehman and President Roosevelt. These plans were adopted as the basis for approval of the project by the International Joint Commission in the last national administration. The Niagara will be redeveloped to preserve and enhance the scenic spectacle and to utilize its immense power potential under the treaty of 1950 with Canada negotiated by President Truman.

After inheriting these constructive plans and agreements, the Republican Party is again seeking ways and means to turn over the people's power to utility monopolies.

During the present Congress, on July 9, 1953, the House passed a Republican bill making an outright gift of the undeveloped power of the Niagara River to a combination of private utilities. New York Republicans in the House, led by a former Republican State chairman, voted 26 to 1 for this measure.

Again on August 19, 1954, a majority of the Republicans on the Senate Public Works Committee filed a report serving notice that they intend to press for this surrender of public power to private utilities at the January 1955 session if a Republican Congress is elected in November.

The administration at Albany, meanwhile, has sponsored the Ives bill in Congress to advance its plan to deliver Niagara power to the same utilities at the bus bar, that is, at the site of the powerplants.

We renew our support of the safeguard provisions of the Lehman-Roosevelt bill, S. 2966, 83d Congress, and we pledge enforcement of these safeguards in the marketing of St. Lawrence-Niagara power by vigorous State action.

These great natural resources belong to the people and they should be used to create new jobs, to expand the whole economy of the State, and to insure maximum benefits for labor, agriculture, commerce, industry, and the consuming public.

In order to protect the legitimate collective-bargaining rights of workers on both the impending St. Lawrence project and the proposed Niagara project on construction and operation jobs, we pledge to seek amendment of the Power Authority Act to assure such workers of all rights necessary to obtain equitable working conditions, including job security and wage levels prevailing in the private power industry.

The St. Lawrence-Niagara projects will annually produce over 15 million kilowatthours of electric energy. Under a Democratic administration, this low-cost energy will be made available to the people at yardstick rates to reduce the excessive charges now borne by millions of domestic, rural, and commercial customers for electric service throughout New York State.

PUBLIC POWER

(1954 platform adopted by the Liberal Party State convention)

The Liberal Party has long urged that development of the St. Lawrence-Niagara power potential be done by the State.

We are opposed to making the development of the power resources of the State another bonanza for private utility interests. We, therefore, advocate that the public power authority control the power from the Niagara and St. Lawrence waterways for the benefit of the people by distributing this power directly or through cooperatives, and State and municipally owned powerplants. Where it is necessary to distribute such power through existing private utilities, then it is essential that the strictest supervision be maintained by the State and that the cost of power to the consumer be fixed at a rate which will grant to the consumers every advantage of the savings resulting from hydroelectric power.

WATER RESOURCES

(1954 platform adopted by the State Republican convention)

For a generation the Democrats beat the political drums about the people's waterpower in this State, promised the public development of those resources, and accomplished nothing. Indeed, in recent years their practice has been outright obstruction.

After years of opposition by the Democrats in Washington, our Republican State administration last year at long last obtained a Federal license to proceed with the great St. Lawrence River power project. In June 1954 the Supreme Court of the United States upheld the license. On August 11 we actually started construction of this $300 million job. The cheap hydropower will give an enormous lift to the economy of our State.

One of our first acts in 1943 was to assert control over public waters diverted for power purposes, and to collect rent for water which had long been used free by private licensees at Niagara Falls. We have already collected for the people of the State $20,675,000 for the use of Niagara water.

The New York State Power Authority plans development of St. Lawrence power, together with the additional Niagara waterpower made available by the 1950 treaty with Canada. These two vast State projects, integrated with the existing private systems, will bring increasing benefits to our rural and domestic consumers, as well as to industry.

Democrat obstruction of our State power plan has recently narrowed down to one issue. The Democrats insist that preference should be given to publicly and cooperatively owned systems in the distribution of State-generated hydropower. Such preference would be an injutsice to the vast majority of our State's consumers who are served by private companies. We pledge fullest equitable benefits from the power generated at St. Lawrence and Niagara to all rural and domestic consumers, including municipal and co-op customers.

We state again our Republican pledge of many years standing: We shall continue to

oppose the sale, lease, or licensing to private ownership of the people's interest in the State's undeveloped power resources. We also oppose Federal development of these waters as proposed by the Democrats.

Mr. LEHMAN. Mr. President, no candidate for statewide office dares in New York to run on the basis of private development. None has for the past 30 years.

New York State law requires public development. The private utility crowd tried and failed to get through the Republican State legislature, this very year, a resolution calling for a statewide referendum on public development of the Niagara. The legislature did not dare to adopt such a resolution, and that legislature is overwhelmingly Republican.

Oh, Mr. President, resolutions are not an accurate reflection of public sentiment. Resolutions and communications from constituents are illuminating but they do not prove what public sentiment is. I have received resolutions and telegrams, too.

A point has been made of the opposition of organized labor to my bill. Well, Mr. President, I submit, for the RECORD, a list of the labor unions in my State, representing a much larger membership than those cited in favor of the giveaway, who are all-out in favor of my bill.

Let me read a few of the names of these organizations and union leaders who have indicated their all-out support of S. 1823. I ask unanimous consent that the whole list appear in the RECORD.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Without objection, the list will be printed in the RECORD.

Mr. LEHMAN. Mr. President, I shall read at random a few of the names:

United Clothing Workers of America, New York, N. Y.

Martin Gerber, regional director, UAW, New York, N. Y.

Paul Krebs, president, New Jersey State CIO, New York, N. Y.

Greater New York Joint Board of Textile Workers, New York, N. Y.

Michael J. Quill, international president, Transport Workers Union of America, AFL–CIO.

Jacob S. Potofsky, general president, Amalgamated Clothing Workers of America.

David Dubinsky, president, International Ladies Garment Workers Union.

United Shoe Workers of America, AFL–CIO, joint council B.

Jay C. Watkins, director of education and political action, region 9, AUW–AFL–CIO.

James Miller, president, and James Steele, secretary-treasurer, of the Greater Buffalo Industrial Union Council, AFL–CIO.

Jack R. Suarez, president, district 3, IUE, AFL–CIO, Schenectady, N. Y.

Dave Klein, president, United Optical Workers, New York, N. Y.

Julius Sum, president, Local 338, Retail, Wholesale, and Chain Store Food Employees Union, AFL–CIO.

Louis Hollander, president, and Harold J. Garno, secretary-treasurer, New York State CIO Council.

Vincent LaCapria, comanager, and Abraham Miller, secretary-treasurer, New York Joint Board, Amalgamated Clothing Workers of America.

Mr. President, those are only a few of the persons or associations from whom I have received resolutions. I thank the Presiding Officer for having had permission granted to have the entire list, which numbers some 60 or 70, printed in the RECORD.

The list ordered printed in the RECORD is as follows:

ENDORSEMENT OF S. 1823 BY LABOR ORGANIZATIONS AND LEADERS

Amalgamated Clothing Workers of America, New York, N. Y.

Martin Gerber, regional director, UAW, New York, N. Y.

Charles H. Kerrigan, regional director, UAW, New York, N. Y.

Paul Krebs, president, New Jersey State CIO, New York, N. Y.

Greater New York Joint Board of Textile Workers, New York, N. Y.

Michael J. Quill, international president, Transport Workers Union of America, AFL–CIO.

Matthew Guinan, secretary-treasurer, Transport Workers Union of America, AFL–CIO.

Frank Sheehan, director of organizations, Transport Workers Union of America, AFL–CIO, and more than 70,000 members employed in the bus, air, and rail transportation and gas utility industries in the New York area.

Nicholas Cappadona, Sr., chairman, Political Action Committee, 1,500 members of local 2067, United Steel Workers, Brooklyn, N. Y.

Local 14–149, Anthony Mazzocchi, president, Oil, Chemical and Atomic Workers International Union, Roslyn.

Adolph Rosenbaum, president, Greater New York Joint Council Barbers and Beauty Culturists Union of America, AFL–CIO, 1472 Broadway, New York City, representing 5,000 members.

Allied Trades Council, New York City.

Journeymen Tailors Union, local 1, ACWA, New York, N. Y.

Jim Trenz, 5 Court Square, Long Island City, president, local 463, CIO–AFL, Long Island City, N. Y.

Allied Crafts Union, New York City.

Joint Board of Fur Dressers and Dyers, New York City.

Broadway Chauffeurs Association, Inc., New York City.

House Wreckers Union, local 95, New York City.

Bartenders Union, local 15, New York City.

Marine Allied Workers, Brooklyn, N. Y.

Jack Rubenstein, New York State director, Textile Workers Union of America.

William Pollock, executive vice president, Textile Workers Union of America, executive council, Textile Workers Union of America, AFL–CIO meeting in Washington, D. C.

Edward F. Doolan, manager, Fall River Joint Board Textile Workers Union of America, on behalf of 13,000 textile workers in Fall River and vicinity.

Harold C. Troidl, area director, UAW–AFL–CIO, Buffalo, N. Y.

Jay C. Watkins, director, education and political action, region No. 9, UAW–AFL–CIO. After careful survey of cross-section of some 40,000 UAW members in Niagara frontier, we find overwhelming support for S. 1823 concerning Niagara power development.

James Miller, president, James Steel, secretary-treasurer, the Greater Buffalo Industrial Union Council, AFL–CIO, representing 100,000 organized workers in the Buffalo, N. Y., area.

Matthew Guinan, president, local 100, Transport Workers Union, AFL–CIO, representing 45,000 members and their families, New York City.

Jack R. Suarez, president, district 3, IUE, AFL–CIO, Schenectady, N. Y., District Council 3, IUE, AFL–CIO, New York State, representing 50,000 electrical workers wholeheartedly endorses your bill, S. 1823.

William Gierspach, chairman, legislative committee, local 116, UAW, 5416 Second Avenue, Brooklyn.

Dave Klein, president, United Optical Workers, New York, N. Y. (local 408, IUE, AFL–CIO, 112 East 19th Street, New York City).

Julius Sum, president, local 338, Retail, Wholesale, and Chain Store Food Employees Union, AFL–CIO (6,000 members), New York City.

Michael DeCicco, manager, Furniture Workers Union, local 76–B, New York City.

Vincent Messina, manager, local 324, ACWA Union, New York City.

Helen Thompson, local 1001, Textile Workers, Newburgh, N. Y.

United Shoe Workers of America, New York City.

Louis Hollander, president, Harold J. Garno, secretary-treasurer, New York State CIO Council, 101 West 31st Street, New York City.

Michael J. Quill, president, Morris Iushewitz, secretary-treasurer, New York City CIO Council, and its half-million members, New York City.

Vincent La Capria, comanager, Abraham Miller, secretary-treasurer, New York joint board, ACWA (Amalgamated Clothing Workers of America), on behalf of the 50,000 members, 31 West 15th Street, New York City.

James Miller, president, James Steel, secretary-treasurer, the Greater Buffalo Industrial Union Council, AFL–CIO, 100,000 organized workers, the Buffalo, N. Y., area, Buffalo, N. Y.

William Swanwick, president, local 292, United Paper Workers of America, New York City.

Mortimer Gellis, president, local 1706, Insurance Workers of America, AFL–CIO, New York City.

Thomas Flavell, manager, local 169, Amalgamated Clothing Workers of America, New York City.

Local 504, Transport Workers Union, AFL–CIO, Elmhurst, N. Y.

District Council No. 15, OCAW, AFL–CIO, Niagara Falls, N. Y.

United Shoe Workers of America, AFL–CIO, Joint Council No. 3, signed by Fileno De Novellis, manager, Anthony Scimeca, secretary-treasurer.

Jack Curran, vice president, Oil, Chemical and Atomic Workers, International Union, CIO.

Jacob S. Potofsky, general president, Amalgamated Clothing Workers of America.

David Dubinsky, president, International Ladies Garment Workers Union.

Mr. LEHMAN. Finally, Mr. President, I submit for the RECORD a random sampling of the telegrams which have flooded my office in the last few days, since it became apparent that the phony argument, the misleading argument, that the people of New York are opposed to my bill, would be used on the floor of the Senate. I ask unanimous consent that these telegrams be printed in the body of the RECORD at this point in my remarks.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *May 9, 1956.*

Senator HERBERT LEHMAN:

LEHMAN's power bill deserves support.

Mrs. W. A. CARSON.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
LEHMAN'S power bill deserves support.
RUTH KRASNOFF.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
THOMAS BOND.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
LOUIS CACCIARI.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
LEHMAN'S power bill deserves support.
PAUL BOLLEN.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
People are for LEHMAN'S public power statute.
CONNIE ZURICA.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
MICHAEL BOCCO.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
ARTHUR SOMERVILLE.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Urge support of Senator LEHMAN'S public power bill.
ADOLPH SCHROEDER.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Hope your public power law passes.
RONALD STANLEY.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Urge support of Senator LEHMAN'S public power bill.
JOHN DEMASI.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Press passage of your public power bill.
PETER AVOLA.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
People are for LEHMAN'S public power statute.
FRANK BORZOMATI.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Press passage of your public power bill.
EUGENE P. PERONE.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Urge support of Senator LEHMAN'S public power bill.
LEON ADLER.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Hope your public power law passes.
TED BERMAN.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Press passage of your public power bill.
PAUL A. LATTANZI.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
The public favors public power. Keep up the good work.
ARTHUR BECKER.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Lehman's public power bill should pass.
SARAH MORRIS.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
WM. J. MOIR.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Your public power bill crowns a great career.
MAX G. GERSCHER.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Urge support of Senator LEHMAN'S public power bill.
JAMES P. CLARK.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
LEHMAN'S public power bill should pass.
ALFRED FOSTER.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
People are for LEHMAN'S public power statute.
SAMUEL SAMUELS.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
LEHMAN'S public power bill should pass.
STEPHEN URBAN.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
FRANCES WEISS.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Hope your public power law passes.
MURRAY LESSOFF.

GARDEN CITY, N. Y., *May 10, 1956.*
Senator LEHMAN,
New House Office Building:
I strongly urge support of S. 1636 and ask your backing on this measure.
MRS. GEORGE SHORTMEIER, Jr.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
People are for LEHMAN'S public power statute.
WANDA LOCK.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
The public favors public power; keep up the good work.
HARRY ZALDIN.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Your public power bill crowns a great career.
ALFRED R. DOTTIN.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Your public power bill crowns a great career.
JOHN O'DEA.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
HARRY LEVINE.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Your public power bill crowns a great career.
ANNA M. JACOBS.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Hope your public power law passes.
DAVID KORNFIELD.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Press passage of your public power bill.
CARL TRICHTER.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
LEHMAN'S power bill deserves support.
FRANCIS WEINSTEIN.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
The public favors public power keep up the good work.
MRS. ANNE JACOBS.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
We want LEHMAN'S power proposal.
PIERCE ECCLES.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
LEHMAN's public power bill should pass.
CARL ROSE.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
LEHMAN's public power bill should pass.
MANUEL CASTELO.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
People are for LEHMAN's public power statute.
LEONARD POWERS.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Urge support of Senator LEHMAN's public power bill.
Mrs. DIANA HOROWITZ.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
We want LEHMAN's power proposal.
IRWIN SLOVES.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
The public favors public power. Keep up the good work.
ELIAS TEVLIN.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
LEHMAN's power bill deserves support.
ERAINE L. MANTAS.

NEW YORK, N. Y., *May 9, 1956.*
Hon. HERBERT H. LEHMAN,
Washington, D. C.:
LEHMAN's power bill deserves support.
BERNARD SEGAL.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
People are for LEHMAN's public power statute.
JOSEPH MARINE.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Urge support of Senator LEHMAN's public power bill.
MADELAINE COLE.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Urge support of Senator LEHMAN's public power bill.
EDWARD P. TOLLEY.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Urge support of Senator LEHMAN's public power bill.
FRED HILL.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
People are for LEHMAN's public power statute.
J. VAN H. WHIPPLE.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
LEHMAN's power bill deserves support.
HYMAN ROSENBLUM.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
LEHMAN's public power bill should pass.
CHARLES HUNT PICAID.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Urge support of Senator LEHMAN's public power bill.
HYMAN ABRAMS.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
LEHMAN's power bill deserves support.
VERONICA KEANE.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
People are for LEHMAN's public power statute.
BEN PINCUS.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
People are for LEHMAN's public power statute.
ANTHONY TREZINI.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
The public favors public power keep up the good work.
HARRY KENDELL.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
The public favors public power keep up the good work.
MURRAY ZWANG.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Your public power bill crowns a great career.
MATTHEW INTNER.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Your public power bill crowns a great career.
ALBERT LEVY.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
JAMES ROSENTHAL.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Your public power bill crowns a great career.
STEPHEN BOTSFORD.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Your public power bill crowns a great career.
LEON RABBIN.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Your public power bill crowns a great career.
FRANK MCNABB.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Press passage of your public power bill.
MILTON SELTZER.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
We want LEHMAN's power proposal.
ADOLF SUMMERFIELD.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
We want LEHMAN's power proposal.
IRVING SMITH.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
LEHMAN's power bill deserves support.
JACOB BOBBINS.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
We want LEHMAN's power proposal.
UNA HADLEY.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
We want LEHMAN's power proposal.
BEN RADER.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Press passage of your public power bill.
EDWARD STOCKVIS.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Press passage of your public power bill.
EVERETT HALL.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
LEHMAN's power bill deserves support.
Mrs. W. A. CARSON.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Press passage of your public power bill.
FRANCES SCHWARTZ.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
We want LEHMAN's power proposal.
H. M. SACHS.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Hope your public power law passes.
NORMAN NATKO.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
People are for LEHMAN's public power statute.
SEYMOUR R. THALER.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
LEHMAN's public power bill should pass.
LOUIS GLASSBERT.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Hope your public power law passes.
EUGENE YOUNG.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Hope your public power law passes.
LOUIS MANGINI.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
LEHMAN'S public power bill should pass.
RAPHAEL FUENTES.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Hope your public power law passes.
RICHARD MASS.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
The public favors public power. Keep up the good work.
MARY J. GRISSOM.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
WILLIAM V. PURCELL.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
JACK HOLTZBERG.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
The public favors public power. Keep up the good work.
MARIE E. ANDERSON.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
Mrs. CHARLOTTE TREVILLION.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
JOHN SACHMAN.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
ROSEMARY DUBOIS.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
DONALD A. SACHAR.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
JACQUES MAIGNAN.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
LEHMAN'S power bill deserves support.
CESAR RODRIGUEZ.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
LEHMAN'S public power bill should pass.
IRVING ROSEN.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
We want LEHMAN'S power proposal.
ALICE KOCH.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Press passage of your public power bill.
WILLIAM E. HORWILL.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H LEHMAN,
United States Senate,
Washington, D. C.:
We want LEHMAN'S power proposal.
SAMUEL P. HORNSTEIN.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Hope your public power law passes.
PAUL WOSNER.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Congratulations on your fine visionary public plan.
MARTIN A. JANSON.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Your public power proposal is a very good one and should become law.
BOB WASSNER.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
The public favors public power. Keep up the good work.
Mrs. MURIEL M. LEONARD.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
The best of luck with your bill to develop Niagara power in our interests.
COLIN CATTLEY.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
Please know that we are pulling for you and hope that the other Senators will vote to pass S. 1823.
JULIUS BRONZINO.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
These so-called public utilities are not for the benefit of the public. Your bill S. 1823 is in the genuine public interest. I am on your side.
JACK KIRISITS.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
My whole family is with you in your fight for the passage of your public power bill.
ED LARKOWSKI.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
We are with you on S. 1823.
MERT HOUSE.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
My family and I support you and your bill S. 1823.
CHARLES CANE.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
Our electric bill is too high now. S. 1823 is the answer to more and cheaper power rates.
JOSEPH L. NEWTON.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
It's about time we had someone concerned about the little folks. Please do everything possible to pass S. 1823.
LEONARD SIDORSKI.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
Your bill S. 1823 will mean cheaper rates for us at home. Please make it pass.
GEORGE FRONGILLO.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
Am in full support of your bill S. 1823. The Niagara River and the falls are gifts from God to his people and it should be developed in their interest.
JOSEPH YANTOMASI.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
When a comparison is made between an electric bill of a worker across the river and my bill here in Buffalo, how can I or any other worker fail to support you in your fight for public power as against the utilities and their private gouge.
FRANK TELAKOWICZ.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:
We need more Senators like you who will fight for legislation in our interest. S. 1823 is a dandy. Make it pass.
RICHARD KOENIG.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:

The waters of the Niagara and the benefits derived thereof belong to all the people not some chosen few. Your power bill is the proper way to develop the power of the Niagara River.

ALICE LEBERT.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senator,
Senate Office Building,
Washington, D. C.:

If some of our Representatives' wives had to go out and work like I do to support my family, they wouldn't hesitate a moment in voting for your public power bill and other legislation for our benefit.

MARGARET SNYDER.

ELMHURST, N. Y., *May 9, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:

Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers interests so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

JNO MELE,
President, Air Transport Local 504, TWU, AFL–CIO.

NIAGARA FALLS, N. Y., *May 11, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

District Council 15, OCAW AFL–CIO, representing 10,000 organized workers in the Niagara Falls, N. Y., area vitally interested in the passage of Int. S. 1823 re development of Niagara River hydroelectric under public promotion. The future economy of this entire area is closely related to the above legislation which will make available an abundance of low cost power for home and industrial consumption. Industry will have an added incentive to locate in our area thereby making more jobs available in our community. We believe that the economic welfare and expansion of the economy of the entire State of New York is closely related in S. 1823. We urge its passage.

WESLEY J. HILTS,
Secretary Treasurer, District Council 15, OCAW AFL–CIO.

NEW YORK, N. Y., *May 9, 1956.*
Senator LEHMAN,
Senate Office Building,
Washington, D. C.:

Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers' interests so as to spread benefits as widely as possible and make possible low cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

FILENO DE NOVELLIS,
Manager.
ANTHONY SCIMECA,
Secretary Treasurer, United Shoe Workers of America, AFL–CIO, Joint Council No. 13.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:

Your public power bill crowns a great career.

AMALGAMATED CLOTHING WORKERS OF AMERICA.

NEW YORK, N. Y., *April 30, 1956.*
Senator HERBERT LEHMAN,
Senate Office Building,
Washington, D. C.:

Congratulations on your fight in behalf of consumer of the State of New York. May license granted by the Federal Power Commission to the Power Authority of the State of New York including strong preference clause be a permanent blessing to the people of the State of New York.

MARTIN GERBER,
Regional Director, United Auto Workers.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Victory for Senate bill 1823 will confirm a permanent blessing to power consumers in the State of New York. Best wishes in your efforts in support of this measure. Accept this expression of my support in behalf of 100,000 members of the United Automobile Workers in the Northeast.

CHARLES H. KERRIGAN,
Regional Director, UAW.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

On behalf of 250,000 members of the New Jersey State CIO I strongly favor Senate bill 1823, as reported out of committee without any weakening amendments. Congratulations on your fine fight in behalf of power consumers in the Northeast.

PAUL KREBS,
President, New Jersey State CIO.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:

The public favors public power. Keep up the good work.

GREATER NEW YORK JOINT BOARD OF TEXTILE WORKERS.

NEW YORK, N. Y., *May 11, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

The Transport Workers Union of America, AFL–CIO, and its more than 70,000 members employed in the bus, air, and rail, transportation and gas utility industries in the New York area are in solid support of your effort to protect theirs and their families living costs to the passage of S. 1823. This bill affords to them necessary consumer protection in the development of the Niagara River's hydroelectric resources. It will insure the lowest possible cost for power for all the people of the State and serve as a protection to the public as a yardstick against runaway power prices. It will moreover provide to the critical area of upstate New York a source of much-needed employment with resulting benefits to the entire State economy. You have the wholehearted support of TWU in your fight.

WORKERS UNION OF AMERICA, *AFL–CIO.*
MICHAEL J. QUILL,
International President.
MATTHEW GUINAN,
International Secretary-Treasurer.
FRANK SHEEHAN,
Director of Organizations Transport.

BROOKLYN, N. Y., *May 11, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

One thousand five hundred members of Local 2067, United Steel Workers of America, fully support your fight to obtain passage of S. 1823.

NICHOLAS CAPPADONA, Sr.,
Chairman, Political Action Committee.

ROSLYN, N. Y., *May 10, 1956.*
Senator LEHMAN,
Senate Office Building,
Washington, D. C.:

Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers interest so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

ANTHONY MAZZOCCHI,
President, Local 14–149, Oil, Chemical and Atomic Workers International Union.

NEW YORK, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

HONORABLE SIR: Joint council representing 5,000 members fully support your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers interests, so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

ADOLPH ROSENBAUM,
President, Greater New York Joint Council, Barbers and Beauty Culturists Union of America, AFL–CIO.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:

People are for Lehman's public power statute.

ALLIED TRADES COUNCIL.

NEW YORK, N. Y., *May 11, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building
Washington, D. C.:

Our union fully supports your fight for passage of S. 1823 to develop hydroelectric resources Niagara River under public auspices safeguarding consumers interests to spread benefits widely as possible making possible low cost power passage of this bill will mean more jobs and increased level economic activity for New York State.

JOURNEYMEN TAILORS UNION, LOCAL 1, ACWA.

LONG ISLAND CITY, N. Y., *May 11, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:

We are behind you in your fight for passage of S. 1823.

JIM TRENZ,
President, Local 463, CIO–AFL.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:

Lehman's power bill deserves support.

ALLIED CRAFTS UNION.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:

Press passage of your public power bill.

JOINT BOARD OF FUR DRESSERS AND DYERS.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:

Hope your public power law passes.

BROADWAY CHAUFFEURS ASSOCIATION, INC.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:

Your public power proposal is a very good one and should become law.

HOUSE WRECKERS UNION, LOCAL 95.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Congratulations on your fine visionary public power plan.
BARTENDERS UNION, LOCAL 15.

BROOKLYN, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
Press passage of your public power bill.
MARINE ALLIED WORKERS.

MAY 11, 1956.
Hon. HERBERT H. LEHMAN,
United States Senate:
Workers, business, industry, farm-families, and housewives in New York, New England and neighboring States will all benefit from low-cost electrical power at Niagara Falls by Lehman bill. We urge enactment of this legislation.
JACK RUBENSTEIN,
New York State Director,
Textile Workers Union of America.

MAY 11, 1956.
Hon. HERBERT H. LEHMAN,
United States Senate:
Executive Council Textile Workers Union of America, AFL–CIO, meeting in Washington, D. C., wholeheartedly endorses Senate bill 1823 for public development of Niagara hydroelectric power under specified preference provisions to furnish low cost electricity to consumers in New York, Ohio, Pennsylvania and New England.
WILLIAM POLLOCK,
Executive Vice President, Textile Workers Union of America.

WASHINGTON, D. C., *May 11, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senate:
On behalf of 13,000 textile workers in Fall River and vicinity, I urge support S. 1828 as reported from committee for development of Niagara power to insure lowering of rates now far too high in New England and nearby States.
EDWARD F. DOOLAN,
Manager, Fall River Joint Board Textile Workers Union of America.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
After careful survey of cross section of some 40,000 UAW members in Niagara frontier, we find overwhelming support for your bill S. 1823 concerning Niagara power development. Enactment of your bill will make available vast quantities of additional power at lower rates and will draw badly needed additional industry to our State and area. The UAW and its members in western New York vigorously support you in your endeavors.
HAROLD C. TROIDL,
Area Director, UAW-AFL-CIO.
JAY C. WATKINS,
Director Education and Political Action Region No. 9.

BUFFALO, N. Y., *May 10, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
The Greater Buffalo Industrial Union Council AFL-CIO representing 100,000 organized workers in the Buffalo-New York area vitally interested in the passage of S. 1823 re development of Niagara River hydroelectric under public promotion. The future economy of this entire area is closely related to the above legislation which will make available an abundance of low-cost power for home and industrial consumption. Industry will have an added incentive to locate in our area thereby making more jobs available in our community. We believe that the economic welfare and expansion of the economy of the entire State of New York is closely related in S. 1832. We urge its passage.
JAMES MILLER,
President.
JAMES STEEL,
Secretary-Treasurer.

NEW YORK, N. Y., *May 10, 1956.*
Senator HERBERT LEHMAN,
Senate Office Building,
Washington D. C.:
Local 100 Transport Workers Union of America, AFL-CIO, representing 45,000 members and their families, wholeheartedly support your efforts to secure passage of S. 1823. This bill will protect the consumers' interest in the development of the hydroelectric resources of the Niagara River. Such a measure would spread the resulting benefits to all sections of our great State and would bring the lowest cost power to our people. It would also provide a yardstick against unwarranted increases from private companies. More jobs for workers throughout the State and increased activity for our business economy would be much desired additional benefits. We in TWU are solidly behind you in this fight.
MATTHEW GUINAN,
President, Local 100, Transport Workers Union, AFL-CIO.

BUFFALO, N. Y., *May 10, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Delegates to the Western New York Citizenship Council (UAW–AFL–CIO) representing 30,000 members have unanimously adopted a resolution in support of your bill S. 1823 and commend you on your fight in behalf of the power consuming public.
JOSEPH KINECKI,
President.
RALPH STONE,
Recording Secretary.

SCHENECTADY, N. Y., *May 10, 1956.*
Hon. HERBERT LEHMAN,
United States Senate,
Washington, D. C.:
District Council 3 IUE–A. F. of L.–CIO, New York State, representing 50,000 electrical workers, wholeheartedly endorse your bill, S. 1823.
JACK R. SUAREZ,
President, District 3, International Union of Electricians, AFL–CIO.

BROOKLYN, N. Y., *May 10, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Local No. 116, UAW, supports your fight to get S. 1823 passed in the United States Senate. We feel that cheaper electric power spread widely may benefit many consumers, make more jobs, and better the economy of our State in general.
Respectfully,
WILLIAM GIERSPACH,
Chairman, Legislative Committee.

NEW YORK, N. Y., *May 10, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Our union fully supports your valiant fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices, with consumers' interests safeguarded. Passage of this measure will increase employment and level of economic activity in our State.
DAVE KLEIN,
President, United Optical Workers Union, Local No. 408, IUE, AFL–CIO.

NEW YORK, N. Y., *May 10, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Six thousand members of our union support your fight to obtain passage of bill S. 1823 to develop hydroelectric resources of Niagara River under public auspices. Passage of this bill will mean more jobs and increase level of economic activity for New York State.
JULIUS SUM,
President, Local No. 338, Retail, Wholesale, and Chain Store Food Employees Union, AFL–CIO.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers' interests so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.
MICHAEL DECICCO,
Manager, Furniture Workers Union, Local 76B.

NEW YORK, N. Y., *May 10, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Local 324 ACWA Union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers interests.
VINCENT MESSINA,
Manager, Local 324, ACWA.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN:
LEHMAN's public power bill should pass.
AMERICAN JEWISH CONGREGATION,
LAWYERS CHAPTER.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
We want LEHMAN's power proposal.
DELMORE SOCIAL CLUB.

NEW YORK, N. Y.
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Hope your public power law passes.
PROFESSIONAL ARTS CLUB.

NEW YORK, N. Y., *May 9, 1956.*
Senator HERBERT H. LEHMAN,
Washington, D. C.:
Press passage of your public power bill.
ALPINE SOCIAL CLUB.

BROOKLYN, N. Y.
Senator HERBERT H. LEHMAN,
United States Senate, Washington, D. C.:
LEHMAN's public power bill should pass.
BENSONHURST ITALIAN ORGANIZATION.

BROOKLYN, N. Y.
Senator HERBERT H. LEHMAN,
United States Senate, Washington, D. C.:
Hope your public power law passes.
HEIGHTS JEWISH CLUB.

BROOKLYN, N. Y.

Senator HERBERT H. LEHMAN,
United States Senate, Washington, D. C.:
Urge support of Senator LEHMAN'S public power bill.

AFFILIATED YOUNG DEMOCRATS.

MAY 7, 1956.

Senator IRVING M. IVES,
Senate Office Building,
Washington, D. C.:
Request your cooperation and favorable vote on Lehman bill, Niagara power project. Cost of electricity to individual rate-payers as well as all industry in this area much higher than in Canadian sector or southern TVA area. Private interests attempt to gain at expense of taxpaying public who actually pay cost of improvements through Federal aid, yet power rates are increased constantly, resulting in doubled or trebled cost to user. Time the consuming public be considered.

HAROLD SMITH,
Record Section, TWUA Local 1085.

BUFFALO, N. Y., *May 9, 1956.*

Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
The Greater Buffalo Industrial Union Council AFL–CIO, representing 100,000 organized workers in the Buffalo, N. Y., area vitally interested in the passage of S. 1823 re development of Niagara River hydroelectric under public promotion. The future economy of this entire area is closely related to the above legislation which will make available an abundance of low-cost power for home and industrial consumption. Industry will have an added incentive to locate in our area, thereby making more jobs available in our community. We believe that the economic welfare and expansion of the economy of the entire State of New York is closely related in S. 1832. We urge its passage.

JAMES MILLER,
President.
JAMES STEEL,
Secretary-Treasurer.

NEW YORK, N. Y., *May 10, 1956.*

Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguard of consumers' interests so as to spread benefits as widely as possible and make possible low-cost power.

WILLIAM SWANWICK,
President, Local 292, United Paper Workers of America.

LONG ISLAND CITY, N. Y.

Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Our local union fully supports your fight to obtain passage of S. 1823.

LOCAL 365 UNITED AUTOMOBILE WORKERS, CIO.

NEW YORK, N. Y., *May 10, 1956.*

Honorable HERBET H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers interests so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

MORTIMER GELLIS,
President Local 1706, Insurance Workers of America AFL–CIO.

NEW YORK, N. Y., *May 10, 1956.*

Senator LEHMAN,
Senate Office Building,
Washington, D. C.:
Our local union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers' interest so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

LOCAL 169 AMALGAMATED CLOTHING WORKERS OF AMERICA.
THOMAS FLAVELL, *Manager.*

NEWBURGH, N. Y., *May 6, 1956.*

Senator HERBERT LEHMAN,
Washington, D. C.:
Pass the Niagara power project bill. Industry badly hurt due to high power cost in industry and also in rates for home use.

HELEN THOMPSON,
Local 1001.

UTICA, N. Y., *May 7, 1956.*

Hon. HERBERT LEHMAN,
Senate Office Building,
Washington, D. C.:
I feel that passage of S. 1823 and speedy processing of Niagara project under public auspices as provided by that bill is essential to meet the vastly expanding power needs of hundreds of communities in the State of New York.

RICHARD H. BALCH,
Member of Public Service Commission, State of New York.

BATH, N. Y., *May 5, 1956.*

Hon. HEBERT LEHMAN,
Senate Office Building:
Grange Neils Creek wishes you to urge support of the Lehman bill S. 1823.

GENEVA PAWLING,
Secretary.

NEW YORK, N. Y., *May 9, 1956.*

Senator HERBERT H. LEHMAN,
Washington, D. C.:
Urge support of Senator LEHMAN'S public power bill.

UNITED SHOE WORKERS OF AMERICA.

NEW YORK, N. Y., *May 9, 1956.*

Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington D. C.:
The New York State CIO Council has already gone on record in favor of development of hydroelectric resources as proposed in S. 1823 for the Niagara River and therefore strongly urges your utmost effort to obtain its passage so that the public owner of these vast and valuable resources, may obtain maximum benefit from them.

LOUIS HOLLANDER,
President.
HAROLD J. GARNO,
Secretary-Treasurer,
New York State CIO Council.

NEW YORK, N. Y., *May 9, 1956.*

Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
On behalf of New York City CIO council and its half million members all who are constantly concerned with economic conditions in New York State we are in full support of your stand on public power utilities and send you our confident hope you will be successful in getting passage of S. 1823 which will develop hydroelectric resources of Niagara River under public auspices safeguarded in consumers' interests. This would spread benefits to the widest extent and make possible low-cost power. Passage of this bill will mean more jobs and increase the level of economic activity for our State of New York.

MICHAEL J. QUILL,
President.
MORRIS I. USHEWITZ,
Secretary-Treasurer.

TEXTILE WORKERS UNION OF AMERICA,
OFFICE OF THE EXECUTIVE VICE PRESIDENT,
NEW YORK, N. Y., *May 4, 1956.*

To the Members of the United States Senate.

DEAR SENATORS: We, the undersigned, a group of officers of local unions in New York State affiliated with the Textile Workers Union of America, AFL–CIO, once more strongly request and urge that you work and vote for S. 1823 (the Lehman bill) for the redevelopment of the Niagara River, etc.

Our union, which has a widely scattered membership in New York State, has specifically endorsed the terms and principles of the Lehman bill at at least two national conventions; we have endorsed the Lehman bill time after time at our State conventions. We insist that working people of our State are genuinely concerned with this issue and, despite the terrific and misleading propaganda of the private power companies, do understand clearly enough what is at stake in this controversy.

From the consumer standpoint, the interest of the people of New York is brutally clear: we pay roughly twice as much as we should for our electricity. As industrial employees, however, we have equally compelling reasons to be for the Lehman bill. The recent mass migration of the textile industry from several important areas in New York such as Yonkers, Amsterdam, and Utica should have shocked all public officials, as well as the average private citizen, into the realization that drastic measures must be taken if such types of manufacture are to continue to operate in this area.

One of the vital economic factors in the migration of these historic plants was the high cost of power for industrial purposes in the areas where they previously operated. Textiles and similar industries must have lower electric rates if they are to remain in New York or surrounding States.

We enclose herewith for your reference a summary of a speech on this problem made late last year by Leland Olds, formerly with the power authority of the State of New York and former chairman of the Federal Power Commission.

Hope that you will vote for S. 1823.

Sincerely yours,

Miraglia, Local 1790, Brooklyn, N. Y.; Krokenberger, Local 1303, Amsterdam, N. Y.; Campbell, joint board, Newburgh, N. Y.; Killian, joint board, Cohoes, N. Y.; Wolski, joint board, Buffalo, N. Y.; Mickus, Local 1, Amsterdam, N. Y.; Sablosky, Local 3, Rochester, N. Y.; Solimando, Local 20, Utica, N. Y.; Heitzmann, Local 41, Utica, N. Y.; Graniero, Local 42, Utica, N. Y.; Rzepka, Local 49, Buffalo, N. Y.; Greene, Local 93, New York, N. Y.; Perry, Local 129, Oswego, N. Y.; Gendron, Local 237, Cohoes, N. Y.; Epstine, Local 252, New York, N. Y.; Garrison, Local 488, Little Falls, N. Y.; Vincoski, Local 629, Salamanca, N. Y.; Smith, Local 683, Haverstraw, N. Y.; Hooper, Local 701, Fulton, N. Y.; Malone, Local 772, Little Falls, N. Y.; Murrary, Local 791, Crayville, N. Y.; Laraway, Local 792, Philmont, N. Y.; Lozier, Local 898, Newburgh, N. Y.; Bergeson, Local 938, Nassau, N. Y.; Guenther, Local 988, Port Jervis, N. Y.; Rettenbaugh, Local 1010, Conewango Valley, N. Y.; Karpovage, Local 1024, Tonawanda, N. Y.; Karagozian, Local 1032, Croton-on-Hudson, N. Y.; Kucia, Local 1067, Buffalo, N. Y.; Rusinek, Local 1095, Depew, N. Y.; Warren, Local 1122, Averill Park, N. Y.; Kossakowski, Local

1126, Cheektowaga, N. Y.; Lute, Local 1161, Lockport, N. Y.; Cole, Local 1246, Hudson, N. Y.; Simard, Local 1308, New York Mills, N. Y.; Leggio, Local 1318, Poughkeepsie, N. Y.; Bove, Local 1342, West Sand Lake, N. Y.; Murphy, Local 1326, Binghamton, N. Y.; Smith, Local 1085, Auburn, N. Y.; Chadwick, Local 856, Argyle, N. Y.; McCarthy, Local 464, Garnerville, N. Y.; Rahmlow, Local 221, Hornell, N. Y.; Barber, Local 222, Cohocton, N. Y.; Ward, Local 88, Binghamton, N. Y.

NEW YORK, N. Y., *May 9, 1956.*

Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

On behalf of the 50,000 members of the Amalgamated Clothing Workers of America represented through the New York joint board, we express the hope you may obtain passage of S. 1823 so that the Niagara River hydroelectric potential may be publicly developed with safeguards to protect consumer interests to the end that low-cost power, more jobs and a heightened economic activity may be assured for the people of New York State.

VINCENT LA CAPRIA,
Comanager.
ABRAHAM MILLER,
Secretary-Treasurer, New York Joint Board, CWA.

NEW YORK, N. Y., *May 9, 1956.*

Senator HERBERT H. LEHMAN,
Washington, D. C.:

LEHMAN'S public power bill should pass.

CITY COLLEGE CLUB.

NEW YORK, N. Y., *May 9, 1956.*

Senator HERBERT H. LEHMAN,
Washington, D. C.:

Urge support of Senator LEHMAN'S public power bill.

CONGREGATION TIFFERITH ISRAEL.

SUMMARY OF SPEECH BY LELAND OLDS

The last real hope of the people of the northeastern region for large-scale development of low-cost hydro has now shifted to the Niagara redevelopment project and this hope rests on the enactment by Congress of legislation requiring its public development, with the yardstick influence protected by strict enforcement of the priority right of public and cooperative electric systems to obtain power supply from this source, and public transmission where necessary to assure this preference.

Electric rates in the New York-New England-Pennsylvania-Ohio region can be brought down to levels prevailing in the TVA market area, once the grip of private monopoly is broken. And this could well mean more prosperous rather than less prosperous private power companies providing the bulk of the electric service just as they do today, except for the new dynamic sales policy which they would acquire.

If the people of the Northeast want such lower electric rates for their homes and farms, as well as to strengthen the competitive position of their industry, they must take immediate steps to secure enactment of Senator LEHMAN'S bill for public development of Niagara power * * *.

Any bill, like the Capehart bill, proposing to turn this unexcelled waterpower resource over to private development, must be blocked as an unconscionable giveaway of the people's legitimate rights.

* * * * *

Residential and rural sales alone for the last year of record amounted to $280 million for New York State and more than $820 million for the States within transmission distance of the two great power projects.

Yet, right across the Niagara and St. Lawrence Rivers in Ontario homes are paying less than half as much for the same quantity of electricity as they must pay in similarly situated New York cities for the same service and they are getting 3 to 4 times as much electricity for the same money.

Just look at Toronto and Rochester. In 1952 the average Toronto home used 367 kilowatt-hours a month and paid an average bill of $3.81 for it. A Rochester home had to pay $4.36 for only 100 kilowatt-hours. For a home using 250 kilowatt-hours the monthly bills were $3.02 in Toronto and $7.27 in Rochester.

Or take New York City, where millions of homes pay among the highest rates in the country and compare it with Windsor, Ontario, 200 miles away from Niagara Falls. The average Windsor home used 286 kilowatt-hours a month for which it paid $3.64; while the average New York home paid $4.44 for only 100 kilowatt-hours. For 250 kilowatt-hours of monthly service homes paid $3.33 in Windsor and $7.85 in New York City.

Since 1952 rates for both 100 and 250 kilowatt-hours have gone up in Rochester and New York City.

The Federal Power Commission typical bill reports show that industrial power rates are higher in the cities of New York State than in comparable cities in Ontario.

Comparisons made by the Federal Power Commission at the request of a Congressman showed that in 1950 residential service was costing the homes of New York State over $100 million more than they would have been billed at rates in the TVA area. For the group of States that might benefit from the combination of Niagara, St. Lawrence and other water power in the Northeast, the corresponding excess cost of residential electricity was running at more than $300 million a year.

The total electric bill, including commercial and industrial as well as residential service, was running about $300 higher for New York State, and nearly $900 million higher for the nine-State combination, than it would have run if TVA area rates had prevailed throughout the region.

* * * * *

New York and its neighboring States have high rates because there has been little effective public competition. If the people of the region are to obtain the lower rates that are perfectly feasible, there must be more than just public development of the mighty Niagara and St. Lawrence resources. There must be public development, plus marketing of the power under an unlimited preference to public and cooperative systems with enough public transmission to assure these nonprofit agencies, or any future public or cooperative agencies, a low-cost power supply.

Only through adoption of these marketing principles will electric rate yardsticks begin to exercise a potent effect on rates in the region.

This requires enactment by Congress of a bill for development of Niagara power with the safeguards for the public interest, including both the preference for nonprofit electric systems and public transmission, in general accord with the provisions of the bill introduced by Senator LEHMAN * * *.

Much is at stake. For the electrical age is moving rapidly forward. Abundance of low-cost power is the key to progress, to full employment, to increased productivity, shorter working weeks, and higher living standards. It means that power requirements are climbing toward 9 trillion kilowatt-hours by the end of the century, with both hydro- and atomic-power helping conventional fuel plants to carry the vast loads. It means residential and rural use exceeding industrial use within less than 20 years, if rates come down to perfectly feasible levels.

DELHI, N. Y., *May 7, 1956.*

Senator HERBERT H. LEHMAN,
Senate Office Building:

Farmers in Delaware and Schoharie Counties urge approval of your bill S. 1823 for State development of Niagara Falls power. Farm electric power rates in most areas of New York are so high that many electrical farming methods are uneconomical. Preference provisions of your bill are consistent with New York law. All consumers over a wide area will benefit through the effect of yardstick rates.

ROBERT N. DONOVAN,
Delaware County Electric Cooperative.

GREENWOOD, N. Y., *May 7, 1956.*

Hon. HERBERT LEHMAN,
Senate Office Building:

I would appreciate it if you would support bill S. 1823.

MARSHALL WARINER,
Director of the Steuben REA.

DELHI, N. Y., *May 7, 1956.*

Senator HERBERT H. LEHMAN,
Senate Office Building:

Domestic and rural consumers in New York need low-cost Niagara power. Only S. 1823 for construction of the Niagara project gives maximum assurance of lower electric rates. Lower rates have never been promised by sponsors of a private monopoly at Niagara Falls. Objections to preference provisions of your bill are not based upon fact. We hope your bill is approved.

STANLEY V. CAMPBELL.

BATH, N. Y.

Hon. HERBERT LEHMAN,
Senate Office Building,
Washington, D. C.:

Our 1,400 members certainly appreciate your efforts to obtain Niagara power for the people. Our loads are continually increasing and we expect this increase to continue. We are looking forward to an early passage of the Lehman-Buckley bill.

GORDON MARGESON,
Manager, Steuben Cooperative, Bath, N. Y.

PENN YAN, N. Y., *May 3, 1956.*

Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Sincerely urge you to support public development of Niagara power.

LELAND A. WELKER,
President, Municipal Electric Utility Association of New York State.

OGDENSBURG, N. Y., *May 2, 1956.*

HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Request you work and vote for passage Puffe's development of Niagara River power bill.

J. S. GRAHAM,
Alderman, First Ward.

PLATTSBURG, N. Y., *May 2, 1956.*

Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urging favorable action on public development of Niagara power bill.

PLATTSBURG ELECTRIC.
JACK COGAN.

PLATTSBURG, N. Y., *May 2, 1956.*

Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urging favorable action on public development Niagara power bill.

ALLEN M. LIGHT.

LAKE PLACID, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Request you take favorable action on public development Niagara power bill.
JUDSON M. WARE,
Treasurer, Lake Placid Village.

GROTON, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Our board light commissioners urge favorable action on public development Niagara power bill.
E. H. CURTICE,
Village Clerk.

NORTH BALTIMORE, OHIO, *April 30, 1956.*
Senator LEHMAN,
Senate Office Building,
Washington, D. C.:
Am anxious to have S. 1823 passed.
THE HANCOCK WOOD ELECTRIC CO-OP.

OGDENSBURG, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
We wish to go on record as in favor of public development of Niagara River power.
LEO F. LEGAULT,
Chairman, Municipal Power Committee of Counsel of Ogdensburg, N. Y.

COLUMBUS, OHIO, *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
United States Senate,
Washington, D. C.:
We are supporting your bill on Niagara in the interest of rural consumers of electricity in the northern half of Ohio.
HOWARD A. CUMMINS,
Executive Manager, Ohio Rural Electric Cooperative, Inc.

CLAIRSVILLE, OHIO, *April 30, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Congratulations on getting your bill out of committee for redevelopment of Niagara. We are requesting support by our Ohio Senators.
L. W. PETERES,
President, Belmont Electric Cooperative.

COLUMBIA CITY, IND., *April 30, 1956.*
Senator LEHMAN,
Senator Office Building,
Washington, D. C.:
Believe S. 1823 to be in public interest and should be passed.
WHITLEY COUNTY REMC,
RICHARD C. SMITH, *Manager.*

FINDLAY, OHIO, *April 30, 1956.*
Senator HERBERT H. LEHMAN, of New York,
United States Senate Building,
Washington, D. C.:
We urge your vote for S. 1823 as we are confident that it is the most fair and equitable method to develop Niagara power.
JOHN S. SAWVEL,
Consulting Engineer.

CARROLLTON, OHIO, *April 30, 1956.*
Senator HERBERT LEHMAN,
Senate Office Building,
Washington, D. C.:
We are supporting your bill on redevelopment of Niagara power. Will do everything we can on this matter.
BOARD OF DIRECTORS, CARROLL ELECTRIC COOPERATIVE, INC.,
PAUL SHEPHERD, *President.*

MARION, OHIO, *April 30, 1956.*
Senator LEHMAN,
Senate Office Building,
Washington, D. C.:
We want to thank you for your fight on the development of Niagara. If we can help in this fight, call on us.
KENNETH KINSLER,
Marion Rural Electric Co-op, Inc.

COSHOCTON, OHIO, *April 30, 1956.*
Senator HERBERT LEHMAN,
United States Senate,
Washington, D. C.:
We are supporting Senate bill 1823 100 percent. Ohio Senators have received 30 letters from this area urging their support.
OWEN MANNING,
Manager, Tuscarawas-Coshocton Electric Co-op.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:
We are backing your bill S. 1823.
O. R. JERMILLLIAN CONTROL CO.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:
We are backing your bill S. 1823.
HUSING & SON MEAT PACKERS.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:
We are backing your bill S. 1823.
BLOOMS RESTAURANT.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:
We are backing your bill S. 1823.
ROTH & SON MANUFACTURING.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:
We are backing your bill S. 1823.
JOHNNY GOLF RANGE.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:
We are backing your bill S. 1823.
BIDLACKS TRUCK STOP.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:
We are backing your bill S. 1823.
HOBBS BROS. SAND & GRAVEL CO.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:
We are backing your bill S. 1823.
BRINKMAN TURKEY FARMS.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:
We are backing your bill S. 1823.
O. P. BROUGH QUARRIES.

FINDLAY, OHIO, *April 30, 1956.*
Senator LEHMAN,
Washington, D. C.:
We are backing your bill S. 1823.
L. C. GERDEMAN & SON.

UTICA, OHIO, *April 30, 1956.*
Senator LEHMAN,
Senate Office Building,
Washington, D. C.:
Our 5,500 co-op farm members continue their active support of your bill for Niagara development, essential to assure them of continual source of economical co-op power for farm production needs.
LICKING RURAL ELECTRIC,
C. D. DUNLAP.

PAULDING, OHIO, *May 1, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
We commend you for your untiring efforts in behalf of the people's best interest. We trust your Niagara bill becomes a reality.
FRANK B. WORKMAN,
President, Paulding Putnam Electric Cooperative, Inc.

NAPOLEON, OHIO, *May 1, 1956.*
Senator LEHMAN,
United States Senate Building:
We are giving the Niagara redevelopment bill strong support here in Ohio.
F. BYRON WORTMAN,
Manager, Tricounty Rural Electric Co-op.

MASSENA, N. Y., *April 28, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building:
The people of Massena are in favor of your bill for the Niagara redevelopment project, Senate 1823.
LAURENCE WHITE,
Acting Mayor.

BATH, N. Y., *May 1, 1956.*
Senator HERBERT LEHMAN,
Senater Office Building,
Washington, D. C.:
Urge favorable action public development of Niagara. Repeat "public." Historic position of municipal electric operation fosters competition in private monopoly enterprise; much needed for people of your State and Northeast. Policy established by State long ago proved by time. Our authority, New York State, only logical solution.
MUNICIPAL UTILITIES COMMISSION,
B. R. LAPP, *Superintendent.*

SYRACUSE, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Urge your support of bill favoring public development of Niagara Falls power potential and preference conditions for public agencies.
Mayor STANLEY E. MAJOR,
Village of Solvay, N. Y.

SPRINGVILLE, N. Y., *May 2, 1956.*
Senator HERBERT LEHMAN,
Washington, D. C.:
Village board of trustees of Springville urge favorable action on Lehman bill for Niagara development.
T. J. KENNY,
Village Clerk.

LITTLE VALLEY, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
Urge favorable action on public development Niagara power bill.
VILLAGE OF LITTLE VALLEY,
W. F. ANDREW, *Mayor.*

DUNKIRK, N. Y., *May 2, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:
The city of Dunkirk, N. Y., respectfully urges your most vigorous action to expedite the passage of the Lehman-Davidson bill for the public development of Niagara power. The passage of this bill is most vital to the

industrial needs and economic welfare of our entire community.

G. WARD YEOMANS,
General Manager, Dunkirk Municipal Water and Electric Department.

PLATTSBURG, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Our citizens urge you oppose private power development of Niagara Falls and support public power development.

S. W. NILES.

WELLSVILLE, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

The Water and Light Commission of the village of Wellsville supports development of the Niagara Falls power project by the New York State Power Authority. Please make effort and use all influence possible to cause favorable action on this bill in the Congress.

WATER AND LIGHT DEPARTMENT,
FRED M. LEIPER, *Superintendent.*

CHERRY CREEK, N. Y., *May 1, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

We thank you for your support of Lehman-Buckley bill and urge your efforts for preference clause in best interest of public consumers of electric power.

C. M. VAN WORMER,
Manager, Chautauqua-Cattaraugus Electric Co-op.

FREEPORT, N. Y., *May 1, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

The Municipal Electric Utilities Association of New York State respectfully urges favorable Senate action on the public development of Niagara power which will be in the interest of all the people of the State of New York.

MILFORD F. VAN RIPER,
Executive Secretary.

SHERBURNE, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urge favorable action on Niagara power bill to be on Senate floor May 3.

GEORGE B. SLEEPER,
Village Clerk.

HARTWICK, N. Y., *May 1, 1956.*
Senator HERBERT LEHMAN,
Senate Office Building,
Washington, D. C.:

We have sent telegrams supporting your bill S. 1823 we know and appreciate that you will do all possible to secure passage.

BOARD OF DIRECTORS,
Otsego Electric Cooperative.

AKRON, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urge your continued support for public development of Niagara power. The Lehman bill provides the only method of construction of this project in a manner that would be consistent with our national policies.

RALPH G. DICKINSON,
Village Clerk-Treasurer, Village of Akron, N. Y.

HERKIMER, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

We urge every effort to secure public development of Niagara power.

MOHAWK MUNICIPAL COMMISSION.
O. E. DAY, *President.*

PLATTSBURG, N. Y., *May 2, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urgent your full support to public development of Niagara power. Natural resources belong to the people.

JOHN F. LONG.

PLATTSBURGH, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Urge you give favorable consideration to public development of Niagara Falls for the benefit of all the people.

W. W. GOTTBURG.

ILION, N. Y., *May 1, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Realizing that the redevelopment of the power potential of Niagara Falls would provide a crucial test of our Nation's natural resources and power and its benefits would be available to local public agencies, rural electric cooperatives, and to neighboring States, we, therefore, earnestly urge full support by the United States Senate of Senator LEHMAN's bill, S. 1823.

ILION BOARD OF LIGHT COMMISSION.
RAYMOND A. BECKER,
Electric Utility Manager.

PENN YAN, N. Y., *April 30, 1956.*
Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Respectfully urge favorable Senate action on your bill for public development Niagara power.

PAUL R. TAYLOR,
Counsel, Municipal Electric Utilities Association of New York.

POTSDAM, N. Y., *April 27, 1956.*
Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

We heartily concur and support the Niagara public-power bill, S. 1823. We recognize your long and arduous work on this public-power development you certainly have our support.

CHATEAUGAY COOPERATIVE MARKETING ASSOCIATION.

Mr. LEHMAN. Mr. President, this is a large number of telegrams, but it is small in comparison with the total number which I have received in my office.

I shall be very glad indeed to yield now to the distinguished senior Senator from New York.

Mr. IVES. Mr. President, does the Senator yield the floor?

Mr. LEHMAN. Yes, unless the Senator wishes to interrogate me, in which case I should be very glad indeed to submit to his questioning.

Mr. IVES. No; I would rather speak in my own right, if that is agreeable.

Mr. LEHMAN. Mr. President, I yield the floor.

Mr. IVES. Mr. President, in the first instance, I wish to point out that much of the matter about which my colleague from New York has been speaking, I covered in my remarks earlier today. I am sure he would be the last to make a statement that organizations like the Federation of Labor of the State of New York, the Utility Workers of America, CIO, the New York State Farm Bureau, the New York State Grange, the Empire State Chamber of Commerce, and the Association of Towns in the State of New York are not representative organizations in the State of New York.

While I am at this point, I should like to suggest that, after all, it is the towns which represent the people of the State of New York who are the rural constituents, as it were. After all, when it comes to the REA and the cooperative production of electricity, I think the Association of Towns, probably as nearly as anyone else, represents the rural people of New York State.

The Association of County Supervisors of the State of New York also is a very important organization in the representation of the rural people of the State of New York. I think the Association of Towns and the Association of County Supervisors of the State of New York represent the rural people of New York State more than any other official organization.

I am certain that my colleague will agree that the Associated Industries of the State of New York is an important organization, representing hundreds of thousands of persons in the State, and, through their individual membership in it, various groups, associations, and connections.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. IVES. I yield.

Mr. LEHMAN. If the Senator listened to my remarks, I think he will recall that I did not question the fact that my senior colleague had received these telegrams. The thesis which I followed was that those persons or groups did not object to my bill alone, but objected to any bill which included or provided for public development. In other words, those persons are not so much against my bill as they are for S. 6, the Capehart bill. They want private development.

The Senator mentioned the Associated Industries of the State of New York. That is a great organization, an organization which is composed of many very responsible and reputable persons and firms. They are entitled to their judgment, just as I am entitled to my judgment; but they have always favored private development of the water resources of New York State, as far back as my memory goes—and it goes back 30 years, or almost 30 years.

The Chamber of Commerce, Associated Industries, and organizations of that sort, have strongly favored the private development and have strongly opposed the public development of the water resources of New York State.

I may go further and say that the Chamber of Commerce of the United States and similar organizations have opposed public development in all sections of the United States, unless such development was of a type in which private organizations were not interested, and did not want to risk their money.

Mr. IVES. My emphasis was not on the Chamber of Commerce of New York State, although that organization happens to be in favor of private development; nor was my emphasis on the Associated Industries of New York, although, as I stated, they favor private development, too. I was merely pointing to a group of organizations in the State which are very powerful in their membership and influence throughout the State.

Among those organizations is the Federation of Labor of the State of New York, whose influence in the State I feel certain my colleague will not belittle, and from whom I read a letter this morning during the course of my remarks before the Senate. It was from Mr. Harold C. Hanover, secretary-treasurer of the Federation of Labor of the State of New York. That organization has consistently opposed public development. I have not agreed with them on that. I think my colleague is a little off the track when he assumes I am taking the position that these organizations have taken with respect to private development.

Mr. LEHMAN. Not the labor organizations.

Mr. IVES. I am pointing out the organizations in the State of New York which are opposed to public development. They are opposed to the Senator's bill as it stands now. They have said so in letters which they have written to me. Probably they would be opposed to the bills I introduced in the 82d and 83d Congresses.

But this simply proves that neither my colleague nor I can say that the vast majority of the people of the State of New York are for this thing or that thing. The truth is that we do not know. We do not know how the vast majority of the people of the State of New York stand on this question.

As I said in my remarks this morning, it is probably unfortunate that we could not have a referendum this fall, or sometime, on this question, to find out how the people stand.

Personally in the past I have always been in favor of the State development of the Niagara River.

Mr. President, while my colleague is present, I wish to point out that at no time, in any campaign in which I have been engaged in the State of New York, has this question ever been an issue. It was not when he and I ran against each other, because we were both for public development. The question was not an issue in the last campaign when I ran against Governor Harriman. At no time was it mentioned by me in the campaign. I do not recall that it was mentioned by Governor Harriman in that campaign. Consequently it has never been an issue in the State of New York, so far as I am aware. But I do say there is a question as to how the people of the State of New York stand on this subject.

I have in my hand a letter I shall read into the RECORD. It is a photostatic copy of a letter sent to my colleague and sent to me, so I assume it is for public consumption and that there is nothing private about it. The letter is dated June 11, 1955. That was about a year ago, but it is as applicable now as it was then. At that time hearings were being held on this question. The letter was written by Andrew J. McMahon, president of the Utility Workers of America, CIO, local 1–2.

Before I begin to read the letter, I should like to point out that my colleague mentioned a great many leaders in the CIO in New York State. Perhaps they are in favor of public development of the Niagara River. I do not know except from what he has given us for the record, and I do not question it. I think it is undoubtedly true and accurate. But I want to point out that another great segment of labor in the State of New York is not in favor of public development. They disagreed with my colleague and myself on this question, and they have every right to disagree, and they constitute probably half of the labor body in the State of New York. The Federation membership is very large in the State.

I do not think either of us can say that the people stand either one way or another on this question. We simply do not know. It has never been an issue in the State of New York for years. Back in the twenties it was, when there was a certain amount of exploitation, but not since my colleague and I have been active in the political field of the State has it been an issue in any campaign that I know of.

Let me read from the letter from Mr. McMahon, president of the Utility Workers Union of America, CIO, local 1–2. The letter is dated June 11, 1955, and is addressed to the Honorable HERBERT H. LEHMAN, Senate Office Building, Washington, D. C.:

DEAR SENATOR LEHMAN—

This comes from the CIO, mind you, Mr. President, not from the American Federation of Labor—

I listened with great interest to your testimony on the Niagara bills before the House Committee on Public Works on Friday, June 10. It is regrettable that you were unable to remain for my appearance, which followed yours. For that reason, I am taking the liberty of enclosing a copy of my presentation.

Mindful of the time and energy you have devoted to this Niagara problem, I am confident that you will welcome 1 or 2 observations which I feel impelled to make. In testifying, you stated that the great body of unionists would be in favor of public development of Niagara, and you mentioned the International Ladies' Garment Workers Union, AFL, and the Amalgamated Clothing Workers Union, CIO, as illustrations of this fact. There are two readily apparent weaknesses in that statement.

In the first place, needleworkers do not work in the electric light and power field, and it is not their wages, hours, and working conditions that are at stake. Knowing the native prudence and hard-earned thrift of most of the workers in the garment trades, I am sure that they would be the first to arms if their interests were directly affected. I don't think any of them would be too happy if they actually knew that part of their tax payments are being used to pay part of the electric-light bill for people in other areas whom they have never seen.

In the second place, each and every needleworker has not been given the facts. In contrast, however, the communication lines have been set up in the electrical unions. On this vital question ours is an informed and vigilant membership. Because of my many appearances before governmental bodies, the the record shows that the position taken by the Utility Workers' Union of America, CIO, is known by every member of our union throughout the United States. This is also true of the International Brotherhood of Electrical Workers, AFL. Our combined membership is in excess of 700,000 in every major city, in every industrial center, and in every State of the Union.

It is imperative that you and all other legislators involved realize that our position was arrived at as a result of official meetings, conferences, and conventions. The unanimous votes of our membership, resulting in scores of petitions and resolutions, were made possible because of the bitter experience our membership and our union as a whole have had in attempting to live with and work with Government power projects at the Federal, State, and local level. Annexed hereto is a list of 44 labor bodies in the State of New York and elsewhere who share our opinion.

On September 20, 1951, you and I both appeared before the House Committee on Public Works and testified on the same Niagara project. The record of that hearing contains statements by you which show that you were then very mindful of the basic objections which my union has to Government operation in the light and power industry. On the record you said that our valid and weighty objection that workers on Government power projects were not covered by the provisions of either the Davis-Bacon Act or the Walsh-Healey Act could be met with new legislation—that legislative means could be found to insure genuine collective bargaining for such workers—and you also added that our objection on the question of taxes could be satisfactorily met.

In addition to what the record contains, you told me in the corridor on that same day, after the hearing, that legislation would be designed to meet our objections to the then Lehman-Roosevelt bill. Almost 4 years have passed and you have done nothing. Your current bill makes no reference to our problems, and in your lengthy appearance on Friday you said nothing about them.

In the true spirit of fashioning a better democracy, I welcome the conflict of ideas and objectives which is an essential part of our system of government. I would not, however, like to feel that you regard our objectives on such issues as wages, hours, and working conditions—true collective bargaining and equitable taxes—as beneath your notice and attention.

So that there can be no misunderstanding of our position and purpose, I am sending a copy of this letter to each member of the Public Works Committee of the House of Representatives.

Respectfully yours,

ANDREW J. MCMAHON,
President.

Mr. McMahon is president of the Utility Workers of America, CIO, local 1–2.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the enclosure in the letter.

There being no objection, the enclosure was ordered to be printed in the RECORD, as follows:

LABOR ORGANIZATIONS WHO HAVE ADOPTED RESOLUTIONS IN FAVOR OF PRIVATE INDUSTRY BUILDING THE NIAGARA PROJECT

FROM NEW YORK STATE

New York State Federation of Labor; Utility Workers Union of America, CIO; New York State Association of Electrical Workers; Bricklayers, Masons and Plasterers International Union of America.

Binghamton: International Brotherhood of Electrical Workers, Local 1125.

Brewster: International Brotherhood of Electrical Workers, Local 994.

Buffalo: American Federation of Grain Millers Local No. 110; Bakery & Confectionery Workers, Local 16; Bakery & Confectionery Workers, Local 431; Bookbinders & Bindery Workers, I. B. of B., A. F. of L., Local 17–34; Building and Construction Trades Council of Buffalo & Vicinity; Hotel Service Employees Local 181 of the Building Service Employees; IAIU, A. F. of L., Local 78; International Alliance Bill Posters, Billers, Distributors of United States & Canada, Local 24; International Association of Bridge, Structural & Ornamental Iron Workers, Local 6; International Brotherhood of Electrical Workers, Local 1339; I. L. G. W. U., Local 50; Journeymen Barbers Union, Local 141; Musicians Association of Buffalo, Local 43; Painters, Decorators & Paper Hangers of America, Local 1581; Photo Engravers Union, Local 4; Tug Firemen, Linemen, Oilers and Watchmen's Protective Association of American, Local 1728; Typographical Union No. 9; Wardrobe Checkers Local 65.

Chatham: International Brotherhood of Electrical Workers, Local 1143.

Elmira: International Brotherhood of Electrical Workers, Local B1111; Painters, Decorators & Paper Hangers, Local 324.

Geneva: International Brotherhood of Electrical Workers, Local 249.

Ithaca: International Brotherhood of Electrical Workers, Local 961.

Kenmore: International Chemical Workers Union Local 76.

Lancaster: International Brotherhood of Electrical Workers, Local B966.

Liberty: International Brotherhood of Electrical Workers, Local B945.

Niagara Falls: International Union of Operating Engineers, Local 463.

Oneonta: International Brotherhood of Electrical Workers, Local B992.

Poughkeepsie: Building & Construction Trades Council of Dutchess County and Vicinity; International Brotherhood of Electrical Workers, Local 320.

Syracuse: International Brotherhood of Electrical Workers, Local 1249.

Utica: International Brotherhood of Electrical Workers, Local 310.

OTHER STATES

Connecticut: A. F. of L., Local Union 1226, I. B. E. W., Montville.

Michigan: Seafarers International Union of N. A., Great Lakes District, Detroit.

New Jersey: New Jersey State Federation of Labor, Newark.

Pennsylvania: Pennsylvania State Electrical Workers, Association, A. F. of L., Harrisburg; Central Labor Union, Johnstown.

Mr. IVES. Mr. President, I merely cite that letter to point out that neither my colleague nor I can make any statement to the effect that labor in New York State is overwhelmingly one way or the other on this question. The CIO seems to be, to some extent, at least, with the exceptions I have pointed out in my remarks—and they are rather important exceptions—in favor of public development. The AFL seems to be strongly in favor of private development. But that does not mean anything so far as our arriving at a conclusion here is concerned.

Mr. President, I would have preferred to delay what I am about to say until tomorrow, but I shall say it now, in order that the RECORD may be perfectly clear. I do not think we are getting anywhere with this particular piece of legislation. As my colleague knows, and as I pointed out in my remarks this morning, and as I have represented just now, in the past I have been consistently in favor of State development of the Niagara River by the State power authority.

Now, let us be realistic about this. We all know that the action the House of Representatives has taken so far on this question has been entirely in the opposite direction. In the last Congress—the 83d Congress—the House voted, by a vote of 262 to 121, in favor of private development under a bill which I assume is very similar, if not identical, to the bill being sponsored by the Senator from Indiana [Mr. CAPEHART]. No other action has been taken on the subject in the House of Representatives; and, so far as we know, today the sentiment in the House is very little changed from what it was in the last Congress.

Therefore, Mr. President, I think we are on the wrong tack. In my opinion we have no business trying to pass a bill which, based on our past experience, we know will not be acceptable to the House of Representatives.

I realize what my colleague said in his speech on yesterday; I read it very carefully. I realize that a bill similar to his has been introduced in the House of Represtatives by Representative BUCKLEY, chairman of the Public Works Committee. I know that the House of Representatives could, if it wished to, pass that bill at this session. But I believe that nothing of the kind will be done, no matter what the Senate does. I do not think that bill will be passed by the House of Representatives; and I think that all our effort in that connection and in connection with my colleague's bill at this session will be utterly futile. I think we had better reorient ourselves. After the 6 years during which we have been considering this matter, I think the time has come for us to sit down and review the situation as we find it today.

All of us know that since 1950 we have made no progress whatsoever in obtaining the redevelopment of the Niagara River. I wish to point out that the important issue before us is the redevelopment of that river; nothing is so important as that. The question as to whether it should be done by the State of New York or whether it should be done by the private utilities is secondary, as compared to the question of getting action on the project.

I have lived with this issue a long time, and I have convictions on it. As I have pointed out time and again, my colleague and I in principle are not apart to any great extent. We are apart only as to the method, as to how it should be done.

I can assure my colleague—and he will have to agree with me—that he cannot say, any more than I can, that the overwhelming opinion of the State of New York is either this way or that way, for we simply do not know what it is today.

In light of that situation, Mr. President, I feel very strongly that the bill should go back to the committee—not with the idea of having the committee hold more hearings on it—not by a long shot. Neither the Senate Committee on Public Works nor the House Committee on Public Works needs take any action of that kind; it is not necessary at all. We have spent years on this question; three Congresses have worked on it. So the Members of Congress should know the issue; but they do not know the situation which actually exists in the State of New York.

I shall not make such a motion, Mr. President; but during the debate I think a motion should be made to send the bill back to the committee, not with instructions to the committee to come forth immediately with another measure in lieu of this one, but with the idea of having the parties in interest—the State of New York, where over a period of more than 20 years, both parties have stood steadfastly in favor of public development, and the parties in interest on the other side, in other words, those who want private development—get together and work out some kind of compromise.

Over the past number of years, I have had a little experience in this matter. I have been trying to get the parties in interest to compromise. There is plenty of room for compromise. That can be done by both the State of New York and the private companies. There is no reason in the world why the matter cannot be handled in that way, if the parties in interest are of a mind to get together and sit down and work it out.

I am not now offering a suggestion as to a plan. In the past I have offered several, and several others have been brought to my attention. But if we are to have action taken on this matter at any early date, a compromise must be reached.

I can assure my distinguished colleague from New York that if his bill were to be passed by the House and the Senate, litigation would be involved; I do not think there is any doubt of that. Or if my bill, which I introduced in the last two Congresses, were to be passed by both Houses, there would still be litigation. Or if the private bill were to be passed by both Houses, there still would be litigation and delay. We do not want that to happen. The time has come when we must get together on this question, for the sake of the people of the State of New York.

I trust that this matter will not become a partisan one. It never has been, for me; and it will not be good for the State of New York if the matter does become a partisan one. It will be very bad for New York if it does.

I trust that my colleague and I can view this matter, not as Democrats or Republicans, but as citizens of the State of New York, and can get the divergent groups together. I shall be very glad to lend my ability to any such move as that.

That is all I have to say at this time, Mr. President; but I think what I have said is most important for consideration.

Mr. LEHMAN. Mr. President, will my colleague yield to me?

Mr. IVES. Certainly.

Mr. LEHMAN. Mr. President, my colleague has brought up a question, and has expressed the hope that this matter will not be a partisan one. I wish to make it very clear that it is not in the slightest degree a partisan matter, and could not be made one.

I wish to point out to my colleague from New York that the public development of the water resources of New York State has been favored, so far as I know, by every Governor of New York in the past 40 or 50 years, with possibly one exception. It goes back to the days of Theodore Roosevelt, a Republican, as Governor of New York. Next came Charles Evans Hughes, a Republican. A little later came Alfred E. Smith, a Democrat; and Franklin Roosevelt, a Democrat; and then myself, a Democrat; and then Thomas E. Dewey, a Republican; and now Averell Harriman, a Democrat. Every one of those Governors has favored public development of the water resources of the State of New York, on the St. Lawrence and the Niagara.

So how can my colleague try, here on the floor of the Senate, to give the impression that partisan politics is being injected into this matter? That is not so, because every Governor of the State has favored this proposal. The matter has been laid before the people of New York time after time after time; and, as I said yesterday, I do not believe that anyone who favored private development of these resources would dare face the electorate of the State of New York. I wish to make that very clear to my colleague from New York.

Mr. IVES. Mr. President, I believe I still have the floor, do I not?

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The senior Senator from New York has the floor.

Mr. IVES. Mr. President, I wish to point out that in no way did I state that this matter has become a partisan issue. My plea was that it never become a partisan issue.

Mr. LEHMAN. It never will, so far as I am concerned.

Mr. IVES. Neither will it, so far as I am concerned. But that is what it seems to be turning into.

Mr. HILL and Mr. BUSH addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. HILL. Mr. President——

The PRESIDING OFFICER. Let the Chair state to the Senator from Connecticut [Mr. BUSH] that, according to the list provided the Chair, the name of the Senator from Connecticut does not appear on it. However, the Chair will be glad to recognize the Senator from Connecticut at the conclusion of the speech of the Senator from Alabama.

Mr. BUSH. I thank the Presiding Officer for his courtesy. I do not feel abused, or that I have any particular right in the matter. I thought my name was on the list; it was, this morning. However, that is quite all right.

The PRESIDING OFFICER. The Chair will be very glad to recognize the Senator from Connecticut at the conclusion of the speech of the Senator from Alabama.

Mr. BUSH. Mr. President, I shall be glad to listen to the speech of the Senator from Alabama; I am sure it will edify us on this issue.

Mr. HILL. Mr. President, I appreciate the courtesy of the Senator from Connecticut. We have just had the benefit of the discussion by our two friends, the Senators from New York.

Mr. IVES. And we are friends, I can assure the Senator from Alabama.

Mr. HILL. I appreciate that, of course.

Mr. President, the power of Niagara must be harnessed, not only to the full extent of its potential, but under conditions which will insure that the tremendous output of this project will be sold at the lowest possible cost and marketed under policies insuring that all of the people will benefit, not merely the private power companies.

The legislation which this body is debating today contains a most important restatement of our 50-year-old national power policy. It combines the best and most progressive features of a number of our most important Federal statutes concerning the marketing of power and its transmission. Through S. 1823 alone will the publicly and cooperatively owned electric utilities receive a fair share of Niagara power. Through this bill the cooperatives and municipalities would receive their fair share of Niagara power.

We must not overlook the importance of these utilities to their communities and to the Niagara area as a whole as we consider the bill before us today. These publicly owned electric systems were providing a yardstick of electric service before TVA or Bonneville were born. They endured abuse from the private power monopolists before there were Federal power system to attack. In the Insull era of electric service the propaganda arm of the private companies branded them as "socialistic," a word which since has been applied to such great Federal enterprises as the TVA.

Yes, in the twenties the private power monopolists went all out to discredit and destroy the existing municipal systems. Many of the smaller and weaker municipal utilities succumbed to the propaganda attacks, but a significant number survived.

Why did the private utilities exert so much effort to destroy local public power? For the same reason that they now try to destroy the Federal power program. Privately owned utilities cannot endure the competition provided by the examples of public service—these yardsticks—lest they be forced to risk a little money and to use a little effort to build the consumption of electricity by pushing sales at lower rates.

The hostility is the same whether the competition is provided by an isolated municipal plant in upstate New York, an independent cooperative, a public utility district in the Northwest, or a great publicly owned power system like the TVA. The pattern of attack is the same. The utilities which are owned and managed for profit are determined not to find an easy coexistence with utilities which are operated with a view to giving the best possible service to the largest number of people at the lowest possible cost.

What I am deeply conscious of today is that the Niagara issue as it faces us in the Senate, and as it faces the people of the Northeast, involves a renewed attack on a power policy pioneered by local public power systems.

Too long have the people in this area, blessed as they are with a hydro resource which for sheer size and economy exceeds any other in our land, been denied the economic blessings which should be theirs from its full development. Too long have the private power companies underdeveloped this site and obstructed its maximum use.

Too long have the private power companies employed the divisive, emotional, and irrelevant arguments of their propaganda and lobbying arsenals to blind the public to the real issue at Niagara. Too long have these private monopolies attempted to take on the coloration of free, competitive enterprise and to give the impression that they are a squad of heroic St. Georges, battling all alone to save private enterprise from the dragon of "creeping socialism," a term applied with fine impartiality to any proposal by the people or their elected representatives to develop a resource which belongs to each and every American citizen.

Let us not confuse ourselves as to who is St. George and who is the dragon. In every river basin in the land the embattled people are the St. Georges and the power monopoly is the dragon. Let us not forget that our responsibility is to the common good, and not merely to the corporate good.

The issue of S. 1823 must not turn on whether it makes a few power companies happy or unhappy. It goes, almost without saying, that their lamentations over such developments as TVA, Hoover Dam, Grand Coulee and other fights the private power fraternity have lost to the people, have turned out to be lamentations only. From these great public enterprises the private companies have greatly benefited. The people showed them the way by the public power yardstick idea—how they could lower their rates and generate and sell more power at the same time to each individual consumer.

The people can show the way at Niagara, but only if we in Congress insure them a fair share of Niagara power. Without the safeguards which appear in S. 1823, monopoly can take over at Niagara. What this could mean to the region is perhaps best set forth in the words of the late Gifford Pinchot, when in 1925 he transmitted the report of his "Giant Power Survey Board" to the General Assembly of Pennsylvania. Governor Pinchot said:

> It is impossible to imagine the force and intimacy with which such a monopoly will touch and affect, for good or evil, the life of every citizen. The time is fully in sight when every household operation from heating and cooking to sweeping and sewing, will be performed by the aid of electric power; when every article on the average man's breakfast table, every item of his clothing, every piece of his furniture, every tool of his trade, that he himself did not produce, will have been manufactured or transported by electric power; when the home, the farm, and the factory will be electrically lighted, heated, and operated; when from morning to night, from the cradle to the grave, electric service will enter at every moment and from every direction into the daily life of every man, woman, and child in America.

This was extraordinarily prophetic, delivered in 1925, before the great de-

velopment of the electro-process industries, before the days of the heat pump, before the days of the completely air-conditioned home or place of business, before the days of rural electrification, before the dawn of automation in industry, on the farm, in the office, and in the home, long before the days when the propagandists of monopoly could engage the attention of the eyes and ears of all America with radio and television programs.

Governor Pinchot added that the unregulated domination of such a necessity of life would give to the holders of it a degree of personal, economic, and political power over the average citizen which no free people could suffer and survive.

Governor Pinchot's message was delivered at about the time in the history of America's electric power industry when the number of publicly owned electric systems was beginning to slide downward from more than 3,000 in 1923 to about 2,000 at the beginning of the 1930's. Due in part to technological advancement, private power systems were launched on an expansion which was to make them regional in size. The very existence of small, publicly owned systems—the most effective check on the growing private monopolies—was threatened because they stood alone and independent, many with increasingly uneconomic sources of generation, as great combinations of capital permitted larger and larger units to develop and merge under private operation. There was then no public instrument to provide a regional source of power supply for municipal electric systems.

Great hydroelectric resources belonging to the people existed. They were awaiting development. Bust most municipal systems had no access to these resources nor the ability to finance such major undertakings. Then the Federal Government stepped in, and with the Boulder Canyon Act of 1928, the country's largest municipal electric system, the Los Angeles Department of Water and Power, was able to turn to partnership with the Federal Government. A new source of water and power for the city's use was created by the multipurpose development of the Colorado River.

Five years later the act creating TVA was passed. A regional corporation was established to control the waters of the Tennessee and its tributaries, so that the people might have the greatest possible benefit from the multipurpose development of this great natural resource. Power was to be provided for the people to use in their homes, on their farms, and in their business enterprises, with preferences in the sale assured to municipal and other nonprofit systems of distribution and to REA cooperatives.

When, in 1939, Congress authorized the TVA to purchase the generation and transmission facilities owned by certain private companies, and the municipalities and rural co-ops purchased their distribution systems, a great regionwide partnership was developed, the Federal Government owning and operating the wholesale end of the power business, with ownership and management of 148 power distributors vested in the people of the area. Today those distributors are delivering power to more than a million and a quarter consumers, the region's thriving commercial and industrial establishments and farms and homes where the average use of electricity has risen from about 600 kilowatt-hours a year prior to TVA to a new mark of a 5,200 kilowatt-hour average last year, and the number of customers is six times what it was before the partnership was born.

That is the kind of record being made all over the country wherever a genuine partnership exists between public-power agencies, where both parties to the arrangement recognize the obligations of public service, where both local and Federal management want to serve the greatest number of people at the lowest possible cost.

It is worth pointing out that never before in the history of the electric utilities has their financial strength and solvency and thus their ability to attract risk capital for new plant and facilities been so firm as it is today. Moreover, their common stock earnings have increased tremendously, and their revenues as well.

So, in discussing S. 1823, I wish to address myself to more important aspects of the Niagara issue than the lamentations of some utilities which would have us believe that the infusion of a little competition from low-cost public power into their areas would cause ruin.

It is time to cease to predicate our making public power policy on whether it will please or displease some multihundred million-dollar private monopoly, such as Niagara-Mohawk, but rather, give attention to the welfare of the consuming public as well as the publice power groups which must have some sources of power generation other than those of privately owned power companies that wish them nothing better than extinction.

During the past 3 years too little attention has been paid to the ultimate consumer and the nonprofit utility in the administration's power policy.

Every program of the past, in river basin after river basin, has been designed and carried out to benefit the man whose meter hangs on his back porch. It is time we got back on that track. Every one of our public river developments must have that as one of its primary considerations. If this is done, history shows, corporate profits will take care of themselves.

That is the story in the Southeast, where TVA operates. That is the story in the Southwest where the Southwestern Power Authority operates. That is the story in the great Northwest, where the Bonneville and Grand Coulee and other great public power developments operate.

It is very seldom, if ever, that consumers are organized and can, like the private power companies, support high-paid lobbyists in Washington, or multimillion-dollar carpaigns in magazines, newspapers, and over radio and television to deluge the public with their story.

Is this great body, which should be the lobby for all the people, which should represent all the people, to fail to speak for the power consumers of America, including those of the Niagara area, because the consumers are unorganized? Are their needs any less for their lack of paid spokesmen or high-powered propaganda? Are their pocketbooks any less worthy of being protected than the coffers of the power monopoly?

Mr. President, the people of the Niagara area, within some 300 miles of the proposed development, have never had a part in deciding on the what or the how of developing Niagara's 9.1 billion kilowatt-hours of low-point energy.

They have seen the province of Ontario for years proceeding with low-cost public power developments, and the people of that province paying a monthly bill for residential power of about one-half of what is charged by Niagara-Mohawk directly across the river. The private bridge across the Niagara River connecting our two countries gives a wry turn to this situation. I call particular attention to this. The cost of power for the bridge lights on the American side is about 4 times that on the Canadian side of this international bridge.

For years the people of this area have lived in the shadow of the Niagara potential, only partly developed, and with lower rates of power available only to residential users confined to areas close by Ontario and such long-established municipal utilities as Jamestown and Dunkirk, N. Y. To this extent and to this extent only, has the public-power yardstick had any effect upon consumers in this region.

There are 41 rural electric cooperatives which would benefit from Niagara power sold under the public body priority provisions of S. 1823. These cooperatives have no generating facilities and are forced to purchase energy from private power companies. This is reflected in their wholesale power costs reported by REA in 1954.

REA cooperatives in New York State paid an average of 1.12 cents per kilowatt-hour for their electricity at wholesale; for Pennsylvania co-ops the wholesale cost per kilowatt-hour was 0.94 cent and for Ohio, 0.86 cent.

Let us contrast this to what the average wholesale cost of power was in 1954 to REA cooperatives in areas where low-cost public power was available and public body priority and yardstick competition was in effect. The cooperatives in Tennessee in the TVA region paid 0.49 cent; in Oklahoma, where the Southwestern Power Administration markets Government power, the unit wholesale cost was 0.62 cent per kilowatt-hour, and in the State of Washington served by the Bonneville Power Administration, the wholesale cost was only 0.?2 cent per kilowatt-hour.

In summary, the New York-Ohio-Pennsylvania area, denied low-cost public power in large blocks, showed New York rural electric cooperatives paying 137 percent more for wholesale power than Tennessee, Pennsylvania paying 51 percent more than Oklahoma, and Ohio paying 177 percent more than Washington.

Federal Power Commission data on municipally owned electric utilities for 1952 shows the same picture. Wholesale costs for purchased power per kilowatt-hour in New York State were 0.97 cent,

or 52 percent greater than for Tennessee, at 0.44 cent; municipalities in Pennsylvania paid 1.31 cents wholesale for their purchased power, as compared to 0.30 cent for Oregon, or 337 percent greater; Ohio municipalities showed an average wholesale power cost of 1.74 cents per kilowatt-hour, against Washington's 0.34 cent, or 511 percent higher.

Remember this: The higher the power costs, the higher the power rates to the man with the meter on his back porch. That is why the cooperatives and municipalities in the Niagara area so desperately need Niagara power to reduce their wholesale costs in half or more, and to release them from their complete dependency upon the private power companies' high-cost power which, in turn, penalizes the members of the cooperatives and the citizens of the towns and cities conducting their own electric utility business.

Statistics on residential power rates show exactly what I mean: That the farther away from the yardstick competition of public power a man lives, the higher his electric rates.

The average residential consumer in New York State pays a monthly electric bill of $7.53 for 250 kilowatt-hours of electricity, as compared to the Tennessee householder's $4.93 per month, or 52 percent greater.

In a years' time, a New York residential consumer of 250 kilowatt-hours per month would pay $31 more than one in Tennessee, a not inconsiderable sum to a family of moderate income.

Mr. President, here are some figures showing annual savings to power users in New York, Pennsylvania, and Ohio, had they been charged TVA rates, Bonneville rates, or the rates charged by the city of Tacoma, Wash. The figures are based upon FPC's 1950 rate studies:

[In millions]

State	Savings under—		
	TVA rates	Tacoma rates	Bonneville rates
New York	$309.2	$334.0	$165.6
Pennsylvania	212.4	246.5	191.5
Ohio	165.6	191.5	138.6
Total	687.2	772.0	495.0

Low-cost Niagara power can at least start a downswing toward lower public and private utility rates, provided we insist upon the safeguards in S. 1823. Niagara-Mohawk has estimated that its taxes would amount to some $23 million if the private power company plan for Niagara is adopted. That $23 million does not look so impressive when it is held up to the potential benefits of all consumers in the Niagara area. If no more than half of the least of the annual savings I have listed were attained in the 3 States, the power users would save some $247 million every year. In 2 years this saving would be more than equivalent to the estimated cost of the Niagara project of about $420 million and all of this additional money in the pockets of power users would find its way into the market place—stimulating the economy through greater sales of goods and services—thus expanding the Federal, State, and local tax bases.

Mr. President, I wish to emphasize that not only will the municipal and cooperative systems be benefited, but if the New York State Authority is charged with the development and operation of Niagara power, every power consumer within transmission distance and many power consumers beyond transmission distance will benefit. That is the history in every section of the country where there has been a great publicly owned power development.

Mr. LEHMAN. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. LEHMAN. Has not the Senator, as the result of his long, wide, and very careful study of the entire power situation—and he is one of the pioneers in supporting public power development—found that as the cost of power decreases the rate of consumption increases almost exactly in the same proportion?

Mr. HILL. The Senator is correct. As the rate is brought down, the consumption goes up. We know the story of mass production, particularly in the automotive industry. When they began to bring the costs down, the prices were decreased and the demand became greater and greater. When electricity rates are brought down much more electricity is sold. Each individual consumer consumes more of it.

I cited earlier the enormous increase in the number of individual consumers in the Tennessee Valley area which has taken place since the establishment of the Tennessee Valley Authority. The private power companies, when forced to reduce their rates, do not suffer thereby; they sell so much more electricity because consumers use so much more. This, in turn, makes it more profitable than it is when there is lower consumption at higher rates.

Mr. LEHMAN. I read an article recently which stated that it costs the companies no more to transmit 200 kilowatts than it costs to develop 100 kilowatts.

Mr. HILL. I think that is true. As the companies sell more power, their profits increase. The whole history of the electric industry in the United States shows that the way to increase sales is to lower rates. The results of the transaction is greater profits for the private company.

Mr. President, never forget that the power business is public business. We are not debating public versus private business, and this phoney argument of taxes is just another example of the power monopoly attempting to have it both ways. We, the consumers, pay its taxes in our electric bills. We, the consumers, have no voice in how well or how badly it manages its business, but it is our business just the same. Because there is no competition we buy from whatever power company may be supplying the particular area in which we live. That is the only place from which we can get our power.

We, the consumers, own the Niagara River, and it is irrelevant whether we lose that $23 million in tax bait from Niagara-Mohawk if the public interest goal we have set over the past 50 years is served, and the power consumers finally get a long-deserved break in the Niagara area. If we swallow that $23 million in tax bait, we will have it for keeps at Niagara, and the hundreds of millions of dollars of savings to the region's power users which are in view with the passage of Senate bill 1823 will be gone, most probably, forever.

I should like to remind the private power companies that, like the utilities surrounding TVA, they will benefit from public development of Niagara. Hardly more than 10 percent of the Niagara generation will be used by the public agencies immediately. The private companies will get their fair share, and they will profit by the truth of private business—the lower the price, the more you sell, and the more money you make.

Mr. LEHMAN. Mr. President, will the Senator from Alabama yield further?

Mr. HILL. I yield.

Mr. LEHMAN. I am very glad indeed that the Senator from Alabama has brought up that point, because I think there has been a great deal of misunderstanding in connection with it. Many persons seem to have the feeling that under the bill which I introduced public utilities companies would be harmed in that they would be deprived of profit, but, as the Senator from Alabama has pointed out, only a very inconsiderable part of the additional power would immediately flow to public agencies. The greater part of the balance would be distributed to private utility companies.

Mr. HILL. The greater part would go to the private utility companies.

I notice in the Senators' bill that there is a provision for leasing. I take it that he has in mind the so-called wheeling process. There is nothing contained in the bill which can be considered in any way as trying to put private companies out of business. On the other hand, it would not only benefit the municipal systems and the cooperatives, but it would benefit private companies.

Mr. LEHMAN. In my bill there is a definite provision that the State Public Power Authority will not duplicate the transmission lines where transmission lines can be secured or leased at reasonable rates.

Mr. HILL. In other words, if there is a transmission line owned by a private company, the power Authority will first see if it can make use, on fair and reasonable terms, of the transmission line of the private company.

Mr. LEHMAN. That is quite correct.

Mr. HILL. Congress is not only called upon to exercise judgment in the public interest on an international river under its jurisdiction; it is also required to exercise sound business judgment. No region should be placed at the mercy of one type of utility to provide it with its electric energy. No private utility should be afraid to compete with a municipality or rural electric cooperative, each in its own service area, to provide lower rates, and to give the very best service to the people they serve.

The competitive aspect, everywhere it has been planted and nurtured, has not only been of immense benefit to the util-

ity business, whether publicly, cooperatively or privately owned and managed, but has passed along tremendous dividends in the form of savings in power bills, increased economic activity, and a broader tax base.

It is not possible to overemphasize what it means to have lower power rates, not only in the savings to the consumer, but also in the development of industry in a particular area. When industry develops, what happens? The tax base is broadened. The truth is that as the power rates go down, the result is a greater consumption of power; and, furthermore, the reduced rates bring into the area more and more industry and provide more and more jobs, with consequent greater and greater payrolls, and more and more taxes into the Treasury.

It is to achieve these goals that our national power policy has striven since the days of Theodore Roosevelt. We in this great body must consider the proposed legislation free of the argumentative pitfalls laid before us by the self-serving propaganda of the private-power lobby.

The Nation stands today at a crossroad. We are engaged in a colossal struggle to prevent private monopoly from dominating the energy of our civilization.

If we follow the road down which the country has been diverted since 1953, with the power-company lobbyists and propagandists setting the signposts, the end of the road will be subservience to a huge energy monopoly.

But if in enacting Niagara legislation we follow the road marked by signposts set up by the great conservationists in the reclamation laws, the Federal Power Act, the Boulder Canyon Act, the Tennessee Valley Authority Act, and the other laws controlling our river-development programs, the end will be ever greater freedom, economic as well as political.

Low electric rates to homes and farms, low-cost power for expansion of modern industry, wider markets for electric facilities and appliances, all these will contribute to the expansion of free enterprise, to fuller employment, to a more prosperous agriculture, in the Niagara area and the Nation.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. LEHMAN. I wish to compliment the able Senator from Alabama on his very clear and informative statement. It has been extremely useful, I think, to all those who heard him today. I hope his remarks will be very carefully read by all Members of the Senate.

I express to him and to the other Members of the Senate who are awaiting an opportunity to speak my regret over the delay in affording them that opportunity, the delay having been caused by an unexpected colloquy between the senior and junior Senators from New York.

Mr. HILL. I appreciate deeply the very generous words of my good friend, the distinguished junior Senator from New York. So far as his reference to delay is concerned, if a Senator cannot brook delay, he had better find himself another job.

After a great many years of service here, I can truthfully say that nothing about the work of the Senate is more pleasing to me than the fact that in the Senate we are free to have real debate and real discussion. If two Senators do not agree, they are free to come to the floor and "cross swords," in an effort to bring forth the true issues involved in the matter which is pending before the Senate.

So I hope the Senator will not worry about the delay.

Mr. LEHMAN. I shall not worry, in view of the very kind words of the senior Senator from Alabama.

Mr. HILL. I thank the Senator from New York.

Mr. BUSH. Mr. President, I shall not detain Senators long, but I wish to make some comments concerning the unfinished business.

First, I compliment the distinguished senior Senator from New York [Mr. IVES] upon the splendid statement he made this morning on the bill. The senior Senator from New York has said that he is unalterably opposed to the bill for three particular reasons: First, that the bill is in direct conflict with the laws of the State of New York; second, that the bill discriminates against more than 95 percent of the residents of the State of New York; and third, that the bill is opposed by every segment of the population of that State, including labor, agriculture, business, and an overwhelming majority of the consumers in the affected areas.

Mr. President, while my opposition to the bill includes opposition on all three of those counts, it is based on much broader grounds. In the 83d Congress, I had the pleasure of being the chairman of the Subcommittee on Rivers and Harbors of the Committee on Public Works. We held extended hearings on the question of what to do about the development of electric power energy on the Niagara River, so I listened for many hours to testimony on that subject.

At the end of those hearings, I came to the very positive conclusion—and it has not been shaken by anything I have heard since then—that the waterpower of the Niagara River ought to be developed by private interests, which for many, many years have been developing power on that river, and which now stand ready, able, and willing to continue and extend their operations.

The project calls for a plant installation which will cost approximately $400 million. As I have said, private companies are ready, able, and willing to provide the money to operate the hydroelectric plant. Therefore, I see no reason in the world why they should not be given a license to do exactly that.

I see no justification whatsoever for a public power development to be substituted, when private interests, that have proved ability, sound financial status, and good management, and that are well regarded in the neighborhood and throughout the State by all interests—consumers, labor, management, and so forth—stand ready to do the work. I see no reason why they should be sidetracked in favor of public power development.

It seems to me this is an instance of Lincoln's oft-quoted philosophy about the purpose of Government having a distinct bearing. While I do not attempt to quote Lincoln exactly, he said, in effect, that the purpose of Government was to do for the people those necessary things which the people could not do so well in their separate or individual capacities. Certainly we have every evidence that the people are perfectly willing and able to do this in their separate and individual capacities, and need no help whatever from the Government at any level. Therefore, my opposition is based on that ground, in addition to the other grounds I have mentioned. I believe very strongly that the Niagara should be developed by the private interests which are ready, willing, and able to undertake and go forward with the work.

Another reason why I oppose the bill—and this reason is stated in the minority views, of which I am 1 of the 4 signers—is that the proposed project does not involve irrigation, navigation, reclamation, flood control, or any other function of Government heretofore advanced as justification for a Government power development. The project is not a multiple-purpose one in any sense of the word, and Senate bill 1823 would, for the first time in the entire history of electric power development in the United States, authorize by Federal legislation public development of a power project pure and simple. It is a naked power project. There is no other reason for the bill before the Senate today.

Mr. President, this is the first time—I repeat for emphasis—that such a bill has ever come before the Congress of the United States; and I think it would be a calamity for the Congress to pass the bill. It is, as I have said, nothing but a naked public power project. I say that especially in view of the fact, and I revert to my previous point, that there are standing by, ready, willing, and able to go ahead, companies which can handle the project, and which have been handling development of power on the Niagara River since 1895.

I also oppose the bill because of the tax features. One of the basic reasons the proponents cite in favor of the bill is that it will provide low-cost power. We believe, and an examination of the facts will thoroughly demonstrate, that the cost of power to the consumers will be low only because all the citizens of the Nation, including those of New York, will pay the differential. The proponents propose to exempt from taxes all the power properties on the Niagara, all the income from those properties, and, furthermore, they propose to finance the project by the sale of approximately $400 million worth of tax-free bonds. The investor-owned utility companies would pay an estimated annual tax bill of $23 million on the Niagara development—$9,500,000 in local taxes, $4,500,000 in State taxes, and $9,500,000 in Federal taxes. If a Government or a State agency develops the Niagara power, taxpayers in South Carolina, Nebraska, New Hampshire, and everywhere else in the

country will pick up the tab for the $9 million in lost Federal revenues, and absorb it themselves. Taxpayers of New York, principally those of New York City, who will not get the benefit of any Niagara power, will make up the $4,500,000 in lost taxes to the State, whether they get low-cost power or not.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. BUSH. I should like to conclude my remarks first, if the Senator will permit me to do so.

Another major factor in the cost differential between private and Government power was emphasized by the witness who appeared in behalf of the New York State Association of Electrical Workers, A. F. of L., Mr. Robert W. McGregor. He pointed out that the revenue bonds which the New York Power Authority would issue to finance the project would be exempt from Federal, State, and local taxation, in distinct contrast to the bonds to be issued by the private companies. Power authority bonds would constitute a $10 million annual giveaway to financiers who purchased the tax-free bonds.

In other words, under the plan, the New York State Power Authority would issue $400 million worth of tax-free bonds, the income from which would go to individuals in the high tax brackets, and they would thus be enabled to escape entirely Federal income taxes on the interest paid on the bonds.

It seems very strange business for public power advocates to be playing into the hands of very high-income taxpayers who wish to avoid taxes by purchasing tax-free bonds. I think that is one of the glaring weaknesses of the pending bill, and it is inconsistent with the general philosophy of those who advocate public power.

Much has been said about how New York State feels about it, but we have evidence that member towns of the State Association of Towns have voted for development by private enterprise by a vote of 493 to 7. In the 83d Congress the House of Representatives passed the private enterprise bill by a vote of 262 to 120. The New York delegation voted for it by a bipartisan vote of 32 to 9, and all 32 were reelected to the 84th Congress. Polls taken this year by Republican and Democratic Representatives in Congress from the State of New York established a 70-percent rejection of the Lehman bill. Thus, the Lehman bill is apparently rejected by the people whom it purports to benefit.

Mr. IVES. Mr. President, will the Senator yield for a question?

Mr. BUSH. I yield for a question.

Mr. IVES. I should like to ask the Senator from Connecticut if he does not appreciate the fact, as he undoubtedly does, that the two organizations to whom he has referred, the organization of Town Officials and County Supervisors, represent more than do any other groups the rural population of the State of New York. The rural population is supposed to get electric power, under the New York State law, as soon as they can, because the New York law provides that preference shall be given to domestic and rural consumers. Consequently, I would say their attitude toward the whole idea of public power development reflects the sentiment of the rural population of New York State. I happen to live in that area of the State of New York, and I want to point out that there is no question in my mind that upstate New York—I am not speaking of New York City—is overwhelmingly opposed to any proposal such as is embraced in the bill which is now before the Senate.

Mr. BUSH. I thank the Senator. That certainly conforms with the impressions I formed as chairman of the subcommittee 2 years ago. I do not think any evidence adduced since then indicates that the situation is any different now from what it was at that time.

I have in my hand a document entitled "Officers' Report to the Eighth Constitutional Convention of the Utility Workers Union of America, Affiliated With AFL–CIO," which I should like to submit for the RECORD. From page 26, through the top of page 29, there appears a discussion of power and related matters.

Mr. President, I ask unanimous consent that the portion of the document which I have marked under the head "Power—Related Matters" may be printed in the RECORD at this point in my remarks.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

POWER—RELATED MATTERS

The inherent danger to our members contained in a policy of public ownership of the utility industry was brought home to your national officers, through the adoption, by the short-lived Progressive Party in July of 1948, of a political party platform that contained a "plank" calling for "public ownership of all gas and electric companies and the nationalization of large banks, railroads, etc." Following the recommendation of your officers, your third constitutional convention, held in October 1948, adopted a resolution calling upon our members to condemn such action, at any time, by any political party organization of any kind.

Unfortunately, while rejecting the third-party theory and aiding in its defeat at the polls, some people in the labor movement accepted and thereafter fostered its philosophy with regard to public ownership of the utility industry.

Obviously, this was a threat that could not be permitted to go unchallenged. Consequently, this matter was given considerable thought and consideration at every subsequent executive committee and executive board meeting. As a result of which your national officers appeared before congressional committees and various other State and Federal governmental bodies, as well as before forums conducted by private organizations, setting forth the policy of the organization.

In April of 1950 your executive committee, recognizing the danger to our members and their jobs, as a result of the drift toward nationalization being brought about as a result of Government encroachment in the public-utility field, recommended and President Fisher appointed a special committee to "look into the situation and come to you with a recommendation as to the policy that should be adopted for our guidance" in the national union's handling of this matter between conventions.

After long and careful consideration, the committee unanimously recommended, and the convention adopted, the following statement of policy with respect to the question of public power:

1. Where power is generated in conjunction with worthwhile water projects, the transmission, distribution and sale of such energy should, under proper regulation, be allocated to the private utility companies. Where investor-owned companies fail to provide the distribution and sale of electrical energy, then, and then only, should the Government undertake such duties.

2. Approximately one-fifth of the power generated in America today is distributed and sold by Government agencies. We believe that further encroachment of Government into the utility industry should be discouraged except in cases of national emergency.

3. It is our firm belief that the best interests of all of the people of this Nation can best be served and secured through collective bargaining in investor-owned public utility corporations.

4. We shall continue to advocate that the water resources of the Nation shall be developed. However, we shall object to any move that will result in these worthy projects being used as a means of destroying tax-paying utility companies who, under proper regulation, are furnishing adequate service.

5. We further recommend as a matter of policy that the national officers, the local union officers and members, use every means available to prevent further nationalization of the utility industry, and we further recommend, as a matter of policy, that we insist on fair and proper regulation of the utility industry and that every effort be made to compel utility managements to fulfill their obligations to their consumers and to their employees.

In keeping with the mandate of the fourth constitutional convention, your national officers have conducted a never-ending fight in a serious attempt to make the entire labor movement aware of our position, and of our reasons for that position. Beginning with the CIO convention held in Chicago, in the same year, your national officers have waged a vigorous campaign to bring about changes in the CIO resolutions on public power. In each successive CIO convention, from 1950 through 1954, an active floor fight was made in connection with this matter. Gradually our point of view began to seep through to the CIO high command. Little by little, the public power advocates began to lose ground. More and more efforts were put forth each year, by CIO officials, in an attempt to reconcile our differences. However, our position remained unchanged. We made it crystal clear, at CIO convention after CIO convention, that we had not the slightest intention of living within the framework of any utility industry policy that conflicted with the actions taken by our own conventions. During the course of each of our own conventions, continuous emphasis has been placed upon the importance, to our membership, of the maintenance of our position.

In fact, so important is this matter to our members, that the 1954 convention at Boston approved the appointment of a standing committee on public power. After the convention your president appointed Andrew J. McMahon of local 1–2 New York chairman of such committee and appointed Martin O'Dell of local 223 of Detroit, and James Watson of local 270 of Cleveland as members of the committee. This committee, with your national officers have attended many meetings, written letters and in general have kept up a continuous fight to protect the members from the setbacks that labor suffers when the Government takes over. Among other matters the committee reported having taken action on the following matters at the March 1955 executive board meeting:

1. Protested the appointment of Gus Scholle by Detroit Edison's President Cisler to a governmental power committee. A letter

of protest was sent to President Cisler upon his return to the United States of America.

2. Recommended that a similar letter of protest be sent to CIO President Walter Reuther.

3. Reported on a meeting the chairman of the committee had with Senator IVES.

The committee also made the following recommendations which were adopted by the executive board:

1. That UWUA continue to follow the position adopted at its conventions.

2. That UWUA continue to be furnished with all information necessary to carry out UWUA's power position.

3. That despite CIO's power position that UWUA continue to press before all legislative and other places the power position of UWUA.

How well the national officers followed through on the actions and recommendations of the committee was reflected in the resolution on power adopted at the first AFL–CIO convention. Never in the history of CIO did a resolution on public power make any reference to, nor give any form of recognition, to the accomplishments of private industry, or to the possibility of working out a program, in cooperation with private industry, designed to meet the needs of all of the people. However, as you may see from a reading of the resolution, such recognition is now an integral part of the AFL–CIO power program. So at long last, our efforts have begun to bear fruit. Not complete success, but a definite step in the right direction has been taken through the medium of the adoption, by AFL–CIO, of the resolution.

Mr. President, this concludes my remarks on this subject for today.

I wish to announce that on tomorrow, at a suitable time, I intend to move that the bill be recommitted. I do not wish to foreclose or shorten debate on the bill, if other Senators desire to speak on it tomorrow. But at a suitable time tomorrow, I intend to make such a motion.

Mr. President, I do not know whether the Senator from New York [Mr. LEHMAN] wishes to ask me to yield to him.

Mr. LEHMAN. I wish to make an observation. I did ask the Senator from Connecticut to yield, but he did not see fit to do so.

The Senator from Connecticut was very critical of the fact that the tax saving in New York would affect the people of various States of the Union, and the Senator from Connecticut mentioned a number of them.

Mr. BUSH. I certainly am very critical of that phase of the bill.

Mr. LEHMAN. I so understood the Senator from Connecticut. However, Mr. President, I was of the impression that we are a nation, not simply a number of parishes, each looking out for its own interests.

I think the Senator from Connecticut will bear me out when I say that time and time again I have voted, as a Senator from the State of New York, for projects which were not of any direct benefit to the State of New York.

Mr. BUSH. Well, Mr. President——

Mr. LEHMAN. Will the Senator from Connecticut permit me to finish? He has yielded to me.

Mr. BUSH. I should like to meet these points as they are raised.

Mr. LEHMAN. I should like the Senator from Connecticut to permit me to finish. Inasmuch as he has yielded to me, I assume that I am not limited regarding the manner in which I wish to present these matters.

Mr. BUSH. I certainly do not wish to limit the Senator from New York, but I should like to meet the points as he makes them.

Mr. LEHMAN. The Senator from Connecticut has the floor, and can decline to yield further to me; that would be within his rights.

Mr. BUSH. No, I do not wish to do so. I wish to have the Senator from New York make his points, but I wish he would permit me to answer them one at a time, as he raises them.

Mr. LEHMAN. But the Senator from Connecticut did not permit me to interrogate him at the time when he made his statements.

Mr. BUSH. I am sure the Senator from New York realizes that I wanted my remarks to be presented with continuity; I was not in any way attempting to avoid yielding.

Mr. LEHMAN. I was not so sure, because a little later the Senator from Connecticut yielded to other Senators.

But I am sure the Senator from Connecticut will bear me out when I say that time and time again I have voted for projects and appropriations which were not of any direct benefit to the people of New York, but for which the people of New York would have to bear their share of the cost. I have in mind projects affecting the Far West, the Southwest, the Northwest, and New England. I am sure the Senator from Connecticut will bear me out when I say that I have taken that position on any project when I felt it was in the national interest for me to do so.

Mr. BUSH. Let me ask the Senator from New York this question: Is it not true that I have also done the same? As a matter of fact, I think every Senator has.

Mr. LEHMAN. I do not know, but I am not critical of the Senator from Connecticut. He has been critical of what I have been advocating here. I started to say that I thought we were a nation, not a group of parishes.

Mr. BUSH. I certainly——

Mr. LEHMAN. Either the Senator from Connecticut will permit me to speak, inasmuch as he has yielded to me, or he can decline to yield further to me, and thus force me to take my seat.

Mr. BUSH. I would not do that, Mr. President. I yielded to the Senator from New York for what I thought would be questions by him. I did not anticipate that he would make a speech in my time. I am perfectly willing to yield the floor if he wishes to make a speech. But if he desires to ask me questions in regard to any point, I wish he would address his questions to me.

Mr. LEHMAN. Very well; I shall address a question to the Senator from Connecticut, and it will be a rather long one.

Mr. BUSH. Very well. [Laughter.]

Mr. LEHMAN. Does not the Senator from Connecticut feel that anything which affects the interests of the Nation as a whole, or any part of the Nation, anything which is sound, is of benefit to the particular locality which is immediately affected as well?

Mr. BUSH. I would say the Senator from New York is absolutely correct; and I like his use of the words "which is sound." I object to this bill because I do not think it is sound, because it is unnecessary for the Federal Government to enter into this project at all. That is the unsound feature of the bill.

Mr. LEHMAN. At the moment I was not speaking of the bill; instead, I was referring to the Senator's statement in which he took exception to the fact that South Carolina or Arizona or Connecticut or Tennessee or Oregon or Washington would have to bear a part of the taxes and be responsible for its part of an almost negligible loss of taxes.

Mr. BUSH. I would say to the Senator from New York that it does not seem to me to be very sound for taxes to be handed over to the people of other States, when there is no necessity whatever for doing so, and when private interests are able, proven, well-financed, popular in the area, have served it for 55 years, and are ready to proceed. Why should other States subsidize a power project in upper New York State, when there is no necessity at all for a public power project there?

Mr. LEHMAN. Mr. President, will the Senator from Connecticut yield for a question?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Connecticut yield to the Senator from New York?

Mr. BUSH. I yield for a question.

Mr. LEHMAN. Does the Senator from Connecticut not realize—and is he not afraid—that the public development of power at the Niagara River will reduce the power rates in the State of New York?

Mr. BUSH. I certainly am not afraid of it a single bit. I am surprised at the Senator's question. Why should I be afraid of it?

Mr. LEHMAN. Then why should the Senator from Connecticut object to it?

Mr. BUSH. I object to it because it is a subsidy to the public power interests. I think it is a subsidy that is completely unnecessary and unwarranted. That is why I object to it. But I am not afraid of it. I should like to see the people of New York get power as cheaply as they can. They are getting cheap power now.

Mr. LEHMAN. Oh, yes. I think that if the Senator from Connecticut were not afraid of it, he would not be threatening to move to recommit the bill. I assume that in making that motion he will have the support of the senior Senator from New York [Mr. IVES]. Certainly the Senator from Connecticut has been in the Senate long enough to know that if a motion to recommit is made, and if the motion prevails, the result will be to kill the bill.

Mr. BUSH. I hope it will kill the bill for this session, and I certainly intend to make the motion with that hope in my breast.

Mr. LEHMAN. I am very glad indeed to have that frank statement on the part of the Senator from Connecticut.

Mr. BUSH. Certainly there is nothing secret about it.

Mr. LEHMAN. I should like to ask another question of the Senator from Connecticut. He criticized the proposed method of financing this project, by the issuance of tax-exempt bonds.

Mr. BUSH. Yes; $400 million of tax-exempt bonds.

Mr. LEHMAN. Does the Senator from Connecticut recall any instances in which the State of Connecticut has issued tax-exempt bonds?

Mr. BUSH. Yes.

Mr. LEHMAN. The Senator from Connecticut did not object to them, did he?

Mr. BUSH. Let me say that I do not believe the issue has ever arisen in such a way that I had an opportunity to object to it on the floor of the Senate.

Mr. LEHMAN. Would the Senator from Connecticut be against it? Would he object to it?

Mr. BUSH. I say I object in toto to the theory of tax-exempt bonds. I do not believe one class of investors in the United States should enjoy immunity from the income tax, when everyone else has to pay the income tax. I hope that answers the Senator's question.

Mr. LEHMAN. No; it does not.

Mr. BUSH. Then, what does?

Mr. LEHMAN. Does the Senator from Connecticut recall that the city of New Haven ever issued any tax-exempt bonds?

Mr. BUSH. Of course it has.

Mr. LEHMAN. Does the Senator from Connecticut recall that Stamford, Greenwich, Meriden, and Hartford have issued tax-exempt bonds?

Mr. BUSH. I am proud to say to the Senator that the town of Greenwich has paid off all its obligations. We are very proud of that fact. I am glad the Senator gave me the opportunity to get it into the RECORD.

It would not make any difference whether the Senator or I objected to the issuance of tax-exempt bonds, so long as they were legal. If we can get the issue before the Senate, I will certainly express myself and cast my vote. But I do not believe, from what I have seen in the past 25 years, that we could persuade either this body or the House of Representatives to outlaw tax-exempt bonds, much as I think they should be outlawed.

Mr. LEHMAN. I do not think we could, either; and I think it would place a very great burden on the communities or agencies which issue such bonds. I doubt very much whether the Senator has ever advocated, in his own State, a prohibition against the issuance of tax-exempt bonds by any State or municipal agency.

Mr. BUSH. The Senator may be correct. I have never been an officer of the State government. That subject has never come under my surveillance.

Mr. President, I yield the floor.

Mr. KUCHEL. Mr. President, I thought it would not be wholly inappropriate for me briefly to discuss the pending legislation. During the past 3 years I have been a member of the Senate Committee on Public Works, which had had this proposed legislation and other bills of similar import before it.

I must say that I am rather distressed to find my friends, the two able and distinguished Senators from the State of New York, at some variance upon an issue which affects the people whom, together, they so very ably represent.

For myself, I think the issue, shorn of all the verbiage of this debate, is a simple one: Should a State be authorized to develop her own waterpower projects if she so desires?

For myself, I answer that question unequivocally in the affirmative.

This is a unique situation. I do not suppose that ever before in the history of the Congress of the United States has exactly this problem been presented. The Senate is asked to pass judgment on a continuing petition of the chief executives of the State of New York for development of certain water resources lying within her sovereign domain. Ordinarily the problem would not be a legislative one. It would properly be a problem for quasi-judicial determination by the Federal Power Commission, a creature of the Congress, whose jurisdiction and whose lines of authority were laid down by the Congress in years gone by.

I venture to suggest that, were it not for the peculiar set of circumstances which confront the people of the State of New York, regardless of how they may feel in this controversy, if the Governor of the State of New York were to petition the Federal Power Commission for the authority encompassed in the pending bill, there would be no question of the outcome. Such a petition, in my judgment, would be approved.

Historically the Congress has laid down the policy that where a State desires to construct her own hydroelectric projects; she has a preference when standing before the bar of the Federal Power Commission.

The State of New York does not have that opportunity today. When the treaty between Canada and the United States was before the Senate for ratification, an able Senator who still graces this body, the distinguished Senator from Vermont [Mr. AIKEN], offered a reservation to the treaty. In order that there may be some continuity to these remarks I should like to read the reservation which the Senate adopted:

> The United States on its part expressly reserves the right to provide by act of Congress, for development, and for the public use and benefit, of the United States share of the waters of the Niagara River made available by the provisions of the treaty, and no project for redevelopment of the United States share of such waters shall be undertaken until it be specifically authorized by act of Congress.

That is why Congress is called upon to sit in judgment on the various methods of proceeding to develop power in the State of New York. That is why we are required to render this unique decision. Were it not for the treaty reservation, the Federal Power Commission, as I say, acting under its responsibilities laid down by Congress, would be required to give preference to the State of New York in the manner and in the fashion which that State desired in developing its hydroelectric capacity.

I fail to understand why Congress should apply a different rule with respect to the State of New York than it has laid down for all States of the Union in the Federal Power Commission legislation providing preferences.

I say I am grieved that there is some question as to what the people of a sister State desire. On one occasion one of the Members of the Senate endeavored to tell me what the people of California desired on a bill which my able colleague, Senator KNOWLAND, and I had introduced for one of our counties. I retorted that the California Senators would speak for California. But here, unhappily, our New York colleagues disagree. If we are to follow orderly procedure, we should respect the position of State officers. Two years ago there appeared before the Public Works Committee a distinguished American, Thomas E. Dewey, a Republican Governor of the State of New York, who testified at considerable length and asked that the State of New York be given the right to develop its own hydroelectric resources.

Not only his immediate predecessor, the able junior Senator from New York [Mr. LEHMAN], had taken that same position, but time and time again other chief executives of that sovereign State had publicly stated to the people a similar steadfast position on this question.

Three years ago and again this year Robert Moses, the head of the New York Power Authority, stated that the authority was in favor of the development of the Niagara by the State, particularly by his agency, created, indeed, for just such a purpose.

I ask unanimous consent that a letter Mr. Moses wrote to the Senator from New Mexico [Mr. CHAVEZ], chairman of the Committee on Public Works, be incorporated in my remarks at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> POWER AUTHORITY OF THE
> STATE OF NEW YORK,
> *New York, N. Y., July 12, 1955.*
>
> Hon. DENNIS CHAVEZ,
> *Chairman, Senate Committee on Public Works, United States Senate, Washington, D. C.*
>
> DEAR SENATOR CHAVEZ: In connection with hearings now before your committee on Senate 1823 by Senator LEHMAN and on Senate 6 by Senator CAPEHART and on other bills for the development of the Niagara River for power and other purposes, following is a compact repetition of the views repeatedly expressed by the New York Power Authority.
>
> The authority is unequivocably opposed to the passage of the Capehart bill or any other bill which would provide for the development of Niagara power by private utility corporations. The waterpower resources of the Niagara River belong to the people of the State of New York and should be developed solely by a public agency. This has been the State policy consistently enunciated for the past 35 years by Governors Smith, Roosevelt, Lehman, Dewey, and Harriman and by the Legislature of the State of New York in the New York Power Authority Act originally enacted in 1931 and still in effect.
>
> It is unthinkable that the preservation of the scenic beauty of the Niagara River and Falls, which is the subject of the treaty between the United States and Canada signed February 27, 1950, and the development of the waterpower thereof should be turned over to private utilities for their exploitation. The long and shameful history of despoilation of the Niagara River and Falls by private companies is a sure test of what the people could expect of future exploitation by these corporations.

The New York Power Authority has been granted a license for the development of the power of the St. Lawrence River. It is now actually engaged in constructing the necessary work at a rate of speed which will result in cutting by at least 2 years the most optimistic previous construction estimates. It is of the utmost importance that legislation be passed as quickly as possible in order to prevent further waste of the power of the Niagara River and to harness it as quickly as possible for the benefit of the people of the State of New York and its neighboring States.

Under the treaty between the United States and Canada, Canada is given the right to use all of the water of the Niagara for her own purposes until we are prepared to use our share. Every month's delay means that millions of dollars worth of electrical energy which belongs to us are going to waste or used by Canada.

If the development of these resources is turned over to private corporations, the New York Power Authority and the State of New York have announced their intention to resist such procedure by every available legal means up to the United States Supreme Court itself, which has indicated clearly the exclusive right and power of the State of New York to carry on such development. We strongly urge the defeat of the private utilities' bills and the enactment of legislation to authorize development of the power in line with the provisions of the Federal Power Act which gives preference to the power authority.

We have the following comments, however, to make with respect to the Lehman bill which differs in several respects from the bill prepared by the New York Power Authority and introduced by Congressman CHARLES A. BUCKLEY (H. R. 5706, 84th Cong.).

1. The prime purpose of the treaty authorizing the use of additional Niagara water for power was the preservation and enhancement of the beauty of the falls. Hence, as part of the cost of the project, the licensee should at its own cost and expense, in cooperation with the appropriate agency of the State of New York, construct a scenic drive and parkway on the American side of the Niagara River near the Niagara Falls, the cost of which should be included in the licensee's net investment in the project. The sum required for this parkway work will be approximately $15 million, not including the cost of placing spoil and fill excavated for the power conduits on the right-of-way of the parkway.

2. Also, as part of the cost of the project, the licensee at its own cost and expense should pay to the United States the United States share of the cost of the remedial works undertaken in accordance with article II of said treaty. This will not exceed $10 million. It is our understanding that this is the wish of the administration and it is consistent with what is being done in Canada. We are presently paying our share of the expenses of the Joint International Board of Engineers on the St. Lawrence.

3. The New York State Power Authority is the proper agency for the construction and operation of the project—as provided in section 2 (a) of the Lehman bill. However, we are willing to leave it to the Federal Power Commission to decide because of the preference which is given in the Federal Power Act to a State agency and because we are informed that that is the desire of the administration.

4. In several respects the language of the Buckley bill is superior to language which is contained in the Lehman bill. For example, the Buckley bill language has the advantage of being completely compatible with the language of pertinent New York statutes. Copies of the memorandum addressed to Congressman CHARLES A. BUCKLEY on May 25, 1955, and which describe the essential differences between the two bills are enclosed.

The basic objective, however, of the Lehman and Buckley bills is the same, that is, a license to the New York Power Authority to construct and operate the Niagara project.

The New York Power Authority is ready and anxious to proceed at once to carry out the objectives of the treaty and to develop at the earliest possible moment our share of Niagara power.

Cordially,

ROBERT MOSES, *Chairman.*

Mr. KUCHEL. The gist of the letter, as Senators who have read it know, is that Mr. Moses generally endorses the bill pending in the Senate. He pointed also to a companion measure in the House and likewise gave that bill his blessing.

As I say, I am grieved to be placed in the position of being required to sit in judgment on a State which I do not have the honor of representing. It does seem to me however, that the record is clear that the Governors of the State of New York, in Republican administrations and in Democratic administrations, have always taken one position, and that is that the State should be permitted to develop the State's waterpower.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. KUCHEL. I am glad to yield to the Senator from New York.

Mr. LEHMAN. I wonder whether, in addition to the things he has so clearly and ably pointed out, the Senator knows that for many years, to my knowledge, the three political parties which operate in New York State, the Republican Party, the Democratic Party, and the Liberal Party, have all included in their platforms a pledge for the public development of the water resources of the State.

Mr. KUCHEL. I thank my distinguished colleague for that comment, which is of considerable relevancy to this discussion.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. KUCHEL. I am glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. Having in mind what the Senator from California is now stating, and after considerable effort in the way of the hearings throughout the year, the committee came to the conclusion that the State of New York should be the one to handle the matter. Of course, the authority to handle it in the State of New York is the power authority. The bill reported by the Public Works Committee provides exactly what the Senator from California has in mind.

Mr. KUCHEL. I thank my able colleague for that comment. He is completely correct.

I wish to make a comment about the waters of the State of New York. First of all, let me read a sentence or two of the Federal Flood Control Act of 1944:

It is hereby declared to be the policy of Congress to recognize the interests and rights of the States in determining the development of watersheds within their borders, and likewise their interests and rights in water utilization and control, as herein authorized, and to preserve and protect to the fullest possible extent established and potential uses for all purposes of the waters of the Nation's rivers.

I should like to read a sentence or two from the laws of the State of New York. I am quoting from the testimony of Governor Dewey at page 44 of the hearings on a similar bill in 1954:

Those parts of the Niagara and St. Lawrence Rivers within the boundaries of the State of New York are hereby declared to be natural resources of the State.

Then it continues:

They shall always remain inalienable, and ownership, possession, and control thereof shall always be vested in the people of the State.

I believe that language rather clearly demonstrates what the intention of Congress was in legislation it adopted, and what the intention of the people of New York State was, acting through their legislative representatives in Albany, with reference to the waters within the State of New York. They intend their waters to be inalienable and to remain in control of the people—all of them.

It seems to me that the adoption of the pending bill is not only the fairest means of proceeding, but, in my judgment, the only means of logically proceeding toward the development of New York's Niagara resources which need to be developed for the public good.

I wish to allude very quickly to the bill which is before the Senate. The first section provides that the bill constitutes compliance with the reservation in the treaty to which I previously referred.

It then provides that the Federal Power Commission is directed to issue a license to the New York Power Authority for the construction and operation of the Niagara project.

Next, it provides that the Federal Power Commission shall include in the license the conditions that the New York Power Authority shall—

(A) Give equal preference for the purchase of such power to (i) counties and municipalities, including their agencies or instrumentalities, (ii) departments, agencies, and instrumentalities of New York State, (iii) rural electric cooperatives not organized or administered for profit but primarily for the purpose of supplying electric energy to their members as nearly as possible at cost; and (iv) the defense agencies of the United States.

Those are the four types of preferences included in the bill. To me they seem perfectly reasonable, and they are apparently not disharmonious with the position of the State of New York, as set forth in the letter written by Mr. Moses.

Then the bill goes on:

(B) Make flexible arrangements and contracts for the disposition of project power to utility companies organized and administered for profit, with suitable provisions in such contracts for the withdrawal upon reasonable notice and fair terms of enough power to meet the needs of the foregoing classes of preference customers.

In other words, Mr. President, authority is given to dispose of any surplus power which, being generated, remains unused.

The next provision, to which the author of the bill, the Senator from New York [Mr. LEHMAN], alluded earlier in his colloquy with the Senator from Alabama [Mr. HILL], has to do with the Authority entering into so-called rental

contracts or wheeling agreements in lieu of constructing duplicate transmission lines.

Next, the bill provides:

The licensee shall make a reasonable portion of the project power available for use within economic transmission distance in neighboring States—

And so forth. The point I make, Mr. President, is that it seems to me, as I read the language, it is a bill to provide electric power for the people of New York, to be paid for by the people of New York, in accordance with preferences laid down in the bill, and only with respect to "a reasonable portion" of the power do adjoining States have an opportunity to purchase such power.

Mr. President, I felt it incumbent upon me to make these few comments. I listened to the testimony in the 83d Congress, and I listened again to the testimony in the 84th Congress, and I shall, on the basis of what I have just said, vote in favor of the proposed legislation. I shall oppose the motion which the Senator from Connecticut intends to make tomorrow to recommit the bill to the Senate Committee on Public Works.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a copy of a letter I have received from the Attorney General of the State of New York.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE CAPITOL,
Albany, N. Y., March 19, 1956.

Hon. THOMAS H. KUCHEL,
United States Senate,
Washington, D. C.

DEAR SENATOR: May I take this occasion to congratulate you on your outstanding efforts in aid of State development of sources of hydroelectric power. The basic policy of our State is expressed in the desire to have the Power Authority of the State of New York develop the great source of hydroelectric power in the waters of the Niagara for the benefit of the people of our State, also utilizing effectively private utility installations. It is my understanding that you have helped this policy in your work as a member of the Committee on Public Works of the United States Senate. I feel that this is a measure of your fine public service. It shows your interest in the full development of our resources in a way most compatible with our private economic system.

With renewed appreciation, believe me,

Sincerely yours,

J. K. JAVITS,
Attorney General.

Mr. LEHMAN. Mr. President, will the Senator from California yield?

Mr. KUCHEL. I yield.

Mr. LEHMAN. Mr. President, I wish to compliment the Senator from California on his very clear statement. I think his analysis of the bill has been fair and accurate and should be readily understood by anyone who reads it.

PUNISHMENT FOR WILLFUL DAMAGING OR DESTROYING OF AIRCRAFT

Mr. SPARKMAN. Mr. President, I ask that the Chair lay before the Senate an amendment of the House to Senate bill S. 2972 to punish the willful damage or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes.

I make this request on behalf of the Senator from Washington [Mr. MAGNUSON].

The PRESIDING OFFICER (Mr. SCOTT in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes, which were, to strike out all after the enacting clause and insert:

That title 18 of the United States Code is amended by inserting immediately after section 14 thereof the following new chapter:

"CHAPTER 2.—AIRCRAFT AND MOTOR VEHICLES

"Sec.
"31. Definitions.
"32. Destruction of aircraft or aircraft facilities.
"33. Destruction of motor vehicles or motor-vehicle facilities.
"34. Penalty when death results.
"35. Imparting or conveying false information.

"§ 31. Definitions

"When used in this chapter the term—

"'Aircraft engine', 'air navigation facility', 'appliance', 'civil aircraft', 'foreign air commerce', 'interstate air commerce', 'landing area', 'overseas air commerce', 'propeller', and 'spare part' shall have the meaning ascribed to those terms in the Civil Aeronautics Act of 1938, as amended.

"'Motor vehicle' means every description of carriage or other contrivance propelled or drawn by mechanical power and used for commercial purposes on the highways in the transportation of passengers, or passengers and property;

"'Destructive substance' means any explosive substance, flammable material, infernal machine, or other chemical, mechanical, or radioactive device or matter of a combustible, contaminative, corrosive, or explosive nature; and

"'Used for commercial purposes' means the carriage of persons or property for any fare, fee, rate, charge, or other consideration, or directly or indirectly in connection with any business, or other undertaking intended for profit.

"§ 32. Destruction of aircraft or aircraft facilities

"Whoever willfully sets fire to, damages, destroys, disables, or wrecks any civil aircraft used, operated, or employed in interstate, overseas, or foreign air commerce; or

"Whoever willfully sets fire to, damages, destroys, disables, or wrecks any aircraft engine, propeller, appliance, or spare part with intent to damage, destroy, disable, or wreck any such aircraft; or

"Whoever, with like intent, willfully places or causes to be placed any destructive substance in, upon, or in proximity to any such aircraft, or any aircraft engine, propeller, appliance, spare part, fuel, lubricant, hydraulic fluid, or other material used or intended to be used in connection with the operation of any such aircraft, or any cargo carried or intended to be carried on any such aircraft, or otherwise makes or causes to be made any such aircraft, aircraft engine, propeller, appliance, spare part, fuel, lubricant, hydraulic fluid, or other material unworkable or unusable or hazardous to work or use; or

"Whoever, with like intent, willfully sets fire to, damages, destroys, disables, or wrecks, or places or causes to be placed any destructive substance in, upon, or in proximity to any shop, supply, structure, station, depot, terminal, hangar, ramp, landing area, air-navigation facility or other facility, warehouse, property, machine, or apparatus used or intended to be used in connection with the operation, loading, or unloading of any such aircraft or making any such aircraft ready for flight, or otherwise makes or causes to be made any such shop, supply, structure, station, depot, terminal, hangar, ramp, landing area, air-navigation facility or other facility, warehouse, property, machine, or apparatus unworkable or unusable or hazardous to work or use; or

"Whoever, with like intent, willfully incapacitates any member of the crew or any such aircraft; or

"Whoever willfully attempts to do any of the aforesaid acts or things—

shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

"§ 33. Destruction of motor vehicles or motor vehicle facilities

"Whoever willfully, with intent to endanger the safety of any person on board or anyone who he believes will board the same, or with a reckless disregard for the safety of human life, damages, disables, destroys, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to, any motor vehicle which is used, operated, or employed in interstate or foreign commerce, or its cargo or material used or intended to be used in connection with its operation; or

"Whoever willfully, with like intent, damages, disables, destroys, sets fire to, tampers with, or places or causes to be placed any explosive or other destructive substance in, upon, or in proximity to any garage, terminal, structure, supply, or facility used in the operation of, or in support of the operation of, motor vehicles engaged in interstate or foreign commerce or otherwise makes or causes such property to be made unworkable, unusable, or hazardous to work or use; or

"Whoever, with like intent, willfully disables or incapacitates any driver or person employed in connection with the operation or maintenance of the motor vehicle, or in any way lessens the ability of such person to perform his duties as such; or

"Whoever willfully attempts to do any of the aforesaid acts—

shall be fined not more than $10,000 or imprisoned not more than 20 years, or both.

"§ 34. Penalty when death results

"Whoever is convicted of any crime prohibited by this chapter, which has resulted in the death of any person, shall be subject also to the death penalty or to imprisonment for life, if the jury shall in its discretion so direct, or, in the case of a plea of guilty, or a plea of not guilty where the defendant has waived a trial by jury, if the court in its discretion shall so order.

"§ 35. Imparting or conveying false information

"Whoever willfully imparts or conveys or causes to be imparted or conveyed false information, knowing the information to be false, concerning an attempt or alleged attempt being made or to be made, to do any act which would be a crime prohibited by this chapter or chapter 97 or chapter 111 of this title—

shall be fined not more than $1,000, or imprisoned not more than 1 year, or both."

SEC. 2. The part analysis preceding chapter 1 or title 18, United States Code, is amended by inserting between chapters 1 and 3 the following item:

"2. Aircraft and motor vehicles..... 31"

And to amend the title so as to read: "An act to punish the willful damaging or destroying of aircraft or motor vehicles, and their facilities, and for other purposes."

Mr. SPARKMAN. Mr. President, on behalf of the Senator from Washington

[Mr. MAGNUSON], I move that the Senate disagree to the amendments of the House, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. MONRONEY, Mr. SMATHERS, Mr. SCHOEPPEL, and Mr. PURTELL conferees on the part of the Senate.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. SPARKMAN. Mr. President, I shall speak briefly in support of S. 1823—the Lehman bill. This bill provides for the construction of certain works in the Niagara River for power and other purposes. It authorizes and directs the Federal Power Commission to issue a license to the New York Power Authority for construction and operation of a power development project on the Niagara.

I support this bill as a whole. But I shall restrict these remarks to those provisions of the bill which require the licensee, the New York Power Authority, when it disposes of project power, to give preference to the purchasing demands of the following agencies:

First. Counties and municipalities, including their agencies and instrumentalities.

Second. Departments, agencies, and instrumentalities of New York State.

Third. Rural electric cooperatives organized and administered on a nonprofit basis, primarily for the purpose of supplying electric energy to their members as nearly as possible at cost.

Fourth. Defense agencies of the United States.

The foregoing provisions are directly related to other requirements of the Lehman bill—that project power be sold and distributed primarily for the benefit of the people as consumers—and particularly for the benefit of domestic and rural consumers—at the lowest possible rates so as to encourage its widest possible use.

Moreover, the bill also provides that contracts under which project power is purchased for resale shall include adequate provisions for establishing resale rates to be approved by the licensee. These rates must accord with the general objective that sale be primarily for the benefit of the consuming public, and at low rates to encourage wide consumption.

The reasons for these provisions are simple. Peoples' resources must be used to benefit the largest possible number of people.

Historically, Congress, when it disposed of public property or resources, provided safeguards to insure the widest possible public benefit. Moreover, experience in power development projects elsewhere—for example, Boulder Dam, the TVA, and the Bonneville project—has shown that these so-called preference provisions for public and private nonprofit agencies are essential means of assuring widespread public benefit in the distribution of electric power. As the committee which reported this bill favorably put it:

> These safeguards are believed essential to make effective the yardstick influence of this power development on high electric rates throughout the region.

Of course, the designated agencies will not be able to puy power at a cheaper price.

Mr. President, I think that is one thing which perhaps some persons misunderstand. It is really an assurance that they will have an equal opportunity to share in the power produced.

Mr. LEHMAN. Mr. President, will the Senator from Alabama yield?

Mr. SPARKMAN. I yield.

Mr. LEHMAN. I am very grateful to the Senator for emphasizing that point in his remarks, because, undoubtedly, there is that misunderstanding. Some persons seem to think that what is contemplated is that certain particular agencies will be able to obtain the power at a preferential price. That is not intended. They will not be able to buy at any price different from that at which the power is sold generally, but it will be clear that if there should ever be a shortage, they would get at least a reasonable share of the power.

I may say to the Senator that it is perfectly obvious that initially the preferential customers will consume only a relatively small part of the power.

Mr. SPARKMAN. That is correct.

The last point made by the distinguished Senator from New York, Mr. President, is a point which I was about to make.

Nor do the provisions prevent large-scale consumption of power by large industrial users or, indeed, extensive purchase by private utilities for resale.

The provisions simply mean that counties and cities and nonprofit electric cooperatives may purchase as much power as they want from the prospective Niagara power project. And they get first choice.

This is essential where power is sold initially at wholesale as it must be from this anticipated project. Otherwise, small purchasers, who cannot take the power directly from the project site, would not receive the maximum benefits from the project. They would still have to purchase from the private utility companies. These utilities, in turn, would be the principal beneficiaries—indeed, almost the sole beneficiaries—of public development of the people's property.

As Mr. Gordon Clapp put it, in his testimony before the committee:

> The real and lasting effect of this harnessed natural resource depends upon how the power is marketed, how and where it is sold to the ultimate consumer, and at what rates. If this low-cost power is unwisely sold at the bus bar or confined to distribution at or near the site, it will produce a very limited local benefit confined to the industries and private utility companies already grabbing at this great natural asset.
>
> Under such a shortsighted policy, the people of the State and whole surrounding region would be deprived of a great opportunity to benefit manifold from the natural resources that belong to them.

I shall return to the experience in the Tennessee Valley to show that private utility companies and small consumers have benefited immensely by preference provisions. But before doing so, I should like to remind this body of the subject matter now under debate.

We are dealing with property rights of the United States Government. The use of waters of navigable streams for the production of power constitutes the exercise of rights in the public domain. Water power inherent in the flow of any navigable stream belongs to the United States. This is well established by long-standing judicial precedent.

I respectfully refer Senators to such cases as *United States* v. *Appalachian Power* (311 U. S. 377) and *Oklahoma* v. *Atkinson Co.* (313 U. S. 508).

Thus, more than one-half of the power and energy anticipated from the project will remain for distribution through privately owned utility companies. The large industrial consumers and the private utility companies will get all the power they need. And the small consumers will be assured low-rate electric power from their property.

Though the technical title to the bed of a stream may be in private hands or in State hands, the dam sites on navigable streams are public property. Private interests are not even compensable as against the control of the United States Government—volume 312, United States Reports, page 592.

Congress, we know, under article IV, section 3, clause 2, of the Constitution, may dispose of public property. But Congress must exercise this power in the public interest and for the general welfare. Chief Justice Hughes, in *Ashwander* v. *TVA* (297 U. S. 288, 338), put it this way:

> That method [disposal of property], of course, must be an appropriate means of disposition according to the nature of the property, it must be one adopted in the public interest as distinguished from private or personal ends.

When, for example, Congress disposed of public lands in the West it provided safeguards to assure widespread public benefits. These dispositions, whether by gift or otherwise, were integrally tied to the development of the western frontier, clearly a development in the national interest resulting in great improvement in the welfare of the entire Nation.

Moreover, it is doubtful, in view of the Supreme Court decision in *Illinois Central Railroad Company* v. *Illinois* (146 U. S. 387), whether the State of New York could constitutionally dispose of its property for private interest as opposed to general public interest. And, as I have noted, these preference safeguards are included to assure the disposition of public property—in this case, the power—in the public interest.

The facts of the Illinois Central case concerned a grant by the Illinois Legislature of submerged lands in Lake Michigan to a railroad company. The Supreme Court held this grant invalid under the 14th amendment, and stated:

A grant of all the land under the navigable waters of a State has never been adjudged to be within the legislative power; and any attempted grant of the kind would be held, if not absolutely void on its face, as subject to revocation. The State can no more abdicate its trust over property in which the whole people are interested, like navigable waters and soils under them, so as to leave them entirely under the use and control of private parties * * * than it can abdicate its police powers in the administration of government and the preservation of the peace.

In the performance of our constitutional duty, we must see to it that the public rights in the Niagara River are used to benefit all the people. And these preference provisions are time-tested means of accomplishing this end.

Moreover, private utility companies will benefit from these provisions.

In the Tennessee Valley area, the estimated annual power produced per person increased 10 times from 1933 to 1951. This power effected a tremendous development of industry; it went to thousands of farmers and small consumers. These people bought refrigerators, ranges, electric pumps, electric farm appliances, freezers, small motors to grind feed, cut wood, and turn lathes, and many other electrical appliances too numerous to mention.

Many of the farmers bought through cooperatives, some of which now have as many as 19,000 members and an investment of nearly $7 million—the figures relating to the TVA area are from Lilienthal, TVA: Democracy on the March, 1953 edition.

I may say that the figures I have given relating to the TVA area are from the book written by Mr. David Lilienthal, entitled "TVA: Democracy on the March," 1953 edition. The original edition was published many years earlier, but it was brought up to date in 1953, and my figures are taken from that book.

These rural-electric cooperatives in the TVA area served nearly as much electricity as was used by the whole region, industrial use included, in 1933.

I wish to emphasize these figures because I think they are remarkable in that they show what happens when the power from a great project such as this is made available for use by the public generally in the public interest.

The cities, too, were changed. For example, in 1933, 225,000 homes that had electricity used about 130 million kilowatt-hours. In 1951, in the same area, 1,065,000 homes that had electricity, used 3,875,000,000 kilowatt-hours, or 30 times as much power, which means 7 times as much power in each individual home.

This expansion resulted from low rates. The assumption that people would use electricity widely if rates were drastically lowered proved to be well-founded, as did the equally valid theory that rate cuts had to precede increased use. As David Lilienthal said:

What had proved to be a good business principle for Henry Ford in the pricing of his first automobiles, what was good business in the mass production field generally, would be good business in electricity supply. (Lilienthal, TVA: Democracy on the March, p. 23.)

Far from hurting private power companies in this area, these plans for widespread consumption of electricity at low rates have helped them immeasurably. For example, the Georgia Power Co., 23d in size among the country's utilities, sold more electric refrigerators the first year of the TVA induced rate reduction, than any other company in the country regardless of size. It was first in the sale of electric water heaters, and second in the sale of electric ranges.

Immediately after its rate reduction, the Tennessee Electric Power Co., 30th in size in the country, was first in total number of electric ranges sold, second in number of electric refrigerators, and third in number of electric water heaters. This company, with only 100,000 residential users, was selling more home electric appliances than companies in high-income States, like New York and Illinois, and having many times that number of customers.

The studies of the committee which reported the bill show that while the earnings available to common shareholders in private utility companies increased twofold from 1937 to 1952, the earnings for stockholders of the five major companies contiguous to TVA increased fivefold. And in the period from 1932 to 1952, the average bill for electricity service in the TVA area for 100 kilowatt-hours per month homes decreased 35 percent.

I could talk at considerable length about the industrial and agricultural development in the States adjacent to the Tennessee Valley. This has meant much to the prosperity of the entire Nation, and certainly to its defense efforts during the years since the inception of TVA.

All the people—consumers, small and large, and investors in private utility companies—have reaped immense dividends from public-power projects, which stimulate widespread public consumption of electricity at yardstick rates. Without these preference provisions, the whole concept would be totally emasculated.

By the way, Mr. President, I should like to interject a reminder at this point. When Congress passed the general flood-control legislation, which I believe was in 1944, it was written basically into the law that this preference should prevail in all power projects developed by the Government. That is all the Lehman bill proposes to do. There are some changes, incident to the particular location and the interest of the State of New York; but, generally speaking, the preference provision is the same as that which is contained in our general policy.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. LEHMAN. In addition to the inclusion of the preferences in the flood-control bill of 1944, is it not a fact that these preferences have been recognized ever since the days of Theodore Roosevelt?

Mr. SPARKMAN. Yes; and it was Theodore Roosevelt who first started them. As a matter of fact, it was Theodore Roosevelt who really started the public-power programs in which the Government has engaged.

In spite of publicity concerning it, the public-power program of the Federal Government is not a big part of the whole, but it was started by Theodore Roosevelt, and priorities were set up by him, and the system has been adhered to since that time.

I have not made any research of the subject, but in trying to remember the various projects which have been authorized, certainly of the ones which have been started during the 20 years I have been in Congress, offhand I cannot recall any sizable project involving the public generation of power which did not provide for preferences.

Mr. LEHMAN. That was my impression, too.

Mr. SPARKMAN. Mr. President, the continued inclusion of the preferences in the Lehman bill is imperative if we are to observe our constitutional duty to see to it that the people's property is used for the people.

Mr. LEHMAN. Mr. President, will the Senator yield further?

Mr. SPARKMAN. I yield.

Mr. LEHMAN. I should like to compliment the distinguished Senator from Alabama on the very informative, useful, and enlightening statement he has just made. I think some of the figures he has given are more dramatic than any I have seen previously, and I wish I had had them.

I know in many places of the country in which there is cheap power the per capita consumption has increased; but the figures of increased consumption over the 20 years, I believe it was, which the Senator gave——

Mr. SPARKMAN. Eighteen years. They started in 1933. In one case I said up to 1951, and in another case to 1953.

Mr. LEHMAN. The increases have been very dramatic. I think the same increases have obtained, to a lesser extent, perhaps, and not quite so dramatically, in the various low-cost power areas, such as the area served by Bonneville and the area of the TVA development, and areas in the Southeast and the Southwest. The rates have been reduced to such a point that today they are less than half of those being paid in the Northeastern States, New England, New York, Pennsylvania, Ohio, and certain other States, and at the same time the per capita consumption in those States has increased not 25 or 30 times, as the Senator from Alabama has pointed out in the low-cost-power areas, but only 5 or 6 times. Consumption only is 5 or 6 times greater in New York, Rhode Island, Massachusetts, New Hampshire, Ohio, and Pennsylvania than it was.

That is something which few persons know about. That is why I am glad the Senator from Alabama and others of my colleagues have joined me in trying to bring home to the people the facts. I am very grateful to the Senator from Alabama.

Mr. SPARKMAN. I appreciate the remarks of the Senator from New York.

Of course, he realizes that the figures I gave were limited to the TVA area. I am certain the same comments would apply to the Bonneville, the Grand Coulee, and some of the other areas, although the figures would not be so dramatic, because perhaps in the TVA area there was a lower base to start with. Certainly a similar pattern would be shown.

The Senator from New York realizes I have lived in the TVA area all my life. I have seen these changes take place. I can remember when the TVA came into being. I do not suppose that in the rural sections in my area as many as 5 percent of the farm homes had electricity, but today in the TVA area in north Alabama, where I live, I dare say that 99-plus percent of the farm homes have electricity available. In the State of Alabama as a whole I think more than 90 percent of the farm homes have electricity available to them.

I should like to remind the Senator that the TVA serves only a very small part of Alabama. I think there are involved only 12 counties, plus 2 municipalities, and perhaps 1 or 2 cooperatives in other counties; but only a small part of Alabama is served by the TVA. However, I should like to point out another factor which few people understand. If rates are reduced, consumption will be stepped up, which will make it possible to reduce prices again. That is the pattern the TVA put into effect. That pattern was taught to the private-power companies. Today there is not a great deal of difference between the rates charged by the TVA and the Alabama Power Co., for instance.

I remember, back in the days when TVA started operating, the press was full of reports of the dire effects TVA would have on private-power companies. I remember that as late as 1939 Alabama Power Co. stock was selling for 50 cents on the dollar. Congress passed a bill which more or less drew a line and divided the areas to be served by TVA and private-power company operations. Within a year's time the stock of the Alabama Power Co. was up to 100 cents on the dollar. The power company had learned the lesson of applying the same yardstick that TVA was applying. Their customers stepped up their use as prices were reduced, and the company was able to reduce rates still more.

During the course of my remarks I stated that whereas private-utility companies' earnings as a whole had increased 2½ times, the power companies contiguous to TVA had stepped up their earnings 5 times—in other words, twice as much as the others—so such projects have an impact on areas other than the areas particularly served.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield to the Senator from New Mexico.

Mr. CHAVEZ. The Senator from Alabama was speaking of the rates in the area of the TVA and the New York and New England rates. I do not know whether the Senator was present on yesterday when we were discussing this matter. The New York and New England area has the highest power rate of any section of the country. The wholesale power cost to rural electric systems in New York is 1.12 cents per kilowatt-hour, the Nation's average is 0.76 cents, and it is 0.58 cents in Alabama. The average cost of purchased power to municipalities and other publicly owned electric utilities is 0.97 cents per kilowatt-hour in New York and 0.44 cents in Tennessee. There will not be such difference in cost if the bill becomes law. The people of New York will receive the same kind of rates the people of the State of Alabama receive.

Mr. SPARKMAN. The Senator from New Mexico has given figures which are absolutely undeniable, and the effect it will have is also accurately stated.

I should like to say to the distinguished Senator from New Mexico that he will remember a few years ago I was a member of his committee, and I enjoyed serving under his chairmanship. At one time he appointed a subcommittee to make a study of the feasibility of river improvement—certainly a survey—of the New England area. I served on that subcommittee. The Senator from New Mexico may remember some of the evidence which was presented to us and some of the findings we made. We found that New England had perhaps the greatest abundance of undeveloped hydroelectric power possessed by any area in the Nation. Mr. President, I do not like to say anything which might sound critical of an area, but in this case we are dealing with facts regarding a project which might have a great impact on a particular area.

Mr. CHAVEZ. And New England still has those undeveloped hydroelectric resources.

Mr. SPARKMAN. Yes, because nothing has been done in that connection.

Mr. CHAVEZ. That is correct.

Mr. SPARKMAN. We authorized an appropriation of approximately $3 million for a survey of the Passamaquoddy project, the purpose of which was to produce power for New England.

I suggest that if the Lehman bill, including the provision for the system of preference, becomes law, on the one hand, and if the Passamaquoddy project is developed, on the other hand, and if in that connection provision is made for the same system of power preference, the Senator from New Mexico and all the others of us will see the power rates in the New York-New England area come down, as has occurred in other areas. That development will be the result of the impact of those two programs, one on each side.

Mr. CHAVEZ. Yes. However, it has been only of late that there has been increased interest in the Passamaquoddy project. When the late President Franklin Delano Roosevelt suggested the Passamaquaddy project, complaint was made that it would be all wrong. But the opponents have learned the hard way; and now they want a survey made of the Passamaquoddy area.

Mr. SPARKMAN. I believe that at one time the Passamaquoddy project was called "Roosevelt's folly."

Mr. CHAVEZ. That is correct.

Mr. SPARKMAN. And it was commonly referred to as "Quoddy."

Mr. CHAVEZ. That is correct.

Mr. SPARKMAN. I suspect that those who now are interested in it, probably will try to find a new name for it, in an effort to get away from the name "Passamaquoddy." However, even with a new name, the proposed project will be the same.

Mr. CHAVEZ. I wish that my State had the waterpower that New England has.

Mr. SPARKMAN. Of course. And I think the people of most of the other sections would take the same position. Most of the waterpower sites in other places in the country have been developed, but most of the waterpower sites in New England remain undeveloped, even today.

Mr. CHAVEZ. I know that New England has complained about the movement of factories to the South. I do not blame the factory owners for moving their factories to the South, if, for instance, in Tennessee they can obtain 0.44 cent power, rather than 1.12 cent power in Connecticut. Under those circumstances I do not blame the factory owners for moving their factories to the South, and they will continue to do so. However, New England could develop its own power, and in that way could help itself and also the rest of the country.

I have no direct interest in the Niagara project, but I know it is feasible to develop that project, and that the benefits accruing from it will also inure to Arizona, New Mexico, and the other States.

Mr. SPARKMAN. Of course, I have no direct interest in the Niagara project, either. However, I have seen various projects developed in such a way that all sections of the country profited. I believe that the able chairman of the committee will take that position in connection with this matter.

Mr. CHAVEZ. Yes.

Speaking of preference, let me remind the Senator from Alabama that the Hoover Dam was constructed many years ago, under the system of preference.

Mr. SPARKMAN. Yes; and all such projects have been developed in that way, going all the way back to the program commenced by Theodore Roosevelt in 1902. That program was acted on favorably by the Congress; and public power dates back to that time, and the public-power preference system began at that time. That is the real issue involved in this bill.

Mr. LEHMAN. Mr. President, the Senator from Alabama is absolutely correct.

Mr. SPARKMAN. So I think it is extremely important that at this time we continue what both Democratic and Republican Congresses have done for the past 54 years, namely, see that projects developed by the Federal Government or under the authority of the Federal Government are handled in such a way as to give a fair break to all the people, no matter how small their business may be.

Mr. LEHMAN. I thank the Senator from Alabama, and I am in full agreement with that position.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LAIRD in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEHMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I am very happy to join the Senator from New York [Mr. LEHMAN] and other Senators who have spoken in behalf of Senate bill 1823, in speaking in support of this measure. I am a cosponsor, with the Senator from New York [Mr. LEHMAN] of Senate bill 1823. I urge that the bill be passed, because I sincerely believe that, if enacted into law, it will assure public development of the very great undeveloped hydroelectric resources at Niagara Falls.

Mr. President, I recognize that this development is in an area of the country which is somewhat removed from the State which I am privileged, in part, to represent. But I also recognize that the principle involved in the bill is of vital importance to the continuation of a long-established public policy relating to the use and development of hydroelectric-energy resources.

It is, therefore, in that spirit or within that philosophy, that I direct my remarks. My remarks will be somewhat general. If time permitted I should like to discuss in some detail all the reasons why I favor the bill, but I shall limit my remarks in the main to the overall arguments which I think sustain the position which the sponsors of the bill have taken.

Again, I invite the attention of Senators to the very excellent, detailed, and thoughtful address of the Senator from New York [Mr. LEHMAN] on yesterday. In the early part of his address in support of the bill he outlined 12 or 13 major reasons why the proposed legislation should be enacted. He also pointed out the importance of the Niagara Falls hydroelectric development not only to the State of New York, but to the entire surrounding area, which is one of the most important industrial areas in the world, as well as one of the most important agricultural areas in the Nation.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield.

Mr. LEHMAN. The bill provides assurance that the adjoining States, notably Pennsylvania and Ohio, will receive a reasonable share of the cheap power.

Mr. HUMPHREY. I thank the Senator for emphasizing that point. I think it underscores what the junior Senator from Minnesota just said, namely, that it is a bill which relates to one of the most important industrial areas in the entire world. The State of Pennsylvania, the State of Ohio, and the State of New York surely represent that type of industrial development. Furthermore, the population concentration in those areas is one of the most dense in the United States.

The Senator from New York pointed out that the proposed legislation would authorize the State of New York to build, operate, and maintain a hydroelectric power project on the Niagara River, utilizing a diversion of waters agreed upon and made available under the terms of the United States-Canadian Treaty of 1950. He also pointed out, as have other speakers today, that the Dominion of Canada has already proceeded under the terms of the treaty which relate to Canadian development, and that we are somewhat behind schedule, so to speak, in the development of the water resources which are available to the United States or any of its political subdivisions under the terms of the treaty of 1950.

Furthermore, it has been pointed out again and again that this authorization bill, Senate bill 1823, would not cost the Federal Government a single cent in Federal appropriations. So the issue of cost to the Government of the United States is surely not germane, and has no relevancy whatsoever to any argument which might be made against this particular bill.

Also, I understand that New York State seeks no financial aid whatsoever, in any form, from the Federal Government. Furthermore, this very project might well have been accomplished under the treaty itself had it not been for a reservation to the treaty which was ratified by the Senate. As we know, that reservation stipulated that Congress, by subsequent action such as we are now proposing to take, would dispose of the new power potential made available under the terms of the treaty. So what we are really called upon to do now is to ascertain and determine how the power potential shall be divided, and under whose auspices—whether it should be under the New York Public Power Authority or whether it should be a Federal power development or whether it should be a private power development.

I am sure that everyone recognizes that this is not what might be called a Federal power development. Congress has been brought into the subject only because of the so-called Aiken reservation to the treaty. Congress is called into the Niagara Falls electric power development program simply because, under the terms of the treaty, it is our duty to determine how this power resource shall be used and ultimately developed.

Long hearings have been held on the bill. It has been open for consideration for years, as my statement today will indicate. I shall not go through all the detailed explanations which have been listed in support of the bill. However, I should like today to invite the attention of Senators to the nature of much of the support which is to be found for the bill in other parts of the United States, particularly in the State of New York.

Let me begin by saying that Senate bill 1823 is completely in accord with the long-established Federal power policy, as embodied in the Federal Power Act, the Tennessee Valley Authority Act, the Bonneville Project Act, and many others.

The alternative and substitute measure, Senate bill 6, known as the Capehart-Miller bill, would turn this great public resource over to private development. In so doing it would not be in accord with the established Federal policy, or with the policy of the State of New York.

As a matter of fact, as is pointed out in the majority report of the Senate Committee on Public Works, Senate bill 6 "proposes, in effect, to make a completely unjustified exception to section 7 of the Federal Power Act, which assures public agencies a priority and preference over private applicants in securing a license for the development of the hydroelectric potential at any particular site."

There are many other arguments against the so-called substitute, the Capehart-Miller bill, which arguments will be made by other Senators, or have already been made.

I cannot conceive of any circumstances which would justify Congress in directing an exception to the rules established by the safeguarding provision of the Federal Power Act; but even if some future case might arise in which such an exception would be warranted, there could be no justification for any exception applying to perhaps the greatest of all public water resources belonging to two nations, the mecca of visitors from the entire world. I refer to Niagara Falls.

It has always been a matter of deep concern and surprise to me that this great power resource, which is so evident that even a 6-year-old child can see the potentialities, has not been utilized to its fullest. Anyone who has visited Niagara Falls and seen the plunging and lurching of that water can well understand that there is a treasure of gold, so to speak, in terms of potential energy from water power.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am happy to yield to the distinguished Senator from Tennessee.

Mr. GORE. The distinguished Senator from Minnesota is unquestionably speaking factually and truthfully, but it seems to the junior Senator from Tennessee that he has made a remarkable understatement. Here is one of the greatest natural resources on the North American continent. The share which belongs to the United States by treaty is daily, hourly, and by the minute going to waste.

Mr. HUMPHREY. The Senator is correct. Let me say to the Senator from Tennessee that it is energy—which is, in fact, wealth—that cannot be retrieved. Once it has gone over the falls, it is gone forever, and every day we lose in the development is, so to speak, represented by money which has been lost, by development which has been lost, by industry which has been lost, and by industrial potentiality which has been lost.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. At the beginning of the Senator's remarks he drew attention to the fact that we have been rather slow, in comparison with Canada, in de-

veloping our resources, and that, therefore, Canada is ahead of us.

I wish to point out that it goes much further than that. Under the treaty to which I have referred Canada not only can use a part of the water belonging to us, but can use all of it until we develop it.

Therefore we not only lose industrial potential, but we build up competition right across the border in Ontario. No other section of Canada has grown industrially so rapidly as has that part of Ontario which borders on the Niagara River, because of the low-cost power in that area. Power in Ontario costs less than half of what it costs on our side of the border.

Mr. HUMPHREY. The Senator from New York is correct, of course. It always amazes me that our Government, in its foreign-aid programs, will go around the world and encourage every nation on the face of the earth to develop its hydroelectric power, and yet neglect our own power potentialities. We now have before the Committee on Foreign Relations a proposal to build a huge dam in Egypt. It would be the world's largest dam. A great deal of American money would be put into it. Of course, the proposal is somewhat nebulous at this time, but it is being constantly talked about. The administration says it is a splendid idea.

I suppose one way to get the pending bill passed would be to have the Russians say that they would lend the money for it. If that were the case, our Government would rush in and build the project immediately.

I hope we can do it ourselves without someone from the Kremlin trying to do it. Perhaps that would be the way to get it done. I say that because I notice whenever the Kremlin asserts that something should be done to harness the waters of the Euphrates or the Tigris or the Jordan or the Nile, our Government immediately sends 2 ambassadors and 4 foreign-aid specialists to the country involved, and our country says, "We would love to see it done." Our Government in that case does not worry whether it is a matter of public or private power. Of course, it is always public power. Our Government says to such a country, "Not only should you do it, but hurry up and do it and take our money, and get it done in a hurry. What is more, we will send you the engineers. Not only that, we will see to it that it all works well."

However, when we are confronted with a project in the United States of America, such as the wonderful power resources that exist in the Niagara area, our Government says, "Oh, we don't know about that. We don't think we ought to do that."

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am glad to yield.

Mr. GORE. I wish to correct the Senator. The Government says that is creeping socialism.

Mr. HUMPHREY. Yes. However, when we talk about Niagara, that is not creeping. That river really rushes.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I am glad to yield to the Senator from Montana.

Mr. MANSFIELD. I am delighted that the distinguished junior Senator from Minnesota has brought into the debate the apparent paradox in the administration's thinking; that it wants to give Egypt $55 million to build the Aswan Dam on the Nile—and it would give that money to Egypt, not lend it—and that, as the Senator from Minnesota has indicated, it is willing to underwrite, free, the building of a development on the Jordan River for the benefit of Jordan and Israel; but that when it comes to a project in our own country, as has been pointed out by the distinguished Senator from Tennessee, as is the case with TVA, it is referred to as creeping socialism.

So far as multiple-purpose projects are concerned, under this administration, during the past 3 years and almost 4 months, not 1 such project has been started.

Apparently the administration talks one way to us and another way to the people outside the United States. Why does not the administration become interested in the development of American resources for the benefit of the American people?

Mr. HUMPHREY. The Senator from Montana makes a good point. I wish to say to my good friend from Montana that I thoroughly concur in his remarks. Since the administration seems to be so opposed to power developments at home and at the same time advocates them so strongly abroad, sometimes I wonder whether our friends overseas are not of the opinion that they are not good for them either.

Mr. GORE. Perhaps some of our friends overseas think we are Socialists.

Mr. HUMPHREY. One can never tell about that.

Mr. LEHMAN. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I am glad to yield.

Mr. LEHMAN. I thoroughly concur in the remarks of the Senator from Tennessee, the Senator from Montana, and the Senator from Minnesota. However, I do not wish the issue before the Senate to be beclouded or misunderstood. I wish it to be very clearly understood that the State of New York is not asking for any money from the Kremlin and that, at the same time, it is not asking for any money from the White House or from the Treasury or from the taxpayers of the United States.

Mr. HUMPHREY. The Senator's proposal is without doubt one of the most legitimate that has ever come before Congress. It is a very worthy proposal. I suppose I was being a bit facetious. Nevertheless, it is somewhat strange that our Government should become so deeply concerned about a great number of public power developments around the world, and should advocate such developments everywhere in the world with American taxpayer money; but that, when New York State asks that it be permitted to pay its own way on the Niagara River project, and to finance it and to build it and to operate it—and I did speak in that connection in a spirit of levity——

Mr. LEHMAN. I am completely in accord with the Senator's remarks, of course.

Mr. HUMPHREY. In that connection I said what I did say for the purpose of sharpening the argument, which could otherwise become rather dull; and I did suggest that if either Khrushchev or Bulganin were to say, "We would like to see the Niagara power resources developed," undoubtedly our Government could not hurry fast enough to get it done.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GORE. I believe the Senator from Minnesota makes a very grievous error in that connection. The circumstances which he has related would undoubtedly prompt the administration to make a gift of the money if the project were sufficiently removed from an American private power company. However, the Niagara resources are entirely too close to a power company which has made a big campaign contribution. Therefore, I do not believe that Bulganin or Khrushchev could bring the administration around to this thinking under such circumstances.

Mr. HUMPHREY. I must say that I admire the Senator's outstanding knowledge in the field of public-power resources, his advocacy of the great Tennessee Valley Authority, and his basic understanding of the development of our resources. In view of that fact, I accept his modification and his explanation and limitations of my remarks. I thank him. He is entirely correct. The junior Senator from Minnesota should have been more careful in what he had to say, because the Senator from Tennessee is absolutely correct. I do not wish to bear down on this point any longer. What the Senator has said should stand uncontested.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GORE. I thank the Senator for accepting my amendment of his remarks. I wish to join in the desire not to contaminate the project advocated by the distinguished junior Senator from New York with guilt by association.

I doubt if the junior Senator from Minnesota wishes to go so far in that direction as to class the Niagara project as legitimate, if that characterization is to carry with it the inference that a sound project which requires Federal expenditure of money is not legitimate.

Mr. HUMPHREY. My good friend from Tennessee knows that the junior Senator from Minnesota feels that the federally sponsored and operated projects which have been so phenomenally successful, as is the case with the great Tennessee Valley Authority, and which have made such a worthy contribution to our expanding economy, are legitimate, honorable, and desirable, and workable, and that I always hope Congress will adopt such projects.

Mr. GORE. And in the public interest.

Mr. HUMPHREY. Always in the public interest.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. I might add that the projects are also repayable. They are repayable within a 40-year period at 2 percent interest, and constitute investments in the welfare of the people and the development of the Nation's resources.

Furthermore, I should like to say that in the northwestern section of our country, Bonneville, Hungry Horse, and Grand Coulee will be repaid ahead of 40 years. Inasmuch as those multipurpose projects are supposed to last for 100 years, it means that for 60 years revenues from them will come into the Federal Treasury of the United States. Therefore they are assets.

Mr. HUMPHREY. The Senator is correct, of course. I should like to say again, as the Senator from New York [Mr. LEHMAN] has noted, that the proposal which is now before the Senate does not envisage a Federal project. It is one which would be operated by the State authority, and would be operated under the careful management of the State authority. It would be financed under the bonding capabilities of the State of New York. Its power resources would be available to the surrounding area. As was noted earlier, it would be a decided benefit to the industrial and community growth of the surrounding area, as well as of the whole State of New York.

In my discussion of the vital issue before us, I shall devote my remarks mainly to answering the attempt to mislead Congress into accepting the conclusion that "the people of New York have widely indicated a tremendous opposition to S. 1823—the bill providing for public development by the State of New York—and great support for S. 6."

S. 6 is the bill which would turn over the development to five privately owned power companies dominated by the Niagara Mohawk Power Corp.

Mr. President, I do not pretend to speak on behalf of the people of New York, but I think I may discuss their attitudes because these attitudes have over the years become widely known and because they have an important bearing on the present business.

That State has able spokesmen. A former Governor of that State, a man whose political life and private life in the State of New York is held in admiration by friend and foe alike on the political scene, has spoken ably, persuasively, and forthrightly on this very subject. He has spoken, of course, for his constituents. I hope the Senator from New York will permit me, as a man, as a fellow citizen, and as a fellow Senator, to offer some of the observations of the leaders of the State of New York with reference to this program. After all, the subject is not new. It was discussed by the Senator from New York [Mr. LEHMAN] when he was Governor of New York State. It was discussed prior to that time during the administration of the great Gov. Alfred E. Smith, and by other persons.

Let us begin by recognizing quite frankly a political fact of life in New York State. During the last generation, no candidate for Governor of New York State could hope to be elected who did not favor State development of the two great public hydroelectric resources on the State's northern and western boundaries with the Province of Ontario, those in the St. Lawrenc and Niagara Rivers.

That is a well-known political fact in New York State, which is taken into account today by both major political parties.

The support of the people of New York for public development of the two great public hydroelectric resources on the St. Lawrence and Niagara Rivers has a long tradition behind it.

As far back as 1907, the New York State Legislature, by chapter 569 of the laws of that year, directed the State water supply commission "to devise plans for the progressive development of the waterpowers of the State under State ownership, control and maintenance for the public use and benefit, and for the increase of the public revenue."

Mr. President, that was 49 years ago. This was in accord with the recommendation of the then Gov. Charles Evans Hughes in his message to the legislature in that year. Governor Hughes had said that the waterpower resources "should not be surrendered to private interests but should be preserved and held for the benefit of the people."

Governor Hughes reasserted this principle in his 1910 message.

All I am suggesting is that the present administration catch up with Charles Evans Hughes. He has gone to his heavenly reward, but I suggest that this administration at least get in touch with the spirit of that great governor and public servant, and if they are unable to find the words of his recommendation relating to the development of the Niagara power resources, I have provided those words today from quotations from the Governor's address to the legislature, from his admonitions to the legislature, and from the act of the legislature.

From that time on the State's waterpower policy was in controversy until the middle 1920's when it definitely crystallized in favor of State development of St. Lawrence and Niagara power.

Mr. President, I wish to digress from my prepared manuscript to say that the Senator from New York [Mr. LEHMAN] was an advocate in this Chamber of the public development of waterpower resources of the St. Lawrence River. I regret that that development has not yet become a reality.

The crystallization of public opinion on this great issue was manifested in the election in every State poll from 1922 to 1954 of governors pledged to public development of these waterpower resources.

The last serious drive of private power interests to secure State approval for private exploitation of either of these great waterpower sites was turned back in late 1926 by Gov. Alfred E. Smith, with a vote of the entire State electorate supporting this waterpower policy behind him.

In other words, Mr. President, he received the support of his own people to defeat the efforts of the private utility companies at that time to take over the water power resources. That case is significant.

On September 24, 1926, the State Water Power and Control Commission, controlled by Republican forces who hoped to displace Governor Smith in the November election, decided to grant a license to the Frontier Corp. to develop St. Lawrence power. The Frontier Corp. was owned jointly by the Aluminum Company of America, General Electric Co. and du Pont, to be later turned over to the Niagara Hudson Power Corp., predecessor of Niagara Mohawk.

About six weeks later the voters of the State reelected Governor Smith on his pledge to keep the development of this resource for the people. After a sharp battle, the governor forced the companies into a position where they withdrew their applications and the State legislature proceeded to give the governor a veto over any such giveaways in the future.

I am pleased to be able to stand on the floor of the Senate and say a few words about the administration of Gov. Alfred E. Smith, one of the truly great humanitarians this Nation has produced, one of the ablest governors who ever graced the State House in Albany, who raised his voice in behalf of the people and the people's interests.

I should like to say to my friend, the Senator from New York, that I remember when Governor Smith was a candidate for the Presidency. I remember my father's admiration for Governor Smith. His pronouncements in that campaign were in the finest traditions of liberal democracy, and the American people have looked back, I am sure, wondering whether they had made a tragic mistake when they turned over the reins of government to one who did not see fit to use the powers of government in the public interest. Governor Smith was truly a great public servant, and his efforts to develop the water resources of his State demonstrated his leadership and courage against powerful economic interests in his section of the country, and particularly in his State.

Mr. LEHMAN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. I wholeheartedly concur in the Senator's estimate of Governor Smith. He was the man who first interested me in politics. I managed his campaign in the early 1920's. He stimulated my interest in the public development of power. In 1926 I managed his campaign, to which the Senator from Minnesota has referred, which had a great bearing on the waterpower resources of the State of New York.

If it had not been for Governor Smith's persuasive powers I would not have run for lieutenant governor.

I only wish to say that I share the very high regard and admiration of the Senator from Minnesota for Alfred E. Smith, and I have thoroughly enjoyed the Senator's remarks about Governor Smith. He was a very great American.

Mr. HUMPHREY. Mr. President, my estimate of Gov. Alfred E. Smith has gone up by receiving the information that he persuaded the Senator from New

York to be a candidate for lieutenant governor. That was another demonstration of his keen political judgment, his sense of human values, and his qualities of leadership.

Until the present five-power-company drive, which is behind the Capehart-Miller bill, S. 6, that was the last serious effort of the power companies to reverse the will of the people of New York State to develop St. Lawrence and Niagara power on a public basis.

They waited approximately 25 years to reassert their determination to gain control over these great water resources. Apparently, the private-utility companies feel that the political climate in Washington is conducive to another effort on their part.

What a fortunate development it is that the man who stood by Gov. Alfred E. Smith in 1926 is on the floor of the Senate today to see that this effort on behalf of private power companies to grab and maneuver to get these resources does not reach fruition. Alfred Smith did his work for the people, and his friend, his partner in liberal democracy, is here in the Senate as the chief sponsor of this bill, which I think is of historic significance.

Again we see private power companies trying to get hold of these resources. There is no Alfred E. Smith at this time to curb their appetite, but there is a Senator LEHMAN, the sponsor of this bill. I am delighted. That is the reason why I am on the floor. I admire what the Senator from New York does for us, for his State, for the Nation, and for the world. I admire the principal position which he has taken on these great public issues.

In a special message to the New York Legislature in 1923—I am going back into history again—Gov. Alfred E. Smith demanded the repeal of all laws which gave to State officers power to grant leases to private companies, and asked immediate development of the Niagara and St. Lawrence Rivers by the State itself owning and operating powerplants and transmission lines to sell direct to municipalities.

In his annual message for 1924, Governor Smith advocated "a New York State Power Authority to develop the waterpower resources of the State." This position was reiterated in subsequent messages, and was an issue on which he was reelected in 1924 and 1926 and on which Gov. Franklin D. Roosevelt was elected in 1928 and reelected in 1930, the first stage of the battle of the people against the power companies ended with the enactment of the New York Power Authority Act of 1931.

Is it not amazing that now, in order to qualify as a liberal, one is supposed to be for public power or the development of power resources. Thirty years ago, men of the political persuasion and philosophy of Alfred E. Smith and HERBERT H. LEHMAN were fighting this battle, and fighting it to a successful completion, to protect the great power resources of the people.

Section 1 of the Power Authority Act declared that the bed, waters, power, and power sites in, upon, or adjacent to or within the watershed of the St. Lawrence River, which includes the Niagara River, "owned or controlled by the people of the State, or which may hereafter be recovered by or come within their ownership, possession, and control, shall always remain inalienable to, and ownership, possession, and control thereof shall always be vested in, the people of the State." It created the Power Authority of the State of New York and authorized it to proceed with the public development of St. Lawrence power.

Since 1931, all changes which have been made in the New York Power Authority Act have been designed to extend rather than diminish the principle of public development of these great resources. These changes have included the amendment of 1951, specifically authorizing the power authority to develop Niagara as well as St. Lawrence power.

These records of actions taken to assure the public development of St. Lawrence and Niagara River power, taken after polls of the entire electorate of the State after the issue had been squarely presented, are far more significant evidence of what the people of New York State want than the position taken by organizations which all too clearly reflect the all-pervasive influence of the power company public relations fellow-travelers.

But we can go further and examine more fully the reasons which led the people of New York State to favor public development of these great waterpower resources.

The entire record shows the long, continued popular support for development of the St. Lawrence and Niagara Rivers by the State of New York was based on a determination that the benefits of further development of these resources should flow to small consumers—indeed, to all, but with preference for the small consumers—of electricity in lower rates and larger use, rather than to a few very large industries.

Of course, this is where the preference clause comes in. I say to the junior Senator from New York that public-power legislation must have the preference clause within it. The preference clause is a public policy which has been under attack in recent years. The preference clause means exactly what the words imply: that the municipalities, the power authorities, the power districts, the rural electric cooperatives shall have preference, because they represent the people, rather than merely an economic institution.

By "preference" is not meant that others do not participate. "Preference" means priority; and in the instance of the Niagara hydroelectric development, there will be plenty of power for everyone. There will be an abundance of it.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. It is a fact, too, is it not, that the use of the word "preference" does not mean price preference?

Mr. HUMPHREY. That is correct; it means availability. It does not mean price discrimination. The rates and schedules will be established on the basis of the amount of energy used. There will be some minimums; and there will be, of course, steps in the power rates, I suppose, as there are in every other section of the country, when industrial or commercial customers use large amounts of power.

Mr. LEHMAN. Yes; but there will be no differentiation whatsoever in the basic rates, so far as the price is concerned.

Mr. HUMPHREY. None whatsoever; the Senator is absolutely correct.

I think it should be noted that if an effort were made in the Senate now to defeat the preference clause in the bill, a bill, by the way, which relies upon State development, not Federal development, and if that effort were successful, it would be a major breach in the whole preference clause structure of the Federal Power Act. I am convinced that if the preference clause were deleted by action of Congress, it would be the beginning of the end of the preference clause in every Federal power agreement which exists.

The final establishment of the Power Authority of the State of New York, which is now authorized to develop both St. Lawrence and Niagara power, was preceded by the legal, engineering, and marketing study of the St. Lawrence Power Development Commission. This Commission was established by the State legislature in 1930 to report a plan for the use of the St. Lawrence resources. It recommended the law which became the Power Authority Act.

In its report, the St. Lawrence Power Development Commission discussed the basic policy, which the people have supported for more than a generation.

Under a subcaption: "What Classes of Consumers Should Be the Beneficiaries of the Low-Cost Power?" the Commission asked further:

> Should all of them enjoy a pro rata reduction in their electric bills, or should the benefits of the low-cost power be concentrated as far as possible on the smaller customers?

The Commission's answer was unequivocal:

> Your Commission is firmly convinced that the latter policy is the proper one, and that an effort should be made to secure the maximum possible reduction of rates to domestic and small commercial users.

The Commission explained that:

> Industrial power users enjoy a strategic position not possessed by small consumers, which gives them power to bargain for low rates even though the public-utility company that serves them should try its best to secure the maximum profits from its business.

The Commission went on to point out that:

> The bargaining power of industrial users lies partly in their ability to produce their own power at low cost; partly in their readiness to relocate their plants in communities where they can get low-cost power; and partly in the fact that certain of the largest power-using industries, like the electrometallurgical industries, simply would not be able to carry on their business if they could not secure their current at extremely low wholesale rates.

The St. Lawrence Power Development Commission added that "smaller consumers of electricity throughout the

State are in a very different position," and "not being in a position to protect themselves by the exercise of their bargaining power, they require the protection of their Government in the enjoyment of services at the lowest possible rates."

This makes it clear why the people of New York State have always supported the public development of Niagara and St. Lawrence power. It was because public development of these great hydroelectric resources provided a means by which residential, rural, and other small users of electricity could enjoy the same bargaining power in obtaining the lowest possible electric rates as was already enjoyed by the big industrial and commercial users of power.

Development of St. Lawrence and Niagara power by the State was expected to give them this new bargaining power as a supplement to regulation. Public Service Commission regulation had clearly failed to give small users of electricity what big users had obtained by such bargaining power.

It is important to get a clear picture of exactly how the New York Power Authority Act proposed to give the small users of electricity—the homes, farms, and small businesses—this new bargaining power. Such an analysis will show why it is necessary to enact S. 1863, with its safeguards based on the basic requirements of Federal power policy.

Let us look at the New York act a little more closely:

In the first place the act declares that, in the development of hydroelectric power from the St. Lawrence and Niagara projects, "such projects shall be considered primarily as for the benefit of the people of the State as a whole and particularly the domestic and rural consumers to whom the power can economically be made available." It directs that "all plans and acts, and all contracts for use, sale, transmission, and distribution of the power shall be made in the light of, consistent with, and subject to that policy."

In the second place, the act provides that, in order to implement the policy of channeling the benefits particularly to domestic and rural consumers, "sale to and use by industry shall be a secondary purpose, to be utilized to secure a sufficiently high-load factor and revenue returns to permit domestic and rural use at the lowest rates and in such manner as to encourage increased domestic and rural use of electricity."

In the third place, the act provides that, in furtherance of this policy and to secure wider distribution of such power and use of the greatest value to the general public of the State, the Authority shall in addition to other methods which it may find advantageous make provision so that municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electric power may secure a reasonable share of the power" on a cost basis. In this connection it provides also for arrangements to assure the necessary transmission of power to such municipalities and political subdivisions.

I am explaining the preference clause, which has been explained in detail by the Senator from New York.

In the fourth place, the act provides that rates of the transmitting and distributing public agencies or companies for power generated at the projects "shall be governed by the provisions and principles established in the contract, and not by regulations of the public service commission or by general principles of public service law regulating rates, services and practices." Rates to consumers are to be fixed initially and adjusted from time to time "on the basis of true cost data."

This provides a consistent pattern for developing and marketing power from the Niagara and St. Lawrence resources in such a manner as to assure all consumers of electricity, particularly domestic and rural consumers, advantages which they had not enjoyed and could not hope to enjoy under established public-utility regulation. It was specifically designed to supplement utility regulation by giving small consumers the same bargaining position in dealing with privately owned power companies which the St. Lawrence Power Development Commission declared was enjoyed by big industrial consumers. It is completely consistent with the Federal preference provision governing the marketing of such power.

Small consumers would have an alternative to dependence upon a private monopoly for their electric service. That alternative would be service through a municipality or other political subdivision of the State "now or 'hereafter' authorized by law to engage in the distribution of electric power." I have emphasized the word "hereafter" because it clearly indicates that, if the purposes of the people in providing for public development of Niagara and St. Lawrence power resources are to be achieved, the marketing of the power must protect the future opportunity of such public distribution systems to call for Niagara and St. Lawrence power in amounts which are reasonable in terms of the fundamental purposes of the Power Authority Act.

This requires recognition of the preference accorded public and cooperative electric systems in all Federal legislation providing for the marketing of power from Federal projects. It requires also provision for recapture on reasonable notice of power sold to privately owned power systems, to the extent needed to meet their reasonable requirements. The development of rural electric cooperatives since the Power Authority Act became law warrants their inclusion in such provision.

Others who will speak in support of S. 1823 for public development of Niagara power will go into greater detail on the close correspondence between the New York policy and the Federal policy for marketing power from Government power projects. I am giving special emphasis to the long-standing support which the people of New York have given to public development of these resources and to the sound reason for such support.

But I must assert at this point, with all the emphasis I can give my words, that the explicit safeguard for the preference to public bodies and cooperatives, which is one of the essential provisions of S. 1823, involves no conflict with the New York Power Authority Act. On the contrary, it is absolutely necessary to assure that the objectives of all the people of New York, as embodied in the act, shall be fully accomplished.

I may say to the Senator from New York that was the purpose of my discussion to point out that the safeguards in the proposed legislation sponsored by the Senator from New York and other Senators are in no way in conflict in any detail with the New York Power Authority Act. In fact, they are in harmony with the purposes of that act.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. So far as I have been informed, and I have studied the situation pretty carefully, I do not think there is any conflict between the State act and the Federal Power Act.

Mr. HUMPHREY. Is it fair to say that if the preference clause were deleted, or if the safeguards in the bill were deleted, then there would be conflict between the purposes of the New Yorker Power Authority Act and the bill which is presently before the Senate?

Mr. LEHMAN. There would be conflict with the New York Power Authority Act, and certainly would be conflict with the Federal power policy, which has been in existence for 50 years or more.

Mr. HUMPHREY. Mr. President, I believe we can find strong evidence of the extent to which the people of New York State backed that policy in the fact that the New York Legislature enacted the Power Authority Act as chapter 772, laws of New York, 1931, without a dissenting vote.

I may note in passing that just about 2 months earlier the Senate Committee on Foreign Relations had similarly, by unanimous action, rejected a proposed treaty with Canada which would have enabled the Niagara Falls Power Co. to develop more power at Niagara in exchange for private financing of certain remedial works at the falls.

The committee issued the following statement explaining its action—and this was back in the 1930's—

> The Foreign Relations Committee was unanimous in its action. It rejected the present treaty. It favors, however, all reasonable action upon the part of the United States to preserve the scenic beauty of the falls.
>
> It objects to this treaty because it purports to enter into a compact with private companies to do certain work and for which they are given the use of certain amount of water for power purposes.
>
> It is the view of the committee that the Government of the United States, insofar as its part is concerned, should do this work direct and not enter into a contract with private power companies and pay the price which is here proposed to be paid. The evidence of General Pillsbury disclosed that this contract would be worth something like $5 million to the power companies.
>
> The committee desires to have the power matter treated as a separate matter and

that the United States should bear the expense.

Senator Wagner, of New York, was a member of the committee and voted against the treaty, along with Senator Borah, of Idaho; Johnson, of California; Moses, of New Hampshire; Capper, of Kansas; Fess, of Ohio; Goff, of West Virginia; Vandenberg, of Michigan; La Follette, of Wisconsin; Robinson, of Indiana; Swanson, of Virginia; Pittman, of Nevada; Robinson, of Arkansas; Black, of Alabama; and Shipstead, of Minnesota. In addition, Senators Walsh, of Montana; Harrison, of Mississippi; and George, of Georgia, also asked to be recorded as voting against this proposed Niagara Treaty.

Mr. President, that was back in 1930. Twenty-six years have gone by. In 1930 the Senate Committee on Foreign Relations went on record as being against private development of the Niagara resources, and they made it quite clear why they were so going on record.

I should like to say that some of the Senators I mentioned who were on the Foreign Relations Committee at that time were classified in later years as not being what one would call liberal but it seems to me that their quality of conservatism in 1930 was much better than is the quality of some liberalism in 1956.

I have mentioned great Republicans like Vandenberg, of Michigan; Borah, of Idaho; Johnson, of California; Capper, of Kansas; Moses, of New Hampshire. They were far ahead of this administration in terms of their support of public power, and of their protection of the great water resources, and in seeing to it that water resources were made available and eligible for public development rather than private development.

I should like to commend this section of my speech to the attention of any of the White House assistants who may be briefing the President or any member of the Cabinet, because it seems to me the record is pretty clear in showing what was the intent of Congress long ago as to the development of Niagara resources.

A glance at the record of hearings before the Senate Public Works Committee on the bills providing for development of the power at Niagara Falls contains evidence of widespread support throughout New York State for S. 1823, that is, for public development by the New York Power Authority, with a preference for public and cooperative electric systems in marketing the power. Taken along with the record of the Northwest Electric Consumers Conference, we find that supporters of the Lehman-Buckley bill include:

The mayor of the city of New York, represented by Gordon Clapp.

The Industrial Ladies Garment Workers' Union, speaking through its president, David Dubinsky.

The Amalgamated Clothing Workers, speaking through its president, Jacob S. Potofsky.

The Textile Workers Union, CIO, speaking through its legislative representative, John Edelman.

The New York State CIO Council, speaking through its president, Louis Hollender.

The Regional Organization of the United Auto Workers, CIO, speaking through its regional officer, Martin Gerkes.

The International Paper Workers, AFL, represented by its president, Paul L. Phillips.

The Electrical Workers, CIO, speaking through its field representative, Kenneth Peterson.

The Northeastern Electric Cooperative Association, by resolution.

The Municipal Electric Utilities Association of New York, represented by its then president, Ralph G. Dickinson.

These spokesmen for organizations, representing millions of people in New York, favored prompt enactment of Senate bill 1823, for public development of Niagara Falls power by the New York State Power Authority, with safeguards for the prior right of public bodies and cooperatives to the power supply from this source.

I have already emphasized at some length the long series of statewide elections in which the people of New York have, without exception, elected governors pledged to public development of the mighty waterpower resources in the Niagara and St. Lawrence Rivers. I have stressed the fact that strong support from the New York electorate put the New York Power Authority Act on the statute books 25 years ago; and that 20 years later, in 1951, the act was amended to extend and strengthen it, all this with the support of the people of the State. If I am not mistaken, in 1951 there was a Republican administration in the State of New York; and, despite that, there was support for the very program we are now advocating in the Senate.

Mr. LEHMAN. Mr. President, will the Senator from Minnesota yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. The Senator from Minnesota has given a very accurate account of the various administrations and various persons in New York who have supported this proposal. He may go on to mention the point I am about to stress, namely, that in every recent election in the State of New York that I know of, and certainly in the 1954 election, the platforms of all the parties in New York State—those of the Republican Party, the Democratic Party, and the Liberal Party—have stressed the importance of developing the waterpower resources of the Niagara River. There is no question at all about that. As a matter of fact, when my colleague from New York [Mr. IVES] ran for election to the office of governor, in 1954, he, too, endorsed public development of the Niagara power. So there has been no difference of opinion as to it.

The attempt to show that the people of New York do not want public development of these power resources is a new attempt, and the effort to build up that belief is a new one. Of course the private utilities do not want public development of these resources. But the people of New York State want it.

Mr. HUMPHREY. I think it is fair to say—and of course I stand ready to be corrected by the distinguished junior Senator from New York, who knows the political situation in New York as well as, or better than, any other living American does—that for the past 15 years, not one candidate on the platform of a major political party for election to the office of governor of New York has ever spoken against public development of the waterpower resources of the Niagara River.

Mr. LEHMAN. That is correct. Perhaps the Senator from Minnesota noted that in the course of my speech on yesterday, I dared anyone to run for election to any statewide office in New York on a program of private development of these waterpower resources.

Mr. HUMPHREY. I did note that in the Senator's speech. I was going to offer the challenge myself, but I thought it much better to have it emanate from the Senator from New York.

Not only do I think it fair to say that no candidate will run for election to any State office in New York in opposition to public development of the Niagara resources, but I venture to say that no Republican candidate and no Democratic candidate for election as President of the United States would dare run in the State of New York without advocating public development of the waterpower resources of the Niagara, because the people of New York understand this issue. They have had brilliant leadership on this issue. They know it means dollars and cents in savings to them, and that it means new industry and industrial growth and expansion and a much, much more equitable economic situation in the development of industry in the whole area surrounding New York, as well as in New York itself. I think that is a modest statement, and one made in the spirit of moderation, let me say.

Mr. LEHMAN. Mr. President, the Senator from Minnesota is eminently correct.

Mr. HUMPHREY. Mr. President, today, the highest elected officers in the State from both parties, the Democratic Governor and the Republican attorney general, both endorse public development of Niagara Falls power, and oppose the give away of this great resource to development by private corporations for private profit.

Let me quote a few sentences from the statement of the attorney general of New York, Jacob Javits, to the Senate committee, in opposing any bill which would turn development of Niagara power over to the private power companies. The New York attorney general said:

> As attorney general of the State of New York, I submit this memorandum in pursuance of my responsibility to prevent spoliation or deprivation of the property of the State of New York and to urge the passage of Federal legislation which will not vitiate the fundamental laws of the State.

Mr. Javits called attention to the provision of the Power Authority Act declaring that ownership, possession, and control of the Niagara and St. Lawrence power resources "shall always be vested in the people of the State." He emphasized further that the State of New York, by this act, "has given the exclusive right to develop hydroelectric power therefrom in the State of New York to a corporate municipal instrumentality created by the State known as the Power Authority of the State of New York."

The New York attorney general recognizes that the bill under consideration, S. 1823, would direct the Federal Power Commission to issue to the New York Power Authority a license for development of the new Niagara power. But he considers it clear that "the turning over of those waters to private interests for the development of power will be offered to the Congress as an alternative or as a reason for rejecting the instant measure—S. 1823."

Mr. Javits then urged that:

The licensing directly or indirectly by Congress of a private utility corporation to develop the additional waters of the Niagara River made available for power purposes by the 1950 treaty would unquestionably circumscribe, if not vitiate, the rights therein of the people of the State of New York.

He continued as follows:

In view of the provisions of the New York public authorities law to which I have called your attention, the granting to a private utility corporation of a Federal license to use for private profit the additional waters of the Niagara River, made available for power purposes by the 1950 treaty, would infringe the rights of the State to determine the powers and purposes of private corporations that may do business therein.

The New York attorney general then emphasized a point which should arrest any attempt to advance the "giveaway" substitute, Senate bill 6, for the Lehman-Buckley bill. He said:

Such a license (to a private power company) would vest in such a corporation corporate rights, privileges, and franchises that could not be granted to it or exercised by it under the existing laws of the State of New York. After the 1950 treaty made such waters of the Niagara River available for power purposes, those waters were specifically declared by statute to be a part of the inalienable natural resources of the State of New York. Consequently, no private utility corporation could be created under the laws of the State of New York and no private utility corporation created under the laws of any other State could be authorized to do business in New York for the purpose of using such waters of the Niagara River for the development of hydroelectric power for private profit. Such use of the waters of the Niagara River would be contrary to the policy of the State.

Mr. President, I believe that in the House of Representatives the corresponding bill is sponsored by Representative BUCKLEY.

Mr. LEHMAN. Yes. That is the companion bill in the House of Representatives to the Senate bill, S. 1823, of which the Senator from Minnesota is a cosponsor.

Mr. HUMPHREY. Yes. I have referred to the corresponding bill—the similar bill—in the House of Representatives.

Mr. LEHMAN. Yes, it is a similar bill; and hearings have already been held by the House committee on that bill.

Mr. HUMPHREY. Yes. So we might very well call these proposals the Lehman-Buckley proposals.

Mr. President, I am very proud to be a cosponsor of Senate bill 1823, but I do not wish to attempt to take credit for the drive behind the bill and for the inspiration behind the bill. Credit for them go to the very able junior Senator from New York. Not only has he been the leader of the fight in the Senate, but, I say most respectfully, he has been the leader in this movement for at least 30 years.

Mr. GORE. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield.

Mr. GORE. I wonder whether offhand the able Senator from Minnesota or the able junior Senator from New York can give an estimate as to the value of the power which has gone to waste since the distinguished junior Senator from New York has been pleading for the development of this project.

Mr. HUMPHREY. I would have to yield to the Senator from New York on that point, because I know he has lived for many years with the hopes for this development.

Mr. LEHMAN. I have no accurate estimate, but I can say that there is no doubt that the amount would run well into billions of dollars. As a matter of fact, both the House committee and the Senate committee, after hearings, estimated that if Senate bill 1823 or a similar bill were enacted, it would save at least $300 million a year for the entire area, which includes not only New York, but Ohio and Pennsylvania. If we multiply that amount by the number of years in which we have not enjoyed the use of these waters, obviously the savings would have been several billion dollars.

Mr. GORE. And the power is direly needed now.

Mr. LEHMAN. The power is direly needed now. A great part of it is being used by Canada in competition with us. Every bit of it will be used by Canada unless we develop it; and she has a perfect right to do it under the treaty.

Mr. GORE. I will not use the word "foolish" or the word "stupid," but how improvident can we be?

Mr. HUMPHREY. Leave those words in the RECORD, even if the Senator is not using them.

Mr. LEHMAN. I point out to the Senator from Minnesota and the Senator from Tennessee that we are now developing waterpower on the St. Lawrence. It required 30 years of effort to have that waterpower developed. The project is now under construction, and probably will be completed in about 3 years.

Mr. GORE. I congratulate the Senator for his magnificent work on that project, too.

Mr. LEHMAN. I thank the Senator.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. HUMPHREY. I am happy to yield.

Mr. GORE. I wish to take this occasion to pay tribute to one of the most fruitful, conscientious, hard-working Senators who has ever graced this body, a man whose heart beats truly with the pulse of the public interest.

Mr. LEHMAN. I thank the Senator from Tennessee for his very gracious remarks.

Mr. HUMPHREY. Let me be privileged to associate myself in every way with the expression of the Senator from Tennessee, because it is a true reflection of the high regard in which the Senator from New York is held by so many of his colleagues in this body—and I hope by all. His work here in behalf of the people is an inspiration to me, and I know that I see in others the effects of the same sort of inspiration.

I have said enough to show how empty are the claims of supporters of the Capehart-Miller bill, S. 6, that the people of New York prefer private development of Niagara power. It is almost incredible that anyone should make such an assertion, because the evidence to the contrary is replete.

In addition, we must not forget that the people of New York can look across the Niagara or the St. Lawrence Rivers to the Canadian Province of Ontario, where the power from these rivers is being developed publicly by the Ontario Hydro-Electric Power Commission and furnished as wholesale power supply to some 900 Canadian municipalities which distribute the power to consumers.

The Senator from New York has already mentioned this.

The Ontario Hydro-Electric Power System has been in operation for more than 40 years and has brought electric rates down to the point where homes in the various Ontario municipalities can purchase more than twice as much electricity for their money as homes in corresponding cities in New York State.

I have visited that area, let me say to the Senator from New York. I have visited the facilities of the Ontario hydroelectric power system. By the way, when one goes to Niagara Falls and crosses the border into our great sister country of the Dominion of Canada, he sees the amazing clock of the Ontario hydroelectric power system. The face of the clock is done in beautiful flowers. It is but a further reminder of the good judgment and vision of the people of the Province of Ontario and the people of Canada in utilizing this God-given blessing of water resources for the good of the people.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GORE. I have noticed with pleasure, during the course of the able Senator's remarks, that upon each occasion when he has referred to the beauty of the Niagara and the lovely scenery there, his countenance has brightened. I wonder if he has fond recollections.

Mr. HUMPHREY. I have beautiful recollections, let me say to the Senator from Tennessee. I like to have such recollections refreshed on every possible occasion. A few years ago I and my family went to Niagara, and up through the great State of New York. We are planning to do it again, if time permits.

I shall go no further into detail with the Senator from Tennessee. However, let me say to him that he has made my day a bright and happy one. I am grateful to him.

Furthermore, the Ontario Hydroelectric Commission can proclaim, as it did in 1945 in a booklet entitled "Electric Power Supply in Strategic Ontario":

Ontario offers many advantages for industrial location. It has strategic position in relation to markets, it has the labor, the climate, the natural resources * * * and, above all * * * it has an abundant supply of low-cost electric power.

The people of New York State have established a basis for developing both Niagara and St. Lawrence power which will assure them some of the advantages already won by their neighbors in Ontario. The Congress of the United States cannot allow itself to be made the instrument of private-power interests which have already too long delayed the opportunity of the people of that State to go forward with their program under conditions which will safeguard the national interest.

I have devoted my remarks chiefly to refuting the claim that the people of New York want to turn the great Niagara Falls resource over to private power companies to be developed for private profit.

But we cannot overlook the fact that the issue before us has national as well as State implications. Not only is Niagara Falls a great resources symbol for all our people but the power policy which governs the use of this resource is a matter of outstanding importance to homes and farms throughout the land.

This power policy has raised the percentage of American farms enjoying the blessings of central station electricity from 11 percent in 1935 to 95 percent in 1955. In a true sense, including the running water that has come with it, this power policy has brought the American farm home into enjoyment of modern civilization.

This power policy has pioneered the way for low electric rates and larger use of electric conveniences for the Nation's 47 million homes, accelerating the trend which, according to the prediction of General Electric Co., will within another 15 years result in total residential use exceeding total industrial use of electricity.

This power policy has enabled great regions like the Southeast, the Pacific Northwest, and the Tennessee Valley area to make great strides toward freedom from the status of economic colonies of the Money Trust, which would centralize control of the Nation's economy in the hands of the few.

This power policy has proved a tremendous stimulus toward the goal of full employment for our expanding population.

The Lehman (S. 1826) bill provides the necessary safeguards to prevent development of Niagara Falls power from becoming a breach in that policy. And it does so in entire accord with the policy established by the people of New York State in their Power Authority Act, a policy designed particularly to benefit domestic and rural consumers.

Therefore, Congress should act promptly to approve this bill without amendments in order that plans may go forward without further delay for the development of this priceless public resource.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. LEHMAN. I compliment the Senator for the magnificent presentation he has made of this very important subject. He has touched on issues which are of vital importance, not only to New York State, not alone to the area embraced by the power which may be generated on the Niagara, but on a nationwide basis, because what we do in connection with this bill will unquestionably affect to a very substantial extent the power policy of the Nation.

Mr. HUMPHREY. I thank the Senator. As I said to him earlier, and as I have said to him privately, I am interested in this bill because it is consistent with my views as to the development of America's great hydroelectric resources.

I am also interested in it because this measure, in particular, represents a continuation of the struggle in this country for the development of these great public resources for the public welfare and the public good.

I wish to say that I have read the minority views on the bill, as presented by some of our colleagues. I wish to say further, and very frankly and most respectfully, that those views, insofar as they contend that private enterprise has pioneered this project, do not square with what I believe to be the facts.

Furthermore, I should like to say that in one portion of the minority views the feeling is expressed that Congress might be overstepping its authority in deciding a State issue.

I cannot see the validity of that argument, because of the Aiken reservation to the treaty of 1950. That reservation makes it obligatory and makes it the responsibility of Congress to decide this issue.

If we were concerned only with the treaty, without the reservation, the State of New York would have proceeded long ago. It is the reservation in the treaty which has made it an obligation and a responsibility and a duty of Congress to decide the question of how the power should be developed, whether through public or private development.

I say this with the greatest respect to the signers of the minority views, and I ask them to examine the record on this point. One of the reasons I said what I did say today was to establish, insofar as I could, within the limits of my experience and knowledge of this subject matter, clear evidence showing that it has been the long-term tradition and stand of the political and civic leaders of the State of New York, as well as of the people of the State of New York, through organized groups and through industry, and as individuals, to develop the Niagara River water resources through a public authority. I believe that issue is clear and unmistakable in its validity and in its certainty.

Mr. LEHMAN. Mr. President, will the Senator yield for a brief observation?

Mr. HUMPHREY. I am glad to yield.

Mr. LEHMAN. If we can, through public development, reduce the cost of power to the people of New York State—and I am convinced that we will be able to do so—and to the people of the neighboring States, we will have benefited all the people of the area.

At the same time, I believe we will have greatly benefited the private utility companies, because the history of every section of the country, where rates have declined because of competition of public power, shows that private utilities, through greater utilization of electrical energy in homes and in factories and on the farms, have benefited and have prospered and have increased their earnings and have grown in size.

The able junior Senator from Alabama [Mr. SPARKMAN], before the Senator from Minnesota began his address, gave some statistics which were absolutely startling and dramatic. They showed not only the growth of the usage of electrical power because of lower rates, but also the increased prosperity which came to the private utility companies all over the country wherever their rates have declined.

Mr. HUMPHREY. I wish to say to the able Senator from New York that, although I do not know the specific details of the data presented by the junior Senator from Alabama [Mr. SPARKMAN], I believe it is becoming generally accepted among thoughtful people and fair-minded people, in management and industry and by the public at large, that the great power developments are both a public and private good.

In my part of the country, for example, where we purchase many of the commodities which are manufactured in New York, in Pennsylvania, and in Ohio, the development of the Niagara project will be beneficial to us, because power costs are one of the major items in industrial production costs.

Therefore, we have an indirect interest, from an economic point of view. We also have a true interest from a national point of view. We have an interest in maintaining the long-established tradition, which goes back to the days of Theodore Roosevelt, of the public development of great God-given natural resources, for the benefit and for the enjoyment and for the enhancement and for the opportunities of the American people.

Mr. LEHMAN. Mr. President, will the Senator yield further?

Mr. HUMPHREY. I am glad to yield.

Mr. LEHMAN. I am sure the Senator from Minnesota, because of his very careful study of the subject, has noted that in the low-cost power States, such as Washington and Oregon and Tennessee, and certain sections of Alabama, where power rates are one-half or less what they are in the Northeastern States, and also, I am sure, in Minnesota——

Mr. HUMPHREY. And Minnesota, indeed.

Mr. LEHMAN. In those States the per capita consumption of power is 4 or 5 or 6 and in some cases even 7 times as great as in the high-cost power States.

Mr. HUMPHREY. I do know that, indeed.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LAIRD in the chair). The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. HUMPHREY. Mr. President, in accordance with the order previously entered, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 37 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until Wednesday, May 16, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 15 (legislative day of May 7), 1956.

DIPLOMATIC AND FOREIGN SERVICE

Walter C. Dowling, of Georgia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plentipotentiary of the United States of America to the Republic of Korea.

J. Graham Parsons, of New York, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plentipotentiary of the United States of America to the Kingdom of Laos, vice Charles W. Yost.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 15 (legislative day of May 7), 1956.

POSTMASTERS

ALABAMA

Olie R. Snead, Altoona.
Loyd C. McMillan, Daphne.
Annie G. Chambers, Gainesville.
John G. Little, Jr., Greenville.
Heamon F. Salter, Jr., McKenzie.
James C. Weatherwax, Moulton.
Grover C. Kicker, Jr., Mountain Creek.
Robert H. Blacklidge, Spruce Pine.
Jeff D. Cleckler, Thorsby.

ALASKA

Neil W. Taylor, Auke Bay.
Elvira M. Hehr, McKinley Park.
Lois G. Hudec, Northway.
Neva M. Pichler, Platinum.
Louise F. Trafton, Tok Junction.

ARIZONA

Eric E. Nelson, Bisbee.
Lucille E. Baughman, Cavecreek.
Carl M. Isaacson, Hereford.
Joe H. Cittadini, San Manuel.
Alvertia M. Boss, Silver Bell.
Margaret N. Parkhurst, Tacna.
Miles T. Preston, Wickenburg.
Dick Groves, Willcox.

ARKANSAS

Leonard E. Woods, Cash.
William R. Nutt, Hamburg.
Lonnie G. Smith, Havana.
Ferman R. Rogers, Luxora.
Dorothy G. Moses, McCaskill.
Hunt Singletary, Marion.

CALIFORNIA

Beatrice A. Gleason, Calabasas.
Ethel R. Sherrill, Nubieber.
Raymond T. Whitney, Pedro Valley.
William R. Robinson, Point Arena.

CONNECTICUT

Alice N. Allen, North Granby.

DELAWARE

Mark T. Berryman, Seaford.

FLORIDA

Warren J. McMillan, Jr., Alachua.
Donald A. Reeves, Baker.
Howard L. Evans, Bradenton.
Echo C. Beall, Campbellton.
Darence Junior Jones, Eau Gallie.
Rufus M. Miller, Flagler Beach.
William O. Kennedy, Inverness.
Maury J. Blalock, Madison.
Ross Rath, McIntosh.
Mary F. R. McGee, Melrose.
Walter K. Read, Ocala.
Samuel H. Wallace, Pompano Beach.
Kenneth B. Sears, Tavares.

GEORGIA

Carey H. Melton, Ashburn.
Wendell C. Leggett, Baxley.
George A. Lowman, Bloomingdale.
Robert L. Roland, De Soto.
Thurman O. Mobley, Glennville.
Robert D. Murphy, Jr., Greenville.
Branson C. Minter, Jakin.
Ione B. Todd, Lithia Springs.
Jerry L. McCullough, Ludowici.
Annie T. Gilbert, Pendergrass.
William I. Cushing, Pine Lake.
Clarence M. Brown, Riceboro.
Tommie C. Fenn, Rochelle.
Herbert C. Ray, Talking Rock.
James F. Woodall, Woodland.

HAWAII

John W. Ornellas, Hamakuapoko.
May L. Au, Hauula.
Raymond Ornellas, Hoolehua.
Masamitsu Nakamura, Kahuku.
Rose M. Shimizu, Kualapuu.
Zenmitsu R. Arakawa, Maunaloa.
Elsie M. Enanoria, Paauhau.
Harold H. Yoshida, Pahala.
Barbara B. Perry, Puunene.

IDAHO

George Paul Bragg, Ketchum.
Eytholle M. Greer, Rupert.
Gaylord R. Colvin, Jr., White Bird.

ILLINOIS

Arthur S. Petersen, Bensenville.
Earl F. Johnson, Buckley.
Frank Y. Mueller, Christopher.
Robert N. Carson, Colchester.
Lester T. Peacock, Harvard.
William Harold McCreery, Mason City.
Wesley H. Weihe, Nashville.
Donald L. Ellers, New Douglas.
William C. Kisselburg, Wauconda.
Fred H. Oehler, Jr., Wilsonville.
William A. Randles, Wolf Lake.

INDIANA

Otto L. Groninger, Akron.
Mark A. Galloway, Cromwell.
Robert A. Diddie, Crown Point.
Roscoe G. Brown, Laconia.
Clarence R. Howe, Troy.
Wallace L. Gilmore, Michigan City.

IOWA

Marvin R. Morgan, Anita.
Charles Harold Huff, Blakesburg.
William C. Kinney, Danbury.
Walter H. Thomas, Green Mountain.
Rex C. Robinson, Hampton.
Richard R. Kraus, Ryan.

KANSAS

Thomas M. Holmes, Altamont.
Raymond R. Miller, Hanston.

KENTUCKY

James Wayne Hargan, Fort Knox.
Thomas C. Thomson, Providence.
Milburn L. Ireland, Sonora.
Mary E. Lee Maynard, Trenton.
Joseph K. Burton, Utica.

LOUISIANA

Edith C. Lafargue, Keithville.
Louise E. Osborn, Roseland.

MAINE

Raoul D. Cyr, Madawaska.

MASSACHUSETTS

Edgar H. Peterson, Acton.
Robert R. DeRosier, Billerica.
Carl H. Carlson, Franklin.
William H. Folkins, Groton.
John H. Knox, Littleton.

MICHIGAN

Francis C. Fuller, Avoca.
Owen A. Kern, East Detroit.
George D. Smith, Morenci.
Raymond W. Hooker, Mount Pleasant.
Grant D. Maudlin, Royal Oak.

MISSISSIPPI

Murray H. Martin, Bentonia.
James T. Caviness, Blue Mountain.
Hilliard E. Griffin, Coffeeville.
James Marion Parks, Doddsville.
Taylor V. Beasley, Harperville.
Donald D. Hale, Lumberton.
Willie D. Brantley, Sebastopol.
Robert T. Freeman, Union.
Herbert L. Hogue, Walnut Grove.

MISSOURI

Lawrence L. Voelker, Bertrand.
Herschel E. Morris, Clifton Hill.
Roy Scantlin, Crocker.
Irene A. Escoffier, Kimmswick.
Ernest A. Homan, Jr., Marquand.
Edward D. Hogan, Martin City.
Arthur Williams, New Bloomfield.
Walter C. Raynes, Odessa.
Floyd S. Drew, Qulin.
Herbert L. Schlattman, Perryville.
Raymond M. Vollmar, Raymondville.
Sylvia Cooper, Sheldon.
Robert E. Nichols, Seymour.
Roscos G. Smith, Wellsville.

MONTANA

Charles E. Rice, Bozeman.
James P. Graham, Columbus.
Irma M. Hughes, East Glacier Park.
Mabel W. Bowman, Frenchtown.
Ellis Crosby Willis, Fromberg.
Catherine Ann Triplett, Geyser.
E. LaVerne Kaufmann, Grassrange.
Alice H. Klempel, Lambert.
Lillian A. Hyland, Richland.
Raymond A. Merritt, Roundup.

NEBRASKA

Robert Eugene Maw, Hershey.

NEVADA

Mortimer W. Wagner, Boulder City.
Efton E. Swindler, Hawthorne.

NEW HAMPSHIRE

Lillian M. Tashjian, Beebe River.
Rene R. Heroux, Berlin.

NEW JERSEY

Francis E. Coffey, Blackwood Terrace.
Allegra M. Sweet, Closter.
Anthony J. Pellecchia, Hanover.
Frances L. Pitcher, Holmdel.
Charles A. Hicks, New Market.
Harry E. Apgar, North Branch Depot.
Harvey W. Dawson, Pedricktown.
Clyde A. E. Snyder, Sr., Point Pleasant.
Grace V. Ellis, Rosemont.

NEW MEXICO

Asa N. Ealy, Anthony (New Mexico-Texas).
Matthew J. Price, Fort Stanton.
Irene G. Fullerton, Prewitt.
Jose M. Maestas, Jr., Santa Rosa.

NEW YORK

Noel R. Pearson, Little Valley.

NORTH CAROLINA

John Clyde Garrison, Morganton.

OHIO

Jasper Kirt Everett, Cairo.
Beulah M. Lowe, Clayton.
Ruthella D. Termeer, Dublin.
Samuel W. Brown, East Liverpool.
William A. Gill, Jr., Fowler.
Donald G. Woodward, Geneva-on-the-Lake.
Samuel R. Kerns, Leesburg.
Robert F. Burton, Middle Point.
Galen A. Seeger, New Springfield.
Phillip H. Gifford, Urbana.
Walter H. Cowles, Walbridge.
Clarence R. Trumbull, Jr., Weston.

OREGON

Willard A. Hughitt, Redmond.
Robert C. Wright, Taft.
Roger C. Smoot, Talent.
Russell C. Neitzel, Westport.
Catherine E. Weckerle, Winchester.

PENNSYLVANIA

Joseph T. Hauser, Delaware Water Gap.
Florence L. Willard, Derrick City.
George N. Sterner, Dewart.
Edwin B. Kimmel, Elderton.
Louis J. Prime, Emporium.
Edward J. Flood, Flourtown.
Wilmer E. King, Harrisburg.
James F. Timothy, Hazleton.
John H. Hayes, Kersey.
John R. Deitcher, Jr., Line Lexington.
William Robert Miller, Linglestown.
Millie Morelli, Ludlow.
William Lise Stephenson, Mahaffey.
Fred D. Cleavenger, Mapletown.
Henry Douglas Carpenter, Middletown.
Robert P. Icelow, New Hope.
Charles M. Manwiller, Palmyra.
Alfred A. Yarnell, Petersburg.
Donald C. Shaffer, Portage.
George Spishock, Pricedale.
Malcolm Decker, Ramey.
Robert A. Hunt, Sandy Lake.
Donald J. Locke, Shade Gap.
Irvin K. Davis, Slatington.
John R. Hench, Spring Grove.
Mary I. Hoy, Villa Maria.
Robert H. Jenkins, Wapwallopen.
Ernest O. Clayton, Waynesburg.

PUERTO RICO

Carmen T. Alvarez Fuentes, Guaynabo.
Rafael Rexach-Rexach, Rio Grande.

SOUTH CAROLINA

Marvin E. Kelley, Liberty.
Myrtle E. Case, Ocean Drive Beach.
Jessie W. Jenkins, Wadmalaw Island.

SOUTH DAKOTA

Howard B. Jones, Armour.
Ethel M. Flood, Brandon.
Dale R. Dunn, Dell Rapids.
Ofa M. Simpson, Fort Pierre.
Raymond C. Drayer, Frankfort.
Marvin R. Smith, Gettysburg.
Raymond A. Andersen, Irene.
Kenneth W. Anderson, Midland.
Russell C. Bernhard, Parkston.
Maurice L. Wilhelm, Redfield.
LaVern R. Hughes, Stickney.

TENNESSEE

Morris F. Dozier, Ashland City.
Doris M. Huffman, Bartlett.
Kathleen West Keeton, Helenwood.
Ulysses B. Coker, Jacksboro.
William B. Tatum, Lyles.
Frank L. Oakes, Milligan College.
Larry E. Hagood, Persia.
John W. Jennings, Rives.
Joe A. Lavender, Rock Island.
Harold D. Huff, Thompsons Station.

TEXAS

William S. Clements, Atlanta.
Harlan B. Pitchford, Avinger.
Joyce M. Procknow, Benbrook.
Jack D. Cheek, Bullard.
Donald J. Laughlin, Groves.
Anita D. Wilkison, Hidalgo.
Henry T. Davis, Justin.
Robert D. Bohning, Lometa.
Joyce M. Kee, Melissa.
Mable D. Tompkins, Montague.
Ruby L. Ferrell, North Zulch.
Hal Singleton III, O'Donnell.
Lester J. Fuzzell, Placedo.
Allie Cayard, Port Neches.
Doris F. Weiss, Sabine Pass.
William W. Schulz, Schertz.
Hal M. Knight, Sterling City.
Robert W. Davis, Texas City.
Ila Mae Bullion, Truscott.
Charles S. Engle, Jr., Wolfe City.

UTAH

Henry D. Malmgren, Centerfield.
June I. Hunsaker, Honeyville.

VIRGINIA

R. Frazier Smith, Jr., Covington.
Hershel E. Boyd, Raven.
Ervin C. Brown, Sweet Briar.
William W. Edwards, Union Level.

WISCONSIN

Shirley E. Conway, Albany.
Ruth E. Hogan, Ashland.
Roy Bump, Baraboo.
Elsbeth P. Jacob, Caledonia.
Edward L. Williams, El Dorado.
Joseph L. List, Pound.
Harold A. Meyer, Shawano.
Henry L. Yulga, Stevens Point.
Hartvig J. Elstad, Whitehall.
Raymond J. Chamberlain, Whitewater.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 15 (legislative day of May 7), 1956:

POSTMASTER

MICHIGAN

George T. Anderson to be postmaster at Mayville in the State of Michigan.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 15, 1956

The House met at 12 o'clock noon.

Dr. A. R. Holton, pastor of the Sixteenth Street Church of Christ, Washington, D. C., offered the following prayer:

Let us pray: Our Father, who art in heaven, Thou hast been our help in all ages past, our hope for all the years to come, our shelter from every stormy blast, and our eternal home. We thank Thee that it is under Thee that man has dominion on this earth. We thank Thee that Thou hast set our feet in large places, that Thou hast given us a great opportunity, that Thou hast given us the responsibility; and we pray, our Father, that today we may look up and acknowledge Thee, God of men and God of nations.

We pray that Thy blessing may be upon us in the deliberations of this day. And we pray, our Father, that it may become us to show that our knowledge is so incomplete we need Thee. The vast sea of the unknown is so much greater than the known, we need Thy wisdom.

Our achievements are so fragmentary, we need Thee to join the past with the present and with all the future. Our character is so limited, we need the perfection of God.

We thank Thee, Father, for the beauty of this spot and for the beauty of the springtime that is all around us, God's great springtime.

We pray, our Father, that we may all hear, "I am the resurrection and the life"; and may there come to men the same beauty of growth and development as there is in nature.

And now, our Father, we pray Thy blessing upon our young men on land, on sea, and in the air. Protect them from danger this day.

And we pray, our Father, that we may love mercy, that we may do justly, and that we may walk humbly with God.

May the meditations of our heart and the words of our mouth be acceptable in Thy sight this day. We ask it in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 7228. An act to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; and

H. R. 8130. An act to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 9429. An act to provide medical care for dependents of members of the uniformed services, and for other purposes.

CALL OF PRIVATE CALENDAR DISPENSED WITH

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar may be dispensed with today.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONFUSING DECISIONS OF THE SUPREME COURT

Mr. PRESTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PRESTON. Mr. Speaker, once again the Supreme Court of the United States has demonstrated its ability to create confusion and chaos. On the front page of the Washington Post and Times Herald this morning there appears an interesting account of how the Supreme Court reversed itself in the case of Cahill against New York, New Haven & Hartford Railroad Co., Docket No. 346. In an earlier decision the Court required the defendant to pay the plaintiff $90,000, which it did, and the plaintiff has already spent a large portion of the funds. Yesterday the Court said:

We deem our original order erroneous and recall it in the interests of fairness.

I comment on this decision for two reasons. First, I would suggest that the Supreme Court recall the segregation order on the grounds that it was erroneous. This will do more to restore order and social cohesion in America than any

decision ever handed down by the Supreme Court. Secondly, since the United States Government is responsible for its torts, breaches of contracts, and errors resulting in damages to citizens, I have introduced a private relief bill reimbursing the plaintiff, Raymond G. Cahill, to compensate him for the error committed by an agency of the Government, the Supreme Court. This will enable him to reimburse the defendant as directed by the Court. Of course a subrogation clause is included in the bill to protect the Government in the event of a second recovery.

PRIVATE CALENDAR

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order for the Private Calendar to be called on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SUBSTITUTION OF CONFEREES

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts, Representative HAROLD D. DONOHUE, be substituted for the gentleman from Massachusetts, Representative THOMAS J. LANE, as a conferee on the bill (H. R. 3996) to further amend the Military Personnel Claims Act of 1945.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Clerk will notify the Senate of the change.

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts, Representative HAROLD D. DONOHUE, be substituted as a conferee for the gentleman from Massachusetts, Representative THOMAS J. LANE, on the bill H. R. 1637, an act for the relief of Sam H. Ray.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER. The Clerk will notify the Senate of the change.

ARMY ENDS ROTC HELP AT HOWARD

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revised and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am deeply concerned at what I read in the Washington Post this morning that the Army will terminate its support of the ROTC program at Howard University. While this is explained as being a routine matter, I think in the public interest it should be reexamined by the Army. This is no time for such action.

It is an instance in which a routine administrative decision can have repercussions in the public mind not intended. Most unfortunately, a retired general now holding in private employment a lucrative position in an area of present race feeling reflected upon the Negro soldiers of this Republic in a manner wholly unjustified and repugnant to me as I am sure it was to the overwhelming majority of the American people.

When I took the matter up with the War Department I was assured that the remarks of the retired general were contrary to the thinking and policy of the War Department.

The action of the War Department as regards the discontinuance of the ROTC program at Howard University was taken in January last. That completely disassociates the action from the deplorable remarks of the retired general. Nevertheless, there will be those who can be counted upon to promote such association in the popular mind. Failure of the War Department immediately to revoke the order discontinuting the ROTC at Howard University will be construed by these of prejudiced mind as a War Department concurrence with the remark of the retired general. The order should be revoked.

The fact is that Howard University ROTC has made a great contribution to our country and to the cause of race relations.

President Johnson, of Howard University, states:

> This is the place where the fight for the Negro's right for training for the officer corps of the Army was staged. It would be tragic indeed for the Army to disregard that kind of contribution to its own morale.

To terminate this program now would, as President Johnson said, be tragic.

COMMITTEE ON RULES

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

MURRAY W. CHOTINER

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, I have been following with interest the news stories on the case of Mr. Murray W. Chotiner.

My attention was directed to a Newsweek article published in 1951 in which there was some criticism directed toward Mr. William M. Boyle, the national chairman of the Democratic National Committee. At that time Newsweek quoted the now Vice President, Mr. NIXON, as saying:

> The fact that the introduction comes from the national committee constitutes influence.

Mr. Speaker, I would just like to point out at this time that the Vice President seems to be very strangely silent in the case of Murray W. Chotiner.

VICTOR RIESEL

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, one night early last month Victor Riesel, a New York labor columnist, stepped out of a restaurant in New York City and headed for his car. As he did so a thug emerged from the shadows and threw sulfuric acid in his face. Riesel gripped his face in pain and staggered back into the restaurant to seek help. One month later, after making every possible effort to save his eyesight, Mr. Riesel's physicians announced that he would remain blind permanently.

What was the cause of this brutal and cowardly attack? An hour before the assault Mr. Riesel had broadcast an attack on racketeering in the International Union of Operating Engineers. He said later he was convinced that his denunciations of extortionists in the union had provoked the incident.

The tragic case of Victor Riesel raises serious questions. Should Congress not immediately make a thorough and determined investigation of labor racketeering? What causes such cold-blooded violence? What can be done to stop occurrences such as the Riesel incident? Must we expect other, even worse, incidents? Is present legislation adequate to handle the problem of labor racketeering? How effective are present enforcement procedures? These and many other questions need to be answered. Perhaps Mr. Riesel's sacrifice can furnish us with a specific reason for looking into a situation which should have been investigated before now.

A thorough congressional investigation of the type needed would require a substantial appropriation and staff. In order to do more than merely scratch the surface of labor racketeering, extensive investigatory work should be required. An investigating committee might find itself battling a large segment of the criminal underworld. For these reasons any committee which undertakes the job should first prepare itself thoroughly.

It is now late in the congressional session. This is also an election year. Under these circumstances the chances appear slim that we could now get the thorough kind of investigation which the Riesel incident deserves.

On the other hand it seems a mistake to wait until next January before pressing the question. Now is the time for Congress to act. Even though an extensive investigation this session may not be practical, we could start a preliminary investigation.

I am suggesting to the chairman of the House Education and Labor Committee that he authorize such a preliminary investigation. He could appoint a special subcommittee to survey the possibilities of a full congressional investigation into labor racketeering. It should

be possible to get such an initial inquiry underway with a minimum of redtape.

Victor Riesel is a brave man. Despite this personal disaster, he plans to continue his column and his exposure of labor racketeering. Nothing can be done to restore Mr. Riesel's eyesight. But we can do something about exposing and punishing racketeers who committed this crime. Congress and the executive can cooperate in pressing a relentless attack upon those elements which undermine the substantial and constructive work achieved over the years by the responsible sections of organized labor.

I hope that those of my colleagues who agree with me on this matter will join in urging that such a congressional investigation be undertaken.

Mr. Speaker, in conclusion I would like to include two items from recent newspapers which are connected with the Riesel case:

[From the Newark Star-Ledger]

RIESEL IS LABOR'S CONSCIENCE

(By Irene Corbally Kuhn)

The complete and permanent blindness inflicted by an unknown acid-throwing hoodlum on labor columnist Victor Riesel saddens everyone who respects and cherishes a courageous, valiant fighter. Victor Riesel is my long-time friend and colleague; and the only solace members of his profession can offer him is their obligation to tell his story so no one can forget.

Victor Riesel, for perhaps 20 of his 41 years, devoted his talents, energies, and principles to two ideals: The improvement of the lot of the workingman in and through responsible labor unions, and the ultimate destruction, through exposure in free, courageous American newspapers, of gangsterism in labor unions. He never forgot that his own father died as a result of a beating at the hands of labor goons, and this personal tragedy decided Vic's own course and shaped his professional life many years ago.

That the tragedy in the Riesel family should be compounded in the second generation so much later is proof enough, if any more is needed, that the labor movement in America has a terrible responsibility to root out the evils which still beset it. Henceforth, Victor Riesel is labor's conscience; and his blindness is the symbol of a sacrifice that will have been in vain unless the men who share the interests and principles he fought for carry on the fight for him.

[From the New York Daily Mirror of May 12, 1956]

POUR ON THE HEAT

We are indebted to Representative PETER FRELINGHUYSEN, Jr., Republican of New Jersey, for a suggestion which should be put into effect with the full force of the Congress.

The blinding, acid attack on Victor Riesel, crusading Mirror labor columnist, raises the question whether existing legislation is adequate to combat labor racketeering, says FRELINGHUYSEN.

He proposes the appointment of a subcommittee of the House Education and Labor Committee to go into the whole field of labor racketeering and the criminal debasement of some sections of the union movement.

"Mr. Riesel has lost his sight," says the New Jersey Congressman. "It is almost certain that the assault upon him resulted from his courageous attack on labor racketeers and extortionists. The least we can do on Mr. Riesel's behalf is assure him that the fight against these criminal elements will be pursued with renewed vigor and determination."

True, there have been investigations of labor racketeering by congressional groups in the past, but they definitely were not pursued with vigor and determination.

They were half-hearted, inadequately financed, and they never got off the ground.

There is clear indication that a perverted fear of antagonizing labor hamstrung some of these efforts.

What asinine nonsense.

As if honest elements inside labor, as if honest unions had anything to fear from an investigation of the criminal termites which have bored into some union structures and allied themselves with some union bosses and some businessmen.

These are traitors to and exploiters of everything for which the name of labor should stand.

Certainly such an investigation would have the support of George Meany, head of the merged labor movement, whose hatred for crooks is equal to his hatred for Communists.

Certainly a fearless, all-out and bipartisan investigation would win the heartfelt thanks of the American people—and particularly of labor, meaning the men and women workers who so often are the powerless victims of venal intrigue.

Here is an opportunity for a committee of Congress (and every Member of the group) to make a name for itself and put its mark on the very history of the country.

Pour on the heat.

LET US DO HONOR TO DORCHESTER DAY

Mr. KEOGH. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RODINO. Mr. Speaker, once again I rise to urge favorable action for an idea that goes deep to the souls of men and is pertinent, both nationally and globally, to the conflict that divides people at home and nations abroad. This idea is given its official wording in my bill, House Joint Resolution 77. What this resolution proposes is that the third day of February in each year be designated as "Dorchester Day." This would commemorate the singularly heroic episode of the four Army chaplains of different religious faiths who perished in the sea when the Army transport *Dorchester* was sunk by enemy action off the coast of Greenland. Two Protestants, a Jew, and a Catholic went valiantly to their deaths together under circumstances of the highest human drama, leaving behind them an object lesson in self-sacrifice and tolerance to all mankind.

All of us are by now familiar with this magnificent story so indelibly a part henceforth of the folklore of America. But it seems to me God has given us to hand a biblical lesson in a 20th century form that deserves more significant emphasis than we as a people have given it. I believe it deserves a form of official recognition that will forever annually remind us of the unity and the brotherhood of man and his identity with God. To be given an instrument like this, so potent in its capacity to win men's minds, and not to exploit it spiritually to the full, is an act of omission and neglect I find particularly appalling at a moment when communism is molesting religious faith and when different races here on our own soil are seeking mutual grounds for cooperation and happiness. I am sure that the feelings expressed in my district—the 10th of New Jersey—are duplicated almost everywhere in the country. A few evidences of that feeling I submit herewith in the form of resolutions favoring my idea adopted by such organizations as the Essex County Chapter of the Catholic War Veterans, the St. Patrick's Day Parade Committee, of Newark, N. J.; and the Raymond V. Ryan Division, No. 3, of the Ancient Order of Hibernians, and their Ladies' Auxiliary Division, No. 14. I include also a copy of House Joint Resolution 77 itself, and hope that an event in American history, so pregnant with the noblest conduct of man, and so powerful in its appeal and its meaning for lifting up the hearts and the souls of men, will at long last win itself a place on the American calendar of holidays.

Whereas the Honorable PETER W. RODINO, Jr., has introduced the following resolution before the House of Representatives:

"Joint resolution designating the 3d day of February in each year as Dorchester Day

"Whereas the Army transport *Dorchester* was sunk by enemy action off the coast of Greenland on February 3, 1943; and

"Whereas four Army chaplains of different religious faiths—George Fox, of Gilman, Vt., Methodist; Alexander Goode, of York, Pa., Jewish; Clark Poling, of Schenectady, N. Y., Reformed Church in America; and John P. Washington, of Newark, N. J., Roman Catholic—lost their lives in the sinking of such vessel while heroically serving their comrades and their country; and

"Whereas each of these men was awarded posthumously the Distinguished Service Cross for services rendered to his country above and beyond his prescribed duty; and

"Whereas the conduct of these heroic men will forever be an inspiring example of courageous and unselfish devotion to God and to country: Now, therefore, be it

"Resolved, etc., That the 3d day of February in each year is hereby designated as 'Dorchester Day' in commemoration of the heroic conduct of George Fox, Alexander Goode, Clark Poling, and John P. Washington, the Army chaplains who lost their lives in the sinking of the Army transport *Dorchester* on February 3, 1943. The President of the United States is hereby authorized and requested to issue annually a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on such day and inviting the people of the United States to observe the day in schools, churches, and other suitable places in an appropriate manner."

And whereas the Essex County Chapter of the Catholic War Veterans is completely in favor of this resolution: Therefore be it

Resolved, That the Essex County Chapter of the Catholic War Veterans go on record favoring said resolution and actively support and aid its passage.

Adopted February 20, 1956.

THOMAS F. CLOHOSEY,
Essex County Judge Advocate.

RESOLUTION

Whereas the St. Patrick's Day Parade Committee, Inc., comprised of representatives of 53 Irish organizations, have learned with pleasure of the introduction of House Joint

Resolution 77 by our Representative, PETER W. RODINO, for the designation of February 3d of each year as "Dorchester Day" in commemoration of the chaplains who lost their lives in the sinking of the *Dorchester:* Now, therefore, be it

Resolved, That we commend the Honorable PETER W. RODINO for his very thoughtful act and we further implore him to secure the passage of said resolution.

Duly passed by the St. Patrick's Day Parade Committee on March 10, 1956.

HELEN C. CURRAN,
Secretary.

RESOLUTION

Whereas the Ancient Order of Hibernians, Raymond V. Ryan Division, No. 3, have learned with pleasure of the introduction of House Joint Resolution 77 by our Representative, PETER W. RODINO, for the designation of February 3 of each year as "Dorchester Day" in commemoration of the chaplains who lost their lives in the sinking of the *Dorchester:* Now therefore be it

Resolved, That we commend the Honorable PETER W. RODINO for his very thoughtful act and we further implore him to secure the passage of said resolution.

Duly passed by the Ancient Order of Hibernians, Raymond V. Ryan Division, No. 3, on March 10, 1956.

ROBERT FASTOW,
President.
PETER C. KEELEN,
Secretary.

LADIES AUXILIARY, DIVISION NO. 14,
ANCIENT ORDER OF HIBERNIANS,
Newark, N. J., March 23, 1956.

Congressman PETER W. RODINO,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN RODINO: We the Ladies Auxiliary, Division No. 14, Ancient Order of Hibernians, have learned with pleasure of the introduction of House Joint Resolution 77, by you our Representative for the designation of the 2d day of February each year as "Dorchester Day," in commemoration of the chaplains who lost their lives in the sinking of the *Dorchester.*

Therefore it is with great pleasure that we commend you for your most thoughtful act and we further implore you to secure the passage of said resolution.

Duly passed by the Ladies Auxiliary, Division No. 14, Ancient Order of Hibernians, on March 23, 1956.

(Mrs.) MARIE D. FASTOW,
President.

House Joint Resolution 77

Joint resolutior designating the 3d day of February in each year as "Dorchester Day"

Whereas the Army transport *Dorchester* was sunk by enemy action off the coast of Greenland on February 3, 1943; and

Whereas four Army chaplains of different religious faiths—George Fox, of Gilman, Vt., Methodist; Alexander Goode, of York, Pa., Jewish; Clark Poling, of Schenectady, N. Y., Reformed Church in America; and John P. Washington, of Newark, N. J., Roman Catholic—lost their lives in the sinking of such vessel while heroically serving their comrades and their country; and

Whereas each of these men was awarded posthumously the Distinguished Service Cross for services rendered to his country above and beyond his prescribed duty; and

Whereas the conduct of these heroic men will forever be an inspiring example of courageous and unselfish devotion to God and to country: Now, therefore, be it

Resolved, etc., That the 3d day of February in each year is hereby designated as "Dorchester Day" in commemoration of the heroic conduct of George Fox, Alexander Goode, Clark Poling, and John P. Washington, the Army chaplains who lost their lives in the sinking of the Army transport *Dorchester* on February 3, 1943. The President of the United States is hereby authorized and requested to issue annually a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on such day and inviting the people of the United States to observe the day in schools, churches, and other suitable places in an appropriate manner.

DISTRICT OF COLUMBIA TRANSIT BILL

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. HESELTON] is recognized for 15 minutes.

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include the text of certain amendments he asked the Legislative Counsel to draft, as well as certain other material bearing on the consideration of the District of Columbia transit bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, at approximately 3:15 this afternoon, a reporter called me to inquire if I had seen a copy of a letter, dated today, signed by Mr. Daniel W. Bell, with reference to the Capital Transit situation, or a news release, also of this date, quoting from a letter written by Mr. Louis E. Wolfson, with reference to the same situation. I told him I had not seen either. He then brought them to my office.

Since the Capital Transit legislation is scheduled for action on the House floor tomorrow afternoon, I am including both at this point in the RECORD, together with such comments as I feel able to make at this time, as follows:

AMERICAN SECURITY & TRUST CO.,
Washington, D. C., May 15, 1956.

The Honorable OREN HARRIS,
United States House of Representatives,
Washington, D. C.

DEAR MR. HARRIS: I am writing you with the greatest reluctance concerning the local transit situation, for I have no wish to inject myself into the controversy. In fact, I deliberately refrained from becoming involved in this matter until it became obvious that Washington was slowly but surely drifting toward an unpopular and costly public transit authority for want of any constructive alternative. Frankly, I was concerned lest a suggestion from me would be misinterpreted as "Wolfson" inspired, for both the Capital Transit Co. and Mr. Wolfson are valuable customers of the bank of which I am president, and an officer of our bank is on Capital Transit's board, as I used to be.

Still, something positive was, and still is, required. Moreover, as a small stockholder myself in Capital Transit, I had the distinct feeling that the non-Wolfson stockholder was the forgotten man in this whole situation. As I reviewed the series of proposals made by various groups, it became more and more obvious that none of them was a practical solution to Washington's transit problems. Finally, in early March of this year, with the encouragement of the then District Commissioner Samuel Spencer, I took the initiative in quietly trying to develop a constructive new plan. We now have made sufficient real progress that I feel justified in reporting to you.

I am therefore in a position to state that serious discussions with responsible parties are well underway whereby the Wolfson interests in Capital Transit would be eliminated and the company would be reorganized under local ownership and control. My statement is based upon personal discussions with the management of Capital Transit, with representatives of Wolfson, and with a leading investment banking firm. The essentials of the program are:

1. The company's franchise would be restored and it would be accorded the same privileges and benefits which have been offered to various other groups of potential investors.

2. In order to completely eliminate Wolfson ownership and control, Capital Transit would purchase the Wolfson stock at a fair price per share. Such stock would be retired. Concurrently, the company would offer to purchase (for resale) and at the same price, the stock of any other stockholder.

3. In order to finance the reorganization, the company would borrow the necessary funds ($5 million to $6 million) against the issuance of medium term first mortgage bonds.

4. Both the borrowing operation and the offer to stockholders would need to be underwritten by responsible investment banking firms so that the company could enter into firm commitments with all interested parties.

Representatives of Capital Transit and Mr. Wolfson have indicated to me that they would be prepared, in principle, to accept this type of arrangement. Moreover, the investment banking firm engaged in these discussions has confirmed to me that it is prepared to take the leadership in attempting to provide the necessary financing for such action, provided normal investment banking standards are adhered to.

I believe that a reorganization along the aforementioned lines and consistent with the conditions imposed by each of the parties is possible, and could be effected before August 14, 1956, given the enactment of legislation along the lines of H. R. 8901.

I emphasize that while I am attempting fairly to report my own judgment of the position of each of these parties, I cannot commit any of them—although they know that I am making this report to you. I further emphasize that the investment banking firm in particular has made it clear that its willingness to proceed is on the assumption that the program will receive the cooperation of the District authorities, the various regulatory bodies involved, the public, and Capital Transit employees. While these factors have not, as yet, been fully explored I am confident such cooperation will be forthcoming with understanding.

I believe this summarizes the present situation and illustrates the critical importance of the pending House action on H. R. 8901. With reasonable prospects for some such legislation I shall redouble my efforts to produce agreement on solving Washington's transit problem on a basis which would keep our transit system in private hands and avoid the establishment of an additional Government agency.

You are authorized to make such use of this letter as you deem proper. I should like to make it clear that I speak only for myself as a Washington resident and taxpayer.

Sincerely,

DANIEL W. BELL.

Representative OREN HARRIS, Democrat, of Arkansas, chairman of the Transportation Subcommittee of the House Interstate and Foreign Commerce Committee, today announced Louis E. Wolfson has made a new offer to sell out his interest in the Capital Transit Co. at a "fair and reasonable price"

if "the same offer is made to all stockholders."

Mr. HARRIS said the offer was made in a letter to him written by Mr. Wolfson Friday, the day after he had returned from a 5-week trip to Europe, received by the committee today.

In it Mr. Wolfson also concurred in the decision of the board of directors of Capital Transit Co. to recommend to the 2,500 stockholders of Capital Transit Co. that they continue in business if the House passes the franchise restoration bil' worked out by the subcommittee.

The bill is scheduled for consideration on the House floor tomorrow.

Mr. Wolfson, controlling stockholder of Capital Transit Co. and chairman of its board of directors, said there had been hints during his European trip "that negotiations were proceeding for the sale of my interest in the Capital Transit Co."

He declared that "over the past year I have been offered substantially above the market price for my stock only. That I turned down. But there has been no firm, businesslike offer made by anyone up to now for my stock and the stock of my fellow stockholders. Proposals that I, alone, be bought out and thus remove the 'menace' would put me in the position of receiving a preferred offer at the expense of other investors in the company. This I will not consider."

Describing the terms under which he would sell, Mr. Wolfson wrote, "I have stated, and I restate to you, that my stock is not for sale unless the same offer is made to all stockholders. I have stated I would be glad to recommend to the board of directors any legitimate, firm offer with substance and credibility that provided for a fair and reasonable price for the stockholders' equity.

"I am willing to sit down, or have my representative sit down, with any respected, responsible group, or individual, and negotiate price. Up to now this has not been done."

Mr. Wolfson repeated an earlier offer, declaring:

"If there are four other public-spirited citizens in Washington or elsewhere who are desirous of putting up money instead of criticizing, I stand on a former offer that I will take all my stock and place it in escrow with the understanding I will not receive any dividends for 5 years if they, after purchasing all other interests, will also do so."

"In addition I will resign as chairman of the board and as a director."

Mr. Speaker, while I have studied these documents with as much care as possible in the very limited time available, I do not have sufficient information as to them so that I will be justified in stating any conclusions. Rather I shall state several questions which they raise in my mind and which I think may occur to many of my colleagues. I do want to preface these questions by saying that I assume Mr. Bell wrote his letter in good faith but that I have no comment now as to why Mr. Wolfson wrote his letter.

These are my questions:

First. Are these letters more than a coincidence?

Second. Since Mr. Bell states that his statement "is based upon personal discussions with the management of Capital Transit, with representatives of Wolfson and with a leading investment banking firm," is the House to be informed of when these discussions occurred, who was present, and as to what leading investment banking firm has participated? Is the House also to be informed as to the amount of stock ownership, if any, of the participants and of any persons represented and as to when any such stock was acquired?

Third. Since Mr. Bell stated that, "in early March of this year, with the encouragement of the then District Commissioner Samuel Spencer," he undertook to develop a new plan, is the House to have the statement of Mr. Spencer as to this and the benefit of his views?

Fourth. Mr. Bell states that "serious discussions with responsible parties are well under way whereby the Wolfson interests in Capital Transit would be eliminated and the company would be reorganized under local ownership and control." Is the House to be informed as to whether the "responsible parties" were others than those now associated with or favorable to the Wolfson interests and, if so, who they are? Is the House to be informed as to who is being considered to have "local ownership and control" and is the House to have any information by tomorrow afternoon as to their willingness to undertake this responsibility and as to their background and experience?

Fifth. Mr. Bell states that there are four "essentials of the program" and he outlines them in his letter. The first essential is that the "company's franchise would be restored." He is frank in his two later references to H. R. 8901. Is the House to be informed why its repeal of the Capital Transit's charter and franchise of last August must be reversed?

Sixth. Mr. Bell states that "Capital Transit would purchase the Wolfson stock at a fair price per share." Is the House to be informed as to what such a fair price is and how that figure has been reached?

Seventh. Mr. Bell states that "the company would borrow the necessary funds—$5 million to $6 million—against the issuance of medium term first mortgage bonds." Is the House to be informed as to who is ready to make this loan and upon what exact terms?

Eighth. Mr. Bell states that "both the borrowing operation and the offer to stockholders would need to be underwritten by responsible investment banking firms." Is the House to be informed as to how far this prospective underwriting has progressed and as to any of the details as to the undertaking?

Ninth. Is the House to be informed as to what is meant by Mr. Bell's statement that "representatives of Capital Transit and Mr. Wolfson have indicated" to him that they would be prepared to accept the type of arrangement Mr. Bell presents in principle?

Tenth. Mr. Bell emphasizes that "the investment banking firm in particular has made it clear that its willingness to proceed is on the assumption that the program will receive the cooperation of the District authorities, the various regulatory bodies involved, the public, and Capital Transit employees." Is the House to be informed tomorrow afternoon how that cooperation is to be secured and evidenced?

These questions lead me to believe that it is wholly unrealistic and entirely unfair to expect the Members of the House to arrive tomorrow at any kind of a reasonable conclusion as to the merits of this program Mr. Bell submits today. I have no doubt that other questions of vital importance, as to which it is humanly impossible for any of us to obtain satisfactory answers by tomorrow afternoon, will arise in the minds of most Members of the House.

Last Thursday, in view of the rescheduling of H. R. 8901 for consideration tomorrow afternoon, I obtained a special order in which I stated:

> However, I want to add that I have also asked the advice of the House Parliamentarian as to whether H. R. 10871 could be incorporated in a motion to recommit, and he has advised me that this cannot be done. While I do understand that the simple motion to recommit to the committee might be offered, in view of the time element involved and of all the circumstances, personally, I do not believe that public interest would be served by such a recommital.

These two developments of today lead me to change that opinion.

As of this moment, I believe it will be absolutely necessary, if the House is to pass a considered judgment upon this proposed program, for it to have the benefit of as prompt and full an examination of it as is possible by its committee, resulting in a report which the House can have available. The committee could and, in my opinion, should call Mr. Bell, Mr. Wolfson, and his associates, and the other participants in the reported conferences and discussions before it, and when they can state all the facts fully and frankly and when they and these facts can be examined thoroughly. I also believe that "the District authorities, the various regulatory bodies involved, the public, and Capital Transit employees," whose cooperation Mr. Bell states is a prerequisite, so far as the unnamed investment banking firm is concerned, should have the privilege of expressing their opinions as to the program put forward at this very late date. Therefore, it is my present opinion that a straight motion to recommit, which I understand is the only kind of such motion that can be made under the existing parliamentary situation, should be offered and it is my present intention to offer such a motion if I am recognized for that purpose. I regret that this seems to me to be necessary because I know that time is of the essence in this matter. But I feel confident that my colleagues will understand why I have felt compelled to reach this conclusion now. I must add that I do not believe that any of those keenly interested in a proper solution of the difficult problem confronting the House will feel that any possible blame can be attributed to those who, in good faith, voted to repeal the Capital Transit Co.'s charter and franchise last August and who felt compelled to oppose H. R. 8901 and the substitute reported by the majority of the committee. I knew nothing whatever of these reported discussions or negotiations. I doubt if any Member of the House or of the Congress had any such information. And I am reasonably certain that not a single Member of the House who is opposed to H. R. 8901 and

to the committee substitute knows anything as to the details of the proposed program at this moment.

I am confident that my colleagues will understand that I cannot anticipate what may develop in the few hours remaining before we must take this legislation up for consideration. With all due respect to Mr. Bell, I still believe that H. R. 10871 is much better legislation than the substitute the majority of the committee has recommended. It may become necessary, in my opinion, to offer it, if it is in order to do so and I am recognized for that purpose.

Last Thursday, in my special order, I stated that several possible amendments to H. R. 10871 had been suggested to me. I outlined their objectives and expressed the hope that I would be able to discuss them, and any others suggested to me yesterday or today, and to place the precise language of any such amendments as I would feel justified in offering or supporting in the RECORD.

I have the language as prepared for me by the Legislative Counsel's Office but these developments of this afternoon have prevented me from giving the study to their merits I intended. While I shall attempt to complete that study before tomorrow noon so that I can discuss them during debate if it seems necessary to do so, I think I should include the specific language furnished me and it is as follows:

TO ELIMINATE RIGHT TO CONDEMN STOCK OF CAPITAL TRANSIT CO.

Page 13, strike out lines 4 through 12, inclusive, and on line 13 strike out "(c)" and insert "(b)."

TO REQUIRE THAT IF PROPERTY IS TAKEN BY EMINENT DOMAIN, THE ENTIRE INTEREST OF THE OWNER MUST BE TAKEN

Page 17, after line 22, insert the following new subsection:

"(e) In the event the Authority acquires specific items of real property or tangible personal property by eminent domain proceedings under the provisions of this section, it shall take not less than the entire interest in such items of property which is vested in the owner thereof."

PERSONNEL AMENDMENTS

Page 27, line 22, strike out the period and insert in lieu thereof a comma and the following: "and shall make and promulgate rules and regulations governing the conditions of employment of such personnel as may be employed by the Authority, including, but not limited to, the selection, appointment, reemployment, promotion, demotion, suspension, and dismissal of such personnel, according to merit and fitness and without regard to political, religious, or racial considerations; the fixing of pay and hours of employment; the establishment of an employee grievance procedure; and the establishment of leave, welfare, and pension privileges, subject to the provisions of any collective bargaining agreement then in effect or thereafter adopted."

Page 28, line 20, insert after "officers" the following: "with less than 10 years' service."

Page 28, line 22, beginning with "sub-" strike out down through "status and employment rights," on line 25.

Page 29, line 3, after the period, insert the following: "Any person employed by such transit utility who is not, at the time the Authority acquires such utility, offered transfer and appointment as an employee of the Authority shall, for a period ending August 14, 1958, have a right of seniority for purposes of employment and employment benefits under the Authority in a position, comparable to the position he last occupied while employed by such transit utility or in any other position the duties of which he is qualified to perform, in accordance with any collective bargaining agreement then in effect."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. WALTER (at the request of Mr. MCCORMACK), for today and the balance of the week, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to Mr. BAILEY, for 20 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. COOPER and to include a press release.

Mr. MULTER and to include extraneous matter.

Mr. CELLER in three instances.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2057. An act for the relief of Edwin K. Stanton;

H. R. 2893. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corp. of Ohio, of Toledo, Ohio;

H. R. 5535. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr.;

H. R. 7164. An act for the relief of Lt. Michael Cullen;

H. R. 7228. An act to amend title II of the act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; and

H. R. 8130. An act to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

ADJOURNMENT

Mr. KEOGH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 15 minutes p. m.) the House adjourned until tomorrow, Wednesday, May 16, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

1851. Under clause 2 of rule XXIV, a letter from the Secretary of Commerce, transmitting a report relating to war-risk insurance and certain marine and liability insurance for the American public as of March 31, 1956, pursuant to section 1211 of Public Law 763, 81st Congress, as amended, and was taken from the Speaker's table, and referred to the Committee on Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. House Resolution 481. Resolution to continue in effect House Resolution 190 and House Resolution 386, 83d Congress; without amendment (Rept. No. 2162). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 504. Resolution for consideration of H. R. 9052, a bill to amend the Export Control Act of 1949 to continue for an additional period of 3 years the authority provided thereunder for the regulation of exports; without amendment (Rept. No. 2164). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 505. Resolution for consideration of H. R. 9852, a bill to extend the Defense Production Act of 1950, as amended, and for other purposes; without amendment (Rept. No. 2165). Referred to the House Calendar.

Mr. O'NEILL: Committee on Rules. House Resolution 506. Resolution for consideration of H. R. 10542, a bill to liberalize certain criteria for determining eligibility of widows for benefits; without amendment (Rept. No. 2166). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FORRESTER: Committee on the Judiciary. H. R. 11205. A bill to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claims of Roy Cowan and others arising by reason of the flooding of land in the vicinity of Lake Alice, N. Dak.; without amendment (Rept. No. 2163). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CHELF:

H. R. 11232. A bill amending chapter IV of the Federal Food, Drug, and Cosmetic Act making it unlawful to use so-called reconstituted, synthetic, homogenized, or reprocessed tobacco and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DAVIS of Georgia:

H. R. 11233. A bill to amend section 204 (e) (1) of the Postal Rate Revision and Federal Employees Salary Act of 1948 to remove certain limitations with respect to the application of special rates of postage for certain types of books; to the Committee on Post Office and Civil Service.

By Mr. KILGORE:

H. R. 11234. A bill to amend the Longshoremen's and Harborworkers' Compensation Act to insure that employers will be immune from suit for injuries for which compensation has been paid; to the Committee on Education and Labor.

By Mr. McCARTHY:

H. R. 11235. A bill to amend paragraph 1807 of the Tariff Act of 1930 (relating to the importation free of duty of certain works of art); to the Committee on Ways and Means.

By Mr. WILLIAMS of New York:

H. R. 11236. A bill to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Georgia:

H. R. 11237. A bill for the relief of William F. Daniel, Jr.; to the Committee on the Judiciary.

By Mr. PRESTON:

H. R. 11238. A bill for the relief of Raymond G. Cahill; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1035. By Mr. BUSH: Petition of George C. Myers and other residents of Williamsport and Lycoming County, Pa., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1036. Also, petition of Mrs. Margaret Kempf and other residents of Williamsport and Lycoming County, Pa., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1037. By Mr. CRUMPACKER: Petition of Mrs. Edna W. Hess, of Goshen, Ind., and other residents of Elkhart County, Ind., urging the passage of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

1038. By the SPEAKER: Petition of Hermenegildo V. Santos, New York, N. Y., requesting a favorable reconsideration of Senate bill 2627; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Study of Aluminum Industry Announced

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1956

Mr. CELLER. Mr. Speaker, as chairman of the House Committee on the Judiciary and also as chairman of its Antitrust Subcommittee, I announced today that the Antitrust Subcommittee staff will undertake an extensive study of various conditions in the aluminum industry. Upon completion of the staff study the subcommittee will hold hearings on this industry.

The House Judiciary Antitrust Subcommittee has long concerned itself with the aluminum industry. As part of the subcommittee's examination into this industry, a predecessor subcommittee—the Subcommittee on the Study of Monopoly Power—held hearings in January and February 1951 in the course of which 32 witnesses testified. Based upon this comprehensive body of facts the subcommittee reached unanimous conclusions in its report, submitted to the House on March 13, 1951.

Following this report, the Government and the industry adopted policies which resulted in more than doubling the productive capacity of the aluminum industry.

In addition to the increase of productive capacity, the independent fabricating segment of the industry has also experienced a very substantial growth in this period.

Against this background the Antitrust Subcommittee deems it desirable to bring up to date the factual information concerning this industry, which is most important not only to the civilian economy but to the national defense.

It is particularly important for the subcommittee to determine whether the substantial expansion program of the past 5 years has resulted in greater or lesser concentration and competition at various levels from production through fabrication.

In the course of the study and the hearings, representatives from all segments of the industry will be given ample opportunity to submit relevant information to the subcommittee and to testify.

Age of Maturity

EXTENSION OF REMARKS
OF
HON. HUBERT H. HUMPHREY
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES

Tuesday, May 15, 1956

Mr. HUMPHREY. Mr. President, recently there appeared in a British publication entitled "The Listener," the British Broadcasting Corporation magazine, an excellent article by Congressman EUGENE MCCARTHY of the Fourth District of Minnesota.

Mr. MCCARTHY is an outstanding scholar in the field of political science and political philosophy. His mature understanding of American government, coupled with his broad experience as a legislator and teacher of political science, qualifies him to interpret the American political scene. In his article entitled "Nation's Age of Innocence Becoming One of Maturity," Congressman EUGENE MCCARTHY has related the historical growth of American participation in international relations. It is an article that should be read by every student of government and, in particular, every officer of Government. I commend it to the attention of my colleagues.

I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NATION'S AGE OF INNOCENCE BECOMING ONE OF MATURITY

(By Representative EUGENE J. MCCARTHY)

Politics in the United States reflects the American belief in the basic innocence of Americans, a belief which has agitated the American mind since the time of colonial settlements. American colonists even before the Revolution considered themselves a people set apart and above; they were without the sense of inferiority which usually marks colonial societies. It was common for religious and civil leaders in the colonial settlements to speak as did William Stoughton in the 17th century, asserting that "God has sifted a whole nation that he might send choice grain over into this wilderness."

This belief that Americans, as inhabitants of a new land, and as people living under a new government, were themselves also new and innocent, set apart from the stream of tradition, has continued. It holds that Americans live in a condition of natural goodness, a state of existence or of mind labeled "Adamism" by R. W. B. Lewis, and one which leads us to accept, as Donald Creighton, a Canadian, has written recently, that we are the inhabitants of God's chosen continent, that in North America, Canadians and citizens of the United States are all just "folks," all members of one great big happy family.

The concept of innocence is basically antagonistic to government and government action. One of the earliest American political philosophers, Thomas P. Paine, expressed it in these words: "Government, like dress, is the badge of lost innocence. The palaces of kings were built upon the ruins of the bowers of paradise. Were the impulses of conscience clearly and irresistibly obeyed, man would need no other lawgiver."

A point of view nearly identical with that of Paine was expressed recently by Clarence Manion, former dean of the Law School of Notre Dame University. In his book, The Key to Peace, Manion states that government is a necessary evil, and that in a community of saints the moral law would be the only law needed to provide such a community with perfect peace, complete order, and universal justice.

According to the theory of both Paine and Manion the state arises from the evil or bad will of men, and moreover this evil and bad will remains the lasting justification for government. A philosophy of government built upon this concept permits the state only regulatory functions.

This American attitude of innocence is reflected not only in the attitude toward government and government officeholders, but even more sharply in reference to political activities. Political party participation is considered degrading by many citizens. The person who claims to be nonpartisan, or an independent voter, generally makes his claim without apology, and as one who has chosen the better part.

It is popular to attribute to citizens power of discernment, simplicity, and soundness of judgment. It is not popular to call upon the voters for self-examination or self-criticism, or to ask them to question their own previous judgment.

It is common to label political campaigns at every level of government crusades. The presidential campaign of 1952 demonstrates most clearly the use of the technique of the crusade.

When Candidate Stevenson in the 1952 campaign suggested that the morality of public officials reflected the general level of morality in a democracy and that in a democracy all citizens had some responsibility for political decisions, his opponent rejected the suggestion, and went on to ask whether the individual United States citizen was responsible for the fall of China, the scandal-a-day Government, or for the treadmill prosperity. The expected answer was a very positive "no."

Stevenson and other Democrats asked for patience and forebearance, especially in foreign affairs. The crusaders shouted that we had had enough of these virtues, and raised the question as to whether they were really virtues becoming to Americans.

It cannot be said with certainty that the crusading technique and the appeal to righteous simplicity was responsible for the victory of the Republican presidential candidate in 1952. There were other issues of vital concern. The appeal to innocence, however, ran throughout the GOP campaign.

The effects of the approach of innocence and simplicity have been most clearly evident, and I think most harmful, in our approach to international affairs. The current American attitude toward foreign countries and their problems as described by Mr. Creighton is very much in agreement with the views of Thomas Jefferson, who in 1823 urged the people of the United States never to take an active part in the affairs of Europe.

The early years of American history encouraged the attitude of indifference and separatism. Europe was absorbed in war; the War of 1812 and other disputes generally discouraged any move to establish closer ties with the Old World on our part. At the same time the western lands were being opened to settlement.

Earlier immigration weakened the homogeneity of existing culture, but it did not strengthen the bonds between Europe and America. If anything, it had an opposite effect. Most of the immigrants came seeking asylum; most were refugees from famine, poverty, or from political oppression. If anything, their coming strengthened the antipathy toward Europe and fortified the American sense of superiority.

Involvement in World War I was looked upon as temporary; to make the world safe for democracy in one great effort and then to return to our own affairs was the American hope. After the failure of Wilson's idealistic, if not utopian, efforts in the postwar period, the attitude of innocence and aloofness asserted itself again. The League of Nations was not perfect—therefore we would not join it.

We were certainly not ready for World War II; or, when the war ended, ready to accept great international responsibilities. We did not, however, withdraw from world affairs as we had done after World War I. The United States participated in the formation of the United Nations, and has joined in the deliberations and in the programs of this organization. We have given economic and military aid to allies and former enemies. We carried the major burden in the Korean war, and have obligated ourselves under the North Atlantic Treaty Organization and through the mutual security program.

But the United States is restless in its new role in world affairs; political leaders make a point of saying that we did not seek the position we now hold, as though it would have been bad to have done so. Many Americans look back to the days when the Nation could stand aside from the struggles for power, passing judgment upon the contestants and making fine, clear choices. There remains a strong temptation to return to the isolation and pleasant simplicity of early days when power and responsibility both were limited.

No such violent change is likely. If we really ever accepted what Denis Brogan calls the "illusion of American omnipotence," we'd be disillusioned. Considerations of self-preservation and of defense make the position of the extreme isolationists untenable. Self-preservation, however, is not our only motive. There has been a change of attitude. The age of innocence and of innocents, both at home and abroad, is changing to one of greater maturity.

Notice to Members

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1956

Mr. CELLER. Mr. Speaker, the House Judiciary Committee today voted out H. R. 1840, a bill to strengthen the Robinson-Patman Act and amend the antitrust law prohibiting price discrimination, which was introduced by the gentleman from Colorado, a member of the Judiciary Committee, Mr. BYRON G. ROGERS.

This bill is identical to H. R. 11, introduced by the gentleman from Texas, Mr. WRIGHT PATMAN, except that the ROGERS' bill eliminates the preamble termed "Declaration of purpose and policy."

Application is now being made for a rule to bring to the floor of the House the aforesaid bill, H. R. 1840.

The texts of both bills follow:

H. R. 1840

A bill to strengthen the Robinson-Patman Act and amend the antitrust law prohibiting price discrimination.

Be it enacted, etc., That subsection (b) of section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (15 U. S. C. 13 (b)), is hereby amended to read as follows:

"SEC. 2. (b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however,* That unless the effect of the discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce it shall be a complete defense for a seller to show that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor."

H. R. 11

Declaration of purpose and policy

A bill to reaffirm the national public policy and the purpose of Congress in the laws against unlawful restraints and monopolies, commonly designated "antitrust" laws, which among other things prohibit price discrimination; to aid in intelligent, fair, and effective administration and enforcement thereof; and to strengthen the Robinson-Patman Anti-Price Discrimination Act and the protection which it affords to independent business, the Congress hereby reaffirms that the purpose of the antitrust laws in prohibiting price discriminations is to secure equality of opportunity of all persons to compete in trade or business and to preserve competition where it exists, to restore it where it is destroyed, and to permit it to spring up in new fields

Be it enacted, etc., That subsection (b) of section 2 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, as amended (15 U. S. C. 13 (b)), is hereby amended to read as follows:

"Sec. 2. (b) Upon proof being made, at any hearing on a complaint under this section, that there has been discrimination in price or services or facilities furnished, the burden of rebutting the prima facie case thus made by showing justification shall be upon the person charged with a violation of this section, and unless justification shall be affirmatively shown, the Commission is authorized to issue an order terminating the discrimination: *Provided, however,* That unless the effect of the discrimination may be substantially to lessen competition or tend to create a monopoly in any line of commerce it shall be a complete defense for a seller to show that his lower price or the furnishing of services or facilities to any purchaser or purchasers was made in good faith to meet an equally low price of a competitor, or the services or facilities furnished by a competitor."

Proposed Changes in Excise Tax Administrative Structure

EXTENSION OF REMARKS

OF

HON. JERE COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 15, 1956

Mr. COOPER. Mr. Speaker, on Monday, May 14, 1956, the Committee on Ways and Means conducted another executive session with respect to the recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems. In the CONGRESSIONAL RECORD for May 10, 1956, on pages 8011 and 8012, there appears a résumé of committee decisions with respect to this subcommittee report as of that date.

Today, Mr. Speaker, I would like to include in the RECORD for the information of the Members of Congress and the interested public a press release that I have issued as chairman of the Committee on Ways and Means announcing the decisions of the committee subsequent to the issuance of that previous release.

The committee is scheduled to meet again at 10 a. m. in executive session on

May 16, 1956, to resume consideration of the subcommittee report.

The press release follows:

CHAIRMAN JERE COOPER OF THE COMMITTEE ON WAYS AND MEANS ANNOUNCES TENTATIVE DECISIONS OF THE COMMITTEE ON THE RECOMMENDATIONS OF THE SUBCOMMITTEE ON EXCISE TAX TECHNICAL AND ADMINISTRATIVE PROBLEMS

The Honorable JERE COOPER, Democrat, Tennessee, chairman of the Committee on Ways and Means, today announces the tentative decisions reached by the committee with respect to the recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems. On March 10, 1956, Chairman COOPER announced the decision of the committee with respect to section I relating to manufacturers excise taxes and section II relating to retailers excise taxes. In announcing today's committee action, Chairman COOPER indicated that the committee would resume its consideration of the subcommittee's report in executive session at 10 a. m., May 16, 1956. The decisions reached by the committee today are as follows:

III. TAXES ON ADMISSIONS AND CLUB DUES

1. The admissions tax should apply only to events which take place in the United States, but should apply whether or not the payment is made within the United States.

2. Admissions to privately operated swimming pools, skating rinks, and other places offering participation sports should be exempt from tax, in the same manner as in the case of admissions to such places operated by State or local governmental units.

3. The Internal Revenue Service should issue new rulings under the cabaret tax to provide that where a private organization conduct an affair in a room customarily and regularly used as a cabaret and negotiates with the proprietor to provide the dinner and any other services desired, but not for the entertainment, the cabaret tax will not apply if the private organization by independent negotiations provides its own entertainment and the entertainers are not regularly employed by the proprietor either prior to or after the affairs in question. In tentatively approving this recommendation, the committee adopted a clarifying amendment to make it clear that the limitation on employment of the entertainers by the proprietor would not preclude employment on a subsequent date.

4. The proprietor, owner, or lessee of a cabaret should be required to collect the cabaret tax due from concessionaires and include such amounts when making his other payments for admissions, refreshments, service, or merchandise.

5. The cabaret tax should be made inapplicable to what are sometimes called milk bars. More specifically the cabaret tax should be made inapplicable where the following conditions are met:

(a) No alcoholic beverages or setups are served;

(b) Only light refreshments are served;

(c) Space may be provided for dancing but without any charge for dancing; and

(d) Music may be obtained from phonographs or jukeboxes or from instrumental music (in the latter case only if supplied without charge to the milk bar operator.)

6. Under present law life members are required to pay annually a tax equal to the amount paid by active resident annual members for dues or membership fees. Life members instead should, as a general rule, pay an annual tax equivalent to the tax on annual memberships providing privileges most nearly like that of the life members (but note No. 7 below).

7. As an alternative to the computation of tax in the manner provided in No. 6 above, life members should be permitted to base their tax on the actual amount paid, if they are willing to pay the tax at the same time they pay for the life membership. This principle, that the tax should be based upon the actual amount paid, should also be extended to other types of club membership fees.

8. Dues for the purposes of the present club dues tax are defined as including "any assessment, irrespective of the purpose for which made." An exception should be made to this phrase to exclude from tax, assessments for a building fund to replace a building destroyed where it was destroyed by a hurricane or other event which would qualify as a casualty in the case of property belonging to an individual. Such a fund could be built up free of the club dues tax, however, only to the extent that the building destroyed was not covered by insurance and only to the extent of the replacement cost of the destroyed building.

IV. TRANSPORTATION TAXES

1. Ferryboat service should be exempt from the application of the 3-percent tax on the transportation of property.

2. This recommendation was passed over to permit further staff study. The recommendation of the subcommittee would provide that "any movement through lines of pipe within the premises," in addition, to including any movements interpreted by the Secretary or his delegate as being within the premises under existing law, should also include any movement which constitutes an integral part of the operation of a refinery, a bulk plant, a terminal, or a gasoline plant. Present law imposes a tax equal to 4½ percent of the fare charged for the transportation of oil by pipeline, with an exemption for any movement through pipelines between the premises of a refinery, bulk plant, terminal, or a gasoline plant if the movement is not a continuation of taxable transportation.

3. "Air taxis" (I. e., airplanes under 12,500 pounds gross takeoff weight) where the aircraft has a seating capacity of less than 10 adult passengers, including the pilot, and where the aircraft is not operated on an established line should be exempt from the tax on the transportation of persons in the same manner as is presently true in the case of automobile taxis.

V. COMMUNICATIONS TAXES

1. An exemption for installation charges is provided under present law in the case of local telephone service and in effect applies to long distance telephone service and telegraph service. This exemption should be extended to the other communication taxes.

2. "Local telephone service" should be redefined so as to exclude all toll telephone massages, rather than only those for which a charge of over 24 cents is made and so as to exclude private leased wires in a local exchange area. (See Nos. 3 and 5 below for the extent to which these toll telephone messages and private leased wires should be taxed.)

3. The term "toll telephone messages" should be substituted for "long-distance telephone messages" and all toll messages, whether or not under 25 cents, included in this category. Shifting toll messages of under 25 cents to this category will extend slightly the exemption presently provided for the public press in the case of long-distance telephone messages.

4. Teletypewriter services are presently included in the 10-percent tax on leased wires, teletypewriters, and talking circuits special services. Teletypewriter exchange service should be defined as a service whereby teletypewriter subscribers are connected to central offices through which communications may be established with other teletypewriter subscribers similarly connected. In the case of this service, terminal facilities would continue to be included in the tax base as they are at present. However, the exemption for common carriers (such as railroads), telephone, telegraph companies, and radio stations, presently provided in the case of the tax on leased wires, teletypewriters, and talking circuit special services should be made inapplicable in the case of the new teletypewriter exchange service tax except where the service is purchased to render communication services.

5. In lieu of the present tax on leased wires, teletypewriter and talking circuit special services, a new tax should be imposed on wire mileage. The base of this tax would be the same as the present tax on leased wires, teletypewriters, on talking circuit special services, except for the separate treatment for teletypewriter exchange services, and except for the following revisions:

(a) Leased wire services within a local exchange area and involving oral transmission (presently taxed as local telephone service) would be added to the base of this tax.

(b) The base of this tax would be limited to charges for leased wires, etc., which may be obtained only from communications common carriers or in effect will exclude what might be called interior communications systems.

(c) The base of the recommended tax would exclude terminal facilities. It is the exclusion of these terminal facilities that accounts for the selection of the new name "wire mileage tax."

6. The base of the present 8-percent tax on wire and equipment service should be revised to exclude interior communication services, that is, those not making use of the franchises of communication common carriers for carrying wires along or over public rights-of-way. This would remove from tax fire-alarm and burglar-alarm systems, which are wired to give an alarm only on the subscriber's premises, as well as other types of purely interior communications systems.

7. The method of computing the communications excise taxes now appears to require a single tax computation for all items included in a single bill. A collecting agency should be permitted to base the tax computation on totals by groups of items or on specific items normally associated together for billing purposes.

VI. DOCUMENTARY STAMP TAXES

1. The so-called entity rule should be adopted for transfers of partnership interests in the case of the documentary stamp taxes. This would mean that the stock and bond transfer taxes and real-estate conveyance taxes would not be imposed with respect to—

(a) An adjustment of the interests of the partners;

(b) The sale or other disposition by a partner of his interest;

(c) The death or retirement of a partner;

(d) The admission of a new partner; or

(e) The liquidation of a partner's interest.

However, if in any of the above cases, stocks, bonds, or real estate are distributed by the partnership to a partner in either a current or liquidating distribution, or sold to a partner, a transfer tax would be imposed. Similarly, a transfer or conveyance tax would be imposed where a partnership is considered as being terminated under section 708 (b) of the 1954 code, and where the partnership sells or otherwise transfers property subject to the transfer or conveyance tax.

2. The purchase of stamps by clearinghouses of national security exchanges should no longer be required; instead such clearinghouses should be required to make daily payment by check to an authorized Government depository of the total amount of taxes shown on the broker-members' reports.

3. The present law provides no exemptions may be granted from the documentary stamp taxes in certain cases unless the delivery or transfer of the document qualifying for exemption is accompanied by a certificate setting forth such facts as regulations may prescribe. This statutory requirement for exemption certificates under the documentary stamp taxes should be liberalized by giving the Treasury the right to waive the requirement for certificates where they appear unnecessary.

4. The transfer tax should not apply to the return of stock or certificates of indebtedness deposited as collateral security.

5. Transfers made by an executor or administrator of certificates of indebtedness to a legatee, heir, or distributee should be exempt from the tax if the value of the certificates is not greater than the amount of the tax involved. This would extend the present rule for stocks to certificates of indebtedness.

6. The stock transfer and issuance taxes should be revised as follows:

(a) In the case of the stock issuance tax, the tax rate should be 10 cents on each $100 or major fraction thereof of the actual value of the total stock involved in a transaction. The minimum tax in any transaction should be 10 cents.

(b) In the case of the stock transfer tax where there is a sale or exchanges for value the tax rate should be 5 cents on each $100 or major fraction thereof of the actual value of the total stock involved in a transaction. The minimum tax with respect to such transactions would be 5 cents.

(c) The committee will resume consideration of this recommendation when it next meets at 10 a. m. on Wednesday, May 16, 1956.

President Appoints New Commission on Small Business—Again a Commission

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 15, 1956

Mr. CELLER. Mr. Speaker, on Thursday last, President Eisenhower appointed a Commission in Aid of Small Business. Why the solicitude for small business now? Can it be that election is only a few months hence?

This Big-Business Government has given small business the absent treatment for 3½ years of its existence. Small business failures are up 15 percent over last year's. Up to May of this year, almost 5,500 small firms went out of existence. The Commission is too late for them.

This new commission will go the way of all commissions. There are scores of them floating around in space in Washington. We have them on floods, taxes, natural resources, parks, science, labor, schools, health, and what have you.

They are usually set up with fanfare but like fireworks in the night they peter out in the darkness.

Who is the administration fooling?

Someone wisely stated:

A commission is a group of uninformed, appointed by the unwilling, to do the unnecessary.

When Is a Shortage Not a Shortage?

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 15, 1956

Mr. MULTER. Mr. Speaker, the following is an address I made before the National Federation of Independent Scrap Yard Dealers, Inc., at the Hotel Roosevelt, New York City, on May 12, 1956:

Mr. Chairman, distinguished guests, ladies, and gentlemen, although I am very happy to have the opportunity to speak to you tonight, I am not quite so certain that all of you will be very happy with some of the things I have to say, but if all of you like some of the things I say and some of you like all of them, I will be content. If nothing else, I will get you to thinking about the important controversial matters that should concern citizens and taxpayers all of the time, but to which too frequently they pay too little attention except in election year.

It has been my happy privilege to serve for many years on two very important committees of the House of Representatives. One of them is the House Small Business Committee which, as you probably know, is a special committee authorized merely to investigate, study, and report to the Congress on problems affecting small business. The other committee is the Banking and Currency Committee which, despite its name, deals with many important matters other than banking and currency. Some of your members know from experience that we have jurisdiction over all control legislation, and more particularly the Export Control Act, which can and does touch your business rather closely. That is a standing committee which has jurisdiction not only to investigate and study, but also to report bills to the House for enactment into law.

The House Small Business Committee is one of the few committees of Congress which has been truly nonpartisan. I cannot recall a single recommendation from that committee which did not have bipartisan support. The welfare and progress of small business is of the foremost concern to the Nation's economy. Small business has a recognized place in the economic fabric of the United States and is the backbone of the American free enterprise system. However, small business cannot continue to exist nor can it compete with big business in this great age of economic advancement unless small business is given a fair chance and at least an equal opportunity to compete with big business.

The criticisms which have come from the House Select Committee on Small Business were always made constructively, never destructively, and always made without regard to the political affiliations of the appointee against whom directed. Therefore you should bear in mind that if I say something critical it is deliberately intended to be critical but is just as deliberately intended not to be political.

I sincerely believe that my Republican colleagues on the Small Business Committee will endorse what I say. My Republican colleagues on the Banking and Currency Committee may differ with my conclusions or opinions, but none of them can challenge any of the facts that I will present to you.

As the year rolls on you will hear more and more that small business is the backbone of the free enterprise system in our economy and that big business, aided by big business in Government, is more and more throttling small business.

While none of you are "small" in the colloquial sense, all of you are small business in accordance with our legal definition. Each of you represents a business which is independently-owned and not dominant in your industry. The Defense Department had an arbitrary legal definition that any firm with 500 employees or more was not small business, and any firm with less than 500 employees was small. The reason for the change of the definition is important. The Congress found that small business must be protected against the depredations of big business and of big Government, and accordingly enacted into law many aids, safeguards, and even preferences to and for small business. These laws were enacted because the facts as developed in many of our hearings sustained by volumes of testimony and documentary evidence demanded them.

Almost a year ago we enacted a law repealing this arbitrary Defense Department definition and making it mandatory that the definition as cited in the Small Business Act, which I have enunciated before, be uniformly applied in all Government agencies.

Now I do not care whether that policy has not been implemented and enforced by the Defense Department because the Secretary of the Department of Defense, Charlie Wilson, is big business or favors big business or because his subordinates unbeknown to him have failed to do so for fear of antagonizing the boss. You and I are not concerned with the motives, good or bad. We are concerned however that the Congressional committees that urged that policy upon him before enacting the law were told that the policy was a good one and should be the rule. We are more concerned with the simple incontrovertible fact that a concededly good doctrine was not voluntarily effectuated and the Congress was compelled to and did mandate it. The same agency (the Department of Defense) continues to ignore and flout the law. That is typical of how small business is being mistreated by the executive branch of the Government.

We get fine speeches from the top echelon about broadening the base, integrating small business into Government procurement, both military and civilian, and about requiring the big prime contractors to subcontract a fair portion of their contracts to small business.

I was amazed, literally astounded, to find that these high-sounding, well-worded directives of the top echelon of the Department of Defense took 6 to 9 months to reach the personnel in the field and then too frequently they were promptly ignored by the people charged with enforcing them.

I am amused and at the same time terrified by the Government economists who prate about our prosperity and stability. Our national gross income is stable, they tell us. Of course it is when you add big-business incomes to farmers' income to small-business income. The total of this gross is about the same for 1955 as for 1954. But they do not tell us that the gross income of big business is up over $1,200,000,000 and the gross income of the rest of our economy is down by a billion dollars. They tell us that bankruptcies for the whole country are no more than in the previous year. Of course.

But big-business failures have practically disappeared and those of the rest of our economy have nearly doubled.

They tell us that the number of business firms has remained stable in the last few years. That is, there has been no change.

They do not tell you that in the prior 3 years our economy grew to the extent of 50,000 new firms a year.

The distressed condition of the small-business community is ample proof of the ineffectiveness of the present administration in dealing with small-business problems.

In the first 6 months of 1952 firms with $250,000 in assets netted profits, after taxes, of close to $175 million. Last year for the same period they netted only $60,000,000. From 1952 to 1955 these small-business firms had 40 percent less funds available for reinvestment and expansion. Nineteen hundred and fifty-five saw an increase of $4 billion in profits after taxes for big business.

A recent survey has shown that 10,000 small companies will need $100 million this year to fulfill their contracts.

Big business can borrow long-term money at low rates from the insurance companies; they can sell bonds to the banks and investment houses or sell stock to underwriters and the public. Small business does not have these opportunities.

If your bankers have not told you yet, they will. They will say: "The Secretary of the Treasury and the Federal Reserve Board are afraid of inflation. They are tightening up on credit. They are raising reserve requirements so we will have less to lend. They are making us buy more Government bonds for the same reasons. They are raising the discount rates so we must charge you more interest so you cannot afford to borrow."

When new buildings are being constructed there is an increased demand for steel. When there is an increased demand for steel there is an increased demand for your product. Stop the new building and you reverse the trend. That is precisely what this administration has done. Without mortgage money there can be no building. Therefore less steel and less scrap is needed. Last year it was anticipated that there would be new building starts in 1956 of anywhere from 1,200,000 to 1,300,000. At the beginning of this year the estimate was revised downwards to 1 million starts. The April statistics indicate there will be a drop of 50 percent in many high-production areas. The reason—no mortgage money. The reason for no mortgage money can be laid directly at the door of this administration.

Congress set up a Small Business Administration, which should be able to help you, but don't be too optimistic about that. The Secretary of the Treasury and the Secretary of Commerce, both big-business men, control the Loan Policy Board of that Administration. Believe me, the Congress wants the Small Business Administration to succeed in serving you.

If it does not serve you, it is not for want of a good law. The authority is there, and the money is there. We cannot compel the administration to do a good job. Under our system of government the Congress enacts the laws, the President and his appointees execute and administer them.

It is safe to say that in the field of industry there are certain jobs which are so tough that only the small-business man can be persuaded to take them over. Your business is a typical illustration. The scrap dealers of America perform a vital, but I am afraid at times, a thankless job for the American economy. Scrap, whether it is steel, copper, aluminum, or the other metals, must be gathered and put back into our productive economy, if our economy is to survive.

This is especially true today when we are undergoing a period of great demand and great expansion for primary metals, which, in turn, has resulted in an acute shortage of these metals. We became aware of the importance of scrap during the war; we are now learning that it is just as important to our civilian economy, as it was to our wartime economy.

I regret to say that there appear to be many in responsible positions in the present administration who regard the small-business men who are engaged in the scrap industry as country cousins of the large integrated producers. They are to be tolerated but not actively supported or helped.

In the main, stockpile policy, export policy, and Government aids to production appear all to be weighted in the favor of large integrated producers; but if the American economy and our ability to successfully defend ourselves in times of war requires policies designed to encourage and protect large integrated producers, it also requires the same policies to encourage and protect the other equally important segments of the industry—small-business men who reclaim scrap and the small-business men who are dependent upon such scrap for their sources of supply.

Unfortunately, the Government not only fails to take positive steps to aid such small-business people but also does not even try to understand their problems. It has not gathered adequate facts or information upon which to make any determination about action to aid them. An example well known by all of you is the fact that there has not yet been completed by any Government agency an adequate survey of steel scrap available in the United States and the statistical position of steel-scrap dealers in our economy.

The House Small Business Committee has received numerous complaints from both the small-business men in the steel industry who are the nonintegrated producer and the small-business men who are the scrap dealers. The interests of these two groups would appear to be in conflict; but no real answer can be given because Government agencies have not bothered to gather the facts.

It is impossible to get any factual basis for departmental decisions. I am safe in charging that at least as to scrap metals, they appear to be operating in a vacuum.

Of course there is another problem of scrap dealers which I am afraid does not get too much sympathetic understanding—especially from the producers. That is the fact that you are an intensely competitive industry, and very sensitive to the laws of supply and demand. Nobody, of course, complains when the laws of supply and demand force your prices down to low and almost ruinous levels. However, if the same laws force the price of scrap up, the hue and cry is raised that prices are too high. If you must bear the risk of a low price, you are certainly entitled to the benefits of a high price where it is the result of competitive adjustment to the laws of supply and demand.

There is here involved, however, another extremely important point which your members of this industry know full well, but which the executive departments of our Government completely ignore. They certainly give no evidence of paying any attention to it. I now am talking about our national security.

If you think I am playing politics with anything so vital, let me assure you that I place our Nation's interest first. That party politics is always placed in a secondary position by me under such circumstances is best evidenced by the record I made as an active member of my committees, when I tore into Democrats and Democratic appointees under similar circumstances.

I will content myself now with placing before you the simple facts as they are documented before the Congress and you draw the conclusions.

Four times in a comparatively short time scrap was in such short supply as to require embargoes against its export.

Now, don't misunderstand. I am not now urging an embargo. The responsibility of that decision is not mine. But if it were, I could not make it, because of lack of information.

What is worse is that the executive departments charged with getting the information and making the decision do not have the facts and have not sought to obtain them.

Please send for the hearings before the House and Senate Banking and Currency Committees of this year and read them.

We have on the statute books of our country two laws which are about to expire and which are about to be extended by the Congress. Both deal with scrap metals. Neither law should be extended unless there is a shortage or a potential shortage. The fact gathering for the basis of congressional action as well as Presidential executive departmental action is vested in the Department of Commerce, headed by big businessman Secretary Weeks.

Now let's observe how he performs his function.

When our Small Business Committee was flooded with complaints about scrap metals we went to the Government sources for our answers. We got a lot of gobbledegook by way of reply.

Secretary Weeks last December said, and I quote: "The steel scrap export situation has been under close surveillance and virtually continuous review for more than a year and a half."

Excellent. Certainly here come the facts. Listen to the next sentence from the same letter. Again I quote:

"Within the last 2 weeks, I have instructed the Business and Defense Service Administration in conjunction with the representatives of large and small members of the iron and steel industry to make an immediate and exhaustive review of all the current aspects of the domestic scrap situation, including supply, consumption, and future requirements."

Fine. After all, let us be fair. I concede that a year and a half of close surveillance is not immediate. But tell me, What was it if it wasn't an exhaustive review?

Surely, it was not boondoggling.

But didn't the Secretary also say it has been under virtually continuous review? Then why another review?

You would go broke, if you operated that way. But you are only small business and this is the way big business operates your Government.

I am going to be charitable. Christmas was only 2 weeks away when he ordered the survey. Christmas came and went and so did Easter, and still no answer.

In the meantime, the first of the laws I mentioned before is called up before the House Banking and Currency Committee for extension. Secretary Weeks sends up his Assistant Secretary to tell us the law should be extended for 3 years, that is the law under which you get your scrap export licenses and under which the Secretary can say how much, if any, scrap may be exported.

He tells us it is a good law, a workable law, it gives him all the authority he needs, just extend it for 3 years. You need not be a legislator to know that a man really must be a prophet to look ahead that far and say he needs an emergency measure for that many years.

Not pretending to have any prophetic powers, I say to the Department representative: Please give us the facts for this record. If they are classified or secret, say so, and we will take them in executive session. Oh, no, they say, they are not in that category, you can have them.

Fine. Come on. Give out. We are all ears.

Oh, wait a minute. Mr. Congressman, we don't have the facts.

I quote from Secretary McClellan speaking for his boss, Secretary Weeks:

"Secretary McCLELLAN. * * * What that major inventory is nobody knows. It has never been taken in this country, and to my knowledge in any other. I think it would be helpful if we could get it, but that is the inventory which we do not have.

"Mr. MULTER. Isn't your Department in a position to get that information?

"Secretary MCCLELLAN. No, sir; not yet.

"Mr. MULTER. Why not?

"Secretary MCCLELLAN. We don't have the information. (Appropriation.)

"Mr. MULTER. Has your Department asked for the appropriation to get it?

"Secretary MCCLELLAN. I don't believe so specifically.

"Mr. MULTER. Then I don't think it is fair for you to tell us you can't get it, because you don't have the money and your Department has not asked for the money for that. This is an item of information you should get and you can't get it unless you get money. I think you should go before the Appropriations Committee to get the money.

"Secretary MCCLELLAN. That may be forthcoming.

"Mr. MULTER. Have you any idea when?

"Secretary MCCLELLAN. No, sir. I am not even certain that it will, but I think that it is one of the elements in this particular thing which has to be taken into account. It is the one unknown factor, which up to this time has only been estimated and never really evaluated specifically.

"Mr. MULTER. Can you tell us for how long your Department has felt that that was information you should have?

"Secretary MCCLELLAN. I know ever since we have been concerned with the steel-scrap situation, we have tried to evaluate what that market is, but without inventory.

"Mr. MULTER. How long is that period of time?

"Secretary MCCLELLAN. To the best of my knowledge, it has gone back for at least a year or year and a half that we have been worrying about that. We have sought the cooperation of the people in the industry, to help us evaluate that inventory."

But let us not overlook that he nevertheless insisted throughout his testimony that there was no shortage of steel scrap. I begged, I pleaded, I hammered. He stuck to his guns.

That was his testimony on February 23, 1956. He had the last word as follows, and I quote again: "That is an unknown factor, but one we are convinced in the light of the record is adequate at this time." Remember he was talking about steel scrap.

That is certainly a positive enough statement even though the factual vacuum is still present.

In April 1956, we move over to the House Ways and Means Committee. It is considering the second of the two bills I mentioned.

This bill (H. R. 8636) is to extend for 1 year—note how much more realistic the Executive has become—not 3 years, but 1 year, the lifting or exempting of payment of custom duties and import taxes on scrap metals being brought into this country. The only reason for that being done is because there is a shortage.

Accordingly, Secretary Weeks writes to the Ways and Means Committee. On April 17, 1956, he answers the committee's inquiry of January 26, 1956, and says, quote:

"The Department of Commerce favors enactment of H. R. 8636 because the types of metal scrap (e. g., iron, steel, aluminum, magnesium, molybdenum, and nickel) covered by the bill are in short supply. The continued suspension of the duties and taxes should encourage imports and increase the amounts of these raw materials to domestic industries. * * *"

He also tells us that the Bureau of the Budget (that means the President) approves his report just quoted from.

You may indulge the assumption that it took 3 months to answer an inquiry about what has been continuously examined, reviewed, and surveyed while the Department made an inspection. I use that word for lack of a better one to give the Department credit for doing something additional about the matter.

They are on the ball now. So I walk across the Capitol to the Senate Banking and Currency Committee which, on April 19, 1956, is hearing witnesses on H. R. 9052. Remember that is the one in which the House Banking and Currency Committee was told by Secretary Weeks' Commerce Department there is no shortage of steel scrap.

Finally and at last. Now we will get the facts. Listen. Secretary Weeks' Commerce Department speaking, quote:

"As regards the depletion of our national inventory, we find ourselves in a position of not having sufficient information either in Government or in industry to arrive at a sound judgment."

Twice during our lifetime, scrap has gone abroad only to be converted into bullets, bombs, and armaments with which to kill and maim our boys.

I know of no group of men and women that is more patriotic than you, or who would not sacrifice their business when the safety and security of our country require it. You have done that before and you are ready to do it again, if necessary. But for God's sake, for the sake of our great country, let us at least get at the facts.

I am sure you are as terrified and as horrified as I am at this disclosure.

Congress can only make the laws. It cannot enforce or administer them. At the risk of being accused of partisanship, I say the only remedy available to us is to elect to the presidency of our great country a man who will make appointments to high Government positions of only such men who understand the needs of our country and of all of its people, big and small alike, and who will devote themselvse to executing our laws in the spirit in which they were intended to operate, doing the greatest good for the greatest number.

I apologize for having introduced such a somber note into what was intended to be a festive evening. Thank you for listening to me.

SENATE

WEDNESDAY, MAY 16, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Joseph Joshua Mundell, assistant pastor, Sacred Heart Shrine, Washington, D. C., offered the following prayer:

Almighty and merciful God, the true fountain of light and only author of all knowledge, vouchsafe, we beseech Thee, to enlighten our understandings and to remove from us all darkness of ignorance.

Thou who makest eloquent the tongues of those that want utterance, direct our tongues and pour on our lips the grace of Thy blessing. Give us a diligent and obedient spirit, quickness of apprehension, capacity of retaining, and the powerful assistance of Thy holy grace, that what we hear or learn we may apply to Thy honor and the eternal salvation of our souls. And may the blessings of Almighty God, the Father, the Son, and the Holy Spirit, come down upon us now and forever. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 15, 1956, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Armed Services Subcommittee investigating the Air Force, the Juvenile Delinquency Subcommittee and Internal Security Subcommittee of the Committee on the Judiciary were authorized to meet during the session of the Senate today.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON LIQUIDATION OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Secretary of the Treasury, transmitting, pursuant to law, a report on the liquidation of the Reconstruction Finance Corporation, for the quarter ended March 31, 1956 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF BOARD OF TRUSTEES OF FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

A letter from the Managing Trustee and members of the Board of Trustees of the Federal Old-Age and Survivors Insurance

Trust Fund, transmitting, pursuant to law, a report of that Board, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Finance.

AUDIT REPORT ON GOVERNMENT PRINTING OFFICE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Government Printing Office, for the fiscal years ended June 30, 1954 and 1955 (with an accompanying report); to the Committee on Government Operations.

PROVISION OF WAR-RISK, AND CERTAIN MARINE AND LIABILITY INSURANCE FOR AMERICAN PUBLIC

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the provision of war-risk insurance and certain marine and liability insurance for the American public, dated March 31, 1956 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

LT. COL. ARNOL A. AMUNRUD

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Lt. Col. Arnol A. Amunrud (with an accompanying paper); to the Committee on the Judiciary.

REPORT OF BOARD FOR FUNDAMENTAL EDUCATION

A letter from the firm of Ross, McCord, Ice & Miller, of Indianapolis, Ind., signed by Donald F. Elliott, Jr., transmitting, pursuant to law, an audit report of the Board for Fundamental Education, prepared by George S. Olive & Co., certified public accountants, for the 18 months' period ended December 31, 1955 (with an accompanying report); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Banking and Currency:

"Resolutions memorializing Congress to take action relative to the proposed increase of rents in housing projects in the Commonwealth of Massachusetts

"Whereas it is proposed to raise rents in certain housing projects in the Commonwealth of Massachusetts; and

"Whereas such action at this time would be unfair, unjust, and inequitable; and

"Whereas before any action is taken by any housing authority a complete investigation should be made: Therefore be it

"*Resolved*, That the House of Representatives of the General Court of Massachusetts memorializes the Congress of the United States to immediately take action to prevent a raise of rents at this time and to cause an investigation to be made of the proposed rent increases; and be it further

"*Resolved*, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, to the members thereof from this Commonwealth, and to the Federal Housing Authority in the District of Columbia and the city of Boston."

A resolution adopted by the Republican Club of Castro Valley, Calif., favoring enactment of the bill (H. R. 3) to establish rules of interpretation governing questions of the effect of acts of Congress on State laws; to the Committee on the Judiciary.

DEATH OF THE LATE SENATOR BARKLEY OF KENTUCKY—RESOLUTION

Mr. CLEMENTS. Mr. President, I ask unanimous consent to have printed in the RECORD, and appropriately referred, a resolution adopted by the board of directors of the Burley Tobacco Growers Cooperative Association, Inc., expressing appreciation of the splendid efforts of the late Senator Alben W. Barkley, of Kentucky, in behalf of agriculture.

There being no objection, the resolution was ordered to lie on the table, and to be printed in the RECORD, as follows:

RESOLUTION OF BURLEY TOBACCO GROWERS COOPERATIVE ASSOCIATION

The death of Senator Alben W. Barkley brought to an end a career of 50 years in public office marked by his effective championship of the proper application by Government of the principles of the democratic philosophy to the problems and concerns of common people and by his recognized superior leadership in the councils of his party and of his country.

A better and happier existence for all engaged in the basic industry of agriculture was one of the dominating desires of his life and particularly in the field of tobacco did he contribute his most vigorous and effective work to that end. Raised in the "tobacco patch" and for that reason acquainted at first hand with the adversities and hardships of tobacco growing, the plight and plea of the tobacco farmer always aroused sympathetic response in the mind and heart of the man who was regarded by so many as the Nation's greatest legislator. To Alben W. Barkley much credit is due for the legislative reforms and programs which have brought to the tobacco growers of the Nation stability of income which contributes measurably to the better and happier life for them which he desired and worked for throughout his whole career. His like will not soon succeed to the large role his death vacates. Therefore be it

Resolved by the board of directors of the Burley Tobacco Growers Cooperative Association of Lexington, Ky., That in the passing of Alben W. Barkley, the tobacco growers of Kentucky and of the Nation have lost a friendly and effective champion of their cause in the Congress but his great efforts in the half century of public service will continue in the future to yield untold profits and benefits to all who engage in growing tobacco.

It is ordered that a copy of this resolution be entered upon the permanent records of the association and a copy be sent to the family of Senator Barkley.

JOHN JONES,
JOHN M. BERRY,
W. L. STATON,
Executive Committee.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, without amendment:

S. 3101. A bill to authorize construction by the Secretary of the Interior of the Crooked River Federal reclamation project, Oregon, (Rept. No. 2007); and

H. R. 1779. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Juniper division of the Wapinitia Federal reclamation project, Oregon, (Rept. No. 2008).

By Mr. NEUBERGER, from the Committee on Interior and Insular Affairs, with an amendment:

S. J. Res. 143. Joint resolution to direct the Secretary of the Interior to determine the best means of eliminating the hazards within the city of Klamath Falls, Oreg., caused by the A canal under the jurisdiction of the Bureau of Reclamation (Rept. No. 2009).

(See the remarks of Mr. NEUBERGER when he submitted the above reports, which appear under a separate heading.)

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 5478. A bill to authorize a $100 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation (Rept. No. 2010); and

H. R. 6084. A bill to authorize the Secretary of the Interior to sell certain lands of the Agua Caliente Band of Mission Indians, California, to the Palm Springs Unified School District (Rept. No. 2011).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs, with an amendment:

H. R. 4656. A bill relating to the Lumbee Indians of North Carolina (Rept. No. 2012).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 3149. A bill to amend the Civil Aeronautics Act of 1938 in order to permit certain air carriers to grant free or reduced rate transportation to ministers of religion (Rept. No. 2013).

By Mr. GREEN, from the Committee on Rules and Administration, without amendment:

S. Res. 259. Resolution to print a pamphlet entitled "Laws Controlling Illicit Narcotics Traffic" as a Senate document;

S. Res. 262. Resolution authorizing the printing of a revised edition of Senate Document No. 85 as a Senate document and providing for additional copies; and

H. Con. Res. 230. Concurrent resolution authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means.

By Mr. GREEN, from the Committee on Rules and Administration, with an amendment:

S. Res. 251. Resolution to print additional copies of a report of the Committee on the Judiciary on its study of antitrust laws:

S. Con. Res. 77. Concurrent resolution authorizing the printing of additional copies of parts 6, 7, and 8 of the hearings on the study of the antitrust laws of the United States.

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

S. Res. 266. Resolution to print for the use of the Committee on the Judiciary additional copies of part 7 of the hearings before the Subcommittee on Improvements in the Federal Criminal Code.

REPORT OF BILLS AND JOINT RESOLUTION ON CROOKED RIVER PROJECT, WAPINITIA PROJECT, AND KLAMATH FALLS "A" CANAL

Mr. NEUBERGER. Mr. President, by direction of the Committee on Interior and Insular Affairs, I submit reports on 3 measures of great importance to each of 3 important sections of the State of Oregon. These measures are favorably reported by the committee, with the recommendation in each instance that they do pass. Each of the measures was sponsored by the distinguished senior Senator from Oregon [Mr. MORSE] and

myself, and received the unanimous approval of the Committee on Interior and Insular Affairs. The measures are:

S. 3101, to authorize construction by the Secretary of the Interior of the Crooked River Federal reclamation project on the Ochoco Creek and Crooked River, the latter a tributary of the Deschutes River of the Columbia River system in Oregon. The project includes a service area of approximately 20,000 acres, of which 10,220 acres are now irrigated with an inadequate water supply. The project will cost slightly more than $6.5 million, of which the major portion will be repaid by the water users. Slightly less than $2½ million of the cost will be repaid from surplus power revenues of the Dalles Dam powerplant on the Columbia River, now under construction. Authorization of the project has the unanimous support of the people of the Prineville area of the Crooked River Valley. When completed, the project will make an important contribution to the economical and agricultural stability of the community.

The next project is the Juniper Division of the Wapinitia project in Wasco County, Oreg. The senior Senator from Oregon [Mr. MORSE] and I sponsored S. 2234, which would authorize the Secretary of the Interior to construct, operate, and maintain the Juniper division of this project. The House of Representatives, on February 20, 1956, passed an identical bill, which was referred to the Committee on Interior and Insular Affairs. Under the Senate procedures, the committee reported H. R. 1779, which was sponsored in the House by Representative COON.

The third measure is Senate Joint Resolution 143, which directs the Secretary of the Interior to develop the best plan for eliminating hazards to the public from the operations of canal A of the Klamath irrigation project in the city of Klamath Falls, Oreg. More than 25 persons have been drowned in the canal in the 38 years of its operation. Many of these persons were children, and the tragedies have aroused the community to the point that action is demanded. It is the hope of the senior Senator from Oregon [Mr. MORSE] and myself that the Interior Department, through the Bureau of Reclamation or otherwise, will proceed promptly to develop a plan for removal of this hazard; and that the city of Klamath Falls, the county of Klamath, the irrigation district, and all other organizations, as well as individuals, will cooperate in developing an effective method of removing the hazard. The joint resolution authorizes an appropriation of $5,000 of nonreimbursable funds to defray the cost of the investigation and report.

The PRESIDENT pro tempore. The reports will be received, and the bills and joint resolution will be placed on the calendar.

DOROTHY ATKINSON

Mr. GREEN, from the Committee on Rules and Administration, reported an original resolution (S. Res. 267) to pay a gratuity to Dorothy Atkinson, which was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Dorothy Atkinson, executrix of Harry Colder, an employee of the Senate at the time of his death, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRICKER:

S. 3859. A bill to amend section 307 of the Communications Act of 1934, so as to place certain restrictions upon ownership or control of broadcast stations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. BRICKER when he introduced the above bill, which appear under a separate heading.)

By Mr. LEHMAN:

S. 3860. A bill to provide for the issuance of a special series of postage stamps commemorating the 100th anniversary of the founding of Vassar College; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. LEHMAN when he introduced the above bill, which appear under a separate heading.)

By Mr. GREEN:

S. 3861. A bill for the relief of Michael F. Corrigan and Louise A. Corrigan; to the Committee on the Judiciary.

By Mr. MONRONEY:

S. 3862. A bill for the relief of George Rudolph Bogdanich; and

S. 3863. A bill for the relief of Kobayashi Takayashi; to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania:

S. 3864. A bill to prevent discrimination against fiscal year taxpayers with respect to depletion allowance; and

S. 3865. A bill relating to the applicability of section 164 (d) of the Internal Revenue Code of 1954 to taxes on real property sold before the date of the enactment of such code pursuant to a contract of sale entered into before January 1, 1954; to the Committee on Finance.

By Mr. CHAVEZ (for himself and Mr. MARTIN of Pennsylvania):

S. 3866. A bill to facilitate the making of lease-purchase agreements by the Administrator of General Services under the Public Buildings Act of 1949, as amended, and by the Postmaster General under the Post Office Department Property Act of 1954, and for other purposes; to the Committee on Public Works.

By Mr. LONG (for himself and Mr. ELLENDER):

S. 3867. A bill to provide for the improvement of the waterway between Barataria Bay, La., and the Gulf of Mexico; to the Committee on Public Works.

(See the remarks of Mr. LONG when he introduced the above bill, which appear under a separate heading.)

By Mr. FULBRIGHT (for himself and Mr. CAPEHART):

S. 3868. A bill to extend the Export-Import Bank Act of 1945, as amended; to the Committee on Banking and Currency.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. MUNDT:

S. J. Res. 173. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President; to the Committee on the Judiciary.

(See the remarks of Mr. MUNDT when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. MANSFIELD:

S. J. Res. 174. Joint resolution providing for a study of the possibility and desirability of establishing a University of the Americas; to the Committee on Foreign Relations.

(See the remarks of Mr. MANSFIELD when he introduced the above joint resolution, which appear under a separate heading.)

RESOLUTION

The following resolution was reported and placed on the calendar:

By Mr. GREEN, from the Committee on Rules and Administration:

S. Res. 267. Resolution to pay a gratuity to Dorothy Atkinson.

(See resolution printed in full, which appears under the heading "Reports of Committees.")

AMENDMENT OF COMMUNICATIONS ACT OF 1934, RELATING TO RESTRICTIONS ON OWNERSHIP OR CONTROL OF BROADCAST STATIONS

Mr. BRICKER. Mr. President, I introduce, for appropriate reference, a bill to amend section 307 of the Communications Act of 1934, so as to place certain restrictions upon ownership or control of broadcast stations, and for other purposes. I ask unanimous consent to have printed in the RECORD an explanation of the bill which I have prepared.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the explanatory statement will be printed in the RECORD.

The bill (S. 3859) to amend section 307 of the Communications Act of 1934, so as to place certain restrictions upon ownership or control of broadcast stations, and for other purposes, introduced by Mr. BRICKER, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statement presented by Mr. BRICKER is as follows:

EXPLANATION OF THE ATTACHED PROPOSED AMENDMENT TO SECTION 307 OF THE COMMUNICATIONS ACT IN AID OF INDEPENDENT TELEVISION STATIONS

These amendments are intended to require the Federal Communications Commission to exercise its television license granting functions in such manner as to encourage competition in the national television industry by facilitating the growth of independent station operations and removing the restrictions which now preclude them from achieving competitive equality with station owners presently dominating and controlling the industry. This would be accomplished by prohibiting the Commission from adopting rules or policies setting abstract numerical limits upon the number of stations which any one person may own or control, entirely unrelated to factors of populations and markets covered by such stations, and by substituting for such sterile abstraction a realistic and workable public interest criterion of maximum coverage or service to 25 percent of the country's population.

Subsections (f) and (g) are designed and intended to permit independent television operators to acquire sufficient television outlets to become competitive with the few

dominant licensees in the industry today, without the meaningless and arbitrary restrictions upon ownership presently enforced by the Communications Commission.

Section 3.63 (a) (2) of the Commission's rules now limits to five the number of VHF television stations which any one person may own, control, or hold any stock or office in. This limit of 5 stations inflexibly applies whether such stations are located in the 5 largest cities of the country or in the 5 smallest cities, and whether the 5 stations in the aggregate cover 50,000 or 50 million persons.

The history of the television industry has shown that the three national television networks (NBC, CBS, and ABC) have been able to build or purchase their 5 stations in the country's top markets, thus permitting each network to cover from 25 to 40 million persons with its owned stations. Such stations have been built or purchased as allegedly necessary adjuncts of the companies' networking businesses. Through their station ownership in the top markets and through their networking operations, such networks now receive far greater amounts of advertising revenues than any independent operators.

Very few independent television operators, for financial reasons, are able to purchase large market VHF stations. If they desire to purchase stations they must do so in the smaller markets and receive smaller population coverage per station. Accordingly, an independent operator purchasing his limit of 5 VHF stations in the smaller markets cannot hope even to approach the coverage of any 1 of the 3 national networks.

These amendments would invalidate the Commission's limit of 5 VHF stations to 1 person, and substitute therefor a more realistic and beneficial criterion of maximum total net coverage of 25 percent of the country's population by stations controlled by 1 person. Inasmuch as relative financial position of station operators is determined by reference to total net populations covered, rather than total number of stations, population coverage is the only realistic and meaningful criterion available.

By substituting maximum net population coverage for the arbitrary maximum of five stations as the public interest criterion of multiple station ownership, the independent operator would then have the opportunity to become competitive in size with the networks, even though he cannot afford to buy the lucrative stations in the top markets. As a byproduct an independent operator can then become a network operator and thus a competitor of the present networks, thereby making available an additional source of network program material so vitally necessary to the life of television stations presently without network affiliation. The maximum figure of 25 percent would not render unlawful the holdings of any present licensee. NBC, the largest station owner in terms of populations covered, includes 23 percent of the country's population within the service areas of its owned stations.

Although these amendments would establish an upper limit of coverage to 25 percent of the country's population, it provides that the Commission is nevertheless still permitted to make the public interest determination of whether, in working toward such goal, an applicant's proposal would substantially lessen competition or tend to create a monopoly. The retention of this power by the Commission is believed necessary to restrain applicants taking undue advantage of the removal of the numerical limitation on station ownership by concentrating too many stations in a limited area.

The total end result intended to ensue from the enactment of these amendments would be a regulatory climate permitting and encouraging increased competition in the entire industry, with a more equitable and broad-based distribution of available television advertising revenues, and the formation of additional new competitive network organizations to provide for the programing needs of existing and future independent television stations.

SPECIAL SERIES OF STAMPS COMMEMORATING 100TH ANNIVERSARY OF FOUNDING OF VASSAR COLLEGE

Mr. LEHMAN. Mr. President, I introduce for appropriate reference, a bill to provide for the issuance of a special series of postage stamps commemorating the 100th anniversary of the founding of Vassar College. I ask unanimous consent that the bill, together with a short statement I have prepared, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 3860) to provide for the issuance of a special series of postage stamps commemorating the 100th anniversary of the founding of Vassar College, introduced by Mr. LEHMAN, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Postmaster General is authorized and directed to prepare for issue, on as early a date as practicable during the year 1961, a special series of postage stamps, of such appropriate design and of such denomination as he shall prescribe, in commemoration of the 100th anniversary of the founding of Vassar College.

The statement presented by Mr. LEHMAN is as follows:

STATEMENT BY SENATOR LEHMAN

I have introduced a bill authorizing the Postmaster General to issue, in the year 1961, a special stamp to commemorate the 100th anniversary of the founding of Vassar College.

Vassar College was not, of course, the first college for women to be founded in the United States. However, it has long been regarded as the first institution whose faculty, course of study, and equipment were comparable to the finest men's colleges in the country. The contributions which Vassar College has made to the educational scene since its founding have fully justified its reputation as one of our finest institutions of learning. I think the issuance of this commemorative stamp during its anniversary year, 1961, would be a fitting tribute.

I am aware of the fact that the Postmaster General is asked to issue a vast number of commemorative stamps each year and I know that it is impossible for him to comply with all of these requests. I feel, however, that this event is so significant as to warrant its favorable consideration by the Congress. I hope, therefore, that my proposal will be approved without delay.

BARATARIA BAY WATERWAY, LA.

Mr. LONG. Mr. President, on behalf of myself and my colleague, the senior Senator from Louisiana [Mr. ELLENDER], I introduce, for appropriate reference, a bill to provide for the improvement of the waterway between Barataria Bay, La., and the Gulf of Mexico. I ask unanimous consent to have printed in the RECORD a statement, prepared by me, relating to the bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3867) to provide for the improvement of the waterway between Barataria Bay, La., and the Gulf of Mexico, introduced by Mr. LONG (for himself and Mr. ELLENDER), was received, read twice by its title, and referred to the Committee on Public Works.

The statement, presented by Mr. LONG, is as follows:

STATEMENT OF SENATOR LONG

In introducing a bill to provide for the improvement of the waterway between Barataria Bay, La., and the Gulf of Mexico, I desire to call attention to the importance of this project at this particular time in the development of our inland waterway system.

At the present time, there is no means by which barge traffic drawing in the neighborhood of 12 feet of water, and operating into and out of the Gulf of Mexico along the southern border of the State of Louisiana, can enter our inland waterway system except through the long route of the Mississippi River or through the deep-water Calcasieu Channel near Lake Charles. These two waterways are at the extreme eastern and western boundaries of the State.

For some time, growing oil and allied traffic has been in great need of a short route to connect the site of their operations in the general vicinity of New Orleans with the Intracoastal Waterway. In line with this growing need, authority was granted to the Corps of Engineers several years ago to initiate a necessary preliminary survey, with a view to determining the most advantageous route to achieve this purpose.

The Corps of Engineers, having completed this survey and a subsequent study of this proposed waterway, has issued a Public Notice of a favorable survey report. This notice, signed by the Division Engineer of the Lower Mississippi Valley Division, Vicksburg, Miss., recommends a plan for the modification of the existing project.

This plan is a channel 12 feet deep and 125 feet bottom width, from the Intracoastal Waterway in the general vicinity of Barataria, La., and proceeds in a southeasterly direction following old waterways to Barataria Bay. It proceeds along the western side of Barataria Bay, passes to the east of Grand Isle through Barataria Pass to the 12-foot contour of the Gulf of Mexico. The total distance of the waterway is approximately 35 miles, and the estimated first cost is $1,697,000 to the United States and $242,000 to local interests, with an estimated $80,000 annual cost to the United States for maintenance.

Being familiar with the demands for a short protected route to handle the barge traffic in this vicinity, my colleague Senator ELLENDER, who joins me in presenting this bill, and I, urge the prompt authorization of this project. We feel that in a very short period of time this project will become an integral part of the inland waterway system that is performing such an important job for our Nation today.

EXTENSION OF EXPORT-IMPORT BANK ACT OF 1945, AS AMENDED

Mr. FULBRIGHT. Mr. President, on behalf of myself and the Senator from Indiana [Mr. CAPEHART], I introduce, for appropriate reference, a bill to extend the Export-Import Bank Act of 1945, as amended. I ask unanimous consent to

have printed in the RECORD a letter from the President of the Export-Import Bank of Washington, relating to the bill, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 3868) to extend the Export-Import Bank Act of 1945, as amended, introduced by Mr. FULBRIGHT (for himself and Mr. CAPEHART), was received, read twice by its title, and referred to the Committee on Banking and Currency.

The letter, presented by Mr. FULBRIGHT, is as follows:

EXPORT-IMPORT BANK OF WASHINGTON,
Washington, D. C., May 16, 1956.

The Honorable J. W. FULBRIGHT,
Chairman, Committee on Banking and Currency, United States Senate.

DEAR SENATOR FULBRIGHT: There is enclosed herewith a copy of a draft bill which would extend for 5 years, from June 30, 1958, to June 30, 1963, the period within which Export-Import Bank of Washington may make loans.

The Bureau of the Budget has authorized the submission of this draft bill to the Congress as in accord with the program of the President. The bill is in harmony with the Economic Report of the President, transmitted to the Congress January 24, 1956, in which, on page 91, it is recommended that the lending authority of Export-Import Bank of Washington be extended beyond June 30, 1958.

The present limiting date of June 30, 1958, is restrictive of the ability of the bank to exercise its functions as prescribed by the Congress, and to obtain and retain the services of qualified personnel.

The limitation is especially restrictive in the field of financing large industrial or development projects abroad in conjunction with American firms. Many of these projects require a period of more than 2 years for completion. This is particularly true of electric power installations, heavy industry plants, and mining developments, in which fields there has been a substantial increase in the number of applications presented to the bank for consideration.

While from a strictly legal standpoint, the bank considers it has authority, after the statutory expiration date for making loans, to make disbursements against commitments made prior thereto, applicants are concerned over the possibility that the statutory limitation may interfere with their full utilization of the credit. In large development and project loans, interim financing is often used by the United States firm involved, and many use letters of credit, which, under present limitation, are required to have a termination date prior to June 30, 1958. Many firms assert that this is not conducive to normal and orderly procedures in construction, and is restrictive.

Action by the Congress at this time to extend the period for making loans would eliminate any question as to the availability of funds to complete projects, and enable the Bank to continue to consider on the merits applications for credits for projects requiring long construction periods.

The Advisory Committee to the Export-Import Bank, appointed pursuant to the 1954 amendment to the Export-Import Bank Act of 1945, has recommended that the bank request the enactment of the proposed legislation at this session.

In a similar situation, the bank, in May 1951, requested and the 82d Congress on October 3, 1951, approved a bill extending the lending operations of the bank from June 30, 1953, to June 30, 1958, thus taking action 2 years prior to the then expiration date for the bank's operation.

If any assistance is desired in connection with this draft bill it is hoped that you will not hesitate to call upon the directors and officers of the bank.

Sincerely yours,

SAMUEL C. WAUGH,
President.

PROPOSED AMENDMENT OF CONSTITUTION RELATING TO ELECTION OF PRESIDENT AND VICE PRESIDENT

Mr. MUNDT. Mr. President, I ask unanimous consent to proceed for 6 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed.

Mr. MUNDT. Mr. President, I introduce, for appropriate committee reference, a joint resolution proposing a change in the method of electing the President and Vice President, by amending the Constitution of the United States.

I am introducing this new joint resolution at this time so that it may be studied, along with other proposals, as a part of the general subject of electoral reform recommitted to the Committee on the Judiciary on March 27, last. Unless the Committee on the Judiciary should so desire, it is not my intention to press for action on the resolution at this session. I should like to have it printed and available for study, however, and for that reason I would like to give a brief explanation of it at this time.

This proposal simplifies, and considerably shortens, the electoral reform resolution which was supported by a 48-to-37 rollcall vote on March 27 in this Chamber. It is framed to meet objections of many Senators who, at that time, declared themselves in favor of electoral reform, but did not like one or more provisions of the measure then under consideration.

I feel that the proposal I am now introducing will accomplish the badly needed objective of electoral reform; yet it contains none of the defects which evoked objections to earlier resolutions.

First of all, the joint resolution which I am introducing is framed to make mimimum changes in the Constitution. It will supersede present provisions of the Constitution in only three places; these are in paragraph 2, section 1, of article II in the 12th article of amendment; again, very briefly, in the 20th article of amendment.

The resolution provides, simply, that two of each State's quota of presidential electors be chosen by statewide popular vote, just as United States Senators are elected. For the remaining electors to which each State is entitled, my resolution provides that they shall be elected from single member election districts established by the State legislatures. It further provides that these single member districts shall contain, "as nearly as practicable," the number of persons which entitles the State to one Representative in the Congress of the United States. It also provides that these districts, once established, shall not be altered until another census has been taken.

In the event a State legislature fails to establish single member districts in accordance with constitutional standards, it is provided that the Congress may do so, upon petition by one-fifth of the membership of the legislature of the State.

Section 2 of my joint resolution provides for the contingent election of the President and Vice President by a joint session of Congress, if no candidates receive a majority of the electoral votes. In such a case, the President, or Vice President, or both, shall be chosen from those candidates for each office receiving the three highest numbers of electoral votes.

Mr. President, the joint resolution which I am proposing, if adopted by a two-thirds vote of the Congress and ratified by three-fourths of the State legislatures, would in truth give candidates in all the States an equal opportunity to be nominated for President, as the Constitution intended.

The joint resolution would exactly equalize the weight, importance, and effect of each ballot of each voter cast in a presidential election, no matter where he lives.

The joint resolution would end the unfair, unrepresentative, and distorted general ticket system, whereby a State's entire electoral vote is cast for the candidate who receives, perhaps, a single popular vote plurality in a contest involving millions of votes, thus virtually disenfranchising all other voters.

No longer would one area of the country dominate the election of a President, under this resolution. The so-called pivotal States could no longer swing an entire national election. No State would be pivotal. No State would be unimportant.

When the Daniel-Mundt-Thurmond "compromise" resolution was before the Senate last March, many Senators who sincerely wanted electoral reform, complained because this proposal offered States their choice of two ways to divide electoral votes: proportionally, by statewide election, or by congressional districts. These Senators argued that State legislatures might be found frequently shifting back and forth between the two systems, as political fortune dictated advantages.

Others protested that selection of the statewide proportional procedure for dividing electoral strength might someday lead to abandonment of congressional districts in electing Members to the House of Representatives.

Still others argued that the practice of legislative gerrymandering of congressional districts would be sharply increased in those States which chose to use the district system.

The joint resolution which I am introducing today meets all three of these objections. In the first place, it proposes a single method to be used by all States in dividing their electoral strength. Secondly, it retains the district system of choosing presidential electors. Finally, it provides equitable standards for the establishment of special districts for presidential electors in each State; and for "freezing" such districts between national censuses. Upon petition from the

State it provides that Congress can correct any failures of States to conform to the constitutional standards.

I have discussed my resolution with others who sincerely want to change the unfair procedure by which we elect Presidents and Vice Presidents today. We feel that in this resolution we have met the objections of those who really want electoral reform but could not bring themselves to support earlier, more complex proposals. I urge careful study of this proposal.

I should add, Mr. President, that Senator Strom Thurmond, who was one of the coauthors of the joint resolution we had before us in March, called me from his home in South Carolina yesterday and told me I could advise the Members of this body that this new joint resolution has his approval and that he expects to join me as a cosponsor of it when he returns to the Senate next January.

Mr. President, electoral college reform is long overdue in this country. It is the essence of un-Americanism to perpetuate a system wherein a single voter in New York State when he marks his ballot exerts 15 times the influence in his choice for President that is exerted by a single voter in Delaware. It is similarly unjustifiable to continue an electoral system which has grown up like Topsy in this country—never so intended by the Founding Fathers of our Constitution—whereby a single voter in New York State puts into operation 45 solidified electoral college votes to be cast en bloc for the winning candidate in his State while an equally important and intelligent American citizen voting in Delaware puts into operation by his ballot only 3 such electoral votes; a voter in South Dakota activates only 4 such votes; a voter in New Hampshire likewise determines the direction in which only 4 electoral votes will be cast; in Vermont and Wyoming each voting citizen controls only 3 electoral votes—and so it goes.

With equally patriotic and determined citizens of every State having the degree to which their cherished individual franchise is weighed and counted arbitrarily determined by the number of Senators and Representatives in his particular State, we confront a situation in our country in which "all men are created equal" that operates to give completely unequal and irrational weight to the votes of certain citizens compared with those of other citizens in other States. My joint resolution would correct all this.

Each State would continue to have its same quota of electoral votes but by eliminating the bloc system and the unit rule by which they are cast on the basis of a statewide plurality for one candidate or another, and voting for President electors by presidential election districts we shall provide for that equality of citizenship to which our Republic is dedicated and give each citizen of the United States the same authority, the same power and the same influence in determining who shall be President and Vice President of the United States. This is an objective toward which all freedom-loving Americans should energetically aspire.

It is not my purpose to review all of the persuasive and important arguments in support of electoral college reform at this time nor to run the full gamut of reasons why this new resolution which I now am introducing provides the effective and equitable remedy to an intolerable situation. Those interested in a more complete presentation of the reasons requiring a correction of our electoral college methods will find them by reading the Senate debate contained in the CONGRESSIONAL RECORDS of March 20, 21, 22, 23, 26, and 27 of this year. On later occasions, also, I shall expect to discuss the merits of this new resolution on the Senate floor and before the country. In the meantime, it is hoped that all Senators and citizens generally who realize the close relationship which our "political machinery" and our electoral procedures have to the destiny of our free country will give this problem serious thought and develop a determination to right the situation early in the next session of the Congress.

Mr. President, I ask unanimous consent that the text of my joint resolution may be printed in the RECORD at this point as a part of my remarks.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S. J. Res. 173) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President, introduced by Mr. MUNDT, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution of the United States which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"ARTICLE —

"SECTION 1. Two of each State's electors of President and Vice President shall be elected by the people thereof; and each State's remaining electors shall be elected by the people in single-member districts established by the legislature thereof, such districts to be composed of contiguous and compact territory and containing as nearly as practicable the number of persons which entitles the State to one Representative in the Congress; and such districts when formed shall not be altered until another census has been taken. If the legislature of any State fails to establish such districts, the Congress may establish them upon petition of not less than one-fifth of the members of the legislature of such State. The electors in each State who elect electors of President and Vice President shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

"SEC. 2. If no person voted for as President or Vice President has a majority of the whole number of electors chosen, then from the three persons having the highest numbers on the lists of those voted for as President and Vice President, the Senate and the House of Representatives, assembled and voting as one body, shall choose immediately from the respective lists the President, and then the Vice President, or either, as the case may be; a quorum for these purposes shall consist of three-fourths of the whole number of the Senators and Representatives, and the person receiving the greatest number of votes for President and for Vice President on the respective rollcalls, if such numbers are a majority of those present and voting, shall be the President and the Vice President. If additional rollcalls be necessary for either office the choice shall be between the two persons having the highest numbers on the first rollcalls for President and Vice President. But no persons ineligible to the office of President shall be eligible to the office of Vice President.

"SEC. 3. The Congress may by law provide for the case of the death, or inability to discharge the powers and duties of the said offices, of any of the persons from whom the Senate and the House of Representatives may choose a President or a Vice President whenever the right of choice shall have devolved upon them.

"SEC. 4. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the States within 7 years from the date of its submission to the States by the Congress."

Mr. SMITH of New Jersey. Mr. President, will the Senator from South Dakota yield?

Mr. MUNDT. I am happy to yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. I wish to make a very brief statement supporting the position the Senator has taken in introducing his joint resolution. I should like to have this brief statement follow the remarks of the Senator from South Dakota.

Mr. MUNDT. I am very happy to yield to the Senator for that purpose. I am delighted at the Senator's interest and support. He has long been a close student of electoral college reform, and he has been very helpful in evolving the present joint resolution.

Mr. SMITH of New Jersey. I thank the Senator.

Mr. President, I am glad that the senior Senator from South Dakota is persevering in his efforts for appropriate reformation of the electoral college system of electing Presidents. Few of us have failed to realize the existence of inequities and deficiencies in the present system, although we have signally failed to agree upon a method of eliminating them.

The proposal which Senator MUNDT has introduced this morning is one that I feel deserves close scrutiny by the committee studying this matter. In certain essentials it is similar to a proposed amendment for the electoral college which I have introduced during the last few years. It has been designed to meet the most fundamental arguments advanced against the so-called Mundt-Coudert district system, through the requirement for election of electors from single member districts and the requirement that such districts be composed of contiguous and compact territory and contain as near as practicable the number of persons which entitles the State to one Representative in Congress.

Although comprehensive investigation and study by committee may reveal areas for improvement and modification, I commend the senior Senator from South Dakota for his continuing interest and efforts to find a solution to this thorny

problem which will attract the support of the Congress.

I am very happy to identify myself with this effort.

Mr. MUNDT. I thank the Senator very much.

ESTABLISHMENT OF A UNIVERSITY OF THE AMERICAS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at this time I may proceed for 2 minutes in addition to the time customarily allowed in the morning hour.

The PRESIDENT pro tempore. Without objection, the Senator from Montana may proceed.

Mr. MANSFIELD. Mr. President, last week I discussed on this floor certain aspects of the relations of the United States with the countries of Latin America. In the course of my remarks, I called attention to the dissatisfaction which has been spreading throughout our neighbors to the South, both with respect to the policies followed toward them and with respect to the degree of interest we have manifested toward the pressing problems they face. I ventured to suggest a number of courses of action which could be taken to arrest this alarming drift toward disunity and misunderstanding which, seemingly, has acquired increasing impetus in the past 3 or 4 years.

Among other things, Mr. President, I emphasized that we should do everything we can to encourage a mutual awareness of the community of interests which is essential to common concern and common progress. I pointed to the importance of increasing cultural exchanges in the fields of art, literature, and the sciences. To that end, I urged that careful exploration be made of the idea of establishing a great university of the Americas, in some centrally located area, suggesting perhaps Puerto Rico, as the confluence of the well-springs of culture which have fed the stream of civilization on the two continents.

Such a university could be invested with educational functions which would contribute to a greater appreciation of the problems raised by increasing cultural, economic, and commercial relations between the United States and our sister Republics. Such a university could offer a unique opportunity for students and teachers all over the Western Hemisphere to know each other better; to develop closer personal relationships, often lasting a lifetime; and to participate in an interchange of ideas, skills, and cultures. It would provide an invaluable means for inculcating a deeper understanding of the common problems, whether of a legal, social, or political character, which all of us face, and for contributing the talents and energies of the hemisphere to their solution. Some indication of how a university of this kind could serve the cause of mutual goodwill is furnished by the manner in which the point 4 program has operated in Puerto Rico since 1950. At its own request, Puerto Rico has been not a mere recipient under the program, but a cosponsor, joining with the United States in training programs for foreign students. Over the past 5 years the Commonwealth has appropriated annually over $35,000, much of which, along with funds contributed by the United States, goes for the subsistence of exchangees. Over 2,000 scholarship grantees, visitors, and observers were received in Puerto Rico between May 1950, and June 1955. Most of them came from Latin America and the Caribbean. It is not fanciful to contemplate the institution of similar scholarships and grants in a University of the Americas.

I therefore introduce for appropriate reference, a joint resolution under which the possibilities of creating a university for the nations of the Western Hemisphere would be explored, with a view to determining whether the establishment of such a higher center of learning for all our peoples is desirable and feasible. The joint resolution provides for a commission to study the entire subject, and directs it to give consideration to all pertinent factors, including the prospects of its successful operation, geographical accessibility, and the availability of existing facilities, and to report its findings to the President and Congress not later than January 31, 1957. With the facts thus assessed, we should be better equipped to proceed in the most appropriate manner, and to take such further steps as are indicated, to bring this university of the Americas into existence, once the project has been determined to be practicable. Presumably, those steps would be taken, eventually, through the organization of American states, to ensure that the enterprise be one to which all the American Republics would give their approval and support.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 174) providing for a study of the possibility and desirability of establishing a university of the Americas, introduced by Mr. MANSFIELD, was received, read twice by its title, and referred to the Committee on Foreign Relations.

AGRICULTURAL ACT OF 1956—AMENDMENTS

Mr. SCHOEPPEL submitted an amendment, intended to be proposed by him, to the bill (H. R. 10875) to enact the Agricultural Act of 1956, which was ordered to lie on the table and to be printed.

Mr. AIKEN submitted an amendment, intended to be proposed by him, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

Mr. FULBRIGHT (for himself and Mr. MCCLELLAN) submitted an amendment, intended to be proposed by them, jointly, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

Mr. SMITH of New Jersey submitted amendments, intended to be proposed by him, to House bill 10875, supra, which were ordered to lie on the table to be printed.

Mr. HICKENLOOPER submitted an amendment, intended to be proposed by him, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

FEDERAL-AID HIGHWAY ACT OF 1956—AMENDMENT

Mr. HUMPHREY. Mr. President, it is time that Congress took some direct action toward halting the appalling death toll on the Nation's highways. During consideration of the new highway bill, H. R. 10660, the Federal-Aid Highway Act of 1956, an amendment similar to the one I intend to propose today was defeated by one vote in the House Public Works Committee. I am sincerely hopeful that the proposal will be adopted on the Senate floor during the debate on the highway bill.

My proposal would authorize and direct the Secretary of Commerce to conduct a comprehensive study on all phases of traffic safety. I would intend this survey to embrace the causes of accidents on streets and highways, the adequacy of accident records, the economic losses resulting from such accidents, and the various factors contributing to the advancement of safety on streets and highways, including, but not limited to, the design and physical characteristics of highways, uniformity of motor vehicle laws and regulations, law enforcement, traffic control, driver behavior, characteristics of motor vehicles, and traffic conditions.

This amendment will require the Secretary of Commerce to report to Congress not later than June 30, 1959, the results of such study, together with recommendations.

There seems to be little doubt, Mr. President, of the importance of such a comprehensive study on traffic safety. For 13 consecutive months, the traffic death tolls each month have exceeded the same month's toll for the preceding year. We are headed toward one of our worst highway fatality records in history, and it is going to keep on getting worse unless we do something about it.

An article appeared in the Chicago Sun Times for May 1, 1956, describing the recent American Psychiatric Association convention in Chicago. Officials at that meeting concluded that an all-out psychological assault on the Nation's highway slaughter problem was long overdue, but that the necessary facts were not yet at hand. The National Safety Council has proposed an overall research program on this subject, and my proposed amendment is designed to meet this growing demand for a nationwide study.

I ask unanimous consent that the article I have just referred to be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PSYCHIATRISTS SEEK ANSWER TO AUTO TOLL

(By Robert S. Kleckner)

Psychiatrists are concerned about the mounting slaughter on the Nation's highways.

There's more to it than drinking drivers, mechanical failures, or persons who are prone to have accidents, they say.

Dr. Karl Menninger, noted psychiatrist here for the annual convention of the American Psychiatric Association at the Morrison Hotel, observed Monday:

"Research into the driver himself, what makes him the way he is, on a long-term basis

would be of great help. I believe the psychiatrists could come up with answers to make driving safer. But it would take money and time."

He made his statement as the National Safety Council said March was the worst traffic toll month on record with 2,960 dead. The council said that if the rate continues 40,000 persons will be killed in a year for the first time in history.

Some research already has been under way by a few psychiatric investigators. One report of a study about drivers will be made later in the convention.

The Office of Naval Research in Washington also is delving into the matter with a study of traits of good drivers. Results have not as yet been tabulated.

"An all-out assault psychologically is necessary, not just appealing to governors and police to crack down. We've got to learn facts," another convention delegate said.

Psychiatrists say angry, frustrated persons are most likely to get into trouble in traffic. Some get a surge of power when behind the wheel and feel that they are supermen, the experts point out.

The Safety Council would welcome overall research on the subject, but a spokesman added: "We haven't got the money to do it. Perhaps some groups will come to the rescue."

Mr. HUMPHREY. My proposed study would aim at supplementing and supporting the activities of private groups to encourage highway safety, rather than replace such effort. I am convinced that this amendment has the strong backing of such organizations and groups.

Mr. President, I submit today an amendment which is a simplified version of one advanced by Congressman JOHN BLATNIK, of Minnesota, during consideration of this bill in the House. It is necessary because the Bureau of Roads' interpretations of existing authority confine this authority to studying only design and physical characteristics of highways as related to safety. We need broad authority to study the entire problem and see just what can and should be done.

I ask unanimous consent that my proposed amendment be inserted at this point in my remarks.

Mr. President, in submitting this proposed amendment, I am sincerely desirous of cosponsorship on both sides of the aisle. I ask that this measure be held at the desk until the close of Senate business on Friday, May 18.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the desk, as requested by the Senator from Minnesota; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 50, between lines 8 and 9 insert the following new section:

"SEC. 118. The Secretary of Commerce is authorized and directed to conduct a comprehensive study of all phases of highway traffic safety, including but not limited to the design and physical characteristics of highways, and to report to the Congress not later than June 30, 1959, the results of such study, together with recommendations. Such study shall be carried out under the provisions of section 10 (a) of the Federal-Aid Highway Act of 1954."

On page 50, line 9, strike out "SEC. 118" and insert in lieu thereof "SEC. 119."

On page 50, line 12, strike out "SEC. 119" and insert in lieu thereof "SEC. 120."

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. DUFF:

Address delivered by Senator CASE of New Jersey at the banquet of the Pennsylvania Federation of Young Republican Clubs, in Philadelphia, Pa., on May 13, 1956.

STATEMENT BY SECRETARY DULLES ON DISARMAMENT

Mr. SMITH of New Jersey. Mr. President, on yesterday, at his press conference, Secretary Dulles issued a statement regarding the recently proposed reduction of armed forces by the Soviet Government. This subject is very important, and has been widely discussed. I ask unanimous consent to have printed at this point in the body of the RECORD, as a part of my remarks, the full text of the prepared statement which Secretary Dulles gave to the press.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The United States welcomes the Soviet Government announcement of its intention to reduce its armed forces by 1,200,000 men within the next year, if this proves to be evidence of an intent to forego the use of force in international affairs. However, the obvious explanation is a need for greater manpower in industry and agriculture.

I pointed this out last week before the House Foreign Affairs Committee and forecast that the Soviet Union would probably shift a considerable body of manpower from the armed forces to the farms and factories.

REDUCTIONS BY UNITED STATES CITED

The United States since World War II has reduced its own forces by more than 9 million, from a level of 12,800,000 to under 3 million. We have already proposed at the disarmament discussions in London that an inspection system be established to provide for immediate reduction of Soviet and United States armaments to a basis of 2,500,000 men each as part of a disarmament program that would include reductions of armaments and major restrictions in the nuclear field as well.

It should be noted that there will be no verification of actual reduction in the Soviet Union from the now-estimated level of more than 4 million men, since there will be no inspection of the proposed reductions. The large forces of Communist China remain.

Moreover, the Soviet reductions deal largely with men rather than armaments, and there is nothing to prevent the speedy recall and equipping of large units of thoroughly trained reserves. In addition, the Soviet Union and its allies are free to move their forces throughout their central land territory and bring the threat of armed force to bear at any point around the rim of Communist-held territory.

The free world, however, must be prepared to defend the outer edge of this area and depend on shifts of forces along long lines of communication, the maintenance of which requires large forces.

Despite these factors, the United States has proposed the kind of reductions in manpower and armaments, and restrictions in nuclear capabilities, which can be taken now under the present circumstances, and which go beyond what the Soviet Union has proposed.

CHECKS HELD ESSENTIAL

A real disarmament program should include a system for guarding against great surprise attack. It should provide reductions in weapons, which can be more effectively controlled than manpower, as trained men can be rapidly shifted back to arms, if arms exist. It should also include an effective system for verifying these reductions. We continue to believe that it would comprehend effective measures to halt the nuclear armaments race as proposed by President Eisenhower March 1 to Premier [Nikolai A.] Bulganin [of the Soviet Union].

The United States is always ready to join with the Soviet Union and other nations in a program which allows the world to reduce further the burden of armaments in safety and security, bring under control the nuclear threat, minimize the danger of surprise attack by the President's open-sky plan as well as by other checks, and release more economic resources for peaceful purposes.

Mr. SMITH of New Jersey. Mr. President, I wish to call special attention to the last paragraph of the Dulles' statement, which seems to me to be most important in indicating that we in this country are always ready to discuss ways and means of reducing armed forces and ways and means of making progress on the road toward disarmament. I am calling particular attention to this part of Mr. Dulles' statement because the earlier part of his statement emphasizes the possible dangers, suspicions, and so forth. His concluding paragraph reads as follows:

The United States is always read to join with the Soviet Union and other nations in a program which allows the world to reduce further the burden of armaments in safety and security, bring under control the nuclear threat, minimize the danger of surprise attack by the President's open-sky plan as well as by other checks, and release more economic resources for peaceful purposes.

Mr. President, I also ask unanimous consent to have printed in the body of the RECORD an article entitled "Soviet Army Cut Believed Result of Internal Pressure," written by David Lawrence, and published in yesterday's issue of the New York Herald Tribune.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON, May 15.—When the Soviet Union announces a cut of 1,200,000 men in her army, which in all totals at least 5 million, it's the same thing as saying that henceforth a reserve of men wearing civilian clothes will go on duty in the forced labor camps and in other projects of the Government.

Recently returned visitors from Soviet Russia say it is difficult to tell where the army begins and ends—there are so many persons under the direct discipline of the Government in the work camps and in the factories. The Soviets maintain quasi-military armies of civilians on duty throughout the country from the Baltic to the Pacific.

But it would be a mistake to assume that the Kremlin was actuated merely by a desire to deceive the allies. There is probably a much more vital reason for the announcement, and that's internal. The unpopularity of military service throughout Russia is well known.

PLACATING MOVE

The cut could be a move to placate sentiment internally, where the burdens of armament are beginning to cause concern to the rulers. For the Soviet people know that they could have more consumer goods if

so much money and labor were not required for arms and munitions of war.

The official reaction here, not only in the executive departments but in Congress, is one of puzzlement. It is asserted that if the cut were sincere, then it should have been possible for the recent talks in London on disarmament to have made more progress and that there would have been more interest shown by the Soviets in the President's plan for aerial inspection.

Undoubtedly the Soviet move has propaganda value. The present Communist line throughout the world is to picture Soviet Russia as desirous of peace, while pointing to the allies and particularly the United States as placing an emphasis on military alliances. It is odd how many Americans, including some critics of the administration in Congress, have swallowed this line and echoed the Communist criticism.

AID AND DEFENSE

It is significant, on the other hand, that the Secretary of Defense, Charles E. Wilson, and Admiral Radford, Chairman of the United States Joint Chiefs of Staff, are discovering that the only way to get the foreign-aid program through Congress is to emphasize its military aspects. There isn't any enthusiasm in Congress for foreign aid expenditures which are not related to the defense of this country.

In testifying before a Senate committee that $3 billion of the $4,900,000,000 program is for military aid and a large part of the remainder is for economic aid to nations which furnish military defense to this country, Mr. Wilson said:

"To cut military assistance materially at this time would present serious risks to the defense of the United States and the free world and would require a complete re-evaluation of our international position and of our own military budgets."

The Defense Secretary pointed out that America now is helping to support 200 divisions in allied armies, which is a force several times the strength of our own Army."

Admiral Radford supported this argument with the statement that it is better to help allied nations maintain their armed forces through military assistance than to attempt "to provide United States soldiers in the absence of those forces." He added that, besides the "lack of such unlimited manpower resources that would be required, the costs would be prohibitive even for this country."

This is the first time high officials have talked so bluntly about the reasons for the foreign-aid program. Many a boy not being drafted would be in uniform today were it not for the allied divisions supported by the foreign-aid program. The increased cost to the Federal budget would be several times the present $4,900,000,000 for foreign aid.

There is, of course, a tendency everywhere to rely less on conventional forces. The emphasis instead is on nuclear weapons. But the danger if that, if an agreement to ban the atomic bombs is ever made or there is mutual forbearance and failure to use such weapons, the Soviets would be stronger in ground operations in Europe.

It is suggested by Secretary Wilson that perhaps the Russians are cutting their armies because they want to divert more money to the nuclear side and that the United States cannot afford to change its programs just because Moscow makes a propaganda move.

Only when there is a free government in the Kremlin and when armed forces are withdrawn from the satellite states and their independence restored can there really be any trust that an era of peace has arrived in Europe.

SOCIAL SECURITY CHANGES

Mr. LEHMAN. Mr. President, on May 7, the New York Times published an excellent editorial entitled "Social Security Changes," which relates to a measure now under consideration by the Senate Finance Committee. The editorial was printed some days before the Finance Committee acted on some of the provisions referred to in the editorial. However, I feel that the editorial is so important, reflecting, as it does, an enlightened view of the proposed legislation on this subject, which soon will be before the Senate, that I ask unanimous consent to have the editorial printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

Sweeping changes in the Federal social security system are pending in a measure (H. R. 7225) which the Senate Finance Committee is scheduled to report out this week. The bill, passed in the House by 372 to 31 after little debate and no open hearings last July, provides for full social security benefits to women workers retired at 62 and to all workers permanently disabled at 50—instead of at 65 in each case—and to totally disabled children after they pass 18, when benefits to children now cease. Coverage would also be extended to many of those now exempt: Self-employed persons (doctors excepted), such as lawyers and dentists, sharecroppers and some classes of employees. To cover the additional costs social security taxes would be raised from the present 2 percent each from employers and workers to 2.5, rising by steps to a top of 4.5 in 1975.

The most controversial provisions of the bill are those covering adult disabled persons and women. Committee hearings have shown physicians, including the American Medical Association, private insurance interests and some employers, to be against them, with organized labor and those in the social welfare field, including the Consumers League, strongly for them. The administration, through Secretary Folsom, opposes them because they would disturb the present balance of the social security system by adding taxes and stimulating demands for further changes. A compromise may be reached, however, which would avoid new taxes by providing scaled-down benefits for women after 62 and starting disability payments at 60 instead of 50.

There should be no compromise with the disability sections of this measure. The policy they embody has been approved, after thorough study, by nonpartisan advisory councils to the Senate committee both in 1938 and 1948. The administrative difficulties, feared by opponents of the bill, have proved soluble in the Railroad Retirement System, and malingering would be largely controlled by the 6 months' waiting period before payments begin and their suspension in case of refusal to accept vocational rehabilitation.

There are strong arguments for and against a reduction in the eligibility age for women, but the proposal has often been considered, and rejected, by competent, nonpartisan investigators. If lowering the age to 62 would stimulate the earlier retirement of women it would certainly not make for their well-being, nor would it be socially desirable.

The financial problems are not insuperable—far less than have been met in social security legislation before. Also, the tax burdens will rest, not on the public, but on those directly involved. Organized labor has publicly expressed its willingness to shoulder them and industry, partly at least through increasing productivity, ought to be able to do so too.

PRIVATE FOREIGN INVESTMENT IS FURTHERED BY THE INTERNATIONAL BANK—STATEMENT BY DR. JOHN C. BAKER

Mr. MARTIN of Iowa. Mr. President, on previous occasions I have urged that we concentrate our foreign-aid programs wherever possible toward the stimulation of private enterprise in the underdeveloped countries.

Last year, I voted for President Eisenhower's program to establish the International Finance Corporation, which will support investments in private enterprise overseas. The International Bank has performed a very useful service in stimulating the development of underdeveloped countries and in paving the way for private enterprise financing supported by the International Finance Corporation.

On April 18, Dr. John C. Baker, the president of Ohio University at Athens, Ohio, and the United States representative to the United Nations Economic and Social Council, reviewed the accomplishments of the International Bank during its 10 years of existence.

Mr. President, I ask unanimous consent that his statement to the Council may be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY DR. JOHN C. BAKER, UNITED STATES REPRESENTATIVE ON THE ECONOMIC AND SOCIAL COUNCIL, ON THE ANNUAL REPORT OF THE INTERNATIONAL BANK

Mr. President, 10 years ago, following the most destructive war in history, the International Bank opened its doors for business. Nothing quite like this institution had ever existed. It was an important experiment in international economic cooperation—one whose success or failure was bound to have a far-reaching impact for good or ill.

This postwar decade has witnessed not only reconstruction and recovery from the damages of war, but the greatest economic expansion of the past 50 years. It is fitting that, from this vantage point in time, we pause to take stock of the extent to which the bank has fulfilled the hopes of its founders and has contributed to the world's economic growth.

Today the problems of how to raise production and improve standards of living involve the hopes of more individuals and claim the attention of more governments than ever before. The contributions of the International Bank to their solution has been noteworthy and gratifying.

The bank was established, of course, primarily to be a financing institution. The steady upward climb in the volume of International Bank financing over the years has been most encouraging. As Mr. Black told us this morning, the Bank has now made 141 loans, equivalent to almost $2½ billion in 41 countries. The bank's annual report, which is before us, records more lending than in any previous fiscal year of the bank's operations—$410 million. Most important, an increasing proportion of bank lending is now going into underdeveloped countries. For example, out of a total of about $550 million of loans made by the bank between July 1, 1954, and February 1, 1956, over $415 million, or over 75 percent, was for underdeveloped areas.

Let us pause for a moment to consider the kind of benefits the bank's loans help bring to its member countries.

In July 1954, the bank extended a loan of about $19 million to Ceylon for a hydroelectric power development project. This project will supply power to southwestern Ceylon, the most productive and populous part of the island. In this area are located Colombo, Ceylon's largest city and chief port, and most of the factories that process Ceylon's main exports. Since Ceylon has virtually no fuel resources, this additional hydroelectric potential is essential to meet Ceylon's growing demand for power.

In August 1954, the bank made a loan of over $60 million to Mexico to help finance the modernization of the Pacific Railroad of Mexico. This railroad serves an important and rapidly growing agricultural region of about 8½ million acres, which depends on the railroad to carry its products to Mexican and American markets and to bring in manufactured goods. Although freight tonnage on this line more than doubled between 1940 and 1952, maintenance failed to keep up with this increased demand. The bank loan will help make possible improved and expanded rail services which, in turn, should stimulate agricultural production and thereby benefit the Mexican economy as a whole.

At first regarded only as a source of money, the bank has more and more come to be looked to by its members for advice on the problems of economic development. Such advisory assistance deals directly with one of the most fundamental problems facing underdeveloped countries—how most effectively to develop and utilize the resources available to them. It has taken many forms, ranging from comprehensive survey missions to member countries to actually stationing experts in member countries to work with local government agencies on a full-time basis.

It was the hope of the bank's founders that, in addition to making available governmental contributions for investment, it would stimulate the international flow of private capital. In accordance with this objective, the bank started to float its bonds on the money markets of the world soon after it began operations. Through this mechanism, the bank has for some time been an important vehicle for channeling private funds into economic development projects. Today, the bank's securities are held in high regard by investors. They have been successfully offered in Canada, the Netherlands, the United Kingdom, and Switzerland, as well as in the United States, and its bondholders are to be found in many other countries.

Increasingly, the Bank has also been able to encourage more direct participation of private investors in projects financed by it. It has done so by selling to private purchasers some of the loan obligations of its member countries. During the bank's last fiscal year, the bank, for the first time, raised more funds through such sales than by floating its own securities in capital markets—nearly $100 million. And in only a small minority of cases was the bank's own guaranty of these obligations required by the private purchasers.

The creation of basic facilities in underdeveloped countries, on which industrialization and diversification depends so heavily, has been the subject of much attention in this Council. The contribution that the International Bank has been making to building this foundation for the economic structure of many of its member countries is indicated by the fact that almost $1.3 billion of its loans have been for the development of electric power, highways, railroads, port improvements, and other transportation and communications projects.

For instance, a loan by the bank helped to create about one-sixth of the electric generating capacity that existed in India for the public utility power supply in 1953. A series of loans made by the bank to Brazil will, by 1958, have increased by two-thirds the power capacity that existed there in 1949. And a recent loan to Pakistan for a 30,000 kilowatt power station will more than double the generating capacity available to Pakistan's capital city of Karachi.

The bank has developed a flexibility of approach to the problems of its member countries that has contributed greatly to making it the useful instrument that it is today. For example, while the most typical pattern of bank lending has been loans for specific projects, the bank has been able to evolve a variety of other loan arrangements. In some cases, loans have in fact financed, not imports for single projects, but development programs embracing projects in several sectors of the economy, as in the case of the loans made to Yugoslavia in 1951 and 1953. In other cases, as in the loan made to Norway in the last fiscal year, the bank has provided the foreign exchange needed to import capital goods for general development. In areas where the necessary capital equipment for development projects could be produced locally, the bank has made loans to cover the foreign exchange impact of the increased domestic expenditures resulting from these projects. This was the case in the bank's loans to Austria and Italy.

The evolution and performance of the bank over these past 10 years gives us every right, I believe, to entertain continued high hopes for its work in the future.

The establishment of the International Finance Corporation, to which the bank has made such a helpful contribution, will, we sincerely hope, be but a matter of months. Nineteen countries, including my own, have completed all the action necessary for membership. We urge those 30 other countries which have expressed their intention of joining the corporation to complete the steps necessary to do so, in order that this new instrument can begin to make its contribution to economic development.

The technical assistance activities of the bank promise even more benefit in the years to come. The recent organization by the bank of the Economic Development Institute, to which Mr. Black made reference today, is an example of the ways in which we can expect the bank to continue to make its technical knowledge and experience available to those officials of underdeveloped countries who deal with the practical problems of economic development.

As a result of increasingly intimate contact between the management of the bank and its member countries, we can expect the work of the bank to be even more fruitful in the years ahead. As Mr. Black himself indicated at the last session of the Board of Governors, projects are now coming to the bank much better prepared and better thought out than was the case in the first years of the bank's operations. The bank is, consequently, able to deal with them more expeditiously. In addition, with a good deal of the necessary preparatory work having been done in underdeveloped countries, the coming years should see a significant rise in their capacity to absorb external capital effectively and wisely.

Finally, an expanding world economy and world trade, such as foreseen by Mr. Black in his excellent presentation this morning, should provide a most favorable environment for new investment in the underdeveloped countries. The bank can, therefore, look forward to increasing calls on its resources from its member countries.

Mr. President, the International Bank is more than a successful financial institution. It has developed into a many-sided international effort aimed at making the greatest possible contribution to the economic development and welfare of its member countries. It serves well the objectives of the United Nations—the furtherance of peaceful pursuits and economic well-being. We are amply justified in extending our congratulations to its distinguished president.

GOVERNMENT POLICY IN REGARD TO SEDITION AND SUBVERSION CASES — CORRESPONDENCE BETWEEN SENATOR WILEY AND THE ATTORNEY GENERAL OF WISCONSIN

Mr. WILEY. Mr. President, the Congress of the United States should act promptly to make certain, in clear and in unmistakable terms, that we definitely do not intend to preempt the right of the State governments to deal with the sedition and subversion problem.

I feel that the recent split decision of the Supreme Court invalidating the conviction of Steve Nelson in Pennsylvania, on the ground that Congress had intended to preempt this field, is not justified.

The chief law officer of the State of Wisconsin, the Honorable Vernon Thomson, has been in touch with me on this subject, and I have been glad to write to him to assure him that my own strong feelings parallel his, and those of three dozen other States interested in this subject.

I send to the desk the text of our correspondence, and ask unanimous consent that it be printed at this point in the body of the RECORD.

In my judgment, the minority opinion of the United States Supreme Court in the Nelson decision well expressed the viewpoint of the Congress and, I believe, of the American people.

I recognize that good jurists may differ, as the Court itself differed, but I see every reason why the Congress should now confirm its original intent.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

THE STATE OF WISCONSIN,
Madison, May 8, 1956.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The recent decision in the case of *Commonwealth of Pennsylvania* v. *Nelson* is a shocking extension of the Federal doctrine of preemption. This, followed by the Court's decision in the case of *Communist Party of the United States* v. *Subversive Activities Control Board,* has occasioned more than concern. It has, in fact, caused a feeling of alarm to observe the speed with which this doctrine is being applied in every field the Court finds available for its extension.

I hope that you will find justification in support of Senate bill 3617, which is designed to restore some balance between the power of the States and the authority of Government in those fields, unless expressly so provided.

With kind regards,
Very truly yours,

VERNON THOMSON,
Attorney General.

MAY 15, 1956.

Hon. VERNON W. THOMSON,
Attorney General, the State of Wisconsin,
Madison, Wis.

MY DEAR VERN: I was delighted to receive your letter of May 8, 1956, confirming your strong feeling on behalf of legislation to leave the States free to enforce their own antisubversion laws.

I feel that your message is of more than sufficient importance to bring to the attention of my colleagues in the Senate and so I am taking the liberty of reprinting our exchange in the CONGRESSIONAL RECORD.

It has long been my own feeling that the States should indeed not be hampered in their prosecution of communistic and other seditious activities.

As you are so well aware, the Federal Government, of course, must rigidly and aggressively enforce its own statutes against subversive activities. Nevertheless, Federal law cetrainly should not interfere with parallel enforcement by the States of State law.

After reviewing this whole matter again in detail I do not think it can be rightly claimed that the Congress of the United States affirmatively intended that its statutes against subversive activity should hamstring the States in the enforcement of their own laws. On the contrary, the Congress felt it necessary that forward steps against communism be taken on all fronts.

As you well know, the Attorney General of the United States, appearing as amicus curiae in the case of the *Commonwealth of Pennsylvania* v. *Nelson* before the Supreme Court of the United States, took the position that the Federal laws should not be deemed to have invalidated laws against subversion which were involved in that case. The Department of Justice was, unfortunately on the losing side. And, as you recall, the Supreme Court decided on April 2, 1956 with Mr. Justice Warren delivering the opinion of the Court but with a dissent by Mr. Justice Reed, with whom Mr. Justice Burton and Justice Minton joined, that Congress had "occupied the field to the exclusion of parallel State legislation, that the dominant interest of the Federal Government precludes State intervention, and that administration of State acts would conflict with the operation of the Federal plan."

Consequently, the United States Supreme Court affirmed the decision of the Supreme Court of Pennsylvania to the effect that "the Smith Act of 1940, as amended in 1948, which prohibits the knowing advocacy of the overthrow of the Government of the United States by force and violence, supersedes the enforceability of the Pennsylvania Sedition Act which proscribes the same conduct."

The basis of the decision was the Court's "conclusion * * * that Congress has intended to occupy the field of sedition."

The bill (S. 3617), to cope with this problem, would affirmatively state the intention of the Congress that the enactment of its specified prior laws concerning subversion or sedition "shall not prevent the enforcement in the courts of any State of any statute of such State prescribing any criminal penalty for any act, attempt, or conspiracy to commit sedition against such State or the United States, or to overthrow the government of such State or the Government of the United States." Future Federal laws on the subject would be similarly construed "except to the extent specifically provided by statute hereafter enacted by the Congress."

Your confirmation of support of S. 3617 is of material assistance to me in supporting this bill, and I very much appreciate it.

As you are aware, the bill does not, as some have charged, delegate Federal authority to the States. On the contrary, it merely affirms that the State statutes are not to be interfered with by Federal law.

Although the Federal Government could constitutionally occupy this field of sedition directed against the Government, it is not essential to the adequate enforcement of sedition laws that it do so. On the contrary, it should welcome the cooperation of effective law-enforcement machinery of the States in protecting our system of government against being undermined or overthrown.

Upon the passage of S. 3617, the intention of the Federal Government not to occupy the field of subversion to the exclusion of State enforcement of State laws would be so clear that there would no longer be a justiciable controversy as to the intent of Congress, which could be taken to the United States Supreme Court. The Supreme Court could step into the controversy because the Smith Act did not specifically negative, as does S. 3617, any Federal intent to occupy the field of subversion and so invalidate further laws on the subject.

With warmest personal regards, I am,

Sincerely yours,

ALEXANDER WILEY.

CONSTRUCTION OF DRAINAGE WORKS ON FEDERAL RECLAMATION PROJECTS — CONFERENCE REPORT

Mr. MURRAY. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6268) to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects. I ask unanimous consent for the present consideration of the report.

The PRESIDENT pro tempore. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6268) to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses, as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter inserted by the Senate amendment, insert the following:

"*Provided*, That in the event construction work to be accomplished by any one repayment organization, pursuant to contract with the United States, exceeds a total cost of $200,000, such contract shall not be executed by the Secretary prior to the expiration of 60 calendar days (which 60 days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than 3 days to a day certain) from the date on which it has been submitted to the Speaker of the House and the President of the Senate for reference to the appropriate committees, except that such contract may be executed prior to expiration of such 60 days in any case in which both such committees approve said contract and notify the Secretary in writing of such approval."

And the Senate agree to the same.

JAMES E. MURRAY,
CLINTON P. ANDERSON,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

CLAIR ENGLE,
WAYNE N. ASPINALL,
LEE METCALF,
JOHN P. SAYLOR,
E. Y. BERRY,
Managers on the Part of the House.

The PRESIDENT pro tempore. Is there objection to the present consideration of the conference report,

There being no objection, the Senate proceeded to consider the report.

Mr. MURRAY. Mr. President, the Senate amended the House bill by putting a limitation of $200,000 on the amount the Secretary of the Interior could expend on a single project under the bill. The House disagreed with the Senate's amendment. In the conference, the conferees agreed on compromise provisions, under which contracts of the type which are the subject matter of the bill involving more than $200,000 would be referred to the appropriate committees of Congress for approval. Such committees would have 60 calendar days in which to consider the project prior to execution of the contract.

The action of the conferees was unanimous, the report having been signed by each Member of the conference committee.

Mr. President, I hope the Senate will approve the action of its conferees.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 6137. An act for the relief of Mr. and Mrs. Herman Floyd Williams and Mr. and Mrs. W. C. Segers; and

H. R. 7186. An act to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON, Mr. BROOKS of Louisiana, Mr. KILDAY, Mr. SHORT, and Mr. ARENDS were appointed managers on the part of the House at the conference.

The message also announced that the House insisted upon its amendments to the joint resolution (S. J. Res. 135) for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HALEY, Mrs. PFOST, Mr. METCALF, Mr. MILLER of Nebraska, and Mr. SAYLOR were appointed managers on the part of the House at the conference.

NIAGARA RIVER POWER DEVELOPMENT

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

The Chair lays before the Senate the unfinished business, which is S. 1823.

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments to Senate bill 1823 be agreed to en bloc, and that the bill as so amended be considered as original text for the purpose of amendment.

This action will not deprive any Senator of the right to offer amendments to any part of the bill.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The amendments agreed to en bloc are as follows:

On page 1, line 4, after the word "in", to strike out "ratifying" and insert "giving its advice and consent to the ratification of"; on page 2, line 4, after the word "the", to strike out "reservations" and insert "reservation"; in line 5, after the word "is", to strike out "consistant" and insert "consistent"; on page 3, line 6, after the numeral "(2)", to strike out "The licensee shall construct or acquire, by purchase or other agreement," and insert "The licensee shall, if available on reasonable terms and conditions, acquire by purchase or other agreement, the ownership or use of, or if unable to do so, construct"; on page 4, line 20, after the numeral "(6)", to strike out "The licensee, in cooperation with the appropriate agency of the State of New York concerned with the development of parks in such State, shall submit to the Commission an appropriate outline plan for the construction of a scenic drive and park on the American side of the Niagara River, near the Niagara Falls, such outline plan being subject to approval by the Commission. The cost of these scenic and recreational facilities shall be met in such part by the licensee as the Commission may approve." and insert "The licensee, in cooperation with the appropriate agency of the State of New York which is concerned with the development of parks in such State, shall construct a scenic drive and park on the American side of the Niagara River, near the Niagara Falls, pursuant to a plan, the general outlines of which shall be approved by the Federal Power Commission; and the cost of such drive and park shall be considered a part of the cost of the power project and part of the licensee's net investment in said project: *Provided*, That the maximum part of the cost of such drive and park to be borne by the power project and to be considered a part of the licensee's net investment shall be $15,000,000."; and on page 5, line 22, after the word "of", to strike out "1955" and insert "1956."

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bender	Bridges
Allott	Bennett	Bush
Anderson	Bible	Byrd
Barrett	Bricker	Capehart
Case, N. J.	Humphrey	Mundt
Case, S. Dak.	Ives	Murray
Chavez	Jackson	Neely
Clements	Jenner	Neuberger
Cotton	Johnson, Tex.	O'Mahoney
Curtis	Johnston, S. C.	Pastore
Daniel	Kefauver	Payne
Dirksen	Kennedy	Potter
Douglas	Kerr	Purtell
Duff	Knowland	Robertson
Dworshak	Kuchel	Russell
Eastland	Laird	Saltonstall
Ellender	Langer	Schoeppel
Ervin	Lehman	Smathers
Frear	Long	Smith, Maine
Fulbright	Magnuson	Smith, N. J.
George	Mansfield	Sparkman
Gore	Martin, Iowa	Stennis
Green	Martin, Pa.	Symington
Hayden	McCarthy	Thye
Hennings	McClellan	Watkins
Hickenlooper	McNamara	Wiley
Hill	Millikin	Williams
Holland	Monroney	Wofford
Hruska	Morse	Young

Mr. CLEMENTS. I announce that the Senator from North Carolina [Mr. SCOTT] is absent on official business.

Mr. SALTONSTALL. I announce that the Senators from Maryland [Mr. BEALL and Mr. BUTLER] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Kansas [Mr. CARLSON], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). A quorum is present.

Mr. KERR. Mr. President, I send to the desk an amendment, and ask to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, lines 8 and 9, it is proposed to strike out the words "New York Power Authority" and insert in lieu thereof the words "Power Authority of the State of New York."

Mr. KERR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KERR. Am I correct in the assumption that there is now 1 hour available on the amendment which has been offered, one-half of which hour will be under the control of the Senator from Oklahoma, and the other half of which will be under the control of the minority leader?

The PRESIDING OFFICER. That is correct.

Mr. KERR. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 15 minutes.

Mr. KERR. Mr. President, there is before the Senate S. 1823, a bill to provide for the public development of the hydroelectric power at Niagara Falls.

This question, Mr. President, is one of the very highest public interest. It involves fundamental principles which are now embodied in the law of the land, and have been for a period of more than 50 years. It involves, first, the question of the right of the State of New York to develop the hydroelectric power potentiality of the waters of Niagara River, which river constitutes a part of the western boundary of that great State. It is likewise a part of the boundary of the Dominion of Canada.

The rights of the United States and of the Dominion of Canada have been determined and certified in a treaty between the Dominion of Canada and the United States. That treaty divides the beneficial use of the waters of the Niagara between the Dominion of Canada and the United States.

Under that treaty the Dominion of Canada has proceeded to develop the power potentialities of a considerable portion of the waters which are recognized as belonging to the Dominion of Canada. There has not been a proportionate development by the United States of the potentialities of the waters allocated to the United States under the treaty.

In 1921 the Federal Power Commission granted to a private utility company in the State of New York a license to develop power from a limited portion of the waters of the Niagara River. The license was for a period of 50 years, which goes to 1971. The State of New York has requested the Congress to give it authority to develop the hydroelectric power from the waters which, under the treaty, have been allocated to the United States.

I think one thing that Senators should keep in mind is a provision added to the treaty in the form of a reservation by the United States Senate in 1950, when the treaty was ratified. In my opinion, Mr. President, the provision the Senate added to the treaty is one of the controlling features in connection with our consideration of this bill.

When the treaty came before the Senate, it was in a form which, if approved without reservation, would have left the question of the control of the waters allocated to the United States with many elements of doubt. For that reason, the distinguished Senator from Vermont [Mr. AIKEN] proposed, in the Senate Committee on Foreign Relations, a reservation reading as follows:

The United States on its part expressly reserves the right to provide by act of Congress, for development, and for the public use and benefit, of the United States share of the waters of the Niagara River made available by the provisions of the treaty, and no project for redevelopment of the United States share of such waters shall be undertaken until it be specifically authorized by act of Congress.

Under existing law, the State of New York, if an applicant before the Federal Power Commission, would have a preference right to a license to develop the hydroelectric power potentialities of the waters of the Niagara River adjacent to its boundary. By this provision of the treaty, however, neither the State of New York nor anyone else can develop the hydroelectric potentialities of these waters without an act of Congress. This provision made it crystal clear that the Congress of the United States intended to provide for the development of hydroelectric power from these public waters in a manner which would be for the public use and benefit—in other words, for the benefit of the greatest number of people. By that action, the Congress

made it impossible for the Federal Power Commission to grant a further license to a private utility to generate electricity from these waters without a specific act of Congress.

By means of that reservation in the treaty, Mr. President, the Congress reiterated its traditional preference, under its formula, for the development of hydroelectric power for the public use and benefit; and for nearly half a century that formula—prescribed, fixed, and maintained by the Congress of the United States—has included a preference clause whereby REA cooperatives, municipalities, and Government installations may have a preference right to buy the power generated from a project using waters such as those available in the Niagara River. Therefore, the preference clause in the pending bill conforms to the treaty reservation spelled out by the Senate in 1950, and to the historic position of the Congress with reference to the development of public power.

Mr. President, I should say that the issue before the Senate is as follows: Shall we maintain the integrity of the preference clause? Shall we carry out the spirit of the reservation in the treaty with Canada, ratified in 1950? Or shall we abandon the one and repudiate the other?

The pending bill recognizes the preeminent right of the State of New York to the development of these waters. The pending bill is in accordance with the position of the present Governor of the State of New York, and is in accordance with the position of the previous Governor of the State of New York. I was a member of the Public Works Committee, as I recall, 2 years ago, when the then Governor of New York, Mr. Dewey, came before the committee and vigorously advocated the enactment of legislation similar to Senate bill 1823, which now is before the Senate.

Mr. President, shall we then, pass a bill conforming to the wishes of the State of New York and conforming to the spirit of our own laws with reference to the preference clause affecting rural electric cooperatives, municipalities, and public installations? Shall we preserve the integrity of the reservation to the treaty with Canada? Or shall we abandon them?

Some Senators say we should not pass the bill, because some other bill would do a better job. I remind the Senate that no other bill on this subject is now before us. I remind the Senate that in the absence of the development of this hydroelectric project, using the waters assigned to the United States, the Dominion of Canada has the privilege, under the treaty, of utilizing these waters for itself. In other words, Mr. President, time is running against the people of the State of New York, in the absence of the passage of this bill.

If we were to fail to pass this bill at this session of Congress, it would mean that for at least a year any start on any project by means of which the people of the State of New York and the people of adjacent areas would have the benefit of these great natural resources would be postponed, and those people would for the present be denied the benefit of such a development; and the matter would be undetermined until the Congress in another session, in another year, enacted into law legislation on the subject.

Therefore, Mr. President, the argument of those who oppose the bill on the ground that a better measure could be fashioned, loses its effectiveness for the very simple reason that, insofar as this Congress is concerned, it seems to me that we have one of two alternatives: either to pass the pending bill and authorize the beginning of the development of this project, or face a delay of at least 1 year, during which time nothing would be done in this field.

In my judgment, the real opposition to the bill comes from a group of private utilities which want this project to be available to them for their development. If the Government does not authorize the State of New York to develop this project, it cannot be developed, because under the treaty to which we have agreed, and by which we are bound, no project for redevelopment of the United States share of such waters can be undertaken until it is specifically authorized by act of Congress. But if we are not to permit it to be developed by the State of New York, are we not in duty bound to enact legislation under which some agency or entity will have the right, the opportunity, and the privilege of developing these waters for the creation of much needed electric energy?

The PRESIDING OFFICER (Mr. WOFFORD in the chair). The time of the Senator from Oklahoma has expired.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent—if it is necessary to ask unanimous consent—that the time of the Senator from Oklahoma be extended for another 15 minutes.

Mr. KERR. The Senator from Oklahoma has additional time, if he cares to yield it to himself. Does the opposition desire to utilize any time?

Mr. SALTONSTALL. Not at present. The opposition will be glad to yield 15 additional minutes to the Senator from Oklahoma.

Mr. KERR. Mr. President, I withdraw the amendment in the form in which I had submitted it, yield back the remainder of my time on the amendment, and ask unanimous consent that there may be a quorum call without the time being charged to either side.

The PRESIDING OFFICER. The amendment is withdrawn.

Is there objection to the request of the Senator from Oklahoma? The Chair hears none, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERR. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The LEGISLATIVE CLERK. On page 4, line 12, after the word "lowest", it is proposed to insert "possible." In lines 12 and 13, it is proposed to strike out the words "reasonably possible."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR].

RECESS

Mr. KERR. Mr. President, I ask unanimous consent that the Senate stand in recess until 3 o'clock p. m., at which time it shall reconvene, the first order of business to be a quorum call, without the time being charged to either side.

The PRESIDING OFFICER. Is there objection?

There being no objection (at 1 o'clock and 25 minutes p. m.) the Senate took a recess until 3 o'clock p. m. the same day.

On the expiration of the recess, the Senate reassembled, and was called to order by the Presiding Officer (Mr. BIBLE in the chair).

The PRESIDING OFFICER. In accordance with the order entered prior to the recess, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma [Mr. KERR].

Mr. KERR. Mr. President, I yield 15 minutes to the Senator from Montana [Mr. MURRAY].

The PRESIDING OFFICER. The Senator from Montana is recognized for 15 minutes.

Mr. MURRAY. Mr. President, I rise to present briefly my views in support of Senate bill 1823, introduced by the Senator from New York [Mr. LEHMAN], on behalf of himself and other Senators, to provide for redevelopment of the Niagara Falls power site by the State of New York. This measure is designed to assure an abundance of low-cost power for domestic and rural consumers, and to stimulate the economic development of a section of the Nation now suffering from high-cost power rates which are slowing down industrial growth.

In the years since 1934, during which I have had the honor of serving as a Member of the Senate, I have consistently sponsored and supported proposed legislation which, in my opinion, would contribute to the economic growth of all sections of the United States. It is my conviction that the productivity of the United States will not automatically expand to meet the needs of our ever-increasing population. It is, therefore, incumbent upon the Federal Government to use fully the powers conferred

upon it by the Constitution in taking whatever affirmative action may be required to avoid such threats to our prosperity as can be anticipated, and to assure a constantly expanding economy.

We have learned by our bitter experience in the 1920's that to pursue a laissez-faire policy to absurdity is to allow the great corporations of the country, with their virtually complete control of private fiscal resources, to gain such a firm grasp upon the national economy as to make the entire population subservient to them.

It has been my purpose, as chairman of the Committee on Interior and Insular Affairs, and as a Member of the Senate, to foster resource development and economic growth on a broad scale and in a manner calculated to give the ordinary citizen an opportunity to participate in the economic welfare and prosperity of the Nation.

At the close of the Civil War, the South was prostrate, and the West was as yet undeveloped. The great industrial North was in the saddle. High tariffs had been adopted—so high that Abbott Lawrence, a New England manufacturer, had written approvingly that—

> They will keep the South and West in debt to New England the next hundred years.

There were surpluses in the Federal Treasury; but instead of lowering the tariffs to benefit consumers and raise purchasing power, the surpluses were distributed as pensions to veterans of the Union Army and their dependents. Out of $8 billion paid out in Civil War pensions, $7 billion went to the Northeast.

History shows how these pension payments stimulated the northeastern economy, financing rapid industrial development in that area, while the South was exploited. The West was then a colonial empire, without any balanced economy, and was unable to lift itself entirely by its own bootstraps.

Following the great depression of the 1920's, economic development began to be encouraged in the long-exploited regions of the United States. In the reclamation areas of the West, in the Tennessee Valley, and in the Pacific Northwest, we have raised production levels and living standards by harnessing a major portion of the fresh-water resources for the reclamation of arid lands upon which to raise food, and for the generation of hydroelectricity to provide light and power to those areas for industrial growth, and to stop the wastage of our soil by controlling floods.

In the States of the Pacific Northwest especially, the results of multipurpose river-basin development have been salutary. The great quantities of low-cost electric power being generated at Grand Coulee, Hungry Horse, and the other dams in that area have given rise to vast electrochemical and electrometallurgical industrial development. The benefits from these hydroelectric dams have not been allowed to flow exclusively to a few huge utility corporations monopolizing the field. The legislation authorizing development of our river basins in the Northwest has steadfastly guaranteed that the smaller, nonprofit municipal utilities and rural electric cooperatives will obtain an equitable portion of the benefits achieved through these multipurpose projects. In the Northwest, we do not have to depend on any "trickle down" theory of economics. We have provided our citizens with the opportunity to enjoy an adequate standard of living, and have made the area attractive to industrial expansion, by offering the electric power at reasonable rates.

We realize, however, that there is no reason which dictates that the power of the Federal Government shall be used to promote the prosperity of only a portion of the Nation. The Federal Government can, and should, use its powers to stimulate a vigorous economy, in all 48 States. The proposed legislation which we now have under consideration, S. 1823, affords the Congress an opportunity to use the power of the Federal Government to encourage natural-resource development in an area where the people want such development, but so far have been denied it.

This bill for redevelopment of hydroelectric power at Niagara Falls contains a so-called "preference" provision that will allow the small municipally owned utilities and rural electric co-ops to benefit from the power produced. In the reclamation States of the West and the Pacific Northwest, we have found such safeguards indispensable. Without them, the real purpose and benefits of Government-sponsored resource development disappear. There is no reason for the Federal Government or the government of any one of the several States to finance or use its credit for development of a natural resource for the purpose of diverting the benefits to a few large corporate interests. The basic justification for Government sponsorship of resource development is to assure that the benefits are realized by the people generally.

Low-cost power creates a situation which attracts new industries and makes possible the development of resources. It also protects existing industries by providing them power at rates which are competitive with rates in other areas in the Nation.

I have heard my colleagues from some of the Eastern States complain bitterly about the resource development programs that have been undertaken by the United States in other sections of the country. The essence of their complaint is that by developing low-cost power in Washington, in Oregon, and in Tennessee, we cause industries to leave their States where power costs are higher. There are two solutions to this problem. One of them is wholly unacceptable. We can stop Federal sponsorship of resource development everywhere, thereby bringing about an increase in power costs everywhere, or we can reduce power costs in those areas where they are highest by expanding Government-sponsored resource development programs into them.

To choose the first of these alternatives, to raise the whole national level of industrial operating costs, does not seem to me to be a reasonable approach at all. We cannot hope to expand our economy to meet the needs of our population by saddling industrial development with higher operating costs. The reasonable solution lies in the reduction of such costs in States where they are now disproportionately high. Our experience in the Tennessee Valley and the Pacific Northwest proves that lower power rates help everyone including the private utilities. They receive a substantial portion of the power developed. They sell more power and make greater profits at lower rates. The people benefit from this policy.

The bill now before the Senate for the redevelopment of electric power at Niagara Falls can be the initial step in expanding the concept of Federal-State resource development programs into an area of the country that is not keeping pace in industrial development. Under this bill the Federal Government will be required to make no investment in the Niagara Falls Project outside of the planning funds which have already been spent by the Corps of Engineers.

The combination of the St. Lawrence and Niagara power developments can serve to herald an era of renewed industrial activity in New York. To reject this legislation or to substitute for it another bill designed to turn the benefits of Niagara Falls over to big, monopolistic utility companies, is to reject an opportunity to strengthen the economy of the New York area and thereby benefit the whole Nation.

This legislation should be acted upon favorably. We should enact all proposals such as this that will contribute to high employment levels and to a continuing expansion of our economy sufficient to insure our people of a high standard of living.

We should vote down every amendment offered that will eliminate the preference clause in the Lehman Bill or otherwise prevent the benefits of low-cost Niagara power flowing to the people.

This legislation is in the interest of the national welfare and is in line with well established democratic policies which have witnessed our country grow and become the greatest industrial power in the world.

I yield the floor.

Mr. KERR. Mr. President, how much time remains of the 30 minutes allotted to me?

The PRESIDING OFFICER. The Senator has 17 minutes remaining.

Mr. KERR. I yield 17 minutes to the Senator from Tennessee [Mr. GORE].

Mr. GORE. Mr. President, the pending bill raises unique but important issues. The primary issue is whether the Congress will permit the State of New York to develop the hydroelectric potential available from the waters of the Niagara for the benefit of all the people of New York and the people of areas in nearby States, or whether it will defeat this bill in the hope—I anticipate a vain hope—that this resource could be given away for exploitation for the profit of a few.

There is another issue, however, and that is the issue of States rights. I think there is a very important place in the American scheme of government and our democratic society for States. I entertain the feeling that an activity

of government, an undertaking on the part of the public, which can be done either better by the State or local government, or equally well, should be reserved to the States and local governments. I do not go as far on the question of States rights as do some of my colleagues. I believe that in this day and period a strong central government is necessary for a strong America. But, as I have said, those two points of view are not antagonistic, as I see it.

Here is involved a right which can be accorded a State which will not in any way prejudice the right or the strength of the United States Government.

The contest presented to the Senate today is not a contest between the Federal Government on the one hand and State governments on the other. The question is whether the United States Senate will approve a bill to permit the State of New York to develop a resource which resides within the boundaries of New York, or whether it will deny such privilege to a State and, instead, prefer a private group.

For many years the State of New York has spoken, not with a unanimous voice, but with a preponderant voice, in favor of public development, in favor of the development of this Niagara power resource for the benefit of all the people of the State of New York.

The sovereign State of New York has created a State power authority. It is not without experience. It is now engaged in the development of the St. Lawrence hydroelectric potential. It is an agency which has the sanction and the approval not only of the Legislature of the State of New York but of every Governor, I believe, for the past 20 years.

Mr. LEHMAN. More than 30 years, with one exception.

Mr. GORE. With only one exception, for more than 30 years, I am advised by the junior Senator from New York.

Will the Senate, then, turn a deaf ear to the State of New York If so, for what reason? Could it be only because of the voice of a few, the voice of a private interest?

I do not speak with any prejudice of private interests. There is a vast demand for power in this very area. There is a great demand for power which offers vast opportunities for investment of private capital in the expansion of generating facilities.

The bill before the Senate does not propose to do harm to any citizen or to any private interest. To take such a view is to hold that certain private interests have some special rights in the waters of the Niagara. This is not true. The resource in question belongs to all the people. Again I repeat, the question is whether we will give it away to a few for the profit of a few, or whether we will accede to the request of the great State of New York for a license to develop a resource entirely within its boundaries for the benefit of its people, and for the benefit, according to the formula in the bill, of the people residing in other States within transmission distance of this project.

I have been interested to read full-page advertisements by which private interests were undertaking to manufacture public opinion favorable to the granting of this great privilege to them. It was so widespread that I inquired about some advertising rates. I have been told that a one full-page advertisement in Life magazine costs more than $20,000.

The rate payers, the people who pay for electricity in that region, were saddled with that expense. That is written into the rate structure. Not only were there full-page ads taken in one magazine, but in many magazines. That is an expensive campaign.

Someone has said that public opinion is a commodity which can be purchased. I would not like to authenticate that statement. However, we see, from the success of the companies and business enterprises which undertake a smart, heads-up nationwide advertising campaign, that a favorable climate of public opinion can be created by widespread advertising campaigns.

I am not opposed to advertising. I raise this point for the purpose of indicating that there may be a need for a yardstick in this section of America. There may be a need for a yardstick as to the cost of producing and distributing power without adding to it the unusual cost of full-page national advertisements, in connection with a natural resource which belongs not to the few but to all.

That leads to the preference clause, which seems to be one of the points of controversy. As I understand, the preference clause, if applied to the potential of this development, would amount now to a very small percentage of the output. I say a small percentage, because this is an undertaking of vast proportions.

The potential capacity of Niagara is greater than the entire hydroelectric power output of the Tennessee Valley today. Here in a space of 20 miles a great river falls 300 feet. Were such a physical phenomenon in existence in Greeenland, it would be of scenic beauty. It is of scenic beauty where it is located now. However it is tremendously enhanced in value by the fact that this great natural resource is near great centers of population of our country.

That means that much power and economical power is needed. Some of the highest electric rates in the Nation are charged in the State of New York. The people are grossly overcharged. That can be demonstrated. The public development of this project would, I predict, have a very wholesome influence in bringing about a very badly needed reduction in the power rates of that region.

The pending legislation comes about by reason of a treaty reservation. It comes about as the result of a treaty with Canada and a reservation attached to the treaty. For that reason Congress must act before this project can be developed. It needs to be developed soon. The water falls in the Niagara River daily, hourly, incessantly.

A part of the power available from this resource is going to waste, and when the water is over the falls it is gone forever.

Another part, Mr. President, which belongs to the United States, is being utilized by Canada. If the United States is not going to use the power potentially available to it, certainly Canada should be allowed to use it. I am not objecting to the use of the water by Canada, even that portion which rightfully belongs to the United States, so long as we do not use it. It should be put to use for the benefit of mankind, for the benefit of the people of that region. If the United States is unable to agree upon a policy, if the United States is unable to act with foresight and fortitude to bring about the beneficial development of this resource, then, surely, we cannot raise a cry against Canada's use of the water in accordance with the terms of the treaty.

But, Mr. President, how improvident can we be? A great natural resource in that area of the United States which greatly needs this development is going to waste.

Mr. President, I wish to compliment the junior Senator from New York upon his successful fight, after 6 years, in finally bringing to the floor of the Senate a bill which embodies the mandate of the people of his State whom he so ably represents. I hope his efforts will be crowned with success by the approval of his bill before the sun sets today, and that it will receive the approval of the House of Representatives.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. KERR. Mr. President, I ask the Senator from Tennessee how much additional time he will require?

Mr. GORE. About 5 minutes.

Mr. KERR. Mr. President, will the minority leader yield 5 additional minutes to the Senator from Tennessee?

Mr. KNOWLAND. I yield 5 minutes.

Mr. GORE. I thank my distinguished friend from California.

Mr. NEUBERGER. Mr. President, will the Senator from Tennessee yield for a question?

Mr. GORE. I yield.

Mr. NEUBERGER. Is it not true that the present administration has laid great emphasis on the fact that these vast power projects should be built with so-called local participation?

Mr. GORE. That is true. I have been in some doubt as to the meaning of the term "local." I know that the Idaho Power Co. is referred to as a local interest, although it is owned at a point some thousands of miles distant.

Mr. NEUBERGER. The Senator is eminently correct. But, could anything be more local than is a State government in a particular State? Is not the State government of New York local in the State of New York?

Mr. GORE. If it is not, I do not know what the term means.

Mr. NEUBERGER. The reason why I asked the question of the Senator from Tennessee, who has been making such an able address on the subject, is that I have been amused to note that we never hear in this controversy that the development should be local, because the administration seems to realize that it would be hoist with its own petard, as it were, for the reason that the New

York State government is ready, able, and willing to proceed with the project.

Mr. GORE. And anxious.

Mr. NEUBERGER. I think "anxious" is a better word. I believe it was the gifted Mark Twain who said that the difference between using the exact word and a word that is nearly the exact word is the difference between lightning and a lightning bug. The Senator from Tennessee has used the exact word.

Mr. GORE. I do not speak from personal knowledge of the citizenry of New York, but I speak from having heard representatives of the State of New York testify before the committee of which I am a member.

Mr. NEUBERGER. I serve with the Senator from Tennessee on the Public Works Committee, and both of us have heard representatives of the government of the State of New York. But it is significant that evidently, according to the interpretation of this administration, the State government of New York is not considered to be a local agency. The administration constantly seeks "local" participation in power projects in the rest of the country; but we do not hear this cry in the State of New York.

Mr. GORE. I have been considerably perplexed as to what the administration means by "local interests." I have usually found it means, in the instance of the partnership power policy, a Wall Street financial interest. But possibly my judgment in that respect is harsh.

Mr. NEUBERGER. I think the Senator's judgment is borne out by the facts. According to the administration, an absentee-owned private utility is more local than is a State government, which is elected by all the eligible voters in a particular State.

Mr. GORE. There seems to be no controversy here regarding the fact that the State of New York has created an authority and has made an official request of the United States Government to be licensed to develop this resource which is within its boundaries. That is a local public development for all the people of New York, and they are generous enough to concede that it will be a regional benefit in that the bill provides that some of the power will be distributed to other States immediately adjacent to the project.

Mr. NEUBERGER. I thank the Senator from Tennessee.

The PRESIDING OFFICER. The additional time of the Senator from Tennessee has expired.

Mr. GORE. Mr. President, if the Senator from California will give me 1 more minute——

Mr. KNOWLAND. I yield 2 additional minutes.

Mr. GORE. I am indeed grateful for the contributions of my distinguished friend, the junior Senator from Oregon, and to my able friend, the forceful minority leader of the Senate, who yielded additional time.

Mr. LEHMAN. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. LEHMAN. I should like to compliment the Senator from Tennessee for his very fine statement, which has shed a great deal of light on a subject which has not been fully understood by all Members of the Senate or by the people generally.

I wish to point out that the rates which we pay to Canada, as well as the rates in the New England States, are the highest in any part of this country, more than twice as high as in those areas which are served by public power such as has been developed by TVA, Bonneville, Grand Coulee, and other great power developments. I am very glad indeed that the Senator has brought that out.

Mr. GORE. I thank the Senator from New York.

Mr. President, I believe that my colleagues who genuinely believe in States rights will be impressed with the plea of the State of New York for the right of public development of a publicly owned resource within its own borders, for the benefit of its own people. How can one who genuinely and sincerely believes in States rights turn a deaf ear to the State of New York in its plea, in favor of the siren call of a private group for the profit of a few?

Mr. KERR. Mr. President, if the Senator from California will yield back the remainder of the time, I will withdraw my amendment.

Mr. KNOWLAND. Mr. President, I yield back the remainder of the time on this amendment.

The PRESIDING OFFICER. It is the understanding of the Chair that the Senator from Oklahoma withdraws his amendment.

The bill is open to further amendment.

Mr. COTTON. Mr. President, I call up my amendment designated "5–9–56—F," and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Hampshire will be stated for the information of the Senate.

The CHIEF CLERK. On page 5, between lines 15 and 16, it is proposed to insert the following new subsection:

(7) The licensee shall pay to the United States and include in its net investment in the project herein authorized the United States share of the cost of the construction of the remedial works, including engineering and economic investigations, undertaken in accordance with article II of the treaty referred to in the first section of this act whenever such remedial works are constructed by the United States.

Mr. COTTON. Mr. President, on this amendment, I ask that the yeas and nays be ordered.

Mr. KNOWLAND. Mr. President, I join in the request for the yeas and nays.

The yeas and nays were ordered.

Mr. COTTON. Mr. President, I yield myself 10 minutes.

There is one feature in the bill, S. 1823, as it is now before the Senate, which provides a direct subsidy by the Federal Government, a direct subsidy which is not asked for by the New York State Authority, a subsidy which it has repeatedly been determined should be borne by the power developer.

I refer to the cost of the so-called remedial works in the Niagara River, placed there under the direction of the International Joint Commission, pursuant to the treaty. These remedial works are paid for on the Canadian side by the Ontario Hydro Commission, and are being constructed and paid for on the American side by the Federal Government through appropriations obtained from Congress.

The remedial works are being placed in the river in order to control the flow of the water, so that the water may be diverted for power purposes without injury to the scenic splendor of the falls.

The total cost of the construction of the remedial works is now estimated at $12,800,000. The cost on the American side, which is now being borne by the Federal Government, is $6,400,000.

Mr. KERR. Mr. President, will the Senator yield?

Mr. COTTON. I am glad to yield.

Mr. KERR. May I ask if the Senator from New Hampshire will state in a few words the gist of his amendment?

Mr. COTTON. Yes; this is the gist of it. The remedial works which are already in the process of construction, and are almost completed, have been placed in the river so that when additional power is developed, the water may be controlled, in order to preserve the falls, and to permit the diversion of water at night and at certain other times in greater quantities for power purposes.

It was contemplated that those who developed the power, whether private utilities, the New York State Power Authority, or anyone else, would reimburse the Federal Government for these expenditures. The chairman of the New York State Power Authority, in his letter to our committee, of which the distinguished Senator from Oklahoma is a senior and distinguished member, said it should be borne by the developer. The Federal Power Commission, the Bureau of the Budget, the Department of the Army and the International Joint Commission, likewise, have all said so.

My amendment simply provides that if the bill is passed, and if the New York State Power Authority takes over the development of the power, the New York State Authority shall reimburse the Federal Government the $6,400,000 which is being expended by the United States for the construction of the works, which are a necessary prerequisite to the development of the power.

Mr. KERR. If the Senator from New Hampshire will yield for the purpose, I wish to announce, on behalf of the managers of the bill, that we will accept the amendment. The distinguished junior Senator from New York [Mr. LEHMAN] does not agree with that conclusion, but after our discussion he has reserved his objection and has advised me that he will not oppose my accepting the amendment on behalf of the managers of the bill.

Mr. LEHMAN. Mr. President, I am perfectly willing to accede to the decision of my friend and colleague, the distinguished senior Senator from Oklahoma. I should, however, like to make my views a part of the RECORD by reading them. It will take only 3 or 4 minutes.

Mr. KERR. In the light of that statement, I wonder if the distinguished Senator from New Hampshire will agree to that request.

Mr. COTTON. Most certainly. I should like, however, to complete my statement in a few seconds afterward.

Mr. LEHMAN. I shall place the entire memorandum in the RECORD.

The total cost of the remedial works—and they have very little, if anything, to do with the development of the power—is $18,100,000, of which $9,050,000 will be borne by Canada, and $9,050,000 by the United States.

I emphasize the fact that New York State already, through its Power Authority, has accepted the responsibility for building and repaying the cost of a scenic highway which will run along the bank of the Niagara River for several miles. It will be a very wonderful scenic road. The road will cost $15 million, and New York State has made itself responsible for that amount. I feel that that is as much as should be charged to the cost of the power development. But I am very glad, indeed, to accede to the request of my colleague, the distinguished Senator from Oklahoma [Mr. KERR], particularly in view of the fact that he has definite ideas on the subject. I always respect his ideas almost wholly—not wholly, but almost wholly.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD my statement with respect to the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LEHMAN

This proposed amendment would apply to remedial works which are not authorized by the terms of the bill S. 1823 and could not properly be included as a part of the power development project. The report of the Committee on Public Works on S. 1823 shows clearly that no such amendment has a place in this bill. On page 5 of the report, under the head of "Remedial Works," the committee report states:

"The treaty of 1950, consistent with one of its purposes of providing for the preservation and enhancement of the beauty of Niagara Falls, requires the construction and completion of certain remedial works which are necessary to preserve the falls, which have been in a gradual process of erosion, especially on the American side.

"These works would consist of construction of a submerged weir upstream from the head of Goat Island to raise the level of the Grass Island Pool and to redistribute the water so as to produce an unbroken crestline of the falls, to cover the flanks of the Horseshoe Falls, and increase the flow over the American falls.

"These works have been under construction as a Federal project since 1951, and Federal appropriations, under the authorization of the treaty, have been regularly made therefor."

It is apparent from this report and the testimony taken at the hearings of the committee that the remedial works are separate and apart from the works required for the power development. Their purpose, as stated, is to produce an unbroken crestline of the falls, both in Canada and in the United States, for scenic purposes and for the benefit of visitors during the tourist season, not for power purposes or benefits. Accordingly the Congress has already decided that the United States should assume the United States share of the cost of the remedial works, estimated at less than $9 million, and that has already been provided for by congressional appropriations.

TOTAL COST, $18,100,000, DIVIDED EQUALLY BY UNITED STATES AND CANADA

To place this cost upon the power project, which has already assumed the cost of a new drive and park on the American side, would add a wholly unjustified burden on the power project and the consumers of project power. The amendment should be rejected.

Mr. KNOWLAND. Mr. President, will the Senator from New Hampshire yield for a unanimous-consent request?

Mr. COTTON. I yield.

Mr. KNOWLAND. After consulting with the floor manager of the bill, the acting majority leader [Mr. KERR], and in view of the colloquy which has taken place, I ask unanimous consent that the previous order for the yeas and nays on the amendment offered by the Senator from New Hampshire [Mr. COTTON] be rescinded.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Without objection, the amendment offered by the Senator from New Hampshire is agreed to.

The bill is open to further amendment.

Mr. KERR. Mr. President, I thank the distinguished Senator from New York for his very gracious action in this matter, and the distinguished Senator from New Hampshire for submitting his amendment.

I ask unanimous consent that the Senator from New Hampshire may have at this time an additional 5 minutes in which to finish the statement he was making with reference to his amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from New Hampshire may proceed for 5 minutes.

Mr. COTTON. I shall not even use 5 minutes. I merely wish to express my appreciation to the Senator from Oklahoma and the Senator from New York for agreeing to the amendment. I think it is a fair amendment.

I should like to call attention to the words of Robert Moses, the chairman of the New York State Power Authority, with reference to the remedial works. He said:

As to the remedial works under construction by the Corps of Engineers and Ontario Hydro, these are fully as important as the hydroelectric plant and the power authority is not only willing but anxious to assume its share.

Mr. President, I appreciate the cooperation I have received from Senators on the other side of the aisle. I yield back the remainder of my time.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. BUSH. Mr. President, I move that the bill be recommitted, and I yield to the distinguished Senator from New York [Mr. IVES] as much time as he may require to speak on the motion.

Mr. KERR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oklahoma will state it.

Mr. KERR. What will be the amount of time available, under the unanimous-consent agreement, on the motion to recommit.

The PRESIDING OFFICER. The Chair advises the Senator from Oklahoma that on the motion to recommit there will be 30 minutes to each side.

Mr. KERR. Then the Senator from Connecticut, in yielding the time he did, could yield 30 minutes; could he?

The PRESIDING OFFICER. Is it the understanding of the Chair that the Senator from Connecticut yielded the entire 30 minutes?

Mr. BUSH. No; I said as much time as the Senator from New York might require.

Mr. KERR. Within 30 minutes?

Mr. BUSH. Within 30 minutes.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. IVES. Mr. President, I appreciate the time which has been allotted to me, though I do not expect to use all of it. I wish to point out, in connection with the bill, that there has been much misunderstanding in this Chamber regarding the preference clauses. Yesterday there were those who in their remarks indicated that they thought the preference clauses were in line with the law of the State of New York. That is not correct. They are in direct conflict with the law of the State of New York. The opinion of the attorney general of the State of New York, Jacob K. Javits, copies of which opinion were sent to the chairmen of the Public Works Committees of both Houses, indicates that he is not in favor of this bill as it stands, but is opposed to it. I now wish to read from that opinion:

Paragraph (1) of section 2 (b) of S. 1823, as presently worded gives not only equal preference for the purchase of power to counties, municipalities, instrumentalities of the State of New York, cooperatives and defense agencies of the United States, but it gives them absolute preference in the purchase of power and this irrespective of their locations. Such a condition, in that it would require allocations of power to consumers to whom the power might not be capable of being made available economically, would pose the problem whether the power authority could, without amendment of the New York statute, accept a license that was issued subject to such a condition. It should be noted that the amount of power utilized by such purchasers in the State of New York is not quite small while the State is highly electrified.

In my remarks on yesterday, Mr. President, I cited the opinions not only of the attorney general, but of the chairman of the State Power Authority, the Honorable Robert Moses. The Honorable Robert Moses in this particular instance seems to be somewhat in conflict with his own ideas, but there is no question with regard to what I read into the RECORD yesterday as to his opinion that, at the least, the bill may be most unworkable in the State of New York. At the most, and this is altogether probable if the bill should be enacted, it might easily, and probably would, prevent the Authority from selling bonds for the Niagara development. That is

how uncertain the situation would be if this type of bill were passed by the Senate.

Mr. President, I wish now to read an editorial which was published in the New York Times today. I believe this editorial more nearly reflects the opinion of the people of the State of New York than does any other statement which has been made regarding this matter:

NIAGARA POWER

Once again the question whether the great electric power potential of Niagara Falls shall be developed by a State agency or by private industry is debated in Congress. A delay of more than 5 years has already occurred in taking advantage of the 1950 treaty with Canada that established water rights. The waste in benefits for the people incurred through this delay and waiting for the effectuation of policy now to be decided is costly and irrecoverable. This congressional session should reach a decision, and the right one.

It would be unthinkable for Congress to turn over development of Niagara, this monumental and unique possession of the people, to the exploitation of a combine of private power companies. To do so would contradict New York State legislative policy, for since 1931 the Power Authority Act, passed unanimously by the legislature, has provided that all potential power sites in the watershed of the St. Lawrence River, which includes the Niagara, should be publicly developed. Every governor of New York but one since 1900 has favored development by the State. Every Democratic platform since 1918, every Republican platform since 1936, has favored public development of Niagara power.

Debate now under way in the Senate turns chiefly on the Lehman bill, endorsed by the Public Works Committee. The committee noted that capital for the project, if developed by the New York State Power Authority, would be supplied by individual private investors buying the authority's revenue bonds, just as the development funds would be supplied through stocks or bonds bought by private investors if utility companies were permitted to develop Niagara.

We support the general principles of the Lehman bill—but with one major exception. We oppose the so-called "preference" clause, which provides that in contracting for the disposition of Niagara electricity the power authority will give preference to public and nonprofit agencies, such as counties and municipalities and rural electric cooperatives, while making flexible arrangements and contracts with private utility companies "with suitable provisions * * * for the withdrawal upon reasonable notice and fair terms of enough power to meet the needs of * * * preference customers."

Here, in a provision on which Senator LEHMAN sets much store, lies on the one hand a certain danger of inequitably discriminating limitation of the benefits of low-priced electricity to the relatively few customers now served by public-owned utility systems or, on the other hand, a built-in and almost irresistible temptation to villages, towns and cities within range of Niagara power transmission to set themselves up in the power business in order to become preferential customers of Niagara power. This would do grave damage to private utility companies by stealing away their customers; the companies have invested large sums to be ready to serve these customers.

The way to help the greatest number of domestic and rural customers is by giving them power, as widely and fairly distributed as possible, with rates subject to such controls as are customarily exercised over utility company profits. The preference clause is unfair, and seems to us to invite socialization of the power distribution business.

Mr. President, in connection with the editorial let me say that during the course of the debate the name of a former Governor of New York, Thomas E. Dewey, has been mentioned. I believe in one speech he was represented as favoring the pending bill, or at least one very similar to it. I was in touch with Governor Dewey this morning. I wanted to find out how he stood on this question. I thought I knew, but I wanted to make sure. This is what he has wired back to me:

MAY 16, 1956.

Hon. IRVING M. IVES,
United States Senate Office Building, Washington, D. C.:

I was greatly disturbed to hear from you this morning that certain sources in the United States Senate have implied that I favor approval of Senate bill 1823. In view of my testimony before the Senate committee and my numerous public statements over a period of years, I am surprised that my views could be distorted in this fashion. While I agree with many of the principles contained in the legislation, I am unalterably opposed to the preference provisions in this bill. I could not therefore support it in its present form and I hope it will be defeated. The editorial entitled "Niagara Power" in today's New York Times expresses my views on this subject.

THOMAS E. DEWEY.

The editorial to which he refers is the one I just read.

This telegram should eliminate any idea of support by Governor Dewey of this particular bill.

Mr. President, there are other Senators who wish to speak, and I do not want to consume any more time than is absolutely necessary; but I should like to say, in my judgment, the bill should be recommitted. As I said yesterday, it should go back to the committee, not with the idea of further study by the committee of the Senate or the committee of the House, but with the idea of informing the parties in interest in New York, namely, the Governor of New York, and those interested in the private undertaking, that they must get together on a suitable plan through some kind of compromise. I am sure some kind of compromise can be reached.

The bill should not be enacted or passed by the Senate. I am sure it will not be enacted. The record in the House shows what will happen. In the last Congress the House passed a private power bill by a vote of 262 to 120. It turned down every proposal for State development by overwhelming votes. The same thing is apt to happen this time. Therefore, if it is desired to have the Niagara River developed—and it is important that it should be developed—the thing to do is force the parties in New York to get together on this question and work out a plan which we can agree among ourselves to bring before the Congress at its next session.

Mr. President, I shall not take any more time now.

Mr. BUSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUSH. How much time have I left?

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). The Senator from Connecticut has 20 minutes remaining.

Mr. BUSH. I thank the Chair.

I yield 5 minutes to the Senator from Florida [Mr. HOLLAND].

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. Mr. President, since I intend to vote for the motion to recommit, I am glad to have an opportunity to state exactly why I shall do so.

I regret that the issue now presented is not in such shape that I can vote for what I would prefer to vote for, that is, to allow the State of New York to develop, subject to its own law, this very important water resource of the Niagara River which belongs to it.

Mr. President, I have read, hurriedly, and with considerable interest the record of this case, or so much of it as I could. On pages 19 and 20 of the hearings, I notice that the distinguished junior Senator from New York [Mr. LEHMAN] is recorded as saying this, with reference to the State of New York:

Incidentally, it would be wasteful and inefficient not to operate these two great projects—

The other one he had mentioned was the St. Lawrence power project—

in tandem, under the same management and under the same policies.

Mr. President, that statement would make it appear from the record that the junior Senator from New York thinks that if this bill is enacted into law, these two projects will be developed and operated in tandem. But it happens that that is not the case, because the St. Lawrence project—being now developed by the State of New York, and being properly so developed under our Federal Power Act, which gives to each State the right to claim for itself the privilege of developing its own power—is being developed subject to the law of New York, particularly in controlling the distribution which shall be made of the power developed there.

If this bill were passed and were enacted into law, the power from the Niagara River would be developed and then distributed subject to an entirely different principle, and the two projects would not be developed in tandem. They would not be developed under the same policies. Instead, they would be developed under policies which in some respects are diametrically opposite.

Mr. President, in the 83d Congress and prior thereto, as a member of the Committee on Public Works, I had an opportunity to hear the evidence with regard to this important matter. I wish to say that, in my judgment, the State of New York is entitled to exactly the same rights that we have allowed the State of South Carolina, the State of Oklahoma, and the State of Nebraska, in connection with previous matters; and the State of New York is entitled to have those rights without any diminution and without having placed in the pending bill the Federal preference clause which applies to Federal power projects. I am not willing to have a difference made between the treatment given, under Federal law, to the good States of South

Carolina, Oklahoma, and Nebraska, on the one hand, and the treatment given the State of New York, on the other hand. I think we would be branding ourselves with guilt for discrimination of the most serious sort, if we were to pass this bill in such form as to give to the State of New York the right to develop its own water resources, but only under conditions much different from those applying under general law and from those applying to the State of Nebraska, in the case of the development of all her water resources; and to the State of Oklahoma, in the case of the Grand River water resources; and to the State of South Carolina, in the case of the two important water resources already developed there under Federal and State law.

Mr. President, I regret that this bill is in the weak, objectionable, and discriminatory condition it is in. If I had not had other duties in the Appropriations Committee, it would have been a pleasure for me to have drafted and proposed an amendment which would have restored this bill to such a form that I could vote for it. I wish I could vote for it.

I have repeatedly said, in both private and public, that I stood ready to vote to give this power resource to New York on the same terms as those on which we have given similar power resources to other States. By my vote on the Public Works Committee, as the reports of the committee to the Senate will show, I have taken that position.

Mr. KERR. Mr. President, will the Senator from Florida yield for a question?

Mr. HOLLAND. I am sorry, but I do not have time to yield.

The PRESIDING OFFICER. The time yielded to the Senator from Florida has expired.

Mr. BUSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Connecticut will state it.

Mr. BUSH. How much time remains under my control?

The PRESIDING OFFICER. Fifteen minutes.

Mr. BUSH. If some other Senator on this side of the issue wishes to speak at this time, I am prepared to yield time to him.

The PRESIDING OFFICER. The question is on agreeing to the motion to recommit.

Mr. BRICKER. Mr. President, on this question, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. KERR. Mr. President, do I correctly understand that the Senator from Connecticut does not care to use further time at the moment.

Mr. BUSH. Yes; not at the moment.

Mr. KERR. Then, Mr. President, I yield 15 minutes to the distinguished junior Senator from New York [Mr. LEHMAN].

The PRESIDING OFFICER. The Senator from New York is recognized for 15 minutes.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that at this time I may suggest the absence of a quorum, without having the time required therefor charged to either side.

The PRESIDING OFFICER. Without objection——

Mr. JOHNSON of Texas. Mr. President, I withhold my request.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. LEHMAN. Mr. President, soon we shall vote on the motion to recommit, and thus to kill Senate bill 1823. The vote will be on a motion whose avowed effect will be to delay for an indefinite time the construction of the Niagara project. The people of New York and the people of the Nation should understand the import and intent of this motion.

My distinguished colleague from New York State [Mr. IVES], in stating quite frankly his motive, namely, to kill this bill, told the Senate that he wants to make a new approach to this problem—some kind of approach which would represent a compromise between the private power monopoly and New York State in the distribution of the benefits of the Niagara project. My colleague did not specify on the Senate floor exactly what his proposal was. He has offered no motion to amend my bill.

However, I was called today from Watertown, N. Y., and there was read to me a story which appeared this noon in the Watertown Times, an interview between the senior Senator from New York [Mr. IVES] and the Washington correspondent of the Watertown Times.

According to the report which appeared in this newspaper, my senior colleague advanced as one idea for a compromise between the private power monopoly and New York State, a plan whereby the State would develop the scenic aspects, such as the parkway, and would sell the river water to the private companies for power generation.

Mr. President, I do not know whether the senior Senator from New York is seriously advancing this proposal as his own.

Mr. IVES. Mr. President, will my colleague yield at this point?

Mr. LEHMAN. I am glad to yield.

Mr. IVES. I wish to point out that that was not my idea, but it was suggested to me in the past.

Mr. LEHMAN. But I assume that the Senator advanced the idea.

Mr. IVES. I have not advanced it at all.

Mr. LEHMAN. I assume the Senator advanced it to the correspondent of the Watertown Times.

Mr. IVES. Not at all. The correspondent of the Watertown Times asked me what suggestions had been made. I said that this suggestion, among others, was made to me, and I could name others.

Mr. LEHMAN. That is a rather specious excuse for the plan submitted by my distinguished colleague from New York.

Mr. IVES. I did not submit it; I deny that.

Mr. LEHMAN. I do not think the Senator will deny that he advanced that idea to the correspondent of the Watertown Times.

Mr. IVES. I said that to the correspondent of the Watertown Times, because he wanted to know what suggestions had been made.

Mr. LEHMAN. Mr. President, I do not know whether my colleague from New York is seriously advancing this proposal as his own. The newspaper report was not clear on this point. But if this is his proposal, or if this is the proposal of the private power companies, it strikes me as a sorry plan, indeed. It is a rather incredible division of the benefits of this public resource. New York State would build the parkway and pay the piper, but Niagara Mohawk would sell the power and get the profits. Yes, I know that under this plan New York State would get some small payment for the water—but what a recompense for turning over this great public heritage, which belongs inalienably to the people of New York State and to the people of the Nation. I, for one, am unalterably opposed to any such plan. I see no reason to compromise with the private power monopoly. They are now getting more than they deserve in the use of 20,000 cubic feet per second of the waters of the Niagara—a use they will continue to enjoy at least until 1971.

Delay, Mr. President, is in the interests of the private power monopoly at the expense of New York State and of the Nation. If no legislation is passed, Niagara Mohawk will continue to enjoy the use of an additional 13,000 cubic feet per second of Niagara waters which they have under temporary license as a result of wartime agreements between the United States and Canada.

Until the construction for the development by the State of New York or by a Federal agency of the great resource of water power on the Niagara River is authorized and consummated, Canada is permitted to use every possible horsepower, every possible kilowatt which may be developed from that great river resource. That is provided for in the treaty. It is clearly understood between our respective countries. Even today Canada is using a vastly greater part of that resource than she would have done if we had acted earlier in this important field.

The water to which I have referred, which Canada is now using to a great extent, and which the private utility company at Buffalo is using because of a temporary agreement entered into some years ago, and pursuant to a more permanent agreement entered into in 1921, is being used at a minimum head with a minimum return of power to the people of New York State, but a maximum return of profit to Niagara Mohawk Co. That is why, in my judgment, Niagara Mohawk wants to delay the passage of this legislation or of any other legislation other than that of an outright giveaway to the private power interests.

Mr. President, some question has been raised about whether a majority of the people of New York are for public development.

Public development is required under the laws of New York State. No responsible statewide official, of either party or of any party, has ever advocated anything other than public development. No one would dare to do so.

I challenge any individual who seeks statewide office at this coming election to advocate private development of the Niagara.

This is my 7th year in the Senate. I think my colleagues know me well enough to realize that I am plain-spoken, and that I say what I believe to be right, letting the chips fall where they may.

There is no doubt in my mind that the proposal to recommit the bill would create a delay which could not possibly be less than 1 year, and might extend for many years. Such a proposal is merely a device to give the benefit of this great resource, belonging to the State of New York and the Nation, to the private utility companies.

We can test the sincerity of this proposal very easily. Let the distinguished Senator from Indiana [Mr. CAPEHART] propose his bill, Senate bill 6, as a substitute for my bill, and see what happens. Let us see whether the Senate will agree to the development of this great natural resource by private utility companies. I dare the Senator from Indiana or any other Senator to test that proposal by offering his bill as a substitute for the bill which 17 of my colleagues and I have introduced.

Yesterday I submitted for the RECORD a list of labor unions supporting S. 1823 and a number of communications which I have received urging the approval of my bill.

Mr. President, I submit for insertion in the RECORD at this point an additional list of the groups which have indicated support for S. 1823 and the membership that these groups represent. I ask unanimous consent that this list be printed in the RECORD at this point.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

GROUPS WHO HAVE INDICATED SUPPORT FOR THE LEHMAN BILL, S. 1823

Northeastern Association of Electric Cooperatives representing 14 electric cooperatives in New York and New England, serving 37,000 farm families.

Textile Workers Union of America, AFL–CIO, having a membership of 230,000 workers.

National Rural Electric Cooperative Association, the national service organization of 929 rural electric cooperatives serving 3,746,581 farm families.

Delaware County Electric Cooperative, Delhi, N. Y., serving 1,200 farm families.

Municipal Utilities, Bath, N. Y., serving 2,698 consumers.

Steuben Rural Electric Cooperative, Bath, N. Y., serving 1,300 farm families.

New York State Municipal Electric Utilities Association representing 44 municipal electric systems serving 92,353 consumers.

Northwestern Rural Electric Cooperative, Cambridge Springs, Pa., serving 8,000 farm families in northwestern Pennsylvania within 93 miles of Niagara Falls.

Otsego Electric Cooperative, Inc., Hartwick, N. Y., serving 1,200 farms.

New York State Association of Electric Cooperatives representing 5 rural electric cooperatives serving 5,500 farm families.

Allegheny Electric Generating Cooperative, Pennsylvania, a generation and transmission cooperative composed of 11 distribution cooperatives serving 57,000 farm families.

National Farmers Union representing 350,000 farm families in 35 States.

Northeast Electric Consumers Conference including the following affiliate organizations: Vermont State Farm Bureau, Farmers Union of the New York Milkshed, Vermont Cooperative Council, Northeast Association of Rural Electric Cooperatives, Central Electric Cooperative of Parker, Pa., Municipal Electric Utilities Association of New York, Municipal Electric Utilities Association of Massachusetts (40 municipal electric systems serving 183,852 consumers), Electrical Workers, CIO, International Brotherhood of Paper Makers, AFL, International Association of Machinists, AFL, Textile Workers, CIO, United Auto Workers, Chemical Workers, Stone Workers, Vermont Federation of Labor, and the Vermont CIO Council.

American Public Power Association, the national service organization of 274 direct members of municipal electric and local public systems serving over 3 million consumers.

United Auto Workers, AFL–CIO, have a membership of 1,300,000.

Amalgamated Clothing Workers of America, AFL–CIO, having a membership of 400,000 workers.

Jamestown, N. Y., Municipal Utility serving 18,588 consumers, 93 miles from Niagara Falls, N. Y.

Oil, Chemical and Atomic Workers, International Union, AFL–CIO, having a membership of 200,000 workers.

Dunkirk, N. Y., Municipal Electric System serving 6,415 consumers, 65 miles from Niagara Falls, N. Y.

Liberal Party of New York State which obtained 416,711 votes in the 1952 presidential election.

Ohio Association of Rural Electric Cooperatives representing 30 cooperatives serving 130,000 farm families.

Boonville, N. Y., Municipal Electric System serving 1,500 consumers.

Northwest Ohio Municipal Electric Association representing 36 municipal electric systems of northwest Ohio including such towns as Bryan, Napoleon, Paulding, Clyde, and Bowling Green.

International Ladies Garment Workers Union AFL–CIO representing over 440,000 workers.

Pennsylvania Rural Electric Association representing 13 rural electric cooperatives in Pennsylvania serving 70,000 farm families.

Pennsylvania Municipal Utilities Association representing 20 municipal electric systems.

Louis Hollander, president, New York State CIO Council.

Hon. Robert F. Wagner, Jr., mayor, city of New York.

Mr. LEHMAN. I also received late yesterday a telegram from the president of one of the largest and most highly respected railroad brotherhoods in America, the Brotherhood of Railroad Trainmen, and I ask unanimous consent that the very fine telegram I received from President W. P. Kennedy of that union, strongly endorsing my bill, be printed in the RECORD at this point. Also, a telegram from Air Transport Local No. 501 of the Transport Workers Union, AFL–CIO.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

CLEVELAND, OHIO, *May 14, 1956.*

Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

The Brotherhood of Railroad Trainmen, with members on both sides of the international border, have for years favored public development and distribution of power at Niagara Falls. The splendid example set by the Hydro Commission of Ontario should be equaled or excelled by the United States in its service to the people south of the border. There is no sane or sensible reason why Niagara Falls, N. Y., pays $5.03; Detroit, Mich., $7.74; Niagara Falls and Windsor, Ontario, pay $2.39 and $3.33 for the same amounts of electricity. The only good answer is in the favorable consideration of the Lehman-Davidson bills.

W. P. KENNEDY,
President, Brotherhood of Railroad Trainmen.

ELMHURST, N. Y., *May 14, 1956.*

Senator HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

Air Transport Local 501 fully behind your fight to obtain passage of S. 1823, to develop Niagara River hydroelectric power under public auspices. It safeguards, too, as to spread benefits as widely as possible and enables low-cost power. We feel passage of S. 1823 will be more jobs for New York State.

AIR TRANSPORT LOCAL 501,
TWU, AFL–CIO.

Mr. LEHMAN. Another argument advanced by the opponents of S. 1823 is that the terms of S. 1823 are inconsistent with and repugnant to the provisions of the New York State Power Authority Act. I am not a lawyer, Mr. President, but I challenge this assertion. The basic policy provision in section 1005 of the State Power Authority Act reads that the Niagara and St. Lawrence resources shall be developed "primarily for the benefit of the people" and particularly for the benefit of "the domestic and rural consumers to whom the power can economically be made available."

The same section of the act states that the purpose of this policy is to permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity.

To implement this basic policy, section 1005 also provides:

> In furtherance of this policy, and to secure a wider distribution of such power and use of the greatest value to the general public of the State, the authority shall, in addition to other methods which it may find advantageous, make provision so that municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electric power may secure a reasonable share of the power generated by such projects, and shall sell the same or cause the same to be sold—
>
> To such wholesale customers—
>
> subject to conditions which shall assure the resale of such power to domestic and rural consumers at the lowest possible price.

Mr. President, I ask Members of the Senate whether there is any inconsistency whatsoever between this language of the New York State Power Authority Act and the provision of the pending bill, S. 1823, stipulating that a preference in access to the project power shall be granted to public and nonprofit bodies.

To say that there is such an inconsistency is to mislead the Senate. The language of S. 1823 is very specific. Section 2 of S. 1823 contains a further development of the preference idea, a development similar to that through which all statutory language passes, in the light of experience.

The language of the State Power Authority Act, which I have quoted, has not

been revised since 1931. This language, in turn, was based on the pioneering views of President Theodore Roosevelt.

The safeguard provisions of S. 1823 carry out the intent of the provisions of the State Power Authority Act, but in a more detailed and more specific manner.

I ask unanimous consent that there be inserted in the RECORD at this point a memorandum prepared by competent legal counsel, discussing in detail the relationship between the safeguard provisions of S. 1823 and the laws of the State of New York.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

Mr. CASE of South Dakota. Mr. President, reserving the right to object—and I shall not object—I wonder whether the memorandum includes the section from the New York State law which sets forth the preference provision.

Mr. LEHMAN. I believe I have already put that in the RECORD.

Mr. CASE of South Dakota. I believe it should be in the RECORD.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. LEHMAN. Mr. President, may I ask for some more time?

Mr. KERR. Mr. President, I yield 2 additional minutes to the Senator from New York.

Mr. LEHMAN. May I have 5 additional minutes?

Mr. KERR. I yield 5 additional minutes to the Senator from New York.

Mr. CASE of South Dakota. I believe the text of the New York State law should be in the RECORD.

Mr. LEHMAN. I shall be very glad to put that in the RECORD. I ask unanimous consent that it may be printed in the RECORD, together with the memorandum.

Mr. CASE of South Dakota. I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York?

There being no objection, the memorandum and statute were ordered to be printed in the RECORD, as follows:

MEMORANDUM OF LAW SUPPORTING THE POSITION THAT S. 1823 IS IN FULL ACCORD WITH THE MAIN POLICY PROVISIONS OF THE NEW YORK STATE POWER AUTHORITY ACT

The main policy provision of the New York State Power Authority Act is clearly stated in paragraph 5 of section 1005.

This provision was unanimously adopted by the New York Legislature in the original act creating the power authority in 1931. It was carried over into the amended act of 1951, recommended by Governor Dewey, which directed the authority, subject to Federal approval, to develop Niagara power, along with St. Lawrence power, as a coordinated public power project.

This basic provision in section 1005 declares the policy that the Niagara, as well as the St. Lawrence, shall be developed primarily "for the benefit of the people," and particularly for the benefit of "the domestic and rural consumers to whom the power can economically be made available."

The same section of the act declares that the purpose of this policy is "to permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity."

To implement this basic policy, section 1005 provides:

a. "In furtherance of this policy and to secure a wider distribution of such power and use of the greatest value to the general public of the State, the authority shall in addition to other methods which it may find advantageous make provision so that municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electric power may secure a reasonable share of the power generated by such projects, and shall sell the same or cause the same to be sold to such municipalities and political subdivisions at prices representing cost of generation, plus capital and operating charges, plus a fair cost of transmission, all as determined by the trustees, and subject to conditions which shall assure the resale of such power to domestic and rural consumers at the lowest possible price, provided, however, that in disposing of hydroelectric power pursuant to and in furtherance of the aforementioned policy and purposes, appropriate provisions may also be made to allocate a reasonable share of project power to agencies created or designated by other States and authorized to resell the power to users under the same terms and conditions as power is disposed of in New York State. To that end, the authority may provide in any contract or contracts which it may take for the sale, transmission and distribution of power that the purchaser, transmitter or distributor shall construct, maintain and operate, on such terms as the authority may deem proper, such connecting lines as may be necessary for transmission of the power from main transmission lines to such municipalities or political subdivisions."

When the Power Authority Act was amended and extended to the Niagara, on the recommendation of Governor Dewey in 1951, it also carried an important proviso to section 1005: This proviso reads:

"That in disposing of hydroelectric power pursuant to and in furtherance of the aforementioned policy and purposes, appropriate provision may also be made to allocate a reasonable share of project power to agencies created or designated by other States and authorized to resell the power under the same terms and conditions as power is disposed of in New York State."

The basic policy set forth in section 1005 after its adoption in New York in 1931 was written into many of the acts of Congress authorizing Federal projects, and by other State legislatures in authorizing State projects.

For example, the statute which set up the South Carolina Development Authority to operate and maintain the Santee-Cooper project in that State declares the same policy in almost identical words borrowed from the New York act. The South Carolina project, unlike the Niagara project, was provided with loans and grants from the Federal Treasury under the general authority of various public works laws, under which the Congress encouraged the States, municipalities and other subdivisions to engage in such development projects.

For over 20 years after the passage of the power authority act of 1931, no Governor of the State of New York ever denied that the act closely followed the policy initiated by the Congress under Theodore Roosevelt in granting a preference to public bodies, and other similar agencies.

Nor was it denied that the act was broad enough to authorize the sale of project power on the same basis to rural electric cooperatives. Such REA cooperatives were not authorized to engage in the distribution of electric energy in New York when the 1931 act was first adopted. They were so authorized during the Lehman administration. And the power authority itself has reiterated its purpose over and over again to sell power directly to such cooperatives.

The bill S. 1823 provides in section 2 and paragraphs 1 and 2 exactly the same kind of preference which has been given by the Congress in scores of acts authorizing river-development projects where a great public resource clearly under our jurisdiction and belonging to all the people was involved. The same policy, as Senator MCCLELLAN pointed out at the 1951 hearings on the Niagara, was made generally applicable to projects under the control of the Corps of Engineers in section 5 of the Flood Control Act of 1944:

"Senator MCCLELLAN. The Federal power policy is set by the act of 1944 [the Flood Control Act] * * * and it does grant preference to co-ops, municipalities, and Government plants.

* * * * *

"The Ives bill, according to your interpretation of it [addressing the witness, Burton] would bring about a revision of that policy insofar as this project is concerned.

* * * * *

"If it is constructed under the Lehman bill, as it is now before us, I think the Lehman bill in the distribution of the power would substantially, if not wholly, conform to existing national policy" (pp. 124–125, 1951 Niagara hearings).

So it is perfectly clear that the type of preference given to rural electric cooperatives and public bodies in the bill S. 1823 is completely consistent with previous enactments by the Congress on the same subject. It is also completely consistent with the Power Authority Act of the State of New York, as interpreted by every Governor of the State, with the single exception of the testimony given by Governor Dewey in 1953.

Governor Dewey was then about to retire from public life. He never did oppose preference for rural electric cooperatives or municipalities when he was himself asking the support of the people as a candidate for Governor or President, from 1940 through 1952.

The senior Senator from New York [Mr. IVES], on the other hand, has always been opposed to the preference clause and has voted against it repeatedly as a Member of this body. He now asks, as Senator MCCLELLAN said at the 1951 hearings, for the revision of this policy which the Congress has approved over and over again and kept on the statute books in one form or another since the administration of Theodore Roosevelt.

The claim that preference will force municipalities into the power business to get a share of Niagara power is completely exploded by the record of what has actually happened where that policy applies. The city of Portland, under the very shadow of Bonneville, is served by a private utility. So are virtually all the large cities, outside of Tennessee, in the West and South which are within transmission distance of our great multiple-purpose projects which observe the preference policy.

Not a single new municipal plant has been authorized in New York State since the power authority started marketing St. Lawrence power in 1954. The power authority only last year contracted to sell 100,000 kilowatts of St. Lawrence power to the neighboring State of Vermont. That contract does not augment, and it does not diminish, the right of the cities of Vermont to engage in the distribution of electricty. As a matter of fact, the Vermont Legislature authorized the public service commission of the State to purchase this substantial block of St. Lawrence power, the power was made available, and no attempt was made by New York or the power authority to impose any arbitrary system of distribution on the people of Vermont.

Vermont asked New York to deliver the power at the Vermont-New York boundary

and that is now being arranged for, in exactly the manner Vermont requested. In its last annual report in February of this year the power authority states that it will deliver this power over a 230,000-volt transmission line and that, by agreement with Niagara Mohawk and with the New York State Electric & Gas Corp., those utilities "will strengthen existing facilities to provide the necessary transmission back-up" for the authority's line.

This is what is actually being done, and it belies the claim that the bill S. 1823 would impose arbitrary, inflexible transmission provisions or preference provisions inconsistent with State or Federal laws. The private utilities did at first contend that the power authority had no power under its act to build a transmission line to Vermont, and they threatened to bring an action in the courts to enjoin its construction. They have now entered into the agreement with the authority I have noted in their annual report, and the authority states that all these transmission facilities—both the authority line and the utilities' back-up facilities—will be completed by 1958 when the generators are ready to produce the first of the power available from the St. Lawrence.

The power authority has already announced that it will build transmission lines to interconnect the St. Lawrence with the Niagara, when the latter project is authorized and completed. The private utilities themselves, at a public hearing before the power authority on October 17, 1955, testified that such an interconnection was indispensable if these two great hydroelectric projects were to operate with maximum benefit in strengthening the power supply of the State.

So the provision in section 2, paragraph (2), of S. 1823 will impose no new policy on New York or any neighboring State in the matter of transmission of project power. It simply authorizes the acquisition of existing transmission lines when necessary, and the construction of nonduplicating lines where justified, to serve wholesale customers and neighboring States.

By reaffirming these sound policies in S. 1823, the Congress simply recognizes the established rights of such wholesale customers and the rights of all the States—in New England, Ohio, and Pennsylvania—within reach of project power.

POWER AUTHORITY ACT

(Originally enacted as chapter 772, laws of New York, 1931, approved April 27, 1931; reenacted with minor amendments as title I, article 5, of the public authorities law, chapter 870, laws of New York, 1939, approved June 15, 1939; amended by chapter 612, laws of New York, 1949, approved April 16, 1949; amended by chapter 328, laws of New York, 1950, approved March 31, 1950; amended by chapter 146, laws of New York, 1951, approved March 20, 1951)

ARTICLE 5—PUBLIC UTILITY AUTHORITIES

Title I—Power Authority of the State of New York

Sec.

1000. Short title.
1001. Declaration of policy.
1002. Power Authority of the State of New York.
1003. Trustees.
1004. Officers and employees; expenses.
1005. Powers and duties of authority.
1006. Power to compel attendance of witnesses.
1007. Acquisition of property.
1008. Consent of State.
1009. Contracts negotiated by authority.
1010. Bonds of the authority.
1011. Agreement of the State.
1012. Exemption from taxation.
1013. Repayment of State appropriations.
1014. Public service law not applicable; inconsistent provisions in other acts superseded.
1015. Title not affected if in part unconstitutional or ineffective.

§ 1000. Short title.

This title may be cited as the "Power Authority Act."

§ 1001. Declaration of policy.

Those parts of the Niagara and St. Lawrence Rivers within the boundaries of the State of New York are hereby declared to be natural resources of the State for the use and development of commerce and navigation in the interest of the people of this State and the United States. In order to provide for the most beneficial use of these natural resources, for the creation and development of hydroelectric power in the interest of the people of this State, and to preserve and enhance the scenic beauty of the Niagara Falls and river, such natural resources, including the beds and waters of the said rivers as instrumentalities of commerce and navigation, and the beds, waters, power and power sites in, upon or adjacent to or within the watersheds of the said rivers, owned or controlled by the people of the State, or which may hereafter be recovered by or come within their ownership, possession, and control, shall always remain inalienable to, and ownership, possession, and control thereof shall always be vested in the people of the State.

§ 1002. Power Authority of the State of New York.

For the purpose of effectuating the policy declared in section 1001 of this chapter and of improving the Niagara and St. Lawrence Rivers as instrumentalities of commerce and navigation and developing the hydroelectric power resources thereof, there is hereby created a corporate municipal instrumentality of the State to be known as "Power Authority of the State of New York," hereinafter in this title referred to as "the authority," which shall be a body corporate and politic, a political subdivision of the State, exercising governmental and public powers, perpetual in duration, capable of suing and being sued, and having a seal, and which shall have the powers and duties hereinafter enumerated, together with such others as may hereafter be conferred upon it by law.

It shall report annually to the governor and the legislature upon its operations and transactions.

§ 1003. Trustees.

The authority shall consist of 5 trustees, who shall serve respectively for terms of 1, 2, 3, 4, and 5 years, to be appointed by the governor, by and with the advice and consent of the senate. Each trustee shall hold office until his successor has been appointed and qualified. At the expiration of the term of each trustee and of each succeeding trustee the governor shall, by and with the advice and consent of the senate, appoint a successor, who shall hold office for a term of 5 years, or until his successor has been appointed and qualified. In the event of a vacancy occurring in the office of a trustee by death, resignation, or otherwise, the governor shall, by and with the advice and consent of the senate, appoint his successor, who shall hold office for the unexpired term. Three trustees shall constitute a quorum for the purpose of organizing the authority and conducting the business thereof.

The trustees shall receive no salary, but each trustee shall be paid his reasonable expenses in the performance of his duties hereunder, together with a per diem allowance of $85 when traveling or rendering services as trustee, provided that the aggregate of such per diem allowances to any 1 trustee in any 1 year shall not exceed the sum of $8,500.

§ 1004. Officers and employees; expenses.

The trustees shall choose from among their own number a chairman and vice chairman. They shall from time to time select such employees, including engineering, marketing, and legal skill, as they may require for the performance of their duties and shall prescribe the duties and compensation of each officer and employee. They shall adopt bylaws and rules and regulations suitable to the purposes of this title. As long as and to the extent that the authority is dependent upon appropriations for the payment of its expenses, it shall incur no obligations for salary, office, or other expenses prior to the making of appropriations adequate to meet the same.

§ 1005. Powers and duties of authority.

Forthwith upon the appointment and organization of the trustees and subject to the conditions and limitations in this title contained, the authority, in cooperation with the proper Canadian authorities and those of the United States as hereinafter directed, shall proceed with the improvement and development of the Niagara River and the international rapids section of the Saint Lawrence River (which is defined as that part of the said river from Ogdensburg to the point where it leaves the territory of this State) for the aid and benefit of commerce and navigation and for the development of the hydroelectric power inherent therein in accordance with the provisions of this title.

The authority is authorized and directed:

1. To cooperate with the appropriate agencies and officials of the United States Government to the end that any project undertaken under the authority of this title shall be consistent with and in aid of the plans of the United States for the improvement of commerce and navigation along the Niagara and Saint Lawrence Rivers and shall be so planned and constructed as to be adaptable to the plans of the United States therefor, so that the necessary channels, locks, canals, and other navigational facilities may be constructed and installed by the United States, in, through, and as part of such project.

2. To negotiate with the appropriate Canadian authorities and agencies respecting the improvement and development of the Niagara River, and the international rapids section of the Saint Lawrence River for the aid and benefit of commerce and navigation and the development of hydroelectric power therefrom, and to plan and agree with them upon cooperative action to that end including any shifting of international boundary lines between Canada and the United States and upon the use, control and disposition of the facilities to be created and the hydroelectric power to be developed by any project authorized by this title. Such negotiations and agreements shall be conduced and concluded with due regard to the position of the United States in respect to international agreements, and any such agreements as may be reached with Canadian authorities or agencies may be submitted by the authority to Congress for its approval, if it be advised that such approval is necessary or desirable.

3. To apply to the appropriate agencies and officials of the United States Government and/or of the Dominion of Canada or its provinces, including the Federal Power Commission and the International Joint Commission, for such licenses, permits or approval of its plans or projects as it may deem necessary or advisable, and in its discretion, and upon such terms and conditions as it may deem appropriate, to accept such licenses, permits or approvals as may be tendered to it by such agencies or officials; and to enter into contracts with such agencies or officials relating to the construction or operation of the projects. Neither the authority nor any trustee, officer or agent thereof shall have any power to waive or surrender for any purpose whatsoever any right

of the State of New York, whether sovereign or proprietary in character, in and to the Niagara and Saint Lawrence Rivers, their waters, power, channels, beds, or uses, or the right of the State to assert such rights at any future time; provided, however, that nothing herein contained shall be construed as limiting the power of the authority to accept a license issued by the Federal Power Commission pursuant to the provisions of the Federal Power Act, as amended, and the terms and conditions therein imposed pursuant to law. If for any reason the authority shall fail to secure any such license, permit or approval as it may deem necessary or advisable, or shall decide not to make application therefor, it is authorized to institute suit, or to apply to Congress for legislation or take such other action in the premises as it may deem necessary or advisable, in the furtherance of the project and for the protection of its rights and those of the State.

4. To study the desirability and means of attracting industry to the State of New York, consistent with and in effectuation of the policy declared in subparagraph 5 immediately following.

5. To develop, maintain, manage and operate those parts of the projects owned or controlled by it in such manner as to give effect to the policy hereby declared (and all plans and acts, and all contracts for the use, sale, transmission and distribution of the power generated by the said projects, shall be made in the light of, consistent with, and subject to, this policy), namely, that the projects shall be in all respects for the aid, improvement, and benefit of commerce and navigation in, through, along and past the Niagara River, the St. Lawrence River and the international rapids section thereof, and that in the development of hydroelectric power therefrom such projects shall be considered primarily as for the benefit of the people of the State as a whole and particularly the domestic and rural consumers to whom the power can economically be made available, and accordingly that sale to and use by industry shall be a secondary purpose, to be utilized principally to secure a sufficiently high load factor and revenue returns to permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity. In furtherance of this policy and to secure a wider distribution of such power and use of the greatest value to the general public of the State, the authority shall in addition to other methods which it may find advantageous make provision so that municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electric power may secure a reasonable share of the power generated by such projects, and shall sell the same or cause the same to be sold to such municipalities and political subdivisions at prices representing cost of generation, plus capital and operating charges, plus a fair cost of transmission, all as determined by the trustees, and subject to conditions which shall assure the resale of such power to domestic and rural consumers at the lowest possible price, provided, however, that in disposing of hydroelectric power pursuant to and in furtherance of the aforementioned policy and purposes, appropriate provisions may also be made to allocate a reasonable share of project power to agencies created or designated by other States and authorized to resell the power to users under the same terms and conditions as power is disposed of in New York State. To that end, the authority may provide in any contract or contracts which it may take for the sale, transmission and distribution of power that the purchaser, transmitter or distributor shall construct, maintain and operate, on such terms as the authority may deem proper, such connecting lines as may be necessary for transmission of the power from main transmission lines to such municipalities or political subdivisions.

6. To negotiate in the manner hereinafter provided a contract or contracts for the sale, transmission and distribution of power generated by any project authorized by this title which by the terms thereof will provide:

(a) Payment of all operating and maintenance expenses of the project.

(b) Interest on and amortization and reserve charges sufficient within 50 years of the date of issuance to retire the bonds of the power authority issued for the project.

(c) Continuous control and operation of the project by the authority.

(d) The effectuation of the policy declared in subparagraph 5 above.

(e) Full and complete disclosure to the authority of all factors of cost in the transmission and distribution of power, so that rates to consumers may be fixed initially in the contract and may be adjusted from time to time on the basis of true cost data, provided that in fixing such cost of transmission and distribution no account shall be given to any franchise value, going value, or goodwill based upon the existence of the contract and the availability of the power for sale by the transmitting or distributing company or any company associated therewith.

(f) Periodic revisions of the service and rates to consumers on the basis of accurate cost data obtained by such accounting methods and systems as shall be approved by the trustees and in furtherance and effectuation of the policy declared in subparagraph 5 above.

(g) That the rates, services, and practices of the purchasing, transmitting, and/or distributing public agencies or companies in respect to the power generated by such projects shall be governed by the provisions and principles established in the contract, and not by regulations of the public service commission or by general principles of public service law regulating rates, services, and practices.

(h) The rate structures agreed upon in such contract may provide different rates for different localities, classes of consumers, and amounts of current consumed, and for changes in the rates resulting from variation in operating costs and fixed charges.

(i) For the cancellation and termination of any such contract upon violation of the terms thereof by the purchasing, transmitting, or distributing public agency or company, or any subsidiary or associate thereof.

(j) For such security for performance as the authority may deem practicable and advisable, including provisions assuring the continuance of service by the purchasing, transmitting, and/or distributing public agencies or companies and/or the use of their facilities for such service and/or the continuance of an outlet and adequate market for the power generated by such projects.

(k) Such other terms not inconsistent with the provisions and policy of this title as the authority may deem advisable.

7. To proceed with the physical construction of any project authorized by this title, including the erection of the necessary dams, powerhouses and other facilities, instrumentalities and things necessary or convenient to that end, and including also the erection of such transmission lines as may be necessary to conduct electricity to industrial users located at or near the site; and including also the acquisition, by contract only with the owners thereof, of transmission lines or the use of such transmission lines, available or which may be made available, to conduct electricity to such point or points at which the electricity is sold by the authority to any person, corporation or association, public or private, engaged in the business of distribution and sale of electricity to ultimate consumers; or if the authority is unable to so acquire by contract the ownership or use of such transmission lines, including also the erection by the authority of transmission lines necessary for such purposes; and thereafter to maintain and operate the project in accordance with the provisions and policy of this title. The authority is specifically authorized to undertake the construction of any project in one or more steps as it may find economically desirable or advantageous, and as it may agree with the appropriate Canadian and United States authorities. Whenever in this title reference is made to "project," it shall be understood to refer to such part of any project authorized by this title as may from time to time be in existence or immediately projected.

8. To exercise all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this title; and as incidental thereto to own, lease, build, operate, maintain and dispose of real and personal property of every kind and character, to acquire real property and any or every interest therein for its lawful purposes by purchase, or by condemnation as hereinafter provided, to borrow money and secure the same by bonds or liens upon revenue from any property or contracts held or to be held by it, to sell water or electric power, and generally to do any and everything necessary or convenient to carry out the purposes of this title, provided that the authority shall have no power at any time to pledge the credit of the State nor shall any of its obligations or securities be deemed to be obligations of the State nor shall the authority have the power to lease or sell any dam or powerhouse at the site.

9. Notwithstanding any limitation hereinbefore expressed, the authority is authorized and directed forthwith or from time to time as it shall deem advisable and within the limitations of the appropriations made available for it to initiate and prosecute all inquiries, investigations, surveys, and studies which it may deem necessary or desirable as preliminary to the effectuation of the other powers and duties conferred upon it by this title.

§ 1006. Power to compel attendance of witnesses.

For the purposes of exercising its powers and performing its duties hereunder and of securing such information as it may deem necessary hereunder, the authority shall have the power to compel the attendance of witnesses and the production of documents in the manner provided for in the Civil Practice Act for the subpenaing of witnesses and production of documents before a referee or special master, and if a person subpenaed to attend before it shall fail to obey the command of such subpena without reasonable cause, or refuse to be sworn or examined, or to answer a pertinent question or produce a pertinent book or paper, the authority may apply to the supreme court or any judge thereof for an order requiring such person to show cause why he should not comply with the subpena or direction of the authority. The court, or a justice before whom such order shall be returnable, shall examine such person, determine whether or not the testimony or evidence is relevant or pertinent, and if it be so determined, shall order such person to comply accordingly forthwith, and in the event of refusal may commit the offender to jail, there to remain until he submits to the order of the court or such justice, or is discharged according to law. The power hereby conferred upon the authority may be exercised by any one or more of the trustees if he or they are authorized so to act on behalf of the authority by resolution or by law.

§ 1007. Acquisition of property.

If, for any of the purposes hereunder, including temporary construction purposes

and the making of additions or improvements, the authority shall find it necessary or convenient for it to acquire any real property as herein defined, whether for immediate or future use, then the authority may find and determine that such property is required for a public use, and upon such due determination, such property shall be and shall be deemed to be required for such public use until otherwise determined by the authority and with the exceptions hereinafter specifically noted such determination of fact shall not be affected by the fact that such property has theretofore been taken for, as is then devoted to, a public use; but the public use in the hands or under the control of the authority shall be deemed superior to the public use in the hands of any other person, association, or corporation. If the authority is unable to agree for the acquirement of any such property, or if the owner thereof shall be incapable of disposing of the same, or if, after diligent search and inquiry, the name and residence of any such owner cannot be ascertained, or if any such property has been acquired or attempted to be acquired and title or other rights therein have been found to be invalid or defective, the authority may acquire such property by condemnation under and pursuant to the provisions of this title.

1. When any real property within this State is sought to be acquired by condemnation, the authority shall cause a survey and map to be made thereof, and shall cause such survey and map to be filed in its office. There shall be annexed to such survey and map a certificate executed by the chief engineer of the authority, or by such other officer or employee as may be designated by the trustees, stating that the property or interest therein described in such survey and map are necessary for its purposes.

2. Upon filing such survey and map the authority shall petition a special term of the supreme court held in the judicial district in which the property is located, or the county court of any county where such property is located for the condemnation of such property or interest therein, as have not been otherwise acquired. Such petition shall be generally in the form prescribed by section 4 of the condemnation law, so far as consistent herewith. Such petition, together with a notice of pendency of the proceeding, shall be filed in the office of the county clerk of such county and shall be indexed and recorded as provided by law. A copy of such petition together with a notice of the presentation thereof to such special term of the supreme court or to the county court shall be served upon the owners as provided in sections 5 and 6 of the condemnation law. The authority may cause a duplicate original affidavit of the service thereof to be recorded in the books used for recording deeds in the office of the county clerk of the county wherein the property described in such notice is situated, and the recording of such affidavit shall be prima facie evidence of due service thereof.

3. At any time after the recording of the petition and notice as above provided the authority may enter upon and use and occupy all the parcels of real estate described in the proceedings for the condemnation thereof, provided that it shall first deposit with the court a sum equal to the assessed valuation of such real property, or in the event that the assessed valuation thereof cannot readily be ascertained, such sum as in its judgment shall be sufficient as compensation for the real property acquired. The sum so deposited shall be applied as provided in section 24 of the condemnation law. Upon the recording of the petition and notice and the making of the deposit, the owner or person in possession of such real property shall deliver possession thereof to the authority upon demand, and in case possession is not delivered when demanded, or demand is not convenient because of absence of the owner or inability to locate or determine the owner, the authority may apply to the court without notice for an order requiring the sheriff to put it into possession of such real property. Such an order must be executed as if it were an execution for the delivery of the possession of the property.

4. The proceedings thereafter shall be in the manner prescribed by the condemnation law so far as consistent herewith.

5. The commissioners appointed to ascertain and determine the compensation which ought justly to be made to the owners of property or interests therein appraised by them as provided in section 13 of the condemnation law shall make their report of the value thereof to the supreme court within 100 days from the date of their qualification.

6. The persons or corporations whose property shall have been taken by condemnation and who shall have agreed upon the compensation to be paid therefor in settlement of the proceeding, or to whom an award of compensation shall have been made by the court, shall be entitled to payment of the agreed or awarded compensation within 3 calendar months after the date of the agreement upon the amount of the compensation or of the entry of the order confirming the report of the commissioners of appraisal, together with interest upon the amount of such compensation from the time of the entry and appropriation thereof by the authority to the date of payment of such compensation; but such interest shall cease upon the service by the authority, upon the person or corporation entitled thereto, of a 15 days' notice that the authority is ready and willing to pay the amount of such compensation upon the presentation of proper proofs and vouchers. Such notice shall be served personally or by registered mail and publication thereof at least once a week for 3 successive weeks in a daily newspaper, having a general circulation in the county where such property or any part thereof is located.

7. The authority may, at its option, acquire such real property within the State of New York, under the general condemnation law or, in the event it is a licensee of the Federal Power Commission it may acquire such real property as is necessary for its purposes through the exercise of the right of eminent domain as provided in section 21 of the Federal Power Act, as amended.

8. The authority and its duly authorized agents and employees may enter upon any real property for the purpose of making the surveys or maps mentioned in this section, or for such other surveys or examinations of real property as may be necessary or convenient for the purposes of this title.

9. The term "real property" as used in this title is defined to include lands, structures, franchises and interests in land, including lands under water and riparian rights, and any and all other things and rights usually included within the said term, and includes also any all interests in such property less than full title, such as easements, rights-of-way, uses, leases, licenses, and all other incorporeal hereditaments and every estate, interest or right, legal or equitable, including terms for years and liens thereon by way of judgments, mortgages or otherwise, and also all claims for damages for such real estate.

§ 1008. Consent of State.

The State of New York hereby consents to the occupation and use by the authority of any and all property of the State of whatever kind or character on the Niagara River or within the international rapids section of the St. Lawrence River, and hereby vests the authority with and delegates to it the right to exercise any and every right and power of the State in connection therewith, whether proprietary or sovereign in character, which the State itself might exercise, provided that such consent and delegation of power shall not permit the impairment or limit or prevent the future improvement of the navigability of the Niagara River or the international rapids section of the St. Lawrence River, consistent with the maintenance of such projects, but on the contrary the projects shall be such as will improve and benefit commerce and navigation therein and provided further that the authority shall have no power to limit, waive, or surrender any right or interest of the State of New York in such rivers or the use thereof.

§ 1009. Contracts negotiated by authority.

Contracts negotiated by the authority as provided in subparagraph 6 of section 1005 of this chapter shall be entered into and executed as follows:

1. After agreement upon the terms of any such contracts shall have been reached by the authority and its coparty or coparties, the authority shall hold a public hearing or hearings upon the terms thereof. At least 30 days' notice of such hearing shall be given by publication once in each week during such period in each of six newspapers within the State to be selected by the authority. Copies of proposed contracts shall be available for public inspection during such period of 30 days at the office or offices of the authority and at such other places throughout the State as it may designate.

2. Following such public hearing, the authority shall reconsider the terms of the proposed contract or contracts and shall negotiate such changes and modifications in the contract or contracts as it then deems necessary or advisable.

3. When such contract or contracts are finally agreed upon in terms satisfactory to the authority and its coparty or coparties, and which the authority believes to be in the public interest, the authority shall thereupon report the proposed contract or contracts, together with its recommendations and the record of the public hearings thereon to the governor of the State who shall within 60 days thereafter indicate his approval or disapproval thereof and give his reasons therefor.

4. If the governor shall approve such contract, then the same shall be executed by the chairman and secretary of the authority and it shall thereupon come into full force and effect and be binding upon the authority and all other parties thereto in accordance with its terms.

§ 1010. Bonds of the authority.

The authority shall have power and is hereby authorized from time to time to issue its negotiable bonds for the purpose of financing any project authorized by this title, including the acquisition of any real or personal property or facilities deemed necessary by the authority.

In anticipation of the sale of such bonds the authority may issue negotiable bond anticipation notes and may renew the same from time to time but the maximum maturity of any such note, including renewals thereof, shall not exceed 5 years from the date of issue of such original notes. Such notes shall be paid from any moneys of the authority available therefor and not otherwise pledged, or from the proceeds of sale of the bonds of the authority in anticipation of which they were issued. Such notes shall not be isued in an amount in excess of the amount of bonds which the authority is authorized to issue, less the amount of any bonds or other notes theretofore issued and outstanding. The notes shall be issued in the same manner as the bonds. Such notes and the resolution or resolutions authorizing the same may contain any provisions, conditions, or limitations which a bond resolution of the authority may contain.

Except as may be otherwise expressly provided by the authority, the bonds and notes

of every issue shall be general obligations of the authority payable out of any moneys or revenues of the authority, subject only to any agreements with the holders of particular bonds or notes pledging any particular moneys or revenues. Notwithstanding that bonds and notes may be payable from a special fund, if they are otherwise of such form and character as to be negotiable instruments under the terms of the negotiable instruments law (constituting chapter 88 of the consolidated laws) the bonds and notes shall be and are hereby made negotiable instruments within the meaning of and for all purposes of the negotiable instruments law, subject only to the provisions of the bonds and notes for registration.

The authority shall have power from time to time, whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and may issue bonds partly to refund bonds then outstanding and partly for any other purpose hereinbefore described. Refunding bonds may be exchanged for the bonds to be refunded, with such cash adjustments as may be agreed, or may be sold with the proceeds applied to the purchase or payment of the bonds to be refunded.

The bonds may be issued payable in annual installments or may be issued as term bonds or the authority, in its discretion, may issue bonds of both types. The bonds shall be authorized by resolution of the trustees of the authority and shall bear such date or dates, mature at such time or times, not exceeding 50 years from their respective dates, bear interest at such rate or rates, not exceeding 5 percent per annum, payable annually or semiannually, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, to be executed in such manner, be payable in lawful money of the United States of America at such place or places, and be subject to such terms of redemption, as such resolution or resolutions may provide. In the event that term bonds are issued, the resolution authorizing the same may make such provisions for the establishment and management of adequate sinking funds for the payment thereof, as the authority may deem necessary. The bonds or notes may be sold at public or private sale for such price or prices as the authority shall determine, but which shall not at the time of sale yield more than 5 percent per annum. Pending preparation of the definite bonds, the authority may issue interim receipts which shall be exchanged for such bonds.

Any resolution or resolutions authorizing any bonds or any issue of bonds may contain provisions, which shall be a part of the contract with the holders of the bonds to be authorized as to—

(a) Pledging all or any part of the revenues of the project or any revenue producing contract or contracts made by the authority with any individual, partnership, corporation, or association to secure the payment of the bonds or of any particular issue of bonds, subject to such agreements with bondholders as may then exist.

(b) The rentals, fees, and other charges to be charged, and the amounts to be raised in each year thereby, and the use and disposition of the revenues.

(c) The setting aside of reserves or sinking funds, and the regulation and disposition thereof.

(d) Limitations on the right of the authority to restrict and regulate the use of any project.

(e) Limitations on the purpose to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the bonds or of any issue of the bonds.

(f) Limitations on the issuance of additional bonds; the terms upon which additional bonds may be issued and secured; the refunding of outstanding bonds.

(g) The procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given.

(h) Limitations on the amount of moneys derived from a project to be expended for operating, administrative, or other expenses of the authority.

(i) Defining the acts or omissions to act which shall constitute a default in the duties of the authority to holders of its obligations and providing the rights and remedies of such holders in the event of a default.

Notwithstanding any other provisions of this title, any such resolution or resolutions shall contain a covenant by the authority that it will at all times maintain rates, fees, or charges sufficient to pay, and that any contracts entered into by the authority for the sale, transmission, or distribution of power shall contain rates, fees, or charges sufficient to pay the costs of operation and maintenance of the project, the principal of and interest on any obligations issued pursuant to such resolution as the same severally become due and payable, and to maintain any reserves required by the terms of such resolution or resolutions.

It is the intention hereof that any pledge of revenues or other moneys or of a revenue producing contract or contracts made by the authority shall be valid and binding from the time when the pledge is made; that the revenues or other moneys or proceeds of any contract or contracts so pledged and thereafter received by the authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act; and that the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded.

Neither the members of the authority nor any person executing the bonds or notes shall be liable personally on the bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

The authority shall have power out of any funds available therefor to purchase bonds or notes. The authority may hold, pledge, cancel, or resell such bonds, subject to and in accordance with agreements with bondholders.

Any bonds or notes issued by the authority are hereby made securities in which all public officers and bodies of this State and all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies, and other persons carrying on a banking business, and all other persons whatsoever, except as hereinafter provided, who are now or may hereafter be authorized to invest in bonds or other obligations of the State, may properly and legally invest funds including capital in their control or belonging to them; provided that, notwithstanding the provisions of any other general or special law to the contrary, such bonds shall not be eligible for the investment of funds, including capital, of trusts, estates or guardianships under the control of individual administrators, guardians, executors, trustees, and other individual fiduciaries. The bonds are also hereby made securities which may be deposited with and shall be received by all public officers and bodies of this State and all municipalities and municipal subdivisions for any purpose for which the deposit of bonds or other obligations of this State is now or may hereafter be authorized.

§ 1010a. Deposit and investment of moneys of the authority.

All moneys of the authority from whatever source derived shall be paid to the comptroller as agent of the authority, who shall not commingle such moneys with any other moneys. Such moneys shall be deposited in a separate bank account or accounts. The moneys in such accounts shall be paid out on check of the comptroller on requisition of the chairman of the authority or of such other person as the authority may authorize to make such requisition. All deposits of such moneys shall, if required by the comptroller or the authority, be secured by obligations of the United States or of the State of New York of a market value equal at all times to the amount of the deposit and all banks and trust companies are authorized to give such security for such deposits. The comptroller and his legally authorized representatives are hereby authorized and empowered from time to time to examine the accounts and books of the authority, including its receipts, disbursements, contracts, leases, sinking funds, investments, and any other matters relating to its financial standing.

Notwithstanding the provisions of this section, the authority shall have power, subject to the approval of the comptroller, to contract with the holders of any of its notes or bonds as to the custody, collection, securing, investment, and payment of any moneys of the authority, or any moneys held in trust or otherwise for the payment of notes or bonds or in any way to secure notes or bonds, and to carry out any such contract. Moneys held in trust or otherwise for the payment of notes or bonds or in any way to secure notes or bonds and deposits of such moneys may be secured in the same manner as moneys of the authority, and all banks and trust companies are authorized to give such security for such deposits.

Moneys of the authority not required for immediate use may, in the discretion of the authority, be invested by the comptroller in obligations of the United States Government or of the State of New York.

Subject to agreements with noteholders and bondholders and the approval of the comptroller, the authority shall prescribe a system of accounts.

§ 1011. Agreement of the State.

1. The State of New York does hereby pledge to and agree with the holders of any obligations issued under this title, and with those parties who may enter into contracts with the authority pursuant to the provisions in subparagraph 6 of section 1005 above, that the State will not limit or alter the rights hereby vested in the authority until such obligations together with the interest thereon are fully met and discharged and/or such contracts are fully performed on the part of the authority, provided that nothing herein contained shall preclude such limitation or alteration if and when adequate provision shall be made by law for the protection of the holders of such obligations of the authority or those entering into such contracts with the authority. The authority as agent for the State is authorized to include this pledge and undertaking for the State in such obligations or contracts.

2. Nothing in this title shall be construed as diminishing or enlarging any valid existing rights under any license heretofore issued pursuant to the provisions of the Federal Power Act.

§ 1012. Exemption from taxation.

It is hereby found and declared that the projects authorized by this title are for the aid and improvement of commerce and navigation, and that such aid and improvement

of commerce and navigation and the development, sale, and distribution of hydroelectric power is primarily for the benefit of the people of the State of New York, for the improvement of their health and welfare and material prosperity, and is a public purpose, and the authority shall be regarded as performing a governmental function in undertaking such projects and in carrying out the provisions of this title, and shall be required to pay no taxes or assessments upon any of the property acquired by it for such projects or upon its activities in the operation and maintenance thereof. The securities and other obligations issued by the authority, their transfer and the income therefrom shall, at all times, be free from taxation within this State. It is furthermore declared that the object and purpose of this title is that such projects should be in all respects self-supporting.

§ 1013. Repayment of State appropriations.

All appropriations made by the State to the authority shall be treated as advances by the State to the authority, and shall be repaid to it without interest either out of the proceeds of securities, or other obligations issued by the authority for the construction of any project pursuant to the provisions of this title, or by the delivery of noninterest-bearing obligations of the authority to the State for all or any part of such advances, or out of excess revenues from such project subject however to any pledges of such revenues made pursuant to any resolution or resolutions of the authority authorizing the issuance of obligations of the authority issued prior to 1960.

§ 1014. Public service law not applicable; inconsistent provisions in other acts superseded.

The rates, services, and practices relating to the generation, transmission, distribution, and sale of power to be generated from the projects authorized by this title shall not be subject to the provisions of the public-service law nor to regulation by, nor the jurisdiction of the department of public service, but shall be regulated and determined under the provisions of the contracts entered into by the authority as provided in subparagraph 6 of section 1005 of this chapter. The provisions of the public-service law and of the conservation law and every other law relating to the department of public service or the public service commission, or to the conservation department or commission or to the functions, powers, or duties assigned to the division of water power and control by chapter 619, of the laws of 1956, shall so far as is necessary to make this title effective in accordance with its terms and purposes be deemed to be superseded, and wherever any provision of law shall be found in conflict with the provisions of this title or inconsistent with the purposes thereof, it shall be deemed to be superseded, modified, or repealed as the case may require.

§ 1015. Title not affected if in part unconstitutional or ineffective.

If any term or provision of this title shall be declared unconstitutional or ineffective in whole or in part by a court of competent jurisdiction, then to the extent that it is not unconstitutional or ineffective such term or provision shall be enforced and effectuated, nor shall such determination be deemed to invalidate the remaining terms or provisions hereof.

Mr. LEHMAN. Mr. President, one final word. My distinguished colleague from New York [Mr. IVES] quoted at great length, in his remarks to the Senate yesterday, from Power Authority Chairman Robert Moses in support of his contention that my bill is, because of its preference provisions, impractical or unwise.

I should like to quote, at this point, from a statement the same Mr. Moses made on January 16, immediately following the action by the Senate Public Works Committee in favorably reporting S. 1823. Mr. Moses said—and I am quoting from the New York Times of January 17:

There are certain features of the Lehman bill which could be improved upon, but we can work under it and shall be glad to do so if it becomes law.

That, Mr. President, is what Mr. Moses said on January 16, and this is my answer to the statements made by my colleague [Mr. IVES] and the quotations he ascribed to Mr. Moses.

As for any improvements in the pending bill, the Senate Public Works Committee studied all the proposals for changes, and while adopting some of them, rejected others. This bill has been studied enough by the committees of the Congress, and specifically the committee of the Senate. This bill is a good bill. The passage of this bill is urgently desired by the State administration of New York, headed by Governor Harriman. This bill was sponsored by 17 Members of the Senate. It was favorably reported by the Senate Public Works Committee after a year of study.

I ask that the motion for recommittal be rejected, and that the bill be passed by the overwhelming vote that it merits.

Just one more word, Mr. President——

Mr. IVES. Mr. President, will my colleague yield at that point?

Mr. LEHMAN. No; first I should like to finish my statement. Then I shall be glad to yield, if I have enough time remaining. My time is limited.

Let us be perfectly honest about this matter. The whole question is one that affects private utility development, ownership, and operation of the great remaining hydroelectric power resources of the country, and the development of those same resources by the public or the Federal Government or by a State government. In my opinion there is no other issue involved. No other bill was submitted to the Public Works Committee except S. 6, which was introduced by my distinguished and esteemed colleague from Indiana [Mr. CAPEHART]. I repeat my challenge to him to offer that bill as a substitute for S. 1823. No other bill was introduced by the senior Senator from New York [Mr. IVES] at this session of the Senate.

Mr. IVES. Mr. President, will the Senator yield at that point?

Mr. LEHMAN. He introduced no bill at this session of the Senate.

Mr. IVES. Mr. President, will the Senator yield?

Mr. LEHMAN. I will not yield at this point. First I wish to finish my statement. I shall then be glad to yield if I have some time remaining. He did introduce a bill some years ago, but it has not been reintroduced since then.

I am certain of that. I would be very glad, if I had the time, to quote what the Senator from Connecticut [Mr. BUSH] has said with regard to the purpose of the recommittal motion. The purpose of the motion is to kill the bill, and he knows that if the recommittal motion prevails it will kill the bill at this session and possibly for many other years to come.

Mr. BUSH. Mr. President, I yield 5 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I believe the able junior Senator from New York has perfectly described the issue before the Senate. He said the issue is public power against private power. In other words, in his opinion, this is a question whether private industry should do the job or whether the State of New York should do it. He just so stated. Let me tell the Senator why I am not offering my bill, S. 6, about which he has talked so much, as a substitute for the pending bill. It is because S. 6, or a companion measure to S. 6, was passed by the House of Representatives by a vote of 262 to 120. That is a majority of more than 2 to 1. Therefore, we can rest assured that the House will not accept the pending public power bill the able Senator has been debating. I am sure the House will insist upon a private enterprise bill.

There is only one issue involved, so far as I am concerned and so far as every other Senator ought to be concerned, and so far as every Member of the House of Representatives ought to be concerned, and that is this: Private industry has been located on the Niagara River and has been developing all the power which has been needed for that great area ever since 1895. They have been there for more than 60 years.

There is no flood control involved in this question. There is no navigation involved. There is no irrigation involved. The question is whether we want to put public power right on top of and alongside of private industry. That is the problem. If we are opposed to private power expanding and increasing its output at a place where it has been located and been producing for some 60 years or so, how in the world are we going to justify private industry producing power anywhere in America?

It has been said that these water resources belong to the people of the State of New York. Mr. President, half of that river is in New York. It is only about 20 miles long. The water originates in Minnesota and Wisconsin, and comes down through the Great Lakes. Then it goes into Lake Ontario and into Canada. I say that water belongs to the people of the United States. It is a Federal matter. It is not a State matter. However, that would not make any difference to me, and ought not to make any difference to any other Senator.

Let us make up our mind on one issue only. That is all we need do. It is whether we are to have public power in preference to private power in every instance. Particularly, Mr. President, are we to put public power on top of and alongside of private enterprise which has been in that area for over 60 years? Let us stop, listen, and think.

If we wish to be 100 percent for public power in America, that is one thing. If we want private power, that is another thing. I am for private power. I am for the private enterprise system. Sixty-five years ago certain American citizens had the courage to spend their money and develop hydroelectric power at Niagara. They had the right to

believe, when they did it, that they would be given permission to expand.

We have no right to throw public power in on that job, when the private companies are doing a good job now. It has been proven that they are able and capable.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. BUSH. Mr. President, I yield 2 additional minutes to the Senator from Indiana.

Mr. CAPEHART. We have no right to do it, when it has been proven that the private companies have the money and are capable. They own the transmission lines, and they are serving that whole area. Under those circumstances, I do not understand the thinking of Senators who, although they voted in favor of the natural gas bill, are now opposed to private enterprise in this instance.

I say, Mr. President, the same principles are involved. I say that if we continue to travel the public power road, we will ruin private industry in America. The idea is that if a project is publicly operated, it can furnish power more cheaply. Perhaps it can, because it pays no taxes. But it will not be any cheaper to the people in the long run. Suppose the power is furnished cheaper, who is going to pay the taxes in America if we do not have private enterprise? If everything is owned by the State, and if we are going to operate on the premise that in every instance the State can furnish something more cheaply, who is going to be left to pay the taxes?

Mr. President, we had better stop, think, and listen. If we vote to make this project a public power project against private industry, when private industry is there already and has been for 65 years, then, in my opinion, we shall have broken the backbone of the private power system in America.

I plead with Senators to recommit this bill.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. BUSH. Mr. President, I yield half a minute more to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for half a minute.

Mr. CAPEHART. Mr. President, I am as certain as I am that I am standing here that the House will not approve this bill. The Members of the House on a previous occasion voted to defeat it by a vote of 220 to 162, and 75 percent of the Representatives from the great State of New York voted for private enterprise as against public power.

Mr. BUSH. Mr. President, I yield 2 minutes to the senior Senator from New York [Mr. IVES].

Mr. IVES. Mr. President, the reason why I am opposed to this bill in its present form is because of the preference provisions. I have stated again and again in the course of the debate that I have been in favor of public development of Niagara power, but the preference provision in the bill cannot be lived with by the people of the State of New York.

I listened attentively to what was said by my colleague from New York in reference to the State power authority. I wish to point out that the chairman of the State power authority contradicted himself time and time again in this connection. What I read yesterday from the same statement from which my colleague quoted is just as true today as it was yesterday, and is just as true now as it was when he said it. It is very, very questionable whether the preference provision will work. It is certainly most doubtful that the power authority can sell its bonds. Therefore, if we should pass this bill we would be passing utterly useless legislation so far as the State of New York is concerned.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. BUSH. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 3 minutes.

Mr. BUSH. Mr. President, I made the point yesterday that this proposed project does not involve anything but naked public power. There is no irrigation, no navigation, no reclamation, no flood control involved. This is the first time this body has been asked to pass a bill which is a naked public power project.

I think the Senator from Indiana [Mr. CAPEHART] has drawn the issue very clearly. The fact is that there are private power organizations now serving the State of New York which have been serving it for more than 60 years, to the satisfaction of the people of New York. I conducted hearings 2 years ago on this subject. There were joint hearings conducted. All the evidence indicated that the people want private industry to develop the power. Private industry stands ready and willing to put up $400 million to place the project into effect. To refuse to give private industry the license to develop the project rather than to have it developed with the taxpayers' money seems to me to be an absolutely fallacious act and to make no sense whatever.

It has been said that the water in the Niagara River is the property of the State of New York and that it belongs to the people of that State. I see no difference in principle between water in the Niagara River and coal in the coal mines in Pennsylvania, or oil in Texas, or the rich earth on the farms of New York State, because they are all nature's products, and, historically in this country, they have been developed for the benefit of all by private individuals, the only exception having been when such development was necessary in the public interest and it could not be done nearly so well by private means.

So, Mr. President, I hope the motion to recommit the bill will be agreed to, so that the whole question can be further reviewed by the committee.

Mr. President, I yield back the remainder of the 3 minutes I yielded to myself.

Mr. KERR. Mr. President, how much time did the Senator from Connecticut yield back?

The PRESIDING OFFICER. The Senator from Connecticut used his 3 minutes. He has yielded back no time. He has 3 minutes remaining.

Mr. KERR. Mr. President, I yield 5 minutes to the Senator from Oregon [Mr. NEUBERGER].

Mr. NEUBERGER. Mr. President, I heard with a great deal of interest the claim of the Senator from Indiana that, because the House has voted for private development, the Senate should do likewise. It will be extremely significant, Mr. President, when the social security measure reaches the floor of the Senate, if we hear from the other side of the aisle that we should vote to lower the social-security retirement age for women to 62 because the House voted nearly unanimously for such a proposal. It will be extremely interesting to hear then that we should follow the House so implicitly.

Mr. President, I listened with astonishment to the telegram read which stated that public preference provisions are socialistic. I have a very complete document prepared by the Library of Congress on that subject. I have learned from that document that the public-power preference clause was born during a Republican administration, in 1906, headed by President Theodore Roosevelt, of New York.

Therefore, Mr. President, if we are to believe that the public power preference clause is socialism, we must likewise expect to hear that Theodore Roosevelt, who conceived it, was a Socialist.

The distinguished Senator from Florida [Mr. HOLLAND] made the point that we should not include the public power preference clause in this bill, because it applies merely to a State and not to the Federal Government. I would recall to the Senator's attention, and that of other Members of the Senate, the Raker Act of December 19, 1913, which granted to the city of San Francisco the right to store water for domestic use and power in national park lands. One of the conditions to which this grant by the Congress was subject was that the city of San Francisco was "prohibited from ever selling or letting to any corporation or individual, except a municipality or a municipal water district or irrigation district, the right to sell or sublet the water or electric energy sold or given to it" by the city.

In other words, Mr. President, there is ample precedent for the inclusion of the public-power preference clause, as applied to a State body.

In conclusion, Mr. President, I wish to invite the attention of the Senate to the record of the Bonneville Power Administration performing under the public-power preference clause which was included in the Bonneville Act by a great Republican Senator, the late Charles L. McNary, who was the Republican minority leader of the Senate at that time. Under the preference clause at Bonneville, during the fiscal year 1955, only 33.8 percent of the energy in terms of dollar value went to preference customers, and 66.2 percent in terms of dollar value went to nonpreference customers, such as private utilities and private industries.

In other words, the preference clause merely protected the public agencies

from being shut out. It only prevented a private power monopoly. That is why it should be called not a preference clause, but an antimonopoly clause, because that is what it actually is.

Mr. President, I yield back the remainder of my 5 minutes.

Mr. KERR. Mr. President, does the Senator from Connecticut have anything further to say at this time?

Mr. BUSH. No; I am very much interested to hear from the Senator from Oklahoma.

Mr. KERR. Mr. President, I yield myself 8 minutes.

The PRESIDING OFFICER. The Senator from Oklahoma has 7 minutes remaining.

Mr. KERR. I was informed that I had 8 minutes remaining. Was that information in error?

The PRESIDING OFFICER. The Senator from Oklahoma has 7 minutes remaining.

Mr. KERR. I yield myself 7 minutes.

I have been greatly interested in the discussion by the proponents and advocates of the motion to recommit. I suggest to them that they get their notes together.

The senior Senator from New York [Mr. IVES] says he is for public development of the power project; that he strongly favors the development of power on the Niagara River by the State of New York through a public agency and for the public benefit. The Senator from Indiana [Mr. CAPEHART] says there is only one issue: public versus private power, thus demonstrating again his great capacity to become confused and to seek to confuse others.

There could not be a greater divergence of approach than that between the Senator from New York [Mr. IVES] and the Senator from Indiana [Mr. CAPEHART].

I must say that if we accept the statement of the Senator from New York [Mr. IVES], that the purpose of the recommittal of the bill is to work out a program whereby the power can be developed by the State of New York consistent with the laws of the State of New York, then the Senator from Indiana was just as greatly in error as it is possible even for him to be.

Mr. IVES. Mr. President, will the Senator yield?

Mr. KERR. No, sir.

The issue before the Senate is this: Shall we live up to the commitments and the mandate of the treaty which the United States Government made with Canada, wherein the United States on its part expressly reserved the right to provide by an act of Congress for the redevelopment, for the public use and benefit, of the United States share of the waters of the Niagara River made available by the provisions of the treaty?

The distinguished Senator from Connecticut said there is no difference between the water in the Niagara and the coal in Pennsylvania and the oil in Texas, and the rich farmlands of our Nation. I submit that no remark is necessary on the part of any other Senator to demonstrate the complete lack of understanding on the part of the Senator from Connecticut in making that statement. If he does not know the difference between water and oil, if he does not know the difference between water and coal, if he does not know the difference between water and rich farmland, I say he does not even know how farmlands become rich, regardless of the similarity of his approach on this bill and the method used ordinarily to enrich farmland.

The bill was specifically endorsed by the Governor of New York in his message to the legislature. He said:

> I believe that the public interest in the development of the electric potential and the scenic beauty of Niagara Falls would best be protected by the Federal legislation sponsored by Senator HERBERT H. LEHMAN with the amendments that were agreed upon at the Senate committee hearing. I hope that all persons who are interested in making available to our consumers the low-cost electricity of the Niagara will join in pressing for the adoption of this important legislation.

Mr. IVES. Mr. President, will the Senator yield?

Mr. KERR. No; I am speaking on limited time. The Senator from New York had an equal amount of time.

I should like to say this about the remarks of the senior Senator from New York [Mr. IVES]. For a while he stood in great dignity and quoted the statement of one Mr. Robert Moses, the chairman of the Power Authority of the State of New York. Then, when the junior Senator from New York [Mr. LEHMAN] quoted a statement of Mr. Moses, in which Mr. Moses said, "There are certain features of the Lehman bill which could be improved upon, but we can work under it and shall be glad to do so if it becomes law," the senior Senator from New York rose and said he had never heard a public official make so many contradictory remarks.

I say to the senior Senator from New York that if he had been attendant regularly upon the sessions of the Senate, he might have seen that record equaled here; but the rules of the Senate do not permit me to become more specific in that regard.

The senior Senator from New York says we ought to have a better bill. He does not have writer's cramp. If he had wanted to improve the bill, he could have offered an amendment to do so.

The distinguished Senator from Florida [Mr. HOLLAND], in the magnificent capacity he has to look after the interests of the people of the State of New York, says it ought to be a better bill; but he has not had the time to bring forth an amendment which would give us what he would regard as a better bill.

I say, Mr. President, that the effort to recommit the bill is an effort to kill it. I say the record is clear to the Senate that that is the purpose of the proponents of the motion to recommit. They do not want a better bill. If they did, they would have offered an amendment which would have sought to improve it. They want to kill the bill for 1956, and forever, in its present form. Had they wanted a better bill, they would not have slept their rights away until after the third reading of the bill, when it is closed to amendments, and then have offered their motion to recommit the bill.

The bill specifically prevents the giveaway of the Nation's greatest undeveloped hydroelectric power project to private utilities. Let Senators read the record of the private utilities which have some of the water potential of Niagara Falls and see who gets the power. The great corporations get it. The Aluminum Corporation of America gets more power than any other corporation, under a contract which is in effect for many years to come.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. KERR. Mr. President, I yield myself 5 minutes on the bill.

The Aluminum Company of America gets its power from the Niagara-Mohawk Power Co., one of the stalwart taxpayers to whom the Senator from Indiana [Mr. CAPEHART] referred, at a cost of 8.1 mills a kilowatt-hour. Who do you think pays for that, Mr. President? The Government of the United States pays 3.1 mills of the 8.1 mills under a subsidy contract with the Aluminum Corporation of America.

The Senator from Indiana says he is a farmer; and he well may be, because he certainly has indulged in a lot of hogwash on the floor of the Senate, talking about the taxpaying proclivities and capacities of the private utilities.

There is not a Member of the Senate who does not know that every cent of the taxes paid by a public utility becomes a part of its rate base and is passed on to the consumers. So when the distinguished Senator from Indiana talks about preserving the rights of the private utilities, which pay taxes, we know that we would also be preserving their right to pass on to the consumers every cent the utilities pay, plus reasonable charges for bookkeeping items and keeping track of the cost.

The bill recognizes and affirms States rights. The New York Legislature passed specific legislation authorizing the State Power Authority to develop the power resources of the St. Lawrence and Niagara Rivers. The bill preserves the preference principle in a provision which is similar to that provided for every project which has been authorized and built by the United States Government.

This bill insures low-cost electric power to the mass of consumers in New York State and adjacent areas. At this very moment customers across the river, with power developed by projects under the treaty the United States made with Canada, are buying power at half what the average consumer in the United States is paying.

The bill provides for development of the Nation's greatest hydroelectric power project now, not next year; and if it is not developed, the treaty provides that Canada may use the water which under the treaty is allocated to the United States.

I repeat, Mr. President, that the effort to recommit the bill is not in order that it might be improved, because if the Senator from New York [Mr. IVES] was for the bill without the preference clause, he could have offered an amendment to

carry out that idea. He did not do so, nor has any other Senator seen fit to do so. Therefore, the Senate should not permit itself to be outwitted by the opponents of any kind of legislation except that which would give the potential away to the private utilities, and succumb to their inducements, as evidenced by the motion to recommit. The Senate should reject the motion to recommit.

Mr. IVES. Mr. President, will the Senator from Connecticut yield me some time? How much time remains?

Mr. BUSH. We have 3 minutes on the motion, and we have time on the bill.

I yield to the Senator from New York.

Mr. IVES. I wanted to point out a few errors of interpretation which have been made by my worthy colleague from Oklahoma [Mr. KERR]. Yesterday in my remarks, I pointed out very definitely the statements of the chairman of the State power authority. The fact that he has made contradictory remarks should in no way invalidate other statements he made, some of which were in the very announcement to which the Senator from Oklahoma has referred. The opinion of the attorney general of the State of New York still stands, that the bill, if enacted, would not be workable, so far as the State of New York is concerned. I pointed that out.

The Senator from Oklahoma also referred to the recommendation of Governor Harriman. Governor Harriman recognizes, and he recognized during the session of the New York State Legislature, that if the bill is to be workable in the State of New York, we will have to change our Power Authority Act in the State, so he requested the New York State Legislature to do so, as follows:

> I recommend that your honorable bodies enact legislation at this session which will enable the power authority to construct transmission lines and to require the Authority in its sale of power to give preference to State agencies, municipalities, and other subdivisions of the State, and to rural electric cooperatives.

The legislature refused to act on that recommendation. Unless such action is taken, the result will be that the bill, if it should be enacted, will never work in the State of New York, at least not until the State law is changed.

Mr. President, I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. President, I shall vote for the motion to recommit, but on grounds which are somewhat different from those set forth by Senators who have heretofore spoken. It is my conviction, based on a study we made in the prior Congress, that passage of the bill would delay development of Niagara power.

The suggestion has been made by the author of the bill, the Senator from New York [Mr. LEHMAN], that the purpose of the recommittal motion is to kill the bill. Actually, that ought not to be the case. I think Niagara power ought to be developed, but the passage of the bill will delay it, first, for the reason which has been suggested, that the House will not accept this particular approach to the problem; second, because the sale of bonds will be uncertain, and will probably be enjoined, if the bill is passed in its present form; and, third, because the people of New York, if they realized that the bill changed their New York State preference law and substituted Federal preference, would abandon the bill as they would drop a hot iron.

The reason why the motion to recommit is not a method of killing the bill is that there is an alternative course open. It is the course recommended by the Public Works Committee in the prior Congress, as set forth in the report on Senate bill 2599, 83d Congress, 2d session, in which a different course was proposed. There was proposed a course recommended by the Bureau of the Budget and by the Federal Power Commission.

The report on Senate bill 2599, of the prior Congress, a copy of which I hold in my hand, contains a report by Rowland Hughes, Deputy Director of the Budget, and also by Jerome Kuykendall, Chairman of the Federal Power Commission, in which there is recommended "early enactment of legislation which will provide for full use of these waterpower resources, and, if non-Federal development is to be permitted, the Commission recommends enactment of Senate bill 2599."

The course which was recommended by the Public Works Committee was that there should be a simple bill which would assure that the development of the United States share of the waters of the Niagara would be undertaken, if authorized, in connection with the existing general laws of the United States relating to the authorization of such projects, and that such authorization should be in compliance with the reservation to the treaty.

That was another course. It was not exactly a compromise as between private and public power, but it was an effort to say, "Let this fall in the lap of the Federal Power Commission, where it ought to go, and let the Federal Power Commission plead the general laws of the Federal Power Act, as amended, and bring about a reconciliation between the preference law of the State of New York and the Federal law." There is a difference between the preference law of the State of New York and the Federal preference law. The report of the committee pointed that out. It stated:

> The testimony at the hearings brought out the fact that about 95 percent of the consumers of electric energy in New York State are now served by privately owned utilities and that the rural areas are almost completely served by those utilities. If the Federal preference clause should be imposed upon the State power authority, it would be required to give preference to the public agencies serving only 5 percent of the consumers in the State and to the much greater number of public agencies in adjoining States.
>
> This could easily result in denying the 95 percent of the New York consumers now served by private utilities a fair and equitable share of Niagara power. We think this would be unjust and discriminatory.

That was the report of the Public Works Committee of the prior Congress. When the people of New York discover that the preference law of the State of New York is to be invalidated, as has been suggested by the Senator from New York [Mr. IVES] when he said "We in New York believe that this bill proposes to say to the people of New York, 'You put up the money for the development, but you abandon your own preference law and take Federal preference,'" the people of New York will feel they have been sold down the river.

That is why I think the bill should be recommitted, and an opportunity should be given for the consideration of the third course which can be adopted, namely, to lay this problem in the lap of the Federal Power Commission for administration under the general laws of the United States.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an excerpt from the committee report which I send to the desk.

There being no objection, the excerpt from the report (No. 2501, 83d Cong., 2d sess.) were ordered to be printed in the RECORD, as follows:

> The Committee on Public Works, to whom was referred the bill (S. 2599) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes, having considered the same, report favorably thereon, with amendments, and recommend that the bill as amended do pass.
>
> The amendments are for the purpose of clarifying the language relating to the treaty between the United States and Canada, and are indicated in the bill as reported by linetype and italics.
>
> PURPOSE
>
> The purpose of this bill is to permit authorization for the development of hydroelectric power on the Niagara River at Niagara Falls, N. Y., by utilization of the United States share of the water provided by the 1950 treaty between the United States and Canada, such authorization to be in accordance with the existing laws of the United States, and to constitute compliance with the reservation placed in the treaty.
>
> NATURE OF MAJORITY REPORT
>
> This report is nominally a majority report in support of the bill which a majority of the committee voted to report to the Senate. Some of the members who voted to report the bill did so either solely or primarily for the purpose of bringing the bill before the Senate for such action as it may choose to take. These members have reserved the right to express their separate views on this legislation. This majority report, therefore, represents the views of those members who recommended passage of the bill but it does not include the opinions of those members who voted to report the bill with a reservation of the right to express their separate views.
>
> The Committee on Public Works held hearings on S. 2599, and other bills relating to development of hydroelectric power at Niagara Falls, on July 23, 1953, March 10, 11, 16, 29, and 31, April 14 and 29, and May 3, 1954. At these hearings testimony was received from Senators, Members of the House of Representatives, the Governor of the State of New York, the chairman of the New York State Power Authority, and representatives of farm, labor, public power, and rural electric cooperative groups. A brief digest of the bills before the committee is as follows:
>
> THE CAPEHART-MARTIN BILL
>
> H. R. 4351, the companion bill to S. 689 (Capehart-Martin), declares the policy of

Congress to preserve the scenic beauty of Niagara Falls, to further national security, and to assure development of low-cost electric power under the private enterprise system.

The Capehart-Martin bill authorizes and directs the Federal Power Commission to issue a license for power development of Niagara River to any United States citizens or corporation, with preference to be given to the applicant most able to proceed promptly. The licensee must give preference to Department of Defense for supplying power for national security, and must pay for remedial works to preserve the scenic beauty of the falls. The license would be subject to all other provisions of the Federal Power Act. The Federal Power Commission would make arrangements, if necessary, to apportion power equitably among States within economic transmission distance.

THE IVES BILL

S. 1971, introduced by Senator IVES, declares the policy of Congress to promote interstate and foreign commerce and national defense, and to provide for the preservation of the scenic beauty and public development and beneficial public use of undeveloped waterpower of Niagara Falls and River.

The Ives bill authorizes and directs the Federal Power Commission to issue a license to the New York State Power Authority for power development on the Niagara River.

The licensee must pay for remedial works to preserve the scenic beauty of the falls. The license is to include all provisions of the Federal Power Act and, in addition, shall require equitable distribution of power for the benefit of the people as a whole, particularly domestic and rural consumers, through any agency, corporation, or association, public or private, engaged in power distribution, all to be consistent with the Power Authority Act of New York State and to permit a fair share of power for other States within economic transmission distance.

THE CASE BILL

S. 2599, introduced by Senator CASE, provides that any project for power development on the Niagara River may be undertaken if authorized in accordance with existing general laws of the United States, and that such authorization shall constitute compliance with the reservation in the treaty with Canada which requires specific authorization by act of Congress for such power development. This language is interpreted to mean that the Federal Power Commission could grant a license the same as for any navigable stream within the United States. Under the Federal power law, preference in granting a license must be given to public bodies.

THE LEHMAN-ROOSEVELT BILL

S. 2966, introduced by Senator LEHMAN, cites the purpose of the act to preserve the scenic beauty of the falls, to aid national defense, and to insure the most beneficial public use of the Niagara River waters for power, navigation, flood control, and other purposes. The bill declares the policy of Congress for direct governmental responsibility and cooperation in the Niagara River development, for construction and operation of power development by public agencies and for distribution of power as widely as possible and at the lowest possible cost to the consumer according to established principles. The bill authorizes construction of remedial works to preserve the scenic beauty of the falls directly by a United States agency.

The Lehman bill authorizes the designated public agency of New York State to develop power at Niagara under the Federal Power Commission license subject to the following conditions:

1. No part of the Niagara waters shall be diverted or sold, leased, or alienated to any person or private company; nor shall power facilities be sold, leased, or alienated.

2. Full recognition shall be given to national security needs.

3. In disposal of power, preference shall be given to public and nonprofit agencies, and to the Department of Defense and other defense agencies; and arrangements shall be flexible with withdrawal provisions so that said preference agencies may secure reasonable share of power.

4. Transmission facilities shall be built to make power available to preference agencies.

5. Power shall be distributed primarily for the benefit of the people, particularly domestic and rural consumers, at the lowest possible cost and to encourage the widest possible use.

6. If power is sold for resale, provisions shall be made to set resale rates to pass savings on to consumer and for promotional purposes. Contracts shall not exceed 20 years.

7. Provisions shall be made to make available reasonable share of power to neighboring States.

8. If and when the northeastern power pool is created by Congress or by interstate compact, Niagara power shall be coordinated with that pool.

DETAILS OF THE PROJECT

Location: The Niagara River is about 36 miles long, extending between Lake Erie and Lake Ontario. Niagara Falls is about 22 miles below Buffalo and Lake Erie.

Description: The river, draining four of the Great Lakes, has a large and fairly uniform flow. For 22 miles below Buffalo the river drops 10 feet to the head of the cascades. The cascades drop about 60 feet in 1 mile, where they are divided into two channels by Goat Island and lead to the American and Horseshoe Falls before plunging 160 feet into the Maid-of-the-Mist Pool. The river then flows northward in a narrow gorge between vertical cliffs 300 feet high, and falling about 100 feet in 6 miles.

Existing power development: The first large-scale hydroelectric power development in the United States was undertaken at Niagara over 50 years ago. The present development consists of the following plants:

Plant	Installed capacity	Date completed
American side:	*Kilowatts*	
Schoellkopf	365,000	1903–24
Adams	80,000	1895–1904
Total	445,000	
Canadian side:		
Rankine	80,000	1902
Toronto	108,000	
Ontario	138,000	
Sir Adam Beck No. 1	373,000	1930
Total	699,000	

Treaty of 1950: The United States and Canada ratified the Boundary Waters Treaty of 1909, which permitted permanent diversion of water for power purposes from the Niagara River above the falls, 20,000 cubic feet per second to the United States and 36,000 cubic feet per second to Canada. The two Governments negotiated and ratified a treaty in 1950 governing the uses of water for power purposes. That treaty provides that no diversions for power shall be made which will reduce the flow over the falls to less than 100,000 cubic feet per second each day between the hours of 8 a. m. and 10 p. m., from April 1 to September 15, and between 8 a. m. and 8 p. m. from September 16 to October 31, or to less than 50,000 cubic feet per second at any other time. The water for power purposes is to be divided equally between the two Governments. Under this treaty the diversions for power purposes would be from 44,000 to 210,000 cubic feet per second depending on the river flow, the time of year, and the time of day.

The 1950 treaty contained a reservation:

"The United States on its part expressly reserves the right to provide by act of Congress, for development, and for the public use and benefit, of the United States share of the waters of the Niagara River made available by the provisions of the treaty, and no project for redevelopment of the United States share of such waters shall be undertaken until it be specifically authorized by act of Congress."

Because of this reservation, Congress must pass legislation before a private power company, State, or individual can be issued a license or permit by the Federal Power Commission to construct and develop a power project for use of the waters made available to the United States under the terms of the treaty.

Remedial works: The treaty of 1950 provides for completing the remedial works which are necessary to enhance the beauty of the falls. These works would consist of construction of a submerged weir upstream from the head of Goat Island to raise the level of the Grass Island pool and to redistribute the water so as to produce an unbroken crestline of the falls, to cover the flanks of the Horseshoe Falls, and increase the flow over the American Falls. This work is now under construction as a Federal project.

Plan of development: The Corps of Engineers and the Federal Power Commission have been engaged in studies of plans to develop the additional power at Niagara. Furtherance of these studies was authorized by resolution dated June 5, 1951, of the Senate Committee on Public Works. The proposed developments are:

1. An intake structure for diversion in the vicinity of Conners Island, about 2.8 miles above the falls, from which water would be carried through conduits for a distance of about 5 miles to a powerplant below the falls at Lewiston, having an installed capacity of about 1,350,000 kilowatts. The power head would be about 314 feet.

2. A pump-storage plant at the top of the Niagara escarpment 0.8 mile east of Lewiston, where water would be pumped during the night hours to a reservoir with surface area of 850 acres and a storage capacity of 22,000 acre-feet, to be used for generating electric power during the high-load hours of the day. The installed capacity would be 130,000 kilowatts.

3. The recapture of the discharge from the Schoellkopf plant below the falls, to be carried through a tunnel about 3 miles to the Lewiston plant, where an installation of about 120,000 kilowatts would operate on a head of a little less than 100 feet.

The entire average annual energy output from the 3 installations (1,600,000 kilowatts) would be approximately 8.4 billion kilowatt-hours.

Estimated cost: Based on preliminary studies the estimated cost of the proposed propect was approximately $337,470,000 in 1951, using closed conduits for conducting the water from Conners Island to Lewiston. The use of open canals for carrying the water would be about $69 million cheaper. Annual costs would be approximately $20 million, and the economic ratio is about 4 to 1. The cost of constructing the remedial works is rather small, probably not exceeding $17.5 million.

Canadian development: An additional development is now under construction on the Canadian side, known as Sir Adam Beck No. 2, with an installation of 1.2 million kilowatts. The first generators should go on the line in 1954. These facilities will utilize more than the Canadian share of the water. Under the terms of article VIII of the treaty of 1950 it is provided that:

"Until such time as there are facilities in the territory of one party to use its full share of the diversion of water for power purposes agreed upon in this treaty, the other party

may use the portion of that share for the use of which facilities are not available."

The three Canadian plants immediately below the falls are old and obsolescent and are no longer operating efficiently. After completion of the plants on the American side, these plants will be retired, or used for standby or for voltage-regulation purposes.

Benefits: The electric power that can be produced at Niagara Falls is urgently needed in the northeastern United States, and this power can be produced at a cost far below the cost of generation by any other means, probably at less cost than any other power in the United States—about 2 mills per kilowatt-hour. It is estimated that by 1960 there would be a demand in the Niagara area alone of 1.5 million kilowatts, and an additional need for 1.6 million kilowatts in Ohio and Pennsylvania.

GENERAL STATEMENT

The witnesses expressed their views with regard to the various bills before the committee. Practically all of them agreed that there is urgent need for early development of additional power at Niagara Falls, to prevent the waste of water now going over the falls and to completely utilize the portion of such water allocated to the United States by the treaty.

The committee is fully aware of the economic feasibility and the desirability of developing the full power potential of the Niagara River. There is no controversy as to the most desirable plan of development. Plans have been developed for the proposed project by cooperation among the Bureau of Power of the Federal Power Commission, the Corps of Engineers, the New York State Power Authority, and the Niagara-Mohawk Power Corp., which owns and operates the existing hydroelectric development on the American side of the Niagara River. Clarification of certain points in connection with the project, or modifications considered necessary, may be determined by the Federal Power Commission in their studies and analyses of the applications for a license.

The committee has given extensive consideration to the four bills before it and to the testimony and arguments advanced in favor of each. A vote was taken on each bill in succession. Each of the four bills failed to receive a majority vote. This lack of approval for any of the four proposals would have continued the existing Federal prohibition against the project for a further period of time. In the face of the evidence that this presently wasted waterpower is badly needed in the area, some of the members expressed the view that the Senate should be afforded the opportunity to act on the matter in one way or another. Subsequently, the Case bill, S. 2599, was reconsidered and received a majority vote to report the bill to the Senate with some members reserving the right to explain their vote and their separate views on the bill.

The members of the committee who support this bill feel that it provides the only method of development which is fully consistent with the Federal policy relating to the development of waterpower in navigable waters as set forth in the Federal Power Act.

The Federal Power Act which was approved in 1920 effectuates the policy of Congress providing for the development, transmission, and utilization of power, and the fostering of other beneficial public uses on streams subject to Federal jurisdiction, upon lands of the United States, and at Government dams, by private and public agencies acting under licenses issued by the Federal Power Commission for terms limited to 50 years and upon conditions which protect every public interest in the water resources involved. Licenses so issued are predicated upon the fundamental premise that the projects are best adapted to plans for comprehensive river-basin development for all public purposes. The legislative history of the 1920 act reflects a congressional purpose to regularize and facilitate Federal permission for non-Federal water resources development through an administrative licensing system which would also safeguard the public interest and make possible ultimate public ownership.

Section 7 (a) of the Federal Power Act provides that, in issuing preliminary permits or licenses, the Commission shall give preference to applications therefor by States and municipalities, provided the plans for the same are deemed by the Commission equally well adapted, or shall within a reasonable time to be fixed by the Commission be made equally well adapted, to conserve and utilize in the public interest the water resources of the region.

Pursuant to licenses issued under that act, hundreds of waterpower projects have been successfully developed throughout the Nation, both by private and public agencies. By this qualified delegation of authority to the Commission, Congress has been relieved of the burdensome detail of examining and passing upon highly technical proposals, and waterpower development has been allowed to proceed in an orderly fashion with full protection of the public interest. This Federal power policy has functioned successfully for the past 34 years.

We note that many municipalities and State agencies have developed waterpower projects under this licensing system. Among the larger of them are the cities of Tacoma and Seattle, Wash.; the Box Canyon project of the Public Utility District No. 1 of Pend Oreille County, Wash.; the Rock Island project of the Public Utility District No. 1 of Chelan County, Wash.; Grand River Dam Authority, Oklahoma; South Carolina Public Service Authority; and the Loup River Public Power District, Central Nebraska Public Power and Irrigation District, and Platte Valley Public Power and Irrigation District, all in Nebraska.

We are unable to support the bill H. R. 4351, which would permit development by private companies, because it would constitute a departure from long-established policy by running directly counter to the public preference provision of the act, since it is established without question that the State of New York wishes to develop the project.

We also feel that the bills S. 1971 and S. 2966 do not provide a logical answer to the problem in that they, too, constitute a departure from the Federal Power Act by attaching conditions which are inconsistent with established policy. We think that any necessary conditions should be attached to a license after careful study by the competent technical staff of the Federal Power Commission.

We favor the bill S. 2599, because we think the only logical course is to return this project to the jurisdiction of the Federal Power Commission under the Federal Power Act. The international aspects of the project have been settled in the treaty of 1950. There is no reason for it to be treated any differently from projects on any navigable streams within the United States. Whatever the reason may have been for imposing the reservation in the treaty which has prevented development under the Federal Power Act, we believe that no justification for continuing that reservation exists today. We conclude that the State of New York should be afforded the same opportunity under the Federal Power Act which was available to the States of Oklahoma, South Carolina, and Nebraska when their State power agencies undertook waterpower developments on streams under Federal jurisdiction.

The State of New York has asserted its interest in the use and development of the waters of the Niagara River in legislation contained in the Power Authority Act. Pertinent portions of that legislation read as follows:

"SEC. 1001. Declaration of policy: Those parts of the Niagara and St. Lawrence Rivers within the boundaries of the State of New York are hereby declared to be natural resources of the State for the use and development of commerce and navigation in the interest of the people of this State and the United States. In order to provide for the most beneficial use of these natural resources for the creation and development of hydroelectric power in the interest of the people of this State, and to preserve and enhance the scenic beauty of the Niagara Falls and River, such natural resources, including the beds and waters of the said rivers as instrumentalities of commerce and navigation, and the beds, waters, power, and power sites in, upon, or adjacent to or within the watersheds of the said rivers owned or controlled by the people of the State, or which may hereafter be recovered by or come within their ownership, possession, and control, shall always remain inalienable to, and ownership, possession, and control thereof shall always be vested in, the people of the State.

"SEC. 1002. Power Authority of the State of New York: For the purpose of effectuating the policy declared in section 1001 of this chapter and of improving the Niagara and St. Lawrence Rivers as instrumentalities of commerce and navigation and developing the hydroelectric power resources thereof, there is hereby created a corporate municipal instrumentality of the State to be known as Power Authority of the State of New York, hereinafter in this title referred to as the authority, which shall be a body corporate and politic, a political subdivision of the State, exercising governmental and public powers, perpetual in duration, capable of suing and being sued, and having a seal, and which shall have the powers and duties hereinafter enumerated, together with such others as may hereafter be conferred upon it by law.

"It shall report annually to the Governor and the legislature upon its operations and transactions."

We also call attention to the following comments of Mr. Robert Moses, chairman, Power Authority of the State of New York, contained in a letter dated March 13, 1954, which is printed in full in the hearings:

"This is the first time, so far as we know, that Congress has ever interfered with or obstructed the operation of the Federal and State laws on licensing power development where no direct Federal project is involved.

"The Congress would not now be debating this question at all if the Senate, in ratifying the 1950 Niagara Treaty with Canada, had not attached a reservation requiring congressional authorization of plans to redevelop the river 'for the public use and benefit.' This requirement manifestly includes scenic and park preservation. It has been seized upon to take the basic licensing power away from the Federal Power Commission and to impose conditions on the licensing by the Commission as to Niagara Falls never intended by the international treaty and contrary to present Federal and State law.

"Under the Federal Power Act the Federal Power Commission in all cases must give a preference to State and public agencies as against private companies in granting licenses, unless it can be proven that the private plans will better conserve and utilize the water resources in the public interest. At Niagara the engineering plans of the parties are identical. Conservation and beneficial utilization of this great State-owned natural resource cannot and will not best be promoted by exploitation for private profit.

"Under present Federal law, the Federal Power Commission may grant licenses only to those who are qualified under appropriate State law to develop the power facilities. In the case of the Niagara and St. Lawrence our State law specifically provides that development of these facilities shall be reserved to the State and the State power authority and shall be inalienable. Inalienable means that they shall not be delivered to private utility

companies. The intent is that the State power authority only shall be considered a proper applicant for licenses from the Federal Power Commission."

An amendment was proposed and rejected by a majority vote of the committee which would require that sales of power by the licensee from this project be made in accordance with the preference clause of section 5 of the Flood Control Act of 1944. The particular portion of section 5 referred to reads as follows: "Preference in the sale of such power and energy shall be given to public bodies and cooperatives." This was enacted to apply to power sold from dams constructed and operated by the Federal Government in the exercise of its control over navigable waters. Similarly, the Federal Power Act provides that preference be given to public bodies in the granting of licenses for developing hydroelectric power in navigable waters.

Neither of these laws contemplated any dictation as to the subsequent disposition of the power either after it was purchased from Government dams or developed under license by such public bodies. The omission of any such control seems to have been based upon the premise that public bodies organized as nonprofit agencies to perform a public purpose could be entrusted with the responsibility of conducting their operations in the best public interest. Such public bodies are required by their own charters or State laws to charge fair and nondiscriminatory rates. To require public bodies to give preference to other public bodies could result in discrimination against the selling agency and its individual customers. The demands of neighboring public bodies could reach such a volume that the selling agency would have insufficient power for a normal growth in demand of the individual domestic residents, farmers, and industries located in its own marketing area. Such a result would be contrary to the statutory purposes of the public body.

The testimony at the hearings brought out the fact that about 95 percent of the consumers of electric energy in New York State are now served by privately owned utilities and that the rural areas are almost completely served by those utilities. If the Federal preference clause should be imposed upon the State power authority, it would be required to give preference to the public agencies serving only 5 percent of the consumers in the State and to the much greater number of public agencies in adjoining States. This could easily result in denying the 95 percent of the New York consumers now served by private utilities a fair and equitable share of Niagara power. We think this would be unjust and discriminatory. We believe that New York State in its Power Authority Act has provided for equitable distribution of the benefits from Niagara power for all classes of consumers. Excerpts from that act relating to this subject are as follows:

"That in the development of hydroelectric power therefrom such projects (Niagara and St. Lawrence) shall be considered primarily as for the benefit of the people of the State as a whole and particularly the domestic and rural consumers to whom the power can economically be made available, and accordingly that sale to and use by industry shall be a secondary purpose, to be utilized principally to secure a sufficiently high load factor and revenue returns to permit domestic and rural use at the lowest possible rates and in such manner as to encourage increased domestic and rural use of electricity. In furtherance of this policy and to secure a wider distribution of such power and use of the greatest value to the general public of the State, the authority shall in addition to other methods which it may find advantageous make provision so that municipalities and other political subdivisions of the State now or hereafter authorized by law to engage in the distribution of electric power may secure a reasonable share of the power generated by such projects, and shall sell the same or cause the same to be sold to such municipalities and political subdivisions at prices representing cost of generation, plus capital and operating charges, plus a fair cost of transmission, all as determined by the trustees, and subject to conditions which shall assure the resale of such power to domestic and rural consumers at the lowest possible price: *Provided, however,* That in disposing of hydroelectric power pursuant to and in furtherance of the aforementioned policy and purposes, appropriate provisions may also be made to allocate a reasonable share of project power to agencies created or designated by other States and authorized to resell the power to users under the same terms and conditions as power is disposed of in New York State."

The Federal Government has given financial assistance by loans and grants and has issued licenses for waterpower developments to numerous State, municipal, and cooperative public-power agencies in the past, such as those in Oklahoma, Nebraska, and South Carolina. It has not imposed any public-preference requirements upon these public-power agencies which are chartered and dedicated to the marketing of power in the best public interest. The imposing of such preference requirements might result in making the projects uneconomical to such an extent that it might be impossible for the public agencies to make satisfactory financing arrangements for constructing the projects.

With respect to the sale of power from Government-owned dams, it is noted that most all such sales are on a wholesale basis. With very few exceptions the Federal Government does not sell any power to individual customers. It is understood that these few exceptions apply mainly to very large industrial users whose demand would usually be beyond the capacity of the facilities of the local distributing agencies. For that reason practically all consumers except the very largest of industrial customers are served directly by the local public distributing agency which is a preference agency. This situation exists with respect to the Government-owned powerplants in the Tennessee Valley, the Columbia Valley, and other scattered locations throughout the Nation. If it should be good policy to require public-preference agencies operating their own licensed projects to give preference to other public agencies, then such a policy should be applied to all marketing of power from existing Federal dams. If such a policy should be imposed upon all existing Federal power projects it appears that this would result in utter chaos in the management of the distribution activities of the hundreds of local public agencies which are now selling Government power on a fair and equitable basis to domestic, farm, and industrial customers. The committee has not heard any direct testimony or request from any of these local public distributing agencies in support of such a drastic change in policy. It appears very doubtful that these local public-marketing agencies operate under the State or local laws which require them to conduct their operations in the best public interest. The committee feels that it would be wholly inconsistent and discriminatory to impose such conditions in this bill. It has therefore rejected the proposed amendment.

The reports of Federal agencies on S. 2599 are printed below. The Bureau of the Budget and the Federal Power Commission are favorable to the bill, and the Department of State and the Department of the Army do not object to its enactment.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
April 6, 1954.

Hon. EDWARD MARTIN,
Chairman, Committee on Public Works,
United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: This will acknowledge your letter of August 4, 1953, inviting the Bureau of the Budget to comment on S. 2599, to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

S. 2599 would permit the development of the resources of the Niagara River in accordance with existing general laws of the United States; i. e., under a license granted by the Federal Power Commission. The bill further provides that this procedure shall satisfy the reservation imposed by the Senate when it consented to the treaty between the United States and Canada governing the use of the waters of the Niagara River.

The Bureau of the Budget, in a letter dated June 24, 1953, commented on two other bills relating to the development of the Niagara River. In that letter we also said: "Since the relative merits of the differing proposals, for such a large development are necessarily complex, it is the view of this Office that a complete analysis is essential and can best be accomplished by removing the existing barrier to the consideration by the Federal Power Commission under the Federal Power Act of proposals for redevelopment. Accordingly, the Bureau of the Budget would recommend that the committee approve, in lieu of S. 689, S. 1851, and S. 1971, legislation permitting the Federal Power Commission to so proceed." Enactment of S. 2599 would be consistent with this view.

In reaffirming this recommendation, the Bureau of the Budget, of course, does not intend in any way to judge whether the recent decision of the Supreme Court may have a bearing upon the licensing of projects under the Federal Power Act.

Sincerely yours,

ROWLAND HUGHES,
Deputy Director.

FEDERAL POWER COMMISSION,
Washington, April 12, 1954.

Hon. EDWARD MARTIN,
Chairman, Committee on Public Works,
United States Senate.

DEAR MR. CHAIRMAN: In response to your request there are enclosed three copies of the report of the Federal Power Commission on the bill S. 2599, 83d Congress, to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

We have just been advised that there is no objection by the Bureau of the Budget to the presentation of this report to the Committee on Public Works.

Sincerely yours,

JEROME K. KUYKENDALL,
Chairman.

FEDERAL POWER COMMISSION REPORT ON S. 2599, 83D CONGRESS, A BILL TO AUTHORIZE THE CONSTRUCTION OF CERTAIN WORKS OF IMPROVEMENT IN THE NIAGARA RIVER FOR POWER AND OTHER PURPOSES

This bill would authorize redevelopment of the Niagara River to provide for an increase in the hydroelectric capacity on the United States side of the international boundary without injury to the scenic beauty of the falls. The Niagara Treaty under which this redevelopment may be undertaken was ratified on August 9, 1950 (1 U. S. T. 694). Canada immediately started work to utilize the additional diversion permitted on the Canadian side and will complete her power facilities before power facilities can be constructed on the United States side. Canada, therefore, may use temporarily part of the diversion authorized for the United States.

It is expected that generating capacity of 1,695,000 kilowatts can be installed on the United States side with an average annual output of approximately 11.6 billion kilowatt-hours. By comparison, the ultimate installed capacity of the Boulder project is 1,327,500 kilowatts with an average annual output of 5.3 billion kilowatt-hours. At Grand Coulee the ultimate capacity is 1,944,000 kilowatts with an average annual output of 12.5 billion kilowatt-hours. And on the St. Lawrence there will be about 940,000 kilowatts on the United States side with an average annual output of 6.3 billion kilowatt-hours. It is neither good business nor in the public interest to continue to waste the waterpower resources at Niagara Falls.

The bill provides that redevelopment may be undertaken if authorized in accordance with existing general laws of the United States relating to the authorization of such projects. The Federal Power Act is a general law relating to water-resources development and utilization for the production of hydroelectric power and other purposes pursuant to licenses issued by the Federal Power Commission. Therefore, under this provision of the bill the Commission would be authorized to issue a license authorizing the redevelopment under the terms and conditions of the Federal Power Act to citizens of the United States, or to any association of such citizens, or to any corporation organized under the laws of the United States or any State thereof, or to any State or municipality.

The bill, therefore, would be consistent with the general policy of complete analysis and fullest development which has been in effect since the enactment of the Federal Water Power Act in 1920 in the utilization of waterpower resources by non-Federal agencies and would provide for consideration of all of the factors which should be considered under the Federal Power Act, including consideration, pursuant to section 7 (b) of the act, of the question whether the redevelopment should be undertaken by the United States itself.

Accordingly, the Commission recommends early enactment of legislation which will provide for full use of these waterpower resources and, if non-Federal development is to be permitted, the Commission recommends enactment of S. 2599.

FEDERAL POWER COMMISSION,
By JEROME K. KUYKENDALL,
Chairman.

DEPARTMENT OF STATE,
Washington, April 8, 1954.

Hon. EDWARD MARTIN,
Chairman, Committee on Public Works, United States Senate.

MY DEAR SENATOR MARTIN: Reference is made to your letter dated August 4, 1953, and the reply of this Department dated August 7, 1953, concerning your desire to receive the suggestions of this Department regarding S. 2599, to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

As a matter of form, it is suggested that in lines 6 and 7 of the bill, the words "Executive N, 81st Cong., 2d sess.)," be stricken out and there be substituted therefor the official citation for this treaty, namely, "(TIAS 2130; 1 U. S. T. 694)."

There is no objection to the enactment of this legislation so far as the interests of the Department of State are concerned.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,
THRUSTON B. MORTON,
Assistant Secretary
(For the Secretary of State).

DEPARTMENT OF THE ARMY,
Washington, D. C., April 9, 1954.

Hon. EDWARD MARTIN,
Chairman, Committee on Public Works.

DEAR MR. CHAIRMAN: Reference is made to your request for a report on S. 2599, 83d Congress, a bill to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

The Department of the Army has considered the above-mentioned bill. The purpose of the bill is to permit power redevelopment at Niagara Falls to be undertaken if authorized in accordance with existing general laws of the United States relating to such projects. The bill provides that such authorization would constitute compliance with the reservation of the Senate in ratifying the treaty between the United States and Canada concerning the uses of the waters of the Niagara River; this reservation states that no project for redevelopment of the United States share of the waters of the Niagara River for power purposes shall be undertaken until it be specifically authorized by act of Congress.

As stated in reports to your committee on bills S. 698, S. 1851, and S. 1971, the Department of the Army does favor the early accomplishment of a project to develop the United States share of the diversion of water for power at Niagara Falls. Whether the project should be authorized specifically, as provided in those three bills, or whether the work should be authorized in accordance with existing general laws, as would be permitted if S. 2599 were enacted, concerns a policy matter to be decided by the President and the Congress and with respect to which the Department of the Army would prefer to withhold comment.

With reference to line 4 of the bill, it appears that certain language has been inadvertently omitted and that after the word "States" the language "in ratifying the Treaty between the United States" should have been inserted.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,
ROBERT T. STEVENS,
Secretary of the Army.

Mr. KERR. Mr. President, I yield myself 3 minutes.

Mr. President, one of the most eloquent statements I ever heard in connection with the bill was made by the Senator from South Dakota before the Public Works Committee on March 14, 1956, when he was interrogating Mr. Ellis, of the Rural Electrification Administration, as follows:

Senator CASE. But, I am perfectly willing to take the terms of the Lehman bill. That is what I referred to in my telegram to Mr. Severson. * * *

The only way that any of those people, the common people, and the little people, the people who live on farms, the people who live in small towns, the consumers, could get any of the Niagara power was to have some provision here so that after the preference customers have been taken care of, they could have access to some of that power.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KERR. I shall yield in a moment.

Mr. President, the pending bill does not set aside the preference clause of the New York law. The bill would add to the preference clause of the New York law. The bill would so fix the law that preference customers, under Federal legislation, would get the power, but it would not violate the New York law. It would be in addition to the New York law, and I believe the Senator from New York [Mr. IVES] knows that to be so.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oklahoma yield?

Mr. IVES. Mr. President, will the Senator from Oklahoma yield to me?

Mr. KERR. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, the Senator from Oklahoma has read a statement I made in the course of the hearings on another bill. At that time we were dealing with a Federal development, and I was referring to a Federal development on the Missouri River.

When the Federal Government puts up the money, I think the Federal preference provision should apply, or as modified by Congress to fit circumstances. But when a State puts up the money to develop a resource which it claims, I think the State should not be denied the right to apply its own preference law.

In that telegram to Mr. Severson, I was referring to a Missouri River project financed by the Federal Government where I think special-preference provisions should be provided by the Federal Government. The Lehman language on preference would be preferable in that particular case to the general preference clause, in my opinion.

Mr. KERR. Is not the Lehman bill a Federal bill?

Mr. CASE of South Dakota. But it provides for State financing. At the hearings quoted I was discussing preference provisions for the construction of a federally financed project.

I have no objection to the Federal Government writing the preference provisions in the case of federally financed projects; but it seems to me that State law of New York is negatived if we here write different preference provisions, and then ask the State of New York to provide the financing for the project. They may not be able to sell their bonds.

Mr. KERR. I merely read the remarks made by my good friend, the Senator from South Dakota, for whom I have the highest respect, as I saw them in the record, as being one of the most eloquent statements I have ever heard in favor of the Federal preference clause.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Pennsylvania [Mr. MARTIN].

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The Senator from Pennsylvania is recognized for 5 minutes.

Mr. MARTIN of Pennsylvania. Mr. President, I had intended to speak against the Lehman bill because I am entirely opposed to public ownership of utilities.

I think the time has come when here in the United States we must determine whether we intend to continue under the free-enterprise system which has given us the highest living standard of any nation in the world, and has made us a nation strong culturally, spiritually, and in every other way.

The distinguished Senator from Connecticut [Mr. BUSH] referred to other natural resources, such as coal, oil, gas,

the soil, lead, zinc, and so forth. It seems to me that if we continue along this line, eventually we shall put such natural resources under public control. Mr. President, to my mind that would not be good for the United States.

I shall not take any more of the time of the Senate to discuss the general issue, because at this time we are to vote on only the question of whether the bill shall be recommitted to the committee, for further consideration by it. I think there is good reason for doing that, when we take into consideration the preference which has been mentioned. To my mind, the preference provided in the bill is inclined toward socialism, insofar as the distribution of power is concerned.

Taxes have been referred to. Mr. President, we must have taxes if we are to maintain our schools, hospitals, roads, defense, and other governmental functions. This bill will deprive local government, State government, and the Federal Government of $23 million every year—an enormous amount of money. In addition, it will deprive the State of New York of $5 million a year in water rentals.

Mr. President, I have prepared a statement against the bill and in favor of private enterprise. I am sorry we are not substituting the Capehart bill for the Lehman bill; but I realize that it would be impossible to get through the House at this session a bill along the lines suggested in the bill of the distinguished Senator from Indiana [Mr. CAPEHART], and that it would be useless for us to attempt to do so.

So, Mr. President, by returning the bill to the committee——

Mr. IVES. Mr. President, at this point will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. I am glad to yield if I have the time to do so.

Mr. IVES. I should like to clear up a point about which I think perhaps the Senator from Pennsylvania made a misstatement. He referred to the House, and I assume that he meant the Senate; I refer to his reference to getting the bill through.

Mr. MARTIN of Pennsylvania. I meant that if we were to substitute the Capehart bill for the Lehman bill, it woud then be necessary to send the bill to the House of Representatives, because the bill which passed the House of Representatives in the last Congress, by a vote of more than 2 to 1, of course died with that Congress.

Mr. President, in order that my ideas in regard to the pending bill, and particularly in regard to public power versus private-enterprise power, may appear in the RECORD, I ask unanimous consent that a statement I have prepared on this subject be printed at this point in the body of the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MARTIN OF PENNSYLVANIA

The issue confronting us is whether additional hydroelectric power is to be developed at Niagara by a governmental agency or whether we shall continue the private-enterprise plan which has been in successful operation at Niagara for more than half a century.

There is no disagreement as to the urgent need of legislation that will expedite the utilization of the United States share of the waters of the Niagara River for the expanded production of hydroelectric power as provided under the treaty of 1950 with Canada.

There is complete agreement that such increased production of electrical energy is essential from the standpoint of national security, the expansion of industrial production and economic progress.

The area of controversy concerns itself principally with whether we believe in the private-enterprise system or we do not believe in it.

The question that must be decided here is whether the circumstances surrounding the expansion of Niagara power are such that would warrant abandoning the private enterprise system and substituting governmental construction and operation.

As a Nation we profess to believe in private initiative. We boast that our economic progress, the growth of our industries and our standard of living, the highest in the world, were made possible because here in the United States, the so-called capitalistic system provided incentives for our people to invest their savings in productive enterprise, to launch large and small businesses, to give employment to others and thus build a greater and better America.

We have grown great because under our system we encourage private enterprise with legitimate profit as the motive. When we no longer offer such encouragement to private enterprise, American progress will slow down to a halt.

We are not concerned here with a new project in undeveloped territory in which private enterprise is unable or unwilling to invest risk capital. We are dealing with an addition to the hydroelectric development at Niagara Falls in which private enterprise pioneered and which has been in existence since 1895.

Development by a governmental agency through the use of public funds might be justified if there was no one else willing and competent to undertake a project of this magnitude.

But I subscribe to the principle that government should not undertake to do things that the people can do for themselves. So long as private capital stands ready to do the job government should not invade the field of private initiative and should not set itself up in direct competition with the power business or any other business.

I support the recommendation of the Hoover Commission that government should withdraw from industrial and commercial activities that compete with private enterprise.

I believe that the application of this principle would work just as much to the advantage of the American people in State government as it would in the case of the Federal Government. Our aim should be to limit the functions of Government, not to expand its tax consuming activities.

Those of us who are opposed to S. 1823 cannot close our eyes to the fact that utility companies, presently operating in the area, with a splendid record of experience and achievement, are ready, willing and financially able to undertake the expansion of existing hydroelectric facilities at Niagara.

We cannot ignore the fact that these utilities are publicly regulated, tax paying companies, owned by 310,000 stockholders, residing in every State of the Union. These utilities give employment to 42,415 working men and women with an annual payroll of $232 million.

I am unable to agree with those who would brush aside lightly the undeniable fact that private enterprise development involves payment of rentals to the State for the use of the water as well as additional local, State and Federal taxes, totalling $23 million a year. Of this tax total $9 million would be Federal; $4,500,000 would be paid to the State of New York; and $9,500,000 to local subdivisions of government.

In this connection it is important to remember that private enterprise now pays some $1,900,000 a year for the use of water in the existing hydroelectric development at Niagara and thus far has paid to the State of New York over $25 million in water rentals.

If private enterprise makes the additional development at Niagara Falls, the water rentals paid to the State would approximate $5 million a year. I ask you to keep in mind also that the same utilities, which are ready to go ahead with this $400 million project, paid taxes in 1955, including Federal, State, and local, of $195 million.

It has been argued that the New York State Power Authority can turn out power at lower cost than the investor owned, regulated utilities and that the lower cost of production would mean a saving to the consumers.

One of the most vigorous proponents of State development is Mr. Robert Moses, chairman of the New York Power Authority. Under date of January 12, 1956, Mr. Moses wrote a letter to the chairman of the Public Works Committees of the Senate and the House, supporting development of Niagara by the State.

In these letters he stated:

"The power authority will produce and sell power for about 3 mills while the corporation, which would be the beneficiary of the bill sponsored by the utility people, would charge upward of 4½ mills per kilowatt-hour at the bus bar."

Accepting Mr. Moses' figures and applying them to the production of approximately 8 billion kilowatt-hours a year in Niagara redevelopment, we arrive at a theoretical saving of $12 million a year to the consumers. But to my mind the saving claimed by Mr. Moses becomes more fanciful than real when it is achieved by the avoidance of taxes amounting to $23 million a year.

It is true that certain groups which gain a direct benefit totaling $12 million from tax-free State operation, but only at the expense of all the other taxpayers who would be penalized by a tax loss amounting to $23 million a year.

In other words the taxpayers in every State of the Union, far removed from the Niagara source of power, would be required to make a substantial contribution in taxes in order to subsidize a tax-exempt commercial enterprise by the State of New York.

I do not presume to speak for the people of the State of New York, but I have received a great many communications from business and farm organizations, labor unions, and civic groups in favor of private enterprise development at Niagara and against development by government, either State or Federal.

There has come to my attention also the results of polls taken by three Congressmen in their own New York State districts. These samplings of public opinion, according to the information supplied to me, indicated an overwhelming preference for private enterprise in carrying out the Niagara Power project.

I have been informed that the test in one district resulted in a vote of 90 percent in favor of private enterprise; in another the ration was 76 percent and in the area around Buffalo the response was 5 to 1 in favor of private enterprise development.

I am impressed also by the action of the New York State Association of Towns on a resolution favoring private instead of public development. Of the State's 535 town boards,

the unit of Government closest to the people, 493 called for private enterprise development, 35 took no action, 5 favored State development, and 2 supported a Federal project.

Another clear indication of the sentiment in New York State is given in the vote by which H. R. 4351 was passed by the House of Representatives on July 9, 1953. This was a private enterprise bill, authorizing construction and operation of additional facilities by the electric companies. The record shows a vote of 262 to 120 for the bill with 32 Representatives of the State of New York voting in favor of private enterprise development and only 9 against.

President Eisenhower has stated that the Niagara issue should be resolved in accordance with the wishes of the people of New York. It seems to me that the evidence is overwhelming that the majority of the people want investor owned, tax paying, publicly regulated, private enterprise development at Niagara.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD some general remarks on the pending bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

I should like to address myself to the principal aim of the bill before us, that the power produced at the Niagara project be sold "primarily for the benefit of the people as consumers, and particularly for the benefit of domestic and rural consumers, to whom it shall be made available at the lowest rates reasonably possible and in such manner as to encourage the widest possible use."

I have heard no disagreement with this aim. We are dealing with a great resource which belongs to all of the people of the United States. We have an obligation to assure the people of the greatest possible benefit from its development.

As a cosponsor of S. 1823, it is my conviction that only under this bill can we assure prompt, efficient redevelopment at Niagara without cost to the Nation's taxpayers, and at the same time provide the benefits which we are obligated to confer on domestic and rural consumers in the Niagara area.

Other proposals have been advanced for the construction of this project and there is general agreement, I am sure, that we must move ahead without further delay to harness the wealth which lies in the water of the Niagara. There has been far too much delay in settling this matter.

It is essential that we get on with the job at Niagara. Canada is making full use of her share—and part of our share—of the Niagara's water while we are debating here.

At the same time, it is essential that safeguards be included in the Niagara legislation.

The trickle down theory of national economics was thoroughly discredited in the early thirties. Similarly, the trickle down theory which has been advanced by those who favor turning Niagara over to a handful of private power companies, cannot be expected to bring significant benefits to consumers in the Niagara area.

Insofar as possible, the Congress must make sure that at least a portion of Niagara's power will go directly to consumers through the nonprofit municipally and cooperatively owned electric utilities now serving the people of the area. I am confident that by this route, and by no other, the impact of low-cost power will be felt most strongly.

It has been demonstrated in the Northwest that when people get together to serve themselves with electricity they tend to keep rates down. Low rates in turn result in higher usage and, in most cases higher profits. The same cycle has followed major public power developments throughout the Nation, most spectacularly, perhaps, in the area served by the Tennessee Valley Authority.

Over and over again the private utilities have shown a reluctance to embark upon this course. Unless they are prodded by the competition of nearby publicly owned utilities, the power companies often prefer to set a price which will bring a proper return upon investments already made instead of setting low prices as an incentive to greater sales.

Gradually they are following the leadership of the public systems in many parts of the Nation, notably in the Northwest, and adopting the high volume, low unit cost kind of approach which has proven so successful in other American industries.

But, I submit, this aproach has not shown itself in the area around Niagara. The private utilities are but lately emerging from a status quo philosophy which has in very recent years threatened economic stagnation.

We can see a rebirth in the Northeast, but only if the Congress plans wisely, and insists upon the safeguards which are essential to the Niagara legislation.

The Lehman bill follows the marketing principles which have brought abundant, low-cost power to the Pacific Northwest. These principles, as you know, are not partisan in origin and have been reaffirmed by the Congress in virtually all Federal power legislation.

I should like to review briefly the effect of these principles upon the rural and domestic consumers whom we are obligated to protect.

Within a 300-mile radius of Niagara Falls there are some 166 municipally owned electric utilities eager to buy power from the Niagara project, 52 of them in New York State, 40 in Pennsylvania, and 74 in Ohio. In addition there are 40 rural electric cooperatives.

At the present time these are well-established but relatively small utilities. Many of them, particularly in the towns and villages, were organized about the turn of the century or before, at a time when no other utility was interested in providing electric service. To me, these utilities represent the best kind of American enterprise in that the people themselves got together to further the progress of their communities.

As the electric industry has grown larger and more essential to our everyday life, the trend has been toward larger generating plants, interconnected for economy of operation. The scattered municipal utilities of New York, Pennsylvania, and Ohio have been unable to benefit greatly from this trend for reasons of distance and, in some cases, State or local laws.

As a result, the municipal utilities and cooperatives in this tri-State area are operating small independent generating stations or buying wholesale power from private utilities at wholesale rates which are among the highest in the Nation—3 or 4 times as high as the wholesale rates in sections of the country where there has been extensive development of low-cost hydroelectric power.

For example, according to the most recent Federal Power Commission statistics available, the local publicly owned electric utilities in the New England area in 1953 paid an average of 14.1 mills per kilowatt hour for purchased power. In New York the average was 11.1 mills; in Pennsylvania, 14.6 mills; and in Ohio, 16.2 mills.

Compare this with the costs in the Pacific Northwest, where Oregon's publicly owned electric systems paid an average of 3.2 mills per kilowatt hour during the same year and Washington also paid 3.2 mills.

The pending bill provides that public bodies such as municipal electric utilities and rural cooperatives shall have a preference in the sale of Niagara power, a provision which I consider absolutely essential if Niagara power is going to have a significant impact upon the area. Without this safeguard, the relatively small needs of these public enterprises would be subordinated to the quantity purchases of large industries and private utilities.

Many people seem to believe that the Pacific Northwest has benefited from low-cost power only because the Federal Government has developed some of the area's hydroelectric resources. I submit that this is only part of the answer. The wise marketing policies which Congress has written into Federal law have insured the consumers of the Northwest a share of the benefits from this development.

The needs of the small municipalities in Washington and Oregon have been so similar to those of the Northeast, that I would like to review briefly just what these wise policies of Congress have meant to such electric systems.

Historically, the towns of the two distant areas developed in much the same way. The town of Ellensburg, Wash., for example, established its publicly owned electric system in 1890. Similarly, the great municipal electric utilities of Seattle, Tacoma, and Centralia in Washington have been in existence since the turn of the century. Their success led to demands from the farmers of the State for central station electric service and the countrywide public utility districts which now serve many of Washington's consumers with low-cost power were authorized by the State legislature in 1931, after the people of the State endorsed the Grange-district power bill at the election of November 4, 1930.

In 1882 the first electric light plant in the Territory of Washington started operating at Tacoma, only 6 years after Thomas Edison exhibited the first practical electric light at the Centennial Exposition in Philadelphia.

The forward-looking communities of the Northwest built electric generating and distribution systems almost as soon as they took responsibility for providing water, roads and schools. For example, McMinnville, Ore., started its electric plant in 1889, Eugene, Oreg., in 1910.

At about the same time, such municipalities as Jamestown, Ilion, Rockville Centre, and others in New York were taking steps to set up municipal electric utilities.

There has been a great deal of talk about "local interests" in connection with the Federal power policy in recent years. It seems to me that the Lehman Bill points the way to a local development of a public resource which can spread its benefits over a three-State area through the most local kind of interest in existence—the local publicly owned electric utility.

I should like to point out that the municipalities in the Northwest have taken the lead, not only in establishing electric utilities, but in testing the low unit cost-high consumption theory which later found such great success in the Tennessee Valley and the Bonneville system. By lowering rates as early as 1910, the municipal systems in the Northwest encouraged electric cooking and water heating. Since that time the Northwest has led the world in the density of electrical ranges and water heaters and they have gone on lowering rates, year after year, bringing the bull benefit of low-cost hydro power to their consumers. As a result, they have been highly successful business ventures and their consumers enjoy electric appliances which consumers in the Northeast cannot afford to operate.

In the Niagara area, electric power has been too costly to be fully enjoyed by many of the rural and domestic consumers who must be the principal beneficiaries of any Niagara legislation we in Congress decide upon.

Since the 1,240,000 kilowatts anticipated at Niagara will be a relatively small part of the total power needs of the Northeast, it is

important that these cheap kilowatts be marketed in such a way as to spread their effectiveness as widely as possible.

The experience of the city of Dunkirk, N. Y., in bringing power to its people at the lowest possible cost points up what can be done by the municipally owned utilities to provide a "yardstick" for private utility operation. The "yardstick" effect of such regional power developments as TVA and Bonneville is well-known; however, we are inclined to overlook the importance of the municipal utility competition in other parts of the country upon neighboring private power companies.

Dunkirk went into the electric utility business in 1888 for the reason that no one else at the time wanted to provide electric service to the town. Today, the people of Dunkirk enjoy the lowest rates for residential electricity of any on the Atlantic Seaboard, or in the New England, Middle Atlantic or South Atlantic States, despite the fact that Dunkirk buys its power wholesale from a private power company. It goes without saying that the utility operation at Dunkirk is efficiently conducted and that low-cost power from Niagara could mean an immediate and direct benefit to its citizens.

The question of electric rates brings to mind the situation which now exists in Canada. Under wholly public operation, the Hydroelectric Power Commission of Ontario provides Niagara power from its Sir Adam Beck No. 2 Generating Station to municipal distribution systems which supply consumers at rates which bear comparison with those south of the border.

It is certainly not my intention to imply that all-public operation is a desirable end in this country; on the contrary, there are contributions which both public and private utilities can make in the Niagara area. However, the private utilities in upstate New York might consider these figures for 1953—the latest available. Residents of Toronto paid an average electric bill of $4.68 for 386 kilowatt-hours per month, while residents of Rochester, N. Y., paid $4.59 for only 100 kilowatt hours. Another comparison shows that in Ottawa, residents paid an average bill of $4.03 for the use of 504 kilowatt-hours per month, while residents of Albany, N. Y., would have had to pay $10.50 per month for the same amount of power. Many similar comparisons can be made and they show two important facts: First, that Niagara power can be brought to peoples' homes at much lower rates than now prevail in the area and, second, that people who pay lower rates use a great deal more power.

Our principal concern here is, as I have stated, for domestic and rural consumers. It is axiomatic to say that these consumers benefit from the competition which characterize American industry. This competition is necessarily absent from the electric utility industry, which by its very nature must be a monopoly. Overlapping of service in the same territory in this industry destroys efficiency of operation.

The only element of competition in this field is injected by the local publicly and cooperatively owned electric utilities scattered across the Nation, often adjacent to service areas of huge private utilities. In my view, this competition brings benefits not only to the consumer-owners of these public systems, but also to consumers of neighboring privately owned utilities. Through this kind of competition the benefits of Niagara power can gain the widest possible distribution.

In addition to affording a preference to these local publicly owned utilities, in accordance with traditional Federal power policy, the pending bill provides that where satisfactory transmission agreements cannot be worked out, the Power Authority of the State of New York will be empowered to build transmission lines to load centers of the preference customers.

This I regard as an essential safeguard. Whether or not it becomes necessary to build such lines, the very existence of this provision can serve as a bargaining point in working out transmission agreements. All too often the private utilities with lines to Federal projects have been able to offer "take it or leave it" terms because the preference customers had no alternative but to "take it."

Without this provision, very little of the Niagara power would trickle down to the public systems, at least, at a price which would reflect the low cost of producing power at Niagara. If the low-cost factor is destroyed, one of the major arguments for building the Niagara power project also will be destroyed.

Certainly we must make sure that low-cost Niagara power will benefit consumers of private utilities in New York, as well as existing and potential industries in the area. It goes without saying that the bounty of Niagara should not be restricted to any one group. The preference to public bodies and rural electric cooperatives which has been written into the Lehman bill is needed, not to confer a special privilege upon municipalities owning their own electric utilities, but to prevent private monopoly of this great national resource.

There are many public systems in New York, Pennsylvania, and Ohio, but they are pygmies compared to the giants of private power which serve the vast majority of the consumers. Private power is dominant in the electric utility business in the three States nearest the Niagara project. Only by setting aside a portion of the power output specifically for them can the public and cooperative utilities be assured of getting any Niagara power at all.

Through the localized and limited competition offered by these public systems, the larger private utilities may be encouraged to test the theory which proved itself in the Northwest as early as 1910—that a utility which lowers its rates encourages consumers to use more electric appliances, building a greater electric load, and thus enabling the utility to make more money than it made before.

One of the public-utility districts in my State recently issued an annual report under the title "Progress Follows Power."

The truth in this title has been proven over and over again in Tennessee and in Washington and, more recently, in the Ohio Valley, where new industries are moving in with their own plans for adjacent powerplants, using nearby coal supplies to generate electric energy.

When Grand Coulee Dam's power began to flow, the "jackrabbits," which many diehards declared would be its only consumers, had to make way for factories and the people who work in them.

Industrial progress can come to Niagara, too. I hope to see a healthy competition among industries for Niagara power and Niagara plant sites and an overall renewal of interest in the eastern Great Lakes, a rebirth of communities which have found that progress has been following power—elsewhere.

But again, I submit, we must not permit the large power users to siphon off all of the benefits of this great resource. Only under the pending bill will the rights of consumers—rural and domestic—be fully protected.

I urge the passage of this bill without amendment. It has been approved by Senators of both political parties, serving on the Public Works Committee. It has been studied and revised to provide the maximum use of Niagara's waters and to protect the very real interest which the American people have in this national landmark. In my view, S. 1823 is the answer to the Niagara question which has plagued this body since the treaty with Canada was ratified in 1950.

Mr. MAGNUSON. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD a telegram from the Northwest Public Power Association, in regard to the pending bill.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

VANCOUVER, WASH., *May 16, 1956.*

Senator WARREN MAGNUSON,
Senate Office Building:

Urgent farmer-owned cooperative and utility districts as well as city-owned electric systems of Pacific Northwest are on record to insure that the antimonopoly or preference clause is a cornerstone in the Niagara legislation. Our experience with the Bonneville Act shows the preference clause determines whether the Niagara law will be a public law or a private-special-interest bill. Please read to Senate.

GUS NORWOOD,
Northwest Public Power Association.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. How much time remains to each side?

The PRESIDING OFFICER. The Senator from Texas has 81 minutes remaining under his control.

Mr. JOHNSON of Texas. That is on the bill itself. Has all time on the motion to recommit been consumed?

The PRESIDING OFFICER. Yes.

Mr. JOHNSON of Texas. Then, Mr. President, I suggest the absence of a quorum.

Mr. KNOWLAND. Mr. President, if the Senator from Texas will withhold the suggestion, I wish to yield 10 minutes on the bill to the Senator from New Hampshire [Mr. BRIDGES]; and I now yield 10 minutes on the bill to him.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 10 minutes.

Mr. BRIDGES. Mr. President, I wish to speak on the bill which is before the Senate. I desire to address myself to the extent to which Senate bill 1823 would, if enacted, undermine the private enterprise system, and I wish to point out why that dangerous situation should not escape the serious consideration of every Member of this body.

Enactment of this bill would represent the greatest victory yet accomplished not only by those whose philosophy requires the unlimited expansion of public power, but by those who would nationalize all our basic industries. This bill, if enacted, would constitute the biggest and boldest step yet taken in that direction.

Never before has the Congress been asked to authorize Government development of purely a power project. Every consideration heretofore advanced to justify Government hydroelectric power production is absent in this project. No attempt is or can be made here to support Government power production at Niagara as an incidence of a multiple-purpose project. Concededly there is involved here only the production of power. There are not involved any considerations of flood control, irrigation, reclamation, water supply, the improvement of navigation, or any other governmental function producing byproduct power. This bill would, therefore, pave the way for limitless expansion of public power.

Moreover, when the Congress has authorized the expansion of existing public developments, it was argued that public power had preempted the situation, and hence should provide for the necessary expansion. At Niagara the reverse is true. The proposed development is not a new one. Private enterprise, pioneered 60 years ago at Niagara Falls, has been developing power to the fullest extent legally possible until our 1950 treaty with Canada. The Government development proposed in S. 1823 is simply an additional development utilizing the additional water made available by that treaty. For 35 years private enterprise has sought to make the additional development. There are no engineering differences as to the construction plans proposed by it, and which it filed with the Federal Power Commission in 1921.

Under this bill we are asked to authorize a power project which would avoid all Federal, State and local taxes, subjecting the taxpaying business enterprise next door to the most destructive competition at the hands of Government—competition of a nature which the Government itself forbids among citizens.

This bill would have government do nothing which its citizens cannot do for themselves. This is not an area in need of economic rehabilitation through subsidy or otherwise. There are some 15 million people in the State of New York and 95 percent of them receive their electricity from private enterprise. New York is probably easily the Nation's leading industrial State, and electric rates for large power consumers in western New York are actually lower than some of those in the TVA area. All the farms in the State are electrified. Service at rates regulated on a cost-of-service basis is available everywhere and to everyone. I have never heard of a power shortage in New York. Private enterprise is expending hundreds of millions of dollars annually to meet power requirements.

Yet, we are asked to authorize the establishment of well over $400 million of properties which will avoid all Federal, State and local taxes, estimated at $23 million annually. In addition, the project would be financed through the issuance of bonds to investors who would escape all taxes on their interest income. There is no justification under the circumstances presented here for requiring the people of the Nation, at their expense, through tax subsidy, to further enhance New York's industrial leadership.

The irony of the situation is that the people of New York themselves are bitterly opposed to this bill. They have expressed their recognition of the fact that tax-exempt power is not cheap power, but that its true cost is divided between the consumer and the taxpayer. The average tax bill in this country is $5 a day per family; the average electric bill is less than 25 cents a day. It is, therefore, obvious where the real interests of all of the people lie.

Evidence of the will of the people of New York, especially in the project's principal marketing area, western New York, is overwhelming. Industry objects to this bill. The huge concentration of industry on the Niagara Frontier, which consumes more electric power than is used in highly industrialized centers like Detroit and Cleveland, opposes S. 1823.

The workingman, through the New York State Federation of Labor, opposes this bill. The farmer is opposed to this bill. Every farm organization in the State of New York has recorded itself in opposition and in favor of development by tax-paying business enterprise. Business and civic organizations representative of all classes of electric consumers, as well as all categories of taxpayers, have joined in strenuous opposition to this bill. Concerted opposition comes also from local governments in New York, the "grass-roots" representatives of the people. The Association of Towns of the State of New York has endorsed private development by a vote of 493 to 7. The State association of county supervisors has recorded itself in opposition to this bill and in favor of development by tax-paying business enterprise. As administrators of local government they know full well the serious impact upon the people of the creation of huge amounts of tax-exempt properties. They know full well the dangers to the people and to the structure of our Government when government insists upon doing for the people what the people can do, and have so well done, for themselves.

If one desires further expression of the will of the people directly concerned here, let us look at the vote in the 83d Congress in the House of Representatives when it passed the private enterprise bill by an overwhelming majority. The New York delegation voted for private development by a bipartisan majority of better than 3 to 1. The vote was 32 to 9, and all of the 32 Representatives have been reelected to the 84th Congress.

It seems clear that the sponsors of S. 1823 do not speak for the people in the project's marketing area, but for public power advocates, whose ambitions to expand public power are unconfined. As a Member of the Senate from a Northeastern State, I can tell my senatorial colleagues that for public power advocates this bill, if enacted, would represent the culmination of years of effort to gain for Government power a substantial foothold in the Northeast.

There are specific provisions of this bill which clearly bear out that statement. Although they know full well that 95 percent of the people of the State of New York are served by private enterprise, the sponsors of S. 1823 would impose upon the project's market area the Federal preference policy in the distribution of project power. It is difficult to conceive of a more inequitable proposal under the circumstances here presented than the proposal—thus to discriminate against the great bulk of the people, who, at the same time, will be required to subsidize the project for the benefit of the few.

What are the real objectives of sponsors of such legislation in a fully developed area having the greatest industrial prosperity in the Nation and adequate power available for everyone? If they were frank they would say that the Federal preference policy in such an area would inspire the creation of publicly owned distribution systems through the taking over by local public authorities of existing privately owned facilities. The real objective, therefore, of such legislation is to foster the public ownership not only of facilities for the generation of power, but for its transmission and distribution as well—a substantial step toward the ultimate nationalization of the electric power industry.

This bill would make happy not only those who would nationalize the electric power industry, but those as well who would nationalize all of our basic industries. Since this bill, authorizing Government to build a pure power project, is without precedent in the history of the development of hydroelectric power, its supporters seek to justify it as involving development of a natural resource, the theory being that natural resources should be developed only by Government. Later, consistent with this philosophy, we shall be urged not to limit public development to this natural resource, namely, water power. We shall be told that, by reason of tax avoidance, we can have lower prices for other natural resources, and that Government should develop them, too—oil, coal, minerals, natural gas, and timber.

I need not portray the economic chaos which this bill invites. Obviously its enactment would seriously threaten not only the private enterprise system, which has made us the most prosperous Nation on the face of the earth, but the very structure of our Government and of our way of life. Let us strengthen both by rejecting this bill.

When private enterprise, with the safeguards of appropriate Government regulation, is ready and able to do a necessary job for the benefit of everyone, and to maintain its fair share of the tax burden, we must insist that Government confine itself to governing and leave to free enterprise the job of operating American industry.

This is a very unusual proposal. The issue is public power versus private power.

I have heard the Senator from New York [Mr. LEHMAN] dare anyone to vote on the question of public or private power. So far as I am concerned, I am ready to vote on that question now or at any other time. Judging by my knowledge of the State of New York and some of the sentiments which have been expressed, particularly by farm organizations, the New York State Federation of Labor, business and civic groups, and associations of towns, in their opposition to the bill and in favor of private enterprise, I believe I am on the right side, not only from the standpoint of my philosophy on national questions, but also from the viewpoint of the people of New York State.

Mr. WILEY. Mr. President, I have prepared a statement of my position on the motion to recommit, which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

I definitely favor recommittal of the bill, S. 1823, for public development of the Niagara electric project.

In my view, the legislation, as sponsored by the senior Senator from New York, is not justified, either from the standpoint of the people of his own State, or from the standpoint of the United States as a whole.

I see no reason why private utilities cannot be relied upon to develop this electric power, in a genuine, tax-paying, free enterprise way.

Admittedly, there are numerous moot points in this controversy. To my way of thinking, however, these moot points—this obvious difference of opinion within the Empire State itself—could best be settled within the Senate Public Works Committee.

I think that no good, therefore, is served, until and unless we can get the parties directly involved in the dispute—in the State of New York itself to sit down again and work this problem out by themselves, to the greatest possible extent.

I am certainly inclined to agree with my colleague, the distinguished junior Senator from New York, Mr. IVES, that the bill presently before us, S. 1823, "Is a device seeking to employ a Federal legislative power of the Congress to impose upon the people of New York State that which they have expressly rejected. This alone constitutes sufficient reason for the defeat of S. 1823."

The attorney general of the State of New York, the Honorable Jacob K. Javits, has stated publicly in a document addressed to Members of the Congress on February 13 of this year that there actually is grave doubt whether the New York State power authority could ever proceed with construction if S. 1823 were enacted; that certain provisions of it are inconsistent with State law under which the power authority must proceed.

Among the broad variety of organizations opposing S. 1823, are the New York State Federation of Labor, the New York State Farm Bureau and the Grange, the Association of Towns in the State of New York, various CIO Unions, and groups representing every other segment of the economy.

Under these circumstances, I do not see how we in the full Senate can possibly decide to try to ram this legislation down the unwilling throat of the Empire State.

Under these circumstances, I very definitely favor recommittal of the bill to committee.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the motion of the Senator from Connecticut [Mr. BUSH]. The yeas and nays have been ordered, and the Secretary will call the roll.

Mr. BUSH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUSH. The Senate is about to vote on the motion to recommit; and as I understand, a vote "yea" is a vote to recommit the bill. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. YOUNG (when his name was called). On this vote I have a pair with the junior Senator from Arizona [Mr. GOLDWATER]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. BENDER (when his name was called). On this vote I have a pair with the Senator from Vermont [Mr. FLANDERS]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senators from North Carolina [Mr. ERVIN and Mr. SCOTT] are absent on official business.

On this vote, the Senator from North Carolina [Mr. ERVIN] is paired with the Senator from Idaho [Mr. WELKER]. If present and voting, the Senator from North Carolina would vote "nay" and the Senator from Idaho would vote "yea."

I further announce that if present and voting, the Senator from North Carolina [Mr. SCOTT] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from Kansas [Mr. CARLSON], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from North Carolina [Mr. ERVIN]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 38, nays 48, as follows:

YEAS—38

Allott	Dirksen	Mundt
Barrett	Duff	Payne
Beall	Dworshak	Potter
Bennett	Hickenlooper	Purtell
Bricker	Holland	Robertson
Bridges	Hruska	Saltonstall
Bush	Ives	Schoeppel
Butler	Jenner	Smith, N. J.
Byrd	Knowland	Thye
Capehart	Martin, Iowa	Watkins
Case, S. Dak.	Martin, Pa.	Wiley
Cotton	McCarthy	Williams
Curtis	Millikin	

NAYS—48

Aiken	Hennings	McClellan
Anderson	Hill	McNamara
Bible	Humphrey	Monroney
Case, N. J.	Jackson	Morse
Chavez	Johnson, Tex.	Murray
Clements	Johnston, S. C.	Neely
Daniel	Kefauver	Neuberger
Douglas	Kennedy	O'Mahoney
Eastland	Kerr	Pastore
Ellender	Kuchel	Russell
Frear	Laird	Smathers
Fulbright	Langer	Smith, Maine
George	Lehman	Sparkman
Gore	Long	Stennis
Green	Magnuson	Symington
Hayden	Mansfield	Wofford

NOT VOTING—9

Bender	Flanders	Scott
Carlson	Goldwater	Welker
Ervin	Malone	Young

So Mr. BUSH's motion to recommit was rejected.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the motion to recommit the bill was rejected.

Mr. LEHMAN. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER (putting the question). The motion of the Senator from New York to lay on the table the motion of the Senator from Texas appears to be agreed to.

Mr. BRIDGES. Mr. President, I ask for a division.

On a division, the motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is now on the passage of the bill.

Mr. KNOWLAND. Mr. President, on that question I ask for the yeas and nays.

The yeas and nays were ordered.

VISIT TO THE SENATE BY FORMER SENATOR HOMER T. BONE

Mr. JOHNSON of Texas. Mr. President, I yield 1 minute to the Senator from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. President, I shall take only half a minute, but I wish to call the attention of the Senate to the fact that there is at this moment sitting in the Senate Chamber a former Member of this body, who has recently retired as a judge of the 9th Circuit Court of Appeals—Hon. Homer T. Bone. He has not been around the Senate since he became a judge. [Applause, Senators rising.]

HON. EDUARDO FREI MONTALVO, CHILEAN SENATOR

Mr. KNOWLAND. Mr. President, I yield a minute to the Senator from Indiana [Mr. CAPEHART].

Mr. CAPEHART. Mr. President, earlier today the Senate had a visitor from Chile, Hon. Eduardo Frei Montalvo. We were unable to introduce him at the time because the roll was being called. I ask unanimous consent to have printed in the body of the RECORD a brief biography of the Chilean Senator.

There being no objection, the biography was ordered to be printed in the RECORD, as follows:

EDUARDO FREI MONTALVA, CHILEAN SENATOR

Eduardo Frei Montalva was born in Santiago, Chile, on January 16, 1911.

His political career began during his university days when he belonged to the Conservative Party youth, a group of which he once served as president. With other young men he broke away from the Conservative Party and helped found the National Falange Party sometime around 1940. This is principally a Catholic party, energetic, serious and idealistic. The philosophy of the Falange Party in Chile has no relation to that of the Spanish Falange; it is based primarily upon the social encyclicals Rerum Novarum, Quadragesimo Anno, and Divini Redemptoris, as interpreted by Jacques Maritan. Frei served as president of the National Falange Party from 1941 to 1948.

Frei is a liberal Catholic. He graduated from Catholic University (Chile) in 1933 with a degree in law. While at the university he was president of the Association of Catholic Students, and a year after he graduated he became president of the Chilean Catholic Youth Organization. In that same year he went to Rome as Chilean delegate to the Congreso Americano de Universitarios Católicos, and served as Secretary General of the congress. He represented Chile at Social Christian conferences in Montevideo in 1947 and 1949.

Professionally, Eduardo Frei is a teacher and a writer. He has taught labor law at Catholic University (and is known to feel strongly that a strong and healthy trade

union movement contributes to the development of sound democracy).

He served as Minister of Public Works and Communications in 1945–46. Since 1949 he has been a member of the Senate, representing the mining provinces of Atacama and Coquimbo. In 1950 he was a delegate to the Congress for the Defense of Democracy, held in Habana, and later that year he went to represent Chile at the United Nations General Assembly at Lake Success.

He is a member of the Finance Committee of the Chilean Senate. His name is frequently mentioned as a possible candidate for the Presidency in 1958.

He married a girl descended from two prominent Chilean families (María Ruiz Tagle) and they have 2 sons and 4 daughters.

NIAGARA RIVER POWER DEVELOPMENT

The Senate resumed the consideration of the bill (S. 1823) to authorize the construction of certain works of improvement in the Niagara River for power and other purposes.

The PRESIDING OFFICER. The question is, "Shall the bill pass?"

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks two telegrams which I have received on this subject.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

SEATTLE, WASH., *May 16, 1956.*

Senator WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.:

Preference right to local people for power supply beyond control private monopoly domination must be provided. Urge all-out fight for basic preference clause based on past Northwest experience.

KEN BILLINGTON,
Washington P. U. D. Association.

SEATTLE, WASH., *May 16, 1956.*

Senator WARREN G. MAGNUSON,
Senate Office Building,
Washington, D. C.:

Preference clause provides the only surety for freedom of choice by local people as to what type of utility may best serve them. The inclusion of the preference clause places power supply beyond control of private monopoly. We urge the Senate retain preference clause in Niagara legislation. Our people supported for experience with Bonneville users of Niagara power must also have this protection of their basic rights.

A. LARS NELSON,
Master, Washington State Grange.

Mr. JOHNSON of Texas. Mr. President, I am prepared to yield back my time on the bill, on the condition that the minority leader will do likewise.

Mr. KNOWLAND. If there are no requests for time on this side of the aisle, I am prepared to yield back all time on the bill, under the condition outlined by the majority leader.

The PRESIDING OFFICER. All time is yielded back. The question is, Shall the bill pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BENDER (when his name was called). I have a live pair with the Senator from Vermont [Mr. FLANDERS]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senators from North Carolina [Mr. ERVIN and Mr. SCOTT] are absent on official business.

On this vote the Senator from North Carolina [Mr. ERVIN] is paired with the Senator from Idaho [Mr. WELKER]. If present and voting, the Senator from North Carolina would vote "yea" and the Senator from Idaho would vote "nay."

I further announce that the Senator from North Carolina [Mr. SCOTT] is paired with the Senator from Arizona [Mr. GOLDWATER]. If present and voting, the Senator from North Carolina would vote "yea" and the Senator from Arizona would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Nevada [Mr. MALONE] is absent on official business.

The Senator from Kansas [Mr. CARLSON], the Senator from Vermont [Mr. FLANDERS], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from North Carolina [Mr. ERVIN]. If present and voting, the Senator from Idaho would vote "nay" and the Senator from North Carolina would vote "yea."

Also on this vote, the Senator from Arizona [Mr. GOLDWATER] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Arizona would vote "nay" and the Senator from North Carolina would vote "yea."

The result was announced—yeas 48, nays 39, as follows:

YEAS—48

Aiken	Hennings	McClellan
Anderson	Hill	McNamara
Bible	Humphrey	Monroney
Case, N. J.	Jackson	Morse
Case, S. Dak.	Johnson, Tex.	Mundt
Chavez	Johnston, S. C.	Murray
Clements	Kefauver	Neely
Daniel	Kennedy	Neuberger
Douglas	Kerr	O'Mahoney
Eastland	Kuchel	Pastore
Ellender	Laird	Russell
Fulbright	Langer	Smith, Maine
George	Lehman	Sparkman
Gore	Long	Stennis
Green	Magnuson	Symington
Hayden	Mansfield	Young

NAYS—39

Allott	Duff	Payne
Barrett	Dworshak	Potter
Beall	Frear	Purtell
Bennett	Hickenlooper	Robertson
Bricker	Holland	Saltonstall
Bridges	Hruska	Schoeppel
Bush	Ives	Smathers
Butler	Jenner	Smith, N. J.
Byrd	Knowland	Thye
Capehart	Martin, Iowa	Watkins
Cotton	Martin, Pa.	Wiley
Curtis	McCarthy	Williams
Dirksen	Millikin	Wofford

NOT VOTING—8

Bender	Flanders	Scott
Carlson	Goldwater	Welker
Ervin	Malone	

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. LEHMAN. Mr. President, I move to lay on the table the motion of the Senator from Texas.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New York to lay on the table the motion of the Senator from Texas to reconsider the vote by which the bill was passed.

The motion to lay on the table was agreed to.

So the bill (S. 1823) was passed, as follows:

S. 1823

An act to authorize the construction of certain works of improvement in the Niagara River for power and other purposes

Be it enacted, etc., That pursuant to the provisions of the reservation of the Senate of the United States in giving its advice and consent to the ratification of the treaty between the United States of America and Canada concerning uses of the waters of the Niagara River signed February 27, 1950, which provides that no project for redevelopment of the United States' share of such waters shall be undertaken until it be specifically authorized by act of Congress, a project for the redevelopment of the United States' share of such waters for power purposes is hereby authorized, in accordance with existing general laws of the United States and this act. This authorization constitutes compliance with the reservation to said treaty and is consistent therewith.

SEC. 2. (a) The Federal Power Commission is hereby authorized and directed to issue a license to the New York Power Authority for the construction and operation of the project, upon its application therefor, and its acceptance of licensing conditions set forth in this section.

(b) The Federal Power Commission shall include among the licensing conditions, in addition to those deemed necessary and required under the terms of the Federal Power Act, the following:

(1) In contracting for the disposition of project power, the licensee (the New York Power Authority) shall (A) give equal preference for the purchase of such power to (i) counties and municipalities, including their agencies or instrumentalities, (ii) departments, agencies, and instrumentalities of New York State, (iii) rural electric cooperatives not organized or administered for profit but primarily for the purpose of supplying electric energy to their members as nearly as possible at cost; and (iv) the defense agencies of the United States, and (B) make flexible arrangements and contracts for the disposition of project power to utility companies organized and administered for profit, with suitable provisions in such contracts for the withdrawal upon reasonable notice and fair terms of enough power to meet the needs of the foregoing classes of preference customers.

(2) The licensee shall, if available on reasonable terms and conditions, acquire by purchase or other agreement, the ownership or use of, or if unable to do so, construct such transmission lines as may be necessary to make the power and energy generated at the project available in wholesale quantities for sale on fair and reasonable terms and conditions to privately owned companies, to the preference customers enumerated in subparagraph (1) (A) of this subsection, and to the neighboring States in accordance with paragraph (3) of this subsection.

(3) The licensee shall make a reasonable portion of the project power available for use within economic transmission distance in neighboring States and shall cooperate with the appropriate agencies in such States to insure compliance with this requirement. In the event of disagreement between the licensee and the power marketing agencies of any of such States, the Federal Power Commission may, after public hearings, determine and fix the applicable portion of power to be made available and the terms applicable thereto: *Provided,* That if any such

State shall have designated a bargaining agency for the procurement of such power on behalf of such State, the licensee shall deal only with such agency in that State. With respect to the share of the power so allocated, the arrangements made by the licensee for the sale of power to or in such States shall include observance of the preferences numbered (i) and (iii) in subparagraph (1) (A) of this subsection.

(4) Project power shall be sold and distributed primarily for the benefit of the people as consumers, and particularly for the benefit of domestic and rural consumers, to whom it shall be made available at the lowest rates reasonably possible and in such manner as to encourage the widest possible use.

(5) In the event project power is sold to any purchaser for resale, contracts for such sale shall include adequate provisions for establishing resale rates, to be approved by the licensee, consistent with paragraph (4) of this subsection.

(6) The licensee, in cooperation with the appropriate agency of the State of New York which is concerned with the development of parks in such State, shall construct a scenic drive and park on the American side of the Niagara River, near the Niagara Falls, pursuant to a plan, the general outlines of which shall be approved by the Federal Power Commission; and the cost of such drive and park shall be considered a part of the cost of the power project and part of the licensee's net investment in said project: *Provided*, That the maximum part of the cost of such drive and park to be borne by the power project and to be considered a part of the licensee's net investment shall be $15 million.

(7) The licensee shall pay to the United States and include in its net investment in the project herein authorized the United States share of the cost of the construction of the remedial works, including engineering and economic investigations, undertaken in accordance with article II of the treaty referred to in the first section of this act whenever such remedial works are constructed by the United States.

SEC. 3. The license issued under the terms of this act shall be granted in conformance with the Rules of Practice and Procedure of the Federal Power Commission, but in the event of any conflict, the provisions of this act shall govern in respect of the project herein authorized.

SEC. 4. This act may be cited as the "Niagara Redevelopment Act of 1956".

REORGANIZATION PLAN NO. 1 OF 1956, RELATING TO RESEARCH AND DEVELOPMENT PROGRAMS, DEPARTMENT OF DEFENSE—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 405)

The PRESIDING OFFICER (Mr. MCNAMARA in the chair) laid before the Senate a message from the President of the United States, transmitting Reorganization Plan No. 1 of 1956.

Mr. JOHNSON of Texas. Mr. President, the message of the President transmitting Reorganization Plan No. 1 of 1956 has been read in the House. I therefore ask unanimous consent that the message, with the accompanying plan, be printed in the RECORD without reading and appropriately referred.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message from the President, and Reorganization Plan No. 1 was referred to the Committee on Government Operations, as follows:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1956, prepared in accordance with the Reorganization Act of 1949, as amended.

The reorganization plan is designed to improve the management of research and development programs in the Department of Defense. To this end, it establishes an office of assistant secretary for research and development in each of the three military departments. It thus places in effect an important recommendation of the Commission on Organization of the Executive Branch of the Government.

There is no function of the Department of Defense in which coordination leading to effectiveness and efficiency is of greater importance than in research and development. The National Security Act of 1947 established the Research and Development Board in the National Military Establishment. It was composed of representatives of the three military departments and a chairman directly responsible to the Secretary of Defense, and it was intended to coordinate and eliminate undesirable duplication in the research and development programs of the three military departments. Time and and experience proved that the Board was an organization unsuitable for the accomplishment of the required results. Reorganization Plan No. 6 of 1953 abolished the Research and Development Board and transferred its functions to the Secretary of Defense; further implementation of Reorganization Plan No. 6 resulted in the establishment of the Office of Assistant Secretary of Defense—Research and Development—in the Office of the Secretary of Defense.

The functions assigned to the Assistant Secretary of Defense (Research and Development) include assisting the Secretary of Defense on research and development aspects of Department of Defense policies, programs, and plans, including capital and operating budgets. In carrying out those responsibilities, he must review the research and development programs of the military departments to see that they are well coordinated and that collectively they form a sound and integrated overall Department of Defense program which is geared closely to current strategy.

At present the Department of the Army has a Director of Research and Development who reports directly to the Secretary of the Army. The Assistant Secretary of the Navy for Air has, among his duties, responsibility for research and development. An Assistant Secretary of the Air Force has been devoting full time to research and development matters. These arrangements, although constituting a recognition of the importance of research and development, are not adequate in present circumstances. In the Department of the Air Force the existing arrangement, while suitable for research and development matters, has resulted in inadequate provision for the coordination of other vital Air Force activities at the assistant secretary level. I am persuaded that the situation requires an additional Assistant Secretary in each of the military departments.

Accordingly, the accompanying reorganization plan establishes in each military department an office of Assistant Secretary for Research and Development. Each of these new officers will assist the Secretary in the improved coordination of the research and development functions of the military department concerned. It is my intention to appoint to these new offices individuals experienced in scientific fields and capable of assisting their Secretaries full time in reviewing the research and development programs of the military departments to see that they are well coordinated. Thus, the military departments will be uniformly equipped with technically skilled, full-time officials with the rank of Assistant Secretary charged with assisting the Secretaries of the military departments in the coordination of research and development functions. These officials, together with the Assistant Secretary of Defense (Research and Development), will collectively form an improved organizational arrangement for the coordination of sound and interrelated research and development programs throughout the Department of Defense.

After investigation, I have found, and I hereby declare, that each reorganization included in the reorganization plan transmitted herewith is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of an assistant secretary for research and development in each of the military departments. The rates of compensation for those officers are those prevailing for comparable officers in the executive branch of the Government.

While the taking effect of the reorganizations included in the plan will not bring about immediate savings, it is probable that it will bring about substantial long-run reductions of expenditures and also greater effectiveness of administration. An itemization of reductions in expenditures in advance of actual experience under the reorganization plan is not practicable.

The reorganization plan is another step in our continuing efforts to provide the best defense organization possible. I urge the Congress to permit it to become effective.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 16, 1956.*

REORGANIZATION PLAN NO. 1 OF 1956

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 16, 1956, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

DEPARTMENT OF DEFENSE

SECTION 1. New offices in the Department of Army, Navy, and Air Force: The offices of Assistant Secretary of the Army for Research and Development, Assistant Secretary of the Navy for Research and Development, and Assistant Secretary of the Air Force for Research and Development are established in the Department of the Army, the Department of the Navy, and the Department of the Air Force, respectively. Each such Asssistant Secretary shall be appointed from civilian life

by the President, by and with the advice and consent of the Senate, and shall perform—

(a) such functions relating to the coordination of the research and development functions of the military department concerned, and

(b) such other functions, whether or not relating to the coordination of those functions,

as the Secretary of the military department concerned may prescribe. Each such Assistant Secretary shall receive compensation at the rate prescribed by law for Assistant Secretaries of military departments.

SEC. 2. Necessary transfers: The Secretary of each military department may transfer within his department such records, property, and personnel, and such unexpended balances (available or to be made available for use in connection with any affected function) of appropriations, allocations, and other funds of the department, as he considers necessary to carry out this reorganization plan.

SEC. 3. Interim provisions: For each office established by section 1 of this reorganization plan, the President may designate a civilian officer of the executive branch of the Government to perform the functions of that office until it is filled by appointment under that section. By performing those functions the officer shall not forfeit any office that he otherwise holds.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the Houses on the amendments of the Senate to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 11, 12, 16, 17, 21, 22, 23, 26, 28, 30, 34, 36, 39, 40, 44, 45, and 61 to the bill, and concurred therein, and that the House had receded from its disagreement to the amendments of the Senate numbered 9 and 24, to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

BARKLEY DAM AND LAKE BARKLEY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2012, Senate Joint Resolution 166, and I call the attention of the distinguished Senator from Kentucky [Mr. CLEMENTS] to the request.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 166) to designate the dam and reservoir to be constructed on the lower Cumberland River, Kentucky, as Barkley Dam and Lake Barkley, respectively.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. CLEMENTS. Mr. President, the purpose of the joint resolution is to designate the lower Cumberland lock and dam on the Cumberland River, Ky., and the reservoir created thereby, as the Barkley Dam and Lake Barkley, respectively, in honor of the late Senator and former Vice President of the United States, Alben W. Barkley.

The site of the proposed lower Cumberland lock and dam is on the Cumberland River in Lyon and Livingston Counties, Ky., 30.5 miles above the confluence of the Cumberland and Ohio Rivers.

The project was authorized by Public Law 780, 83d Congress, in accordance with the recommendations contained in Senate Document No. 81, 83d Congress. The project is a multiple-purpose development for navigation, flood control, hydroelectric power, and other purposes. The reservoir will have a total capacity of 3,248,000 acre-feet, and a power installation of 130,000 kilowatts. The reservoir will extend about 120 miles upstream, a portion being in Tennessee, and have an area of approximately 100,000 acres. The estimated cost of the project is $167 million, and initiation of construction thereon is anticipated in the near future. The dam site is only a few miles from the Kentucky Dam, and the reservoir will extend almost parallel to Kentucky Lake, the largest reservoir of the Tennessee Valley Authority.

The lower Cumberland lock and dam project is located in the district in Kentucky in which the late Senator Alben W. Barkley resided. He was always a strong advocate and supporter of this project.

The committee believes it fitting and proper that this dam and reservoir bear the name of Barkley Dam and Lake Barkley in honor of the great statesman and beloved American from Kentucky who so ably served his State and the Nation in public office for over 50 years. The committee realizes that no engineering structure is capable of symbolizing the greatness of the man Alben W. Barkley, but we can honor his life in a modest manner by having this dam and reservoir bear his name.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 166) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the dam to be constructed on the lower Cumberland River, Ky., authorized by the Flood Control Act of 1954, and the reservoir to be formed by the waters impounded by such dam, shall hereafter be known as Barkley Dam and Lake Barkley, respectively, and any law, regulation, document, or record of the United States in which such dam and reservoir are designated or referred to shall be held to refer to such dam and reservoir under and by the names Barkley Dam and Lake Barkley, respectively.

The preamble was agreed to.

SECOND SUPPLEMENTAL APPROPROPRIATION BILL, 1956—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HAYDEN. Mr. President, it is very important that the conference report be agreed to this evening. I have had submitted to me by the Bureau of the Budget a list of 21 agencies of the Government which are runnning out of money. The most serious situation is with respect to the payment of veterans. The statement is that the unexpended balance remaining in the appropriation as of April 30 was approximately $22 million. The Veterans' Administration cannot send checks to 600,000 veterans unless more money is made available.

I urge, therefore, prompt action on the report. It is a complete agreement between the two Houses.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. BRIDGES. Mr. President, the Senator from New Hampshire and the Senator from Massachusetts [Mr. SALTONSTALL], after the consideration of the bill by the conferees of the Senate and the House did the rather unusual thing of declining to sign the conference report—not because we questioned very many of the items it contained, since we agreed with most of the figures in the conference report, but because of a very definite principle. For 2 or 3 minutes I wish to discuss that principle.

Mr. President, my refusal to sign was in order to express in the most emphatic way possible my disapproval of the conferees' rejection of Senate amendment No. 32 which dealt with the Tennessee Valley Authority. After the give and take of conference my only objection to the bill as agreed to by the conferees was in this one area, and although the course was open to me to sign the report objecting only to that item, I chose the course that I did as I have said, to express most emphatically my disapproval.

It has been one of the few times in the 20 years I have been in the United States Senate that I refused to sign a conference report as a whole.

If the Members of the Senate do not want to see the Congress of the United States gradually stripped of its powers one by one, and the power of the Congress of the United States generally diminished, they should take stock of the question involved, because it establishes the principle that the Congress has no more to say about the use of money in the building of TVA plants.

The particular item in regard to Tennessee Valley Authority was not merely a matter of whether to appropriate a sum of money or not, or a question merely of how much to appropriate. Actually what was involved was the fundamental question of whether or not

the Congress is to exercise any control whatsoever over the expenditure of public money by the Tennessee Valley Authority, or whether the Congress is to abdicate completely that time hallowed function and thus set an unfortunate precedent which will lead to further diminution of the congressional function in our scheme of government. My concern is thus directed to a matter of vital underlying principle. Here is a brief rundown of the factual situation:

There was inserted by the Senate amendment No. 32, providing for a direct appropriation of $3½ million to the Tennessee Valley Authority which was to be used for the commencement of construction of generating facility No. 4 located at the John Sevier plant. This was in accordance with the recommendations of the Bureau of the Budget and by this appropriation we were thus asserting congressional control over the expenditure of funds by the TVA. Opposed to this concept of congressional control was the roundabout reasoning resulting finally in an opinion by the general counsel for TVA that such new generating facilities could be constructed out of TVA revenues without any regard whatsoever for congressional authority.

The citations which the general counsel used in support of his theory refer generally to the law prior to the passage of the Government Corporations Control Act in 1945 with a further limitation in 1948. The 1948 limitation reads as follows:

> None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress.

When the general counsel finally arrived at the point of this limitation he glibly interpreted it as follows:

> In thus prohibiting the use of revenues for construction of "new power producing projects" without prior congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities.

One is astounded first at the counsel's use of the word "clearly" because it would seem under any fair interpretation that the most that could be said for TVA's position is that it is arguable. One is next astounded that by the use of words not found in the limitation or by the translation of words in the limitation to words not of like meaning a glib circumvention of the purpose of the limitation results. If any language is clear it would seem the words of the limitation are clear when it says in effect "no new power producing projects, except for replacement purposes." Yet by the use of the word "unit" and the contention of the general counsel that a "unit" is not a project, TVA could expand indefinitely, limited only by the amount of revenue available to it.

Let us review for a moment the history of what has become this electrical Frankenstein. It all started as a proposition for multipurpose dams to provide flood control, water conservation, improved navigation, and incidental power generation, possibly as a yardstick. Today, as a result of steam plant building, a large percentage of the power generated is steam generated. When the tail of power generation began to wag the dog of flood control, improved navigation, and water conservation, steam generating units were added to firm up the hydroelectric power and now TVA having exhausted all hydroelectric possibilities is continuing to build steam generating capacity far and beyond the complete total of hydroelectric generation. The market for this greatest of all producing and distributing systems in the country comes from industries lured from other sections of the United States, which sections have provided the tax dollars to create and sustain this monster. Now in complete defiance of the Congress that created it, TVA, grown rich on its tax exempt and subsidized revenues, plans to spend public money to increase indefinitely its empire.

In its headlong rush for empire it has now even stooped to duplicity in that the initial $3½ million to be spent is only a part of a $28 million project which in turn is a part of a $178 million project. In that regard a certificate of intention was only filed for 1 new project when in effect 6 are being undertaken to the total amount indicated.

Now, whether one is for TVA or against it—and the Congress has been very generous with TVA—the question is: Shall the Congress of the United States be bound by the interpretation of TVA's counsel, who has never faced an election by the American people, or by the people of the State of Tennessee or any other State of the Union, but who is one of the many thousands of lawyers who are appointed in the course of governmental administration? Are we bound by his off-the-cuff interpretation which adds up to saying Congress has no more power in this area; that its power has been abdicated? If so, we have gone a long way down the road to a complete nullification of legislative authority. For one, I shall not stand for it. This question is going to come up to hit Congress in the face in the years to come if we adopt the stated position of the Tennessee Valley Authority, fortified by the self-serving interpretation of its own counsel which says, in effect: "Abdicate; go home. We have no use for you. We shall proceed in our own direction."

Mr. President, this is an unprecedented situation which we have before us. It is a complete and utter challenge to the right of Congress to control the expenditure of public money. If we do not reassert our control in the immediate future, we must later attempt to control it through the painful course of backtracking, perhaps to find that we have locked the barn long after the horse has been stolen.

This is not a new problem, Mr. President, nor is it a partisan one. I refer to the CONGRESSIONAL RECORD of August 2, 1955, volume 101, part 10, pages 12888–12891, the 1st session of the 84th Congress, where is reported the colloquy of my colleagues, Senators MCCLELLAN, FULBRIGHT, and HOLLAND, in support of their Senate Resolution 146 dealing with this very question. This body should come to grips with this vital problem, to the end that the congressional appropriating function is restored and the people of the country can look to their elected representatives for the spending of their tax dollars.

I was in accord with all the other items in the appropriation bill, and ordinarily I would sign a conference report, making an exception in the case of this amendment. However, a great principle is involved in this instance. Either we are in favor of having Congress maintain control of this situation and similar situations, or we favor allowing Congress to pack its bags and go home, insofar as such matters are concerned. If Senators do not think the decision they make in this instance will confront them in the future, they are sadly mistaken. In my opinion, Members of both Houses who take the other position will live to see the day when they will regret it.

Mr. KNOWLAND. Mr. President, will the Senator from New Hampshire yield to me?

The PRESIDING OFFICER (Mr. PASTORE in the chair). Does the Senator from New Hampshire yield to the Senator from California?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. Mr. President, I think the distinguished Senator from New Hampshire, the ranking Member on this side of the aisle on the appropriations conference committee, has performed a very useful service in bringing this matter to the attention of the Senate. I fully subscribe to what he has had to say regarding the importance of the principle involved; and I speak as one who on occasions has voted in this Chamber in support of powerplants in the Tennessee Valley, when I felt it was necessary to do so in order to firm up hydroelectric power.

But the principle the Senator from New Hampshire has been discussing is one of great importance if the Congress is not to abdicate its responsibility to control the purse strings. If once we depart from that principle—whether on occasion we favor a particular power project or whether we are opposed to it—we shall be in grave difficulty, because in my opinion the principle of congressional control is essential to the orderly conduct of our governmental affairs.

Mr. President, the only point at all—and perhaps a minor one—where I would depart from the views of the distinguished Senator from New Hampshire is this: It may be that the Senate, for perhaps the same reason that influenced the majority of the conferees in this instance—namely, because of the necessity to make needed appropriations for various of the departments—will agree to the conference report. I, for one, would not want it to be assumed by the counsel of the TVA or the counsel of any other agency that such action in effect amounted to endorsement by us of abdication of congressional responsibility.

Regardless of what is done in the case of the conference report which now is before the Senate, I believe it important that the Senate and the House of Representatives give notice regarding this matter, and that the executive agencies also be put on notice regarding it. Apparently the question has arisen because of the fuzzy situation which now exists.

Mr. President, if the appropriate legislative committee does not promptly report to the Senate a bill which will reinstate congressional control over the purse strings, I think we should use some other vehicle to achieve that end. Inasmuch as the rule of germaneness does not apply in the Senate, we might do that in connection with consideration by the Senate of a bill whose enactment is both necessary and desirable. We might offer to such a bill an amendment which would tie down this matter, so that no one would be under the false impression that the Congress was going to abdicate its responsibility.

With that minor exception, I fully concur in what the distinguished Senator from New Hampshire has said.

Mr. BRIDGES. I thank the Senator from California.

Mr. THYE. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. THYE. I wish to commend the distinguished Senator from New Hampshire for having brought this matter to the attention of the Senate and for discussing it here.

As a member of the Appropriations Committee, I have heard it discussed in the committee. I know the difficulties with which both the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Massachusetts [Mr. SALTONSTALL] were confronted in conference when they held out for their position at a time when they knew positively that some of the Government agencies were running out of funds.

But a principle is involved in this case, and that principle is this: Shall a corporation within the Government proceed in an independent manner to exercise in its own discretion the power to reinvest, as it sees it, without coming to Congress, the revenues it derives from the sale of electricity generated within its system by both hydroelectric plants and steam plants?

Personally, I have voted for authorizations or appropriations to construct additional steam plants, so as to firm up hydroelectric power. I have done that in the past, during my service in the Senate; and perhaps I shall do so in the future.

On the other hand, in my opinion, it is clearly wrong for the Congress to surrender to a governmental corporation—in this case, to the TVA—the right to appropriate, from its earnings, funds to be spent to develop further generating capacity within the corporation's system.

Today I shall vote in favor of adoption of the conference report because the funds carried in it are needed for various of the Government agencies. However, I certainly urge that the Congress take a very careful look at the policy now being developed within the TVA because of a ruling by one attorney as to whether the TVA does or does not have that right. The attorney ruled that it had the right thus to appropriate its earnings. That matter must be examined, and a redetermination must be made, because if such permission is allowed the TVA, no doubt similar attempts will be made by other Government corporations, and perhaps also within the military forces. That must not happen, because it could undermine and destroy the fundamentals of our country and its Government.

So, Mr. President, although I shall vote for adoption of the conference report, I am opposed to permitting the TVA to appropriate from its own earnings for expansion of its own system.

Mr. SALTONSTALL. Mr. President——

Mr. BRIDGES. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I joined with the Senator from New Hampshire [Mr. BRIDGES] in refusing to sign the conference report. It is the first time since I have been a member of the Appropriations Committee that I have refused to sign a conference report. I did so because—as the Senator from New Hampshire has said—I believe a very fundamental principle is involved. That principle is simply this: Are we going to permit a Government corporation—in this case, the Tennessee Valley Authority—to proceed to use its own revenues, which have accrued from its operations, to build extensions, without coming to Congress for approval in any manner, shape, or form?

This question arises in connecton with this supplemental appropriation bill because in his message, the President submitted a request for the appropriation of $3,500,000 for an extension to the John Sever plant No. 4. When the entire extension is built, it will cost $28 million. So this item involves only approximately one-seventh or one-eighth of the total cost of the extension.

The TVA has sufficient revenues with which to construct the extension. The question is whether the TVA can do so wthout coming to Congress.

The extension is a proper one. Those of us who have heard the evidence agree that the plant should be built. It is needed in the TVA system. As one member of the committee, I do not question that in any way. But I do question whether we should give up all right to approve these extensions in the future. If we do it in the case of the TVA—and let me point out that the law regarding the TVA reads in practically the same way as does the law regarding other Government corporations—we shall give up to that extent our right to determine how far the Government shall go into business by means of these separate corporations.

The House said the TVA could go ahead and build this facility, but it took the money out of the appropriation bill, because there was money enough in the TVA revenues to build it. Therefore the House said that no appropriation was necessary. A minority group of the Appropriations Committee of the House dissented very strongly from this decision, and signed minority views. But there was nothing in the bill itself concerning the TVA. The Senate committee recommended—and the Senate adopted the report of the committee—that this appropriation be put back into the bill. In this body we said, "We approve of the TVA going ahead, but we say that Congress should appropriate the money, instead of permitting it to be taken out of revenues, with no appropriation, and no action by the Congress."

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. AIKEN. Does this proposal mean that the TVA would no longer have to come to Congress for authority to expand its business or to construct new powerplants?

Mr. SALTONSTALL. As I interpret the ruling by the counsel, the TVA would not have to come to Congress for any extensions of existing plants which involve capital, so long as it had accumulated earnings sufficient to pay for the construction. I do not think the ruling of the counsel applies to absolutely new entities for construction. If the TVA wished to construct a new entity, entirely apart from any existing steam plant, I believe the counsel for the TVA would rule that Congress must approve. But with respect to any extensions of existing plants, the counsel has ruled that it is not necessary to come to Congress. In this instance a total expenditure of $28 million is involved.

Mr. AIKEN. Does that mean that the TVA could make unlimited expansions of existing plants, whether such plants were steam or water powerplants?

Mr. SALTONSTALL. I think I should answer that question affirmatively. I know that it applies to steam plants, and I believe it would apply to water powerplants, if such plants existed.

Mr. AIKEN. Would it have any effect upon the expansion of the territory served by TVA, or would that depend upon the States involved?

Mr. SALTONSTALL. If by extending an existing plant the TVA could serve more private interests or extend its facilities into new territory, I would assume it could do so. In this case, that question is not involved. The only question involved here is with respect to an extension of the plant to take care of the growing needs of the TVA in its territory. I, for one, do not object to that. I think it should be expanded.

Mr. AIKEN. Is this the bill which has held up appropriations which are so essential to the Small Business Administration for making loans?

Mr. SALTONSTALL. This is the appropriation bill which includes the Small Business Administration. It includes a number of other Government functions. With respect to all such matters, the conference committee is in complete accord.

Mr. AIKEN. Is this the bill which has been holding up the appropriation for the Small Business Administration and keeping our small-business people on the anxious seat?

Mr. SALTONSTALL. I would answer that question affirmatively. I think that is true.

Mr. AIKEN. I think the Senator is correct. For that reason I expect to vote with him on this question. Although I have always supported the TVA, I object strenuously to its being used as a blackjack in this manner. For that reason, I shall vote against accepting the conference report, not because I am lacking in enthusiasm for the TVA and its legitimate work, but because we have had too many examples of legitimate advocacy

of public power being used to do things which are completely at variance with some of our ideas.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Does the Senator say that the issue here is the use of revenues as a capital construction fund?

Mr. SALTONSTALL. The issue here is whether or not the TVA can use earnings which are in its pocket today—and properly in its pocket—for the extension of existing TVA facilities, without coming to Congress for approval of the extension of existing facilities. This case involves the John Sevier plant No. 4. The $3,500,000 involved represents a start on a $28 million expenditure.

Mr. CASE of South Dakota. That perhaps answers the second question I intended to ask, namely, whether the money proposed to be used in this instance would be merely a downpayment or an initial payment on a project which would eventually cost a great deal more money, and commit the Congress, by appropriation or by the application of future revenues, to a much larger expenditure.

Mr. SALTONSTALL. It is a case of that character.

Mr. CASE of South Dakota. In that event I commend the conferees for taking the position they took in an attempt to prevent such a situation. If the conference report is adopted, I wish to join with those who say that this case should not be regarded as a precedent. I say that not only because of this incident, but because there is now pending before the Public Works Committee a bill introduced by the distinguished Senator from Oklahoma [Mr. KERR], which bill proposes to deal with the whole issue of TVA financing for construction of new projects, or for additions to plants. The issues which are involved here will be involved in connection with that bill. I hope the action which Congress may eventually take on that bill will be regarded as a binding precedent or rule in connection with such situations, rather than this incidental action in connection with an appropriation.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Let me make one further comment in connection with what the Senator from South Dakota has said.

I believe I describe the situation correctly when I say that the present administration believes that Congress should have the authority. Therefore the amount of $3,500,000 was included as an appropriation, to be appropriated by Congress in order that Congress might retain the authority to determine the question of the extension.

Counsel for the TVA has ruled that it is not necessary for Congress to approve such an extension. Therefore the House took the item out of the bill. The Senate put it back into the bill. The conferees left it out by a divided vote.

The issue is simply this: Shall we, by refusing to adopt this conference report, express ourselves as standing up for the principle that Congress shall have the authority to say how far TVA may extend its present facilities without coming to Congress?

I now yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, if the present discussion is to continue much longer, I should like to have the opportunity to bring up a conference report which I am sure can be acted upon quickly. Is there to be a yea-and-nay vote on the pending conference report?

Mr. SALTONSTALL. I would yield to the Senator from New Hampshire [Mr. BRIDGES], the ranking Republican member of the Appropriations Committee, on that question.

Mr. BRIDGES. I think there should be a yea-and-nay vote.

Mr. McCLELLAN and Mr. GORE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield, and if so, to whom?

Mr. SALTONSTALL. I yield first to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, the Senator from Massachusetts has referred to this particular unit as costing some $28 million, of which $3,500,000 is at issue at the moment.

Mr. SALTONSTALL. That is correct.

Mr. McCLELLAN. That is the amount necessary to initiate construction of the particular unit. But is it not true that there is already projected a further expansion by the TVA to the extent of $180 million odd? Is it not correct to say that this would become a part of the whole; and that there would be not only $3½ million spent, and not only $28 million spent, but that in order to finish the expansion the amount would run to something like $180 million, without Congress approving it? Is that not correct?

Mr. SALTONSTALL. I cannot answer the Senator's question as to the amount involved with respect to further expansions. However, I can say that it is my understanding that the bookkeeping of the TVA shows that they are ahead at the present time in revenues in their treasury and that they are able to pay to the United States Government all they should pay and still leave a substantial amount with which to go ahead on the expansion.

Mr. McCLELLAN. That is correct. There is no question about that. However, after all, TVA is owned by the taxpayers of the United States. It is owned by the Government. Is it not correct to say that every dollar of revenue that comes into the TVA is the equivalent of a dollar in taxes that is paid by the taxpayers, because it is a taxpayers' investment?

Mr. SALTONSTALL. There can be no question about that.

Mr. McCLELLAN. There can be no question about it. If there is a project in the Senator's State to prevent floods, for example, the Senator must come to Congress and to the Appropriations Committee to obtain money from the taxpayers' Treasury. Is that not correct?

Mr. SALTONSTALL. That is correct.

Mr. McCLELLAN. However, we are about to make an exception in this instance. We are starting a dangerous precedent by saying that if the money is received from an investment from the Government in the nature of TVA revenues, then a divided board as in this instance—and only 2 of the 3 members of the board favored this procedure—can determine whether a capital investment of taxpayers' money can be made, instead of having Congress do so. Is that not correct?

Mr. SALTONSTALL. I would say to the Senator from Arkansas that he is fully aware of this subject, because last year, he submitted Senate Resolution 146, which was tabled on August 2, 1955. I would also say that it is my understanding, as the Senator from South Dakota [Mr. CASE] has stated, that there are 2 bills now pending in Congress, 1 in the Senate and 1 in the House, to make it clear that this type of procedure cannot be followed.

Mr. McCLELLAN. The resolution the Senator mentioned was not tabled. It was submitted, and is now lying on the desk.

Mr. SALTONSTALL. I am glad to hear that.

Mr. McCLELLAN. It can be called up at any time. We are confronted with one basic and fundamental issue. If this privilege can be granted to TVA, may I ask why we should not have a similar agency to TVA set up for every river valley in the country, and accord such agencies the same powers?

For instance, in the Arkansas River Valley, we are now beginning to develop power. Is Congress willing to agree that all the revenues which come from power sales there may be used for investment in further capital projects?

It is a question of whether we are going to show continued favoritism to one area, and, after we have developed it and built it up and the taxpayers have developed its natural resources, whether we will then permit that area, through a TVA board, to take the profits and revenues from the development, and build steam plants, while the Senator from Massachusetts begs and I beg for money with which to prevent floods in our areas and to develop the water resources in our areas.

Mr. SALTONSTALL. I agree with the Senator from Arkansas. This is one of the few instances of a principle being involved in an appropriation bill. In most cases it is a question of what is the proper amount to appropriate. In this instance the question is whether Congress should give up its right to approve an extension.

Mr. McCLELLAN. I should like to make one further point. I am not opposing the expenditure of $3½ million or the expenditure of $28 million. I made a motion in the Committee on Appropriations that the Senate should provide an appropriation of $3½ million. Let us vote for it and put all areas in the country on an equal basis. I shall vote for it.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. JOHNSON of Texas. It was my understanding that the Senator from New Hampshire [Mr. BRIDGES] would probably speak for only a few minutes.

I did not understand that a yea-and-nay vote would be requested on the conference report. I hope that the matter can be worked out in a legislative bill, and that we can go ahead and adopt the conference report, because 600,000 veterans will have their checks held up if we fail to adopt it. It seems that we can act on the conference report at this time without a yea-and-nay vote. However, if there is to be a yea-and-nay vote, we ought to inform our colleagues who have left the floor. I hope Senators will not insist upon a yea-and-nay vote and that we will be able to adopt the conference report without a yea-and-nay vote. If a yea-and-nay vote is insisted upon, we shall have to notify Senators on both sides of the aisle to return to the Senate. I hope we may be able to vote on the conference report without such a vote, and that the principle can be taken care of on a legislative bill, in connection with which all Senators will be able to state their views.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. HAYDEN. I merely wish to say that a yea-and-nay vote will not accomplish anything in connection with the conference report. The report must be agreed to in any event.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HAYDEN. The amount involved is only for a part of the project. The question which has been raised can be taken up at a later time and the principle involved can be very thoroughly discussed. It can be discussed on a bill which is now pending before the committee. In any event, the conference report before the Senate must be adopted. There is no getting away from that. A yea-and-nay vote would have no more effect than a voice vote.

Mr. CAPEHART. Mr. President, if Senator will yield, I should like to offer a suggestion.

Mr. SALTONSTALL. I believe I still have the floor.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. SALTONSTALL. I should like to answer the majority leader by asking the senior Senator from New Hampshire [Mr. BRIDGES] how he feels about the suggestion made by the Senator from Texas.

Mr. BRIDGES. There is a difference of opinion, among Senators who feel very strongly on this issue, as to whether a record vote should be had. I should think, knowing them as I do, that the intimate friends of TVA—and I am not an enemy of TVA, although I am not one of its warmest friends, such as the Senator from Alabama and the Senator from Tennessee, for example—would wish to have ultimate control in this matter rest in the Congress.

If we can be assured that opportunity will be afforded to consider the principle involved on a legislative bill, to be taken up in the Senate, I will be perfectly willing to have a voice vote on the conference report.

Mr. JOHNSON of Texas. Of course, I cannot assure the Senator from New Hampshire that any committee will take any action on a bill, or that any action by a committee will be approved by the Senate.

Mr. BRIDGES. I know that the Senator from Texas is pretty good in getting what he wants. He gets it in Texas and in other places.

Mr. JOHNSON of Texas. I hope Senators will not pursue their intention to have a yea-and-nay vote, and that they will pursue the objective they have in mind on a legislative bill instead of on a bill which, if it is not passed, will hold up payments to 600,000 veterans.

In any event, I should like to know what the desires of the Senators are, because I do not want to mislead my colleagues, inasmuch as I have told them that there will not be any more yea-and-nay votes today.

Mr. SALTONSTALL. The Senator from New Hampshire and I were the two Senators who dissented on the conference report. I will say that we will agree to a voice vote.

Mr. JOHNSON of Texas. I thank the Senator.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. CAPEHART. The Senators have already agreed on that point. I was about to offer a suggestion in connection with it. I do not believe there is any question about the principle involved, and about Senators being opposed to permitting TVA to do what has been suggested. I am certain they would be opposed to it. I wonder whether we could get an agreement from the leadership that if we adopt the conference report this evening the leadership will use every conceivable effort to get the matter corrected by legislative action.

Mr. JOHNSON of Texas. The leadership has not gone into the matter. I know nothing about the merits of the proposal. I am always glad to give any measure all the consideration it deserves; but I am not going to embrace a proposal about which I know nothing or agree that in return for not having a yea-and-nay vote I will support a proposal about which I know nothing.

Mr. CAPEHART. I am sure the Senator from Texas would be opposed to it. I am certain of that.

Mr. SALTONSTALL. I may say to the Senator from Indiana that I agree with what the majority leader has stated. I have heard off-the-record discussions by members of the Committee on Public Works, where the bill is now, with reference to some of the problems involved. There are some contentious problems involved in connection with rewriting the TVA Act. Therefore, I do not assume that we will have such a bill before us at this session.

But I think and I hope, Mr. President, that by this record we shall convince the majority of the TVA that they should ask the Congress for funds.

Mr. HOLLAND. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. HOLLAND. Mr. President, I congratulate the Senator from New Hampshire and the Senator from Massachusetts on bringing up this matter, and I congratulate them, further, on their position on the question.

Despite the lateness of the hour and the immediacy of the needs which are embraced and supplied by this bill, I do wish to say that I think the RECORD should show that not only this year, but last year also, a decided majority of the Appropriations Committee of the Senate, on a rollcall vote and on a bipartisan basis, went on record with reference to a practice which is supported by the action taken under a report of the House.

Last year there was a report from the subcommittee which would have given authority for the use of revenues for the purposes which have been mentioned, but the Senate Appropriations Committee voted against it by a decided vote, on a bipartisan basis.

This year the matter came over with a House committee report which would have opened the door wide for the expenditures of revenues of the TVA on the objectives which Senators have discussed, and by a majority vote of the committee it was decided that we could not approve the practice. The committee was not, however, out of harmony with the continued development of the TVA. It voted for an appropriation of $3½ million.

I hope that an appropriate measure can be passed. I do not subscribe to the view that the committee is going out of the appropriating business. I feel very keenly about the matter. I addressed inquiries, in the discussion of this matter in the committee, to those who should have known what was involved in the plans for the steam plants which have already been constructed and which, under the ruling of counsel, can be increased by additional units paid for out of the revenue funds of the TVA.

The best information I could get was that they were not specifically described in the authorization, but only in a very general way. Senators are probably in complete accord with the facts in stating that such expansion by adding new units can go on ad infinitum by the use of revenue funds coming to the TVA.

Mr. President, that kind of a proposal is so completely out of accord with sound legislative procedure in the control of revenue measures by the Congress and with the continued responsibility of Congress for the development of TVA or any other great public enterprise, that I do not believe any Senator can support the continuance of that sort of practice.

I am hopeful, Mr. President, that we shall be able to consider the question in connection with a legislative measure. I wish to make it very clear for the RECORD that in both of the years recently behind us the Senate Committee on Appropriations, by a decided majority, has taken the position which I have just mentioned, and I have no reason to think it will cease to take that kind of a position.

I wish the record to show affirmatively, if any affirmative showing is necessary or can be effective so that those who read can see what has happened, that the Appropriations Committee does not subscribe to this loose and, I think, illegal practice, that the committee by a decided majority does not propose that the practice be continued, and that it will do all within its power,

at least by a majority vote, to regularize the procedure.

Mr. HICKENLOOPER. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. HICKENLOOPER. Mr. President, I wish to commend the Senator from New Hampshire and the Senator from Massachusetts for an able exposition of this particular situation which I think is not only dangerous but is abhorrent from the standpoint of any kind of sound legislative practice, from an appropriation standpoint, in connection with the control by Congress of the purse strings of government.

If we should have a record vote I would have to vote against the conference report as a matter of principle, on this one item alone. But I assume that we shall not have a record vote.

In many ways it is a completely reprehensible policy, in principle, to permit an independent agency to spend its own money without the permission of the Appropriations Committee of either body of the Congress. Without doubt, that practice is one which, if continued, must be repudiated, or it will certainly rise up to smite us in connection with every agency of the Government.

Mr. MUNDT. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield to the Senator from South Dakota.

Mr. MUNDT. Mr. President, I wish to congratulate the Senator from Massachusetts [Mr. SALTONSTALL] for the perseverance with which he has held his position in the committee.

I should like to associate myself with the remarks made by the distinguished Senator from Florida [Mr. HOLLAND].

Speaking as one member of the Committee on Appropriations, it seems to me that we must be very, very careful not to abandon the American concept of control of the purse strings by Congress. We must be very careful not to relinquish that control.

Speaking as one who has frequently voted for TVA appropriations and who would be inclined to vote for such appropriations in the future, I think TVA is itself making a most serious mistake in accepting a decision made by a technical lawyer.

I salute the Senator from New Hampshire and other Senators who have held to their position. I agree that it is difficult to create a legislative decision on a conference report which involves vital money for important agencies of Government; and before the Senate recesses I hope the appropriate committee will bring forth a measure which will give us an opportunity to decide by a yea-and-nay vote whether the Senate wishes to capitulate its responsibility of control over the purse strings of an appointive agency, or whether it does not. This is an election year, and the people should have a right to know what their representatives think about this question before next November.

Mr. SALTONSTALL. I thank the Senator from South Dakota. I think the reasons for our position have been made clear.

Mr. President, I yield the floor.

Mr. GORE. Mr. President, I give notice to my colleagues that I shall not detain them for more than a very brief period of time. I could not, however, fail to give, at least, some facts on this issue. With all due respect to the many expressions which have been made, I wish to say, in all sincerity, that I do not think I have ever heard as much misinformation or such a one-sided presentation of an issue in the short time I have been a Member of the Senate. Such terms as "blackmail," "reprehensible," "Frankenstein," and others have been used.

Does the Senate know who disagrees with the interpretation of the law just presented to the Senate? The Comptroller General of the United States, the Republican chairman of the subcommittee that wrote the amendment in question, the chairman of the House committee, the chairman of the Senate committee. I helped to write it and I certainly disagree.

In this instance, the Bureau of the Budget, in the Office of the President of the United States, agrees that additional power is needed.

I hope Senators will not be prejudiced against the TVA because of a one-sided presentation.

Mr. BRIDGES. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. In a moment.

The able Senator from New Hampshire [Mr. BRIDGES] said, on the one hand, that this was unprecedented; on the other hand, he said it was not new. It is not new; it is entirely precedented. Authorization for use of receipts was written into the TVA Act in 1933. Were I not reluctant to take the time of the Senate, I would read it. The procedure now being used is one which has been followed year after year, with the approval of the senior Senator from New Hampshire, and with the approval of the House and the Senate.

There are legal requirements which this Government corporation must meet. It must meet its amortization requirement; and after the amortization requirement is met, after all the pay-back schedules have been met—and the TVA is far ahead of schedule—the law then gives to the board of directors discretion in the use of the remaining funds. In the exercise of that discretion, the directors have paid into the Treasury far ahead of schedule; but they have also replaced transformers; they have added new transmission lines and have added generating units; and then, for another example, the TVA took its own earnings, using its discretion, and completed the Watts Bar plant with its own revenue, after Congress had appropriated funds for its initiation and partial construction.

Congress may want to change the law. Congress has the right to change the law.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. JOHNSON of Texas. Let us change it some other day. We have had a long day. It is almost 7 o'clock. The Senator from New Hampshire has agreed that the Senate may vote on the conference report. The matter will be pursued through the proper legislative committees, where I am sure it will receive fair consideration.

Let us have a vote on the conference report, and then get on to the farm bill.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). The question is on agreeing to the conference report. [Putting the question.]

The Chair is in doubt.

Mr. McCLELLAN. Mr. President, I ask for a division.

The PRESIDING OFFICER. All in favor of agreeing to the conference report will please stand.

Those opposed to the conference report will please stand.

The Chair is still in doubt.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that I may withdraw my request for a division.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 10004, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, UNITED STATES,
May 16, 1956.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 11, 12, 16, 17, 21, 22, 23, 26, 28, 30, 34, 39, 40, 44, 45, and 61 to the bill (H. R. 10004) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes," and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 9 to said bill and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment insert:

"SHIP CONSTRUCTION

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the number of cargo ships for replacement, for which payment may be made for construction-differential subsidy and national-defense features, is increased from five to ten; and the authority contained in that act for the Vessel Operations Revolving Fund is amended to include the following: 'for activation, repair, and deactivation of merchant ships chartered under the jurisdiction of the Secretary of Commerce'."

That the House recede from its disagreement to the amendment of the Senate numbered 24 to said bill and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

"For an additional amount for 'Construction', $3 million, to remain available until expended."

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendments of the House to Senate amendments Nos. 9 and 24.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a comparative statement of budget estimates and amounts recommended in the bill as agreed to in conference.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

H. R. 10004, SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
	DEPARTMENT OF AGRICULTURE				
S. 112 330	Agricultural Research Service, salaries and expenses	$5,294,000	$3,794,000	$5,519,000	$4,766,220
330	Agricultural Conservation Program Service	(1)	(1)	(1)	(1)
	School Lunch Program			10,000,000	
330	Farmers' Home Administration:				
	Loan authorizations	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
	Salaries and expenses	1,620,000	1,350,000	1,620,000	1,500,000
330	Commodity Credit Corporation, administrative expenses	(4,964,000)	(4,500,000)	(4,964,000)	(4,750,000)
	Total, Chapter I	6,914,000	5,144,000	17,139,000	6,266,220
	DEPARTMENT OF COMMERCE				
330	Bureau of the Census, salaries and expenses	[2] 428,000	[3] 428,000	[2] 428,000	[4] 428,000
330	Maritime activities:				
	Ship construction	(5)	(6)		(7)
	Operating-differential subsidies	30,000,000	30,000,000		30,000,000
353	War Shipping Administration liquidation	(8)		(8)	(8)
330	Bureau of Public Roads:				
	Federal-aid highways	100,000,000	100,000,000	100,000,000	100,000,000
	Forest highways	4,000,000	3,000,000	3,000,000	3,000,000
330	National Bureau of Standards, plant and equipment	(9)	(9)	(9)	(9)
	INDEPENDENT AGENCIES				
	SMALL BUSINESS ADMINISTRATION				
S. 112	Revolving fund	20,000,000		20,000,000	20,000,000
	Total, Chapter II	154,428,000	133,428,000	123,428,000	153,428,000
	AMERICAN BATTLE MONUMENTS COMMISSION				
330	Dedication of World War II Memorials	140,000	140,000	140,000	140,000
	COMMISSION ON GOVERNMENT SECURITY				
330	Salaries and expenses	200,000	200,000	200,000	200,000
	CORREGIDOR-BATAAN MEMORIAL COMMISSION				
330	Salaries and expenses	61,000	56,000		56,000
	Total, Chapter IV	401,000	396,000	340,000	396,000
	INDEPENDENT OFFICES				
	CIVIL SERVICE COMMISSION				
330	Salaries and expenses	(8)	(8)	(8)	(8)
330	Investigations of United States citizens for employment by international organizations	119,000	107,100	107,100	107,100
330	Annuities, Panama Canal construction employees and Lighthouse Service widows	70,000	70,000	70,000	70,000
330	Administrative expenses, employees' life insurance fund	(8)	(8)	(8)	(8)
	Total, Civil Service Commission	180,000	177,100	177,100	177,100
	FEDERAL COMMUNICATIONS COMMISSION				
330	Salaries and expenses	(8)	(8)	(8)	(8)
	FEDERAL HOME LOAN BANK BOARD				
330	Administrative expenses	(8)	(8)	(8)	(8)
	FEDERAL TRADE COMMISSION				
330	Salaries and expenses	(8)	(8)	(8)	(8)
	GENERAL ACCOUNTING OFFICE				
	Salaries and expenses	(8)	(8)	(8)	(8)
	GENERAL SERVICES ADMINISTRATION				
330	Operating expenses, Public Building Service	4,685,000	4,685,000	4,685,000	4,685,000
330	Refunds under Renegotiation Act	4,600,000	4,000,000	4,000,000	4,000,000
330	Acquisition of land and building, Chicago, Ill	(10)		(10)	(10)
330	Emergency operating expenses	(8)	(8)		(8)
330	Repair, improvement, and equipment	(8)	(8)		(8)
330	Operating expenses, Federal Supply Service	(8)	(8)		
S. 107	Expenses, general supply fund	(9)		(11)	(11)
330	Operating expenses, National Archives and Records Service	(8)	(8)		(8)
	Total, General Services Administration	9,285,000	8,685,000	8,685,000	8,685,000
	HOUSING AND HOME FINANCE AGENCY				
	OFFICE OF THE ADMINISTRATOR				
330	Salaries and expenses	403,500	398,500	398,500	398,500
330	Housing loans to educational institutions	(8)	(8)	(8)	(8)
330	Revolving fund (liquidating programs)	(8)	(8)	(8)	(8)
	FEDERAL NATIONAL MORTGAGE ASSOCIATION				
330	Administrative expenses	(8)	(8)	(8)	(8)

[1] Language to continue emergency funds available through Dec. 31, 1956.
[2] Plus $100,000 derived by transfer.
[3] Plus $75,000 by transfer.
[4] Plus $87,500 by transfer.
[5] Language repealing limitation on number of ships for which construction differential subsidies may be paid.
[6] Language increasing limitation from 5 to 20.
[7] Limitation increased from 5 to 10.
[8] Language.
[9] Language authorizing use of $15,000 of 1956 funds for land acquisition.
[10] Authorizes use of $3 million by transfer.
[11] $450,000 to be derived by transfer.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
	INDEPENDENT OFFICES—Continued				
	HOUSING AND HOME FINANCE AGENCY—Continued				
	FEDERAL HOUSING ADMINISTRATION				
330	Administrative expenses	(8)	(8)	(8)	(8)
330	Housing investment insurance fund	(12)	(12)	(12)	(12)
	PUBLIC HOUSING ADMINISTRATION				
330	Administrative expenses	$1,525,000	$1,436,500	$1,436,500	$1,436,500
	Total, Housing and Home Finance Agency	1,928,500	1,835,000	1,835,000	1,835,000
	INTERSTATE COMMERCE COMMISSION				
330	General expenses	(8)	(8)	(8)	(8)
330	Railroad safety	(8)	(8)	(8)	(8)
330	Locomotive inspection	(8)	(8)	(8)	(8)
	NATIONAL SCIENCE FOUNDATION				
330	International Geophysical Year	28,000,000	26,000,000	28,000,000	27,000,000
	SECURITIES AND EXCHANGE COMMISSION				
330	Salaries and expenses	(8)	(8)	(8)	(8)
	VETERANS' ADMINISTRATION				
330	Inpatient care	(8)	(8)	(8)	(8)
330	Outpatient care	3,882,200	3,882,200	3,882,200	3,882,200
330	Compensation and pensions	20,000,000	10,000,000	10,000,000	10,000,000
330	Readjustment benefits	185,000,000	185,000,000	185,000,000	185,000,000
330	General operating expenses	(8)	(8)	(8)	(8)
330	Medical administration and miscellaneous operating expenses	(8)	(8)	(8)	(8)
330	Maintenance and operation of supply depots	(8)	(8)	(8)	(8)
	Total, Veterans' Administration	208,882,200	198,882,200	198,882,200	198,882,200
	Total, Chapter V	248,284,700	235,579,300	237,579,300	236,579,300
	DEPARTMENT OF THE INTERIOR				
	OFFICE OF THE SECRETARY				
330	Research in the utilization of saline water	200,000	200,000	200,000	200,000
S. 105	Oil and Gas Division	35,000		35,000	35,000
	BUREAU OF LAND MANAGEMENT				
330	Management of lands and resources	1,681,700	800,000	1,200,000	1,000,000
330	Construction	2,000,000		2,000,000	2,000,000
	BUREAU OF INDIAN AFFAIRS				
330 / S. 105	Education and welfare services	2,000,000	1,871,000	1,871,000	1,871,000
S. 105	Construction	240,000		240,000	240,000
	GEOLOGICAL SURVEY				
330	Surveys, investigations, and research	1,650,000	1,650,000	1,650,000	1,650,000
	NATIONAL PARK SERVICE				
330	Jones Point Bridge	500,000		500,000	
S. 105 / 352	Construction	3,360,000	3,000,000	360,000	3,000,000
	FISH AND WILDLIFE SERVICE				
330	Federal aid in wildlife restoration [13]	(13,467,468)	(13,467,468)	(13,467,468)	(13,467,468)
	OFFICE OF TERRITORIES				
330	Administration of Territories	60,000	60,000	60,000	60,000
	Total, Department of the Interior	11,726,700	7,581,000	8,116,000	10,056,000
	DEPARTMENT OF AGRICULTURE				
	FOREST SERVICE				
330	Salaries and expenses	8,213,500	7,913,500	7,913,500	7,913,500
	INDEPENDENT OFFICES				
330	District of Columbia Auditorium Commission	25,000			
330	National Monument Commission	25,000			
	Total, Independent Offices	50,000			
	Total, Chapter VI	19,990,200	15,494,500	16,029,500	17,969,500
	DEPARTMENT OF LABOR				
	BUREAU OF EMPLOYMENT SECURITY				
	Mexican farm labor program			(14)	(14)
	BUREAU OF LABOR STATISTICS				
330	Special wage survey	(15)			
	Total, Department of Labor				

[8] Language.
[12] Rescission of unexpended balances.
[13] Appropriation of receipts. Not included in totals of this tabulation.
[14] $65,000 to be derived by transfer.
[15] Request for transfer of $200,000 from "Unemployment compensation for veterans" was not allowed.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE				
	OFFICE OF EDUCATION				
330	Payments to school districts	$25,000,000	$25,000,000	$25,000,000	$25,000,000
330	Assistance for school construction	9,900,000	9,900,000	9,900,000	9,900,000
	PUBLIC HEALTH SERVICE				
330	Grants to States for poliomyelitis vaccination	33,000,000	27,800,000	27,800,000	27,800,000
330	Construction of research facilities	3,190,000	3,190,000	3,190,000	3,190,000
	Assistance to States, general	55,000		55,000	55,000
	Communicable diseases	55,000		55,000	55,000
	Sanitary engineering activities	70,000		70,000	70,000
	Foreign quarantine service	20,000		20,000	20,000
	Retired pay of commissioned officers	130,000		130,000	130,000
	SOCIAL SECURITY ADMINISTRATION				
330	Grants to States for public assistance	57,000,000	47,000,000	50,000,000	47,000,000
	Total, Department of Health, Education, and Welfare	128,420,000	112,890,000	116,220,000	113,220,000
	NATIONAL LABOR RELATIONS BOARD				
330	Salaries and expenses	951,500	800,000	800,000	800,000
	NATIONAL MEDIATION BOARD				
330	Salaries and expenses	[16]		[17]	[17]
	RAILROAD RETIREMENT BOARD				
330	Salaries and expenses	[888,000]	[548,000]	[888,000]	[888,000]
	Total, Chapter VII	129,371,500	113,690,000	117,020,000	114,020,000
	PUBLIC WORKS				
	DEPARTMENT OF THE INTERIOR				
	OFFICE OF THE SECRETARY				
330	Operation and Maintenance, Southeastern Power Administration	235,000	235,000	235,000	235,000
	DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS				
	RIVERS AND HARBORS AND FLOOD CONTROL				
330	Operation and Maintenance, General	15,350,000	15,375,000	15,375,000	15,375,000
	TENNESSEE VALLEY AUTHORITY	3,500,000		3,500,000	
	Total, Chapter VIII	19,085,000	15,610,000	19,110,000	15,610,000
	DEPARTMENT OF STATE				
330	Payment to Foreign Service retirement and disability fund	1,236,000	1,236,000	1,236,000	1,236,000
330	Extension and remodeling, State Department Building	900,000	800,000	800,000	800,000
330	Contributions to international organizations	349,790	349,790	349,790	349,790
	Total, Department of State	2,485,790	2,385,790	2,385,790	2,385,790
	DEPARTMENT OF JUSTICE				
	LEGAL ACTIVITIES AND GENERAL ADMINISTRATION				
330	Salaries and expenses, general legal activities	550,000	500,000	550,000	500,000
330	Salaries and expenses, Antitrust Division	364,000	364,000	364,000	364,000
330	Fees and expenses of witnesses	200,000	100,000	100,000	100,000
330	Salaries and expenses, claims of persons of Japanese ancestry	712,000	600,000	600,000	600,000
	Total, Department of Justice	1,826,000	1,564,000	1,614,000	1,564,000
	THE JUDICIARY				
	SUPREME COURT OF THE UNITED STATES				
330	Miscellaneous expenses	900	900	900	900
	COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES				
330	Travel and miscellaneous expenses	[18]	[18]	[18]	[18]
330	Salaries of referees	(6,375)	(6,375)	(8,375)	(8,375)
330	Expenses of referees	(111,500)	(111,500)	(111,500)	(111,500)
	Total, the Judiciary	900	900	900	
	Total, Chapter IX	4,312,690	3,950,690	4,000,690	3,950,690
	TREASURY DEPARTMENT				
	BUREAU OF ACCOUNTS				
330	Salaries and expenses	163,000	163,000	163,000	163,000
	COAST GUARD				
330	Reserve training	[19]	[19]	[19]	[19]
326	Reserve training, 1957	3,500,000	3,500,000	3,500,000	3,500,000
	Total, Treasury Department	3,663,000	3,663,000	3,663,000	3,663,000
	POST OFFICE DEPARTMENT				
S. 112	Operations	16,000,000		16,000,000	16,000,000

[16] Request for transfer of $31,000 from "Arbitration and emergency boards" was not allowed.
[17] Transfer of $25,000 from "Arbitration and emergency boards."
[18] $225,000 to be derived by transfer.
[19] $868,000 to be derived by transfer.

Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
	THE TAX COURT OF THE UNITED STATES				
330	Salaries and expenses	$87,000	$87,000	$87,000	$87,000
	Total, Chapter X	19,750,000	3,750,000	19,750,000	19,750,000
	DISTRICT OF COLUMBIA				
330	Federal payment	2,000,000			
	OPERATING EXPENSES				
330	Metropolitan Police	(240,000)	(240,000)	(240,000)	(240,000)
	Department of Public Health:				
330	Medical charities	(150,000)	(130,000)	(150,000)	(150,000)
330	Freedmen's Hospital (1954)	(137,489)	(137,489)	(137,489)	(137,489)
	Public Welfare:				
352	Public assistance grants	(250,000)	(250,000)	(250,000)	(250,000)
330	National Training School for Boys (1955)	(337,000)	(327,000)	(327,000)	(327,000)
330	Department of Highways	(393,000)	(393,000)	(393,000)	(393,000)
330	Settlement of claims and suits	(44,708)	(44,708)	(44,708)	(44,708)
330	Judgments	(18,728)	(18,728)	(18,728)	(18,728)
330	Audited claims	(85,785)	(85,785)	(85,785)	(85,785)
	Total, Federal funds (Chapter XI)	2,000,000			
	Total, District of Columbia funds	(1,646,710)	(1,626,710)	(1,646,710)	(1,646,710)
	SENATE				
	Widow of Senator Harley M. Kilgore			22,500	22,500
	Office of the Secretary			2,535	2,535
	Contingent expenses of the Senate:				
	Joint Committee on the Economic Report			10,914	10,914
	Inquiries and investigations			600,000	600,000
	Stationery			2,900	2,900
				638,849	638,849
	HOUSE OF REPRESENTATIVES				
	Gratuity payment to beneficiary of deceased Member		22,500	22,500	22,500
	CONTINGENT EXPENSES OF THE HOUSE				
338	Special and select committees	400,000	300,000	300,000	300,000
338	Stationery (revolving fund)	100	100	100	100
338	Attending physician's office	1,000	1,000	1,000	1,000
338	Folding documents	15,000	15,000	15,000	15,000
	CAPITOL POLICE				
338	General expenses	1,700	1,700	1,700	1,700
	Total, Chapter XII	417,800	340,300	979,149	979,149
	JUDGMENTS AND AUTHORIZED CLAIMS				
S. 110 355	Claims, audited claims and judgments	2,367,341	1,614,562	2,367,341	2,367,341
	Total, Chapter XIII	2,367,341	1,614,562	2,367,341	2,367,341
	INCREASED PAY COSTS				
341	Increased pay costs	270,814,296	266,771,471	281,121,196	281,098,696
	Total, Chapter XIV	270,814,296	266,771,471	281,121,196	281,098,696
	Grand total	878,136,527	795,768,823	838,864,176	852,414,896

AGRICULTURAL ACT OF 1956

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1983, H. R. 10875.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 10875) to enact the Agricultural Act of 1956.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments.

AMENDMENT OF MERCHANT MARINE ACT OF 1936, RELATING TO UTILIZATION OF PRIVATELY OWNED SHIPPING SERVICES IN CERTAIN CASES—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) a bill to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House and agree to the same.

WARREN G. MAGNUSON,
JOHN O. PASTORE,
PRICE DANIEL,
JOHN M. BUTLER,
JAMES H. DUFF,
Managers on the Part of the Senate.

HERBERT C. BONNER,
EDWARD A. GARMATZ,
EDWARD J. ROBESON, Jr.,
THOR C. TOLLEFSON,
JOHN J. ALLEN, Jr.,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, may I ask the Senator from Washington if the conference report was signed by all the conferees?

Mr. MAGNUSON. It was signed by all the conferees on both sides. It allows the Department of Defense, at the

Department's own request, to ship passenger vehicles in available private merchant marine space. Heretofore, they have all been shipped via MSTS.

Mr. KNOWLAND. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

ORDER FOR RECESS UNTIL 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce, for the information of the Senate, that it is the plan to convene at 11 o'clock tomorrow morning and to proceed as expeditiously as possible with the consideration of the farm bill.

It is planned to have the Senate remain in session tomorrow evening until a late hour, say, 7, 7:30, or 8 o'clock.

If action on the bill has not been finished by that time, it is planned to have the Senate convene early on Friday in an attempt to complete action on the bill on Friday.

Six or seven appropriation bills will be ready next week; and there will be, also, the road bill and the social security bill—some of the most important legislation which will come before the Senate at this session.

We plan to make this a session of achievement. I want all Senators to be on notice that although the Senate recently has been recessing from Thursday until Monday, from this time forward we shall have to come early and stay late in order to pass some of the more important bills.

I also wish to announce that it is planned to call up the civil service retirement bill at the appropriate time.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. FULBRIGHT. I was very much interested in the statement just made by the distinguished majority leader. How does he propose to make this a Congress of achievement when bills which are passed are vetoed at the White House?

Mr. JOHNSON of Texas. I do not think the bills which will be passed from now on will be vetoed.

COMMENDATION OF TIME MAGAZINE'S INTEREST IN WATER RESOURCE DEVELOPMENT

Mr. WATKINS. Mr. President, it is my pleasure today to give recognition to a great national magazine which has demonstrated its knowledge of and sympathetic interest with the paramount need for water resource development in the future growth and economic progress of the semiarid West. I am referring, of course, to Time magazine.

Some 18 months ago, four sparsely settled States of the upper Colorado River Basin were trying desperately to get the Nation's major newspapers and magazines to review objectively the proposed Colorado River storage project. At that time, the heavily subsidized southern California water lobby was spending thousands upon thousands of dollars distributing their own misrepresentations on this project in a variety of cleverly contrived propaganda brochures, many of which did not appear on their face to emanate from a selfish lobby.

A number of newspapers and magazines published this one-sided material, apparently without endeavoring to get the facts or, at least, to present both sides of the story. Others would not recognize that the largest single reclamation project ever proposed was of more than regional interest.

Consequently, the people of the four-State upper Colorado River Basin were extremely pleased when Time magazine, in a cover article on Secretary McKay in the issue of August 23, 1954, correctly assessed the value of water—liquid gold—to the West and included some pictures of Colorado River country. I ask unanimous consent to have this article printed at the conclusion of my remarks as exhibit 1.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. WATKINS. A few months later, in the issue of January 31, 1955, Time devoted a special article to the project. This friendly, well-written account was one of the best articles on the project to appear in a major national magazine, prior to congressional floor action, and I am certain that it made a major contribution to national understanding of and eventual support for the project.

Mr. President, I hereby request unanimous consent to have this second Time article printed at the conclusion of my remarks as exhibit 2.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 2.)

Mr. WATKINS. Mr. President, on March 12, after the project had passed the House, Time magazine's publisher, James A. Linen, devoted his Publisher's Letter section to an expression of gratification at the passage of a measure that many other publishers had chosen to regard as essentially a local or regional matter. In that statement he suggested that Time magazine could "associate ourselves with this progressive step." I hereby request unanimous consent that this letter be printed at the conclusion of my remarks as exhibit 3.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 3.)

Mr. WATKINS. Mr. President, as an active participant in that 6-year legislative struggle, I most emphatically endorse Time's association in that effort with those who appreciate and love the West, and know our extreme need for water-resource development.

I commend Time and its publisher and editors for this enlightened reporting in the national interest. As this great project unfolds in future years, I think the publisher and editors of Time will take some real personal satisfaction out of their contributions to this partnership effort in natural-resource development.

EXHIBIT 1

THE OLD CAR PEDDLER

In the vast, air-conditioned, limestone building covering 5 acres of Washington, D. C., which Harold Ickes built for his Interior Department in 1936, there is a sixth-floor suite lovingly planned by Ickes for Ickes. Two private elevators lead to the Ickes suite; 2 Alaskan totem poles flank the entry hall, 55 feet long. Beyond come stenographic offices and then the Secretary's private office: Walnut-floored, oak-paneled and immense (960 square feet, as much as a 5-room house). Nearby are the private aide's office, private dining room, private conference room (which Ickes sometimes used as his bedroom) and private bathroom (where Ickes used to wipe his feet happily on a bath mat emblazoned with the Republican elephant). In Ickes' enormous room, at Ickes' great, gleaming desk, there now sits a successor who cares nothing for Mussolinian magnificence. Douglas McKay, 61, veteran Chevrolet dealer—"the old car peddler," he calls himself—from Salem, Oreg.

This election year Doug McKay is engaged in a basic political struggle with the shade of Harold Ickes and his heirs. The issue: Federal management of resources versus the Eisenhower slogan of partnership between Government and business. In the West, this conflict is much sharper than in the rest of the United States. The West grew up under the Federal Government's wing. McKay's opponents are betting that it wants to stay there. Eisenhower, McKay & Co. think they see signs that the West, even on such issues as who develops water power, is ready to emerge from Washington's sheltering protection. Control of Congress (six seats in the Senate, about a score in the House) may depend on which of these views is correct. Doug McKay is politician enough to know this, but the unaccustomed weight on his shoulders doesn't worry him much.

COUNTRY BOY

When McKay was Governor of Oregon—his biggest job before coming to Washington with Ike—two of the toughest decisions he faced were whether to proclaim daylight time (thus annoying farmers) and whether to ban hunting when forests were tinder-dry (thus annoying Oregon's legions of deerslayers). In Washington McKay's horizons have enlarged considerably, without affecting the size of his hat. As Interior Secretary, he is the Nation's biggest landlord, greatest giver of light and water, master of forest and range, controller of minerals and oil, boss of 56,000 people and a $519 million budget.

"It's fantastic, me having this job," McKay told the crowds on a trip home to Oregon last year. "I'm just a country boy, just a punk governor from a little State." His appointment as Secretary of the Interior, he said, reminded him of the small boy who entered his pet pooch in a pedigreed dog show; when told he was sure to lose, the boy replied, "That's all right—I didn't expect him to win. I just wanted to enter him so he could meet a lot of nice dogs."

Personally—but not politically—McKay has been compared to Harry S. Truman. Both have a chipmunk's cheeky air; both are short, jaunty, friendly, and folksy. They would look even more alike if McKay's nose had not been flattened years ago by a fall from a horse. Like Truman, McKay has a zest for people and politics, a talent for off-

the-cuff oratory and off-the-cob jokes. The resemblance to Truman ends there; McKay made money in business, and he learned his politics not from Kansas City's Pendergast but in Salem's antiseptic, traditionally Republican atmosphere.

CRUTCH AND CRIPPLES

At his first Washington news conference, early last year, Secretary McKay remarked that the Interior Department has as many parts as a Chevrolet. He knew the car parts were essential, but he added that he was not too sure about Interior's. Since then he has abolished 5 divisions, dropped 4,000 workers and cut the budget nearly $200 million from its pre-McKay peak. Interior remains one of the greatest, most powerful and least-known Departments of the Government.

Interior rules one-third of the Nation's area. It controls ranching, mining, lumbering and all economic activity on 750 million acres—an area greater than France, Germany, Italy, and Scandinavia combined. It supervises 16,000 Eskimos, 400,000 Indians, 3 million far-flung people from self-governing Puerto Rico to Yap, a South Pacific trust island where the currency is stones. It marketed, in 1952, more electric power than the Nation's eight biggest private utilities.

Interior's domain and duties seem boundless.

Its Reclamation Bureau has spent $2 billion to water the arid West and tame rivers like the Colorado. Reclamation built the world's greatest irrigation system—California's Central Valley project—and four biggest dams: Hoover, Shasta, Hungry Horse, and Grand Coulee (which has generating rooms twice as big as Yankee Stadium).

Its Bureau of Indian Affairs supervises 56 million acres of Indian land, operates 62 hospitals. One problem: Who is an Indian? A man who was only 1/256th Indian once cut himself in on tribal benefits. The answer: An Indian is, usually, anyone with at least one Indian grandparent.

Its Fish and Wildlife Service tries to keep the Nation's 32 million fishermen and hunters happy, runs 200 game refuges, breeds 227 million fish eggs yearly, has developed underwater television to study fishing from the viewpoint of a fish.

Its Office of Territories runs Interior's exterior, tries to entice industry to America's outposts. As one result, the Exquisite Form Brassiere Co. may set up a bra factory in Samoa.

It puts identifying bands and tags on birds, fish, crabs and the bats from New Mexico's vast Carlsbad Caverns; it runs a railroad; it operates 2,791 radio transmission stations; it combats the West's halogeton weed (which poisons cattle) and the South's water hyacinth (which smothers fish); it inspects mines; it maintains more than 60,000 graves; it flies 67 planes and three helicopters; it manages a herd of 1,500,000 fur seals on the Pribilof Islands; it is the world's biggest employer of engineers and it protects the Nation's last 23 whooping cranes, 577 trumpeter swans and a few midget deer.

WORK FOR WORTH

All this, to Secretary McKay, is too much. "Once we make a crutch of the Government," he believes, "we are on our way to becoming political cripples." He wants—at the right time and on the right terms—independence for the Indians, statehood for Alaska and Hawaii, private initiative on electric power and more private ownership of public lands.

On the last named point of this program, McKay has good historical precedent. In the 19th century, Interior's General Land Office did a land-office business virtually giving away land—for railroads, land-grant colleges and, mostly, homesteading.[1] Lincoln, who made homesteading the law, believed in "settling of the wild lands into small parcels so that every poor man may have a home." The theory was that the people would work the land, build up the Nation and make it great. In the 20th century came a new idea—the Federal Government should build up the Nation and make it great.

That idea grew to obsess Ickes and, until McKay, the Interior Department. In 1935, under Ickes, all public lands were closed to public settlement. Thenceforth the pattern was plain; the public domain was for the Government, not the public. The result: 54 percent of the 11 Western States is still Federal land, much of it undeveloped and unproductive. Nearly 100 million acres have never been surveyed. In Interior's forests some 9 billion valuable board feet of windthrown timber are moldering away, hindering new growth.

McKay believes in conservation, not decomposition. He has pushed the surveys needed for land development. In Nevada, which is 85 percent federally owned, says McKay, "the survey was going so slowly it wouldn't have been finished for a thousand years. I've fixed it so the job will be done this century anyway." He has pushed timber cutting to provide a permanent yield (as practiced by big western operators, like Crown Zellerbach and Weyerhaeuser, whose future lies in future forest growth).

McKay's definition: "Conservation means wise use * * * natural resources are not worth a thing unless you put work into them."

STRUGGLE FOR POWER

To Doug McKay there is no public-power issue. In 1932 he was president of the Salem Public Ownership League; he has long supported local public power, and he insists: "Public power is here to stay." The real issue is Federal power, which is very different—and which has increased from less than 1 percent of the Nation's total in 1935 to more than 13 percent last year.

McKay ended Interior's struggle for power. One evening last year, soon after taking over, McKay told his wife: "I've made my decision on Hells Canyon—boy, will I catch hell tomorrow." His decision: to drop Interior's delaying action against the Idaho Power Co. No Congress, Democrat or Republican, had ever authorized Interior to build at Hells Canyon, and no Congress in the foreseeable future would vote the needed funds ($842.5 million). But Interior had done everything possible to get the site and to stop Idaho Power from building dams with its own money.

HEALTHY CLIMATE

Partnership means simply that Interior will help power projects, where possible, and might pay part of construction costs (for flood control and navigation benefits, both Federal responsibilities). Henceforth, McKay said, the Federal Government will build only projects too big for any other outfit. Example: the $1.2 billion five-State upper Colorado project.

The Colorado Basin would benefit immensely; however, thousands of protests against the project have hit McKay's desk. Reason: professional nature lovers like Bernard DeVoto, Richard Neuberger, and Wallace Stegner, all of whom wear shoes and live in houses while writing about the great outdoors, have raised an outcry because the project would flood part of Dinosaur National Monument.

McKay's reply: "As it is, 2,200 people a year see that park. On the other hand, 3,750,000 people in the upper Colorado Basin are thirsting for water. I'm all for wilderness areas, but when there is a choice between that and man's chance to earn a living on reclaimed soil, I'm for the working man's chance."

To McKay, partnership is based both on principle and on practical sense. The Northwest alone requires $3.5 billion worth of new power by 1974, and no conceivable Congress would pungle up that much money for one region. "This country," said McKay, "is growing so rapidly that we must have the effort of everyone. The Federal Government cannot do it all." And a Federal dog-in-the-manger attitude holds off private capital.

Can local initiative and private capital produce the power? "You're darned right we can," declared Kinsey Robinson, president of Spokane's Washington Water Power Co. "We could have done it a long time ago if the climate had been right." Superintendent Paul Raver of Seattle City Light, former chief of the Federal Bonneville Power Administration, joined in a declaration: "We recognize our responsibility to produce 1.6 million new kilowatts in the next 10 years, and we intend to do it."

Partnership may be paying off. Presently planned new projects in the Northwest alone total a thumping 5,249,000 kilowatts capacity. Construction cost: $1.5 billion, not at Federal expense.

POWER POLITICS

McKay's partnership power policy is a hot issue in several States. In Kentucky, concern for TVA could defeat Republican Senator John Sherman Cooper, although he does not share his party's position. In Wyoming, ex-Senator Joseph C. O'Mahoney is trying to come back with an all-out attack on McKay. In Idaho, where Hells Canyon is a burning issue, some pro-McKay candidates lost last week's primaries. In Montana, Fair-Dealing Senator JAMES MURRAY is campaigning against McKay rather than his opponent. In Washington, two Republican Congressmen (WALT HORAN and RUSSELL MACK) have disassociated themselves from McKay's policy. In Oregon, McKay's own State, he is blamed for the shortage of kilowatts which requires dimouts. The Oregon issue is as clear as mountain air: a victory for journalist DICK NEUBERGER, the Democratic senatorial candidate, would be a stinging defeat, not just for Republican Senator Guy Cordon, but for McKay and administration policy.

As McKay expected, he has caught hell. No other member of the President's Cabinet, not even Ezra Benson, has suffered so much personal attack. Sample labels: "Dimout Doug, No-Dam Doug, and Giveaway McKay." Orators call him a stooge of the power trusts, lumber barons, cattle kings and the other Lucifers of New Deal demonology. McKay shrugs: "I've sold automobiles for 32 years, and I was once a second lieutenant in the Army, so I've been cussed by experts. It doesn't bother me a bit." Sometimes it does: when his honesty is questioned, McKay is apt to reply—firmly—in the next mail. He resented the charge of selling out the West: "How could I sell my own State down the river? Oregon's where I've made every penny I've earned, where everything I own is tied up, where my family has been now for generations."

HARD AND LOOSE

In Oregon, which has nice weather for ducks, McKay is called a real webfoot. His grandparents, covered-wagon pioneers, settled there more than a century ago. A great-grandmother died on the endless Oregon Trail, and a great-uncle was disemboweled by Indians, who filled his stomach with stones and tossed his body back into his cabin. His grandfather ran a Hudson's Bay Co. store, drifted to California looking for gold with 3 burros ("1 for groceries, 1 for dynamite, and 1 for chewing tobacco"), but returned empty-handed.

[1] The first homesteader: Union Soldier Daniel Freeman, on January 1, 1863. A few minutes after the law came into effect at midnight, he dragged a protesting land registrar from a New Year's Eve dance to file his claim at Beatrice, Nebr., later built a log cabin for his family and planted 400 peach trees on his 160-acre quarter section. Typically, Interior has since reclaimed the claim. Now it's Homestead National Monument.

As a boy McKay milked the cows at his grandfather's farm on a Columbia River island. His father seldom came home with any money, and one day never came home at all. His mother found a job as a seamstress, and young Doug McKay went to work. He sold candy in a Portland theater between the acts, until stopped by the child-labor laws. Later he delivered papers, drove a meat wagon, then quit high school to work in a railroad office. But he yearned for a farm of his own; he studied nights and saved enough to get a degree at Oregon Agricultural College (now Oregon State). But the war came, and the farm went glimmering.

On the last night of 1918's Meuse-Argonne offensive, Lt. James Douglas McKay, back from patrol, stopped at his outfit's field kitchen just as a German shell landed. Shrapnel ripped open his leg, nicked an ear, and tore off part of his right arm and shoulder. He lived mainly because "he refused to die," an Army doctor said, but he left the hospital 13 months later with a gimpy right arm. After the shellburst, he could never again handle a plow.

Ever since, McKay has been careful of his health. On political campaigns, he has learned to sleep sitting up; in Oregon he carried a pillow in his car to sleep on while crossing town between speeches. He likes to quote the old colored mammy: "When I works, I works hard. When I sits, I sits loose. When I worries, I goes to sleep."

EXHIBIT 2

DAMS VERSUS DINOSAURS

Early one morning shortly after he had fought the McCarthy censure proceeding to a finish, Utah's Republican Senator ARTHUR WATKINS dragged himself from bed to answer his telephone. On the line was a Presidential aid who wanted to know if WATKINS could be at the White House by 9:30. Weary ARTHUR WATKINS managed to put off the appointment until 10 o'clock, then went down to receive Dwight Eisenhower's congratulations for a job well done. Just before he left WATKINS had an idea. "Mr. President," he asked, "would you permit a suggestion for your state of the Union message?" Said Ike: "Go ahead."

WATKINS proceeded to put in a plug for something near to his heart: the billion-dollar power and reclamation project proposed for the upper Colorado River Basin. There was, said WATKINS, nothing socialistic about the idea; private utilities in the West were ready and eager to buy the power. Moreover, backing by the President would help refute some of the talk about the administration's giveaway policy on natural resources. "That's a good idea," said Ike, turning to an assistant and giving the necessary order.

The President did mention the upper Colorado Basin project in his state of the Union speech. He went even further than WATKINS had hoped: last week, in his budget message, the President recommended that $5 million be appropriated to get engineering started.

TREASURE HOUSE

Ike's powerful support was thereby given to a plan which has been talked about for some 50 years and has been passed over by four previous Congresses, largely because of unrelenting opposition from (1) southern California power interests who profit under the present distribution of Colorado River water and (2) conservationists (e. g., Ulysses S. Grant III) who for years charged (erroneously) that the big dam proposed for Echo Park, Colo., would flood out the dinosaur remains in the national park there. They have since shifted their argument to the claim that if Dinosaur National Monument is invaded today, Yellowstone will be tomorrow's victim. To the conservationists, Interior Secretary Douglas McKay has a trenchant answer. Says he: "As it is now, 2,200 people a year see that park. On the other hand, more than 3 million people live in the upper Colorado Basin States and they are hungry for water. Which is more important?"

The upper Colorado Basin includes 110,000 square miles of Colorado, Utah, Wyoming, New Mexico, and Arizona (the upper and lower basins are defined in a seven-State compact signed in 1922, with the dividing line at Lee Ferry, Ariz.). More than 43 million acres—an area larger than the six New England States combined—are already given over to public recreational use (the Federal Government owns 72 percent of all the land in Utah and 52 percent of Wyoming). Some 70 percent of the farming in the upper basin depends on irrigation but only a small portion of the land is irrigated. The upper basin is a treasure house: lead, gold, silver, zinc, coal, oil—and now, uranium. But the water is not to be had for full development of these resources.

THE BIG SIX

The upper basin's water shortage is the supreme irony, for through the area flows the Nation's fifth longest river, the Colorado, draining one-twelfth of the United States. It rises in the Rockies of Colorado and Wyoming, travels some 1,400 miles southwest past mountain meadows, breathtaking gorges and desert wastelands. It borders southern California, which diverts its share of the water. Then it empties, with more than half its volume still unused (and of that which is used, the lower basin gets some 60 percent), into the Gulf of California. Along its vast upper reaches, the Colorado is the last great unharnessed river system in the United States.

The project now being backed by President Eisenhower proposes six major dams at Glen Canyon, Echo Park, Cross Mountain, Flaming Gorge, Curecanti, and Navaho. Each would have a dam, a reservoir, and a powerplant (exception: Navaho, for which no power unit is planned).

The Glen Canyon Dam would be the most imposing; next only to the Hoover Dam, it would stand 700 feet high, provide storage for 26 million acre-feet of water, and produce 800,000 kilowatts of power. In addition to the Big Six, there would be 14 lesser projects, for irrigation purposes at such odd-sounding sites as Gooseberry, Seedskadee, and Silt. The entire system, say its supporters, would open 300,000 new acres to farming, vastly enhance the agriculture of 470,000 acres now partly under irrigation, and produce 1,622,000 kilowatts of electrical energy for an area now in desperate short supply.

Insofar as the administration is concerned, the upper Colorado Basin has another great virtue. The people of the area want water; how they get it is less important. Missing, to a large extent, is the highly emotional issue of public versus private power that hampers reasonable discussion of power development in the Pacific Northwest. Administration advisers feel that they can make the upper Colorado a showcase for their policies on power development. If so, they consider it well worth braving the wrath of dinosaur fanciers and southern California.

EXHIBIT 3

PUBLISHER'S LETTER

DEAR TIME READER: Last week a branch of our Government took an action so very good for the country that the editors of Time and I like to think that we, along with much of the daily press, can associate ourselves with this progressive step. The House of Representatives passed the bill that authorizes some $750 million for the construction of power and reclamation projects in the upper Colorado River Basin.

Many of you will remember, I'm sure, our color pictures of this great river (Time, August 23, 1954), and the map and detailed report on the river projects which we published in the January 31 issue last year. People were talking about these Colorado River projects as far back as 50 years ago. The plans almost reached the drawing board stage, but four Congresses in a row passed them by. Now the development of the river basin, an area larger than all of New England, will enrich our whole country. New irrigation and power dams will increase the productivity of some 360,000 acres of land, but even more important it will open up the basin's wealth of lead, gold, silver, zinc, coal, oil, and uranium.

After last week's decisive vote in the Congress, we are sure we share with many other editors and publishers across the Nation a sense of gratification that an informed public opinion helped to bring the upper Colorado River Basin development to the verge of reality.

Cordially yours,

JAMES A. LINEN.

NIAGARA RIVER POWER DEVELOPMENT

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at this point in my remarks, a very fine telegram which I received from the Honorable Robert F. Wagner, mayor of the city of New York, on behalf of the 8 million residents of the city of New York. He expresses interest in and support of S. 1823 on behalf of himself and the people of the city of New York.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *May 15, 1956.*

Hon. HERBERT H. LEHMAN,
The Senate, Washington, D. C.:

I understand S. 1823 for public development of Niagara power is about to be considered by the Senate. My support of this legislation is of course well known to you. I want you to know that in urging support of this bill I am thinking of the interests not only of the 8 million people of New York City, but of our entire State. Niagara development in association with St. Lawrence power development can bring new prosperity to New York State. We need the advantage of lower cost power for our continued industrial expansion and to stimulate greater use of electricity by all our people, rural and urban. I know that under the safeguards included in S. 1823 New York City will benefit from this legislation. Please advise me of anything further I can do to expedite passage of this bill.

ROBERT F. WAGNER,
Mayor, City of New York.

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a number of communications which I have received this afternoon from various organizations and individuals in support of S. 1823.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

MAY 15, 1956.

Hon. JOHN F. KENNEDY,
Senate Office Building,
Washington 25, D. C.

Hon. LEVERETT SALTONSTALL,
Senate Office Building,
Washington 25, D. C.

We, the members of the Massachusetts delegation attending the ninth biennial convention of the Textile Workers Union of America, AFL–CIO, in Washington, D. C., after hearing a discussion of the merits of S. 1832, the LEHMAN bill, providing for public development of the unique hydrofacility at the Niagara Falls do hereby recommend and urge that the Senators from our State not only vote for this measure, but exert every effort to obtain its passage. No issue is more vital to the economy of New England than providing lower cost electricity in this region, which will eventually bring down the cost of current both for industry and agriculture and for our homes.

Manuel Cattano, Local 590, Mary Cattano, Local 590, Manuel Mediros, Local 590, New Bedford, Mass.; Frank Soczen, Local 30, North Fairhaven, Mass.; Joseph Duggan, Local 1192, George E. Carignan, New Bedford Joint Board, Beatrice Carignan, New Bedford Joint Board, Charles Souza, Local 30, Otilia Souza, Local 30, Ida Pacheco, Local 593, Manuel Pacheco, Local 593, Louise Lima, New Bedford Joint Board, New Bedford, Mass.; Frank Vautour, Central Massachusetts Joint Board, Rose Vautour, Central Massachusetts Joint Board, Fitchburg, Mass.; A. W. Brown, Lawrence Joint Board, Methuen, Mass.; Anastazyia Moysenko, Lawrence Joint Board, Westville, N. H.; Joseph Dautain, Lawrence Joint Board, Joseph Mlocek, Lawrence Joint Board, Robert Barbin, Lawrence Joint Board, Angela M. Scherer, Local 783, Lawrence, Mass.; B. LaRacquin, Local 1394, Methuen, Mass.; Gladys Choquette, Local 704, Romer Choquette, Andover, Mass.; William F. Williams, Local 705, Methuen, Mass.; Albert J. Peterson, Local 913, Lawrence, Mass.; William J. Cormier, Local 637, Methuen, Mass.; Joseph H. Goldstein, Local 775, Northampton, Mass.; Emilo C. Dauphinas, Local 652, Mary Dauphinas, Local 652, Ludlow, Mass.

Mary S. Vaz, Local 652, Ludlow, Mass.; John Kulig, Local 144, Longmeadow, Mass.; Anna Sullivan, Local 113, Holyoke, Mass.; John Jarkowski, Local 775, Easthampton, Mass.; Dufud Vick, Local 144, Chicopee Falls, Mass.; Al Hodgman, Boston Joint Board, Lawrence, Mass.; Dave Glagebrook, Local 642, LeRoy Dudley, Local 642, Walpole, Mass.; John Welch, Local 115, Norwood, Mass.; Irene V. Boskin, Local 626, East Douglas, Mass.; Philippe J. Benoit, Local 1059, Lancaster, Mass.; Margaret Crowley, Local 1059, George Karras, Local 1359, Clinton, Mass.; Michael Botelho, Local 560, Hingham, Mass.; James Costa, Local 692, Earl R. Hayser, Local 804, James Berardi, Local 692, Alvin Giudaboni, Local 692, Lawrence M. Kuhn, Local 692, Samuel Dickson, Local 692, Plymouth, Mass.; Leo Watkins, Local 1037, Lawrence, Mass.; Manuel Dias, Local 1231, Alford Dyson, Local 1223, Alvin Almeida, Local 1227, Clarence Banks, Local 1213, Emile Gagne, Local 1223, Rose Machado, Local 1207, Mary Pelleteir, Local 1206, Mrs. N. R. Connell, Local 1201, Norman R. Connell, Local 1201, Fall River, Mass.; William J. Carrigan, Local 301, Pittsfield, Mass.; Stephen T. Wiencek, Local 841, Adams, Mass.; George A. Ellman, Local 496, Pittsfield, Mass.; Frank J. Kurpill, Local 780, Mathew Ciempa, Local 780, Adams, Mass.; Francis J. McMahon, Local 301, Pittsfield, Mass.; Ernest Hudon, Local 1325, Brattleboro, Vt.; Joseph A. Armeta, Local 780, Archie C. Brown, Local 780, Adams, Mass.; Henry Kullas, Berkshire Joint Board, Margaret Haslam, Berkshire Joint Board, Kathleen Slate, Berkshire Joint Board, Stanley Mikuzewski, Berkshire Joint Board, Peter Knappe, Berkshire Joint Board, Joseph Nowicki, Berkshire Joint Board, Irwin Morse, Berkshire Joint Board, Michael Sciola, Berkshire Joint Board, Stella Spence, Berkshire Joint Board, Adams, Mass.; John Viveiros, Local 1231, Mike Perry, Local 1212, Fall River, Mass.; Mario Pagano, George Pierce, Dracut, Mass.; Stanley J. Petkis, Holbrook, Mass.; Donald E. Cook, Local 1296, Lynn, Mass.; Sydney G. Abbot, Local 1013, Billerica, Mass.; Joseph Cobal, Local 1214, John Ironfield, Local 1208, Fall River, Mass.; Diana Halton, Local 693, Hadley Falls, Mass.; Rhea Turcotte, Local 693, Holyoke, Mass.; Catherine O'Neill, Local 113, Alice Beaulieu, Local 113, Leo Riel, Local 113, Holyoke, Mass.

Nello Rota, local 1058, Holyoke, Mass.; Mary M. Hidenfelts, local 1168; Francis Hidenfelter, Worcester, Mass.; Julio Macedo, Jr., local 590; Alfred Barloza, local 590; Gilbert T. Perry, local 590, New Bedford, Mass.; Carmen Simonelli, local 780, Adams, Mass.; Stuart K. Sprague, local 1280, 2 Hoosac Court, N. Adams, Mass.; Joaquim Alves, local 590; Roger Desrochers, local 590, New Bedford, Mass.; M. Andiadi, local 813; Joseph Carreiro, local 1203; John Fragoza, local 1212, Fall River, Mass.; Margaret Borden, local 740, North Dighton, Mass.; David Babeu, local 451; Harold T. Schofield, Taunton Junction Boulevard, Taunton, Mass.; Lydia Silvia, local 469; Manuel R. Silvia, Jr., local 469, Pawtucket, R. I.; Joseph Dickens, local 454, Franklin, Mass.; Frederick Borden, local 740, North Dighton, Mass.

MAY 15, 1956.

The Honorable IRVING M. IVES,
Senate Office Building,
Washington, D. C.:

We, the members of the New York delegation, attending the ninth biennial convention of the Textile Workers Union of America, AFL–CIO, in Washington, D. C., after hearing a discussion of the merits of S. 1832, the Lehman bill, providing for public development of the unique hydrofacility at the Niagara Falls, do hereby recommend and urge that the Senators from our State not only vote for this measure, but exert every effort to obtain its passage. No issue is more vital to the economy of New York State than providing lower-cost electricity in this region, which will eventually bring down the cost of current both for industry and agriculture and for our homes.

Jack Rubenstein, New York State director; Lucy Dempsey, Local 701; Harry E. Dempsey, Buffalo Joint Board, Utica, N. Y.; Louise McCarthy, Buffalo Joint Board; Frank J. Bartscheck, Buffalo Joint Board, Buffalo, N. Y.; Henry Simard, Local 1308, New York Mills, N. Y.; Barney Ceplis, Local 372, Utica, N. Y.; Alfred Chwalek, Local 1308, New York Mills, N. Y.; Lloyd Bunting, Local 898, Newburgh, N. Y.; Olga Lucy, Local 982, Garnersville, N. Y.; Emma Bormaur, Local 988, Port Jervis, N. Y.; Elsie Fletcher, Local 1001; Garnold Richards, Local 1326, Newburgh, N. Y.; Albert Biscardi, Local 215, Middle Village, N. Y.; Charles J. Cresanti, Local 444, Palisades Park, N. Y.; Irving Epstine, Local 252, East Meadow, Long Island, N. Y.; Sidney Lockman, Local 92; Charles St. Hill, Local 263; Charles Baumann, NYC Joint Board, Joseph Weintraub, Local 92, Brooklyn, N. Y.; Fred Krokenberger, Amsterdam Joint Board; Joseph D. Sorbo, Local 489; Frank Cassire, Local 489; Joseph Angelo, Local 489; Milton Yates, Local 489; Alvah Lansburg, Local 489, Amsterdam, N. Y.; Bert Gilman, Jr., Local 222, Wayland, N. Y.; Arthur S. Bussite, Jr., Local 221, Arkport, N. Y.; Kenneth Croston, Local 221, Hornell, N. Y.; Ann Szkotak, Local 20, Utica, N. Y.; Dorothy Garrison, Local 488; George Garrison, Local 488, Little Falls, N. Y.; Joseph Davoli, Utica Joint Board; Theresa Greco, Local 150, Utica, N. Y.

Charles Furgal, Local 20, New Hartford, N. Y.; John Graniero, Local 42, Utica, N. Y.; Emile Demees, Local 1351, Cohoes, N. Y.; Manuel Perez, Local 976, Hudson, N. Y.; Clara Link, Local 964, Rensselaer, N. Y.; Sophie Murray, Local 237; Jennie A. Rubino, Local 237, Mechanicville, N. Y.; Thomas Falcone, Local 237, Martin F. Clancy, Local 346, Troy, N. Y.; Joseph C. Killian, Cohoes Joint Board, Cohoes, N. Y.; John Cadden, Local 180, Richmond Hill, N. Y.; John J. O'Leary, Local 898, Newburgh, N. Y.; Bonnie Howard, Local 1001, Cornwall, N. Y.; Rose Kubina, Local 1001, John J. Riccio, 898, Newburgh, N. Y.; Joseph Sablosky, Local 3, Rochester, N. Y.; Harry Williamson, Local 701, Fulton, N. Y.; Charles Appolites, Local 3, Rochester, N. Y.; Theodore Finney, Local 701, Fulton, N. Y.; Stephanie Mankowski, Local 1067, Ethel Ellis, Local 49, Buffalo, N. Y.; J. Dutts, Local 3, Rochester, N. Y.; Francis Parish, Local 701, Fulton, N. Y.; George Perry, New York Joint Board, Oswego, N. Y.; Ruby Mills, Fulton, N. Y.; Venida DeStephen, James DeStephen, Local 129, Ann Ottman, Local 129, Oswego, N. Y.; Leo Shienrzynski, Local 49, Robert A. Jones, Local 49, Buffalo, N. Y.; Giacomo J. Capaldi, Local 3, Rochester, N. Y.; John Wolski, Buffalo Joint Board, Kenmore, N. Y.; Ann Warshauer, New York City; William Gordon, Local 1790, Joseph Miraglia, Local 1790, Brooklyn, N. Y.; Rudy Piarno, Local 1, Stanley Lipkin, Local 1, Steve Borowski, Local 1, Thomas Mickus, Local 1, Clarence Mahal, Local 1, Amsterdam, N. Y.; William DuChessi, Local 1, New York City; Robert J. Heitzmann, Local 41, Chester Buskey, Local 41, Charles Fero, Local 372, Utica, N. Y.; Peter Zeto, Local 1085, Rose Zeto, Local 1085, Albany, N. Y.; John Gaddes, Local 1122, Ruth Gaddes, 1122, Averill Park, N. Y.; Francis Murray, Local 1246, Emily Murray, Hollowville, N. Y.; William Moore, Local 791, Hudson, N. Y.; William Laraway, Columbia County Joint Board, Philmont, N. Y.; Sy Cohen, Local 856, East Schodack, N. Y.; Reginald Brownell, Local 129, Oswego, N. Y.; Edward P. Boardway, Local 129, Irene Boardway, Minnetto, N. Y.; Katherine Brownell, Oswego, N. Y.; John Arpino, Local 1085, Frank Mamuscia, Local 1085, Auburn, N. Y.; Roger Solimando, Local 20, Utica, N. Y.; Francis E. Ward, Local 88, Binghampton, N. Y.; E. B. Jones, Local 20, Sauquait, N. Y.

Fred Koehler, local 653, John Walters, local 653, Utica, N. Y.; Andrew Corrav, local 1790, New York City, N. Y.; John Perrino, local 1790, Bronx, N. Y.; Stanley Artowicz, local 1790, Brooklyn, N. Y.; Vincent Lojacono, local 1790, New York, N. Y.; Robert Da Rin, local 1790, Jamaica, Long Island, N. Y.; John Cotton, local 1790, Harold Mitlof, local 1790, Daniel McDonough, local 1790, Brooklyn, N. Y.; Jerry Veltri, local 1790, Bronx, N. Y.; Morris Hyman, local 1790, Brooklyn, N. Y.; Merril A. Lott, Sr., local 646, Bertram S. Willetts, local 489, Kenneth King, local 646, Rose Krom, local 835, William R. Stewart, local 301, Winifred Stewart, local 835, Joseph Cozzoccio, local 489, Anthony Murdico, local 489, William J. Michalski, local 489, Peter Mason, local 489, Amsterdam, N. Y.; Emma Powell, local 489, St. Johnson, N. Y.

MAY 15, 1956.

Hon. CLIFFORD P. CASE,
United States Senate,
Washington, D. C.

H. ALEXANDER SMITH,
United States Senate,
Washington, D. C.

We, the members of the New Jersey delegation attending the ninth biennial convention of the Textile Workers Union of America, AFL-CIO, in Washington, D. C., after hearing a discussion of the merits of S. 1832, the Lehman bill, providing for public development of the unique hydrofacility at the

Niagara Falls, do hereby recommend and urge that the Senators from our State not only vote for this measure, but exert every effort to obtain its passage. No issue is more vital to the economy of New Jersey than providing lower cost electricity in this region, which will eventually bring down the cost of current both for industry and agriculture and for our homes.

Chris Frawley, Charles Vigorito, Joseph Wardlow, William A. Stewart, Thomas Malatesta, Edward Macchiarella, Charles Lazzio, Joseph Maida, Frank Malzone, Paterson, N. J.; Albert P. Coviello, Union City, N. J.; Pat Munzo, Carmen Hushchiocchi, Frank Pollo, Louis Cappucci, Paterson, N. J.; Dominick Plescia, Lodi, N. J.; Louis C. Massara, Nick Cuccinello, Bernard Daly, Edward Remery, Anthony Spivi, Paterson, N. J.; Kurt Leinberger, Belleville, N. J.; John Daccurro, Lodi, N. J.; Julius Tabachuk, Passaic, N. J.; John Novak, Wellington, N. J.; Michael Gatti, Clifton, N. J.; Martha Wyckoff, Millstone, N. J.; Albert Hardy, New Brunswick, N. J.; Rene D. Rense, South River, N. J.; Ann Tidroski, Milltown, N. J.; Joe Drewienzo, North Brunswick, N. J.; Carmel Orlando, Bound Brook, N. J.

Helen Skorny, Somerville, N. J.; William H. Stress, Chester Hatcher, Millville, N. J.; Louis Baumbach, Vineland, N. J., John Drydenz, Sheldon J. Baker, Paterson, N. J.; Michael Merda, Freehold, N. J.; Mary Grosso, New Brunswick, N. J.; Charles J. Howard, Hartzell L. Dubell, Hightstown, N. J.; John Pricer, Union City, N. J.; Edward Schmidt, Weehawken, N. J.; Louis C. Ferecuzio, Clifford, N. J.; Sam La Casa, Paterson, N. J.; Frank Cuccio, Passaic Junction Boulevard, John P. Sokerka, local 656, Anne Schweighardt, local 656, Charles LeLuca, local 656, James Varcadipane, local 1022, Passaic, N. J.; Virginia Varcadipane, Paterson, N. J.; George Rivers, local 1022, Passaic, N. J.; Augie Lucenti, local 1733, Pat Munzo, local 1733, Louie McGraw, Paterson, N. J.; Dominick Solaro, local 1932, Stephen Reinhardt, local 1932, Harry Jackson, local 1932, Garfield, N. J.; Louis Verticchio, local 1733, Thomas DeModica, local 1733, Peter Lepkowski, local 75, Paul Hurema, local 75, Joseph Hirsch, local 75, Paterson, N. J.

PLATTSBURG, N. Y., *April 28, 1956.*

Hon. HERBERT H. LEHMAN,
United States Senate:

Congratulations on your very fine support of Niagara public power bill, S. 1823, and also for your favorable vote. The program envisoned by the bill be of vital importance to the city of Plattsburg and northern New York which will certainly experience vast benefits from its potential resource. With best personal wishes and appreciation.

JOHN J. TYRELL,
Mayor, City of Plattsburg, N. Y.

BOUCKVILLE, N. Y., *May 1, 1956.*

Hon. HERBERT H. LEHMAN,
Senate Office Building,
Washington, D. C.:

We want to thank you for the diligent work you have done in preparing the Lehman bill S. 1823 which will be brought to a vote in the Senate this week.

All the members of our electric cooperative will be very happy in receiving lower electric rates which can be brought about by the passage of your bill.

BOARD OF DIRECTORS,
ONEIDA MADISON ELECTRIC CO-OP, INC.,
RAY TODD, *President.*

BOUCKVILLE, N. Y., *May 1, 1956.*

Hon. H. H. LEHMAN,
Senate Office Building,
Washington, D. C.:

We want to thank you for untiring time and effort you have put forth in writing the Lehman bill S. 1823, which will be voted on in the Senate this week. We are very happy to see preference in the bill for electric cooperatives, also in writing the bill you have kept the rural and domestic consumers in mind, especially the people of New York State by stating that the FPC grant a license to New York State Power Authority authorizing them to develop the Niagara.

BLAINE STOCKTON,
President, New York State Rural Electric Co-op Association.

NEW YORK, N. Y., *May 15, 1956.*

Senator LEHMAN,
Senate Office Building,
Washington, D. C.:

Our union fully supports your fight to obtain passage of S. 1823 to develop hydroelectric resources of Niagara River under public auspices with traditional safeguards of consumers' interests so as to spread benefits as widely as possible and make possible low-cost power. Passage of this bill will mean more jobs and increase level of economic activity for New York State.

JOHN KADASH,
National Maritime Union.

LOCKPORT, N. Y., *May 15, 1956.*

Hon. HERBERT LEHMAN,
The Senate,
Washington, D. C.:

Six thousand five hundred members of local No. 686, UAW, AFL-CIO, in Lockport, N. Y., have voted to support your public power bill through their union. We urge full Senate support of S. 1823.

JACK KYZMIR,
President, Local 686, UAW, AFL-CIO.

LOCKPORT, N. Y., *May 15, 1956.*

Hon. HERBERT LEHMAN,
The Senate,
Washington, D. C.:

Niagara County CIO unions favor public development of power as proposed by S. 1823. Our council represents 30,000 Niagara County industrial employees. We congratulate you on your position on this bill.

WILLIAM S. HILGER,
President, Niagara County Industrial Union Council, CIO.

NIAGARA FALLS, N. Y., *May 14, 1956.*

Senator HERBERT LEHMAN,
United States Senate,
Washington, D. C.:

There was a power failure affecting 1½ million people in the western New York area last night. The cause was reported to be a failure in a source of supply from Niagara Falls in Canada. This incident demonstrates the need for an immediate decision on the question of additional power development at Niagara Falls, N. Y. The people feel there has been too much delay on this matter and urge immediate action.

R. ROBERT MERINO.

Mr. LEHMAN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a telegram which was addressed to the Senator from North Dakota [Mr. LANGER] by James G. Patton, president of the National Farmers' Union, expressing support of S. 1823 and urging its passage by the Senate.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 16, 1956.*

Senator WILLIAM LANGER,
Senate Office Building:

According to our information there are 175,000 rural electric meters within transmission distance of the proposed Niagara site. Urge all friends of agriculture to vote for the LEHMAN bill.

JAMES G. PATTON,
President, National Farmers Union.

Mr. LEHMAN. Finally, Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at this point in my remarks, one editorial from the Watertown Daily Times dated July 26, 1950, and one news article from the same paper dated July 13, 1950, one dated July 26, 1950, the other dated July 13, 1950, commenting on the proposal made by our colleague, the Senator from Vermont [Mr. AIKEN], and suggesting that the treaty with Canada concerning the development of the power resources of the Niagara River contain a reservation clause.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Watertown Daily Times of July 26, 1950]

THE NIAGARA PACT—NEW PHASE

The Senate Foreign Relations Committee has recommended approval by the Senate of a treaty with Canada permitting further development of the Niagara hydroelectric power. But the committee inserted one very important reservation. Congress is to have the final say on who is to develop the power on this side of the line and how it will be done.

There is reason to believe that Senator GEORGE D. AIKEN, Republican of Vermont, although not a member of the committee, had considerable to do with inserting this reservation. AIKEN told reporters that this provision assured that the development will be a public power project. The Vermont Senator is a strong advocate of public power.

Everyone agrees that there should be further development of the Niagara power. But considerable concern was expressed that under the terms of the treaty as originally proposed that the privately owned utility companies would grab off the power. This, were it to occur, would be most unfortunate.

With Congress to have the final say as to how the power is to be developed and, perhaps more important, how it is to be distributed, we are inclined to agree with Senator AIKEN that the chances all favor public development. The Vermont Senator, leading advocate of the St. Lawrence Seaway, has achieved another important victory for the people.

[From the Watertown Daily Times of July 13, 1950]

AIKEN CONSIDERS RIDER TO TREATY—VERMONT SENATOR CONSIDERING ST. LAWRENCE PROTECTIVE AMENDMENT TO NIAGARA PROJECT

WASHINGTON, July 13.—Senator GEORGE D. AIKEN, Republican of Vermont, was today considering sponsorship of a St. Lawrence protective amendment to the proposed Niagara power redevelopment treaty.

The Vermont Republican, an ardent proponent of the St. Lawrence Seaway, has frequently expressed fear that the Niagara plan was being advanced to delay development of the St. Lawrence River.

The Senate Foreign Relations Committee, headed by Senator Connally, Democrat, of Texas, was in executive session today to consider the Niagara treaty. The treaty has already been signed by representatives of the United States and Canada, but, to become effective, it must be ratified by two-thirds vote of the Senate.

Senator AIKEN's proposed rider would require that any redevelopment of the American waters of the Niagara River be authorized specifically by act of Congress. This would have the effect of putting any project

at Niagara Falls on the same footing as the St. Lawrence Seaway. The seaway has been held up because Congress has consistently refused to authorize it.

Though not opposed in principle to the Niagara redevelopment, the Senator is concerned, friends say, that the private utilities may take it over and that, given the tremendous new generation capacity implicit in the redevelopment, they will then move to head off the St. Lawrence public project on the pretext that it is not needed.

The New England States, and Vermont in particular, figure to benefit from the low-cost power that is latent in the International Rapids section of the St. Lawrence, near Massena, N. Y. Niagara power, contrariwise, is too distant to be transmitted efficiently, and therefore economically, to the New England States.

President Truman has urged ratification of the Niagara plan as have both of New York's Senators, IRVING M. IVES, Republican, and HERBERT H. LEHMAN, Democrat. The President and Mr. LEHMAN both favor the St. Lawrence Seaway, and each supports a public project at Niagara. Mr. IVES is an avowed opponent of the St. Lawrence dual-purpose (power and navigation) plan.

Under the Niagara treaty, the water diversion would be greatly increased on both the American and Canadian sides and, with a rearrangement of generating installations to take advantage of the full head between Lakes Erie and Ontario, the power output would be immeasurably stepped up.

Niagara Mohawk Power Corp., which owns and operates the present plants on the American side at the falls, has endorsed the treaty presumably as a preface to bidding for a license to undertake the redevelopment.

Were the Aiken plan adopted as part of the treaty, such a license would not suffice. Congress would have to specifically authorize the American project, regardless of its sponsor, before work could begin.

THE NEW PHASE FOR THE ATLANTIC ALLIANCE—DIPLOMACY TODAY—ADDRESSES BY FORMER AMBASSADOR TO DENMARK, MRS. EUGENIE ANDERSON

Mr. HUMPHREY. Mr. President, our distinguished former Ambassador to Denmark, Mrs. Eugenie Anderson, of Minnesota, has recently delivered the Sidney Hillman lectures established by the Amalgamated Clothing Workers of America at Roosevelt University in Chicago. Her two addresses were entitled "The New Phase for the Atlantic Alliance" and "Diplomacy Today."

I ask unanimous consent that excerpts from both addresses appear at this point in my remarks.

There being no objection, the excepts were ordered to be printed in the RECORD, as follows:

THE NEW PHASE FOR THE ATLANTIC ALLIANCE

(Excerpt from speech by Eugenie Anderson at Roosevelt University, Chicago, Ill., February 28, 1956)

The foreign policies of the Atlantic Alliance are today clearly obsolete. Designed as they were to counter Stalinist outright aggression, they are no longer adequate for solving the new problems we face today. The so-called containment policy worked admirably to repel Soviet expansion from 1946 to 1953, but a new approach is needed now to halt the Khrushchev offensive.

The peoples of the Western democracies must wake up to the fact that we are threatened today by a new phase of Soviet expansion. In our complacent desires for relaxation of tensions, the West has been lulled by Soviet protestations, and Western echoes, of what we want to hear: peaceful coexistence, peace and prosperity, friendship and good will, etc.

However, if we look at the actual developments that are taking place in the world today, we can see plainly that the cold war has not been concluded. Indeed it has not even been called off, so far as the Communists are concerned. Khrushchev's recent speeches at the Soviet Communist Party Congress have reiterated defiantly the unchanging Communist goal of world conquest.

But instead of the blunt, aggressive tactics of the Stalinist period, the new Soviet drive has assumed even more dangerous forms of Communist expansion. While this new, more subtle phase actually began 3 years ago with the death of Stalin, the leaders of the Atlantic Alliance still have not developed an appropriate, coordinated Western strategy to deal with the Khrushchev-Bulganin peace offensive.

Meanwhile, it becomes clearer every day that the Atlantic Alliance has lost the initiative which we held up to the death of Stalin. Throughout Asia, the Communists have made enormous strides. All those formerly "uncommitted" nations, led by India, Burma and Indonesia, have moved perilously close to the Communist orbit. Well known, competent observers, such as John Cowles and Chester Bowles, have warned recently that the whole of Asia may slide under Communist domination very soon, unless new American policies are initiated promptly.

What are these new forms of Soviet expansion which are working so well to advance Communist power? First of all, the Communists have distracted Western energies by agitating numerous explosive situations in various parts of the world. While Khrushchev and Bulganin have talked about "peace and friendship", they have simultaneously proceeded to exploit allied differences in those conflict areas where full-scale war could so easily break out. Soviet intrusion into the intensely troubled Middle-East has increased greatly the danger there of outright war. Communist threats and attacks in the Formosa Strait continue to keep that disputed area acutely unsettled. Peace is anything but secure there, or in Korea, where a million and a half men remain under arms.

The major offensive of the Khrushchev drive, however, has proceeded toward the penetration of the formerly uncommitted nations of Southeast Asia, particularly India, Burma and Indonesia. Throughout this vast area, so rich in population and resources, so seething with revolutionary turmoil, the Communists have staged a spectacular diplomatic and economic offensive. Witness the successful Asian tour of Khrushchev and Bulganin, which created fantastic mass popularity for the Soviet Union. Witness also the Soviet economic aid program, with substantial economic and technical assistance treaties offered to virtually every Middle East and Southeast Asian nation, including Egypt, Syria, Turkey, Afghanistan, Pakistan, India, Burma, and Indonesia.

Simultaneously, the standard Communist tactics of infiltration and subversion have been intensified, concentrated in those countries, such as Indochina and Indonesia, which are divided or weak.

Meanwhile, the swift rise of Communist China has accelerated the Soviet drive in Asia: to all appearances there is close collaboration between the two Communist colossi, with "neutral" Asia caught in the middle.

What must the Atlantic Alliance do in order to regain the initiative, so indispensable for winning our life and death contest for freedom, so essential for preventing nuclear warfare? How can Western policies be reoriented in time to turn the tide in the present phase of the Khrushchev offensive?

First of all, we must face up to the dangerous dimensions of the new Soviet expansionism. Until we understand that the present primary Soviet objective is the conquest of the "uncommitted" nations of southeast Asia, and that its major weapons in this particular phase are economic, diplomatic and subversive, we cannot begin to cope with the problems. Important as it is for us to maintain overwhelming military superiority, we must recognize that military pacts and military assistance in southeast Asia are not alone adequate weapons in this phase of the struggle.

Secondly, Western policies, under vigorous American leadership, must become once again affirmative policies, not simply a series of defensive reactions to successive Soviet victories. We must move off the defensive, and initiate a peaceful campaign for strengthening the independence and welfare of those nations still free, and for achieving the independence of those unfree, whether they are enslaved by Communist dictatorship, or still remain bound under colonial domination. We must continuously prove by positive, related acts, not merely by isolated, negative stands, that America is still the original land of freedom. We must constantly reassert by our every deed and word that we are fighting for all peoples on earth. It is not enough to chant that we are the true anti-Communists.

In order to implement these positive, constructive policies, we must move out in front now with a new, imaginative program for Asian economic development. The "too little and too late" programs such as we have today, with their major emphasis on military assistance and pacts, will never solve the desperate economic and political dilemmas which engulf most of the free Asian nations today. What is needed right now is a broad, bold, humanitarian program for Asia such as the Marshall plan was for Western Europe. Such a plan would combine our deeply American principles of friendliness and neighborliness with self-help, good business organization, and enlightened self-interest. The question urgently before us today is not whether we can afford such a program.

The great question for the Atlantic Alliance in the new phase is how can we not afford whatever is required to win?

DIPLOMACY TODAY

(Excerpt from speech by Eugenie Anderson at Roosevelt University, Chicago, Ill., March 1, 1956)

A new diplomacy is emerging from the great international realities of our time. The unrelenting pressures of an expansionist totalitarian ideology, combined with the world instability wrought by revolutionary turmoil in Asia and Africa, have created the need for new kinds of diplomacy, adequate to our global foreign policy orientation. The old, dull diplomatic routines, which set our envoys above and apart with the "elite," have little relevance to the effective execution of American foreign policy today.

The United States remains engaged in a fierce struggle for the allegiance of all free and uncommitted peoples throughout the world. We are competing everywhere for their friendship. Their imagination cannot be kindled, their loyalties cannot be won by a handful of "old-line" diplomats seeking to influence the few political, economic, and social leaders in a given country. Important as their support is, it is simply not enough in the immense conflict of ideas and power systems which still rages throughout our tortured world. A new diplomacy is demanded if we are to gain and hold the confidence and devotion of this century's distracted humanity.

There are three major approaches for this new diplomacy. Each one of them is conditioned by an inescapable reality of international life today. Each of them is also

an expression of American ideals and character: Our diplomacy must be consonant with our way of life. It must be a natural manifestation of all that is best in American democracy. Diplomacy, like every other national action, must be rooted in our own traditions, yet facing toward the future.

First of all, ours must be a vigorously democratic diplomacy. American envoys throughout the world today must be ambassadors of democracy, articulate advocates of equal rights for all peoples, pioneers for new opportunities and human welfare. American representatives must be everywhere in the vanguard of the struggle for freedom and a secure peace. Our ambassadors must practice a down-to-earth diplomacy, one which reaches out to the vast majorities of striving men and women, who constitute the ruling groups of our time. The American promise of hope in the future must be carried to the villages and the farms, as well as the cities and towns.

Secondly, American diplomacy must be also shirt-sleeve diplomacy, if we are to be successful in carrying out our economic-aid programs. The outworn diplomatic trappings, symbolized by stuffed shirts, striped pants, and plumed hats have little to do with the problems of living peoples in Asia and Africa, or indeed of any land. American diplomacy must be constructive, and consistent with the needs and desires of the aspiring majority of peoples everywhere. American security now is interwoven with the economic health and peaceful progress of every free nation. The point 4 program, and other forms of technical cooperation and economic assistance are needed more urgently than ever before. Soviet Russia is stepping up its economic aid to many Asian countries, combining it with a highly successful diplomatic blitz. We cannot afford to lag behind in this field. Our diplomacy must always be a true and vigorous expression of our American foreign policies, and of American character and ideals. It is time for us to put our ideals of human brotherhood into our diplomatic practices. It is time for us to demonstrate by our actions abroad, and at home, that we can serve humanity not only by scientific and technical advances, but by practical everyday democracy too. Ours must be a humanitarian diplomacy, for only a deeply serious American concern with the daily lives and hopes of all peoples will keep them within the folds of the free world.

A third major aspect of the new diplomacy is in the workings of the several defense alliances and the great international organizations, such as NATO and the U. N., to which we belong. Here again it is the broad exigencies of our time which have shaped our foreign policies, and have molded the diplomatic means appropriate for furthering American interests. Our national survival now depends to a large extent on our relationships with other free nations. Modern science has forged the world closely together. We can no longer escape our interdependence. Isolationism is dead and gone. In its place has grown up a complex network of international organizations, based on varying degrees of common purposes and common dangers, mutual interests, and similar needs.

Coalition diplomacy imposes certain restraints on the conduct of our foreign affairs. We can no longer act singly or impulsively. While, of course, maintaining a paramount concern for the security of the United States, we must preserve a parallel consideration for our allies and friends, whose fates are linked inexorably with ours. Our diplomats must be in steady consultation with those of many other nations. They must engage continuously in the closest multilateral negotiations. The views and needs of all our partners must be taken into account prior to basic policy decisions. Unilateral actions or hastily improvised moves based on domestic political considerations can lead to serious disaffections within the coalition. Partnership diplomacy calls for conciliation and compromise. Only by this approach can we keep the consent and support of all the various members within our important alliances.

Obviously, one of the primary aims of the Soviet diplomacy today is to break up the free world coalitions, particularly NATO. If the Communists could divide and destroy us one by one, then Soviet conquest would be easy. Or if the United States could be isolated from its allies, Communist purposes would be well served. Above all, our unity must be preserved. The United Nations and NATO must be nurtured and strengthened by more positive American diplomatic leadership.

Finally, the American people, too, have a role to play in their own diplomacy today. We have accepted the responsibilities inherent in our inescapable position of free world leadership. We must continue to create, by our example here at home, an inspiring vision of a free society. The power and integrity of a growing American democracy is an essential part of American diplomacy. Without this inner health, the new diplomacy would be of small avail.

BIPARTISAN EXPERIMENT IN POLITICAL FUND RAISING

Mr. HUMPHREY. Mr. President, the bipartisan experiment in political fund raising which I described on the Senate floor on May 9, as appears on page 7764 of the CONGRESSIONAL RECORD, has received additional attention in the press. On May 12, an Associated Press dispatch from Alexandria, Minn., was printed in the Washington Post and Times Herald. I ask unanimous consent that this article appear at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CANVASSED DURING RAINSTORM—EIGHTY-SIX PERCENT CONTRIBUTE AS MINNESOTA TOWN CONDUCTS BIPARTISAN DRIVE FOR FUNDS

ALEXANDRIA, MINN., May 11.—An elderly Norwegian woman who contributed $1 to a bipartisan political fund drive last night said she wanted 50 cents to go to the Republicans and 50 cents to the Democrats "because they're both good people."

Her remark set the tone for an experiment in party fund raising that brought a total of $715.95 into a common campaign pot as 34 volunteer teams canvassed homes during a 2-hour rainstorm.

John Obert, Alexandria newspaperman heading the project, said 86 percent of the 435 households contacted contributed to the fund.

Money raised from the campaign will be split between Republican and Democratic Farmer-Labor (DFL) Party organizations, both of which backed the plan.

Keith Wallace, Republican member of the steering committee, said he was "pleasantly surprised." He said, "I thought that if we got response from half the people contacted, we'd be doing good."

Ten contributors handed workers sealed envelopes marked for one party or the other.

Teams of fund collectors were to continue their work tonight and Saturday night in this city of 5,300.

Joe Tomlinson, Douglas County (Alexandria) DFL chairman, said, "I'm sure we are getting money from people who never contributed to party campaigns before. The idea is an asset to both parties."

Obert said the amount of money collected was secondary. Prime purpose of the drive was to determine "the extent to which the public is willing to participate in a campaign like this. If it goes over here, it might mean the start of a nationwide project along these lines."

Originally, it had been planned to send out teams composed of 1 Republican and 1 Democrat on the doorbell-ringing missions. But most of the canvassers declined to give their party identity.

Money collected will be split into three equal divisions, for the presidential campaign, the State's Seventh District congressional campaign, and the State race for governor. Funds, all to be expended in the county, will be distributed to political parties on the basis of the party vote cast for President in 1952 and for governor in 1954.

ILO ANTI-FORCED-LABOR CONVENTION

Mr. HUMPHREY. Mr. President, the State Department is apparently determined to keep us in suspense regarding its position on the ILO anti-forced-labor convention. From statements made last week by President Eisenhower and Secretary of Labor Mitchell, the American people were given to understand that the State Department had at long last reversed its unfortunate opposition to the proposed ILO convention.

The Senator from Illinois [Mr. DOUGLAS] on Monday had printed in the RECORD a New York Times editorial of Friday, May 11, which described the State Department's new compromise position. Apparently, the new position involves a willingness to condemn only international commerce in slave-made goods. Like the Senator from Illinois [Mr. DOUGLAS], I wish to reserve any further congratulations until I can discover whether the State Department has made up its mind to give this country's wholehearted support to a convention which clearly condemns all use of forced labor for political and economic purposes. Senate Resolution 248, favorably reported by the subcommittee, presided over by the Senator from Illinois, to the Senate Committee on Labor and Public Welfare, is hence still most pertinent and timely.

Mr. President, I wish the State Department would quit its legalistic hair splitting. This is a moral issue, and one of international importance, and the State Department insists on playing "tit-tat-toe" with it. I want the State Department to come clean and state its position unequivocally. If the State Department does not have anyone who can do it, some of us will volunteer our services. I have written the State Department in unmistakable language, so they can understand what our position is.

I remind the State Department that I congratulated the President on his position, but apparently the news has not gotten to the State Department. I did not know there was some kind of a curtain which sealed off the State Department from the Office of the President.

On May 11, 1956, an Associated Press dispatch discussed the Administration's continuing predicament on this issue. The article appeared in the Washington Evening Star. I ask unanimous consent that this article be inserted in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SLAVE LABOR POLICY SPLITS UNITED STATES DELEGATES TO ILO

United States delegates heading to an international showdown on slave labor in Soviet countries appeared badly split today on how far they should go.

This country's 4 delegates, 2 representing the Government and 1 each for employers and workers, all condemn forced labor without reservation. But they hold varying views on what the International Labor Organization should do about it.

State Department briefings this week apparently failed to iron out substantial differences within the delegation. The slave labor issue is the major topic due to come up at the ILO's June sessions at Geneva.

Labor unions, as represented by George P. Delaney of the AFL–CIO, want an ILO convention to ban slave labor. This would be the strongest possible type of action and would require Senate consideration as a treaty.

The employer group, represented by Charles H. Smith, Jr., Cleveland steel fabricator, says it is opposed in principle to any treaty-like action by the ILO interfering with internal affairs of another country, even Russia.

Midway between these views the Government is trying to draw a fine line. The State Department seemed for a time to side with the employers' view, preferring a bare policy statement.

Then, after Secretary of Labor Mitchell argued with Secretary of State Dulles and reportedly also with President Eisenhower, a new policy emerged. Mr. Mitchell said this week the Government will support an ILO convention both outlawing forced labor and banning slave-made goods in international trade.

Behind it all is a deep-rooted employer suspicion of the ILO. Both the National Association of Manufacturers and the United States Chamber of Commerce have asked the Government to consider pulling out of the ILO, a United Nations affiliate.

POETIC TRIBUTE TO THE LATE SENATOR ALBEN W. BARKLEY, OF KENTUCKY

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the RECORD a poem written by Mr. Horace C. Carlisle, who now lives at Winston-Salem, N. C., but who was formerly a resident of Alabama, in tribute to our late beloved colleague, Senator Barkley.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

HUMANITY'S LOSS

S–enator Barkley, great statesman, is dead—
E–very man's friend and no mortal man's foe,
N–ational leader, of no one afraid,
A–s he fought wrong, in high places and low.
T–rue to his Nation, his State, and his own,
O–nward and upward, he kept keeping on,
R–elaxing not 'til his time came to go.

B–ravely contending for justice and right,
A–s he concluded his last speech, he fell—
R–eally he died without fear or affright,
K–nowing, beyond a doubt, that all was well.
L–ong in our memory will live his name—
E–very year will, methinks, add to his fame—
Y–onder in glory he's gone home to dwell.

—*Horace C. Carlisle.*

THE DISASTER IN OHIO

Mr. BENDER. Mr. President, last Saturday evening the principal county of Ohio, Cuyahoga County, suffered a great disaster. A tornado hit the cities of Lakewood, Rocky River, and a part of Cleveland.

On yesterday it was both my misfortune and my privilege to view some of the damage done. We have been asking the Governor of our State to do what the law requires, namely, declare the area affected to be a major disaster area. These municipalities are not equipped either financially or physically to cope with this problem. Some $12 million worth of damage was done.

However, I wish to congratulate the Governor for sending, a few hours ago, to the White House and to the Civil Defense Authority a telegram declaring this a major disaster area. I am glad he finally came to realize what these citizens have to cope with.

I hope the White House and the Civil Defense Authority will act with dispatch to help these communities.

RECESS TO 11 A. M. TOMORROW

Mr. HUMPHREY. Mr. President, if there is no further business to come before the Senate, I move, pursuant to the previous order, that the Senate now stand in recess.

The motion was agreed to; and (at 7 o'clock and 12 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Thursday, May 17, 1956, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 16 (legislative day of May 7), 1956:

IN THE NAVY

Sidney F. Davis III, midshipman (Naval Academy), to be an ensign in the Navy, subject to qualification therefor as provided by law.

Theodore R. Hunley (civilian college graduate) to be a commander in the Dental Corps of the Navy, in lieu of lieutenant commander as previously nominated, to correct grade, subject to qualification therefor as provided by law.

Alvin E. Riehl (Naval Reserve officer) to be a commander in the Dental Corps of the Navy, in lieu of lieutenant commander as previously nominated, to correct grade, subject to qualification therefor as provided by law.

Gary E. Rademacher (Naval Reserve officer) to be a lieutenant in the Dental Corps of the Navy, in lieu of lieutenant (junior grade) as previously nominated, to correct grade, subject to qualification therefor as provided by law.

Stephen H. Tolins (Naval Reserve officer) to be a captain in the Medical Corps of the Navy, in lieu of commander as previously nominated, to correct grade, subject to qualification therefor as provided by law.

Francis Marshall (civilian college graduate) to be a commander in the Medical Corps of the Navy, in lieu of lieutenant commander as previously nominated, to correct grade, subject to qualification therefor as provided by law.

The following-named (Naval Reserve officers) to be lieutenant commanders in the Medical Corps of the Navy, in lieu of lieutenants as previously nominated, to correct grade, subject to qualification therefor as provided by law:

Scott G. Kramer
Carter B. Sigel

The following (Naval Reserve officers) to be lieutenants in the Medical Corps of the Navy, in lieu of lieutenants (junior grade) as previously nominated, to correct grade, subject to qualification therefor as provided by law:

Eugene M. Joly
Carl W. Rogers

The following-named (civilian college graduates) to be lieutenants in the Medical Corps of the Navy, in lieu of lieutenants (junior grade) as previously nominated, to correct grade, subject to qualification therefor as provided by law:

August Miale, Jr.
Russell Miller, Jr.

The following-named officers for permanent appointment to the grade of chief warrant officer in the United States Navy, subject to qualification therefor as provided by law:

Charles F. Pape, W–4.
Vincent Kozlowski, Jr., W–3.

Samuel O. Grayson for permanent appointment to the grade of chief warrant officer, W–4, in the United States Navy, in lieu of chief warrant officer, W–3, as previously nominated, subject to qualification therefor as provided by law.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 16, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty and eternal God, whose thoughts toward us are always those of love and peace, we pray that daily our minds and hearts may be penetrated and permeated with a spirit that is akin to the spirit of our blessed Lord.

Give us those nobler feelings and attitudes which are the progenitors of insight and inspiration in achieving and building a better world.

Show us how we may release the hidden splendor of humanity and bring to fulfillment every lofty desire and aspiration which Thou hast planted within the soul of man.

Grant that the legislation that shall be proposed and enacted may bear clear and convincing testimony that the Members of the Congress are seeking the highest welfare of our country and all mankind.

Hear us in Christ's name.

Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On May 10, 1956:

H. R. 1470. An act for the relief of Joseph Righetti and Marjorie Righetti;

H. R. 1603. An act to terminate the prohibition against employment of Mongolian labor in the construction of reclamation projects;

H. R. 2068. An act for the relief of William F. Friedman;

H. R. 4791. An act to amend section 40 of the Bankruptcy Act, so as to increase salaries for part-time and full-time referees;

H. R. 4872. An act for the relief of Mrs. Helen Barsa;

H. R. 5626. An act for the relief of Fred Mazan;

H. R. 5634. An act for the relief of Willie C. Pickett, George Williams, and Herman L. Looney; and

H. R. 7952. An act to require the inspection and certification of certain vessels carrying passengers.

On May 14, 1956:

H. R. 3725. An act for the relief of Herman F. Gierke, Jr.;

H. R. 3975. An act for the relief of the Reverend Boniface Lucci, O. S. B.;

H. R. 4852. An act for the relief of Joseph Gangemi and Anthony Gangemi;

H. R. 6452. An act for the relief of William H. Foley;

H. R. 7583. An act for the relief of Mary Viola Jones;

H. R. 7993. An act to authorize the construction and conversion of certain naval vessels, and for other purposes;

H. R. 8535. An act to amend the act of July 4, 1955, relating to the construction of irrigation distribution systems; and

H. J. Res. 513. Joint resolution to authorize the Secretary of Commerce to sell certain war-built cargo vessels, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate disagrees to the amendments of the House to the bill (S. 2972) entitled "An act to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. MONRONEY, Mr. SMATHERS, Mr. SCHOEPPEL, and Mr. PURTELL to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6268) entitled "An act to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects."

THE LATE THOMAS ROLPH

The SPEAKER. The Chair recognizes the gentleman from California [Mr. MAILLIARD].

Mr. MAILLIARD. Mr. Speaker, it is my sad duty to inform the House of the death of a former Representative from the Fourth District of California, Mr. Thomas Rolph.

Tom Rolph was a lovable and kindly man.

I want to take this opportunity to express my deep sympathy to his widow, Mary Bates Rolph, to his son Henry, who is now a member of the board of supervisors of the city and county of San Francisco, and to his daughter, Katherine Jane Metcalf. Both of his children are lifelong friends of mine.

I know that others in the House will want to join in expressing sympathy.

EX-CONGRESSMAN THOMAS ROLPH DIES—STRICKEN SUNDAY WITH PNEUMONIA

Former Congressman Thomas Rolph, brother of the late Gov. James Rolph and father of Supervisor Henry R. Rolph, died at his home at 52 28th Avenue here yesterday. He was 71.

Mr. Rolph succumbed to pneumonia. He had been ill since Sunday, when he and Mrs. Rolph returned to San Francisco from a business trip to New Orleans.

Tom Rolph was the youngest of seven children, born in the South of Market district to parents who came to California from the East in the 1860's.

CIVIC ACTIVITY

He left Mission High School at 16 to go to work, getting his diploma later at Humboldt Evening High School.

Though long active in civic affairs—he was chairman of the community chest in 1922—he did not enter politics until after the death of his brother, "Sunny Jim" Rolph.

Like his famous elder brother, he started his career in the shipping business. His first job was as an office boy for Williams-Dimond Shipping Co.

FOUNDED FIRM

In 1912, the year James Rolph was first elected mayor of San Francisco, Tom Rolph founded the building materials sales agency which he headed until his death—Rolph-Mills & Co., of 171 Second Street.

After James' death in 1934, Mr. Rolph accepted an appointment to the library commission from Mayor Angelo J. Rossi.

He came into the limelight next as a member of the grand jury, headed by Marshall Dill, which looked into police corruption exposed in the Atherton investigation.

ELECTED IN 1940

Mr. Rolph was elected to Congress as a Republican from the Fourth District in 1940. He served until 1944.

He was a past president of the Rotary Club, a past master of California Lodge No. 1, F. and A. M., and a member of the Pacific Union Club, Commonwealth Club, and Stanford Parlor No. 76 of the Native Sons.

He also had served as an official of the Panama Pacific International Exposition, a director of the San Francisco chapter, American Red Cross, and was a long-time leader of the Boy Scout movement.

A golfer for decades, he turned to gardening as a hobby in recent years.

Survivors in addition to Supervisor Rolph and the widow, Mrs. Mary Bates Rolph, are a daughter, Mrs. John Robert Metcalf, of 2864 Broadway; a brother, Ronald, and two sisters, Miss Elizabeth Rolph and Mrs. Mildred Moore.

Funeral services will be held at 11 a. m. tomorrow at the chapel of N. Gray & Co., Divisadero at Post Street.

Mr. Speaker, I yield to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, Tom Rolph was a great friend of all of us here in the House, a most genial personality, one who labored hard for his district in San Francisco and for the State of California and the Nation. His record of course is written in the books of the Congress of the United States for all to read for all time. I am sorry, indeed, to learn of his passing. We shall miss him when we journey to San Francisco next summer. Our sympathy goes out to his family in full measure.

Mr. MAILLIARD. Mr. Speaker, I yield to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Speaker, all of us are saddened by the news of the death of Tom Rolph, those of us who worked with him especially. He came from a distinguished family, of which he was a most distinguished member. His brother was Governor of California when I first served in the State legislature.

Friendliness was Tom Rolph's marked characteristic. He had many friends, both in and out of the Congress. He was thoughtful of the newer Members, like myself, when we first came to Washington. He was respected. I served with him on delegation matters, and in fraternal organizations. He will be missed, and I rise today to remark that I shall be one of those who will miss him.

I am glad the gentleman from California [Mr. MAILLIARD] has given us the opportunity to pay this tribute to Tom Rolph, and I express my sincere sympathy to his family.

Mr. MAILLIARD. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Speaker, I join with the gentleman from California in regretting the death of our friend, former Congressman Tom Rolph. He was a man of great ability, and for whom I had a great appreciation and fondness. He was a genuine friend and an able legislator with friends in both parties. California and the country have lost a fine citizen.

Mr. MAILLIARD. Mr. Speaker, I yield to the gentleman from California [Mr. ENGLE].

Mr. ENGLE. Mr. Speaker, I join in expressing my deep regret at the death of our former colleague, with whom I served and worked here in the House of Representatives.

Tom and his brother, Jim, the great mayor of San Francisco, were both excellent and outstanding public servants. Tom was a genial and kindly man, who always did everything he could to help the other fellow. It was for that reason that Tom was popular with the Members of the House when he served here.

Tom Rolph worked hard and effectively for the city of San Francisco which he represented. His name, as that of his distinguished brother, whom I also knew very well, is intimately connected with the history and progress of San Francisco, a city for which he had a deep affection. His passing will be mourned by his thousands of friends, of whom I am one, and I join in these expressions of sympathy to his family.

Mr. ALLEN of California. Mr. Speaker, will the gentleman yield?

Mr. MAILLIARD. I yield.

Mr. ALLEN of California. Mr. Speaker, Tom Rolph left the House of Representatives before I became a Member. I knew him somewhat better after he had served here than during the time of his service. I have known the family of which he was a member all of my life. His interest in affairs in Washington continued after he had ceased to serve here. Many times I talked with him about things which were currently before us. He was a distinguished public serv-

ant and a fine citizen of the State of California and of his own community. I join in deep regret that he passed away so suddenly.

Mr. MAILLIARD. Mr. Speaker, I ask unanimous consent that Members who may wish to do so may extend their remarks at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. MAILLIARD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

PAYMENT TO CROW INDIAN TRIBE FOR RIGHT-OF-WAY FOR YELLOWTAIL DAM UNIT

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (S. J. Res. 135) for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming, with an amendment of the House thereto, and insist on the House amendment and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none and appoints the following conferees: Mrs. PFOST, Messrs. HALEY, METCALF, MILLER of Nebraska, and SAYLOR.

PROVIDING MEDICAL CARE FOR DEPENDENTS OF MEMBERS OF UNIFORMED SERVICES

Mr. KILDAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes, with an amendment of the Senate thereto, disagree to the Senate amendment, and request a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. VINSON, BROOKS of Louisiana, KILDAY, SHORT, and ARENDS.

AMENDING MERCHANT MARINE ACT OF 1936

Mr. GARMATZ submitted the following conference report and statement on the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense:

CONFERENCE REPORT (H. REPT. No. 2167)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House and agree to the same.

HERBERT C. BONNER,
EDWARD A. GARMATZ,
EDWARD J. ROBESON, Jr.,
THOR C. TOLLEFSON,
JOHN J. ALLEN, Jr.,
Managers on the Part of the House.

WARREN G. MAGNUSON,
JOHN O. PASTORE,
PRICE DANIEL,
JOHN M. BUTLER,
JAMES H. DUFF,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

S. 2286 as passed by the Senate authorized the transportation overseas, at Government expense, on privately-owned American commercial vessels, as well as on Government vessels, of motor vehicles owned by personnel of the Armed Forces and by civilian employees of the Department of Defense and of the Departments of the Army, the Navy, and the Air Force, traveling on permanent duty orders. As amended by the House, the bill permitted the utilization of privately owned American shipping services for the transportation of motor vehicles owned by any Government personnel whenever transportation of such vehicles at Government expense is otherwise authorized by law.

The House amendment also corrected a technical error and amended the title of the bill.

The Senate recedes and concurs.

HERBERT C. BONNER,
EDWARD A. GARMATZ,
EDWARD J. ROBESON, Jr.,
THOR C. TOLLEFSON,
JOHN J. ALLEN, Jr.,
Managers on the Part of the House.

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the statement.

Mr. GARMATZ. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MR. AND MRS. HERMAN FLOYD WILLIAMS AND MR. AND MRS. W. C. SEGERS

Mr. FORRESTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6137) for the relief of Mr. and Mrs. Herman Floyd Williams and Mr. and Mrs. W. C. Segers, with Senate amendments thereto, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 5, strike out "Mr. and Mrs. Herman Floyd Williams" and insert "Herman Floyd Williams and Bettie J. Williams of Marianna, Fla."

Page 1, line 6, strike out "sum of $16,097.26, to Mr. and Mrs. W. C. Segers" and insert "sums of $4,563.41 and $8,500, respectively, to Alma G. Segers of Marianna, Fla."

Page 1, line 7, strike out "5,000" and insert "$5,301.30."

Amend the title so as to read: "An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alma G. Segers."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON THE JUDICIARY

Mr. McCORMACK. Mr. Speaker, at the request of the gentleman from New York [Mr. CELLER], I ask unanimous consent that the Committee on the Judiciary may sit today and tomorrow during general debate.

The SPEAKER. Is there objection?

There was no objection.

TRIBUTE TO HON. SAM RAYBURN AND RURAL ELECTRIFICATION PROGRAM ON ITS 20TH ANNIVERSARY

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, I think it appropriate to remind the House that on next Sunday, May 20, the country will celebrate the 20th anniversary of the actual creation of the rural electrification system. It was on May 20, 1936, that President Franklin D. Roosevelt signed into law the bill that had been led through the Congress by the Speaker of this House, the gentleman from Texas [Mr. RAYBURN], and the late Senator George Norris, of Nebraska.

Members may recall that last year, at the beginning of the 20th anniversary year of the REA, we held something of a celebration.

Now the final anniversary date itself is at hand, and the Speaker of the House will be the principal speaker at the laying of the cornerstone, next Sunday, of the new building of the National Rural Electric Cooperative Association—a cooperative group that never could have existed without the REA basic law.

I trust the Speaker will not be embarrassed if I place in the RECORD certain excerpts from his own article in Rural Electrification magazine and excerpts from the reprinted statements of Senator Norris. It is not often, perhaps, that men in public office, men of vision though they be, have the opportunity to see their works and words vindicated. The time lag is sometimes too long; the thing that happens almost instantaneously and indisputably is very rare.

Senator Norris said before his death:

In time REA bids fair to become greater in its effect upon agricultural life than the Department of Agriculture itself.

Is there anyone today who will dispute this apparently rash prediction that came before the death of Norris in 1944? The farm life of America has been transformed. People who toiled like the peasants of five generations earlier now have electric lights, electric milking machines, electric churns, toasters, radios, and television sets.

The Speaker said, in his article:

While the Rural Electrification Act was being considered, many men wise in the financial world of this Nation argued eloquently that such a program was doomed to failure. Fears were expressed that even though the farmers and ranchers joined such a movement, they would certainly discontinue the service and refuse to pay their first monthly bill. Sincere though they were, they could not have been more wrong. They reckoned without the spirit and determination of the people who form the backbone of this Nation—(their) actions have been even more convincing than those of us who answered their arguments.

Can we remember—or even recall—the state of mind which allowed "men wise in the financial world" to argue seriously that farmers would refuse to pay their monthly electric bills, that when they were called on to meet the expense of the blessings of electricity for themselves and their families, they would turn crotchety and scroogish? This argument was seriously made, as the Speaker well remembers. But it turned out that in 1936 most of the members of the Congress and President Roosevelt thought in different terms about the character of the American people—and they were right. The self-proclaimed "men wise in the financial world" were wrong. The farmers have paid their monthly REA bills, just as city workers when they are decently paid remit promptly for their bills.

I said last year, when I was discussing the REA, that in my own experience I had seen the deprivation of farmers and small communities in the district that I have the honor to serve—the 24th District of Illinois. I saw the kerosene lamps lighting churches in little towns not 10 miles from the great utilities of the metropolitan area of St. Louis.

All this was changed by REA—and by nothing else.

Has it ruined the privately owned utility industry? "Certainly not," our Speaker replied, writing 20 years after. The REA co-ops "have created and are daily creating new markets for privately owned companies."

Our Speaker noted that the REA has lent about $2.5 billion to rural distributing systems and that three-fourths of them have repaid $78 million more in interest and principal to the United States Treasury in advance than they were required to pay. For every dollar lent to the co-ops, members have invested $4 for electrical wiring and appliances.

The miracles of Aladdin's lamp have virtually been transposed into the everyday life of the rural people * * * through the accomplishments of the REA program. A fair appraisal of these accomplishments during the past 20 years is convincing proof that the work of (the) cooperatives is responsible for the greatest economic upsurge in the history of rural America.

So wrote our Speaker.

All of us have every reason to be proud of the work of REA. And we must especially congratulate the gentleman from Texas, who for so long has presided over our deliberations, that he has the opportunity to speak as the symbol and spokesman next Sunday of a remarkable American achievement in which he played an indispensable part.

SPEAKER RAYBURN AND MINORITY LEADER MARTIN HONORED BY SYRACUSE UNIVERSITY

Mr. RIEHLMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RIEHLMAN. Mr. Speaker, last week Chancellor Tolley, of Syracuse University, announced that, on June 4, the university will confer honorary degrees upon two great American citizens. Quite naturally, the announcement received wide coverage and attracted much interest.

To me, the forthcoming ceremony will be most unique in that never before, to the best of my knowledge, has an institution of learning conferred degrees simultaneously upon two outstanding American legislators. I refer to our distinguished Speaker, the Honorable SAM RAYBURN, and our distinguished former Speaker, the Honorable JOSEPH MARTIN, my good friends.

I am privileged to represent the congressional district in which Syracuse University is located and I feel highly honored that these two eminent statesmen are to visit my district to receive this additional recognition. For in being thus honored, they truly honor us.

I am sure that the faculty, student body, and residents of Syracuse look forward with pleasure and pride to the visit of these two fine gentlemen.

THE LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT

Mr. ALLEN of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ALLEN of California. Mr. Speaker, a few months ago a subcommittee of the Committee on Merchant Marine and Fisheries spent several days in the Los Angeles harbor area. The purpose of the visit was to observe conditions and have hearings with regard to the handling of cargoes over the docks in that area. An opportunity was given for all concerned to express their views with regard to both the existing conditions and the possibilities of improvement.

A day or so ago an informal report was made to several of us concerning actions which followed. It appears that the labor organizations working with the representatives of management formulated plans and carried them to fruition with the result that a great improvement, both in the productivity of the labor involved and the relationship between the various interests involved, came about. The visit of the subcommittee engendered a high regard for its membership and for the fair and impartial approach which it made to the problem it sought to understand.

While talking concerning the informal report which was made, the necessity for early enactment of H. R. 10765 which seeks to amend the Longshoremen's and Harbor Workers' Compensation Act was mentioned. This Compensation Act became law in 1927 and was last amended in 1948. It is supposed to fix compensation for injured workmen and to dependents of deceased workers in amounts proportionate to current earnings. The current weekly compensation payments are far below the amounts required to meet the formula by which the benefits were expected to be fixed.

I hope that parliamentary difficulties can be solved and that early action on the bill can be had looking toward its enactment into law.

RE-REFERENCE OF BILL

Mr. CURTIS of Massachusetts. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs be discharged from further consideration of the bill H. R. 10890, and that the same be re-referred to the Committee on the Judiciary. I have cleared this with the chairman of both committees.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDING THE SUGAR ACT OF 1948

Mr. POAGE. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a conference report on the bill (H. R. 7030) to amend

and extend the Sugar Act of 1948, as amended, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

RETURN OF CERTAIN LANDS IN THE TERRITORY OF HAWAII

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7186) to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 5, after line 12, insert:

"(c) If an eminent domain proceeding for the condemnation of the property, or any part thereof, for public use is brought by the Territory or political subdivision within the time so allowed by the court, in such eminent domain proceeding, the property shall be valued and the proceeding shall be heard and determined in all respects as if filed upon the date of the original conveyance and as if an order had been made letting the Government into possession on said date: *Provided,* That at its option, the Territory or political subdivision may bring eminent domain proceeding for condemnation of the property or part thereof required for public use without invoking the preceding provisions of this sentence: *Provided further,* That in the event the Territory or political subdivision shall have discharged encumbrances upon the property for which it is entitled to reimbursement as provided by subsection (e), the same may be made a setoff in any eminent domain proceeding brought for condemnation of the property or part thereof required for public use."

Page 5, line 13, strike out "(c)" and insert "(d)."

Page 5, line 22, strike out "(d)" and insert "(e)."

Page 6, line 4, strike out "(e)" and insert "(f)."

Page 6, line 13, strike out "(f)" and insert "(g)."

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment were concurred in.

A motion to reconsider was laid on the table.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 2149)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10004) "making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 10, 13, 25, 29, 32 and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 15, 19, 27, 31, 35, 37, 38, 41, 42, 43, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 62, 63, 64, 65 and 66; and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,717,530"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,000,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$650,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,500,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$30,750,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$515,500; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$87,500"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$117,500"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$27,000,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$1,000,000"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$175,000"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$160,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 11, 12, 16, 17, 21, 22, 23, 24, 26, 28, 30, 34, 36, 39, 40, 44, 45 and 61.

CLARENCE CANNON,
MICHAEL J. KIRWAN,
JAMIE L. WHITTEN,
PRINCE H. PRESTON,
LOUIS C. RABAUT,
Managers on the Part of the House.

CARL HAYDEN,
RICHARD B. RUSSELL,
DENNIS CHAVEZ,
MILTON R. YOUNG,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

Department of Agriculture

Amendment No. 1: Appropriates $1,717,530 for Agricultural Research Service, Salaries and Expenses, Research, instead of $1,217,530 as proposed by the House and $2,217,530 as proposed by the Senate.

Amendments Nos. 2 and 3: Appropriate $2,000,000 for Agricultural Research Administration, Salaries and Expenses, Plant and Animal disease and pest control, instead of $1,527,780 as proposed by the House and $2,252,780 as proposed by the Senate, and provide $650,000 for the contingency fund instead of $500,000 as proposed by the House and $725,000 as proposed by the Senate. The amount agreed to by the conferees for the contingency fund includes $283,000 for the eradication of the Khapra beetle.

Amendment No. 4: Deletes $10,000,000 for the School Lunch Program inserted by the Senate. In arriving at this determination, the conference committee was influenced by the following statement of the Department on this item:

"Historically, school lunch operations experience a sharp decrease beginning in late April, and many programs cease operations by the middle of May. The availability of an additional $10 million so late in the school year could not be used effectively during the remaining portion of the school term."

Adequate funds for this program will be given careful attention in the regular appropriation bill for fiscal year 1957.

Amendment No. 5: Appropriates $1,500,000 for Farmers' Home Administration, Salaries and Expenses, instead of $1,350,000 as proposed by the House and $1,620,000 as proposed by the Senate.

Amendment No. 6: Authorizes $30,750,000 for administrative expenses of the Commodity Credit Corporation, instead of $30,500,000 as proposed by the House and $30,964,000 as proposed by the Senate.

CHAPTER II

Department of Commerce

Amendments Nos. 7 and 8: Appropriates $515,500 for Bureau of the Census, Salaries and Expenses, instead of $503,000 as proposed by the House and $528,000 as proposed by the Senate, and authorize transfer of $87,500 from "Census of Agriculture" instead of $75,000 as proposed by the House and $100,000 as proposed by the Senate.

Amendment No. 9: Reported in disagreement.

Amendment No. 10: Appropriates $30,000,000 for Maritime Administration, Operating Differential Subsidies, as proposed by the House.

Amendment No. 11: Reported in disagreement.

Amendment No. 12: Reported in disagreement.

CHAPTER IV

General Government matters

Amendment No. 13: Appropriates $56,000 for Corregidor Bataan Memorial Commission, Salaries and Expenses, as proposed by the House.

CHAPTER V

Independent Offices

Amendment No. 14: Authorizes $117,500 for administrative expenses of the Employees' Life Insurance Fund, instead of $100,000 as proposed by the House and $135,000 as proposed by the Senate.

Amendment No. 15: Authorizes $3,438,800 for nonadministrative expenses of the Federal Home Loan Bank Board, instead of $3,338,800, as proposed by the House.

Amendment No. 16: Reported in disagreement.

Amendment No. 17: Reported in disagreement.

Amendment No. 18: Appropriates $27,000,000 for National Science Foundation, International Geophysical Year, instead of $26,000,000 as proposed by the House and $28,000,000 as proposed by the Senate.

CHAPTER VI

Department of the Interior

Amendment No. 19: Appropriates $35,000 for Office of the Secretary, Oil and Gas Division, as proposed by the Senate.

Amendment No. 20: Appropriates $1,000,000 for Bureau of Land Management, Management of Lands and Resources, instead of $800,000 as proposed by the House and $1,200,000 as proposed by the Senate.

Amendment No. 21: Reported in disagreement.

Amendment No. 22: Reported in disagreement.

Amendment No. 23: Reported in disagreement.

Amendment No. 24: Reported in disagreement. A motion will be offered which will provide an appropriation of $3,000,000, of which $360,000 will be for the repair of facilities damaged during the recent floods on the Pacific coast as proposed by the Senate and the balance for the initiation of construction of the Jefferson National Expansion Memorial.

Amendment No. 25: Deletes Senate proposal to appropriate $500,000 for National Park Service, Jones Point Bridge.

CHAPTER VII

Department of Labor

Amendment No. 26: Reported in disagreement.

Department of Health, Education, and Welfare

Amendment No. 27: Makes available $3,500,000 for Public Health Service, Construction of Biologics Standards Laboratory Building, as proposed by the House, but restated merely to reflect technical language changes.

Amendment No. 28: Reported in disagreement.

Amendment No. 29: Appropriates $47,000,000 for Social Security Administration, Grants to States for public assistance, as proposed by the House, instead of $50,000,000 as proposed by the Senate.

National Mediation Board

Amendment No. 30: Reported in disagreement.

Railroad Retirement Board

Amendment No. 31: Authorizes the transfer of $888,000 from the railroad retirement account for Railroad Retirement Board, Salaries and Expenses, as proposed by the Senate instead of $548,000 as proposed by the House.

CHAPTER VIII

Public works

Amendment No. 32: Strikes out proposal of the Senate to appropriate $3,500,000 for the Tennessee Valley Authority.

CHAPTER IX

Department of Justice

Amendment No. 33: Appropriates $500,000 for salaries and expenses, general legal activities, as proposed by the House instead of $550,000 as proposed by the Senate.

Amendment No. 34: Reported in disagreement.

The Judiciary

Amendment No. 35: Authorizes the transfer of $8,375 from the referees' salary fund for salaries of referees, as proposed by the Senate instead of $6,375 as proposed by the House.

CHAPTER X

Post Office Department

Amendment No. 36: Reported in disagreement.

CHAPTER XI

District of Columbia

Amendment No. 37: Appropriates $150,000 for Department of Public Health as proposed by the Senate instead of $130,000 as proposed by the House.

CHAPTER XII

Legislative branch

Amendment No. 38: Inserts chapter heading.

Amendment No. 39: Reported in disagreement.

Amendment No. 40: Reported in disagreement.

Amendments Nos. 41, 42, and 43: Appropriate funds for contingent expenses of the Senate.

Amendments Nos. 44 and 45: Reported in disagreement.

CHAPTER XIII

Claims for damages, audited claims, and judgments

Amendments Nos. 46 and 47: Insert reference to Senate document and appropriate $2,367,341 as proposed by the Senate instead of $1,614,562 as proposed by the House.

CHAPTER XIV

Increased pay costs

Amendments Nos. 48 through 60: Appropriate funds to cover increased pay costs for various Senate activities.

Amendment No. 61: Reported in disagreement.

Amendments Nos. 62 through 66: Eliminate transfer provision relative to increased pay costs for military functions, Department of Defense, and provide for direct appropriation in the total amount of $10,417,900 as proposed by the Senate.

Amendment No. 67: Appropriates $175,000 for increased pay costs for Bonneville Power Administration, operation and maintenance, instead of $162,500 as proposed by the House and $187,500 as proposed by the Senate.

Amendment No. 68: Appropriates $160,000 for increased pay costs for general administrative expenses, Bureau of Reclamation, instead of $150,000 as proposed by the House and $170,000 as proposed by the Senate.

CLARENCE CANNON,
MICHAEL J. KIRWAN,
JAMIE L. WHITTEN,
PRINCE H. PRESTON,
LOUIS C. RABAUT,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, this is the conference report on the second supplemental appropriation bill, 1956, providing for such deficiencies as usually occur during a session of Congress. Estimates submitted by the Bureau of the Budget aggregated $835,902,923 and the bill as passed by the House carried $795,768,823.

The Senate increased the appropriations to the amount of $838,864,176.

The conference report now before the House recommends a total appropriation of $852,414,896.

The managers on the part of the House and Senate are in complete agreement on all items in this bill. But there are a number of amendments in technical disagreement which under the rules it is necessary to bring back to the House for consideration.

Mr. Speaker, at this time I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I wish to say a few words about amendment No. 32 on page 24 of the bill before us. In 1948 the following provision was adopted:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects (except for replacement purposes) unless and until approved by act of Congress (61 Stat. 577).

In spite of this legislative provision, the TVA, I understand, has made commitments involving $178 million upon power projects, in violation of the law, to be paid for out of power revenues. With the adoption of this conference report, which I shall vote against, the violation of the law will be supported by the majority report which was brought in by the Appropriations Committee when this bill was considered on the floor. The views of the minority members of the committee were clearly expressed in the minority report which was then presented and which I am going to insert in the RECORD as a part of my remarks at this time:

MINORITY VIEWS

The members of the Subcommittee on Public Works, who sign this minority report, disagree with the action and vote of the majority on the request of the Tennessee Valley Authority for funds with which to build an additional generating unit at the John Sevier plant.

There were 4 possible answers to that request:

(1) To agree, and to appropriate $3,500,000 in new money, to start construction on this unit. It must be understood this was only the request of the moment. The total needed is $28 million.

The idea of voting new money to TVA was refused by the subcommittee. The Congress, in the past few years has refused, more than once, to appropriate new money for steam plants or additional units to existing steam plants.

It should be noted that there is still grave doubt, in the minds of able lawyers, and of

Members of the Congress, whether there was actually any constitutional authority for the TVA to build steam plants at any time. Since this is a technical legal question, not to be discussed in this minority report, it should definitely be considered by the Congress with the thought of giving authority to take the question to the Supreme Court of the United States. Certainly no more money should be voted to the TVA to build steam plants or additional units, until the question is resolved.

(2) To take the money from its own funds, without further approval by the Congress, and build the additional unit, or any other structures in the future. This was the recommendation of the subcommittee's majority. We disagree. It is the line of reasoning expressed in the opinion rendered to the TVA Directors on September 10, 1955, by the TVA Counsel, Joseph C. Swidler, which, in our opinion, controverts itself. Counsel says, for example:

"This language (meaning sec. 26 of the TVA Act of 1933, as amended) standing alone, is broad enough to authorize use of proceeds for construction of any type of power installations, including steam plants and single-purpose power dams as well as individual generating units and transmission facilities."

The catch words are, of course, "standing alone." The point is that section 26 of the TVA Act does not "stand alone." It must be read not only with the remainder of the act but also with all other congressional actions (particularly those subsequent to its passage) or limitations thereto.

The citations given by Mr. Swidler, to support his opinion, refer, without exception, to the use of power proceeds by TVA prior to the passage of limitations on such use. We refer particularly to section 104 of the Government Corporations Control Act, which was passed in 1945 and to which a limitation was added in 1948, reading as follows:

"None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress."

Nothing could be clearer, to us, as to the intent of the Congress. However, Counsel for TVA offers this interesting interpretation (says Mr. Swidler):

"In thus prohibiting the use of revenues for construction of 'new power producing projects' without prior congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities."

We challenge the use of the word "clearly." To us, the language is a definite prohibition, and if it is to be reinterpreted for the benefit of the TVA, this should not be by TVA's own counsel alone, but either by the Congress or the courts, or perhaps by both, as we have indicated above.

This opinion and interpretation have already been challenged in the Congress in part by Members sympathetic to the Tennessee Valley Authority. We suggest the reading of the CONGRESSIONAL RECORD, volume 101, part 8, pages 10400–10402; also of the RECORD, volume 101, part 9, pages 11584–11588, and of the RECORD, volume 101, part 10, pages 12888–12891.

It would be well, in view of the present request for new money, and the ensuing discussion, for all Members of Congress to reread the testimony of the then TVA Directors in 1935, in which the witnesses testified to the intent of TVA policy and their own opinions as to TVA's obligations. For example, Mr. David Lilienthal testified, regarding the way TVA would set the power rates:

"These rates are based on certain principles, and the first principle is that the consumers of electricity must pay all the operating cost of furnishing that electricity, without any contribution whatever from taxpayers.

"Second, that consumers of electricity, the people who pay the rates, shall pay taxes, through the rates, which, of course, is the way all utility operations pay taxes equivalent to the national average of taxes, local, State, and Federal, paid by private-owned utilities. Municipalities which purchase power from the Tennessee Valley Authority plant at the Wilson Dam and resell it in turn, at retail to their citizens also pay taxes, as required by their contract with the Authority, and those taxes are also equivalent to the amount a private utility would pay, a private utility in that community.

"Third, depreciation and amortization are provided for, both by TVA and by the municipalities. As to TVA, the rates charged include a margin to offset depreciation from year to year, so that in the course of years there is a reserve adequate to rebuild the plant as a new plant; and there is also a surplus which, if Congress so desires, can be used to pay back into the Treasury not only the present value of this depreciated wartime property, but also every penny of the original investment put into the property in order to defend this country against its enemies.

"Fourth: Interest is charged."

Dr. A. E. Morgan, the first TVA chairman, expressed his opinion of TVA power operations and rates in these words:

"They must be fair, with no special arbitrary advantage; they must pay taxes, just as private utility companies must do, and every other reasonable charge if they are to provide us with a fair comparison."

He refers of course to the "yardstick" theory, so often advanced by TVA and its supporters. We hardly need add that any resemblance of present TVA policies, including the current request for an appropriation to build the John Sevier unit, to the original testimonies on the basis of which the TVA Act was passed, is entirely coincidental.

(3) To permit the TVA to issue its own revenue bonds, to cover the $28 million it estimates it needs for this unit. Whatever icing may be spread over this proposal, it means essentially that these bonds, directly or indirectly, now or in the future, will be obligations of the United States Government, just as surely as if we had approved the original request for new money and then gone out and secured that money by borrowing it (with interest) or by taxing the people of the 48 States for it. This has been so often refused in recent years by the Congress that to propose it now, somewhat disguised, seems to us to be completely out of order.

Whether or not the TVA shall be permitted to set itself up as an independent agency, or utility, furnishing power in a designated area, paying local, State, and equivalent Federal taxes and interest, underwriting its operations from its own income, adjusting its rates to meet its needs under such incorporation, borrowing money to expand or replace its facilities, is a matter now before the proper legislative committees in this Congress. Certainly, if the TVA is to be given the right to its independence and to operate as any power utility operates, then it might properly have the authority to issue bonds. In that case, however, they would not be bonds of the United States adding to our already topheavy national debt: they would be bonds of a utility corporation, not of the autocratic power empire envisioned in the opinion of the TVA counsel and other TVA proponents. Such bonds would be sold to the public, as the bonds of any power utility are marketed. This is a reasonable suggestion; any idea that we should permit the TVA, an agency of our United States Government, to issue revenue bonds which would become contingent obligations of the United States is unthinkable.

If the TVA desires independence, let it separate its power functions from its other functions, if necessary, and then issue bonds for its entire power construction debt in the past. It would, by such a bond issue, with repayments determined, and on which it would pay interest, assume the financial responsibility for all money already advanced by the Treasury (or in other words by the taxpayers, the great majority of whom in no way benefit from this expenditure); pay normal interest thereon, and secure complete independence, with the pride and integrity which accomplishes independence.

The responsibility to recommend that such authority be given the TVA lies with a legislative committee, not with the Committee on Appropriations.

(4) The proper choice, in our opinion, is to follow the course already adopted by Memphis, the first of the captive municipalities to take itself out from under TVA bondage. This statement is made advisedly; under TVA contracts, no other power may be bought in its area, nor can a distributor provide power from its own or any other source, without TVA permission. Even the rates charged its customers, by the distributors of TVA power, may be set only with the approval of the TVA. Memphis has proved that this choice is feasible; it should be followed by other distributors in the TVA area.

The request of the TVA, for money to build an additional unit at the John Sevier plant, should simply be denied.

It must be understood that this in no way denies TVA any power for legitimate uses. The United States has first call on its power for its needs. TVA can, in case of emergency, secure power from the surrounding utilities, all of which are now tied in with the TVA grid. The TVA has bought such power in the past.

Actually, the immediate request is for a unit which would produce approximately 180,000 kilowatts of power. One private industry in Tennessee alone is currently asking for 235,000 kilowatts, for expansion, yet this industry, by name, announced through the press 3 months ago, that it intended and was fully prepared to build a plant for itself to supply the needed power. It was "enticed" (to quote the newspaper reports) to change its plan and expand in the TVA area, with the Federal Government expected to pay for the plant for added power.

Certainly, whatever else may be argued about the intent of Congress in 1933, there must be unanimous agreement that Congress never contemplated an authorization to entice industries into the TVA area, by offering power, sold at subsidized rates, and produced in steam plants. TVA itself, in the answer filed in the 18 company suit, January 8, 1937, implied it had no such authority and denied any such intent.

None of the requested additional power, therefore is to be used for national defense, nor for the needs of the Federal Government; this is an effort to draw industries into the TVA area, at the expense of the taxpayers of the other States where local, State, and Federal taxes are paid on power revenues.

We believe the request should be denied by the Congress.

GLENN R. DAVIS.
BEN F. JENSEN.
JOHN PHILLIPS.
T. MILLET HAND.
JOHN TABER.

The report of the Senate committee took the same position that the minority in the House took. That provision I have in front of me, and it appears at page 17 of the Senate committee report.

The adoption of this conference report means that without having the question

of the interpretation of the law settled and without having it definitely understood that whenever the TVA or any other Government agency wants to go ahead and spend a lot of money, that they will come to the Congress for an appropriation or for legal authority to use funds for the particular purpose.

I do not think that Congress is meeting its responsibility when it permits any board, no matter who it is or what it relates to, to have jurisdiction over whether 400 or 500 millions of dollars be expended. It is not doing the right thing by itself or the processes of representative government when it is a law unto itself.

The only honest way that the TVA can be allowed to operate is by procuring its authority in the proper way from the Congress of the United States by the passage of laws which either appropriate money or deliberately permit the expenditure of funds that are in the hands of the corporation.

In the first place, I am going to ask the Comptroller General to enforce the law. These expenditures and operations are illegal and under the provisions of the Corporation Control Act it is their duty to stop it.

If that does not produce results, I am going to ask the proper legislative committees to review the situation and pass legislation which will properly bring about the result which the Congress thought it was bringing about in 1948 when the language which I quoted above was adopted.

Those who favor public power are making a great mistake in the manner in which they are treating the TVA because if there is to be public power in the TVA, it should be on the basis that they are paying interest on the money that they have had the use of, a proper amortization charge to pay back the Government's investment, their operating and maintenance expense, and a fair equivalent of what a similar utility would pay in taxes. If they would make that approach to the Congress it would improve their general standing.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. HALLECK. I want to associate myself first of all with the gentleman's very able statement, a statement which I am sure speaks the facts and the law. Now, the unfortunate thing is that when this measure was first before us we were confronted not with legislation subject to amendment but by a statement in a report of a majority of the Committee on Appropriations. As everyone knows, you cannot amend a report on the floor. An attempt to get at the matter by direct legislative action would not have been in order because it would have been legislation on an appropriation bill. I state this only because I am absolutely confident that if the Members of the House had had an opportunity to express themselves they would have made it clear and unequivocal that TVA cannot apply its power revenues to the building of new steam plants, and certainly not without direct legislative approval.

May I say this further, with the gentleman's permission? All of us recognize that there will be necessity for added power-producing facilities in the Tennessee Valley. How are those added facilities to be provided? The administration's recommendation is that legislation should be enacted giving to TVA the right and the authority to issue revenue bonds. That is based on the proposition that some time TVA must come of age, and when it has come of age, matured, then it should get the money and pay interest on it, just as anybody else has to do.

The other suggestion that has been made from time to time is that the Congress continue to appropriate money, which simply means that the taxpayers of my part of the country, of the Middle West, of New England, of the West, further subsidize the below-cost production of power for that area.

The Congress of the United States has spoken definitely against that approach.

Then what is the resort here to be had? It is that the power revenues are to be used for further expansion. The gentleman has very ably stated that the Congress of the United States, whatever process is used, ought to remain in control. I cannot for the life of me understand the reasoning of those who support this proposition now who last year said that TVA is the child of the Government, the Federal Government, and it has to continue to provide the money, another $100 million, for a steam plant at Fulton, who now say that TVA is not the creature of the Government, that TVA can do with its funds whatever it wants to do.

Actually, TVA, as the gentleman has pointed out, has no legal right to spend these funds in this fashion. It has no moral right to spend them, because those funds are not the property of TVA. They are in the United States Treasury today. They are the property of the taxpayers of this country who have put $1,500,000,000 into TVA on which TVA has never paid the first cent of interest.

What TVA ought to be doing is to pay money back to the rest of the taxpayers instead of spending more of the taxpayers' money. Actually, if TVA is to be permitted to apply these power revenues to the building of additional steam plants, then they will be accomplishing the same thing by indirection that the Congress has said in recent years time and again that they cannot do, which is to require the taxpayers all over the country to build further steam-producing facilities in the Tennessee Valley.

So far as I am concerned, Mr. Chairman, if TVA as it is presently governed, insists on going ahead and spending this money, one day I hope they shall be brought to account, because they have no legal right to spend the money; they have no moral right to spend the money and if Congress permits it to be done it is an abdication of congressional responsibility. As I say, one day they shall be held to account.

The SPEAKER. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. JENSEN]

Mr. JENSEN. Mr. Speaker, I am wondering how many Members of the House realize that the conference report before us relates in part to a question of whether the Congress shall retain its proper control over the expenditures of hundreds of millions of dollars by the TVA, or whether it is to abdicate in favor of a TVA board of 3 men, not elected, but simply appointed by the President.

In 1947, when I was chairman of the Government Corporations Subcommittee of Appropriations, I was instrumental in getting enacted a limitation on the expenditures of TVA power revenues for new generating facilities. As I stated on the floor at the time of the debate on the Government corporations appropriations bill for 1948, the restriction placed therein was for the purpose of preventing construction for capital improvements to the TVA system without prior approval of Congress. I quote:

> They have to come before the Congress each year to get permission to spend for capital improvements if this bill becomes law.

The gentleman from New York [Mr. TABER] has just explained the limitation which the Congress placed on expenditures for capital improvements.

The Tennessee Valley Authority, according to law, can spend their revenues for replacements only. Certainly a new unit, a new steam plant, can by no stretch of the imagination be called a replacement.

Many of my colleagues know that the Tennessee Valley Authority was brought forth in 1933 as a navigation, flood-control, and river-development agency wherein electric power was to be incidental thereto. In the early years Congress was hoodwinked by the testimony of the TVA officials into thinking that there was to be an end to the construction program of the TVA. Of course we now know that these TVA officials and the TVA proponents had no such illusion. However, as Raymond Moley said:

> This grand design, however nobly conceived, could hardly have been sustained either by a reasonable obedience to the Congress or by the Supreme Court at that time. Hence the early requests for appropriations were, in the light of what happened later, relatively modest, and the professed purposes in the bill submitted to the Congress were hardly descriptive of the immense authority which eventually took form. To suggest that there be lavished vast treasure on a relatively small section of the Nation at the expense of all would have aroused opposition of other sections that would have quickly manifested itself in Congress. Such a stupendous piece of paternalism could never have been squeezed through the Constitution despite the fact that the general welfare clause was already opening a crack which would later turn into a veritable breach.

How much further are we to go? Is Congress to surrender its responsibility and let TVA go its merry way, to spend without restraint its ever-increasing power revenues amounting to hundreds of millions of dollars annually? I per-

sonally think the time has come for Congress to assert its authority and require the TVA to obtain approval for the expenditure of Federal funds.

They claim, of course, that it is their funds they are spending because they come from power revenues. They forget the fact that the TVA is supported by the taxpayers of America, hence it is the taxpayers' responsibility to see to it that the Congress of the United States, their representatives, see to it that the money is properly spent by TVA, whether it be revenues of TVA or appropriated funds. One of my colleagues from the TVA area has said that the TVA is merely using its power revenues which come from the people of the TVA who use TVA electric power. Surely he knows, just as we know, that 60 percent of TVA power revenues in 1955 came from the pockets of the taxpayers of every section of the United States in paying for the TVA power used by the Federal agencies such as AEC.

The people of my State are willing to pay their fair share of taxes to the Federal Government for those things that are necessary for the preservation of our Republic and its free-enterprise system. They are willing to pay for the electric power that lights their homes and operates their industries and farms because they know it is the cheapest and one of the best commodities they can buy, whether or not they buy it from private utilities who pay a big Federal tax or from others. However, my people do not want to pay taxes to be used to help pay for the electric light and power bills for people of other sections of the Nation, nor do they want their taxes used to subsidize electric power to heat over 130,000 homes in the Tennessee Valley or to be used to entice industry into the TVA area, which they are doing this very minute. The State of Tennessee is advertising all over America: Come to the Tennessee Valley with your industries to take advantage of the cheap power of TVA. And so not only my State but many States of the Union are losing industry to Tennessee because we are subsidizing their electric power costs. The time is long past due when the TVA power rates should provide for interest on the American taxpayers' investment in TVA power facilities which now totals approximately $1½ billion of appropriated funds. Surely it is not asking too much to insist that the power users of the TVA pay rates that provide for taxes equivalent to that paid by the folks in other parts of the United States of America. Section 8 of our American Constitution says in plain words that there must be equality of taxation.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. BAKER].

Mr. BAKER. Mr. Speaker, additional generating units at John Sevier steamplant in East Tennessee and New Johnsonville steamplant in west Tennessee were recommended by President Eisenhower and the Budget Bureau.

They are essential to national defense.

TVA is far ahead of its statutory repayment schedule to the Treasury of the United States.

TVA has surplus funds obtained by power revenues to pay for these units. It is good business practice to permit it to do so, to install these needed units on a pay-as-you-go plan.

This practice would be followed by General Electric, Westinghouse, General Motors, the Aluminum Company of America, or Commonwealth Edison.

Why not TVA?

Is prejudice against TVA to be permitted to becloud your good business judgment on the advisability of the pay-as-you-go plan?

I do not favor giving the TVA Directors blanket authority to expend power revenues. They should report all such proposed expenditures to the Congress, which represents the owners of TVA, the people of the United States.

Expenditure of power revenues by TVA for necessary additional power requirements should be approved by the Congress.

The recommendations of President Eisenhower and the Budget Bureau recognize the need of additional electric power by Tennessee Valley Authority for national defense and the maintenance of the normal industrial, commercial, and residential requirements in the area served by TVA.

I urge adoption of the conference report.

The Public Works Committees of the House and Senate should promptly conduct hearings and report legislation covering this subject and clarifying the basic act; and should report legislation authorizing TVA to issue revenue bonds to finance its necessary additional power requirements, and get rid of this annual controversy.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. BAKER. I yield to my colleague, the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. I simply want to request the gentleman to emphasize the important point which he made in his statement, that the Tennessee Valley Authority is repaying these funds advanced by the Federal Government and is well ahead of schedule in the repayment of those funds; is that not correct?

Mr. BAKER. That is certainly true.

Mr. COOPER. And it is also true that the plan proposed to provide additional power facilities out of the power revenues of the TVA is on a sound, business basis.

Mr. BAKER. I certainly feel that way about it.

Mr. COOPER. And bear in mind that these power revenues are derived from payments made by the people in the TVA area for the power used by them and constitute the working capital which is needed by the TVA to carry forward this program.

Mr. BAKER. The gentleman certainly is correct and I thank him for his contribution.

Mr. BASS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BAKER. I yield.

Mr. BASS of Tennessee. I would like to commend my colleague from Tennessee for the fine statement he has made on this subject. He has certainly been an able representative of the TVA area. I want to commend him, but I would like very much if he would move Johnsonville back into the middle of Tennessee instead of west Tennessee.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BAKER. I yield.

Mr. REECE of Tennessee. I am glad the gentleman emphasized the fact that TVA is meeting its payments to the Federal Government. I would like to also emphasize the fact that the greater percentage of the power now generated by TVA facilities is going for national defense. It is very difficult for new industry to locate in the State of Tennessee because it is unable to get power made available to a new industry, with the result that at the present time, contrary to the statement of the gentleman from Iowa [Mr. JENSEN], the new industries being established in the South are established outside of the periphery of the TVA.

The SPEAKER. The time of the gentleman from Tennessee [Mr. BAKER] has expired.

Mr. CANNON. Mr. Speaker, I yield the gentleman 3 additional minutes.

Mr. BAKER. I yield to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. I felt that the gentleman intended to put into his comments some statement regarding interest, because I think the TVA should pay interest on the money it borrowed. For example, although the TVA has paid back $186,500,000 on the $1⅓ billion which it borrowed, it has not paid back enough to pay what the Federal Government has paid out in interest on the loan.

Mr. BAKER. May I say in response to the gentleman from California, and the gentleman from Indiana [Mr. HALLECK] if you put the TVA on its own feet I think it will meet all competition and all requirements of private industry.

I yield to the gentleman from Tennessee.

Mr. REECE of Tennessee. And for that matter pay all the money that has been advanced to the TVA for power development if it is given authority to issue revenue bonds. But I think it ought to be made clear that in this conference report there is not involved the overall question of permitting the TVA to spend its revenue willy-nilly, as the gentleman from Indiana [Mr. HALLECK] said, but that it applies specifically to this additional unit at an existing steam plant.

I wish to commend my able colleague and friend, Mr. BAKER, not only for this splendid speech but also for his effective service to the TVA on all occasions.

Mr. BAKER. I agree with that. We should look at it from that standpoint, and later in this session have legislation on the whole subject.

I yield to the gentleman from Iowa.

Mr. JENSEN. The gentleman from Tennessee knows that since the TVA was established the Congress has appropriated over $2 billion of the taxpayers' money for the development of the TVA. The gentleman will agree that that is right, will he not?

Mr. BAKER. A little over $1½ billion.

Mr. JENSEN. Oh, no. It is nearer $2 billion.

Mr. BAKER. Perhaps so.

Mr. JENSEN. The gentleman knows, of course, that when Congress appropriates $50 million for the TVA for any one year it is not difficult for the TVA to write another check back to the Treasury of the United States for $20 million.

Mr. BAKER. But I would like to say this. I am not advocating further appropriations from the Federal Treasury. Put the TVA on its own feet, just like any other corporation.

Mr. JENSEN. That, in my opinion, is treading on dangerous soil, for this reason: The Congress of the United States has never given any agency of Government the power to issue revenue bonds, and I hope it never will.

Mr. BAKER. Mr. Speaker, I refuse to yield further for the only reason that I must make my own position clear. As I stated in my opening statement the stockholders and owners of the TVA are the people of the United States. The directors should report to Congress proposed unusual expenditures from the revenues before they make them and have approval of Congress, but have no more appropriations. You created the baby; let it live.

Mr. JENSEN. I will venture the assertion that your revenue bond program will get exactly no place in Congress.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Speaker, I wish to associate myself with the statements made by the gentleman from New York [Mr. TABER], and the gentleman from Iowa [Mr. JENSEN], and the gentleman from Indiana [Mr. HALLECK]. I am convinced, having been a member for 10 years of the subcommittee which has appropriated the money for TVA, that the people of the United States do not wish the Congress to abdictate its control over this agency.

I shall vote against the conference report.

The most important item, from a policy standpoint, in the report, is the provision which would permit the Tennessee Valley Administration to use its own funds to build new units, and to do this without the approval of the Congress. This would give the TVA the right to expand its power facilities without congressional approval, as required by earlier acts of the Congress, just so these new facilities tie in with an existing plant.

The power revenues of the TVA belong to the people of the United States, who have put up the money to build TVA and to underwrite its annual deficits. The supporters of this monopolistic enterprise have always been the first ones to insist on the idea that the TVA belongs to all the people.

I can illustrate the situation by using the Johnsonville steam plant as an example. It was presented to the Congress as a three-unit plant, to generate 375,000 kilowatts. We are told that adding units is like plastering a room that has been left unfinished because that room was not needed when the house was built.

In the Johnsonville plant, the TVA has therefore plastered an unfinished room to double the original capacity—to 750,000 kilowatts. That is not the end. Under letters of intent to the manufacturers, which the TVA failed to mention when its officers testified on this very appropriation bill, the TVA proposes additional plastering to the tune of another 500,000 kilowatts.

To my mind, increasing a plant capacity from 375,000 kilowatts to 1,250,000 kilowatts is a far cry from plastering a room that was left unfinished. If TVA can go from 375,000 to 1,250,000 kilowatts, without the approval of the Congress, what is to be the limit at this plant, and what is to prevent a like expansion at other plants?

This is the issue before us today. I do not think the taxpayers of the 40 States not in the subsidized area will like this idea, nor do I think they will like the idea of having TVA entice private industry into the TVA zone by offering subsidized power, particularly, as in the case of one recent industry, when the industry fully intended to build a powerplant, at its own expense, in another State.

The taxpayers of the 40 States have put up $1.3 billion to build the powerplants of the TVA system. On this account, TVA has paid back $186,500,000, including fiscal year 1956. If TVA had paid simple interest alone on the money advanced, it would have amounted to $210 million. Since the United States pays compound interest, that figure should be about $240 million. TVA is not breaking even.

I do not think the taxpayers want to continue to subsidize TVA and I think they want even less to have the Congress abdicate its control of this bureaucratic empire. This, as I said, is the issue today.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Speaker, there are a few salient and significant facts in this continuing controversy that are worth repetition. We have just heard the distinguished gentleman from New York [Mr. TABER] state that he is going to see to it that the Comptroller General enforces the law with respect to the TVA. He implies that the authority is not being operated according to law. In this respect the gentleman is again wrong with respect to his attitude regarding TVA. We all know that the distinguished gentleman from New York wrote to the Comptroller General and asked for an opinion as to whether or not the TVA Board had authority to expend corporate funds of TVA for additions to the system. The Comptroller General in his reply did not indicate that the TVA did not have the authority to use its corporate bonds.

We have also heard the gentleman from Iowa [Mr. JENSEN] just now state that he would be against TVA having authority to issue revenue bonds, that he would oppose the revenue bonds proposal. Apparently he is against any self-financing plan. When this controversy comes to be resolved the enemies of TVA oppose appropriations, they oppose the use of revenue bonds for financing and they now state that they are opposed to permitting the agency to use its surplus funds. Those who do not like TVA oppose its operations at every turn. They are going to cripple it and weaken TVA if at all possible.

As has been indicated earlier, there exists a need for additional power in this area. When General Vogel, the President's own appointee, became TVA Board Chairman, he took a new look at TVA's operations and made a new survey of the power requirements of the area. The Board thereafter made a unanimous recommendation for four new starts by TVA. This recommendation was made to the Bureau of the Budget for 1956, for the budget under which we are now operating. We know that the Budget Bureau did not approve the TVA Board request but they approved the now infamous Dixon-Yates contract as a substitute for the proposal recommended by the Board. We all know what happened during the last session of Congress. The matter was fought out in the House and Senate and later the President canceled the Dixon-Yates deal; so the TVA Board recommendation was not approved and the Dixon-Yates plan was rejected. The area got no additional power under either plan. We are soon to consider the 1957 budget request. We are faced with no alternative but to take some affirmative action to relieve the area power shortage.

The President sent up a supplemental request to Congress earlier this year recommending that 1 start be made at the John Seiver plant and that 2 additional starts be made at the Johnsonville plant. However, the President coupled his request with a proposal that it be approved along with the Budget Bureau's self-financing plan. We know that this proposal bogged down in committee. It is so complicated, so involved. The Secretary of the Treasury under the plan would be made, in effect, a member of the Board of TVA. The Secretary of the Treasury would be empowered to pass on the number and kind of bonds that could be sold, the amount of the issue, the length of the bond redemption period and the rate of interest to be charged, among other powers and restrictive limitations. There are so many limitations and restrictions thrown around the proposal that no action has been taken on the legislation. And we have just heard the statement that there is no chance of Congress acquiescing in the issuance of revenue bonds authority for TVA. The agency has an estimated surplus of $58 million. Why should not TVA be permitted to use some of its surplus funds to take care of its pressing needs? TVA is meeting required payments into the Treasury. In fact, TVA has paid some $186 million into the Treasury to date. I am advised that TVA paid in excess of $24 million into the Treasury prior to the enactment of legislation requiring annual repayments—and that with this sum plus required annual payments a total of $286 million will have been repaid into the Treasury through 1957. These facts show that TVA is exceeding expectations of her most ardent

advocates. It is TVA's success that generates enmity among partisans and private power interests.

Yes. TVA is a successful and efficient organization that deserves better treatment from Congress than it has been receiving in recent months. It is paying its way and more.

Mr. Speaker, we hear much talk about making TVA responsible to Congress. We know that the TVA reports to the Congress annually. TVA makes an annual report to the Congress and appears annually before the Appropriations Committee and other committees.

Responsibility, Mr. Speaker, is a two-way street. The Congress also has a responsibility to the people in a seven-State area that is solely dependent upon TVA as a source of power supply. As we listen to appeals to make TVA responsible we should remember the Congress must measure up to its responsibilities.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. EVINS. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. The gentleman has very properly pointed out that the opponents of TVA are against appropriating any money for it. They are against TVA's standing on its own feet through the issuance of revenue bonds. They are against its using its own resources. Will the gentleman tell the Members of the House how it is possible for the administration to keep its commitment to TVA, which was to do nothing which would impair its efficiency, without at least permitting it to use one or the other of these methods of financing?

Mr. EVINS. There are no other feasible alternatives. Various proposals have been advanced from time to time as the gentleman knows, but they have been rejected by the administration and TVA enemies.

Mr. ABERNETHY. They are willing, they say, for TVA to stand on its own feet but they are unwilling for it to have feet on which to stand.

The SPEAKER pro tempore [Mr. COOPER]. The time of the gentleman from Tennessee has expired.

Mr. CANNON. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. EVINS. I thank my distinguished chairman and would point out further that the TVA has the authority to employ its corporate funds for additions to existing plants. Section 26 of the TVA Act empowers the TVA to use such funds as are necessary and required in its normal business operations. Custom and usage as well as congressional intent and court decisions have confirmed this fact. The committee report proposes that TVA be operated in a businesslike manner through the use of its corporate funds. Certainly the House should stand by its position and vote down any proposal that might be made to recommit this conference report.

Mr. CANNON. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Speaker, I do not think any of us are in disagreement as to the TVA assuming it has authority to spend revenues without any consideration for the views of the Congress. I think the gentleman from Tennessee [Mr. BAKER] has made that clear. The adoption of the conference report with the language that is contained in the legislation and in the report on the bill will have a tendency, in my opinion, to place a restriction on TVA since this does authorize or refer to the additional steam facilities at the John Sevier Steam Plant, indicating that the Congress is retaining its authority after TVA has been established regardless of what our attitude toward the establishment of it may have been, we must assume an objective attitude now. There is only one facility that can give power to that area and that is the Tennessee Valley Authority. We are completely dependent upon the Tennessee Valley Authority in that area for all of our power requirements. Our whole future depends upon the TVA. That increases the responsibility that the Congress has to see that provision is made for an orderly development of the Tennessee Valley Authority in order to meet the requirements of the people of that area.

Mr. Speaker, we have the responsibility of providing the machinery by which Tennessee Valley Authority may do that.

My colleague from Tennessee [Mr. BAKER] has outlined what would appear to be a reasonable solution to this matter. I hope the Congress and its committees will give adequate attention to providing those facilities. In the meantime, it is necessary that we proceed as has been recommended by the Bureau of the Budget and the President to meet the immediate requirements and only the minimum requirements are being provided for in this conference report.

Mr. CANNON. Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, as one of the conferees and speaking for those who signed the report, I would point out that all this debate would indicate that this situation is somewhat different from what it really is, as I see it. This is a supplemental appropriations conference report. A vote against this report would be a vote against an increase for agricultural research; it would be a vote against additional funds to finish the rest of the fiscal year on plant and disease control; it would be a vote against money for the Farmers Home Administration to carry on its housing program; it would be a vote to cut out administrative funds for the Commodity Credit Corporation to carry out its price support programs; it would be a vote to do away with subsidies vitally needed to carry on the merchant marine and the War Shipping Administration; it would be a vote against provision for the Federal Employees Life Insurance fund; acquisition of land in Chicago; and many, many other items. Now, those items are in here, and there is nothing in this conference report concerning the TVA. This conference report does not add to or detract from it; it does not cross a "t" and it does not dot an "i" in the authority in law which the TVA has.

The argument here is the age-old argument which was heard when the TVA was first created, and I think that argument should be answered, though I repeat again there is nothing in this conference report changing the law concerning the TVA.

The TVA is a Government corporation, and all the argument has had to do with changing the law and changing the TVA from a corporation, and making it an agency. If it were an agency, the situation would be different. This is not the only corporation which was given certain authority and responsibility by the Congress, in the legislation which created it. The Commodity Credit Corporation is another corporation created by the Congress, and the Congress, in the Commodity Credit Corporation Act, said to its board of directors, "You shall discharge your responsibility in supporting a farm price support program." I review the record of the Commodity Credit Corporation each year, yet it is beyond my reach to change that law. I cannot do it. The Appropriations Committee does not have the authority. The TVA is also a corporation created by separate legislation of the Congress. Such law provides whatever authority the TVA has. They either have it or do not have it. But, the law speaks for itself. Changing the law governing the TVA is beyond the reach of the Appropriations Committee under the rules of the House.

The pertinent provisions of law which created the TVA and as amended are as follows:

> Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation * * * in conducting its business in generating, transmitting and distributing electric energy (16 U. S. C. 831y).

Section 104 of the Government Corporation Control Act was rewritten in its present form in section 307 of the Government Corporations Appropriation Act, 1948:

> SEC. 104. The budget programs transmitted by the President to the Congress shall be considered and legislation shall be enacted making necessary appropriations, as may be authorized by law, making available for expenditure for operating and administrative expenses such corporate funds or other financial resources or limiting the use thereof as the Congress may determine and providing for repayment of capital funds and the payment of dividends. The provisions of this section shall not be construed as preventing Government corporations from carrying out and financing their activities as authorized by existing law, nor as affecting the provisions of section 26 of the Tennessee Valley Authority Act, as amended (61 Stat. 584 (1947)).

In the Government Corporations Appropriation Act, 1948, under which points of order against legislation was waived, Congress did include permanent legislation requiring that TVA amortize the appropriation investment in its power facilities over a period of 40 years, and

limiting its use of revenues in the following terms:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects (except for replacement purposes unless and until approved by act of Congress (61 Stat. 577).

In thus prohibiting use of revenues for construction of new power-producing projects without prior congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities. Indeed, as House debate on the measure brought out, the House Appropriations Subcommittee which drafted the statutory language originally employed the term "facilities" and later substituted "projects," in order to make plain the distinction between dams and steam plants on the one hand, and individual generating units and transmission facilities on the other.

You will note it was provided that the TVA shall return to the Treasury such money as they may collect, save and except such part as may be essential to the proper operation of the TVA, which, according to the act of Congress, is the sole supplier of electricity over parts of 7 States. It is the only utility in that area. General Vogel, an appointee by President Eisenhower, testified that if you were to cut off all except preference customers of the TVA or if you were to make some cities supply their own power in the area where the TVA is the only utility, it would take 2½ years from the time they started construction to furnish such needed power, even if that was what the Congress decided they should do by legislation. Not only that, but President Eisenhower and the Budget Bureau have agreed that the TVA needs additional units at two existing projects at present, and further additional units will be needed in the immediate future. The TVA is running short of power to meet the needs of its customers in its own geographic area. These units do not involve any expansion in the TVA service area, but like every private company in the United States, the power needs are increasing, and about the time TVA has thought they have met it, the Congress will put some other war activities down there and demand that TVA supply that power, as we should.

All parties have agreed that unless new units are provided at existing projects there will be a power shortage in this area by late 1958. General Vogel, the President's appointee says there is no way to meet the needs in time to prevent a shortage except with new units at these particular projects.

Without additional units, the TVA system would have capacity deficiencies in 1957 and 1958. All other power systems are adding units, and building new plants, to establish and maintain margins of capacity.

Power use in the TVA area grows about 750,000 kilowatts per year, exclusive of increases in the defense loads. To meet this growth requires generation and transmission additions costing about $150 million a year. TVA's net income before depreciation was $78 million last year, and out of this TVA is paying $59 million into the Treasury this year. Clearly TVA will not be building all the capacity it needs—let alone any it does not need—from its revenues.

May I say these appropriations we have been making to TVA for power in the last 10 or 12 years have come about because we have put these military facilities in that area, at a cost of hundreds and hundreds of millions of dollars. Such military establishments would not be useful if we did not have the power. In fact such military needs use more than 50 percent of all power produced by TVA.

The law provides that the corporation should report to the Congress its activities and report on its various activities. But the Congress, not wanting to change this from a corporation to an agency, in the Corporation Control Act provided that such act should not be construed so so as to modify section 26 of the TVA Act, which makes provision for the Directors of the TVA to meet the responsibility of serving the TVA service area. Such Board of Directors has a direct obligation to use their authority under the law to meet the needs of the people in the area that it serves.

It was in 1948 that we provided the language which has been discussed here, and which I have quoted. Let us read it again:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects except for replacement purposes until and unless approved by act of Congress.

I, too, have felt that the TVA, in view of these attacks that are constantly being made on it, should return money to the Government. In 1948 I was a member of the subcommittee which wrote this provision and actually drafted the final language under which the TVA does return to the Government over a 40-year period the money that we put into it for power production. In other words, TVA is required to return money to the Treasury in such amounts as will average not less than 2½ percent each year.

Actually TVA is considerably ahead of schedule in such payments and I remind you it still belongs to the Government. Certainly, in my book that is interest on our investment. I repeat, each year an average of not less than 2½ percent of the money that we have put in it for power generation is returned to the Government.

Involved in the immediate situation is this fact. TVA is still making its payments. They were ahead in making their payments, but President Eisenhower and his Bureau of the Budget said that additional units in the existing projects are particularly needed. Some they recommended and they, as well as the Board of Directors, have recognized a growing need for power here as in all sections of the United States. But there are two ways that we can meet such needs. We can say that TVA, in addition to returning to the Government this money, which it has to return, an average 2½ percent each year which is a fair return, after such payments can take their funds from power revenues and meet these needs that all recognize—or the Congress can appropriate the money for such units in which case TVA would have 40 years in which to pay such money back.

It was the opinion of the majority of the House committee that it was much more sound for the TVA to use its power revenues, which is in addition to their repayments, instead of our appropriating money which would be paid back only in 40 years. That was the directive of the House committee report when the bill went through the House to start with. The bill went to the Senate and the Senate appropriated $3½ million for the unit at John Sevier. In conference the Senate receded.

If this conference report is voted down, it will mean and would be taken to mean that in view of the recommendation of the President of the United States and his Bureau of the Budget, you are asking that additional appropriations be made instead of telling the TVA Board of Directors that in addition to making their repayment—since they have got to have these units—they must stretch their power revenues to meet their needs for new units from those revenues, as provided in committee report of the House.

I think it is wholly unsound to vote against the many items there are in the bill. The TVA Act, whatever its meaning is, speaks for itself. I have my interpretation of it and I think I am sound, because I know the intent in drafting the act; that is, while they could not use the revenues to put in new projects, if it is a replacement they can do as I have indicated; but a power facility, a new unit at an existing project, represents a different thing, and the TVA retains its authority to do that. Whether I am right or my colleagues on my left are right, your vote on this conference report will not change the law one iota. The law has been written. It is on the statute books. It is there for interpretation. It will be there whichever way we vote. And it was there whatever we did in conference.

The attacks that are made each year on the TVA are not directed to this conference report, but they are directed to changing the basic law concerning TVA. I realize that is a controversial subject.

Another point made as to what the TVA should do comes from a mistaken idea that the TVA is an agency of the Government. It is a Government-owned corporation created by separate legislation, as is the Commodity Credit Corporation. It is just as much beyond my reach to change that Corporation when it comes before my Subcommittee on Agriculture as it is for this group to change the basic act here. If the Commodity Credit Corporation law is to be changed, it must come from the Committee on Banking and Currency.

May I say again, if you vote for this conference report, you have not changed the law concerning the TVA. If you vote against the conference report, you will be voting against the settlement of the passage of a badly needed bill, to provide funds for the various activities of Government which I have mentioned.

The situation is getting tight, and it is time we move on and appropriate the funds for these agencies. There is no money in the report for the TVA.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Indiana.

Mr. HALLECK. May I say to the gentleman I am in agreement with him as to his analysis of the effect of this vote. While I protest the language that was contained in the majority report accompanying the bill originally and think it was completely in error, I do not think a vote against this conference report would prove anything one way or the other. So as far as I am concerned, I shall support the conference report.

Mr. WHITTEN. I thank the gentleman.

Mr. Speaker, in times past the TVA has always reported to the Congress the use of its own money for its needs in discharging its responsibility to the region where it is the sole supplier of power. In 12 instances the TVA has reported to Congress that it was using revenues to meet its needs within its own geographic area. On 12 occasions the TVA has used its power revenues to meet existing problems such as adding new units and other works, and reported it to the Congress. There is nothing new in what exists here. It is a problem that has had the recognition of the President and the Budget Bureau, and the unit at John Sevier is recommended by all concerned. Is it sound to let the TVA use their own revenue as against our appropriating additional money? Whether or not you differ with that view, the Senate has receded from its position of wishing money on the TVA, and in receding they have left us where if we do not adopt this conference report we are voting down all these many items for other departments and agencies. There is not a line in this report concerning the Tennessee Valley Authority except that the Senate receded on its appropriation. The conference report should be adopted.

Mr. CANNON. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I avail myself of this time in order to inquire of the majority leader as to the forthcoming program for the remainder of the week.

Mr. McCORMACK. After the disposal of the present conference report the District of Columbia transit bill will be the next bill in order.

On tomorrow the President of Indonesia will be our guest at a joint meeting of both bodies of Congress.

Following that there will be in order the consideration of the bill (H. R. 9052) to extend the Export Control Act of 1949. The rule on that bill provides for 1 hour of general debate.

Mr. HALLECK. May I inquire of the gentleman if there is not a very definite possibility that final action on the transit matter may go over until tomorrow?

Mr. McCORMACK. If it is not disposed of today it will go over until tomorrow. Just as a guess, I would say it is a strong probability that the bill will be disposed of today.

Mr. HALLECK. I ask the question only because I thought a misapprehension might have been created. There will be an hour of debate under the rule and 2 hours of general debate. The committee report of the bill was a complete amendment to the original bill, so I had rather assumed that possibly action would not be completed on it today.

Mr. McCORMACK. All I can say is that if the bill is not disposed of today it will continue under consideration tomorrow. Of course, taking up the extension of the Export Control Act will be dependent on the time the transit bill is disposed of tomorrow, if it does go over until tomorrow. There is no agreement or understanding about its being concluded today.

Mr. HALLECK. I thank the gentleman.

CALL OF THE HOUSE

Mr. MURRAY of Tennessee. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. COOPER). The Chair will count. [After counting.] A quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 48]

Alger	Gamble	Powell
Andersen, H. Carl	Gary	Prouty
Anfuso	Granahan	Radwan
Barden	Green, Oreg.	Rivers
Bolton, Oliver P.	Gregory	Rogers, Mass.
Bonner	Harrison, Nebr.	Rogers, Tex.
Brooks, La.	Hébert	Sheppard
Burdick	Hillings	Short
Carlyle	Hoffman, Ill.	Smith, Va.
Chatham	Holifield	Steed
Clark	Holtzman	Thompson, La.
Cooley	Jennings	Tollefson
Davidson	Johnson, Calif.	Utt
Davis, Tenn.	Kearns	Velde
Deane	Knutson	Walter
Denton	Lane	Watts
Dolliver, Iowa	Lankford	Westland
Donovan	Long	Wickersham
Durham	Miller, Calif.	Willis
Eberharter	Mollohan	Wilson, Ind.
Ellsworth	Morrison	Winstead
Fascell	Moulder	Wolcott
	O'Hara, Minn.	Younger
	Pillion	

The SPEAKER pro tempore (Mr. COOPER). On this rollcall 359 Members have answered to their names; a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

Mr. CANNON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

Mr. CANNON. Mr. Speaker, there are a number of amendments in disagreement, merely technical in nature.

Mr. Speaker, I ask unanimous consent that amendments Nos. 11, 12, 16, 17, 21, 22, 23, 26, 28, 30, 34, 36, 39, 40, 44, 45, and 61 be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. GROSS. Mr. Speaker, reserving the right to object, in the amendments which the gentleman just enumerated did he include amendment No. 24?

Mr. CANNON. No.

Mr. GROSS. I thank the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendments.

The Clerk read as follows:

Senate amendment No. 11: Page 4, line 20, insert:

"WAR SHIPPING ADMINISTRATION LIQUIDATION

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the amount available from prior appropriations for the liquidation of certain obligations approved by the General Accounting Office and for the payment of obligations incurred against the working fund titled 'Working fund, Commerce, War Shipping Administration functions, December 31, 1946', is increased from '$5,900,000' to '$24,000,000.' Provided that the amount of such increase shall be available only for Court of Claims and district court judgments and payments to disabled seamen authorized by Fifty-eighth Statutes at Large, page 758."

Senate amendment No. 12: Page 6, line 4, insert:

"Independent Agencies

"Small Business Administration

"Revolving Fund

"For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitation, $20 million."

Senate amendment No. 16: Page 11, line 1, insert:

"Acquisition of Land and Building, Chicago, Ill.

"For the acquisition of the parcel of land located at 536 South Clark Street, Chicago, Ill., together with all improvements thereon and appertaining thereto, including incidental expenses, to remain available until expended, $3 million, to be derived by transfer from the appropriation 'Sites and planning, purchase contract, and public buildings projects'."

Senate amendment No. 17: Page 11, line 17, insert:

"Expenses, general supply fund

"For an additional amount for 'Expenses, general supply fund', $450,000, to be derived by transfer from the appropriation for 'Sites and planning, purchase contract, and public buildings projects'."

Senate amendment No. 21: Page 17, line 20, insert:

"Construction

"For an additional amount for 'Construction' $2 million, to remain available until expended."

Senate amendment No. 22: Page 18, line 4, insert: *"Provided,* That the Secretary of the Army is authorized and directed to transfer to the Secretary of the Interior, without exchange of funds, 46 school buses presently on loan to the Bureau of Indian Affairs."

Senate amendment No. 23: Page 18, line 9, insert:

"Construction

"For an additional amount for 'Construction', $240,000, to remain available until expended: *Provided,* That the funds herein used for restoration of Indian irrigation facilities shall be nonreimbursable: *Provided further,* That not to exceed $54,000 used for emergency reconstruction, replacement or repair of the San Carlos irrigation facilities

damaged or destroyed by flood and storm in 1955 shall be nonreimbursable."

Senate amendment No. 26: Page 20, line 21, insert:

"DEPARTMENT OF LABOR

"Bureau of Employment Security

"Mexican Farm Labor Program

"For an additional amount for 'Salaries and expenses, Mexican farm labor program', $65,000, to be derived by transfer from the appropriation 'Unemployment compensation for veterans'."

Senate amendment No. 28: Page 22, line 13, insert:

"Increased Pay Costs, Career Incentive Act of 1955

"For additional amounts for appropriations for the fiscal year 1956, for increased pay costs authorized by the act of March 31, 1955 (Public Law 20), as follows:

" 'Assistance to States, general', $55,000;

" 'Communicable diseases', $55,000;

" 'Sanitary engineering activities', $70,000;

" 'Foreign quarantine service', $20,000;

" 'Retired pay of commissioned officers', $130,000;

"The Surgeon General is authorized to transfer between appropriations to the Public Health Service such amounts as may be necessary to meet increased costs authorized by Public Law 20, Eighty-fourth Congress, but no appropriation shall be increased by more than $10,000 as a result of such transfers."

Senate amendment No. 30: Page 23, line 14, insert:

"NATIONAL MEDIATION BOARD

"For an additional amount for 'Salaries and expenses', $25,000, to be derived by transfer from the appropriation 'Arbitration and emergency boards', fiscal year 1956."

Senate amendment No. 34: Page 26, line 6, insert: "; and the limitation under this head in the Department of Justice Appropriation Act, 1956, on the amount available for compensation and expenses of witnesses or informants, is increased from '$175,000' to '$200,000'."

Senate amendment No. 36: Page 28, line 1, insert:

"POST OFFICE DEPARTMENT

"Operations

"For an additional amount for 'Operations', $16,000,000: *Provided,* That the Postmaster General, with the approval of the Director of the Bureau of the Budget, may transfer such sums (not to exceed $2,000,000) as he deems necessary from any appropriation available to the Post Office Department for the remainder of the fiscal year ending June 30, 1956, to any other such appropriation or appropriations without regard to the limitations imposed by the first proviso contained in the paragraph under the heading 'Operations' in title II of the Treasury-Post Office Appropriation Act, 1956."

Senate amendment No. 39: Page 31, line 4, insert:

"For payment to Lois Lilly Kilgore, widow of Harley M. Kilgore, late a Senator from the State of West Virginia, $22,500."

Senate amendment No. 40: Page 31, line 7, insert:

"Salaries, offices, and employees

"Office of the Secretary: For an additional amount for the Office of the Secretary, $2,535: *Provided,* That the basic compensation of the assistant to the majority and the assistant to the minority may be fixed by the majority and minority leaders, respectively, at a rate not to exceed $8,820 per annum; and that effective April 1, 1956, the basic amount available for clerical assistance and readjustment of salaries in the disbursing office is increased by $3,000."

Senate amendment No. 44: Page 32, line 1, insert:

"Stationery: For an additional amount for stationery, $2,900, and the amount available for stationery for committees and officers of the Senate is hereby increased to $12,900."

Senate amendment No. 45: Page 32, line 5, insert:

"Administrative provisions

"The third proviso in the paragraph relating to the authority of Senators and committee chairmen to rearrange the basic salaries of employees in their respective offices or committees, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U. S. C. 60f), is amended to read as follows: '*Provided further,* That Senators and committee chairmen, on or before the day on which they are to become effective, shall certify in writing such changes or rearrangements to the disbursing office of the Senate which thereafter shall pay such employees in accordance with such certifications, except that, in the case of any change or rearrangement, other than original appointments, to become effective on or after the 1st day and prior to the 10th day of any month, such certification may be made at any time not later than the 10th day of such month'."

Senate amendment No. 61: Page 39, line 21, insert:

"National Mediation Board: National Railroad Adjustment Board: 'Salaries and expenses' (decrease of $18,000 in the limitation upon the amount available for compensation and expenses of referees)."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 4, strike out lines 11 to 16, inclusive.

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 9, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment insert:

"Ship Construction

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the number of cargo ships for replacement, for which payment may be made for construction-differential subsidy and national-defense features, is increased from 5 to 10; and the authority contained in that act for the vessel operations revolving fund is amended to include the following: 'for activation, repair, and deactivation of merchant ships chartered under the jurisdiction of the Secretary of Commerce;'."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 24: Page 19, line 3, strike out "For an additional amount for 'Construction', $3,000,000", and insert in lieu thereof "For an additional amount for 'Construction', $360,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

"For an additional amount for 'Construction,' $3,000,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, on this amendment, I yield 5 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS of Missouri. Mr. Speaker, I want to thank the gentleman from Missouri [Mr. CANNON] for yielding me time. I am sorry that it is necessary to take the time of the House to go into an explanation of this matter somewhat in detail.

This is a matter essentially that involves locally the city of St. Louis, although it is of national concern, because it involves a national memorial park located in downtown St. Louis.

In order that the House may understand this matter, I have to go back a little bit in history. The matter was fully explained to the committees of the House that authorized it and also to the Committee on Appropriations. But because the rest of the House is not aware of the details, I do want to recount them. When I was still at law school, this measure was developed and large portions of a downtown section of St. Louis were razed in order to start this proposed Jefferson Memorial expansion park. Whether or not that was a wise decision, I am not here to argue or even to discuss. The fact remains that for over 20 years now we have had there in downtown St. Louis this bare area where buildings had been razed and nothing further has been done.

In compliance with the original idea, the city of St. Louis voted a bond issue of several million dollars to contribute its share to this program. That money is available. It was necessary to take the railroad tracks which run on a trestle in front of that area in order to make it a proper park, and put them underground. Therein lies the trouble, because it is necessary for the private railroads to put up some money themselves in order to go ahead with this program. That is where the underlying opposition has occurred to a large degree over a period of many years. Strangely enough, however, this program had never even been authorized. When I came to Congress one of the first things I tried to do was to get the program authorized, because there was no way of turning back and returning this property to private individuals or the city of St. Louis.

At the same time we have this concern over the cost to our Federal Government and the fact that we have an unbalanced budget. So I told the people of the city of St. Louis who were interested that I would introduce an authorization bill providing it was clearly understood that we would not be asking any appropriation on that until such time as a balanced budget was presented to the Congress.

I submit, how many times in the history of this Congress has a community through its representative been that fair on a matter of this nature? That was the basis on which this program was authorized, so that the city of St. Louis

could go ahead with their municipal planning, because if you do not know what is going to happen in the downtown section you cannot very well make any long-range plans for the rest of the programs you have in mind.

Now for the first time we did have that very happy thing occur in January. The President presented a balanced budget. Whether or not it will be balanced by the time the Congress is done is not the point. We have complied with the spirit and the technicalities of that provision which I myself asked to have put in. It seems to me a very strange thing when these people who allege that they are so interested in preserving our solvency come in and try to hit us over the head because we have voluntarily limited ourselves by such a restriction.

That is the issue. There still is an undercurrent fight that, in my judgment, probably comes from the railroads, in the belief that they are going to have to contribute a certain amount of money if we can get this appropriation through.

One final statement: There actually cannot be any money spent for at least a year, but we do need the appropriation so that we can start negotiations with the railroads and with the city of St. Louis towards getting the actual plans laid so that the tunnel can be built and the parkway can go ahead and the city of St. Louis can solve this problem of having this vacant area right in the heart of downtown St. Louis for the past 20 years.

I certainly hope the House will see the merits of this amendment and back us up on it.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. I thank the gentleman from Missouri [Mr. CANNON] for giving me this time.

Mr. Speaker, this is a question of whether Congress is now embarking upon a program of providing funds for the civic improvement of St. Louis or any other city in the country.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield for a correction?

Mr. GROSS. I yield.

Mr. CURTIS of Missouri. This is not the city of St. Louis. If you gentlemen will read the committee hearings on this, this is a national park to commemorate Thomas Jefferson and the westward expansion movement. The full details of all this were in the committee hearings.

Mr. GROSS. The gentleman will admit, of course, that this expenditure is to be made within the confines of the city of St. Louis?

Mr. CURTIS of Missouri. Yes, they have it right in the middle of us.

Mr. GROSS. Yes, of course it is, so it amounts to a civic improvement. I hope to explain that just a little further, if the gentleman will permit me.

When this program was before the House in the appropriation bill, I raised the point of order against the legislative provision making the $3 million available until expended. The chairman of the Committee of the Whole held it to be legislation on an appropriation bill. Now, we have it back with the same language, but it cannot be reached on a point of order because it is contained in a conference report. On March 20, when this same handout was before the House, I said this:

> I am opposed to this expenditure. Here is what the taxpayers of the country will contribute to this project in St. Louis: $1,875,000 for the relocation of railroad tracks and other railroad facilities; $1,125,000 for grading and filling along the Mississippi River waterfront; $500,000 for landscaping; $900,000 for paving, utilities, and so forth, and $600,000 for restoration of what is known as Old Courthouse. That is a total of $5 million so we can look forward to further heavy expenditures of taxpayer money in behalf of the civic improvement of St. Louis.
>
> Members of the House may well ask themselves how many millions of dollars the Federal Government is spending toward the relocation of railroad tracks and otherwise financing civic improvements in the cities and towns of their districts.

This appropriation of $3 million is only a start in a multimillion dollar program solely for the benefit of St. Louis. If this is approved, then the thing for all the cities and towns and you in your districts is to establish a monument, memorial or something of that kind, and then come to the Federal Government to get railroad tracks relocated, get your landscaping done; improve your waterfronts, riverfronts, lakefronts and so forth.

Mr. Speaker, I have no desire to take further time of the House. The issue is clear. A vote for the motion is a vote to use millions of dollars of all the taxpayers' money to do for the citizens of the city of St. Louis what they ought to do for themselves. I am opposed to this motion and to this initial expenditure from the Federal Treasury for the benefit of this one city.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentlewoman from Missouri [Mrs. SULLIVAN].

JEFFERSON NATIONAL EXPANSION MEMORIAL A NATIONAL PROJECT COMMEMORATING LOUISIANA PURCHASE

Mrs. SULLIVAN. Mr. Speaker, this project has been under way in St. Louis for more than 22 years. It is not a St. Louis project as such; it is a national project. It commemorates the Louisiana Purchase and the opening of the West. It was just 152 years ago this week that Lewis and Clark set off from this very spot for their historic journey to the Pacific.

But all that has been explained many times. This item was virtually eliminated from the bill once before on a technicality, on a point of order. There is no widespread opposition to this appropriation, I am sure. But now that it has been challenged again, at least the House will have the opportunity to vote on it, and I am certain it will be approved on its merits.

The Federal Government and the city of St. Louis have jointly worked together on this project, as I said, for many years. President Franklin D. Roosevelt helped us to get the work underway. It is National Park Service property, turned over to it by the city, at very substantial cost. World War II and the Korean war halted the work.

It was in order to end any controversy over whether Federal funds could properly be spent on this project that a bill which I introduced was enacted by the 83d Congress. It provided for expenditure of $5 million for the Federal share of the cost of this project, on a ratio of $3 of Federal funds for $1 of St. Louis funds. The issue was fully discussed in all of its aspects at that time. At the suggestion of my colleague from St. Louis [Cr. CURTIS] the bill was amended to provide that none of this $5 million of Federal funds could be spent until the Federal budget was declared in balance.

This year that condition was met. It was met on January 16 when the President announced in his budget message that we would end up the 1956 fiscal year next month with a balanced budget and that the budget he proposed for the 1957 fiscal year was in balance.

Now if it will just be remembered that the House Interior Committee and the Senate Interior Committee both approved this project in the 83d Congress, and that the House and Senate also approved it, and that the Budget Bureau approved it, and that the President signed it, it will be clear that there is nothing surprising about this appropriation. It is bipartisan and almost complete noncontroversial. The enabling law was enacted in 1954. The Budget Bureau informed us early this year that the requirements of the law insofar as a balanced budget were concerned had been met.

Thus, we have met every requirement necessary to get the appropriation. When the President announced a balanced budget and the Budget Bureau confirmed that the requirement had been met, we went to the National Park Service and to the top officials of the Department of the Interior to enlist their support on this. They proposed $3 million for inclusion in this bill. The Budget Bureau approved that and recommended it to the Congress. Our Appropriations Committee joined in the recommendation. Then it was attacked on a technicality, a point of order based on the language "to be available until expended."

Now, after full review and thorough consideration, the House and Senate conferees have agreed on this amount of $2,640,000, which will be used primarily to relocate the railroad tracks so that this great memorial can begin to take shape.

There was never any thought by the President or the Department of the Interior that the recommendation for funds was just a meaningless formality, I am sure. The only reason this money was included in a supplemental appropriation instead of the regular 1957 appropriation, as I understand it, was so that the planning work for relocation of the tracks, and the preparation of specifications for bids, could proceed during the early months of this spring, rather than be held up until July 1. But if the money had to be spent in the 1956 fiscal year, which ends in just a little more than a month, why of course it would not be of much use to us. We could not get the work underway in time for that. That is why we must have the appropriation available until expended, rather

than have the money earmarked for use in the current fiscal year only.

As the Members know, the President's request for these funds did not arrive at the Capitol until we had already passed the Interior appropriation bill for the 1957 fiscal year.

I repeat, Mr. Speaker, that all of the necessary legislative requirements have been met according to the rules of procedure for the House of Representatives. I therefore ask, Mr. Speaker, that this amendment be voted upon and that we, finally and after all of the many delays and interruptions and roadblocks, get the work underway on the Jefferson National Expansion Memorial.

Mr. KARSTEN. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield.

Mr. KARSTEN. Mr. Speaker, I join with my colleague in urging that these funds be made available for the construction of the Jefferson National Memorial project. I might say for the enlightenment of the gentleman from Iowa that this is not within the city of St. Louis, but is on Federal land and this is not a contribution to the city of St. Louis, but rather a contribution to the national park in which all citizens of America have a deep and vital interest. I would also like to point out that 2 years ago when this authorization passed the Congress an agreement, an implied agreement if you wish to so describe it, was made with the city of St. Louis and the people of Missouri, that when the conditions enumerated in the appropriation bill had been met, the funds would be provided and made available for the construction of this memorial.

The gentleman from Iowa [Mr. GROSS] asks the Congress to "welch" on that implied agreement that the Congress had with the people of St. Louis. It is my hope that the views of the gentleman from Iowa will not prevail, because it will certainly destroy a wonderful memorial, not only for the State of Missouri and the city of St. Louis but the country as a whole. I hope that the funds will be provided so that this great work can go ahead.

Mrs. SULLIVAN. I thank the gentleman.

There is one other thing that I want to stress, and that is that this has been a bipartisan project all the way through. The gentleman from Missouri [Mr. CURTIS] mentioned that when he first came here one of the first things he did was to try to get this authorization. Similar bills were introduced by the gentleman from Missouri [Mr. KARSTEN], the gentleman from Illinois [Mr. PRICE], and Senators HENNINGS and SYMINGTON.

Mr. PRICE. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield.

Mr. PRICE. I concur in most of his statements made by the gentlewoman from Missouri and the gentlemen from Missouri, Mr. KARSTEN and Mr. CURTIS. This is not a local memorial. This is a national memorial. It is to symbolize the opening of the great West. It is a memorial that every American, regardless of what State he comes from, should support wholeheartedly. The appropriation has been sought for many years, and it should be made now. Certainly we have arrived at the time when the pledge that was made to the people who supported this movement from the start should be given by the Congress of the United States.

Mrs. SULLIVAN. I thank the gentleman.

In conclusion I ask you to consider that this plan has been in formation for years. There is nothing new about it. It has been discussed time and again, and approved by all of the appropriate agencies, officials and committees. I hope you will, by your approval today, let us get started on this project now.

The SPEAKER pro tempore. The time of the gentlewoman from Missouri [Mrs. SULLIVAN] has expired.

Mr. CANNON. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 134, noes 10.

So the motion was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent that I may insert as a part of my remarks the minority views in the report that was submitted to the House on the bill just agreed to.

The SPEAKER pro tempore. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on House Resolution 409 and H. R. 8901 and include tables.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MASS TRANSPORTATION IN THE DISTRICT OF COLUMBIA

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 489 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, and all points of order against such bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without intervention of any point of order the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or Committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the distinguished member of the Rules Committee, the gentleman from Illinois [Mr. ALLEN], and pending that I yield myself such time as I may consume.

The SPEAKER. The gentleman from Mississippi is recognized.

Mr. COLMER. Mr. Speaker, House Resolution 489 makes in order the consideration of H. R. 8901, a bill to provide a transportation system for the District of Columbia.

The resolution provides for an open rule, waiving points of order against the bill, 2 hours of general debate, and makes in order the consideration of the committee substitute amendment as the original bill for purposes of amendment.

H. R. 8901 created a public authority system for the District of Columbia. After the Subcommittee on Transportation of the Interstate and Foreign Commerce Committee has held extensive hearings—examining both the possibilities of a public authority and the proposals of private groups to succeed the present company—it was decided, in view of the emergency problem, adequate transit service could only be assured by the continued operation by the Capital Transit Co. Therefore, the committee adopted an amendment in the nature of a substitute bill providing that after August 14, 1956, the Capital Transit Co. would operate under its present charter and franchise with certain modifications. The company's franchise and the regulatory laws would be modified in the following ways:

First, the Public Utilities Commission would determine the rates of fare to be charged by the company on the basis of a system rate base figured on the net investment of the company as of July 31, 1955, with certain additions and subtractions which are outlined in the bill. The rates of fare now in effect, however, would continue unchanged until at least August 15, 1957.

Second, the company would be afforded the opportunity to earn 6½ percent on the system rate base, but there

is no guaranty to the company that it would receive such a rate of return.

Third, the company is granted certain tax relief and partially relieved of existing snow removal obligations.

Fourth, the company would no longer be required to secure approval of the Public Utilities Commission to issue evidences of indebtedness payable within a year or less.

Fifth, the Public Utilities Commission is granted authority to fix charges and establish rules and regulations governing the issuance of transfers by the company.

The committee substitute further provides that the company is to initiate a plan for the gradual conversion of streetcar operations to all-bus operations.

In short, the terms under which the Capital Transit Co. would operate are substantially the same as the District Commissioners were prepared to offer to other private applicants.

The committee report complies with the Ramseyer rule and I urge the adoption of House Resolution 489 so the House may proceed to the consideration of the bill, H. R. 8901.

Mr. ALLEN of Illinois. Mr. Speaker I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I rise in support of the rule and also in support of the bill or rather what is really a committee amendment from the Committee on Interstate and Foreign Commerce.

It was my privilege to serve on the great Committee on Interstate and Foreign Commerce for many years, so possibly for that reason as well as for many others I have followed this whole controversy with a great deal of interest.

As I understand, this proposal came from the committee with almost unanimous support, not quite, but almost unanimous, so certainly for that reason it should have very careful consideration and, may I say, favorable consideration. The basic issue before us here today is whether we want to create a new public transit authority here in the District of Columbia or allow the system to remain under private ownership.

When the franchise of the Capital Transit Co. was revoked last year by the Congress it was with the thought, I believe, that new private operators would be found to take over. May I say that so far as I can discern at that time the Congress had no thought of creating a public authority. I think it is worth while to keep that situation in mind, because some gentlemen who advocate the so-called public authority later undertook to make it appear that having marched up the hill we are now marching back down the hill. I do not agree with that at all. As far as I am concerned, if I know the basic issue involved we are maintaining a constant position.

What has happened in the meantime? As I understand it, six applicants have come forward with offers to take over the system. One applicant that I happen to know something about in particular gained the support of the Washington Board of Trade and I also understand there was committed financial support in a very considerable amount by a number of retail stores in the District of Columbia. But, for one reason or another, all of these applications were rejected. It may be that some people really want a public transportation system here in the District of Columbia. But I just do not happen to be one of that group.

This is not to say that I am opposed to the idea of a public transportation system for any city whose residents want it, are willing to support it and are willing to pay for its operation. But the situation here in Washington is peculiar. This community is unique in that the Federal Government carries a large responsibility for the operation and maintenance of municipal facilities and for the development of policies and programs.

This obligation, which rests ultimately with the Congress, includes the annual appropriation of money from the Federal Treasury to help carry on the routine pursuits of the Capital City. The other body has proposed establishment of a so-called interim public authority for a period of 3 years, the idea being that an attempt will be made during that period to find private individuals or a group that will take over the franchise.

As we say in the vernacular, let us not kid ourselves about that. If we set up a public authority now we are going to be stuck with it from now on. You all know as well as I do that if we set up this so-called interim public authority for 3 years, the idea of a public transit system will be so firmly imbedded in the District operation it will never be dislodged.

We have had lots of experience around here with temporary expedients. Nothing is more permanent than a temporary arrangement in Washington.

What are some of the things we can expect if we establish a public transit authority? First of all, it has been pointed out that we will lose $2 million annually in a tax subsidy. It is also well known that should an authority be established, an initial sum of $20 million will be needed to get the operation under way, and I hazard the guess that it will be more than that. I have heard this $20 million described as a loan. Let me say that it will come from the Federal Treasury and here again we have had some bitter experiences in my time down here with this business of lending taxpayers' money to public authorities and agencies created by the Congress.

Beyond the matter of money is the question of supervision. The Congress has already spent no one knows how much time and effort on this transit issue. What we have been going through is nothing compared to what we may expect in added burdens on this body if the transit system becomes a public authority.

The SPEAKER pro tempore. The time of the gentleman from Indiana has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the gentleman from Indiana two additional minutes.

Mr. HALLECK. Mr. Speaker, make no mistake about it, we will be plagued with the necessity for decisions on routes, fares and personnel problems.

Let me point out just one little item in this connection. I received a letter a day or so ago, and I assume you did, too, from the head of the Transit Employees Union indicating strongly the possibility of another strike if the bill we are now considering is enacted into law. May I ask, what assurance anyone is prepared to give that there will be no strikes under a public authority? An amendment to prohibit such a strike was voted down in the other body. Are we to assume there will be no strikes because a public authority with taxpayers' money to cover deficits will be as generous as necessary to prevent walkouts?

One more thing. Last week this body went on record as in favor of less Government competition with private enterprise when we knocked out a provision in the Defense Department appropriation bill that would have made it more difficult for the Defense Department to close out a lot of activities that are in competition with free enterprise. Are we going to turn around now and say that private operators cannot do the job of providing transportation here in Washington, so the Federal Government is going to move in?

The truth about the matter is that private operators not only can do the job but they can do it better and cheaper than a public authority can do it. While I hold no brief for past actions of the management of Capital Transit Co., at the same time it is now clear that the picture there is not all one of just blacks and whites.

As against the pitfalls, the complexities, the burdens and the principle of putting the Federal Government in the public transit business, restoring the franchise to the Capital Transit Co. is by far the lesser of two evils. If this franchise is now restored, recent events indicate enough has been accomplished to give us reason to believe new private management can be brought about. Certainly there is a far better chance to establish such new private management if we pass this House bill rather than open the door wide to permanent public authority as we would surely do under the proposal enacted by the other body.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 10 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Speaker, I wish to thank the gentleman from Illinois for giving me this time on the rule, because the time in general debate on the bill is rather limited.

Mr. Speaker, I rise in support of the rule and the bill to restore the franchise to the Capital Transit Co. In fact, I introduced a bill, containing similar provisions, to the bill introduced by the gentleman from Arkansas [Mr. HARRIS]. There is no Member of this body who is more vitally interested and more vitally concerned with a public transportation system here in the Nation's Capital than am I. My entire congressional district is, you might say, within the shadow of Capitol Hill, and any cessation or interruption of public transportation in the National Capital itself vitally affects the people in my congressional district.

Mr. Speaker, it is indeed unfortunate that we are considering this legislation today in an atmosphere of controversy and confusion and disagreement. It is unfortunate that there is personal animosity involved. I do not say that that personal animosity was generated here on Capitol Hill, but it certainly was generated downtown by some leaders in the District government. So, there is some hatred of individuals involved in the consideration of this legislation. And, it is also unfortunate that so much of the time of the Congress has to be taken up in the consideration of the problem of transportation here in our Nation's Capital. But, in spite of all the controversy and confusion, the question here today is a very simple one, as pointed out by the gentleman from Indiana. The simple question is whether or not we want to have a transportation system here on August 14, when the present franchise of the Capital Transit Co. expires. Of course, the answer is "Yes."

But, there is another question, and that is, if we are going to have public transportation here on August 14, whether we want to have this transportation operated by private enterprise or whether we want it operated by the Federal Government, because that is in effect what the bill, which was passed by the other body, would do. It sets up a branch of the District of Columbia Government to own and operate the transit system here in the Nation's Capital, with no assurance whatsoever that we would be provided with adequate transportation; with no assurance that we could even make it pay; with no assurance that the taxpayers would not be called upon to subsidize a system here in the District of Columbia which is now paying for itself. So, the choice is between private ownership and public ownership. We have explored all other possibilities of having private ownership interested, and the only method of private ownership is to restore the franchise of the Capital Transit Co. and to correct the error we made last summer. Everyone who knows anything about transportation, all the experts, have stated that the Capital Transit Co. is a good company. They have good equipment. It provides good service. It provides this service at proper and reasonable rates. So, then, what is the objection to restoring this franchise to the Capital Transit Co.? It is just animosity and objection to the principal stockholder who is at the present time chairman of the board of Capital Transit Co. It is an objection to his management; simply because a few years ago he came in here and bought the controlling interests of the company and declared dividends which many people thought were in excess of what they should have been. But be that as it may, if this chairman of the board has committed a sin, if he has committed a violation of the law, let us come forth here with legislation penalizing him; hang him, if necessary; get him in any way you can. But let us not destroy a private industry, an industry that is now serving the people of the Nation's Capital, merely in order to get rid of one individual who has done something that we have objected to.

That has been the attitude downtown all the way through from the time that this strike started last July. They are trying to destroy one man and in trying to destroy one man, they are willing to destroy a thriving private industry here in our Nation's Capital.

It reminds me somewhat of the Uncle Remus fable about the fox and Br'er Rabbit. The fox wanted to destroy Br'er Rabbit, and after a little conniving, Br'er Rabbit talked the fox into throwing him into the briar patch.

What we have done here is this. The people downtown have attempted to throw Mr. Wolfson into the briar patch and leave the citizens of the District of Columbia and the Nation to be confronted with the boiling oil of the problems of the transportation industry. They want to destroy the transportation industry in order to destroy Wolfson. You cannot destroy Wolfson. You cannot junk the transportation industry here in order to get rid of Wolfson. I want to remind you that Mr. Wolfson made a fortune in the junk business down in Florida. You cannot junk the transportation industry and expect to injure Mr. Wolfson in any way at all.

I am not here to defend Mr. Wolfson. He is not on trial today. What is on trial is the transportation industry here in the Nation's Capital. I point out again that there is no action that we can take here today that would injure Mr. Wolfson in any way whatsoever.

We have learned in the last few hours—and I think that the gentleman from Arkansas [Mr. HARRIS] will discuss that a little bit in a few minutes—that there are other people, substantial people here who are ready, willing, and able to take over the stock which is now owned by the present chairman of the board. So, if favorable action is taken on this bill, I think we may be very well assured that the company will not be under its present management in the future. But even if it remains under its present management, what was it that we did last summer? And why did we do it? Why did we revoke this franchise? Because some unreasonable dividends were declared in the past, or because there was a strike against the present management.

The gentleman from South Carolina [Mr. MCMILLAN], chairman of the Committee on the District of Columbia, and I, spent several days and nights trying to work out a solution to that problem. When the union first went on strike last July 1, everybody immediately jumped on the management of the Capital Transit Co., as though they were the only one at fault. The Capital Transit Co. had put the Public Utilities Commission on notice that they were going to have to be faced with a wage-increase demand on July 1. They were put on notice as early as last January. The Public Utilities Commission was aware of that, but no action whatsoever was taken in regard to their request for a fare increase. But no one condemned the Public Utilities Commission for their neglect or their adamancy in not giving careful consideration to that request for a fare increase. The union demanded an increase in wages and other fringe benefits that amounted to approximately $7 million, almost 7 times more than the one that they got in final settlement. No one criticized them for their unreasonable demands. We were present at these conferences, as I pointed out before, and we found in every instance that there was a willingness on the part of the management of the Capital Transit Co. to settle this strike in some way. They agreed to pay almost the same amount of increase that the union finally accepted, after the franchise was revoked. They agreed to do that and take a chance on the Public Utilities Commission coming back and granting a fare increase. But the union, under no conditions, would even consider any offer, or any negotiation with the Capital Transit Co. for any figure under $7 million, which they had originally demanded. So it was decided apparently that the only way of getting the union to accept the offer of the Capital Transit Co. was to revoke their franchise. But it was done on the advice of the District Commissioners that there were several private investors who were willing to come in and take over the operation of the public transportation system here in the District of Columbia. Then the franchise was revoked. Then we found the union accepted practically the same offer from the District Commissioners that had been made, in Mr. MCMILLAN'S office, just a few weeks before that, by the present management of the Capital Transit Co. And then the Public Utilities Commission granted the fare increase which had been asked for 6 months prior by the Capital Transit Co.

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from California.

Mr. HINSHAW. I gather from the statement the gentleman has been making that it would almost appear there had been afoot a conspiracy to cause a revocation of the franchise of the Capital Transit Co.

Mr. BROYHILL. That is my opinion. Just as soon as that strike occurred last summer it seemed to be that the action taken by the District Commissioners was to get the Capital Transit Co. out of town, destroy the Capital Transit Co. first, rather than to look for a long-range program for public transit service here in the metropolitan area.

After they revoked the franchise, they tried to get private owners to come in here and operate the transportation system. Early last fall it became evident that no one was willing to come in here and provide the type of transportation that was being currently provided by the Capital Transit Co. The Capital Transit Co. is in sound financial shape, the best financial shape of any privately owned transportation company in the country. They do not owe 1 thin dime to anyone, and have approximately $4 million in the bank.

To restore this franchise to the Capital Transit Co. will not be capitulating, will not be stupid, as some Members have suggested, but will be a sound, long-range

approach to a transportation system here in the District of Columbia, and will not violate any fundamental American principle.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland [Mr. HYDE], whose district adjoins the District of Columbia.

Mr. HYDE. Mr. Speaker, as has just been mentioned by the gentleman from Illinois, my district is really the only district which is entirely dependent upon this local system for its public mass transportation in and out of the District of Columbia. The district of the gentleman from Virginia has its own transportation systems, and the district of the gentleman from Maryland [Mr. LANKFORD] has other transportation systems coming in and out of the District of Columbia. So I have had occasion to look very carefully at this whole subject matter of the public transportation system in the District of Columbia and, I may say, so have the citizens' organizations in my district, whose home areas are directly affected by this local transportation.

I may say in that connection that the two big civic associations in Montgomery County, Md., representing thousands and thousands who live in the suburban area, have both made very, very lengthy studies of this problem and have both come to the conclusion that what is necessary is a public authority. Certainly they have come to the conclusion that the Capital Transit Co. should not be left in charge of the operation of the public transportation in this area.

For the moment, because of my limitation of time, I shall confine my remarks simply to the subject matter before us; namely, returning this franchise to the Capital Transit Co. That is what we have before us today. And anything else is speculation; that is, as to whether or not somebody is going to buy the stock. They have been talking about that for a year now. So what we have before us today is returning it to the Capital Transit Co. and under conditions much more favorable than the terms under which they have been operating.

This difficulty with respect to the Capital Transit Co. did not arise just with the strike of last summer. In the 83d Congress a senatorial committee under Senator PAYNE held an investigation of the Capital Transit Co. and filed a report. In that report the committee came to the conclusion that the present management of this company was not operating this company in the public interest. That was the conclusion of that committee before there was ever any strike.

In addition, the Public Service Commission of Maryland, which has had jurisdiction over the rates, routes, and schedules of this company in Maryland, has said in numerous rate cases that the Capital Transit Co. was continually whittling away the service to the people of the suburban area, and that under the present divided jurisdiction over regulation it was helpless to prevent this continued whittling away of the service.

The implications of the observations of the Maryland Public Service Commission was that much of that service could and should be maintained under proper management and under proper regulation, but because of the legal situation the Public Service Commission of Maryland was powerless to prevent it from being discontinued. The point I am trying to make is that studies and observations made of the present management of the Capital Transit Co. have shown that the Capital Transit Co. management was not operating this public utility in the public interest.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. HYDE. I yield.

Mr. ABERNETHY. Could not that situation have been corrected by the Public Utilities Commission itself?

Mr. HYDE. No; I am afraid not.

Mr. ABERNETHY. Could not they have revoked the franchise in Montgomery County?

Mr. HYDE. You mean could the Public Service Commission of Maryland refuse to grant a renewal of the permit? Yes.

Mr. ABERNETHY. Why did they not?

Mr. HYDE. Because then the people would not have had any kind of transportation in and out of the city. The solution of that problem, I might say to the gentleman, is the solution I offered in a bill to provide for areawide regulation of public transportation by one regulatory body. But, as the Public Service Commission of Maryland has said, as I said a moment ago, under the present divided jurisdiction among four regulatory bodies, it was powerless to deal with the situation.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. BROWN].

Mr. COLMER. Mr. Speaker, I yield 2 additional minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I opposed the granting of the rule on this bill when the Committee on Interstate and Foreign Commerce came before the Committee on Rules with its application for a rule. I did so because I believed that by passing this bill, the Congress would not only be marching up the hill, as it did last August, but back down the hill again this year. What we will actually do by the enactment of this particular bill will be to give back to the Capital Transit Co. the franchise we took away from them by congressional enactment last summer. In fact, we will give them back a better franchise than they had before, for this bill will exempt them from a half million dollars in annual taxes, which it formerly paid, and also exempt them from a number of other costs and requirements. If we do this, it will be the silliest, most asinine and stupid action I have ever seen a legislative body take. I just do not like to be in a position, as a Member of the Congress, of permitting Mr. Wolfson or any of his group to make a fool out of either me or any other Member of Congress. So far as I am concerned, the Capital Transit Co. can, and should, be sold to private interests. I am not convinced in my own mind that the Commissioners for the District of Columbia ever made a real or sincere, or at least an effective, effort to get private enterprise operation of this transit company. I think if we enact legislation to give back to this same group of manipulators of the Capital Transit system a franchise, not only better, but twice as good and favorable in terms as the franchise we took away from them last August, we are going to be the laughingstock of the country and will just be delaying the final settlement of this issue which has to be definitely decided sooner or later, either by the creation of a new private enterprise system here to take over the transit company, or a public authority, to which I am opposed. This bill should be recommitted to the committee for further study.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, this bill will no more solve the transportation problems of the people of Washington and vicinity than did our action in the previous Congress when we provided for the repeal of the company's franchise. The difficulty grows out of the attitude expressed in a letter to which reference has been made and which we all received yesterday.

The caption to and the second paragraph of that letter read as follows:

1. WE DON'T WANT TO BE FORCED TO STRIKE AGAIN AFTER AUGUST 14

On the basis of the past record, it may be predicted that the Wolfson management will persist in its stubborn unwillingness to grant fair wages and working conditions to the employees. Our contract will be open soon, and the employees will be seeking improvements. Last year the management refused peaceful arbitration and provoked a strike. That strike lasted 7 weeks. The present bill will encourage the Capital Transit Co. to again provoke a strike in the hope of obtaining still further concessions from the employees and the public. We don't want to walk again after August 14.

The head of the local union, Mr. Walter J. Bierwagen, president of National Capital Local Division 689, knows that the people of Washington, and especially the Federal employees, do not want a citywide strike, especially a strike which makes it impossible for them to go about the Government's business. The balance of the letter reads:

2. H. R. 8901 IS NOT A PERMANENT ANSWER TO THE TRANSIT SITUATION

H. R. 8901 does not offer a permanent solution to the transit problem in the District of Columbia. Congress will not be relieved of the transit problem by H. R. 8901. The substantial concessions contained in the bill afford the Wolfson management a further opportunity to garner more profits in addition to the rich dividends already received at the expense of the public of Washington. It can be expected that the Wolfson management will grab those profits just as fast as they can and then you will find the transit problem back in your laps. Perhaps the Wolfson interests will again present their proposal for a Washington Transit Authority which they themselves presented several years ago.

3. THE FREEZING OF THE RATE BASE IS ANTI-PUBLIC

It is doubtful that the provision of the bill which freezes the rate base at a controversial figure is in the public interest. Indeed, such a provision does violence to ordinary concepts of public regulation of a public utility. The rate base of a public utility should be subject to constant reexamination by the

regulatory body. In view of the Wolfson management's record of public irresponsibility, it is incongruous to grant such great freedom from real regulation.

4. THE FARE PROVISIONS GIVE TOO MUCH FREEDOM TO MANAGEMENT

The bill also enables the management to establish its own fares subject to suspension by action of the Public Utilities Commission. The Commission must then act within 90 days, and thereafter, apparently, the company would be free to initiate the process all over again if it was dissatisfied with the action of the Public Utilities Commission. Is such a provision in the public interest?

The Senate bill, which was recently enacted by the Senate, S. 3073, does contain provisions which are fair to labor and the public. From the Senate bill will come a lasting solution to the transit problem and not a short-lived makeshift in the form of paying tribute to a company whose franchise was revoked last summer. The bill revoking the franchise was enacted and was signed by the President upon the theory that the Capital Transit Co. had failed to measure up to its responsibilities in the District of Columbia.

We ask you to oppose H. R. 8901 and to enact the Senate bill which provides for a public authority and does contain provisions fair to both labor and the public. We understand that the Heselton substitute, H. R. 10871, embodies the provisions of the Senate bill.

Respectfully yours,

WALTER J. BIERWAGEN,
President.

What the union spokesman's letter means, if we are to judge the union's future conduct by its past record, is that if the union's demands are turned down at the bargaining table the Government's business will be suspended until such time as those demands are granted.

Just how far should we go in permitting labor organizations which have been granted special privileges—get that—which have been granted special privileges, to carry out measures which adversely affect the public health, welfare, and safety? How far are we going to permit them to tie up the Federal Government?

Several bills in years gone by contained provisions that whenever there is a strike which interferes with the public health, safety, and welfare the special privileges which have been granted to the unions shall not be further extended to them. When they go on strike and tie up a transportation system—I do not know how many thousands of Federal workers cannot get to their jobs and the Government is tied up when there is a strike on the transportation system. Just how long shall we permit a union to tie up the Federal Government? Would it be any different in a time of war? Suppose city employees shut off the water or the light—and they have done that in Michigan, back in 1937—what are we to do about that situation? The bills which were introduced several years ago provided that when there was a strike which interfered with the public health, safety, or welfare the members of the union who were on strike should have a cooling-off period, but after a certain designated time, unless they wanted to go back to work, unless they had secured a bargain which was satisfactory to them, then the employer might be permitted to hire others who applied. Is there anything wrong about that? If there is, I would like to know what it is.

It all comes down to this idea, expressed here several times today, that by this kind of legislation, going along with this legislation, as the head of the union tells us, we will have a strike in August, or later, with the result that the employees of the Federal Government in Washington cannot get to their jobs and Government stops. Is such a situation reasonable? Is it commonsense? It does not seem so to me.

Three groups are interested in the situation here in Washington.

The company has its funds invested. No brief is held by me for Wolfson or his associates. It is evident that the action of the last Congress was in part taken because of the feeling that he had improperly liquidated and taken part of the company's assets. Certainly the courts will require the Government to pay Capital Transit a fair price for the property taken over if we have a bill authorizing public ownership, which apparently the Senate will bring about sometime in the future if its attempted solution is adopted.

We have the workers, who assuredly are entitled to a living wage, to fair compensation for the service they render.

In between we have the riders, who must pay the bill.

The returns from the workers, if there are returns, will be divided according to some formula between the stockholders and the employees.

It is true that section 2, page 56, and other sections of the bill, provide procedure for the determining of the fare to be charged passengers, that section d of section 2, page 59, provides for transfers and the price at which they shall be sold. Again the company is taken care of by other provisions of the bill, as for example, section 5, subdivision a, on page 64, which has to do with snow removal.

Presumably the company will be forced through collective bargaining to pay its employees a rate of compensation comparable to other residents of the District or in other localities. It is obvious the company has no source of revenue to pay either profits or wages except as they are taken from the passengers. It is a matter of common knowledge as well as of experience that if the rates are too high there will be diminishing returns. Apparently it is the hope of the union that if the system is operated as a public utility by the public authorities, its members will secure more favorable consideration than if it is operated as a private enterprise. This because through political pressure public authorities who can throw a part of their burden upon the taxpayers, the public generally, are not quite as—shall we say penurious—as is the individual whose private funds must go to pay the bill.

Whatever legislation comes out of the Congress, it is apparent that the company, being engaged in the transportation of Federal workers, and its employees must continue by one means or another to permit the Government to function—which cannot be done if slowdowns, work stoppages, or strikes are permitted.

If it were permissible, I would urge as an amendment to the bill—though it is difficult to find a proper place to insert such amendment—6 new paragraphs to be inserted following line 19 on page 57, which read as follows:

B1. Hundreds of thousands of Federal employees engaged in transacting the business of the Government must, of necessity, be able to go to and from their places of employment and their homes in the city of Washington without undue delay, if the routine business of the Government, including that of the armed services, is to be efficiently carried on.

If the Capital Transit Co., is given a franchise to operate a transportation system which carries upward of a million employees over Washington streets each day it and its employees shall be subject to the following provisions. Many of such employees are rendering vital, necessary, indispensable servvices to the Federal Government. The Capital Transit Co. and its employees through their bargaining representatives have heretofore entered into a contract which, among other things, covered wages and working conditions.

As a result of their action, the company was unable to transport to their places of employment hundreds of thousands of Federal employees. Those employees cannot reach their places of employment in time to transact the Government's necessary business as long as the refusal to work continues.

The interest of the public, some of the functions of the Government, are being irreparably injured by the refusal of the employees to operate the transportation facilities of the company.

Under the American system, no one can be compelled to work. Under the American system, governmental functions should not, they cannot, be seriously impeded without endangering the existence of the Republic.

It is hereby declared to be the policy of the United States to eliminate the cause of certain substantial obstructions, which render it impossible for the Government to function fully and to mitigate and eliminate these obstructions when they occur, by requiring those operating quasi-public businesses to serve the public.

B2. When used in this act, (1) the term "company" means the Capital Transit Co.; (2) the terms "employee", "employees", mean and include any individual or individuals who may be needed by the company to operate its transportation system in the city of Washington and who are willing to be employed by said company.

B3. The company is hereby authorized and directed whenever its employees shall cease work to forthwith hire and employ for a period of at least 60 days any and all qualified individuals making application for employment and whose services may, in the judgment of said company, be necessary to the full and efficient operation of its transportation system.

The company further is directed and authorized to pay to said employees so hired whatever sum may be necessary in order to secure their services: *Provided, however,* That it shall not be 50 percent more than its present wage scale.

B4. The company shall, as soon as it may be able to obtain employees, enter into a new collective-bargaining contract with such employees and, thereupon, those employed under this act may, at their request, or at the request of the company, be released.

B5. There shall hereafter and upon the restoration of transportation by the company, in the regular and usual way, be paid to the company from the Treasury of the United States, from an appropriation to be made by Congress, any and all sums which

may be necessary to reimburse it for payments made by it to employees for services rendered under this act in an amount equal to the difference between the present wage scale of the company and the amount paid the employees hereunder.

B6. The President shall forthwith appoint a five-man committee, to be known as the "Public Transportation Committee of the City of Washington", one of whom shall represent the union, one the company, the other three the people.

Said committee is hereby given the authority, and all the authority, usually and customarily exercised by a regular congressional committee or a special investigating committee, shall take testimony, hold hearings, and, before the expiration of 60 days from the effective date of this act, make a report to the President, which shall contain the findings of the committee as to a fair wage to be paid to the employees of the company, a fair profit to be paid to the stockholders of the company, and a fair charge to be made to those who use the company's services.

Thereupon, and after the report of said committee, the company shall proceed to hire as employees, regardless of their membership or nonmembership in any union, sufficient qualified individuals, at a wage recommended by the committee, to enable it to give adequate service to the public.

If the revenues of the company are not sufficient to meet such compensation paid to employees a fair return to the stockholders at the rate fixed and to be charged by said committee to the patrons of the company, then there shall be levied upon the taxpayers of the District of Columbia a sum sufficient to enable the company to meet its obligation under such finding.

Mr. ALLEN of Illinois. Mr. Speaker, I yield the remainder of my time, 4 minutes, to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Speaker, whether I can say what I would like to say to the few Members who are present now in 4 minutes, I do not know. I filed, as some of you know, a minority report on this legislation only for myself. My particular task at this moment has been made much easier by the cogent, forceful, and truthful remarks made by the gentleman from Ohio [Mr. BROWN]. I can only underline and underscore every word he said. All of us, and the record is clear that there was no dissent last August, voted to cancel the franchise of the Capital Transit Co. I think our District of Columbia Committee urged us to do so. If any people was ever asked to walk up the hill and walk back down again, we are those persons today, and upon no satisfactory evidence whatever.

I listened to some of the remarks that have been made so far on the rule. The issue is not public ownership against private ownership. I am for private ownership and I think nearly every Member of this body is for private ownership. But does that mean we must cave in to the Wolfson group?

I am sorry some people are confused about that issue; I know that it has been spread around here industriously, extensively, particularly by a source outside the Congress.

But coming back for a minute to last August when this Congress acted without a dissent to pass Public Law 389, on August 14th President Eisenhower signed that bill and he made a public statement. We were away at that time. It might be well for us to listen to a rereading of one significant sentence:

> Both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Co., beginning several years ago and continuing up to the present time—

That is up to August 14 last year—

> has failed to measure up to its responsibilities in the District of Columbia.

I hope every Member of the House will remember that statement and his own vote of last August before we finish our responsibility in this matter now.

I do not believe there will be a single Member to take the floor this afternoon and say in all seriousness that the Capital Transit Co., has measured up to their responsibility since that time. But if so, please read the clear, undeniable record which is available to each Member.

Oh, I know there may be a lot of charges like bleeding hearts and so on, saying members are not aware of the situation. We were aware of it last year and we will be aware of it next August, only we will not be here to do anything about it. We will be aware of it if we pass this bill giving this franchise back to these people on a basis they never enjoyed before, with conditions they never enjoyed before. We will be aware of it within 3 years time, because it will come back to haunt us and we will have to do something then we do not want to do about it.

Sometime in the next couple of hours I hope you will take time to read some portions of the bill I would like to offer so you could vote on an alternative or the analysis in the minority views at the desks. But I cannot offer it under the parliamentary situation unless the committee substitute is voted down and we all know the chances against that.

Reference has been made to a bill passed in the other body. I sought to develop amendments to the committee substitute which I felt would answer the objections. That is impossible. It would simply create a more confusing situation if I succeeded. Consequently I put into the hopper a bill which does offer an alternative to us, an interim authority. The commissioners would become the board of directors of the interim authority with the absolute duty of selling this property to a private operator, a competent private operator with satisfactory experience and financial backing, an operator with some sense of responsibility.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. HESELTON. Mr. Speaker, will the gentleman from Mississippi yield me 3 or 4 minutes?

Mr. COLMER. Mr. Chairman, I yield the gentleman from Massachusetts 3 additional minutes.

The SPEAKER. The gentleman from Massachusetts is recognized for 3 additional minutes.

Mr. HESELTON. I thank the gentleman from Mississippi.

If the Commissioners could not make such a sale, title III of this substitute, I would like to offer, in sections 301, 303, and 305, makes it imperative, makes it an absolute necessity, if they fail to bring about that sale before June 15, 1958, that they come back to Congress and make a report to that effect and give the reasons why they failed. Congress would thus have a full opportunity to act in terms of what may happen between now and June 15, 1958. I hope they can make a sale to a competent private operator; but they must report back to Congress and take its judgment. Congress can then do anything it feels is proper and just at that time, if there has been no sale.

I had not expected to take more than the 3 or 4 minutes the gentleman from Illinois allotted to me, but something happened about midafternoon yesterday that disturbed me greatly.

I placed in the RECORD last night under a special order which you will find in the body of the RECORD if you are interested, the text of a letter from Mr. Daniel W. Bell. This you will find at page 8200; and you will also find on the same page quotations from a letter from Mr. Wolfson.

Mr. Speaker, that letter raises more questions than you and I or all the Members of the House combined can answer this afternoon. I tried to list some of the questions that occurred to me, and there were 10 listed on page 8201 of the RECORD of yesterday, Tuesday, May 15. All sorts of problems are raised by that letter. To begin with, who is this unknown banking firm that is mentioned? How are they going to get the assurances that the company says it must have in order to complete this contract? From whom? The District authorities? From the public in Washington? From the Capital Transit employees? How can they do it? The letter says the banking company must have those assurances of cooperation. It is utterly impossible to place them before the House before it must vote on this legislation.

I had hoped, I hoped right up to the time this rule was called up for consideration, that it would seem advisable to take this bill off the schedule and to call Mr. Bell who has written this letter. I make no charge whatsoever against Mr. Bell. I understand he is a fine, outstanding, courageous member of the public here, and I believe that. I simply say it is unfair to ask whatever number of us are on the floor this afternoon to pass a considered judgment upon the offer that was made I understand yesterday afternoon and which I first learned about at 3:15 or 3:30 yesterday afternoon. I do not think a single Member will take the floor this afternoon and say they know what the details of those conferences have been or what this program is which Mr. Bell himself said was started last March. We know nothing about it. I wish this bill could be taken off the schedule so that the subcommittee could call this witness so that they might be able to tell us what it is all about. Lacking that possibility I can offer the substitute I filed only if the committee substitute is voted down. I do not know whether I shall offer a motion to recommit. I understand only one motion is possible, a general motion.

Time is of the essence and I know that. I will make up my mind about this motion in the next 2 hours.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MACDONALD].

Mr. MACDONALD. Mr. Speaker, before going into the merits of this bill, I would like to make it very clear that as a member of the Committee on Interstate and Foreign Commerce I have the greatest respect and admiration for the job that was done by the subcommittee under the distinguished chairman, Mr. HARRIS. It obviously is a very difficult problem. But they did a great job in many ways in trying to settle the problem. On the other hand, I cannot in good conscience say that the bill that is here on the floor today is best in the public interest or that it in fact will settle anything.

Mr. HESELTON. Mr. Speaker, will the gentleman yield?

Mr. MACDONALD. I yield to the gentleman from Massachusetts.

Mr. HESELTON. I did not have time to say that I thoroughly respect the members of the subcommittee. I hope they will feel that the gentleman and I are their friends. They had a very disagreeable and hard task. They did what they thought was right. The gentleman and I disagree.

Mr. MACDONALD. I thank the gentleman. I could not help but think as I sat here and listened earlier of the very short memories that Congressmen have. Perhaps that is true. I can remember last August sitting here and seeing every one on the side of the angels, taking Mr. Wolfson apart. Now we are back here again with the very same problem before us. It seems to me that it borders on the ludicrous to be back here in the Congress with such a bill. We took away Wolfson's franchise last August. Today we give it back to him with seven concessions which I will discuss later if the rule is adopted. I was especially astounded to see as defenders of the Wolfson administration the gentleman from Indiana and the gentleman from Virginia who are usually found supporting the Eisenhower administration. Today they came up here and talked about the same Mr. Wolfson who President Eisenhower summed up in this way:

> Both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Company, beginning several years ago and continuing up to the present time, has failed to measure up to its responsibilities in the District of Columbia.

It is to this same Wolfson group that we are returning the franchise.

The gentleman from Virginia talked about the labor policies that caused this dispute. I would like to ask him whether it is a mere coincidence that in the 32-year period preceding Mr. Wolfson there were just 3 days of strikes, while in the 6½-year period that he has had this franchise there have been 55 days of strike. These 55 days out of 58 days of strike were due to one thing and one thing only, and that is that Mr. Wolfson has publicly said that he owed his only duty to his shareholders; the public-be-damned and the union-be-damned. He would not arbitrate. This very bill that we are asked to pass today has absolutely no provision for arbitration or any other method whereby the selected and elected collective bargaining agents of the rank and file employees of the Capital Transit system can have their just grievances aired; not decided on their behalf, but merely aired, and it seems to me entirely beyond the pale of reasonableness to come back within a period of months with a bill that gives this man more than we took away from him in August.

Mr. COLMER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. KLEIN].

Mr. KLEIN. Mr. Speaker, we have been listening here for almost 1 hour now to all these people on both sides of this question, all honorable men, all men who know what they are talking about, and yet I am certain that most of us are more confused than ever.

Mr. Speaker, my only point in taking the floor at this time is to call to your attention this fact: Just why should we have to take all this time of the Congress of the United States, in discussing this purely local question, with almost two weeks of public hearings by the Committee on Interstate and Foreign Commerce, and numerous executive sessions, as well as innumerable hearings last year in the District Committee on this particular matter. We have a Transit Authority in New York City, but we never asked the Congress of the United States to take up its time in discussing it. Many of you have private transportation systems in your own cities; some public authorities. Why should the Congress have to use its precious time for this local situation, and is it not the best reason for home rule in the District of Columbia? If they had home rule, they would work it out; they would not have to waste all this time and cause the expenditure of the taxpayers' money.

So, my only purpose in talking to you at this time is to say to you who are going to vote on this bill, I hope that you Members will sign discharge petition No. 2, which is on the Clerk's desk, calling for the discharge of the Committee on the District of Columbia so that we may be able to vote on home rule for the District. I think this debate is the best argument you could have for home rule.

Mr. COLMER. Mr. Speaker, I yield 2 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Speaker, I asked for this brief time on the rule simply to say this: There are a good many Members on the floor now, and the rule is about to be passed upon. I ask the Members, if you will, to listen to those who sat in the hearing several days, day in and day out, in the morning and the afternoon, and who sat in executive sessions day after day trying to work this problem out, not for Mr. Wolfson, not for the Capital Transit Co., but for the people of the District of Columbia, to give us an opportunity to explain the facts.

Now, you have heard a lot of superfluous talk. I would not say irresponsible talk, but you have heard nothing from any Member who sat on your subcommittee, 10 Members of this House, other than myself, who, in my opinion, are as able and outstanding Members as we have in the House of Representatives. In the interest of the people of the District of Columbia, will you please just give us an opportunity to explain to you what the facts are, and I think you will come to the final conclusion or result, as we did, that as a practical and realistic proposition this was the only approach that we could make at this time to be assured that there would be transportation for the people of the District of Columbia when August 14 comes. I ask you, if you will, please, remain to hear this explanation.

Mr. COLMER. Mr. Speaker, I think this discussion merits the observation on my part that the rule should be adopted and the bill explained and debated as it will be under the provisions of the rule.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

Mr. PRIEST. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Tennessee.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8901, with Mr. KELLEY of Pennsylvania in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. PRIEST. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I shall take only a very few minutes to discuss the pending bill. The chairman of the subcommittee, the gentleman from Arkansas, Mr. HARRIS, and other members of the subcommittee will go into greater detail.

Mr. Chairman, may I say at this time that I have never known in my experience in the House of Representatives, an experience of nearly 16 years, any instance when a subcommittee under my observation has done a more exhaustive job or has done that job with more patience and more dedicated effort to work out a very complex problem than is true of the subcommittee that handled the pending legislation. I hope, as the gentleman from Arkansas [Mr. HARRIS] suggested, you will listen to the explanation by members of the subcommittee and follow the details of the bill before you.

The bill as reported, as you know, is a bill with a committee substitute. It provides for the continued operation of the transit system in the District of Colum-

bia by the Capital Transit Co. and under terms which the committee believes are fair and reasonable both to the company and to the riding public. Under the modified franchise here proposed, the residents of the District of Columbia and of the Washington metropolitan urban area will be assured, and the committee believes it is the only way they will be assured, of transportation facilities after August 14. Following the action of the Congress last year on the local transit matter some further legislation by the Congress now is necessary if there is to be any transit service after the coming August.

The Congress must provide a way for the citizens of the area to have a continuing transit system offering adequate service to the public at reasonable rates. To me, that is the crux of the whole situation, speaking broadly, that is, that there must be some action by the Congress and that action must come soon if we are to have a mass transportation system in operation after August 14.

Neither in the proposed public authority bill that was sponsored by the District Commissioners in the legislation as introduced, nor in the proposals of the other private applicants to succeed the present transit operator is there the requisite assurance that the public would have adequate services and have such services at reasonable rates.

Both the public authority proposal which the committee considered at very great length and the proposals of other private operators were based on obtaining buses so that they might operate an all-bus system beginning in August. The record is very clear that not enough buses could be obtained by that time to replace the streetcars and provide the service the public is entitled to have.

The proposed public authority, Mr. Chairman, furthermore was to be an autonomous creature, subject to no restrictions as to what it might charge and under no duty to provide service at reasonable rates whatsoever. Indeed, as a matter of fact, it had the power to do just the opposite, to charge whatever it desired to charge, to raise money to engage in other operations such as the building of bridges, toll roads, airports, or even docks and wharves.

The committee during its consideration of the subject never for 1 second lost sight of its duty to the public, and that duty as the committeee saw it was to provide a way that the public might have continuing service at reasonable rates. Hence, when the Capital Transit Co. indicated to the committee that it wished to continue operation if it had some of the modifications in the franchise that the District Commissioners had offered to other private applicants, the committee proceeded to work out with that company the terms of a modified franchise that would meet those basic objectives.

This franchise is what the committee is presenting today to the House. The committee believes that it is fair and that it is reasonable. The committee accordingly urges the approval of the House to this continued operation by a company that already is in existence, has the equipment and the organization to provide service, is free from indebtedness, asks for no loans from the Government and has indicated its readiness to operate under the terms and obligations imposed by the modified franchise.

We believe that the extension of the Capital Transit franchise offers the best way of assuring the residents of this area that they will have adequate services at reasonable rates after August. We believe that this is a workable and equitable solution to the problem with which the Congress is faced.

I know that the subcommittee held very long and arduous sessions, heard testimony, and interviewed various private applicants who desired to be considered in the consideration of the legislation, and exhausted every possible effort to reach a solution to this problem. I hope, Mr. Chairman, that as the terms of the bill are explained by members of the subcommittee the Committee of the Whole will give consideration to the merits of the legislation here proposed.

I join the gentleman from Virginia [Mr. BROYHILL], as he spoke on the rule, in the hope that we may consider it free from personalities, because it is my firm conviction that the committee has brought before the House the best possible solution to the transit problem in the District of Columbia. I hope the committee will give most careful attention to the detailed explanation of the pending bill.

Mr. WOLVERTON. Mr. Chairman, I yield myself 5 minutes and at this time I wish to announce the gentleman from California [Mr. HINSHAW] will be in charge of the time on this side.

Mr. Chairman, the bill (H. R. 8901) that is presented to the House today is one which represents a solution of innumerable and varied problems that had to be solved before this legislation could come before you in the form it is in today. I wish it were possible for the Members of the House to fully understand the difficulties which were encountered in the task that has been assigned to the Committee on Interstate and Foreign Commerce to find a solution of the District of Columbia transportation problem. As you all well know, I have served for some time in the House of Representatives and have been on the Committee on Interstate and Foreign Commerce for a good many years. I confess there has never been a problem that has come before us that required more effort and more study to bring about a proper solution than the legislation which you have before you today.

Mr. Chairman, before I go further, may I take this opportunity to commend the chairman of the subcommittee, the gentleman from Arkansas [Mr. HARRIS], for the splendid, capable, and sincere manner in which he conducted the hearings and assumed the duties, responsibilities and obligations that he felt rested upon him in connection with this matter. I have known no one at any time who has striven more faithfully, more honestly and more capably to bring about a solution of a problem than the gentleman from Arkansas [Mr. HARRIS]. I am certain that in this respect I am not only expressing my own opinion, but also the opinion of every other member of the subcommittee who served with the gentleman in the consideration of this matter in seeking a solution of this problem.

Mr. HARRIS. Mr. Chairman, will my distinguished friend yield?

Mr. WOLVERTON. I yield to the gentleman.

Mr. HARRIS. Of course, I appreciate deeply the fine compliment the gentleman has paid to me, but I want to join also with the gentleman in saying that the subcommittee composed of 11 members—able members who gave of their time and efforts in trying to find a solution to this problem not because it affected their districts and not because it affected someone who was close to them and in whom, therefore, they were particularly interested, but because of the responsibility they assumed as Members of the Congress in trying to provide a service for the people of the District of Columbia. I want to pay my tribute here to each and every one of the other 10 members who gave of their time and assistance and cooperation in attending the hearings and being present at the executive sessions and assisting in helping to work out a very difficult and very troublesome problem.

Mr. WOLVERTON. What the gentleman has said with reference to the other members of the committee is certainly due them because, as he has stated, they did work in fullest cooperation with him. But, without his leadership, I doubt whether we could have come to the resolution we did and as effectually as we did, without the great personal work and attention given to the matter by the gentleman from Arkansas [Mr. HARRIS].

The fundamental thought that was in the mind of the committee, as they considered this matter, was to make certain that there would be public transportation in the District of Columbia and the surrounding environs.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. WOLVERTON. Mr. Chairman, I yield myself 3 additional minutes.

Mr. Chairman, we know the difficulties that come to a community when its transportation system breaks down. We had that experience in this city last summer for some 50 days, or more. That was sufficient to impress everyone with the thought that something should be done to rectify and prevent if possible that kind of a situation from taking place again. I am inclined to believe that if there had been given the same thought to this matter and its solution as was given by the committee, and the same assistance given as is provided in this bill in the eight points that are set forth in detail on page 2 of the report of the committee it would have gone a long way in preventing the strike, because it would have enabled the company to give the increase in wages that was being asked by the workers. I am strongly of the opinion that it would have kept the transportation system operating in this city. But unfortunately that was not done.

When you speak of marching up the hill and marching down again, it may be if that had been done there would have been no necessity for anybody to

march up the hill as we did but certainly having marched up the hill and recognizing the very substantial mistake that had been made there was nothing left to do but to solve it, whether you call it marching up the hill and down again or not. We are confident that this bill contains those features that will protect the public in the matter of fares to be charged and at the same time provide transportation by the only means that we know of that at this time is equipped to immediately give service. We were faced with a situation that was difficult in the extreme, and we feel that we have resolved it in a way that entitles this House to give its wholehearted support to this bill.

The purpose of the bill, H. R. 8901, which was reported almost unanimously, only 1 or 2 against it, and, which is now under consideration, is to provide for an adequate and economically sound transportation system to serve the District of Columbia and its environs.

The bill as originally introduced and referred to the Committee on Interstate and Foreign Commerce, proposed to create a Public Authority to provide mass transportation in the District of Columbia and its environs after August 14, 1956, the date on which the Capital Transit Co. will cease to operate if no change is made in the present law.

For reasons hereafter stated, the committee has adopted an amendment in the nature of a substitute, the provisions of which will be fully explained as this debate progresses.

Under the committee substitute the Capital Transit Co. would continue after August 14, 1956, to operate its mass-transportation system in the District of Columbia under its present charter and franchise, and under the applicable regulatory laws of the District of Columbia, with only such modifications as are provided for by the committee substitute.

The company's franchise, and the applicable regulatory laws, would be modified in the following respects.

First. A system rate base for ratemaking purposes would be specifically fixed for the company.

Second. A 6½ percent return on the system rate base would be recognized as fair and reasonable, but there is no guaranty to the company that it would receive such a return.

Third. The rates of fare now in effect, which were set by the Commissioners of the District on August 21, 1955, would continue in effect unchanged until at least August 15, 1957, and subsequent rate proceedings would be expedited by procedural changes.

Fourth. The company would be granted substantially the same tax relief as that which the Commissioners of the District of Columbia were willing to recommend for a new and suitably qualified private operator when they were attempting to find one last fall and early this year.

Fifth. The Public Utilities Commission of the District would be given authority to fix charges for, and rules and regulations governing, the issuance by the company of transfers between vehicles operated in the District.

Sixth. The company would be partially relieved of existing obligations with respect to snow removal.

Seventh. A duty would be placed on the company to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations.

Eighth. The company would be placed in the same position as other public utilities in the District of Columbia in that it would not be required to secure approval of the Public Utilities Commission to issue evidences of indebtedness payable within 1 year or less.

Much of the ground for controversy between the company and the Public Utilities Commission that has existed in the past will be removed by the provisions of the committee substitute—particularly the provision fixing a system rate base—including a provision relating to the determination of depreciation—and the provision recognizing at 6½ percent return as being fair and reasonable.

The committee strongly recommends the prompt enactment into law of the proposed committee substitute, so as to insure that adequate mass transportation at just and reasonable rates will be available to the public in the District of Columbia after August 14 of this year.

On July 1, 1955, upon the expiration of a 3-year contract between the Capital Transit Co. and National Capital Local Division 689, Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, AFL, the employees of the Capital Transit Co. who were members of such local struck for higher wages and certain other benefits. As a result of the stoppage of service of the Capital Transit Co., large segments of the population of the District of Columbia and its environs were adversely affected, and to that extent, the functions of the Governments of the United States and of the District of Columbia were impaired.

When the Congress adjourned last summer at the end of the first session, it thought it had resolved the problem of continuing transit operations by enacting legislation giving the Board of Commissioners the authority which the Board had requested. Under this legislation, the Commissioners succeeded in restoring transit operations last fall, but they were unsuccessful in their negotiations for a successor to Capital Transit Co. Thus, at the commencement of the current session, the problem of assuring continued transit facilities for the people of the District and metropolitan area was still unsolved.

The hearings on the proposed legislation embraced the various proposals of interested groups to succeed the present company under plans calling for private operation.

It became apparent at an early stage of the hearings that the production facilities and time required for production and filling of orders, of the two bus manufacturers involved, were such that even if orders had been placed at that early date an adequate supply of buses could not have been made available by August 14 to meet the full service requirements of the people of the District of Columbia. Consequently, subcommittee consideration of ways to provide for continuing transit service had to be within the framework of this fact.

Following the Commissioners' indication that they were prepared to recommend certain franchise modifications, in the form of tax and other concessions, to a private operator, as mentioned above, the Capital Transit Co. stated to the subcommittee that it would like to continue operations if some such similar modifications might be worked out for it. The modifications of the franchise of Capital Transit Co. contained in the committee substitute, basically represent those modifications which the Commissioners had offered to other private applicants. The franchise, as modified by the committee substitute, is acceptable to the management of the Capital Transit Co., and it has indicated that it will promptly initiate the steps necessary for approval in accordance with its charter and bylaws.

It is the committee's opinion that adequate transit service for the people of the District of Columbia can be satisfactorily assured only by the method here proposed, namely, the continued operation by the Capital Transit Co.

It is clear to all that an emergency problem exists with respect to providing mass transportation in the District of Columbia after August 14, 1956. Realizing the seriousness of the problem, the members of this committee have devoted a great deal of time and thought, since early in February, to trying to reach an informed judgment as to the solution which will best serve the public interest in the District of Columbia and its environs. We believe this bill will accomplish it and we ask your support of the bill.

Mr. SPRINGER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN (after counting). Seventy Members are present; not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 49]

Alexander	Granahan	Pillion
Alger	Green, Oreg.	Powell
Andersen, H. Carl	Gregory	Prouty
Anfuso	Harrison, Nebr.	Radwan
Barden	Hébert	Reed, N. Y.
Bolling, Mo.	Hoffman, Ill.	Rivers
Bolton, Oliver P.	Holifield	Rogers, Mass.
Bonner	Holland	Rogers, Tex.
Brooks, La.	Hope	Sheppard
Burdick	Jennings	Short
Carlyle	Jensen	Shuford
Celler	Johnson, Calif.	Smith, Va.
Chatham	Jones, N. C.	Spence
Cooley	Kearns	Steed
Davidson	King, Pa.	Thornberry
Davis, Tenn.	Klein	Tollefson
Dawson, Ill.	Knutson	Tumulty
Deane	Krueger	Utt
Denton	Lane	Velde
Dollinger, N. Y.	Lankford	Walter
Donovan	Long	Watts
Durham	Mason	Westland
Eberharter	Miller, Calif.	Wickersham
Ellsworth	Miller, N. Y.	Willis
Fernandez	Mollohan	Wilson, Ind.
Flood	Morrison	Winstead
Gamble	Nelson	Wolcott
	O'Hara, Minn.	Younger
	Perkins	

Accordingly the Committee rose; and the Speaker having resumed the chair,

Mr. KELLEY of Pennsylvania, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 8901, and finding itself without a quorum, he had directed the roll to be called, when 342 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. HARRIS. Mr. Chairman, I want to make it clear that it was not my intention to cause a roll call for the membership to come back, but I do want to say I am glad to have the opportunity on behalf of our Committee to explain this problem to you in order that you can in your own mind determine which in your own conscience would justify you in accepting or joining in the recommendation that we make to you.

In the first place, let me give you a little background of a problem that is very difficult in connection with transportation for the District of Columbia. The Capital Transit Co. was organized under its present charter in 1933, I believe. It has provided transportation for the District of Columbia since that time. In 1949, the North American Co. owned substantial stock and the Wolfson family, referred to and known as the Wolfson group, purchased the stock from the North American Co. and, therefore, came into the picture.

Let me say to you my colleagues, as I ask you now to lend me your ears for just a moment, I come not as a member of the Committee on Interstate and Foreign Commerce and a Member of the House of Representatives to offer tribute to anyone to run the Capital Transit Co. of the District of Columbia. I come not to villify anyone. Nor do I come to praise anyone. I come to you this afternoon to present to you a problem that must be met in a practical and realistic manner.

Mr. DOLLIVER. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. DOLLIVER. Is it not true that the North American Co. was a holding company and was required by law, passed by this Congress, to divest itself of the stock it owned in the Capital Transit Co.?

Mr. HARRIS. The gentleman is correct. I thank him for the timely comment as I neglected to mention it a moment ago.

Mr. SIMPSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. SIMPSON of Illinois. It was not ordered by the Congress that the North American Co. divest itself of its interest in the Capital Transit Co., but it was the Securities and Exchange Commission order.

Mr. HARRIS. Yes, but the gentleman from Iowa said that it was required by law passed by the Congress—which is true and the gentleman is right also.

Mr. Chairman, the Capital Transit Co. continued to be operated under the direction of the newly organized company, which actually took control in 1951. The reason we have the problem here before us today is because a year ago the contract expired between the Capital Transit Co. and the local union consisting of employees of the company. There are about 3,000, or more, employees who operate this transit system in the District of Columbia. A controversy arose between the employees and the Capital Transit Co. and they could not agree on a contract. A strike transpired, effective July 1, a year ago.

The matter was brought to the attention of the Congress. It was referred to the Committee on the District of Columbia, of which our distinguished colleague from South Carolina [Mr. MCMILLAN] is chairman. The District of Columbia Committee, of which I was a member, and 3 other members of our Committee on Interstate and Foreign Commerce, who are members of the District of Columbia Committee, 4 of the members handling this matter who were members of the District of Columbia Committee when it was brought to us last year, and therefore had this background information. The Congress was about to adjourn. The strike continued and the pressure was on for something to be done.

The Commissioners of the District of Columbia, who were making an effort to settle the strike and get the transit moving, came to the Congress and recommended that the charter of the Capital Transit Co. be revoked effective a year later, and ask for authority to operate the transit system for the District, and within that year they would provide a private operator to continue the operation of this system. It was on that basis, under the pressure of the Congress closing, that we revoked the charter then and gave the Commissioners authority to operate the transit system during the year, within which time they led us to believe, they said so in conference and they said it to our committee, that they would have no difficulty in obtaining an operator to take on and continue to operate the transit system under private management. On that basis the Congress accepted their recommendation, and that is the reason, under the pressure of the adjournment of Congress, that Public Law 389 was agreed to.

Let me explain to you what happened. Following Presidential approval of the bill, the District Commissioners proceeded and announced on August 22 that they would accept applications by private interests to operate the transit system in the District of Columbia. But here is what they required: They required every applicant who came in for the purpose of furnishing transportation to furnish all bus transportation; to do away completely with the streetcars. They would not let them under any condition or circumstances use existing equipment of streetcars to help out in this operation. They received applications—former Senator Tydings and a group of people from Baltimore came in with a proposition. The Kampelman group applied. There were 5 or 6 others who made application, but the requirements of the District Commissioners, as they announced on the receipt of the applications, was such that no private operator could comply. Senator Tydings said to the committee in the other body—and I have his testimony here—that they were required to enter into an operation that would cost a minimum of $26 million, and that they must raise the finances to do it; that they must meet other requirements that the District Commissioners have set down, and "We say to you frankly it cannot be met."

That situation went on until January of this year. In January the District Commissioners came to that great decision, a public authority. I want to say this now, however, that when the Commissioners told us last July that they could get other private operators they were honest in their opinion at that time. I do not want to indicate at all that they were at that time trying intentionally to deceive us. Nevertheless, they were not able to do what they thought they could do because of the attitude and the requirements that they made for someone to come in, take up the system and operate it in behalf of the people.

So in January of this year not being able to do anything about it they came to the Congress with the request that they wanted a public authority, they wanted Congress and the Federal Government to go into the transit business here in the District of Columbia, and they submitted a bill to us.

Our Committee on Interstate and Foreign Commerce did not ask for this bill; in fact, we would have preferred not to have it; but the Speaker of the House assuming his responsibility said it was an interstate problem because of the metropolitan area affected by it, that it was a matter affecting the transportation policies of this country, and referred it to our committee. That is the reason we have it today.

This committee started holding hearings immediately. We held hearings for several days, 2 weeks or more. The hearings were conducted on the public authority request of the District Commissioners in an effort to see what could be done in order to comply with their request.

The District Commissioner told us in no uncertain terms that it would be in the best interest to operate a bus system and do away completely with streetcars. Probably that would be so if there were sufficient time to obtain buses from the manufacturers of buses, and there are only two of them, General Motors and the Mack people—if there were sufficient time, maybe so, but they said to us that they still had to have a bus system. We went into that thoroughly. We had representative from General Motors and representative from the Mack Company here to talk to us. We heard labor, we heard the Board of Trade, we heard the applicants who wanted to operate under private management; we heard everyone who was interested in this problem in an effort to work it out.

I have heard a great deal of discussion under the rule from the opposition as to what has been done by the committee. You heard our distinguished friend from Ohio [Mr. BROWN] express his views. I have the highest respect for any of our colleagues who feels differently about it than I do; I have the highest respect for anyone who feels that there might be another way, a better way; but let me say

to you, Mr. Chairman, that sitting in the hearings day after day and listening to everyone who has any interest whatsoever in this problem, we came to the conclusion that there is only one way by which we are going to have transportation in the District of Columbia from the 14th of August this year, and that is by utilizing the existing rolling stock. The reason we came to this conclusion was because after we got to a certain point the General Motors people called us, came down here and told us—Mr. Davis representing General Motors, said, "I want to tell you our company cannot furnish buses between now and August. We cannot furnish you buses before November and only part of them then."

The Mack representative from New Jersey called us and said: "We are sorry. We cannot provide you any buses."

What did that leave us with? The alternative of using the 801 buses owned by Capital Transit Co. by seizure. We had information presented to our committee, and there was one consultant, for instance, who said that 70 percent of the present buses of the Capital Transit Co. is 14 years and older. They had less than 400 buses then that were considered to be serviceable buses, which could provide constant transportation for the District of Columbia. I say to you under such circumstances, where are you going to get the transportation? Where are you going to get the rolling stock, the buses, if you do not use present equipment that is in place August 14? That was our problem.

We went all through it. For what purpose? Not to help Capital Transit, not to promote any special applicant or groups, not to necessarily help Mr. Kampelman, who was one of the applicants. And I might say he was one of those sincere individuals, in my opinion, who came before us, and had there been sufficient time he and his group, I think, could have worked out a plan which would have been successfully. They stayed in it until the bus companies, those that were manufacturing buses, called us and told us and told them that they could not provide the buses for them. We were trying within the time limitation, availability of equipment and under the circumstances to provide transportation for the District.

What were we going to do? I say to my friends who are not for this approach, What are you going to do? Has any one of them told you how they would have transportation after August 14? Did my distinguished and esteemed friend from Ohio say what he would do? As the Senator from the other body said:

Come August 14 and they will be wearing out the soles of their shoes.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. Of course, I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I will tell the gentleman what the gentleman from Ohio would do. If he had his way about it, he would recommit this bill to the gentleman's committee and direct the gentleman's committee to study the offer made by Mr. Bell in an attempt and in the hope they can make some agreement for the purchase of the Capital Transit Co. That is what the gentleman from Ohio would do.

Mr. HARRIS. I am glad to have the suggestion from the gentleman from Ohio because I know something about the proposition of Mr. Bell. With reference to the letter, I have talked to Mr. Bell, and he tells me they have been working on this since March. We did not know they were working on this kind of a proposition. I said to him, "Why did you not let us know something about it?" Mr. Bell said it was because they had nothing to go on. If the Congress will provide something like the bill reported, "We are in a position that we can move and can move fast." If you send it back to the committee it would stop them there, they could not move at all. Then we would have accomplished nothing but wasted time.

Mr. BROWN of Ohio. Of course, I think the gentleman will agree that the franchise is still in effect and will be until August and that Mr. Bell could buy this franchise tomorrow and the Congress could act next week as well as it could this week—is that not right—by buying control of the company?

Mr. HARRIS. It would not be that easy to work out.

Mr. BROWN of Ohio. Is it not a fact that Mr. Wolfson feels his franchise as voted out of effect by the Congress last August is to expire in August this year and, therefore, he would have to remove the tracks from the streets of Washington, repair those streets and take other action which would cost him millions? He might be willing to sell to some other private enterprise the operation a little cheaper than he will be after the passage of your bill.

Mr. HARRIS. I am going to put the letters I received yesterday from both Mr. Wolfson and Mr. Bell in the RECORD. You have to read the context of both of them to find that this kind of approach is necessary to get something started in order that they may have something concrete so that they can negotiate and work out the problem. Without this you will not have it. The gentleman is simply not informed of the situation and simply does not understand it sufficiently to properly appraise the problem.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas [Mr. HARRIS] may proceed for 5 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. HARRIS. Now let me explain the bill reported by the committee under consideration here. You should know what it is. The District Commissioners proposed to private applicants or applicants for private operation certain concessions. They proposed them to the Kampelman group; they proposed them to any other private operator that would come in and provide transportation.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I think there is one thing that is very vital to the issue before the House now, and that is the question whether Capital Transit Co. has rendered satisfactory service in the past and whether they are capable of rendering satisfactory service in the future. I wish the gentleman would tell the House what Commissioner Spencer had to say about the service rendered by Capital Transit Co.

Mr. HARRIS. The hearings are replete with information from the Commissioners and from people who live in the District and from everybody who is familiar with the situation that the Capital Transit Co., as far as service is concerned, has rendered efficient and effective service. There is no question about that.

The question here today is, Are we going to assume responsibility to provide for the people of the District of Columbia, the Nation's Capital, transportation? It is the service to the people that is our responsibility. And we came to the conclusion, when new buses were not available, that if we could get the same people interested to operate it, under reasonable terms, it would be the most simple thing to do.

Now, here is what we did.

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent that the gentleman from Arkansas [Mr. HARRIS] may proceed for 2 additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HARRIS. So, in order to get a private operator, as they promised they could a year ago, they offered concessions; we contacted representatives of the Capital Transit Co. to find out if they would be interested in using their equipment and continue to provide service. They absolutely said that they would not be interested under the conditions and circumstances which they had been operating under before. So, in executive session, we finally got them to agree that, if the Congress would provide them the concessions that they had offered to other private operators, and the Congress would restore their franchise under that condition, they would consider recommending to their board and the board to the stockholders that under those conditions they would continue to operate, and in that way we worked out a problem whereby, in the first place, the franchise would be restored; that the service would be continued; that the tax concessions would be given based on the same concessions offered other applicants; that the present rate of fares would remain as they are, which the District Commissioners set at least for a year, and then can be changed only as economic conditions would require and as approved by the Public Service Commission.

With your indulgence let me explain and give a more detailed outline of the problem and this bill.

THE PROPOSAL TO ESTABLISH A PUBLIC AUTHORITY

The Board of Commissioners prepared and on January 25, 1956, submitted to the Speaker of the House of Representa-

tives, a draft of a bill providing for the creation of a Washington Metropolitan Transit Authority which, on August 15 of this year, would succeed to all of the franchise rights presently exercised in the District of Columbia by the Capital Transit Co. Upon introduction of the bill, it was referred to the Committee on Interstate and Foreign Commerce, which promptly scheduled it for consideration.

The consideration of the bill by the Subcommittee on Transportation and Communications was extensive, covering some 10 sessions of hearings during February and March and a number of executive sessions. Numerous witnesses appeared, including, among others, the Board of Commissioners of the District of Columbia and the Public Utilities Commission of the District of Columbia, together with a representative of the investment banking house and the counsel who had assisted in drafting the proposed bill, representatives of other governmental agencies, various applicants for a franchise to operate a transit system in the District of Columbia, representatives of labor, representatives of the Capital Transit Co., interested Congressmen, and representatives of the public at large. In all, some 62 specific amendments to the bill were proposed by the witnesses, apart from items questioned by members of the subcommittee.

ALTERNATE PRIVATE OPERATION PROPOSED

The hearings on the proposed legislation also embraced the various proposals of interested groups to succeed the present company under plans calling for private operation. These groups were among a number which previously had appeared before the District Public Utilities Commission seeking a franchise to undertake a mass transit operation in the District of Columbia.

In the case of one applicant which, in the opinion of the Board of Commissioners, possessed managerial experience and other worthwhile qualifications, the Board indicated that it felt warranted in offering the applicant certain tax and other concessions representing substantial differences from the franchise of the Capital Transit Co., and in recommending for the applicant a franchise giving it a return of 6½ percent of gross revenues. Indeed, the Commissioners stated to the subcommittee, that they were far from being wedded to their proposed public authority, and would have issued a permit for private operation by this applicant had it not been for the request by the applicant for the guaranty by the District of Columbia of an initial loan of $4 million.

BOTH PROPOSALS INVOLVED ALL-BUS OPERATIONS

The Commissioners' proposed public authority was predicated upon the selective condemnation of part of the Capital Transit Co. property; that is, its garages and its fleet of buses, and upon the purchase of additional buses to replace the streetcars not to be acquired. The proposal of the applicant for private operation, involving no condemnation power, was predicated entirely upon purchase of buses to provide a substitute service for that now being offered by both buses and street cars, and upon the construction or acquisition of new garages. Hence both proposals hinged upon the availability of buses and bus production.

While speedy consideration of the proposed public authority or of the alternate private group proposal was urged upon the subcommittee so that orders for buses might be placed, it became apparent at an early stage of the hearings that the production facilities, order book, and lead time required for production and filling of orders, of the two bus manufacturers involved, were such that even if orders had been placed at that early date an adequate supply of buses could not have been made available by August 14 to meet the full service requirements of the people of the District of Columbia. Consequently, subcommittee consideration of ways to provide for continuing transit service had to be within the framework of this fact.

CAPITAL TRANSIT CO. PROPOSAL

Following the Commissioners' indication that they were prepared to recommend certain franchise modifications, in the form of tax and other concessions, to a private operator, the Capital Transit Co. stated to the subcommittee that it would like to continue operations if some such similar modifications might be worked out for it. It seemed the part of wisdom to the subcommittee to look into this situation carefully and determine what could be worked out along that line. After all, the thing that has to be done is to make sure that there will be a mass-transportation system in operation in the District of Columbia after August 14 next.

Accordingly the subcommittee had conferences with officials of Capital Transit Co. and with the Commissioners. At the request of the subcommittee the Commissioners and the company officials conferred and reported back to the subcommittee. The result of this has been the preparation of, and favorable committee action upon, the substitute amendment the enactment of which is here recommended.

MODIFIED FRANCHISE PROPOSED FOR CAPITAL TRANSIT CO.

The modifications of the franchise of Capital Transit Co. contained in the committee substitute, basically represent those modifications which the Commissioners had offered to other private applicants. In addition, since it became apparent during the hearings that street railway operations could not be discontinued this August, there are certain provisions spelled out in the bill as reported as to rate base and conversion to bus operations which were not appropriate to the all-bus system applicants.

The committee believes that the terms on which Capital Transit would continue to operate under this proposal are fair and reasonable, both to the company and to the riding public.

If the recommended amendment goes into effect as law, the residents of the District of Columbia and the Washington metropolitan area will be assured of unbroken continuity of adequate transportation service at just and reasonable rates after this forthcoming August 14. Regardless of past events, Capital Transit is a going concern, has the necessary equipment, is unquestionably able to render the needed transportation service in as efficient and economical a manner as anyone. It is actually doing the job now and will be doing it until August 14. It would be wholly unrealistic to expect that a new private operator could now enter the picture and do the job, even if one were to appear. It is also wholly unrealistic to expect that any public authority could do the job this August, unless it were to take over the present organization and all of its facilities. This being so, it seems completely unnecessary, regardless of the multitude of policy questions involved, for the Government to put up the $20 million which it is claimed will do the job, when a private operator stands ready to do the same thing with its own finances, and to do this under all of the safeguards of regulation as to rates and services to which we are accustomed.

TAX CONCESSIONS

The reported bill makes eight modifications in the Capital Transit franchise. These are set forth in the committee report on the bill, but I should like briefly to discuss them.

The first modification has to do with the matter of taxes. The bill provides that Capital Transit shall be relieved of the gross receipt tax. This amounted to some $450,000 in 1954, and $421,000 in 1955. This is a concession that the Board of Commissioners was prepared to make to any private applicant. In such connection, however, it should be noted that the present agreement with employees provides for an increase of 5 cents an hour in the hourly wage starting July 1, 1956. One cent an hour means some $75,000 annually, so that the 5-cent increase already agreed to means an additional expense during fiscal 1957 of some $375,000.

The reported bill also provides that Capital Transit shall not pay the District gasoline tax unless the company earns a 6½-percent return on its rate base. This also is a concession the Commissioners proposed to make to any private operator. The gross District and Federal fuel taxes in 1954 were $395,000, and in 1955 were $348,000.

The Capital Transit Co. will continue to be liable for: The District real-estate tax which has averaged $120,000 a year over the past 10 years; for the District income tax which has average $78,000 a year for the past 10 years; and the Federal income tax which has averaged $790,000 a year over the past 10 years. These taxes, amounting to nearly $1 million a year over the past 10 years, would all have not been paid by the public authority proposed by the Commissioners in the introduced bill.

SIX AND ONE-HALF PERCENT RATE OF RETURN

The modified franchise also declares that a return of 6½ percent on the system rate base is a fair and reasonable return which the company shall be afforded the opportunity to earn. However, it should be clear that this is an expression only of legislative determination that this is a fair and reasonable return which the company should have

opportunity to earn, it is in no way a guaranty that the company will receive such a return.

In view of the treatment being accorded the payment of District gasoline taxes, namely, that they are payable only if earned, it has been necessary to establish a rate of return above which the taxes become due. The 6½-percent rate is well within the range of rates of return which have been allowed utilities in the District of Columbia and in the States by State regulatory agency.

Here, too, the District Commissioners were prepared to offer such rates of return to other private applicants. Indeed, in the case of one group proposing an all-bus operation, the Commissioners were prepared to recommend a franchise providing for a rate of return based upon a 93½ percent operating ratio. That method is one that allows a return based upon annual expenses, rather than upon the net investment in property as provided for in the rate base method used in this bill. Apart from any considerations of the propriety of that method, of itself, it should be noted that in the case of a utility such as is this transit company, the 6½ percent of return on the rate base as herein provided would net any company substantially less over a period of years than the 6½ percent of revenues which the Commissioners were prepared to recommend.

SNOW REMOVAL

Because of changes in conditions since the District law was enacted, particularly the great increase in the use of the streets, including the space between streetcar tracks, by automobile traffic, it is felt that this provision should be modified to relieve the company of the duties of removing ice and snow, except the duty to sweep the snow from the streetcar tracks. The Commissioners were prepared to relieve any other applicant from the duty of removing or handling snow.

TRANSFERS, SHORT TERM INDEBTEDNESS

The Public Utilities Commission has authority to fix charges for and rules concerning transfers between bus lines and between bus and streetcar lines. The reported bill gives the Commission authority also over transfers between streetcar lines.

Under existing law, no public utility shall issue evidences of indebtedness for more than 1 year, unless authorized by the Public Utilities Commission. The Merger Act of 1933 applicable to Capital Transit Co. is in conflict with this provision, as it covers all indebtedness, regardless of time. This modification places the Capital Transit on equal footing with the other utilities in this respect.

Both of these modifications also have the approval of the Board of Commissioners of the District of Columbia.

RATE BASE—DEPRECIATION RATE

I have described 5 of the 8 modifications of the franchise made by the reported bill, which 5 are no more than, and in substantial respects much less than, the Commissioners were prepared to offer any private operator.

The Commissioners' formal consideration, of course, was restricted to terms of a franchise contemplating all-bus operations. Since the reported bill does not contemplate immediate cessation of streetcar operations, there are three more modifications which arise from this fact.

The reported bill sets the Capital Transit system rate base as of July 31, 1955, and provides a method for determining the rate base at subsequent dates. Included in the July 31, 1955 rate base is a figure of $20,256,678 representing the net investment in property, plant and equipment at that date. This net investment figure of $20 million is the depreciated value of the property, representing the book value, stated at original cost, of $48 million less the accumulated depreciation reserve of nearly $28 million.

By a series of orders from 1942 to 1951, the Public Utilities Commission required the company to write out of its property account some $21 million. In connection with the final writeoffs in 1951, the Commission stated this was the "balance of intangible items that have been determined by the Commission to be in excess of original cost of property." Similarly the Commission has exercised jurisdiction over the depreciation accounting, with the composite rate in effect from January 1947 being changed to a class rate in July 1953.

In spite of these actions the Commission in 1954 contended that the depreciation reserve was deficient in the amount of $2.4 million owing to alleged obsolescence of street railway properties. It is needless for me here to go into this record, or the fact that despite this contention the Commission agreed it might be rectified by a reduction in capital which had the effect that dividends might be paid out of capital surplus, a procedure which the Securities and Exchange Commission felt would be not in keeping with accepted accounting practice. Suffice it, that in adopting the rate base figure set out in this bill, the committee has accepted the adequacy of the depreciation reserve as stated on the books of the company. To make this clear, the bill also incorporates into the franchise the 1953 depreciation rates on various classes of property in effect as of July 31, 1955, for the future depreciation of the depreciable property in the property account as of that date.

This is not to say that the committee is of the opinion that property no longer employed in the performance of the transportation service cannot be taken out of the property account, the undepreciated value and abandonment loss capitalized, and written off over future years at different but accepted rates. To do other would gainsay the provisions of the bill relating to a plan of conversion from street railway to all-bus operations. But it is to say that, regardless of what might be the committee's opinion with respect to the elements constituting the proper evaluation of a rate base, the Public Utilities Commission, having adopted and followed the original cost-less-depreciation method for these years, and predicated the allowed rate of return upon such method, should be consistent in its application of this method.

In addition to the allowance of $20,256,000 representing the net investment in property, plant, and equipment as of July 31, 1955, the rate base also includes a sum of $1 million for cash working capital and a reasonable amount for material and supplies. In passing, it may be noted that the $20 million figure for net property account as of last July, has been reduced through the operation of the depreciation account to $18,832,556 as of March 31, 1956. Accordingly, as of this time, the total rate base approximates about $20 million.

RATES OF FARE—EXPEDITED PROCEDURES

The modified franchise retains for at least 1 year after this August the rates of fare set by the Board of Commissioners last fall in its agreement with the Capital Transit Co.

Thereafter, applications for changes in rates of fare are made subject to the same treatment by the Public Utilities Commission as now exists. The only change made in procedures is that the Commission is given a maximum of 90 days during which the Commission may issue its own order with respect to the fares proposed, otherwise the applied for rates go into effect. In view of the determinations herein made as to the rate base, the rate of depreciation, and the rate of return, all matters bulking large in the past in ratemaking proceedings, the committee is of belief that this is more than ample time for the orderly consideration of any rate application and the adequate protection of the public interest.

CONVERSION OF STREET RAILWAY OPERATIONS

As I have mentioned, the invitations to bid issued last fall by the District Public Utilities Commission for a successor private operator restricted applicants to an all-bus system. The Public Authority contemplated by the legislation introduced was also based on all-bus operations. In the hearings, the District Commissioners expressed the view that immediate conversion to all-bus operations is desirable, although witnesses representing civic groups urged retention of street railway service.

In 1955 Capital Transit Co. retained W. C. Gilman & Co. to study and make a report on the desirability of conversion of street railway operations to motor bus, and if so, what the conversion timing should be. This report, submitted September 26, 1955, is set forth in full in the printed committee hearings and is briefly summarized in the committee report. Generally the Gilman report recommended a conversion program calling for completion about 1962.

It is obvious that if there were to be a complete cessation of street railway service in the District this coming August, as was contemplated by the District Commissioners, it would be impossible to furnish to the residents of the area the full transit service to which they are entitled. However, the committee approves gradual conversion to an all-bus system within a reasonable time, in the interest of economy and efficiency of operation.

Accordingly, the committee bill includes a section making it the duty of Capital Transit Co. to carry out a plan

of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts contained in the Gilman report to which I have referred.

THE FRANCHISE AS MODIFIED

Apart from the specific modifications which I have set forth, the modified franchise here proposed in no way impairs or diminishes the obligations under or regulation imposed by existing law. The Public Utilities Commission of the District of Columbia has full authority to enforce, and the company has the full obligation to comply with, the duty imposed upon every public utility under existing law to furnish adequate service at reasonable rates. The Commission has full authority over the matter of accounts, both capital items and operating expenses. The modifications in no way detract from the Commission's existing authority over the company's financial practices.

PASSAGE OF BILL URGED

Mr. Chairman, I urge the favorable consideration by the House of the bill as reported by the Committee on Interstate and Foreign Commerce. It provides a modified franchise under which the residents of the District will be assured continuing transportation service. It provides for such service under terms which are just and reasonable.

Our committee has lived intimately with this problem for some months. We have never lost sight of the one basic goal which has guided us in all of our deliberations. This goal is that the people of the District and of this area shall have a continuing transit system offering adequate service to the public and that service be offered at reasonable rates. We believe that this goal is achievable through the proposal being here made. We are unable to see how any of the other propositions which have been before us will achieve this goal—how they will offer the public the adequate service to which it is entitled, or how this service will be offered under tested regulatory procedures providing the public with protection as to reasonableness of rates.

That precisely is the problem that we had and there was the time limitation. I do not see how anyone could expect to find any other way to provide transportation here except by utilizing the present equipment, the equipment that is now in existence and rolling. That is, if we are going to provide service; without even taking into consideration the principle involved, whether the Congress is going to commit itself not to $20 million, but $26 million, $30 million, so Senator Tydings said and, before it is over, it is likely to go to $40 million, or $50 million, or $60 million—who knows?

If we want to have the opportunity to operate this service in accordance with a principle and under a method that we in Congress believe in, this is the way to do it.

Under leave to extend my remarks, I am going to include the two letters that I received yesterday in order that Members may see that we have worked hard to get someone who is responsible behind this operation.

In the first place, Mr. Wolfson said, "I will be glad to bow out of the picture," and Mr. Bell said, "Our group is willing to move in and we will try in every way in the world to provide the service."

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. HARRIS] has expired.

Mr. HINSHAW. Mr. Chairman, I yield the gentleman 2 minutes additional.

Mr. HESELTON. Mr. Chairman, will the gentleman yield to me?

Mr. HARRIS. I am glad to yield to the gentleman from Massachusetts.

Mr. HESELTON. Mr. Chairman, in the first place, I want to assure the gentleman that I know how hard he has worked on this matter. The gentleman knows that I hold him in the highest regard.

Mr. HARRIS. That feeling is mutual, may I say.

Mr. HESELTON. I know he is completely sincere and honest in everything he does. But in terms of what the gentleman from Ohio [Mr. BROWN] suggested, and in view of the fact that the letter from Mr. Bell was not received by the gentleman, as I understand it, until yesterday, until yesterday——

Mr. HARRIS. About 1 o'clock.

Mr. HESELTON. About 1 o'clock; and that the letter from Mr. Wolfson has not yet been made public, would not the gentleman agree with me that it might be helpful to all Members of the House if the gentleman would not only read Mr. Wolfson's letter to the few Members who are here now, but also take this bill back to our subcommittee, so that we may have the benefit of the gentleman's recommendations on this offer that apparently originated in March of this year, about which the gentleman did not know, about which I did not know, and about which no other Member of the House knew about until yesterday midafternoon?

Mr. HARRIS. The House had adjourned yesterday when I received the letter. In order that the membership have as much of the information as possible, I authorized all three papers here to publish those letters. The letter from Mr. Bell was carried in toto. I know that every Member of the House reads the papers and it was for the purpose of giving everyone an opportunity to get the information that I did what I did. The Members know that Mr. Bell said that before they could move further on the proposal it was necessary to have some kind of franchise such as is proposed here and if they got that they would be in a position to move and to move quickly.

Mr. HESELTON. Is it not true that I published Mr. Bell's letter, which I received at 3:15 yesterday afternoon, in the RECORD, and it is in the proceedings at page 7352, so that anybody who wanted to could read it? No paper in Washington published Mr. Wolfson's letter. We do not know anything about it and unless the gentleman tells us, we will not know.

Mr. HARRIS. How the gentleman got his letter in the RECORD after the House adjourned, I do not know.

Mr. HESELTON. The gentleman knows; I had a special order.

Mr. HARRIS. The letters and editorials follow:

CAPITAL TRANSIT CO.,
WASHINGTON, D. C., *May 11, 1956.*

HON. OREN HARRIS,
Chairman, Subcommittee on Transportation and Communications, Committee on Interstate and Foreign Commerce, House of Representatives, House Office Building, Washintgon, D. C.

DEAR MR. HARRIS: I returned to my office on Thursday, after 5 weeks in Europe, and have only now been able to assess the events concerning the transit situation which transpired during my absence.

As you know, the board of directors of Capital Transit Co. have stated they are willing to recommend to the stockholders that Capital Transit Co. return to business if the House passes the franchise restoration bill worked out by your committee and company representatives. I fully concur in the decision of the directors of the company.

Over the past several weeks prior to my visit to Europe I have chosen to leave unanswered many of the uninformed (and sometimes deliberate) misstatements made by individuals and special interests who are intent on placing the transit operations in the Nation's Capital in public ownership. To have answered them would have only brought, in my opinion, more vilification of me and my associates and would have only served to confuse the sincere efforts of your committee and the officers of the company who were endeavoring to work out an equitable arrangement in the public interest. I can't help but wonder under the present set of circumstances what has happened to the innuendoes, inferences, and direct statements made in the past that Wolfson and his associates wanted public ownership and how costly that ownership would be for the city. These same sources have now suddenly switched to becoming the advocates of the public ownership they decried not so many months ago. At least, my position has been consistent: I have always been, am now, and always will be for private ownership as the best means of serving the public interest. Public ownership in any form, no matter how sugar-coated, is socialistic in theory and diametrically opposed to fundamental incentives of private capital which have helped make this country great and provided the present standard of living and opportunities for all of us. Believe me, I am more convinced of this than ever, particularly since my recent visit to Europe.

Let me address myself, if I may, to some recent statements that nothing has occurred since last summer's strike to indicate that Capital Transit Co., or Wolfson in particular, is now any more responsible or responsive to the public interest than prior to the strike. For one thing Capital Transit Co. officials and myself have stated time and again that the responsibility for last summer's strike can be placed squarely in the lap of the Public Utilities Commission, as constituted prior to the strike, and the Board of District Commissioners.

Distortion of the facts then or since have not changed the situation. This was subsequently proved when the strike was settled on practically the same terms to the union that had been offered by the company prior to the Commissioners' settlement. The only difference was that a fare increase to pay for the increase in wages took place simultaneously. We had suggested this procedure before and during the strike but to no avail. Which party accomplished the fact is immaterial but it only verifies that the sufferers of the strike were the workers and the public and that the instrument and the power to have avoided the entire situation

rested in the hands of the Public Utilities Commission had they seen fit to avoid the emotions and personalities that clouded the issues.

May I state to you that since the strike we have operated an efficient and safe transit system. As a matter of fact the company has since the strike been again declared the Nation's outstanding transit system safety-wise. A coveted honor, indeed, when you realize the number of cities competing.

I noticed also in the Senate debate on the interim authority bill that much was made of the company being responsible for the strike because it refused to arbitrate. Blaming the company of course is the usual practice of the labor group. What was neglected to be stated was that more than a month before the strike actually ended, Mr. BROYHILL and Mr. MACMILLAN suggested arbitration. The union turned this down because neither the arbitrators nor the methods were of the union's own choosing. This company has always been opposed to arbitration on the union's terms, for one thing, and has always been opposed to it in principle because it has been unable to fix prices commensurate or immediate with its labor increases and further, because, arbitration of a new contract, as the union wanted, is nothing more than a perpetual labor contract with a transit riding public in the middle paying higher and higher uncontrollable costs. I always have been an advocate of sitting across the table with the union and reconciling differences. On reflection, with the union now a strong advocate of public ownership, and the Senate having seen fit to pass an interim public authority bill with the union having power to strike and at the same time arbitrate or not as they see fit on their own terms, it is not difficult for any clear thinking person to arrive at the conclusion that if the union refused to settle with the company many days before the strike actually did end on almost the same terms as it did later with District Commissioners, it had in mind all the time that the resulting situation would be consummated in a demand that the rascals should be thrown out and substituted with public ownership.

There also have been some hints in the public press during my absence that negotiations were proceeding for the sale of my interest in the Capital Transit Co. I have stated, and I restate to you, that my stock is not for sale unless the same offer is made to all stockholders. I have stated I would be glad to recommend to the board of directors any legitimate, firm offer with substance and credibility that provided for a fair and reasonable price for the stockholder's equity. I am willing to sit down, or have my representative sit down, with any respected, responsible group, or individual, and negotiate price. Up to now this has not been done. The items in the newspapers have been speculative and have no basis in fact. Over the past year I have been offered substantially above the market price for my stock only. That I turned down. But there has been no firm, business-like offer made by anyone up to now for my stock and the stock of my fellow stockholders. Proposals that I, alone, be bought out and thus remove the menace would put me in the position of receiving a preferred offer at the expense of other investors in the company. This I will not consider.

I say to you, as I have stated before, that if there are 4 other public-spirited citizens in Washington or elsewhere who are desirous of putting up money instead of critizing, I stand on a former offer that I will take all my stock and place it in escrow with the understanding I will not receive any dividends for 5 years if they, after purchasing all other interests, will also do so. In addition I will resign as chairman of the board and as a director. Thus far no one has come forward to operate the transit system on a philanthropic basis with private capital for a limited period so I am led to believe that the stockholders of Capital Transit Co. are incurring a great capital risk in continuing in business if Congress sees fit to restore the franchise.

As you know the so-called tax concessions in the House bill will from a practical standpoint be nothing more than maybe wishful thinking. The bill offers less than that which would be required to make the investment a safe and conservative utility investment. The best it does is provide a fighting chance, with continued economy and efficiency, that the stockholders may hope for some fixed reasonable dividend.

I am sorry I have taken so much of your time with this letter but I imposed on you because I wanted you to have my views in the face of my long absence from the immediate arena of events.

May I personally compliment you, Mr. PRIEST, and the other members of your committee and subcommittee for your public spiritedness, your responsiveness to public desires, and your cooperative spirit in weighing the issues involved before you came to a decision. I am all for the House bill—as is the Washington Board of Trade and other business interests in the Nation's Capital—and trust that the issue of private versus public ownership of the transit lines and their operation will be met head-on by the House with the courage and conviction that private capital, with understanding, can do a better job of operating the transit lines than can a public authority.

Very sincerely yours,

L. E. WOLFSON.

AMERICAN SECURITY & TRUST CO.,
Washington, D. C., May 15, 1956.

The Honorable OREN HARRIS,
United States House of Representatives,
Washington, D. C.

DEAR MR. HARRIS: I am writing to you with the greatest reluctance concerning the local transit situation, for I have no wish to inject myself into the controversy. In fact, I deliberately refrained from becoming involved in this matter until it became obvious that Washington was slowly but surely drifting toward an unpopular and costly public transit authority for want of any constructive alternative. Frankly, I was concerned lest a suggestion from me would be misinterpreted as "Wolfson" inspired, for both the Capital Transit Co. and Mr. Wolfson are valuable customers of the bank of which I am president, and an officer of our bank is on Capital Transit's board, as I used to be.

Still, something positive was, and still is, required. Moreover, as a small stockholder myself in Capital Transit, I had the distinct feeling that the non-Wolfson stockholder was the forgotten man in this whole situation. As I reviewed the series of proposals made by various groups, it became more and more obvious that none of them was a practical solution to Washington's transit problems. Finally, in early March of this year, with the encouragement of the then District Commissioner Samuel Spencer, I took the initiative in quietly trying to develop a constructive new plan. We now have made sufficient real progress that I feel justified in reporting to you.

I am therefore in a position to state that serious discussions with responsible parties are well under way, whereby the Wolfson interests in Capital Transit would be eliminated and the company would be reorganized under local ownership and control. My statement is based upon personal discussions with the management of Capital Transit, with representatives of Wolfson, and with a leading investment banking firm. The essentials of the program are:

1. The company's franchise would be restored and it would be accorded the same privileges and benefits which have been offered to various other groups of potential investors.

2. In order to completely eliminate Wolfson ownership and control, Capital Transit would purchase the Wolfson stock at a fair price per share. Such stock would be retired. Concurrently, the company would offer to purchase (for resale), and at the same price, the stock of any other stockholder.

3. In order to finance the reorganization, the company would borrow the necessary funds ($5 million–$6 million) against the issuance of medium-term, first-mortgage bonds.

4. Both the borrowing operation and the offer to stockholders would need to be underwritten by responsible investment banking firms so that the company could enter into firm commitments with all interested parties.

Representatives of Capital Transit and Mr. Wolfson have indicated to me that they would be prepared, in principle, to accept this type of arrangement. Moreover, the investment banking firm engaged in these discussions has confirmed to me that it is prepared to take the leadership in attempting to provide the necessary financing for such action, provided normal investment banking standards are adhered to.

I believe that a reorganization along the aforementioned lines and consistent with the conditions imposed by each of the parties is possible, and could be effected before August 14, 1956, given the enactment of legislation along the lines of H. R. 8901.

I emphasize that, while I am attempting fairly to report my own judgment of the position of each of these parties, I cannot commit any of them—although they know that I am making this report to you. I further emphasize that the investment banking firm in particular has made it clear that its willingness to proceed is on the assumption that the program will receive the cooperation of the District authorities, the various regulatory bodies involved, the public, and Capital Transit employees. While these factors have not, as yet, been fully explored, I am confident such cooperation will be forthcoming with understanding.

I believe this summarizes the present situation and illustrates the critical importance of the pending House action on H. R. 8901. With reasonable prospects for some such legislation, I shall redouble my efforts to produce agreement on solving Washington's transit problem on a basis which would keep our transit system in private hands and avoid the establishment of an additional Government agency.

You are authorized to make such use of this letter as you deem proper. I should like to make it clear that I speak only for myself as a Washington resident and taxpayer.

Sincerely,

DANIEL W. BELL.

WASHINGTON BOARD OF TRADE,
Washington, D. C., May 15, 1956.

The Honorable OREN HARRIS,
United States House of Representatives,
Washington, D. C.

DEAR MR. HARRIS: Though you have been informally advised, I want to take this opportunity to inform you in writing that the board of directors of the Washington Board of Trade on April 26 voted to support H. R. 8901, the bill which would continue operation of the local transit system by the Capital Transit Co.

You will undoubtedly recall that we vigorously opposed the legislation passed in the closing days of the first session of this Congress terminating the franchise of the Capital Transit Co. since we saw in such legislation an extremely bad precedent and since we could not foresee any desirable means of furnishing adequate transit service upon termination of Capital Transit's operations.

Nevertheless, since the franchise was canceled we have employed all the means at our disposal to encourage the formation of another company to render service after August 14. A number of local groups have made similar attempts.

I believe you know of a proposal being supported by some of our most oustanding and responsible citizens which would reorganize the Capital Transit Co. under predominantly local ownership and buy out the Wolfson interests in the company. This proposal seems to be developing well and promises to be successful, probably by August 15. However, no further progress can be made unless the group and its affiliates is assured that it may continue its negotiations with Capital Transit Co. and its stockholders.

It is, therefore, highly desirable that H. R. 8901 be passed. We feel that since the proposal under consideration has so much promise, an opportunity should be provided to carry it to a successful conclusion so that the community may be spared the necessity of going into a costly authority operation.

We, therefore, earnestly hope that the Congress will adopt H. R. 8901.

Sincerely,

EDWARD R. CARR, *President.*

[From the Washington Evening Star of May 15, 1956]

THE SENSIBLE WAY OUT

The House bill to restore Capital Transit Co.'s franchise is a commonsense way out of the existing transit mess. It will be approved if there is genuine desire to see private transit operation continue in Washington. The interim authority bill, passed in the Senate last week, means Government ownership in its least desirable form.

Under the House bill, private operation of a debt-free company with a substantial cash reserve and sound assets would continue under conditions that should make it workable. Under the Senate's interim authority bill, the Commissioners, after seizing what they want of the transit property and paying for it with public funds, are authorized to sell it to a private operator if one turns up in the next 3 years. Even those who wrote and supported the Senate bill, however, are publicly skeptical that any such thing will happen. Once Government sets up its version of a transit operation and gets into business with a new payroll, the taxpayers are going to be stuck with it from that time on.

Consider, on the other hand, the strong likelihood of what would happen under the House bill. There is reason to believe that the Wolfson interests, with the recorded consent of other stockholders, would be willing to dispose of their own holdings and get out. It is believed that the money to buy them out would be available. Under predominantly local control, with inducements by way of realistic concessions based on the highly competitive character of what is no longer a private monopoly, a privately owned and public-serving operation could succeed. The House bill, at any rate, offers a practical way to find out, without the Government's invoking the extraordinary powers of eminent domain to destroy a company because some politicians are panting to vent their spleen on one of its stockholders. Private financing to produce change in controlling ownership is unlikely, however, until existing legislative uncertainties are removed, and private ownership is given another trial.

The House should pass the bill presented by its Commerce Committee, and insist that it become law. If experience reveals no reasonable or demonstrable alternative to public ownership of transit in Washington, we should get into it through the front door with a sound authority bill written in the conviction that it is the right thing to do. Let's not slip in through the back door, piously protesting public ownership, but wailing that it is wrong for Wolfson to be a transit stockholder.

[From the Washington Evening Star of May 16, 1956]

A SOUND TRANSIT PLAN

A sound alternative to public ownership of transit in Washington has been offered by a responsible source. We believe that Members of Congress who prefer private to public ownership—and most of them who have spoken on the subject have been careful to assert that preference—will go along with it. For they know that Daniel W. Bell's reputation in this community stands for something more than wishful thinking, and that he is prepared to assume a purposeful leadership in bringing about a desirable solution of the transit problem.

The plan outlined yesterday by Mr. Bell in his letter to Representative HARRIS is no half-baked scheme. It has been given careful study by competent lawyers and underwriters. They have pronounced it feasible, provided it is supported in principle by the District authorities and the legislative leaders in Congress. If it receives no such support, of course, it can get nowhere. Failure to receive such support will be due to the same preoccupation with punitive measures which created the transit crisis, not to defects in the plan itself.

Under this plan the Wolfson interests would sell out. Control of the company would revert to local interests, conscious of the civic responsibility involved. That is what everybody has said was desirable. Now the proof of the pudding is available. Two things are necessary. One is to restore the franchise to the Capital Transit Co., as provided in the House bill now pending. The other is to give Mr. Bell and his associates the support which lies in accepting their proposition in the good faith with which it has been offered.

We have no doubts as to where the public interest lies, as between supporting by appropriate action the plan outlined by Mr. Bell, and rushing headlong into a highly undesirable and expensive form of public ownership spelled out under the bill passed by the Senate. The House bill offers a constructive approach to retention of privately owned and operated transit in Washington. It should be approved.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. HINSHAW. Mr. Chairman, I yield 30 seconds to the gentleman from Illinois [Mr. ARENDS] for the purpose of his asking a question of the majority leader.

Mr. ARENDS. Mr. Chairman, I take this time to ask the majority leader if he has any additional information relative to the program for the balance of this week.

Mr. McCORMACK. Yes. Earlier in the day the gentleman from Indiana [Mr. HALLECK] inquired of me on the same subject. Since then the conference report on the sugar bill has become in order for consideration. Many Members are interested in it, so that will be the first order of business tomorrow. It is very apparent that this bill cannot be disposed of today even if general debate is completed. The conference report will be the first order of business after that, and after our guest has been received.

Mr. HINSHAW. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. Mr. Chairman, certainly I am the last person in the world to claim any especial qualifications for speaking on this very complex subject. Very humbly, I do claim two things, however. One is that I attended all the hearings; both the public hearings and the executive hearings. The second is that I ride these transit facilities that are now in operation in Washington. I belong to a one-car family. When there are other uses for the family car I take streetcar No. 30 out here in front of the office building and ride out to the end of the line to get to my dwelling here in Washington.

I am not any protagonist of the Capital Transit Co., nor am I their antagonist. I must say, however, that this company is in good financial condition. They are not bankrupt, they are not ready to go into the hands of a receiver by any means from a financial standpoint. They have money in the bank, I am told. Further, according to my lights they are running a good transit system. I have ridden the Chicago transit and the New York subway and a good many different kinds of streetcars and bus lines all over this country. In my humble judgment, we have a pretty good transit system here in Washington.

That opinion of mine is substantiated by the fact that repeatedly the Capital Transit Co. has had awards for excellence of operation, safety of operation, and cleanliness of their buses. That certainly is in line with my experience with them. Their operators are courteous and competent, they run a system that is all right. Whatever you say about the management, I certainly want to pay my tribute to the people who run the buses and streetcars in this town. They are firstrate so far as I am concerned.

The controversy about this bill has gotten into so many bypasses and alleyways that I am going to try to oversimplify it. That is principally so that I will be able to understand it myself.

The first oversimplification is this, and it is just the opinion of one man who heard all that went on in these hearings in this 530-page book and about that much more in executive hearings. My considered opinion is that if we reject this bill and put the Capital Transit Co. out of business and go to a public authority we are not going to have any transit here in the city of Washington at all after the 14th of August.

The reason for my conclusion is this: Suppose you do set up a public authority, where are they going to get the rolling stock? Why, they are going to have to go to the Capital Transit Co. and take over theirs. The public authority would condemn the transit facilities. Do you think that the management of the Capital Transit Co., with the intransigence they have shown already, are going to sit idly by and submit to the piecemeal condemnation of their property? Why, they will take this thing into court and it will be tied up for months.

I am just saying, Mr. Chairman, that in my considered opinion, if this Congress rejects the proposition of the extension of this franchise as is proposed

under the conditions that have been offered to any other private operator and that were implicit in any public operation, if you reject this bill you are condemning the people of Washington to another situation such as they experienced last summer. No public transit.

All the people who work here in our Capital and all through the Government departments are going to be dependent once again on shoe leather and the courtesy of their neighbors in carrying them to and from their places of work. Once more there will be confusion—no public transit.

So, if we reject this bill, Mr. Chairman, I think about August 15, 1956, we are going to be confronted with that no-transit situation just about the time, or a couple of weeks after, this Congress adjourns. I am not going to be very proud of that action on our part.

There is another consideration which affects me personally, and this again is an oversimplification. I come from the Middle West. The public-transit-authority advocates ask us to dip into the Public Treasury for $20 million to begin with, and maybe forty or fifty million dollars eventually, to provide public transportation for the people of the city of Washington.

I do not believe the people in my district are very much interested in taking their tax dollars to put upon the streets of Washington and to provide transit facilities here. Especially is this true when we have the alternative of private capital doing the very same job without requiring the public treasury to be tapped for that purpose. I do not think that would be very popular in any congressional district which is more than a few miles from the city of Washington. I do not see why any Member of this body would want to tax the people in his own district for the purpose of setting up an authority here. I feel sure, and that feeling is shared by many of my colleagues, such an authority would become a permanent millstone around the neck of this Congress. We would be back here every year making more appropriations to carry the people back and forth in this city—to and from their work.

The thing for us to do, representing not only the people of the city of Washington as their city council, is to remember our responsibility to the people who send us here and say to the Capital Transit Co. and to the District Commissioners and to the Public Utilities Commission, "Here is an out. We perhaps did march up the hill and then marched down again. We, perhaps, took an improvident action last year. But let us admit it and do the right thing now."

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield.

Mr. HALEY. Does not the gentleman agree with me that we should have never marched at all and we would not have had this problem with us if we had done nothing last year, which is what I said on the floor of this Congress, and I also said that we would be back here this year just where we are now?

Mr. DOLLIVER. Mr. Chairman, the gentleman is so right. He recognizes, as I do now, that hindsight is better than foresight. We were told, as the gentleman well remembers, that applicants would stand in line trying to take over this franchise. But, nobody showed up with the capacity to take it over. So, we are confronted with this problem today.

The third oversimplification on this thing, which appeals to me, is this. I believe in private enterprise. I believe where it is possible we ought to keep private enterprise operating in business. I think most of the Members of this body have that same attitude. Why is it necessary to create a public body to do this job when we have private enterprise that is ready, willing, and able to do it? I know this transit business has gotten very sick in a lot of places in the country. One of our colleagues from New York, I think, said a little while ago on the floor that they had public transportation in New York City—that the transit lines there are publicly owned and operated. I think that also is true in Chicago, Cleveland, and some of the other great cities of this country. It is true in certain other countries, also. For instance, the Moscow subway is run by the Communist government. But that is beside the point.

For my part, I believe in private enterprise. I think this Congress should go on record with a resounding vote that we all believe in it.

We will thus live up to our responsibilities in providing transit for the people who work in the District of Columbia. We will be true to our responsibilities to our own districts. Instead of dipping into the public treasury which, after all, belongs to 165 million Americans we will allow private enterprise to work. We will say to our constituents, "Here is a plan where you do not have to use public money." Let us keep private enterprise on the job. Let us voice our faith and belief in the American system when we have a chance to do it.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. DOLLIVER] has expired.

Mr. HINSHAW. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I am not about ready to vote to leave job security and economic security of the several hundred employees of the transit company in the hands of a bunch of economic wolves. It is plain that there is nothing in this bill to provide for collective bargaining. There is nothing to provide for arbitration. That means that when the 14th of August rolls around you will have another strike on your hands and there will be no machinery set up in this legislation to handle it.

In conclusion, let me say I do not believe a single Member of this House who has any regard for the welfare of organized labor will support this legislation. I shall be glad to join in a move to recommit it to the committee until you have written into it some provision to prevent future strikes in the city of Washington.

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, I am in favor of the committee amendment to H. R. 8901, which is, of course, an entirely different bill. I was a member of the subcommittee which considered this legislation and reported it unanimously to the committee which reported it with, I believe, only two dissenting votes. Let me say that the subcommittee which considered this legislation did a very patient, painstaking job in a most difficult situation. No one on the subcommittee entered upon his task with any prejudices or preconceptions.

When we passed the legislation last summer which forfeited the franchise of Capital Transit Co. as of August 14, it was the expectation of many Members of this House, of many residents of the District of Columbia, and I believe of the District Commissioners, that a private group of capitalists could and would be found to step into the breach which we were creating.

Now you can debate many questions about transit in the District, but there are a few facts that stand out quite clearly and plainly.

The first is that mass transit in great American cities is an unattractive business in terms of profits, that gross receipts are declining in the face of steadily increasing private transportation. The more prosperous general conditions are the more people desert buses and trolleys for their own cars or for taxis which here in Washington at least charge very reasonable fares.

The District Commissioners tried faithfully and our subcommittee tried faithfully to get another private group to step into the gap. There were a good many private groups which were academically interested, but there was not any and is not any properly financed, properly skilled, responsible group that we could conscientiously trust to take over and do the business that is being done by the Capital Transit Co.

So you have the practical choice of letting the Capital Transit Co. go back on terms strictly stipulated in the bill or create a transit authority. Regardless of whether you like private enterprise or public ownership, the public authority would have to be financed out of the public till because there is no reason to suppose that such an authority can raise the money on a bond issue or otherwise between now and August 14. Such an authority would have to take over either by private negotiation or by eminent domain the buses and trolleys of Capital Transit Co. If you are out to punish Mr. Wolfson it is my idea that he would rather have his company liquidated on these favorable terms than he would to continue to run it under this bill. I have as little use for Mr. Wolfson as anybody. He is as far as I know quite justly a figure of infamy in the District of Columbia. But if our objective today is to punish Mr. Wolfson, we may find that the people whom we punish are the innocent people of this District who want to ride and cannot. Bear in mind likewise that this proposed public authority, while it would be a nonprofit organization, would be subject to the jurisdiction of no regulatory body whatever and as far as fares and service

are concerned I would rather take my chances with this much excoriated company under the jurisdiction of the Utility Commission of the District than I would with a wholly unregulated public authority.

I appreciate that the House may not like to march down the hill it marched up last summer, but I believe that the residents of the District legitimately want to ride rather than to march anywhere and I believe that this bill gives them the only chance there is to ride. Because the Capital Transit Co. has the actual physical means to do this job and no one else has. If they cannot do it, I believe that we can get better public authority legislation than that which is now proposed or has been proposed.

Mr. PRIEST. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. MACDONALD].

Mr. MACDONALD. Mr. Chairman, I want to take this opportunity to make known my opposition of the bill, H. R. 8901, dealing with the transit problem in the District of Columbia.

Before discussing the merits of the bill I would like to state that I have the greatest respect for the work done by the chairman, OREN HARRIS, and every member of the Subcommittee on Transportation and Communications, for the immense difficulty of their task, and for the complete sincerity and integrity of their recommendations. I know personally that the subcommittee has worked diligently many hours and many days. But I cannot in good conscience agree that the passage of H. R. 8901 is the proper solution to this most serious problem.

First, we must remind ourselves of the reasons which motivated the Congress last summer to revoke the franchise of the Capital Transit Co. Congress enacted Public Law 389 last year because of a demonstrated record of public irresponsibility on the part of the Capital Transit Co. under the Wolfson management. The 7-week strike had in effect been provoked by the management and was the climax of a public-be-damned attitude frequently exhibited by the company. President Eisenhower summed this up when in signing the bill revoking the franchise, he said:

> Both the Congress and the Commissioners of the District of Columbia have concluded that the Capital Transit Co., beginning several years ago and continuing up to the present time, has failed to measure up to its responsibilities in the District.

During a period of less than 7 years the Wolfson interests have had a gain on their investment here in an amount of over 339 percent. During this same period the company has cut service. During the same period that the stockholders were being given these fantastic dividends from the company, the management continually refused to arbitrate disputes over contract terms with its duly elected, recognized collective-bargaining agents representing their employees. During the 40-year period in which the Capital Transit Co. itself, prior to Wolfson taking over, dealt amicably with the union which represents its rank and file employees and there were only 3 days of strike during this 32-year period, prior to the advent of the Wolfson interests. Since Wolfson took over, there have been 55 days of strike during a period of approximately 6½ years. It is difficult to see how, in the face of such a glaring record of public irresponsibility, the House today can contemplate giving the franchise back to the Wolfson interests, especially when we see that the franchise which was taken away only last August is being returned with substantial concessions made to these same Wolfson interests. Specifically, I point out:

First. Tax concessions proposed in this bill would exempt the company from payments of gross receipts taxes to the District, which last year cost it nearly a half million dollars.

Second. Likewise, the bill would exempt the Capital Transit Co. from all or part of the District's 6-cents-a-gallon gasoline tax, depending on whether CTC earned 6½ percent on its rate base. In other words, it would pay no city gasoline tax if earnings dropped below 6½ percent.

Third. A provision in the bill—section 2 (c)—allows the company to establish its own rates subject to the right of the Public Utilities Commission to suspend or modify such rates during a 90-day period. Thus, at the end of the 90 days, if the Commission does not go along with the company's rates of fare, the company may put into effect, again subject to a suspension order, the disapproved rates of fare, and this process could go on indefinitely. It is easy to visualize the Capital Transit management using as an excuse for fare increases, any request for justified increases in wages and improvements in working conditions made by the employees, and attempting to place the burden of such rate increases upon the employees.

Fourth. The provisions of section 2 (a) of the House bill freezing the rate base in the amount of approximately $20,200,000 is an unwise provision. The rate base is always subject to reexamination by any regulatory body in the light of new information available from engineering studies. Previous projections as to the life of the property, for example, may turn out to be either too optimistic or too pessimistic. The public interest should not be short-circuited by denying to the regulatory body the right to reexamine previous depreciation studies and to redetermine a rate base in the light of new information.

Fifth. The company would be permitted to shift from streetcars to buses gradually, not immediately, as the Public Utilities Commission wants.

Sixth. The company would be partially relieved of existing obligations with respect to snow removal. In other words the company would be required only to remove ice and snow from its streetcar tracks. It now must clean its tracks, space between the tracks, and a space 2 feet outside the tracks at street crossings.

Seventh. This bill contains absolutely no labor provisions for collective bargaining and/or arbitration.

Eighth. Congress in legislating the repeal last summer took into account the criticized past financial practices of the company under the ownership of Wolfson. There has been nothing happening since that time to indicate any change in management's attitude.

I do not think that it is in the public interest to restore a situation which will probably result in the citizens of Washington, D. C., having to walk to work again in the heat of summer. There is great reason to fear that we will have this very same problem back in our hands a year or two from now, along with a reasonable demand from the public for a lasting solution to this problem. I say, as a member of the House Interstate and Foreign Commerce Committee, that I do not favor a proposal to permit the Wolfson syndicate and operations to further milk the transit riders of the District of Columbia.

As to the last minute activities of Mr. Daniel W. Bell, I think they can be best disposed of by the gentleman most closely concerned with this problem, Mr. Wolfson himself, as reported in the May 15 edition of the Washington Evening Star, which states:

> Despite the Bell disclosure, Mr. Wolfson's letter to Mr. HARRIS—written Friday, 1 day after he had returned from a 5-week trip in Europe—said he had not yet had a "firm offer with substance and credibility" from "any respected, responsible group or individual."
>
> Also, said Mr. HARRIS, the Florida multimillionaire concurred in the decision of the CTC board of directors to recommend to the 2,500 stockholders that they continue in business if the House passes the franchise restoration bill worked out by the subcommittee.

Now, the name of Mr. Bell has been injected into this matter, and I would like to clear that up by asking the gentleman from Arkansas [Mr. HARRIS] just one question. Is it true that Mr. Wolfson, when asked about Mr. Bell, made the statement that he had received no firm offer of any sort from any responsible group or from any responsible individual?

Mr. HARRIS. No; the gentleman is not correct in that statement. In fact, if the gentleman will permit me, the letter that I received from Mr. Wolfson late day before yesterday afternoon was written on the 11th of May. That was Friday of last week. The letter from Mr. Bell came to me yesterday afternoon about 1 o'clock. Therefore, the Bell letter was not even in the picture at the time that I received the letter from Mr. Wolfson stating what he would be willing to do if some responsible person would come through and operate it, giving all of the stockholders the same opportunity as he would have himself.

Mr. MACDONALD. Is it not true that he stated to you that he had received no firm offer from anybody?

Mr. HARRIS. In that letter of last Friday he stated that he had had no firm offer from any reasonably responsible people. After that is when Mr. Bell's letter came saying that they would make such an offer.

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the gentleman from Maryland [Mr. HYDE].

Mr. HYDE. Mr. Chairman, 2 questions were asked here just a moment ago, 1 by the gentleman from Mississippi [Mr. WILLIAMS] addressed to the gentleman from Arkansas [Mr. HARRIS] about the operation of the present company by the Capital Transit Co. The fact of the matter is that the Committee on Interstate and Foreign Commerce did not have that matter under consideration. The Senate did have a committee, however, which did investigate that question and found that it was not being operated in the public interest. And, the gentleman from Iowa [Mr. DOLLIVER] raised the point about tying up the operation of this line if it went into the hands of a public authority. I am reasonably sure that no court would permit the transit operation in this city to stop as the result of this business being taken over by a public authority.

Mr. Chairman, Congress is here today wrestling with a problem that has plagued municipalities and major cities throughout this country for many, many years. I do not like the idea of a public authority, and if I thought that we could properly operate it here under private ownership, I would be enthusiastically for it, but I think that the studies and the evidence that we have before us today show that that probably is not possible. The reason I say that, I hope I will have time to make clear.

Since I have been in Congress, one of my chief interests on behalf of my constituents living in Montgomery County has been the public transportation in the Washington metropolitan area. In the course of preparing legislation to deal with this problem, I have read studies made of the mass public transportation problem in the major cities of the United States. All of these studies conclude that urban mass transportation will probably have to be taken over by public authorities in our major cities in order to provide the service that the people demand at the fares they are willing and able to pay.

Why do they come to that conclusion? It is very simple. The reason for that dilemma is that the people are simply not using public mass transportation. Why are they not using it? The answer to that is also very simple. It is simply not convenient. It is more convenient to use the private automobile. Hence it has become necessary, according to the studies made in city after city in this country, eventually to recommend that they set up a public authority to operate urban transit.

The very action being taken here today I submit proves that that is so. They admit that they cannot operate completely as a private enterprise. How do they admit that? They say they must have tax concessions in order to operate. Well, there are many private businesses that would like to operate and pay dividends, and not have to pay taxes. And how do they admit it further? By the argument that they make on the floor here today about the burden that will be thrust upon the taxpayers if you have a public authority.

If this system can be operated profitably, where is the burden on the taxpayer? The reason that they are afraid it will be a burden on the taxpayer is because the studies show that this business cannot be handled, you cannot give the public the service that they must have—and in spite of the poor use being made of the public transportation, you still must have it because there are still so many people who cannot afford private automobiles—at the fares they are willing to pay under a system where they have to pay full taxes as any other private enterprise pays and where they can pay dividends on the stock of a private corporation.

I am forced reluctantly to come to that conclusion as much as I dislike the idea of a public authority or any form of public ownership and operation. I think I am as much a free-enterprise man as there is on the floor. But I submit I cannot be a fool about it, I cannot be bullheaded and stubborn when we are faced with the fact that in certain kinds of operations, we have to have public support. We do it with our merchant marine, and we admit we have to do it. And we will come to the point where public mass transportation in our major cities has to be operated under the authority system, because the private dividend-paying system simply will not work.

Mr. Chairman, I submit that the very arguments being made here today, and the nature of the bill that is before us, a tax concession bill, prove on their face that the private-enterprise system as we speak of it cannot operate properly in this field.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Chairman, several Members have extended congratulations and commendations and praise to the Committee on Interstate and Foreign Commerce for the splendid job that they performed on this proposed legislation. I think those commendations were sincere and they were certainly in order.

As I said during the debate on the rule, I introduced a similar bill to the one before us today and after much time spent by the chairman of the Committee on the District of Columbia [Mr. MCMILLAN] and myself, I felt somewhat disappointed that the subject was not considered by our committee. I can assure you that that disappointment is overshadowed by our appreciation of the wonderful job performed by the Committee on Interstate and Foreign Commerce. I attended some of those hearings, and I can attest the fact that they went into every detail of the subject thoroughly before they reported out the bill.

Since this is a District of Columbia matter, a local matter, so to speak, I know that many Members of this body are not as familiar with the problem as they are with many national and international problems of more importance. Therefore, I think it is imperative that we consider very seriously the recommendations of this committee and think about them very seriously before we ignore their recommendations.

I have no opposition to the metropolitan area authority as such. I have a bill providing for one myself which is now pending before the Committee on Interstate and Foreign Commerce. This substitute motion that will come up tomorrow, however, does not provide for that type of authority. I will discuss that further at that time.

I want to get now into the subject of the employees and how they are to benefit from this legislation or the substitute legislation which will be offered tomorrow.

It is rather surprising to me that representatives of the employees of this company would take the position of canvassing Members of this body, sending them letters, and asking Members of this body to destroy their employer. It just does not make sense to me that any group of employees or representatives of groups of employees would be part of a conspiracy to destroy their employer.

Is it because the union bosses themselves want more power for themselves, and they feel they can get more power under some sort of public ownership or Government-owned proposition, when they will be able to come to Congress, thinking they can get more concessions from Congress than they can from a private employer?

I know they would like to have the right to arbitrate. The Capital Transit Co. last year during the discussions and deliberations on the settlement of the strike agreed to arbitrate provided they could have an arbitrator who would consider ability to pay. But the unions do not want an arbitrator or will not accept an arbitrator who will consider the ability of the company to pay any settlement of a wage dispute. You tell me how you can possibly settle a wage dispute involving private industry unless some consideration is given to the ability to pay on the part of the company. It just cannot be done.

Let me tell you about the employees. I represent many hundreds of those employees of the Capital Transit Co. who live in northern Virginia. I have had several dozen of those employees visit me personally or call me on the phone or write me to tell me they did not want this franchise to expire. That is particularly true among the streetcar operators and streetcar maintenance men. They just cannot see any assurance of security for themselves in the future. Also there are the many hundreds of office workers who would have no security if this franchise is revoked. So if you have any consideration for the 3,000-some employees of this company you will vote for this bill to restore the franchise. In my opinion, the only people, as far as the employees are concerned, who want this company destroyed are the union bosses, because they can see in the future more power for themselves.

A great deal of discussion has been had about our walking up the hill last summer and walking down the hill this year. I think that has been very thoroughly covered by the gentleman from Arkansas [Mr. HARRIS]. What we are doing now

is not walking down the hill but correcting an error we made last year.

Mr. PRIEST. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. HALEY. The gentleman is a member of the committee. I would like to ask this question: Were the same terms and conditions which were offered to the Capital Transit Co., which were brought up by the gentleman from Massachusetts [Mr. MACDONALD] and the gentleman from Maryland [Mr. HYDE], offered to all parties interested in this franchise?

Mr. WILLIAMS of Mississippi. They were the same conditions and concessions offered by the Commissioners to all parties who were seeking the franchise, yes.

Mr. HALEY. I thank the gentleman.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield.

Mr. HARRIS. In fact, the concessions that have been given here, as the gentleman well knows, do not go nearly as far as what the Commissioners offered to the Kampelman group when they came in with an application for a franchise.

Mr. WILLIAMS of Mississippi. The gentleman is right. In fact, they have been scaled down considerably from what was offered to the Kampelman group and others.

Mr. Chairman, 11 Members of this House who make up the Subcommittee on Transportation of the Committee on Interstate and Foreign Commerce worked hard and unceasingly doing what obviously is a thankless and profitless job, considering legislation affecting the District of Columbia. No member of the committee has an ax to grind with reference to this matter. No member of the committee has any selfish interest in this matter at all. The committee worked hard. We probed around and we looked for an out, and we hoped and prayed that somebody could present an answer which would be acceptable and would insure transit facilities for the city of Washington on August 14.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to my colleague on the committee.

Mr. HINSHAW. I think it is significant to note that the 11 members of the subcommittee who heard the testimony were unanimous in favor of the provisions that we sought and that those who did not hear the testimony, or at least some of them, were opposed.

Mr. WILLIAMS of Mississippi. I thank my friend for calling that to my attention. He is absolutely correct. As far as I am concerned, we have performed our labors and we have presented to the House the only possible means to keep public transit going in the District of Columbia on August 14. If the House does not want to accept it, it is perfectly all right with me—I do not ride these buses anyhow: They are integrated, you know.

It may or may not be true that Mr. Wolfson is an unsavory character, as he has been represented by opponents of this bill—I do not know Mr. Wolfson, but one thing is certain in spite of what my good friend from Maryland [Mr. HYDE] says—at least a few people here in the District of Columbia who do know him, say he is rendering wonderful transit service here in the District of Columbia. That includes Commissioner Spencer, who so testified before the House and Senate District Committees last year, and it applies to the transit union president, who so testified before a committee of the other body this year. I do not know why so many have such a low regard for Mr. Wolfson. But so far as I can tell he has not done anything wrong in this instance. He has furnished good transit service to the people of the District of Columbia and he has furnished it at reasonable rates. You know, if you really dig into this thing and hear all of the facts presented, as we did over a period of about 6 weeks, you will learn that Mr. Wolfson is not really the villain that they portray him to be in this particular controversy. If you want to get down to brass tacks, the real villain in this thing is the PUC—and the first two letters of that agency appropriately describe their part in this controversy. Simply, here are the facts. Last year, the time came for the union to negotiate a new contract with the Capital Transit Co. They felt that they should receive certain additional concessions from Capital Transit, which were going to cost Capital Transit a good deal more money. So they made their demands on Capital Transit. Capital Transit looked them over and said, "Boys, we cannot pay you this on our present income."

The Capital Transit Co. then said to the PUC, "If you do not give us a raise in rates, we cannot meet the demands of the union for a new contract." The PUC said, "Boys, we are not going to give you a raise."

So the Capital Transit Co. said, "If we are going to have to absorb this increased cost, we will not make any money, and if we do not make any money we have no reason to stay in business."

So the union went out on strike. Who can blame them? The PUC had made it impossible for the company to meet their demands. There occurred a stalemate and Washington was without public transit. So the Congress canceled the franchise on August 14 last.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. WILLIAMS] has expired.

Mr. HINSHAW. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. WILLIAMS of Mississippi. I thank the gentleman.

So we canceled the franchise and gave authority to the Commissioners and the PUC to take such steps as were necessary to settle the strike and provide transit. So what did they do? They turned around and approved the increase that Capital Transit had previously requested, and settled the strike by meeting the union's demands.

It does not matter to me whether you pass this bill or not, but if you are interested in keeping the people of Washington off their feet, as the chairman said, you had better pass this bill. Otherwise they will be walking after August 14.

Mr. HINSHAW. If there was anything that was asinine, it was that, was it not?

Mr. WILLIAMS of Mississippi. Absolutely.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. PRIEST. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KELLEY of Pennsylvania, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, to create and establish a public body corporate with powers to carry out the provisions of this act, and for other purposes, had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, REORGANIZATION PLAN NO. 1, 1956 (H. DOC. NO. 405)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1956, prepared in accordance with the Reorganization Act of 1949, as amended.

The reorganization plan is designed to improve the management of research and development programs in the Department of Defense. To this end, it establishes an office of assistant secretary for research and development in each of the three military departments. It thus places in effect an important recommendation of the Commission on Organization of the Executive Branch of the Government.

There is no function of the Department of Defense in which coordination leading to effectiveness and efficiency is of greater importance than in research and development. The National Security Act of 1947 established the Research and Development Board in the National Military Establishment. It was composed of representatives of the three military departments and a chairman directly responsible to the Secretary of Defense, and it was intended to coordinate and eliminate undesirable duplication in the research and development programs of the three military departments. Time and experience proved that the Board was an organization unsuitable for the accomplishment of the required results. Reorganization Plan No. 6 of 1953 abolished the Research and Development Board and

transferred its functions to the Secretary of Defense; further implementation of Reorganization Plan No. 6 resulted in the establishment of the office of Assistant Secretary of Defense (Research and Development) in the Office of the Secretary of Defense.

The functions assigned to the Assistant Secretary of Defense (Research and Development) include assisting the Secretary of Defense on research and development aspects of Department of Defense policies, programs and plans, including capital and operating budgets. In carrying out those responsibilities, he must review the research and development programs of the military departments to see that they are well coordinated and that collectively they form a sound and integrated overall Department of Defense program which is geared closely to current strategy.

At present the Department of the Army has a Director of Research and Development who reports directly to the Secretary of the Army. The Assistant Secretary of the Navy for Air has, among his duties, responsibility for research and development. An Assistant Secretary of the Air Force has been devoting full time to research and development matters. These arrangements, although constituting a recognition of the importance of research and development, are not adequate in present circumstances. In the Department of the Air Force the existing arrangement, while suitable for research and development matters, has resulted in inadequate provision for the coordination of other vital Air Force activities at the assistant secretary level. I am persuaded that the situation requires an additional assistant secretary in each of the military departments.

Accordingly, the accompanying reorganization plan establishes in each military department an office of assistant secretary for research and development. Each of these new officers will assist the Secretary in the improved coordination of the research and development functions of the military department concerned. It is my intention to appoint to these new offices individuals experienced in scientific fields and capable of assisting their Secretaries full time in reviewing the research and development programs of the military departments to see that they are well coordinated. Thus the military departments will be uniformly equipped with technically skilled, full-time officials with the rank of Assistant Secretary charged with assisting the Secretaries of the military departments in the coordination of research and development functions. These officials, together with the Assistant Secretary of Defense—Research and Development—will collectively form an improved organizational arrangement for the coordination of sound and interrelated research and development programs throughout the Department of Defense.

After investigation, I have found, and I hereby declare, that each reorganization included in the reorganization plan transmitted herewith is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of an assistant secretary for research and development in each of the military departments. The rates of compensation for those officers are those prevailing for comparable officers in the executive branch of the Government.

While the taking effect of the reorganizations included in the plan will not bring about immediate savings, it is probable that it will bring about substantial long-run reductions of expenditures and also greater effectiveness of administration. An itemization of reductions in expenditures in advance of actual experience under the reorganization plan is not practicable.

The reorganization plan is another step in our continuing efforts to provide the best defense organization possible. I urge the Congress to permit it to become effective.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 16, 1956.*

LESSENING THE PRESIDENT'S LOAD

Mrs. FRANCES P. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a magazine article.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. FRANCES P. BOLTON. Mr. Speaker, we have heard so much about the President and the inability to do this and the inability to do that, but people have forgotten that for some years we have been insisting that there was too much demanded of any one man in the Presidency.

I have asked unanimous consent to extend by remarks that I may include as part of my remarks a very interesting article written on this subject by Mr. Samuel Kornhauser, of my old district.

(The article referred to follows:)

LESSENING THE PRESIDENT'S LOAD

(By Samuel J. Kornhauser)

Mr. Eisenhower's illness has emphasized the widely held opinion that the Presidency necessarily subjects the incumbent to excessive strain. The magnitude of the burden is usually summed up in the words: "It is a killing job." There is a prevailing feeling that something be done about it, and this has evoked numerous published comments and proposed cures. The suggested reforms, however, are not directed to reducing the accumulated load on the office, but to diverting from the President to additional subordinates some of the stress by which he is said to be harassed and enervated. They treat the surface manifestations, not the seat of the malady: the multifarious major tasks which have become lodged in the executive department, but do not belong there.

Obviously it is absurd to consume the President's time and energy with a multitude of mechanical exertions, some of which are not unimportant, but transferable, like signing papers, trivial handshakings, medal pinnings, and similar nonsense. Nor is it good business administration to have more than a few chief subordinates report directly to him. But if you remove all minor distractions, there would still remain the myriad, many-sided weighty problems constantly arising out of the the enlarged responsibilities which by law, and usage, have been engrafted on the office. The stark fact is that the executive department has become so enormous that no man, no matter how vast and versatile his capacity might be, can adequately cope with its immense exactions.

It is a huge labyrinth of bureaus and personnel which remove control farther and farther from the man in whom the Constitution vests all the executive power of the United States. This is the blight of bureaucracy. Yet the remedies proposed to mitigate the strain of the presidential responsibilities would make his control even more remote by further delegation and dilution. It is as if the cure for the evils of bureaucracy were more bureaucracy. Through such folly we have drifted into a perilous predicament. The real hope of extricating ourselves lies not in further distribution of the President's load, but in reducing the size of the entire Washington load. This means restoring the equipoise, which the Constitution demands, between the prescribed limited but sufficient powers assigned to the Federal Government and the unfettered exercise by the States of all undelegated political powers.

In his excellent article in the January Reader's Digest, Mr. William Hard has shown up much of the rubbish of superficial thinking which clutters this subject. He points out that no President has been killed by overwork. And he might have added that the alleged deadly nature of the office does not deter candidates from sustaining the most arduous exertions, immense sacrifices, and conscience-gripping compromises to obtain this killing job. Also, what tenant of the White House has willingly surrendered his lease after 4 years' occupancy? Mr. Hard further points to our two living ex-Presidents, both, in their respective terms, beset by the most onerous and vexatious problems, who are still in robust health—one 72, the other 81. Mr. Hard shows that under existing laws Mr. Eisenhower has done much to improve the dispatch of business in his department, and can do much more; that facts come to him in concise, compact form; and that many minor tasks have been shifted to others.

But no amount of streamlining of the colossal executive department can reach the heart of the disturbing issue it presents. The suggested palliatives are an attempt to perfect a huge bureaucracy, and there is no such thing possible as a perfected huge bureaucracy. The excessive burden laid on the Chief Executive is the harvest of the inordinate powers which have become centered in the Federal Government. The only effective means of reducing the President's tasks to the scope of reasonable human capacity is curtailment of the overgrown functions implanted in Washington.

All three departments of our Government share the blame for the growth of Federal authority to its present mammoth dimensions. Congress passed the laws which enthroned big government in Washington; a Supreme Court, dominated by sociological rather than judicial concepts, sustained these laws; and Presidents have, more and more, endowed themselves with self-made extraneous prerogatives. The impact of war and economic distress jarred the people, by and large, from their normal sanity; they fell for the lure of blessings bestowed by the State, blind to the fact that they were dissipating their richest heritage: the safeguards of human liberty erected in the Constitution.

The short cut to welfare through projects, endowed and administered by Washington, has led to an endless series of commissions, authorities, and agencies designed to supervise business and personal affairs and to supplant local self-government. As with an ad-

dict to narcotics, ever-increasing doses are needed to satisfy the craving. Management of this vast accumulation of anomalous establishments falls to the President and creates a large part of the removable load he now carries. That phase of the problem can be solved if Congress, by repeal of laws, restores the purloined powers of the States, and leaves to them exploits in the field of welfare legislation under the immediate eye and control of the citizens affected.

But there is one aspect of the problem, the solution of which rests chiefly with our Presidents themselves. Perhaps the most devastating strain on the Chief Executive is imposed by the adventitious function of legislative leadership which has become associated with his office. This is a wholly extra-constitutional function. The Constitution makes him an executive, not a lawgiver. In its initial sentence it ordains that "all legislative powers herein granted shall be vested in a Congress of the United States." That creates the exclusive right and responsibility with respect to legislation. Obviously, it follows that legislative leadership should come from within, and be maintained within, Congress alone. Yet now, not only is the President expected to originate a detailed program of desirable laws, but also to procure their enactment by resort to every resource at his command. The friction and heat engendered in the struggle to win over sufficient support for his bills create the most exhausting trials to which he is subjected.

Nothing in the Constitution justifies this intrusion into the field allotted to Congress. The Constitution directs the President to submit information to Congress and to recommend for its consideration such measures as he deems necessary and expedient. Nothing more is authorized. Nowhere, by word or implication, is the President given leave to use the power and prestige of his office to lash Members of Congress into obedience to his will. He is authorized to recommend, not command, enactment of laws. If, after submitting facts and recommendations, he would leave the responsibility for legislation squarely on Congress where it belongs, and content himself with giving advice, that would go far to relieve him of undue burdens.

Nor would renunciation of such accretions to the office impair its proper position and influence. From the beginning, the sphere of the presidency, within its plain constitutional limits, was enough to excite the ambition of men of stature and renown. With the extraordinary growth of our Nation, competent administration of the undiluted functions of the office is enough to tax the most eminent ability. He is charged with the duty of enforcing obedience to law; of managing all executive departments, among which our colossal military establishment is alone an enormous task; of being the agency for contact and negotiations between our Government and all foreign governments, requiring him to keep watch on what goes on in every corner of the world, and to cope with the mess of international politics into which we have been plunged. In a word, the job held within constitutional dimensions is big enough.

The task, then, is not to find means of accommodating ourselves to the existing puffed-out powers of the presidency, but to cut down the office to its designed size. It can be done if our Presidents cease trying to play the role of prime ministers, and if Congress remains within the boundaries delineated to limit its range. The governmental machinery of 48 States can take up the load if the functions illegitimately assumed by Washington are abrogated.

America has given the world a priceless demonstration tat Federal union, subject to local self-government, can be successfully applied to a gigantic political aggregation, spread over a vast territory, and composed of a population derived from immigrants inured to many diverse ancestral cultures. John Fiske, eminent historian and philosopher, who had so competent a grasp of our constitutional system, put into these few words the essence of the Federal union concept: "How to insure peaceful concerted action throughout the whole, without infringing upon local and individual freedom of the parts * * *." We did that. Yet, particularly in the last quarter century we have allowed that rich heritage to become impaired.

It is a strange aberration which has led the bulk of our people to embrace and approve the prodigious centralization of power in Washington at the very time when big business finds it imperative to adopt a form of organization which accords the largest measure of local freedom to its parts, compatible with concerted action throughout the whole. Take General Motors, for example, a combination of numerous, separate, large business entities. This far-reaching industrial empire could not be well conducted directly from a central office. The management of each component is given the utmost freedom of administration within the scope of its allotted domain and objectives, including competition with associated units, but answerable to the central authority for conformity to directions designed to prevent disharmony and to promote overall success. Thus by this sincerest flattery does big business pay tribute to the essential principles of Federal union embodied in our system of national government nearly 170 years ago, and proved valid in the long test since. Surely in this connection there should be no dissent from Secretary Wilson's declaration that "what is good for General Motors is good for the United States."

The issue involved concerns every future President, whether he is 55 or 75. Not only the accumulated excessive burdens, but also the impossibility of duly discharging the obligations imposed, are detrimental both to the incumbent and the country. The remedy lies in reestablishing the submerged powers of the States, and confining to their designed province the limited functions of the Federal Government.

NATIONAL LIBRARY OF MEDICINE

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SHEEHAN. Mr. Speaker, today I introduced a bill to promote the progress of medicine and advance the national health and welfare by creating a National Library of Medicine.

Similar bills have been introduced in the Senate, and hearings have been held before the Subcommittee on Health of the Senate Committee on Labor and Public Welfare, on April 10–11 of this year. It is my thought that by introducing a similar bill in the House, hearings also could be held by the proper House committee, thus facilitating action on the proposal once the Senate and/or the House decide to consider it.

The bill I have introduced is essentially the same as the Hill-Kennedy bill, S. 3430, with one exception. That is, that in my bill I have specifically designated that this library be located in the City of Chicago, Ill.

The need for such a building was fully brought out over a year ago when the Hoover Commission recognized that the Armed Forces Medical Library collection has become, in fact, a national medical library and should be designated and supported as such. In spite of the fact that the Armed Forces Medical Library represents the greatest collection of medical books in the world and contains a priceless collection of medical literature dating back to 1904, the present facilities for housing this library are totally inadequate. Space is at such a premium that books are set up on old coal bins in the basement of the present quarters. The electrical wiring and steam fixtures are so old that there is always a danger of pipes breaking and circuits being overloaded to such an extent that the library may be destroyed. By no stretch of the imagination does the present building provide adequate fire protection for this valuable collection—as a matter of fact, the structure is in such condition that the material is in constant danger of being destroyed by fire.

At the present time the library receives about 10,000 medical periodicals a year, contains some 650,000 bound volumes and adds another 25,000 volumes a year. Its total collection to date comes to very nearly 1 million items and is so large that part of it at the present time is kept in a separate building in Cleveland, Ohio, over 400 miles away.

It must be remembered that this library is what is known as a mail order library, in the sense that the biggest volume of its loans are micro-film and photostatic reproductions of its collections and over 100,000 of these requests from all over the country are handled each year.

So far there has not been a single dissenting voice raised against the proposal to establish a National Library of Medicine and its proponents besides the Hoover Commission Task Force on Medical Services include, from among a list of many, the Association of American Medical Colleges, The American College of Surgeons, The American Medical Association, the Veterans Administration, the American Academy of Obstetrics and Gynecology, the American Dental Association, the American Hospital Association, and the American College of Physicians, all of whom realize and feel the need for the establishment of such a library housed under adequate facilities and convenient to the country as a whole.

It is recognized that the Armed Forces Medical Library at the present time contains almost all of the advances made in medicine and is unique in its adequacy, as there is no other collection of medical literature that can compare with it in this country, or, indeed, the world. The interest of most of the medical associations in the library is due to the fact that its functional, utilitarian service to medical progress and education is recognized throughout this country. As spokesmen of the American Association of Medical Colleges stated:

> We, as educators, are fully cognizant that any advance in medicine that was ever written down has almost certainly been recorded in this great library.

Dr. William Henry Welch, who is known as one of the four founders of

Johns Hopkins, listed the really great contributions of this country to medical knowledge as, first, the discovery of anesthesia; second, the discovery of insect transmission of disease; third, the development of the modern public health laboratory; and, fourth, the Army Medical Library and its index catalog.

In Dr. Welch's opinion, the library and its index catalog are the most important of the four, and his statement certainly should be the proof of the importance and necessity of establishing a National Library of Medicine.

In my own mind there is not much question of the necessity for setting up a National Library of Medicine in its own building and with facilities which would enable it to be of the greatest possible assistance to the medical profession and to the citizens of this country as a whole. In my opinion, the only problem involved here that might be of a controversial nature is the site of this proposed National Library of Medicine. In order to take matter of location out of the controversial field, I have in my bill specifically designated its location as Chicago, because of the many obvious advantages that city has to offer geographically as well as from the medical standpoint.

One of the most important functions of the library's service is that rendered by mail, which means transmission by both air and rail to all parts of the country. Chicago is the recognized railroad and air terminal of the United States, and of the world. From such a central location, the books, the microfilm and periodicals could be dispatched and returned in the shortest possible time, thus making them available for use by many more groups and individuals.

There is no question that Chicago already is the Nation's No. 1 medical center, in that it has the greatest facilities for medical treatment, education, and research. Forty-one national medical associations and societies maintain their national headquarters in Chicago, and nowhere is there more need for expanded medical library service than in that city.

Dr. Morris Fishbein, formerly head of the American Medical Association, has pointed out that there is "overwhelming argument for relocating the library in Chicago. Chicago is the national headquarters for the American Medical Association, the American College of Surgeons, the American Dental Association, and 38 other national medical groups. More than one-fifth of all the medical men in the Nation have come to Chicago in recent years for postgraduate work and it certainly would be most beneficial to have a library such as the National Library of Medicine located in the center of medicine in the country."

Chicago has dedicated much space to the advancement of medicine, and many new hospital facilities and research facilities are being located in the region as a result of a slum-clearance program and the foresight of Chicago's citizens in developing an area and an atmosphere conducive to medical research and medical practice.

With the acknowledged fact that Chicago is the medical center of the United States, it would seem to me of prime importance to remove the question of location from any possibility of controversy. This would eliminate delay in congressional action on legislation for this much-needed library, and once Congress had authorized its establishment, many months if not years of time would be saved if designation of the site was a provision of the statute, rather than an issue which would obviously bring forth pressure movements and even lobbying on the part of various cities, all trying to "get into the act" by vying for the library site.

SMALL BUSINESS PEOPLE CHOSE TO ENDORSE A TAX BILL WHICH IS GOOD FOR THE WHOLE COUNTRY

Mr. PATMAN. Mr. Speaker, on May 2, I spoke briefly about a letter I had received that day from Mr. Robert I. Black, informing me that a number of representatives of small business organizations had met in Washington to consider various proposals to give tax relief to small business, and that at the conclusion of their considerations these small-business people adopted the resolution endorsing the tax bill which I introduced, H. R. 9067.

Prior to that time I had no communication with Mr. Robert I. Black, either directly or indirectly, concerning any tax proposal. In point of fact I had no knowledge that any meeting on this subject was to take place, or was taking place, prior to the time I received word that a resolution in support of my bill had been adopted.

On May 2, I put Mr. Black's letter into the RECORD, thinking that other Members would be interested in it, since it is now rather widely recognized that the impact of the present tax structure is one tending to fatten the corporate giant and to eliminate small and medium size businesses from the American scene.

Among other organizations listed in Mr. Black's letter as endorsers of H. R. 9067, there was included the name of the Small Defense Industries Association of Los Angeles, Calif. On May 9, I had a letter from Mr. John Marschalk, executive secretary of that association, stating that the listing of his association as an endorser of H. R. 9067 was in error; that his association had not endorsed this bill, and that it does not approve of this bill. It appears that Mr. Marschalk wrote quite a similar letter to the gentleman from Colorado [Mr. HILL] and a letter in a similar vein to Mr. Robert I. Black. For on May 10, the gentleman from Connecticut [Mr. SEELY-BROWN] discussed these two letters from Mr. Marschalk and incorporated both letters, with some excisions, into his remarks.

Today I am in receipt of a second letter from Mr. Robert I. Black telling me "that he pulled a boner" in listing the Small Defense Industries Association of Los Angeles as one of the organizations endorsing H. R. 9067.

TAX PROBLEM IS TOO GRAVE FOR PARTISANSHIP

Mr. Black's letter further indicates the belief that Mr. Marschalk has utilized his boner to try to inject partisan politics into considerations of tax relief for small business. Mr. Black's letter also tells me that the small-business people who have, in fact, endorsed H. R. 9067 are determined that this shall be a nonpartisan or at least a bipartisan issue. I heartily subscribe to his determination. All Members of the House will agree, I think, when they full understand the small business-tax problem, that this problem is too vital to the welfare of our country to be a subject for partisan politics.

Mr. Black's letter points out that under this tax bill, H. R. 9067, not more than 2 or 3 corporations in the country would pay a combined normal and surtax rate which would be in excess of 70 percent, and these would pay a rate of slightly in excess of 70 percent. Furthermore Mr. Black points out that the tax rates on big business, under this bill, could hardly be called confiscatory, as one writer has tried to label them, since for many years prior to the recent repeal of the excess profits tax most of the big corporations, along with tens of thousands of smaller corporations, consistently paid an effective rate of 70 percent and none of these corporations lost their assets during these years, but on the contrary expanded their assets to the greatest amounts in history.

H. R. 9067 NEEDED TO CHECK INCREASING MONOPOLY

Mr. Black's letter likewise tells me that when the small business people considered the various tax bills which have been introduced and decided to endorse H. R. 9067, there a choice was determined not by which tax bill offers the largest tax reduction to small firms, but in fact, one of the tax bills which they considered offers a rate of 10 percent for the smallest corporations, whereas the lowest rate provided in H. R. 9067 is 22 percent. Their choice of H. R. 9067 was determined, Mr. Black tells me, by the fact that this bill is in the general public interest, and its help to small business is secondary to the general public interest; that it will counterbalance the incentives which underlie the wave of corporate mergers now taking place; that it will increase availability of investment funds to small business and thus bring about a general growth of business capacity; that it will provide these and other beneficial results without at the same time shifting any of the tax burden from small business to the consumers.

These are some of the important objectives which the bill was designed to achieve, and I am delighted to learn that small business people have acted in a public-spirited way in endorsing these objectives.

The bill has, however, even greater and more compelling objectives than these, as I pointed out in my statement of February 7 explaining the purpose of the bill. The present structure of corporate and personal incomes taxes is "rapidly bringing about fundamental changes in the structure of business, none of which are good. Among other things, the tax structure is channeling substantially all of the income available for investment in business growth

into a few super giant industrial corporations, and making them investment bankers. These corporations are rapidly taking possession of all of the productive wealth, yet the result is a slowing down of industrial growth and a disappearance of competition upon which our historic public policy depends for regulation of the free enterprise system. Small and medium size firms are being squeezed out."

SMALL BUSINESS PROFITS CONTINUE DOWNWARD

The changes which were made in the tax laws in 1953 and 1954 overwhelmingly favored the big corporations and the high-income families. These facts are reflected in the downward trend of small-business profits and the upward trend of big business profits since 1952. We now have results of the Federal Trade Commission and Securities and Exchange Commission financial reports of manufacturing corporations for the year 1955, and it is quite disturbing to me to note that profit rates of the bulk of the corporations, those at the lower end of the size scale dropped again in 1955 from the very low rates of 1954, which in turn had dropped from the rate earned in 1953, which in turn had dropped from the rate earned in 1952. The profit rate of the corporation is taken to be the corporation's profits, after taxes, as a percent of the stockholders' investment, or equity, in the corporation. Profit rates computed in this way reflect the net return to stockholders as a percentage of their investment in the corporation. Since 1952 profit rates of the smallest size group of corporations—those with less than $250,000 of assets—have been steadily going down, while profit rates for corporate giants—those with more than $100 million of assets—have been going steadily up. Year by year comparisons are as follows:

Profit rates after taxes

Year	Corporations with assets of—	
	Less than $¼ million	More than $100 million
1952	9.3	11.8
1953	6.8	12.1
1954	3.2	12.1
1955	2.2	14.6

BIGGEST CORPORATIONS HAVE BIGGEST PROFIT RATES

Perhaps the simplest way of comparing the changes in profit rates which have taken place since 1952 is to express the rates for each of the various smaller size groups of corporations in terms of percentages of the profit rates of the top size group. In other words, the 9.3 profit rate for the smallest corporations in 1952 was 78.8 percent as great as the profit rate of the corporate giants in that year. By the same token then in 1953 the profit rate of the smallest size group fell to 56.2 percent of the rate earned by the top size group; and in 1954 it fell to 26.4 percent, and last year, 1955, to a meager 15.1 percent. Similar comparisons for all of the various size groups of corporations for which data available are shown below, and in each case the profit rate of the size group being expressed as a percentage of the profit rate of the top corporations in that year:

Corporations with assets (expressed in millions)	1955	1954	1953	1952
	Percent	*Percent*	*Percent*	*Percent*
Over $100	100.0	100.0	100.0	100.0
$50 to $100	78.8	71.9	77.7	83.9
$10 to $50	75.3	71.9	81.8	82.2
$5 to $10	66.4	61.2	76.0	74.6
$1 to $5	61.6	46.3	62.0	67.8
$¼ to $1	57.5	52.9	58.7	61.0
Less than $¼	15.1	26.4	56.2	78.8

The above comparisons are based exclusively upon what are called profits. Actually, of course, the real net return to a corporation includes not only what the accountants put in the profits column, but also what they put in the column headed "Depreciation." The latter is in theory a return of money previously invested, while profits are net gains from money still invested. I venture the guess that if we compared both profits and depreciation combined, we would find even a greater difference between the uphill and downhill trends, as between big and small corporations since 1952.

GROWING CENTRALIZATION OF BUSINESS

Such overwhelming differences between the after-taxes profits of the larger and smaller corporations is, of course, bringing about a centralization of control over business, and a rapid monopolization of business. As I pointed out on February 7, the few corporations in the class of corporations having each more than $100 million of assets already held a high proportion of all the country's assets at the end of 1952. The proportion was, in that year, 52 percent. By June 30, 1955—2½ years later—the proportion had risen to 57 percent. In other words, if we assume that the same rate continues, and we rule out the very great likelihood that the rate will accelerate, then it will be only 20 years before all of the assets of corporations in the manufacturing field will be held by giants in the over $100 million asset class.

For the interest of the Members, Mr. Black's letter of May 14 is reproduced in toto, as follows:

MAY 14, 1956.

Hon. WRIGHT PATMAN,
Chairman, House Small Business Committee, House of Representatives, Washington, D. C.

MY DEAR MR. CHAIRMAN: I have read the CONGRESSIONAL RECORD of Thursday, May 10, 1956, and noted the letters of Mr. John Marschalk's in which he disclaims, contrary to my letter to you of May 2, 1956, that the Small Defense Industries Association of Los Angeles, Calif., has joined in endorsing the Patman tax bill, H. R. 9067.

Prior to the meeting in Washington at which the representatives of the small business organizations considered the various pending bills for small business tax relief, I had had a number of conversations with Mr. Marschalk, and I understood him to have an uncompromising preference for H. R. 9851, a bill which incorporates a tax schedule which Mr. Marschalk designed. However, I also had conversations and letters with some of the directors of Mr. Marschalk's organization which I interpreted as giving me proxy to list Mr. Marschalk's organization as a supporter of whichever of the various bills a majority of the group meeting in Washington decided to endorse. I will not now pursue this point however, but will simply state that I pulled a boner in listing the SDIA as one of the endorsers of H. R. 9067.

I sincerely regret any embarrassment that this incident may have caused you personally; and I particularly regret, from the standpoint of the welfare of small business, that Mr. Marschalk has utilized my boner to try to inject partisan politics into a matter so vital to small business, and to engage in misleading interpretations and highly unjustified characterizations of your tax bill.

Of all the small business people with whom I have discussed the tax proposals, Mr. Marschalk is the only one to hold out for a partisan political approach to this matter, or to have injected a partisan political approach in the first place. Before the Washington meeting I did have some apprehension that partisan considerations might come into our problem, from men of either or both political parties. In my conversations with Mr. Marschalk, he had violently objected to what he called getting behind a Democratic bill.

When the small-business people actually met together in Washington, however, one thing became immediately clear: they were acting solely as businessmen, and no partisan politics entered into our consideration at all—except that we made a determined resolve to keep this issue nonpartisan or bipartisan. Without naming names and attaching party labels, I could point out, for example, that the committee which drafted the resolution adopted in support of your bill was made up of two men who are quite prominent in the Republican Party, and two men who are prominent in the Democratic Party.

Mr. Marschalk was unable to be at this meeting—although he was invited and had in fact indicated a willingness to attend the meeting if it could have been set at a different date—and unfortunately, he is unaware of the nonpartisan or bipartisan spirit which prevailed among us, and which still prevails among us.

Referring now to an informal proxy which I received from the Honorable Walter Ploeser, I believe that since Mr. Ploeser is a former Republican member of the House and a former chairman of the House Small Business Committee, he would not object to my quoting from his letter to me. Mr. Ploeser analyzed the various tax bills on their merits and wrote me that he liked the Seely-Brown bill as the better of those submitted, and that he liked the Patman bill as a second choice. Then with no reference, and with no apparent consideration whatever to any partisan political angles, Mr. Ploeser concluded with the following:

"From a political and economic standpoint, it seems important to me that whatever review of the tax laws is made in behalf of small business, it is important that it affects the revenue of the Government as little as possible. Of course, preferably no reduction in revenue. In this regard I like both the Seely-Brown and Patman bills and I would be satisfied with either of them unless you have a better recommendation or can work out a combination of the two which is better."

In his publicly released letters last week, Mr. Marschalk referred to a 75-percent tax rate which would allegedly apply to the bigger corporations, under your bill, and characterized this rate as confiscatory. His references are highly misleading, in two respects.

By adding the maximum normal tax rate and the maximum surtax rate provided in your bill, one does of course get a combined rate of 75 percent; but it should also be pointed out that under your bill the actual effective tax rate would approximate 75 percent only in the case of a corporation

whose taxable income was in the neighborhood of $15 billion. And of course no corporation of anything like this magnitude exists. The greatest corporate income is, I believe, in the neighborhood of $3 billion, and there are not more than 2 or 3 corporations in the country that would expect to pay rates in excess of 70 percent, and these only slightly in excess of 70 percent. For many years prior to the recent repeal of the excess profits tax, these corporations, along with tens of thousands of smaller corporations, consistently paid an effective rate of 70 percent. The results could hardly be called "confiscatory," since these corporations did not lose their business but, on the contrary, expanded their assets by the greatest amounts in history.

Many of us, I suspect most of us, who finally decided upon your bill as the best of those which have been introduced, reached this decision not on the basis of which bill offers the most tax relief to small business, but on the basis that your bill would best serve the general public interest and accomplish the objectives which you set forth for the bill. If we had been doing otherwise, we would have chosen one of the other bills, which offers an effective rate of 10 percent on the smallest corporations, whereas the lowest effective rate provided in your bill is 22 percent.

We felt, however, that to have general public support, the bill we endorsed should be one which would give general public benefits, as the unique features of your bill would do. For example, only your bill provides a rate which is graduated throughout the entire size range of corporations, and it is the only bill which would tend to counterbalance the incentives behind the present wave of corporate mergers. Checking the merger wave is definitely in the public interest.

As another example, it is apparent that the other bills we considered, while they would lighten the tax burden on small firms, they would also have the effect of shifting this burden, in larger measure, to consumers. The effect of raising the tax rate on the big-company industries, and at the same time maintaining a flat, or nongraduated rate for the various-sized firms in those industries, would, in many instances, merely result in increased prices to consumers. We are not looking for ways to shift a part of the tax burden from small business to consumers, but to shift to some extent the availability of investment funds which are presently available almost exclusively to the corporate giants.

In closing let me say that all of the people listed in my previous letter as endorsing your bill have received Mr. Marschalk's public letters and, as a result, substantially all of these people have communicated to me a reaffirmation of their endorsement of your bill. Several of these people have in fact told me that they are more than ever convinced of the rightness of our action in endorsing a bill which is unquestionably in the public interest, and which would do a tremendous good for our whole country. We believe the general public will overwhelmingly favor H. R. 9067 and that Congress will pass this bill.

I am

Sincerely yours,

ROBERT I. BLACK.

ANSWERING CRITICISMS OF HOUSE SMALL BUSINESS COMMITTEE

The SPEAKER. Under the previous order of the House, the gentleman from Tennessee [Mr. EVINS] is recognized for 40 minutes.

Mr. EVINS. Mr. Speaker, as we all know, the problems of small business are numerous and seemingly increasing daily. The Congress, over the years, has recognized this fact and the importance of maintaining our free-enterprise system and competitive economy. The Congress has repeatedly shown its interest in assisting small business by establishing special and select committees of both the House and the Senate—to give continuing study to the problems of small business and to assist in many ways.

As I say, we all recognize that the problems are many. The solution of these problems is made more difficult when members of the committee inject partisanship into our deliberations and when members make charges against diligent efforts to do something constructive about the needs of small business and the problems with which they are confronted.

We who are occupied and concerned with the problems of small business must take time out to answer accusations made against the work of the House Small Business Committee—recently leveled at several of the subcommittees and unnamed subcommittee chairmen.

I say we must take time out to answer these charges, for our failure to do so would leave unanswered many inaccuracies recently inserted in the RECORD and several inferences of bad faith and improper motives on the part of members of the majority of the House Small Business Committee.

Mr. Speaker, on May 2, last, our distinguished colleague, the gentleman from Colorado [Mr. HILL], the ranking minority member of the House Select Committee on Small Business, inserted in the RECORD at page 7363 and following an extended speech entitled "The Select Committee on Small Business, House of Representatives, Past and Present." It should be pointed out that our colleague did not deliver the statement although he had reserved time to do so. As I have stated, he merely inserted it in the RECORD. Therefore, opportunity was foreclosed to any and all who disagreed to anything contained in his statement to enter any disagreement or make any comment thereon at the time.

The gentleman from Colorado [Mr. HILL] has sharply criticized the committee of which he is a member. His principal criticism is leveled at the investigations undertaken by the committee.

I assume that we are to understand from Mr. HILL's criticism that we are to do nothing, that the committee should be inactive, that we should just sit steady in the boat and ride out this session of Congress, and that we should not make any investigations nor perform any service. I am sure our colleague [Mr. HILL] recalls that when the Select Committee was organized at the beginning of the 84th Congress, the distinguished gentleman from Texas, Hon. WRIGHT PATMAN, our chairman, whom we all admire and whom we must recognize as a sincere champion of small business, in fact I am sure he is generally recognized as one of the outstanding leaders of small business, not only in the House but in the Nation, announced the program of investigation and work to be undertaken by the committee. The gentleman from Texas [Mr. PATMAN] also announced that it would be his purpose to assemble the best and most capable staff possible and for the committee to be active and render a constructive service.

I shall not take the time of the House to go into any length regarding the background and the capabilities of the staff selected, but suffice it to say that the committee selected an able and outstanding staff and the staff has been rendering capable and valued service.

When the subcommittees were organized at a meeting of the full committee, the program for the committee and each of its subcommittees was outlined at that time, including the plans for investigations and studies to be undertaken. Mr. Hill was present. A detailed statement was read by each subcommittee chairman, specifically outlining the investigations to be conducted. No criticism was offered by our colleague [Mr. HILL] at that time. In fact no criticism was heard regarding the investigations planned by the committee.

It is certainly disappointing indeed at this late date to now hear criticism coming from our colleague of the very considerable constructive work performed.

The general overall impression one gains from reading Mr. HILL's statement—an impression which one cannot escape—is that the GOP and the Republicans are the true friends of small business and that all the good work undertaken in the Congress in the past many years in behalf of small business has been achieved by the Republicans.

My friend the gentleman from Colorado [Mr. HILL] speaks of his own contribution as a Republican member of the committee and we all must agree that his contribution has been considerable. I would not want to charge my friend with being partisan, but I must say that his statement smacks of partisanship.

Our colleague [Mr. HILL] also refers to the contribution of Mr. Len Hall, the chairman of the Republican National Committee, and of the fact that Mr. Hall once served as a member of the House Select Committee on Small Business. He also refers to the service on the committee of several of our Republican colleagues, including the minority whip, the gentleman from Illinois [Mr. ARENDS], the gentleman from Michigan [Mr. HOFFMAN] among others. In fact, our colleague [Mr. HILL] only mentions one Democratic member as having served on the committee, namely, the gentleman from Texas [Mr. PATMAN], and many references with respect to the chairman of the committee are not complimentary.

So, I will say that one can find, if he looks closely, some considerable degree of partisanship in Mr. HILL's unfortunate remarks. He uses his appeal for fair play to mask his partisan motives.

As I have been honored to serve as chairman of the Subcommittee on Regulatory Agencies and inasmuch as the work of my subcommittee has been singled out for criticism among others, I want to state that I have fully endeavored to discharge my duties and responsibilities. I hasten to add that I have done so in an effort to be constructive and to bring about beneficial results to

the small business of the Nation and in the public interest.

Our colleague has indicated that my investigation of the organization and operation of some of our regulatory agencies, namely the Federal Trade Commission, the Federal Power Commission and the Federal Communications Commission, was— to use his own words—of "little or no concern to the Small Business Committee." He repeatedly has asserted that there appeared to be no connection between investigations of these agencies and small business problems. The theme of his statement seems to be "Where is the small business angle?"

It is astonishing that the ranking minority member of our committee apparently is not aware of the fact that these agencies—our so-called independent commissions—in their actions and decisions daily affect the lives of all segments of our economy, both big business and small business.

It is certainly my duty to inform my colleague that these agencies do have a pronounced effect upon small business.

The Federal Trade Commission is often referred to as the small-business agency of the Government. The Commission is charged with the duty of enforcing laws to prevent unfair methods of competition and protecting the public interest against the growth and expansion of monopoly. The Commission is vitally concerned with every segment of small business of the Nation and consumer interest of the country. The manner in which the Federal Trade Commission is organized and operated is therefore of paramount importance.

The Federal Power Commission is charged with the duty of making decisions relating to the granting of licenses for power development projects and concerning gas and electric rates charged to consumers and the Government. The manner in which the Federal Power Commission is operated is of importance to consumers, small business, and our entire economy.

Allegations were made to our committee that certain rate schedules which the Federal Power Commission had permitted to go into effect discriminated unfairly to the disadvantage of small businesses and in favor of big business enterprises. That was alleged particularly with reference to the St. Louis area where small business users were being compelled to pay rates charged by large competing business concerns.

It is indicated that our investigation with respect to the Federal Power Commission was concerned with the now infamous Dixon-Yates deal. I want to state that while our investigation was not primarily concerned with this matter that phases of the Dixon-Yates contract developed during our investigation—I should add entirely new matter that had not been previously disclosed. It was determined that the Acting General Counsel and the Assistant General Counsel of the Federal Power Commission both prepared extensive legal memoranda opposing the Dixon-Yates contract early in the stages of its negotiations. These memoranda which opposed the contract and which pointed out the fact that they were one-sided and indicated that the Government interest was not fully protected and further that it appeared that the Government's interest could possibly be vetoed in any arrangement with the private power interests. These legal memoranda condemning the contract were suppressed and, of course, not initially followed. I am sure that my colleague would not oppose our committee collaterally protecting the public interest.

Concerning the Federal Communications Commission, it is significant to point out that this Commission affects small business in many ways. The Federal Power Commission is charged with the duty of granting franchise licenses to small radio broadcasting operators and the Nation's new and growing television industry, as well as other means of communication. The Commission, as everyone knows, has virtual powers of life and death over all enterprises engaged in the communications business.

I shall endeavor to deal with some phases of each of these commissions' operations separately and individually as time permits.

In order to more fully inform the Members of the House concerning our answer to the question, How does an investigation of these agencies affect small business?—I would like to state with respect to each agency investigation a full statement of the purpose of the scope of the inquiry will be included in the RECORD. It should be pointed out that the Rules of the House, as amended by House Resolution 151, March 23, 1955, require:

> The chairman at an investigative hearing shall announce in an opening statement the subject of the investigation.

Perhaps my statements will not satisfy our distinguished colleague from Colorado because in his recent attack he said:

> The announced purpose of these hearings has seldom been followed and at times they have been concluded after touching on practically every subject but without proper exploration of the announced subject.

Therefore, it appears that our distinguished colleague from Colorado has concluded—without examining the evidence—that the evidence adduced at these hearings fails to have anything of any significance to small business. Concerning the manner in which the Federal Trade Commission is organized and operated, this appears to be true despite the fact that this Commission is charged with the duty of administering and enforcing laws vitally affecting small business. The staff and members of the committee are continuing our study of all the evidence adduced at these hearings. No final conclusions have been reached by the committee so precipitantly as our colleague, Mr. HILL, reached when he concluded that the Federal Trade Commission and other agencies should not have been investigated. He does not want any investigations.

While a complete report containing conclusions and recommendations has not yet been submitted by the committee, the committee does have a record of evidence. I wish to inform the Members of the House of some of the highlights of the evidence adduced during this investigation.

The staff of the committee, on January 2 of this year, presented to the chairman a report entitled "Summary of Federal Trade Commission Antitrust Complaints." This report contained a showing that the Federal Trade Commission in its enforcement of the Clayton Antitrust Act, as amended by the Robinson-Patman Act, has trained its antitrust guns away from big monopoly elements in the country and leveled their sights at numerous small matters. I commend the reading and study of this significant report.

I have been assured that members of the staff who prepared this report checked and double checked the factual information upon which it is based. The report was immediately made available to the Federal Trade Commission. We must assume that members of the Commission and its staff are sufficiently expert to determine whether that report contains errors. One month after the Commission had that report available to it, a member of the Committee on Small Business of the House, our distinguished colleague from Illinois [Mr. YATES], in his capacity as a member of the Appropriations Committee, inquired of officials of the Federal Trade Commission, in referring to the computations contained in that report and as announced by Mr. PATMAN, by asking, "Is this computation correct?"

The answer to that question as made on behalf of the Federal Trade Commission by its Executive Director, Mr. Alex Akerman, is as follows:

> Mr. AKERMAN. His computation, I am sure, is correct. (P. 1328, hearings, Independent Offices Subcommittee on Appropriations, House of Representatives, February 3, 1956.)

Despite this showing of accuracy of the committee report—and which was confirmed by the Commission's Executive Director—our colleague in an attempt to criticize the report observed that the information was gathered by members of the staff of the committee from various companies rather than from the Commission itself. He is correct in this regard. When the staff of the House Small Business Committee asked to be informed by the Federal Trade Commission concerning the matters which are set forth in this report, the Commission replied that it did not have in its files the needed information about the size of the companies against which it had proceeded. Therefore, the staff of the House committee asked each of the companies to supply information about its size. Was it wrong in doing this? The Commission apparently had not considered it worthwhile to ascertain whether it was proceeding against big business or small business when it instituted its charges against business concerns.

Now our colleague tells us we should not have made any effort to ascertain whether the Commission was derelict in turning its guns toward small business rather than monopoly interests.

Our distinguished colleague, the gentleman from Colorado, questioned the propriety of the Select Committee on

Small Business in inquiring of the Federal Trade Commission about a reorganization that had taken place in that agency. It should be noted, as indicated in my opening statement, that news reports and business trade journals indicate that significant policy changes were being effected at the Commission.

In the June 5, 1954 issue of Business Week there appeared an article under the title "Republicans Reshape FTC." That article then went on to state that the new Republican chairman of the Federal Trade Commission was moving to reorganize that agency, was shifting personnel, and changing its policies so as to make it difficult for Government lawyers not only to win cases brought in the interest of the public, but even to try such cases. Complaints had been received by our committee that many employees of the Commission with many years of service and who were strong in their efforts to enforce the laws committed to the Commission were reassigned, removed from their positions, and replaced by untrained employees who did not have the same regard for the laws which were designed to protect small business. Perhaps our colleague did not attend the hearing before our committee when the chairman of the Federal Trade Commission testified that he had in fact reorganized the FTC from top to bottom. The testimony taken before our committee also discloses that Mr. Edward F. Howrey, the then chairman of the Federal Trade Commission admitted that he was under pressure from the Republican National Committee to find jobs for persons who were applying to the Republican National Committee for help. The record of evidence before our committee shows also that Mr. Howrey became chairman of the FTC on April 1, 1953 and that within a few months thereafter more than 60 of that agency's staff members had been separated. These were lawyers, accountants, economists—trained staff members. Very quickly they were replaced by newly appointed untrained personnel.

Let us not forget that the Federal Trade Commission is supposed to be nonpartisan and independent of political control. Remember also it is an agency enforcing a number of laws that vitally affect small business. Testimony before our committee showed that when Mr. Howrey was reorganizing that agency by firing long-term personnel right and left, morale of the staff dropped to a new low. One witness testified that on the occasion of his visit to that agency, he noted that employees were terror stricken. Recently a master for a United States district court made a finding in a case brought by one of the employees who was discharged during that period of time. That employee was a veteran. In the finding by the Master for the court is a statement to the effect that error was made in the establishment of retention registers in connection with the Commission's reduction in force in 1953. The following statement was made:

> The Commission has done indirectly that which it cannot properly do directly. (See Civil Action No. 37155 in the United States District Court for the District of Columbia.)

More recently, namely on April 26, 1956, the Board of Appeals and Review of the United States Civil Service Commission announced that it had completed its consideration of an appeal which had been made by another employee of the Federal Trade Commission who had been discharged. In that connection, the United States Civil Service Commission stated:

> As a result of this consideration, it's the decision of this Board that the removal action was not justified and is not shown to be for such cause as will promote the efficiency of the service.

It is obvious that as a result of the manner in which this reorganization took place the prosecution of antitrust cases was impeded and the degree of protection afforded small-business men was diminished.

Our investigation disclosed that for several years the Commission conducted an investigation of several of the major tire manufacturing companies in the country; and that apparently no action was contemplated by the Commission to correct the illegal facts disclosed—the monopolistic practices disclosed thereby—however, I feel that because of our inquiry into this situation the Commission thereafter did take action in the public interest.

It would be difficult to find among cases handled by the FTC any case in which the welfare of small merchants and small business are more involved or more affected than in these tire cases. The small business interest was patent.

When we take into consideration these few highlighted facts—the discharge of experienced personnel—the press reports—the inept reorganization of the Federal Trade Commission—the failure to move decisively and to take appropriate action in monopoly cases and cases vital to small business, I am sure my subcommittee and its investigation does not warrant the criticism by the gentleman from Colorado.

Do we warrant the criticism of our colleague when he referred to the fact that our subcommittee had inquired into the matter of expenditure of funds by the Federal Trade Commission in the buying of expensive rugs for its highly placed, newly appointed personnel at a time when the agency was informing our committee and other committees of Congress that it did not have sufficient funds with which to investigate antitrust cases and matters complained about by small business.

I say to you that the Commission was not justified in making large expenditures of money for luxury for its personnel at the neglect of antitrust law enforcement and investigation of complaints of small business.

Gentlemen, the small business angle is in the complaints of many independent businessmen who have made their complaints known to the House committee and also who have been pleading with the Federal Trade Commission that this agency help protect independent business from monopolistic actions and practices.

The detailed evidence shows that the overall investigation of the Federal Trade Commission was a most wholesome one. It was constructive. It was designed to be helpful and to bring about exposure of prevailing practices and to effect improvement in the work of a great agency of Government in the interest of consumers, small business and our competitive economy. I am personally proud of the accomplishments of this investigation. Many members of the staff of the Commission have applauded the work of the committee. Several members of the Commission—Commissioners themselves—have indicated that the investigation was wholesome and beneficial in the public interest.

It is significant to point out that former Chairman Howrey resigned from the Commission following the investigation. Mr. Howrey, a very able corporate lawyer, has now returned to his corporate law practice, after having succeeded in placing in key positions within the Commission friends whom he appointed.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. EVINS. I am pleased always to yield to my chairman.

Mr. PATMAN. First, I want to congratulate the gentleman on the very fine statement he has made. It means a lot to me, knowing the gentleman is so sincere and honest in his efforts to help the small-business concerns of this country. I do not know of any chairman of any committee who has worked harder and has been more effective in doing things for the small-business concerns of the United States than the gentleman who is now addressing this House.

The gentleman has just mentioned a question about which I know just a little, something that his committee brought out, that when Mr. Howrey, a very prominent lawyer here in Washington, D. C., representing clients all over the United States of America, whose principal business is before the Federal Trade Commission, was appointed chairman of that Commission, those of us who knew something about the workings of the Commission and Mr. Howrey's connections were shocked. We could not understand why a man like that would be selected.

When he came before the Senate for confirmation the Senators were curious about his connections. One of them asked him if he expected to serve out his term of 6 years, and he said that he did expect to serve out his term. Upon the basis of that representation the Senate confirmed him, expecting him to carry out his word and stay there 6 years. But instead he stayed there about a year and a half, just long enough to place in key positions of power and influence, the bottleneck positions, the places where everyone had to go in order to get things done, people of his selection, of his choice. As soon as he got all these positions filled he went into private practice again to practice before the very people who are in these positions by reason of his recommendations.

I again commend the gentleman on his very excellent statement, and I back up every word he says.

Mr. EVINS. I thank my friend and distinguished chairman for his remarks. I may state, as I have said earlier and as we all know and recognize, that the gentleman from Texas [Mr. PATMAN] is the genuine, real champion of small business in this country. He is certainly recognized for his great contribution in this field.

A distinct public service has been rendered by this investigation and I am sure that all but the most partisan will agree that accomplishments have been achieved. The morale of the Commission has been improved or restored and I personally believe that this great agency, under the direction of our former colleague, now Chairman John W. Gwynne, is being operated with considerable improvement in the public interest. I only wish my colleague and friend from Colorado had heard the testimony rather than criticising the work of his own committee.

A considerable amount of criticism is leveled by our colleague about our investigation with respect to the organization and operation of the Federal Communications Commission. With respect to this agency, he again asked, "Where is the small-business angle?"

May I respectfully refer our distinguished colleague from Colorado to testimony which was given by the Governor of his State—the Governor of the great State of Colorado—who in testimony before the Interstate and Foreign Commerce Committee on April 24, last, stated:

> It is imperative that this Nation shall have (1) an equitable and fair distribution of television facilities, and (2) a competitive system that will avoid monopolies in the industry and among the big advertisers that use it. * * * It is readily apparent that our present television system falls far short of these objectives.

The Governor of the State of Colorado lent his voice to the voices of many small-business men who have testified before my subcommittee to the effect that the Federal Communications Commission has failed to give appropriate consideration to their pleas and that the Commission has failed to take steps to protect howetown broadcasters and small business in the communications field in various communities—from the stranglehold of big business and the national network systems.

Likewise, in testimony before our committee, information was adduced which bears on the question of whether or not the major national networks are in fact gaining a stranglehold on the broadcasting and telecasting industry, under the unwatchful eyes of the Federal Communications Commission. No one can deny that it is the responsibility of the Federal Communications Commission to provide a watchful eye over the communications industry and to act to prevent monopolies. Our inquiry in this field, although limited, has been constructive. The hometown broadcasters, independent operators, and small daytime radio station companies are complaining against prevailing policies of the Federal Communications Commission, and relief in the matter of administration and legislation is needed in the public interest.

I would point out to my friend that on April 30, last, the Honorable JOHN W. BRICKER, United States Senator from Ohio, submitted a report to the chairman of the Committee on Interstate and Foreign Commerce of the Senate entitled "The Network Monopoly." The opening sentences in this report are as follows:

> Two networks—Columbia Broadcasting System and National Broadcasting Co.—have an unprecedented economic stranglehold on the television industry. Effective competition is stifled under this yoke of economic domination. The result is a private monopoly.

Notwithstanding the appeals made by small radio and television operators to the House Small Business Committee and notwithstanding the report just mentioned by the distinguished Senator from Ohio, the Federal Communications Commission has not to date acted to stop this march to monopoly.

As recently as May 3, 1956, one of the leading officials of an association of small-business men in the communications industry has appealed to our committee to press its investigation further into the operations of the Federal Communications Commission—to endeavor to further find out why this agency is not acting to give segments of small business in the communications field the relief to which this industry is entitled.

As chairman of the Subcommittee on Regulatory Agencies, I am sure our investigation has served to highlight the prevailing practices of these agencies so vital to small business. Our committee supplements but does not conflict with other committees. The responsibility for moving to secure legislation dealing with such matters rests with our legislative committees and these committees are now giving attention to the facts which our investigation brought to light. The Small Business Committee, possessing wide jurisdiction, is, as we all know, essentially an investigative committee. There are those who do not want any investigations made. The fact that our investigation in the interest of small business has been criticized is indicative of the fact that at least some important facts have been brought to light which our critics would have preferred remain undisclosed.

Criticism is often the reward for positive and affirmative action.

ANSWERING CRITICISMS OF HOUSE SMALL BUSINESS COMMITTEE

The SPEAKER pro tempore (Mr. WRIGHT). Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 20 minutes.

Mr. PATMAN. Mr. Speaker, my distinguished colleague, the ranking minority member of the Select Committee on Small Business, the gentleman from Colorado [Mr. HILL], put into the CONGRESSIONAL RECORD on May 2, a rather remarkable attack upon his Democratic colleagues on the Small Business Committee.

The main burden of the remarks of the gentleman from Colorado [Mr. HILL] is that the majority on the committee are simply trying to make partisan politics and not help small business. He admonished us numerous times that the sole effort of the committee should be to help small business and that none of us should, at any time, be guided by any partisan motives when the welfare of small business is at stake.

As you know, Mr. Speaker, and as I think all Members of the House know, small business has for some years been involved in a legislative issue which small-business people regard as the life or death issue. This is the question of passing H. R. 11. There is a petition on the Clerk's desk to call up H. R. 11, and small-business people of all kinds and from all parts of the United States have been pleading with their friends in the House to sign this petition, so that the bill can be considered and passed during this session of Congress. The best brief answer I can give to my distinguished colleague's plea that the Members of the House should not let partisan considerations enter into questions of helping small business, is to take the liberty of quoting from a letter which the gentleman from Colorado [Mr. HILL] wrote to one of his constituents in reply to his constituent's plea that he sign the discharge petition to bring up H. R. 11. My distinguished colleague [Mr. HILL] told his constituent that this was a Democrat matter, he would be foolish to sign the petition, saying:

> Since this is a Democratic Congress, controlled by the Democrats, and this petition was filed by a Democrat, it is up to them to get the legislation on the floor for action and not the Republicans.

Now I leave it to the small-business people of the United States to decide whether my distinguished colleague the gentleman from Colorado [Mr. HILL] is putting the welfare of small business ahead of partisan politics.

There is one reminder I might add before leaving this matter. When I filed the discharge petition to bring up H. R. 11 on March 8, 1956, I invited bipartisan support; and to set the record straight, I pointed out at that time that the score as between Democrats and Republicans on this issue was precisely even—that neither one had done right by small business. More specifically, I pointed out that while I had introduced a similar bill to H. R. 11 during the Republican controlled 83d Congress, the Republican controlled Judiciary Committee had never given that bill consideration, it was also true that H. R. 11 had been introduced on the first day of the present Democratic controlled Congress, and that the Democratic controlled Judiciary Committee had also not given the bill consideration.

CONSULTATION ON THE COMMITTEE'S FUNDS AND PROGRAM

If the gentleman from Colorado [Mr. HILL] had read his statement before inserting it in the RECORD, I am sure that he would have caught and corrected

some of the misstatements of facts having at least to do with the Administration of the Small Business Committee. For example, my colleague [Mr. HILL], speaking of the committee's request for funds, said:

The minority was not consulted beforehand on any of these requests for funds.

And my distinguished colleague [Mr. HILL] also made similar complaints that the minority had not been consulted in advance or given an opportunity to advise on the committee's work program.

On January 30, 1956, several members of the Small Business Committee went before the House Administration Committee to discuss both our work program and request for funds. These members included our distinguished colleague [Mr. HILL] and the next ranking minority member of our committee, the gentleman from New York [Mr. RIEHLMAN]. The transcript of the hearings before the House Administration Committee on January 30 read in part, as follows:

Mr. RIEHLMAN. I would say, Mr. Chairman, if you will yield at that point, that we did agree and I think Mr. HILL—I do not speak for the ranking minority member—but Mr. PATMAN has said that there was a concurrence on our part in respect to it.

Mr. PATMAN. We spent 2 or 3 hours on it.

Mr. RIEHLMAN. We went over very thoroughly the program we lined up for the remainder of the session of this Congress and the chairman was gracious to consent to give us an extra employee on our side and some increase in salary. I think that should be taken into consideration.

Mr. PATMAN. And recognize the minority.

Mr. RIEHLMAN. That is taken into consideration with respect to an amount of money we are asking for.

* * * * *

Mr. FRIEDEL. Did you concur with the request for $160,000?

Mr. RIEHLMAN. With the understanding we have Mr. PATMAN on the other side.

* * * * *

Mr. HILL. Mr. PATMAN is chairman and he set up the funds. Of course, the responsibility is his to keep these investigations going and let me say that regardless of what we say to the preceding Small Business Committee, one committee has to build on the past. So if we have a continuation of this committee in the next Congress, much of this work that is done will continue on regardless of whether the Congress is Democrat or Republican. So I feel that Mr. PATMAN knew what his committee could do and we thought it was a little high but that is his job as chairman of this committee to ask for funds sufficient to keep the committee in good shape and going on its work until the 1st of January, 1957.

MINORITY COOPERATION

I note that on April 26, 1956, the gentleman from Colorado [Mr. HILL] and the other four minority members of the Small Business Committee simultaneously introduced identical bills to amend the Renegotiation Act of 1951. These bills numbered H. R. 10859 through 10863. This action on the part of all of the minority members was without, I believe, any consultation with the majority members of the committee or any consultation with the committee staff on the small-business problem which these bills purport to deal with. I hardly think this instance shows the kind of cooperation from the minority members which the gentleman from Colorado [Mr. HILL] insisted on May 2 that the minority should receive from the majority members.

I, for one, would have been delighted to have worked with the minority members in drafting a bill to amend the Renegotiation Act of 1951 to assist small business, although I could not subscribe to the bills which the minority members introduced. If the minority had given us an opportunity to help out on this matter, I could have pointed out that while the bills they introduced contained little more than a speech for small business, these bills also contained proposed amendments which would provide a certain and definite bonanza for big business.

The gentleman from Colorado [Mr. HILL] also made a number of complaints about the investigations made by several of the subcommittees of our committee, and some of the questionnaires which have been sent out. The complaint is, as I interpret it, that my colleague does not understand the relationship between these investigations and questionnaires and the welfare of small business. I will leave it to the respective chairmen of our subcommittees to explain these relationships.

There are however a few complaints which fall to my lot to answer.

There is a complaint for example about a staff report covering the antitrust complaints issued by the Federal Trade Commission. I will insert my press release on that staff report at the end of my remarks as exhibit 1. I believe that this will speak for itself.

REPUBLICANS WERE NONPARTISAN IN CRITICIZING DEMOCRATIC ADMINISTRATIONS

On May 9, another minority member of the Small Business Committee, the gentleman from New York [Mr. RIEHLMAN], made a speech elaborating on the previous attack from the gentleman from Colorado [Mr. HILL]. The gentleman from New York [Mr. RIEHLMAN] elaborated on the theme that the Small Business Committee is now bipartisan in its approach. He made the claim that prior to the present Congress the committee had always been nonpartisan in its approach to small business, and by way of supporting this claim he cites a great number of instances when the committee issued reports criticizing the Federal agencies during Democratic administrations, and while I was chairman of the committee. He did not cite, however, any report issued during the Republican controlled 83d Congress that was critical of any executive agency. I believe that the gentleman from New York [Mr. RIEHLMAN] has fully answered his own complaint, as well as that of the gentleman from Colorado [Mr. HILL]. Clearly the committee is nonpartisan when it has a Democratic chairman and issues reports critical of administrative agencies during a Democratic administration; but the committee is partisan when it has a Democratic chairman and makes criticisms of an administrative agency during a Republican administration. I suggest my colleagues should reevaluate the question whether their primary concern is to help small business or to protect the Eisenhower administration from criticisms.

THE CONTROVERSY OVER STATISTICS

The speech of the gentleman from Colorado [Mr. HILL] contains numerous allusions to the majority's distortions of statistics on small-business failures and small-business profits. It was promised that these "distortions" would be answered.

I presume that we have now had the answer. The May 9 speech of the gentleman from New York [Mr. RIEHLMAN] takes up the controversy which has recently arisen over these statistics and provides us with an analysis which asserts that "political merchants" have been spreading "political propaganda".

What are the origins of this controversy?

For the past several years and continuing until recently, the public has been treated to a barrage of press releases, reports and what not, describing the roaring prosperity of business in general and small business in particular.

Such matters relating to the alleged prosperity and the supposed "continued improvement of small business under the Eisenhower administration" have emanated mostly from the Small Business Administration. Allow me to cite two recent examples:

On January 20, 1956, the Small Business Administration turned out a press release containing the following statements:

Assurances that 1956 will bring another banner year for small business were given today by Wendell B. Barnes, Administrator of the Small Business Administration, following a 2-day meeting with members of the Agency's National Council of Consultants.

* * * * *

The consensus of the group, Mr. Barnes said, was that all signs point to a roaring economy in 1956, with small firms steadily improving their relative positions. He said:

* * * * *

"I cannot emphasize too strongly that the decline in the relative position of small business that occurred during the Korean crisis and that persisted through 1953, has not been definitely reversed."

Then somewhat earlier, on December 27, 1955, the SBA turned out a press release which would have us believe that the competitive position of small business deteriorated throughout World War II, throughout the postwar years, and that this trend continued downward until the Eisenhower administration was, after 1 year in office, able to reverse the trend in 1954. I quote from that press release as follows:

The competitive position of small business deteriorated during World War II and the postwar years. This downward trend continued through 1953, and was not reversed until 1954.

Despite such glowing assurances about the prosperity and continuing improvement of small business, some of the members of the Small Business Committee who have tried to keep abreast of at

least the major trends, have noted some indicators which point in the opposite direction from these assurances. For example, although stock prices and big business profits set record highs in the first quarter of this year, small business failures appear to have been on the increase. Dun & Bradstreet reported the following number of failures in the first 3 months of this year, as compared with the first 3 months of the 2 preceding years:

1956	3,242
1955	2,854
1954	2,895

Thus it would appear that in the first quarter of this year, when we were having a highly advertised business "boom." business failures were about 12 percent higher than in the first quarter of 1954, a period which the President's Economic Report has characterized as a period of business contraction, and about 14 percent higher than in the first quarter of last year, a period which the President's report has called a period of recovery. I assume that all, or substantially all, of these business failures were among what we could reasonably call small firms.

Similar trends in business failures have been in evidence throughout the past 2 years. Consequently, some of the members of our committee have considered it to be within the province of the Small Business Committee to call the Members' attention to such matters. Several times during the past year I have called attention to the reports on business failures; and at other times other members of our committee have done likewise. We made enough references to this matter that the subject finally got the attention of the Small Business Administration. So beginning about the first of this year SBA began its rebuttals, or, began what you might call a propaganda drive, to try to take the sting out of the reports of rising small-business failures.

The first blast appeared in an SBA press release of December 27 last year. This release made a forecast for a "continuation of the higher level prosperity that market the past year"; said many glowing things about the prosperity and optimism of small business; and it also said:

> The extremely low rate of business failures is also a good sign for the future.

Then on January 11 an INS news story which appeared in the Washington Post and Times Herald purported to report on an interview with Mr. Wendell Barnes, the SBA Administrator, and said:

> SBA Administrator Wendell B. Barnes insists that despite allegations to the contrary small-business failures are at the lowest ebb of any normal year in recorded history.

Then again, on March 15, 1956, the SBA sent out a press release covering a speech by Mr. Wendell Barnes before the Society of Business Magazine Editors, which quoted Mr. Barnes as saying that according to Dun & Bradstreet:

> In 1955, the failure rate was less than 42 for every 10,000 concerns, the lowest we have ever experienced in a year of normal economic activity.

Let us look, then, at the failure rate, year by year, for the 10 years preceding 1955, and see if we can guess what Mr. Barnes had in mind about a year of normal activity. According to Dun & Bradstreet's report these rates are as follows:

Business failures per 10,000 firms in operation

Year:	
1955	42
1954	42
1953	33
1952	29
1951	31
1950	34
1949	34
1948	20
1947	14
1946	5
1945	4

In light of the record, then, we must conclude that when Mr. Barnes says that the Dun & Bradstreet failure rate for 1955 was the lowest ever experienced in a year of normal economic activity, he has in mind a definition of normal economic activity which precludes the 10 years preceding 1955. This leaves, however, at least one question still unanswered: Since Mr. Barnes has, without telling us, ruled out the 10 years preceding 1955 as containing no year of normal economic activity, by what standard has he decided that 1955 was a year of normal economic activity?

I believe that Congress and the public have a right to expect the administrative agency for small business to provide accurate reports on the important trends affecting small business. I believe that Congress should be able to expect SBA to provide readily understandable reports on some of the more complex economic developments affecting the welfare of small business, so that we will be kept abreast of matters which we might otherwise overlook. At least this is the kind of service we got from that agency before the present administration took it over.

On January 18, 2 months before Mr. Barnes last repeated his misleading statements about the trend of business failures, the gentleman from California [Mr. ROOSEVELT] extended his remarks in the RECORD calling attention to the misleading nature of these reports emanating from SBA. The gentleman from California [Mr. ROOSEVELT] had taken the time to analyze the failure statistics and trace the origins of Mr. Barnes' comparisons, to find out that what Mr. Barnes appeared to have in mind was that recent failure rates are not yet as high as the average for the past 56 years. It was by the comparison, apparently that Mr. Barnes arrives at the conclusion that business failures are at an extremely low rate.

The speech of the gentleman from New York [Mr. RIEHLMAN] on May 9 now repeats the arguments drawn from a comparison with the past 56 years. He makes the point that there were 42 business failures last year for each 10,000 business firms in operation, whereas the rate for the past 56 years was 72 for each 10,000 firms.

The main thing wrong about comparing the present rate of business failures with the average for the past 56 years is that things which happened 56 years ago, or 35 years ago, or even 10 years ago, are not particularly relevant to our problem today. We are primarily concerned, I should think, with current trends. Certainly if we had been properly concerned about small business 56 years ago, and about the growing monopolization of American business 56 years ago, or even 35 years ago, we would not now have many of the most serious problems facing us today.

Since the gentleman from New York [Mr. RIEHLMAN] has brought up this comparison with ancient history, however, I might also point out that a second thing which is wrong with comparing present and recent rates of small-business failures with the average for the past 56 years, is that this span of history includes too many years of prosperity under Republican administrations. The present high rate of small-business failures tends to be dwarfed and minimized by comparison to an average which is biased upward by the fact that it includes so many previous years of small-business disaster under Republicans.

In the past 56 years, 1900 through 1955, there were 28 years under Democratic administrations and 28 years under Republican administrations. Considering that the Democrats inherited, in 1933, the worst depression in all history, the average rate of business failures under the 28 years of Democratic administrations is rather high. More than that, the Democratic rate is high for still other reasons. In the early years of World War II the rate of business failures increased sharply because of two circumstances. First, a large segment of the population was necessarily inducted into the armed service. The draft boards necessarily took a great many business operators, as well as key personnel of business firms which were not essential to the war effort. Second, the Government prohibited the use of a great many kinds of materials and equipment to firms not engaged in activities essential to the war effort; and it denied supplies of such materials and equipment to still other unessential businesses. Thus a great many business firms were "war casualties" in these years. The same was true to a lesser extent in the earlier years of the Korean conflict, and in World War I—all years of Democratic administrations.

Even so however, if we take the Dun & Bradstreet failure rates as they are reported, we find that the average rate of business failures during the 28 years of Republican "peace and prosperity" has been about 80 percent higher than the rate of business failures in the 28 years of Democratic administrations; and if we make certain necessary adjustments in the Dun's figures, which I shall explain in a moment, we find that small business has failed at a rate 88 percent higher in the 28 Republican years than in the 28 Democratic years.

Taking the failure rate year by year as reported by Dun, I have divided the

past 56 years into 6 time spans and computed the average failure rate for each span as follows:

Years	Number of years	Average yearly failure rate
1953–55 (R)	3	38.9
1940–52 (D)	13	27.5
1933–39 (D)	7	61.7
1921–32 (R)	12	111.2
1913–20 (D)	8	84.1
1900–12 (R)	13	105.6

These comparisons enable us to make several interesting observations.

First, we may note that during the 3 years of the present administration the average rate of business failures has been 38.9 failures per year for each 10,000 firms in operation. This compares with an average rate of 27.5 failures per year in the years of 1940 through 1952. Thus we may say that in the past 3 years of Republican "prosperity" and small-business "improvement," small businesses have failed at almost half again the rate of the previous 13 years, 1940–52, despite all the war casualties in the early war years.

A second observation we may make is that despite the severe depression, in the years 1933 through 1939, inclusive, small businesses failed in that period at about one-half the rate at which they had failed during the era of Republican "prosperity" embraced by the years 1921 through 1932, inclusive.

Just how great was the Republican prosperity of the 1920's? In my later remarks, I will insert a table showing Dun's failure rate, year by year, going back through 1900. I have labeled this "Exhibit 2." By reference to that exhibit we may see that in the years 1921 through 1932, inclusive, there was only 1 year in which the failure rate was below 100 firms per 10,000 firms in operation. That was the year 1923, when failures amounted to 93 firms per each 10,000 firms in operation. In no year since 1933, despite all the depression failures and all the war casualties, has there been a year with a failure rate anything like as high as the lowest failure rate in the great Republican prosperity of the 1920 decade.

In other words, the booming prosperity of the 1920's was about like that we are in now. Big business took bigger and bigger profits; the stock market set one high after another; tens of thousands of small businesses were destroyed; and all criticisms of the great prosperity were silenced. As a student of one aspect of that era, I would suggest that a primary cause of the terrific monopolization of business which took place in the 1920 decade and the wholesale destruction of small businesses which took place was the Republicans' refusal, as now, to enforce the antitrust laws, and particularly their refusal to try to stop the discriminatory pricing practices by which big businesses abused their power to destroy countless numbers of their smaller competitors.

A third observation which we can make from the year-by-year failure rates is this: In 13 Republican years, 1900 through 1912, the average failure rate was 105.6 firms per year per each 10,000 firms in operation; and in the following 8 Democratic years the rate dropped to an average of 84.1 failures, despite all the business casualties of World War I.

I have mentioned that certain adjustments in the Dun & Bradstreet figures are appropriate. The need for these adjustments arises in this way: beginning in 1939, Dun & Bradstreet has included in its counts of business failures certain voluntary discontinuances of business involving loss to creditors, which it did not previously include. Dun's states that the effect of including these categories of failures not previously included was to raise its failure rate by about 16 points in 1939, or about 29.6 percent. In other words, if these new types of failures were not included, the failure rate would be about 77.2 percent as high as it is with these categories of failures included.

Consequently, to make the failure rates for the years subsequent to 1939 comparable with those for the earlier years, we would reduce the rates for these later years to 77.2 percent of the rates shown in Dun's report. I have made these adjustments and averaged the failure rates in the 28 years of Republican administrations and the failure rates in the 28 years of Democratic administrations with the following results:

Yearly average rate of failures per 10,000 firms in operation

28 years of Democratic administrations	49.3
28 years of Republican administrations	92.8

As I indicated earlier, I believe that the thing we should be concerned about now is the presently increasing trend of small business failures. This is the thing that needs attention now, and the only thing about which something can be done. There is nothing we can do now about what happened over the past 56 years. Since the record of the past 56 years has persistently been injected into the present small business problem, however, I will allow others to draw their own conclusions from the fact that small businesses have failed at a rate 88 percent greater in 28 years of Republican administrations than in 28 years of Democratic administrations.

Here, then, is what justifies my distinguished colleagues' inferences and allusions suggesting that the majority has distorted the business failure statistics, and their promise to "straighten out the tangled and dangling figures which have been paraded before your eyes." On several occasions over the past 16 months I have called attention to the recent trend in business failures. On these occasions I have compared the latest report on the number of failures, or the rate of failures, with corresponding data for recent previous years, or with recent previous months, or weeks; and I have compared the data for recent months or weeks with data for the corresponding months or weeks in the previous year. In short, I have made precisely the same comparisons which Dun & Bradstreet makes and which are regularly carried in such business journals as the Wall Street Journal and the Journal of Commerce. And in each instance I have stated precisely what was being compared. The accuracy of my figures has never been challenged.

Mr. Wendell Barnes, on the other hand, has persistently turned out propaganda, and received a wide press on it, containing statements such as that the failure rate in 1955 was the lowest we have ever experienced in the year of normal economic activity, without giving anybody a hint as to what he has in mind as a normal year of economic activity. We must arrange to do some lengthy research of our own, dig up Dun's reports and study the figures, to discover that it is manifest that Mr. Barnes has in mind excluding the past 12 years as embracing any year of normal economic activity.

I should think my Republican colleagues on the Small Business Committee would be in somewise concerned about the presently increasing failures among small business, and would perhaps offer some suggestion for getting at the root of these failures; but it appears that their only concern is in helping Mr. Barnes in his propagandizing against small business.

DECLINE IN GROWTH OF BUSINESS POPULATION

The gentleman from New York [Mr. RIEHLMAN] has discussed also a matter which is quite closely related to the recent uptrend of small business failures. This matter has to do with the net growth, over the years, in the number of business firms in operation. I am not sure that his discussion on this matter reaches any definite conclusion, so I will simply put the figures for the past 10 years in the RECORD and let them speak for themselves. The following figures on the total number of business firms in operation, and the net growth from the end of one year to the next, are from the economic report of the President issued in January 1956:

[In thousands]

Year	Number of businesses	Increase (+) or decrease (−) for previous year
1945	3,113.9	+197.4
1946	3,487.2	+373.3
1947	3,783.2	+296.0
1948	3,948.3	+165.1
1949	4,000.0	+51.7
1950	4,050.7	+50.7
1951	4,108.5	+57.8
1952	4,167.4	+58.9
1953	4,193.9	+26.5
1954	4,189.8	−4.1

With reference to the above figures I will make only two observations.

First. I am told that the data for 1955 are not yet available.

Second. 1954 was the first year since 1944 in which we had a net decline in the number of operating businesses, although a sharp downtrend in the growth of the business population was already experienced in the year 1953. During World War II, there was a considerable contraction in the number of firms in operation, for the same reasons which

I have pointed out as accounting for a sharp increase in business failures in the early World War II years. However, with the release of men from the military services and the sharp cutback in requirements for military production, the business population expanded very rapidly in the first several years following World War II, then settled down to a fairly stable rate of growth amounting to between 50 and 60 thousand firms per year—that is, up until 1953. In 1953 the growth dropped to only 26,000 firms; and then in 1954 there was a net decrease of 4,000 firms.

DECLINE IN SMALL BUSINESS PROFITS

The May 9 speech of the gentleman from New York [Mr. RIEHLMAN] provides us with certain original compilations pertaining to small business and big business sales and profits and with certain conclusions that small business earnings are turning upward. With reference to these compilations I would respectfully like to offer some criticism of the statistical methods which have been used, and then offer an alternative method which I think may cause my colleague to reverse his conclusion that the financial position of small business is looking up.

The first of these compilations is prepared from the Treasury Department's annual Statistics of Income. It compares the volume of sales and the volume of profits of manufacturing corporations classified as having less than $1 million of assets in 1952, with similar data pertaining to 1947 for corporations which were classified as having less than $1 million of assets in that year. Corresponding comparisons are shown for firms variously classified as having more than $1 million assets in the 2 years.

A second original compilation is the same as the first, except that it relates to the years 1953 and 1955, and the data are gathered from "Quarterly Financial Reports" made by the Federal Trade Commission and the Securities and Exchange Commission.

These two tables show certain changes between unrelated data, and the differences between the changes appear to be of a greater magnitude as between the years 1947 and 1952, than between the years 1953 and 1955.

These comparisons lead the gentleman from New York [Mr. RIEHLMAN] to conclude, by ways which are not explained, that:

As far as small manufacturing corporations are concerned, there was a significant loss in their financial position during the period 1947–52.

And also to conclude that:

For nearly 2 years there has been an improvement in the financial position of small manufacturing corporations as well as the large.

And finally to conclude that:

I do insist, however, that the decline in earnings experienced since that time was arrested in mid-1954 and that earnings are now definitely on the upswing.

I respectfully suggest that if my distinguished colleague attempted to formulate more precise and detailed conclusions before jumping to his broad generalizations he would perhaps find that his methods of comparisons do not support these generalizations. He would have to grapple with such questions as these:

First. Since a very large proportion of manufacturing costs are fixed costs which have to be met whether sales increase or decrease, does he expect that when there is a given percentage increase in the volume of sales there will be a corresponding percentage increase in the volume of profits.

Second. Since there are a great many firms whose assets are close to the borderline of $1 million, does he really expect when he compares the volume of profits and sales of firms classified as having less than $1 million of assets in 1 year, with the volume of profits or sales of firms classified as having less than $1 million of assets several years later, that this comparison really gives him an insight to the question whether the financial position of small business is better off or worse off?

If we assumed that my distinguished colleague's methods were sound, we would still be left wondering what happened in the year 1952. Since the comparisons purport to show what happened between 1947 and 1952, why do they not also show us what happened between 1952 and 1955, instead of between 1953 and 1955?

I will let that question pass, however, in the belief that my colleague's methods are not sound. There are, of course, circumstances under which it is appropriate to compare the size distribution of the business population at one time with the size distribution of the business population at another time. In other words, if sufficient details are presented such comparisons can tell us whether or not small firms account for a larger or a smaller share of the total business sales, the total business profits, or the total what not, than they do at another time.

I do suggest however, that it is extremely risky to draw conclusions about the trend of small business prosperity on the basis of whether sales or earnings of firms classified as having less than $1 million of assets in 1 year are more or less than the sales and profits of firms having less than $1 million of assets in another year. For example, if we assume there was no real change in business operations between 2 years, except that 1 firm which had slightly less than $1 million of assets grew between the years, and thus it had the sales or assets counted among the firms having more than $1 million of assets in the later year, we would conclude that small firms suffered a loss in their financial position. Or conversely, if there was no real change between the 2 years except that we found 1 firm whose depreciation account outran its new asset account, and it thus shifted from the higher classification to the smaller one, we would conclude that small firms were financially better off.

A much more meaningful trend in the prosperity of small firms can be had, I suggest, from the profit rates already compiled and published in the FTC-SEC reports. These rates are computed to show the profits of manufacturing firms, in a given size class, as a percent of the stockholders' equity in those firms. The term "stockholders' equity" really refers to what we might call the stockholders' investment. It is the amount of capital originally paid into the firm, plus all the accumulated earnings over the previous years which have not been paid out in dividends, but have been left in the firm. A virtue that these rates have over the comparisons which the gentleman from New York [Mr. RIEHLMAN] has made, is that when firms shift from one size class to another, between any 2 years being compared, then both the profit figures and the stockholders' investment figures shift along with them, so that we have a comparison of the profitability of firms in given size class at a given time.

Previously I have called attention to the profit rates of the smallest class of firms which is provided by the published reports—which class is for firms having less than one-quarter million dollars of assets. Since the gentleman from New York [Mr. RIEHLMAN] has, however, made his comparisons for firms with less than $1 million of assets, I will invite attention to the profit rates of firms having between one-quarter million dollars and $1 million of assets, as well as to the profit rates of firms having less than one-quarter million dollars of assets.

Profit rates [1] of 3 size groups of manufacturing corporations after taxes

Year	Corporations with assets of—		
	Less than $¼ million	$¼ to $1 million	Over $100 million
1951	8.6	9.2	13.3
1952	9.3	7.2	11.8
1953	6.8	7.1	12.1
1954	3.2	6.4	12.1
1955	2.2	8.4	14.6

[1] Profits as a percent of stockholders' investment.

From the above table we may note that the profit rate of firms having less than one-quarter million dollars of assets has dropped precipitously since 1952; and that the firms in this size class in the year 1955 had net profits, after taxes, of only 2.2 percent of the stockholder's investment. This represents a consistent drop from the 3 preceding years. I cannot agree that the downward earnings experienced by small manufacturing firms was arrested in mid-1954 or that these earnings are now definitely on the upswing. I believe that the 2.2 percent profit rate for these smaller corporations last year suggests that the stockholders might have fared better if they had had their money invested in Government bonds.

If we move now to the profit rates for corporations having between one-quarter million dollars and $1 million of assets, we can take some satisfaction in noting that the rate last year was somewhat better than in any of the 3 preceding years, although it was somewhat worse than in the year 1951. The total range has been from 9.2 percent in 1951, which is the first year for which data

are available, to 6.4 percent in 1954. The rate last year was 8.4 percent.

Moving now to the giant corporations, those having over $100 million of assets, we find that these had a profit rate of 14.6 percent, after taxes, last year, which rate was substantially higher than that earned in any of the preceding 4 years.

Perhaps the simplest and most convenient way of showing the divergent trends in the profit rates between the smaller corporations and corporate giants is to express the above profit rates of the smaller corporations in terms of a percentage of the profit rate of the corporate giants. These percentages are as follows:

Profit rates of smaller manufacturing corporations as percent of the profit rate of corporations having more than $100 million of assets

Year	Corporations with assets of—	
	Less than $¼ million	$¼ to $1 million
1951	64.7	69.2
1952	78.8	61.0
1953	50.2	58.7
1954	26.4	52.9
1955	15.1	57.5

By the above method of comparison we may note that the profit rates of firms having $250,000 to $1 million of assets have fallen consistently since 1951, except that in the last year they were only 57.5 percent as great as the earnings rate of the corporate giants, whereas in 1954, they had only been 52.9 percent as great as the earnings rate of the corporate giants.

With reference to firms having less than $250,000 of assets, however, the recent record is much more alarming. In 1952 the profit rates of these firms was 78.8 percent as great as the corporate giants; last year the profit rates of firms in this smaller class were only 15.1 percent of the profit rate of the corporate giants.

AWARDING MILITARY CONTRACTS BY ADVERTISED COMPETITIVE BID

The gentleman from New York [Mr. RIEHLMAN] has drawn an invidious comparison between what he calls the Eisenhower administration and the Truman administration on the basis of certain figures he presented on the percentage of the value of military prime contracts which were awarded on the basis of advertised competitive bids, as contrasted to such contracts that had been negotiated. Figures were presented for the years 1951 through 1955 and have the effect of indicating that the Eisenhower administration has stepped up the proportion of competitive bidding from the Truman administration.

I have no doubt that during the Korean emergency of 1951 and 1952, the military took advantage of its privilege of negotiating contracts rather than placing them by advertised competitive bid. However, I could point out to the gentleman from New York [Mr. RIEHLMAN] that the 2 previous fiscal years, 1950 and 1949, were also in the Truman administration and if he began his comparison with the fiscal year 1949, his figures would look as follows:

Percentage of value of military prime contracts awarded by advertised competitive bid

Fiscal year:	
1949	29.8
1950	27.3
1951	12.1
1952	10.9
1953	10.8
1954	10.3
1955	16.2

I regret that the gentleman from New York [Mr. RIEHLMAN] was so ill-advised in his speech of May 9 to aid in the Small Business Administration's propaganda effort at defeating a bill which the House passed, H. R. 8710. This bill would limit the Armed Forces authority for promiscuous negotiating of contracts and cause more contracts to be awarded on the basis of advertised competitive bid, in which case small business has an opportunity to obtain military contracts. The bill would also give the Armed Forces authority, for the first time, to negotiate contracts with small business by reason of the fact that they are small business. This bill, which was introduced by the distinguished chairman of the House Armed Services Committee, the gentleman from Georgia [Mr. VINSON], would be a great boon to small business. I understand that officials of the Armed Forces are in favor of the bill, but when we were having the discussions with the Armed Services Committee about the bill, the SBA officials then opposed it and made clear the reasons for their opposition. Their reasons for opposing the bill were that the bill would enable the armed services to do something for small business without first getting clearance from SBA, on each contract which the armed services would propose to place with small business. In other words, this is just another instance of the Small Business Administration taking positions opposed to the interest of small business. And I might add incidentally, that of a large number of proposals which have been made to help small business I know of none on which the Small Business Administration has not taken a position against small business.

EXHIBIT NO. 1

Summary of FTC antitrust complaints

	33 months under—	
	Republicans	Democrats
Number of complaints	59	56
Number of companies charged	60	66
Average assets of companies charged	$32,500,000	$256,200,000

Mr. Speaker, for almost 3 years now the country has been bombarded with propaganda about what a wonderful and vigorous job the Federal Trade Commission has been doing to enforce the antitrust laws. We have been told that under the present administration, the FTC has been reorganized and revitalized and has been doing its job with such wondrous vigor and efficiency as could hardly have been dreamed of under the previous Democratic administration. By way of proof for these claims, we have been offered numbers. Thus the number of suits started—or the number of new complaints charging law violation—has been compared with the number of complaints issued under the previous administration to prove that antitrust enforcement under the present administration is bigger and better than ever before. What this boils down to is a bigger and better numbers game than we ever had before.

It has been obvious to any thoughtful victim of this propaganda that mere numbers of complaints issued is in no way a guide to either the quantity or the quality of antitrust enforcement. Your Small Business Committee has, however, surveyed the antitrust complaints issued by FTC over the past 5½ years, and we have some facts which I think will interest the Members.

In collecting these facts we looked into a charge that the Small Business Committee frequently hears, which is that since the FTC was reorganized by Mr. Howrey, that the guardian of the public interest has trained its antitrust guns on small business.

The antitrust law which the Federal Trade Commission is charged with enforcing is the Clayton Antitrust Act, as amended by the Robinson-Patman Act. This act deals with monopolistic mergers, with monopolistic price discriminations, and with foreclosures of markets through exclusive dealing contracts and tie-in sales agreements.

Here then are the facts: In the last 33 months—since Mr. Howrey was appointed to the chairmanship of the Federal Trade Commission on April 1, 1953, up until December 31, 1955—the FTC issued 59 new complaints charging violations of the Clayton Antitrust Act. In the 33 months immediately preceding, while the Federal Trade Commission was under the chairmanship of Senator Mead, a distinguished colleague of ours, the Federal Trade Commission issued 56 complaints charging violations of the Clayton Act. In other words, the new Commission issued three more complaints than the old Commission in the same number of months.

In some instances a single complaint charged more than one company with violating the Clayton Act. In the past 33 months the FTC charged 60 companies with violating that act. In the previous 33 months under Senator Mead, the FTC charged 66 companies with violating that act. So there you have your numbers game. If the number of companies charged with violating the antitrust law were any index either as to quantity or quality of antitrust enforcement, then we could say that in 33 months under Chairman Mead, the FTC performed 10 percent more antitrust enforcement than it has performed in the 33 months just passed. But of course mere numbers of companies charged with violating the law do not mean any such thing.

But I come now to a comparison which does mean something.

During the 33 months under Senator Mead, the companies charged by the FTC with violating the Clayton Act were, on the average, approximately eight

times as big as the companies charged with such law violations during the 33 months since the FTC was reorganized by Mr. Howrey. The average assets of the companies charged in Senator Mead's period were $256.2 million. This average for the past 33 months has dropped to $32.5 million.

In short, the antitrust weapon which Congress put in the hands of the FTC was used during the previous administration to hunt monopoly elephants, but during the present administration, it has been used to hunt monopoly rabbits.

I do not suggest that small business should be immune from antitrust prosecutions. On the other hand, we cannot avoid the observation that the acts and practices dealt with under the Clayton Act are not, for the most part, illegal per se. The effects of these acts and practices, and the substantiality of these effects, are the tests of illegality plainly specified in the law. We would normally expect, therefore, that the bad practices of a giant corporation have a clearer and more substantial impact upon the competitive system, and upon the public interest, than have the same practices engaged in by a small firm.

If this suggests different treatment under the law, it is because the great and the small have different effects upon the public interest. Indeed, the acts and practices dealt with in the Clayton Act, as amended by the Robinson-Patman Act, would not be matters of public concern under a more competitive structure of business; and in point of historical fact, legislation on these acts and practices became necessary only after, and only because, a number of industries came to be dominated by monopolistic or quasi-monopolistic firms. Yet the giant corporations occupying these dominant positions are those which appear to have become immune to antitrust prosecutions by the "new" Federal Trade Commission, in its search for smaller game.

The smallest company charged with violating the Clayton Act during the entire 5½-year period is a tiny company whose total assets are only $16,000. This company was made the subject of a complaint during the chairmanship of Mr. Howrey, which complaint charges that company with antitrust law violation in connection with the sale of citrus fruits. The company in question has reported to your Small Business Committee that its total income from the sale of citrus fruits in the year 1954 was only $460.

I know nothing of the merits of the suit against this tiny company, and I do not mean to prejudge the issue. I do have great difficulty however, in reconciling the fact that while this tiny company is charged with violating the Robinson-Patman Act there have been at the same time hundreds and hundreds of complaints from small-business men about the price discrimination engaged in by several multi-billion-dollar corporations, and the Federal Trade Commission has been utterly unable to see any violation of the Robinson-Patman Act in these discriminations.

I also have great difficulty in reconciling the FTC's complaint against this tiny company when at the same time the FTC has watched the ballooning of the greatest wave of corporate mergers and consolidations in history with hardly batting an eye. According to FTC's own reports there had been, at the end of last year, some 522 mergers by corporations having individual assets in excess of $50 million. In all of the thousands of corporate mergers and consolidations which have taken place since the new antimerger law was passed, the FTC has issued only 5 complaints, and has not as yet actually stopped or unscrambled a single merger.

This is a serious matter. It cuts much deeper than the simple issue of false and misleading propaganda. When the Federal Trade Commission was reorganized by the Hoover Commission Reorganization Plan, its independence and bipartisan nature was destroyed and its antitrust enforcement brought under control of the White House. The result is that while the Federal Trade Commission hunts small game, thousands of small businesses are being squeezed out and destroyed by the monopolistic practices of certain big businesses, and these the FTC refuses to prosecute.

I hope that Congress will act during this session to return the Federal Trade Commission to the status of a bipartisan Commission, and as an arm of Congress.

EXHIBIT NO. 2

Dun & Bradstreet's failure index—number of business failures per 10,000 operating firms listed by Dun's, 1900–55

Year:	
1955	41.6
1954	42.0
1953	33.2
1952	28.7
1951	30.7
1950	34.3
1949	34.4
1948	20.4
1947	14.3
1946	5.2
1945	4.2
1944	6.5
1943	16.4
1942	44.6
1941	54.5
1940	63.0
1939 [1]	69.6
1939	53.7
1938	61.1
1937	45.9
1936	47.8
1935	61.7
1934	61.1
1933	100.3
1932	154.1
1931	133.4
1930	121.6
1929	103.9
1928	108.5
1927	106.4
1926	101.0
1925	100.4
1924	100.0
1923	93.4
1922	119.8
1921	101.9
1920	48.3
1919	37.4

[1] Previous to 1939, the record did not include voluntary discontinuances with loss to creditors, nor a full count of all attachments, foreclosures, and such, resulting in loss to creditors. The addition of these types of failure raised the level of the index about 16 points. Figures for both the old and the new series are presented in 1939 to provide a link between the two series and to demonstrate the similarity in trend.

EXHIBIT NO. 2—Continued

Dun & Bradstreet's failure index—number of business failures per 10,000 operating firms listed by Dun's, 1900–55—Continued

Year:	
1918	58.7
1917	80.3
1916	99.7
1915	132.7
1914	117.6
1913	98.1
1912	99.8
1911	88.0
1910	83.8
1909	87.1
1908	108.2
1907	82.8
1906	76.8
1905	84.9
1904	92.3
1903	94.0
1902	93.1
1901	90.4
1900	91.6

NOTES AND EXPLANATIONS OF THE FAILURE INDEX

Dun's Failure Index relates the number of failures in each month to the number of industrial and commercial enterprises listed in the Dun & Bradstreet Reference Book. It shows the annual rate at which business concerns would fail if the number of failures and concerns listed in that month prevailed for an entire year. The index is expressed as the annual number of failures per 10,000 listed industrial and commercial enterprises. For example, in January 1944 failures numbered 120, or 4.8 a day, and 1,881,000 concerns were listed in the Dun & Bradstreet Reference Book issued in that month. If failures had been constant throughout this year at this number per day, they would have totaled 1,454 in the 12 months. Related to the 1,880,000 concerns listed, they would have occurred at the annual rate of 7.7 for every 10,000 listed concerns.

The figures on failures include all industrial and commercial enterprises which are involved in court proceedings or voluntary actions which are likely to end in loss to creditors. They take into account assignments, voluntary bankruptcies, receiverships, reorganizations and arrangements under chapters X and XL of the Bankruptcy Act, compromises with creditors out of court, voluntary withdrawals with loss to creditors, and discontinuances following such actions as attachments, executions, and foreclosures, if loss to creditors results. This material is gathered weekly by Dun & Bradstreet branch offices throughout the country.

Revisions in the index have been made twice in the past because of changes in the content of the failure record. In the early years real estate companies, holding companies, and such concerns as steamship lines, terminals, amusement places, etc., were included. Elimination of these in 1933 lowered the general level of the index from 2 to 3 points. The figures are given on the new basis only for 1933 and subsequent years.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANSWERING CRITICISMS OF HOUSE SMALL BUSINESS COMMITTEE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. YATES] is recognized for 20 minutes.

Mr. YATES. Mr. Speaker, particular parts of the speech of the gentleman from Colorado [Mr. HILL], to which the gentleman from Tennessee has referred, contain charges against members of the committee, including myself, which require an answer from me.

I might say that I read the remarks almost with disbelief. My distinguished colleague from Colorado, WILLIAM S. HILL, is my very good friend. I have the greatest respect and affection for him. I would not have believed he would allow himself to be used for such a statement. It is hard for me to believe that my distinguished colleague from Colorado himself could have written much of the material in his speech. And it is hard for me to believe that my distinguished colleague who is ordinarily so careful had not even bothered to ascertain the true facts before delivering the speech.

Unfortunately, the speech does raise an implication of questionable motives, both on my part and the House Small Business Committee and it must be answered. I want to direct my own remarks only to those matters in the gentleman's speech which touch upon the work of Subcommittee No. 3 of the House Small Business Committee, of which I am the chairman.

The gentleman's statement, referred to House Subcommittee No. 3's study and investigation of the problem of small businessmen in relation to an acute scrap shortage in the latter part of 1955 and 1956.

In this connection he quoted from a letter written by Sinclair Weeks, Secretary of Commerce, on February 7, 1956, in reply to a letter sent to him by the chairman of this committee, the Honorable WRIGHT PATMAN. The gentleman from Colorado [Mr. HILL] concluded from certain remarks of Mr. Weeks in that letter that the interest of the committee staff "actually seems to border on a morbid sense of curiosity with implied accusations of wrongdoing."

Unfortunately, Mr. HILL made no request to the chairman of the House Small Business Committee, to myself, or to any member of the staff for the background and the reasons behind the letter to Mr. Weeks. If Mr. HILL wanted to know why we were taking such action, he had only to call me.

The investigation of the problems of small steel producers in relation to steel scrap was undertaken at the direction of the chairman, Hon. WRIGHT PATMAN. The chairman, himself, in turn was acting upon the request not only of the small nonintegrated users but also many Members of Congress. Members referring complaints to the committee and asking for advice or investigations were the Honorable HARRIS ELLSWORTH, Republican, of Oregon; Hon. LOUIS CHARLES RABAUT, Democrat, of Michigan; Senator THEODORE FRANCIS GREEN, Democrat, of Rhode Island; Hon. PAUL A. FINO, Republican, of New York; Hon. RUTH THOMPSON, Republican, of Michigan; Hon. WILLIAM K. VAN PELT, Republican, of Wisconsin; Hon. CLYDE DOYLE, Democrat, of California; Hon. EDITH GREEN, Democrat, of Oregon; Hon. EDWARD P. BOLAND, Democrat of Massachusetts; and Hon. HENRY S. REUSS, Democrat, of Wisconsin.

On the basis of these complaints and a staff conference with 12 executives of small steel companies, as chairman of Subcommittee No. 3, I wrote a letter to the Honorable Sinclair Weeks on December 7, 1955, enclosing copies of specific complaints from the nonintegrated steel producers and asking Mr. Weeks to submit to our subcommittee the committees in the Department of Commerce and the members thereof who would take part in the decision to be made by the Department of Commerce as to whether steel scrap exports would be restricted for the first quarter of 1956. The letter further asked the Secretary of Commerce to state who would represent the interest of small business in such a decision, and whether records would be kept in full detail to show the extent to which the interests of small business were considered.

The purpose of these requests for information is clear. The small nonintegrated producers had expressed to the Small Business Committee their concern that their interests would not be adequately considered by Mr. Weeks and the Department of Commerce. In asking, therefore, for the names of the advisory committees in the Department of Commerce and the members thereof, the committee was desirous of obtaining information which would indicate or show whether this concern of the small nonintegrated steel producers was justified. The committee did not ask for papers or records, whether classified or confidential or not. The letter cannot be construed as, in the words of Mr. HILL, "a morbid sense of curiosity with implied accusations of wrongdoing," unless the concern over whether small-business interests are adequately considered by the Department of Commerce is morbid in itself in the mind of my distinguished Republican colleague. There is much justification for such a conclusion.

The letter requesting the information was written on December 7, 1955. That the situation facing the small nonintegrated steel producers was urgent was generally recognized. The New York Times, on December 12, 1955, reported in a lead story:

> The runaway market in scrap booms on—nonintegrated steelmakers who use purchased metal caught in squeeze plays. Price up $2 to $5 a ton.

Mr. Weeks nevertheless had not even acknowledged my letter by December 23, 1955, and as a result I wired him on that day as follows:

> Please advise me if and when you plan to answer my letter of December 7, 1955, concerning steel scrap exports for the first quarter of 1956?

On December 27, 1955, the Secretary of Commerce finally replied, stating among other things:

> It may be appropriate here to point out that all records of such deliberations are held confidential within the Department of Commerce and among the other representative agencies of the committee. This is necessary, of course, in order to eliminate the possibility of any particular business firm or firms securing advance information of proposed Government policy which might enable them thereby to gain financial advantages over their competitors. Furthermore, important consideration of national security are also reviewed by the committee even though the major issue is primarily one of short supply.

I had not, of course, asked the Secretary of Commerce to supply the House Small Business Committee with any records whatsoever. The Secretary's gratuitous remarks therefore appeared to contain "implied accusations of wrongdoing" against Members of Congress by stating that confidential records would not be given to me or any Member of Congress "in order to eliminate the possibility of any patricular business firm or firms securing advance information." I believe that all Members will agree that that is a very ugly implication and entirely uncalled for.

Accordingly, it was felt that the chairman himself, the Honorable WRIGHT PATMAN, should reply to this gratuitous insult or accusation made by the Secretary of Commerce. He did so by letter of January 5, 1956, in which he asked the Secretary of Commerce:

> Does this statement mean that you would refuse to supply the House Small Business Committee with such records even though (1) the records related to Government policy already put into effect or (2) the committee kept such records confidential?

The Secretary again replied that the submission of the records to the committee, even under such circumstances "involves the possibility of creating improper opportunities of financial advantage."

I think any fair-minded person will readily agree that it was the Secretary of Commerce and not the committee that was guilty of "implied accusations and wrongdoing." I think it is most unfortunate that Mr. HILL relied upon the Secretary's remarks without checking with his own committee as to what were the true facts.

The distinguished ranking minority member in his speech also referred to the investigation by Subcommittee No. 3 of the complaints of small-business men in the aluminum industry. The general impression to be gathered from Mr. HILL's remarks on this subject is that he is critical of the way the investigation was conducted. Indeed, he seems to hold a grudge against the House Small Business Committee for devoting time to the problem at all. Mr. HILL asks:

> Just what is the matter with the aluminum situation? I, for one, would like to know.

This is indeed an astonishing statement, gentlemen. Certainly the gentleman could have asked me. My subcommittee had conducted extensive hearings. He is a member ex officio of my subcommittee. He never attended any meetings.

Perhaps the gentleman made his remark because members of the Eisenhower Cabinet are upset, because we have devoted a considerable amount of time and effort to the problems of small-business people in the aluminum industry. But there is no question that during the recent acute shortage, small-business men faced most serious problems; and there is no question in the minds of

these small-business men that the hearings and investigations conducted by Subcommittee No. 3 played a major part in getting them additional metal during the acute period of shortage.

If the Office of Defense Mobilization, the Department of Commerce, and BDSA, the General Services Administration, or any member of the Eisenhower team had really gotten up and fought for the small-business man during this period of shortage, there would have been no need for our investigation.

My distinguished colleague the gentleman from Colorado [Mr. HILL] states:

> From my look at the record, we never did learn whether or not the 20,000 or more small manufacturers of aluminum products were in trouble.

I do not know what record the gentleman from Colorado [Mr. HILL] looked at. It could not have been the record made by the House Small Business Committee, for the Government agencies involved, the large integrated producers, and, of course, the small-business men in the aluminum industry were in complete agreement that the most pressing and serious problems confronted small business.

The record at which the gentleman from Colorado [Mr. HILL] looked could not have been that supplied by the Attorney General of the United States on April 13, 1956. In this report to Congress, the Attorney General devoted his entire time to the problems of small business and raw material shortages, including the shortage of aluminum. The Attorney General cites the fact that chronic or temporary periods of shortage have serious adverse effects upon small business and the free enterprise economy, and recommends additional legislation since existing laws are inadequate. The Attorney General did not assume, as the gentleman from Colorado [Mr. HILL] did, that "every effort was being made to correct the situation," and that therefore nothing need be done.

I would suggest to the gentleman if he will not read the record of the hearings of the House Small Business Committee, to at least read the record and recommendations of the Attorney General contained in that report. He would find that among the recommendations, No. 3 to be exact, is that—

> An authoritative economic survey should be made of the current methods of distributing materials in short supply to the civilian economy, and their effects upon the operations of small business firms * * *. The results of such a survey * * * will furnish a substantial basis either for possible legislation action, if that be deemed necessary, or for a more knowledgeable and systematic policy of voluntary assistance by Government agencies to small business affected by these shortages.

This is exactly what the House Small Business Committee has been doing for the purpose of determining whether legislation is needed or whether better protection can be given to small business by the executive agencies of the Government.

But the gentleman complains that "although several months have elapsed since the hearings were concluded, we do not as yet have a report." The purpose of the hearings by the House Small Business Committee or any congressional committee is primarily to gather facts to determine whether legislation is needed or should be recommended. This is a serious function. It is not fulfilled by dashing off quick reports upon complex economic problems. Answers are not always easy and there are many diverse and often conflicting interests involved and the staff has been working on the report for months.

While partisan politics might dictate the issuance of slipshod or no reports, the need of finding real and nonpolitical solutions to the problems of small-business men require much greater thought and work.

Perhaps there may come a time under the leadership of the Eisenhower team when even Congress is not meant to give more than lip service to small business.

I regret that my good friend the gentleman from Colorado [Mr. HILL]—and he is my very good friend—if he is interested in the cause of small business, might find himself in much more sympathetic company if he followed the activities of the Small Business Committee of which he is ranking member, rather than the suggestions of an administration known for its affinity to big business. I suggest, too, that he can obtain more information on the committtee's activities from his colleagues on the committee—if he would only make inquiry—than from members of the executive branch who have an ax to grind—an ax that is usually used to chop down the interests of small business.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. PATMAN. I am glad the gentleman is answering the attack that was made. It is my understanding that neither the gentleman from Colorado [Mr. HILL] nor the gentleman from New York [Mr. RIEHLMAN] gave notice to the gentleman from Illinois or the gentleman from Tennessee [Mr. EVINS] or myself that these attacks would be made. We had no notice of them whatsoever. The gentleman from Tennessee [Mr. EVINS] secured 40 minutes' time. Everyone knew what he was going to talk about. He was here and made his speech on the floor. He would have yielded for any questions if either of those gentlemen had wanted to question him. The gentleman from Illinois [Mr. YATES] delivered his speech on the floor of the House answering those attacks, and would have been glad to yield for questions. I, as chairman of the committee, would have been glad to yield for questions to either of the gentlemen. They did not give us any notice whatsoever. I want to commend the gentleman and I congratulate him on the fine job he has done. He has done an excellent job as chairman of that committee.

Mr. YATES. I thank the gentleman for his remarks. As a matter of fact, I spoke to the gentleman from Colorado [Mr. HILL] earlier this afternoon and indicated to him that I proposed to make a statement which would mention his name and which would answer many of the statements that were contained in his remarks which appeared in the RECORD of May 2.

PROPAGANDA IN HIGH PLACES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 15 minutes.

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, the lull in the fight over our trade policies has, in no way, slowed down the propaganda efforts of those long-haired internationalists who would have the Congress approve H. R. 5550—legislation that would provide for United States membership of the Organization for Trade Cooperation.

The latest of these blitzkrieg efforts came when the White House was rebuffed by the United States Chamber of Commerce. When a resolution of approval of H. R. 5550 was handed the national chamber, meeting in Constitution Hall, the opposition voiced against the proposal should be a warning that industry will no longer tolerate the idea of "more trade and less aid" particularly when that slogan now reads "more trade and more aid."

It is refreshing to know that most of the 140 American industries, that are being adversely affected by our trade agreements, held membership in the National Chamber of Commerce and that their influence in opposition to the Organization for Trade Cooperation—OTC—and to the General Agreements on Tariff and Trade—GATT—is being considered.

Another attempt to spread propaganda is to be found in an insert in the Appendix of the CONGRESSIONAL RECORD under date of April 26 when Congressman EBERHARTER, of Pennsylvania, a member of the House Committee on Ways and Means, would try to mislead his colleagues into believing that the United Mine Workers of America are not opposed to the OTC proposal and to the passage of H. R. 5550.

The EBERHARTER article would also leave the impression that the coal operators are not still in opposition to H. R. 5550. The National Coal Operators Association has been and still is one of the leading opponents of this legislation.

In order to keep the record straight, I would like to read into the RECORD at this point, a letter I received some time ago from Robert E. Howe, director, Labor's Nonpartisan League:

> LABOR'S NONPARTISAN LEAGUE,
> *Washington, D. C., March 5, 1956.*
>
> The Honorable CLEVELAND M. BAILEY,
> *Member of Congress,*
> *House Office Building,*
> *Washington, D. C.*
>
> MY DEAR CONGRESSMAN: For many years the United Mine Workers of America has opposed the Reciprocal Trades Agreement Act. We have opposed it because there is nothing reciprocal about it. It is used by the State

Department without regard for the best interests of American business and labor, which must meet low-wage foreign competition.

H. R. 5550, a bill now in the Ways and Means Committee, sets up a rulemaking body which would legalize the rules and laws which up to now have been made illegally by the so-called General Agreement on Tariffs and Trade.

Each year the opposition to the Reciprocal Trades Agreement Act grows stronger. We are confident the day will come when the plight of American industry will force Congress to rewrite this legislation. As long as the Congress maintains full power to regulate commerce and to levy and collect duties on imports, we must accept its decisions. But we bitterly oppose the usurpation of these powers by GATT and the legal recognition of its stepchild, the Organization for Trade Cooperation.

We respectfully ask each Member of Congress from the coal-mining States to oppose the passage of H. R. 5550.

Very truly yours,

ROBERT E. HOWE,
Director, Labor's Nonpartisan League.

The United Mine Workers, early in the present session of the Congress, made known their opposition to H. R. 5550 in the form of a memorandum to all the Members of Congress.

I desire at this point to insert my copy of this memo which sets out clearly the constitutional questions involved:

ORGANIZATION FOR TRADE COOPERATION—H. R. 5550

The OTC, or Organization for Trade Cooperation, would be a specialized agency of the United Nations dedicated to the administration of the General Agreement on Tariffs and Trade, or GATT. This is the new international trade organization that Congress is now being asked to approve. The bill is H. R. 5550 and is now before the Ways and Means Committee of the House. The new OTC represents an effort to unload GATT on the United States in a form that will make it permanent.

The so-called Reciprocal Trade Agreement, of which OTC is a part, is now 21 years old. The United Mine Workers of America has opposed the Reciprocal Trades Act since its inception.

OTC has been advertised as calling for no supranational power, yet that is exactly what it would have in practice and in fact—and that is also exactly what the State Department wants it to have. Otherwise the Department would not be interested in it. Since the OTC would have an assembly, which means a law or rulemaking body, passage of H. R. 5550 would make legal the rules and laws which up to now have been made illegally by the so-called General Agreement on Tariffs and Trade.

Our Constitution conferred upon Congress in unmistakable black and white the power to regulate foreign commerce and to lay and collect duties on imports, Congress has legislated repeatedly since 1951, when the escape-clause amendment to the Trade Agreements Extension Act of that year was adopted. Congress has made its will known repeatedly in legislation, in many amendments to that escape clause, to make sure that all American producers faced with hurtful import competition have a reasonable remedy.

This legislation has been rendered impotent by the stubborn opposition of the State Department—a department that seems to find it hard to believe that American producers are entitled to the most elementary considerations of fair treatment.

For years the United Mine Workers of America has advocated and supported legislation to provide quota limitations on foreign imports. Now we are told that Congress cannot legislate quotas or provide the mechanism for their imposition by an administrative agency without violating the letter and spirit of the General Agreement on Tariffs and Trade.

By just what pattern of reasoning the State Department could arrive at the notion that they could properly bind Congress against any particular type of legislation on quotas, or anything else, has not yet been explained. These powers have been, in effect, usurped by GATT and because of ignorance and indifference on the part of the Congress, they have succeeded in getting away with murder. Now they are attempting to make the past actions of GATT legitimate by having Congress pass H. R. 5550 which sets up the Organization for Trade Cooperation.

By defeating H. R. 5550 Congress would recapture its constitutional authority and responsibility and once more labor and business, the producers of this country, would regain their lost voices in the determination and direction of trade policies that are of the greatest importance.

One of the best arguments to refute this propaganda is a petition filed sometime ago at the White House and with the Speaker of the House signed by more than 600 American industries protecting the approval of H. R. 5550.

This petition shows that, while some of the major labor groups still favor our trade policies, many labor groups in industries adversely affected are in opposition. They are:

PETITION MEMORIALIZING THE PRESIDENT OF THE UNITED STATES, THE PRESIDENT OF THE UNITED STATES SENATE, AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES ON THE SUBJECT OF H. R. 5550

We, the undersigned, respectfully petition and memorialize you in accordance with amendment I to the Constitution of the United States of America, to refrain from enacting H. R. 5550 and instead to bring the General Agreement on Tariffs and Trade before the Congress of the United States in accordance with the treaty-making provisions of the Constitution, for the following reasons:

1. Passage of H. R. 5550 would impair the right of petition and redress guaranteed in our Constitution, since tariff policy and foreign commerce would be made subject to determinations by an international agency.

2. H. R. 5550 would hinder labor and business from obtaining effective action by the Congress of the United States, as guaranteed by article I, section 8 of the Constitution, which declares: "The Congress shall have power to lay and collect taxes, duties, imposts, and excises. * * * To regulate commerce with foreign nations, and among the several States. * * *"

3. H. R. 5550 would remove from Congress its full and effective freedom to exercise its constitutional responsibilities in these fields.

4. H. R. 5550 would remove tariff and trade policy determinations from the Federal Government and subject them to an international organization in which the people of the United States are not adequately represented and where the United States delegate would have but 1 of the 35 votes, the same as the Grand Duchy of Luxembourg, Haiti, and other countries with populations less than many cities and States in this Nation.

Now, therefore, we request that this petition and memorial be formally placed before the Congress of the United States.

Lists of labor endorsements follow:

SUPPLEMENTARY LIST NO. 2 OF SIGNATORIES TO PETITION MEMORIALIZING THE PRESIDENT OF THE UNITED STATES, THE PRESIDENT OF THE UNITED STATES SENATE, AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES ON THE SUBJECT OF H. R. 5550

The following signatories are from labor unions:

Amalgamated Meat Cutters and Butchers Workmen of North America, AFL–CIO: Leather Local 29, Girard, Ohio, D. L. Beach, president.

American Flint Glass Workers Union: Local 10, Moundsville W. Va., Robert W. Newell, president; local 22, Williamstown, W. Va., Ralph E. McKenzie, chairman; local 59, Moundsville, W. Va., Kenneth W. Miller, president; local 507, Moundsville, W. Va., L. W. Young, president; local 508, Williamstown, W. Va., Don Butler, chairman; local 16, New Martinsville, W. Va., Theodore Hoskins, Chairman-secretary; local 510, New Martinsville, W. Va., Charles Moore, president.

International Brotherhood Operative Potters: Local 4, East Liverpool, Ohio, Cecil H. Calhoun, president; local 148, East Liverpool, Ohio, Albert F. Oakes, president; local 20, Steubenville, Ohio, James Gouker, president.

International Brotherhood of United Potters: Local 103, Erwin, Tenn., William J. Campbell, president.

International Glove Workers Union of America: Milwaukee, Wis., Thomas Durian, president; local 137, Ballston Spa, N. Y., Alfred Wyman, president.

International Union of Electrical Radio and Machine Workers, AFL–CIO: Local 1121, Chicago, Ill., Ernest Krebs, president; Gaertner Scientific Corp., Chicago, Ill., John Rapp, chief steward; Gaertner Scientific Corp., Chicago, Ill., George N. Hoellen, Jr., assistant chief steward.

Providence Rubber Workers Union, AFL: Local 21172, Providence, R. I., Elnio Lostacco, president.

United Textile Workers of America: Local 1138, Albany, N. Y., George H. Rogers, president.

POST OFFICE DEPARTMENT REGULATIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. DINGELL] is recognized for 15 minutes.

Mr. DINGELL. Mr. Speaker, a regulation was recently issued by the Post Office Department of the Government of the United States which is as bad as any regulation which has ever been issued by Nazi Germany, Communist Russia, or any other dictatorship. That regulation appears in issue 57 of the Postal Manual, dated March 28, 1956, at section 744.442, which reads as follows:

(a) Information relating to the policies and decisions of the Post Office Department will be released only through official channels. Employees shall not actively engage in campaigns for or against changes in the service, or furnish information to be used in such campaigns unless prior approval has been obtained from higher authority.

(b) If an employee has justifiable reasons for favoring or opposing changes in the Postal Service, he shall contact the proper officials and await specific instructions before engaging in local hearings or activities.

This regulation, for all intents and purposes, eliminates the right of any citizen who is also an employee of the post office to peaceably assemble or to petition for redress of grievances or to exercise his right of free speech, as is

provided by the Constitution. Under this ruling, no postal employee may take any steps to discuss working conditions or wage rates with anyone else connected with employment without prior approval of the Post Office Department, a most effective gag.

The situation under this regulation is intolerable, and has reached a point where employees are forbidden to post notices of employee organizations on bulletin boards in post offices. Worse, Mr. Speaker, postmasters throughout this country, under this autocratic regulation, are taking down employee bulletin boards, since there is no use to which they, or any other means of communication, can lawfully be put by employees to discuss their rights and questions affecting their employment in the accepted traditions of our democracy.

Mr. Speaker, if our Government has so much to fear from its citizens and employees it cannot long endure. It is obvious that where such a point has been reached, a government is ready for overthrow since it can neither trust its employees nor its citizens. I say that when people in government come to believe they must enact such regulations to strangle Federal employees, they must be replaced, because their thinking is not in conformity with the traditions of our country.

Fortunately, our Government still retains the faith, loyalty, love and affection of our people and its employees, in spite of such regulations, and despite such petty tyrants as would establish this sort of regulation.

However, if our Government is to deserve and retain the devotion of its people, we must strike down with a vigorous hand, any regulation which is so out of keeping with our democratic traditions. We must, also, smite with an equally vigorous hand, any and all who would so strike at our basic liberties, for they are ambitious and grasping men, and have within them much of what dictators and despots are made of.

There is yet another reason for just anger at this regulation. It is not only in direct violation of the spirit and principles of the Constitution, but it also violates a law of this Congress passed in 1912 and on the books continuously since that date. That law is the act of August 12, 1912, appearing as titles 5, United States Code, section 652 (c) and (d), which specifically states the will of Congress and the public policy of our country to be that Federal employees may engage in any form of organization, not imposing upon them the duty to strike, having for its objective the improvement of working conditions, and the condition of labor. That act also preserves inviolate the right of persons employed in the Civil Service of the United States to petition Congress or any member or committee thereof and declares that their right to furnish any information to Congress shall not be interfered with or denied.

Clearly this regulation is not only autocratic, and in open conflict with the long established principles of our Constitution but also in open defiance of a law of Congress.

I demand that the Postmaster General rescind the regulation forthwith and that he explain to the Congress and the people who is responsible for the regulation that we may take steps to see to it that such abuse never again occurs, and that the persons who are responsible are removed from our Government.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. LANKFORD (at the request of Mr. GARMATZ), for today and the balance of the week, on account of illness.

Mr. GRANAHAN (at the request of Mr. O'NEILL), for the balance of the week, on account of illness.

Mr. DOYLE until June 8, 1956, on account of official business, including work as member of subcommittee, House Un-American Activities Committee.

Mr. ROOSEVELT, for May 18, 21, and 22, on account of official business for Committee on Education and Labor and Committee on Small Business.

Mr. ALLEN of California, from May 17 to May 23, 1956, inclusive, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. YATES, for 20 minutes, today.

Mr. BAILEY, for 15 minutes, today.

Mr. DINGELL, today, for 15 minutes.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. COOPER and to include copies of a press release made by him today.

Mr. MCCORMACK in two instances.

Mr. KELLEY of Pennsylvania.

Mr. DODD in two instances.

Mr. ROOSEVELT and include extraneous material.

Mr. HESELTON to revise and extend the remarks he made on the rule on the bill H. R. 8901 and include extraneous matter, to revise and extend the remarks he made in the Committee of the Whole today and include extraneous matter.

Mr. CURTIS of Missouri and to include extraneous matter.

Mr. WILLIAMS of Mississippi and include an editorial.

Mr. GWINN (at the request of Mr. MARTIN) and to include extraneous matter.

Mr. EVINS and to include some statements made with respect to various regulatory agencies.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 2057. An act for the relief of Edwin K. Stanton;

H. R. 2893. An act to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claim of Graphic Arts Corporation of Ohio, of Toledo, Ohio;

H. R. 5535. An act for the relief of S. H. Prather, Mrs. Florence Prather Penman, and S. H. Prather, Jr.;

H. R. 7164. An act for the relief of Lt. Michael Cullen;

H. R. 7228. An act to amend title II of the Act of August 30, 1954, entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes"; and

H. R. 8130. An act to designate the bridge to be constructed over the Potomac River in the vicinity of Jones Point, Va., as the "Woodrow Wilson Memorial Bridge."

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p. m.) the House adjourned until tomorrow, Thursday, May 17, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speakers's table and referred as follows:

1852. A communication from the President of the United States, transmitting proposed appropriations and other authorizations for the fiscal year 1957, and for other purposes, in the amount of $186,276,929 for various agencies (H. Doc. No. 403); to the Committee on Appropriations and ordered to be printed.

1853. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1957 in the amount of $273,705 for the House of Representatives, in the form of amendments to the budget for said fiscal year, and a proposed supplemental appropriation for the fiscal year 1956 in the amount of $400,000 for the Government Printing Office (H. Doc. No. 404); to the Committee on Appropriations and ordered to be printed.

1854. A letter from the Secretary of the Treasury, transmitting the quarterly report on the progress of liquidation of the Reconstruction Finance Corporation to March 31, 1956, pursuant to Public Law 163, 83d Congress; to the Committee on Banking and Currency.

1855. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation entitled "a bill to implement a treaty and agreement with the Republic of Panama, by transferring certain property to the Republic of Panama, amending the Classification Act of 1949, as amended, adjusting the fiscal obligations of the Panama Canal Company, and by other provisions"; to the Committee on Merchant Marine and Fisheries.

1856. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "a bill for the relief of Lt. Col. Arnol A. Amunrud"; to the Committee on the Judiciary.

1857. A letter from the Board For Fundamental Education, transmitting a report of the audit of the Board For Fundamental

Education for the year 1955, pursuant to section 14 (b) of Public Law 507, 83d Congress; to the Committee on the Judiciary.

1858. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Government Printing Office for the fiscal years ended June 30, 1954 and 1955, pursuant to the Accounting and Auditing Act of 1950 (31 U. S. C. 67) and the Legislative-Judiciary Appropriation Act, 1954 (67 Stat. 330); to the Committee on Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Committee of Conference. S. 2286. An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense (Rept. No. 2167). Ordered to be printed.

Mr. QUIGLEY: Committee on the Judiciary. H. R. 11124. A bill to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges; without amendment (Rept. No. 2170). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7663. A bill to provide for settlement in part of certain claims of the Uintah and White River Bands of Ute Indians in court of claims case No. 47568, through restoration of subsurface rights in certain lands formerly a part of the Uintah Indian Reservation; with amendment (Rept. No. 2171). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government operations. Sixteenth intermediate report pertaining to administrative management of the Department of State. (Rept. No. 2172). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON of Illinois: Committee on Government Operations. H. R. 9764. A bill to amend the Employment Act of 1946; with amendment (Rept. No. 2173). Referred to the House Calendar.

Mr. COOLEY: Committee of Conference. H. R. 7030. A bill to amend and extend the Sugar Act of 1948, as amended, and for other purposes; without amendment (Rept. No. 2174.) Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3350. A bill to provide for the sale by the Secretary of the Interior of certain public lands of the United States which have not been used for the purpose for which acquired; with amendment (Rept. No. 2168). Referred to the Committee of the Whole House.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3351. A bill to provide for the sale by the Secretary of the Interior of certain public lands of the United States which have not been used for the purpose for which acquired; with amendment (Rept. No. 2169). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H. R. 11239. A bill to provide that the Secretary of the Army shall make certain payments to the counties of Mecklenburg, Halifax, and Charlotte, Va., from the proceeds of sales of timber located on that portion of the land within the John H. Kerr Reservoir, Va. and N. C., situated in the State of Virginia; to the Committee on Public Works.

By Mr. BOSCH:

H. R. 11240. A bill to make the Prison Ship Martyrs' Monument in Fort Greene Park, Brooklyn, N. Y., a national monument; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 11241. A bill to provide for the relocation of the National Training School for Boys, and for other purposes; to the Committee on the Judiciary.

By Mr. COLE:

H. R. 11242. A bill to amend chapter 14 of the Atomic Energy Act of 1954; to the Joint Committee on Atomic Energy.

By Mr. DEVEREUX:

H. R. 11243. A bill to provide in certain additional cases for the granting of the status of regular substitute in the postal field service; to the Committee on Post Office and Civil Service.

By Mr. DODD:

H. R. 11244. A bill to amend the Railroad Retirement Act of 1937 to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 11245. A bill to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products; to the Committee on Agriculture.

By Mr. FALLON:

H. R. 11246. A bill to amend section 6 of the act of August 24, 1912, as amended, with respect to the recognition of organizations of postal and Federal employees; to the Committee on Post Office and Civil Service.

By Mr. HALEY (by request):

H. R. 11247. A bill to authorize the Secretary of the Interior to compromise, adjust, or cancel certain debts of individual Indians and Indian tribal organizations, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 11248. A bill to authorize the Secretary of the Interior to convey to Indian tribes certain federally owned buildings, improvements, or facilities on tribal lands or on lands reserved for Indian administration; to the Committee on Interior and Insular Affairs.

By Mr. HYDE:

H. R. 11249. A bill to provide certain increases in annuity for retired employees under the Civil Service Retirement Act of May 29, 1930, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 11250. A bill to revise and modernize the fish and game laws of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KARSTEN:

H. R. 11251. A bill to authorize the modification of the existing project for the Mississippi River between the Ohio and Missouri Rivers by the construction of a dam at Chain of Rocks; to the Committee on Public Works.

By Mr. KEATING:

H. R. 11252. A bill to amend section 416 of the Agricultural Act of 1949, as amended, so as to authorize the donation to the Bureau of Prisons of commodities acquired through price-support operations; to the Committee on Agriculture.

By Mr. McCONNELL:

H. R. 11253. A bill to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies; to the Committee on Education and Labor.

By Mr. O'BRIEN of New York:

H. R. 11254. A bill to amend section 104, title 4, United States Code; to the Committee on Interior and Insular Affairs.

By Mr. PELLY:

H. R. 11255. A bill to clarify section 1103 (d) of title XI (Federal ship mortgage insurance) of the Merchant Marine Act, 1936, as amended; to the Committee on Merchant Marine and Fisheries.

By Mr. PRIEST (by request):

H. R. 11256. A bill to amend section 3 of of the act of January 2, 1951, prohibiting the transportation of gambling devices in interstate and foreign commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. REES of Kansas:

H. R. 11257. A bill to provide that certain compensation payable to certain officers and employees reinstated or restored to duty by administrative or court action shall be paid out of current appropriations for the department or agency concerned; to the Committee on Post Office and Civil Service.

H. R. 11258. A bill to establish penalties for failing to comply with certain recommendations of the Civil Service Commission and for defeating, deceiving, or obstructing any person with respect to any preference granted him by the Veterans' Preference Act of 1944; to the Committee on Post Office and Civil Service.

By Mr. SADLAK:

H. R. 11259. A bill to amend the Internal Revenue Code of 1954 and the Narcotic Drugs Import and Export Act to provide for a more effective control of narcotic drugs and marihuana, and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH of Kansas:

H. R. 11260. A bill to amend the National Labor Relations Act for the purpose of prohibiting compulsory unionism, and for other purposes; to the Committee on Education and Labor.

By Mr. SPENCE:

H. R. 11261. A bill to extend the Export-Import Bank Act of 1945, as amended; to the Committee on Banking and Currency.

By Mr. TUCK:

H. R. 11262. A bill to provide that the Secretary of the Army shall make certain payments to the counties of Mecklenburg, Halifax, and Charlotte, Va., from the proceeds of sales of timber located on that portion of the land within the John H. Kerr Reservoir, Va., and N. C., situated in the State of Virginia; to the Committee on Public Works.

By Mr. UDALL:

H. R. 11263. A bill relating to the construction of school facilities in areas affected by school integration, and for other purposes; to the Committee on Education and Labor.

By Mr. WHITTEN:

H. R. 11264. A bill to provide for the reconveyance of all mineral interests in lands acquired by the United States for certain reservoir projects to former owners thereof, and for other purposes; to the Committee on Public Works.

By Mr. WILLIAMS of New Jersey:

H. R. 11265. A bill to provide for studies of highway accident causes and their prevention; to the Committee on Interstate and Foreign Commerce.

H. R. 11266. A bill to amend the Davis-Bacon Act, and for other purposes; to the Committee on Education and Labor.

By Mr. O'BRIEN of Illinois:

H. R. 11267. A bill to promote the progress of medicine and to advance the national

health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. BOWLER:

H. R. 11268. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. BOYLE:

H. R. 11269. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. KLUCZYNSKI:

H. R. 11270. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. MURRAY of Illinois:

H. R. 11271. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. O'HARA of Illinois:

H. R. 11272. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. SHEEHAN:

H. R. 11273. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine to be located in Chicago, Ill.; to the Committee on House Administration.

By Mr. YATES:

H. R. 11274. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine; to the Committee on House Administration.

By Mr. CHRISTOPHER:

H. R. 11275. A bill to grant equitable compensatory time to postal employees; to the Committee on Post Office and Civil Service.

By Mr. DODD:

H. R. 11276. A bill to revise the Civil Service Retirement Act; to the Committee on Post Office and Civil Service.

By Mr. FEIGHAN:

H. R. 11277. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. STEED:

H. R. 11278. A bill to authorize the establishment, maintenance, and operation of auxiliary communication networks composed of licensed amateur radio operators for military radio communications; to the Committee on Armed Services.

By Mr. BYRNE of Pennsylvania:

H. R. 11279. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. CHELF:

H. R. 11280. A bill amending chapter IV of the Federal Food, Drug, and Cosmetic Act with respect to the manufacture, use and shipment of various and sundry types of cigar and cigarette tobaccos and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DONOHUE:

H. R. 11281. A bill to extend for an additional 6 years the authority to make guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. SADLAK:

H. R. 11282. A bill to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas; to the Committee on Banking and Currency.

By Mr. BASS of Tennessee:

H. J. Res. 623. Joint resolution to designate the dam and reservoir authorized to be constructed on the lower Cumberland River in Kentucky as Barkley Dam and Barkley Lake; to the Committee on Public Works.

By Mr. COUDERT:

H. J. Res. 624. Joint resolution proposing an amendment to the Constitution of the United States providing for the election of President and Vice President; to the Committee on the Judiciary.

By Mr. HINSHAW:

H. J. Res. 625. Joint resolution designating the period beginning July 23, 1956, and ending July 29, 1956, as National Model Aviation Week; to the Committee on the Judiciary.

By Mr. DODD:

H. Con. Res. 239. Concurrent resolution to provide that the United States Delegation in the United Nations request free elections in the Slovak Nation; to the Committee on Foreign Affairs.

H. Res. 507. Resolution to convey testimony and findings of the Katyn Special Committee to the United Nations and the Polish Communist Government; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. CURTIS of Massachusetts: Memorial of the Legislature of the Commonwealth of Massachusetts memorializing Congress to take action relative to the proposed increase of rents in housing projects in the Commonwealth of Massachusetts; to the Committee on Banking and Currency.

By the SPEAKER: Memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to take action relative to the proposed increase of rents in housing projects in the Commonwealth of Massachusetts; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOSCH:

H. R. 11283. A bill for the relief of Albina Mesesnel Lombardi; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H. R. 11284. A bill for the relief of Stanley Chiu; to the Committee on the Judiciary.

H. R. 11285. A bill for the relief of Dr. Robert D'Annibile; to the Committee on the Judiciary.

By Mr. FORRESTER:

H. R. 11286. A bill for the relief of Sfc. Thomas F. Callahan; to the Committee on the Judiciary.

By Mr. FULTON:

H. R. 11287. A bill for the relief of Margaret Weydmann; to the Committee on the Judiciary.

By Mrs. HARDEN:

H. R. 11288. A bill for the relief of Yuriko Sato; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 11289. A bill for the relief of Janis Lee Owen and Jacqueline F. Algorri; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 11290. A bill for the relief of Florentia Bougades; to the Committee on the Judiciary.

By Mr. KLEIN:

H. R. 11291. A bill for the relief of Sapudin A. Pati; to the Committee on the Judiciary.

By Mr. POWELL:

H. R. 11292. A bill for the relief of Lloyd D. Ebanks; to the Committee on the Judiciary.

By Mr. RHODES of Arizona:

H. R. 11293. A bill for the relief of Mrs. Jytte Starel Synodis; to the Committee on the Judiciary.

By Mr. SADLAK:

H. R. 11294. A bill for the relief of Wladyslaw Kazmierczak; to the Committee on the Judiciary.

By Mr. TABER:

H. R. 11295. A bill for the relief of Mrs. Hildegarde Weber Bennett; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 11296. A bill for the relief of Clement Alphonso Kepple; to the Committee on the Judiciary.

By Mr. BENNETT of Florida:

H. R. 11297. A bill for the relief of Thomas P. Quigley; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1039. By Mr. BEAMER: Petition of locals Nos. 501, 107, and 115, American Flint Glass Workers Union, Dunkirk, Ind., in accordance with amendment 1 to the Constitution of the United States of America, to refrain from enacting H. R. 5550 and instead to bring the General Agreement on Tariffs and Trade before the Congress of the United States in accordance with the treatymaking provisions of the Constitution; to the Committee on Ways and Means.

1040. By Mr. BOW: Petition of Charles Gampo and others, of Alliance, Ohio, for a separate pension program for World War I veterans; to the Committee on Veterans' Affairs.

1041. By Mr. BUSH: Petition of Harry H. Pinge, Sr., and 44 other residents of Lock Haven and Clinton County, Pa., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1042. By Mr. FORAND: Petition of Mrs. Raymond E. Olson, Pawtucket, R. I., and 31 others from Rhode Island, urging enactment of legislation to remove alcoholic beverage advertising from the air and out of the channels of interstate commerce; to the Committee on Interstate and Foreign Commerce.

1043. By Mr. JENKINS: Petition of 42 veterans of Bidwell, Ohio, and of Florida, addressed to the President and Congress of the United States, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1044. Also, petition of 45 veterans of Ohio, addressed to the President and Congress of the United States, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1045. By Mrs. KEE: Petition of Waldo Williams, Hinton, W. Va., and 45 other residents of Summers County, W. Va., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1046. By Mr. MARTIN: Petition of C. W. Cederberg and sundry residents of Attleboro, Mass., urging enactment of the Siler bill, H. R. 4627; to the Committee on Interstate and Foreign Commerce.

1047. By Mr. POLK: Petition of Jess P. Whitmer, Washington Court House, Ohio, and 45 other citizens of Fayette County, Ohio, and surrounding area, addressed to the President and Congress of the United States, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1048. By Mr. WOLCOTT: Petition of William C. Cliff, of Applegate, Mich., and 21 others urging the passage of the Langer bill (S. 923) and the Siler bill (H. R. 4627) both pertaining to alcoholic beverage advertising; to the Committee on Interstate and Foreign Commerce.

1049. Also, petition of Gabrielle Van Houtte, Mount Clemens, Mich., and 44 others urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1050. Also, petition of Mr. E. Grubba and 44 others urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1051. Also, petition of Beulah Taylor, Port Huron, Mich., and 44 others urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

EXTENSIONS OF REMARKS

A Fine Report About United States Mistakes in Asia

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 16, 1956

Mr. McCORMACK. Mr. Speaker, during the fall of last year a subcommittee of the Committee on Foreign Affairs, the chairman of which subcommittee being our distinguished friend and colleague from Wisconsin, Mr. ZABLOCKI, spent 2 months studying the Middle East, south and southeast Asia for the purpose of a report to the Congress. The subcommittee constituting the mission consisted of 6 members. They traveled nearly 31,000 miles and visited 25 countries, starting in Greece and ending up in Japan. This subcommittee performed an important mission.

I congratulate the chairman of the subcommittee, Mr. ZABLOCKI, and all the members of the subcommittee for the sacrifices they made in the performance of their trying task and for their constructive report.

The gentleman from Wisconsin [Mr. ZABLOCKI] is recognized as one of the ablest and hardest working Members of the House of Representatives. His knowledge of foreign affairs is profound. He is recognized as one of our outstanding Members in the field of foreign affairs. And this is particularly important to our country at this trying period of the world's history. The people of his district are justified in feeling proud of him and the fine character of service which he is rendering as their Representative in the Congress of the United States.

The subcommittee made a most interesting and constructive report of 213 pages. It is one of the finest reports which I have ever read made by any committee or subcommittee. Again, I congratulate the gentleman from Wisconsin [Mr. ZABLOCKI] and all the members of his subcommittee for the excellent contribution that they have made in their report.

In my extension of remarks, I include a deserving editorial about Mr. ZABLOCKI and his subcommittee entitled "A Fine Report About United States Mistakes in Asia," appearing in the Milwaukee Journal of May 13, 1956:

Congressional committee reports are usually pretty dull fare, fit for filing. Occasionally, however, one comes along that is as interesting as it is informative. Such a report is that of the study mission of the House Committee on Foreign Affairs.

If you'd like a stimulating armchair trip through a most important part of the world, a real insight into the tangled affairs of the Middle East, sound explanations of why the West is having such headaches in Asia, this is your dish.

The mission, headed by Wisconsin's CLEMENT J. ZABLOCKI, Democrat, Milwaukee, spent 2 months last fall studying the Middle East, south and southeast Asia. The 6 members traveled more than 30,800 miles, visited 25 countries, started in Greece and ended up in Japan. When they got back to Washington they studiously worked out their comprehensive report.

Actually, there's nothing quite like it. Books are written about individual nations, or even geographical areas. But no one has offered a panoramic sweep of the vital areas fringing Communist Russia and China that form today's major battleground between freedom and tyranny. This the study mission, with aid from its staff members and assistance from the State and Defense Departments, has done.

Here is a quick education in the geography, history, economics, religion and politics of the 25 nations visited, plus a discussion of each nation's problems with its neighbors and with the United States.

There are significant conclusions, too, about American policies toward individual countries and, more important, toward the whole of free Asia.

The study mission found neutralism on the increase. It blamed this on changed Communist tactics and on American acceptance of "the Communists into respectable society at Geneva." It said the conviction is strengthening in Asia that the United States stands with the colonial powers of Europe rather than with Asian peoples. It complained that we are still not doing a good job on human relations in our various aid programs, and added:

"The key thing is not the amount of aid, it is the manner. It is not enough to analyze figures; we must do a better job of analyzing people. This is where the Communists have left us far behind."

The report is 213 pages long. It is interestingly written. It has many maps. It will tell you most of what you need to know to be considered informed about a part of the world that is going to be important to Americans for a long time.

Congressman ZABLOCKI will be glad to provide copies of the study mission report to those requesting them. Requests should be addressed to him at the House Office Building, Washington, D. C.

Compulsory Inspection of Poultry and Poultry Products

EXTENSION OF REMARKS
OF
HON. THOMAS J. DODD
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 16, 1956

Mr. DODD. Mr. Speaker, I have today introduced a bill calling for the compulsory inspection of poultry and poultry products.

This is a companion bill to H. R. 10527 and H. R. 10514.

Connecticut, with a poultry industry annually valued at some $70 million, not including baby chicks, is vitally interested in the adoption of Senate bill S. 3588. It is one of those rare industry proposals that serve both producers and consumers and, at the same time, promise greater agricultural stability.

The State of Connecticut has long recognized the need of slaughterhouse supervision. Licensing and inspections became statutory requirements at least as early as 1930. Steps are now being taken by our Department of Agriculture to amend previous regulations and adopt a new code comparable to the sanitary requirements of Senate bill 3588.

Income from poultry ranks first in Connecticut's cash farm income. Our broiler producers form one of the last bastions where their farms are owned and operated by the farmers themselves. As a result, the quality of the poultry produced on our Connecticut broiler farms can not be surpassed by any other area in the United States.

Broiler production now in excess of 25 million annually, increased 177 percent in Connecticut between 1940 and 1950. From 1950 to 1954 it was up another 80 percent and still growing in importance.

Connecticut action is influenced to a large extent by the price and sanitary code of the New York City market. This code requires, among other things, rigid inspection of eviscerated poultry coming into the city.

Many Connecticut plants are voluntarily conforming with the New York requirements. Others would like to under the compulsory requirements of Senate bill 3588.

There are 166 licensed poultry slaughterhouses in Connecticut. Five of these alone are processing more than 1,500,000 pounds of poultry weekly.

Over 20 percent of the poultry produced in the United States today is under a voluntary poultry inspection program administered by the Poultry Branch of the United States Department of Agriculture. This Department has had 27 years of experience in administering the voluntary poultry inspection program. It would seem to be only logical that those people with the experience and know-how would be the proper ones to be assigned the task of administering a mandatory program. The expense of this voluntary program has been borne by the industry. Under the mandatory inspection program for red meat, the expense is borne by the Federal Government. It appears to me that to continue requiring poultry meat to bear the cost of inspection and at the same time subsidizing red meat inspection is most unfair.

The mere fact that the poultrymen in Connecticut have requested this legislation, along with other poultry areas, indicates their interests in providing high quality poultry for the consumer's table.

I hope we can get some prompt action on this necessary legislation.

Gov. Adlai Stevenson's Record

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. ROOSEVELT. Mr. Speaker, because of certain distortions of the true record of Gov. Adlai Stevenson, of Illinois, with respect to old-age assistance, my colleague and distinguished member of the Committee on Ways and Means, the Honorable CECIL R. KING, and myself have found it necessary to correct the record by issuing a public statement which is quoted below:

Congressman CECIL R. KING, Democrat, California, and Congressman JAMES ROOSEVELT, Democrat, California, both from southern California, today issued the following joint statement in answer to an attack on Gov. Adlai Stevenson's record on social security and old-age assistance:

"We have worked long and hard for the needed revision and expansion of our social security and public assistance laws. We feel that it is necessary to correct the erroneous and distorted statements now being circulated in California regarding the constructive record of Gov. Adlai Stevenson on old-age assistance.

"We wish also to emphasize the accomplishments of Governor Stevenson in Illinois. The facts are that no Governor in the history of Illinois—indeed few Governors in the Nation have done more for the older people than Adlai E. Stevenson.

"In his very first address—his Inaugural Address—Governor Stevenson called on the Illinois Legislature to raise old-age pensions, and within 3 months, old-age pensions were raised by 18 percent.

"Governor Stevenson's 4-year Public Aid program made available $128 million more for old-age pensions and other forms of assistance than was spent in the previous 4 years under a Republican governor.

"At Governor Stevenson's urging, the Illinois Legislature passed a modern Public Assistance Code which repealed the antiquated 'Pauper Law' and is now considered a model law throughout the Nation.

"On 134 occasions in 4 years under Governor Stevenson, the Republican legislature in Illinois tried to pass bills for roads, bridges, pensions and other purposes without appropriating 1 cent to finance them, and Governor Stevenson insisted that the funds be provided before he would approve the bills.

"Governor Stevenson at no time made the statement which the pamphlet quotes him as making about old-age pensions.

"The Illinois Public Aid Commission at no time during Governor Stevenson's administration cut old-age pensions by 10 percent. According to the current Executive Director of the Commission, Mr. Garrett W. Keaster, there was no such cut during Governor Stevenson's administration.

"It is our sincere belief that real progress in social security and public assistance can best be achieved with Governor Adlai Stevenson as President of the United States."

Federal Scholarship Loan Act

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. MULTER. Mr. Speaker, on August 2, 1955, I introduced in the House of Representatives a bill to increase the educational opportunities of needy students through a Federal loan fund.

Titled "The Federal Scholarship Act," the bill would set up a scholarship fund with an initial 2-year appropriation of $15 million. The fund would be on a self-liquidating basis, and would provide loans to enable needy and scholastically qualified students to continue post-high-school education.

I wish to stress that the fund should not cost the Government anything and would help to alleviate a general manpower shortage in certain fields, while at the same time increasing the opportunities of the youth of America.

All loans would bear only 1 percent interest and be repayable by the student during a 10-year period commencing upon the completion of his schooling.

The bill provides that any shortages in the fund shall be made up by the States according to the amount of assistance their students have received, thus making the Federal Scholarship Act a self-sustaining, Federal-State cooperative venture. The interest charge should pay all expenses of operation of the program and may eventually be reduced or eliminated.

The Federal Scholarship Act would grant qualified students $1,000 per year for 4 years in any institution of college grade studies, or $1,500 per year in any institution of post-college-grade studies. My bill provides that the States shall set qualification standards under which loans shall be granted, and that States will receive grants in proportion to their congressional representation.

The basic plan for Federal scholarship aid has been the subject of bills in every Congress since 1949. We had had a temporary wartime measure, the student war loan program, which granted $3⅓ million in its 2 years of existence during the Second World War. Since then, more than three-quarters of this sum has been repaid. About one-third of 1 percent of the loans, or about $13,000 out of over $3,300,000, is probably uncollectible according to the Deparment of Health, Education, and Welfare. The great majority of the 11,053 needy students who received loans have completed or are completing their repayments.

No Joint Commissions To Stop Competition

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. GWINN. Mr. Speaker, Victor Reuther, assistant to the president of the industrial union department of the AFL–CIO, addressed the Young Presidents' Organization in Hollywood, Fla., April 27.

Alexander R. Hammer, of the New York Times, reported Mr. Reuther's remarks to this meeting. He said:

The labor official reiterated the belief expressed before by organized labor that "automation and atomic power has put the world on the threshold of undreamed of opportunities."

"We do not approach these promises of technological advance with any sense of fear," he continued. "But we do insist that they be met with intelligent planning in order that we may be able to cushion the impact upon our social structure. Failure to plan, resistance to change, could result in serious dislocation. It is a community and national responsibility to see that no industrial worker be forced to pay the price of any technological advance."

Mr. Reuther suggested that each basic industry should establish joint commissions of inquiry to make certain that management and labor at every industry level is prepared to meet the shock of automation. "As yet," he added, "there have been no such meetings."

Mr. Speaker, the suggestion that each basic industry should establish joint commissions to deal with automation has very grave implications. Our system of private enterprise is regulated by the forces of competition. When an industry establishes a joint commission, such as Mr. Reuther suggests, there will be little competition between its members in the form of improved products and better productive methods to reduce costs to the consumer and thus expand markets to make more and better jobs possible for workers.

Since 1939 the establishment of joint industry and labor-management committees has been the solution advanced by Walter and Victor Reuther to meet every problem. When World War II required the conversion of the automobile industry for defense, the Reuthers proposed a joint labor-management program to accomplish this task. Fortunately, this program was never adopted. Conversion took place. The weapons of war were made and we got on with the job. When the war was over, the Reuthers again advanced the same formula to meet the problems of reconversion. Again their advice as rejected. We are now told that a new crisis is upon us, namely, the introduction of automation and atomic power, and the same solution is again advanced.

The joint industry-labor committees, suggested by the Reuthers, were tried by Mussolini in Italy in the 1920's. They were the keystone of fascism. I do not want to see our competitive system lost and a cartelized industrial structure substituted in its place. The American people would never be content with such a system.

If competition were to be superseded by joint commissions operating at industry levels, they would in turn have to be supervised by Government over which the people would have some control. This is the easy, sure road to socialism. This is the reason that every problem always meets with he same recommended solution. It is in keeping with the socialistic aspirations of the Reuthers which have animated all of their actions since they first became prominent in the labor movement.

Automation is a fancy word for an evolutionary process which has been taking place ever since the start of the industrial revolution. We have made constant shifts of employment from one industry to another, from one occupation to another, and they have been met without hardship when our economy was operating at a high level of output. By reducing the cost of Government and by creating an atmosphere conducive to the expansion of private enterprise, we can secure the advantages of automation and atomic power without having to sacrifice our basic economic freedoms and without unemployment.

The Civil-Rights Issue

EXTENSION OF REMARKS

OF

HON. JAMES H. DUFF

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 16, 1956

Mr. DUFF. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of remarks by the Senator from New Jersey [Mr. CASE] at the banquet of the Pennsylvania Federation of Young Republican Clubs at the Bellevue-Stratford Hotel in Philadelphia on May 13, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

As young people interested in improving our great Government, I know you have given a good deal of thought to what I consider the No. 1 domestic problem of our Nation—how to accomplish the goal of equal treatment for all our people. In my opinion, this has become the most deeply divisive issue our Nation has faced in this century. Moreover, how we meet the problem is a matter of profound importance to millions outside the United States yearning and struggling for a better life.

There are those in this Nation who recognize the magnitude of the problem, but prefer to look away. There are those who can see it only in extremist terms, who would compel solutions, enforced, if need be, by punitive means. There are also those who would use it for narrow political ends. There may be some in our own party who take the short-range view that this is a matter splitting the Democrats and so let's stand back and let them fight each other.

But, in the long view, in the interests of our country, this is neither a sensible nor a morally just position to take. It is inconceivable to me that the Republican Party could adopt such a view. We cannot stand aside and watch this Nation be torn apart over an issue that can and must be resolved without resort to violence or compulsion.

The Negroes in our midst are Americans and have the same right to a vote, to a decent education, to a decent job, to a decent house, and to a decent life as the rest of us.

It seems to me high time to take the civil-rights issue out of the partisan arena. The hurling of wild predictions over what can happen if we give the Negro his long-postponed rights is harmful, as is the continuing exchange of charges over who's to blame for the situation. Meanwhile, the problem is aggravated as tempers flare among the extremists on both sides and the moderates are pushed ever farther and farther back from the conflict.

I can see no partisan advantage in watching American turn against American. This is a problem that cries out for calmness and moderation; for unity and understanding. This Nation has already discovered that in the sensitive area of foreign policy, a bipartisan approach is advisable, if not downright essential. It seems to me that the matter of racial relations and the broader one of civil rights should be moving in the same direction.

Our great need right now is to build a climate of opinion in which reasonable solutions are possible, to strengthen in all ways the position of those persons who could contribute to understanding and progress toward carrying out public school integration. This encouragement can take many forms—creation of opportunities for men and women of good will to meet and discuss ways of working out solutions to particular problems; sympathetic response to school districts that take steps toward fulfillment of the Supreme Court decisions and development of moderate legislation helpful to the same aim. At the same time, we need to refrain from words and actions which hinder rather than help progress and understanding. We must resist the temptation to take partisan advantage. Any smugness on our part; any ignoring of the fact that the North, where we Republicans live, is itself not without racial tension; any vain hope that we will profit while the other side fights—this approach is not going to help solve a problem which is too big for petty self-indulgence. The Supreme Court decisions call for great changes in long-standing habits of many of our States. This must be recognized by those who are truly interested in fulfilling our national conscience in a peaceful fashion.

President Eisenhower, in my opinion, is exerting the right kind of leadership. He has stood firmly for integration of our public schools on a steadily progressive basis. This has been a real contribution and I know he will be leading the way toward other steps as we determine what others are necessary and advisable.

In addition to exercising the great influence of his office and his own reputation for high moral principles, the President has urged the adoption of a moderate legislative program to strengthen and expand our civil-rights statutes. These proposals are supported by many Democrats as well as Republicans already and if we can create a climate of moderation and reasonableness they can be enacted.

We, as individuals and as Republicans, have an opportunity as well as a duty to lend our strength to calm voices of North and South who would find ways of doing this job that needs so badly to be done. Neither extremism nor partisanship will win the political day, any more than they will carry us toward the goal of real equality, with justice, for our fellow Americans of whatever color.

The temper of the people is, I believe, moderate on this issue. As we demonstrate our good faith and deep interest in steady progress toward solution, public good will and support will inevitably follow.

The Moral Is Crystal Clear

EXTENSION OF REMARKS

OF

HON. JOHN BELL WILLIAMS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. WILLIAMS of Mississippi. Mr. Speaker, the President has expressed publicly his opposition to the so-called antisegregation amendment to the pending school-construction legislation. The President's position on this matter is quite obviously one of expediency, as he knows that no such legislation can be forced through Congress that expressly denies funds to a great portion of this country.

In view of recent actions along these lines taken by the Civil Aeronautics Administration in its administration of the Federal Airport Act, it would be well for Congress to analyze the President's real intentions respecting the school legislation.

By an overwhelming vote, the Committee on Interstate and Foreign Commerce defeated an attempt to amend the Federal Airport Act so as to deny funds to airports for construction of separate facilities where racial separation is practiced. The Federal Airport Act makes no requirement that integrated facilities shall be a condition precedent to an airport's receiving Federal assistance.

In abject defiance of the expressed intent of Congress, the Department of Commerce, through the CAA, has written this policy into its regulations, and is denying assistance to airports for construction of terminal facilities where plans call for separate facilities in accordance with State laws. Quite obviously, this policy was dictated from the White House.

Are we so naive as to believe that the President, particularly in an election

year when he is a candidate, is not going to extend this same policy to the administration of the school-construction legislation, if enacted?

We need not be fooled by the President's pronouncements regarding the antisegregation amendment or the school-construction legislation. This fact is pointed out clearly in the following editorial, taken from the Jackson (Miss.) Clarion Ledger, under date of May 9, 1956:

THE MORAL IS CRYSTAL CLEAR

We hope advocates of Federal aid to education in Mississippi and the South have derived some lesson from recent action by the Civil Aeronautics Administration, denying Federal funds for construction at airports where segregation is practiced. Our own Jackson Airport has been adversely (but negligibly) affected by this arbitrary decree.

Actually, Federal allocations for local airport improvements and additions have been reduced only from $40,000 to $35,000 by the CAA ruling, a comparative drop in the bucket in relation to the overall $85,000 program in which local funds are matched with Government money. This is entirely beside the point. The matter involves principle rather than principal.

The fact remains that a Federal agency, in this case the CAA, apparently can of its own authority prescribe conditions under which Federal funds may be granted or withheld to State or local authorities. If Washington agencies can deny funds for construction of segregated airport facilities, another agency can exercise the same authority in the case of segregated schools.

Conceding again that the CAA ruling in this particular instance is relatively unimportant, it unmistakably represents a dangerous and highly undesirable precedent for others in Washington to follow in prescribing rules and policies related to Federal aid. We invite the attention of all Mississippians to this phraseology in the CAA decree—"where duplicate facilities are provided that are intended for segregated use, the areas involved will be excluded from Federal aid."

Unlike other recent blows at the South's traditional practice of racial separation, the CAA ruling has prompted but little comment among southern leaders. City and State officials are expressing a cheerful willingness to pay all costs for segregated airport facilities which may be objectionable to Federal officials. This is especially true in the case of Jackson's municipal airport which, of course, will maintain the status quo.

The same attitude must and will continue to prevail with regard to education. Let those among us who cry loudly for Federal dollars in aid to schools pay heed to what has happened in the case of Jackson's airport and those of other southern cities denied Federal funds because of segregation. If Washington can prescribe terms and conditions for local airport construction, it can do so with regard to local schools receiving Federal moneys for their support. The moral is painfully clear and inescapable.

Petition To Secure Discharge of H. R. 11 From Committee

EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. DODD. Mr. Speaker, on the Speaker's desk is a petition to secure the discharge of H. R. 11 from committee. This petition should receive the support of many Members of Congress.

I wish to call to the attention of my colleagues a decision of the circuit court of appeals for the seventh circuit holding that the company involved in that case had established a good-faith defense, and thus its price discriminations were not illegal as the Federal Trade Commission had charged.

This latest court decision highlights the weakness of the recent statement issued by members of the Federal Trade Commission to the effect that H. R. 11 is not necessary and that it is premature.

The members of the Federal Trade Commission have said that the Commission could issue complaints under the first court decision with respect to a good-faith defense.

Now this decision by the seventh circuit court of appeals would appear to have eliminated any grounds for action where good faith is a defense. Thus, it seems crystal clear that the members of the Federal Trade Commission have been mistaken and they should, therefore, support H. R. 11.

Small business is in serious trouble. The passage of H. R. 11 will help small-business men throughout the United States.

International Labor Organization Conference at Geneva

EXTENSION OF REMARKS

OF

HON. AUGUSTINE B. KELLEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. KELLEY of Pennsylvania. Mr. Speaker, even though I will probably have to interrupt the trip to fly back to the United States for the House debate on my school construction bill, I am looking forward to attending sessions of the International Labor Organization conference in Geneva, Switzerland, next month.

As the ranking Democratic member of the Committee on Education and Labor of the House of Representatives, I have been designated by Speaker SAM RAYBURN to serve along with the senior Republican member of the committee, Congressman SAMUEL K. MCCONNELL, JR., of Wynnewood, Pa., as a congressional adviser to the American delegation at this international conference. The delegation we will advise consists officially of one employee representative, one employer representative, and a Government official. Other countries are similarly represented.

Of course when the Soviet Union sends a delegation to this conference the idea of anyone in the delegation being an "employer representative" or "employee representative" is ridiculous on its face, because all delegates from the Soviet Union are, by the very nature of the Communist system, Soviet Government officials. But that would hardly be a reason to refuse to allow American participation, although that has been the proposal of some of our big business organizations.

As a matter of fact, the ILO is one of the best forums we have—we in the free world—for showing up the tyranny and reaction of Soviet policies. The free nations completely dominate the policies of the ILO, and it is a wonder Russia even participates, since so much of the work of the ILO centers on the attempt of free nations to eliminate the type of regimentation of workers so typical of the Soviet system.

It is, therefore, hardly coincidental that just before its delegation goes off to an ILO conference at which the question of forced labor will be voted on, the Soviet Union has suddenly repealed or modified its long-standing decrees providing harsh penalties or jail terms for quitting a job or trying to change jobs. Russia is now said, also, to be opening up some of its forced labor camps, and otherwise relaxing its barbarian policies against its own people.

And, in one of the most revealing episodes of all, the Soviets have suggested to Russian "unions" that they should engage more often in "a good wrangle" with the Soviet industrial management people—but not to the point of strikes, of course.

COLD WAR TACTICS

All of these developments sound a real warning to us in our efforts to counteract Communist propaganda drives in the so-called uncommitted parts of the world. While Russia takes steps like these to make the world think she is becoming more civilized, we in this country have been arguing over American participation in ILO. Some of our industrial leaders have even gone so far as to express dismay that the Communist delegates at these conferences could in some way subvert America or other free nations.

This does not make us look very strong or very confident about our own economic system. It sounds as if we are fearful of seeing free competition in the world of ideas as between our kind of industrial democracy and the Soviet system of economic repression and regimentation. The truth is that our brand of economics always shows up much better than the Communist variety if we place the two solidly in contrast in world gatherings like the ILO.

This administration has been showing amazing timidity about the slave labor issue, even though this issue was originally raised in the ILO by the United States—under previous administrations. The Eisenhower administration is so afraid of providing ammunition to the Republican isolationists and Bricker amendment supporters in Congress that it has dodged and twisted and ducked in trying to avoid facing the issue in the ILO. Now, however, the decision is that the United States delegation will be free to support moves to bar from world trade goods produced by forced labor. But for a while, high-level State Department opposition almost made us look rather silly on this. That kind of timidity plays right into the hands of the Communists.

Statement of Hon. Thomas B. Curtis of Missouri

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 16, 1956

Mr. CURTIS of Missouri. Mr. Speaker, under leave to extend my remarks in the RECORD, I desire to set forth a statement which I presented to the Senate Committee on Post Office and Civil Service with regard to S. 3593—companion bill, H. R. 10237—a bill to give recognition of Government employee union representatives in presenting points of view on personnel policies including grievances to the heads of the various Federal governmental departments.

The statement follows:

STATEMENT OF HON. THOMAS B. CURTIS OF MISSOURI

I am glad the the Senate Post Office and Civil Service Committee is holding hearings on S. 3593 (companion bill, H. R. 10237), a bill to give recognition of Government employee union representatives in presenting points of view on personnel policies including grievances to the heads of the various Federal governmental departments.

For many years I have advocated a more formal recognition of our various Federal employee unions in matters affecting our Federal personnel practices. I have never put my ideas in bill form and I am not certain just how legislation should be worded in accomplishing the objectives I have felt were proper and worthwhile. Certainly on the face, S. 3593 and H. R. 10237, seem to accomplish these objectives and I trust that the committee, after it has studied the matter, will reach this conclusion, and above all, that the committee will report out favorably a bill that will accomplish the objectives we have in mind.

It seems to me axiomatic that to have good employee relations, and to have the most efficient results from employees, we must have good employee relations, the employees must have a basic voice in the decisions affecting the physical surroundings where they work, the social relations which go to make up the atmosphere in which they work, and the general personnel system which regulates the manner in which they work, when they work, how they are to be promoted, have a change of duty, etc.

If there were no such things as unions representing the views of the employees on their working conditions, etc., good management would require that it establish some democratic process whereby the views of the employees could be determined. How much healthier it is, however, to have the employees set up their own machinery and organization for accomplishing this desirable end. Dictatorship whether deciding living conditions in a society or working conditions in an office or plant, however benevolent, is not the way to get the best employee relations. I believe most modern businessmen have found this to be true.

The Federal Government has the identical problem that any private business has in this area. The only difference lies in the area of employee compensation and the right in private enterprise of the employees to use their basic economic weapon of strike. In the matter of employee compensation and certain basic areas of employment practices the Federal employee's weapon is the right he has collectively or singly like any other citizen to petition the Congress. In settling any manner of difference between the Federal Government and the Federal employee the right to strike, of course must not be employed and in its stead the right to petition the Congress must be substituted.

Incidentally, I want to state that though I disagreed with a great deal of the thinking of the postal employees in the last session of the Congress on some of the matters in their petition to the Congress, not for 1 minute did I question or object to the strong manner in which they came down to petition the Congress. I might have taken exception to some of the tactics they employed when their petitioning zeal seemed to get the best of them, but at all times I publicly stated they were entirely within their rights and that Congress must anticipate strong petitioning, knowing that these employees and the unions representing them, took, and take, no exception to the idea that the right to strike cannot ever be theirs.

I would say one final thing, and I hope it is not taken by labor leaders unkindly. I know it will not be taken by the farsighted labor leaders unkindly. Union leaders themselves sometimes forget that they are merely representatives of others and that their purpose is to help those they represent, not to perpetuate themselves in power. Because unions have attained the point where they are both legally and socially recognized in our society, they must now face up to certain restrictions necessary to keep labor dictators off the backs of the working men.

The day, I believe, is now past when the plea for labor leader responsibility can be passed off as merely an underhanded method of trying to prevent union organization. It is perfectly true that in the past this underhanded method was used and used effectively. There is no question that attempts are still being made to utilize it. However, as I have said, unionism is now strong enough to drive back these underhanded attacks. Unionism's greatest present danger is the labor dictator who is using the labor movement to further his own personal ends. Accordingly, I am hopeful that whatever bill is passed out by the Senate committee will have a due regard for the basic rights of the employee in relation to his labor representative.

I appreciate having the opportunity of presenting my views on this important matter to the committee. I intend to insert this statement in the CONGRESSIONAL RECORD so that it may be available to others.

Investigation of Regulatory Agencies

EXTENSION OF REMARKS
OF
HON. JOE L. EVINS
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 16, 1956

Mr. EVINS. Mr. Speaker, in connection with the statement which I made earlier today concerning the operation of our regulatory agencies in their relation to small business and our free-enterprise economy, under unanimous consent, I ask to have reprinted in the CONGRESSIONAL RECORD statements which I made at the opening of these investigations.

The statements follow:

THE FEDERAL TRADE COMMISSION

This subcommittee of the House Small Business Committee is commencing hearings this morning on the organization and procedures of the Federal regulatory commissions and agencies. Our hearings today will deal with the Federal Trade Commission.

This Commission is charged with the duty of enforcing the antitrust laws and other statutes in the public interest. Other regulatory commissions and agencies enforce other statutes and issue regulations which vitally affect small business. These agencies and commissions were established to carry out policies laid down by Congress. These policies basically are for the regulation of commerce. Power to regulate commerce is given Congress by section 8 of article I of the Constitution of the United States.

In several instances Congress has delegated its power in this field under specific policy guides and with specific objectives to agencies of the Government. In no instance does any of these agencies have the power to regulate commerce except as specifically provided for by Congress. At no place in the Constitution can it be found that any power to regulate commerce is delegated to the President.

In approving the legislation which established the regulatory agencies and commissions, Congress carefully and deliberately provided for such regulation to be independent of the executive branch of the Government. The constitutional and statutory concepts regarding the independence of these agencies and commissions have been affirmed by the Supreme Court of the United States in a number of cases, an important one of which was *Humphrey's Executor* v. *U. S.* (295 U. S. 602). That case arose after the President of the United States removed the late William H. Humphrey as a Commissioner of the Federal Trade Commission, on the ground, as the President said, that "the aims and purposes of the administration with respect to the work of the Commission can be carried out most effectively with personnel of my own selection." The Supreme Court held that the President of the United States was without authority to effect such removal of Commissioner Humphrey. In reaching this decision, the Court reviewed both the legislative history and the constitutional concepts underlying the FTC and said among other things the following:

"It is charged with the enforcement of no policy except the policy of the law. Its duties are neither political nor executive, but predominantly quasi-judicial and quasi-legislative.

"The Federal Trade Commission is an administrative body created by Congress to carry into effect legislative policies embodied in the statute in accordance with the legislative standard therein prescribed, and to perform other specified duties as a legislative or as a judicial aid. Such a body cannot in any proper sense be characterized as an arm or an eye of the executive. Its duties are performed without executive leave and, in the contemplation of the statute, must be free from executive control."

The Court further stated with reference to passage of the Federal Trade Commission Act:

"The debates in both Houses demonstrated that the prevailing view was that the Commission was not to be 'subject to anybody in the Government but * * * only to the people of the United States; free from 'political domination or control' or the 'probability or possibility of such a thing'; to be 'separate and apart from any existing department of the Government—not subject to the orders of the President'."

And here the Court spoke as it has many times before and since, on the separation of powers of our Government, as follows:

"The fundamental necessity of maintaining each of the three general departments of Government entirely free from the control or coercive influence, direct or indirect, of either of the others, has often been stressed and is

hardly open to serious question. So much is implied in the very fact of the separation of the powers of these departments by the Constitution; and in the rule which recognizes their essential coequality. The sound application of a principle that makes one master in his own house precludes him from imposing his control in the house of another who is master there."

However, as I pointed out on February 23, 1955, when our subcommittee was organized in this session of Congress, this committee has received a number of disturbing reports, in the press and otherwise, about the regulatory agencies, the FTC and other commissions. According to these reports the Hoover Commission reorganization for these commissions has effected radical changes in their basic concepts. Specifically the Hoover Commission plans make the chairman of each commission responsible to the President, to serve at the pleasure of the President. They give the chairman complete control and direction over the administration of the commission. Some of these reports suggest secretive and mysterious connections between the White House and these commissions.

For example an Associated Press story appearing in the press on March 3 of this year was to the effect that counsel of the Securities and Exchange Commission had been cited for contempt of a district court of the United States for refusing to produce certain SEC records in a public court trial. It appears that SEC insisted that this Commission is responsible to the executive branch of the Government, and is privileged to keep its records secret from the judicial branch. Yet the records in question were involved in a quasi-judicial action of that Commission which was properly under review by the court.

On last Tuesday, July 12, the Chairman of the SEC refused to tell a subcommittee of the Judiciary Committee of the United States Senate whether or not he had talked with anyone in the White House about the issuance of an order that the SEC postpone hearings. It is significant that the Chairman of the SEC did not claim privilege of secrecy on the ground that this was in the public interest or necessary to the security of the country. He claimed it a privilege to keep secret whether or not the President of the United States or his aids had influenced actions of the Securities and Exchange Commission.

Recently there has been considerable discussion in the press and elsewhere concerning some alleged overlapping consideration and action by the White House respecting the recent quasi-judicial handling of the Civil Aeronautics Board of a matter involving one very large and another small airline. If these reports concerning that matter should prove to be true, it would seem that not only are there connecting wires between the White House and the CAB but in that instance they became crossed and short circuited.

Earlier, Business Week magazine carried a lead article on what it titled "Republicans Reshape the FTC." This article appeared in the issue of June 5, 1954, said that the Federal Trade Commission was undergoing a change "in makeup, in philosophy, in organization." This article went on to say:

"Basically, of course, FTC remains an enforcement agency. * * * FTC's job has in no way changed, but the way it intends to carry it out has changed. As compared to the way the Democrats did things, the Republicans are making it easier for the businessman who is up on the FTC carpet, harder for the FTC lawyers handling the cases. * * * Some observers say that, as a practical matter, FTC is setting standards of proof that will make the lawyers' job almost impossible. * * * Finally, FTC has just adopted a complete reorganization program. The immediate significance of the reorganization, however, is that it gives (Chairman) Howrey the chance to name his own team. When the plan becomes effective July 1, the Republican majority will really have come into its own."

Clearly, one of the reasons the Congress had in mind for establishing the Federal Trade Commission as an agency independent of the President was to make certain that in the enforcement of antimonopoly laws it would remain free from political influence and not become involved in political considerations in the handling of antimonopoly matters.

The Congress realized that the Antitrust Division of the Department of Justice is subject to the direction of a political appointee, subject to removal at the pleasure of the President. Consequently, the Congress had every reason to believe that the Attorney General in his directing and prosecution of antimonopoly cases would do so in a manner in keeping with the views of the White House. Support is indicated for that belief in a recent press report to the effect that the Attorney General flew to Denver last summer to discuss with the President of the United States what should be done by the Antitrust Division of the United States Department of Justice about the proposed Bethlehem-Youngstown steel merger. It was to eliminate the problem of having all antimonopoly law enforcement in such hands that the Congress established the Commission independent of the Executive.

It is our purpose, therefore, to determine through these hearings whether it is true, as we frequently hear, that these supposedly independent commissions have become political puppets on telephone wires leading from the White House or from a political committee. Specifically, we expect to find out whether or not the reorganizations which have resulted from Hoover Commission proposals or otherwise have changed the effectiveness of these commissions in carrying out their responsibilities. This committee expects to inquire whether the conduct of these commissions and their officials make for effective enforcement of the laws assigned to them. We are interested in determining whether the Federal Trade Commission is effectively enforcing the statutes designed to protect small business against monopolistic practices and unfair methods of competition and whether the Commission is operating independently of Executive direction.

I am advised that at the FTC there have been at least two reorganizations within the Commission since the Hoover Commission submitted its recommendations on this Commission. We believe it is proper for us to inquire into the purposes of those reorganizations and the effects upon small business. At a later date the committee will make inquiry into specific legal cases undertaken by the Commission.

This subcommittee recognizes, as does the House Small Business Committee, the vital importance and the high purpose of the job which the FTC has to perform in the public interest. I am personally keenly aware of these things, as are several members of our committee staff—who were former employees of the Commission. It is intended that these investigations shall be constructive and, we trust, helpful in carrying out the mandate of Congress, and in assisting the Commission in being useful and more effective in reaching its declared goals and objectives, free from improper influences exercised upon its decisions in the public interest.

THE FEDERAL POWER COMMISSION

Our hearings today will concern themselves with the operations and functions of the Federal Power Commission. As provided for in the provisions of the rules of the House of Representatives—this statement is somewhat repetitious—the purposes of these hearings were stated in my public announcement. At the opening of these hearings it was to determine whether these agencies have ceased to be independent, as intended originally by Congress.

As we know, the Federal Power Commission was reorganized under Hoover Commission Proposal No. 9, I believe. That plan provides for the appointment of a Chairman by the President. The position is responsible to the President and the Chairman serves at the pleasure of the President. Under this plan the Chairman has complete control and direction of the Commission.

In addition, this committee has been informed that the Chairman of the Federal Power Commission and others directly connected with the executive branch of the Government instigated and brought about a further reorganization of the Federal Power Commission.

Information before us concerns these latter shake-ups and shiftings of the organization of personnel resulting in the removal from key regulatory policy positions of public officials and public servants of long years of experience who have dedicated themselves and have spent a large part of their lives in the public policy specified in the laws enacted by Congress to be administered by the Federal Power Commission.

It is our information that control over the policies and functions and duties previously asserted by these men has fallen into the hands of a relatively few employees without experience in serving the public interest in the field of the Federal Power Commission. On the contrary, these employees have come to their positions with the thought in mind that the public policy expressed in the laws entrusted to the Federal Power Commission, they are not in sympathy with them, and they should not, therefore, be enforced.

It is our purpose to determine whether any of these facts are true as they have been brought to the attention of this committee.

We are mindful that the Federal Power Act, as amended, and with particular reference to title 16, United States Code Annotated, section 803 of the code, provides that combinations, agreements or arrangements or understandings, expressed or implied, to limit the output of electric energy, to restrain trade or to fix, maintain, or increase the prices of electrical energy or services are prohibited by this act.

The information before us does not indicate that the Federal Power Commission has given full force and effect to that expression of public policy. Failure in that regard is looked upon as dangerous to the maintenance of our free competitive enterprise system and detrimental to a small, vigorous element of our economy.

Now, that sounds like a big order, but we probably will be able to cover these matters without too much time of the members of the Commission. Also we are in the closing days of the Congress, as you know, also.

THE FEDERAL COMMUNICATIONS COMMISSION

This subcommittee of the House Small Business Committee is resuming hearings this morning on the organization and procedures of the Federal regulatory commissions and agencies. Our hearings today will deal with the Federal Communications Commission.

At the outset, I would like to repeat again the subcommittee's jurisdiction and purpose in holding these hearings.

House Resolution 114, approved by the House on January 27, 1955, directed this committee to study the problems of all types

of small business existing, arising, or that may arise with particular reference to whether Government agencies adequately serve and give due consideration to the problems of small business. Subcommittee No. 1 was established by the full committee to carry out this congressional directive.

The Federal Communications Commission and the other regulatory agencies were created by the Congress for the purpose of carrying out legislative policies of the Congress. In no instance does any of these agencies have the power to regulate any phase of commerce except as specifically provided by the Congress.

In approving the legislation which established the regulatory agencies and commissions, Congress carefully and deliberately provided for such regulation to be independent of the executive branch of the Government and the industries to be regulated.

Moreover, the independence of these agencies and commissions from the executive branch has long been recognized by the Supreme Court as an important part of our constitutional doctrine of separation of powers. As stated by the Court in an important case:

The fundamental necessity of maintaining each of the three general departments of Government entirely free from the control or coercive influence, direct or indirect, of either of the others, has often been stressed and is hardly open to serious question. So much is implied in the very fact of the separation of the powers of these departments by the Constitution; and in the rule which recognizes their essential coequality. The sound application of a principle that makes one master in his own house precludes him from imposing his control in the house of another who is master there." (*Humphrey's Executor* v. *U. S.* (295 U. S. 602)).

With particular reference to the Communications Act, 1934, Congress attempted to strengthen the independence of the Federal Communications Commission from political control of the executive branch by providing that not more than 4 of the 7 Commissioners shall be from the same party. To keep the Commission free from industry control, Congress provided that no Commissioner could be financially interested in any corporation or firm subject to regulation by the Commission.

In this connection this committee has received a number of disturbing reports indicating that the Federal Communications Commission is not in fact an independent agency or acting independently. There have been brought to our attention reports from individuals, Government officials, and the press that the Commission has become responsive not to principles and policies set forth by Congress, but instead the Commission has become responsive to, or under the influence and control of the White House, and the industry which the Commission is empowered to regulate. Such reports, if true, would vitally affect small and independent business in the communications industry and would prevent adequate consideration by the Commission of their problems.

I would like to give a few specific examples to show the nature of the reports that have come to the attention of the subcommittee.

We have received reports of changes in personnel and procedures in the FCC. For instance, as early as January 19, 1953, one of the leading trade publications, Broadcasting and Telecasting magazine, reported:

"After a 20-year patronage drought, it isn't difficult to understand the desire of the Republicans to shake loose as many jobs as possible in official Washington. But in their zeal to run the opposition out of office and reward the loyal party workers, there are signs that they intend to use a meat-ax rather than a scalpel.

"The reports are somewhat disquieting, at this stage, as they pertain to the FCC. There is the expressed attitude, for example, that the new Chairman should be an outsider who will have no compunctions about terminating the tenures of staff-level people, to make way for the GOP newcomers."

Reports which this committee has received from the FCC have detailed the changes in the personnel that have taken place since 1953 and they are substantial. At the same time officials of the Commission have advised members of this committee that the major networks have the power to hire and fire those who do not speak or vote in the networks' interests. That there may be substance in such charges as indicated by the fact that the Commission in a great majority of cases has appeared to follow policies approved by the networks but detrimental to independent and small-business segments of the communications industry.

This committee also has received reports with respect to policy changes. For example, it has been stated that aside from patronage one of the motivations behind personnel changes was to get a reversal of the staff position that in granting communication licenses, preference should be given to those not already holding a dominant position in the communications industry.

The press reported in April 1953, that Commissioner Hyde would be appointed as chairman only on a probationary basis. Later it was further reported:

"President Eisenhower announced Mr. Hyde's appointment from Augusta, Ga., where he was vacationing, on Saturday, April 18. He said the appointment would be for a 1-year term—establishing another FCC precedent."

Broadcasting-Telecasting magazine, one of the leading industry journals in the communications field, stated with respect to Mr. Hyde's appointment as Chairman:

"To be watched with great interest will be Mr. Hyde's policy views on a number of important issues. These include educational television reservations * * *, color television, pay-as-you-go TV, large screen theater television and perhaps more important, questions of diversification of ownership of more than one class of station by newspapers or others identified with media for the dissemination of information."

In its editorial of April 27, 1953, Broadcasting-Telecasting said:

"With Mr. Hyde as Chairman, things won't happen automatically. Mr. Hyde knows that he has to act. He probably can count on at least three members to vote with him in making staff changes. By June 30 he will have his fourth Republican member as the replacement for Commissioner and Ex-Chairman Paul A. Walker. It is to be hoped that this man will be a practical broadcaster.

"Mr. Hyde's appointment is for 1 year—an innovation probably deemed expedient to assuage hungry party men who wanted a new face as Chairman. If he doesn't achieve the desired result, the President will be free to name his successor a year hence."

This committee will look into these and other similar reports to determine whether they are true, and if so, what effect they have had upon the policies and decisions of the FCC in relation to small business in the communications industry.

The committee has received reports that political favoritism and influence have played a part in granting TV licenses. This matter will also be a subject of this inquiry.

Another important matter brought to the attention of the subcommittee has been reports that the FCC has changed its position with respect to the need for diversification of ownership and control of the media of mass information. In 1953 dominant members of the communications industry began clamoring for a change in the FCC policy which had long prevailed that a person not already strongly established in the communications industry should be given preference in the granting of new licenses. Those strongly entrenched in the industry sought to become even more firmly established by reversing this policy. Their success is indicated by a case decided by the United States Court of Appeals for the District of Columbia on January 19 of this year. In this case the court said:

"In the case at bar there appears some suggestion that the Commission has changed, or is changing, its view as to the dominant importance of local ownership and as to the evil of a concentration of the media of mass information" (*Pinellas Broadcasting Company* v. *FCC*).

In this case the court pointed out that this change of policy on the part of the Commission could well be addressed to the attention of Congress.

This committee is interested in obtaining the facts behind these and other reports and in determining which segment of our business economy would benefit by the apparent changes in the philosophy and practices of the FCC. Is it the small-business man who will not be given the chance to own radio and television facilities in his local community? Will the citizens of the United States be benefited if they get their news, or advertising from only one or a limited source—a source with no real interest in local problems but with regional or national power over what people will see and hear? Will not such policy changes on the part of the FCC present the ultimate danger of information and thought control?

In conducting this inquiry this committee is mindful of the fact that other congressional committees are making extensive investigations into certain aspects of the communications industry. The committee has been in contact with these committees and will not duplicate their work. Instead the facts developed by such committees will be considered by this subcommittee in preparing its report on its inquiry into the Federal Communications Commission's organization and operations.

Bandung—One Year After

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. McCORMACK. Mr. Speaker, I include, in my extension, remarks made in a forum in which I participated on the program The Georgetown University Forum of April 15, 1956, Bandung—One Year After, with my valued friend, Gen. Carlos P. Romulo, Ambassador from the Philippines and one of the world's great statesmen, and a fine representative of his country; His Excellency Aga Shahi, Counselor, Embassy of Pakistan, Washington, D. C., and Secretary General and member of the Pakistan delegation to the Asian-African Conference in Bandung. The moderator was Matthew Warren.

Mr. WARREN. "Bandung—One Year After," is the topic for the 491st consecutive broad-

cast of the Georgetown University Radio Forum, another in a series of educational and informative programs from Washington. The Georgetown Forum was founded in 1946.

This is Matthew Warren speaking by transcription from the Raymond Reiss Studio, on the campus of Georgetown University, historic Jesuit seat of learning in the Nation's Capital.

Today's discussion will be, "Bandung—One Year After." The participants are His Excellency General Carlos P. Romulo, Ambassador from the Philippines; His Excellency Mohammed Ali is ill, and in his absence we welcome the Honorable Aga Shahi, consular of the Embassy of Pakistan, Washington, D. C., secretary-general and member of the Pakistan delegation to the Asian-African conference in Bandung; the Honorable John W. McCormack, Congressman from Massachusetts, majority leader of the United States House of Representatives.

Transcripts of today's broadcast are available. Send 10 cents to cover the cost of printing and mailing, with your name and address to Georgetown University Forum, Washington 7, D. C. Please mention also the subject matter of the transcript desired.

April 18 marks the first anniversary of the famous Bandung Conference in which representatives from Asian and African nations met to deliberate some of the foremost issues facing the world today. Colonialism and imperialism, peace and national security were widely discussed. The impression created by this conference throughout the world was that a new and powerful third force, a moral force was in the making, a force for peace and justice based on the experiences of these former colonial nations.

This period of Bandung's first anniversary is a most appropriate occasion for a sober evaluation of the conference on the basis of developments in the past year.

General, to open our discussion, I would like to ask you to review the objectives of the conference.

General ROMULO. As I remember it, the conference had four objectives: First, to promote goodwill and cooperation among the nations of Asia and Africa, to explore our vast and mutual as well as common interests, to establish and further friendliness and neighborly relations; second, to consider social, economic, and cultural problems and relations of the countries represented; third, to consider problems of special interest to Asian and African peoples, for example, problems affecting national sovereignty and of racialism and colonialism; and last, to view the position of Asia and Africa and their peoples in the world today, and the contribution they can make to the promotion of world peace and cooperation.

Those are the four objectives that made us go to Bandung, Indonesia, to attend that Bandung conference.

Mr. WARREN. Thank you, General. Mr. Shahi.

Mr. SHAHI. This conference was a unique assemblage of nations from the continents of Asia and Africa. As the President of Indonesia stated in his opening address, "It was the first intercontinental conference of the so-called colored nations of the world in its history." The number of states represented were 29. As many as 13 of them had achieved their independence in the decade since the Second World War. In population they comprised over half of mankind.

Mr. WARREN. Congressman MCCORMACK, What were the results of this conference now, to begin our evaluation, in the eyes of Congress?

Mr. MCCORMACK. The people of America and the Members of Congress, in particular, followed the Bandung Conference very closely. It was the first meeting of its kind of Asian and African nations, all seeking independence and liberty and freedom, and many of them participating in the conference recently emerging from an era of colonialism. Throughout our history colonial peoples of the world have looked to the United States as the champion of liberty and independence. The names of George Washington, Thomas Jefferson, and many other Americans are just as well known in lands and among peoples of Asia and Africa as they are in the United States. Our emergence from colonialism to independence stood as an inspiration to those people, and to many others throughout the world, seeking the right of free determination.

For a long while I had been thinking about what contribution I could make in my own little way as a Member of Congress toward, and in an affirmative way, obtaining those objectives that all people who want to be free under the law seek, and at the same time, combating the viciousness of communism.

The Bandung Conference attracted my attention. The bravery of the men who participated there in their utterances against international communism, and to the face of leaders, powerful leaders of Communist nations, commanded my respect as well as the respect of other Members of Congress. It was really the Bandung resolution and the speeches, the utterances and the actions that took place there that was the culminating influence in my drafting the resolution that I did against colonialism and Communist imperialism, and which passed both the House of Representatives and the United States Senate by a unanimous vote of Members of both bodies.

The Bandung Conference was, I repeat, the contributing influence which crystalized my thoughts and my action.

Mr. WARREN. Thank you. Mr. Shahi, I would like to ask you if you feel we can now speak of the spirit of Bandung as being forcefully alive today?

Mr. SHAHI. Well, I would say that in some directions the spirit of Bandung is forcefully alive today. By these directions I mean the strong moral support extended by the conference to all peoples who are waging a national struggle for freedom from colonial rule. If you will just consider what has happened in the past year: Morocco and Tunisia have emerged as full sovereign independent states. The Sudan has achieved its independence. The Gold Coast and Malaya are at the very threshold of their independence. Therefore, in this direction, the spirit of Bandung waxes strong. But, on the other hand, one cannot but note with great concern certain recent events which have assailed the spirit. There have been attacks from both within the region and from outside on the spirit of Bandung. I refer in particular to the sustained attacks which certain statesmen of Asia have made against those countries which have thought it in the interest of their security to enter into collective defense arrangements with the West. And, also, there have been attacks by the Soviet Union on such arrangements, which have been misrepresented as aggressive alliances, when in fact they are purely for self-defense.

Mr. WARREN. General, would you please give us your reaction to the results of this conference?

General ROMULO. Yes; I will be glad to do that. First of all, I would consider Bandung more as an influence than as a spirit, that the influence of Bandung has been all pervasive and this was felt in the United Nations and in other elements of the world community. In the United Nations, for example, we decided to have a better representation of Asia in the Security Council. The Bandung Declaration made it emphatic that the Asian nations wanted better representation in the Security Council.

The last session of the General Assembly approved the representation of Asia in the Security Council through the election for 1 year of Yugoslavia, first, and then the Philippines after Yugoslavia. Well, the election of the Philippines is a spearheading movement started in Bandung for better representation of Asia in the Security Council.

Then, again, when you consider this new shift in tactics of Soviet Russia, where they are emphasizing the economic offensive, I think this is something that they learned through the discussions in the Political Committee and Economic Committee of Bandung. Because there they saw how all the Asian nations were grateful to the United States for the economic aid given to these countries by the United States, and so made it clear in their statements in that committee. So much so that one of the declarations in the Bandung statement specifies economic aid. This did not escape the so-called collective leadership in the Kremlin. They followed that conference very closely. They saw the effect of economic aid on those delegates, and now they are trying to imitate this economic-aid offensive that the United States started 5 years ago, and they are trying to encroach on that same economic aid that heretofore has been a United States monopoly.

Mr. MCCORMACK. I think the spirit of Bandung is something that might undergo strain but cannot be destroyed. It is based upon truths. it is based upon soundness. However, there are strains directed, which the distinguished representative of Pakistan, Mr. Shahi, referred to, and my good friend General Romulo referred to. Within those countries they must differentiate between real friends and the voices of false prophets. They must realize that promises from certain directions would mean domination and ultimate enslavement. They must be able to differentiate between those who represent the forces of good and the forces of evil in the world. I think I can safely say that the United States of America represents the forces of goodness. The great majority of our people are against colonialism. The great majority of our people are sympathetic to the aspirations of the people of countries that participated in the Bandung Conference, and other countries seeking their emancipation and freedom.

We are only too willing to do what we can to assist. On the other hand, as I said, the voices of the false prophets represented by Communist Russia, must not be heeded in the best interest of their own country.

I think the Bandung Conference, successful as it was, must be implemented in a practical way. The leaders of those countries who want to improve the lot of their people, and that is real statesmanship, are entitled to the support of our country. I think it is in the best interest of the United States, as the nation having a rendevous with destiny, whether we like it or not, as if selected by God to be the leader of the forces of goodness in the world today, should affirmatively and effectively do those things which will cooperate with the leaders of those nations in building a stabilized government and a stabilized economy, and bringing to the people of those countries hope and confidence. I think that our country could do more, for example, in the direction of what is termed point 4 programs and projects.

I am hopeful that the leaders of those countries that participated in the Bandung Conference, in conference with the leaders of my country, will emphasize the economic uplift of their people as an important means toward bringing about stability and perseverance and strengthening of their nations.

Mr. WARREN. Mr. Shahi, do you feel the result of this conference was to establish a better bulwark against further aggression of Communist imperialism and colonialism?

Mr. SHAHI. It is very difficult to answer this question. Communist influence has tended to expand, firstly, in the Stalinist epoch, by means of outside force and encouragement of subversive movements. It would appear with the 20th Congress of the Communist Party of the Soviet Union that there has been a change in strategy and tactics. Now, the Soviet Union has proclaimed to the world that it has made fundamental revisions in Marxist theory, that it no longer regards war as inevitable, and that there could be more than one road to socialism, in an attempt to convince the uncommitted nations of the world that they have nothing to fear from communism.

Side by side with this there is a determined attempt to effect a political and economic penetration of these regions by the offer of aid, economic aid, and also by the declaration of unreserved support to the national liberation movement in the Asian-African region.

But the Asian-African countries which were represented in Bandung do not have a unity of outlook in regard to the best means to cope with the Communist forces directed from the outside. Some of these countries believe that their salvation lies in collective security arrangements, and therefore they have allied themselves to the West. But a number of important countries consider that their safety is best assured by a neutral policy, in other words, remaining outside these alliances. Of course, it is true that internally they are trying to raise the standards of living of their countries. But how far they can succeed can only be answered in time. In that sense, therefore, I do not think that it represents a bulwark against aggression.

Mr. WARREN. General, you were present at this conference, and so, of course, was Chou En-lai, the leader of the Communist Chinese. What was your impression of him?

General ROMULO. My impression of Chou En-lai is that he went there with Dale Carnegie's book, How To Make Friends and Influence People, in his hip pocket. The contrast in his attitude in Geneva, when he was there, and his attitude in Bandung, was quite marked, in the sense that in Geneva he was aloof, irascible, arrogant; in Bandung he was affable, cordial, friendly, humble, he was a good actor. But we must also admit that he is a very clever operator. When he saw me for the first time and met me for the first time in the home of the Prime Minister of Indonesia, he greeted me with one word, "Neighbor." And I answered him, "Yes, geographically."

Then, of course, he operated as if he were under the protecting wing of Prime Minister Nehru. Prime Minister Nehru was really the mother hen. He took him under his wing, gave parties in his honor, and invited the other delegates. In fact, the first dinner I attended was a dinner given by Prime Minister Nehru in honor of Chou En-lai. He had in that dinner only two of us, the Foreign Minister of Thailand and myself. So, Prime Minister Nehru was really the mother hen who was protecting or guiding Chou En-lai in that conference. However, I felt that the spirit of Bandung, or the influence of Bandung in our stand against aggression influenced Chou En-lai to such an extent that he had to make that proposal to negotiate Formosa on the very eve of the adjournment of the conference. He saw the strong feeling against aggression, and I am quite sure that the strong feeling against aggression in Bandung was transmitted by Chou En-lai to Soviet Russia.

So, while Bandung might not be a bastion against aggression, it served to pinpoint or to underscore to Soviet Russia and to Peiping the strong feeling against aggression by the representativees of 29 Asian and African nations assembled in Bandung.

Now, I agree with Mr. Shahi that since Bandung there has been quite a lot of strain from the region against those of us who have decided to enter into security alliances. Mr. Shahi will remember the argument that I had with Prime Minister Nehru, when in the Political Committee Mr. Nehru for almost two hours attacked the security alliances, and after his speech I answered him and called his attention to the fact that it was important for us, nations like the Philippines, Pakistan and Thailand, to enter into a security alliance like the SEATO, because, unlike, I said, Prime Minister Nehru, we cannot face the world and challenge the world as he did when he made the statement in his speech that morning and said, "The whole world can go to blazes, but India will remain alone." So, I told him that most of the countries represented around the table were small countries like the Philippines, and none of us could boast of the power and the size of India, and so therefore none of us could say that the whole world can go to blazes and like India we would stand alone.

Then I told him that while it is true that the empires of yesterday on which the sun was said never to set were disappearing one by one from Asia, what we fear today is the shadowy empire of communism on which the sun never rises.

Mr. WARREN. Mr. Shahi, we don't all understand here in America India's position of neutralism. Perhaps you could address yourself to that point.

Mr. SHAHI. Well, sir, you have asked me a very difficult question. This is the policy of Prime Minister Nehru of India, and certainly my country, which is a neighbor of his, has not been quite able to understand this policy. As far as we can see, it may suit India, and it may be possible for India to steer a neutral course, particularly when there is a kind of balance or near balance between the two great super powers of the world, and therefore there might be an advantage purely from the national point of view for a country like India not to commit itself and take a stand, but by throwing its weight sometimes on one scale, sometimes on the other, to enhance its own importance and its role in international relations and therefore build up national influence.

On the other hand, countries like mine do not think that this is a policy which would be right and proper, and they feel that but for the great strength of the United States of America, it would not have been possible for any country to play a neutral role because there would be only one super power which would dominate the world.

Mr. WARREN. Congressman, what is the American public opinion? Is it responsive now to the real significance of this conference? What should we know about it that we don't?

Mr. MCCORMACK. I think the Congress is thoroughly appreciative of what took place at Bandung, its significance. I think also in Congress there is some doubt about the position of Mr. Nehru. I know that my feeling is that the fact that he finds nothing good in any country but the Soviet Union bloc, tends to overextend my patience. I also know that at some time or other in my life I have to choose one side or the other, and so must nations at some time or other choose one side or the other.

I have been very much disturbed with the fact that he has never indicated even remotely anything favorable to not necessarily the United States but to those countries that are associated with us. He overlooks the fact that there is not one foot of territory that any other country has that we want. There is nothing that the United States wants but to make its contribution toward a stabilized world, in other words, world peace. I think the best evidence of the state of mind of the American people is shown by what we did some 10 years ago in fulfilling our promises to the Philippines. It is my opinion that we have to remain strong, but at the same time remaining strong militarily isn't the sole answer. We have to do those dynamic things, such as represented by point 4, that enables the leaders of other countries who want to be free under the law to strengthen themselves with their people, and to bring hope and confidence into the minds of their people.

Mr. WARREN. Thank you very much, Congressman. I am sorry, but our time is up for further discussion of today's topic, "Bandung—One Year After." You have attended the weekly discussion program, the Georgetown University Radio Forum, broadcast of which was transcribed in the Raymond Reiss Studio on the campus of historic Georgetown University in Washington, D. C.

Next week you will hear discussed, "Medical Education: Whose Responsibility?" Our panel at that time will consist of Congressman ANTONI SADLAK, Republican Member of Congress from Connecticut; Mr. E. J. Ade, director of public relations, the National Fund for Medical Education; Dr. Francis M. Forster, dean of the Georgetown University Medical Center.

This program has been presented in the interest of public education by Georgetown University. Your moderator: Matthew Warren.

Proposed Changes in Excise Tax Administrative Structure

EXTENSION OF REMARKS

OF

HON. JERE COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 16, 1956

Mr. COOPER. Mr. Speaker, today the Committee on Ways and Means met further in executive session with respect to recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems.

For the information of the Members of Congress and the interested public, I would like to insert at this point in the RECORD a press release I have issued announcing the decisions made today by the committee in regard to the subcommittee recommendations.

The committee is scheduled to meet again at 10 a. m. in executive session on May 17, 1956, to resume consideration of the subcommittee report.

The press release follows:

CHAIRMAN JERE COOPER OF THE COMMITTEE ON WAYS AND MEANS ANNOUNCES TENTATIVE DECISIONS OF THE COMMITTEE ON THE RECOMMENDATIONS OF THE SUBCOMMITTEE ON EXCISE TAX TECHNICAL AND ADMINISTRATIVE PROBLEMS

The Honorable JERE COOPER, Democrat, of Tennessee, chairman of the Committee on

Ways and Means, announces the tentative decisions reached today by the committee with respect to the recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems. Previous announcements with respect to earlier decisions of the committee were issued on May 10, 1956, and May 14, 1956. These announcements are printed in the CONGRESSIONAL RECORD for May 10, 1956, and May 15, 1956, and appear on pages 7183 and 7354, respectively.

Chairman COOPER stated that the committee would resume its consideration of the subcommittee's report in executive session at 10 a. m. on Thursday, May 17, 1956. A table of revenue estimates relating to the subcommittee's recommendations is printed in the subcommittee report beginning on page 13. A more detailed explanation of the recommendations appears in the subcommittee report beginning on page 16. The decisions reached by the Committee today are as follows:

"VI. DOCUMENTARY STAMP TAXES

"1 through 6 (b): Approved by the committee on May 14, 1956.

"6. (c) In the case of transfers which do not constitute sales or exchanges for value no transfer tax should be imposed.

"7. An exemption is presently provided from the stock issuance tax in the case of common trust funds maintained by a bank for the collective investment of moneys contributed by the bank in its capacity as a trustee, etc. This exemption should be extended to include a fund maintained by a bank exclusively for the collective investment and reinvestment of assets of qualified pension trusts of which it is a trustee or cotrustee.

"8. The stock issuance tax should not be applicable to the mere dedication of the earned surplus of a corporation to its capital account.

"9. In the case of statutory mergers and consolidations, at present, both a stock issuance and a stock transfer tax are imposed. Only the issuance tax should be applicable in these cases where the stock is issued directly by the acquiring corporation to the stockholders of the acquired, or consolidated, corporation.

"10. In the case of odd-lot transactions no tax should be imposed on the sale of an odd lot of stock (100 shares or the unit of trading on an exchange) by an odd-lot dealer.

"11. The committee deleted recommendation 11 which provided that no transfer tax should be imposed with respect to the transfer from one revocable trust to another where both trusts have the same grantor. This recommendation is included within the scope of recommendation 6 (c).

"VII. OCCUPATIONAL TAXES AND TAXES ON WAGERING AND COIN-OPERATED MACHINES

"1. The present tax on billiard and pool table of $20 per year per alley, or table, does not apply to billiard and pool tables in a hospital where no charge is made for the use of the tables, or to bowling alleys and billiard and pool tables maintained exclusively for the use of members of the Armed Forces if no charge is made for the use of the alleys or tables. These exemptions should be extended to include bowling alleys or billiard and pool tables maintained without charge by nonprofit organizations or by agencies of the United States Government.

"2. In the case of the wagering tax, the law should be changed so that an agent who refuses or is unable to name his principal shall be deemed prima facie to be the principal, for purposes of the 10 percent excise on wagering.

"3. The definition of a coin-operated amusement device should include devices which are actuated by remote control without the use of a coin.

"VIII. EXEMPTION AND REFUND PROCEDURES

"1. A more uniform system of exemptions and refunds or credits should be adopted for manufacturers' sales (or resales) for further manufacture, for export, to State and local governments, and for fuel supplies, etc., for certain vessels and aircraft. Such rules should also be followed where applicable, in the case of retailers taxes and the taxes on communications and transportation. This should be done by providing for the permanent registration of purchasers for any of the exempt purposes and tax-free sales should be made only to such purchasers. Tax-free sales would not require the use of exemption certificates but would be evidenced by a notation on the sales invoice of the registration number of the exempt purchaser. Where a sale is made by the initial manufacturer on a tax-paid basis and the purchaser subsequently uses or sells the article for one of the prescribed exempt purposes, a refund or credit should be allowed upon proof of such a sale. The refund or credit would be allowed whether or not there had been an indication at the time of the initial purchase that the article was intended for use for one of the specified exempt purposes. The refund or credit should be made through the initial manufacturer except in the case of purchases by another manufacturer directly from the initial manufacturer where used or sold for a taxable purpose. In this latter case the refund or credit should be made directly to the second manufacturer and based upon his purchase price of the article in question.

"2. The crediting devices with respect to tires (also inner tubes and auto radios and television sets) presently available for application against the excise tax on automobiles and trucks should be extended so that credits with respect to tires, etc., are available for crediting against any manufacturers' excise tax.

"3. With respect to tires, tubes, and auto radio and television sets mounted on, or incorporated in, other articles sold for export or to State or local governmental units, tax-free sales of the tires, etc. (or credits or refunds) should be allowed in the same manner as in the case of other articles sold for export or to State or local governmental units.

"4. Provision should be made in the statute that, where clocks are combined with other articles subject to a manufacturers' tax, the manufacturers' tax should apply to the entire combination in the manner now prescribed by ruling.

"5. It should be made clear that parts or components, which when incorporated in another article are free of tax as a result of Public Law 367, 84th Congress, 1st session, are, nevertheless, considered as taxable when sold as repair or replacement parts.

"6. It should be made clear that automobile parts and accessories, radio and television components, and camera lenses are subject to tax where they are used by the manufacturer as repair or replacement parts.

"7. In the case of documentary stamp taxes, the period of limitations should commence running in the case of an assessment from the time the stamp tax is paid, rather than from the time the tax became due. The redemption provisions in present law with respect to documentary stamp taxes should be revised by deleting from the redemption provision those cases where stamps have been improperly or unnecessarily used and where the rates and duties have wrongfully been collected. Also, the provision relating to the 3-year period of redemption (from the date of purchase) should be applicable only to unused stamps.

"8. The treatment presently provided by ruling exempting State and local governmental units from the tax on real-estate conveyances (but imposing the tax on the other party) should be added to the statute, but no distinction should be made between transfers or acquisitions for governmental, as distinct from proprietary, functions.

"9. In the case of the club dues tax, an indication of written consent from members, rather than the execution of a power of attorney, should be acceptable in the future as a basis on which to allow a refund or credit. The procedure followed should be substantially the same as that now followed in the cases of manufacturers' excises.

"10. It should be made clear that a refund on an initiation fee repaid to a member who is withdrawing from a club is payable irrespective of when the initial payment was made by the taxpayer.

"11. It should be made clear that a refund of the cabaret tax, or the tax on the transportation of oil by pipeline, should be made where the amount of the tax has been repaid to the consumer of the service or where the consumer of a service gives permission to the performer of the service to the allowance of the credit or refund. Thus, the refund or credit in the case of these taxes is not intended to be limited to only those cases where the collector of the taxes has borne the burden of the taxes.

"IX. FLOOR STOCK REFUNDS

"1. A uniform procedure should be provided with respect to all floor stock refunds of manufacturers' excises permitted by the Internal Revenue Code. To this end the following changes in existing law should be made:

"(a) Dealers should be given a period of 2 months and 10 days after the rate reduction date for filing their refund claims with the manufacturer. Manufacturer should be given an additional period of at least 1 month, or possibly as much as 3 months, for compiling dealers' claims and filing a single claim with the Government.

"(b) Instead of paying dealers' claims prior to, or at, the time of filing their claims with the Government, manufacturers should be required to state that within 30 days after they receive a refund or credit they will pass it on to their dealers.

"(c) The filing of claims by manufacturers should be integrated with the filing of their quarterly excise tax returns.

"2. The requirement that gasoline prices be reduced to reflect the floor-stock refund should be repealed.

"3. The technical error in the 1954 code which provides for floor-stock refunds on automotive parts and accessories should be corrected by the deletion of provision for such refunds.

"4. A statutory time limit for the claiming of floor-stock refunds should be provided with respect to the tax reduction provided for in present law in the case of tax-paid imported sugar or imported products composed in chief value of manufactured sugar.

"5. Claimants for refunds in the case of alcoholic beverages and cigarettes should not be required to keep detailed records relating to the price reduction provision for these products, since no such price reduction provision is now contained in the law in the case of the taxes on alcoholic beverages and cigarettes."

At the 10 a. m. executive session on May 17, 1956, the committee will resume consideration of the subcommittee report with section X, page 9, relating to general recommendations.

SENATE

THURSDAY, MAY 17, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Dr. Oswald C. J. Hoffmann, of the Lutheran Church (Missouri Synod), New York, N. Y., offered the following prayer:

Lord God, Heavenly Father, the author and giver of all good things, we turn to Thee for guidance, help, strength, and moral courage to conduct the affairs of state with wisdom and rectitude. Direct the course of our country and of the world, we beseech Thee, in accordance with Thy will. Take away whatever hinders the nations from unity and concord. Prosper all counsels which make for the establishment and continuance of a rightful peace.

Look in pity upon the peoples of the earth who suffer under political oppression. Grant them in Thy good time the blessing of freedom and liberty to live without fear as those who have been endowed with heaven-sent rights by Thy creative power, and have been redeemed to be Thy children through the loving sacrifice of Thy son, Jesus Christ.

We offer special petitions for our friends in Norway, who this day commemorate the achievement of their national independence. Grant them a stable and prospering national life that is mindful of Thy fear and favor.

For our own land, we ask Thee, gracious God, to show us what we ought to do, and to give us the insight and power to do it, that we may not turn aside Thy gracious designs by willfulness or passion. Because we put our whole trust only in Thy mercy, be with us, as Thou hast been with our fathers in former days, so that all men everywhere may know that Thou art our helper and deliverer. Through Jesus Christ, our strength and our Redeemer. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 16, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations, the Internal Security Subcommittee of the Committee on the Judiciary, and the Armed Services Subcommittee Investigating the Air Force were authorized to meet today during the session of the Senate.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR RECESS AT 12:20 O'CLOCK P. M., TODAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate stand in recess at 12:20 o'clock today, subject to the call of the Chair, in order that we may proceed to the Hall of the House of Representatives to hear President Sukarno, of Indonesia.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON OVEROBLIGATIONS OF APPROPRIATIONS

A letter from the Administrator, Veterans' Administration, Washington, D. C., reporting, pursuant to law, on the overobligations of certain appropriations; to the Committee on Appropriations.

AMENDMENT OF FEDERAL DEPOSIT INSURANCE ACT, RELATING TO SAFEGUARDS AGAINST CERTAIN MERGERS

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend the Federal Deposit Insurance Act to provide safeguards against mergers and consolidations of banks which might lessen competition unduly or tend unduly to create a monopoly in the field of banking (with accompanying papers); to the Committee on Banking and Currency.

IMPLEMENTATION OF A TREATY AND AGREEMENT WITH PANAMA

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation to implement a treaty and agreement with the Republic of Panama, by transferring certain property to the Republic of Panama, amending the Classification Act of 1949, as amended, adjusting the fiscal obligations of the Panama Canal Company, and by other provisions (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

FEDERAL POLLUTION CONTROL PROGRAM—PETITION

The PRESIDENT pro tempore laid before the Senate a telegram from the northeast division of the American Fisheries Society, signed by Harry Van Meter, secretary, Pittsburgh, Pa., embodying a resolution adopted by that society, favoring the enactment of legislation to extend and strengthen the existing Federal pollution control program, which was referred to the Committee on Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PAYNE, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 2379. A bill to promote the fishing industry in the United States and its Territories by providing for the training of needed personnel for such industry (Rept. No. 2014).

By Mr. MONRONEY, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 3449. A bill relating to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment (Rept. No. 2015).

FISHERIES ACT OF 1956 (S. REPT. NO. 2017)

Mr. MAGNUSON. Mr. President, from the Committee on Interstate and Foreign Commerce, I submit a unanimous favorable report, with amendments on the bill (S. 3275) to establish a sound and comprehensive national policy with respect to the development, conservation for preservation, management and use of fisheries resources, to create and prescribe the functions of the United States Fisheries Commission, and for other purposes, designated as the Fisheries Act of 1956. The bill is the result of almost a year's work on the part of myself and the other members of the committee. Hearings were held on both coasts and along the gulf, relating to the entire commercial fisheries problem. The bill is sponsored by more than 30 Senators. Much has been said about it.

I ask unanimous consent to have printed in the RECORD the names of the organizations which have endorsed the bill as it now stands, together with the names of the persons in the industry represented.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The list of names referred to is as follows:

LISTINGS OF ORGANIZATIONS AND INDIVIDUALS WHO HAVE ADVOCATED AND ENDORSED THE AMENDED SUBSTITUTE S. 3275

(Name of organization or person and number of persons in industry represented)

United States Senators; 28 cosponsors of bill. Others have indicated support.

United States Representatives and Delegate from Alaska; 15 separate House bills introduced. House Members awaiting action by Senate.

Alaska Territorial Fisheries Board; 5 members.

California State Legislative Council.

Louisiana State Wild Life and Fisheries Commission.

Mayor and special fisheries advisory council, city of Gloucester, Mass.

Alaska Fishermen's Union; 3,700 industry workers.

Vessel Owners and Fishermen from Juneau, Hoonah, Angoon, Sitka and Pelican, Alaska; 350 fishermen.

Bering Sea Fishermen's Union; 1,200 fishermen.

Fishermen's Marketing Association of Washington; 100 trawler vessel owners.

North Pacific Fisheries Association, Inc., Seattle, Wash.; 800 fishermen.

Puget Sound Purse Seiners Association, 170 vessel owners.

Puget Sound Gill Netters Association; 750 fishermen and boatowners.

Puget Sound Drum Seiners Association; 25 vessel owners.

Fishermen's Cooperative Association, Seattle, Wash.; 350 trawling vessel owners.

Deep Sea Fishermen's Union of the Pacific; 800 fishermen.

Southeastern Alaska Purse Seine Vessel Owners' Association; 48 vessel owners.

Wakefield Fisheries; operators of King Crab Fisheries, Bering Sea.

Rocky Mountain Trout Farmers, Inc.; 20 members.

Maine Sardine Packers Association, Inc.; 34 members.

Southeastern Alaska Seine Boat Owners Association.

Tacoma Shipbuilders Association, Tacoma, Wash.; 11 shipbuilding concerns, builders of modern fishing vessels.

The Texas Shrimp Association, Brownsville, Tex.

Massachusetts Fisheries, Boston, Mass.

International Longshoremen's Union, Washington, D. C.; 7,500 fishermen.

Toledo Commercial Fishermen's Cooperative, Curtice, Ohio.

Oyster Institute of North America, Annapolis, Md., 500 members Pacific and Atlantic oyster growers.

Sea Food Producers Association, New Bedford, Mass.

Fishermen's Cooperative Association of San Pedro, Calif.; 140 purse seine vessel owners representing 1,400 fishermen.

American Tuna Boat Association; 165 tuna clipper owners.

Fishermen's Union, Local No. 33, affiliated with the International Longshoremen and Warehousemen's Union, San Pedro, Calif.; 1,000 fishermen.

Cannery Workers and Fishermen's Union of San Diego, Calif., and International Association of Machinists, Lodge No. 389, AFL–CIO, San Diego, Calif.; 2,050 fishermen.

San Diego and San Pedro Tuna Fishermen's Wives Association; 3,000 fishermen's wives.

Halibut and Puget Sound Gill Net Fishermen's Wives Association, Washington State; 1,000 fishermen's wives.

California Canners Association, Inc.; representing 13 independent canneries in California.

National Fisheries Institute; representing 600 fish processor and marketing concerns in all sections of the United States.

AFL–CIO Seine Line Fishermen's Union, Los Angeles, Calif.

Ketchikan, Alaska, Chamber of Commerce.

Fishermen's Cooperative Auxiliary, San Pedro, Calif.

Commercial Fishermen's Fraternity Society, California, Oregon, Washington, and Alaska; 600 members.

Northwest Reefer Association; 15 refrigerated vessel owners.

F. E. Booth Co., Inc.; fisheries marketing concern, Atlantic and Pacific coasts.

Petersburg Vessel Owners Association, Petersburg, Alaska.

James Sullivan, president, San Diego Harbor Association; San Diego Port Authority.

Bernard Lorino, Hendrix Fish Market, Houston, Tex.

A. Powers, Dorchester, Mass.; fisherman.

Atlantic Lobstermen's Cooperative Association, Saugus, Mass.

Rio Grande Shrimp Fishermen's Association, Brownsville, Tex.

Tom Swensen, Kodiak, Alaska; independent fisherman.

Tim Panamaroff, Kodiak, Alaska; independent fisherman.

Fairbanks, Morse & Co., Seattle, Wash.; makers of diesel engines.

Chase Seafood Co., Everett, Wash.; fish packers.

East End Fishermen's Association, New Orleans, La.; 287 members.

A. J. Wegman, Pass Christian, Miss.

Mr. MAGNUSON. I ask unanimous consent that the bill, as proposed to be amended, may be printed in the RECORD, so that all may know what it contains.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (S. 3275) is as follows:

Be it enacted, etc., That this act may be cited as the "Fisheries Act of 1956."

DECLARATION OF POLICY

SEC. 2. The Congress hereby declares that fish and shellfish resources make a material contribution to the food supply, health, recreation, and well-being of our citizens. They are a living, renewable form of national wealth, capable of being maintained and greatly increased with proper attention, but equally capable of destruction if neglected. The fisheries dependent upon them have occupied an important place in the economy of the Nation since its colonial beginnings. They give employment, directly or indirectly, to a substantial number of citizens. They attract all segments of the citizenry to outdoors, healthful, stimulating recreation in every part of the Nation. They furnish a large quantity of protein food. Their byproducts have a wide variety of essential uses in the arts, industry, and agriculture. They strengthen the defense of the United States through the provision of a trained seafaring citizenry and action-ready fleets of seaworthy vessels. Properly developed, the fisheries are capable of steadily increasing these valuable contributions to the life of the Nation. The Congress further declares that the provisions of this act are necessary in order to accomplish the objective of such proper development and that this act shall be administered with due regard to the inherent right of every citizen and resident of the United States to engage in fishing for his own pleasure, enjoyment, and betterment, and with the intent of stimulating the development of a strong, prosperous, efficient, and thriving fishery and fish processing industry.

FISHERY REORGANIZATION WITHIN THE DEPARTMENT OF THE INTERIOR

SEC. 3. (a) There is hereby established within the Department of the Interior a division of such department to be known as the Fisheries Division of the Department of the Interior. The administrative functions of such Division shall be administered under the direction and supervision of the Secretary of the Interior (hereinafter referred to as the "Secretary") by the Chairman of the United States Fisheries Commission created by section 4 of this act in his capacity as Assistant Secretary of the Interior for Fisheries.

(b) (1) All functions, powers, duties, and authority of the Fish and Wildlife Service of the Department of the Interior as are determined by the Secretary to relate primarily to fish, fisheries, whales, hairseals, sea lions, and related matters, together with those funds, liabilities, commitments, authorizations, allocations, personnel, and records of the Fish and Wildlife Service which the Secretary of the Interior shall determine to be primarily related to and necessary for the exercise of such functions, powers, duties, and authority, are hereby transferred to the Fisheries Division of the Department of the Interior, established by this section.

(2) In addition to the functions, powers, duties, and authority transferred to the Fisheries Division under paragraph (1) of this subsection, the Secretary shall exercise through such Division all functions, powers, duties, and authority conferred upon him under the provisions of this act.

(c) The Fish and Wildlife Service of the Department of the Interior shall hereafter be known as the Wildlife Service of the Department of the Interior. The Director and Assistant Directors of the Fish and Wildlife Service shall hereafter be known, respectively, as the Director and Assistant Directors of the Wildlife Service.

(d) The Secretary shall conduct continuing investigations, prepare and disseminate information, and make periodical reports to the public, to the President, and to Congress, with respect to the following matters:

(1) The production and flow to market of fish and fishery products domestically produced and also those produced by foreign producers which affect the domestic fisheries;

(2) The availability and abundance of the living resources which support the domestic fisheries;

(3) The competitive economic position of the various fish and fishery products with respect to each other, to competitive foreign-produced commodities, and to other competitive commodities;

(4) The collection and dissemination of statistics on food and recreational fisheries; and

(5) Any other matters which in the judgment of the Secretary or the United States Fisheries Commission created by section 4 of this act are of public interest in connection with any phases of fisheries operations.

(e) There are hereby transferred to the Secretary all administrative functions of the Secretary of Agriculture, the Secretary of Commerce, and the head of any other department or agency as are determined by the Director of the Bureau of the Budget to relate primarily to the development, advancement, management, conservation, and protection of fisheries; but nothing in this section shall be construed to modify the authority of the Department of State or the Secretary of State to negotiate or enter into any international agreements or conventions with respect to the development, management, or protection of any fisheries resources or with respect to international fisheries commissions operating under conventions to which the United States is a party.

(f) There are hereby transferred to the Department of the Interior so much of the personnel, property, facilities, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available) as the Director of the Bureau of the Budget determines to be necessary in connection with the exercise of the functions transferred to the Secretary by section (e) of this section.

(g) The Secretary may request and secure the advice or assistance of any department or agency of the Government in carrying out the provisions of this act, and any such department or agency which furnishes advice or assistance to the Secretary may expend its own funds for such purposes, with

or without reimbursement from the Secretary as may be agreed upon between the Secretary and the department or agency.

UNITED STATES FISHERIES COMMISSION

SEC. 4. (a) There is hereby created within the Department of the Interior, and responsible directly to the Secretary, an agency of the Government to be known as the United States Fisheries Commission (hereinafter referred to as the "Commission") which shall be composed of five members to be appointed by the President, by and with the advice and consent of the Senate. One of such members shall be designated at the time of nomination as Chairman of the Commission, and shall also administer the Fisheries Division as Assistant Secretary of the Interior for Fisheries. Each such member shall hold office for a term of 5 years, except that the terms of office of the members first appointed shall expire, as designated by the President at the time of nomination, as follows: 1 on January 1, 1957, 1 on January 1, 1958, 1 on January 1, 1959, 1 on January 1, 1960, and 1 on January 1, 1961. At least 2 members of the Commission shall be appointed from the area east and 2 from the area west of the Mississippi River. A vacancy in the membership of the Commission shall not affect the power of the remaining members to exercise the functions of the Commission, and shall be filled in the same manner as in the case of the original appointment, except that any person appointed to fill a vacancy shall be appointed only for the unexpired term of his predecessor. Not more than three members of the Commission shall be members of the same political party. Three members of the Commission shall constitute a quorum. The Chairman of the Commission shall receive compensation at the rate of $20,000 per annum and each member of the Commission other than the Chairman shall receive compensation at the rate of $18,000 per annum.

(b) Not less than three members of the Commission shall have practical knowledge of fishing conditions and of the problems confronting the fisheries.

(c) The primary responsibility of the Commission shall be the formulation of all policies necessary in the administration by the Department of the Interior, including the Fisheries Division created by section 3 of this act, of the laws relating to fishing and fisheries. The Commission shall also—

(1) develop and recommend measures which are appropriate to assure the maximum sustainable production of fish and fishery products and to prevent unnecessary and excessive fluctuations in such production;

(2) on the basis of reports prepared by the Secretary in the exercise of his functions under this act and other information available to the Commission study the economic condition of the industry, and whenever it determines that any segment of the domestic fisheries has been seriously disturbed either by wide fluctuation in the abundance of the resource supporting it, or by unstable market or fishing conditions from any cause, the Commission shall make such recommendations to the President and the Congress through the Secretary with respect to credit relief and other measures as it deems appropriate to aid in stabilizing the domestic fisheries;

(3) develop and recommend to the Secretary special promotional and informational activities with a view to stimulating the consumption of fishery products whenever it determines that there is a prospective or actual surplus of such products; and

(4) keep under continuous review the activities of the Fisheries Division with regard to development, advancement, management, conservation, and protection of the fisheries and recommend changes, modifications, or variations in such activities to conform to policies developed by the Commission.

(d) The Commission shall cooperate to the fullest practicable extent with the Secretary of State in providing representation at all meetings and conferences relating to fisheries in which representatives of the United States and foreign countries participate. The Secretary of State shall designate at least one member of the Commission to the United States delegation attending such meetings and conferences, and to the negotiating team of any such delegation.

(e) The Secretary of State and all other officials having responsibilities in the fields of technical and economic aid to foreign nations shall consult with the Secretary and the Commission in all cases in which the interests of fisheries are involved, with a view to assuring that such interests are adequately represented at all times.

(f) Notwithstanding any other provision of law, the Commission shall be represented in all international negotiations conducted by the United States pursuant to section 350 of the Tariff Act of 1930, as amended, in any case in which fishery products are directly affected by such negotiations.

(g) The Commission may request and secure the advice or assistance of any department or agency of the Government, and any such department or agency which furnishes advice or assistance to the Commission may expend its own funds for such purposes, with or without reimbursement from the Commission as may be agreed upon between the Commission and the department or agency.

(h) The Commission shall consult periodically with the various governmental, private nonprofit, and other organizations and agencies which have to do with any phase of fisheries with respect to any problems that may arise in connection with such fisheries.

(i) The Commission shall make an annual report to the Congress with respect to its activities under this act, and shall make such recommendations for additional legislation as it deems necessary.

(j) The Commission is authorized to make a report to the President and the Congress through the Secretary concerning the following matters with respect to any fishery product which is imported into the United States, upon a request from any segment of the domestic industry producing a like or directly competitive product—

(1) whether there has been a downward trend in the production, employment in the production, or prices, or a decline in the sales, of the like or directly competitive product by the domestic industry; and

(2) whether there has been an increase in the imports of the fishery product into the United States, either actual or relative to the production of the like or directly competitive product produced by the domestic industry.

(k) There are hereby transferred to the Commission all policy functions of the Secretary of Agriculture, the Secretary of Commerce, and the head of any other department or agency as are determined by the Director of the Bureau of the Budget to relate primarily to the development, advancement, management, conservation, and protection of fisheries; but nothing in this section shall be construed to modify the authority of the Department of State or the Secretary of State to negotiate or enter into any international agreements or conventions with respect to the development, management, or protection of any fisheries resources or with respect to international fisheries commissions operating under conventions to which the United States is a party.

(l) There are hereby transferred to the Commission so much of the personnel, property, facilities, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available) as the Director of the Bureau of the Budget determines to be necessary in connection with the exercise of the functions transferred to the Commission by subsection (k) of this section.

RELATIONSHIP BETWEEN FISHERIES DIVISION AND THE UNITED STATES FISHERIES COMMISSION

SEC. 5. The Fisheries Division shall be an administrative organization and the Commission shall be a policymaking body. Both agencies shall work in close cooperation and the personnel and facilities of the Fisheries Division shall be available for the requirements of the Commission.

THE RIGHTS OF STATES

SEC. 6. Nothing in this act shall be construed (1) to interfere in any manner with the rights of any State under the Submerged Lands Act (Public Law 31, 83d Cong.) or otherwise provided by law, or to supersede any regulatory authority over fisheries exercised by the States either individually or under interstate compacts; or (2) to interfere in any manner with the authority exercised by any international commission established under any treaty or convention to which the United States is a party.

AUTHORIZATION FOR APPROPRIATION

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that in addition to myself and the Senator from California [Mr. KUCHEL], the names of Senators PAYNE, SALTONSTALL, BEALL, GEORGE, HUMPHREY, KNOWLAND, SCHOEPPEL, BUSH, BUTLER, CHAVEZ, DUFF, EASTLAND, FLANDERS, GREEN, HILL, JACKSON, JOHNSTON of South Carolina, KEFAUVER, KENNEDY, LEHMAN, MALONE, MURRAY, PASTORE, PURTELL, SMATHERS, SPARKMAN, STENNIS, MANSFIELD, IVES, BIBLE, MONRONEY, NEUBERGER, and POTTER may be added as additional cosponsors of Senate bill 3275, just reported by me, from the Committee on Interstate and Foreign Commerce.

The PRESIDENT pro tempore. Without objection, it is so ordered.

REPORT ENTITLED "OVERCROWDING AT WASHINGTON NATIONAL AIRPORT AND THE NEED FOR AN ADDITIONAL AIRPORT FOR THE NATIONAL CAPITAL" (S. REPT. NO. 2016)

Mr. MONRONEY. Mr. President, I submit herewith the report of the Committee on Interstate and Foreign Commerce concerning the overcrowding at the Washington National Airport and the need for an additional airport for the National Capital.

This report is signed by 10 members of the committee and includes, in addition to the committee's report, individual views of the other members of the committee.

I ask unanimous consent that the additional views of those Senators be printed with the report.

The PRESIDENT pro tempore. The report, together with individual views, will be received and printed, as requested by the Senator from Oklahoma.

Mr. MONRONEY. Mr. President, away back in 1950, the Congress passed Public Law 762 of the 81st Congress, which directed and authorized the Secretary of Commerce to build an additional airport in, or in the vicinity of,

the District of Columbia. This act was signed by the President on September 7, 1950.

Shortly thereafter, funds were appropriated, and the Department of Commerce, through the Civil Aeronautics Administration, proceeded to survey this general area, in order to locate the best available site. The area near Burke, Va., in Fairfax County, was selected as the ideal location. Property purchases of about $1 million were started, and preliminary engineering work was done.

When the Department of Commerce asked for additional funds the following year, the Appropriations Committees of the Congress failed to make such funds available for that year, and the project has lain dormant since that time.

In the meanwhile there has been a tremendous increase in traffic and congestion at the Washington National Airport. As an example, in 1954 there were a total of 202,000 operations at the airport, and that number increased to 242,000 the following year. I have been informed that the traffic count for the year 1956 will be even greater.

In July of last year the Aviation Subcommittee, of which I am chairman, was requested by the committee to hold hearings and inquire into what action, if any, with respect to the airport situation, was contemplated by the Department of Commerce. Extensive hearings were held, and evidence which was presented indicated that the traffic was so dense and was increasing at such a rate that some action was highly necessary in the interests of safety. The subcommittee's report was adopted by the full committee and was published on July 29, 1955. The committee rejected the suggestion of the Secretary of Commerce for a tristate authority as being too time consuming, and recommended that the Department of Commerce request at the earliest possible moment funds with which to commence construction of an additional airport. The committee pointed out at the time that it was the responsibility of the Secretary of Commerce to determine whether to proceed at the site in the vicinity of Burke, Va., or to make another selection—Senate Report No. 1265, 84th Congress, 1st session. The Secretary of Commerce was requested to report on the opening day of the second session to the committee what he had decided and what he had accomplished.

We thought our report was clear and impossible to misunderstand. However, in a report dated December 1955 and submitted to the committee on January 3, 1956, the Secretary indicated that there were two alternatives for a second Washington airport, and requested the committee to make the decision. The first choice of the Department was the joint use of Andrews Air Force Base, with the site in the vicinity of Burke, Va., as a second choice. The Department again discussed public-authority financing, in the face of the previous report from the committee, which stated that such financing should not delay the commencement of construction.

An additional hearing was held and appropriate officials from the United States Air Force, the Air Transportation Association of America, and the Air Line Pilots Association testified. All were unanimous in agreeing on an airport in the vicinity of Burke, Va.

From the testimony presented, it appeared that the Department of Commerce had not discussed with the Department of Defense the problem of the joint use of Andrews Air Force Base, and the Air Force spokesman, speaking for the Department of Defense, advised that the exclusive use of Andrews Air Force Base was required in order to meet the mission of air defense in this area. He stated that it was a key air-defense base.

But all this and much more is contained in the report I am submitting. It is the consensus of the committee that the Department of Commerce should proceed as rapidly as possible to supply the second airport for Washington. Almost 6 years have passed since the enabling act was signed by the President, and in that period the need for the second airport has increased tremendously.

It is the hope of the committee that the Department of Commerce will promptly request of the Congress additional funds with which to proceed with the construction.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon, pursuant to law.

EXECUTIVE REPORTS OF A COMMITTEE

Mrs. SMITH of Maine. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations of Gen. Walter Bedell Smith for a new 5-year term as a member of the National Security Training Commission; Lt. Gen. Cortlandt Van Rensselaer Schuyler to have the grade of general in his assignment as chief of staff to the Supreme Headquarters, Allied Powers in Europe; and of Brig. Gen. Harry Wells Crandall for appointment as Chief of Finance in the Army with the grade of major general. In addition to the above, there are 6 major generals and 20 brigadier generals in the Army Reserve, 9 major generals and 10 brigadier generals for temporary appointment in the Army, and special assignments of 1 admiral and 3 vice admirals in the Navy. Also included are the nominations of Adm. William M. Fechteler to be placed on the retired list with the rank of admiral and Gen. Anthony C. McAuliffe to be placed on the retired list in the grade of general. I ask that these nominations be placed on the Executive Calendar.

The PRESIDENT pro tempore. The nominations will be placed on the Executive Calendar, as requested by the Senator from Maine.

The nominations are as follows:

Walter Bedell Smith, general, United States Army, retired, to be a member of the National Security Training Commission;

Lt. Gen. Cortlandt Van Rensselaer Schuyler, Army of the United States (major general, United States Army), to be assigned to a position of importance and responsibility designated by the President;

Brig. Gen. Harry Wells Crandall, Army of the United States (colonel, United States Army), for appointment as Chief of Finance, United States Army, as major general in the Regular Army of the United States, and as major general (temporary), the Army of the United States;

Brig. Gen. Henry Kimmell Fluck, and sundry other officers, for promotion as Reserve commissioned officers of the Army;

Vice Adm. Robert P. Briscoe, United States Navy, for commands and other duties determined by the President, with the rank of admiral;

Vice Adm. William M. Callaghan, and Rear Adm. Carl F. Espe, United States Navy, for commands and other duties determined by the President, with the rank of vice admiral;

Adm. William M. Fechteler, United States Navy, when retired, to have the rank of admiral;

Gen. Anthony Clement McAuliffe, Army of the United States (major general, United States Army), to be placed on the retired list in the grade of general; and

Brig. Gen. Conrad Stanton Babcock and sundry other officers for temporary appointment in the Army of the United States.

Mrs. SMITH of Maine. In addition, as in executive session, from the Committee on Armed Services, I report favorably 1,832 nominations in grades below those of flag and general officers involving temporary and permanent appointments in the Army, Navy, Marine Corps, and Air Force. Included among these are the appointments as second lieutenants in the Army of the United States of 357 graduates of the United States Military Academy and also the appointment of a group of Military Academy cadets and Naval Academy midshipmen as second lieutenants in the Regular Air Force. All of these names have already appeared in the CONGRESSIONAL RECORD, so to save the expense of printing on the Executive Calendar I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The PRESIDENT pro tempore. The nominations will lie on the desk, as requested by the Senator from Maine.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WILEY:

S. 3869. A bill for the relief of Donald S. Beckwith; to the Committee on the Judiciary.

By Mr. CLEMENTS:

S. 3870. A bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to certain types of employment; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. CLEMENTS when he introduced the above bill, which appear under a separate heading.)

By Mr. GREEN:

S. 3871. A bill to establish the principle of a basic single salary wage scale in the Canal Zone for civilian officers and employees

in the Federal Service; to the Committee on Post Office and Civil Service.

By Mr. DWORSHAK (for himself and Mr. WELKER):

S. 3872. A bill for the relief of Lorenzo Uturbe, Eusibio Asla, and Pedra Zabala; to the Committee on the Judiciary.

By Mr. DOUGLAS (for himself, Mr. MURRAY, and Mr. IVES):

S. 3873. A bill to provide for registration, reporting and disclosure of employee welfare and pension benefit plans; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. DOUGLAS when he introduced the above bill, which appear under a separate heading.)

By Mr. MONRONEY (for himself and Mr. KERR):

S. 3874. A bill to provide for the transfer and sale of certain lands of the Kaw Tribe of Indians located in the State of Oklahoma, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

S. 3875. A bill to amend section 4 (a) of the Vocational Rehabilitation Act, as amended; to the Committee on Labor and Public Welfare.

By Mr. LANGER:

S. 3876. A bill to amend the Refugee Relief Act of 1953; to the Committee on the Judiciary.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON (by request):

S. 3877. A bill to promote the development and rehabilitation of the coastwise trade, to encourage the construction of new vessels, and for other purposes; to the Committee on Interstate and Foreign Commerce.

PARTICIPATION IN THE 1956 OLYMPIC GAMES

Mr. BUTLER. Mr. President, I submit for appropriate reference, a concurrent resolution relating to American participation in the Olympic Games. I ask unanimous consent that a statement, prepared by me, on the subject of the 1956 Olympic Games, together with the concurrent resolution, may be printed in the RECORD.

The PRESIDENT pro tempore. The concurrent resolution will be received and appropriately referred; and, without objection, the statement and concurrent resolution will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 78) was received and referred to the Committee on Foreign Relations.

The statement, presented by Mr. BUTLER, is as follows:

STATEMENT BY SENATOR BUTLER

I rise to discuss an extremely important, but greatly underestimated and neglected aspect of our international relations—American participation in the Olympic Games.

I have made speeches before many groups concerning the active participation of volunteer, amateur American athletes in these great international sports classics every four years.

It is not my purpose to impose upon the valuable time of my colleagues by going into the subject too deeply at this time.

However, since I propose to introduce today a resolution for the consideration of the Senate, I would like to review briefly the current situation as it affects the participation of America's young people in the Olympic Games.

I am confident that my distinguished colleagues on both sides of the aisle know the spirit of the Olympic Games, why they are held, and what they seek to accomplish—that they are aware of the immeasurable amount of prestige these international athletic events have brought to our free way of life.

Our young people have enviable records of accomplishment in every field of athletic endeavor. They have been able to so distinguish themselves because they are athletes in the purest sense of the word.

They have voluntarily participated in these sports affairs.

They are amateurs.

They compete for the pure sport of it.

They participate for individual, personal achievement—not for pay, or to advance the political cause of the United States.

They religiously follow every requirement imposed by international Olympic rules and regulations.

Who among us can forget the celebrated case of James Thorpe?

Thorpe was an American Indian who participated in the Olympic Games at Stockholm, Sweden, in 1912. He won both the pentathlon and the decathlon. He was hailed as the world's greatest living athlete. In 1913, however, it was discovered that Thorpe had taken a small sum of money for playing baseball before the Olympics.

What happened to the "world's greatest living athlete" for accepting money and thereby theoretically removing himself from the ranks of the amateurs?

Bill Henry, on pages 121 and 122 of his book, "History of Olympic Games," writes—and I quote "* * * Thorpe was shorn of his glory by the officials of his own country, his trophies were awarded to the man who had won second place in the two events, and his records were expunged from the books."

Is not this adequate testimony to the dedication of Americans to the true spirit of the Olympic Games?

Need I offer any greater proof of the lengths to which American athletic officials will go to keep their records clean and honorable?

Another case in point is that of one of our great American athletes of the present day, Wes Santee.

The Wes Santee situation is still fresh in the memories of all sports-minded Americans, and, particularly, in the mind of my distinguished colleague from Kansas, Senator FRANK CARLSON.

Santee is a Kansan whom the people of that great State—and their representatives in this body, Senators SCHOEPPEL and CARLSON—can be rightly proud.

He was graduated from Kansas University and is now a member of the United States Marines. Santee was recently barred for life from his amateur standing by the American Athletic Union. This action makes it impossible for him to participate in this year's Olympic Games. This extremely harsh action—and some well-informed people believe it to be just that—was taken because he accepted more money for his participation in several AAU sponsored meets than the rules permit.

Santee was our best hope in the 1,500-meter or mile run at the Olympic Games to be held during November and December this year at Melbourne, Australia.

But, as in the case of Jim Thorpe, principle and the great Olympic ideal came first with American athletic officials.

Rightly or wrongly—for, I understand there is much merit in the arguments of those who uphold Santee—we have seriously threatened our own chances rather than violate in the slightest sense the underlying principles of the Olympic Games.

We have bent over backward—further, perhaps, than was necessary—to uphold principle.

I mention these cases only to prove that Americans have always—and, pray God, always will—chosen the honorable course; the only course which, in the final analysis, will preserve inviolate our sacred institutions.

There is a great body of irrefutable evidence, however, that the Soviets intend to use every devious and foul trick in the books to prostitute the spirit and ideal of the Olympic Games this year. This they intend to do to prove to the world that they are a superior race of men and women.

I will not further impose upon my colleagues at this time by going into that evidence. It was amply set forth in the CONGRESSIONAL RECORD, volume 101, part 9, page 11213.

As a result of a speech which I made a year ago in Baltimore on this same matter, I became the target of bitter attack by the Soviet newspaper Pravda, and by the Moscow radio. And so, I inserted in the RECORD an unclassified summary entitled, "Evidence of Professionalism in Soviet Sports," prepared by the Research and Intelligence Office of the United States Information Agency.

This article, which I commend to the attention of my colleagues, thoroughly demolishes any claims to honor and decency in the field of amateur athletics which the protesting Russians may choose to make.

Now I realize that in some quarters there has been increased agitation for the Government to step in and, in one manner or another, subsidize our athletes so that we can make a good showing in Melbourne.

There is talk in the House, I understand, that money from the President's Emergency Fund should be used for this purpose.

And Senator Magnuson of Washington, the distinguished Chairman of the Senate Committee on Interstate and Foreign Commerce on which I have the honor to serve, is proposing that we earmark a portion of the 10 percent Federal admissions tax on sports events to help finance our teams.

I do not disagree for one moment that more adequate finances should be forthcoming to finance our athletes.

I do believe, however, that we are treading on dangerous ground when we say that it should come from Government by whatever means. And, I say further, that finances are not our most immediate need.

Government subsidization of our athletes would make them official representatives of the American Government—which they are not.

They are free individuals.

They are, first of all and essentially, voluntary, amateur athletes representing only themselves or their teams.

They compete for personal achievement and the glorification of sportsmanship for its own sake.

They are not wards of the Government, nor are they propagandists for the party in power.

Young people participate in the Olympic Games not as apostles of American Republicanism, or as disciples of British Democracy, or as agents of Swiss Confederationism.

Pierre de Coubertin, who revived the Olympic Games, was insistent that the participants be ambassadors of the International Olympic ideal to their various countries, rather than the delegates of their nations to the International Olympic Games.

This is as it should be.

Therefore, our first and foremost concern should not be how many athletes we are able to send to Melbourne or how many events we are able to win.

In spite of much consternation in many quarters, we have always done amazingly well in both categories without Government intervention.

Rather, our first and foremost concern should be the preservation of the Olympic ideal.

I submit that that ideal cannot be preserved unless those who remain true to it are willing to band together and forbid Russia from participation. Let us not forget that the Soviets would destroy the Olympic Games—as they would any other free insti-

tution—when they no longer served the purposes of international communism.

And if it should prove impossible to prevent Russian participation in the Olympic Games, we should participate only under official protest of the shameful violations of the Olympic ideal by the Soviets.

The purpose of my concurrent resolution is to let the American people know that that is the sense of the United States Senate.

I urge my colleagues to choose the course of honor and give it their unqualified support.

The concurrent resolution (S. Con. Res. 78) submitted by Mr. BUTLER, is as follows:

Whereas the spirit of the international Olympic Games, held every 4 years and open only to amateur athletes of all nations, rules out the slightest taint of professionalism and commercialism on the part of participating athletes, and specific rules and regulations of the International Olympics Committee emphatically forbid such professionalism and commercialism; and

Whereas the Oympic committees of all non-Communist nations have, since the revival of the International Olympic Games in Athens, Greece, in 1896, conscientiously honored this fundamental precept and have abided by these rules and regulations; and

Whereas American athletic committees have scrupulously honored these precepts and consistently complied with these rules and regulations, even when such compliance seriously threatened our success in International Olympic competition, to wit: the case of Wes Santee, Kansas track star, who was stripped of his amateur ranking for life by the American Athletic Union for allegedly having accepted more money than the rules permitted for travel expenses to various track meets; and

Whereas there is ample proof, to wit: the testimony of International Olympics Committee president Avery Brundage, former Russian athlete and Russian Intelligence Officer Yuri A. Rastvorov, newspaper publisher William Randolph Hearst, Jr., and others, that Soviet Russia has expended billions of rubles in building up a mass army of professional athletes, who are not amateurs in any sense of the word, to participate in International Olympic competition, and that Soviet Russia is in various and sundry other ways flagrantly violating other basic rules of the International Olympic Games; and

Whereas Russian athletes are, in reality, only human weapons in the Communist conspiracy's cold-war arsenal to be ruthlessly used in the Soviet drive for supremacy in every phase of human existence; and

Whereas it would be tantamount to selling out our youth to pit them, without a protest and at a criminally unfair disadvantage, against Russian professionals in the Olympic Games to be held this year at Melbourne, Australia: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that American athletic committees should do everything humanly possible to effect the disbarment of Russian professional athletes from the 1956 Olympic Games, and that said committees should actively solicit in this undertaking the cooperation of all other participating nations outside the Iron Curtain; and, be it further

Resolved, That it is the sense of the Congress, that in the event such cooperation of non-Communist nations and/or such disbarment of Russian professional athletes from the 1956 Olympic Games shall have been found to be unattainable, the athletic committees of the United States should participate in the 1956 Olympic Games only under official protest of the wanton violation by Soviet Russia of the spirit and rules of the International Olympic Games, and that copies of this resolution setting forth the sense of the United States Senate and House of Representatives be sent to the officials in charge of United States participation in the Olympic Games.

STUDY OF RATIFICATION OF INTERGOVERNMENTAL MARITIME CONSULTATIVE ORGANIZATION

Mr. MANSFIELD. Mr. President, on March 6, 1948, the Convention of the Intergovernmental Maritime Consultative Organization—IMCO—was signed at Geneva. As my colleagues here in the Senate know, IMCO is an international organization which would function under the United Nations as its specialized agency in the field of shipping. The United States ratified this Convention in July 1950.

The Organization will not come into being until ratification by 21 countries of which 7 must have 1 million gross tons of merchant shipping. To date only 17 countries have deposited their acceptances with the United Nations, in light of the recent withdrawal by Greece. Only 4 of the 7 nations with the necessary tonnage of shipping have ratified the Convention.

The Scandinavian countries have given notice that they will remain out of IMCO until there is a reorganization, they object to the economic sanction provisions. In addition there are a number of maritime nations who are remaining uncommitted.

The elimination of economic authority, would, according to all indications at hand, solve a number of the problems and the major maritime nations who are not now in IMCO would be willing to come in, giving the organization the necessary basic structure to begin an effective operation. The activities of the organization would be limited to technical and safety matters.

International action on a number of technical maritime matters has been deferred in recent years pending establishment of the IMCO facility. The modification of the IMCO Convention could result in rapid materialization of an intergovernmental maritime organization to function under the United Nations in the technical and safety fields.

In view of these circumstances I submit, for appropriate reference, a resolution authorizing the Senate Foreign Relations Committee to make a full and complete study of the ratification of the Intergovernmental Maritime Consultative Organization.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred.

The resolution (S. Res. 268) was received and referred to the Committee on Foreign Relations, as follows:

Resolved, That the Senate Foreign Relations Committee, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study of the ratification of the Intergovernmental Maritime Consultative Organization (IMCO).

Whereas the United Nations Organization has recently announced withdrawal of the Instrument of Ratification of IMCO by the Government of Greece, and other maritime nations have previously recorded they could not participate in the IMCO as presently constituted;

Whereas 8 years have passed since the drafting of the IMCO Convention and it has been accepted by only 4 of the 15 countries having the largest merchant shipping tonnage, including the Government of the United States;

Resolved, That a study would appear desirable to ascertain whether the present ratification status of IMCO could be detrimental to the best interests of the United States; said study to be made by the Foreign Relations Committee of the United States Senate.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT RELATING TO CERTAIN TYPES OF EMPLOYMENT

Mr. CLEMENTS. Mr. President, I introduce, for appropriate reference, a bill to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to certain types of employment.

Under existing law any employee the duties of whose position are primarily the investigation, apprehension, or detention of persons suspected or convicted of offenses against the criminal law of the United States, attaining the age of 50 and completing 20 years of service who voluntarily retires from the service, can be paid an annuity computed in recognition of the hazardous type of service he has been called upon to perform. The Congress, in first enacting this provision, directed the agency affected, and the Civil Service Commission, to give consideration to the degree of hazard to which such employee is subjected in the performance of his duties rather than the general duties of the class of the position held by such employee. By administrative decision, psychiatric aides and correctional security officers in the Public Health Service hospitals treating mental and narcotic addiction cases have been denied the benefits of this provision. The bill I introduce would make it unequivocally clear that such persons engaged in detention-type activities should be included in this group for the purposes of computing retirement eligibility and benefits under the Civil Service Retirement Act.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3870) to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to certain types of employment, introduced by Mr. CLEMENTS, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

WELFARE AND PENSION PLANS DISCLOSURE ACT

Mr. DOUGLAS. Mr. President, I am about to introduce a bill and I ask unanimous consent to speak on it in excess of the 2 minutes allowed under the order which has been entered.

The PRESIDENT pro tempore. Without objection, the Senator from Illinois may proceed.

Mr. DOUGLAS. Mr. President, on behalf of the Senator from Montana [Mr. MURRAY], the Senator from New York [Mr. IVES], and myself, I introduce, for appropriate reference, a bill to provide

for the registration, reporting, and disclosure of employee welfare and pension benefit plans.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3873) to provide for registration, reporting, and disclosure of employee welfare and pension benefit plans, introduced by Mr. DOUGLAS (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. DOUGLAS. This bill, Mr. President, has been drafted along the lines of the recommendations of the final report of the Subcommittee on Welfare and Pension Funds, which conducted an extensive investigation of this subject beginning in 1954, under the chairmanship of the Senator from New York, and continuing in 1955 and 1956 with the Senator from Illinois as chairman.

The findings and recommendations of the report were summarized briefly in the Senate by the Senator from Illinois on April 16, 1956, at the time of the transmittal of the report to the Senate.

These remarks appear on pages 5625 to 5627 of the CONGRESSIONAL RECORD.

REGISTRATION

The bill introduced today requires, in the first place, registration by all types of employee welfare and pension benefit plans covering 25 or more employees. This registration would provide basic, minimum data concerning each plan to permit its identification and classification.

REPORTING

For every plan which, with closely related plans, covers 100 or more employees, the bill, in the second place, requires the filing of annual reports. These reporting provisions are the real heart of the measure.

These annual reports would include full legal and financial data, as specifically provided in section 6 of the bill, and would be based upon an audit by an independent accountant. The bill requires, among other things, information concerning contributions, benefits paid, expenses, salaries and fees, reserves, and so forth. If benefits are provided by an insurance carrier, the required data includes premiums paid, claims incurred and paid, dividends, commissions, fees, retentions, and so forth. In the case of pension plans, or welfare plans which have a reserve fund, the report would include summary data concerning these reserves and their investment, and detailed information on (a) all investments in properties of any party in interest, (b) any investment in one security which exceeds 5 percent of the fund, and (c) any investment in one security which exceeds 10 percent of the outstanding securities of that issue.

SECURITIES AND EXCHANGE COMMISSION TO ADMINISTER

The agency charged with administration of the act under this bill would be the Securities and Exchange Commission, although the subcommittee found this allocation of responsibility its most difficult decision. This agency would be given discretion to require reporting by plans covering from 25 to 100 employees, if necessary to accomplish the objectives of the bill.

DISCLOSURE

Disclosure of the information in the annual report, in the third place, would be required by making copies available to beneficiaries and other interested parties at the office of the plan, and to the public generally, in the public documents room of the agency. In addition, summary data from the report as prescribed by the agency would have to be furnished to the beneficiaries.

ADVISORY COUNCIL

The bill sets up an Advisory Council drawn from insurance, banking, management, labor, related Government agencies, and the general public.

ENFORCEMENT

The administrative agency is empowered to make investigations and apply for court orders to secure compliance with the law. Criminal penalties are provided for those who willfully violate the law, who knowingly make false statements, and who embezzle moneys from any fund.

THREE-YEAR TERM

The bill provides that the act shall be effective for 3 years. The administering agency would be required to file, on or before January 1, 1959, a report giving its recommendations as to the continuance, simplification, or modification of the law. Congress would thus necessarily have a further opportunity, on the basis of 2½ years' experience to determine whether and in what form to make the protections of this bill a permanent part of our legal structure.

GENERAL CONCLUSIONS

Mr. President, I would only add at this time that the importance of this measure is clearly shown by the fact that over 75 million persons are now covered in some measure by employee welfare and pension programs. Annual contributions to them total more than $6.9 billion; twenty to twenty-five billion dollars in pension reserves have been piled up. Grave abuses and many opportunities for abuse have been revealed by our investigation, although the great majority of the plans seem to be honestly and responsibly administered.

Registration, reporting, and disclosure legislation under these circumstances seems a minimum protection that the Federal Government should provide for the millions of beneficiaries.

This is not a regulatory bill. It is only a disclosure bill. We who sponsor it hope that the healing qualities of sunlight on these plans will eliminate the abuses and make it unnecessary to go further.

I have been encouraged by the affirmative support for the general recommendations of our subcommittee from the leaders of organized labor and responsible editors. I hope, Mr. President, that management, banking, and insurance representatives will likewise give this necessary, protective legislation their careful study and understanding support.

For the information of Members on this subject, I ask unanimous consent that there be printed at this point in the RECORD an editorial entitled "Regulating Welfare Funds," from the Washington Post for April 17, 1956; an editorial entitled "Welfare Fund Laws," from the New York Times for April 21, 1956; and a news story and editorial from the AFL–CIO News for April 21, 1956.

There being no objection, the editorials and news story were ordered to be printed in the RECORD, as follows:

[From the Washington Post of April 17, 1956]

REGULATING WELFARE FUNDS

The Senate Labor Subcommittee report on shocking abuses in the handling of welfare and pension funds comes to the inevitable conclusion that there must be Federal and State regulation. Before their merger, both the A. F. of L. and the CIO vigorously attacked the misuse of the funds and called for stringent self-regulation. But the Senate study makes it clear that self-regulation has not provided the protection required. These multi-billion-dollar funds are as important as life insurance to millions of persons, and they must have confidence that their investment is properly handled. The public also has a valid interest in the proper management of the funds because, like banks and insurance companies, they have become a powerful economic force.

The assets of the pension funds alone now total about $25 billion. These funds have mushroomed in the postwar period, and it is not surprising that in some instances they have been managed by inexperienced or unscrupulous persons. The committee gave the majority of the managers a clean bill of health, but even for them it is apparent that the best safeguard against abuse is full disclosure of the operation. This is the main point in the committee's recommendation. "We can't solve everything at once," Chairman PAUL DOUGLAS said. "But the requirement of complete public disclosure should result in those responsible for handling these vast funds being more careful and considerate of the beneficiaries' welfare."

President Eisenhower said last year that the standards prescribed for such funds are not adequate to protect and conserve them. Most responsible union leaders have come to the same conclusion. It remains for Congress to draft a bill in line with the recommendations made by the Douglas subcommittee. Congress should approve the measure before it adjourns, for there no longer is any doubt as to the need for public disclosure and supervision.

[From the New York Times of April 21, 1956]

WELFARE FUND LAWS

Governor Harriman has acted wisely in signing the Mitchell-Holling bill to curb the abuses of labor welfare funds. It is far from adequate to meet the situation, but at least it is a good beginning, and the operations it will activate will be useful in going further. The passage of this law will also help the cause by spurring action on the recommendation for a Federal law made public this week by the Senate subcommittee of which PAUL H. DOUGLAS is the chairman.

The New York State statute covers only those funds which are jointly maintained by employers and unions, excluding those solely administered by either the one or the other. Like the Douglas committee plan, it requires annual registration and reports of operations, but it leaves to the discretion of the superintendent of insurance or banking just what information will be required. On the other hand, it gives the superintendents wide powers of examination into the affairs of every fund covered, with authority to enjoin malpractices and to remove and punish offenders.

The new law also provides for the actual regulation of fund operations. It prohibits payment of commissions by insurance companies or brokers for fund business, forbids union officers to have any interest in insurance concerns and imposes on fund trustees full responsibility as fiduciaries. It doesn't, however, provide an advisory council.

Sound public policy requires that the Federal Government be primarily a factfinding and reporting agency and that regulation be left to the States, which can do it better, as these two measures provide. But each State law should cover all welfare and pension funds, without exception or discretion.

We urge Senator DOUGLAS to introduce and press for a bill to carry out the proposals of his subcommittee, and we applaud President Meany's assurance that such a measure will have the support of the AFL–CIO.

[From the AFL–CIO News of April 21, 1956]

MEANY BACKS FUND REPORT—FAIR PROBE IS PRAISED BY LABOR

ALF-CIO President George Meany gave strong endorsement to the main features of a Senate subcommittee report recommending strict accounting and full disclosure of all financial details of employee welfare and pension funds.

The Labor Subcommittee, headed by Senator PAUL H. DOUGLAS, Democrat, Illinois, was praised by Meany for its disclosure of the acts of corrupt individuals and its deeper revelation of commercial insurance practices and lax State supervision that opened the way for abuses.

CONSTRUCTIVE APPROACH

"This represents a constructive approach which has largely been lacking in previous investigations," Meany said.

He specifically endorsed Federal legislation designed to bring about full disclosure of the financial operations of all types of welfare and pension plans and declared that the standards recommended by the subcommittee's report appear to meet the criteria spelled out by the AFL–CIO merger convention.

The one specific exception Meany noted was the Douglas subcommittee's suggestion of the Securities and Exchange Commission as the Federal agency with which welfare and pension fund data must be filed.

The merger convention recommended the Labor Department as the agency for filing.

Meany said that the Eisenhower administration bill, introduced by request of Labor Secretary James P. Mitchell earlier this year, falls short of our objectives, principally because under its terms the Secretary would have excessive discretion to exempt favored corporations or groups from reporting on their funds and could otherwise weaken or water down the reporting and disclosure requirement.

Final judgment on the Douglas subcommittee's proposals would be reserved pending introduction of an actual bill, the AFL–CIO president said, but "we strongly urge the Congress to act promptly" on the recommendations and to "enact an adequate disclosure law during the present session."

The subcommittee report called for total disclosure to a Government agency and to all beneficiaries of the receipts, expenditures, and other financial facts about all types of welfare and pension funds.

This would include union-administered welfare funds, funds jointly administered by unions and management, and funds administered by management alone, whether or not the latter were negotiated by collective bargaining.

ABOUT $25 BILLION INVOLVED

Pension funds now involve total reserves of about $25 billion, DOUGLAS told a news conference, and welfare and pension fund receipts amount to more than $6.8 billion a year.

An issue of tax exemption is involved in each case, and this places on the Government a "grave responsibility" for the sound operation of all systems and "protection of the equities of the beneficiaries and the public interest," he said.

The subcommittee has no desire to replace State regulation of insurance companies with Federal regulation, although it strongly recommended revision of State supervisory practices.

"We do recommend Federal disclosure of the details of all funds, whether handled through a trustee arrangement or insurance companies. We want to let some sunlight on the operation of funds. A little sunlight is often a great help," DOUGLAS declared.

The subcommittee proposed that an independently audited report on the receipts, expenditures, benefits, and investments of each fund be filed each year with a Federal agency with criminal penalties for failure to report or for reporting falsely.

It also recommended that embezzlement from welfare or pension funds be made a Federal offense punishable by criminal penalties.

It recommended, in addition, that a summary report be provided personally to each individual who is a beneficiary, actual or potential, of any fund.

This element of compulsory filing and disclosure transcends the Eisenhower administration bill, under which the Secretary of Labor would have blanket authority to exempt any fund from filing and would not be compelled to publish the reports.

FOLLOW AFL–CIO RESOLUTION

The subcommittee recommendations generally follow the AFL–CIO convention resolution on welfare funds.

The convention went further than the Senate subcommittee, however, in specifically calling for amendment of State laws that now require payment of an insurance agent's commission even if an agent or broker gives no service in developing a plan financed through an insurance policy.

The subcommittee in nearly 2 years of hearings revealed examples of gross mismanagement and self-enrichment by a few union officials, abuses of propriety if not worse by some management officials, improper payment of fat fees by insurance firms anxious for business, and profiteering by some insurance firms.

Most of the pension and welfare funds, it found, follow "sound practices" and are the result of "conscientious and ingenious efforts on the part of industry, labor, insurance, and banking to bring benefits to scores of millions of employees at low cost."

Subcommittee members, in addition to Chairman DOUGLAS, were Senators JAMES MURRAY, Democrat, of Montana, IRVING M. IVES, Republican, of New York, and GORDON ALLOTT, Republican, of Colorado. ALLOTT filed a supplementary statement of views indicating reservations about the recommendation that management-financed funds, as well as all others, be compelled to file reports.

[From the AFL–CIO News, Washington, D. C., of April 21, 1956]

TO PROTECT THE WELFARE FUNDS

In an era when all too many congressional committees have resorted to headline hunting and vaudeville performances, the conduct of the Senate Subcommittee on Welfare and Pension Funds—headed by Senator PAUL DOUGLAS, Democrat, of Illinois—has been exemplary and constructive.

The committee has looked into the handling of these funds with an impartial and objective approach. It has looked not only at malfeasance and some bad practices by business firms but at the lessons to be learned from the great number of honestly administered welfare and pension funds.

It has found, for instance, that over 75 million Americans are directly covered or affected by the funds that have been developed in recent years. It has acknowledged the necessity of Federal legislation to insure their sound operation and to protect the rights and equities of individuals.

Average Americans who get their information from the daily papers are apt to have the seriously wrong impression that, because corruption makes news and honesty and integrity are rarely given public appreciation, all welfare funds are mishandled.

This misconception, to the extent that it is believed by sections of the public, is a serious danger, because millions of working Americans have benefited from the welfare and pension funds—in many cases established by unions and management through collective bargaining.

The AFL–CIO will strongly support most of the Douglas subcommittee recommendations. We have pointed out, in resolution and in speech, that welfare funds are a sacred trust, and that their handling must meet the highest ethical standards. Basic legislation designed to protect the workers' equities while leaving flexibility in the collective-bargaining area will be welcomed by decent unions, decent management, and the public.

AMENDMENT OF REFUGEE RELIEF ACT OF 1953

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to amend the Refugee Relief Act of 1953, Public Law 203, 83d Congress. This one bill, is in effect, a consolidation of S. 3570, S. 3571, S. 3572, S. 3573, and S. 3574, which I introduced on March 29, 1956, and of S. 3606 which I introduced on April 11, 1956.

Mr. President, a hearing was held on all six of these bills on May 3, 1956, and it is my thought that no further hearing need be held on the bill I am introducing today, since it makes no changes whatsoever. It is only a composite of the other six bills. This decision is, of course, subject to the concurrence of the other members of the Subcommittee on Refugees with whom I shall consult.

Mr. President, I am very sympathetic to the difficulties being experienced by the representatives of the voluntary agencies in working with this very difficult immigration law. I am also responsive to the wishes of these very dedicated representatives who have spent so much time and money in trying to bring refugees into the United States. So, Mr. President, when they petitioned me to introduce a "one-package bill," I agreed to do so, and this is it. If it will make their paths a little less rocky, I am glad to offer all these amendments in one bill. I reiterate that since a hearing has already been held on the other six bills and since this bill embodies those provisions only, I see no necessity for a further hearing.

I sincerely hope the bill which I am introducing today will have a happier fate than the other refugee bills.

I ask unanimous consent that the bill may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred and, without objection, the bill will be printed in the RECORD.

The bill (S. 3876) to amend the Refugee Relief Act of 1953, introduced

by Mr. LANGER, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) section 4 (a) of the Refugee Relief Act of 1953 is amended by striking out paragraphs Nos. 1 through 10 thereof and inserting in lieu thereof the following:

"(1) Not to exceed 35,000 visas to German expellees residing in the area of the German Federal Republic or in the western sectors of Berlin or in Austria: *Provided*, That the visas issued under this paragraph shall be issued only in the German Federal Republic or in the western sector of Berlin or in Austria.

"(2) Not to exceed 40,000 visas to escapees residing within the European continental limits of the member nations of the North Atlantic Treaty Organization, the western sectors of Berlin, Austria, Turkey, Sweden, Iran, and Trieste: *Provided*, That such visas shall be issued only in the area or areas mentioned in this paragraph.

"(3) Not to exceed 2,000 visas to refugees who (a) during World War II were members of the armed forces of the Republic of Poland, (b) were honorably discharged from such forces, (c) reside on the date of the enactment of this act in the British Isles, and (d) have not acquired British citizenship.

"(4) Not to exceed 45,000 visas to refugees of Italian ethnic origin, residing on the date of the enactment of this act in Italy or in the Free Territory of Trieste: *Provided*, That such visas shall be issued only in the area or areas mentioned in this paragraph.

"(5) Not to exceed 35,000 visas to persons of Italian ethnic origin, residing on the date of the enactment of this act in Italy or in the Free Territory of Trieste, who qualify under any of the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act: *Provided*, That such visas shall be issued only in Italy or in the Free Territory of Trieste.

"(6) Not to exceed 15,000 visas to refugees of Greek ethnic origin residing on the date of the enactment of this act in Greece: *Provided*, That such visas shall be issued only in Greece.

"(7) Not to exceed 12,000 visas to persons of Greek ethnic origin, residing on the date of the enactment of this act in Greece, who qualify under any of the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act: *Provided*, That such visas shall be issued only in Greece.

"(8) Not to exceed 10,000 visas to refugees of Dutch ethnic origin residing on the date of the enactment of this act in continental Netherlands: *Provided*, That such visas shall be issued only in continental Netherlands.

"(9) Not to exceed 2,000 visas to persons of Dutch ethnic origin, residing on the date of the enactment of this act in continental Netherlands, who qualify under any of the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act: *Provided*, That such visas shall be issued only in continental Netherlands."

(b) Section 4 of such act is amended by striking out subsection (c) thereof and inserting in lieu thereof the following:

"(c) Any allotments of visas provided in paragraphs (4) and (5), paragraphs (6) and (7), paragraphs (8) and (9) of subsection (a) of this section, shall be available bilaterally within each of the three ethnic groups therein defined."

(c) Section 4 of such act is amended by adding at the end thereof the following new subsection:

"(d) Any allotment of visas provided in this section which are unused by aliens who apply and for whom assurances are filed on or before October 31, 1956, shall be available for the issuance of nonquota immigrant visas during the years 1957, 1958, and 1959, to escapees as defined in subsection (b) of section 2 of this act, and to eligible orphans as defined in section 5 of this act, notwithstanding any other limitations contained in this act. Notwithstanding any other provision of law, visas may be issued under this subsection until December 31, 1959."

"(e) (1) Not more than 1,000 aliens in Austria, Germany, Greece, and Italy may be issued visas and be admitted to the United States under the terms and within the numerical limitations of this act irrespective of the fact that they are found ineligible to receive visas or inadmissible to the United States under section 212 (a) (6) of the Immigration and Nationality Act insofar as it relates to aliens afflicted with tuberculosis. No alien shall be issued a visa under the provisions of this subsection unless (A) it is shown that arrangements satisfactory to the Attorney General and the Surgeon General of the United States Public Health Service have been made that such alien, when admitted to the United States, will not become a public charge, and will not endanger the public health, and (B) such alien is a member of a family unit, consisting of qualified applicants for a visa under the provisions of this act, which he intends to accompany or follow to join in the United States. The provisions of section 7 (a) of act shall not apply to any alien receiving a visa under the provisions of this subsection, but the Administrator shall prescribe such regulations as may be necessary for a special assurance to satisfy the requirements of the provisions of this subsection.

"(2) No visa shall be issued under this subsection to any applicant unless special assurances as provided for in subsection (e) (1) of this section have been filed in his behalf with the Administrator on or before October 31, 1956.

"(3) Notwithstanding any other provision of law, visas may be issued under this subsection until December 31, 1957."

(d) Section 4 (a) (11) of such act is amended by striking out the following: "and only to refugees who are not indigenous to the area described in this paragraph."

SEC. 2. (a) Section 5 (a) of the Refugee Relief Act of 1953 is amended (1) by striking out "4,000," and inserting in lieu thereof "9,000", and (2) by striking out "10 years" and inserting in lieu thereof "14 years."

(b) Section 5 of such act is amended by adding at the end thereof the following new subsection:

"(d) Any visa issued under this section to any eligible orphan who has been lawfully adopted abroad by a United States citizen and spouse while such citizen is serving abroad in the United States Armed Forces, or is employed abroad by the United States Government, or is temporarily abroad on business, shall be valid until such time as the adoptive citizen parent returns to the United States in due course of his service or business.

"(e) Notwithstanding any other provision of law, visas may be issued under this section to eligible orphans until December 31, 1959."

SEC. 3. Section 7 (a) of the Refugee Relief Act of 1953 is amended (1) by inserting immediately after "citizen or citizens of the United States" the following: ", or by any voluntary agency recognized by the Department of State", and (2) by striking out the seventh and eighth sentences thereof and inserting in lieu thereof the following: "This subsection shall have no applicability to the alien eligible under paragraph (5), (7), or (9) of section 4 (a) of this act, if such alien provides satisfactory evidence that he will not become a public charge. No visa shall be issued under the allotment of 45,000 visas heretofore made by paragraph (4) of subsection 4 (a) of this act to refugees in Italy, or under the allotment of 15,000 visas heretofore made by paragraph (6) of subsection 4 (a) of this act to refugees in Greece, or under the allotment of 15,000 visas heretofore made by paragraph (8) of subsection 4 (a) of this act to refugees in the Netherlands, to an alien who qualifies under the preferences specified in paragraph (2), (3), or (4) of section 203 (a) of the Immigration and Nationality Act, until satisfactory evidence is presented to the responsible consular officer to establish that the alien in question will have suitable employment and housing, without displacing any other person therefrom, after arrival in the United States."

SEC. 4. Section 12 of the Refugee Relief Act of 1953 is amended by striking out "paragraph (6), (8), or (10)" and inserting in lieu thereof the following: "paragraph (5), (7), or (9)."

SEC. 5. Section 20 of the Refugee Relief Act of 1953 is amended to read as follows:

"SEC. 20. (a) No visa shall be issued under this act to any applicant unless assurances in his behalf have been filed with the Administrator on or before October 31, 1956.

"(b) Except as otherwise provided in this act, no visa shall be issued under this act after December 31, 1957."

PROVISION AND IMPROVEMENT OF HOUSING—AMENDMENTS

Mr. JOHNSTON of South Carolina submitted amendments, intended to be proposed by him, to the bill (S. 3855) to extend and amend laws relating to the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and for other purposes, which were ordered to lie on the table and to be printed.

FEDERAL-AID HIGHWAY ACT OF 1956—AMENDMENTS

Mr. NEUBERGER. Mr. President, I submit, for proper reference, an amendment to the bill (H. R. 10660) the Federal Highway Act of 1956. This amendment would authorize extension of Federal aid for highways to the Territory of Alaska on the same terms and conditions as the several States, Hawaii, and Puerto Rico, insofar as expenditure for projects on the Federal-aid primary, secondary, and urban systems is concerned.

The people of the Territory of Alaska have for many years sought inclusion of Alaska in the Federal-aid highway programs in order that a long-range, comprehensive highway program could be developed and carried out. The lack of highway construction over the years has substantially contributed to the slow development of Alaska and impaired its ability to raise revenues to contribute to highway construction.

H. R. 10660 will continue that discrimination. It permits initiation of a vast highway construction program over the 48 States, Hawaii, Puerto Rico, and the District of Columbia, but not in Alaska. Every section of our country and every segment of our population and economy will greatly benefit, but the Territory of Alaska will derive little benefit therefrom.

Hawaii and Puerto Rico will receive additional funds under H. R. 10660 with

which to prosecute an expanded highway program. The resident will be assessed additional taxes to help pay for those roads. The residents of Alaska will be assessed the same taxes, but they will pay for additional roads constructed elsewhere.

The Territory of Alaska is only included in H. R. 10660 as it relates to taxation, not as to provision of funds for highway construction.

Mr. President, Alaska is a large territory, about one-fifth the size of the United States. Distances between populated areas are great. Transportation is difficult and expensive. The natural resources of the Territory are extensive, but full development cannot be completed without an adequate highway system. There are at the present time less than 4,000 miles of highways of all types in Alaska.

There are many large defense installations located in the Territory of Alaska. These are considered vital to the security of our Nation. A system of connecting roads would be of vast benefit to full operation of these defense facilities.

The amendment I propose would place Alaska on the same basis as Hawaii and Puerto Rico. Because of the large area of Alaska, only one-half of such area would be used to determine the area factor in the apportionment of such funds. The Territory would contribute funds in an amount of not less than 10 percent of the Federal funds apportioned each fiscal year. The proposed amendment would transfer all road functions from various agencies to the Secretary of Commerce, thus permitting more orderly and economical operations.

Mr. President, an accelerated highway program is the key to the economic development of Alaska. The strategic location of Alaska makes an adequate highway system essential for national defense. The citizens of Alaska pay all Federal taxes, and in fairness they should benefit from the Federal Highway Act, especially since they must also pay the increased highway taxes.

I believe the inclusion of Alaska under the provisions of H. R. 10660 is equitable, will accelerate its economic development, and be of vital assistance to national defense, and I therefore submit my amendment to this effect.

The PRESIDENT pro tempore. The amendment will be received, lie on the table, and be printed.

Mr. BENNETT submitted amendments, intended to be proposed by him, to House bill 10660, supra, which were ordered to lie on the table and to be printed.

AGRICULTURAL ACT OF 1956—AMENDMENTS

Mr. WILLIAMS submitted amendments, intended to be proposed by him, to the bill (H. R. 10875) to enact the Agricultural Act of 1956, which were ordered to lie on the table and to be printed.

Mr. YOUNG submitted an amendment, intended to be proposed by him, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

Mr. MARTIN of Pennsylvania submitted an amendment, intended to be proposed by him, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

Mr. ANDERSON submitted amendments, intended to be proposed by him, to House bill 10875, supra, which were ordered to lie on the table and to be printed.

Mr. DANIEL submitted amendments, intended to be proposed by him, to House bill 10875, supra, which were ordered to lie on the table and to be printed.

Mr. BARRETT (for himself, Mr. O'MAHONEY, Mr. CASE of South Dakota, Mr. ALLOTT, Mr. DWORSHAK, Mr. MANSFIELD, Mr. HRUSKA, Mr. CURTIS, and Mr. MUNDT) submitted an amendment, intended to be proposed by them, jointly, to House bill 10875, supra, which was ordered to lie on the table and to be printed.

PROPOSED AMENDMENT OF THE CONSTITUTION, RELATING TO EQUAL RIGHTS FOR MEN AND WOMEN—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. BRIDGES. Mr. President, on February 8, 1955, the Senator from Maryland [Mr. BUTLER], on behalf of himself and sundry other Senators, introduced the joint resolution (S. J. Res. 39) proposing an amendment to the Constitution of the United States relative to equal rights for men and women. I ask unanimous consent that my name may be added as an additional cosponsor of the joint resolution.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PRINTING AS SENATE DOCUMENT REPORT ON FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND (S. DOC. NO. 119)

Mr. BYRD. Mr. President, I ask unanimous consent that the report on the Federal Old-Age and Survivors Insurance Trust Fund, laid before the Senate on yesterday, be printed as a Senate document.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Virginia? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BUTLER:

Statement prepared by him on the Polish Constitution.

Statement prepared by him on Israeli independence.

By Mr. JENNER:

Excerpt from Executive Report No. 8 of the Senate Committee on Foreign Relations, dated June 15, 1955, dealing with the obligation of the Soviet Union to remove its troops from Rumania and Hungary, following ratification of the Austrian State Treaty.

NOTICE OF CONSIDERATION OF CERTAIN NOMINATIONS BY THE COMMITTEE ON FOREIGN RELATIONS

The PRESIDENT pro tempore. As a Senator, and chairman of the Committee on Foreign Relations, the Chair desires to announce that the Senate received today the following nominations:

Theodore C. Achilles, of the District of Columbia, a Foreign Service officer of the class of Career Minister, to be Ambassador of the United States to Peru, vice Ellis O. Briggs.

Ellis O. Briggs, of Maine, a Foreign Service officer of the class of Career Minister, to be Ambassador of the United States to Brazil, vice James Clement Dunn, resigned.

The Chair gives notice that at the expiration of 6 days, these nominations will be considered by the Committee on Foreign Relations.

TRIBUTE BY HON. SCOTT W. LUCAS TO THE LATE SENATOR BARKLEY

Mr. CLEMENTS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a beautiful tribute which the Honorable Scott W. Lucas has written in memory of our beloved mutual friend and distinguished colleague, the late Honorable Alben W. Barkley.

There being no objection, the tribute was ordered to be printed in the RECORD, as follows:

SENATOR ALBEN BARKLEY

In the evening of life a great and good American, yea, the No. 1 voice of the Democratic Party, is silenced by the hand of death.

The once vibrant and gracious Veep has vanished, leaving the mortal flesh to sleep peacefully throughout the years of eternity.

In this fateful hour there are no ceremonies of pomp and splendor; all is still, save the mournful organ and the minister's moving voice.

So, the journey to the grave begins, moving across plains, mountains, and cities, midst the people he loved and who loved him.

And, at the journey's end, his everlasting place of rest is found in Kentucky soil—soil that made him—soil that he worshiped.

This noble and patriotic character leaves behind a record for God and country that has few parallels in American history.

God grant that more Barkleys may spring from Kentucky soil. Such men in American life are indispensable if the destinies of humanity are to remain free.

ONE HUNDRED AND FORTY-SECOND ANNIVERSARY OF NORWEGIAN INDEPENDENCE

Mr. THYE. Mr. President, Norwegians and people of Norwegian descent recognize May 17 as the "Syttende Mai," in commemoration of the signing of the constitution of Norway. Today marks the 142d anniversary of Norwegian independence.

As one who enjoys the distinction of Norwegian descent, and as a Member of the Senate who represents one-fourth of the Norwegian population of the United States, I pay tribute today to the country of Norway, its people, and the contribution it has made in world history.

During this period when the cause of freedom and independence is engaged in a struggle with totalitarian ideologies, Norway's contribution to the cause of freedom takes on added significance.

This relatively small nation during World War II resisted the invasion of people by the forces of totalitarianism.

As an instrument dedicated to world peace, Norway has contributed much to the accomplishments of the United Nations. It is also significant that the newly appointed Supreme Commander of the NATO forces in Europe, General Lauris Norstad, of Red Wing, Minn., is a descendent of Norway.

To one who knows these people as I do, it is not difficult to understand this deep desire to preserve the principles of freedom which were written into the Norwegian constitution in Eidsvold on May 17, 1814.

These are the people who conquered the seas and tilled the rugged land of Norway. They became steeped in the qualities of courage, integrity, and adventure. They were practical and hard-working people. Yet they were dedicated to the advancement of education, science, the arts, and the Christian faith.

From the time when the first group of Norwegian immigrants arrived in New York on October 9, 1825, the sons and daughters of Norway have contributed much to the United States. They did not take this new land for granted. They came to love it, and always sought to make it a better land by their contributions to society. They cleared the forests, and built homes with the timber; they opened and plowed the land as farmers; they established schools for their children, and erected churches which became a part of their living faith in God.

Some of these descendants will live forever within the pages of the books they wrote, by the engineering feats they performed in the field of construction, and by their achievements in all areas of community and national activity.

I am pleased to pay tribute on this "Syttende Mai" to Norway for the heritage she has bestowed, not only to those of us who trace our lineage to her fjords and fields, but to all people who champion the cause of independence and freedom throughout the world.

Mr. HUMPHREY. Mr. President, Minnesota is deeply proud of its citizens of Norwegian descent and conscious of our many ties with this sturdy Scandinavian nation which gave so many of its sons and daughters to America. Today, May 17, is Syttende Mai—the anniversary of Norwegian independence.

Americans everywhere, but perhaps Minnesotans to a special degree, join in congratulating our friendly neighbor across the Atlantic on more than 140 years of independence and steady strengthening of democracy. Through grave economic difficulties, shattering wars, and great temptations to follow the example of other nations who turned to dictatorship as a possible solution to their difficulties, Norway has proudly and decisively clung to democracy and freedom. Indeed, the people of Norway have made the ideals of democracy a living reality.

It is typical of the people of Norway that this rejection of the false god of totalitarianism has been in deed as well as in word. Long will we remember Norway's magnificent stand against the Nazis. And Norway's determined defiance of Soviet Russia during the years when the Communists were massing overwhelming numbers of troops and tanks and guns and aircraft along the borders of free Europe was an inspiration again to the free world. Norway's refusal to be intimidated by her gigantic neighbor, her forthright stand with the West in NATO, were of great significance in the forging of that great bulwark of western defenses.

This small nation represents a moral force far beyond the relatively small number of its people. Norway's example of democratic government continues to serve as an inspiration to freedom-loving people throughout the world. And with hundreds of millions of uncommitted people in the new nations of the 20th century, still undecided whether to follow the pattern of totalitarianism or to push on toward a working pattern of democracy, Norway's brave example gains renewed significance.

As an American, I am proud to have Norway as one of our greatest and stanchest friends. I take deep pride in the contributions which Norwegian immigrants have made to our country, and particularly to the State of Minnesota, where their sturdy commonsense, their sense of craftsmanship, their love of hard work, and devotion to personal freedom have molded so much of the character of Minnesota.

I reflect with great pleasure that my mother, Christine Sannes Humphrey, of Huron, S. D., was born in Christiansand, Norway, and came to America as an immigrant child. I am also proud to say that my mother's father was a Norwegian ship captain for 20 years before he homesteaded in this country.

But while there is to me a special personal element in this observance of Norway's Independence Day, I speak for all Americans in extending our warmest greetings and good wishes to the people of Norway—our old and greatly admired friends.

ASIAN-AMERICAN CONFERENCE ON CULTURAL RELATIONS

Mr. WILEY. Mr. President, the city of Washington is pleased to play host during this week not only to Indonesia's First Citizen, its distinguished President, Dr. Soekarno, but also it is host to a most interesting and valuable Conference on Cultural Relations between the peoples of South and Southeast Asia, and the United States.

The conference meetings in our Nation's Capital represent the climax of a 3-week tour of the United States by participants from 10 Asian lands. The tour is sponsored by the United States National Commission for UNESCO, at the invitation of the United Nations Educational, Scientific, and Cultural Organization.

Arrangements for the tour were made in cooperation with the American Council for Learned Societies; the Asia Foundation; Edward W. Hazen Foundation; Fund for Asia; Rockefeller Foundation; the universities of California, Louisville, Michigan, and Minnesota; Massachusetts Institute of Technology; the American Society of Composers, Authors, and Publishers, and others.

I believe that the increased understanding gained through this conference will prove most helpful, in ever improved relations between our peoples.

The great spiritual ideals which our own and other free peoples share, the common love of liberty and independence, the deep desire for a better way of life for all men and women—these are the truths which we and our friends should well explore.

Tomorrow it will be my pleasure, together with colleagues of the Senate and House, to be host at a luncheon get-together in which we will have the pleasure of meeting the Asian participants at firsthand, here on the Hill.

Friday evening, a party has been arranged in honor of our guests from the East, and thereafter, they will hear an address by Mr. Norman Cousins, editor of the Saturday Review. The Honorable Paul Hoffman, who did so outstanding a job as first head of the Economic Cooperation Administration will also be on hand for words of greeting to our friends.

The theme of the overall conference is Human Values and Social Change in South and Southeast Asia and the United States.

Each day's program for the conference has been a full one, both here in Washington and in other cities in which the conferees have visited.

We hope that our friends will return to their lands with a deep feeling of having contributed to better understanding of their lands in the United States, and, in turn, to having gained a better understanding of our land and its culture.

"Man does not live by bread alone," but by things of the spirit. The United States is not just the land of skyscrapers, automation, and convertibles. It is a land of deep cultural interest and attainment. And while there are obvious differences between our own and other less developed lands, we share a great common heritage, and we have a deep respect for the ancient, rich cultures of Asia: Like them, we are changing, evolving for the better. And like them, we want to know our neighbors better—our Buddhist, Moslem, Hindu, Christian, and all other neighbors of all faiths.

I ask unanimous consent that a list of our visiting friends from Asia be printed at this point in the body of the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PARTICIPANTS IN THE CONFERENCE ON ASIAN-AMERICAN CULTURAL RELATIONS, SPONSORED IN WASHINGTON, D. C., BY THE AMERICAN COUNCIL OF LEARNED SOCIETIES AT THE REQUEST OF THE UNITED STATES NATIONAL COMMISSION FOR UNESCO

Burma: U Lu Pe Win, director of archeological survey, Government of Burma. Daw Mya Sein, lecturer in history, University of Rangoon.

Cambodia: Sam Sary, member, Royal Council, minister of education.

Ceylon: Dr. G. P. Malalasekera, professor of Pali and of Asian studies, University of Ceylon.

India: Dr. V. K. R. V. Rao, professor and director, Delhi School of Economics, University of Delhi.

Indonesia: Dr. Bahder Djohan, president, University of Indonesia, Djakarta.

Laos: Dr. Tay Keoluangkhot, director general, ministry of education, Vientiane.

Pakistan: Dr. M. M. Sharif, professor of philosophy, Islamia College, Lahore, Pakistan.

Philippines: Dr. Vidal Tan, president, University of the Philippines.

Thailand: Dr. Sukit Nimmanhemin, executive member, council of Chulalongkon University, Bangkok.

Vietnam: Dr. Nguyen Quang Trinh, rector, University of Vietnam, Saigon.

IMPRESSIONS OF RECIPIENT OF FULBRIGHT SCHOLARSHIP AWARD

Mr. HUMPHREY. Mr. President, among the Minnesota recipients of last year's Fulbright scholarship awards was Robert Scharlemann, of Lake City, Minn. He has just sent me a report on his impressions after a year in Heidelberg, Germany, and I think his comments are a valuable testimonial to the effectiveness of the Fulbright program.

I pause to note that, regrettably, the Department of State, with the cooperation and support of the Bureau of the Budget, and, obviously, of the President, have cut the Fulbright scholarship program. I think this is an unfortunate error, and I am am hopeful that when that program comes before the Senate for authorization and appropriation we will provide a sufficient amount properly to implement a furtherance of this very helpful and constructive educational endeavor.

I ask unanimous consent that Mr. Scharlemann's letter be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DOSSENHEIM BEI HEIDELBERG,
HAUPTSTRASSE 67 BEI HOERNER, GERMANY,
May 8, 1956.

The Honorable HUBERT H. HUMPHREY,
Washington, D. C.

DEAR SENATOR HUMPHREY: This letter is to be a kind of acknowledgment and at the same time a kind of report. On June 8, 1955, almost a year ago, I received a letter from your office containing congratulations on my having received a Fulbright scholarship. I should like at this time, therefore, to do what I should long ago have done: to express my appreciation for your alertness.

At the same time you may be interested in my reactions to the Fulbright program and to my contacts and study here at the University of Heidelberg. A summary of those reactions would be one word: wonderful. (Or, as the German teenagers say: prima.) Wonderful enough, in fact, to have caused me to apply for a year's renewal of the scholarship—a request which the Commission had, alas, to reject. But to describe it as wonderful is still being too vague. So I shall try to be more explicit:

1. It has made me understand the United States better. This is true not only because the constant questioning that one is subjected to leads to a searching for information that one would otherwise not look for. It is true, rather, because just living and speaking with people on all topics, important and trivial; just being able to walk the streets of their cities and to observe; just being able to see the country and countryside in which they grow up; just being able to read in their newspapers of happenings in the States as though they were foreign news—all of this makes it possible to see the United States, to see ourselves, in such a way that normally would be impossible. One can only wish that all our Secretaries of State would at some time have spent a couple of such years in a foreign country. It might lead to a saner foreign policy.

2. It has made me understand Americans better. This is true, in the first place, because Europe provides the opportunity of closer acquaintance with the tradition and the culture from which we stem. It is true, in the second place, because contact with Europeans has made me aware of the significant (and, in my opinion, healthy) singularity of the attitude of Americans to tradition: they are interested in it but not bound by it. Not bound by it—that, I fear, is a freedom that Europeans long for but still miss. And if, in this connection, one has to blush at much of American tourism, one can feel rather happy at the behavior of American students here. On the whole, their contribution to good will and understanding has been considerable, as far as I (as one of them) am able to judge.

3. As a theology student, I have gained a new insight into the dangers as well as the strengths that theology can have in the life of a country and its people. It is always difficult to make clear that theology is not supposed to be something divorced from the problems of life and that theologians are not supposed to be ivory-tower scholars who argue about the velocity of angels while other people are about earning an honest living. My own research this year ("The Relationship Between the Doctrine of the Holy Spirit and the Doctrine of Grace in Christian Theology") may sound as abstruse as one can get theologically; but it does have significance for even something like the Voice of America broadcasts. (If it were only a device for exercising my skill in making theological or philosophical distinctions, I should have had a guilty conscience for accepting a Fulbright grant.) The danger, as one can, to be sure, see it in Germany too, is that theology become too abstruse and irrelevant. Yet the fact that resistance to Hitler's barbarism came from the German church; i. e., that it was theologically sparked, is a heartening reminder of the strength of a theology that in time of crisis can make giants of pygmies and heroes of students.

But let this be enough. Once again, thank you for your letter of last June. And may the Fulbright program live long.

Yours sincerely,
ROBERT SCHARLEMANN.

DISCRIMINATION BY SAUDI ARABIA AGAINST AMERICANS OF JEWISH FAITH

Mr. HUMPHREY. Mr. President, 3 months ago on the Senate floor I raised the issue of discrimination by the Government of Saudi Arabia against Americans of Jewish faith. Since that time this issue has been receiving increased attention at home and abroad. On various occasions both President Eisenhower and Secretary Dulles have admitted and defended this Government's acquiescence in these discriminatory practices. I should like to repeat today my condemnation of an unalterable opposition to our official position on this matter.

Recently, Rabbi Max A. Shapiro, of Temple Israel, in Minneapolis, Minn., delivered a lecture on this subject entitled "A Matter of Principle." I should like to commend that lecture to the attention of my colleagues. It is an accurate historical review of similar incidents in American history when nations with whom we had treaty obligations denied equal protection and equal privileges, under the law, to Americans of other religious faiths.

I am happy to note that in other instances, going back to the earliest days of this country, back to the days of President Buchanan, back to the early 1800's and 1900's, our Government has stood for principle, and has either abrogated a treaty, or has insisted that the laws of other nations be amended so that Americans could be treated on the basis of equity and equality.

This is a fundamental principle. Our Constitution provides that there shall be no discrimination on the basis of religious affiliation.

Mr. President, I think it is about time the Congress of the United States paid more attention to some of the executive agreements, and, indeed, some of the treaty obligations, into which we have entered, which permit the kind of religious discrimination and second-class citizenship for American citizens to which I have referred.

I ask unanimous consent that the lecture by Rabbi Shapiro be printed in the RECORD at this point in my remarks.

There being no objection, the lecture was ordered to be printed in the RECORD, as follows:

A MATTER OF PRINCIPLE—ASPECTS OF UNITED STATES POLICY IN THE MIDDLE EAST

It is not my purpose this evening to talk to you about the crisis in the Middle East—the significance of the Baghdad Pact—the effect of the new cease-fire agreement, or whether war is inevitable despite all that has occurred. All this you can obtain in the newspaper accounts and in magazines from sources far more authoritative than I.

What I do propose to consider is a matter of principle—a matter of principle relative to the relation of our country to Saudi Arabia.

On February 24, Secretary of State Dulles appeared before the Senate Foreign Relations Committee. He was questioned on American policy in the Near East. He made a number of remarks indicative of the attitude of the State Department in the Near East crisis—remarks which bear some scrutiny.

In answering questions about Arabia's discrimination against American Jews in particular and Jews in general, Mr. Dulles made the singular statement that animosity was present because the Arabs credited the Jews with the assassination of Mohammed. Where or how he arrived at that conclusion is not known—whether this was a carryover from an inner conviction of the crucifixion story is hard to tell—but that it was completely erroneous is most evident. For the Koran, the holy scripture of the Arab world, describes in great detail the natural death of Mohammed, and it is there for all to see. When Mr. Dulles learned of the factual inaccuracy of his testimony, he had the official record corrected, deleting the assertion that the Jews had killed Mohammed. The statement was made to read that Arab animosity goes back to the time of Mohammed—some 1,300 years ago.

This attitude of justification of Arab discrimination against Jews evinced a number of protests from the American Jewish community, but it was a second statement

made by Dr. Dulles to which I want to call your attention at this time.

On questioning by Senator HUMPHREY, the Secretary of State admitted that no Americans of Jewish faith have been assigned to service at Dhahran, the United States airbase in Saudi-Arabia. This, he explained, was in pursuance of an Executive agreement of 1951, an agreement which does not require congressional action. On further questioning he indicated that we as a nation tolerate such discrimination "in order that this country and the Arab States may get along together to mutual advantage." "We hope," he stated, "that there can be greater moderation and greater tolerance, but we cannot prescribe it from abroad or expect to bring it about suddenly."

This raises some interesting and provocative questions. Are Americans, who happen to be Jews, placed in a second-class category because of their religion? Is our Government, because of pressure from an outside source, abrogating a basic principle of American democracy? Is our State Department more interested in expediency than principle? Are the rights of American citizens expendable items to be bargained away on the international trading counter?

And if all this is so, should we as a group protest? Should we call undue attention to ourselves; shall we jeopardize American strategic and economic interests merely to preserve basic American rights and principles? Or do we remain silent, for this, too, shall pass away?

Let us look at the record.

In 1851 the American Minister to Switzerland signed a general treaty with the Swiss Confederation establishing the rights of the citizens of each country to travel and sojourn in the other. Specifically it stated that the citizens of both countries "shall be admitted and treated upon a footing of reciprocal equality." Now the Swiss Confederation consisted of a number of cantons, each governed by its own constitution, some of which subjected the Jews to severe restrictions and disabilities; and when 5 years later, in 1856, a Mr. A. H. Goodman, an American Jew, was threatened with expulsion from one of the cantons, he appealed to Theodore Fay, the American Minister. Mr. Fay found that, under the provisions of the treaty, he was powerless to help.

But the case became known to the general American public. Jews in America held protest meetings. Editorial comments in the newspapers backed them up. Christians everywhere came to their support. An American principle was at stake. A committee headed by Rabbi Isaac M. Wise, the outstanding leader of Reform Judaism, was dispatched to meet with President James Buchanan to make protest. President Buchanan promised to do his utmost in the situation.

From the exchanges that followed between the two governments, it was evident that the Swiss cantons would have to amend their basic laws if American Jews were to have the same rights within their borders as other Americans. The United States pressed the issue, President Lincoln even going so far as to appoint a Jew as consul to Zurich. In 1874 the Swiss Confederation adopted a new constitution which erased all distinction between religions.

A similar situation developed in our relations with Russia during the 19th century. In 1832 the United States concluded a treaty of commerce and navigation with Russia. This agreement specified that American citizens might enter and reside in that country subject to local laws and ordinances. As you know, the 1800's were years of vast Russian persecution against the Jews, and Russia taking her stand on the proviso that Americans were subject to local laws and ordinances, asserted the right to subject American citizens of Jewish faith to the same restrictions that she imposed on her own Jewish subjects.

Nothing was done until 1866 when a specific incident arose. An American Jew, Theodore Rosenstraus by name, was denied the right to acquire real estate in the city of Kharkov because he was a Jew. This appeal for diplomatic aid coupled with the appeal of another American Jew who was banished from St. Petersburg because of his religion set off a series of diplomatic exchange between the two countries.

The United States took the position, based on a note by Secretary of State Blaine, in 1881, that "it could not accept any construction of the existing treaty that discriminated against any class of American citizens on account of their religious faith." Although the Russians maneuvered and replied that "it was the desire of the Emperor to show all possible consideration to American citizens," new cases in the controversy continued to crop up. In 1893, the news that Russia was refusing to grant visas to American Jews precipitated resolutions in Congress calling upon the President to put an end to such religious discrimination.

The exchange of notes between the two governments continued. In 1907, however, the new Secretary of State, Elihu Root, issued a new note, a note that abdicated the American position to Russian demands. This pronouncement stated that all Americans who had been former Russian subjects could not expect American protection should they return to Russia for any purpose.

There was a vigorous outcry of protest and demand from the American Jewish community. The demand was that the treaty of 1832 be revoked, and a new treaty made, a treaty in which there would be no ambiguity as to the complete equality of the American Jewish citizens.

Our Government did not want to accede. It pointed out the importance of the far eastern trade with Russia. At a conference with representatives of the B'nai B'rith, the American Jewish Committee and the Union of American Hebrew Congregations, President Taft read a prepared paper to the effect that the abrogation of the treaty would do more harm than good. It would not only hurt the country, it could harm the Jews. Large investments in Russia would be jeopardized. Even war might ensue.

But the matter had now been taken up by the American public. It was a matter of principle not investments. The Constitution not only proclaimed the equality of each citizen but demanded no distinction among citizens because of religion. In accordance with this, the United States could not possibly maintain a treaty in which these principles were ignored by the other side.

The protests to the treaty on this matter of principle grew. A national citizens committee headed by two prominent Americans, Andrew D. White, a former Russian Ambassador, and William D. McAdoo, a prominent lawyer, was formed to press the issue. State legislatures passed resolutions calling for abrogation of the treaty. The pressure mounted and mounted. Finally in 1911, the House of Representatives voted, 300 to 1, that the treaty be annulled. Before the measure could reach the Senate, the United States Government terminated the agreement.

Which brings us to the matter in question. What is the situation in regard to Saudi Arabia? We do not have a treaty in the general terms of the Swiss or Russian agreements. The only provision in the agreement that bears upon our problem is a detailed exposition of a standard principle in international law whereby any state can exclude the nationals of any other state. We as a Nation have the right, and we exercise that right, to scrutinize the credentials of all members of foreign missions who come to this country.

On the surface there is no breach of the agreement when Americans unfavorable to the Arabian Government are refused admittance, or when our Government, in order to avoid embarrassment and unnecessary paper work does not submit the names of such persons when it presents a list of the members of our military or diplomatic mission. There is no breach of the agreement, no breach of the contract, but there is a moral breach. It is the same moral violation that existed in the situation with Switzerland and with Russia.

A lie is not necessarily verbal. Discrimination is not only an overt act. A lie can be told by silence. Discrimination can be practiced by innuendo, by a shrug, by a wink of the eye.

And in the case of our agreement with Arabia, discrimination is being practiced by inference. I know Dahran, the Arabian airbase. I was there in 1944. No American soldier cherishes duty in that heat and sand. But this is a matter of principle: American citizens are being placed in a second class category because of their religion.

In the matter of military or diplomatic personnel, the Arabian Government has placed a blanket rejection on all American Jews. It limits visas to Americans for business purposes only. And these violations are not unrecognized by our State Department—Mr. Dulles has stated: We hope the situation will change "but we cannot prescribe it from abroad."

We cannot dictate it, it is true. We cannot prescribe it, it is true. But we need not subscribe to it.

When we did not subscribe to this policy in the case of Switzerland, the policy was altered. When we did not consent to it in the case of Russia we terminated our agreement. Are we so changed today? Are we so devoid of principle today?

I know that conditions are different. I know that we are now engaged in a vast cold war. I know that we are concerned with investments, with making friends, with security.

But we are not merely a body of investors. We are not merely intent upon making friends. We are not merely a Nation out to encircle and entrap Russia. We are a country of free men.

Our greatness is built on our freedom. Our freedom is moral, not material. We as a people have a great passion for gain. We should have a deeper passion for the rights of man. The principles on which this country was founded and nurtured are not incompatible with great material prosperity. But we should be unwilling to have prosperity, we should be unwilling to have great gain, if citizens must be shunted for it—if they must lose the rights which belong to every American. The cost is far too high. The price is far too great.

JOINT USE OF COLUMBIA RIVER WATERSHED BY THE UNITED STATES AND CANADA

Mr. NEUBERGER. Mr. President, few domestic questions concerning water development are more crucial than the necessity for the United States and Canada to work out mutually satisfactory plans and agreements for the joint use of the great Columbia River watershed, which belongs geographically to both nations.

I ask unanimous consent to have printed in the body of the RECORD three illuminating and nonpartisan articles on this critical problem written by Mr. Peter Inglis, associate editor of the Vancouver, B. C., Daily Province, and published in that newspaper for April 23, 24, 25, and 26, 1956.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Vancouver (B. C.) Province of April 23, 1956]

COLUMBIA RIVER CRISIS: 1. THE PROBLEM—THE CLASH ON THE COLUMBIA—WILL CANADA OR UNITED STATES GROW?

(By Peter Inglis)

(First of three articles)

SEATTLE.—Summing up after nearly a full day of debate, Mr. Leon J. Ladner, Q. C., of Vancouver, brought it down from the legal stratosphere to its earthy essentials:

"Competition for power is really the issue."

And, sitting on the sidelines, President Norman A. MacKenzie of the University of British Columbia murmured to a neighbor an even tenser summary:

"What it's really about is: Who grows?"

Mr. Ladner, Dr. MacKenzie and a half dozen other Canadian legal experts had come down to the University of Washington late last week for a Pacific Northwest regional meeting of the American Society of International Law to thrash out a number of the legal aspects of Canadian-American relations and, in particular, those of the program billed as "Diversion of Columbia River waters." (Actually it went a good deal further than that.)

The United States State Department and the Canadian Department of External Affairs took the discussion seriously: both had asked for a verbatim transcript, and a court reporter recorded it all.

If you want to regard it strictly as a debate, you can say that the Canadians won hands down—chiefly because they had done their homework better than most of their American colleagues.

But you could argue that it was something a good deal bigger than a contest of opinions. You might even claim, without exaggerating much, that it was a first serious step toward creating the atmosphere for an amicable settlement of a situation in which, in the words of Senator RICHARD L. NEUBERGER of Oregon in a recent report to the Committee on Insular and Interior Affairs of the United States Senate, "failure to reach agreement on a mutually beneficial program * * * would threaten the gravest crisis in modern United States-Canadian relations, as well as incalculable economic loss to both countries."

Certainly at the start both sides were firmly entrenched in fixed positions behind their respective interpretations of international law but by evening were approaching a meeting on the common ground of the good sense and friendship of their two countries.

At this point it might be well to take a look at the background of the Columbia River issue—a look which some of the American participants in the discussion had not taken closely enough (one of them even seemed to think that the proposal of the Kaiser interests to generate power on the Columbia in British Columbia for use in an aluminum smelter in the United States was still in the cards; he was unaware that it had been killed stone-cold dead long since by the Canadian Parliament's famous bill 3).

Very much condensed, the background goes like this:

The United States today is drawing some 7 million kilowatts, or about 9,300,000 horsepower, of hydroelectric power from the Columbia basin. It expects to need about double that amount within 10 years.

The American investment in existing power plants in the basin is about $1,500,000,000. New plants now under construction represent another $1 billion, and a further $2 billion worth are on the drawing boards, with the funds already authorized.

The plants now existing and under construction represent just about the full potential of the river as it is today. The projected construction requires a system of up-river storage to retain the surplus flow during floods and the months of heavy runoff (today wasted out to sea) and to release it during the seasons of lower water.

One of the principal means of storage would be the projected Libby Dam on the Kootenai River in northwestern Montana. The Kootenai starts life as the Kootenay in British Columbia, runs south to the international border; loops through Montana and the northeastern corner of Idaho, crosses back into British Columbia (picking its terminal "y" up again) and eventually joins the Columbia at Castlegar, some 20 miles north of the boundary. The dam would back a vast volume of water into Canada; the flooding would be 150 feet in depth at the boundary.

The water thus stored would drop only a modest 360 feet through the existing small dams on the West Kootenay in Canada, but would then fall through a head of nearly 1,300 feet on its way through the Columbia River dams in the United States. That is to say, each ton of water originating in Canada and stored in Canada would release nearly four times as much energy in the United States as in Canada.

The Libby Dam project, authorized by the United States Congress, was put before the International Joint Commission to secure the necessary Canadian approval. The Canadian section of the Commission proposed that the United States pay Canada substantially for the upstream storage, here and elsewhere, from which the United States would derive great downstream benefits. The United States section of the Commission claimed the Canadian figures were much too high.

Failing agreement on American payment for what was, in effect, Canadian power potential, the chairman of the Canadian section, Gen. A. G. L. McNaughton, who is also an engineer, came up with a proposal of his own for Canadian use of that potential.

He proposed to divert a large part of the flow of the headwaters of the Kootenay into Columbia Lake from which the Columbia River rises; to dam the Columbia either at Downie Creek or, more probably, at Little Dalles, just north of Revelstoke, and to divert about one-fourth of its flow (augmented by the Kootenay) through a 7-mile tunnel under the watershed into the Fraser Basin, where it would flow through Shuswap Lake, the South Thompson and the Thompson into the Fraser.

This would add between 2 million and 3 million horsepower to the power potential of the Fraser Basin and would be of immense value in meeting British Columbia's fast increasing energy requirements. (In its submission to the Gordon Commission on Canada's economic prospects, the Province estimated that its power consumption would increase by 457 percent between 1955 and 1975.)

The American members of the International Joint Commission, under Len Jordan, former Governor of Idaho, argued that this project would ruin the downstream American development of the Columbia. The Canadians maintained that it would not reduce the flow across the international border. (That the diversion of the Kootenay would make the Libby Dam project impossible was incontestable, but outside the mainstream of argument.)

There was an element of a certain wry humor in this situation. On the one hand the Americans were arguing that in the matter of storage upstream Canadian water was of relatively little importance—indeed, they launched a fairly intensive propaganda campaign, which still continues, to persuade Canadians that cheapening steam power and potential atomic power would make the water become steadily less valuable, so they had better let it go now. On the other, they contended that the diversion of the same water would ruin some $2 billion of power planning.

The deadlock in the International Joint Commission became so serious that Prime Minister St. Laurent raised it at his White Sulphur Springs meeting with President Eisenhower a month ago. On April 9 he said in the House of Commons that "there was a feeling that the Chairmen of the two sections (of the Commission) had publicly expressed views so diametrically opposed to each other that there was little probability of their making the kind of progress we would hope would be made" and that in his talks with Mr. Eisenhower "it was left that the matter would be further discussed between our Department of External Affairs and the Department of the Secretary of State."

Where do we go from here? To an agreed solution or to the International Court of Justice at The Hague? I shall discuss that choice tomorrow.

[From the Vancouver (B. C.) Province of April 24, 1956]

COLUMBIA RIVER CRISIS: 2. THE LAW—A DISTASTEFUL TREATY THAT REBOUNDED

(By Peter Inglis)

(Second of three articles)

SEATTLE.—I wrote yesterday that there was a certain wry humor in the American position toward Canada in the Columbia River argument—that on the one hand the river's water, when stored on Canadian soil for downstream use in the United States, is of trivial value; on the other, when a Canadian proposes to divert some of it into the Fraser it becomes of critical necessity to American power development.

There is a touch of the same sort of irony in the origins of the Boundary Waters Treaty of 1909, the hub around which the legal argument revolved, sometimes acrimoniously, in the Canadian-American round-table debate at the Pacific Northwest regional meeting of the American Society of International Law here late last week.

Article II of the act, which is its core in this instance, reads in part:

"Each of the high contracting parties reserves to itself or to the several State governments on the one side and the Dominion or provincial governments on the other * * * the exclusive jurisdiction over the use and diversion, whether temporary or permanent, of all waters on its side of the line which in their natural channels would flow across the boundary or into boundary waters; but it is agreed that any interference with or diversion from their natural channel of such waters on either side of the boundary, resulting in any injury on the other side of the boundary, shall give rise to the same rights and entitle the injured parties to the same legal remedies as if such injury took place in the country where such diversion or interference occurs. * * *"

The irony is that the first section, which repeats the so-called Harmon Doctrine that a country has absolute control of everything within its borders, was put in at the insistence of the United States Government and against considerable Canadian resistance; the second, providing legal recourse against the effects of this policy, was a reluctant sop from the United States to Canada.

Today, in the Columbia case, the United States is loudly protesting a proposal to divert a part of the river's flow in Canada, and American legal experts at the round table here were talking darkly of legal recourse going all the way to an injunction to prevent the diversion being carried out.

In 1909, in the matter of some minor Canadian-American rivers, the shoe was on

the other foot. Prime Minister Sir Wilfrid Laurier, explaining to Parliament why he had felt compelled to accept a distasteful treaty, said:

"Was it not wiser, then, under such circumstances to say: Very well, if you insist upon that interpretation you will agree to the proposition that if you do use your powers in that way you shall be liable to damages to the party who suffers. At the same time we shall have the same power on our side, and if we choose to divert a stream that flows into your territory you shall have no right to complain, you shall not call upon us not to do what you do yourselves, the law shall be mutual for both parties."

(For this quotation, as for much other material in these articles, I am indebted to a masterly brief prepared by Mr. Leon J. Ladner, Q. C., of Vancouver, of which he was able to read only part at the meeting here.)

Thus what was sauce for the goose half a century ago has now become sauce for the gander.

And the gander doesn't like it.

The American position on the legal aspects of the Columbia argument was put by Mr. Elwood Hutcheson of Yakima, Wash., who quoted extensively from—and appeared to be speaking on behalf of—ex-Governor Len Jordan of Idaho, the chairman of the United States section of the International Joint Commission.

His argument, much condensed, was that:

First. The United States had an overriding need of Columbia water for power generation, irrigation of an eventual 1 million acres, its atomic program (the Hanford Atomic Works use an immense volume of water for reactor cooling), and navigation; furthermore, a diversion into the Fraser would endanger fisheries in which the United States has an interest.

Second. In the 1909 treaty "diversion" means only normal uses of water, and not a major alteration of the river's flow, and applies only to individuals, not governments.

Third. Legally, equitably and morally Canada has no right to divert a quarter of the Columbia's flow because of the common-law riparian doctrine which guarantees water to downstream users and also because of the arid-lands doctrine, developed during the settlement of the West (and actually conflicting with the riparian doctrine) of prior appropriation, or "first in time, first in law," which protects water users from future encroachments.

Fourth. The wording covering legal recourse mentions only "private parties" with a small "p" and not the High Contracting Parties, with capitals, who have overriding rights.

5. In any case, under the international-law principle of "rebus sic stantibus"—that a treaty only has force while the circumstances remain unchanged—the 1909 treaty can be abrogated.

6. Failing all this, the treaty itself provides that it can be terminated on a year's notice.

The Canadian legal position, set out by Prof. C. B. Bourne, of the University of British Columbia, with such remarkable skill that he was loudly applauded by Americans to whom what he was saying was thoroughly distasteful, goes this way:

1. The language of the Boundary Waters Treaty is absolutely clear, and hence so is the Canadian right to divert Columbia water.

2. Even if the Harmon doctrine embodied in the treaty is rejected (as it is by most countries) the alternative is an agreement based on apportionment of benefits—in other words, the countries sharing possession of a river must also share the benefits from it, which makes the test of a diversion its reasonableness—and the proposed diversion is reasonable.

3. The diversion would not injure any downstream interests and the question of compensation does not arise.

4. If the question were to arise, however, the Boundary Waters Treaty gives Americans the same rights as, and no more than, Canadians; in this case the rights are defined by the British Columbia Water Privileges Act of 1892, which provides that only licensed users of water are entitled to compensation, and it is highly unlikely that the courts would interpret an American right of prior appropriation as the equivalent of a license issued by the British Columbia controller of water rights.

5. The prior appropriation doctrine invoked by the Americans applies only to actual use of water; it does not apply to plans to use water in the future; declaring the intention to build dams, or even having them under construction, is not prior appropriation.

6. As far as the Government of the United States is concerned, its only claims for compensation from Canada would be political, not legal; it is extremely unlikely that an international court would uphold them.

Here were two fixed positions, and if the countries involved had been different the argument might have been left there deadlocked.

However, the people facing each other across the table were neighbors and friends. They began to look for a compromise.

[From the Vancouver (B. C.) Province of April 25, 1956]

COLUMBIA RIVER CRISIS: 3. THE SOLUTION—JOINT DEVELOPMENT WOULD BENEFIT BOTH

(By Peter Inglis)

(Last of three articles)

SEATTLE.—As Mr. Leon J. Ladner, Q. C., of Vancouver, observed at the close of the Columbia River roundtable of the American Society of International Law, it would be an absurdity to think of Canada and the United States taking a dispute to the International Court of Justice or to consider the possibility of the United States abrogating a treaty after the two countries have observed it for nearly half a century.

By then, however, the discussion had drifted a long way away from the technicalities of the Boundary Waters Act and of Canadian rights to divert part of the river's flow, and had descended to practical commonsense.

A notable contribution came from Mr. Cameron Sherwood, onetime assistant United States attorney for the western district of Washington, who regretted that both sides had already taken insular positions and feared that if each proceeded independently both would suffer.

He argued for some sort of joint Canadian-American authority through which the two countries could share the full use of the river.

He was backed up by Mr. R. P. Parry, chairman of the Idaho Joint Commission for the Columbia River Compact.

Mr. Parry offered that compact, which has successfully reconciled what once seemed to be the irreconcilable interests of the States of Washington, Oregon, and Idaho, as a pattern for a joint Canadian-United States development and use of the Columbia.

The Columbia Basin, he argued, was a single unit, divided only artificially by the international boundary; to extract its full potential, planning must be applied to it as a whole. Doing otherwise, Canada would lose more power than she could gain by any diversion.

He proposed hydraulic and electrical integration of the two countries' shares of the basin—in other words, joint use of water and joint apportionment of the power derived from it.

With this latter point, the real nub of any settlement of the Columbia dispute had at last been reached; British Columbia must receive its fair share of the power the river creates, and in practice that means a share of the power developed by the $1,500,000,000 worth of dams now in service on the American section of the river, the $1 billion worth under construction, and the additional $2 billion worth now projected.

Strangely, nobody at the roundtable pointed out that the solution creates a new problem:

Today British Columbia's needs for power are relatively small compared with those of the American States in the Columbia Basin. But they are unlikely to remain so. The British Columbia Government's submission to the Gordon Economic Commission foresaw a nearly fivefold increase in the province's power consumption between 1955 and 1975, and this would alter the proportionate Canadian and American shares of Columbia power under any pooling arrangement.

This question had to wait until after the end of the roundtable before it was tackled.

The tackler was Prof. Maxwell Cohen, who holds the chair of international law at McGill and who had flown from Montreal to speak at the annual world affairs symposium dinner, held in conjunction with the international law meetings.

He said flatly it could be done, and his views are worth quoting in full:

"The entire Columbia River problem lends itself superbly not only to regional joint planning but to regional joint management.

"The only way we can assure the maximum utilization of the resources is by a commonly designed and agreed-on operation.

"This means something corresponding to a supranational or binational authority, and lessons might well be learned from the European steel and coal community, which has handled a much more difficult task.

"The only difficulty is that during the first period of operation the United States will need more power than Canada.

"It must be clearly understood, however, that as Canada's needs increase her allocation must rise, and the United States can have no vested interest in the first temporary allocation.

"The United States can compensate for this by preparing at the very same time supplementary sources of power originating in the United States such as, first, a more efficient utilization of the United States section of the Columbia and, second and more important, the development of atomic energy sources that are likely to come to fruition in the next 15 to 25 years."

In other words, American power for Canada, not Canadian power for the United States.

A visionary solution?

I thought so. But the Americans at the conference—many of them the hardheaded legal representatives of public bodies and private corporations with vested interests in the fullest development of the Columbia, seemed unanimous in their approval; the Seattle Times applauded Professor Cohen in a lead editorial.

And there it stands.

The disagreement that arose first from American refusal to accept Canada's terms for Canadian upriver storage of water for American turbines, and was accentuated by a Canadian proposal to divert the Kootenay into the Columbia and part of the Columbia's flow into the Fraser, has been taken out of the hands of the International Joint Commission and transferred to the ministerial and diplomatic level.

And here in Seattle a number of Canadians and Americans of good will have given the problem its first complete airing—with the department of external affairs and the State Department both asking for verbatim transcripts.

Perhaps this is a start toward settling potentially "the gravest crisis in modern United States-Canadian relations" (to quote Senator RICHARD NEUBERGER'S report to a com-

mittee of the United States Senate) in the way that has become traditional on this continent—by friendly agreement, not by conflict.

[From the Vancouver (B. C.) Province of April 26, 1956]

THE SEATTLE TIMES SAYS: "SHARE THE COLUMBIA'S RESOURCES"

As a footnote to the series of articles about the Columbia River debate, we reprint an editorial from the Seattle Times commenting on a Canadian proposal for settling what might become a serious dispute.

"A Canadian law professor has proposed an eminently reasonable method of approaching a solution of the dispute between his country and the United States over Columbia River power resources.

"Influential figures in the Canadian Government want to divert much of the upper Columbia flow into the Fraser River and thus keep the power in Canada. United States members of the International Joint Commission say that such action would infringe upon this country's vested rights.

"Maxwell Cohen, who holds the chair of international law at McGill University, Montreal, says many points might be made on both sides. But foregoing a lawyer's natural inclination to develop legal issues, he suggests a broader ocmmonsense approach: Why shouldn't the two friendly countries agree on a joint development plan?

"Cohen indicated that his first thought was toward a form of supranatural authority, somewhat similar to the plan under which nations of Western Europe have pooled iron and coal resources. This method might not be acceptable, but some form of effective cooperation should be sought.

"The basic fact is that the Canadian portion of the Columbia River, if harnessed by storage dams, will provide millions of kilowatts of additional power—partly in Canada, partly in the United States. If the water should be diverted to the Fraser River, the cost would be tremendous. The Fraser River fisheries would be endangered. Essentially the same number of added kilowatts would be produced as if the stored waters were permitted to flow down the Columbia River route. But all the added kilowatts, under the diversion plan would be produced in Canada.

"Canada clearly is entitled to reasonable payment, in dollars or kilowatts or both, if its upstream storage facilities are developed in a manner which adds substantially to power production at plants on the United States section of the Columbia. If the two countries approach the problem on the basis of a development plan that will utilize the full power potential at the lowest development cost, it should not be too difficult to reach an acceptable formula for sharing costs and power.

"This would be infinitely preferable to permitting the dispute to become acrimonious, leading the two countries to the World Court, and perhaps getting a decision that would satisfy neither."

PEACEFUL USES OF ATOMIC ENERGY

Mr. BUTLER. Mr. President, to conserve the time of the Senate, I ask unanimous consent to have printed in the body of the RECORD a statement which I have prepared, relating to the peaceful uses of atomic energy.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BUTLER

It was my good fortune to be able to attend the International Conference on the Peaceful Uses of Atomic Energy, conducted under the auspices of the United Nations last August.

You will recall that this Conference was held as the first step to implement President Eisenhower's program to harness the atom for the peaceful uses of mankind. Secretary General of the United Nations, Dag Hammarskjold, in his opening remarks to the Conference on August 8, 1955, said, "Let us not fail to recall on this occasion that it is to the initiative taken by the President of the United States in the General Assembly of the United Nations in December 1953 that we owe the origins of this Conference." We can all take pride in President Eisenhower's leadership in this new field of human endeavor.

The Atomic Energy Act of 1954 makes it possible for us to share our basic knowledge concerning the atom with the scientists of other countries. Today's technology is based on our accumulated heritage; the scientific knowledge contributed by mathematicians, scientists, and scholars from earliest times living in many countries of the world. Each new discovery provides material for further research to extend our boundaries into the unknown. Sharing our research in this new field is the greatest contribution we can make toward enabling all the peoples of the world to use this great potential source of energy for the benefit of mankind.

Toward this end we have furnished technical libraries of nonclassified data on nuclear energy and its applications to 44 countries under the atoms-for-peace program. They include Italy, Spain, Australia, Sweden, Greece, Egypt, Burma, Denmark, Austria, the Philippines, Finland, Turkey, the Netherlands, New Zealand, Portugal, Peru, South Africa, Israel, Norway, India, Argentina, France, Japan, Brazil, the Council for European Nuclear Research (Switzerland), Chile, Republic of China, Dominican Republic, Haiti, Lebanon, Pakistan, Switzerland, Thailand, Uruguay, and the United Nations Library in Geneva. Additional libraries will be presented to Ceylon, Korea, Luxembourg, Guatemala, Costa Rica, Iraq, Venezuela, and Iceland.

The library was developed by the Technical Information Service of the Atomic Energy Commission. It occupies 300 feet of library shelving and weighs approximately 1,000 pounds. It consists of about 10,000 Atomic Energy Commission research and development reports, 34 bound volumes of scientific and technical texts on nuclear theory, and 11 bound volumes of abstracts of some 50,000 reports and articles published in this country and abroad. The library will be kept current and additional reports will be supplied as they are issued.

This program will make it possible for those foreign students, who come to the United States to study nuclear theory at the Argonne National Laboratory in Chicago, to continue their research after they return to their own country.

On March 28, Ambassador Henry Cabot Lodge, Jr., presented the library to the United Nations in New York. This is a further contribution to the program launched by President Eisenhower before the General Assembly of the United Nations in December 1953, now made possible by the Atomic Energy Act of 1954 enacted by the Republican 83d Congress.

Obviously, no classified material or information on atomic weapons will be included in these libraries. Our interest is only to further the peaceful uses of atomic energy. Ambassador Lodge stated that we expect to receive similar information for libraries in this country from those nations which are the recipients of our gifts.

I append at this point the text of Ambassador Lodge's statement on this occasion.

STATEMENT BY AMBASSADOR HENRY CABOT LODGE, JR., UNITED STATES REPRESENTATIVE TO THE UNITED NATIONS, AT THE PRESENTATION OF THE ATOMIC ENERGY LIBRARY TO THE UNITED NATIONS

When speaking of atomic energy, we have become accustomed to talking in terms of reactors and megatons, kilograms of fissionable materials, and millions of dollars for equipment and research. Today we are talking only of books—but books are the bedrock of scientific progress.

The library which the United States Government has the honor of presenting to the United Nations today contains 45 volumes of information on basic research in atomic energy as well as many thousands of articles and technical reports published in this country and abroad. There are also many thousands of cards which index and describe all the nonclassified literature of the Atomic Energy Commission.

This library will be kept up to date by the Atomic Energy Commission as new material becomes available.

In a statement made on the floor of the General Assembly on November 5, 1954, I announced that the United States was prepared to make available to other countries the vast amount of documentation on atomic energy that was already freely published—totaling more than 200,000 pages of information. I suggested that we would be able to give 10 libraries containing these documents to countries interested in using them.

Since that time, not 10 but more than 40 countries have requested these libraries; 33 have already been presented and the others are on their way. Several more have been given to regional and international organizations interested in atomic energy development.

Our only request in return is that other cooperating nations send us their collections of official nonsecret papers to be placed in appropriate libraries in the United States.

The United States program of using the atom for man's betterment rather than for his destruction has proceeded along two lines of action; making facilities available and making information available. As President Eisenhower has said, our purpose is to spark the creative and inventive skills, to put them to work for the betterment of the conditions under which men must live. The President has also stressed this must be a joint effort—"a continued partnership of the world's best minds."

For these reasons, it is a pleasure for me today to present to the United Nations headquarters this library, symbolized by this one volume, for the use of the United Nations Secretariat and the delegations of member countries.

AUTHORIZATION FOR THE COUNTY OF CUSTER, MONT., TO CONVEY CERTAIN LANDS TO THE UNITED STATES

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3254) to authorize the county of Custer, State of Montana, to convey certain lands to the United States, which was, on page 2, after line 13, insert:

SEC. 2. The Secretary of the Interior is hereby authorized to sell to the city of Miles City, Mont., under the terms and conditions of sections 2, 3, and 6 of the act of June 16, 1950 (64 Stat. 233), as amended, any portion of the lands conveyed to the United States under section 1 of this Act which the Secretary determines is excess to the needs of the Department of the Interior.

Mr. MURRAY. Mr. President, the Committee on Interior and Insular Affairs, having considered the amendment

of the House, reports favorably thereon and recommends that the Senate concur in the House amendment.

I so move.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ELLENDER. Mr. President, I express the hope that the Senate will be able to complete action on the bill today. I can see no reason for extended debate, especially since the Senate debated the vetoed bill, H. R. 12, at great length, and most of the provisions of the pending bill are taken from H. R. 12.

To begin with, the pending bill, as it came from the House Committee on Agriculture, was substantially the same as the bill which the President vetoed, with the exception of two Titles—Titles I and V. Title I of H. R. 12 dealt with 90 percent of parity price supports, reinstating the dual parity formula, and a few other minor provision. Title V of H. R. 12 would have provided two-price systems for wheat and rice. As I have said, those two titles of the original bill which was vetoed by the President were eliminated. The resulting bill, as reported to the House by the House Committee on Agriculture, was essentially the same as H. R. 12, as adopted in conference, without, of course, titles I and V.

On the floor of the House several amendments were adopted. Those amendments were carefully considered by the Senate Committee on Agriculture and Forestry, which eliminated three of them.

The first one was to extend the acreage reserve program to grazing lands, and all field crops designated by the Secretary. As Senators will recall, when the Senate version of H. R. 12 was considered several weeks ago an effort was made to place grazing lands in the program; that proposal was voted down. Also an amendment was offered to include other crop lands in the acreage reserve program, which would have had the effect of placing in the acreage reserve program any crop whose production was found by the Secretary of Agriculture to be in excess of domestic consumption requirements. As I recall, that amendment was proposed to the Senate by the Senator from Maine [Mr. PAYNE] and other Senators from the northeastern section of the United States. The general objective of the amendment was to permit potato growers and the producers of other similar nonbasics to participate in the acreage reserve program of the soil bank. The House saw fit to place a similar amendment in the bill. The Senate Committee on Agriculture and Forestry struck that provision from the bill.

In order to implement its broadened acreage reserve program, the House increased the authorized appropriation for acreage reserve purposes from $750 million to $800 million. The Senate committee reduced that authorization to the original amount of $750 million, since our bill omits the authority for including grazing lands and field crops in the acreage reserve.

An amendment adopted on the floor of the House extended to all agricultural commodities the prohibition on leasing Government lands for agricultural production. The Senate Agriculture Committee interpreted that amendment to mean that it would have prevented the grazing of cattle, sheep, and other animals. As a result, the committee struck that provision from the House bill, and reinstated the original language of that section—language contained in the vetoed bill. This language, instead of applying the prohibition to all agricultural commodities, confined its application to price-supported crops. Thus on all Government lands, the prohibition against planting and use will apply only with respect to price-supported crops.

The Committee on Agriculture and Forestry sought to give to the President everything he asked for in regard to the soil bank, wth one exception. That one exception was the authority to make advance payments. I shall discuss that point in a moment.

Since the President, through his Secretary of Agriculture, had fixed price supports at levels ranging from 82.5 percent to 86.2 percent of parity on basic crops, it was felt that it would be an idle gesture if we attempted in committee to reinstate higher price supports. Therefore the committee contented itself with the rigid price-support system fixed by the Secretary of Agriculture and suggested by the President in his veto message.

As I have said on several occasions, it was my considered judgment that in order to take the sting out of his veto message, the President suggested that price supports be raised and made rigid administratively, instead of their being fixed legislatively in the manner Congress sought to fix them.

It has been said that the price supports announced by the President are fair as to all commodities. I challenge that statement, and I am sure that many other Senators, as well as many farmers, will also challenge the statement. The Benson-Eisenhower program of administratively-fixed rigid price supports does not treat all basic commodities fairly, equally, or on the same terms. The program is a lopsided, one-sided program. It is an election-year monstrosity.

As I shall point out in a prepared statement in a few moments, corn received treatment that was far better than that accorded any other basic crop; in fact, corn was treated better than any other crop. It will be remembered that the biggest ruckus with respect to the farm bill was raised in the commercial corn area. Yet, as a matter of fact, I do not know of any other section of the farm bill which caused the Committee on Agriculture more trouble, and on which it spent more time, than the corn and small-grain provisions of the bill.

I presume that because of the discontent which existed in the commercial corn area, with respect to income, support levels, and acreage allotments, the President saw fit to raise the support price on corn in the commercial area from 81 percent of parity to 86.2 percent, or to $1.50 a bushel. That level was to apply to those commercial corn farmers who complied with acreage allotments. However, as to all other corn produced in the commercial corn area—that is, where the farmer did not comply with his acreage allotment—the President, through his Secretary of Agriculture, administratively fixed a price support of $1.25 per bushel. This was done for the first time in the history of our present price-support law.

As a result, in the corn area we have an anomaly. Those farmers who abide by acreage allotments will receive a support price of $1.50 a bushel, or 86.2 percent of effective parity. Those who do not comply will receive $1.25 a bushel, or about 75.7 percent of modernized parity—which is the equivalent of 71.8 percent of effective parity. By virtue of this double-barreled approach—one applied only to the commercial corn area—it is my humble judgment—and I imagine the judgment of many other Senators, as well as many farmers—that corn has received highly preferential treatment. The committee discussed the advisability of giving similar treatment to all other commodities. However, in fear that doing so would result in another veto, the committee decided to retain the system of price supports as fixed, or to be fixed, by the Secretary of Agriculture in accord with the President's veto message. Let me turn now to the advance payments scheme which was suggested by the President. The bill does not authorize advance payments for soil-bank participation. In this respect, the Senate committee follows the House bill. The majority of our committee felt that such payments would be unwise, impractical, and basically unsound.

For my own part, I consider the pay-in-advance proposal only an agricultural will-o'-the-wisp—something which appears attractive when viewed from afar, but which disappears when approached for close examination.

We have been told that the pay-in-advance scheme would increase farm income. Nothing could be further from the truth. Advance payments would not represent extra income. That is a matter of pure logic. Since soil-bank payments would be based upon the money a farmer might have netted had he planted his land instead of placing it in the soil bank, the most he might receive would be a payment equal to his net income had he planted those acres. Thus, any attempt to becloud the issue by declaring that soil-bank payments this year for participation in the soil bank next year will increase income, is pure and simple hokum.

For any such payment received in advance by a farmer in 1956 he would get that much less in 1957. I do not believe it to be either commonsense or sound policy for Congress to offer American farmers a political lollypop this year, at the expense of paying for the lollypop next year.

The farm price program we formulate this year must be a program based upon our best judgment as to what is sound

policy, not merely what is the most expedient election-year policy. It must consider the future, as well as the present. Nineteen fifty-seven will bring its own share of farm problems; there is neither excuse nor necessity for compounding next year's problems by putting off until then the problems we should face today. The American farmer has never asked his Government for anything but fair and equitable treatment. That is what he expects; that is what we must give him.

Title I of the bill provides for a soil bank consisting of an acreage reserve and a conservation reserve. The acreage-reserve program would be applicable to wheat, cotton, corn, peanuts, rice, various kinds of tobacco, and feed grains. It would not be applicable to grazing lands or to field crops to be designated by the Secretary, as was provided by the House bill. There are no acreage allotments for grazing lands or for field crops generally. Acreage-reserve programs for them would have presented many problems. The conservation-reserve program would be applicable to all cropland, including lands devoted to crops, such as tame hay, which do not require annual tillage.

Acreage-reserve payments would be required to be made as soon as compliance with the acreage-reduction requirements of the program had been determined, and could not be made before that time. Conservation-reserve annual payments could begin as soon as the producer had set aside his land and taken all practicable steps to establish the conservation use on it.

In that connection, Mr. President, I wish to say that we wrote into the report a provision that a farmer who desired to place some of his land in the conservation reserve could do so and receive payment therefor, provided he has set the land aside, and provided he shows a clear intention not to use the land to produce crops. In the event such farmer desired to plant certain of his land in trees, and if the trees were available, they could be planted immediately; if not, the land could be set aside. In that case the farmer would be entitled to receive conservation-reserve payments. We felt that he should not be in any way punished because he might not be able to get sufficient grass seed for the acreage set aside or a sufficient number of trees to plant on the acres he set aside. Let me read the language in the report to which I refer. It is found on page 6:

> Subject to section 105 (b) it is intended that the Secretary shall have authority under the Soil Bank Act to provide for making payments to producers prior to their compliance with all the terms and conditions of the program for the year for which the payment is made. Thus, it would be permissible for the Secretary in contracts entered into under the conservation-reserve program for any year to provide that all or a part of the annual payment (provided for in sec. 107 (b) (2)) to which a producer would be entitled for compliance with the conservation-reserve program for such year would be made when the producer certifies that the cropland which he has agreed to devote to a conservation use had actually been devoted to such use or that he has actually set aside such cropland for such conservation use and has taken all practicable steps to establish the conservation use on the cropland so set aside. Under section 111, the Secretary is specifically authorized to furnish producers materials and services to assist them in establishing the conservation use provided for in their contracts. It is also intended that the Secretary shall have authority to make cost-sharing payments under section 102 (b) (1) in a similar manner for use by a producer in defraying that part of the cost to be incurred by the producer in establishing the conservation use which the Secretary has agreed to bear.

So, Mr. President, with that language in the report, declaring our intention, it is my judgment that the Secretary of Agriculture can, if he so desires, put the soil-bank program into effect this year, without any question.

Conservation reserve cost-sharing payments could be made as the work progresses, or the Secretary could furnish materials or services for such work, or make payments to suppliers furnishing such materials or services.

I may say, Mr. President, that the soil-bank provisions have not been basically changed. Virtually the same language incorporated in the original bill—the bill vetoed by the President—is contained in the bill now before the Senate. So I can see no need to spend very much time in rehashing and rediscussing that portion of the bill. Consequently, I again express the hope that debate on this bill will not be too extensive.

Title II of the bill treats of surplus disposal and provides for—

First, the orderly liquidation of CCC stocks of agricultural commodities. It is in almost the identical language which was incorporated in the bill vetoed by the President. For the sake of the record, I shall gloss over and point out the various provisions under title II of the bill.

It provides further for—

Second, submission by the Secretary to Congress of surplus disposal, food stamp, and food stockpiling programs.

Third, reinclusion of $1\frac{11}{16}$ inch and longer cotton in the 45.7 million pound import quota now applicable to cotton stapling $1\frac{1}{8}$ inch up to $1\frac{11}{16}$ inches.

Fourth, sale for export of current CCC stocks of extra long staple cotton.

Fifth, sale at competitive prices for export of a sufficient quantity of cotton to reestablish the United States share of the export market.

I shall explain that program in detail a little later, Mr. President, because in that section of the bill the Senate committee made changes as compared with the provisions which were in the original bill as passed by the Senate. It is known as the Eastland amendment.

Sixth, agreements with foreign countries to limit their exports of agricultural commodities and products to the United States.

Seventh, additional annual appropriations of $500 million to supplement section 32 funds.

Eighth, transfer to the supplemental stockpile of materials acquired by CCC through barter for agricultural commodities.

Ninth, duty-free importation of strategic materials acquired by CCC through barter.

Tenth, authority to pay $15,000 per annum to an agricultural surplus disposal administrator.

Eleventh, authority to use CCC funds to pay ocean freight costs on donations under title II of Public Law 480, or section 416 of the Agricultural Act of 1949.

Twelfth, a bipartisan commisison to recommend means of increasing industrial use of agricultural products.

That section was phrased in the same language contained in the original bill, with some exceptions which I shall point out a little later.

Thirteenth, donation of food commodities to Federal penal institutions and to State correctional institutions for minors.

Fourteenth, denial of price support or other benefits for surplus agricultural commodities grown on certain future Federal irrigation or drainage projects.

Fifteenth, payment by CCC of processing costs on food commodity donations under section 416 of the Agricultural Act of 1949.

The only differences between this title and title III of H. R. 12 are as follows:

First. Section 203 was not contained in House Resolution 12 which was vetoed by the President; however, it is very similar to a provision contained in House Resolution 12 as it first passed the Senate. It would direct the Commodity Credit Corporation to offer cotton for export at prices not in excess of those charged by other exporting countries and, during the marketing year beginning this August, at prices not in excess of the minimum prices charged under the export program announced August 12, 1955. The experience of recent weeks demonstrates that only nominal amounts of cotton will be sold under the present export program. Competitive pricing is the key to increased cotton exports, and American cotton must be permitted to move freely into world trade.

This provision, coupled with authority included in the House bill permitting the President to impose import quotas on foreign-made textiles, could result in considerably reducing the carryover of cotton in the United States, without injury to domestic users of cotton—provided, of course, the programs are administered in accord with the intent of Congress.

Mr. President, Senators will recall that recently an effort was made to sell surplus cotton under Secretary Benson's vaunted surplus disposal program. What the Secretary of Agriculture did was to place a floor—a fixed price—under which the cotton could not be sold. The original intent was to sell that cotton at world prices; by the time the State Department got through with the program, the cotton was offered at prices substantially above world prices.

The purpose of this amendment is to prohibit the Secretary of Agriculture from placing a floor price above the world market on surplus cotton he sells for export.

That is the essential difference between the original Eastland amendment

and the provision which we have incorporated in the pending bill.

In other words, the next time the Secretary of Agriculture attempts to sell surplus cotton on the world market, he will have to permit the cotton to be sold at world prices, whatever those prices may be. He is, in effect, prohibited from placing an arbitrary floor under the price of cotton.

The second change among the 15 different subjects which I mentioned a moment ago was in section 209. That section remains substantially the same as it was in the conference report, except that it omits the language designating the committees of Congress to which proposed legislation recommended by the Commission on Increased Industrial Use of Agricultural Products would be referred.

It will be remembered that the provision, in a measure, had the effect of changing the Senate and House procedure as to the reference of bills. When the so-called Curtis amendment was reinstated in the bill, that part with reference to bills being referred to committees, and also other procedure to be followed, was stricken, so that any bill introduced must now be referred under normal procedure.

Title III of the bill relates to marketing quotas and acreage allotments, and is similar to title IV of H. R. 12. It provides for:

First. Extending to the 1956 and 1957 wheat crops, the surrender and reapportionment provisions which were applicable to the 1955 crop.

Second. Minimum national and State cotton acreage allotments in 1957 and 1958 equal to those for 1956. A slight change was made in that provision, and I shall explain this item a little later.

Third. Mandatory minimum cotton acreage allotments in all counties, including counties making farm allotments on a history basis, and the allotment of an additional 100,000 acres among States and counties on the basis of their needs for additional acres to provide minimum allotments to farms entitled thereto, and to provide fair allotments to other farms. That provision is effective only in 1957 and 1958 and is the same as that passed by the Senate when it considered H. R. 12.

Fourth. Minimum national and State rice acreage allotments in 1957 and 1958 equal to those in 1956. This provision is identical with the one in that first bill, with the exception that we have now added the year 1958. It will be recalled, as I shall explain more fully a little later, that the vetoed bill contained a 2-price plan for rice, and in that 2-price plan the acreage for 1957 was frozen. The pending bill provides a 2-price plan for rice, as I shall indicate later, but it is not mandatory; it is left to the Secretary of Agriculture to impose it if he desires to do so.

Let me state at this point, Mr. President, that the purpose of the cotton and rice acreage freezes provided in this bill is to preclude further drastic reductions in cotton and rice acreage, thus precluding at least in part, any more of the disastrous income-cutting which mandatory acreage cuts have heaped upon the heads of producers of these commodities in recent years. The acreage freeze is, in effect, a method by which we hope to put a floor beneath income of the producers of rice and cotton. We have applied the freeze to both State and national allotments for good reason. This application was not made to mitigate against the interests of cotton farmers in any State: rather, it is in the bill because the very purpose of the acreage freeze requires that it be there.

Since the acreage freeze has been imposed as purely an emergency measure, it would frustrate the very purpose of that freeze to permit shifts in cotton acreage from one State to another. Our desire was to assure farmer A in State X that his cotton acreage allotment, for example, would remain as nearly the same in 1957 and 1958 as it is today. With an acreage freeze in effect, it would be grossly unfair for farmer A in State X to have his acreage further reduced in 1957 and 1958 in order to increase the acreage of farmer B in State Y. With the freeze in effect, permitting acreage to shift from State to State, it would, to all intents and purposes, increase the income of some farmers, while the income of others would be reduced.

As I stated a moment ago, a formula has been incorporated in the pending bill whereby cotton acreage would be increased by 100,000 acres in order to assist small farmers. That was done in order to give to small farmers what we determined to be a fair, minimum amount of acreage.

We have felt, and I hope the Senate will agree, that since an acreage freeze is to be imposed as an emergency measure—and such a freeze is obviously necessary—then it should be a complete freeze. It should not permit one farmer to benefit from that freeze at the cost of another farmer in another State. To do so would frustrate the entire purpose of both the cotton and rice acreage freezes.

Fifth. An increase in the marketing penalty for peanuts from 50 to 75 percent of the support price;

Sixth. Six percent interest on peanut marketing penalties and a lien on the crop for such penalties;

Seventh. Preservation of the acreage history for allotment purposes of farms foregoing the planting of their allotments during the period 1956 to 1959; and

Eighth. Price support levels and requirements for corn in the commercial area during the years 1956 through 1959, and for corn outside the commercial area and other feed grains in 1956 and 1957.

The provisions I have just mentioned under items 5, 6, and 7 are the same as those which were incorporated in the bill vetoed by the President.

As to item 8, in the light of the changes made by the Secretary of Agriculture administratively in regard to the price supports on corn, the Senate committee saw fit to make an effort to place the producers of small grains on at least a somewhat equal footing with the corn producers.

The provisions dealing with corn and feed grains were among the most difficult provisions to work out in the consideration of H. R. 12 and also in the consideration of the current bill. It was the purpose of Congress in H. R. 12 and of your committee in considering H. R. 10875 to provide price supports for each of the feed grains which would bear a fair and normal relationship to the support prices for the others, particularly for corn, which is the principal feed grain. The committee's recommendations have been designed to reflect the changed circumstances which have resulted from the actions of the administration since Congress passed H. R. 12.

In the President's message announcing his veto of H. R. 12, a new, revised program of rigid price supports for 1956 was announced. Under this new program, corn producers in the commercial corn area were the beneficiaries of rank favoritism. The entire program was a program by corn, of corn, and for the benefit by corn. Other feed grain producers were shabbily treated. Their competitive position was imperiled; the only logical end-result of the veto-message price support schedule, as announced, would have been to provide a bonanza for corn farmers in the commercial area—both compliers and noncompliers.

In his veto message of H. R. 12, the President objected to the feed grain price support provisions of that bill on the grounds that they would increase feed prices and distort price relationships. At that same time he stated that administrative action would be taken to raise the support price of corn, the principal feed grain, from $1.40 or 81 percent of parity—which had previously been fixed—to $1.50, or 86.2 percent of parity, and that the corn price support for non-cooperators would be raised from zero to a price to be announced. Since the veto message, the support price to cooperators has been fixed at $1.50, and the support price to noncooperators has been fixed at $1.25. The support price to producers outside the commercial area has been raised from $1.05 to $1.12½.

The committee saw no justification for fixing the support price for a farmer who is subject to acreage allotments, but does not comply with them, on the basis of a support level of $1.25, and fixing the support price for the farmer across the road who is not subject to acreage allotments on the basis of a support level of $1.12½.

The committee has, therefore, left the price for producers in the noncommercial area at 82½ percent of the level in the commercial area as prescribed by the House bill. This would result in a price of $1.237, which corresponds closely to the $1.25 price for noncooperators. The committee also felt that increasing the price support level for corn from 81 percent to 86.2 percent of parity, and increasing the price support available to noncooperators from zero to $1.25, would certainly result in distortion of the price relationships between corn and the other feed grains, unless corresponding increases were made in support levels for the other feed grains. The price of $1.25 fixed by the Secretary for noncooperators is equal to 75.7 per-

cent of the modernized parity price for corn, and the committee therefore fixed the 1956 support prices for the feed grains—that is, barley, oats, rye, and grain sorghums—at 76 percent of parity. Since support at $1.25 for noncooperators does not depend upon compliance with acreage allotments or whether an acreage reserve program is in effect for corn, the support price for 1956 for the feed grains would also be made available without regard to compliance with acreage requirements or soil-bank participation, and without regard to whether an acreage reserve program is in effect for corn.

In other words, we sought to give the producer of small grains a fair deal. In light of the fact that the President saw fit to have his Secretary of Agriculture administratively fix support prices for corn—I would say arbitrarily—at $1.50 in the commercial area for those farmers who remain within their allotted acreages, or $1.25 where the sky is the limit and they can plant as much as they want, we thought it was only fair to treat the producers of other feed grains in a similar fashion.

The formula I have just indicated would be effective for 1956 only. What prompted us to come to that conclusion was that because of the lateness of the season, it is now impossible to establish base acres for small feed grains.

The committee also considered the feed grain situation with respect to 1957. It will be recalled that the bill which the President vetoed provided for price supports for small-grain producers, conditioned on their planting only 85 percent of their base acreage. We have changed that, as I shall indicate, so as to place the producers of corn, both in the commercial area and in the noncommercial area, and all the small feed grain producers, in the same boat, we have accorded them, as nearly as we could, the same treatment.

For 1957 the bill would fix the support price for each of the commodities—barley, oats, rye, and grain sorghums—at a percent of parity 5 percentage points below that at which corn is supported in the commercial area. That was the same figure which was incorporated in the original bill. To obtain this price, feed grain producers would have to comply with acreage requirements and soil bank participation requirements similar to those for corn. Instead of being required to keep within 85 percent of their feed grain base acreage, as provided by H. R. 12 and the bill as passed by the House, they would be required, under the bill as it would be amended by the committee amendments, to keep within 100 percent of their feed grain base acreage.

That base acreage would be established by the Department of Agriculture, using the average plantings of those who produced small grains for the years 1955, 1954, and 1953.

If support were made available in 1957 to corn producers not complying with acreage requirements or soil bank participation requirements, support would have to be made available to feed grain producers not complying with similar requirements applicable to feed grains. In other words, it is another effort to place corn and feed grain producers in the same boat.

In such case the noncompliance support price for each feed grain would be required to be fixed at a level bearing the same relationship to the compliance feed grain support price as the noncompliance corn support price bore to the compliance corn support price. If noncompliance corn support prices were not made available in 1957, the Secretary would not be required to establish noncompliance feed grain support prices, but he would have the authority to establish such prices if he saw fit.

Section 308 (a) of the bill requires corn producers to comply with base acreage and soil bank participation requirements whenever base acreages are in effect for corn, and makes acreage allotments ineffective for 1956. Section 103 (b) (1) of the bill as it passed the House provided for base acreages for corn for each year for which an acreage reserve program is in effect. While the committee felt that an acreage reserve program can and should be made effective for 1956, the Secretary has indicated that he may not be able to institute such a program this year. Under the language of the House bill, if a program were not instituted, corn producers apparently would not be subject to any acreage restrictions in 1956; and the committee therefore recommended an amendment to section 103 (b) (1) to provide for a base acreage for corn for 1956 without regard to whether there is an acreage reserve program for corn for 1956.

Mr. President, the effect of this is simply to tell the corn farmers that if they desire the $1.50 price fixed by the Secretary for 1956, they will have to comply with acreage allotments based upon a national acreage of 51 million acres, instead of the present 43.3 million acres.

It will also be necessary for compliance that the farmer place in the soil bank the equivalent of 15 percent of his base acreage—in the conservation reserve if there should not be an acreage-reserve program in 1956—or, if he desires, and the Secretary should proclaim an acreage-reserve program, then the 15 percent could be taken out of his base acreage and put in the reserve acreage. But, I repeat, that would be only in case the Secretary of Agriculture should proclaim an acreage-reserve program.

The proviso inserted in section 308 (a) by the House, and retained by the committee, would permit the Secretary to provide price supports for corn producers not complying with base acreage and soil bank participation requirements.

Under the bill as passed by the House, the feed-grain price-support provisions for 1956 would be applicable only if an acreage-reserve program were in effect for corn. Since the Secretary has indicated a possibility that there might not be an acreage reserve for corn in 1956, the committee recommended an amendment, which would make these provisions applicable whether an acreage-reserve program were in effect for corn or not.

Aside from the treatment of feed grains, the only differences between title III of H. R. 10875 and H. R. 12, as passed by the Congress, are as follows:

First. Section 302 provides for apportionment of the 1957 and 1958 cotton-acreage allotments among the States in the same proportion that they shared in 1956.

Second. The provision contained in title V of H. R. 12, providing for a minimum national acreage allotment for rice for 1957 and its apportionment among the States in the same proportion that they shared in 1956, has been transposed to this title, and extended to 1958.

Title IV of the bill, which deals with forestry, provides for assistance to States for tree planting and reforestation, and for forest-product price reporting and research. Both sections of this title were passed by the Senate as part of H. R. 12, but the price-reporting and research provision was omitted from H. R. 12 as it came from conference. So the committee simply reinstated that amendment, which was offered by the distinguished Senator from Minnesota [Mr. HUMPHREY].

Title V of the bill provides for a two-price plan for rice, including a redefinition of "normal yield" necessary to facilitate its administration. This redefinition or "normal yield" was done at the suggestion and request of the Department; that is to say, the Department suggested that it would be best to include that language. The two-price plan is similar to that contained in H. R. 12, except that it would be discretionary, rather than mandatory.

Mr. President, there has been much talk about the two-price plan approach. It is now time for us to see how it works. Rice, which is a crop produced in only a few States, would be a guinea pig. In my humble judgment, if the two-price system should be applied and if there should be no interference in its operation from the State Department, it might open up a new avenue by which we can dispose of a great deal of these crops that we shall produce in the future, and thus in a measure recover our lost export markets.

This title would not be applicable in 1956, but could be made applicable for the years 1957 and 1958, or for the years 1958 and 1959 if the Secretary determined that the initiation of such a program was administratively feasible and in the best interests of rice producers and the United States.

Mr. President, as I have indicated, the two-price plan for rice is purely discretionary. The committee was advised that it might not be possible to put the two-price plan for rice into effect during 1956. The Secretary is given authority to put the rice program into effect for the years 1957 and 1958 or for the years 1958 and 1959 if he sees fit.

Title VI of the bill provides for—

First. Price support at competitive levels for cottonseed and soybeans if price support is made available for either. That provision was incorporated in the original bill.

Second. Freezing the transitional parity price for corn, wheat, and peanuts during 1957 and 1958 at 95 percent of their old parity prices; and

Third. A study of methods for improving the parity formula.

The provision for freezing the transitional parity price is the only provision in this title which was not contained in H. R. 12 as it passed the Congress.

Mr. President, it is my hope that the bill reported by the committee will be passed quickly and without change. It does not include all the provisions which I should like to have it contain, but considering what the President has done administratively in the past few weeks, this bill will assist—if administered as the Congress intends—in reducing production, and reducing surpluses without further depressing farm income.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Louisiana may yield to me at this time without losing the floor, for the purpose of permitting me to suggest the absence of a quorum and to propose a unanimous-consent agreement.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I have at the desk a proposed unanimous-consent agreement. I ask that it be read.

The PRESIDING OFFICER. The clerk will read as requested.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective on Friday, May 18, 1956, at the conclusion of routine morning business, during the further consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956, debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided*, That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 2 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the proposed agreement?

Mr. ELLENDER. Mr. President, reserving the right to object, I wonder whether it can be understood that since consideration of the bill will continue on tomorrow, we shall debate the bill today only until perhaps 5 or 6 p. m. Many Senators have dinner engagements.

Mr. JOHNSON of Texas. Mr. President, if the proposed agreement is entered into, I shall give the Senator from Louisiana assurance that the Senate will not sit later than 6 p. m.; and then the Senator from Louisiana can keep his engagement and the majority leader can keep his.

Mr. ELLENDER. Very well.

The PRESIDING OFFICER. Is there objection to the proposed agreement? Without objection, the proposed agreement is entered.

ORDER FOR RECESS UNTIL 10 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I give notice that the Senate will meet at 10 a. m. and will complete action on the bill tomorrow, if it is at all possible to do so.

Mr. BENDER. At what time?

Mr. JOHNSON of Texas. We shall convene at 10 a. m., and shall remain through the evening, if necessary.

Mr. BENDER. Very well.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF INDONESIA

Mr. JOHNSON of Texas. Mr. President, before the Senate takes a recess so that it may go to the Hall of the House of Representatives to hear an address to be delivered by the President of Indonesia, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Pursuant to the order heretofore entered, the Senate will now stand in recess, subject to the call of the Chair, and will proceed to the Hall of the House of Representatives, to hear an address to be delivered by the President of the Republic of Indonesia.

Accordingly (at 12 o'clock and 24 minutes p. m.), the Senate took a recess, subject to the call of the Chair.

The Senate, preceded by the Secretary, Felton M. Johnston; the Sergeant at Arms, Joseph C. Duke; and the Vice President, proceeded to the Hall of the House of Representatives to greet and to listen to the address to be delivered by His Excellency President Sukarno of the Republic of Indonesia.

(For the address delivered by the President of Indonesia, see House proceedings in today's RECORD.)

At 1 o'clock and 40 minutes p. m., the Senate returned to its Chamber, and reassembled when called to order by the Presiding Officer (Mr. DOUGLAS in the chair).

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ELLENDER. Mr. President, I should like to propound a unanimous-consent agreement, as follows:

I ask unanimous consent that the committee amendments to the pending bill be agreed to en bloc, and that the bill as so amended be considered as original text for the purpose of amendment.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. JOHNSON of Texas. As I understand, under the unanimous-consent agreement proposed by the Senator from Louisiana, the right of any Senator to offer an amendment to any section of the bill will be preserved. Is that correct?

Mr. ELLENDER. The Senator from Texas is correct.

Mr. JOHNSON of Texas. That is customary.

Mr. BUSH. Mr. President, reserving the right to object, I should like to inquire whether the proposed agreement is agreeable to the Senator from Vermont [Mr. AIKEN].

Mr. ELLENDER. I am sure it will be. It is the customary agreement which is entered into.

Mr. JOHNSON of Texas. It is customary.

Mr. ELLENDER. If the Senator from Vermont objects, I will withdraw it.

Mr. BUSH. On that basis, I shall not object.

The PRESIDING OFFICER. Without objection, the unanimous-consent agreement is entered into, and the committee amendments are agreed to en bloc.

The amendments of the Committee on Agriculture and Forestry, agreed to en bloc, are as follows:

On page 3, line 21, after the word "the", to strike out "1956"; in line 22, after the word "crops", to insert "and to the extent he deems practicable for the 1956 crop"; on page 4, line 5, after the word "respectively" to strike out "and such other field crops as the Secretary may designate"; on page 5, line 6, after the word "occurs" to strike out "within" and insert "not later than"; in line 8, after the word "Secretary.", to strike out "In addition to the foregoing the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 an acreage reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands acreage reserve program."; on page 6, line 17, after the word "apply" to insert "to the termination of any contract"; on page 7, line 1,

after the word "established" to insert "for 1956 and"; on page 8, line 16, after the word "feed" to strike out "grain" and insert "grains"; on page 10, line 9, after the numerals "1956" to insert "(if such a program is in effect for such year)"; in line 11, after "(a)", to strike out the comma and "including grazing lands."; in line 17, after the word "acreage" to strike out "allotments," and insert "allotments or"; in line 18, after the word "acreages", to strike out "or other standards,"; on page 12, line 17, after the word "exceed", to strike out "$800,000,000" and insert "$750,000,000"; in line 22, after the figures "$23,000,000", to strike out "grazing lands, $50,000,000;" and insert "and"; in line 23, after the figures "$45,000,000", to strike out the semicolon and "and other crops, $50,000,000"; on page 13, line 6, after the word "farm" to strike out "acreage," and insert "acreage"; on page 14, line 9, after the word "do", to strike out "no" and insert "not"; on page 22, line 12, after the word "reimburse", to strike out "and" and insert "any"; on page 30, line 11, after the word "of", to strike out "agricultural commodities" and insert "price supported crops"; on page 33, after line 2, to insert:

EXPORT SALES PROGRAM FOR COTTON

SEC. 203. In furtherance of the current policy of the Commodity Credit Corporation of offering surplus agricultural commodities for sale for export at competitive world prices, the Commodity Credit Corporation is directed to use its existing powers and authorities immediately upon the enactment of this act to encourage the export of cotton by offering to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries and, in any event, for the cotton marketing year beginning August 1, 1956, at prices not in excess of the minimum prices (plus carrying charges, beginning October 1, 1956, as established pursuant to Section 407 of the Agricultural Act of 1949) at which cottons of comparable qualities were sold under the export program announced by the United States Department of Agriculture on August 12, 1955. Cottons of qualities not comparable to those of cottons sold under the program announced on August 12, 1955, shall be offered at prices not in excess of the maximum prices prescribed hereunder for cottons of qualities comparable to those of cottons sold under such program, with appropriate adjustment for differences in quality. Such quantities of cotton shall be sold as will reestablish and maintain the fair historical share of the world market for United States cotton, said volume to be determined by the Secretary of Agriculture.

On page 34, line 6, to change the section number from "203" to "204"; in line 19, to change the section number from "204" to "205"; on page 35, line 6, to change the section number from "205" to "206"; on page 36, line 4, to change the section number from "206" to "207"; in line 12, to change the section number from "207" to "208"; on page 37, line 18, to change the section number from "208" to "209"; on page 39, line 22, to change the section number from "209" to "210"; on page 40, line 10, to change the section number from "210" to "211"; on page 41, line 23, to change the section number from "211" to "212"; on page 42, line 19, after the word "section" to insert "and the provisions of section 344"; in line 23, after the numerals "1956" to insert "and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956"; on page 45, line 20, after the word "prescribed" to strike out "percentages" and insert "percentage" on page 47, line 1, after the word "minimum" to strike out "State"; in the same line, after the word "for" to strike out "1956"; in line 2, to strike out the word "Crop"; after line 2, to strike out:

SEC. 304. Section 353 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding to subsection (c) a new paragraph (5) to read as follows.

And in lieu thereof to insert:

SEC. 304. Section 353 (c) of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof the following:

In line 22, after the word "acreage.", to strike out the quotation marks "; at the top of page 48, to insert:

"(6) The national acreage allotments of rice for 1957 and 1958 shall be not less than the national acreage allotment for 1956, including any acreage allotted under paragraph (5) of this subsection, and such national allotments for 1957 and 1958 shall be apportioned among the States in the same proportion that they shared in the total acreage allotted in 1956."

On page 49, line 19, after the word "future" to insert "State, county, and"; on page 50, at the beginning of line 14, to insert "(if such program is in effect"; on page 51, line 19, after the word "law", to strike out "for each of the years 1956 and 1957 in which an acreage-reserve program will be in effect for corn," and insert "(1)"; in line 22, after the word "for", to insert "the 1956 crop and, if an acreage-reserve program is in effect for corn, for the 1957 crop of"; on page 52, line 1, after the word "area" to insert "(2) the level of price support for the 1956 crop of each of the commodities, grain sorghums, barley, rye, and oats, shall be 76 percent of the parity price for the commodity,"; in line 4, after the word "and", to insert "(3) if an acreage-reserve program is in effect for corn,"; at the beginning of line 6, to insert "the 1957 crop"; in line 8, after the word "for", to strike out "each such" and insert "the"; in line 14, after the word "of", to insert "the 1957 crop of each of"; in line 23, after the word "of", to strike out "85 percent of"; on page 53, after the word "area", to strike out "Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of grain sorghums, barley, rye, and oats at the levels announced prior to the enactment of this subsection, and for the 1956 crop of corn produced outside the commercial corn-producing area at 75 percent of the level for corn produced in the commercial corn-producing area, to any producer who meets the requirements of eligibility therefor but who does not meet the additional requirements for price support prescribed by this subsection." and, in lieu thereof, to insert: "Notwithstanding the foregoing provisions of this section—

"(1) if price support for the 1957 crop of corn is made available to producers in the commercial corn producing area not meeting the requirements of subsection (a) of this section, price support shall be made available for the 1957 crop of each of the feed grains (corn produced outside the commercial area, grain sorghums, barley, rye, and oats) to producers not meeting the foregoing requirements of this subsection at a level bearing the same relationship to the level of price support to producers of such feed grain who meet such requirements as (i) the level of price support for corn to producers in the commercial corn producing area not meeting the requirement of subsection (a) bears to (ii) the level of price support for corn to producers in such area who meet such requirements; and

"(2) if price support for the 1957 crop of corn is not made available to producers in the commercial corn producing area not meeting the requirements of subsection (a) of this section, price support for the 1957 crop of each of the feed grains (corn produced outside the commercial area, grain sorghums, barley, rye, and oats) may, nevertheless, be made available to any producer who does not meet the requirements of this subsection at such level, not in excess of the level of price support to producers who meet such requirements, as the Secretary determines will facilitate the effective operation of the price support program."

On page 56, after line 15, to insert:

FOREST PRODUCTS; PRICE REPORTING; RESEARCH

SEC. 402. (a) For the purposes of improving the management and use of forest resources and in order to provide farmers and other owners of small forest properties with current information on markets and prices and to aid them in more efficiently and profitably marketing forest products, the Secretary of Agriculture is hereby authorized and directed to establish a price reporting service for basic forest products, including but not limited to standing timber and cut forest products such as sawlogs and pulpwood.

(b) The price reports made by the Secretary under subsection (a) shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate. Such reports shall be by State or forest regions or by such other areas as the Secretary considers advisable, and may, in his discretion, be made as to one or more areas in advance of other areas.

(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

(d) The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within 2 years from the date of enactment of this act shall submit a report thereon to the Congress.

(e) In the conduct of research activities under the act of May 22, 1928 (45 Stat. 699), and the act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and

demonstrating standards of quality, collecting and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

(f) The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

(g) There are hereby authorized to be appropriated for the purposes of this section such sums as may be necessary.

On page 58, after line 8, following the amendment just above stated to insert:

TITLE V—CERTIFICATE PROGRAM FOR RICE

SEC. 501. Title III of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by changing the designation thereof to read as follows: "Title III—Loans, Parity Payments, Consumer Safeguards, Marketing Quotas, and Marketing Certificates"; (2) by changing the designation of subtitle D thereof to read as follows: "Subtitle E—Miscellaneous Provisions and Appropriations"; and (3) by inserting after subtitle C a new subtitle D, as follows:

"Subtitle D—Rice Certificates

"Legislative Findings

"SEC. 380a. The movement of rice from producer to consumer is preponderantly in interstate and foreign commerce, and the small quantity of rice which does not move in interstate or foreign commerce affects such commerce. In order to provide an adequate and balanced flow of rice in interstate and foreign commerce and to assure consumers an adequate and steady supply of rice at fair prices it is necessary to regulate all commerce in rice in the manner provided in this subtitle. These findings are supplemental to and in addition to the findings contained in section 351 of this act.

"Effective Date and Termination

"SEC. 380b. Sections 380c through 380g (c) shall be effective beginning with the first crop of rice, subsequent to the 1956 crop and prior to the 1959 crop, for which the Secretary determines and proclaims that the initiation of a program under this subtitle is administratively feasible and in the best interests of rice producers and the United States. Unless extended by law, the provisions of this subtitle shall not apply to rice of any crop following the second crop for which a program is in effect under sections 380c and 380g (c).

"Rice Primary Market Quota

"SEC. 380c. Not later than December 31 of each year, the Secretary shall determine and proclaim the primary market quota for rice for the marketing year beginning in the next calendar year. The primary market quota shall be the number of hundredweights of rice (on a rough rice basis) which the Secretary determines will be consumed in the United States (including its Territories and possessions and the Commonwealth of Puerto Rico) or exported to Cuba, during such marketing year. In making this determination the Secretary shall consider the historical consumption in these markets of rice produced in the United States and any expected enlargement in such consumption predicated upon population trends, increased per capita consumption, and other relevant factors.

"Apportionment of Primary Market Quota

"SEC. 380d. (a) The primary market quota for rice shall be apportioned by the Secretary among the several States on the basis of the average yield per acre of rice in each State during the three years immediately preceding the year for which the quota is proclaimed (or in the case of the apportionment for 1957, during the two years preceding such year) multiplied by the acreage allotment of such State for such year.

"(b) The State primary market quota shall be apportioned by the Secretary among farms on the basis of the acreage allotment established for each farm multiplied by the normal yield per acre for the farm.

"Review of Primary Market Quota

"SEC. 380e. Notice of the primary market quota shall be mailed to the operator of the farm to which such quota applies. The farm operator may have such quota reviewed in accordance with the provisions of sections 363 to 368, inclusive, of this act.

"Price Support

"SEC. 380f. (a) Notwithstanding any other provision of law, the Commodity Credit Corporation shall make price support available to cooperators through loans, purchases, or other operations on any crop of rice for which a program is in effect under sections 380c through 380g (c) at such level, not less than 50 percent or more than 90 percent of the parity price therefor, as the Secretary determines will not discourage or prevent the exportation of rice produced in the United States.

"(b) Section 101 of the Agricultural Act of 1949, as amended, shall not apply to price support made available on rice of any crop to which this section is applicable, but all the other provisions of such act, to the extent not inconsistent with this subtitle, shall apply to price support operations carried out under this section.

"Certificates

"SEC. 380g. (a) The Secretary of Agriculture shall for each marketing year issue certificates to cooperators for a quantity of rice equal to the primary marketing quota for the farm for such marketing year, but not exceeding the normal yield of the acreage planted to rice on the farm. The certificate shall have the value specified in subsection (e) of this section.

"(b) The landlord, tenants, and sharecroppers on the farm shall share in the certificates issued with respect to the farm in the same proportion as they share in the rice produced on the farm or the proceeds therefrom.

"(c) The provisions of section 385 of this act shall be applicable to certificates issued to producers under this section.

"(d) The Commodity Credit Corporation shall issue and sell certificates to persons engaged in the processing of rough rice or the importing of processed rice. Each such certificate shall be sold for an amount equal to the value thereof, as specified in subsection (e) of this section.

"(e) The value of each certificate issued under this section shall be equal to the difference between 90 percent of the parity price of rice as of the beginning of the marketing year for which the certificate is issued and the level of price support for rice which is in effect during such marketing year, calculated to the nearest cent, multiplied by the quantity of rice for which the certificate is issued. Any certificates not used to cover the processing of rice or the importation of processed rice pursuant to sections 380k and 380l of this act shall be redeemed by the Commodity Credit Corporation at the value thereof.

"Inventory Adjustment Payments

"SEC. 380h. To facilitate the transition from the price support program currently in effect to the program provided for in this subtitle, the Commodity Credit Corporation shall make inventory adjustment payments to all persons owning rough rice located in the continental United States as of the beginning of the marketing year for the first crop of rice for which a program is in effect under sections 380c through 380g (c): *Provided, however,* That such payments shall not be made with respect to rice of such crop, imported rice, or rice acquired from Commodity Credit Corporation. The amount of such payment per hundredweight shall be the amount by which the estimated average price paid producers during the marketing year for the preceding crop exceeds the estimated average support price for the first crop for which a program is made effective. There are hereby authorized to be appropriated such sums as may be necessary to make payment to Commodity Credit Corporation for expenditures pursuant to this section.

"Rice Set-Aside

"SEC. 380i. All rough and processed rice in the inventories of Commodity Credit Corporation as of 60 days after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), not exceeding 20 million hundredweight of rough rice or its equivalent in processed rice may be transferred to and be made a part of the commodity set-aside of rice established pursuant to section 101 of the Agricultural Act of 1954.

"Exemptions

"SEC. 380j. The provisions of this subtitle shall not apply to nonirrigated rice produced on any farm on which the acreage planted to nonirrigated rice does not exceed 3 acres, and the provisions of sections 380c through 380g (c) shall not apply to rice produced in Puerto Rico or Hawaii.

"Processing Restrictions

"SEC. 380k. (a) Each person who on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), engages in the processing of rough rice in the United States shall, upon processing any quantity of rough rice, acquire certificates issued under section 380g of this act in an amount sufficient to cover such quantity of rough rice.

"(b) The requirements of subsection (a) of this section shall not be applicable to the processing in Puerto Rico or Hawaii of rough rice grown in Puerto Rico or Hawaii, respectively.

"(c) Upon the exportation from the United States to any country other than Cuba of any processed rice with respect to which certificates were acquired in accordance with the requirements of subsection (a) of this section or section 380l, the Commodity Credit Corporation shall pay to the exporter an amount equal to the value of the certificates for the rough rice equivalent of such processed rice.

"Import Restrictions

"SEC. 380l. Each person who, on or after the beginning of the marketing year for the first crop for which a program is in effect under sections 380c through 380g (c), imports processed rice into the United States shall acquire certificates issued under section 380g of this act covering the rough rice equivalent of such processed rice.

"Regulations

"SEC. 380m. The Secretary shall prescribe regulations governing the issuance, redemption, acquisition, use, transfer, and disposition of certificates hereunder.

"Civil Penalties

"SEC. 380n. Any person who violates or attempts to violate, or who participates or aids in the violation of, any of the provisions of sections 380k or 380l of this act, or regulations prescribed by the Secretary for the enforcement of such provisions, shall forfeit to the United States a sum equal to three times the market value, at the time of the commission of such act, of the product involved in such violation. Such forfeiture shall be recoverable in a civil suit brought in the name of the United States.

"Reports and Records

"SEC. 380o. (a) The provisions of section 373 (a) of this act shall apply to all persons, except rice producers, who are subject to the provisions of this subtitle, except that any such person failing to make any report or keep any record as required by this section or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than $2,000 for each such violation.

"(b) The provisions of section 373 (b) of the act shall apply to all rice farmers who are subject to the provisions of this subtitle.

"Definitions

"SEC. 380p. For the purposes of this subtitle—

"(a) 'cooperator' shall have the same meaning as under the Agricultural Act of 1949, as amended.

"(b) 'processing of rough rice' means subjecting rough rice for the first time to any process which removes the husk or hull from the rice and results in the production of processed rice.

"(c) 'processed rice' means any rice from which the husk or hull has been removed and includes, but is not limted to—

"(1) whole grain rice,

"(2) second head milled rice,

"(3) screenings milled rice,

"(4) brewers milled rice,

"(5) undermilled rice or unpolished rice,

"(6) brown rice,

"(7) converted rice, malekized rice, or parboiled rice, and

"(8) vitaminized rice or enriched rice.

"(d) 'United States' means the several States, the Territories of Hawaii and Alaska, the District of Columbia, and the Commonwealth of Puerto Rico.

"(e) 'exporter' means the consignor named in the bill of lading under which the processed rice is exported: *Provided, however,* That any other person may be considered to be the exporter if the consignor named in the bill of lading waives his claim in favor of such other person.

"(f) 'rough rice equivalent' means the quantity of rough rice normally used (as determined by the Secretary of Agriculture) in the production of a particular quantity of processed rice, but shall not be more than 100 pounds of rough rice for each 68 pounds of processed rice.

"(g) 'import' means to enter, or withdraw from warehouse, for consumption."

On page 67, after line 20, after the amendment just above stated, to insert:

Normal Yield for Rice

SEC. 502. Paragraph (13) of section 301 (b) of the Agricultural Adjustment Act of 1938, as amended, is amended by (1) redesignating subparagraph (E) as subparagraph (G); and (2) striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) 'Normal yield' for any county, in the case of rice, shall be the average yield per acre of rice for the county during the 5 calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, taking into consideration the yields obtained in surrounding counties during such year and the yield in years for which data are available, shall be used as the actual yield for such year.

"(E) 'Normal yield' for any farm, in the case of rice, shall be the average yield per acre of rice for the farm during the 5 calendar years immediately preceding the year for which such normal yield is determined, adjusted for abnormal weather conditions and for trends in yields. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations issued by the Secretary, taking into consideration abnormal weather conditions, trends in yields, the normal yield for the county, the yields obtained on adjacent farms during such year and the yield in years for which data are available.

"(F) In applying subparagraphs (D) and (E), if on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield for any year of such 5-year period is less than 75 percent of the average, 75 percent of such average shall be substituted therefor in calculating the normal yield per acre. If, on account of abnormally favorable weather conditions, the yield for any year of such 5-year period is in excess of 125 percent of the average, 125 percent of such average shall be substituted therefor in calculating the normal yield per acre.

And, on page 69, after the amendment just above stated, to insert:

TITLE VI—MISCELLANEOUS

Price supports—cottonseed and soybeans

SEC. 601 (a) Title II of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof a new section as follows:

"SEC. 203. Whenever the price of either cottonseed or soybeans is supported under this act, the price of the other shall be supported at such level as the Secretary determines will cause them to compete on equal terms on the market."

(b) The amendment made by this section shall take effect with the 1956 crop.

Transitional parity for basic commodities frozen during 1957 and 1958

SEC. 602. Section 301 (a) (1) (E) (ii) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301 (a) (1) (E) (ii), is amended by inserting after "full calendar years" the following: "(not counting 1956 or 1957 in the case of basic agricultural commodities)." The Secretary shall make a thorough study of possible methods of improving the parity formula and report thereon, with specific recommendations, including drafts of necessary legislation to carry out such recommendations, to Congress not later than January 31, 1957.

COMMENTS ON VISIT AND ADDRESS OF PRESIDENT SUKARNO, OF INDONESIA

Mr. HUMPHREY. Mr. President, a very few moments ago we listened to a remarkable address by the President of Indonesia. I wish to say that I was deeply moved by his address. It was excellent, it was profound, and I think it was a lesson or an education and experience for Members of Congress in being permitted to hear directly from one of the great leaders of a free country a statement as to the attitudes of the peoples of Asia, their reflections and observations on the principles and the practices for which America stands.

Mr. President, the Congress, the Capital, and the country today are welcoming President Sukarno, of Indonesia. Within a few hours after his arrival here yesterday, President Sukarno had already won the esteem of Washingtonians. His personal friendliness and skill as an ambassador of good will are qualities which have impressed all of us on first acquaintance, just as they must have impressed little 5-year-old Richard Peterson, of Duluth, Minn., who engaged President Sukarno in a well-publicized curbstone interview downtown yesterday.

But President Sukarno himself has described his present mission as something more than a good-will visit. At the airport yesterday, his first words were:

I have come here to confirm or to modify the impressions of your country which I have collected for so many years.

I have come here to America to learn something from America—not in the first place from America merely as a country—merely as a nation, merely as a people, but from America as a state of mind, from America as a center of an idea.

Mr. President, I think it would be well for all Americans to reflect for a considerable period of time on this description and definition of America—America as a state of mind, a state of values; America as the center of an idea.

I am sure President Sukarno was referring to the idea of human freedom and the constant and continuous emancipation of human beings in their talents, their abilities, and their capacities.

Mr. President, let us hope that the ideas of freedom, independence, human dignity, and progress which have so long been the goals of this Nation will be confirmed for President Sukarno in everything that he hears and sees during the 19-day tour of the United States on which he is about to embark.

Mr. President, 3 editorials and 2 articles concerning Dr. Sukarno's visit which have come to my attention during the last 24 hours seem to me to reflect especially well the warmth of our welcome to our distinguished visitor. The editorials appeared in the Washington Post and Times Herald yesterday, in the Washington Star yesterday, and in the New York Times this morning. The articles appeared in the Washington Star last night.

I ask unanimous consent that these items be printed in the RECORD at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Star of May 16, 1956]

DR. SUKARNO'S VISIT

It is interesting, and perhaps even significant, that President Sukarno of Indonesia has chosen to come to the United States on the first official visit he has ever made away from his homeland. But it is not really surprising that he has done this. For he has long been a great admirer of our American system, and his most favored heroes are Paul Revere, Thomas Jefferson, and Abraham Lincoln. More than that, as another measure of what he thinks of our way of life, it is worth noting that primarily because of his influence his country's constitution, along with its 1945 declaration of independence, is patterned after ours in both letter and spirit.

These are points that should receive due consideration in any effort to evaluate Indonesia's position in relation to the free world and the world of communism. Ever since achieving full sovereignty in 1949, when the Dutch colonial rule came formally to an end, the country has grown increasingly neutralist, and its Communists—who rank fourth in political strength in the islands—have seemed to be worming themselves into more and more power. What is reassuring, however, is that 54-year-old Dr. Sukarno—an enormously popular and highly talented

leader—is an anti-Red whose devotion to individual and national liberty has been proved over and over again. And the same holds true for all the key members and elements of his government.

After his 3-day stay here in the Capital this week, Dr. Sukarno, together with his large and distinguished official party, will spend about a fortnight visiting various parts of our country. As the George Washington of one of the world's most populous nations (80 million people)—a nation whose 3,000 islands are immensely rich in natural resources—he will have ample opportunity to talk with and to Americans representing all walks of life. This promises to be a mutually beneficial experience, one that should help diminish any misunderstandings that may exist now between us and the Indonesians, particularly regarding the general nature of our Government's foreign policy as it bears upon Asia and such issues as colonialism.

As for formal negotiations, there will be none, but President Sukarno undoubtedly will exchange views with our top officials on a number of political and economic matters. In that respect, as well as in others, his trip here can do much to strengthen relations between his country and ours. In any case, Washington and the United States as a whole, valuing both his and Indonesia's friendship, have reason to feel honored by his visit, and he and his party can be sure of a hearty welcome wherever they travel among us.

[From the Washington Post and Times Herald of May 16, 1956]

PRESIDENT SUKARNO

Greetings to the George Washington of Indonesia on his arrival in Washington on a state visit. President Sukarno (he has no given name) has been his country's chief ever since it became independent of the Dutch. This relationship began a decade ago, yet Sukarno seems a permanent fixture. This is because he will always be regarded as the father of the Indonesian revolution. He and his Vice President, Mohammed Hatta, signed a declaration on August 7, 1945. Nobody except the Dutch knew them then. And the Dutch knew them only as thorns in their side whom they had to keep off-and-on in jail as dangerous agitators. In the last 10 years Sukarno, in his plain black Moslem cap and white drill coat, has demonstrated a familiarity as one of the most colorful personalities of the new Asia.

Fifty-six years old, he is the son of a Javanese schoolmaster and Balinese mother. By profession he is an engineer. But in his twenties he found he had a voice of singular enchantment to convey the message of freedom which burned in his youthful heart. To his deep-voiced oratory he joined a gift of organization, and by 26 he had founded and was the first chairman of the Indonesian Nationalist Party. His influence spread like wildfire among the Javanese.

Sukarno still has the power to set fire by his magic words. The art of his speaking lies in his skillful use of slogans, generally his own, and the light and shade which he imparts to his histrionics. He is always a show unto himself—thus appealing to the gaiety as well as the passion of the simple people. Nobody has his intimate knowledge of the problems of the peasantry, not only in Java but elsewhere in the archipelago. His is the self-avowed "gospel of the common man," and his towering standing was sufficient to end the disparateness between the Javanese and the Sumatrans when he became President.

Sukarno is not a common man, however, in his tastes and inclinations. Not so well educated as some of his fellow revolutionaries, he still is versed in literature and the arts. He quotes Shakespeare copiously, even to the common man, and he is a devoted admirer of Jefferson and the American Declaration of Independence. He was responsible for the introduction of the national red-white flag with its rampant and unchained bull in the center; he also wrote the national anthem. Intoxication has now worn off Indonesian freedom, and responsibility may now be the preoccupation of the Indonesian leaders. We hope Sukarno and his hosts will learn something from each other in the exercise of great authority.

[From the Washington Star of May 16, 1956]

BOY, 5, FINDS SUKARNO HAS WARM HEART

Indonesia's President Sukarno wasted no time today in establishing himself as an official visitor with a heart.

Only minutes after he had arrived in the District, Dr. Sukarno asked the driver of his automobile to stop a short distance from the reviewing stand across from the District Building.

While police and secret-service men milled around and newsmen watched with surprise, the Indonesian President got out of the car and strode over to the curb where 5-year-old Richard A. Peterson, of Duluth, Minn., was waving an Indonesian flag. Grinning, Dr. Sukarno stopped to shake hands with the boy, who smiled warmly back.

Suddenly, young Richard noticed photographers crowding in for closeups. Self-consciously, in the manner of all 5-year-olds, he squatted down on the curb and dug his knuckles into his eyes.

Dr. Sukarno sized the situation up in an instant. He went back to the car, took his own son, Guntur, 12, by the hand, and went back to where Richard was crouching in confusion.

With another child in the act, Richard's trouble disappeared. The two boys shook hands, and the Indonesian President and his son continued, on foot, to the reviewing stand.

The notables on the stand straightened up to receive their distinguished visitor, but the time was not quite yet. Dr. Sukarno spotted a motherly looking woman among the spectators on the sidewalk. He walked over, took her by the hand and kissed her on the cheek.

"This is an Indonesian kiss," Dr. Sukarno told the startled woman, Mrs. Leonore Coon, of 1228 I Street NW.

Mrs. Coon was flustered, but not too flustered to reply, "Oh, no, that was an American kiss."

Dr. Sukarno smiled, turned away and proceeded to the reviewing stand. The reception got underway at last.

[From the New York Times of May 17, 1956]

WELCOME TO DR. SUKARNO

The esteem in which the United States holds the newly independent nations which have recently risen from colonial rule to sovereignty is illustrated again by the warm welcome given yesterday in Washington to President Sukarno of Indonesia and his party. They have come at the invitation of President Eisenhower on what is both a state visit and a goodwill mission and will be guests of this Nation for the next 3 weeks.

As Secretary Dulles has emphasized, there is a basic bond of sympathy between the United States and a country like Indonesia, if only because of their similar colonial antecedents. How thoroughly President Sukarno is aware of this common bond is shown in his opening speech at the Bandung conference, in which he hailed the American War of Independence, as the first successful anti-colonial war in history.

Indonesia is so new a country that, as was the case of the United States during its early history, it is bending backward to guard against any infringement of its independence. For that reason it is following a neutralist policy of nonalinement with any power group, and President Eisenhower has expressed undertsanding and respect for that policy. For the same reason, Indonesia has fought shy of extensive American aid.

It is gratifying that President Sukarno and his party have come to the United States to take a first-hand look at this country and its people, and that, in Dr. Sukarno's words, they will seek "real understanding and friendship" between their country and ours. They will find that the United States will glady reciprocate.

[From the Washington Star of May 16, 1956]

SUKARNO GIVEN WARM SALUTE BY DIGNITARIES—INDONESIAN PRESIDENT WILL OBSERVE UNITED STATES AS "CENTER OF AN IDEA"

President Sukarno of Indonesia arrived at National Airport at 11:42 a. m. today and observed:

"I have come to learn something from America * * * from America as a state of mind * * * as a center of an idea."

He was met at National Airport by Vice President NIXON, Secretary of State Dulles and Adm. Arthur W. Radford, chairman of the Joint Chiefs of Staff. He was flown on the last leg of his trip, from Hawaii, in President Eisenhower's personal plane, the Columbine. With the Indonesian President was a large party, including his son, Guntur, 12.

President Sukarno, dressed in a "personal uniform" and wearing the national headdress, a high-crowned, brimless velvet cap called a kopiah, smiled a greeting to the welcoming dignitaries and told Mr. NIXON in excellent English that he had a "pleasant" trip. After hearing the national anthems of Indonesia and America and taking a 21-gun salute, the guest reviewed an honor guard of Army, Navy, Air Force and Marine units.

NIXON RECALLS VISIT

In a formal welcoming speech Mr. NIXON recalled having met Dr. Sukarno in Indonesia 2½ years ago.

"You, like our own George Washington, led your people from colonialism," the Vice President said. Mr. NIXON said he hoped this visit would strengthen the bond of friendship between the two countries.

"I am very happy to be in Washington today," Dr. Sukarno replied in an extemporaneous speech in English.

"I am grateful for the invitation President Eisenhower and the American Government rendered to me. I am also grateful for the kind reception here.

"I have come to America to see your country with my own eyes. I have come to observe the great achievements of the great American Nation.

"A STATE OF MIND

"I have come here to confirm or to modify the impressions of your country which I have collected for so many years.

"I have come here to America to learn something from America—not in the first place from America merely as a country—merely as a nation, merely as a people, but from America as a state of mind, from America as a center of an idea.

"I carry with me the greeting of the Indonesian people to you. I carry with me the thanks of the Indonesian people to you for all the assistance you gave us for the national reconstruction period."

President Sukarno rode in a cream-colored Chrysler convertible with Mr. NIXON to the Lincoln Memorial. Then the car drove down spectator-lined Constitution Avenue to the reviewing stand in front of the District Building, where District officials extended a welcome.

MORRIS EXTENDS WELCOME

Dr. Sukarno was welcomed in the name of the District by Edgar Morris, chairman of the

citizens' reception committee, and Robert E. McLaughlin, president of the District Board of Commissioners. The Commissioner presented him with the key to the city.

The Indonesian President thanked everyone for the hospitality of the city and added, "A man's life is unpredictable indeed."

He recalled:

"I am the son of poor parents. My father was a small teacher whose salary was 25 guilders a month—that is $10 in American money.

"Thirteen years of my life I have passed in prison and exile. Just now I am being honored by you, received by you with great hospitality. * * * I have been only 1½ hours in Washington, but I feel quite at home."

After the District's greeting Dr. Sukarno went to the White House.

When the procession reached the White House, President Eisenhower walked briskly down the front steps to clasp Dr. Sukarno's hand.

The two Presidents and Dr. Sukarno's son posed for pictures before entering the White House for luncheon.

The visiting President and his party went to Blair House after the luncheon. Tonight at 8 Dr. Sukarno will attend a state dinner given by Mr. and Mrs. Nixon at the Pan American Union.

Invited to the White House luncheon, in addition to Dr. Sukarno, were 14 members of his party and 45 American officials of the highest rank.

On the guest list were Mr. Nixon; Chief Justice Warren; Secretary Dulles; United States Delegate to the United Nations Henry Cabot Lodge, Jr.; Secretary of Commerce Weeks; Secretary of Labor Mitchell; Secretary of Health, Education, and Welfare Folsom; Budget Director Percival F. Brundage; Lewis L. Strauss, Atomic Energy Commission Director; Allen W. Dulles, Central Intelligence Agency Director; John B. Hollister, International Cooperation Administration Director; and State Department officials, including Assistant Secretary of State Walter S. Robertson.

Guests from Capitol Hill included House Speaker RAYBURN; the dean of the Senate, WALTER GEORGE, of Georgia; Senate Republican Leader KNOWLAND; Senate Majority Leader JOHNSON; and Democratic and Republican Representatives.

The Indonesian guests in addition to Mr. Sukarno were the Ambassador to Washington, MoeKarto Notowidigdo, and these Indonesians who accompanied their President Sukarno here:

Roeslan Abdulgani, Minister for Foreign Affairs; Zainul Arifin, first deputy chairman of the Indonesian Parliament; Dr. Wirjono Prodjodikoro, chief justice; A. K. Pringgodigdo, chief of the President's Cabinet; Sanusi Hardjadinata, Governor of West Java; and Vice Air Marshal Suryadarma, air force chief of staff.

Also the Honorable Suwirjo, president director of the Indonesian Industrial Bank; Dr. Johnnes Leimena, member of Parliament; Sutarto Hadisudibjo, member of Parliament; Colonel Nazir, commander of naval bases in Java; Col. J. F. Warrouw, commander of the 7th Army Division; Dr. Ouw Eng Liang, physician to the Indonesian President; and Lieutenant Colonel Sugandhy, aide de camp to the Indonesian President.

Mr. Sukarno (he has no first name) comes at the invitation of Secretary of State Dulles, who visited him in the Indonesia capital, Djakarta, last autumn.

He will be shown every attention while he is here. It is felt in official circles that if he is favorably impressed with what he sees of Western life it may dilute somewhat the anti-Western bias that 300 years of Dutch rule has instilled in the hearts of him and his countrymen.

ACCOMPANIED BY FOREIGN MINISTER

The 4-day stay is a visit of state and there is no agenda drawn up. Mr. Sukarno is accompanied, however, by his Foreign Minister, who at a stopover in Singapore expressed the view that United States aid would be most welcome to the young republic. Indonesia has greater natural resources than any other country of southeastern Asia but is desperately poor in the way of educated or technically trained people.

Mr. Sukarno, who speaks to Indonesians as their Bapak (father), is the founder and the leader of the country's dominant political group, the Nationalist Party, which won the first parliamentary election recently held in Indonesia.

A coalition government of which Ali Sastroamidjojo, former Indonesian Ambassador to the United States, is Prime Minister has been formed. It is made up of the Nationalist Party, the Moslem Party, and the Moslem Teachers' Party. No Communists, Western observers were relieved to see, have been taken into the cabinet, although they won approximately 15 percent of the seats in the newly formed 270-member house of representatives.

The resurgence of the Communist Party in Indonesia, the third largest republic in the world, has been a matter of grave concern in the West. In 1948 they attempted a military coup, to free Indonesia from President Sukarno. The movement was smashed and its leaders executed.

REDS AIDED BY MOSCOW

But the party pulled itself together and with financial aid from Peiping and Moscow began to organize again. Some of its financial strength is derived from contributions made by members of Indonesia's dominantly Chinese financial interests.

The first government of Mr. Sastroamidjojo, which operated with Communist support, supposedly gave the Reds considerable respectability in Indonesia. Communists now dominate the largest labor union, talk in nationalist terms, ride with the prevailing tides. They polled one-fifth of the total vote cast in the recent elections.

The results of a second election, to determine the membership of Indonesia's first constituent assembly, have not yet been announced. Until they meet, the stature and tenure of President Sukarno's office will not be ascertained.

Now, he is an immensely popular leader of 80 million people, a superb orator whose prestige is felt throughout the neutralist world of southeastern Asia. Western critics have expressed concern that Mr. Sukarno's anticommunism has never been as vigorously stated as his anticolonialism. This attitude, however, seems understandable in a man who spent some 7 years in Dutch jails.

His slogan: "One people, one country, one language," sparked the long fight for Indonesian independence which was climaxed with a proclamation of independence (signed by him and Hatta) issued on August 17, 1945. At the same time, Mr. Sukarno declared himself president. He was unanimously elected to the office when the Dutch gave up the fight in 1949.

After the Bandung Conference a convocation of Asian-African leaders which was held in April 1955, Red China's premier, Chou En-lai, was cordially entertained by the Indonesians and, with the Indonesian premier, issued a joint statement promising "close cooperation in order to strengthen the mutual understanding and friendly relations between the two countries."

Mr. Sukarno opened the Bandung Conference with a reference to the anniversary of the ride of Paul Revere. He is a serious student of American history who has found ideals, it is said, in Washington and Jefferson.

The State Department is hopeful that meetings with President Eisenhower and other officials may instill a similar admiration for present-day American leaders.

Tomorrow he will visit Mount Vernon, address a joint meeting of Congress, visit the National Gallery, the Washington, Jefferson, and Lincoln Memorials.

Mr. HUMPHREY. Mr. President, as one Member of Congress, as a Senator, I personally extend the hand of fellowship to our distinguished visitor, and say that I trust the wish he expressed in his address, the hope which he so brilliantly stated, that there may be an enduring friendship between the United States of America and the Republic of Indonesia, may be realized in our time as well as in the days to come.

HOW LONG CAN THE FAMILY FARMER STAY ON THE FARM?

Mr. SYMINGTON. Mr. President, as we know, this year the Senate has devoted more time to the consideration of the farm problem than to any other single issue. It is the No. 1 domestic problem facing our country today.

In this connection, Mr. President, I read with a great deal of interest a recent article in the Saturday Evening Post by Winifred Bryan Horner of R. F. D. No. 1, Columbia, Mo., entitled, "How Long Can We Stay on the Farm?"

I wrote Mrs. Horner, and I ask unanimous consent that my letter, together with her reply, be printed in the RECORD at this point.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

APRIL 16, 1956.

MRS. DAVID (WINIFRED BRYAN) HORNER,
Rural Free Delivery, Route 1,
Columbia, Mo.

DEAR MRS. HORNER: It has been a long time since I have read an article with as much interest as I did yours, How Long Can We Stay on the Farm?

May I offer my congratulations to you for its content, as well as the way you have so ably expressed the problem and the thoughts incident thereto.

Inasmuch as I have recently gone on the Senate Agriculture Committee, it would be a privilege to talk to you and your husband sometime when I am back in Missouri. I hope it can be arranged when convenient to you.

Again, congratulations on the magnificent piece of work, and good luck to you and yours.

Sincerely,

STUART SYMINGTON.

APRIL 22, 1956.

Mr. STUART SYMINGTON,
The United States Senate,
Washington, D. C.

DEAR MR. SYMINGTON: My husband and I are overwhelmed at the response we have received from my article in the Post, How Long Can We Stay on the Farm? Most of the letters have been from other young farmers thanking us for telling their story, which I attempted to do in an honest, straightforward and unhysterical way.

Of all the letters we received we were most grateful for yours of April 16, because we felt it represented a sincere interest in our problem. We would like to talk to you anytime you are in Missouri, and would arrange our schedule to suit your convenience.

You will not find us ready with an easy solution to the farming problem, since any

of us who is acquainted with the problems knows that there is no easy solution. However, we do know many of the problems, particularly the ones in our area, and if we can be of service to you in any way by answering questions or supplying information we would consider it a privilege to be able to help. If you would like we could arrange a meeting for you with 2 or 3 farmers from the Missouri area, who, like us, are not waving any flags, but are concerned with the long-term economic and social welfare of agriculture.

We would like very much to have an opportunity to talk with you any time that you might suggest.

Very sincerely,

WINIFRED BRYAN HORNER,
(Mrs. David A.)

Mr. SYMINGTON. Mr. President, when Secretary of Agriculture Ezra Taft Benson appeared before the Senate Agriculture Committee on April 19, I asked the Secretary if he had read this fine article. He said he had not, so I suggested that he, or a member of his staff, take the time to read it. In fact, I commend this article to all nonfarmers whether they be working people, bankers, businessmen or public servants.

I hope the Secretary has read it since then, because this article presents vividly the problems faced by our farmers today.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the article entitled "How Long Can We Stay on the Farm?" written by Mrs. Winifred Bryan Horner and printed in the Saturday Evening Post of April 14, 1956.

I respectfully recommend it to all Members of the Senate, because Mr. and Mrs. Horner are the type of persons who should be able to make a success in any field of endeavor.

They are qualified and dedicated young farmers in whom American agriculture and America itself have a great stake. Yet their problem, as well as that of hundreds of thousands of other family farmers, is well stated in the title of the article, "How Long Can We Stay on the Farm?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW LONG CAN WE STAY ON THE FARM?

(By Winifred Bryan Horner)

I know how the last buffalo must have felt before they put him on the nickel, because we, too, belong to a species that is becoming extinct. We are one of the young farmer families who, in the changing agricultural economy of this country, are caught in the current price squeeze. We don't have to read the newspapers to know that. In our record books the story is clear to anyone who can add, subtract or see red.

We are the displaced persons of the year. In the midst of an abounding prosperity, we are facing our own private depression. While nonfarm income has gone up 68 percent since 1947, the farm income has dropped 38 percent. Apparently our economy is burdened with surpluses of corn, wheat, rice, cotton and farmers. No one yet has suggested that we plow under the farmer, but it seems to follow that some of us should get out of the business. There is a happy theory that this process will naturally leave only the efficient farmer.

Who really is staying on the farm? In rare instances it is the young man who has inherited or married into a going farm concern. Frequently, it is the incompetent worker who cannot go elsewhere. It is the untrained farmer with less than a high-school education who is seldom drawn to the city anyway. His alternatives are limited and the attractions are not overwhelming. He'd rather be poor in a house with a view from a hilltop than to look through a cracked windowpane in an overcrowded flat.

In most cases, the person who is staying in agriculture is the older man who paid for his farm during the golden era of agriculture, 1939 to 1951. This man, with an unmortgaged $50,000 operation, can supply his income needs with a less than 5-percent return on his capital and nothing for his labor.

The young farmer down the road with a similar $50,000 enterprise is necessarily faced with a mortgage on which he must make an annual 5-percent interest payment to the banker. And if he is capable and college-trained, big business is leaning over his pasture fence waving an attractive pay check. This is the farmer who is abandoning agriculture—the competent, well-trained man under 40 who can double or triple his income by going into another field.

How can the present farm economy possibly hold this young man? And what will agriculture's future be without him?

We have been farming for 10 years. With a background of three generations of lawyers, engineers, and teachers, my husband grew up in St. Louis with an ambition to farm. In college, I worked on my A. B. degree with one eye on my books and the other on Dave. He ranked in the upper 1 percent of his class and graduated in agricultural engineering. We went into farming knowing that it was a business of high risk, keen competition, and low return. We did not expect to become wealthy. We were willing to forego a big salary in return for a 100-acre backyard for our children, the independence of being our own bosses and the beauty of a greening field on a sunny day. With adequate training, at least average brains, and a willingness to work hard together, we expected to make a decent living and a good life.

We invested our original capital of $7,500 in a milk cow and 130 acres of fertile but hilly land near Columbia, Mo. The 4 years' on-the-farm training to which Dave was entitled as a veteran was the boost we needed to get started. The VA instructor provided good technical help and the $90-a-month allotment guaranteed our eating in spite of our mistakes and allowed us to reinvest the farm income in livestock and machinery. A farmer is all in one—capital, labor, entrepreneur. At this point, we were mostly labor, but we were gaining some badly needed experience.

After 5 years in the hills, we were ready to branch out. The city shine was pretty well rubbed off. We had accumulated many blisters and calluses and a fair supply of know-how and capital. We figured, and agricultural economists agreed, that our small capital would return more if we concentrated it on modern, efficient machinery and more livestock, instead of trying to stretch it to cover land investment as well. With this idea, we sold our farm at a good price and entered into an owner-tenant arrangement that is customary in the Midwest. We supplied the machinery and labor. Our partner supplied the land. The livestock was owned jointly, and the profits were split 50–50.

From our point of view, the success of the partnership depended on the productivity of the land. With the same machinery, Dave's labor could produce crops five times as efficiently on flat, fertile ground as it could on hilly, infertile land. We also felt that the landowner must share with us a healthy interest in the farm dollar as a part of his living income. A wealthy man whose farm is a weekend hobby or an income-tax deduction is often very hard to rent from profitably because he is not interested in the immediate productivity of his farm in terms of dollars and cents.

After 2 years of fairly successful tenancy, we felt we were ready to go back into land investment in a modest way, and we needed a permanent home for our growing family. I had been making loud, clucking noises like a broody hen that wants a nest for her chicks—a 4-year-old, a 2-year-old and one on the way. In addition to the 245-acre farm that we purchased at this time, we continued our existing tenant arrangement and later took over operation of another farm for which we paid a flat annual cash rent. By this time we were in high finance, not as to profits but in the staggering number of figures involved in the bookkeeping. To help keep the records straight we had a separate checking account for each farm, and I found it a temptation, when our own balance got low, to embezzle a little for groceries from one of the others. A habit which the bookkeeper deplores and maintains will land me behind bars.

Dave sees the farm situation from all angles. During the day, he is the laborer and he cusses the "damn capitalists." After supper, he works over the books and mutters about the hired help. At 11 he goes to bed and nurses a managerial ulcer.

So now we are operating 600 acres of land, part of which we own and most of which we rent from others. We are beginning to hurdle one of the toughest obstacles of modern agriculture—to compete, you have to mechanize; to mechanize, you have to have acreage enough to warrant the machinery investment. You can't afford the land investment without the machinery; you can't afford the machinery without the land. By this time, the size of our operation both requires and justifies our considerable investment in modern machinery, and our crop work is almost entirely mechanized.

We had started with a team of half-broken horses that were thrown in on the purchase of our original farm. Our change from the muscle-and-blood type of horsepower was to a 1930 model tractor. On cold mornings Dave built a corncob fire under it to get it started. His theory, which seemed fairly sound, was that if it wouldn't start, he might as well burn it up anyway.

To stock this size operation with the kind of cattle we would like would require a considerable cash outlay. So we have had to increase our cattle herd slowly through the process of simple reproduction and not-so-simple borrowed money. We borrowed the money to buy a cow, which produced a calf, which produced a check, which paid for part of the cow. If this process would proceed without any hitches for 10 years, 4 cows would normally produce a herd of 41 cows, 20 yearling heifers and the accumulated income from 81 steers. Ain't nature grand? What isn't mentioned is that cows get kidney infections or Bang's disease, or they get baling wire in their stomachs and stretch out their mortgaged heads and die leaving you holding the note. The calves sometimes don't get born just because ma was too choicy in her sex life. On the farm, the reluctant lady is finished off in short order—hamburger.

In livestock farming, we learned never to underestimate the importance of the bull. This may seem like an obvious statement, but I am talking about his economic potential to the herd. The qualities of a good cow are reproduced in one calf once a year. The bull is reproduced in our herd 30 to 35 times each year. Consequently, whenever there's any extra cash, it goes into the purchase of a better bull with more steak on his southwest quarter.

Our savings account is on the hoof. No matter how short the ready cash, we keep the best heifer calves for the permanent herd and market only the steers and undergrade females. My first thought, when the bills get pressing, is to cash in some of those dol-

lars in the pasture, but Dave regards them as our "steak" in the future. Like any good stockman, he knows each cow and never misses a sore eye on "Huntsdale Heifer," a barbed wire cut on "Bones" or a slight limp in "Old Cow's Second Calf." Today we have one of the better smaller herds of grade cattle in the county. Our bull won the blue ribbon in the commercial-cattle class at the fair and our pen of five calves took second place.

After 8 years, our acreage had increased fivefold, representing a $60,000 land investment, although only a small portion of this was our own capital. Our machinery had increased from 1 team to a $6,000 line of equipment. Our cattle had increased from 1 milk cow to 35 good-quality Hereford cattle. Most important, like any sound businessman, Dave had learned to produce a good product. Our calves sold as "good-to-choice" feeders. Our crop yields were above average for our county. Our record looked good and we felt confident we were operating on a safe margin and could withstand a normal weather hazard or a reasonable drop in the market.

That was in the fall of 1951. One year later we were $4,200 poorer. In September, 1951, we had 30 head of cattle worth about $300 apiece, a herd investment of $9,000. In September, 1952, the $300 cow had dropped to $160. The cattle were worth $4,800. Today the same cow has gone down to $110.

Other commodities have followed. In February, 1948, a bushel of corn on the free market was worth $2.80. Last fall it marketed for 95 cents. At the same time the cost of producing a bushel of corn has steadily increased. The tractor to plow the field now costs $800 more; the corn picker $400 more. The taxes on our 245-acre farm have almost doubled since 1948. Since 1947, farm income, in terms of what it can buy, has decreased 45 percent.

Close on the heels of falling prices, in 1953 and 1954 we had two record-breaking droughts. Water became our most valuable resource. We knew that our house water supply would be inadequate during dry periods, but decided that the $2,000 for a deep well could be better invested in livestock and machinery, and we could have water hauled when necessary. We failed to anticipate that the bank account and cistern would go dry at the same time. I improvised a suds saver for the automatic washer out of a barrel, a piece of hose and a few scientific principles. No one turned on a faucet without due consideration, and baths were at a minimum, a state of affairs which delighted the children.

One evening, without thinking, I mentioned to some guests from town that it cost 5 cents every time we flushed the toilet. That night, after they went home, I found a neat stack of nickels in the bathroom.

But personal inconveniences were nothing compared to the tragedy of seeing our crops and pastures burn up before our eyes. In the summer of 1954, the view from our windows was desolate and our account books looked just as bleak. The cost of gasoline, seed and fertilizer to put in our crop was about $2,000. Our gross income on what was left of the crop was $275—a cash loss of $1,725. Return on land and machinery investment, nothing. Return on about 500 hours of Dave's labor, nothing. What's this thing they call a minimum wage?

Have you ever tried to work out a budget on an income of minus $2,000? It was at this point that Dave, like most of the farmers in our area, had to get a job off the farm. We gnawed our living expenses to the bone, but we couldn't cut out the three meals a day. As it turned out, Dave couldn't escape the weather. For 6 months he worked for an air-conditioning company—the mechanical approach. Now he is a meteorologist with the United States Weather Bureau—the scientific approach. At present he is putting in 40 hours a week at the Weather Bureau and 40 on the farm.

We have managed to survive our greatest natural hazard—weather. The unseasonable frosts of Michigan and Minnesota, the wet spells of Iowa, the droughts and dust storms of the Midwest are the farmer's calculated risks. But, can we now survive the hazards peculiar to the present agricultural economy? Can we continue to pay $3,000 for a tractor and use it to produce corn that sells for only 95 cents a bushel? We are faced today with the problems of widely fluctuating prices and constantly rising costs, coupled with the unpredictable regulations out of Washington, where the farmer is tossed around like a hot potato in the political kitchen.

Farmers have pitifully poor public relations. Most nonfarming people have no conception of what we are facing, like the sweet young thing who cocked her head brightly and asked Dave, "Grasshoppers? Now let's see. Are they good or bad?"

Dave, like most thinking young farmers, realizes that we cannot hope to find an answer until we can make our problems clear and meaningful to the factory worker, the business executive, the city dweller, and particularly to the men who frame our laws in Washington. The existing farm organizations, in most cases, put forth sincere and undaunted efforts to accomplish this. But in order to be truly effective, they need a greatly increased membership of well-informed and interested persons. Too many farmers underestimate the importance of their organization and fail to relate their own participation to its success. Farmers are still poorly organized in an otherwise highly organized society, and we suffer for it. Dave has spent long hours working in our local farm bureau. We feel that this time is as important to our financial future as the hours he spends on the tractor, perhaps more so. Our lives are invested in that future.

We have seen our contemporaries leave, one by one. Some go fast, in a cloud of disgust, selling everything behind them. Most ease out slowly. First they get a good job off the farm. Then the farm work comes to a standstill because they don't have time for both. Then it's lonesome for the family, and pretty soon they are looking at a ranch house in the suburbs.

We know these people well. We know what they are facing. Most of these men are young, competent, and vitally interested in the problems of agriculture. They follow the latest scientific developments in good farming practices. They are informed on agricultural legislation and active in policy making through their local farm organizations. They have willingly done without the frills of modern living because they were convinced of the rightness of their way of life and the importance of their work. They had been steadily doing a good job, enlarging their operations, branching out, increasing their productivity. These are the young men who, in the present change, are leaving the farm. We believe that our education and experience are your investment, because we are your stock in the future of agriculture.

With 81 percent of the farm operators now over 35, it's getting pretty lonesome for the young couples these days. At most rural gatherings, you can count the farmers under 30 on 1 hand. When we bought our first farm at the age of 23, they called us those kids that bought the Martin place. Ten years later we're still "those kids." In our occupation there's nothing younger coming up, and until there is, we'll always be the youngsters in the crowd.

Where are the bright young men of agriculture? There are plenty of graduates from our agriculture colleges, but they are going into the Extension Service, research or the commercial aspects of farming. Many of them would rather work the soil, but can't manage the $40,000 to $75,000 investment that economists figure is required to finance an efficient farm operation. What if a $50,000 investment were required in other occupations? In 20 years' time, who would heal our sick; who would teach our children; who would interpret our laws? What is going to happen to farming? Who, then, will operate our farms?

We are vitally concerned and wish to be a part of the agricultural future of this country. We feel that our work of producing food is important and we know that we have the training and experience to do it well. We want to stay in farming. We like the life for our family. But we have a continuing obligation to provide our children with a decent standard of living, good medical care, and adequate educational opportunities. Bills mount up, reminding us of more immediate obligations.

Once again, Dave and I are faced with a decision. Our expenses are increasing. Our income is decreasing. Our indebtedness is mounting. Can we afford to stay in farming? That is our problem. But the problem facing this country today is that agriculture needs us for its future.

THE PROBLEMS OF THE SMALL FARMERS

Mr. SYMINGTON. Mr. President, the Weekly Record of New Madrid County, Mo., recently published some figures that speak eloquently about the problems of the small farmer in one of Missouri's richest agricultural areas.

Based on reports filed with the Farmers Home Administration, 99 farm borrowers had an average net farm income in 1955, after living and operating expenses, of only $65. In the preceding year, the average net income was $396.

Ironically, the farmer suffered this drop in net income despite the fact that his gross income rose from $4,679 in 1954 to $5,468 in 1955.

Average operating expenses rose from $2,405 to $3,240, and average living expenses rose from $1,210 in 1954 to $1,295 in 1955.

Mr. President, I ask unanimous consent that the article from the New Madrid County Weekly Record of April 27, 1956, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RECORDS SHOW FARM NET INCOME DECLINE; PRODUCTION UP BUT PROFIT DOWN LAST YEAR OVER 1954

Well-kept records of 99 New Madrid County farmers show that their average net farm income, after all current family living and farm operating expenses were paid, was only $65 in 1955, as compared with an average net of $396 the preceding year.

That great decrease in net came in spite of the fact that both their production and gross income was up in 1955 over the preceding year.

The figures came from records of 99 farmer borrowers of the New Madrid County Farmers Home Administration, both landowner and renter type.

Average size of the farms increased from 89 acres to 102.6 acres in the period covered and per acre production on those farms was up for cotton and corn, but down a trifle for beans. They averaged 530 pounds of cotton in 1955 against only 444 pounds in 1954. Corn produced a 38.75 bushel average last year against the preceding one, but bean

production was only 17.23 bushels in 1955, while in 1954 it was 18.72.

Gross income for the average farmer covered by the FHA records was $5,468 last year against $4,679 in 1954.

Cause of the decrease in net income was the continuing rise in farmer costs as shown by the figures of average expenses.

Family living expenses were up only a trifle, from $1,210 to $1,295, but farm operating expense jumped from $2,405 in 1954 to $3,240 last year, and capital purchases increased from $668 to $868.

Living expenses include food, clothing, medical, and other family costs; operating expenses are seed, fertilizer, labor, and small implements used in production of the crop, and capital purchases include major items, such as tractors and other large farm equipment.

DISCRIMINATORY TAX PROPOSAL IN HIGHWAY BILL

Mr. NEUBERGER. Mr. President, on May 17, 1956, State Representative Loran L. Stewart, of Cottage Grove, Oreg., testified before the Senate Finance Committee on H. R. 10660, the Federal highway bill that is now before Congress.

Representative Stewart, who served on the 1954 Oregon State Highway Legislative Interim Committee and as chairman of the Oregon House Ways and Means Committee in the 1955 legislative session, has pointed out a very discriminatory feature of the highway bill.

This discriminatory feature would increase the tax on gasoline and rubber used by trucks that travel a good share of their mileage off the public highways and on private roads, maintained by the lumber industry, in the forests where logs are gathered to the mill where the timber is processed.

Mr. President, under the Oregon weight-mile tax on trucks, a refund is made on the gasoline tax paid when the trucks travel over private roads. The experience with this State legislation in Oregon has been good, and I believe that it deserves careful study in the enactment of Federal gasoline and rubber taxes.

The lumber industry is vitally important to the economy of the Pacific Northwest. I feel that taxes which discriminate against so important an industry should not prevail.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the statement given this morning by State Representative Stewart before the Senate Committee on Finance.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FEDERAL HIGHWAY ACT OF 1956—H. R. 10660

(Statement of Loran L. Stewart in behalf of the National Lumber Manufacturers Association before the Senate Committee on Finance, May 17, 1956)

Mr. Chairman, gentlemen of the committee, I am Loran L. Stewart, of Cottage Grove, Oreg. I am president of the Bohemia Lumber Co., located east of Cottage Grove, Oreg. We are a small company; we do not own any timber of our own and are entirely dependent upon the United States Forest Service and the Bureau of Land Management for our supply.

I am director of the Industrial Forestry Association and a member of the West Coast Lumbermen's Association of Portland, Oreg., both of which are organizations of loggers, forest owners and lumber manufacturers in the Douglas fir region. I am here representing my own area and also the National Lumber Manufacturers Association, a nationwide organization of the lumber industry. With your permission, I would like to file for the record a statement prepared by the National Association on the revenue features of H. R. 10660, the highway bill, as it affects logging and off-highway use of logging trucks.

I have had the good fortune of being a member of the Oregon State Legislature for the last three sessions. In two of them I was a member of the house highways committee as well as the highway interim committee. At the present time I am chairman of the house taxation committee, so I am somewhat familiar with both highway and tax problems in the State of Oregon.

Highways are one of our important assets and we in Oregon have bonded ourselves to the limit of our capacity for construction of important highways, and we are still short of the necessary transportation facilities. We in Oregon, and I am certain the lumber and logging industry of the Pacific Northwest and the United States, are wholeheartedly in accord with an improved highway system. We also recognize that an expanded highway construction program is going to cost a great deal of money and someone must pay the bill. We should bear our fair share of the cost because we will benefit proportionately in marketing our products.

But there is a feature of this highway bill that gives wholly inadequate consideration to the problems of our industry and which on its face is highly discriminatory and inequitable. As I understand the intent of this bill from reading the House committee's report, the highway user will pay the cost of building the proposed highways through higher taxes on motor fuels, tires and trucks. This idea seems to be brought out clearly by the fact that gasoline used in boats and airplanes is exempted from the tax increase and, as indicated in the committee report, the tax will not apply to operation of mammoth trucks used exclusively off the highways. It would be consistent with this approach that all equipment used off the public highways should be exempt from the tax increases, or allowed refunds to the extent that taxes are imposed and paid; also equitable allowance should be made for the fact that trucks operate both on and off the highways.

I estimate that over three-fourths of the logging trucks in the Pacific Northwest are off-highway users during some portion of their trip from the loading point in the woods where logs are assembled to the point where they are dumped in the millpond or mill yard. The tax increases and the new taxes proposed in this bill will fall heavily upon our industry and particularly upon the small independent contractor engaged in logging. The bill in its present form is highly discriminatory because—

1. It taxes us for use of our own trucks over our own roads which we have already built and paid for.

2. Notwithstanding that loggers will pay highway use taxes under this bill, they will have to continue to build and maintain thousands of miles of roads annually at their own expense.

Since the Federal Government seems to be embarking for the first time on the highway use theory of taxation recognized in many States, what our industry is seeking before this committee is recognition from the start that nonhighway use—that is, operation of motor vehicles over privately-owned, privately-built or privately-maintained roads—should not be subject to highway use taxes. My own State of Oregon recognizes this principle.

May I diverge here to explain the workings of the pertinent part of the Oregon law? It is based fundamentally on two principles: First, the privilege tax which is, in effect, the license fee. Any truck or car that travels a mile or 100,000 miles on our highways is subject to this tax. A completely off-the-highway vehicle does not pay this tax because it is not privileged to use the highways. Second, the "use" tax which takes two forms: One, the gasoline tax which in effect says the more miles you use the highways, the more tax you pay. Two, the weight-mile tax which applies to heavier vehicles. The scale of this tax is graduated from the lowest weight to the highest weight vehicles, so in effect the more weight they carry, the more money they pay to use the highways. I believe, gentlemen, that this is exactly what this bill is attempting to do—the more gasoline or rubber used, that is, the more miles traveled, the higher the taxes.

Now let me explain a little of the mechanics of the operation of our use tax. Gasoline used in vehicles not operating on public highways is not subject to the gasoline use tax. If a logging truck operates over 10 miles of private roads and over 10 miles of public roads, the operator can apply for a refund on the gasoline consumed over the private roads, based on proportionate mileage, and on records that the Secretary of State requires him to keep.

The weight-mile tax I spoke of, which is also a use tax, is based on the same principle. If a logging truck operates over 10 miles of private road and over 10 miles of public road, it pays the weight-mile tax only on the mileage traveled over the public road. The mileage and trip records are kept on forms prescribed by the Public Utilities Commissioner, who makes periodic audits to see that proper payment is made.

Now, gentlemen, this has proved to be a relatively easy system to administer. Let me give the history of a test that was performed to determine the accuracy of collections and the extent of evasion, if any. In 1954, the Oregon State Highway Interim Committee, of which I was then a member, wanted to determine the operation of the weight-mile tax in Oregon. The committee hired an independent out-of-State organization, the Stanford Research Institute, to examine the records and results. They spent about 4 months in Oregon making various checks in cooperation with State police, highway officials and other agencies. After a very detailed analysis, they found that Oregon was losing on the first direct return 3.4 percent of the taxes due. This was phenomenally low and did not reflect a true picture of the satisfactory operation of the system because this deficiency was picked up in the course of regular audits by the Public Utilities Commission. I am sure the Stanford report is available if this committee would like to examine it.

The experience of my State amply refutes the implications found in the report of the House Ways and Means Committee on this bill that allowances for nonhighway use, as urged by our and other industries before the committee, would be difficult to administer. Further, I think the principle of our proportionate mileage tax based on allowances for mileage operated over privately owned or maintained roads could be extended to use of tires. The statement of the national association that I have filed covers adequately the fact that rubber is a very substantial item of cost in logging operations due to the classes of roads over which we operate. For this reason, logging operators keep detailed cost records on tire use, sometimes by individual tires upon which refund allowances could be based to the extent these tires are used off the highways. Such allowances might also be based on records kept for nonhighway use of fuel or the weight-mile tax, using the proportionate mileage principle. I might say that all the breaks would be in favor of the Government as our

consumption of fuel and rubber may be 2 to 6 times as high operating over logging roads as over public highways.

In conclusion, I would like to say that highway use taxes are so clearly discriminatory when applied to off-highway use, Congress should immediately and completely recognize the fact in this bill. There is no reason to defer this until studies are made as to whether highway use taxes are equitable as applied to all classes of highway users. Broad powers may be given to the Treasury Department to prescribe regulations governing refund provisions and to place the burden of proof upon the nonhighway user applying for refund of taxes paid. Such refunds should be limited to the tax increases proposed in this bill or to the amount of the new taxes proposed. It is my understanding that Senator MAGNUSON of Washington will offer an amendment to this effect.

PRECISION SKILLS

Mr. MANSFIELD. Mr. President, I understand the Office of Defense Mobilization is now considering the defense essentiality of the jeweled watch industry and its importance to this country. I should like to point out to the Senate that there are some skills which no civilized nation can afford to lose. This we take for granted when we consider the problem of providing food, clothing, and housing for our people. These are obvious needs, and we have insured a continuing supply of these necessities by farm-price supports and by Government-guaranteed housing loans.

Possibly because it is a small industry, as American industry goes, we have overlooked the fact that no nation in our fast-moving world of today can be dependent on another nation for the skills needed to produce timing devices. It is not a mere matter of producing watches and clocks. To keep time in a fixed place is a relatively simple matter. Our problem is vastly complex, since we must be certain that at all times we have the engineering skills and technical know-how to produce devices which will control the movement of objects through space at speeds that are sometimes fantastic.

To do this we must maintain and develop our horological skills. We must be certain we have plenty of men and women who know how to design and manufacture such basic devices as watches, chronometers, and airplane clocks because we need such persons to design and manufacture devices that will guide and control missiles that move at incredible speeds. This latter need was emphasized during the early days of the Korean war, when the Navy found that lives of its pilots, flying planes carrying antitank rockets, were imperiled because of a poorly designed timing device. Our horological engineers were called on to produce an adequate timing device within 30 days.

Fortunately because we have a jeweled watch industry, this was possible. It is in this industry that we find the design and production engineers, the chemists, and the metallurgists who can manufacture not only watches but also timing devices that were undreamed of a generation ago. For example, when the manufacturers of electronic calculators needed a metal tape capable of recording complex and sensitive impressions at extremely high speeds, they turned to the jeweled watch industry to fabricate the metal.

It has been argued that any manufacturer of timing devices can do everything the jeweled watch industry does except make jeweled watches. This is true only to the extent that more often than not the jeweled watch industry has to show the other manufacturers how to do it. During World War II, when the mass production of fuses was imperative, the jeweled watch industry showed a number of manufacturers how to produce the fuses. More recently, when the manufacturer of a new and extremely accurate gyroscope needed parts tooled with the utmost precision, the jeweled watch industry furnished him with them.

If we in the United States underestimate the importance of our watch and clock industry, we can be certain the Russians are not underestimating theirs. In his recent speech to the 20th Congress of the Communist Party of the U. S. S. R., Party Boss Nikita Khrushchev told the assembled comrades that Russia will step up its production of timepieces from 19.5 million a year as of 1955 to 33.6 million by 1960. Since those who make timepieces are the ones who best know how to make timing devices, it is obvious that Khrushchev is less interested in giving the Russians watches and clocks than he is in making certain that Russia's rockets and missiles go off on time.

The Russians are simply responding to a fact of life that we and other nations tend to ignore, namely, that every industrial nation must have its own horological industry. Between World War I and World War II Great Britain allowed foreign competition to destroy its horological industry. As a result, the British had to improvise, and not very adequately at that, when the manufacture of timing devices became imperative in World War II. Now the British have imposed high tariffs and quotas on foreign watches and have provided immense subsidies to watch manufacturers. The French have done the same thing, and so have the Germans.

There is no question at all in my mind that we in this country must turn our minds to the problem of saving our horological industry, and we must do it quickly.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 2286. An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned vehicles;

H. R. 6137. An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alma G. Segers; and

H. R. 10004. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, May 17, 1956, he presented to the President of the United States the enrolled bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilizing of privately owned shipping services in connection with the transportation of privately owned vehicles.

AGRICULTURE ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. AIKEN. Mr. President, I do not wish to take much time today on the bill. In fact, I shall not want to take much time tomorrow, when the Senate will begin to vote on the proposed amendments and finally on the bill itself, because I believe that as the different amendments are proposed, Members of the Senate will understand pretty well what they mean, without any prolonged debate, and I hope we shall be able to conclude action on the bill as early as possible tomorrow.

Let me say, Mr. President, that the bill as reported by the Senate Committee on Agriculture and Forestry does give more hope for the establishment of a soil bank program, and certain other phases of the agricultural program, than did the bill which was vetoed by the President a month or so ago.

The soil bank provisions in the bill are pretty broad. They put a great deal of responsibility upon the shoulders of the Secretary of Agriculture. In writing the bill, we have undertaken to word it so that the Secretary is not instructed to do the impossible for this crop year of 1956.

Under a recent date, Mr. President, I received a letter from the Secretary of Agriculture. The members of the Senate committee are in possession of the letter. However, in order that all Members of the Senate may know the contents of the letter, I ask unanimous consent to have it printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C.

Hon. GEORGE D. AIKEN,
Senate Committee on Agriculture and Forestry, United States Senate.

DEAR GEORGE: This is in response to your request for my comments on the possibility of getting a soil bank into operation on the 1956 crops.

H. R. 10875 contains the following language in section 103: "the Secretary of Agriculture * * * is authorized and directed to formulate and carry out an acreage reserve program for the 1956, 1957, 1958, and 1959 crops * * *."

Section 103 further provides that "Reserve acreage of a commodity may include acreage whether or not planted to the production of the 1956 crop of the commodity prior to the announcement of the acreage-reserve program for the 1956 crop if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil, or clipped, mowed, or cut to prevent maturing so that the reduction in acreage of the commodity below the acreage allotment occurs within 21 days after the enactment of this title, or by such later date as may be fixed by the Secretary."

It is now the second week of May. Wheat will soon be ready for harvest in the southern Great Plains. Winter oats and barley in the southern half of the country will soon be ripening. Much of the cotton is planted. Spring grains are mostly seeded. Corn is being planted. By the end of May 1956, plantings will be virtually completed.

I would not be discharging my responsibility if I failed to point out the grave difficulties associated with trying, at this late date, to get a soil bank operating on 1956 spring seeded crops.

Inclusion of feed grains in the acreage reserve requires the establishment of base acreages for these crops: oats, rye, barley, grain sorghum and corn in the noncommercial area. This means the assembling of data and the determination of bases on 100 million acres. We presently operate programs on 170 million acres. This provision would require an expansion of almost 60 percent in the scope of our operations. It would be necessary for local committeemen to establish for every farm a normal yield for every crop in the acreage reserve. In order to be equitable, one farm with another and one area with another, these yields would have to weight out to county check yields.

Even though we would do our utmost, we could not have this tremendous task accomplished, together with the necessary writing of contracts and checking of compliance, prior to the harvest date for many of these feed crops.

We have gone as far as we could go in making ready for the administration of this program, taking into account the many uncertainties as to its eventual form. But obviously we cannot write procedures before the law is passed, and questions of major importance regarding the legislation are still being debated.

Some may contend that we should omit the established procedure of determining bases and proceed on the basis of unverified data. Our experience is that unless historical data are used, the reported acreage figures may be in error by as much as 30 or 40 percent.

To launch a program like the soil bank at this late date, for 1956 spring-seeded crops, with inadequate data and hastily developed administrative machinery, would have these adverse effects:

1. Participation would be low. Farmers, with their crops already planted and with their investment already made in seed, fertilizer, and labor, would be reluctant to enter the program.

2. The intended reduction in production would not be accomplished. Since participation would be low and since the farmers most likely to come into the program would be those whose crops were likely to turn out below average in yield, the intended purpose of the program—reduction of surpluses—would not be satisfactorily achieved.

3. Costs would be excessive. The inducement necessary to cause a farmer to enter the program would be greater after he has made his outlay of money for production expenses than it would be if contracts could be made before planting.

4. It would be difficult to make the program properly effective in later years. If the program is launched hastily, precedents are established which prevent proper administration for the following years.

5. The program would be discredited in the minds of farmers and the public generally. The soil bank has much promise if it can be properly operated. If, in the first year of its operation, farmers do not participate fully and the program is demonstrably ineffective and expensive, then the program may be erroneously judged a failure. This would be especially true if it becomes a plow-up program. This program should be given a fair chance to operate.

On several occasions, the critical time element in this program has been referred to.

In his discussion before the Senate Committee on February 6, Under Secretary Morse submitted a summary which contained this statement: "If legislative action is not taken prior to April 15 it will be extremely difficult to get a program this year except for wheat seeded in the fall of 1956." This statement was made with respect to the program recommended by the administration, which embodied an acreage reserve program intended to apply only to wheat, corn, cotton and rice. Since then the program has been made more complex and has been extended to feed grains, tobacco and peanuts, thereby adding substantially to the workload. Grazing lands are added in the House bill.

In his April 16 message regarding his action on H. R. 12, the President said: "The long delay in getting this bill makes it too late for most farmers to participate in the soil bank on this year's crops."

In my appearance before the Senate Committee on Agriculture on April 19 I said: "Farmers should know as promptly as possible the terms of the acreage reserve so as to plan for fall crops. Plowing will be underway within 90 days—then comes liming, fertilizing and seeding in rapid succession."

It will take all the time available to prepare properly for a program on crops planted in the fall of 1956. Farmers would be helped far more, in my opinion, by a constructive program beginning on fall crops than by a hasty, ineffective program on 1956 spring crops.

In view of the impracticability of getting a program into operation this year for both spring seeded and fall seeded crops, it is recommended that this bill be amended so that the soil-bank program will commence with the crops planted in the fall of 1956.

Sincerely yours,

EZRA TAFT BENSON,
Secretary.

Mr. AIKEN. In the letter the Secretary points out that because of the lateness of the season, it would be almost impossible for him to apply the provisions of the soil bank this year, particularly to crops which are planted in the spring. I think the tenor of his letter applies primarily to the acreage-reserve feature of the soil bank. However, if we could get a considerable amount of proposed legislation on this subject passed and on the desk of the President in acceptable form in the next week or so, it appears to me that it might be possible before very long to start work on the conservation reserve phase of the soil bank; and then, when fall comes, of course the acreage reserve would be applicable to the crops of wheat and rye, which are planted in the fall, and possibly in some sections of the country to winter oats or barley, although I am not sure as to that.

The bill contains some good provisions, among them provisions which will be of great interest to the small cotton growers of the South, and provisions relating to forestry, which could be very helpful in almost all sections of the country.

In the bill there are 2 or 3 provisions of which the administration does not approve, particularly the provisions relating to mandatory support prices for feed grains. As the bill is written, it would support feed grains at 76 percent of parity for this year, 1956. The reason why 76 percent of parity level was arrived at is this: Noncompliance corn is being supported this year at $1.25 a bushel, which amounts to 71.7 percent of transitional parity which applies to the corn crop this year. That is 75.7 percent of the modernized parity price for corn, and if applied on a comparable basis to feed grains, would provide 75.7 percent supports for grain, sorghums, oats, rye, and barley as their parity prices are computed under the modernized formula. So we have no particular objection to the provisions of the bill which would support feed grains at 76 percent of parity for this year, 1956. In fact, inasmuch as the price has gone up in recent weeks, that probably would result in a support price not far from the market price at the present time.

However, the administration objects to tying the support level for feed grains to the support level given to compliance corn grown in the commercial areas after this year. We do not believe it would be correct to tie the price of feed grains to the price of the higher grades of corn and the highest-priced corn. It is possible that we might agree to support the price of feed grains another year at the same comparable level—I say "the same comparable" level; it might not be the same percentage level—as that at which noncompliance corn is supported in another year, too.

At any rate, tomorrow, when we begin to consider the amendments in detail, we shall take up this proposal, and shall discuss it more fully. I hope we may arrive at decisions—which may entail compromises in some ways—which will enable us to obtain a bill which, even though not fully applicable this year, will be applicable for the fall-planted crops for the next 3 years thereafter.

Mr. DANIEL. Mr. President, will the Senator from Vermont yield for a question?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Vermont yield to the Senator from Texas?

Mr. AIKEN. I yield.

Mr. DANIEL. The Senator from Vermont is familiar with the provision with respect to feed grains which was included in the House bill, is he not?

Mr. AIKEN. Yes.

Mr. DANIEL. It calls for 81 percent support, but requires at least 15 percent of the average acreage for the past 3 years to be put into the acreage reserve or conservation reserve program.

Mr. AIKEN. That is correct.

Mr. DANIEL. Did the committee feel that the change it made would cost the Government more money or less money? In other words, the change which has been made by the Senate committee would not require that any of the acreage be set aside. Some of the feed-grain farmers feel that will cause the planting of considerably more acreage.

Mr. AIKEN. That will depend. The Senate committee changed the bill, so that feed grains would get the same treatment as that given to corn; and that would require feed-grain farmers after this year—they are not required to reduce the acreage this year; in fact, most of it is already planted—to retire an amount of their cultivable cropland equal to 15 percent of their base acreage for feed grains. They could take that out of the land they plant to sorghum or the land they plant to wheat or the land they plant to alfalfa, or even out of the land they plant to good tame hay. If they should take it out of land they plant to hay, it probably would not reduce the overall feed production of the country as much as would be the case if they took it out of land they plant to sorghum, and certainly it would not reduce the overall feed production of the country as much as if they took it out of land they plant to corn.

However, in some places there will be a greater incentive to take it out of land they plant to a higher-priced crop, because they will get more pay for doing so. If they were to take it out of land ordinarily planted to hay or alfalfa, they would receive only the pay which they would receive for putting it into the conservation reserve. If they place feed-grain acreage in the soil bank, they will receive acreage reserve payments, which are much higher. But under the bill, they are required to retire an amount of their overall cropland equal to 15 percent of their feed-grain base acreage in order to get the higher support price next year.

Mr. DANIEL. That is for next year, is it?

Mr. AIKEN. Yes, next year. This year, it is so late that they simply cannot be required to do it.

Mr. DANIEL. Let me say to the distinguished senior Senator from Vermont that the information we have received from the feed-grain producing States is that it is not too late, and that they can comply, and that they would like to see in the bill a provision permitting some of the acreage to be retired from production, so as to avoid overproduction. If we find that to be the sentiment of the feed-grain producers, and that they are giving us the true facts about still being able to comply, what would be wrong—even though this requirement is not made with respect to corn—with providing that for this year, feed-grain producers who retire 15 percent of their base acreage will receive 81 percent support, as the House has provided?

Mr. AIKEN. The House did not provide that next year they would receive any support above the present law, which this year is 70 percent. The House provided that it would be 81 percent next year, assuming that the support level for corn grown in the commercial area in compliance with the acreage allotments was 86 percent. But there is no assurance that that will be done. It is not known what it will be next year.

Mr. DANIEL. Then the Senator from Texas has not correctly interpreted the House version of the bill, because his interpretation of the House version is that it would provide 81-percent support for feed-grain farmers who retire 15 percent of their base acreage.

Mr. AIKEN. Not this year.

Mr. DANIEL. Not this year? I wonder whether the Senator from Vermont has checked on that.

Mr. AIKEN. The counsel tells me that that is only if the acreage reserve program is in effect for corn this year; and undoubtedly it will not apply this year.

However, as the Senator from Texas states, there is still a possibility that some crops could come under the soil-bank program for this year, because I understand that in his section of the country there is still time to plant sorghum.

Mr. DANIEL. Yes.

Mr. AIKEN. Possibly if the bill is enacted promptly it might be applied to some of the northern tobacco fields, where planting is not yet done. From here north, if the tobacco was planted before yesterday, it probably froze last night.

Mr. DANIEL. Would the Senator object to a provision of 81 percent support for those farmers who do lay aside 15 percent of their base acreage for this year?

Mr. AIKEN. I think we would have to do so, because feed grains include oats, barley, rye, and sorghum. The oats are practically all planted.

Mr. DANIEL. Would the Senator object to 81 percent of parity for producers who do lay aside 15 percent of their base acreage and put it in the soil bank?

Mr. AIKEN. Eighty-one percent would be an increase of 16 percent over present supports. I am sure there would be an uproar in most places in the country over that, because, after all, there are only about 220,000 farmers in the United States who produce more than a thousand bushels of feed grain to sell. Most of the States would lose heavily by reason of an artificial increase of 16 percent in support prices. I think the Senator's own State of Texas would lose something like $39 million a year, because there are so many more feeders than there are grain producers. After all, much of the grain which is produced for feed is in the nature of a stepchild. If one crop fails, the farmer can plant another. In the South the farmers can plant sorghum. In the north they can still sow barley.

I shall present figures tomorrow which will show just what the effect on each State would be. Of course, another factor is that acreage allotments for feed grains have not been established for this year. That is one reason why we cannot put the suggested program into effect. It is physically impossible to measure all the farms of the country this year to establish base acreages for feed grains. The Secretary says it is a physical impossibility to do it, so he strongly recommends that anything of that nature go over until next year.

There might be counties in which base acreages could be established—for example, a county in west Texas or east Texas. Possibly base acreages could be established for certain other counties. But for most farms, if the Senator will read the Secretary's letter, which I placed in the RECORD today, he will see that the Secretary points out the physical impossibility of establishing feed grain base acreages this year.

Mr. DANIEL. My question was based upon only those instances in which it would be possible for the base acreage to be figured and for the farmers to comply and retire 15 percent of their base acreage. For example, I think the figures for Colorado, Oklahoma, New Mexico, the panhandle, and south plains of Texas, and Kansas show that producers of about 60 percent of the grain sorghum of the country can still comply, and that quotas can be computed.

My question of the Senator is simply this: In cases where that is possible, with farmers reducing their acreage 15 percent, would we not be justified in paying the higher parity of 81 percent, and paying the 76 percent, as the Senate committee has provided, in instances in which the feed grain producers cannot comply or do not retire 15 percent of their acreage? The point I am driving at is this: Grain farmers tell us that they are going to have a greater over-production than ever unless there is some incentive to cut down their acreage this year.

Mr. AIKEN. I would not agree to that. According to the latest estimates of the Department of Agriculture, the feed-grain growers have voluntarily reduced their plantings this year about 6 million acres, which is about 4 percent below last year. Texas happens to be 1 of 4 or 5 States of the Union in which more than 5 percent of the farm income comes from feed grains. In North Dakota 13 percent or more of the income comes from feed grains. I do not know whether those figures are based upon a normal year or not. The figures I have are for 1954. There has been to some extent compulsory reduction in the planting of wheat and cotton in some years. At 81 percent of parity for the feed grains, if we were to increase the price of what the Texas people buy proportionately, the increased cost of the feed grains would be $26,800,000 a year.

Mr. DANIEL. The Senator means for those who buy the feed grains, does he not?

Mr. AIKEN. That is correct.

Mr. DANIEL. But does the Senator realize that the feed-grain producers are competing with those who buy feed

grain in the poultry business and the cattle business, and that they are glutting the cattle and poultry markets by putting their own feed grains into their own poultry, cattle, hogs, and other livestock?

Mr. AIKEN. What the Senator proposes is to give the feed-grain producers of Texas another 15- or 16-percent increase in the support price, but to require them to reduce their acreage 26 percent, so he would raise the prices and reduce the income.

Mr. DANIEL. I understand that is not true. The farmers from whom we have heard agree that the Senator's figures as to total acreage reduction would be true in some instances. When we consider the 3-year average, it may mean that they are reducing acreage 25 percent, as compared with 1955.

Mr. AIKEN. The 3-year average represents a reduction of 10 or 11 percent from the 1955 figure. If we add 15 percent to that, we arrive at a figure of a 26-percent reduction.

Mr. DANIEL. The farmers who are raising feed grains say that that is exactly what should be done. They say that they should reduce acreage this year, and that an incentive should be given for them to do so; otherwise there will be an overproduction of feed grains. The Senator from Vermont is agreeing that there would be quite a reduction in acreage planted to feed grains if the House version were followed.

Mr. AIKEN. Yes. It is expected that there will be a reduction of about 6 million acres anyway.

Mr. DANIEL. Would not that be desirable, if we wish to cut down overproduction?

Mr. AIKEN. I am not so optimistic as to the completely beneficial effects of the soil-bank program as are some of its advocates. This is pure guesswork. I have no crystal ball. I doubt whether any real surplus of feed grains will be produced this year. I do not believe the amount we have on hand will be reduced to any great extent, but I do not think it will be added to.

Mr. DANIEL. The producers, who say that they speak for quite a few of the grain growers in Colorado, Oklahoma, New Mexico, Kansas, and Texas, represent to us that under the provisions of the Senate bill there will be a greater probability of overproduction of feed grains, because there is no incentive for them to reduce their production.

Mr. AIKEN. Certainly if there were a stronger price incentive there would have to be stronger controls, in order to hold production in line.

I will say to the Senator from Texas that I have noticed quite a reduction in the volume of our correspondence relating to farm legislation. Since we began discussing this subject a couple of months or so ago soybeans have gone up to $3 a bushel. Hogs have gone up to 17 cents a pound, and 4 inches of rain have fallen over a great area of the country which was suffering the most. Any one of those three things will probably do as much good this year as whatever legislation we may enact. At the same time, I think we should try to have a good bill enacted, so that we can put into effect the conservation reserve feature of the program this summer, and, when the time comes to plant winter wheat, put the acreage reserve program into effect.

Mr. DANIEL. Mr. President, am I to understand that the Senator from Vermont will support the Senate committee's version of the feed-grain proposal?

Mr. AIKEN. For this year; yes.

Mr. DANIEL. For this year?

Mr. AIKEN. Yes. In that respect we would split the differences so far as the House figures are concerned, and instead of providing no increase at all this year, and 16 percent next year, we would split it, and have 76 percent support for this year. I will go along with that. That is a very substantial increase, although the market price for these feeds has been working up, and the price in the open market is pretty nearly up to that support price.

Next year, if there is a support price for noncompliance corn—and I expect there will be—then we can give the feed grains a comparable support.

It seems to me this is a pretty fair arrangement. If we can work it out, together with 1 or 2 other things, there should not be too much trouble about getting the bill through quickly and in such shape that there will be no reason to question it. I am inclined to think that, although it might not reduce the total supply of feed grains quite so fast as the Senator from Texas would like to have it done, it would not result in any increase, or much of an increase, this year, because, except for the Senator's own territory, and a little of the barley area, feed grains have already been planted.

Mr. DANIEL. As I understand, the exception would apply to about 60 percent of the country's grain sorghums.

Mr. AIKEN. We have left the bill in such shape that if the Secretary of Agriculture finds it physically possible to do so, he may put an acreage reserve into effect in some of the sorghum areas this year. I do not know, but I suppose in the Senator's State planting is done until the first of July, in some areas.

Mr. DANIEL. I believe that is true.

Mr. AIKEN. The Secretary would have authority to take such action if he could physically do it. However, we cannot establish base acreages in that length of time, from which base acreages there would have to be taken off 15 percent if he participated in the acreage-reserve program for feed grains only. That could not be done this year. Therefore, we have let the farmers go into the conservation reserve this year and will support their product at 76 percent. Those two things will create better conditions than last year, but probably will not reduce the total production as fast as the Senator from Texas thinks it ought to be reduced.

Mr. DANIEL. I thank the Senator from Vermont. I should like to ask him to consider the statements and telegrams and other messages from producers who contend that the quota can be established, at least on sorghum grains, and that they would like to be required to take a cut, if the parity price incentive could be provided.

Mr. AIKEN. The Senator from North Dakota [Mr. YOUNG] is on the floor, and I believe he will agree with me that we have left the bill open for the establishment of base acreages if it is found physically possible to establish them. However, it must be remembered that 2 million farms must be measured before all farm base acreages could be determined.

Mr. ANDERSON. Mr. President, when we come to vote on the farm bill tomorrow, we shall have to give careful consideration to an amendment which I understand will be proposed, to strike out the quota on extra long staple cotton. I desire to comment briefly on that.

The problem which seems to arise in connection with extra long staple cotton concerns a provision that would make the bale import quota apply to all cotton having a staple length of 1⅛ inches or longer. Our difficulty seems to have resulted from the importation of Peruvian cotton of an inch and eleven-sixteenths and longer.

When the first proposals were made in the Committee on Agriculture and Forestry, they were designed to bring under control the importation of Peruvian cotton, and were not designed to strike the Egyptian long-staple cotton provision.

At that time it was felt that the Peruvian cotton, which was exempted in 1940 for defense purposes, should remain as it was, that it should be used for defense purposes; that if not used for defense purposes, it should not be imported. First a few hundred bales came in; then a few thousand bales; now there are fourteen or fifteen thousand bales coming in each year; and in a short time, there will probably be 30,000 bales, as American capital goes into Peru and develops a new type of cotton for export to the United States. This is completely contrary to what had been our original understanding.

The inch and eleven-sixteenths cotton is not grown in the United States, and there was no real objection to letting a small amount come into this country when the Government needed it for parachutes, and things of that nature. However, when it is used as a means of forcing a reduction in Egyptian quota, and making impossible the sale of American long-staple cotton, I think it is a mighty bad thing, Mr. President.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. The Senator from New Mexico said that the Government has to have some of that cotton in order to make certain materials which are being used now.

Mr. ANDERSON. That is correct.

Mr. JOHNSTON of South Carolina. Certain mills have been adjusted to use that particular type of cotton, and it is necessary that they have some of it.

Mr. ANDERSON. Yes; there is no question about that. I concede to the Senator from South Carolina that so long as the cotton is brought in for the manufacture of materials under Army con-

tracts, there can be no valid objection against it; and I have never had any objection under those circumstances.

Mr. JOHNSTON of South Carolina. We do not need large amounts of it, as we did during World War II. At that time we needed three or four hundred times the amount we need at the present time.

Mr. ANDERSON. That is correct. My hope has been that, in trying to handle this extra long staple cotton provision, we will not create trouble all over the world. We are merely trying to correct a situation arising from the importation of Peruvian cotton in quantities far beyond those contemplated when the act was in effect.

Originally I sought to amend the language of the provision, so that at no time could the importation exceed a certain number of bales. Someone said, "Well, a war situation might arise, when the country would want to have a lot of it in a hurry."

I do not believe Congress would take very long to change such a provision if the occasion arose. However, we could still provide that, except upon the certification of the Secretary of Defense that the cotton was needed for defense purposes, the amount of cotton should not exceed—and insert the number of bales that would be reasonable.

Unfortunately, language was placed in the bill in a different fashion, and attempts may be made to strike the whole thing.

I wish to point out that the American grower of long staple cotton, who is largely located in California, Arizona, New Mexico, and western Texas, has just as much right to his market as do the Peruvians and Egyptians. If we tamper with this too long, and make too many restrictions, I believe we will find the American producer insisting that we go still further in the barring of these importations. That, I think, would be unfortunate.

Furthermore, the people in the Southwest have been disturbed by the insertion of an amendment which will fix and freeze for the next 3 years for States the allotments for upland cotton.

I desire to ask unanimous consent to have printed in the RECORD a table showing the 1956 and calculated 1957 State acreage allotments for upland cotton, calculated on the basis of present provisions of law; then calculated on a national output of 17,391,304 acres, allotted to the States on the basis of present law; and then the same allotments allotted on the basis of 1956 allotments.

I recognize that the able Senator from South Carolina is the author of that amendment. However, I point out that the amendment takes 140,000 acres from the State of Texas, about 18,000 acres from Arizona, some 27,000 acres from California, and only 4,500 acres from New Mexico; but I believe it is unwise for producers of cotton to start bringing this fight up again. We have fought this fight on the floor of the Senate several times. The able Senator from Mississippi [Mr. STENNIS] has twice brought up this provision against small acreage for his section of the country, and we fought at the expense of the Western States.

This time, after the amendment was again defeated, the Senator from Mississippi said, "Surely, we ought to give a small acreage to those States that are in trouble." Therefore, Mr. President, there is provided in the bill 100,000 acres to accomplish that objective. I thought it would give a temporary breathing spell. But when the attempt is made to take 140,000 acres away from the State of Texas and deny the principle of growth which is used in the wheat acreage allotments, in tobacco allotments, and throughout the whole agricultural program, I think the States attempting it are going to make it pretty difficult for the States which will be affected by it not to wage as militant a fight against it as they possibly can. There are certain people who would like to see all the other cotton provisions stricken from the bill and let this provision go through.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. I know the Senator from New Mexico wishes to be fair. I have tried to get estimated figures for the years 1956, 1957, and 1958. We will take away approximately 139,000 acres from Texas in 1957, but we will yield back to Texas the next year a little more than she would otherwise get, approximately 111,000 acres.

Mr. ANDERSON. I hope the junior Senator from Texas is listening to this discussion, because that is approximately 110,000 acres which Texas would have gotten anyway. It is like saying that the able Senator from Mississippi has just cashed a paycheck and has the money in his pocket, and I am going to take it out of his pocket, because, soon, he will receive another paycheck and he can put it back.

We feel pretty keenly about this, and I hope people who are interested in reserve programs on wheat, tobacco, rice, and various other commodities will recognize it for exactly what it is, namely, a failure to follow the principle of growth and to recognize the existence of a 5-year program which was set up under the law.

I again state that so far as many of the people in the Southwest are concerned, they have not worried about the 2-year freeze. If it did not take place, the cotton acreage could come down from 17,400,000 acres to approximately 14 million acres, and if the Secretary of Agriculture wishes to do so he could apply it on a harvested basis as on a planted basis. If he applied the program on a harvested basis, cotton acreage would come down to 14,600,000 acres.

If that is what we want to face, let us face it, because some people would rather see all of it stricken from the bill than to have this question come up again.

Mr. President, I should like to have the table to which I have referred printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

1956 and calculated 1957 State acreage allotments for upland cotton

State	1956 upland cotton acreage allotments	Calculated 1957 State allotments on basis of present law and proposed amendments		
		Present provisions of law [1]	National allotment of 17,391,304 acres apportioned to States on basis of present law for States [2]	National allotment of 17,391,304 acres apportioned to States on basis of 1956 State allotments [3]
(1)	(2)	(3)	(4)	(5)
Alabama	1,025,141	905,503	994,116	1,025,141
Arizona	343,640	328,995	361,190	343,640
Arkansas	1,424,511	1,271,412	1,395,832	1,424,511
California	782,405	737,294	809,446	782,405
Florida	36,974	34,111	37,449	36,974
Georgia	903,221	805,369	884,183	903,221
Illinois	[4] 3,110	[4] 3,110	[4] 3,110	[4] 3,110
Kansas	[4] 29	[4] 29	[4] 29	[4] 29
Kentucky	7,799	6,841	7,511	7,799
Louisiana	610,891	543,435	596,616	610,891
Maryland	[4] 25	[4] 25	[4] 25	[4] 25
Mississippi	1,646,562	1,458,671	1,601,416	1,646,562
Missouri	378,055	341,192	374,581	378,055
Nevada	[4] 2,324	[4] 2,324	[4] 2,324	[4] 2,324
New Mexico	179,378	167,373	183,753	179,378
North Carolina	483,932	428,152	470,050	483,932
Oklahoma	845,616	755,397	829,320	845,616
South Carolina	726,193	649,484	713,043	726,193
Tennessee	563,491	510,886	560,881	563,491
Texas	7,410,893	6,877,025	7,550,010	7,410,893
Virginia	17,114	14,956	16,419	17,114
United States	17,391,304	[5] 15,841,584	17,391,304	17,391,304

[1] Since 1955 measured acreage is used in lieu of the adjusted State acreages as provided by law the actual 1957 State allotments would vary from those shown in this column with a national allotment at this level.

[2] Minimum State allotments based on present available data.

[3] National acreage allotment based on present provisions of law and currently available data with respect to yields and acreages.

[4] Based on proposed amendment to freeze national allotment for 1957 at not less than the 1956 level.

[5] Based on proposal to freeze 1957 national allotment at not less than the 1956 level and to apportion national allotment to States on basis of 1956 State allotment.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. JOHNSTON of South Carolina. As I stated, in 1958 they will get 111,000 acres more than they would have gotten if it were not for this amendment. So we subtract 111,000 from 139,000, and that is the amount that Texas is penalized—only that much.

Mr. ANDERSON. Mr. President, the able junior Senator from Texas is engaged in a primary fight, and I am not seeking to embarrass him. He is a very fine Member of this body, for whom I have nothing but the highest respect and the kindliest feelings, but I can see him going up and down the length and breadth of Texas, saying, "Do not worry. We are taking only 14,000 acres from you."

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. ELLENDER. Does the amendment actually take that acreage away?

Mr. ANDERSON. I have just placed in the RECORD a table which shows that it takes it away.

Mr. ELLENDER. The Senator knows that cotton acreage has been reduced from year to year; it has been taken from Southeastern States and has gone to the Western States—not vice versa, as the Senator has stated.

The national cotton acreage is and has been very small. It is now reduced to 17,300,000 acres. I think it would be no more than fair that it be frozen, not only at a national level, but at the State level as well. The Senator well knows we are providing in this bill for an overquota 100,000 acres in order to help the small farmer.

Mr. ANDERSON. All of which, or nearly all, goes to the Southeastern States.

Mr. ELLENDER. A few acres go to California and some other States. The bulk goes to the historic cotton area because the farms there are smaller than the western farms. Their acreage has also been reduced much more, proportionally, than in the West. We are placing the 100,000 acre figure in the bill now so as to permit small farmers to have enough acreage to live on. If the amendment which the committee has placed in the bill is stricken, it will mean that many farmers will be again subjected to reductions in acreage. The bill as it is now drafted and presented will give to every State, next year and the year following, the same amount of cotton acreage that is planted this year.

Mr. ANDERSON. Would the Senator be satisfied to have that provision written into the bill with reference to rice and other agricultural commodities?

Mr. ELLENDER. Yes. Let me say to my good friend from New Mexico that we have reached rockbottom when it comes to the allocation of cotton acres. This is only a temporary measure; it is not to be permanent. It is in order to give to the farmers of the country the same amount of acreage as they have this year—all the farmers, not just a few.

Mr. ANDERSON. What happens to history in that situation?

Mr. ELLENDER. It remains "as is."

Mr. DANIEL. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. DANIEL. Is it the interpretation of the distinguished chairman of the committee that there will be no cut below the present acreage for this year in any State?

Mr. ELLENDER. That is exactly correct. Every acre that is planted to cotton in Texas this year will be received by Texas next year. The same is true of Louisiana. In other words, what the bill does is to freeze the acreage on a State as well as on a national basis.

Mr. DANIEL. Where does the extra hundred thousand acres come from?

Mr. ELLENDER. That is over and above the national allotment.

Mr. ANDERSON. Mr. President, the amendment was presented by the Senator from Mississippi. We fought it on the Senate floor, and it was rejected. Then the Senator from Mississippi said, "Give us a chance. Give us just a little bit for our farmers." It was a most compelling argument. So, in the closing minutes of the discussion we said, "All right; put it in." Now they say, "Having got 100,000 acres, let us take 100,000 acres more off Texas; let us take 25,000 acres off California——"

Mr. ELLENDER. The Senator knows that is not correct; the amendment takes no acreage from any State. How can it be said that something is being reduced when it is unchanged? The Senator is incorrect in his statement.

Mr. ANDERSON. What is correct?

Mr. ELLENDER. The point is that as the situation now stands, cotton acreage would be taken in future years from those who now have reached rockbottom as far as their cotton land is concerned because of a little gadget put into the law long ago. Acreage is taken from one area and given to another. That is how, in my humble judgment, the cotton farmers in the West have increased their acreage so much. I do not want to take anything from the State of Texas or from the State of New Mexico. I do not want to take from them one single, solitary acre of cotton that is being planted this year. All I am asking, I may say to my good friend from New Mexico, is that since we are in the process of freezing cotton acres on a national basis, they should be frozen also on the State basis. If a freeze is justifiable—and I believe one is—then we cannot in good conscience freeze national acreage and yet continue to permit farmers in one area to increase allotments at the expense of farmers in another area. To be fair, a freeze should be a complete freeze. I do not know of anything fairer than that.

Mr. ANDERSON. The unfair part of it is that if the amount of acreage allotted to Texas, which it has earned lawfully under the present law, and would earn lawfully, instead of——

Mr. ELLENDER. "Would earn"—"earn" being defined as "taking from others." They took it from Louisiana. Louisiana will lose 8,000 acres, and Mississippi will lose 45,000 acres, although the allotments for the entire country are frozen at 17,300,000 acres, the same as was established for 1956.

Instead of cotton farmers having to come back to Congress and ask for more acres, through an increase in the national allotment, we simply say, "Be satisfied with what you receive on a 17,300,000 national acreage basis." Let us freeze that for 2 years, not only on a national basis, but also on a State basis.

As I said, the State of Texas will receive the same number of acres in 1957 and 1958 as was received in 1956.

Mr. DANIEL. Does the Senator mean the same number as Texas planted in 1956, as distinguished from the number of acres which were allotted?

Mr. ELLENDER. The same number as Texas was allotted, because the allotted acres are what count.

I do not see why all of the cotton States should not be put on the same basis in trying to live with the soil bank. If in Texas, and in Louisiana and Mississippi, as well, some of the cotton acres are not actually planted, they can be put into the soil bank. If a farmer has 7 or 8 acres he does not want to plant, he can put those acres in the soil bank and receive a fair return, a return which I understand would be about equal to what he would make if he had planted the acres.

I know the Senator from New Mexico is fair. I hope that before we reach a vote on the bill, he will consider that we have tried from time to time to assist the small farmer. The Senator from New Mexico has cooperated to the extent of voting that 100,000 acres over and above the national allotment be included in the bill so as to assist the small farmers. I am sure he is willing to be 100 percent fair, and not insist that, although the Congress freezes the national acreage allotments for 1957 and 1958, at the same level as in 1956, Louisiana, Mississippi, and other States must still receive less acreage than in 1956 in order to give some western States an increase over 1956.

Mr. ANDERSON. That is exactly what I am suggesting. When we reached 100,000 acres, that was to be the end. Now we are aggravating the situation by adding a new fight.

I am merely saying, as the Senator has suggested, that the fact that some States lose and some gain is nothing new.

My first experience in the House of Representatives a good many years ago was when the 1940 census had been completed. It was the responsibility of Congress to reapportion the membership of Congress. Why is not a bill introduced to provide that the present membership of the House of Representatives shall be frozen for the next two decades, so that California will not gain a few Representatives, and other States will not be hampered by having the number of their Representatives reduced because they have not grown in population quite so fast as some of their sister States?

But do we do that? No. We provide for apportionment on a basis which is automatic. It is not necessary to have Congress pass a law. We simply recognize the right to reapportionment on the basis granted. Agricultural legislation has been based upon that principle.

Why should anyone want now to say to the Senator from Arizona that he should be quiet, he should not object to this, he should go home and tell the people of his State that, after all, Congress allotted 100,000 acres to the Southeast, and they are not satisfied with that; they have to have some more? Why should he keep quiet while 27,000 acres are taken away from his State? Only 4,500 acres are affected in my State. I can be completely satisfied, if others want to keep quiet about it; but I think it is unfortunate that we are getting into this kind of fight again.

I have received several telegrams, which perhaps I need not place in the RECORD, but I intend to offer an amendment to strike from the bill those provisions which would prevent the principle of growth from operating. I hope the Senate will not unduly complicate the situation existing in the Cotton Belt by insisting that the States be penalized in this fashion.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. HAYDEN. How does it happen that there has been a gain in acreage in the Southwest and in California, and a loss of acreage in parts of the South? Is that because land went out of cultivation in one area, and was put into cultivation in the other?

Mr. ANDERSON. That is due to many things. When I introduced the Cotton Acreage Adjustment Act of 1949, the bill was the result of hearings held across the entire Cotton Belt. A hearing had been held in Fresno, Calif., which was attended by farmers from the State of the able Senator from Arizona, by farmers from California, and by a few farmers from Nevada and New Mexico.

There had been a great meeting at Forth Worth, Tex., which was attended by farmers from Arkansas, Louisiana, Texas, Oklahoma, and some of the other States.

There had been a meeting in Atlanta, which embraced the southeastern tier of States.

At those meetings we tried to find some basis on which to amend the cotton acreage adjustment law, because, as had happened at the end of World War II, it looked as if the cotton acreage was going to shift out of the deep South into the more efficient producing areas, from Georgia and Mississippi to the areas of Texas, Arizona, New Mexico, and California. In order that that shift might be helped and might be made a little more orderly, quotas were set on the basis of acreages planted in those States during the preceding 5 years.

The study at that time recognized that the acreage would gradually shift to the West, and the appeal was, Do not close the acres out too fast. Let the Southeastern States, where the problem is more difficult, take a little more time. You will see new types of agriculture develop, and new uses of the land will come into operation. There will be a change in the picture.

Mr. HAYDEN. That is what I understand has taken place.

Mr. ANDERSON. That is what has taken place. One can go into the State of the able Senator from Florida [Mr. HOLLAND] and find that a livestock industry has been developed there. If the farmers of Florida had been told that there would be cotton forever, I do not know how much of their land would have been planted to cotton. Similarly, such development is taking place in Georgia and Mississippi. Those States now comprise one of the remarkable agricultural areas because of the importance of livestock.

To insist that these past actions were wrong in order to halt obvious growth is something I cannot understand.

Mr. HAYDEN. I wanted to make it clear that the reason for this trend is that cotton can be produced at a lower cost per pound in the western area than it can be produced anywhere else in the United States. Second, the grades of cotton which are grown in that region are marketable; they do not go into the loan.

Mr. ANDERSON. I think that is true. I think perhaps it is fair to say that all the cotton grown in California is shipped without ever going into the loan; or if it does go into the loan, it does not remain there long. As I recall, one man put a block of a million dollars worth of cotton into the loan. A great outcry was made. I said, "I know that man. The Government will not lose anything on that." In a short time, he had moved all his cotton.

Mr. ELLENDER. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield to the Senator from Louisiana.

Mr. ELLENDER. I desire to say to my good friends, the Senator from Arizona [Mr. HAYDEN] and the Senator from New Mexico [Mr. ANDERSON], that I do not want to quarrel as to any cotton farmer who has shifted from the production of cotton to a more profitable crop, and who has in the process abandoned his acres of cotton. I have no sympathy for him; he should have continued in the growing of cotton if he desired to maintain his base acreage. But here we have a situation that is different from that which prevailed at the time suggested by my good friend from New Mexico. Cotton acreage allotments have now been reduced to the point where it hurts. The national allotment is down now to 17,391,000 acres. I am sure the situation which will prevail in the Southeast, as well as the Southwest, in regard to the planting of cotton, will be different in 1957 and 1958 from what it was 4 or 5 or 6 years ago.

We have provided in the bill for a soil bank. Those cotton farmers who will not see fit to plant their allotted acres to cotton can put those acres in the soil bank. What is going to happen is that, no matter if Louisiana or Mississippi or any other Southern State plants all its allotted acres, or puts part of them into the soil bank, the formula which has been in the law for quite some time will cause those States to lose additional allotted acres in 1957 and 1958, partly because of trends and partly because of unusual conditions which caused Texas to plant a million and a half acres of wheatland to cotton in 1951.

I repeat, I am not here criticizing my good friends from New Mexico and Arizona about what has happened in the past, nor am I trying to blame them because some cotton farmers did not plant all of their allotted acres in the past. As cotton plantings in the West increased, there has been a steady shifting of cotton acreage allotments to the West. That shifting of allotments occurred in 1956, and it will occur in 1957 and 1958 if the Senate committee amendment is not adopted.

We have now reached the situation where cotton acreage has been reduced to a minimum. Additionally, the provisions in the bill creating a soil bank will result in every allotted acre being either planted or placed in the soil bank. We are freezing the national acreage allotment at the 1956 level to prevent further reductions being imposed on our cotton farmers. Under these conditions, I say it is morally wrong for farmers to have to suffer additional reductions in 1957 and 1958 because of a gadget in the old law, especially when those acres are being passed on to a few States in the West.

The conditions today are far different from what they were in the past, and I hope that before my friend from New Mexico offers his amendment he will sleep on it overnight and see the justice in what I am pleading for.

Mr. HAYDEN. Mr. President, will the Senator from New Mexico yield?

Mr. ANDERSON. I yield.

Mr. HAYDEN. If the trend has been such that there has been less acreage planted in the Southeastern States and more acreage planted in the West, that trend was due to the fact that it was to the advantage of somebody in the Southeastern area to put the land which was used for the growing of cotton into other crops.

Mr. ANDERSON. I can say to the Senator from Arizona that some years ago the Commissioner of Agriculture in the State of Georgia, Mr. Tom Linder, printed a story in which he said cotton ought to be $1 a pound. His idea was that it took that much money to raise cotton. Well, it did not; but there are areas where the raising of cotton is expensive, and there are areas where it is raised more cheaply.

The Senator from Arizona, whose State would really be hurt by the amendment, should recognize that the same acreage would be planted in 1956, 1957, and 1958, which would give his State 3 of the 5 years, and affect its acreage forever, and that if his state is tied to those acres there will be no opportunity for the factor of growth to operate, and the State will be signing away forever the possibility of it.

Mr. HAYDEN. The trend should be recognized, and there should be some provision in the bill whereby the trend could continue as it has in the past, but if temporarily it was desired to allow more acreage to the South, that would be a very different proposal.

Mr. ANDERSON. Yes.

Mr. HAYDEN. Because the basic law would remain unchanged, and those areas where there was legitimate demand

for increased acreage could have it and the law would allow it.

Mr. ANDERSON. Mr. President, I should like to continue this colloquy with my able friend the Senator from Arizona, but I understand the sugar bill conference report is ready, and I do not want to do more at this time than offer an amendment, which I ask to have printed and lie on the table.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. ANDERSON. Mr. President, I also ask unanimous consent to have printed in the RECORD, at this point in my remarks, a statement which I have had prepared on the proposed adjustment in import quota of extralong staple cotton; also a telegram I received from John L. Augustine, head of the Farm Bureau of New Mexico; a telegram from James F. Cole, president, Dona Ana County Farm and Livestock Bureau; and a telegram from Fred G. Sherrill, of Los Angeles, Calif.

There being no objection, the statement and telegrams were ordered to be printed in the RECORD, as follows:

STATEMENT ON PROPOSED ADJUSTMENT IN IMPORT QUOTA OF EXTRA LONG STAPLE COTTON

1. EFFECT OF ADJUSTMENT

Section 304 (a) of H. R. 12 would have the present 95,000 bale import quota apply, beginning February 1, 1957, to all cotton having a staple length of 1⅛ inches and longer, as did the original quota when it was established in 1939. The exemption for Peruvian cotton (1 11/16 inches and longer) made in 1940 for defense purposes would no longer apply. It is no longer needed by the military.

2. USE OF EXTRA LONG STAPLE COTTON

Either American-Egyptian cotton or Egyptian Karnak cotton can be used satisfactorily for the manufacture of most, if not all, products for which Peruvian Pima cotton is now being used (according to the Chief of the Standards and Testing Branch, Cotton Division, Agricultural Marketing Service, USDA, based on limited data available on the subject). About 60 percent of the extra long staple cotton consumed in the United States is in thread. One-fourth is in woven fabrics, with the rest being used in laces, gloves, machine ribbons, knitting yarns, and miscellaneous products. Almost 90 percent of the Peruvian Pima is used for woven fabrics. Although a smaller percentage of the American-Egyptian and Egyptian grown cottons are used for woven fabrics, the total bales used for that purpose exceed the quantity of Peruvian Pima cotton so used. Mills which use all types of extra long staple cotton report that all types are suitable for woven fabrics. Mills using extra long staple cotton state that Peruvian Pima is not used for thread because it lacks smoothness and does not stand up well in the sewing operation, and that it is too soft and lacks strength for use in machine ribbons. Its use in woven fabrics is based on the prestige built up for fine, silky cotton fabrics known as "Pima," with resulting strong consumer acceptance for "Pima" cottons.

3. ONE AND ELEVEN-SIXTEENTHS INCHES NOT GROWN IN UNITED STATES

United States farmers do not produce a cotton which has a staple length 1 11/16 inches and longer. Lengthening the staple beyond 1½ inches (the approximate length of most extra long staple cotton) does not necessarily improve the quality of cotton. Other characteristics, such as smoothness, strength, uniformity of staple length and maturity are more important than the extreme length of staple. Working in cooperation with United States cotton mills and cotton farmers, USDA has developed satisfactory extra long staple cottons which have a slightly shorter staple length than the Egyptian 1½ inches. By so doing, they have increased yields per acre sharply and have maintained or improved upon other desirable characteristics.

4. ONLY COTTON NOT LIMITED BY IMPORT QUOTA

Cotton having a staple length of 1 11/16 inches and longer is the only raw cotton not subject to import restrictions. It is directly competitive with American and Egyptian grown extra long staple cotton. Compared to the 500 to 1,000 bales being imported in 1940 at the time import controls thereon were suspended, imports have been increasing sharply, having reached an estimated 16,000 bales last year. This compares with 7,000 in 1951, 10,000 in 1952, 12,000 in 1953 and 14,000 in 1954. Aided by a World Bank loan (31 percent of the capital contributed by the United States), Peru is developing irrigation facilities for an estimated 60,000 additional acres to be devoted to cotton. Without quotas, there is on limit to the quantity of United States cotton which can be displaced by Peruvian. From 1950 to 1954, production of United States extra long staple cotton varied from 46,000 to 93,000 bales. The marketing quota on the 1956 crop is 35,000 bales. The quota-free imports of Peruvian cotton last year represented about 40 percent of the United States production.

5. EFFECT OF SECTION 304 (a) ON IMPORTS OF PERUVIAN COTTON

Section 304 (a) will not prevent or stop imports of cotton having a staple length of 1 11/16 inches and longer (Peruvian cotton). The effect would be to require that such imports displace Egyptian cotton rather than United States-grown cotton. Any additional expense incurred by importers of Peruvian cotton as a result of section 304 (a) would be offset by the present tariff advantage of 1¾ cents per pound which this cotton has over other imported extra long staple cotton. The objection to section 304 (a) is believed to be based upon the 5 cents to 10 cents price advantage which Peruvian cotton enjoys over Egyptian- and American-grown cotton.

6. TIMING OF IMPORTS

The present quota opens on February 1. This is timed to fit the Egyptian harvest. The Peruvian crop is harvested about 6 months later. If, at the time the Peruvian cotton was ready for shipment to the United States the global quota had been filled by imports of Egyptian cotton, importers of Peruvian would be placed at a disadvantage. They would either have to buy 6 months further ahead, or some adjustment in the quota should be made. If the attached language were added to section 304 (a), this problem would be adequately dealt with.

LAS CRUCES, N. MEX., *May 16, 1956.*

Senator CLINTON P. ANDERSON,
Senator DENNIS CHAVEZ,
United States Senate,
Washington, D. C.:

We understand Eastland amendment to new farm bill to come before Senate May 7. Would appreciate your doing everything possible to push provision directing Agriculture Secretary to sell cotton at competitive world prices. Check provision pertaining to increased cotton allotments, 1957–58, to see if western areas fairly treated. Understand State Department attempting to delete long staple amendment. Don't let them get away with this. It's time to help our own people instead of everyone else in the world.

JOHN L. AUGUSTINE.

LAS CRUCES, N. MEX., *May 16, 1956.*

Senator CLINTON P. ANDERSON,
Senate Office Building,
Washington, D. C.:

First, we favor the Eastland amendment to make cotton sales for export. Competitive offering of cotton above the world market price is a signal to foreign growers to plant more cotton. Surpluses must be moved in the interest of farm economy at competitive prices. We feel that due to the influences of the State Department that legislation directing rather than permitting this action is necessary. Second, we oppose any provision in the law which allocates increases in cotton allotment equally on a percentage basis. The 5-year provision is a basic part of the law which recognizes the trend in cotton production. Efforts to defeat this will deprive New Mexico of a historic legal right to acreage increases. Third, we are reliably informed that the State Department has contacted Senator H. ALEXANDER SMITH regarding the removal of the provisions which were in the earlier farm bill regarding extra long staple cotton. The provisions concerning global quotas and directing the Secretary to dispose of surplus of extra long staple are essential to the survival of an industry which has gone all out to try to help itself.

JAMES F. COLE,
President, Dona Ana County Farm and Livestock Bureau.

LOS ANGELES, CALIF., *May 15, 1956.*

Senator CLINTON ANDERSON,
Senate Office Building,
Washington, D. C.:

Another amendment to the farm bill H. R. 10875 has come to my attention which (a) freezes the national cotton allotment for 1957 and 1958 so that it will be the same as for 1956, and (b) provides that each State allotment for 1957 and 1958 shall be the same as for 1956. Under present circumstances I would say that the national allotment is amply large and I would not oppose that provision. I cannot see, however, why the result of trends in acreage which reflect essentially sound economic production of desirable qualities should be suspended during this period. This is the provision in the present act which distributes the national allotment to the States on the 5-year average rule. If this is suspended as item (b) above seeks to do, California will fail to get some thirty-odd-thousand acres which it should have, Arizona will fail to get some 20,000 acres which it should have, and New Mexico will fail to get some 5,000 acres which it should have. Inasmuch as the national allotment remains undisturbed it naturally follows that sections of the country producing less desirable qualities than we produce here will be planting our acreage and producing more of those less desirable qualities while we produce less of the more desirable qualities. Please do what you can to let the present law determine how the frozen national allotment shall be distributed. Thanks and best wishes.

FRED G. SHERRILL.

Mr. ANDERSON. Mr. President, in closing, I point out that when the senior Senator from Louisiana asked that additional cotton be given to the small farmers of the southeastern section of the country, it was done on the basis that no planting history should be obtained. I suggest that he might bear that in mind in connection with this question.

EXTENSION OF THE SUGAR ACT OF 1948—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I understand the Senator from Virginia is ready to present the conference report on the extension of the Sugar Act of 1948, which is a privileged matter. In the meantime, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of yesterday.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BYRD. Mr. President, in the case of the conference report on the sugar bill, H. R. 7030, which would amend and extend the Sugar Act of 1948, I am happy to announce a unanimous agreement, after a considerable period of time, on the part of House and Senate conferees on this bill. There were no dissenters on the final version, and the Senate amendments were generally accepted.

I am also glad to state that a few minutes ago the conference report was unanimously agreed to by the House of Representatives.

The House accepted all of a number of perfecting and technical amendments made by the Senate and, in large part, the more important amendments were adopted in full or compromised satisfactorily.

There were three important points of difference between the House and Senate versions of the bill. On one other point the difference was not so great. Those points of difference were:

First. The length of the extension of the Sugar Act. The House version of the bill was for 4 years; the Senate version was 6 years. The Senate conferees receded on this point, and agreed on a 4-year extension. It was uanimously agreed however, that the next extension should be taken up in 1959 to avoid the necessity for any hasty action during the last year of the present extension, and so that farmers and foreign countries can make their plans in advance of planting seasons.

Second. The proportion of increased demand allocated to foreign and to domestic producers. The House voted a 50–50 split. The Senate felt that be cause domestic producers had not been able to share in increased demand for a number of years, the division should be 55 percent of the increase to domestic producers and 45 percent to foreign producers.

The House conferees receded on this point, and the formula of 55–45 was adopted.

Third. The division of increased domestic demand allocated to foreign areas among the various participating countries took considerable compromising. The conferees decided that the element of greatest importance to a foreign country producing sugar was the amount in total that could be exported to the United States. Therefore, total United States requirements over the 4 years of the extension and the total share in those requirements by each country constituted the base from which we worked.

For example, under the House version of the bill, Cuba would have supplied 92.4 percent of the total amount of sugar allocated to the full-duty countries plus Cuba. The Senate version would have granted to Cuba 94.4 percent. The compromise decided upon by the conferees gives 93.75 percent to Cuba. The compromise gives Mexico 1.2 percent, Peru 2.3 percent, Dominican Republic 1.75 percent, and all other countries 1.0 percent.

I understand that the administration will accept these percentages.

Fourth. Both the House version and the Senate version of the bill carried formulas for the allocation of the first 188,000 tons of increased demand among domestic producing areas. Although the formulas were different, there was not a great deal of difference in the expected results. The House conferees receded, and accepted the Senate formula.

I hope the Senate will accept the bill as agreed upon by the conferees. On the major points of difference, the House conferees receded on 2, the Senate conferees receded on 1, and 1 was compromised satisfactorily. Although it would have been impossible to arrive at a solution of this great sugar problem which would make everyone happy, we feel that we have at least divided the unhappiness fairly equally.

I urge acceptance of the conference report.

Mr. BENNETT. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. BENNETT. I should like to make an observation: With respect to the foreign share of sugar, the amount in disagreement was equal only to 2 pounds in 100. In other words, if we set up as a symbol a 100-pound sack of sugar, to represent all the sugar which would come in from foreign producers, there was in disagreement only 2 pounds in 100; and by the compromise we finally saved for Cuba all but two-thirds of 1 pound. So by the compromise, Cuba lost only two-thirds of 1 pound out of 100 pounds; and the compromise agreement is two-thirds in line with the position taken by the Senate, and only one-third in line with the position taken by the House.

Mr. BYRD. I thank the Senator from Utah.

Mr. ELLENDER. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield.

Mr. ELLENDER. I wish to take this occasion to thank my good friend, the Senator from Virginia, from the bottom of my heart for having brought the sugar bill to a conclusion, particularly when he was able to maintain the Senate's version of the bill in respect to the division of the increased amount of sugar which is consumed in the United States because of the increase in our population. As he has stated correctly, the Senate conferees fought for 55 percent of the amount of that growth; and I am glad that is provided for in the conference report.

Again I wish to compliment my good friend, the Senator from Virginia, and also my good friend, the Senator from Utah [Mr. BENNETT], and all other Senators who participated in the conference.

Mr. HOLLAND. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, I wish to express my very real gratitude and my warm compliments to the Senator from Virginia and the other Senate conferees, and to say that I think this is a good bill. As I understand, it stabilizes the matter of sharing on a 55–45 basis in the continuing market; and in the case of the increase after January 1, 1956, above 8,350,000 tons, it divides it on the basis of the same ratio—namely, 55 percent to domestic producers, and 45 percent to foreign producers.

Mr. BYRD. The Senator is correct.

Mr. HOLLAND. For which I certainly congratulate the conferees. Speaking for the sugar industry of my State, which does not always have easy sledding, and will not have under this bill, this arrangement will certainly stabilize the situation remarkably well, and will enable sugar producers to get rid of the stored up surplus, created not by added acres, but by added efficiency and increased production in recent years. The bill will allow the sugar producers to get rid of a surplus which now occupies two very large warehouses. I think that can be accomplished in a period of about 3 years.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. LANGER. How does the conference report treat cane sugar as compared with beet sugar?

Mr. BENNETT. Mr. President, If I may answer that question. The division as between the mainland cane producers and the domestic beet producers was written into the bill in accordance with an agreement between the two industries. With respect to the first 165,000 tons, they will be shared on the basis of 51½ percent to beets and 48½ percent to cane. Thereafter they will return to their original relationship, which will be based upon the difference between, roughly, 1,880,000 tons and 582,000 tons,

or something of that kind. But we established a comparatively even relationship for the first 165,000 tons. Thereafter it reverts to the longtime relationship which existed under all previous legislation.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BARRETT. I wish to commend the chairman of the Finance Committee and other members of the committee for the fine work they did in connection with the conference report.

Let me say to my distinguished colleague from Florida [Mr. HOLLAND] that his State is not the only one which has been experiencing some difficulty so far as sugar is concerned. We in the sugar beet area have also been in considerable difficulty.

I am very much pleased with the provisions to which the distinguished Senator from Utah [Mr. BENNETT] has just referred. As I understand the situation, the first 165,000 tons over and above the base of 8,350,000 tons will go to the domestic producers, 51½ percent to beet sugar, and 48½ percent to cane sugar producers.

Mr. BENNETT. It is not quite that way. It is the first 165,000 tons produced, over the base of 55 percent.

Mr. BARRETT. I understand. That is the amount which is allocated to this country.

Mr. BENNETT. That is correct.

Mr. BARRETT. The point which pleases me very much is that, as I understand, the estimate for this year is in excess of 165,000 tons increase, and consequently, the domestic producers will receive some benefit immediately from this legislation. So I am especially pleased about that particular provision in the conference report. Again I commend our conferees for their fine work. I think this is an excellent bill. The division, on the historic basis of 55 to 45, has now been reaffirmed, and we are now in such a position that we can look forward to some measure of prosperity in the sugar beet and sugar-cane industries.

Mr. HOLLAND. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. HOLLAND. Am I correct in my understanding that the reason for making a distinction in favor of cane sugar in the first year's distribution of the surplus was the fact that the cane sugar producers have on hand a much greater surplus, proportionately?

Mr. BYRD. That is correct.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. SMITH of New Jersey. As a member of the Committee on Foreign Relations, I have been asked by our Filipino friends why, as they claim, they were discriminated against by being omitted entirely from participation in any increase in sugar consumption. I should like to have that explained for the RECORD, so that I may properly advise my Filipino friends.

Mr. BENNETT. Mr. President, the Senator's Filipino friends have been told repeatedly that their participation in the American sugar market is on the basis of a treaty. The Finance Committee has no authority to open up existing treaties. Members of the Finance Committee have never felt that the Filipino share could be considered by them. If the State Department wishes to increase the allotment of sugar to the Philippines, it should be prepared to open up the general Philippine treaty and handle it through the regular channels, which includes handling it through the Senator's committee.

Mr. SMITH of New Jersey. Then is it fair to say that there was no intention on the part of members of the conference committee from either the House or the Senate in any way to discriminate against our Filipino friends?

Mr. GEORGE. Mr. President, if the chairman of the committee will yield to me, the Philippines have a treaty, and that treaty governs sugar shipments into this country and the quotas. Under the treaty the Filipinos have preferential treatment, which will extend, as I recall, until 1970. We were clearly of the opinion that there was no discrimination against the Philippines. They already have an advantage.

Mr. SMITH of New Jersey. I wished to make it clear for the record that there was no intentional discrimination.

Mr. GEORGE. None whatever.

Mr. MILLIKIN. Mr. President, I wish to congratulate the Senator from Virginia [Mr. BYRD] for the very able work he did on the sugar bill in conference.

I wish also to congratulate the Senator from Utah [Mr. BENNETT], who did so much active work in bringing about the 55–45 division, which is traditional, and which is an improvement over the present situation. It gives better recognition to the home production of sugar.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

AMENDMENT OF INTERNAL REVENUE CODE OF 1939, RELATING TO PATENT RIGHTS

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 6143) to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BYRD. Mr. President, I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BYRD, Mr. KERR, Mr. FREAR, Mr. MILLIKIN, and Mr. MARTIN of Pennsylvania conferees on the part of the Senate.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. YOUNG. Mr. President, I should like to make some very brief remarks today on the feed-grain provisions of the pending agricultural bill; and tomorrow, when we consider the bill and its amendments, I shall discuss further the feed-grain amendments and other provisions of the bill.

Last fall the price of hogs dropped to $9 or $10 a hundred pounds, and the corn price dropped to 95 cents or a dollar a bushel, in most Midwest areas. Always when corn and other feed grain prices drop, hog prices and cattle prices sooner or later follow. They usually follow shortly afterward.

Taking recognition of the fact that low feed grain prices, particularly low corn prices, mean continued low prices for hogs and cattle, Secretary Benson not long ago established a support price for corn in the commercial area at $1.50 a bushel, and another, new price support, which we have never had before, of $1.25 a bushel, to noncompliers, or those farmers who fail to comply with any acreage allotments. In addition to that, he established at least two more price-support levels in the noncommercial area.

The whole object, as I understand it, of this action was to prevent more free corn from going on the cash markets in the fall, and thus depress the cash price of corn.

I say again that he felt, and rightly so, that low corn prices mean low hog prices and low cattle prices.

The minority views of the Committee on Agriculture and Forestry, are rather amazing. They are almost in complete contradiction to what Secretary Benson did only a short time ago in establishing these higher price support levels for corn.

I should like to quote from the minority views as published in the report of the committee:

> 2. Prices of feed livestock would be reduced.

That is, if the feed grain provision in the bill prevailed.

> In deciding how much they can pay for feeder cattle, Grain Belt men figure the probable price of the finished animal and deduct the cost of feed. The higher the price of feed in the Grain Belt, the lower the price of feeder cattle on the western range.

Mr. President, no responsible cattlemen or hogmen would agree with that position. All of them know that continued low prices for feed grains and abundant supplies mean that farmers will translate those cheap grains into more and more production and surpluses of hogs and more and more production and surpluses of beef.

I should like to say that, with respect to the average farmer in the Midwest, particularly in Iowa, the price he gets for hogs represents the price he gets for his corn, because he puts practically all of that corn he produces on the market through hogs or cattle. If there is an abundance of cheap feed grain, and excessive feeding and excessive supplies,

down goes the price of hogs and down goes the price of most everything that that farmer has to sell.

I should like to place in the RECORD figures which I obtained from the Department of Agriculture only yesterday. They gave the average price of feed grains for the past 10 years; that is, for oats, barley, sorghums, and corn. It also shows the price of feeder cattle and other cattle.

It will be noted from this table that the price of feeder cattle and the price of hogs follow almost exactly the price of feed grains, such as corn, wheat, oats, and others.

It is true that if feed grains remain cheap this fall, many cattle feeders may buy more cattle than they ordinarily would, hoping that they can feed the cheap grain to their cattle; and even if the cattle prices do not go up very much, at least they will not lose very much money.

That is what happened to a large extent last fall. Feed grain prices were cheap, and cattle feeders paid a little more than they ordinarily would, believing that with the very cheap grain they would still make a little profit. I believe that most of them will be mistaken. They will not make any money, some may lose even with present grain prices.

I ask unanimous consent that the table be printed in the RECORD, as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Year	Oats (per bushel)	Barley (per bushel)	Corn (per bushel)	Grain sorghums, soybeans		Beef cattle (per hundredweight) [1]	Stockers and feeders cost at Kansas City	Stockers and feeders average cost of 4 markets
				Per hundredweight	Per bushel			
1946	$0.805	$1.38	$1.53	$2.48	$2.56	$14.50	$15.87	$15.80
1947	1.04	1.73	2.16	3.27	3.34	18.40	20.81	20.36
1948	.717	1.16	1.28	2.29	2.27	22.20	25.54	25.23
1949	.655	1.06	1.24	2.00	2.17	19.80	21.34	[2] 21.21
1950	.788	1.19	1.52	1.88	2.47	23.30	26.67	[2] 26.90
1951	.820	1.26	1.66	2.36	2.73	28.70	32.63	[2] 32.85
1952	.788	1.38	1.51	2.80	2.72	24.30	25.55	[3] 25.76
1953	.743	1.17	1.48	2.36	2.73	16.30	17.35	[3] 17.13
1954	.713	1.09	1.42	2.25	2.46	16.00	18.97	[3] 18.64
1955	.596	.928	1.31	1.78	2.20	15.60	18.60	[4] 18.25
Apr. 15, 1956	.623	.949	1.32	1.93	2.63	15.00	[5] 17.31	[4 5] 17.02

[1] National average price received by farmers for all beef cattle.
[2] 5 markets.
[3] 8 markets.
[4] 10 markets.
[5] Week ending Apr. 26.

Mr. YOUNG. Mr. President, I have also had the Department of Agriculture prepare some figures on the price of hogs, from 1930 to 1940—I left out the war years—and from 1946 to 1955. Again it appears from these figures that the price of hogs followed almost exactly the price of corn. For example, when corn prices went down, hog prices went down.

Again, Mr. President, that is almost in exact contradiction to the minority views of the Committee on Agriculture and Forestry, and it is almost in exact contradiction to what some Members of the Senate are trying to accomplish, that of trying to continue the cheap grain prices.

Mr. President, it is impossible to have two things at the same time; it is impossible to have cheap feed-grain prices and still have good cattle prices and good hog prices. That is impossible.

Perhaps to a dairy farmer in the East, who sells practically all of his milk in the large cities, under milk marketing orders at 90 percent to 100 percent of parity, and has 80-percent price supports for practically all the rest of his dairy products, such as butter and cheese, that is an excellent deal. However, to any farmer living in the Midwest who produces hogs, or cattle, or grain, this is a wrong philosophy entirely. We will never solve our hog- and cattle-price problem and our grain-price problem, and the problem of the average farmer, so long as we continue the policy of cheap feed grains.

Mr. President, I wish to comment a little more on a table which appears on the last page of the minority views.

According to the table one would be led to believe that every State in the Union was a deficit-feed-grain area. For example, according to the table, the State of Iowa buys 42 percent of its feed grains, Minnesota 20 percent, Illinois 25 percent, and so on.

Actually, what I believe is that this table is a report showing how much mixed grains the farmers in these respective States bought.

Mr. President, it has become a rather common practice for farmers to buy a great deal of mixed feeds. They will probably sell much of their feed grains and buy back concentrates or pellets or other things. Therefore, although the report would indicate that Iowa, for example, is a big feed deficit area, in reality, it is not.

Iowa, perhaps, produces practically all the feed grains it needs. That is certainly true of Illinois, Indiana, and some other Midwest States. The minority views would have us believe that these States are great feed deficit areas, and by raising the price of feed grain a little, we are doing great injury to the farmers of those States. That is as far from the truth as it is possible to be.

Mr. President, I believe this will conclude my remarks for today. I plan to have more to say tomorrow, when the various amendments are considered.

At this time I ask unanimous consent that the last table, to which I have referred, also be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison, corn and hog prices, average national price received by farmers (1930–40, 1946–55)

Year	Corn (per bushel)	Hogs (per 100 pounds)
1930	$0.598	$8.84
1931	.321	5.73
1932	.292	3.34
1933	.494	3.53
1934	.802	4.14
1935	.632	8.65
1936	1.035	9.37
1937	.490	9.50
1938	.469	7.74
1939	.542	6.23
1940	.601	5.39
1946	1.53	17.50
1947	2.16	24.10
1948	1.28	23.10
1949	1.24	18.10
1950	1.52	18.00
1951	1.66	20.00
1952	1.51	17.80
1953	1.48	21.40
1954	1.42	21.60
1955	1.31	15.00

NOMINATION OF SIMON E. SOBELOFF TO BE JUDGE OF THE FOURTH CIRCUIT COURT OF APPEALS

Mr. JOHNSTON of South Carolina. Mr. President, a Subcommittee of the Judiciary Committee on May 5 began its public hearings on the fitness of the Solicitor General, Mr. Sobeloff, to be a judge of the Fourth Circuit Court of Appeals of the United States. That date was a postponed meeting of one previously called and which had to be cancelled due to the untimely death of the late Senator Barkley. Most of us were in attendance at the funeral of our late colleague. All our engagements that week had to be postponed, rearranged, and otherwise interrupted or cancelled. Unfortunately, my case was no different from many others. I had prior engagements set for Saturday, May 5, from which I could not easily be excused. That same unfortunate situation affected the members of the subcommittee as only 2 of the 5 on it were able to be present. I sent the Chairman, Senator O'MAHONEY, a copy of charges against the nominee. These were put in the record. The witness most capable of substantiating those and other professional irregularities of Mr. Sobeloff, was not permitted to testify at length. He is Charles Shankroff, of Baltimore, Md. I had known Mr. Shankroff's charges for some time. He presented similar objections to me a long time ago. However, the Senator from Wyoming [Mr. O'MAHONEY] graciously permitted Mr. Shankroff to file a statement of his charges. Mr. Shankroff, who made the original charges, is an experienced real-estate dealer, and a gentleman about 74 year old. He told me he had never seen Mr. Sobeloff in person, except as he saw him across the witness table on May 5, 1956. His statement shows that he has no personal ax to grind, nor any personal grievances to satisfy. His testimony and statement are given solely in the public interest and out of a sense of civic duty. I commend Mr. Shankroff for being able to take such a lofty

and detached stand in his attitude towards the personal and professional qualifications of Mr. Sobeloff for the judgeship to which he has been nominated.

The Senate will be interested in the grounds and objections Mr. Shankroff urges against the confirmation of Mr. Sobeloff. I trust the subcommittee will go into the charges in the latest statement of Mr. Shankroff. They need careful study and investigation.

Unless this nomination is withdrawn after the hearings progress, and the charges, which I believe are true, have been substantiated by the records of the receiver and by a study of the court records, all of which are available in both Circuit Court No. 2 and the City Court of Baltimore, Md., I shall have a great deal more to say about Mr. Sobeloff.

Mr. Shankroff made his original complaints against Mr. Sobeloff to me. I, in turn, transmitted them to the subcommittee. I have since conferred with Mr. Shankroff, in person, regarding his most recent statement of his objections to the confirmation. I stand ready to transmit any other true statement from any critic that can be verified to the subcommittee for its consideration. I stand ready to submit any evidence of wrongdoing on the part of Mr. Sobeloff, which would justify our refusal to confirm his nomination.

Mr. President, I send to the desk the letter of Mr. Charles Shankroff to the Senator from Wyoming [Mr. O'MAHONEY] and request that it be printed in the body of the RECORD immediately following my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 15, 1956.

Hon. JOSEPH C. O'MAHONEY,
Senate Committee on the Judiciary,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I avail myself of the opportunity you twice extended to me Saturday, May 5, 1956, to give the subcommittee, of which you are chairman, a statement contining my objections to the confirmation of the nomination of Simon E. Sobeloff as judge of the Fourth Circuit Court of Appeals of the United States.

I ask that my statement be inserted in and made a part of the official transcript of the record of your hearings. I am furnishing copies hereof to the other members of the Judiciary Committee.

I want you and the committee to understand at the very outset that I have no personal grievance against Mr. Sobeloff. I never saw him until I appeared before the committee. I have not suffered from his wrongdoings. My sole concern is as a civic matter, and in the public interest. I speak entirely from the records as I have studied them. My entire concern is based upon my hope and belief that our judges should not only be men above every reproach but even above the suspicion of wrongdoing. I am sure this concept of mine is not too high and is fully shared by the committee.

I also wish to correct some of the errors in the transcript. I wish to straighten out some of the impressions that may be created by the testimony of Mr. Sobeloff and others. I wish your record to be an honest statement of the pertinent facts. I do not wish the committee to reach a conclusion upon tangent, incomplete, or twisted assertions of fact. Such a result would be unfortunate indeed.

(a) Mr. Hospelhorn (deputy bank examiner) stated his records (receiver's) were destroyed under a court order and were therefore not available. That is true to the extent it goes but he should have said their destruction was ordered on condition that the records be microfilmed. So the records are not in fact destroyed. They are available. None of the court records have been destroyed. Your subcommittee is entitled by subpena and can see the pertinent portions of both sets of records.

(b) First of all relating to myself, I am an experienced real-estate operator. I am experienced in researching court records and documents. I have devoted well over a year in a study of the Baltimore Trust Co. case. It is case No. 20,433a, Docket 44a of 1935, now pending in Circuit Court No. 2, Baltimore, Md. The subcommittee can obtain, by subpena, the proof of every statement of fact which I am about to make concerning this and the other cases.

(c) I am 74, not 72, years old.

(d) There were 15 court actions against the officers and directors of the Baltimore Trust Co.—9 in Circuit Court No. 2 of Baltimore City and 6 were in the City Court of Baltimore. They involved in the aggregate over 56 millions of dollars, not $150 million as I am reported to have said. These actions were settled by Mr. Sobeloff and his associates who represented the receiver for the small sum of $205,500. Sobeloff and his associates permitted the costs of these suits to be paid out of the assets of the receiver (the plaintiff). In the varying types of these 15 legal actions, the defendants were financially responsible and had the ability to respond in a much larger amount than the small settlement of $205,500. Judge Soper praised Mr. Sobeloff for his report on the liability of the officers and directors. I condemn Mr. Sobeloff for his neglect in the execution of his report and the small settlement he agreed upon.

I agree with Judge Soper that Mr. Sobeloff made a good report. Where I disagree, and Judge Soper remains ominously silent, is that Mr. Sobeloff did not pursue his good report and assist in forcing a full compliance therewith to the extent of the financial ability of those charged with the duty, responsibility, and financial liability to the depositors and creditors of the bank. The subcommittee should subpena Mr. Sobeloff's reports (3) from the clerk of court (Circuit Court No. 2, Baltimore, Md.). They are available. They go into the questions of fixed criminal and civil liability, the bank's building, etc., in detail.

Mr. Sobeloff should not be confirmed by the Senate of the United States for the following, among other, reasons:

(a) Having reported as an officer of the court on the statutory liability of the officers and directors of the Baltimore Trust Co. that their monetary liabilities to the receiver aggregated in excess of $56 million, he (Sobeloff) was derelict in permitting in 15 suits (6 in Baltimore City Court and 9 in Circuit Court No. 2 of Baltimore City) to be settled by the payment by only 17 of the 19 defendants of the small sum of $205,500, while the financial responsibility and ability to pay more by the defendants was much greater. The effect of the small settlement was obviously detrimental to the rights of the receiver and those creditors represented by him. Two of the defendants paid nothing though each (P. L. Goldsborough and Donald Symington) was reputed to be of large financial means. A careful examination of only 1 of the 15 cases will substantiate this charge. The other cases, if and when examined, will aggravate the charge and at the same time compound and multiply the indisputable proof of it.

In case No. 21647, in docket 45, at page 391, commenced August 6, 1936, in circuit court No. 2 of Baltimore City, Md., and entitled Hospelhorn, Receiver (Sobeloff being one of his attorneys of record) versus Wm. A. Dixon, A. E. Duncan, Albert D. Hutzler, Wm. B. Matthai, Safe Deposit and Trust Company, and Frank Newcomer, Executors, etc., I. Manning Parsons, Donald Symington, Henry E. Treide, and Herbert A. Wagner, a sworn complaint was filed for damages aggregating $20,206,014.79 for losses by reason of the negligence and inattention to duties by the defendants (former officers and directors). Mr. Sobeloff's fine reports charged acts of criminal and civil negligence. There were 42 accounts or items involving negligence in this one case alone. The court still has this record in its files as well as the records in the other 14 cases. The quaere is "Why should Mr. Sobeloff have made the excellent report (Judge Soper's testimony) of the criminal and civil negligence on the part of the officers and directors in the first instance (1936) and their legal liabilities thereon, and then permit, as attorney of record for the receiver, the officers and directors to escape a $56 million liability (1937) by the payment of only $205,500?"

I suggest the propriety of a careful analysis of each of the 15 cases. Let the sunlight in on this conflict and obvious dereliction or contradiction of duties. It may be said that this settlement was approved by the court. Well, if that be true, why didn't Sobeloff appeal on behalf of the receiver? Or was it then, in 1937, to Sobeloff's greater personal interest to protect those being pursued by the receiver at the original instance of Mr. Sobeloff in his reports? The committee in pursuit of the truth may develop the correct answer.

I submit that the records in the case show that Mr. Sobeloff received $30,000 from the receiver for his reports and later the sum of $7,500 for the services in the 15 lawsuits he permitted to be settled for the trifling sum of $205,500, excusing as he did all liability on the part of financially able defendants Goldsborough and Symington. Your record should show what other amounts he may have received for resisting stockholder's liabilities, the questionable sale of the building and the other assets of the Baltimore Trust Co.

If Mr. Sobeloff was right in his reports that the officers and directors were guilty of criminal and civil negligence wherein sworn losses in excess of $56 million were suffered by the creditors, how can he be right in settling those losses against financially responsible defendants for the negligible sum of $205,500? In which case was he right?

In an early suit by a stockholder, Mr. Sobeloff sought the court of appeals (Maryland) ruling on the statutory stock liability of a stockholder and it was determined in that decision that a liability of $10 per share was proper. Why did he permit, without appeal, Judge O'Dunne to settle the stockholders' liability later at only $5 per share? Whose interest did he represent? Did he represent the resisting and contesting stockholders or did he represent the best interests of the estate of the receiver? Did he at various times get compensation from both sides of this issue? Did the receiver not lose over $1 million in losses from inadequate assessments by Sobeloff representing conflicting interests at the time of the settlement?

The 15 cases are as follows:

Circuit court No. 2: Case No. 21647, docket 45A, year 1936, page 391; case No. 21648, docket 45A, year 1936, page 392; case No. 21649, docket 45A, year 1936, page 393; case No. 21650, docket 45A, year 1936, page 394; case No. 21651, docket 45A, year 1936, page 395; case No. 21652, docket 45A, year 1936, page 396; case No. 21653, docket 45A, year 1936, page 397; case No. 21654A, docket 45A, year 1936, page 398; case No. 21655B, docket 45A, year 1936, page 399.

City Court of Baltimore, Md.: Case No. 164, year 1936; case No. 165, year 1936; case No. 166, year 1936; case No. 167, year 1936; case No. 168, year 1936; case No. 169, year 1936.

A copy of 1 of these 15 suits is attached hereto for the information of the committee.

The foregoing suits for criminal and civil negligence whose damages are laid in an amount in excess of $56 million are not the ordinary types of negligence suits where the amounts claimed are flexible or elastic and dependent upon the arrival of a judgment by men of varying opinions. The amount of $56 million was mathematically determined in the excellent report of the fixed dollar liability by Mr. Sobeloff. How now can he justify or how could he then justify a settlement of a fixed liability for the miserly sum of $205,500, especially against defendants whose financial ability was beyond question as being competent to respond in a larger sum? Mr. Sobeloff's judgment is festered in either his (a) reports or (b) his settlement without dissent of a $56 million liability for $205,500.

I submit the above and the other 14 cases reveal that Mr. Sobeloff knowingly represented interests that were in conflict. His conduct is well within the condemnation of the Department of Justice in the case recently reported in the press against the firm of Sullivan & Cromwell.

On page 47, line 14, of the transcript of hearing, Mr. Enos S. Stockbridge made the astounding and conflicting statement:

"There was nothing in the situation which could by any stretch of the imagination create a situation of conflict of interest."

In other words, Mr. Stockbridge contends that Sobeloff's resistance in a court case against the receiver to a stockholders' liability does not conflict with the duties assumed by him and as shown in his reports as an officer of the court representing the receiver in recommending the officers', stockholders', and directors' fixed liabilities. Patently Mr. Stockbridge is in error in his conclusion, for he later admits in his next paragraph:

"Mr. Sobeloff was acting as a representative of the court to perform a duty assigned to him. As a matter of fact the settlement which resulted was of benefit to the stockholders, in that it was something less than the full statutory liability."

In other words, Mr. Stockbridge approves Mr. Sobeloff's failure as a representative of the court to secure a full assessment of stock liability helpful to the stockholders in an amount of over $1,200,000 and to that very extent harmful to the depositors and creditors. Was he representing the court correctly and properly in reducing the stockholders' losses and thereby increasing the creditors' losses? The contradiction of interests and results are patent to the discerning and inquiring mind. Doubletalk is no excuse for this.

Former Senator Radcliffe on page 60, at line 17, of the transcript says, "There was no criticism from any member of the committee of Mr. Sobeloff at any time but on the contrary, the members of the committee felt that in a very trying situation he had handled himself entirely with propriety."

On page 61 of the transcript, at line 6, Senator O'MAHONEY asked, "What was the official relationship between the committee and the nominee?" Senator Radcliffe answered, "None," and later Senator Radcliffe said at line 22, on page 61, "No, none whatever."

What then becomes of the former Senator's praise? The fact of the matter was that the committee there referred to acted before the date of the receivership and before Mr. Sobeloff's connection with the receivership. See Hospelhorn's testimony on page 67 of the transcript at lines 21 and 22. Mr. Hospelhorn in his testimony at page 65, line 7, says he was the former receiver of the Baltimore Trust Co. He is still the receiver, for the case is still open, pending and not closed.

Mr. Hospelhorn, on page 68, line 7, of the transcript, says he paid 70.34 percent on the dollar. This I believe, was the refund to the depositors only. The record will show that the stockholders, officers, and directors and guaranty fund contributors' losses exceeded $50 million. (See court records.)

Mr. Hospelhorn again on page 69 of the transcript says that Mr. Sobeloff had no connection with the Baltimore Trust Co. building. That statement is not true. Mr. Sobeloff made an elaborate report on the building showing it had been devalued to $1 subject to a trust note of $5 million. Rigger, a straw man figured in several deals for the building and in other deals of the trust company. The committee will wish to know whether Mr. Sobeloff represented, directly or indirectly, Mr. Funkhouser or his affiliates. On this point the further testimony of Mr. Sobeloff is necessary and the testimony of Mr. Funkhouser is essential. The sale in 1941 of the stock representing the ownership of the Baltimore Trust Building was part of a conspiracy by Rigger, Funkhouser, Hospelhorn and others to cheat and defraud the depositors and creditors of the Baltimore Trust Co. The transaction was not several or three steps removed as Mr. Hospelhorn (at p. 70, line 15, of the transcript) testified and before Mr. Sobeloff got into the picture with Mr. Funkhouser. This testimony is incorrect because the court record contains a letter from Mr. Hospelhorn dated in November 1942, that Mr. Funkhouser bought the stock and the $5 million note. Then, in 1942, Mr. Donald Symington (see his estate papers in probate court of Harford County, Md.) bought the remaining assets of the Baltimore Trust Co. through the Colonial Mortgage Co. which included the note of $5 million and other notes for $160,000. Mr. Symington at the same time acquired all the assets which the Colonial Mortgage Co. had bought which also included his own personal note of $700,000 for a consideration of about $300,000.

The foregoing proves lack of diligence on the part of Mr. Sobeloff in protecting one of the principal assets of the Baltimore Trust Co. for the benefit of the depositors and creditors.

The testimony of Sobeloff in quoting from a letter from Mr. James Bruce, at page 160, line 15, etc., requires examination. Mr. Sobeloff found dishonesty. He found fraud in his reports. He found criminal and civil negligence. These findings were against the officers and directors. The fact of the matter is that Director James Bruce—nephew of Howard Bruce, formerly chairman of the board of the Baltimore Trust Co.—returned $50,000 in securities which one Handley (a director) had wrongfully given to the guarantee fund of $7,500,000 in 1931. This $50,000 was returned by Director James Bruce to its rightful owner (a foreign depositor) through Handley. Handley became pressed and committed suicide. Director James Bruce, through his attorney, Mr. Levy, threatened to go into bankruptcy if he (Bruce) were forced to pay the $50,000. How such commendation from Bruce can help Sobeloff in face of Bruce's obvious falsehoods and conduct is beyond comprehension. When he (Bruce) says "He had nothing to do with the acts complained of" he obviously lies. (See Correspondence in the Court Records.) Where Mr. Sobeloff says at page 157 of the transcript that Mr. James Bruce contributed $50,000 to the settlement fund, he is incorrect, for James Bruce threatened personal bankruptcy when called upon to pay for his wrongful act and his uncle Howard Bruce gave $50,000 to make up for the $50,000 James Bruce required to be returned through Handley to the foreign depositor. The letters from Mr. James Bruce by his attorney, Mr. Levey, in elucidation of this circuituous transaction reflects no credit either on Mr. Bruce or Mr. Sobeloff's veracity or the propriety of their official conduct. This is so notwithstanding the fact that Mr. Sobeloff is solicitor general and Mr. Bruce was formerly an ambassador.

Another thing that requires further examination and exploration is the fact that notwithstanding Mr. Sobeloff's official duty as an officer of the court to aid in the collection and preservation of the assets of the Baltimore Trust Co. for the benefit of the receiver and ultimately for the benefit of the depositors and creditors of the trust company, he sought for other clients to diminish those assets for the benefit of his other clients. He sought to increase the receiver's obligations. He sought rent from the receiver for the Funkhouser interests (O'Sullivan Building, Inc., being in reality Raymond J. Funkhouser, the real owner in the transactions of the Baltimore Trust Building) although the receiver had a rent-free agreement to occupy space in the building for the receivership. (See petition filed October 21, 1943, signed by Simon E. Sobeloff in file No. 1117 in case No. 2043a in said receivership proceedings and also see answer of the receiver under file No. 1118, together with attached correspondence filed November 16, 1943.)

The undersigned will assist anyone designated by the committee to study the records on file in the clerk's office in Baltimore, or in any other proper manner assist the committee in determining the truth of the foregoing. I am familiar with the details in the record and have made copious notes from them. The undertaking is not an easy one. A competent analysis now may prevent the confirmation of an improper nominee to a lifetime position of power, trust and influence.

Respectfully submitted.

CHARLES SHANKROFF.

BENEFITS TO HOSPITALS BY THE FORD FOUNDATION

Mr. POTTER. Mr. President, it has come to my notice that a large number of voluntary, nonprofit hospitals in Michigan are benefiting to the extent of an estimated $8,900,000. Already nearly $4,450,000 has been distributed or is at this moment in process of being distributed by the Ford Foundation.

My State is thus benefiting very materially from this distribution, but, of course, each of the 48 States and the Territories of Alaska, Hawaii, and the Commonwealth of Puerto Rico are to enjoy the fruits of this $200 million program of foundation grants.

It seems to me that this is one of the most far-reaching, and important, philanthropic programs the Nation has benefited from in a long time, for it helps to safeguard the health of the Nation, and so it helps us to make the most of one of our most precious resources—the people of the land.

The effect of this unprecedented gift to the Nation's health institutions is almost beyond measuring. Huge as the sum might be, and important as the grants will be to many hospitals, it is clear, however, that they will not solve the problem of financing the health needs of the Nation. H. Rowan Gaither, president of the foundation, said that he hoped the grants would challenge people to raise more funds in their own communities toward extending further their hospital facilities. Quite understandably Mr. Gaither said that no foundation, regardless of its resources, could possibly afford to do the entire job, and he therefore places the responsibility where it belongs: squarely on the shoulder of all Americans.

Already there are indications that the foundation grants have catalyzed action at the community level. A hospital administrator in Maine said that his institution's fund drive had bogged down, but that the Ford Foundation's grant gave the campaign a new impetus that seemed strong enough to put it over. Other instances show that hospitals have used, or are going to use, the foundation grant as seed money, with which more funds would be raised. In still another case, a hospital plans to set up a foundation, part of the capital to come from the foundation's grant, the rest from local resources. The foundation would be used to further medical research. Only income from the foundation, no capital funds, would be spent for this program.

Because the Ford Foundation wanted to spur communities into action to expand their hospital services, only the voluntary, nonprofit institutions were declared eligible for grants. Those thought to be eligible were notified, and asked to file an application for a grant, the amount of which had been calculated on the basis of patient days of service provided, and the number of births in the institution. But regardless of these criteria, grants were made for not less than $10,000 nor more than $250,000.

The foundation felt that hospital boards of trustees were best equipped to judge the needs of their institutions, and so wide latitude was given them to determine how best to apply the funds. The only restrictions were that the grants could not be used to retire existing indebtedness, nor could they be used to pay for services currently being rendered by the hospital. This still made it possible for a hospital administrator and the board of directors to use the money in a way they think would be most beneficial to the community's health needs.

By far the most frequent application of the grants has been in new buildings and equipment, for many American hospitals are woefully inadequate to meet the demands of modern medicine.

First, hospitals are being used more and more every year, and with longevity increasing the amount of geriatric care, the strain on existing plant and equipment is enormous. Couple these facts with great advances in medical science, which demand space and facilities, and it can be seen that hundreds of additional beds, and everything that helps to support them in equipment, supply rooms, sterilization centers and such, must be made available if we are to maintain the health of the Nation. It might seem strange, at first, to discover that many hospitals plan to use their grants to buy new elevators, but here is one of the most pressing needs, especially for old hospitals. One administrator in a fairly new hospital said he wanted to put in the new elevator if for no reason other than the fact that long lines of visitors were forced to wait inordinate periods of time for the elevator when they came to visit their relatives who were patients.

Some of the grants will be used for education—teaching of various kinds, and especially new techniques. Others will be applied to improving the services of the hospital so that it can become accredited through a body of medical organizations led by the American Hospital Association.

However the funds are used, it seems clear from the way in which the grants have been hailed by everyone who has anything to do with health in the Nation—and this includes officers of hospitals that were not on the grant list because they were Government or profit institutions—that they will contribute greatly to the well-being of the Nation. And if the grants point up the need for additional hospitals, and couple this with the responsibility for providing this care, they will have matched in practicality the warmhearted way in which they were made.

TRAVELS OF RUSSIAN MILITARY ATTACHÉS THROUGHOUT THE COUNTRY

Mr. MAGNUSON. Mr. President, I call the attention of the Senate to what I consider to be a very unusual situation. I feel certain that all Members of the Senate, especially those who serve on the Committee on Armed Services, have had appear before their committees on many occasions witnesses from the Department of Defense, the Department of State, the Central Intelligency Agency, and other agencies of the Government, who every once in a while will not respond to questions on the ground that their answers would involve matters which were classified. I am sure my friend, the Senator from Mississippi [Mr. STENNIS], who is a member of the Committee on Armed Services, will agree with me.

I appreciate the value of having many things relating to the defense of our country kept secret, top secret, or classified. I sometimes think the "classified" stamp is used too much. Often we read in the newspapers articles to the effect that a witness from some department has said, "I cannot tell you about that; or if I do tell you, you are not supposed to say anything about it." That may well be, because in some instances we would not want certain information to be made public.

But what I am about to relate is, I think, a most unusual incident of the right hand not knowing what the left hand is doing; of certain departments concerned with matters of national defense not correlating their activities.

In my State, during the past week, there has been a rapid-fire chain of events which graphically and dramatically illustrate what, to my mind, could be considered a glaring deficiency in our entire security system. Except for the alertness of a reporter on the Post-Intelligencer, a daily newspaper of Seattle, the Nation might not have known of this glaring example of deficiency in our security system.

It seems that two military attachés—not ordinary Russian visitors, but military attachés from the Embassy of Soviet Russia, persons interested in defense matters—appeared in the Pacific Northwest bearing cards or other credentials from the Department of State. I shall provide the actual designation in a few minutes; they are coming from my office, because I forgot to include them among the papers which I brought with me. One of the persons had one type of card, and the other had another. It was not a red card; it might have been a pink card; I do not know. However, these two individuals asked for vacation privileges, so that they might travel around the United States, and they designated the Pacific Northwest as the region they wished to visit. Perhaps they said they wanted to view the great scenic beauty of that area, of which the present occupant of the Chair, the Senator from Michigan [Mr. MCNAMARA], is aware. One of them is a military attaché; I believe the other is a naval attaché. Both are connected with the Russian Embassy in Washington. Their names are Lt. Col. S. S. Fedorov, assistant naval attaché; and 1st Lt. I. P. Sakulkin.

Not only did they plan this trip, but, so far as I know, they are still in the West, having been allowed by the State Department to make the trip. There they are visiting what I consider to be some of the most vital defense establishments in the whole United States.

I understand that perhaps the Department of Defense was advised in advance where these attachés intended to go. But the disclosure of their travels after they reached the Northwest has caused great concern, because the people of that area were alerted to the fact that these men are not merely Russian visitors or Russian farmers, of the type with whom we are seeking to establish liaison, but are military attachés of the Russian Embassy.

The people of the Northwest were aroused when the disclosure was made by an able reporter whom I know, Douglas Welch, of the Seattle Post-Intelligencer. Other newspapers picked up the information, and everyone began to ask, "What about this? Why are these men here?"

These two men took a route which they announced in advance they planned to take. The first visit they made was to Seattle, where the B-52 bomber is manufactured. All the engineering plans and other details connected with the development and manufacture of the B-52 are to be found in Seattle. As my distinguished friend from Mississippi [Mr. STENNIS], who is a member of the Committee on Armed Services, will attest, the B-52 probably is one of our most important planes.

There are restrictions on some places in the United States, where even American citizens may not go. There are some places where foreigners may not go. I do not know where it is that Russian military attachés may not go, in view of what happened on this trip, since they obtained the consent of the State Department. Seattle itself is not out of bounds, as it were. Perhaps 80 percent of the Boeing aircraft are manufactured in Seattle. There is another plant in Renton, which lies on the border of the city limits of Seattle, but wholly within the confines of the area. However, parts of King County, in which Seattle is located, have in some cases been off limits. But this restriction can be brushed aside by a certain piece of paper from the

State Department, which these men had. They went to Seattle. They moved around the Boeing plant and other places to which I suppose none of us—certainly not the average American or the average visitor, no matter whence he comes—could go, unless he had military sanction from another nation. Missions from other nations do come to look at these things.

Next, they immediately took a boat to Bremerton. That is across Puget Sound from Seattle. That, for some strange reason, is not in bounds at all, but out of bounds. There is located the largest Navy yard in the world. There is located the home of the greatest repair fleet in the world and the largest mothball fleet of the entire American Navy. I have to have a pass even to get into the administration building in the Bremerton Navy Yard.

These persons took a boat, apparently, and went around the whole place. Whether they went in the yard, I do not know, but they should not have been allowed to go even close to it.

There has been some suggestion, which suggestion is being run down, that they went inside the yard, but the fact that they could move around on the water made it easier than going in the yard. That is where our large naval ships of the *Forrestal* class are being converted into the guided missile class. Work on one, the *Franklin D. Roosevelt,* has just been completed.

Then they asked to go, of all places, into Kitsap County, after the State Department had given them this blanket letter. That would not be where the average tourist would go. They asked to go to a place called Bangor and a place called Keyport, and they did go. I do not mean that they asked to go; I mean they had free access to go, and they took a beeline there. Bangor is the greatest ammunition dump we have, with highly guarded secrets regarding ammunition, the loading of it, and otherwise. Keyport is the torpedo center on the Pacific coast for research and manufacture and repair of torpedoes, and many classified and top-secret things go on there.

Whether they got into the yard, or what they did, I do not know, but they went all around it. The information received is that they bought all the maps they could find. As a matter of fact, they joined the AAA, so as to get their maps. One would not have to join that association to get maps. I suppose they could be obtained at a filling station, but that is the way the minds of that type of people sometimes work.

After they got through with that, they rented a car and started to go north from Seattle to the next county north of King County, which is called Snohomish.

For some strange reason—it is not really a strange reason; I think I understand the reason—the next county to the north is out of bounds. It is common knowledge that there exists there a very secretive and high-powered transmitting unit for the whole Pacific.

Finding that they could not go through Kitsap County, they took a bus through that county, rerented a car, and went on north; but in doing so they could have swung around to the Whidby Island Naval Station, in which most highly secret methods of aerial warfare are being tested.

They went up to Bellingham. Then, so far as we know, they obtained another rented car and went down the coast to take a look at the coastline. Then they started up the Columbia. On the Columbia are many dams and locks and all the works which are necessary for our aluminum and light metal plants. For some reason, those places were not out of bounds.

Where these attachés are now I do not know, but about the only place they did not see in the State of Washington that means a great deal to the defense of this country was the highly restricted atomic energy plant at Hanford, and no one can get into that; but they probably went by there and took a little look at it. The amazing feature is that they announced some of their plans before they left, and yet obtained permission.

Their plans, so far as we can tell, were to fly to Tacoma, spend 4 or 5 days in Seattle, and 1 or 2 days in Bremerton.

No visitor that I know of who goes to that great scenic area for recreation would particularly specify a certain designated place on Puget Sound like Bremerton. Bremerton is the site of the largest navy yard we have.

Then these gentlemen announced that they wanted to spend 1 or 2 days in Port Orchard. One can swim across from Bremerton to Port Orchard. There is a little arm of the bay there. One can sit at Port Orchard for 1 or 2 days, and I suppose, with the right kind of long-distance lens, one can really observe the ships, learn when they come and go, determine the number of ships, and learn everything else about them, because one can look right down on the navy yard.

Why would two military attachés from Russia, 3,000 miles away, want to go to a little place called Port Orchard when they got their visas? I am willing to wager that not 1 out of 10 Americans have even heard of the place. But that is what they said they wanted to do. I suppose they thought their request would be turned down. They must have taken the first plane they could get passage on, when clearance was made of their request.

They wanted to spend 4 or 5 days in Seattle. That is not unusual. Then they wanted to visit Bainbridge Island. I used to live on Bainbridge Island. We never had any visitors there. That is why a few of us lived there. It is secluded. It is hard to get to. But it is located in the middle of the navy yard at Keyport. That is an ammunition station, where the ammunition for the fleet is loaded. There is not even a place to stay on Bainbridge Island, unless they stayed in my old cowshed. Much can be seen from there. That is where these persons said they wanted to go.

They also mentioned Keyport and Bangor. Then they were going to return to Seattle by auto over routes 14, 148, 21, and 21A; travel from Seattle to Bellingham by rail; and travel from Bellingham by auto to Oregon City, Oreg. They did not specify the dates. That is not unusual, because they were taking a general route south. But the areas to which they requested permission to go, and to which for some strange reason they were allowed to go—and we shall find out more about this matter—include practically every important defense installation in the Northwest. Mr. President, it would almost seem as if, by some strange coincidence, those two Soviet military attachés were drawn to each of those defense-installation areas by a powerful magnet. How strange it is that, while on an alleged vacation trip, they wished to stay on Bainbridge Island.

Mr. President, in view of this development, I have requested a report from the State Department.

Incidentally, among the areas included in the trip by these two Soviet military attachés is the eastern part of Washington, which has not been classified as a restricted area, although that where all the huge aluminum plants are located, and is also where Grand Coulee Dam is located, as everyone knows.

If this sort of thing can happen, apparently something drastic needs to be done about our security planning. Certainly, Russian military attachés should not be allowed this sort of leeway; and certainly in connection with our security operations, the right hand should know what the left hand is doing.

What the State Department has done about this matter, I do not know.

Someone may say, "Well, photographs of the Bremerton Navy Yard and the other installations could be obtained, anyway." I suppose that is true, if sufficient effort were made. But, Mr. President, to allow military attachés of the Communist Government—and probably top Communists—to go to these places and see for themselves is more than I can understand. If we need security at all, I cannot understand why such a trip should be allowed. If we do not need any more security than this development indicates, we should not have any at all.

Mr. President, in view of what has occurred, I have sent identical letters to the State Department, to the Department of Defense, to the Department of Justice, and to the Central Intelligence Agency. In all fairness, I must say that the State Department said it would look into the matter. As yet, I do not know what connection the CIA has, government-wise, with this situation; but I should like to find out. I do not know where these two men are now. Perhaps they are in California; I do not know. They obtained the cards or slips, although I suspect that the Department would like to revoke them. Certainly theirs was the most brazen sort of trip by such military personnel that I have ever known to be taken in the United States. If we need any security at all, such trips should not be permitted. The trip these two military attachés of the Soviet Embassy took is one which the average patriotic American would not be allowed to take in any case, without being granted special privilege of some sort.

Mr. President, at this point I shall read the letter which I sent to the Department of State, the Department of Defense, the Department of Justice, and the Director of the Central Intelligence Agency:

MAY 17, 1956.

The Honorable JOHN FOSTER DULLES,
Department of State,
Washington, D. C.

The Honorable CHARLES E. WILSON,
Department of Defense,
Washington, D. C.

The Honorable HERBERT BROWNELL,
Department of Justice,
Washington, D. C.

Director of Central Intelligence Agency,
ALLEN W. DULLES,
Washington, D. C.

MY DEAR MR. SECRETARY: The urgency of immediate steps being taken by the Departments of State, Defense, Justice, and Central Intelligence Agency to close the entire State of Washington to Soviet representatives, has been dramatically illustrated with the apparent ease by which two attachés of the Soviet Embassy during the past week have approached vital defense installations in my State.

That is a mild statement, because much more than that has come to light, and I think a great deal more will come to light.

I read further from the letter:

It is inconceivable that the classification of closed areas has not extended already to the Olympic Peninsula which embraces the counties—

I designate the counties, because in the past that has been done—

of Kitsap—

Where so many defense installations are located—

Clallam, Grays Harbor, and Mason in view of the installations that section of my State contains.

In view of the fact that Lt. Col. S. S. Fedorov, assistant naval attaché at the Russian Embassy and 1st Lt. I. P. Sakulkin announced their travel plans to the foreign liaison officer at the Department of Defense in the Pentagon, the route outlined should have been a clear indication to every agency involved that more than a vacation trip must have been contemplated.

Let me recount the plans these men filed—2 days in Bremerton, the strategic site of our only deep-water naval base on the Pacific coast which can handle every type ship in the American Navy; 2 days at Port Orchard from which one can get a closer look at activities in the Puget Sound Naval Shipyard; 1 day at Keyport, site of one of our most productive strategic production centers during World War II; 1 day at Bangor which is one of our most vital naval ammunition depots on the Pacific coast.

In addition, the travel plan of these two key Soviet representatives included a trip to Bellingham by car.

Up through the area I have mentioned, probably around by Whidby Island, the naval air base, which is right on the way.

I read further from the letter:

Since Snohomish County is already classified as closed to Soviet representatives—

Some of these places have been closed to them, but the rest have been left open. But these men saw all they wanted to see—

we can only assume that they followed a course even closer to our Whidby Island base where the Department of Defense presently has an expansion program underway.

I am aware that as a result of excellent reporting by the Seattle Post-Intelligencer the Nation has been alerted fully of the seeming inadequacy of our present security program and the dangers posed.

Mr. President, I wish to say that I have referred to the articles published in the Seattle Post-Intelligencer—although I do not have clippings of all such articles published in it—because that newspaper printed the first story in regard to this matter, and of course did an excellent job.

I read further from the letter:

I have your promise that a thorough investigation is being made concerning any violation of existing security regulations, but I point out again that events of this nature reemphasize the necessity of classifying the entire State of Washington as closed to visitors from Iron Curtain countries immediately.

In particular, it should surely be closed to military representatives of the Soviet Union.

I read the conclusion of the letter:

I shall expect a full report of the investigation currently underway and of additional steps taken to bring all of our strategic national defense areas under the most complete security precautions possible.

Sincerely,

WARREN G. MAGNUSON,
United States Senator.

Mr. President, in closing, let me say that I was going to submit for the RECORD a copy of a telegram, but I shall not do so until later.

AGRICULTURAL RESEARCH

Mr. STENNIS. Mr. President, soon Members of the Senate will be called upon once more to pass upon a proposed budget for the Department of Agriculture.

Today, I shall discuss one part of the Department's proposed budget, namely, that dealing with agricultural research. On previous occasions, I have spoken on this subject, and have tried to make clear the importance of research and education in reaching solutions to the many serious problems confronting agriculture. As we in the Congress come to grips with a farm problem that is as serious and immediate as any I have ever known, I retain my belief that ultimately research will play a key role in the development of new uses for crop and livestock products; in the development of new crops; in the development of new and stable market outlets at home and abroad; and in the improvement of practices to cut the cost of production and marketing of farm products at every step along the way.

In terms of the amount of money requested for the fiscal year beginning July 1, 1957, the administration has dealt generously with agricultural research. For this, I commend the President and Secretary of Agriculture Benson.

The budget requests a total of approximately $103 million for all of the Department's research activities. This is an increase of about 20 percent over the current budget. Such an increase should enable the Department to begin some projects which it has delayed because of the lack of funds. Perhaps it will even allow a general expansion of the program. I am confident that the money can be put to sound use.

I digress to comment upon the contrast. Even though this budget is approximately all the money we can judiciously spend in the next year on agricultural research, at the same time, in another committee, I hear evidence about military research running into billions of dollars. It is a constant reminder that our great need is to put more of our energy and effort into constructive channels rather than destructive channels. Along with others, I hope the day is approaching when we can make a constructive approach along many lines.

I am sure we are all aware of the fine organization within the Department that is responsible for agricultural research and how it functions. This unit is called the Agricultural Research Service, which carries on research in the production and utilization of farm products. The Administrator of Agricultural Research Service also coordinates other departmental research, although the administration and actual conduct of work are carried on by the individual agencies—for example, the Forest Service and the Agricultural Marketing Service. The Administrator also administers the Federal-grant funds to the State experiment stations for the conduct of research.

It is my privilege to visit from time to time many of these branch agricultural stations or State agricultural experiment stations. I believe that the fine cooperation which exists there is one of the finest examples we have in all our Government activities. Agricultural research scientists are working side by side, and hand in hand, at the State experiment stations. They work together so closely and coordinate their work so effectively that as one visits them and moves among them while they are at work, one cannot tell which is working for the State and which is working for the Federal Government. I think the same spirit prevails throughout their work at all levels.

There are about 3,000 research scientists in the Agricultural Research Service, plus 1,000 or more in other Department agencies. Some 1,200 of the scientists are located at the Agricultural Research Center at Beltsville, Md., a few miles north of Washington. Many project leaders have their headquarters at Beltsville, which serves as a coordinating point for much departmental production research conducted at other places. Utilization research is conducted primarily in four regional research laboratories located in New Orleans, La., Wyndmoor, Pa., Peoria, Ill., and Albany, Calif.

In all, there are about 500 Federal and State field locations. Most of these are field laboratories, substations, or other centers operated by the State agricultural experiment stations—which in turn are a part of the State land-grant colleges and universities. The States have some 7,900 scientific people—about half devoting full time to research, the others dividing their time among research, extension, and teaching.

The Federal research program is closely allied with the State-supported research and educational programs, and a great number of Department scientists are located at the State stations. Agricultural industry also conducts research, and the Department cooperates closely with industry on many problems, although the pattern is somewhat different and less closely knit.

I shall now give selected examples of what our agricultural research program has meant to the farmer, the consumer, and the Nation. These facts should be especially noted for the significance of agricultural research.

I. CHANGES FOR THE FARMER

MECHANIZATION

There has been a 40-percent increase in the number of tractors on farms since 1949. The number of mechanical corn pickers on farms has increased by half a million since the end of World War II.

In some cases machines, in one trip over a field, will plant, fertilize, and spray to control weeds, all at the same time, as with cotton in the South.

Besides the usual large equipment, farmers have milking machines, fence controllers, stock clippers, barn cleaners, welders, grain elevators, tool grinders, chick and pig brooders, automatic livestock and poultry waterers, and many other types of equipment that help them save time and labor and do a better job.

They used 10 billion gallons of gasoline and oil last year—plus an untold number of kilowatt hours of electricity. Electric power is now available on 9 out of 10 farms. Farmers are important customers of many industries. Their gross income in 1954 was about $30,460,000,000. They spend nearly half of their income each year for production supplies and equipment, including seeds, feed, and fertilizers.

Latest development: Some of the latest developments in mechanized equipment for the farmer include a device for tipping beehives that saves hand labor, a sugar beet thinner using counter rotating heads, a new mechanical silage feeder, a mechanical tung-nut harvester, improved aviation spray equipment, a liquid fertilizer applicator for small farmers, and an air-type heat pump which uses the sun's energy.

Aircraft spray: The farmers' "strategic air command" now numbers some 6,000 airplanes in agricultural activities. For the job of controlling grasshoppers in the old days it took 2 men with 20 pounds of bait per acre to cover 150 acres a day. Today, an airplane with 2 ounces of aldrin per acre can spray 1,000 acres in 12 minutes. Federal-State-rancher cooperative control work on range lands has saved about $38 for each $1 spent per year over the past 20 years.

LABOR EFFICIENCY

Man-hours: During the Colonial period at least 9 out of 10 Americans lived on farms. By 1820, each farmer could provide for himself and four other people. Today the American farmer can provide food and fiber for himself and 18 others.

In the past 30 years output per man-hour has more than doubled. However, despite increased efficiency and savings in total worktime on farms, the individual farmer still keeps busy. According to a recent survey, for example, an average days' work in September 1955 was a little more than 10½ hours for a farm operator and a little more than 9 hours for a hired hand.

Those figures are taken from statistics, but I think they are rather low. The work hours on many farms far exceed the hours reflected by those statistics.

While the population has been increasing, the number of farmers has been decreasing. Ten years ago there were about 10 million farm workers. Now there are about 8½ million.

Livestock efficiency: Beef cattle and hogs are fed and handled much the same as they were 20 years ago. Since 1935, productivity per man-hour has more than doubled in crops, but has gone up only 54 percent in livestock.

BETTER CROPS AND BETTER LIVESTOCK

Hybrid corn: Hybrid corn is adding nearly a billion dollars a year to our national income—a yearly dividend greater than the cost of all the years of research it took to produce it. All research on hybrid corn cost only about $15 million.

Grain sorghums: Grain sorghums, superior new varieties, may be the next important hybrid farm crop. The new forage is particularly adaptable to semiarid land. By 1960 most of the 10 million acres now planted in open-pollinated varieties of grain sorghums may be planted with the new varieties. The hybrids have a potential for increased yields of 20 to 40 percent over those of varieties currently in use. They promise gains at least equal to those which farmers now get from hybrid corn.

Broilers: Research during the past 20 years showed poultrymen how to get 42 percent more meat from the same amount of feed and how to get 162 percent more production from a man-hour of labor. The result: From a fringe farm operation worth $24.5 million to farmers 20 years ago, broiler production has mushroomed into a highly commercialized business, grossing $800 million and providing 20 pounds of poultry per person in 1954.

Meat-type hogs: Livestock, too, is changing. More farmers now are raising the meat-type hog, because that is where the markets lie. Research experience in developing these hogs may help in breeding some of the back belly fat from beet cattle without losing the marbling that makes prime cuts of meat.

Beltsville turkey: The Beltsville turkey with more white meat is a well-known innovation of research.

Beef: Beef cattle growers have learned to breed beef cattle that produce heavier calves that mature faster and on less feed. It is now possible for 1,000-pound steers to be finished for market 3 months earlier than they were 10 years ago, and 2 to 3 years earlier than 60 or 70 years ago.

NEW CROPS

Strawberries: In the spring of 1955, for example, nurseries had about 150 million high quality virus-free strawberry plants of 24 different varieties. Seven more virus-free stocks of eastern varieties are being propagated for release to growers in 1956 or 1957.

RECENT FRUIT AND VEGETABLE HYBRIDS

Onion—Early Crystal 281—an onion variety that matures earlier, for commercial planting in the South.

Watermelon—Charleston Gray—a superior watermelon for southern growers.

Spinach—Early Hybrid 7—a bluemold and blight resistant spinach for the Texas-Arkansas area.

RECENT FIELD CROP HYBRIDS

Grain sorghum, mentioned earlier.

Oats—Ranson, Gary, and Minland—rust-resistant oats.

Grass—Emerald, Zoysia—winter hardy, nonfluffy, fast spreading, released in Georgia.

Bermuda grass—Suwanee—thrives in deep sand.

Bermuda grass—coastal—estimated to be bringing returns of about $6 million a year to Georgia farmers.

Grapes: A Loretto bunch grape with double chromosomes—bundles of inheritance determining factors—first bore a full crop at Beltsville in 1955. It had some berries 3 times as large and bunches 2½ times as large as the normal Loretto. This and several other new varieties seem to have the fine qualities of the grapes from which they were developed by chemical manipulation of genetic factors. Further tests and plant propagation procedures may require several years.

Apples: Nature is making the plant breeders wait, too, while new varieties of apple trees grow. One of these is a rare variation of the winesap. This was developed through a process of plant surgery from a winesap tree sport—a branch with double chromosomes in its deepest tissues—found in the J. J. Reimer orchard at Palisade, Wash. Bigger and better apples, too, seem to be on the way, as 1955 gives us a promising look at future harvests.

NEW PLANT INTRODUCTIONS

President John Quincy Adams in 1827 asked all American consuls to send rare plants and seed to Washington for distribution to interested growers. Through the years, the introduction of plants and seeds has been a continuing activity. Since the Department started its inventory in 1898 a quarter of a million plant introductions have been made. Some of these—like soybeans and crested wheatgrass—have helped to revolutionize farming.

Recent introductions: The Sunapee peach from New Hampshire, brought from the Caucasus in Russia; the Mysore raspberry from southern Asia; walnuts from northern China; and a wild tomato from Peru are some of the plants recently found to be adaptable to the United States. Plant exploration programs continue systematically to introduce other possibly valuable varieties to this country.

Medicinal plants: Medicinally valuable plants were the object of extensive searches by USDA plant explorers, who found one variety of Mexican yam containing a chemical compound that may prove useful in the manufacture of the antiarthritic drugs, cortisone and related compounds. Other explorers,

through an arrangement between USDA and the National Heart Institute, send back tropical plants for study of their potential value as a source of cardiovascularly active chemicals.

Field crops: Field crops, too, were imported by the plant explorers and improved by the breeders. Many of the 4,730 grasses and 1,354 legumes brought into the United States during 1954 from Asia for trial are now under experimental cultivation. Forty-five grass introductions and 30 legumes brought in since 1948 are either now in breeding programs or are being released for commercial production. American-Egyption cotton, for example, is one of the new adaptations that is proving productive.

II. CHANGES FOR THE CONSUMER

DIET IMPROVEMENT

More protein: Today, because of agricultural research, we are eating more than a fourth more of the high-protein foods that we ate in 1935. More and better food costs us relatively no more than we paid for a less desirable diet 30 years ago. Twenty-five cents of each dollar still goes for food.

Examples: Today, the average United States take-home pay for 1 hour will buy 7 quarts of milk, whereas it would buy only 3½ quarts 30 years ago; 3 dozen instead of 1 dozen oranges; and 2 pounds instead of 1½ pounds of steak. We eat nearly twice as much ice cream now.

Variety: Our variety of foods then was limited and governed by seasons. Now we have a wide variety, including many foods that are processed and packaged for convenient use.

OTHER CONSUMER RENEFITS

Less time in kitchen: Through development of modern packaging, processing, and transportation of foods—in which private industry and farmers have led the way—kitchen time for the average housewife can be cut from 5½ hours if she buys the least highly processed forms of food on the usual markets of today to about 1½ hours a day if she buys the most highly processed forms of food to prepare a day's food for a family of four.

Prepared frozen foods: New evidence of the increasing trend toward built-in convenience in commercially prepared foods is the USDA report that production of prepared frozen foods increased 67 percent from 1954 to 1955. Prepared frozen foods—534 million pounds were produced in this country in 1955—are the items which have been wholly or partially cooked before freezing or have had other prefreeze preparation which usually is done in the home kitchen.

III. UTILIZATION RESEARCH BENEFITS—TYPES OF RESEARCH

Perishable commodities: Research on the perishable commodities—milk, eggs, and most of the fruits and vegetables—has been directed toward development of methods for converting them to a permanently stable, palatable, convenient-to-use form so that they are preserved and made available throughout the year. This conversion to a year-round product also tends to stabilize the price of these commodities.

Nonperishable or storable commodities: Wheat, corn, cotton, and inedible animal fats pose the most serious problems. During the past 50 years, for example, the annual per capita consumption of wheat has dropped from 230 pounds to about 140 pounds. One of the factors contributing to this decrease is changing food habits. Another is believed to be the rapid aging or staling of bakery goods. One approach to the staling problem involves the freezing of bread and bakery goods, or bread softeners—to prevent staling.

EXAMPLES OF RESULTS

Frozen orange juice: At the end of World War II, the citrus industry was deeply concerned with possible serious orange surpluses. There were even discussions on the possible need for Government price supports.

Then, frozen concentrated orange juice was introduced to the public. The basic work on this product had been done through a cooperative undertaking of the Florida Citrus Commission and the USDA. Because the product can be stored for more than a year, is convenient to use, and has practically the same flavor and quality as fresh juice, it was widely accepted by consumers. The industry has mushroomed during the past several years, and the expanded production of oranges has been absorbed without difficulty. This development has thus prevented a serious surplus problem.

Other frozen juices: Frozen concentrated lemon, tangerine, grapefruit, grape, and apple juices are now on the market as well.

Powdered juices: Fruit and vegetable juices can also be converted into another form. Orange, lemon, apple, prune, grape, and tomato powders of excellent palatability have been developed. The powdered juice can be stored on the kitchen shelf with other staples and can be reconstituted quickly by the addition of water—even ice water.

Dairy products: The present surplus of dairy products is well known. However, excellent progress has been made in producing flavorable food products from skim milk—formerly a by-product chiefly used as feed. This will permit the sale of butter at a price more competitive with that of other edible fat spreads. Advances are also being made in developing stable and palatable forms of whole milk. We believe that a stable whole milk concentrate or powder can do for the dairy industry what frozen concentrates have done for the orange grower.

Cotton: One of our big surpluses is in cotton. During the past several years cotton has felt keenly the increasing competition of manmade fibers, particularly in industrial utilization.

An intensive research program is underway to improve the properties of cotton through chemical treatment and modification; in brief, to tailormake cotton fibers for special uses. One of these fibers, acetylated cotton, has higher heat resistance than either natural cotton or synthetic fibers and is being used for commercial and home laundry ironing board covers. It also has marked resistance to biological attack and sunlight. Better flameproof cotton fabric using the chemical, THPC, is another example of chemical treatment. Actually, hundreds of tailormade fibers can be produced from cotton by treatment with chemicals.

Fats: Fats are in surplus largely because synthetics replaced them as a base for soap. Utilization research found new uses for inedible fats by developing methods to use them in products such as floor tile, garden hose, raincoats, and similar products.

Information has been obtained that has led to large-volume outlets for animal fats in feeds. When properly stabilized, fats are particularly attractive for feed use because of their high caloric value and the fact that they increase palatability of the feed, make pelleting easier, and help to eliminate dust problems. Consumption of fats in animal feeds already exceeds 200 million pounds a year. This has been an important factor in lifting the price of fats from about 5 cents to 7½ cents per pound and establishing a floor under the price at the higher level. It has contributed to increased returns to the livestock industry of some $50 million per year.

Thickening agents: Research on thickened frozen cooked foods and canned foods, including sauces, gravies, custards, puddings, and cream-puff fillings, has shown that undesirable changes in consistency of the product during storage can be satisfactorily prevented for 6 to 12 months by the use of thickening agents made from waxy types of rice or corn. These waxy grains are specific varieties with kernels having an unusual chemical composition. Liquid separation and a curdled appearance in processed food products are serious defects from the standpoint of consumer acceptance. Many manufacturers are now solving these problems by using the newly developed waxy-cereal thickening agents.

Bread freezing: Investigation of the rate of freezing of freshly baked bread and some other bakery products in a refrigerated air blast, and of the rate of defrosting these products by several methods, has disclosed the conditions that are essential for greatest retardation of staling. The staling rate of bread is greatest in the temperature range between 20° Fahrenheit and 45° Fahrenheit, and loaf temperature must be reduced or raised rapidly through this temperature zone to minimize staling. Information of this kind is essential for successful large-scale production and distribution of frozen bakery products.

Soybean oil: New compounds—vinyl ethers of soybean alcohols—have been prepared by chemical modification of soybean oil. These nonvolatile ethers can be converted to paint vehicles expected to be of use in making air dried or baked finishes. Evaluation studies indicate that hard and durable films can be obtained from these ethers by baking. These films have unusual resistance to acid, alcohol, and alkali—an important property for finishes needed in many industrial applications, particularly for consumer products. Further work is underway to evaluate fully the usefulness and importance of these ethers in pro-

tective coatings. They represent one of many possible types of industrial chemicals or intermediates which may help the vegetable-oil industry to capture new markets.

Penicillin: Penicillin production throughout the world today is based largely on a cultural method developed by the Northern Utilization Research Branch at Peoria, Ill. By using a mold found on a ripe cantaloupe plus a better diet for the mold, USDA scientists were able to increase penicillin production more than a hundred times. The wholesale value of penicillin is estimated at more than $100 million a year, but money value cannot be placed on the human lives saved.

Fertilizer bags: Utilization researchers found that with new dyes the acid in fertilizers did not make the bags unusable as dress materials. Now old fertilizer bags can be cleaned, and one would never know that the bright prints they offer were not purchased as brand new dress fabrics.

IV. PROTECTING THE GAINS

PLANT PESTS

Forage marauders: Four years of study of forage on the southern Great Plains led USDA researchers to conclude that approximately 30 pounds of rodents were produced per acre as compared with 40 pounds of beef, and during the period July 20 to September 24, 1954, grasshoppers were largely responsible for the disappearance of almost one-half of the forage.

Insect losses: Today, losses from insects in the United States, plus cost of control, amount to $4 billion a year.

Profit from control: An interesting example of how pest control can yield unexpectedly high profits is provided by the experience in the control of wireworms on 60,000 acres of lima beans in California a few years ago. When a soil insecticide was used, the net increase in value of the crops was more than $4 million.

ANIMAL DISEASES

Six times in this century scientists have eradicated the dread foot-and-mouth disease from the United States. A deadly form of Asiatic Newcastle disease was detected and eradicated before it could spread through our poultry flocks. Hog losses from cholera, once amounting to as much as $65 million in a year, have been reduced to a small fraction of that amount. Research has developed a reliable immunizing agent against brucellosis, and has reduced the extent of tuberculosis in cattle.

Tuberculosis in cattle: Success in reducing tuberculosis infection among cattle from 1.5 percent in 1935 to 0.12 percent in 1955 means a saving of well over $15 million a year to cattle owners and at the same time it reduces hazards to the human family, especially from bone and glandular tuberculosis that once was common in both young and old.

Lymphomatosis: Scientists at the Regional Poultry Laboratory at East Lansing have succeeded for the first time in producing chicks immune to the visceral form of lymphomatosis, or big liver disease, in inoculating the mother hen. If a practical means is developed to control lymphomatosis, it will save poultry producers up to $75 million a year.

QUARANTINES

In agriculture, as in medicine, the payoff for prevention is not listed in statistics, except as its value is reflected in estimates of what did not happen or in before-and-after comparisons.

1955 record: USDA inspectors intercepted 11,500 destructive plant insects and 7,000 destructive plant diseases from throughout the world during fiscal year 1955 in agricultural products in cargo, stores, baggage, mail, or as stowaways aboard vessels, planes, railway cars, and vehicles. Animal pest control also included quarantine activities. Unsterilized hay and straw from countries where foot-and-mouth disease is prevalent was destroyed.

WEED CONTROL

Today, to make ends meet, and perhaps realize a net profit, farmers must do everything possible to cut their costs of production. Especially valuable is research that cuts the cost of production without increasing output of crops now in surplus. Substituting lower cost methods or materials for those now in use is one way to do this. For example, if we can use chemicals instead of tillage or as a substitute for some of the tillage to reduce weeds we often can reduce costs. In Mississippi during the past 5 years, the cost of controlling cottonfield weeds with chemicals has averaged about $9 per acre, as compared with $15 for conventional methods.

V. IMPLICATIONS FOR MILITARY PREPAREDNESS

The saying is that "an army travels on its stomach," and today's army has many special needs in food, clothing, and materials. One thing the Department has done is to build up stockpiles or sources of strategic materials. They are doing—or have done—research on numerous strategic raw materials and substitute—abaca, hemp, kenaf, phormium, sansevieria, castor beans—production and mechanization—extra-long staple cotton, canaigre, opium poppy seed, guayule, hevea rubber, digitalis, and belladonna.

Another way they help meet special military needs is in converting foods into palatable and nutritious forms that use a minimum of shipping and storage space, and keep well through long storage, often under adverse conditions. Normal civilian supplies in many cases do not fill these requirements.

Preservation of perishable foods in a palatable form became a major project for agricultural research at the beginning of World War II. At that time, dehydration offered the fastest method of meeting the basic need. Dried milk, dried potatoes, and powdered eggs are the most familiar products of this wartime research.

A further development was the compression of dehydrated foods. Compression not only reduced space requirements by 50 to 80 percent; it also saved metal containers. For example, enough dehydrated carrots to serve 800 men can be compressed into a 5-gallon can. Compression of dehydrated meat not only saved shipping space, it also helped the meat retain palatability.

Human nutrition people are constantly learning more of what food elements the human machine needs to function at optimum levels. Their studies on food composition were the basis for development of survival rations and subsistence diets used by the Army and Navy during World War II. Although the war has long since been over, progress in food research has continued.

It should be pointed out to any skeptical World War II veteran that further research has given the dried egg a new personality. The culprit mainly responsible for wartime objectionable flavors—glucose—was discovered and is now eliminated before the eggs are dried. Today's product is so good it has made the new cake mixes a rousing commercial success.

One of the newer products is orange juice powder that dissolves instantly, even in ice water, to make a juice with the color, flavor, and nutritive value of fresh orange juice. It can be stored at room temperature, and the Army so far has taken the full output. I am sure the military is also interested in further developments along this line, which are bringing tomato and other juices in powdered form.

A new food preservation process, called dehydrofreezing, combines the space and weight economies of dehydration with the convenience and freshness—retention of freezing. Dehydrofrozen apples, for example, have a much firmer texture when thawed and make better pies than applies frozen in the usual way. Dehydrofrozen foods should have considerable value in supplying posts, camps, and stations, and for special overseas needs.

Agricultural research also has a share in protecting the health of men in the Armed Forces. Commercial production of penicillin during World War II is an example. Although Dr. Fleming of England had proved the almost miraculous power of penicillin to overcome infections, the problem was how to produce it in large enough quantities to save battle casualties. The British came to us. Together, we found the way. During 1945, more than 7,000 billion units were produced—enough to treat 700,000 serious cases, enough to save the lives of thousands of soldiers. In addition, this wartime research led to improved methods of recovery and purification of penicillin. It lengthened the storage life from 3 to 18 months, and reduced the wholesale price from $20 to 60 cents per 100,000 units. The penicillin story is only one example of agricultural research that has given us new and useful medicines.

One of the most recent agricultural research contributions to medical science is dextran blood plasma substitute. Dextran first went to war in Korea. It proved effective in treating shock, which usually follows battle wounds. This fluid, made from corn sugar, can save thousands of lives in an emergency. It can be mass-produced at low cost. And it can be stored without refrigeration.

In the search for new uses for farm products, scientists have developed a starch sponge, useful in curtailing hemorrhage. It can be sewed up in a wound

if need be, since it will be absorbed by the body.

Another contribution is the new two-way stretch cotton bandage. Last year, the Armed Forces saved $5 million by using it instead of the more expensive elastic bandages. It allows free movement of a bandaged elbow or knee.

Agricultural research during World War II led to methods for sterilizing wool in such a way that the fabric was left soft and pliable. Loss in breaking strength was less than one-sixth. This is important to any army that spends millions of dollars each year for woolen clothing, blankets, and such.

More recently, with the cooperation of the Army Quartermaster, the Department has developed a mixture of DDT with chemical carriers that can be washed into woolens to protect them against clothes moths and carpet beetles for more than a year.

Cotton yarn and fabric highly resistant to rot and mildew, and able to stand greater heat than ordinary cotton was highly useful for uniforms in the Tropics. Here again, research is not content with the past, but is striving for further improvement. Iu cooperation with the Quartermaster Corps, advances have been made in flame-proofing cotton for military clothing.

A major cause for discarding shoes, particularly in the Army, is breakdown of insoles. How many pairs of shoes do our Armed Forces use each year? Let us say 3,000,000. Agricultural research has found a process for retanning the insole leather with alum, which increases wearability. If we can get the equivalent of 300,000 additional shoes from this process, that means a saving, at a conservative estimate of $5 a pair, of $1,500,000 a year. In addition to all this, wearing tests have shown the new insoles are far more comfortable.

During the Second World War, Department chemists hit upon a new method of stabilizing guncotton—or nitrocellulose. This method saved about two-thirds of the time formerly needed in making the explosive, and made possible substantial savings in the cost of smokeless powder for large-caliber guns.

Smokeless powder production gained another boost from the development of a machine that cuts cotton fiber to very short lengths—about one-tenth inch. This machine paved the way for emergency use of cotton lint in making smokeless powder, speeding up the process, and reducing cost.

Another contribution was the development of "soft grit" blasting, using ground corncobs and rice hulls, for the removal of hard-carbon deposits from cylinders and pistons of aircraft engines being overhauled. The soft grit is not abrasive and does not cause dimensional changes in the parts. Neither masking of parts nor use of hand tools is required.

A recent development is the lightweight respirator that protects against new insecticidal sprays and dusts. When German-developed insecticides from poison gases were first tried here after World War II, we had no breathing device to protect the users. This new equipment is worn over the nose and mouth, and filters or absorbs toxic fumes from the air.

I suppose all of us have heard of the diffusion fiberboard that protects against poison gases and disease-laden particles, and gives some protection against radioactive fallout. This development—the result of cooperative United States Forest Products Laboratory and Army Chemical Corps research—is another example of how diversified is the agricultural research contribution.

I need not remind Senators of the work on packaging of war shipments during World War II, or the application of Forest Service photogrammetry experience, and smoke-jumping techniques, to military needs.

Currently, forest fire-fighting research is opening interesting possibilities for the use of helicopters in protecting defense installations. Also of current interest are the studies underway on cellulose nitrate as a means of improving forest sources of raw materials needed for Army Ordnance.

There are many other lines of research that hold promise for future military application. We shall hear about them as time goes on.

I regret that the President, in both his budget message and his special farm message, failed to fully recognize and emphasize a problem which, from the standpoint of its benefits to agriculture, is just as important, if not more important, than the amount of money included in the budget. I refer to the need for a long range program of agricultural research. So far, we have operated on a year-to-year basis. Perhaps under existing authority, the Department can operate only on this basis. But the fact remains that the need to abandon this year-to-year approach and substitute for it a well-planned, coordinated program is just as acute, if not more so, than ever before.

The Nation's farm organizations and commodity groups are urgently recommending the establishment of a long range research program. They cannot, by themselves, achieve this sound objective. Certainly they must have the help of the Congress, and just as importantly, the executive agencies which plan these activities and schedule funds to carry them out.

We need, desperately, to decide just what we want to achieve through research for agriculture. We must then lay out a program which offers the best hope of achieving the desired result and, more importantly, standing by the program once it has been decided upon. Research is a continuing year-to-year activity. Much research work cannot be done on a short-term basis. We cannot turn research on and off without sacrificing many of the potential benefits or, I might add, without substantial loss through wasted motion and inefficient operation.

We can never achieve a research program that gives sufficient emphasis to fundamental research as long as we operate as we do now. Under a long range, planned program scientists could be assigned over a period of years to study specific problems which could return untold benefits to the farmers and to the country as a whole.

The payoff from research can be big. All of you, I am sure, recall the story of frozen concentrated orange juice mentioned earlier. This one successful research project restored stability to the citrus industry, created an entirely new industry producing a product which has won wide consumer acceptance. Without a doubt the tax revenue each year from the new wealth created by this one example of agricultural research is many times the original investment. Research is the spearhead of economic growth in a modern industrial nation and may be the most important single factor in the economic growth in the United States. What research has done for other industries, it can do for agriculture.

I am not underestimating the value of the type of research work we now have. But the point is that our present research program is inadequate. It does not allow, either in planning or financing, the scientists to attack many of the basic research problems—the projects which are likely to pay off in tremendous permanent gains for agriculture. Basic research is by nature a time-consuming, long-range business. Usually the payoff is many years away, but once achieved, the results fully justify the detailed planning and the long-range approach.

We need to know a great deal more about the cultivated plants which produce our food and fiber. Why does cotton shed many of the buds which appear on a stalk of cotton? Why is one plant disease resistant while another is not? What hidden treasures do the wild or uncultivated species of plants hold? Are not these things worthy of investigation?

We need a program projected over some set period—5 or 10 years, perhaps. No sudden increase in appropriations would be required. Rather, it would be a gradual increase, with the appropriation geared to the ability of the Department of Agriculture, within its present framework, to make maximum use of funds voted. We all know that capable staffs cannot be recruited overnight. Nor can necessary facilities be created in a matter of days. What is needed, I repeat, are moderate annual appropriation increases, scheduled to come as fast as they can be used in an orderly expansion of research work; changes in recruiting procedures which would permit hiring in January of June college graduates; surveys to determine facilities needed for future expansion; and realinement in salary schedules commensurate with responsibility and to more nearly meet industrial pay scales.

Our research people will have a blueprint in front of them from which to make their long-range plans. They can, with confidence that their plans will not be disrupted by wide fluctuations in appropriations, lay out basic research programs to extend into the future. Scientists can delve into some of the more fundamental problems. They can point

the way to a steady improvement in agriculture's position.

Agricultural research is not a partisan issue and I want to stress that it benefits not only the farmer but also the consumer and the Nation as a whole. I am proud that the Research and Marketing Act, which conceived the research program as it exists today, was passed by a unanimous vote of both Houses of Congress.

I am impressed by the fact that it has had the unanimous support of our farm and commodity organizations—practical farmers who see research, as I do, pointing the way toward a more stable prosperous agriculture.

I am pleased that the Republicans are wholeheartedly for agricultural research. I sincerely hope that the President's request for additional funds in the budget is a forerunner of a broad, long-range research program.

Mr. President, what I have said with reference to the long-range program and what I have said with reference to the need of getting competent young scientists is all the more apropos in view of the demands and needs of the military, and of the great industrial companies and corporations of our country, who are bidding the top prices for these prime young men as they come out of colleges and other training centers, which are especially equipping them for this purpose. We who are interested in agriculture, and those of us from States where it is such an important part of the economy of our people, must be alert to this added, long-range need, to provide and put into effect what I term a long-range program, and must make certain that money is provided to get these young men and to divert their interests into these channels, and to train them, as well as to get them over the years.

Otherwise such a program, competition for scientists being what it is, is bound to lag. I believe the present research program is making fine progress. We have had a substantial increase and expansion of its activities. However, the long-range program is absolutely necessary, and I believe the next few years will be very critical years.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. STENNIS. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DANIEL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANIEL. Mr. President, I send to the desk an amendment to the pending bill, H. R. 10875, on behalf of myself, the senior Senator from Texas [Mr. JOHNSON], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Oklahoma [Mr. KERR].

The PRESIDING OFFICER. Without objection, the amendment will be received and will lie on the table.

Mr. DANIEL. Mr. President, this amendment would establish a price support for grain sorghums, barley, oats, and rye at five percentage points less than that for corn in the commercial corn-producing area during each of the years 1956 and 1957 for those farmers who place 15 percent of their base acreage into the soil bank. It changes the committee bill by making the same provision applicable to both years instead of only to 1957 and by requiring an acreage reserve program for feed grains without regard to whether one is made effective for corn.

In substance, the amendment would restore the House language on feed grains except that during 1956, those farmers who do not place 15 percent of their base acreage in the soil bank would receive 76 percent of parity, the same as for corn farmers who do not comply with acreage allotments this year. The Senate committee wisely inserted this provision in the bill to maintain a fair competitive relationship with noncooperators for corn, and our amendment adopts that policy. It would also leave intact the committee provision that if price support is made available in 1957 to corn producers not meeting acreage and soil-bank participation requirements, price support must be made available to noncomplying feed grain producers on the same relative basis. As to corn produced outside the commercial area, no change would be made in the Senate committee provision.

Mr. President, even in the face of increased corn production flowing from the Agriculture Department's liberal policy toward corn farmers, these feed grain producers want to cut down their acreage because they recognize the serious problems that a glutted feed market will bring. They are willing to do their part toward the solution of the existing surplus condition, but they cannot afford to curtail production at 76 percent of parity—their margin of profit is so small they will be forced to plant every acre not devoted to the basic crops. With an increased support level and participation in the soil bank, they will be able to make a fair return on a limited acreage.

If this amendment is approved, each farmer can figure for himself what 15 percent of his base acreage will be. Most of the grain sorghums produced in the Southwest are planted about the first of June, and I believe the planting season is at least that late or later for oats, barley, and rye. If the Agriculture Department acts promptly, data regarding acreage history will be available in a very short time, since acreage allotments on the basic crops were in effect for the last 2 years and much information is readily obtainable. Therefore, little or no plow-up would be necessary for those farmers desiring to participate in the program.

This is borne out, Mr. President, by telegrams which I have received from grain sorghum producers in the Texas Panhandle.

Mr. R. G. Peeler, a farmer in Castro County, president of the Grain Sorghum Producers Association, sent me a telegram which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

HEREFORD, TEX., *May 15, 1946.*

Hon. PRICE DANIEL,
United States Senator From Texas,
Washintgon, D. C.:

The planting of grain sorghums is negligible at this time in west Texas, Panhandle of Texas, New Mexico, Oklahoma, Colorado and Kansas. These areas produce approximately 80 percent of all grain sorghums grown in the Nation. Normal planting time for these areas does not start until the last week in May and extends through June. If law is enacted soon requiring a layout in acreage on grain sorghums, do not believe plow up will be necessary because farmers in these areas are expecting and anticipating the enactment of this section of the farm bill. We do not believe it will be any more trouble to attain past history on grain sorghums at this time than at any other season of the year. Farmers in this area will be glad to participate in the soil bank program to cut down production. It, however, is imperative that farmers complying with the soil bank be supported at 81 percent of parity and those not complying at 76 percent of parity so as to stay in business and remain on their farms. The measuring of feed grains to assure compliance with the soil bank provision will not be any more difficult to administer than wheat and cotton, and can be done in a minimum length of time at $2.00 per farmer plus 1 cent per acre, by the usual contracting method. Your active support is appreciated by the feed grain farmers in this area and it is hoped legislation will be enacted soon that will give them some much needed relief.

R. G. PEELER,
Farmer, Castro County, Tex., and President of Grain Sorghum Producers Association.

Mr. DANIEL. Mr. President, Mr. Frank Moore, of Plainview, a farmer in Hale County, Tex., also sent me a telegram which I ask unanimous consent to have printed in the RECORD at this point in my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PLAINVIEW, TEX., *May 15, 1956.*

Senator PRICE DANIEL,
Senate Office Building,
Washington, D. C.

DEAR SIR: We are watching the new farm bill with keen interest as we have about 45 more days in which to plant our grain sorghum and as not more than 1 percent of the grain sorghums have been planted to date we can easily comply with the soil bank acreage reserve. We grain farmers are willing and want to reduce our acreage in order that a huge surplus will be avoided and we can start operating in the black again with an increase in price support. It will not be very difficult to figure the base acreage as we have been planting our remaining acres after our basic crops have been planted in 1954 and 1955. Many of us must have relief this year or we will not be farming in 1957. Anything you can do to help relieve our desperate situation will be greatly appreciated.

Sincerely,

FRANK MOORE,
Farmer, Hale County, Tex.

Mr. DANIEL. Mr. President, Mr. Melvin Glanz, president of the Hale County Grain Sorghum Producers Association, also sent me a telegram which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PLAINVIEW, TEX., *May 15, 1956.*

Senator PRICE DANIEL,
Senate Office Building,
Washington, D. C.:

Regarding the price support provisions contained in the farm bill now being considered by the Senate I should like to point out the danger of seriously increasing the already large surplus of feed grains if the acreage of such crops is unrestricted in 1956 as approved by the Senate Agriculture Committee. Less than 1 percent of the grain sorghum acreages of this area which produce 60 percent of the Nation's grain sorghums have been planted. The normal planting extends over the next 45 days with the greatest acreage planted between June 1 to the 15th. Therefore, there is still time to include the 1956 crop in the acreage reserve provisions of the soil bank. We farmers are anxious that a program which will halt the ever-increasing surplus of such feed grain be adopted. We also need relief from the present disastrously low price of feed grains which is the result of yearly acreage increases in feed grains as acreages have been reduced in the so-called five basic commodities. I believe these two needs of the feed grain producers can be accomplished if the 1957 price support and acreage control provisions of the present measure approved is adopted for the 1956 crop year.

Yours truly,

MELVIN A. GLANZ,
President, Hale County Grain Sorghum Producers Association.

Mr. DANIEL. Mr. President, I have a number of other telegrams which I shall not take the time of the Senate to read, but they all substantiate what is stated in the telegrams I have just placed in the RECORD.

Mr. Peeler and the other gentlemen whose telegrams I have placed in the RECORD speak not only for themselves, and for the growers in their area, but also for the members of their association in New Mexico, Oklahoma, Kansas, and Colorado.

To summarize, Mr. President, I believe members of the Agriculture Committee and its distinguished Chairman, the Senator from Louisiana [Mr. ELLENDER], have done excellent work in dealing with this difficult feed grain problem in view of their desire to report out a new farm bill as promptly as possible. They should be commended by the Senate and the entire farm population for their efforts to provide a fair competitive relationship between corn in the commercial area and other feed grains. I believe, however, that feed grain producers who want to do so should be given an opportunity this year to reduce their acreage and participate in the soil bank.

One of the best arguments for the amendment we have proposed is contained in the minority report on the bill where it is stated:

The Department of Agriculture estimates that feed grains equivalent to 800 million bushels of corn by weight were produced in 1954 and 1955 on land taken out of controlled crops. Many of these grain producers have gone into livestock, dairy, and poultry production and have helped to depress the livestock, dairy, and poultry markets.

Mr. President, that is the same point which I earlier stated this afternoon in the exchange with the Senator from Vermont [Mr. AIKEN]. He said that the poultry, dairy, and livestock industries might be hurt by the increase in the price of feed grains.

Actually, those industries have already reported that they are being hurt by the fact that the producers of excessive feed grains are going into the business, and feeding to their own cattle, hogs, and poultry the feed they would like this year to reduce. They want to get out of that kind of business. They are glutting the livestock market already and are hurting the producers of livestock by reason of the fact that in order to make ends meet, they must go into the business and compete with the livestock people themselves.

Mr. President, the feed grain producers want to do something to correct this situation. I hope the Congress of the United States will help them to attain this worthy objective.

REORGANIZATION PLAN NO. 2 OF 1956, RELATING TO THE FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 406)

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The Chair lays before the Senate a message from the President of the United States, transmitting Reorganization Plan No. 2 of 1956.

The Chair is informed that the message, also transmitted to the House, has been read in that body and referred.

Without objection, the message, with the accompanying plan, will be printed in the RECORD without reading and appropriately referred.

The message from the President and Reorganization Plan No. 2, of 1956, were referred to the Committee on Government Operations, as follows:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 2 of 1956, prepared in accordance with the provisions of the Reorganization Act of 1949, as amended. The reorganization plan is designed to provide the Federal Savings and Loan Insurance Corporation with its own management, independent of the Federal Home Loan Bank Board. This organizational change accords with a recommendation of the second Commission on Organization of the Executive Branch of the Government.

The management of the Federal Savings and Loan Insurance Corporation has been merged with and identical to that of the Federal Home Loan Bank System since the Corporation was established in 1934. It may well be that this identity of mangement was useful during the formative years of the Federal Home Loan Bank System and of the program of the Federal Savings and Loan Insurance Corporation. I am satisfied, however, that the time has come to separate the two agencies. Reorganization Plan No. 2 of 1956 establishes, separate from the Federal Home Loan Bank Board, a new board of trustees of the Federal Savings and Loan Insurance Corporation; vests the management of the Corporation in that board of trustees; and makes appropriate transfers of the functions of the Federal Home Loan Bank Board to the board of trustees and to the Corporation.

The present responsibilities of the Federal Home Loan Bank Board are principally, (1) supervision and regulation of the 11 home-loan banks established pursuant to the Federal Home Loan Bank Act of July 22, 1932, and of member institutions thereof, (2) chartering, supervision, and regulation of Federal savings and loan associations, under the Home Owners' Loan Act of 1933, and (3) beginning in 1934, management of the Federal Savings and Loan Insurance Corporation, together with related supervision and regulation of insured institutions.

The reorganization plan is directed at the third of the foregoing, which is essentially a responsibility for the insurance of individual accounts in institutions of the savings and loan type, including concomitant supervision and regulation of insured institutions. Thus, the Federal Home Loan Bank Board will retain both its original functions relating to home-loan banks and their member institutions, and its functions, under the Home Owners' Loan Act, of chartering, supervision, and regulation of Federal savings and loan associations.

The financial soundness of the insurance program of the Federal Savings and Loan Insurance Corporation is of major and increasing interest to the Government. Under the law the Treasury may be called upon to purchase up to $750 million in obligations of the Corporation. The volume of savings insured by the Corporation has increased nearly sixfold in the last 10 years and now stands at approximately $28 billion.

In its audit reports submitted to the Congress from time to time the General Accounting Office has questioned the desirability of permitting an agency having the authority to promote and charter Federal savings and loan associations, which are required by law to be insured, also to administer the insurance underwriting. The General Accounting Office has stated that experience has shown that the responsibilities for those functions are inherently conflicting and has recommended that the Congress consider separating the Federal Savings and Loan Insurance Corporation from the Home Loan Bank Board. The second Commission on Organization of the Executive Branch of the Government, in its report to the Congress on the subject of lending agencies, stated that there should be a clear separation of the management of the two agencies.

I am persuaded that separation of the two programs will enhance the quality of the management of the Corporation. It will promote continuing public confidence in the savings and loan insurance program and will better safeguard the interests of the Corporation and of the

Treasury in minimizing the danger of losses arising from the contingent insurance liability.

The primary responsibility of the Federad Home Loan Bank Board will continue to be the encouragement of local thrift associations and the maintenance of a stable flow of funds for home financing by its member institutions. The reorganization plan will enhance the Board's ability to perform these functions by relieving it of its present conflicting responsibility for administering Federal insurance of savings and loan associations.

Reorganization Plan No. 2 of 1956 provides that the Chairman of the Federal Home Loan Bank Board shall be one of the three members of the board of trustees of the Federal Savings and Loan Insurance Corporation. That arrangement is considered desirable to foster coordination of the policies of the Corporation and of the Federal Home Loan Bank Board. Moreover, the arrangement corresponds generally to the interrelationship of the Federal Deposit Insurance Corporation, which insures deposits of commercial banks, and the Comptroller of the Currency, who charters and supervises national banks and is a member of the Board of Directors of that Corporation but does not otherwise control it.

Relationships of the Federal Savings and Loan Advisory Council will be affected by the reorganization plan to the extent that the Council will confer with the Corporation, in lieu of the Federal Home Loan Bank Board, on special conditions affecting the Corporation and also will direct to the Corporation those of the Council's recommendations and requests for information which pertain to the Corporation. The plan does not otherwise affect the Council or the functions of the Federal Home Loan Bank Board with respect to the Council.

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 2 of 1956 is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have also found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of officers as therein provided. The rates of compensation so fixed are those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

I believe that the reorganizations made by the Reorganization Plan No. 2 of 1956 will in the long run tend to reduce expenditures of the Government by reason of the more effective protection of the Government's large financial interest in the affairs of the Federal Savings and Loan Insurance Corporation and of the institutions insured by the Corporation. It is not practicable, however, to itemize at this time the reduction in expenditures which it is probable will be brought about by the taking effect of the reorganizations included in the reorganization plan. There will be a modest increase in the overall operating expenses of the Corporation and of the Federal Home Loan Bank Board, which are financed from the receipts of assessments, fees, premiums, and investment income of the Corporation and of the Board, and not from ordinary Government appropriations.

The insured institutions, the holders of insured accounts, and the Federal Government all have a vital stake in the insurance program of the Federal Savings and Loan Insurance Corporation. Reorganization Plan No. 2 of 1956 will substantially benefit all of them. I urge the Congress to allow the reorganization plan to become effective.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 17, 1956.*

REORGANIZATION PLAN NO. 2 OF 1956

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 17, 1956, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

SEC. 1. Board of trustees: (a) There is hereby established the Board of Trustees of the Federal Savings and Loan Insurance Corporation (hereinafter referred to as the board of trustees).

(b) The board of trustees shall be composed of 3 members as follows: (1) 2 members, each of whom shall be appointed by the President by and with the advice and consent of the Senate and receive compensation at the rate now or hereafter prescribed by law for the chairman of the Federal Home Loan Bank Board, and (2) the Chairman of the Federal Home Loan Bank Board, ex officio. The President shall from time to time designate to be the chairman of the board of trustees one of the appointive members thereof.

SEC. 2. Transfer of functions: (a) There are hereby transferred to the board of trustees all functions of the Federal Home Loan Bank Board, including all functions of the Chairman thereof, with respect to directing and operating the Federal Savings and Loan Insurance Corporation (hereinafter referred to as the Corporation) and with respect to the appointment and the fixing of compensation of officers, employees, attorneys, and agents of the Corporation.

(b) Except as transferred by the provisions of section 2 (a) of this reorganization plan, and exclusive of the function of granting approval required under section 406 (a) of title IV of the National Housing Act, as amended (12 U. S. C. 1729 (a)), which function of approval shall remain with the Federal Home Loan Bank Board, all functions of that Board provided for in the said title IV, including all functions of any member or agent of that Board so provided for, and all other functions vested in or performed by that Board by reason of its responsibility to or for the Corporation, are hereby transferred to the Corporation.

SEC. 3. Status of the Corporation; authority of the President: (a) The Corporation, including the board of trustees, shall hereafter be separate from and, except as provided in section 2 (b) of this reorganization plan in regard to approval required under section 406 (a) of title IV of the National Housing Act, as amended, independent of the Federal Home Loan Bank Board; but nothing herein shall preclude the Corporation or the Federal Home Loan Bank Board, in respect of their respective functions after the provisions of this reorganization plan take effect, from utilizing the information, services, and facilities of the other under interagency arrangements authorized or permitted by law.

(b) The Corporation, including the board of trustees and all matters under the jurisdiction of the board of trustees, shall be subject to the direction and control of the President of the United States.

SEC. 4. Incidental transfers: (a) All assets, liabilities, contracts, commitments, property, records, personnel, and unexpended balances of appropriations, allocations, and other funds (including authorizations and allocations for administrative expenses), available or to be made available, of the Corporation shall remain with the Corporation.

(b) So much of the assets, liabilities, contracts, commitments, property, records, personnel, and unexpended balances of appropriations, allocations, and other funds (including authorizations and allocations for administrative expenses), available or to be made available, of the Federal Home Loan Bank Board as the Director of the Bureau of the Budget shall determine to relate primarily to the Corporation or to its functions (including the functions vested in the Corporation by statute, the functions transferred to the Corporation by the provisions of this reorganization plan, and the functions transferred to the board of trustees by the provisions of this reorganization plan) shall be transferred from the Federal Home Loan Bank Board to the Corporation at such time or times as the said Director shall direct.

(c) Such further measures and dispositions as the Director of the Bureau of the Budget shall determine to be necessary in order to effectuate the transfers provided for in this section shall be carried out in such manner as the Director shall direct and by such agencies as he shall designate.

SEC. 5. Effective date: The provisions of sections 2, 3, and 4 of this reorganization plan shall take effect on the first day following the day on which the second of the two appointive members of the Board of trustees first appointed under this reorganization plan enters upon office as such member.

RECESS TO 10 A. M. TOMORROW

Mr. DANIEL. Mr. President, if there is no further business to come before the Senate, I move that the Senate stand in recess, in accordance with the previous order, until 10 o'clock a. m. tomorrow.

The motion was agreed to; and (at 4 o'clock and 49 minutes p. m.) the Senate took a recess, the recess being, under the order previously entered, untill tomorrow, Friday, May 18, 1956, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate May 17 (legislative day of May 7), 1956:

DIPLOMATIC AND FOREIGN SERVICE

Theodore C. Achilles, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru, vice Ellis O. Briggs.

Ellis O. Briggs, of Maine, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil, vice James Clement Dunn.

UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

Giles S. Rich, of New York, to be associate judge of the United States Court of Customs

and Patent Appeals, vice Noble J. Johnson, elevated.

Noble J. Johnson, of Indiana, to be chief judge of the United States Court of Customs and Patent Appeals, vice Finis J. Garrett, resigned.

UNITED STATES CIRCUIT JUDGE

David T. Lewis, of Utah, to be United States circuit judge, 10th Circuit, vice Orie L. Phillips, retired.

UNITED STATES DISTRICT JUDGES

Frederick O. Mercer, of Illinois, to be United States district judge for the Southern District of Illinois, vice J. Leroy Adair, deceased.

Raymond J. Kelly, of Michigan, to be United States district judge for division No. 1, district of Alaska, for the term of 4 years, vice George W. Folta, deceased.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 17, 1956

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who hast been our guardian in the night, may we go forth into the hours of this new day with confidence, for Thou art our strength in weakness, our light in darkness, our joy in sorrow, and our hope in doubt and despair.

Grant that Thy loving kindness toward us may always be followed by our obedience toward Thee.

May this be a day when our hearts shall be kindled with an earnest desire to cultivate a spririt of friendship and good will toward a republic which is seeking a larger measure of freedom and security and a greater opportunity for growth and self-realization.

Inspire us with a sense of our need of Thy sustaining presence, for without the guidance of Thy divine spirit all our searchings and strivings for truth are futile and all our longings and labors for peace are fruitless.

Help us to hasten the coming of that blessed day when there shall be friendship and fraternity among all nations.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Ast, one of its clerks, announced that the Senate had passed a bill and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 1823. An act to authorize the construction of certain works of improvement in the Niagara River for power and other purposes; and

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10004) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 9 and 24 to the foregoing bill.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) entitled "An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense."

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 12 o'clock and 3 minutes p. m.) the House stood in recess subject to the call of the Chair.

PROCEEDINGS DURING THE RECESS—JOINT MEETING OF THE TWO HOUSES OF CONGRESS TO HEAR AN ADDRESS BY HIS EXCELLENCY THE PRESIDENT OF INDONESIA

The SPEAKER of the House of Representatives presided.

At 12 o'clock and 25 minutes p. m., the Doorkeeper announced the Vice President and Members of the United States Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House the Chair appoints as members of the committee to escort His Excellency the President of Indonesia, into the Chamber, the gentleman from Massachusetts, Mr. MCCORMACK; the gentleman from Massachusetts, Mr. MARTIN; the gentleman from South Carolina, Mr. RICHARDS; and the gentleman from Illinois, Mr. CHIPERFIELD.

The VICE PRESIDENT. On the part of the Senate the Chair appoints as members of the committee of escort the Senator from Texas, Mr. JOHNSON; the Senator from Georgia, Mr. GEORGE; the Senator from California, Mr. KNOWLAND; and the Senator from Wisconsin, Mr. WILEY.

The Doorkeeper announced the following guests, who entered the Hall of the House of Representatives and took the seats reserved for them.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The Chief Justice and Associate Justices of the United States Supreme Court.

The members of the President's Cabinet.

At 12 o'clock and 33 minutes p. m., the Doorkeeper announced His Excellency the President of Indonesia.

His Excellency the President of Indonesia, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the great pleasure, and I deem it a high honor to present to you the President of the Republic of Indonesia. [Applause, the Members rising.]

ADDRESS OF HIS EXCELLENCY PRESIDENT SUKARNO OF THE REPUBLIC OF INDONESIA

PRESIDENT SUKARNO. Mr. President and Mr. Speaker, I deem it a great honor and privilege to be able to address this honorable Congress, and I express my gratitude to you for this opportunity.

Standing here before you, Mr. President and Mr. Speaker, and before all the other honorable Members of this Congress, my thoughts, the thoughts of a man born in a cottage and grown up among poor people, go to the homes and hearts of the multitudes of the American people from all strata of your society, for whom you act as elected representatives. May I, therefore, convey to you and through you to the people of America, the most sincere greetings of the Indonesian people and their thanks for your past generous assistance, with the hope that this visit to the United States of America will foster closer relations between our two nations.

In our contemporary world, the impact of America is felt more and more. The influence of the American with his outlook, his ideas, his technical and scientific advances, reaches to almost every corner of Asia and Africa, whilst in America itself, Asia, the Asian and his personality, his ideals, the fruits of his labor, are gradually becoming a living reality. Americans and Indonesians are no longer strangers to each other. [Applause.] We know each other from the films; the beams of the radio reach into our very homes, and the magazines and daily press provoke us to think of each other. These cultural exchanges, coupled with the products of your industries and the fruits of our soil, have kept us always much closer together than the thousands of sea miles which separate our two countries.

I have come to the United States, as I said yesterday, to see your country with my own eyes and to observe the achievements of the great American Nation. I have come here to confirm or to modify the impressions of your country which I have collected from a distance over many years. But above all, I have come here to learn something from America—from America not merely as a place, not merely as a nation, but America as a state of mind, America as the center of an idea. [Applause.]

It was this very America which was in fact the first product of nationalism, of anticolonialism, and of the principle of

independence. It is this America which, as the hothouse of American technology, surpassed the development of older sister nations and became a great power—nay, one of the most powerful nations in the world today. Present-day America as a world phenomenon, with all its impact on the peoples of the earth, was the child of a marriage between the revolutionary America of Washington, Jefferson, and Lincoln and, the technological America imbued with the prodigious technical spirit of Edison and Ford. [Applause.]

The shot that was fired at Lexington on the 19th of April 1775 was heard around the world. It echoes still in the hearts of all who have recently won their independence, and it echoes still in the hearts of peoples who still struggle against their colonial bonds.

Over half the world the burning words which fired the American War of Independence have been closely studied as a source of inspiration and a plan of action. Yes, this period is the period of Asian and African resurgence.

If we could see the passage of history as yesterday I saw your country from the windows of an aeroplane, we could have no doubt that the world is passing through the period of Asian and African nationalism.

I hesitate at using that word "nationalism," for I know that in many countries and in many nations nationalism is an out-of-date political doctrine. Please remember, Mr. President and Mr. Speaker, that for us of Asia and Africa nationalism is a young and progressive creed. We do not equate nationalism with chauvinism, and we do not interpret nationalism as meaning the superiority of our peoples over others. No. For us, nationalism means the rebuilding of our nations; it means the effort to provide equal esteem for our peoples; it means the determination to take the future into our own hands. For us, nationalism is the love of country and the determination to improve it which, not so very long ago, illumined the actions of the founders of your Nation. Nationalism may be an out-of-date doctrine for many in this world; for us of Asia and Africa, it is the mainspring of our efforts. Understand that, and you have the key to much of postwar history. Fail to understand it, and no amount of thinking, no torrent of words, and no Niagara of dollars will produce anything but bitterness and disillusionment.

We who are living in Asia and Africa during this period of Asian and African nationalism, and particularly those of us who have been called upon to guide the destiny of nations, we ask that the rest of the world should show understanding and sympathy. After all, for what do we struggle? Not for fame; not for conquests; not for territorial aggrandizement; not for domination over other peoples. Our efforts and the sacrifices we have made have been for the release of our people from a colonial tyranny lasting for generations and centuries. It has been a struggle—it is still a struggle—for the simple human demands which the rest of the world has long taken for granted.

We ask you to understand our national struggle, and we ask you to sympathize with it. We ask you to understand and sympathize with the fact that our national struggle is still incomplete. How can it be complete when millions of our people in Asia and Africa are still under colonial domination, are still not free? How can the national struggle in Indonesia be complete when part of our own country and part of our own nation are still unfree?

I recall with the very greatest pleasure that shortly after the first Asian-African Conference last year, this Congress unanimously approved a resolution reaffirming America's traditional anticolonial attitude. That conference in Bandung, in which the leaders of 29 states took part, and which represented far more than half the population of the world, was a clear indication of history's direction. Practically all shades of the political spectrum were represented there, and almost all were but recently emancipated from colonialism. They were united by many things, but chiefly by their abhorence of colonialism. They produced a declaration which explicitly stated their continuing opposition to colonialism in all its forms. This Congress, noting that conference, and its declaration, then unanimously restated, for all the world to know, its own long-standing opposition to colonialism. By that action, this Congress demonstrated its sympathy with our efforts. In the scales of history, your weight was placed resoundingly onto the side of the future.

It is now almost 11 years since, on the 17th of August 1945, the Indonesian people proclaimed themselves independent. Note: I said the Indonesian people. Not those of Java alone, nor Sumatra alone, nor Celebes alone, but all of them, from the north of Sumatra to the southernmost corner of West New Guinea, which we call Irian Barat.

That Declaration of Independence covered every part of what was once called the Netherlands East Indies, which constituted the vast colonial empire in Asia of a small European country. We had no quarrel with the Dutch, as a people; we had no quarrel with the Government of the Netherlands as a government. Our quarrel, and the quarrel of our forefathers, was with colonialism; we had a quarrel with the colonial attitudes of some Dutch people; we had a quarrel with the colonial attitudes and actions of the Netherlands Government.

Four and a half years of fighting and negotiation followed. Four and a half years in which our colonially-impoverished country, suffering already from the torments of Japanese occupation, suffered more from the attempts forcibly to reimpose the colonialism we had rejected. Finally, due in no small part to the efforts of the United Nations and its bodies in which America was prominent, the Netherlands made formal recognition of complete and unconditional sovereignty to Indonesia.

But our struggle was not yet at an end. One part of our country, one section of our brothers, were not free—and even today are not free. The territory of Irian Barat, West New Guinea, is still a colonial outpost on Indonesian soil. Our Declaration of Independence had covered all of the Netherlands East Indies. The agreements by which Holland recognized that independence and that sovereignty had made reference to the whole territory of the Netherlands East Indies. But—part of our land, a part of the territories covered by those agreements, is still a colonial cancer in the body politic of our motherland.

We are told that the people of West Irian are not our brothers, and that they come from a different racial stock and therefore West Irian is not Indonesian. Where, again: Where is the country whose citizens are ethnically pure? In fact, for many hundreds of years past, West Irian has been recognized as being part of the Indonesian archipelago. Before colonial days, West Irian was part of the Indonesian national state of Modjopahit, one of the glories of the Hindu-Javanese civilization. West Irian was part of the Dutch Empire in Asia, and was administered and recognized without question as being a unit of the Netherlands East Indies. In all ways, and by ties of common colonial experience, West Irian has been, and still is, an essential part of Indonesia.

We are told that the people of West Irian are not ready for a change from their colonial status, and that they need the continued guidance of the West to train them for the transition to liberty.

We know this "guidance." We have had experience of this "training." It left us, after 350 years, with an illiteracy rate of 94 percent. It left us without sufficient doctors to treat even those who are sick unto death. It left us with a typically colonial economic and social structure.

I tell you this in all solemnity. In the 11 years of our independence, the Indonesian Nation has made more human progress, and has been the scene of greater human happiness, than in all the tens of generations of colonialism that went before. Our people are free, and in freedom they have found their soul—just as the people of West Irian will do when they too are free. They can do what we have done. The figures are available. The lists of schools built, of recurrent epidemics abated, of diets improved, of infant mortality decreased. Forgive me, if I seem to boast. I do not intend to boast. I wish to give you a factual account. Let me cite just one item in the field of education. Illiteracy before the war was 94 percent; today it is 40 percent. [Applause.] That is what the ending of colonialism will mean in West Irian.

The return of West Irian is for us the remaining part of our national political aspiration. It is the final installment on the colonial debt. We see our brothers still in chains, who joined with us in proclaiming our common independence, and so our own freedom is not yet complete. The salt of liberty cannot have its full savor for us until all of Indonesia is again united under the freedom which is the birthright of all men.

Permit me to remind you, sir, of one of America's greatest sons, who said that this Nation could not exist half slave and half free. That father of the American tradition was not speaking

then of colonial slavery, but his words apply in all their moving strength to this case.

Mr. President and Mr. Speaker, although somewhat belatedly, we of Indonesia are now in the stage of national turmoil through which you passed before us some 150 years ago. We are anti-colonialists, for the sweat of our labor has been extorted by other nations, leaving us poverty stricken with the sorrow of our hearts. We are nationalists, for it is our right to win back the worthy place in the family of nations torn from our forefathers three and a half centuries ago. In all of this, we do not claim to have discovered novel principles. No, but like your forefathers, we regard our findings as universal values, as the common property of all mankind.

Present-day Indonesia has so much in common with the growth of the United States of America in the past. You are now reaping the fruits of your pioneering struggle, while we are still busy sowing the seeds from which our future national life will spring. You achieved your material and cultural prosperity based upon the principles of the democracy which is one of your proudest boasts today. Democracy is part of our principles too, part of our Pantja Sila, an instrument to build national prosperity and stability. But we Indonesians are well aware that, however noble the aim, practical democracy is not always easily attainable.

Last year we twice faced the test of the free and secret ballot, one of the fundamentals of political democracy. The conduct of these elections, one for the house of representatives and the other for the constituent assembly, showed that Indonesia is capable, as the international press reported, of taking the first steps along the road to democracy. Although the elections are not compulsory, about 80 percent of the electors, numbering some 35 million souls and scattered over thousands of miles in thousands of islands in our great archipelago, came to the polls and fulfilled their duties as responsible citizens. [Applause.] As a result of these elections, it has been possible to form a coalition government between the largest political parties. The PNI—Nationalist Party, the Masjumi and the Nahdatul Ulama—both Moslem parties, with the support of some of the smaller parties, have formed a coalition cabinet. I trust that this coalition, with more than ample support from parliament, will be stable enough to maintain itself throughout the entire 4 years of its mandate, so that the national process of growth will not be interrupted by intermittent changes of government.

Although these first elections have been successfully accomplished, I shall be modest, Mr. President and Mr. Speaker, in my claims for the establishment of democracy. For who has absolute democracy? We have our feet on the road to democracy, and we have made a good start. But we will not deceive ourselves with the false illusion that we have traversed the full extent of the road to democracy, if indeed, any end there be. The secret ballot, the free press, the freedom of belief, the voting in parliaments—these are all merely expressions of democracy. Freedom of expression has a guardian in a certain measure of prosperity, the achievement of freedom from want. For us, then, democratic principles are not simply an aim, the expression of desires inherent in human nature, they are also a means of providing our people with a reasonable standard of living. The freedom of expression and the freedom from want are indivisibles, two interdependent souls in one body. As with all other freedoms, freedom of expression is not absolute; its indiscriminate and unrestrained exercise could hamper the harmonious growth of other freedoms, could hamper the harmonious growth from want, and thus sow the seed for the destruction of the fundamentals of human freedom itself.

Your Nation began your struggle for liberty, equality, fraternity, and prosperity at a period in history when there was no great gap between the standards of nations. There was no great gap between haves and have-nots, there were no nations of abject poverty and extreme wealth, there were no nations of super technical development and utter technical backwardness, there was not so great a gap between the fortunates possessing full-fledged democracy and the sufferers living under complete tyranny. The contrasts today are great. The contrast between the joy of life cherished by some nations, and the burden of suffering imposed upon more than one half of the human race has outstripped all proportions. Such conditions do not stimulate normal growth toward emancipation, especially when the less-privileged are subjected to the competition of the privileged and the powerful in their daily human activities. But if the development of the newly independent countries in the direction of their prosperity be regarded as indispensable for the preservation of civilized man, there certainly will be no need for regrets over the world's wealth and the almost unlimited resources for the further development of man's technological civilization.

Mr. President and Mr. Speaker, the impact of your revolution has not always been of the same kind upon all countries of the globe. We in Indonesia attach great importance to the freedom of expression, to be preserved even in the Herculean task of firmly founding our national economy. Other revolutions have aimed immediately upon building heavy industry as the basis for freedom from want in the future, if necessary even at the sacrifice of some aspects of freedom of expression for the time being. These are rival conceptions, and they constitute a challenge to Indonesia which she must answer in translating ideals into practice.

The development of Indonesia in particular and of certain other countries of Asia in general will be the test case of the success or failure of the modern world's application of democratic principles. The solvency of less technically developed countries, the solution of the social and economic problems of newly independent peoples at a pace which can keep up with their consciousness of their own worth as equal members of the human family—these are all questions to measure the success of our democracy. In Indonesia, apart from the wealth of nature, our main capital is the sweat and tears of our population, the sacrifices even to the death of those who have gone before. It has been, and it still is, an investment of voluntary human cooperation and sacrifice, which is needed for the development of our country. There is no imposition upon the people to save part of their meager income as a means of accumulating badly needed national capital, neither would we introduce forced labor for national undertakings, nor the expropriation of existing big companies which are run mainly on the basis of profit motives.

Moreover, the present situation in the world is, as I have already mentioned, such that even we the economically weak nations have to compete in order to grow, compete with the forces of powerful and experienced nations, in order to survive the drives and thrusts of the current of elimination. Democracy, when all is said and done, is the introduction of equal opportunity in human activities amongst the indigenous people themselves, and, next to that, some degree of opportunity for foreign competitors to insure the best performance. This sometimes leads toward the presence of an anachronism in which colonial vestiges become strengthened at the expense of national growth. Taking all this into consideration, the question arises: will democracy succeed in Indonesia? Will democracy really bring prosperity and happiness in Indonesia? What is the reason for Indonesia's firm belief in the democratic process and progress? These are questions, Mr. President and Mr. Speaker, which have long occupied the minds of many Indonesian leaders. These problems I think also raise doubts—or hopes—among the statesmen and politicians of a number of western countries about the ability of the Indonesian people to outlive the shock of national responsibility in this turbulent world.

My answer, Mr. President and Mr. Speaker, is: Have no doubt about that [Applause.]

Immediately we had proclaimed our independence in August 1945, we attached as preamble to our constitution the Pantja Sila, the five guiding principles of our national life. Perhaps you know already what our Pantja Sila is. It gives us the five principles of our State. These are:

First. Belief in God. [Applause.]
Second. Nationalism. [Applause.]
Third. Humanity. [Applause.]
Fourth. Democracy. [Applause.]
Fifth. Social justice. [Applause.]

These five principles are the combined reflection of Indonesia's natural climate and the personality of its inhabitants. They were also partly formulated by President Eisenhower [applause] in his speech before the American Society of Newspaper Editors on the 21st of April last, when he spoke of certain principles:

First. "They believe deeply in the right of self-government";

Second. "They believe deeply in the dignity of man";

Third. "They aspire to improve the welfare of the individual as a basis of organized society." [Applause.]

So again: Have no doubts about democracy in Indonesia, Mr. Speaker. Even in the most difficult years immediately after the recognition of sovereignty, we were able to guard the unity of our country through another democratic concept, expressed in the motto of the State, "Bhinneka Tunggal Ika"—Unity in Diversity. [Applause.] Voluntary loyalty to the Indonesian motherland as a whole has been settled in our country without compulsion, without the process of civil war, despite subversive actions by people who do not want to see us free, despite provocation at home and abroad.

Having survived the early, most critical years of our national existence, more attention can be paid to upbuilding and rehabilitation, and especially to the investment of human skill. Just before I left Indonesia, we inaugurated a campaign for village community development, and parliament is soon to discuss the first national 5-year plan, with a total allocation of 11 billion rupiahs, or $1 billion.

However important they may be, our own national efforts on their own will not suffice to achieve steady progress towards viability for our country against the impact of economic or political competition from overseas. It is in this field that we ask your understanding and your cooperation for our mutual benefit. America is known the world over for generosity; if I am not mistaken the American taxpayer has already spent more than $50 billion in foreign aid. But that aid has brought variable results. An example of good results is the recovery of Western Europe after World War II; other results are still prospective in other parts of the world, whereas elsewhere American aid is regarded as of doubtful benefit for national progress.

Indonesia is indeed grateful for the technical assistance she has received to date from America, and in acknowledging my gratitude I want to express myself with the frankness of a friend. Am I allowed to be frank, Mr. President and Mr. Speaker? [Applause.] For the furtherance of their function as defenders of freedom, America and Indonesia need to realize how to obtain lasting results, and these depend upon the specific conditions of Asian countries and the development of the national aspirations of the Asian people, which, indeed, America cannot be expected immediately to know, or to understand. The approach to the question of foreign aid should be based upon different principles in different countries. Without adequate knowledge of those countries, and even if your motives in granting aid were solely the stability of this region, the results could be adverse, and the flow of even billions of dollars could lead only to strained relations. Certainly military aid is no substitute for Asian stability. It will only serve to make countries accepting it more dependent upon America, and their worth as genuine partners in the universal struggle for liberty, peace, and prosperity will consequently decline. The main aim should be for the people of Asia, like the Western nations, to become economically stable but also politically stable [applause] and thus be able to defend their freedom against all assaults. Political stability comes only with the stability of the political heart. [Applause.] I repeat: Political stability comes only with the stability of the political heart. And this heart of ours is now still an unsatisfied heart. The Asian people must soon be brought to the stage of development where they are capable of cherishing their hard-won freedom.

This two-sided struggle is a longer and a harder struggle, but until it is won, the process of emancipation of our people will not be complete. The Republic of Indonesia is a democracy which has leaned heavily upon the experience of the West, and particularly of your great Union for its national ideals. We know that is not enough. To the famished man, democracy can never be more than a slogan. What can a vote mean to a woman worn out by toil, whose children fret and ail with the fever of malaria? Democracy is not merely government by the people; democracy is also government for the people. [Applause.]

The fight for the emancipation of our people is our fight, and believe me we shall not shirk it. We ask for your understanding of it and your sympathy with it. We will accept with the greatest appreciation any assistance that may come to us, from whatever quarter it may come, for that assistance will lighten our burdens and shorten our struggle. Such assistance is not one sided but is of mutual benefit. Out of it comes a greater measure of goodwill, and perhaps more important: Out of it comes a greater volume of production in the world. But, from whatever quarter of this divided globe that assistance comes, we are determined that no material advantage will buy from us any part of our hard-won freedom [applause] for that freedom is more dear to us than the products which any country can give or sell. [Applause.] We welcome assistance on terms of mutual benefit. We reject the idea of exchanging intellectual and spiritual independence or physical liberty for momentary advantage. [Applause.]

And now, Mr. President and Mr. Speaker, finally, may I say this:

We live in a troubled world, in which man cannot rest and cannot give his whole thought and effort to the welfare of mankind. A shadow, pregnant with horror, hangs over the future. It is a manmade shadow, and its mushroom shape colors all our thoughts and all our dreams. In their technical and scientific skill, men have created something whose potentiality for good or evil is so great that the imagination of the same men is overpowered.

So far, the full horror of this latest of mankind's achievements has not burst on the world. So far only small samples of this victory over nature have been used for their designed purpose. And what is that purpose? May God forbid that man should ever take upon himself the responsibility for the use of this weapon. [Applause.] The destruction of this world is not the prerogative of man. [Applause.]

There is irony in the fact that, for the first time ever, man has it within his power to make the desert bloom like a garden, to banish poverty and want from the world, to open up a new era of brotherhood, and yet, at the same time, no man can look with confidence into the future. The rivers and the tides obey our command, we bestride the skies and pluck wealth from under the earth and the sea, we conquer the age-old plagues of humanity and even fight a winning battle against death. At the same time, we dig ourselves shelters in the rocks and prepare to sit and die in them, as man did during the dawn of the world. Have we then made so little progress? Have we learned nothing?

It may be that war is a natural function of man and that his combative feelings prevent his living in peace with his neighbors. It may be so, but I do not believe it. [Applause.]

In any case, should the new weapons begin to fall, the question would be academic, for then we would have, not war but universal death and the end of mankind's brief civilization. It is true that repeatedly throughout history man has crucified himself, only to rise again. Let there be no mistake about it. After an atomic war there would be no resurrection. Certainly we cannot let things slide and trust to luck that no megalomaniac will press the fateful trigger.

Mr. President and Mr. Speaker, in saying these things to you, I am well aware that I am saying nothing you do not already know, for this Congress of the United States of America has given anxious thought to this matter. We who have not got the atom bomb, we will watch every move you take in this matter. With hope in our hearts but fear in our breasts, we will applaud everything which helps to make the future safe for our children. We will support every action taken by you, or the responsible leaders of any country, to remove the shadow of the atom bomb from this world.

May God give men the will to avert calamity.

And may He give us, America and Indonesia, the best friendship which has ever existed between two nations.

Thank you. [Applause, the Members rising.]

At 1 o'clock and 27 minutes p. m., His Excellency the President of Indonesia, accompanied by the committee of escort, retired from the Chamber.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Chief Justice and the Associate Justices of the Supreme Court.

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The purposes of the joint meeting having been completed, the Chair declares the joint meeting of the two Houses now dissolved.

Thereupon (at 1 o'clock and 30 minutes p. m.) the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock p. m.

REORGANIZATION PLAN NO. 2 OF 1956—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 406)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 2 of 1956, prepared in accordance with the provisions of the Reorganization Act of 1949, as amended. The reorganization plan is designed to provide the Federal Savings and Loan Insurance Corporation with its own management, independent of the Federal Home Loan Bank Board. This organizational change accords with a recommendation of the second Commission on Organization of the Executive Branch of the Government.

The management of the Federal Savings and Loan Insurance Corporation has been merged with and identical to that of the Federal Home Loan Bank System since the Corporation was established in 1934. It may well be that this identity of management was useful during the formative years of the Federal Home Loan Bank System and of the program of the Federal Savings and Loan Insurance Corporation. I am satisfied, however, that the time has come to separate the two agencies. Reorganization Plan No. 2 of 1956 establishes, separate from the Federal Home Loan Bank Board, a new board of trustees of the Federal Savings and Loan Insurance Corporation; vests the management of the Corporation in that board of trustees; and makes appropriate transfers of the functions of the Federal Home Loan Bank Board to the board of trustees and to the Corporation.

The present responsibilities of the Federal Home Loan Bank Board are principally (1) supervision and regulation of the 11 Home Loan Banks established pursuant to the Federal Home Loan Bank Act of July 22, 1932, and of member institutions thereof, (2) chartering, supervision, and regulation of Federal savings and loan associations, under the Home Owners' Loan Act of 1933, and (3) beginning in 1934, management of the Federal Savings and Loan Insurance Corporation, together with related supervision and regulation of insured institutions.

The reorganization plan is directed at the third of the foregoing, which is essentially a responsibility for the insurance of individual accounts in institutions of the savings and loan type, including concomitant supervision and regulation of insured institutions. Thus, the Federal Home Loan Bank Board will retain both its original functions relating to home loan banks and their member institutions, and its functions, under the Home Owners' Loan Act, of chartering, supervision, and regulation of Federal savings and loan associations.

The financial soundness of the insurance program of the Federal Savings and Loan Insurance Corporation is of major and increasing interest to the Government. Under the law the Treasury may be called upon to purchase up to $750 million in obligations of the Corporation. The volume of savings insured by the Corporation has increased nearly sixfold in the last 10 years and now stands at approximately $28 billion.

In its audit reports submitted to the Congress from time to time the General Accounting Office has questioned the desirability of permitting an agency having the authority to promote and charter Federal savings and loan associations, which are required by law to be insured, also to administer the insurance underwriting. The General Accounting Office has stated that experience has shown that the responsibilities for those functions are inherently conflicting and has recommended that the Congress consider separating the Federal Savings and Loan Insurance Corporation from the Home Loan Bank Board. The second Commission on Organization of the Executive Branch of the Government, in its report to the Congress on the subject of lending agencies, stated that there should be a clear separation of the management of the two agencies.

I am persuaded that separation of the two programs will enhance the quality of the management of the Corporation. It will promote continuing public confidence in the savings and loan insurance program and will better safeguard the interests of the Corporation and of the Treasury in minimizing the danger of losses arising from the contingent insurance liability.

The primary responsibility of the Federal Home Loan Bank Board will continue to be the encouragement of local thrift associations and the maintenance of a stable flow of funds for home financing by its member institutions. The reorganization plan will enhance the Board's ability to perform these functions by relieving it of its present conflicting responsibility for administering Federal insurance of savings and loan associations.

Reorganization Plan No. 2 of 1956 provides that the Chairman of the Federal Home Loan Bank Board shall be one of the three members of the board of trustees of the Federal Savings and Loan Insurance Corporation. That arrangement is considered desirable to foster coordination of the policies of the Corporation and of the Federal Home Loan Bank Board. Moreover, the arrangement corresponds generally to the interrelationship of the Federal Deposit Insurance Corporation, which insures deposits of commercial banks, and the Comptroller of the Currency, who charters and supervises national banks and is a member of the Board of Directors of that Corporation, but does not otherwise control it.

Relationships of the Federal Savings and Loan Advisory Council will be affected by the reorganization plan to the extent that the Council will confer with the Corporation, in lieu of the Federal Home Loan Bank Board, on special conditions affecting the Corporation and also will direct to the Corporation those of the Council's recommendations and requests for information which pertain to the Corporation. The plan does not otherwise affect the Council or the functions of the Federal Home Loan Bank Board with respect to the Council.

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 2 of 1956 is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended. I have also found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of officers as therein provided. The rates of compensation so fixed are those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

I believe that the reorganizations made by the Reorganization Plan No. 2 of 1956 will in the long run tend to reduce expenditures of the Government by reason of the more effective protection of the Government's large financial interest in the affairs of the Federal Savings and Loan Insurance Corporation and of the institutions insured by the Corporation. It is not practicable, however, to itemize at this time the reduction in expenditures which it is probable will be brought about by the taking effect of the reorganizations included in the reorganization plan. There will be a modest increase in the overall operating expenses of the Corporation and of the Federal Home Loan Bank Board, which are financed from the receipts of assessments, fees, premiums, and investment income of the Corporation and of the Board, and not from ordinary Government appropriations.

The insured institutions, the holders of insured accounts, and the Federal Government all have a vital stake in the insurance program of the Federal Savings and Loan Insurance Corporation. Reorganization Plan No. 2 of 1956 will substantially benefit all of them. I urge the Congress to allow the reorganization plan to become effective.

THE WHITE HOUSE, *May 17, 1956.*

PROCEEDINGS HAD DURING THE RECESS

Mr. McCORMACK. Mr. Speaker, I move the proceedings had during the recess of the House be printed in the RECORD.

The motion was agreed to.

FEDERAL INTERMEDIATE CREDIT BANKS

Mr. TRIMBLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 508, Rept. No.

2175), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10285) to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF SUGAR ACT OF 1948

Mr. POAGE. Mr. Speaker, I call up the conference report on the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 2174)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That section 101 (d) of the Sugar Act of 1948, as amended, is amended to read as follows:

"'(d) The term "raw sugar" means any sugars (exclusive of liquid sugar from foreign countries having liquid sugar quotas), whether or not principally of crystalline structure, which are to be further refined or improved in quality to produce any sugars principally of crystalline structure or liquid sugar.'

"SEC. 2. Section 101 (e) of such act is amended to read as follows:

"'(e) The term "direct-consumption sugar" means any sugars principally of crystalline structure and any liquid sugar (exclusive of liquid sugar from foreign countries having liquid sugar quotas), which are not to be further refined or improved in quality.'

"SEC. 3. Section 101 (i) of such Act is amended by deleting the parenthetical word '(Clerget)'.

"SEC. 4. Section 101 of such Act is amended by adding at the end thereof a new paragraph to read as follows:

"'(n) The term "to be further refined or improved in quality" means to be subjected substantially to the processes of (1) affination or defecation, (2) clarification, and (3) further purification by adsorption or crystallization. The Secretary is authorized, after such hearing and upon such notice as he may by regulations prescribe, to determine whether specific processes to which sugars are subjected are sufficient to meet the requirements of this paragraph (n) and whether sugars of specific qualities are raw sugar within the meaning of paragraph (d) of this section, or direct-consumption sugar within the meaning of paragraph (e) of this section.'

"SEC. 5. Section 201 of such Act is amended by striking in the second sentence thereof the words '1947 prior to the termination of price control of sugar' and inserting in lieu thereof '1947–1949'.

"SEC. 6. Section 202 (a) of such Act is amended to read as follows:

"'(a) (1) For domestic sugar-producing areas by apportioning among such areas four million four hundred and forty-four thousand short tons, raw value, as follows:

Area	*Short tons, raw value*
Domestic beet sugar	1,800,000
Mainland cane sugar	500,000
Hawaii	1,052,000
Puerto Rico	1,080,000
Virgin Islands	12,000

"'(2) To the above total of four million four hundred forty-four thousand short tons, raw value, there shall be added an amount equal to 55 per centum of the amount by which the Secretary's determination of requirements of consumers in the continental United States for the calendar year exceeds eight million three hundred and fifty thousand short tons, raw value. Such additional amounts shall be apportioned among and added to the quotas established under paragraph (1) of this subsection for such domestic sugar-producing areas, respectively, as follows: (A) The first one hundred sixty-five thousand short tons, raw value, or any part thereof, by which quotas for the domestic areas are so increased shall be apportioned 51.5 per centum to the domestic beet sugar area and 48.5 per centum to the mainland cane sugar area; (B) the next twenty thousand short tons, raw value, or any part thereof, by which such quotas are so increased shall be apportioned to Puerto Rico; (C) the next three thousand short tons, raw value, or any part thereof, by which such quotas are so increased shall be apportioned to the Virgin Islands; (D) any additional amount shall be apportioned on the basis of the quotas established in paragraph (1) of this subsection as adjusted by subparagraphs (A), (B), and (C), of this paragraph (2).'

"SEC. 7. Section 202 (c) of such Act is amended by striking out 'For' after '(c)' and inserting in lieu thereof '(1) For the calendar year 1956, for' and by adding at the end thereof the following new paragraphs:

"'(2) For the calendar year 1957 and for each subsequent calendar year, for foreign countries other than the Republic of the Philippines, (A) by prorating to Cuba 96 per centum and to other foreign countries 4 per centum of the amount of sugar, raw value, by which eight million three hundred and fifty thousand short tons, raw value, or such lesser amount as determined pursuant to section 201 exceeds the sum of four million four hundred and forty-four thousand short tons, raw value, and the quota established pursuant to subsection (b) of this section; and (B) by prorating 45 per centum of the amount of sugar, raw value, by which the amount determined pursuant to section 201 exceeds the sum of eight million three hundred and fifty thousand short tons, raw value, as follows:

Country	*Per centum*
Cuba	29.59
Peru	4.33
Dominican Republic	4.95
Mexico	5.10
Other countries	1.03
	45.00

The above proration of 1.03 per centum to foreign countries other than Cuba, the Republic of the Philippines, Peru, the Dominican Republic, and Mexico shall be apportioned to such other countries whose average entries within the quotas during 1953 and 1954 exceeded one thousand short tons, raw value, on the basis of the average entries within the quotas from each such country for the years 1951, 1952, 1953, and 1954.

"'(3) For the calendar year 1957 and for each subsequent calendar year, the proration of 4 per centum under paragraph (2) (A) of this subsection for foreign countries other than Cuba and the Republic of the Philippines shall be apportioned, first, by assigning to each such foreign country whose average entries within the quotas during the years 1953 and 1954 were less than one thousand short tons, raw value, a proration equal to its average entries within the quotas during 1953 and 1954; second, by assigning to each such foreign country whose average entries within the quotas during 1953 and 1954 were not less than one thousand nor more than two thousand short tons, raw value, a proration of three thousand short tons, raw value; third, by assigning to each foreign country whose average entries within the quotas during 1953 and 1954 were more than two thousand and less than three thousand short tons, raw value, a proration equal to the average entries from each such country within the quotas during 1953 and 1954, plus two thousand short tons, raw value; fourth, by assigning to each foreign country whose average entries within the quotas during 1953 and 1954 were not less than three thousand nor more than ten thousand short tons, raw value, a proration equal to the average entries from each such country within the quotas during 1953 and 1954; and, fifth, by prorating the balance of such proration to such foreign countries whose average entries within the quotas during 1953 and 1954 exceeded ten thousand short tons, raw value, on the basis of the average entries within the quotas from each such country for the years 1951, 1952, 1953, and 1954'."

"SEC. 8. Section 202 of such Act is amended by adding the following new subsection:

"'(e) Whenever in any year any foreign country with a quota or proration thereof of more than ten thousand short tons fails to fill such quota or proration by more than 10 per centum and at any time during such year the world price of sugar exceeds the domestic price, the quota or proration thereof for such country for subsequent years shall be reduced by an amount equal to the amount by which such country failed to fill its quota or proration thereof, unless the Secretary finds that such failure was due to crop disaster or force majeure or finds that such reduction would be contrary to the objectives of this Act. Any reduction hereunder shall be prorated in the same manner as deficits are prorated under section 204.'

"SEC. 9. (a) The second sentence of section 204 (a) of such Act is amended by inserting before the period at the end thereof a colon and the following: '*Provided*, That any deficit in any domestic sugar-producing area occurring by reason of inability to market that part of the quota for such area allotted under the provisions of section 202 (a) (2) shall

first be prorated to other domestic areas on the basis of the quotas then in effect'.

"(b) The last paragraph of section 204 (a) of such Act is amended by inserting before the period at the end thereof a semicolon and the following: 'except that in the case of proration of any such deficit in any domestic sugar-producing area occurring by reason of inability to market that part of the quota for such area allotted under and by reason of section 202 (a) (2), the Secretary shall apportion the unfilled amount on such basis and to such other domestic areas as he determines is required to fill such deficit, and if he finds that no domestic area will be able to supply such unfilled amount, he shall add it to the quota for Cuba'.

"SEC. 10. Section 205 (a) of such Act is amended by inserting immediately before the final sentence thereof the following: 'In making such allotments, the Secretary may also take into consideration and make due allowance for the adverse effect of drought, storm, flood, freeze, disease, insects, or other similar abnormal and uncontrollable conditions seriously and broadly affecting any general area served by the factory or factories of such person.'.

"SEC. 11. (a) Section 207 (a) of such Act is amended by adding after the word 'year' the following: ', plus an amount equal to the same percentage of twenty-nine thousand six hundred and sixteen short tons, raw value, that the increase in the quota for Hawaii under section 202 is of one million fifty-two thousand short tons, raw value,'.

"(b) Section 207 (b) of such Act is amended by striking the period at the end thereof and by adding the following: 'which shall be principally of crystalline structure, plus an amount equal to the same percentage of one hundred twenty-six thousand and thirty-three short tons, raw value, that the increase in the quota for Puerto Rico under section 202 is of one million eighty thousand short tons, raw value, which latter amount may be filled by direct-consumption sugar whether or not principally of crystalline structure.'.

"SEC. 12. Section 207 (h) of such Act is amended by striking out 'The' after '(h)' and inserting in lieu thereof '(1) For the calendar year 1956, the' and by adding the following new paragraph:

"'(2) For the calendar year 1957 and each subsequent calendar year, the quota for foreign countries other than Cuba and the Republic of the Philippines may be filled by direct-consumption sugar to the extent of 1.36 per centum of the amount of sugar determined pursuant to section 201 less the sum of the quotas established in subsections (a) and (b) of section 202: *Provided*, That such limitation shall not apply to countries receiving prorations under section 202 (c) of seven thousand short tons or less. The direct-consumption portion of such quota which is subject to the 1.36 per centum limitation referred to above shall be prorated to countries which receive prorations under section 202 (c) of more than seven thousand short tons on the basis of average imports of direct-consumption sugar within the quota for the years 1951, 1952, 1953, and 1954.'

"SEC. 13. Section 301 (b) of such Act is amended by inserting after the words '(or processed)' the following: ', except for livestock feed, or for the production of livestock feed, as determined by the Secretary,'.

"SEC. 14. Section 302 (b) of such Act is amended by inserting after '(or processed)' the words 'within the proportionate share' and by striking the period at the end thereof and inserting the following: 'and of the producers in any local producing area whose past production has been adversely, seriously, and generally affected by drought, storm, flood, freeze, disease, insects, or other similar abnormal and uncontrollable conditions. For the purposes of establishing proportionate shares hereunder and in order to encourage wise use of land resources, foster greater diversification of agricultural production, and promote the conservation of soil and water resources in Puerto Rico, the Secretary, on application of any owner of a farm in Puerto Rico, is hereby authorized, whenever he determines it to be in the public interest and to facilitate the sale or rental of land for other productive purposes, to transfer the sugarcane production record for any parcel or parcels of land in Puerto Rico owned by the applicant to any other parcel or parcels of land owned by such applicant in Puerto Rico.'.

"SEC. 15. Section 405 of such Act is amended by inserting '(a)' at the beginning thereof, by striking out '(a)' and '(b)' and inserting in lieu thereof '(1)' and '(2)', respectively, and by adding the following new subsection:

"'(b) Any person whose sugar processing operations otherwise meet the requirements of section 101 (n) and who subjects to such processes sugar imported or brought into the continental United States under a declaration that it is raw sugar but which sugar subsequently is determined to be of direct-consumption quality, shall forfeit to the United States a sum equal to 1 cent per pound for each pound, raw value, of such sugar in excess of that part of the direct-consumption portion of the applicable quota or proration or allotment thereof remaining unfilled at the time of such determination, which forfeiture shall be recoverable in a civil suit brought in the name of the United States.'

"SEC. 16. Section 407 of such Act is amended by adding at the end thereof the following sentence: 'The provisions of this section shall not apply to persons whose services are obtained pursuant to section 305.'.

"SEC. 17. Section 411 of such Act is renumbered as section 412, section 412 of such Act is renumbered as section 413, and a new section 411 inserted as follows:

"'SEC. 411. The Secretary is authorized to issue such regulations as may be necessary to carry out article 7 of the International Sugar Agreement for the Regulation of the Production and Marketing of Sugar (ratified by and with the advice and consent of the United States Senate on April 29, 1954), restricting importations of sugar into the United States from foreign countries not participating in such agreement, or to carry out the corresponding provisions of any such future agreements ratified by and with the advice and consent of the United States Senate.'

"SEC. 18. Renumbered section 412 of such Act (relating to termination of the powers of the Secretary under the Act) is amended by striking out '1956' in each place it appears therein and inserting in lieu thereof '1960'.

"SEC. 19. Sections 4501 (c) and 6412 (d) (relating to the termination of taxes on sugar) of the Internal Revenue Code of 1954 are amended by striking out '1957' in each place it appears therein and inserting in lieu thereof '1961'.

"SEC. 20. Section 4502 (4), chapter 37, subchapter A, 'Sugar', of the Internal Revenue Code of 1954 is amended as follows: Strike out the parenthetical word '(Clerget)' where it occurs in the first sentence and delete the second sentence thereof.

"SEC. 21. (a) Section 4504, chapter 37, subchapter A, 'Sugar', of the Internal Revenue Code of 1954 is amended by adding before the period at the end thereof the following: ', and except that such tax may be subject to refunds as a tax under the provisions of section 6418 (a)'.

"(b) Section 6418 (a) of chapter 65 of the Internal Revenue Code of 1954 is amended by striking out the '(a)' immediately following 'section 4501'.

"SEC. 22. Except as otherwise provided, the amendments made hereby shall become effective as of January 1, 1956, except that sections 1 through 4 shall become effective upon publication in the Federal Register of regulations implementing such sections, or six months after the date of enactment of this Act, whichever is earlier."

And the Senate agree to the same.

HAROLD D. COOLEY,
W. R. POAGE,
E. C. GATHINGS,
T. G. ABERNETHY,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
WILLIAM S. HILL,
Managers on the Part of the House.

HARRY FLOOD BYRD,
WALTER F. GEORGE,
ROBT. S. KERR,
E. D. MILLIKIN,
WALLACE F. BENNETT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 7030) to amend and extend the Sugar Act of 1948, as amended, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report:

The Senate amendment struck out all after the enacting clause of the House bill and substituted new language which was in many respects identical with that adopted by the House and differed from the House provisions on only four major points: (1) the length of the extension of the Sugar Act, (2) the proportion of the increased demand in the United States allocated to foreign and to domestic producers, (3) the manner in which the domestic share of this increase is to be distributed among various domestic producing areas, and (4) the division of the foreign share of the growth in consumption among the producing countries. Following is the manner in which these major differences were resolved by the committee of conference:

(1) The Senate conferees receded on the length of the extension of the Act and agreed to the 4-year period in the House bill rather than the 6-year extension passed by the Senate.

(2) The House conferees receded on the division of the increase in consumption between domestic and foreign producing areas and adopted the Senate provision which will allocate 55 percent of the increase to domestic producers and 45 percent to foreign areas. The House bill would have divided the increase 50 percent to each.

(3) The conferees adopted the Senate formula with respect to the manner in which the first 188 thousand tons of increase in domestic quotas are to be allocated among domestic producing areas. Under the provisions of the House bill, the first 188 thousand tons of increase in the domestic quota would have been shared between the domestic beet area, the mainland cane area, Puerto Rico and the Virgin Islands in proportion to their present share in the sugar quota. Under the provisions of the Senate bill, adopted by the conferees, the first 165 thousand tons of increase will be divided between the mainland beet and cane areas—51.5 percent to the domestic beet area and 48.5 percent to the mainland cane area. The next 20 thousand tons of increase will be apportioned to Puerto Rico, and the next 3,000 tons of increase to the Virgin Islands. Thereafter, any further increases in domestic quotas will be shared proportionately among all the domestic producing areas, including Hawaii.

(4) With respect to the division among foreign suppliers of the 45 percent of the increase in consumption which will be allocated to foreign countries, a compromise was worked out which was substantially half way between the maximum and minimum quantities allocated to the countries in the two bills. The following table summarizes the provisions of the House and Senate bills and the conference compromise on the basis

of the percentage of the total foreign quota which will be supplied by the major foreign producing areas during the 4-year life of the bill, assuming an increase in consumption of 135,000 tons per year.

	House bill	Senate bill	Conference agreement
Cuba	92.4	94.4	93.75
Mexico	1.4	1.2	1.2
Peru	2.5	2.2	2.3
Dominican Republic	2.6	1.2	1.75
Other	1.1	1.0	1.0
Total	100.0	100.0	100.0

In terms of shares in the annual increase in consumption, the 45 percent of that increase which will be assigned to foreign countries will be divided as follows: Cuba, 29.59 percent; Peru, 4.33 percent; Dominican Republic, 4.95 percent; Mexico, 5.10 percent; other foreign countries, 1.03 percent.

The following table is a projection of the formula contained in the bill for the 4-year period covered by the bill, and shows the annual quotas and the cumulative total for foreign countries on the basis of the assumed increase in consumption of 135,000 tons per year:

Quotas under Sugar Act of 1948, as amended in 1956 [1]

[Short tons, raw value]

	1956	1957	1958	1959	1960	Total, 1957–60
Assumed requirements	8,535,000	8,670,000	8,805,000	8,940,000	9,075,000	35,490,000
Total, domestic areas	4,545,750	4,620,000	4,694,250	4,768,500	4,842,750	18,925,500
Total, foreign areas	3,989,250	4,050,000	4,110,750	4,171,500	4,232,250	16,564,500
Philippines	980,000	980,000	980,000	980,000	980,000	3,920,000
Total, Cuba and full-duty countries	3,009,250	3,070,000	3,130,750	3,191,500	3,252,250	12,644,500
Cuba	2,888,880	2,903,648	2,943,594	2,983,541	3,023,488	11,854,271
Full-duty countries	120,370	166,352	187,156	207,959	228,762	790,229
Peru	56,224	63,919	69,765	75,610	81,455	290,749
Mexico	12,394	27,579	34,464	41,349	48,234	151,626
Dominican Republic	29,892	45,320	52,002	58,685	65,367	221,374
Other countries	21,860	29,534	30,925	32,315	33,706	126,480
Nicaragua	8,472	9,837	10,613	11,387	12,162	43,999
Haiti	2,892	5,489	5,771	6,053	6,335	23,648
Costa Rica	[2] (1,084)	3,188	3,267	3,347	3,426	13,228
Formosa	[2] (1,114)	3,190	3,270	3,350	3,431	13,241
Netherlands	[2] (1,123)	3,223	3,317	3,411	3,504	13,455
Panama	[2] (1,114)	3,190	3,270	3,350	3,431	13,241
Belgium	[2] (182)	182	182	182	182	728
British Guiana	[2] (85)	85	85	85	85	340
Canada	[2] (631)	631	631	631	631	2,524
Hong Kong	[2] (3)	3	3	3	3	12
United Kingdom	[2] (516)	516	516	516	516	2,064
El Salvador [3]	4,478					

[1] 1955 requirements of 8,400,000 tons plus annual increments of 135,000 tons.
[2] Average 1953–54 charges shown for countries which do not have specific prorations in 1956.
[3] No charges against quotas since 1949.

In agreeing to the Senate provisions with respect to the method of distributing among domestic areas the first 188,000 tons of quota increase provided by the bill, the House conferees were motivated primarily by the urgent need of producers in the mainland cane and beet area for relief from the curtailment in production which has been required of them in the past 2 years. Although the bill does not direct the manner in which this first increase in domestic quotas is to be apportioned among producers, it is assumed that the Department of Agriculture will utilize these first quota increases insofar as practicable to relieve the distress of producers in these domestic areas.

Since enactment of the last previous extension of the Sugar Act, the Commonwealth of Puerto Rico and the Congress have adopted respectively the Constitution of the Commonwealth and the Puerto Rican Federal Relations Act. The committee of conference points out that Section 9 of such Act may be inconsistent with the proper operation of the sugar program in Puerto Rico and suggests that the Puerto Rico Legislature consider prompt action to resolve this possible conflict.

HAROLD D. COOLEY,
W. R. POAGE,
E. C. GATHINGS,
T. G. ABERNETHY,
CLIFFORD R. HOPE,
AUG. H. ANDRESEN,
WILLIAM S. HILL,
Managers on the Part of the House.

Mr. POAGE. Mr. Speaker, I ask unanimous consent that any Members desiring to do so may extend their remarks at this point in the RECORD and that all others may have 5 legislative days in which to extend their remarks.

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HOPE. Mr. Speaker, as far as I know there is no opposition to the conference report on H. R. 7030 to extend the Sugar Act of 1948. I think the bill agreed upon in conference is an improvement on both the House and Senate bills.

As agreed on in conference the bill gives domestic producers 55 percent of the increase in consumption and foreign producers 45 percent, thus restoring the traditional division which existed for a number of years prior to the act of 1948.

Domestic producers at present, both cane and beet, are ready and anxious to increase their production. Certainly foreign countries cannot object to going back to the provisions which began with the original Jones-Costigan Act and which continued until 1948 at which time domestic producers expressed their temporary willingness to accept a fixed quota in lieu of the original formula. The willingness of domestic producers to accept a fixed quota at that time was due in part to our inability to meet the production required under the previous formula and partly because it was felt that foreign areas, particularly Cuba, should be given an opportunity to adjust their wartime production to postwar levels without too much of a strain on their economy.

While there have been wide differences of opinion as to the basis on which the 45 percent of the increase going to foreign producers should be allocated, I believe that the provisions as worked out by the conference committee are as fair as can be devised and should be generally satisfactory to our foreign suppliers.

I therefore heartily favor the bill as set out in the conference report and hope that it will be accepted by both the House and Senate without opposition.

Mr. WOLVERTON. Mr. Speaker, the answers that have been given to the questions I have addressed to the gentleman from Texas [Mr. POAGE] indicate that under this conference bill, now before the House, Mexico will receive an increased allotment of sugar that may be exported into this country. The amount that it is entitled to export under present law is so small that it can hardly be considered as worth while when we consider the importance of Mexico in its relationship to our own country. And, while I am gratified that there has been an increase in Mexico's allotment above that which is now allowed, yet, even with this increase it is, in my opinion, much too low. I am strongly of the opinion that we have been very derelict in our treatment of Mexico in this matter of sugar allotment and also in many other matters that pertain to the welfare of Mexico, and all of which could have been to our mutual benefit.

In my opinion, it is highly important that we should recognize that Mexico has been, and now is, an ally of the United States. We should treat it as such whenever and in whatever way is within our power. I do not mean to infer that it is not our duty to maintain friendly and helpful relations with the other nations in this matter of sugar as well as in other matters. But, in no instance is there a greater obligation, nor, in my opinion, as great an obligation, as we owe to Mexico. There are many elements that upon consideration would certainly justify this statement. For instance, and, by way of illustration, it would be highly appropriate if serious consideration should be given to the following:

First. Mexico is the only country that can deliver sugar to the United States overland, an inestimable advantage for United States consumers, especially in times of emergency.

Second. During World War II the United States strictly rationed its sugar consumption. If Mexico is granted an appropriate United States quota, it will be able to contribute to the relief of any future emergency to the benefit of United States consumers.

Third. Mexico is the most secure source of sugar for the United States. During World War II, sea lanes were frequently cut off even from countries as close as Cuba.

Fourth. From fourth place in 1954, Mexico today has advanced to third place among the countries of the world as a buyer of United States products. In this respect Cuba occupies 8th place, Peru, 24th; and the Dominican Republic, 40th. These are the Latin American countries whose United States quotas are greatly in excess of Mexico's.

Fifth. Mexico's 1954 purchases in the United States amounted to $630 million.

This total exceeded Cuba's by $200 million; it also exceeded the combined totals of Cuba, Peru, and the Dominican Republic by $50 million.

Sixth. While Mexico purchased $630 million worth of United States products in 1954, the United States bought only $330 million worth of Mexican products. In other words, for each dollar the United States spent in Mexico, Mexico spent almost $2 in the United States. Mexico's unfavorable balance of trade with the United States is 10 times greater than the combined balances of Cuba, Peru, and the Dominican Republic.

Seventh. Mexico, the third largest purchaser of United States products in the entire world, and the first in all of Latin America, is buying $1.60 worth of United States products for each $1 worth of Mexican products bought by the United States. Furthermore, Mexico's sugar industry is buying more than $7 worth of United States products for each $1 worth of Mexican sugar bought by the United States. A reasonable increase in Mexico's sugar quota will help protect this valuable foreign trade, which contributes to the industrial and agricultural prosperity of each State.

According to the United States Bureau of Census the total purchases in 1954 by Mexico were $624,473,000.

In view of the facts I have given, it is amazing that there should be such a discrimination, or what seems to be discrimination, against Mexico in this matter of a sugar allotment. The committee is to be commended for its effort to increase the allotment for sugar. And, while it is too small, in my opinion, it nevertheless is an increase over the allotment allowed under the existing law. It is a step in the right direction. It gives hope that in the future we can expect a further increase. I hope that such will be the result and at no distant day.

Mr. BAUMHART. Mr. Speaker, it is with great pleasure that I support the conference report dealing with the extension of the Sugar Act of 1948. This provides that mainland beet and cane producers will share in the increased consumption of sugar, under a formula providing that the first 165,000 tons of increase will be divided 51.5 percent to the domestic beet area and 48.5 percent to the mainland cane area.

I am sure that the beet-sugar producers in northwestern Ohio will welcome enactment of this new policy. It will mean long overdue relief for this important agricultural group in the form of increased acreage for them after lean years of curtailed production.

Mr. GATHINGS. Mr. Speaker, charity begins at home. That philosophy has gone with me from my mother's knee to this very day. This conference report which is being considered today allocates 55 percent of the growth in United States sugar consumption to the domestic areas and 45 percent to Cuba and the high-duty countries. The domestic areas are entitled to this 5-percent additional allocation in the increased amount of sugar that will be consumed in the next 4 years as covered by this bill. The House passed a 50–50 division. The 55–45 agreement reached in conference will go a long way in alleviating the desperate situation which exists in the beet and cane areas in this country. These domestic growers have suffered cutbacks in acreage which should to a degree be restored. The acreage reduction taken by them is not as severe as the cotton, rice, and wheat farmers have had to assume, although it has been considerable. In the States where cane is grown the reduction in acreage has been about 18 percent. One of the main reasons for increasing the domestic quota of sugar is that there was an actual carryover of 396,000 tons over and above the quota that had been assigned to such area. Too, this sugar cannot be sold into channels of trade unless the domestic quota is increased. The excess quota sugar was built up due to the farmer applying more fertilizer on his crop as well as through better farming practices.

It is nothing but common justice that we allow the domestic growers of cane and beet sugar to have a shade of advantage over the foreign grower. The Senate bill carried this 55–45 ratio which was sustained by the conferees.

The conference report has given due regard and consideration to Cuba's need to maintain a sizable share of the nondomestic sugar quota. There is a reason for Cuba's acquiring and maintaining a goodly share of the increased consumption of sugar in the years that lie ahead. I am glad to have supported Cuba's interests as a member of the conference on this bill. Cuba is our friend. She is a good neighbor. She is deserving of our full support in the enactment of sugar legislation that is fair, equitable, and reasonable. This conference report deals more fairly with her than the House bill. Cuba is entitled in reality to even more liberal treatment than that contained in this report.

Out of the 6 million people who reside on the island, 500,000 are now unemployed. It has been necessary for the Government of Cuba to spend $100 million in public works in order to keep her people employed. Another thing that I would like to point out is that $676 million has been accumulated in balance of payments with the United States. This is due to the fact that Cuba imports more goods and services from the United States than the United States buys in sugar and other commodities from her. Another thing is that Cuban tourists spend more dollars in the United States than United States tourists spend in Cuba. One of the main reasons that the conference has agreed to give 94.75 percent of this 45 percent nondomestic quota of sugar to Cuba over the next 4 years is that she came to our rescue during the stress and strain of World War II. The then Secretary of Agriculture, CLINTON P. ANDERSON, went down to Cuba and begged for two crops of sugar to meet the needs of America at war as well as for the sustaining and maintenance of the economy at home.

At a risk of not being able to build up new markets for her sugar elsewhere, Cuba adhered to the urgent appeal of Secretary of Agriculture ANDERSON and agreed to turn over to the United States two full crops of sugar during the period of this horrible and disastrous war. Cuba sold us that sugar for about 4 cents per pound while the world price was 8 cents to 10 cents per pound. No doubt, she could have disposed of this sugar elsewhere at a higher figure. We are under moral obligation to Cuba to assure her of the major share of our business in sugar. Secretary ANDERSON speaking for the people of this Nation said to the officials of the Cuban Government:

> If you will help us out of this emergency, we will not forget you.

I believe that the conferees have in a great measure fulfilled this obligation, although I feel that it would have been wise and proper to have given Cuba even a larger share of this increased use of sugar that will be consumed by the people in this country. Our housewives during World War II cried out for sugar not only to meet ordinary daily family needs, but they were most anxious to obtain sugar for the canning of food, principally fruits. In addition, the bottlers of soft drinks were urging that they obtain a sufficient amount of sugar to carry on operations. These demands were in addition to the necessary sugar requirements of our armed services and allies. Yes, Cuba came to our aid when we needed her. She is a true friend.

The 4-year duration provision as contained in the House bill was adopted in conference as against the Senate 6-year extension. All in all, the conference report is meritorious, and I trust that the membership of the House will approve it.

Mr. HILL. Mr. Speaker, on July 30, 1955, this House passed H. R. 7030, revision and extension of the Sugar Act of 1948, by a vote of more than 4 to 1. Almost a year later we have H. R. 7030, as amended by the Senate and adjusted by the conference committee, before us for final action.

I urge the members to support this compromise bill to extend the Sugar Act of 1948 for 4 more years.

This conference report is, in my opinion, an excellent compromise. It continues one of our better farm programs. The main feature of the conference report is the return to the historic formula of dividing increase quotas caused by the increasing use and demand for sugar due to population growth.

The original Sugar Act of 1937 reserved 55.59 percent of this increasing consumption of sugar to domestic cane and beet areas. The Sugar Act of 1948 eliminated this provision. It provided that the allocation of increased consumption of sugar should be on the basis of 96 percent to Cuba and 4 percent to other foreign producers.

Prior to the enactment of the present law my home State of Colorado planted and harvested more than167,000 acres of sugar beets. After the fixed quotas of the 1948 act were applied, Colorado harvested 60,000 acres less than in 1947. For the past 2 years there has been a continued tightening of the quotas and a resulting drop in sugar-beet acreage. Under this bill domestic producers will once again be able to share in supplying the increasing demand for sugar.

Coupled with this return to the historic formula of dividing increased consumption the conferees adopted a provision of the Senate bill which would set aside the first 165,000 tons of increased quota to be divided between the sugar beet and cane growers of the continental United States. This will restore some of the recent acreage cuts.

The Secretary of Agriculture, I assume, will make the same provisions for allocating these increased quotas to domestic areas as he has done in the past.

The operation of the Sugar Act has been the most orderly and successful of all our agriculture programs. It is necessary to extend and improve this act to meet changing conditions. The conference committee adopted this report unanimously and I believe the House should accept these recommendations.

Mr. DIXON. Mr. Speaker, I rise in support of the conference report.

Our honored members of the conference committee are to be congratulated upon this splendid conference report. Their work has borne fruit because:

First. It gives greater sugar allotments to the domestic sugar beet and sugarcane industries.

Second. It takes nothing from present offshore allotments, but merely permits the domestic industry to enjoy 55 percent of the increase in consumption of our own country.

Third. It gives some increased allotment to Mexico, Peru, and the Dominican Republic, which countries give the United States so much of their trade by permitting them to share more equitably in supplying America's increased consumption needs.

Fourth. It diverts into the production of sugar, a commodity not in surplus supply in the United States, acreages now employed in producing surplus crops.

Fifth. It carries no appropriation of money. The sugar program supported by a very small excise tax on imported sugar has shown a profit of $312 million since it became effective in 1937.

For these and other reasons, I urge the adoption of the conference report.

Mr. THOMSON of Wyoming. Mr. Speaker, this is a moment for which the American farmers producing sugar have waited a long time—a much longer time than they should have been required to wait. I urge the immediate adoption of the conference report. It is a tremendous improvement over the bill that passed the House last July 30, almost a year ago. Those conferees and others who have supported these changes have shown a real understanding of the farm problem and a real concern for the American farmer and the American economy. They are to be congratulated.

Under the conference report the domestic producer will share to the extent of 55 percent—his historic basis—in the increased sugar consumption commencing next year. This reestablishes the principle that the American farmer producing sugar beets or cane sugar is to be permitted to share in the growth of America. The implications on the overall farm program are far broader.

That the American beet and sugar growers have had to wait too long is regrettable, to say the least. An increase in the tonnage allotment with a corresponding increase in acreage planted to sugar should have been granted this year. It seems to be pretty well established that our farm problem is one of surpluses and acreage restrictions. Here is a crop that we produce domestically only about one-half of what we consume. Land put into the production of sugar would have been taken out of the production of some other crop with a snowball effect to improve our general agricultural condition. Under other legislation, land is to be taken out of production at taxpayers expense. Here was an opportunity to put land into production to improve the farm economy and the general economy of the Nation. Let the record speak for itself. Myself, and several others, introduced bills early in the last session to accomplish this. Not until last July 30, on the eve of adjournment, was a bill presented to the House and acted upon. The Senate passed a bill in February 1956. Not until last Friday, May 11, did conferees meet. I repeat—it is regrettable that action was not taken in the time and in the form to have done some good this year.

I again call attention to the fact that we did not at any time propose to reduce the amount of sugar that Cuba or any other country had previously exported to this country. We merely asked that the American farmer be permitted to share in the growth of America by being allowed to share in the increased demand for sugar.

Some people would still attempt to confuse this with the price support programs on our so-called basic commodities. It is obvious to anyone that this is not such a price support program but is a control on the amount of imports which may come into this country. No one should object to that, particularly when we keep in mind that on some of the so-called basic crops we permit no import of competitive products and have been or are considering subsidizing the export of such commodities.

I again urge the immediate adoption of the conference report. Commencing in 1957, it will benefit not only our farmers who raise sugar but our general agricultural economy.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Iowa.

Mr. GROSS. Do I understand that this bill provides for increased production of domestic sugar?

Mr. POAGE. This bill gives to the domestic producers 55 percent of the market, which is more than they have been having; yes.

Mr. GROSS. So it does provide for increased production?

Mr. POAGE. Yes; it does.

Mr. GROSS. Increased acreage for sugar beets and so on and so forth?

Mr. POAGE. Yes.

Mr. GROSS. Does this have the approval of Ezra Benson?

Mr. POAGE. I did not ask Mr. Benson about it.

Mr. GROSS. I thank the gentleman.

Mr. POAGE. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this is the conference report on the recurring sugar bill. I think most of the membership are familiar with the fact that it becomes necessary from time to time to pass a sugar bill. We have been passing sugar bills for more than 20 years. It has been one of the agricultural programs that has worked very well.

This program actually supports sugar at 98 percent of parity for domestic producers. So those of us who have believed in high supports have felt that it had some special merit. This program supports sugar at a rather high level, a good deal higher than almost any other level of agricultural support in the United States.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Iowa.

Mr. GROSS. That is one of the reasons why I asked whether this bill has the support of the Secretary of Agriculture.

Mr. POAGE. Of course, the gentleman possibly is in a better position than I am to know the mind of the Secretary of Agriculture; but it is a program which most people of the United States have felt for some years worked reasonably well.

Mr. GROSS. Let me put it this way. The Secretary of Agriculture did not oppose the bill, then?

Mr. POAGE. He did not. As a matter of fact, the Secretary of Agriculture is definitely on record in favor of this kind of program for sugar and of a similar program for wool. But he is on record as being opposed to a similar program for almost anything else that I know of.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. At what percentage of parity is sugar supported?

Mr. POAGE. Ninety-eight percent.

Mr. HAYS of Ohio. And what is the percentage for wool?

Mr. POAGE. One hundred and six percent.

Mr. HAYS of Ohio. What are the two principal crops of the State of Utah?

Mr. POAGE. I do not live in Utah.

Mr. HAYS of Ohio. Are they not wool and sugar?

Mr. POAGE. I could not deny that.

But getting back to this bill, I think we have a reasonably well-worked-out program here if you accept the philosophy that we should extend to the domestic growers more than half of the market. Personally I have felt that the 50–50 division that we have long had between domestic and foreign growers was rather sound. While I do believe in supporting domestic production at a substantially high figure, I have never believed that you could support production on any crop with unlimited production. Consequently it was my own thought that we were making a mistake when we attempted in this report to provide as much acreage in the United States as the American farmers would use and then support the crop at 98 percent of parity. I have always thought that if we had a high support price we ought to accept some

restrictions in production, just as we do with all other commodities. But that philosophy was rejected by a majority of the conferees so that this bill does provide for an increase in the acreage for American producers.

Mr. WOLVERTON. Mr. Speaker, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New Jersey.

Mr. WOLVERTON. Would the gentleman inform me what was done by the conferees with respect to the allowance that was granted by the House to Mexico for sugar?

Mr. POAGE. Yes. I have just mentioned the increase in the domestic production. That leaves only 45 percent of the increase for foreign nations. It leaves them with what they now have plus 45 percent of the increase in sugar consumption. Mexico had practically nothing to start with. We increased the allowance to Mexico so that Mexico gets a little more than 5 percent of the total increase.

Let me give the rest of the figures: 29.59 percent of the total increase goes to Cuba; 4.33 percent goes to Peru; 4.95 percent goes to the Dominican Republic; 5.1 percent goes to Mexico. All others get 1.03 percent of the total increase.

Mr. WOLVERTON. I take it from what the gentleman has said that it is an increase of the allowance to Mexico?

Mr. POAGE. It is a larger percentage increase, I believe, than to any other foreign country.

Mr. WOLVERTON. I am gratified to note that because I think there are reasons why Mexico would be justified in expecting a larger percentage than it has formerly had.

Mr. POAGE. The committee felt that due to the geographical location and the possibility of supplying the United States no matter what happened to the sea lanes it was well to give special consideration to Mexico.

Mr. WOLVERTON. In addition, there is no country in Central and South America that trades with us to the extent that Mexico does.

Mr. POAGE. That is correct, although I believe it was shown that the Dominican Republic buys more from the United States in proportion to what we buy from them than any sugar-producing country. The only other thing that I think is noteworthy in this report is that this extends the Sugar Act for 4 years. That was the House figure. I believe that is all there was in dispute between the House and the Senate.

The SPEAKER pro tempore (Mr. McCORMACK). The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

REPUBLICAN CURTAILMENT OF MAIL SERVICE TO RURAL PATRONS

Mr. PRESTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PRESTON. Mr. Speaker, I rise to invite the attention of this body once again to the shameful curtailment of mail service to the rural citizens of this country. The claim is made that small post offices have been closed, rural carrier service curtailed, and rural mail service generally rendered inconvenient and inadequate because of alleged savings. I shall demonstrate that these so-called savings are minute in the extreme while the destruction of adequate rural mail service has been devastating to millions of our rural citizens.

In testimony before the Appropriations Subcommittee considering the 1957 budget, Mr. Norman R. Abrams stated:

> The discontinuance of small post offices has continued. We discontinue small post offices whenever we can do it and give equally good or better service with economy being shown. We have to date closed 3,048 post offices up to December 31 of this year from January 20, 1953, with savings of about $4,267,000.

Mr. Speaker, here we have the admission, nay the boast, that literally millions of rural citizens have had their mail service curtailed at a savings to the Post Office Department that is so small as to be negligible.

As to the claim that "equally good or better service" is given the patrons of the discontinued post office, this is absurd. Every Member of this House knows from his own constituents that the service substituted is practically never commensurate with that offered by the small post offices.

But let us consider the so-called savings effected by the hardships on our rural citizens. Mr. Abrams says that $4,267,000 have been saved.

Now, what is the budget of the Post Office Department for 1957? The 1957 budget is $3 billion.

Mr. Speaker, the Post Office Department has with deliberate premeditation worked untold hardship on millions of our rural citizens at a savings of less than two-tenths of 1 percent of its budget.

The Post Office Department is spending 3 billions of dollars. Yet it has deprived millions of our citizens of adequate mail service at a total saving over a period of 3 years of a little more than one-tenth of 1 percent of our budget.

The so-called saving of slightly more than $4 million in a total budget of $3 billion is being made at the cost of hardship on millions of our rural citizens.

We know what this Republican administration has done to farmers in the matter of lowering their income by billions of dollars. The closing of thousands of rural post offices at an infinitesimal saving seems additional evidence of the Eisenhower administration's determination to grind down our rural population to the status of second-class citizens.

FOREIGN AID COSTS

Mr. BOW. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore (Mr. McCORMACK). Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOW. Mr. Speaker, as the time draws near for our annual debate on the global giveaway program, it seems to me that we may understand it better if we can relate it to some local issue.

Such an issue was a proposal for $1,306,000 in new school bonds that appeared on the ballot in Plain Township, Ohio, last week, and failed to pass. The money was to be used to complete Plain Township high school, to add 12 classrooms to another school, and to build a new junior high school. I feel that the voters probably recognize a need for these schools and want to build them. I think that if there is any one reason for defeat of the bond issue, it is the fact that citizens generally feel they are overburdened with taxes and they are unwilling to add to that burden no matter how desirable the purpose.

I mention this because my computation shows that the cost of the new foreign-aid program for the citizens of Plain Township is almost the same as the amount of their bond issue. My analysis indicates that $1,352,312 of the Federal taxes collected from the people of Plain Township would be used as their share of the $4.9 billion foreign-aid program now before us.

The margin by which these citizens defeated the bond issue was very narrow.

If they had an opportunity to vote on foreign aid, I think they would vote "No" by an overwhelming majority.

If we could reduce Federal taxes by the amount these good Americans must now pay for our worldwide WPA, there would be little doubt about their willingness and ability to support local schools.

Similar comparisons could be made for any of our communities, and I think they should be in order to give an understanding of just what these vast amounts really mean.

I am told that the total cost of foreign aid since the end of World War II is about $57½ billion. Since Ohio contributes 6.36 percent of total Federal revenue this means Ohio people have a heavier per capita load than Americans generally.

While the national per capita cost of foreign aid for the past decade is about $380, the per capita cost based on Ohio's actual contribution to Federal income is $459.44 for every man, woman and child in our State. Based on the last census, we have contributed over $3½ billion to foreign aid. The 16th Congressional District has sent $189 million to foreign lands.

On the same basis, each Ohio resident is now asked to contribute an additional $39.21 for the new aid program. I should not have said "asked." Unless Congress reverses its record of the past several years, it will simply be taken from them, over my protest.

The new proposal means a drain of $11 million on Stark County, nearly $3 million from Tuscarawas, and over $2 million from Wayne County.

We are facing a taxpayers revolt in this country. The most common topic of conversation, the most frequent complaint in congressional correspondence is about high taxes. The defeat and near defeat of bond issues all over the Nation this spring is a symptom of public

sentiment on this subject. The people are critical of extravagance in Government at every level, from the school district to the Federal Government. And, they are particularly critical of the continued flow of American tax dollars abroad. I hope that this sentiment has made itself felt in Washington this spring, and that the Congress will not again acquiesce, almost without objection, to the tremendous outlay required for continued foreign aid.

Mr. Speaker, the following are the facts. I submit them for study:

Foreign aid costs, 16th District, Ohio (based on 1950 census): New proposal, $4,900,000,000.

Stark County:	
Alliance	$1,025,772
Beach City	36,857
Brewster	63,441
Canal Fulton	49,346
Canton	4,574,119
East Canton	39,249
Louisville	149,037
Massillon	1,160,390
Minerva	128,608
Navarre	69,127
North Canton	161,094
Waynesburg	49,326
Wilmot	13,900
Total urban [1]	7,911,480
Total rural	3,192,556
Total county	11,104,036
Tuscarawas County:	
Baltic	19,320
Barnhill	15,391
Bolivar	30,427
Dennison	175,761
Dover	375,711
Gnadenhutten	35,082
Midvale	24,493
Mineral City	32,585
Newcomerstown	178,795
New Philadelphia	508,891
Parral	7,832
Port Washington	20,155
Roswell	10,595
Shanesville	18,222
Stone Creek	8,954
Strasburg	53,586
Sugarcreek	34,857
Tuscarawas	27,447
Uhrichsville	260,402
Zoar	7,962
Total urban [1]	1,504,095
Total rural	1,253,151
Total county	2,757,247
Wayne County:	
Apple Creek	21,505
Burbank	15,429
Congress	7,293
Creston	50,993
Dalton	36,780
Doylestown	53,267
Fredericksburg	20,271
Marshallville	17,979
Mount Eaton	8,079
Orrville	202,311
Rittman	149,590
Shreve	50,583
Smithville	29,603
West Salem	33,726
Wooster	550,936
Total urban [1]	898,575
Total rural	1,302,679
Total county	2,201,254
Total, 16th District	16,062,538

[1] Cities and villages listed do not total the county urban figure inasmuch as many of the villages listed are classified rural by the Census Bureau.

Total foreign aid since 1945	$57,406,403,019.00
Ohio share (6.36 percent)	3,651,047,231.00
National per capita	381.60
Ohio per capita	459.44
New aid proposal	4,900,000,000.00
Ohio share	311,640,000.00
National per capita	32.51
Ohio per capita	39.21
Total foreign aid, 1945–55, for 16th Congressional District:	
Stark	$130,110,651.36
Tuscarawas	32,307,870.80
Wayne	26,976,479.04
Total	189,394,991.20
Per capita, Federal taxes	487.00
Per capita, Ohio State taxes	66.99

MASS TRANSPORTATION IN THE DISTRICT OF COLUMBIA

Mr. PRIEST. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 8901, with Mr. KELLEY of Pennsylvania in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the gentleman from Tennessee [Mr. PRIEST] had 17 minutes remaining of the general debate and the gentleman from California [Mr. HINSHAW] had 19 minutes remaining.

The Chair recognizes the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I appreciate the consideration and I know the pressure upon the Committee for time. Consequently, I am not going to do something that I intend to do under the 5-minute rule. At that time I shall propound two parliamentary inquiries as to whether a substitute will be in order—I understand it will not be unless the committee substitute is voted down—and whether a motion to recommit with instructions will be in order. I understand only a general motion will be in order. However, I expect to obtain formal rulings as soon as we start to read the bill for amendment.

Time being limited as it is, I also intend to discuss certain other features of this bill during consideration under the 5-minute rule as far as I have the opportunity to do so.

There are some things I should like to say to the Members, certainly to those present. You and I all know that the gentleman from New York [Mr. KLEIN] was eminently right yesterday when he said that this was a perfect illustration of what Congress ought not to be having to do, that we have been occupying our time now for two afternoons at some heavy expense to the taxpayers, for whom some sympathy has been expressed, doing what ought to be done by a city council and what would have been done by a city council in any one of our districts. But I will deal with that a little bit more fully later.

What I want to do now is to comment on and quote two brief sentences that are in the RECORD of yesterday. Those sentences, in my opinion, crystallize the whole situation that is before us this afternoon. The gentleman from Ohio [Mr. BROWN], an honored, former member of the Committee on Interstate and Foreign Commerce, and now, as we all know, a ranking member of the Committee on Rules, made it clear to the few people who were assembled here yesterday afternoon that he did not vote for the rule. I want to quote the two sentences from what he said yesterday:

> If we do this, it will be the silliest, most asinine and stupid action I have ever seen a legislative body take. I just do not like to be in a position, as a Member of the Congress, of permitting Mr. Wolfson or any of his group to make a fool out of either me or any other Member of Congress.

I underline and emphasize every single one of those words because that is exactly what will be the situation if that happens.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I shall be glad to yield, but, first, Mr. Chairman, I make the point of order at this time that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and six Members are present, a quorum.

The time of the gentleman from Massachusetts has expired.

Mr. HESELTON. Mr. Chairman, will the gentleman from California yield me 1 more minute.

Mr. HINSHAW. Mr. Chairman, I yield the gentleman 1 more minute.

Mr. HESELTON. I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. I rise, inasmuch as the gentleman mentioned my name, to ask him if he can tell this committee the amount of profits or dividends that have been taken out of the Capital Transit Co. funds thus far by the operating group.

Mr. HESELTON. Since 1949, according to the public records of the District of Columbia, something like 339 percent.

Mr. BROWN of Ohio. And if this franchise, which was canceled by the Congress, is reinstated, then would not the present operating group have an operating franchise to sell as well as their equipment?

Mr. HESELTON. Without the slightest question. It is in the hearings. Mr. Broadwater was asked if they did not have about the same control now, and he said they did.

Mr. BROWN of Ohio. I would like to ask the gentleman one other question. Congress granted the original franchise; did it not?

Mr. HESELTON. That is correct.

Mr. BROWN of Ohio. Congress took away that franchise; did it not?

Mr. HESELTON. That is correct.

Mr. BROWN of Ohio. Congress took away the franchise effective, as I believe, next August 14.

Mr. HESELTON. Yes, without a dissenting vote.

Mr. BROWN of Ohio. And such was done at the request of the same people who are now asking us to pass this bill to restore the franchise. Let me ask the gentleman if this same Congress could not give an entirely new franchise to the Bell group, who want to form a free enterprise operation, with such a new franchise effective 1 minute after this present franchise expires?

Mr. HESELTON. There is not the slightest question about that—if we knew what the Bell group was going to do, but we do not know and cannot know before we have to vote this afternoon.

Mr. BROWN of Ohio. In view of those facts, do you not believe it would be the better part of wisdom and judgment if this bill were referred back to the committee for further study in order to give an opportunity to the Bell group to negotiate for the purchase, not of the franchise, but of the present company's operating equipment?

Mr. HESELTON. I do, and that will be the basis of the motion to recommit, which I shall offer.

Mr. BROWN of Ohio. If this franchise is not extended, the present operating group will be compelled, under the provisions of the expiring franchise, to tear up the tracks and rebuild the streets of the District of Columbia, and, of course, to sell its operating equipment to someone?

Mr. HESELTON. So I understand. If others want to see the RECORD, look at page 8289, where the gentleman from Ohio [Mr. BROWN] made that clear beyond question yesterday. Just turn to yesterday's RECORD, pages 8283 and 8289.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. HESELTON] has expired.

Mr. PRIEST. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. FLYNT], a member of the subcommittee.

Mr. FLYNT. I yield to the gentleman from California.

Mr. ROOSEVELT. Mr. Chairman, I want to make it clear that because of official business I shall not be able to be here if there is a record vote. If I were here I would vote against the bill and would vote for the substitute offered by the gentleman from Massachusetts [Mr. HESELTON].

Mr. FLYNT. Mr. Chairman, as a member of the subcommittee which drafted this substitute to H. R. 8901, I think it is necessary to correct a few statements made yesterday during general debate and during the discussion on the rule.

In the first place, it was stated by at least 1 Member, and I believe by more than 1, that when a similar bill was considered last year by the Congress, in the House of Representatives, there was not a dissenting vote. Mr. Chairman, the RECORD shows otherwise. On a similar bill the RECORD rollcall vote, No. 144, on the 1st day of August 1955, shows that the vote was divided 215 on one side and 150 on the other.

Mr. HESELTON. Will the gentleman yield?

Mr. FLYNT. I yield.

Mr. HESELTON. Was that not on a vote on a motion to suspend the rules and pass the bill, which was turned down, and the next day the bill was passed without a dissenting vote?

Mr. FLYNT. That was on a motion to suspend the rules, which was the only rollcall vote taken on this measure at the last session in this body. It failed to receive the necessary two-thirds, and was taken up the next day again. There was a motion to recommit, which preceded the vote on final action, and the RECORD of the 2d of August 1955 shows that there were votes in support of the motion to recommit. My recollection is, and I have confirmed it by conversation with other Members, that on final passage there were many Members of this body on both sides of the aisle who voted "no" on final passage, even though there was not either a rollcall or a vote by division.

In the second place, I think it is worthy of note, all 11 members of the subcommittee which drafted this substitute went into consideration of this measure with a fair and impartial and open mind. There was not a single member of this subcommittee—indeed, there was not a single member of the Committee on Interstate and Foreign Commerce—who held any brief for or against any group or interest which had been parties to either side of this controversy. As a Member of this body, I resent, with every ounce of strength I have, the implication made in the other body that there was some ulterior motive in bringing this bill to the floor of the House. Those of us who served on this subcommittee had but one thing in mind, and that was to come forward with a bill that would provide mass transportation for the metropolitan area of the District of Columbia on the 15th day of August, 1956, and at the lowest possible cost to those who ride and to those who pay the taxes, alike. It is our considered judgment and our sincere belief that we have come forward with the only measure which will insure mass transportation after August 14, 1956. From the statements contained in the copy of the hearings, and which are reflected in the committee report on this bill, it would not have been physically and humanly possible for any private company or group other than the Capital Transit Co. to come forward with any method of mass transportation by August 14, 1956. It was also equally clear that it would have been impossible to set up the mechanics and the machinery for the operation of a public authority such as has been proposed by the other body.

The questions are purely and simply these: First of all, do you want a privately operated transit system in the District of Columbia? Or do you want public ownership of the transit system in the Nation's Capital?

Second, do you want any mass transportation at all in the District of Columbia on August 15, 1956.

Under all the testimony from the District Commissioners, from the Public Utility Commissioners of the District of Columbia, indeed, from every representative of every group, from every witness who appeared before our committee, the only possible way we can provide mass transportation to the people who live in this area after this franchise expires is by the adoption of H. R. 8901 and its being agreed to by the conferees of this body and the other body.

We of the committee have gone into this matter just as thoroughly as we could. This committee brings this bill before you and urges you to support it in order to make mass transportation possible after August 14, 1956, in the District of Columbia.

Mr. PRIEST. Mr. Chairman, I yield to the distinguished chairman of the Committee on the District of Columbia, the gentleman from South Carolina [Mr. MCMILLAN], 5 minutes

Mr. MCMILLAN. Mr. Chairman, I am delighted to have this opportunity to speak a few minutes on this important bill we have before us here today. I first want to congratulate the members of the Committee on Interstate and Foreign Commerce for the fine work they have done in preparing and reporting this bill to the floor of the House. They have given very generously of their valuable time in trying to settle this tough and very important problem.

I believe every person here who thinks twice will agree with me when I say that if we do not pass this bill the people who ride mass transportation in Washington will be walking after August 14.

Let me say that my committee held extensive hearings for almost a month last year on an almost identical bill, and we came up with almost the same conclusion the Interstate and Foreign Commerce Committee has in this bill. There has been a lot of talk about sending this bill back to the committee for further study. However, I have not heard anyone say how the committee could settle the problem if we sent the bill back to them.

I would dislike very much to have to go back to my district and tell my constituents that I dipped down into the Treasury of the Federal Government for $25 million to finance the operation of a transit system here in Washington. I certainly would not want any opponent to oppose me on any such vote as that or any such suggestion as taking the taxpayers' money and setting up a public transit authority in the city of Washington when we have a private operator who is doing a good job here in the city at the present time.

The District Commissioners testified before my committee to the effect that the transit company here was rendering efficient and good service; and what more can the Congress ask of any company?

So far as Mr. Wolfson is concerned, I have never seen him but once; but I do know that the transit officials here in Washington have been doing a good job, and that is all I care about.

There has been much emphasis placed on the vote last year. The bill we passed in the House last year did not even carry a provision canceling the franchise of the Capital Transit Co. The House conferees when we met with the conferees of the Senate adopted the Senate provision canceling the franchise.

I did not sign the conference report because I thought we would be right back here today as we are if we did adopt any such idea as canceling the franchise when we had no logical reason and when we did not have any operator ready and able to purchase the franchise or company at that time.

We have heard much talk about Congress being made to look silly, by being led down the road. Now, you can take your choice of being led down the road by the Congress or you can be led down the road by the Washington Post; you can take your choice. My good friend the gentleman from Virginia [Mr. BROYHILL] and I spent altogether 40 hours last year meeting with union and company officials. We had excellent cooperation from the Capital Transit Co. officials while the union people would not agree to 1 thing or 1 offer made by the Capital Transit officials.

At this time I should tell you, Mr. Chairman, it is my opinion this matter would never have come before the Congress and there never would have been a strike if the Public Utilities Commission had properly and promptly performed the functions it is supposed to perform here in the District of Columbia. They expected the Transit Co. to increase the wages of the union employees without rearranging or adjusting their fares. I do not think any company that is operating a business or has any business sense at all would promise to grant an increase in wages to its employees unless it first knew where it was going to get the money to pay the additional expense. That is where this trouble we have today began. It lies on the doorsteps of the Public Utilities Commission.

Then we were promised by certain people on the other side of the Congress and the Commissioners that there were several purchasers ready to buy the Transit Co. immediately upon passage of the bill calling for cancellation of the Capital Transit franchise.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Florida.

Mr. HALEY. Is it not true also that the management said it recognized the right of labor to have an increase but where were the revenues coming from at that time?

Mr. McMILLAN. That is absolutely true. The lawyer representing the union said he did not care where the funds came from, that was not a concern of his, they wanted the salary increase notwithstanding.

Mr. Chairman, as a part of my remarks I include the following letters and papers:

DUPONT CITIZENS ASSOCIATION,
Washington, D. C., March 21, 1956.
CLERK OF THE HOUSE DISTRICT COMMITTEE,
House of Representatives,
Washington, D. C.

DEAR SIRS: The following resolution was passed by the Dupont Circle Citizens Association at their regular monthly meeting on March 5, 1956.

"1. That it reiterates its opposition to the precipitous decision to abandon all street car operations in the District of Columbia and its environs;

"2. That it strongly urges the District of Columbia and Public Utilities Commissioners to hold public hearings on the preference of riders as between street cars and buses; and

"3. That it recommends that the District of Columbia and Public Utilities Commissioners make an objective study of relative costs and merits of street cars and buses, including, but not limited to, such pertinent factors as the possible use of some street car facilities in connection with the ultimate need of Washington for a rapid transit system; the trend of fuel costs; the probable increase in street maintenance costs if an all-bus system is instituted; the comparative accident experience of the two types of vehicles; and the influence on the public health of the noxious fumes and gases emmitted by buses; and be it further

"Resolved, That copies of this report and resolution be sent to the District Commissioners, the Public Utility Commissioners, each member of the clerks of the House and Senate District Committees, and the Capital Transit Co."

ELIZABETH P. REYNOLDS,
Recording Secretary of the Dupont Circle Citizens Association.

FEDERATION OF CITIZENS ASSOCIATIONS OF THE DISTRICT OF COLUMBIA,
Washington, D. C., April 8, 1956.
Hon. OREN HARRIS,
Chairman, Subcommittee Considering District of Columbia Transit Interstate and Foreign Commerce Committee, United States House of Representatives, Washington, D. C.

DEAR MR. HARRIS: Enclosed is a copy of a resolution adopted at the regular meeting of the Federation of Citizens Associations last night and bearing on the local transit situation. To our knowledge, our proposal has not been considered to date or at least no publicity has been given any suggestion that any renewal of the Capital Transit Co. franchise be for only a limited period.

Our Public Utilities Committee is unanimously opposed to renewal of the franchise on the basis of company proposals—no PUC regulation, charges for transfers (since a transfer is required to get downtown from some sections but not from others), elimination of special school fares, etc.

We hope that your committee will give serious consideration to our proposal which, we believe, would be a satisfactory solution to our local transportation problem until such time as recommendations of the official committee studying transportation from the metropolitan area viewpoint can be implemented.

Very sincerely yours,
MABEL E. MORRIS
Mrs. Edward B. Morris,
Secretary.

FEDERATION OF CITIZENS ASSOCIATIONS OF THE DISTRICT OF COLUMBIA RESOLUTION

Whereas it is evident that some definite provision must be made very soon for continuation of mass transit in the District of Columbia after August 14, 1956;

Whereas no applicant has appeared who seems fit, willing, and able to become a successor to the Capital Transit Co.;

Whereas for this reason, Congressmen MCMILLAN and BROYHILL have introduced bills (H. R. 9977 and H. R. 9978) to restore the franchise of the Capital Transit Co.;

Whereas these bills contain many detailed provisions which are adverse to the interests of the citizens of the District of Columbia;

Whereas such bills also ignore, and may be prejudicial to, the results of the areawide mass transportation survey provided for by the Congress, due to issue in about a year; and

Whereas there have been proposed many and varied solutions to the present impasse: Therefore be it

Resolved by the Federation of Citizens Associations of the District of Columbia at its regular meeting on April 7, 1956:

(1) That, in the absence of any practical alternative, it would be in the public interest to restore the franchise of the Capital Transit Co.;

(2) That such restored franchise should be subject to substantially the same statutory and administrative regulation and control which were in effect prior to August 15, 1955, with the exception of the terms of taxation, concerning which some relief to the Company appears to be justified;

(3) That such restored franchise be limited, however, to a 5-year period, so that the Congress and the District authorities can take into consideration the results of the above-cited mass transportation survey before any permanent commitments are made regarding transit service in the District of Columbia; and be it further

Resolved, That copies of this resolution be sent to the District Commissioners; the Public Utilities Commission; the Chairmen of the Senate and House Committees on the District of Columbia, and the House Committee on Foreign and Interstate Commerce; the National Capital Planning Commission; and the Capital Transit Co.

LINCOLN PARK CITIZENS' ASSOCIATION OF WASHINGTON, D. C.,
April 18, 1956.
CHAIRMAN, DISTRICT COMMITTEE,
House of Representatives,
Washington, D. C.

DEAR SIR: It is evident that some provision must be made soon to provide for continuation of mass transportation in Washington, D. C., after August 1956 and, since no applicant has appeared who seems to be fit, willing, and financially able to become a successor to the Capital Transit Co., two bills have been introduced in the United States Congress to restore the franchise to that company.

The Congress has also provided for a survey of mass transportation and none of the many and varied solutions have materialized.

In view of the transportation situation, the Lincoln Park Citizens' Association at a regular meeting on April 16, 1956, unanimously agreed that, in the absence of any alternative, it would be in the public interest to restore the franchise of the Capital Transit Co., subject to approximately the same regulation and control in effect in the past, with the exception of the exemption of certain taxes which have been offered other prospective companies.

Very truly yours,
J. WATSON FLANNAGAN,
President, Lincoln Park Citizens' Association.

(Copy to Senate District Committee; House Committee on Interstate Commerce; Public Utilities Commission; Board of Commissioners, District of Columbia; Capital Transit Co.)

FORT DAVIS CITIZENS' ASSOCIATION,
SOUTHEAST WASHINGTON, D. C.,
Washington, D. C., February 27, 1956.
Mr. WILLIAM N. MCLEOD, Jr.,
Clerk, House District of Columbia Committee, House Office Building, Washington, D. C.

DEAR SIR: The Fort Davis Citizens' Association in regular meeting on February 20, 1956, voted unanimously to pass the resolution, a copy of which is attached.

Sincerely yours,
HATTIE S. CARAWAY,
Mrs. John D. Caraway, Jr.,
Secretary.

RESOLUTION

Be it resolved by the Fort Davis Citizens' Association, in regular meeting this 20th day of February 1956:

(1) That it deplores the irrevocable decision to abandon all streetcar operations in the District of Columbia and its environs;

(2) That it urges the District of Columbia and Public Utilities Commissioners to hold public hearings on the preference of riders as between streetcars and buses; and

(3) That it recommends that decisions to continue or abandon service by streetcars on individual lines be arrived at only after competent traffic studies have been made by impartial experts respecting considerations of passenger cost and adequacy of service to the public; and be it further

Resolved, That a copy of this resolution be sent to the District Commissioners, the Public Utility Commissioners, and the clerks of the House and Senate District Committees.

WASHINGTON, D. C., *February 12, 1956.*
Hon. JOHN MCMILLAN, *Chairman,*
Committee for the District of Columbia, United States House of Representatives, House Office Building, Washington, D. C.

DEAR SIR: It is my privilege and honor to forward the enclosed three resolutions relative to our local transportation problem for the consideration of your committee. I apologize for the delay in sending these resolutions to your group.

Sincerely yours,
JOHN P. DODGE, *Secretary, Citizens Transit Improvement Association.*

RESOLUTION

Resolved, That the Citizens Transit Improvement Association urgently request the Congress of the United States to enact immediate legislation that will make possible the speedy establishment of a statutory authority, if such authority be found necessary or desirable, to assure adequate local, public transportation service after August 14, 1956; and be it further

Resolved, That Congress be urged to grant such an authority the right to operate a transit service, subject to regulation by the Interstate Commerce Commission, in the District of Columbia and in any territory contiguous to the District where appropriate State governing bodies request or approve such service; and be it further

Resolved, That copies of this resolution be sent to the Committee for the District of Columbia of the United States Senate and the United States House of Representatives, and to the Governors of the Commonwealth of Virginia and the State of Maryland.

The above resolution was passed by the vote of our membership at the January 27, 1956, meeting of the Citizens Transit Improvement Association.

JOHN P. DODGE, *Secretary, Citizens Transit Improvement Association.*

RESOLUTION

Resolved, That the Citizens Transit Improvement Association urge the Congress of the United States to authorize the President after August 14, 1956, by Executive order, in the same general manner previously employed in coal, steel, and railroad strike emergencies, to direct the Public Utilities Commission of the District of Columbia (or other agency as designated) to seize and operate the facilities of any privately owned company engaged in furnishing local bus or street railway transportation in or into the District of Columbia, if, at any time, service by such company shall be terminated by strike, riot, refusal to render service, or termination of its franchise, such operation to continue only so long as the emergency exists and until normal service or service by a successor-operator is available to the public; further

Resolved, That the Citizens Transit Improvement Association urge the Commissioners of the District of Columbia and the Public Utilities Commission of the District of Columbia to seek and help prepare such legislation, and that copies of this resolution be sent to the Committees for the District of Columbia of the United States Senate and the United States House of Representatives, to the Commissioners of the District of Columbia, and to the Public Utilities Commission of the District of Columbia.

The above resolution was passed by the vote of our membership at the January 27, 1956, meeting of the Citizens Transit Improvement Association.

JOHN P. DODGE,
Secretary, Citizens Transit Improvement Association.

RESOLUTION

Resolved, That the Citizens Transit Improvement Association urge the Congress of the United States to enact without delay such legislation as may be required to enable the District of Columbia or any transit authority created by Congress to seize by condemnation proceedings any local property which may be needed to facilitate and assure adequate transit service in Washington after August 14, 1956; and further be it

Resolved, That copies of this resolution be sent to the Committees on the District of Columbia, of the United States Senate, and the United States House of Representatives, and to the Commissioners of the District of Columbia.

The above resolution was passed by the vote of our membership at the January 27, 1956, meeting of the Citizens Transit Improvement Association.

JOHN P. DODGE,
Secretary, Citizens Transit Improvement Association.

CATHEDRAL HEIGHTS-CLEVELAND PARK CITIZENS' ASSOCIATION,
Washington, D. C., February 28, 1956.
Mr. WILLIAM N. MCLEOD,
Clerk, House District Committee, Washington, D. C.

DEAR MR. MCLEOD: The accompanying resolution was unanimously adopted at a meeting of the above-named association held on February 21, 1956, and I was directed to request your earnest consideration of the proposals it contains.

Yours very truly,
E. L. FLORANCE, *Secretary.*

RESOLUTION

Be it resolved by the Cathedral Heights-Cleveland Park Citizens' Association, in regular meeting this 21st day of February, 1956:

(1) That it reiterates its opposition to the precipitous and irrevocable decision to abandon all street car operations in the District of Columbia and its environs;

(2) That it strongly urges the District of Columbia and Public Utility Commissioners to hold public hearings on the preference of riders as between street cars and buses; and

(3) That is recommends that the District of Columbia and Public Utility Commissioners make an objective study of relative costs and merits of street cars and buses, including, but not limited to, such pertinent factors as the possible use of some street car facilities in connection with the ultimate need of Washington for a rapid transit system; the trend of fuel costs; the probable increase in street maintenance costs if an all-bus system is instituted; the comparative accident experience of the two types of vehicles; and the influence on the public health of the noxious fumes and gases emitted by buses; and be it further

Resolved, That copies of this report and resolution be sent to the District Commissioners, the Public Utility Commissioners, each member and the clerks of the House and Senate District Committees, and the Capital Transit Co.

Resolution unanimously voted February 21, 1956.

E. L. FLORANCE,
Secretary, Cathedral Heights-Cleveland Park Citizens' Association.

WASHINGTON HIGHLANDS CITIZENS' ASSOCIATION,
Washington, D. C., January 24, 1956.
The Honorable JOHN L. MCMILLAN,
Chairman, House District Committee, United States House of Representatives, Washington, D. C.

HONORABLE SIR: The Washington Highlands Citizens' Association at its regular January meeting approved a motion stating that it is the opinion of this body that a privately owned and operated transit system for the District of Columbia is preferable to a publicly owned and operated transit system and that the Public Utilities Commission should not preclude the possibility of private ownership but rather diligently keep looking for other qualified private owners willing and able to operate a transit system in the District of Columbia. It is further suggested that the franchise be offered back to the Capital Transit Co. with the same franchise concessions as the Commissioners for the District of Columbia offered the Tydings group.

Sincerely yours,
CHARLES W. PRICE,
Corresponding Secretary.

REPORT AND RESOLUTION OFFERED BY ITS PUBLIC UTILITIES COMMITTEE TO THE DISTRICT OF COLUMBIA FEDERATION OF CITIZENS ASSOCIATIONS IN MEETING ASSEMBLED SATURDAY, FEBRUARY 18, 1956, IN RE KEEP THE STREETCARS

REPORT

Previous resolution

At its meeting of Saturday, October 1, 1955, the Federation passed a unanimous resolution opposing any precipitous and irrevocable decision to abandon all streetcars in the District of Columbia and its environs. This resolution was based upon similar actions taken by several of our member bodies. Upon passage by the Federation, copies of the resolution were sent to each District and Public Utilities Commissioner, each member and clerk of the House and Senate District Committees, and to the Capital Transit Co.

No response

Although one Commissioner advised the Secretary of the Federation that the authorities would answer its resolution, no such response has yet been received.

Commissioners continue antistreetcar remarks

In the period since passage of the resolution mentioned above, the District of Co-

lumbia authorities have continued to voice the opinion that the streetcars must go. On January 26, Commissioner Lane was quoted as saying "Buses are cheaper to run. The economics of the situation is as clear as that." On February 6, in a talk to one of our member bodies, Commissioner McLaughlin affirmed that "it costs 40 percent more to run streetcars than buses" and that streetcars "put traffic in a straitjacket." Mr. McLaughlin also said that one of the reasons for the proposed streetcar abandonment is that many other cities are getting rid of streetcars.

On February 13, Commissioner Spencer asserted before a women's organization, that "There is a difference of some 50 percent in the cost of operating the two types of vehicles."

Reasons for this report

With constant repetition since last October of these and similar statements, your committee was much concerned that it had been in error in proposing the previous resolution to the Federation. Hence, it undertook to investigate the matter further, and this report is to advise the Federation of its findings.

Findings as to economy

The committee undertook initially, through a member of the Federation, to inquire of one of the Commissioners as to the basis of his claim that buses are more economical than streetcars. The Commissioner advised that his views were expressed by the data on pages 27–30 of the September 1955 issue of Mass Transportation, a trade publication. Upon examination, these pages were all found to be an advertisement of the General Motors Corp. Your committee believes that reliance upon the advertisements of bus manufacturers is hardly a sound basis for urging streetcar abandonment.

Next, your committee undertook to analyze the statistical and accounting data upon which the District of Columbia Public Utilities Commission has determined that it costs almost 30 cents a mile more to run streetcars than to operate buses. Our analysis found these data to be questionable in several respects, as follows:

Firstly, present practice of the District of Columbia Public Utility Commission is to make an arbitrary assignment of overhead costs, such as general office expense, executive salaries and administrative expenditures of the transit system. This arbitrary assignment results in an almost even division of overhead between streetcar and bus portions of the system, with a slightly greater share of such costs assigned to the streetcars than to the buses. Your committee found that this type of arbitrary assignment was contrary to accepted practice elsewhere, which tends to assign overhead costs on the basis of mileage operated by different types of vehicles. Had normal practice been followed in this respect, the bus share of Capital Transit Co. overhead would be almost twice as great as that for streetcars, instead of being recorded as somewhat less. Thus, in its assignment of overhead costs, the Public Utilities Commission is following an accounting procedure which inflates the cost of streetcar operation and tends to favor bus operation.

Secondly, the same conclusion was unavoidable in connection with the depreciation charges allowed by the Commission. With respect to streetcars, the normal life expectancy of these vehicles and their related facilities has been shortened by what the Commission calls an "economic obsolescence factor." This results in depreciation charges levied against streetcars which are in excess of actual wear and tear, as the result of an arbitrary determination that these vehicles are obsolete. Again, this tends to inflate the recorded costs of streetcar operation. Buses, on the other hand, are charged with depreciation on the basis of a 14-year life, this being the historical average life span of all transit buses which have been used in Washington. It was ascertained that the national average life of city buses is about 10 years. Why then have Washington's buses lasted 14? The answer appears to be in the fact that a major portion of CTC's bus mileage has been operated on the lighter traffic routes outside the central business district, where wear and tear are less than is to be expected on the trunklines now served by streetcars. The use of an economic obsolescence factor for streetcar depreciation by contrast to the depreciation of buses on a light-traffic base leads to this result: greater streetcar cost and lesser bus cost on the records. This type of bookkeeping seems to your committee to be definitely open to question.

Third, and more serious perhaps than either situation described above, is the PUC practice of measuring the operating and maintenance costs of all the streetcars against the operating and maintenance costs of all the buses, using what are called fleet averages. This, in your committee's judgment, is the same as comparing apples with grapefruit. What is means is that the costs which vary with service conditions are completely ignored. Most of the CTC bus mileage is chalked up outside the downtown area. Here traffic moves faster, vehicle wear and tear is less, fuel consumption is less. Most streetcar mileage, on the other hand, is operated on major downtown traffic arteries, where all vehicles move slowly, start and stop constantly, and operating conditions are at their most expensive. When, as in the transit business, labor costs are 60 percent of the total and a driver gets $2 an hour whether he drives at 30 miles per hour outside the central downtown area, or at 5 miles an hour along F Street, it is obvious that the costs per mile will be higher downtown than elsewhere, irrespective of the type of vehicle used. Since most streetcar miles are operated downtown or on heavily trafficked streets leading to downtown, whereas most bus mileage is on less heavily traveled thoroughfares, the costs of streetcar operation will show up higher when figured on a fleet average basis. By the same token, if buses are substituted on present streetcar routes, their cost experience is likely to be less favorable than present bus fleet averages, which are based substantially on light traffic routes. Thus the use of fleet average costs, which has been PUC practice, is misleadingly unfavorable to streetcars.

On the other hand, where the measure of cost is taken to be operating expense per passenger carried, official American Transit Association data give a decided advantage to streetcars in 5 out of 6 cities still running such vehicles, as follows:

Operating cost per passenger carried

[In cents]

City	Streetcar	Bus
Los Angeles	5.36	5.56
Baltimore	7.27	6.85
Washington	5.34	6.85
Toronto	4.90	6.27
Kansas City	8.27	8.95
Pittsburgh	6.76	9.35

Your committee could find only one study made of the investment required per year, to provide one transit seat to the riding public. This was made at Milwaukee 6 years ago, on the basis that trolleys were larger and lasted longer than buses, and included a 5 percent compound interest rate on investment. At 1950 prices, the study showed that the annual cost of furnishing a trolley car seat was $35.40, a trackless trolley seat $37.20, and a bus seat $47.20.

On the bases already described, your committee has concluded that present PUC bookkeeping practices quite possibly tend to distort the relative economics of the two types of vehicles, and, through certain arbitrary procedures, may very well be inflating the true cost of streetcar operation while reflecting less than actual cost of bus operation.

Findings as to traffic congestion

The committee next undertook to analyze the contention that streetcars contribute to traffic congestion. It found, initially, that streetcars bring downtown, according to the 1953 official traffic (cordon) count, about 25 percent of all the persons entering the central business area. On the other hand, the number of streetcars equals only about 2.5 percent of all vehicles entering the area. This would seem to indicate that streetcars use scarce downtown space about 10 times more efficiently than other types of vehicles, and that, to eliminate congestion we need more, not fewer, streetcars.

On the relative merits of the different vehicles insofar as they relate to traffic congestion, it was believed that automobile club officials could speak with relative objectivity. In this connection, the committee ascertained that Mr. William J. Gottlieb, president of the Automobile Club of New York, had this to say on the subject, in a letter he wrote on March 28, 1949:

"In many ways buses have tended to become far greater traffic disrupters than the trolley cars they have succeeded."

Even in Detroit, home of the bus builders, the automobile people don't favor buses. In the Free Press, Mr. W. L. Potts, traffic engineer of the Auto Club of Michigan, was quoted as having observed that buses are a major source of Detroit's growing traffic problem. Said Mr. Potts:

"Jammed beyond capacity, they (the buses) travel in pairs, trios, and foursomes, spreading their bulk across all available lanes of traffic. They cut in and out between passenger cars. They jockey with each other for position in the mad scramble to get in or out of the city. They load and unload virtually in midstreet, instead of at the curb. Buses are not the answer to the mass transportation problem in a city the size of Detroit."

On the west coast, experience is the same as in New York and the Midwest. The Los Angeles Times quotes the city board of public utilities and transportation as finding that "the actual experience of numerous buses in congested areas of the city has indicated that they have caused more traffic jams than the streetcars."

Whereas the above statements may not be conclusive for Washington, they seem to your committee at least to throw some doubt on the flat assertion that street cars are the less desirable vehicles in heavy traffic.

Finding as to general abandonment of streetcars

The Commissioners have told us that Washington should abandon its streetcars because other cities are doing so. But the Commissioners have not told us why they were. So your committee attempted to find out. The first fact that seemed pertinent was that almost $90 million has been spent on about 2,500 new streetcars in the United States since World War II. Why, if all this money was spent, are streetcars suddenly being junked everywhere? After much effort your committee believes it has unearthed the major, if not the only, answer. Published court records disclose that the Federal Government entered an antitrust suit against General Motors Corp., Phillips Petroleum Corp., Mack Manufacturing Corp., Firestone Tire & Rubber Co., and Standard Oil Company of California on a charge that these companies "conspired to acquire control of local transportation companies in numerous cities located in widely different parts of the United States, and to restrain and monopolize interstate commerce in motor buses, petroleum supplies, and tires and tubes sold to these companies."

The court report (334 U. S. 576) shows that the corporations named above developed an interesting merchandising technique. They furnished capital to a firm known as National City Lines, which was and is a transit holding company. National City Lines, using the capital supplied by General Motors, etc., bought control of local street railways, with the understanding that City Lines would substitute buses as quickly as possible, and then cause all requirements of the local systems in buses, petroleum products and tires and tubes to be purchased exclusively from the suppliers cited by the Government in its suit.

By the time the Government found out about this activity, National City Lines had already acquired 44 transit companies in 16 States from Maryland to California. In all these cities, including St. Louis, Salt Lake City, Los Angeles, Oakland and Baltimore, streetcars have been abandoned entirely or for the most part, so that the public has gotten the impression that streetcars are obsolete, whereas in fact their abandonment has nothing to do with their relative merits versus buses, but, rather, results from a conspiracy which the courts have found to be illegal.

Other pertinent findings

Has the widespread substitution of buses for streetcars cured the economic troubles of the transit companies? was the next question to which your committee addressed itself.

Our research disclosed that the substitution of buses has in many cases increased the economic difficulties of transit companies. For example, the Third Avenue Railway System, largest privately owned transit operation in the State of New York, went into bankruptcy 1½ years after it had abandoned its streetcars.

Los Angeles experience

In Los Angeles, in spite of all the economies and better service promised by the buses which have been largely substituted for streetcars, fares have risen 240 percent in the first zone since substitution. Gross revenue has declined from $20 million per year at the lower fare with streetcars to $16 million at the higher fare with buses. Obviously, the decline in riding has been enormous.

Youngstown experience

In 1947, the last year of streetcar operation at Youngstown, Ohio, approximately 1 million passengers were carried. Three years later an all-bus system was carrying only half as many passengers, and fares had gone up 140 percent.

Twin Cities experience

In their struggle to keep solvent despite streetcar abandonment, the transit companies have resorted to some interesting tactics, your committee found. Here is what one such company did, as described in the words of its president:

"We first of all cut schedules to the quick and, of course, ran into the immediate opposition of the city councils. First they issued a unanimous order directing us to restore all the service cuts. We refused. We appealed to the supreme court of the State and in the first decision affecting our business after taking over[1] the supreme court decided we were right, and that to deny us the right to tailor our own service would be taking property without due process of law. Thus the council learned for the first time that intemperate, arbitrary, and unreasoned action would get nowhere against our company.

"Following this definition of our rights, we subsequently tailored the service by more than 6,600,000 miles, made hundreds of schedule changes, relocated various lines, eliminated a great deal of costly shuttle operation, and discontinued 10 or more losing lines which were costing the company over $300,000 a year.

"During the time that we have managed the property, we reduced the personnel from 3,700 to 1,700 employees, due, in part of course, to the acceleration of our conversion (streetcar abandonment) program from 7 to 2 years.

"When we took over there was a 12-cent cash fare. During the 4-year period, we made 6 applications for increased fare and today we are operating with a 20-cent cash fare The Collier's article mentioned above describes how these applications were processed. It says, 'On July 17 (1951) the State railroad and warehouse commission granted the demanded boost in the transit company's fare to 15 cents. However, the commission's new chairman, Leonard E. Lindquist, had withheld his approval. In a letter to transit officials, Lindquist gave his reason. The company's president had threatened that unless the commissioner promised to grant the increase within 1 week, in only 48 hours, he would stop all transit service. "It would be hard to imagine," Lindquist wrote, "a more improper attempt to influence the decisions of a quasi-judicial body such as this."'

"Our next problem was one of taxes (continues the transit company president). We were paying close to a million dollars in personal and real taxes alone, in addition to all other impositions for a multiplicity of license and inspection fees. We felt these taxes to be exorbitant. * * * We prepared to go to the courts, but a few hours before the matter was for trial, the Commissioners granted us relief for 1 year alone in the amount of $135,000. Subsequently, and due to persistent effort on our part, we obtained additional relief so that after 4 years we were able to cut more than $600,000 off the personal property assessment.

"We likewise saved some $50,000 on real property taxes."[2]

Your committee was curious to determine what effect all this had had upon transit riding in the city described. It was developed that the number of passengers carried by the transit system had slid from 201,500,000 in 1946 to less than 100 million in 1953, 1954, and 1955.

The town described is, by the way, Minneapolis, Minn., which in some quarters is being advanced as a model transit operation for Washington. On the record in Minneapolis, here is what was happening while the street cars were being abandoned:

1. Two thousand men were thrown out of a job.
2. Service was discontinued on 10 routes.
3. The remaining service was reduced by over 6 million vehicle-miles a year.
4. The city lost tax revenues amounting to $350,000 a year.
5. Fares were increased 100 percent.
6. Riders declined over 50 percent.

Furthermore, your committee noted that the vice president and general manager of the Minneapolis transit company during the period when the above changes were taking place was Mr. B. M. Larrick, who has been mentioned in the press as a possible candidate for head of Washington's transit system. It was also determined that Mr. Larrick came to Minneapolis from the employ of the National City Lines, the corporation mentioned above as found guilty of antitrust violation.

Rider preference

Your committee was also interested to ascertain whether the rider preference for streetcars over buses was peculiar to Washington. Insofar as the committee could discover, every time these two vehicles have been put to popular vote, street cars have been preferred. For example, in Chicago, a poll showed 87.7 percent of those polled as preferring modern street cars to buses. In Cleveland, a similar vote went 93.3 percent in favor of the street cars. Flouting the popular choice, buses have been substituted in both these cities, and in both transit riding and revenues have declined, it was ascertained. Moreover, the experience of Cleveland and Chicago seems typical: insofar as we could find out, wherever street cars have been done away with, transit traffic and revenues have decreased.

Shaker Heights experience

By contrast, the city of Shaker Heights, Ohio, has retained its streetcars, and is the only transit company in the country where riding has increased since World War II.

Toronto experience

In Canada, Toronto is the only major city planning to retain large-scale streetcar operation. And consistently, only in Toronto has Canadian transit riding gone up—this despite a 110 percent increase in Toronto's auto registrations during the last decade. It was pointed out to your Committee that Toronto subsidizes its streetcars, but it was also pointed out that subsidy payments to Toronto's transit operation would not pay for one mile of superhighway at today's average costs.

Remarks of Mr. Blucher

Your committee was interested likewise to note some statements made by Mr. Walter H. Blucher, former executive director of the American Society of Planning Officials, and a noted city planning expert, who said:

"Transit companies are not providing comfortable and convenient vehicles. The PCC car, which is comfortable, is rapidly losing popularity with transit companies. What we have, for the most part, is a bus which is noisy, bumpy, jerky, often smelly and just plain uncomfortable.

"The Municipal League of King County in Seattle recently made a survey to determine why people refused to ride the transit buses. Some of those queried said they simply didn't like buses and would like the streetcars back. Others complained about the excessive price for a short haul."

Conclusions as to rider preference

From the data cited above, your committee concluded that many people will not ride buses if they can avoid it, and the widespread adoption of these vehicles is a real, if unpublicized, factor in the decline of the transit industry. This conclusion seems confirmed by Major Clarence A. Winder of Pasadena, Calif. Pasadena got rid of its streetcars some years ago, and now operates only buses. In the authoritative publication, The American City, for February 1955, Major Winder stated: "To say that rail transportation is dead, and that buses provide the total solution is to close our eyes to the facts."

Fuel costs

Your committee noted that Purdue University has issued a study showing that the price of electric power (used by street cars) has declined in the last decade, whereas the base price of gasoline has increased 41 percent and of diesel fuel has increased 146 percent.

Fares with an all-bus system

Your committee next checked on the probable rates of fare if an all-bus system is instituted for Washington.

On February 7, 1956, Senator Tydings testified at a Senate hearing that an all-

[1] On how they took over, see Collier's magazine, Sept. 29, 1951, p. 30, How Mobsters Grabbed a City's Transit Line, by Gordon Schendel.

[2] See Mass Transportation, August 1955, p. 26.

bus system would cost $30 million, as follows:

1,100 [1] large buses	$24,750,000
100 small buses	1,250,000
Plant	4,000,000
Total investment	30,000,000

[1] In view of the Minneapolis story, the statement of Mr. Larrick that 900 buses "would be enough for the District" as quoted in the Post of February 14 is most revealing. The Star, same date, quoted Larrick as predicting (a) a fare rise; (b) elimination of transfer privileges, and (c) cutting of feeder lines, if District Transit Co. is selected to operate Washington's local transportation.

This presumes that an investment in plant equal to $3,300 per bus will be sufficient. Your committee noted that the equivalent national average is about $9,000 per bus, which would bring the total required investment to $36,800,000.

However, Mr. Tydings' data were adequate for the committee's analysis, because it seems highly improbable that the present volume of service can be maintained in Washington with less than a $30 million investment. Moreover, the Tydings figures show that an all-bus system, giving present service, would at least require an investment 50 percent greater than the present combined rail-bus system of CTC, which has a value for rate-base purposes of approximately $20 million. The PUC has permitted a 6.32-percent rate of return on the 1954 CTC investment of $23 million. This requires a 20-cent fare to sustain. The PUC has stated that it believes a 7-percent rate of return on invested capital is justified and reasonable. It is obvious to your committee, without probing the details of public-utility calculations, that a 6.32-percent or 7-percent return after taxes on a $30 million investment would require a higher fare to sustain, than does a 6.32-percent return on a $23 million investment, regardless of other petty variables.

Your committee recognizes that its analysis is greatly simplified by comparison with the involved procedures required by the law in determining rates of fare. Your committee recognizes also that other factors, such as the effective (as contrasted with the cash) fare, the level of traffic, the amount of tax liability and many other things also influence the fare level established by the PUC. For this reason, the committee has avoided any forecast of the probable rate of fare should an all-bus system be established, but the committee is firmly convinced that an increased rate of fare will be an inevitable result of the proposed streetcar abandonment.

Conclusion

In view of the facts recited above, the public utilities committee believes it would work a financial hardship on the working people and transit riders of the District of Columbia, without compensating advantages to the community, to substitute buses for the streetcars now operating in Washington. In this connection, the words of Guy A. Richardson, late chief executive of Chicago's transit system, seem pertinent. Said Mr. Richardson, in opposing streetcar abandonment in Chicago:

"It must be admitted that it is worthwhile to prevent the destruction of billions of dollars of invested capital by the junking of street railways and the substitution of a service which cannot be as economical or as satisfactory in large centers of population."

RESOLUTION

In view of the facts cited in the foregoing report of the public utilities committee:

"Be it resolved by the District of Columbia Federation of Citizens Associations, in regular meeting this 18th day of February 1956:

"(1) That it reiterates its opposition to the precipitous and irrevocable decision to abandon all streetcar operations in the District of Columbia and its environs;

"(2) That it strongly urges the District of Columbia and Public Utilities Commissioners to hold public hearings on the preference of riders as between streetcars and buses; and

"(3) That it recommends that the District of Columbia and Public Utilities Commissioners make an objective study of relative costs and merits of streetcars and buses, including, but not limited to, such pertinent factors as the possible use of some streetcar facilities in connection with the ultimate need of Washington for a rapid-transit system; the trend of fuel costs; the probable increase in street maintenance costs if an all-bus system is instituted; the comparative accident experience of the two types of vehicles; and the influence on the public health of the noxious fumes and gases emitted by buses; and be it further

"Resolved, That copies of this report and resolution be sent to the District Commissioners, the Public Utility Commissioners, each member and the clerks of the House and Senate District Committees, and the Capital Transit Co."

RESOLUTION IN RE RESTORATION OF FRANCHISE TO CAPITAL TRANSIT CO.

Whereas there is pending Congress H. R. 9977, and 9978, which, if enacted into law, would authorize the Capital Transit Co. to continue to furnish mass transportation for Washington after August 14, 1956, but under a revised franchise; and

Whereas it is believed that the buses, streetcars, and roadbed found in our city will compare very favorably with those in use in any city of the United States, and that the streetcars should not be abandoned for an all-bus system of mass transportation; and

Whereas several months have now elapsed, during which time the Commissioners and the Public Utilities Commission have searched diligently, but have not found a satisfactory private organization qualified to furnish mass transportation for Washington: Therefore, be it

Resolved by the Petworth Citizens' Association, Inc., in regular meeting, this the 20th day of March, 1956, That—

(1) It does approve of repealing Public Law 389, 84th Congress, which would revoke the franchise of the Capital Transit Co., August 14, 1956;

(2) It does approve that necessary legislation be enacted authorizing the Capital Transit Co. to furnish mass transportation for the city of Washington after August 14, 1956, but under a revised franchise;

(3) It does approve of subsidizing the Capital Transit Co. by exempting it from a gross-receipts tax;

(4) It is opposed to the abandonment of the streetcars as a means of mass transportation on any of the trunklines, such as Pennsylvania Avenue, 14th Street, 7th Street and Georgia Avenue, and Wisconsin Avenue; and

(5) It does accordingly approve in principle of the above-mentioned bills; be it further

Resolved, That copies of this resolution be sent to the chairmen of the Senate and the House Committees on District of Columbia legislation, the Capital Transit Co., the Commissioners, the Public Utilities Commission, and the Federation of Citizens' Associations.

MARION WEAVER,
President.

Attest:

FLORENCE V. CRAVER,
Secretary.

MARCH 20, 1956.

Whereas the Commissioners and the Public Utilities of the District of Columbia fail to regard the wishes of the citizens relative to the kind of transportation they prefer, but instead arbitrarily declare for a bus system; and

Whereas much objection has been raised by the people, hearings requested and articles in the press against forcing the public to change from the transit to buses; and

Whereas should a shortage occur in oil or gasoline from any unforeseen cause, the people would have no transportation by buses, or when ice and snow cover the city, or traffic is hindered from causes that may develop in the future, buses would not supply the public, as would the old tried and true transit system which the people want: Therefore be it

Resolved by the Columbia Heights Citizens Forum in regular meeting assembled this 17th day of March 1956, That Congress be requested to substitute the transit system even if it becomes necessary to return the Capital Transit Co. to Wolfson; that prior to forcing a bus system on the citizens of the District of Columbia that their wishes be had by a poll; and be it further

Resolved, That Congressmen BROYHILL and MCNAMARA be congratulated for their efforts in behalf of a transit system, and that a copy of this resolution be transmitted immediately to members of the Senate and House District Committees for earnest consideration.

Adopted unanimously.

NORTHEAST BUSINESS MEN'S ASSOCIATION, INC.,
Washington, D. C., March 14, 1956.

GENTLEMEN: The Northeast Business Men's Association, at the last meeting February 23, 1956, discussed the matter of public ownership of the transit system.

The association wishes, at this time, to go on record as opposing public ownership, and advocates the private ownership and operation of the transit system, and believe that it would best serve the interest of the public.

Respectfully submitted.

AUGUST R. TERNEAK, *Secretary.*

(Copy to chairman of the House District Committee; chairman of the Senate District Committee; Board of Commissioners of the District of Columbia; chairman of the Public Utilities Commission.)

DISTRICT OF COLUMBIA DEPARTMENT, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES,
Washington, D. C., March 28, 1956.

Hon. JOHN L. MCMILLAN,
Chairman, District of Columbia Committee, United States House of Representatives, Washington, D. C.

DEAR SIR: I am enclosing a copy of a resolution adopted by the District of Columbia Department, American Federation of Government Employees, AFL–CIO, which is self-explanatory.

We would appreciate your assistance in carrying out the intent and purpose of this resolution.

Yours very truly,

RICHARD R. BAISCH,
President, District of Columbia Department, AFGE, AFL–CIO.

HAROLD W. JENNRICH,
Corresponding Secretary.

Harold W. Jennrich,
Arlington, Va.

Richard Baisch,
Cottage City, Md.

RESOLUTION ON WASHINGTON TRANSPORTATION SITUATION

Whereas we as Federal and District Government employees have a vital interest in the transportation situation in the city of Washington and environs; and

Whereas the present system, as operated by the Capital Transit Co., goes out of

existence next August 14, by act of Congress; and

Whereas there appears to be a hasty and unwarranted decision to abandon all streetcar operations; and

Whereas such abandonment would cause untold hardship and suffering to Government employees, the public and the employees who operate these streetcars by wholesale dismissal; and

Whereas competent authorities in transit operations state that the street railway as a major form of internal transportation has many noteworthy advantages, among which are that it represents the most efficient form of utilizing maximum street capacity, and is useful in moving large passenger loads in and out, and within the most congested areas, like the city of Washington, where limited street capacities make it virtually impossible to handle the passenger loads by motor cars, or even by bus; and

Whereas the rail and equipment including street cars in this city are considered to be in first class condition, and to abandon and destroy such property would be economically unsound either in a peacetime status, or more importantly in a war economy when gasoline, tires, and replacement parts are curtailed and rationed: Therefore, be it

Resolved, That the District department, American Federation of Government Employees, AFL–CIO, in meeting assembled, regrets the tendency of some public officials of the Federal and District Governments, and others, to abolish the excellent streetcar operation in this city, and supplant it with an all-bus system; and be it further

Resolved, That we believe that for the present at least, the street car service should be retained regardless of who will eventually control the transit system in the District of Columbia; and be it further

Resolved, That copies of this resolution be sent to the Senate and House District Committees, the District Commissioners, the Public Utilities Commission, and to the press.

WASHINGTON, D. C., *January 11, 1956.*

Hon. JOHN L. MCMILLAN,
Chairman, District Committee,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: As a lifetime resident of Washington and one who is sincerely interested in its transit future, I take this opportunity to set forth the following views for careful study by those of your committee charged with the local transportation problem:

As usual, in their role of deciding what they want and not what the public wants, the Public Utilities Commission and District Commissioners have decided that we will have an all-bus system. In spite of the fact that all facts, figures, and public opinion point to a desire and need for continued rail operation here, the PUC has made up its mind, and the transit-riding public has the choice of busses or busses (if that could be called a choice). A survey would reveal that bus riders would rather ride streetcars, and the streetcar riders have no desire to ride busses.

A more apt name for the PUC would be "Private" Utilities Commission, as evidenced by their lack of regard for the public and their ability to ride roughshod over public opinion and interest. They are determined to perpetuate this economic waste by abandonment of the streetcar system, without regard for future rapid transit and in spite of the testimony of experts of industry and transportation that an all-bus system is a mistake.

The PUC seems determined to have buses in Washington at any price, the price being what the District taxpayer will have to pay in future years for a rapid-transit system when it is started from scratch. A transit survey made by a firm of experts for San Diego, Calif., reveals that a rail rapid-transit system is the only solution to the traffic problem in that city. This rapid-transit system will cost millions, because San Diego abandoned its fine streetcar system in 1949. How many millions would be saved now of the taxpayers' money if the nucleus of the rail system were still intact?

Washington has had many transit surveys and not one has recommended an all-bus system, but rather an integrated system of both bus and streetcar with an idea to removing all public transit to private right-of-way rapid transit.

Why won't the District Commissioners recognize the obvious—the obvious being that the citizens of Washington do not want an all-bus system. Stop trying to force a setup like that on us. Of course, the Commissioners are appointed and not elected, so they have no stake in the well-being of the city, and nothing to lose when it is shown in future years that the all-bus system was a mistake.

The favorite method used by the all-bus advocates is to compare the cost per mile between streetcar and bus operation, which would, of course, show that streetcar operation is more costly. If the New York transit system used this method they would abandon the subways. However, a more accurate method is to use the cost-per-passenger-mile method, and it shows that rail operation is quite a bit less costly than bus operation.

In order that you may see what other cities are doing for future rapid transit I enclose an article from the January 8 issue of the New York Times.

With the sincere hope that through the District Committees of the Congress the future of rapid transit in Washington may be protected, I remain,

Very truly yours,

ROBERT S. CROCKETT.

[From the New York Times of January 8, 1956]

COAST PLAN FILED FOR RAPID TRANSIT—SAN FRANCISCO BAY REGION GETS PROPOSAL FOR SYSTEM TO COST $1,500,000,000

(By Lawrence E. Davies)

SAN FRANCISCO, January 7.—A $1,500,000,000 rapid-transit system for the San Francisco Bay area was proposed this week on the basis of 2 years of engineering studies.

The study was sponsored by the San Francisco Bay Area Rapid Transit Commission, created by the California Legislature. It was made by the New York firm of Parsons, Brinckerhoff, Hall & MacDonald. The Commission provided $750,000 to cover the costs.

The Stanford Research Institute is scheduled to report about March 1 on how the proposed transit system can be financed.

San Francisco spent much money on earlier rapid-transit plans only to have them pigeonholed. This time the entire bay area tackled as a unit the transit problem presented by virtually unplanned and uncontrolled growth of the area.

The plan filed this week is envisioned for completion in 1990. The population of the area is now about 3 million and by 1990 is expected to be at least 7 million.

SCOPE OF PROPOSED SERVICE

The projected rapid-transit system would take hundreds of thousands of interurban motorists from behind their steering wheels and put them in comfortable seats on subway-elevated trains.

The trains, perhaps traveling on rubber-tired wheels, would cover a 9-county area at speeds up to 70 miles an hour. They would negotiate San Francisco Bay between this city and Oakland to the east by underwater tube. They would cross the Golden Gate Bridge at a new level and would penetrate the Marin County district to the north. They would run deep into the San Francisco Peninsula to serve growing housing developments and industry.

The new, integrated system would take over the commuting business of the Southern Pacific Co., the key system, and the Greyhound Bus Lines, assertedly with no objections from these companies.

The report on the engineering study pictured the system as a "must" if the area's urban centers were to be reinvigorated instead of being permitted to decline through continued decentralization.

The engineers estimated that the basic features of the system, including bay tube, San Francisco subway and 123 miles of an eventual 390 miles of double track facilities, could be completed by 1962 at a cost of $720 million.

The second stage, involving 42 miles of track extension at a cost of $112,500,000, could be ready in 1970, according to the estimates. Ultimate extensions over the following 20 years would cost about $700 million.

UNDERWRITING ESTIMATE

The engineers estimated that the public would have to underwrite $30 million to $35 million a year for about 30 years for interest and amortization of funds that must be borrowed for capital costs of the first-stage construction.

"In the broader sense," the report declared, "this is the price of a dominating aspect of the bay area's standard of living. It is the cost, in terms of transportation, of fulfilling the accelerating demand for single-family houses in dispersed suburban areas and of presuming and enhancing at the same time the urban concentrations of employment and commerce, where the means to earn that standard of living must largely focus."

One result of the establishment of the system, the report said, would be postponement of the need for a second San Francisco Bay bridge, which would cost more than $300 million. It cited that, with construction of an underwater rapid transit tube, trains would be eliminated from the present Bay Bridge. The area now used for the rails would be concreted to provide additional motor traffic lanes.

The engineers offered alternative plans, but recommended only one. This, the "optimum plan," provides for subway under Market Street and tube under the bay.

The minimum plan, less costly, offers an elevated railway on Mission Street and retains rails on the Bay Bridge.

The first phase of the optimum plan would cost an estimated $716,500,000, that of the minimum plan $586 million.

FIGURES ON TRAIN COST

Neither of these estimates includes the cost of the trains. Walter S. Douglas, a partner in the engineering firm, outlined the details at a press interview. He said that the thinking about the trains was in terms of about 700 modern cars seating 76 passengers each and costing an aggregate of almost $100 million.

The average speed of the trains, including station stops, smooth acceleration and deceleration, would be 45 miles an hour. Automatic controls would permit operation at a minimum of 90-second intervals between trains.

The engineers indicated a preference for "supported" rails over a "suspended" system, such as the monorail system. They announced that Gibbs & Hill, Inc., of New York, retained for a special study of suspended systems, had reported such a system feasible.

Gibbs & Hill recommended that a test section be built and operated at a cost of $5 million before a complete installation of suspended rapid transit was approved. This would take about 2 years. Parsons, Brinckerhoff, Hall & MacDonald recommended that

tests be made on the supported type of train of several possible improvements, including the use of rubber tires to reduce noise. These tests would cost up to $4 million.

The rapid transit system, as envisioned, would not only reduce commuting time but could be operated at fares lower than those of existing commuter agencies and could compete successfully with the costs of private automobile transportation.

Until beyond mid-January the plan will be explained to groups in the nine interested counties. Then the bay area commission will begin to prepare the legislation necessary if the system is to be adopted.

WASHINGTON, D. C., *February 8, 1956.*

Hon. JOHN L. MCMILLAN,
House of Representatives,
Washington, D. C.

DEAR MR. MCMILLAN: In the Washington Star of January 31 it was reported you were introducing a bill to cancel the August 14 termination date of the Capital Transit Co. franchise in order to protect the public against loss of transportation after that date.

This letter is to assure you of appreciation for your taking this step and to voice the hope that your bill will receive favorable consideration by Congress.

May I state that I think it would be sheer folly to abandon the excellent Washington streetcar service for buses. I have lived on the Mt. Pleasant line for over 40 years and it is very good service indeed, as are other rail routes about the city, much better than the 16th Street bus service on which line I also reside.

The other day an errand took me to Walter Reed Hospital. It was an uncomfortable journey and a comparatively slow one in a jouncing bus. Returning via the Georgia Avenue streetcar line I was favorably impressed with the contrast in service, the streetcar trip being smooth and quick despite the heavy passenger traffic.

It appears that District Commissioner McLaughlin is rendering the District a regretable disservice in telling citizens' associations here that streetcars are on the way out, as he did according to the enclosed article, and as he has been doing at other such meetings.

When he was Chairman of the Public Utilities Commission I tried to get the Commission to discontinue an abandoned taxicab stand at Argonne Place and Harvard Street across the way from my home, but the Commission would not do so. The stand has not been used for years and is still not used and the curb space is much needed for parking of private cars in this overpopulated neighborhood.

The Commisison is as indifferent to this matter as it was to the ordeal the public experienced in the loss of transportation for 52 days last summer.

Very truly yours,

LEWIS L. YOUNG.

WASHINGTON, D. C., *January 9, 1956.*

Hon. JOHN L. MCMILLIAN,
Chairman, District Committee,
House of Representatives,
Washington, D. C.

DEAR MR. MCMILLAN: I recently saw an article in the Washington Post regarding the transit problem in which it stated among other things that you had said you were getting a lot of mail from people who want the streetcars retained in service. I would like to add the names of Mr. Kitchen and myself to this list.

So many people we know have expressed this same desire but so often have added that they didn't think it would do any good for us to write to Congress about it since we do not have any vote in the District. So, it warmed my heart to have you express some consideration for the wishes of the people of the District, who after all are the ones most affected by what is done regarding this matter.

For myself I always use a streetcar in preference to a bus if it is possible for they not only seem safer but are much more comfortable riding. We have excellent service on the Mt. Pleasant line and we will certainly be sorry to see any change made in this line. I know I am speaking for many, many other people who seem "resigned" to the worst.

Thanking you for your consideration, I am,

Very truly,

MRS. CLARENCE KITCHEN.

WASHINGTON, D. C., *May 9, 1956.*

Hon. JOHN L. MCMILLAN,
United States House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN MCMILLAN: In a letter, dated February 17, 1956, you expressed your agreement with my view that the people of Washington should not be deprived of street car service. I hope you continue to support this position.

In view of the fact that H. R. 8901 makes it the duty of Capital Transit Co. to convert to an all-bus operation, generally along the lines suggested by the Gilman report, I hope you will seek to leave the conversion section deleted from the bill.

Please consider these factors:

1. The people of Washington want street cars.

2. In his testimony before the Harris subcommittee, the president of C. T. C. stated that if it had been profitable to convert to an all-bus operation, C. T. C. long ago would have sought permission to do so.

3. Judging by the reasoning of the Gilman report, it is readily apparent that the Gilman concern was aware of the PUC's desire for an all-bus operation. The Gilman report seems to be preoccupied with averting immediate conversion to buses; hence, the working out of a program of gradual conversion. It is significant that the Gilman report makes no attempt to compare the profitability of present type operations with the estimated profitability of an all-bus system. Can it be that the Gilman concern despaired of convincing the Public Utilities Commission that total conversion to buses was unnecessary?

4. An all-bus operation would accelerate the decline in patronage that C. T. C. has been experiencing for 7 or 8 years. It would aggravate Washington's traffic problems by causing greater use of private automobiles, thereby causing more accidents. The earnings of Capital Transit Co. would be adversely affected. Moreover, Washington would experience smog on days of low wind velocity and high humidity, and the costs of maintaining Washington's streets would increase. Efforts to rejuvenate the downtown shopping district would be thwarted.

Sincerely yours,

HILLIARD H. GOODMAN,
Chairman, Public Utilities Committee,
Cathedral Heights Cleveland Park Citizens' Association Legislative Committee, Citizens' Transit Improvement Association.

Mr. MCMILLAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include letters and papers.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HINSHAW. Mr. Chairman, I yield myself the balance of the time on this side.

Mr. Chairman, I think it is time that we rehearse a little of the history of this matter. In Senate report No. 1274 of the 83d Congress, 2d session, which is the report of the Senate District Committee on the District of Columbia, there is found on page 7 the following:

> There has been a question as to why some local financial group did not purchase the Capital Transit Co. stock owned by North American. The subcommittee have concluded that the conservatism of the local financial community, a belief that the company was not an attractive long-range investment, and, perhaps sheer lethargy, were the reasons why no local group came forward in the period from September 1947 to June 1949, when North American was open to offers.

Mr. Chairman, that is a very significant statement. Some people have wondered why somebody else did not buy control of the company from North American, but nobody came forward, although one man particularly was very active in attempting to find a purchaser among the local community. His name was, I believe, Gore. Finally the North American company was forced to divorce itself of certain stock owned by that company under the Holding Company Act. So there was ultimately an offer to purchase by the Wolfson brothers and their associates. North American held 109,485 shares, or 45.61 percent of Capital Transit's 240,000 shares. It is interesting to note that at the time the stock was worth something more than $13 a share above the market price. That is, the book value was worth $13 more than the market price. That had been caused by the very conservative dividend policy which had been exercised by the former local management of the company, in retaining earnings instead of paying them out in dividends.

I would like to recap the situation for just a moment. This has been taken from the records, and Members who wish to controvert the statement may check the record and check figures.

During the 10-year period from 1940 to 1949 the Capital Transit Co. paid cash dividends amounting to $3,960,000 out of net earnings which had amounted to $14,114,000. In other words, some $4 million was paid out in dividends and $10 million of net earnings were retained in the company. Now, because of the low dividend rate, the stock was not an attractive purchase by investors generally, but to a person who was on his toes, you might say—you can call it sharp if you want to—a company which was evidently worth $14 a share more than its market value was something to look at. They had $10 million of money which had not been paid out in dividends. In the 6-year period following the purchase by the Wolfson group, the Capital Transit Co. paid cash dividends amounting to $8,688,000, with earnings over the period of some $5,500,000. During this period, therefore, the company has paid out in dividends about $3 million more than it earned. Obviously, the dividend payments in the last 6 years have been partially made out of the earnings which had accumulated in past years and had not been paid out to stockholders, in those 10 years before 1950.

Capital Transit dividends

[Based on present 960,000 shares resulting from 4–1 stock split in 1951]

Year	Net earnings reported to PUC	Net earnings restated [1]	Dividends paid	Net earnings (restated) per share	Dividends per share
1940	$872,082	$937,458	$240,000	$0.98	$0.25
1941	1,299,969	1,546,768	300,000	1.61	.31
1942	1,717,188	2,710,049	420,000	2.82	.44
1943	1,508,844	2,571,926	480,000	2.68	.50
1944	1,534,920	2,321,024	480,000	2.42	.50
1945	1,317,958	1,915,231	480,000	2.00	.50
1946	965,854	1,025,002	480,000	1.07	.50
1947	(93,416)	(52,602)	480,000	(.05)	.50
1948	396,315	452,522	120,000	.47	.12½
1949	325,816	751,675	480,000	.78	.50
Total	9,845,530	14,179,043	3,960,000	14.77	4.12½
1950	878,274	1,082,123	720,000	1.13	.75
1951	1,413,250	1,418,270	960,000	1.48	1.00
1952	1,046,389	1,046,389	3,744,000	1.09	3.90
1953	897,461	897,461	1,536,000	.93	1.60
1954	754,898	653,143	[2] 1,152,000	.68	1.20
1955 (6 months)	532,031	532,031	576,000	.55	.60
Total	5,522,303	5,629,417	8,688,000	5.86	9.05

[1] Net earnings have been restated to give effect to retroactive applications of adjustments determined subsequently to the time that reports originally were filed with the Public Utilities Commission, and to include in the determination of net earnings of the years affected, certain items of income and expense which previously had been credited or charged directly to surplus, such as tax adjustments applicable to prior years and profit on sale of property.
[2] Plus 1 share, Continental Enterprises, Inc., for each share held.

Now, there is no contention that the net earnings themselves were unreasonable or not properly accruing to the stockholders. The Payne report, which has been referred to here, states:

It has been determined that the company's earnings in the aggregate since its formation have not been excessive—

And further states in connection with a restatement of earnings for 1946–52 that the effect of different treatment of income taxes resulting from accelerated amortization "becomes academic in light of the fact that Capital Transit net earnings would at most have ranged from 1.7 percent to 6.2 percent of its rate base."

As the Payne report says, the real question is whether the dividend policy of the management is depleting the resources of the company to the point where its ability to render service may be impaired.

In May 1954, the two-member majority of the court of appeals held that a case had been made for a preliminary injunction against paying the April 1, 1954, dividend until the Public Utility Commission should have opportunity to pursue its investigation of depreciation. It stated that the Commission should have opportunity to consider the depreciation matter "because dividends and depreciation reserve draw upon the same reservoir." It explicitly stated it was not then deciding whether any dividend payments would jeopardize the ability of the company to perform its public obligations. The dissenting judge stated:

The record shows, I think, that such payment will not impair the utility's capital nor its ability to furnish adequate service.

The Public Utilities Commission subsequently, August 6, 1954, reached an agreement with Capital Transit, under which the dividend payments were renewed. It is most interesting to note that the Commission, by the terms of this agreement, clearly shows that its opposition to payment of dividends did not stem from any belief that the company's working capital position was being impaired through the payment of cash dividends.

The Commission proposed that the claimed accumulated deficiency in depreciation reserve of $2,400,000 be cured by a reduction in capital of this amount which would be transferred to depreciation reserve, and stated that if this were done, the dividend suit would be dropped. Note that the Commission approved this bookkeeping entry, involving no impoundment of cash, and approved decreasing cash for dividends. Had the Commission been of belief that too much cash were being paid out, impairing the company's obligations to serve, it had other remedies, as the court pointed out. In passing, it may be noted that the Securities and Exchange Commission would not approve this unaccepted accounting practice, which in effect was payment of dividends out of capital surplus, and the capital reduction was not made.

What are the facts since that time, and the fact today? The Utilities Commission has taken no other steps to impound funds for working capital. Nevertheless, the company as of December 31, 1955, showed cash of $3,488,000 out of a total current assets of $4,620,000, with current liabilities being $2,246,609, or net working capital of $2,273,480.

Indeed, the Commission's consideration of cash working capital came in for comment by the Payne subcommittee, which, under date of May 1, 1954, reported:

Recommendation:

1. The PUC should reconsider its decision to exclude cash working capital from the rate base. It would be very difficult to operate any company without working capital, and it is inequitable to require the investors to provide this capital without receiving a return for it. It would be particularly inequitable on the one hand to consider the restriction of dividend payments and on the other hand to exclude these restricted funds from the rate base. If the funds are needed in the business, then a reasonable return should be allowed the people who supply the funds. If they are not needed in the business, then there is no reason to restrict the payment of dividends.

Obviously, a man with money, a group with money, saw an opportunity to make money which nobody else seemed to want, and they took it. It was very simple. They have not been charged with illegal dealings, with improper dealings, in any sense of the word. Now, if they had been so charged, they could have been taken to court and convicted under the law if they were found guilty.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. Is it not a fact that if the present management of the company had not been so liberal in paying out more in dividends than it earned, it would not now have to be necessary for Congress to take out of the taxpayers' money funds to make it possible for them to continue their operations?

Mr. HINSHAW. My dear sir, that is an erroneous thought, because they are not asking the Government for a cent.

Mr. BENNETT of Michigan. Well, the Government is giving them some money if this bill is passed.

Mr. HINSHAW. No; they are not. The Government is not giving them a cent.

Mr. BENNETT of Michigan. Well, they are exempting them from taxation. What do you call that? Is that not giving them something?

Mr. HINSHAW. Will the gentleman let me describe the situation?

Mr. BENNETT of Michigan. I think the gentleman is in error, and I wish he would.

Mr. HINSHAW. I will be glad to describe the situation. You see, not everybody understands that a public utility is entitled to an "opportunity to earn" a return on its investment. It is entitled to earn a return which has been generally established by decisions of the Supreme Court of the United States in past cases at something like 7 to 8 percent of the value of the property used and useful in the public service. Now, the provision that is made in this bill for reduced taxes does not add to the earnings of the company. It simply means that by lowered taxes they can make lower rates or pay higher wages or pay other expenditures of that sort. As a matter of fact, if you had a public authority, there would be no taxes paid at all; because an authority pays no taxes. This company pays taxes regularly into the treasury of the District of Columbia, and the taxes that would be forgiven by this bill are the same taxes that would be forgiven under any other proposal that was made by the District Commissioners to give over the operation of the District transit to any other organization.

During the course of the committee hearings on the bill no criticism was voiced of the actual transit operations by Capital Transit Co. Indeed, on the contrary, witnesses, including the Board of Commissioners of the District of Columbia and representatives of the Public Utilities Commission, commented upon the very favorable service being offered and the fact that the local operation

stacked well at the top of all transit operations in the country.

Some adverse criticism was voiced, however, of the management itself and certain statements were made concerning certain practices by the management during the past few years that were not favorable. Such adverse criticism has not implied any allegation of misconduct. Indeed, even the Payne committee of the Senate District Committee acknowledges that nothing illegal has been done. Basically, the adverse criticism is that the management, coming in in 1949, has undertaken to declare more dividends than the company's earnings in the period following 1949. This apparently is true. That is, the dividends have exceeded net earnings during the last 6 years. But remember that dividends fell far behind the earnings in the preceding 10 years, leaving a net balance of earnings that could be paid out of the $10 million.

How did they apply those payments that they made? Three million dollars, or a little more, was paid to retire the last of the bonds of the Capital Transit Co. They had a bonded indebtedness incurred some years ago of $12.5 million, reduced it by $9 million to $3 million. Those were paid off out of those earnings. The following statement clarifies that matter:

REDEMPTION OF 4-PERCENT BONDS DUE 1964

Capital Transit Co., in January 1945, issued $12,500,000 of first and refunding 4-percent bonds due December 1, 1964. The proceeds of these bonds were used to redeem all bonds and equipment trust obligations then outstanding relating to streetcars.

In 1948 and 1949, $9 million principal amount was outstanding. Thereafter, the company redeemed bonds as follows: 1950, $1 million; 1951, $1 million; 1952, $1.3 million; 1953, $1 million; forepart of 1954, slightly less than $1 million, so that the amount outstanding in February 1954 was $3,797,000. At that time, the company deposited with the trustee sufficient funds to call the entire balance outstanding, including a call premium of 1.65 percent.

On February 25, 1954, the company declared a quarterly dividend payable April 1, of 40 cents a share, or a total of $384,000. Inasmuch as the indenture securing the first and refunding 4-percent bonds contained a provision restricting payment of dividends on common stock except from earned surplus accumulated subsequent to November 30, 1954, which unrestricted earned surplus as of January 31, 1954, was only $89,536, it was obvious that the earned surplus had to be freed of the restriction by calling of the bonds before the dividend could be paid.

On February 27, the Public Utilities Commission filed complaint in the district court praying that the payment of the dividend and the redemption of the bonds be temporarily enjoined until it had completed an investigation into these transactions which it had authorized February 26. A temporary restraining order was issued, and the Commission appealed to the court of appeals for a temporary injunction.

The court of appeals decided, May 7, 1954, that no case had been made for an injunction against the bond redemption program.

The court stated:

The Commission contends in substance that the disbursement of $3,910,277.17 to redeem all outstanding bonds and of $384,000 for a quarterly dividend, as part of a program of total dividends during 1954 of $1,536,000, with revenues showing an unstable tendency, might result in depletion of the company's liquid assets and working capital so that it could not maintain intact its capital devoted to the public service and adequately serve the community, and that the investigation will lead to some order within the Commission's statutory authority which would be rendered ineffective unless these disbursements are held in abeyance.

* * * * *

We are unable to conclude, however, that there is substantial likelihood the Commission validly can require a cancellation or modification of the bond redemption program. This is so because, aside from the new $1,500,000 loan, the redemption will practically free the company of debt and its assets of lien. The reduction now of liquid assets and working capital by the required outlay of nearly $4 million might be unwise. But the money will be used to pay a bonded indebtedness; and the Commission is quite unlikely to be able to find that the immediate redemption of all bonds is so improvident that it can be validly prohibited. This being so, this court should not require that it be enjoined. Good business administration might argue for a slower pace of redemption. But this hardly comes to saying that immediate redemption will render the company unable to perform its responsibilities to the public, either at present or as the Commission hereafter might validly direct. Should need arise for additional cash the borrowing capacity of the company, enhanced by elimination of the existing bonded indebtedness, would be available. Insofar, therefore, as our order of March 29, 1954, extended to May 7, 1954, enjoins the redemption of the bonds it will be allowed to expire and the denial by the district court of the preliminary injunction against this aspect of the company's program will be affirmed.

As long as a utility has adequate capital to perform its obligations, it would appear a matter of mere prudence to retire its indebtedness when it is able to do so. In this connection, it may be well to note the report of the so-called Payne subcommittee, of the Senate District Committee, which, speaking May 1, 1954—practically the same time as the court of appeals—said, at page 28:

In a declining industry such as we have here, it would not be economically sound to withdraw the equity capital (through payment of dividends) in preference to paying off the debt. * * * If the capital requirements of the company continue to decline because of decreasing business, there will come a time when all of the debt has been paid off and all of the surplus has been paid out in dividends and there still is equity capital which is not needed in the business. When this point is reached, it is inevitable that the stockholders will want to withdraw the unneeded part of the capital, through redemption in part of the capital stock. While this point has not been reached, there is a definite trend toward it, especially with regard to Capital Transit, which, in addition to having a declining volume of service, will in all probability eventually replace its street car facilities with much less expensive buses. Both of these factors point toward a future reduction of capital requirements. It would not be at all wise to permit the company to reduce its capital stock without having first eliminated all of its debt, in addition to having provided adequate reserves for depreciation and obsolescence.

I reiterate that your subcommittee, having heard the bill, was unanimous in being unable to find that the Capital Transit Co. management had done anything illegal or had done other than provide good service to the people of the District of Columbia, Wolfson or no Wolfson.

Mr. HARRIS. Mr. Chairman, will the gentleman yield to me?

Mr. HINSHAW. I yield to the gentleman from Arkansas.

Mr. HARRIS. With reference to the question asked by our distinguished colleague from Michigan [Mr. BENNETT] a moment ago regarding concessions, is it not true that under the settlement that was made through the District Commissioners last year, a 10-cent-an-hour increase was granted to the employees of the Capital Transit Co., plus an additional 5 cents an hour to become effective July 1 of this year?

Mr. HINSHAW. That is correct.

Mr. HARRIS. And on July 1 an additional 5 cents will be paid to the employees of the Capital Transit Co.?

Mr. HINSHAW. That is correct.

Mr. HARRIS. And is it not a fact that the hearings reveal that each 1 cent per hour of increase to the employees costs a total of $75,000 a year?

Mr. HINSHAW. I believe that is correct.

Mr. HARRIS. Therefore the additional increase in wages which goes to the employees on July 1 of this year will take up the amount of the concession on the gross income-tax receipts.

Mr. HINSHAW. That is about right. I should like to discuss another aspect of the business, because there was a time, very early in my career, when I was district manager for national account sales of a motor truck company in Chicago. I know something about the selling of buses and trucks. I have had a little experience in that, a long time ago, it is true.

According to the staff report of the Subcommittee on Antitrust of the United States Senate Committee on the Judiciary, 84th Congress, the General Motors Corp. has now acquired approximately 75 percent of the bus business in the United States.

The main business of those people at the present time is to find out how they can sell more motor buses and get the whole market, I presume. Two competitors have already gone out of the business, Twin Coach and Fageol. General Motors has owned slightly more than 50 percent of the stock of Yellow Truck and Coach Manufacturing Co., and the management of Yellow set up a holding company called the National Co. with a capital stock of $300,000 for the purpose of financing the conversion from streetcars to buses in certain small cities during the years of the depression, and has since carried on the business.

The General Motors Corp. has been convicted, along with others, in an antitrust action under the Sherman Act.

That interesting story is also contained in this Senate record.

It is interesting to note that a representative of the General Motors Corp. bus department has been stationed here in Washington for some time. I think he has taken a very keen interest in the forced sale of the Capital Transit Co. to a public authority assets and the transfer of this operation from streetcar to all-bus operation. He sees in the offing, I have no doubt—I would see it if I were in his place, and so would you—that something like 1,400 buses are to be purchased in the near future at a cost of about $22,000 each, and that is no small piece of business.

One of the objects of this company and of any other bus manufacturing company is to set up situations where you pretty nearly have to sell out a streetcar operation and get into the bus operation, and I would not be surprised but what there are some very favorable aspects to a strike in that respect. It would be interesting to know the full truth. But you can see yourself that the commission alone on the sale of $12 or $15 million worth of buses would be a considerable plum. The commission in the old days was 5 percent. I do not know what it is now. There is a tremendous profit that goes to the salesman who is on duty in the locality, and he wants to use every means he can, every method he can, to bring about the sale to what he considers a responsible buyer, and that responsible buyer under the authority bill would be the Government of the United States and not the people of the District of Columbia.

Mr. PRIEST. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I ask unanimous consent to proceed out of order, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

THE SUPREME COURT MUST BE CURBED

Mr. COLMER. Mr. Chairman, there is an old saying that where there is smoke there is fire. The Supreme Court of these United States is now under attack from many sectors. That attack is not confined to any section of the country. Neither is it confined to any one decision or action of the Court.

All Americans have respect for the Court as an institution. But in the final analysis, we all realize that the Court is what the personnel of the Court make it. It is nothing new for the Supreme Court to be criticized. It has been criticized from its inception. There have been no stronger critics than Presidents Andrew Jackson and Franklin D. Roosevelt. However, it is something new when a former member of that body takes it to task. In this week's issue of the U. S. News & World Report, one of the better and more reliable publications of the country, carries an article by the elder statesman, former Justice James F. Byrnes.

Few, if any, men have served their country in more varied fields than has former Justice Byrnes. Mr. Byrnes has served as a Member, United States House of Representatives, 1911 to 1925; United States Senator, 1931 to 1941; Associate Justice, United States Supreme Court, 1941 to 1942; United States Director of Economic Stabilization, 1942 to 1943; United States Director of War Mobilization, 1943 to 1945; United States Secretary of State, 1945 to 1947; and as Governor of South Carolina, 1951 to 1955.

Therefore, when this distinguished American says, "The Supreme Court must be curbed," it is time for all good Americans to give heed.

The article follows:

Two years ago, on May 17, 1954, the Supreme Court of the United States reversed what had been the law of the land for 75 years and declared unconstitutional the laws of 17 States under which segregated public-school systems were established.

The Court did not interpret the Constitution—the Court amended it.

We have had a written Constitution. Under that Constitution the people of the United States have enjoyed great progress and freedom. The usurpation by the Court of the power to amend the Constitution and destroy State governments may impair our progress and take our freedom.

An immediate consequence of the segregation decision is that much of the progress made in the last half century of steadily advancing racial amity has been undone. Confidence and trust have been supplanted by suspicion and distrust. The races are divided and the breach is widening. The truth is, there has not been such tension between the races in the South since the days of reconstruction.

One threatened consequence is the closing of public schools in many States of the South.

A further consequence is the harm done to the entire country by the demonstrated willingness of the Supreme Court to disregard our written Constitution and its own decisions, invalidate the laws of States, and substitute for these a policy of its own, supported not by legal precedents but by the writings of sociologists.

Today, this usurpation by the Court of the power of the States hurts the South. Tomorrow, it may hurt the North, East and West. It may hurt you.

Though there was no dissenting opinion from any member of the Court, the South dissents. That dissent is reflected in State legislation and in the day-by-day occurrences throughout the South, developments which portray the feeling of the people.

Only now do people living elsewhere begin to comprehend the determination behind the dissent of the South. Only now is an effort being made in the northern press to give thoughtful, balanced and reasonably impartial presentation of what might be called the southern point of view.

The suppression of that viewpoint outside the South has caused much of the Nation to suppose that such dissatisfaction as existed with the Supreme Court's decision was due to petty prejudice and would soon disappear. That theme has been further developed by the publication of "encouraging" reports of school-integration experiences here and there below the Mason-Dixon line. Those reports may be true of some border States and of predominantly white areas in mountain sections of the South; it is not true of any section where Negroes constitute as much as 10 percent of the population.

The problem is numerical as well as legal, educational, and—in recognition of the Supreme Court's concern—sociological.

The corruption of the reconstruction era is a matter of recorded history. The memory of the sufferings endured by the white people of the South is an inheritance. It was during this tragic era that the 14th amendment was literally forced upon the helpless States of the South.

When the white people finally wrested control of the State governments from the carpetbaggers and newly freed slaves, and the army of occupation was withdrawn, the South started on the long road to recovery. Agriculture and industry were gradually restored. A public school system was developed.

No one then seriously asserted that mixing the races in the schools was contemplated by the 14th amendment. In the constitutions of most of the States of the Union, not just those of the South, provisions were adopted for the segregation of the races in the schools.

In 1896 in a case known as Plessy against Ferguson, involving a statute providing for segregation of the races on railroad trains, the United States Supreme Court held that a statute providing for separate but equal facilities was not in violation of the 14th amendment to the Constitution. Thereafter, the Supreme Court in several cases involving schools upheld this doctrine.

Later, the Court, when it included such great judges as Chief Justice Taft and Justices Holmes, Brandeis and Stone, unanimously said that segregation in public schools had been "many times decided to be within the constitutional power of the State legislatures to settle without interference of the Federal courts under the Federal Constitution."

SOUTH'S STAKE IN SEPARATE SCHOOLS

Relying upon the stability of the law of the land, and upon the guaranty of State sovereignty in the Federal Constitution, the people of the South invested hundreds of millions of dollars in separate schools for the races. Under this segregated school system, the southern Negro made greater progress than any other body of Negro people in the history of the world.

The facilities for Negro students in many States were not equal to the facilities provided for white students. The degree of equality differed not only in States, but in counties within a State. The situation in South Carolina was typical of the South. As a rule, the facilities for Negro students in the urban centers were superior to the facilities provided in rural areas. The same was true of facilities for white students. Schools were dependent upon local taxation, and much of the inequality was due to the greater value of industrial property and higher income of the city dweller.

A realization of the inequality that existed between rural schools and urban schools, as well as between the races, influenced me greatly to become a candidate for Governor of South Carolina in 1950.

In my inaugural address I advocated a bond issue of $75 million and the levying of a sales tax of 3 percent for the purpose of equalizing the school facilities. In presenting this, I said:

"It is our duty to provide for the races substantial equality in school facilities. We should do it because it is right. For me, that is sufficient reason."

Of the $75 million authorized, 70 percent was allocated to Negro schools even though the Negro-school enrollment constitutes but 39 percent of the total school enrollment.

Subsequently, the bond issue was increased until it is now $137.5 million. In every school district there is a high school for Negroes and more than one elementary school. On the whole, the Negro school buildings are superior to the white schools because they are modern. The number of Negroes transported by bus to these schools was increased 450 percent in 3 years.

Similar educational programs have been under way in other Southern States.

In South Carolina, with a Negro population of 823,622, there are 7,500 Negro schoolteachers, whereas in 12 States east of the Mississippi and north of the Mason-Dixon line, with a Negro population of 3,351,402, there are only 7,712 Negro teachers. There is no difference in the scale of pay for white and Negro teachers.

About the time the educational program was inaugurated in South Carolina, there was pending in the United States court a case from Clarendon County, asking equal facilities for Negro schools. Later, that suit was withdrawn, and a suit was brought by the same complainants, asking the court to declare unconstitutional all segregation laws.

The three-judge court, presided over by Judge Parker, senior judge of the fourth circuit, held that under the decisions of the United States Supreme Court from 1896 to that date, the segregation provisions of the Constitution and statutes of South Carolina were not in violation of the 14th amendment. The lawyers for the National Association for the Advancement of Colored People appealed the case to the United States Supreme Court.

In that Court, the case for Clarendon County was argued by the late Hon. John W. Davis. He was so convinced of the soundness of the decision of the three-judge court that he agreed to argue the case and declined to accept compensation for his services.

Had the Court been unanimous in the view that segregation statutes were in violation of the 14th amendment, such an opinion would have been written within a few months.

Instead, after many months, the Court announced that the cases should be reargued, and counsel should direct their argument to certain questions.

The first question was:

"What evidence is there that the Congress which submitted and the State legislatures and conventions which ratified the 14th amendment, contemplated, or did not contemplate, understood, or did not understand, that it would abolish segregation in public schools?"

Such a question would not have been asked if a majority of the Court was already satisfied that Congress and the State legislatures did contemplate that the amendment would prohibit segregation in public schools.

Attorneys representing the parties involved and the attorneys general of many States having segregation statutes filed briefs. The overwhelming preponderance of the legislative history demonstrated that abolishing segregation in schools was not contemplated by the framers of the 14th amendment, or by the States.

We can only speculate as to how the Court reached its decision. In that speculation, it is interesting to read in the Harvard Law Review of November 1955, an article entitled, "The Original Understanding and the Segregation Decision," written by Alexander M. Bickel, who, according to the Review, was the law clerk to Mr. Justice Frankfurter during the October term, 1952, when the case was first argued. After a lengthy résumé of the evidence, the writer states:

"The obvious conclusion to which the evidence, thus summarized, easily leads is that section 1 of the 14th amendment, like section 1 of the Civil Rights Act of 1866, carried out the relatively narrow objectives of the moderates, and hence, as originally understood, was meant to apply neither to jury service, nor suffrage, nor antimiscegenation statutes, nor segregation. This conclusion is supported by the blunt expression of disappointment to which Thaddeus Stevens gave vent in the House."

The Court, in its opinion, did not admit, as did Mr. Bickel, the conclusiveness of the evidence that the 14th amendment did not apply to school segregation. The Court said the evidence was inconclusive.

PREVIOUS DECISIONS WERE REVERSED

Our Constitution is a written instrument. The 14th amendment does not specifically mention public schools. Having decided unanimously that the legislative history was not conclusive that the Congress or the States intended it should apply to schools, one would think the Court would have stopped there and upheld the previous decisions of the Court. Instead, it proceeded to reverse those decisions and legislate a policy for schools.

An explanation of this extraordinary decision is offered by Mr. Bickel in his Harvard Review article on page 64, where he said:

"It [the Court] could have deemed itself bound by the legislative history showing the immediate objectives to which section 1 of the 14th amendment was addressed, and rather clearly demonstrating that it was not expected in 1866 to apply to segregation. The Court would in that event also have repudiated much of the provision's 'line of growth.' For it is as clear that section 1 was not deemed in 1866 to deal with jury service and other matters 'implicit in * * * ordered liberty * * *' to which the Court has since applied it."

If this law clerk is correct (and I can assure you the law clerks in the Supreme Court are well informed), it means that the Court, having previously interpreted the 14th amendment to apply to jury service and other matters not specifically delegated by the Constitution to the Federal Government, felt that the soundness of those decisions would be questioned unless the Court held the 14th amendment to apply to schools.

But there was a distinction. Previously the Court had held that State laws providing separate but equal school facilities did not deny a constitutional right. The control of schools had been proposed by some framers of the 14th amendment and rejected. There was no legislation by Congress prohibiting segregated schools. The only change in conditions was that several million Negroes had migrated to the big cities in Northern States and constituted the balance of political power in several States.

Once the Court becomes committed to a course of expanding the Constitution in order to justify previous expansions, there is no turning back. When next the Court is called upon to "read into" the Constitution something which was never there, another segment of the people may be the victim. It may be you.

The Constitution provides that any amendment submitted to the States must be ratified by three-fourths of the States.

Change was purposely made difficult by the framers, who jealously guarded their liberties. They knew "the history of liberty is the history of limitations on government."

COURT IGNORED A WARNING

In amending the Constitution, the Court ignored the warning of George Washington in his Farewell Address:

"If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed."

Frequently, the Court has applied a constitutional principle to subjects not specifically mentioned in the Constitution, and not conceived of by its framers. That has been done, for instance, in applying the "commerce clause" to congressional legislation affecting forms of transportation and communication not in existence when the "commerce clause" was adopted. Material progress, which could not have been anticipated, justified the Court in applying the principle of the "commerce clause" and sustaining the laws affecting commerce between the States.

Ordinarily, the Court has been controlled by legal precedents. In the segregation opinion, it could cite no legal precedent for its decision because all the precedents sustain the doctrine of separate but equal facilities.

In 23 of the States that ratified the 14th amendment, the courts of last resort held it did not abolish segregation. The Supreme Court itself, in 6 cases decided over a period of 75 years, upheld the doctrine of equal but separate facilities.

The Court ignored all of these legal precedents and the Constitution and said, "We cannot turn the clock back to 1868 when the amendment was adopted, or even to 1896 when *Plessy* v. *Ferguson* was written."

Why not? The function of the Court is to interpret the Constitution, not amend it. Heretofore, whenever in doubt about the proper interpretation of the Constitution or a statute, the Court has turned the clock back to the time of adoption to ascertain the intent of the draftsmen. When the Court states, "We cannot turn the clock back to 1868," will it ever consider the intent of the framers of the Constitution in 1787?

If the age of a constitutional provision is to be held against its soundness, what about the age of our religion? If time invalidates truth in one field, will it not do so in another?

If the Court could not turn the clock back in these cases, why did it ask counsel for the litigants and the attorneys general of all interested States to file briefs as to the intent of the Congress in 1868, in submitting, and the States, in ratifying, the amendments?

And why were counsel asked to argue whether the Court was bound by its previous decisions, such as *Plessy* v. *Ferguson?*

It is apparent that, when the Court found the legislative history it requested was overwhelming against the conclusion it had reached, it declared the evidence "inconclusive," disregarded the Constitution and—invading the legislative field—declared that segregation would retard the development of Negro children.

That was a terrible indictment of the Negro race. Because—whether a person be black, brown or yellow—whenever the Supreme Court says he cannot develop unless while in school he is permitted to sit by the side of the white students, the Court brands that person an inferior human being.

Now mark this well! The Court not only ignored the Constitution and its own decisions, but, in establishing a policy for schools, ignored the record in the case.

In support of its decision, after citing K. B. Clark, who was employed by the National Association for the Advancement of Colored People, it cited the writings of a group of psychologists who had not testified in the trial court. Counsel for the States had no opportunity to rebut the opinions of these psychologists. In such procedure there lies danger for all of us.

And the Court was guilty of what it has frequently condemned. As late as 1952 in the case of *Beauharnais* v. *Illinois* (343 U. S. 250), the Court said:

"It is not within our competence to confirm or deny claims of social scientists as to the dependence of the individual on the position of his racial or religious group in the community."

Counsel had no opportunity to cross-examine these psychologists as to their qualifications as well as their affiliations. However, in the United States Senate on May 26, 1955, Senator EASTLAND, chairman of the Senate Judiciary Committee, submitted an amazing record of several of the authorities cited by the Court. He said:

"Then, too, we find cited by the Court as another modern authority on psychology to override our Constitution, one Theodore

Brameld, regarding whom the files of the Committee on Un-American Activities of the United States House of Representatives are replete with citations and information. He is cited as having been a member of no less than 10 organizations declared to be communistic, communistic-front, or Communist dominated."

As to E. Franklin Frazier, another authority cited by the Supreme Court, Senator Eastland said, "The files of the Committee on Un-American Activities of the United States House of Representatives contain 18 citations of Frazier's connections with Communist causes in the United States."

In support of its findings, the Court said, "See generally Myrdal, 'An American Dilemma, 1944.'" I have seen it. On page 13, Professor (Gunnar Karl) Myrdal writes that the Constitution of the United States is "impractical and unsuited to modern conditions" and its adoption was "nearly a plot against the common people."

On page 530, Myrdal states, "In the South the Negro's person and property are practically subject to the whim of any white person who wishes to take advantage of him or to punish him for any real or fancied wrongdoing or insult."

Millions of people, white and colored, know this is absolutely false. Members of the Supreme Court know it is false. It is an insult to the millions of white southerners.

Senator EASTLAND also listed some of those who were associated with Myrdal in writing his book. He stated that the files of the House Committee on Un-American Activities show that many of Myrdal's associates are members of organizations cited as subversive by the Department of Justice under Democratic and Republican administrations.

I am informed by the Senator that no member of the Senate and no responsible person outside of the Senate has challenged the accuracy of his statements on this subject. Loyal Americans of the North, East, South and West should be outraged that the Supreme Court would reverse the law of the land upon no authority other than some books written by a group of psychologists about whose qualifications we know little and about whose loyalty to the United States there is grave doubt.

And loyal Americans should stop and think when the executive branch of the Federal Government brands as subversive organizations whose membership includes certain psychologists, and the Supreme Court cites those psychologists as authority for invalidating the constitutions of 17 States of the Union.

RIGHT TO CRITICIZE COURT

Some advocates of integrated schools shudder to think of anyone's criticizing a decision of the Supreme Court or, certainly, this decision of the Court. Well, whenever a member of the Court dissents from the majority opinion, he expresses his views and criticizes—sometimes in vigorous language—the Court's opinion.

In recent years there are many examples. But a case in point is the dissent of the late Justice Owen J. Roberts, who differed with his colleagues on the Court in the case of *Smith* v. *Allwright*, The Supreme Court in that case reversed prior decisions and declared the Democratic Party in Texas was, in effect, an agency of the State and that its actions (in conducting white primaries) was "State action." Said Mr. Justice Roberts:

"I have expressed my views with respect to the present policy of the Court freely to disregard and to overrule considered decisions and the rules of law announced in them. This tendency, it seems to me, indicates an intolerance for what those who have composed this Court in the past have conscientiously and deliberately concluded, and involves an assumption that knowledge and wisdom reside in us which was denied to our predecessors."

The decisions of the Supreme Court must be accepted by the courts of the United States and the States, but not necessarily by the court of public opinion. The people are not the creatures of the Court. The Court is the creature of the people.

One hundred representatives of the people in the United States Congress have issued a manifesto criticizing this decision. Such criticism is nothing new. There is precedent for criticism by the people.

After the decision in the Dred Scott case, Abraham Lincoln criticized the Court, declaring the decision erroneous and pledging the Republican Party to "do what we can to have it overruled."

President Franklin D. Roosevelt, on March 9, 1937, commenting on a decision of the Supreme Court, said:

"The Court in addition to the proper use of its judicial functions has improperly set itself up as a third house of the Congress—a superlegislature, as one of the Justices has called it—reading into the Constitution words and implications which are not there.

"We have, therefore, reached the point as a Nation where we must take action to save the Constitution from the Court and the Court from itself * * *.

"Our difficulty with the Court today rises not from the Court as an institution but from human beings within it."

ENFORCEMENT OF DECISION

The fifth section of the 14th amendment authorizes Congress to enforce that amendment. Congress never legislated to require integrated schools because the 14th amendment did not embrace schools. On the contrary, Congress specifically appropriated for segregated schools in the District of Columbia. Now that the Supreme Court has amended the Constitution to embrace schools, Congress could legislate on the subject but the Supreme Court knows the representatives of the people will not legislate. Therefore, it calls upon the States of the South to enforce its new policy for schools.

The people of the South are law-abiding. They do not talk or even think of armed resistance. They realize the United States Government has the power to enforce a decision of the Supreme Court. But they believe the decision will close many schools, and think that the Court that ignored the Constitution and rendered the decision should assume the responsibility for its enforcement.

It is unrealistic to expect local school officials to destroy the public schools. With few exceptions, school trustees in the South are white men. They are highly respected in their communities. They serve without compensation. Do you think they will force the children of their neighbors into mixed schools? Many trustees will resign. Negroes will not be selected to succeed them. The schools will be closed.

When northern newspapers criticize local officials who will not cooperate in the enforcement of this decision, they should recall the prohibition era. There were few northern newspapers clamoring for the enforcement of that law by local authorities.

The so-called "best people" of many States did not hide their violations of the prohibition law. They regarded it as "smart" to boast of making gin in the bathtub and carrying whisky in a silver flask to public places. They fought the law until it was repealed.

However, there was this difference: The prohibition law was enacted as a result of an amendment to the Constitution which was adopted in the manner provided by the Constitution. It was not, as in this case, a decision of nine men on the Supreme Court—in effect—amending the Constitution.

The National Association for the Advancement of Colored People, financed by tax-exempt organizations and some well-intentioned but misguided people, for years demanded the reversal of the "separate but equal" decisions of the Supreme Court, even though 40 years ago Justice Charles Evans Hughes, speaking for the Court, said the question could "no longer be considered an open one." Now these same people would deny to the people of the South even the right to criticize the recent decision in the school case.

"PRACTICAL DIFFICULTIES" AHEAD

A statement of some of the practical difficulties certain to follow enforcement of the segregation decision demonstrates the seriousness of the problem.

The case from South Carolina originated in a school district in Clarendon County where there were approximately 2,900 Negro students and 290 white students. The goal of educators is to limit a class to 30 students. In the Clarendon district, all classrooms have more than the standard.

No white student will ask to go to a Negro school. But suppose some Negroes in the 10th grade of a Negro school ask for a transfer to the 10th grade of a crowded white school and the trustees decide it is unwise to further increase the enrollment in that school. Will the Court decide the rejection was on account of race, instead of efficiency, and cite the trustees for contempt?

Suppose the Negroes are admitted. It is agreed that the average Negro child, having had little training at home, does not possess the training of the average white child in the same grade and age group. Shall the white children be held back to help the Negroes progress?

The white parents in the District of Columbia can answer that question. They have had some sad experiences in the last year. As a result, approximately 60 percent of the students in the public schools of the Capital of this Nation are Negroes. Many white families have moved to Virginia; many, though they can ill afford it, have placed their children in private schools.

If the Negro students are not able to do the work of the white students, can the races be segregated in the classroom and assigned different class work? Would not the scars inflicted upon the Negro child by such segregation be far deeper than the harm done him by associating with only Negro students in segregated schools?

Should the races be mixed in a school, will a board of trustees composed of white men in a Southern State employ Negro teachers? If not, what will happen to the Negro teachers now employed in the South?

Today, high schools in the South are more social institutions than in the past. There is a cafeteria where all students lunch together. There is a gymnasium where students of both sexes engage in various sports.

Athletic contests, as a rule, are held at night. Students, following the team, travel in school buses. When the races have been accustomed to separation in buses, who can assure there will not be serious consequences?

These are only a few of the problems.

There is a fundamental objection to integration. Southerners fear that the purpose of those who lead the fight for integration in schools is to break down social barriers to childhood and the period of adolescence, and ultimately bring about intermarriage of the races. Some Negro leaders deny this. Others admit this objective. Because the white people of the South are unalterably opposed to such intermarriage, they are unalterably opposed to abolishing segregation in schools.

Disraeli said, "No man will treat with indifference the principle of race. It is the key to history."

Pride of race has been responsible for the grouping of people along ethnic lines throughout the world.

Race preservation is the explanation of the political unrest in South Africa. In the United States, it is not peculiar to the white people of the South. For many years, fear of the Japanese influenced legislation in California.

Today, in 23 of the States, intermarriage of the races is prohibited by law. These laws reflect the fear of mongrelization of the race. To prevent this, the white people of the South are willing to make every sacrifice.

It is useless to argue whether the racial instinct is right or wrong. It exists. It is not confined to any race or to any country. It cannot be eliminated from the minds and hearts of people by the views of psychologists or by the order of a court.

The degree of tension between the races depends upon the percentage of Negro population. In Vermont, where there are few Negroes, there is little tension. But in Detroit, Chicago and Washington, where the Negro population is increasing, tension is increasing.

Frequently it has been asked why the white man of the South who owned no slaves fought in the Confederate Army as bravely as the slaveowner. He had no financial interest. It was not greed. It was to preserve the rights of the States and thereby preserve his race. For this he fought and died. His grandchildren have the same racial instincts.

Abraham Lincoln was not charged with racism, but he said, "While the races remain together there must be the position of superior and inferior, and I as much as any other man am in favor of having the superior position assigned to the white race." He further said, as to political equality, "My own feelings will not admit of this, and if mine would, we well know that those of the great mass of the whites will not. Whether this feeling accords with justice and sound judgment is not the sole question, if indeed it is any part of it. A universal feeling whether well or ill-founded cannot be safely disregarded."

Since Lincoln's words were uttered, the Negro living by the side of the white man of the South, under segregation laws, has made great progress—educationally, culturally, and economically. The white man of the South wants to help the Negro continue to progress, first because it is right and, second, because it is to his own advantage. Unlike Lincoln, he does not say there must be the position of superior and inferior. He says in State-supported facilities there should be equality but he also says "equal facilities" does not mean the same facilities.

WHERE DO WE GO FROM HERE?

Frequently, the question is asked: Where do we go from here? Solomon, with all his wisdom, could not give a positive answer. We do know that the approximately 40 million white southerners will do everything that lawfully can be done to prevent the mixing of the races in the schools.

The hope is for voluntary segregation. As the Negro has progressed educationally and economically, a constantly increasing percentage of them have developed a pride of race. That Negro does not want his children forced into schools where they will not be welcomed. He prefers to have them attend schools for Negroes, taught by Negroes. However, recent events indicate such men will be coerced by the National Association for the Advancement of Colored People and northern Negroes to demand admission to white schools. Therefore, there is fear for the future.

Plans vary. In some States, the legislature has repealed the statute requiring children to attend schools. When the overwhelming majority of the people of a State are opposed to integrated schools, they could not be expected to enforce laws requiring children to attend mixed schools.

In most States, the law now requires trustees or other school officials to assign children to schools. In the cities where the Negro population is usually concentrated in 2 or 3 areas, schools have been placed in those areas. It is reasonable that Negroes should be assigned to the schools nearest their homes. In the rural districts there is no such segregation of homes. There the problem will be more difficult, and more dangerous.

In South Carolina and in some other States, laws have been enacted providing that if—by order of any court, State or Federal—a student is assigned to a school different from that to which he is assigned by school officials, all appropriations for the school to which that student is assigned and all appropriations for the school from which he comes shall immediately cease. Similarly, it is provided that funds appropriated for operation of school buses shall be available only for segregated buses.

The theory of this legislation is that under the Constitution there are three branches of Government which shall forever be kept separate. It is the function of the legislative and executive branches of State governments to appropriate for and administer school funds. If a State or Federal court shall arrogate to itself the right to assign children to schools different from the assignment made by the officials designated by the legislative and executive branches of the State government, no funds shall be available for such schools.

It is predicted by counsel for the National Association for the Advancement of Colored People that the United States Supreme Court will declare these appropriation laws unconstitutional. In view of the segregation decision, no man can say positively the prediction will not come true.

If the Supreme Court shall declare unconstitutional all State statutes having, in its opinion, the effect of continuing segregated schools, then as a last resort many States will discontinue public schools. Some financial assistance would be provided for parents, white and colored, sending children to private schools. Such a plan is proposed in Virginia.

By an overwhelming vote in South Carolina in 1952, there was eliminated from the State Constitution the provision that public schools must be provided for "all children between 6 and 21 years of age." The purpose was to permit the legislature to be free to discontinue public schools should all other efforts fail.

NEGROES COULD SUFFER MOST

Should this happen, it will be unfortunate for both races. It would be particularly unfortunate for Negroes because they do not have the financial ability to purchase or to build and equip schools. That fact does not deter the reckless leaders of the National Association for the Advancement of Colored People from jeopardizing the continued existence of Negro schools as well as of white schools.

Should the public schools close, the white people of the South will see that an education equal to that given white children is available to the Negro children who are being used as pawns by the National Association for the Advancement of Colored People in an effort to solve overnight a great social problem.

Integration is now demanded in other fields. In South Carolina, for example, there are recreation parks, supported by public funds and equipped with vacation cabins, lakes and other facilities. For the maximum enjoyment of all, and for the preservation of good order, the parks are operated on a segregated basis—some for whites and some for Negroes.

Recently, a suit was brought in a Federal court to force the admission of Negroes to a park set aside for white people. The General Assembly, rather than wait for another race-mixing decree, promptly and unanimously ordered the park closed. The suit was dismissed by the court. For the future, money is appropriated only for segregated parks. Similar suits have been brought in other States. All parks may soon be closed as a result of litigation inspired by the National Association for the Advancement of Colored People and some northern sentimentalists who do great injury to their fellow man. Woodrow Wilson once said:

"It will be a bad day for society when sentimentalists are encouraged to suggest all the measures that shall be taken for the betterment of the race."

THREATENED: POWER OF STATES

Tragic as may be the consequences in destroying the public-school system in the South, more frightening are the consequences of the trend of the present Court to destroy the powers of the 48 States.

In the case of *Pennsylvania* v. *Steve Nelson*, decided April 2, 1956, the same Court that declared unconstitutional the segregation statutes of 17 States invalidated the laws of 42 States prohibiting the knowing advocacy of the overthrow of the Government of the United States by violence, as long as there is a Federal law against sedition.

The Department of Justice protested to the Court that the State laws did not interfere with the enforcement of the Federal statute. But the Court struck down the laws of 42 States. Justices Reed, Burton, and Minton vigorously dissented.

One week later the Court declared unconstitutional a provision of the charter of New York City under which Professor Slochower, an employee, was dismissed for failure to answer a question in an authorized inquiry, on the ground that his answer might incriminate him. It is encouraging to the people that the same three Justices dissented and were joined by Justice Harlan.

Power intoxicates men. It is never voluntarily surrendered. It must be taken from them. The Supreme Court must be curbed.

The Constitution authorizes the Congress to regulate the appellate jurisdiction of the Supreme Court. Loyal Americans who believe in constitutional government appeal to the court of public opinion in the hope that you will urge the Congress to act before it is too late.

The present trend brings joy to Communists and their fellow travelers who want to see all power centered in the Federal Government because they can more easily influence one Government in Washington than the 48 governments in 48 States.

But the trend of the Court is disturbing to millions of Americans who respect the Constitution and believe that in order to preserve the Republic we must preserve what is left of the powers of the States.

You may be unconcerned today. You may cry tomorrow.

Mr. PRIEST. Mr. Chairman, I yield the remainder of the time to the gentleman from Illinois [Mr. MACK].

Mr. MACK of Illinois. Mr. Chairman, I wish to commend the chairman of the subcommittee, Mr. HARRIS, on his leadership in solving one of the most difficult if not one of the most embarrassing problems we have had confronting this Congress. I am proud to have been associated with his subcommittee and to have participated in the writing of this legislation.

Due to a short period of hospitalization, it was not possible for me to attend all the public hearings held on the transit problem, but without exception, I attended every executive session which was held on this subject. When I first entered into the discussions I wanted to

vote against Wolfson. But when I became familiar with the problem confronting us, I found that there would be no opportunity to vote for or against Wolfson and also found that to enact public authority legislation at this late date would be extremely ill advised.

Our committee has acted to the best of our ability and we feel we have acted in the public interest. We are not performing a miracle nor are we proposing anything revolutionary. We are merely reinstating the franchise for the Capital Transit Co. A franchise slightly amended—but the same basic franchise they have operated under for the last 25 years. Some reference has been made that this is bad legislation. I cannot agree, but if it is bad legislation it has been bad for a quarter of a century.

The members of this subcommittee who are most familiar with the complexities of this subject—the ones who have studied it for nearly 6 months—have reported this legislation without a dissenting vote. In our full Committee on Interstate and Foreign Commerce of 31 members, we had only 2 dissenting votes on our recommendation to solve this dilemma. We must enact some legislation, otherwise the people in the District of Columbia will be without transportation on the 14th of August. It has been suggested by one of our colleagues that we recommit this bill and take an attitude of "wait and see." The difficulty with this theory is that we have already consumed too much time before constructively approaching this problem. Perhaps Congress acted too hastily last August in passing Public Law 349. Perhaps Congress should have gone even further and prepared appropriate legislation or standby legislation. Unfortunately, this was not done and, therefore, the Congress must face this responsibility and take action immediately.

The question before us today is whether we are going to provide an adequate transportation facility at fair and reasonable prices after August 14.

In this bill, we are accomplishing just that. We are continuing the present transit system at present fare for at least a year. This is a transportation problem. We are not voting for Wolfson. We are voting for or against adequate transportation.

Many of my friends from the city areas are laboring under the misapprehension that this vote is for or against a public transportation system. This is not the case. This is not a question of private versus public transportation exclusively.

I hope the Members have read sections 203 and 204 of the Heselton substitute. It reads as follows:

The Authority shall have the power to acquire in its own name by purchase, lease, gift, or otherwise, or under such terms and conditions, and in such manner it may deem proper or by the exercise or power of eminent domain to the extent authorized by this act, or the law of any State with like exception as in section 204 (a) of this act, all or any part of the facilities, plant, equipment, property, rights in property, reserve funds, pension and retirement funds, franchise, license, patents, permits, papers, documents, and records of any transportation system in the Washington metropolitan area.

Mr. Chairman, the substitute being offered by the gentleman from Massachusetts is not an authority bill—it is a seizure bill. If you want the Government to seize the property of the Capital Transit Co., then vote for the substitute being offered to our bill. I am not opposed to a transit authority bill, but I am bitterly opposed to public seizure of private property.

If you authorize this public authority bill, you are authorizing them to seize not only the rolling stock but the real estate of the Capital Transit Co. as well. This is not the way to enact public transportation legislation in the District of Columbia.

To accept the substitute bill would be authorizing the seizure of private property.

The CHAIRMAN. All time has expired.

Pursuant to the rule, the Clerk will read the substitute amendment printed in the reported bill for the purpose of amendment.

Mr. PRIEST. Mr. Chairman, I ask unanimous consent that the committee substitute may be considered as read, and printed in the RECORD at this point and open for amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. HESELTON. Mr. Chairman, reserving the right to object, and I shall not object if Members have an opportunity to express themselves. I shall object until they do have that opportunity. I object.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

REPEAL OF CERTAIN PROVISIONS OF LAW SO AS TO PERMIT CONTINUANCE OF OPERATIONS; EFFECT ON RATES

SECTION 1. (a) Section 14 of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes", approved January 14, 1933 (47 Stat. 752), as amended (Public Law 389, 84th Cong.), is hereby repealed.

(b) The act entitled "An act to amend the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933, and for other purposes", approved August 14, 1955 (Public Law 389, 84th Cong.), is hereby repealed, except that the rates established under such act shall remain in effect as provided in section 2 (c) of this act.

Mr. HYDE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think the application of a few facts and logic to those facts will certainly indicate to the House that the Capital Transit Co., at least under its present management, has no intention of continuing to operate this transit system in the Nation's Capital. The facts on their face I submit show that.

Mr. HARRIS. Will the gentleman yield?

Mr. HYDE. Just in a moment I will yield.

Mr. HARRIS. The gentleman is making some harsh statements. I just wanted to have the gentleman advise the House how he knows.

Mr. HYDE. That is the point I wish to make clear. I said I think the application of a few facts and the application of a little logic to those facts will indicate that. In the first place, the admissions made by the bill itself, namely, its tax-free features, and the arguments made that if you have a public authority you will have the transit system run at public expense, would certainly indicate that you do not expect a profit to be made from the future operations of the transit system in the Nation's Capital. They certainly do not intend to operate as a normal free enterprise when they operate with the tax concessions that are in the bill.

Mr. HESELTON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One-hundred and twenty Members are present; a quorum.

The gentleman will proceed.

Mr. HYDE. Speaking of the burden on the taxpayers about which the opponents of the authority idea complain, it seems to me that from a reading of this bill you will find, by virtue of the tax concessions, there will be at least some $800,000 revenue for which the District will have to go to tax sources to obtain, which it is now obtaining from the Capital Transit system. So the very substitute being offered here will on its face throw a burden on the taxpayers.

Does the Capital Transit Co. under its present management really want to operate this company as a long-range income investment? Let me call your attention to what they have done with it. They bought it. They have, according to figures given on this floor, taken some 300 percent out of it already. They have stripped it down. In addition to that they bought it in the face of a Nationwide history of urban transit not paying. They bought it in the face of the fact that the number of passengers of the present system dropped in half since the war and revenues dropped proportionately. Those are the facts, Mr. Chairman, I submit that argue that the Capital Transit Company does not intend even if their franchise is restored, that is the present management does not intend, to continue operating this line as an income investment business. They have obtained what they wanted to obtain from the business; and now I submit the deduction from these facts certainly argues that they now simply want to dispose of it and they want to get the most out of it. I do not blame them for this from a financial standpoint; representing their stockholders they are perfectly justified in attempting to do the best they can to get the most they can for their investment, but I submit that we, as representatives of the public, have a duty. If the public is going to take this over through a public authority, which I submit they are eventually going to have to do anyhow, we should try to make the best deal for the public just as Mr. Wolfson wants to make the best deal he can for himself and his stockholders.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. HARRIS. Would not the franchise of the Capital Transit Co. still exist in the district which the gentleman represents?

Mr. HYDE. Yes.

Mr. HARRIS. Then the situation insofar as the gentleman's district is concerned has not been changed at all, has it?

Mr. HYDE. I would say that when the arm has lost the body, the arm is substantially damaged.

Mr. HARRIS. Probably so, but they would still have the franchise; it has not been taken away from them in the gentleman's district in Maryland. How, then, would the gentleman's district benefit by the setting up of a public authority here? Would it be permitted to operate in the gentleman's district?

Mr. HYDE. The gentleman from Arkansas is completely wrong about that. The public authority would, as a matter of fact, be able to operate, for the Legislature of the State of Maryland in the session of last February passed legislation to enable the authority to operate there.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

(On request of Mr. HESELTON, and by unanimous consent, Mr. HYDE was allowed to proceed for 3 additional minutes.)

Mr. HESELTON. Mr. Chairman, will the gentleman yield for a question?

Mr. HYDE. I yield.

Mr. HESELTON. The gentleman represents the adjoining district in Maryland, as I understand.

Mr. HYDE. That is right.

Mr. HESELTON. Would the gentleman describe how this whole transit situation affects not only the people of the District of Columbia but also the people of neighboring Virginia and Maryland, and particularly the district which the gentleman represents so ably?

Mr. HYDE. It affects my district more seriously than it does any other, because people in Montgomery County, Md., rely almost wholly upon this system for transportation in and out of the Nation's Capital, whereas in Virginia they have other means that take care of the problem. I think as a matter of fact this Capital Transit line touches Virginia at one bridge, that is, one of the old bridges.

In southern Maryland, in the fifth district, the neighboring county, Prince Georges, Capital Transit does operate somewhat, but I believe there are several other busline services there also.

So this whole proposition affects my district more seriously, I believe, than any other neighboring district.

And I might say this, when I had some legislation before this Congress which eventually got to the President but was vetoed, to provide an areawide transit regulatory commission, that bill was opposed by the Capital Transit people. They did not appear and testify against it, but I know they were opposing that particular piece of legislation. It was said to me at that time, and on this I am afraid that is as far as I can go in documenting the matter, you do not want it, you do not need that, but what we are going to have to have is an authority to operate this company.

Let me call the attention of the members of the committee to the fact that Congress has appropriated $400,000 which is now being spent to study this problem and that a preliminary report coming from that study, the testimony on which has been given in the Senate, indicates that that study is going to recommend the authority.

Mr. HESELTON. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, it is not my intention to prolong this proceeding and I shall certainly not object to waiving of the reading of the bill when Members such as the gentleman from Maryland [Mr. HYDE] and others who are more directly concerned than any of the rest of us have had an opportunity to state some of the arguments against the bill and some facts upon which they base their arguments. I hope they will be given the opportunity.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from Tennessee.

Mr. PRIEST. May I say to the gentleman that the unanimous-consent request was that it be considered as read and open to amendment, which would simply make it possible for gentlemen who wish to speak by striking out the last word or offering other amendments to do so quicker. That was the purpose of my request.

Mr. HESELTON. I am not in any way criticizing my chairman, whom I respect in every sense of the word. We all know he has a duty to perform and he is always courteous and considerate in every way. But I felt I should undertake to protect those who have not had an opportunity to speak, not being members of the committee. There are 2 or 3 things I want to clear up right now and I shall have to offer 1 or 2 pro forma amendments if the members of the Committee will bear with me.

Mr. Chairman, I regret very much that District legislation does not bring to the floor more Members. I think the latest count was 106. The earlier count was 102 if I recall correctly. It is obvious we cannot expect Members of Congress who are busy with many and tremendously important responsibilities to attend debates such as this. We are fortunate to have such a good attendance as there is here now. I say that because I know perfectly well that, first, from the parliamentary angle I cannot offer a motion to substitute unless the substitute offered by the committee is voted down, and I am under no illusion as to that. It is not going to be voted down. We have to recognize that. I wish I could place my substitute before you for a vote, but I cannot under the circumstances. Consequently, I will simply offer it for the RECORD and I shall ask for a ruling. I know what the ruling will be because I have consulted the House Parliamentarian, whom we all respect.

I can only offer a motion to recommit generally. I cannot offer a motion with instructions. I wish I could because I would include my substitute bill, H. R. 10871. That is why I asked my good friend and committee colleague, the gentleman from Illinois [Mr. MACK] to yield to me. I know he could not because he was under pressure as to time, too. But he said something inadvertently that I think he did not mean. I understood him to say that a motion will be offered by one of his colleagues on the committee to recommit this bill and to adopt, as I recall it, a wait and see attitude. Am I right?

Mr. MACK of Illinois. I do not believe the gentleman has correctly stated it. I think I said one Member of the House had suggested that as an alternative.

Mr. HESELTON. The gentleman meant me?

Mr. MACK of Illinois. No, I did not mean the gentleman.

Mr. HESELTON. I have publicly said I would offer a motion to recommit and I am the only member on the minority side against the bill so I thought I might be recognized. I apologize, however, if I misunderstood.

Mr. MACK of Illinois. I may say to the gentleman I did refer to him as being the Member who would propose to offer a substitute bill.

Mr. HESELTON. We have disposed of that, because a substitute will not be ruled in order.

Mr. MACK of Illinois. I referred also to another Member of the House who wanted to adopt a wait and see attitude.

Mr. HESELTON. All right. Then, that is clarified, and I apologize if I misunderstood.

But I want to make it clear that when I make this motion to recommit, and I shall seek recognition to offer it, it will not be for the purpose of adopting a wait and see attitude. We cannot afford to do that. Time is of the essence here. Something has to be done, and we all know it. We know what happened last year, and we know what this Congress did without a dissenting vote. And I firmly believe that H. R. 10871 is better legislation than the committee substitute and would be much more likely to result in satisfactory private ownership most of us want.

Now, my colleague on the committee, the gentleman from Georgia [Mr. FLYNT] referred to the vote to suspend the rules. That was on a motion which was not carried by a two-thirds vote on a rollcall. The rollcall is in the RECORD, and my friend knows where it is. I voted against suspension of the rules. So did many others, and the very next day, August 2, 1955, it came up on a closed rule, but with reasonable debate possible, which was offered by the chairman of the Committee on Rules, the gentleman from Virginia [Mr. SMITH]. It was passed by a voice vote. Why? Because the gentleman from Virginia [Mr. SMITH], the gentleman from Arkansas [Mr. HARRIS], and colleagues whom we all respect said we had to do it. That is a matter of record. I am not ashamed of the fact I voted for it and I have no apology for that vote. I thought we had to vote affirmatively after hearing the bill explained.

The President of the United States was confronted eventually with the bill we

passed without a dissenting vote and he signed it. We were away at the time, but the President made a public statement, and I want to read it:

Both the Congress and the Commissioners of the District of Columbia have concluded that Capital Transit Co., beginning several years ago and continuing up to the present time—

That was last August 14—

has failed to measure up to its responsibility to the District of Columbia.

Now, is it rancor, is it bitterness, is it unfairness on the part of any of us to oppose the return of this franchise at this time to this company with better conditions than they ever had before? I do not think so.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HESELTON. Mr. Chairman. I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Chairman, I appreciate the consideration of the Members here.

There has been a charge in one of the newspapers of irresponsibility. Now, I can take a certain amount of criticism, as all of us can, and we, in public life, know there will be that sort of a charge made. But, last evening's Washington Star—and I am going to name the paper, because twice before it has misrepresented the facts as to my position on this legislation—in big headlines said: "BROYHILL hints plot against CTC." I did not understand the gentleman had done so. "Charges conspiracy is 'almost apparent.'" I do not think he did, and I do not think any Member of the House did. Why are they exaggerating this? Are they charging that Members of Congress who voted without a dissenting vote last year to cancel this franchise, upon ample evidence, are engaged in a conspiracy? Are they charging the President of the United States, who signed that bill, is a party to that conspiracy? If they are, I repudiate them. I say that 1 of 2 things is self evident, and that is, whoever in that press gallery wrote that story or whoever rewrote it downtown wants this bill, H. R. 8901, passed so much that they are attempting to smear and lie about the Members of this Congress or there has been gross negligence. And, I am not going to take it.

I want to go on further and point out what I mean. It was in that same issue of that paper, although they either did not publish it in another issue or withdrew it, but without any retraction or apology—and I do not expect them to give it to me and I do not want it—they published the statement "Representative HESELTON, Republican, of Massachusetts, who is leading the House fight"—I am simply expressing a lone dissenting voice here, and I was the only one signing the minority report, and they know it—"and supporting public ownership." Now, they know, if they took the trouble to read the public record, that I have said two times on May 7 and 9, on this very floor, in this very place, and once more on the rule yesterday, that I was against public ownership. I hoped that we would find a satisfactory and competent and financially able and experienced group, such as Mr. Bell thinks he has, who would come in and take this over and operate it. Why are they lying? I do not know. Maybe I am too resentful of it. Maybe you would not be quite so resentful of it. They suggested 2 weeks ago that I had hinted I would withdraw my support. I never made any such statement to anybody and they know it. I happen to know that they went into my district and, because there are provisions in this bill that are supported by the labor union organization here—and I respect them—they went into my district to try to find out whether I was a tool of labor unions. Well, they found out I was not. They found out that I had been opposed in most of my elections by members of the unions, who had every right to oppose me. But I resent, I resent deeply, not only their characterization of me, but their effort to draw this whole House membership, the Congress and the President of the United States into an alleged conspiracy.

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the necessary number of words.

Mr. Chairman, on this whole troublesome problem of transit in the District of Columbia we are confronted with a very practical proposition. I am sure that every Member of this Congress on both sides of the argument and both sides of the aisle is motivated only by one purpose, and that is to get transportation for the people of the District of Columbia at reasonable rates and transportation that will be stable and uninterrupted.

I have to disagree with my friend from Maryland [Mr. HYDE], because I rise in support of the pending bill offered by the Committee on Interstate and Foreign Commerce. It seems to me that in Maryland they are somewhat dependent upon this company for transportation and would prefer a public utility that would perhaps be supported by the District of Columbia or the Federal Government to some extent. I want to say that over on the Virginia side we have 2 private corporations who have been operating for many years, running buses on the Virginia side and into the District of Columbia. We do not have any trouble over there. They seem to be well financed and they seem to be making a profit. They are being run under private industry in which I know all Members of Congress believe.

I think that we should not undertake here to set up a public authority under which Congress is going to supervise the operation, all the details of this public authority; because that is what is going to happen to you. If you set up a public authority and some driver of a bus gets fired, he is going to be up here the next morning to see some of you in order to get back his job. You had better stay out of that kind of a mess.

Confronted as we were with this problem last year when this strike was going on and people were walking to work, Congress did what we thought was best. We did not do it on our own knowledge. We did it because the District Commissioners who had the matter in charge recommended it. They thought they could get a private concern to buy the company. They have been trying ever since. I know that. I have had some experience with the efforts which they have made to get some group of people who could finance this proposition to come in here and buy it. And they have not been able to do so.

In the face of this complicated situation what are we to do about it? We ought to do what we do with our committees. These complicated things we refer to a committee of the Congress. We referred this to a committee of the Congress, not to set up a private concern or to set up the other kind, but to bring us their honest judgment on what was the best thing to do.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Indiana.

Mr. HALLECK. It seems that everyone pretty much is agreed that we do not want a public authority, at least we do not want one permanently. Does the gentleman agree with me that if we ever once set up a public authority we will never get rid of it?

Mr. SMITH of Virginia. You surely will not, and you will have more trouble than you have now.

Mr. Chairman, what did we do about it? When this subject came back up to us this year it was referred to the Committee on Interstate and Foreign Commerce, and they referred it to a subcommittee. That subcommittee was composed of the gentleman from Arkansas [Mr. HARRIS] on the Democratic side and the gentleman from Minnesota [Mr. O'HARA] on the Republican side, both of whom are Members of long experience with District of Columbia affairs on the District Committee. You could not have gotten a better group of people to handle that subject and advise this House than you did. They have studied it carefully, they have done a lot of work on it, and they have brought it back to us.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman mentioned the name of our colleague the gentleman from Minnesota [Mr. O'HARA] as being one of the members of the committee. As everyone knows, our colleague, Mr. O'HARA, had an attack several weeks ago and he is at home. I had the pleasure of viting with Mr. O'HARA Sunday afternoon, and he asked me to say to this Congress that he was 100 percent for the substitute bill which the committee has worked out and reported for the consideration of this House. I wanted that in the RECORD, and I thought this was an appropriate place for it.

Mr. SMITH of Virginia. Mr. Chairman, all I urge this Committee to do is this. Let us do the commonsense thing and take the advice of the people who have studied it and in whom we have confidence, and who know more about it than we do as individual Members of the House. Let us pass this bill and send

it over to the Senate. Let us see what they are going to do about it, and at least get it on the way, because if we do not get on the way to do something the people of Washington are going to be walking on the 15th day of August.

Mr. BROYHILL. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, the gentleman from Massachusetts a few moments ago made reference to an article that appeared in the last edition of the Evening Star yesterday evening, in which I was quoted as saying on the floor yesterday that it seemed there was a certain conspiracy going on to drive the Capital Transit Co. out of this town.

I want to make perfectly clear right here and now that there was nothing stated by the gentleman from Virginia yesterday which cast any reflections whatsoever on the gentleman from Massachusetts or any other Member of this body.

That statement was made in answer to a question by the gentleman from California [Mr. HINSHAW] and I believe the purport of it, and he can correct me if I am wrong, was that, in my opinion, did it not appear that there was a conspiracy going on to get the Capital Transit Co. out of town. I said indeed it was, in my opinion, and I was referring to the District Commissioners, the Public Utilities Commission, and the union bosses.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Arkansas.

Mr. HARRIS. Our distinguished colleague from Massachusetts seems to be quite concerned about the statement in the paper yesterday afternoon. I of course am not doing this to defend any paper or to take any side one way or the other, but in view of what has been said and what the gentleman has said, I think for the benefit of the membership it might be well to read just what was said in the RECORD on yesterday:

Mr. HINSHAW. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from California.

Mr. HINSHAW. I gather from the statement the gentleman has been making that it would almost appear there had been afoot a conspiracy to cause a revocation of the franchise of the Capital Transit Co.

Mr. BROYHILL. That is my opinion. Just as soon as that strike occurred last summer it seemed to be that the action taken by the District Commissioners was to get the Capital Transit Co. out of town, destroy the Capital Transit Co. first, rather than to look for a long-range program for public transit service here in the metropolitan area.

Mr. BROYHILL. I appreciate the gentleman reading from the RECORD in order to verify what was said. If there is any inference made on my part toward the gentleman from Massachusetts, or any other Member of this body, I want to make it clear right now that it was not so intended. But, I would repeat and reemphasize that it was my opinion yesterday and it is my opinion today that when this strike occurred, it seemed like every action taken on the part of the union, the Public Utilities Commission and the District of Columbia Commissioners were solely to destroy the company and get them out of town rather than to have a peaceful, proper and orderly settlement of the strike.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield.

Mr. DINGELL. I wish the gentleman would tell me who those people are who are participating in this conspiracy because, frankly, I would like to join them and do what I can to get the Capital Transit Co. out of this city of Washington and get somebody in who would give decent rides for a decent fare and have some consideration for somebody besides Mr. Wolfson.

Mr. BROYHILL. I believe I have already stated twice who I thought was a part of the conspiracy. Of course, I can add to that several other groups including one of the newspapers here in town, namely, the Washington Post and Times Herald who have been just as anxious as anyone else to get the management of the Capital Transit Co. out of town. Throughout these negotiations last year, and I said this before here on yesterday, the Capital Transit Co. offered the union the same amount that they finally settled after the franchise was revoked. The Capital Transit Co. once before asked for the same fare increase from the Public Utilities Commission which was granted after the franchise was revoked So nothing was accomplished by the revocation of the franchise that could not have been accomplished if there was a willingness on the part of the public officials, including the union, to cooperate before the Congress adjourned last summer. Mention was made of this Public Transit Authority. I have no objections to public authorities as such. There are many authorities operating throughout the Nation which render a very fine service for the people including among them the New York Port Authority. I think a public authority is a proper thing when they can come into operation and operate certain facilities involving the movement of people and goods and give us what private industry has not, cannot and will not provide.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am speaking with reluctance because of my respect for the members of this committee and my great affection for one of the members of the subcommittee, my dear colleague the gentleman from Illinois [Mr. MACK]. I am speaking with a little awe because I am following the great gentleman from Virginia who has told us that always we should follow the advice and counsel of committees, a bit of advice, I am afraid, at times as chairman of the Committee on Rules he himself does not follow too rigidly. But a sense of conscience impels me to speak. I do not like to see a good friend of mine beset by a holdup man with his friends gathering around to counsel that he give up his money because the holdup has a gun. Perhaps if they were friends less scary and with more backbone, they would pounce upon the man with the gun and find that the gun was phony and as harmless as a piece of bologna sausage. That is exactly what we have here. The only excuse given us for passing a bill that strips the people of the District of Columbia as naked as an oak tree in December is that unless we do as we are told there will be no local transportation after August 14. That is what you might call bluffing big at poker. If the committee calls the bluff, and refuses to give the transit company its old franchise back plus everything else visible and grabbable, the bluffer tomorrow will be on his knees begging to be given one more chance to negotiate on an honest basis.

There was a time when pirates tried the bluff on the American people. Is not this a time to remember our reply to that bluff: "Millions for defense, not one cent for tribute."

After all, the House of Representatives of the Congress of the United States has some dignity. I think it has in its makeup a lot of virility and a lot of red blood. I do not want to see it cringing on the floor of this chamber in fear of a man with a phony gun.

I am speaking with such feeling and indignation because I have had a little experience in traction matters, enough at least to know on one reading a franchise that gives everything to the company and leaves the public entirely without the usual franchise protections. We had our traction problems in the city of Chicago. We went through on a large scale what the District is going through on a relatively small scale. We had years of litigation. Then we came up with an authority. In that work, as one of the three traction attorneys for the city of Chicago, I spent 10 of the busiest years of my life. With that experience and some measure of understanding that must have rubbed off, I cannot be silent when I see come before a body of which I am a Member, a proposed piece of legislation that, in my well-considered opinion and with all respect for the sincerity and integrity of the members of the subcommittee, is the most atrocious piece of traction legislation ever presented to any legislative body.

I think back to the days when we had traction scandals in our State legislatures and our city councils; when traction was a great political issue. We had it in Springfield, Ill., in the days of Yerkes, and when members who voted for Yerkes bills did not return to public office. Cleveland had its Johnson, Detroit its Pingree, Chicago its Dunne. Traction was the issue everywhere. Now, I am seeing presented in this bill a pattern of the things of half a century and more ago that aroused our people into a frenzy of indignation and remedial political action.

Have you taken time to read this bill, my colleagues? You do not have to read it as great lawyers. You just have to read it as little fellows with a little commonsense. In every sentence and in every provision there is a give-away and a lack of proper protection to the public interest.

If we were doing this in a city council, in a municipality where they had the power of the electorate—not in a district where the people are chained—the

people would drive us from public life. Not one of us would ever again come back to the city council or any other place in the public service or esteem.

Now I am not scolding. I am trying to save the dignity of this body and the future regrets of its Members.. Do you know what will follow in the District of Columbia if you pass this bill? I wish I had the time——

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent (at the request of Mr. YATES) Mr. O'HARA of Illinois was granted 5 additional minutes.)

Mr. O'HARA of Illinois. Thanks for the privilege of continuing 5 minutes. Let me make the most of it. Let us get right down to the bill. You will not find a paragraph or a page where there is not something given away that should have been held on to. This is in the nature of a franchise ordinance. It is a contract. What lawyer on this floor would say that in a franchise ordinance you should not bind the other party?

Just listen to this, you lawyers:

> The preceding sections of this act shall not become effective unless prior to August 14, 1956, the Capital Transit Co., after taking such action as may be appropriate under its charter and bylaws, has notified the Public Utilities Commission of the District of Columbia in writing that it will continue to engage in the transportation of passengers within the District of Columbia.

Not even a formal written acceptance or a commitment to abide in good faith. A city council elected by and answerable to the people would be most careful and particular to protect the public in what it was getting in exchange for privileges given to one using the public streets for profit. I would think the city council negligent that did not bind with a bond to performance of its obligations one to whom it was giving a valuable franchise.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I am sorry; I have not the time. I may say to my dear friend that I found it impossible yesterday to get any time in general debate, and it seemed almost equally difficult for Members who desired to speak in opposition to the bill, so I must decline the suggestion that I surrender my little remaining time to the side that already has enjoyed a generous share of the debate.

Here is the provision in regard to the conversion to bus operation:

> It shall be the duty of the Capital Transit Co. to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts—

Think of it. The economic concepts contained in some report; nothing else binding upon the company. Mr. Chairman, the streetcar is gone; everybody knows that. Streetcars are a liability, not an asset, since it is inevitable they must go, and then the tracks must be removed, the rails and the foundation torn up and the streets repaved. That runs into money. It is the obligation of the company in any municipal franchise I have seen. As I read this bill there is no obligation of any sort upon the company to purchase 1 bus or to remove 1 foot of trackage or repave 1 yard of the streets. New buses? Poppycock. All this bill requires the company to do is to read a report and put in a supply of economic concepts. Imagine the people of Washington riding around in a bus fabricated from concepts. How silly can we get in accepting such words as "general conformity with economic concepts" as legal language binding the beneficiary of our bounty to compliance with some clearly defined obligations?

I wonder also how you are protecting in this careless piece of legislation, how you are protecting the people of Washington from the cost of rebuilding the streets and their repaving. Mind you, the original franchise was drawn years ago before the bus had come into use. There is great expense in the conversion from street cars to buses, yet in this bill I fail to find one word to bind the company and protect the public. Instead we have an essay on economic concept.

Mr. Chairman, we should not be deceived by rainbows of diction. I know everybody is well-intentioned, and giving the subcommittee credit for more wisdom than God ever gave a similar number of men, I am saying to them that I doubt if after 3 or 4 months of study with all their other duties they possibly could have come to an understanding of the very complex matter of mass transportation. Yes, they are coming in here, sincere, honest, earnest, able but, nevertheless, overworked men like all of us in the Congress, and they are saying to us frankly that this is the best deal they can make under circumstances, therefore this must be good legislation; and I am saying to you with 10 years of experience in this field that I think this is the most unworkable and one-sided piece of traction legislation that has ever been presented in a legislative body, and that if you enact it the repercussions from the people of the District when time has proved its character will hit the Congress as a hurricane.

Mr. HARRIS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I fully realize that there are a lot of able and experienced Members of this Congress in various fields. I have learned from experience that regardless of what subject might be brought up you better know something about it if you get involved because somebody else, a Member of the House, will know something about it, too.

I appreciate the fact that my distinguished colleague from Illinois has given you something of the benefit of his long years in traction operations. I have never had any experience in the traction business. My experience has been in the legislative end of it. I do not claim to know how to operate one. I do not know anything about the Chicago situation, but I do think I know the problem here.

Our committee studied the legislative responsibility for a long time. The gentleman from Illinois castigates the bill. As we told you yesterday this bill is the only way by which the people can have transportation on and after August 14 of this year. The gentleman tries then to show you why it is such a bad bill. He refers to the language in the bill which says that the matter shall be referred to the board of the Capital Transit Co. and from them to the stockholders.

The Congress a year ago revoked the franchise of the Capital Transit Co. The gentleman, with his long years of experience, I am sure, must understand there is no way you can get the Capital Transit Co. back into business except by approval of the stockholders of that company. He says that is bad legislation. He must either be trying to be facetious or has no conception of the facts. I respect his sincerity, but I am sure it is for a different reason.

Then he refers to just one other matter in the bill which he says makes it bad legislation also. He referred to the changeover from streetcars to buses. The District Commissioners have insisted that there be an all-bus system. You have heard the members of the committee who sat days and days and heard the testimony say that it is not possible to have transportation in the District of Columbia and provide service with the limited time we have by using buses and buses only. There are not sufficient buses owned by the Capital Transit Co. to furnish such a service. General Motors and the Mack Co., the only bus producers in the Nation, say they cannot supply any new buses.

There is only one other alternative and that is to utilize what streetcar operations we have until there can be a realistic and practical changeover to an all-bus system. We provide that in this bill. We say it shall be done under the economic justification and according to the report of W. G. Gilman Co., one of the most outstanding consultants in this field in the United States.

Mr. Chairman, is this committee to accept a statement from Members who have heard none of the testimony, who are not and cannot be familiar with this program except maybe because of some experience they have had somewhere else, or are we going to take the word of an experienced consulting firm that came here and made a survey over weeks and weeks of the transportation problems of the District of Columbia?

Those are the only two items the gentleman from Illinois [Mr. O'HARA] cites as specific examples that this is such bad legislation. The fact is he does not even touch the major principles involved, yet he is so sure it is bad because of his familiarity with a public transit authority in Chicago.

Now, what is all this about? I am just putting it up to you. It does not mean anything in the world to me. And, we have got a choice, as we in the committee had. We have got the choice of using the buses and streetcars that are now available, or else we will not have transportation service when the franchise is up August 14.

Mr. BENNETT of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Michigan.

Mr. BENNETT of Michigan. Does not the gentleman think that from now on the transit system is going to be an

uneconomic proposition and that it must be subsidized in order for this company or any other company to operate?

Mr. HARRIS. Let me answer the gentleman. Everyone who knows anything about the transit business in the country will say that it is a dying industry.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. PRIEST. Mr. Chairman, I ask unanimous consent that the gentleman from Arkansas [Mr. HARRIS] may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. HARRIS. That is the reason the committee accepted the recommendation of the District Commissioners and the Public Utilities Commission in granting concessions, and that is the reason we did it in this bill, because they were willing to give it to any other private operator to come in, and we feel, under good management, that the operation of such a system with the present equipment here and gradual change-over to the bus system is the way that it can be done and provide the best service for the people of the District of Columbia. As I said to you, we have got to decide whether or not we are going to use the existing equipment, or we are going to provide no transportation August 14.

I agree with the gentleman from Indiana and the gentleman from Virginia that once you set up a public authority you have got it from here on out; you cannot get rid of it. The testimony is that it will not cost you $20 million, but it will be, as it has been in Cleveland and Chicago, enormous; it is going to cost you many, many more millions of dollars to provide that service. It is just a question of what we are going to do, assume the responsibility or are we going to say to the people of the District of Columbia that the Congress is not going to permit you to have transportation. That is the question we have here today.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Indiana.

Mr. HALLECK. First of all I want to commend the gentleman and the members of his committee for the fine work that they have done on this very troublesome matter, and I would just like to comment for myself that I think we have had a very good attendance here in the Committee of the Whole.

Mr. HARRIS. I think it has been splendid, I will say to the gentleman.

Mr. HALLECK. I think the gentleman puts his finger on it when he says that if we do not pass this bill there will be no transportation in the District of Columbia on August 14.

Mr. HARRIS. And the Congress is going to be gone then, too.

Mr. HALLECK. Is it not also true that the committee bill is really a substitute for the bill from the other body, so that the whole matter will finally be adjusted in conference?

Mr. HARRIS. I want to comment on that.

Mr. HALLECK. And if this bill were to be recommitted at this time, we certainly would be destroying or avoiding the very objective that we want to attain.

Mr. HARRIS. Certainly.

Let me just say this to you. I know you are realistic and practical thinking people here. Now, there are just two things in here that are bothering us. One is Mr. Wolfson. Now, that is a fact. But, have you ever thought about the fact that the Wolfson group owns only 31 percent of this company? Have you ever thought about the fact that there are 2,400 other good American citizens who own stock in Capital Transit Co.? Have you ever thought about the fact that there are 1,100 good American citizens right here in the District and in the surrounding metropolitan area who own 200,000 shares in Capital Transit Co.? Are you, because of enmity against one man or one little group, going to say, "We are going to throw the other 2,400 people, good American citizens, who have invested their money in it, to the wolves"? Now, is that what we are going to do here? Here is what we are trying to do. You have read the newspapers. You have read the record. We have a program under way which includes the admission of Mr. Wolfson that he will gladly sell out to some responsible people. Mr. Dan Bell has said that—

> If you will give us something in the nature of this bill we will redouble our efforts and we can move fast.

That is one of the problems.

Here is another problem; and if it were not for that one we would not be having all this controversy here. That is, the labor people say there is no provision in here for labor. The gentleman from Indiana [Mr. HALLECK] said a moment ago that this bill is going to have to be written in conference. Let us send it on to conference. There is a provision in the Senate public authority bill referring to labor, which has to do with a voluntary method of arbitration. They said that would meet their desire. Let us send it to conference and I can virtually assure the Members of this body that so far as I am concerned that bill can be worked out to their full satisfaction.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

(By unanimous consent (at the request of Mr. HESELTON), Mr. HARRIS was given permission to proceed for 2 minutes additional.)

Mr. HESELTON. Mr. Chairman, will the gentleman yield to me?

Mr. HARRIS. I yield to my colleague from Massachusetts.

Mr. HESELTON. The gentleman mentioned a number of stockholders who would be affected, something like 3,000——

Mr. HARRIS. 2,400.

Mr. HESELTON. Does the gentleman think that if those 2,400 stockholders got the same dividends and the same stock split and the same advantages that the Wolfson group got, of 339 percent in the last 9 years, that they are going to suffer very much?

Mr. HARRIS. Of course, the gentleman has his own figures so far as 339 percent is concerned.

Mr. HESELTON. I take them from the public record.

Mr. HARRIS. All stockholders got the same dividends over the years. That has happened since 1933. But from a realistic standpoint let me say this: There are only two major questions causing this controversy. Let us try to work them out so that we may assume a responsibility here to our people, the people of the District of Columbia. If you send this bill back to the committee, it will be weeks and weeks, if ever, before we will be able to get out another bill. This subcommittee said, 100 percent of them, that they were opposed to a public authority except as a last resort. There is no time to set up a public authority. Where are they going to get the management if the District Commissioners were given this authority? If what they have done in the last year is any criterion, God help the people of the District of Columbia with a public authority.

That is what I have to say about it. We are just asking the Members to give us a chance, and I believe we can work this out and assume a responsibility in keeping with what the gentleman from Massachusetts said he believed in, and the gentleman from Ohio said he believed in; and that is a private-enterprise operation. If they believe in that, let them join with us and give us the opportunity to work this out.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike out the last five words.

Mr. Chairman, I thought I had completed my remarks on this proposed legislation, but I rise to say to you that in 38 years of legislative experience this is one of the most peculiar activities, here on the floor, that I have ever seen. We have seen the very people, here in the well of the House, who last August were imploring us to take away this Capital Transit franchise, today asking us to now reinstate it in a much more beneficial form than it was originally; reinstate it with provisions that will give the Capital Transit Co. $500,000 a year in tax exemptions, and many other benefits; and will put the Capital Transit Co. in a position where, if anybody else, if any other private group, wants to run a transit system in the District, the only way they could do so would be to buy out the Wolfson interests. If I understand figures correctly on the balance sheets, the present operating group has already taken 337 percent in profits, or in cuts or capital return, whatever you want to call it, on their original investment, and now they propose to sell the transit operation. If they get this bill through, they can sell it, because anybody who wants to operate here has to buy from them once they again hold the franchise. They say they will sell for a fair and reasonable price, $20 million, I understand. What was the original investment, anyhow, in this Transit Co.? If they sell for $20 million, they will declare another 337 percent in profits, or in capital gains.

Let me say this to you: Remember, if this present franchise is permitted to expire, the company will be required to

take up its tracks and repair the streets of the District at an estimated cost of $5 million. Where would they sell their streetcars if this franchise expires, unless they sell them to some new company which might be formed to take a new franchise here in the District of Columbia? They would undoubtedly have to sell those streetcars for scrap, because streetcars are not selling today, and you cannot tell me anybody would buy them except for scrap.

If you enact this legislation, what you are doing is forcing the Bell interests—and they are stable, substantial, local financial interests—to pay the present operating group of Capital Transit the amount they want in order to get the right to operate a transit system here in the District. They will have to buy the franchise, not just the equipment, from the Wolfson interests. Remember that. All you are doing is playing into the hands of those very people who made suckers out of us before. I have no criticism of them. They are looking after their own interests and the interests of their stockholders. They are not to be blamed for that. But you and I as the councilmen for the District of Columbia and as the keepers of the Treasury keys, have a responsibility in this matter and we ought to see to it that this bill goes back to the committee. I am against any kind of public authority; I do not believe in public ownership of these operating agencies, but this bill ought to go back to the great Committee on Interstate and Foreign Commerce for further study so as to give an opportunity for Mr. Bell and his group and Mr. Wolfson and his group to get together, not on what Mr. Wolfson may describe as a fair and reasonable price of $20 million, if that is correct, and it may be correct, but on an honest, decent basis for a new operating group to buy out the old company.

Remember, the Congress gave this franchise in the first place and took it away. We can vote a new franchise tomorrow, next week, or the 1st of June, effective on August 15, 1 minute after midnight, after the present franchise expires, and it will be just as effective as this present franchise, although the present interests would not own the franchise. It would go to whomever the Commissioners of the District of Columbia or the Congress might select.

Mr. DOLLIVER. Mr. Chairman, I move to strike out the last two words.

Mr. HARRIS. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. DOLLIVER. I yield to the gentleman from Arkansas.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that, following the time of the gentleman from Iowa, debate on all amendments to this section close.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. DOLLIVER. Mr. Chairman, I have been both elated and disheartened by the discussion that has been going on on this floor on this subject for the last 2 days: Elated because we are getting a vigorous debate on a very important subject, and disheartened because some of my colleagues do not seem to recognize the real issue that is here.

We have heard Mr. Wolfson berated and condemned from beginning to end by the opponents of this measure. With that I can have no particular quarrel.

But, Mr. Chairman, that is not the real issue here. You can go off into that bypath and explore it and find it is a dead end. It does not give you a transit system. We are confronted with a cold, hard proposition here of whether we are going to have any public transit in the District of Columbia after August 14.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DOLLIVER. I yield to the gentleman for a question only.

Mr. BROWN of Ohio. Did not the Congress of the United States let the District of Columbia go without any public transportation for some 57 or 67 days last summer and adjourn without taking any action except canceling the franchise?

Mr. DOLLIVER. My recollection of that unhappy episode in the history of the District of Columbia is that after that drastic action was taken by the Congress, then the District Commissioners and the Public Utilities Commission made concessions by way of tax exemptions and fare increases to the point where the strike could be settled.

The real issue is whether we are going to have transit in this town after August 14. If you want to take the responsibility as Members of this House to vote to recommit this bill with the inevitable legislative difficulties that will arise under such circumstances; if you want to delay a conference report after a recommital; if you want to depend on these negotiations which are now supposed to be taking place, and which I believe are taking place, between the Wolfson and the Bell interests, of which I personally know nothing; if you want to take that responsibility and say to the people who work in the departments of this Government and in the businesses of this city that after August 14 they are going to have to depend on shoe leather and the convenience of the neighbors for car transportation—that is your responsibility.

For my part, and I have studied this to the best of my ability over these weeks that we had these hearings, and as I said yesterday I attended all of them, both public and executive hearings, the only answer at this time is to vote for the substitute bill which was presented by your Committee on Interstate and Foreign Commerce.

To be sure, as was pointed out by one of the previous speakers, this whole transit industry has been called a sick industry. Perhaps, indeed, it is because in many of our great cities they have had to come to some kind of transit authority. But here we are confronted with a proposition that we can keep a private enterprise in operation and I think we ought to do it.

There is another factor in this situation which has not been dwelt upon to any great extent. Suppose we do get this thing balled up worse than it is now and we have no transit after August 14? There are several hundred employees of this company who are going to be out of work—not because of a strike for higher wages, but because this Congress will have acted irresponsibly and will have put them out of a job. I do not want to accept the responsibility for that. Of course, there are going to be some conflicts of interests between the employees through their union and the operators and managers of this company. That happens in every kind of industrial employment situation. But, we will have to meet that when we come to it. I earnestly and honestly urge you to vote for the committee bill.

Mr. PRIEST. Mr. Chairman, I renew my request that the remainder of the committee substitute be considered as read and printed in the RECORD at this point and open for amendment.

The CHAIRMAN. Is there objection?

There was no objection.

The balance of the substitute amendment is as follows:

ESTABLISHMENT OF RATES; SYSTEM RATE BASE; RATE OF RETURN; SERVICES

SEC. 2. (a) For the purpose of determining the rates of fare to be charged by the Capital Transit Co to passengers within the District of Columbia, the Public Utilities Commission of the District of Columbia shall use the system rate base of such company comprising its net investment in property, plant, and equipment as of July 31, 1955, which is hereby fixed in the amount of $20,256,678.76, subject to adjustment for all property additions and property retirements subsequent to July 31, 1955, used and useful in the conduct of public transportation; minus the net depreciation reserve accrued per books applicable to property, plan, and equipment subsequent to July 31, 1955; plus the sum of $1,000,000 for cash working capital; plus a reasonable allowance for material and supplies. In the determination of depreciation on that part of the property, plant, and equipment of the company acquired on or before July 31, 1955, such depreciation shall be that computed by and taken by the Capital Transit Co. on the original cost thereof at the rates of depreciation, established by the Public Utilities Commission of the District of Columbia, which were in effect on July 31, 1955.

(b) It is hereby declared as a matter of legislative determination that a return of 6½ per centum on the system rate base, as determined in accordance with subsection (a), is the fair and reasonable return which the company shall be afforded the opportunity of earning.

(c) The rates established for the Capital Transit Co. under the act of August 14, 1955 (Public Law 389, 84th Cong.) on August 21, 1955, shall remain in effect as the schedule of rates for the transportation of passengers within the District of Columbia by such company until August 15, 1957, and shall continue in effect thereafter until superseded by a schedule of rates which becomes effective under this subsection. Whenever on or after August 6, 1957, the Capital Transit Co. files with the Public Utilities Commission of the District of Columbia a new schedule of rates, such new schedule shall become effective on the 10th day after the date of such filing, unless the Commission prescribes a lesser time within which such new schedule shall go into effect, or unless prior to such 10th day the Commission suspends the operation of such new schedule. Such suspension shall be for a period of not to exceed 90 days from the date such new schedule is filed. If the Commission suspends such new schedule it shall immediately give notice

of a hearing upon the matter and, after such hearing and within such suspension period, shall determine and by order fix the schedule of rates to be charged by the Capital Transit Co. If the Commission does not enter an order, to take effect at or prior to the end of the period of suspension, fixing the schedule of rates to be charged by the Capital Transit Co., the suspended schedule filed by the Capital Transit Co. shall go into effect at the end of such period, and the Commission shall not thereafter issue any order based on such proceeding.

(d) Notwithstanding the provisions of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), and paragraph 13 of the unification agreement incorporated therein, the Public Utilities Commission of the District of Columbia shall have the power to fix reasonable charges for, and rules and regulations concerning, the issuance by the Capital Transit Co. of transfers between vehicles operated by the company within the District of Columbia.

(e) The schedule of routes and services furnished by the Capital Transit Co. for transportation within the District of Columbia which is in effect on the effective date of this section shall remain in effect until changed in accordance with procedures and practices of the Public Utilities Commission of the District of Columbia pursuant to the provisions of section 8 of the act of March 4, 1913 (37 Stat. 974), as amended.

(f) The provisions of this section shall supersede section 8 of the act of March 4, 1913 (37 Stat. 974), as amended, the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes", approved January 14, 1933 (47 Stat. 752), as amended, and any other provision of law, to the extent of any conflict therewith.

EXEMPTION FROM GROSS RECEIPTS TAX; CONTINUED EXEMPTION FROM MILEAGE AND CERTAIN OTHER TAXES

SEC. 3. (a) As of June 30, 1956, paragraph No. 5 of section 6 of the act entitled "An act making appropriations to provide for the expense of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended (D. C. Code, sec. 47–1701), is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: "Each gas, electric-lighting, and telephone company shall pay, in addition to the taxes herein mentioned, the franchise tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, and the tax imposed upon stock in trade of dealers in general merchandise under paragraph No. 2 of section 6 of said act approved July 1, 1902, as amended."

(b) As of June 30, 1956, the first proviso of subparagraph (b) of paragraph 31 of section 7 of the act approved July 1, 1902, as amended (D. C. Code, sec. 47–2331 (b)), is amended to read as follows: *"Provided,* That the provisions of this subparagraph shall not apply at any time to any company which was operating both street railroad and bus services in the District of Columbia on July 1, 1956:".

(c) Notwithstanding subsections (a) and (b) of this section, the Capital Transit Co. shall continue to be exempt from the following taxes:

(1) The gross sales tax levied under the District of Columbia Sales Tax Act;

(2) The compensating use tax levied under the District of Columbia Use Tax Act;

(3) The excise tax upon the issuance of titles to motor vehicles and trailers levied under subsection (j) of section 6 of the District of Columbia Traffic Act of 1925, as amended (D. C. Code, sec. 40–602 (j) (4)); and

(4) The taxes imposed on tangible personal property, to the same extent that the Capital Transit Co. is exempt from such taxes immediately prior to the effective date of this section under the provisions of the act of July 1, 1902, as amended.

MOTOR-VEHICLE FUEL TAXES

SEC. 4. (a) Except as hereinafter provided, the Capital Transit Co. shall not, with respect to motor fuel purchased on or after September 1, 1956, pay any part of the motor-vehicle fuel tax levied under the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924, as amended (D. C. Code, title 47, chapter 19).

(b) As soon as practicable after the 12-month period ending on August 31, 1957, and as soon as practicable after the end of each subsequent 12-month period ending on August 31, the Public Utilities Commission of the District of Columbia shall determine the company's net operating income for such 12-month period and the amount in dollars by which it exceed or is less than a 6½ percent rate of return on its system rate base for such 12-month period. In such determination the Commission shall include as an operating expense the full amount of the motor vehicle fuel tax which would be due but for the provisions of this section on the motor fuel purchased by the company during the 12-month period. The Public Utilities Commission shall certify its determination to the Commissioners of the District of Columbia or their designated agent. If the net operating income so certified by the Public Utilities Commission equals or is more than a 6½-percent rate of return on the Capital Transit Co's. system rate base, the company shall be required to pay to such Commissioners, or their designated agent, the full amount of the motor vehicle fuel taxes due on the purchases of motor fuel made by the company during such 12-month period. If the net operating income so certified is less than a 6½-percent rate of return on such rate base, the company shall pay to such Commissioners, or their designated agent, in full satisfaction of the motor vehicle fuel tax for such period an amount, if any, equal to the full amount of said motor vehicle fuel tax reduced by the amount necessary, after taking into consideration the effect of the District of Columbia franchise tax levied upon corporate income and of Federal income taxes, to raise the company's rate of return on its system rate base to 6½ percent for said period. Within 30 days after being notified by the said Commissioners or their designated agent of the amount of the motor vehicle fuel tax due under this section, the Capital Transit Co. shall pay such amount to the said Commissioners or their designated agent.

(c) If not paid within the period specified in subsection (b), the motor vehicle fuel tax payable under this section and the penalties thereon may be collected by the Commissioners of the District of Columbia or their designated agent in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection; and liens for the motor vehicle fuel tax payable under subsection (b) and penalties thereon may be acquired in the same manner that liens for personal property taxes are acquired.

(d) Where the amount of the motor vehicle fuel tax payable under subsection (b), or any part of such amount, is not paid on or before the time specified therein for such payment, there shall be collected, as part of the tax, interest upon such unpaid amount at the rate of one-half of 1 percent per month or portion of a month.

(e) The Commissioners of the District of Columbia or their designated agent are hereby authorized and directed to issue to the Capital Transit Co. such certificates as may be necessary to exempt it from paying any importer the motor vehicle fuel tax imposed by such act of April 23, 1924, as amended, or as hereafter amended.

SNOW REMOVAL

SEC. 5. (a) The Capital Transit Co. shall not be charged any part of the expense of removing, sanding, salting, treating, or handling snow on the streets of the District of Columbia, except that the Capital Transit Co. shall sweep the streetcar tracks at its own expense.

(b) The paragraph which begins "Hereafter every street railway company" which appears under the heading "streets" in the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1913, and for other purposes," approved June 26, 1912 (D. C. Code, sec. 7–614), is hereby repealed.

CONVERSION TO BUS OPERATIONS

SEC. 6. It shall be the duty of the Capital Transit Co. to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts contained in the report of W. C. Gilman & Co., dated September 26, 1955, on file with the Public Utilities Commission of the District of Columbia.

EVIDENCES OF INDEBTEDNESS

SEC. 7. Notwithstanding the provisions of paragraph 6 of the unification agreement incorporated in the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended, evidences of indebtedness of the Capital Transit Co. payable within 1 year or less shall not require approval of the Public Utilities Commission of the District of Columbia.

NOTIFICATION OF ACCEPTANCE BY THE CAPITAL TRANSIT CO.; EFFECTIVE DATE OF THE FOREGOING PROVISIONS

SEC. 8. (a) The preceding sections of this act shall not become effective unless prior to August 14, 1956, the Capital Transit Co., after taking such action as may be appropriate under its charter and bylaws, has notified the Public Utilities Commission of the District of Columbia in writing that it will continue to engage in the transportation of passengers within the District of Columbia after August 14, 1956, under its franchise as previously granted and as modified by the provisions of this act.

(b) Subject to subsection (a), the preceding sections of this act shall take effect on August 14, 1956.

Amend the title so as to read: "A bill to make provision for continued operation by the Capital Transit Co. after August 14, 1956, under a revised franchise, and for other purposes."

Mr. HESELTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I certainly do not intend to prolong this debate any further. I did not offer any objection to the request which was made in good faith in order to get us to the point where we can vote; and we must vote.

The gentleman from Ohio [Mr. BROWN] made some very pertinent comments. I did not want to interrupt him, although I felt it might have been material at one point to read to you a telegram, to those of you who have been patient enough to sit here—and I do not

think the attendance has been anything significant or remarkable during this debate this afternoon, even though my friend from Indiana [Mr. HALLECK] disagrees with me. But I would like to read this telegram, because I would like to have you, who have been so patient to go through with this debate on this city council matter hear it—and this should have been handled by a city council and not by the Congress of the United States, confronted with vital and important problems, in which their constituents are vitally interested. I do not minimize the interest of the people of Washington in this problem, but I think a city council would have handled all that we have gone through, much more quickly, better and at less expense to the general taxpayers all over this country.

The telegram reads:

The Washington taxicab industry opposes the proposed District of Columbia gasoline tax exemption incorporated in the Capital Transit franchise restoration measure. As you know, Capital Transit also will be exempted from paying the increased gasoline tax provided in the Highway Revenue Act. We passed that bill recently. We feel that, if any one public utility is given relief from paying the District of Columbia gasoline tax, all other public utilities should be exempted.

ERWIN DOLLAR,
Executive Vice President, Associated Taxicab Operators, Inc.

Now, you and I probably do not ride the streetcars a great deal. The gentleman from Mississippi [Mr. WILLIAMS] says he does not ride them at all, for obvious reasons, Be that as it may, we probably do not even get on the buses, but we do use taxicabs and use them frequently, and so do a lot of people in this city. They are a vital part of District transportation. What are you going to do if you pass this bill? You are going to open a Pandora's box this afternoon, and you will never be able to close it. There are other people coming in here with perfectly legitimate claims. If you exempt one segment of the public utilities, you can expect to be asked to exempt segment after segment of the utilities, and most of them will not be able to say, "We have earned 333 percent."

Mr. YATES. Will the gentleman yield?

Mr. HESELTON. I yield.

Mr. YATES. The gentleman has stated that the company will have an exemption from paying the motor fuel tax. In the section mentioned on page 62, in spite of the fact that they are to be exempted from paying such taxes, in fixing the operating expenses that are to be paid in determination of the rates to be charged by this company, the company is to be given allowance on the amount of gasoline it has purchased as though it had paid that tax.

Mr. HESELTON. I think the gentleman is right, but please excuse me from analyzing the bill. I think it is terrible.

There has been some suggestion that somebody is going too far when they criticize the Wolfson group. I know most of you did not have an opportunity to read my minority report, but let me quote something in it which appeared in the Washington Star of March 28, 1954. So far as I know, Mr. Wolfson never denied it. He is quoted as saying:

I have the responsibility to see that the stockholders of the Capital Transit Co. get a fair return. If there is no fair return, then I will have to take other action to protect their interests. If necessary, I will even go so far as to liquidate the company. I will protect the stockholders within the limits of the law, in spite of anything, including Congress and the Public Utilities Commission.

That shows what Mr. Wolfson's attitude was on March 28, 1954.

Now look at the letter Mr. Wolfson sent to my good friend, the chairman of the subcommittee. I think this is an insulting letter; I think it should be resented by our committee, because in this letter dated May 11 he wrote:

As you know, the board of directors of the Capital Transit Co. has stated they are willing to recommend to the stockholders of the Capital Transit Co. return to business if the House passes the franchise restoration bill worked up—

By whom?—

by your committee and the company representatives.

I do not believe the company representatives dictated to my colleagues on the committee, but Mr. Wolfson wrote that and it is in the CONGRESSIONAL RECORD.

I am not going to back down on what I did last August. The franchise was canceled, and it deserves to remain canceled.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that all debate on the pending bill and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. MACK of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. HESELTON. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. MACK of Illinois. Yes.

Mr. HESELTON. Would it be in order for me to offer a substitute during the period when the debate is open for those who have been standing?

The CHAIRMAN. Yes; you have that opportunity.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. ARENDS. Mr. Chairman, if the gentleman will yield, I would like to ask the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK] if he will inform us as to the program for next week.

Mr. McCORMACK. I will be happy to.

On Monday we will take up the Consent and Private Calendars. There will be two suspensions if they do not pass by unanimous consent. One is H. R. 11124, annuities for widows and children of Federal judges, and S. J. Res. 607, to continue the tin smelter in Texas. Following that we will take up H. R. 9052, the Export Control Act.

Tuesday, Wednesday, Thursday, and Friday:

Public works appropriation bill for 1957 will come up on Tuesday. If the extension of the Mutual Security Act of 1956 bill is reported out of committee and a rule is reported out, it may be brought up after the public works appropriation bill. You notice I have a qualification there. Whether or not it will be depends on the ability of the Committee on Foreign Affairs to report the bill out and get a rule in time.

H. R. 9852, to extend the Defense Production Act.

H. R. 10542, a bill out of the Committee on Veterans' Affairs relating to widows of veterans eligibility for benefits.

That is with the usual reservation that conference reports may be brought up at any time, and any other program will be announced later.

Mr. ARENDS. I thank the gentleman.

Mr. MACK of Illinois. Mr. Chairman, I am taking this time to raise my voice in opposition to the comments made here by two of my colleagues from Illinois. I highly respect both of my colleagues. I know that they are both very able attorneys with many, many years of experience. I know also that they are both dedicated to the public transit authority in Chicago, Ill. Mr. Chairman, I have the feeling that some of my very highly respected colleagues from the State of Illinois feel that this vote this afternoon is a vote for or against the transit authority in the city of Chicago. If that were the case they would have my support but nothing could be any further from the truth. We are voting on a transit bill, a transportation bill, for the District of Columbia. So let us not interject Chicago affairs into the picture when we are discussing the business affairs of the District of Columbia. The situation is completely different. This pertains to the Capital Transit Co., and whether or not the Congress wants to use an authority to seize their rolling stock as well as their real estate and other assets. I say that if the Congress or if the Government wanted to seize the Capital Transit Co., they should have seized it last year when we had an emergency here and not be seizing the company now when everything is running smoothly. Personally, I can see nothing too objectionable about public authorities. In fact, if an authority can be established in orderly form, I would support it. They have public authorities doing a good job in New York, Cleveland, Boston, Chicago, and many other cities. I am not criticizing authorities but I am vehemently opposed to government seizure of private industry. The opponents of this bill would want us to use a public authority for this purpose.

That is the question today. If you pass a public authority bill, there is no way in the world you can acquire buses, streetcars, or anything else, unless you get them from the Capital Transit Co. and the Capital Transit Co. is not just about to sell that equipment to a public authority here in the District of Columbia.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield to my colleague from Illinois.

Mr. YATES. I wanted to clear up one point. The gentleman made a reference to what my attitude may be. I thought I was talking to the bill that was before

us. I had no intention at all of talking about the Chicago Transit Authority. The question in my mind is whether or not the franchise should be given to the Wolfsons in view of the concessions that are made. In my opinion, there are too many concessions that are provided in this bill.

Mr. MACK of Illinois. I appreciate the gentleman's statement. What we are doing is reinstating the franchise that we have had here for perhaps 50 years; at least 25 years. We have liberalized the franchise somewhat. If some of the Members want to argue about the liberalization of the franchise or the concessions that we are making, they can offer an amendment to eliminate some of those concessions.

This is a good bill and is the only sound solution to the problem confronting us. It is going to extend the present franchise. We do not want to get into a situation where we have to seize private property here in the District of Columbia, and that is what we would be doing if we followed the suggestion of the opponents of this legislation.

Mr. FLYNT. Mr. Chairman, will the gentleman yield?

Mr. MACK of Illinois. I yield to the gentleman.

Mr. FLYNT. Is it not absolutely correct that every concession contained in this bill now before the Committee for consideration was recommended, not by the committee, but by the Public Utilities Commissioners and by the District Commissioners of the District of Columbia?

Mr. MACK of Illinois. That is correct.

Mr. HESELTON. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Substitute amendment offered by Mr. HESELTON to the committee amendment——

Mr. HESELTON. Mr. Chairman, the substitute has been fully explained and is of record. I do not think there is any doubt about what it is.

Mr. PRIEST. Mr. Chairman, I want to reserve a point of order against the substitute amendment. I do not want to deny the gentleman the opportunity to make his speech, but I reserve a point of order against the amendment.

Mr. HESELTON. Mr. Chairman, I do not want to make an explanation of it. It is in the RECORD. It provides an interim authority.

Therefore, I ask unanimous consent that the bill which I am offering, which is a long one, be considered as read and that we have a ruling of the Chair as to its propriety.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. HARRIS. Mr. Chairman, reserving the right to object, may I inquire of the gentleman who is proposing the substitute if this is the same bill which passed the other body, which provides for a public authority, with a so-called interim arrangement?

Mr. HESELTON. With this exception. This is identically the same bill; I have admitted it before, but I had to choose it as the only alternative. I could not devise amendments to the committee substitute to satisfy me. It is the bill as reported by the Senate committee. There are, however, in the Senate version 3 or 4 amendments which I have not offered because I know the substitute is not admissible from the parliamentary angle.

Mr. HARRIS. It is a public-authority approach to the problem?

Mr. HESELTON. It is an interim public-authority approach.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The amendment is as follows:

Be it enacted, etc., That this act may be cited as the "Washington Metropolitan Transit Act."

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TITLE I—GENERAL PROVISIONS

Declaration of purposes

SEC. 101. It is hereby declared to be a matter of legislative determination that the Washington metropolitan area (as such term is hereinafter defined) is a community integrated economically and geographically with its center in the city of Washington, D. C., and that the District of Columbia is the seat of the Government of the United States which is the largest single employer of persons resident within said Washington metropolitan area; that an adequate and economically sound transportation system or systems serving said Washington metropolitan area is essential to (1) the proper functioning of the Government of the United States, (2) commerce among the several States and the District of Columbia, (3) the health, welfare, and safety of the public, including the civilian and military personnel and the Defense Establishment of the Government of the United States located in the District of Columbia and the Washington metropolitan area, and (4) the national defense; that operation of the Capital Transit Co., the operator of the principal transportation system located within the Washington metropolitan area, will cease August 14, 1956, consequent upon repeal of its franchise rights and charter by Public Law 389, 84th Congress (69 Stat. 724); that the Congress finds the establishment of an adequate transportation system to operate in the Washington metropolitan area, commencing August 15, 1956, as a replacement for Capital Transit Co., cannot be accomplished at the present time by the ordinary operations of private enterprise without public participation; that to these ends it is necessary to enact the provisions hereafter set forth (1) to a public body corporate consisting of the Commissioners of the District of Columbia for an interim period certain powers to acquire, extend, improve, and operate an adequate transportation system or systems in the Washington metropolitan area to provide service at reasonable rates for the residents of the Washington metropolitan area, (2) authorizing the transfer of such transportation system or systems to private ownership if during such interim period a sound proposal for private ownership is submitted to such public body corporate and it finds that such proposal would result in providing the residents of the Washington metropolitan area with an adequate and efficient transportation system under private ownership, (3) providing that if during such interim period private interests do not acquire such transportation system, the existence of said public body corporate is continued; and (4) providing that such public body shall have the exclusive permission and franchise to operate a transportation system or systems within the District of Columbia, except for such permissions and franchises (other than those of Capital Transit Co.) as are in existence as of the date of enactment of this act; and that the acquisition, extension, improvement, and operation of a transportation system or systems by the public body corporate hereinafter created, all as provided in this act, is hereby declared to be a public use and purpose.

Definition

SEC. 102. The following terms whenever used or referred to in this act, shall, for the purposes of this act and unless a different intent clearly appears from the context, be construed as follows:

(a) "Authority" means the Washington Metropolitan Transit Authority established by this act.

(b) "Board" means the Board of Directors of the Authority.

(c) "Transportation system" means all of the facilities, plants, equipment, real property, personal property, franchises and rights of whatever nature useful for the transportation of passengers for hire, except taxicabs and sightseeing buses and transportation facilities extending beyond the boundaries of the Washington metropolitan area, and railroad lines and terminal facilities used in connection therewith and includes, without limitation, street railways, elevated railroads, subways, underground railroads, motor vehicles, trolleys, trackless trolley buses, motor buses and any combination thereof, or any other form of mass passenger transportation.

(d) "Washington metropolitan area" means and embraces all of the territory in the District of Columbia, in the cities of Alexandria and Falls Church and the counties of Arlington and Fairfax in the Commonwealth of Virginia, and in the counties of Montgomery and Prince Georges in the State of Maryland.

(e) "Bonds" means any bonds, interim certificates, certificates of indebtedness, equipment obligations, notes, debentures or other obligations of the Authority issued pursuant to the provisions of this act.

(f) "Revenues" means all fares, tolls, rates, rentals, fees, charges and other income from the operation of a transportation system by the Authority.

(g) "Real property" includes lands, structures, and any and all easements, franchises and incorporeal hereditaments, and every estate and right therein, legal or equitable, including terms for years, chattels real, and liens by way of judgments, mortgages or otherwise.

(h) "Obligee of the Authority" or "obligee" includes any bondholder, trustee, or trustees for any bondholders, any lessor demising to the Authority property used in connection with a transportation system, or any assignee or assignees of such lessor's interest or any part thereof, and the United States of America or any agency or instrumentality thereof when it is a party to any contract with the Authority.

Act controlling

SEC. 103. Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

Separability

SEC. 104. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act or its applications to other persons and circumstances, but shall be confined in its operation to the provisions of this act or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

TITLE II—INTERIM AUTHORITY

Creation of Authority

SEC. 201. There is hereby created a public body corporate to be known as the "Washington Metropolitan Transit Authority," which shall be an agency and instrumentality of the District of Columbia. The term of the existence of said Authority shall expire on the 15th day of August 1959 except as hereinafter set forth in titles III and IV hereof. The powers of the Authority shall be vested in and exercised by a Board of Directors consisting of the Commissioners of the District of Columbia, two of said Commissioners constituting a quorum. The Commissioners shall select from among their number a chairman and a vice chairman of the Board. The Authority may delegate to one or more of its directors, officers, agents, or employees such powers or duties as it may deem proper.

Powers of Authority

SEC. 202. The Authority shall constitute a public body corporate, exercising public and essential governmental functions, and shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this act, and such other powers as are or may be authorized by appropriate authority of the United States, the District of Columbia, or any governmental body exercising jurisdiction in any portion of the Washington metropolitan area without regard to any other provisions of law except as otherwise provided in this act, including the following powers in addition to others herein granted:

(a) To sue and be sued, to compromise and settle suits and claims of or against it, to complain and defend in its own name in any court of competent jurisdiction, State, Federal, or municipal, but execution shall not in any case issue against any property of the Authority;

(b) To adopt, alter, and use a corporate seal which shall be judicially noticed;

(c) To adopt, prescribe, amend, repeal, and enforce bylaws, rules, and regulations for the exercise of its powers under this act or governing the manner in which its business may be conducted and the powers granted to it by this act may be exercised and enjoyed, including the selection of its officers and provision for such committees and the functions thereof as it may deem necessary;

(d) To make, deliver, and receive contracts, deeds, leases, and other instruments and to acquire and take title to real and other property in its own name;

(e) To maintain a principal office in the District of Columbia and suboffices at such place or places within the Washington metropolitan area as it may designate;

(f) To acquire, construct, own, operate, and maintain for public service a transportation system or systems in the Washington metropolitan area and to exercise all powers necessary or convenient in connection therewith;

(g) To borrow money and make and issue bonds and other evidences of indebtedness or obligations for any of its corporate purposes, and to provide for the rights of the holders thereof as authorized by this act;

(h) To fix and revise from time to time and charge and collect fares, tolls, rates, rentals, fees, and charges for the use of a transportation system and the services and facilities furnished thereby or by any part thereof;

(i) To appoint and employ such officers, agents, employees, consulting engineers, attorneys, accountants, appraisers, construction and financial experts and consultants, and such other experts, consultants, and agents for such periods as may be necessary in its judgment, to fix their compensation, and to determine the services to be performed by them on behalf of the Authority and the manner in which such services are to be performed;

(j) To receive and accept from the United States of America, any Federal instrumentality or agency thereof, the District of Columbia, or any State or political subdivision thereof, grants and contributions for or in aid of the acquisition, construction, ownership, operation, or maintenance of any transportation system, and to receive and accept aid or contributions from any source of either money, property, labor, or other things of value, to be held, used, or applied only for the purposes for which such grants and contributions may be made;

(k) To apply for, receive, and accept franchises, licenses, grants, permits, and other rights to operate a transportation system, or part thereof, in the Washington metropolitan area beyond the limits of the District of Columbia, from any State, municipalities, or other political subdivision thereof or from any agency, instrumentality, board. commission, or officer of any such State, municipality, or other political subdivision, and to comply with the terms and conditions of any such franchise, license, grant, or permit;

(l) To enter into contracts and agreements with the operators of one or more transportation systems within the Washington metropolitan area to provide for the transportation of passengers for hire, and, within the District of Columbia and such other area or areas wherein consent therefor shall be given, to determine all fares, schedules, routings, and changes therein, and conditions of service of any such transportation system;

(m) To procure and enter into contracts for any type of insurance and indemnity against loss or damage to property from any cause, including loss of use or occupancy, against death or injury of any person, against employers' liability, against any act of any director, officer, or employee of the Board or of the Authority in the performance of the duties of his office or employment or any other insurable risk;

(n) To enter into contracts and agreements with any persons, firms, or corporations providing for the operation and maintenance of all or any part of any transportation system of the authority and to prescribe the terms and conditions of such contracts and agreements with respect to such operation and maintenance;

(o) To do all things necessary or convenient to carry out the powers expressly granted by this act.

Acquisition and use of property

SEC. 203. (a) The Authority shall have power to acquire in its own name, by purchase, lease, gift, or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, with like exception as in section 204 (a) of this act, all or any part of the facilities, plant, equipment, property, rights in property, reserve funds, employees' pension or retirement funds, special funds, franchises, licenses, patents, permits, papers, documents and records of any transportation system within the Washington metropolitan area. The Authority shall also have power to acquire in its own name, by purchase, lease, gift, or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, any property and rights useful for its purposes, and to sell, lease, transfer, or convey any property or rights when no longer useful or exchange the same for other property or rights which are useful for its purposes.

(b) In exercising the aforesaid powers to acquire a transportation system the Authority is hereby authorized to acquire the capital stock of the corporation owning such transportation system and the Board and the officers and agents of the Authority are hereby authorized to act as the officers and board of directors thereof for the purpose of transferring the property and assets of such corporation to the Authority and for the purpose of liquidating the liabilities thereof and dissolving the same.

(c) The Authority shall also have power to enter into contracts and agreements for the joint use of any property and rights by the Authority and any public utility, including railroads operating within the Washington metropolitan area; to enter into contracts and agreements with the operator of any transportation system either within or without the Washington metropolitan area for the use or the joint use of any property of the Authority or of such transportation system, or for the establishment of through routes, joint fares and transfer of passengers upon such terms and conditions as may be agreed upon between the Authority and such operator of the transportation system.

Power of eminent domain

SEC. 204. (a) Subject to and in accordance with the procedures, conditions, limitations and other provisions of this act, the Authority is hereby granted and shall have the power to acquire by eminent domain real property or personal property, tangible or intangible, situated or having a legal situs in the District of Columbia or any interest therein. Such power and right shall exist with respect to private property devoted to any private or public use which is necessary for the purposes of the Authority, except property of a railroad, terminal or public utility primarily operating or engaged in teminal business incident to the operation of transportation facilities extending beyond the boundaries of the Washington metropolitan area which property is used or useful in

the transportation or terminal business of such railroad, terminal or public utility.

(b) Proceedings for the acquisition of real and personal property or any interest therein, brought pursuant to this section, shall be brought in the name of the Authority by counsel for the Authority. Title to such property shall be taken by and in the name of such Authority.

(c) Except as herein otherwise provided, condemnation proceedings for the acquisition of such real or personal property, or any interest therein, shall be instituted and conducted in the United States District Court for the District of Columbia which court shall have jurisdiction of such proceedings and such proceedings shall be prosecuted in accordance with the procedure in proceedings instituted and conducted in the name of the United States.

(d) (1) In any such proceeding brought pursuant to this section, the Authority may file with the complaint, or at any time before judgment, a declaration of taking signed by the chairman or vice chairman of the Board declaring that such real or personal property or any interest therein, descibed in the complaint, is thereby taken for the use of the Authority. Said declaration of taking shall contain or have annexed thereto—

(a) a statement of the public purpose for which such property or any interest therein is taken;

(b) a description of the property, or any interest therein taken, sufficient for identification thereof;

(c) a statement of the estate or interest in said propery taken for said public use;

(d) a plan showing the lands, if any, taken; and

(e) a statement of the sum estimated by the Authority to be just compensation for the property or interest therein taken.

(2) The Authority shall specify in such declaration of taking the date when title to such property shall vest in the Authority and the date or dates when possession of such property shall be surrendered to the Authority.

(3) The Authority shall, prior to or on the date specified in the declaration for the vesting of title to such property in the Authority, deposit in the registry of the court, to the use of the persons entitled thereto, the amount of the estimated compensation stated in said declaration, and title to said real or personal property in fee simple absolute, or such less estate or interest therein as is specified in said declaration, shall vest in the Authority upon the date specified in said declaration and said real and personal property shall be deemed to be condemned and taken for the use of the Authority, and the right to just compensation for the same shall vest in the persons entitled thereto; and said compensation shall be ascertained and awarded in said proceedings and established by judgment therein, and the said judgment shall include, as part of the just compensation awarded, interest at the rate of 6 percent per annum on the amount finally awarded as the value of the property as of the date of taking, from said date to the date of payment; but interest shall not be allowed on so much thereof as shall have been paid into the registry. No sum so paid into the registry shall be charged with commissions or poundage.

(4) Upon the application of the party or parties in interest, the court may order that the money deposited in the registry of the court, or any part thereof, be paid forthwith for or on account of the just compensation to be awarded in said proceedings. If the compensation finally awarded in respect of such property or any part thereof shall exceed the amount of the money so deposited, the court shall enter judgment against the Authority for the amount of the deficiency. If the compensation finally awarded in respect of such property or any part thereof, shall be less than the amount of money so deposited, the court shall have the power to enter judgment against the party or parties entitled to receive the money so desposited for the amount representing the difference between the amount deposited and the amount awarded by the jury as just compensation, and writs of execution may be issued thereon within the same time and have the same effect as liens, and shall be executed and returned in the same manner as if issued upon a common-law judgment.

(5) The court shall order possession of such property to be surrendered to the Authority at the time or times specified by the Authority in such declaration and shall enter any and all orders and take other necessary action to carry out the intent and purposes of this act.

Control and use of public ways

SEC. 205. The Authority shall have the power where necessary in the construction, reconstruction, extension, improvement, operation, or maintenance of any transportation system, to require persons, firms, or corporations owning or operating public utility structures, facilities or appliances in, upon, under, over, across, or along the public roads, streets, or other public ways in the District of Columbia in which the Authority has the right to own, construct, operate, or maintain transportation facilities, to remove or relocate such public utility structures, facilities, and appliances. The cost of the required removal or relocation of such public utility structures, facilities, and appliances shall be paid by the Authority: *Provided,* That no payment by the Authority shall be required for any improvement or increase in capacity made in such public utility structures, facilities, or appliances as an incident or result of the relocation or removal. The amount of any such improvement or increase in capacity shall be determined by agreement between the Authority and the utility affected. In default of agreement between the Authority and the utility affected, the removal and relocation shall be on such terms and conditions as may be imposed by the regulatory authority having jurisdiction over the utility at the site of the removal or relocation. If any person, firm, or corporation owning or operating public utility structures, facilities, and appliances fails or refuses so to remove or relocate them, the Authority may remove or relocate them and the cost thereof shall be determined as above provided. This subsection shall not apply to or affect the rights, duties, obligations, or liabilities of Capital Transit Co. or its successors or assigns. The Authority shall have the right, but not exclusive of the public right, to use any public road, street, highway, or other public way in the District of Columbia for the transportation of passengers, and to establish, maintain, and operate a transportation system, in, upon, under, over, across, or along any such public road, street, highway, or other public way.

Equipment trust certificates

SEC. 206. (a) The Authority shall have power to execute agreements, leases, and equipment trust certificates with respect to the purchase of facilities or equipment such as cars, trolley buses, and motor buses, in the form customarily used in such cases and appropriate to effect such purchase, and may dispose of such equipment trust certificates in such manner as it may determine to be for the best interests of the Authority. All moneys required to be paid by the Authority under the provisions of such agreements, leases, and equipment trust certificates shall be payable solely from the revenue to be derived from the operation of the transportation system or from such grants and loans as may be available to the Authority under the provisions of this act. Payment for such facilities or equipment, or rentals thereof, may be made in installments, and the deferred installments may be evidenced by equipment trust certificates as aforesaid, and title to such facilities or equipment may not vest in the Authority until the equipment trust certificates are paid.

(b) The agreement to purchase facilities or equipment by the Authority may direct the vendor to sell and assign the equipment to a bank or trust company, duly authorized to transact business in the District of Columbia, or a national banking association organized under the laws of the United States of America and located within or without the District of Columbia, as trustee, for the benefit and security of the equipment trust certificates and may direct the trustee to deliver the facilities and equipment to one or more designated officers of the Authority and may authorize the trustee simultaneously therewith to execute and deliver a lease of the facilities or equipment to the Authority.

(c) The agreements and leases shall be duly acknowledged before some person authorized by law to take acknowledgment of deeds and in the form required for acknowledgment of deeds and such agreements leases, and equipment trust certificates shall be authorized by resolution of the Board and shall contain such covenants, conditions, and provisions as may be deemed necessary or appropriate to insure the payment of the equipment trust certificates from the revenues to be derived from the operation of the transportation system and other funds.

(d) The covenants, conditions, and provisions of the agreements, leases, and equipment trust certificates shall not conflict with any of the provisions of any resolution or trust agreement securing the payment of bonds or other obligations of the Authority then outstanding or conflict with or be in derogation of the rights of the holders of any such bonds or other obligations.

(e) An executed copy of each such agreement and lease shall be filed in the office of the Recorder of Deeds, District of Columbia who shall be entitled to receive $1 for each such copy filed with him and which filing shall constitute notice to any subsequent judgment creditor or any subsequent purchaser. Each vehicle so purchased and leased shall have the name of the owner and lessor plainly marked upon both sides thereof, followed by the words "owner and lessor."

Tax exemption and public services

SEC. 207. (a) The Authority, including but not limited to its franchise, reserve, surplus, loans, income, assets, and property of any kind and nature, shall be exempt from all taxes, special assessments, fees, and licenses now or hereafter imposed by the United States of America or by the District of Columbia, except taxes imposed under the Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), and under the Federal Insurance Contributions Act (Internal Revenue Code of 1954, ch. 21); and contributions imposed on employers under the District of Columbia Unemployment Compensation Act, as amended (title 46, ch. 3, D. C. Code, 1951 edition). In lieu of taxes on motor vehicle fuel now or hereafter imposed for the benefit of the District of Columbia, the Authority shall pay to such District annually an amount of money equal to the taxes on motor vehicle fuel which would be payable by the Authority during the annual period if it were not exempted from such taxes: *Provided,* That such payment shall be made only to the extent that the revenues in each fiscal year shall be sufficient to make such payment in whole or in part after payment or provision has been made for all operating and maintenance expenses, taxes, if any, interest and principal and sinking fund payments on all fixed interest obligations, adequate provision for depreciation, and provision for such other payments

and the establishment of such reserves as are required under any resolution of the Board authorizing the issuance of bonds or trust agreement securing the same, or contract of the Authority.

(b) Obligations, including interest thereon, issued by the Authority shall be exempt from all taxation now or hereafter imposed by the United States or the District of Columbia, with the exception of estate, inheritance and gift taxes. Such obligations shall also be exempt from taxation by any State, Territory, or possession, or by any county, municipality, or other municipal subdivision or taxing authority of any State, Territory, or possession of the United States.

(c) In connection with any transportation system located wholly or partly within the District of Columbia, the District of Columbia may contract with the Authority and the Authority may agree to pay to the District of Columbia for special services, facilities, and improvements to be furnished by the District of Columbia for the benefit of the Authority such amounts as may be agreed upon by the Authority and the Board of Commissioners of the District of Columbia. For the purpose of aiding and cooperating in the planning, undertaking, construction, reconstruction, extension or improvement, maintenance or operation of any transportation system, or any part thereof, located wholly or partly within the District of Columbia, the District of Columbia may, upon such terms, with or without consideration, as it may determine, do any and all things, necessary or convenient to aid and cooperate in the planning, undertaking, construction, reconstruction, extension or improvement, maintenance or operation of such transportation system. The exercise by the District of Columbia of the powers herein granted may be authorized by resolution of the Board of Commissioners of the District of Columbia.

Funds and financial transactions of the Authority

SEC. 208. (a) All moneys received pursuant to the authority of this act, whether as proceeds from the sale of bonds or as revenues or otherwise, shall be deemed to be trust funds, to be held and applied solely as provided in this act. The resolution authorizing the issuance of any bonds or the trust agreement securing such bonds shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustees of such moneys and shall hold and apply the same for the purposes thereof subject to such regulations as this act and such resolution or trust agreement may provide.

(b) Notwithstanding the provisions of the Accounting and Auditing Act of 1950 (64 Stat. 834), the Government Corporation Control Act of 1945 (59 Stat. 597), as amended, or any other provision of law, the Authority shall not be subject to any audit or review by the Comptroller General of the United States, but in lieu thereof the Authority shall employ a certified public accountant or accountants to establish an accounting system appropriate to the Authority's operation, to perform such audits as are required for the orderly prosecution of the Authority's business and operations, to prepare an annual fiscal report to be incorporated in the Authority's annual report to the Congress, and to perform such other audits as the Board may deem necessary for the orderly prosecution of the business of the Authority: *Provided*, That during such period or periods of time as the Authority is indebted to the District of Columbia for moneys advanced to it by the Commissioners of the District of Columbia from the proceeds of the sale of obligations to the Secretary of the Treasury, pursuant to section 217 of this title, in addition to the auditing and other functions to be performed by the certified public accountant or accountants employed by the Authority, the Comptroller General of the United States shall make such review of the financial operations of the Authority as he deems necessary.

Services and rates

SEC. 209. (a) This act, without regard to any other law of the United States of America or of the District of Columbia, shall constitute full authority for the Authority to make all rules and regulations necessary for the governing of the operation of transportation systems of the Authority, and the Authority shall have full power to determine all schedules, routings, and changes therein and conditions of service, except as provided in section 213 hereof. This act, without regard to any other law of the United States of America or of the District of Columbia, shall also constitute full authority for the fixing, altering, charging, and collection by the Authority of fares, tolls, rates, rentals, fees, and other charges for the use of any transportation system of the Authority and the services and facilities furnished thereby, or by any part thereof, and such fares, tolls, rates, rentals, fees, and charges shall be determined exclusively by the Authority, and the Authority shall have power and authority to fix, alter, charge, and collect such fares, tolls, rates, rentals, fees, and other charges for the use of a transportation system and the services and facilities furnished thereby, or by any part thereof, without obtaining the consent or approval of the Interstate Commerce Commission, the Public Utilities Commission of the District of Columbia, or any other department, division, commission, board, bureau, agency, or officer of the United States of America or of the District of Columbia.

(b) The Authority may provide free transportation within any municipality or county in the Washington metropolitan area or in the District of Columbia to firemen and policemen employed therein, when in uniform and in performance of their duties and for employees of the Authority when in uniform or upon presentation of identification of such employees, and may enter into agreements with the United States Post Office Department for the transportation of mail or parcel post, and for the payment of compensation to the Authority in lieu of fares or charges for the transportation of letter carriers, when in uniform. No other free transportation or services shall be allowed or permitted by the Authority except in compliance with a grant, license, franchise, or permit authorizing or permitting the Authority to operate in areas within the Washington metropolitan area but without the District of Columbia.

Personnel

SEC. 210. (a) The Board shall establish a system of organization to fix responsibility and promote efficiency; establish such positions as may be necessary to perform the business of the Authority; define the duties of such positions; fix the rates of pay therefor; make appointments thereto; and require bonds to be given by the incumbents of such of the said positions as the Board, in its discretion, may determine, and the Board may make provision for the payment by the Authority of the premiums for such bonds for such periods as the Board may consider desirable. The Board shall establish a personnel system independent of the Federal Civil Service System and the personnel systems governing employment in the municipal government of the District of Columbia.

The Authority shall have the power to bargain collectively with and enter into written contracts with the employees of the Authority through accredited representatives of such employees or representatives of any labor organization authorized to act for such employees concerning wages, salaries, hours, working conditions, health and welfare, insurance, and pension or retirement provisions: *Provided*, That nothing herein shall be construed to permit hours of labor in excess of those provided by law or to permit working conditions prohibited by law. In case of dispute over wages, salaries, hours, working conditions, health and welfare, insurance, or pension or retirement provisions where collective bargaining and mediation do not result in agreement, the Authority may agree to submit such dispute to a tripartite board of arbitration and shall agree with such accredited representatives or labor organization that the decision of a majority of any such arbitration board shall be final and binding. Each party shall agree in advance to pay half of the expense of such arbitration.

(b) If the Authority acquires a transportation system in operation by a public utility, all of the employees in the operating and maintenance divisions of such transit utility and all other employees except corporate officers shall be offered transfer and appointment as employees of the Authority up to the maximum number of employees required, subject to the provision that such employees as may not be absorbed at time of transfer shall retain their employment status and employment rights, subject to all rights and benefits of this act, and these employees shall be given seniority credit in accordance with the records and labor agreements of the transit utility. Employees who left the employ of such a transit utility to enter the military service of the United States shall have the same rights as to the Authority, under the provisions of the "Universal Military Training and Service Act," as amended, as they would have had thereunder as to such transit utility. Members and beneficiaries of any pension or retirement system or other benefits established by that transit utility shall continue to have the rights, privileges, benefits, obligations, and status with respect to such established system. There shall be established and maintained by the Authority a sound pension and retirement system adequate to provide for all payments when due under such established system or as it may be modified from time to time by agreement or arbitration. The Authority and the employees through their representatives for collective-bargaining purposes shall take whatever action may be necessary to have the pension trust funds, presently under the joint control of the transit utility and the participating employees through their representatives, transferred to the trust fund to be established, maintained, and administered jointly by the Authority and the participating employees through their representatives. Provision shall be made by the Authority for all officers and employees of the Authority appointed pursuant to this act to become, subject to reasonable rules and regulations, members or beneficiaries of the pension or retirement system with uniform rights, privileges, obligations, and status as to the class in which such officers and employees belong. The terms, conditions, and provisions of any pension or retirement system or of any amendment or modification thereof affecting employees who are members of any labor organization may be established, amended, or modified by agreement or arbitration with such labor organization.

(c) The employees of the Authority shall, notwithstanding any other provision of law, be subject to the following laws and parts of laws:

(1) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment of rights of persons entering the Armed Forces of the United States;

(2) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, chapter 21), as amended;

(3) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C., secs. 58 and 59), relating to double salaries;

(4) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec. 59a), relating to the retired pay of members of the Armed Forces;

(5) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(6) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, chapter 5, D. C. Code, 1951 edition);

(7) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(8) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), as amended.

(d) Notwithstanding any other provision of law, the employees of the Authority shall not be subject to the following laws:

(1) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(2) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(3) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(4) The Classification Act of 1949 (63 Stat. 954), as amended;

(5) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(6) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(7) The act entitled "An act to provide certain employment benefits for employees of the Federal Government, and for other purposes," approved September 1, 1954 (68 Stat. 1105); as amended;

(8) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(9) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

(e) (1) Subparagraph 1 (b) (5) (E) of the District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended (section 46–301, D. C. Code, 1951 edition) is amended by inserting immediately before the semicolon at the end thereof the following: ": *And provided further*, That this subparagraph (E) shall not apply to the employees of the Washington Metropolitan Transit Authority, which for the purposes of this act shall be deemed to be a covered employer."

(2) Section 3306 of the Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), as amended, is amended by inserting at the end thereof a new subsection "(o)" reading as follows:

"(o) Employees of the Washington Metropolitan Transit Authority: For the purposes of this chapter, and notwithstanding the provisions of paragraph (7) of subsection (c) hereof, the term 'employment' shall include service in the employ of the Washington Metropolitan Transit Authority, and the Board of Directors of such Authority, as the employer of individuals whose service constitutes employment by reason of this subsection, is authorized and directed to comply with the provisions of this chapter 23."

(f) The Authority is authorized to borrow, and the United States Government or any department or agency thereof and the municipal government of the District of Columbia are authorized to lend to the Authority, the services of United States or District of Columbia employees. The Authority shall reimburse the United States or the District of Columbia for such services. Any such reimbursement shall be credited to the appropriation from which is paid the compensation of any person whose services may be borrowed by the Authority.

(g) As used in subsections (c) and (d) of this section, the word "employees" includes officers, but does not include members of the Board of Directors.

Reports

SEC. 211. (a) The Authority shall file with the Congress annually, within 6 months after the close of its fiscal year, a report of the operations and business of the Authority during its preceding fiscal year.

(b) The Authority shall, within 6 months after the close of each fiscal year, publish in a newspaper of general circulation in the District of Columbia an income statement covering its operations for such fiscal year and a balance sheet showing its condition at the end of such fiscal year.

Claims and suits

SEC. 212. (a) The Authority shall not defend in any suit, action or proceeding brought against it on the ground of governmental immunity, but no suit, action or proceeding shall be maintained against the Authority for unliquidated damages to person or property unless, within 6 months after the injury or damage was sustained, the claimant, his agent or attorney gave notice in writing to the Board of the appropriate time, place, cause, and circumstances of such injury or damage.

(b) No action shall be maintained against the United States or the District of Columbia on any claim arising out of the activities of the Authority, including its acts of commission or omission, and no liability shall accrue against the United States or the District of Columbia because of such activities.

(c) The members of the Board shall not be personally liable in damages for any official action of the said Board performed in good faith in which the said members participate, nor shall any member of the said Board be liable for any costs that may be taxed against them, the Board, or the Authority on account of any such official action by them as members of the said Board; but such costs shall be charged to the Authority and paid as other costs are paid in suits brought against the Authority; nor shall the said Board or any of its members, or the said Authority, be required to give any supersedeas bond or security for costs or damages on an appeal whatever.

Vehicle regulations

SEC. 213. All of the powers authorized by this act to be exercised by the Authority shall be subject to all statutes and rules and regulations promulgated by proper authority relating to the regulation and control of traffic and the operation and safety of vehicles.

Policing of Authority property

SEC. 214. (a) The provisions of the second paragraph under the caption "For Metropolitan Police" in the first section of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1900, and for other purposes," approved March 3, 1899 (30 Stat. 1045, 1057, ch. 422; sec. 4–115, D. C. Code, 1951 edition) authorizing the Commissioners of the District of Columbia to appoint special policemen for duty in connection with the property of corporations and individuals shall be applicable with respect to the property of the Authority in the District of Columbia.

(b) The Board of Directors of the Authority is hereby authorized and empowered to make, modify, and enforce all such usual and reasonable regulations as they may deem necessary for the protection of lives, limbs, health, comfort and quiet of passengers, and the protection of the property of the Authority, and to prescribe reasonable penalties of fine not to exceed $300 or imprisonment not to exceed 10 days, in lieu of or in addition to any fine for the violation of any of the regulations of the Authority. Said penalties may be enforced in the municipal court for the District of Columbia, and in the United States district court for the district embracing that part of the Washington metropolitan area beyond the District of Columbia in which such violation was committed. Prosecutions for violation of the regulations of the Authority shall be conducted in the name of the United States and by the attorney of the United States for the district in which such violation is committed.

(c) The regulations authorized by this section shall, when adopted, be printed in one or more of the daily newspapers published in the District of Columbia of general circulation in the Washington metropolitan area; and no penalty prescribed for the violation of such regulations shall be enforced until 30 days after such publication.

Investigations

SEC. 215. The Authority, without regard to the provisions of any other law and the procedures established thereby, may investigate all matters relating to public transportation and the management thereof within the District of Columbia, the enforcement of its resolutions, rules, and regulations, and the action, conduct, and efficiency of its officers, agents, and employees. In the conduct of any such investigation, the Board may hold public hearings on its own motion. Said Board is hereby authorized and empowered to summon by subpena any person, except officers, employees, and representatives of existing transportation companies within the Washington metropolitan area, before it or before a hearing officer designated by it to give testimony on oath or affirmation, or to produce all books, records, papers, documents, or other legal evidence as to any matter affecting the Authority, and any member of said Board and any hearing officer designated by it shall have the power to administer all oaths and affirmations for the purpose of the administration of this act. Such subpena may be served by any member of the metropolitan police force. If any witness having been personally summoned shall neglect or refuse to obey the subpena issued as herein provided, then and in that event any member of the Board or the hearing officer designated by it may report that fact to the United States District Court for the District of Columbia or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to said subpena to the same extent as witnesses may be compelled to obey the subpenas of that court. Witnesses, other than those employed by the governments of the District of Columbia or the United States, summoned to appear before said Board, shall be entitled to the same fees as are paid witnesses for attendance before the United States District Court for the District of Columbia, but said fees need not be paid said witnesses in advance of their appearing and testifying, or producing books, records, papers, documents, or other legal evidence before said Board or before said hearing officer. Any person who shall willfully swear falsely in any proceeding, matter, or hearing before said Board or any hearing officer designated by said Board to hear testimony and receive evidence in any such proceeding, matter or hearing, shall be guilty of perjury. Said Board is hereby authorized and empowered to designate one or more hearing officers to take testimony and receive evidence in connection with any matter affecting the Authority.

Exclusive operating rights

SEC. 216. (a) The right and power of the Authority to operate a transportation system or systems within the District of Columbia shall be exclusive, except that such right and power shall not affect nor impair the existing operating rights of any carrier lawfully operating such a system at the date of enactment of this act, or its successors or assigns.

(b) The Authority may operate a transportation system or systems within the Washington Metropolitan Area without securing any further franchises, rights, or permits under any other law or laws of the

United States of America or the District of Columbia: *Provided*, That the Authority shall not commence nor conduct operations in interstate commerce in competition with the then existing operations of any other transportation system, except such operations as are so conducted by Capital Transit Co. at the date of enactment of this act. The Authority shall not commence further operations in interstate commerce until it has obtained the certificate of the Interstate Commerce Commission that such operations are not in competition with the then existing operations of any other transportation system.

Interim financing

SEC. 217. (a) It is the intent of Congress that in exercising the borrowing authority in this section, transportation charges shall be fixed as though private financing only were involved, and shall cover all costs of operating and maintaining such system, including depreciation, payment of interest, and reasonable provision for amortization, without regard to the period of maturity provided for in subsection (c) of this section.

(b) To finance the acquisition of a transportation system or systems, to pay the fees and expenses of consulting engineers, financial consultants, attorneys, and other services deemed necessary to plan, acquire, construct, organize and operate such system or systems, and to determine the feasibility thereof from an economic and financial standpoint, and to provide adequate working capital, the Board of Commissioners of the District of Columbia is authorized to arrange with the Secretary of the Treasury for interim financing, pending the sale by the Authority of its property to a qualified purchaser or of its obligations to the public. To provide this interim financing the Board of Commissioners is authorized, at any time prior to July 1, 1960, to issue obligations of the District of Columbia for purchase by the Secretary of the Treasury in an amount not exceeding $20 million, and to advance the proceeds thereof to the Authority for these purposes. These advances shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners, and shall bear interest at a rate which is not less than the rate upon obligations of the District of Columbia issued under this section. It is the intent of Congress that these allowances shall be repaid at the earliest practicable time, and in any event before any securities, other than obligations under section 206, subsequently issued by the Authority are repaid.

The sums advanced to the Authority by the Commissioners pursuant to this subsection shall be immediately available to the Authority for the purpose of taking such steps as the Authority deems appropriate to carry out the purposes of this act including, without limitation, the authority to make purchases and contracts.

(c) Obligations issued by the Board of Commissioners under this section shall be in such forms and denominations, shall mature at such times prior to July 1, 1960, shall have such provisions for payment, and shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners with the approval of the Secretary of the Treasury.

(d) Each obligation issued under this section shall bear interest at a rate determined by the Secretary of the Treasury by estimating the average yield to maturity, on the basis of daily market bid quotations of prices during the month preceding the calendar quarter in which the obligation is issued, on all outstanding taxable marketable obligations of the United States having comparable periods of time to run to maturity, and by adjusting such estimated average yield to the nearest one-eighth of 1 percent, plus one-half of 1 percent.

(e) Upon request of the Board of Commissioners of the District of Columbia, the Secretary of the Treasury is authorized and directed to purchase any obligations of the District of Columbia issued under this section and for such purposes is authorized to use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include purchases of the obligations issued under this section.

(f) Nothing contained in this section shall be construed as limiting the amount of equipment trust certificates which may be issued by the Authority pursuant to section 206 of this act, or the amount of bonds or other obligations which the Authority may issue, assume or enter into under any provision of this act other than this section 217.

TITLE III—TRANSFER OF TRANSPORTATION SYSTEM TO PRIVATE OPERATION

Sale of property

SEC. 301. (a) The authority is empowered to sell prior to August 15, 1959, the property which it has acquired pursuant to Title II of this act which is useful in the operation of a transportation system to any purchaser eligible to receive a certificate of authority pursuant to this title and which has financial and management qualifications sufficient in the judgment of the Authority, to provide adequate passenger transportation service in the Washington metropolitan area. The Authority is empowered to dispose of any other property belonging to it under such terms and conditions as it deems necessary.

(b) The proceeds of any such sale shall be used to repay obligations of the Authority owing to the District of Columbia by reason of advances made to the Authority pursuant to section 217 of this act.

Franchise

SEC. 302. The Commissioners of the District of Columbia are hereby empowered to grant to any private corporation organized with the corporate right to operate in the District of Columbia as a common carrier, a certificate of authority to operate, as a common carrier of persons for hire, a mass transportation system or systems within the District of Columbia, subject to the jurisdiction of the Public Utilities Commission of the District of Columbia, and all laws applicable to such a common carrier, except as otherwise provided in this title.

Tax exemption

SEC. 303. The Commissioners of the District of Columbia are hereby empowered to exempt, under such terms and conditions as they deem to be in the public interest, any such corporation which acquires such a certificate of authority from liability to pay any District of Columbia taxes, in whole or in part.

Termination of existence of authority

SEC. 304. In the event the Authority effectuates the sale of its property as authorized by this title, the existence of the Authority as a body corporate shall continue only for the purposes of liquidation. The Authority shall close out its affairs as expeditiously as possible.

Commissioners' report to Congress

SEC. 305. If the Authority has not sold its property to a qualified purchaser, as provided by this title, prior to June 15, 1958, the Board of Directors of the Authority shall within 15 days after such date report to Congress as to steps which the Authority has taken to effectuate such a sale and the reasons why, in the opinion of such Board, such a sale has not been effectuated.

TITLE IV—AUTHORITY MADE PERMANENT

SEC. 401. (a) If, prior to August 15, 1959, the Authority has not sold its property in accordance with the provisions of title III of this act, the duration of the Authority shall, after August 15, 1959, be perpetual, and the provisions of this title shall then be in effect, in addition to the provisions of titles I and II of this act.

(b) On and after October 1, 1959, the Board of Directors of the Authority shall consist of five members, who shall be residents of the Washington metropolitan area, appointed by the Commissioners of the District of Columbia: *Provided*, That until such time as three of the appointed members of the Board of Directors shall have qualified, the Commissioners shall constitute such Board. Such appointed members shall hold office as hereinafter provided, unless sooner removed by the said Commissioners. Not more than three members of the Board shall belong to the same political party. The members of the first Board so appointed by the Commissioners shall be appointed for terms expiring on the 30th day of September 1960, 1961, 1962, 1963, and 1964, respectively. The said Commissioners may remove any Director of the Authority in case of incompetency, neglect of duty, malfeasance in office, or conviction of a crime. All successors shall be appointed for and hold office for the term of 5 years beginning the first day of October of the year in which they are appointed, except in case of an appointment to fill a vacancy where the appointment shall be made for the unexpired term. Each such Director shall hold office until his successor has been appointed and has qualified. Each such Director shall receive compensation, as may be fixed by the Board, for attendance at each meeting of the Board, but shall not receive more than $3,600 in any one year of service measured from the date of appointment. A director shall be entitled to reimbursement for all necessary expenses, including travel expenses, incurred in the dischage of his duties. No Director, officer, or employee of the Authority shall have any private financial interest in any contract, work, or business of the Authority, nor in the transfer of any property or rights in property to or from the Authority.

(c) (1) The members of the Board of Directors of the Authority appointed by the Commissioners shall be subject to the following laws:

(a) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, chapter 21), as amended;

(b) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, chapter 5, D. C. Code, 1951 edition).

(2) The members of the Board of Directors of the Authority appointed by the Commissioners shall not be subject to the following laws:

(a) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States;

(b) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C. secs. 58 and 59), relating to double salaries;

(c) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec 59a), relating to the retired pay of members of the Armed Forces;

(d) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(e) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(f) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended;

(g) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(h) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(i) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(j) The Classification Act of 1949 (63 Stat. 954), as amended;

(k) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(l) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(m) The act entitled "An act to provide certain employment benefits for employees of the Federal Government, and for other purposes," approved September 1, 1954 (68 Stat. 1105), as amended;

(n) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(o) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

(d) Three of such Directors shall constitute a quorum of the Board for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the Authority upon a vote of a majority of the Directors present, unless the bylaws of the Authority shall require a larger number. As soon as possible after the appointment by the Commissioners of the Directors, the Board shall meet and organize for the transaction of business, select a Chairman and Vice Chairman from among its own number and adopt bylaws, rules, and regulations to govern its proceedings. Thereafter the Board shall at least biennially elect a Chairman and Vice Chairman. The Authority may delegate to one or more of its Directors, officers, agents, or employees such power or duties as it may deem proper. Regular meetings of the Board shall be held at least once in each calendar month, the time and place for such meetings to be fixed by the Board. All resolutions and proceedings of the Authority and all documents and records in its possession shall be public records and open to public inspection, except such documents and records as shall be kept or prepared by the Authority for use in negotiations, actions, or proceedings to which the Authority is a party. Any Director may resign from his office, to take effect when his successor has been appointed and has qualified.

(e) The Authority and the Board shall be obligated to and bound by all actions, proceedings, and contracts taken, authorized or entered into by the Commissioners of the District of Columbia while functioning as such Board.

Power to issue bonds

SEC. 402. (a) The Authority shall be empowered and is hereby authorized from time to time to issue its negotiable bonds for any of its corporate purposes including the payment of the cost of acquiring any transportation system (including any cash funds, or investments thereof, of such system maintained by the owner or operator thereof in connection with such ownership or the operation, maintenance, depreciation or replacement of such transportation system) and for acquiring necessary cash working funds, or for acquiring, constructing, reconstructing, extending, or improving a transportation system, or any part thereof, and for acquiring any property and equipment useful for the construction, reconstruction, extension, improvement, or operation of a transportation system, or any part thereof. The Authority shall also have power from time to time whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded shall have or have not matured, and may issue bonds partly to refund bonds outstanding and partly for any of its corporate purposes.

(b) The principal and interest on such bonds shall be payable out of any moneys or revenues of the Authority available under the provisions of this act, subject only to any agreements with the holders of particular bonds pledging any particular moneys or revenues.

(c) All bonds issued under the provisions of this act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the District of Columbia.

(d) Prior to the preparation of definitive bonds, the Authority may issue its temporary or interim bonds or receipts, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery.

(e) Bonds shall be authorized by resolution of the Authority and shall bear such dates, mature at such time or times, bear interest at such rate or rates not exceeding 6 percent per annum, be in such denominations, be in such form either coupon or registered, carry such registration and reconversion privileges, be payable in such medium of payment and at such place or places and be subject to such terms of redemption with or without premiums, as such resolution or resolutions may provide.

(f) All bonds shall be signed by the chairman or vice chairman of the Board or by their facsimile signatures, and the official seal of the Authority shall be affixed thereto and attested by such officer of the Authority as the Board shall designate, and any coupons attached thereto shall bear the facsimile signature of the chairman or vice chairman of the Board. In case any officer whose signature or facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery.

(g) The Authority may sell any such bonds in such manner and for such price as it may determine to be for the best interest of the Authority.

(h) Any resolution of the Authority authorizing the issuance of bonds may appoint a trustee or trustees, a paying agent or paying agents, or such other fiduciaries as the Authority may deem necessary. Any trustee, paying agent, or other fiduciary so appointed may be any trust company or bank having trust powers within or without the District of Columbia, and the Authority shall have power to determine and contract with respect to the powers, functions, duties, and compensation of any such trustee, paying agent, or other fiduciary, notwithstanding any other provision of law.

Provision for securing bonds

SEC. 403. (a) In order to secure the payment of its bonds, the Authority shall have power in the resolution authorizing the issuance thereof, or in the trust agreement securing such bonds (which shall constitute a contract with the holders thereof)—

(1) to pledge all or any part of its revenues to which its right then exists or may thereafter come into existence, and the moneys derived therefrom and the proceeds of bonds and any other moneys available to the Authority under the provisions of this act, with the exception of moneys advanced by the Commissioners of the District of Columbia;

(2) to covenant against pledging all or any part of its revenues, or against mortgaging all or any part of its real or personal property then owned or thereafter acquired, or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on any right to sell, lease, or otherwise dispose of any transportation system or any part thereof, or any property of any kind;

(3) to covenant as to the bonds to be issued and the limitations thereon and the terms and conditions thereof and as to the custody, application, investment, and disposition of the proceeds thereof, and to covenant as to the issuance of additional bonds or as to limitations on the issuance of additional bonds and on the incurring of other debts by it;

(4) to covenant as to the payment of the principal of or interest on the bonds, or any other obligations, as to the sources and method of such payment, as to the rank or priority of any such bonds or other obligations with respect to any lien or security or as to the acceleration of the maturity of any such bonds or other obligations;

(5) to provide for the replacement of lost, destroyed, or mutilated bonds;

(6) to covenant against extending of time for the payment of bonds or the interest thereon;

(7) to covenant as to the redemption of bonds and the privileges of exchange thereof for other bonds of the Authority;

(8) to covenant as to the rates of tolls and other charges to be established and charged, the amount to be raised each year or other period of time by fares, tolls, rates, rentals, fees, or other charges, and as to the use and disposition to be made thereof; to create or authorize the creation of special funds or moneys to be held in pledge or otherwise for construction, operating expenses, depreciation, payment or redemption of bonds, reserves or other purposes and to covenant as to the use, investment and disposition of the moneys held in such funds;

(9) to establish the procedure, if any, by which the terms of any contract or covenant with or for the benefit of the holders of bonds may be amended or abrogated, the amount of bonds the holderr of which must consent thereto, and the manner in which such consent may be given;

(10) to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon and use and disposition of insurance money;

(11) to provide for the rights and liabilities, powers, and duties arising upon the breach of any covenant, condition, or obligation; to prescribe the events of default and the terms and conditions upon which any or all of the bonds shall become due or may be declared due and payable before maturity and the terms and conditions upon which any such declaration and its consequences may be waived;

(12) to vest in a trustee or trustees such property, rights, powers, and duties in trust for the holders of bonds as the Authority may determine; to limit or abrogate the rights of the holders of such bonds to appoint such trustee, or to limit the rights, duties, and powers of such trustee;

(13) to limit the rights of holders of bonds to enforce any pledge or covenant securing the bonds; and

(14) to make covenants other than, or in addition to, the covenants herein expressly authorized and of like or different character and to make such covenants to do such acts and things as may be necessary, convenient, or desirable in order to better secure the bonds, or which, in the discretion of the Authority, will tend to make the bonds more marketable, notwithstanding that such covenants, acts, or things may not be enumerated herein.

(b) Any pledge of revenues or moneys made by the Authority shall be valid and binding from the time when the pledge is made, and the revenues or other moneys so pledged and thereafter received by the Authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act. Neither the resolution nor any other instrument by which a pledge is created need be filed or recorded, unless specifically required by the provisions of this act, except in the records of the Authority.

(c) Bonds may be issued under the provisions of this act by the Authority without

obtaining the consent of any department, division, commission, board, bureau, agency, or officer of the District of Columbia or of the United States of America, and without any other proceeding or the happening of any other conditions or things than those proceedings, conditions, or things which are specifically required by this act.

(d) Moneys of the Authority or moneys held in pledge or otherwise for the payment of the bonds or in any way to secure bonds and deposits of such moneys may be secured in such manner as the Authority may require and it shall be lawful for all banks and trust companies incorporated under the laws of the United States of America which may act as depositary of any such funds to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority; and the Authority shall not be required to maintain any of its moneys or funds in or with, or deposit the same in, the Treasury of the United States.

(e) Neither the directors of the Authority nor any person executing bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the execution or issuance thereof.

(f) The Authority shall have power to purchase bonds out of any funds available therefor. The Authority may hold, cancel, or resell such bonds subject to and in accordance with agreements with holders of its bonds.

(g) In order to secure the payment of its bonds or other obligations, the Authority may mortgage or pledge all or any part of its real or personal property then owned or thereafter acquired in such manner as in its absolute discretion it shall provide.

Refunding bonds

SEC. 404. (a) The Authority is hereby authorized to provide by resolution for the issuance of refunding bonds of the Authority for the purpose of refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and, if deemed advisable by the Authority, for the additional purpose of paying the cost of acquiring, constructing, reconstructing, extending, or improving its transportation system, or any part thereof, in connection with which the bonds to be refunded shall have been issued.

(b) The Authority is further authorized to provide by resolution for the issuance of its bonds for the combined purpose of (1) refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and (2) paying all or any part of the cost of acquiring, constructing, reconstructing, extending, or improving any transportation system. The issuance of such refunding bonds, and the details thereof, and the rights, duties, and obligations of the Authority in respect to the same shall be governed by the provisions of this act relating to the issuance and securing of original bonds insofar as the same shall be applicable.

Bonds to be obligations of Authority only

SEC. 405. Bonds issued under the provisions of this title shall not constitute a debt or liability of the United States of America or of the District of Columbia or of any political subdivision or of municipality within the Washington metropolitan area, or a pledge of the faith and credit of the United States of America or of the District of Columbia or of any political subdivision of or municipality within the Washington metropolitan area, but such bonds, unless refunded by bonds of the Authority, shall be payable solely from the funds pledged or available for their payment as authorized herein. All such bonds shall contain on the face thereof a statement to the effect that the Authority alone is obligated to pay the same and the interest thereon and that neither the United States of America nor the District of Columbia nor any political subdivision of or municipality within the Washington metropolitan area is obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the United States of America or the District of Columbia or any political subdivision of or municipality within the Washington metropolitan area is pledged to the payment of the principal of or interest on such bonds. Nothing in this act contained shall be construed to authorize the Authority to incur any indebtedness or liability on behalf of, or payable by the United States of America or the District of Columbia.

Legislation to constitute contract

SEC. 406. The United States of America pledges to and agrees with the holders of the bonds issued pursuant to the authority contained in this title that the Congress of the United States will not limit, alter, or restrict the right hereby vested in the Authority to plan, acquire, construct, reconstruct, extend or improve, maintain, manage, and operate its transportation system or systems within the Washington metropolitan area and to establish, fix, and collect such fares, tolls, fees, rentals, and other charges for use of and transit on such transportation system or systems, or portions thereof, so as to impair the obligation of the Authority to fulfill the terms of any agreements made with the holders of the bonds; nor will the Congress of the United States in any way impair the rights, exemptions, or remedies of the holders of the bonds until the bonds, together with interest thereon, and with interest on any unpaid installment of interest and all cost and expenses in connection with any action or proceedings by or on behalf of the holders of the bonds, are fully paid and discharged.

Bonds legal investments

SEC. 407. Notwithstanding any restrictions on investment contained in any other laws, all domestic insurance companies, and domestic insurance associations, and all executors, administrators, guardians, trustees, and other fiduciaries within the District of Columbia, may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds or other obligations issued pursuant to this title, it being the purpose of this section to authorize the investment in such bonds or other obligations of all sinking, insurance, retirement, compensation, pension, and trust funds: *Provided*, That nothing contained in this section shall be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities for purchase or investment.

Remedies of bondholders

SEC. 408. (a) Any holder of bonds issued under the provisions of this title, or of any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given may be restricted by the resolution authorizing the issuance of such bonds or by trust agreement, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the United States of America or of the District of Columbia or granted hereunder or under the resolution authorizing the issuance of such bonds or such trust agreement, and may enforce and compel the performance of all of such duties required by this act or by such resolution or trust agreement to be performed by the Authority or by any officer thereof, including the fixing, charging and collecting of fares, tolls, fees, rentals, and other charges.

(b) Any trustee under any trust agreement, and whether or not all bonds have been declared due and payable, shall be entitled as of right, in the event of default by the Authority in the terms, covenants, and conditions contained in a resolution authorizing the issuance of bonds or a trust agreement, to the appointment of a receiver, who may enter and take possession of the transportation system or systems of the Authority, or any part or parts thereof, the revenues or moneys from which are or may be applicable to the payment of the bonds, and operate and maintain the same, and collect and receive all revenues and other moneys thereafter arising therefrom in the same manner as the Authority or the Board might do, and shall deposit, disburse, and apply the same in the manner required by the resolution authorizing the issuance of such bonds or the trust agreement securing the same. In any suit, action, or proceeding by the trustee under a trust agreement, securing bonds, the fees, counsel fees, and expenses of such trustee, and of the receiver, if any, and all costs and disbursements allowed by the court shall be a first charge on any revenues of the Authority pledged under such trust agreement.

(c) Nothing in this section or any other provision of this act shall authorize any receiver appointed pursuant to this act to sell, assign, mortgage, or otherwise dispose of any assets of any transportation system of the Authority, except in the manner and to the extent permitted or allowed under the trust agreement relating to such transportation system. It is the intention of this act to limit the powers of such receiver to the operation and maintenance of any transportation system of the Authority as the court shall direct and no holder of bonds of the Authority nor any trustee shall ever have the right in any suit, action, or proceedings at law, or in equity, to compel a receiver, nor shall any receiver ever be authorized or any court be empowered to direct the receiver to sell, assign, mortgage, or otherwise dispose of any assets of a transportation system of the Authority except in the manner and to the extent permitted or offered under the trust agreement relating to such transportation system.

(d) The United States District Court for the District of Columbia shall have jurisdiction of any suit, action, or proceeding by any trustee under a trust agreement, or other obligee of the Authority, in which an appointment of a receiver is requested.

Mr. PRIEST. Mr. Chairman, I make the point of order that the amendment offered by the gentleman from Massachusetts [Mr. HESELTON] is not germane to the committee substitute.

The CHAIRMAN. Does the gentleman from Massachusetts wish to be heard on the point of order?

Mr. HESELTON. Only to say that I have the highest regard and respect, as we all have, for our Parliamentarian, who told me that I cannot offer it, and therefore I concede the point of order.

The CHAIRMAN. The point of order is sustained.

The Chair recognizes the gentleman from Illinois [Mr. O'HARA] for 2½ minutes.

Mr. O'HARA of Illinois. Mr. Chairman, there is not anything that can be picked out of a pocket that is overlooked in this bill. I notice that they did not even overlook the matter of snow removal. That is small change compared with the grab of tax immunity. But suddenly on the District the cost of snow

removal previously required of the company was something else to be grabbed, and grabbed it is.

What about fares? This bill gives the company the right to increase them at any time and in any amount merely by giving 10 days advanced notice.

Of course, there is provision for a review, but this is not written in the language and manner usual when the thought is to place the public interest in priority. The clear import of the provision in this bill is to minimize the chance of the increased fares being upset.

There never was a traction ordinance or piece of traction legislation of which I have heard to compare with this. In any city where the people have the right of suffrage they have a chance of righting things or at least of making their reactions felt. The advocates of this bill now rest their case mainly on one argument. They are afraid the company will stop running its cars on the 15th of August. That is the last thing in the world the company will do. It will be down on its knees the very moment we do not give it an extension. It will come begging and say, "What will you give us. Please, let us run our cars a little longer until we can work out something." Let us look to ordinary commonsense and not fear for guidance. We are grown men and women.

Mr. MURRAY of Illinois. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to my able colleague from Chicago.

Mr. MURRAY of Illinois. Is it not a fact that after giving them that franchise we in effect subsidize them also?

Mr. O'HARA of Illinois. Certainly. The gentleman from Illinois is absolutely right. He hits the matter exactly on the head. The Congress ended the company's franchise because of its derelictions that had brought local transportation to a sorry mess. Now the same company is demanding that the Congress accept the guilt for the company's derelictions and pay it a subsidy running into countless thousands. In effect, the company demands its ransom.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, yesterday I made the statement that I had no intention of voting to leave the job security and the economic security of several thousand employees of the traction company in the hands of a bunch of economic wolves. I have not changed my opinion. After listening to the distinguished gentleman from Chicago [Mr. O'HARA], I am more convinced that we should vote to recommit this bill.

I have no explanation to offer as to how we might settle it. I would hate to acknowledge publicly by voting for this bill that we have made the mistakes the gentleman said we made last year when we passed the original bill.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Georgia.

Mr. LANHAM. Is there anything in this bill that would guarantee we would not have a strike within 30 days after August 14?

Mr. BAILEY. No. You are certain to have one. There is no collective bargaining, there is no arbitration, there is no fact-finding board, so you are facing that situation.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. HINSHAW] to close debate.

Mr. HINSHAW. Mr. Chairman, this has been a very pleasant debate, I am sure. All present have enjoyed themselves immensely. May I point out that the committee that actually heard the testimony, that actually sat and listened for days and days and weeks, and sat in executive session, turned out to be unanimous in favor of the bill that is being presented to you, yet a number of those who did not hear the testimony on the bill have other ideas. It is a question of whether you are willing to rely on your committee and what it has come up with or whether you rely on somebody else.

Mr. MACK of Illinois. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. MACK of Illinois. If the gentleman will permit me, I would like to reply to the gentleman from West Virginia [Mr. BAILEY]. Concerning the labor provisions, the labor provisions in this bill are the same that we have had in the bill since 1933 and, if he thinks it is not sound labor legislation and that it is discriminating against labor, I would think he would have offered an amendment during the length of time that the gentleman has been here.

Mr. HINSHAW. I thank the gentleman. That could have been done.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. HARRIS. I would like to give the Members the benefit of this information. It has been suggested that this bill be sent back to the committee to explore the idea that has been put forward by Mr. Bell. Mr. Bell's letter which was received a day or two ago said:

> I believe that a reorganization along the aforementioned lines and consistent with the conditions imposed by each of the parties is possible, and could be effected before August 14, 1956, given the enactment of legislation along the lines of H. R. 8901.
>
> * * * * *
>
> I believe this summarizes the present situation and illustrates the critical importance of the pending House action on H. R. 8901. With reasonable prospects for some such legislation, I shall redouble my efforts to produce agreement on solving Washington's transit problem on a basis which would keep our transit system in private hands and avoid the establishment of an additional Government agency.

Mr. Bell says that they must have this legislation if he is to be permitted to proceed with what he proposes.

Mr. HINSHAW. Mr. Chairman, in the limited time of 2½ minutes it is impossible for me to yield further. I am simply going to say that nothing can be sold to Mr. Bell if the franchise is not reinstated. This bill, in effect, reinstates it, and that is that. If the franchise is not continued, then there is nothing to sell except the assets of the company. It is ridiculous to think otherwise. Any Member on this floor who wanted to offer an amendment to the bill, which would strike out those portions that were objectionable to them, had the right to do so. The provisions are clearly stated in the bill. Nobody offered such an amendment.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The pro forma amendments were withdrawn.

The CHAIRMAN. The question is on the Committee amendment.

The Committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KELLEY of Pennsylvania, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, pursuant to House Resolution 489, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read a third time.

Mr. HESELTON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HESELTON. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. HESELTON moves to recommit the bill to the Committee on Interstate and Foreign Commerce.

Mr. PRIEST. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. BROWN of Ohio), there were—ayes 90, noes 90.

Mr. BROWN of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point or order that a quorum is not present.

The SPEAKER. Evidently no quorum is present. The Doorkeeper will close the doors and the Sergeant at Arms will notify absent Members and the Clerk will call the roll.

The question was taken; and there were—yeas 161, nays 172, answered "present" 2, not voting 98, as follows:

[Roll No. 50]

YEAS—161

Addonizio	Auchincloss	Baker
Ashley	Ayres	Baldwin
Aspinall	Bailey	Bass, N. H.

Bates	Green, Oreg.	Moss
Baumhart	Green, Pa.	Multer
Bennett, Fla.	Griffiths	Murray, Ill.
Bennett, Mich.	Gross	Murray, Tenn.
Betts	Hagen	Natcher
Blatnik	Hand	O'Brien, Ill.
Boggs	Hayworth	O'Brien, N. Y.
Boland	Healey	O'Hara, Ill.
Bolton, Frances P.	Henderson	O'Neill
	Heselton	Ostertag
Bolton, Oliver P.	Hess	Patterson
	Holifield	Pfost
Bow	Holland	Philbin
Boyle	Holmes	Phillips
Brown, Ohio	Holtzman	Polk
Burdick	Hope	Price
Burnside	Hosmer	Prouty
Byrne, Pa.	Huddleston	Quigley
Canfield	Hyde	Rains
Carnahan	Johansen	Reuss
Carrigg	Johnson, Wis.	Rhodes, Ariz.
Chelf	Karsten	Rhodes, Pa.
Christopher	Kearney	Rodino
Chudoff	Keating	Rogers, Colo.
Church	Kee	Rooney
Corbett	Kelley, Pa.	Sadlak
Cretella	Kelly, N. Y.	Scott
Dawson, Ill.	Kilburn	Seely-Brown
Dawson, Utah	King, Calif.	Shelley
Delaney	King, Pa.	Sieminski
Denton	Klein	Sisk
Devereux	Kluczynski	Spence
Diggs	Knox	Staggers
Dingell	Knutson	Sullivan
Dodd	Lanham	Taber
Dollinger	Lesinski	Thompson, Mich.
Donohue	McCarthy	
Dorn, N. Y.	McConnell	Thompson, N. J.
Doyle	McCulloch	Udall
Elliott	McDonough	Vanik
Engle	McVey	Van Zandt
Fallon	Macdonald	Vorys
Fino	Machowicz	Westland
Forand	Madden	Widnall
Ford	Magnuson	Wier
Frelinghuysen	Mailliard	Williams, N. J.
Friedel	Marshall	Wolcott
Fulton	Meader	Yates
Garmatz	Metcalf	Younger
Gavin	Minshall	Zablocki
Gordon	Morano	Zelenko
Gray	Morgan	

NAYS—172

Abbitt	Dorn, S. C.	Latham
Abernethy	Dowdy	LeCompte
Adair	Evins	Lipscomb
Albert	Fascell	Lovre
Allen, Ill.	Fenton	McIntire
Andresen, August H.	Fernandez	McMillan
	Fisher	Mack, Ill.
Andrews	Fjare	Mack, Wash.
Arends	Flynt	Mahon
Ashmore	Forrester	Martin
Avery	Frazier	Matthews
Bass, Tenn.	Gary	Merrow
Becker	Gathings	Miller, Md.
Belcher	Gentry	Miller, Nebr.
Bell	George	Mills
Bentley	Grant	Mumma
Berry	Gubser	Nicholson
Blitch	Hale	Norbald
Bosch	Haley	Norrell
Boykin	Halleck	O'Konski
Bray	Harden	Osmers
Brooks, Tex.	Hardy	Passman
Brown, Ga.	Harris	Pelly
Brownson	Harrison, Va.	Pilcher
Broyhill	Harvey	Poage
Budge	Hays, Ark.	Poff
Burleson	Hébert	Preston
Bush	Herlong	Priest
Byrnes, Wis.	Hiestand	Ray
Cannon	Hill	Reece, Tenn.
Chase	Hillings	Rees, Kans.
Chenoweth	Hinshaw	Richards
Chiperfield	Hoeven	Riehlman
Clark	Horan	Roberts
Clevenger	Hull	Robeson, Va.
Colmer	Ikard	Robsion, Ky.
Coon	Jackson	Rogers, Fla.
Cooper	Jarman	Rutherford
Coudert	Jenkins	Schenck
Cramer	Jennings	Scherer
Crumpacker	Jensen	Selden
Cunningham	Jonas	Sikes
Curtis, Mass.	Jones, Ala.	Siler
Curtis, Mo.	Jones, Mo.	Simpson, Ill.
Dague	Judd	Simpson, Pa.
Davis, Wis.	Kean	Smith, Kans.
Dempsey	Kilday	Smith, Miss.
Derounian	Kilgore	Smith, Va.
Dies	Krueger	Smith, Wis.
Dixon	Laird	Springer
Dolliver	Landrum	Talle
Teague, Calif.	Trimble	Whitten
Teague, Tex.	Tuck	Wigglesworth
Thomas	Van Pelt	Williams, N. Y.
Thompson, La.	Vinson	Withrow
Thompson, Tex.	Vursell	Wolverton
	Weaver	Wright
Thomson, Wyo.	Wharton	Young

ANSWERED "PRESENT"—2

Edmondson McCormack

NOT VOTING—98

Alexander	Fountain	Rabaut
Alger	Gamble	Radwan
Allen, Calif.	Granahan	Reed, N. Y.
Andersen, H. Carl	Gregory	Riley
	Gwinn	Rivers
Anfuso	Harrison, Nebr.	Rogers, Mass.
Barden	Hays, Ohio	Rogers, Tex.
Barrett	Hoffman, Ill.	Roosevelt
Beamer	Hoffman, Mich.	St. George
Bolling	Holt	Saylor
Bonner	James	Schwengel
Bowler	Johnson, Calif.	Scrivner
Brooks, La.	Jones, N. C.	Scudder
Buckley	Kearns	Sheehan
Byrd	Keogh	Sheppard
Carlyle	Kirwan	Short
Cederberg	Lane	Shuford
Celler	Lankford	Steed
Chatham	Long	Taylor
Cole	McDowell	Thornberry
Cooley	McGregor	Tollefson
Davidson	Mason	Tumulty
Davis, Ga.	Miller, Calif.	Utt
Davis, Tenn.	Miller, N. Y.	Velde
Deane	Mollohan	Wainwright
Dondero	Morrison	Walter
Donovan	Moulder	Watts
Durham	Nelson	Wickersham
Eberharter	O'Hara, Minn.	Williams, Miss.
Ellsworth	Patman	Willis
Feighan	Perkins	Wilson, Calif.
Flood	Pillion	Wilson, Ind.
Fogarty	Powell	Winstead

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hays of Ohio for, with Mr. Alexander against.

Mr. Edmondson for, with Mr. Rogers of Texas against.

Mr. McCormack for, with Mr. Williams of Mississippi against.

Mr. Celler for, with Mr. Barden against.

Mr. McDowell for, with Mr. Chatham against.

Mr. Lankford for, with Mr. Fountain against.

Mr. Kirwan for, with Mr. Durham against.

Mr. Anfuso for, with Mr. Shuford against.

Mrs. St. George for, with Mr. Jones of North Carolina against.

Mr. Buckley for, with Mr. Carlyle against.

Mr. Saylor for, with Mr. Rivers against.

Mr. Mollohan for, with Mr. Winstead against.

Mr. Bowler for, with Mr. Wilson of Indiana against.

Mr. Roosevelt for, with Mr. Hoffman of Michigan against.

Mr. Donovan for, with Mr. Allen of California against.

Mr. Davidson for, with Mr. Bonner against.

Mr. Barrett for, with Mr. Dondero against.

Mr. Fogarty for, with Mr. Scudder against.

Mr. Granahan for, with Mr. Gamble against.

Mr. Sheppard for, with Mr. Johnson of California against.

Mr. Tumulty for, with Mr. Kearns against.

Mr. Walter for, with Mr. Velde against.

Mr. Keogh for, with Mrs. Rogers of Massachusetts against.

Mr. Miller of California for, with Mr. Miller of New York against.

Mr. Moulder for, with Mr. Brooks of Louisiana against.

Mr. Powell for, with Mr. Morrison against.

Mr. Taylor for, with Mr. Willis against.

Mr. Hoffman of Illinois for, with Mr. Riley against.

Mr. Byrd for, with Mr. Gwinn against.

Mr. Flood for, with Mr. Deane against.

Mr. Eberharter for, with Mr. Davis of Tennessee against.

Mr. Feighan for, with Mr. Davis of Georgia against.

Mr. Bolling for, with Mr. Beamer against.

Mr. Perkins for, with Mr. Thornberry against.

Until further notice:

Mr. Gregory with Mr. McGregor.

Mr. Watts with Mr. Cole.

Mr. Wickersham with Mr. Ellsworth.

Mr. Steed with Mr. Harrison of Nebraska.

Mr. Rabaut with Mr. O'Hara of Minnesota.

Mr. Patman with Mr. James.

Mr. Lane with Mr. Holt.

Mr. Cooley with Mr. Sheehan.

Mr. BOYKIN changed his vote from "yea" to "nay."

Mr. DODD changed his vote from "nay" to "yea."

Mr. McCORMACK. Mr. Speaker, I have a live pair with the gentleman from Mississippi, Mr. WILLIAMS. If he were present he would vote "nay." I voted "yea." I withdraw my vote and vote "present."

Mr. EDMONDSON. Mr. Speaker, I have a live pair with the gentleman from Texas, Mr. ROGERS. I voted "yea." If he were present he would vote "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

On motion of Mr. PRIEST, the title was amended so as to read: "A bill to make provision for continued operation by the Capital Transit Co. after August 14, 1956, under a revised franchise, and for other purposes."

Mr. PRIEST. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That this act may be cited as the "Washington Metropolitan Transit Act."

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TITLE I—GENERAL PROVISIONS

Declaration of purposes

SEC. 101. It is hereby declared to be a matter of legislative determination that the Washington metropolitan area (as such term is hereinafter defined) is a community integrated economically and geographically with its center in the city of Washington, D. C., and that the District of Columbia is the seat of the Government of the United States which is the largest single employer of persons resident within said Washington metropolitan area; that an adequate and economically sound transportation system or systems serving said Washington metropolitan area is essential to (1) the proper functioning of the Government of the United States, (2) commerce among the several States, and among such States and the District of Columbia, (3) the health, welfare, and safety of the public, including the civilian and military personnel and the Defense Establishment of the Government of the United States located in the District of Columbia and the Washington metropolitan area, and (4) the national defense; that operation of the Capital Transit Co., the operator of the principal transportation system located within the Washington metropolitan area, will cease August 14, 1956, consequent upon repeal of its franchise rights and charter by Public Law 389, 84th Congress (69 Stat. 724); that the Congress finds the establishment of an adequate transportation system to operate in the Washington metropolitan area, commencing August 15, 1956, as a replacement for Capital Transit Co., cannot be accomplished at the present time by the ordinary operations of private enterprice without public participation; that to these ends it is necessary to enact the provisions hereafter set forth (1) granting to a public body corporate consisting of the Commissioners of the District of Columbia for an interim period certain powers to acquire, extend, improve, and operate an adequate transportation system or systems in the Washington metropolitan area to provide service at reasonable rates for the residents of the Washington metropolitan area, (2) authorizing the transfer of such transportation system or systems to private ownership if during such interim period a sound proposal for private ownership is submitted to such public body corporate and it finds that such proposal would result in providing the residents of the Washington metropolitan area with an adequate and efficient transportation system under private ownership, (3) providing that if during such interim period private interests do not acquire such transportation system, the existence of said public body corporate is continued; and (4) providing that such public body shall have the exclusive permission and franchise to operate a transportation system or systems within the District of Columbia, except for such permissions and franchises (other than those of Capital Transit Co.) as are in existence as of the date of enactment of this act; and that the acquisition, extension, improvement, and operation of a transportation system or systems by the public body corporate hereinafter created, all as provided in this act, is hereby declared to be a public use and purpose.

Definitions

SEC. 102. The following terms whenever used or referred to in this act, shall, for the purposes of this act and unless a different intent clearly appears from the context, be construed as follows:

(a) "Authority" means the Washington Metropolitan Transit Authority established by this act.

(b) "Board" means the Board of Directors of the Authority.

(c) "Transportation system" means all of the facilities, plants, equipment, real property, personal property, franchises and rights of whatever nature useful for the transportation of passengers for hire, except taxicabs and sightseeing buses and transportation facilities extending beyond the boundaries of the Washington metropolitan area, and railroad lines and terminal facilities used in connection therewith and includes, without limitation, street railways, elevated railroads, subways, underground railroads, motor vehicles, trolleys, trackless trolley buses, motor buses and any combination thereof, or any other form of mass passenger transportation.

(d) "Washington metropolitan area" means and embraces all of the territory in the District of Columbia, in the cities of Alexandria and Falls Church and the counties of Arlington and Fairfax in the Commonwealth of Virginia, and in the counties of Montgomery and Prince Georges in the State of Maryland.

(e) "Bonds" means any bonds, interim certificates, certificates of indebtedness, equipment obligations, notes, debentures or other obligations of the Authority issued pursuant to the provisions of this act.

(f) "Revenues" means all fares, tolls, rates, rentals, fees, charges and other income from the operation of a transportation system by the Authority.

(g) "Real property" includes lands, structures, and any and all easements, franchises and incorporeal hereditaments, and every estate and right therein, legal or equitable, including terms for years, chattels real, and liens by way of judgments, mortgages or otherwise.

(h) "Obligee of the Authority" or "obligee" includes any bondholder, trustee, or trustees for any bondholders, any lessor demising to the Authority property used in connection with a transportation system, or any assignee or assignees of such lessor's interest or any part thereof, and the United States of America or any agency or instrumentality thereof when it is a party to any contract with the Authority.

Act controlling

SEC. 103. Insofar as the provisions of any other law are inconsistent with the provisions of this act, the provisions of this act shall be controlling.

Separability

SEC. 104. Notwithstanding any other evidences of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this act or its applications to other persons and circumstances, but shall be confined in its operation to the provisions of this act or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

TITLE II—INTERIM AUTHORITY

Creation of Authority

SEC. 201. There is hereby created a public body corporate to be known as the "Washington Metropolitan Transit Authority", which shall be an agency and instrumentality of the District of Columbia. The term of the existence of said Authority shall expire on the fifteenth day of August 1959 except as hereinafter set forth in titles III and IV hereof. The powers of the Authority shall be vested in and exercised by a Board of Directors consisting of the Commissioners of the District of Columbia, two of said Commissioners constituting a quorum. The Commissioners shall select from among their number a chairman and vice chairman of the Board. The Authority may delegate to one or more of its directors, officers, agents, or employees such powers or duties as it may deem proper.

Powers of authority

SEC. 202. The Authority shall constitute a public body corporate, exercising public and essential governmental functions, and shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this act, and such other powers as are or may be authorized by appropriate authority of the United States, the District of Columbia, or any governmental body exercising jurisdiction in any portion of the Washington metropolitan area without regard to any other provisions of law except as otherwise provided in this act, including the following powers in addition to others herein granted:

(a) To sue and be sued, to compromise and settle suits and claims of or against it, to complain and defend in its own name in any court of competent jurisdiction, State, Federal, or municipal, but execution shall not in any case issue against any property of the Authority;

(b) To adopt, alter, and use a corporate seal which shall be judicially noticed;

(c) To adopt, prescribe, amend, repeal, and enforce bylaws, rules, and regulations for the exercise of its powers under this act or governing the manner in which its business may be conducted and the powers granted to it by this act may be exercised and enjoyed, including the selection of its officers and provision for such committees and the functions thereof as it may deem necessary;

(d) To make, deliver, and receive contracts, deeds, leases, and other instruments and to acquire and take title to real and other property in its own name;

(e) To maintain a principal office in the District of Columbia and suboffices at such place or places within the Washington metropolitan area as it may designate;

(f) To acquire, construct, own, operate, and maintain for public service a transportation system or systems in the Washington metropolitan area and to exercise all powers necessary or convenient in connection therewith;

(g) To borrow money and make and issue bonds and other evidences of indebtedness or obligations for any of its corporate purposes, and to provide for the rights of the holders thereof as authorized by this act;

(h) To fix and revise from time to time and charge and collect fares, tolls, rates, rentals, fees, and charges for the use of a transportation system and the services and facilities furnished thereby or by any part thereof;

(i) To appoint and employ such officers, agents, employees, consulting engineers, attorneys, accountants, appraisers, construction and financial experts and consultants, and such other experts, consultants, and agents for such periods as may be necessary in its judgment, to fix their compensation, and to determine the services to be performed by them on behalf of the Authority and the manner in which such services are to be performed;

(j) To receive and accept from the United States of America, any Federal instrumentality or agency thereof, the District of Columbia, or any State or political subdivision thereof, grants and contributions for or in aid of the acquisition, construction, ownership, operation, or maintenance of any transportation system, and to receive and accept aid or contributions from any source of either money, property, labor, or other things of value, to be held, used, or applied only for the purposes for which such grants and contributions may be made;

(k) To apply for, receive, and accept franchises, licenses, grants, permits, and other rights to operate a transportation system, or part thereof, in the Washington metropolitan area beyond the limits of the District of Columbia, from any State, municipalities, or other political subdivision thereof, or from any agency, instrumentality, board, commission, or officer of any such State, municipality, or other political subdivision, and to comply with the terms and conditions of any such franchise, license, grant, or permit;

(l) To enter into contracts and agreements with the operators of one or more transportation systems within the Washington metropolitan area to provide for the transportation of passengers for hire, and, within the District of Columbia and such other area or areas wherein consent therefor shall be given, to determine all fares, schedules, routings, and changes therein, and conditions of service of any such transportation system;

(m) To procure and enter into contracts for any type of insurance and indemnity against loss or damage to property from any cause, including loss of use or occupancy, against death or injury of any person, against employers' liability, against any act of any director, officer, or employee of the Board or of the Authority in the performance of the duties of his office or employment or any other insurable risk;

(n) To enter into contracts and agreements with any persons, firms, or corporations providing for the operation and maintenance of all or any part of any transportation system of the Authority and to prescribe the terms and conditions of such contracts and agreements with respect to such operation and maintenance;

(o) To do all things necessary or convenient to carry out the powers expressly granted by this act.

Acquisition and use of property

SEC. 203. (a) The Authority shall have power to acquire in its own name, by purchase, lease, gift, or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, with like exception as in section 204 (a) of this act, all or any part of the facilities, plant, equipment, property, rights in property, reserve funds, employees' pension or retirement funds, special funds, franchises, licenses, patents, permits, papers, documents and records of any transportation system within the Washington metropolitan area. The Authority shall also have power to acquire in its own name, by purchase, lease, gift or otherwise, on such terms and conditions and in such manner as it may deem proper, or by the exercise of the power of eminent domain to the extent authorized by this act or the law of any State, any property and rights useful for its purposes, and to sell, lease, transfer or convey any property or rights when no longer useful or exchange the same for other property or rights which are useful for its purposes.

(b) The Authority shall also have power to enter into contracts and agreements for the joint use of any property and rights by the Authority and any public utility, including railroads operating within the Washington metropolitan area; to enter into contracts and agreements with the operator of any transportation system either within or without the Washington metropolitan area for the use or the joint use of any property of the Authority or of such transportation system, or for the establishment of through routes, joint fares and transfer of pasesngers upon such terms and conditions as may be agreed upon between the Authority and such operator of the transportation system.

Power of eminent domain

SEC. 204. (a) Subject to and in accordance with the procedures, conditions, limitations, and other provisions of this act, the Authority is hereby granted and shall have the power to acquire by eminent domain real property or personal property, tangible or intangible, situated or having a legal situs in the District of Columbia or any interest therein. Such power and right shall exist with respect to private property devoted to any private or public use which is necessary for the purposes of the Authority, except property of a railroad, terminal, or public utility primarily operating or engaged in terminal business incident to the operation of transportation facilities extending beyond the boundaries of the Washington metropolitan area which property is used or useful in the transportation or terminal business of such railroad, terminal or public utility.

(b) Proceedings for the acquisition of real and personal property or any interest therein, brought pursuant to this section, shall be brought in the name of the Authority by counsel for the Authority. Title to such property shall be taken by and in the name of such Authority.

(c) Except as herein otherwise provided, condemnation proceedings for the acquisition of such real or personal property, or any interest therein, shall be instituted and conducted in the United States District Court for the District of Columbia which court shall have jurisdiction of such proceedings and such proceedings shall be prosecuted in accordance with the procedure in proceedings instituted and conducted in the name of the United States.

(d) (1) In any such proceeding brought pursuant to this section, the authority may file with the complaint, or at any time before judgment, a declaration of taking signed by the Chairman or Vice Chairman of the Board declaring that such real or personal property or any interest therein, described in the complaint, is thereby taken for the use of the Authority. Said declaration of taking shall contain or have annexed thereto—

(a) a statement of the public purpose for which such property or any interest therein is taken;

(b) a description of the property, or any interest therein taken, sufficient for identification thereof;

(c) a statement of the estate or interest in said property taken for said public use;

(d) a plan showing the lands, if any, taken; and

(e) a statement of the sum estimated by the Authority to be just compensation for the property or interest therein taken.

(2) The Authority shall specify in such declaration of taking the date when title to such property shall vest in the Authority and the date or dates when possession of such property shall be surrendered to the Authority.

(3) The Authority shall, prior to or on the date specified in the declaration for the vesting of title to such property in the Authority, deposit in the registry of the court, to the use of the persons entitled thereto, the amount of the estimated compensation stated in said declaration, and title to said real or personal property in fee simple absolute, or such less estate or interest therein as is specified in said declaration, shall vest in the Authority upon the date specified in said declaration and said real and personal property shall be deemed to be condemned and taken for the use of the Authority, and the right to just conmpensation for the same shall vest in the persons entitled thereto; and said compensation shall be ascertained and awarded in said proceedings and established by judgment therein, and the said judgment shall include, as part of the just compensation awarded, interest at the rate of 6 percent per annum on the amount finally awarded as the value of the property as of the date of taking, from said date to the date of payment; but interest shall not be allowed on so much thereof as shall have been paid into the registry. No sum so paid into the registry shall be charged with commissions or poundage.

(4) Upon the application of the party or parties in interest, the court may order that the money deposited in the registry of the court, or any part thereof, be paid forthwith for or on account of the just compensation to be awarded in said proceedings. If the compensation finally awarded in respect of such property or any part thereof shall exceed the amount of the money so deposited, the court shall enter judgment against the Authority for the amount of the deficiency. If the compensation finally awarded in respect of such property or any part thereof, shall be less than the amount of the money so deposited, the court shall have the power to enter judgment against the party or parties entitled to receive the money so deposited for the amount representing the difference between the amount deposited and the amount awarded by the jury as just compensation, and writs of execution may be issued thereon within the same time and have the same effect as liens, and shall be executed and returned in the same manner as if issued upon a common-law judgment.

(5) The court shall order possession of such property to be surrendered to the Authority at the time or times specified by the Authority in such declaration and shall enter any and all orders and take other necessary action to carry out the intent and purposes of this act.

(e) In the event the Authority acquires specific items of real property or tangible personal property by eminent domain proceedings under the provisions of this section, it shall take not less than the entire interest in such items of property which is vested in the owner thereof.

Control and use of public ways

SEC. 205. The Authority shall have the power where necessary in the construction, reconstruction, extension, improvement, operation, or maintenance of any transportation system, to require persons, firms, or corporations owning or operating public utility structures, facilities, or appliances in, upon, under, over, across, or along the public roads, streets or other public ways in the District of Columbia in which the Authority has the right to own, construct, operate, or maintain transportation facilities, to remove or relocate such public utility structures, facilities, and appliances. The cost of the required removal or relocation of such public utility structures, facilities, and appliances shall be paid by the Authority: *Provided*, That no payment by the Authority shall be required for any improvement or increase in capacity made in such public utility structures, facilities, or appliances as an incident or result of the relocation or removal. The amount of any such improvement or increase in capacity shall be determined by agreement between the Authority and the utility affected. In default of agreement between the Authority and the utility affected, the removal and relocation shall be on such terms and conditions as may be imposed by the regulatory authority having jurisdiction over the utility at the site of the removal or relocation. If any person, firm, or corporation owning or operating public utility structures, facilities, and appliances fails or re-

fuses so to remove or relocate them, the Authority may remove or relocate them and the cost thereof shall be determined as above provided. This subsection shall not apply to or affect the rights, duties, obligations, or liabilities of Capital Transit Co. or its successors or assigns. The Authority shall have the right, but not exclusive of the public right, to use any public road, street, highway, or other public way in the District of Columbia for the transportation of passengers, and to establish, maintain, and operate a transportation system, in, upon, under, over, across, or along any such public road, street, highway, or other public way.

Equipment trust certificates

SEC. 206. (a) The Authority shall have power to execute agreements, leases, and equipment trust certificates with respect to the purchase of facilities or equipment such as cars, trolley buses, and motor buses, in the form customarily used in such cases and appropriate to effect such purchase, and may dispose of such equipment trust certificates in such manner as it may determine to be for the best interests of the Authority. All moneys required to be paid by the Authority under the provisions of such agreements, leases, and equipment trust certificates shall be payable solely from the revenue to be derived from the operation of the transportation system or from such grants and loans as may be available to the Authority under the provisions of this act. Payment for such facilities or equipment, or rentals thereof, may be made in installments, and the deferred installments may be evidenced by equipment trust certificates as aforesaid, and title to such facilities or equipment may not vest in the Authority until the equipment trust certificates are paid.

(b) The agreement to purchase facilities or equipment by the Authority may direct the vendor to sell and assign the equipment to a bank or trust company, duly authorized to transact business in the District of Columbia, or a national banking association organized under the laws of the United States of America and located within or without the District of Columbia, as trustee, for the benefit and security of the equipment trust certificates and may direct the trustee to deliver the facilities and equipment to one or more designated officers of the Authority and may authorize the trustee simultaneously therewith to execute and deliver a lease of the facilities or equipment to the Authority.

(c) The agreements and leases shall be duly acknowledged before some person authorized by law to take acknowledgment of deeds and in the form required for acknowledgment of deeds and such agreements, leases, and equipment trust certificates shall be authorized by resolution of the Board and shall contain such covenants, conditions, and provisions as may be deemed necessary or appropriate to insure the payment of the equipment trust certificates from the revenues to be derived from the operation of the transportation system and other funds.

(d) The covenants, conditions, and provisions of the agreements, leases, and equipment trust certificates shall not conflict with any of the provisions of any resolution or trust agreement securing the payment of bonds or other obligations of the Authority then outstanding or conflict with or be in derogation of the rights of the holders of any such bonds or other obligations.

(e) An executed copy of each such agreement and lease shall be filed in the office of the Recorder of Deeds, District of Columbia, who shall be entitled to receive $1 for each such copy filed with him and which filing shall constitute notice to any subsequent judgment creditor or any subsequent purchaser. Each vehicle so purchased and leased shall have the name of the owner and lessor plainly marked upon both sides thereof, followed by the words "owner and lessor."

Tax exemption and public services

SEC. 207. (a) The Authority, including but not limited to its franchise, reserves, surplus, loans, income, assets, and property of any kind and nature, shall be exempt from all taxes, special assessments, fees, and licenses now or hereafter imposed by the United States of America or by the District of Columbia, except taxes imposed under the Federal Unemployment Tax Act (Internal Revenue Code of 1954, chapter 23), and under the Federal Insurance Contributions Act (Internal Revenue Code of 1954, chapter 21); and contributions imposed on employers under the District of Columbia Unemployment Compensation Act, as amended (title 46, chapter 3, D. C. Code, 1951 edition). In lieu of taxes on motor vehicle fuel now or hereafter imposed for the benefit of the District of Columbia, the Authority shall pay to such District annually an amount of money equal to the taxes on motor vehicle fuel which would be payable by the Authority during the annual period if it were not exempted from such taxes: *Provided,* That such payment shall be made only to the extent that the revenues in each fiscal year shall be sufficient to make such payment in whole or in part after payment or provision has been made for all operating and maintenance expenses, taxes, if any, interest and principal and sinking fund payments on all fixed interest obligations, adequate provision for depreciation, and provision for such other payments and the establishment of such reserves as are required under any resolution of the Board authorizing the issuance of bonds or trust agreement securing the same, or contract of the Authority.

(b) Obligations, including interest thereon, issued by the Authority shall be exempt from all taxation now or hereafter imposed by the United States or the District of Columbia, with the exception of estate, inheritance, and gift taxes. Such obligations shall also be exempt from taxation by any State, Territory, or possession, or by any county, municipality, or other municipal subdivision or taxing authority of any State, Territory, or possession of the United States.

(c) In connection with any transportation system located wholly or partly within the District of Columbia, the District of Columbia may contract with the Authority and the Authority may agree to pay to the District of Columbia for special services, facilities, and improvements to be furnished by the District of Columbia for the benefit of the Authority such amounts as may be agreed upon by the Authority and the Board of Commissioners of the District of Columbia. For the purpose of aiding and cooperating in the planning, undertaking, construction, reconstruction, extension or improvement, maintenance, or operation of any transportation system, or any part thereof, located wholly or partly within the District of Columbia, the District of Columbia may, upon such terms, with or without consideration, as it may determine, do any and all things necessary or convenient to aid and cooperate in the planning, undertaking, construction, reconstruction, extension, or improvement, maintenance, or operation of such transportation system. The exercise by the District of Columbia of the powers herein granted may be authorized by resolution of the Board of Commissioners of the District of Columbia.

Funds and financial transactions of the Authority

SEC. 208. (a) All moneys received pursuant to the authority of this act, whether as proceeds from the sale of bonds or as revenues or otherwise, shall be deemed to be trust funds, to be held and applied solely as provided in this act. The resolution authorizing the issuance of any bonds or the trust agreement securing such bonds shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustees of such moneys and shall hold and apply the same for the purposes thereof subject to such regulations as this act and such resolution or trust agreement may provide.

(b) Notwithstanding the provisions of the Accounting and Auditing Act of 1950 (64 Stat. 834), the Government Corporation Control Act of 1945 (59 Stat. 597), as amended, or any other provision of law, the Authority shall not be subject to any audit or review by the Comptroller General of the United States, but in lieu thereof the Authority shall employ a certified public accountant or accountants to establish an accounting system appropriate to the Authority's operation, to perform such audits as are required for the orderly prosecution of the Authority's business and operations, to prepare an annual fiscal report to be incorporated in the Authority's annual report to the Congress, and to perform such other audits as the Board may deem necessary for the orderly prosecution of the business of the Authority: *Provided,* That during such period or periods of time as the Authority is indebted to the District of Columbia for moneys advanced to it by the Commissioners of the District of Columbia from the proceeds of the sale of obligations to the Secretary of the Treasury, pursuant to section 217 of this title, in addition to the auditing and other functions to be performed by the certified public accountant or accountants employed by the Authority, the Comptroller General of the United States shall make such review of the financial operations of the Authority as he deems necessary.

Services and rates

SEC. 209 (a) This act, without regard to any other law of the United States of America or of the District of Columbia, shall constitute full authority for the Authority to make all rules and regulations necessary for the governing of the operation of transportation systems of the Authority, and the Authority shall have full power to determine all schedules, routings and changes therein and conditions of service, except as provided in section 213 hereof. This act, without regard to any other law of the United States of America or of the District of Columbia, shall also constitute full authority for the fixing, altering, charging, and collection by the Authority of fares, tolls, rates, rentals, fees, and other charges for the use of any transportation system of the Authority and the services and facilities furnished thereby, or by any part thereof, and such fares, tolls, rates, rentals, fees, and charges shall be determined exclusively by the Authority, and the Authority shall have power and authority to fix, alter, charge, and collect such fares, tolls, rates, rentals, fees, and other charges for the use of a transportation system and the services and facilities furnished thereby, or by any part thereof, without obtaining the consent or approval of the Interstate Commerce Commission, the Public Utilities Commission of the District of Columbia, or any other department, division, commission, board, bureau, agency, or officer of the United States of America or of the District of Columbia.

(b) The Authority may provide free transportation within any municipality or county in the Washington metropolitan area or in the District of Columbia to firemen and policemen employed therein, when in uniform and in performance of their duties, and for employees of the Authority when in uniform or upon presentation of identification of such employees, and may enter into agreements with the United States Post Office Department for the transportation of mail or parcel post, and for the payment of compensation to the Authority in lieu of fares or charges for the transportation of letter carriers, when in uniform. No other free transportation or services shall be allowed or permitted by the Authority except in compliance with a grant, license, franchise, or

permit authorizing or permitting the Authority to operate in areas within the Washington metropolitan area but without the District of Columbia.

Personnel

SEC. 210 (a) The Board shall establish a system of organization to fix responsibility and promote efficiency; establish such positions as may be necessary to perform the business of the Authority; define the duties of such positions; fix the rates of pay therefor; make appointments thereto; and require bonds to be given by the incumbents of such of the said positions as the Board, in its discretion, may determine, and the Board may make provision for the payment by the Authority of the premiums for such bonds for such periods as the Board may consider desirable. The Board shall establish a personnel system independent of the Federal Civil Service System and the personnel systems governing employment in the municipal government of the District of Columbia, and shall make and promulgate rules and regulations governing the conditions of employment of such personnel as may be employed by the Authority, including, but not limited to, the selection, appointment, reemployment, promotion, demotion, suspension, and dismissal of such personnel according to merit and fitness and without regard to political, religious, or racial considerations; the fixing of pay and hours of employment; the establishment of an employee grievance procedure; and the establishment of leave, welfare, and pension privileges, subject to the provisions of any collective-bargaining agreement then in effect or thereafter adopted.

The Authority shall have the power to bargain collectively with and enter into written contracts with the employees of the Authority through accredited representatives of such employees or representatives of any labor organization authorized to act for such employees concerning wages, salaries, hours, working conditions, health and welfare, insurance and pension or retirement provisions: *Provided*, That nothing herein shall be construed to permit hours of labor in excess of those provided by law or to permit working conditions prohibited by law. In case of dispute over wages, salaries, hours, working conditions, health and welfare, insurance or pension or retirement provisions where collective bargaining and mediation do not result in agreement, the Authority may agree to submit such dispute to a tripartite board of arbitration and shall agree with such accredited representatives or labor organization that the decision of a majority of any such arbitration board shall be final and binding. Each party shall agree in advance to pay half of the expense of such arbitration.

(b) If the Authority acquires a transportation system in operation by a public utility, all of the employees in the operating and maintenance divisions of such transit utility and all other employees except corporate officers with less than 10 years' service shall be offered transfer and appointment as employees of the Authority up to the maximum number of employees required, subject to all rights and benefits of this act, and these employees shall be given seniority credit in accordance with the records and labor agreements of the transit utility. Any person employed by such transit utility who is not, at the time the Authority acquires such utility, offered transfer and appointment as an employee of the Authority shall, for a period ending August 14, 1958, have a right of seniority for purposes of employment and employment benefits under the Authority in a position comparable to the position he last occupied while employed by such transit utility or in any other position the duties of which he is qualified to perform, in accordance with any collective-bargaining agreement then in effect. Employees who left the employ of such a transit utility to enter the military service of the United States shall have the same rights as to the Authority, under the provisions of the "Universal Military Training and Service Act," as amended, as they would have had thereunder as to such transit utility. Members and beneficiaries of any pension or retirement system or other benefits established by that transit utility shall continue to have the rights, privileges, benefits, obligations, and status with respect to such established system. There shall be established and maintained by the Authority a sound pension and retirement system adequate to provide for all payments when due under such established system or as it may be modified from time to time by agreement or arbitration. The Authority and the employees through their representatives for collective bargaining purposes shall take whatever action may be necessary to have the pension trust funds, presently under the joint control of the transit utility and the participating employees through their representatives, transferred to the trust fund to be established, maintained, and administered jointly by the Authority and the participating employees through their representatives. Provision shall be made by the Authority for all officers and employees of the Authority appointed pursuant to this act to become, subject to reasonable rules and regulations, members or beneficiaries of the pension or retirement system with uniform rights, privileges, obligations, and status as to the class in which such officers and employees belong. The terms, conditions, and provisions of any pension or retirement system or of any amendment or modification thereof affecting employees who are members of any labor organization may be established, amended, or modified by agreement or arbitration with such labor organization.

(c) The employees of the Authority shall, not withstanding any other provision of law, be subject to the following laws and parts of laws:

(1) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States;

(2) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, ch. 21), as amended;

(3) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C., secs. 58 and 59), relating to double salaries;

(4) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec. 59a), relating to the retired pay of members of the Armed Forces;

(5) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(6) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, chapter 5, D. C. Code, 1951 edition);

(7) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(8) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended.

(d) Notwithstanding any other provision of law, the employees of the Authority shall not be subject to the following laws:

(1) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(2) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(3) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(4) The Classification Act of 1949 (63 Stat. 954), as amended;

(5) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(6) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(7) The act entitled "An act to provide certain employment benefits for employees of the Federal Government, and for other purposes", approved September 1, 1954 (68 Stat. 1105), as amended;

(8) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(9) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

(e) Subparagraph 1 (b) (5) (E) of the District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended (section 46–301, D. C. Code, 1951 edition), is amended by inserting immediately before the semicolon at the end thereof the following: ": *And provided further*, That this subparagraph (E) shall not apply to the employees of the Washington Metropolitan Transit Authority, which for the purposes of this act shall be deemed to be a covered employer".

(2) Section 3306 of the Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended, is amended by inserting at the end thereof a new subsection "(o)" reading as follows:

"(o) Employees of the Washington Metropolitan Transit Authority: For the purposes of this chapter, and notwithstanding the provisions of paragraph (7) of subsection (c) hereof, the term 'employment' shall include service in the employ of the Washington Metropolitan Transit Authority, and the Board of Directors of such Authority, as the employer of individuals whose service constitutes employment by reason of this subsection, is authorized and directed to comply with the provisions of this chapter 23."

(f) The Authority is authorized to borrow, and the United States Government or any department or agency thereof and the municipal government of the District of Columbia are authorized to lend to the Authority, the services of United States or District of Columbia employees. The Authority shall reimburse the United States or the District of Columbia for such services. Any such reimbursement shall be credited to the appropriation from which is paid the compensation of any person whose services may be borrowed by the Authority.

(g) As used in subsections (c) and (d) of this section, the word "employees" includes officers, but does not include members of the Board of Directors.

Reports

SEC. 211. (a) The Authority shall file with the Congress annually, within 6 months after the close of its fiscal year, a report of the operations and business of the Authority during its preceding fiscal year.

(b) The Authority shall, within 6 months after the close of each fiscal year, publish in a newspaper of general circulation in the District of Columbia an income statement covering its operations for such fiscal year and a balance sheet showing its condition at the end of such fiscal year.

Claims and suits

SEC. 212. (a) The Authority shall not defend in any suit, action or proceeding brought against it on the ground of governmental immunity, but no suit, action or proceeding shall be maintained against the Authority for unliquidated damages to person or property unless, within 6 months after the injury or damage was sustained, the claimant, his agent or attorney gave notice in writing to the Board of the appropriate time, place, cause, and circumstances of such injury or damage.

(b) No action shall be maintained against the United States or the District of Columbia on any claim arising out of the activities of

the Authority, including its acts of commission or omission, and no liability shall accrue against the United States or the District of Columbia because of such activities.

(c) The members of the Board shall not be personally liable in damages for any official action of the said Board performed in good faith in which the said members participate, nor shall any member of the said Board be liable for any costs that may be taxed against them, the Board, or the Authority on account of any such official action by them as members of the said Board; but such costs shall be charged to the Authority and paid as other costs are paid in suits brought against the Authority; nor shall the said Board or any of its members, or the said Authority, be required to give any supersedeas bond or security for costs or damages on any appeal whatever.

Vehicle regulations

SEC. 213. All of the powers authorized by this act to be exercised by the Authority shall be subject to all statutes and rules and regulations promulgated by proper authority relating to the regulation and control of traffic and the operation and safety of vehicles.

Policing of authority property

SEC. 214. (a) The provisions of the second paragraph under the caption "For Metropolitan Police" in the first section of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1900, and for other purposes," approved March 3, 1899 (30 Stat. 1045, 1057, ch. 422; sec. 4–115, D. C. Code, 1951 edition) authorizing the Commissioners of the District of Columbia to appoint special policemen for duty in connection with the property of corporations and individuals shall be applicable with respect to the property of the Authority in the District of Columbia.

(b) The Board of Directors of the Authority is hereby authorized and empowered to make, modify, and enforce all such visual and reasonable regulations as they may deem necessary for the protection of lives, limbs, health, comfort, and quiet of passengers and the protection of the property of the Authority, and to prescribe reasonable penalties of fine not to exceed $300 or imprisonment not to exceed 10 days, in lieu of or in addition to any fine for the violation of any of the regulations of the Authority. Said penalties may be enforced in the Municipal Court for the District of Columbia, and in the United States district court for the district embracing that part of the Washington metropolitan area beyond the District of Columbia in which such violation is committed. Prosecutions for violations of the regulations of the Authority shall be conducted in the name of the United States and by the attorney of the United States for the district in which such violation is committed.

(c) The regulations authorized by this section shall, when adopted, be printed in one or more of the daily newspapers published in the District of Columbia of general circulation in the Washington metropolitan area; and no penalty prescribed for the violation of such regulations shall be enforced until 30 days after such publication.

Investigations

SEC. 215. The Authority, without regard to the provisions of any other law and the procedures established thereby, may investigate all matters relating to public transportation and the management thereof within the District of Columbia, the enforcement of its resolutions, rules, and regulations, and the action, conduct, and efficiency of its officers, agents, and employees. In the conduct of any such investigation, the Board may hold public hearings on its own motion. Said Board is hereby authorized and empowered to summon by subpena any person, except officers, employees, and representatives of existing transportation companies within the Washington Metropolitan Area, before it or before a hearing officer designated by it to give testimony on oath or affirmation, or to produce all books, records, papers, documents, or other legal evidence as to any matter affecting the Authority, and any member of said Board and any hearing officer designated by it shall have the power to administer all oaths and affirmations for the purpose of the administration of this act. Such subpena may be served by any member of the Metropolitan Police force. If any witness having been personally summoned shall neglect or refuse to obey the subpena issued as herein provided, then and in that event any member of the Board or the hearing officer designated by it may report that fact to the United States District Court for the District of Columbia or one of the judges thereof, and said court or any judge thereof hereby is empowered to compel obedience to said subpena to the same extent as witnesses may be compelled to obey the subpenas of that court. Witnesses, other than those employed by the Governments of the District of Columbia or the United States, summoned to appear before said Board, shall be entitled to the same fees as are paid witnesses for attendance before the United States District Court for the District of Columbia, but said fees need not be paid said witnesses in advance of their appearing and testifying, or producing books, records, papers, documents, or other legal evidence before said Board or before said hearing officer. Any person who shall willfully swear falsely in any proceeding, matter, or hearing before said Board or any hearing officer designated by said Board to hear testimony and receive evidence in any such proceeding, matter, or hearing, shall be guilty of perjury. Said Board is hereby authorized and empowered to designate one or more hearing officers to take testimony and receive evidence in connection with any matter affecting the Authority.

Exclusive operating rights

SEC. 216. (a) The right and power of the Authority to operate a transportation system or systems within the District of Columbia shall be exclusive, except that such right and power shall not affect nor impair the existing operating rights of any carrier lawfully operating such a system at the date of enactment of this act, or its successors or assigns.

(b) The Authority may operate a transportation system or systems within the Washington metropolitan area without securing any further franchises, rights, or permits under any other law or laws of the United States of America or the District of Columbia: *Provided*, That the Authority shall not commence nor conduct operations in interstate commerce in competition with the then existing operations of any other transportation system, except such operations as are so conducted by Capital Transit Company at the date of enactment of this act. The Authority shall not commence further operations in interstate commerce until it has obtained the certificate of the Interstate Commerce Commission that such operations are not in competition with the then existing operations of any other transportation system.

Interim financing

SEC. 217. (a) It is the intent of Congress that in exercising the borrowing authority in this section, transportation charges shall be fixed as though private financing only were involved, and shall cover all costs of operating and maintaining such system, including depreciation, payment of interest, and reasonable provision for amortization, without regard to the period of maturity provided for in subsection (c) of this section.

(b) To finance the acquisition of a transportation system or systems, to pay the fees and expenses of consulting engineers, financial consultants, attorneys, and other services deemed necessary to plan, acquire, construct, organize and operate such system or systems, and to determine the feasibility thereof from an economic and financial standpoint, and to provide adequate working capital, the Board of Commissioners of the District of Columbia is authorized to arrange with the Secretary of the Treasury for interim financing, pending the sale by the Authority of its property to a qualified purchaser or of its obligations to the public. To provide this interim financing the Board of Commissioners is authorized, at any time prior to July 1, 1960, to issue obligations of the District of Columbia for purchase by the Secretary of the Treasury in an amount not exceeding $20,000,000, and to advance the proceeds thereof to the Authority for these purposes. These advances shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners, and shall bear interest at a rate which is not less than the rate upon obligations of the District of Columbia issued under this section. It is the intent of Congress that these allowances shall be repaid at the earliest practicable time, and in any event before any securities, other than obligations under section 206, subsequently issued by the Authority are repaid.

The sums advanced to the Authority by the Commissioners pursuant to this subsection shall be immediately available to the Authority for the purpose of taking such steps as the Authority deems appropriate to carry out the purposes of this act including, without limitation, the authority to make purchases and contracts.

(c) Obligations issued by the Board of Commissioners under this section shall be in such forms and denominations, shall mature at such times prior to July 1, 1960, shall have such provisions for payment, and shall be subject to such terms and conditions as may be prescribed by the Board of Commissioners with the approval of the Secretary of the Treasury.

(d) Each obligation issued under this section shall bear interest at a rate determined by the Secretary of the Treasury by estimating the average yield to maturity, on the basis of daily market bid quotations of prices during the month preceding the calendar quarter in which the obligation is issued, on all outstanding taxable marketable obligations of the United States having comparable periods of time to run to maturity, and by adjusting such estimated average yield to the nearest one-eighth of 1 percent, plus one-half of 1 percent.

(e) Upon request of the Board of Commissioners of the District of Columbia, the Secretary of the Treasury is authorized and directed to purchase any obligations of the District of Columbia issued under this section and for such purposes is authorized to use as a public debt transaction the proceeds of the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include purchases of the obligations issued under this section.

(f) Nothing contained in this section shall be construed as limiting the amount of equipment trust certificates which may be issued by the Authority pursuant to section 206 of this act, or the amount of bonds or other obligations which the Authority may issue, assume, or enter into under any provision of this act other than this section 217.

TITLE III—TRANSFER OF TRANSPORTATION SYSTEM TO PRIVATE OPERATION

Sale of property

SEC. 301. (a) The authority is empowered to sell prior to August 15, 1959, the property which it has acquired pursuant to title II

of this act which is useful in the operation of a transportation system to any purchaser eligible to receive a certificate of authority pursuant to this title and which has financial and management qualifications sufficient, in the judgment of the Authority, to provide adequate passenger transportation service in the Washington metropolitan area. The Authority is empowered to dispose of any other property belonging to it under such terms and conditions as it deems necessary.

(b) The proceeds of any such sale shall be used to repay obligations of the Authority owing to the District of Columbia by reason of advances made to the Authority pursuant to section 217 of this act.

Franchise

SEC. 302. The Commissioners of the District of Columbia are hereby empowered to grant to any private corporation organized with the corporate right to operate in the District of Columbia as a common carrier, a certificate of authority to operate, as a common carrier of persons for hire, a mass transportation system or systems within the District of Columbia, subject to the jurisdiction of the Public Utilities Commission of the District of Columbia, and all laws applicable to such a common carrier, except as otherwise provided in this title.

Tax exemption

SEC. 303. The Commissioners of the District of Columbia are hereby empowered to exempt, under such terms and conditions as they deem to be in the public interest, any such corporation which acquires such a certificate of authority from liability to pay any District of Columbia taxes, in whole or in part.

Termination of existence of Authority

SEC. 304. In the event the Authority effectuates the sale of its property as authorized by this title, the existence of the Authority as a body corporate shall continue only for the purposes of liquidation. The Authority shall close out its affairs as expeditiously as possible.

Commissioners' report to Congress

SEC. 305. If the Authority has not sold its property to a qualified purchaser, as provided by this title, prior to June 15, 1958, the Board of Directors of the Authority shall within 15 days after such date report to Congress as to the steps which the Authority has taken to effectuate such a sale and the reasons why, in the opinion of such Board, such a sale has not been effectuated.

TITLE IV—AUTHORITY MADE PERMANENT

SEC. 401. (a) If, prior to August 15, 1959, the Authority has not sold its property in accordance with the provisions of title III of this act, the duration of the Authority shall, after August 15, 1959, be perpetual, and the provisions of this title shall then be in effect, in addition to the provisions of titles I and II of this act.

(b) On and after October 1, 1959, the Board of Directors of the Authority shall consist of 5 members, who shall be residents of the Washington metropolitan area, appointed by the Commissioners of the District of Columbia: *Provided*, That until such time as 3 of the appointed members of the Board of Directors shall have qualified, the Commissioners shall constitute such board. Such appointed members shall hold office as hereinafter provided, unless sooner removed by the said Commissioners. Not more than three members of the Board shall belong to the same political party. The members of the first Board so appointed by the Commissioners shall be appointed for terms expiring on the 30th day of September 1960, 1961, 1962, 1963, and 1964, respectively. The said Commissioners may remove any director of the Authority in case of incompetency, neglect of duty, malfeasance in office, or conviction of a crime. All successors shall be appointed for and hold office for the term of 5 years beginning on the 1st day of October of the year in which they are appointed, except in case of an appointment to fill a vacancy where the appointment shall be made for the unexpired term. Each such director shall hold office until his successor has been appointed and has qualified. Each such director shall receive compensation, as may be fixed by the Board, for attendance at each meeting of the Board, but shall not receive more than $3,600 in any one year of service measured from the date of appointment. A director shall be entitled to reimbursement for all necessary expenses, including travel expenses, incurred in the discharge of his duties. No director, officer, or employee of the Authority shall have any private financial interest in any contract, work, or business of the Authority, nor in the transfer of any property or rights in property to or from the Authority.

(c) (1) The members of the Board of Directors of the Authority appointed by the Commissioners shall be subject to the following laws:

(a) Title II of the Social Security Act, as amended, and the related provisions of the Federal Insurance Contributions Act (Internal Revenue Code of 1954, ch. 21), as amended;

(b) The Longshoremen's and Harbor Workers' Compensation Act of March 4, 1927 (44 Stat. 1424), as amended and extended (33 U. S. C., secs. 901–945, 947–950; title 36, ch. 5, D. C. Code, 1951 edition).

(2) The members of the Board of Directors of the Authority appointed by the Commissioners shall not be subject to the following laws:

(a) Section 9 of the Universal Military Training and Service Act (62 Stat. 604), as amended (50 U. S. C. App., secs. 451 and the following), and related statutes affecting the reemployment rights of persons entering the Armed Forces of the United States;

(b) Section 6 of the act approved May 10, 1916 (39 Stat. 66, 120), as amended (5 U. S. C., secs. 58 and 59), relating to double salaries;

(c) Section 212 of the act approved June 30, 1932 (47 Stat. 406), as amended (5 U. S. C., sec. 59a), relating to the retired pay of members of the Armed Forces;

(d) The second sentence of section 2 of the act approved July 31, 1894 (28 Stat. 205), as amended (5 U. S. C., sec. 62), relating to dual employment;

(e) The District of Columbia Unemployment Compensation Act (49 Stat. 946), as amended;

(f) The Federal Unemployment Tax Act (Internal Revenue Code of 1954, ch. 23), as amended;

(g) The Civil Service Act of January 16, 1883 (22 Stat. 403), as amended;

(h) The Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 736), as amended;

(i) The Civil Service Retirement Act of May 29, 1930 (46 Stat. 468), as amended;

(j) The Classification Act of 1949 (63 Stat. 954), as amended;

(k) The Federal Employees Pay Act of 1945 (59 Stat. 295), as amended;

(l) The Annual and Sick Leave Act of 1951 (65 Stat. 679), as amended;

(m) The act entitled "an act to provide certain employment benefits for employees of the Federal Government, and for other purposes," approved September 1, 1954 (68 Stat. 1105), as amended;

(n) The Performance Rating Act of 1950, approved September 30, 1950 (64 Stat. 1098);

(o) The Veterans Preference Act of 1944 (58 Stat. 387), as amended.

(d) Three of such Directors shall constitute a quorum of the Board for the purpose of conducting its business and exercising its powers and for all other purposes. Action may be taken by the Authority upon a vote of a majority of the Directors present, unless the bylaws of the Authority shall require a larger number. As soon as possible after the appointment by the Commissioners of the Directors, the Board shall meet and organize for the transaction of business, select a Chairman and Vice Chairman from among its own number and adopt bylaws, rules, and regulations to govern its proceedings. Thereafter, the Board shall at least biennially elect a Chairman and Vice Chairman. The Authority may delegate to one or more of its Directors, officers, agents, or employees such powers or duties as it may deem proper. Regular meetings of the Board shall be held at least once in each calendar month, the time and place for such meetings to be fixed by the Board. All resolutions and proceedings of the Authority and all documents and records in its possession shall be public records and open to public inspection, except such documents and records as shall be kept or prepared by the Authority for use in negotiations, actions, or proceedings to which the Authority is a party. Any Director may resign from his office, to take effect when his successor has been appointed and has qualified.

(e) The Authority and the Board shall be obligated to and bound by all actions, proceedings, and contracts taken, authorized or entered into by the Commissioners of the District of Columbia while functioning as such Board.

Power to issue bonds

SEC. 402. (a) The Authority shall be empowered and is hereby authorized from time to time to issue its negotiable bonds for any of its corporate purposes including the payment of the cost of acquiring any transportation system (including any cash funds, or investments thereof, of such system maintained by the owner or operator thereof in connection with such ownership or the operation, maintenance, depreciation, or replacement of such transportation system) and for acquiring necessary cash working funds, or for acquiring, constructing, reconstructing, extending, or improving a transportation system, or any part thereof, and for acquiring any property and equipment useful for the construction, reconstruction, extension, improvement, or operation of a transportation system, or any part thereof. The Authority shall also have power from time to time whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded shall have or have not matured, and may issue bonds partly to refund bonds outstanding and partly for any of its corporate purposes.

(b) The principal and interest on such bonds shall be payable out of any moneys or revenues of the Authority available under the provisions of this act, subject only to any agreements with the holders of particular bonds pledging any particular moneys or revenues.

(c) All bonds issued under the provisions of this act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the District of Columbia.

(d) Prior to the preparation of definitive bonds, the Authority may issue its temporary or interim bonds or receipts, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery.

(e) Bonds shall be authorized by resolution of the Authority and shall bear such dates, mature at such time or times, bear interest at such rate or rates not exceeding 6 percent per annum, be in such denominations, be in such form either coupon or registered, carry such registration and reconversion privileges, be payable in such medium of payment and at such place or places and be subject to such terms of redemption with

or without premium, as such resolution or resolutions may provide.

(f) All bonds shall be signed by the Chairman or Vice Chairman of the Board or by their facsimile signatures, and the official seal of the Authority shall be affixed thereto and attested by such officer of the Authority as the Board shall designate, and any coupons attached thereto shall bear the facsimile signature of the Chairman or Vice Chairman of the Board. In case any officer whose signature or facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery.

(g) The Authority may sell any such bonds in such manner and for such price as it may determine to be for the best interest of the Authority.

(h) Any resolution of the Authority authorizing the issuance of bonds may appoint a trustee or trustees, a paying agent or paying agents, or such other fiduciaries as the Authority may deem necessary. Any trustee, paying agent, or other fiduciary so appointed may be any trust company or bank having trust powers within or without the District of Columbia, and the Authority shall have power to determine and contract with respect to the powers, functions, duties, and compensation of any such trustee, paying agent, or other fiduciary, notwithstanding any other provision of law.

Provision for securing bonds

SEC. 403. (a) In order to secure the payment of its bonds, the Authority shall have power in the resolution authorizing the issuance thereof, or in the trust agreement securing such bonds (which shall constitute a contract with the holders thereof)—

(1) to pledge all or any part of its revenues to which its right then exists or may thereafter come into existence, and the moneys derived therefrom and the proceeds of bonds and any other moneys available to the Authority under the provisions of this act, with the exception of moneys advanced by the Commissioners of the District of Columbia;

(2) to covenant against pledging all or any part of its revenues, or against mortgaging all or any part of its real or personal property then owned or thereafter acquired, or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on any right to sell, lease, or otherwise dispose of any transportation system or any part thereof, or any property of any kind;

(3) to covenant as to the bonds to be issued and the limitations thereon and the terms and conditions thereof and as to the custody, application, investment, and disposition of the proceeds thereof, and to covenant as to the issuance of additional bonds or as to limitations on the issuance of additional bonds and on the incurring of other debts by it;

(4) to covenant as to the payment of the principal of or interest on the bonds, or any other obligations, as to the sources and method of such payment, as to the rank or priority of any such bonds or other obligations with respect to any lien or security or as to the acceleration of the maturity of any such bonds or other obligations;

(5) to provide for the replacement of lost, destroyed, or mutilated bonds;

(6) to covenant against extending of time for the payment of bonds or the interest thereon;

(7) to covenant as to the redemption of bonds and the privileges of exchange thereof for other bonds of the Authority;

(8) to covenant as to the rates of tolls and other charges to be established and charged, the amount to be raised each year or other period of time by fares, tolls, rates, rentals, fees, or other charges, and as to the use and disposition to be made thereof; to create or authorize the creation of special funds or moneys to be held in pledge or otherwise for construction, operating expenses, depreciation, payment or redemption of bonds, reserves, or other purposes and to covenant as to the use, investment, and disposition of the moneys held in such funds;

(9) to establish the procedure, if any, by which the terms of any contract or covenant with or for the benefit of the holders of bonds may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given;

(10) to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon and use and disposition of insurance money;

(11) to provide for the rights and liabilities, powers, and duties arising upon the breach of any covenant, condition, or obligation; to prescribe the events of default and the terms and conditions upon which any or all of the bonds shall become due or may be declared due and payable before maturity and the terms and conditions upon which any such declaration and its consequences may be waived;

(12) to vest in a trustee or trustees such property, rights, powers, and duties in trust for the holders of bonds as the Authority may determine; to limit or abrogate the rights of the holders of such bonds to appoint such trustee, or to limit the rights, duties, and powers of such trustee;

(13) to limit the rights of holders of bonds to enforce any pledge or covenant securing the bonds; and

(14) to make covenants other than, or in addition to, the covenants herein expressly authorized and of like or different character and to make such covenants to do such acts and things as may be necessary, convenient, or desirable in order to better secure the bonds, or which, in the discretion of the Authority, will tend to make the bonds more marketable, notwithstanding that such covenants, acts or things may not be enumerated herein.

(b) Any pledge of revenues or moneys made by the Authority shall be valid and binding from the time when the pledge is made, and the revenues or other moneys so pledged and thereafter received by the Authority shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act. Neither the resolution nor any other instrument by which a pledge is created need be filed or recorded, unless specifically required by the provisions of this act, except in the records of the Authority.

(c) Bonds may be issued under the provisions of this act by the Authority without obtaining the consent of any department, division, commission, board, bureau, agency or officer of the District of Columbia or of the United States of America, and without any other proceeding or the happening of any other conditions or things than those proceedings, conditions, or things which are specifically required by this act.

(d) Moneys of the Authority or moneys held in pledge or otherwise for the payment of the bonds or any way to secure bonds and deposits of such moneys may be secured in such manner as the Authority may require and it shall be lawful for all banks and trust companies incorporated under the laws of the United States of America which may act as depositary of any such funds to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority; and the Authority shall not be required to maintain any of its moneys or funds in or with, or deposit the same in, the Treasury of the United States.

(e) Neither the directors of the Authority nor any person executing bonds shall be liable personally on the bonds or be subject to any personal liability or accountability by reason of the execution or issuance thereof.

(f) The Authority shall have power to purchase bonds out of any funds available therefor. The Authority may hold, cancel, or resell such bonds subject to and in accordance with agreements with holders of its bonds.

(g) In order to secure the payment of its bonds or other obligations, the Authority may mortgage or pledge all or any part of its real or personal property then owned or thereafter acquired in such manner as in its absolute discretion it shall provide.

Refunding bonds

SEC. 404. (a) The Authority is hereby authorized to provide by resolution for the issuance of refunding bonds of the Authority for the purpose of refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and, if deemed advisable by the Authority, for the additional purpose of paying the cost of acquiring, constructing, reconstructing, extending, or improving its transportation system, or any part thereof, in connection with which the bonds to be refunded shall have been issued.

(b) The Authority is further authorized to provide by resolution for the issuance of its bonds for the combined purpose of (1) refunding any bonds or other obligations then outstanding which shall have been issued under the provisions of this act, including the payment of necessary expenses incurred in the refunding, any redemption premium thereon, and any interest accrued or to accrue to the date of redemption of such bonds, and (2) paying all or any part of the cost of acquiring, constructing, reconstructing, extending, or improving any transportation system. The issuance of such refunding bonds, and the details thereof, and the rights, duties, and obligations of the Authority in respect to the same, shall be governed by the provisions of this act relating to the issuance and securing of original bonds insofar as the same shall be applicable.

Bonds to be obligations of authority only

SEC. 405. Bonds issued under the provisions of this title shall not constitute a debt or liability of the United States of America or of the District of Columbia or of any political subdivision of or municipality within the Washington metropolitan area, or a pledge of the faith and credit of the United States of America or of the District of Columbia or of any political subdivision of or municipality within the Washington metropolitan area, but such bonds, unless refunded by bonds of the Authority, shall be payable solely from the funds pledged or available for their payment as authorized herein. All such bonds shall contain on the face thereof a statement to the effect that the Authority alone is obligated to pay the same and the interest thereon and that neither the United States of America nor the District of Columbia nor any political subdivision of or municipality within the Washington metropolitan area is obligated to pay the same or the interest thereon and that neither the faith and credit nor the taxing power of the United States of America or the District of Columbia or any political subdivision of or municipality within the Washington metropolitan area is pledged to the payment of the principal or of interest on such bonds. Nothing in this act contained shall be construed to

authorize the Authority to incur any indebtedness or liability on behalf of, or payable by the United States of America or the District of Columbia.

Legislation to constitute contract

SEC. 406. The United States of America pledges to and agrees with the holders of the bonds issued pursuant to the authority contained in this title that the Congress of the United States will not limit, alter, or restrict the right hereby vested in the Authority to plan, acquire, construct, reconstruct, extend, or improve, maintain, manage, and operate its transportation system or systems within the Washington metropolitan area and to establish, fix, and collect such fares, tolls, fees, rentals, and other charges for use of and transit on such transportation system or systems, or portions thereof, so as to impair the obligation of the Authority to fulfill the terms of any agreements made with the holders of the bonds; nor will the Congress of the United States in any way impair the rights, exemptions, or remedies of the holders of the bonds until the bonds, together with interest thereon, and with interest on any unpaid installment of interest and all cost and expenses in connection with any action or proceedings by or on behalf of the holders of the bonds, are fully paid and discharged.

Bonds legal investments

SEC. 407. Notwithstanding any restrictions on investment contained in any other laws, all domestic insurance companies, and domestic insurance associations, and all executors, administrators, guardians, trustees, and other fiduciaries within the District of Columbia, may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds or other obligations issued pursuant to this title, it being the purpose of this section to authorize the investment in such bonds or other obligations of all sinking, insurance, retirement, compensation, pension, and trust funds: *Provided*, That nothing contained in this section shall be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities for purchase or investment.

Remedies of bondholders

SEC. 408. (a) Any holder of bonds issued under the provisions of this title, or of any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given may be restricted by the resolution authorizing the issuance of such bonds or by trust agreement, may, either at law or in equity, by suit, action, mandamus, or other proceedings, protect and enforce any and all rights under the laws of the United States of America or of the District of Columbia or granted hereunder or under the resolution authorizing the issuance of such bonds or such trust agreement, and may enforce and compel the performance of all of such duties required by this act or by such resolution or trust agreement to be performed by the Authority or by any officer thereof, including the fixing, charging and collecting of fares, tolls, fees, rentals, and other charges.

(b) Any trustee under any trust agreement, and whether or not all bonds have been declared due and payable, shall be entitled as of right, in the event of default by the Authority in the terms, covenants, and conditions contained in a resolution authorizing the issuance of bonds or a trust agreement, to the appointment of a receiver, who may enter and take possession of the transportation system or systems of the Authority, or any part or parts thereof, the revenues or moneys from which are or may be applicable to the payment of the bonds, and operate and maintain the same, and collect and receive all revenues and other moneys thereafter arising therefrom in the same manner as the Authority or the Board might do, and shall deposit, disburse, and apply the same in the manner required by the resolution authorizing the issuance of such bonds or the trust agreement securing the same. In any suit, action, or proceeding by the trustee under a trust agreement, securing bonds, the fees, counsel fees, and expenses of such trustee, and of the receiver, if any, and all costs and disbursements allowed by the court shall be a first charge on any revenues of the Authority pledged under such trust agreement.

(c) Nothing in this section or any other provision of this act shall authorize any receiver appointed pursuant to this act to sell, assign, mortgage, or otherwise dispose of any assets of any transportation system of the Authority, except in the manner and to the extent permitted or allowed under the trust agreement relating to such transportation system. It is the intention of this act to limit the powers of such receiver to the operation and maintenance of any transportation system of the Authority as the court shall direct and no holder of bonds of the Authority nor any trustee shall ever have the right in any suit, action, or proceedings at law, or in equity, to compel a receiver, nor shall any receiver ever be authorized or any court be empowered to direct the receiver to sell, assign, mortgage, or otherwise dispose of any assets of a transportation system of the Authority except in the manner and to the extent permitted or offered under the trust agreement relating to such transportation system.

(d) The United States District Court for the District of Columbia shall have jurisdiction of any suit, action, or proceeding by any trustee under a trust agreement, or other obligee of the Authority, in which an appointment of a receiver is requested.

Mr. PRIEST. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PRIEST: Strike out all after the enacting clause of S. 3073 and insert the provisions of the bill H. R. 8901 as passed:

"Be it enacted, etc.—

"REPEAL OF CERTAIN PROVISIONS OF LAW SO AS TO PERMIT CONTINUANCE OF OPERATIONS; EFFECT ON RATES

"SECTION 1. (a) Section 14 of the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes', approved January 14, 1933 (47 Stat. 752), as amended (Public Law 389, 84th Cong.), is hereby repealed.

"(b) The act entitled 'An act to amend the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes", approved January 14, 1933, and for other purposes', approved August 14, 1955 (Public Law 389, 84th Cong.), is hereby repealed, except that the rates established under such act shall remain in effect as provided in section 2 (c) of this act.

"ESTABLISHMENT OF RATES; SYSTEM RATE BASE; RATE OF RETURN; SERVICES

"SEC. 2. (a) For the purpose of determining the rates of fare to be charged by the Capital Transit Co. to passengers within the District of Columbia, the Public Utilities Commission of the District of Columbia shall use the system rate base of such company comprising its net investment in property, plant, and equipment as of July 31, 1955, which is hereby fixed in the amount of $20,256,678.76, subject to adjustment for all property additions and property retirements subsequent to July 31, 1955, used and useful in the conduct of public transportation; minus the net depreciation reserve accrued per books applicable to property, plant, and equipment subsequent to July 31, 1955; plus the sum of $1 million for cash working capital; plus a reasonable allowance for material and supplies. In the determination of depreciation on that part of the property, plant, and equipment of the company acquired on or before July 31, 1955, such depreciation shall be that computed by and taken by the Capital Transit Co. on the original cost thereof at the rates of depreciation, established by the Public Utilities Commission of the District of Columbia, which were in effect on July 31, 1955.

"(b) It is hereby declared as a matter of legislative determination that a return of 6½ percent on the system rate base, as determined in accordance with subsection (a), is the fair and reasonable return which the company shall be afforded the opportunity of earning.

"(c) The rates established for the Capital Transit Co. under the act of August 14, 1955 (Public Law 389, 84th Cong.), on August 21, 1955, shall remain in effect as the schedule of rates for the transportation of passengers within the District of Columbia by such company until August 15, 1957, and shall continue in effect thereafter until superseded by a schedule of rates which becomes effective under this subsection. Whenever on or after August 6, 1957, the Capital Transit Co. files with the Public Utilities Commission of the District of Columbia a new schedule of rates, such new schedule shall become effective on the 10th day after the date of such filing, unless the Commission prescribes a lesser time within which such new schedule shall go into effect, or unless prior to such 10th day the Commission suspends the operation of such new schedule. Such suspension shall be for a period of not to exceed 90 days from the date such new schedule is filed. If the Commission suspends such new schedule it shall immediately give notice of a hearing upon the matter and, after such hearing and within such suspension period, shall determine and by order fix the schedule of rates to be charged by the Capital Transit Co. If the Commission does not enter an order, to take effect at or prior to the end of the period of suspension, fixing the schedule of rates to be charged by the Capital Transit Co., the suspended schedule filed by the Capital Transit Co. shall go into effect at the end of such period, and the Commission shall not thereafter issue any order based on such proceeding.

"(d) Notwithstanding the provisions of the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933 (47 Stat. 752), and paragraph 13 of the unification agreement incorporated therein, the Public Utilities Commission of the District of Columbia shall have the power to fix reasonable charges for, and rules and regulations concerning, the issuance by the Capital Transit Co. of transfers between vehicles operated by the company within the District of Columbia.

"(e) The schedule of routes and services furnished by the Capital Transit Co. for transportation within the District of Columbia which is in effect on the effective date of this section shall remain in effect until changed in accordance with procedures and practices of the Public Utilities Commission of the District of Columbia pursuant to the provisions of section 8 of the act of March 4, 1913 (37 Stat. 974), as amended.

"(f) The provisions of this section shall supersede section 8 of the act of March 4, 1913 (37 Stat. 974), as amended, the joint resolution entitled 'Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933 (47 Stat. 752), as amended, and any other provision of law, to the extent of any conflict therewith.

"EXEMPTION FROM GROSS RECEIPTS TAX; CONTINUED EXEMPTION FROM MILEAGE AND CERTAIN OTHER TAXES

"SEC. 3. (a) as of June 30, 1956, paragraph numbered 5 of section 6 of the act entitled 'An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended (D. C. Code, sec. 47–1701), is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: 'Each gas, electric-lighting, and telephone company shall pay, in addition to the taxes herein mentioned, the franchise tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, and the tax imposed upon stock in trade of dealers in general merchandise under paragraph numbered 2 of section 6 of said act approved July 1, 1902, as amended.'

"(b) As of June 30, 1956, the first proviso of subparagraph (b) of paragraph 31 of section 7 of the act approved July 1, 1902, as amended (D. C. Code, sec. 47–2331 (b)), is amended to read as follows: '*Provided*, That the provisions of this subparagraph shall not apply at any time to any company which was operating both street railroad and bus services in the District of Columbia on July 1, 1956:".

"(c) Notwithstanding subsections (a) and (b) of this section, the Capital Transit Co. shall continue to be exempt from the following taxes:

"(1) The gross sales tax levied under the District of Columbia Sales Tax Act;

"(2) The compensating use tax levied under the District of Columbia Use Tax Act;

"(3) The excise tax upon the issuance of titles to motor vehicles and trailers levied under subsection (j) of section 6 of the District of Columbia Traffic Act of 1925, as amended (D. C. Code, sec. 40–603 (j) (4)); and

"(4) The taxes imposed on tangible personal property, to the same extent that the Capital Transit Co. is exempt from such taxes immediately prior to the effective date of this section under the provisions of the act of July 1, 1902, as amended.

"MOTOR-VEHICLE FUEL TAXES

"SEC. 4. (a) Except as hereinafter provided, the Capital Transit Co. shall not, with respect to motor fuel purchased on or after September 1, 1956, pay any part of the motor-vehicle fuel tax levied under the act entitled 'An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes', approved April 23, 1924, as amended (D. C. Code, title 47, chapter 19).

"(b) As soon as practicable after the 12-month period ending on August 31, 1957, and as soon as practicable after the end of each subsequent 12-month period ending on August 31, the Public Utilities Commission of the District of Columbia shall determine the company's net operating income for such 12-month period and the amount in dollars by which it exceeds or is less than a 6½ percent rate of return on its system rate base for such 12-month period. In such determination the Commission shall include as an operating expense the full amount of the motor vehicle fuel tax which would be due but for the provisions of this section on the motor fuel purchased by the company during the 12-month period. The Public Utilities Commission shall certify its determination to the Commissioners of the District of Columbia or their designated agent. If the net operating income so certified by the Public Utilities Commission equals or is more than a 6½ percent rate of return on the Capital Transit Company's system rate base, the company shall be required to pay to such Commissioners, or their designated agent, the full amount of the motor vehicle fuel taxes due on the purchases of motor fuel made by the company during such 12-month period. If the net operating income so certified is less than a 6½ percent rate of return on such rate base, the company shall pay to such Commissioners, or their designated agent, in full satisfaction of the motor vehicle fuel tax for such period an amount, if any, equal to the full amount of said motor vehicle fuel tax reduced by the amount necessary, after taking into consideration the effect of the District of Columbia franchise tax levied upon corporate income and of Federal income taxes, to raise the company's rate of return on its system rate base to 6½ percent for said period. Within 30 days after being notified by the said Commissioners or their designated agent of the amount of the motor vehicle fuel tax due under this section, the Capital Transit Company shall pay such amount to the said Commissioners or their designated agent.

"(c) If not paid within the period specified in subsection (b), the motor vehicle fuel tax payable under this section and the penalties thereon may be collected by the Commissioners of the District of Columbia or their designated agent in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection; and liens for the motor vehicle fuel tax payable under subsection (b) and penalties thereon may be acquired in the same manner that liens for personal property taxes are acquired.

"(d) Where the amount of the motor vehicle fuel tax payable under subsection (b), or any part of such amount, is not paid on or before the time specified therein for such payment, there shall be collected, as part of the tax, interest upon such unpaid amount at the rate of one-half of 1 percent per month or portion of a month.

"(e) The Commissioners of the District of Columbia or their designated agent are hereby authorized and directed to issue to the Capital Transit Co. such certificates as may be necessary to exempt it from paying any importer the motor vehicle fuel tax imposed by such act of April 23, 1924, as amended, or as hereafter amended.

"SNOW REMOVAL

"SEC. 5. (a) The Capital Transit Co. shall not be charged any part of the expense of removing, sanding, salting, treating, or handling snow on the streets of the District of Columbia, except that the Capital Transit Co. shall sweep the streetcar tracks at its own expense.

"(b) The paragraph which begins 'Hereafter every street railway company' which appears under the heading 'Streets' in the act entitled 'An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1913, and for other purposes,' approved June 26, 1912 (D. C. Code, sec. 7–614), is hereby repealed.

"CONVERSION TO BUS OPERATIONS

"SEC. 6. It shall be the duty of the Capital Transit Co. to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts contained in the report of W. C. Gilman & Co., dated September 26, 1955, on file with the Public Utilities Commission of the District of Columbia.

"EVIDENCES OF INDEBTEDNESS

"SEC. 7. Notwithstanding the provisions of paragraph 6 of the unification agreement incorporated in the joint resolution entitled 'Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes', approved January 14, 1933 (47 Stat. 752), as amended, evidences of indebtedness of the Capital Transit Co. payable within 1 year or less shall not require approval of the Public Utilities Commission of the District of Columbia.

"NOTIFICATION OF ACCEPTANCE BY THE CAPITAL TRANSIT CO.; EFFECTIVE DATE OF THE FOREGOING PROVISIONS

"SEC. 8. (a) The preceding sections of this act shall not become effective unless prior to August 14, 1956, the Capital Transit Co., after taking such action as may be appropriate under its charter and bylaws, has notified the Public Utilities Commission of the District of Columbia in writing that it will continue to engage in the transportation of passengers within the District of Columbia after August 14, 1956, under its franchise as previously granted and as modified by the provisions of this act.

"(b) Subject to subsection (a), the preceding sections of this act shall take effect on August 14, 1956."

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The proceedings by which the bill H. R. 8901was passed were vacated and that bill was laid on the table.

WILLFUL DAMAGING OR DESTROYING OF AIRCRAFT

Mr. PRIEST. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes, with a House amendment thereto, insist on the House amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. HARRIS, WILLIAMS of Mississippi, WILLIS, WOLVERTON, and CRUMPACKER.

THE LATE DR. FRANKLIN MENGES

Mr. QUIGLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. QUIGLEY. Mr. Speaker, I am saddened to inform the House of the death of a former Member, a predecessor as the Representative of the 19th Congressional District of Pennsylvania, Dr. Franklin Menges, who passed away at his home in Arlington, Va., early Saturday at the age of 97.

His death followed by 3 weeks that of his wife, May McIlhenny Menges, who died April 22 at the age of 86.

A Republican Congressman from the 19th District from 1925 to 1931, Dr. Menges had been in failing health for the past month. In his later years, Dr. Menges maintained his interest in church activities and was a leading layman in the Lutheran Church. He attended church services as recently as Easter

Sunday, and kept abreast of governmental and scientific developments.

Dr. Menges was born October 26, 1858, at Menges Mills, York County, Pa. He attended Baugher Academy in Hanover and was graduated from Gettysburg College in 1886.

He was an assistant professor of chemistry for 10 years at his alma mater.

From *1896 to 1903* he directed the scientific department of York High School.

His election to Congress in 1924 marked his entrance into politics, and he served three terms before being defeated by the late Harry Haines.

Dr. Menges blamed his defeat on the question of repeal of prohibition. "The repeal," he said, "was the beginning of the cocktail hour, and the seeds of juvenile delinquency and grave decisions by vodka."

Concerned with world arms races, in 1951 he addressed a letter to the American Chemical Society, of which he was a member, asking: "Will you please tell me why the scientists of this Nation and those of China, India, and Indonesia, instead of inventing chemical combinations for the annihilation of the human race, cannot get together and invent highly nutritious concentrated foods, easily transported, and feed the starving people instead of killing them?"

Holder of a doctorate in philosophy from the former Pennsylvania college, now Gettysburg College, Dr. Menges' affiliations included the Lutheran Laymen's fellowship and the National Geographical Society.

He is survived by 3 daughters, Mrs. Richard Schwartz, Derwood, Md.; Mrs. Phillips Elliott, Brooklyn, N. Y.; and Frances Menges, at home, 1217 South Oakcrest Road, Arlington; a foster son, John H. Newcomer, East Berlin; 2 sisters, Mrs. David G. Lott and Ruth McIlhenny, Gettysburg; and 6 grandsons and a granddaughter.

I extend to each my sincerest sympathy, and I know they are comforted in the knowledge that Dr. Menges made a firm imprint upon his times.

GUARDING TEXTILE INDUSTRY FROM LIQUIDATION

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I was very much pleased to learn just recently of favorable action by the United States Tariff Commission on the application of the Stevens Linen Associates, Inc., of Dudley, Mass., in my district, for relief under the Trade Agreement Extension Act of 1951.

The recommendations of the Commission, if acted upon favorably by the President, will, by adopting a higher rate of duty applicable to imports of toweling, forestall further serious injury to this important domestic industry being caused by foreign imports.

The findings and recommendations of the Commission amply confirm and justify the previous protests, which I had made from time to time, pointing out the alarming increase of imports in this and other categories and expressing grave concern over the impact of increasing Japanese and other foreign imports upon important segments of our textile industry.

As I pointed out some time ago to the Commission, the textile industry is not only gravely threatened, but in all likelihood much of it will be liquidated completely unless some way is found to stop the flood of cheap textiles from Japan. The Commission's report ably summarizes the situation as it affects this particular industry in my district, and it shows that this largest domestic producer of linen toweling was put in great jeopardy by repeated reductions of the rate of duty under the reciprocal trade agreements. The figures clearly show the steady growth of competitive goods from overseas and various cutthroat practices which militated against the prosperity and well-being of this established industry.

That imports of these products from 1952 to 1955 have been three times as much as domestic production is a startling, shocking fact, and in any case unmistakably disclose the intolerable conditions precipitated by current trade agreement policies. When these greatly increased imports are considered in relation to certain reduced trends of domestic consumption of toweling because of technical innovations and the like, the seriousness of the situation comes into even clearer focus. As imports increased, profits of the industry decreased until the operating profit for 1955 was only one-half of 1 percent as against the average for all United States manufacturing corporations of 8.6 percent and an average for United States manufacturers engaged in the production of textile mill products of 3.6 percent. The disparity between textile profits and profits in other industrial lines demonstrates clearly what has been happening to the textile industry and, unless some relief can be given to this industry across the board by way of minimizing and equalizing foreign competition, the prospects for its survival are dim indeed.

The curtailments in this industry have caused great hardship in recent years, not only to owners, managers and operators, but to faithful, worthy, skilled workers and to many splendid American communities. In some instances, readjustments have been made and other industry has been developed to take up the slack, so to speak. But in many places no such replacements have been made and these industries have been permanently lost.

If it had not been for the great ability, skill, and ingenuity of the management of the Stevens Linen Co. in adapting itself with extraordinary flexibility to the hardship conditions being imposed upon it by the stark reality of unfair, competitive foreign imports, it is doubtful indeed that this industry could have survived.

It is a good example of how critically and severely foreign imports are harming many American domestic industries that employ our fellow citizens at highest wage standards, thus, making possible the superior standards of living that obtain in this country. The Commission was bound to find in the circumstances that this industry has been seriously injured, that increased imports contributed substantially toward this serious injury and that the low 10-percent trade-agreement rate of duty in large degree nullified the protection intended by Congress to be afforded to the industry.

The President will now be called upon to take action in this matter, which is referred to officially as "escape-clause investigation No. 44, under the provisions of section 7 of the Trade Agreements Extension Act of 1951, as amended."

In view of my great concern and anxiety in these matters, I have felt constrained to urge upon our distinguished national leader that he take favorable action upon the recommendations of the report and give his approval so that the new rate may become applicable at an early date. In the interest of this industry and its workers, I beseech this consideration from our Chief Executive and expectantly await his wise consideration and favorable action.

This case points up very distinctly the general problems of American industry presently threatened with serious injury as the result of the operation of the trade treaties responsible for the steadily increasing flow of foreign imports. It may be asserted that the present action of the Tariff Commission indicates that an administrative remedy is available for those so sorely beset. This is true, but it is not a complete answer to the problem, because it takes a long period of time to press such applications before the Tariff Commission and the President. It involves, not only hard work, but considerable expense to the interested parties. They cannot always be sure of such favorable action as was so fortunately taken in this case.

The problem is much more complex and reaches deeply into our entire American industrial economy. It is a matter of policy, which will have to be decided, if American industry is to be guarded against the increasing threats of sweatshop and coolie labor—low standards, low wages, long hours, poor working conditions and the other antisocial accompaniments of many competitive foreign industries, which are today flooding our American markets with cheaply produced goods.

I do not want my views regarding this question to be misunderstood. I do not believe or desire that this country can retire into its shell and refuse to trade with other nations. On the contrary, I am a strong believer in the free exchange of goods, products, commodities and services by the nations of the world. Furthermore, I believe in encouraging this free flow of trade by every fair, practicable means. On the other hand, I do not believe that this Nation can afford to allow products, which are produced at a mere fraction of competitive American goods, to be imported into this country to undermine American industry, displace American labor, and precipitate conditions of depression and un-

employment in the industrial sections of the Nation.

The problem becomes one of properly controlling and repressing domestic monopolistic industries as well as international cartels, of regulating substandard produced goods from foreign countries and of establishing standards that will permit the free flow of trade without endangering, impairing, or destroying American industry and the employment of American citizens. This doctrine is not jingoism, chauvinism, or isolationism. It acknowledges the desirability and need of foreign interchanges—economic, cultural, and spiritual—but at the same time it recognizes that our high-geared, high-level productive system, with its full employment and incomparable wages and living conditions, stands in a unique position in the world economy. If it is to continue to thrive, to grow, to prosper, yes, even to exist, it must be protected against invasion by low-standard, cutthroat competition. It must be guaranteed by this Congress an opportunity to exist as a vigorous, living organism providing daily bread, sustenance, and support for our workers and steadily lifting the standards of living in the Nation by its great contributions, its progressive spirit, its scientific development, and its newer techniques, which are so rapidly transforming this country and will, in due course, exert great influence in transforming the world, by spreading knowledge of better methods and making possible the enjoyment of higher standards for all.

When we use American taxpayers money to build and establish foreign industries producing competitive goods in world markets, and then agree, under the trade treaties, to tariff rates, which allow their products to come into this country to the detriment and destruction of American industry, we are in effect pursuing a very dangerous policy—one which, in my opinion, can in the long run have no other result than to destroy large segments of American industry and leave our great prosperous economic system in a condition of lassitude and ultimate depression. This practice is pernicious. This policy smacks of a lunar aberration rather than sound economics.

I plead for a rule of reason regarding foreign trade. I ask that we so implement our treaties and laws affecting foreign trade that no domestic industry honestly and capably managed will be put at a disadvantage within the United States in the competitive process which features trade relations. In my opinion, such a program would redound to the interest of our country and, if intelligently pursued, it should redound to the interest of fair dealing with foreign nations and flourishing world trade.

Trade treaties or otherwise, we have not been able to prevent foreign nations from setting up tariffs, quota systems, licenses, exchange restrictions and other devices which bar or hamper the importation of American-made goods into foreign markets. Only our Nation of all great nations of the world still follows a quasi-free trade policy.

In the face of these conditions and prospects, this Congress should jealously guard its constitutional prerogatives and earnestly discharge its constitutional duty to regulate trade and commerce with foreign nations. That is our plain obligation to the people. Let us fulfill it.

BARKLEY DAM AND LAKE BARKLEY

Mr. BASS of Tennessee. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (S. J. Res. 166) to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively, and ask for its immediate consideration.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Whereas the Congress is keenly aware that the late Senator Alben William Barkley was so devoted to the people of the United States that he dedicated his life in unselfish public service to secure peace, to provide happiness, and to preserve freedom for the citizens of the United States, rising to the positions of Representative, Senator, and Vice President in said service; and

Whereas the Congress deems it fitting that the fine qualities of statesmanship, patriotism, and loyalty exemplified in the life of the late Alben William Barkley should not be forgotten by the people he served so well: Now, therefore, be it

Resolved, etc., That the dam to be constructed on the lower Cumberland River, Ky., authorized by the Flood Control Act of 1954, and the reservoir to be formed by the waters impounded by such dam, shall hereafter be known as Barkley Dam and Lake Barkley, respectively, and any law, regulation, document, or record of the United States in which such dam and reservoir are designated or referred to shall be held to refer to such dam and reservoir under and by the name Barkley Dam and Lake Barkley, respectively.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BASS of Tennessee. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BASS of Tennessee. Mr. Speaker, I introduced a resolution similar to Senate Joint Resolution 166, which was introduced by Senator CLEMENTS, of Kentucky, and passed by the Senate on yesterday. Since Senator CLEMENTS represents the State of our late and distinguished friend, Senator Barkley, I am more than happy to ask that his resolution be considered in lieu of the one that I introduced for the same purpose. I am very happy that the Congress through this means is able to pay tribute to an outstanding statesman, Senator, and Vice President, the late Hon. Alben W. Barkley, of Kentucky.

ELECTION OF HON. JOHN W. McCORMACK AS SPEAKER PRO TEMPORE

Mr. ROONEY. Mr. Speaker, by direction of the Speaker, I offer a privileged resolution (H. Res. 510) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That Hon. JOHN W. McCORMACK, a Representative from the State of Massachusetts, be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.

Resolved, That the President and the Senate be notified by the Clerk of the election of Hon. JOHN W. McCORMACK as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. McCORMACK presented himself at the bar of the House and took the oath of office as Speaker pro tempore.

ARMED FORCES DAY PRAYER

Mr. HOSMER. Mr. Speaker, President Eisenhower's Armed Forces Day proclamation calls upon religious groups of all faiths to participate in the observance of Armed Forces Day, May 19, 1956. Armed Forces Day this year finds the world without overt battlefield hostilities. An uncertain peace hovers over the nations of the globe. The continual possibility of its sudden disruption poses a disquieting threat to the lives of millions. Thus the appropriate slogan for Armed Forces Day, "power for peace."

The keynote of our national policy is permanent peace with fairness and justice to all nations. In keeping with our strong desire to live in peace with the rest of the world and the knowledge that we must remain strong in order that this peace may be assured, the observance of Armed Forces Day should have a dual significance. First we must recognize the debt of all Americans to those who serve in the Armed Forces and bring home to all Americans the need both for renewed awareness of the dangers confronting our country and for a heightened sense of responsibility and sacrifice. Secondly, Armed Forces Day should never be restricted simply to a display of armed might and technological superiority.

To ignore the importance of religious strength in the matter of our national defense would be to ignore our most potent weapon against aggression. In the spiritual and moral strength of our people can be found the true strength of our Nation.

This year the Armed Forces Chaplains Board has written a special prayer for Armed Forces Day. The Chiefs of Chaplains of the services will enlist the support and cooperation of chaplains in the field to focus attention on the spiritual aspects of the observance during the week of Armed Forces Day. In the civilian domain, active interest and support of the clergy and lay leaders of all faiths have been solicited for the Armed Forces Day effort to emphasize the spiritual and idealistic, as well as the material and the military, aspects of our Nation.

Increased attention to the religious significance of Armed Forces Day is being supported by the Secretary of Defense and the Secretaries of the Army,

Navy, and Air Force. Working closely with the Defense Department has been the Foundation for Religious Action in the Social and Civil Order. This close cooperation between all services and all faiths is representative of the goals of our Nation.

I am pleased to direct the attention of my colleagues to the prayer for Armed Forces Day. In this prayer we offer thanks for the service and sacrifices of our Armed Forces while asking God to watch over the men and women who protect our country. This prayer is a prayer of thanks and a prayer for peace, it is hoped that you will all join with me in repeating this prayer on Armed Forces Day.

A PRAYER FOR ARMED FORCES DAY

Almighty God, on this Armed Forces Day, we give Thee thanks for all those who by their sacrifices and devotion to duty have made our heritage of freedom secure. Grant that we may prove worthy of our birthright and that in the days to come our land may be a power for peace in accordance with Thy will. Thou dost hold us to account for the use of all our powers and our privileges, thus keep us ever mindful of the responsibilities our citizenship requires.

Protect and assist all those who at home and abroad, on land and sea, and in the air are serving our country. Shield them from danger; keep them strong and steadfast; give them courage and faith. Uphold their hands that they, with all those who stand ready in reserve, may faithfully perform their duties and at all times remain true to the precepts of their Code of Conduct.

Finally we pray that we may become and remain Thy good servants, more completely surrendered in our devotion to Thee and to our country, and that Thy peace may return to this world to Thy honor and glory. (The Armed Forces Chaplain Board.)

ADJOURNMENT OVER

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock noon on Monday next.

The SPEAKER pro tempore (Mr. MCCORMACK). Is there objection to the request of the gentleman from Tennessee?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SAYLOR (at the request of Mr. GAVIN), for 1 day, May 17, 1956, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to Mr. CHRISTOPHER, for 30 minutes, on Monday next, to revise and extend his remarks, and to include a letter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ROBSION of Kentucky and to include a table.

Mr. COOPER and to include a press release.

Mr. MILLER of Nebraska.

Mr. HILL and to include extraneous matter.

Mr. HOSMER and to include extraneous matter.

Mr. UDALL.

Mr. KEATING.

Mr. MARSHALL and to include extraneous matter.

Mr. HESELTON, his remarks today during consideration of the bill H. R. 8901 and to include extraneous matter.

Mr. MARTIN and to include an address by Mr. VURSELL.

Mr. COLMER to revise and extend his remarks made on Committee of the Whole and to include extraneous matter.

Mr. DAVIDSON (at the request of Mr. MULTER) and to include extraneous matter.

Mr. HINSHAW to revise and extend remarks made in Committee of the Whole and to include certain tables and other extraneous matter.

Mr. REES of Kansas and include extraneous matter.

Mr. CURTIS of Missouri and include extraneous matter.

Mr. MCCORMACK (at the request of Mr. PRIEST) and include extraneous matter.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1823. An act to authorize the construction of certain works of improvement in the Niagara River for power and other purposes; to the Committee on Public Works.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 6137. An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alma G. Segers;

H. R. 7186. An act to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry; and

H. R. 10004. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 2286. An act to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with the transportation of privately owned vehicles.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 22 minutes p. m.), under its previous order, the House adjourned until Monday, May 21, 1956, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1859. A letter from the Administrator, Veterans' Administration, relative to reporting three violations of subsection (h) of section 3679 of the Revised Statutes, pursuant to section 3679 of the Revised Statutes, as amended, subsection (i) (2); to the Committee on Appropriations.

1860. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to amend the Federal Deposit Insurance Act to provide safeguards against mergers and consolidations of banks which might lessen competition unduly or tend unduly to create a monopoly in the field of banking"; to the Committee on Banking and Currency.

1861. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 22, 1956, submitting a report, together with accompanying papers, on a review of reports on Chetco Cove, Oreg., requested by a resolution of the Committee on Public Works, House of Representatives, adopted on February 17, 1949; to the Committee on Public Works.

1862. A letter from the Assistant Secretary of Agriculture, transmitting a report covering the receipts, expenditures, and work of the agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico, pursuant to the Hatch, Adams, Purnell, and supplementary acts, and title I, sections 5 and 9, of the Bankhead-Jones Act of June 29, 1935, as amended by the act of August 14, 1946, authorizing payments to States, Alaska, Hawaii, and Puerto Rico for agricultural experiment stations; to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TRIMBLE: Committee on Rules. House Resolution 508. Resolution providing for the consideration of H. R. 10285, a bill to merge production credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production credit associations; and for other purposes; without amendment (Rept. No. 2175). Referred to the House Calendar.

Mr. ROBERTS: Committee on Interstate and Foreign Commerce. H. R. 5257. A bill to amend the act entitled "An act to fix a reasonable definition and standard of identity of certain dry milk solids" (21 U. S. C., sec. 321c); with amendment (Rept. No. 2176). Referred to the Committee of the Whole House on the State of the Union.

Mr. MCMILLAN: Committee on the District of Columbia. H. R. 10670. A bill to amend the District of Columbia Unemployment Compensation Act so as to extend the coverage of such act to employees of the municipal government of the District of Columbia employed in the District of Columbia institutions located in Maryland and Virginia; without amendment (Rept. No. 2177). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 8149. A bill to amend the first sentence of paragraph (a) of section 756 of title 11 of the District of Columbia Code, 1951 edition (par. (a) of section 5 of the act of April 1, 1942, ch. 207, 56 Stat. 193), relating to the transfer of actions from the United States District Court for the District of Columbia to the Municipal Court for the District of Columbia; without amendment (Rept. No. 2178). Referred to the House Calendar.

Mr. COOLEY: Committee on Agriculture. H. R. 9475. A bill to amend the tobacco marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended; with amendment (Rept. No. 2180). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committee were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on the District of Columbia. H. R. 10374. A bill to amend the act to incorporate the Oak Hill Cemetery, in the District of Columbia; without amendment (Rept. No. 2179). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL:

H. R. 11298. A bill to provide for the maintenance and operation of the bridge to be constructed over the Potomac River from Jones Point, Va., to Maryland; to the Committee on the District of Columbia.

By Mr. DAVIDSON:

H. R. 11299. A bill to authorize the construction of certain works of improvement in the Niagara River for power and other purposes; to the Committee on Public Works.

By Mr. FALLON:

H. R. 11300. A bill to provide for the modification of the Baltimore Harbor and channels, Maryland; to the Committee on Public Works.

By Mr. GARMATZ:

H. R. 11301. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. HALEY (by request):

H. R. 11302. A bill to set aside certain lands in Oklahoma for the Cheyenne and Arapaho Indians; to the Committee on Interior and Insular Affairs.

By Mr. PRIEST:

H. R. 11303. A bill to amend section 345 of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

By Mr. ROOSEVELT:

H. R. 11304. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. BERRY:

H. R. 11305. A bill to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.; to the Committee on Interior and Insular Affairs.

By Mr. BLATNIK:

H. R. 11306. A bill relating to the procedure for altering certain bridges over navigable waters; to the Committee on Public Works.

By Mr. BURLESON:

H. R. 11307. A bill authorizing the demolition and removal of greenhouses and other structures from Square 576 West and the construction of greenhouses and other structures, in replacement thereof, at the Botanic Garden Nursery, and for other purposes; to the Committee on Public Works.

By Mr. KLEIN:

H. R. 11308. A bill to amend section 12 of the Securities Act of 1933, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGNUSON:

H. R. 11309. A bill to establish a sound and comprehensive national policy with respect to fisheries; to strengthen the fisheries segment of the national economy; to establish within the Department of the Interior a Fisheries Division; to create and prescribe the functions of the United States Fisheries Commission; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. TEAGUE of Texas (by request):

H. R. 11310. A bill to provide increases in monthly rates of compensation for service-connected disability and death payable under laws administered by the Veterans' Administration and to liberalize the requirements for awarding additional disability compensation to veterans who have dependents, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. THOMPSON of New Jersey:

H. R. 11311. A bill to provide insurance against flood damage, and for other purposes; to the Committee on Banking and Currency.

By Mr. McCARTHY:

H. Res. 509. Resolution to provide equal recording facilities for public service broadcasts by Members of the House of Representatives using the Joint Senate and House Recording Facility; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL (by request):

H. R. 11312. A bill for the relief of Jen Zien Huang and Ethel Chun Huang; to the Committee on the Judiciary.

By Mr. AUCHINCLOSS:

H. R. 11313. A bill for the relief of Tseh An Chen and Cheh Chen Chen; to the Committee on the Judiciary.

By Mr. BLATNIK:

H. R. 11314. A bill for the relief of Eva Fischer; to the Committee on the Judiciary.

By Mr. CUNNINGHAM:

H. R. 11315. A bill to permit Bertha R. Dudley to be admitted to and treated in St. Elizabeths Hospital; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H. R. 11316. A bill for the relief of Dr. George Kelemen; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. R. 11317. A bill for the relief of Joseph Klich and his wife Katherine Klich; to the Committee on the Judiciary.

By Mr. KEARNEY:

H. R. 11318. A bill for the relief of Mrs. Christa Ernst; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1052. By Mr. HOEVEN: Petition urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1053. By Mr. McDOWELL: Petition of Mrs. Lulu B. Harper, of Wilmington, Del., and other residents of Delaware urging the passage of legislation to prohibit alcoholic beverage advertising over the radio and television and in magazines and newspapers; to the Committee on Interstate and Foreign Commerce.

1054. By Mr. SHORT: Petition of Mr. A. D. Roberts and other citizens of Kansas City, Mo., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1055. By Mr. SILER: Petition of Mrs. H. K. Buttermore, Sr., Mary Alice, Ky., and some 3,500 other residents of Kentucky, Ohio, Michigan, Indiana, Minnesota, Kansas, New York, Pennsylvania, Alabama, Arizona, Illinois, and Missouri, urging enactment of legislation to prohibit the transportation of alcoholic beverage advertising in interstate commerce and its broadcasting over the air; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Israel Independence

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Thursday, May 17, 1956

Mr. BUTLER. Mr. President, May 4 was the eighth anniversary of the independence of the State of Israel. It hardly seems possible, in view of the many accomplishments of this young Nation, that so short a period has elapsed since the date it first achieved independence.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared commemorating this occasion.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ISRAEL INDEPENDENCE

It is with particular pleasure that I extend my congratulations to the State of Israel on the eighth anniversary of its independence. One cannot think of this state, so new to the family of nations, without marveling at its remarkable achievements during the short span of its existence.

In spite of the almost continual border difficulties which have consumed so much of her time, which have sapped so much of her energy, and which have resulted in such a tragic drain on her manpower, Israel has made impressive progress in shaping a modern, thriving country.

Since that momentous May 14 in 1948 when the Jewish provisional government under David Ben Gurion proclaimed the State of Israel, with Chaim Weizmann as

President, the Jewish Government, in addition to its eternal struggle for survival in the conflict-riddled Middle East, has dealt with many other challenging problems. These have included the absorbing of many survivors of Nazi tyranny, of providing food, housing and education facilities for its mushrooming population, and, finally, of directing the Israeli economy toward a firmer and more independent base through long-range agricultural and industrial programs.

Evidence of Israel's success in meeting these challenges are everywhere to be found. Though the housing problem is still far from solved, the thousands of tents which were thrown up in such haste to accommodate the staggering influx of refugees have already been replaced with less primitive housing. And construction of permanent housing is constantly in process. To meet the overwhelming food shortage, barren desert wastes have been converted into fertile fields by the use of improved technological skills, and increased irrigation. Moreover, industrial output has more than doubled since the establishment of Israel's independence. Largely through the use of outside funds, billions of dollars have been wisely invested in such industrial enterprises as those relating to steel construction, and heavy manufacturing, and in chemical and textile plants—to name a few.

But in meeting the problems of an infant country trying to acquire the basic essentials of life, the Israelis have not neglected the development of their magnificent and ancient traditions of learning and culture. When Israel was but 6 months old, the Knesset passed the Compulsory Education Law which established universal, free and compulsory education for all children from 5 to 14. Since then, the Israelis have been constantly facing the formidable problems of school and teacher shortages, which are complicated by language differences among the pupils.

Quite clearly, in the light of these striking accomplishments, the Israelis have given proof of a vigor and resourcefulness in the molding of their splendid new nation which will not only continue to contribute toward the development of a stable, prosperous state, but which will ultimately have a beneficial influence throughout the whole Middle East. Let us hope that soon the swords of that area may be beaten into plowshares, and that Israel may devote herself fully, in peace, to the development and enrichment of her great and ancient heritage.

Public Power at Niagara—The First Step Has Been Taken

EXTENSION OF REMARKS
OF
HON. IRWIN D. DAVIDSON
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. DAVIDSON. Mr. Speaker, I learned with a great deal of gratification and pleasure that last night the Senate passed Senator LEHMAN's bill, S. 1823, to authorize the construction of certain works of improvement in the Niagara River for power and other purposes. By its action, the Senate gave its approval to a principle which I have long advocated, that this great natural resource should be developed by public authority for the benefit of the people.

The first great step toward harnessing the power potential of the Niagara's waters was taken last night. It now remains for this House to approve this redevelopment project.

Because of my deep concern and feeling about the importance of this project and its value not only to the people of New York, but to the Nation as well, I am today introducing a bill identical in every respect with the bill passed last night. I do this to make unequivocal my position in support of the measure and the project which it envisions.

Delay in the passage of this act will be exceedingly costly. Too much water has already flowed, unutilized, over the falls at Niagara. Each second, an additional 23,000 cubic feet of water is lost. With it goes the potential electric energy that might have been produced. What a tremendous loss that is for the consumers of electrical power in the area. What a waste in terms of the benefits that would be derived from this electricity.

I respectfully urge each of my colleagues in the House to give this legislation his earnest support and his vote, so that the harnessing of our share of the Niagara power may begin. The benefits that will be derived therefrom will redound to the ultimate good of all the people of our Nation.

Poll of Political Preferences of High School Students Throughout the Nation

EXTENSION OF REMARKS
OF
HON. JOHN M. ROBSION, JR.
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. ROBSION of Kentucky. Mr. Speaker, Kentucky recently extended the right to vote to persons between the ages 18 to 21. We were, therefore, particularly interested in the poll conducted by Wesleyan University to determine the political preferences of high school students throughout the Nation. The total vote in that poll was 433,253 from 12,140 classrooms and it was divided as follows:

Eisenhower (59.76 percent)	258,927
Knowland (1.63 percent)	7,072
Stevenson (19.19 percent)	83,130
Kefauver (17.29 percent)	74,900
Miscellaneous write-ins (2.13 percent)	9,224
Total (100 percent)	433,253
Republican candidates (61.94 percent)	268,372
Democratic candidates (37.83 percent)	163,915
Unidentifiable by party (0.23 percent)	966
Total (100 percent)	433,253

President Eisenhower received a clear majority in every State except 5 (Georgia, 44 percent; Louisiana, 47 percent; Minnesota, 43 percent; Mississippi, 46 percent; and South Carolina, 41 percent), and he was the leading candidate in all States. Vice President NIXON received the largest write-in vote.

In the Farm Belt, constituting the States of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin, Republicans received 103,093 votes; Democrats received 57,631 votes; others 227.

In the so-called solid South, consisting of Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia, Republicans received 69,074; Democrats received 56,917; others 584.

The vote for each candidate whose name was on the ballot State by State was as follows:

State	Eisenhower	Knowland	Stevenson	Kefauver
Alabama	7,597	248	4,696	2,090
Arizona	938	37	289	168
Arkansas	2,269	86	1,039	903
California	7,951	276	2,731	1,607
Colorado	2,743	47	1,043	549
Connecticut	3,643	69	974	355
Delaware	169	5	71	46
Florida	8,532	181	2,294	1,930
Georgia	3,967	242	3,021	1,205
Idaho	1,363	42	330	326
Illinois	17,612	351	4,941	3,435
Indiana	8,603	203	2,044	2,116
Iowa	6,667	184	1,139	2,541
Kansas	4,687	134	1,099	940
Kentucky	6,665	118	2,110	2,069
Louisiana	3,944	130	3,226	817
Maine	3,064	43	542	391
Maryland	2,402	63	527	556
Massachusetts	6,956	129	1,810	1,159
Michigan	9,223	141	1,796	1,786
Minnesota	5,135	119	1,811	4,860
Mississippi	2,261	116	1,576	597
Missouri	10,399	355	3,482	4,240
Montana	3,280	154	1,001	1,317
Nebraska	3,346	120	465	912
Nevada	455	9	78	72
New Hampshire	1,487	32	159	449
New Jersey	3,959	86	895	677
New Mexico	2,104	70	749	533
New York	5,532	100	971	615
North Carolina	6,914	188	3,654	2,590
North Dakota	3,384	111	479	1,945
Ohio	18,509	420	4,621	4,031
Oklahoma	2,972	73	1,236	939
Oregon	2,064	39	589	512
Pennsylvania	25,960	624	8,134	6,227
Rhode Island	1,290	30	304	227
South Carolina	2,689	189	2,025	852
South Dakota	1,464	66	212	618
Tennessee	7,037	155	1,583	4,828
Texas	10,543	440	4,598	3,245
Utah	826	33	210	100
Vermont	990	30	113	131
Virginia	7,581	221	3,383	1,639
Washington	1,804	55	819	526
West Virginia	4,972	114	2,164	1,643
Wisconsin	10,581	324	1,388	4,859
Wyoming	1,174	36	39	376
Alaska	17	0	0	1
District of Columbia	151	1	52	28
Other	1,062	33	418	322

President Eisenhower was asked at his May 4 press conference to comment on the poll and whether his landslide vote among the high school seniors and juniors resulted from his appealing repeatedly to the youth of the country to take an active interest in their Government and get ready for their responsibilities of citizenship. He replied:

Well, someone brought in that survey, showed it to me, and I would be less than human if I said I didn't get a lift out of it. Of course I did, because I like youngsters—as a matter of fact, I probably trust them more than lots of people do. [Laughter.] But I think the main thing to be commented upon in that survey is this: The youngsters are taking such an interest in their Government, the policies that are being applied, and the people that are trying to run them.

Now, maybe their judgments are based upon less exact information than you people have. But the fact is that they are taking the interest. Interest in our Government is the one thing that is necessary if this type of Government is to be successful over the years.

The young people must do it, and they must continue through their lives; so I applaud them for taking the interest and going to the trouble of doing all this. I thank

every one of them that think I am doing O. K.

Thomas O'Neill, a well-known political analyst, interprets the poll as evidence of a change in the political preference of the young people to the Republican Party. In his April 30, 1956, column in the Baltimore Sun he stated:

Hints that the Democrats may be in for a long siege of dark days appear in a novel presidential preference poll just completed by Wesleyan University. The university consulted the political preferences of nearly half a million students in junior and senior high schools across the Nation in a poll of presidential favorites for November. Like their seniors in other straw votes, the school boys and girls plumped heavily for Mr. Eisenhower, a result which even the Democratic Committee could have anticipated. The chill for the Democrats lay in evidence that the upcoming generation of new voters is shifting to a Republican orientation after a long period in which a stout Democratic asset was that party's appeal to a preponderance of first-voters at each succeeding election. Even Democrats who are ready to concede the reelection of Mr. Eisenhower have looked forward to a comeback in 1960 when he would be ineligible to run. Now they must consider the prospect of more extensive defeats unless a new attraction for young voters can be discovered and developed. * * * Across the Nation, an astonishing 62 percent of the students preferred a Republican over a Democratic President, including the Southern States. This proportion is a sharp reversal of the findings that most persons of voting age consider themselves Democrats and suggest that the new generation of voters will extend Republican rule at Washington incalculably beyond the present administration. President Eisenhower's personal popularity was only in part responsibile for the strong Republican showing. His share of the total vote was slightly less than 59 percent.

The Small Business Committee

EXTENSION OF REMARKS
OF
HON. WILLIAM S. HILL
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. HILL. Mr. Speaker, I was flattered that my friend and associate on the Small Business Committee of this House required yesterday nearly 7 pages of the RECORD in response to some suggestions I made on this floor quite recently.

However, in thousands of words of talk for the RECORD, I must insist that the gentleman from Texas [Mr. PATMAN] failed to answer my points satisfactorily.

I said in my suggestions that the full committee has not held a single meeting during the first 5 months of this session of Congress, except for a short assembly in pursuance of the resolution for more money to spend in investigations.

I have not yet heard any answer as to why the committee has no meetings.

Why have a committee that does not meet?

My second point was the subcommittees of small business are wandering far afield from matters pertaining to small enterprise and invading areas of which are properly the concern of standing committees of this House.

Here again there was lament and protest but no explanation or expression of regret.

My third point was that much of the $330,000 granted by this House for use of the committee was wasted in pursuits as useless as a fox-terrier dog chasing the community cats. I said, and I repeat, we have reams of pages covering hearings, but not as many pages of report as might be found in a small-town telephone directory.

I say again to my worthy chairman and friend: When do we meet as a committee; when do we agree on an agenda within our realm, and when do we report on the matters that cost so much of the public money?

Statement by Senate Foreign Relations Committee on Obligation of Soviet Union To Remove Troops From Rumania and Hungary

EXTENSION OF REMARKS
OF
HON. WILLIAM E. JENNER
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Thursday, May 17, 1956

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an excellent statement by the Senate Foreign Relations Committee, pointing out the obligation resting on the Soviet Union to remove its troops from Rumania and Hungary, with the coming into effect of the Austrian State Treaty.

The citation is from pages 8 and 9 of Executive Report No. 8 of the Committee on Foreign Relations. It is dated June 15, 1955, nearly a year ago; but it is even more pertinent today than it was when first made.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

AUSTRIAN STATE TREATY

10. WITHDRAWAL OF SOVIET FORCES FROM SATELLITES

When the State Treaty with Austria comes into effect, there will no longer be a peace-treaty basis for the Soviet Union to maintain its troops in Rumania and Hungary to protect its lines of communication to Austria.

The committee asked the Secretary of State whether steps will be taken to ascertain whether Soviet troops will be withdrawn from these countries in compliance with the terms of the peace treaties. Mr. Dulles recalled that some provisions of the treaties of peace with Rumania and Hungary, as well as Bulgaria, have been flagrantly violated in the past. He stated, however, that the Department is actively studying "to see what basis we have for asking for the withdrawal of troops" since "one consequence of the making of the treaty should be withdrawal of Soviet troops from Hungary and Rumania."

The committee fully supports the Department of State in its efforts to seek full compliance with those provisions of these treaties relating not only to the withdrawal of Soviet troops from Rumania and Hungary, but also to treaty limitations imposed on the size of the armed forces which Rumania, and Hungary, and Bulgaria as well, may maintain.

Department of Health, Education, and Welfare—Personal Property Made Available for Distribution to and Real Property Disposed of to Educational and Public Health Institutions, January 1 Through March 31, 1956

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. McCORMACK. Mr. Speaker, under leave to extend my remarks in the RECORD I include a report from the Department of Health, Education, and Welfare showing a State-by-State list of real and personal property distributed during the quarter January 1, 1956, through March 31, 1956. This property was made available to educational and public health institutions in accordance with Public Law 61 of the 84th Congress:

Department of Health, Education, and Welfare—Personal property made available for distribution to and real property disposed of to educational and public health institutions, Jan. 1 through Mar. 31, 1956 (acquisition cost)

[In accordance with sec. 5, Public Law 61, 84th Cong.]

States	Personal property	Real property	Total
Total	$54,716,724	$3,006,998	$57,723,722
Alabama	1,327,895		1,327,895
Arizona	659,147	53,567	712,714
Arkansas	487,735	3,538	491,273
California	5,016,531	193,715	5,210,246
Colorado	557,238	14,805	572,043
Connecticut	543,558		543,558
Delaware	355,633		355,633
Florida	2,687,350	800	2,688,150
Georgia	1,269,436	3,100	1,272,536
Idaho			
Illinois	2,927,273		2,927,273
Indiana	1,294,709		1,294,709
Iowa	1,260,609		1,260,609
Kansas	537,102		537,102
Kentucky	1,012,276		1,012,276
Louisiana	1,121,102		1,121,102
Maine	260,877		260,877
Maryland	1,349,571		1,349,571
Massachusetts	1,328,471		1,328,471
Michigan	1,435,454	10,512	1,445,966
Minnesota	1,110,240		1,110,240
Mississippi	805,037	185,801	990,838
Missouri	1,584,471		1,584,471
Montana	186,012		186,012
Nebraska	619,542		619,542
Nevada	72,666		72,666
New Hampshire	176,083		176,083
New Jersey	868,271		868,271
New Mexico	264,454		264,454
New York	2,547,389		2,547,389
North Carolina	1,405,932		1,405,932
North Dakota	148,194	111,630	259,824
Ohio	2,254,359	1,895,408	4,149,767
Oklahoma	705,587	128,373	833,960
Oregon	747,807	14,528	762,335
Pennsylvania	2,241,587		2,241,587
Rhode Island	564,552		564,552
South Carolina	584,929		584,929
South Dakota	652,791	75,582	728,373
Tennessee	1,277,462		1,277,462
Texas	2,821,068	265,677	3,086,745
Utah	402,230		402,230
Vermont	239,417		239,417
Virginia	1,678,502		1,678,502
Washington	1,551,298	39,854	1,591,152
West Virginia	950,079		950,079
Wisconsin	1,194,820	2,308	1,197,128
Wyoming	143,197		143,197
Alaska	107,494		107,494
Dist. of Col	367,070		367,070
Hawaii	275,846	7,800	283,646
Puerto Rico	736,371		736,371
Virgin Islands			

The Dairy Industry

EXTENSION OF REMARKS
OF
HON. FRED MARSHALL
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. MARSHALL. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the May 1956 issue of the Nation's Business, a publication of the Chamber of Commerce of the United States:

AGRICULTURE

Although milk production is expected to exceed last year's record by another 2 percent or 3 percent, the consumption of total fluid milk has increased even more. As a result farmers were receiving slightly higher prices for their dairy products while Government purchases and stocks have declined.

The possible effects on future market prospects of raising of price supports on dairy products may be found by reviewing the past 3 years. For the marketing year beginning April 1, 1953, manufacturing milk was supported at $3.74 per hundredweight, 90 percent of parity; actual average price received was $3.46. CCC bought 11,200 million pounds (milk equivalent) of dairy products at the support price. In 1954 the support price dropped to $3.15, 75 percent of parity; the average price was $3.16. CCC bought only 5,700 million pounds. Last year the support price remained at $3.15 and the average price rose to $3.19. CCC bought 4,600 million pounds.

As of March 28, 1956, excess stocks of cheese and nonfat dried-milk solids were less than one-fifth of the peak inventory built up under 90 percent supports.

Thus it appears that stable and improved dairy farm incomes depend on greater production efficiency, merchandising effort and competitive prices, and a minimum of price-depressing accumulation in Government stocks.

While most of the figures given in the article are true, it would seem that the conclusions reached are misleading. On March 28, 1956, the Commodity Credit Corporation had 225.7 million pounds of uncommitted stocks of cheese and 40.7 million pounds of uncommitted stocks of nonfat dried milk. The peak inventory of cheese was reached on September 29, 1954, when the CCC held a total of 435.7 million pounds. Peak inventory of nonfat dried milk was reached on April 28, 1954, when the CCC held a total of 599.3 million pounds. As of March 28, 1956, excess uncommitted stocks of cheese and nonfat dried milk were, therefore, a little more than one-fourth of the peak inventory.

The article gives the impression that there is no longer a dairy problem. If the following information is considered along with the chamber of commerce article, we get a truer picture of the dairy industry.

For the fiscal year ending June 30, 1954, the CCC loss on dairy price support operations was $130,704,719.

For the fiscal year ending June 30, 1955, the loss was $440,274,495.

For the 1956 fiscal year from July 1, 1955, to January 31, 1956, the loss has been $250,101,280 and 5 months of this fiscal year are not included in this figure. Purchases by CCC during April and May of this year have been considerably larger than a year ago.

E. M. Norton, secretary of the National Milk Producers Federation, has said that dairymen suffered a $600 million a year setback when price supports were dropped to 75 percent of parity in April 1954. Since then they have been battling a serious price-cost squeeze. If the $600 million is added to the loss by the Government on price-support operations since April 1954, the impact on the national economy caused by the drop in price supports is more evident.

It is true that the consumption of both fluid milk and manufactured dairy products has increased among the nonfarm population in the past 2 years, but it is interesting to note how much of this increase has been due to Government donations of dairy products and the special school milk program and not to the reasons given in the last paragraph of the above article. Per capita consumption of all dairy products in 1953 was 682 pounds of which 14 pounds came from CCC donations and other programs.

In 1954, the total per capita consumption of dairy products was 691 pounds of which 21 pounds came from CCC donations and other programs.

In 1955, the per capita consumption of dairy products was 699 pounds of which 29 pounds came from CCC donations and other programs such as the special school milk program.

In other words "merchandising effort and competitive prices" accounted for an increase of 2 pounds per capita in 1954 and 1955, over 1953. There was no increase at all in per capital consumption from commercial sources in 1955 over 1954.

The fact that farmers have shown "greater production efficiency" is borne out by the fact that production increased from 123.5 billion pounds of milk in 1955 to an estimated 127 billion pounds for 1956.

After reviewing the above facts and figures, we are still wondering if it would not have been possible to carry out the same kind of a program under 90 percent price supports.

Power for Peace and the Foundation for Religious Action

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. HOSMER. Mr. Speaker, I would like to take this opportunity to pay tribute to the splendid works of the Foundation for Religious Action in connection with the observance of Armed Forces Day.

To broaden and deepen the meaning of Armed Forces Day, May 19, 1956, and the Armed Forces Day slogan, "Power for peace," the Foundation for Religious Action in the Social and Civil Order and the Department of Defense are jointly emphasizing the spiritual factor in observance of this event.

The suggestion for such a program stemmed from the foundation and has the aim of emphasizing America's need to strengthen her national power for peace in all its phases—spiritual, psychological, and educational, as well as political, economic, and military. Nothing less is demanded if we, as a people, are to meet the prolonged crisis which we face along with free men everywhere.

The foundation is bringing the "power for peace" observance to the attention of church and synagogue authorities of the principal denominations and interdenominational councils, and in the Washington area to a number of individual churches and synagogues.

The foundation has endeavored to focus attention on both the debt of all Americans to those who serve in the Armed Forces and the contribution made by the churches and the chaplains of the services to the Nation and its Armed Forces.

The Foundation for Religious Action in the Social Order was established in 1953 to emphasize in an age of material greatness the importance of the spiritual, to interpret the importance of the religious dimension in practical affairs and to spell out what Americans can do to act in a world crisis. The foundation is an action body and does not sponsor discussions of dogma or church unity, nor does it engage in evangelism with a view to making converts for any church or doctrine.

In observing Armed Forces Day, we should all remember that our national security depends on a deep and abiding religious faith. Religious faith fosters attitudes that contribute to peace among men. With peace as our objective, the cultivation of spiritual factors in our daily living will build and strengthen the fabric of our national security.

Our Armed Services: Defense Against the Common Enemy, or Defense Against Each Other

EXTENSION OF REMARKS
OF
HON. A. L. MILLER
OF NEBRASKA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. MILLER of Nebraska. Mr. Speaker, article I, section 8 of the Constitution of the United States declares:

SECTION 8. The Congress shall have Power To lay and collect Taxes, Duties, Imposts, and Excises * * * to * * * provide for the common Defence * * * of the United States;

* * * * * *

To raise and support Armies * * *;

To provide and maintain a Navy;

To make Rules for the Government and Regulation of the land and naval Forces.

As a peace-loving, peace-prospering nation, we have nevertheless long recognized that we must maintain our armed services at top military strength in the

interest of assuring adequate defense against the common enemy.

The morning press and radio tell us that, as the latest step in our program of defense, it has been suggested that 2 of the 3 Military Departments engaged concurrently in missiles research programs—whether offensive missiles or defensive missiles—should stage a "duel." This proposed duel will pit the Army's "Nike"—developed through research at taxpayers' expense—against the Navy's "Talos," also developed through research at taxpayers' expense. It is interesting that both happen to be ground to air weapons.

It is conceded that missiles will serve both as offensive weapons and as defensive weapons, but it is difficult to understand justification for planning one to finality only to prove that the other—developed to finality—is outmoded, ineffectual, and useless.

As ridiculous as the proposed duel may seem to some, it is good that the proposal has been made; in fact, the proposal is a sound one in light of the status quo of armed services' activities, and the author of the idea is to be commended. Good that it happened, and a sound proposal, because it gives emphasis to the conclusion of many of us that Congress and the President have a clear and present duty to call a halt to Army against Navy, Navy against Air Force, Air Force against Army, and so forth.

It is clear that each of the three military departments is going ahead—independent of each other—in multimillion—or billion—dollar missiles' research programs. Further, that each is prosecuting its individual research program to finality.

To what end?

So that the Congress, the President, and the taxpayers can stand by to witness the spectacle of a gigantic duel between the Army, Air Force, and Navy aimed at proving that two ultimate missiles can and should be discarded in favor of a third ultimate missile.

Missile airframes are missile airframes; launching bases for missiles are launching bases for missiles; propellants are propellants, and warheads are warheads. These are the common denominators in our research programs, and the unknowns are being pursued in at least three different military laboratories.

If these programs were pulled into one military department—or better yet, pulled into one research department directly under the Secretary of Defense—only one program, the best both offensively and defensively, would be pushed to finality. All research talent, know-how, brains, energy, and funds would be commonly pooled toward a common goal for the common defense.

On May 10, 1956, the distinguished chairman of the House Appropriations Committee, during debate on the Armed Services Appropriation Bill, stood in the well of the House to tell us General Curtis LeMay within the past 2 weeks—in commenting on our supercarrier Navy—has said that his bombers could sink every carrier at sea in 2 hours.

Is the next duel to be between the Navy's carrier *Forrestal* and the B–52 of the Strategic Air Force: Or will we have a warmup by testing the B–47 against the *Nautilus?*

The next duel, Mr. Speaker, should be between the taxpayers and those who have failed, refused, or been unable to unify the armed services.

The burden, under the Federal Constitution, is that of the Congress.

Proposed Changes in Excise Tax Administrative Structure

EXTENSION OF REMARKS
OF
HON. JERE COOPER
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. COOPER. Mr. Speaker, today the Committee on Ways and Means met further in executive session with respect to recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems.

For the information of the Members of Congress and the interested public, I would like to insert at this point in the RECORD a press release I have issued announcing the decisions made today by the committee in regard to the subcommittee recommendations.

The committee is scheduled to meet again at 10 a. m. in executive session on May 21, 1956, to resume consideration of the subcommittee report.

The press release follows:

CHAIRMAN JERE COOPER OF THE COMMITTEE ON WAYS AND MEANS ANNOUNCES TENTATIVE DECISIONS OF THE COMMITTEE ON THE RECOMMENDATIONS OF THE SUBCOMMITTEE ON EXCISE TAX TECHNICAL AND ADMINISTRATIVE PROBLEMS

The Honorable JERE COOPER, Democrat, of Tennessee, chairman of the Committee on Ways and Means, announces the tentative decisions reached today by the committee with respect to the recommendations contained in the report of the Subcommittee on Excise Tax Technical and Administrative Problems. Previous announcements with respect to earlier decisions of the committee were issued on May 10, 14, and 16, 1956. These announcements are printed in the CONGRESSIONAL RECORD for May 10, 15, and 16, 1956, and appear on pages 8011, 8204, and 8328, respectively.

Chairman COOPER stated that the committee would resume its consideration of the subcommittee's report in executive session at 10 a. m., on Monday, May 21, 1956. A table of revenue estimates relating to the subcommittee's recommendations is printed in the subcommittee report beginning on page 13. A more detailed explanation of the recommendations appears in the subcommittee report beginning on page 16. The decisions reached by the committee today, are as follows:

X. GENERAL

1. Uncertainty with respect to the tax to be paid upon the sale of installment accounts at less than face value should be resolved by statute. The administrative rule now in effect requires payment of tax upon the face value of installment accounts irrespective of the selling price. However, an exception is made in bankruptcy and receivership cases where the taxpayment is based on the selling price. This rule should be codified and extended to similar sales made in other legally distressed situations.

2. It should be made clear that the type of contract recognized under Louisiana law, which is similar to an installment contract, qualifies for the privilege of deferred tax payments as an installment contract.

3. Statutory authority should be given to the Secretary of the Treasury or his delegate to authorize by regulations that a person, who is liable for the filing of returns with respect to the retailers' taxes and the transportation of property tax, may designate his supplier or shipper to perform such acts as are required of him in connection with the filing of the returns relating to these taxes.

4. The subcommittee has agreed to ask the State Department for a report on the question of whether or not the present foreign diplomatic exemptions should be continued and if so the proper extent of such exemptions.

5. Exemptions from manufacturers, retailers, transportation, and communication excise taxes should be provided for elementary and secondary schools and colleges and universities operated by nonprofit organizations.

XI. TOBACCO AND ALCOHOLIC BEVERAGE TAXES

The committee began consideration of the recommendations contained in this section and will resume consideration of section XI when it next meets on Monday, May 21, 1956.

Postmaster General Summerfield Asserts the Post Office Department Has No Intention of Changing Existing Regulations Affecting Rights and Privileges of Postal Employees

EXTENSION OF REMARKS
OF
HON. EDWARD H. REES
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. REES of Kansas. Mr. Speaker, my attention has been directed to a recently publicized statement concerning certain regulations of the Post Office Department indicating, if enforced, might affect certain rights of employees in the postal service. Of course, I am opposed, as you are, to regulations that would jeopardize the privileges of those employed in the postal service of our country.

I addressed an inquiry to the Postmaster General concerning this matter. It occurred to me Members would be interested in my inquiry and the reply of the Department. Here they are:

MAY 15, 1956.

Hon. ARTHUR E. SUMMERFIELD,
The Postmaster General,
Washington, D. C.

DEAR GENERAL SUMMERFIELD: Postal employee leaders have called my attention to regulations of the Department which they charge might be used to curtail the rights of the Department's 500,000 employees. Postal leaders say that the policy could curtail the rights of employees to take action for the improvement of their working conditions and benefits without prior approval of the Department.

The controversial regulation, they say, appeared in the March 28 edition of the Postal Manual. It reads as follows:

"Information relating to the policies and decisions of the Post Office Department will be released only through official channels.

Employees shall not actively engage in campaigns for or against changes in the service, or furnish information to be used in such campaigns unless prior approval has been obtained from higher authority.

"If an employee has justifiable reasons for favoring or opposing changes in the postal service, he shall contact the proper officials and await specific instructions before engaging in local hearings or activities."

Union officials tell me that is a violation of the Lloyd-LaFollette Act of 1912 which, as you know, specifically gives Federal workers the right to petition Congress as to improvement in their benefits and working conditions as well as the airing of their grievances. Federal workers tell us the regulation would prevent employees from having their grievances and personnel matters aired within the Department.

It would seem to me that, if the contention of the postal employees is a correct one, and that the Department has issued regulations as described in their complaint to me, you should have an explanation therefor. I will appreciate if you will let me know when you issued these regulations, also why they were issued. Apparently they must be recent or I would have had complaints prior to this.

Knowing the fairness of your attitude toward the problems of the employees in the postal service, I am sure you must have reason for the issuance of this regulation.

Respectfully submitted,

EDWARD H. REES,
Member of Congress.

MAY 17, 1956.

HON. EDWARD H. REES,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN REES: Your letter of May 15, 1956, states that postal employee leaders have called your attention to certain regulations of the Department which they charge might be used to curtail the rights of employees. If the facts concerning postal regulations were as represented to you by these employee union leaders, I would be the first to share your deep concern in the matter. The claim that these rules are intended to restrict employee rights of free speech simply is not true. Here are the facts:

In 1949, the previous Post Office Department management issued a restriction on campaigns for changes in the mail service on the part of Postal Transportation Service employees. This regulation was reprinted recently in a revised chapter of the new Postal Manual.

It is this regulation which a few of the employee leaders have chosen to distort and misinterpret in an apparent attempt to influence legislation. The Department had no intention whatever of changing any existing privileges of employees and made this fact clear to anyone who inquired. In fact, the chapter of the Postal Manual which reprinted this old regulation made specific reference to part 741 of the same chapter which clearly stated the Department's intent and policy to protect fully the rights of employees.

Part 741 specifically provides for "the presenting by any person or groups of persons of any grievance or grievances to the Congress or any Member thereof" and that "the right of persons employed in the civil service of the United States, either individually or collectively, to petition Congress, or any Member thereof, or to furnish information to either House of Congress or any Member thereof, shall not be denied or interfered with."

Thus, these rights to present any grievance to Congress or any Member thereof, to petition Congress, or any Member thereof, or to furnish information to either House of Congress, or any committee or member thereof, are specifically set forth. Further, in a sincere effort to provide proper recognition for employee organizations, this same chapter of the Postal Manual recognizes the right to organize and contains the following instruction to all postal field management: "Consultation with employee organizations concerning mutual problems is not only the sensible course, but also the policy of the Department."

Sincerely yours,

ARTHUR E. SUMMERFIELD,
Postmaster General.

The Polish Constitution: Symbol of Freedom

EXTENSION OF REMARKS
OF
HON. JOHN MARSHALL BUTLER
OF MARYLAND
IN THE SENATE OF THE UNITED STATES
Thursday, May 17, 1956

Mr. BUTLER. Mr. President, among the many brave and gallant peoples presently enslaved by the Communist conspiracy are the people of Poland. It is altogether fitting that their millions of friends in America and throughout the free world note the 165th anniversary of the adoption of Poland's Constitution, which remains one of the great documents in man's long struggle to be free and independent.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared in commemoration of this important anniversary.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

POLISH CONSTITUTION: SYMBOL OF FREEDOM

Today we are commemorating the 165th anniversary of Poland's constitution, and I am grateful for the opportunity to assure the Polish people in our own country as well as the millions of our Polish friends behind the Iron Curtain that we have not forgotten the plight of Poland.

This anniversary is one of the great events in the long history of Poland. For it was by the constitution of May 3, 1791, that it was decreed that Poland would be a nation of freedom, based on laws made by the people. It contains this statement: "All power in civil society is derived from the will of the people."

The road to constitutional reform was not an easy one, although Poland was one of the first of the pioneers of liberalism in Europe. In 1347, Poland established the first complete code of laws existing then in Christian Europe. In 1413, the leaders of Poland and Lithuania executed an agreement, the language of which proclaimed the brotherhood of nations for the first time in history. In 1430, the security of the individual was recognized and safeguarded by law in Poland, and as this same law was constantly broadened, it became the nucleus of Poland's unparalleled political and religious liberties.

For 2 years preceding the Polish constitution of May 3, 1791, the Polish Diet held intense discussions until there was general concurrence in the character of the constitution. The resultant document included many of the political principles and constitutional practices of the countries most advanced in democracy at that time. It contained many of the forms and practices found in our own Constitution as well as in the British. Such things as the separation of powers, bicameral legislation, the elements of cabinet responsibility, the independent judiciary, and majority rule, all these and more are found in the Polish constitution.

It may readily be seen that the fact that Poland succeeded in these early days to achieve such great progress was due almost entirely to the genius of the Polish people themselves. The descendants of these same democratically minded people have now been thrust ruthlessly under a terroristic, totalitarian police state.

For the sake of these Poles under the Soviet oppression let us all now rededicate ourselves to the cause of constitutional democracy. We know with certainty that the day will come when the Polish people and their oppressed neighbors in Eastern Europe will be enabled to throw off the chains that bind them. We are also confident that the free men in our own great Nation will help assure the return of Poland to its traditional position of honor among the free nations of the world.

Armed Forces Day

EXTENSION OF REMARKS
OF
HON. KENNETH B. KEATING
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. KEATING. Mr. Speaker, on Saturday, May 19, we celebrate a day heavily charged with overtones as to the future of our Nation, Armed Forces Day. The numerous displays of our strength and publicity concerning how our defense effort works, should go a long way toward increasing public understanding of our defense program.

Armed Forces Day is particularly timely this year because it follows so closely on the heels of the passage of the Defense Department appropriation bill here in the House. There were several aspects in the consideration of that measure which deserve the attention of everyone concerned with the future of our Nation.

If there ever was a subject that ought to be completely nonpartisan and nonpolitical, our national defense effort is it. Yet there has been in recent months a good deal of headline-grabbing and wild charges with political overtones, centering around the President's policies with respect to the development of our medium and heavy bomber force.

Mr. Speaker, everyone agrees that we cannot permit our Defense Department, and particularly our Stategic Air Force, to become second best. But this is a matter for the experts. What the Russians are really doing, and how our total defense organization compares with them, is something that only our military and intelligence experts can balance out for us. And so far as I am concerned, there is not a man in this country better qualified to do this than President Eisenhower himself. The President rightly cautioned against letting ourselves be misled by what he characterized the "numbers racket" in this field.

The House Appropriations Committee concurred with the President when they made their report on the Defense Department budget. Because these men have been studying this whole situation with minute care, their judgment is

doubly significant at a time when our defense preparations are under partisan political attack from snipers who, unlike the members of this committee, have no responsibility for study and determination of what is an adequate and proper figure to fix for our national defense.

Let me quote a few lines from the committee report:

The committee, after extensive hearings * * * feels that, barring unforeseen developments, the amount appropriated is generally adequate to fully implement our projected military requirements for the fiscal year and will enable the Department to continue to give the country an increasingly strong and well-balanced force. The 1957 military budget, perhaps more so than any previous budget in our history, reflects changes and improvements in methods of warfare which we have been forced to develop in an attempt to retain superiority over any possible aggressor.

Mr. Speaker, I hardly think it necessary to remind the Members of this body that the vote on final passage of the defense budget was 377–0. This smashing victory represents a well-deserved vote of confidence from both sides of the aisle in our defense leaders and their work. It is to be hoped that from now on we will have a lot more cooperation with and trust in our military experts and a lot less partisan pettiness and wild charges.

As we celebrate Armed Forces Day let us remember these things and continue to work to keep our defenses strong. We must never forget that our Armed Forces represents a powerful force for world peace, because they are the greatest deterrent to possible aggression.

I hope that public understanding of our national defense program will be increased by Saturday's activities and that the world will more and more come to see in our strong defenses not a threat to the world, but an affirmation of America's peaceful aspirations.

Concentration of 95 Percent of Federal Research Funds in a Few Big Firms To Be Investigated by Select Committee on Small Business

EXTENSION OF REMARKS

OF

HON. STEWART L. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 17, 1956

Mr. UDALL. Mr. Speaker, Harlow H. Curtice, president of General Motors Corp., said yesterday that United States leadership in the free world depends on speeding technological progress. Speaking at the dedication ceremonies for GMC's new $100 million technical center in Detroit, Mr. Curtice warned that our country was engaged in a great competitive struggle for survival and was being challenged particularly in the technological area. "We must put more emphasis on basic research, pure research," he declared.

During the past 5 years, as my friend and colleague FRANK THOMPSON, JR., Democrat, New Jersey, pointed out in a speech on the floor on May 9, the United States has spent $22 billion on such research, nearly half the total amount spent in such pursuits since 1860. One of the things which disturbs me most is the revelation that in the 7 months ending January 31, 1956, the Department of Defense awarded research and development contracts amounting to almost $1 billion, to be more precise, $982 million, and of this huge sum only 5 percent went to firms having 500 employees or less.

At the conclusion of the discussion, in which several Members of the House participated, Chairman WRIGHT PATMAN, of the Select Committee on Small Business said:

I assure the gentleman from New Jersey, however, that our committee will do all it can to gather revealing information on this important subject and report this information to the House.

The response to this discussion has been exceptional and I include here some of the comments that have been made upon it as well as a letter from George J. Burger, Jr., of the National Federation of Independent Business. The text of Congressman THOMPSON's legislative measure, House Resolution 452, to authorize the Select Committee on Small Business to investigate and study the problems of small business with respect to basic and applied scientific research and development work is also included:

[From the Trenton Evening Times of May 16, 1956]

STRANGLING SMALL BUSINESS

Even the most casual study of bankruptcy statistics, a dismal subject at best, inspires genuine anxiety concerning the future of small business. Independent business enterprises with moderate resources are finding the struggle for survival increasingly difficult and it is becoming distressingly apparent that they are not helped by administration policies.

The problem of the weakening position of small business in the Nation's economy inspired forthright and enlightening discussion in Congress a few days ago when Representative THOMPSON, of New Jersey, introduced a resolution calling for an investigation of the amount and proportion of funds distributed by Federal departments and agencies for research and development facilities.

Introduction of the resolution had been preceded by a great deal of revealing inquiry and was followed by a discussion which accented in striking fashion the extent to which Federal research funds are devoted to the interests of big business. In fact, as Representative THOMPSON charged, 95 percent of Government money for this purpose is concentrated on the research activities of a few great enterprises.

"Obviously," as he insisted, "these firms that are able to have a substantial part of their experimental and research and development activities financed by the Federal Government will have a great lead, sometimes an insurmountable lead, in the commercial race."

Research is as essential as it is expensive. Without it an industry cannot keep pace with the march of progress. When great corporations have this vital cost assumed for them by the Federal Government, their advantages in the competitive field are increased immeasurably.

The great disparity in allocations of money for this purpose constitutes an injustice with fatal possibilities with respect to the survival of relatively small-business enterprises. Mr. THOMPSON has accordingly performed an important public service by raising the issue so effectively in Congress.

[From the Newark News of May 14, 1956]

CAPITAL COMMENT

(By Thomas L. Stokes)

HOUSE EXPLORES PRIVATE RESEARCH WITH TAX MONEY

WASHINGTON.—The House of Representatives recently took a look at one aspect of the growth of big-business control of our economy and our Government which, strangely enough, is nurtured by public money provided by all of us as taxpayers.

Soon after the discussion in the House about the outlay of Government money for scientific development and research, and how the bulk of it goes to a few corporations, former President Harry Truman coined a phrase for this spreading control of big business over our Government. He called it "a new feudalism" in a message to the annual convention of Americans for Democratic Action.

Said Truman, "Centers of private power, beyond democratic control are exerting greater and greater influence over our national life, driving small business to the wall and strangling individual enterprise."

DISCERNS DANGER

Two days earlier in the House Representative THOMPSON, Democrat, Fourth District of New Jersey, had precipitated the discussion of Government research money and what happens to it. Recognizing the need of a big-scale research and development program, most of which is for defense, he warned of the danger to the free competitive enterprise system in the way the Defense Department is funneling most research contracts to big companies.

For example, the Department's figures for the 7 months ending January 31, this year, show that only 5 percent of nearly a billion dollars in research contracts during that period went to firms having 500 or fewer employees. It was pointed out during the debate by Representative PATMAN, Democrat, of Texas, chairman of the House Small Business Commitee, that "this 5 percent of the money could be compared with about 45 percent of the manufacturing activities carried on by firms with less than 500 employees."

The increasingly large contribution of our taxpayers to research by private companies was revealed in figures presented by Thompson. They showed that, of the $4.21 billions expended for research and development in 1955—which compares with $1.75 billions in 1946—the Federal Government contributed $2.42 billion or 57 percent. Private industry supplied 41 percent—$1.71 billion. The rest came from nonprofit institutions. While Government, itself, did most such research not many years ago, now 75 percent is done by private industry and a large part of that at public expense.

OTHER ADVANTAGES

Along with the money, the favored corporations get other advantages that help them to expand their control over our economy. As explained by Thompson:

"Obviously these firms that are able to have a substantial part of their experimental and research and development activities financed by the Federal Government will have a great lead, sometimes an insurmountable lead, in the commercial race. The firms that receive the research and development contracts are in a position to hire, preempt and control the available research personnel, the supply of which, as we know, is

now critically short. These companies will gain the know-how and have the inside track with new products and new processes.

"Furthermore * * * when the Department of Defense grants a contract for research and development work, it actually allows the private firm receiving the contract to take out the patents on patentable inventions it makes with the use of Government money."

NATIONAL FEDERATION OF INDEPENDENT BUSINESS,
Washington, D. C., April 5, 1956.

Hon. FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

DEAR MR. THOMPSON: I have talked with our president, Mr. C. Wilson Harder, about your March 30 letter, and he has asked me to tell you that he is personally much in accord with your idea of promoting a study into the problem of federally financed research and development work and all its ramifications into the business world.

Beyond doubt, findings resulting from such a study could have much value in helping the Congress to appraise the role smaller, independent business can play in connection with these contracts and in connection with work resulting from such activity. At the same time it could go far toward helping to remove whatever arbitrary roadblocks have been thrown in small business' path.

It goes without saying that many of the helpful innovations which have strengthened our productive muscle have come right out of the minds and work of smaller businessmen. This segment of our economy continues to have a tremendous potential in this direction, provided its capabilities are fully used.

Mr. Harder has asked me to remind you, however, that since it is our policy to take a stand on legislation only after polling our membership, and that since we have not had a chance to poll our members on your bill, he cannot commit the federation as an organization. Perhaps if we had had some earlier notice we might have been able to poll, just as we are polling currently your and Senator FULBRIGHT's tax reduction bills, and possibly, assuming membership favorable vote, secure the widespread expressions you desire.

We know you understand our position, and with very best wishes,

Sincerely,

GEORGE J. BURGER, Jr.,
Assistant to President.

[From Labor]

NEWS OF CONGRESS—SENATE GROUP TRIMS DOWN PENSION BILL AS IKE ASKED—MILITARY FUNDS HELD AMPLE; CHARGE UNCLE SAM HELPS MAKE "BIG BIZ" BIGGER

(By Albert H. Jenkins)

MAKES "BIG BIZ" BIGGER

Some significant facts and figures on how Uncle Sam's huge expenditures for scientific research and developments are distributed were given to the House this week by Congressman FRANK THOMPSON, Jr., Democrat, New Jersey. Among them were these:

1. In the year beginning next July, the Government will provide $2.2 billion for research. Of each dollar, 85 cents will go for developing new weapons, and only 15 cents for studies and improvements in such fields as labor, health, welfare, commerce, and agriculture.

2. Last year, the Federal Government provided 55 percent of the $4.2 billion spent on research, and private corporations put up only 41 percent.

3. Of the Government's research billions, 95 percent is going to a few big corporations, and only 5 percent to smaller firms.

4. The big corporations get the patents on discoveries and developments they make with the Government's money, THOMPSON pointed out.

He said these patents, and the big corporations' almost complete monopoly of Government research money, are helping to make big business still bigger and more powerful.

Resolution

Resolved, That the select committee to conduct a study and investigation of the problems of small business, created by H. R. 114, acting as a whole or by subcommittee is authorized and directed to conduct a full and complete investigation and study of (1) the amount and proportion of funds distributed by Federal departments and agencies for research and development facilities and work to the various segments of industry and the various size and classes of firms, (2) the methods, standards, and criteria being used by the Federal departments and agencies for distributing such Federal funds among various competing firms and size and classes of firms, (3) the methods and procedures adopted by the Federal departments and agencies to safeguard the interest of small business in research and development work and to assure broad participation by such firms in federally sponsored and federally aided research and development programs, and the extent of the success of such methods and procedures, (4) the extent to which the award of Federal research and development contracts determines the distribution of Federal contracts for procurement of supplies and services, (5) the extent to which the granting of Federal funds for research and development work influences or determines the employment by small business of scientific and technically trained research personnel, and (6) the procedures and methods in use by Federal departments and agencies concerning the assignment of patents and the licensing of patented inventions made or developed with the assistance or use of Federal funds.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

Vursell and Nelsen Against Hoover REA Report

EXTENSION OF REMARKS
OF
HON. JOSEPH W. MARTIN, JR.
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. MARTIN. Mr. Speaker, with leave to extend my remarks in the RECORD, I am inserting a radio-broadcast discussion participated in between Mr. Ancher Nelsen, Administrator of REA, and my colleague, the Honorable CHARLES W. VURSELL, on May 10, 1956.

This is one in a weekly series of interesting and informative broadcasts on farm problems by Mr. VURSELL, carried by several radio stations in the 23d Congressional District of southern Illinois.

The matter follows:

VURSELL AND NELSEN AGAINST HOOVER REA REPORT

My friends, this is your Congressman, CHARLES W. VURSELL. In this broadcast today I have a pleasant surprise for you. I am honored to have with me on this program the top Administrator of REA, Mr. Ancher Nelsen.

Mr. Nelsen has directed this organization, nationwide, from his office in Washington for the past 2 years, and I am safe in saying that no administrator is more highly respected or has done a finer job in helping to bring light and power, and REA telephone service, to the farmers since this organization started than has Mr. Nelsen, who will participate in a brief discussion with me today.

However, before calling upon Mr. Nelsen, as your Congressman I want to make a short statement. It has been my pleasure to serve in the Congress for 14 years, where I have had an opportunity to see REA grow, and an opportunity to help it to expand its growth—through always seeing to it that we in the Congress constantly provided adequate funds for its operation and development.

When I came to Congress, the REA organization was about 6 years old, and about 47 percent of the farmers had been reached with its service. Today, about 95 percent of the farmers of the Nation receive light and power. Of all of the billions of dollars I have helped to appropriate over the past 14 years, none of it, in my judgment, has done as much to aid the farmers, to lift the drudgery from farm work and farm women, and build up the economic welfare of our Nation as has the money we have loaned to REA cooperatives.

This organization has turned on the light and power in the farm homes of America. It has helped to modernize and make farm life more enjoyable. It has brought about a condition that helps to keep more of our fine young men and women on the farms of our country.

By making electricity available to the farmers, they have spent billions of dollars for electrical appliances, which has helped to employ labor, increase business, and build up the economy of the Nation.

Let me tell you what REA has done for Illinois: The 27 cooperatives in Illinois have extended REA service to over 95 percent of the farms in our State. Up to January 1, 1956, these cooperatives have borrowed from the Government $84,510,000, and paid back to the Government in interest $8,950,838, and repaid on principal $18,167,359. This includes a current balance of $5,147,854 of payments made ahead of schedule. In other words, they have paid interest and payments due, and have a prepayment for the future to their credit of $5,147,854.

The fine thing about it is that the record throughout the 48 States is almost as good as the record in Illinois.

In my congressional district, the 5 REA cooperatives have borrowed a total to date of $17 million from REA, and have invested $15,600,000 of that amount, with which they have built and now operate 8,400 miles of line, and serve 28,600 rural customers, who are my constituents. These REA cooperatives are also paying their loans ahead of schedule.

At the close of 1955, they had paid $6,600,000 on principal and interest due on

their loans, of which $2,400,000 was paid in advance on principal.

Now, my friends, you have heard quite a bit of talk about the Hoover Report, which sought to change the loan and financing status of REA. As a Member of Congress, I would like to say to you: first, I am opposed to making any change in the present set up of REA, and second, in my judgment, the Congress that brought into being the REA, and has helped to nurture its growth for 20 years, is so proud of its accomplishments that you need not have any fear that we will permit its present organization to be handicapped, or changed, in any way, that would mar the fine record it has been making.

Mr. Nelsen, I am going to ask you to comment on any of the phases of REA that come to your attention at the present time. I know my people will be glad to hear this information from the very top of this great organization.

Mr. NELSEN. Well, Congressman, first may I say that I appreciate the opportunity of appearing on this program with you. I think it is a compliment to me and a compliment to the program.

The rural electrification program has been one of the outstanding contributions to rural America. I say that to you as a farmer. I happen to own and operate a farm in Minnesota. I helped organize the system that serves my farm, and I know farming with kerosene lamps, and it isn't easy. When electric power came out there it was a great contribution.

One of the things we have tried to do in the years I have been acting as Administrator is to try to apply some of the commonsense business administration that we learned on the farm—we have tried to apply that to Government. We have tried to make loans where they are necessary—where they are needed. We have not tried to outbid anyone else, but we are trying to do what is necessary.

We have encouraged that the farmers, directors and managers assume more responsibility and learn more about the business of running their cooperatives. Therefore, they become stronger; because it is necessary to understand your responsibilities to do a good job.

We have encouraged greater financial strength. We encourage the cooperatives to have their rate structure such that will permit them to acquire greater ownership and less Government equity, and more farmer equity—and, therefore, owning it. So right across the board, our objective has been to do what any good farmer wants to do; that is, to own and operate and understand the business. And we have been very successful in that respect, because today we find the financial picture with REA cooperatives nationwide to be the best in its history. We find at the present time over $80 million of advance payments to the Government of the United States. We find that only about 13 of the cooperatives are behind in their payments. We find also that about 700 to 900 have paid advance payments to the Government. So, I think, when you add the total score we find ourselves in a very strong position.

And I want to say regarding the Hoover Committee report, we hear so much talk about it—I think mostly politically inspired, because we had Hoover Committee reports under previous administrations—and they are recommendations to the Congress for consideration. But our position on the present report is this: that we felt the recommendations in that report went far beyond where they should go, and had not had adequate study, and, therefore, we in REA recommended against it. The Secretary of Agriculture supported our position, and the President of the United States supported our position, and, on top of that, the Congress has supported our position, so, I think, we are in fine shape. We are financially strong. The farmers are getting electricity. We are paying back our loans. And, as a farmer, I feel very proud of what the rest of the farmers nationwide have done.

Mr. VURSELL. Now, that is fine, Mr. Nelsen. If there is anything further you would like to say I note we have almost 2 minutes of time.

Mr. NELSEN. Well, you may be interested also in the telephone program. That is part of our responsibility. We started out, I think the first year with about a $4 million loan program. Gradually that has gone up. Today it runs around $80 million per year.

A part of the contribution that the telephone program makes to rural telephone is the competition. The Bell companies and the independent companies are all doing a little more just because we are in it to push them a little bit. Incidentally, a big percentage of our loans are made to the small independent companies who have difficulty in getting finances. So we are trying to improve rural telephones. In this past year we had the most successful year in the history of rural telephony in the extension of telephone service to farm people.

Mr. VURSELL. That is fine, Mr. Nelsen. I see our time is almost up, but I want to compliment you for the very fine job you have done. I am delighted to have you here with me on this program today. I know our listeners are as well.

This is your Congressman, CHARLES W. VURSELL, signing off until this same time over this same station next week.

Appointment of a New Secretary of the Interior

EXTENSION OF REMARKS
OF
HON. THOMAS B. CURTIS
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 17, 1956

Mr. CURTIS of Missouri. Mr. Speaker, one of the major differences between the Eisenhower administration and the preceding administrations of Presidents Roosevelt and Truman lies in the philosophy of the relationship between Federal and local government and between Government and private enterprise in the field of developing our power and other natural resources.

In each of the annual Economic Reports of the Eisenhower administration much effort has been devoted to spelling out the belief of the Eisenhower administration that a balanced partnership between Federal Government, local governments, and private enterprise in the development of our power and other natural resources is the best way to get the greatest and cheapest abundance of these necessities for our society. There is plenty of room for honest argument as to just where the balance should be struck, but there is no room for argument which refuses to recognize that the issue is one of balance and not one of one side being for cheap abundant power and the other being against cheap abundant power. As a matter of fact, there is not just two sides to the question. There are many sides. Some believe that the balance proposed by the Eisenhower administration still unduly weighs the responsibility of the Federal Government at the expense of private enterprise. My own personal view is that the Eisenhower administration is still weighing too heavily the Federal Government at the expense of both local government and private enterprise.

Mr. Leland Olds, testifying before the Joint Committee on the Economic Report on the President's 1955 Economic Report, complained that there was no attention paid to the problem of getting cheap adequate power for our people in the report. In questioning Mr. Olds on his views, I made the following suggestions for his comment: That he, Mr. Olds, was what is known as a public-power advocate. Mr. Olds admitted that he was. I suggested then that his complaint with the President's report was not that no attention was devoted to the problem of getting more cheap power for our people, but rather that the President had not suggested the Federal Government develop plans for moving further into the field directly. The President's report gave emphasis to plans which required more private initiative and which had a better balance between Federal Government, local government, and private participation. The objectives of Mr. Olds, the Eisenhower administration, and people holding views similar to mine, is to get as much cheap power for our people as we can. The issue is not centered on differences in motives, but rather in differences as to how we best attain these desired objectives.

However, the public-power advocates and others who are advocating the philosophy of greater Federal governmental participation in the areas of the development of our natural resources will not accept this statement of the question. I think it is fair to say, generally speaking, these people advocate greater Federal governmental participation in almost all areas of economic and social development in our society. They are opposed not only to a greater participation of State and local governments in all areas of social and economic development, but also a greater participation of private enterprise in these areas. Theirs is not just a holding action; they want the Federal Government to assume more responsibility.

The Americans for Democratic Action have been the public spokesmen of this philosophy and are directing the strategy of public debate on it. Although this is a relatively small group of citizens, in its ranks are individuals influential in the thought-molding professions of our society. They consist of traditional politicians, teachers, professors, authors, newspaper reporters, columnists, book reviewers, book publishers, and other persons in the administrative work of these professions. Accordingly, the strategy they develop on the public discussion of a political issue becomes important.

As I have stated, this group refused to accept the issue for discussion as being one of how we attain the fine objectives we all agree upon. Instead, this group decided to pose the issue as one of motives and opposite objectives. They are for cheap adequate power; the other side is for the opposite. They are for good; their opponents are for bad.

So the issue has been presented to the people by them under the huckster slogan "giveaway." The term "giveaway"

implies insidious, improper motives. It has been applied by this group to every step taken by the Eisenhower administration where it has tried to effect a different balance, a balance away from the amount of present Federal governmental participation in economic developments in our society.

These spokesmen of ADA have not been content with merely implying improper motives; in many instances they have made frontal attacks on the motives of all persons connected with a particular issue where the importance of the Federal Government in a matter was being diminished. The Dixon-Yates controversy affecting the TVA as it did is a classic example of the methods employed. The strategy was a series of hit and run attacks. The public today has forgotten many of the charges made as detailed charges. They only remember, as those knowing public psychology planned they remember, there was something unsavory alleged. One of the first charges was that Bobby Jones, a personal friend of President Eisenhower, was financially interested in the Dixon-Yates proposals and therefore * * *. This charge was disproved almost immediately, but those who know public relations media and public psychology knew the refutation would never attain the prominence of the original charge. In the Dixon-Yates matter, one attack after another on the motives of the persons involved was made, refuted, and dropped, only to be picked up after a reasonable period of time and referred to vaguely and collectively to persuade the public that something unsavory was connected with the matter.

The basic issues involved in the Dixon-Yates matter were never honestly posed to the public or discussed by the ADA group although there was much area for honest public discussion.

So it has been with one giveaway after another, including the tideland oil question. Not once has this crowd of intellectuals honestly posed the questions so the American public could give consideration to the real and sometimes difficult issues involved. Furthermore through the power they possess in their thought-molding professions they have been rather successful in poisoning the air throughout the country on matters that can and should be the subject of honest and searching debate.

Now we come to one of the purposes behind such campaigns. The Secretary of the Interior has resigned. This governmental department makes a great deal of policy in regard to issues of power and natural resource development. This department, under Secretary McKay, has been conscientiously following the philosophy of President Eisenhower in this area in spite of all attacks. It is most important to the ADA to have a Secretary of the Interior in this administration who is not a person of courage and strong convictions. The smear campaign can hurt a strong and able man, but it cannot make him change his course. The smear campaign can make a weak man—a man who doesn't study or know his subject—temporize and modify his views. Particularly, as men have learned, if he does modify his views he receives, through the same power these people exercise in the thought molding fields, great praise as a humanitarian. He is no longer an anti-intellectual, an ante-diluvian.

So the campaign has been on for some time to keep the Under Secretary of the Interior Clarence Davis, an honest, hard-working, and knowledgeable man, from being appointed by the President to the Secretaryship. The campaign against Davis I feel is pointed toward a few people in the administration who have been known in the past to have been influenced by these campaigns, either because they have been taken in by the cleverness of them, or because they feel that the public in general have been taken in by them.

An article entitled "Republican 'Giveaways': the Charges and the Facts" appearing in Harper's magazine, May 1956, illustrates the techniques employed.

This article cloaks itself—not too cleverly either—in the guise of being an objective and intellectual examination of the issues involved in the approach our society should adopt in the development of our natural resources. An alert, thoughtful person can see the dishonesty without even having to refer to outside materials. The fact that it was printed and headlined in Harper's magazine assist in taking the unalert intellectual unawares. I am curious as to why the editors of Harper's participated in this attempt at public deception on this important public issue.

I am setting forth a résumé of the background of Clarence Davis, the person the ADA is seeking to keep out of the Secretaryship of the Interior. I want to point out an interesting fact. Nebraska has long had a system of State ownership of power. Clarence Davis has had a great deal to do with the development of this system. So it can be seen his record is not really that of leaning primarily toward private enterprise in the balance of Federal Government, local government, and private enterprise. If anything it is one leaning toward State and local government. But either private enterprise or local government is anathema to those who want to enlarge the Federal Government. Much as I believe the emphasis should be more on private enterprise, I have no great fear of State or local operation except for the inherent inefficiency of the personnel system it brings, because our local and State governments are still close enough to the people to be watched. I do fear the concentration of economic power in Washington, D. C., or in Wall Street; it makes no difference. I greatly fear the concentration of both economic and political power wherever it be. A totalitarian state is nothing more than a state where economic and political power rests in the same hands. This result can be achieved by the economic groups taking over the political groups as in fascism or nazism or it can be achieved by the political groups taking over the economic groups as in communism. Or it can be a catalysis where the Military Establishment takes over both and coordinates and controls them.

One thing alone will keep a republic a republic and a people of a society free and that is honest public debate which means respect for the wisdom and motives of one's opponents and of the people of the society who listen. Clarence Davis is a public servant whose entire career bespeaks honesty, integrity coupled with great ability and great courage. He would make a splendid Secretary of the Interior.

CLARENCE A. DAVIS

Mr. Davis was born at Beaver City, Nebr., November 21, 1892, the son of Thomas M. and Nannie Galvin Davis. In 1916 he married Florence Wells, of Schuyler, Nebr. They have 1 son, Thomas M. Davis II, and 3 grandsons.

Education: Attended public schools of Beaver City, Nebr. (population 1,200), graduating in 1910. He attended Nebraska Wesleyan University, 1910–13 (A. B., 1913), taking the 4 years' work in 3, and had many college activities; baseball team, track team, tennis team, debating team, class orator, etc., and graduated from Harvard Law School (LL. B., 1916).

Legal biography: He practiced in Omaha, Nebr., from 1916 to 1917, with the firm of Baldrige and De Bord. He removed to Holdrege, Neb., in 1917 and was elected attorney general in 1918.

Attorney General of Nebraska, 1910–23; counsel to Nebraska in interstate water litigation and in preparation of Nebraska-Colorado Interstate Compact regarding the South Platte River, 1923; member of commission compiling Nebraska statutes, 1922; member Uniform Laws Commission, 1922–25; general practice in Holdrege, Nebr., 1923–36; general practice in Lincoln, Nebr., 1936–53; member of law firm of Davis, Healey, Davies & Wilson; general counsel to Western Public Service Co., 1925–41; general counsel to Consumers Public Power District, 1941–53; counsel to Missouri Valley Development Association; lecturer on administrative law, University of Nebraska, 1943; trustee, Nebraska Wesleyan University, 1923–27.

Member of the Lincoln, Nebr., the Nebraska State, and the American Bar Associations, and a member and vice president of the Federal Bar Association; member of advisory board of editors, American Bar Association Journal, 1948–52; president, Nebraska State Bar Association, 1951; member of house of delegates, American Bar Association; member of the General Resolutions Committee of the American Bar Association, 1950, 1951, 1952, and 1953; has been on the council of the sections of municipal law, public utilities, and an adviser-member of the committee sponsoring the Administrative Procedure Act; member, committee on Lawyers' Reference Service of American Bar Association, 1951–52; chairman of the Missouri Valley regional meeting of the American Bar Association in Omaha, 1953; member of National Conference of Bar Association Presidents, and a member of its council, 1951–53; and presently a member of the committee of the American Bar Association on Civil Service and a member of the Federal Bar Association Committee on the same subject.

He has been a director of the American Judicature Society since 1951; is a member of the Institute of Judicial Administration and a member of the American Law Institute.

He is a member of the Nebraska Reclamation Association, the National Reclamation Association, the American Public Power Association, and a member of its legislative committee in 1952.

Other affiliations and activities: He is a member of the Episcopal Church, Scottish Rite (K. C. C. H.), Masons, Shrine, Pi Kappa Delta, Order of Coif, Lawyers Club (New York), University and Country Clubs (Lincoln, Nebr.).

SENATE

FRIDAY, MAY 18, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Merciful Father, whose faithfulness is constant, with all our fickleness, whose forgiveness outlasts all our transgressions against Thy holy love, we bemoan the delusions which so often have led us to mistake shadows for substance; we confess that by false pride in our own achieving we have been lulled into cushioned optimism. Now, with jarred and jolted minds, we see the whole circle of the world grown somber and terrible with suspicion and conflict, with rumors of war, and with the smoke of a judgment which engulfs us all.

In this testing day when Thou art sifting out the souls of men before Thy judgment seat, give us that penitence for our own sins, that contempt for our own prejudices, that hatred for our own hate, that shall enable us to put on the whole armor of God as we fight for the emancipation of the downtrodden and exploited, and against the rulers of the darkness of this world, against spiritual wickedness in high places. We ask it in the dear Redeemer's name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., May 18, 1956.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JOHN C. STENNIS, a Senator from the State of Mississippi, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. STENNIS thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, May 17, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, notified the Senate that Hon. JOHN W. MCCORMACK, a Representative from the State of Massachusetts, had been elected Speaker pro tempore during the absence of the Speaker.

The message announced that the House had passed the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed, without amendment, the joint resolution (S. J. Res. 166) to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

The message further announced that the House insisted upon its amendments to the bill (S. 2972) to punish the willful damaging or destroying of aircraft and attempts to damage or destroy aircraft, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HARRIS, Mr. WILLIAMS of Mississippi, Mr. WILLIS, Mr. WOLVERTON, and Mr. CRUMPACKER were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 7186) to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World II by organizations composed of persons of Japanese ancestry, and it was signed by the Acting President pro tempore.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees were authorized to meet during the session of the Senate today:

The subcommittee of the Committee on the Judiciary considering Senate bill 3143.

The Subcommittee on the Air Force of the Committee on Armed Services.

The Internal Security Subcommittee of the Committee on the Judiciary.

The Subcommittee on Health of the Committee on Labor and Public Welfare.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and act on nominations on the Executive Calendar under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The ACTING PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar, under the heading "New Reports" will be stated.

NATIONAL SECURITY TRAINING COMMISSION

The Chief Clerk read the nomination of Walter Bedell Smith, general, United States Army, retired, to be a member of the National Security Training Commission.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Army be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Army will be considered en bloc, and, without objection, they are confirmed.

IN THE NAVY

The Chief Clerk proceeded to read sundry nominations in the Navy.

Mr. JOHNSON of Texas. Mr. President, I make the same request with respect to nominations in the Navy.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Navy will be considered en bloc, and, without objection, they are confirmed.

NOMINATIONS PLACED ON THE VICE PRESIDENT'S DESK

The Chief Clerk proceeded to read nominations in the Regular Army of the United States, in the Regular Air Force, and in the Navy, reported from the Committee on Armed Services, and placed on the Vice President's desk without being printed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be considered en bloc, and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified of the nominations today confirmed.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

COMMITTEE SERVICE

On motion of Mr. JOHNSON of Texas, and by unanimous consent, it was

Ordered, That the Senator from Illinois [Mr. DOUGLAS] be excused from further service as a member of the Committee on Labor and Public Welfare, and that he be assigned to service on the Committee on Finance; and

That the Senator from Louisiana [Mr. LONG] be excused from further service as a member of the Committee on Interior and Insular Affairs, and that he be assigned to service on the Committee on Foreign Relations.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, so as to increase the amount authorized to be appropriated for purposes of title I of the act, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT OF AGRICULTURAL EXPERIMENT STATIONS

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report on the agricultural experiment stations, for the year 1955 (with an accompanying report); to the Committee on Agriculture and Forestry.

VALIDATION OF PAYMENTS IN SETTLEMENT OF ACCRUED LEAVE MADE TO CERTAIN MEMBERS OF ARMY AND AIR FORCE

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to validate certain payments in settlement of unused accrued leave heretofore or hereafter made to certain members of the Army and the Air Force, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

AUDIT REPORT ON ARMY INDUSTRIAL FUND, DIAMOND ORDNANCE FUZE LABORATORIES

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Army Industrial Fund, Diamond Ordnance Fuze Laboratories, Washington, D. C., Ordnance Corps, Department of the Army, for the period September 27, 1953, to June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT OF MARITIME ADMINISTRATION, DEPARTMENT OF COMMERCE

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of the Maritime Administration, Department of Commerce, on activities and transactions of that administration under the Merchant Ship Sales Act of 1946, for the period January 1 to March 31, 1956 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, Washington, D. C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of March 31, 1956 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders issued granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution adopted by the Florida South Chapter of the American Institute of Architects, Miami Beach, Fla., protesting against the enactment of legislation to alter the central portion of the Capitol Building in Washington, D. C.; to the Committee on Public Works.

A resolution adopted by the Holy Name Society of St. Jerome's Roman Catholic Church, Brooklyn, N. Y., favoring the enactment of the so-called Bricker amendment, relating to the treatymaking power; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RUSSELL, from the Committee on Armed Services, without amendment:

H. R. 8904. A bill to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement (Rept. No. 2019).

By Mr. RUSSELL, from the Committee on Armed Services, with amendments:

S. 1637. A bill to extend the time limit within which recommendations for and awards of certain military decorations may be made (Rept. No. 2020).

By Mr. STENNIS, from the Committee on Armed Services, with an amendment:

S. 1961. A bill to provide for the conveyance of part of Ethan Allen Air Force Base, Colchester, Vt., to the State of Vermont, and for other purposes (Rept. No. 2021).

By Mr. JACKSON, from the Committee on Armed Services, with amendments:

H. J. Res. 261. Joint resolution authorizing the Secretary of the Army to make such transfers of supplies and equipment as may be available to The Citadel, Charleston, S. C. (Rept. No. 2018).

By Mr. GREEN, from the Committee on Rules and Administration, with amendments:

S. Res. 250. Resolution prohibiting the introduction of bills or joint resolutions by two or more Senators jointly (Rept. No. 2022).

By Mr. RUSSELL, from the Committee on Appropriations, with amendments:

H. R. 11177. A bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes (Rept. No. 2023).

AUTHORITY TO SUBMIT A REPORT BY COMMITTEE ON APPROPRIATIONS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I be permitted to submit a report from the Committee on Appropriations on the bill (H. R. 10721) making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes, not later than Monday midnight, May 21.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY:

S. 3878. A bill directing the Secretary of the Interior to convey certain land situated in the State of Montana to Theresa Brost; to the Committee on Interior and Insular Affairs.

By Mr. O'MAHONEY (for himself, Mr. MONRONEY, Mr. LANGER, Mr. HENNINGS, Mr. NEELY, and Mr. PAYNE):

S. 3879. A bill to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers; to the Committee on the Judiciary.

(See the remarks of Mr. O'MAHONEY when he introduced the above bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 3880. A bill for the relief of Richard S. Wolffers; to the Committee on Interstate and Foreign Commerce.

By Mr. GREEN:

S. 3881. A bill authorizing the demolition and removal of greenhouses and other structures, and the replacement thereof, at the Botanic Garden, and for other purposes; to the Committee on Rules and Administration.

By Mr. BEALL:

S. 3882. A bill to revise and modernize the fish and game laws of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. EASTLAND:

S. 3883. A bill for the relief of Jew Gim Gee;

S. 3884. A bill for the relief of Mrs. Seto Shun Yee; and

S. 3885. A bill to provide for jury trials in condemnation proceedings in United States district courts; to the Committee on the Judiciary.

By Mr. NEELY (by request):

S. 3886. A bill concerning gifts of securities to minors in the District of Columbia;

S. 3887. A bill to amend the act entitled "An act to provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes," approved June 29, 1938;

S. 3888. A bill to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended;

S. 3889. A bill to amend the act entitled "An act to grant additional powers to the Commissioners of the District of Columbia, and for other purposes," approved December 20, 1944, as amended; and

S. 3890. A bill to amend the act entitled "An act to create a Board for the Condemnation of Insanitary Buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended; to the Committee on the District of Columbia.

By Mr. DIRKSEN (by request):

S. 3891. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on admissions shall apply only with respect to that portion of the amount paid for any admission which is in excess of $1; to the Committee on Finance.

By Mr. GOLDWATER:

S. 3892. A bill for the relief of Mrs. Jytte Starel Synodis; to the Committee on the Judiciary.

By Mr. CLEMENTS:

S. 3893. A bill to authorize the furnishing without charge therefor, from data collected by the Bureau of the Census, of data necessary or useful to individuals who have filed, or who desire to file, application for old-age assistance benefits; to the Committee on Post Office and Civil Service.

A BILL TO GIVE AUTOMOBILE DEALERS THEIR DAY IN COURT

Mr. O'MAHONEY. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may be allowed to speak on it in excess of the 2 minutes allowed under the order which has been entered.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Wyoming may proceed.

Mr. O'MAHONEY. Mr. President, on behalf of myself, the Senator from Oklahoma [Mr. MONRONEY], the Senator from North Dakota [Mr. LANGER], the Senator from Missouri [Mr. HENNINGS], the Senator from West Virginia [Mr. NEELY], and the Senator from Maine [Mr. PAYNE], I introduce, for appropriate reference, a bill to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3879) to supplement the antitrust laws of the United States, in order to balance the power now heavily weighted in favor of automobile manufacturers, by enabling franchise automobile dealers to bring suit in the district courts of the United States to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in complying with the terms of franchises or in terminating or not renewing franchises with their dealers, introduced by Mr. O'MAHONEY (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. O'MAHONEY. Mr. President, let me say that some of the sponsors of the bill are members of the Judiciary Committee's Subcommittee on Antitrust and Monopoly, on the one hand, and others are members of the Interstate Commerce Committee's subcommittee headed by the Senator from Oklahoma [Mr. MONRONEY], which carried on the investigation of the practices of the automobile industry in interstate commerce. This bill is intended to supplement the antitrust laws of the United States, so as to balance the power now heavily weighted in favor of automobile manufacturers, by enabling local auto dealers to bring suit in the United States district courts to recover twofold damages sustained by reason of the failure of automobile manufacturers to act in good faith in terminating or not renewing their franchises.

DEALERS UNDER CONTROL OF MANUFACTURERS

The investigations conducted in 1955 by Senator MONRONEY for the Automobile Marketing Subcommittee and by myself for the Senate Judiciary Subcommittee on Antitrust and Monopoly have already produced far-reaching promises of improved relationship between manufacturers and dealers in the automobile industry. It was clearly demonstrated by the facts and admissions developed under oath in the two investigations that local dealers in automobiles have for years been completely under the actual control of the manufacturers, and that they have been subjected to coercion and intimidation which have deprived them of economic freedom.

Although the dealers have invested their own capital in the establishment of their local facilities and in the purchase of the cars and equipment they were expected to sell, they were not their own masters in their own shops. On the contrary, they were under the domination of the manufacturers and agents and representatives of the manufacturers and had no public forum in which their disputes could be adjusted except in those provided by the manufacturer. The individuals before whom they were required to take their pleas for the adjustment of grievances were not impartial because they were the paid employees of the manufacturers.

So far as the automobile industry was concerned big business had established its own judicial system to handle the complaints of the dealers. This was a system wholly out of harmony with the American system of adjudicating conflicts arising out of contracts. It was a system which, if followed by all big business, would have destroyed completely the procedure established under the Constitution of the United States for the adjudication of such problems. It was a system, the effect of which was to make the dealers independent in name only, and to deprive them of the right to sue for justice in the courts established under the American Constitution.

NEITHER GOVERNMENT NOR INDUSTRY HAS POWER TO CONTROL FREE ENTERPRISE

The men who established our form of Government deliberately undertook to frame a Constitution which would preserve the individual from arbitrary control by Government. An industrial system which makes the dealer the pawn of the manufacturer is in complete conflict with the ideal of impartial justice established by the Founding Fathers.

To make sure that the Government could not control the people, the Constitution divided the powers of Government. To Congress it gave the exclusive power to make the laws. To the President, it gave the executive power to carry out the laws made by Congress. To the courts, it gave the independent power to adjudicate all cases arising under the Constitution and the laws.

The history of the automobile dealer franchise has demonstrated the complete inability of the dealer to obtain redress for any of his grievances with the manufacturer. The hearings dealing with General Motors last fall highlighted the one-sided character of the franchise. These hearings revealed that the automobile manufacturers have used their superior power and bargaining strength with individual dealers so as to require dealers, as a condition of doing business, to enter into one-sided agreements in which the automobile manufacturer obtained many rights and benefits without assuming any of the obligations.

The evidence produced at the hearings over which Senator MONRONEY and I presided made it perfectly clear that the manufacturers wanted to hold in their own hands complete control over the dealers. If the framers of the Constitution were careful to provide that the Government itself has no power to control the people, then surely it must be plain that no industrial corporation, however big it may be, has the power of control which the people denied to the Government.

That the automobile manufacturers want this power has been clearly demonstrated by what has happened since the hearings of the two committees. The spokesmen for both General Motors and Ford have made it plain that they wanted no United States court sitting in judgment between themselves and their dealers. Because of what was revealed at our hearings they have made many concessions with respect to the franchises to be issued by the dealers. But with all the concessions that they have made as a result of the public hearings of Congress, they are still attempting to retain for themselves the final power to adjudicate disputes and cancel franchises. There is a string attached to every concession they have promised; and unless the doors of the Federal courts are opened to the automobile dealers, they will continue to remain the pawns of the manufacturers.

This our bill does. It opens the door of the Federal court to the local dealer.

It provides, under the United States Constitution, a system which will deal justly with both the manufacturer and the dealer. It gives the Government no control over the contracts, but it does deprive the manufacturers of the control they will continue to exercise, even though the concessions promised are granted.

The bill I introduce today, therefore, is one which should appeal to the manufacturers as well as to the dealers, because it places the adjudication of disputes, not in the hands of an arbiter selected and paid by the manufacturer, but in the hands of the judges appointed by the President and confirmed by the Senate, under the American system.

GOOD-FAITH PRINCIPLE OF ANCIENT ORIGIN

The good-faith principle had its origin in ancient days when, in a dispute over a contract, the courts looked beyond the terms of the contract which the parties had made; and when it appeared that one of them was obliged to sign, the courts applied the principles of equity, in order to protect the party which had been subjected to coercion. These courts of equity realistically appraised the differences in the bargaining position of the parties, and concluded that if the evidence showed that one of the parties was under coercion or intimidation by the other, or was the victim of the superior power of the other, there should be imposed by law upon the party possessing such power an obligation to treat fairly with the other. This is the purpose of this bill.

I ask unanimous consent that the bill may be printed in the RECORD.

There being no objection, the bill (S. 3879) was ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

SEC. 1. As used in this act—

(a) The term "automobile manufacturer" shall mean any person, partnership, corporation, association, or other form of business enterprise engaged in the manufacturing or assembling of passenger cars, trucks, station wagons, or other automotive vehicles, including any person, partnership, or corporation which acts for such manufacturer or assembler in connection with the distribution of said automotive vehicles.

(b) The term "franchise" shall mean the agreement, contract, understanding, or arrangement between any automobile manufacturer and any automobile dealer which purports to fix the legal rights and liabilities of the parties to such agreement, contract, understanding, or agreement.

(c) The term "automobile dealer" shall mean any person, partnership, corporation, association, or other form of business enterprise operating under the terms of a franchise and engaged in the sale or distribution of passenger cars, trucks, station wagons, or other automotive vehicles.

(d) The term "commerce" shall mean commerce among the several States of the United States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or among the Territories or between any Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

(e) The term "good faith" shall mean the duty of the automobile manufacturer, its officers, employees, or agents to act in a fair, equitable, and nonarbitrary manner so as to guarantee the dealer freedom from coercion, intimidation, or threats of coercion or intimidation, and in order to preserve and protect all the equities of the automobile dealer which are inherent in the nature of the relationship between the automobile dealer and automobile manufacturer.

SEC. 2. Any automobile manufacturer engaged in commerce who makes or grants any franchise to an automobile dealer, shall have the duty to act in good faith in all dealings or transactions with such dealer.

SEC. 3. An automobile dealer may bring suit against any automobile manufacturer engaged in commerce, in any district court of the United States in the district in which said manufacturer resides, or is found, or has an agent, without respect to the amount in controversy, and shall recover twofold the damages by him sustained and the cost of suit, including a reasonable attorney's fee, by reason of the failure of said automobile manufacturer to act in good faith in performing or complying with any of the terms or provisions of the franchise, or in terminating, canceling, or not renewing the franchise with said dealer.

REVISION OF CIVIL SERVICE RETIREMENT ACT—AMENDMENTS

Mr. JOHNSTON of South Carolina. Mr. President, I submit an amendment, intended to be proposed by me, to the bill (S. 2875) to revise the Civil Service Retirement Act, and request that it be printed and lie on the table.

The proposed amendment establishes a threefold ceiling on the amount of annual benefits which may be paid to surviving children.

First. The amount to any one child may not exceed $600.

Second. The total benefit to one or more children may not exceed 40 percent of the deceased employee's average salary.

Third. The total may not exceed $1,800 irrespective of the fact that 40 percent of the deceased employee's salary might be in excess of such an amount.

The above limitations apply in the case of surviving children with one parent still living. In the case of children with neither parent living, the ceilings are approximately 20 percent higher.

In no event could total family benefits—widow plus children—exceed 80 percent of a deceased employee's average salary. The earned annuity of an employee cannot exceed 80 percent of his average salary. In the event of his death, his widow receives 50 percent of his earned annuity, thus in no case could her benefits be in excess of 40 percent of the employee's average salary which together with the 40-percent limit on benefits to children would make a total not in excess of 80 percent. It should be appreciated that it would take a combination of, first, long years of service on the part of the deceased employee; and, second, a large number of surviving children for the total family survivorship benefits to even approach the 80-percent figure.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

Mr. JOHNSTON of South Carolina. Mr. President, I also submit amendments, intended to be proposed by me, to the bill (S. 2875) to revise the Civil Service Retirement Act, which I request may be printed and lie on the table. These amendments are of a perfecting nature, to correct typographical, grammatical, and other errors of a like nature.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and will lie on the table.

FEDERAL-AID HIGHWAY ACT OF 1956—AMENDMENT

Mr. KERR submitted an amendment, intended to be proposed by him, to the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, which was ordered to lie on the table and to be printed.

Mr. CHAVEZ. Mr. President, I submit amendments, intended to be proposed by me, to House bill 10660, the Federal-Aid Road Act. I ask unanimous consent that a statement prepared by me relative to the amendments may be printed in the RECORD.

The ACTING PRESIDENT pro tempore. The amendments will be received, printed, and will lie on the table; and, without objection, the statement will be printed in the RECORD.

The statement presented by Mr. CHAVEZ is as follows:

STATEMENT BY SENATOR CHAVEZ

SAFETY PROGRAM

It apparently is the feeling of the Bureau of Public Roads that the authorization in the 1954 act was not sufficiently broad to permit them to undertake a comprehensive study of all phases of traffic safety. They have made studies which relate to the engineering and physical characteristics of highways, but they have not undertaken a study of uniformity of motor vehicle laws and regulations, law enforcement, traffic control, driver behavior, characteristics of motor vehicles, etc.

It would seem that the attached amendment, which is similar to that proposed by Congressman BLATNIK, would clarify the intent of Congress in the field of safety and might be advanced as a committee amendment to S. 10660. The amendment proposed by Senator HUMPHREY is along the same lines, but it may not clarify the intent of Congress to the Bureau of Public Roads. It seems that it would be desirable to specify the studies desired and also the monetary limitations.

Section 14 of the Federal Aid Highway Act of 1950 authorized the Commissioner of Public Roads to assist in carrying out the action program of the President's Highway Safety Conference and to cooperate with State highway departments and other agencies in a program to advance the cause of safety on streets and highways. There was authorized not to exceed $75,000 annually for this purpose.

Section 9 of the Highway Act of 1952 continued the authorization as contained in the 1950 act and increased the authorization for funds to $150,000 annually.

Section 10 (a) of the 1954 act authorized the Secretary of Commerce to engage in research on all phases of highway construction, reconstruction, modernization, development, design, maintenance, safety, financing, and traffic conditions, including testing, etc. The funds required were to be taken out of the administrative and research funds.

RULES OF INTERPRETATION GOVERNING QUESTIONS OF EFFECT OF ACTS OF CONGRESS ON STATE LAWS—ADDITIONAL COSPONSORS OF BILL

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the names of the Senator from Indiana [Mr. JENNER] and the Senator from South Carolina [Mr. WOFFORD] may be added as cosponsors of the bill (S. 3143) to establish rules of interpretation governing questions of the effect of acts of Congress on State laws.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. ELLENDER:

Address delivered by him at New Orleans, La., on May 12, 1956, at the 57th annual meeting of the Rice Millers Association.

By Mr. BIBLE:

Statement by him on observance of Armed Forces Week and the National Broadcasting Co.'s Wide, Wide World television program of May 13, 1956.

By Mr. HRUSKA:

Statement prepared by him relative to Rumanian Independence Day.

TWO GREAT AND DISTINGUISHED CHAIRMEN RETIRE

Mr. MANSFIELD. Mr. President, as eloquently stated on numerous occasions in the past week, it was with a sense of deep sadness that the Senate of the United States learned that our distinguished colleague and friend the senior Senator from Georgia [Mr. GEORGE] had announced that he had decided not to run for reelection, and that he would be relinquishing his post as "dean of the Senate," chairman of the Senate Foreign Relations Committee, and adviser and counselor to all, on both sides of the aisle.

I know that the people of Georgia will miss him in the Senate, the people of the Nation's Capital will miss him, but, above all, the people from all parts of the United States will miss him. Senator GEORGE has filled the capacity of a Senator at large for the entire Nation, a recognized leader of national standing.

The people of my State of Montana will miss the senior Senator from Georgia, a man so distinguished in affairs of state, both domestic and international. Montanans have paid tribute to the President pro tempore in the editorial columns of the State's newspapers.

At this point in my remarks I ask unanimous consent that 2 editorials be printed, 1 from the Daily Missoulian of May 11 and 1 from the Billings Gazette of May 12.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Daily Missoulian of May 11, 1956]

TURN OF THE POLITICAL WHEELS

WALTER F. GEORGE, of Georgia, has been a constructive Member of the United States Senate for a very long period, politically speaking.

He arrived in the Senate on November 8, 1922, just after election to fill a vacancy created by death. He was then 44. Now, at 78, he announces that "for good and sufficient reasons" he will not be a candidate for renomination in Georgia's Democratic primary this year.

One of those reasons undoubtedly is the senatorial aspirations of 42-year-old Herman E. Talmadge, a former governor who for months has been stumping the State with a view to replacing Mr. GEORGE when his term expires next January.

Some of the things Talmadge says about the veteran GEORGE, now the dean of the Senate, have a familiar ring. He pounds hard on the theme GEORGE has been in the Senate so long that he has lost touch with Georgia, and that he is more interested in national and international affairs than the welfare of the people of Georgia.

Probably every year since he arrived in the Senate, back in 1922, Mr. GEORGE has seen colleagues edged out on such premises.

One of the Senate veterans when Mr. GEORGE was sworn in was Senator Porter J. McCumber, of North Dakota, then chairman of the blue ribbon Finance Committee—through which must pass all tax and other revenue raising measures. But as GEORGE went in McCumber was on his way out. In his 24th year as a Senator, a few months earlier McCumber had been defeated for Republican renomination on the contention that he had been away from North Dakota too long. The primary victor, who also won the November general election, was Lynn J. Frazier, a former governor who at the time was the idol of the Nonpartisan League. Eighteen years later Fraizer was ushered out of the Senate in the same way, by the voters in the Republican primary of 1940.

HARRY FLOOD BYRD, of Virginia, now is one of the Senate's pillars, its fourth ranking Member in point of seniority. But a quarter of a century ago he was like Herman Talmadge, of Georgia, a former governor with a good record and a strong statewide following—eager to break into the Senate.

The obstacles were the Virginia incumbents, Claude A. Swanson and his veteran junior colleague, Carter Glass. Swanson had been consecutively Representative, Governor, and Senator since 1893. The span was snapped at the end of 40 years—with BYRD as his successor in the Senate—when Mr. Swanson resigned to accept a 1933 appointment as President Franklin D. Roosevelt's Secretary of the Navy.

That probably averted a Byrd-Swanson clash in the 1934 Virginia primary, just as GEORGE's current abnegation has erased from the 1956 political schedule a much heralded George-Talmadge contest in Georgia.

Along the way Senator GEORGE has overcome many obstacle in retaining his seat, among them a purge attempt by President Roosevelt in 1938. Senator GEORGE, yielding to the inevitability of time and the tide of events, is bowing out of the Senate with the same serene dignity with which in his heyday he turned back the unseating effort of President Roosevelt.

[From the Billings Gazette of May 12, 1956]

ELDER STATESMAN RETIRES

Senator WALTER GEORGE, of Georgia, has announced that he will not be a candidate at the forthcoming election to succeed himself. While this decision not to run again will be regretted, it is probably a wise one, from the standpoint of the aged solon's personal welfare. The Senator was 78 years old last January. He has said that his health is not too robust, and he doubtless feels that he is not up to making another hard campaign. Although former Gov. Herman Talmadge had not filed as a candidate for the Democratic nomination against GEORGE, it was common knowledge that he has intended to make the race.

In a contest against Talmadge the odds would have been in favor of the younger man. A defeat would have left a blot on one of the most distinguished records ever compiled by a Member of the United States Senate. First elected in 1922 to fill out the unexpired term of Senator Tom Watson, who died in office, Senator GEORGE will have served continuously in that position for 35 years when his present term expires next January. During that long period of service his independence, intellectual integrity, and talents for statesmanship have won the increasing admiration of all his colleagues.

Because he could not conscientiously support some of the measures of the New Deal program, President Franklin Roosevelt placed the name of the Georgia Senator on the list of those Members of Congress he wished to purge in 1936. He went down to the Senator's home State and delivered a speech attacking GEORGE, but to no avail. The voters rallied to the support of their leader and reelected him by an increased majority.

Ever since our Government has become ever more deeply involved in world affairs Senator GEORGE has been an influential factor in the development and conduct of foreign policies. President Eisenhower and Secretary of State Dulles have sought and relied upon his support in the managament of the administration's foreign relations. He has never hesitated to disagree with them, but his disagreements have never once been motivated by partisan political considerations. The high regard in which he is held by the President is evidenced by the latter's prompt statement, upon learning of the Senator's decision to retire, that he hoped to find some congenial position in the Government service that will enable him to have the advantage of frequent consultation with the veteran legislator on matters affecting the administration's foreign policy.

Mr. MANSFIELD. Mr. President, the only consolation, and it is a sound one, in the Senator's departure from the Hill is that he will continue to serve this country as the President's special ambassador to the North Atlantic Treaty Organization. I sincerely hope that he will return from time to time, enabling those of us in the Congress to have the benefit of his advice and counsel.

Mr. President, not only is Congress losing one great statesman, but the Honorable JAMES P. RICHARDS, chairman of the House Foreign Affairs Committee, has also announced his intention to retire from Congress at the end of the present term after 24 years of service. DICK RICHARDS and his charming wife, Katharine, have decided to go back home to their farm in South Carolina, where they plan to spend their remaining years. It will be difficult for Mrs. Mansfield and me, as well as for our colleagues, to see them leave the Washington scene, but I am sure they will be back many times in the days to come to visit with us and to give us the benefit of their sound advice, which has been such a tower of strength in the past.

I served with Mr. RICHARDS on the Committee on Foreign Affairs, and I can say without qualification that seldom have I worked with a man of such untiring energy, wise statesmanship, and sound understanding, a man so constantly devoted to his duties as a representative of the people from his State and the Nation. His years as chairman of the Foreign Affairs Committee have

been marked by a wise and sane leadership in a time when there has been and is constant turmoil in our international affairs.

The loss of these two chairmen of the congressional committees concerned with American interests in world affairs will create vacancies difficult to fill. The record and standards set down in the field of world affairs by these two great statesmen will make the task somewhat easier. Again, I say we in Congress will be most fortunate in having access to their advice and knowledge in the years to come.

The Congress, the Nation, and the free world are the better off because of the accomplishments of these two great Americans from Georgia and South Carolina. Chairmen GEORGE and RICHARDS have left their imprint on the course of history and both will be remembered with gratitude and affection in the years ahead.

Mr. President, I ask unanimous consent that at this point in my remarks I may have printed in the RECORD a news article from the New York Times of Friday, May 18, 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAN IN THE NEWS—A QUIET CONGRESSMAN: JAMES PRIOLEAU RICHARDS

WASHINGTON, May 17.—The Pittsburgh Pirates lost a budding prospect for their outfield a few decades back when JAMES PRIOLEAU RICHARDS chose law over baseball.

As a result of that decision, Mr. RICHARDS now is winding up 23 years in Congress in a style that can only make the Republican administration wish he had stayed with baseball.

Today, as chairman of the House Foreign Affairs Committee, Representative RICHARDS was in the vanguard of congressional forces that dealt the President's foreign-aid proposals a severe defeat. President Eisenhower, who was a pretty good pitcher at West Point, might well be wishing tonight that Mr. RICHARDS had accepted that offer from the Pirates.

The foreign-aid action and the coming fight on the House floor will be Mr. RICHARDS' curtain bow on the congressional stage. He is quitting this year and going back to South Carolina to practice a little law, hunt, fish, and tend to his cattle.

Though his position makes him one of the most important men in the House of Representatives, he remains relatively unknown compared to his compeer, Senator WALTER F. GEORGE, of Georgia, chairman of the Senate Foreign Relations Committee.

RICHARDS' ANGER RECALLED

The reasons for this are two:

First, Mr. RICHARDS, a persuasive southern internationalist of judicial training, is not given to the political grandstanding of which Washington headlines are made.

Second, the House committee never has attained the pivotal importance of the Senate group, largely because the Constitution charges the Senate with the greater responsibility for overseeing the conduct of foreign affairs.

On occasion, the administration tendency to treat the House group as a poor cousin of the George committee has moved Mr. RICHARDS to jealous defense. Last February, for example, he denounced the administration for treating the House like a "weak-minded, illegitimate son" and got an apology from the State Department.

The Capitol consensus is that the House committee has gained fresh prestige under his direction.

Mr. RICHARDS, born in Liberty Hill, S. C., in 1894, is now a robust 61 years old. He is a big man, tall and powerfully built, and his carriage still is that of the athlete. A full shock of silvery gray hair and a deep ruddy complexion round out the picture of a politician who even now would not look out of place in the role of baseball manager.

He began as a farm boy and took a year at Clemson College with the idea of mastering the agricultural sciences. At the end of the year he was interested in law and shifted to the University of South Carolina.

By 1921 he was in practice back in Lancaster, near his home, and a year later he was launched into politics as county probate judge. He held that office until South Carolina sent him to Congress in 1933.

In World War I he enlisted a few days after President Wilson's declaration, served in France with a trench mortar battalion, and rose from private to second lieutenant.

His appointment to the Foreign Affairs Committee came in 1935. As chairman he shares with Senator GEORGE the chief burden of congressional responsibility for this country's international affairs. The position also calls for him to share in the formulation and development of foreign policy through prior consultations with the executive branch.

The job is a full-time one and leaves little leisure for the hunting and fishing that are his favorite pastimes. He lives with his wife, Mrs. Katharine Wylie Richards, in Georgetown, and has a son and a daughter in college and another son practicing law in South Carolina.

He has not been entirely lost to farming. When he leaves Washington this summer he will divide his time between law practice and his cotton and cattle farm in Heath Springs, near Lancaster.

An old friend, summing him up today, said:

"He's just a real old down-to-earth South Carolinian who loves to hunt and fish, loves his farm, and loves his cows."

EXTENSION OF SUGAR ACT OF 1948—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may proceed for 5 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Montana may proceed.

Mr. MANSFIELD. Mr. President, I note, in looking at the RECORD, that on yesterday the conference report on the extension of the Sugar Act of 1948 was agreed to. I am indeed sorry I was not on the floor at that time, because there were some remarks I had intended to make then which I shall make now.

I had occasion during the debate on the sugar bill to call the attention of this body to the statement made by an old friend and colleague in Congress, Gen. Carlos P. Romulo, Ambassador of the Philippines to the United States. In that statement he pointed out that under the bill we were about to pass, the Philippines were singled out, among the major areas, for exclusion from the benefits of increased consumption of sugar in this country.

I am told that this was done in accordance with the recommendation of the State Department that any increase in the Philippine sugar quota be considered when the sugar legislation is next amended, and when the Philippine sugar had become subject to our customs duty.

Mr. President, sugar from the Philippines this year begins to pay 5 percent of our duty under the Revised Trade Agreement with the Philippines, so that it has met one of the conditions mentioned by the State Department. I wish to state now that I believe the Philippines has not been given a square deal in this bill, and that it is my hope that this injustice can be corrected at an early date.

Mr. President, we must not allow a country such as the Philippines, which has been such a loyal and courageous ally, to be the victim of discriminatory legislation on our part. We must correct the injustice as soon as possible, and I hope that when next the sugar bill comes up for consideration, the Congress will give serious consideration to the needs of the Republic of the Philippines.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KNOWLAND. I am sure there was no intention or desire on the part of the American Congress to discriminate against perhaps one of our oldest friends in the Pacific, the Republic of the Philippines. It was pointed out on the floor yesterday by the distinguished Senator from Georgia, the chairman of the Committee on Foreign Relations [Mr. GEORGE], and other Senators, in the colloquy which took place, that our relations with the Philippines with reference to sugar were governed by treaty, and that it was not appropriate, under the circumstances, to deal with the matter in this particular legislation. As the Senator from Montana knows, in any event there was no method of amending the conference report in order to take care of the situation about which Ambassador Romulo and others had expressed concern.

I am sure that the long history of the friendly relationships between the Republic of the Philippines and the United States of America will work toward the solution of any problem along this or any other line, so that an equitable adjustment may be brought about. I would not want the impression to be received in either that part of the world or elsewhere that there was an act of discrimination by the United States Congress, because I am sure that was not intended, and I am sure the Senator from Montana fully agrees that there was no intent to discriminate.

Mr. MANSFIELD. Mr. President, in answer to the distinguished minority leader, let me say that I am in full accord with his remarks. I realize there was no chance on yesterday to amend the conference report, and I am heartened, and I know the Republic of the Philippines will be heartened, as well, by the assurances he has given on the floor this morning to the effect that in the future the Philippines will receive full and complete consideration in connection with any legislation of this kind enacted by Congress.

RURAL ELECTRIFICATION THREATENED BY RISING POWER COSTS AND INADEQUATE POWER SUPPLY

Mr. MURRAY. Mr. President, on May 20, 1936, 20 years ago this month, President Franklin D. Roosevelt signed

the Rural Electrification Act. Known as the Norris-Rayburn Act, after its sponsors—Senator George W. Norris, of Nebraska, and Representative SAM RAYBURN, of Texas—the act formally wrote into the law the rural electrification program begun a year earlier, in May 1935, when President Roosevelt had established the Rural Electrification Administration by Executive order.

Public Power magazine is the official publication of the American Public Power Association, a national management organization representing over 800 publicly owned electric systems throughout the country. The current issue of this magazine contains an article by Mr. John M. Carmody, a former Administrator of the Rural Electrification Administration, which deserves careful reading and thoughtful consideration by everyone who believes that farm families are entitled to the continued benefits of low-cost electricity. Mr. Carmody writes from first-hand knowledge of the early struggles of REA against the private power monopoly, and warns of the present dangers to the REA movement. He says:

Finally, the basic difference between the crises that nearly killed REA off in its earliest days, and the present one, is that neither investment bankers, discredited by the Hoover depression nor the private utilities which had not yet recovered from the Insull-Hopson scandals, had powerful friends in high places in the Roosevelt administration. Their friends in Congress were few.

The situation is very different today. Bankers and private utilities not only have powerful friends in high administration places but they themselves occupy some of those places. They write their own tickets.

I ask unanimous consent to have Mr. Carmody's article printed in the RECORD at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POWER SUPPLY SEEN GREATEST WEAKNESS SINCE EARLY DAYS OF REA PROGRAM

(By John M. Carmody)

Rural electrification has had such phenomenal growth during the past 20 years that one hesitates at this late date to review some of the difficulties that nearly choked the young Rural Electrification Administration program to death before it really got its roots down. I do it only because I see a relationship between those early days and present moves to cripple rural electric cooperatives.

Some of those early troubles were external, some internal. REA passed through and survived at least two serious crises. One was during its first year, when the organization was flirting with private utilities in the hope that they would borrow cheap money and build rural extensions to their lines. The other crisis came almost immediately after REA was transferred, by unfortunate congressional action, to the Department of Agriculture. That one lasted nearly 2 years. The record of that bungling, internal crisis is so clearly stated by published reports that I shall do no more than mention it here.

Now, in my view, REA is faced with another crisis, this time external, with an internal assist called by the teasing name of "partnership." Recommendations of the Hoover Commission, if approved by the Congress, would drive these splendid farmer-owned electric cooperatives, which already have survived two crises, into the clutches of New York investment bankers for control by them and their private utility clients. Could anything be worse?

Investment bankers and private utilities already have demonstrated their influence—witness attacks on TVA, the Dixon-Yates scheme, the abandonment of Hells Canyon, abominable restrictions by the Department of the Interior and a general softening on essential REA generating plants and transmission lines. Only separately and through their own organization can the REA eletric cooperatives weather this attack. It is because this attack is related in some respects to an earlier crisis in REA that I think it useful to relate some of REA's early history.

The program started simply enough. Morris Llewellyn Cooke, appropriately the first administrator, for many years had needled private power companies to extend electric service to more farm families. The Giant Power Survey sponsored by him and Gov. Gifford Pinchot, of Pennsylvania, in the early 1920's, a project to encourage generation of electricity at various coal mines to transmit energy by wire rather than by railroad cars, was one phase of this endeavor. Subsequently, when Gov. Franklin Delano Roosevelt, of New York, appointed Mr. Cooke, a Pennsylvania Republican, to be a member of the New York State Power Authority he was able to pursue his studies into the cost and feasibility of providing rural service.

Incidentally, by way of momentary digression and because it has a bearing on the origin of REA, Mr. Cooke was the first person to say to me, long before speculation became general, "Governor Roosevelt will be the next President of the United States." We were sitting together at dinner at Princeton University where John D. Rockefeller III, a Princeton graduate, was addressing a dinner meeting during a management conference that both of us were participating in. I recall it distinctly because it was a new thought to me, in view of Mr. Roosevelt's invalidism and because it was long in advance of the Chicago convention. I mention it here because it was President Roosevelt who started REA on its way with Mr. Cooke as the first Administrator, 2 years after he had approved Senator George Norris' plan for TVA.

At the time of the Princeton dinner, Mr. Cooke was still a member of the New York State Power Authority, and I was editor of a management journal in New York. Both of us were active in the affairs of the Taylor Society, a widely known management society which later merged with the Society of Industrial Engineers, of which I was president, to become the present-day Society for the Advancement of Management.

Neither of us could know, as we listened to young Mr. Rockefeller at Princeton and talked about Governor Roosevelt's future that both of us were later to be active in a fabulous new organization, REA. Mr. Cooke was the first Administrator, and I was Deputy Administrator briefly, and later Mr. Cooke's successor as the second Administrator.

I have said the program started simply enough. Mr. Roosevelt became President, as Mr. Cooke had predicted. As President, he approved and encouraged a broad river basin study of the Mississippi River Valley, that Mr. Cooke promptly proposed. That study furnished further evidence of the need for increased rural electric service.

The study and report came at a propitious time. Relief funds were available to put idle men to work if worthy projects could be found. Why not electrify more farms? Mr. Cooke suggested an answer: set aside some of the available recovery funds for that purpose.

It was on May 11, 1935, that President Roosevelt issued an Executive order that made $100 million available for rural electrification. Rural electrification, therefore, has 2 birthdays, 1 to commemorate this event and another to mark the passage by the Congress on May 20, 1936, of the Norris-Rayburn Act. It was this act that definitely provided for preference in loans to cooperatives, municipalities, and other public bodies.

To implement the Executive order of May 11, 1935, a small staff was assembled, chiefly engineers and lawyers. If private utilities borrowed the new, low-cost money, as was expected, a few persons experienced in the utility field would suffice. The program was started on that basis. It seemed logical enough at that time. The private utilities had the facilities and the know-how. Cheaper money than they normally borrowed was being offered to them.

Conferences were held with many private utility executives. Discussions went on for months. Applications for loans were piling up. Farm men and women were growing impatient. They began to organize their own cooperatives. Farm Bureau groups in some States, Indiana and Ohio particularly, set up their own rural electrification organizations to assist their members in getting loans and in doing the necessary planning, surveying, engineering, and construction. Some loans were made to these groups. REA engineers did a splendid job of developing totally new standards for rural construction that cut costs materially, thereby giving borrowers many more revenue miles per dollar cost.

But discussions with private power companies went on. The hope that they would borrow this low-interest money, build extensions to existing lines, reduce rates and provide real rural service on an area coverage basis died hard with sturdy individualists on the staff who were shaping policy. Convinced finally, however, that the private power companies had no intention of taking advantage of his generous offer, with appropriate conditions attached, the Administrator turned to the cooperative method, as several members of the organization had been recommending. A whole year had passed, and, although several loans had been approved, only $5 million had been paid out for actual construction of approximately 5,000 miles of line—a drop in an oaken bucket.

Mr. Cooke saw the handwriting before some of his close associates and advisors, especially the chief counsel and top consulting engineer, an oldtime utility operator. The Administrator was aware of the deficiency in line construction, but he did not wish to let the President or Senator Norris down. He was tired. He needed a rest. He wanted to resign. When I told him I was leaving the National Labor Relations Board, of which I was one of the original members, he asked me to come in as Deputy Administrator, with the understanding with him and with President Roosevelt that I would succeed him as Administrator when his resignation became effective. I accepted.

Mr. Cooke has been criticized for offering the new program with its low-cost money to private utilities and especially for not realizing earlier in the long, drawn-out negotiations that the private utilities had no intention of meeting his terms—lower rates and area coverage. I think it should be said, in defense of that position, that it seemed more important to him and to some of his close advisers that rural areas get electricity than how they got it. They knew no other way than to have existing private companies do the job. Those closest to him at that time distrusted cooperatives, even when he began to see them as the way.

I believed REA cooperatives would provide the answer to the farmers' need for electric service; I gave recalcitrant private utilities no quarter. Honest indignation sometimes is a useful administrative instrument.

The long debate had been costly. Much precious time had been lost. The worst feature of the resultant delays, however, was the opportunity given to and seized upon by many private power companies to build spite lines. In some cases, in this cream-skimming process, embryonic electric cooperatives were completely destroyed, leaving large numbers of farm families completely without service. Some of them may never

get it. That was the unfortunate, destructive side of the program.

It had another side, a constructive one. The tough fight led to the development of even stronger electric cooperatives than might otherwise have been built on a wide scale. But here we have the real heart and strength of the REA program. Spite lines and vicious propaganda backfired.

Farm men and women are building and operating their own lines which they will own ultimately. They are in business for themselves with their neighbors. They live together, they work together, they fight together for their common interests and the common good. REA has grown up, thanks to the devotion rural men and women have given it. It will live if these men and women do not forget its early struggles. It will live if they do not go to sleep and permit the Hoover Commission proposals—sweetly worded proposals to destroy them—to prevail with the Department of Agriculture, the Administration and Congress.

Finally, the basic difference between the crises that nearly killed REA off in its earliest days, and the present one, is that neither investment bankers, discredited by the Hoover depression nor the private utilities which had not yet recovered from the Insull-Hopson scandals, had powerful friends in high places in the Roosevelt administration. Their friends in Congress were few.

The situation is very different today. Bankers and private utilities not only have powerful friends in high administration places but they themselves occupy some of those places. They write their own tickets.

I did not learn of the internal schism between private company operation and cooperatives until I was pitched into it as I began to get hold of operating problems. That was September 1936, more than a year after the executive order establishing REA and 4 months after the Congress had passed the Norris-Rayburn Act. The fight was still on. As so frequently happens in such internal organizational disputes, clashing personalities as much as principles kept the pot boiling. It was just as well, I think as I look back, that my colleagues did not know that I knew private utility philosophy and practice from away back. I had followed the Federal Trade Commission's investigation into private utilities in the 1920's carefully and knew their tricks. Mr. Cooke's general counsel, for instance, told me, "We do not intend to build any generating plants." This was after the first cooperative project in Pennsylvania had been nearly snuffed out by "spite lines" built by nearby private utilities whose quoted wholesale rates were so outrageous that only a generating plant or a threat to build one would bring them to their senses. In this case, the mere threat to build one did just that.

We really got rolling early in 1937. All hope that private power companies would do more than a "dog in the manger, spite line" job was abandoned. The REA organization concentrated on organizing and serving farm electric cooperatives in every appropriate way.

The program was alive. Enthusiasm ran high in REA and throughout rural areas. Buried projects were dug out of many desks. The status of every project from application to construction was put on the table in full view of the entire staff for examination and reexamination at what we called our weekly production meetings. There were no private decisions. Every delay in any department had to be explained.

The weakest thing about REA then and now, in my view, is the necessity to depend on private power companies for energy. Even now, when private utilities find this REA business so profitable as to offer wholesale rates greatly reduced from those early antisocial, holdup days, it still constitutes a weakness.

Further development of two sources of energy may fill this gap. I refer to solar energy, still over the horizon, and atomic energy, on the brink of practical usefulness. After the Government has spent billions to bring atomic energy within reach of all of our people, private utilities are scheming desperately to grasp monopoly control of nuclear generation of electricity.

Here lies a new challenge to rural electric cooperative members to protect their investment and their successors.

Those early excessively high wholesale rates constituted a form of robbery. With the exception of Michigan, after Frank Murphy became Governor, and Pennsylvania where Richard Beamish was a member of the public service commission, almost every public service commission gave REA a hard time. I am aware of all the weakness of regulation generally, a sort of captive operation, but I never understood the cruel attitude of regulatory agencies toward farm groups who only wanted electricity. They were not asking special privileges. Few State legislatures were friendly to cooperatives.

The first REA generating plants were built in 1937, soon after I became Administrator. We should have built them earlier, and more of them, but these first ones had a wholesome effect immediately on wholesale rates in many places. Others followed, but I always have regretted we did not build more of them. I always have felt that some of the municipals missed an opportunity to tie town and country closer together at that time.

I cannot "warm up" to the new-fangled, phony "partnership" plan, nor can I believe that the best interests of REA electric cooperatives are served by throwing them to the private utility wolves on any pretense of saving money or getting better management. Plenty of lip service, but the knife has a keen edge.

THE LATE DAVID P. CONNERY

Mr. McNAMARA. Mr. President, yesterday there was laid to final rest a man who was much more to me than my administrative assistant. He was my friend.

David P. Connery was my friend for many years. In January of 1955, he and I came to Washington—two men, not so young in years, but young in the ways of the United States Senate. Together, we worked to make the best contribution possible to this great body, to the people of Michigan, and to our country. The very fact that I became a Member of this body was due in large measure to Dave Connery, who was a tireless worker in my campaign.

Dave Connery was a man of kindness and courage. His kindness was evident in every act. He loved people. And all of us who knew him and worked with him returned that love and respect.

His great courage was never more evident than in the final months of his life. Dave Connery, at the age of 60, died of cancer. Yet, from the time he first was hospitalized last July, he never gave up hope or the fight for life. At the National Institutes of Health, where he finally passed away last Sunday, the doctors have utilized every bit of medical knowledge in their possession, not only to save his life, but the lives of countless others victimized by cancer. I know that Dave would salute them for their valiant efforts, and he would hope that what they learned from him will aid others.

Dave Connery was a Canadian by birth. He chose newspapering as a career, eventually serving for many years as city editor of the Windsor Star in Windsor, Ontario. He was a friend of the working people, serving at one time as assistant to the Ontario Minister of Welfare and the president of the United Auto Workers.

It is impossible to say in words how we will miss Dave Connery, but I know that I have benefited immeasurably from knowing him.

Personally, and on behalf of the members of my staff, I extend our deepest sympathies and condolences to his widow, Mrs. Dena Connery, his son, Lance, and the other members of his family.

Mr. President, I ask that several messages be printed in the RECORD at the conclusion of my remarks.

There being no objection, the messages were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., May 15, 1956.

Hon. PATRICK MCNAMARA,
United States Senate,
Washington, D. C.

DEAR PAT: Please accept the heartfelt sympathy of Maurine and me—and of all my staff—upon the untimely and tragic death of your administrative assistant, David P. Connery. All of us liked and respected Dave, and he had made himself a part of the Senate community in a very short time. John Jones, who had worked with Dave, particularly asks to join in this brief expression of sympathy.

I do hope you will extend our condolences on to that very attractive woman, Mrs. Connery, and also please accept them for yourself for we know how much you relied on Dave for friendship and for assistance.

With all good wishes, I am,

Sincerely,

RICHARD L. NEUBERGER.

MAY 15, 1956.

Mrs. DAVID P. CONNERY,
3636 16th Street NW.,
Washington, D. C.

DEAR MRS. CONNERY: The news of Dave's passing has just reached me, and I find words are inadequate to express how I feel.

Please accept my heartfelt sympathy in your hour of bereavement.

With every good wish,

Sincerely,

MARTHA W. GRIFFITHS,
Member of Congress.

WASHINGTON, D. C.

Senator PAT MCNAMARA,
United States Senate,
Washington, D. C.:

We share your sorrow in the loss of David Connery. It was a privilege to have known him and we highly valued, as we will always cherish the memory of his friendship. Mrs. Diggs and my congressional staff join me in expression of our deepest sympathy.

CHARLES C. DIGGS,
Member of Congress.

OSCOMMON, MICH., *May 17, 1956.*

PAT MCNAMARA,
Senate Office Building,
Washington, D. C.:

The sad news about Dave has just reached me. His host of friends in party have come to respect and admire him deeply. All of us will miss him and join with you in your loss.

NEIL.

MAY 15, 1956.

DEAR SENATOR MCNAMARA: I was so sorry to learn in this morning's Free Press that

you have lost your helper, associate, and aid through the ravages of cancer. It must be very sad indeed to have the years of interest and compatability severed so painfully and sadly. My sympathy is for you, as well as for Mr. Connery's family.

I shall write you again with happier subjects in mind.

Yours,

SALLY BUTZEL LEWIS.

BIRMINGHAM, MICH.

IDAHO POWER RATES

Mr. NEUBERGER. Mr. President, the other day my attention was attracted by material placed in the body of the RECORD purporting to compare the cost of electricity to customers of rural electric cooperatives in sections of Idaho and Tennessee with the price to rural customers of the Idaho Power Co. The figures selected for comparison were intriguing, not because of what they told, but what they did not reveal.

For instance, the so-called statistics failed to disclose that the Idaho Power Co., a blue-chip utility blessed with low production costs because of highly favorable sites and stream-flow on the Snake River, has an established policy under which new farm customers may be required to pay powerline construction charges exceeding a minimum figure. Thus, a farmer might be required to pay hundreds of dollars before he could avail himself of the company's so-called business-managed kilowatts.

Nor did the selective and partial statistics disclose that the co-ops selected for comparison serve some of the most rugged and sparsely populated sections of the West, where construction costs are high and operating conditions difficult when compared with Idaho Power's more compact service area. Nor did the figures explain why the co-ops came into existence in the first place, namely, because the private company did not want to add these areas, believed to be unprofitable, to its system. Growth of the rural cooperatives in the last 20 years is a revealing indictment against the private utilities' lack of real free enterprise. A vast market for sale of electricity existed in rural America, but the utilities chose to ignore the demands of farmers to share in the age of electric conveniences. When the utilities failed to adequately extend service to rural districts, farmers were forced to undertake the task themselves through formation of cooperatives. Yet, since the financial success of the rural electric cooperative program has been proved, spokesmen for private utilities brand as "creeping socialism" this program to relieve farmers and farm housewives of some of the former drudgery of rural life.

The utilities had the freedom to be enterprising, but they failed to use it. As a result, the great rural-electrification program came into being, fathered by the late Senator George Norris. Would critics of the co-ops have the farm wife return to the days of kindling splitting by hand for cooking, and nursing of sick children by the light of kerosene lamps?

The REA program gave a greater boost to farm living standards than any single development of the last half century. Its usefulness and benefits cannot be disparaged or discounted by handpicked statistics which attempt to compare incomparable objects.

I have asked the National Rural Electric Cooperative Association, an organization dedicated to promoting the interests of the consumer-owned, nonprofit rural utilities, to analyze the statement and comparisons recently placed in the RECORD by the distinguished junior Senator from Arizona [Mr. GOLDWATER]. The statement prepared by NRECA explains in detail the true meaning of the figures used. I think it would be well to look behind the statistics. I ask unanimous consent to have the material prepared by the NRECA printed at the conclusion of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT ON IDAHO POWER RATES BY NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

The Idaho Power Co. makes its service available to farms in its service area at its standard residential and domestic rate. A farmer purchasing 6,428 kilowatt-hours per year, as apparently the average large farmer served by the Idaho Power Co. system did in 1953, would pay an average rate of 1.71 cents per kilowatt-hour. However, in 1953, only 27.3 percent of all the residential type customers served by the Idaho Power Co. were reported by that company to the FPC as farm consumers. The other 72.7 percent, which are ordinary residential users, might purchase lesser quantities of energy each year at an appreciably higher rate.

In fact, the publication Typical Residential Electric Bills for 1953, published by the Federal Power Commission, shows that the small city consumer, purchasing 1,200 kilowatt-hours a year from the Idaho Power Co., paid an average rate of 3.4 cents per kilowatt-hour in 1953, or twice as much as the farmer paid. By comparison, a small consumer using 1,200 kilowatt-hours per year in Chattanooga, Tenn., pays only an average rate of 2.5 cents per kilowatt-hour, 26 percent less than the Idaho Power Co. rate. The rate to the small city consumer using 1,200 kilowatt-hours per year in Boise, Idaho, Nampa, Idaho, Twin Falls, Idaho, and several other cities in that State is 3.4 cents per kilowatt-hour. In Knoxville, Tenn., Nashville, Tenn., and many other cities in that State, the average rate for the small city consumer is $2.50, and in some cases as low as $2.25. In Jefferson City, Tenn., the rate is $3.50. That city is served by the Appalachian Electric Power Co.

Thus, it is easily seen that the Idaho Power Co. can offer a low rate to 27.3 percent of its customers comprising its farm service, if the other 72.7 percent pay a higher rate.

The cooperatives of Idaho do not have the advantages of a diversified customer group. They do not serve a single town with a population of 2,500 or over, according to FPC figures. The area served by the cooperatives is sparsely settled. They encounter a density of 2.4 consumers per mile of line and sell approximately 10,800 kilowatt-hours per mile of line per year. The Idaho Power Co., by comparison, enjoys a consumer density of 8.85 consumers per mile of line, and sells 152,000 kilowatt-hours per mile of line per year, or 14 times the kilowatt-hour sales density of the cooperatives.

Fifty-three percent of the total energy sold by the Idaho Power Co. goes to industrial and commercial consumers.

By comparison, only 21.9 percent of the cooperatives' kilowatt-hour sales are in the industrial and commercial category.

There is also one additional fact that was completely ignored in the statistics presented by the junior Senator from Arizona. The Idaho Power Co. has on file with the FPC a statement of policy which provides that the company will not build additional line or add capacity to existing line to serve farm consumers unless the estimated construction cost of such line is less than 10 times the estimated annual revenue from it. If the estimated construction cost is more than 10 times the annual revenue, then the customer desiring service must make a cash payment to the company to cover a portion of the construction cost, or guarantee a minimum monthly payment for 10 years. The annual sum of such minimum guaranteed monthly payment must be one-twelfth of the estimated construction cost of the new line. In other words, the customer desiring such service must guarantee to pay in revenue to the company 83.5 percent of the cost of such line within a 10-year period, whether he uses the electricity or not.

Let us assume that a farmer who lives 1 mile away from an existing line of the company desires to take service.

Let us assume that his immediate need for electricity is 3,214 kilowatt-hours per year, about one-half of the average of all the other farms in the Idaho Power Co. service area. This is a reasonable situation because the load of the normal farmer grows each year and a new farmer coming on the line would not have many appliances. It costs about $1,700 to build a mile of line. Our farmer, in order to get service, would have to guarantee to pay the Idaho Power Co. $141.50 per year for a 10-year period instead of the $80.60 which would be his bill under the normal rate schedule. In other words, such a farmer would pay 4.4 cents per kilowatt-hour for his energy, or 76 percent above the normal rate, simply because his farm is difficult to serve.

It is just such policies as this that have brought the rural electric cooperatives of Idaho into existence. It is a long-standing policy of REA cooperatives to strive for area coverage, that is, to serve all farms within their service area. The cooperatives must build many long lines to serve a few farms, but all farmers served enjoy the same rate schedule. A rural electric cooperative serves a predominantly farm load in a sparsely settled area as a general rule. An investor-owned utility company serves the heavily settled urban and suburban areas and all the industrial and commercial aspects of such areas. To infer that the rates charged by each should be equal is to admit ignorance of the basic difference between them or to be victimized by misleading statistics. Now a word about taxes.

The material inserted into the RECORD by the junior Senator from Arizona correctly shows that the Idaho Power Co. paid $7,823,072 in taxes during 1953, amounting to about 3.51 mills per kilowatt-hour. However, $4,113,600 of this amount was Federal income tax and $253,700 was State income tax. The rural electric cooperatives are not subject to either State or Federal income taxes because they operate on a cost-of-service basis and earn no net income. The Idaho Power Co. would not pay income tax either except for the fact that it enjoys a substantial net income each year.

The cooperatives of Idaho paid $93,016 in taxes during 1953, which amounted to about 1.4 mills per kilowatt-hour. Certainly no one could suggest that an organization which does not earn income should pay an income tax, or that the taxes paid by such an organization would be comparable to those paid by the large investor-owned, profit-earning corporations. Such a comparison is analogous to saying that the taxes paid by a man earning a salary of $5,000 per year are comparable to those of a person earning $100,000 per year.

If the taxes paid by the Idaho Power Co. and by the cooperatives of that State are

placed on a comparable basis, by excluding income tax, the figures show that the company paid $3,455,772, or 1.66 mills per kilowatt-hour in taxes, exclusive of income taxes, compared to the cooperative payment of $93,016, or 1.4 mills per kilowatt-hour in taxes. Here then is a little difference, especially considering that the cooperatives own only distribution lines and own no generating facilities of their own.

If they generated their own power, the increased taxes would likely result in their nonprofit taxes actually being higher than Idaho Power Co. taxes.

EQUITY INVESTMENT IN UNITED STATES AND FOREIGN CORPORATIONS

Mr. WILEY. Mr. President, the eyes of the Nation and the world have been on the Senate Foreign Relations and House Foreign Affairs Committee as they have continued their review of the administration's proposals for mutual-security assistance in the 1957 fiscal year.

Meanwhile, however, an increasing number of Americans are fortunately giving their attention to ways and means of encouraging to a larger extent, private investment abroad.

I am sure it is the consensus of the Congress and of our people, as a whole that, to the most feasible extent, we should rely in the future upon the movement of private capital, rather than on governmental assistance.

PREVIOUS COMMENTS BY SENATOR WILEY

On a good many occasions on the Senate floor, I have developed this theme—stressing the role of American private investment overseas, the role of American banks, investment trusts, other financial institutions like the International Bank, the Export-Import Bank, the International Finance Corporation, and others.

MY QUESTIONS ON PRIVATE INVESTMENT

As the mutual-security bill has been reviewed, I have asked questions repeatedly of administration witnesses, regarding the extent to which foreign countries are or are not improving the climate for American investment.

PRIVATE EQUITY SHARES

One of the phases of considerable interest to me has been the climate and conditions for an increasing amount of ownership of Americans in foreign enterprises through the purchase of equity stock.

As everyone is aware, there is always obviously a certain risk in stock purchases, even in the best so-called blue chips here at home.

But in the United States, in this great country of ours, we have seen how the willingness of millions of investors to risk their savings has been responsible for making America emerge as the greatest, richest, most powerful, freest nation on earth.

It is our hope that conditions will be such in foreign lands as to attract more and more equity capital from America—not, I emphasize, on a wild speculative basis, of course, not on a get-rich-quick basis, but on a sound, sensible, continuing, partnership basis.

For capital to go abroad, whether it is in the form of private direct investment in a factory or a mine or a mineral, or in any other form, there must be still more opportunity, more possibility of financial return—considering the larger risks inevitably involved—than there might be in our own country.

That is why foreign governments and peoples have a heavy responsibility to create and maintain conditions which will attract capital which might otherwise be expended in the enormous opportunities here in America.

Foreign governments must help cut red tape, nuisance restrictions, unfair taxation which impede private investment. Basically, they must keep their financial house in order.

Time after time, United States bankers and other financial leaders have been repelled from investment by loose or arbitrary fiscal practices abroad, incompatible with free enterprise.

Thus far, only a fraction of the United States investment potential abroad has been achieved.

ONE BILLION FOUR HUNDRED MILLION INCREASE IN 1954

According to the Department of Commerce for the year for which statistics are most recently available, in 1954, there was however, an increase of $1.4 billions in the value of United States private investments in foreign securities, and short and medium term credits and assets abroad.

Of that amount, $860 million resulted from net capital flow from the United States. The remainder reflected improved market values for the dollar bonds and local currency bonds and equity securities of foreign countries.

Incidentally, in our own country, the amount of foreign-owned investment and assets increased by $3 billions during 1954. The largest component of that sum consists of foreign-owned short term dollar assets, including obligations of the United States Government. But most of the increase represented the sharp rise in the market value of United States corporate stocks.

Since America is the world's greatest financial power, the capital flow will basically be from our shores.

Numerous proposals have been advanced, therefore, for bringing larger numbers of both large and small private investors into ownership of foreign securities.

Lest they get "burned" however, on relatively unfamiliar foreign economic details, particular care and discretion must always be exercised by the investor. And care must be taken by official regulatory authority as well, while allowing the free enterprise system to operate.

MY REQUEST ON SEC

Recently, I called upon the Securities and Exchange Commission for information with regard to the registration of new foreign issues on American exchanges. I believe that the recent pattern of such registration has been a healthy one, being pursued on a sound basis by the New York and the American Stock Exchanges.

I send to the desk the text of the information supplied by the SEC.

And as background, I append the text of an article which was published in the October 8, 1955, issue of Business Week. I ask unanimous consent that the text of this material be printed in the RECORD.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

Private, long-term portfolio capital movements by type and area, 1951–55

[Millions of dollars; capital outflow]

	1951	1952	1953	1954	1955
All areas, by type	−437	−214	185	−225	−92
New foreign securities	−491	−286	−270	−309	−116
Amortizations and redemptions	113	66	139	124	203
Transactions in outstanding issues, net	25	131	223	76	−9
Banking and commercial loans, net	−84	−125	93	−116	−170
Canadian capital movements by type, total	−232	−30	−1	67	173
New securities	−302	−158	−203	−167	−38
Amortizations and redemptions	88	38	108	89	160
Transactions in outstanding issues, net	−20	100	94	145	51
Banking and commercial loans, net	2	−10			
All capital movements, by area, Canada, total	−232	−30	−1	67	173
Latin American Republics, total	30	34	34	−89	−195
Europe, total	−35	−90	209	85	3
Other countries, total	−47	−10	4	−124	−48
International institutions, total	−153	−118	−61	−164	−25

Source: Department of Commerce, Survey of Current Business.

Foreign bonds listed on New York Stock Exchange

[In millions]

Date	Number of issures	Number of issues	Par value	Market value
Dec. 31, 1953	25	55	$607.734	$506.7
Dec. 31, 1954	36	76	609.831	531.3
Dec. 31, 1955	35	74	567.867	484.2

Foreign stocks (common) listed on New York Stock Exchange

[In millions]

Date	Number issuers	Number issues	Number shares	Market value
Dec. 31, 1953	19	17	74.1	$1,915.3
Dec. 31, 1954	20	18	77.0	3,065.1
Dec. 31, 1955	22	20	87.6	4,093.2

Foreign stocks (common and preferred) listed on New York Stock Exchange

Date	Number of issuers	Number of issues	Number shares	Market value
			Millions	*Millions*
Dec. 31, 1953	19	20	74.6	$1,943.3
Dec. 31, 1954	20	21	77.6	3,097.2
Dec. 31, 1955	22	23	88.2	4,124.1

Foreign companies registered under the Securities Act of 1933, calendar years 1954 and 1955

	1954	1955
Number of statements filed (see list of names attached)	22	24
EFFECTIVE REGISTRATIONS		
Number of statements	17	17
Number of issues	18	20
Dollar amount (millions of dollars)	162.9	297.3
Cash account of issuer:		
Number of statements	14	14
Number of issues	14	15
Dollar amount (millions of dollars)	152.5	171.2

Foreign companies registered under the Securities Act of 1933, calendar years 1954 and 1955—Continued

	1954	1955
Cash account of issuer—Continued		
Mining:		
Number of issues	8	6
Dollar amount (millions of dollars)	10.9	7.7
Manufacturing:		
Number of issues	0	4
Dollar amount (millions of dollars)	-------	53.3
Investment companies:		
Number of issues	6	5
Dollar amount (millions of dollars)	141.7	110.2
Other: Dollar amount (millions of dollars)	10.4	126.1

Foreign companies registered under the Securities Act of 1933, calendar year 1954

SEC file No. 11252: Philippine Long Distance Telephone Co.

SEC file No. 10704: Scurry Rainbow Oil, Ltd.

SEC file No. 1196: Canadian Delhi Petroleum, Ltd.

SEC file No. 10764: De Von Le Duc Oils, Ltd. (Withdrawn August 1954.)

SEC file No. 11308: Investors Group Canadian Fund, Ltd.

SEC file No. 10921: Scudder Fund of Canada, Ltd.

SEC file No. 11036: United Funds, Canada, Ltd.

SEC file No. 11045: Canada General Fund, 1954, Ltd.

SEC file No. 11050: New York Capital Fund of Canada, Ltd.

SEC file No. 11060: Lake Lauzon Mines, Ltd.

SEC file No. 11191: Templeton Growth Fund of Canada, Ltd.

SEC file No. 11242: Stancan Uranium Corp.

SEC file No. 11335: Canada General Fund, 1954, Ltd.

SEC file No. 10903: Trican Petro Chemical Corp.

SEC file No. 11074: Keystone Fund of Canada, Ltd.

SEC file No. 11315: Aluminum, Ltd.

SEC file No. 11322: Canada Petrofina, Ltd.

SEC file No. 10828: Pan Israel Oil Co., Inc., VT and Pan Israel Oil Co., Inc.

SEC file No. 10829: Mediterranean Petroleum Corp., Inc., VT and Mediterranean Petroleum Corp., Inc.

SEC file No. 11159: Israel Mediterranean Petroleum, Inc., VT and Israel Mediterranean Petroleum, Inc.

SEC file No. 11160: Pan Israel Oil Co., Inc., VT and Pan Israel Oil Co., Inc.

SEC file No. 11262: Rhodesian Selection Trust, Ltd.

Foreign companies registered under the Securities Act of 1933, calendar year 1955

SEC file No. 11817: Northwest Nitro Chemicals, Ltd.

SEC file No. 11928: Home Oil Co., Ltd.

SEC file No. 11545: De Von Le Duc Oils, Ltd. (Withdrawn June 1955.)

SEC file No. 11349: Nipissing Mines Co., Ltd.

SEC file No. 11383: Consolidated Fenimore Iron Mines, Ltd.

SEC file No. 11393: Consolidated Subury Basin Mines, Ltd.

SEC file No. 11427: Southern Union Oils, Ltd.

SEC file No. 11520: Wilrich Petroleum, Ltd. (Withdrawn April 1955.)

SEC file No. 11523: Dyno Mines, Ltd. (Withdrawn April 1955.)

SEC file No. 11560: New Bristol Oils, Ltd. (Withdrawn May 1955.)

SEC file No. 11580: Stancan Uranium Corp. (Withdrawn November 1955.)

SEC file No. 11613: Peruvian Oils & Minerals, Ltd.

SEC file No. 11619: Saxon Uranium Mines, Ltd.

SEC file No. 11804: Scudder Fund of Canada, Ltd.

SEC file No. 11858: Yellowknife Uranium Corp. (Withdrawn November 1955.)

SEC file No. 11999: Canuba Manganese Mines, Ltd. (Withdrawn January 1956.)

SEC file No. 12127: Canada General Fund 1954, Ltd.

SEC file No. 12175: Algoma Central & Hudson Bay Railway Co., first-mortgage bondholders committee.

SEC file No. 11618: Bonnyville Oil & Refining Corp.

SEC file No. 11620: North Penn Gas Co.

SEC file No. 11807: Canadian Petrofina, Ltd.

SEC file No. 11456: Israel Pecan Plantations, Ltd.

SEC file No. 11939: "Isras" Israel Rassco Invest. Co., Ltd.

SEC file No. 12020: Industria Electrica de Mexico, S. A. (Electrical Industry of Mexico, Inc.).

Additional and new foreign issues listed on New York and American Stock Exchanges, 1954 and 1955

	Effective	Issue
NEW YORK STOCK EXCHANGE		
Royal Dutch Petroleum Co., 50 Guilder par ordinary shares	July 15, 1954	4,200,000 shares.
Commonwealth of Australia 3¾ percent bonds due 1969 [1]	Jan. 5, 1955	$25,000,000.
Belgium 4 percent bonds due 1964 [1]	Jan. 21, 1955	$15,000,000.
United Steel Works Corp., in liquidation participating certificates, in bonds of 9 German issuers.[1]	Mar. 6, 1955	$21,500,000.
Norway 4¼ percent bonds due 1965 [1]	May 19, 1955	$7,500,000.
Rhodesian Selection Trust Ltd., ADR's representing 5 shillings par	June 28, 1955	21,176,000 ADR's.
Frankfurt-On-Main refunding 4⅞ percent bonds due 1973 [1]	Oct. 28, 1955	
AMERICAN STOCK EXCHANGE		
United Rayon Mfg. Corp. (AKU) ADR's for ordinary shares, 1,000 HFL par.	Jan. 29, 1954	2,057,230 ADR's.
San Carlos Milling Co. Ltd., $8 par capital stock	May 9, 1954	200,000 shares.
Israel-Mediterranean Petroleum, Inc.-American VTC for 1 cent par common.	Nov. 1, 1954	443,800 VTC's.
Pan-Israel Oil Co., Inc., American VTC for 1 cent par common	----do----	1,593,000 VTC's.
Philippine Long Distance Telephone Co	June 21, 1955	1,358,000 VTC's.

[1] Additional issues, other new issues.

WALL STREET GOES FOREIGN NOW

"London has had its day as the world's banker. It is New York's turn now."

If you heard this sentiment once in Wall Street back in the fall of 1945 you heard it a dozen times. That was before even the wisest of New York's international bankers realized that the postwar reconstruction job would take about 10 years—a decade during which Uncle Sam, rather than the private financial institutions of either London or New York, would in one guise or another play the role of world banker.

Now you are hearing the same refrain again. And this time what starts it going is not just a gleam in a New York banker's eye, as it was in 1945. Hard cash is being put on the line by leading investment banks, by some of the big commercial banks, and by a number of brokerage houses that have been specializing recently in foreign securities.

These institutions—and those interested aren't all in New York—think that the time has arrived to add a new dimension to United States banking operations—the sharing of ownership in foreign enterprises by the purchase of equity stock. This would supplement the outward flow of dollar funds that already comes from (1) direct investments abroad by big United States manufacturers, oil companies, and mining firms; and (2) loans made by the World Bank and the Export-Import Bank.

I. HOW IT'S DEVELOPING

There is little or nothing to resemble the 1920's in the current "go foreign" flurry in Wall Street. There has been plenty of interest in foreign securities, especially British and Dutch industrial blue chips. But you don't hear even a whisper about the kind of European and South American bonds that whetted the United States investor's appetite in the twenties and then soured him on foreign securities for a generation.

In the picture: Here are some of the developments that make up the present flurry:

New York's Kuhn, Loeb & Co. and First Boston Corp. joined hands this week with S. G. Warburg & Co., Ltd., of London, to form a new $10 million international investment firm—Transoceanic Development Corp., Ltd.—to acquire equity investments in foreign countries other than Canada. A dozen United States banking and brokerage firms, a dozen British and continental investment banks, and one Canadian bank are in Transoceanic (a Canadian company) as participants. Some United States and foreign financial institutions are complaining this week about being left out.

The Chase Bank, affiliate of New York's Chase Manhattan, has in the works a similar investment banking operation intended to finance and develop new enterprises both in Canada and abroad. A Canadian corporation already has been formed for this purpose.

Set to get in on the act is the Inter-American Capital Corp., backed by Time, Inc., and a New Orleans group. This outfit, which will be managed from New York, will devote itself exclusively to pushing investment in Latin America.

Plans are on foot for extending the mutual funds idea into the foreign field. One big contender (BW—Aug. 20, 1955, p. 141) is the International Resources Fund, Inc., managed by Capital Research & Management Co., of Los Angeles, which is planning to float a stock issue this month through New York's Kidder, Peabody & Co. and others.

There is talk in Wall Street that in the foreseeable future several of the blue-chip British and continental industrial corporations might sell a portion of any new stock issues in the New York market. That prospect is one of the things that led Lazard Freres & Co. and Lehman Bros. last month to buy a 10-percent interest in the Mediobanca of Milan, Italy.

Adding up: In some Wall Street circles, these developments add up to (1) the revival of an international capital market; and (2) the emergence of New York as an international investment banking center, potentially as the world center.

But you will find some "streeters" who have their fingers crossed on both counts, even assuming healthy economic conditions here and abroad. And there are others who take such a dim view of market prospects here in New York that they think the whole business will prove to be a bubble that will burst, they say, just as soon as the bears take over in Wall Street.

II. WHAT'S BEHIND IT?

There is not much disagreement, though, about the things that have produced the go-foreign mood on Wall Street. What you have had in the past year is the conjunction of favorable developments abroad, favorable by postwar standards, and a changing investment climate in the United States.

On the foreign side there has been (1) the easing of cold-war tension, which has made the wark risk look a lot more remote; (2) the economic upsurge in Western Europe, which has brought the lowering of exchange restrictions; and (3) the eagerness of many underdeveloped countries to speed their economic growth.

Potential: The United States, potentially, at least, has still untapped resources of industrial know-how and capital. New York bankers will tell you of the flood of foreign visitors, from Africa and Asia as well as Europe and Latin America, which they have been receiving this year.

These visitors come to New York, as they used to go to London, looking for know-how or capital or both. Though London remains the biggest single source for trading funds—used to finance the trade of the sterling area—it hasn't anything like the potential New York has for providing private investment funds.

On top of that, American investors are looking this year for greener pastures than Wall Street has been able to provide (Business Week, June 4, 1955, p. 130). The difference in yields between New York and London tells a good part of the story. Late in September (just before President Eisenhower's illness) the average gross yield for the Financial Times industrial index was 5.1 percent against 4 percent for the Dow-Jones industrial average.

III. NEW DIMENSIONS

Even the enthusiasts don't say that total United States private investment will suddenly shoot up as a result of this new interest in foreign equities. All they are claiming is that a new dimension is being added to the picture. And they don't for a minute belittle the importance of what the big United States corporations have done during the postwar period by way of direct investments abroad and what the World Bank has done with its loans.

Actually the World Bank has been tapping some of the investment funds that Wall Street now hopes to draw on. The bank has sold some $500 million worth of its own bonds in the United States market. And soon a subsidiary of the bank—the International Finance Corporation (Business Week, Sept. 10, 1955, p. 105)—may be doing very much the same kind of job as the new Transoceanic Development Corporation.

Perhaps just as important, the bank has helped reestablish some order in postwar international financing—something that private banks probably couldn't have achieved in the shaky postwar years.

A natural: Transoceanic Development Corporation is an entirely new departure for Wall Street. But Kuhn, Loeb and First Boston Corp. think it's a natural for today's world. Its aim is to provide new capital for the expansion of mining, manufacturing, and commercial enterprise in any foreign country that provides attractive investment opportunities.

In exploiting such opportunities, Transoceanic has the advantage not only of S. G. Warburg's international connections but of its own relations with a dozen top-flight British, Dutch, German, and French investment banks. Then on the United States side it gains the same kind of depth from its American participants.

Setup: Transoceanic's initial paid-in capital is $5 million, of which three-fifths has been taken up by United States and Canadian participants and two-fifths by European participants. The firm has no present intention of going to the public for more capital. It feels that its resources are more than adequate for the kind of operations it plans for the near future.

Here's the way it might operate:

Normally, Transoceanic won't be making big dollar investments in new foreign enterprises or the expansion of existing ones. For example, one of its numerous projects calls for only a 3- to 5-percent participation by Transoceanic. The rest of the resources would come from United States and European participants and their clients. The idea is to provide funds when they are needed as a catalyst to get promising foreign projects off paper.

Transoceanic set up shop in Canada for two reasons: (1) The tax advantage it can gain there; and (2) the preference of its European participants to handle their financing through Canada rather than New York.

Another direction: A different kind of operation is involved in the recent Lazard-Lehman deal with Italy's Mediobanca. Previously, Lazard had been buying into a French bank or two, with the idea of gaining a strong position in French overseas banking operations. Then Lazard hooked up with Lehman to get an operating position in Italy.

The Mediobanca, which was formed in 1946 by three of Italy's leading banks, virtually dominates the investment banking business in Italy. Most of Italy's big industrial corporations use it to handle their public issues. Undoubtedly, if firms such at Fiat, Pirelli, or Montecatini should want to sell part of an issue in New York, Lazard and Lehman would get the business.

Uncertainties: According to Wall Street rumor, there is still some uncertainty as to whether International Resources Fund will go ahead with its plan for a public issue in October. Capital Management, the fund's manager, says it is 99 percent sure the issue will hit the market in mid-October. If it does, investors will be able to buy into a mutual fund whose securities will be split roughly 50–50 between United States corporations with foreign interests and foreign enterprises.

All this new activity involving foreign securities hinges on a healthy stock market here in the United States. If the market turns really sour, as a few "streeters" now predict, much of the current flurry might soon look like no more than a bubble. These "streeters" say it has always been hard to sell even high-grade Canadian securities in a declining market, and European securities would be likely to suffer even more.

ASIAN-AMERICAN CONFERENCE ON CULTURAL RELATIONS

Mr. WILEY. Mr. President, yesterday, as is shown at page 8340 of the CONGRESSIONAL RECORD, I spoke about the conference on Asian-American cultural relations. Today it was my privilege to speak to the participants in the conference who are mentioned in yesterday's statement, at a luncheon in the Vandenberg room in the Capitol.

In my remarks I said:

I want to convey warmest greetings to our visiting friends of Asia.

Today, on Capitol Hill, they are climaxing, I believe, a 4-week tour of the United States, which started in San Francisco, and which has continued through the Midwest and the East.

COMMENTS IN CONGRESSIONAL RECORD YESTERDAY

Yesterday, on the Senate floor, I was pleased to convey my initial word of greeting to you.

Around the table I have been glad to distribute tearsheets of my remarks—page 8340 of the May 17 CONGRESSIONAL RECORD.

WELCOME TO ASIAN AND UNITED STATES GUESTS

We are pleased to welcome each of you here. We are pleased, too, to welcome the distinguished men and women in universities, the State Department, and elsewhere, who have helped make your visit to the States and to Washington, in particular, rewarding, I trust.

VOICES OF EAST WELCOME

Yesterday, we, in the Congress, had the privilege of hearing from the distinguished President of Indonesia, Sukarno—a great voice from the East.

Today, in our midst, we are pleased to have the president of the University of Indonesia, Dr. Djohan, as well as our other fine friends.

We are happy to get to know you better, and we know that you want to get to know us better.

OUR DIFFERENT CULTURES

We want to learn more about your culture, your ancient, rich heritage and tradition.

Each of you come from heritages which are obviously somewhat different from ours—Hindu, or a Moslem, or Buddhist, or other; but we share the same love of liberty, and the same belief in the human personality and human dignity.

OUR BASIC QUESTION—HOW TO IMPROVE RELATIONS

The question which I should like to submit to our friends from Asia is a positive question, an affirmative question.

It is this: In your travel throughout the United States, what has impressed you most in American culture?

What are the points of agreement between our cultures, and how may we strengthen our cultural ties?

Each of our friends from Burma, Cambodia, Ceylon, India, Indonesia, Laos, Pakistan, the Philippines, Thailand, and Vietnam responded to the question. They spoke of their impressions gained from the 4 weeks they had spent in America, and they mentioned many points of agreement between the cultures of their lands and our own.

Also present at the luncheon and addressing the group were the Senator from Montana [Mr. MANSFIELD], the Senator from Alabama [Mr. SPARKMAN], and Representatives FULTON and JUDD.

It is such meetings as these which break down barriers of misunderstanding. Everyone present felt that there should be more such visitations among the citizens of the various countries.

ORDER FOR CALL OF THE CALENDAR ON MONDAY

Mr. BIBLE. Mr. President, I ask unanimous consent that on Monday next, immediately following the conclusion of the morning hours, there be a call of the calendar for the consideration of measures to which there is no objection, beginning at the point where the previous call ended.

The ACTING PRESIDENT pro tempore. As the Chair understands, the request should also include a request for the consideration of Calendar No. 1874, House bill 3054, a bill for the relief of Allen Pope, his heirs or personal representatives, which bill was carried over from the previous call of the calendar with the agreement that it would be

called at the next succeeding call of the calendar.

Mr. BIBLE. That is correct; and my unanimous-consent request should be amended to that extent.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none, and it is so ordered.

Is there further morning business?

Mr. BIBLE. Mr. President, of course, the farm bill is the unfinished business. The Senate is operating today under a unanimous-consent agreement for limitation of debate. In order to give all Senators the opportunity of making insertions in the RECORD, I think it might be in the interest of order and expedition in connection with today's proceedings to suggest the absence of a quorum at this time.

The ACTING PRESIDENT pro tempore. The absence of a quorum is suggested. With the understanding that morning business is not closed, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MEDICAL CARE FOR DEPENDENTS OF MEMBERS OF UNIFORMED SERVICES

The ACTING PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 9429) to provide medical care for dependents of members of the uniformed services, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. RUSSELL. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Acting President pro tempore appointed Mr. RUSSELL, Mr. BYRD, Mr. JOHNSON of Texas, Mr. SALTONSTALL, and Mr. BRIDGES conferees on the part of the Senate.

SUGGESTIONS BY DEMOCRATIC PARTY IN MONTANA FOR A NATIONAL FARM PROGRAM

Mr. MURRAY. Mr. President, while the President's veto of the first farm bill makes it clearly impossible to write an adequate farm program into law this year, I think it is appropriate to place in the RECORD at this time a yardstick of what farmers need and want.

The Democratic Party in Montana recently has developed specific suggestions for a national farm program. These suggestions represent a summation of ideas and conclusions reached by 23 regional farm forums held in Montana under the sponsorship of the Democratic Party of the State. Each of the 56 counties was represented at these forums. More than 800 farmers and stockmen participated in the discussions. At the summation meeting, consultants from Montana State College and Representative LEE METCALF participated.

I ask unanimous consent to have the material printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MONTANA DEMOCRATIC PARTY SUGGESTIONS FOR A NATIONAL FARM PROGRAM

We, the undersigned, recognizing need for a sound farm program in order to safeguard the economy of our State have selected from those ideas submitted at the farm forum meetings the following propositions as a suggested farm program for Montana.

We believe that a farm program to be successful must be administered at the State and local level embracing sufficient flexibility to readily conform with the problems of each individual State.

Regional chairmen: Senator William Groff, Victor; Representative Arnold Rieder, Boulder; Edward V. Kottas, Lewistown; Lester Butledge, Big Sandy; A. A. Healow, Billings; Representative Lloyd Barnard, Saco; Representative John J. McDonald, Jordan.

County committee members: Clarence Bick Ronan; Alfred Anderson, Hamilton; Boyington Paige, Philipsburg; Farmer Bean, Gold Creek; Ulrich W. Deschamps, Missoula; Paul K. Harlow, Thompson Falls; Tom Ambrose, Big Fork; Carl Starbakken, Libby; Leslie Staudemeyer, Dillion; Clark Raymond, Sheridan; Hugh J. Murphy, Butte; Al Donich, Deer Lodge; Robert Hensley, Townsend; Paul Ringling, White Sulphur Springs; J. Rogan, north of Helena; Paul Hodge, Moccasin; Paul Holzer, Benchland; Elden Freed, Winnett; Francis Manley, Cut Bank; Shade Denson, Shelby; Robert Elings, Conrad; Orval Brain, Chester; Senator Gordon McGowan, Highwood; Raymond Lenhart, Havre; John R. Hoehn, Chinook; Merrill Plummer, Fairfield; Allen V. Chesbro, Jr., Belt; Nobel Meisdalen, Malta; Lovitt Westlake, Bozeman, W. W. Pepper, Wilsall; Claude Gray, Big Timber; John Reitz, Harlowton; Nat Allen, Ryegate; Frank V. Oset, Roundup; Adolph Schaak, Billings; Karney J. Redman, Wyola; Robert Brastrup, Joliet; Jake Frank, Park City; Ronald Osterberg, Glasgow; Alton Wesen, Glasgow; Sid Cotton, Glasgow; J. E. Carney, Scobey; Henry Crohn, Dagmar; C. R. Casterline, Culbertson; Frank Daniels, Sidney; Bob Dever, Glendive; Martin Beck, Vida; L. P. Larson, Wibaux; Glen Edsall, Brusett; Janet McDonald, Forsyth; Senator Dave Manning, Hysham; Marcus Tonn, Miles City; Rudolf F. Lutts, Carlyle; Ben Jurica, Powderville; John H. Walling, Ekalaka; Gottlieb Ulrich, Marsh.

Respectfully submitted.

LESTER RUTLEDGE,
Chairman.

MAY 5, 1956.

SUGGESTIONS FOR NATIONAL FARM PROGRAM

1. Responsible Department of Agriculture officials should furnish information to the public to show the American farmer in his true light as a modern businessman requiring special skill in his job in safeguarding this keystone of America's economy.

2. Adequate reserve of farm commodities should be set aside for national protection in case of war, drought years or other emergency on the national level. The cost of maintaining such a reserve should not be a charge against agriculture but against national defense. Such reserves should not be marketed excepting in times of national emergency.

3. More research into livestock diseases including beef and dairy cattle.

4. More research looking for a better and more profitable utilization of byproducts of farm products and livestock.

5. Representatives of the Department of Agriculture should go to foreign countries and search our new markets for our farm commodities.

6. Greater effort should be made to substitute food for money in aiding foreign nations.

7. Need is seen for the Department of Agriculture to take a realistic modern approach to the changing course of agriculture and to problems peculiar to the various regions in the United States. Much can be done with existing laws to bring about a greater prosperity in our agricultural industry which will benefit both producer and consumer.

SUGGESTIONS FOR FARM PROGRAM FOR MONTANA

Livestock

1. There should be regulations preventing diseased cattle from being butchered and used for human consumption, and to permit sale of such cattle for animal food only. If necessary a compensatory payment should be made to producers.

2. It is suggested a compensatory payment should be provided on heifers weighing up to 800 pounds. This will tend to reduce numbers. The compensatory payment could be based on a fluctuating price that protects the producer so he will realize an adequate but not excessive return on his investment. Payment should be direct to the producer. Payments could be stopped when consumption reaches a desired level with cattle numbers.

3. It is thought greater consideration should be given to a food stamp plan for State and Federal institutions and welfare agencies to increase consumption of beef.

4. Expanded use of beef in school lunch programs.

Dairy

1. Continuation of the milk control law.

2. Consideration of increased parity for producers.

Sheep

1. Continuation of present compensatory payment law.

Sugar beets

1. We endorse the recent Senate bill as passed giving us 55 percent of the population increase.

Wheat

1. Agricultural programs should be administered by farmer committees elected by farmers at community meetings. The delegates elected at these meetings would elect the county committees and overall State committee. Such groups would work with the Department of Agriculture and problems could be met on a regional basis. Provisions of programs should be presented for discussion at community farmer meetings and opinions expressed by the farmers at these meetings given consideration.

2. Price supports should be based on a parity formula which would stabilize the price of wheat and other farm commodities in terms of what it will buy of goods used in operation of the farm.

3. We feel regulation should be on a bushel allotment, rather than on an acreage allotment basis. In effect it would mean marketing control rather than production control. There would be consideration given to some control over feed grains, keeping in mind the relation of feed grains to livestock production.

4. Issuance of a marketing card for the maximum bushels an operator can sell at 100 percent of parity as his share of the domestic market, export market, etc. This amount can be determined by the past history of the farm.

5. If the price at the elevator for such maximum bushels is below 100 percent of parity the Government should make up the difference.

6. Maximum bushels of production for industrial size farms should be on a sliding scale basis.

7. It is suggested there should be strict compulsory controls, with all producers either coming under the controls or being subject to severe penalties.

8. Parity should be increased as maximum bushel production is reduced.

9. Stricter regulation of imports of farm commodities, particularly those which are below parity or in surplus.

10. Continue program to provide credit to farmers for needed expansion to secure a family-size farm and for building storage space for surplus products.

11. The Northwest States were on a 50–50 basis (summer fallow and crop) when the program was started and these States thereby were penalized because they had to reduce again on this half of their acreage. This acreage was lost to other States where corn, cotton, tobacco, etc., acreage was diverted to crops which the Northwest States had produced.

12. Encourage on the farm rather than commercial grain storage. This would effect a considerable saving to the Government and reduce criticisms of the program by the consumer.

13. Smaller on-the-farm producers should be protected, with stricter regulations for industrial-size farms.

14. Penalties for violations should be on both the seller and buyer.

15. Higher sanitary and grain-mixing standards are urged for grains to attract foreign buyers and expand domestic use.

16. Food-stamp plan for underprivileged people.

17. Expanded school-lunch program.

18. Expanded use of surplus foods in public institutions.

19. Extra bushels from overproduction stored on farms at farmers' expense as insurance against crop failure years.

20. Surplus farm commodities in the Government's possession should not be offered for sale in the domestic market at less than parity.

21. Soil conservation should be expanded to bring about as far as possible wise use of the soil to maintain and increase its fertility for future generations.

22. Marketing quotas should be on a sliding scale to favor the family-size farm.

23. More research for improving quality and safeguarding Montana crops.

Feed grains

1. Parity for feed grains should be based on corn parity in same ratio as feed value of such grains is to corn.

AGRICULTURAL ACT OF 1956

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed, and the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

The ACTING PRESIDENT pro tempore. The Senate is operating under a unanimous-consent agreement. The bill is open to amendment. If there be no amendment to be proposed——

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill is open to amendment.

Mr. YOUNG. Mr. President, I call up my amendment, identified as "5–17–56–H."

The ACTING PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed on page 42, between lines 6 and 7, to insert the following new section:

SALE OF WHEAT FOR FEED

SEC. 213. Section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof, the following: "Notwithstanding the foregoing restrictions, the Corporation may sell annually not to exceed 100 million bushels of less desirable milling quality wheat for feeding purposes: *Provided*, That in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains."

The ACTING PRESIDENT pro tempore. The Senator from North Dakota has 30 minutes on the amendment, and the majority leader has 30 minutes on the other side.

Mr. YOUNG. Mr. President, I yield myself 5 minutes, or as much as is necessary.

The amendment embodies a provision requested by President Eisenhower in his message to Congress earlier this year. It was a provision contained in the agricultural bill introduced by our colleague, the Senator from Vermont [Mr. AIKEN]. It would permit the Secretary of Agriculture to dispose of up to 100 million bushels of wheat a year for feed or other purposes, without regard to the present provision of the law which requires wheat to be sold at 105 percent of the prevailing price support level.

The Government has about 900 million bushels of wheat on hand, about a year's supply—considering our own domestic needs, wheat for seed purposes, and for export needs. Some of this wheat is getting old. I think the Secretary of Agriculture should be given the right to sell, if he deems it advisable, up to 100 million bushels of wheat per year under limitations of this amendment.

I believe the amendment itself is very simple, and that the explanation I have made is sufficient, unless there are some questions.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. SCHOEPPEL. I wish to say to the distinguished Senator from North Dakota that I am glad he has offered this amendment. I wish to say for the record that on the 16th day of May of this year I had an identical amendment printed. It is identified as "5–16–56–A." I am happy to join with the Senator from North Dakota in the amendment he has offered, because I think it is worthwhile, and takes care of a situation which needs alleviation. As the Senator has stated, the President recommended it in his message to Congress. Moreover, the Secretary of Agriculture, in his letter dated July 1, 1955, to the President of the United States, made this recommendation, in paragraph 4:

> We recommend that the Congress give consideration to legislation that would authorize the Secretary of Agriculture to dispose of not to exceed 100 million bushels annually of low-grade wheat for feed at prices 10 percent above the support price for corn.

The amendment which the Senator from North Dakota has called up is identical with the amendment I had intended to offer. I am happy to join with him. I think it is a desirable amendment, and that the Senate ought to adopt it, in fairness, in view of the other provisions of the agricultural bill.

Mr. AIKEN. Mr. President——

The PRESIDENT pro tempore. How much time does the Senator from North Dakota yield to the Senator from Vermont?

Mr. AIKEN. I request 2 minutes.

Mr. YOUNG. I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, the proposal is in accord with the original recommendations of the President. At that time there was a fear on the part of some that it would interfere with the marketing of corn and other feed grains. Since that time corn has been protected by a minimum support price of $1.25 a bushel. Furthermore, it will be noted that the amendment does not require the Secretary to dispose of 100 million bushels of wheat a year for feed, and certainly he would not be expected to do so if it would break the market. I know that no one would expect him to do that, and certainly the Senator from North Dakota would not intend that.

I see no objection to the amendment.

Mr. BIBLE. Mr. President, I yield 5 minutes to the senior Senator from Louisiana [Mr. ELLENDER].

The ACTING PRESIDENT pro tempore. The Senator from Louisiana is recognized for 5 minutes.

Mr. ELLENDER. Mr. President, the Committee on Agriculture and Forestry did not consider this amendment in connection with H. R. 10875 and did not have any testimony with respect to it.

I merely wish to point out that if the amendment is adopted, I am quite certain that it will adversely affect the price of feed grains. Under the law as it now stands, the Secretary has authority to sell feed grains if such sales will not substantially impair any price-support program. If he finds, for instance, that there is a shortage of corn, the Secretary now has authority to dispose of feed grains along the line suggested in the pending amendment.

But, as I understand it, the amendment would permit such sales even though the Secretary might be unable to determine that they would not substantially impair the price-support program—and even though such sales would have an unfortunate impact on that program.

Mr. President, it is my considered judgment that with a new 51 million base acreage for corn fixed in the bill, plus a provision permitting the Secretary of Agriculture to support corn grown by farmers who do not comply with acreage allotments, this year we

shall have corn running out of our ears; and I presume the Government will, under the program, purchase a good deal of the corn. If we compound this situation by increasing the feed supply even more—and that is what would happen if the Secretary sells 100 million bushels of wheat without taking into consideration the effect of that sale of wheat on support prices, the Government will have to take over even more corn.

In addition I understand an effort will be made sometime during the day to change the provisions of the small-grains section of the bill, thereby reducing price supports proposed for such grains.

As I pointed out in the debate when the Senate bill was substituted for H. R. 12, if it were possible for the Secretary of Agriculture to limit the production of small grains—that is, he could fix a base acreage upon the average of the land planted in 1953, 1954, and 1955—and to say to producers of small grains, "We will support your production at a higher price if you participate in the soil bank program, and if you plant only 85 percent of your base acres," the supplies of feed grains would be reduced without a reduction in the income of feed-grain producers. But if the present support levels for corn—both compliance and noncompliance—are retained and if small-grain production is not controlled and reduced, I am sure we are going to have feed grains in huge surplus at the end of this year. To further aggravate this situation by adding a tremendous amount of wheat to this over-supply of feed would, in my opinion, result in chaos.

The ACTING PRESIDENT pro tempore. The time granted the Senator from Louisiana has expired.

Mr. BIBLE. Mr. President, I am very happy to yield an additional 5 minutes to the Senator from Louisiana.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana may proceed.

Mr. ELLENDER. Mr. President, I do not know what the Senate is going to do in respect to those provisions of the bill pertaining to small grains. I understand a compromise is in the offing. As chairman, my primary purpose is to protect the provisions of the Senate committee bill. Of course, if a new and better program for feed grains can be placed before the Senate, I would be one of the last to oppose it.

I merely wish to point out that if this amendment is adopted, in my humble judgment, it will further depress the price of grain, which, of course, is what many areas of the country desire.

The main opposition to the so-called small-grains amendments, as included in the pending bill, is that they will raise the price of these grains; and raise the prices of poultry and cattle feed, particularly in the Northeast. If, as is contemplated, we change the provisions of the pending bill in such a way as to permit farmers to plant whatever acreage to grain they desire, and support production at 76 percent of parity, and then direct the unrestricted sale of 100 million bushels of wheat for feed, it is my judgment that the hog producers who do not grow their own feed, the cattle feeders, the poultry producers of the Northeast, and the dairy farmers will get cheap feed at the expense of the Federal Government.

Mr. President, I thought I would submit these views to the Senate before it votes on the amendment. I believe that Senators who are sincerely interested in the growing of corn—Senators from the corn-producing States—particularly my friend, the Senator from Iowa [Mr. HICKENLOOPER], and others in a similar situation—should be made aware of the implications of the amendment.

Mr. DANIEL. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. DANIEL. Has it been the observation of the distinguished Senator from Louisiana that when there is cheap grain the prices of livestock also go down?

Mr. ELLENDER. There is no doubt of it.

Mr. DANIEL. Has the Senator from Louisiana ever heard of our having a good livestock market when there was cheap grain?

Mr. ELLENDER. I never have. In my humble judgment, this amendment will be more or less a bonanza for the sections of the United States in which the producers are able to protect by marketing agreements and other means the prices of their commodities, as is done in the Northeast. The producers in the Northeast can enter into marketing agreements and sell their milk and milk products on a protected market; and, of course, the people of that area want cheap grain. They are opposed to the provisions of the pending bill affecting small grain.

The ACTING PRESIDENT pro tempore. The time of the Senator from Louisiana has expired.

Mr. BIBLE. Mr. President, I am happy to yield 5 additional minutes to the Senator from Louisiana.

Mr. ELLENDER. If we have a 76-percent support price on all small grains without acreage control, and if next year we should have the same program in effect, that is, a price support without acreage controls, we would further aggravate the price structure of all the protected grain commodities, particularly corn. Corn is bound to suffer.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. YOUNG. My major purpose in offering this amendment is to afford some relief to certain areas of the United States, particularly the Pacific Northwest. Farmers in those areas are not buying all their feed grains from United States farmers. For example, the Pacific Northwest is a feed-deficit area, and there is a great deal of low-grade wheat, the condition of which is bound to deteriorate. The farmers of that area are not permitted to use it. They are importing large amounts of feed grain from Canada and elsewhere. It is not my purpose in offering the amendment to depress the price of feed grains, because I agree with the chairman that cheap feed grains mean cheap hog prices, and cheap prices for other commodities. But so long as there is this grain which is bound to deteriorate and which will have to be sold later, why not sell some of it now, when it can be sold to good advantage without destroying the market?

Mr. ELLENDER. The Senator will recall that when we held hearings in the Northwest the wheat growers stated that they would like to use some of their own wheat for feed, but they were obtaining most of their feed from Iowa, North Dakota, and South Dakota.

Mr. YOUNG. They can buy it cheaper in Canada now.

Mr. ELLENDER. What will happen, of course, is that the price of feed grains will be further depressed. The Senator knows that. The prices of oats, barley, and other grains are bound to be depressed when as much as 100 million bushels of wheat are put into feed consumption channels.

Mr. YOUNG. Would not the Senator agree that much of the wheat is bound to deteriorate, and will have to be disposed of anyway?

Mr. ELLENDER. The Secretary has authority to dispose of it now. We do not need this amendment to permit the Secretary to dispose of that wheat, but, under existing law, he must not undertake such a program if it would substantially affect the prices of other supported grains.

Mr. YOUNG. No. He must sell it at a higher price. Under this provision, he could sell it at a lower price than is possible in the present law, and before it goes out of condition.

Mr. ELLENDER. What does the Senator mean by the following language in his amendment:

> *Provided*, That in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains.

There is such a provision in the law now, and I do not see any reason to repeal it.

Mr. YOUNG. As the Senator knows, the present law provides that the Secretary may not sell wheat or any other grain unless it is going out of condition, except at a stipulated price, namely, at the price support level plus 5 percent. This amendment would permit him to sell it at a somewhat lower price before it goes out of condition. Of course, when it goes out of condition he can sell it for any price he can get for it.

Mr. ELLENDER. I am sure the Senator is familiar with section 407 (c) of the present law, which contains the following language:

> Sales for seed or feed, if such sales will not substantially impair any price support program.

The present law does not say anything about whether or not the commodity is deteriorating; it gives the Secretary authority to sell wheat for feed, provided such sale does not affect the price support program for other grains.

Mr. YOUNG. The Senator knows that there is another provision in the law under which the Secretary may not sell such grain for less than the price support

level plus 5 percent. Over the past several years a great deal of corn was disposed of because it was going out of condition.

The ACTING PRESIDENT pro tempore. The time of the Senator from Louisiana has again expired.

Mr. BIBLE. I yield 5 additional minutes to the Senator from Louisiana.

Mr. YOUNG. Why not permit the Secretary to sell a little of the wheat in areas where it is badly needed, and where it will not affect the price of other feed grains.

Mr. ELLENDER. Has not the Secretary now the authority——

Mr. YOUNG. No; he has not.

Mr. ELLENDER. Has not the Secretary the authority at present to sell grains which have deteriorated?

Mr. YOUNG. He has authority to sell grains which have deteriorated, but this amendment would give him permission to sell the grain before it goes out of condition.

Mr. ELLENDER. What the Senator wants to do is to dispose of grain before it goes bad.

Mr. YOUNG. To dispose of low-grade wheat, which is not suitable for milling and before it goes out of condition.

Mr. ELLENDER. I merely wished to bring the situation to the attention of the Senate. As chairman of the committee, I should like to point out that the committee did not consider the amendment in connection with the pending bill. No witnesses testified as to the effect of the proposed amendment on other price supported grains. I argue the question from the standpoint that, with noncompliance corn producers able to plant—and I am sure they will plant—all the corn they can and still receive price support, we can expect more corn this year, than we have ever had in the history of our country.

Mr. YOUNG. The Senator knows that this amendment was considered by the committee earlier this year.

Mr. ELLENDER. It was proposed in a bill which was introduced on behalf of the administration by the Senator from Vermont [Mr. AIKEN]. However, as the Senator knows, we did not hear complete testimony on it. I heard every word of the testimony during the farm-bill hearings, but I do not recall much mentioned in connection with the unrestricted sale of 100 million bushels of wheat.

Mr. YOUNG. Which indicates that there was not much objection to it.

Mr. ELLENDER. If there had been no objection to it, we would have put it into the bill; but the fact is that we did not do so.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I believe I heard the distinguished chairman just state that this amendment was not considered by the committee. Is that correct?

Mr. ELLENDER. That is correct—that is, by way of receiving testimony thereon. It was in a bill introduced by the distinguished Senator from Vermont, but it was not even brought up in connection with H. R. 10875.

Mr. HOLLAND. If the Senator will further yield, does not the Senator remember that the entire question of feed grains was a subject which occupied by far the largest part of the committee's attention?

Mr. ELLENDER. I have so stated many times on the floor of the Senate.

Mr. HOLLAND. Does not the distinguished chairman know that members of the committee who have not too much at stake in the final passage of the bill, one way or the other, have been working for days to find some kind of solution of the feed-grain situation, which will be mutually acceptable, without having any knowledge that this amendment was to be offered?

Mr. ELLENDER. To be frank, I have not been included in the councils of those who are trying to offer a substitute for the freed-grain provisions of the bill. However, I do know that some work has been done. I know that quite a number of Senators are now engaged in that endeavor.

Mr. HOLLAND. If the Senator will yield very briefly, it seems to me that the Senator from Louisiana very properly takes the position that it is his duty as chairman of the committee to stand by the committee's recommendations.

Mr. ELLENDER. That is correct.

Mr. HOLLAND. But, nevertheless, he has been kept advised from day to day, for the past several days, of the very strenuous effort which is being made to compose the differences on the feed-grain problem.

Mr. ELLENDER. That is correct.

Mr. HOLLAND. Does the Senator note, from the date of the amendment, that it was submitted for printing only yesterday?

Mr. ELLENDER. I learned about it this morning. I made inquiry about it. I did not know of the existence of the amendment until it was brought to my attention today.

The ACTING PRESIDENT pro tempore. The acting majority leader has used 20 minutes of his time.

Mr. BIBLE. Mr. President, I yield 5 additional minutes to the Senator from Louisiana.

Mr. HOLLAND. Will the Senator from Louisiana yield further?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I should merely like to say that we are hopeful that we have worked out a satisfactory agreement. We have worked very hard on such an agreement, and have done so without any knowledge of the fact that this amendment was about to be proposed. It does inject a new aspect. It brings up the question of 100 million bushels of wheat, to be disposed of at a reduced price—at some price not even mentioned—for feed purposes, which means, of course, that such wheat would be competitive with all other feed grains.

Mr. ELLENDER. There is no doubt about that.

Mr. HOLLAND. Therefore we hope that the distinguished chairman of the committee will insist that the amendment be rejected.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CAPEHART. Will the amendment help the wheat farmer in connection with this year's crop, and will it raise or lower the price of wheat?

Mr. ELLENDER. It will not help him because wheat production is controlled and wheat farmers have a price support program, insofar as they comply with acreage allotments.

Mr. CAPEHART. Will the amendment directly or indirectly have the tendency to raise the price of wheat or to lower it?

Mr. ELLENDER. The price to whom?

Mr. CAPEHART. To the farmer.

Mr. ELLENDER. No; it will not. I say that because the wheat farmers are now growing wheat under allotted acres at a fixed support price of about 82.7 percent of parity. Therefore the amendment would not affect the price of wheat they produce.

Mr. CAPEHART. It will not affect the farmer who comes under the price support provisions. However, I am talking about the farmer who does not comply.

Mr. ELLENDER. If he does not comply, he gets no price support.

Mr. CAPEHART. Would the amendment have a tendency to increase or decrease the free, open market price?

Mr. ELLENDER. It would decrease it.

Mr. CAPEHART. It would decrease the price for free open-market wheat?

Mr. ELLENDER. Yes. Take, for example, the small 15-acre wheat farmer. He sells his wheat to his neighbors; he does not comply with acreage allotments, and he is not penalized. If 100 million bushels of wheat are put on the market, as proposed by the amendment, the market is bound to be affected.

Mr. CAPEHART. In the Senator's opinion it would decrease the free open-market price of wheat?

Mr. ELLENDER. It would, in my opinion.

Mr. CAPEHART. And it would have a tendency to decrease the free open-market price of corn and oats and rye and barley, and other feed grain. Is that correct?

Mr. ELLENDER. There is no question about it. It would increase the free market supply and thereby decrease the price. As I said, it would further aggravate the situation.

Mr. President, I relinquish the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Louisiana has 2 minutes remaining.

Mr. ELLENDER. I relinquish the remainder of my time.

Mr. BIBLE. Mr. President, may I inquire whether any other Senators desire to speak in opposition to the amendment? Apparently not at this time.

Mr. YOUNG. Mr. President, I yield myself 2 minutes.

My amendment does not require the Secretary of Agriculture to sell 100 million bushels of wheat. It merely gives him permissive authority to sell it. He would sell the lower quality feed wheat, which we now have in storage to the extent of 900 million bushels. That wheat would be absorbed by a market which is now being supplied to considerable extent by Canadian growers. The bill provides further that the Secretary shall not dispose of it if such disposi-

tion would have any adverse effect on other grain markets.

We are disposing of, and have been from time to itme, a large amount of corn. Some of that corn I do not believe was out of condition. Historically, the wheat farmers have supplied a large part of the feed market. They have now lost it.

I believe the corn interests here are being a bit unreasonable, if they feel that they should have four separate price supports for corn this year and then refuse to permit the Secretary to dispose of some surplus wheat.

I believe the amendment is entirely reasonable.

Mr. BIBLE. Mr. President, I yield 2 minutes to the Senator from Texas.

Mr. DANIEL. Mr. President, I hope the Senate will not adopt the amendment. The Senate, in its consideration of the original farm bill, the Senate Committee on Agriculture and Forestry, and the House in their actions this year have shown that they are trying to do something which will assist the feed grain producers in meeting the problem with which they are confronted.

It appears to me that if we adopt the amendment and provide that 100 million bushels of wheat may be sold for feed, we will further depress the open market price of feed grain and corn and wheat. The adoption of the amendment would further complicate the problem which confronts us in our effort to do something about putting feed grain on a comparable basis with corn in the price support program.

I regret that I must differ with the distinguished author of the amendment, because I know he is interested, and has always been interested, in trying to enact legislation which would assist the feed grain producers. From what I have heard on the floor of the Senate this morning, the amendment would have an adverse effect, even though I know the Senator from North Dakota does not intend that his amendment should have that effect.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. YOUNG. I am one Member of the Senate who is certainly opposed to cheap feed grains. It is my firm belief that cheap feed grains mean cheap prices for pork, beef, dairy products, and so forth. If the effect of the amendment was to hurt these producers I certainly would not propose it. I would not propose it if I thought for a moment that it would have any adverse effect on the market of grain or other commodities.

However, we cannot seal up forever all the wheat and not let some of it be used for feed purposes. I do not know of any reason why the Secretary of Agriculture should not be given permissive authority to sell some of the stored wheat. Why encourage the production of more corn and then not permit the sale of any wheat for feed purposes.

Mr. DANIEL. From what I have heard other members of the committee say on the floor and from what I have otherwise learned of the amendment, I believe it would further depress the feed grain market.

The ACTING PRESIDENT pro tempore. The time of the Senator from Texas has expired.

Mr. BIBLE. Mr. President, I yield 2 additional minutes to the Senator from Texas.

Mr. DANIEL. Mr. President, I hope the Senate will follow the advice of the chairman of the committee and of other members of the committee, and vote to reject the amendment.

Mr. BIBLE. Mr. President, I yield 2 minutes to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, one of the most difficult tasks in connection with the farm program was that of trying to work out a satisfactory solution of the small feed grain problem. The pending amendment, in my opinion, would upset the whole applecart, so to speak. The 100 million bushels of wheat which would be disposed of would be in competition with other small feed grains. There can be no question about that. That would be the effect if 100 million bushels of wheat were thrown into the corn and other feed grains markets. Of course, the effect also would be to depress the market in the fields of other small feed grains.

The amendment was not considered by the committee. We did not study it. Naturally, as one member of the committee, I would hesitate to vote for it, much as I admire the Senator from North Dakota who submitted the amendment, because he and I generally see eye-to-eye on farm problems.

I believe if the amendment is adopted we will have undone all the work of the committee in the effort to solve the feed-grains problem. For that reason, I hope the Senate will not adopt the amendment.

The ACTING PRESIDENT pro tempore. The Chair will state that those opposing the amendment have 3 minutes remaining. Those proposing the amendment have 24 minutes remaining.

Mr. BIBLE. Mr. President, if there are no further requests for time, I am prepared to yield back the remainder of our time, if the proponents of the amendment will yield back the remainder of their time.

Mr. YOUNG. Mr. President, I do not desire to say anything further on the amendment.

The ACTING PRESIDENT pro tempore. The Chair understands that all time has been yielded back on the amendment. The question is on the adoption of the amendment offered by the Senator from North Dakota [Mr. YOUNG].

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, and that the time be not taken out of either side.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I yield 3 minutes on the bill to the Senator from Iowa [Mr. HICKENLOOPER].

The ACTING PRESIDENT pro tempore. The Senator from Iowa is recognized for 3 minutes.

Mr. HICKENLOOPER. Mr. President, I am sorry that I have to oppose this amendment. I shall try in 2 minutes to state my reasons.

The whole purpose of our action on the agricultural bill is to assault the problem of surpluses at the source. There may be some disagreement as to the best method of accomplishing this objective. While I realize that the amendment does not provide a compulsory dumping of 100 million bushels of wheat a year, it is permissive, and the pressure would be tremendous to compel any Secretary of Agriculture to do that, and we could look forward to the probability that he would do it.

In effect, Mr. President, it would add to the already overburdened surplus of the total feed supply. That is what is depressing the market at this time. The adoption of the amendment would only compound the difficulty, in my view. While I have every sympathy with the Senator from North Dakota [Mr. YOUNG], and I am sorry I must oppose this amendment, for the reasons stated I think it would not contribute to relieving the surplus feed supply but would contribute to the overburden and bring upon us more trouble.

Mr. YOUNG. Mr. President, will the Senator from Iowa yield?

Mr. HICKENLOOPER. I yield.

Mr. YOUNG. If it would compound farm difficulties, why did President Eisenhower and Secretary Benson ask for it?

Mr. HICKENLOOPER. I do not know why. I have not talked to either of them concerning it. I am looking at the question from my standpoint and from the standpoint of adding more cheap feed to an already overburdened supply.

That is my position, Mr. President.

SEVERAL SENATORS. Vote! Vote!

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from North Dakota [Mr. YOUNG]. [Putting the question.]

On this vote the Chair is in doubt.

Mr. KNOWLAND. Mr. President, I ask for a division.

The Senate proceeded to divide.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Chavez	Hayden
Allott	Clements	Hennings
Anderson	Cotton	Hickenlooper
Barrett	Curtis	Hill
Beall	Daniel	Holland
Bender	Dirksen	Hruska
Bennett	Douglas	Humphrey
Bible	Duff	Ives
Bricker	Dworshak	Jackson
Bridges	Eastland	Jenner
Bush	Ellender	Johnson, Tex.
Butler	Flanders	Johnston, S. C.
Byrd	Frear	Kerr
Capehart	George	Knowland
Case, N. J.	Goldwater	Kuchel
Case, S. Dak.	Green	Laird

Langer	Neuberger	Smith, N. J.
Long	O'Mahoney	Sparkman
Magnuson	Pastore	Stennis
Mansfield	Payne	Symington
Martin, Iowa	Potter	Thye
Martin, Pa.	Purtell	Watkins
McClellan	Robertson	Wiley
McNamara	Russell	Williams
Millikin	Saltonstall	Wofford
Monroney	Schoeppel	Young
Mundt	Smathers	
Murray	Smith, Maine	

Mr. CLEMENTS. I announce that the Senator from North Carolina [Mr. ERVIN], the Senator from Arkansas [Mr. FULBRIGHT], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

The Senator from Wisconsin [Mr. MCCARTHY] is detained on official business.

The ACTING PRESIDENT pro tempore. A quorum is present.

Mr. KNOWLAND. Mr. President, on this amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the junior Senator from North Dakota [Mr. YOUNG], which will be stated.

The LEGISLATIVE CLERK. On page 42, between lines 6 and 7, it is proposed to insert the following new section:

SALE OF WHEAT FOR FEED

SEC. 213. Section 407 of the Agricultural Act of 1949, as amended, is amended by adding at the end thereof, the following: "Notwithstanding the foregoing restrictions, the Corporation may sell annually not to exceed 100 million bushels of less desirable milling quality wheat for feeding purposes: *Provided*, That in establishing the sales price of such wheat due consideration shall be given to the feeding value of wheat and to the effect that such sales of wheat will have on the price of feed grains."

The ACTING PRESIDENT pro tempore. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MURRAY (when his name was called). On this vote I have a pair with the distinguished senior Senator from West Virginia [Mr. NEELY]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. SMATHERS (when his name was called). On this vote I have a pair with the distinguished senior Senator from Oregon [Mr. MORSE]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. CLEMENTS. I announce that the Senator from North Carolina [Mr. ERVIN], the Senator from Arkansas [Mr. FULBRIGHT], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

On this vote, the Senator from North Carolina [Mr. ERVIN] is paired with the Senator from Arkansas [Mr. FULBRIGHT]. If present and voting the Senator from North Carolina would vote "nay" and the Senator from Arkansas would vote "yea."

The Senator from Tennessee [Mr. KEFAUVER] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting the Senator from Tennessee would vote "nay" and the Senator from Massachusetts would vote "yea."

The Senator from New York [Mr. LEHMAN] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from New York would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

The Senator from Wisconsin [Mr. MCCARTHY] is detained on official business.

If present and voting, the Senator from Kansas [Mr. CARLSON], the Senator from Nevada [Mr. MALONE], and the Senator from Idaho [Mr. WELKER] would each vote "yea."

The result was announced—yeas 49, nays 31, as follows:

YEAS—49

Aiken	Frear	Neuberger
Allott	George	Pastore
Barrett	Green	Payne
Beall	Hill	Potter
Bennett	Hruska	Purtell
Bridges	Ives	Russell
Bush	Jackson	Saltonstall
Butler	Knowland	Schoeppel
Byrd	Kuchel	Smith, Maine
Case, N. J.	Laird	Smith, N. J.
Case, S. Dak.	Langer	Sparkman
Chavez	Magnuson	Watkins
Cotton	Mansfield	Wiley
Curtis	Martin, Pa.	Williams
Duff	McClellan	Young
Eastland	Millikin	
Flanders	Mundt	

NAYS—31

Anderson	Goldwater	Martin, Iowa
Bender	Hayden	McNamara
Bible	Hennings	Monroney
Bricker	Hickenlooper	O'Mahoney
Capehart	Holland	Robertson
Clements	Humphrey	Stennis
Daniel	Jenner	Symington
Dirksen	Johnson, Tex.	Thye
Douglas	Johnston, S. C.	Wofford
Dworshak	Kerr	
Ellender	Long	

NOT VOTING—15

Carlson	Kennedy	Murray
Ervin	Lehman	Neely
Fulbright	Malone	Scott
Gore	McCarthy	Smathers
Kefauver	Morse	Welker

So Mr. YOUNG's amendment was agreed to.

Mr. AIKEN. Mr. President, I call up my amendment identified as "5–16–56–C."

The ACTING PRESIDENT pro tempore. The amendment of the Senator from Vermont will be stated.

The LEGISLATIVE CLERK. On page 69, beginning with line 22, it is proposed to strike out all down through line 8, on page 70.

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized for 30 minutes.

Mr. AIKEN. Mr. President, this amendment would strike out a provision of the bill which would partially restore one of the provisions of the bill passed earlier in the year, and to which the President objected in his message. The provision of the bill which this amendment would strike out does not fully restore the dual-parity formula; it freezes transitional parity at its present level, not only for this year, but for 2 more successive years.

I realize as well as anyone else that a parity formula which is designed to meet conditions in one year may not be workable a few years later; and I freely admit that it probably needs some revision. I understand that the Department of Agriculture already is starting work on a revision of the parity formula which it can recommend to Congress. That work will take some time; but it will not take 2 years. Neither is it necessary to freeze the present transitional parity level where it is. There are only 3 crops, of approximately 160, which would benefit by such a freeze. Corn, wheat, and peanuts would receive slight benefits. They are already getting the benefit of a transitional parity price this year, but we should not freeze it at the same level for another 2 years following the calendar year 1956.

Mr. YOUNG. Mr. President, will the Senator from Vermont yield to me?

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Does the Senator from Vermont yield to the Senator from North Dakota?

Mr. AIKEN. I yield.

Mr. YOUNG. I may say that the whole purpose of freezing the transitional parity formula where it is is to prevent the modernized parity formula from going into effect until a new and fair parity formula can be enacted into law.

The Senator from Vermont knows that the dairy groups and almost all other farm groups believe that the modernized parity formula does not represent a fair parity value.

My purpose in freezing it for 2 years was to enable the Department of Agriculture to make a study of parity formulas and to make recommendations thereon to Congress so that Congress could provide for a new parity formula.

I believe perhaps that could be accomplished in a year. Although I should like to see 2 years allowed, if the Senator from Vermont will modify his amendment so as to have it provide that the transitional parity formula shall apply for only 1 additional year (1957), and with the provision that the Secretary of Agriculture shall be required to study these formulas and to make recommendations to Congress early next year, I will be willing to accept the amendment as thus modified.

Mr. AIKEN. Mr. President, as I have said, I think the parity formula needs a rather generous and thorough review and possibly an overhaul. In fact, I do not believe we can establish today a par-

ity formula which will hold good and equitable even 10 years from now. I thoroughly approve of the proposal of the Senator from North Dakota that the parity formula be studied, with a view to revising it, so as to bring it more nearly up to date.

As the situation is today, the producers of certain commodities can make substantial profits by producing on the basis of 60 percent or 65 percent of parity, whereas other producers—and the Senator from North Dakota mentioned the dairy farmers—will very little more than break even at 100 percent of parity. I do not know where the producers of grain crops fit into the picture.

Today, we are trying to work out a farm bill which has many very fine features in it.

If it is agreeable to the Senate, I do not believe any great damage would be done by continuing the present transitional parity for 1 year more. I think that if we were to continue it for 2 years more we might just make a bad matter worse. If we restrict the time to 1 year, I think we are more likely to get a good, thorough review and recommendations for a new formula, than if we were to let it remain in effect for any additional time.

I would change the amendment so as to meet halfway the Senator from North Dakota. It was his proposal to put that in the Senate version of the bill. I would be glad to do that. I do not think the administration would be very happy with it.

Mr. YOUNG. I would not be entirely happy with it, either.

Mr. AIKEN. But in a spirit of compromise, I think that would be meeting each of the two points of view halfway.

Mr. THYE. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. I yield to the Senator from Minnesota.

Mr. THYE. I am very pleased to have the ranking minority member of the Committee on Agriculture and Forestry state that he is willing to accept a compromise on this amendment.

I had studied the amendment, and had reached the conclusion that I would have to oppose it, because I felt definitely that to go through with the full transitional parity and take the loss involved in the case of both the dairy commodity producers and the wheat producers, would be an injustice to agriculture; and I felt that the Department of Agriculture should make a study.

There is no reason why the Department cannot complete the study within a year's time and submit to Congress a recommendation and a complete explanation of what the parity equivalents are with respect to the various commodities and products. Then we can act intelligently in the following year.

So long as the ranking Republican member of the Senate Committee on Agriculture and Forestry is willing to modify his amendment, I think we have arrived at a good compromise, and have reached a solution which will not require a yea-and-nay vote on the amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. CASE of South Dakota. I am happy to see this problem approaching a solution. However, I think there is a slight conflict in the language which appears in the bill, as between the title and the text of the bill. Perhaps there is some technical feature which I do not understand.

I invite the attention of Senators to the fact that, on page 69, lines 22 and 23 constitute the heading "Transitional Parity for Basic Commodities Frozen During 1957 and 1958."

As I understand the colloquy, it is the Senator's intention to strike out, on page 70, in lines 2 and 3, the words "or 1957."

Mr. AIKEN. Mr. President, to meet the views which have been represented by the Senator from North Dakota [Mr. YOUNG] and other Senators, and in the spirit of compromise and endeavor to obtain a good bill, I wish to modify my amendment by striking out the language of the amendment and proposing that there be stricken out, in line 23 on page 69 of the bill, the words "and 1958"; and, in lines 2 and 3 on page 70, the words "or 1957."

I modify my amendment accordingly.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

The question is on agreeing to the amendment offered by the Senator from Vermont, as modified.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. YOUNG. As I understand, the amendment would provide that transitional parity be carried forward 1 more year, through 1957.

Mr. AIKEN. Through 1957 instead of through 1957 and 1958.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MUNDT. As I understand, that would allow a full year for congressional study.

Mr. AIKEN. That is true.

Mr. MUNDT. It would enable Congress to make a careful study of the parity situation while the transitional parity remained in effect.

Mr. AIKEN. It would give Congress the remainder of this year and another year in which to thoroughly overhaul the parity formula.

Mr. MUNDT. I think that is very satisfactory, and a constructive compromise.

Mr. ELLENDER. Mr. President, I listened to the discussion between the distinguished Senator from Vermont and the distinguished Senator from North Dakota. As I understand, the language in the bill would remain the same, except that the transitional parity would be frozen for 1 year instead of 2.

Mr. AIKEN. It would be frozen where it is for 1 year instead of 2.

Mr. ELLENDER. I have no objection.

The PRESIDING OFFICER. Does the Senator from Vermont yield back his remaining time?

Mr. AIKEN. I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the modified amendment offered by the Senator from Vermont [Mr. AIKEN].

The amendment, as modified, was agreed to.

Mr. MUNDT. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The amendment offered by the Senator from South Dakota will be stated.

The LEGISLATIVE CLERK. On page 30, after the period in line 12, it is proposed to insert the following:

> Nothing contained in this section shall prevent the production of such crops on national wildlife refuges under cooperative permits where such production is necessary to maintain satisfactory wildlife populations, especially of waterfowl for beneficial use.

Mr. MUNDT. Mr. President, if I may have the attention of Senators, I think this amendment can be disposed of in a great deal less time than the 30 minutes allotted to me. This is one of the happy situations in which I am proposing what I hope is a noncontroversial amendment to the agricultural bill.

The Fish and Wildlife Service has called to my attention the fact that, without the definitive amendment which I have proposed, it would have to dispense with the established practice of providing feed for migratory waterfowl on wildlife refuges. The practice which is being followed at the present time, and which has been followed for many years, is that the Fish and Wildlife Service makes a sharecropping contract with farmers of the area, whereby they permit a considerable portion of their grain to remain unharvested and available for the birds, whereas if we were to insist upon the language of the bill, without this interpretive amendment, the Department of Agriculture would then require the Fish and Wildlife Service itself to operate these farm tracts and would bar these wildlife refuges from raising price-supported crops.

Section 125, if not amended, would leave the Department of Agriculture authority to restrict cultivation of lands lying within wildlife refuges. Such an order would have a devastating affect upon the national wildlife refuge program and would probably destroy the progress in this conservation field made over the past two decades. My amendment specifically denies such authority to the Department of Agriculture.

The Department of Agriculture proposed in an administrative letter of February 10, 1956, to the President to stringently regulate the leasing of Government land for cultivated crop use. There is no reason to believe the Department of Agriculture has substantially altered its position at this date. The present language of section 125 leaves the Department of Agriculture a free hand to implement its administrative intention of earlier this year and the section should be amended because:

First. It would result in the closing of our wildlife refuges. Over $70 million have been devoted to the management

and development program to preserve our continental waterfowl resources.

During the calendar year 1954, 597 individual permittees farmed 32,163 acres of Government-owned land for themselves and 26,255 acres for the Fish and Wildlife Service of the Department of the Interior. By sharecropping the Service has been able to maintain a minimum continental waterfowl population in the face of the thousands of acres lost through oil and gas pollution, salt water infiltration of intracoastal canals and waterways, sulfur and other mining polution, and the tremendous acceleration of marsh and pothole drainage in the United States. By their sharecropping program the Fish and Wildlife Service has found it can increase the carrying capacity of our original refuge lands nine times. The Service has advised me that sharecropping is the only hope of preserving the waterfowl population and that it cannot continue the operation of important waterfowl refuges if sharecropping is not permitted.

Second. Production of price supported commodities now in surplus supply on wildlife refuges is not statistically important. In 1954 the 597 permittees operating within Federal wildlife refuges harvested 562,851 bushels of grain for their own use. In doing so they made available to waterfowl 500,408 bushels of grain and 9,524 acres of green forage. If the Fish and Wildlife Service were required to operate themselves the farms presently operated on a sharecropping basis it would require additional appropriations of $5 million and 1,000 new personnel. This would be manifestly impossible from the standpoint of the Federal budget.

The 562,851 bushels of grain raised by producers for themselves on wildlife refuges is statistically unimportant and indeed not a significant factor in the overall accumulation of surpluses.

Third. Approval of the section as it now reads would seriously damage the good name of the Government. In the purchase of each refuge project, some farms had to be purchased or condemned outright, and very few of the farmers bordering upon the approved boundaries escaped without some severence of their holdings. They were assured that, having sold their land to the Government and suffered such damages, grazing and farming opportunities on refuge lands in connection with the waterfowl food production program would be given first to them, on a share crop basis.

Mr. President, as a former State president of the Izaak Walton League in South Dakota and as one who for more than 6 years served on the South Dakota Game and Fish Commission, I know how hard it has been to bring back satisfactory duck populations in this country. Surely we do not want to take a backward step now that our constructive efforts have begun to bring gratifying results.

I have discussed this amendment with the chairman of the committee. I hope he will join me in making this amendment a part of the proposed legislation.

Mr. ELLENDER. Mr. President, section 125 of this bill, which is now sought to be amended by the distinguished Senator from South Dakota, is a section similar to the one which was incorporated in H. R. 12, which was vetoed by the President. When that section was presented to the committee, it was worked over very carefully by the various departments of Government involved. They took the position, after a study of the question, that the bill should be amended so as to assure the maintenance of a satisfactory wildlife population in our national wildlife refuges. Since that is the purpose of the Senator in offering this amendment, I shall have no objection to the amendment. As I understand, the purpose of the amendment is to make section 125 of the bill—which prohibits leasing of Government lands for the production of surplus price-support crops—inapplicable to crops produced on national wildlife refuges under cooperative permits where such production is necessary to maintain satisfactory wildlife populations. Section 125, as it appears in the bill with the committee amendment, is identical to a similar section contained in H. R. 12, the language of which was supplied to the conferees by the executive branch, and which had been prepared as a result of lengthy study by an interdepartmental committee. I have been advised by the Department of the Interior that section 125, as it appears with the Senate amendment, will permit production on national wildlife refuges where necessary to maintain satisfactory wildlife populations.

Mr. MUNDT. The purpose is to place the support of Congress behind the practice which already prevails and to make clear by the legislative history of this bill that Congress intends that the prevailing practices be continued.

Mr. ELLENDER. I have no objection to the amendment, Mr. President.

Mr. MUNDT. I should like to add that the chairman of the committee is correct when he says that an amendment similar to this amendment was contained in the vetoed bill. However, I wish to make it clear in the RECORD that the President raised no objection in his veto message to this particular section.

Mr. ELLENDER. I understand that to be the fact. I did not mean to infer that there was any objection on the part of the President.

Mr. MUNDT. I thank the Senator.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. THYE. My reason for wishing to be recognized, Mr. President, was merely to state that in my opinion the pending amendment is a good amendment. I wish to commend the author of the amendment for having offered it. I believe it improves the bill.

Mr. MUNDT. I thank the Senator, both for his words of commendation and for his support.

The PRESIDING OFFICER. The time in opposition to the amendment is in control of the minority leader.

Mr. KNOWLAND. I yield back the time in opposition.

Mr. MUNDT. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. MUNDT].

The amendment was agreed to.

Mr. O'MAHONEY. Mr. President, I call up my amendment, which lies on the desk, to insert certain language on page 4, line 24.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 4, line 24, after the word "grazing.", it is proposed to insert the following:

> In the event that the Secretary determines that there has been a violation of this provision prohibiting the grazing of reserve acreage during the time such producer has control of the farm and that such violation is of such a substantial nature as to warrant termination of the contract, the producer shall forfeit all rights to further payments or grants under this contract, shall refund to the United States all payments and grants theretofore received by him thereunder during the crop year in which the violation occurred, and shall forfeit all, none, or such part of such price support benefits he may otherwise be entitled to receive for such year under the provisions of the Agricultural Act of 1949, as amended, and shall refund to the United States all, none, or such part of such benefits theretofore received by him under the provisions of said act during the crop year in which such violation occurred, as the Secretary may determine to be appropriate.

Mr. O'MAHONEY. The proposed amendment is substantially the same amendment which was offered by my colleague the senior Senator from Wyoming [Mr. BARRETT] when the former farm bill was under consideration by the Senate. It was worked out by us generally in connection with representatives of livestock growers throughout the country, and constitutes an effort to apply a penalty to prevent the grazing of soil-bank reserve land, so that the soil bank will not increase the supply or population of livestock in the United States as a result of that provision, and thereby create a livestock problem more serious than the one which now confronts the industry.

The amendment was adopted by the Senate when it considered the previous farm bill, and it was sponsored by the following Senators: BARRETT, ALLOTT, BIBLE, CASE of South Dakota, BENNETT, CURTIS, DANIEL, DWORSHAK, GOLDWATER, HRUSKA, KUCHEL, LANGER, MAGNUSON, MALONE, MURRAY, MANSFIELD, WATKINS, WELKER, and myself. That indicates the bipartisan character of the Senators backing the amendment.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BARRETT. Is the amendment substantially the same as that which was adopted by the Senate on the farm bill that was previously before the Senate?

Mr. O'MAHONEY. That is correct.

Mr. BARRETT. The purpose of the amendment is merely to make certain that lands which are diverted under the two different provisions of the soil bank will not be used for grazing purposes. Is that correct?

Mr. O'MAHONEY. That is correct.

Mr. BARRETT. I can see no reason why the langauge, having been accepta-

ble before, should not be acceptable to the Senate at this time.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. ALLOTT. I desire to make my position well known on this amendment. Having joined in sponsoring a very similar amendment during the consideration of the previous farm bill, it seems to me that such a provision as is contained in the amendment is almost a necessary part of any farm legislation which may be passed.

Therefore, I appreciate the opportunity to express my support of the amendment. By all means it should not be omitted as a part of the new act.

Mr. O'MAHONEY. Mr. President, in view of the fact that there are two reserve programs contained in the bill, a similar amendment should be added on page 15, line 8. If there is no objection, I should like to state that amendment and ask that the Senate adopt both at the same time.

I offer an amendment on page 15, line 8, after the word "contract," to add the following words: "including the prohibition of grazing of conservation acreages."

I believe there is no opposition to the amendment, and I hope it may be adopted.

Mr. ELLENDER. I merely wish to state that, as the Senator from Wyoming [Mr. O'MAHONEY] has just pointed out, the two amendments were adopted unanimously when the bill was considered by the Senate several weeks ago. In conference, both amendments were modified to the extent of a 50-percent penalty to be applied to violators. I have no objection to the adoption of the amendments and to taking them to conference in an effort to work out satisfactory provisions.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. The Western Livestock Association of North Dakota and the livestock men of my State generally are unanimously in favor of the amendments.

The PRESIDING OFFICER. The time in opposition to the amendment is in control of the minority leader.

Mr. KNOWLAND. I yield back my time.

Mr. O'MAHONEY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back. The question is on agreeing, en bloc, to the amendments offered by the Senator from Wyoming [Mr. O'MAHONEY].

The amendments were agreed to.

Mr. ANDERSON. Mr. President, I call up my amendment "5–17–56–I."

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 42, lines 18 and 19, it is proposed to strike out the words "and the provisions of section 344."

On line 23, after the figure "1956", strike out the comma, insert a period, and strike out the remainder of the paragraph.

Mr. ANDERSON. Mr. President, the language now contained in the bill, although it appears to be an attempt to carry over the 1956 acreage into the years 1957 and 1958, rather effectively repeals the provisions now in the Cotton Acreage Act which relate to the principle of growth.

I say that because cotton acreage history will be based upon a five-year period. If we freeze in the States the 1957 and 1958 allotments at the level of the 1956 allotment, we shall have successfully frozen them for 3 of the 5 years, and thereby shall have made it possible to freeze them for the rest of the history of cotton growing in this country, unless the law is finally repealed or some other adjustment made.

I do not believe that was the purpose of the amendment of the committee which my amendment proposes to strike out. I believe it is possible that those who sponsored it thought it could be adopted and that it would not affect history. But we cannot have a provision of this nature in the bill and expect anyone who comes from the States of California, Arizona, New Mexico, or Texas to vote for the bill on final passage. This would be the worst thing that could ever happen to agriculture in those States. There must be some recognition taken of the fact that it would defeat everything that was written into the Cotton Acreage Adjustment Act of 1949.

Mr. President, I have great respect for my able friend from Mississippi [Mr. STENNIS]. He would like to have me withdraw my amendment until there is an opportunity to consider some alternate language which is being proposed.

I ask unanimous consent that I may withdraw my amendment at this time without sacrificing my right to present it subsequently for consideration without the time being taken from either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. On page 50, it is proposed to strike out line 7.

Beginning on page 51, with line 19, strike out through line 19 on page 54.

Mr. WILLIAMS. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 10 minutes.

Mr. WILLIAMS. Mr. President, the purpose of my amendment is very simple. It merely strikes out of the bill all those provisions which would for the first time extend mandatory support prices to barley, grain sorghums, oats, and rye. Under the existing law, support prices have been given to those commodities only at the discretion of the Secretary of Agriculture. This bill would compel the Secretary of Agriculture to support those products at 76 percent, or an increase of about 10 percent.

As evidence of what is already being done under the existing law with reference to those commodities, I point out that in the first 7 months of the current fiscal year, the Government has already lost $30,014,254 on barley; $36,915,655 on grain sorghums; and it has sustained a loss of $11,118,217 in supporting oats and $5,894,803 in supporting rye.

This bill now proposes to write into the law a mandatory provision whereby the Secretary of Agriculture would be compelled from now on not only to continue to support these commodities but also to continue to support them at an even higher level than that which was obtained in the past. The loss would be almost beyond estimation both from the standpoint of the Federal Treasury and from the standpoint of the feeders of livestock and poultry.

Mr. President, I ask for the yeas and nays on the amendment. I will then be willing to yield to any Senator who wishes to speak on this amendment. The question involved is merely whether or not for the first time we are going to extend mandatory support prices to those feed grains.

Mr. President, I ask that the yeas and nays be ordered on this amendment.

The yeas and nays were not ordered.

Mr. WILLIAMS. Mr. President, I reserve the right again to ask for the yeas and nays.

At this time I yield 3 minutes to the Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 3 minutes.

Mr. AIKEN. Mr. President, ordinarily I would support the amendment offered by the Senator from Delaware. I think the amendment provides for something that should be done. I am practical enough, however, to know that it cannot be done. I also know that many of us, and many Department of Agriculture officials, administration representatives, and others have been working to find a mutual ground on which we can get together and obtain legislation which will not be harmful to any of the States of the Union and which will benefit many of them.

The proposal which we will make will be offered by the Senator from Florida [Mr. HOLLAND] in an amendment relating to the support prices for corn and feed grains. I shall strongly support the proposal of the Senator from Florida when it becomes the pending question before the Senate. I agree with the Senator from Delaware that, from the point of view of our sections of the country, his amendment would be the best thing. However, I am practical and, in order that New England and the northeast part of the country do not get something which is very bad such as the feed-support provision of the House bill, I feel that I must support the amendment to be offered by the Senator from Florida which I shall join him in offering.

Mr. WILLIAMS. Mr. President, the Senator from Vermont will agree with me, will he not, that the rejection of my amendment would be injurious both to the dairy industry and to the poultry industry in that it would raise the feed cost far above that which prevails under the existing law?

Mr. AIKEN. I do not think anyone can answer that question. We know that the great abundance of feed grains, and their low cost, have encouraged

many people to go into livestock and poultry production thereby increasing the competition and depressing the markets for our northeastern producers. I do not think anyone can say what the ultimate advantage or disadvantage would be.

I will say, however, that if I were not trying to view the farm bill objectively, and to work out the best possible bill, my inclination would be to vote for the Senator's amendment. But I think, under the circumstances, it is better to support a proposal which I feel can be approved and which will result in obtaining legislation which will be of benefit to nearly all the people of the United States and detrimental to almost none of them.

Mr. DANIEL. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. DANIEL. Does the Senator realize that in the original farm bill the Senate expressed itself in approving much higher support prices?

Mr. WILLIAMS. Yes; and the President vetoed the bill, and I agreed with him. I recognize that the amendment to be offered by the Senator from Florida is better than the provision already in the bill; however, I do not believe in compromising until we have been defeated. I believe in first ascertaining whether we have enough votes, and in this instance I feel confident of victory.

Mr. President, I ask unanimous consent that the yeas and nays be ordered on my amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Delaware?

Mr. HOLLAND. Mr. President, reserving the right to object—and I shall not object—I think the Senator from Delaware and Senators from areas like his own are entitled to have a chance to go on record in this matter, and the time of the Senate will be saved if we proceed in this way, rather than to have every Senator affected make a speech, or to have a quorum call and another request.

However, I must say that I think the amendment offered by the Senator from Delaware goes much further than the Senate would possibly go, in view of the expressions heretofore made on the floor during the debate on the previous bill, and also in view of the fact that since that time price supports have been granted for noncomplying corn in the commercial corn areas, which make even more serious the plight of the small grain producers.

So while I am not at all agreeing with the amendment of the distinguished Senator from Delaware, I feel that his request is meritorious, and I hope it will be granted.

Mr. DANIEL. Mr. President, I wish to make the record clear that my failure to object to the unanimous-consent request a moment ago was simply to expedite the matter. I shall not object to the unanimous-consent request, but I certainly oppose the amendment offered by the Senator from Delaware because I think it would do great harm not only to the proposed legislation, but also to the farmers of the country who raise corn and other feed grains.

Mr. CASE of South Dakota. Mr. President——

Mr. WILLIAMS. My request is merely to have a record vote on the amendment. I do not see how there could be any objection to that.

Mr. CASE of South Dakota. Mr. President, reserving the right to object, I had hoped to ask the Senator from Vermont [Mr. AIKEN] what the alternative was. I have heard rumors that an alternative amendment would be offered following whatever action might be taken on the amendment offered by the Senator from Delaware. I was wondering if we would save time by having a record vote if the amendment is doomed to failure. I do not know whether it is or not; I have heard rumors that it was.

Mr. WILLIAMS. The only thing which would cause the amendment to be doomed to failure would be that it did not receive enough votes to be adopted. We will not know about that until we have had an opportunity to vote on it.

Mr. CASE of South Dakota. How Senators might vote on the amendment of the Senator from Delaware might be affected by what the alternative proposal might be. If another amendment is to be offered, perhaps we should know something about it before we commit ourselves on the amendment offered by the Senator from Delaware.

Mr. HOLLAND. Mr. President, simply for the information of the Senator from South Dakota, the Senator will find on his desk a mimeographed copy of the amendment which will be offered after the disposition of the pending amendment—that is, if the pending amendment be defeated by a vote of the Senate. The amendment proposed to be offered by the Senator from Florida for himself and on behalf of other Senators, including the Senator from Vermont [Mr. AIKEN], will by no means strike from the bill all provisions favorable to the small grain producers, but will afford far better treatment of them if the bill shall be passed.

The amendment offered by the Senator from Delaware would, in effect, strike from the bill entirely provisions affecting the producers of small grains, and leave them subject to the conditions of the present law.

I hope the vote may be taken promptly; and then, if I am permitted to do so, I shall be glad to offer my amendment, a copy of which is on the desk of all Senators.

Mr. CASE of South Dakota. If the amendment offered by the Senator from Delaware should be rejected, would there then be any occasion to offer the amendment which the Senator from Florida intends to propose?

The PRESIDING OFFICER. The 10 minutes of the Senator from Delaware have expired. Does the Senator from Delaware yield himself additional time?

Mr. WILLIAMS. I do not yield time to Senators to debate the amendment if they are opposed to it.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Florida.

Mr. WILLIAMS. Mr. President, may we have the yeas and nays ordered on my amendment?

The PRESIDING OFFICER. The Senator from Delaware has previously made a unanimous-consent request that the yeas and nays be ordered on his amendment. Is there objection to that request?

Mr. CASE of South Dakota. Mr. President, I do not think I am being arbitrary or unreasonable in trying to ascertain whether or not we shall be foreclosed an opportunity to vote on another amendment in connection with this matter. The Senator from Florida was about to answer that question.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Delaware?

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Florida will state it.

Mr. HOLLAND. If the amendment offered by the Senator from Delaware, which is now under consideration, should be rejected by the Senate, would not the Senator from Florida have a right to offer his amendment, a copy of which has been printed and is lying on the desk of each Senator, and which relates to a much more definite treatment of the problem than does the amendment of the Senator from Delaware?

The PRESIDING OFFICER. The Senator from Florida may offer his amendment.

The Senator from Florida was recognized for 5 minutes.

Mr. HOLLAND. I simply wanted to bring out that fact, which I think was all that stood in the way of the granting of the request of the Senator from Delaware for a yea-and-nay vote.

I am perfectly willing to discuss my amendment now, but I do not think this is the proper time to do so. The Chair has advised the Senate that in the event of the rejection of the pending amendment offered by the Senator from Delaware, the Senator from Florida could offer his amendment. I hope that that ruling will now lead to a granting of the request of the Senator from Delaware.

Mr. CASE of South Dakota. Mr. President, I withdraw my reservation of objection.

The PRESIDING OFFICER. In order to clarify the record, there is pending a unanimous-consent request by the Senator from Delaware that the yeas and nays on his amendment be ordered. Is there objection to that request? If not, the yeas and nays are ordered.

Is there any further request for time on the amendment offered by the Senator from Delaware?

The time in opposition to the amendment is in control of the Senator from Louisiana.

Mr. ELLENDER. Mr. President, as I indicated earlier during the debate on this measure, I do not suppose there is a provision in the bill which has given us more difficulty than has the provision affecting feed grains and corn. I cannot believe that the Senate will refuse to enact some kind of legislation which will protect the feed grain producers, in the light of what has been done for the producers of corn.

I understand there is in the offing a compromise amendment which will be

offered by the Senator from Florida. So far as I am concerned, as chairman of the Committee on Agriculture and Forestry, I, of course, will try to maintain those provisions which were incorporated in the bill by the committee. But if the compromise is acceptable to the Senators from the grain States, and an agreement can be reached, the fight I intend to make for the committee provisions on feed grains will undoubtedly be fruitless. I realize that.

However, I am very hopeful that the amendment offered by the distinguished Senator from Delaware will be rejected, so that in due time the Senate may have an opportunity to consider the small grains sections, as provided in the bill, or as may be provided by the amendment which I understand is to be offered by the distinguished Senator from Florida.

The PRESIDING OFFICER. Does the proponent of the amendment, the Senator from Delaware, yield back the remainder of his time?

Mr. WILLIAMS. I am ready for a vote on this amendment unless some other Senator wishes to speak.

Mr. President, I ask unanimous consent that there may be a quorum call, with the time for the quorum call not being charged to either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will call the roll, with the understanding that the time for the quorum call will not be charged to either side.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I was wondering if the Senator from Louisiana wished to discuss the amendment further.

The PRESIDING OFFICER. The attention of the Senator from Louisiana is called to the inquiry of the Senator from Delaware. The question is, Does the Senator from Louisiana care to discuss the amendment further?

Mr. ELLENDER. No, Mr. President. If the Senator is willing to yield back his time, I shall do likewise.

Mr. WILLIAMS. Mr. President, I shall yield back the remainder of my time, but first I should like to take about 1 minute in further explanation. The issue here is very simple—it boils down to the question as to whether or not the Senate wants to authorize mandatory support prices for all types of feed grains. The adoption of this new principle will substantially raise the feed cost to all poultry and dairy farmers without any corresponding benefits. This year we have already lost $30 million on barley, $36 million on grain sorghums, $11 million on oats, and $5 million on rye. How much more do the producers of these commodities want?

Let us not write into the law that the Secretary shall have to continue to support these commodities, not at his discretion, but at mandatory price supports much higher than at present.

I am confident that such action would seriously affect both our poultry industry and the dairy industry in the Northeast. I urge the adoption of this amendment.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Louisiana yield back the remainder of his time?

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS].

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	Millikin
Allott	George	Monroney
Anderson	Goldwater	Mundt
Barrett	Green	Murray
Beall	Hayden	Neely
Bender	Hennings	Neuberger
Bennett	Hickenlooper	O'Mahoney
Bible	Hill	Pastore
Bricker	Holland	Payne
Bridges	Hruska	Potter
Bush	Humphrey	Purtell
Butler	Ives	Robertson
Byrd	Jackson	Russell
Capehart	Jenner	Saltonstall
Case, N. J.	Johnson, Tex.	Schoeppel
Case, S. Dak.	Johnston, S. C.	Smathers
Chavez	Kerr	Smith, Maine
Clements	Knowland	Smith, N. J.
Cotton	Kuchel	Sparkman
Curtis	Laird	Stennis
Daniel	Langer	Symington
Dirksen	Long	Thye
Douglas	Magnuson	Watkins
Duff	Mansfield	Wiley
Dworshak	Martin, Iowa	Williams
Eastland	Martin, Pa.	Wofford
Ellender	McCarthy	Young
Ervin	McClellan	
Flanders	McNamara	

The PRESIDING OFFICER (Mr. BIBLE in the chair). A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS].

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. As I understand, the pending amendment is the so-called Williams amendment, designated as "5–17–56–G." Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KNOWLAND. The parliamentary inquiry is this: Should the Williams amendment be agreed to, would the Aiken-Holland compromise amendment then be in order, or would the so-called Daniel amendment, dealing with the subject of feed grains, then be in order?

The PRESIDING OFFICER. The Chair is advised that if the Williams amendment were agreed to, an amendment offered by the Senator from Florida [Mr. HOLLAND], or any other Senator on the same subject matter could not be challenged on the ground of inconsistency with the action taken in agreeing to the Williams amendment. A point of order would not lie against such an amendment.

The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS]. On this question the yeas and nays have been ordered, all time has been used or yielded back, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. SPARKMAN. On this vote I have a pair with the Senator from Oregon [Mr. MORSE]. If he were present and voting he would vote "nay." If I were at liberty to vote I would vote "yea." I therefore withhold my vote.

Mr. HILL. On this vote I have a pair with the Senator from North Carolina [Mr. SCOTT]. If he were present and voting he would vote "nay." If I were at liberty to vote, I would vote "yea." I therefore withhold my vote.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senators from Tennessee [Mr. GORE and Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. LEHMAN], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

On this vote the Senator from Arkansas [Mr. FULBRIGHT] is paired with the Senator from New York [Mr. LEHMAN]. If present and voting, the Senator from Arkansas would vote "nay" and the Senator from New York would vote "yea."

The Senator from Tennessee [Mr. KEFAUVER] is paired with the Senator from Massachusetts [Mr. KENNEDY]. If present and voting, the Senator from Tennessee would vote "nay" and the Senator from Massachusetts would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

On this vote, the Senator from Kansas [Mr. CARLSON] is paired with the Senator from Idaho [Mr. WELKER]. If present and voting, the Senator from Kansas [Mr. CARLSON] would vote "nay" and the Senator from Idaho [Mr. WELKER] would vote "yea."

The result was announced—yeas 39, nays 44, as follows:

YEAS—39

Allott	Dirksen	Martin, Pa.
Barrett	Duff	Millikin
Beall	Dworshak	Pastore
Bender	Flanders	Payne
Bennett	Frear	Potter
Bricker	Goldwater	Purtell
Bridges	Green	Robertson
Bush	Ives	Russell
Butler	Jackson	Saltonstall
Byrd	Jenner	Smith, Maine
Capehart	Knowland	Smith, N. J.
Case, N. J.	Kuchel	Watkins
Cotton	Magnuson	Williams

NAYS—44

Aiken	Hickenlooper	Monroney
Anderson	Holland	Mundt
Bible	Hruska	Murray
Case, S. Dak.	Humphrey	Neely
Chavez	Johnson, Tex.	Neuberger
Clements	Johnston, S. C.	O'Mahoney
Curtis	Kerr	Schoeppel
Daniel	Laird	Smathers
Douglas	Langer	Stennis
Eastland	Long	Symington
Ellender	Mansfield	Thye
Ervin	Martin, Iowa	Wiley
George	McCarthy	Wofford
Hayden	McClellan	Young
Hennings	McNamara	

NOT VOTING—12

Carlson	Kefauver	Morse
Fulbright	Kennedy	Scott
Gore	Lehman	Sparkman
Hill	Malone	Welker

So Mr. WILLIAMS' amendment was rejected.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the amendment offered by the Senator from Delaware [Mr. WILLIAMS] was rejected.

Mr. ELLENDER. Mr. President, I move to lay the motion to reconsider on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana [Mr. ELLENDER].

The motion to lay on the table was agreed to.

Mr. HOLLAND. Mr. President, I send forward amendments and ask that they be stated. I ask that the amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered. The Secretary will state the amendments.

The LEGISLATIVE CLERK. On page 3, beginning with the word "other" in line 24, it is proposed to strike out down to and including "oats," in line 1, on page 4.

On page 8, beginning with line 4, strike out through line 5 on page 10.

On page 12, line 21, strike out "other feed grains, $175,000,000."

On page 25, beginning with the comma in line 1, strike out to and including "1956" in line 4.

On page 51, beginning with line 19, strike out down to and including line 19 on page 54 and insert in lieu thereof the following:

(d) Notwithstanding any other provision of law, (1) the level of price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, shall be 76 percent of the parity price for the commodity as of April 15, 1956, (2) the level of price support for corn produced outside the commercial corn-producing area, for any crop for which base acreages are in effect (except as provided in (3) below), shall be 82½ percent of the level of price support for corn in the commercial corn-producing area to producers complying with acreage limitations, and (3) if price support is made available for the 1957 crop of corn in the commercial corn-producing area to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghums, barley, rye, oats, and corn produced outside the commercial corn-producing area, respectively, at a level, not less than 70 percent of the parity price as of the beginning of the marketing year, determined by the Secretary to be fair and reasonable in relation to the level at which price support is made available for corn in the commercial corn-producing area to producers not complying with acreage limitations, taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price-support programs and such other factors as he deems pertinent.

Mr. HOLLAND. Mr. President——

Mr. KNOWLAND. Mr. President, will the Senator from Florida yield so that I may request that the yeas and nays be ordered?

Mr. HOLLAND. I yield.

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were not ordered.

Mr. KNOWLAND. Mr. President, at the proper time I shall suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The Senator from Florida is recognized.

Mr. HOLLAND. Mr. President, this amendment is offered on behalf of the Senator from Vermont [Mr. AIKEN] and myself. It has been generally discussed with all Senators with whom we have been able to discuss it this morning, because it represents a very serious and determined effort to bring together the thinking of the Members of the Senate on the important feed grain question on which it has just been demonstrated there is considerable division in the Senate.

Mr. President, the reason why there are several amendments incorporated into one is that it is necessary to make various places in the bill conform to the purposes of the amendment.

The purposes of the amendment, if I may outline them in three brief sentences, are these:

First, to fix a price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, at 76 percent of parity price for the commodities as of April 15, 1956.

To explain that provision, Mr. President, the intent is to put the small feed grain producers on a parity with the producers of corn, the noncomplying producers of corn, in the commercial corn area, who were granted a price support on April 15, 1956, so that there will be given by that provision of the amendment, as we believe, equality this year as between corn and small grains, so far as that can be done by legislation.

The second provision of the amendment is applicable to the corn produced in the noncommercial area. It follows the same philosophy as that expressed in the first provision which I have just mentioned.

The price support for noncomplying corn producers in the commercial area, when it was fixed, established a new principle which had not been effective theretofore. The amendment provides that noncomplying corn producers in the commercial area will be placed on the same basis as corn producers outside the commercial area. So, the second purpose of the amendment is to grant 82½ percent of the level of price supports for grain in the commercial corn-growing areas to the corn producers in the noncommercial area. That is about five-sixths of the support price.

Mr. KERR. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. KERR. I do not quite understand the explanation which the Senator has given with reference to corn in noncommercial corn States.

Mr. HOLLAND. Mr. President, I recognize that this is a very complex subject, and I shall do my best to explain it clearly. I ask that the Senator from Vermont [Mr. AIKEN], the Senator from New Mexico [Mr. ANDERSON], and other Senators who are quite familiar with the subject matter follow my explanation.

The present law provides for corn producers in the noncommercial areas a price support at 75 percent of the prevailing price support given to compliance corn in the commercial areas.

Mr. KERR. On the allotted acres?

Mr. HOLLAND. That is correct. The effort is to work out some kind of parity of treatment between corn in the noncommercial areas and the noncomplying corn producers in the commercial areas who never had a price support until it was recently announced by the Secretary of Agriculture.

Mr. KERR. Mr. President, will the Senator from Florida yield for another question?

Mr. HOLLAND. I yield.

Mr. KERR. Is the Senator saying that if his amendment is adopted all corn producers in the noncommercial areas will have a support price at the same level as that of the noncomplying corn producers in the commercial areas?

Mr. HOLLAND. They will have support at the level of about five-sixths of the support level for complying producers in the commercial areas, and that will amount to almost the same thing which the Senator has said.

Incidentally, we followed the same philosophy as that which was followed in fixing 76 percent in the first branch of the amendment which I have just mentioned, because there it was a matter of making the price supports for small grains as nearly as possible the same as were granted to the noncomplying corn producers in the commercial corn areas.

Mr. KERR. If I read the language correctly, it leaves a different impression with me. As I read it in paragraph (d), subparagraph (2), it provides:

(2) The level of price support for corn produced outside the commercial corn-producing area—

I take it, that is in States other than the corn-producing States.

Mr. HOLLAND. In counties not in the commercial areas.

Mr. KERR. I read further—

for any crop for which base acreages are in effect.

Have there been base acreages in effect in the noncommercial corn-producing areas?

Mr. HOLLAND. The amendment represents an effort to give comparable treatment to noncommercial corn to that which is given small grains on which the price support is fixed at 76 percent of parity.

Mr. KERR. I understand that, but I am trying to get it clear as to whether if the producer of corn in the noncommercial areas is to receive the benefit of this amendment he must observe acreage limitations.

Mr. ANDERSON. Mr. President, will the Senator from Florida yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I think the answer to the question of the Senator from Oklahoma is that the producer would

not have to observe acreage limitations at all. The reference to the crop which is under acreage limitation is an effort to relate back to corn. Corn in the commercial areas will be under acreage limitations, but areas outside the commercial areas need not be under acreage limitations, under the language of the amendment.

Mr. KERR. In other words, the producer in the noncommercial areas would have acreage limitations but would receive approximately the same support level as would the corn producer in the commercial areas?

Mr. ANDERSON. That is correct. The corn producer outside the commercial area is not complying with acreage limitations, and the corn producer inside the commercial area is not complying. Therefore, they would receive the same support.

Mr. HOLLAND. One of the reasons for the provision is that another portion of the bill allows the corn producers in the commercial areas the right by referendum to vote whether to terminate acreage control. If acreage control is applicable in the commercial areas and noncompliance corn is supported, then the treatment, which we have discussed, is to be given corn in the noncommercial areas.

Of course, if there is no price support there, there is not going to be any corn price support anywhere.

Mr. KERR. Mr. President, will the Senator from Florida yield further?

Mr. HOLLAND. I yield.

Mr. KERR. Then, as has been stated by the Senator from New Mexico, the real effect with reference to support prices is to put the producer of corn in the noncommercial areas in the same position as the noncomplying corn producer in the commercial areas?

Mr. HOLLAND. As nearly as may be; and in doing that, we are following the precedent of the first part of the amendment with reference to treatment given to the producers of small grains.

Mr. KERR. I thank the Senator.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. CASE of South Dakota. My understanding is substantially the same as that stated by the Senator from Florida. Translating it into dollars and cents, my understanding is that the corn of noncompliers in the commercial areas would be supported at the $1.25 national average. Applying the five-sixths formula to 86½ percent would mean that the corn producer would be supported this year, in noncommercial areas, at about $1.24. So that makes the price substantially the same.

Mr. HOLLAND. It sounds like that arithmetically, but the way it would be applied, it would not exactly equal that. I confess that the experts on the Department staff would have to explain that. But it comes very close to the figure which the Senator from South Dakota has stated.

Mr. CASE of South Dakota. I think an amendment of this nature is needed to avoid chaos and confusion, particularly in States which have counties which are in a commercial corn area, and counties which are not in a commercial corn area.

Mr. HOLLAND. The question of the Senator, as to whether the amendment relates to 1957 must be answered in the affirmative, but it also, I understand, applies to later years. This provision of the amendment is a permanent change in the law and will apply to later years.

Mr. CASE of South Dakota. But would it require in 1957, a producer of feed grain or corn in a noncommercial corn county to put some land into the soil bank?

Mr. HOLLAND. This particular amendment would not. I have said earlier that this particular amendment, if adopted, would eliminate the acreage reserve provisions of the soil bank in their application to small grains.

The amendment would leave effective to small grains the conservation reserve provisions.

A sizable number of Senators have worked out this amendment together, and we are fully persuaded that, in view of the scarcity of data, now available, and of the indicated attitude of the administration not to approve an additional 100 million acres of land under any control basis, the allowing of 2 years, at least—1956 and 1957—to work out a better program, with the other provisions, as described, is the very best that we can hope to obtain in this situation.

We have conferred not only with one another, not only with Senators who are strongly for higher price supports for small grains, as, for instance, the distinguished Senator from Texas [Mr. DANIEL], and others, but we have conferred with the Department of Agriculture experts and directly with the Secretary of Agriculture, in an effort to get any suggestions we could from him. We have tried to save as much as possible for the small-grain producers. We think that there is no indication whatever that a sound program can be worked out for acreage reserve participation by the small-grain producers in the first 2 years.

If the developments in 1956 are quicker than are anticipated, Congress can take additional action early in 1957. As I see it now, this is the best that can be done at this time to take care of the small-grain producers.

I do not have to call to the attention of the Senator from South Dakota the fact that the sponsors of this amendment opposed the amendment of the Senator from Delaware, which was just rejected, which would have entirely eliminated the possibility of giving any relief at all to the producers of small grains. We are trying to get for them everything we think it is reasonable for them to have, based upon the present data available and considering the present confused situation.

The fact that corn is divided artificially into two areas, a commercial area and a noncommercial area, and that that division does not adapt itself readily to any of the small grains, makes the problem a very complicated one to work out.

Mr. CASE of South Dakota. It is a very complicated problem, particularly in a State like mine, where a portion of the State has counties in the commercial corn areas, while immediately adjacent there are counties which are not. We have three classes for corngrowers.

I think an amendment of this kind is necessary, regardless of how one stands on the question of high or low price supports. If there is to be a corn-support program, it is necessary to have an amendment such as this to preserve the relationship between corn grown on unallotted acres, unrestricted, and the small grains, which can be used as a substitute for corn as feed.

Mr. HOLLAND. I share that conviction, and so do the other Senators who have collaborated in this matter. We are glad to have our purpose so clearly stated and approved by the Senator from South Dakota.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. ANDERSON. I think the Senator from South Dakota [Mr. CASE] made a very good statement just now, when he said this is the sort of amendment which could be supported regardless of whether one favored high supports or flexible supports or rigid supports, because the amendment would provide an opportunity for the Department of Agriculture to keep careful track of the acreage allotted to oats, rye, barley, and grain sorghums for the growing years 1956 and 1957. That ought to provide sufficient information to allow these grains to come under the acreage reserve program by 1958.

Mr. CASE of South Dakota. I hope there will be a record vote on the amendment, because I think the votes of Senators on the previous amendment might be misunderstood.

The Senator from Florida will recall that prior to the other vote I reserved the right to object in order that the Senate might be assured that the amendment now pending would be offered, and there would be no alternative. I think the votes of some Senators on the other amendment might be misunderstood unless an opportunity were afforded to record their votes on this amendment.

Mr. HOLLAND. I thank the Senator from South Dakota; I think he has made a good point which ought to be considered.

The third objective of the amendment is that if price support is made available for the 1957 crop of corn in the commercial corn-producing areas to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghum, barley, rye, oats, and corn produced outside the commercial corn-producing area respectively, at a level not less than 70 percent. The price shall never go to less than 70 percent, and it shall be fixed in the same way as 76 percent was fixed for this year, namely, by relating that price support to the price support which is given to the noncomplying corn in the commercial areas.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. AIKEN. I should like to add a word to what the Senator from Florida is saying. I was one who helped to prepare the amendment. I believe it will work no hardship on anyone, but will

be helpful to many feed grain producers in the country. In fact, I think it will leave the price of feed grains about where it is now on the open market, although I cannot be exactly sure of that. The price of feed should stay approximately where it is now. If it goes higher, it will not be because of the amendment, but because of market trends. The price seems to be at a fairly good level at present. If it can be maintained at nearly that level, I believe it will be helpful, and will assure the feed grain producers of America of a good price. Also, it will not be harmful to the livestock, dairy, and poultry producers.

Mr. HOLLAND. I appreciate the comment by the Senator from Vermont. I think every Senator has received telegrams from producers in the field of dairy products, in the field of livestock, and in the poultry field who are disturbed about the provisions in the bill, but not about this amendment, which I feel is moderate enough to give grave concern to none of them.

One purpose of the amendment, among others, is not to permit the small-grain producers to slide down, down, and down to deeper distress, but to give them fair treatment, as we see it, along with the corn producers.

Mr. AIKEN. The livestock and poultry producers were understandably disturbed about the provisions of the House bill which raised the supports much higher than the amendment which is now being offered by the Senator from Florida, and also perpetuated high feed-grain supports by tying them to the support price for commercial corn. The compromise offered is a considerable reduction from the supports which were required by the House bill.

Mr. HOLLAND. The Senator from Vermont is correct.

I now yield to the Senator from New Mexico, after which I shall yield to the Senator from North Dakota.

Mr. ANDERSON. The Senator from Vermont has not asked me to say this. I hope that if I misstate his position, he will correct me. There might be some persons who would wonder why the Senator from Vermont, on the last vote, voted "no" on the Williams amendment. I assume he voted "no" on that amendment because he knew that this perfecting amendment, which he was offering jointly with the Senator from Florida, would be called up next.

Under the circumstances, I think the Senator from Vermont acted very generously in trying to get these provisions before Congress, and those areas which produce feed grains are indebted to the able Senator from Vermont for taking the position which he did on the Williams amendment.

Mr. AIKEN. I thank the Senator from New Mexico.

Mr. President, I wish to say that the amendment now being offered by the Senator from Florida is as fair a proposition, both to the consumers and producers of grain, as we can work out. It is better to have it come about this way than in a one-sided manner, where one type of producer might make gains temporarily, but a year or two later might wake up and find he had lost a good share of his market.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from North Dakota.

Mr. YOUNG. I think this amendment represents a fair compromise. I would have much preferred to have seen higher price supports provided for feed grains. I firmly believe that cheap feed grains are detrimental to the dairy industry, to the cattle industry, to the hog industry, and to the poultry industry. So I was strongly for the original provision in the bill which was vetoed by the President recently.

Under the provision in the original bill, there were 90 percent supports. The feed grain producers would have received 85 percent supports, which is 15 percent higher than they are getting now, which is 70 percent. In order to get that higher percentage, they would have had to put into the soil bank program 15 percent of the acreage they normally plant to feed grains. It would not have been easy for the feed grain producers to put that extra acreage into the soil bank, but I thought it would be worth while for them since they would get 15 percent higher supports.

Under the pending proposal feed grain producers will get 76 percent of parity for this year's crop which is 6 percent more than the scheduled 70 percent supports.

Mr. HOLLAND. That is for 1956.

Mr. YOUNG. For 1956. For 1957 they will get a minimum of 70 percent.

Under the House provision and the provision which it is now proposed to strike from the bill, feed grain producers would get 5 percent less than price supports for corn in the commercial area, if they put 15 percent of their acreage into the soil bank. So next year, if price supports for corn should be 80 percent of parity—and I think that is probably all they will be, with corn production increasing—feed grain producers would get only 75 percent of parity. But in order to get that 75 percent of parity, they would have to put 15 percent of their acreage into the soil bank program. That would mean additional regimentation and land measuring, and I do not think it would be worth while to get that little higher support price in return for the regimentation to which they would be subjected.

I think the compromise is the best we can get through Congress this year.

Mr. HOLLAND. Mr. President, I appreciate greatly the statement of the Senator from North Dakota, because if anybody has fought, clear up to the highest requirement of courage, to have adopted a conviction held by him that high price supports should be provided, he has done so. I want it to appear in the RECORD that I appreciate his statement, because I think it is in line with the fact that the pending proposal is a fair compromise.

Mr. KNOWLAND. Mr. President, will the Senator yield for a request that the yeas and nays be ordered.

Mr. HOLLAND. I yield.

Mr. DANIEL. Mr. President——

Mr. KNOWLAND. The request, if granted, will not foreclose the offering of a substitute, as I understand.

Mr. DANIEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The Senator will state it.

Mr. DANIEL. Is the minority leader's interpretation correct that ordering the yeas and nays will not forego any amendment?

The PRESIDING OFFICER. The Chair is informed that is correct.

Mr. KNOWLAND. Mr. President, on the amendment of the Senator from Florida I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LANGER. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. Mr. President, I had agreed to yield to the senior Senator from North Dakota. May I ask the chairman of the committee to be prepared to grant me more time from the time on the bill, because I am approaching the end of my allotted time, or perhaps I may have time granted by the minority leader.

Mr. KNOWLAND. Mr. President, I shall yield 5 additional minutes to the Senator from the time on the bill, if he needs it.

Mr. HOLLAND. Mr. President, I now yield to the senior Senator from North Dakota.

Mr. LANGER. Will the Senator please state for the RECORD the difference between the House provision for price supports and the pending amendment?

Mr. HOLLAND. I have been working so hard to bring about a compromise affecting certain provisions of the Senate committee bill that I have probably forgotten the details of some of the original provisions in the House bill. I should prefer to have the chairman of the committee, the Senator from Louisiana [Mr. ELLENDER], answer that question, and I ask unanimous consent that I may yield to him.

Mr. ELLENDER. I shall give an answer to that question in a short while.

Mr. HOLLAND. The chairman of the committee has assured me that he can answer the question and will do so later in the debate. In our committee we made a great many changes in the provisions of the House bill. We have been discussing for a long time changes proposed to the bill as reported by the Senate committee. I would not care to try to state with complete accuracy the provisions of the House bill.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Georgia.

Mr. RUSSELL. Under the present support program as defined by the Secretary of Agriculture, corn in the commercial corn-producing area, where there is compliance, is supported at $1.50 a bushel. If the farmer does not wish to comply, he can plant all he wishes, and the Secretary of Agriculture, for the first time, rewards noncompliance by supporting that corn at $1.25, whereas farmers outside the commercial corn area have a support price of only $1.12.

Mr. HOLLAND. Seventy-five percent of the prevailing price support in the commercial area.

Mr. RUSSELL. The Secretary not only rewards noncompliance in the his-

torically Republican farm Corn Belt States, where there have been reports of some disaffection, but he discriminates against producers in the noncommercial area by allowing them only $1.12 a bushel.

Does the amendment perpetuate that injustice, or discontinue it, or deal with it?

Mr. HOLLAND. The amendment corrects the injustice.

In the second provision of the amendment, to be found at about the eighth line down, the distinguished Senator from Georgia will see that the level of price support for corn produced outside the commercial corn-producing area is fixed at 82½ percent of the level of price support for corn in the commercial corn-producing area, when there is compliance. Eighty-two and one-half percent is about five-sixths. One dollar and twenty-five cents is five-sixths of $1.50. So it seeks to give equal treatment.

Mr. RUSSELL. That is for 1956. How about 1957?

Mr. HOLLAND. For 1957 the same provision is continued. It will be a permanent change in the law.

Mr. RUSSELL. This is the first time any Department of Agriculture or Secretary of Agriculture has sought to reward noncompliance with the laws enacted by the Congress. I am glad this amendment seeks to correct that injustice. Once the election to take place next November is behind us, I hope the Secretary of Agriculture will go back to the previous philosophy, and not reward noncompliance, but place all commodities on the same basis.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. HOLLAND. Mr. President, I was assured of additional time from the minority leader.

Mr. BRICKER. Mr. President, does the Senator from Florida need additional time on the bill?

Mr. HOLLAND. Yes.

Mr. BRICKER. Will 5 minutes suffice?

Mr. HOLLAND. That will be sufficient at this time.

Mr. BRICKER. I yield 5 additional minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 additional minutes.

Mr. SCHOEPPEL. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. SCHOEPPEL. Regarding the amendment submitted by the Senator from Florida, I wish to say that, having been in the Chamber and having listened to the remarks of the distinguished Senator from North Dakota [Mr. YOUNG], I certainly concur in the position he has taken in reference to this amendment.

I desire to state to the distinguished Senator from Florida that, originally, in view of the situation which has existed in the sorghum grain areas and in some other areas in respect to the related grains, I had some misgivings about what the bill proposed.

I realize that this amendment provides certain equitable considerations for the sorghum grain producing areas and the areas which were very badly disturbed about the situation which heretofore existed. I think the amendment constitutes a fair compromise and a fair approach to a solution of the problem.

I should like to have the Senator from Florida know that I hope the amendment will prevail, because—as the Senator from North Dakota has said—it will permit the farmers affected to get away from many of the unfortunate and unpleasant details involved in working out the situation. So I feel that the farmers could live with this amendment, and that they will be satisfied with it.

Mr. HOLLAND. I thank the distinguished Senator; and on behalf of the Senator from Vermont [Mr. AIKEN] and other Senators who sat in on the attempt to reach this compromise, as well as on behalf of myself, I accept the compliment he has given. We are grateful to the Senator from Kansas.

Mr. DANIEL. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield.

Mr. DANIEL. I also wish to compliment the Senator from Florida and the other Senators who have worked on this provision, although it is less than some of us feel should be adopted.

As a matter of fact, some Members of this body, including the junior Senator from Texas, have prepared an amendment to increase the support price with acreage limitations.

I should like to refer to the last part of the amendment submitted by the distinguished Senator from Florida. It seems that his amendment would provide that in the future the Secretary would support small grains on a comparable basis with corn, but the last part reads:

> Taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price support programs, and such other factors as he deems pertinent.

As I understand, all that language, except the last eight words, is included in the provision of the present law concerning factors to be considered by the Secretary in figuring price supports. Is that correct?

Mr. HOLLAND. Yes, that is correct; in the existing law there are eight different factors, and all of them are represented in the smaller number stated in this amendment. However, the Senator from Texas is also correct in stating that the last eight words of the amendment, namely, "and such other factors as he deems pertinent," are not found in existing law.

Mr. DANIEL. It seems that those eight words, which are new to this type of legislation, would allow the Secretary to take into consideration factors not specified by the Congress. So those eight words might constitute very broad authority.

I wonder whether the Senator from Florida would have any objection to the elimination of those words, or whether they play any important part in his amendment.

Mr. HOLLAND. So far as I am concerned, it seems to me that they do not play an important part; but on this point I yield to the Senator from New Mexico [Mr. ANDERSON], who is quite familiar with these provisions.

Mr. ANDERSON. Mr. President, I was going to suggest to the Senator from Florida that he strike them out, and that he add the word "and" in the third line above, preceding the words "the ability to dispose of stock.", and so forth.

I think the Secretary of Agriculture has sufficient discretion as regards the other factors, and I do not believe he needs to take into consideration "and such other factors as he deems pertinent."

Mr. HOLLAND. Mr. President, I appreciate the expression on the part of the Senator from New Mexico.

I should also like to have the Senator from Vermont [Mr. AIKEN] express himself on the proposed deletion of the last eight words, which I think can be deleted without doing violence to the purpose of those of us who worked on the amendment.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The time of the Senator from Florida has expired.

Mr. BRICKER. Mr. President, I yield an additional 5 minutes to the Senator from Florida.

Mr. HOLLAND. I thank the Senator from Ohio.

I now yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I had not considered this matter before. However, certainly the last eight words of the amendment are not the meat of the amendment; and it seems to me that undoubtedly the amendment would be fully effective if those words were omitted. I would have no great feeling about the matter either way.

Mr. HOLLAND. I thank the distinguished Senator from Vermont. That is my own feeling about it.

Mr. AIKEN. Certainly more responsibility would be put on the Congress, and less on the Secretary.

Mr. DANIEL. Yes. In view of that, I wonder whether the Senator from Florida would consider modifying his amendment by striking out the last eight words thereof.

Mr. HOLLAND. Mr. President, with the consent of the Senator from Vermont and the Senator from New Mexico, I am glad to modify my amendment by striking out the last eight words and by inserting a new word—the word "and"—between the words "therefor" and "the", which are the first two words in the third line from the bottom of my amendment. I so modify my amendment.

The PRESIDING OFFICER. Inasmuch as the yeas and nays have been ordered on the question of agreeing to the amendment of the Senator from Florida, unanimous consent will be required in order to modify the amendment at this time.

Is there objection to the proposed modification of the amendment of the Senator from Florida?

Mr. HOLLAND. Mr. President, I hope there will be no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none. Without objection, the amendment of the Senator from Florida is modified accordingly.

Mr. HOLLAND. Mr. President, I have outlined the meaning of the amendment as fully as I could. It is submitted in a sincere desire to bring together those who feel there should be no legislation in this field and those of us who feel that the producers of small grains are in a very distressed situation and that their situation should not be ignored at the time of passage of this bill.

The Senate has already gone on record by a very considerable vote in favor of giving more relief than this amendment would give these producers. The bill reported by the committee would give them more relief. But I believe this amendment is the most we can hope to get together on; and I say that after having discussed the matter with many Members of various points of view, as well as with those in the administrative branch of the Government.

Mr. AIKEN. Mr. President, will the Senator from Florida yield 1 minute to me?

Mr. HOLLAND. I yield.

Mr. AIKEN. I think we must also take into consideration the fact that it has been reported by some Members of the House that if the modifications made to the bill by the Senate are not too far out of line with the thinking of the House, our amendments might be accepted by the House, rather than to have the bill go to conference, and thereby entail a long delay. I cannot conceive that any amendments or changes thus far made by the Senate in the bill would warrant any long delay in presenting the bill to the President and having it enacted into law.

Mr. HOLLAND. I thank the Senator for his contribution; and I join him in the sincere hope that the bill, as passed by the Senate, will be acceptable to the House, and will be enacted into law without the necessity of a conference.

Mr. ALLOTT. Mr. President, will the Senator from Florida yield to me?

Mr. HOLLAND. I yield to the Senator from Colorado.

Mr. ALLOTT. I had to step off the floor for a moment, and I wish to be sure about two things: As the amendment is drawn, it will not require the producers of small grain to comply either with an allotment system or with the acreage reserve; is that correct?

Mr. HOLLAND. The Senator from Colorado is correct.

Mr. ALLOTT. I thank the Senator very much.

Mr. HOLLAND. Mr. President, I yield the floor.

The PRESIDING OFFICER. The time of the Senator from Florida has expired.

Mr. DANIEL. Mr. President, I call up my amendment identified as "5-17-56-K"——

Mr. LANGER. Mr. President, will the Senator from Texas yield for a moment to me? The distinguished Senator from Louisiana [Mr. ELLENDER] promised to answer a question I asked a while ago. I ask unanimous consent that he be allowed to answer that question at this time.

Mr. ELLENDER. I intended to say a few words in respect to the amendment of the distinguished Senator from Florida. Will the Senator from Texas withhold the offering of his amendment?

Mr. DANIEL. Yes. I yield to the chairman of the Committee on Agriculture and Forestry with the understanding that I may have the floor after he completes his discussion on his own time.

The PRESIDING OFFICER. Does the Senator from Louisiana control time against the amendment?

Mr. ELLENDER. Yes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. I yield myself 15 minutes.

As I have stated on the floor of the Senate on various occasions, I do not know of any subject which came before us that required more time and prompted more delay than the proposed legislation dealing with corn and the various small-grain crops. The committee worked hard and earnestly in order to place in the bill a provision which would be acceptable. I believe we succeeded in that by incorporating in the bill the language which now appears.

I am a realist. In the light of the recent vote upon the Williams amendment, I fear that the language which is now in the Senate bill will in all probability be deleted and the so-called Holland amendment substituted.

I point out to the Senate that the House bill provided mandatory supports for feed grains, which would include oats, barley, rye, and grain sorghum; but to qualify for such supports the farmer who produces small grains would have to plant only 85 percent of his base acreage.

Because the President, in his veto message, directed the Secretary of Agriculture, to support noncompliance corn in the commercial area, the committee felt justice required that similar treatment be accorded the producers of small grains. So, the Senate Committee on Agriculture and Forestry placed the small-grain grower in the same category, as nearly as possible, as the producers of corn in the commercial area who do not comply with base acreages. For 1956 they would be entitled to support at the same percentage of modernized parity as noncompliance corn, and would not be subject to acreage requirements. What we did for 1957 was simply to provide that in order for a producer of small grains to obtain price support, as fixed in this bill, it would be necessary for him to place in the soil bank an amount equal to 15 percent of his feed grain base acreage. This is the same treatment as is now accorded corn.

As Senators know, the bill would increase the total base acreage for corn from 43.3 million to 51 million acres; farmers in the commercial corn area can plant their entire base acreage, and obtain price support at 86.2 percent of parity, provided, of course, that they place the equivalent of 15 percent of their base acreage in the soil bank. Of course, they could participate in the acreage reserve, only if the Secretary of Agriculture this year placed that program, in effect, for corn.

Since the corn grower is able to get price support at 86.8 percent of parity, or $1.50 a bushel on production achieved on his entire base acreage, we felt that, in justice to the producers of small grains, they should have similar treatment, that we should, in a measure, relate their price-support program to that of corn. That is all the bill does. Since the corn growers, under the provisions of the bill as now presented to the Senate, can plant 100 percent of their corn base, and get the full 86.2 percent price support, provided they place the equivalent of 15 percent of their corn base in the soil bank, I felt, and the majority of the committee felt, that similar treatment should be accorded to the small-grain grower.

What do we have in the amendment which we are now considering? The amendment would strike out the provisions for a feed grain acreage reserve program; and would take away mandatory price supports for feed grains in 1957 unless support is made available for noncompliance corn. It would retain the price support of small feed grains at 76 percent of parity in 1956, which is the equivalent of the price-support accorded noncompliers in the commercial corn area. It would also retain in the bill the same price-support level for corn in the noncommercial area, as provided in the House bill, which is 82½ percent of the commercial corn level, but it would make it applicable to 1958 and 1959, as well as 1956 and 1957. Finally, it provides price support for feed grains and noncommercial area corn at not less than 70 percent of parity in 1957 if in that year corn producers not complying with their acreage limitations are given price support.

As I stated on several occasions when H. R. 12 was still before us, it is my considered judgment that we shall have less feed grain produced only if acreage is curtailed—if those who produce feed grains are required to place a certain percentage of their land in the soil bank. Under the committee amendment during 1957, those who produce small grains would be encouraged to restrict their plantings. The amendment now proposed would remove any incentive for acreage reduction in 1957.

Without acreage controls in 1957, the cost to the Government for these programs will be much more than if we said to the producer of the small grains, "In order to make yourself eligible for price support, you have to place in the soil bank the equivalent of 15 percent of your base acres."

We fix in the bill what the base acres would be, the average of the years 1953, 1954, and 1955.

As I recall the figures, this would mean an average planting of all the small grains of about 63 million or 64 million acres. When, in 1953 and 1954 the administration set price support for small grains at 85 percent of parity, the acreage was around 61 or 62 million acres.

Last year, the support price for small grains was cut back from 85 percent to 70 percent of parity. Under the theory of flexible price supports, one would con-

clude that the farmers would plant less acreage, since the price of the feed grains was reduced. I say the farmers do not seem to practice what Mr. Benson preaches; instead of reducing acreage, they increased their acreage by some 7 million acres.

What we are doing now is making the sky the limit for the planting of small grains all over the country.

With price supports in effect for producers of corn in the commercial area, whether they plant within their allotted acres or not, we are going to have so much feed grain produced that I predict there will not be enough storage facilities to take care of the vast amounts which will be placed under law.

Mr. President, as I have said, I am a realist. I know that since the Williams amendment was defeated by only 5 or 6 votes, the Holland amendment will probably be adopted.

However, let us remember that under the Holland amendment the producers of small grains will have no incentive to do other than plant all the acres they desire and still receive a support price of 76 percent in 1956 and possibly an even higher support level in 1957.

I would say that the House of Representatives is adamant in its desire to sustain the provisions now carried in the House bill.

The PRESIDING OFFICER. The Senator has 30 minutes available. He has yielded himself 15 minutes, which have now expired. Does he desire to yield himself additional time?

Mr. ELLENDER. I yield myself 5 additional minutes.

The adoption of the Holland amendment will place the whole question in conference, and we may end up with a conference provision that will permit excess planting.

Under the provisions of the House bill—which I prefer—for a grower of a grain to be able to get price support, he must plant only 85 percent of his base acreage. The Senate bill has changed that to 100 percent, provided the farmer places the equivalent of 15 percent of his base acreage in the soil bank.

Mr. President, I have attempted, as chairman of the committee, to explain both the House version and the Senate version of the feed grain provisions, so as to make the record clear why I believe that fewer acres will go into the soil bank under the Senate bill. The House provisions make it mandatory for at least 15 percent of a farmer's base acres to go into the soil bank, and further, that his total feed grain plantings not exceed 85 percent of his base acreage. Under the Senate bill he can plant 100 percent of his base acreage. Under the Holland amendment, the sky will be the limit as far as feed grain plantings are concerned. I predict that next fall or next spring someone will come to Congress and ask for more money with which to build warehouses in order to store the enormous amounts of grain that will be produced under the Holland amendment.

I am not trying to infer that Senators, in voting for the amendment, are motivated by selfish reasons. However, everyone knows that the poultry producers are very eager to have cheap feed grain. The dairy producers are very eager, also, to have cheap feed. The dairy producers, particularly those who operate in the northeastern part of the country, are able to protect the prices of their milk under marketing agreements and orders. Of course, they want cheap feed; it means that much more profit to them.

If the Holland amendment is adopted, it—together with the Young amendment that was adopted a few minutes ago, dumping onto the market 100 million bushels of wheat—feed grains will be cheap, and those people will be the beneficiaries of a windfall, wheat that has cost the Government as much as $2.50 a bushel will be sold at the price of other feed grains, or about $1.50 a bushel.

That is what will happen, Mr. President. I have worked with the wheatgrowers, and I want to help them. There is an International Wheat Agreement by which much wheat has been disposed of—I have supported that program. Here, there is another gadget which has been proposed by the administration, to make it possible to dump 100 million bushels of wheat on the market in competition with corn and other feed grains.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The time of the Senator from Louisiana has expired. He has 10 minutes remaining which he can use.

Mr. DANIEL. Mr. President, I should like to call up an amendment for the purpose of offering it as a substitute for the Holland amendment as modified.

The PRESIDING OFFICER. The Chair will advise the Senator from Texas that all time has not been used in opposition to the amendment which is now pending. If the Senator from Louisiana will yield back his remaining 10 minutes——

Mr. ELLENDER. Mr. President, I yield back the remaining time at my disposal on the Holland amendment. Am I to understand that I will still have more time after the distinguished Senator from Texas offers his amendment?

The PRESIDING OFFICER. The Senator from Louisiana will have only the time allotted on the final passage of the bill.

Mr. ELLENDER. Will not the Senator from Texas have 30 minutes on his substitute amendment?

The PRESIDING OFFICER. That is correct.

Mr. ELLENDER. That is what I have in mind, Mr. President. I yield back the remaining time available to me.

The PRESIDING OFFICER. The Senator from Texas has been recognized.

Mr. DANIEL. Mr. President, I ask unanimous consent that I may explain my amendment without its being read by the clerk.

The PRESIDING OFFICER. Is there objection to waiving the reading of the amendment offered by the Senator from Texas? The Chair hears none. Without objection, the amendments will be considered en bloc as a substitute for the pending amendment of the Senator from Florida, and the amendments of the Senator from Texas will be printed in the RECORD.

The amendments offered by Mr. DANIEL for himself and other Senators are as follows:

On page 3, beginning with line 24, strike out "other feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats)."

On page 4, line 7, after the comma insert "and for the 1956, 1957, 1958, and 1959 crops of feed grains (corn produced outside the commercial corn-producing area, grain sorghums, barley, rye, and oats (also hereinafter referred to as 'the commodity'))."

On page 8, lines 4 and 5, strike out "each year in which an acreage reserve program will be in effect for corn" and insert in lieu thereof "each of the years 1956, 1957, 1958, and 1959."

On page 8, lines 14 and 15, strike out "1957 and subsequent years in which an acreage reserve program will be in effect for corn," and insert in lieu thereof "each of the years 1957, 1958, and 1959."

On page 51, lines 19 to 21, in lieu of the matter printed in linetype insert the following: "for each of the years 1956 and 1957."

On page 51, lines 21 to 23, strike out the matter printed in italic.

On page 52, strike out the matter printed in italic in lines 1 to 6.

On page 52, line 14, strike out the matter printed in italic.

On page 52, lines 15 and 16, strike out "corn produced outside the commercial corn-producing area."

On page 52, line 16, strike out "and oats" and insert in lieu thereof "oats, and the 1957 crop of corn produced outside the commercial corn-producing area."

On page 52, line 23, restore the matter printed in linetype.

On page 53, lines 6 to 16, in lieu of the matter printed in linetype, insert the following: "Notwithstanding any other provision hereof, the Commodity Credit Corporation shall make available price support for the 1956 crop of each of the commodities, grain sorghums, barley, rye, and oats at 76 percent of the parity price for the commodity to any producer who meets the requirements of eligibility therefor where (A) such producer does not meet the additional requirements for price support prescribed by this subsection, or (B) there is no acreage reserve program in effect for such crop."

The PRESIDING OFFICER. The Senator from Texas is recognized for 30 minutes.

Mr. DANIEL. Mr. President, I shall not take anywhere near that much time. I merely wish to say to the Senate that my amendment would be more in line with the provisions written into the bill as it was passed by the House and sent to the Senate.

My amendment would establish a price support for grain sorghums, barley, oats, and rye at 5 percentage points less than for corn in the commercial corn-producing area during each of the years 1956 and 1957, for those farmers who place 15 percent of their base acreage into the soil bank.

In other words, Mr. President, the principal feature of this amendment is what has already been explained by the Senator from Louisiana, in that it would require 15 percent of the base acreage heretofore devoted to those grains to be placed in the soil bank program and, thereby, reduce the production of grain.

The amendment changes the committee bill by making the same provision applicable to both years instead of only to 1957, and by requiring an acreage reserve program for feed grains without

regard to whether one is made effective for corn.

In substance, the amendment would restore the House language with respect to feed grains except that during 1956 farmers who do not place 15 percent of their base acreage into the soil bank would receive 76 percent of parity, the same as for corn farmers who do not comply with acreage allotments this year.

Mr. President, I, too, am a realist and understand from the vote taken on the Williams amendment that the attitude of the Senate, perhaps, is to vote for and to support the Holland amendment. I hope, however, that when the bill goes to conference, the conference committee will consider trying to work out a program affecting small grains which will be more nearly in accord with the House provisions; that is, similar to the amendment which I have offered in the nature of a substitute for the Holland amendment which would provide for an increased percentage of parity this year for farmers who reduce their base acreage 15 percent. If that is not possible, I trust provision will, at least, be made for a reduction of acreage next year and an increase in the percentage of parity, which will be an incentive for the grain farmers to reduce their acreage.

Mr. President, I agree with most of what the Senator from Louisiana has said concerning the merits of the Senate committee version, and, certainly, with what has been said in the House report concerning the merits of the small-grain provision contained in the House bill. I realize that the Senate will probably not adopt my substitute, but I am offering it on behalf of myself, the senior Senator from Texas [Mr. JOHNSON], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Oklahoma [Mr. KERR], in order that it may be in the record, so the conference committee may consider it, and in the hope that when the bill is finally passed the provision with reference to feed grains may be nearer to what the House has provided.

Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. DANIEL] as a substitute for the amendment offered by the Senator from Florida [Mr. HOLLAND], as modified.

The amendment was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Florida, as modified.

All time has been used or yielded back, and the yeas and nays have been ordered.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bennett	Byrd
Allott	Bible	Capehart
Anderson	Bricker	Case, N. J.
Barrett	Bridges	Case, S. Dak.
Beall	Bush	Chavez
Bender	Butler	Clements
Cotton	Jackson	Neely
Curtis	Jenner	Neuberger
Daniel	Johnson, Tex.	O'Mahoney
Dirksen	Johnston, S. C.	Pastore
Douglas	Kefauver	Payne
Duff	Kerr	Potter
Dworshak	Knowland	Purtell
Eastland	Kuchel	Robertson
Ellender	Laird	Russell
Ervin	Langer	Saltonstall
Flanders	Lehman	Schoeppel
Frear	Long	Smathers
George	Magnuson	Smith, Maine
Goldwater	Mansfield	Smith, N. J.
Green	Martin, Iowa	Sparkman
Hayden	Martin, Pa.	Stennis
Hennings	McCarthy	Symington
Hickenlooper	McClellan	Thye
Hill	McNamara	Watkins
Holland	Millikin	Wiley
Hruska	Monroney	Williams
Humphrey	Mundt	Wofford
Ives	Murray	Young

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Florida [Mr. HOLLAND] for himself and the Senator from Vermont [Mr. AIKEN]. The amendment will be stated by the clerk for the information of the Senate.

The LEGISLATIVE CLERK. On page 3, beginning with the word "other" in line 24, it is proposed to strike out down to and including "oats)," in line 1 on page 4.

On page 8, beginning with line 4, it is proposed to strike out down to and including line 5 on page 10.

On page 12, line 21, it is proposed to strike out "other feed grains, $175,000,000."

On page 25, beginning with the comma in line 1, it is proposed to strike out down to and including "1956" in line 4.

On page 51, beginning with line 19, it is proposed to strike out down to and including line 19 on page 54 and insert in lieu thereof the following:

(d) Notwithstanding any other provision of law, (1) the level of price support for the 1956 crop of grain sorghums, barley, rye, and oats, respectively, shall be 76 percent of the parity price for the commodity as of April 15, 1956, (2) the level of price support for corn produced outside the commercial corn-producing area, for any crop for which base acreages are in effect (except as provided in (3) below), shall be 82½ percent of the level of price support for corn in the commercial corn-producing area to producers complying with acreage limitations, and (3) if price support is made available for the 1957 crop of corn in the commercial corn-producing area to producers not complying with acreage limitations, price support shall be made available for the 1957 crop of grain sorghums, barley, rye, oats, and corn produced outside the commercial corn-producing area, respectively, at a level, not less than 70 percent of the parity price as of the beginning of the marketing year, determined by the Secretary to be fair and reasonable in relation to the level at which price support is made available for corn in the commercial corn-producing area to producers not complying with acreage limitations, taking into consideration the normal price relationships between such commodity and corn in the commercial area, the feed value of such commodity in relation to corn, the supply of such commodity in relation to the demand therefor, the ability to dispose of stocks of such commodity acquired through price-support programs and such other factors as he deems pertinent.

The PRESIDING OFFICER. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

I further announce that if present and voting, the Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Massachusetts [Mr. KENNEDY] would each vote "yea."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from North Carolina [Mr. SCOTT].

If present and voting, the Senator from Oregon would vote "yea" and the Senator from North Carolina would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

If present and voting, the Senator from Kansas [Mr. CARLSON], the Senator from Nevada [Mr. MALONE], and the Senator from Idaho [Mr. WELKER] would each vote "yea."

The result was announced—yeas 73, nays 14, as follows:

YEAS—73

Aiken	Green	Murray
Allott	Hayden	Neely
Anderson	Hennings	Neuberger
Barrett	Hickenlooper	O'Mahoney
Bender	Hill	Pastore
Bennett	Holland	Payne
Bible	Hruska	Potter
Bricker	Ives	Purtell
Bridges	Jenner	Robertson
Bush	Johnston, S. C.	Russell
Byrd	Kefauver	Saltonstall
Capehart	Knowland	Schoeppel
Case, N. J.	Kuchel	Smathers
Case, S. Dak.	Laird	Smith, Maine
Cotton	Lehman	Smith, N. J.
Curtis	Long	Sparkman
Dirksen	Magnuson	Stennis
Douglas	Mansfield	Symington
Duff	Martin, Iowa	Thye
Dworshak	Martin, Pa.	Watkins
Eastland	McCarthy	Wiley
Ervin	McClellan	Wofford
Flanders	McNamara	Young
George	Millikin	
Goldwater	Mundt	

NAYS—14

Beall	Ellender	Kerr
Butler	Frear	Langer
Chavez	Humphrey	Monroney
Clements	Jackson	Williams
Daniel	Johnson, Tex.	

NOT VOTING—8

Carlson	Kennedy	Scott
Fulbright	Malone	Welker
Gore	Morse	

So the amendment offered by Mr. HOLLAND for himself and Mr. AIKEN was agreed to.

TRANSPORTATION SYSTEM FOR THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 3073) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, to create and establish a public body corporate with powers to carry out the provisions of this act, and for other purposes, which were to strike

out all after the enacting clause and insert:

Repeal of certain provisions of law so as to permit continuance of operations; effect of rates

SECTION 1. (a) Section 14 of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended (Public Law 389, 84th Cong.), is hereby repealed.

(b) The act entitled "An act to amend the joint resolution entitled 'Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes,' approved January 14, 1933, and for other purposes," approved August 14, 1955 (Public Law 389, 84th Cong.), is hereby repealed, except that the rates established under such act shall remain in effect as provided in section 2 (c) of this act.

Establishment of rates; system rate base; rate of return; services

SEC. 2. (a) For the purpose of determining the rates of fare to be charged by the Capital Transit Co. to passengers within the District of Columbia, the Public Utilities Commission of the District of Columbia shall use the system rate base of such company comprising its net investment in property, plant, and equipment as of July 31, 1955, which is hereby fixed in the amount of $20,256,678.76, subject to adjustment for all property additions and property retirements subsequent to July 31, 1955, used and useful in the conduct of public transportation; minus the net depreciation reserve accrued per books applicable to property, plant, and equipment subsequent to July 31, 1955; plus the sum of $1 million for cash working capital; plus a reasonable allowance for material and supplies. In the determination of depreciation on that part of the property, plant, and equipment of the company acquired on or before July 31, 1955, such depreciation shall be that computed by and taken by the Capital Transit Co. on the original cost thereof at the rates of depreciation, established by the Public Utilities Commission of the District of Columbia, which were in effect on July 31, 1955.

(b) It is hereby declared as a matter of legislative determination that a return of 6½ percent on the system rate base, as determined in accordance with subsection (a), is the fair and reasonable return which the company shall be afforded the opportunity of earning.

(c) The rates established for the Capital Transit Co. under the act of August 14, 1955 (Public Law 389, 84th Cong.) on August 21, 1955, shall remain in effect as the schedule of rates for the transportation of passengers within the District of Columbia by such company until August 15, 1957, and shall continue in effect thereafter until superseded by a schedule of rates which becomes effective under this subsection. Whenever on or after August 6, 1957, the Capital Transit Co. files with the Public Utilities Commission of the District of Columbia a new schedule of rates, such new schedule shall become effective on the 10th day after the date of such filing, unless the Commission prescribes a lesser time within which such new schedule shall go into effect, or unless prior to such 10th day the Commission suspends the operation of such new schedule. Such suspension shall be for a period of not to exceed 90 days from the date such new schedule is filed. If the Commission suspends such new schedule it shall immediately give notice of a hearing upon the matter and, after such hearing and within such suspension period, shall determine and by order fix the schedule of rates to be charged by the Capital Transit Co. If the Commission does not enter an order, to take effect at or prior to the end of the period of suspension, fixing the schedule of rates to be charged by the Capital Transit Co., the suspended schedule filed by the Capital Transit Co. shall go into effect at the end of such period, and the Commission shall not thereafter issue any order based on such proceeding.

(d) Notwithstanding the provisions of the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), and paragraph 13 of the unification agreement incorporated therein, the Public Utilities Commission of the District of Columbia shall have the power to fix reasonable charges for, and rules and regulations concerning, the issuance by the Capital Transit Co. of transfers between vehicles operated by the company within the District of Columbia.

(e) The schedule of routes and services furnished by the Capital Transit Co. for transportation within the District of Columbia which is in effect on the effective date of this section shall remain in effect until changed in accordance with procedures and practices of the Public Utilities Commission of the District of Columbia pursuant to the provisions of section 8 of the act of March 4, 1913 (37 Stat. 974), as amended.

(f) The provisions of this section shall supersede section 8 of the act of March 4, 1913 (37 Stat. 974), as amended, the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended, and any other provision of law, to the extent of any conflict therewith.

Exemption from gross receipts tax; continued exemption from mileage and certain other taxes

SEC. 3. (a) As of June 30, 1956, paragraph numbered 5 of section 6 of the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes", approved July 1, 1902, as amended (D. C. Code, sec. 47-1701), is amended by striking out the third and fourth sentences and inserting in lieu thereof the following: "Each gas, electric-lighting, and telephone company shall pay, in addition to the taxes herein mentioned, the franchise tax imposed by the District of Columbia Income and Franchise Tax Act of 1947, and the tax imposed upon stock in trade of dealers in general merchandise under paragraph numbered 2 of section 6 of said act approved July 1, 1902, as amended."

(b) As of June 30, 1956, the first proviso of subparagraph (b) of paragraph 31 of section 7 of the act approved July 1, 1902, as amended (D. C. Code, sec. 47-2331 (b)), is amended to read as follows: *"Provided,* That the provisions of this subparagraph shall not apply at any time to any company which was operating both street railroad and bus services in the District of Columbia on July 1, 1956:".

(c) Notwithstanding subsections (a) and (b) of this section, the Capital Transit Co. shall continue to be exempt from the following taxes:

(1) The gross sales tax levied under the District of Columbia Sales Tax Act;

(2) The compensating use tax levied under the District of Columbia Use Tax Act;

(3) The excise tax upon the issuance of titles to motor vehicles and trailers levied under subsection (j) of section 6 of the District of Columbia Traffic Act of 1925, as amended (D. C. Code, sec. 40-603 (j) (4)); and

(4) The taxes imposed on tangible personal property, to the same extent that the Capital Transit Co. is exempt from such taxes immediately prior to the effective date of this section under the provisions of the act of July 1, 1902, as amended.

Motor vehicle fuel taxes

SEC. 4. (a) Except as hereinafter provided, the Capital Transit Co. shall not, with respect to motor fuel purchased on or after September 1, 1956, pay any part of the motor vehicle fuel tax levied under the act entitled "An act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924, as amended (D. C. Code, title 47, ch. 19).

(b) As soon as practicable after the 12-month period ending on August 31, 1957, and as soon as practicable after the end of each subsequent 12-month period ending on August 31, the Public Utilities Commission of the District of Columbia shall determine the company's net operating income for such 12-month period and the amount in dollars by which it exceeds or is less than a 6½ percent rate of return on its system rate base for such 12-month period. In such determination the Commission shall include as an operating expense the full amount of the motor-vehicle fuel tax which would be due but for the provisions of this section on the motor fuel purchased by the company during the 12-month period. The Public Utilities Commission shall certify its determination to the Commissioners of the District of Columbia or their designated agent. If the net operating income so certified by the Public Utilities Commission equals or is more than a 6½ percent rate of return on the Capital Transit Co.'s system rate base, the company shall be required to pay to such Commissioners, or their designated agent, the full amount of the motor-vehicle fuel taxes due on the purchases of motor fuel made by the company during such 12-month period. If the net operating income so certified is less than a 6½ percent rate of return on such rate base, the company shall pay to such Commissioners, or their designated agent, in full satisfaction of motor vehicle fuel tax for such period an amount, if any, equal to the full amount of said motor-vehicle fuel tax reduced by the amount necessary, after taking into consideration the effect of the District of Columbia franchise tax levied upon corporate income and of Federal income taxes, to raise the company's rate of return on its system rate base to 6½ percent for said period. Within 30 days after being notified by the said Commissioners or their designated agent of the amount of the motor vehicle fuel tax due under this section, the Capital Transit Co. shall pay such amount to the said Commissioners or their designated agent.

(c) If not paid within the period specified in subsection (b), the motor-vehicle fuel tax payable under this section and the penalties thereon may be collected by the Commissioners of the District of Columbia or their designated agent in the manner provided by law for the collection of taxes due the District of Columbia on personal property in force at the time of such collection; and liens for the motor-vehicle fuel tax payable under subsection (b) and penalties thereon may be acquired in the same manner that liens for personal property taxes are acquired.

(d) Where the amount of the motor-vehicle fuel tax payable under subsection (b), or any part of such amount, is not paid on or before the time specified therein for such payment, there shall be collected, as part of the tax, interest upon such unpaid amount at the rate of one-half of 1 percent per month or portion of a month.

(e) The Commissioners of the District of Columbia or their designated agent are hereby authorized and directed to issue to the Capital Transit Co. such certificates as may be necessary to exempt it from paying

any importer the motor-vehicle fuel tax imposed by such act of April 23, 1924, as amended, or as hereafter amended.

Snow removal

SEC. 5. (a) The Capital Transit Co. shall not be charged any part of the expense of removing, sanding, salting, treating, or handling snow on the streets of the District of Columbia, except that the Capital Transit Co. shall sweep the streetcar tracks at its own expense.

(b) The paragraph which begins "Hereafter every street railway company" which appears under the heading "Streets" in the act entitled "An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1913, and for other purposes," approved June 26, 1912 (D. C. Code, sec. 7–614), is hereby repealed.

Conversion to bus operations

SEC. 6. It shall be the duty of the Capital Transit Co. to initiate and carry out a plan of gradual conversion of its street railway operations to bus operations in general conformity with the economic concepts contained in the report of W. C. Gilman & Co., dated September 26, 1955, on file with the Public Utilities Commission of the District of Columbia.

Evidences of indebtedness

SEC. 7. Notwithstanding the provisions of paragraph 6 of the unification agreement incorporated in the joint resolution entitled "Joint resolution to authorize the merger of street railway corporations operating in the District of Columbia, and for other purposes," approved January 14, 1933 (47 Stat. 752), as amended, evidences of indebtedness of the Capital Transit Co. payable within 1 year or less shall not require approval of the Public Utilities Commission of the District of Columbia.

Notification of acceptance by the Capital Transit Co.; effective date of the foregoing provisions

SEC. 8. (a) The preceding sections of this act shall not become effective unless prior to August 14, 1956, the Capital Transit Co., after taking such action as may be appropriate under its charter and bylaws, has notified the Public Utilities Commission of the District of Columbia in writing that it will continue to engage in the transportation of passengers within the District of Columbia after August 14, 1956, under its franchise as previously granted and as modified by the provisions of this act.

(b) Subject to subsection (a), the preceding sections of this act shall take effect on August 14, 1956.

And to amend the title so as to read: "A bill to make provisions for continued operation by the Capital Transit Co. after August 14, 1956, under a revised franchise, and for other purposes."

Mr. NEELY. Mr. President, I move that the Senate disagree to the amendments of the House, ask for a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MCNAMARA, Mr. MORSE, Mr. BIBLE, Mr. BELL, and Mr. CASE of New Jersey conferees on the part of the Senate.

THE TRANSIT SITUATION IN THE DISTRICT OF COLUMBIA

Mr. McNAMARA. Mr. President, certain developments have plunged the District of Columbia transit situation into even greater gloom than it has been for the past year. A conference committee now will have the task of compromising two diametrically opposed views.

The only conclusion I can reach is that the Capital Transit crowd is determined to create so much confusion that it will win back its disreputable franchise by default. One move in this direction was the timing of a so-called proposal by one part of the Capital Transit gang to buy out the other. The net result would be the same poor service to the customers.

I will not go so far as to say this offer was a phony. But I believe it was made with $3 bills, and I do not have much faith in the value of $3 bills. The people of Washington do not, either. All they want is a good transit system, and they will not get it under the Capital Transit gang, no matter what smokescreen is raised.

Mr. President, I ask unanimous consent that three editorials on the transit matter from the Washington Post and Times Herald be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of May 16, 1956]

ISSUE BEFORE THE HOUSE

Daniel W. Bell's letter to Chairman HARRIS, of the House Commerce Subcommittee, once more revives hope of continued private operation of Washington's transit system. As president of the American Security & Trust Co., Mr. Bell is a man of substantial influence in the community. His proposal that Capital Transit be reorganized, that the Wolfson stock be purchased by local interests at a reasonable price, that the company's franchise be restored, and that it continue to provide transit service under local private management will have a strong appeal to many groups. Much experience in recent months, however, has emphasized the vast gulf that separates hopes and plans from actual achievements in this sphere.

The unfortunate thing about Mr. Bell's plan is that it is so tardy and that it is vague on a number of essential questions such as the purchase price. Despairing of continued private operation of an acceptable transit system here, the Senate recently passed a bill to create a public transit authority. The House is scheduled to vote today on a measure to restore the Capital Transit franchise and set up a new regulatory system. It is obvious from his letter that Mr. Bell intended to bolster the flagging support for that bill or something similar to it. Yet Members of Congress cannot intelligently base their votes on a plan to which many directly interested groups are not yet committed.

On several occasions action on the public authority bill has been postponed by last-minute efforts to find a private operator. In each case the results were disappointing. As a result of this experience, the Senate modified its bill so as to create an interim public authority which would continue the search for a private operator while temporarily providing transit service after the expiration of the Capital Transit franchise in August. This bill has the great advantage of backing up the search for a private operator with authority for public operation if necessary. We cannot help thinking that the Bell plan is more compatible with the Senate bill than with the House bill coming up for action today.

The worst vice of the House bill is its tendency to undermine utility regulation in the District. It would give Capital Transit a special standing before the Public Utilities Commission. It would freeze the rate base and the rate of return and enable the company to frustrate efforts of the PUC to control transit rates in the public interest. Regardless of who owns Capital Transit, Congress should not thus destroy effective transit regulation. In fairness, it could not do so without giving similar privileges to other utilities, thus heading back toward the grave abuses of 50 years ago.

Congress could reasonably relieve a reorganized transit company of the gross receipts tax, but other features of the existing House bill would not be acceptable to the Senate, the District Commissioners, or, in all probability, the White House. Consequently, passage of the bill in its present form would serve only to delay an ultimate solution. Even if a restoration bill were desirable and could be passed in acceptable form, the company could scarcely be reorganized in time to take over service by August 14. Several weeks will be required to finish legislative action, then 45 to 60 days would be required to get permission from the stockholders. No margin of time would be left to handle the many details that such transactions always involve.

In our opinion, the Bell proposal should encourage the House to abandon the so-called restoration bill and accept the measure already passed by the Senate. This would give an ample opportunity for Mr. Bell and his associates to work out the details of their plan and at the same time permit the proposed interim authority to provide transportation if necessary until a new private system is ready to operate.

[From the Washington Post and Times Herald of May 17, 1956]

THE WOLFSON BILL

As debate on the Capital Transit restoration bill began in the House yesterday, it became increasingly clear that the measure offers no solution of Washington's transit dilemma. The whole purpose of the bill is to keep Capital Transit in operation and to give it assurance of highly preferential treatment as a public utility. Undoubtedly the bill has gained strength since Daniel W. Bell, president of the American Security & Trust Co., advanced a plan to buy the Wolfson interest in the company. But the Bell plan has not disposed of the basic issues.

We begin with the assumption that the city would like to have a well-regulated but privately operated transit system freed from the control of Louis E. Wolfson. But we do not believe that the House bill would produce this result. In the first place, it is tailor-made for the continuation of the Wolfson management. Actually it is the transit company bill with some modifications. If a new private management is to take over, very different legislation should be passed.

In the second place, there is no real prospect that this legislation could become law. One effect of the bill would be to undercut utility regulation in the District. We do not believe for a moment that this would be acceptable to the Senate, the President, the people of the District, or for that matter, to the people of the country. Congressmen delude themselves if they think that they can vote to hamstring regulation in the District and not have that public disservice jump out at them in their own constituencies. From the national as well as the local point of view, this bill is so bad that it must not be enacted whether or not Mr. Wolfson remains in the picture.

If time were not of the essence, the House might begin afresh and write a new bill to encourage the Bell proposal. Unfortunately, however, further delay would plunge the Capital into another transportation crisis in August. Congress should not for a moment contemplate adjournment for the

political season without having settled this problem or having given the local authorities the power to do so.

One other factor must be carefully weighed. If Capital Transit should be continued as a going concern, the community would lose the notable advantage of starting afresh with an all-bus system. Private buyers would presumably find it necessary to take over all Capital Transit equipment along with its obligations—including the obligation to repave the streets when the streetcar rails are removed. The cost to the city that would result from continuation of the present system is estimated as high as $17 million. Probably this is excessive, but the economic advantages of taking only that portion of Capital Transit equipment which would fit into a modernized system would certainly be substantial.

The city might be willing to forego these possible economies if there were at hand some practical means to assure the reorganization of Capital Transit and to avoid scuttling the regulatory system. But in the absence of some feasible plan for that purpose, the public interest points strongly in the direction of the Senate bill. Although that measure would set up an interim public authority, it would also be an invitation to private capital to take over the new system to be created by the authority. In our opinion, a group of Washington citizens could pick up from the interim authority with much better chances for success than if they absorbed all the liabilities of the existing transit company. Perhaps Mr. Bell, who we are sure has the community interest at heart, could revise his plans so as to make them conditional on the granting of a new franchise.

In any event, the approaching emergency must be met, and the only feasible means of meeting it seems to be enactment of the bill already passed by the Senate.

[From the Washington Post and Times Herald of May 18, 1956]

POLES APART ON TRANSIT

Passage of the Capital Transit restoration bill by the House throws a heavy burden on the conference committee which will try to reconcile this backward-looking measure with the Senate bill for a public authority. Obviously no compromise between the two measures is possible in the ordinary sense of the word. You can't mix public and private operation in the same system. Yet some type of legislation will have to be forthcoming. Congress could not simply let these conflicting measures die because of the great difficulty of reconciling them.

Two courses appear open to the conferees. They could agree to the Senate bill with some modifications. This would be justified by the offensive nature of the bill passed by the House and by the 161-to-172 vote on the motion to send the bill back to committee. The strong vote for recommittal shows the repugnance felt by many Members of the House for an abject surrender to the Wolfson interests as contemplated in the measure that finally passed. In addition to restoring the Capital Transit franchise which Congress revoked for compelling reason last August, the bill would lift the company virtually out of the regulatory orbit of the Public Utilities Commission. The Senate bill, by contrast, would enable local officials to meet the coming emergency through an interim authority, which could be supplanted by a private operator if one could be found. It offers a workable plan for both the immediate need and the long-range future.

The alternative course would be to amend the House bill drastically so as to restore normal regulation of the transit system and permit a restoration of the franchise contingent upon reorganization of the company. This would be, of course, a bid for Daniel W. Bell to go ahead with his plan under which local investors would buy out the Wolfson interests. The trouble with this alternative is that it would carry no assurance that the Bell plan would be pushed to fruition and accepted by the stockholders. If the conference committee should turn to this course, therefore, it should certainly make allowance for the District Commissioners to meet any emergency that might arise through failure of the reorganization plan.

This really points back to the interim authority of the Senate bill. How can a crisis for the city be avoided without some such agency to step into the breach while a new transit system is taking shape? Legislators on both sides of the controversy should be able to see this pressing aspect of the problem and to make certain that it is met in any compromise that may be effected.

AGRICULTURAL ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10875) to enact the Agricultural Act of 1956.

Mr. ANDERSON. Mr. President, I call up my amendment, identified as "5–17–56–I."

The PRESIDING OFFICER (Mr. FREAR in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 42, lines 18 and 19, it is proposed to strike out the words " and the provisions of section 344."

On line 23, after the figure "1956", it is proposed to strike out the comma, insert a period, and to strike out the rest of the paragraph.

Mr. ANDERSON. Mr. President, I yield myself 5 minutes.

I yield to the junior Senator from Mississippi [Mr. STENNIS] such time as he may desire.

Mr. STENNIS. Mr. President, I appreciate the Senator's yielding to me. I asked him to yield for the purpose of offering a substitute to his amendment. The Senator from New Mexico offered an amendment striking out——

The PRESIDING OFFICER. Is there objection to the offering by the Senator from Mississippi of a substitute for the amendment offered by the Senator from New Mexico? The Chair hears none.

Mr. STENNIS. The Senator from New Mexico offered an amendment with reference to certain features of cotton acreage. For myself and on behalf of my colleague [Mr. EASTLAND], I offer as a substitute for his amendment an amendment which will not change the history of cotton acreage of any State. It will not take from any State any acreage in either of the years 1957 or 1958, to which these amendments both apply. It merely provides that the cotton acreage reduction within any State shall not exceed 1 percent for either the year 1957 or 1958. There will be certain reductions that will apply——

The PRESIDING OFFICER. The Chair will ask the Senator from Mississippi if the amendment has been stated.

Mr. STENNIS. It has not been read. I ask that it be read, Mr. President.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Mississippi, which has been offered for himself and the senior Senator from Mississippi [Mr. EASTLAND] as a substitute for the amendment of the Senator from New Mexico.

The LEGISLATIVE CLERK. It is proposed to strike out the matter printed in italics in lines 19 and 20, page 42; and in lieu of the matter printed in italics in lines 23 and 24 on page 42, and lines 1 and 2 on page 43, insert the following:

Provided, That if the acreage allotment for any State for 1957 or 1958 is less than its allotment for the preceding year by more than 1 percent, such State allotment shall be increased so that the reduction shall not exceed 1 percent per annum, and the acreage required for such increase shall be in addition to the national acreage allotment for such year. Additional acreage apportioned to a State for 1957 or 1958 under the foregoing proviso shall not be taken into account in establishing future State allotments.

Mr. STENNIS. Mr. President, continuing, very briefly, with the explanation, I wish to say the only effect of the amendment is to provide that in the application of the distribution of the national acreage to each State for the years 1957 and 1958, no State shall lose over 1 percent of its State acreage. That means there will necessarily be some small increase in the total amount of acres, nationally. But for the 2 years added together, in round numbers it will not be over 1 percent of the national acreage, which was the 1 percent discussed and more or less agreed on this year in the course of the debate on the preceding farm bill.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield to the Senator from Texas.

Mr. JOHNSON of Texas. How many acres will be involved over this period, in the 1 percent?

Mr. STENNIS. In round numbers, 175,000 each year, or 350,000 for the 2 years. But when the amounts for the 2 years are added together, by no means will the amount exceed 1 percent for each year.

Mr. JOHNSON of Texas. I thank the Senator from Mississippi.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. The figure the Senator from Mississippi used was 175,000 acres. Actually, some of that acreage is acreage these States would normally gain.

Mr. STENNIS. Yes.

Mr. ANDERSON. The net amount of acreage which might be added is approximately 100,000 the first year and possibly 50,000 or 70,000 the second year.

Mr. STENNIS. That is correct.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi permit me to assure the Senate that the States of Texas, Arizona, California, and New Mexico would not lose any of the acreage they normally would gain or earn under the present law.

Mr. STENNIS. The Senator from New Mexico has correctly stated the situation, and that is clearly the language of the amendment, namely, those States would not lose any of the acreage they would normally gain under present law.

Mr. ANDERSON. And the second aspect is that certain other States would

not be cut more than 1 percent; but the difference between what they are to be cut and what they would have been cut without the amendment would not be used in establishing history.

Mr. STENNIS. That is correct; no history would be affected by adoption of this amendment.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. JOHNSTON of South Carolina. Mr. President, I have talked over this matter with the Senator from Mississippi, the Senator from New Mexico, and some of the other Senators who are interested in it. In the committee, I submitted an amendment calling for a freeze of acreage in 1956, 1957, and 1958. At this time I am ready to agree to the amendment offered by the Senator from Mississippi.

Mr. STENNIS. I thank the Senator from South Carolina, and I thank him for his work on this very important subject matter.

I also thank the Senator from New Mexico for his attitude toward this substitute amendment.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield further to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. When the Senator has used up the time available to him, I shall be glad to yield back the remainder of the time available to me, if either the majority leader or the minority leader—whichever one has control of the time—is willing to yield back the remainder of the time under his control.

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time under my control.

Mr. BIBLE. Mr. President, will the Senator from Mississippi yield to me?

Mr. STENNIS. I yield.

Mr. BIBLE. As the Senator from Mississippi knows, the State of Nevada has been vitally interested in the apportionment of 1,000 additional acres for cotton in the State of Nevada. Is there anything in the amendment which in any way would affect that particular apportionment?

Mr. STENNIS. No; this amendment would not affect the situation in Nevada in reference to its acreage.

Mr. BIBLE. I thank the Senator from Mississippi.

Mr. STENNIS. Mr. President, I am ready to yield back the remainder of my time, if the remainder of the time under the control of the other side is also yielded back.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield further to me?

Mr. STENNIS. I yield.

Mr. ANDERSON. I ask unanimous consent to have printed at this point in the body of the RECORD, a table showing the effect of this amendment, so there may be no misunderstanding as to how it will work out.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated acres gained or lost in 1957 resulting from the proposed acreage amendments by States

State	Estimated cotton acres saved by holding national allotment at 1956 level for 1957	Estimated acres saved by holding State acreage at 1956 level for 1957	Acres gained or lost resulting from freeze of State allotment compared with floor under national allotment	Acres gained or lost resulting from amendment that no State lost more than 1 percent in 1957 compared with 1956 allotment	Acres gained in 1957 by operation of 1 percent amendment compared with 1956 allotment (17,391,304 acres)	Percent change in acreage allotment in 1957 retaining 1956 national acreage allotment
Alabama	88,613	+119,638	+31,025	−10,251	20,774	−3.03
Arkansas	124,420	+153,099	+28,679	−14,245	14,434	+5.11
Arizona	32,195	+14,645	−17,550	+17,550	None	−2.01
California	72,152	+45,111	−27,041	+27,041	None	+3.46
Florida	3,338	+2,863	−475	−475	None	+1.28
Georgia	78,814	+97,852	+19,038	−9,032	10,006	−2.11
Illinois						
Kansas					None	
Kentucky	670	+958	+288	−78	210	−3.69
Louisiana	53,181	+67,456	+14,275	−6,109	8,166	−2.34
Maryland						
Mississippi	142,745	+187,891	+45,146	−16,466	28,680	−2.74
Missouri	33,389	+36,863	+3,474	−3,474	None	−.92
Nevada						
New Mexico	16,380	+12,005	−4,375	+4,375	None	+2.44
North Carolina	41,898	+55,780	+13,882	−4,839	9,043	−2.87
Oklahoma	73,923	+90,219	+16,296	−8,456	[1] 7,840	−1.93
South Carolina	63,559	+76,709	+13,150	−7,262	5,888	−1.81
Tennessee	49,995	+52,605	+2,610	−2,610	None	−.46
Texas	672,985	+533,868	−139,117	+139,117	[2] None	+1.88
Virginia	1,463	+2,158	+695	−171	524	−4.06

[1] 21,000 acres in 1958.
[2] 36,251 acres in 1958.

NOTE.—Estimates based on 10,000,000 bale marketing quota for 1957.

Mr. ANDERSON. Mr. President, I am prepared to yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time under my control.

The PRESIDING OFFICER. All remaining time has been yielded back.

The question is on agreeing to the substitute offered by the Senator from Mississippi [Mr. STENNIS] for himself and his colleague [Mr. EASTLAND] to the amendment of the Senator from New Mexico [Mr. ANDERSON]. [Putting the question.]

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Senator from New Mexico, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. SMITH of New Jersey. Mr. President, I am submitting three amendments at the request of the State Department and the administration.

The PRESIDING OFFICER. Does the Senator from New Jersey wish to have his amendments stated?

Mr. SMITH of New Jersey. Mr. President, the first amendment I call up is identified as "5–15–56–F."

The PRESIDING OFFICER. The amendment submitted by the Senator from New Jersey will be stated.

The CHIEF CLERK. On page 33, beginning with line 3, it is proposed to strike out down to and including line 4, on page 34.

Mr. SMITH of New Jersey. Mr. President, I yield myself not to exceed 10 minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 10 minutes.

Mr. SMITH of New Jersey. Mr. President, this amendment would strike from the bill the so-called Eastland amendment. Inasmuch as I am a member of the Foreign Relations Committee, I have been requested by the State Department to present the position of the State Department on the Eastland amendment, from the standpoint of possible international complications.

To clarify the matter, I desire to read to the Senate the position of the State Department, as evidenced by a memorandum sent by the Secretary of State to the President, at the White House, and approved by the President. The subject of the memorandum is "Section 203 of H. R. 10875."

The memorandum reads as follows:

This section, if enacted into law, could seriously injure the economies of Mexico, Brazil, Turkey, Pakistan, Peru, Egypt, and other countries, and hence would jeopardize our relations with them.

Section 203 would require the sale of upland cotton in world markets at prices no higher than those offered by other exporting countries for comparable quality. In no event could prices be higher than they had been under the 1-million bale program completed earlier this year.

The stated objective is to regain a fair share of the world cotton market. The result, however, would almost surely be a progressive and severe decline in world prices for cotton. Other exporting countries are unable to hold stocks. They would be obliged to dispose of their current production at almost any price. The United States would be required by law to follow prices downward.

The U. S. S. R. exports only a small amount of cotton which ordinarily does not affect world market prices. Section 203, however, would create a situation in which the U. S. S. R. could determine the world price. Small lots of Russian cotton sold at price reductions in Liverpool, for example, could force the United States to meet the Russian prices.

Mr. President, I may add parenthetically that recently Russia has acquired a great deal more cotton from Egypt

through barter for arms supplied to Egypt. The memorandum continues:

Other countries perforce would have to follow the United States lead. Thus the cotton-exporting countries of the free world would be at the mercy of the Communists. Their resentment, however, with considerable logic, could be directed toward the United States policy of meeting every reduction in price, as specified in the proposed bill.

Any attempt by other countries to escape the downward spiral by resorting to bilateral agreements, conducted without regard to market prices, would set back our hopes for a multilateral trading system—the only system which offers increasing opportunities for private trade and the exporting of a wide range of United States products.

This section would make the prices under the 1-million bale program a ceiling, even though substantial quantities of United States cotton are already being sold for export on a bid basis at considerably higher prices under the present program. Some 224,000 bales have been sold on bids received last week at prices several cents per pound higher than the ceiling which this section would arbitrarily impose.

In view of the circumstances I have outlined above, the Department of State has no other recourse than to protest vigorously against section 203.

I submit the memorandum as a statement from the Department of State, from the standpoint of our foreign policy.

My amendment would strike out section 203 on page 33 of the bill, from line 4 down through line 4 on page 34. This provision is known as the Eastland amendment.

On this question I have been requested to ask for the yeas and nays. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested.

Mr. KNOWLAND. Mr. President, I withdraw the suggestion of the absence of a quorum, and ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Has the Senator from New Jersey completed his statement?

Mr. SMITH of New Jersey. I have completed my statement on this matter. I am glad to present it as the position of the administration, which I have checked carefully with the White House and the Secretary of State.

Mr. ELLENDER. Mr. President, this amendment would strike out section 203 of the bill, which provides for an export sales program for cotton and requires the Secretary to sell sufficient cotton at world prices to restore the United States historical share of the world cotton market. For the marketing year beginning this August this section would require cotton to be offered at prices not in excess of the minimum prices for which cotton was sold under the export program announced August 12, 1955. The minimum sale price under the program, basis Middling fifteen-sixteenths of an inch at ports, was 25.50 cents a pound.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from page 7 of the report of the committee.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

Export sales program for upland cotton (sec. 203): This section directs Commodity Credit Corporation to use its existing powers and authorities immediately upon enactment of the act to offer its cotton for sale at prices not in excess of prices at which other exporting countries are offering comparable qualities of cotton. It further provides that during the marketing year beginning August 1, 1956, Commodity Credit Corporation shall offer cotton for sale for export at prices not in excess of the minimum prices accepted under the special cotton-export program announced on August 12, 1955. The special cotton-export program provided for the sale of not more than 1 million bales of cotton having a staple length of fifteen-sixteenths of an inch and shorter. The first offers were opened on January 3, 1956, and the sale of the 1 million bales was completed with offers opened on February 28, 1956. The minimum sale price, basis Middling fifteen-sixteenths of an inch at ports, was 25.50 cents per pound. Minimum acceptable prices for other qualities were also determined on a port basis and by using the premiums and discounts prevailing in the 14 designated spot markets, as follows:

Offers opened January 3: August 1955 through November 1955.

Offers opened January 10, 17, 24, and 31: August 1955 through December 1955.

Offers opened February 7, 14, 21, and 28: August 1955 through January 1956.

Mr. ELLENDER. Mr. President, section 203, under the heading "Export sales program for cotton," was offered in the committee by the distinguished Senator from Mississippi [Mr. EASTLAND]. I now yield him 10 minutes.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 10 minutes.

Mr. EASTLAND. Mr. President, I have listened with amazement to the brief filed by the State Department. I have always known that it was an agency whose purpose it was to give away our country. The statement it has filed today is conclusive proof.

The State Department begins by saying that this provision would cause a price war and would result in a drastic decline in world cotton prices. That is the first point that is raised.

Recently, in a conference with the Secretary of Agriculture, at which a number of Senators were present, the Secretary of Agriculture stated that his limited one-million-bale export program, similar to the program proposed in the bill, and which was in force in January and February, had actually stabilized world cotton prices. Anyone who knows anything about merchandising must be aware that the one way to prevent a price war is to tell foreign cotton producers, "We are going to meet your price." We started the 1-million-bale program the first of January, and the facts show that at its completion cotton prices were higher than they were when we started the program.

The statement is made that Russia could ship a limited amount of cotton into the export market, that the United States would be bound to follow a small downward sale, and that Russia could therefore undermine the economies of friendly countries.

Mr. ANDERSON. Mr. President, will the Senator from Mississippi yield to me?

Mr. EASTLAND. I yield to the Senator from New Mexico.

Mr. ANDERSON. I wonder if the Senator from Mississippi would be willing to agree to a slight modification in the language of section 203, to take care of the criticism which has been made. I personally feel that there may be something to the suggestion of the State Department. I read from page 33, line 10: "to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries."

If we were to add two qualifying phrases, I think we could dispose of the State Department's criticism with reference to the Russian situation. I wonder if the Senator from Mississippi would be willing to add, at the end of line 10, the words "level of", and in line 12 on page 33, after the word "offered" to insert the words "in substantial quantities."

With those changes, I think the provision would be satisfactory. It would encourage the export of cotton by offering to make the cotton available at prices not in excess of the level of prices at which cotton of comparable qualities is being offered by other exporting countries—not isolated prices, but the general level of prices.

Mr. EASTLAND. That was the intention all along, and that is stated in the declaration of intent filed in support of the provision.

Mr. ANDERSON. If the words "in substantial quantities" were added, a small item or a piecemeal bid could not upset the entire transaction.

Mr. EASTLAND. That is correct.

Mr. ANDERSON. I have an amendment which I had intended to propose later. If the Senator from Mississippi will agree to the amendment which I have suggested, that will obviate the necessity of my offering my amendment.

Mr. SMITH of New Jersey. Mr. President, what was the second change suggested.

Mr. ANDERSON. On page 33, line 12, after the word "offered", to insert the words "in substantial quantities."

Mr. President, inasmuch as the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey [Mr. SMITH], what I have in mind may not be in order. However, I ask unanimous consent that section 203 on page 33 may be amended as I have suggested.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. AIKEN. Am I to understand that unanimous consent has been given to amend certain language in the bill in accordance with the suggestions made by the Senator from New Mexico?

Mr. ANDERSON. The Senator is correct.

Mr. AIKEN. Was unanimous consent given?

Mr. ANDERSON. Yes; unanimous consent was given.

Mr. President, the third and last suggestion I have is this: The Commodity Credit Corporation ought not to be compelled to accept bids in excess of these prices unless they have accepted all the bids at lower prices.

I should like to suggest an amendment on page 33, line 19, after the numerals "1955", to insert the following:

The Commodity Credit Corporation may accept bids in excess of the maximum prices specified herein if it accepts all bids received at such maximum prices.

In other words, I do not want the Commodity Credit Corporation to be favoring anyone. At one time we had a rather extensive experience in the handling of cotton. We have not moved as much of it since as we moved at that time, but we moved more than 7½ million bales of surplus cotton in about 14 months. We had the services of a competent group of cotton exporting firms, and they had to follow a practice such as is outlined here.

I submit this language to the Senator from Mississippi and ask him if he sees any objection to it.

Mr. EASTLAND. I am familiar with the language, and it is acceptable to me.

Mr. ANDERSON. Mr. President, I ask unanimous consent that, notwithstanding the fact that the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey [Mr. SMITH], the language on page 33, line 19, may be amended in the manner I have suggested.

Mr. KNOWLAND. Mr. President, reserving the right to object—and I shall not object—may we have the full language read by the clerk?

Mr. ANDERSON. Probably I have been proceeding out of order.

Mr. KNOWLAND. No. I think this procedure is entirely in order, but in order that the Senate may be fully informed as to the amendment, I ask that the language, as amended, be read.

The PRESIDING OFFICER. The clerk will read the language as amended.

The CHIEF CLERK. On page 33, line 19, after the figures "1955", it is proposed to insert a new sentence, as follows:

The Commodity Credit Corporation may accept bids in excess of the maximum prices specified herein if it accepts all bids received at such maximum prices.

Mr. ANDERSON. I ask unanimous consent that, notwithstanding the fact that the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey [Mr. SMITH], the language of the original bill may be amended to include the language just read by the clerk.

The PRESIDING OFFICER. Without objection, the amendment to the bill, offered by the Senator from New Mexico, is agreed to.

Mr. EASTLAND. Mr. President, that language meets every objection that has been leveled at this provision. The charge has been made that the bill places a ceiling on the price at which cotton can be sold. That criticism is eliminated by the amendment. I should like to call attention to the fact that under the million-bale program there was fixed a price of 25½ cents a pound. Nevertheless, a great part of that cotton moved at 28.2 cents a pound. Last week, under the 27-cent floor a great deal of cotton moved at 29.23 cents a pound.

The reason for that is that American cotton is the only farm product which is not priced competitively by the Commodity Credit Corporation.

There is no reason in the world why that situation should exist, and why a great segment of our agricultural production should not be priced at competitive prices.

There are 4 or 5 international cotton houses, with millions of dollars invested in Latin America, and I am ashamed to say that they have entirely too much influence with our State Department. Their whole purpose is to protect their investments.

I do not believe it is too much to ask that the American cotton farmer be permitted to sell on a competitive basis. I do not believe it is too much to ask that the Commodity Credit Corporation's stocks be priced competitively so as to enable us to retain a fair share of our export business.

The bill provides that only enough cotton shall be sold to reestablish the historic share of the American export cotton market for the American farmer in an amount to be determined by the Secretary of Agriculture.

The Secretary of Agriculture has already determined, in his press conference, when he announced the program, that 5 million bales of cotton is our historic share of the market.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. ANDERSON. I wish to say that there will naturally be a good deal of criticism of the Secretary of Agriculture if he does not move the cotton. I am firmly persuaded that Secretary Benson—and I am perfectly willing to put this on any record—desires to move the surplus cotton. I have participated in at least two conferences with him on this subject, and I believe that Secretary Benson, given a reasonable chance to do so, will be able to move the cotton.

I say very frankly that the reason why a former Secretary of Agriculture was able to move cotton very quickly was that he had the advantage of a war trading act, which permitted competitive prices in the world market. There was no great genius involved in it. He merely had the advantage of being permitted to sell the cotton.

The language we are considering now would instruct the Secretary of Agriculture to move the cotton on a competitive basis.

Secretary Benson made the announcement that he thought he could move 5 million bales. I, for one, am very anxious to permit him to move the 5 million bales. If he does not move them, perhaps I shall feel free to criticize him. In the meantime, although I am on the opposite side of the political fence from him, I do not intend to criticize him for not moving cotton when his hands are firmly tied under the law.

He was up against a good deal of opposition on the 1 million bale experimental program. He moved those million bales satisfactorily, and he did it without disturbing the world market. I think that fact ought to be put in the RECORD.

Now he has asked for permission to move 5 million bales of cotton, and I believe he ought to be given the chance to move them.

I have tried to clarify the language a little, so that the law will make it a little easier for the Secretary of Agriculture to do it. I believe the Secretary of Agriculture is entitled to have that opportunity. It is hardly just to criticize the Department of Agriculture for accumulating agricultural products when it cannot move them. When I was in the Department, I was subjected to page after page of criticism for not moving potatoes, when the law would not allow me to do so. From that day on, I have been very sympathetic with anyone in that job who is asked to move a product when he cannot do so under the law. I believe the language we are proposing will permit the Secretary to move the cotton. Certainly I am in favor of giving him a chance to try to do so.

Mr. EASTLAND. I thank the distinguished Senator from New Mexico [Mr. ANDERSON]. He made a very great record as Secretary of Agriculture. I believe that Secretary Benson is anxious to move these surpluses, but I believe he is stymied by the State Department.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. AIKEN. I am asking the Senator from Mississippi to yield because the matter under discussion——

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. I yield 5 additional minutes to the Senator from Mississippi.

Mr. AIKEN. Mr. President, I am asking the Senator to yield because I wish to make my own position clear on this subject, and I wish to have it plainly understood that my position is not that of the State Department or of the Department of Agriculture or of the administration. I could not have supported the provision now in the bill, which was put in at the suggestion of the Senator from Mississippi. With the amendments suggested by the Senator from New Mexico [Mr. ANDERSON], I understand that the wording now does not require the Secretary to sell cotton in the foreign market at any price which may be offered, but only to compete with those areas of the world which offer cotton in substantial quantities, as determined by the Secretary of Agriculture.

Those quantities may be 50,000 bales or 100,000 bales, or a million bales; however, in no case would they be likely to be 20 bales or 50 bales. Is that correct?

Mr. EASTLAND. Substantial quantities.

Mr. AIKEN. They must be substantial quantities.

Mr. EASTLAND. That is correct.

Mr. AIKEN. I understand that the language in the bill as it now reads pro-

vides that the Secretary may accept all the bids he can get above the maximum level which has been set, so long as he accepts all the maximum bids. In other words, if the maximum is set at 25.5 cents he may accept bids at 28.5 cents, provided he accepts all such bids. Is that correct?

Mr. EASTLAND. Yes; and he has been doing that.

Mr. AIKEN. As I understand, too, he is not required to compete in the market with the lowest price which may be offered by producers in any foreign country, but he is required to compete with the general level of the prices in the world market. Is that correct?

Mr. EASTLAND. Of course, if there is an isolated sale of a small amount of cotton, that would not set the market. The bill provides "at prices not in excess of the level of prices at which cottons of comparable qualities are being offered in substantial quantities by other exporting countries."

Mr. AIKEN. I also understand the Secretary is directed to recover only the Nation's traditional share of the world market, and that the Secretary will determine what that is, whether it be 4½ million or 5 million bales.

Mr. EASTLAND. He has already determined that.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. I yield 2 additional minutes to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an explanation of the legislative intent of section 203 of House bill 10875.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

EXPLANATION OF LEGISLATIVE INTENT OF SECTION 203 OF H. R. 10875

Section 203 contains three general intents. For this reason, this explanation of legislative intent is divided into three parts.

1. The first part directs the Commodity Credit Corporation to use its existing powers and authorities immediately upon enactment of the act to encourage the export of cotton by offering to make cotton available at prices not in excess of the prices at which cottons of comparable qualities are being offered by other exporting countries.

With respect to this first part, it is the intent that the Commodity Credit Corporation shall make cotton available at the level of prices at which cottons comparable to those produced in the United States are being offered by other exporting countries in substantial quantities.

The Commodity Credit Corporation, in making cotton available at competitive prices, could provide either for the sale of CCC cotton for export at competitive world prices or for a cash export subsidy on United States cotton sufficient to make it competitive in world markets.

It is also the intent of this part that the Commodity Credit Corporation shall make cotton available at competitive prices immediately upon enactment of this act, but that it shall be discretionary with the Secretary of Agriculture to withhold actual deliveries of CCC cotton until August 1, 1956.

2. The second part provides that during the marketing year beginning August 1, 1956, the Commodity Credit Corporation is further directed to encourage the export of cotton by offering to make cotton available at prices not in excess of the minimum prices at which cottons of comparable qualities were sold under the special cotton export program announced on August 12, 1955.

With respect to this second part, it is the intent that under any Commodity Credit Corporation sales program during this period the Commodity Credit Corporation shall accept bids, if such bids are the highest received for any particular lot of cotton, which are equal to or above the minimum sales price of 25½ cents per pound, basis Middling fifteen-sixteenths of an inch at ports, as established by the Commodity Credit Corporation under the special cotton export program announced on August 12, 1955, and completed on March 2, 1956.

Under any Commodity Credit Corporation program for the sale of CCC cotton for export at competitive world prices during the marketing year beginning August 1, 1956, it is also the intent of this second part that the Commodity Credit Corporation is directed to accept all bids at prices ranging down to the previous "floor" price of 25½ cents. It is not intended, however, that the Commodity Credit Corporation should not make cotton available at lower prices if it is necessary to meet competition. Neither does it preclude the Commodity Credit Corporation from accepting the higher of several bids for the same particular lot of cotton above the "floor" price of 25½ cents.

Under any Commodity Credit Corporation program for the payment of a cash export subsidy on cotton exported during the marketing year beginning August 1, 1956, it is also the intent that the amount of such subsidy shall be not less than the spread between 25 cents (minimum sales prices at port of 25½ cents minus one-half cent allowance for average cost of transportation from interior origin points to port) per pound and the average price of Middling White fifteen-sixteenths inch cotton on the 14 designated spot cotton markets.

This section provides that for the marketing year beginning August 1, 1956, cottons of qualities other than those sold under the special CCC cotton export program announced August 12, 1955, shall be made available for export at the minimum prices at which cottons were sold under such program with appropriate adjustments for differences in quality.

3. The third part provides that such quantities of cotton shall be sold as will reestablish and maintain the fair historical share of the world market for United States cotton, said volume to be determined by the Secretary of Agriculture.

With respect to this third part, it is the intent that the Secretary of Agriculture will take whatever steps are necessary to reestablish and maintain our fair historical share of the world market for United States cotton. The Secretary in statements to the press has indicated what our fair share of the world market should be, and it is the intent that the Secretary of Agriculture should utilize all his powers to achieve such a goal as rapidly as possible and in an orderly manner. This goal, however, should be increased proportionately as world consumption of cotton increases.

Mr. YOUNG. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. YOUNG. For years we have had an International Wheat Agreement which permits United States wheat to meet world competition. Also wheat is sold outside the wheat agreement by our Government on a competitive basis. If it were not for that agreement, we would probably be in a price war at this time, and the wheat producers would have lost the world market completely. I think cotton farmers will be in the same situation, unless there is included some such provision as that which the Senator from Mississippi has suggested. We teach farmers in foreign countries how to raise cotton; we furnish them with machinery with which to do it. How can the American cotton farmers compete in such a situation?

Mr. EASTLAND. I thank the Senator from North Dakota.

Mr. HOLLAND. Mr. President, will the Senator from Mississippi yield?

Mr. EASTLAND. I yield.

Mr. HOLLAND. I completely support the position taken by the distinguished Senator from Mississippi, and I think it is in line with reason.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired.

Mr. ELLENDER. Mr. President, I yield 2 more minutes to the Senator from Mississippi.

Mr. HOLLAND. If this country ever comes to the point where, as the owner of vast supplies of surplus agricultural property it is not willing to try to regain lost portions of our world trade at prices commensurate with and competitive with those received by other nations, we shall be a spineless, jellyfish sort of an entity instead of a progressive, aggressive, democratic Nation. I think anyone who finds fault with the program suggested by the Senator from Mississippi has not familiarized himself with what his amendment contains.

Mr. EASTLAND. Mr. President, I thank the Senator from Florida for his able and appropriate remarks.

I yield back the remainder of my time.

SEVERAL SENATORS. Vote! Vote!

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum, the time to be taken out of my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that further proceedings under the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THYE. Mr. President, in view——

The PRESIDING OFFICER. Does some Senator yield time to the Senator from Minnesota?

Mr. KNOWLAND. I yield the Senator 1 minute.

The PRESIDING OFFICER. On the bill?

Mr. KNOWLAND. On the bill.

Mr. THYE. Mr. President, in view of the compromise that was worked out on the pending amendment, I ask unanimous consent that the order for the yeas and nays be rescinded.

The PRESIDING OFFICER. Is there objection?

Mr. DOUGLAS. Mr. President, may I inquire why the Senator from Minnesota is making his request?

Mr. THYE. Because a compromise was reached, and I cannot see the necessity of taking up the time with a yea-and-nay vote, because it is apparent that the objection to the amendment has been removed. I would have supported the

amendment, but in view of the fact that a compromise has been reached which seems agreeable, at least to a vast majority of us, I concluded to ask unanimous consent that the order for the yeas and nays be rescinded.

Mr. SMITH of New Jersey. Mr. President, I admit my lack of detailed knowledge of the ways and means of agriculture, and the prices of various agricultural products, and I acknowledge embarrassment that the Senator from Minnesota should ask that the order for the yeas and nays be rescinded, because I have been requested to have the yeas and nays taken. The administration feels quite strongly about the particular section involved, and I reserve the right to object, so as to have an opportunity to hear further comment on the matter.

The PRESIDING OFFICER. The Senator from New Jersey objects.

Mr. SMITH of New Jersey. No; I only reserved the right to object.

The PRESIDING OFFICER. The Chair understood the Senator from New Jersey to object.

Mr. SMITH of New Jersey. I feel I would be discharging my responsibility better if I carried through with what I was asked to do in regard to this section. I may say now that on other amendments I intend to offer I shall not ask for the yeas and nays, but it seems the issue involved in the section under discussion is one on which the administration wants to have an expression, and I hesitate to withdraw the request for a yea-and-nay vote.

Mr. ANDERSON. Mr. President, will the Senator from New Jersey yield?

Mr. SMITH of New Jersey. I yield.

Mr. ANDERSON. Does not the Senator feel that some Members on both sides of the aisle will find themselves in an unfortunate position? The able Senator from Vermont has stated his position on the question. Frankly, I might have suggested some language to amend the section had I not thought the Senator from Vermont was correct in his position. I wonder if, having arrived at a compromise, it would avail any good purpose to have a yea-and-nay vote. I feel it would serve a useful purpose if the suggestion of the Senator from Minnesota could be adopted.

Mr. AIKEN. Mr. President, I was merely trying to keep the State Department out of the controversy. I did not think the State Department would like a yea-and-nay vote in the Senate that would put every Senator on the spot particularly after the provisions of the bill had been modified.

In the first place, the ostensible objections which the State Department raised have been overcome by the modifications offered by the Senator from New Mexico. Whether those are the real reason why they oppose this provision is another question. I think the Department of Agriculture would like to sell the cotton. I am simply amazed that the Department of State insists that the Senate should have a yea-and-nay vote. That is ridiculous.

Mr. SMITH of New Jersey. The State Department has not insisted on a yea-and-nay vote since the modifications have been made, as they were unaware of any proposed modification at the time they urged me to ask for a roll call vote.

Mr. AIKEN. That is correct.

Mr. SMITH of New Jersey. I am taking the responsibility and am simply trying to present these views to my colleagues.

In the light of what has been said, I withdraw the objection.

Mr. AIKEN. The original language was not satisfactory.

Mr. THYE. Mr. President, the only reason why I asked that the yeas and nays, which had been ordered, be set aside was simply that so far as I could see, the objection which any Department of the Government might have had to the amendment had been overcome by the compromise agreed to by all concerned who took part in the discussion of the provision. It was for that reason that I asked that the order for the yeas and nays be rescinded. I could see no good to be accomplished by carrying through with the yeas and nays.

I understand the distinguished Senator from New Jersey has withdrawn his objection.

The PRESIDING OFFICER. Is there objection to the request by the Senator from Minnesota that the order for the yeas and nays, previously entered, be rescinded?

Mr. DOUGLAS. Mr. President, reserving the right to object, I feel that the issues have not been very clearly defined. The bill has been amended on the floor, but it appears to me that there is still a very large element of dumping——

The PRESIDING OFFICER. Does any Senator in control of time wish to yield time to the Senator from Illinois?

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Illinois.

Mr. DOUGLAS. I apologize to the Chair for speaking without having had time yielded to me.

The PRESIDING OFFICER. The Senator from Illinois has been yielded 2 minutes.

Mr. DOUGLAS. As I read it I think the amendment in its present form still provides for dumping—not to such an extent as would have been possible under the original words, but still a very large amount. I should like to hear the subject discussed in more detail as to the effect upon our international relations before I would feel justified in withdrawing objection.

Mr. LANGER. Mr. President, I object to rescinding the order for the yeas and nays. It seems that Senators are afraid to have their votes recorded. I object.

The PRESIDING OFFICER. Does the Senator from New Jersey yield back the remainder of his time?

Mr. SMITH of New Jersey. I am glad to yield it back.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. STENNIS subsequently said: Mr. President, I had prepared certain remarks relative to the first amendment offered by the Senator from New Jersey [Mr. SMITH]. At the time the amendment was under debate, the Senate was ready to vote, and I did not ask for time. I now ask unanimous consent that the statement be printed in the RECORD immediately before the vote on the first amendment offered by the Senator from New Jersey [Mr. SMITH].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The statement is as follows:

STATEMENT BY SENATOR STENNIS

OUR CRITICAL COTTON SITUATION

I rise in support of section 203 of the agricultural bill which directs the Commodity Credit Corporation to use existing authority to export cotton at competitive world prices. In discussing the importance of this provision, I feel it must be made amply clear that cotton faces one of the most critical situations in its history.

A. Fifteen million bale carryover August 1, 1956 (our highest in history).

B. Export market has dwindled to less than 2 million bales (and most of this has moved under Government-aided programs, such as Public Law 480 and special 1-million-bale export program for cotton).

C. Cotton acreage has decreased from 28.3 million acres in 1953 to 17.4 million acres in 1956 (without certain provisions contained in this bill, acreage would be reduced another 1.5 million acres in 1957).

D. Domestic markets are seriously threatened by synthetic competition.

IMPORTANCE OF COTTON EXPORTS

Our export market for cotton is the very heart and life of our cotton program. Without an export program which will meet price competition and regain a fair share of our world market, means that we will continue to lose this market and if present trends continue, we will find ourselves in a situation whereby we will be producing for domestic market only. This will mean continued reduction in acreage allotment, as well as an increase in surplus, and would in the end result in complete failure of our entire cotton program, not to mention the serious impacts on our cotton industry and total economy.

FAILURE TO INITIATE ADEQUATE EXPORT PROGRAM

We have already waited too long to initiate a forward-looking cotton export program and the time has come when we must take firm and positive action. We have had a pressing need for a realistic and forward-looking program for the past 2 years. Last year we had high hopes that the Department of Agriculture would announce such a program, but when the final announcement was made, the program was limited to 1 million bales of low-grade short-staple cotton. This was indeed disappointing and has failed to meet our critical situation. Again this year we had high hopes that the administration would develop a realistic program to meet world competition and to regain a fair share of the cotton export market.

EXPORT PROGRAM ANNOUNCEMENT VERY DISAPPOINTING

Cotton prices announced under the new USDA cotton export program are 3 to 4½ cents a pound above prices of principal competing cottons now being offered in volume in foreign markets for shipment after August 1, 1956. These prices are 2½ to almost 7 cents per pound under prices of rayon in principal producing countries. This is certainly disappointing and particularly so when cotton is faced with one of the most serious problems of our time.

I had visualized the new export program which the Secretary announced a few weeks ago as a determination on the part of the administration to meet this critical situation, by selling surplus cotton at competitive world prices with the primary objective of regaining a fair share of the world market. If

the 27½ cents per pound is set as a minimum price for export, it will be one of the most disappointing developments of our agricultural program. An aggressive long-range cotton export program designed to meet price competition and to discourage foreign production is a pressing necessity. The regaining of a fair share of this market is so very important to the actual existence of our cotton industry that unless we move our surplus supply, which is the highest in history, in an orderly way over a period of 2 or 3 years, our cotton program is doomed to failure. The loss of our export market has been largely responsible for the continuing reduction in acreage allotments. While our cotton farmers have reduced their acreage in an effort to keep supplies within demand, foreign producers have expanded their production to such an extent that their production is within 1½ to 2 million bales of supplying foreign demands.

UNCERTAIN UNITED STATES POLICY DEMORALIZED EXPORTS

World trade in cotton is already badly demoralized because of uncertainty in United States policy and has been at almost a standstill for the last year awaiting a decision on the United States plan. The setting of a price floor at the unrealistic level of only a few cents under the announced loan program for 1956 prices will cause greater confusion and uncertainties in world trade. If foreign price competition is not met under the new export program, the primary purpose is defeated and the net result will be a greater total loss to the Government without actually increasing exports. Failure to meet our critical export program will result in continued acreage control at levels far too low to give our farmers a fair standard of income.

MILLION-BALE EXPORT PROGRAM ANNOUNCED LAST YEAR

Under the million-bale export program, the minimum sales price was 2 cents a pound below the minimum under the new program. CCC also included in the minimum price under the million-bale program the costs of freight from interior locations to ports, and the cost of standard compression, which together average about three-fourths cent per pound. Under the million-bale program, the procedure for arbitrating the quality of the cotton purchased from CCC was different, and had the effect of further reducing costs, compared to the current program, another ½ cent to 1 cent per pound. In total, the price of cotton to the shipper was 3¼ cents to 3¾ cents per pound less under the million-bale program than under the new program.

THE NEW PROGRAM

The first sale under the new program resulted in the sale of 10 million bales at a price of 27½ cents per pound; a price of 26½ cents per pound would have sold 80,000 bales, and a slightly lower price would have sold 300,000 bales.

The second sale made under the new program resulted in a sale of 200,000 bales of cotton, but most of this cotton was purchased under unusual circumstances by shippers who had pressing commitments from domestic mills. Most of this cotton was purchased and actually shipped to domestic mills, but will be substituted for export after August 1, 1956. Therefore, this is not a true demand for exports under the new program.

THE COST OF HOLDING CCC STOCKS

The storage costs and interest charge on cotton now owned by CCC plus cotton which they expect to own by August 1, 1956, will cost more than $100 million per year.

This is a most serious and pressing problem which should be met with full force of competitive prices. A simple and direct way is to make United States cotton competitive and to lower the present minimum CCC sales price. The administration has not met this important criterion, and I urge the Senate to adopt this export amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 33, beginning with line 3, it is proposed to strike out down to and including line 4 on page 34.

The PRESIDING OFFICER. As the Chair understands the situation, the yeas and nays have been ordered on the amendment offered by the Senator from New Jersey. All time has been yielded back.

The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

I further announce that if present and voting, the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Georgia [Mr. GEORGE], the Senator from Tennessee [Mr. GORE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], and the Senator from North Carolina [Mr. SCOTT] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Idaho [Mr. WELKER] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Idaho [Mr. WELKER] would each vote "nay."

The result was announced—yeas 13, nays 71, as follows:

YEAS—13

Allott	Douglas	Smith, N. J.
Bender	Knowland	Watkins
Bricker	Martin, Pa.	Williams
Case, N. J.	Millikin	
Cotton	Payne	

NAYS—71

Aiken	Frear	Long
Anderson	Goldwater	Magnuson
Barrett	Green	Mansfield
Beall	Hayden	Martin, Iowa
Bennett	Hennings	McCarthy
Bible	Hickenlooper	McClellan
Butler	Hill	McNamara
Byrd	Holland	Monroney
Capehart	Hruska	Mundt
Case, S. Dak.	Humphrey	Murray
Chavez	Ives	Neely
Clements	Jackson	Neuberger
Curtis	Jenner	O'Mahoney
Daniel	Johnson, Tex.	Pastore
Dirksen	Johnston, S. C.	Potter
Duff	Kefauver	Purtell
Dworshak	Kerr	Robertson
Eastland	Kuchel	Russell
Ellender	Laird	Saltonstall
Ervin	Langer	Schoeppel
Flanders	Lehman	Smathers
Smith, Maine	Symington	Wofford
Sparkman	Thye	Young
Stennis	Wiley	

NOT VOTING—11

Bridges	George	Morse
Bush	Gore	Scott
Carlson	Kennedy	Welker
Fulbright	Malone	

So the amendment offered by Mr. SMITH of New Jersey was rejected.

Mr. SMITH of New Jersey. Mr. President, I call up my amendment, identified as 5–16–56–E, and I ask to have the amendment stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The CHIEF CLERK. On page 32, beginning with line 7, it is proposed to strike out down through line 2, on page 33.

Mr. SMITH of New Jersey. Mr. President, I allow myself 5 minutes on the amendment.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. SMITH of New Jersey. As in the case of the last amendment, I shall read a memorandum from the Department of State, which I have been asked to present to the Senate.

As stated previously, at the request of the Department of State and the administration, I want to call the attention of my colleagues to what the Department of State feels to be unfortunate with regard to section 202. I read, for the benefit of the Senate and the RECORD, a memorandum from the Secretary of State to the President, which the President has approved, on the subject of section 202 of H. R. 10875. The statement is as follows:

> Peru in particular would be hurt by the enactment of section 202, with the possibility also of wide repercussions elsewhere in Latin America. Section 202 would further restrict our import quota on extra-long staple cotton and subsidize the export of such cotton—a type which the United States does not normally export. Under the circumstances, the Department of State must protest against section 202.

I have no further statement to make except to reiterate the objection to this section by the Department of State, and I yield back the remainder of my time.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. MONRONEY. Is it not a fact that the State Department has been doing most of this pushing on the cotton situation to try to show Mr. Nasser, the Prime Minister of Egypt, that we are anxious that he remain our friend? And is not it also a fact that the smallest countries to be affected are the countries named by the State Department? Yet, with all the overtures, money, and everything else we have showered on Mr. Nasser, with all the extreme favoritism shown him on the part of our Embassy, we saw only yesterday the fruits of his friendship in his recognition of Red China.

It certainly seems to me that we have gone far enough in appeasing Mr. Nasser, who trades Egyptian cotton, not on the open market, but at a secret price, in exchange for Russian Mig's and Russian bombers, to strengthen his position in the Middle East.

In my opinion, the responsibility for the amendment worked out by the State Department rests, not on Latin America, but on the Middle East, where the State Department hopes to appease Mr. Nasser,

Mr. SMITH of New Jersey. Mr. President, I am entirely in accord with the expression by the Senator from Oklahoma of consternation over the recent action of Egypt. I feel just as strongly as he does about it.

However, I do not consider that the objection by the State Department to this particular section is based on a desire to appease Egypt. I think it is based on the situation in Latin America. If I am correctly informed, some of the countries of Latin America have been troubled about the action which might be taken under this particular provision. I think that is the basic reason why the State Department has called this provision to our attention.

Mr. COTTON. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from New Hampshire.

Mr. COTTON. Is it not a fact that in the case of this amendment, as well as the preceding amendment, there are other reasons for advocating the amendment, besides the bare wishes of the State Department? I am informed that in my State certain textile plants are adjusted to use the extra-long-staple cotton which must be imported. If those plants are deprived of an adequate supply for their manufacturing processes, it will work a hardship upon them.

I am much more interested in that situation than I am in some of the philosophies of the State Department or in the attitude of Egypt from the point of view of our foreign relations. That statement applies also to the last amendment voted on. I am interested in the fact that when we dump cotton on the world market, it is promptly manufactured into cloth which can be imported into the United States and sold here in competition with the cotton produced by our own industries.

That is why I believe there are sound economic reasons for this amendment and the previous one, in addition to reasons which may be advanced by the State Department.

Mr. SMITH of New Jersey. I thank the Senator from New Hampshire for his statement. I cannot join in the statement he has made, because I do not know the situation to which he refers.

Mr. McCARTHY. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. McCARTHY. Mr. President, let me say that I have very seldom been in agreement with the Senator from Oklahoma [Mr. MONRONEY], but this is one time when I agree wholeheartedly with what he has said. I may say that I do not think the State Department should dictate to the Senate how the Senate should vote. I think it would be a great mistake for us to adopt the amendment of the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, in answer to the Senator from Wisconsin, I wish to say that I do not think the State Department is attempting to dictate how the Senate should vote; but the State Department is objecting in view of the fact that, from its standpoint, the amendment would cause some international misunderstanding. I think that is a legitimate objection, or else I would not have brought the amendment to the attention of the Senate.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. SMITH of New Jersey. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from New Jersey is recognized for 5 minutes more.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. JOHNSTON of South Carolina. The Senator from New Jersey was asked about certain cotton mills in New Hampshire which need long staple cotton for their operations. A similar situation exists in South Carolina. For that reason, there is written into the pending bill—the provision has been carried over from the conference report on the previous agricultural bill—the provision that—

> Such quota shall provide for cotton having a staple length of one and eleven-sixteenths inches and longer, and shall establish dates for the quota year which will recognize and permit entry to conform to normal marketing practices and requirements for such cotton.

Mr. COTTON. Mr. President, will the Senator from New Jersey yield further to me?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from New Hampshire.

Mr. COTTON. If this section of the bill, including the provision mentioned by the Senator from South Carolina, remains in the bill, is it to be interpreted as assuring the protection of the supplies essential for our own textile mills, in the case of this type of extra long-staple cotton?

Mr. JOHNSTON of South Carolina. That is my understanding of the bill as it is written at the present time. The same situation exists in South Carolina.

Mr. COTTON. I thank the Senator from South Carolina for his assurance.

Mr. GOLDWATER. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from New Mexico—pardon me; I meant to say "the Senator from Arizona." I apologize for saying "New Mexico," although New Mexico is also a very fine State.

Mr. GOLDWATER. Mr. President, the Senator from New Jersey does not need to make any apology for referring to me as being from New Mexico; but the Senator from Arizona much prefers his own State. In fact, the junior Senator from Arizona wishes to talk for just a moment about his own State.

This amendment would vitally affect the farmers of Arizona. I know that probably it is part of the job of the State Department to worry about the Peruvians and the Egyptians. However, it is the job of the junior Senator from Arizona to worry about the Arizonians. I think it is high time that the administration began to be concerned more about the farmers and producers in the United States, along with their concern about international economic situations over which we have little control. Unless we protect our own markets, in the interest of our own farmers and producers, the situation for them will be an impossible one. Certainly that will result if our markets are opened freely to all the other nations of the world.

I wish to add my protest, too, to attempts by the State Department to intimidate this body, by means of requesting the yeas and nays on the question of agreeing to such an amendment, and to other attempts to influence the action taken by this body.

Mr. SMITH of New Jersey. Mr. President, I wish to say that the State Department has not attempted to intimidate the Senate. I asked whether they wished to have the yeas and nays on the question of agreeing to the amendment, and they said they did. There has been no attempt to intimidate.

Mr. CHAVEZ. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. I yield.

Mr. CHAVEZ. I wish to add my word of protest. The Senator from New Hampshire is worried about the supply of long-staple cotton. I wish to say to him that Texas, Arizona, New Mexico, and California can furnish all the long-staple cotton needed in the United States. So I wish to register my protest.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. ELLENDER. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. ELLENDER. Mr. President, this amendment would strike out section 202 of the bill, which provides for, first, the inclusion of cotton stapling $1^{11}/_{16}$ inches and longer in the quota applicable to cotton stapling $1^{1}/_{8}$ inches up to $1^{11}/_{16}$ inches; and, second, the sale at competitive world prices of Commodity Credit Corporation stocks of domestically produced extra-long-staple cotton. The section which would be stricken by this amendment was inserted in H. R. 12 pursuant to an amendment offered by the Senator from Arizona [Mr. HAYDEN], and was carefully considered and amended by the conferees. Cotton stapling $1^{11}/_{16}$ inches and longer was originally included in the quota of 45.7 million pounds established on September 20, 1939, under section 22 of the Agricultural Adjustment Act. Because of special temporary needs for cotton stapling $1^{11}/_{16}$ inches and longer, it was exempted from the quota on December 19, 1940. The need which gave rise to this exemption no longer exists; and the extra cotton which is brought in on account of the exemption competes with our domestically produced extra-long-

staple cotton, which is already in oversupply.

Mr. President, I ask unanimous consent that the portion of the committee report dealing with the part of the bill now under consideration be printed at this point in the body of the RECORD, in connection with my remarks.

There being no objection, the excerpt from the report (No. 1966), was ordered to be printed in the RECORD, as follows:

Extra-long-staple cotton (sec. 202): Subsection (a) provides that the existing import quota on extra-long-staple cotton established pursuant to section 22 of the Agricultural Adjustment Act of 1933 shall hereafter cover the same types of cotton included in the original quota. The effect is to remove the exemption of cotton having a staple length of 1 11/16 inches and longer to bring such cotton back within the quota. The quota is 45.7 million pounds, or approximately 95,000 bales. About 16,000 bales of 1 11/16-inch cotton was imported in 1955. The section also requires that dates for the quota year conform to normal marketing practices. The present quota year is from February 1 to January 31. Cotton stapling 1 11/16 inches and longer is harvested during the summer and is brought into the United States during the later summer and early fall. This section will require that appropriate provision be made so that importers of this type of cotton will have equal opportunity to import cotton within the quota.

Subsection (b) directs the Commodity Credit Corporation, beginning not later than August 1, 1956, to exercise its existing powers and authorities to encourage the sale for export at competitive world prices, its stocks of extra-long-staple cotton. These stocks currently total about 97,000 bales.

Mr. ANDERSON. Mr. President——

Mr. ELLENDER. Mr. President, I yield 2 minutes to the distinguished Senator from New Mexico [Mr. ANDERSON].

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 2 minutes.

Mr. ANDERSON. Mr. President, I shall try to use even less than that amount of time, in view of the fine statements which have been made by the Senator from Oklahoma [Mr. MONRONEY], the junior Senator from Arizona [Mr. GOLDWATER], the Senator from Wisconsin [Mr. MCCARTHY], the senior Senator from New Mexico [Mr. CHAVEZ], the senior Senator from Arizona [Mr. HAYDEN], and other Senators.

Actually there are only about 30,000 bales of this long staple cotton produced in all the United States. Egypt exports 90,000 bales a year to the United States. It is not too much to give the farmers of America 30,000 bales out of a 130,000-bale market.

We have tried to be reasonable. There was some language which was objectionable to the very able Senator from South Carolina [Mr. JOHNSTON], who was speaking in the interest of a mill in his State. He took exception to that language. He was well within his rights. The Senate Committee on Agriculture and Forestry, under the able leadership of the Senator from Louisiana [Mr. ELLENDER], recognized the situation and amended the language, which made it possible for the committee to agree upon the language.

As I recall, the veto message did not mention this particular section strongly if it mentioned it at all. I believe we would do well to vote down the pending amendment, because the provision in the bill obtains for our farmers only a small share, not of the world market, but of the domestic market. Surely the American farmer ought to be entitled to a fourth of the domestic market.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the senior Senator from Arizona [Mr. HAYDEN].

Mr. HAYDEN. Mr. President, I had intended to use a part of my time to read a paragraph from the committee report, but that paragraph has been inserted in the RECORD by the Senator from Louisiana [Mr. ELLENDER].

With regard to the use of this particular type of cotton in manufacturing, the maximum amount of such cotton imported in any one year has been about 15,000 bales. The bill adequately takes care of that supply.

First. American grown long-staple cotton will satisfy all use requirements as well as Peruvian long-staple cotton, and will make better thread than Peruvian long-staple cotton. Cotton imported from Peru is used in this country primarily to make fine shirting. It costs 5 to 8 cents per pound less than American long-staple cotton. The United States does not grow cotton stapling 1 11/16 inches and longer because of high cost of production.

Second. The import duty on Peruvian cotton is 1¾ cents per pound. The import duty on cotton of 1⅛ to 1 11/16 inches long is 3½ cents per pound. There is a very low tariff rate.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH]. Are Senators prepared to yield back their time?

Mr. SMITH of New Jersey. Mr. President, I yield back my remaining time.

Mr. ELLENDER. Mr. President, I yield back my remaining time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH].

The amendment was rejected.

Mr. SMITH of New Jersey. Mr. President, I have one remaining amendment. It is designated "5–16–56–G." I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be stated.

The LEGISLATIVE CLERK. On page 58, beginning with line 9, it is proposed to strike down through line 20 on page 67.

Mr. SMITH of New Jersey. Mr. President, I should like to modify my amendment in order to limit it.

The PRESIDING OFFICER. The Senator has the right to modify his own amendment.

Mr. SMITH of New Jersey. The amendment as submitted would strike out all of title V. I find, on checking the request which the State Department made to me in this connection, that the objection to title V was due to some discrimination against Cuba. The feeling was that this provision violated the most-favored-nation clause.

I ask, therefore, that my amendment be modified as follows: On page 59 of the bill, line 25, strike out the words "or exported to Cuba"; and on page 64, of the bill, line 20, strike out the words "other than Cuba."

That would simply place Cuba back on the same basis with other countries, with no discrimination against it. The first change made by my amendment is in section 380c, and the second is in 380k (c).

In support of my amendment I wish to read a memorandum sent to me by the Secretary of State, and approved by the President, with regard to this particular amendment. The subject of the memorandum is "Two-Price Plan for Rice, Proposed in H. R. 10875." The memorandum reads as follows:

H. R. 10875 as reported by the Senate Agricultural Committee authorizes a domestic allotment program for rice, at the discretion of the Secretary of Agriculture. The bill provides, however, in section 380c and 380k (c) of title V that the processed rice of the United States, if this plan were instituted, would not be available to Cuba at the low price which would apply to exports of the same product to all other countries.

This would be discriminatory against Cuba and would be contrary to the most-favored-nation principle, which is fundamental to our international trade policy.

Nondiscrimination and equal access to resources in international trade are directly related principles. They have especially great importance to us in view of our dependence on foreign sources for many materials of high strategic value.

The proposed violation of the most-favored-nation principle would set a precedent of great danger for the future accomplishment of our objectives in international trade. We would be placed under obvious handicaps if it became necessary for us to contend against violations by other countries of their commitments to us regarding most-favored-nation treatment.

The problems which the proposed legislation would create make it necessary for the Department of State to express its disapproval of sections 380c and 380k (c) of title V.

JOHN FOSTER DULLES.

I have limited the application of my amendment to Cuba in order to prevent this discrimination. The remaining sections are not affected.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes.

The original amendment offered by the Senator from New Jersey would have deleted the provision of the bill authorizing the Secretary to institute a 2-price program for rice in 1957 and 1958, or in 1958 and 1959, if he determines that such a program is administratively feasible and in the best interests of rice producers and the United States. Except that it is discretionary, the 2-price program provided for by the bill is substantially identical to that approved by Congress when it passed H. R. 12. Initiation of the program would be dependent upon a determination by the administration that it is in the best interests of the United States. Two-price plans have been proposed for many years, and the only way that we shall ever determine their effectiveness is by putting such a program into operation. Because of the small number of States involved, and the small percentage of world production

represented by United States production, rice is the most suitable commodity for which an experimental program could be tried. The plan would become effective only if the Secretary determined it would be in the best interests of the United States, and then only for 2 years.

With respect to the statement by my colleague from New Jersey with respect to Cuba, let me say that I have discussed the question with many Cubans, particularly those involved in the importing of rice. I have heard no objection to including Cuba in our primary market; in addition, as I have said, this plan is purely discretionary.

I hope the amendment will be defeated.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH]. Are Senators prepared to yield back the remaining time?

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. SMITH of New Jersey. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from New Jersey [Mr. SMITH].

The amendment was rejected.

Mr. DIRKSEN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. It is proposed to strike out all of title V, on page 58, after line 8, through line 10, on page 69.

Mr. DIRKSEN. Mr. President, I am not sure that the amendment will prevail, but I certainly would not like to see the consideration of the bill concluded without at least making a record on the rice title.

I quite agree with my distinguished friend from Louisiana [Mr. ELLENDER] that it is wholly permissive and in the hands of the Secretary of Agriculture whether such a program shall be instituted. That is correct.

However, the fact is that once it is incorporated in a statute it means that a great deal of pressure will be placed upon the Secretary of Agriculture. I doubt whether that ought to take place, particularly in respect of a two-price system on any commodity, for it is the opening wedge for other commodities, as we saw in our earlier deliberations on the farm bill.

It is a fact that rice production in the United States has doubled in the past 10 years, and most of the increase, of course, has gone into the export market.

However, just as soon as the Asian countries were able to resume their usual production, our real troubles began. During the war period I think the prices in the main were pretty well above support levels. After the war they began to drop, and then our exports began to drop also.

From 1953 until 1954 and 1955 the figures indicate that our exports dropped nearly 33⅓ percent. The net result is that beyond that we have the problem caused by increased war production. As I say, with a doubling of rice production over a period of 10 years, we cannot help but have a surplus problem with respect to this particular commodity.

To indicate what is necessary, and in order to demonstrate the problem, the Department of Agriculture estimates that on the 1st of August we shall have in stock 30 million bags of rice. The normal carryover was about 3 million bags. We will have at least six times the normal carryover, and we will have enough in the carryover to provide a full year's consumption of rice.

No one disputes the fact that a problem exists. The question is how to solve it. I doubt very much whether this proposal will solve the main problem. What it proposes to do, in my judgment, is merely to freeze the wartime production. I do not believe that is the solution at all. If pressures can be exerted on the Secretary of Agriculture to go through with a plan of this kind, we shall have actually frozen the production at a high level. The problem then will be to get rid of it.

There is another amendment pending, proposed by the distinguished Senator from Arkansas [Mr. FULBRIGHT], which provides in essence that the President shall make an effort to dispose of surplus rice to oriental countries. There is no escape clause in it. There is no provision for consideration of the customs of other countries. Anyone who goes to the Orient and looks around will find warehouses up and down the Irrawaddy River in Rangoon filled with rice, and he will find that prices are going down and surpluses exist. However, the committee amendment provides that the President must make the effort to sell our surplus rice to oriental countries.

All that can come out of it, of course, is a great big international headache before we get through. However, that is not all the committee amendment provides. It says that before any offer is rejected, the President must submit it to Congress. That is a sort of indirect veto upon the action of the Executive. It is an indication of the difficulties which will be encountered.

If we are producing at the wartime level, and if we have 30 million bags of rice in the carryover, and if that is 6 times more than our normal carryover, then, in my considered judgment, there is only one way to deal with the problem, and that is to bring about an acreage reduction, so that the production of rice will be geared to our needs and to a reasonable reserve and to the exports.

The amendment which was offered by the distinguished Senator from New Jersey [Mr. SMITH] provided for the elimination of Cuba as a part of the primary market. I believe it is astounding to write into any piece of legislation a provision that a sovereign foreign country like Cuba and a territorial possession like Puerto Rico shall be included in the primary market, along with the domestic market of this country. What control do we have over Cuba? None at all.

Therefore, as a matter of fact, it seems to me that we are going extremely far when we include a sovereign country as a part of the primary market of America. It can lead to no end of trouble.

As I sense this thing, in the non-Cuban areas, in the Caribbean particularly, it would be possible, no doubt, to get hold of quite a good deal of rough rice, to mill it elsewhere, and then to dispose of it in rice-consuming areas. Then what starts out to be a primary market becomes a secondary market before we get through.

There is another feature which should be mentioned. I refer to the provision that the value of the certificate shall be equal to the difference between 90 percent of parity price of rice and the level of the price support. Perhaps that can be done, but the bill says nothing about the market price, so far as I can determine. We can very easily envision a situation in which rice in Cuba and in the domestic market will be selling at 100 percent of parity. It would appear to me that indirectly, at least, we would be putting a rather interesting regressive tax on the modest consumers, the humble people, who are the real rice consumers of the country.

There are a great many other things in the bill which I do not like. There is the provision, for example, for refunds to the owners of rough rice. That will become effective on the last day of July. I do not know too much about the rice business, but I do know that the new year for rice begins on the 1st of August; and all the training I have had tells me that as we come to the end of a crop year, whether it is in futures or in cash markets, the supplies become a little slim, and prices go up. Therefore, if we provide on the last day of the old crop year that those who are the owners of rough rice shall get 35 percent of parity, it looks to me as though we will have additional trouble.

There are many other things one could say about the bill. I have become very unhappy about a situation of that kind, with all the complications and difficulties of enforcement.

Finally, of course, our whole hope has been to withdraw a few of the Federal controls and to leave agricultural producers with less instruction on the part of the long hand of the Federal Government.

As I envision the administrative machinery necessary to carry out the processing tax which is involved, if this provision should become law, and if the program should be instituted by the Secretary of Agriculture, there will be other complications.

Therefore I wish the RECORD at least to disclose my observations, and I hope that the Senate in its wisdom will strike out this title. I know that my distinguished friend from Louisiana has labored long and earnestly with the problem. I can understand that. However, this is once more a two-price system. If it starts, then, of course, it can move into any other commodity. Then we will simply be multiplying our problems, rather than dissipating them.

Consequently, while my hopes are not too high that the amendment will prevail, I still believe the record should be

made before our discussions of the bill have been concluded.

Mr. ELLENDER. Mr. President, I yield myself 5 minutes.

Title V as it appears in the bill has been approved by all segments of the rice industry. The rice industry would like to make the two-price plan mandatory. The reason for including this title in the bill was this: Two-price plans have been suggested for the past 15 or 20 years. I had occasion to talk to the Secretary of Agriculture about this subject. Although he did not say he was in favor of a two-price plan for rice, he indicated that since two-price plans have been talked about for so many years, it might be a good idea to try such a plan on a crop which is produced in only 4 or 5 States and by only a few farmers.

The consumer will not suffer, contrary to what was indicated by my friend from Illinois.

Rice would be sold at whatever the market price may be. Assuming that the market price is 65 percent of parity, the millers of the rice purchased at that price would be required to purchase certificates equivalent in value to 25 percent of parity before milling the rice which will be consumed domestically.

Normally, a miller would not have more than 90 percent of parity invested in rice destined for domestic consumption. A farmer, on the other hand, would receive certificates equal to the difference between the support price in effect for that year's rice crop and 90 percent of parity as to that portion of his production which would be consumed domestically.

Mr. President, as I have stated, this authority to inaugurate the two-price plan is discretionary on the part of the Secretary of Agriculture.

Since the bill will be late in its passage, the committee decided that it might not be feasible to attempt to put the two-price plan into operation in 1956, so it voted to give discretionary power to the Secretary of Agriculture to put the two-price plan into effect for 1957 and 1958, or 1958 and 1959.

Mr. President, I hope the Senate will reject the amendment proposed by the distinguished Senator from Illinois.

Mr. DIRKSEN. Mr. President, I am sensible of everything that my distinguished friend from Louisiana has said, but I wish to leave this last thought with the Senate.

Whenever we have been discussing an agricultural bill, if, for instance, the Secretary of Agriculture may have said he did not have the requisite authority to act, then, of course, there was an immediate search through the statutes to see whether the authority was there. Then the pressures began.

What we are doing today, if this title is retained in the bill, is to confer authority upon the Secretary of Agriculture and leave it to him whether a two-price program for rice shall be initiated. If, perchance, some difficulties arise with respect to this particular commodity, then all the pressures in kingdom come will be applied to an administrative official of the Government to induce him to place the plan into effect.

I do not believe that is the salutary or happy way to deal with a problem of this kind, because the implications are so great, and the possibilities applying the same principle to other fields are so great, that a two-price system would very probably disorganize and negative everything the Senate is trying to accomplish in the pending bill.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from New Mexico [Mr. ANDERSON].

Mr. ANDERSON. Mr. President, this is a provision which was placed in the bill because of the feeling of a great many persons that we ought occasionally to try to find new ways of dealing with agricultural surpluses which can get quickly out of line.

The Senator from Illinois very correctly said there was virtually no carryover of rice for many years, but suddenly the carryover went up to 29 million bags.

There is need under certain conditions and with reference to certain commodities for a plan to dispose quickly of surpluses. I have in my own mind wondered whether we could do something about it, and, at the request of the able chairman of the Committee on Agriculture and Forestry, I finally held some hearings with reference to the rice situation. We tried to find a good commodity on which to make the test. If a test is ever to be made of a two-price system I hope it will be made on some commodity like rice which has a relatively small number of producers. It was for that reason that the provision was added to the bill.

I believe the chairman of the committee came to the same conclusion. I hope the provision will remain in the bill. It does not thrust something down the throat of the Department of Agriculture. If the Department finds it desirable to try a two-price system it can try it on the one commodity on which it can be tried without too much damage to the agricultural community.

That is why I voted to put the provision into the bill, but I voted against it as to wheat. Wheat can be grown in many States, but rice can be grown in only a small number of States.

Furthermore, American rice production is approximately 1 percent of the world production. If I am incorrect in that statement, I hope the Senator from Louisiana will correct me. It is about 2 percent of the world production; is it not?

Mr. ELLENDER. It is 1½ percent of the total world production.

Mr. ANDERSON. So, what we do does not affect the world price. It does not destroy the State of Burma, or Thailand, or any other nation. Therefore, Mr. President, I hope the provision will remain in the bill so that the Department can test it and find out whether a two-price system will work on this commodity. If it will, it may work equally well for wheat, and we shall have found a method of handling some of our surplus commodities.

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. LAIRD in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN]. [Putting the question.] The "nays" appear to have it.

Mr. DIRKSEN. Mr. President, I ask for a division.

On a division, the amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HICKENLOOPER. Mr. President, I call up my amendment designated "5-16-56-B."

The PRESIDING OFFICER. The amendment offered by the Senator from Iowa will be stated.

The CHIEF CLERK. It is proposed, on page 50, line 22, after the period, to insert the following:

For the purpose of eligibility for price support on the 1956 crop of corn, a producer may satisfy the requirement that he devote an acreage to the soil bank by entering into a contract under the conservation reserve program prior to December 31, 1956.

Mr. HICKENLOOPER. Mr. President, this amendment was prepared after consultation with the Department of Agriculture in connection with the soil-bank proposal for this year.

I wish to invite attention to the fact that corn is the only one of the basics which is required to contribute a portion of its allotment to the soil bank. Corn has assumed that obligation. However, as the situation now stands, the Secretary of Agriculture is given discretion to determine whether it is feasible to place an acreage reserve program into effect this year with respect to the Corn Belt. There is some question about it. Personally, my inexpert opinion in the matter is that it could be put into effect. There are those who know a great deal more about the subject than I do who feel that it is not feasible to put an acreage reserve program into effect this year for corn.

It will be noticed in the bill—and my amendment does not change it except that it extends the time—that as a condition for eligibility for price support, a producer must do two things: First, he must devote an acreage of cropland tilled in normal rotation, at the option of the producer, and, second, he must not exceed his farm base acreage for corn.

My amendment would not change either of those provisions. He must stay within his farm base acreage for corn. That is number 1. He must devote an acreage to either the acreage reserve or the conservation reserve equivalent to 15 percent of his base acreage allotment. That is number 2.

My amendment is prepared against the possibility that it may not be feasible or practicable to install an acreage reserve program for corn this year. The amendment extends the period during which the farmer can qualify for eligibility for price supports this year, still keeping within his basic corn acreage. He may not exceed that. But the amendment extends to December 31, 1956—this year—the period within which he can enter into a contract to go into the conservation reserve program.

The proposal is this simple: In many places; indeed, on the vast majority of the farms from, we might say, at least the Iowa line, or north from there, and from there southward, the crops are already in. The planting is done. Unless the farmers plow up existing plantings and sustain the loss of their seed, and such other things as have gone into the planting, they may find themselves unable to cooperate in either the acreage reserve or the conservation reserve.

My amendment merely extends the time by contract to the 31st of December. It does not reduce the requirement that the farmers must contribute 15 percent. It does not reduce the requirement that they must remain in their acreage allocations.

Again I point out that corn is the only one of the basics which is not required to contribute to the acreage reserve or the conservation reserve.

I hope the amendment will be adopted as a clarifying amendment. I think it will be very helpful in enabling more farmers to come into the program and contribute the 15 percent in view of the lateness of the season.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. HICKENLOOPER. I yield.

Mr. THYE. The only reason why corn has been singled out as one of the basic crops which must comply with the acreage reserve program is that it is still the season of the year when the crop is being planted, and the farmer can adjust his planting so as to comply. Either he must reduce his acreage planted to corn by 15 percent or he must allow to lie idle an additional number of acres out of his available acreage.

Mr. HICKENLOOPER. That is correct; but I call the Senator's attention to the fact that the bill as it now stands provides that the Secretary of Agriculture shall have discretion as to whether or not he will establish an acreage reserve program for this crop year, because of the lateness of the season and the time when the bill will go into effect. If the Secretary should determine that it is not feasible to establish an acreage reserve program for this year, he will have a conservation reserve program. But there may be some serious complications involved, and some actual deterrents against the farmer complying with his acreage allotment.

The amendment extends the time, in view of the planting season, under which the farmer can contract to go into the conservation reserve on December 31, 1956.

Mr. THYE. This is an important question, because throughout the Corn Belt of the Nation the farmer this week is planting. Many a farmer is trying to ascertain through the channels of radio, television, and the newspapers exactly what Congress has done, and what the farmer may do to qualify himself to become eligible for the program.

It is for that reason that I have asked the questions. I want to make certain that we will help the farmers to adjust their operations to the legislative machinery which we are trying to provide by the bill. If in the event the Secretary of Agriculture were to establish acreage allotments——

Mr. HICKENLOOPER. He will establish acreage allotments, but there is a question——

Mr. THYE. He will because the act makes mandatory 51 million acres.

Mr. HICKENLOOPER. Yes.

Mr. THYE. He has already set the amount at 43 million acres, and the producer has been informed of a number of acres which his farm will be eligible to have planted to corn.

Mr. HICKENLOOPER. Yes.

Mr. THYE. The Senator from Iowa and I are endeavoring to legislate so as to provide a 51 million acre base. That would mean that the permissible acres would be increased by that amount.

The Secretary may state that the farmer would have to allow to remain idle 15 percent of the number of acres planted to corn, if the farmer is to qualify under the acreage allotment and receive the $1.50 ceiling price.

Mr. HICKENLOOPER. The point is that the bill gives discretion to the Secretary and provides that if, in his opinion, an acreage reserve program is feasible, he can put it into effect. Of course, that is where the farmer has underplanted allotted acres. If the Secretary does not think such a plan is feasible, he does not have to put an acreage reserve program into effect, but the conservation reserve program will be in effect.

Mr. THYE. That leaves the Secretary with discretion as to whether he puts the plan into effect with the 1956 crop.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. That is the reason why I am stressing the point. I wish to make certain that we ourselves do not legislate without completely understanding the issue and the question, assuming that the Secretary does not put the acreage reserve program into effect. If he does not, then the acreage goes into the other conservation program.

Mr. HICKENLOOPER. That is correct; and in most cases the land which would normally go into the conservation reserve, cropland which has already been planted, is in the process of growing at this time.

Mr. THYE. If that acreage is the acreage designated by the producer to be set aside, in a contract entered into with respect to it, that contract would have to be over a period of how many years?

Mr. HICKENLOOPER. Three years.

Mr. THYE. Not less than 3 years?

Mr. HICKENLOOPER. That is correct.

Mr. THYE. The Senator states that under his amendment the farmer would be eligible to designate acres any time between now and when?

Mr. HICKENLOOPER. December 31, 1956.

Mr. THYE. He would draw his compensation at what time?

Mr. HICKENLOOPER. He would be eligible to draw his compensation under the bill at the time he set the acres aside and began the practices which are called for. That is, he would be eligible for annual compensation at the time he set the acres aside and began the practices which are called for under the contract.

Mr. THYE. And "begin the practices" would mean that the farmer could not take a crop off that land in the calendar year 1956; would it not?

Mr. HICKENLOOPER. Not if he agreed to it immediately. But he would have until December 31 to make a contract. If he waited until that time, the contract would be for the reduction in the next year.

Mr. THYE. That would be for the 1957 crop; therefore, he would get no compensation in 1956.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. However, if the Senate passes the bill today, and if it should become law within the week, then that producer could very well say, "Rather than to plant 15 percent of my tillable land to soybeans, I will let it lie idle and enter into a contract with my Government not to produce soybeans or any other crop on that 15 percent of my tillable land," and he could continue to qualify to plant his full quota of the 51 million acres as will be very soon designated by the State committee and the county committee as his individual quota. He could plant all of that to corn and be qualified to receive the $1.50 commodity loan on the 1956 crop.

Mr. HICKENLOOPER. That is correct.

Mr. THYE. For these reasons, I think the amendment offered by the Senator from Iowa is reasonable and fair. It does not advance any money. It permits a farmer, if he desires not to plant soybeans or some other kind of crop, to enter into a contract immediately and to qualify himself for payment this year.

But if his crop is already in, and he wishes to make his plans and to designate them to the Secretary by December 31 of this calendar year, and if he wishes to enter into a long-term contract, it will be permissible for him to do so and still qualify to receive loans upon his full acreage allotment planted to corn.

Mr. HICKENLOOPER. The effect of the amendment will be felt in the event that an acreage reserve program is not established for this particular crop year. The only thing left open would be a conservation reserve program. If the acreage reserve program goes into effect this year, then the farmer would have to underplant his corn acreage if he wanted to go into the acreage reserve program.

Mr. THYE. That is correct.

Mr. HICKENLOOPER. I shall not labor the point. The matter came up yesterday. Really, this is a suggestion of the Department of Agriculture. It is not my original suggestion. I could see the justice of it.

I hope the chairman of the committee will see fit to take this amendment to conference. If there is something wrong with it, it can be rejected in conference. If further examination shows merit and necessity for the amendment, then the conferees may retain it. I believe it has merit. I believe if an acreage reserve program is not considered feasible this year in the Corn Belt, something like this amendment is needed in order to get the

necessary acreage into the reduction program.

Mr. THYE. Mr. President, will the Senator yield further?

Mr. HICKENLOOPER. I yield.

Mr. THYE. Mr. President, what we want to do is to get as many acres out of crop production in this calendar year as is possible, because what we are confronted with is surpluses. Surpluses are not going to be reduced unless the number of acres which are to be harvested is reduced. If there is provided in a measure an inducement not to plant and not to have the crop to harvest, the overall surplus will be reduced. With the present corn allotment, as provided in the bill, at 51 million acres, and the provision to set aside acres and have them lie idle, and to compensate the farmers for the idle acres, there is a basis for having the feed producer, such as the producer of sorghum grains, barley, rye, and oats, obtain relief. There are going to be considerable acres planted to corn. There are going to be fewer acres planted to barley, oats, and sorghum grains, because the producer of the latter crops has the opportunity under the program to be compensated for the acres he keeps idle.

In this calendar year there can very well be accomplished a very great reduction in the quantity of overall feed grains which will be grown, and at the end of the calendar year there will be a much improved surplus feed or commodity situation in this land.

For that reason, Mr. President, I believe that the amendment offered by the Senator from Iowa will help us to bring about contracts with the Government whereby certain tillable acres will lie idle, which will reduce the overall feed supply or crop supply in the coming calendar year.

I support the amendment.

Mr. ELLENDER. Mr. President, I hesitate to differ with my good friend from Iowa. As he well knows, the committee discussed the question of whether or not there should be advance payments for soil-bank participation. I realize that the amendment which is proposed does not purport to deal with advance payments. As I stated earlier, it is not the purpose of soil-bank payments to increase the income of farmers per se; farmers could obtain the equivalent of those payments by planting their land instead of putting it into the soil bank. Thus, such payments would result in no increase in farm income. Too, if a farmer received a payment in 1956 for soil-bank participation in 1957, the amount of that payment would be subtracted from his 1957 income. The soil bank would permit farmers to take allotted and planted acres out of cultivation; production would thus be reduced—and surpluses reduced.

If the amendment, as suggested, were adopted, what would happen? A grower of corn could plant his base acres. He could use the remainder of his cultivated acres to plant other crops which are now in surplus. As soon as those crops were gathered, he could say, "We will set aside these acres." He could do so anytime before January 1. Certainly, this would not accomplish what we had in mind when we agreed to increase corn acreages from 43 million acres to 51 million acres. We conditioned that 8 million-acre increase upon corn farmers putting the equivalent of 15 percent of their base acreage into the soil bank. Adoption of the pending amendment would simply mean that the farmers of Iowa and the farmers of any other commercial corn-producing State would get a bonanza. This is just a rather concentrated dose of the same kind of favored treatment commercial corn has already received in abundance. It would be possible for a corn farmer to get price support in 1956 by, in effect, merely promising to participate in a 1957 soil bank. He could plant his full corn allotment, plant the remainder of his farm to a secondary crop, harvest and sell that secondary crop anytime before January 1 of 1957, and still get compliance price support. Not an acre would have been taken out of production in 1956.

I submit this is not what was contemplated by the Senate committee. Surpluses cannot be reduced by merely signing a contract to perform some act in the future. A contract should provide that if a farmer desires to place any of his cultivated acres into the soil bank, he must agree not to plant anything on that land—to not produce any feed, or other crop of any kind, in order to make himself eligible for payments.

As I understand the amendment, it would permit the Secretary of Agriculture to consider as taken into the soil bank in 1956 acres that are planted to crops and from which crops have been harvested. The difficulty is that although he does not set them aside, the farmer merely designates them before January 1, 1957 for the soil bank in 1957 he has already produced on those acres a crop which he should not have produced, if the soil bank theory, as I understand it, is to be adhered to.

Mr. President, the House has voted down any proposal which smacks of advance payments. I believe the proposal was not submitted to the Committee on Agriculture and Forestry for the reason that it was known the committee was opposed——

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. HICKENLOOPER. I disagree with the Senator on the matter of the proposal to the Senate committee. The Senator may not have been present at the moment, but I offered in the committee the amendment, which was called the Hope amendment in the House, and which provided for advance payments. I withdrew that amendment, or the offer of it, based on the specific assurance which is contained in the report, not only of the House, but of the Senate, that payments would be eligible, under the language of the bill itself, when the land had been set aside and the practices had been begun—which to me was satisfactory.

Mr. ELLENDER. I did not mean to say that the committee did not discuss the proposal, but what I meant to say was that the committee took no action on it.

Mr. HICKENLOOPER. I agree with the Senator on that phase of it.

Mr. ELLENDER. I apologize if I said anything different; that is the impression I intended to convey. The Senator recalls that we placed language in the report that a farmer would become eligible for payments, under the conservation-reserve program, in cases where he set aside that land but may not have the grass seed to grass the land, or may not have the trees to plant on those set-aside acres.

Mr. HICKENLOOPER. Not alone the conservation acres, but also the acreage reserve.

Mr. ELLENDER. That is correct. It is possible to do that; it is in the report.

Mr. HICKENLOOPER. Yes; it is in the report.

Mr. ELLENDER. I hope the Secretary of Agriculture will be able to carry out both programs in the case of corn; and I think he can to a large extent—provided we get the bill to the President, and provided he signs it, by Monday or Tuesday of next week.

But the point I am raising here is that if we were to adopt this amendment, as I understand it, it would run counter to the soil-bank concept. Under this amendment, a farmer would sign an agreement to set aside acres in the future—acres on which he would now be growing a crop. That is far beyond the concept of the soil bank. It is a concept which, in my humble judgment, is closely related to the advance payment idea which was so objectionable to the House of Representatives, and which certainly should be objectionable to the Senate.

Mr. HICKENLOOPER. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. LAIRD in the chair). Does the Senator from Louisiana yield to the Senator from Iowa?

Mr. ELLENDER. I yield.

Mr. HICKENLOOPER. I certainly assure the Senator from Louisiana that it is not my understanding that upon signing a contract, advance payment would be given. I do not think there is in the amendment anything which would result in that. I think the language is still the same—namely, that the land must be set aside and the practices under the contract must be begun before payment can be made. That we agreed to.

Mr. ELLENDER. Yes; but the land could be planted this year, and the crops grown thereon could be gathered, and then the contract could be signed. As I understand the amendment of the Senator from Iowa, that is what it would permit.

I believe that under the language of the bill as it is now presented to the Senate, ample opportunity would be given to any farmer to set aside a given number of acres for the conservation reserve. He could make up his mind now—as soon as this bill passes—to set it aside and not to plant crops on it.

But as I understand the amendment of the Senator from Iowa, a farmer would have until December 31, 1956, to sign the contract, and in the meantime he could

put crops on those acres, harvest those crops, and compete with many——

Mr. HICKENLOOPER. But he would not get paid for it.

Mr. ELLENDER. No; he would not get soil bank payments, but he would get increased price support. But why not let the soil bank remain as the committee contemplated; why not have the contract entered into and the support available provided the farmer actually sets aside that land, and provided the farmer does not devote those acres to any crop which will further aggravate our existing surpluses.

I thought the Senator from Iowa was satisfied——

Mr. HICKENLOOPER. This amendment is offered only against the possibility that the acreage reserve may not be feasible this year.

Mr. ELLENDER. I thought the Senator from Iowa was very well satisfied with the language which was placed in the bill. We raised a pertinent question, I may say——

Mr. HICKENLOOPER. I am satisfied with the language in the bill and the interpretation in the report, which I think is clear—at least, to me——

Mr. ELLENDER. Yes.

Mr. HICKENLOOPER. But we did leave in the bill provision for the exercise of discretion by the Secretary as to whether the acreage-reserve program would be put into effect this year; and the fundamental reason for that was the question as to whether it would be feasible or workable.

Mr. ELLENDER. Yes.

Mr. HICKENLOOPER. I want to get as much acreage committed to either the acreage reserve or the conservation reserve as possible.

Mr. President, I do not care to pursue the amendment any longer; I think all of us understand it.

I merely suggest that the Senator from Louisiana take the amendment to conference; and if in conference, upon study and examination, it is considered that the amendment is not a sound one, the conference committee does not have to accept it. But if upon later examination the amendment is considered to have merit, the conferees on the part of the Senate could insist upon it.

Mr. ELLENDER. Under the rules, if the Senate adopts an amendment, the conferees on the part of the Senate have to strive for its adoption by the conference committee. Personally, as I understand the amendment, I cannot "go" for it; I shall be frank with the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, the Senator from Louisiana has been in the Senate for many more years than I have, but I have seen many, many amendments taken to conference for examination, even though the chairman of the committee has stated that he did not particularly favor the amendment, but stated that he was willing to take it to conference, for study, and to examine it, as to its merits or demerits.

Mr. ELLENDER. Mr. President, if the Senator from Iowa wishes me to take the amendment to conference, for study, I have no objection. But for the Senate to adopt the amendment, with the understanding that the conferees on the part of the Senate would work to have it included in the conference bill, is something else. Personally, I would be opposed to it. I prefer to be frank with my good friend, the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, I appreciate the Senator's frankness. He is always frank in stating his position. I am only attempting to say that this matter came up only yesterday evening, as a matter of fact. Frankly, I have not had time to look at all phases of the matter. If there are contingencies——

Mr. ANDERSON. Mr. President——

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from New Mexico.

The PRESIDING OFFICER (Mr. WOFFORD in the chair). The Senator from New Mexico is recognized for 2 minutes.

Mr. ANDERSON. Mr. President, I have been trying to understand the amendment. I understood that it was a Department of Agriculture amendment. I talked to the Secretary of Agriculture, and I do not believe he is familiar with the amendment.

I have been handed, by the able Senator from Vermont [Mr. AIKEN], an explanation which he has received; and I wish to check it with the chairman of the committee.

Mr. HICKENLOOPER. I have an explanation which comes from the Department of Agriculture. I do not know whether the Senator got the explanation from——

Mr. ANDERSON. I got it from the Senator from Vermont [Mr. AIKEN], and it is authentic.

Mr. AIKEN. They are identical, and they were given to me by counsel for the Department of Agriculture.

Mr. HICKENLOOPER. Mr. President, I do not know whether the Secretary of Agriculture knows anything about it, but certainly his agents know.

Mr. AIKEN. Mr. President, it is my understanding that the amendment will permit the grower who keeps within his share of the 51 million acreage reserve this year to qualify for the supports if he agrees before December 31, 1956, to put 15 percent of his cropland into the reserve for the next year.

Mr. ELLENDER. Yes; for the following year.

Mr. HICKENLOOPER. That is correct.

Mr. ELLENDER. But he is permitted to plant that acreage in 1956.

Mr. AIKEN. Up to 51 million acres.

Mr. ELLENDER. As to corn, yes; but he would also be able to plant the land he promises to put in the soil bank to other crops.

Mr. ANDERSON. Mr. President, I wish to say that this amendment, if agreed to, would provide 25 cents a bushel more this year, for something to be done next year.

Mr. ELLENDER. That is right. In other words, it provides for an advance payment.

Mr. HICKENLOOPER. No, Mr. President I do not agree. The farmer will have to keep within his allotment anyway.

Mr. ELLENDER. That is, if he is to receive the $1.50.

Mr. HICKENLOOPER. Yes; but not if he is to receive the $1.25. This is not necessary if he is to receive the $1.25. But it does protect the conservation reserve.

Mr. AIKEN. Under the present law, the farmers would have to reduce to 43 million acres this year. That was increased to 51 million acres, with the understanding that the corn farmers would have to put an acreage equal to 15 percent of that in the soil bank. By means of this amendment, we would give them 51 million acres on which to produce corn, and do nothing about placing acreage in the soil bank this year.

Mr. ANDERSON. That is exactly correct.

Mr. ELLENDER. As a matter of fact, as I have pointed out, the farmer could plant the land and could gather the crop from it, and then could set aside 15 percent of the land from which he gathered the crop in 1956. I find no essential difference between that and an advance payment. It is really an advance payment.

Mr. HICKENLOOPER. I do not agree that it is advance payment. However, Mr. President, I do not care to discuss the matter further. I think the amendment has merit. I hope it can be taken to conference and examined there. If it cannot be, well and good. I am prepared to have the Senate vote now on the amendment, and to yield back the time remaining under my control, if those on the other side are prepared to yield back the time remaining under their control.

Mr. ANDERSON. Mr. President——

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I wish to ask a question of the chairman of the committee. It has been said that the amendment should be taken to conference, and that if in conference there were objection to the amendment, it could be taken out of the bill while the bill was in conference.

But what if the House accepts the Senate amendments, and does not request a conference? In that case, the amendment will be in the bill.

I think the amendment is a dangerous one, because I do not know what it would do to other feed grains. I do not think it ought to be accepted.

Mr. ELLENDER. Neither do I.

Mr. HICKENLOOPER. Mr. President, I am prepared to yield back the remainder of my time.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from Iowa [Mr. HICKENLOOPER].

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BYRD. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Virginia will be stated.

The CHIEF CLERK. At the end of title 3 it is proposed to insert the following:

WHEAT USED ON FARM WHERE PRODUCED

SEC. 309. That section 335 of the Agricultural Adjustment Act of 1938, as amended, is further amended by adding a new subsection (f) after subsection (e) to read as follows:

"(f) The Secretary, upon application made pursuant to regulations prescribed by him, shall exempt producers from any obligation under this act to pay the penalty on, deliver to the Secretary, or store the farm marketing excess with respect to any farm for any crop of wheat harvested in 1955 or subsequent years on the following conditions:

"(1) That none of such crop of wheat is removed from such farm;

"'(2) That such entire crop of wheat is used for seed on such farm, or is fed on such farm to livestock, including poultry, owned by any such producer, or a subsequent owner, or operator of the farm;

"'(3) That such producers and their successors comply with all regulations prescribed by the Secretary for the purpose of determining compliance with the foregoing conditions.

Failure to comply with any of the foregoing conditions shall cause the exemption to become immediately null and void unless such failure is due to circumstances beyond the control of such producers as determined by the Secretary. In the event an exemption becomes null and void the provisions of this act shall become applicable to the same extent as if such exemption had not been granted. No acreage planted to wheat in excess of the farm acreage allotment for a crop covered by an exemption hereunder shall be considered in determining any subsequent wheat acreage allotment or marketing quota for such farm.'"

Mr. BYRD. Mr. President, this amendment was adopted by the Senate last year but was not concurred in by the House. It simply provides that when a farmer has excess wheat he may feed the excess wheat on his own farm, or may use it for seed or for any other purpose on the farm. In the valley of Virginia suits have been started by the Department of Justice against certain farmers to fine them because they are using their excess wheat to feed to their own stock.

The purpose of this amendment is to remove any penalty from a farmer who raises excess wheat and feeds the wheat on his own farm.

I believe the distinguished chairman of the committee has indicated that he would accept this amendment, because it was adopted by the Senate last year.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes.

The Senate has had under consideration the same provision in a separate Senate bill, and it was also included in H. R. 12. The Committee on Agriculture and Forestry has passed upon it many times. My good friend from New Jersey [Mr. SMITH] had it adopted earlier this year. So far as I am personally concerned, I see no objection to it.

Mr. THYE. Mr. President, will the Senator yield to me?

Mr. ELLENDER. I yield.

Mr. THYE. If a farmer produces wheat for his own poultry or hogs or dairy cattle, there is no reason in the world why the Government of the United States should in any sense try to dictate to him. If he does not plant the land to wheat he is going to plant it to barley or some other grain which is adapted to the particular area.

I think the amendment is entirely proper. There is no reason in the world why a farmer should not be privileged to seed what he wishes to seed on his own acres, and to harvest the crop and use it on the farm as he sees fit, so long as he does not put it into the channels of the market, or send it to be processed or traded with someone else to replace someone else's wheat. I think the amendment is a good one.

Mr. ELLENDER. As the Senator well knows, the Committee on Agriculture and Forestry has approved this very provision on several occasions, and I do not know of any opposition to it.

I ask unanimous consent that there be printed in the RECORD at this point as a part of my remarks an explanation of the amendment.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

This amendment is identical to S. 46, which was passed by the Senate on March 28, 1955, but which has not been reported by the House Committee on Agriculture. It would exempt wheat producers from marketing penalties, beginning with the 1955 crop, if such producers used the entire crop produced on the farm for seed or feed on the farm. This amendment would be retroactive to forgive claims for marketing penalties under the 1955 crop. A provision similar to this one was included in the Senate amendment to H. R. 12, but was rejected in conference.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. ALLOTT. As I understand, the farmer would still have to comply with his allotments, if any.

Mr. ELLENDER. Yes; in order to receive price support.

Mr. ALLOTT. This amendment would apply only to the surplus stored on the farm.

Mr. ELLENDER. It would apply only where the entire wheat production was used on the farm for feed or seed.

Mr. ALLOTT. I wish to associate myself with the remarks of the Senator from Louisiana and the Senator from Minnesota. I think the provisions of this amendment should be adopted.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

Mr. BYRD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment offered by the Senator from Virginia [Mr. BYRD].

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, on behalf of my colleague [Mr. FULBRIGHT] any myself, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arkansas will be stated.

The CHIEF CLERK. On page 34, between lines 4 and 5, it is proposed to insert the following:

SALES OF RICE UNDER PUBLIC LAW 480

SEC. 204. (a) Section 101 of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by adding at the end thereof the following: "The President shall exert every effort to consummate agreements with oriental countries under this session for the sale of rice so long as rice remains a surplus agricultural commodity."

(b) Section 108 of such act is amended by adding at the end thereof the following: "Each such report shall fully describe negotiations for agreements for the sale of rice which have occurred since the last purchase report, and no offer by any country to enter into an agreement for the purchase of rice under this title shall be rejected until the details of such offer shall have been reported to Congress."

Mr. McCLELLAN. Mr. President, the amendment which I have just offered on behalf of my colleague and myself would merely require the President to make every effort, under section 101 of Public Law 480, to consummate agreements with oriental countries for the sale of surplus rice for foreign currency.

Section 101 of Public Law 480 authorizes the Secretary to enter into such agreements. This amendment would urge him to do so. It is our understanding that the State Department is currently holding up such an agreement, and this amendment would encourage prompt consideration of that agreement.

I have been asked whether it is mandatory. It is not mandatory. It is merely an expression of urgency in an effort to try to consummate these agreements. The amendment would also require the President to include in his reports to Congress the facts concerning negotiations for agreements for the sale of rice, and to withhold the rejection of any country's offer to purchase rice until the details of such offer could be reported to Congress. I trust the amendment will be accepted. I have made the explanation of it according to the information I have received from the committee as to what the effect of the amendment will be.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. ALLOTT. Without any commitment as to my position on the amendment, I should like to invite the Senator's attention to the last page of the amendment on page 2, starting in line 2, apparently something has been omitted, because the last sentence does not make sense as it now reads. It reads: "and no offer by any country shall enter into an agreement for the purchase of rice," and so forth. An offer cannot enter into an agreement.

Mr. McCLELLAN. I believe that should refer to a country entering into an agreement. I ask unanimous consent to strike out the word "shall" in line 3 of page 2 of the amendment, and to substitute the word "to." That part of the sentence would then read: "and no

offer by any country to enter into an agreement for the purchase of rice under this bill shall be rejected," and so forth. I so modify my amendment, Mr. President.

The PRESIDING OFFICER. The Senator modifies his amendment accordingly.

Mr. ELLENDER. Mr. President, I should like to ask a question of the distinguished Senator from Arkansas. Am I to understand that under the proposed section 204 (b) any agreement entered into between the President and any foreign government would have to be submitted to Congress, and no action could be taken on it unless Congress passed upon it?

Mr. McCLELLAN. No; that is not correct. It provides that each report the President submits in connection with the negotiations shall describe the negotiations for agreements, and no offer by any country to enter into an agreement shall be rejected until the details of the offer shall have been reported to Congress.

Mr. ELLENDER. Does that not in effect give Congress the veto power in such negotiations?

Mr. McCLELLAN. No; it does not give any veto power to Congress. The power to reject is still vested where it is now, except that the details of an offer shall be reported to Congress, so that Congress may have information about the offer. Congress cannot veto it. It only gets a report.

Mr. ELLENDER. But it would give the Congress an opportunity to take legislative action, if it thought that necessary. I wonder whether the Senator would be willing to modify his amendment to make it more or less a directive to the President to dispose of this rice, and to strike out section 204 (b). I am afraid it might cause difficulty in the House, thus raising the possibility of delay in enacting farm legislation.

Mr. McCLELLAN. I may say to the distinguished Senator that the amendment as proposed, in subsection "a", makes it an urgent request to the President.

Mr. ELLENDER. I understand there is not much objection to that part of the amendment, but subsection "b" is the one to which I have heard determined opposition expressed.

Mr. McCLELLAN. I ask my good friend to take the amendment to conference and there give it further study.

Mr. ELLENDER. We are hopeful that it may not be necessary to have a conference on the bill, so that it may be enacted promptly without too much delay. That is the primary reason I ask the Senator to delete the second paragraph.

Mr. McCLELLAN. I will say to my good friend that that is a very optimistic hope.

Mr. ELLENDER. That may be; but it is possible that the bill may be enacted without a conference. If the Senator will simply make his amendment a directive to the President to make every effort he can to sell the surplus rice, and eliminate section 204 (b) I believe he would increase the possibility of the bill not having to got conference.

Personally, I am in full accord with the Senator's view that as much rice as can be sold abroad should be sold. I think the administration has been dragging its feet in this matter, but—in all due regard to the Senator—I urge him to modify his amendment so as to increase the possibilty of this bill not having to be sent to conference.

Mr. McCLELLAN. Of course, I wish to cooperate. I know the Senator is aware of that fact. If he believes the bill will not go to conference, and if he believes it will help to get the bill through if I modify the amendment, of course I shall be happy to modify it. I am sure the Senator knows the conditions with respect to our rice surplus and how they have been aggravated, and the urgent necessity of trying to dispose of the surplus.

We have seen instances in connection with amendments to the bill of a department of Government apparently pretty well dictating the policies of this country with respect to foreign trade. I have had a little experience along that line recently in the course of my committee's investigations. I should like to have Congress make some expression in this regard, and I hope the Senator will take the amendment to conference.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. HICKENLOOPER. Did I understand the Senator to modify his amendment with respect to subsection (b)?

Mr. McCLELLAN. No; I have not modified it as yet in that regard. I pointed out that the provision is not mandatory. I said that Congress does not have a veto power under that subsection.

Mr. HICKENLOOPER. I shall wish to say something about that point a little later. However I suggest that beginning in line 4 on page 1 the Senator amend the sentence so to provide that the President shall exert every reasonable and proper effort, instead of the present language. The words "shall exert every effort" are rather inclusive and mandatory. It would seem to me that the President, under that language, would have to employ the whole machinery of Government if he were to make every effort. It would appear to me that every possible effort would encompass every phase of the Government.

Mr. McCLELLAN. I believe that in the accepted use the term "every effort" it is understood that the purpose is to urge the President to make every reasonable effort, of course.

Mr. HICKENLOOPER. If the Senator were to provide that the President shall make every reasonable effort, that would be all right, I believe.

Mr. McCLELLAN. I should think the words there would have that connotation. There is no other intention of course.

Mr. HICKENLOOPER. The words in the language now in the amendment are subject to the interpretation I have suggested.

Mr. McCLELLAN. If the Senator from Iowa would agree to the amendment with that modification, I would have no objection to modifying the language to read that the President shall make every reasonable and proper effort in that connection.

Mr. HICKENLOOPER. I believe that that comes very much closer to what I consider the Senator's intention to be.

Mr. McCLELLAN. Of course, the President does not have to make other than a reasonable and proper effort. That seems to be implied.

Mr. HICKENLOOPER. I wish to discuss the latter part of the amendment also.

Mr. McCLELLAN. Then I shall wait with my modification until the Senator has made his remarks.

Mr. AIKEN. I do not believe that the Senate should accept this amendment. It directs the President to do what the Secretary of Agriculture is already doing. This spring we sold about 10 million hundredweight of rice to Indonesia and Pakistan. There is a report current that India is in the market for a great deal of rice. I do not understand that to be the fact. I understand that India is in the market for other commodities, but that it can purchase rice from neighboring Asian countries.

Mr. LANGER. Our Ambassador to India, Mr. Cooper, said that India is in the market for wheat and cotton.

Mr. AIKEN. Yes; for wheat and cotton, and also for dairy products. I believe some people have the mistaken idea that we can sell India some rice, when, as a matter of fact, if I am correctly informed, the Indians do not want to buy our rice, but want to trade with the neighboring countries of Burma and Thailand in order to get their rice.

Furthermore, Mr. President, the second part of the amendment, stating that no offer by any country shall be rejected until the details of such offer shall have been reported to Congress, makes Congress the arbiter of every proposed deal where there may be a little difference of opinion as to the price.

I do not believe Congress wants to make the determination of whether an offer for the purchase of rice from some Asiatic country, which might involve a great many technical details, shall be accepted or not. I do not believe we want to place Congress in that position.

Why should we instruct the Secretary to do what he is already doing? He sold almost all the rice the Commodity Credit Corporation had, until the receipt of the new crop.

The PRESIDING OFFICER. The time of the Senator from Vermont has expired.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the Senator from Vermont.

Mr. ANDERSON. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. ANDERSON. Sales of rice to oriental countries have to be made under one section of an act. Suppose someone offered cash? I do not quite understand the purpose of the amendment. It provides clearly that it must be done under the soft-currency section of the trade act. I do not understand it Mr. President.

Can the Senator from Arkansas explain to me why we want to bar a coun-

try from paying us dollars, if it can do so?

Mr. McCLELLAN. Mr. President, we do not bar them any more than we did in the original act. It is in furtherance of the policy in the original act.

Mr. ANDERSON. But the President is supposed to exercise every effort——

Mr. McCLELLAN. To carry out the policy set forth in the original act.

Mr. ANDERSON. But the particular section of the act to which the Senator has reference provides for soft-currency sales. Why do we want to do it under that section in preference to sales for dollars or sterling?

Mr. McCLELLAN. That is a part of the policy of the act to which this is an amendment. The act declared it to be the policy of Congress to expand international trade between the United States and friendly nations and facilitate the convertibility of currency, to promote the economic stability of American agriculture and the national welfare, and to make maximum use of surplus agricultural commodities in furtherance of the foreign policy of the United States; also to stimulate and to facilitate the expansion of foreign trade in agricultural commodities produced by the United States by providing means whereby such surplus agricultural commodities in excess of the usual marketing of such commodities may be sold through private trade channels and foreign currency accepted in payment.

Mr. ANDERSON. This is the soft-currency section of the trade act. Suppose someone wanted to buy some commodity for hard currency.

Mr. McCLELLAN. There is nothing to prevent selling for cash. The original act does not say that a sale cannot be made for American dollars.

Mr. ANDERSON. It provides for soft currency or giveaways.

Mr. McCLELLAN. Where we cannot sell for cash. That is the whole purpose of it. We can sell for American dollars, but the purpose is to try to get rid of the surplus, and, in this instance, to get rid of it for soft currency if we cannot get rid of it otherwise.

Mr. ANDERSON. If it said "If we cannot get hard currency"——

Mr. McCLELLAN. This does not say that.

Mr. ANDERSON. It says:

The President shall exert every effort to consummate agreements.

Under this section——

Mr. McCLELLAN. Section 101.

Mr. ANDERSON. That is the soft currency section.

Mr. McCLELLAN. That is correct.

Mr. ANDERSON. But, why?

Mr. McCLELLAN. Because he will not be able to get rid of the surplus for hard currency.

Mr. HICKENLOOPER. Mr. President, does the Senator from Arkansas modify his amendment as suggested a few moments ago?

Mr. McCLELLAN. Mr. President, I am willing to modify it if I know the amendment will be accepted. I do not like to eliminate anything unless I receive something in return.

Mr. President, I am perfectly willing to offer the modification. I think the first part of the amendment should be modified by inserting in line 5, after the word "every" the words "reasonable and proper."

I think that is a proper modification. I hope the amendment will be accepted.

I further modify the amendment, Mr. President, by withdrawing subsection (b). With those modifications, Mr. President, I trust the amendment will be accepted.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. Does the Senator from Louisiana yield back the remainder of his time?

Mr. ELLENDER. I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Arkansas. [Putting the question.]

Mr. McCLELLAN. Mr. President, I ask for a division.

The PRESIDING OFFICER. A division is requested.

On a division, the amendment was rejected.

Mr. CHAVEZ. Mr. President, I offer an amendment, which I ask to have read.

The PRESIDING OFFICER. The amendment offered by the Senator from New Mexico will be stated.

The LEGISLATIVE CLERK. On page 49, between lines 8 and 9, it is proposed to insert the following:

VIRGINIA AND VALENCIA-TYPE PEANUTS

SEC. 408. Section 358 (c) (2) of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting after the second sentence thereof a new sentence as follows: "The Secretary is authorized and directed to increase the allotment for any State producing Valencia- or Virginia-type peanuts upon the written request of one or more processors within such State if such processors provide the Secretary with such assurances as he may deem necessary that the peanuts produced on the additional acreage requested will be purchased by such processor or processors at not less than the parity price."

Mr. CHAVEZ. Mr. President, an amendment similar to this was adopted by the Senate when the last farm bill was passed. It has for its purpose protecting the acreage of those States—and there are about 10 of them—which have less than 10,000 acres of peanuts in production. They are States like New Mexico, Texas, and even Virginia.

This type of peanut is very limited in its acreage. The amendment provides that the acreage which those States now have shall not be reduced any further. It used to be that New Mexico had as much as 12,000 acres. Now it has 5,600 acres. We should like to have the amendment agreed to because we want to protect the 5,600 acres.

I hope the chairman of the committee will take the amendment to conference.

Mr. ELLENDER. Mr. President, an amendment similar to the amendment which has been offered by the distinguished Senator from New Mexico was adopted by the Senate and made a part of H. R. 12, but it was eliminated in conference. A while ago, the Senator from New Mexico spoke to me about the amendment. I told him that the House conferees were against this provision, but that so far as I was concerned I would leave the question to the Senate. I doubt, however, that the amendment could be retained in conference, if we have a conference.

Mr. CHAVEZ. I know the Senator from Louisiana will do his utmost on behalf of the amendment. That is all I can expect.

Mr. ELLENDER. There has been a widespread expression of opinion by many Senators that the bill should not be overloaded with amendments, so as to perhaps avoid the necessity of a conference.

Mr. CHAVEZ. I think the protection of 5,600 acres of peanuts in my State is extremely important.

The PRESIDING OFFICER. Does the Senator from New Mexico yield back the remainder of his time?

Mr. CHAVEZ. I do.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

The amendment was rejected.

Mr. MARTIN of Pennsylvania. Mr. President, I call up my amendment designated "5–17–56—J" and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 56, beginning with line 16, it is proposed to strike out down to line 8 on page 58.

Mr. MARTIN of Pennsylvania. Mr. President, I yield myself 8 minutes.

The amendment strikes out all of section 402 of H. R. 10875, relating to "Forest products; price reporting; research."

Section 402 would authorize the Secretary of Agriculture to:

First. Establish a system of price reporting in the marketing of such products;

Second. Provide for expansion of research in the marketing of such products; and

Third. Conduct a study of price trends and report to Congress within 2 years.

Mr. President, the authorization to do all of these things has been in the hands of the Secretary of Agriculture for more than 25 years. Making it compulsory that these things be done will require thousands of woodlot and forest owners, loggers, and forest mills to file a set of Government reports at least four times a year.

In my remarks made on the floor on March 15, 1956, I included a list of current sources of information on this subject. I shall not take the time of the Senate to read those sources now, but I

refer Senators to page 4818 through page 4823 of the RECORD of that date.

Mr. President, I ask unanimous consent that for the convenience of the Senate the discussion of the amendment appearing on those pages of the RECORD may be printed at this point in my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Mr. MARTIN of Pennsylvania. Mr. President, I call up my amendment designated 3-7-56-N, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Pennsylvania.

The LEGISLATIVE CLERK. On page 48, beginning with line 3, it is proposed to strike out over through line 20 on page 49, as follows:

"FOREST PRODUCTS; PRICE REPORTING; RESEARCH

"SEC. 602. (a) For the purpose of improving the management and use of forest resources and in order to provide farmers and other owners of small forest properties with current information on markets and prices and to aid them in more efficiently and profitably marketing forest products, the Secretary of Agriculture is hereby authorized and directed to establish a price reporting service for basic forest products, including but not limited to standing timber and cut forest products such as sawlogs and pulpwood.

"(b) The price reports made by the Secretary under subsection (a) shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate. Such reports shall be by State or forest regions or by such other areas as the Secretary considers advisable, and may, in his discretion, be made as to one or more areas in advance of other areas.

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate.

"(d) The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products such as sawlogs and pulpwood and within 2 years from the date of enactment of this act shall submit a report thereon to the Congress.

"(e) In the conduct of research activities under the act of May 22, 1928 (45 Stat. 699), and the act of August 14, 1946, title II (60 Stat. 1087), the Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties.

"(f) The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section.

"(g) There are hereby authorized to be appropriated for the purposes of this section such sums as may be necessary."

Mr. MARTIN of Pennsylvania. Mr. President, I suggest, if it be possible to do so, that the junior Senator from Minnesota [Mr. HUMPHREY] be notified that my amendment is under consideration, because I know he is interested in opposing the amendment.

The PRESIDING OFFICER. The junior Senator from Minnesota will be so notified.

Mr. ELLENDER. I have sent for him.

The PRESIDING OFFICER. How much time does the Senator from Pennsylvania yield to himself?

Mr. MARTIN of Pennsylvania. I yield myself 15 minutes, although I do not think I will require that amount of time.

Mr. President, this amendment proposes to strike out all of section 602 of S. 3183, entitled "Forest Products; Price Reporting; Research."

Section 602 would authorize the Secretary of Agriculture to—

First. Establish a system of price reporting on forest products and sales of standing timber;

Second. Provide for expansion of research in the marketing of such products; and

Third. Conduct a study of price trends and report to Congress within 2 years.

I oppose this section for two very fundamental reasons:

First, because none of these proposals will provide any immediate or long-term benefits to farmers.

Second, because section 602 is unnecessary, as Congress has already given the Secretary of Agriculture authority to perform the work provided in this section.

The Secretary of Agriculture has had this authority for years—in the Organic Act of the Department of Agriculture of 1862, in the McSweeney-McNary Forest Research Act of 1928, and the Research and Marketing Act of 1946. Section 602 implies that farmers and other sellers of forest products cannot get prices or price information on forestry products. This is not the case.

Many States already provide information on markets and prices for forest products. For the other States there is ample authority for cooperative agreements between such foresters and the Secretary of Agriculture to provide needed information.

Economic information regarding forest products, and research to develop methods for accumulating market information, is already being done. There is no useful purpose for duplicating authority or by compelling the Secretary of Agriculture to act when a more efficient action is being and can be taken by the States, in cooperation with the Secretary of Agriculture, if the States so desire.

I have in my hand more than two dozen references to reports and publications which represent a small sample of the coverage of this field.

Mr. President, I ask unanimous consent to have printed at this point in my remarks, a listing of these publications and sources of information on the prices of forest products.

There being no objection, the listing was ordered to be printed in the RECORD, as follows:

"LISTING OF SOURCES OF INFORMATION ON FOREST PRODUCTS PRICES

"From the forest products industry

"1. All farmers or other sellers of forest products may at any time learn the prices offered for forest products which they have to sell from any buyer, dealer, pulp mill, sawmill, or other user of forest products if the latter is in the market and within an economical shipping range. Many mills post their prices in newspapers, magazines, over the radio, mail out notices periodically, and otherwise make known to all who might be interested in their prices, specifications and needs as to volumes of forest products.

"2. Prices for pulpwood, logs, and lumber are from time to time published in industrial trade journals which reach in turn many branches of the United States Forest Service, and State forestry and extension services who have various publications or means of getting this information to farmers and other sellers of forest products.

"3. Examples of articles or tables of prices printed in trade journals are as follows:

"A. Page 98, Pulp and Paper magazine, May 1955: Pulpwood Prices in Lower Columbia River Area; Pulpwood Prices in Lake States; Trends in Prices of Southeast Pine.

"B. Page 172, the Lumberman, 1955 Forest Industries Yearbook number: Volume and Value of Timber Cut, According to Product, Southern Forest Region, July 1, 1953, to June 30, 1954. Page 173, Volume and Value of National Forest Timber Cut, 1905–54. Page 176, Comparison of Average Stumpage Prices, 1954, Forest Service Region 6; Volume and Value of Timber Cut From Department of Interior Lands. Page 178, Comparison of Average Appraised and Bid Prices for Major Species, Region 5; Comparison of Average Stumpage Prices, 1954, Forest Service Region 1. Page 179, Comparison of Stumpage Prices, Eastern Forest Service Region, 1954.

"Page 180, Average Stumpage Prices, Southwest Forest Region, 1954. Page 183, Southern Pine Stumpage Prices, 1953–54, for Forest Service Region 8 (all species of southern pine timber included together). Page 184, Comparison of Average Stumpage Prices, 1954, Forest Service Region 3; Comparison of Average Stumpage Prices, 1954, Forest Service Region 4. Page 183, Southern Pine Stumpage Prices, 1953–54, for Forest Service Region 8 (all species of southern pine timber included together).

"C. From compilations of Southern Pine Association, New Orleans, La. (source: U. S. Forest Service, Atlanta, Ga.); Southern Pine Stumpage Costs Based on National Forest Timber Sales—1953.

"D. Page 98, the Timberman, February 1956, Log Prices Hold at Previous Levels.

"E. Pages 134–135, the Lumberman, September 1955; Log and Lumber Prices.

"From extension foresters, State forestry colleges or departments

"All State extension forestry departments, State forestry departments, forestry and agricultural schools and colleges have some of the most significant data on hand concerning prices of forest products or are in a position to advise farmers how to get prices. Some States issue periodic reports or occasional bulletins in this field, such as—

"A. Wisconsin Forest Products Price Review; compiled in the extension forestry office, College of Agriculture, University of Wisconsin, under the supervision of Fred B. Trenk, extension forester, the district foresters of the Wisconsin Conservation Department, and the wood-using industries cooperating.

"B. Forest Market Report, 1952; extension service in agriculture and home economics, University of New Hampshire, in cooperation with the State forestry and recreation commission.

"C. Marketing Woodlot Products in the State of Washington; institute of forest products, department of conservation and development, 303 Anderson Hall, University of Washington, Seattle, Wash.; Bulletin No. 15, 1954.

"The United States forest experiment stations are constantly making studies, doing research and issuing reports, notes, and advice to farmers and other forest owners. Examples of some of their work in this field are:

"A. Southeastern Forest Experiment Station, Asheville, N. C.; Trends in the Price of Southeastern Pine Pulpwood, 1938–52.

"B. Southeastern Forest Experiment Station, Asheville, N. C.; Station Paper No. 57, Pine Sawtimber Stumpage Prices in South Carolina, 1948–54.

"C. Southeastern Forest Experiment Station, Asheville, N. C.; Station Paper No. 43, Pine Sawmilling Costs by Log Size.

"D. Pulpwood and Log Production Costs in 1945 as Compared With 1940; R. P. Reynolds, forest economist, Southern Forest Experiment Station.

"E. Pulpwood Production Costs in Southeast Arkansas, 1950; Southern Forest Experiment Station.

"F. Cost of Producing Pulpwood on Farm Woodlands of the Upper Connecticut River Valley, United States Department of Agriculture, Northeastern Forest Experiment Station, Yale University.

"From United States Forest Service, Washington, D. C.

"For years the United States Forest Service has been making special studies and issuing technical bulletins such as TB No. 626, Stumpage Prices of Privately Owned Timber in the United States (July 1938).

"It used to issue each year a statistical bulletin entitled 'Stumpage and Log Prices.' These were compiled from questionnaires sent to thousands of buyers of forest products and worked in cooperation with the Bureau of the Census. This series came out annually from 1928 to 1948 except for a few years. The service still collects information of this type quarterly but it no longer publishes these bulletins which could in the past be obtained free or at a nominal charge by farmers or others interested. The service does not need any authorization to publish these bulletins, and should resume this service to tree farmers, foresters, and all buyers and sellers of forest products.

"From United States Bureau of the Census

"Some figures on the prices paid or costs of pulpwood, sawlogs, and other forest products are collected and issued periodically in the United States Census of Manufacturers. These figures are, of course, available to all the previously listed sources of information that are in a position to get this to tree farmers, foresters, and others concerned."

Mr. MARTIN of Pennsylvania. Mr. President, the essentials of section 602 were contained in S. 2105, a bill introduced by my distinguished colleagues, the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Alabama [Mr. SPARKMAN], in the first session of this Congress. Without public hearings having been held, we now find the terms of S. 2105 appearing as section 602 of S. 3183.

I am sure the matter was discussed in committee, but those who would object to section 602 have not been given an opportunity to be heard.

It is strongly suggested that the purpose of section 602 (d), calling for a study, is a prelude to "recommending to the Congress within 2 years an appropriate formula for the establishment of parity prices on such products."

Mr. President, we are all interested in farm legislation, and we should concentrate on a solution of the problem of farm products prices and the increasing farm surpluses. I am opposed to extending this to forest products.

I realize that the reference to parity prices is not in section 602 now, but the study contemplated is still called for.

We should see that this proposal, involving additional Federal expenditures and costly, unnecessary reports, in a field that has little bearing on the farm problem, should have a full and complete hearing.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. ANDERSON. Did I understand the Senator to say the text of S. 2105 was in section 602 of the pending bill?

Mr. MARTIN of Pennsylvania. Yes. I think that is correct.

Mr. ANDERSON. Is the Senator aware that S. 2105 was very drastically changed by the Committee on Agriculture and Forestry, and that what the Senator has been talking about is something that is not in that bill?

Mr. MARTIN of Pennsylvania. I beg to disagree with the distinguished Senator from New Mexico. It does call for making these reports.

Mr. ANDERSON. What is wrong with the making of a report?

Mr. MARTIN of Pennsylvania. Referring to my own State, half of Pennsylvania is covered with woodland. Owners are now cutting second growth timber for pulpwood and chemical wood, and those small owners do not want to be worried with having to make these quarterly reports.

Mr. ANDERSON. The Secretary is the one who is going to make the reports, is he not?

Mr. MARTIN of Pennsylvania. How will he get the information if he does not get it from the owners?

Mr. ANDERSON. Subsection (d) of section 602 of the bill provides:

"The Secretary of Agriculture shall make a study of price trends and relationships for basic forest products and within 2 years thereafter he shall report thereon to the Congress."

Does the Senator object to that?

Mr. MARTIN of Pennsylvania. Mr. President, I have great confidence in the Senator from New Mexico, but I do not see how the making of such reports would be of any advantage to the owners of these small tracts of woodland which exist in many places in the United States. That is becoming quite an industry. In my own State farmers farm their land during the agricultural season, and in the wintertime they cut timber for pulpwood and chemical wood. It used to be done for pit posts, but such use has been supplanted by steel. I think the making of the reports is an unnecessary expense to such owners. I do not see how it will be of any advantage, as far as the farm bill is concerned.

Mr. ANDERSON. May I say to the able Senator that timber is still a crop in many areas, and, therefore, is part of a farm bill. The committee from which the bill has been reported is the Senate Committee on Agriculture and Forestry, and it seems to me that forestry is a part of the activities of the committee and that it belongs in a farm bill.

I believe what the Senator has been objecting to is something that was in S. 2105, but it was eliminated from the bill when it was before the Committee on Agriculture and Forestry. I have in my hand a copy of S. 2105, which the Senator has the privilege to examine, if he wishes. The language in it was that the Secretary of Agriculture should collect all that information, and make his recommendations as to an appropriate formula for the establishment of parity prices for such products.

That is what stirred up all the protests from the sawmill operators, but when the language was changed by the Committee on Agriculture and Forestry so it bore no relationship to that, I understand all those people withdrew their opposition to it.

I am not sure the Senator from Pennsylvania has the latest information on the bill, because when we eliminated the provision requiring the persons affected to submit a report, the forest people agreed to it. I know the able chairman of the committee, the Senator from Louisiana [Mr. ELLENDER] had protests from his State, but when the forest people found out that language had been eliminated, they agreed that the bill was satisfactory.

I wondered if there are operators in Pennsylvania who object to the Secretary of Agriculture's making the report. We have taken out of the language the provision that the sawmill operators, generally speaking, objected to, and that was arriving at a parity formula.

Mr. MARTIN of Pennsylvania. I agree fully that this is a matter for the Committee on Agriculture and Forestry, because forestry, particularly what we in our State call small woodlots, is a very important segment of agriculture. In my own State there is a payroll in the forestry industry which amounts to about a half million dollars. It has really become a big business. As I stated a moment ago, half of Pennsylvania is covered with woodland. With the exception of probably 10,000 acres, the timber is all second growth. Our people feel this is just a step for requiring a quarterly forestry report, which will require a great deal of effort. Farm people do not have the clerical help to make reports of this kind.

In addition to that, it seems to me it involves an additional expense. It probably means that the Secretary of Agriculture will have to have a payroll for additional employees.

Mr. HUMPHREY. Mr. President, will the Senator from Pennsylvania yield to me?

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from Pennsylvania yield to the Senator from Minnesota?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. HUMPHREY. I think my good friend, the Senator from Pennsylvania, has already made the point that—as has already been pointed out—the language to which we are now referring is not the language of the bill (S. 2105), to which there was objection. Instead, the Senator from Pennsylvania is speaking of the fear that these farmers will have to do considerable clerical work in making the reports.

However, if the Senator from Pennsylvania will note subsections (b), (c), and (e) of section 602 of Senate bill 3183, the pending bill, as those subsections appear on pages 48 and 49, he will note in subsection (b) a provision that—

"The price supports made by the Secretary * * * shall be as to such species, grades, sizes, and other detail, and shall be made at such intervals, but at least quarterly, as he deems appropriate—"

And so forth. Then in subsection (c), we find that—

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate."

So the entire purpose here is, as has been stated by the Senator from Pennsylvania in the course of his own argument, to provide to the very large number of small-timber farmers, accurate economic and statistical information in regard to current price trends. Throughout the Nation there are thousands and thousands of timber farmers who have no means at all of knowing what the overall market price for various types of timber is unless they obtain that information from the large timber companies. It seems to me that when statistical information is being presented by the Department of Agriculture in regard to practically every commodity one can think of, except timber——

The PRESIDING OFFICER. The 15 minutes yielded to himself by the Senator from Pennsylvania have expired.

Mr. HUMPHREY. Mr. President, will the chairman of the committee yield some time to me?

Mr. ELLENDER. Mr. President, I yield 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. HUMPHREY. I thank the Senator from Louisiana.

Mr. President, it appears that, because of the very lack of such information, there is need for the compilation of such statistical and economic reports.

The language of Senate bill 2105, to which there was some objection, required that the Secretary set up a formula for a parity-price structure. But that language has been stricken from the pending bill, Senate bill 3183.

The only purpose at all in this case is to give timber farmers a chance to market their products under conditions under which they will know what the going market price is, rather than to have to have the big lumber companies say to them, "This is the price." No one in the world would want to operate on such a basis. The Department of Agriculture, the Department of Labor, and the

Department of Commerce prepare statistical material on practically every conceivable subject, save timber.

Mr. FLANDERS. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. FLANDERS. The Senator from Pennsylvania has described a forest situation which seems to me to be almost a duplicate of that existing in my own State.

What I do not understand is why that is not an argument for having price reports from the Department of Agriculture, for somewhat the reasons as those stated by the Senator from Minnesota. I do not know what the purchasers of lumber in my State think about the matter; but I feel very safe in saying that the producers of lumber from small tracts would strongly welcome such price reports, and would be grateful for them.

I hope we shall not make it impossible for them to take advantage of such reports.

Mr. MARTIN of Pennsylvania. In answer to the distinguished Senator from Vermont, let me say that before he entered the Chamber, I submitted a long list of places in various parts of the United States where that information can be obtained. I have not received any complaint from a single small woodlot owner in my State that he has not been able to secure this information. But I have received a considerable number of complaints that they are fearful that they may be required to make quarterly reports, and that this provision will be the first step in requiring them to do so.

Mr. HUMPHREY. Mr. President, will the Senator from Pennsylvania yield further to me?

Mr. MARTIN of Pennsylvania. I am glad to yield.

Mr. HUMPHREY. In view of the market quotations the Department of Agriculture issues on milk products, on cereal grains, and fruits and vegetables, and on practically every other commodity one can think of, I think it is fair to say that the farmers themselves are not required to make quarterly reports.

Generally, there is cooperation by the local State marketing services, along with whatever Federal agencies may be operating in the area—and with all of them directing their activities to the study of these particular commodities, and working in cooperation with the Department of Agriculture. I know that is the situation in our State, and I am sure it must be a rather universal situation—namely, that a State agency works with the Federal agency, in connection with these marketing reports.

Mr. AIKEN. Oh, yes. So far as I know, all the State agencies favor the issuance of this information. As I understand, the Forest Service now has authority to issue most of the reports contemplated by the section, but it never has had appropriations with which to do the work.

The original proposal of the Senator from Minnesota contained a proviso for establishing parity prices for forest products. I think it would be almost impossible to do so, because 1 stand of timber might be worth $25 a thousand, and an identical stand only a mile away might not be worth $10 a thousand on the stump, because of the terrain.

Mr. HUMPHREY. As in the case of many proposals, when we get them under the light of examination, we find their weaknesses.

Mr. AIKEN. Yes.

Mr. HUMPHREY. "So we withdrew that provision; and the bill does not now contain any direction at all for the establishment of parity prices for forest products. But the bill does contain a direction for the issuance of marketing reports, in the provision on page 49 that—

"The Secretary of Agriculture is directed to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties."

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I yield an additional 5 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes more.

Mr. HUMPHREY. Mr. President, I merely say that we are here dealing with two features of the bill. One of them calls for the preparation and issuance of marketing reports; the other relates to the stimulation of research and investigation—and I now read from the provision—"to conduct and stimulate research and investigations aimed at developing and demonstrating standards of quality, collecting, and disseminating useful market information, and developing methods for increasing the efficiency of the marketing and distribution processes for forest products as a means of increasing returns to farmers and other owners of forest properties."

It seems to me that part of the bill has great economic value.

Mr. ELLENDER. The Senator from Minnesota is referring to section 601 and section 602 of the bill, in title VI, beginning on page 46—the section relating to reforestation programs, is he not?

Mr. HUMPHREY. That is correct. That is the proposal the Senator from Vermont sponsored—a proposal which I believe is long overdue; and I believe it may amount to one of the greatest advances in forestry that has been made in years. I refer particularly to section 602, under the heading "Forest Products; Price Reporting; Research." It deals with the marketing of forest products.

Mr. MARTIN of Pennsylvania. My amendment proposes that all of section 602 be stricken from the bill.

Mr. HUMPHREY. Mr. President, the Senator from Pennsylvania and I have had some personal conversations about this subject.

Let me say, in passing, that I have just left the Senate restaurant, to return to the floor; and I left at my table in the restaurant a platter of wonderful roast beef. It is unfortunate to have to do that.

Mr. MARTIN of Pennsylvania. I am very sorry that occurred.

Mr. HUMPHREY. However, let me say that I think the Senator from Pennsylvania and I understand each other's positions now, particularly in light of the original proposal contained in Senate bill 2105, requiring the Secretary to set up a formula for a parity price structure. That provision of Senate bill 2105 has been deleted from the bill which now is before us; but the pending bill—S. 3183—still contains the provisions to which we have just referred, namely, those dealing with price reporting and research in the case of forest products.

I have received telegrams and letters on that subject; and I have replied that the language calling for a formula for a parity-price structure for forest products has been eliminated from this bill, and that in the pending bill we have included provision for the minimum which should be done, namely, bringing up to date the reporting services of the Department of Agriculture. I hope that provision will be left in the bill.

Mr. MARTIN of Pennsylvania. Mr. President, I may say that the principal objection I have received to this part of the bill comes from our Pennsylvania Department of Forests and Waters. It claims that it already is giving this kind of service; and it says that this section of the bill will call for a duplication and for an additional payroll on the part of the Federal Government which will be unnecessary.

Mr. ANDERSON. Mr. President, will the Senator from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. I yield.

Mr. ANDERSON. Did I correctly understand the Senator from Pennsylvania to say that the Pennsylvania Department of Forests and Waters has been making a study of price trends and relationships for basic forest products, such as is mentioned in section 602 of the pending bill?

Mr. MARTIN of Pennsylvania. That is correct.

Mr. ANDERSON. Has that department published anything on that subject.

Mr. MARTIN of Pennsylvania. It has issued bulletins; and any citizen of the Commonwealth has a right to get in touch with our department of forests and waters. That department has been doing this work for several years.

Mr. ANDERSON. It has been issuing reports on price trends?

Mr. MARTIN of Pennsylvania. It studies all such matters, including the matter of additional output for forest products.

Mr. ANDERSON. Does the Senator from Pennsylvania happen to have one of that department's reports with him?

Mr. MARTIN of Pennsylvania. I do not, I am sorry to say.

Mr. ANDERSON. It has been a well-kept secret.

Mr. MARTIN of Pennsylvania. It has not been in Pennsylvania.

Mr. COTTON. Mr. President, will the gentleman from Pennsylvania yield to me?

Mr. MARTIN of Pennsylvania. Mr. President, I yield myself 5 additional minutes.

I now yield to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I wish to say to the Senator from Pensylvania that I desire to associate myself with him, in support of his amendment.

In my State we have a pulp and paper industry which has been struggling to hold its own for a long period of time. If section 602 means anything, if it has any force or effect, it will lead to the establishment of the kind of reporting service and the kind of investigating service which will mean the requirement of reports and statistics to satisfy every snooper who comes along to get statistics on everybody's business.

My people are extremely apprehensive, not with respect to what section 602 provides on the face of it today, in this measure, but what it may lead to. If it is as innocuous as I am sure it is believed by its proponents to be, the service and the information can readily be obtained by the Department of Agriculture without the authority proposed to be written into this farm bill. If it has any force or effect, it may lead to all kinds of reports.

My people would have desired to appear before the committee with regard to this section if they had been given the opportunity. While I am sure that this provision was placed in the bill with perfectly good intent, I must commend the Senator from Pennsylvania for his amendment.

I think section 601 is thoroughly justified. In view of the fact that section 602 was not placed in the bill as the result of hearings, and in view of what it may lead to, I think section 602 could well be deleted without unduly weakening the effect of the bill.

Mr. ANDERSON. Mr. President, will the Senator from Pennsylvania yield so that I may ask the Senator from New Hampshire a question?

Mr. MARTIN of Pennsylvania. I yield to the Senator from New Mexico.

Mr. ANDERSON. Section 601 was also placed in the bill without hearings. Would not the Senator like to strike that too?

Mr. COTTON. No.

Mr. ANDERSON. That gives the State something.

Mr. COTTON. If something good is in the bill without hearings, I am for it. But if I am afraid of something in the bill, which has been placed there without hearings, I am against it.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the distinguished Senator from Vermont [Mr. FLANDERS].

Mr. FLANDERS. Mr. President, with regard to the local sentiment with respect to the proposed operation, I think I can say confidently to the Senator from Pennsylvania that my own people in the State of Vermont have become increasingly interested in obtaining a better commercial return from their hardwoods. They have just awakened to the fact that they live in one of the finest hardwood producing regions in the country, and that they have never been accustomed to making a business out of the exploitation of those hardwoods. From conversations and correspondence which I have had, not directly with relation to section 602, but with relation to the problem of getting a substantial return from one great natural resource, I feel safe in saying that the people of our State would be thoroughly in favor of section 602.

Mr. HUMPHREY. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. Mr. President, how much time have I?

The PRESIDING OFFICER. The Senator from Louisiana has 20 minutes.

Mr. ELLENDER. I yield 5 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I merely wish to invite the attention of the Senator from New Hampshire [Mr. COTTON] to the fact that under the terms of the bill the Secretary is not only authorized to establish a price reporting service for basic forest products, but he is directed to do so.

The opposition which I have encountered with respect to this section comes from the lumber companies. I have received several letters and telegrams from that source. Some of the largest timber and lumber firms in America have their headquarters or their bases of operations in the State of Minnesota. I regret that they have not shown an interest in this reporting service, but I also say that the small timber farmer, who is an important part of the agricultural economy, is entitled to fair, prompt, accurate, economic information as to his market prices. Today he is at the mercy of the purchaser, who will tell him what the price is, without any comparison whatever as to what is going on in other areas or other regions. It is not right.

The only purpose of this section is to bring economic information, on an area and regional basis, to the attention of the timber farmers, so that they can see whether or not they are getting a fair price for their commodity. It is strictly an informational service.

When we look at the basic law of the Department, we find that when the Department was established the first thing the Secretary was directed to do was to supply and disseminate information. In this particular section the single purpose, with the exception of improving the research in respect to the marketing of timber products, which surely is a desirable effect, is to see to it that information relating to quality and price of timber products, and all forms of forest products, is made available to the producers.

While I do not wish to pit one area against another, the commissioner of conservation in our State, and the State Forestry Service, have advised me this week that they are in support of a price-reporting system.

We have 22 million acres of forest land in the State of Minnesota, 11 million acres under State and Federal jurisdiction, and 11 million acres privately owned. That seems to me to be a substantial amount of territory.

If I thought this section would accomplish anything more than the provision of economic information, I would say that it would merit prolonged consideration. But why deny to one group in our economy information which another group receives? We have a Securities and Exchange Commission demanding information with respect to stocks and bonds—information as to price, and all other factors relating to stock certificates. Such information is made available to the public. That is a Government operation.

We have a Bureau of Labor Statistics, furnishing information with regard to labor problems.

We have a Bureau of Agricultural Economics, and a Marketing Service for agriculture. However, strange as it may seem, we have no information on forest products, yet forest products represent one of the great assets in the agricultural economy.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. COTTON. If the Secretary is to have the authority, and is to be instructed to obtain this information, how does the Senator understand he is to obtain the information?

Mr. HUMPHREY. The language in subsection (c) is as follows:

"(c) In connection with the gathering of price information and the dissemination thereof, the Secretary is authorized to cooperate with the State foresters or other appropriate State officials or agencies, as well as with private agencies, and under such conditions and terms as he may deem appropriate."

The Secretary may seek the cooperation of State agencies and private groups, large holders of timber, and conservation groups. He may use such sources of information as he chooses, with respect to any marketing condition.

Mr. COTTON. Which impression does the Senator wish to leave in the RECORD—that the Secretary will require the information, or seek it?

Mr. HUMPHREY. He is authorized to cooperate with State foresters. That is the language of the subsection.

Mr. COTTON. I assure the Senator that I am asking these questions for information, and not to be argumentative.

Does this section contemplate giving the Secretary authority to require from private industries periodic reports, statistics, and information about their business?

Mr. HUMPHREY. Mr. President, the language says:

"The Secretary is authorized to cooperate with the State foresters and other appropriate State officials or agencies as well as with private agencies, and under such conditions and terms as he may deem appropriate."

Mr. COTTON. May we understand——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. I yield 2 more minutes to the Senator from Minnesota.

Mr. COTTON. May we understand, and may the RECORD so show, that it is not the intention of Congress in enacting section 602 to give the Secretary of Agriculture or anyone else authority arbitrarily to force private operators to make reports on their business.

Mr. HUMPHREY. I would not want to say that. I do not know whether the Secretary would find it necessary to do so.

Mr. ANDERSON. Mr. President, I believe I can answer that question. Perhaps I can be helpful to the Senator from New Hampshire on that point.

Mr. HUMPHREY. I yield to the Senator from New Mexico.

Mr. ANDERSON. At the present time the Secretary of Agriculture has a right to gather current information on the markets and the prices of wheat. That does not give the Secretary authority to go to the Pillsbury Mills and say to them, "I want to know exactly how much money you are making every day of the year."

That is not the intention of the provision. It should be remembered that farm forests are becoming extremely important in this country. In great areas of the South efforts have been made recently by hundreds of people to retire some land and put it into slash pine. We are short of newsprint and other types of paper.

I believe it would be very helpful if we could get more information about that. The enactment of the provision would provide current information on markets and prices, and would aid in the more efficient marketing of farm products.

Mr. COTTON. If the section referred to becomes law, is the information, so far as private operations are concerned, to be furnished on a voluntary basis, or is it to be on a compulsory basis?

Mr. HUMPHREY. I am sure it is purely voluntary. It would be a request by the Secretary of Agriculture. He can make the request, but there is no language in the provision which says that he can order anyone to do it. It says he shall cooperate. He is authorized to cooperate, but he cannot demand it.

Mr. MARTIN of Pennsylvania. Mr. President, we are getting some very good information. I should like to comment on subsection (f) which provides:

"The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ELLENDER. Mr. President, I yield 2 additional minutes to the Senator from Minnesota.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. AIKEN. As I understand, the regulations would pertain to administrative procedures only, and would not compel a mill owner or timberland owner to do this or that.

Mr. HUMPHREY. I should say so. The Senator's explanation is correct. This is ordinary language. It would spell out the responsibility—and that language is always used—in order to authorize the Secretary to issue such regulations as he deems to be appropriate in carrying out the provision of the section. That is the only way in which the Secretary could operate.

Mr. THYE. Mr. President——

Mr. MARTIN of Pennsylvania. Mr. President, I should like to make a little further comment on subsection (f). It has very much to do with the intentions of this section. I wish to read it again:

"The Secretary of Agriculture is authorized to issue such regulations as he deems appropriate in carrying out the provisions of this section."

Would not that language permit the Secretary to force every small timber owner in this country to make a report as to how much acreage he has, how much he has sold during the year, what price he received for it, and so forth? Could not the Secretary of Agriculture issue regulations of that character?

Mr. HUMPHREY. That is not my understanding, because the language in subsection (c) provides that the Secretary is authorized to cooperate, not directed to cooperate.

Mr. ANDERSON. Mr. President, will the Senator yield on that point?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. It is a well-established practice of the Department of Agriculture that unless there is a penalty accompanying regulations for reporting, the Secretary cannot enforce it on anyone. That has been decided about five times. The question has been settled that unless there is a penalty provision attached, the Secretary cannot

compel anyone to do it. If a smaller farmer does not wish to answer the inquiry of the Secretary, all he need do is to write back and say, "It is none of your business."

Mr. MARTIN of Pennsylvania. Mr. President, in answer to that I should like to say that the farmers of Pennsylvania wish to comply with the law. If they get a request from any department of Government they answer it to the best of their ability. I do not want them to have the feeling that there is something being held over them.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the senior Senator from Minnesota.

Mr. THYE. Mr. President, I have received quite a number of communications relative to section 602 of the act. I have made reply to them. There has been some apprehension on the part of those engaged in the production of pulpwood and in the harvesting of pulpwood. They have had some concern in connection with this section. I can assure them that their fears are groundless. There is nothing in this section of the act that will make anything mandatory.

I have a message from an association which thought this would be a reestablishment of what was in the old NRA Act. Nothing could be further from the truth. I merely wish to say that crop reporting cards and livestock reporting cards are sent out through regular channels of mail to producers, and they fill in those cards to show what their livestock is and what they anticipate will be the number of cattle and the number of hogs, and so forth.

That is information which is of value to everyone in the production of agricultural products and in the processing and purchasing of agricultural commodities.

Therefore I would say that the timber price reporting we have provided for in the bill under section 602 will be a service to anyone engaged in forestry or pulpwood activities. It will be of benefit to the little farmer, who may have a few cords of pulpwood or a few posts or a few telephone poles. He will know about national market trends and about values.

For that reason I wish to say to those who have written to me, if they will read the RECORD, that they need have no fears. I believe it will be a valuable service to them. It will not be mandatory. It will not be a regulation which will compel them to fill out extensive questionnaires periodically.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from New Mexico.

Mr. ANDERSON. I merely wish to point out to the Senators from Pennsylvania and New Hampshire, who have a perfectly sound reason to question this matter, that the soil-bank provisions, on which we will vote soon in connection with this bill, in section 224 of the bill, provides:

"The Secretary shall prescribe such regulations as he determines necessary to carry out the provisions of this act."

I express the hope that we will not strike that provision from the bill. The Secretary of Agriculture must have the power to prescribe such regulations. Other agricultural laws contain similar provisions. If we go back to the original Soil Conservation and Domestic Allotment Act of 1938, we find that it authorizes the Secretary of Agriculture to conduct surveys and investigations and research relating to the character of soil erosion and the preventive measures needed. The same provision is carried in other acts. I do not believe the Secretary of Agriculture will say to every farmer in the land, "You give me a detailed description as to exactly how much soil erosion exists on your land, or I will send you to jail."

The Department of Agriculture does not work that way. The Secretary of Agriculture does not work that way. The Department of Agriculture tries to be friendly to the farmers of this country, and tries to help them. The Department was established for the purpose of disseminating information, first to the agricultural colleges, then to the extension agencies, and then on to the actual people who serve the farmers.

I am glad we have had this discussion this evening, because I would not want the Secretary of Agriculture to take any advantage out of this provision and try to destroy what has been going on for years. I do believe that the committee, which considered this subject very carefully and which struck from it the language that we regarded as objectionable, has put the provision into such shape that we can safely adopt it, without doing any damage to anyone.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. ELLENDER. Mr. President, I yield 1 minute to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, basically I share the solicitude of the Senator from Pennsylvania with regard to matters of this kind, but he will note that these functions cannot be exercised until a specific appropriation is made. If the Senator's people wish to come before the subcommittee on agricultural appropriations, while I cannot speak for the chairman, I think I can say that they will receive a very good hearing, and if there are any abuses, the appropriation can be denied.

Mr. ANDERSON. Mr. President, will the Senator from Illinois yield?

Mr. DIRKSEN. I yield.

Mr. ANDERSON. The Senator from Illinois was a member of the Appropriations Committee of the House when I was in the Department of Agriculture, and he recognized the power of the purse, and if there was a function which was going badly, he saw that it was trimmed down. That is what would happen under this provision.

The PRESIDING OFFICER. The Senator from Pennsylvania has 9 minutes remaining.

Mr. COTTON. Mr. President, will the Senator from Pennsylvania yield?

Mr. MARTIN of Pennsylvania. I yield.

Mr. COTTON. I wish to say to the distinguished Senator from New Mexico that after he completed his assurance, all that I was interested in was having the record clearly show that it was not the purpose of the Congress to impose a compulsory reporting system upon the farmers.

I was a little bit disturbed by the remarks of the Senator from Illinois, because I do not like to have the record indicate that the people have recourse to the Appropriations Committees to stop appropriations before they are safe on this point. If the record clearly shows that nothing in the section is intended to make a compulsory reporting system incumbent upon the operators, I am perfectly satisfied, and I thank the Senator from New Mexico.

Mr. ANDERSON. The purpose of a section of this character is to establish the legislative history, and I think that has been adequately done.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield back the remainder of his time?

Mr. MARTIN of Pennsylvania. Yes, Mr. President.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from Pennsylvania.

The amendment was rejected.

Mr. MARTIN of Pennsylvania. Mr. President, the Senate-House conference committee, after careful consideration, dropped the provision from the earlier farm bill.

It adds nothing to the solution of the farm crop-surplus problems which are the indicated objectives of the Soil Bank Act.

Prices of forest products, and particularly of forest stumpage, have local application only. Little interstate commerce is involved in the sale of primary forest products, and no interstate commerce is involved in stumpage sales—this in itself points to price reporting being a State or private responsibility.

Any producer of primary forest products may obtain price information by contacting the purchasing companies or consulting foresters. Such prices are current in application and much more significant than those obtained through reported averages of past transactions.

Private-industry associations are already reporting and publishing price information.

Mr. President, it seems to me this is an unnecessary provision, and I sincerely hope the Senate will strike it from the bill.

Mrs. SMITH of Maine. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield to the Senator from Maine?

Mr. MARTIN of Pennsylvania. How much time does the Senator desire?

Mrs. SMITH of Maine. A half minute.

Mr. MARTIN of Pennsylvania. I yield a half minute to the Senator from Maine.

Mrs. SMITH of Maine. Mr. President, I wish to associate myself with the able senior Senator from Pennsylvania and express my support of the remarks he has made. Section 402 would place an undue burden on the forestry industry in my State, and I feel that the disadvantages would far outreach any benefits which might be derived.

Mr. ELLENDER. Mr. President, the amendment to strike out section 402, which provides only for forest products, price reporting, and research by the Department, was incorporated in the bill at the behest of the Senator from Minnesota [Mr. HUMPHREY]. The section does not impose any reporting requirements or obligations on the private trade.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. MARTIN of Pennsylvania. Were any hearings held on this section of the bill?

Mr. ELLENDER. Not on the forest section.

Mr. MARTIN of Pennsylvania. As I understand, on this particular section of the bill there were no hearings by either the Senate committee or the House committee.

Mr. ELLENDER. That is correct; there were no hearings on section 402.

Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota [Mr. HUMPHREY].

Mr. EASTLAND. Mr. President, will the Senator from Minnesota yield for a unanimous-consent request?

Mr. HUMPHREY. I yield.

Mr. ANDERSON. Mr. President, a few moments ago we tried to modify some language in section 203. Apparently the language which I offered was

not proper. The Department of Agriculture has objected to it, and I think their objection is sound.

I ask unanimous consent to have the language revised in accordance with the language I am submitting.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 33, line 19, after the figure "1955.", it is proposed to insert:

The Commodity Credit Corporation may accept bids in excess of the maximum prices specified therein, but shall not reject bids at such maximum prices unless a higher bid is received for the same cotton.

Mr. ANDERSON. That has been submitted to the attorneys for the Department of Agriculture. They withdraw their objection to the other language, and are happy to accept it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New Mexico [Mr. ANDERSON].

The amendment was agreed to.

Mr. ELLENDER. Mr. President, I yield 5 minutes to the distinguished Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, the provision to which the amendment of the Senator from Pennsylvania [Mr. MARTIN] is directed is section 402. Of course, the purpose of the amendment is to eliminate the provision, and thereby to deny the timber farmers, who are thousands in number, the opportunity to receive from the Government the same kind of price information which practically every other farmer in the United States receives.

Arguments have been made against this provision of the bill on the ground that it was not needed. I submit it is needed, because the price reporting services which are presently available to timber farmers are generally from the buyers of timber, and, in some limited areas, from some State jurisdictions.

Furthermore, Mr. President, there is a growing need for accurate information as to prices of timber relating to the species and the type of timber which has been or will be produced.

The bill provides a tremendous program of reforestation. It provides for tree planting, under its conservation reserve section. The growth of timber in this country has become a major farm production item.

Mr. President, I am not unaware of where the real opposition to this provision comes from. It comes from the timber interests, from the Lumbermen's Manufacturing Association, from the large users of timber. They have been able to buy timber from farmers, most of whom are small farmers, at the user's own prices, at their own will, without any competent, accurate price reporting available to the producers of the timber.

The timber barons of this country have had quite a heyday. I do not intend to make any prolonged speech on this subject at this time, but if it becomes necessary, I shall do so. The timber interests stripped our forests until the Government brought them into line. One of the great disgraces of this country was the manner in which our forests were depleted, and it was not until Government, Federal and State, took a hand, that this tendency and trend of the destruction and depletion of our forests was reversed.

Fortunately, we have a good reforestation program operating between Government and private industry. That is as it should be. But here is the last opportunity for the large manufacturer associations in the lumber business and the large buyers of timber to have their way—namely, to have no accurate price reporting.

I should like to know, Mr. President, what wheat farmers would do if their Government did not give them accurate price reporting. I should like to know what cotton farmers would do if their Government did not give them accurate price reporting on the basis of grade and quality. I should like to know what any other segment of American history would think if there were no statistical information available, of an economic nature, relating to prices. They would be here demanding some help.

The provision under discussion was placed in the bill because the small timber farmer is not well organized, and he needs someone to stand up for him. There are hundreds of small timber farmers in the State of Minnesota. There are thousands of them throughout the United States. All in the world this provision requires is simply that the Secretary of Agriculture shall provide current information on marketing and price to aid these timber farmers, so they may more accurately market their forest products.

There has been lobbying. I should like to say to the Senator from Arkansas, who has written to us as to whether or not lobbyists have been working on us, "Yes, I have been lobbied on this amendment by the Lumbermen's Manufacturing Association, and I do not like it." I can say I have not been lobbied by the small producers. We are going to have to stand up and be counted as to whether we are going to deny the right of the timber producer to get accurate information, or knuckle down to the lobbying of the Lumbermen's Manufacturing Association.

Our own Government sells $100 million worth of lumber a year, and it has to sell it at the mercy of the purchaser's market. The Government does not even provide accurate marketing statistics for its own timber, much less for that of the small producer and independent farmer.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I ask for 1 more minute.

Mr. ELLENDER. I yield the Senator from Minnesota 1 more minute.

Mr. HUMPHREY. I have been asked by the able Senator from Mississippi whether the provision is in the bill or whether I wish to add it. The provision is in the bill. The amendment offered is to strike it out. It was in the bill originally passed by the Senate. An amendment was offered to strike it, but it was defeated. The provision was lost, to be sure, in conference.

But, Mr. President, I have been assured that if the same conferees participate in the conference on this bill, this provision will not be lost, because in the conference on the previous bill there was a misunderstanding as to the purpose of the particular amendment which now is represented by the section of the bill to which the amendment of the Senator from Pennsylvania is directed.

Let me say that the purpose is clear and explicit, namely, accurate marketing information. I do not believe anyone would wish to deny accurate marketing information to those affected by this amendment.

Mr. ELLENDER. Mr. President, I yield 3 minutes to the distinguished Senator from Oregon [Mr. NEUBERGER].

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). The Senator from Oregon is recognized for 3 minutes.

Mr. NEUBERGER. I thank the Senator from Louisiana.

Mr. President, as one who, in part, represents the State which produces more lumber than does any other State in the Nation, I think I can say that the pending amendment to eliminate the price-reporting provision of the bill in the case of timber products is aimed at the small owners of timber in the United States.

I have before me the Timber Resource Review compiled by the United States Forest Service. The review constitutes one of the most extensive surveys ever made in the history of our forest resources. It points out that in the United States there are approximately 3,400,000 forest ownerships on farms.

I read from the Review:

Farm and other private ownerships constitute a large and heterogeneous group, comprised of cropfarmers and livestock ranchers, business and professional people, housewives, wage earners, mining and landholding companies, and a wide variety of other miscellaneous owners.

These are the people who will be the principal victims if this amendment is adopted; they will be forced to sell their products in the dark; they will not know what the prevailing price is, until it is too late for them to realize a fair price. Small lumber dealers and small timber operators, without their own reporting facilities, likewise will suffer if the amendment is adopted to eliminate a government price-reporting service in the realm of forest products.

Those outside the Senate who want this amendment agreed to are the large timber operators who have gone around buying up the farm woodlots for token payments, for only a fraction of what they are really worth. What other reason is there for this amendment?

It seems to me that if we are to safeguard the 3,400,000 farm owners of timber in the United States, we need to retain in the bill the provision that our Committee on Agriculture and Forestry has so wisely included in it.

Mr. CASE of South Dakota. Mr. President, will the Senator from Oregon yield to me?

Mr. NEUBERGER. I yield.

Mr. CASE of South Dakota. I am inclined to think that we should keep this

provision in the bill. A firm from Oregon came to the Black Hills of South Dakota the other day and out-bid a local timber firm, and bought 30 million board feet of timber in the Black Hills. So I think it would be a good idea to retain this provision in the bill, so that our timber owners may have an idea of what their timber is worth, before they sell it.

Mr. NEUBERGER. Mr. President, regardless of whether the timber purchaser referred to by the Senator from South Dakota came from the Black Hills or from my State of Oregon or from New Hampshire——

The PRESIDING OFFICER. The time of the Senator from Oregon has expired.

Mr. NEUBERGER. Mr. President, will the chairman of the committee yield 2 minutes more to me?

Mr. ELLENDER. I yield an additional 2 minutes to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 additional minutes.

Mr. NEUBERGER. I thank the chairman of the committee.

Mr. President, let me say that regardless of where the timber purchasers may come from, if they benefit financially by not paying a fair price, that is against the public interest.

Regardless of where timber owners are located in America, we should let them have adequate knowledge of what their timber is worth, just as those who own cotton or any other product should know what their commodity is worth.

The Forest Service is established in the Department of Agriculture, because over the years Congress has regarded trees as a crop. Mr. President, if the Forest Service is to remain in the Department of Agriculture, as I think it should, the farmers who own woodlots are entitled to the same protection that is received by farmers who own fields of wheat or fields of cotton. Why favor price reporting for grain farmers or dairy farmers, and then oppose it for tree farmers?

Mr. CASE of South Dakota. Mr. President, I think the persons to whom I referred bid for the timber in open competition. But apparently the Oregon firm could pay more than those in South Dakota could pay. However, they were rather surprised, since that was a rather sizable sale, to have the Oregon firm outbid the local people.

Mr. NEUBERGER. So far as competitive bidding is concerned, we have no control over that. The best price offered must prevail.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the junior Senator from Vermont [Mr. FLANDERS].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. FLANDERS. Mr. President, I wish to speak briefly in support of this provision of the bill. I speak in support of it from the standpoint of the area I know best, namely, the New England States, particularly my own State of Vermont.

On every farm there is a woodlot. In some cases, the woodlot is a major part of the farm. The aggregate of these farm woodlots amounts to an enormous acreage; and the value, particularly in the case of the hardwoods, amounts to millions of dollars, even though each woodlot is a small one.

In marketing the timber, each owner of a small woodlot is dealing, not with his regular business of farming—presumably, dairy farming—but, for the moment, with a matter in which he has not had a great deal of experience. Certainly the value which can be realized by the farmers of my region, if they are given authentic information regarding the price of the wood they have to sell, will be very great.

So I trust that the Senate will vote to retain this particular reporting provision in the bill.

Mr. MAGNUSON. Mr. President——

Mr. ELLENDER. I yield 1 minute to the Senator from Washington [Mr. MAGNUSON].

The PRESIDING OFFICER. The Senator from Washington is recognized for 1 minute.

Mr. MAGNUSON. Mr. President, I do not wish to belabor the point; but I desire to associate myself with the remarks of the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Vermont [Mr. FLANDERS], in opposing the amendment of the Senator from Pennsylvania [Mr. MARTIN].

In my State there are many, many small tree farmers. I know personally of instances in which they have not gotten for their timber the price they should have gotten.

I think this provision can go a long way in giving them information regarding what their timber is really worth, so they may get a fair and square deal for the great amount of hard work they have put in on small tree farms.

The PRESIDING OFFICER. Does the Senator from Pennsylvania desire to yield back the remainder of the time under his control?

Mr. MARTIN of Pennsylvania. Mr. President, I yield 1 minute to the Senator from New Hampshire [Mr. COTTON].

The PRESIDING OFFICER. The Senator from New Hampshire is recognized for 1 minute.

Mr. COTTON. Mr. President, I think I shall need only half a minute.

I wish to ask whether the wording of this provision is exactly the same as the wording of the similar provision in the agricultural bill the Senate passed a few weeks ago; and I refer particularly to the discussion which occurred on the 15th of March.

Mr. ELLENDER. In other words, the corresponding provision of House bill 12?

Mr. COTTON. Yes.

Mr. ELLENDER. Yes.

Mr. COTTON. In connection with that bill, the legislative record which was made was that the compiling of this information could be done only in cooperation with the State authority, and that the provision did not empower the Federal Government to require reports of statistics from individuals.

Mr. ELLENDER. As I understand the provision, it is not compulsory at all to make the reports. These reports would be in the same category as those on cotton, corn, and other commodities upon which the Secretary of Agriculture is authorized to make reports.

Mr. COTTON. Mr. President, let me say that I feel deeply about this matter. But in view of that assurance, I desire to associate myself, as I did before, with the Senator from Pennsylvania and the Senator from Maine in their position on this amendment.

The PRESIDING OFFICER. Does the Senator from Pennsylvania yield back the remainder of the time under his control?

Mr. MARTIN of Pennsylvania. I do.

Mr. ELLENDER. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has either been used or yielded back.

The question is on agreeing to the amendment of the Senator from Pennsylvania. [Putting the question.]

Mr. MARTIN of Pennsylvania. Mr. President, on this question, I ask for a division.

On a division, the amendment was rejected.

Mr. MONRONEY. Mr. President, on behalf of myself and my colleague [Mr. KERR], I call up my amendment which is at the desk; and I ask to have the amendment stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 17, after line 7, it is proposed to insert a new paragraph, as follows:

In addition to the foregoing, the Secretary is authorized and directed to formulate and carry out during the years 1956, 1957, 1958, and 1959 a conservation reserve program for grazing lands under which farmers or ranchers will be compensated for reducing their acreages of grazing lands and making a corresponding reduction in livestock units below a representative period designated by the Secretary. All the provisions of this title not inconsistent therewith shall apply to the grazing lands conservation reserve program.

On page 14, in line 9, after word "clover", insert "grazing lands."

On page 21, in line 17, strike out "$450,000,000" and insert "$525,000,000, which shall include $75,000,000 for carrying out the conservation program for grazing lands."

Mr. MONRONEY. Mr. President, I yield myself 5 minutes.

This amendment is similar to the provision which was voted into the bill in the House, except that it is carried forward in the conservation reserve program instead of the acreage reserve program. Also it provides $75 million instead of $50 million for allowing livestock raisers, those who raise cattle throughout the Nation, to participate in the soil-bank program.

The raising of livestock is the only important or major part of our agriculture which is completely ignored and kept entirely out of participation in the soil bank; yet I feel that the facts, particularly across the Great Plains area, will show that if the real purpose of the bill is to increase and improve the fertility of the land, our overgrazed and wornout grasslands, which are being used today for the overproduction of livestock, are most in need of a conservation program.

The purpose of the bill, as stated by its sponsors and by the administration, is to reduce overproducion, which is depressing the price of agricultural commodities. A second purpose is to improve the fertility of the soil. We definitely have a condition of overproduction in the livestock industry. Whereas there were 76.8 million cattle on the ranges on January 1, 1947, on January 1, 1956, there were 97½ million. We have seen these increased numbers give us the greatest losses, percentagewise, of any segment of the agricultural industry.

No part of agriculture is suffering as much from the present depressed prices as is the livestock industry. The prices average only 70.25 percent of parity. When we consider that beef is selling at 71 percent of parity, calves at 71 percent, sheep at 63 percent, and lambs at 77 percent, we get an average of 70.25 percent of parity.

All other farm products combined have an overall average of 84.6 percent of parity. The drop from 1951 to 1953 in the price range of livestock when it was brought to market was more than 50 percent, and the shrinkage in the capital asset value of cattle on the range today represents a drop in 1 year of nearly $100 million, notwithstanding the increase of 409,000 head of cattle. If we are going to recognize the problems of overproduction in respect to cotton, corn, wheat, small grains, and everything else, the livestock industry, which furnishes nearly 50 percent of the farm income of the Nation, should have an opportunity to participate and to rest its grazing lands and build up their fertility.

I invite attention to the fact that no one can enter this program unless he agrees to meet the requirement of a production reduction in the number of cattle on the range, in a percentage comparable to the amount of acreage being withdrawn.

I know there will be some wisecracks made to the effect that cattle cannot read. We shall be asked, "What are you going to do? You cannot fence in the range." That same question might be asked with respect to every acre placed in the acreage reserve program or in the conservation reserve program, because cows cannot read those signs, either. Gates can be left open, and milk cows can graze on all the other acres provided for in a $1,200,000,000 program. This industry would be far easier to police, because of the location of the grazing lands, than all the other acreage involved in the remainder of the program relating to row crops.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MONRONEY. I yield myself 1 more minute.

Inasmuch as the purpose of the bill with respect to row crops is to build up pasturelands and put new cattle raisers in competition with existing cattle raisers, the cattlemen ought to be entitled to rest some of their grazing land and conserve the grasslands, while the new subsidized competition being put into the cattle business at Government expense takes place.

I should like to see this amendment, which is similar to the provision adopted by the House, enacted into law.

I yield 3 minutes to my senior colleague [Mr. KERR].

Mr. KERR. Mr. President, the purpose of the distinguished junior Senator from Oklahoma and myself in supporting this amendment is, first, to get more productive land in the soil bank, in order that the benefits of the soil bank may be general in character, and therefore available to the producers of cattle.

In the next place, the purpose of the amendment is to help bring about an orderly reduction in the number of cattle on the range in such a manner as not to have a depressive effect on the market or to add to the financial burden of the cattle producers.

I hope the distinguished chairman of the committee will agree to accept the amendment, failing which I shall ask for its adoption by the Senate.

Mr. ALLOTT. Mr. President, I should like to ask the Senator in charge of the time for the opposition to yield to me 2 minutes.

Mr. ELLENDER. Mr. President, I yield 2 minutes to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I must rise in opposition to this amendment. It is bad. The same questions involved in connection with this amendment were discussed at length on the floor during the debate on the first farm bill.

I should like to read into the RECORD a telegram which I have received from the Colorado Cattlemen's Association, dated May 9, 1956. The telegram refers to the Albert amendment. I believe that the position of the Colorado Cattlemen's Association is also the position of the American National Cattlemen's Association on this subject, the only difference being as to whether it applies to the conservation reserve or the acreage reserve. The telegram reads as follows:

DENVER, COLO., *May 9, 1956.*

Senator GORDON ALLOTT,
United States Senate,
Washington, D. C.:

It's Colorado Cattlemen's Association's understanding that there is being considered for the soil bank price supports on small grains other than wheat and corn. Our association opposes such an amendment, feeling that it will only multiply the already serious problems of our feeders. If controls accompany supports it will ultimately lead to more land to grass and more cattle numbers in areas not now producing cattle, thus intensifying our cow numbers. Our board members, along with the 25 local association presidents, at meeting today in Denver, were very relieved to hear that the Jennings amendment and the Albert amendment to the soil bank were killed. We are particularly opposed to portion of the Albert amendment that would call for a reduction of cattle numbers, feeling that such a move would force marketing and slug market bringing new low in prices.

DAVID G. RICE, Jr.,
Executive Secretary, Colorado Cattlemen's Association.

In the opinion of the American Cattlemen's Association, the Colorado Cattlemen's Association, and many others, the effect of this amendment would be to throw upon the market more cattle at a time when they are building the consumption of beef, and, as the telegram says, to slug the market and depress the price of cattle, to the detriment of our stock raisers.

Mr. KERR. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. The time of the Senator from Colorado has expired.

Mr. ALLOTT. Mr. President, will the junior Senator from Oklahoma yield 1 minute to me in order that I may answer the question of the senior Senator from Oklahoma?

Mr. MONRONEY. I yield 1 additional minute to the Senator from Colorado.

Mr. KERR. Mr. President, can the Senator inform us as to what percentage of the land grazed by the Colorado Cattlemen's Association is public domain, and therefore not the land of those using it, and consequently not eligible for soil-bank payments, if this amendment were adopted?

Mr. ALLOTT. No; I cannot give the Senator that information offhand, but I shall be happy to procure it for him.

Mr. KERR. Would the Senator say that it is about three-fourths of the land?

Mr. ALLOTT. It is my opinion that it is a smaller amount of land.

Mr. KERR. What percentage of land in Colorado is public domain?

Mr. ALLOTT. Thirty-seven percent.

Mr. KERR. Thirty-seven percent. I thank the Senator.

Mr. ELLENDER. Mr. President, I yield myself 3 minutes. I do not expect to go into detail with respect to the pending amendment, except to say that, as will be recalled, the same kind of amendment was debated at length on the Senate floor when we considered the Senate version of H. R. 12. I wish to say that when the Senate Agriculture Committee considered the pending bill, we considered whether or not we should retain a provision in the House bill similar to that now being proposed by the distinguished Senator from Oklahoma [Mr. MONRONEY]. It was the unanimous decision of the committee to omit that part of the House bill.

I hope the Senate will defeat the amendment as it did in the case of a similar amendment when the Senate version of H. R. 12 was considered.

The PRESIDING OFFICER. Are the Senators prepared to yield back the remainder of their time?

Mr. MONRONEY. I yield back the remainder of my time.

Mr. ELLENDER. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. MONRONEY].

The amendment was rejected.

Mr. WILLIAMS. Mr. President, I call up my amendments "5–17–56–F," and ask that they be stated.

The PRESIDING OFFICER. The Secretary will state the amendments.

The LEGISLATIVE CLERK. On page 13, after the period in line 3, it is proposed to insert the following:

The compensation paid any producer for participating in the acreage reserve program

with respect to land in any one State in any year shall not exceed $25,000.

On page 17, after the period in line 7, it is proposed to insert the following:

No annual payment to any person with respect to land in any one State shall exceed $7,500.

On page 70, after line 8, it is proposed to insert the following:

SEC. 603. The Agricultural Act of 1949 is amended by adding at the end thereof the following new section:

"SEC. 421. The total amount of price support made available under this act to any person for any year through loans to such person, or through purchases made by Commodity Credit Corporation from such person, shall not exceed $50,000. The term 'person' shall mean any individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or agency of a State. In the event of any loan to, or purchase from, a cooperative marketing association, such limitation shall apply to the amount of price support made available through such cooperative association to each person. The limitation herein on the amount of price support made available to any person shall not apply if price support is extended by purchases of a product of an agricultural commodity from processors and the Secretary determines that it is impracticable to apply such limitation."

Mr. WILLIAMS. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. WILLIAMS. Mr. President, one phase of the amendments was adopted by the Senate when they were offered during the debate on the previous bill, by a vote of 84 to 9. The amendments as modified and as now before the Senate were approved by the Senate by a vote of 78 to 11.

The purpose of the amendments is to put a limitation on the amount of payments which can be made under the acreage-reserve program to any one individual or corporation, so that no payment could exceed $25,000. Under the conservation-reserve program the limitation would be $7,500. It provides a limitation under the price-support provisions of the Agricultural Act of $50,000 for any individual or corporation.

The amendments would prevent benefits of this $2 billion bill ending up as a bonanza for the corporate type of farming or other large individual farming.

I pointed out in a previous discussion that if the amendment were not adopted it would be possible under the provisions of the bill for one large wheat grower in the Montana area, who has about 340,000 acres of wheat, to put half of that under the acreage-reserve program and collect a check from the Government for $3,400,000 for doing nothing.

Certainly it is not the intention of the Senate, and by a vote of 78 to 11 it repudiated that proposal. Unfortunately, the amendment did not hold up in the conference committee. However, I am hopeful that the conferees will feel more kindly toward it this time. I am asking whether the chairman of the committee will not agree to accept the amendment and avoid delaying the Senate further in the discussion of the bill.

Mr. ELLENDER. Mr. President, I object to the amendment.

Mr. WILLIAMS. Mr. President, inasmuch as the amendment was adopted previously by a vote of 78 to 11, I cannot help thinking that it will be agreed to by the Senate again. Therefore, I shall submit it to a voice vote. If it is not agreed to, I shall suggest the absence of a quorum, and ask for a yea-and-nay vote.

The PRESIDING OFFICER. Are the Senators prepared to yield back the remainder of their time?

Mr. ELLENDER. I wish to state to my good friend from Delaware that, as he will remember, there was a voice vote on his amendment in committee, and I think he was the only one who voted for it. It is true that the Senate went into this matter at considerable length.

As chairman of the committee, when the matter first came up, I opposed it. I am satisfied that if the provisions suggested are incorporated in the bill, we shall have to have a conference with the House. It is my opinion that the House will not approve a bill with these provisions in it. Therefore it would be an idle gesture for us to vote for the amendments. I hope the Senate will reject these amendments.

The PRESIDING OFFICER. Are the Senators prepared to yield back their time?

Mr. ELLENDER. If the Senator from Delaware yields back the remainder of his time, I shall be glad to yield back the remainder of my time.

Mr. WILLIAMS. I yield back the remainder of my time.

Mr. ELLENDER. I do also.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. WILLIAMS]. [Putting the question.]

Mr. WILLIAMS. Mr. President, I ask for the yeas and nays.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

Mr. ELLENDER. Mr. President, I withdraw my suggestion of the absence of a quorum.

Mr. WILLIAMS. I object.

Several Senators requested a division.

The PRESIDING OFFICER. As many as favor the amendment will rise and stand until counted.

Mr. WILLIAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE] the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "yea" and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 44, nays 29, as follows:

YEAS—44

Allott	Frear	Mundt
Barrett	Goldwater	Neuberger
Beall	Hayden	Payne
Bender	Hickenlooper	Potter
Bennett	Hill	Purtell
Bridges	Hruska	Robertson
Butler	Humphrey	Russell
Case, N. J.	Jenner	Saltonstall
Case, S. Dak.	Kuchel	Schoeppel
Cotton	Langer	Smith, Maine
Curtis	Mansfield	Sparkman
Dirksen	Martin, Iowa	Watkins
Duff	Martin, Pa.	Williams
Dworshak	McCarthy	Young
Flanders	McNamara	

NAYS—29

Aiken	Hennings	Long
Anderson	Holland	Magnuson
Bible	Jackson	McClellan
Capehart	Johnson, Tex.	Millikin
Clements	Johnston, S. C.	Monroney
Daniel	Kefauver	Stennis
Eastland	Kerr	Symington
Ellender	Knowland	Thye
Ervin	Laird	Wofford
George	Lehman	

NOT VOTING—22

Bricker	Green	Pastore
Bush	Ives	Scott
Byrd	Kennedy	Smathers
Carlson	Malone	Smith, N. J.
Chavez	Morse	Welker
Douglas	Murray	Wiley
Fulbright	Neely	
Gore	O'Mahoney	

So the amendment of Mr. WILLIAMS was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. AIKEN. Mr. President, I wish to make a statement in regard to the last amendment which was agreed to.

The PRESIDING OFFICER. Does the Senator from California yield time to the Senator from Vermont?

Mr. KNOWLAND. I yield 5 minutes to the distinguished Senator from Vermont.

Mr. AIKEN. No one in the Senate is more in favor of a limitation on the payments to one individual farmer than am I. Under ordinary circumstances, I would have voted for the Williams amendment. However, the adoption of that amendment assures the bill going to conference, from which it may never return. If it does return, it is likely to come back in such shape that it will be killed in one House or the other.

We have not been any further from having a farm bill passed by Congress at any time since the veto of the first bill than we are right now. I think there are other Senators, probably, who voted against the amendment for the same reason I did.

We have tried, month after month, to get a farm bill which would really be of benefit to the farm population of the country. We have worked all day in, I think, a statesmanlike manner; but at the last minute we have seen the Senate take action which means that the soil bank and farm legislation seem very far away at this time.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. ANDERSON. I agree completely with what the Senator from Vermont has said. I have taken the same view he has taken on some of these questions. I commend him, and I particularly wish to commend the Senator from Louisiana [Mr. ELLENDER], the chairman of the committee, with whom I disagree on many agricultural policies, but who has stood here today and tried to make certain that the bill as passed by the Senate would be a bill which would not need to go to conference.

The able Senator from Louisiana and the able Senator from Vermont have tried their best to make certain that we would not delay the possibility of obtaining a passable bill which would give the farmer a chance to participate in increased benefits and in a soil bank this year. But because someone believed it to be desirable to vote for a limitation on the payments, in order to prevent a situation which the smart people know how to avoid, we kill the chance of getting a bill which does not have to go to conference.

This is a bad vote—a very bad vote, indeed. I commend the Senator from Vermont for calling it to the attention of the Senate.

Mr. AIKEN. The amendment offered by the Senator from Delaware ordinarily would have been desirable; but used as a means of killing the bill, it is very harmful.

Mr. SALTONSTALL. Mr. President, I move that the Senate reconsider the vote by which the last amendment was agreed to.

Mr. WILLIAMS. Mr. President, I make the point of order that the bill has been read the third time, and that the motion of the Senator from Massachusetts is not in order.

The PRESIDING OFFICER. Is the Senator from Massachusetts moving that the Senate reconsider the action by which the amendments were ordered to be engrossed and the bill to be read the third time?

Mr. SALTONSTALL. I move that the Senate reconsider the votes by which the amendments were ordered to be engrossed and the bill to be read the third time.

The PRESIDING OFFICER. The Senator's motion is in order and he has 30 minutes on the motion.

Mr. SALTONSTALL. Mr. President, I made the motion after listening to the Senator from Vermont. I do not come from a State where farming is as important an industry as it is in some other sections of the country. I believe we should pass a farm bill. I do not think we should take any chance on having the bill killed by either House if there is an opportunity to have a bill passed without the necessity of having a conference. I therefore have made the motion I have made in order that the Senate may reconsider its action in the light of what was said by the Senator from Vermont [Mr. AIKEN] and the Senator from New Mexico [Mr. ANDERSON].

Mr. CAPEHART. Mr. President, will the Senator from California yield 5 minutes to me?

Mr. KNOWLAND. I yield 5 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, there can only be one purpose of the soil bank, and that is to reduce production. That can be the only reason for it and its only purpose. There is only one way by which to reduce production, and that is to take out of production X number of acres. We in the Senate cannot shoot someone because he happens to have a large number of acres or a small number of acres.

If we expect to help the small farmer, we can help him only by getting rid of the surpluses and reducing production, so that the market price will rise and the farmer will get the benefit of higher prices in the market place.

If we limit the number of acres which the so-called large farmer can take out of production, then he will not take them out of production, and we will be defeating the very purpose we are trying to achieve. I do not know why we want to do that.

If we want to consider eliminating the soil bank entirely, that is one thing. If it is thought that the soil bank is no good, and it is desired to eliminate it, that is fine. But if we want to vote for a soil bank to try to help every farmer, and particularly the small farmer, to get higher prices, then it is necessary to obtain a reduction of production by the large farmer.

I do not quite understand the reasoning, unless it is simply desired to kill the whole bill. If that is the purpose, I am perfectly willing to vote to kill the soil bank, and the conservation acreage provisions, but I do not want to do it indirectly.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HUMPHREY. Did not the President recommend a cutoff on price supports?

Mr. CAPEHART. I do not know whether or not he did.

Mr. HUMPHREY. In the same message in which he advocated the soil bank?

Mr. CAPEHART. He may well have done so; but if he did, he was as wrong as he could be.

Mr. THYE. Mr. President, will the Senator from California yield time to me?

Mr. KNOWLAND. I yield 5 minutes to the Senator from Minnesota.

Mr. WILLIAMS. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. THYE. Mr. President, I simply wish to associate myself with the remarks of the able Senator from Indiana. If ever a question was stated well, he stated it. What are we endeavoring to do? We are endeavoring to reduce the number of acres which will be harvested annually. That is the only way in the world by which we shall be able to reduce the surpluses of farm commodities and farm products. The distinguished Senator from Indiana stated the case well.

Mr. President, I have voted for and against amendments today in an attempt to obtain a bill which can be passed at this session of Congress. If this amendment prevails and the bill must go to conference, we may as well write "curtain" on trying to get a farm bill passed at this session of Congress.

For that reason I oppose the amendment. I hope the motion offered by the distinguished Senator from Massachusetts [Mr. SALTONSTALL] will prevail, and that we may have an opportunity to reconsider the vote, and pass a bill which can get through conference, if it has to go to conference.

Mr. KNOWLAND. Mr. President, I yield 10 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. WILLIAMS. Mr. President, this is a sad day in the affairs of the United States Senate if we have reached the point where we cannot vote on amending a major agricultural bill providing for $2 billion, without taking into consideration the fact that the amendment

must be agreed to in some form acceptable to the House of Representatives. Why not delegate our authority, and send the bill back to the House, and tell them to write it? Certainly, every Senator who answers to the rollcall will vote as he thinks about the amendment. The President, in his message in January, asked for the same provision which we in the Senate approved by an overwhelming vote. The same provision was approved by a previous yea-and-nay vote of 84 to 11.

There is only one reason why we would reconsider the amendment. It would be because the big landowners would blackmail the United States with a threat that "if you do not pay us billion-dollar checks, or big checks, we will see that you cannot get any farm bill."

There is certainly no argument which can be used that the bill will be vetoed, because of this provision, inasmuch as the President of the United States has asked for it.

If Senators believe in the principle, if they want to support it, let them vote for or against it on its merits. Three months are left. There is not a feature of the agricultural bill which can go into effect in this crop year. We have plenty of time. There is no urgency about it. Certainly, there is plenty of time to consider the bill in conference. If the conferees do not want to accept the amendment, they can reject it, if they are afraid to accept it, or vote on it.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. JENNER. I cannot understand why this distinguished body, which overwhelmingly adopted the same amendment in the original consideration of the farm bill, by a vote of 79 to 11, though the bill was vetoed, should now take the attitude some distinguished Senators are taking.

In the first place, the President of the United States says there must be some limitation on payments in this bill. Secondly, why should the United States Senate sit here tonight and authorize the payment to landowners who own many thousand acres of $87,500 of the taxpayers' money for complying with this program? We are not here to sustain the man who owns 350,000 acres. We are not here to sustain the city farmer. We are not here to sustain corporation farmers. We are here to sustain family-size farmers, and not to protect the big landowners. We are here to protect the taxpayers' money which is paid into the Treasury of the United States.

What is the urgency? Why are we afraid of a conference? The provision could not possibly go into effect this year. A similar provision was in conference last year, but was taken out of the bill. Let the House conferees refuse to agree to it again, if they want to do so; but I submit that the provision is for the protection of the family-size farmers, not for the corporate and city farmers, or for the man who owns ten, twenty, thirty, or forty thousand acres of land. He does not need the protection of the taxpayers of the country.

Mr. WILLIAMS. Mr. President, I move that the motion of the Senator from Massachusetts be laid on the table, unless he wishes to debate it further.

Mr. SALTONSTALL. Mr. President——

Mr. WILLIAMS. Mr. President, I withhold my motion temporarily.

The PRESIDING OFFICER. The Chair is advised that such a motion would not be in order until the time has been yielded back.

Mr. SALTONSTALL. Mr. President, how much time remains on the side of those in favor of the motion?

The PRESIDING OFFICER. The Senator from Massachusetts has 28 minutes remaining to him.

Mr. SALTONSTALL. Mr. President, I yield 5 minutes to the senior Senator from Oklahoma.

Mr. KERR. Mr. President, it is not often that the senior Senator from Oklahoma has agreed with the Senator from Vermont on a farm bill. I have often found myself in disagreement with the Senator from New Mexico with respect to a farm bill. But what those Senators have said with reference to the amendment is entirely correct. This amendment will not be to the detriment of the big farmer; it will be to the detriment of the family-sized farmer.

The purpose of the soil bank is to take acres out of cultivation. The family-sized farmer is not going to take them out of cultivation. The soil bank is a voluntary program. A man who has a few acres and a large family is going to cultivate every acre that is allotted to him. He is not going to take a small percentage of what he and his family can produce from an acre of cotton or corn or wheat or peanuts or rice or tobacco, and take land out of cultivation when he and his family can cultivate it and get the full benefit of what it will produce.

Yet that small farmer's welfare rides on the reduction of acres. Then where can we get a reduction of acres? Since the program is voluntary, and since the small farmer cannot afford to reduce further the limited allotment available to him under the bill, and to take a small percentage of what he would get by cultivating his acres, the only chance we have is to get them from the man who has many acres. When that is done, he is given a small percentage of what his land would produce if it were in cultivation, but a reinforcement is built under the market for what is produced by the small farmer.

Therefore, as I said a while ago, often as I have disagreed with the distinguished Senator from New Mexico and the distinguished Senator from Vermont, they are entirely right in what they have told us about the amendment. It does not benefit the small farmer; it hurts him. It does not promote the soil bank; it eliminates any possibility of the soil-bank program succeeding.

Mr. AIKEN. Mr. President, will the Senator from California yield me 2 minutes on the bill?

Mr. KNOWLAND. I yield 2 minutes on the bill to the Senator from Vermont.

Mr. AIKEN. Several speakers have stated that the President recommended limitations such as were included in the last amendment to the bill just adopted. The President did not at any time make any recommendations as to limitations of payments on the conservation reserve or the acreage reserve. What the President said on January 9, 1956, was this—and I read from his message:

> I ask the Congress to consider placing a dollar limit on the size of price-support loans to any one individual or farming unit. The limit should be sufficiently high to give full protection to efficiently operated family farms.

The President asked the Congress to consider placing a limit on price-support loans, not on the conservation reserve or the acreage reserve.

Mr. WILLIAMS. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. WILLIAMS. What the Senator has said is correct, but when the Secretary of Agriculture, who is the spokesman for the President, sent the original soil bank proposal to the President, there was a limitation of $7,500 under the acreage reserve, exactly as the amendment proposes, and it was favored by the Senator from Vermont.

Mr. AIKEN. That is correct. I would be for the amendment now, but I cannot vote for it as a means of killing farm legislation at this session.

Mr. JENNER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. JENNER. This amendment provides for a maximum of $50,000 under price supports as a fair limitation. Does the Senator know any family-sized farm which can draw $50,000 price supports under any bill before the Congress?

Mr. AIKEN. I think there are many of them.

Mr. JENNER. Are they family-sized farmers?

Mr. AIKEN. Yes. There are farmers in my community who produce more than $50,000 a year.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The time of the Senator from Vermont has expired.

Mr. JENNER. Mr. President, will the Senator from California yield 1 minute to me?

Mr. KNOWLAND. I yield 1 minute to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 1 minute.

Mr. JENNER. Mr. President, in other words, this amendment allows any one farmer in the United States $50,000 under the price-support features of the bill, $25,000 under the acreage-control provisions, and $7,500 under the soil-conservation provisions of the bill. I wish to ask whether any Senator thinks there is in the country a family-sized farm which could draw $87,500 from the taxpayers in connection with this program.

This amendment is for the purpose of preventing the making of these payments to persons who do not need Government support, and is to protect and to help the family-sized farms.

Mr. ELLENDER. Mr. President——

Mr. CAPEHART. Mr. President, will the Senator from Massachusetts yield 3 minutes to me?

Mr. SALTONSTALL. I yield 3 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 minutes.

Mr. ELLENDER. Mr. President, I hope the motion made by the distinguished Senator from Massachusetts [Mr. SALTONSTALL] will prevail. I fear that my good friends, the Senator from Delaware and the Senator from Indiana, do not understand the philosophy back of the soil bank.

As was stated by my good friend the Senator from Oklahoma, the idea was to reduce production, so as not to aggravate further our surpluses. That is the proposal.

Mr. WILLIAMS. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I do not yield.

The PRESIDING OFFICER. The Senator from Louisiana declines to yield.

Mr. ELLENDER. That is the reason and the purpose of the soil bank.

Whether the reduction is made on a farm of 10,000 acres or a farm of 10 acres makes no difference; the bill will not give the producer additional income. All it will do is give him an amount equal to what he might have obtained for the use of his land if he had planted the acres. That is all the soil bank does.

I want us to enact a farm bill, and I want us to get it to the President as soon as possible. As has been stated by my good friend the Senator from Vermont, if the bill is loaded down with a great many amendments—amendments which will have to go to conference—we shall not have a bill in time to assist the farmers this year.

If the motion of the Senator from Massachusetts prevails, and if those of us who desire a farm bill this year can also prevail with respect to a motion to reconsider the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was agreed to——

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield to me?

Mr. ELLENDER. I yield.

Mr. AIKEN. I suggest that if the purpose of the proponents of the amendment is to limit the payments which can be made to any one farm, that can be accomplished in connection with the appropriation bill.

Mr. JENNER. But that will be very difficult to accomplish. In fact——

The PRESIDING OFFICER. The Senate will be in order. The Senator from Louisiana has the floor.

Mr. ELLENDER. Mr. President, as I have indicated, the purpose of the soil bank has been explained so often on this floor that I am surprised that some Members of the Senate apparently do not yet understand its philosophy.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. SALTONSTALL. Mr. President, I yield two additional minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 additional minutes.

Mr. ELLENDER. I thank the Senator from Massachusetts.

Mr. President, the soil bank provisions will not enrich any farmer, because if he were to plant the acres that he may place in the soil bank, he probably could make more money. But if he does plant them, the result will further aggravate our surpluses.

Let us bear in mind that the main purpose of the soil bank is not to further aggravate our surpluses, to reduce production, and to bring supply in line with demand. It is hoped that as a result, prices will rise, and the Government will be able to get out of the business of having to lend so much money on these commodities.

Mr. President, let us vote in favor of the motion to reconsider, and then let us vote to reject the amendment of the Senator from Delaware [Mr. WILLIAMS], and thereby have a bill which I believe the House of Representatives will accept. In doing so, we can have the bill on the President's desk probably Monday or Tuesday of next week.

Mr. WILLIAMS. Mr. President, will the Senator from California yield 1 minute to me?

Mr. KNOWLAND. I yield 1 minute to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 minute.

Mr. WILLIAMS. Mr. President, the Senator from Louisiana has said that the Senator from Delaware and the Senator from Indiana, in offering the amendment providing limitations on the acreage-reserve payments and soil-conservation payments, did not understand the soil-bank plan and did not understand what they were doing. Included in that statement, the Senator from Louisiana should have said that Secretary Benson likewise did not understand what he was doing.

Mr. ELLENDER. I do not mind including him, too. [Laughter.]

Mr. WILLIAMS. The original soil-bank plan which was introduced in the Senate by the Senator from Vermont was sent here by the administration and called for a conservation-payment limitation of $7,500. I think the Senator from Louisiana was a cosponsor of a similar measure. The Senator from Louisiana may not have been a cosponsor of it, but it had 5 or 6 cosponsors.

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. WILLIAMS. Mr. President, will the Senator from California yield 1 more minute to me?

Mr. KNOWLAND. I yield an additional minute to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 additional minute.

Mr. WILLIAMS. Mr. President, there is no question that the Secretary did urge that such limitation be imposed; and in his message to Congress the President of the United States recommended the other feature, namely, a limitation on the acreage-reserve payments.

If there is no further debate on the bill, Mr. President, I should like to suggest that the remaining time be yielded back.

Mr. KNOWLAND. Mr. President, time still remains for debate on the motion, does it not?

The PRESIDING OFFICER. A motion to lay on the table is not in order until all time has either been used or yielded back.

Mr. KNOWLAND. Mr. President, I yield myself 1 minute on the bill itself.

The PRESIDING OFFICER. The Senator from California is recognized for 1 minute.

Mr. KNOWLAND. Mr. President, I rise to support the motion of the Senator from Massachusetts [Mr. SALTONSTALL] that the Senate reconsider, first, the action of the Senate in ordering the third reading of the bill. If that is done, the Senator from Massachusetts, as I understand, will then move that the Senate reconsider the vote by which the amendment of the Senator from Delaware [Mr. WILLIAMS] was agreed to.

I hope the motions to reconsider will be adopted by the Senate, for the reasons which have been stated by the Senator from Vermont, the Senator from Oklahoma, and the Senator from Louisiana, the distinguished chairman of the committee.

Mr. SALTONSTALL. Mr. President——

The PRESIDING OFFICER. The Chair recognizes the Senator from Massachusetts.

Mr. HOLLAND. Mr. President——

Mr. SALTONSTALL. Mr. President, I yield 3 minutes to the Senator from Florida.

Mr. HOLLAND. Mr. President, will the Senator yield 5 minutes to me?

Mr. SALTONSTALL. Very well, Mr. President; I yield 5 minutes to the Senator from Florida.

The PRESIDING OFFICER. The Senator from Florida is recognized for 5 minutes.

Mr. HOLLAND. Mr. President, I wish to call attention, first, to the fact that this point is not one which was overlooked by either the Senate committee or the conference committee. This matter was very carefully considered in the Senate committee, and was attached to the Senate committee's report (No. 1484) filed on the previous bill; and the subject matter was dealt with under the subject of proposed regulations.

I read the following:

> 2. Maximum and minimum participation (these should be administrative affairs, not specified in the law; also there should be discretion to take care of farmers who for reasons of sickness or disability may not wish to operate their farms).

It was so left that in the case of sickness or disability, farms could be retired entirely from production, regardless of the amount involved, so as to better serve the soil-bank principle.

In connection with the conference report, Senators will find similar statements on page 52. For instance, the proposed regulations, setting up the acreage reserve program for grains, would allow a maximum of "50 acres or 50 percent of allotment, whichever is larger," to be placed in the program and similar limitations are set out for every other kind of crop.

We have been through this matter in conference. We found that it was a subject matter on which we could not agree with the House conferees. If we place such provisions in this bill, we are likely to have the same experience. Up to this stage we have not placed in the bill anything which we think would require a conference. We found that the Department of Agriculture was not at all extravagant in its ideas on this subject. Its testimony supported the statements we have made as to the regulations which were intended, covering maximum and minimum figures, and similar matters.

I voted against the amendment, because I felt that the wise course was to make every effort to get a satisfactory bill, and to try to retire as much land as possible. I do not think we have an extravagant spendthrift occupying the office of Secretary of Agriculture. Under this report, if he were inclined to be such, he could not be and still comply with the suggestions of the Congress.

I hope the motion to reconsider will be agreed to, and that we can go back and undo the wrong, and get a bill which can become law shortly, without the necessity of being confronted by some conferees who, I think, have no desire to see a soil bank bill enacted into law.

Mr. SALTONSTALL. Mr. President, I yield 1 minute to the Senator from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. President, I intend to vote for the motion to reconsider, but only for one reason. I would be the last person to deny to any Member of the Senate an opportunity to reconsider his vote, if he desired to do so. I shall vote precisely as I did before, but I am perfectly willing to see the amendment reconsidered. Then the decision will be up to the conscience and judgment of every individual Member of the Senate. So I sincerely hope that the motion to reconsider will be agreed to. I trust we may have assurances that when the time comes there will be a yea-and-nay vote on the amendment. I would certainly not like to be foreclosed from that opportunity.

Mr. SALTONSTALL. Mr. President, I am ready to yield back the remaining time on my side.

Mr. CAPEHART. Mr. President, will the Senator yield to me 1 minute?

Mr. SALTONSTALL. I yield 1 minute to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I voted against the amendment purely because I sincerely and honestly believed, from the top of my head to the bottom of my feet, that such action was to the best interests of the small farmer. That is the only reason I did it. I care nothing about the large farmers, except that I wish to see a reduction in production in order to get the small farmer's prices back up where they belong. I voted as I did because I believed it to be in the best interests of the little fellow, and not the big fellow.

Mr. SALTONSTALL. Mr. President, I am ready to yield back the remainder of my time, if the minority leader wishes to do likewise.

Mr. KNOWLAND. Mr. President, I wish to say, in reply to the inquiry made by the Senator from Illinois, that, first of all, I hope the motion to reconsider will be agreed to. Personally, I shall vote to reconsider, and then vote in opposition to the amendment of the Senator from Delaware. Nevertheless, I give assurance, so far as I can, that I will support a demand for a yea-and-nay vote, in order that Senators may not be foreclosed from the opportunity to which the Senator from Illinois has referred.

The PRESIDING OFFICER. Does the Senator from California yield back the remainder of the time allotted to him?

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of the time allotted to me, and then I shall be prepared to suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield back the remainder of his time?

Mr. SALTONSTALL. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been used or yielded back.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	George	McCarthy
Allott	Goldwater	McClellan
Anderson	Hayden	McNamara
Barrett	Hennings	Millikin
Beall	Hickenlooper	Monroney
Bender	Hill	Mundt
Bennett	Holland	Neuberger
Bible	Hruska	Payne
Bridges	Humphrey	Potter
Butler	Jackson	Purtell
Capehart	Jenner	Robertson
Case, N. J.	Johnson, Tex.	Russell
Case, S. Dak.	Johnston, S. C.	Saltonstall
Clements	Kefauver	Schoeppel
Cotton	Kerr	Smith, Maine
Curtis	Knowland	Sparkman
Daniel	Kuchel	Stennis
Dirksen	Laird	Symington
Duff	Langer	Thye
Dworshak	Lehman	Watkins
Eastland	Long	Williams
Ellender	Magnuson	Wofford
Ervin	Mansfield	Young
Flanders	Martin, Iowa	
Frear	Martin, Pa.	

The PRESIDING OFFICER. A quorum is present.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. At the present moment my motion is a motion to reconsider the action of the Senate in ordering the amendments to be engrossed and the bill to be read the third time. Is that correct?

The PRESIDING OFFICER. The Senator from Massachusetts is correct.

Mr. WILLIAMS. Mr. President, we all know what the issue at stake is. If it is agreeable to the Senator from Massachusetts, I would have no objection to reconsidering the vote by which the amendments were ordered to be engrossed and the bill ordered to a third reading, in order that he may make his motion directly on the amendment, following which I shall make a motion to table that motion, and we can have a direct vote.

The PRESIDING OFFICER. The Chair is advised that that can be done only by unanimous consent.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. If that course of action is followed, will there then be an hour's debate on the motion to reconsider the vote by which the Williams amendment was agreed to?

The PRESIDING OFFICER. The Senator is correct.

Mr. WILLIAMS. Mr. President, we do not wish to take too much time. I am wondering if we could not include in the unanimous-consent request a provision that there be no further debate, that the Senate proceed immediately to vote, and that the yeas and nays be ordered.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SALTONSTALL. As I understand, if I now ask unanimous consent to reconsider the vote by which the amendments were ordered to be engrossed and the third reading of the bill was ordered, I can then make a motion to reconsider the action by which the Senate adopted the amendment of the Senator from Delaware, and ask that all time on that motion to reconsider be waived.

The PRESIDING OFFICER. The Senator is correct.

Mr. SALTONSTALL. I therefore ask unanimous consent that the vote by which the amendments were ordered to be engrossed and the third reading of the bill was ordered be now reconsidered.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUSSELL. Would it be possible to include all of that in one unanimous-consent request?

The PRESIDING OFFICER. It could be done in one unanimous-consent request.

Mr. RUSSELL. I would object to its being done piecemeal. If it is all done at one time, and included in one unanimous-consent request, I have no objection to it.

Mr. SALTONSTALL. Mr. President, I adopt the suggestion of the Senator from Georgia.

The PRESIDING OFFICER. Is there objection? Without objection, the request of the Senator from Massachusetts is modified as suggested by the Senator from Georgia and the modified unanimous-consent request is agreed to.

Mr. SALTONSTALL. If it is now in order to do so, I yield back all my time.

Mr. RUSSELL. I understood that that was included in the unanimous-consent agreement.

The PRESIDING OFFICER. That is a part of the unanimous-consent agreement. The question now is——

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. As I understand, the Senator from Massachusetts would still be permitted to make a motion to reconsider the vote whereby my amendment was agreed to.

Mr. RUSSELL. No; that has all been included in the unanimous-consent agreement which has been entered into.

The PRESIDING OFFICER. That has all been included in the unanimous-consent agreement.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Delaware will state it.

Mr. WILLIAMS. Would a motion to lay on the table be in order at this time?

The PRESIDING OFFICER. The Chair understands that the parliamentary position at this time is——

Mr. KNOWLAND. Mr. President, I ask for the yeas and nays on the combined unanimous-consent agreement which has been entered into.

The PRESIDING OFFICER. Such a request is in order. The request is sufficiently seconded, and the yeas and nays are ordered.

Mr. JENNER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JENNER. As I understand the parliamentary situation, since the Senate has adopted the combined unanimous consent request of the Senator from Georgia and the Senator from Massachusetts, we are now back where we were a moment ago, and we are now voting on the original question, namely, on the amendment offered by the Senator from Delaware, and that the yeas and nays on that question have been ordered.

The PRESIDING OFFICER. The parliamentary situation, as the Chair understands it, is that the question now is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. The yeas and nays on that question have been ordered, and the clerk will call the roll.

Mr. WILLIAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILLIAMS. I wish to be sure that I understand the parliamentary situation. As I understand, we are now voting on the motion of the Senator from Massachusetts [Mr. SALTONSTALL] to reconsider the previous action of the Senate in agreeing to my amendment. A "yea" vote will be against a limitation, as proposed in my amendment; and a "nay" vote will be for the action previously recorded by the Senate. Is that correct?

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. A vote "yea" is a vote in favor of reconsideration. A vote "nay" is a vote against reconsideration. The question is on agreeing to the motion to reconsider the vote by which the Senate adopted the Williams amendment. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). On this vote I have pair with the Senator from Mississippi [Mr. EASTLAND]. If he were present and voting he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

The rollcall was concluded.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "nay" and the Senator from North Carolina would vote "yea."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "nay" and the Senator from Florida would vote "yea."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "nay."

On this vote the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "nay" and the Senator from Wisconsin would vote "yea."

The result was announced—yeas 49, nays 22, as follows:

YEAS—49

Aiken	Case, N. J.	Ervin
Anderson	Case, S. Dak.	George
Beall	Clements	Hayden
Bender	Curtis	Hennings
Bennett	Daniel	Hickenlooper
Bible	Dirksen	Hill
Butler	Duff	Holland
Capehart	Ellender	Hruska
Humphrey	Long	Saltonstall
Jackson	Magnuson	Sparkman
Johnson, Tex.	Mansfield	Stennis
Johnston, S. C.	Martin, Iowa	Symington
Kefauver	McClellan	Thye
Kerr	McNamara	Watkins
Knowland	Millikin	Wofford
Laird	Monroney	
Lehman	Neuberger	

NAYS—22

Allott	Kuchel	Robertson
Barrett	Langer	Russell
Cotton	Martin, Pa.	Schoeppel
Dworshak	McCarthy	Smith, Maine
Flanders	Mundt	Williams
Frear	Payne	Young
Goldwater	Potter	
Jenner	Purtell	

NOT VOTING—24

Bricker	Fulbright	Neely
Bridges	Gore	O'Mahoney
Bush	Green	Pastore
Byrd	Ives	Scott
Carlson	Kennedy	Smathers
Chavez	Malone	Smith, N. J.
Douglas	Morse	Welker
Eastland	Murray	Wiley

So the motion to reconsider was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS]. All time is yielded back, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BRIDGES (when his name was called). I have a pair with the Senator from Mississippi [Mr. EASTLAND]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

The roll call was concluded.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senator from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote, the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "yea," and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada

[Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "yea," and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 28, nays 43, as follows:

YEAS—28

Allott	Jenner	Potter
Barrett	Kuchel	Purtell
Case, S. Dak.	Langer	Robertson
Cotton	Mansfield	Russell
Dirksen	Martin, Pa.	Schoeppel
Dworshak	McCarthy	Smith, Maine
Flanders	McNamara	Williams
Frear	Mundt	Young
Goldwater	Neuberger	
Humphrey	Payne	

NAYS—43

Aiken	George	Long
Anderson	Hayden	Magnuson
Beall	Hennings	Martin, Iowa
Bender	Hickenlooper	McClellan
Bennett	Hill	Millikin
Bible	Holland	Monroney
Butler	Hruska	Saltonstall
Capehart	Jackson	Sparkman
Case, N. J.	Johnson, Tex.	Stennis
Clements	Johnston, S. C.	Symington
Curtis	Kefauver	Thye
Daniel	Kerr	Watkins
Duff	Knowland	Wofford
Ellender	Laird	
Ervin	Lehman	

NOT VOTING—24

Bricker	Fulbright	Neely
Bridges	Gore	O'Mahoney
Bush	Green	Pastore
Byrd	Ives	Scott
Carlson	Kennedy	Smathers
Chavez	Malone	Smith, N. J.
Douglas	Morse	Welker
Eastland	Murray	Wiley

So Mr. WILLIAMS' amendment was rejected.

Mr. JENNER subsequently said: Mr. President——

Mr. KNOWLAND. Mr. President, I yield a half minute to the Senator from Indiana.

Mr. JENNER. Mr. President, following the vote just taken, I should like to have printed in the RECORD the yea-and-nay vote on the amendment when it was adopted originally, when H. R. 12 was under consideration, and also the first vote today on the Williams amendment, which has just been rejected.

The PRESIDING OFFICER. Is there objection?

There being no objection, the votes were ordered to be printed in the RECORD, as follows:

[From CONGRESSIONAL RECORD of March 12, 1956]

The VICE PRESIDENT. The question now recurs on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS], as amended.

On this question, the yeas and nays have been ordered; and the Secretary will call the roll.

The Chief Clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. KEFAUVER], the Senator from Virginia [Mr. ROBERTSON], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] and the Senator from Virginia [Mr. ROBERTSON] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Colorado [Mr. MILLIKIN] and the Senator from New Hampshire [Mr. COTTON] are necessarily absent.

The Senator from Indiana [Mr. CAPEHART] is detained on official business.

If present and voting, the Senator from New Hampshire [Mr. COTTON] would vote "yea."

The result was announced—yeas 78, nays 11, as follows:

Yeas—78: Aiken; Allott; Barkley; Barrett; Beall; Bender; Bennett; Bible; Bricker; Bridges; Bush; Butler; Byrd; Carlson; Case, New Jersey; Case, South Dakota; Chavez; Clements; Curtis; Daniel; Dirksen; Douglas; Duff; Dworshak; Ervin; Flanders; Frear; George; Goldwater; Gore; Green; Hennings; Hickenlooper; Hill; Hruska; Humphrey; Ives; Jackson; Jenner; Johnson, Texas; Johnston, South Carolina; Kennedy; Kuchel; Langer; Lehman; Magnuson; Malone; Mansfield; Martin, Iowa; Martin, Pennsylvania; McCarthy; McNamara; Monroney; Morse; Mundt; Murray; Neely; Neuberger; O'Mahoney; Pastore; Payne; Potter; Purtell; Saltonstall; Schoeppel; Scott; Smathers; Smith, Maine; Smith, New Yersey; Sparkman; Symington; Thurmond; Thye; Watkins; Welker; Wiley; Williams; Young.

Nays—11: Anderson; Eastland; Ellender; Fulbright; Hayden; Holland; Kerr; Knowland; Long; McClellan; Stennis.

Not voting—6: Capehart; Cotton; Kefauver; Millikin; Robertson; Russell.

So Mr. WILLIAMS' amendment, as amended, was agreed to.

[From the CONGRESSIONAL RECORD of May 18, 1956]

Mr. JOHNSON of Texas. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. CLEMENTS. I announce that the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Rhode Island [Mr. GREEN], the Senator from Masachusetts [Mr. KENNEDY], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from West Virgina [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Rhode Island [Mr. PASTORE], the Senate from North Carolina [Mr. SCOTT], and the Senator from Florida [Mr. SMATHERS] are absent on official business.

On this vote the Senator from Illinois [Mr. DOUGLAS] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from North Carolina would vote "nay."

The Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS.] If present and voting, the Senator from Oregon would vote "yea" and the Senator from Florida would vote "nay."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] and the Senator from Rhode Island [Mr. PASTORE] would each vote "nay."

Mr. SALTONSTALL. I announce that the senior Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] are absent on official business.

The Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], and the Senator from Idaho [Mr. WELKER] are necessarily absent.

The Senator from New Jersey [Mr. SMITH] and the Senator from Wisconsin [Mr. WILEY] are detained on official business.

If present and voting, the Senator from Connecticut [Mr. BUSH], the Senator from Kansas [Mr. CARLSON], and the Senator from Nevada [Mr. MALONE] would each vote "yea."

On this vote, the Senator from Idaho [Mr. WELKER] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Idaho would vote "yea" and the Senator from Wisconsin would vote "nay."

The result was announced—yeas 44, nays 29, as follows:

Yeas—44: Allott; Barrett; Beall; Bender; Bennett; Bridges; Butler; Case, New Jersey; Case, South Dakota; Cotton; Curtis; Dirksen; Duff; Dworshak; Flanders; Frear; Goldwater; Hayden; Hickenlooper; Hill; Hruska; Humphrey; Jenner; Kuchel; Langer; Mansfield; Martin, Iowa; Martin, Pennsylvania; McCarthy; McNamara; Mundt; Neuberger; Payne; Potter; Purtell; Robertson; Russell; Saltonstall; Schoeppel; Smith, Maine; Sparkman; Watkins; Williams; Young.

Nays—29: Aiken; Anderson; Bible; Capehart; Clements; Daniel; Eastland; Ellender; Ervin; George; Hennings; Holland; Jackson; Johnson, Texas; Johnston, South Carolina; Kefauver; Kerr; Knowland; Laird; Lehman; Long; Magnuson; McClellan; Millikin; Monroney; Stennis; Symington; Thye; Wofford.

Not voting—22: Bricker; Bush; Byrd; Carlson; Chavez; Douglas; Fulbright; Gore; Green; Ives; Kennedy; Malone, Morse; Murray; Neely; O'Mahoney; Pastore; Scott; Smathers; Smith, New Jersey; Welker; Wiley.

So the amendment of Mr. WILLIAMS was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the amendment of the Senator from Delaware was rejected.

Mr. ELLENDER. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. WILLIAMS and other Senators requested the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The time is under the control of the majority leader and the minority leader.

Mr. JOHNSON of Texas. Mr. President, I yield a few minutes to the Senator from Minnesota [Mr. HUMPHREY].

Mr. HUMPHREY. Mr. President, I ask unanimous consent to have printed in the RECORD, just prior to the vote on this bill, a statement that I have prepared, comparing the bill before us, H. R. 10875, to the bill S. 2949, known as the

administration bill, introduced earlier this year.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Herein is a list of the differences between S. 2949, which was prepared by the Department of Agriculture, and H. R. 10875 as reported by the Senate Committee on Agriculture. The differences are as follows:

1. The declaration of policy in H. R. 10875 takes wildlife conservation interests into account.

2. H. R. 10875 includes in the acreage reserve program, along with the commodities covered by S. 2949, the following: corn produced outside the commercial area, grain sorghums, barley, rye, oats, peanuts, flue-cured tobacco, burley tobacco, Maryland tobacco, dark air-cured tobacco, fire-cured tobacco, Virginia sun-cured tobacco, cigar binder tobacco types 51, 52, 54, and 55, and Ohio cigar filler tobacco types 42, 43, and 44.

3. H. R. 10875 permits reserve acreage to be grazed, if necessary, to relieve disaster.

4. H. R. 10875 provides specifically for inclusion in the acreage reserve program of lands on which the 1956 crop is plowed under, or the reduction in acreage otherwise made, within 21 days after enactment of the act.

5. Provisions for the control of noxious weeds have been specifically included in the acreage and conservation reserve programs by H. R. 10875.

6. H. R. 10875 prescribes acreage reserve contracts containing penalties for violation.

7. H. R. 10875 provides for a base acreage of 51 million acres for corn in lieu of an acreage allotment for 1956 and for 1957, 1958, and 1959 if producers vote for discretionary price support in lieu of acreage allotments and mandatory price support.

8. H. R. 10875 contains price-support provisions for corn and feed grains.

9. H. R. 10875 makes participation in the soil-bank program a requirement for price-support eligibility for corn and feed grains, and provides a base acreage similar to an acreage allotment for feed grains.

10. H. R. 10875 restricts acreage-reserve payments in kind to payments made with respect to grains, limits the amount of grain which may be used for payments in kind, restricts the time for making payments in grain with respect to the normal harvesting season, provides that payments shall be such as to encourage underplanting allotments for more than 1 year, and requires the Secretary to make adjustments in yields for abnormal conditions in establishing rates of compensation.

11. H. R. 10875 requires acreage-reserve compensation to be paid as soon as compliance with acreage-reduction requirements have been determined.

12. H. R. 10875 imposes an annual limitation of $750 million upon the overall acreage-reserve program and individual annual limits on acreage-reserve programs for each commodity.

13. Section 106 of S. 2949, which authorized the sale of certain quantities of Commodity Credit Corporation stocks at market prices without regard to the sales price limitations of section 407 of the Agricultural Act of 1949, is omitted from H. R. 10875.

14. H. R. 10875 provides for soil, water, wildlife and forest conserving uses on conservation reserve lands.

15. H. R. 10875 extends the conservation reserve program to lands devoted to such soil-conservation crops as tame hay which do not require annual tillage.

16. H. R. 10875 permits harvesting of timber and wildlife or other natural products from conservation reserve lands.

17. H. R. 10875 provides for inclusion in conservation reserve contracts of a prohibition against diversion of lands from conservation, woods, grazing or other use to any use specified by the Secretary as one which would tend to defeat the purpose of the contract.

18. The penalty provisions applicable to soil bank contracts have been substantially modified to provide special penalties for grazing or harvesting, to provide different forfeitures for more serious violations, and to provide administrative and court review of contract terminations for serious violations.

19. H. R. 10875 permits the Secretary to use advertising and bid procedure in determining lands to be covered by conservation reserve contracts.

20. H. R. 10875 provides for the establishment of a conservation reserve goal and for its distribution among States on the basis of the needs of the country and of the various States.

21. H. R. 10875 provides for annual reports to Congress on the conservation reserve program.

22. The limitation of $5,000 on annual conservation reserve payments to any person with respect to land in any State is omitted from H. R. 10875.

23. H. R. 10875 authorizes 15-year conservation reserve contracts for tree cover.

24. The annual conservation reserve program would be limited to $450 million by H. R. 10875.

25. H. R. 10875 authorizes the Secretary to produce, as well as purchase, conservation materials and services for the conservation reserve program.

26. H. R. 10875 requires compliance with acreage allotments as a condition of eligibility for soil bank participation.

27. H. R. 10875 prohibits the reapportionment of acreage allotments diverted from production as a result of soil bank participation.

28. Section 118 of H. R. 10875 provides for utilization of a number of Federal and State agencies.

29. Section 119 of H. R. 10875 provides for the utilization of land use capability data.

30. H. R. 10875 provides for the use of appropriated funds in carrying out the soil bank after June 30, 1957.

31. Provisions for the protection of tenants and sharecroppers have been consolidated and substantially modified in H. R. 10875.

32. H. R. 10875 prohibits the leasing of Government lands for the production of surplus price-supported crops.

33. H. R. 10875 provides for pooling of conservation-reserve land.

34. H. R. 10875 provides for the orderly liquidation of CCC stocks and submission to Congress of surplus disposal, food stamp, and food stockpiling programs.

35. H. R. 10875 brings cotton stapling 1 1/16 inches and longer within the quota applicable to cotton stapling 1 1/8 inches or longer, and requires CCC to sell its current stocks of extra long staple cotton.

36. H. R. 10875 provides for an export sales program for cotton.

37. H. R. 10875 authorizes agreements limiting exports by foreign countries to the United States.

38. H. R. 10875 authorizes $500 million to be appropriated annually to supplement section 32 funds.

39. H. R. 10875 provides for transfer to the supplemental stockpile of other materials acquired through barter, as well as strategic materials so acquired, and authorizes appropriations to reimburse the Commodity Credit Corporation for materials so transferred.

40. H. R. 10875 increases the amount authorized to be appropriated under title II of Public Law 480 to $500 million, and authorizes payment by CCC of ocean freight costs on donations under title II of Public Law 480 and section 416 of the Agricultural Act of 1949.

41. H. R. 10875 provides for a bipartisan commission to recommend legislation for the increased industrial use of agricultural products.

42. H. R. 10875 provides for food donations to certain penal institutions.

43. H. R. 10875 prohibits extension of certain benefits to crops grown on certain Federal irrigation or drainage projects.

44. H. R. 10875 authorizes the Commodity Credit Corporation to pay the cost of processing donated food commodities.

45. The provision of S. 2949 for extension and enlargement of the special school milk program is omitted from H. R. 10875, having been taken care of by other legislation.

46. The provision of S. 2949 changing the base grade of cotton for purposes of parity and price support is omitted from H. R. 10875.

47. The provision of S. 2949, reducing CCC's minimum general sales price for basic and storable nonbasic commodities to the current support price plus carrying charges, is omitted from H. R. 10875.

48. H. R. 10875 provides for extension to the 1956 and 1957 wheat crops of the surrender and reapportionment provisions applicable to the 1955 crop.

49. H. R. 10875 provides for minimum national and State acreage allotments for cotton for 1957 and 1958.

50. H. R. 10875 provides mandatory minimum cotton farm acreage allotments in all counties (including those on a historical basis) and provides 100,000 additional acres.

51. H. R. 10875 provides minimum State rice acreage allotments for 1956 and minimum national and State rice acreage allotments for 1957 and 1958.

52. H. R. 10875 increases peanut marketing penalties to 75 percent of the support price.

53. H. R. 10875 imposes interest at 6 percent on peanut marketing penalties, and imposes a lien upon the crop until the penalty is paid.

54. H. R. 10875 provides for the preservation of the acreage history of unused allotments where proper notice is given to the county committee.

55. S. 2949 contains special durum wheat provisions similar to those of Public Law 431 of this Congress.

56. S. 2949 would have reduced the size of the commercial wheat area.

57. S. 2949 would have repealed the peanut minimum national acreage allotment provision.

58. H. R. 10875 provides for assistance to States for tree planting and reforestation.

59. H. R. 10875 provides for forest products price reporting and research.

60. H. R. 10875 provides for a 2-price plan for rice.

61. H. R. 10875 provides for support at competitive support levels for cottonseed and soybeans whenever the price of either is supported.

62. H. R. 10875 freezes the transitional parity price of corn, wheat, and peanuts at 95 percent of old parity in 1957 and 1958, and provides for a study of the parity formula.

63. S. 2949 provides for a gasoline tax refund. This has been passed by other legislation.

The PRESIDING OFFICER. The time is under the control of the majority leader and the minority leader.

Mr. ELLENDER. Mr. President, will the Senator from Texas yield to me for half a minute?

Mr. JOHNSON of Texas. I yield.

Mr. ELLENDER. I ask unanimous consent that the bill be printed with the Senate amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Delaware.

Mr. WILLIAMS. Mr. President, in order that there may be no misunderstanding, I merely wish to repeat what I said previously about the amendment which was just rejected.

That amendment was recommended by the President to be included in the bill, and the Secretary of Agriculture testified before the committee and urged the limitations provided by the amendment. It has been recommended by the administration throughout; and the original bill which was introduced by the Senator from Vermont and practically every member of the Committee on Agriculture and Forestry except myself included the same provision as has just been rejected.

The PRESIDING OFFICER. Do the Senators in control of the time yield back the remainder of their time?

Mr. KNOWLAND. I am prepared to yield back the remainder of my time.

Mr. JOHNSON of Texas. I yield 1 minute to the Senator from Oregon.

Mr. NEUBERGER. Mr. President, I should like to ask several questions of the distinguished chairman of the Committee on Agriculture and Forestry, on a matter of some importance.

The first question is, Under the conservation reserve program, is it intended to put land into trees and vegetative cover which might otherwise be used for producing field crops which are in surplus supply?

Mr. ELLENDER. The answer is "Yes."

Mr. NEUBERGER. The second question is, Would the fact that good, sound productive soil was once in trees and is now available for crop use rule out such land as being cropland eligible for the conservation reserve program?

Mr. ELLENDER. The answer is "No."

Mr. NEUBERGER. The reason I have asked the questions is that there are some areas of Oregon and Washington which were planted in fine fruit trees, but, because of a disastrous freeze, they are about to be used for the production of field crops.

However, if the particular farmers can get some assistance under the conservation reserve program, they will return the land to nursery stock and vegetative cover for a number of years, and thereby avoid increasing the production of crops in surplus supply.

Does the language of the bill authorize the Department of Agriculture to include such acreage in a conservation reserve contract? Is that the opinion of the distinguished chairman of the Committee on Agriculture and Forestry?

Mr. ELLENDER. If the land is considered as cropland it could be put in the conservation reserve and put into vegetative cover or trees; but I doubt that it could be put into trees such as apple trees, or even nursery stock. In my opinion, that could not be done within the purposes of the act.

In other words, if the land that has been an apple orchard and crops have been regularly produced on it, the land could be put into the conservation reserve program, but it could not be put back into apples or back into a producing crop, as I understand the bill.

Mr. NEUBERGER. In other words, if it was used for nursery stock, it would not qualify under the conservation reserve.

Mr. ELLENDER. That is correct. I do not see how it could be used for the production of any agricultural commodity and still meet the purposes of the act.

Mr. JOHNSON of Texas. Mr. President, I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on the final passage of the bill.

Mr. WILLIAMS. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The bill (H. R. 10875) was passed.

GREAT LAKES BULK-CARGO VESSELS

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1896, Senate bill 3108.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3108) to encourage the construction of modern Great Lakes bulk-cargo vessels.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill.

CONFERRING JURISDICTION UPON UNITED STATES DISTRICT COURTS TO ADJUDICATE CERTAIN CLAIMS OF FEDERAL EMPLOYEES—CONFERENCE REPORT

Mr. CLEMENTS. Mr. President, on behalf of the Senator from West Virginia [Mr. NEELY], I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That, notwithstanding any lapse of time or statute of limitations, and notwithstanding section 1346 (d) (2) of title 28, United States Code, the United States district courts shall have jurisdiction of all civil actions or claims to recover fees, salary, or compensation for official services of employees of the United States which were filed prior to October 31, 1951, and were thereafter dismissed for want of jurisdiction as a result of the amendment made to such section by section 50 (b) of the act entitled 'An act to amend certain titles of the United States Code, and for other purposes', approved October 31, 1951.

"Such cases which were pending in the district courts or in the courts of appeals on October 31, 1951, and which may have been dismissed by reason of the withdrawal of jurisdiction during their pendency, shall be restored upon petition to the appropriate court within 1 year after the effective date of this act."

And the Senate agree to the same.

MATTHEW M. NEELY,
PRICE DANIEL,
ARTHUR V. WATKINS,
Managers on the Part of the Senate.

JAMES B. FRAZIER, JR.,
WILLIAM TUCK,
PATRICK J. HILLINGS,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. CLEMENTS. Mr. President, the language of H. R. 5862 as it passed the House of Representatives and the language of the amendment in the nature of a substitute which was adopted by the Senate are designed to accomplish precisely the same purpose. For that reason, there is no disagreement on the purpose that is to be achieved by the proposed legislation. The conferees have agreed that the language in the House version, so far as it adopted the form of temporary legislation rather than a permanent amendment to title 28 of the United States Code, should be adopted. However, the conferees felt that additional language which was contained in the Senate version should be supplied to the House version to make clear that cases affected by this measure may be restored, by appropriate petition, in the courts from which they were dismissed.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

EXECUTIVE REPORT OF A COMMITTEE

Mr. EASTLAND, by unanimous consent, as in executive session, submitted the following favorable report of a nomination from the Committee on the Judiciary:

James R. Duncan, of Virginia, to be a member of the Subversive Activities Control Board, vice Kathryn McHale, term expired.

NOMINATION OF SENATOR LONG TO A THIRD TERM IN THE SENATE

Mr. JOHNSON of Texas. Mr. President I wish to congratulate our beloved friend and colleague, the Honorable RUSSELL LONG, one of the youngest Senators ever to enter this Chamber, who today has been nominated—the time for filing

has closed without his having any opponent—to his third term in the United States Senate.

I believe the record will show that Senator LONG is the youngest person ever to have been nominated to a third term and elected to a third term—nomination in this instance being equivalent, I am confident, to election.

I know that all Senators share my very high regard and deep affection for Senator LONG.

Earlier today an order was entered upon the recommendation of the Democratic steering committee, electing Senator LONG to one of the great committees of the Senate, the Committee on Foreign Relations.

Senator LONG is the able son of worthy parents. Both his father and his mother served in this Chamber with distinction.

I know all my colleagues will want to join with me in congratulating Senator LONG upon this attainment of an honor which has come to few, if any, men in our history.

PEOPLE'S CAPITALISM

Mr. HUMPHREY. Mr. President, earlier this year under the auspices of the United States Information Agency, and based on a proposal of the National Advertising Council, an exhibit called People's Capitalism was on display at the Union Station. Certain aspects of this exhibit caused widespread concern, particularly among observers who have considered possible repercussions in Asia and Africa, areas sensitive to any representation of the United States as a boastful, materialistic power. There was a feeling among many observers that People's Capitalism, as first displayed, presented a picture of an America, proud only of its material achievements and largely devoid of deeper spiritual or philosophical foundations.

Typical of the reactions of many observers are the comments of Mr. S. Douglas Cornell, executive officer of the National Academy of Sciences in Washington. I ask unanimous consent that a 10-paragraph description written by him of the People's Capitalism exhibit be inserted at this point in my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PEOPLE'S CAPITALISM

The People's Capitalism exhibit fills me with dismay. Dismay because it shows with all the terrible persuasiveness of the skilled professional salesman the stark materialism of America that many foreigners, in my opinion, fear for its emptiness of spiritual values even more than they envy for its material achievements. Dismay, too, because if that aspect of America is the best message for the world that public-spirited business organizations of the country, and the USIA, can prepare, then we are indeed in an era of spiritual poverty and we may well despair of America's willingness to find the humility and make the sacrifice that alone can bring an answer to the divisions within and outside our country.

What is the exhibit designed to do? If it is to show what America has accomplished economically and industrially, then it does a splendid job. But I cannot see the relevance of that to other people's problems in the world today except insofar as it shows the magnificent physical equipment that we have to help others. It fails to say how, or even whether, we propose to use our wealth, our resources, our great good fortune, our energies, and our hearts to help solve the world's problems. That is what would carry a truly compelling message to other peoples.

If it is intended to show that the prosperity we have gained is what other nations should desire and could achieve if they emulated us, and that therein lies the answer for a groping, longing world, then it seems to me to be based on a fundamental fallacy. Other peoples will not be convinced. They know something of the extraordinary combination of natural resources, geography, transportation, communications, temperament, energies, and talents that built our industrial civilization. Why should an account of that kind speak persuasively to India, where there is no coal and millions lack the fuel to warm themselves or to cook their food? Or to China with teeming millions in an agrarian culture? Or to Japan, crowded into a narrow strip of habitable land and heavily dependent on foreign sources for raw materials and even food? Or to Burma, or Indonesia, or Afghanistan?

America cannot meet the deepest needs of people today by displaying the material results of our particular combination of fortunate circumstances, and saying, in effect, "You should be like us, and you can be if you will work as hard and be as lucky." Many other people work harder than we do, and they haven't been as lucky. And many of them see us enthroning material prosperity as our standard and economic success as our god, and the wise among them don't want that.

The exhibit is not an effective answer to Soviet propaganda. The Soviets already know what we have accomplished in industrial production; indeed, they keep saying publicly that they are striving to match our high performance. Everyone else knows it too. And the statistics of public participation in our capitalism, no matter how heartening to us, won't mean much to the peasant who cannot comprehend them or to the intellectual who has learned to mistrust all statistics, and especially "official" ones.

What people everywhere need most to know is the answer to the question, "What is in America's heart?" Not the heart of an advertising man alone, nor of a Government official, but in the hearts of the men and women who are America. There is fear that, as has been said recently by a Canadian philosopher, both America and Canada have pursued economic prosperity at the expense of everything else and have won exactly that—economic prosperity at the expense of everything else.

America has a slumbering heart—a heart that once responded to the spiritual challenge of a revolution fought to establish moral standards as the very basis of democracy and freedom. Our Founding Fathers understood these things with crystal clarity. In 1776 John Adams said, "There must be a positive passion for the public good, and public interest, honor, power, and glory, established in the minds of the people, or there can be no republican government, or any real liberty." And in his Notes on Virginia Thomas Jefferson wrote, "Can the liberties of a nation be thought secure when we have removed their only firm basis, a conviction in the minds of the people that these liberties are the gift of God?"

Where are those elements in the People's Capitalism exhibit? How does America propose to use her good fortune to meet the world's needs? What is in America's heart? If others already fear that we have subordinated the spiritual values that are the foundation of our democracy to an economic and material god and to standards that have nothing to do with moral conduct, then the People's Capitalism exhibit will go far to confirm those fears.

Where is the exhibit that will speak to people because it shows evidence that we are striving to raise in the modern world that "standard to which the wise and honest can repair" that was enjoined on the Constitutional Convention 169 years ago by George Washington?

I realize that these comments do not themselves offer constructive alternative material for an exhibit. The preparation of an exhibit for extensive overseas showing would require the greatest care and a searching effort to find the facets of American life, and the evidence of American convictions, that would carry a message of courage, strength, moral purpose, and faith in a future, to give to the peoples of the world. I should be glad to discuss these matters further.

Mr. HUMPHREY. Mr. President, when the distinguished senior Senator from New Jersey [Mr. SMITH] brought Mr. Cornell's analysis to my attention early in April, I wrote to the Senator agreeing with many of the criticisms which had been made of the People's Capitalism exhibit.

I ask unanimous consent that pertinent portions of my letter to the Senator of April 6, 1956, be inserted at this point in my remarks.

There being no objection, the portions of the letter were ordered to be printed in the RECORD, as follows:

The Honorable H. ALEXANDER SMITH,
United States Senate,
Washington, D. C.

DEAR ALEX: Thank you very much for your letter of April 2 and the enclosed copy of the letter you have written to Secretary Dulles about the exhibit, People's Capitalism. Alex, I agree with you completely and want to endorse everything you said in your letter to the Secretary. I think that Mr. Cornell's account is also precisely in point. Why is this point so hard for some people to grasp?

I am sure that you were as distressed as I was to read in President Eisenhower's speech to the National Advertising Council on the same day that you wrote your letter, April 2, that the People's Capitalism exhibit seemed imaginative to him. I was even more distressed to find him adding: "I don't know how many of you have seen it, but to me it is the kind of message that America ought to be carrying abroad. I would have liked to have seen some kind of adjective put between 'people's' and 'capitalism,' • • • something of the order of 'competitive' or something of that kind."

This statement by the President was all the more ironic because he went on later in his speech to stress the importance of our belief in "the dignity of man, the independence of nations, the right of people to determine for themselves their own faith"—rather than stressing the 150 gadgets in a new American kitchen.

I have lauded today the constructive elements of the President's speech. I am attaching a news release which says so in so many words. I wish I could similarly laud the President's endorsement of the People's Capitalism project and regret that I cannot.

Sincerely,

HUBERT H. HUMPHREY.

Mr. HUMPHREY. Mr. President, during recent weeks, I have been pleased to hear that the United States Information Agency was reconsidering some aspects of the People's Capitalism exhibit. This information was substantiated by an article appearing in the Washington Star on May 16, 1956, entitled "USIA Revising Exhibit on People's Capitalism." I ask

unanimous consent that this article appear at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

USIA REVISING EXHIBIT ON PEOPLE'S CAPITALISM

The United States exhibit designed to show people overseas how the American system of capitalism works for everyone in this country is undergoing changes in its individual displays.

The exhibit, named People's Capitalism, is the work of the United States Information Agency. It was based on an idea offered by the Advertising Council.

When it was given a trial showing in Washington last February, President Eisenhower and thousands of Washingtonians and representatives of foreign nations visited it. The USIA solicited suggestions from all visitors.

CHALLENGED BY EXPERTS

One of the comments voiced by several local museum experts was directed against the opening display in the exhibit, a copy of an old home labeled "This is the way Americans lived in 1776." The experts said that many of the house's furnishings dated from a later period than 1776, some of them from the mid-19th century.

One of the principal changes the USIA is making before sending the exhibit overseas this summer is to change the designation of the old house to read "This is how Americans lived in the time of Abraham Lincoln."

Another change will double the space given to the section on the cultural and spiritual development of the United States.

A third change is being made in the exhibit's final display, a prefabricated steel house designed to show how Americans have advanced through the benefits of capitalism. A USIA spokesman said the house is being revamped to make it less slick and give it a lived-in look.

GOING TO NEAR EAST

The Agency plans to ship the exhibit to India and the Near East sometime in the middle of the summer. A spokesman said the Agency hopes to line up appearances at a series of trade fairs in Asian countries.

He said USIA was not disturbed by the sometimes caustic criticism aroused by the exhibit here, especially concerning the old house.

"Our purpose in showing the exhibit in Washington was to provoke reaction, so we would know what to do with the show before we sent it overseas," he said. He said the problem of the date of the furnishings of the old house had been solved by simply updating the house to a later period.

Mr. HUMPHREY. Mr. President, at this point, Mr. President, none of us has any way of knowing whether these revisions will be major or minor, but I do hope that appropriate officials in the USIA will consider the considerable criticism which has been directed to the exhibit, and that they will redesign it so that it will give a meaningful representation of American life to the people overseas who are often more interested in democratic ideas than in refrigerators and bathtubs.

POLITICAL PROBLEMS GREATER THAN MILITARY PROBLEMS

Mr. HUMPHREY. Mr. President, Secretary of Defense Wilson and Adm. Arthur Radford, Chairman of the Joint Chiefs of Staff, testified earlier this week before the Senate Foreign Relations Committee. I ask unanimous consent that an article about the hearing by Doris Fleeson entitled "Radford Points to Worry Area," be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RADFORD POINTS TO WORRY AREA—ADMIRAL SAYS OUR POLITICAL PROBLEMS ARE GREATER THAN MILITARY ONES

Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff, has lent his great prestige to those who contend that the Russians are beating the United States on the political and diplomatic fronts of the cold war.

The admiral expressed satisfaction with the country's military posture. He said that since 1950 we had generated a very great military strength which had prevented the spread of the Korean war and an attack on the United States. But he added:

"It is in the political and diplomatic field that we have to worry. The new Russian approach, their ability to talk sweet and disarm criticism, poses new problems for us in critical areas. There our troubles are greater than in the military field."

Answering a question by Senator HUMPHREY, he said he knew of no promise of aid to any nation made by the Soviet Union that it did not keep. He said he hoped the Russians would run into trouble as they expanded their promises, but he agreed with Mr. HUMPHREY that it would be an unwise assumption to suggest that they couldn't deliver on their commitments.

More reporters than spectators were in the caucus room when Foreign Relations Committee Senators questioned the Nation's top military man and his civilian boss, Secretary of Defense Wilson. At issue is the administration's expanded foreign-aid bill of $4.9 billion.

It is now admitted that cuts in the program during the past 2 years were achieved by emptying the pipelines. Now they have to be filled again, hence the increase.

Senators recalled that the famous old hearing room was jammed to capacity and had a waiting line outside when Senator HUMPHREY heard witnesses recently on his bill to enforce humane slaughter upon the Nation's packinghouses. In past years foreign aid and military figures of Radford's eminence also have attracted crowds when they discussed the American position as compared to Russia.

Present apathy may in part be due to the fact that Americans now accept foreign aid as one of the disagreeable necessities of life in a cold war era.

It is also illustrative of the role the American Presidency plays in the creation and expression of the national will. So long as the President refuses to admit concern the public refuses to get excited. This is especially true of President Eisenhower in the military-foreign affairs realm where his experience has been so great.

A parade of witnesses has been appearing before congressional committees on the topic of countering the changed Russian policy, the successful Russian penetration of the Middle East and Africa, and Russian progress in nuclear weapons and general technology. That parade is growing very long.

Its message remains rather simple. The Russians are doing fine with their new line. We have still to devise a product to outsell theirs. Nor are all military leaders in accord with Admiral Radford that the Pentagon is more than holding its own.

Perhaps Secretary Wilson, whose natural candor occasionally bursts the confines of the teamwork imposed on all the Eisenhower administration, has given the answer to the lack of a creative new program. In so many words he told the Senators that the administration recognizes the new trend but hasn't been able to make up its mind where the trend is carrying us.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, on Monday there will be a call of the calendar.

Then it is proposed to consider the Great Lakes bulk cargo vessels bill, provided the Senators who are interested in the bill are present. That bill will be followed by the retirement bill. We have an agreement that speeches may be made on the retirement bill, but there will be no yea-and-nay votes on that bill on Monday. We hope the retirement bill can be acted on Tuesday, and that we can then take up the agricultural appropriation bill.

The agricultural appropriation bill will probably be followed by the housing bill, and that will probably be followed by the highway bill.

We ought to consider all those bills next week, although they may not be considered in the order I have stated.

We also expect the Senate to consider the State-Justice-Judiciary appropriation bill sometime next week.

I am informed that there will be reported to the Senate during the week, very probably, the District of Columbia, the general government, the independent offices, and the Commerce Department appropriation bills.

So I want the Senate to be on notice that we shall consider perhaps 4 or 5 appropriation bills during the coming week and perhaps the early part of the next week.

RECESS TO MONDAY

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. JOHNSON of Texas. Mr. President, if there are no further statements to be made by any Senator, I move that the Senate stand in recess until Monday next at 12 o'clock noon.

The motion was agreed to; and (at 8 o'clock and 1 minute p. m.) the Senate took a recess until Monday, May 21, 1956, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 18 (legislative day of May 7), 1956:

FEDERAL COMMUNICATIONS COMMISSION

T. A. M. Craven, of Virginia, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1956, vice Edward Mount Webster, term expiring.

UNITED STATES DISTRICT JUDGE

Frederick Van Pelt Bryan, of New York, to be United States district judge for the southern district of New York, vice William Bondy, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 18 (legislative day of May 7), 1956:

NATIONAL SECURITY TRAINING COMMISSION

Walter Bedell Smith, general, United States Army, retired, to be a member of the Na-

tional Security Training Commission for a term of 5 years; expiring June 19, 1961.

IN THE ARMY

APPOINTMENT AS CHIEF OF FINANCE, UNITED STATES ARMY, AS MAJOR GENERAL IN THE REGULAR ARMY OF THE UNITED STATES, AND AS MAJOR GENERAL (TEMPORARY), ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF SECTION 206 OF THE ARMY ORGANIZATION ACT OF 1950 AND SECTIONS 513 AND 515 (C) OF THE OFFICER PERSONNEL ACT OF 1947

Brig. Gen. Harry Wells Crandall, O16238, Army of the United States (colonel, U. S. Army).

The following-named officer under the provisions of section 504 of the Officer Personnel Act of 1947 to be assigned to a position of importance and responsibility designated by the President under subsection (b) of section 504, in rank as follows:

Lt. Gen. Cortlandt Van Rensselaer Schuyler, O14905, Army of the United States (major general, U. S. Army), in the rank of general.

The officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of the Reserve Officer Personnel Act of 1954, Public Law 773, 83d Congress.

To be major generals

Brig. Gen. Henry Kimmell Fluck, O415805.
Brig. Gen. Henry Kirksey Kellogg, O286132.
Brig. Gen. Ralph Julian Olson, O232882.
Brig. Gen. Joseph John Scannell, O350527.
Brig. Gen. Edmund Robert Walker, O291567.
Brig. Gen. Edward Otto Wolf, O298530.

To be brigadier generals

Col. Noah Dwight Allison, O278182.
Col. Cliff. Frederick Beyers, O267530.
Col. Francis Halsey Boland, Jr., O233853.
Col. James Charles Cairns, O285315.
Col. Leonard Nichols Dunkel, O178133.
Col. Gilbert William Embury, O233743.
Col. Leslie Lee Evans, O246332.
Col. John Simon Gleason, Jr., O398999.
Col. William Joseph Hixson, Jr., O302021.
Col. Graber Kidwell, O295004.
Col. John Martin McGreevy, O278060.
Col. Eugene Maier, O270647.
Col. Theodore Henry Marshall, O235213.
Col. Leon Lewis Mathews, O255628.
Col. Fernando C. Mencaccy, O278275.
Col. William Eugene Miller, O283629.
Col. George Poindexter Munson, Jr., O257114.
Col. Edward Anderson Pagels, O318906.
Col. William James Sutton, O263659.
Col. Harley Bruce West, O268317.

RETIRED LIST

Gen. Anthony Clement McAuliffe, O12263, Army of the United States (major general, U. S. Army), to be placed on the retired list in the grade of general under the provisions of subsection 504 (d) of the Officer Personnel Act of 1947.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Brig. Gen. Conrad Stantion Babcock, O16104.
Brig. Gen. William Everett Potter, O17098.
Brig. Gen. Carl Henry Jark, O17556.
Brig. Gen. John Elliot Theimer, O17566.
Brig. Gen. Henry Ray McKenzie, O17623.
Brig. Gen. Barksdale Hamlet, O18143.
Brig. Gen. James Lowell Richardson, Jr., O18232.
Brig. Gen. August Schomburg, O18422.
Brig. Gen. Edwin John Messinger, O18503.

To be brigadier generals

Col. Jacquard Hirshorn Rothschild, O18077, United States Army.
Col. John Anderson Berry, Jr., O18473, United States Army.
Col. Gunnar Carl Carlson, O18515, United States Army.
Col. John Chandler Steele, O18668, United States Army.
Col. Robert Augur Hewitt O18713, United States Army.
Col. Ray Joseph Laux, O42102, United States Army.
Col. Joseph Edward Bastion, Jr., O19162, United States Army.
Col. Chester Braddock DeGavre, O19262, United States Army.
Col. William Beehler Bunker, O19402, Army of the United States (lieutenant colonel, U. S. Army).
Col. John Lathrop Throckmorton, O19732, Army of the United States (lieutenant colonel, U. S. Army).

The nominations of Julian Leo Abell and 356 other cadets, United States Military Academy, for appointment in the Regular Army of the United States, effective June 1, 1956, upon their graduation, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification, which were received by the Senate on May 7, 1956, and which may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Julian Leo Abell, which is shown on page 7581, and ending with the name of Martin B. Zimmerman, which occurs on page 7583.

IN THE AIR FORCE

The nominations of Francis Marshall and 422 other persons for appointment in the Regular Air Force, which were confirmed today, were received by the Senate on May 9, 1956, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Francis Marshall, which is shown on page 7797, and ending with the name of Marie L. Killwey, which occurs on page 7798.

IN THE NAVY

To be admiral

Vice Adm. Robert P. Briscoe, United States Navy, to have the grade, rank, pay, and allowances of admiral while serving in commands and other duties designated by the President.

To be vice admirals

The following officers to have the grade, rank, pay, and allowances of vice admiral while serving in commands and other duties designated by the President:

Vice Adm. William M. Callaghan, United States Navy.

Rear Adm. Carl F. Espe, United States Navy.

RETIRED LIST

Adm. William M. Fechteler, United States Navy, when retired, to be place on the retired list with the rank of admiral.

The nominations of Asher P. Seip, Jr., and 1,051 other persons for appointment in the Navy, which were confirmed today, were received by the Senate on May 7, 1956, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that day, under the caption "Nominations," beginning with the name of Asher P. Seip, Jr., which appears on page 7583, and ending with the name of John B. Wyatt, which occurs on page 7586.

EXTENSIONS OF REMARKS

Observance of Armed Forces Week and National Broadcasting Co.'s Wide, Wide World Program

EXTENSION OF REMARKS
OF
HON. ALAN BIBLE
OF NEVADA
IN THE SENATE OF THE UNITED STATES
Friday, May 18, 1956

Mr. BIBLE. Mr. President, the week from May 14 to 20 marks this country's observance of Armed Forces Week. I want to call the attention of the Senate to an outstanding tribute paid to our soldiers, sailors, marines, and airmen on Sunday, May 13, by the National Broadcasting Co.'s Wide, Wide World television program.

Conceived on the theme of power for peace, this program inaugurated Armed Forces Week, and enabled some 35 million viewers from coast to coast to observe nationwide demonstrations by the Army, Navy, Marine Corps, Air Force, and Coast Guard.

Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD some further observations of mine about this program and Armed Forces Week which I believe are timely.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BIBLE

Using some 83 television cameras, the largest number ever assembled for one program, Wide, Wide World established the dedicated theme of Armed Forces Week when Dave Garroway, the narrator, said:

"There's nothing free about freedom. We don't inherit it as we would a building and just move in and live. It has to be bought and cherished and maintained. Each of us can add to the strength of the Nation—morally, economically, politically, and militarily. And out of this strength will come power—out of this power will come peace."

In presenting the various services, Wide, Wide World first introduced the Chiefs of Staff and Commandants of all our Armed Forces at the Pentagon. They, in turn, explained to the viewers the role played by each service in the defense of this country and as a deterrent to war, later presenting their commanders in the field in live demonstrations of "power for peace."

Through the eyes of television on last Sunday afternoon, the viewers of this Nation were able to see an Army demonstration from Fort Benning, Ga., an infantry-tank-artillery demonstration team in action, showing modern techniques and weapons used by today's Army and also, an airborne assault where the viewer was present with live cameras in the plane as the paratroopers prepared to jump and actually took part in the jump as one of the men carried a portable signal corps television camera with him in a graphic exhibition of combat television.

The Navy's participation included a special run by the U. S. S. *Albacore* off Long Island with live cameras above and below decks, a visit to the aircraft carrier *Essex* off San Diego as a parade of Navy jets were

brought up from below decks and launched into the air.

At Quantico, Va., the Marine Corps portrayed its newest assault methods of vertical envelopment, as helicopter assault units flew over simulated beach defense areas and seized vital points of land with concentrated firepower.

The Wide Wide World cameras again went into action at San Diego, this time showing the Coast Guard's watch on sea and shore to protect the lives and the property of our countrymen. Here the viewers participated in an air-sea rescue mission.

The pentagon of power needed to keep our country strong and free was completed from Eglin Field, Fla., where the Air Force paraded before this great television audience the plane designed to give this country the superior global airpower on which the security of the free world depends. The Air Force also showed how planes are tested under Arctic conditions.

To complete this American story of "power for peace," the live television cameras allowed the millions of viewers to pay their first visit to the Combat Operations Center of the Continental Defense Command in Colorado Springs. This dedicated defense mission portrayal was climaxed with a training mission in which an unidentified plane was intercepted at sea and downed by rocket power.

This week marks the seventh year that we have celebrated Armed Forces Day and appropriately enough through the live television cameras of NBC's Wide Wide World, millions of Americans were able to participate in this salute to the men and women of our Armed Forces. These men and women and their comrades in arms stationed all over the world are America's visible strength.

Together they make up the ultimate all-American team in maintaining power for peace.

Rumanian Independence Day

EXTENSION OF REMARKS

OF

HON. ROMAN L. HRUSKA

OF NEBRASKA

IN THE SENATE OF THE UNITED STATES

Friday, May 18, 1956

Mr. HRUSKA. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement which I have prepared relative to Rumanian Independence Day.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HRUSKA

May 10 was, in brighter years, the most hallowed national holiday to Rumanians. May 10 is Rumanian Independence Day, the anniversary of Rumania's uniting her provinces into one nation and declaring her independence.

May 10 is no holiday on the Communist calendar. There were no celebrations, no ceremonies, no reminders of this revered holiday. But no communistic rule will ever stamp out the heritage and meaning of this independence day.

Rumanian Independence Day is being perpetuated in the hearts of freedom-loving Rumanians now living under the Communist yoke. It is to them another inspiration to sustain them to the day of liberation. A people who has known freedom cannot forever be kept in bondage with chains no matter how strong, or with a police state no matter how ruthless.

Americans of Rumanian descent continue to keep alive the spark of freedom behind the Iron Curtain. May 10 was marked in the United States by traditional ceremonies and celebrations as were held in Rumania before the Communist aggressor subjected this gallant nation. It was an inspiration to hear an outstanding Rumanian-American, the Reverend Father Eugene Lazar, pastor of the Rumanian Orthodox Church, Gary, Ind., deliver the opening prayer as the United States Senate convened on May 10. Its text is as follows:

"O Heavenly King, spirit of truth, who art present everywhere, treasure of blessings, and bountiful giver of life: Come Thou and abide among us, as we pray that unto our God-fearing President, and the Members of this House, and all civil authorities, and our Armed Forces, Thou wilt grant a peaceful life, health, salvation, and conquest over the enemies of these United States of America.

"O Almighty God, our help and refuge, fountain of wisdom and tower of strength, who knoweth that we can do nothing without Thy guidance, direct us to divine wisdom and power, that we may accomplish whatever task we may undertake, faithfully and diligently, as we beseech Thee, O Master, to remember those who live in oppression and fear, in countries behind the Iron Curtain, as they seek the same freedoms Thou hast bestowed upon us so generously, who are judged and condemned to prison and exile and bitter slavery, and who have need of Thy mercy.

"As Thou desirest, O Lord, that all people be free, we ask that Thou especially remember the God-fearing people of the Kingdom of Rumania, on this memorable day, and as in the past they found and enjoyed the gift of freedom, assist them to find the same road to recovery, to liberation, and to freedom from injustice and the yoke of tyranny, and that Thy blessings be upon them as upon us in this hour.

"This we ask in the name of the Risen Christ our Lord and Saviour. Amen."

Rice Production

EXTENSION OF REMARKS

OF

HON. ALLEN J. ELLENDER

OF LOUISIANA

IN THE SENATE OF THE UNITED STATES

Friday, May 18, 1956

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by me at New Orleans, La., on May 12, 1956, at the 57th annual meeting of the Rice Millers' Association.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS DELIVERED BY SENATOR ALLEN J. ELLENDER OF LOUISIANA, AT NEW ORLEANS, LA., ON MAY 12, 1956, AT THE 57TH ANNUAL MEETING OF THE RICE MILLERS' ASSOCIATION

It is indeed a privilege and a pleasure to be present here with you today. It is a privilege, because I can always be sure when I am with this group that I will come away from your meeting having learned a great deal; it is a pleasure to be with you because I count so many of you among my personal friends. Those of you whom I do not know personally, I hope to meet and chat with informally some time in the near future. I invite all of you to visit me should you come to Washington.

May I say that I am very much pleased to be away from Washington, if only for a few short hours, to discuss with you a subject in which we all have a great and abiding interest—rice.

I am not going to glorify rice today; the good Lord and you folks who grow, mill, and market rice have already done that. On the other hand, I am not going to gloss over the problems our rice industry faces this year, and probably in the year to come. Instead, I want to talk to you straight from the shoulder.

Just a little more than 5 months ago I had the opportunity of visiting throughout the Louisiana Rice Belt. As a matter of fact, during last fall I visited almost every agricultural belt in our country, talking with farmers, and getting their views in an effort to help draft a farm program which would halt the drastic decline in farm income. Net farm income in 1951 was $14.8 billion and as of the last quarter of 1955, it had fallen to $10.3 billion or a net decline of $4.5 billion over the last 4 years. Falling farm income has become an infectious disease, one which is gnawing away at the economic health of our entire Nation. Farm income has fallen even as corporate and labor income have continued to reach record highs—this in spite of the fact that agriculture is basic—that it is the single most important segment of our entire economy.

To a very large extent, the hearings I held, as chairman of the Senate Committee on Agriculture and Forestry—hearings which drew farm opinion from every major agricultural region of this fertile country—were the basis of the President's farm message of January 9. They provided the raw material from which Congress drafted, approved, and sent to the White House a farm bill which the President promptly vetoed.

As you are well aware, among the provisions of this bill was a two-price plan for rice, a program which you, the rice millers, and other segments of the rice industry suggested and helped us draft. It was aimed at three specific objectives: First, to make available to the American consumer an abundant supply of rice at reasonable prices; second, to increase the income of rice farmers and protect them against further drastic cutbacks in acreage; and, third, to restore the American rice industry to its traditional competitive position in world markets.

The two-price plan for rice was your industry's idea; it had its genesis at the grassroots of the American rice-producing States. It was, I believe, a sound, forward-looking approach—a new look in agriculture. It has been vetoed, but the fight is not yet over.

As a matter of fact, the fight has only begun. Just the day before yesterday, the Senate Agriculture Committee reported a new farm bill, one which contains a soil bank. But, even more important, it contains provisions which are designed to return economic vigor to the American rice industry.

One of the new rice provisions empowers the Secretary of Agriculture to institute a 2-year trial of a 2-price plan for rice before 1959. The Secretary could declare that the 2-price program would go into effect in 1957, to run through 1958; he could, in the alternative, choose 1958 as the initial year, and operate the 2-price plan over the years 1958 and 1959.

In the meantime, rice acreage for 1957 and 1958 would be frozen at present levels; this freeze would affect not only the national rice acreage allotment, but the State allotments as well. No State would have to suffer an acreage reduction over the next 2 years.

There is also one other little gadget in the new bill, one which was in the measure President Eisenhower vetoed, and one which I think is a must. That provision specifies that no rice-producing State's 1956 acreage allotment would be less than 85 percent of its 1955 allotment.

Of course, there are still three big hurdles for us to jump. First, the Senate must pass our committee's bill; second, we must preserve in conference our amendments, particularly those affecting rice, such as the minimum rice acreage and optional two-price plan provisions. Third, the President of the United States must sign the bill.

Perhaps I am an optimist, but I think that if the President will just sit down and read the bill himself—if he will just give it a little more independent thought than he gave the first farm bill, he will sign the measure into law.

Several weeks ago I took time off from my regular work on the Senate Appropriations and Agriculture Committees to talk a little commonsense to the Secretary of Agriculture and to President Eisenhower.

I told them this:

I said it was unfair, unwise, and plain bullheaded for them to come to Congress with a straight soil-bank bill and expect us to approve it as submitted, with nothing else in the way of relief for the rank and file farmer. I told them I thought it was unconscionable for them to expect the Congress to become a rubberstamp. As chairman of the Senate Committee on Agriculture and Forestry, I am more than willing to meet the administration halfway in an effort to bolster farm income now, immediately, this year. But I am going to insist upon one overriding objective. I want to see all American farmers treated as equally as we can. I want to see that no area, no commodity, no one group of farmers, gets the cream while the rest get whatever happens to be left over.

Therefore, I want to assure you that before I cast my vote on final passage of a soil-bank bill, I am going to do my utmost to see that it contains the two-price plan and minimum rice-acreage provisions voted by the Senate Agriculture Committee. I want to see all commodities given a square deal.

I announced this position several weeks ago. Subsequently, some of my Republican colleagues came to me and said: "Senator, what are you trying to do? We do not know what you mean about treating commodities equally. Did the President not treat them equally, even after he vetoed the bill?"

My answer to that was "No—emphatically no."

Let me tell you why I think President Eisenhower's veto of the farm bill was a political veto, that it was directed not at the merits or demerits of the bill, as it purported to be, but, rather, was aimed first and foremost at capturing votes in the November elections.

I have never undertaken to speak harshly of President Eisenhower before. On the other hand, I think that you, as vital members of the American rice industry and the American agricultural economy—I believe that each of our citizens, everywhere—should be familiar with the President's veto message, what it meant, and what it accomplished. I think it should be understood that the veto message was a sham, a collection of platitudes, generalities, inconsistencies, and misstatements of fact. The message demonstrates that the President of the United States neither studied nor understood the bill he vetoed.

Let me briefly review some of the reasons the President gave for vetoing the farm bill. Let us see how these so-called reasons measure up with the facts, and with actions subsequently announced by the President.

First, President Eisenhower said that the farm bill's 1-year, 1-shot, emergency 90 percent of parity price supports for the basics would have increased agricultural production.

The bill would not have increased production; you know it, I know it, and President Eisenhower should know it. The Senate bill reinstated 90 percent of parity price supports for 1 year, 1956. Acreage allotments for 1956 had been promulgated, distributed, and placed in effect as of the time the bill was passed. Many of these allotted acres had been planted at that time. Our bill provided for no increase in acreage; it provided only that on basic crops produced from allotted acres, farmers would receive price support of 90 percent of parity, for 1 year only. There was no possible way for the farm bill, the bill vetoed by the President, to have increased production of the basic commodities.

Of course, Secretary Benson has theorized that if price supports are increased, if commodity prices are raised, then farmers will pour the fertilizer to their land. He has said 90 percent of parity price supports will inspire farmers to coax maximum production from each acre they are permitted to plant. This may sound good to an arm-chair, ivory-tower farm expert, but let us look at it from the point of view of the dirt farmer.

Put yourself in a typical farmer's shoes. Imagine that your acreage allotment for rice is 100 acres. You know that you are going to have to wring from that 100 acres enough income to pay your fixed operating costs, to buy your food, to clothe your children, to meet your mortgage payments. If you must produce 2,300 hundredweights of 90 percent of parity rice to break even, then if price supports are reduced 15 percent, you will coax 15 percent more production from your 100 allotted acres. You will do your best to produce 2,645 hundredweights of 75 percent of parity rice. This is more than just human nature, it is practical business sense. When Ford or General Motors or Chrysler find themselves with a surplus of automobiles, they don't cut prices; no indeed, they cut back on production. Ladies and gentlemen, the whole Benson philosophy is fallacious; it has dragged American agriculture to the brink of ruin. If General Motors has found that price cutting is no solution to overproduction, then the American farmer is certainly in the same boat. Here is one time when I agree that what is good enough for General Motors should be good enough for the farmer.

Not only has the American farmer found that price cutting—income cutting—is no way to increase farm profits, but the President of the United States seems to be convinced, as well, for he has thrown the Benson sliding scale right out the White House window.

You will recall that in vetoing the farm bill, President Eisenhower said that the conference farm bill was a step backward from, and I quote, "the sound and forward-looking legislation in the Agricultural Act of 1954." I do not concede that the 1954 Agricultural Act is either sound or forward looking; however, if President Eisenhower thinks it is, he should establish price-support levels which are consistent with his convictions. Having declared that the only way to solve our farm ills is to move ahead under the sliding scale—since he has stated that the new farm bill had to be vetoed because it contained rigid price supports—it is inconceivable that, in almost the same breath, President Eisenhower would abandon the flexible price-support program.

But that is precisely what he did. President Eisenhower vetoed the farm bill because it reinstated rigid price supports for 1 year, yet, in that same message he announced that the Secretary of Agriculture would place in effect his own system of rigid price supports for 1956.

How, you may ask, did he manage to do this since the 1954 flexible price-support law specifies that as surpluses increase, support levels must fall?

In almost every law, particularly one as complicated and complex as the agricultural support program, there is at least one loophole. The President and Secretary Benson found this loophole and lost no time scooting through it, like mice after cheese—or like politicians after votes. That loophole in the Farm Act now on the books provides, in effect, that whenever any commodity important to the national welfare is not bringing the price it should under the sliding scale, then the Secretary can fix a new support price. Of course, this is what the Secretary of Agriculture and President Eisenhower did. I wonder, however, how Mr. Benson must have felt when his boss told him to do so; I wonder, because only 2 years ago the Secretary was making speeches to the effect that the six basics were receiving preferential price-support treatment. He even had his Department print up a little booklet stating that only about 25 percent of our total farm income is derived from the basic commodities. Suddenly, however, Mr. Benson has seen the light; he has discovered that this 25 percent has such a far-reaching effect upon the national economy that he must invoke authority contained in one of the sliding-scale loopholes in order to raise support levels. It evidently took a Presidential order to force Mr. Benson to recognize something you and I have known for a long, long time—that the six basic commodities are, indeed, basic to our farm economy.

Acting under this emergency authority, the President had Secretary Benson institute his own program of rigid price supports. In lieu of 1-year, rigid legislative price supports, the President decreed 1-year, rigid, lop-sided administrative price supports. He supported cotton at rigid 82½ percent of parity; wheat at rigid 84 percent of parity, peanuts at rigid 86 percent of parity, tobacco at rigid 90 percent of parity, and rice at rigid 82.7 percent of parity.

Here is the interesting part, however. Corn, the sixth basic, gets a little different treatment. Corn eats high on the hog. Corn gets not just a single rigid price support, not just a two-price program, but corn gets a rigid, three-price program for 1956.

Under the support schedule announced by the President in his veto message, corn in the noncommercial corn area will be supported at about 64.6 percent of parity.

Corn in the commercial corn area will be supported at two levels. First, for those corn farmers who comply with their acreage allotments, support will be available at 86.2 percent of parity. However, for producers who choose to not comply, and who decide to overplant their allotments, price support will still be available at 72 percent of parity.

Compare this with rice, where producers must content themselves with support at 82.7 percent, provided they comply with acreage allotments. If they do not comply, then they are penalized. Rice farmers who overplant their allotments do not receive price support on production derived from lands over and above their allotted acres. In addition, they are penalized 50 percent of the parity price for each hundredweight so produced. Corn farmers in the commercial belt, however, get price support at 86.2 percent of parity if they remain within their allotted acres. They can also get support at 72 percent of parity on all the corn they desire to produce, from all the land they desire to plant. They are eligible for this support level with no controls, no quotas, no allotments, no marketing penalties, no nothing.

For the first time in the history of our farm program, noncompliance corn in the commercial area is to be eligible for price support. Why? Is acreage planted to corn going to hit an all-time low? It is not. Quite the contrary is true.

In testimony before the Senate Agriculture Committee, during an executive session on the farm bill, Department of Agriculture experts predicted that corn farmers in the commercial corn belt would probably plant 56 million acres this year. This compares with a national acreage allotment of 43 million acres. Boiled down, this means corn

farmers are expected to overplant their acreage allotments by at least one-third.

Let us consider another inconsistency in the veto message. President Eisenhower said he veoted the farm bill because it would have supported feed grains at 85 percent of parity. Yet, as a result of his veto, feed grains are now supported at 70 percent of parity. This 15 percent drop in feed grain supports will not reduce production. The conference bill, on the other hand, would have cut production. Under our bill, if a feed grain producer desired the 85 percent of parity price support, he would have been required to reduce his base acreage by 15 percent and, in addition, put the equivalent of 15 percent of his base acreage into the soil bank. Now, however, feed grain supports are set at 70 percent of parity on unlimited production. The sky is the limit on this year's production of corn and feed grains, with price support available nevertheless.

I am convinced that the present corn and feed grain support programs will increase the production of both; feed grain and corn prices will be kept low.

Who will this program benefit?

The Government? Of course not; we will end up this year with corn and feed grains coming out of our ears.

The feed grain producers? I do not believe so, because they are going to have to work off their surplus sometime in some way.

The feeders? Of course, they will benefit. They will be able to buy feed at cheap prices.

Do the commercial area corn producers benefit? Certainly. They can flip coins with the Government and be assured they will always win—86.2 percent of parity on allotted acres, or 72 percent on all-out production.

The President's farm program, as announced in his veto message, creates an agricultural "elite"; corn stands out alone; it receives treatment head and shoulders above that given the other producers. The feeders, too, get a bonanza. They are assured of cheap feed, the market is assured of an eventual oversupply of meat, and the Government is assured of having to undertake another costly meat purchase program.

I have never been one to engage in political prognosticating, but I have a hunch that the President's farm program—a program which is designed to benefit principally the corn producers and the cattle feeders—was hatched in the fertile minds of the Washington lobbyists for one national farm organization—the only major farm organization which sought a veto of the farm bill—the only farm organization for which the welcome mat is always out at the White House and Mr. Benson's office.

This national organization, it should be noted, draws almost one-half of its total membership from 12 farm States—all of which are corn States, and all of which are cattle feeding States. The President's farm program is a support program by corn, for corn and of corn. Everybody else gets a "sop."

Despite this sorry picture, the President of the United States has piously announced that he does not believe in playing politics with the welfare of our farmers. Well, let us look a bit deeper into the President's veto message and see who is playing politics with what.

The President stated in his veto message that the two-price plans for wheat and rice would bring hardship upon our consumers and would injure our foreign relations.

Would the rice program have injured the consumer? It most emphatically would not. You, as millers, would have bought rough rice at the market price. Before you milled the rice, you would have purchased from the Government a marketing certificate equal to the difference between what you paid on the market and 90 percent of parity. No miller would have had more than 90 percent of parity invested in the rice he milled.

Of course, the President might say that 90 percent of parity raises consumer prices. But, if he does, what happens to his often-expressed objective of farmers obtaining 100 percent of parity in the market place? How does he square his veto message with the objective of the soil bank, which is, as I understand it, to create artificial shortages, raise prices, and increase farm income to as near parity as possible? Parity is parity, whether it be achieved by way of price supports, in the market place, or through the soil bank. It is unbelievable that the President vetoed the two-price plan for rice because it might have cost consumers 10 percent less than his avowed objective of 100 percent of market place parity. This does not make good sense, but then, neither does the President's veto message.

Would a two-price plan hurt our foreign relations? Well, it might hurt some feelings in a few Far Eastern countries, but it would also bring us some friends, particularly in Japan, the Philippines and Indonesia, to name only three. It would certainly improve the competitive position of American rice.

Since 1953, the Department of Agriculture and the administration have been preaching that farm commodity prices must fall before American agriculture can once again compete in world markets. Yet, when we attempt to make our farm exports competitive without further bankrupting our farmers, we find the administration saying "No."

I think it is high time we began to put our own welfare first, to ignore the extremely sensitive feelings of our foreign competitors—feelings which become sensitive only when we cut off our gifts or seek to compete on equal terms in world markets. It is time for rice, cotton, wheat, and other farm commodities for which there is export demand to compete on equal terms with foreign products. We must permit American rice to be sold where we can find buyers.

You know and I know that the State Department does not like this idea. Not long ago I discussed the problem of foreign rice sales with a gentleman in the Department of State. He was most emphatically opposed to our selling rice to Japan, to the Philippines, and other deficit areas on the basis of the best price getting the business. He said that the Department preferred placing the rice we shipped abroad, so that we would not injure the feelings of a few neutralist countries. The administration, of course, prefers to sell rice under Public Law 480 so they can use local currency proceeds for economic aid. This is one means of bypassing Congress.

If the alternative to having a few injured international feelings is the creation of a huge, centralized, Government selling agency—if we must buy foreign friendships by slashing our domestic agriculture to the bone and bleeding our farmers white—if the basic theory of competitive selling is to be abandoned in favor of an all-powerful program of foreign sales, handled by Federal bureaucrats—then I think a two-price plan for rice is necessary for another reason. We need it to bring commonsense and free enterprise back into our Government operations.

Recently, national news magazines quote Prime Minister Nehru of India as stating that he liked to deal with the Russians because they had something to sell, not to give away. He said the Russians "drove a hard bargain."

Let us, then, begin to do the same. Why should we not obtain some of this same friendship and respect by selling rice instead of giving it away. If the neutralist nations like to deal on a business basis, let us deal with them as businessmen. Let us turn off the spigot which has poured billions of dollars of American tax money into their treasuries. Let us abandon the philosophy which has funneled our rice production into warehouses because selling it abroad might make somebody mad.

I have had my fill of this administration preaching the virtues of increased competition, only to find that when the Congress takes steps to make farm products competitive, the administration has its veto stamp ready for immediate use.

I have taken up much of your time, but before I conclude, I want to mention the soil bank. The soil bank, you will recall, is something the President said he desired very much. Of course, he vetoed a bill that had the Eisenhower soil bank in it, but he still wants a soil bank this year.

The President has said that quick action on a soil bank will permit him to increase farm income by a half-billion dollars this year, by paying farmers in 1956 for soil bank participation in 1957. This, ladies and gentlemen, is poppycock. Soil bank advance payments will not increase farm income—they will only increase farm debt. The entire purpose of the soil bank is to pay a farmer who does not plant his land about the same net amount he would have earned had he put that land into production instead of the soil bank. The soil bank theory is not complicated. Under it, production will be cut; artificial shortages will eventually be created; prices will rise; surpluses will be reduced, and farm income will increase. Let no one be fooled, however; farmers could, generally speaking, obtain just as much income from planting their land as putting it in the soil bank. Therefore, when the President of the United States speaks of increasing farm income by soil bank payments, he is talking through his hat.

Paying farmers in advance this year for soil bank participation next year will not help raise income; it is simply another form of Government loan, because any advance a farmer might receive in 1956 will be deducted from his 1957 earnings.

Let me tell you this, and I hope somebody sends Ike a copy of this speech:

The entire program announced by the President in his veto message was a political farm program, designed to benefit, first and foremost, a favored few, principally the producers of corn. The President's plea for an advance-payment soil bank was an outright admission that the Chief Executive neither understood nor appreciated the purpose or operation of the soil bank program.

Within a very few days, the President will have on his desk a new farm bill, one which is aimed at strengthening our sagging farm economy, and restoring to our farm price programs the concept of equal treatment for all farm commodities.

I hope it will contain the rice acreage freeze, and, in addition, the optional two-price plan for rice. I am going to do everything in my power to see that these provisions stay in the bill. I am also going to leave no stone unturned to see that the bill finally approved by the Congress provides for a similar freeze on cotton acreage at the State level.

I am going to continue my fight to eliminate at least the major portion of the favored treatment accorded corn under the President's administrative support plan. I want to see feed grain producers given a fair program, one which is workable, and one which will not further aggravate our surplus of these commodities. Corn produced in the noncommercial corn area, such as the corn grown here in Louisiana, should be given a little fairer treatment.

We have tried to achieve these objectives in the Senate version of the bill. It is not my personal idea of perfection, particularly with respect to its corn and feed grain provisions, but it is a fair compromise. As such, it should be acceptable to the President—provided, of course, he is desirous of helping our farmers.

I want to serve notice on the President, on his Secretatry of Agriculture, and on anyone else who may be pressing for some kind of pay-in-advance soil bank that I am not going

to support any such scheme. The pay-in-advance proposal is an attempt to use soil-bank payments as political propaganda, to turn the soil bank into an installment-plan vote-buying device.

I hope that as I wage this battle, I am going to have the support of the rice industry; I hope that as I continue to fight for increased rice exports, you, the millers, are going to be at my side, as you have been in the past.

I worked long, long hours on the farm bill that was vetoed by the President; I have done the same on the new bill. I have done my level best to keep our farm program out of politics and to keep politics out of the farm program. I want you to know that I shall continue to do so in the future.

We are faced with a serious crisis in agriculture. Our farmers are in precarious economic health. You, as millers, know that if our farm economy is permitted to deteriorate further, the end result will be chaos for you, for the national economy, for the Nation as a whole. I feel very deeply that the very roots of our American way of life are found on our farms. We must keep these roots strong and healthy we must shield them from the blight of partisan politics—we must guard them against economic stagnation—we must make them immune to the dry rot of unrestricted "bigness."

Thank you for inviting me to speak here today.

SENATE

MONDAY, MAY 21, 1956

(Legislative day of Monday, May 7, 1956)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Gerald V. Case, pastor, Second Presbyterian Church, Boise, Idaho, offered the following prayer:

Eternal God, as we pause for this moment to address Thee in prayer, may we recognize Thy sovereignty over all of life.

Wilt Thou bless these servants of Thine in the field of government, that all of their actions may be in accordance with Thy will. May our country continue to be blessed with the good things of life, and may we be faithful in our stewardship of them.

Bless now this session of the Senate, as it convenes for its labor of the day.

In the name of Christ Jesus our Lord we pray. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C. May 21, 1956.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ALBERT GORE, a Senator from the State of Tennessee, to perform the duties of the Chair during my absence.

WALTER F. GEORGE,
President pro tempore.

Mr. GORE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BIBLE, and by unanimous consent, the reading of the Journal of the proceedings of Friday, May 18, 1956, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on May 18, 1956, the President had approved and signed the following acts:

S. 419. An act for the relief of Eli E. Hood;

S. 885. An act for the relief of Alice Elizabeth Marjoribanks; and

S. 2851. An act to transfer certain lands from the Veterans' Administration to the Department of the Interior for the benefit of the Yavapai Indians of Arizona.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. BIBLE. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, and that statements made in connection therewith be limited to 2 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. BIBLE. Mr. President, I move that the Senate proceed to the consideration of executive business, for the purpose of considering the new report on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to consider executive business.

WITHDRAWAL OF NOMINATION—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore laid before the Senate a message from the President of the United States, withdrawing the nomination of Fred A. Lemm, to be postmaster at Schiller Park, in the State of Illinois, transmitted to the Senate on January 25, 1956, which was ordered to lie on the table.

The ACTING PRESIDENT pro tempore. If there be no reports of committees, the clerk will proceed to state the new report on the Executive Calendar.

SUBVERSIVE ACTIVITIES CONTROL BOARD

The Chief Clerk read the nomination of James R. Duncan, of Virginia, to be a member of the Subversive Activities Control Board.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. BIBLE. Mr. President, I ask unanimous consent that the President be notified forthwith of this confirmation.

The ACTING PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. BIBLE. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

Mr. BIBLE. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

EXTENSION OF TEMPORARY PROMOTION ACT OF 1941 TO THE COAST GUARD

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to extend the existing application of the Temporary Promotion Act of 1941, as amended, to the Coast Guard, and for other purposes (with accompanying papers); to the Committee on Armed Services.

REPORT ON MILITARY PRIME CONTRACTS WITH BUSINESS FIRMS FOR WORK IN THE UNITED STATES

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a report on military prime contracts with business firms for work in the United States, for the period July 1, 1955, to March 31, 1956 (with an accompanying report); to the Committee on Banking and Currency.

AUDIT REPORT ON THE GOVERNMENT OF THE VIRGIN ISLANDS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Government of the Virgin Islands of the United States, for the fiscal year ended June 30, 1955 (with an accompanying report); to the Committee on Government Operations.

REPORT OF DEPARTMENT OF LABOR

A letter from the Secretary of Labor, transmitting, pursuant to law, a report of the Department of Labor, for the fiscal year 1955 (with an accompanying report); to the Committee on Labor and Public Welfare.

TEACHING HOSPITAL FOR HOWARD UNIVERSITY—TRANSFER OF FREEDMEN'S HOSPITAL TO HOWARD UNIVERSITY

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation to establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the university, and for other purposes (with an accompanying paper); to the Committee on Labor and Public Welfare.

AUTHORIZATION FOR CERTAIN APPROPRIATIONS, ATOMIC ENERGY COMMISSION

A letter from the Chairman, Atomic Energy Commission, Washington, D. C., transmitting a draft of proposed legislation to amend Public Law 506, 84th Congress, 2d Session, authorizing appropriations to the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition,

construction, or expansion, and for other purposes (with an accompanying paper); to the Joint Committee on Atomic Energy.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A letter from the 1937 Supreme Court Security League, Charleston, S. C., signed by Mrs. Robert Pinckney Tucker, chairman, relating to appointment of members of the Supreme Court of the United States (with an accompanying paper); to the Committee on the Judiciary.

A letter from the Washington-Metropolitan Chapter of the American Institute of Architects, Inc., signed by J. Rowland Snyder, secretary, embodying a resolution adopted by that chapter, protesting against any changes or alterations in the design of the Capitol Building in the District of Columbia; to the Committee on Public Works.

RESOLUTION OF HOUSE OF REPRESENTATIVES OF THE COMMONWEALTH OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, on behalf of my colleague, the junior Senator from Massachusetts [Mr. KENNEDY] and myself, I submit, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution of the House of Representatives of Massachusetts, memorializing the Congress to take action relative to the proposed increase of rents in housing projects in the Commonwealth of Massachusetts.

There being no objection, the resolution was referred to the Committee on Banking and Currency; and, under the rule, the resolution was ordered to be printed in the RECORD, as follows:

Resolutions memorializing Congress to take action relative to the proposed increase of rents in housing projects in the Commonwealth of Massachusetts

Whereas it is proposed to raise rents in certain housing projects in the Commonweath of Massachusetts; and

Whereas such action at this time would be unfair, unjust, and inequitable; and

Whereas before any action is taken by any housing authority a complete investigation should be made: Therefore be it

Resolved, That the House of Representatives of the General Court of Massachusetts memorializes the Congress of the United States to immediately take action to prevent a raise of rents at this time and to cause an investigation to be made of the proposed rent increases; and be it further

Resolved, That copies of these resolutions be sent forthwith by the secretary of the commonwealth to the President of the United States, to the presiding officer of each branch of Congress, to the Members thereof from this commonwealth, and to the Federal Housing Authority in the District of Columbia and the city of Boston.

FOOD AND DRUG LAW GOLDEN ANNIVERSARY WEEK—PROCLAMATION

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD, and appropriately referred, a proclamation by His Excellency, Governor Herter, of Massachusetts, relative to the Food and Drug Law Golden Anniversary Week.

There being no objection, the proclamation was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

THE COMMONWEALTH OF MASSACHUSETTS—BY HIS EXCELLENCY, CHRISTIAN A. HERTER, GOVERNOR—A PROCLAMATION—1956

Whereas June 30, 1956, will mark the 50th anniversary of the signing by President Theodore Roosevelt of the first Federal Food and Drug Act, amended and reenacted in 1938 as the Federal Food, Drug, and Cosmetic Act, and the Federal Meat Inspection Act; and

Whereas 1956 will also mark the 60th annual convention of the organization today known as the Association of Food and Drug Officials of the United States; and

Whereas the purity, integrity, and abundance of our food, drug and cosmetic supplies are unexcelled in the world today and stand as a tribute to the industries producing them; and

Whereas the maintenance and protection of the purity and integrity of our food, drug, and cosmetic supplies are essential elements of our national strength, safety and economic welfare; and

Whereas for this protection we are indebted to Dr. Harvey W. Wiley, who, as crusader for the first Federal legislation, became known as the father of the pure food and drug law; to the distinguished and dedicated public servants at all levels of government who have administered these laws over the years; and to the leaders in industry who have supported the enactment and improvement of these laws and have cooperated in their enforcement; and

Whereas the division of food and drugs of the State department of public health was one of the earliest pioneers in food and drug law enforcement, setting an example for the rest of the country to follow, especially in the comprehensive work of Albert E. Leach on food inspection and analysis developed in the laboratories of our State health department, which has served as the basis for food and drug analysis throughout the country and many parts of the world for many years and is still considered the finest work of its kind.

Now, therefore, I, Christian A. Herter, Governor of the Commonwealth of Massachusetts, do hereby proclaim the week of June 24–July 1, 1956, to be Food and Drug Law Golden Anniversary Week, and I request the appropriate officials of the Commonwealth of Massachusetts and all citizens of Massachusetts to cooperate in the observance of that week. I also urge all industrial, business, professional, labor, agricultural, educational and civic groups, and the people of Massachusetts generally, to observe 1956, as an anniversary year with gatherings, discussions, exhibits, and other appropriate commemorative activities to foster public recognition of the benefits derived from Federal, State and local food, drug and cosmetic laws.

Given at the executive chamber in Boston, this 15th day of February, in the year of our Lord 1956, and of the independence of the United States of America, the 180th.

By His Excellency the Governor:

CHRISTIAN A. HERTER,
EDWARD J. CRONIN.
Secretary of the Commonwealth.

RESOLUTION OF GENERAL COURT OF COMMONWEALTH OF MASSACHUSETTS

Mr. KENNEDY. Mr. President, on behalf of myself and my colleague, the senior Senator from Massachusetts [Mr. SALTONSTALL], I present for appropriate reference, and ask for unanimous consent to have printed in the RECORD, resolutions adopted by the House of Representatives of the Commonwealth of Massachusetts on April 25, 1956, and adopted in concurrence by the Senate on April 30, 1956.

There being no objection, the resolutions were referred to the Committee on Labor and Public Welfare, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolutions memorializing Congress to enact legislation to waive certain charges against an employer relative to unemployment insurance

Resolved, That the General Court of Massachusetts hereby urges the Congress of the United States to enact legislation which would authorize State unemployment insurance agencies to waive any charges against an employer where it would adversely affect his experience rate if the unemployment is caused by the curtailment of business resulting from hurricanes, floods, or other acts of God; and be it further

Resolved, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the Presiding Officer of each branch of Congress, and to the Members thereof from this Commonwealth.

TEXTILE EMPLOYMENT PROBLEM IN NEW ENGLAND—RESOLUTION

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the City Council of the City of Fall River, Mass., on April 25, 1956, concerning the textile employment situation in the New England area.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF CITY OF FALL RIVER, IN CITY COUNCIL, APRIL 25, 1956

Whereas the textile employment situation in New England has become acute; and

Whereas low tariff rates on foreign imports of textiles are slowly forcing the textile industry from New England, thereby creating unemployment figures that will run into the thousands: Be it

Resolved, That the Congress of the United States be requested to take immediate steps to impose higher tariff rates on textile imports thereby eliminating the marketing of lower-priced foreign textiles that are produced and sold at a lower consumer cost than can be manufactured in the United States; and be it further

Resolved, That the city clerk be directed to forward a copy of this resolve to the Congressmen and Senators from this district.

In city council, April 25, 1956, adopted.

JAMES T. CAREY,
City Clerk.

Approved May 3, 1956.

JOHN F. KANE,
Mayor.

SUPPORT PRICES FOR GRAIN SORGHUMS—LETTER

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a letter written by Julian B. Thayer, president, Eastern States Farmers' Exchange, West Springfield, Mass., dated May 7, 1956, to the board of directors of the exchange, relating to support prices for grain sorghums.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EASTERN STATES FARMERS' EXCHANGE,
West Springfield, Mass., May 7, 1956.
To the Board of Directors:

Recognizing our primary function to prosper our members through the best in the procurement of farm supplies, the Eastern States Farmers' Exchange has traditionally kept out of the field of attempting to speak as an organization for its members on matters pertaining to legislation—except for some very broad issues in which all cooperatives had a vital stake. We will not depart from that procedure 'till such time as the board might indicate it wished to do so.

We are, however, today confronted with a very serious issue, namely, what sort of a farm bill is to presently become law?

The inclusion of a proposal to support grain sorghums, oats, barley, and rye at somewhere between 70 percent and 81.5 percent of parity, and to perhaps make mandatory cuts in acreage for these grains up to 20 percent of last year's production, can have only one effect on the northeastern farmers in the feed deficit areas.

My personal opinion is that the very substantial increase in the price of grain which our farmer members have experienced in the past few weeks is due largely to the effects of anticipated farm legislation.

Should the new amendment referred to above become law, I can only conclude that the immediate impact on our already swollen feed costs would be extremely serious.

I hardly need add that in such an event my opinion is that our northeastern farmers would be in a cost-price squeeze deluxe.

Certainly, with the present abundance of all things we are producing here, it would be naive to even hope to cover any part of these new costs by an increase in the price of our products.

The purpose in bringing this matter to your attention is simply to alert you to some of the implications which appear to be in this proposed legislation.

My profound respect for the judgment of you men leads me to believe that any expression of opinion you as individuals see fit to send to your respective Senators and Representatives will be most helpful to them in the complex and difficult legislative situation they must resolve.

Faithfully yours,
JULIAN B. THAYER,
President.

FLUORIDATION OF PUBLIC WATER SUPPLIES—MEMORIAL

Mr. KENNEDY. Mr. President, I ask unanimous consent to have printed in the RECORD a memorial which I have received from Mrs. Richard T. Cash, 2 Summer Street, R. F. D., Norwell, Mass., dated May 6, 1956, concerning the use of fluorine in public-water supplies.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

NORWELL, MASS., *May 6, 1956.*

Hon. JOHN F. KENNEDY,
Senate Office Building,
Washington, D. C.

DEAR SIR: In view of increasing agitation for the use of fluorine in public-water supplies, we wish to call to your attention our strong objections to such a measure. We believe there has been an attempt to suppress any unfavorable results stemming from the use of fluoridated water, and to present to the general public only arguments tending to support the practice.

The fact that there is even an element of risk should justfy the exercise of caution. We believe that you, sir, would not want to place your own good health, or that of your family or friends in jeopardy, and feel sure that after serious consideration, you will agree that it would be well to determine what the scientific evidence against, as well as for the procedure may be.

We believe that the statistics pertaining to this subject should be examined by a congressional body assisted by a competent independent satistician.

Will you kindly read this letter to Congress and have it inserted in the RECORD.

Respectfully yours,
IDA M. CASH.
(Mrs. R. T.)
RICHARD T. CASH.

THOMAS M. PEPPERDAY—LETTER AND MEMORIAL

Mr. CHAVEZ. Mr. President, I have received a letter from Diego Abeita, chairman of the Irrigation Committee, Middle Rio Grande Pueblos, together with a memorial adopted by the Tribal Council in honor of public-spirited citizens in my State.

I ask unanimous consent that the letter and memorial may be printed in the RECORD.

There being no objection, the letter and memorial were ordered to be printed in the RECORD, as follows:

ISLETA PUEBLO,
Isleta, N. Mex., May 18, 1956.

DEAR SENATOR CHAVEZ: We just thought that you might be interested to know that the Pueblos are grateful for the services that public men render to their fellow human beings. It is our feeling that maybe one of our delegation might have this memorial placed in the CONGRESSIONAL RECORD as a tribute to our friend, Mr. Pepperday.

Thanking you very much and with very best regards, I am,

Sincerely yours,
DIEGO ABEITA,
Chairman, Irrigation Committee,
Middle Rio Grande Pueblos.

We are the governors of the pueblos of Cochiti, Santo Domingo, San Felipe, Santa Ana, Sandia, and Isleta, and the chairmen of their irrigation committee. We are meeting in Albuquerque. We want to say how sorry we are that Mr. Thomas M. Pepperday, the owner of the Albuquerque Journal, is dead. We speak not only for ourselves but for all of our people.

We are sad in our hearts because our good friend is gone, and we will miss him very much.

We, the Indians, usually do not get a chance to visit great people but Mr. Pepperday always was ready to see us and to hear us tell our story. He always gave his attention to us in his paper and when he thought our case was right he supported us even against great powers. When he thought we were wrong he did not support us but even then he opened his mind to us and he told our side of the story fairly.

If we wanted to we could put down some of the gains that have come to our people directly from the support of Mr. Pepperday. But his influence was greater than that. For the very fact that he and the Journal were interested in us as human beings, that they were aware of our needs and would state our case publicly, was in itself a powerful guaranty that those who were employed to work for us would be faithful to their trust and that the unscrupulous could be kept at bay. His watchfulness in our interest in itself gave us a feeling of comfort and confidence.

Besides, we know that he helped individual Indian young people and hardly anybody knew about it. One of our leaders today, a man on whom we rely heavily, owes his early training and his education to Mr. Pepperday's help and encouragement. We liked Mr. Pepperday not for what he did for us, not for what we could get from him, but because we felt and knew that he was our friend, that he liked us and we liked him. We will miss him. We want Mrs. Pepperday and the people who worked with Mr. Pepperday on the paper and all the people of Albuquerque to know how we feel. We will pray for him. We are going to send a copy of this to Mrs. Pepperday and to some of our other friends, not only in New Mexico but in the rest of the country, so that they will know how we feel. We are signing this at a special meeting we held in Albuquerque on May 18, 1956.

Diego Aberta, Chairman, Irrigation Committee, Middle Rio Grande Pueblos; John C. Rainer, Chairman, All-Pueblo Council; Raymond Herrera, Governor, Pueblo of Cochiti; Santiago Pena, Governor, Pueblo of Santo Domingo; Pete Johnson, Governor, Pueblo of San Felipe; Jose Bobe Pino, Governor, Pueblo of San Ana; Ignacio Baia, Governor, Pueblo of Sandia; Ramon Zuni, Governor, Pueblo of Isleta.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 911. A bill for the relief of Eftalia G. Stathis and Ariadni Vassiliki G. Stathis (Rept. No. 2024);

S. 1869. A bill for the relief of George Papoulias and Irene Papoulias (nee Birbilis) (Rept. No. 2025);

S. 2800. A bill for the relief of David Chih-Wei Kwok (Rept. No. 2026);

S. 2842. A bill for the relief of Toini Margareta Heino (Rept. No. 2027);

H. R. 1402. A bill for the relief of Santiago Gonzales Trigo (Rept. No. 2028);

H. R. 2045. A bill for the relief of Joe Bargas (Rept. No. 2030); and

H. R. 5079. A bill for the relief of Tom Wong (Foo Tai Nam) (Rept. No. 2029).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 1104. A bill for the relief of Zoltan Klar and his wife, Vilma Hartmann Klar, and their minor son, Tibor Klar (Rept. No. 2031); and

H. R. 909. A bill for the relief of Charles O. Ferry and other employees of the Alaska Road Commission (Rept. No. 2032).

ILLICIT NARCOTICS PROBLEM IN THE DISTRICT OF COLUMBIA (S. REPT. NO. 2033)

Mr. DANIEL, from the Committee on the Judiciary, pursuant to Senate Resolution 67 and Senate Resolution 166, 84th Congress, submitted a report entitled "Illicit Narcotics Problem in the District of Columbia," which was ordered to be printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CHAVEZ:

S. 3894. A bill to facilitate the making of lease-purchase agreements by the Administrator of General Services under the Public Buildings Act of 1949, as amended, and by the Postmaster General under the Post Office Department Property Act of 1954, and for other purposes; to the Committee on Public Works.

By Mr. SALTONSTALL:

S. 3895. A bill for the relief of Clifford L. Clarke; to the Committee on the Judiciary.

By Mr. SALTONSTALL (by request):

S. 3896. A bill for the relief of Venanzio Girardi; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. PAYNE, Mr. BYRD, Mr. BRIDGES, Mr. MCCLELLAN, Mr. JACKSON, Mr. HUMPHREY, Mr. MCCARTHY, Mr. MUNDT, Mrs. SMITH of Maine, Mr. BENDER, Mr. MARTIN of Iowa, Mr. WELKER, Mr. CHAVEZ, Mr. HRUSKA, Mr. BUSH, Mr. FLANDERS, Mr. IVES, Mr. THYE, Mr. MAGNUSON, Mr. SALTONSTALL, Mr. BUTLER, Mr. MARTIN of Pennsylvania, Mr. DIRKSEN, Mr. BENNETT, Mr. CURTIS, Mr. SMITH of New Jersey, Mr. BEALL, Mr. MANSFIELD, Mr. CASE of South Dakota, and Mr. LANGER):

S. 3897. A bill to improve governmental budgeting and accounting methods and procedures, and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. KENNEDY when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY:

S. 3898. A bill for the relief of Lloyd C. King; to the Committee on the Judiciary.

By Mr. SCHOEPPEL:

S. 3899. A bill to provide for the conveyance of certain mineral rights to Barney B. Bryant of Topeka, Kans.; to the Committee on Interior and Insular Affairs.

S. 3900. A bill for the relief of Jalal Besharat; to the Committee on the Judiciary.

By Mr. DANIEL (for himself, Mr. O'MAHONEY, Mr. EASTLAND, Mr. WELKER, Mr. BUTLER, and Mr. NEELY):

S. 3901. A bill to amend certain laws affecting the control of narcotics in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. DANIEL when he introduced the above bill, which appear under a separate heading.)

By Mr. DANIEL:

S. 3902. A bill for the relief of Andres Amadeo Macha; to the Committee on the Judiciary.

By Mr. ELLENDER (by request):

S. 3903. A bill to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, so as to increase the amount authorized to be appropriated for purposes of title I of the act, and for other purposes; to the Committee on Agriculture and Forestry.

RESEARCH AND DEVELOPMENT PROGRAM FOR COAL

Mr. DIRKSEN submitted the following resolution (S. Res. 269), which was referred to the Committee on Interior and Insular Affairs:

Resolved, That the Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, is authorized to conduct a full and complete study and investigation for the purpose of determining—

(1) whether or not there is a possibility of developing under existing law a cooperative research venture in which the Federal Government, interested and affected State governments, industry, labor organizations, and private corporations might participate;

(2) what part the various departments or agencies of the Federal Government might play in such a research and development program for coal and how the Federal and State governments might best cooperate in such a program;

(3) whether or not an effective research program for coal might be developed in the same magnitude and on the same general organizational basis as the various research programs which have been and are now being conducted by the Atomic Energy Commission, the National Advisory Committee for Aeronautics, the National Science Foundation, and other similar groups;

(4) which fields such a research program for coal should include in order to accomplish the best and most expeditious results for an economic revival of the bituminous coal industry, including but not limited to, the general categories of coal production, coal transportation, coal distribution (including market studies and other matters relating to distribution), coal utilization in conventional forms, development of new and expanded uses of coal, gasification, chemical production, and a general appraisal of all coal technology;

(5) what progress has heretofore been made in the production of synthetic liquid fuel in the overall energy program and what advances in our present knowledge and skills with respect to the production of synthetic liquid fuel may be reasonably anticipated in the future; and

(6) whether the public interest would be served by the construction of an experimental plant for the conversion of coal into a synthetic fuel to permit more rapid development of techniques for the production of synthetic liquid fuels.

SEC. 2. The committee shall report its findings, together with such recommendations as it may deem advisable, to the Senate at the earliest practicable date during the present Congress.

SEC. 3. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

REVISION OF GOVERNMENT APPROPRIATION, BUDGETING, AND ACCOUNTING PROCESSES

Mr. KENNEDY. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 2 minutes allowed under the order which has been entered.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and the Senator from Massachusetts may proceed.

Mr. KENNEDY. Mr. President, on behalf of myself and Senators PAYNE, BYRD, SMITH of Maine, BRIDGES, MCCLELLAN, JACKSON, HUMPHREY, MCCARTHY, MUNDT, BENDER, MARTIN of Iowa, WELKER, CHAVEZ, HRUSKA, BUSH, FLANDERS, IVES, THYE, MAGNUSON, SALTONSTALL, BUTLER, MARTIN of Pennsylvania, DIRKSEN, BENNETT, CURTIS, SMITH of New Jersey, BEALL, MANSFIELD, CASE of South Dakota, and LANGER I introduce for appropriate reference a bill to revise the Government's appropriation, budgeting, and accounting process.

This bill, which has received vigorous bipartisan support, implements recommendations of the Hoover Commission on budgeting and accounting. In effect, this bill would place the entire governmental financial structure on an annual accrued expenditures basis, as opposed to the obligations system now in operation. This is a revolutionary change in our appropriations process which is being proposed only after the most careful consideration and deliberation. It would permit a much closer supervision by Congress over the expenditures of the executive branch of the Government and would provide for the top management of the executive branch a more complete and more meaningful understanding of the financial operations of the Government. Almost all major private corporations have adopted this system of budgetary control and the Hoover Commission's report substantiated by a comprehensive review by the important fiscal departments and agencies in the Government indicates that this system can profitably and effectively be adopted by the Federal Government. It is evident that a change of this nature cannot be made instantaneously but that considerable time and effort will be necessary to place this system into operation—possibly agency by agency over a number of years.

The President in his message to Congress of May 10, House Document No. 401, indicated that the executive branch of the Government planned to put into operation those portions of the Hoover Commission recommendations on this subject capable of being implemented by administrative action. The bill that we have introduced today provides the legislation necessary to permit the Government to convert to the accrued expenditure basis.

The heart of this change in procedure is the provision of the bill authorizing appropriations to be made on the basis of expenditures actually made or accrued by the various departments and agencies during any single fiscal year. Thus we will no longer see the departments and agencies rushing to obligate their unused funds as the end of the fiscal year approaches. Nor will the Congress appropriate money for fiscal year 1957 which is to be used in 1958, 1959, or 1960. The amount appropriated for each fiscal year will equal the estimate of the expenditures actually to be made or accrued during that year. This bill does not affect the right of agencies to contract for expenditures in future fiscal years—they simply will follow the existing requirement that advance approval be obtained from the Appropriations Committees. It will, however, be necessary for the agency to justify in the annual budget that portion of any long-term contract which accrues in the fiscal year, thereby providing Congress with an annual review of each agency's program and financial activities.

In order to enable Congress to appropriate on this basis, it will be necessary for the agencies to use accrual accounting and to submit budgets on an accrued expenditures basis. Thus the bill authorizes these changes to be made in the Government's budget and accounting processes.

Hearings were held last March by the Reorganization Subcommittee on a bill incorporating some of the features of the bill introduced today. At that time there was general approval of the basic goal of the Hoover Commission recommendations and subsequently the General Accounting Office in cooperation

with the Department of the Treasury and the Bureau of the Budget and staff members of the Senate Government Operations Committee drafted the bill which is being introduced today. Drafts of this bill have been distributed to all of the departments and major agencies of the Government and it is the intention of the Reorganization Subcommittee to hold additional hearings on this important legislation beginning June 4.

The Task Force on Budgeting and Accounting of the Hoover Commission, headed by Mr. J. Harold Stewart, of Boston, one of the Nation's foremost accountants, estimated that if the recommendations of the Hoover Commission on budgeting and accounting, of which this bill is by far the most important feature, were adopted the annual savings to the Government would be significant. I am sure it would be difficult to defend such an estimate, but I am convinced from my own study of this subject that there would be substantial savings to the American taxpayer as a result of this important change in our fiscal process. Equally important would be the better understanding that the executive branch and the Congress would have of the programs and financial operations of the whole Government.

Mr. President, I ask unanimous consent that the bill be permitted to lie on the table for 3 days so that other Senators who wish to may join in sponsorship, and that the bill be printed in the RECORD at this point.

The ACTING PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 3897) to improve governmental budgeting and accounting methods and procedures, and for other purposes, introduced by Mr. KENNEDY (for himself and other Senators), was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

AMENDMENTS TO THE BUDGET AND ACCOUNTING ACT, 1921

SECTION 1. (a) Section 201 of the Budget and Accounting Act, 1921, as amended (31 U. S. C. 11), is further amended by inserting "(a)" after the words "SEC. 201."; by changing subsection (a) to subparagraph (1); by adding after subparagraph (1) a new subparagraph "(2) at such times as may be practicable, information on program costs and accomplishments"; by changing subsections (b) through (j) to subparagraphs (3) through (11), respectively; and by adding the following new subsections:

"(b) The amounts of proposed appropriations referred to in sections 201 (a) and 203 of this act shall, to the maximum extent deemed desirable and practicable by the President, be determined on an annual accrued expenditure basis.

"'Annual accrued expenditures' shall relate to goods and services to be received in a fiscal year, advance payments, progress payments, and such other payments as are authorized by law to be made in such fiscal year.

"This subsection shall not apply to appropriations made specifically for the payment of claims certified by the Comptroller General and of judgments; appropriations for the refund of Federal taxes and of other moneys erroneously received and covered into the Treasury of the United States; appropriations made by private relief acts of Congress; appropriations for the payment of interest on trust funds; revolving funds or appropriations thereto; appropriations for the payment to former members of the Armed Forces, their dependents and beneficiaries, of any benefits to which they are entitled by reason of military service; appropriations for the payment of pensions and annuities; appropriations for the payment of any obligation of the United States for which liability is fixed by treaty; and other appropriations or funds analogous to the foregoing.

"(c) The conversion to the use of annual accrued expenditures for stating proposed appropriations in accordance with section 201 (b) of this act shall be accomplished in such manner and at such times as may be determined by the President.

"(d) As of the end of each fiscal year, the excess of any appropriation or fund made on an annual accrued expenditure basis over the accrued expenditures under such appropriation or fund shall lapse, unless hereafter provided otherwise in an appropriation act or other law. Any remaining balances of each such appropriation or fund shall be merged with any appropriation or fund made for the same general purpose for the ensuing fiscal year and shall constitute a single account."

(b) Section 216 of such act, as amended (31 U. S. C. 24), is further amended by inserting "(a)" after the words "SEC. 216" and by adding the following new subsections:

"(b) The requests of the departments and establishments for appropriations shall, in such manner and at such times as may be determined by the President, be developed from cost-based budgets.

"(c) For purposes of administration and operation, such cost-based budgets shall be used by all departments and establishments and their subordinate units. Administrative subdivisions of appropriations or funds shall be made on the basis of such cost-based budgets.

AMENDMENTS TO THE BUDGET AND ACCOUNTING PROCEDURES ACT OF 1950

SEC. 2 (a) The Budget and Accounting Procedures Act of 1950 is amended by inserting after section 105 thereof the following new section:

"ACCOUNTING AND BUDGET CLASSIFICATIONS

"SEC. 106. The head of each executive agency shall, in consultation with the Director of the Bureau of the Budget, take whatever action may be necessary to achieve, insofar as is possible, (1) consistency on accounting and budget classifications, (2) synchronization between accounting and budget classifications and organizational structure, and (3) support of the budget justifications by information on performance and program costs by organizational units."

(b) Section 113 of such act (31 U. S. C. 66a) is amended by adding at the end thereof the following new subsection:

"(c) As soon as practicable after the date of enactment of this subsection, the head of each executive agency shall, in accordance with principles and standards prescribed by the Comptroller General, cause the accounts of such agency to be maintained on an accrual basis to show the resources, liabilities, and costs of operations of such agency with a view to facilitating the preparation of cost-based budgets as required by section 216 of the Budget and Accounting Act, 1921, as amended. The accounting system required by this subsection shall include adequate monetary property accounting records as an integral part of the system."

(c) Section 118 of such act is amended by inserting "113 (c)" after the words "section 111."

SIMPLIFICATION OF SYSTEM FOR SUBDIVIDING FUNDS

SEC. 2. Section 3679 (g), Revised Statutes, as amended (31 U. S. C. 665 (g)), is further amended by adding at the end thereof the following sentence: "In order to have a simplified system for the administrative subdivision of appropriations or funds, each agency shall work toward the objective of financing each operating unit, at the highest practical level, from not more than one administrative subdivision for each appropriation or fund affecting such unit."

Mr. KENNEDY. In addition, at this time I should like to pay tribute and express the thanks of the Subcommittee on Reorganization to the Senator from Maine [Mr. PAYNE], who did a tremendous amount of work on this subject, and whose testimony before our committee was invaluable. He is a cosponsor of the bill which we are introducing. I note that he is now present in the Chamber.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. PAYNE. I rise at this time to pay a word of well-deserved tribute to the junior Senator from Massachusetts [Mr. KENNEDY] for the great interest he has taken in this very vital subject. As I have stated on previous occasions, it is a subject which is not too glamorous, but it certainly means a great deal in the final analysis in putting our fiscal house in order.

Without the prodigious labors of the junior Senator from Massachusetts, the members of his staff, and other members of the subcommittee of the Government Operations Committee in connection with this problem, it would have been impossible to bring the proposed legislation to the point where there is some hope of obtaining action by the Congress this year to put into effect something which has been needed for a long time in order to place our accounting and budgeting processes on an orderly basis.

I ask unanimous consent that a statement which I have prepared in this connection be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAYNE

My distinguished colleague, the junior Senator from Massachusetts [Mr. KENNEDY], has just introduced a bill, which I am cosponsoring, which will carry out the major recommendations of the Second Hoover Commission Report on Budget and Accounting. Taken with the recent action of the President when he approved the adoption by the Bureau of the Budget of several of the Hoover Commission recommendations, this bill will result in implementation of substantially all of the Hoover Commission's budget and accounting recommendations. If the bill introduced today is passed, the net result will be a vastly improved financial structure for our Federal Government.

This fiscal procedures measure is the successor to S. 3199, which I introduced on February 14 in behalf of myself and 21 of my distinguished colleagues. S. 3199 was designed to carry out the majority of the Hoover Commission budget and accounting recommendations and included several which could be implemented by executive action, but which at that time had not been adopted. The bill did not include what is probably the most important of the 25 recommendations

of the Hoover Commission in this field, namely, that the President's budget and congressional appropriations be stated in terms of annual accrued expenditures rather than in terms of obligational authority as at the present time. Basically, this provision would mean that Congress would only appropriate funds for 1 year even for long lead time programs. It would restore much of the control of the purse to Congress that has been lost under the present system of appropriating the total amount in advance for a program that will not be completed for several years.

Although I am wholly in favor of Recommendation No. 7 of the Hoover Commission Report on Budget and Accounting, I purposely did not include it in S. 3199 because I felt that it might be necessary to lay a foundation of sound fiscal reporting before attempting such an important change. It was my hope that the committee in holding hearings on the bill would give careful consideration to including this provision in the bill. On March 21, the Reorganization Subcommittee of the Senate Government Operations Committee, under the very able leadership of the junior Senator from Massachusetts [Mr. KENNEDY], started hearings on S. 3199. In my statement as the first witness before the subcommittee I strongly urged that testimony be heard on the feasibility of adopting the annual accrued expenditure provision at this time, and that the subcommittee give careful attention to the desirability of including the provision. Following my statement, the General Accounting Office and the Bureau of the Budget testified substantially in favor of the bill, but both wanted the annual accrued expenditure provision included. After several days of hearings, the chairman of the subcommittee [Mr. KENNEDY] directed the staff to work with the two agencies on an amendment to S. 3199 to include the recommendation.

Shortly after the hearings, the Director of the Bureau of the Budget announced that several of the Hoover budget and accounting recommendations had been adopted, some of which were included in S. 3199. Therefore, instead of preparing an amendment to S. 3199 a new bill was drafted and has been introduced today.

The subject of accounting lacks the glamor of many other topics, but it is no less important. As an accountant with experience in business and in government at both the State and Federal level, I can and do fully endorse the steps that have been taken by the Bureau of the Budget to carry out the intent of the second Hoover Commission. However, unless Congress acts favorably on the bill which has just been introduced only about half of the job will have been done. As all of us know, it would be a rare instance when a job half done could achieve anywhere near half of the effectiveness of the whole job, and the case at hand in no exception.

Without overstating the case, I believe I can say that the bill which has been introduced today, as unglamorous as it may be, is one of the most important pieces of legislation before this Congress. In his message to Congress dated May 10, 1956, President Eisenhower stated:

"The actions being taken by the executive branch to put many of the [Hoover] Commission's proposals [budget and accounting recommendations] into effect will require close coordination with the legislative branch and merit the support which the Congress should and can provide. I urge that the Congress seek the early enactment of appropriate legislative provisions to support the major objectives of the [HOOVER] Commission's recommendations."

The Hoover Commission Task Force on Budget and Accounting estimated that the savings which could be expected to result from effective implementation of its recommendations would be in the vicinity of $4 billion. Obviously this is a figure that cannot be fully substantiated, but it clearly indicates that improved fiscal performance can mean very large savings to the Nation. It is my hope that Congress will not adjourn without having taken action on this legislation.

CONVEYANCE OF CERTAIN PROPERTY TO PIERCE COUNTY, WASHINGTON—AMENDMENT

Mr. MORSE submitted an amendment, intended to be proposed by him, to the bill (S. 3457) to authorize the Secretary of the Treasury to convey certain property to the county of Pierce, State of Washington, which was ordered to lie on the table and to be printed.

FEDERAL-AID HIGHWAY ACT OF 1956—AMENDMENTS

Mrs. SMITH of Maine. Mr. President, for 6 months I have been driving for a governmental study of means of increasing highway safety in our country. I have made specific appeals to the President of the United States and to the Senate Committee on Labor and Public Welfare. President Eisenhower has responded favorably, but the Senate committee has not responded at all. I made an appeal to the Senate Public Works Committee but received no response.

I am at a loss as to the thus far senatorial indifference to this matter—an indifference to a tragic and alarming condition—the annual tragedy of nearly 40,000 deaths, a million injuries and a multibillion-dollar economic loss caused by automotive accidents. In a nutshell, it is a matter of mass murder and maiming on the highway—to which there is an alarming and shocking degree of complacency.

At the very beginning of this session, on January 5, 1956, I introduced Senate Resolution 156 to investigate methods of increasing highway safety in the United States and to have the Senate Labor and Public Welfare Committee make such study. That resolution was referred to the Senate Labor and Public Welfare Committee and I regret to say that as of this time that committee has not given any consideration to this important proposal.

In recent weeks representatives of the Advisory Council to the President's Committee for Traffic Safety have conferred with me and asked me, because of the leadership I have taken in this matter, to take the lead in attempting to get an amendment unsuccessfully offered by Representative BLATNIK to the highway bill when the House recently voted on that bill—to get such an amendment adopted by the Senate when it considers and votes on the highway bill.

I agreed to do so but not until May 16, 1956, did they finally come up with the type of amendment they recommended be offered instead of the form of the Blatnik amendment. On that day they also talked with other Senators including the distinguished junior Senator from Minnesota who shortly thereafter that day took the Senate floor and submitted the proposed brief amendment.

I wish to commend the junior Senator from Minnesota in his very prompt action and I welcome him to the drive that I have now been making for several months. I am gratified that his response was not only so favorable in contrast to the past lack of response from the Senate committees I have referred to but also with the very marked promptness of his response.

His amendment is desirable but I am not joining on it as I feel that I prefer an amendment in the form modeled after my Senate Resolution 156. If the Senate is not to look into this matter, then I would hope that the executive branch of the Government would.

And so I have taken the language of Senate Resolution 156 and merely substituted the Secretary of Commerce for the Senate Committee on Labor and Public Welfare. In spite of this I hope the Senate committee will still see fit to look into this matter and certainly no harm or loss can come from both the Secretary of Commerce and the Senate looking into the ways of saving human lives and stopping wholesale slaughter on the highways.

The objective of the proposed amendment of the junior Senator from Minnesota and the objective of my proposed amendment are basically the same. However, there are some basic differences.

In the first place I would require the Secretary of Commerce to report 2 years sooner than the junior Senator of Minnesota would. I would require a report in not less than a year and by not later than June 30, 1957, while the junior Senator from Minnesota would allow 3 years and permit the report to be made by June 30, 1959.

I differ on the time aspect because, while I acknowledge that studies sometimes take a great deal of time, all of us realize that a study or a survey can sometimes be the means of brushing something aside and letting the mere operation of time kill it.

I do not want that to happen on this because I consider this matter to be extremely urgent with nearly 40,000 people being killed on the highway each year—at that rate the total in 3 years would be 120,000.

Time is of the essence. This cannot be a leisurely, take-your-time approach—and anything longer than a year for the first report is just tragically too long.

And certainly if more time is needed—as I would expect because I think this should be a continuing study—then authorization for the study can be extended. My point is that the sooner a report is required the sooner we will get corrective action and the sooner we get corrective action the sooner we will save lives and stop highway murder and maiming.

My proposed amendment differs from the proposed amendment of the junior Senator of Minnesota in that it would specifically bring into participation in such a study and investigation with Federal officials, the representatives of automobile manufacturers as well as State and local officials. It proposes a study of the advisability of uniform State and

local highway safety and speed laws, a study of vehicles, educational programs, and other facets, which though they might be covered by the proposed amendment of the junior Senator from Minnesota, are not specifically covered and on which we have no specific assurance that they would be covered.

I ask unanimous consent that my proposed amendment be inserted at this point in my remarks. While I hope that it will be given bipartisan support, I do not want to seem to be getting into competition with my very good friend from Minnesota over this and so I am not asking that it be held at the desk for any open time.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 50, between lines 8 and 9, insert the following new section:

"SEC. 118. The Secretary of Commerce is authorized and directed to make a full and complete investigation and study for the purpose of determining what action can be taken by the Federal Government to promote the public welfare by increasing highway safety in the United States. In making such investigation and study the Secretary of Commerce shall give consideration to—

"(1) the need for Federal assistance to State and local governments in the enforcement of necessary highway safety and speed requirements and the forms such assistance should take;

"(2) the advisability and practicability of uniform State and local highway safety and speed laws and what steps should be taken by the Federal Government to promote the adoption of such uniform laws;

"(3) possible means of promoting highway safety in the manufacture of the various types of vehicles used on the highways;

"(4) educational programs to promote highway safety;

"(5) the design and physical characteristics of highways; and

"(6) such other matters as it may deem advisable and appropriate.

"The Secretary of Commerce shall report his findings, together with such recommendations as he may deem advisable to the Congress not later than June 30, 1957."

On page 50, line 9, strike out "SEC. 118" and insert in lieu thereof "SEC. 119."

On page 50, line 12, strike out "SEC. 119" and insert in lieu thereof "SEC. 120."

Mrs. SMITH of Maine. Mr. President, I ask that my proposed amendment which I intend to offer be received and printed in anticipation of the time when the highway bill is brought before the Senate for consideration and vote.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table.

AGRICULTURAL APPROPRIATIONS—AMENDMENT

Mr. HOLLAND. Mr. President, as the Senate knows, the State of Florida has been subjected to another invasion of the Mediterranean fruitfly, which at the present time seems to be confined largely to the areas in the neighborhood of Miami. The scientists of the Department of Agriculture who have recently handled a problem of this kind in Hawaii, together with the scientists of the State of Florida, and others who have been brought into consultation, have suggested as an emergency measure a kind of treatment which includes not only ground treatment, but also air dusting, which they wish to see begun as soon as possible, before the fly shall have spread to other areas of the State.

They have submitted a request for Federal participation in the amount of $1,500,000, which request, I understand, has cleared the Bureau of the Budget, and will shortly be before the Congress.

I realize that this is a subject for consideration by the appropriate committees in both Houses, and that it may be decided that an urgent deficiency bill will be the best way to approach the problem. At the same time, inasmuch as the Senate will shortly have before it the bill—H. R. 11177—for agricultural appropriations for the fiscal year 1957, and inasmuch as it would be in order to attach this item to that bill if that were decided by the two committees to be the appropriate course, I wish the Senate to have the subject matter before it.

Therefore, I submit at this time a proposed amendment covering the item of $1,500,000, of which $1,250,000 would be available for expenditure in the remaining portion of this fiscal year, and the other quarter of a million dollars for expenditure after July 1.

In order that the Senate Committee on Appropriations may be advised of this important item and may participate fully with the appropriate committee in the House in deciding which is the better method to deal with this vital item, I submit an amendment intended to be proposed by me to H. R. 11177, and ask that it be printed and likewise referred to the Senate Committee on Appropriations.

The ACTING PRESIDENT pro tempore. The amendment will be received, printed, and referred as requested by the Senator from Florida.

SURVIVORS OF PVT. JAMES WALTER MILROY—CHANGE OF REFERENCE

Mr. RUSSELL. Mr. President, on March 6, 1956, the bill, S. 3372, for the relief of certain survivors of Pvt. James Walter Milroy, was referred to the Committee on Armed Services. This bill relates to the administration of the Servicemen's Indemnity Act of 1951, which was considered by the Committee on Finance. Therefore, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of the bill and that it be referred to the Committee on Finance.

The ACTING PRESIDENT pro tempore. Is there objection to the request of the Senator from Georgia? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Address delivered by him at Arnold Air Society banquet, University of Wisconsin, Madison, Wis., on May 19, 1956, relative to the need for strengthening United States airpower.

NOTICE OF HEARINGS ON VARIOUS CIVIL-RIGHTS PROPOSALS BY COMMITTEE ON JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that the committee will resume hearings on the various civil-rights proposals beginning at 2:30 p. m., Thursday, May 24, 1956, in the committee room, room 424, Senate Office Building.

Persons desiring to be heard should notify the committee in order that a schedule of witnesses may be prepared.

NOTICE OF HEARING ON NOMINATION OF DAVID T. LEWIS, TO BE UNITED STATES CIRCUIT JUDGE, TENTH CIRCUIT

Mr. WATKINS. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, May 29, 1956, at 2:30 p. m., in room 424, Senate Office Building, on the nomination of David T. Lewis, of Utah, to be United States circuit judge, 10th circuit, vice Orio L. Phillips, retired.

Prior to the above-mentioned date all persons interested in the above nomination should file with the committee such representations as may be pertinent.

The subcommittee consists of the Senator from Texas [Mr. DANIEL], the Senator from Wyoming [Mr. O'MAHONEY], and myself, chairman.

FIFTY-FOURTH ANNIVERSARY OF DECLARATION OF INDEPENDENCE BY REPUBLIC OF CUBA

Mr. LEHMAN. Mr. President, May 20 is observed throughout the Western Hemisphere as the 54th anniversary of the Declaration of Independence of the Republic of Cuba.

The celebration of this event brings to mind the close relationship of Cuba and the United States through the years. But especially we recall the circumstances by which the freedom-loving people of Cuba, deeply desirous of achieving the reality of self-determination rather than the fiction of autonomy under the heavy-handed rule of Spain, enlisted the aid of the United States to bring to Cuba democracy and equality, and freedom from intolerance.

Less than 4 years after an American Army and Navy came to the aid of heroic Cuban nationalists, Cuba was able to achieve full independence under her first President, Estrada Palma. Since that time, Americans have had every reason to be justly proud of the democratic way of life, as well as the prosperity, that has distinguished Cuba among the Latin American Republics as one of the most politically and economically stable nations in the hemisphere.

Both Cubans and Americans may be proud of the real progress that has been made in achieving great gains through enlightened partnership over the years.

On this occasion of Cuban Independence Day, we can remember the good neighbor policy and the trust that it stands for, in the assurance that hemisphere relations depend on just such enduring friendships as the one which has bound Cuba and the United States over the last 50 years.

There are many extraordinary ties between the United States and Cuba, not only in terms of our history, but in terms of our economy. For many years, New York City has been the home of thousands of persons of Cuban birth and descent. Many of these individuals are an integral part of the life of our metropolis and they have brought to New York a rich heritage which has become part of its varied cultural pattern.

For New Yorkers, Cuba is a favorite vacation spot, but above all, Cuba is a good neighbor. Let us be sure that we think of New York as a good neighbor of Cuba, as well as vice versa. We must always try to conduct ourselves in that spirit, both here, in New York, and in Cuba.

We take pride in Cuba's steady economic development. We take pride in Cuban culture. And well we may, for some of it has become part of ours.

Most of all, we must keep in mind that we have a direct stake in Cuba's economic growth and prosperity, and in the living standard of her people.

On this anniversary of Cuban Independence Day, we must not lose sight of this central fact.

I congratulate the government and the people of Cuba on this 54th anniversary of their declaration of independence.

RECENT ELECTION IN THE REPUBLIC OF KOREA

Mr. KNOWLAND. Mr. President, I ask unanimous consent that I may be allowed to proceed for not more than 4 minutes.

The ACTING PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from California may proceed.

Mr. KNOWLAND. Mr. President, I think it is quite fitting and proper that some mention be made relative to the recent election in the Republic of Korea. The Republic of Korea had its birth under the auspices of the United Nations and under the auspices of the United States of America. As Members of the Senate know, and as the American people understand, the original intent of having the entire country we know as Korea participate in elections was never carried out because of the refusal in North Korea to permit even the original free elections to be held. The people of the Republic of Korea have recently gone through an election campaign. President Syngman Rhee has been reelected, but with a reduction in the majority which he received in prior elections.

One of the leaders of the opposition party, under their democratic system, was elected as Vice President. I think it is a fine demonstration of the free way of life in the Republic of Korea that the people could go through a great campaign, that they could have opposition parties, that there could be a substantial vote polled for opposition candidates, and that a candidate of the opposition party could be elected Vice President and his election could be recognized and conceded by the party to which the President belongs.

Mr. President, it has been very easy to criticize some of our friends in the Far East. There seems to have been a concerted move over the years to tear down and undermine not only the President of the Republic of China, Chiang Kai-shek, but Ngo Dinh Diem, Premier of Vietnam, and other democratic leaders. Yet here is a demonstration which has no equal in the Soviet world. What a thing it could be if opposition candidates could campaign in Poland, could conduct a vigorous campaign, and could be elected without being liquidated. What a great thing it would be if in the Soviet Union itself opposition candidates could poll up to 50 percent or more of the votes and be elected to some high office in the Soviet Union, or if that could happen in Czechoslovakia, Lithuania, Latvia, Estonia, and other countries which have been taken behind the Iron Curtain.

Mr. President, when we are recognizing the abilities of those who represent the so-called neutralist countries, I think too often we do not pay sufficient attention to those who have been our devoted friends in that great area of the world.

Mr. President, I wish to make these few remarks, and to ask unanimous consent that an excellent editorial, entitled "A Good Outcome in Korea," which was published today in the New York Times, be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A GOOD OUTCOME IN KOREA

After a few days of tension and excitement there has been a sound and sensible settling down in Korea to the election facts. The outcome, on the whole, will probably be good. President Rhee has been reelected, as was expected. An opposition candidate, Dr. John M. Chang, has been named Vice President.

The Cabinet has tendered its formal resignation and there will probably be some changes to reflect the strength of the opposition as shown by Dr. Chang's victory. There will obviously be no palace revolutions and the danger of local outbreaks has died down. In the one "incident," at Taegu, the contesting political parties ultimately sat down to a peaceful and amiable settlement of their differences. This can be a good omen and it can set a good pattern.

As Dr. Chang pointed out in his first press conference, his points of agreement with President Rhee far outweigh in importance his points of difference. Both are American-trained and American-influenced. Both are Christians. Both are strongly anti-Communist. Both are dedicated to the building of a new and strong democracy in Korea.

It is unlikely, therefore, that the election outcome, unusual as it is, will bring about any significant change in the attitude of Korea and the Koreans toward the United States and the United Nations. No international position has been repudiated or even modified by the electorate. This electorate, however, has given a strong demonstration of patriotic democracy in action. It should have silenced the thoughtless charge of "dictatorship" in Korea. This, also, is all to the good.

The composition of local political differences in a free election is of the utmost importance at this time. Korea has some gigantic problems to face and some enormous tasks ahead. If the contending parties, having blown off the necessary steam, can now get on with the big business of building, there will have been much gained.

President Rhee and Vice President Chang can give the leadership in that task. We are convinced that its magnitude and their own great responsibility will bring them together rather than separate them.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE OPPOSES VOLUNTARY COVERAGE OF LAWYERS

Mr. WILEY. Mr. President, the Senate Finance Committee has recommended mandatory coverage of self-employed attorneys under the old-age and survivors insurance system.

For a number of years I personally have reported that sentiment is cordial toward pension coverage, particularly because some attorneys are already covered, for example, attorneys working for larger corporations and companies. But attorneys of my State apparently feel that they would prefer the right to elect voluntary—that is, optional—coverage, on an individual basis.

Some of the county bar associations of my State, according to public opinion polls, favor mandatory coverage. In many counties, opinion tends to favor voluntary coverage, or in a few instances, no coverage at all.

In view of the division of opinion within the Wisconsin bar, and in view of the differences of opinion elsewhere among American attorneys, I would personally prefer that optional coverage should be granted. That is why I introduced a bill, S. 1779, for the purpose of permitting voluntary coverage.

In doing so, however, I pointed out at the time that I very clearly recognize that the Department of Health, Education, and Welfare has traditionally opposed optional coverage, and has urged that, if attorneys or any other group are included, it be on a mandatory basis.

Confirmation of this position came in the form of a letter from the Department to the Senate Finance Committee, stating the Department's case against optional inclusion.

I may say incidentally that the only group which has ever been granted voluntary coverage was the ministerial profession, which, of course, occupies a unique position.

So that the record may now be complete, and so that attorneys may be aware of the nature of this problem, as the social security bill comes to the Senate floor, I send to the desk the text of Secretary Folsom's letter to Chairman BYRD, of the Finance Committee.

I ask unanimous consent that it be printed at this point in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 17, 1956.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance,
United States Senate,
Washington, D. C.

DEAR MR. CHAIRMAN: This letter is in response to your requests for reports on the

following bills: S. 1344, S. 1779, S. 1830, S. 1840, S. 1841, S. 2751, and S. 3109.

These bills would amend title II of the Social Security Act to provide old-age and survivors insurance coverage for self-employed dentists and lawyers. S. 1344 and S. 1830 would extend old-age and survivors insurance on a compulsory basis to dentists and lawyers, respectively; the other five bills would make old-age and survivors insurance available to one or both of these groups on an individual voluntary basis. In general, these bills would be effective for taxable years ending after enactment of the bill.

The Department of Health, Education, and Welfare believes that members of the now excluded self-employed groups should be covered under old-age and survivors insurance on a compulsory basis. We are opposed to covering members of any of these groups on an individual voluntary basis. The primary objections we have to individual voluntary coverage are the same as those which your committee stated in its report on the 1954 social security amendments:

"Your committee concluded * * * that extension of coverage on an individual voluntary basis involved grave dangers with respect to the financing of the system, as well as discrimination against the great majority of workers covered under the program on a compulsory basis.

"Those who would elect coverage under a voluntary option are primarily those who could expect the largest return for a relatively small contribution. The deficit in their contribution would have to be made up by increasing the contribution rate for the covered group as a whole."

For these reasons, we recommend against the enactment of S. 1779, S. 1840, S. 1841, S. 2751, and S. 3109. We favor the enactment of the provisions of S. 1344 and S. 1830.

The Bureau of the Budget advises that it perceives no objection to the submission of this report to your committee.

Sincerely yours,

M. B. FOLSOM,
Secretary.

A NEW REALISM IN FOREIGN POLICY

Mr. HUMPHREY. Mr. President, one of the most astute, imaginative, and persuasive voices currently contributing to our national foreign-policy debate is that of Chester Bowles, the former Governor of Connecticut and Ambassador to India. I ask unanimous consent that an article entitled "For a New Realism in Foreign Policy," written by Mr. Bowles, and published yesterday in the New York Times magazine section, be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Future critics of current American foreign policy may focus on a factor that now receives but little comment—its lack of widely shared purpose, its ideological emptiness. The key to this crucial weakness and to our growing frustration as well may be found, I believe, in the age of Wilson.

When World War I was over, Americans suddenly realized that people all over the world were looking to them for leadership. They saw that Woodrow Wilson embodied many of the hopes and dreams of mankind. They saw tens of thousands of French peasants kneel in homage as his train sped through the countryside.

They saw whole governments, as in Italy, shake as our President went over their heads to appeal to their people. They saw the millions in Asia and Africa straighten up with the new conviction that soon they would no longer be the world's forgotten men.

Here was world power and influence in its most profound sense—the kind of power and influence that is lacking today. How had it come into being? The answer lies in what Wilson stood for.

"The world must be made safe for democracy," Wilson had said. That was America's purpose, and because it was it was also the purpose of most of mankind, for that one happy interval we no longer felt frustration, we were in tune with our fellow men everywhere.

The American people agreed that it would be a war to end wars. And in the peace that was to come they would work with others to "make the world itself at last free." They would be "the champions of the rights of mankind"—including "the right of those who submit to authority to have a voice in their own governments."

"America was created to unite mankind," Wilson said. And with this purpose in mind, his urgent advice was for Americans not only to think of America, but in order to be truly American, "always, also, to think first of humanity."

It may be said that America then was younger in her knowledge of world affairs—naive and youthful and idealistic. That may be so, but in our first entry into the world after our century of developing the West we managed to capture and to lift the spirit of the world. We, the new world, came, young and dedicated, to the rescue and liberation of the old, and the Old World responded and gave us its heart.

We were naive, too, dangerously naive, and because of our lack of experience we lost much of what could have been gained. Perhaps Wilson compromised too much in Paris and certainly too little in Washington.

Yet on the central question of his time he was everlastingly right. Over and over again he warned us that, if we rejected his wisdom, if we seceded from the emerging world community, we not only would "break the heart of the world" but would pay for our failure with our blood.

In 1939 the time that Wilson foresaw came, and again the New World was forced to go to the rescue and liberation of the old. By 1945, 30 million people were dead and much of Europe and Asia lay in ruins.

But World War II was fought without clear agreement on the kind of world which we wanted to bring into being. It was fought negatively to destroy our enemies, not positively to create new horizons of opportunity, cooperation, and growth.

Eleven more years have passed and we still drift in the shadow of destruction, frustrated and uncertain. Since the Korean war we have spent $146 billion, an average of $1,000 annually for every American family, to assure our national security. Yet our position throughout the world is certainly less strong than it was 3 years ago.

Military leaders bluntly assert that our defense position vis-a-vis the Soviet Union has deteriorated. The Near East is threatened. NATO is under increasing pressure from Cyprus to Iceland. Our influence and prestige in Asia and Africa have diminished ominously. Our industrial capacity, our armaments, our grants, our loans, our conferences, our NATO, SEATO, and Northern Tier alliances have not even enabled us to stay where we were. It is not surprising that many Republicans, as well as Democrats, are demanding a reappraisal of our foreign policy, and an agonizing one at that.

Yet if this means no more than a review of budgets and tactics, I submit that it is too narrow an approach. Foreign policy is not an end in itself. It is the means by which a nation pursues its national objectives beyond its frontiers.

This poses the fundamental question: What is America's national purpose? What does she want from the world? What is she prepared to contribute?

If we were to put these questions to a cross-section of Americans, a majority might answer as follows: "We have a great country and we ask only the right to enjoy its blessings undisturbed. The Russians threaten that right. Our purpose must be to put them in their place."

The implications of this answer should be carefully examined. If our national purpose is limited to a determination to "enjoy the blessings of our great country" without further regard for the interests of others, why should other nations be concerned with our interests?

Once their old fears of Soviet aggression relax—and in most of the world these fears are now fast diminishing—why should other nations support our aims, join our alliances, or follow our voting lead in the United Nations?

Many Americans will promptly raise the counter-question: "Why should we care what others think?" This question, sometimes articulated and sometimes not, reflects a lingering isolationism. It can be answered on the same short-term, narrow ground on which it is asked.

Although we Americans produce 50 percent of the world's manufactured goods, we are only 6 percent of the world's people. Another 15 percent is associated with us through alliances of varying reliability. The Moscow-Peiping bloc makes up 35 percent. The remainder of the world, living largely in Asia, Africa and South America, and constituting nearly 50 percent of mankind, is committed to varying degrees of neutralism.

Although these billion or more people are largely impoverished and illiterate, there has been a momentous change in their attitudes. Today they are wide-awake to the promise of the better life which they know modern technology can now provide. They are earnestly and aggressively seeking freedom from the last vestiges of colonialism. They want the respect of their fellow men.

The new Soviet tactics appear to have one primary objective: to win the confidence of these uncommitted Asians, Africans and South Americans who will hold the balance of power in tomorrow's world, if not in today's, to draw them into an ever-closer economic and political relationship, and eventually to cut us off from the resources and the people on whom our security and prosperity depend.

This possibility cannot lightly be brushed aside. Already our expanding industrial machine imports nearly 50 percent of its raw materials. The bulk of these materials must come increasingly from Asia, Africa, and South America. Eighty percent of the oil in the non-Communist world is within 300 miles of the Persian Gulf.

In the last few years the Soviet economy has developed to a point where it has much to offer these crucial, underdeveloped continents. If we will look the world squarely in the face, we must recognize the bitter fact that to much of mankind it is the totalitarian Soviet Union and not democratic America which also offers the more persuasive vision.

We may recognize and dismiss this vision for what it is—a global fraud. But to continue to minimize its explosive appeal to frustrated, hungry, insecure people who are searching for some decisive way to cure the world's ills would be the ultimate folly.

Every night over the Voice of Moscow in a hundred or more different languages millions of people in Asia, Africa, and South America hear the totalitarian Communists speaking the magic words of social revolution, supporting colonial struggles for freedom, backing the dark-skinned majority of the human race against all discrimination by the white minority, offering the use of science and technology for rapid economic development, while we stand mired in our own doubts and divisions and anchored in situation after situation to the despised, doomed status quo.

We have even allowed the Soviet Union to steal from us the title of champion of peace.

On the lowest level of unadulterated, material self-interest, how can American power and influence be maintained in the next decade or two if the new Soviet tactics, aided by our continued blindness to the interests and aspirations of others, cut us off from this crucially important half of mankind? How could we avoid isolation and eventual economic and political strangulation? To put it positively, how can we associate our future with that of other peoples on the basis of mutual self-interest?

What we need is not simply a reappraisal of our military program, our alliances, our foreign-aid program, but, perhaps even more important, a reappraisal of our relations with our fellow men, our proper role in world affairs, our national purposes and aspirations.

It is an indication of our present ideological bankruptcy in world affairs that anyone who suggests that principles have a legitimate place in American foreign policy will at once be charged with being out of touch with reality. To many writers on foreign policy, Wilson was no more than a sloganeer, a master of rhetoric and exhortation, but a failure in the rough, hard game of world politics.

Principles, they agree, are essential in personal dealings. But foreign policy is a more critical business. Here, they say, our primary concern must be a tough-minded understanding of power.

If you ask them for a definition of power, you will receive a confident answer: Power is a composite of military forces, industrial capacity, stores of nuclear weapons and bases from which to deliver them, radar warning systems, dispersion of cities, natural resources, communications, geography, allies.

I wonder if this Maginot Line concept of power, which is so widely accepted as the ultimate in international realism, does not lie at the very heart of our present worldwide dilemma? Let us examine for a moment a few of the dangerous dead ends into which this narrow approach has already taken us. I suggest this review not because better answers were evident at the time, as indeed in many instances they were not, but because it may point the way to a more effective approach in the future.

How realistic were we to assume that the corrupt government of Chiang Kai-shek, based on feudal landlordism and a bankrupt leadership, could keep a lid on the revolutionary surge of the Chinese people?

How realistic were we to assume that the Communists could be stopped in Indochina—even by one of the ablest of professional armies—as long as the anti-Communist effort remained based on a dying French colonialism tied to an outmoded land system and strangled by corruption?

How realistic were we to lead the United Nations forces across the 38th parallel in Korea on the assumption that Peiping's warning was a bluff and that the Chinese would not dare to enter the war—only to be forced ignominiously to accept a truce at that same line 3 years later?

How realistic are we to assume that a military program which upset the balance of power in South Asia by arming Pakistan, thereby opening the door into Afghanistan for the Russians and further antagonizing India, will increase the security of that critically important area?

How realistic have we been to assume that we could keep the Soviet Union out of the Middle East by building a military barrier?

How realistic have we been largely to ignore the powerful, inevitable growth of nationalism in Africa in order to avoid differences with our western colonial allies?

How realistic are we to stake not simply our prestige, but the question of peace or war on two small islands a few miles from the China coast, which are at the mercy of Chinese military power whenever Peiping decides to call our bluff?

How realistic have we been to focus 99 percent of our $146 billion national security budget since the Korean war on military defense or defense support with less than $900 million going as point 4 aid to the half of mankind who, sooner or later, may hold the balance of power between the Soviet bloc and the Atlantic nations?

How realistic have we been to assume that a NATO without effective political or economic roots could not be weakened by new tactics; that Germany can be united on our terms; that Japan will continue to reject neutralism regardless of her economic difficulties?

When the history of our era is written, I believe that such attitudes will appear doctrinaire, foolhardy, and proof that many American policymakers had lost sight of the power of ideas and people in a period of global revolution People and ideas—these have provided the prime, explosive mixture that has overturned the governments of half the world in a single decade, even though power in the classic sense has consistently favored the status quo.

As long as ideas influence the minds of men, and as long as men and their aspirations are a major component of power, ideas, both good and evil, will continue to upset nations, defy armies and write history. The recognition of this essential dimension of power is, I believe, the New Realism. Wilson understood this; we have largely ignored it.

What we must seek, therefore, is a balance between ideas and defense: on the one hand, the bringing together under the banner of a militant new freedom of those people of the earth—and today they are by far the majority—who seek the goals that we seek, self-determination, human dignity, and expanding opportunities, and, on the other hand, the power of a massive, competent defense to provide a screen behind which those goals can be vigorously pursued.

The most powerful ideas and principles in history created our American Revolution, the Revolution for equality of opportunity under law. If we will only look, we will see that our revolution is alive and marching in Asia, in Africa, in South America. If we but rediscover the mission of Jefferson, Jackson, Lincoln, and Wilson we will find, I believe, that we are again in step with the peoples of the non-Communist world.

We have learned enough about the difficulties—about the passions of nationalism and colonialism, about the great gaps between nations, regions, and races, about the intricacies of diplomacy, about the abilities of our antagonists—so that we should have no illusions about the formidable problems that we will face in striving to achieve a more politically stable world in which individual rights are meaningful and expanding steadily.

Military defense is the first essential component in our foreign-policy program. Without the screen provided by massive military power we will be denied even the opportunity to promote our national purposes, and eventually be reduced to the status of a second-class power.

The second area for more positive action in foreign affairs is the creation of a balanced, interrelated, and bold policy in regard to world economic development. Here again it is important that what we do reflect our true national purpose. The development of viable, politically stable nations in Asia and Africa and South America, associated with us on the basis of mutual interest, is essential to this purpose.

Such connections will be assured for the long haul only if conditions are created in which libertarian concepts can develop and grow; where the individual will have increasing opportunities for economic advancement, an expanding measure of dignity, and a stake in political stability. This can only come about as his country forges forward, as living standards rise, and, above all, to the degree that he feels he is participating in that development and has a just share in its growth.

An intelligently conceived, expanded, long-range program of economic assistance is essential to this objective. I believe that such a program should be based primarily on long-term loans with the highest quality technical assistance where it is required.

The third of the three areas of action in which our foreign policy must be made more effective may be discussed under the general heading of diplomacy. In this case I define diplomacy in its broadest sense to include not only our day-to-day negotiations with other governments, but also our approach to other peoples.

This phase of our work abroad will determine in large measure what others believe to be the advantages and disadvantages of a close economic and political relationship with our country. Here again our efforts should never lose sight of the creative goals which our policies are designed to achieve. The manner in which we present our defense and economic development programs will in itself do much to shape foreign attitudes toward America.

In our relations with the Communist nations we should distinguish between their legitimate interests and concerns, which need not necessarily conflict with our own, and their frequently stated, expansionist goals which lie at the heart of the present conflict. In dealing with non-Communist nations, both allied and neutral, we should recognize not only our own national purposes, but those which motivate other peoples and their governments. Only by understanding their perspective on world events, even when we disagree with it, will we find it possible to communicate, much less to reach agreement or accommodation.

Palmerston was once quoted as saying, "Britain has no permanent friends; only permanent interests." This observation is valid today for us, but only if we consider our interests in the framework of the revolutionary, fast-changing world in which we live. If we do so, we may be surprised at the extent to which they coincide with others'.

A year ago at Bandung the representatives of 28 Asian and African nations outlined their four primary objectives: freedom from colonial domination; dignity of the individual regardless of his race, creed or color; expanding economic opportunities, and peace.

These concepts are not Marxist. They are western and American—no more and no less than a reflection in these two vast continents of the continuing American Revolution for which Jefferson, Lincoln, Wilson, and Roosevelt spoke so eloquently.

What I have suggested represents no less than a major change of emphasis in our relations to other peoples and a fresh approach to the problem of American security, development, and growth.

If we have a purpose on this earth—and I profoundly believe that we have—it is to assure the preservation and the ultimate expansion throughout the world of the spirit of liberal democracy with its primary regard for the dignity and integrity of man.

Everywhere, throughout my travels across the United States—East, West, North, and South—I have found Americans seeking earnestly to throw off their frustration, to achieve a new sense of direction. Where their present vision of America's world role is too narrow, it is because leaders of both political parties have thus far failed to offer the broader vision which great Americans have provided in earlier critical periods of our history.

ELECTION OF GEORGE I. BLOOM TO BE REPUBLICAN STATE CHAIRMAN OF PENNSYLVANIA

Mr. MARTIN of Pennsylvania. Mr. President, when a Member of a Senator's staff receives a high honor in his own State, it is worthy of note in this Chamber. It is therefore an extreme pleasure to bring to the attention of the Senate the action of the Republican State Committee of Pennsylvania in electing as its State chairman the Honorable George I. Bloom, who has served as my administrative assistant since I first came to the United States Senate in 1947.

I consider myself most fortunate to have had the able, loyal, and efficient services of George Bloom, not only here in the Senate, but also during the 4 years when I served as Governor of Pennsylvania.

I am happy to state that George Bloom's election as Republican State chairman, was by unanimous vote of the State committee, at its meeting in Philadelphia, last Saturday. I am sure that my colleagues on both sides of the aisle will be pleased with this richly deserved recognition of George Bloom's outstanding ability.

George Bloom is an outstanding American, and during his lifetime has devoted his great ability to good, clean, and efficient Government.

THE ILO CONVENTION AGAINST FORCED LABOR

Mr. HUMPHREY. Mr. President, the State Department has not yet fully clarified its position with regard to the proposed ILO convention against forced labor. Time is running short, because the 39th ILO Conference which will consider this matter is scheduled to convene next month, in Geneva. Mr. George P. Delaney, the labor member of our ILO delegation, has already departed for Europe. I ask unanimous consent that an article written by him to the editor of the New York Times, and published in that newspaper on May 13, 1956, be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ILO AND FORCED LABOR

To the EDITOR OF THE NEW YORK TIMES:

Before departing for Europe, where I will represent the American workers at the 39th Annual Conference of the International Labor Organization, I wish to avail myself of this opportunity to congratulate the New York Times for the very enlightening and intelligent views expressed in regard to Senate Joint Resolution 117, which was introduced by Senator HUMPHREY in the Senate some weeks ago.

Senator HUMPHREY is to be congratulated for having initiated this important resolution, and the constructive argument which the New York Times has set forth in its editorials of April 29 and May 2, I am sure, will be helpful in determining the decision of the Senate committee dealing with this resolution.

As an American citizen who has had the advantage of following closely the efforts of organized labor in the United States in its fight against the Soviet Government exploiting workers of Russia and the Iron Curtain countries, I am at a loss to believe that the United States Government would fail to give effective moral leadership to the establishment of a convention by the International Labor Organization to abolish this inhuman exploitation of workers.

The Department of State's position has been most difficult to understand, since one is familiar with the courageous and forthright efforts they have made in the past to call the attention of the world to the extent and use of forced labor for political and economic reasons in Russia, Red China, and other satellite nations.

Let me again assure you that the workers' representative on the United States delegation will vigorously support the adoption of a convention and will work diligently to solicit support from every other delegate attending the 39th International Labor Conference. I wish also to again offer my congratulations to the Times for its vigorous stand on this issue.

GEORGE P. DELANEY,
International Representative American Federation of Labor-Congress of Industrial Organizations.

WASHINGTON, *May 8, 1956.*

CALL OF THE CALENDAR

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

Under the order entered on Friday, the Senate will proceed to consider measures on the calendar to which there is no objection.

Mr. BIBLE. Mr. President, in accordance with the order just announced by the Acting President pro tempore, as I understand, the Senate is to proceed to the call of the calendar beginning with Calendar No. 1979, with the exception of one bill which had previously been passed over and is also to be considered on the call of the calendar today. That exception is Calendar No. 1874, H. R. 3054. I would suggest that the call of the calendar begin with that bill.

The ACTING PRESIDENT pro tempore. The Senator from Nevada has correctly stated the parliamentary situation.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Without objection, it is so ordered.

Under the order previously entered the Secretary will state the first order of business.

ALLEN POPE

The bill (H. R. 3054) for the relief of Allen Pope, his heirs or personal representatives was announced as first in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 3332) to amend the Employment Act of 1946, as amended, was announced as next in order.

Mr. KNOWLAND. Mr. President, may we have a brief explanation of the bill?

Mr. BIBLE. Mr. President, I request that the bill go to the foot of the calendar. We had a request regarding it from the Senator from Illinois [Mr. DOUGLAS], who is elsewhere engaged.

The PRESIDING OFFICER. Without objection, the bill will be placed at the foot of the calendar.

ROADLESS AREA OF THE SUPERIOR NATIONAL FOREST

The bill (S. 2967) to amend the act of June 22, 1948 (62 Stat. 568), and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, except as hereinafter provided, the provisions of the act approved June 22, 1948 (62 Stat. 568), are hereby extended and made applicable to the following described lands:

Township 61 north, range 6 west, fourth principal meridian: Sections 5 to 8, inclusive; west half section 4; west half section 9.

Township 61 north, range 7 west, fourth principal meridian: Sections 1 to 12, inclusive.

Township 61 north, range 8 west, fourth principal meridian: Sections 3 to 8, inclusive.

Township 61 north, range 9 west, fourth principal meridian: Sections 1 to 12, inclusive.

Township 61 north, range 10 west, fourth principal meridian: Sections 1, 2, 11, and 12.

Township 62 north, range 3 west, fourth principal meridian: West half of section 3; sections 4 to 9, inclusive.

Township 62 north, range 4 west, fourth principal meridian: Sections 1 to 6, inclusive; sections 8 to 15, inclusive.

Township 62 north, range 5 west, fourth principal meridian: Sections 1 to 24, inclusive.

Township 62 north, range 6 west, fourth principal meridian: Sections 1 to 20, inclusive; north half section 21; sections 22 to 24, inclusive; sections 29 to 32, inclusive.

Township 62 north, range 7 west, fourth principal meridian: Entire township.

Township 62 north, range 8 west, fourth principal meridian: Sections 1 to 34, inclusive; north half section 35; north half section 36.

Township 62 north, range 9 west, fourth principal meridian: Entire township.

Township 62 north, range 10 west, fourth principal meridian: Sections 1 to 6 inclusive; sections 8 to 17, inclusive; sections 21 to 28, inclusive; sections 33 to 36, inclusive.

Township 62 north, range 11 west, fourth principal meridian: Sections 1 and 2.

Township 63 north, range 1 west, fourth principal meridian: Sections 4 to 9, inclusive; sections 16 to 21, inclusive.

Township 63 north, range 2 west, fourth principal meridian: Sections 1 to 4, inclusive; sections 9 to 16, inclusive; north half of section 17; north half of section 18; sections 21 to 24, inclusive.

Township 63 north, range 3 west, fourth principal meridian: North half section 13; north half section 14; north half, southwest quarter section 15; sections 16 to 21, inclusive; west half section 22; west half section 27; sections 28 to 33, inclusive; west half section 34.

Township 63 north, range 9 west, fourth principal meridian: Lot 3 section 15; lots 4, 6,

7, 8, 10, 11 and 12 section 16; lots 6 and 7 section 19.

Township 63 north, range 10 west, fourth principal meridian: Section 6, north half section 7; lots 7 and 8 section 24; northeast quarter, lots 1, 3 and 4, southwest quarter southwest quarter, east half southwest quarter, southeast quarter section 25; lots 5, 6, 7, 8, 9, 10, southeast quarter southeast quarter section 26; lots 3 to 6, inclusive, lot 8, southwest quarter, southwest quarter southeast quarter section 27; lots 5 to 8, inclusive, south half section 28; lots 5 to 8, inclusive, south half section 29; lots 10 to 14, inclusive, southeast quarter southeast quarter section 30; sections 31 to 36, inclusive.

Township 63 north, range 11 west, fourth principal meridian: Sections 1 to 4, inclusive; north half of sections 9 to 12, inclusive; lots 9 to 12, inclusive, section 25; lots 5 and 6, section 26; section 35 except lot 3; section 36.

Township 63 north, range 13 west, fourth principal meridian: Sections 5, 7, and 18.

Township 63 north, range 14 west, fourth principal meridian: Sections 12, 23, and 24.

Township 64 north, range 1 east, fourth principal meridian: Lot 15, section 5.

Township 64 north, range 1 west, fourth principal meridian: Sections 21, 22, 27, 28, 33, and 34.

Township 64 north, range 2 west, fourth principal meridian: South half of sections 3 to 6, inclusive.

Township 64 north, range 3 west, fourth principal meridian: South half of sections 1 to 4, inclusive; sections 5 and 6.

Township 64 north, range 4 west, fourth principal meridian: Sections 1 to 5, inclusive; sections 8 and 9.

Township 64 north, range 9 west, fourth principal medidian: North half of sections 25 to 30, inclusive.

Township 64 north, range 10 west, fourth principal meridian: Sections 19 to 24, inclusive; north half of sections 25, 26, and 27; sections 28 to 33, inclusive.

Township 64 north, range 11 west, fourth principal meridian: Sections 8, 17, 21 to 28, inclusive; sections 33 to 36, inclusive.

Township 64 north, range 13 west, fourth principal meridian: Sections 14 and 23; north half northwest quarter, southwest quarter northwest quarter section 26; section 27.

Township 65 north, range 3 west, fourth principal meridian: Section 18.

Township 65 north, range 4 west, fourth principal meridian: South half section 6; sections 7, 18, 19, and 30.

Township 65 north, range 5 west, fourth principal meridian: Sections 1 to 5, inclusive; sections 8 to 17, inclusive.

Township 65 north, range 12 west, fourth principal meridian: Sections 18, 19, 28, 29, 30, 32, and 33.

Township 65 north, range 13 west, fourth principal meridian: Sections 4 to 9, inclusive; sections 13, 14, 16, 17, and 24.

Township 65 north, range 14 west, fourth principal meridian: Sections 1 to 3, inclusive.

Township 66 north, range 4 west, fourth principal meridian: Sections 4 to 8, inclusive; sections 17 to 20, inclusive.

Township 66 north, range 5 west, fourth principal meridian: Section 1; sections 3 to 7, inclusive; sections 10 to 15, inclusive; sections 21 to 29, inclusive; sections 32 to 35, inclusive; west half section 36.

Township 66 north, range 16 west, fourth principal meridian: Sections 29 and 30.

Township 66 north, range 15 west, fourth principal meridian: Sections 18 and 19; sections 25 to 30, inclusive.

Township 66 north, range 16 west, fourth principal meridian: Sections 13, 24, and 25.

Township 67 north, range 4 west, fourth principal meridian: Entire township.

SEC. 2. With respect to the lands described in section 1 of this act, the second proviso of section 5 of the aforementioned act of June 22, 1948, is hereby revised to read as follows: "*Provided further*, That the first payment to the State of Minnesota under the provisions of this section shall be due at the close of the fiscal year 1959."

SEC. 3. Section 6 of the aforementioned act of June 22, 1948, is hereby amended by striking the figure "$500,000" and inserting in lieu thereof the figure "$2,500,000."

URBAN RENEWAL ASSISTANCE TO DISASTER AREAS—BILL PASSED OVER

The bill (S. 3844) to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HRUSKA. Mr. President, may we have a brief explanation of the bill?

The PRESIDING OFFICER. An explanation is requested of Calendar No. 1984, S. 3844.

Mr. BUSH. Mr. President, the bill would provide Federal assistance in the rehabilitation and rebuilding of disaster areas such as those affected by the recent major floods and hurricanes of 1955. It would permit Federal agencies to extend urban renewal assistance to disaster-affected communities without the obligation of certain requirements and limitations which the statute now requires under normal situations. I shall mention those requirements in a moment.

The bill would amend existing law to authorize Federal planning grants to a community affected by a major disaster without regard to whether the community's population is less than 25,000; and would increase the planning grant organization from $5 million to $10 million.

The requirements which the bill would waive are as follows:

It would waive the requirement of a workable program, except that a workable program would be required by some future date, determined by the Housing Administrator. One must bear in mind that the proposed law would take effect immediately after a flood disaster occurred in a community. Therefore it would waive the immediate requirement, but the bill would require the community to file such a plan at the later date.

The bill would waive the requirement that the urban renewal plan conform to a general plan for the locality. In some of the smaller communities which have been devastated there has been no general plan. Therefore the bill would waive this requirement in the case of a disaster-stricken community.

The bill would waive the requirement that there be a feasible method for the temporary relocation of families displaced from the project area. Inasmuch as the displacement of many families would probably already have occurred as a result of the major disaster, the relocation requirements would be modified to permit the local public agency to present a plan for the encouragement—to the maximum extent feasible—of the provision of dwellings suitable for families displaced by the catastrophe or by subsequent redevelopment activities.

The fourth waiver would be a waiver of the requirement that a public hearing be held before any land shall be acquired by the local public agency. The purpose of that, of course, is to save time and to get the job done.

Fifth, the bill would waive the requirement that the urban renewal area be a slum or blighted area.

Sixth, the bill would waive the requirement with respect to the predominantly residential character of urban-renewal areas.

I might say with respect to the last point that an area I have in mind, for instance, is Farmington, Conn., which wishes to take advantage of urban renewal assistance to disaster areas offered by the law. The present requirement is that the area be predominantly residential. Of course, the Farmington area was predominantly residential until the Farmington River came through there and swept away 95 percent of the houses in the area. Therefore, it is not now predominantly residential. Nor is it a slum area.

In other words, this bill is a practical approach to giving these communities an incentive to take advantage of the intent of the law under disaster circumstances. It has been proven that the present provisions need this amendment in order to get the communities started in connection with the urban renewal work made necessary when there is a very great disaster.

Mr. President, I ask unanimous consent that there be inserted in the RECORD at this point the general statement which appears in the report accompanying Senate bill 3844.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

GENERAL STATEMENT

By adding a new section 111 to the Housing Act of 1949, this bill would provide Federal assistance in the rehabilitation and rebuilding of disaster areas such as those affected by recent major floods and hurricanes. It would permit Federal agencies to extend urban renewal assistance to disaster-affected communities without the application of certain requirements and limitations which the statute now requires in normal situations. In addition, FHA mortgage insurance under sections 220 and 221 of the National Housing Act would be made available in major disaster areas as declared by the President. Finally, the bill would amend existing law to authorize Federal planning grants to a community affected by a major disaster without regard to whether the community's population is less than 25,000; and would increase the planning grant authorization from $5 million to $10 million.

Title I of the Housing Act of 1949 provides Federal aid to assist communities in redeveloping slums and blighted areas. Thus, communities with the help of the Federal Government may plan and execute urban renewal projects which may include slum clearance, rehabilitation, and conservation, or a combination of such activities. Under the present urban renewal program, a community or a local public agency must comply with a number of requirements in order to qualify for Federal aid.

The development of an urban renewal plan, including demolition, rehabilitation, conservation, and the relocation of tenants,

has proved to be both complicated and time consuming. Thus, while the benefits of the urban renewal program would be extremely helpful to many communities which have suffered damage as the result of a major disaster, the difficulty of complying with the requirements imposed by the statute prevents these communities from receiving this type of Federal aid at the time when such aid is most urgently needed.

The administration, therefore, has recommended, and this committee agrees, that where the local governing body certifies and the Housing Administrator finds that an urban area is in need of redevelopment or rehabilitation as a result of flood, fire, hurricane, earthquake, storm, or other catastrophe which the President has declared under existing law to be a major disaster, the Housing Administrator should be authorized to extend urban renewal assistance without regard to number of requirements contained in title I of the Housing Act of 1949. The requirements which this bill would waive are as follows:

1. The workable program requirement (sec. 101 (c)), except that a workable program would be required by some future date determined by the Housing Administrator.

2. The requirement that the urban renewal plan conform to a general plan for the locality.

3. The requirement that there be a feasible method for the temporary relocation of families displaced from the project area (sec. 105 (c)). Inasmuch as the displacement of many families will probably already have occurred as a result of the major disaster, the relocation requirements would be modified to permit the local public agency to present a plan for the encouragement (to the maximum extent feasible) of the provision of dwellings suitable for families displaced by the catastrophe or by subsequent redevelopment activities.

4. The requirement that a public hearing be held before any land shall be acquired by the local public agency.

5. The requirement that the urban renewal area be a slum or blighted area.

6. The requirement with respect to the "predominantly residential" character of urban renewal areas.

In addition, the local public agency, in preparing its urban renewal plan, would be required to give due regard to the removal or relocation of dwellings from the site of the recurring floods or other recurring catastrophes.

Section 220 of the National Housing Act provides FHA mortgage insurance for residential construction in urban renewal areas. This section would be amended to permit the Federal Housing Administration to make available its mortgage insurance aids to replace housing in disaster-affected communities.

Section 221 of the National Housing Act provides FHA mortgage insurance to assist in relocating families from urban renewal areas and in relocating families to be displaced as a result of Government action in a community which has an approved slum clearance or urban renewal project. The mortgage insurance made available to displaced families under section 221 also would be made available in disaster-affected communities.

Section 701 of the Housing Act of 1954 presently authorizes the Housing and Home Finance Administrator to make planning grants to States or to cities and municipalities having a population of less than 25,000. The bill would authorize the Administrator to make planning grants to cities and other municipalities having a population of 25,000 or more, if those communities have suffered damage as a result of a catastrophe which the President has declared to be a major disaster.

In addition, the present $5 million authorization for planning grants under section 701 of the Housing Act of 1954 is increased to $10 million. This planning program has been delayed by the inadequacy of many State laws, but during 1955 many States took legislative action to permit communities to avail themselves of the benefits of this planning program, and applications in preparation indicate that activities under the program will increase rapidly. The proposed $5 million increase, while not predicated upon the anticipated demands of disaster-affected areas, will be helpful in meeting the normal increase in demand and in permitting disaster-affected communities to avail themselves of the benefits of this program.

The provisions of this bill were originally contained in S. 3302, a bill which included a majority of the administration's housing recommendations for 1956. Sections 305 and 306 of S. 3302 were deleted by the committee and are now reported as a separate bill. This new bill thus contains all of the administration's recommendations with respect to urban renewal aids for disaster areas. The language of the bill is identical with the language recommended by the administration on this subject.

The PRESIDING OFFICER. Is there objection to the consideration of Senate bill 3844?

Mr. RUSSELL. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. BUSH subsequently said: Mr. President, when Calendar No. 1984, Senate bill 3844, was reached on the call of the calendar a few moments ago, the Senator from Georgia [Mr. RUSSELL] objected to consideration of the bill, because he wished to examine it a little further. He has now authorized me to say that he withdraws his objection, and that it would be in order for the bill to pass.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3844) to amend the Housing Act of 1949, as amended, to provide for urban renewal assistance to disaster areas.

The PRESIDING OFFICER. The Chair understands that the objection previously raised by the Senator from Georgia [Mr. RUSSELL] to Calendar No. 1984, Senate bill 3844, has now been withdrawn. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That title I of the Housing Act of 1949, as amended, is amended by adding at the end thereof a new heading and section as follows:

"DISASTER AREAS

"SEC. 111. Where the local governing body certifies, and the Administrator finds, that an urban area is in need of redevelopment or rehabilitation as a result of a flood, fire, hurricane, earthquake, storm, or other catastrophe which the President, pursuant to section 2 (a) of the act entitled 'An act to authorize Federal assistance to States and local governments in major disasters and for other purposes' (Public Law 875, 81st Cong., approved September 30, 1950), as amended, has determined to be a major disaster, the Administrator is authorized to extend financial assistance under this title for an urban renewal project with respect to such area without regard to the following:

"(1) the 'workable program' requirement in section 101 (c), except that any contract for temporary loan or capital grant pursuant to this section shall obligate the local public agency to comply with the 'workable program' requirement in section 101 (c) by a future date determined to be reasonable by the Administrator and specified in such contract;

"(2) the requirements in section 105 (a) (iii) and section 110 (b) (1) that the urban renewal plan conform to a general plan of the locality as a whole and to the workable program referred to in section 101 (c);

"(3) the 'relocation' requirements in section 105 (c): *Provided*, That the Administrator finds that the local public agency has presented a plan for the encouragement, to the maximum extent feasible, of the provision of dwellings suitable for the needs of families displaced by the catastrophe or by redevelopment or rehabilitation activities;

"(4) the 'public hearing' requirement in section 105 (d);

"(5) the requirements in sections 102 and 110 that the urban renewal area be a slum area or a blighted, deteriorated, or deteriorating area; and

"(6) the requirements in section 110 with respect to the predominantly residential character or reuse of urban renewal areas.

"In the preparation of the urban renewal plan with respect to a project aided under this section, the local public agency shall give due regard to the removal or relocation of dwellings from the site of recurring floods or other recurring catastrophes in the project area."

SEC. 2. Clause (d) (1) (A) of section 220 of the National Housing Act, as amended, is hereby amended to read as follows:

"(A) be located in (i) the area of a slum clearance and urban redevelopment project covered by a Federal-aid contract executed, or a prior approval granted, pursuant to title I of the Housing Act of 1949, as amended, before the effective date of the Housing Act of 1954, or (ii) an urban renewal area (as defined in title I of the Housing Act of 1949, as amended) in a community respecting which the Housing and Home Finance Administrator has made the certification to the Commissioner provided for by subsection 101 (c) of the Housing Act of 1949, as amended, or (iii) the area of an urban renewal project assisted under section 111 of the Housing Act of 1949, as amended: *Provided*, That, in the case of an area within the purview of clauses (i) or (ii) of this sentence, a redevelopment plan or an urban renewal plan (as defined in title I of the Housing Act of 1949, as amended), as the case may be, has been approved for such area by the governing body of the locality involved and by the Housing and Home Finance Administrator, and said Administrator has certified to the Commissioner that such plan conforms to a general plan for the locality as a whole and that there exist the necessary authority and financial capacity to assure the completion of such redevelopment or urban renewal plan: *And provided further*, That, in the case of an area within the purview of clause (iii) this sentence, an urban renewal plan (as required for projects assisted under said section 111) has been approved for such area by the said governing body and by the said Administrator, and the said Administrator has certified to the Commissioner that such plan conforms to definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements, and that there exist the necessary authority and financial capacity to assure the completion of such urban renewal plan, and".

SEC. 3. Section 221 (a) of the National Housing Act, as amended, is hereby amended by—

(1) adding immediately before the period at the end of the first sentence the words ", (3) there is being carried out an urban renewal project assisted under section 111 of the Housing Act of 1949, as amended"; and

(2) striking out "clause (2)" in the places it appears in the last proviso and substituting "clause (2) or (3)."

SEC. 4. (a) The second sentence of section 701 of the Housing Act of 1954, as amended, is hereby amended to read as follows: "The Administrator is further authorized to make planning grants for similar planning work: (1) in metropolitan and regional areas to official State, metropolitan or regional planning agencies empowered under State or local laws to perform such planning; (2) to cities, other municipalities, and counties having a population of 25,000 or more according to the latest decennial census which have suffered substantial damage as a result of a flood, fire, hurricane, earthquake, storm, or other catastrophe which the President, pursuant to section 2 (a) of the act entitled 'An act to authorize Federal assistance to States and local governments in major disasters and for other purposes' (Public Law 875, 81st Cong., approved September 30, 1950), as amended, has determined to be a major disaster; and (3) to State planning agencies for the provision of planning assistance to such cities, other municipalities, and counties referred to in clause (2) hereof.".

(b) The last sentence of said section 701 is hereby amended by striking out "$5,000,000" and inserting "$10,000,000."

BENEFITS PAYABLE TO WIDOWS OF CERTAIN FORMER EMPLOYEES OF THE LIGHTHOUSE SERVICE

The bill (S. 2937) to increase from $50 to $75 per month the amount of benefits payable to widows of certain former employees of the Lighthouse Service was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the first section and section 2 of the act entitled "An act to provide benefits for the widows of certain persons who were retired or are eligible for retirement under section 6 of the act entitled 'An act to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes,' approved June 20, 1918, as amended," approved August 19, 1950 (33 U. S. C. secs. 771 and 772) are each amended by striking out "$50 per month" and inserting in lieu thereof "$75 per month."

SEC. 2. The amendments made by this act shall take effect on the first day of the first month which begins after the date of the enactment of this act.

FISH HATCHERY IN THE VICINITY OF MILES CITY, MONT.

The bill (H. R. 8810) authorizing the Secretary of the Interior to construct, equip, maintain, and operate a new fish hatchery in the vicinity of Miles City, Mont., was considered, ordered to a third reading, read the third time, and passed.

PROPOSED CONVEYANCE OF LAND IN PIERCE COUNTY, WASH.—BILL PASSED OVER

The Senate proceeded to consider the bill (S. 3457) to authorize the Secretary of the Treasury to convey certain property to the county of Pierce, State of Washington, which had been reported from the Committee on Interstate and Foreign Commerce, with amendments.

Mr. MORSE. Mr. President, Senate bill 3457 would authorize the Secretary of the Treasury to convey a small tract, comprising less than an acre of land, in Pierce County, Wash., "for public use through the Brown's Point Improvement Club."

Section 2 of the bill provides that the property shall revert to the United States in the event it ceases to be used for public purposes.

Senate Report No. 1970 accompanying S. 3457 indicates that on the basis of original cost, the tract in question would be worth $513. The report does not state the present fair market value of such land.

The land has been declared excess to the needs of the Coast Guard, and if the conveyance were to be made, the property would be used for social and recreational activities by the residents of Brown's Point, particularly children.

There seems to be no reason for applying an exception to the Morse formula in this case. The principle is just as great, Mr. President.

Therefore, I wish to offer an amendment of the type I ordinarily offer in such cases, namely, for the payment of an amount equal to 50 percent of the fair-market value and containing a reservation of mineral rights.

I submit the amendment and ask that it be printed. It is my understanding that because the Senator from Washington is not here today, the calendar committee plans to let the bill go over. But I should like to have my amendment printed so that it will be available to the Senate when the bill is next called up.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. BIBLE. Mr. President, the statement by the Senator from Oregon is correct. I ask that the bill go over until such time as the Senator from Washington is able to be present.

The PRESIDING OFFICER. The bill will be passed over.

DISPOSAL OF ASSETS SEIZED UNDER THE TRADING WITH THE ENEMY ACT

The Senate proceeded to consider the bill (S. 2226) to authorize the Attorney General to dispose of the remaining assets seized under the Trading With the Enemy Act prior to December 18, 1941, which had been reported from the Committee on the Judiciary, with amendments, on page 3, line 3, after "(c)", to strike out "to transfer to the Secretary of the Treasury the cash credited on the books of the Attorney General in trust No. 6179, Osterreichisch Ungarische Bank, Vienna, maintained with respect to property or interests acquired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended. Such cash shall be carried with the Treasury in accounts in the names of Czechoslovakia, Rumania, and Poland blocked in accordance with Executive Order 8389 of April 10, 1940, as amended. The respective amounts to be credited to the three accounts shall be certified to the Secretary of the Treasury by the Attorney General" and insert "to transfer to the Secretary of the Treasury the cash credited on the books of the Attorney General in trust No. 6179, Osterreichisch Ungarische Bank, Vienna, maintained with respect to property or interests acquired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended. So much of such cash as shall be certified to the Secretary of the Treasury by the Attorney General to be the property of Czechoslovakia and Poland shall be carried with the Treasury in accounts in the names of Czechoslovakia and Poland blocked in accordance with Executive Order 8389 of April 10, 1940, as amended. So much of such cash as shall be certified to the Secretary of the Treasury by the Attorney General to be the property of Rumania shall be covered by the Secretary of the Treasury into the Rumanian claims fund created by section 302 of the International Claims Settlement Act of 1949, as amended, and shall be subject to disbursement under section 309 of that act;"; on page 4, line 10, after the word "Treasury", to strike out "the" and insert "for deposit in the Treasury as miscellaneous receipts all"; and after line 20, to strike out:

Such cash shall be carried with the Treasury in accounts in the names of persons certified to the Secretary of the Treasury by the Attorney General to be claimants thereto. The respective amounts to be credited to these accounts shall likewise be certified to the Secretary of the Treasury by the Attorney General. The Secretary of the Treasury shall maintain these accounts subject to proof of claim satisfactory to him submitted by any claimant in whose name any account is carried, or by the successors in interest to such claimant: *Provided*, That amounts determined to be payable upon proof of claim shall be subject to such applicable blocking regulations issued under Executive Order 8389 of April 10, 1940, and amendments thereto, as shall remain in force at the time; and

And insert:

Upon such transfer, the Attorney General shall publish notice thereof in the Federal Register, together with notice of the rights conferred by this subsection upon any person having any claim with respect to any cash so transferred. Within 2 years after the publication of such notice, any person having any claim to any cash so transferred may file in the District Court of the United States for the District of Columbia an action against the United States for the recovery of the cash so claimed. Upon the filing of any such action, such court shall have jurisdiction to hear and determine such claim, and to enter judgment against the United States for such sum, if any, as the court may determine to be the amount to which such claimant would have been entitled to receive from any such account if the transfer authorized by this subsection had not been made, except that the amounts so determined to be payable shall be subject to the provisions of any applicable blocking regulations issued under Executive Order No. 8389, dated April 10, 1940, as amended, which remain in force at the time of the entry of such judgment; and

So as to make the bill read:

Be it enacted, etc., That the Attorney General, notwithstanding any provisions to the contrary in the Trading With the Enemy

Act, as amended, or the Settlement of War Claims Act of 1928, as amended, is authorized and directed as soon as practicable after the date of enactment hereof—

(a) to transfer to the Secretary of the Treasury for deposit in the miscellaneous receipts of the Treasury all cash credited, or which may hereafter be credited, on the books of the Attorney General in the following accounts maintained with respect to property or interests acquired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended:

(1) Trust No. 47667, consolidated unclaimed balances account;

(2) Trust No. 47669, unpayable balances account;

(3) Government earnings—interest account; and

(4) Undistributed income—interest reserve;

(b) to transfer to the Secretary of the Treasury the assets, other than cash, credited on the books of the Attorney General in Trust No. 47863, German claimants, maintained with respect to property or interests acquired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended. The Secretary of the Treasury shall, if possible, liquidate such assets and deposit the net proceeds of their liquidation in the German special deposit account created under section 4 of the Settlement of War Claims Act of 1928. The Secretary of the Treasury is authorized in his sole discretion at any time to abandon or destroy any asset transferred to him pursuant to this subsection upon his determination that such asset has no value or a value less than the cost of its liquidation;

(c) to transfer to the Secretary of the Treasury the cash credited on the books of the Attorney General in Trust No. 6179, Osterreichisch Ungarische Bank, Vienna, maintained with respect to property or interests acquired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended. So much of such cash as shall be certified to the Secretary of the Treasury by the Attorney General to be the property of Czechoslovakia and Poland shall be carried with the Treasury in accounts in the names of Czechoslovakia and Poland blocked in accordance with Executive Order 8389 of April 10, 1940, as amended. So much of such cash as shall be certified to the Secretary of the Treasury by the Attorney General to be the property of Rumania shall be covered by the Secretary of the Treasury into the Rumanian claims fund created by section 302 of the International Claims Settlement Act of 1949, as amended, and shall be subject to disbursement under section 309 of that act;

(d) to transfer to the Secretary of the Treasury for deposit in the Treasury as miscellaneous receipts all cash credited on the books of the Attorney General in the following accounts maintained with respect to property or interests acqired by the United States prior to December 18, 1941, under the Trading With the Enemy Act, as amended:

(1) Trust No. 47675, Polish claimants;

(2) Trust No. 47677, Czech claimants; and

(3) Trust No. 47687, Bulgarian, Hungarian, and Rumanian claimants.

Upon such transfer, the Attorney General shall publish notice thereof in the Federal Register, together with notice of the rights conferred by this subsection upon any person having any claim with respect to any cash so transferred. Within 2 years after the publication of such notice, any person having any claim to any cash so transferred may file in the District Court of the United States for the District of Columbia an action against the United States for the recovery of the cash so claimed. Upon the filing of any such action, such court shall have jurisdiction to hear and determine such claim, and to enter judgment against the United States for such sum, if any, as the court may determine to be the amount to which such claimant would have been entitled to receive from any such account if the transfer authorized by this subsection had not been made, except that the amounts so determined to be payable shall be subject to the provisions of any applicable blocking regulations issued under Executive Order Numbered 8389, dated April 10, 1940, as amended, which remain in force at the time of the entry of such judgment; and

(e) to transfer to the Secretary of the Treasury, pending the ultimate disposition thereof, the participating certificates issued to the Alien Property Custodian or the Attorney General pursuant to section 25 of the Trading With the Enemy Act, as amended.

SEC. 2. (a) No person shall have any claim to any cash or other assets transferred by the Attorney General to the Secretary of the Treasury pursuant to section 1 except persons claiming cash transferred pursuant to subsection (c) or (d) thereof.

(b) The cash or other assets transferred by the Attorney General to the Secretary of the Treasury pursuant to section 1 shall not be liable to lien, attachment, garnishment, trustee process or execution, or subject to any order or decree of any court.

SEC. 3. The Trading With the Enemy Act, as amended, is further amended by striking paragraph 15 of subsection (b) of section 9.

SEC. 4. The word "person," as used herein, shall be deemed to mean an individual, partnership, association, or other unincorporated body of individuals, or corporation or body politic.

Mr. HRUSKA. Mr. President, may we have an explanation of the bill, and may we also have a statement covering the points as to whether there is any known objection to the bill?

Mr. EASTLAND. Mr. President, the bill would permit the termination of the administraton of the World War I vesting program of the Office of Alien Property. The proposed legislation was requested by the Department of Justice.

Under the terms of the bill approximately $600,000 in cash is transferred from the custody of the Office of Alien Property to the miscellaneous receipts of the Treasury. This cash represents abandoned or unprosecuted claims, unallocated interest, and interest reserve.

Other assets, most of which are of dubious value, are transferred to the Secretary of the Treasury for disposition as provided in the bill or as otherwise provided by law.

Hearings were held on this bill and no witnesses appeared in opposition. Also, there was no opposition to a favorable report of the bill by the committee.

The committee recommended the bill in order to aid the Department of Justice in the termination of a program which has spanned a period of nearly 40 years.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AGNES V. WALSH

The Senate proceeded to consider the bill (S. 1245) for the relief of Agnes V. Walsh, the estates of Margaret T. Denehy and Daniel Walsh which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the word "appropriately", to strike out "the sum of $10,000 to each of and insert "to", and in line 9, after the word "Massachusetts", to insert "the sums of $500, $900, and $325.15, respectively", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay out of any money in the Treasury not otherwise appropriated, to the following parties: (1) Agnes V. Walsh, of Cambridge, Mass., (2) the estate of Margaret T. Denehy, late of Cambridge, Mass., and (3) David Walsh, of Cambridge, Mass., the sums of $500, $900, and $352.15, respectively. The payment of such sums shall be in full settlement of all claims against the United States of such parties for personal injuries sustained by the said Agnes V. Walsh and the late Margaret T. Denehy, and for personal injuries and property damage sustained by the said David Walsh, when the automobile in which the above-named persons were riding was struck by a United States Navy motor vehicle at Boston, Mass., on August 24, 1945: *Provided,* That no part of the amount appropriated in this act for any of such parties, in excess of 10 percent thereof, shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim of such party, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANNA MARIA FULLER

The bill (S. 1895) for the relief of Anna Maria Fuller was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (9) of the Immigration and Nationality Act, Anna Maria Fuller may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act: *Provided,* That this exemption shall apply only to a ground of exclusion of which the Secretary of State or the Attorney General had knowledge prior to the enactment of this act.

GERTRUDE HEINDEL

The bill (S. 2341) for the relief of Gertrude Heindel was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (3) of the Immigration and Nationality Act, Gertrude Heindel may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act: *Provided further,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

MAJ. LUTHER C. COX

The Senate proceeded to consider the bill (S. 2352) for the relief of Maj. Luther C. Cox, which had been reported from the Committee on the Judiciary, with amendments, on page 1, at the beginning of line 6, to strike out "Army" and insert "Air Force", and in the same line, after the word "of", where it appears the second time, to strike out "$15,000" and insert "$8,215.25", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Luther C. Cox, major, United States Air Force, of Ferndale, Md., the sum of $8,215.25. Such sum shall be in full satisfaction of the claim of the said Luther C. Cox against the United States for compensation for the death of his wife, Helen Cox, who was fatally injured as the result of an accident occurring on February 5, 1955, near Saalfelden, Austria, in which a United States Army ambulance struck an automobile in which the said Helen Cox was riding, and for burial and other expenses incurred by the said Luther C. Cox incident to such death: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM G. JACKSON

The Senate proceeded to consider the bill (S. 2690) for the relief of William G. Jackson which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 6, after the word "of", to strike out "$65,000" and insert "$15,000", and on page 2, line 3, after the word "of", to strike out "10" and insert "5", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William G. Jackson, of Chattanooga, Tenn., the sum of $15,000. Such sum shall be in full satisfaction of all claims of the said William G. Jackson against the United States for compensation for permanent and disabling injuries sustained by him when a building at Maxwell Air Force Base, Ala., on which the said William G. Jackson had been assigned to work while he was an inmate of a Federal prison, collapsed during construction on January 18, 1955: *Provided,* That no part of the amount appropriated in this act in excess of 5 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FAI HOO

The Senate proceeded to consided the bill (S. 2722) for the relief of Fai Hoo, which had been reported from the Committee on the Judiciary, with an amendment to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Fai Hoo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELADIO LEDESMA-GUTIERREZ

The Senate proceeded to consider the bill (S. 2930) for the relief of Eladio Ledesma-Gutierrez, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "act", to insert a comma and "upon payment of the required visa fee", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Eladio Ledesma-Gutierrez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHAN LEE NUI SIN

The bill (S. 3011) for the relief of Chan Lee Nui Sin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 212 (a) (25) of the Immigration and Nationality Act, Chan Lee Nui Sin may be admitted to the United States for permanent residence if otherwise admissible under the provisions of that act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act.

GERTRUD CHARLOTTE SAMUELIS

The Senate proceeded to consider the bill (S. 3040) for the relief of Gertrud Charlotte Samuelis, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 7, after the word "fee", to insert "under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Gertrud Charlotte Samuelis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided,* That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. Upon the granting of permanent residence to such alien as provided for in this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JAVIER F. KUONG

The bill (S. 3058) for the relief of Javier F. Kuong was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Javier F. Kuong shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota officer to deduct one number from the appropriate quota for the first year that such quota is available.

ELSIE M. KENNEY

The bill (S. 3147) for the relief of Elsie M. Kenney was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Elsie M. Kenney shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

BILL PASSED OVER

The bill (S. 3410) to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges, was announced as next in order.

Mr. BIBLE. Over.

The PRESIDING OFFICER. The bill will be passed over.

WILLIAM J. ROBERTSON

The bill (H. R. 1471) for the relief of William J. Robertson was considered, ordered to a third reading, read the third time, and passed.

MRS. GERTRUD MARIA SCHURHOFF—BILL REFERRED BACK TO COMMITTEE ON THE JUDICIARY

The bill (H. R. 1878) for the relief of Mrs. Gertrud Maria Schurhoff was announced as next in order.

Mr. EASTLAND. Mr. President, I ask that the bill (H. R. 1878) be referred back to the Judiciary Committee, inasmuch as information has been received relating to the case which requires further study and investigation by that committee.

The PRESIDING OFFICER. Without objection, the bill will be referred back to the Committee on the Judiciary.

INCREASE IN COMPENSATION OF TRUSTEES IN BANKRUPTCY

The bill (H. R. 5047) to increase the compensation of trustees in bankruptcy was considered, ordered to a third reading, read the third time, and passed.

RELIEF OF CERTAIN MEMBERS OF THE ARMY AND AIR FORCE

The bill (H. R. 5652) to provide for the relief of certain members of the Army and Air Force, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

INTERSTATE COMPACTS RELATING TO MUTUAL MILITARY AID

The bill (H. R. 6623) to amend the act of July 1, 1952, so as to obtain the consent of Congress to interstate compacts relating to mutual military aid in an emergency was considered, ordered to a third reading, read the third time, and passed.

COL. HENRY M. ZELLER

The bill (H. R. 8309) for the relief of Col. Henry M. Zeller was considered, ordered to a third reading, read the third time, and passed.

PUNISHMENT OF PERSONS ASSISTING IN ATTEMPTED ESCAPE OF PERSONS IN FEDERAL CUSTODY

The bill (H. R. 9257) to amend title 18 of the United States Code, so as to provide for the punishment of persons who assist in the attempted escape of persons in Federal custody was considered, ordered to a third reading, read the third time, and passed.

EQUAL RIGHTS FOR MEN AND WOMEN—JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 39) proposing an amendment to the Constitution of the United States relating to equal rights for men and women was announced as next in order.

Mr. BIBLE. Mr. President, obviously, the joint resolution is not calendar business, and I ask that it go over.

The PRESIDING OFFICER. The joint resolution will go over.

MARY A. MOUSKALIS

The bill (S. 510) for the relief of Mary A. Mouskalis was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mary A. Mouskalis shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien, as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

USE OF INFORMATION FILED BY A PUBLIC PROSECUTING OFFICER

The bill (S. 806) to amend sections 3182 and 3183 of title 18 of the United States Code so as to authorize the use of an information filed by a public prosecuting officer for making demands for fugitives from justice was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 3182 of title 18 of the United States Code is amended to read as follows:

"§ 3182. Fugitives from State or Territory to State, District, or Territory

"Whenever the executive authority of any State or Territory demands any person as a fugitive from justice, of the executive authority of any State, District, or Territory to which such person has fled, and produces a copy of an indictment found, an information filed by a public prosecuting officer, or an affidavit made before a magistrate of any State or Territory, charging the person demanded with having committed treason, felony, or other crime, certified as authentic by the governor or chief magistrate of the State or Territory from whence the person so charged has fled, the executive authority of the State, District, or Territory to which such person has fled shall cause him to be arrested and secured, and notify the executive authority making such demand, or the agent of such authority appointed to receive the fugitive, and shall cause the fugitive to be delivered to such agent when he shall appear. If no such agent appears within 30 days from the time of the arrest, the prisoner may be discharged."

SEC. 2. Section 3183 of title 18 of the United States Code is amended to read as follows:

"§ 3183. Fugitives from State, Territory, or possession into extraterritorial jurisdiction of United States

"Whenever the executive authority of any State, Territory, District, or possession of the United States or the Panama Canal Zone demands any American citizen or national as a fugitive from justice who has fled to a country in which the United States exercises extraterritorial jurisdiction, and produces a copy of an indictment found, an information filed by a public prosecuting officer, or an affidavit made before a magistrate of the demanding jurisdiction, charging the fugitive so demanded with having committed treason, felony, or other offense, certified as authentic by the governor or chief magistrate of such demanding jurisdiction, or other person authorized to act, the officer or representative of the United States vested with judicial authority to whom the demand has been made shall cause such fugitive to be arrested and secured, and notify the executive authorities making such demand, or the agent of such authority appointed to receive the fugitive, and shall cause the fugitive to be delivered to such agent when he shall appear.

"If no such agent shall appear within 3 months from the time of the arrest, the prisoner may be discharged.

"The agent who receives the fugitive into his custody shall be empowered to transport him to the jurisdiction from which he has fled."

ANGEL MARIA OLAETA GOITIA

The Senate proceeded to consider the bill (S. 875) for the relief of Angel Maria Olaeta Goitia, which had been reported from the Committee on the Judiciary with an amendment, on page 1, line 4, after the word "act", to strike out "Angel Maria Olaeta Goitia" and insert "Angel Marie Olaeta-Goitia", so as to make the bill read:

Be it enacted etc., That, for the purposes of the Immigration and Nationality act, Angel Marie Olaeta-Goitia shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Angel Marie Olaeta-Goitia."

AMENDMENT OF FOREIGN AGENTS REGISTRATION ACT OF 1938

The bill (S. 1273) to amend sections 1, 3, and 4 of the Foreign Agents Registration Act of 1938, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 (b) of the Foreign Agents Registration Act of 1938, as amended (56 Stat. 248), is amended by adding thereto a new paragraph (6) to read as follows:

"(6) A domestic partnership, association, corporation, organization, or other combination of individuals, supervised, directed, controlled, or financed, in whole or in substantial part, by any foreign government or foreign political party;".

SEC. 2. Section 3 (d) of such act is amended to read as follows:

"(d) Any person engaging or agreeing to engage only in private and nonpolitical financial or mercantile activities in furtherance of the bona fide trade or commerce of such foreign principal or in the soliciting and collecting of funds and contributions within the United States to be used only for medical aid and assistance, or for food and clothing to relieve human suffering, if such solicitation or collection of funds and contributions is in accordance with and subject to the provisions of the act of November 4, 1939, as amended (54 Stat. 4, 8), and such

rules and regulations as may be prescribed thereunder;".

SEC. 3. Section 4 (a) of such act is amended to read as follows:

"(a) Every person within the United States who is an agent of a foreign principal and required to register under the provisions of this act who transmits or causes to be transmitted in the United States mails or by any means or instrumentality of interstate or foreign commerce any political propaganda shall, not later than 48 hours after the beginning of the transmittal thereof, send to the Librarian of Congress two copies thereof and file with the Attorney General one copy thereof and a statement, duly signed by or on behalf of such agent, setting forth full information as to the places, times, and extent of such transmittal."

SEC. 4. Section 4 (b) of such act is amended to read as follows:

"(b) It shall be unlawful for any person within the United States who is an agent of a foreign principal and required to register under the provisions of this act to transmit or cause to be transmitted in the United States mails or by any means or instrumentality of interstate or foreign commerce any political propaganda unless such political propaganda is conspicuously marked at its beginning with, or prefaced or accompanied by, a true and accurate statement, in the language or languages used in such political propaganda, setting forth that the person transmitting such political propaganda or causing it to be transmitted is registered under this act with the Department of Justice, Washington, D. C., as an agent of a foreign principal, together with the name and address of such agent of a foreign principal and of each of his foreign principals; that, as required by this act, his registration statement is available for inspection at and copies of such political propaganda are being filed with the Department of Justice; and that registration of agents of foreign principals required by the act does not indicate approval by the United States Government of the contents of their political propaganda. The Attorney General, having due regard for the national security and the public interest, may by regulation prescribe the language or languages and the manner and form in which such statement shall be made and require the inclusion of such other information contained in the registration statement identifying such agent of a foreign principal and such political propaganda and its sources as may be appropriate."

SEC. 5. Section 4 of such act is amended by adding thereto a new subsection "(e)" to read as follows:

"(e) Any person not within the United States who uses the United States mails or any means or instrumentality of interstate or foreign commerce within the United States to circulate or disseminate any political propaganda shall be regarded as acting within the United States and as subject to the provisions of this act, except that this subsection (e) shall have no application to such person outside the United States when his use of the United States mails or a means or instrumentality of interstate or foreign commerce within the United States is confined to the transmittal of prints or other material to a person duly registered under the terms of this act."

CONTROL OF NARCOTIC DRUGS—BILL PASSED OVER

The bill (S. 3760) to provide for a more effective control of narcotic drugs, and for other related purposes, was announced as next in order.

Mr. BIBLE. Mr. President, this is not properly calendar business, so I ask that the bill go over.

The PRESIDING OFFICER. The bill will go over.

EXTENSION OF WAR-RISK INSURANCE

The bill (S. 3412) to extend the provisions of title XIII of the Civil Aeronautics Act of 1938, as amended, relating to war-risk insurance for an additional 5 years was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1312 of title XIII of the Civil Aeronautics Act of 1938, as amended (act of June 23, 1938, ch. 601, 52 Stat. 977, as amended by the act of June 14, 1951, ch. 123, 65 Stat. 69, 49 U. S. C. 722), is amended by striking out the word "five" and inserting in lieu thereof the word "ten."

ISSUANCE OF PATENTS IN FEE TO LANDS WITHIN THE BLACKFEET INDIAN RESERVATION, MONT.

The bill (H. R. 4604) relating to the issuance of certain patents in fee to lands within the Blackfeet Indian Reservation, Mont., was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LANDS TO THE BOARD OF NATIONAL MISSIONS, PRESBYTERIAN CHURCH

The Senate proceeded to consider the bill (H. R. 6990) to provide for the conveyance of certain lands by the United States to the Board of National Missions of the Presbyterian Church, in the United States of America, which had been reported from the Committee on Interior and Insular Affairs without amendment.

Mr. MORSE. Mr. President, the bill H. R. 6990 would authorize the Secretary of the Interior to convey by quitclaim deed to the Board of National Missions of the Presbyterian Church in the United States the interest of the Makah Indian Tribe in a certain lot 5, block 20, of the Indian village of Neah Bay, Wash.

No consideration is involved in the proposed transfer.

The Makah Tribal Council adopted a resolution approving the proposed conveyance and the Department of the Interior and the Bureau of the Budget have interposed no objections.

The conveyance would enable the church to take title to the land upon which the church and parsonage are located.

It appears that this is the type of case to which the Morse formula is inapplicable. The United States holds bare legal title to the land as trustee for the Indian tribe. The cestui que trust—the Indian tribe—has approved the transfer. No property interest of the United States is being given away.

I have no objection.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

GALLUP-DURANGO HIGHWAY AND THE GALLUP-WINDOW ROCK HIGHWAY

The bill (H. R. 6374) to repeal legislation relating to the Gallup-Durango Highway and the Gallup-Window Rock Highway at the Navaho Indian Reservation was considered, ordered to a third reading, read the third time, and passed.

PAYMENT OF OPERATION AND MAINTENANCE CHARGES ON CERTAIN PUEBLO INDIAN LANDS

The bill (H. R. 9207) to authorize the Secretary of the Interior to contract with the Middle Rio Grande Conservancy District of New Mexico for the payment of operation and maintenance charges on certain Pueblo Indian lands was considered, ordered to a third reading, read the third time, and passed.

SALE OF CERTAIN LAND BY THE PUEBLOS OF SAN LORENZO AND POJOAQUE

The bill (S. 3547) to amend section 1 of the act of August 9, 1955 (69 Stat. 555), authorizing the sale of certain land by the Pueblos of San Lorenzo and Pojoaque was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 1 of the act of August 9, 1955 (69 Stat. 555), is amended by inserting after "townships 6, 7, and 8 north", the following: "range 14 west, townships 7 and 8 north."

BILLS PASSED OVER

The bill (S. 1907) to provide that the United States hold in trust for the Pueblos of Zia and Jemez, a part of the Ojo de Espiritu Santo Grant and a small area of public domain adjacent thereto, was announced as next in order.

Mr. BIBLE. Mr. President, I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3855) to extend and amend laws relating to the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities, and for other purposes, was announced as next in order.

Mr. BIBLE. Mr. President, obviously the bill is not calendar business, so I ask that it go over.

The PRESIDING OFFICER. The bill will be passed.

SALE OF HOUSING PROJECT TO THE CITY OF HOOKS, TEX.

The bill (H. R. 7540) to provide for the sale of a Government-owned housing project to the city of Hooks, Tex., was considered, ordered to a third reading, read the third time, and passed.

CROOKED RIVER FEDERAL RECLAMATION PROJECT, OREGON

The bill (S. 3101) to authorize construction by the Secretary of the Interior of the Crooked River Federal rec-

lamation project, Oregon, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purpose of furnishing water for the irrigation of arid and semiarid lands (including approximately 20,000 acres of land in Crook County, Oreg.) and for other beneficial purposes, the Secretary of the Interior is authorized to construct, operate, and maintain the Crooked River Federal reclamation project. The principal new works of the said project shall include a dam and storage reservoir at or near the Prineville site, a diversion dam and canal below said reservoir, and related pumping plants, canals, conduits, drains, and other facilities. The operation of said works shall be integrated with the operation of the existing Ochoco Dam and Reservoir and of the Government-owned generator in the Cove powerplant of the Pacific Power & Light Co., which works shall, for the purpose of this act, be considered as works of the Crooked River project.

SEC. 2. In constructing, operating, and maintaining the Crooked River project, the Secretary shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), except that (1) any contract entered into under section 9, subsection (d) of the Reclamation Project Act of 1939 (53 Stat. 1187, 1193; 43 U. S. C., sec. 485h) for payment of those portions of the costs of constructing, operating, and maintaining the project which are allocated to irrigation and assigned to be paid by the contracting organization shall provide for the repayment of the portion of the construction cost of the project assigned to any contract unit or, if the contract unit be divided into two or more blocks, to any such block over a period of not more than 50 years (exclusive of any permissible development period) or as near thereto as is consistent with the adoption and operation of a variable payment formula which, being based on full repayment within the said period under average conditions, permits variance in the required annual payments in the light of economic factors pertinent to the ability of the organization to pay; (2) the construction charge obligation of the Ochoco Irrigation District set out in its contract with the United States dated April 24, 1950, may, if the district so elects, be merged with and paid under the same conditions as other obligations undertaken by it under this act; (3) that portion of the cost of constructing the new works of the project which is allocated to irrigation but is beyond the ability of the water users to pay shall be charged to and returnable to the reclamation fund from net revenues derived by the Secretary of the Interior from his sale of power from the Dalles project, Oregon, which are over and beyond the amounts required to amortize the power investment therein, as provided in section 5 of the act of December 22, 1944 (58 Stat. 887, 890; 16 U. S. C., sec. 825s), and to return interest on the unamortized balance of said investment; and (4) construction of any of the new works herein authorized shall not be commenced until the Secretary shall have certified to the Congress, in accordance with the provisions of the act of July 31, 1953 (67 Stat. 261, 266), that an adequate soil survey and land classification of not less than 20,000 acres of land to be served by the project has been made and that those lands are susceptible to the production of agricultural crops by means of irrigation or that their susceptibility to the sustained production of agricultural crops by means of irrigation has been demonstrated in practice. Those costs of constructing the project which are properly allocable to flood control and to the preservation and propagation of fish and wildlife as provided in existing law, and the like costs of operating and maintaining the same shall be nonreturnable and nonreimbursable under the reclamation laws.

SEC. 3. The Secretary is authorized, in connection with the Crooked River project, to construct minimum basic public recreational facilities and to arrange for the operation and maintenance of the same by an appropriate State or local agency or organization. The cost of such facilities shall be nonreturnable and nonreimbursable under the Federal reclamation laws.

SEC. 4. In order to promote the preservation and propagation of fish and wildlife in accordance with section 2 of the act of August 14, 1946 (60 Stat. 1080, 16 U. S. C., sec. 661a), an appropriate screen and fish ladder shall be provided at the diversion canal headworks of the Crooked River project below Prineville Reservoir and a minimum release of 10 cubic feet per second shall be maintained from said reservoir for the benefit of downstream fishlife during those months when there is no other discharge therefrom, but this release may be reduced for brief temporary periods by the Secretary whenever he may find that release of the full 10 cubic feet per second is harmful to the primary purpose of the project.

SEC. 5. There are hereby authorized to be appropriated $6,339,000 for construction of the new works of the Crooked River project, plus such amounts, if any, as may be required by reason of changes in the cost of construction work of the types involved therein as shown by engineering indexes and, in addition thereto, such sums as may be required to operate and maintain said project.

Mr. NEUBERGER. Mr. President, I wish to thank the Senate for the passage of S. 3101, a bill which was introduced by me for myself and my distinguished senior colleague [Mr. MORSE].

I wish to preface my remarks with a summary which explains the project. The data, contained in the favorable report of the Senate Committee on Interior and Insular Affairs on S. 3101, is as follows:

Location: Surrounds and adjacent to town of Prineville, Crook County, Oreg.

Purpose: Storage for irrigation, flood control, and drainage.

Source of water: Ochoco Creek and Crooked River, tributary of Deschutes River, Columbia River system.

Service area: Twenty-thousand acres; 9,900 acres dry land (new), and 10,220 acres now irrigated with an inadequate water supply with 51,000 acre-feet of water available for other lands.

Industry of area: Agriculture and lumbering.

Rainfall of area: About 9 inches annually, half of which falls from April to October; inadequate for sustained crop production without irrigation.

Proposed works: Prineville Dam and Reservoir with 155,000 acre-feet capacity; small diversion dam, and 6.3-mile diversion canal; pumping plant and distribution canal; relift pumping plant, and drainage works. Will use 46,500 acre-feet of existing Ochoco Reservoir capacity and existing distribution system of Ochoco Irrigation District.

Source of pumping energy: Federally installed generator in Cove Creek powerplant of Pacific Power & Light Co., to be included in repayment coverage.

Estimated construction cost: Six million five hundred and ninety-eight thousand dollars, including $200,000 already expended for investigations; $570,000 for drainage, and $259,000 for unpaid portion of generator cost. Annual operation and maintenance and replacement costs, $38,000 annually.

Construction cost allocations: Irrigation, $5,903,000; flood control, $653,000; fish and wildlife, $29,000; recreation, $13,000. Recreation cost to be nonreimbursable if responsible local agency agrees to operate and maintain same. Flood control and fish and wildlife costs would also be nonreimbursable.

Irrigation allocations: Four million and forty-nine thousand dollars to 20,210 acres of project lands and $1,854,000 to deferred acreage to be watered by 51,200 of storage excess to needs of project.

Benefit-cost ratio: Annual benefits exceed costs 2 to 1; direct benefits, 1.25 to 1.

Outstanding debts: The Ochoco district owes an estimated $117,500 on outstanding RFC bonds and $500,000 to the United States for rehabilitation of Ochoco Dam to be repaid in 40 years after RFC bonds are discharged. These obligations are consolidated in arriving at the repayment ability of the district.

Type of crops to be produced: Potatoes, small seed crops, hay, pasture, and feed grains. Wheat acreage on the new lands will be reduced under irrigation, thus eliminating surplus crop production.

Use of surplus power revenues from the Dalles Dam powerplant: The Congress, by act of June 17, 1952, established a direct precedent in Columbia River Basin for use of power revenues to aid irrigation in connection with Foster Creek development and Chief Joseph Dam and powerplant. Previously, the mammoth Columbia Basin irrigation project with lands to be irrigated 150 miles or more removed from Coulee Dam was authorized on a much more extensive basis. In the Missouri River Basin, irrigation in Kansas is aided by power revenues with the nearest powerplant in South Dakota. However, Columbia Basin irrigation and power as well as those in Missouri Basin are treated as one project.

I ask unanimous consent that a table on the repayment plan at Crooked River, which I have prepared, be printed in the body of the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Repayment plan

By district lands in 50 years, with variable repayment formula (exclusive of development period)	$2,299,000
By deferred nondistrict lands	1,854,000
By surplus revenues from the Dalles Dam powerplant on Columbia River (see explanation below)	2,445,000
Total	6,598,000

NOTE.—The variable repayment formula might extend the repayment period beyond 50 years.

Mr. NEUBERGER. Mr. President, as the information contained in the committee report indicates, the Crooked River reclamation project is financially feasible. It will provide extensive benefits to present irrigated farms by adding to the available water supply, and will open attractive new farming opportunities on lands not presently irrigated. Passage of S. 3101 means a forward step in the economic development of an important section of the State of Oregon. I thank the Members of the Senate for its adoption.

This is an historic day in central Oregon. Passage of the Crooked River project bill by the Senate climaxes 20 years of patient pioneering by devoted men and women in the general region of

Crook, Jefferson, and Deschutes Counties. Passage of the bill is a great achievment for them.

Mr. MORSE. Mr. President, I should like to supplement what my very able colleague has said about S. 3101. In the passage of the so-called Crooked River reclamation project bill we are doing a great service to the people of that area, in helping to provide not only irrigation benefits, but also flood-control benefits.

WAPINITIA FEDERAL RECLAMATION PROJECT, OREGON

The bill (H. R. 1779) to authorize the Secretary of the Interior to construct, operate, and maintain the Juniper division of the Wapinitia Federal reclamation project, Oregon, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Mr. President, I may say that H. R. 1779 is identical with a Senate bill which my colleague from Oregon [Mr. NEUBERGER] and I introduced earlier this year. I am very happy to rise on the floor of the Senate and support the House bill, which is identical with the Senate bill. The House bill was passed by the House, it has come to the Senate, and, in my judgment, should be passed by the Senate today.

Mr. NEUBERGER. Mr. President, I ask unanimous consent that a statement which I have prepared on the bill be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR NEUBERGER

Mr. President, I would like to present for consideration of the Senate a few comments on H. R. 1779, a bill to authorize construction, operation, and maintenance of the Juniper divisions of the Wapinitia reclamation project.

A brief explanation of the project, as summarized in the favorable report of the Senate Committee on Interior and Insular Affairs, will outline the benefits and feasibility of the project and the favorable recommendations for its authorization. The data explaining the project are as follows:

Location: Juniper Flat, Wasco County, north central Oregon.

Service area: 2,108 presently irrigated acres with supplemental water supplies.

Proposed construction: Wasco Dam and Reservoir, with a capacity of 13,060 acre-feet.

Estimated cost: $553,000, of which $518,000 would be allocated to irrigation, to be fully repaid without interest during a 40-year period. The amount of $35,000 would be allocated to nonreimbursable recreation facilities.

Benefit-cost ratios: 1.8 to 1 for total benefits, and 1.6 to 1, based on direct benefits.

Annual repayments: $12,950, or at the rate of $5.30 per acre, on the construction costs, and $760 annually for operation and maintenance costs.

Favorable reports: Federal and State agencies either recommend or are not adverse to construction of the project. Department of the Interior recommends enactment of the bill, and the Bureau of the Budget also favors enactment, with a requirement for a firm understanding with respect to the prior water rights of the Pacific Power & Light Co. reached before construction begins.

H. R. 1779, passed by the House of Representatives on February 20, 1956, is an identical companion bill to S. 2234, on which hearings were held by the committee on May 7, 1956.

As mentioned previously, H. R. 1779 is an identical companion bill to one sponsored by the senior Senator from Oregon [Mr. MORSE] and myself. The Wapanitia project which it authorizes is fully justified and should be constructed promptly. Water users of the Wapanitia project will repay $518,000 of the cost during a 40-year period. Even the nonreimbursable allocation of projects costs of $35,000 is a beneficial and worthwhile investment because it will provide recreational facilities and development in a section of Oregon which has unique scenic attraction. Besides the recreational advantages, its construction will give greater stability to farming operations in the area, thereby contributing to the economic progress of the surrounding communities. I urge adoption of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of H. R. 1779, Calendar No. 2025?

There being no objection, the bill (H. R. 1779) was considered, ordered to a third reading, read the third time, and passed.

ELIMINATION OF HAZARDS WITHIN THE CITY OF KLAMATH FALLS, OREG.

The joint resolution (S. J. Res. 143) to direct the Secretary of the Interior to determine the best means of eliminating the hazards within the city of Klamath Falls, Oreg., caused by a canal under the jurisdiction of the Bureau of Reclamation was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an explanation which I have prepared on Senate Joint Resolution 143.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR NEUBERGER

I would like to make a few brief remarks on the subject of Senate Joint Resolution 143, a proposal sponsored by myself and the senior Senator from the State of Oregon [Mr. MORSE] to direct the Secretary of the Interior to determine the best means of eliminating the hazards within the city of Klamath Falls, Oreg., caused by a canal under the jurisdiction of the Bureau of Reclamation.

This is a matter of major concern to the mothers and fathers of children in the vicinity of the Klamath irrigation-project canal, which has taken the lives of 25 persons in the 30 years it has been in operation. This hazardous deathtrap has become an increasingly serious threat because of the concentration of homes around the canal as the city has grown in recent years.

Senate Joint Resolution 143 was amended by the Senate Committee on Interior and Insular Affairs to make the small amount authorized for the study nonreimbursable and nonreturnable. In reporting favorably on the resolution, the committee explained the amendatory action. The report said:

"As all funds appropriated in connection with reclamation developments are reimbursable unless otherwise provided by law, the committee takes the position that the limited amount authorized by the resolution should be nonreimbursable, but without recognition of any preconceived obligation on the part of the United States to defray the cost of the facilities found necessary to provide adequate protection for human life, especially the children of the community.

"The committee does conclude, however, that there is a responsibility on the part of the Secretary of the Interior to take the leadership in developing a plan that will provide protection for the public in connection with facilities constructed by the Bureau of Reclamation for irrigation service in the Klamath Falls area. The cooperation of the city of Klamath Falls, the county, local school districts, and other State or local agencies is urged not only in the development of a plan for safety measures but in the construction of facilities that will safeguard the public, especially children, from the hazards incident to irrigation operations of the canal.

"In view of the appalling loss of life over the years, attributable to the operations of the canal, no time should be lost in developing a workable plan for protective measures and for financing the construction necessary to achieve the necessary results."

I urge the passage of Senate Joint Resolution 143.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 143), which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 2, line 6, after the word "resolution", to insert "which amount shall be nonreimbursable and nonreturnable," so as to make the joint resolution read:

Resolved, etc., That the Secretary of the Interior shall provide for an investigation and study for the purpose of determining the best means of eliminating the hazards within the city of Klamath Falls, Oreg., caused by the A canal under the jurisdiction of the Bureau of Reclamation.

SEC. 2. There is authorized to be appropriated such amount not in excess of $5,000 as is necessary to carry out the provisions of this joint resolution which amount shall be nonreimbursable and nonreturnable.

The amendment was agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

PER CAPITA PAYMENTS TO MEMBERS OF THE RED LAKE BAND OF CHIPPEWA INDIANS

The bill (H. R. 5478) to authorize a $100 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation, was considered, ordered to a third reading, read the third time, and passed.

SALE OF CERTAIN LANDS OF THE AGUA CALIENTE BAND OF MISSION INDIANS, CALIFORNIA

The bill (H. R. 6084) to authorize the Secretary of the Interior to sell certain

lands of the Agua Caliente Band of Mission Indians, California, to the Palm Springs Unified School District was considered, ordered to a third reading, read the third time, and passed.

LUMBEE INDIANS OF NORTH CAROLINA

The Senate proceeded to consider the bill (H. R. 4656) relating to the Lumbee Indians of North Carolina, which had been reported from the Committee on Interior and Insular Affairs with an amendment on page 2, line 16, after the word "States", to insert "Nothing in this act shall make such Indians eligible for any services performed by the United States for Indians because of their status as Indians, and none of the statutes of the United States which affect Indians because of their status as Indians shall be applicable to the Lumbee Indians."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The preamble was agreed to.

BILL PASSED OVER

The bill (S. 3149) to amend the Civil Aeronautics Act of 1938 in order to permit certain air carriers to grant free or reduced rate transportation to ministers of religion, was announced as next in order.

Mr. HRUSKA. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

PAYMENT OF GRATUITY TO DOROTHY ATKINSON

The resolution (S. Res. 267) to pay a gratuity to Dorothy Atkinson was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Dorothy Atkinson, executrix of Harry Colder, an employee of the Senate at the time of his death, a sum equal to 1 year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING OF ADDITIONAL COPIES OF REPORT OF THE COMMITTEE ON THE JUDICIARY

The Senate proceeded to consider the resolution (S. Res. 251) to print additional copies of a report of the Committee on the Judiciary on its study of antitrust laws, which had been reported from the Committee on Rules and Administration with an amendment, in line 2, after the word "than", to strike out "10,000" and insert "9,300", so as to make the resolution read:

Resolved, That there be printed for the use of the Committee on the Judiciary not more than 9,300 additional copies of Report No. 1879, 84th Congress, of the Committee on the Judiciary to the Senate on its study of the antitrust laws.

The amendment was agreed to.

The resolution, as amended, was agreed to.

PRINTING AS SENATE DOCUMENT PAMPHLET ENTITLED "LAWS CONTROLLING ILLICIT NARCOTICS TRAFFIC"

The resolution (S. Res. 259) to print a pamphlet entitled "Laws Controlling Illicit Narcotics Traffic" as a Senate document was considered and agreed to, as follows:

Resolved, That the pamphlet entitled "Laws Controlling Illicit Narcotics Traffic", prepared by the Subcommittee on Improvements in the Federal Criminal Code for the use of the Committee on the Judiciary, be printed as a Senate document; and that there be printed 5,000 additional copies of such Senate document for the use of the Committee on the Judiciary.

PRINTING OF REVISED EDITION OF SENATE DOCUMENT 85

The resolution (S. Res. 262) authorizing the printing of a revised edition of Senate Document 85 as a Senate document and providing for additional copies was considered and agreed to, as follows:

Resolved, That there be printed as a Senate document a revised edition of Senate Document No. 85, current Congress, entitled "Soviet Political Treaties and Violations", and that 12,500 additional copies be printed for the use of the Committee on the Judiciary, United States Senate.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON H. R. 5550

The concurrent resolution (H. Con. Res. 230) authorizing the printing of additional copies of the hearings on H. R. 5550 for the use of the Committee on Ways and Means was considered and agreed to.

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON THE STUDY OF ANTITRUST LAWS

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 77) authorizing the printing of additional copies of parts 6, 7, and 8 of the hearings on the study of the antitrust laws of the United States, which had been reported from the Committee on Rules and Administration with an amendment, in line 5, after the word "Monopoly", to insert "during the 84th Congress, 1st session,", so as to make the concurrent resolution read:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Committee on the Judiciary 1,000 additional copies each of parts 6, 7, and 8, of the hearings held by the Subcommittee on Antitrust and Monopoly during the 84th Congress, 1st Session, on a study of the antitrust laws of the United States, and their administration, interpretation, and effect.

The amendment was agreed to.

The concurrent resolution, as amended, was agreed to.

PRINTING OF ADDITIONAL COPIES OF PART 7 OF HEARINGS ON IMPROVEMENTS IN THE FEDERAL CRIMINAL CODE

The Senate proceeded to consider the resolution (S. Res. 266) to print for the use of the Committee on the Judiciary additional copies of part 7 of the hearings before the Subcommittee on Improvements in the Federal Criminal Code, which has been reported from the Committee on Rules and Administration with amendments, in line 2, after the word "Judiciary", to strike out "1,200" and insert "860", and in line 4, after the word "held", to insert "during the 84th Congress, 1st session,", so as to make the resolution read:

Resolved, That there be printed for the use of the Committee on the Judiciary 860 additional copies of part 7 of the hearings held during the 84th Congress, 1st session, by the Subcommittee on Improvements in the Federal Criminal Code.

The amendments were agreed to.

The resolution as amended was agreed to.

TRAINING OF NEEDED PERSONNEL FOR THE FISHING INDUSTRY

The bill (S. 2379) to promote the fishing industry in the United States and Territories by providing for the training of needed personnel for such industry was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HRUSKA. Mr. President, may we have an explanation of the bill?

The PRESIDING OFFICER. May the Chair ask if it would be possible for the bill to go to the foot of the calendar?

Mr. BIBLE. Mr. President, I ask that the bill go to the foot of the calendar, so as to permit the present occupant of the chair to explain the bill. However, I have no objection to the Chair's explaining the bill from the chair.

Mr. MORSE. Mr. President, I suggest that we waive the ordinary rule and let the Presiding Officer make the explanation from the chair.

Mr. BIBLE. Mr. President, we have no objection to that procedure.

The PRESIDING OFFICER (Mr. PAYNE in the chair) Without objection, the junior Senator from Maine will state that this is a bill which will for the first time give due recognition to the needs of the fishing industry in this country, by providing trained and competent personnel to meet the needs of the industry.

The bill contains a provision which is very similar to the provision which is in effect with regard to agricultural extension service work. Secondly, it provides, at the college level, for the education of instructors who will be able to go into the schools where courses will be established, set up those courses, and provide the industry with its needs. It means a great deal to many thousands of our people who depend for their livelihood on the products of the sea. At the present time, with the exception of one school in Washington, which has done considerable

work in the field, and a few other institutions which have undertaken a very small amount of work, there is no concentrated effort toward this end, and yet there is a great need for it.

Mr. ELLENDER. Mr. President, what will the bill cost, and where will the money come from?

The PRESIDING OFFICER. I am sorry I do not have a copy of the bill before me, but as I remember it, the bill provides $550,000 for vocational education and extension work, and $550,000 for the other phase of education, in the colleges.

Mr. ELLENDER. Will this teaching take place in existing schools?

The PRESIDING OFFICER. It will take place in existing schools.

Mr. ELLENDER. How will the money be spent?

The PRESIDING OFFICER. It will be spent on a 50–50 matching basis, in exactly the same way as the present vocational and industrial education funds are being spent, except in this case the money will be used for education in fisheries in the States that wish to participate in the program.

Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2379) to promote the fishing industry in the United States and its Territories by providing for the training of needed personnel for such industry, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 2, line 2, after the word "including", to insert "scientists"; in line 4, after the word "commercial", to strike out "fishing" and insert "fisheries"; after line 24, to insert:

(d) The several States and Territories, in order to receive the benefits of this section, shall be required to match by State or local funds or both 100 percent of the appropriations made under authority of this section.

On page 3, line 7, after "(5)", to strike out "$375,000" and insert "$550,000", and, in the same line, after the word "education", to insert "and."

The amendments were agreed to.

The PRESIDING OFFICER. On page 3, in line 8, there is a typographical error in the printing of the committee amendment; at that point the word "extensive" should read "extension." Without objection, the correction will be made.

The question now is on the engrossment and third reading of the bill.

The bill (S. 2379) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) the Secretary of the Interior is authorized to make grants, out of funds appropriated for the purposes of this section, to public and nonprofit private universities and colleges in the several States and Territories of the United States for such purposes, including the establishment of scholarships, as may be necessary to promote the education and training of professionally trained personnel (including scientists, technicians, and teachers) needed in the field of commercial fisheries. Any amount appropriated for the purposes of this section shall be apportioned on an equitable basis, as determined by the Secretary of the Interior, among the several States and Territories for the purpose of making grants within each such State and Territory. In making such apportionment the Secretary of the Interior shall take into account the extent of the fishing industry within each State and Territory as compared with the total fishing industry of the United States (including Territories), and such other factors as may be relevant in view of the purposes of this section. The Secretary of the Interior may establish such guides and curricula for educational courses as may be necessary for the purposes of this section.

(b) There are authorized to be appropriated not in excess of $550,000 for the fiscal year beginning on July 1, 1955, and for each fiscal year thereafter for the purposes of this section.

(c) The Secretary of the Interior may establish such regulations as may be necessary to carry out the provisions of this section.

(d) The several States and Territories, in order to receive the benefits of this section, shall be required to match by State or local funds or both 100 percent of the appropriations made under authority of this section.

Sec. 2. (a) Section 3 (a) of the Vocational Education Act of 1946 is amended by inserting after paragraph (4) the following new paragraph:

"(5) $550,000 for vocational education and extension service in the fishery trades and industry and distributive occupations therein, to be apportioned for expenditure in the several States and Territories on an equitable basis, as determined by the United States Commissioner of Education after consultation with the Secretary of the Interior, taking into account the extent of the fishing industry of each State and Territory as compared with the total fishing industry of the United States (including Territories)."

(b) Section 3 (b) of such act is amended by striking out "paragraphs (1) to (4)" and inserting in lieu thereof "paragraphs (1) to (5)."

Mr. MORSE. Mr. President, I wish to commend the distinguished Presiding Officer, the junior Senator from Maine [Mr. PAYNE], for his explanation of Calendar No. 2038, Senate bill 2379, a bill of which I have the honor of being a cosponsor.

I ask unanimous consent to have printed at this point in the RECORD, following the explanation of the bill by the Senator from Maine, the material contained in the committee report, beginning on page 2, under the subheading, "Background and Need for Legislation," and continuing through page 4, to the end of the paragraph preceding the language "The report of the Task Force on Natural Resources."

There being no objection, the excerpt from the report (No. 2014) was ordered to be printed in the RECORD, as follows:

BACKGROUND AND NEED FOR LEGISLATION

Hearings were held from March 19 through March 26 with testimony from interested parties from all sections of the country. The testimony was virtually unanimous in support of the bill with the exception of a somewhat adverse departmental report.

The fishing industry has been a part of the American economy from the very beginning. Fishing was conducted on the Atlantic coast of the North American Continent by several European nations long before there were any settlements in the New World. When the Jamestown and Plymouth Colonies were established, fishing was one of the key means of livelihood of the people. From that day to this the fishing industry has occupied an important role in our economy as one of the principal sources of high protein food products.

When Senator PAYNE introduced S. 2379 on June 30, 1955, he stated on the Senate floor in part as follows:

"Probably no phase of our commercial fishery industries has received less attention than the development of progressive fishery educational facilities in this country. Whereas this field of vocational and academic training has received growing attention and action in other major fishery producing nations, the meager facilities in this country have remained almost unchanged during the past three decades.

"This inadequacy has left a serious mark on the efficiency of the industry, but just as important has been its effect on the management and conservation of our fishery resources. At no time has this been better illustrated than by the current difficulties being experienced by Government in its management staffing program.

"As the world's fishery industries become more advanced technologically, this serious deficiency in educational facilities is becoming more pronounced and can exert an even more serious effect on this Nation's standing as a major fish producing and processing factor. While this condition merits immediate consideration because of the importance of the fisheries contribution to the gross national product, it can be even more serious in that it can adversely affect our independence for protein food from foreign sources during periods of international emergencies."

The above remarks by Senator PAYNE are an excellent summary of the situation revealed at the hearings held by the committee. That foreign nations are actively promoting fisheries training and education was amply demonstrated. That the United States has for all intents and purposes done nothing in this field was also amply demonstrated.

In a statement to the committee Mr. Thomas D. Rice, executive secretary of the Massachusetts Fisheries Association, Inc. pointed out how effectively educational programs have benefited agriculture and indicated what similar programs could do for the fisheries. Mr. Rice's remarks on this subject were as follows:

"The vocational and academic training programs presently functioning under the direction and the sponsorship of the United States Department of Agriculture have improved upon and expanded the eating habits of all in the United States. The training programs were coordinated with the scientific studies of plant and animal life conducted by the Department's staff of scientists. The end result has been greater efficiency in the production of land foods and a broader understanding by the farmer of the whims of nature which has increased his ability to exploit such vagaries to his own betterment. The crop-rotation plan developed by the Department of Agriculture is an excellent example of what a farm-education program can accomplish.

"We need the same structure of education in the fishing industry. A great deal can be done to increase the efficiency and the value of the industrial use of the resources of the sea. We need a practical educational program that begins in the fishing ports of the Nation by the inauguration of extension courses so that those already working in the fishing industry can acquire new ideas, new and efficient methods of catching and preparing for market, the commodities they produce. We need vocational training courses in our high schools and at the trade-school level to attract the youth of our country into our industry. In this connection I must hasten to add that this prospective field of employement has been sadly neglected. We are suffering today because of this neglect. The average age of the fishermen working out of the port of Boston is 59 years.

"Vocational training and extension courses in netmaking, boatbuilding, navigation, diesel and gas engineering, care and handling of fish, mechanics of marine and shore refrigeration, utilization of byproducts along with many, many other practical subjects, too numerous to mention at this time, would raise the production standards of the industry far beyond present levels. They would be the means of increasing the supply of diversified foods so badly needed in times of national emergencies."

BILLS PASSED OVER

The bill (S. 3449) relating to the reinvestment by air carriers of the proceeds from the sale or other disposition of certain operating property and equipment was announced as next in order.

Mr. HRUSKA. Over, Mr. President, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 3275) to establish a sound and comprehensive national policy with respect to the development, conservation for preservation management, and use of fisheries resources, to create and prescribe the functions of the United States Fisheries Commission, and for other purposes, was announced as next in order.

Mr. BIBLE. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

TRANSFER OF SUPPLIES AND EQUIPMENT TO THE CITADEL, CHARLESTON, S. C.

The joint resolution (H. J. Res. 261) authorizing the Secretary of the Army to make such transfers of supplies and equipment as may be available to The Citadel, Charleston, S. C., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. MORSE. Mr. President, reserving the right to object—although I shall not object—I wish to state for the RECORD that this measure has to do with relics or museum pieces of military equipment or battle equipment used in past wars; and the joint resolution provides that certain items of this sort shall be donated to The Citadel for instructional and educational purposes and for the enlightenment of the students, the cadets at the Citadel, a considerable percentage of whom will, as history shows, wear the uniform of our military forces.

The Military Establishment assures me that these relics are without intrinsic value, save and except whatever value they may have as scrap metal when sold for junk. I wish that statement to appear in the RECORD. Aside from that value, I am assured that these relics have no value.

No value being involved, Mr. President, in my judgment the Morse formula does not apply. Therefore I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 261) authorizing the Secretary of the Army to make such tranfers of supplies and equipment as may be available to The Citadel, Charleston, S. C., which had been reported from the Committee on Armed Services with an amendment, to strike out all after the resolving clause, and insert:

That, notwithstanding any other provision of law, the Secretary of the Army is authorized to donate to The Citadel, the Military College of South Carolina, such ordnance field pieces (tanks and guns) used in World War II or during the Korean conflict and captured enemy materiel as are available and determined by him to be appropriate for use by that college for memorial purposes.

The amendment was agreed to.

The joint resolution was ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution authorizing the Secretary of the Army to donate surplus supplies and equipment for memorial purposes to The Citadel, Charleston, S. C."

The preamble was rejected.

GRADING OF CERTAIN PERSONNEL OF THE ARMED FORCES

The bill (H. R. 8904) to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement was announced as next in order.

Mr. ELLENDER. Mr. President, may we have an explanation of the bill?

Mr. BIBLE. Mr. President, in the absence of the distinguished chairman of the Armed Services Committee, the Senator from Georgia [Mr. RUSSELL], I should like to point out that the purpose of the bill is to preserve the retirement rights of a large number of Army, Navy, Air Force, and Marine Corps officers. Existing legislation, which authorizes such officers who hold a temporary grade higher than their permanent grade to retire in the higher rank, will expire on December 31, 1956. This bill would provide permanent authority so that officers who at the time of their retirement were serving in a temporary grade higher than their permanent grade could be retired in the higher rank, provided they had served satisfactorily for at least 6 months in the higher grade.

Mr. ELLENDER. How many officers will be affected by this measure?

Mr. BIBLE. I am advised that 2,500 officers will be affected by it.

Mr. ELLENDER. How much will the bill, if enacted, cost the Government?

Mr. BIBLE. I am advised that it is estimated that enactment of the bill will cost $691,000 for the next fiscal year.

Mr. ELLENDER. And how much thereafter?

Mr. BIBLE. It is difficult to approximate the exact amount thereafter, but it will be approximately the same sum.

Mr. ELLENDER. Each year?

Mr. BIBLE. That is correct.

Mr. President, I ask unanimous consent that a statement which the distinguished chairman of the committee has prepared on the bill be printed in full at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR RUSSELL

TEMPORARY GRADE RETIREMENT ACT

The purpose of H. R. 8904 is to preserve the retirement rights of a large number of Army and Air Force officers. Existing authority, which authorizes Army and Air Force officers who held a temporary grade higher than their permanent grade, to retire in the higher rank, expires on December 31, 1956. This bill would provide permanent authority to such officers who at the time of their retirement were serving in a temporary grade higher than their permanent grade to be retired in the higher rank, provided they serve at least 6 months satisfactorily in the higher grade.

In addition the bill will permit Army and Air Force officers who at the time of their retirement previously held higher temporary grades for at least 6 months in the higher temporary grade. Existing law permits such retirements only if the previous higher temporary grade was held between the dates of World War II—September 9, 1940, and June 30, 1946. The bill therefore deletes these dates. There is already permanent authority for Naval and Marine Corps officers to be retired under the features outlined above for Army and Air Force officers.

The bill would also permit personnel of all services who do not retire as offices to be advanced after a combined total of 30 years of service, both active and retired, to any previously held higher temporary grade either enlisted, warrant or commissioned. Existing law permits such advancements only to the higher grade held between the dates of World War II.

In addition the bill contains provisions affecting small groups of personnel already retired.

It might also be noted that there are about 2,500 officers (1,700 in the Army and 800 in the Air Force) who have completed 20 years of active service and who are serving in temporary grades higher than their permanent grades. If this legislation were not enacted they would probably apply for retirement since after January 1, 1957 they can retire only in their permanent grades.

It is of significance to note that the President of the United States, in a communication to the Congress on April 9, 1956, personally urged the enactment of this legislation as being vitally important to the matter of personnel stability in our Armed Forces.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 8904) to amend certain laws relating to the grade of certain personnel of the Army, Navy, Air Force, and Marine Corps upon retirement was considered, ordered to a third reading, read the third time, and passed.

AWARDS OF CERTAIN MILITARY DECORATIONS

The Senate proceeded to consider the bill (S. 1637) to extend the time limit within which recommendations for and awards of certain military decorations may be made, which had been reported from the Committee on Armed Services with an amendment, to strike out all after the enacting clause and insert:

"That, notwithstanding any other provision of law, a decoration or device in lieu of decoration which, prior to the date of enactment of this act, has been authorized by Congress to be awarded to any person for an

act or service performed while on active duty in the military or naval forces of the United States, or while serving with such forces, may be awarded at any time not later than 1 year after the date of enactment of this act for any such act or service performed between June 27, 1950, and July 27, 1953, inclusive, if written recommendation for the decoration or device in lieu of decoration has been submitted to the appropriate office in a military department at the seat of government before the date of enactment of this act."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to extend the time limit within which awards of certain military and naval decorations may be made."

CONVEYANCE OF PART OF ETHAN ALLEN AIR FORCE BASE

The bill (S. 1961) to provide for the conveyance of part of Ethan Allen Air Force Base, Colchester, Vt., to the State of Vermont, and for other purposes, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MORSE. Reserving the right to object—and I shall not object—I wish to state for the RECORD that this bill is very similar to a considerable number of other bills we have passed, in which Federal military property has been transferred to the States for use for National Guard purposes, in which the Federal Government has a great security interest. The bill provides for the proper reversionary procedure, and I have no objection.

Mr. AIKEN. Mr. President, I thank the Senator from Oregon for his explanation of the bill. I may add that the bill is necessary because the State must build a highway to the National Guard lands. This highway would cross one edge of the Air Force lands.

The National Guard land referred to was formerly used only as a campground for the summer maneuvers and training of the National Guard, but about 2 years ago the permanent headquarters of the Vermont National Guard were moved to this land. It therefore becomes necessary to have a good road, and this seems to be the simplest way to authorize the State to build it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services with an amendment, on page 3, line 5, after the word "gas", to strike out "the right of reentry and use by the United States in the event of need therefor during the national emergency;" and insert "the right of reentry and use by the United States in the event of need therefor during a national emergency declared by the President or the Congress;", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Air Force is authorized and directed to convey to the State of Vermont all right, title, and interest of the United States in and to certain land comprising a part of the Ethan Allen Air Force Base, together with improvements thereon, and appurtenances thereto belonging; such property being more particularly described as follows:

Parcel No. 1: Beginning at a brick masonry pillar, such pillar being at the intersection of the southwesterly property line of Ethan Allen Air Force Base and the northwesterly side of Vermont Highway Numbered 15 and running thence north 45 degrees 30 minutes west 243.6 feet more or less along such property line; thence north 44 degrees 30 minutes east 55 feet more or less across a road to a bound; thence north 81 degrees 43 minutes east 176.9 feet more or less to a bound; thence south 44 degrees 14 minutes east 47.7 feet more or less to a bound; thence south 7 degrees 50 minutes east 162.9 feet more or less to a brick masonry pillar on the northwesterly side of Vermont Highway Numbered 15; and thence in a southwesterly direction along such highway to the place of beginning.

Parcel No. 2: Being a strip of land 55 feet wide adjacent to and on the northeasterly side of the southwesterly property line of the Ethan Allen Air Force Base, beginning on such property line at a point 243.6 feet more or less northwesterly from the beginning point in parcel numbered 1 and extending in a northwesterly direction along such property line for a distance of 2,785 feet, more or less. The property authorized to be conveyed herein shall include the hydrant line along Feigle Street.

SEC. 2. The property authorized to be conveyed by the first section of this act shall be used for the training of the National Guard of Vermont and for other military purposes, and the conveyance authorized herein shall be made without monetary consideration therefor, but shall be subject to the reservation by the United States of all mineral rights, including oil and gas; the right of reentry and use by the United States in the event of need therefor during a national emergency declared by the President or the Congress; and the condition and limitation that if the property shall fail or cease to be used for the training of the National Guard of Vermont or for other military purposes, the title to the property so conveyed shall revert to and revest in the United States, and all improvements made thereon during its occupancy by the State of Vermont shall vest in the United States without payment of compensation therefor.

SEC. 3. The costs of any surveys necessary as an incident of the conveyance authorized herein shall be borne by the State of Vermont.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RESOLUTION PASSED OVER

The resolution (S. Res. 250) prohibiting the introduction of bills or joint resolutions by 2 or more Senators jointly was announced as next in order.

Mr. BIBLE. I ask that the resolution be passed over.

The PRESIDING OFFICER. The resolution will be passed over.

BILL PASSED OVER

The bill (H. R. 11177) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes, was announced as next in order.

Mr. BIBLE. I ask that the bill be passed over, because obviously it is not calendar business.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF EMPLOYMENT ACT OF 1946, AS AMENDED

The PRESIDING OFFICER. When the call of the calendar began, Order No. 1979, Senate bill 3332, was ordered placed at the foot of the calendar. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3332) to amend the Employment Act of 1946, as amended.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BIBLE. In that connection, I specifically invite the attention of the Senator from Illinois [Mr. DOUGLAS] to this particular piece of legislation, with respect to which an explanation was requested.

Mr. DOUGLAS. Mr. President, this bill comes to the Senate with the unanimous approval of the Banking and Currency Committee. It was originally introduced by the Senator from Utah [Mr. WATKINS], the Senator from Vermont [Mr. FLANDERS], and the Senator from Arizona [Mr. GOLDWATER], members of the minority of the Joint Committee on the Economic Report.

The committee made only two minor changes in the bill and the bill would make two minor amendments to the Employment Act of 1946. The first change is that the Joint Committee on the Economic Report would have its title changed to the Joint Economic Committee.

The second change relates to the date at which the President must file his economic report. The present act requires him to file the report at the beginning of each regular session. That has been increasingly interpreted in a very liberal fashion by the Office of the President, and the reports have been coming in quite late. It has been difficult for the joint committee to hold its hearings, so that, in turn, it might make its report by the first of March. The law requires us to submit our report to the Congress by the first of March. The Senate committee struck out a provision in the bill extending the time to March 20 for it is felt the Congress should have the views of its Joint Economic Committee as early in the session of Congress as is possible. Thus there is no change in this date.

We have given more latitude to the office of the President by providing that the report shall be filed not later than January 20 of each year, thus extending for 17 days the time when the President must file his report, if the present Act be interpreted literally. Although the bill will not allow a great deal of time for public hearings on the report and the preparation of the report of the joint congressional committee, nevertheless, we believe that it will provide adequate time.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with amendments, on page 1, line 8, after "January",

to strike out "15" and insert "20", and on page 2, after line 4, to strike out:

SEC. 3. Section 5 (b) (3) of such act (relating to the time for filing the report of the Joint Committee) is amended by striking out "March 1 of each year (beginning with the year 1947)" and inserting in lieu thereof "March 20 of each year."

So as to make the bill read:

Be it enacted, etc., That section 3 (a) of the Employment Act of 1946, as amended (relating to the time for filing the economic report of the President), is amended by striking out "at the beginning of each regular session (commencing with the year 1947)" and inserting in lieu thereof "not later than January 20 of each year."

SEC. 2. Section 5 (a) of such act and the heading thereof are each amended by striking out "Joint Committee on the Economic Report" and inserting in lieu thereof "Joint Economic Committee"; and any other statute in which the name "Joint Committee on the Economic Report" appears is amended to conform to the foregoing change in the name of the joint committee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. That completes the call of the calendar.

ORDER TO INCLUDE SENATE BILL 746 IN THE NEXT CALL OF THE CALENDAR

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the next call of the calendar may include Calendar No. 1975, Senate bill 746, a bill to provide for the return to the former owners of certain lands including Indian tribal lands, acquired in connection with the Garrison Dam project, of mineral interests in such lands.

This request is made on behalf of the Senator from North Dakota [Mr. YOUNG].

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BUSH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUSH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, notified the Senate that Mr. UDALL had been appointed a manager on the part of the House at the conference of the two Houses on the resolution (S. J. Res. 135) for payment to Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming, vice Mr. HALEY, excused.

The message announced that the House has disagreed to the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1956; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. COOLEY, Mr. POAGE, Mr. GRANT, Mr. HOPE, and Mr. AUGUST H. ANDRESEN had been appointed managers on the part of the House at the conference.

The message also announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1016. An act for the relief of Mrs. Ida Bifolchini Boschetti;

H. R. 2284. An act for the relief of Maj. Robert D. Lauer;

H. R. 2904. An act for the relief of Maj. Orin A. Fayle;

H. R. 3268. An act for the relief of Comdr. George B. Greer;

H. R. 3964. An act for the relief of Kingan, Inc.;

H. R. 4026. An act for the relief of James C. Hayes;

H. R. 4162. An act for the relief of Kahzo L. Harris;

H. R. 4640. An act for the relief of James M. Wilson; and

H. R. 6184. An act for the relief of Lt. P. B. Sampson.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3366) for the relief of Mary J. McDougall.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker pro tempore had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

S. 3254. An act to authorize the county of Custer, State of Montana, to convey certain lands to the United States;

H. R. 7030. An act to amend and extend the Sugar Act of 1948, and for other purposes; and

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, May 21, 1956, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 3254. An act to authorize the county of Custer, State of Montana, to convey certain lands to the United States; and

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

AGRICULTURAL ACT OF 1956

The PRESIDING OFFICER (Mr. PAYNE in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 10875) to enact the Agricultural Act of 1956, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. ELLENDER, Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. EASTLAND, Mr. AIKEN, Mr. YOUNG, and Mr. THYE conferees on the part of the Senate.

GREAT LAKES BULK CARGO VESSELS

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which is S. 3108.

The Senate resumed the consideration of the bill (S. 3108) to encourage the construction of modern Great Lakes bulk cargo vessels.

REVISION OF CIVIL SERVICE RETIREMENT ACT

Mr. BIBLE. Mr. President, I ask unanimous consent that the unfinished business, S. 3108, be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 1813, S. 2875.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 2875) to revise the Civil Service Retirement Act.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Post Office and Civil Service with an amendment.

THE NOMINATION OF SENATOR MORSE BY THE DEMOCRATIC PARTY AS CANDIDATE FOR SENATOR FROM OREGON

Mr. NEUBERGER. Mr. President, we are pleased to welcome back on the floor the senior Senator from Oregon [Mr. MORSE], who has just been overwhelmingly nominated as the candidate of the Democratic Party of his State for another term in the Senate. In running for the first time as a Democrat, he polled approximately 83 percent of the popular vote of his party, according to unofficial but nearly complete returns. This compares with approximately 49 percent of the Republican Party vote which was polled by ex-Secretary of the Interior McKay, who will be Senator MORSE's opponent in the November general election.

Speaking as a life-long Oregon Democrat, I want to say I am proud that WAYNE MORSE has chosen voluntarily to give his allegiance to our party. Like such great personages as Abraham Lincoln, Wendell Willkie, Theodore Roosevelt, and Sir Winston Churchill, the senior Senator from Oregon [Mr. MORSE] has put principle above party, and thus has changed his party rather than subordinate his principles.

The issue in the fall in Oregon will be as sharp and clear as the mountain air of our majestic State. As Secretary of the Interior, Douglas McKay helped to

reverse time-honored policies of conservation which had been respected since the era of Gifford Pinchot. He surrendered to special privilege such priceless national assets as mighty hydroelectric-power sites, national forest timber, and the sanctity of wildlife and wildfowl refuges. WAYNE MORSE has steadfastly and persistently opposed these unwise relinquishments.

Mrs. Neuberger and I, who love our native Oregon, will consider it a privilege to campaign for WAYNE MORSE and in opposition to Mr. McKay. We will regard ourselves as fighting for the heritage of all Americans, now and in the future—for the resources which are the legacy of American boys and girls through all the years to come.

WAYNE MORSE is a great Senator and a great American. He puts principle first, political party second. Ideals to him are more important than political labels. In November of 1956, the people of Oregon will consider political party membership as of far less significance that the fate of fir and pine forests, of rushing mountain rivers in deep chasms, of the marshes and swamps where migratory birds nest and breed on their way along the Atlantic and Pacific flyways, of vast fish runs in swift and rampant streams.

It is a pleasure to announce that WAYNE LYMAN MORSE is the nominee of the Democratic Party of Oregon for reelection to the United States Senate in this year of 1956.

Mr. DOUGLAS. Mr. President, I wish to join the junior Senator from Oregon in expressing pleasure at the nomination of Senator MORSE for another term in the Senate from the State of Oregon. All of us value Senator MORSE very highly. I regard him as probably the most expert constitutional lawyer in the Senate, and a man who has a thorough knowledge of the Constitution, how it was drawn up, what it means, and how it should be applied in everyday life. I have learned a great deal from Senator MORSE. Perhaps one of the most important things that I have learned from him is the importance of correct legal procedure.

Those of us who are not lawyers tend to emphasize the substantive features of legislation and administrative actions, and perhaps in the past we have not paid proper attention to the necessity for correct procedures to protect individual liberties.

Senator MORSE has a thorough appreciation of the necessity for adequate procedure, both in administrative law and in civil and criminal law. This is badly needed in these days.

I believe his general thesis, that our liberties are no more secure than the procedural rights which are granted to men and women, is fundamentally correct.

Senator MORSE, of course, is a man of great ability, tremendous energy, and indomitable courage. He is one of the most valuable men who has ever come to the United States Senate, and all of us hope to greet him upon his return here next January.

Mr. HUMPHREY. Mr. President, I wish to join with the Senator from Oregon and the Senator from Illinois in paying a well-deserved tribute and honor to Senator WAYNE MORSE on the tremendous victory that has just been his in the primary election in the State of Oregon.

As a member of the Democratic Party, I am very pleased to see Senator MORSE on the Democratic ballot as the standard bearer of the Democratic Party in Oregon for the office of United States Senator.

I have always admired Senator MORSE's political principles. I have admired and respected his unique capacity for being able to outline those political principles in terms of effective political action.

As has been noted, Senator MORSE had a resounding vote of confidence in the Democratic primary. There were those, of course, who would like to have had us believe that the Democrats of Oregon might not welcome into their ranks this able and distinguished Senator. All those doubts—and I believe they were doubts inspired by the opponents of Senator MORSE and the opponents of the Democratic Party—can now be put at rest.

The Democratic Party nationally and the Democratic Party in the State of Oregon are proud to have within their ranks one of the most able, forceful, and brilliant political spokesmen of our time. Senator MORSE is a constructive constitutional liberal. I emphasize "constitutional liberal," because, as the Senator from Illinois [Mr. DOUGLAS] has pointed out, Senator MORSE is greatly concerned, and justly so, over procedural matters in the actions of Congress and in items of legislation which are ultimately passed by Congress.

Many times I have heard Senator MORSE say that the substance of legislation is conditioned by the procedures. In other words, procedural rights guarantee substantive rights.

All of us who have served in the Senate with him have been students, in a sense, of the professor of constitutional law, and former dean of a great law school, who has been able succinctly and pointedly to demonstrate again and again the importance of fair procedure.

Senator MORSE is known as an effective speaker. But I should like to say that that quality of speech is more than just a facile tongue; it reveals an alert and imaginative and well-informed mind.

Senator MORSE is a student of government and of law. He translates that knowledge of government and of law into legislative programs and political pronouncements which relate to the welfare of the American people. He is fearless, courageous, and, above all, constructive. His service to his country is well known, both as an administrator in the Federal Government during his years of service on the War Labor Board and certainly as a Member of the United States Senate.

Senator MORSE has served with distinction and honor on the Senate Committee on Armed Services. I have heard his work praised again and again by members of that committee, including the able and respected majority leader, the Senator from Texas [Mr. JOHNSON].

Senator MORSE was one of the most effective and constructive members of the Labor and Public Welfare Committee. His knowledge of labor law and of labor-management relationships is second to none. I would say that he is one of the outstanding students in the field of labor law and one of the outstanding practitioners of labor-management relationships.

His work in behalf of health and education program and in all the area of social welfare is well known to his colleagues in the Senate and to the public generally.

Furthermore, Mr. President, Senator MORSE, in recent months, has expanded his service in the Senate by being an active member of the Senate Committee on Foreign Relations and of the Senate Committee on Banking and Currency. I note these two assignments because, when the senior Senator from Oregon openly affiliated with the Democratic Party, the response of the Democratic majority in the Senate was to give the Senator from Oregon two of the most important committee assignments within the gift of the United States Senate.

May I point out, Mr. President, that the Democratic steering committee considered the assignment of Senator MORSE to those committees with care, and it was the feeling of the committee, namely, the committee responsible for the committee assignments, that Senator MORSE was well qualified to be a member of the Senate Committee on Foreign Relations because of his broad knowledge and understanding of the world in which we live and of the grave problems which affect it, and also because of his unrelenting and fearless opposition to any form of totalitarianism, and, in this generation, that form of totalitarianism known as communism. If any Member of the Senate can qualify for being an effective anti-Communist, it is Senator MORSE.

He is not only that, Mr. President; he is profreedom. He has championed the cause of individual liberty and political freedom in this Chamber and, at the same time, has struck hammer blows against any form of tyranny over the mind or the body of man.

Mr. President, I think one of the little things which may have gone unnoticed is his work on behalf of the people of the District of Columbia. Senator MORSE has served with diligence and great honor to himself and to the Capital City as a member of the Committee on the District of Columbia. That is not an assignment which Senators generally wish, but he has stood by his assignment and has championed the cause of home rule, the cause of equal opportunity for all citizens regardless of race, color, or creed; he has stood up for the finest of democratic principles in the District of Columbia. This is a service which has gone unheralded, and yet it is symbolic of the meticulous nature of the Senator from Oregon and of his devotion to public service.

Finally, Mr. President, may I say that we admire and respect the able Senator and are very happy to welcome him into the ranks of the Democratic Party because of his sound principles of conservation and his dedication to the development of our great natural resources. Many is the time, Mr. President, that the voice of Senator MORSE has been heard in this Chamber speaking for the

development of our great river valleys, our great water resources, and, at the same time, he has stood courageously on the floor of the Senate to fight against the giving away of the people's heritage—our forest lands, our water resources, our land resources, and our great national parks.

Senator MORSE has been and is an able and devoted servant of the State which he has the privilege of representing in part. And may I say, most frankly, Mr. President, that Senator MORSE is very fortunate to have at his side his able colleague, Senator NEUBERGER. They stand together as a team for the good of their country.

Mr. President, in the coming general election the issue will be joined in Oregon with respect to our national resources and their protection and development. The exponent of the Republican philosophy, Mr. McKay, will stand as the standard bearer of the Republican Party in Oregon. Senator WAYNE MORSE will be the standard bearer of the Democratic cause. These two men will not be simply personalities in a political contest. They represent philosophies, and it will be interesting to watch the developments. I predict that when the final vote is counted it will be found that the people of Oregon responded to the forthright, progressive, liberal message of the Senator from Oregon, and repudiated the philosophy which has permitted much of our great natural resources to be given away, conservation programs to be weakened, and the public interest to be diluted.

Mr. ANDERSON. Mr. President, I desire to associate myself with the remarks which have been made with reference to the renomination of the able Senator from Oregon [Mr. MORSE]. I have watched his work for a long time, and observed his contributions while he was a member of the Republican Party in the Senate. We all recognized that when there was before the Senate a bill to grant some portion of land belonging to the United States for some purpose, no matter how worthy, he asked us to consider the Morse formula, because he has steadily taken the position that in the consideration of special bills all the rights of the people of the United States should be protected.

Senator MORSE takes a great interest in the work of the District of Columbia, as the Senator from Minnesota has pointed out. That, Mr. President, is to a great degree a thankless sort of job. As a matter of fact, Senators have been criticized in their home States because they spent too much time representing the District of Columbia. In some instances word has gone out that perhaps it would be better for a Senator to take care of the home folks instead of being mayor of the District of Columbia. I am extremely happy, therefore, that the Senate of the United States will have the opportunity of again having the Senator from Oregon as a representative of the voteless people of the District of Columbia in the work he does in their behalf.

Mr. President, as a westerner, as a member of the Senate Committee on Interior and Insular Affairs, and as chairman, for the present, at least, of the Subcommittee on Irrigation and Reclamation, I welcome Senator MORSE because of the great interest he has taken in the conservation of our resources in this country. The protection of these water resources against exploitation requires constant vigilance to make sure that they will be available for the people of the coming generations. I know the Senator from Oregon has been firm and immovable in his support of the conservation of the natural resources of the country.

I recall also, Mr. President, his long continued interest in the cause of the conservation of timber. This interest was brought to my attention when I was associated with the Department of Agriculture, and I have steadily observed that he has not wavered in the slightest in his desire to make certain that the timber resources of the United States not only shall be conserved, but that they shall be harvested at the proper time for harvesting.

We have had in this country a situation in which much timber could not be harvested because access roads were not available. Timber, like any other crop, can become overripe and can be wasted through the inability to harvest it at the time the timber becomes ripe.

It was my good fortune to fly, in a small plane, over a great area of the timber resource of the Northwest which is in the State so ably represented, in part, by the senior Senator from Oregon, and to see there the evidences of hundreds of thousands of acres of timber which presented the possibility of becoming overripe.

The senior Senator from Oregon has steadily fought for a program of construction of access roads which would permit this timber to be harvested. I think that in that activity he has served a useful purpose, not only to the people of his State, but to all the people of the United States.

Therefore, I am happy to join with other Senators in expressing our joy at his nomination to be the Democratic candidate for the Senate in the coming election, and to express my hope and conviction that he will be returned to the Senate of the United States.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to express my agreement with what has been said by other Senators who have spoken about the distinguished senior Senator from Oregon. I am happy to acknowledge that when it comes to the subject of conservation, he is one of the outstanding Members of the Senate.

In my opinion, wastefulness in the use of our natural resources is something which we must guard against if we hope to preserve the resources of our country.

I have always found the senior Senator from Oregon to be out in front fighting for those whom we call underprivileged, the poor people, the working people. When I say "working people," I mean those who work in factories or in other ways earn their living by the sweat of their brow. The senior Senator from Oregon is one who has always stood up and fought hard for the people in the United States who needed help.

Mr. President, it is for these reasons that I add my humble remarks to those which have already been made in behalf of the senior Senator from Oregon, Senator WAYNE MORSE. Not only is he able, but he is courageous, and at all times performs his duty fearlessly.

I would have felt that I was derelict in my duty if I did not align myself with those who have today paid tribute to the Senator from Oregon.

Mr. LEHMAN. Mr. President, I was delighted to read in the press that our colleague, the senior Senator from Oregon [Mr. MORSE], was renominated on the Democratic ticket last week by an overwhelming vote.

Since I came to the Senate 7 years ago, I have worked no more closely with any man than with WAYNE MORSE. As a matter of fact, I worked with him closely before he became a Democrat, during the years when he was a Republican and I served in this body with him. I worked with him more recently, when he was an Independent.

In my opinion, there is no more liberal-minded Member of this body today than WAYNE MORSE. There is no greater student of constitutional law. No man has concerned himself more fully, or with greater effectiveness, with legislative procedures and legislative traditions, than has WAYNE MORSE.

No man has fought harder or more continuously and constructively for human liberty, for equality and justice for all men and women, regardless of race, color, or creed, and for the dignity of the individual, than has WAYNE MORSE.

I am very glad indeed that WAYNE MORSE will be here for the next 6 years, as I have no doubt of his reelection to the United States Senate. He will continue to serve his State and the Nation with great devotion, and with unusual effectiveness, as he has served for the past many years in the United States Senate.

REVISION OF CIVIL SERVICE RETIREMENT ACT

The Senate resumed the consideration of the bill (S. 2875) to revise the Civil Service Retirement Act.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). The Chair announces that under the precedents of the Senate, the committee substitute for the text of the bill will be regarded as the original text for the purposes of amendment.

The Chair now recognizes the senior Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, S. 2875, the bill to revise the Civil Service Retirement Act is, in the judgment of many students of good government, the most progressive and important piece of employee legislation that has been acted upon by the Post Office and Civil Service Committee during the past several decades.

Certainly no other measure has been so long sought, fervently desired, and completely endorsed by the rank and file Federal employee.

The civil-service retirement and disability program was established in 1920.

Since that time the act has been amended many times on a piecemeal basis, until today it is one of the most complex measures on the statute books. The present law is difficult to administer. Glaring inequities have developed and grown over the years. Benefits have not kept pace with the times, and full understanding of the law escapes all but the few who live with it on a day-to-day basis. Congress and Federal employees alike have long recognized the need for a complete revamping of the retirement act.

Deficiencies and inequities in present law have been cited by management and employees as one of the reasons for the high separation rate of career personnel. The failure of the Government to keep pace with industry in retirement matters has been given as one of the reasons why it has become so difficult to attract scientists, engineers, doctors, nurses, and other classes of professional and skilled personnel needed to staff and efficiently and economically perform a multitude of Federal services.

In recognition of these facts, the 82d Congress, on July 16, 1952, enacted Public Law 555, which authorized the establishment in the executive branch of a committee on retirement policy for Federal personnel to conduct a study and report thereon to the Congress. The report of that committee was submitted during the 1st session of the 84th Congress. Since then that report and a multitude of related material have been the subject of long and careful study.

Yes, S. 2875 is truly the product of long study, extended conferences, full public hearings and exhaustive executive sessions by a special subcommittee and again by the full committee.

The bill, within the framework of the existing civil service retirement system, will:

(a) Provide many long-justified, highly desirable, and sorely needed liberalized and expanded retirement, survivorship, and disability benefits;

(b) Provide an opportunity for continuity of coverage under the old-age and survivorship insurance program or the civil-service retirement system to employees who shift back and forth between private and Federal employment;

(c) Remove or correct inequities now existing;

(d) Clarify ambiguous and conflicting provisions in existing law, to the end that the retirement system can be more easily and equitably administered by the Civil Service Commission and better understood by the several million present and future Federal employees who will have a vested interest in it.

Moreover, the bill provides a sound and systematic method of pay-as-you-go financing—

(a) To assure the perpetual integrity and solvency of the civil-service retirement and disability fund; and

(b) To require that all future costs of benefits to be derived from the plan be shared equally by employer and employee on a current basis.

Mr. President, the legislative history of the civil-service retirement system makes it quite clear that it has been the continuing intent of Congress since approval of the original act in 1920 that the cost of the program should be shared equally by the Government and those subject to it. In practice, however, the Government has failed to meet its share of the cost of the program, whereas employees have met their share of the cost through the regular payroll deductions required by law.

Mr. President, I hold in my hand a table entitled "Civil Service Retirement and Disability Fund," which shows how the fund has been handled since 1921—that is, since the initiation by Congress of the retirement system. In looking at the figures for a term of years, I notice that for the first few years, the Federal Government's appropriations were zero, up until 1929. In 1929 the Federal Government started making appropriations for civil-service retirement purposes. I call attention to the fact that in 1929 the employees' contributions were $28,122,943.18. The Government's appropriation was $19,950.000.

It will be noticed that in the next year the Government increased its appropriation.

In the following year, 1931, it also increased its appropriation.

Then for the next 5 years the appropriation remained at the same amount, although it will be found that in practically every year the employees' contributions were increasing.

Then in 1936, when the Government had not been keeping up on its obligation, it will be found that the Government appropriated more than the employees contributed. The employees' contribution was $32,405,114.23, and the Federal Government appropriated $40,-150,000.

In 1937 it will again be found that the Federal Government increased its appropriation by a little over $6 million.

It will be found that in 1938 the Federal Government almost doubled its appropriation. In that year the Federal Government appropriated almost twice what the employee contributions amounted to.

I bring this matter to the attention of my colleagues to show that the Federal Government has made contributions year after year. It will be found that up until 1954 the Federal Government was making very substantial contributions.

In 1954 the Government decreased its contributions from $325,304,154.19 to $35,303,239.17. The Government cut its appropriation to about 10 percent of what it had been the year before.

It will also be found that in 1955 the Government's appropriation was cut to almost the same ratio.

If that trend continues and the Federal Government does not match the funds contributed by the employees, the fund will go on the rocks. If the Federal Government continues to cut its appropriations, the fund will not be able to continue.

Mr. President, I ask unanimous consent to have printed in the RECORD, at this point in my remarks, the table which I send to the desk, for the information of those who care to look into this matter.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

U. S. CIVIL SERVICE COMMISSION

Civil service retirement and disability fund—Summary of cash receipts, disbursements, and balances for fiscal years 1921 through 1955

Fiscal year ended, June 30	Receipts				Disbursements					Transfers from (+) to (−) other retirement systems	Balance in fund June 30
	Deductions from salaries of employees and voluntary contributions [1]	Government appropriations	Interest on investments	Total receipts	Payments to retired employees [2]	Payments to survivor annuitants	Payments of refunds and death claims	Adjustments	Total disbursements		
1921–28	$142,729,500.09		$13,211,143.86	$155,940,643.95	$51,032,215.83		$21,966,957.44	−$43,788.62	$72,955,384.65		$82,985,259.30
1929	28,122,943.18	$19,950,000.00	4,446,797.16	52,519,740.34	12,005,059.88		4,067,423.54	−9,913.35	16,062,570.07		119,442,429.57
1930	29,048,108.65	20,500,000.00	5,899,257.42	55,447,366.07	13,107,731.55		5,049,107.36	−30,340.00	18,126,498.91		156,763,296.73
1931	29,944,191.69	21,000,000.00	7,332,320.46	58,276,512.15	19,859,891.09		4,160,371.69	−27,945.37	23,992,317.41		191,047,491.47
1932	31,889,697.70	21,000,000.00	8,588,812.85	61,478,510.55	23,545,700.19		3,924,374.87		27,470,075.06	−$1,407,800.94	223,588,126.02
1933	30,493,792.21	21,000,000.00	9,752,298.53	61,246,090.74	30,048,405.96		4,789,286.09		34,837,692.05		249,996,524.71
1934	28,703,458.68	21,000,000.00	10,518,358.79	60,221,817.47	39,620,913.80		8,035,785.74		47,656,699.54		262,561,642.64
1935	30,089,204.72	21,000,000.00	10,822,890.96	51,912,095.68	46,970,622.68		5,773,407.52		52,744,030.20		271,729,708.12
1936	32,405,114.23	40,150,000.00	11,712,785.15	84,267,899.38	50,243,146.50		6,465,675.63		56,708,822.13		299,288,785.37
1937	34,990,072.51	46,200,000.00	13,012,960.98	94,203,033.49	51,900,514.78		7,228,159.49		59,128,674.27	−3,152.77	334,359,981.82
1938	37,322,049.95	73,234,760.00	16,635,825.67	127,192,635.62	54,153,266.80		8,322,354.32		62,475,621.12		399,076,996.32
1939	39,189,390.16	75,086,760.00	19,220,490.57	133,496,640.73	56,530,979.43		7,287,249.24		63,818,228.67		468,755,408.38
1940	42,944,829.42	87,171,760.00	21,564,999.99	151,681,589.41	59,252,240.81		8,063,235.48		67,315,476.29		553,121,521.50
1941	55,402,455.43	91,559,110.00	25,163,610.35	172,125,175.78	62,736,210.79		9,633,919.52		72,370,130.31	−57,703.07	652,818,863.90
1942	86,927,205.68	101,761,202.00	29,722,392.61	218,410,800.29	65,181,672.41		11,185,722.80		76,367,395.21	−10,384.05	794,851,884.93
1943	226,149,125.31	106,137,575.00	37,788,863.36	370,075,563.67	69,463,337.67		14,168,467.69		83,631,805.36		1,081,295,643.24
1944	269,408,079.79	175,993,037.00	52,767,637.64	498,158,754.43	74,207,149.21		28,954,250.38		103,161,399.59	−4,379.92	1,476,298,618.16

[1] Includes payments into the fund for purchase of creditable service.
[2] Includes payments of accrued annuities to estates of deceased annuitants, and payments to survivor annuitants for the fiscal years 1941–48.

U. S. CIVIL SERVICE COMMISSION—Continued

Civil service retirement and disability fund—Summary of cash receipts, disbursements, and balances for fiscal years 1921 through 1955—Con.

Fiscal year ended, June 30	Receipts				Disbursements					Transfers from (+) to (−) other retirement systems	Balance in fund June 30
	Deductions from salaries of employees and voluntary contributions	Government appropriations	Interest on investments	Total receipts	Payments to retired employees	Payments to survivor annuitants	Payments of refunds and death claims	Adjustments	Total disbursements		
1945	288,114,029.05	195,790,875.00	68,582,148.62	552,487,052.67	80,257,778.58		72,293,349.39		152,551,127.97	−6,891.16	1,875,227,651.70
1946	279,537,869.58	246,220,000.00	84,430,220.33	610,188,089.91	88,995,694.43		196,195,067.85		285,190,762.28		2,201,224,979.33
1947	255,895,491.10	221,293,000.00	94,394,089.36	571,582,580.46	101,264,807.24		192,608,630.23	+1,199.28	293,874,636.75	−13,329.10	2,478,919,593.94
1948	234,847,511.44	245,530,000.00	107,112,645.48	587,490,156.92	114,517,734.93		126,056,064.60	+849.54	240,574,649.07	−15,021.11	2,825,820,080.68
1949	325,149,015.50	226,032,000.00	122,798,553.78	673,979,570.28	146,704,613.65	$2,609,943.10	68,421,210.60		217,735,767.35	+5,499,236.04	3,287,563,119.65
1950	355,649,805.37	304,508,880.54	143,173,559.13	803,332,245.14	164,430,000.29	5,777,921.51	96,291,714.37		266,499,636.17	+17,833,623.83	3,842,229,352.45
1951	374,872,990.23	307,117,455.27	164,561,022.06	846,551,467.56	185,421,904.44	10,897,666.71	72,534,135.97		268,853,707.12		4,419,927,112.89
1952	414,782,450.77	312,776,021.36	188,130,280.70	915,688,752.83	203,625,518.34	16,079,596.08	78,879,612.88		298,584,727.30		5,037,031,138.42
1953	420,034,454.57	325,304,154.19	214,609,442.91	959,948,051.67	246,711,413.29	23,472,466.16	91,023,429.55		361,207,314.00		5,635,771,876.09
1954	425,000,030.73	35,303,239.17	225,654,018.14	685,957,288.04	281,560,565.67	29,445,478.97	96,118,629.17		409,124,673.81		5,912,604,490.32
1955	440,284,878.46	33,678,729.94	234,377,235.52	708,340,841.92	310,280,639.20	34,858,748.06	82,655,739.37		427,705,126.69		[3] 6,194,844,496.61
Total	4,989,927,747.20	3,396,298,559.57	1,945,984,662.38	10,332,210,969.15	2,703,629,734.44	123,141,820.59	1,334,153,332.78	−109,938.52	4,160,814,949.29	+21,754,187.75	

[3] Includes $137,341.81 collections and $507.16 repayments in transit, credited by Treasury in July 1955, $50 in the accountable officer's cash fund, and accounts receivable as of June 30, 1955, in amount of $1,694,289.

Mr. JOHNSTON of South Carolina. Mr. President, this table shows the amount of contributions made to the fund by the Government and by employees. However, these figures alone do not reflect the true status of affairs, for had the Government contributed its share on a current basis, the fund would have benefited from the interest thereon to the same extent as it has by the accrual of interest on employee contributions. Additionally, on several occasions, benevolent Congresses have provided increased benefits to retired employees. When that has occurred, the Government, more often than not, has made no compensating appropriations to the fund; and, of course, the recipients of the increased benefits, because of their retired status, did not make the usual employee contribution. Thus, any current deficiency in the fund—to the extent one exists—is a direct liability of the Government, due in part to its not having met its share of normal costs by not matching the contributions of employees, and in part to granting increased benefits to retired employees without, at the same time, providing for the increases through immediate appropriations to the fund or by adoption of some other appropriate method of financing the additional cost.

The Civil Service Commission estimates that, for all future service, the benefit structure provided by the bill involves a cost of not to exceed 14 percent of payroll. The bill proposes to meet this future service cost fully by a salary deduction of 7 percent for each employee, and by an agency contribution matching the employee deduction. Thus, for the first time since enactment of the retirement program in 1920, machinery is provided to require both the employer and the employee to share equally on a current basis the future service costs.

The committee is of the firm belief that the cost of retirement is a valid part of the cost of continuing Government operations, and should be taken into account currently. In other words, the deferred compensation which ultimately becomes payable in the form of retirement benefits should be accounted for as part of the current cost of defense, of public health, and of each of the many services provided by the Government. The provision for an agency contribution matching that of its employees recognizes all of these considerations.

Additionally, the bill provides that all moneys in the civil service retirement and disability fund shall be invested in securities of the United States, bearing interest at the rate of 3½ percent per annum. During the first 30 years of the program, moneys in the fund were invested in securities of the United States, bearing interest at the rate of 4 percent per annum. In 1953, the interest rate was reduced by action of the Secretary of the Treasury to 3 percent per annum. That action curtailed the income of the fund by many millions of dollars a year.

Mr. President, for fear that some persons may misunderstand the table which I had placed in the RECORD, showing the amount of interest received for the last 2 years, I should like to explain that while it may appear that more interest was being received, it was due to the fact that bonds had been bought, and the bonds matured at the end of 10 years. That made it appear as though a great amount of interest was being received, but the reason for it was that the interest had accumulated over several years.

By fixing the interest rate at 3½ percent a year, the earning power of the fund will be restored to a proper level.

Mr. President, I think it most important to note—even at the expense of repetition—that the financial provisions of the bill establish the retirement fund on a solid and solvent footing. The cost of the program is met on a pay-as-you-go basis, and is not left for future generations to pay. That is accomplished by increasing the contribution of employees from 6 to 7 percent. In other words, the employees themselves will pay for a sizable portion of the added benefits provided by the bill. A second new provision requires that employee contributions be matched by the agencies out of current operating funds. No longer will it be possible to defer the cost of the program—as we have witnessed in the past 3 years—simply to offer a so-called balanced budget to the public. A third provision requires that moneys in the retirement fund be invested at a proper rate of interest.

I am proud of these provisions of the bill, and I suggest that their adoption will remove from the political arena for all time to come, the question of the financial position of the civil service retirement system.

Mr. President, among the major changes in benefits provided by the bill are the following:

First. The bill provides for increased retirement benefits by raising the computation factor from 1½ percent of the "high 5-year average salary" times years of service to 2 percent with respect to all service in excess of 5 years.

Second. The bill permits optional retirement, after 30 years of service, at any age. However, if under the age of 60 at the time of retirement, the annuity of the employee is to be reduced on a sliding scale, based on the number of months the employee is under the age of 60 at the time of retirement.

Third. The bill authorizes an immediate annuity to employees involuntarily separated, through no fault of their own, who have attained the age of 50 years, and have rendered at least 25 years of service. Under present law, a void exists with respect to employees with 20 years, but less than 25 years, of service. Such employees cannot withdraw their contributions from the retirement fund, and they must wait until they reach the age of 62 years before becoming entitled to a deferred annuity. The bill alleviates this situation, at least with respect to older age employees who have reached the point in life when it is difficult, if not indeed impossible, to start another career.

Fourth. The bill provides to surviving widows immediate annuities equal to 50 percent of the annuity earned by the husband at the time of his death, and payable until her death or remarriage. Under present law, she receives no annuity until she attains the age of 50 years.

Fifth. The bill increases the benefits payable to surviving children. Under the amendment now at the desk, such payments would be raised, but would be

limited to an amount so as not to exceed: (a) $600, in the case of one child; (b) 40 percent of the deceased employee's "average salary," with respect to total payments to all surviving children; or, (c) $1,800 total, with respect to all children.

Under present law, payments to surviving children may, and often do, run as low as $5 a month; in no case do they exceed $30 a month. I think there should be no doubt that such amounts are totally inadequate.

Sixth. The bill reduces the service prerequisite for election of survivorship benefits from 15 years to 5 years, and extends the right of election to employees with entitlement to deferred annuities.

Seventh. The bill provides that a surviving widow or dependent widower shall receive an automatic immediate annuity equal to 50 percent of such part of the annuitant's earned annuity as does not exceed $2,400; and when so elected by the annuitant, the surviving widow or widower shall receive, in addition thereto, 50 percent of such part of the annuitant's earned annuity as exceeds $2,400, both amounts payable immediately, and until the survivor remarries or dies. An employee making such an election is required to take a reduction of 10 percent on such part of his annuity as is in excess of $2,400.

Under present law, the annuity of an employee making the survivorship election is reduced by 5 percent of the first $1,500 of his or her annuity, and by 10 percent of all in excess thereof, plus three-fourths of 1 percent for each year the designated spouse is under age 60 when the employee retires.

Eighth. The bill provides that the annuity of any employee retired due to total disability after meeting the 5-year service requirement be: First, 40 percent of his "high 5-year average salary"; or, second, the amount of his earned annuity had he continued to work until reaching the age of 60 years, whichever is the lesser. Present law provides no minimum for a total disability annuity but accords the employee only the amount of his earned annuity at the time the disability occurs.

Ninth. The bill provides a method for the transfer of service credit between civil-service retirement and social security to provide continuity of coverage to employees who shift back and forth between Federal and private employment. Under the method provided, if an employee with less than 20 years of service should leave the Government, he would have the option, first, of leaving his contributions in the retirement fund with entitlement to a deferred annuity upon reaching age 60; or, second, of taking a refund (a) of the full amount of his contributions in the retirement fund, or (b) the amount of his contributions in the retirement fund less the amount he would have contributed to OASI had he been covered under OASI during the period of service involved.

In the event the employee exercises the option to obtain OASI coverage, the Civil Service Commission will transfer to OASI the amount withheld from the employee plus a matching amount representing the employer's contribution, and OASI will credit the employee with the service involved.

If the employee, at a later date, should reenter the Federal service, he would again have an option, first, of leaving his service credit with OASI; or, second, of restoring his service credit in the civil service retirement system. If he makes the latter choice, he would be required to pay back the refund he received, and OASI would return to the civil-service fund the amount it received. In no case, however, would an employee be allowed to gain credit under both systems for the same period of service.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. CURTIS. Suppose Federal service credited to an individual at the present time can be applied both to civil-service retirement and social-security retirement. Would the bill take away such dual coverage, if it is permitted under the present law?

Mr. JOHNSTON of South Carolina. No; it would not change the law in that respect. Such an individual cuold still be covered under both laws if he had already earned it. The bill applies only to service performed after January 1, the date set out in the bill.

The provision relating to an employee's reentry into the service will provide adequate protection against loss of coverage to employees who move in and out of the Federal service.

Tenth. The bill overcomes many differences in benefits, requirements, and conditions existing under present law. It removes certain inequities and corrects others, and to the extent possible and justified, its provisions are made applicable on an equal basis to all groups which make up the more than 2 million individuals covered by the act.

Following extensive public hearings and exhaustive executive sessions, S. 2875 was reported to the full committee by unanimous vote of the five-member subcommittee. Again following deliberate consideration, the bill was reported by the full committee by a vote of 12 to 0—although in each instance, one member, while voting to report the bill, reserved the right to oppose it or offer amendments on the floor.

When this member of the committee made that statement, the chairman stated that it had always been the custom for every member of the committee to reserve the right to offer such amendments as he might see fit to offer after the bill had been reported from the committee. It would not be right or just for any member of the committee to be bound to refrain from offering amendments on the floor of the Senate, any more than it would be just to bind any other Member of the Senate and prevent him from doing what he thought was right in drafting the laws of the Nation.

I do not recall any major bill of such far-reaching importance that has been reported by the committee with more complete endorsement than Senate bill 2875.

Mr. President, Senate bill 2875 is a good bill. It is a progressive bill. It is a needed bill. Its enactment will raise the morale of Federal employees, increase their efficiency and productivity, and keep with the Government many employees who are already learned in their fields. They will remain with the Government if we pass this type of measure. If we do not pass such legislation they will leave the employ of the Federal Government and go into private business. That is particularly true because private business concerns at the present time are very far ahead of the Federal Government from the standpoint of retirement systems.

The cost of the bill, if enacted, will prove to be a sound investment, from which Uncle Sam will receive handsome dividends in the years to come. It will also induce some employees to retire a little sooner than they would otherwise retire; and, at the same time, the bill would take up a certain amount of slack in unemployment at the present time.

Mr. President, I should like to read into the RECORD at this time a letter from a very close friend of mine, Mr. J. C. Wilcox, an attorney in Columbia, S. C. It so happens that Mr. Wilcox and I went to college together. I had written to him and asked him what he thought of the pending bill. He made a study of it and wrote me the following letter:

COLUMBIA, S. C., *February 24, 1956.*

Hon. OLIN D. JOHNSTON,
United States Senate,
Washington, D. C.

DEAR OLIN: I thoroughly enjoyed your talk 2 weeks ago tonight. At that time you asked me what I thought the reaction of Federal employees would be if your retirement bill, S. 2875, met with rough sledding and in an attempt to save it, same was amended to increase the amount of money that employees pay into the retirement fund from 6 to 7, or possibly 7½ percent. I told you at that time I thought their reaction would be favorable but I planned then and there to give you a more complete reply after inquiring from a number of representative individuals. Therefore, since I have seen you, I have contacted and discussed this subject with exactly 100 people. About 24 of the hundred were Government employees located at Fort Jackson; about 27 were from the VA regional office; about 20 were from the VA hospital, and the remainder were from other Government agencies. I attempted to avoid all people having 29 to 35 years of service, and those with 2 or 3 years of service, and attempted to get answers from those people with from 6 to 22 years of service. Of the 100 contacted, 80 were entirely favorable to increasing the amount, if necessary, from 1 to 1½ percent, and some of them expressed a willingness to increase same even to 2 percent. Four of the 100 contacted were noncommital. Sixteen were passive and presented some position against it. After talking with these 16 for a few minutes and explaining the bill, 12 of them reversed themselves and asked to be recorded as very much in favor of the bill. Of the remaining 4 who dissented, 3 have since called me over the telephone and reversed themselves. So, of the hundred contacted, the count at present is 95 unqualifiedly for the bill; 4 noncommital; and 1 passive. I think these figures are very interesting, and they are sincerely given. I think you might say at least 95 percent of the employees are definitely in favor of your bill as against all others and would like to have it even if it takes 1½ percent additional takeout from their pay.

Incidentally, I have reviewed some figures which I suppose you know quite well. There is a reserve at present of approximately $6½

billion in the fund. About $5½ billion has been accumulated by payments of Federal employees. Beginning on August 1, 1920, 2½ percent was taken from their pay for 5 years and 11 months. Then, beginning on June 30, 1926, 3½ percent was taken from their salaries for a period of 16 years. Then beginning June 30, 1942, 5 percent was taken from their salaries for a period of 6 years, and from June 30, 1948, 6 percent has been taken from their salaries. These payments have built up a reserve of approximately five and one-half billion, and the Government has added approximately one billion to make the present reserve six and one-half billion. During this time, approximately two and one-fourth billion has been paid out in benefits. While these figures might lead one to believe that the reserve is sufficient, it is also true that new blood has come into the retirement act, Members of Congress and legislative help, which as I see it jeopardizes the reserve fund somewhat due to the fact that while these employees pay their full voltage of 6 percent, they have only been paying for a short time and I see no reason to put the passage of the bill in any jeopardy whatsoever by attempting to pass it without additional revenue. It looks to me like the difference between a retired employee existing and living, and I respectfully suggest that the tremendous number of your constituents coming in the category of retirement would be greatly pleased and benefited by the passage of the bill and would heartily endorse an additional takeout of 1 or 1½ percent.

Sincerely yours,

J. C. WILCOX.

Mr. LONG. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LONG. I should like to congratulate the distinguished Senator and other members of his committee for the fine work they have done on the pending bill. I have had an opportunity to study the committee report, and I believe the bill is a sound one. In my opinion, it would greatly improve our retirement system.

Mr. JOHNSTON of South Carolina. I thank the distinguished Senator from Louisiana for his very generous remarks. Having served with him on the committee for several years, and knowing that he has studied this subject, I appreciate all the more his complimentary statement.

Mr. LONG. There are many fine employees of the Federal Government serving at the present time who have given loyal service to the Government. The retirement system, to which they have contributed over the years, would be improved by the passage of the pending bill.

The Senator has directed his attention year after year to improving the retirement system, and he is certainly going in the right direction with the bill he has brought before the Senate.

Mr. JOHNSTON of South Carolina. I thank the Senator from Louisiana. Needless to say, I am very proud of the bill now before the Senate. If no Senator desires to ask me any questions at this time, I yield the floor.

Mr. NEUBERGER. Mr. President, enactment of S. 2875 will represent a great step forward for the retirement system of Federal employees. As a Member of the Senate Committee on Post Office and Civil Service, I have considered it a privilege to have had a part in the study and formulation of this measure, which will affect the future security and living standards of millions of Americans who are giving their working years to the public service.

Among the improvements which S. 2875 will make in the present retirement system, I think the new survivorship benefits are among the most important. Under present law, the widow of a Federal employee receives no such benefits until she reaches the age of 50 years. Under S. 2875, she will get an annuity of one-half of that earned by her husband immediately from the time of his death. Even more important, S. 2875 provides annuities for surviving children under the age of 18 of $600 a year, or $720 if they are also motherless.

These survivorship benefits are earned with the completion of 5 years of service. I am sure that the knowledge of having provided in this manner for their families will add greatly to the average Federal employee's sense of security. This should also play an important role in making continued Federal service attractive to capable men during the years of their greatest family responsibilities.

Two other provisions of S. 2875 will be beneficial to Federal employees in their own retirement. One increases from 1½ percent to 2 percent, after the first 5 years, the percentage of salary which serves as the basis of computing the annuity, and thus permits substantial increases in annuities. These increases are made advisable by a rising cost of living.

The other provision provides a method of transferring credit for years of Government service to the social security system. This will be of importance to individuals who leave Federal employment after less than 20 years of service, or whose careers bring them in and out of Government work irregularly, for some years at a time.

Mr. President, after long and thorough study, S. 2875 won the unanimous support of our retirement subcommittee. I felt privileged to make the motion to report the bill favorably to the full Committee on Post Office and Civil Service, which also voted unanimously to report the bill favorably to the Senate. S. 2875 is designed to place the retirement fund on a sound basis by increasing from 6 percent to 7 percent the deductions from employees' pay, and by providing, for the first time, that the employing Federal agencies must budget an equal contribution to the fund as a current cost of their activities. In spite of the increased deduction, S. 2875 has the support of the organizations of the Federal employees themselves.

I believe our Federal personnel deserves a modern and adequate retirement program which should be not only equal, but in fact a model, for the programs of large private industries; and I am confident that the Senate will adopt S. 2875 as a step in that direction.

It has been a privilege to work with the senior Senator from South Carolina [Mr. JOHNSTON], as his colleague on the Post Office and Civil Service Committee of the Senate, toward this goal of a more secure and comfortable retirement for our faithful Federal Government employees.

Mr. LEHMAN. Mr. President, the Senate is now considering a much-needed piece of legislation to amend the Civil Service Retirement Act. I hope it will be promptly approved.

I wish to congratulate the distinguished chairman of the committee, the Senator from South Carolina [Mr. JOHNSTON], and his associates for bringing this bill before the Senate for consideration.

There is a pressing need to revamp the retirement system for Federal employees. At the same time, any proposal to liberalize benefits and to correct existing inequities must also include provisions to insure the continued solvency and financial integrity of the civil-service retirement fund.

I am pleased to see that the Senate Post Office and Civil Service Committee, in drafting this legislation, was fully aware of its responsibility to see that the fund would be in a position to meet its obligations to the millions of Government workers who are contributing to it and who are dependent on benefits at some future date.

It is no secret that the Government has been having great difficulty in attracting capable and well-qualified personnel. It has also been faced with a high percentage of separations from Government service after relatively short periods of employment. The attraction of Government as a life-time career is facing increasing competition from private industry and business.

There are a number of explanations for this situation. One of the most obvious ones, of course, is the failure of the Government to provide adequate salaries. We must be realistic and accept the fact that, to a large extent, salary levels comprise a major incentive. And on this level, the Federal Government is in a poor position to compete.

But in addition to salary levels during periods of employment, there is also the inducement of security, in other words, retirement provisions.

Congress took steps during the last session of Congress to raise salary levels. In passing the pay raise bills, Congress saw to it that Government salaries were brought somewhat in line with outside pay scales. Frankly, I felt that the increases for civil service and postal employees were inadequate and I was very distressed at the administration's adamant refusal to approve a higher figure. Although the pay raises were a step in the right direction, much still needs to be done along these lines. I hope that such action will be forthcoming in the very near future.

However, this is not the question under consideration at the moment. Today we are concerned with the retirement provisions for Government personnel.

I think it is clearly recognized that the present retirement system, good as it is, has failed to keep pace with retirement and pension programs that have been adopted by private industry.

The changes in the civil-service retirement system embodied in S. 2875 are practical and sound. This legislation will help to persuade present career employees who might otherwise leave to remain with the Goverment. It will

make them happier in their jobs—more content and more secure.

The bill corrects many inequities and inconsistencies in the present law. Its improvements include the following:

First. It changes the computation factor for figuring benefits so as to result in increased benefits.

Second. It permits optional retirement at any age after 30 years of service, thus eliminating the requirement that the individual be at least 55. Although it calls for a reduction in the annuity for every month the retiree is under 60, the reduction which is on a sliding scale, is far less than under the present law.

Third. It permits an individual who is involuntarily retired after the age of 50 with 20 years of service to receive an immediate annuity. Under the present law, he cannot withdraw his money from the fund if he has contributed for more than 20 years. Yet he is not entitled to an immediate annuity unless he has 25 years of service, but must wait until he reaches 62 at which time he becomes eligible for a deferred annuity.

Fourth. It provides considerably expanded survivorship benefits to widows, children, and dependent widowers. At the same time, the reduction in an employee's annuity in the case where he elects survivorship benefits will be much less than under the existing law.

Fifth. It establishes, for the first time, a minimum in the annuity payable in the case of total disability. It also changes the standard to be used in judging whether a disabled worker has been restored to earning capacity. The determining factor would be whether his income amounts to 80 percent of the "current rate of pay" for the position he held at the time of disability. This means that increases in salary levels since the individual became disabled would be taken into account.

Sixth. It establishes a procedure to permit the transfer of credit between the civil-service retirement system and social security.

I think this last point is one of the most important. Until now, the law has failed to make provisions for people who spend part of their lives as employees of the Federal Government and part as employees of private business and industry. It has failed to take into account the person who is a government worker for a time and is self-employed for a time.

I think this problem has become increasingly acute as social-security coverage is broadened to the point where it is well on the way to becoming universal. The Nation is faced with a situation where thousands of people have been unable to acquire benefit rights either under the civil-service retirement system or under social security. By establishing a procedure to permit the transfer of credits between the civil-service retirement system and social security, S. 2875 represents a major advance. The enactment of this bill will mean that thousands of our citizens who now find themselves, in a sense, between Scylla and Charybdis, will be able to face the future with knowledge that they will have some benefits to look forward to when they retire. And what, for many is an even greater cause for concern, they will know that their dependents and survivors will not be left unprovided for.

S. 2875 would solve the problm in the case of an individual who leaves Government service with less than 20 years of service. He would receive a refund from the retirement system equal to the amount which he has contributed less the amount which he would have paid in to the old-age and survivors insurance fund had he been employed for that period in a job covered by social security rather than by the civil-service retirement system.

If he returned to Government service, he would have the option of retaining his OASI credit or of once again coming in under the civil-service retirement system. In this case, he would have to pay back the amount he had received in the form of a refund, and OASI would return to the retirement fund the amount it had received.

This procedure will preserve the retirement benefits of people who leave the Government after periods of loyal and faithful service. But it will also mean that the Government will be able to obtain the services of many highly qualified people who are, in a number of instances, reluctant to accept positions with the Federal Government because to do so may have an adverse effect on their status under social security.

I mentioned earlier the provisions of S. 2875 to maintain the actuarial soundness of the fund. The bill calls for an increase, as of January 1, 1957, in the contributions to be made by the employee from the present rate of 6 percent of his salary to 7 percent. It also provides that, beginning after June 30, 1957, each agency or department of the Federal Government will make a like contribution. The money paid out by the Government in the form of retirement benefits is as much a part of the continuing cost of Government operations as are the numerous other functions of the Government. As such, I think this requirement, that the Government, as an employer, match the contributions of its employees on a current basis, is a valid proposal. Other systems—for example, the railroad retirement program and OASI—are set up on the employer-employee matching basis. I can see no reason why the civil service retirement system should operate differently.

This bill further provides that the earning power of the fund be improved somewhat. The moneys in the fund are invested in United States securities which, as a result of action taken by the Secretary of the Treasury, pay interest at the rate of 3 percent. S. 2875 provides that the moneys be invested in Government securities bearing interest at 3½ percent.

Although S. 2875 is an excellent bill, it is deficient in one major respect. It contains no provision to increase the benefits of former employees now on the retirement rolls. I think this is a serious omission. However, the Committee on Post Office and Civil Service has indicated that it is aware of the need for action along these lines, and I understand that the chairman of the committee, the Senator from South Carolina [Mr. JOHNSTON] intends to hold hearings on proposed legislation for this purpose which has already been introduced. I am pleased to note the committee's concern over the problems faced by those who have already retired, and I hope legislation to provide much-needed increases in their benefits will be approved.

I am also pleased to note the inclusion in the bill of a statement declaring it to be the policy of Congress that retirement annuities shall be adjusted whenever adjustments are made in the salaries of current employees. I realize that this statement has no force of law and that it cannot be carried out without specific legislation. I believe, however, that it takes cognizance of a very serious problem, and I hope that future Congresses will respect this declaration of policy and will honor it.

The support for S. 2875 is widespread. The measure has received the full backing of the organizations representing civil-service employees. My mail for weeks, now, has been overwhelmingly in favor of the bill. I have had thousands of letters, telegrams, and postcards, not only from the employee organizations, but also from individuals, telling me how much these changes will mean to them. I think it is significant that out of all the thousands of communications I have received, only one objected to the proposed increase of 1 percent in the employee's contribution. I believe that this is indicative of the sense of responsibility which our Government employees have. They want and need the improvements contained in S. 2875 . At the same time, they recognize that they must be willing to pay for them. They have shown that they are glad to accept this obligation.

We have shown too little gratitude to the civil-service employee in years past. Our Government workers have been the subject of both neglect and abuse. We, as Members of Congress, are presented with an opportunity to prove to these men and women that we appreciate their devotion and hard work. We can show them that we believe that they should not be made to suffer because they are working for the Government. By enacting S. 2875, we can demonstrate that the Federal Government as an employer, is as concerned about the future welfare of its employees as is private industry. Let us not put our Government at a disadvantage in this respect. Let us, by giving our wholehearted support to S. 2875, show that we intend to keep faith with civil-service workers.

APPOINTMENT OF DOCTORS OF OSTEOPATHY IN THE MEDICAL CORPS

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 1894, House bill 483.

The PRESIDING OFFICER. The bill will be read by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 483) to amend the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947, as amended, so as to provide for appointment of doctors of osteopathy in the Medical Corps of the Army and Navy.

Mr. SYMINGTON. Mr. President, I should like to announce that the bill has been cleared with both the majority and minority leaders of the Senate. Therefore, I request the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 483), which had been reported from the Committee on Armed Services with an amendment, to strike out all after the enacting clause and insert:

(a) The second sentence of section 201 (a) of the Army-Navy-Public Health Service Medical Officer Procurement Act of 1947, as amended, is amended (1) by inserting "(1)" immediately before the word "qualified" and (2) by striking the period at the end thereof and inserting a comma and the following: "or (2) doctors of osteopathy who are qualified under subsection (g) hereof."

(b) Sections 201 (b) and (e) of such act are amended (1) by inserting immediately after the word "medicine" wherever it appears therein "or osteopathy" and (2) by inserting in the second sentence of section 201 (b) after the word "medical" the following: ", osteopathic."

(c) Section 201 of such act is further amended by adding at the end thereof the following new subsection:

"(g) to be eligible for appointment under this act a doctor of osteopathy must (1) be a citizen of the United States, (2) be a graduate of a college of osteopthy whose graduates are eligible for licensure to practice medicine or surgery in a majority of the States, and be licensed to practice medicine, surgery, or osteopathy in one of the States or Territories of the United States or in the District of Columbia, (3) be recommended for such appointment by the Surgeon General of the Army or Air Force or the Chief of the Bureau of Medicine and Surgery of the Navy, (4) possess such qualifications as the Secretary concerned may prescribe for his service, and (5) under regulations prescribed by the Secretary of Defense have completed a number of years of osteopathic and preosteopathic education equal to the number of years of medical and premedical education prescribed for persons entering recognized schools of medicine who became doctors of medicine and who would be qualified for appointment under this title in the grade for which such doctor of osteopathy is applying."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

Mr. SYMINGTON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement in respect to the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PROVIDING FOR APPOINTMENT OF DOCTORS OF OSTEOPATHY AS MEDICAL OFFICERS IN THE ARMED SERVICES

(Statement by Senator SYMINGTON)

The purpose of H. R. 483 is to provide permissive authority for appointing doctors of osteopathy as regular medical officers in the Medical Corps of the three military services. At the present time only doctors of medicine are eligible for such appointments. The bill expressly provides that in order to be eligible for appointment a doctor of osteopathy must (1) be a graduate of a college of osteopathy whose graduates are eligible for licensure to practice medicine or surgery in a majority of the States; (2) must have a license himself to practice medicine, surgery, or osteopthy in one of the States; (3) be recommended for appointment by one of the three Surgeons General; and (4) meet whatever qualifications the Secretary of the service concerned may prescribe.

I should like to point out the important aspects of this legislation. First, the Secretary of Defense personally supported the bill in a letter to the chairman of the committee. Mr. Wilson stated that the enactment of H. R. 483 is desirable so long as the legislation is considered to be authorizing only, and not mandatory. The committee requested Mr. Wilson to personally clarify the position of the Department of Defense because of conflicting testimony on this bill by the departmental representatives.

Second, the authority of the bill is entirely permissive in nature and would require appointments only in such numbers and subject to such qualifications as may be prescribed. As noted in Mr. Wilson's letter, the legislation would leave up to the three services their degree of participation under it.

Third, the bill places sufficient authority in the hands of the Departments so as to insure that any doctors of osteopathy appointed will be fully qualified. It might be noted that the committee adopted two amendments which greatly strengthen the bill: (1) As already noted, the doctors of osteopathy, in order to be appointed, must be recommended by one of the Surgeons General. As a matter of administrative practice, the committee feels certain that the departmental Secretaries would not appoint a doctor of osteopathy without the approval of one of the Surgeons General. By making this amendment a matter of statutory authority, however, it will serve to dispel the fears of the doctors of medicine that doctors of osteopathy might conceivably be appointed without the approval of the Surgeons General. It is the understanding that the Surgeons General at the present time approve all applications for appintment of doctors of medicine as medical officers. (2) The bill contains a provision which will require that in awarding a particular rank to doctors of osteopathy, the shorter period of education which a doctor of osteopathy may have completed as compared to a doctor of medicine, be taken into account in order that the doctor of medicine would not be penalized in terms of comparative rank.

Fourth, in a number of States doctors of osteopathy are eligible to receive upon passing the appropriate examination a license to practice medicine and surgery, just as doctors of medicine. In view of the fact that many are fully licensed it is possible that doctors of osteopathy might provide a source of needed personnel for the military services.

NARCOTICS CONTROL ACT FOR THE DISTRICT OF COLUMBIA

Mr. DANIEL. Mr. President, I introduce for appropriate reference a bill to be entitled "The Narcotics Control Act for the District of Columbia." The bill is introduced on behalf of myself and the other members of the Subcommittee on Improvements in the Federal Criminal Code of the Committee on the Judiciary which conducted an investigation of the narcotics traffic, namely, the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Idaho [Mr. WELKER], and the Senator from Maryland [Mr. BUTLER]. It is introduced also on behalf of the able chairman of the Committee on the District of Columbia, the Senator from West Virginia [Mr. NEELY].

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 3901) to amend certain laws affecting the control of narcotics in the District of Columbia, and for other purposes, introduced by Mr. DANIEL (for himself and other Senators) was received, read twice by its title, and referred to the Committee on the District of Columbia.

Mr. DANIEL. Mr. President, the report which I have submitted and the bill which I have introduced undertake to correct a very bad situation which exists in the District of Columbia concerning narcotics addiction and the narcotics traffic.

As a part of its nationwide investigation into the illicit narcotics traffic, our subcommittee of the Committee on the Judiciary examined the situation in the District of Columbia and spent several days hearing witnesses.

We found that there are approximately 900 narcotic addicts in the District of Columbia who are known to local law enforcement officials. Only four States in the Union have reported a greater number of narcotic addicts than the number reported in the District of Columbia. In other words, if the District of Columbia were counted as a State, it would rank fifth in the Nation in the number of reported narcotic addicts.

So far as the cities of the country are concerned, Washington, the Capital City of the Nation, ranks first in the number of reported narcotic addicts, in percentage of drug addicts compared with the general population.

Although Washington is very far behind New York City, Los Angeles, and Chicago in the total number of addicts, nevertheless, when Washington is considered on the basis of population, it has more reported narcotic addicts than has any other city in the Nation.

In the view of the committee, there is one reason for this situation. In the District of Columbia there is only Federal jurisdiction. There is not sufficient local legislation to enable the District of Columbia officials to combat the narcotics problem here. The District of Columbia does not have adequate laws concerning the treatment and rehabilitation of addicts or the removal from the streets and other public places of habitual addicts who have been treated and who have failed to respond to treatment.

These addicts account for a large proportion of all the crimes committed in the District of Columbia, and they are constantly spreading their addiction to other people.

Therefore, our subcommittee believes that changes must be made in the District of Columbia law in order to provide treatment where treatment seems advisable, and also to provide isolation or confinement for the habitual addicts who continue their addiction after treatment

efforts have failed, who continue to spread addiction by mingling with other persons in public places, and who continue to become involved in crimes throughout the District.

The purpose of the committee report and the bill is to give to the appropriate committee of the Senate, the Committee on the District of Columbia, the benefit of the investigation made by the subcommittee of the Committee on the Judiciary, and of our suggestions as to laws which would improve the narcotic situation in the District of Columbia.

I might say the bill has been reviewed by all of the officials of the District of Columbia who are concerned with either the treatment of narcotic addicts or the prosecution of narcotic offenders.

Much work has been done on this proposed legislation. I commend it to the District of Columbia Committee. The members of our Judiciary Subcommittee will continue to work with them and assist them. Our staff is available to the Committee on the District of Columbia for any assistance they can offer. I hope, Mr. President, that the bill will be considered this session.

We have been joined in this proposed legislation by two members of the Committee on the District of Columbia in the House, Mr. ABERNETHY, of Mississippi, and Mr. MILLER of Nebraska, and I understand their committee will consider the problem soon. I see the distinguished Senator from Oregon present——

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DANIEL. I yield.

Mr. MORSE. I have not received advice as yet from the committee as to which subcommittee the bill will go. There has been some discussion that it may come to my subcommittee of the Judiciary. If it does, I want to assure the Senator from Texas that hearings will be held at the earliest possible date. By that I mean the next few days. I shall give the bill my study and attention. It may need some modification, based on what the hearings will disclose, but as to the objectives of the bill and the need for legislation, I do not think there is any question. We can take judicial notice of them.

I wish to commend the Senator from Texas for the leadership he has given to the Senate in this drive against one of the most vicious menaces which face the American people, namely, the narcotic drug traffic.

Mr. DANIEL. I thank the Senator. I am delighted he is present on the floor and that he has made the statement, because it is my understanding that the subcommittee of which he is chairman would probably receive the bill. I say to the Senator from Oregon that our staff and the members of our committee stand ready to assist in every way we can when the Senator's committee considers the proposed legislation.

TRIBUTE TO EMPLOYEES OF STATE DEPARTMENT

Mr. SMITH of New Jersey. Mr. President, last week there was published in the New York Times of May 17, 1956, a column written by Arthur Krock entitled "A Good Word Very Much in Season."

As a member of the Committee on Foreign Relations, I was impressed by the column, and wanted to have it inserted in the RECORD. It is a tribute to our Foreign Service personnel and the fine service being rendered by our career employees in the field.

I ask unanimous consent that the article be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A GOOD WORD VERY MUCH IN SEASON

(By Arthur Krock)

WASHINGTON, May 16.—One distinct improvement in the national atmosphere as contrasted with the previous Presidential election year of 1952 is the absence of political attacks on the working personnel of the State Department. What Secretary Dulles had to say in praise of this personnel before a Senate appropriations subcommittee yesterday may therefore have been received with the appreciation these public servants deserve.

Four years ago Congress and the people were duly agitated over charges, some sustained and some unsubstantiated, that posed issues of the loyalty, competence and private behavior of diplomats and underlings in the Department of State and in the field. This also produced a crop of deprecatory remarks at any reference to an employee of State. This crop was nourished for growth, harvest and reharvest by administrative acts taken against individuals in this and the previous administration with the primary purpose of abating political attacks on the Department.

The perspective which time supplies to public opinion has since revealed the unfairness of some general and specific conclusions as to the caliber of the State Department personnel. Though a few good men were sacrificed at the expense of American diplomacy, these conclusions apparently have now been modified or wholly rejected. It was on this restored foundation of fairness that Secretary Dulles yesterday built his plea.

In the 4 years since 1952 more Members of Congress than ever before have seen the work of the Foreign Service at first hand. Some have returned with criticisms that merit official attention, but in the main these Members have been favorably impressed with the diplomatic career service. Congress continues to charge the Department with inefficiency in its business management. But if there is still a disposition at the Capitol to dispute the praise which Dulles extended to the rank and file it was not manifest yesterday.

THE WORKHORSES OF DIPLOMACY

He described the group as "a dedicated body of men and women who are rendering a splendid service to our Nation * * * fully aware of the responsibility they are carrying and * * * carrying it well * * * with a patience, a determination, and a skill of which we can all be proud." Then he paid this tribute to the so-called old-fashioned diplomacy he has been accused of undermining by constantly appearing where our envoys were conducting it:

"It took 8 years and almost 400 four-power meetings before the Austrian Treaty finally came into being last year [that brought] the liberation of Austria and the withdrawal of Soviet troops * * * the first backward step taken by the Red Army in Europe since the end of World War II.

"It took a year of patient and delicate diplomacy to settle the Iranian oil controversy * * * that started the vital oil flowing again toward the free world and saved Iran from the imminent grip of communism. It took a year of intensive * * * negotiation to bring about a Trieste settlement, ending a dangerous dispute between Italy and Yugoslavia that had persisted for many years."

The Secretary could have noted that a career diplomat, now regretably retired from the service, did the spadework and laid the base on which the Austrian Treaty was placed. This was Samuel Reber. To the Iranian settlement the contributions of Loy Henderson and Herbert Hoover, Jr., now Deputy Under Secretary and Under Secretary of State, respectively, were invaluable. In the solution at Trieste Llewellyn E. Thompson, Jr., now Ambassador to Austria, played a major part. But their staffs from the Department's rank and file were also indispensable to these diplomatic strokes.

INDOCHINA SALVAGE CORPS

Dulles again did not elaborate when he told the subcommittee that "only a remarkable contribution by our foreign missions over the past 2 years helped to prevent the French military defeat at Dienbienphu in 1954 from involving the loss of all Indochina to militant communism." But the roster is long, and few would have recognized most of the names upon it.

"I have been associated in my life with a good many business enterprises," he added, "but I have never known one where there was the sustained intensity of work I have found in the Department * * * and in the Foreign Service." It was a good word, very much in season.

The Secretary had a purpose, of course, beyond the desire to give credit where credit is due. He wants Congress to restore the cuts it tentatively has made in the State Department's budget, and he specified subnormal living and working conditions, an inadequate staff and niggardly expense allowances to meet the expanded diplomatic activity the world situation requires. But though his tribute to the diplomatic personnel occurred in this practical context, that does not impugn its accuracy or detract from its value as a corrective of an unfair public impression, unfairly stimulated.

LEGISLATIVE PROGRAM

Mr. BIBLE. Mr. President, I do not know whether there are any Senators who care to have the floor. If not, I wish to state that I shall shortly move that the Senate stand in recess.

Tomorrow the Senate will continue consideration of the civil service retirement bill, and will remain in session until voting is completed on the bill.

As soon as that bill is disposed of, the Senate will then take up the agricultural appropriation bill, and later in the week the Housing Act, and other appropriation bills, as they come to the floor.

Mr. President, before I make the motion for a recess I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BIBLE. Mr. President, I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 7 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 22, 1956, at 12 o'clock meridian.

CONFIRMATION

Executive nomination confirmed by the Senate May 21 (legislative day of May 7), 1956:

SUBVERSIVE ACTIVITIES CONTROL BOARD

James R. Duncan, of Virginia, to be a member of the Subversive Activities Control Board for the remainder of the term expiring August 9, 1959.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 21 (legislative day of May 7), 1956:

POSTMASTER

ILLINOIS

Fred A. Lemm to be postmaster at Schiller Park, in the State of Illinois.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 21, 1956

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

Rev. Frank Freed, pastor of the West Covina Baptist Church, Los Angeles, Calif., offered the following prayer:

Shall we now pray? Our Father in heaven, we thank Thee this morning for our great Nation and for all of Thy blessings that Thou hast so abundantly poured forth upon our lives; and we come to Thee this day asking that Thou wilt specially guide these our leaders. We pray that Thou wilt guide them in every deliberation of their minds and every wisdom, and that Thou wilt guard them from any steps into any dead-end roads. We pray, our God, that Thou wilt lead them according to Thy word and Thy will, and that Thou wilt continue to make our Nation that which stands forth for Thy love, and Thy peace, and Thy righteousness throughout our world.

We ask this in Jesus' name and for His sake. Amen.

The Journal of the proceedings of Thursday, May 17, 1956, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10875. An act to enact the Agricultural Act of 1956.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 3254. An act to authorize the county of Custer, State of Montana, to convey certain lands to the United States.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5862) entitled "An act to confer jurisdiction upon the United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7030) entitled "An act to amend and extend the Sugar Act of 1948, as amended, and for other purposes."

The message also announced that the Senate insists upon its amendments to the bill (H. R. 6143) entitled "An act to amend the Internal Revenue Code of 1939 to provide that for taxable years beginning after May 31, 1950, certain amounts received in consideration of the transfer of patent rights shall be considered capital gain regardless of the basis upon which such amounts are paid," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD, Mr. KERR, Mr. FREAR, Mr. MILLIKIN, and Mr. MARTIN of Pennsylvania to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 9429) entitled "An act to provide medical care for dependents of members of the uniformed services, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. BYRD, Mr. JOHNSON of Texas, Mr. SALTONSTALL, and Mr. BRIDGES to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 3073) entitled "An act to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCNAMARA, Mr. MORSE, Mr. BIBLE, Mr. BEALL, and Mr. CASE of New Jersey to be the conferees on the part of the Senate.

CROW INDIAN TRIBE

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. HALEY] be released as a conferee on the part of the House on the joint resolution (S. J. Res. 135) providing for payment to the Crow Indian Tribe for consent to transfer of right-of-way for Yellowtail Dam unit, Missouri River Basin project, Montana-Wyoming.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado? [After a pause.] The Chair hears none and appoints as a conferee in his stead the gentleman from Arizona [Mr. UDALL]. The Clerk will notify the Senate accordingly.

AGRICULTURAL ACT OF 1956

Mr. POAGE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 10875) to enact the Agricultural Act of 1956, with Senate amendments thereto, disagree to the amendments of the Senate and ask for a conference with the Senate.

Mr. MARTIN. Reserving the right to object, Mr. Speaker, may I inquire of the gentleman from Texas when the committee is going to meet?

Mr. POAGE. This afternoon.

Mr. MARTIN. For the purpose of bringing it back fairly quickly?

Mr. POAGE. We hope we can bring it back tomorrow.

Mr. MARTIN. Might it not be possible to get action today? It seems to be a desirable bill with which all seem to be satisfied.

Mr. POAGE. I am afraid not.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. COOLEY, POAGE, GRANT, HOPE, and AUGUST H. ANDRESEN.

ANSWER TO LEONARD HALL'S CLAIM ON WORKERS' PROSPERITY

Mr. HOLLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HOLLAND. Mr. Speaker, for a number of weeks now, Chairman Leonard Hall, of the Republican National Committee, has been trying to tell workers that the Eisenhower administration is not biased against them, and that in fact they are better off under the Eisenhower administration than they were during the Democratic administration of President Harry S. Truman.

I appreciate that the difficulty of Mr. Hall's task forces him to strain pretty hard for evidence to support his strange proposition. But I do think it necessary to call to the attention of the American people the truth about the meaningless figures and misleading terms Mr. Hall has been using.

He says, for example, that "labor's" share of the total national income amounted to a 69-percent average during the 3 years of the Eisenhower administration, compared to just a 65-percent average during the 7 years of the Truman administration. This kind of use of percentages is meaningless. Just how meaningless is shown by the fact that in 1932, at the depth of the worst depression in our history, labor's share of the national income amounted to 73 percent—4 percent more than under Eisenhower. It would have been cold comfort to the workers who stood in breadlines to have been told by politicians such as Mr. Hall that their "percentage of the national income" was so high.

Moreover, it is not "labor," as the term is generally accepted, that is receiving 69 percent. The figures Mr. Hall uses come from page 173 of the Economic Report of the President, and actually measure "compensation of employees"—which lumps together the topmost corporation executives and directors as well as ordinary workers, and calls them all "employees." I am sure that most

$75,000 a year executives do not classify themselves as "labor"; nor are they such, except perhaps to a politician who is trying to hoodwink workers about which party has their interests at heart.

I think the following figures give a much more accurate picture of whether workers are getting an even break under the Eisenhower administration: In the 3 years of Republican administration, while corporations' profits after taxes have increased 34 percent, the average person's income after taxes has gone up only 8 percent. In 1955 alone, while United States Steel profits went up 89 percent, Jones & Laughlin up 100 percent, and Youngstown Sheet & Tube up 106 percent, steelworkers' wages rose only 14 percent. While General Motors profits went up 48 percent, auto workers' wages rose only 10 percent; while Standard Oil of New Jersey profits rose 23 percent, oil workers participated only to the extent of 5 percent; while Monsanto profits went up 78 percent, chemical workers' wages gained only 5 percent.

To see if they are getting an even break under this administration, I suggest that workers all over the country compare the improvement in their economic well-being over the last 3 years with that of the corporations for which they work. If they do that, no amount of statistical shenanigans by Mr. Hall will be able to dissuade them that Republican "prosperity" is lopsided in favor of big business, and against the average citizen.

PUBLIC WORKS APPROPRIATION BILL, FISCAL YEAR 1957

Mr. CANNON, from the Committee on Appropriations, reported the bill (H. R. 11319) making appropriations for the Tennessee Valley Authority, certain agencies of the Department of the Interior and civil functions administered by the Department of the Army for the fiscal year ending June 30, 1957 (Rept. No. 2181) which was read a first and second time and with accompanying papers referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. DAVIS of Wisconsin reserved all points of order.

Mr. DAVIS of Wisconsin. Mr. Speaker, I ask unanimous consent that members of the committee may have until midnight tonight to file minority views on the public works appropriation bill and that those views be printed with the committee report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

WATER POLLUTION CONTROL BILL

Mr. BLATNIK. Mr. Speaker, I ask unanimous consent that the House Committee on Public Works have until midnight tonight to file a report on the water pollution control bill, H. R. 9540.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

THE LATE HONORABLE LORING M. BLACK

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, I am indeed saddened today at the news of the sudden death of Loring Black, a former Member of this distinguished body. We both came to this House together, having been elected in 1922.

Loring served many years with us. He left his mark upon this body as an eminent Member. His was a congressional career of rare accomplishments, he was an excellent debater and of the highest integrity of purpose. I am, indeed, grieved because Loring was my dear friend. He leaves behind him a good name.

As the Psalmist said:

> Better is the fragrance of a good name than the perfume of precious oils.

Mr. MULTER. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD on the passing of our late distinguished colleague, Loring M. Black, of New York.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I was truly shocked this morning when I learned of the sudden and untimely passing of my dear friend, Hon. Loring Milton Black, who long and honorably served in the House of Representatives as a Democrat from Brooklyn, N. Y.

It is with deep emotion and a feeling of great sorrow and loss that I raise my voice in brief, but nonetheless sincere tribute to the life and character and public service of Loring Black.

While it was not my privilege to have served with him here in the House, I have nevertheless known him for many years and we had a very close personal association and friendship right up to the time of his passing. It was just on Thursday last that I had a chat with him here in the Capitol and made an appointment to see him during this week.

Loring Black was born in New York City on May 17, 1886, attended the public schools, and was graduated from Fordham University, New York City, in 1907. He studied law at Columbia University, was admitted to the bar in 1909 and thereupon commenced the practice of law in New York City. He served as a member of the New York State Senate in 1911 and 1912; resumed the practice of his profession in New York City; and again served as a member of the New York State Senate in 1919 and 1920. He was elected a Member of the United States House of Representatives to the 68th Congress and the five succeeding Congresses, serving from March 1923 to January 1935. He was not a candidate for renomination in 1934.

Loring enjoyed the reputation of being a most persuasive and eloquent orator and was gifted with a keen sense of humor. He was a brilliant lawyer and achieved great success in his profession.

I feel a great personal loss in the passing of Loring Black as I have long considered him one of my very dear friends and advisers. I always held him in the highest esteem and had profound respect for his ability and integrity.

His record in Congress and in the legal profession was filled with many achievements. His many years of public service and his distinguished record in private life will long endure. I am sure that I speak not only for myself but for all the Members of this body who knew him when I say that his kindness, his memory, will linger in our hearts forever. I extend to his dear wife my sincere sympathy in her sad bereavement. May he rest in peace.

Mr. MULTER. Mr. Speaker, it was with extreme regret that I learned of the sudden and untimely demise of our very good friend, the Honorable Loring M. Black. He served in this House with distinction and honor to himself, the Borough of Brooklyn, and the city and State of New York, as well as the Nation, for 12 years.

Although it was not my privilege to serve with him in the House, it was my good fortune to have known him for many years and to have been able to call him my friend.

He was able, to the point of brilliance. His advice was sound and much sought after. He will be grievously missed, not only by his good and dear wife, but by all his many friends.

Mr. KEOGH. Mr. Speaker, I was greatly saddened yesterday by the sudden passing of my good and old friend, Loring Black, and our former colleague who served in the House from 1923 to 1935, as a Representative from Brooklyn.

Loring served with distinction in the House and was an active opponent of the prohibition law and its enforcement. He also sponsored much beneficial legislation on behalf of our veterans and was an early worker in the field of narcotics control. Loring was a gentle, kindly man, and I shall often recall the many pleasant hours I spent in his company. His was a friendship that I greatly treasured over the years, and I shall miss his keen sense of humor, his friendly visits and the many talks we had together. A gentle spirit has left us and we, his friends, are poorer for the loss, but we shall cherish his memory and hope that he now rests in peace.

ARMED SERVICES DAY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, over the weekend I was privileged to see a wonderfully fine and impressive exhibition of our armed services in different military establishments. I was privileged to review, with General

Milburn at Fort Stevens, a very fine infantry group. I have never seen finer marching and was never more impressed with the strength and the power of the men.

I should like again to express my deep gratitude to the officers and men and women who are working to keep our country safe; they face danger day after day even in peace.

COMMITTEE ON THE JUDICIARY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit during general debate today and on Wednesday, May 23.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. THOMPSON of Texas assumed the Chair.

THE LATE EUGENE J. BUTLER

Mr. McCORMACK. Mr. Speaker, I as unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on Thursday last one of the most beloved men in Washington, Eugene J. Butler, died.

For 26 years Mr. Butler was a member of the staff of the legal department of the National Catholic Welfare Conference, and since 1951 he was its director. In performing his duties he had occasion throughout the years to appear before committees of the Congress, and to discuss matters of importance and concern to the National Catholic Welfare Conference with many hundreds of Members of the Congress and with officials in the executive branch of our Government. He also had occasion to meet many thousands of persons who were not in public life or in the Government service.

Everyone who ever met Gene Butler was impressed by him. They recognized he was not only an able and fair gentleman but that he was honorable and trustworthy. By reason of his fine personality, his deep knowledge of any matter he was engaged in, and his noble qualities of mind and character, Gene Butler always obtained the maximum favorable results possible. It will be most difficult for the National Catholic Welfare Conference to fill his place.

Mr. Butler, or "Gene" as his friends called him, was born at Scranton, Pa., and came to Washington in the service of the National Catholic Welfare Conference 26 years ago. He attended St. Thomas College, now the University of Scranton; also Holy Cross College and Fordham University Law School.

During his years of service with the National Catholic Welfare Conference he became widely known throughout the country. He received many honors, among which was the Knight Commander of the Order of St. Gregory the Great, conferred upon him in 1954 by Pope Pius XII. The Catholic University of America conferred upon him last year an honorary doctorate of laws for his outstanding zeal and talent.

I first met Gene Butler shortly after his arrival in Washington. During the years he has been with the National Catholic Welfare Conference and until his death we have seen each other hundreds of times. There quickly developed between us a close friendship which has grown and developed throughout the years. In his death I have lost one of my closest friends. I shall miss him very much.

To Mrs. Butler and her children and to his brothers and sisters Mrs. McCormack and I extend our deepest sympathy in their bereavement.

Mr. Speaker, I ask unanimous consent that all other members who so desire may extend their remarks at this point in the RECORD in relation to the late Eugene J. Butler.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ROONEY. Mr. Speaker, I was deeply saddened by the passing last Friday morning at Georgetown University Hospital of my dear friend of long standing, Eugene J. Butler, director of the legal department of the National Catholic Welfare Conference.

Gene Butler was widely known throughout the country as counselor and adviser to Roman Catholic institutions and welfare agencies and because of his vast experience and legal knowledge rendered an extraordinary service to his church and faith. He was a real Christian gentleman and was always kind and considerate to his host of friends and associates. For 21 years before he became its director he was a member of the staff of the National Catholic Welfare Conference legal department.

He was recognized as an outstanding expert on the legislative matters and problems in which the National Catholic Welfare Conference had an interest and he held the confidence of the high-ranking Catholic clergy throughout the country. With his wonderful personality and charm, as well as his sincerity of purpose, he always had ready access to his many friends in the House and Senate who respected his opinions and high ideals.

I feel fortunate, and benefited much, in having a close friendship with Gene Butler for many years. After becoming a Member of the House I had many occasions to see him on matters in which we had a mutual interest, and I always found him most patient, kind, and understanding. He possessed a fine intellect and legal mind. He had a great amount of commonsense. I always admired his zeal and uncompromising loyalty to his faith and the Christian principles in which he so deeply believed.

Mr. Speaker, I have lost a true friend in the loss of Gene Butler. Because of his many good deeds, scrupulous principles, and successful career, he leaves a respected heritage to his loved ones. His widow and four children have my deepest sympathy in their hour of sorrow. I am sure he is in heaven.

May He support us all the day long
Till the shades lengthen and the evening comes
And the busy world is hushed
And the fever of life is over and our work is done.
Then in His mercy may He give us a safe lodging
And a holy rest and peace at the last.

—*Cardinal Newman.*

Mr. RABAUT. Mr. Speaker, Mr. Eugene J. Butler, general counsel for the National Catholic Welfare Conference, was a man of sterling quality. His death at a young age is a blow to the institution and its members whom he served so well. He was a familiar figure here on the Hill, always interested in the less fortunate of the world. He will be missed in Washington and other places where his counsel was so often sought. I extend my deepest sympathy to his family.

Mr. KEOGH. Mr. Speaker, many years ago, as a student at the Fordham University Law School in New York, it was my pleasure to become acquainted with a fellow student, Eugene J. Butler. A few years later, upon my election to the 75th Congress, our acquaintance ripened into a friendship founded on my part by my deep respect and admiration for him. Everyone with whom he came into contact in connection with his work for the National Catholic Welfare Conference shared that respect and admiration.

I was profoundly grieved to learn of his passing a few days ago after a long and painful illness. The fortitude with which he bore the long ordeal of his fatal affliction was a mark of the sterling character that he had displayed in his daily work. Never have I heard one word of adverse criticism of him. By the same token, never would he voice a word of criticism against any of the thousands of persons with whom he became associated in his long years of service. That service has now come to an untimely end. Gene Butler will be sorely missed by his family, his employers and fellow workers, and by the membership of the Congress.

CONSENT CALENDAR

The SPEAKER pro tempore (Mr. McCORMACK). This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

DISPOSAL OF LANDS UNDER BANKHEAD-JONES FARM TENANT ACT

The Clerk called the bill (H. R. 6815) to provide for the orderly disposition of property acquired under title III of the Bankhead-Jones Farm Tenant Act, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill? Three objections are required.

Mr. METCALF, Mr. WIER, and Mr. BYRNES of Wisconsin objected.

GENERAL SERVICES ADMINISTRATION

The Clerk called the bill (S. 2364) to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes.

Mr. CUNNINGHAM. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SIMPLIFYING ACCOUNTING

The Clerk called the bill (H. R. 9593) to simplify accounting, facilitate the payment of obligations, and for other purposes.

Mr. ASPINALL. Mr. Speaker, at the request of the gentleman from Illinois [Mr. DAWSON], who is unavoidably detained today, I ask unanimous consent that the bill be passed over without prejudice.

MENTAL HEALTH STUDY GRANTS

The Clerk called the bill (H. R. 9048) to amend the Public Health Service Act so as to improve the mental health of the Nation through grants for special projects to develop improved methods of care, treatment, and rehabilitation of the mentally ill.

Mr. CUNNINGHAM. Mr. Speaker, in view of the fact that this bill calls for $1,500,000, a half million more than it is customary to consider on the Consent Calendar, and also because there are no departmental reports, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, I urge Members of the House to give favorable consideration to the bill H. R. 9048, now before the House.

The objective of this bill is to amend the Public Health Service Act so as to improve the mental health of the Nation through grants for special projects to develop improved methods of care, treatment, and rehabilitation of the mentally ill. What could be more appealing than to assist in the adoption of legislation that has such a worthy as well as necessary objective.

We are all aware of the extent to which mental illness handicaps an ever-increasing portion of our population. There are more persons in our institutions for the care and treatment of mental illness than for any other disease. The number who require such treatment far exceeds that of any other class requiring medical treatment. The problem that is presented is one of the most challenging that can come before a legislative body. This and all other questions affecting the care and treatment of the ill has always been one of the most interesting subjects that I have had to deal with in my long service in the House. I have appreciated the privilege it has been for me to have the opportunity to serve on the committee of Congress that has had jurisdiction over the public health of our Nation. And it has been most gratifying to me, at different times, to have been chairman of the committee and thereby in a position to be materially helpful in introducing and assisting in the passage of legislation that would improve and increase health facilities helpful in dealing with the health conditions of our people.

The principal purpose of the bill H. R. 9048 is to broaden the present authority of the Public Health Service to make grants for the purpose of developing improved methods of diagnosing mental illness and caring, treating, and rehabilitating the mentally ill. The Surgeon General, upon recommendation of the National Advisory Mental Health Council, would be authorized to make special project grants for the support of investigations, experiments, and demonstrations in the field of mental health, with particular emphasis on projects designed to improve the operation and administration of State institutions for the care or treatment of the mentally ill. These special project grants would enable State institutions to conduct experimental programs and to adapt to their own particular needs and circumstances the new advances in the care and treatment of the mentally ill which are being developed through more basic research studies.

Federal grant funds appropriated in the field of mental health have been used in the past for research project grants, research fellowship grants, teaching grants, training grants, and grants to States for prevention and control of mental illness.

The States are required to match every $2 of Federal funds with $1 of State funds. Actually, however, the States have matched every Federal dollar with five State dollars.

It is believed that the Federal Government by providing funds for experimentation and research can be a good partner to the States in their efforts to provide for the mentally ill. Since the States themselves are saddled with the heavy burden of sustaining the operating costs of mental hospitals year in and year out, they are understandably hesitant to appropriate funds for the types of pilot plans and experimental projects which could be initiated under this bill.

The committee held hearings on the provisions incorporated in this bill. No opposition was expressed in the course of the hearings to the provisions of the bill. It was unanimously approved by the committee.

A great deal might be accomplished, first, through studies of methods of management and training; second, by investigating possible substitutes for hospital care through the increasing use of outpatient facilities and foster homes; third, by studying what can be done about placing patients out in the community; fourth, by determining how social workers can be used in this connection whose salaries cannot be provided out of the regular budgets of mental health hospitals; and fifth, by making statistical studies and studies of possible standardization.

Most importantly, perhaps, additional research projects might be initiated into care and therapy at State hospitals. For example, a study conducted at a State hospital demonstrated that by making substantial additions to the personnel for the purpose of providing intensive treatment of patients, the rate of releases at such hospital increased more than 2½ times.

The increasing number of the aged who become mental patients suggests the need of studies of some new type of institution for these patients. These institutions might be halfway between a home and a mental hospital. Also, it appears well worthwhile to investigate the possibility of so-called day-care hospitals in which patients come during the day from their homes and are given therapy but go back to their homes at night. Adoption of this plan of treatment would cut substantially the expense of operating hospitals for the mentally ill.

Statistics show that in 1953, the States and Territories spent in excess of $500 million for the operation of mental health hospitals. If federally financed pilot projects can assist in any way in reducing this tremendous financial burden now carried by the States and Territories, the small expenditures involved in the financing of such projects would be repaid many times over.

In the President's budget document for fiscal 1957, provision is made for the later submission of a budget request of $1,500,000 for special mental health project needs. This request is contingent upon enactment of the instant legislation.

This bill should have the support of the Congress.

DISPOSITION OF MONEYS ARISING FROM DEDUCTIONS MADE FROM CARRIERS

The Clerk called the bill (H. R. 8102) to provide for the disposition of moneys arising from deductions made from carriers on account of the loss of or damage to military or naval material in transit, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That moneys arising from deductions made from carriers on account of the loss of or damage to military or naval material in transit for account of the Departments of the Army, Navy, or Air Force shall be credited to the proper appropriation, account, or fund out of which such or similar material may be replaced.

SEC. 2. The seventh paragraph under the heading "Ordnance Department" of the act of March 2, 1905 (33 Stat. 840), is amended by deleting therefrom the words "moneys arising from deductions made from carriers on account of the loss of or damage to military stores in transit shall be credited to the proper appropriation or funds

out of which such or similar stores shall be replaced and."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACT OF JULY 17, 1953

The Clerk called the bill (H. R. 8709) to continue the effectiveness of the act of July 17, 1953 (67 Stat. 177), as amended.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I should like to know something of the nature and purpose of this bill. There is nothing before us on the Consent Calendar to indicate the purpose of the bill.

Mr. PRICE. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. PRICE. The purpose of this bill is to continue the statutory authority for the Secretaries of the military departments to construct, expand, rehabilitate, and convert plants privately or publicly owned which may be necessary for defense production or mobilization purposes and to provide for the maintenance, storage, and so forth, of such plants. This is merely an extension of existing law until 1957. It is a 1-year extension of existing law.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the act of July 17, 1953 (67 Stat. 177), as amended, shall remain in effect until 6 months after the termination of the national emergency proclaimed by the President on December 16, 1950, or until such date as may be specified by a concurrent resolution of the Congress, or until July 1, 1957, whichever is earlier.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF LAND IN THE CITY OF HOGANSVILLE, GA.

The Clerk called the bill (H. R. 7896) to provide for the conveyance of certain land in the city of Hogansville, Ga., to the city of Hogansville.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of General Services is hereby authorized to convey to the city of Hogansville, Ga., all right, title, and interest of the United States in and to the land described in section 2 in consideration of the sum of $1, upon such terms and conditions as may be necessary to safeguard the interest of the United States. Such land was acquired by the United States of America on April 5, 1954, for the express purpose of erecting thereon a post-office building at Hogansville, Ga. Such building has not been constructed, and the land has been declared surplus to the needs of the Federal Government.

SEC. 2. The land referred to in the first section of this act is located in the city of Hogansville, Troup County, Ga., and is more particularly described as follows: All that tract or parcel of land lying and being in Hogansville, county of Troup, State of Georgia: Beginning at a point being the intersection of the northerly side of High Street with the easterly side of Loyd Street; running thence along the easterly side of Loyd Street north 3 degrees 30 minutes east 164.2 feet to a point; thence south 86 degrees 30 minutes east 1.6 feet to a point of curve; thence along the arc of a curve to the right having a radius of 9 feet, chord length of 12 feet bearing north 63 degrees 40 minutes 8 seconds east, a distance of 13.1 feet to a point in the southwesterly side of East Main Street; thence along the southwesterly side of East Main Street south 59 degrees 30 minutes east 256.8 feet to a point in the westerly boundary of land now or formerly of T. H. Phillips; thence along the westerly boundary of said land of Phillips south 0 degrees 41 minutes east 47.4 feet to a point in the northerly side of High Street; thence along the northerly side of High Street north 87 degrees 59 minutes west 244.4 feet to the point or place of beginning, containing 26,859.95 square feet, together with the improvements thereon; and also together with all right, title and interest of the owner of the premises herein before described in and to all streets, roads, avenues, alleys, alleyways, and rights-of-way abutting or in anywise appertaining to the land herein described, together with any and all leaseholds or other interest therein of whatsoever kind or character.

With the following committee amendments:

Page 1, lines 7 and 8, strike out "$1.00, upon such terms and conditions as may be necessary to safeguard the interest of the United States." and insert in lieu thereof: "$3,000, upon condition that such land be used for public purposes and upon such terms and conditions as may be necessary to safeguard the interests of the United States."

Pages 2 and 3, strike out all of section 2 and insert in lieu thereof:

"SEC. 2. The property referred to in section 1 of this act is a parcel of land located on the south side of East Main Street, bounded by High Street and Loyd Street in the city of Hogansville, Ga., containing approximately 26,860 square feet, known as the post office site, Hogansville, Ga., acquired by condemnation, order and confirming judgment of which were filed May 13, 1954, in the office of the clerk of the Superior Court, Troup County, Ga., and recorded in book 95, page 492."

By adding a new section as follows:

"SEC. 3. If at any time within the 20 years next following the conveyance provided for herein the realty so conveyed is no longer used for public purposes, title to such realty, together with all improvements thereon, shall revert to the United States of America."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFERRING LAND TO SCHOOL DISTRICT NO. 8, MOHAVE COUNTY, ARIZ.

The Clerk called the bill (S. 2822) to authorize and direct the Secretary of the Interior to transfer approximately 9 acres of land in the Hualapai Indian Reservation, Ariz., to School District No. 8, Mohave County, Ariz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to transfer by patent to School District No. 8, Mohave County, Ariz., all right, title, and interest of the United States and the Hualapai Tribe of Indians in and to a tract of approximately 9 acres of land within the Hualapai Indian Reservation described as part of the southwest quarter of section 23, township 25 north, range 11 west, Gila and Salt River meridian, as long as such lands are used for school purposes and are available to Indians and non-Indians on the same terms unless otherwise approved by the Secretary of the Interior: *Provided*, That if said tract no longer is used for school purposes or is made available to Indians and non-Indians on different terms without the approval of the Secretary of the Interior, the Secretary may publish in the Federal Register a declaration to that effect and all right, title, and interest therein shall revert to the United States in trust for the Hualapai Tribe: *Provided also*, That the Secretary of the Interior may not approve any terms or conditions which would discriminate against Indians: *And provided further*, That all mineral rights, including gas and oil, are reserved for the use and benefit of the Hualapai Tribe. The lands to be so transferred to said school district are described in detail as follows: Starting at the north quarter corner of section 23, township 25 north, range 11 west, Gila and Salt River meridian, Mohave County, Ariz., marked by a Government set brass capped iron pipe; thence, north 89 degrees 57 minutes east, along the north line of said section 23, a distance of 109.09 feet to a point; thence, south 2 degrees 48 minutes 30 seconds west, a distance of 2646.76 feet to a point; thence, north 84 degrees 20 minutes 45 seconds west, a distance of 109.04 feet to a point; thence, south 33 degrees 28 minutes 15 seconds west, a distance of 949.8 feet to the place of beginning marked by a half-inch iron pipe; thence, south 28 degrees 31 minutes 45 seconds west, a distance of 313.73 feet to a corner, marked by a half-inch iron pipe; thence south 61 degrees 48 minutes 15 seconds east, a distance of 167.08 feet to a corner and point along the northwesterly right-of-way boundary of an oil cake paved road, marked by a half-inch iron pipe; thence, south 26 degrees 41 minutes 45 seconds west, a distance of 273.58 feet along the said northwesterly right-of-way boundary of said paved road, marked by a half-inch iron pipe; thence, north 63 degrees 29 minutes 45 seconds west, a distance of 446.41 feet to a corner marked by a half-inch iron pipe; thence, south 26 degrees 40 minutes 30 seconds west, a distance of 188.92 feet to a corner marked by a half-inch iron pipe; thence, north 63 degrees 29 minutes 45 seconds west, a distance of 403.75 feet to a corner marked by a half-inch iron pipe; thence, north 9 degrees 16 minutes 15 seconds east, 365.56 feet to a corner marked by a half-inch iron pipe; thence, south 88 degrees 47 minutes 15 seconds east, a distance of 433.09 feet to a corner point marked by a half-inch iron pipe; thence, north 75 degrees 12 minutes 45 seconds east, a distance of 289.71 feet to a corner marked by a half-inch iron pipe; thence, south 79 degrees 28 minutes 45 seconds east, a distance of 202.51 feet to the place of beginning.

With the following committee amendment:

Page 2, line 7, strike the words "Secretary may" and insert the words "Secretary shall immediately."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING BIENNIAL INSPECTION OF HULLS AND BOILERS OF CARGO VESSELS

The Clerk called the bill (S. 743) to authorize biennial inspection of the hulls and boilers of cargo vessels, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4417 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 46, sec. 391), is further amended to read as follows:

"SEC. 4417. (a) The head of the department in which the Coast Guard is operating shall require the Coast Guard to inspect before the same shall be put into service, and at least once in every year thereafter, the hull of every steam vessel carrying passengers; to determine to its satisfaction that every such vessel so submitted to inspection is of a structure suitable for the service in which she is to be employed, has suitable accommodations for passengers and the crew, and is in a condition to warrant the belief that she may be used in navigation, with safety to life, and that the vessel is in full compliance with the applicable requirements of this title or acts amendatory or supplementary thereto and regulations thereunder; and if deemed expedient, to direct the vessel to be put in motion or to adopt any other suitable means to test her sufficiency and that of her equipment.

"(b) The head of the department in which the Coast Guard is operating shall require the Coast Guard to inspect before the same shall be put into service, and at least once in every 2 years thereafter, the hull of each steam vessel, not carrying passengers; to determine to its satisfaction that every such vessel so submitted to inspection is of a structure suitable for the service in which she is to be employed, has suitable accommodations for the crew, and is in a condition to warrant the belief that she may be used in navigation, with safety to life, and that the vessel is in full compliance with the applicable requirements of this title or acts amendatory or supplementary thereto and regulations thereunder; and if deemed expedient, to direct the vessel to be put in motion or to adopt any other suitable means to test her sufficiency and that of her equipment.

"(c) The head of the department in which the Coast Guard is operating shall require the Coast Guard to inspect before the same shall be put into service, and at least once in every year thereafter, the hull of each sail vessel of over 700 gross tons carrying passengers for hire and all other vessels and barges of over 100 gross tons carrying passengers for hire; and to determine to its satisfaction that every such vessel so submitted to inspection is of a structure suitable for the service in which she is to be employed, has suitable accommodations for the passengers and crew, and is in condition to warrant the belief that she may be used in navigation with safety to life.

"(d) Whenever it is found on board any vessel subject to the provisions of this title, or any acts amendatory or supplementary thereto, that any equipment, machinery, apparatus, or appliances do not conform to the requirements of law or regulations promulgated thereunder, the owner or master of said vessel shall be required to place the same in proper condition; and if there shall be found on board any such vessel any life preserver or fire hose so defective as to be incapable of repair, the owner or master shall be required to destroy the same in the presence of an official designated by the head of the department in which the Coast Guard is operating. In any of the foregoing cases the requirements may be enforced by revoking the certificate of said vessel and by refusing to issue a new certificate until the requirements have been fully complied with. In any case where the head of the department in which the Coast Guard is operating has delegated to a Coast Guard official the authority to enforce the said requirements by revocation of certificates of inspection, the action of said Coast Guard official may be reversed, modified, or set aside by the head of the department in which the Coast Guard is operating on proper appeal by the owner or master of said vessel. Appeals shall be made to the head of the department in which the Coast Guard is operating within 30 days after the final action of the aforesaid Coast Guard official.

"(e) Vessels subject to inspection under this title or acts amendatory or supplementary thereto while laid up and dismantled and out of commission may, by regulations established by the head of the department in which the Coast Guard is operating, be exempted from any or all inspection under sections 4417, 4418, 4426, and 4427 of the Revised Statutes."

SEC. 2. Section 4418 of the Revised Statutes, as amended (U. S. C., 1952, edition, title 46, sec. 392), is further amended to read as follows:

"SEC. 4418. (a) The head of the department in which the Coast Guard is operating shall require the Coast Guard to inspect, before the same shall be put into service and once at least in every year thereafter, the boilers, unfired pressure vessels, and appurtenances thereof, also the propelling and auxiliary machinery, electrical apparatus and equipment, of all passenger vessels subject to inspection.

"(b) The head of the department in which the Coast Guard is operating also shall require the Coast Guard to inspect, before the same shall be put into service and at least once in every 2 years thereafter, the boilers, unfired pressure vessels, and appurtenances thereof, also the propelling and auxiliary machinery, electrical apparatus and equipment of all vessels subject to inspection other than passenger vessels.

"(c) The head of the department in which the Coast Guard is operating shall require the Coast Guard to determine to its satisfaction by thorough examination that the boilers, unfired pressure vessels, and appurtenances thereof, also the propelling and auxiliary machinery, electrical apparatus and equipment of all vessels which are subject to inspection under subsections (a) and (b) herein are in conformity with law and the rules and regulations of the head of the department in which the Coast Guard is operating, and may be safely employed in the service proposed. No boiler, unfired pressure vessel, or appurtenances thereof shall be allowed to be used if constructed in whole or in part of defective material or which because of its form, design, workmanship, age, use, or for any other reason is unsafe.

"(d) At each original inspection and at each annual or biennial inspection thereafter, whichever is applicable, all boilers, unfired pressure vessels, and main steam piping shall be subjected to hydrostatic tests or such other tests as may be prescribed by the head of the department in which the Coast Guard is operating. The ratio of the hydrostatic test to the maximum working pressure shall be determined by action of the head of the department in which the Coast Guard is operating."

SEC. 3. Section 10 of the act of May 28, 1908 (ch. 212, 35 Stat. 428, as amended (U. S. C., 1952 edition, title 46, sec. 395)) is amended to read as follows:

"SEC. 10. (a) The head of the department in which the Coast Guard is operating shall require the Coast Guard to inspect, before the same shall be put into service and at least once in every year thereafter, the hull and equipment of every seagoing barge of 100 gross tons or over carrying passengers; and to determine to its satisfaction that such barge is of a structure suitable for the service in which she is to be employed, has suitable accommodations for the crew and passengers, and is in a condition to warrant the belief that she may be used in navigation with safety to life.

"(b) The head of the department in which the Coast Guard is operating also shall require the Coast Guard to inspect, before the same shall be put into service and at least once in every 2 years thereafter, the hull and equipment of every seagoing barge of 100 gross tons or over, not carrying passengers; and to determine to its satisfaction that such barge is of a structure suitable for the service in which she is to be employed, has suitable accommodations for the crew, if manned, and is in a condition to warrant the belief that she may be used in navigation with safety to life.

"(c) Upon the satisfactory completion of the inspection authorized herein, a certificate of inspection shall be issued in the manner and for the purposes prescribed in sections 4421 and 4423 of the Revised Statutes."

SEC. 4. Section 4453 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 46, sec. 435) is amended to read as follows:

"SEC. 4453. In addition to the annual or biennial inspection, the head of the department in which the Coast Guard is operating shall require the Coast Guard to examine, at proper times, inspected vessels arriving and departing to and from their respective ports, so often as to enable them to detect any neglect to comply with the requirements of law, and also any defects or imperfections becoming apparent after the inspection aforesaid, and tending to render the navigation of such vessels unsafe; and if there shall be discovered any omission to comply with the law, or that repairs have become necessary to make such vessel safe, the master shall at once be notified in writing as to what is required. All inspections and orders for repair shall be made promptly. When it can be done safely, repairs may be permitted to be made where those interested can most conveniently do them. And whenever it is ascertained that any vessel subject to the provisions of this title or acts amendatory or supplementary thereto, has been or is being navigated or operated without complying with the terms of the vessel's certificate of inspection regarding the number and class of licensed officers and crew, or without complying with the provisions of law and her said certificates as to the number or kind of life-saving or fire-fighting apparatus, or without maintaining in good and efficient condition her lifeboats, fire pumps, fire hose, and life preservers, or that for any other reason said vessel cannot be operated with safety to life, the owner or master of said vessel shall be ordered to correct such unlawful conditions, and the vessel may be required to cease navigating at once and to submit to reinspection; and in case the said orders shall not at once be complied with, the vessel's certificate of inspection shall be revoked, and the owner, master, or agent of said vessel shall immediately be given notice, in writing, of such revocation; and no new certificate of inspection shall be again issued to her until the provisions of this title or acts amendatory or supplementary thereto have been complied with. Any vessel subject to the provisions of this title or acts amendatory or supplementary thereto operating or navigating or attempting to operate

or navigate after the revocation of her certificate of inspection and before the issuance of a new certificate, shall, upon application by a department or agency charged with the enforcement of such title or acts, to any district court of the United States having jurisdiction, and by proper order or action of said court in the premises, be seized summarily by way of libel and held without privilege of release by bail or bond until a proper certificate of inspection shall have been issued to said vessel: *Provided,* That the owner, master, or person in charge of any vessel whose certificate shall have been so revoked may within 30 days after receiving notice of such revocation appeal to the head of the department in which the Coast Guard is operating for a reexamination of the case, and upon such appeal the said head of the department shall have power to revise, modify, or set aside such action of revocation, and direct the issuance to such vessel of her original certificate or of a new certificate of inspection; and in case the said head of the department shall so direct the issuance of a certificate, all judicial process against said vessel based on this section shall thereupon be of no further force or effect, and the vessel shall thereupon be released."

SEC. 5. Section 4454 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 46, sec. 436), is amended by deleting the word "steamer" and inserting in lieu thereof the words "inspected vessel"; and by deleting the words "Coast Guard" and inserting in lieu thereof the word "examining."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLARIFY AND CONSOLIDATE AUTHORITY REQUIRING ESTABLISHMENT, MAINTENANCE, AND OPERATION OF AIDS TO MARITIME NAVIGATION ON FIXED STRUCTURES

The Clerk called the bill (S. 1378) to clarify and consolidate the authority to require the establishment, maintenance, and operation of aids to maritime navigation on fixed structures in or over navigable waters of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 85 of title 14, United States Code, is amended to read as follows:

"§ 85. Aids to maritime navigation on fixed structures; penalty

"The Secretary shall prescribe and enforce necessary and reasonable rules and regulations, for the protection of maritime navigation, relative to the establishment, maintenance, and operation of lights and other signals on fixed structures in or over navigable waters of the United States. Any owner or operator of such a structure, excluding an agency of the United States, who violates any of the rules or reglations prescribed hereunder, commits a misdemeanor and shall be punished, upon conviction thereof, by a fine of not exceeding $100 for each day during which such violation continues."

SEC. 2. Section 18 of the Federal Water Power Act, as amended (U. S. C., 1946 ed., title 16, sec. 811), is further amended by striking out the words "Secretary of War" in the first sentence and inserting in lieu thereof the words "Secretary of the Department in which the Coast Guard is operating."

SEC. 3. The analysis of chapter 5 of title 14, United States Code, immediately preceding section 81 of such title, is amended by striking out the item

"85. Failure to maintain lights; penalty"

and inserting in lieu thereof the following:

"85. Aids to maritime navigation on fixed structures; penalty."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 4482 OF THE REVISED STATUTES

The Clerk called the bill (S. 460) to amend section 4482 of the Revised Statutes, as amended (46 U. S. C. 475), relating to life preservers for river steamers.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 4482 of the Revised Statutes, as amended, is amended to read as follows:

"SEC. 4482. Every steam vessel navigating rivers only shall also be provided with an approved life preserver for each and every person allowed to be carried on said vessel by the certificate of inspection, including each member of the crew, which life preservers shall be kept in convenient and accessible places on such vessel in readiness for immediate use in case of accident. In lieu of an approved life preserver for each such person, the head of the Department in which the Coast Guard is operating may permit the use of such proportion of approved floats to the total number of persons carried or authorized to be carried as he may determine."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 4153 OF THE REVISED STATUTES

The Clerk called the bill (S. 1790) to amend section 4153 of the Revised Statutes, as amended, to authorize more liberal propelling power allowances in computing the net tonnages of certain vessels.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subdivision (f) of section 4153 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 46, sec. 77 (f)), is further amended to read as follows:

"(f) In the case of a vessel which is screw propelled in whole or in part, the following deduction shall be made for the space occupied by the propelling machinery:

"(1) Thirty-two thirteenths times the tonnage of the propelling-machinery space, if the tonnage of that space is not more than 13 percent of the gross tonnage of the vessel and if that space is reasonable in extent: *Provided, however,* That, in lieu thereof, the deduction shall be one and three-fourths times the tonnage of the propelling-machinery space, in the case of a vessel the construction of which was commenced on or before the date of enactment of this act, if the owner so elects;

"(2) Thirty-two percent of the gross tonnage of the vessel, if the tonnage of the propelling-machinery space is more than 13 percent and less than 20 percent of the gross tonnage of the vessel; or

"(3) Thirty-two percent of the gross tonnage of the vessel or one and three-fourths times the tonnage of the propelling-machinery space, whichever the owner of the vessel elects, if the tonnage of that space is 20 percent or more of the gross tonnage of the vessel."

SEC. 2. Subdivision (g) of section 4153 of the Revised Statutes, as amended (U. S. C., 1952 edition, title 46, sec. 77 (g)), is further amended to read as follows:

"(g) In the case of a vessel which is propelled in whole or in part by paddle wheels, the following deduction shall be made for the space occupied by the propelling machinery:

"(1) Thirty-seven twentieths times the tonnage of the propelling-machinery space, if the tonnage of that space is not more than 20 percent of the gross tonnage of the vessel and if that space is reasonable in extent: *Provided, however,* That, in lieu thereof, the deduction shall be one and one-half times the tonnage of the propelling-machinery space, in the case of a vessel the construction of which was commenced on or before the date of enactment of this act, if the owner so elects;

"(2) Thirty-seven percent of the gross tonnage of the vessel, if the tonnage of the propelling-machinery space is more than 20 percent and less than 30 percent of the gross tonnage of the vessel; or

"(3) Thirty-seven percent of the gross tonnage of the vessel or one and one-half times the tonnage of the propelling-machinery space, whichever the owner elects, if the tonnage of that space is 30 percent or more of the gross tonnage of the vessel."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SECTION 3 OF THE ACT OF APRIL 25, 1940

The Clerk called the bill (S. 1791) to amend section 3 of the act of April 25, 1940 (54 Stat. 164), relating to the lights required to be carried by motorboats.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That subsection (c) of section 3 of the act of April 25, 1940 (54 Stat. 164; U. S. C., 1952 edition, title 46, sec. 526b) is amended to read as follows:

"(c) Motorboats of classes A and 1 when propelled by sail alone shall carry the combined lantern, but not the white light aft, prescribed by this section. Motorboats of classes 2 and 3, when so propelled, shall carry the colored side lights, suitably screened, but not the white lights, prescribed by this section. Motorboats of all classes, when so propelled, shall carry, ready at hand, a lantern or flashlight showing a white light which shall be exhibited in sufficient time to avert collision."

SEC. 2. Section 3 of the act is further amended by adding after subsection (d) thereof the following new subsections:

"(e) When propelled by sail and machinery any motorboat shall carry the lights required by this section for a motorboat propelled by machinery only.

"(f) Any motorboat may carry and exhibit the lights required by the Regulations for Preventing Collisions at Sea, 1948, act of October 11, 1951 (65 Stat. 406-420), as amended, in lieu of the lights required by this section."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR A CONTINUING SURVEY AND SPECIAL STUDIES OF SICKNESS AND DISABILITY IN THE UNITED STATES

The Clerk called the bill (S. 3076) to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof, and for other purposes.

Mr. BYRNES of Wisconsin. Mr. Speaker, in view of the fact that there is no departmental report accompanying the committee report and no estimate of the cost of this survey, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. WOLVERTON. This bill, S. 3076, is to provide for a continuing survey and special studies of sickness and disability in the United States, and for periodic reports of the results thereof.

It is, therefore, the purpose of this act to provide, first, for a continuing survey and special studies to secure on a noncompulsory basis accurate and current statistical information on the amount, distribution, and effects of illness and disability in the United States and the services received for or because of such conditions; and second, for studying methods and survey techniques for securing such statistical information, with a view toward their continuing improvement.

There are several reasons why enactment of this legislation is justified.

Reliable information on the number of people who suffer from various kinds of diseases, accidents, injuries, and handicapping conditions, and the nature and duration of the resulting disabilities, is urgently needed for essential public and private purposes. Many of the national figures used for these purposes today are of doubtful accuracy, either because they are badly out of date—the last national health survey was completed in 1937—or because they are based on small local surveys the results of which cannot be used to build up an accurate composite picture of the Nation's health.

Because of the great importance of this information it is essential that surveys in this area be conducted in such a manner that all interested parties can agree substantially with their conclusions. In order to accomplish this, there must be continuous study to improve statistical methods so that the greatest possible accuracy and reliability may be assured. Furthermore, a series of hearings conducted earlier by the House Committee on Interstate and Foreign Commerce to inquire into public and private research and control efforts with respect to the major diseases is convincing of the importance of a sound statistical base for experimental design and analysis. Consequently, it is believed that the necessity for a constant effort to improve statistical methods extends beyond the immediate area of the proposed national morbidity survey program and applies equally to all medical statistics upon which so many important decisions in the public health and medical fields now depend.

Accordingly, there is included in this bill language specifically directed toward the improvement of statistical and survey methods, for this survey program in particular and for the whole field of health and medical research and study in general.

Each year Congress appropriates moneys for research, training, demonstrations, and other activities in the health fields. Similarly, State legislatures and county and municipal bodies appropriate funds for health purposes. All of these governmental agencies—Federal, State, and local—must plan the wise expenditure of appropriated funds and the efficient and economic use of their staffs and other resources to accomplish those health missions that are of paramount importance. Accurate, comprehensive, and current sickness and disability data are always useful and sometimes essential for the planning, financing, and administration of many public programs.

In the course of the hearings conducted by the House Committee on Interstate and Foreign Commerce during the 83d Congress dealing with the causes, control, and remedies of the principal diseases of mankind, it became evident, for example, that valid nationwide statistics are not available for the serious crippling neurological diseases, such as cerebral palsy, multiple sclerosis, muscular dystrophy, and Parkinson's disease. Indeed, much of the incidence and prevalence data used for the purpose of estimating the cost and social impact of these diseases appeared to be either educated guesswork or else were based on local studies from which it was not possible to derive national averages.

It is also apparent that the national figures in wide use today with regard to the number of persons afflicted with major chronic diseases (such as heart disease, cancer, diabetes, or rheumatoid arthritis) constitute adjusted estimates based on the almost wholly urban national health survey which was conducted about 20 years ago.

Moreover, there are known to be many people, old and young, handicapped by serious disabilities such as blindness, deafness, paralysis, deformity, or missing limbs. Only the roughest estimates are available of the total number of people who are so disabled, and there is even less information about the distribution of the handicapped population by age, sex, and economic circumstances.

There are many additional examples of areas in which health and medical workers are hampered by the lack of—or would benefit from—reliable statistical information.

The absence of data on health problems of our aged population has been pointed up again and again. The most elemental facts are not known; for example, we cannot even answer such a question as how many bedridden old people are dependent upon help from outside the family for their nursing care.

The number of subjects with reference to which information is desirable and necessary are numerous and varied. We need legislation to provide a system by which such information can be obtainable and usable. This bill should have the support of the House.

AMENDING UNITED STATES INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948

The Clerk called the bill (H. R. 9606) to amend the United States Information and Educational Exchange Act of 1948, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if we might have an explanation of the purposes of this bill?

Mr. JUDD. Mr. Speaker, the purpose of this bill is to plug a loophole in the present Information and Educational Exchange Act. The act authorizes bringing selected persons here from friendly countries for a period of training or education in our schools with the idea that they will then go back to apply their knowledge and skills in their own countries and to interpret our country more accurately to their own people. Unfortunately, it sometimes works out that after they come here they become enamored of American life and want to stay here. They make friends who also say they should stay in the United States, or come right back as immigrants; so they try to get their status changed from an exchange visitor to that of a permanent resident, or they arrange to go across to Mexico or Canada for a short while and then come back as immigrants. That defeats the whole idea, which was that those persons would come here to get training and then go back to make their training available to their own countries.

This bill will correct that situation by making it impossible for persons who come here as exchange visitors to apply for an immigrant status or for a change in their status as visitors until they have gone back and worked or resided at least 2 years in their own countries or other friendly countries.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. WALTER. I wish to take this opportunity to congratulate the committee on reporting this bill, because on numerous occasions the Committee on the Judiciary has had presented to it private bills that would alter the status of those people who come here for the purpose of learning something about our ways in order to take back to the countries whence they came, and then if they remain here their countries are deprived of the training and education they have acquired here. I think this is a very important measure and I congratulate the committee on reporting it out.

Mr. GROSS. This means that it is mandatory for such students to go back to their own countries?

Mr. JUDD. Yes, or to cooperating countries. Under the present law they have to leave the United States, but there is nothing to prevent them from turning right around the next day and applying for a visa to come in as an immigrant. Most of us have had such cases presented to us for special bills. I have said to them, "My children do not get educated at public expense. I have to pay for their education. Why should we bring a lad from another country and train him at public expense and then take him back in as an immigrant without his having rendered the service to his own country for which he was given the training?" This bill simply corrects that loophole.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. BAILEY. Is this permanent legislation or simply temporary?

Mr. JUDD. This is permanent legislation.

Mr. BAILEY. And applies only to the exchange program; not to the case of ordinary visitors?

Mr. JUDD. No. This does not apply at all to ordinary visitors. It is only to persons who are brought here under our exchange-of-persons program.

Mr. GROSS. I think we are bringing in entirely too many persons into this country. Will the legislation stop the increasing number of foreign students who come to this country and become mentally ill, or perhaps insane? Does it have anything to do with them?

Mr. JUDD. No; this would not have anything to do with a student becoming insane. But I think any person who had the idea that he might come to this country as an exchange visitor, and then by some means get a shift in his status, would be discouraged from coming, in the first instance.

Mr. GROSS. Since it is demonstrated that there is an increase in the number of foreign students coming to this country who have become insane, is it not about time the State Department, or some other body, screened these students who are coming here?

Mr. JUDD. They are supposed to be screened, not only by our own representatives abroad but also in most cases by committees of citizens of the sending countries. They are interested in having their best representatives come here. Our people usually sit down informally with such committee and go over the various candidates in order to pick out those persons to come to our country who, when they go back, will be of the greatest value in their own countries.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. RABAUT. For what period of time must they return to their native country?

Mr. JUDD. Two years.

Mr. RABAUT. Two years before they could make application for a visa?

Mr. JUDD. That is right. They must reside 2 years in their own country or in a cooperating country before they can make application to come here under some other status for permanent residence.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. JUDD. Mr. Speaker, I ask unanimous consent to substitute a similar bill, S. 2562, in lieu of the bill H. R. 9606.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota [Mr. JUDD]?

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 201 of the act of January 27, 1948 (Public Law 402, 80th Cong., 62 Stat. 6, as amended by sec. 402 (f) of the Immigration and Nationality Act, 66 Stat. 163) entitled "An act to promote the better understanding of the United States among the peoples of the world and to strengthen cooperative international relations" is amended by inserting "(a)" after the section number and by adding a new paragraph reading as follows:

"(b) No person admitted as an exchange visitor under this section or acquiring exchange visitor status after admission shall be eligible to apply for an immigrant visa, or for a nonimmigrant visa under section 101 (a) (15) (H) of the Immigration and Nationality Act, or for adjustment of status to that of an alien lawfully admitted for permanent residence, until it is established that such person has resided and been physically present in a cooperating country or countries for an aggregate of at least 2 years following departure from the United States: *Provided*, That upon request of an interested Government agency and the recommendation of the Secretary of State, the Attorney General may waive such 2-year period of residence abroad in the case of any alien whose admission to the United States is found by the Attorney General to be in the public interest: *And provided further*, That the provisions of this paragraph shall apply only to those persons acquiring exchange visitor status subsequent to the date of the enactment hereof."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill, H. R. 9606, was laid on the table.

JOINT SESSION OF CONGRESS TO HONOR SURVIVING VETERANS OF WAR BETWEEN THE STATES AND MEDAL TO BE PRESENTED TO THEM

The Clerk called the joint resolution (H. J. Res. 569) to provide for a joint session of the Congress to honor the surviving veterans of the War Between the States, and to provide for a medal to be struck and presented to such veterans.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That there shall be a joint session of the two Houses of the Congress on a date to be determined by agreement between the President of the Senate and the Speaker of the House for the purpose of honoring the last surviving veterans of the War Between the States who served in the Union or the Confederate forces.

SEC. 2. (a) There is hereby created a joint committee, which shall consist of 4 members, 2 to be appointed by the President of the Senate and 2 by the Speaker of the House of Representatives. The joint committee shall select a chairman from among its members.

(b) The joint committee shall prepare and report to the Senate and House of Representatives a fitting and appropriate program and procedure for such joint session.

(c) The joint committee shall extend a cordial invitation to the last surviving veterans of the War Between the States who served in the Union or the Confederate forces to attend such joint session. The joint committee shall provide for the payment of the expenses of such veterans incidental to their attendance at such joint session.

(d) Expenditures of the joint committee shall be paid from the contingent fund of the House of Representatives on vouchers signed by the chairman of such joint committee.

SEC. 3. (a) The Secretary of the Treasury shall strike and furnish to the joint committee gold medals, with suitable emblems, devices, and inscriptions to be determined by the Secretary in honor of the last surviving veterans of the War Between the States who served in the Union or the Confederate forces. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes of the United States. The joint committee shall present a medal struck under this section to each surviving veteran of the War Between the States who served in the Union or the Confederate forces.

(b) Presentation shall be made to any surviving veteran of the War Between the States at his home with appropriate ceremonies by members of the joint committee in the event the veteran is unable to travel to Washington for the joint session.

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That the Secretary of the Treasury is authorized and directed to strike gold medals, with suitable emblems, devices, and inscriptions to be determined by the Secretary in honor of the last surviving veterans of the War Between the States who served in the Union or the Confederate forces. The medals shall be considered to be national medals within the meaning of section 3551 of the Revised Statutes of the United States. The President or any person designated by him is authorized to present a medal struck under this section to each surviving veteran of the War Between the States who served in the Union or the Confederate forces.

"SEC. 2. Presentation shall be made to any surviving veteran of the War Between the States at his home or at any other suitable place with appropriate ceremonies."

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time and was read the third time.

The title was amended so as to read: "Joint resolution to provide for a medal to be struck and presented to each surviving veteran of the War Between the States."

A motion to reconsider was laid on the table.

REVOLVING FUND FOR PURCHASES OF COINAGE METALS

The Clerk called the bill (H. R. 10230) to amend sections 3526 and 3528 of the Revised Statutes relating to the coinage of subsidiary silver coins and minor coins of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3528 of the Revised Statutes, as amended (31 U. S. C.

340), is further amended by striking out "$2,000,000" and inserting in lieu thereof "$3,000,000".

SEC. 2. The third sentence of section 3526 of the Revised Statutes, as amended (31 U. S. C. 335)), is amended to read as follows: "This fund shall be charged with the cost of the alloy metal, with the wastage incurred in such coinage, with the recoinage loss on silver coins recoined pursuant to section 9 of the act of March 14, 1900 (31 Stat. 48), as amended, and with the cost of distributing silver coins."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE OF CERTAIN LAND TO STATE OF INDIANA

The Clerk called the bill (H. R. 9810) to provide for the conveyance of certain land of the United States to the State of Indiana.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to convey to the State of Indiana all of the right, title, and interest of the United States in and to certain real property located in Vigo County, Ind., containing approximately six acres, and more particularly described in section 2 of this act. Such conveyance shall be made on the payment of consideration by such State to the Attorney General in an amount equal to the fair market value of such real property determined by the Attorney General at the time of such conveyance. Such amount shall be covered into the Treasury of the United States as miscellaneous receipts.

SEC. 2. The real property referred to in the first section of this act is located in the northeast quarter of section 27, township 11 north, range 9 west in Vigo County, Ind., and is more particularly described as follows: Commencing at the stone at the northeast corner of section 27, township 11 north, range 9 west, and running thence south on the east line of said section a distance of 836.79 feet; thence west at an angle of 90 degrees, a distance of 806.80 feet to intersect the westerly right-of-way line of United States Highway Numbered 41 at a point in the centerline of the Wabash Road, and said intersection point being the place of beginning; thence southwardly and to the left at an angle of 90 degrees and 50 minutes from the last given course above a distance of 75.0 feet; thence left 68 degrees and 54 minutes a distance of 165.0 feet; thence right 44 degrees and 53 minutes along the westerly right-of-way line of said United States Highway Numbered 41, a distance of 583.0 feet; thence right at an angle of 89 degrees and 37 minutes a distance of 661.50 feet to the centerline of the Wabash Road; thence eastwardly along and with the centerline of said Wabash Road a distance of 168.50 feet to the place of beginning and containing 5.95 acres, more or less.

With the following committee amendments:

Page 2, line 1, after the word "conveyance", strike out the period and insert the following: ", such value to reflect any reservation, exception, restriction or condition to which the conveyance is made subject."

Page 2, line 2, after the period insert the following:

"Such conveyance shall reserve to the United States all minerals including gas and oil in the property to be conveyed under this act, and shall provide that if the property shall be used for any purpose other than for a State police barracks or other use which in the opinion of the Attorney General is incompatible with the use of the adjoining premises by the United States for a penal institution, all right, title, and interest in and to such real property shall revert to and become the property of the United States, which shall have the immediate right of entry thereon."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHARTER OF INCORPORATION TO NATIONAL MUSIC COUNCIL

The Clerk called the bill (H. R. 8110) to incorporate the National Music Council.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the following persons: Stanley Adams, New York, N. Y.; Irl Allison, Austin, Tex.; Leon Barzin, New York, N. Y.; Marion Bauer, New York, N. Y.; Edwine Behre, New York, N. Y.; Thomas H. Belviso, Pelham Manor, N. Y.; Robert Russell Bennett, New York, N. Y.; Duane Branigan, Champaign, Ill.; Howard C. Bronson, Hague, Va.; John Brownlee, New York, N. Y.; L. Perkins Bull, Glencoe, Ill.; Earl Campbell, Washington, D. C.; Leon Carson, New York, N. Y.; Robert A. Choate, Boston, Mass.; James Francis Cooke, Philadelphia, Pa.; Paul Creston, Yonkers, N. Y.; Kathleen Davison, Des Moines, Iowa; Norman Dello Joio, New York, N. Y.; Vera Wardner Dougan, Beloit, Wis.; Walter G. Douglas, New York, N. Y.; Deane Edwards, Rye, N. Y.; S. Lewis Elmer, New York, N. Y.; Herman Finkelstein, New York, N. Y.; Charles Warren Fox, Rochester, N. Y.; Arthur Flagler Fultz, Boston, Mass.;

Percy Walter Gatz, White Plains, N. Y.; Karl Geiringer, Boston, Mass.; Ira Gershwin, Beverly Hills, Calif.; Ray Green, New York, N. Y.; Vernon Hammond, Philadelphia, Pa.; Howard Hanson, Rochester, N. Y.; Otto A. Harbach, New York, N. Y.; Ernest E. Harris, New York, N. Y.; Arthur A. Hauser, Berwyn, Pa.; Carl Haverlin, New York, N. Y.; Patrick Hayes, Washington, D. C.; Frank W. Hill, Cedar Falls, Iowa; Mark M. Horblit, Boston, Mass.; Edwin Hughes, New York, N. Y.; Edna Wallace Johnston, Winter Park, Fla.; Archie N. Jones, Austin, Tex.; S. Turner Jones, Baldwin, N. Y.; Arthur Judson, New York, N. Y.; Harrison Keller, Boston, Mass.; Ruth Kemper, New York, N. Y.; Raymond Kendall, Los Angeles, Calif.; Richard Korn, New York, N. Y.; Olga Koussevitzky, Lenox, Mass.; Otto Luening, New York, N. Y.; Mae MacKenzie, Pittsburgh, Pa.;

Joseph E. Maddy, Ann Arbor, Mich.; Donald F. Malin, Boston, Mass.; Marie Marti, Detroit, Mich.; Jane R. Mayer, New York, N. Y.; Charles Mayer, New York, N. Y.; Peter Mennin, New York, N. Y.; Ada Holding Miller, Providence, R. I.; Howard Mitchell, Washington, D. C.; Dmitri Mitropoulos, New York, N. Y.; Douglas Moore, New York, N. Y.; Harold C. Morris, New York N. Y.; Carol Morse, New York, N. Y.; Walter W. Naumburg, New York, N. Y.; Herman Neuman, New York, N. Y.; Geoffrey O'Hara, Pawling, N. Y.; Ralph Sylvester Peer, New York, N. Y.; Gustave Reese, New York, N. Y.; Claire R. Reis, New York, N. Y.; Cornelia B. Rogers, New York, N. Y.; Willard Rhodes, New York, N. Y.; James Sample, Erie, Pa.; William A. Schroeder, New York, N. Y.; Elie Siegmeister, Great Neck, N. Y.; Izler Soloman, Peekskill, N. Y.; Sigmund Spaeth, New York, N. Y.;

Harold Spivacke, Washington, D. C.; Marshall Stearns, New York, N. Y.; William Richard Steinway, New York, N. Y.; Paul Swarm, Decatur, Ill.; Bernard U. Taylor, New York, N. Y.; Anthony Ralph Teta, New Haven, Conn.; Charles A. Wall, New York, N. Y.; Sidney William Wattenberg, New York, N. Y.; Eleanor Hale Wilson, Seattle, Wash.; Philip Wyman, Cincinnati, Ohio; and their associates and successors, are hereby created a body corporate by the name of National Music Council (hereinafter referred to as the "corporation") and by such name shall be known and have perpetual succession and the powers and limitations contained in this act.

SEC. 2. A majority of the persons in the first section of this act, or their successors, are hereby authorized to meet to complete the organization of the corporation by the adoption of a constitution and bylaws, by the election of officers, and by doing all things necessary to carry into effect the provisions of this act.

SEC. 3. The objects and purposes of the corporation shall be—

(1) to provide the member organizations with a forum for the free discussion of problems affecting national musical life in this country;

(2) to speak with one voice for music whenever an authoritative expression of opinion is desirable;

(3) to provide for the interchange of information between the various member organizations;

(4) to encourage the coordination of efforts of the member organizations, thereby avoiding duplication or conflict;

(5) to organize exploratory surveys or fact-finding commissions whenever the corporation shall deem them necessary for the solution of important problems; and

(6) to encourage the development and appreciation of the art of music and to foster the highest ethical standards in the musical professions and industries.

SEC. 4. The corporation shall have power—

(1) to sue and be sued, complain and defend in any court of competent jurisdiction;

(2) to adopt, use, and alter a corporate seal;

(3) to choose such officers, managers, agents, and employees as the business of the corporation may require;

(4) to adopt and alter a constitution and bylaws, not inconsistent with the laws of the United States or any State in which the corporation is to operate, for the management of its property and the regulation of its affairs;

(5) to contract and be contracted with;

(6) to take and hold by lease, gift, purchase, grant, devise, or bequest any property, real or personal, necessary for attaining the objects or accomplishing the purposes of the corporation, subject to applicable provisions of law of any State (A) governing the amount or kind of real and personal property which may be held by, or (B) otherwise limiting or controlling the ownership of real and personal property by a corporation operating in such State;

(7) to transfer and convey real or personal property;

(8) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, subject to all applicable provisions of Federal or State law;

(9) to use the corporate funds to give prizes, awards, loans, scholarships, and grants to deserving composers, conductors, and others for the purposes set forth in section 3, and for such other purpose as may be determined to be proper by the board of directors;

(10) to publish a bulletin, magazine, and other publications; and

(11) to do any and all acts and things necessary and proper to carry out the objects and purposes of the corporation.

SEC. 5. The activities of the corporation may be conducted throughout the various States, Territories, and possessions of the

United States. The corporation shall maintain at all times in the District of Columbia a designated agent authorized to accept service of process for the Corporation, such designation to be filed in the office of the clerk of the United States District Court for the District of Columbia. Notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed sufficient notice of service upon the corporation. The principal office of the corporation shall be established at such place as the board of directors deems appropriate.

SEC. 6. Eligibility for membership in the corporation and the rights and privileges of members, shall, except as provided in this act, be determined according to the constitution and bylaws of the corporation. In the conduct of the official business of the corporation each member shall have one vote.

SEC. 7. The corporation shall be governed by a board of directors, which may be known and referred to as an executive committee, composed of not less than 10 persons who shall be representative of members of the corporation or such other persons as shall be selected by the members of the corporation, and such persons shall be elected by the members of the corporation annually or at such other regular intervals as may be specified in the bylaws of the corporation.

SEC. 8. The officers of the corporation shall consist of a chairman of the board, a president, one or more vice presidents, a secretary, a treasurer, and such assistant officers as the board of directors shall designate. The officers shall perform such duties and have such powers as the bylaws and the board of directors may from time to time prescribe.

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director, or be distributable to any such person except upon dissolution and final liquidation of the corporation as provided in section 15 of this act.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan to any officer, director, or employee of the corporation, and any officer who participates in the making of such a loan shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

SEC. 10. The corporation and its members, officers, and directors as such, shall not contribute to or otherwise support or assist any political party or candidate for elective public office.

SEC. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

SEC. 12. The corporation shall have no power to issue any shares of stock or to declare or pay any dividends, or to engage in business for pecuniary profit.

SEC. 13. The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the board of directors, and committees having any authority under the board of directors; and it shall also keep a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member, or by his agent or attorney, at any reasonable time.

SEC. 14. (a) The financial transactions shall be audited annually by an independent certified public accountant in accordance with the principles and procedures applicable to commercial corporate transactions. The audit shall be conducted at the place or places where the accounts of the corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the corporation and necessary to facilitate the audit shall be made available to the person or persons conducting the audit; and full facilities for verifying transactions with the balances or securites held by depositors, fiscal agents, and custodians shall be afforded to such person or persons.

(b) A report of such audit shall be made by the corporation to the Congress not later than May 15 of each year. The report shall set forth the scope of the audit and shall include a verification by the person or persons conducting the audit of statements of (1) assets and liabilities, (2) capital and surplus or deficit, (3) surplus or deficit analysis, (4) income and expense, and (5) sources and application of funds. Such reports shall not be printed as public documents.

SEC. 15. Upon final dissolution or liquidation of the corporation and fater the discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets of the corporation shall be used by the board of directors for the purposes stated in section 3 above or be transferred to some recognized educational foundation.

SEC. 16. The corporation shall have the sole and exclusive right to use the name of National Music Council as representing such corporation and such seals, emblems, and badges as the corporation may lawfully adopt.

SEC. 17. As a condition precedent to the exercise of any power or privilege granted to the corporation under this act, the corporation shall file in the office of the Secretary of State, or in the office of another appropriate officer, in each State and in each Territory or possession of the United States in which the corporation is doing business, the name and post office address of an authorized agent in such State, Territory, or possession upon whom legal process or demand against the corporation may be served.

SEC. 18. The corporation may acquire the assets of National Music Council, Inc., a corporation organized under the laws of the State of New York, upon discharging or satisfactorily providing for the payment and discharge of all the liabilities of such corporation, and upon complying with all laws of the State of New York applicable thereto.

SEC. 19. The provisions of this act shall take effect on the filing in the office of the clerk of the United States District Court in and for the Southern District of New York of affidavits signed by five of the incorporators named in the first section of this act to the effect that National Music Council, Inc., referred to in section 18 of this act, has been dissolved in accordance with the laws of the State of New York, but only if such affidavits are filed within 3 years after the date of the enactment of this act.

SEC. 20. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING SUBDIVISION E OF SECTION 58, BANKRUPTCY ACT

The Clerk called the bill (H. R. 9956) to amend subdivision e of section 58, Notices of the Bankruptcy Act, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That subdivision e of section 58 of the Bankruptcy Act, as amended, is hereby amended to read as follows:

"SEC. 58e. The court shall, in every case instituted under any provision of this act, mail or cause to be mailed a copy of the notice of the first meeting of creditors to the district director of internal revenue for the district in which the court is located, and to the Comptroller General of the United States. Whenever the schedules of the bankrupt, or the list of creditors of the bankrupt, or any other papers filed in the case disclose a debt to the United States acting through any department, agency, or instrumentality thereof, (except for any internal revenue obligation payable to the Secretary of the Treasury or his delegate) a notice of the first meeting shall be mailed as well to the head of such department, agency, or instrumentality."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE FEDERAL REGISTER ACT, AS AMENDED

The Clerk called the bill (H. R. 10417) to amend the Federal Register Act, as amended, so as to provide for the effectiveness and notice to the public of proclamations, orders, regulations, and other documents in a period following an attack or threatened attack upon the continental United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the act of July 26, 1935, as amended (49 Stat. 501; 44 U. S. C. 305) is amended by adding the following new subsection.

"(c) In the event of an attack or threatened attack upon the continental United States, by air or otherwise, and a determination by the President that as a result of such attack or threatened attack (i) publication of the Federal Register or filing of documents with the division is impracticable, or (ii) under existing conditions publication in the Federal Register would not serve to give appropriate notice to the public of the contents of documents, the President may, without regard to the provisions of this act or of the Administrative Procedure Act (60 Stat. 237), or of any other provision of law, suspend all or any part of the requirements of law or regulation for filing with the division or publication in the Federal Register of all or any documents or classes of documents. Such suspensions shall remain in effect until revoked by the President, or by concurrent resolution of the Congress. The President shall establish such alternate systems for promulgating, filing, or publishing documents or classes of documents affected by such suspensions, including requirements relating to their effectiveness or validity, as may be deemed under the then existing circumstances practicable to provide public notice of the issuance and of the contents of such documents. Such alternate systems may, without limitation, make provision for the use of regional or specialized publications or depositories for documents, or of the press, the radio, or similar mediums of general communication. Compliance with such alternate systems of filing or publications shall have the same force and effect as filing with the division or publication in the Federal Register pursuant to the provisions of this or of any other act, or of any regulation. With respect to documents promulgated under such alternate systems, each agency shall preserve the original and two duplicate originals or two certified copies thereof for filing with the division when the President determines that it is practicable to do so."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOBACCO MARKETING PENALTIES

The Clerk called the bill (H. R. 10108) to amend section 314 and section 374 of the Agricultural Adjustment Act of 1938, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 314 (b) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1314 (b)), is amended by deleting the first two sentences thereof and inserting in lieu thereof the following: "The Secretary shall require collection of the penalty upon a proportion of each lot of tobacco marketed from the farm equal to the proportion which the acreage of tobacco harvested on the farm in excess of the farm acreage allotment is of the acreage of tobacco harvested on the farm. All funds collected pursuant to this section shall be deposited in a special deposit account with the Treasurer of the United States until the end of the marketing year next succeeding that in which the funds are collected, and upon certification by the Secretary there shall be paid out of such special deposit account to persons designated by the Secretary the amount by which the penalty collected exceeds the amount of penalty required to be collected under this section."

SEC. 2. Section 374 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1374) is amended by inserting in the first sentence of subsection (a) thereof after the comma following the word "peanuts" the word "tobacco" and a comma.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SEGREGATION OF FUNDS OF FORT BERTHOLD INDIANS

The Clerk called the bill (S. 2151) to provide for the segregation of certain funds of the Fort Berthold Indians on the basis of a membership roll prepared for such purpose.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to segregate the fund on deposit in the Treasury of the United States titled "The Three Affiliated Tribes of Fort Berthold Reservation, North Dakota" on the basis of a membership roll prepared for that purpose and approved by the Secretary. The segregated shares of adults, including interest accruals thereon, shall be subject to expenditure in accordance with plans prepared and submitted by such adults and approved by the Secretary. The segregated shares, including interest accruals thereon, of persons who are minors or non compos mentis shall be subject to expenditure in accordance with procedures approved by the Secretary. The Secretary may require any segregated share of a member to be used to pay a debt that is owed by such a person to the tribes or to the United States and that is due and payable.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (H. R. 9085) to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to members of the civilian faculties of the United States Naval Academy and the United States Naval Postgraduate School.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That on and after the effective date of this act persons employed as members of the civilian faculties of the United States Naval Academy and the United States Naval Post graduate School shall be included within the terms of the Civil Service Retirement Act of May 29, 1930, as now or hereafter amended, and on and after that date the act of January 16, 1936 (49 Stat. 1092), as amended, shall not apply to such persons.

SEC. 2. The act of May 29, 1930 (46 Stat. 468), as amended, is further amended by adding at the end of section 9 the following:

"In lieu of the deposit prescribed by this section, an employeee who by virtue of section 1 of this amendatory act is included within the terms of the Civil Service Retirement Act of May 29, 1930, as amended, shall deposit, for service rendered prior to the effective date of this amendatory act as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School, a sum equal to so much of the repurchase price of his annuity policy carried as required by the act of January 16, 1936 (49 Stat. 1092), as amended, as is based on the monthly allotments which were registered with the Navy Allotment Office toward the purchase of that annuity, the deposit to be made within 6 months after the effective date of this amendatory act. Should the deposit not be made within that period no credit shall be allowed under this act for service rendered as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School subsequent to July 31, 1920."

SEC. 3. This act shall take effect on the first day of the second month following the month of its enactment.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That section 3 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 693), is amended by adding at the end thereof the following new subsection:

"'(d) On and after the effective date of this subsection and subject to subsection (b) of this section, this act shall apply to each person employed as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School. On and after such effective date, the act of January 1936 (49 Stat. 1092), as amended (34 U. S. C. 1073–1073f), shall not apply to each such person.'

"SEC. 2. Section 9 of the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 736b), is amended (1) by inserting '(a)' after 'Sec. 9.' and (2) by adding at the end thereof the following new subsection:

"'(b) In lieu of the deposit prescribed by subsection (a) of this section, an employee who is brought within the purview of this act by reason of subsection (d) of section 3 of this act shall deposit, within 6 months after the effective date of this subsection, for service rendered prior to such effective date as a member of the civilian faculty of the United States Naval Academy or of the United States Naval Postgraduate School, a sum equal to so much of the repurchase price of his annuity policy carried as required by the act of January 16, 1936 (49 Stat. 1092), as amended (34 U. S. C. 1073–1073f), as is based on the monthly allotments registered through the Navy Allotment Office toward the purchase of such annuity. If such deposit is not made within such period of 6 months, no credit shall be allowed under this act for such service rendered after July 31, 1920, and prior to the effective date of this subsection. If such deposit is made within such period, such service shall be held and considered to be service during which the employee was subject to this act.'

"SEC. 3. The amendments made by this act shall take effect on the first day of the second calendar month following the date of enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GROUP INSURANCE FOR EMPLOYEES OF GALLAUDET COLLEGE

The Clerk called the bill (H. R. 3489) to amend the Federal Employees' Group Life Insurance Act of 1954 to bring employees of Gallaudet College within its coverage.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 (a) of the Federal Employees' Group Life Insurance Act of 1954 is amended by striking out "(but not including" and inserting in lieu thereof "(including Gallaudet College but not including."

With the following committee amendment:

After line 6, page 1 of the bill, insert:

"SEC. 2. This act shall become effective on the first day of the first pay period which begins at least 10 days after date of approval."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVER OF REEMPLOYMENT REQUIREMENT IN CASES OF DEATH

The Clerk called the bill (S. 3315) to amend section 5 of the Civil Service Retirement Act of May 29, 1930, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the first sentence of the next to the last paragraph in section 5 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting after the word "separated" the following: "has been separated by death or".

SEC. 2. The amendment made by this act shall take effect as of August 31, 1954, but no annuity shall be paid by reason of such amendment (a) for any period prior to the date of enactment of this act, or (b) unless the amount of any lump sum death benefit heretofore paid under the Civil Service Retirement Act of May 29, 1930, as amended, is redeposited in the civil service retirement and disability fund.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVENTION OF GREAT LAKES FISHERIES

The Clerk called the bill (S. 3524) to give effect to the Convention on Great Lakes Fisheries signed at Washington,

September 10, 1954, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Great Lakes Fishery Act of 1956."

SEC. 2. As used in this act, the term—

(a) "Convention" means the Convention on Great Lakes Fisheries between the United States of America and Canada signed at Washington September 10, 1954;

(b) "Commission" means the Great Lakes Fishery Commission provided for by article II of the convention;

(c) "United States Section" means the United States Commissioners on the Commission;

(d) "Great Lakes State" means any of the following States: Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, or Wisconsin;

(e) "Great Lake" means any of the following bodies of water: Lake Ontario (including the St. Lawrence River from Lake Ontario to the 45th parallel of latitude), Lake Erie, Lake Huron (including Lake St. Clair), Lake Michigan, or Lake Superior.

SEC. 3. The United States shall be represented on the Commission by three Commissioners to be appointed by the President, to serve as such during his pleasure, and to receive no compensation for their services as such Commissioners. Of such Commissioners—

(a) one shall be an official of the United States Government; and

(b) two shall be persons residing in Great Lakes States, duly qualified by reason of knowledge of the fisheries of the Great Lakes, of whom one shall be an official of a Great Lakes State: *Provided, however,* That the Commissioners appointed under this subsection shall not be residents of the same State.

SEC. 4. (a) The United States section shall appoint an advisory committee for each of the Great Lakes, upon which committee each State bordering on the lake may be represented by not more than four members. In making such appointments, the United States section shall make its selection for each State from a list proposed by the Governor of that State; and shall give due consideration to the interests of—

(1) State agencies having jurisdiction over fisheries;

(2) the commercial fishing industry of the lake;

(3) the sports fishing of the lake; and

(4) the public at large.

(b) A member of the advisory committee for one lake may also be a member of the advisory committee for one or more other lakes.

(c) The members of the advisory committee shall receive no compensation from the Government of the United States for their services as such members. Not more than five members of all the committees, designated by the committees and approved by the United States section, may be paid by the Government of the United States for transportation expenses and per diem incident to attendance at each meeting of the Commission or of the United States section.

(d) The members of the advisory committee for each lake shall be invited to attend all nonexecutive meetings of the United States section relating to that lake and at such meetings shall be granted opportunity to examine and be heard on all proposed recommendations, programs, and activities relating to that lake.

SEC. 5. Service of any individual appointed as a United States Commissioner pursuant to section 3 (b), or as a member of an advisory committee pursuant to section 4 (a), shall not be considered as service or employment bringing such individual within the provisions of sections 281, 283, 284, and 434 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U. S. C. 99) except insofar as such provisions of law may prohibit any such individual from acting or receiving compensation in respect to matters directly relating to the convention or this act.

SEC. 6. In order to carry out the obligations of the United States under the convention, the United States section is authorized—

(a) to acquire any real property, or any interest therein, by purchase, exchange, gift, dedication, condemnation, or otherwise;

(b) to construct, operate, and maintain any project or works designed to facilitate compliance with the provisions of the convention relating to the sea lamprey control program; and

(c) to enter into contract or agreement with any State or other public agency or private agency or individual for the construction, operation, or maintenance of any such project or works.

SEC. 7. The Secretary of the Interior is authorized, upon the request of the United States section—

(a) to transfer to the United States section any lamprey control project or works under his jurisdiction now existing or now under construction; and

(b) to act for or on behalf of the United States section in the exercise of the powers granted by this act.

SEC. 8. The United States section shall, for the purposes of those provisions of Title 28, United States Code: Judiciary and Judicial Procedure, relating to claims against the United States and tort claims procedure, be deemed to be an agency of the United States.

SEC. 9. At least 30 days before approving a proposal to utilize a lamprey control measure or install a device in any stream, the United States section shall cause notice of such proposal to be sent to the official agency having jurisdiction over fisheries in each of the States through which the stream flows.

SEC. 10. The Secretary of State shall upon the receipt from the Commission of any recommendation of a conservation measure made in accordance with article IV of the convention transmit a copy of the recommendation with his comments thereon to the Governor of each Great Lakes State for consideration and such action as may be found to be appropriate. The Secretary of State shall also inform such other public agencies as he may deem appropriate.

SEC. 11. Any agency of the United States Government is authorized to cooperate with the United States section in the conduct of research programs and related activities and, on a reimbursable or other basis, to enter into agreements with the United States section for the purpose of assisting it in carrying out the program for the control of lamprey populations.

SEC. 12. Nothing in this act shall be construed as preventing any of the Great Lakes States from making or enforcing laws or regulations within their respective jurisdictions so far as such laws or regulations do not conflict with the convention or this act.

SEC. 13. There is hereby authorized to be appropriated from time to time such sums as may be necessary for carrying out the purposes and provisions of the convention and this act.

SEC. 14. If any provision of this act or the application of such provision to any circumstances or persons shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other circumstances or persons shall not be affected thereby.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING CIVIL SERVICE ACT OF JANUARY 16, 1883

The Clerk called the bill (H. R. 10368) to amend the Civil Service Act of January 16, 1883, so as to require that certain reports and other communications of the executive branch to Congress contain information pertaining to the number of civilian officers and employees required to carry out additional or expanded functions, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Civil Service Act of January 16, 1883, is amended by adding at the end thereof the following new section:

"SEC. 11. (a) Each report, recommendation, or other communication, of an official nature, of any department, agency, or independent establishment of the executive branch of the Federal Government (including any corporation wholly owned by the United States) which—

"(1) relates to pending or proposed legislation;

"(2) is submitted or transmitted to the Congress or any committee thereof in compliance with law or on the initiative of the appropriate authority of the executive branch; and

"(3) officially proposes or recommends the creation or expansion, either by action of the Congress or by administrative action, of any function, activity, or authority of any such department, agency, independent establishment, or corporation, to be in addition to those functions, activities, and authorities thereof existing at the time such report, recommendation, or communication is submitted or transmitted to the Congress or any committee thereof,

shall contain a statement, with respect to such department, agency, independent establishment, or corporation, for each of the first 5 fiscal years during which each such additional or expanded function, activity, or authority so proposed or recommended is to be in effect, disclosing the following information:

"(A) The estimated maximum additional—

"(i) man-years of civilian employment, by general categories of positions,

"(ii) expenditures for personal services, and

"(iii) expenditures for all purposes other than personal services,

which are attributable to such function, activity, or authority and which will be required to be effected by such department, agency, independent establishment, or corporation in connection with the performance of such function, activity, or authority, and

"(B) Such other statement, discussion, explanation, or other information as may be deemed advisable by the appropriate authority of the executive branch.

"(b) Subsection (a) of this section shall not apply to the Central Intelligence Agency."

SEC. 2. The amendment made by the first section of this act shall become effective on January 1, 1957.

With the following committee amendments:

Page 2, line 3, strike out "legislation;" and insert in lieu thereof "legislation which, if enacted, will entail an estimated annual expenditure of appropriated funds in excess of $1 million,";

Page 2, line 7, strike out "branch; and" and insert in lieu thereof "branch, and";

Page 2, line 23, strike out "The" and insert in lieu thereof "the";

Page 3, line 9, strike out "Such" and insert in lieu thereof "such"; and

Page 3, line 11, immediately before the period insert "or which may be required by the Congress or a committee thereof."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTINUANCE OF LIFE INSURANCE OF DISABLED EMPLOYEES

The Clerk called the bill (S. 3237) to provide for continuance of life-insurance coverage under the Federal Employees' Group Life Insurance Act of 1954, as amended, in the case of employees receiving benefits under the Federal Employees' Compensation Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the Federal Employees' Group Life Insurance Act of 1954, as amended, is amended to read as follows:

"(a) Each policy purchased under this act shall contain a provision, in terms approved by the Commission, to the effect that any insurance thereunder on any employee shall cease upon his separation from the service or 12 months after discontinuance of his salary payments, whichever first occurs, subject to a provision which shall be contained in the policy for temporary extension of coverage and for conversion to an individual policy of life insurance under conditions approved by the Commission.

"(b) If upon such date as the insurance would otherwise cease the employee retires on an immediate annuity and (1) his retirement is for disability or (2) he has completed 15 years of creditable service, as determined by the Commission, his life insurance only may, under conditions determined by the Commission, be continued without cost to him in the amounts for which he would have been insured from time to time had his salary payments continued at the same rate as on the date of cessation. Periods of honorable active service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States shall be credited toward the required 15 years provided the employee has completed at least 5 years of civilian service.

"(c) If upon such date as the insurance would otherwise cease the employee is receiving benefits under the Federal Employees' Compensation Act because of disease or injury to himself, his life insurance may, as provided in subsection (b), be continued during the period he is in receipt of such benefits and held by the United States Department of Labor to be unable to return to duty."

SEC. 2. The amendment made by this act shall become effective as of August 29, 1954.

The bill was ordered to be read the third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TEXAS CITY TIN SMELTER

The Clerk called the resolution (H. J. Res. 607) to authorize the disposal of the Government-owned tin smelter at Texas City, Tex., and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SPENCE. Mr. Speaker, reserving the right to object, I have an amendment which merely strikes out reference to a certain amendment.

Mr. CUNNINGHAM. Mr. Speaker, this bill, I understand, is to be called up under a suspension of the rules. I, therefore, ask that it be passed over without prejudice. It is my understanding that it is desired to consider it under a suspension.

The SPEAKER pro tempore. The Chair may say to the gentleman from Kentucky that the Chair will recognize the gentleman at the proper time to move to suspend the rules and pass the bill.

COMMITTEE ON THE JUDICIARY

The Clerk called House Resolution 481.

There being no objection, the House resolution was read, as follows:

Resolved, That effective from January 3, 1955, the provisions of House Resolution 190, 83d Congress, agreed to March 26, 1953, and House Resolution 386, 83d Congress, agreed to August 1, 1953, are continued in effect.

The resolution was agreed to and a motion to reconsider was laid on the table.

CHANGE OF DATE OF TOBACCO QUOTA ANNOUNCEMENT

Mr. BASS of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9475) to amend the tobacco marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

Mr. MARTIN. Mr. Speaker, reserving the right to object, I am not going to object, I understand this is simply the changing of a date and it is also recommended by the committee of the Department?

Mr. BASS of Tennessee. The gentleman is correct.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 312 of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1312), is amended (a) by inserting in subsection (a) immediately following the words "December 1 of any marketing year" the language "with respect to flue-cured tobacco, and February 1 of any marketing year with respect to other kinds of tobacco; and (b) by striking out in subsection (b) the words "prior to the 1st day of December" and inserting in lieu thereof the language "not later than the 1st day of December with respect to flue-cured tobacco and not later than the 1st day of February with respect to other kinds of tobacco."

With the following committee amendments:

Page 1, line 8, strike out the semicolon following the word "tobacco."

Page 2, line 2, strike out the period following the word "tobacco" and insert a period after the quotation mark.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FIFTY-FOURTH ANNIVERSARY OF THE INDEPENDENCE OF CUBA

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, bonds of affection and interest bind the peoples of the United States and Cuba. Yesterday, May 20, was the 54th anniversary of the independence of Cuba. It would be violative of a sentiment that is very deep in our national heart if recognition were not given to this happy anniversary in the House of Representatives of the Congress of the United States. I know I speak not only for myself but for all my colleagues in congratulating the Government and the people of our sister Republic.

A reception at the Cuban Embassy in honor of the occasion was given by Ambassor Miguel Angel Campa, assisted by his beautiful and charming daughter, Maria Teresa de la Campa. In November of this year Dr. Campa will celebrate his 50th year of service as a career diplomat. That career of outstanding public service started when the Republic of Cuba was only 4 years old.

Washington indeed is very fortunate in having as the Cuban Ambassador a gentleman of the character and stature of Dr. Campa. In the half century of his illustrious career is reflected the spirit of achievement in democratic government that has marked Cuba's marvelous progress in the 54 years of her independence. He was twice Secretary of State, filling that high office in the highest measure of statesmanship.

The first President of the Republic of Cuba in arms during the 10 years of struggle that preceded the entrance of the United States into the fight for Cuban independence was Carlos Manuel de Cespedes. The most distinguished decoration conferred by the Cuban Government is named for him. His son, Carlos Manuel Cespedes, was President of Cuba in 1933.

In 1902, when Cuba attained her independence, Tomas Estrada Palma became the first President of the newly created Republic. He was born in Bayamo, which has been immortalized in these lines of the Cuban national anthem: "Come, O Bayamese, rush to the battle. All our proud country's enemies defying: Do not fear valiant men, for in dying for our Fatherland's sake, there is life . . ."

One of the very distinguished guests at yesterday's reception was Tomas Estrada Palma, the son of the first President of the Cuban Republic. Dr. Palma is a member of the Cuban delegation of the Organization of American States.

Representative also of Cuba's war for independence was Dr. Bernardo Nunez, a physician and resident of Washington. Dr. Nunez is the grandson of Gen. Emilio Nunez, of immortal fame as Cuban patroit, and whose photograph I am honored to have hanging in my congressional office, surrounded with many framed

photographs taken last winter during my visit to Cuba after an absence of 57 years. Dr. Nunez also is the nephew of Gen. Emilio Nunez, Cuba's permanent Ambassador to the United Nations.

There is so very, very much in our common history that binds us to Cuba. The "message to Garcia" is recalled in the story of Cuba's fight for independence. It may interest my colleagues to learn that Gen. Calixto Garcia died at the Raleigh Hotel in Washington. A plaque in commemoration is on the Pennsylvania Avenue facade of the hotel. General Garcia's son, Gen. Garcia Velez, was one of Cuba's first Ministers to the United States. His daughter, Amelita, was born at the Cuban Embassy in Washington and lived here for many years as the wife of the Cuban consul.

To President Batiste, to Ambassador Campa, to all the fine men and women and children of the Republic of Cuba go our congratulations on this happy 54th birthday anniversary.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

ERNEST B. SANDERS

The Clerk called the first bill on the Private Calendar (S. 415) for the relief of Ernest B. Sanders.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ernest B. Sanders, of Miami, Fla., the sum of $15,000, in full and final settlement of all claims against the United States for personal injuries, pain and suffering, permanent disability, and loss of earnings sustained by him and resulting from an accidental and improper division of or injury to an artery while he was a patient in the United States marine hospital at Savannah, Ga., during March of 1933: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 2, after the word "act", insert the following: "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OHIO CASUALTY INSURANCE CO.

The Clerk called the bill (H. R. 5591) for the relief of the Ohio Casualty Insurance Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Ohio Casualty Insurance Co., as surety of Carl A. Olson, the sum of $570.06. Such sum represents a refund of the amount such company was required to pay to the United States by reason of the erroneous certification of certain lump-sum leave-payment vouchers by the said Carl A. Olson while he was serving as certifying officer of the War Assets Administration.

With the following committee amendment:

Page 1, line 11, after "Administration", insert a colon and the following:

"*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

P. M. MARKLEY, INC.

The Clerk called the bill (H. R. 5961) for the relief of P. R. Markley, Inc.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TRUCK AND AXLE MANUFACTURING CO.

The Clerk called the bill (H. R. 4037) for the relief of Truck and Axle Manufacturing Co.

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kansas?

There was no objection.

ESTATE OF CHARLES O. FAIRBANK

The Clerk called the resolution (H. Res. 488), referring the bill H. R. 10826 to the United States Court of Claims.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 10826) entitled "A bill for the relief of the estate of Charles O. Fairbank," together with all accompanying papers, be referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House, at the earliest practicable date, giving such findings of fact and conclusions thereon, including de novo the question whether such land was known mineral land on January 26, 1903, as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to, and a motion to reconsider was laid on the table.

EDWARD R. MAHER

The Clerk called the resolution (H. Res. 490) providing that the bill H. R. 6365 and all accompanying papers shall be referred to the United States Court of Claims.

There being no objection, the Clerk read the resolution, as follows:

Resolved, That the bill (H. R. 6365), entitled "A bill for the relief of Edward R. Maher," together with all accompanying papers, is hereby referred to the United States Court of Claims pursuant to sections 1492 and 2509 of title 28, United States Code; and said court shall proceed expeditiously with the same in accordance with the provisions of said sections and report to the House of Representatives, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand, as a claim legal or equitable, against the United States, and the amount, if any, legally or equitably due from the United States to the claimant.

The resolution was agreed to, and a motion to reconsider was laid on the table.

CPL. OSCAR H. MASH, JR.

The Clerk called the bill (H. R. 4456) for the relief of Cpl. Oscar H. Mash, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cpl. Oscar H. Mash, Jr., United States Army, the sum of $1,688. The payment of such sum shall be in full settlement of all claims of the said Cpl. Oscar H. Mash, Jr., against the United States on account of medical and hospital expenses actually incurred for hospitalization and treatment of his wife, Elizabeth L. Mash, in a private hospital during the period beginning on December 29, 1953, and ending on April 20, 1954, both dates inclusive, after the personnel of Walter Reed Army Hospital refused to admit the said Elizabeth L. Mash to that institution: *Provided*, That no part of the amount appropriated in this Act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 2, line 2, after the word "inclusive" strike out down to and including "institution" on line 4 and insert "after the said Elizabeth L. Mash could not be admitted to Walter Reed Army Hospital because of the lack of available facilities therein: *Provided*,"

Page 2, line 7, strike out "in excess of 10 percent thereof."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT D. GRIER AND JANE GRIER HAWTHORNE

The Clerk called the bill (H. R. 6029) for the relief of Robert D. Grier (individually, and as executor of the estate of Katie C. Grier) and Jane Grier Hawthorne.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the limitation placed upon the time within which claim may be filed for refund of any income tax, interest, or penalty illegally or erroneously assessed and collected, and any defense based upon the existence of a settlement previously entered into with respect to any such tax, interest, or penalty, are hereby waived in favor of Robert D. Grier (individually, and as executor of the estate of Katie C. Grier) and Jane Grier Hawthorne with respect to their claims for the refund of any income tax, interest, and penalties paid by them for taxable years beginning on or after January 1, 1940, and ending on or before December 31, 1945, if such claims are filed with the Secretary of the Treasury or his delegate within 6 months after the date of the enactment of this act.

SEC. 2. If all or any part of any of such claims is disallowed by the Secretary or his delegate, or if the Secretary or his delegate has not rendered a decision upon any such claim within 6 months after it is filed, suit thereon may be instituted in the Court of Claims or in any United States district court of competent jurisdiction; but no suit on any such claim or part thereof may be instituted after the expiration of 2 years from the date of mailing by registered mail by the Secretary or his delegate to the said Robert D. Grier or Jane Grier Hawthorne (as the case may be) of a notice of the disallowance of such claim or part thereof.

SEC. 3. (a) Except as provided in subsection (b), judicial proceedings for the determination of such claim or claims, appeals therefrom, and payment of any judgment thereon shall be in the same manner as in the case of claims over which the court has jurisdiction under section 1346 of title 28 of the United States Code.

(b) (1) The United States shall not be liable for any interest on any portion of any such claim for any period prior to the date on which such claim is filed with the Secretary of the Treasury or his delegate pursuant to this act.

(2) Nothing in this act shall be construed as an admission of liability on the part of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. WARREN D. COOPER AND HER SON, TEDDY DEVERE COOPER

The Clerk called the bill (H. R. 8008) for the relief of Mrs. Warren D. Cooper and her son, Teddy Devere Cooper.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions and limitations of sections 15 to 20, both inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., 1940 edition, title 5, secs. 765–770), the Department of Labor (Bureau of Employees' Compensation) is hereby authorized and directed to receive and consider, when filed the claim of Mrs. Warren D. Cooper, widow of Warren D. Cooper, and their son, Teddy Devere Cooper, age 11, for compensation under such act, within 6 months from the date of enactment of this act, on account of personal injuries alleged to have been sustained by Warren D. Cooper on September 23, 1934, while in the performance of his duty as a member of the Civilian Conservation Corps at Camp P–270, Orofino, Idaho; and the Bureau, after such consideration of such claim, shall determine and make findings of fact thereon and make such award, pursuant to said act of September 7, 1916, to Mrs. Warren D. Cooper and her son, Teddy Devere Cooper, as on the basis of such findings shall appear equitable.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That sections 15 through 20, inclusive, of the Federal Employees' Compensation Act, as amended (U. S. C., 1952 ed., title 5, secs. 765–770), and as made applicable to enrollees of the Civilian Conservation Corps, are hereby waived in favor of Mrs. Warren D. Cooper, as widow of Warren D. Cooper, and Teddy Devere Cooper, their minor child, and their claim for compensation for the death of said Warren D. Cooper on January 19, 1950, which is alleged to have resulted from personal injuries suffered by him on September 2, 1934, while in the performance of his duty as a member of the Civilian Conservation Corps at Camp P–270, Orofino, Idaho, is authorized and directed to be considered and acted upon under the remaining provisions of such act, as amended and extended to enrollees of the said Corps, if filed with the Department of Labor (Bureau of Employees' Compensation) within 6 months from the date of enactment of this act: *Provided*, That no benefits except medical expenses shall accrue prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KNOX CORP.

The Clerk called the bill (H. R. 8643) for the relief of the Knox Corp., of Thomson, Ga.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Knox Corp., Thomson, Ga., the sum of $7,809, in full payment of all claims of the said corporation again the United States for refund of commitment fees paid by the corporation to the Federal National Mortgage Association in 1954 in connection with the Booker T. Washington and Fairhaven Homes projects under section 213 of the National Housing Act. No part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

JOHN R. HENRY

The Clerk called the bill (H. R. 9371) for the relief of John R. Henry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be and he is hereby authorized and directed to credit the accounts of John R. Henry in the amount of $947.47. Such credit represents the improper rates of compensation paid to him, while employed at Wright Air Development Center, Wright-Patterson Air Force Base, Ohio, from October 25, 1951, through May 1955.

SEC. 2. That the Secretary of the Treasury be and he is hereby authorized and directed to pay out of any money in the Treasury, not otherwise appropriated, such sum that has been repaid by the said John R. Henry or deducted from his wages.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

RESIDENCE IN SAMOA FOR NATURALIZATION PURPOSES

The Clerk called the bill (H. R. 4031) to consider residence in American Samoa or the Trust Territory of the Pacific Islands by certain employees of the governments thereof, and their dependents, as residence in the United States for naturalization purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the Immigration and Nationality Act, Arnis Pone and Andre Hagentornas shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

SEC. 2. For the purposes of the Immigration and Nationality Act, Emma Melnikoff shall be held and considered to have been lawfully admitted to the United States for permanent residence as of December 19, 1952.

SEC. 3. Residence and physical presence in American Samoa or the Trust Territory of the Pacific Islands by the following-named individuals shall be regarded as residence and physical presence in the United States and a State of the United States for the purpose of fulfilling the residence and physical presence requirements for naturalization prescribed by chapter 2 of title III of the Immigration and Nationality Act (66 Stat. 163, 239): Isle Dvorak, David Lehine, Lidia Lehine, Guy Lehine, Janis Pone, Valentina Pone, Arnis Pone, Alexander Hagentornas, Ludmilla Hagentornas, Elfryda Hagentornas, Andre Hagentornas, Eugene Melnikoff, Emma Melnikoff, Karl Rist, Nadeschda Rist, and Toivo Egon Rist: *Provided*, That each such individual continues to maintain the status of an alien lawfully admitted for permanent residence within the meaning of the act.

With the following committee amendments:

On page 1, beginning on line 4, after the word "act", strike out the remainder of line 4, all of lines 5, 6, 7, 8, and the words "Nationality Act", on line 9.

On page 2, line 3, strike out "SEC. 3" and substitute in lieu thereof "SEC. 2."

On page 2, line 10, strike out the name "Ilse Dvorak," and substitute in lieu thereof the name "Ilse Berta Susanne Michels."

On page 2, line 13, strike out the name "Andre Hagentornas."

On page 2, line 14, after the name "Eugene Melinkoff,", insert the word "and."

On page 2, lines 14 and 15, strike out ", Karl Rist, Nadeschda Rist, and Toivo Egon Rist."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MITSUKO A. HACHITA

The Clerk called the bill (H. R. 4137) for the relief of Mitsuko A. Hachita.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of the Immigration and Nationality Act, Miss Mitsuko A. Hachita shall be held to be classifiable as a returning resident under the provisions of section 101 (a) (27) (B) of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JUDITH KAO

The Clerk called the bill (H. R. 5808) for the relief of Judith Kao.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Judith Kao shall be held to be classifiable as a nonimmigrant alien within the provisions of section 101 (a) (15) (F) of that act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUMIKO FUJIKI KIRKPATRICK

The Clerk called the bill (H. R. 6742) for the relief of Rumiko Fujiki Kirkpatrick.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Rumiko Fujiki Kirkpatrick shall be held and considered to be a nonquota immigrant.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN RELATIVES OF UNITED STATES CITIZENS

The Clerk called the joint resolution (H. J. Res. 456) for the relief of certain relatives of United States citizens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, for the purposes of the immigration and Nationality Act, the aliens hereinafter named shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: Helene S. Banyai, Maisie K. Bartholomew, Liselotte H. Brahaney, Simone M. L. Bugayong, Mary C. Eslinger, Bernetta M. Facundo, Lottie M. Farwell, Joan Feeley, Pamela Fryman, Maria G. Hahner, Christiane B. Heath, Adelheid A. Hopson, Margaret A. Huffman, Jeanne Jackson, Steliani Janinis, Sydney A. Jensen, Doreen E. Leperi, Ethel I. Main, Giovanni Morvini, Betty M. Mulvany, Lavinia P. Parker, Marguerite J. Parks, Isobel M. Parrish, Jeanne J. L. Pennington, Pearl Petika, Antonia T. Pierce, Marie T. G. S. Piquette, Marcelle Sullivan, Lucienne S. Tappy, Antonietta Uhl, Jacqueline Walton, and Emilienne S. Yetter.

With the following committee amendments:

1. On page 2, lines 3 and 4, strike out the names "Helen S. Banyai, Maisie K. Bartholomew."

2. On page 2, lines 4 and 5, strike out the names "Simone M. L. Bugayong, Mary C. Eslinger, Bernetta M. Facundo."

3. On page 2, line 6, strike out the names "Jan Feeley, Pamela Fryman."

4. On page 2, lines 8 and 9, strike out the names "Steliani Janinis, Sydney A. Jensen, Doreen E. Leperi, Ethel I. Main, Giovanni Mervini."

5. On page 2, line 11, strike out the names "Isobel M. Parrish, Jeanne J. L. Pennington."

6. On page 2, line 14, strike out the word "and."

7. On page 2, line 14, after the name "Emilienne S. Yetter", change the period to a "comma" and add the following names:

Viviane Lucienne Therese Felicie Renee Vennin Carter, Tomye Kawase Macy, Anni Selley (nee Puchta), Takako Burba, Alice Halbrook, Maureen L. Filson, and Lucienne J. Seftel (nee Gachoud).

8. At the end of the bill, add a new section 2 to read as follows:

"SEC. 2. For the purposes of the Immigration and Nationality Act, Charles Masaki Macy shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the bill (S. 1026) for the relief of Nihat Cengiz.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Nihat Cengiz shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendments:

Strike out all after the enacting clause and insert in lieu thereof the following:

"The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Nihat Cengiz and Rudolf Fritz Liermann. From and after the date of the enactment of this act, the said Nihat Cengiz and Rudolf Fritz Liermann shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have been issued.

"SEC. 2. For the purposes of the Immigration and Nationality Act, John Soudas, Catherine Callimanopoulos, Mary Callimanopoulos, Guiseppi Castrogiovanni, Anna Castrogiovanni, Stefano Castrogiovanni, Pil Nyi Kwak, Albino Braiuca, Lilu Yuen Chuang, Lin Tsai, Kimiko Yamada Clark, Leopold Riedl, Bozena Riedl, Hisakazu Hozaki, and Georgina Feher shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

"SEC. 3. For the purposes of the Immigration and Nationality Act, David Hayes, Nenita Santos, Elizabeth Santos, George Henry MacDonald (formerly Frederick William Arthur), and Catherine Toews shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fees.

"SEC. 4. For the purposes of the Immigration and Nationality Act, Mary Parlich Goldstein shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended to read: "A bill for the relief of certain aliens."

A motion to reconsider was laid on the table.

WAIVING CERTAIN SUBSECTIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called the bill (S. 1244) for the relief of Eva Gershbein Rubinstein.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (1) of section 212 (a) of the Immigration and Nationality Act, Eva Gershbein Rubinstein may be admitted to the United States for permanent residence, if she is found to be otherwise admissible under the provisions of such act: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act. The provisions of this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of enactment of this act.

With the following committee amendments:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That, notwithstanding the provision of section 212 (a) (1) of the Immigration and Nationality Act, Eva Gershbein Rubinstein and Lydia G. Dickerson may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act: *Provided*, That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

"SEC. 2. Notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, Maximilien Beauvois may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act, under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

"SEC. 3. Not withstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Lina Diaz (formerly Lena Reeg) may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

"SEC. 4. Notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Katina R. Landrum and Renza Marsale Bartlett may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

"SEC. 5. Notwithstanding the provisions of section 212 (a) (17) and (19) of the Immigration and Nationality Act, Antonio Rubi Mendiola may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act.

"SEC. 6. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read:

A bill to waive certain subsections of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

A motion to reconsider was laid on the table.

TAKAKO IBA

The Clerk called the bill (S. 2327) for the relief of Takako Iba.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Takako Iba, the fiancee of Goddard Friel, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Takako Iba is coming to the United States with a bona fide intention of being married to the said Goddard Friel and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Takako Iba, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of said Takako Iba, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Takako Iba as of the date of the payment by her of the required visa fee.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSPENSION OF DEPORTATION IN THE CASE OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 76), amending Senate Concurrent Resolution 67, favoring the suspension of deportation in the cases of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the concurrent resolution (S. Con. Res. 67) favoring the suspension of deportation in the cases of certain aliens be, and it is hereby, amended by striking out "A-7250943, Tsou, Tang.", as shown on page 8, line 4, of the engrossed concurrent resolution.

The concurrent resolution was concurred in, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN RELATIVES OF UNITED STATES CITIZENS

The Clerk called the joint resolution (H. J. Res. 611) for the relief of certain relatives of United States citizens.

There being no objection, the Clerk read the joint resolution as follows:

Resolved, etc., That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, the aliens hereinafter named may be admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act: Aleksander Belosonoks, Odette F. D. Bohlman, Alberto A. Checcaglini, Sofia Z. Collette, Kathleen Connor, Monique H. T. Constantino, Maria O. G. Correia, Joan M. B. Devaughn, Camillo Di Re, Margarethe S. Dyl, Ingeborg E. Felts, Giovanni Ferrari, Krista Fibranz, Ugo Giannatiempo, Yoshie K. Grant, Kathleen Green, Ellen R. Hansen, Margarete Inman, Lisa T. Johnson, Ai S. Lane, Teresina I. B. Lenzi, Jean B. I. Levin'as, Jean B. Marie, Josephine D. Mayer, Reinhold H. Meric, Charlotte B. Migliorini, Anna G. S. Miller, Jane Moore, Fumiko Y. Peak, Carmela Piemontese, Gisela B. Ramirez, Mauro Simone, Maria K. Troll, and Mary J. M. Wal.

With the following committee amendments:

On page 2, line 2, after the word "act:", insert the name "Etsuko I. Ashley,".

On page 2, line 2, after the name "Belosonoks", insert the name "Hisae S. Blauvelt."

On page 2, line 5, after the name "Camillo Di Re", insert the names "Aiko Tanaka Dodge Sumiko A. Duncan."

On page 2, line 8, after the name "Lisa T. Johnson", insert the name "Katsuko K. Ketchum."

On page 2, line 12, after the name "Mauro Simone", insert the names "Mitsuko M. Spenard, Triantafyllos S. Triantafyllou."

On page 2, line 12, after the name "Maria K. Troll", insert the name "Antonio Villani."

The committee amendments were agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ROY COWAN AND OTHERS

The Clerk called the bill (H. R. 11205) to confer jurisdiction upon the United States Court of Claims to hear, determine, and render judgment upon the claims of Roy Cowan and others arising by reason of the flooding of land in the vicinity of Lake Alice, N. Dak.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and render judgment upon the claims of Roy Cowan, Dorothy Gessner, Norris Larson, L. A. Anderson, Albert and Evelyn Moen, Allan Overland and Reuben Overland, Reuben Overland, C. N. Barrett, as agent of certain landowners, Joseph Hartl, Annie Ellsperger, John F. Elsperger, and Kathleen Elsperger, his wife, Robert M. Elsperger, Roman F. Elsperger, Bernard F. Lange, Roy A. Noltimier, Donald Noltimier and Agatha Noltimier, his wife, Henry Noltimier, Maude Wright Webster, Ewald Henke, Harry L. Overland and Bella Overland, John Magnuson, Roy G. Sylvester and Walter E. Sylvester, as to the liability of the United States, if any, either legal or equitable, for losses alleged to have been sustained by said persons arising by reason of the flooding of land in the vicinity of Lake Alice, N. Dak., as a result of the activities of the Fish and Wildlife Service in connection with the establishment and maintenance of a migratory wildlife refuge.

SEC. 2. Notwithstanding any statute of limitations or lapse of time, suit upon such claims may be instituted by the claimants within 1 year after the enactment of this act. Proceedings for the determination of such claims and review thereof, and payment of any judgments thereon shall be had as in the case of claims over which said court has jurisdiction under section 1491 of title 28 of the United States Code.

SEC. 3. Nothing contained in this act shall be construed as an inference of liability on the part of the United States Government.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF CERTAIN PUBLIC LANDS

The Clerk called the bill (H. R. 3350) to provide for the sale by the Secretary of the Interior of certain public lands of the United States which have not been used for the purpose for which acquired.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior shall, as soon as practicable after the date of the enactment of this act, sell to W. E. Purdy and Zemma Purdy, of Roseville, Calif., approximately 18 acres of land, more particularly described in section 2 which was acquired by the United States from W. E. Purdy and Zemma Purdy as necessary for the Folsom Dam and Reservoir project and which is not being used for project purposes. W. E. Purdy and Zemma Purdy shall have the right to repurchase such real property at the price which they are paid therefor, reduced by such amount as the Secretary may deem appropriate if any improvements have been removed or other injury done to the property since its acquisition by him.

SEC. 2. That certain parcel of land located in the southeast quarter of the southeast quarter of section 11, township 10 north, range 7 east, Mount Diablo base and meridian, said southeast quarter of the southeast quarter also being known as lots 15 and 16, Rosedale Colony tract, as designated on a map filed March 27, 1903, in book "A" of maps at page 38 in the office of the recorder, Placer County, State of California; and in the northeast quarter of the northeast quarter of section 14, township 10 north, range 7 east, Mount Diablo base and meridian; more particularly described as follows:

Beginning at the junction of the west right-of-way of the Relocated Folsom Auburn Road and the west line of the northeast quarter of the northeast quarter of section 14, thence north along said west line of the northeast quarter of the northeast quarter of section 14 to the north line of section 14; thence north along the west line of the southeast quarter of the southeast quarter of section 11 to the north line of said southeast quarter of the southeast quarter of section 11, thence east along said north line to its junction with the west right-of-way of the relocated Folsolm Auburn Road; thence southwesterly along the west right-of-way of said road to the point of beginning. Said west right-of-way being described as follows: Beginning at a point on the north line of lot 15 of Rosedale Colony tract which point bears north 1 degree 28 minutes 3 seconds west, 1,313.45 feet from the second corner common to sections 11, 12, 13, and 14 thence southerly on a curve to the right having a radius of 950.0 feet, 348.19 feet; thence south 42 degrees 29 minutes 27 seconds west, 766.52 feet, thence south 58 degrees 56 minutes 29 seconds east, 814.77 feet, thence southwesterly 900.15 feet along a curve to the left having a radius of 2,050 feet; containing 18 acres, more or less.

With the following committee amendments:

Page 1, strike all of line 5.

Page 2, line 2, strike out remainder of line 2 after "Purdy" and all of lines 3 to 6, inclusive and insert the following: "shall have the right of first preference to purchase such real property at the full current appraised value as determined by the Secretary of the Army."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SALE OF PUBLIC LANDS NOT USED FOR PURPOSE ACQUIRED

The Clerk called the bill (H. R. 3351) to provide for the sale by the Secretary of the Interior of certain public lands of the United States which have not been used for the purpose for which acquired.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior shall, as soon as practicable after the date of the enactment of this act, sell to Elvie Briggs, of Folsom, Calif., approximately 47 acres of land, more particularly described in section 2, which was acquired by the United States from Elvie Briggs as necessary for the Folsom Dam and Reservoir project and which is not being used for project purposes. Elvie Briggs shall have the right to repurchase such real property at the price which she was paid therefor, reduced by such amount as the Secretary may deem appropriate if any improvements have been removed or other injury done to the property since its acquisition by him.

SEC. 2. Commencing at a fence corner marking the southeast corner of the north half of the northwest quarter of section 28, township 10 north, range 8 east, Mount Diablo base and meridian running thence north 1 degree 4½ minutes west 1,983.9 feet to a point in the center of a county road (Green Valley-Placerville Road), thence following the center line of the said county road to a point of the easterly boundary line of that certain right-of-way granted by Natomas Company of California, a corporation, to McComber Estate Co., a corporation, described in that certain deed dated the 5th day of November A. D. 1917, and recorded in the office of the county recorder of the said county of Sacramento on the 29th day of March A. D. 1917, in book 482 of deeds, page 332, thence following the easterly boundary line of the said right-of-way south 4 degrees 25 minutes west 1,620.0 feet to a point in the southerly boundary line of the north half of the northwest quarter of said section 28 north, 89 degrees 34½ minutes east 1,258.0 feet to the point of commencement; being a portion of the northwest quarter of said section 28 and a portion of the southwest quarter of said section 21 and containing 47 acres, more or less, lying in the counties of Sacramento and El Dorado, State of California.

With the following committee amendments:

Page 1, lines 4 and 5, strike the words "to Elvie Briggs, of Folsom, California."

Page 1, line 10, strike the words "to repurchase" and insert the words "of first preference to purchase."

Page 2, strike all of lines 1 to 4, inclusive, and insert the words "full current appraised value as determined by the Secretary of the Army."

Page 3, line 4, change the period to a comma and add the following language: "excepting therefrom the following: (1) all that portion of land located in the west half northeast quarter northwest quarter of section 28, township 10 north, range 8 east, Mount Diablo base and meridian, all within the county of El Dorado, State of California, and more particularly described as follows: Beginning at a point from which the quarter corner common to sections 21 and 28, township 10 north, range 8 east, Mount Diablo base and meridian, bears north 65 degrees 22 minutes east, 1,250.9 feet to said quarter corner being a standard General Land Office brass capped monument, thence from said point of beginning north 89 degrees 26 minutes east 330.0 feet, thence south 0 degrees 34 minutes east 660.0 feet, thence south 89 degrees 26 minutes west 330.0 feet, thence north 0 degrees 34 minutes west 660 feet, more or less, to the point of beginning, containing 5.0 acres. All four corners of the above-described parcels are monumented with one and one-fourth inch capped iron pieces; and (2) that portion of the following described easement for an access road that may be located within the property conveyed by Elvie Briggs to the United States of America by deed dated December 22, 1948, recorded in book 1610 at page 73 of the official records of Sacramento County and in book 262 at page 467 of the official records of El Dorado County, Calif.

"A perpetual easement for the operation and maintenance of an access road 50 feet wide described as follows: Beginning at a point monumented with a one and one-fourth inch capped iron pipe from which the quarter corner common to sections 21 and 28, township 10 north, range 8 east, Mount Diablo base and meridian, bears north 65 degrees 22 minutes east, 1,251.9 feet, thence from said point of beginning north 45 degrees 34 minutes west 8.00 feet to the beginning of a curve to the right having a radius of 25.00 feet, thence along said curve to the right of 18.33 feet to the end of curve, thence north 3 degrees 34 minutes west 173.16 feet to the beginning of a curve to the right having a radius of 200.00 feet, thence along said curve to the right 31.42 feet to the end of the curve, thence north 5 degrees 26 minutes east 446.46 feet to the beginning of a curve to the left having a radius of 200.00 feet, thence along said curve to the left 59.34 feet to the end of curve, thence north 11 degrees 34 minutes west 35 feet, more or less, to the southerly right-of-way line of that certain county road known as the Green Valley Road."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OAK HILL CEMETERY, DISTRICT OF COLUMBIA

The Clerk called the bill (H. R. 10374) to amend the act to incorporate the Oak Hill Cemetery, in the District of Columbia.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved March 3, 1849, to incorporate the Oak Hill Cemetery, in the District of Columbia (9 Stat. 773, ch. 128) be amended by adding at the end thereof the following new section:

"SEC. 11. Notwithstanding the provisions of section 10 or any other provisions of this act, the board of managers is hereby granted authority to alienate, transfer, sell, or otherwise dispose of any real property owned by the Oak Hill Cemetery Co. which has not been set aside or used for burial or interment purposes and which is separated from the ground set aside and used for burial purposes by a public street. Any ground transferred or sold under authority of this section shall be free from any restrictions under this act."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. IDA BIFOLCHINI BOSCHETTI

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1016) for the relief of Mrs. Ida Bifolchini Boschetti, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 2, line 2, strike out "in excess of 10 per centum thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MAJOR ROBERT D. LAUER

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2284) for the relief of Maj. Robert D. Lauer, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 2 and 3, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MAJOR ORIN A. FAYLE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2904) for the relief of Maj. Orin A. Fayle, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 2 and 3, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

COMDR. GEORGE B. GREER

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3268) for the relief of Comdr. George B. Greer, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 12, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

KINGAN, INC.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3964) for the relief of Kingan, Inc., with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 8 and 9, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

JAMES C. HAYES

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4026) for the relief of James C. Hayes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 6 and 7, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

KAHZO L. HARRIS

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4162) for the relief of Kahzo L. Harris, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 2 and 3, strike out "in excess of 10 percent thereof."

The SPEAKER for tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

JAMES M. WILSON

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 4640) for the relief of James M. Wilson, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 1 and 2, strike out "in excess of 10 percent thereof."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LT. P. B. SAMPSON

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 6184) for the relief of Lt. P. B. Sampson, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 3 and 4, strike out "in excess of 10 percent thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MARY J. McDOUGALL

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3366) for the relief of Mary J. McDougall, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 5 and 6, after "McDougall", insert: "of Napakiak, Alaska."

Page 1, line 8, after "quarters", insert: "at Napakiak, Alaska."

Page 1, line 10, strike out "in excess of 10 per centum thereof."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ANNUITIES FOR WIDOWS AND DEPENDENT CHILDREN OF FEDERAL JUDGES

Mr. CELLER. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 11124) to amend title 28, United States Code, to provide for the payment of annuities to widows and dependent children of judges.

CALL OF THE HOUSE

Mr. WILLIAMS of Mississippi. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

The Clerk called the roll, and the following members failed to answer to their names:

[Roll No. 51]

Allen, Calif.	Fino	Mollohan
Allen, Ill.	Fjare	Morano
Anfuso	Flynt	Morgan
Ashley	Frelinghuysen	Moulder
Barden	Fulton	Mumma
Barrett	Gamble	Nelson
Bass, N. H.	Garmatz	O'Hara, Minn.
Bell	Gathings	O'Neill
Bentley	Granahan	Osmers
Berry	Green, Pa.	Passman
Bolton, Oliver P.	Gregory	Patman
	Griffiths	Perkins
Bosch	Gubser	Philbin
Bowler	Gwinn	Phillips
Brownson	Haley	Pillion
Buckley	Hand	Powell
Budge	Hays, Ohio	Prouty
Byrd	Hayworth	Reece, Tenn.
Byrne, Pa.	Healey	Riehlman
Carlyle	Hiestand	Riley
Chatham	Hoffman, Ill.	Roberts
Chudoff	Hoffman, Mich.	Roosevelt
Clark	Holt	St. George
Cole	Holtzman	Scott
Cooley	Hyde	Scudder
Corbett	Johnson, Calif.	Seely-Brown
Coudert	Kearns	Selden
Cretella	Kelly, N. Y.	Sheehan
Crumpacker	Keogh	Sheppard
Curtis, Mo.	King, Calif.	Shuford
Davidson	King, Pa.	Steed
Dawson, Ill.	Klein	Taylor
Deane	Landrum	Thompson, La.
Delaney	Lane	Thompson, Mich.
Derounian	Latham	
Diggs	McCarthy	Thornberry
Dingell	McConnell	Velde
Dodd	McDowell	Vorys
Dollinger	McGregor	Watts
Dolliver	Macdonald	Westland
Donovan	Machrowicz	Wickersham
Dorn, N. Y.	Mack, Wash.	Williams, N. J.
Doyle	Mailliard	Wilson, Calif.
Durham	Mason	Wilson, Ind.
Eberharter	Meader	Winstead
Elliott	Merrow	Wright
Engle	Miller, Calif.	Yates
Fascell	Miller, N. Y.	Zelenko

The SPEAKER pro tempore. On this rollcall 291 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ANNUITIES FOR WIDOWS AND DEPENDENT CHILDREN OF FEDERAL JUDGES

The SPEAKER pro tempore. The gentleman from New York [Mr. CELLER] moves to suspend the rules and pass the bill H. R. 11124.

The Clerk read as follows:

Be it enacted, etc., That (a) item 375 in the analysis of chapter 17 of title 28, United States Code, immediately preceding section 371 is amended and a new item 376 is inserted immediately thereunder, to read as follows:

"375. Annuities to widows of justices.
"376. Annuities to widows and surviving dependent children of judges."

(b) The catchline to section 375 of title 28, United States Code, is amended to read as follows:

"§ 375. Annuities to widows of justices"

SEC. 2. Chapter 17 of title 28, United States Code, is amended by inserting at the end thereof, immediately following section 375, a new section reading as follows:

§ 376. Annuities to widows and surviving dependent children of judges

"(a) Any judge of the United States may by written election filed with the Director of the Administrative Office of the United States courts within 6 months after the date on which he takes office (or within 6 months after the enactment of this section) bring himself within the purview of this section.

"(b) There shall be deducted and withheld from the salary of each judge electing to bring himself within the purview of this section a sum equal to 1½ percentum of such judge's salary, including salary paid after retirement from regular active service under section 371 (b) or 372 (a) of this title or after retirement from office by resignation on salary under section 371 (a) of this title. The amounts so deducted and withheld from the salary of each such judge shall, in accordance with such procedure as may be prescribed by the Comptroller General of the United States, be deposited in the Treasury of the United States to the credit of a fund to be known as the 'judicial survivors annuity fund' and said fund is appropriated for the payment of annuities, refunds and allowances as provided by this section. Every judge who elects to bring himself within the purview of this section shall be deemed thereby to consent and agree to the deductions from his salary as provided in this subsection, and payment less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for all judicial services rendered by such judge during the period covered by such payment, except the right to the benefits to which he or his survivors shall be entitled under the provisions of this section.

"(c) Each judge who has elected to bring himself within the purview of this section shall deposit, with interest at 4 percentum per annum to December 31, 1947, and 3 percentum per annum thereafter, compounded on December 31 of each year, to the credit of the judicial survivors annuity fund created by this section a sum equal to 1½ percentum of his salary received for service as a judge of the United States (including salary received after retirement from regular active service under section 371 (b) or 372 (a) of this title and salary received after retirement from office by resignation on salary under section 371 (a) of this title), and of his basic salary, pay, or compensation for service as a Senator, Representative, delegate, or Resident Commissioner in Congress, and for any other civilian service within the purview of section 707 of title 5. Such interest shall not be required for any period during which the judge was separated from all such service and was not receiving salary under section 371 (a) or 373 of this title. Each judge may elect to make such deposits in installments during the continuance of his judicial service in such amounts and under such conditions as may be determined in each instance by the Director of the Administrative Office of the United States Courts. Notwithstanding the failure of a judge to make such deposit, credit shall be allowed for the service rendered, but the annuity of the widow of such judge shall be reduced by an amount equal to 10 per centum of the amount of such deposit, computed as of the date of the death of such judge, unless such widow shall elect to eliminate such service entirely from credit under subsection (o) of this section: *Provided,* That no deposit shall be required from a judge for any service rendered prior to August 1, 1920, or for any honorable service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States.

"(d) The Secretary of the Treasury shall invest from time to time, in interest bearing securities of the United States or Federal farm loan bonds, such portions of the judicial survivors annuity fund as in his judgment may not be immediately required for the payment of annuities refunds and allowances as provided in this section. The income derived from such investments shall constitute a part of said fund for the purpose of paying annuities and of carrying out the provisions of subsections (f), (g), (i) and (j) of this section.

"(e) The amount deposited by or deducted and withheld from the salary of each judge electing to bring himself within the purview of this section for credit to the judicial survivors annuity fund created by this section covering service from and after August 1, 1920, shall be credited to an individual account of such judge.

"(f) If any judge who has elected to bring himself within the purview of this section resigns from office otherwise than on salary under section 371 (a) of this title, the amount credited to his individual account, together with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of this relinquishment of office, shall be returned to him.

"(g) In case any judge who has elected to bring himself within the purview of this section shall die while in office (whether in regular active service or retired from such service under section 371 (b) or 372 (a) of this title) or after retirement from office by resignation on salary under section 371 (a) of this title, after having rendered at least 5 years of civilian service computed as prescribed in subsection (o) of this section—

"(1) if such judge is survived by a widow but not by a dependent child, there shall be paid to such widow an annuity beginning with the day of the death of the judge or following the widow's attainment of the age of 50 years, whichever is the later, in an amount computed as provided in subsection (n) of this section; or

"(2) if such judge is survived by a widow and a dependent child or children, there shall be paid to such widow an immediate annuity in an amount computed as provided in subsection (n) of this section, and there shall also be paid to or on behalf of each such child an immediate annuity equal to one-half the amount of the annuity of such widow, but not to exceed $900 per year divided by the number of such children or $360 per year, whichever is lesser; or

"(3) if such judge leaves no surviving widow or widower but leaves a surviving dependent child or children, there shall be paid to or on behalf of each such child an immediate annuity equal to the amount of the annuity to which such widow would have been entitled under paragraph (2) of this subsection had she survived, but not to exceed $1,200 per year divided by the number of such children or $480 per year, whichever is lesser.

"The annuity payable to a widow under this subsection shall be terminable upon her death or remarriage. The annuity payable to a child under this subsection shall be terminable upon (A) his attaining the age of 18 years, (B) his marriage, or (C) his death, whichever first occurs, except that if such child is incapable of self-support by reason of mental or physical disability his annuity shall be terminable only upon death, marriage, or recovery from such disability. In case of the death of a widow of a judge leaving a dependent child or children of the judge surviving her, the annuity of such child or children shall be recomputed and paid as provided in paragraph (3) of this subsection. In any case in which the annuity of a dependent child, under this subsection, is terminated, the annuities of any remaining dependent child or children, based upon the service of the same judge, shall be recomputed and paid as though the child whose annuity was so terminated had not survived such judge.

"(h) As used in this section—

"(1) The term 'widow' means a surviving wife of an individual, who either (A) shall have been married to such individual for at least 2 years immediately preceding his death, or (B) is the mother of issue by such marriage, and who has not remarried.

"(2) The term 'dependent child' means an unmarried child, including a dependent stepchild or an adopted child, who is under the age of 18 years or who because of physical

or mental disability is incapable of self support.

"Questions of dependency and disability arising under this section shall be determined by the Director of the Administrative Office of the United States Courts subject to review only by the Judicial Conference of the United States the decision of which shall be final and conclusive. The Director may order or direct at any time such medical or other examinations as he shall deem necessary to determine the facts relative to the nature and degree of disability of any dependent child who is an annuitant or applicant for annuity under this section, and may suspend or deny any such annuity for failure to submit to any such examination.

"(i) In any case in which (1) a judge who has elected to bring himself within the purview of this section shall die while in office (whether in regular active service or retired from such service under section 371 (b) or 372 (a) of this title) or after retirement from office by resignation on salary under section 371 (a) of this title, before having rendered 5 years of civilian service computed as prescribed in subsection (o) of this section, or after having rendered 5 years of such civilian service but without a survivor or survivors entitled to annuity benefits provided by subsection (g) of this section, or (2) the right of all persons entitled to annuity under subsection (g) of this section based on the service of such judge shall terminate before a valid claim therefor shall have been established, the total amount credited to the individual account of such judge, with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of the death of such judge, shall be paid, upon the establishment of a valid claim therefor, to the person or persons surviving at the date title to the payment arises, in the following order of precedence, and such payment shall be a bar to recovery by any other person:

"First, to the beneficiary or beneficiaries whom the judge may have designated by a writing received by the Administrative Office of the United States Courts prior to his death;

"Second, if there be no such beneficiary, to the widow of such judge;

"Third, if none of the above, to the child or children of such judge and the descendants of any deceased children by representation;

"Fourth, if none of the above, to the parents of such judge or the survivor of them;

"Fifth, if none of the above, to the duly appointed executor or administrator of the estate of such judge;

"Sixth, if none of the above, to such other next of kin of such judge as may be determined by the Director of the Administrative Office of the United States Courts to be entitled under the laws of the domicile of such judge at the time of his death.

"Determination as to the widow or child of a judge for the purposes of this subsection shall be made by the Director of the Administrative Office of the United States Courts without regard to the definition of these terms stated in subsection (h) of this section.

"(j) In any case in which the annuities of all persons entitled to annuity based upon the service of a judge shall terminate before the aggregate amount of annuity paid equals the total amount credited to the individual account of such judge, with interest at 4 percent per annum to December 31, 1947, and 3 percent per annum thereafter, compounded on December 31 of each year, to the date of the death of such judge, the difference shall be paid, upon establishment of a valid claim therefor, in the order of precedence prescribed in subsection (i) of this section.

"(k) Any accrued annuity remaining unpaid upon the termination (other than by death) of the annuity of any person based upon the service of a judge shall be paid to such person. Any accrued annuity remaining unpaid upon the death of any person receiving annuity based upon the service of a judge shall be paid, upon the establishment of a valid claim therefor, in the following order of precedence:

"First, to the duly appointed executor or administrator of the estate of such person;

"Second, if there is no such executor or administrator, payment may be made, after the expiration of 30 days from the date of the death of such person, to such individual or individuals as may appear in the judgment of the Director of the Administrative Office of the United States Courts to be legally entitled thereto, and such payment shall be a bar to recover by any other individual.

"(l) Where any payment under this section is to be made to a minor, or to a person mentally incompetent or under other legal disability adjudged by a court of competent jurisdiction, such payment may be made to the person who is constituted guardian or other fiduciary by the law of the State of residence of such claimant or is otherwise legally vested with the care of the claimant or his estate. Where no guardian or other fiduciary of the person under legal disability has been appointed under the laws of the State of residence of the claimant, the Director of the Administrative Office of the United States Courts shall determine the person who is otherwise legally vested with the care of the claimant or his estate.

"(m) Annuities granted under the terms of this section shall accrue monthly and shall be due and payable in monthly installments on the first business day of the month following the month or other period for which the annuity shall have accrued. None of the moneys mentioned in this section shall be assignable, either in law or in equity, or subject to execution, levy, attachment, garnishment, or other legal process.

"(n) The annuity of the widow of a judge who has elected to bring himself within the purview of this section shall be an amount equal to the sum of (1) 1¼ percent of the average annual salary received by such judge for judicial service and any other prior allowable service during the last 5 years of such service prior to his death, or retirement from office by resignation on salary under section 371 (a) of this title, multiplied by the sum of his years of judicial service, his years of prior allowable service as a Senator, Representative, Delegate or Resident Commissioner in Congress, his years of prior allowable service performed as a member of the Armed Forces of the United States, and his years, not exceeding 15, of prior allowable service performed as an employee described in section 698 (g) of title 5, and (2) three-fourts of 1 percent of such average annual salary multiplied by his years of any other prior allowable service, but such annuity shall not exceed 37½ percent of such average annual salary and shall be further reduced in accordance with subsection (c) of this section, if applicable.

"(o) Subject to the provisions of subsection (c) of this section, the years of service of a judge which are allowable as the basis for calculating the amount of the annuity of his widow shall include his years of service as a judge of the United States (whether in regular active service or retired from such service under section 371 (b) or 372 (a) of this title), his years of service as a Senator, Representative, Delegate or Resident Commissioner in Congress, his years of active service as a member of the Armed Forces of the United States not exceeding 5 years in the aggregate and not including any such service for which credit is allowed for the purposes of retirement or retired pay under any other provision of law, and his years of any other civilian service within the purview of section 707 of title 5.

"(p) Nothing contained in this section shall be construed to prevent a widow eligible therefor from simultaneously receiving an annuity under this section and any annuity to which she would otherwise be entitled under any other law without regard to this section, but in computing such other annuity service used in the computation of her annuity under this section shall not be credited.

"(q) The judges of the District Court for the Territory of Alaska, the United States District Court for the District of the Canal Zone, the District Court of Guam and the District Court of the Virgin Islands and judges of the United States, as defined in section 451 of this title, who are entitled to hold office only for a term of years shall be deemed judges of the United States for the purposes of this section and shall be entitled to bring themselves within the purview of this section by filing an election as provided in subsection (a) of this section within the time therein specified. In the case of such judges the phrase 'retirement from office by resignation on salary under section 371 (a) of this title' as used in subsections (b), (c), (g), (i), and (n) of this section shall mean 'retirement from office by resignation on salary under section 373 of this title or by removal or failure of reappointment after not less than 10 years' judicial service,' and the phrase 'resigns from office otherwise than on salary under section 371 (a) of this title' as used in subsection (f) of this section shall mean 'resigns from office otherwise than on salary under section 373 of this title or is removed or fails of reappointment after less than 10 years' judicial service'."

SEC. 3. Paragraph (7) of subsection (a) of section 604 of title 28, United States Code, is amended to read as follows:

"(7) Regulate and pay annuities to widows and surviving dependent children of judges and necessary travel and subsistence expenses incurred by judges, court officers and employees, and officers and employees of the Administrative Office, while absent from their official stations on official business."

SEC. 4. The first paragraph of section 605 of title 28, United States Code, is amended to read as follows:

"The director, under the supervision of the Judicial Conference of the United States, shall submit to the Bureau of the Budget annual estimates of the expenditures and appropriations necessary for the maintenance and operation of the courts and the Administrative Office and the operation of the judicial survivors annuity fund, and such supplemental and deficiency estimates as may be required from time to time for the same purposes, according to law. The Director shall cause periodic examinations of the judicial survivors annuity fund to be made by an actuary, who may be an actuary employed by another department of the Government temporarily assigned for the purpose, and whose findings and recommendations shall be transmitted by the Director to the Judicial Conference."

SEC. 5. Funds necessary to carry out the provisions of this act may be appropriated out of any money in the Treasury not otherwise appropriated.

SEC. 6. A judge who resigned prior to the date of enactment of this act and who on that date is receiving salary under section 371 (a) of title 28, United States Code, or who resigned, was removed or failed of reappointment prior to the date of enactment of this act and who on that date is receiving salary under section 373 of title 28, United States Code, shall be considered a judge within the meaning of section 376 of title 28, United States Code, as added by section 2 of this act, and as such shall be entitled within 6 months after the date of enact-

ment of this act to make the election authorized by and to receive the benefits of that section. A judge who retired from regular active service under section 260 of the Judicial Code of 1911 or the act of August 5, 1939, chapter 433, and who is living on the date of enactment of this act shall be deemed for the purposes of this act to have retired from regular active service under section 371 (b) or 372 (a), as the case may be, of title 28, United States Code.

SEC. 7. In the case of a living widow of a judge of the United States as defined in section 451 of title 28, United States Code, who died prior to the date of enactment of this act, an annuity shall be paid as provided in section 376 of title 28, United States Code, as added by section 2 of this act, as if such judge had died on such date and had elected to bring himself within the purview of such section 376, but had not made the deposit provided for by subsection (c) of the said section: *Provided*, (a) That such widow has not remarried; and (b) that the amount of such annuity and the reduction therein because of such deposit not having been made shall be computed on the basis of the actual length of judicial and other allowable service of such judge: *And provided further*, That notwithstanding the provisions of subsection (g) of such section 376 such annuity shall be payable even though such judge had not rendered 5 years of civilian service prior to his death. In the case of a judge of the United States as defined in section 451 of title 28, United States Code, who dies within 6 months after the date of enactment of this act after having rendered at least 5 years of civilian service computed as prescribed in subsection (o) of section 376 of title 28, United States Code, as added by section 2 of this act, but without having made an election as provided in such section 376 to bring himself within the purview of that section, an annuity shall be paid to his widow and surviving dependent children as provided in such section 376 as if such judge had elected on the day of his death to bring himself within the purview of such section 376 but had not made the deposit provided for by subsection (c) of the said section.

The SPEAKER pro tempore. Is a second demanded?

Mr. KEATING. Mr. Speaker, I demand a second.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. GROSS. Under the rules of the House is not a Member who is opposed to the bill given preference in a demand for a second?

The SPEAKER pro tempore. Is the gentleman from New York opposed to the bill?

Mr. KEATING. I am not, Mr. Speaker.

The SPEAKER pro tempore. Is the gentleman from Iowa opposed to the bill?

Mr. GROSS. Mr. Speaker, I am opposed to the bill and I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. CELLER. Mr. Speaker, H. R. 11124 provides for the payment of annuities to widows and dependents of Federal judges. I wish to state at the outset that the bill applies to the following Federal judges: United States district judges, judges of the United States Court of Appeals, judges of the Court of Customs and Patent Appeals, judges of the Court of Claims, judges of the Customs Court, and Federal judges of the Territories.

Mr. Speaker, I have just enumerated the judges whose widows and dependent children would be eligible under the bill. The bill does not apply to the Justices of the Supreme Court, the judges of the Court of Military Appeals, or the judges of the Tax Court. The judges of those courts have their own system which has been established for some time.

I want to emphasize that the system is optional, not compulsory. A judge is not compelled to join the system for the benefit of his widow and dependent children.

I want to emphasize also that the judges pay substantially toward the expenses of the operation of this annuity system. The judges are not the beneficiaries directly, only the widows and the children surviving the judges are the beneficiaries.

This bill has the approval of the American Bar Association and the Department of Justice. It was recommended by the Commission on Judicial and Congressional Salaries, which Commission was appointed by this Congress in 1953. The bill has the recommendation of the judicial conference.

Contributions by the judges to the system are at the rate of 1.5 percent of the annual salary of the judges, and the 1.5 percent is deducted. That is similar to the situation that appertains to our own retirement system.

Congress has now provided for the retirement of a majority of public servants under the Civil Service Retirement System and for most of the remainder under other plans—for example, those in the armed services, Tennessee Valley Authority, Foreign Service, Public Health Service, the Federal judiciary, the judges of the Tax Court, and Canal Zone employees.

Congress has also quite properly provided a retirement system for its own Members and for the survivor annuities for widows and dependent children of our membership.

Retirement and survivor benefits are also in existence under the social-security legislation covering private industry generally and under the railroad retirement plan for railroad employees. In addition to social security and railroad retirement, many industries have supplementary retirement plans to guarantee the plans.

The Constitution, in order to insure an independent judiciary, provides tenure for life for judges during good behavior. Thus, a judge does not get a pension because he gets compensation for the duration of his life. But compensation terminates with death. There are, at present, no annuities for the dear ones of the judges, as is the case with all other Government employees.

Even upon retirement from active service it has been found difficult for those retiring judges to augment their salaries. Retirement is usually at 70 or 65 after 15 years of service. A judge then is too old to establish any appreciable earning capacity or to make new worthwhile contacts so that he can adequately provide for his dear ones. Also, so-called "retirement" at 70 is a misnomer because the judge still remains in commission and may be assigned judicial duties in his circuit. He cannot practice law. Other Federal officials may retire in their early 60's, freed from official duties and under no occupational restrictions.

The bill now before us is to be administered by the Administrator of the Courts. All eligible United States judges may, within 6 months after taking office, and present existing judges 6 months after enactment, elect to come under the system.

This proposed legislation provides substantially the same protection to widows and surviving dependent children of Federal judges as is now available for widows and children of Members of Congress. These benefits would be computed on substantially the same basis as those now payable to the survivors of a Member of Congress who dies in office. Thus the widow's annuity would be a sum equal to 1¼ percent of the judge's average basic salary multiplied by his years of service, but limited to a maximum of 37.5 percent of such salary.

Likewise, the surviving children would receive benefits computed on the same basis as now under the congressional system.

The bill, as I indicated before, does not provide retirement annuities for the judges themselves but only for their survivors. The contribution rate for these survivors' benefits, as stated, is 1.5 percent annually of the judge's salary. This is a proper and equitable charge. Actuarially, studies show that the cost of survivor benefits under the Civil Service Retirement Act is less than 20 percent of the total cost of the program. The 1½ percent rate for the survivor benefit system for judges is 25 percent of the rate paid by Members of Congress both for retirement and survivor benefits.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. COLMER. I want to ask the gentleman why this bill, which seems to be very broad and quite comprehensive, setting a new precedent, is taken up under suspension of the rules rather than following the usual procedure. Frankly, I do not know whether I am for or against the bill. I have never seen it nor heard of it before this time. But just glancing at it, it seems that it does set a new precedent and that we are legislating in a new field and undoubtedly, it is going to cost the Treasury a great deal of money.

Mr. CELLER. No; I must interrupt the gentleman by saying it will not cost the Treasury a great deal of money. There will be some deficit, but it will be comparatively small. The judges, as I indicated, mainly pay the freight. They pay 1½ percent out of their salaries each year and the cost will not be much beyond that. Furthermore, it is not establishing a new precedent. We are not hewing out new paths. We have established retirement and annuity benefits for any number of Federal employees. I mentioned quite a number of sets of employees where we had done exactly that.

Mr. COLMER. Is that true of the wives and children of the Members of Congress? Are wives and children of Members of Congress similarly provided for?

Mr. CELLER. Yes, sir, it is true. The pending bill provides for widows and children of the judges. That is the purpose of this bill. I wonder whether I understand the gentleman correctly?

Mr. COLMER. I ask if the widows or wives and children of Members of Congress are provided for?

Mr. CELLER. Yes; they are in previous acts. Not in this bill. We have passed legislation heretofore to provide for annuities to widows and children. You pay 6 percent of your salary for that purpose.

Mr. COLMER. You are talking of an indirect provision.

Mr. CELLER. No, it is direct. You pay 6 percent to cover your own retirement plus annuities for your surviving widow and children.

Mr. COLMER. I must confess to the gentleman that if that is the law, I did not know it.

Mr. CELLER. Yes, that is the law.

Mr. COLMER. My understanding of the law is that I, as a Member of Congress, have the right to have my annuity go to my widow, if I see fit.

Mr. CELLER. That is correct, or to your children if you wish.

Mr. COLMER. I did not know that. That is a matter of choice, in other words.

Mr. CELLER. That is right.

Mr. COLMER. That is a matter of choice when I pay the 6 percent, but here you make a direct provision for them; do you not?

Mr. CELLER. We make a direct provision not for the judges' retirement, but we make direct provision here for the annuity for his dependents.

Mr. COLMER. That is what I am talking about.

Mr. CELLER. That is correct.

Mr. COLMER. As I indicated a moment ago I do not know whether I would favor or oppose the bill. At this time I am merely protesting the method of consideration of the proposal. There is no emergency here. The bill should be considered under the regular procedure—with a rule and ample debate, with opportunity for amendment.

Mr. KEATING. Mr. Speaker, will the gentleman yield? I believe I may be able to clear up the gentleman's point on that.

Mr. CELLER. I yield to the gentleman from New York.

Mr. COLMER. I wanted to complete my inquiry, but I am glad to defer to the gentleman.

Mr. KEATING. I wish to reply to the gentleman, if I am able to, because this is the same question that has been raised by several members on this committee. We in the Congress pay 6 percent, which covers retirement for ourselves after a certain age and also covers benefits for our widows or dependent children. Under this bill the judges pay 1½ percent, which covers only the benefits for widows and dependent children. We are told by the actuaries that the actual cost of that 6 percent which we pay, which is properly allocable to the annuities for widows and dependent children, is about 20 percent. Therefore, of the 6 percent which we pay, 1.2 percent is for that same type of benefit. The judges are going to pay for that same benefit, as I understand it.

Mr. CELLER. As far as the annuities for dependents of the judges are concerned, they will pay a little more than we pay for the same benefits.

Mr. KEATING. That is correct, as I understand it.

Mr. COLMER. I am not familiar with the legislation, and I have not had an opportunity to study it. I just do not think that a matter of this moment ought to be considered under suspension of the rules.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. WILLIAMS of Mississippi. How much do the judges themselves pay in order to defray the expense of their own annuities?

Mr. CELLER. Now there are no annuities so they pay nothing. Since they are paid for life, and the Constitution provides for that—tenure for life—there is really no retirement for them as Members of Congress have.

Mr. WILLIAMS of Mississippi. They are paid full salary for life, so this retirement program in that respect differs from the congressional retirement, in that the benefits received by a Member of Congress are on a graduated basis, depending on the number of years that he serves, and, further, upon the retirement of a Member of Congress if he elects to bring his wife and dependents under the program he must receive a reduced annuity. So I cannot see any comparison at all between the two programs. It looks to me like a gravy train for the judiciary.

Mr. CELLER. Well, I admit the judges have an advantage, but what shall we do? Do nothing for their survivors—their widows and children? That would not be fair, because, after all, in all other phases of Federal service we do provide for widows and dependents of the deceased Federal employees? So if we do not pass this bill we leave the judges' survivors in the lurch, so to speak.

The SPEAKER pro tempore. The gentleman from New York has consumed 15 minutes.

Mr. WILLIAMS of Mississippi. I am not opposed to setting up some type of retirement program. This may or may not be a good one, I do not know, but I have the same question as my colleague from Mississippi [Mr. COLMER]. I wonder why this was not brought up under a rule so that we could have an opportunity to discuss it.

Mr. CELLER. The full committee unanimously approved this bill, and the subcommittee before that. I took it up with the Speaker and the Speaker was agreeable to bringing it up under suspension. We felt there would be no opposition to it, and I understand the same situation prevails on the other side. In the interest of timesaving we decided to bring it up this way.

The contribution made by the judges, namely 1½ percent of annual salary, to cover cost of the system is really more than we Members of Congress pay for the protection of our widows and dependents. Our contribution for survivor benefits is about 1.2 percent out of the 6 percent we pay in total. The judges will pay 1.5 percent.

Also contributions are required to be paid by retired judges out of their retirement salaries until death. Moreover, in order that judicial service before election to come under the program may be credited, either deposit must be made by the judge for such service (with interest), or the annuity is reduced by 10 percent of the unpaid deposit. This last provision is the same as is followed in regard to Members of Congress.

Judges presently retired and receiving salary may also elect to come under the program. Further, each living widow of a judge deceased before the passage of the act would receive an annuity computed as if he had died on the enactment date and had elected to come under the system. The annuity would be computed on the actual length of the judge's service and would be reduced by 10 percent of the unpaid contributions. Similar provision is made for widows of judges who die within 6 months after passage of the act without having filed an election to come under the program. No annuity would be payable to the widow of a judge whose total allowable service was less than 5 years, nor to any widow who had been married to the judge for less than 2 years unless she was the mother of his child.

The bill departs from the congressional survivor system in only four respects. First, the annuity is based on the average basic salary for the last 5 years of service instead of the average since August 2, 1946. Second, service as a Member of Congress is to be included in addition to judicial, military, and prior civilian service. Third, the contribution rate is, for the reasons indicated previously, 1½ percent of salary instead of the 6 percent currently paid by Members of Congress. Fourth, all living widows of deceased judges are to be included, whereas the congressional system was retroactive only in respect to Members who died after November 3, 1952.

As indicated previously, the proposed judicial contribution of 1½ percent is appropriate, as compared with the 6 percent paid by Members of Congress, in view of the fact that it is intended to provide for survivors' benefits only and not for retirement benefits also, as does the congressional system.

When the congressional system was amended to provide for survivor annuities, March 6, 1954, benefits were provided for widows of Members who died after November 3, 1952.

Thus we recognized the principle of aiding widows, made widows as such prior to the enactment of legislation. The provision, designed to cover the past service of those coming into the system for the first time, is thus extended to the living widows of those deceased judges, numbering 120, for whom no previous provision has been made. It is argued these widows should not be penalized because a survivor benefit system

for judges was not established sooner. Congress has provided $5,000 annuities for living widows of Justices of the Supreme Court by Public Law 702, 83d Congress. Similar provision has been made in the past by private acts and then by public law for widows of Presidents. Remember, too, widows of those dying before the enactment date of the Supreme Court legislation were made eligible for benefits, while no contributions were made. The bill would make modest provision for the living widows of other deceased Federal judges. The annual annuity would be only about $2,500 a year, or only about 10 percent of the salary of current judges and only half of the pensions for widows of Supreme Court Justices and Presidents.

In the first full year of operation, the total benefit payments to widows and the relatively few orphans who may be eligible are estimated at about $280,000. This cost will gradually rise over the years—to roughly $400,000 5 years from now, $700,000 a year 15 years from now, and an ultimate level of about $850,000 a year 25 years from now—based on the present number of judicial positions and salary rates. This increase is due in part to a large number of eligible widows and in part to larger average payments—based on higher current salary rates and the lengthening period of contributions by judges. Approximately 380 judges, including retired and resigned judges, will be eligible to participate in the system. It seems likely that about 340 such judges will actually elect to be covered and, accordingly, their contributions will amount to about $120,000 a year. Thus, in the first year, the cost to the general Treasury will be about $160,000.

The SPEAKER pro tempore. The gentleman from Iowa [Mr. GROSS] is recognized.

Mr. GROSS. Mr. Speaker, I yield myself 5 minutes.

I think, as does the gentleman from Mississippi, that this bill is in the nature of a gravy train for the Federal judiciary. I should like to ask the gentleman from New York [Mr. CELLER]: What are the present salaries of Federal judges?

Mr. CELLER. District judges receive $22,500; court of appeals judges, $27,500. Does the gentleman want all of the others?

Mr. GROSS. I think that is sufficient.

District judges receive $22,500; court of appeals judges $27,500; yet there is no deduction whatever, not one thin dime, from their salaries for a pension fund. That is correct, is it not?

Mr. CELLER. There is no pension fund.

Mr. GROSS. Nor is there any deduction of any nature from their salaries?

Mr. CELLER. No; because there is no pension fund. They get their salaries for life.

Mr. GROSS. That is exactly right; they get their salaries for life, yet the gentleman is trying to compare the Federal judiciary with Members of Congress.

Mr. CELLER. Only as to survivors of deceased judges and survivors of Members of Congress.

Mr. GROSS. Let me ask the gentleman why do not Federal judges set apart 6 percent of their salaries to take care of annuities for their widows?

Mr. CELLER. We set aside 6 percent to cover our pensions, our own retirement plus the annuities for our widows or children. That matter costs generally about 1.20 percent. That same cost to the judges is increased to 1.50 percent. So the judges for the benefit of their dependents who survive them will under this bill pay more than we for like benefits to our survivors.

Mr. GROSS. The gentleman talked at some length about other Federal officials or employees. Does the gentleman know of another Federal official or employee holding a lifetime appointment and can only be retired for cause?

Mr. CELLER. Only the judiciary.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. The gentleman should mention in assessing the cost of this program and in apportioning the cost of this judicial retirement of benefits for widows and children that the additional revenue which is saved by a retired Congressman having his annuity reduced in order to take care of his dependents does not apply in the case of the Federal Judiciary. On page 7 of the report (section 373, subsection (p)) it states that under this bill a widow may receive an annuity and also any other annuity to which she is entitled and that the same service shall not be used in computing both annuities. Does the gentleman know of any other instance in Government where a person can draw two survivor retirements based upon different terms of service?

Mr. GROSS. No; I do not.

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. MULTER. I would like to inform the gentleman that there are other instances where a man can draw two different pensions from two different systems: For instance, the State or municipal system and the Federal system.

Mr. GROSS. There are certain limitations, however.

Mr. MULTER. No, there are no limitations. According to the statutes one must make his contribution, serve his time and reach the age limit; then he can draw from both systems.

If the gentleman will yield further on the question he asked about Supreme Court Justices paying into the retirement system; that is not before us in this bill.

Mr. GROSS. I did not say anything about the Supreme Court Justices; I will get to them in a minute.

Mr. MULTER. The only way you can reduce the salary of the Federal judiciary is by an amendment to the Constitution, because the Constitution fixes their terms for life; therefore there is no pension; he draws his full salary.

Mr. GROSS. Since the gentleman has raised the point let me ask him this question: What is there in law to prevent a Federal district judge or a judge of the court of appeals from writing magazine articles to enhance his income once he has retired? Does the gentleman know of anything in law to prevent him from doing some writing for a price or opening a law office?

Mr. MULTER. If he has retired from the bench?

Mr. GROSS. When he has retired.

Mr. MULTER. He cannot retire; he can resign, but he cannot retire in the true sense of the word. He always remains subject to assignment. He is appointed for life and remains a judge for life unless he resigns or is removed for cause.

Mr. GROSS. Let us not argue over words. Is there anything in law to prevent him from enhancing his income under retirement by the practice of law or by writing and so forth and so on?

Mr. MULTER. No Federal judge can practice law as long as he remains a Federal judge, which means that unless he actually resigns or is removed from office he cannot practice law during his lifetime after appointment as a Federal court judge.

Mr. GROSS. Let us say that a judge reaches age 70 and goes on retirement at full salary. That is possible; is it not?

Mr. MULTER. It is possible, yes.

Mr. GROSS. Then there is nothing to prevent him from practicing law.

Mr. MULTER. I disagree with the gentleman. He cannot practice law. When he reaches 70 years of age and he does not sit on the bench any longer he, nevertheless, even though not sitting, is a full-fledged member of the judiciary and cannot practice law; and I do not recall the case of any judge who has written magazine articles, any Federal judge.

Mr. GROSS. Any Federal judge?

Mr. MULTER. No, sir.

Mr. GROSS. Then why does another law apply to the Supreme Court of the United States?

Mr. MULTER. I do not know.

Mr. GROSS. The gentleman well knows that we have at least one Supreme Court Justice running all over the world writing magazine articles and books, spending a lot of time that ought to be devoted to his judicial duties enhancing his income of $35,000 a year.

Mr. MULTER. We ought to address ourselves to that by way of legislation rather than to take it out on the widows and dependents of judges. This is a bill for the widows and dependents of judges.

Mr. GROSS. I understand that.

Mr. MULTER. Who, I presume, will get it only if the judges have served well and faithfully.

Mr. GROSS. In view of what is going on in the Supreme Court, I am not convinced that a judge who is no longer on active service, who has reached 70 years of age, cannot go out and enhance his income if he wants to.

Mr. MULTER. He cannot practice law as long as he lives and has not resigned or been removed from the bench.

Mr. GROSS. Going back one minute to the Supreme Court, I think it would have been a far better service if the committee had brought in legislation to stop the kind of practice I have just mentioned.

Mr. MULTER. Why get mixed up here with the Supreme Court Judges?

They are not concerned with this bill. This bill does not concern them. It concerns the widows and dependents of the other Federal judges.

Mr. GROSS. I think you ought to bring in some legislation to stop that, and I think the gentleman thinks so, too.

Mr. MULTER. I am not on the Judiciary Committee, so I cannot tell the gentleman now whether or not that committee has any such legislation pending.

Mr. GROSS. What the Federal judges ought to do is to set up their own annuity system for their widows and dependents. Here they are with lifetime salaries of up to $27,500 a year and no deductions for any cause or any purpose. I know of no reason why they should not set up their own annuity system for their widows and without further charge to the taxpayers.

Mr. MULTER. Let us consider legislation to that effect then. Let us not consider that in connection with this bill. That has nothing to do with this bill.

Mr. GROSS. It has everything to do with it. Perhaps you who support this legislation can explain it to old-age pensioners. I do not want that responsibility.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

Mr. GROSS. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. WILLIAMS].

Mr. WILLIAMS of Mississippi. Mr. Speaker, like my distinguished colleague from Mississippi [Mr. COLMER], I do not know whether I support this legislation or not. In the 40 minutes that we have for debate, it is impossible for anyone to explain all of its ramifications and intricacies, as broad as this one is.

I do not intend to vote for the motion to suspend the rules and pass this legislation for that reason. I recognize, of course, that there may be a great deal of merit in setting up some kind of a retirement system for our judges' widows and dependents; but, as I understand these various retirement programs, this is somewhat of a departure from the ones already in effect. As I understand it, congressional retirement, for instance, is administered by the Civil Service Commission. This retirement act will be administered by the judiciary. I think it should be explained to the House why it is not administered under the same set of civil-service rules and regulations and by the same people that administer congressional retirements.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentleman from New York.

Mr. CELLER. We asked the Civil Service Commission to administer this act and they were disinclined to administer it because of the complications that would arise from the fact that Federal employees would pay 6 percent, which includes retirement and annuities for dependents, whereas this is a system for the Federal judges' widows and dear ones and would provide for 1½ percent. Because of the complications that would arise, they stated they were disinclined to administer it and have suggested that the administrator of the courts do it, since it refers exclusively to the judges of the Federal courts.

Mr. WILLIAMS of Mississippi. I thank the gentleman, and I think his explanation of that one little minor provision in this bill is the best argument that I have heard why this should not be considered under a closed rule or under suspension of the rules. I think the House would be making a grave mistake to pass this legislation without giving it full, complete, and thorough consideration and without having every provision in the bill explained to the satisfaction of the membership. We are not being given an opportunity to work our will on this legislation, and for that reason, I, for one—even if I am the only one in the House—intend to vote against the legislation.

Mrs. BLITCH. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I yield to the gentlewoman from Georgia.

Mrs. BLITCH. Before I ask this question, I want the gentleman to understand that there are Federal judges for whom I have the deepest respect and who I know to be very conscientious in carrying out their duties and keeping their dockets cleared.

Mr. WILLIAMS of Mississippi. If I may interrupt the gentlewoman, unfortunately, they are not on the Supreme Bench.

Mrs. BLITCH. I said some, and the gentleman knows what I was talking about. I do not want to make an indictment of the whole judiciary system here, but I want to ask the gentleman this question: Does he know of any provision anywhere wherein any member of the Federal judiciary is required to spend a certain amount of time on court cases and is required by law to keep his calendar as nearly cleared as possible?

Mr. WILLIAMS of Mississippi. I know of no such law, but perhaps if we did have such a requirement, the level of our Supreme Court, for one, would be considerably higher.

Mrs. BLITCH. And do you not think, sir, if there was such a requirement, there would not be so many Federal judges in our courts, not only the Supreme Court, taking very extended vacations several times a year?

Mr. WILLIAMS of Mississippi. Of course, I know of no provision that requires them to work any certain length of time. If I may say so, from experience in my State—of course, I know more about them than any cases—they are overworked.

Mrs. BLITCH. That applies to my State, also, and that is why I wanted to be sure that they were not included in this overall indictment that has been made about the Federal judges. I am asking for information, and that is why I asked the gentleman if there was any such provision.

Mr. WILLIAMS of Mississippi. Perhaps some of the members of the Committee on the Judiciary could tell the gentlewoman. I have no knowledge of such a law.

Mrs. BLITCH. I thank the gentleman.

Mr. WILLIAMS of Mississippi. As I said a moment ago, I am not necessarily opposed to this legislation. However, my vote against it will be predicated on the idea that it should be fully debated in the House. I do not believe we should support this legislation without at least some idea of what it provides.

Mr. GROSS. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Speaker, the purpose of the bill is to provide for the payment of annuities to the widows and dependent children of Federal judges. The report submitted with H. R. 11124, now under consideration, gives clear and forceful reasons to justify it.

I am convinced that there is a definite need to establish a system whereby benefits may be paid to the widows and dependent children of members of the Federal judiciary. In 1950 the American Bar Association recorded its conviction that adequate provision should be made for the dependents of Federal judges. Such a position has been reaffirmed on more than one occasion since then.

The Judicial Conference of the United States, at its March session in 1955, resolved and recommended to Congress "the enactment of legislation to authorize provision for payment of annuities on a contributory basis to widows and dependent children of judges comparable to the provisions made under existing law for annuities to widows and dependent children of Members of Congress." This recommendation was reaffirmed by the Conference at its September meeting in 1955.

Congress has provided for the retirement of the majority of public servants under the civil-service retirement system.

The civil-service retirement system has been in existence since as early as 1920. The amendments of 1930 included provisions not only for retirement benefits but also for surviving dependents of retired employees. It is common knowledge that many private industries have supplemented social security and railroad retirement by their own plans. It is seen therefore that both Government and private industry employees have received the benefits of such systems for retirement and the payment of annuities to survivors. The same consideration should apply to the survivors and dependents of United States judges.

It is common knowledge that under the present economic conditions—the decline in the purchasing value of a dollar and rising prices—any individual encounters great difficulty in providing adequately for his dependents.

Most of the judges who retire from active service still remain in commission as a judge and therefore forbidden to practice law.

All United States judges may, within 6 months after the date of enactment or within 6 months after taking office, elect to come under the system. Once such an election has been made, the contributions of the judge would then be withheld from his salary and upon his death his widow and surviving dependent children would receive annuities. The widow's annuity would be a sum equal to 1¼ percent of the judge's basic salary multiplied by his years of service. There is a maximum limitation, however, of 37½ percent of such salary. The rate

of contribution to be made by the judge who elects to come under the system for these judicial survivor benefits is 1½ percent of his salary. Actuarial studies indicate that this is a fair and equitable charge, especially in comparison with the civil-service retirement system.

The Department of Justice recommends the establishment of such a system and as has been previously noted, so does the Judicial Conference of the United States. This bill is right and just. It should have the support of the Congress.

Mr. GROSS. Mr. Speaker, I know of no reason why the members of the Federal judiciary, holding lifetime jobs and being paid as high as $27,500 a year, cannot set apart 6 percent of their salaries or any amount they so desire to provide annuities for their dependents. I am opposed to the bill.

Mr. CELLER. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. TRIMBLE). The question is on suspending the rules and passing the bill.

The question was taken.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. CELLER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore (Mr. TRIMBLE). The gentleman will state it.

Mr. CELLER. Is there any arrangement that there would be no rollcall votes today?

The SPEAKER pro tempore. Not that the present occupant of the chair knows of.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 238, nays 52, not voting 143, as follows:

[Roll No. 52]

YEAS—238

Abbitt	Brooks, La.	Evins
Adair	Brooks, Tex.	Fallon
Addonizio	Brown, Ga.	Feighan
Albert	Brown, Ohio	Fenton
Alexander	Burdick	Fernandez
Alger	Burnside	Flood
Andersen, H. Carl	Bush	Fogarty
	Byrnes, Wis.	Forand
Andresen, August H.	Canfield	Ford
	Cannon	Forrester
Arends	Carnahan	Fountain
Ashmore	Carrigg	Frazier
Aspinall	Cederberg	Friedel
Avery	Celler	Gary
Ayres	Chelf	Gathings
Bailey	Chenoweth	Gavin
Baker	Christopher	George
Baldwin	Church	Gordon
Bass, Tenn.	Clevenger	Green, Oreg.
Bates	Cooper	Hagen
Baumhart	Cramer	Hale
Beamer	Cunningham	Harden
Becker	Curtis, Mass.	Harris
Belcher	Davis, Ga.	Harvey
Bennett, Fla.	Davis, Tenn.	Hays, Ark.
Bennett, Mich.	Davis, Wis.	Hayworth
Bentley	Dawson, Ill.	Henderson
Betts	Dawson, Utah	Herlong
Blitch	Dempsey	Heselton
Boggs	Denton	Hess
Boland	Dixon	Hill
Bolling	Dondero	Hillings
Bonner	Dorn, S. C.	Hinshaw
Boykin	Edmondson	Holifield
Boyle	Elliott	Holland
Bray	Ellsworth	Holmes
Hosmer	Magnuson	Rogers, Fla.
Huddleston	Mahon	Rogers, Tex.
Hull	Mailliard	Rooney
Ikard	Martin	Rutherford
Jackson	Meader	Schenck
James	Metcalf	Scherer
Jarman	Miller, Md.	Selden
Jenkins	Mills	Shelley
Jennings	Minshall	Short
Jensen	Moss	Sieminski
Johnson, Wis.	Multer	Simpson, Pa.
Jonas	Murray, Ill.	Sisk
Jones, Ala.	Natcher	Smith, Kans.
Jones, Mo.	Nicholson	Smith, Miss.
Jones, N. C.	Norblad	Spence
Judd	Norrell	Springer
Karsten	OBrien, Ill.	Staggers
Kean	O'Brien, N. Y.	Sullivan
Kearney	O'Hara, Ill.	Taber
Keating	Ostertag	Teague, Calif.
Kee	Patterson	Teague, Tex.
Kelley, Pa.	Pelly	Thomas
Kilburn	Pfost	Thompson, Mich.
Kilday	Pilcher	
Kilgore	Poff	Thompson, N. J
King, Calif.	Polk	Thompson, Tex.
Kirwan	Preston	Thomson, Wyo.
Kluczynski	Price	Trimble
Knox	Priest	Tuck
Laird	Prouty	Tumulty
Landrum	Quigley	Udall
Lanham	Rabaut	Vanik
Lankford	Radwan	Vinson
Lesinski	Rains	Vorys
Lipscomb	Ray	Walter
Long	Reece, Tenn.	Whitten
Lovre	Reed, N. Y.	Widnall
McCormack	Rees, Kans.	Wier
McCulloch	Reuss	Wigglesworth
McDonough	Rhodes, Ariz.	Willis
McDowell	Rhodes, Pa.	Wolcott
McIntire	Richards	Wolverton
McMillan	Robsion, Ky.	Zablocki
Mack, Ill.	Rodino	
Madden	Rogers, Colo.	

NAYS—52

Abernethy	Harrison, Nebr.	Schwengel
Andrews	Harrison, Va.	Scrivner
Auchincloss	Hoeven	Siler
Bow	Horan	Simpson, Ill.
Burleson	Johansen	Smith, Va.
Chase	Krueger	Smith, Wis.
Chiperfield	LeCompte	Talle
Colmer	McVey	Utt
Coon	Marshall	Van Pelt
Dague	Matthews	Van Zandt
Devereux	Miller, Nebr.	Weaver
Dies	Murray, Tenn.	Wharton
Dowdy	O'Konski	Williams, Miss.
Fisher	Poage	Williams, N. Y.
Gentry	Rivers	Withrow
Grant	Robeson, Va.	Younger
Gross	Sadlak	
Hardy	Saylor	

NOT VOTING—143

Allen, Calif.	Dingell	Hyde
Allen, Ill.	Dodd	Johnson, Calif.
Anfuso	Dollinger	Kearns
Ashley	Dolliver	Kelly, N. Y.
Barden	Donohue	Keogh
Barrett	Donovan	King, Pa.
Bass, N. H.	Dorn, N. Y.	Klein
Bell	Doyle	Knutson
Berry	Durham	Lane
Blatnik	Eberharter	Latham
Bolton, Frances P.	Engle	McCarthy
	Fascell	McConnell
Bolton, Oliver P.	Fino	McGregor
	Fjare	Macdonald
Bosch	Fiynt	Machrowicz
Bowler	Frelinghuysen	Mack, Wash.
Brownson	Fulton	Mason
Broyhill	Gamble	Merrow
Buckley	Garmatz	Miller, Calif.
Budge	Granahan	Miller, N. Y.
Byrd	Gray	Mollohan
Byrne, Pa.	Green, Pa.	Morano
Carlyle	Gregory	Morgan
Chatham	Griffiths	Morrison
Chudoff	Gubser	Moulder
Clark	Gwinn	Mumma
Cole	Haley	Nelson
Cooley	Halleck	O'Hara, Minn.
Corbett	Hand	O'Neill
Coudert	Hays, Ohio	Osmers
Cretella	Healey	Passman
Crumpacker	Hébert	Patman
Curtis, Mo.	Hiestand	Perkins
Davidson	Hoffman, Ill.	Philbin
Deane	Hoffman, Mich.	Phillips
Delaney	Holt	Pillion
Derounian	Holtzman	Powell
Diggs	Hope	Riehlman
Riley	Sikes	Wickersham
Roberts	Steed	Williams, N. J.
Rogers, Mass.	Taylor	Wilson, Calif.
Roosevelt	Thompson, La.	Wilson, Ind.
St. George	Thornberry	Winstead
Scott	Tollefson	Wright
Scudder	Velde	Yates
Seely-Brown	Vursell	Young
Sheehan	Wainwright	Zelenko
Sheppard	Watts	
Shuford	Westland	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hand and Mr. Halleck for, with Mr. Hoffman of Illinois against.

Mr. Hébert and Mr. Keogh for, with Mr. King of Pennsylvania against.

Until further notice:

Mr. Chatham with Mr. Allen of Illinois.

Mr. Barden with Mr. McGregor.

Mr. Cooley with Mr. Sheehan.

Mr. Shuford with Mr. Taylor.

Mr. Deane with Mr. Kearns.

Mr. Durham with Mr. Johnson of California.

Mr. Carlyle with Mr. Gwinn.

Mr. Riley with Mr. Fino.

Mr. Hays of Ohio with Mr. Derounian.

Mr. Passman with Mr. Cretella.

Mr. Thompson of Louisiana with Mr. Oliver P. Bolton.

Mr. Flynt with Mr. Dolliver.

Mr. Garmatz with Mr. Hoffman of Michigan.

Mr. Gregory with Mr. Holt.

Mr. Watts with Mr. Hyde.

Mr. Winstead with Mr. Bass of New Hampshire.

Mr. Byrd with Mrs. Francis P. Bolton.

Mrs. Knutson with Mr. Vursell.

Mrs. Griffiths with Mr. Westland.

Mr. Engle with Mr. Seeley-Brown.

Mr. Yates with Mr. Berry.

Mr. Machrowicz with Mr. McConnell.

Mr. Barrett with Mr. Miller of New York.

Mr. Granahan with Mr. Morano.

Mr. Green of Pennsylvania with Mr. Cole.

Mr. Byrne of Pennsylvania with Mr. Coudert.

Mr. Chudoff with Mr. Dorn of New York.

Mr. Clark with Mr. Frelinghuysen.

Mr. Dodd with Mr. Curtis of Missouri.

Mr. Doyle with Mr. Fulton.

Mr. Miller of California with Mr. Wilson of Indiana.

Mr. Morrison with Mr. Young.

Mr. Roberts with Mr. Scott.

Mr. Roosevelt with Mr. Riehlman.

Mr. Williams of New Jersey with Mr. Pillion.

Mr. Bowler with Mr. Osmers.

Mrs. Kelly of New York with Mr. Mumma.

Mr. Klein with Mr. Crumpacker.

Mr. Anfuso with Mr. Wilson of California.

Mr. Buckley with Mr. Wainwright.

Mr. Zelenko with Mrs. St. George.

Mr. Holtzman with Mr. O'Hara of Minnesota.

Mr. Healey with Mr. Nelson.

Mr. Delaney with Mr. Mason.

Mr. Dollinger with Mr. Bosch.

Mr. Donovan with Mr. Budge.

Mr. Powell with Mr. Corbett.

Mr. Davidson with Mr. Fjare.

Mr. Bell with Mr. Gamble.

Mr. Macdonald with Mr. Hope.

Mr. Philbin with Mr. Scudder.

Mr. Donohue with Mrs. Rogers of Massachusetts.

Mr. Mollohan with Mr. Phillips.

Mr. O'Neill with Mr. Gubser.

Mr. Sheppard with Mr. Brownson.

Mr. Sikes with Mr. Latham.

Mr. Wickersham with Mr. Broyhill.

Mr. Moulder with Mr. Mack of Washington.

Mr. Perkins with Mr. Merrow.
Mr. Patman with Mr. Velde.
Mr. Haley with Mr. Tollefson.
Mr. Fascell with Mr. Hiestand.

Mr. WITHROW changed his vote from "yea" to "nay."

Mr. HINSHAW changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 10875) entitled "An act to enact the Agricultural Act of 1956", disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. JOHNSTON of South Carolina, Mr. HOLLAND, Mr. EASTLAND, Mr. AIKEN, Mr. YOUNG, and Mr. THYE to be the conferees on the part of the Senate.

REREFERENCE OF EXECUTIVE COMMUNICATION NO. 1602

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that an executive communication, No. 1602, from the government of the District of Columbia be rereferred from the Committee on Interstate and Foreign Commerce to the Committee on the District of Columbia.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

DISPOSAL OF GOVERNMENT-OWNED TIN SMELTER AT TEXAS CITY, TEX.

Mr. SPENCE. Mr. Speaker, I move to suspend the rules and pass House Joint Resolution 607 to authorize the disposal of the Government-owned tin smelter at Texas City, Tex., and for other purposes.

The Clerk read the resolution, as follows:

Resolved, etc., That the Federal Facilities Corporation (hereinafter referred to as the "Corporation") is hereby authorized and directed, notwithstanding any other provisions of law, to take steps immediately to sell or lease, as soon as practicable and in accordance with the provisions of this act, the Government-owned tin smelter at Texas City, Tex. (hereinafter referred to as the "smelter"), and the waste acid plant and other assets of the Government's tin program (such plant and assets being hereinafter referred to collectively as "other assets"). The sale or lease of the smelter and other assets shall be in such manner and on such terms and conditions as the Corporation determines will best promote the interests of the United States.

SEC. 2. In carrying out the provisions of this act, the Corporation shall—

(1) advertise for, and receive, proposals for the purchase or lease of the smelter alone or with some or all of the other assets;

(2) process materials and repair, recondition, improve, and otherwise prepare the smelter and other assets for advantageous sale or lease;

(3) negotiate and enter into a contract of sale or lease which in the opinion of the Corporation is most advantageous to the United States;

(4) execute and deliver deeds and other instruments appropriate for the purpose of effecting the sale or lease of the smelter and other assets; and

(5) take such other actions and exercise such other powers as the Corporation determines to be necessary or appropriate to effectuate the purposes of this act.

SEC. 3. There is hereby created the Tin Advisory Committee (hereinafter referred to as the "Committee"), which shall consist of the following members: The Secretary of State, the Secretary of the Interior, the Secretary of the Treasury, the Director of the Office of Defense Mobilization, and the Administrator of General Services. Each may designate a representative to act in his stead as a member of the Committee. In carrying out the provisions of this act, the Corporation shall consult with the Committee. The Attorney General shall, upon request, give advice and assistance to the Corporation and the Committee.

SEC. 4. (a) The period for the receipt of proposals for the purchase or lease of the smelter and other assets shall be not less than 90 days and shall be fixed by the Corporation, giving due regard to the purposes of this act.

(b) Promptly after the termination of the period for the receipt of proposals as fixed under subsection (a), and for such period thereafter (not less than 30 days) as may be determined by the Corporation, the Corporation shall negotiate with those submitting proposals for the purpose of entering into a definitive commitment for sale or lease.

SEC. 5. (a) Section 2 of the joint resolution entitled "Joint resolution to strengthen the common defense and to meet industrial needs for tin by providing for the maintenance of a domestic tin-smelting industry," approved June 28, 1947, as amended (50 U. S. C., sec. 98 note), is amended by striking out "June 30, 1956" and inserting in lieu thereof "January 31, 1957."

(b) All tin acquired by the Corporation by reason of the extension under subsection (a) shall be transferred to the General Services Administration, which is authorized and directed to reimburse the Corporation therefor at its cost.

SEC. 6. If a contract of sale or lease is effected pursuant to the provisions of this act, then such joint resolution of June 28, 1947, shall terminate (notwithstanding any provision thereof) at the close of business on the date of the transfer of possession of the smelter, but the Corporation may take all action necessary or appropriate for the purpose of completing the disposal of supplies, byproducts, concentrates, and other remaining property. If no contract of sale or lease is effected pursuant to the provisions of this act prior to January 31, 1957, of the smelter and other assets or any part thereof, then the smelter or other assets or such part thereof as is not sold or leased shall promptly be reported as excess property for transfer and disposal in accordance with the provisions of the Federal Property and Administrative Services Act of 1949 (40 Stat. U. S. C. 471-492).

SEC. 7. Nothing in this act shall be construed as preventing the Corporation from performing or otherwise administering contracts or other legally binding obligations.

The SPEAKER pro tempore. Is a second demanded?

Mr. WOLCOTT. Mr. Speaker, I demand a second.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, under existing law authority for operation of the Government-owned tin smelter at Texas City, Tex., expires on June 30, 1956. This joint resolution extends its time of operation for 7 months to January 31, 1957. The purpose of the extension is to give the Government an opportunity to effect the sale of this property. I understand that the administration feels there is a good chance of making a desirable sale.

Mr. WOLCOTT. Mr. Speaker, I agree with what the gentleman from Kentucky has had to say about this measure, and it is a lot better to dispose of this plant in the manner set forth in the act.

Mr. Speaker, I have no further requests for time.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Texas [Mr. THOMPSON].

Mr. THOMPSON of Texas. Mr. Speaker, I am very much in favor of the passage of this bill which provides the only means I know of for disposing of the plant as a going concern.

Mr. Speaker, the measure under consideration, House Joint Resolution 607, marks the culmination of an effort of mine which has lasted close to 9 years. The Texas City tin smelter is naturally very close to my heart because it operates within my congressional district and in my home county. There has never been any question in my mind that the proper disposition of the smelter would be to take it out of Government hands entirely and sell it or make a long-time lease of it to private industry. The necessity for building up a stockpile of this highly strategic material has induced the Government to continue its operation up to the present.

There is one peculiarity in the operation of a tin plant which makes it essential that the plant be disposed of as a going concern. Once you pull the fires from the furnaces and stop the constant care of the acids which are used in the process, the plant falls to pieces very rapidly. Within a matter of weeks it could be sold only for junk and at a very great sacrifice. This is recognized by the Government and certainly by those in the Congress who have taken the trouble to inform themselves.

It is also agreed that the operation of a smelter in the Western Hemisphere is essential to our national defense and to the protection of American industry against the operations and price manipulations of foreign cartels. This is the only tin smelter in North or South America and it is the only one in the world which is equipped to handle the comparatively low grade ore which is mined in Bolivia.

The Texas City plant, therefore, should be kept in operation and in readiness for greatly expanded operation. If it can be done without cost to the Government, there is no question that it should be.

Here is the reason for the passage of House Joint Resolution 607: Up to now,

the plant cannot be sold by the branch of Government which is charged with its operation—the Federal Facilities Corporation. Under the law it can only be sold by the General Services Administration and then only after it ceases to operate and becomes surplus. When it becomes surplus, it becomes worthless except as junk.

House Joint Resolution 607 authorizes the Federal Facilities Corporation to sell it and gives the Corporation until January 31, 1957, to do so. The measure was unanimously recommended by the Committee on Banking and Currency. It was also recommended by the administration. The Federal Facilities Corporation believes it has at least one interested buyer. The plant represents an investment of some $13 million and if it is sold as a going concern the taxpayers who built it will realize far more for their investment than if it is sold for junk.

The Office of Defense Mobilization on January 29, 1956, sent to the President a well prepared report called "A Study on the Feasibility of Maintaining a Permanent Domestic Tin Smelting Industry in the United States." However, since this report may be referred to in future negotiations, I invite attention to some misconceptions which the report might create in the minds of uninformed readers. The main error to which I invite attention appears under the heading "Conclusions":

1. Neither the United States defense nor the national economy nor relations with other friendly countries requires the Government's continued participation in a domestic tin-smelting industry in the United States:

* * * * *

(b) Should a wartime demand arise for domestic smelting facilities as a result of unforeseen developments, an up-to-date and efficient smelter could be built quickly as in World War II. Ores and concentrates could be contracted for and held in readiness for the smelter, and stockpile metal could supply industry until the new flow of domestic production began.

The word "quickly" can mean lots of things but in a later paragraph the implication is that "quickly" means within a period of 6 months, for you will note that on page 5, in the first paragraph, the statement is made:

Plans were made for such a smelter to be located at Texas City, Tex. Negotiations for contracts and construction began in October, 1941; smelting operations began in April 1942.

The actual situation was that on January 8, 1941 a memorandum of understanding was signed by the RFC and immediately the essential steps for the selection of a site and the construction of the smelter commenced without, incidentally, waiting for a definitive contract. For defense reasons which would be even more compelling in a third world war, the selection of a site was an important matter and Tin Processing Corp. devoted its efforts first to determining what sites would be most advantageous from the point of view of raw materials, labor conditions, etc. As early as January 18, 1941, a determination was made to choose a site satisfactory to the defense organization in the general Houston-Galveston area. By March 7, the decision had been narrowed down to two sites in Texas City. Negotiations were begun in February with Ford, Bacon & Davis and a complete agreement for the design and construction of the smelter was executed on April 24, but even before this, Ford, Bacon & Davis had drilled test pits on the 50-acre tract at Texas City which was finally selected for building the smelter. Also, on May 24, Ford, Bacon & Davis set up a construction office and actual construction payrolls were begun. During all this period Ford, Bacon & Davis were preparing initial purchase orders for construction materials and Tin Processing Corp. was busy with contracts for such things as hydrochloric acid, natural gas and electric power for the plant. The first concrete was actually poured for the foundations of the ore storage building on July 11, 1941. From this you will see that the statement "Negotiations for contracts and construction began in October 1941" is very misleading. It is a fact that smelting operations began on the 5th of April 1942, which was considered a minor miracle at the time. It seems to me, therefore, that a fairer statement of the situation would be that a smelter could not be expected to be built in less than 15 months. It should also be remembered that in time of war, certainly in the period in which the smelter was built, various essential items require high priority approval and the smelter was no exception. Fortunately, top priorities were given for the materials needed or else the smelter could never have started operations when it did.

In considering the elimination of the smelter it should also be kept in mind that if the smelter is in actual operation before high priorities come into effect, materials under high priority can be put to good use elsewhere.

On page 6 of the study, the number of employees at the smelter is stated as "approximately 550 people." This figure is based upon the much reduced operation schedule and actually, as you know, the smelter when in full operation requires a force of approximately 900 people.

Both on page 2 and on page 9 the statement is made that should a demand for domestic smelting facilities arise, "an up-to-date and efficient smelter could be built quickly, as in World War II." This statement can well be taken to mean that the present smelter is neither up to date nor efficient. Actually, neither of these inferences is correct and if the smelter is closed and a new smelter should have to be built, the only type of smelter that could be built would have to be exactly the same as exists at Texas City without the benefits of day-to-day research and experience that exists while the smelter is in operation. Actually, the smelter at Texas City makes better use of available Bolivian ores and equal results with high-grade alluvial ores as any other world smelter and it has been producing high-grade tin from complex low tin content ores never treated commercially in any other smelter.

There are, of course, certain things that could be done at the smelter, such as the production of alloys, which have not been done because the Government did not wish to compete with private industry in the United States.

I am not suggesting that these comments would necessarily change the attitude of the administration that the United States Government should not continue to operate the tin smelter and I would, of course, much prefer that some basis be found for private operations of this facility. I merely point out that a decision should not be based on a misunderstanding of the actual facts of the case.

In view of the foregoing and of the desire of this Congress to get the Government out of business without undue and unnecessary loss to the taxpayers, I strongly urge the passage of House Joint Resolution 607.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I have long believed that, quite apart from the strategic value of tin, we should continue to import tin from Bolivia until such time as that country had been able to reshape its economy. As long as tin was the sole item produced there, there was little hope for improvement of the standards of living of its people.

Much progress has been made in Bolivia in that direction. I believe, however, that it still is dependent upon our Government, and I believe that so long as possible we ought to continue to purchase as much Bolivian tin ore as possible. That was one of the reasons why I always urged that the Texas City tin smelter should be kept in operation.

As appears from the House Banking and Currency Committee report on the bill now before us, it is no longer feasible that our Government continue to operate that plant.

Assurances have been given to us by our executive department that negotiations are presently underway which may result in a sale of the plant to private enterprise which will continue to operate it.

This bill, if enacted, will give the Executive Department the necessary authority to sell the plant as a going business, thus insuring its continued operation. Continued operation of the plant, I believe, is not only in the best interests of our national security, but also will keep employed about 600 people in Texas City who would otherwise be thrown out of work.

It should be noted that in the event sale is not consummated, the plant must nevertheless continue to be operated until January 31, 1957.

If by the end of the calendar year the plant has not been disposed of as a going business to a private industry, the new Congress can consider and act upon the proposal of further operation of the plant by the United States Government.

Mr. SPENCE. Mr. Speaker, I yield to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Speaker, I would just like to get this information, in view of the fact that no figures have been announced here. The first question has to

do with the cost of the operation, whether it is operating at a loss now that causes the need for a sale; and, if there is a sale, what did the plant cost the taxpayers of this country, and what is the prospect of getting any money back out of it?

Mr. THOMPSON of Texas. Mr. Speaker, if the gentleman will yield, the plant cost the taxpayers about $13 million. It should be understood that under Government operation it has been operating for the stockpile. If the plant closes down it falls apart very quickly. The operation of a tin smelter is such that if you draw the fires from the furnaces they cave in, and become junk in a short time. Therefore, in order to sell it to the best advantage possible, it is necessary to sell it as a going concern. The administration indicates that they do have a buyer, but that buyer would be a profitable buyer of the plant only if an opportunity comes to sell it to him while the plant is in operation.

Mr. WIER. I was wondering, if they did have a buyer, that they would get a reasonable price for it.

Mr. THOMPSON of Texas. They think that they would.

Mr. WIER. My only interest is this: This is not a giveaway.

Mr. THOMPSON of Texas. It is not a giveaway, provided we have the implementation of the measure that is now before us.

The SPEAKER pro tempore. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

MAKING FACILITIES OF FARMERS HOME ADMINISTRATION OF HELP TO ORCHARD OPERATORS

Mrs. Green of Oregon. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, today I have introduced H. R. 11331, a bill to correct what I believe was a condition never intended by Congress, a bill whose effect will be to make the facilities of the Farmers Home Administration truly of help to orchard operators and other farmers whose circumstances vary from the average. I would like briefly to explain this bill and its purposes.

The immediate occasion for this measure was provided by the disastrous freeze that struck a prosperous and important fruit growing area on the Columbia River this past winter, in the Milton-Freewater and Pendleton areas of Oregon and the Walla Walla section of Washington. This is an area that produces a third of our total prune supply as well as important amounts of cherries and apples. It represents a capital investment of $5 million and contributes yearly $2 million to $4 million to the economy of the area. It has for 50 years been a flourishing and vital industry for these people.

As a consequence of last winter's freeze, where in the course of a few days the temperature went from a high of 65 degrees to a low of 14 degrees below zero, these orchards were almost totally wiped out. The consequences of this disaster and the attempts these farmers have made to rehabilitate their business have brought sharply into focus the inadequacies of the present FHA program and the need for this legislation.

Beyond the immediate need presented by this problem, discussions with the Department of Agriculture in this case amply demonstrate the need for a broader and more flexible loan policy in the Farmers Home Administration. If orchard growers and other farmers whose problems do not fit the present policies of FHA are not to be discriminated against—if they are to have at least the same benefits as farmers in other more fortunate circumstances—this legislation is certainly a necessity.

The purpose of the bill is simple. Although the Farmers' Home Administration supposedly makes loans of the general type needed here, our experience in this situation has indicated that, in fact, FHA loan terms are of little or no help in the peculiar problems of orchard operators. This bill, therefore, spells out authority for the Secretary of Agriculture to make loans on terms that reflect realities of orchard growing. Specifically, it permits loans of a maximum of $25,000 each for up to 15 years at 2½ percent. Most important, it permits a schedule for repayment that allows payments to begin as late as 8 years after the loan is made. This is very important due to the fact that new orchards will only begin to come into production after about 7 years. Under present FHA policies which require repayment to begin generally within 2 years, it is simply not economically practical to make loans to orchard operators. If this very vital, local industry is to get back on its feet, the loan policy specified in this bill is absolutely necessary.

In addition, my bill permits the Secretary of Agriculture to pay up to 50 percent of the cost of clearing dead and blighted orchard land and planting new seedlings. The total cost of this rehabilitation for the 4,000 acres involved is estimated at about $600,000. It is now about 20 percent done. If it is to be completed by next year, help is badly needed. The cost of the Agriculture Department's assistance is estimated at not over $250,000 to $300,000. Even if this help is given, it will be 7 or 8 years before these orchards are back in production, 15 years before they are fully recovered. This provision does no more than extend to the orchard farmers the kind of help now given to drought and flood-stricken areas. These people are doing everything they humanly can to get themselves back on their feet. It seems to me this is as little as we can do for them to give this modest support and encouragement to a vital sector of private enterprise and to restore an industry of very great importance to the thousands of people who depend on it.

Action on this bill has already begun in the Senate. I hope it will be possible to give it early consideration in the House. If we do not act promptly it will be impossible to get seedlings planted even by the end of next year. It is going to take a long time and a lot of hard work and sacrifice for these people to make up their losses. Let us give them what little help we can.

EXTENSION OF EXPORT CONTROL ACT OF 1949

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 504 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9052) to amend the Export Control Act of 1949 to continue for an additional period of 3 years the authority provided thereunder for the regulation of exports. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of such consideration the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Oregon [Mr. ELLSWORTH] and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 504 provides for an open rule and 1 hour of general debate.

H. R. 9052 as originally introduced would extend the Export Control Act of 1949 for a period of 3 years. The committee amendment to the bill provides that the act be extended for 2 years to June 30, 1958, to insure a review of the administration of the act by the next Congress.

The bill provides that the authority to regulate exports would be continued. The purpose is threefold—first, to provide so-called security controls on strategic materials such as aluminum, aviation gas, electronic equipment, and some types of machine-tool equipment to safeguard the national security insofar as it might be affected by the export of these materials. Second, to prevent these materials from going unchecked to the European Soviet bloc, Communist China, and North Korea; and third, to protect our domestic economy by the regulation of the export of commodities in short supply such as aluminum and aluminum scrap, copper and copper scrap, iron and steel scrap, and nickel and nickel scrap.

The committee report complies with the Ramseyer rule, and I urge the adoption of House Resolution 504.

Mr. Speaker, I reserve the balance of my time.

Mr. ELLSWORTH. Mr. Speaker, there appears to be no opposition on this side of the aisle to the adoption of this

rule. I have no requests for time. I yield back the balance of my time.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9052) to amend the Export Control Act of 1949 to continue for an additional period of 3 years the authority provided thereunder for the regulation of exports.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9052, with Mr. MACK of Illinois in the chair.

The clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I think the Members of the House are familiar with the purposes of the Export Control Act. It was passed in 1949. It was passed under a Democratic administration and it has been extended and approved by a Republican administration. The purpose of H. R. 9052 is to control the exportation of products that are essential to our national security or that are in short supply.

High on the list of essential materials for which export controls are needed are iron and steel scrap. Iron and steel scrap are essential for the semi-integrated and nonintegrated producers of steel and iron in this country. The exportation of steel scrap has increased very greatly. While there is no amendment in the bill specifically limiting the exportation of iron and steel scrap, the committee has in the report expressed its desire that such exportation would not be sufficient to reduce domestic production or materially affect the economy of the producers.

I hope the bill will be passed as it is essential for our national safety and economy.

Mr. WOLCOTT. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MCDONOUGH].

Mr. MCDONOUGH. Mr. Chairman, I agree with what the chairman of the committee has just said concerning the necessity for a very careful control, especially of scrap iron. The committee has attempted in the report, without putting it in the bill, to express the intent of Congress and provide the Secretary of Commerce with every precaution and with every authority to control an unusual amount of export of scrap iron. The testimony before the committee indicated an excessive amount of export of scrap iron hurts small business more than it does the large producers of steel, because in many of the large plants they have a byproduct of their own manufacture while the small foundry has to operate on scrap iron picked up from wherever they can find it. The advantage and the temptation for exporting scrap iron is rather pressing for the reason that there is a ready market for it and it commands a high price. I was inclined to believe that the bill should provide a limitation on the tonnage of scrap iron that could be shipped out of the United States each year for the 2 years that the control will be on. But the committee has felt that the precautions that we provide in the bill are sufficient for the Secretary of Commerce to operate. I think if the members of the committee will read the committee report and read these precautions that they will find they are sufficient. I want to make this statement for the reason, I believe, that the intention of Congress should be very definitely expressed, that we do not favor excessive exports of scrap iron during the 2-year period. And we are so notifying industry.

Mr. DIES. Mr. Chairman, will the gentleman yield?

Mr. MCDONOUGH. I yield.

Mr. DIES. There seems to be some fear on the part of exporters of scrap iron that this is an attempt to put them out of business. There is nothing in the bill to that effect, of course. This just continues the act.

Mr. MCDOUOUGH. That is right.

Mr. DIES. Is there any ground for that fear?

Mr. MCDONOUGH. No; there are no grounds for that fear at all. As a matter of fact, we found in the testimony before the committee that the increase in scrap-iron tonnage exported had advanced from 233,000 tons to 1.6 million tons from 1943 to 1946, and to 5 million tons in 1955. Now, the question is whether 5 million tons a year of scrap iron going out of the United States is detrimental to us. Certainly, it is not detrimental to the people who are shipping it because they are getting a premium price per ton for each ton that they ship out of the United States.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. MCDONOUGH. I yield.

Mr. WIER. I would like to get this clear. Listening to the chairman of the committee and now listening to you, while you say there is nothing in the bill itself, and I can find nothing in the very short bill which prohibits the shipping for export of scrap and iron, nevertheless, you stand there and say that you believe you have given the Secretary of Commerce the necessary, let us say, weapons with which to deal with this.

Mr. MCDONOUGH. We have said so in the report. We have provided the export control. I will read that section. It is in the report.

Mr. WIER. I have just read it. I do not see it, but I am a little skeptical the way you say, "We have in the report made our position clear to the Secretary of Commerce so that he may act."

Mr. MCDONOUGH. That is right. That is the way I interpret the committee report.

Mr. WIER. I do not want to go along with any understanding in the report that leaves to the Secretary of Commerce the right——

Mr. MCDONOUGH. In other words, you believe the bill should be amended?

Mr. WIER. At this moment I am opposed to any provision for the export of scrap iron, because the situation in the United States does not justify it.

Mr. MCDONOUGH. We think it justifies it if more than 5 million tons a year are shipped out.

Mr. MULTER. Will the gentleman yield?

Mr. MCDONOUGH. I yield.

Mr. MULTER. I think the answer should be that the law as we are extending it gives the Secretary of Commerce the right to embargo the export of steel scrap if the security of this Nation requires it.

Mr. MCDONOUGH. That is exactly what I intended to say, and the report states that.

Mr. DIES. Will the gentleman yield?

Mr. MCDONOUGH. I yield.

Mr. DIES. This bill gives him no more power than he already possesses?

Mr. MCDONOUGH. It gives him no more power than he already possesses, but he does have authority to embargo, in the Export Control Act.

The CHAIRMAN. The time of the gentleman from California [Mr. MCDONOUGH] has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, I rise to strongly support H. R. 9052. This measure as reported by the Committee on Banking and Currency would extend the Export Control Act of 1949 for a period of 2 years beyond its present termination date, June 30, 1956. This act, which is administered by the Secretary of Commerce, authorizes the regulation of exports to the extent necessary, first, to protect the domestic economy from excessive drain of scarce commodities; second, to safeguard the national security insofar as it might be adversely affected by exports of strategic commodities; and third, to further our foreign policy.

Controls under the Export Control Act are basically of two types—security export controls and short supply export controls. Security export controls are imposed on such strategic goods as electronics equipment, aviation gasoline, aluminum, and advanced types of machine tools. Short supply export controls are used only on those goods where foreign demand may impose an excessive drain or an inflationary impact upon scarce domestic supplies. They may also be imposed as a device for sharing our scarce supplies among friendly nations on an equitable basis or to meet only the more essential types of foreign demand.

The need to control exports in the interest of national security will probably continue for the foreseeable future. There is no evidence that the underlying pattern of Soviet hostility has changed. It is clear that we must continue to take special precautions to see that United States goods of strategic significance do not go unchecked to the troubled spots of the world. In particular, we want to deny strategic goods to the European Soviet bloc and to implement the United

States policy to embargo all goods to Communist China and North Korea.

At the present time only eight commodity groups are subject to short-supply controls. This compares with approximately 200 at the height of the shortage period during the Korean emergency.

The commodity groups now subject to short-supply controls to the free world, as well as to security controls to the Soviet bloc, are aluminum and aluminum scrap, copper and copper scrap, industrial diamonds, hog bristles, iron and steel scrap, nickel and nickel scrap, and Salk vaccine. The degree of control over these commodities varies. Nickel metal and refined copper of United States origin are under a so-called closed quota which amounts to a practical embargo. Iron and steel scrap and aluminum metal, on the other hand, are under so-called open-end control under which licenses are issued fairly freely unless it appears that undue amounts are being exported. The other items are subject either to specific quantitative quotas or special licensing restrictions.

Mr. Chairman, I shall not indulge further upon the time of this Committee but in closing I strongly urge your favorable vote on H. R. 9052.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. McVEY].

Mr. McVEY. Mr. Chairman, it does not take much time to explain the purpose and intent of this bill. That service has been well performed by the chairman of the committee and others who have spoken on this subject already.

I want to register myself in favor of the measure because I think it is essential to our security and the protection of a stable economy.

Mr. Chairman, we have before us today H. R. 9052, which provides for an extension of the Export Control Act of 1949. The bill as originally written provided for an extension of this act for 3 years, but it has been amended in the committee to provide for a 2-year extension only. This act is administered by the Secretary of Commerce. It authorizes the regulation of exports to whatever extent is necessary, first, to protect the domestic economy from excessive drain of scarce commodities; second, to safeguard the national security insofar as it might be affected by the exports of strategic commodities; and third, to further our foreign policy.

There are two types of controls under this act. One is security export controls, and the other short supply export controls. Security export controls apply mostly to the shipment of strategic material. Short supply controls are used on goods for which a foreign demand may impose an excessive drain upon scarce domestic supplies.

A difficult problem is presented with regard to indirect shipments to Russia by way of free countries. Some safeguard is provided by reason of the fact that the United States Customs Service through trade intelligence and other sources abroad obtains informations and acts upon alleged attempts to move United States goods through indirect channels to Russia. Applications for shipment of strategic materials to free countries are not approved if there is reason to believe that the goods may be diverted to the Soviet bloc.

There are eight commodity groups subject to short-supply controls. They are aluminum and aluminum scrap, copper and copper scrap, industrial diamonds, hog bristles, iron and steel scrap, nickel and nickel scrap, Salk vaccine, and selenium. A shortage of iron and steel scrap is high on the list of essential materials for which export controls appear to be necessary. The smallest producers are hit hardest in case of a shortage of scrap. Large steel mills with blast furnaces for producing pig iron are not as dependent on scrap as are the small steel mills.

It is to meet contingencies like that produced by the shortage of scrap and other materials over which security restrictions must be placed that it seems necessary for the extension of H. R. 9052 for another 2 years. The committee shares the grave concern for the security of the country and other needs for export control, and feels that the extension of this legislation is just about a must on the part of the American Congress. It is a pleasure to support this measure.

Mr. SPENCE. Mr. Chairman, I yield 8 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I am not opposing this bill. As you have been told, the bill comes from the committee unanimously. I will offer an amendment later, but at this time I want to call the attention of the House to some very important facts with reference to this Export Control Act and the way it has not been administered by the Secretary of Commerce.

In December 1955 the House Small Business Committee received many complaints about the handling of metal scrap, particularly iron and steel scrap; whereupon a letter was addressed to the Secretary of Commerce, who has charge of the operation of this act. That brought forth from the Secretary of Commerce a letter dated December 27, 1955, some 3 weeks after the letter from the Small Business Committee of this House.

In that letter, a copy of which I hold in my hand, the Secretary of Commerce advised us that 2 weeks before he wrote the letter, 1 week after the inquiry, he had ordered a full and complete survey of the matter insofar as the export of iron and steel scrap was concerned, and insofar as the accumulation of scrap and availability of scrap in this country was concerned.

We had a right to expect that something would come of it, particularly since in that letter the Secretary of Commerce said, and I quote:

> The steel scrap export situation has been under close surveillance and virtually continuous review for more than a year and a half.

Then he tells us he has ordered a complete survey.

When his Assistant Secretary of Commerce, Mr. McClellan, appeared before our committee, when we were considering this matter, he told us that for more than a year and a half his department had been worrying—worrying for a year and a half—about this steel scrap situation, and they had reviewed it.

We knew the price of scrap had gone up by 50 percent. We were exporting 5 million tons as against 1 million tons the previous year, and our national security required that somebody in the executive department do a little worrying about this very serious situation.

When the gentleman was before our committee in February and again in March he told us on behalf of the Department of Commerce that the survey had not been made because they did not have any money with which to make the survey.

I asked: "When do you think the survey will be made?"

He said he hoped shortly. And I asked: "Will you ask for an appropriation for that purpose?" And he said, "He hoped so."

I understand from the Appropriations Committee that there has been no request made to that committee for an appropriation for a survey. But all through his testimony, the Department of Commerce representative insisted that there was an adequate supply of iron and steel scrap in this country, more than enough to warrant the continued export of steel scrap, and that there was an adequate supply in this country for our domestic operations.

That is fine. We have a right to rely on what that Department tells us. In January of this year the distinguished Committee on Ways and Means of the House had before it another bill also dealing with steel scrap, it was one to continue to exempt from import duties and taxes the importation into this country of iron and steel scrap. There can be no excuse for that kind of bill to be enacted unless there is a shortage of iron and steel scrap in this country.

I do not blame the Department for putting off answering that inquiry from the Ways and Means Committee until April, because they told the House Small Business Committee they were going to review that subject; and they told the Banking and Currency Committee that the matter had been worrying them and should be reviewed. We had a right to assume the delay in answering was caused by their desire to complete their review.

I was very much surprised to learn after the Ways and Means Committee unanimously reported their bill to extend the exemption of the taxes on the importation of iron and steel scrap, that under date of April 17, Secretary Weeks, of the Department of Commerce, wrote to our distinguished colleague, the very able chairman of the House Ways and Means Committee, the gentleman from Tennessee [Mr. COOPER], and said as follows:

> If this bill is enacted it will continue the suspension of import duties and taxes on ferrous and most types of nonferrous metals until the close of June 30, 1957.
>
> The Department of Commerce favors the enactment of H. R. 8636 because the types of metal scrap, e. g., iron and steel, etc., covered by the bill are in short supply.

I repeat, he said they are "in short supply." He therefore recommends the

enactment of the bill. Two days later we go across the hill to the Senate Committee on Banking and Currency considering the very bill we are considering today to extend the Export Control Act and the representative of the same Department of Commerce on April 19 tells that committee:

We do not have sufficient information upon which to base a judgment so as to answer your inquiry as to whether there is a shortage or there is not a shortage.

I think that is a terrifying way for any executive department to handle anything so important as this. It is bad enough that it actually affects the domestic economy, but when it goes further and affects the national security—I do not have to remind you what happened to scrap in years gone by—it is a horrible example of how not to act. The Department of Commerce tells us they have been worrying about this for a year and a half, they are going to review it, they need money to review it, but have not asked for the money; it is in short supply; then they tell another committee it is not in short supply and finally state to still another committee that they do not have enough information upon which to base a sound judgment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Iowa?

Mr. GROSS. Does the gentleman have any idea how much this increase in export of steel has contributed to the continual rise of steel prices in this country?

Mr. MULTER. It has not contributed at all for this reason, and this is borne out by the facts in the record: The price of steel, the finished product, has continually gone up all through the years while the price of scrap has fluctuated as much as from 50 percent down to 50 percent up. It has gone from $20 to $54. All during the time, when it was going up and down, the price of steel has gone up and not once did it drop as the price of scrap dropped. The following table of prices was furnished by the Department of Commerce:

Price of steel scrap, pig iron, and finished steel, selected periods

	Composite price of No. 1 heavy melting steel scrap,[1] per gross ton	Composite price of pig iron,[2] per gross ton	Composite price of finished steel,[3] per net ton
1947—June	$32.79	$33.15	$57.68
1948—June	40.66	40.51	64.22
1949—June	20.78	45.91	74.10
1950—June	39.29	48.38	76.74
1951—June	43.00	52.69	82.62
1952—June	41.37	52.77	82.62
1953—June	40.97	55.32	90.34
1954—January	28.67	56.59	92.68
April	25.38	56.59	92.68
July	26.87	56.59	95.78
October	32.83	56.59	95.96
1955—January	34.63	56.59	95.94
February	36.17	56.59	95.94
March	37.27	56.59	95.94
April	36.50	56.59	95.94

[1] Average of No. 1 heavy melting steel scrap delivered to consumers at Pittsburgh, Philadelphia, and Chicago.
[2] Based on averages for basic iron at Valley furnaces and foundry iron at Chicago, Philadelphia, Buffalo, Valley, and Birmingham.
[3] Weighted index based on steel bars, shapes, plates, wire, rails, black pipe, hot and cold rolled sheets, and strip.

Price of steel scrap, pig iron, and finished steel, selected periods—Continued

	Composite price of No. 1 heavy melting steel scrap, per gross ton	Composite price of pig iron, per gross ton	Composite price of finished steel, per net ton
1955—May	$34.40	$56.59	$95.94
June	34.96	56.59	95.94
July	39.50	58.46	101.62
August	43.76	59.09	103.48
September	44.25	59.09	103.48
October	44.75	59.09	103.48
November	45.47	59.09	103.48
December	51.71	59.09	103.48
1956—(week):			
Jan. 4	53.33	59.09	103.48
10	53.67	59.09	103.48
17	53.17	59.09	103.48
24	50.83	59.09	103.48
31	50.83	59.09	103.48
Feb. 7	49.50	59.09	103.48
14	49.00	59.09	103.48
21	48.67	59.09	103.48
28	47.83	59.09	103.48

Source: The Iron Age.

IRON AND STEEL SCRAP SITUATION

Scrap iron and steel are on the positive list and an export license is required for shipment to all destinations except Canada. Criteria under which licenses have been issued have varied from time to time with the changing supply situation.

CONSUMPTION

	Short tons
Total consumption of both purchased and home scrap in 1955 including exports	81,373,000
Total purchased scrap (open market supplies, including export)	40,741,245
Export shipments to all destinations in 1955	4,955,245

Exports were 6.09 percent of total scrap consumption and 12.16 percent of purchased scrap consumption.

CONSUMERS' INVENTORIES

Inventories held by integrated mills, nonintegrated mills, and cast-iron foundries (all types of consumers):

	Short tons
Dec. 31, 1954	7,349,000
Dec. 31, 1955	7,209,000

Shrinkage in total inventory by all consumers during the year 1955 was less than 2 percent.

DEALER'S INVENTORIES

There are no authentic figures on the tonnage of inventories in scrap dealers' yards. However, a recent spot-check survey conducted by the Department in the major industrial areas throughout the country indicated that stocks were generally adequate and demand normal.

IRON AND STEEL SCRAP PRICE

During 1955 the maximum changes in the composite price of No. 1 heavy melting steel scrap, as published by Iron Age, the most authoritative price index used by the industry, was from a low of $34.40 in May to $53 in December. This represented a maximum spread of 54 percent. However, during 1956 the price of scrap has steadily declined. It was $47.83 on February 28, 1956. The volatile nature of the scrap market in recent years is disclosed in the attached exhibit B.

COMPARATIVE PRICES

Although scrap prices have increased during recent years the rate of increase has been less than for other raw materials going into the production of steel or for semifinished or finished steel:

Bureau of Labor Statistics price index for December 1955 (based on 1947–49 as 100)

Iron and steel scrap	126.4
Pig iron	141.3
Iron ore	161.0
Semifinished steel	170.3
Finished steel	154.8

FOREIGN DEMAND

The major portion of these exports go to the coal and steel community in Europe, the United Kingdom, Japan, Mexico, and Canada. These friendly countries rely to some extent on the United States as a source of supply and their steel production as well as their domestic economy would be adversely affected by any drastic curtailment of our exports to them.

Several months ago the United States Government advised the Western European governments, the United Kingdom, and Japan (the areas to which major shipments were made during 1955) that their steel industries should not continue to look to this country for unlimited supplies of scrap. In response the scrap-consuming countries have indicated that they expect their requirements on the United States for the year 1956 to be less than actual shipments in 1955.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. GROSS. Does the gentleman recognize scrap metal as a strategic material?

Mr. MULTER. Yes, sir; very definitely.

Mr. GROSS. Is there any connection between this legislation and the Battle Act? Is there any direct connection?

Mr. MULTER. I cannot answer the question. What is the Battle Act?

Mr. GROSS. The Battle Act provides for control over the shipments of strategic material to Iron Curtain countries. It provides that the President within his discretion can shut off the shipment of strategic materials to Iron Curtain countries. Thus far the President has not seen fit under any circumstances, as far as I know, to shut off the flow of strategic materials to any country.

Mr. MULTER. We have been assured—and I hope this assurance can be relied on to a greater extent than this other information coming from the same Department—by the Department of Commerce that their intelligence is that very little of the end use products of steel go behind the Iron Curtain, either as steel or as finished product that comes from the steel into which the steel scrap goes. I hope they are more correct in that statement than in the rest of the information they have given us.

Mr. GROSS. I hope so, too.

Mr. MULTER. Our committee put into the report a directive to the Department of Commerce to immediately make this survey they have been talking about and which they have not made up to date. When we get to considering this bill under the 5-minute rule, I will offer an amendment directing the Department of Commerce to make this survey. We do not know where we are, we do not know whether we need this scrap or do not need the scrap. We do not

know whether we can continue to export 5 million tons a year or not. Our information seems to be that in the next year we will export more scrap. If we need it here, the provisions of the law permit the Secretary of Commerce to put an embargo on it. I am not taking the position we should embargo the export of this material today. Our committee does not know the answer to that problem. But we should get it and get it at once.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I am directing my remarks to the paragraph on page 5 of the report entitled "Prosecution of Criminal Offenses." It deserves the thoughtful reading of my colleagues. Therein the members of the Banking and Currency Committee express their great concern over the apparent collapse in criminal prosecutions.

The committee was told that since 1953 some 27 criminal prosecutions had been disposed of, but on further inquiry it was learned that "disposed of" was a term used to cover a history of futility. The number of convictions was almost negligible. I can imagine few more serious offenses than that of illegally shipping strategic materials behind the Iron Curtain. Certainly that offense is as serious as that of counterfeiting. Yet while the counterfeiter is run down and vigorously prosecuted, he is seldom if ever permitted to plead guilty and get off with a small fine or a reprimand, violators of the Export Control Act seem to have been permitted almost to write their own tickets. You will find on pages 66 and 67 of the public hearings on H. R. 9052 the complete record of all criminal cases disposed of that were pending on April 1, 1953, and that were commenced between April 1, 1953, and December 31, 1955.

It is not a very imposing record. A typical case was that of an offender seeking to get truck tires into Rumania by falsely stating that they were consigned to Italy. The corporation pleaded guilty and was fined $1,000. The charges against the individual were dismissed on his motion.

I call attention to another case of unauthorized transshipment to Hong Kong via Lisbon. This case was reported as "disposed of" and naturally I desired to ascertain the manner of its disposal. This information was furnished later in a letter to Chairman SPENCE from the Assistant Secretary of Commerce, which will be found on page 67 of the hearings. The explanation given is that the case was referred to the Justice Department for prosecution, that Justice referred it to the United States attorney in San Francisco, that the United States attorney presented it to a grand jury and that the grand jury refused to indict. I do not know what the facts were, or how strong or weak the evidence may have been in this and the other cases reported as disposed of. Not knowing the facts, it would be unfair to attempt to form any conclusion. I am merely calling attention to the result.

It is claimed that this is a field in which for various reasons criminal prosecutions are very difficult. Nevertheless the difficulties in criminal prosecution have never stood in the way of Federal prosecutors in proceeding vigorously and successfully against violators of other Federal laws. In the old prohibition days there were plenty of difficulties stemming from the fact that principals had in their employ many small fry who when they were caught took the rap and left the principals undetected. That was when the Federal prosecutors used so effectively the blanket indictment for conspiracy. There should be some effective way of bringing to justice exporters who conspire to ship to the potential enemy behind the Iron Curtain.

The Banking and Currency Committee did not attempt to place the blame for a very apparent laxness in criminal prosecutions. Assistant Secretary of Commerce McClellan did agree with the committee that the criminal prosecutions should be stepped up. I trust that that will be done. That my colleagues may be better informed on this phase I suggest their reading of pages 53–58, 65–69, and 168–170 of the hearings.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Iowa.

Mr. GROSS. Well, what does the gentleman expect when, under the Battle Act, the President refuses to discontinue foreign aid to a nation that ships strategic materials to the Iron Curtain countries? That is a much milder form of penalty than the gentleman is speaking of. You can, but I do not think they are going to, prosecute people under criminal procedures when you do not even apply the sanctions provided under the Battle Act to stop foreign governments who admittedly have been shipping strategic materials back of the Iron Curtain.

Mr. O'HARA of Illinois. I think the gentleman from Iowa is seeking to carry the gentleman from Illinois into an alien land. The gentleman from Iowa, as I understand, is criticizing a Republican President, and the gentleman from Illinois, being a Democrat, should not be drawn into a family spat.

Mr. GROSS. I will criticize any administration that fails to enforce any of the laws of this country.

Mr. O'HARA of Illinois. I am glad to know my friend from Iowa agrees with me in my contention that there should be a vigorous prosecution of the violators of the Export Control Act.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Chairman, the proposal to extend the Export Control Act comes at a time when the shortage of a strategic material is presumably being ignored by those charged with the administration of the act. Lack of knowledge on the part of responsible officials as to the importance of steel scrap is one theory that has been advanced as the reason for the present serious condition in the steel industry. A more logical explanation is that the Department of Commerce, wherein administration of the act has been placed, is being subjected to undue pressure from the State Department. Regardless, it is incumbent upon Congress to make it clear that an adjustment be effected as soon as possible.

Last week the distinguished gentleman from Ohio [Mr. VANIK] inserted into the RECORD a letter signed jointly by Adm. Ben Moreell, chairman of the Jones & Laughlin Steel Corp., and Mr. E. T. Weir, chairman of National Steel Corp. The letter, which I presume went to all Members of Congress, called attention to the fact that supplies of scrap are being exported without regard to requirements in this country.

Admiral Moreell, whose distinguished military record is well known to all of us, also made outstanding contributions to this country as a member of a Hoover Commission task force. Mr. Weir is a student of world affairs and has, in fact, made first-hand investigations of economic conditions in other parts of the world in the post-war period. I therefore believe that their joint statement merits especial scrutiny and consideration.

As representative of an area where the steel industry comprises a substantial part of our economy, I am particularly interested in all matters affecting this industry. Actually, steel is so vital to the national welfare and security that no Member of Congress—regardless of the area he represents—would permit the continuance of a Government policy detrimental to this great industry. I remind you that scrap is as important as coal and iron ore in the steel-making process and thus is a vital component of a prosperous economy and a strong defense structure.

I cannot forget the days when our steel plants were idle and thousands of our workers were without employment. I do not want the jobs of these citizens to be jeopardized because of a shortsighted program attributable to the Federal Government.

The House Committee on Banking and Currency issued a report, following hearings on the proposed extension of the Export Control Act, in which it was explained that a reduction of exports of scrap is necessary in order that America will be reasonably certain of an adequate supply for domestic needs. Congress is extending the act because we think that it is important to protect our strategic materials. The Department of Commerce has used this authority to restrict exportation of such items as nickel, copper, and tungsten. It should not be permitted to accede to the pressure of the

State Department, which apparently is willing to torture the steel industry through excessive exports of needed material just as it has created havoc in the coal and glass industries through excessive imports of competing products.

There is no evidence that the State Department in its invasion into the field of foreign commerce takes into consideration the economic welfare of the United States. If a group of performers in one of the many international sideshows which the State Department has assisted in setting up were to suggest that this Nation begin exporting a valuable resource to Saturn on the chance that it might tend to promote planetary camaraderie, you can be certain that it would not be long until our so-called diplomats converged upon Congress with a request for funds to get the project underway. Because of this atttiude—characterized by ethereal planning, obsessed with the idea of subordinating national authority to that of world associations, and completely devoid of sympathy for United States industry and labor—the State Department should not be permitted to exercise controlling influence on either import or export policies.

Unless the exportation of scrap required for use in our own country is terminated, it may be necessary for Congress to take further action. Meanwhile I trust that the Department of Commerce will take notice of the report drawn up by the Banking and Currency Committee, then act without delay to correct the prevailing policies regarding exportation of steel scrap.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VANIK].

Mr. VANIK. Mr. Chairman, I intended to introduce an amendment to limit the exportation of iron and steel scrap to 2½ million tons per year. I will withhold this amendment pending the course of future decisions of the Department of Commerce. In its present form H. R. 9052 gives the power to the Secretary of Commerce to regulate exports including iron and steel scrap to the extent necessary, first, to protect the domestic economy from excessive drain of scarce commodities; second, safeguard the national security insofar as it might be adversely affected by exports of strategic commodities; and, third, to further our foreign policy.

I am in hearty accord with the purposes of this legislation. Our foreign policy requires that we provide some supplies of scrap to our friends in foreign lands, but we must provide adequate safeguards to protect the domestic economy from an excessive drain of its strategic supply of steel and iron scrap in the interest of national security.

In 1954 we exported a total of 1,264,395 tons of iron and steel scrap, while in 1955 the export of iron and steel scrap rose to almost 5 million tons, or an increase of almost 300 percent. These figures exclude exports to Canada. Our attention should be directed to the skyrocketing exports of iron and steel scrap during the year 1955 and continuing well on into 1956. This alarming increase in export of our iron and steel scrap abroad commands the attention of every Member of Congress. The tremendous increase in exportation of scrap is profitable indeed to the scrap iron and scrap steel industry which enjoy most favorable conditions in exporting precious American scrap abroad. The high exportation of scrap is defended by the industry on the basis that so long as the machinery for scrap collection is mobilized, the scrap supply will be adequate for any emergency. It is also contended by the scrap industry that security regulations and license requirements prohibit export unless on approval by the Department of Commerce except on exportation to Canada. The fact of the matter is that the shortage of scrap in America has forced vast segments of American industry to pay the highest prices in history for scrap which is required in the production of steel in the gray iron foundry industry and in the making of iron and steel castings. The defense efforts of the United States require the extensive use of scrap for gray iron castings which are used extensively in the manufacture of combat vessels such as trucks, landing tanks, and marine vessels; 90 percent of the weight of all machine tools are in the form of gray iron castings which cannot be built without extensive use of steel and iron scrap.

At the present time most of our iron and steel scrap is exported to the coal and steel community in Europe, the United Kingdom, Japan, Mexico, and Canada. It is true that these friendly countries rely to some extent on the United States as a source of supply, but if 2½ million tons of scrap was sufficient for them in 1954, why should more than 2½ million tons be required for 1956 or 1957? These countries should be forced in some measure to use pig iron as an alternative just as many great industries in America are required to use pig iron.

The exportation of scrap has risen so radically that it will undoubtedly have an effect on rising prices for finished steel products, and the American consumer will be charged with this added burden in the cost of finished products.

Although exportation can only be made by permit issued by the Department of Commerce and it is presumed that export permits will only be given to those countries with which America is on friendly terms, how long can America count upon the government of a friendly nation today remaining in a state of friendship after huge supplies of American scrap have been accumulated? There is no assurance that scrap sold to the United Kingdom, Italy, or France, or any other country might not eventually find its way to the weapon-making plants behind the Iron Curtain. Indeed, the reserve supplies of iron and steel scrap in America are strategic, as fully strategic as any other precious metal we possess. Scrap iron and steel can be readily and quickly converted into items essential to the national defense of our country.

The positions taken by Mr. Ben Moreell, chairman of the Jones & Laughlin Steel Corp., and Mr. E. T. Weir, chairman of the National Steel Corp., on this issue are very sound. I quote from their letter of May 15, 1956:

> The continued export of large quantities of scrap is both absurd and dangerous. This statement can be demonstrated by simple arithmetic. In 1956 it will be necessary to import about 25 million tons of iron ore. In 1955 approximately 5 million tons of scrap, equivalent to 9 million tons of iron ore, were exported. The effect was to cancel out more than one-third of the protection which the steel companies are seeking to give to the deficient raw materials position of the United States.
>
> * * * It certainly seems pointless for steel companies to bring iron ore from foreign sources that have explored, acquired, and developed at enormous expense when incoming ore boats are being passed by shiploads of scrap on the way out—and with each ton of outgoing scrap neutralizing about 2 tons of incoming iron ore.
>
> * * * The control of excessive exports of any strategic material is provided for by the Export Control Act now in force. Where stockpiles of such materials, sufficient to protect the defense needs of the United States are available, an argument could be made for removing control from exports.
>
> In the case of iron and steel scrap, there is no such stockpile. In fact, no one knows at present how much scrap can be obtained from our so-called hidden reserves. But there is every indication that those reserves are being rapidly depleted and, should an emergency arise, the steel industry could discharge its obligations to the country only with great difficulty, if at all.

The present 90-day supply of iron and steel scrap could prove to be fatally inadequate and deficient to the national defense of the United States of America. In the event of a threat to the national security, production of civilian steel and iron products becomes curtailed and scrap supplies run out.

I regret that this legislation does not restrict the exportation of high quality iron and steel scrap. Since shipping costs are the same for high quality or low quality scrap, it is only natural that the high-quality scrap should find its way into export. It is the high-quality scrap which is strategic to America's security. It is my hope that the administration will use the power provided in this legislation to aggressively restrain the exportation of high-quality steel and iron scrap and reduce the export authorizations of other grades below the 5-million-ton peak of 1955 in the interest of domestic economy and the national defense.

I want to take this opportunity to call the attention of the Members of Congress to an article which appeared in the April issue of a trade magazine entitled "Foundry," in which Editor Frank G. Steinebach sets forth a guide for Congress:

> A GUIDE FOR CONGRESS
>
> Since scrap is the principal source of metallics for ferrous foundries, anything affecting the supply has a direct bearing on the ability of foundries to meet demands for castings, for a nation either at peace or at war. For some months foundrymen in various sections of the country have been

greatly concerned over the unlimited exportation of iron and steel scrap, as permitted by the Department of Commerce. This movement of scrap from the country has resulted in shortages in some areas, a diminishing supply of quality scrap and inflationary tendencies in prices.

As a result, foundrymen and representatives of other industries using scrap have been telling the Congress about the problem. And because the members of Congress generally are sensitive to word from back home, it was quite natural for the House Banking and Currency Committee to hold a hearing on scrap exports when considering a bill to extend the present authority of the Department of Commerce to regulate exports.

On March 6, at the invitation of the committee, F. Kermit Donaldson, executive vice president of the Steel Founders' Society of America, Lowell D. Ryan, managing director of the Malleable Founders' Society, and Donald H. Workman, executive vice president, Gray Iron Founders' Society, testified before the committee in Washington. Excellent and convincing statistics provided by these men were well received by the committee, and emphasized again the value of well organized and efficiently managed trade associations to the foundry industry.

Recommendations of the three representatives were summed up as follows:

1. Launch a comprehensive and objective study of the potential scrap supply likely to exist in the next 5 to 15 years.

2. Make an immediate analysis of steps which could be taken to limit the total amount authorized for export, with the limitation imposed on a qualitative basis.

3. Work out a program—with due regard to foreign requirements and commitments—whereby these foreign countries can (a) be encouraged to increase their pig-iron-producing facilities, and (b) be encouraged to use other than top-quality grades of scrap.

These recommendations surely are reasonable and constructive. They should be considered carefully by the Congress in order that foundries and steel mills may produce the castings and other iron and steel products needed for the normal expansion of our growing economy in times of peace, or for the defense of the Nation in time of emergency.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Kentucky.

Mr. SPENCE. Mr. Chairman, I am heartily in favor of what the gentleman desires to accomplish. We have written into the report directions as to what we think should be done with regard to the exportation of scrap. If they are not followed, we might take more drastic action, but I think we ought to assume that they are going to act in accordance with our directions and if that were so, there would be no need for an amendment to the law. But I am in accord with what the gentleman desires to accomplish.

Mr. VANIK. I thank the distinguished gentleman from Kentucky, the chairman of the House Banking and Currency Committee.

Mr. WIER. Mr. Chairman, will the gentleman yield?

Mr. VANIK. I yield to the gentleman from Minnesota.

Mr. WIER. On the basis of the statements made by the gentleman from Ohio and by the chairman of the committee [Mr. SPENCE], I have been sitting here trying to learn who can establish the fact whether there is a shortage of scrap iron and steel in this country.

Mr. VANIK. This proposed legislation delegates that responsibility to the Department of Commerce. My concern is whether or not we are providing an adequate supply when we provide for a 90-day supply of iron and steel scrap. It could prove to be totally inadequate, because, in the event of a threat to the national security, scrap becomes immediately unavailable. We had the experience in World War II and the Korean war. The production of civilian metal products is curtailed and therefore the production of scrap is automatically curtailed.

This bill extends for 2 more years the delegation of authority to the Secretary of Commerce to control the export of scrap. It will be my objective to watch the way the licenses are granted.

I regret that somehow we were not able to prepare legislation which would prohibit the exportation of the highest quality scrap to foreign nations, because it is that scrap which is most strategic to our national defense effort.

In view of the reports that have been submitted and the testimony before our committee, I certainly hope that the Department of Commerce will be guided by what has been said in committee and here on the floor and curtail in some way the volume of all scrap shipments and in particular the exportation of high-quality scrap to foreign nations.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. HOLLAND].

Mr. HOLLAND. Mr. Chairman, over the weekend I had the opportunity of discussing the scrap problem with a few representatives of the steel companies in my district. They were pleased with the House report on this bill. They could not give me an estimate of what they consider a required amount of scrap necessary to have in stockpiles. They had no definite idea of how much scrap we had today in the United States. They agreed that our request in the House report for a survey of scrap on hand in the United States would be very valuable to the steel industry. They also agreed that the Department of Commerce should exercise a tight control on the exporting of scrap.

I believe we have in these 2 issues solved 2 problems that have caused the steel industry much concern.

I feel as the representative of a district that has over 78,000 steel employees that this bill will afford much needed protection to the industry and especially to the smaller industries.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. HOLLAND. I yield to the gentleman from California.

Mr. McDONOUGH. Has the gentleman had any complaint from the small steel foundries in his district about the shortage of scrap?

Mr. HOLLAND. There has always been a fear that a shortage of scrap may exist in the future. However, I have not had any direct complaints of a shortage of scrap existing at this time.

Mr. McDONOUGH. Does the gentleman have many scrap gatherers in his district?

Mr. HOLLAND. Quite a few.

Mr. McDONOUGH. Does the gentleman know whether they are exporting it or selling it to the gray iron firms?

Mr. HOLLAND. They are selling it to the local firms.

Mr. SPENCE. We have no more requests for time, Mr. Chairman.

The CHAIRMAN. If there are no more requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That section 12 of the Export Control Act of 1949 (63 Stat. 7), as amended by Public Law 33, 82d Congress (65 Stat. 43), and Public Law 62, 83d Congress (67 Stat. 62), is hereby amended by striking out "1956" and inserting in lieu thereof "1959."

With the following committee amendment:

Page 1, line 7, strike out "1959" and insert "1958."

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. SMITH of Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia:

"After line 7, insert '*Provided*, That not over 2½ million tons per annum of scrap iron shall be exported during the next year pending a survey by the Department of Commerce.'"

Mr. SMITH of Virginia. Mr. Chairman, I have offered this amendment principally to stimulate the discussion and consideration of this question which seems to be pretty grave as to whether we should strip ourselves too closely on the question of scrap iron. I find a disturbing thing in the House committee's report. They recognize the danger of our exporting scrap iron to the point where we would be deprived of it in an emergency. They recommend that the Department of Commerce make a survey. I think that is fine. I do not know what else they could have done—I am not quarreling with the committee about it, but it does seem to me we ought to be able to do something that would be adequate to protect an ample supply of scrap iron. As is said in the report, we have previously stripped ourselves of scrap iron to the point where we have endangered our steel industry. Now, when we are getting letters from all the steel producers expressing their fear about this situation and the fear that we will strip ourselves to the danger point—all we are doing in the committee report is saying we recommend the Department of Commerce make a survey and while we are making that recommendation the scrap iron is being exported. There seems to be no limit upon it. I do not think that what is proposed in the report is adequate.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BROWN of Ohio. I congratulate the gentleman from Virginia on bringing up this amendment and this discussion because I agree with him fully that this is a very serious situation. I have received a great many communications, letters and telephone calls from the steel industry in Pennsylvania and Ohio to the effect that the export of scrap steel and scrap iron to foreign countries endangers the supply of this very necessary material and could bring about great injury to this country in time of war.

Mr. SMITH of Virginia. I thank the gentleman. His mind is running along the same channel as mine because I remember during the time that I have been a Member of Congress we had a serious question of a shortage of scrap iron when our steel industries were threatened with having to be shut down from time to time, because we were short of scrap iron. I do not think it is adequate just to say to the Department of Commerce to make a survey and tell us whether we have enough or do not have enough while in the meantime the country is being drained of scrap iron. I would hope that we could do something more adequate than what has been done in the bill although I recognize the difficulties the committee is laboring under and I do not want to criticise them or their bill. But, I just feel that we should give this matter a little more consideration before we just drop the matter and say to the Department of Commerce, "Make us a survey of some kind or another." I do not know how they are going to find out how much scrap iron is laying around in these hills, but I do think we ought to do whatever is necessary to insure that our steel mills are not going to have to shut down either in the event of an emergency or otherwise.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. BROWN of Georgia. I would like to read to the gentleman what is in the report.

Mr. SMITH of Virginia. Yes; I have read the report.

Mr. BROWN of Georgia. The report says:

> Some means must be found either through agreements with foreign producers to whom we are now exporting scrap or through the imposition of stricter controls under the Export Control Act to reduce the exports of scrap to a level where we can be reasonably sure of an adequate supply of scrap for domestic needs.

It seems to me that is pretty strong. You are going to find it rather difficult to find out just how much scrap we have all over the country, especially on the farms and behind the houses and so on. It seems to me that we have gone as far as we can go or should go at this time.

Mr. SMITH of Virginia. I feel we have never gone as far as we could until we fully protect our domestic needs, and if somebody has made an agreement with somebody in Europe that we are going to give them scrap iron, we had better do something about it.

Mr. McDONOUGH. I understood the gentleman to say that he offered this amendment for the purpose of stimulating discussion. I trust the gentleman is serious in pressing his amendment.

Mr. SMITH of Virginia. After I have stimulated discussion, if I find that the idea meets with favor I shall certainly press it.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. SMITH] has expired.

Mr. TALLE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as the distinguished, able, and esteemed gentleman from Virginia [Mr. SMITH] knows, I do not enjoy speaking in opposition to his views, but his amendment is presented in such a manner as to invite comment; and that I will do.

At the outset I should like to summarize the situation as it is at this hour. I am making this summary on the basis of a consultation which was had as late as this forenoon with the Department of Commerce.

As point 1 in that summary, I want to say that the House Committee on Banking and Currency thoroughly reviewed the pending legislation in the light of the scrap situation, and concluded that no change in the act was necessary, aside from an extension of time.

In the second place, under present law the Secretary of Commerce already has the legal authority to impose export quotas when such action is found to be necessary.

In the third place, exports of scrap are now being controlled by being placed on the Department of Commerce positive list of commodities, which require individual licenses to all destinations. Those licenses last for only 90 days, so they can be checked on, and if errors or malfeasance occur, corrections can be made. Exporters are required to submit a certificate of availability of supply with each license application, and to submit evidence of recent past shipments, in line with what I have just stated. Those requirements are intended to prevent speculative buying of scrap for export.

Fourth, the House committee report, as has been stated by the chairman of the committee and others, urges the Secretary of Commerce to regulate and to reduce exports of scrap so as to assure an adequate domestic supply.

Also, the committee report recommends that a survey of scrap supply be made, the survey referred to by the gentleman from Virginia [Mr. SMITH] and others.

It is believed that these recommendations are all that the situation requires, and make unnecessary any amendment of the act.

Fifth and last: While scrap exports have been at a relatively high level, it does not appear that the mills or foundries have had any difficulty in getting supplies. The hearings show that, because I pressed Mr. Wolcott, not the gentleman from Michigan, but another Mr. Wolcott, on that very point in connection with the hearings, and he could not say that he had not been able to get sufficient scrap.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. I was wondering if perhaps it would not solve the problem better if there were included in the bill a directive to the Department of Commerce to make a survey within a certain limited time and report to the Congress and let us see whether we have got enough to continue this high rate of export

Mr. TALLE. I may say to the gentleman it is my personal feeling that the Department of Commerce has recognized what is in the report and that it will proceed to fulfill the intent of the committee when it put that statement in the report.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. TALLE was allowed to proceed for 5 additional minutes.)

Mr. TALLE. I will continue now to say what I had in mind in connection with my fifth and closing point: Steel scrap prices have risen over a period of time. This has been due more to the high level of domestic demand than to exports.

I pressed that matter during the hearings, and if Members will turn to page 4 of the hearings they will find that the Department exercises great care in checking and rechecking exports to both friendly and other countries.

Then again on page 30 and page 31 of the hearings Members will find that I quoted there two significant paragraphs from Assistant Secretary McClellan's statement which emphasize the great care exercised by the Department as well as the progress that is being made. It appears to me that the Department of Commerce is doing everything it can to guard against having these supplies go to unfriendly countries.

I continue my fifth point: Also there is recent evidence of price declines and continuing adequate supplies of scrap.

May I say Mr. Chairman, that the stock market is a highly sensitive market. The market for scrap is not so sensitive as the stock market, but it is a sensitive market, so that it responds quickly to changes in demand and changes in supply. It is not surprising, therefore, that prices go up and down rather quickly. The forecasters of business prospects take that into account, and it is customary for them to inlude the price of scrap in the indicators they use in forecasting.

May I say with reference to the proposed survey of scrap supplies that I was born and reared on a farm and know something about the difficulty of making a survey of scrap, because scrap, you know, can be found in greater or less quantity on every farm in the United States. What a task to take such an inventory. I would wager that tons of it are in basements right here in the capital city and that it would move into the market if the price were such as to make it worthwhile for people to bring it out.

The illustration I used in connection with the hearings was my own farm

experience. In those days, when a grain binder was taken apart and sold for scrap on the farm it was customary to save that large middle wheel of the machine called the bullwheel. That bullwheel was saved because the housewife liked to have it in the front yard where she would use it for making a most beautiful flower bed. I remember distinctly how those bullwheels disappeared during World War I when the price of scrap went up high.

I noticed, too, that the junk yards became vacant when the price of scrap went up high. How to make a survey that would be anything like a reliable one as to scrap is something beyond me. Nevertheless, I do favor the undertaking. Let it proceed as fast as it can go, but I throw out the warning that after you have made the survey, and you have what you believe to be facts, please remember that they can be very wide of the mark.

I have such a high regard for the gentleman from Virginia that I hesitate to oppose his amendment, but I must say I find no usefulness in it, because the Department of Commerce has indicated that it intends to do exactly what the gentleman from Virginia proposes to achieve by his amendment. The Department has recognized the Committee report and the intent of the report. Therefore, I urge that the amendment be not agreed to.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield to the gentleman from Iowa.

Mr. GROSS. I notice on page 2 of the report that in the last 6 months of 1955 only about 400 of the applications for proposed shipments were declared to be destined for the Soviet bloc as compared with 100,000 applications for shipments to the free world. How many of the 400 applications were actually granted for shipment of junk to the Soviet bloc, does the gentleman have any, idea, or was that developed in the hearings?

Mr. TALLE. That question came under some consideration. I would suggest that further reading be done in the hearings which clearly show that every effort is being made to prevent any of it from going to the Soviet bloc. You will notice that the applications number at least a hundred thousand and that about 400 of those appeared to be suspect and perhaps destined for the Soviet bloc. But the Department is certainly doing its best to prevent such action.

Mr. SPENCE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I realize that the gentleman from Virginia is actuated by the highest motives in proposing this amendment. I oppose it because I think it would be a dangerous amendment. The control of the exportation of goods is essentially an administrative matter. If we cut off the exportation of scrap to Europe, which usually goes to the iron and steel community, it might adversely affect their economy. To let any strategic materials go behind the Iron Curtain would be the height of folly. But to send essential materials to our friends is an evidence of friendship and confidence.

Suppose we cut it off. They have been relying on it. Our world is growing smaller all the time and a spark thrown in any part of the world may cause a holocaust that would consume all of us. Their friendship is important to us, particularly friendship that comes from confidence, the friendship that may come to us by reason of sending them things that are essential to their defense. We have been doing that, and I know they must appreciate it. Now we cut it in half. Next month and the next after we say, "You get no scrap." What will be their reaction? It might be very dangerous to our friendship and to our future relations, and I would not want to take that chance. This evidence of friendship, this kind of help, is better than a hand-out. When you send the nations things they can use either for their own defense or against us, they know that we have confidence in them, and I do not want to destroy that confidence.

This bill applies to the Export Control Agency and what we write in the report should be as effective for all practical purposes as if it were written in the bill.

The people I represent are deeply interested in the scrap export situation. They are alarmed, but they have not asked that we cut off the exportation of scrap. They are interested in our economy and national welfare.

Now, I hope there will be no amendment exercising control in spheres where we have insufficient knowledge.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when the distinguished gentleman from Virginia presented this amendment, he emphasized that he was doing so with the thought of stimulating discussion, and I think that the discussion has been good; it has been wholesome. In 1938 WALTER JUDD, now a distinguished Member of this body, was a medical missionary in China. He came back to the United States that year, and his main purpose in coming back was to warn the people of the United States against the continued shipment of scrap iron to foreign countries, notably Japan. Over a period of 3 years WALTER JUDD addressed some 1,400 audiences: Chambers of commerce, Rotary clubs, churches, fraternal organizations, and almost in every instance his listeners would say unanimously "He is right, and something ought to be done about the situation." Everybody agreed that he was right and something ought to be done. He predicted dire consequences. Nothing was done, and America suffered those consequences. So, I am giving voice to this thought in this discussion today that this committee stick close to this situation and see that the Department of Commerce, the administering body in the field of export licenses, does something about a real, honest-to-goodness survey, and that we are not caught short as we were caught in 1941.

Mr. MULTER. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER as a substitute for the amendment offered by Mr. SMITH of Virginia:

"On page 1 after line 7 insert the following:

" 'SEC. 2. The Secretary of Commerce is hereby directed to immediately make a complete survey of the iron and steel scrap available and potentially available and to file with the Congress an interim report within 3 months and a final report not later than January 31, 1957. Such survey shall be made by full-time employees of the Department of Commerce without limiting, however, the Department of Commerce from calling upon other departments of the Government to make available to the Department of Commerce such information as is available to them.' "

Mr. MULTER. Mr. Chairman, the amendment offered by the distinguished gentleman from Virginia [Mr. SMITH], I am very happy to say, has stimulated much worthwhile discussion on this subject. I think the gentleman would be among the first to agree that without the necessary information we cannot take a definite step and say, "We shall now embargo the shipment of any of this scrap." There is not any doubt that there is a dearth of information on this subject. Without the information we cannot act intelligently.

The Department of Commerce under the existing law, has the authority to step in and embargo these shipments any time if finds either that there is an inflationary impact upon the domestic economy requiring it or that the national security requires such embargo. All they need to do is furnish themselves with the facts and then act in accordance therewith.

When the committee report was prepared, I was prepared to go along with the committee and say that a direction in our report would be sufficient. I cannot agree with the gentleman from Iowa, [Mr. TALLE], who addressed us a few moments ago when he says that the Department now is alerted to the necessity of a survey and is prepared to make one.

They indicated as late as April 19 that they have no sufficient information, on which to base a sound judgment, and on that date there was no indication that they were prepared to make a survey. I am afraid the direction in our report is not sufficient. We must put specific language into the bill to require that they stop worrying and start acting and that they make a survey promptly; at least, give us an interim report within 3 months and a final report by January 31 of next year. In the meantime, as soon as the information becomes available to the Department, under existing law they can step in and act in accordance with whatever that survey may show.

In the meantime, let us indicate to the Department that they must move forward and move promptly, and give us this survey without any further delay.

I urge the adoption of the substitute.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman's amendment provides a firm date?

Mr. MULTER. Yes; my amendment requires an interim report within 3 months and a final report on or before January 31, 1957.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from New York [Mr. MULTER].

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were—ayes 28, nays 8.

So the substitute amendment was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Virginia [Mr. SMITH] as amended by the substitute.

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. MCCORMACK, having resumed the chair, Mr. MACK of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9052) to amend the Export Control Act of 1949 to continue for an additional period of 3 years the authority provided thereunder for the regulation of exports, pursuant to House Resolution 504, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

On motion of Mr. SPENCE, the title was amended to read: "A bill to amend the Export Control Act of 1949 to continue for an additional period of 2 years the authority provided thereunder for the regulation of exports."

A motion to reconsider was laid on the table.

THE CASE OF SPENCER WELSH

Mr. QUIGLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. QUIGLEY. Mr. Speaker, on April 16 I addressed this body at some length, outlining the case of Spencer Welsh, an ex-prisoner of war, who had been denied his claim for compensation without the opportunity of facing his accuser. I had some sharp things to say about procedures involved.

In all fairness, I should now inform the House that the Foreign Claims Settlement Commission reopened Mr. Welsh's case and has now approved his claim for compensation. I am pleased with this result, Mr. Speaker, but I think it is unfortunate that it was necessary for a Member of Congress to intercede with the White House to achieve the result.

In addition, I would hasten to point out that while this action settles the case of Spencer Welsh, it does not dispose of the basic issue involved—the question of the right of any American to a fair trial. Unless and until all of the POW cases now pending before the Foreign Claims Settlement Commission are properly disposed of, everything that has been said concerning the Spencer Welsh case still applies.

Mr. Speaker, as a part of my remarks, I include an editorial from the York (Pa.) Gazette and Daily published on May 18. The editorial follows:

AN AMERICAN SOLDIER

In March of 1950, at the age of 17, Spencer Walter Welsh, of Manchester Road, York County, enlisted in the Army. On August 28, Private First Class Welsh, attached to the 8th Regiment of the 1st Cavalry Division, shipped out overseas for Korea. On November 5 in the late afternoon, near Unson, North Korea, Welsh was in a trench near a rice field with about 30 other infantrymen of K company. They fought, were surrounded, at last laid down their rifles and were captured.

About 3 years later, on August 22, 1953, Welsh, now 20 years old, was released from a prisoner-of-war camp near Ziniju. He telegraphed his sister, "Feel like a new man already. Can't wait to see you again." On September 11 he arrived home. A few weeks later he and other countians who had come back from war prison were entertained by city council Democrats. After that, Mayor Howard Eyster presented him with a gold watch, and Mr. Eyster and the York Chamber of Commerce secretary were hosts at a hotel dinner for the returned prisoners of war.

Welsh received an honorable discharge and the good-conduct medal shortly after his return. On March 1, 1954, he filled out and mailed to Washington a form he had received on which he had stated his claim for money due him, by act of Congress, for the 34 months he had spent in a prison camp. About a year and a half later, on October 27, 1955, he was notified that the Foreign Claims Settlement Commission had denied his claim. He was given 40 days within which he could appeal. Welsh secured a York attorney and did appeal.

Through the assistance of this attorney, Welsh obtained a list of reasons for denial of the claim. The gist was that he had not proved he had not collaborated with the enemy. On January 17, 1956, Welsh and his attorney discussed the matter with an officer of the Claims Commission. On February 16, the Gazette and Daily published a report on the entire case and called it to the attention of Congressman JAMES M. QUIGLEY. After conferring with Welsh and with officers of the West York and district Veterans of Foreign Wars, to which Welsh belonged and which had interested itself in his case, QUIGLEY wrote a letter to President Eisenhower.

He said among other things that the charges "were couched in the vaguest and most general terms"; that Welsh was never informed whether "he had one or many accusers"; that the so-called hearing with an officer of the Claims Commission was "a mockery of American justice"; that "the entire burden of proving his innocence was upon Mr. Welsh."

Contact was slowly established between the White House and the Claims Commission, which had said it could not possibly reopen the case. QUIGLEY and other Congressmen—more than 200 veterans were in similar positions—introduced bills calling for due process in Claims Commission hearings. Senator HENNINGS of Missouri, chairman of a Senate Committee on Constitutional Rights, informed the Commission that Welsh and others would be invited to tell their stories in public before the committee. Monday the Foreign Claims Commission told the Gazette and Daily that the Welsh case, and others, would be "reviewed."

Yesterday, more than 5½ years from the day Welsh was captured in Korea, the "review" of the case resulted in a grant of his claim on the United States. The whole thing is worth thinking about.

A TRIBUTE TO THE REA PROGRAM ON ITS 20TH ANNIVERSARY

Mr. JOHNSON of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and to include an address by Speaker SAM RAYBURN.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. JOHNSON of Wisconsin. Mr. Speaker, on Sunday, May 20, it was my privilege to attend the dedication ceremonies of National Rural Electric Cooperative Association's new million dollar six story office building. The date of May 20 was a significant and fitting day for the dedication ceremonies.

Twenty years ago—on May 20, 1936—President Franklin Roosevelt signed the Norris-Rayburn bill creating by law the Rural Electrification Administration as an established Federal agency. The agency, it will be recalled, was created a year earlier—on May 11, 1935—by Executive order of President Roosevelt.

The progress and accomplishments of rural electric cooperatives in the last 20 years are now well recognized and a part of the great history of rural America. Twenty years ago less than 11 percent of the Nation's farms had electricity. Today more than 92 percent of the farms in our country have electricity. Most of the credit for this accomplishment must go to the REA program and the rural electric cooperatives.

As I have stated here on the floor in the past—and I wish to repeat it again—that while the primary purpose of the REA program has been to benefit farmers and farm housewives this program has also been a boon to industry, businessmen, and labor. The REA program has contributed more than most of us realize to the prosperity of the United States.

Before the REA program, when only 11 percent of the Nation's farms had electricity, very few farmers bought much in the way of electrical equipment and appliances from the merchants on main street. As the REA program expanded its services in rural America, farmers bought all types of electrical equipment, power tools, and appliances from main street merchants in hundreds of villages and cities serving farming areas.

Conservative estimates indicate that the more than 4 million REA consumers created a market that was worth around $15 billion during the last 20 years. One doesn't have to be an economist to realize that this huge market has created employment and business volume. I know that it has stimulated business greatly in the Ninth District of Wisconsin.

I have had some personal experience with the REA program; therefore I can sincerely pay tribute to the accomplishments of this program. When I operated a farm, I was a member of the Jackson County Electric Cooperative. The Ninth Wisconsin District—which I have the privilege of representing—is well served by 10 REA cooperatives furnishing power to the 11 counties in the district.

In 1955 the REA cooperatives of the Ninth Wisconsin District served 33,605 consumers. Most of the consumers are farmers, but our REA co-ops also serve many rural business establishments and industries located in the rural areas. In 1955 REA co-ops in the Ninth District had 10,539 miles of power lines, and the figure has increased during the last year.

According to the 1954 agricultural census, there are 27,648 farms in the 11 counties of the Ninth Wisconsin District. The census studies reveal that 26,497 farms in the Ninth District—or 95.7 percent—have electricity. The great majority of these farms have obtained electricity since the REA program. This, then, is what the REA program has meant to farmers in the Ninth Wisconsin District.

In looking over other 1954 census statistics, I note that our Ninth District farmers had 19,023 milking machines, 4,129 power feed grinders, 1,524 electric pig brooders, 10,048 television sets, and 9,975 home freezers. This, by no means, tells the story of electric appliances, equipment, and power tools purchased by Wisconsin's Ninth District farmers since the REA program started 20 years ago. Yes, the REA has meant much to farmers, business, industry, and labor in my district.

It gives me real pleasure, then, to salute and commend REA on this occasion. The REA cooperatives have served our farmers and the Nation well in peace and war. On the basis of contemplated expansion programs, I know that the REA movement will give us better and greater service in the future.

I also want to salute our great leader and Speaker of the House, the Honorable SAM RAYBURN, coauthor of the REA Act. It was my pleasure to hear Speaker RAYBURN give the dedication address yesterday, and I am happy to put his great speech in the RECORD at this point:

REMARKS OF HON. SAM RAYBURN, SUNDAY, MAY 20, 1956, AT CORNERSTONE LAYING, NEW NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION BUILDING

On this occasion of the laying of the cornerstone of the National Rural Electric Cooperative Association's new office building in Washington, D. C., please believe me when I say that it is a cause of profound satisfaction to me that I was permitted to take part in the creation of the Rural Electrification Administration which has contributed so magnificently to the economic and cultural life of all Americans.

I am for free enterprise as much as anybody, but free enterprise had the opportunity for half a century to electrify the farm homes of the country, but when Rural Electrification was authorized, fewer than 10 percent of the farm homes of America had the comforts and conveniences of Rural Electrification. In the great Southwest where I live, fewer than 3 percent were electrified. Now more than 90 percent of the farm homes of that great area have rural electrification, and it has not cost the Government anything in loss.

When debating this bill on the floor of the House, one of the strongest arguments that was made against it was that we were going to waste $450 million—that the farmers would take electricity and when the bill came around, they would not have the money to pay it. If we had retained the same economy we had had during the preveous 4 years, the farmers wouldn't have taken out any electricity because they wouldn't have had even the money to wire their homes. We had created an economy whereby the rural people could not only wire their houses and buy all of the necessary things to bring electricity into their homes, but the vast majority of the rural cooperatives have made advance payments on their loans—many times several years in advance—amounting to millions of dollars.

What has rural electrification done for the business interests of the country—the manufacturers, the wholesalers, the retailers? Conservative estimates from all available sources are that the farmers and ranchers have purchased in the neighborhood of $15 million worth of merchandise which they could not have used without electricity in their homes. This made profits for manufacturers and every business concerned that touched these products. It made profitable labor for thousands of unemployed men and women.

Has this program spelled the doom of the privately owned electric industry? Certainly not. You have created, and are daily creating, new markets for these privately owned companies. Rural electrification has not hurt the power companies, but has helped them in great ways. Rural cooperatives bought from private-power companies in 1954 alone $57 million worth of wholesale power in order that they might serve their markets and customers through a network of 1,332,000 miles of electric wires. Today, electricity costs the average farmer approximately one-third less per kilowatt-hour than it did in 1940. By contrast, during this same period, feed prices advanced 225 percent, farm wages 400 percent, and farm-machinery prices 100 percent. The rural market today is the largest user of electrical energy per average consumer by about 50 percent.

Surveys made last year reveal that more than 200 different services are performed on our farms and ranches by electricity.

But statistics are in a large sense only the cold entries in a dollar ledger, which reflect little of the contribution which your program has made in the life of our Nation.

It was in the spirit of forward-looking men that your Government felt the least of its obligations was to provide a financial atmosphere whereby through your own efforts you might have hopes of emerging from the darkness which surrounded you and your children. You sought no charity, and you received none. You sought only opportunity for self-betterment. No responsive government could do less for its governed, and no government will long endure which does not provide hope for its people that one day they may achieve, with dignity, freedom of mind and soul and body.

On this 20th anniversary of the creation of your program, it is well to reflect upon your achievements, but it is no time to sit, but now is the time to go forward and further forward.

If I could leave a final word with you today, it would be to rededicate our minds and our energies to furthering this program and to be ever thankful that we live in a land where people are so free that they can do what they want to do—that is, follow any occupation or avocation that they will to follow—say what they want to say, write what they want to write, vote like they want to vote. This is as much freedom and liberty as people can have. So, everyday should be a day of thanksgiving with us that we live in such a land, which places the responsibility on this generation that we must live up to and fulfill our obligations in order that we may preserve, protect, defend, and perpetuate the institution of this the greatest, freest, and best government ever devised by the wisdom of man.

DEPARTMENT OF AGRICULTURE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. CHRISTOPHER] is recognized for 30 minutes.

Mr. CHRISTOPHER. Mr. Speaker, I have sought this time to discuss a situation that has existed in my State for a long time and still exists there and is becoming more aggravated all the time. Nothing seems to be transpiring that shows any inclination on the part of the Department of Agriculture to relieve that situation.

There was a congressional investigation held in Jefferson City by Senator SCHOEPPEL, of Kansas; Senator HUMPHREY, of Minnesota; and Senator SYMINGTON, of Missouri, last year. The report of that hearing is a very voluminous document.

In was my privilege to sit through that entire hearing. The hearing convened at 9 o'clock there 1 day and was called to order by the chairman, Mr. HUMPHREY, and witnesses were sworn in and heard, hour after hour for an entire day, until midnight that night. The next morning the investigating committee met at 9 o'clock and it was 1 o'clock that night before the committee adjourned, having finished their hearings.

I speak to you this evening as a man who knows the old PMA farm program and a lot about the ASC program that we have at the present time. I, myself, was a county committeeman for 6 years and serviced the corn, wheat, and soybean programs in my county during that entire time. The county committee could have employed a loan supervisor, but we had enough time that I could be spared from the office to service these commodity loans, which I did at no increase in salary. During that entire 6 years, I might say, my salary was $4.50 a day and 3 cents a mile for the actual mileage that I drove my car in the discharge of my duties. For 4 of the years that I served on that county committee, the other 2 members of the committee were Republicans. For 1 of the years that I served on the committee, both of the other members were Republicans. We had no trouble and we had no difficulties. We felt that it was a nonpartisan program. Now there are about as many Republican farmers in my district as there are Democrats. We felt

that the farm program was designed to help the farmers of Missouri to conserve the soil of Missouri and to make the Missouri farm a better place to live for the farmers and their families. Many of our township committeemen were Republicans and I had to be elected by the farmers of my county in order to serve on that committee. And the community committeemen who were Republicans and were elected delegates to the county convention that elected the county committee came in and voted for me year after year because they believed in me and trusted me, and I believed in and trusted them. We had a good farm program, but when we got the present Secretary of Agriculture the Department wrote a set of rules and regulations and stripped the county committee of its authority and its powers and placed those powers in the hands of an office manager. The regulations say that the county committee shall hire the office manager and may fire him. They have not been allowed to exercise that power in my State. I want to read in the RECORD some of the testimony that was taken at Jefferson City, Mo., before the three members of the body who conducted that investigation there. These men were examined under oath.

Mr. Cummins was from Newton County, Mo., a county that has always been Republican. Mr. Cummins was 1 of the 55 county committemen who has been fired. The charge against most of them has been insubordination. Mr. Cummins was called to the stand during that hearing and he said:

Mr. CUMMINS. I might state in there, if you want the reasons why I accused it of being in politics I can give you those if you want it.

Senator HUMPHREY. Go right ahead.

Mr. CUMMINS. First was a letter Mrs. Davis sent out to all the Republican county chairmen.

Senator HUMPHREY. Who is Mrs. Davis?

Mr. CUMMINS. I understand she was vice chairman of the Republican State Committee. I don't remember her initials or where she lived. That letter was shown to me by a Republican friend of mine. Page 544.

Senator HUMPHREY. What did that letter say?

Mr. CUMMINS. Well, I can't quote the letter—all of it. I didn't keep it. He wanted it back, and I gave it back to him.

Anyway, it was to get out and hold these elections and see nobody was put on the community and county committees except Republicans.

Senator HUMPHREY. And to whom was that letter sent?

Mr. CUMMINS. The fellow who showed it to me said it was sent to the Republican county chairman of all the counties in the State. Whether they all got it or not I don't know. It was in our county, anyway.

Senator HUMPHREY. Was this the letter SENATOR SYMINGTON placed in the CONGRESSIONAL RECORD at the time of his comments on this situation?

Mr. CUMMINS. I don't know whether he placed it there or not.

Senator HUMPHREY. I think there was such a letter from a Mrs. Davis.

Mr. CUMMINS. That would probably be the letter, then.

Senator HUMPHREY. Did you make any public announcement about this?

Mr. CUMMINS. I did not. This letter, as I understood it, was passed out through the township Republican committee. That is where I got it first. One fellow in particular, who had been a committeeman and who had held county office down there, he said, "I am opposed to this farm program being kicked around that way," and he said "I am a-going to see that the election is not carried out in this way," and he went to Republicans in several townships and they did not participate in the election in several of the townships where he went.

Senator HUMPHREY. In other words, one of the Republican neighbors of yours resented this kind of a letter?

Mr. CUMMINS. That is right, he resented it.

Senator HUMPHREY. Now Mr. Cummins, you have been in this program a long time. Do you think the morale of this program is good?

Mr. CUMMINS. It was better than it is at the present time.

Senator HUMPHREY. What is the political complexion of your county?

Mr. CUMMINS. Well, I'd say mostly Republican. However, in the last election about half of the county officers elected were Democrats. Up to then the county officers had all been Republican—up until the last election.

Senator HUMPHREY. The letter you mentioned was signed by Mrs. L. C. Davis, vice chairman of the Republican committee?

Mr. CUMMINS. That is right.

Senator HUMPHREY. It was from Montgomery City, Mo., May 29, 1953:

"DEAR COUNTY CHAIRMAN OR VICE CHAIRMAN: The PMA election will be held on July 31 at the township level. At this election a county committeeman or committeewoman and an alternate committeeman or committeewoman will be chosen. This county committee in turn elects a county board from its membership and the law requires that the board must be selected by August 1. The board consists of chairman, vice chairman, and 3d member and 1st, 2d,, and 3d alternates.

"Who votes at the township level: Any farm owner, or operator, or sharecropper whose name is on the mailing list at county PMA office. If you have never participated in these elections, you must go to the county PMA office and have your name put on the mailing list. A husband and wife can vote, or if either cannot come, a vote may be cast by proxy.

"Your county board selects, with the approval of your State PMA board, a county office manager who cannot be a PMA committee member.

"This office manager must be named by August 3. He is on a full-time basis, and he in turn chooses a chief clerk with the O. K. of the fieldman of that particular area. Your county office manager is required to have 2 years of high-school education and must either live or have lived on a farm.

"It is recommended that you immediately decide who would be the logical choice for county office manager in your county, start boosting him and file his applications for the post at your county PMA office. Lest this be the type of office that would conveniently lose a Republican application, you are advised to file a duplicate with the Republican State committee.

"There are 4,300 PMA employees in Missouri. They should be Republicans if we lend our energy to see to it that they are. The salary of county office manager ranges from $2,500 to $4,000 depending upon the workload of the county. By workload is meant the scope of the program in the county. The chief clerk's salary is approximately $2,300 and it is recommended that this post be given to a woman. In addition, there will be in each county 1 to 3 clerks, dependent upon workload.

"Enclosed is list of members of the present PMA board in your county. Copies of this information are being sent to you under separate cover for distribution to your committee who will have to help you at the township level.

"Will you keep the Republican State headquarters, Montgomery City, advised as to the progress you are making and feel free to ask our assistance at any time.

"Sincerely,

"Mrs. L. C. DAVIS,
Vice Chairman."

Mr. CUMMINS. After the community elections were held and the delegates election was held to elect the county committee, when we held that county election, the Republican county chairman insisted on sitting in on that meeting. I didn't object to it.

Another fellow came along who had furnished me the information and he said, "If that fellow is going to sit in there," he says, "I am going in, too. I am going to find out what is going on."

The man picked to be the county chairman also sat in on that election. He has since passed away. I will not mention his name unless you insist on it.

Senator SYMINGTON. The man picked to be county chairman?

Mr. CUMMINS. To be county chairman in my place, sat in on the county meeting, to elect the county chairman.

Senator HUMPHREY. Well, that is a rather smooth operation.

Mr. CUMMINS. I don't remember at this time the exact vote on it. I might state a little further, before they voted, one of these delegates came to me—and he is a Republican, too—and he said, "Do you know what's a going on at this election?"

I said, "Frankly, I know exactly what's a going on." I said, "I refuse to mix this thing in politics." I said, "It looks like it is going to be made a political football." I said, "If you will put me on, I will try to administer it to the best of my ability, but I will not mix it in politics."

He said, "I will not vote to mix it in politics." He said, "I am going to vote for you," and called the name of another Republican delegate there, and he said, "We will both vote for you to try to keep this thing out of politics."

The result of the election was, if I am not mistaken, I got 7 votes and the other fellow that was slated to be the Republican, or county committeeman, got 3.

Senator HUMPHREY. And then you were removed?

Mr. CUMMINS. I was removed.

Senator HUMPHREY. To summarize this, Mr. Cummins, is the chairman of this subcommittee stating it correctly when I say, as follows, that it is your view that you were dismissed because of your letter to Senator SYMINGTON?

Mr. CUMMINS. I don't think there is any doubt about it.

Senator HUMPHREY. And that in that letter you stated what you believed to be substantially the facts?

Mr. CUMMINS. That is right.

Senator HUMPHREY. And, therefore, you did not retract?

Mr. CUMMINS. I did not retract.

Senator HUMPHREY. Do you retract at this time?

Mr. CUMMINS. No, sir.

Senator HUMPHREY. Do you reiterate? Do you restate?

Mr. CUMMINS. I can restate if it is necessary. I still believe it.

Senator HUMPHREY. Have there ever been any members of the county committe during your service in this program who were Republican members?

Mr. CUMMINS. Well, about half of them.

Senator HUMPHREY. Were they ever removed because they were Republicans?

Mr. CUMMINS. No, sir.

Senator HUMPHREY. Did any of them ever make any—did they make it known to their neighbors that they were Republicans?

Mr. CUMMINS. No, sir. Politics never made any hand whatever in Newton County.

Senator HUMPHREY. So you can say that your program in Newton County operated on the basis of the farm program?

Mr. CUMMINS. That is exactly right, as near as we could operate it.

Senator HUMPHREY. You didn't contest people's political affiliations?

Mr. CUMMINS. No, sir.

Senator HUMPHREY. Nor report them to the State committee when the Democrats were in?

Mr. CUMMINS. No, sir. In fact, the clerks under me were both Republicans and they are still in the county office. They are both Republicans.

Senator HUMPHREY. During your time as chairman, they were Republicans?

Mr. CUMMINS. That is right. I hired them for their ability and not for their political affiliations.

Senator HUMPHREY. It seems to me like they have lost a mighty good man, Mr. Cummins.

I want to ask you this question, Mr. Cummins: In your affidavit, the question was asked, "What took place there?"

"They asked why I put what I put in the letter and I told them that is what I believed and that it was true.

"What else?

"They again told me if I would retract the statement I made to Senator SYMINGTON, I would be reinstated. I again refused because the statement is true and correct. Thereafter in about 2 weeks, I received a letter from them stating that I had been discharged because I had refused to retract the statement I had sent to Senator SYMINGTON. There is no doubt in my mind but that it was the effort of the Republican Party of the State of Missouri, acting through Mrs. L. C. Davis to put the PMA under the control of the Republican Party.

"What was Mr. Colbert's reaction when you refused to retract your statement?

"Answer: The meeting with Mr. Colbert was a very stormy session. Mr. Colbert was very angry and pounded on the desk with his fist, demanding that I retract the statement made to Senator SYMINGTON."

Is that true?

Mr. CUMMINS. There are more things that happened over there that aren't in that statement. I could tell you that.

Mr. Colbert said he had fired a lot of the county committees and he intended to fire a lot more.

Senator SCHOEPPEL. Now, this is the statement he makes in this letter: "These office managers must be Republicans."

Now, is that true, or is it a misstatement?

Mr. COLBERT. May I answer and say that is a misstatement, and we can prove that definitely, because sometimes—let me say this to you, Senator—sometimes and many times, we didn't know what the man's politics was when we appointed him and usually found out after we appointed him.

Senator SCHOEPPEL. What do you say about that, sir?

Mr. BAILEY. It is not necessary for office managers to be Republicans, unfortunately.

Mr. CUMMINS. A very prominent Republican came to me and said, "There will be no office manager appointed in Newton County unless he has the endorsement of the Republican county chairman."

Before an office manager was hired, as I stated before, we had those two applications and I asked the people which one they wanted. They told me. I went and talked to this man about it and I told him, I said, "Frankly, you haven't got the endorsement you need to get this job." I said, "You go get it and then there won't be any kick on you."

Senator SCHOEPPEL. But unfortunately, here—and I apologize for burdening this record, but I think it is pertinent: Here, we are coming into Missouri on a matter that stands or falls in certain instances here on allegations made of political activity. None of us on the committee wish to inject politics as such into it, but by reason of the necessity of some of these things, we are almost required, in the interests of getting the complete disclosures before this committee into the record, to go into some of those things, and that is the only reason I am indulging in it in any respect whatever.

I want to clear up some of those things, and I want to keep it free from politics. The agricultural program in this country and the policy will need the best brains and the most earnest consideration of every Democrat in the House and Senate and every Republican that is in the House and Senate, if we are to come up with something as constructive, and to that end that is how I am willing to work.

I include herewith the following letter:

BUTLER, MO.
May 10, 1956.

Hon. H. L. MANWARING,
Deputy Administrator,
Department of Agriculture,
Washington, D. C.

DEAR MR. MANWARING: We, the Bates County ASC Committee, we are writing in regard to the shocking and serious manipulation of the ASC program in Bates County, Mo. We do not believe that the Department in Washington have or will approve if they knew the truth of the gross injustice which is being forced on the elected county committee.

The State committee and farmer fieldman has consistently refused to cooperate with the county committee in employing an office manager. We have had several applications for office manager that are well qualified. The State Committee has consistently refused all of our applications that have been filed in our office. One applicant, in particular, who is not affiliated with any faction, has lived in the county about 3 years, has a degree from agriculture college, about 1½ years' experience in ASC, as program man. and is well liked by everyone he has done business with, but was not acceptable by the State committee, as they said they were afraid he would or could not say "no." One member of the State committee stated he was acquainted with this fellow and that they were just common people. (Does this constitute a reasonable objection?) No reason was given for dropping the other applications.

On April 2, the fieldman came in and took an application from his pocket (one that we had never seen) and told us that we would have to take him or he was going to send in a roving office manager, Tom Pope. Mr. Pope was office manager in our office and was dismissed on November 31, 1955, for being unsatisfactory and uncooperative. A copy of the dismissal was mailed to the Washington office. Mr. Pope took an appeal to Washington in which his dismissal was approved and we were so notified by the State committee, but the State committee reinstated him and employed him from the State office as a roving office manager and sent him to Bates County. The county committee stated that they did not think the State committee would do this as they had stated the Washington office had said that for the best interest of the program and all concerned it would be better to dismiss Mr. Pope and then on this 2d of April for the fieldman to come in and demand the committee to take the application that he produce or else he was going to send in Mr. Pope who had been dismissed, but the committee refused to accept the application.

This same date the fieldman asked the committee about a picture of President Eisenhower that was on the wall in the office and had disappeared seemingly some time before and had never been called to the attention of the committee and had never been notified of it being gone, hinting very strongly that it had been removed by the committee or by the janitor of which we knew nothing about. After the committee had left that evening the fieldman proceeded to fire the janitor who had done the work for years and is also janitor for the balance of the courthouse, and ordered the locks taken off the doors and new ones put on and gave the keys to a clerk in the office and told her (so she stated) to refuse the county committee a key, as they did not need a key to the office. The county court on hearing of this action called the committee and the clerk, who had the keys, to meet with them on April 9 at which time the clerk told the court of the action of the fieldman. The court stated that if that was the way the State was going to operate and take locks from courthouse doors without their knowledge, refuse keys to elected committees from their own office, and give keys only to hired help they were going to terminate the lease, as they did not approve of that kind of business. Notice to vacate was received on the 10th of April to vacate May 15, 1956. Our office (ASC) is located in the courthouse basement, rent free, with water and heat furnished, and conveniently located to other county offices that we do business with; namely, the extension and recorder's office.

On May 2, in a meeting which was arranged with the county court and the State ASC committee, the court told the State committee that if they would cooperate with the county committee in employing an office manager according to regulations and stop causing all the confusion that they would be glad to cooperate, but it seems the State committee refuses to do this.

Unless something is done very soon, we will have to vacate; therefore, we are bringing all of this to your attention, in case you do or do not know of these actions, as a suitable location will be hard to find and will be expensive.

The county committee would be glad to go over this situation and other things that have been going on—and we think the Washington office should know—with a representative of the Washington office together with the State committee, anywhere in Missouri, and this should be done immediately.

We have been told that we were going to be held responsible for a good program in Bates County. The record will show that the 1956 program is progressing very well compared with the 1955 program, a much better signup of farmers in 1956, and are far ahead in carrying out conservation practices. As of April 1955, only 80 orders were issued for practices compared to over 300 on same date in 1956.

We are dissatisfied with getting wheat acreage reports to the farmers. This was called to the attention of the fieldman in early February and he has been told repeatedly since that the committee was concerned, as clerical help had been refused by the fieldman and the farmers were complaining. And again on April 2 this was taken up with the fieldman and he said it was progressing satisfactorily, but the committee knew better. And again on April 16 the fieldman came in with the roving office manager, Tom Pope, and hired two clerks to measure wheat acres, and to date the measuring is not completed, with the deadline date of June 1 for farmer that is overplaned to get in compliance if he so desires. The committee has had very poor cooperation from the fieldman.

The county committee has worked time without pay to do what they can to carry

out a good program. The committee feel that they are entitled to more cooperation and would greatly appreciate it. We have tried to work to the best interest of the program. No publicity has been made on our part to cause more confusion, but it is getting to the point now where the public needs to be informed and we intend to do so. A wheat supervisor was hired in the office without the county committee being informed and had been employed 40 days before it was brought to the attention of the committee. That is some more cooperation for you.

The Democratic organization has never taken any part in the ASC elections. Beginning in and including 1953 the Republican organization has been entering into all elections, hiring office manager and clerical assistants. In 1953 the vice chairman of the State Republican committee sent out letters to county Republican committee members and urged them to get out and work for Republican delegates to elect the county committee, as there were several jobs available in ASC and should be given to Republicans. On May 1, the evening before the State ASC committee met with the county court, a meeting was held at the hotel with the chairman of the county Republican committee, and several persons were present. The chairman lives approximately 20 miles from Butler; so this was not just a coincidence.

This letter appears to be very rambling, but things here are in a rambling condition and need to be corrected. If this condition continues here in Bates County, the program will suffer.

We would appreciate an early reply what there is, if anything, to be done. This situation is injuring the program and the farmers in the county. If the regulations in the handbook don't mean what they say they do, they should be disregarded and do away with all county committees in the State, as they have no authority.

An early reply will be appreciated.

BATES COUNTY ASC COMMITTEE,
GROVER BOYD, *Chairman,*
FRED WHEATLEY, *Vice Chairman,*
W. D. KEGERREIS, *Member,*
By GROVER BOYD.

Now, there are reams of that testimony, but it proves simply this: It proves that an office manager to be employed in my State needs and in most instances must have the endorsement of the Republican county chairman. Fifty-five county committeemen have been fired by the State committee in my State. Some of those men have been serving their farmers for 20 years and have been elected by their neighbor farmers, both Republicans and Democrats, year after year after year, because they were honest men, because they were reliable, because they knew the farm program from A to Z, and because they were rendering the best service that could be rendered in the county.

When I was on the county committee in my home county, we felt no need for an office manager. We had a chief clerk and from 2 to 4 other clerks; 2 clerks all the time and 4 when the load got heavy, and we took care of the entire program without an office manager. We did not know we needed one. But, when the office manager comes into the county office, not the county committee but the office manager hires and fires the clerks and the stenographers. The county committees are relegated to a back seat. Now they are limited to a few days' work in the county office each month and the office manager takes over.

Mr. Speaker, I would like to just see what would happen if we had the same system here in our congressional offices. Let us just suppose, for instance, that when the voters of our congressional districts elect one of us to office, and we come over here to represent our people in the Congress of the United States, we could not hire our own office manager. Suppose we had to check with the Speaker of the House and find out who he would O. K. as an office manager in our office. Suppose the Speaker of the House, before he could render a decision on who our office manager should be, had to talk with Paul Butler to see if he suited him. How would we like that? How would we like to have an office manager, no matter how good he might be, that was selected for us by the Speaker of the House and the chairman of the National Democratic Committee? How would the Republican boys like to have their office manager selected that way, and that office manager given the authority to hire the clerks and their stenographers? How would we like it if we failed to get along with that office manager so selected and we fired him and then we were notified by the Speaker and Mr. Butler, or at least the Speaker, that we were fired and a stain was put on our reputation so that we could never run for any other office again? That is what happened to these county committeemen in our State that have been fired by the State committee. There is a shadow on their name. They are ineligible for a position even in a community committee. That is the most abominable thing that has ever transpired in my State, and I want something done about it, if this Congress has to take the necessary action, because some of the best farmers in my State, the most loyal to their neighbors and to this program, have been discharged for insubordination and made ineligible for any position in the farm program in the future.

Mr. Speaker, I have legislation now before the Committee on Agriculture to correct that situation, and I hope to be able to get it out of that committee and bring it to the floor of this House, because Senator SCHOEPPEL, of Kansas, said in my hearing in Jefferson City that the situation in Missouri was a disgrace and he hoped it would never happen in his State.

PREMATURE PUBLICATION OF STAFF REPORT ON PUBLIC WORKS AND RESOURCES SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from North Carolina [Mr. JONAS] is recognized for 10 minutes.

Mr. JONAS. Mr. Speaker, this morning's Washington Post and Times Herald carries a story written by Paul Southwick, of the United Press, which states that "Democratic members of a House subcommittee have approved a report calling on President Eisenhower to fire Under Secretary of Interior Clarence A. Davis and Assistant Secretary Fred G. Aandahl."

The story highlighted statements in the report that were highly critical of officials in the Interior Department and of private-utility companies.

This story was based upon a report which was prepared by the staff for the Public Works and Resources Subcommittee. That subcommittee met in executive session last Thursday, May 17, 1956, and unanimously agreed not to release the report for publication until after it had been presented to and considered by the full House Committee on Government Operations on June 6, 1956. The intervening time was to be allowed in order to provide the minority members of the subcommittee an opportunity to file separate views or a minority report.

Since the premature publication of this staff report directly violates an agreement unanimously entered into by members of the subcommittee present at an executive session on May 17, I have been trying all day to find out who made the report available to the representative of the United Press without success. I frankly do not believe any member of the subcommittee did so because I do not believe any of my colleagues on the subcommittee would deliberately violate an agreement and must therefore conclude that some member of the staff released the report.

I think it is a rather serious matter for a staff employee of a committee to release reports before they have been cleared by the full committee and contrary to express agreements made by the members. I have already spoken with the chairman of the committee about the matter and believe he will cause an investigation to be made to discover who released this information in violation of the formal agreement unanimously made by subcommittee members. I think we should establish the identity of the individual, staff member or otherwise, who did this in order that appropriate action may be taken to prevent such action hereafter.

The fact that this report has been released prematurely, and before minority members have had an opportunity to file their separate views or a minority report, has the effect of giving the people of the country only a one-sided view of the controversy. There is another side which minority members intended to present to the full committee for consideration at the time the staff report above referred is to be considered, and it was our intention to have both sides released to the press simultaneously. That procedure would have been in accordance with our traditional sense of fair play.

As it is now, with only the one-sided staff report available for publication, the public is given a very distorted story of the result of the investigation. That it was deliberately planned this way, by the person who released the report, seems fairly obvious.

I had not intended to comment on the report until after it had been presented

to the full committee, along with minority views, and until it had been adopted by the full committee and released for publication. But the premature publication of the one-sided report, makes it necessary, in the interest of fairness to those who are unjustly accused of wrong doing, to make a statement immediately disclaiming approval of the report or the conclusions in it.

Instead of being an objective or constructive report on power policies of the Government, the staff report which has now been made public represents a partisan effort to discredit the administration and to promote the nationalization of the electric utility industry. The premature release of the report, in direct violation of a unanimous agreement formally entered into by the members of the subcommittee on May 17, 1956, continues in the pattern in which the hearings were conducted—a pattern which reflected a staff policy of deliberately selecting as witnesses advocates of public power, enemies of the private utility industry, and critics of the administration. The record shows that witnesses were solicited by staff members to testify; were interviewed and briefed in advance of their testimony by staff members; and that only adverse witnesses were permitted to testify in the field.

In contrast, spokesmen for private industry, directly attacked by witnesses and by subcommittee members who used the hearing room as a forum, were denied—I repeat denied—by a formal vote of the subcommittee an opportunity to be heard although they made formal requests to be permitted to testify in reply to the attacks made upon their companies and upon the private utility industry.

It will be hard for you to believe that this happened—I would not have believed it could happen here in the United States of America in the year 1956, if I had not been present to witness the defeat on a motion I made myself that these witnesses be heard—a motion defeated, I might add, by a straight party vote in the subcommittee.

And now a report, based upon that kind of a hearing, has been made available for publication and has been published no doubt throughout the country containing charges of the gravest character against reputable public officials and against private industry, without those of us who believe these charges to be unfounded having had an opportunity to present the other side of the story to the committee or to the public.

I ask that Members of the House and the public reserve judgment until both sides have been presented and until all of the facts are in the RECORD.

A minority report will be released in accordance with the agreed schedule. It will expose this staff-prepared report for what it is—a pamphlet of political bias coupled with an insidious attack upon the American system of free enterprise.

One of the most severe criticisms in the prematurely released report was directed at the alleged failure of the Interior Department to make Clark Hill power available to preference customers in Georgia.

Interior Department officials were accused of engaging in a conspiracy with private utilities to deny power to Georgia cooperatives.

Now it just happens that the press late last week carried news that on Wednesday or Thursday—I forget which day—contracts were signed which will bring Federal power to Clark Hill to the Georgia cooperatives for the first time. This may account for somebody's haste in getting the one-sided report to the press, because obviously the attack upon the administration over Clark Hill power dissolves into thin air in view of the signing of these contracts last week.

The signing of these contracts successfully concludes many months of patient and painstaking efforts on the part of officials of the Department of the Interior to work out a satisfactory settlement between the Georgia Power Co. and the Georgia Cooperatives. Interior Department officials are entitled to praise for this accomplishment, and do not deserve the harsh criticism levied at them in the report to which reference has been made.

Many difficulties had to be overcome in bringing about this settlement. One was the fact that transmission lines were not available to serve the cooperatives directly, and Congress itself had refused, during the Truman administration, to appropriate money to build such lines. On the contrary, there were ample privately owned utility lines available. The problem was to work out a satisfactory arrangement by which the private utility company would wheel Federal power from Clark Hill to the cooperatives.

The difficulty of negotiating a suitable contract for such purpose was increased by reason of the fact that, because of water conditions, the Clark Hill project can generate large amounts of power over short periods of time but cannot provide firm power over extended periods. To be useful to cooperatives which had no steam generation, Clark Hill power must be firmed up with steam power so as to be available for 24-hour service.

The press reports from Georgia indicate that the Georgia Power Co. has agreed, not only to wheel hydro power from Clark Hill to the cooperatives but to supply these cooperatives, from its own sources, firming power at project rates.

This is a good example of the effectiveness of the partnership policy which the Department of the Interior has sponsored. It is a flat contradiction of the charges that have been made repeatedly by partisan critics of the administration. It clearly demonstrates that the responsible officials in the Department of the Interior have been sincerely trying to bring about an adjustment and settlement of the many difficulties that were involved.

That a satisfactory solution has now been worked out, despite efforts on the part of politicians to convert the negotiations into a political football, is a tribute to the patience and determination of officials in the Department of the Interior.

PREMATURE PUBLICATION OF STAFF REPORT OF PUBLIC WORKS SUBCOMMITTEE OF THE COMMITTEE ON GOVERNMENT OPERATIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. KNOX] is recognized for 10 minutes.

Mr. KNOX. Mr. Speaker, I rise to speak on the same question that the gentleman from North Carolina [Mr. JONAS] has just spoken about, and to say that I concur in the remarks made by him on the question of the release of the staff report prior to the date set. The Republican members of the House Government Operations Subcommittee on Public Works were granted by unanimous consent of the full subcommittee an opportunity to file their views on public-power policy relative to preference customers. The date was fixed as of June 6, 1956, when the report would be filed with the full committee and in accordance with the rules of the said committee no release would be made before June 6. The report which was released and which appeared in the Washington Post and Times Herald of this date—Monday, May 21, 1956—is a direct and deliberate violation of all the ethics of the rules and agreement reached by the subcommittee. The report does not reflect the true picture but deliberately distorts the actual facts according to documents in the possession of the subcommittee members. The fact that the staff report was either stolen or released demands a full-scale investigation of each staff member and, in my opinion, every member of our staff of the subcommittee is under indictment until the committee has determined how the press acquired the staff report for publication. The general public is entitled to have the truth and the full facts of the study made by our subcommittee and not the slanted and distorted information included in the staff report appearing in the Washington Post of May 21 in a deliberate attempt to discredit the administration. It seems rather queer that when you pick up the paper this morning you find this release and then in the afternoon of the same day, a letter comes to your office along with the committee report of the staff report on which is printed in three different places "For subcommittee use only—not for release."

I can see no justification for any member of our subcommittee staff to have released this report after the agreement the subcommittee had made.

Mr. MEADER. Mr. Speaker, will the gentleman yield?

Mr. KNOX. I yield to the gentleman.

Mr. MEADER. I want to commend my colleague from Michigan, Mr. KNOX, and my colleague from North Carolina, Mr. JONAS, for calling this matter to the attention of the House itself. This,

in my judgment, is a very serious matter, and I would like to say that, in my opinion, it is not merely a violation of an agreement entered into by the subcommittee, but it is an actual violation of the Rules of the House.

I call attention to rule XI, paragraph 25 (d) and (e):

It shall be the duty of the chairman of each committee to report or cause to be reported promptly to the House any measure approved by his committee, and to take or cause to be taken necessary steps to bring the matter to a vote.

(e) No measure or recommendation shall be reported from any committee unless a majority of the committee were actually present.

Then rule XIII (2):

All reports of committees, except as provided in clause 20 of rule XI, together with the views of the minority, shall be delivered to the Clerk for printing.

Subcommittees are not recognized by the rules of the House and they can report only to the parent committee. That has not yet been done by the subcommittee. As I understand it, a meeting of the full committee was arranged for June 6 to receive and consider the report of the subcommittee. Until that action is taken, I would say the report has no legal standing and has not received the approval of a majority of the members of the committee, and therefore should not be released as the action of the subcommittee or the committee. So it seems to me that here is a clear violation, an act of irresponsibility and, from what you gentlemen say, it was motivated by political bias. I think your remedy is entirely appropriate, and that the chairman of the full committee, whose record has been blemished by this episode, should take immediate steps to ferret out the person responsible for the premature release of this document and see that proper disciplinary action is taken. If that is not the policy of the majority leadership of our committee, then I fear that this type of thing will occur again and again, and will embarrass Members of Congress and committees, and impair the reputation of committees for responsible action.

Mr. KNOX. I thank the gentleman for his contribution.

Mr. JONAS of North Carolina. Mr. Speaker will the gentleman yield?

Mr. KNOX. I yield.

Mr. JONAS of North Carolina. I think the RECORD at this point should disclose the fact that I talked to the chairman of the full committee and he told me that he had heard from the chairman of the subcommittee who told him that he had not authorized the release of this report prematurely. Then I talked with the chief counsel of the committee staff, Mr. Perlman, and he told me positively and definitely that he had not authorized the release of it and did not know who had done so. That would sort of narrow the field, and I think it is quite obvious that somebody released the report and apparently did so without being authorized to do so, and I intend to insist upon a complete investigation until we can find who it is on the staff, if anybody, who is releasing these reports prematurely.

Mr. KNOX. I thank the gentleman. I might say from the information that came to our subcommittee in our deliberations, the subcommittee was unanimous in holding the report in abeyance until June 6, and the minority members agreed that they would have their report ready, which would be a minority report that would reflect minority views, and be able to use some documents that we were not permitted to use on Thursday last. We requested certain information that we had in our possession become a part of the staff report, but that was denied. It was our intent to put this additional information into the minority report so that the general public would have full information of our findings, as far as the subcommittee's work was concerned, on the study of public power and preference customers.

Mr. Speaker, I yield back the remainder of my time.

SAFETY MEASURES FOR ARSENALS AND NAVY YARDS SHOULD BE RESTORED IN ARMED SERVICES APPROPRIATION BILL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, when we had under consideration the Armed Forces appropriation bill, setting aside $32 billion for them, section 633 safeguarding the manufacture of munitions in navy yards and naval establishments was stricken from the bill.

That section safeguarded the workers in the navy yards and arsenals and also the public, because you all know if contracts are given to fly-by-night companies, and I have known a number of such contracts so given in the last year, to little companies that were not responsible, who were not able to finish their contract, and we lost a year's production, and even more important human lives were endangered.

I was talking with Army representatives the other day and I learned that they too have been troubled with materiel and faulty munitions and faulty war munitions can cause great injury and loss of hundreds of lives. One lot of munitions was so bad that it was sent for testing to an arsenal and in the testing a man's leg was blown off and the man is still having a terrible time of it.

Other people have suffered bad gas burns because they did not know how to work with gas.

I know the Members did not realize the other day when that amendment was under consideration that it involved navy yards and arsenals.

The Department of Commerce sent around a statement by Secretary Pike, but in that they did not mention the arsenals and did not mention the munitions workers—did not mention the shipyards where dangerous work takes place day after day.

I called up that office, the Office of Logistics, and asked why in their statement arsenals and navy yards were not mentioned. The first reply was: "Oh, yes, they were." I said: "No, they were not, you know very well they were not;" and he finally admitted that they were not in the statement.

I consider that what was done was very tricky, very unfair to the House, and extremely dangerous. I hope the Senate will restore that provision to the bill, and I believe the House will go along with it.

Not so long ago you will remember that we in the House passed legislation protecting children from Fourth of July firecrackers—instruments of torture they proved to be in many instances—yet we are not willing to keep legislation on the statute books that will protect against faulty munitions that frequently cause injury to far more people than Fourth of July firecrackers and torpedoes.

GROWTH OF ENGINEERING AND MECHANICAL SKILLS IN RUSSIA

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] be allowed to extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. DINGELL. Mr. Speaker, recently Mr. Nikita S. Khrushchev, the boss of the Communist Party, and one of the real masters of the Kremlin and framers of Soviet policy, made a statement which is indicative of the recent change in Russian policy and which points up a new danger to the free world.

We don't have to fight. Let us have peaceful competition and we will show you where the truth lies. Victory is ours.

Now let us analyze this statement in the light of current intelligence as to the fabulous recent growth of the Russian economy and developments showing an apparent change in Soviet policy. I now quote from an article which appeared in the Washington Star of September 25, 1955, which shows how Russia is outproducing America in engineers, technicians, and scientists, who are the key not only to a growing peacetime economy, but to victory either in peace or in the very thing which we seek to avoid, pushbutton war, fought with atomic and thermo-nuclear weapons. These same engineers and scientists are also the way to ultimate victory by peaceful means in an industrial competition which could mean economic bankruptcy for the loser and untold riches for the winner:

Here is a sketch of how the Soviet system for training engineers out-produces ours:

Past performance: From 1928 to 1953 the Soviet Union turned out 150,000 more engineers than the United States.

Present strengths: Both the Soviet Union and America now have about 520,000 graduate engineers available, but the United States' attrition rate is much higher.

Present training: Soviet engineer enrollment is 300,000; the United States is 194,000.

Past year's graduates: In 1954 the Soviet Union graduated 53,000 engineers, the United States 23,000.

Rate of expansion: The Soviet Union, now training over twice as many engineers per year as we are, has lately had a rate of increase of 35 percent per year; ours, for the next 10 or 12 years, will be well under 5 percent per year. No one knows, of course, what Soviet plans are for future years; the Reds may have been spurting the last two years; on the other hand, they have a solid enough secondary school "feeder system" to maintain their sensational rate of increase for several years.

Use: The Soviet Union has all its 520,000 engineers at work; in the United States, only 360,000 of the 520,000-odd who are qualified are working as engineers. When "practicals"—men without sheepskins working as engineers—are added to these figures, however, the total force of professional engineers in both the United States and Soviet Union comes to somewhere between 610,000 and 630,000.

Aeronautical engineers: Since 1915 the Soviet Union has been graduating from 1,200 to 1,400 aeronautical engineers per year. In the same period the United States output dropped from 1,725 in 1951 to 645 in 1954.

To summarize: American and Soviet pools of working engineers are now roughly equal, but from here on the Soviet Union will apparently graduate many more and will concentrate them much more effectively on military projects and heavy industry.

It is interesting to note that even once-backward China is approaching the problem with a vigor and determination far in excess of our own, which will raise the number of China's engineers and technicians to 100,000, an increase of 200 percent in less than 5 years. We in America will, in the same time increase our supply of engineers to only 900,000 while Russia will have 1.2 million, and will be running away from us faster and faster, in the technical and scientific fields. Even now Russia is graduating 55,000 competent engineers to America's 20,000 per year.

This information reaches us together with the knowledge that we will need 20,000 more engineers than we have available for only the road program which the House of Representatives just passed. Further proof of shortage of these trained minds is shown by the way that industry is literally breaking down the doors of American colleges to pick up any of the graduating engineers and scientists.

The disparity in the increase in American and Russian scientific and engineering personnel can be seen in the unbelievable growth of the Soviet war potential, first in the production of the atomic bomb, and then in the production of the hydrogen bomb, to a point of near equality with our own.

We read constantly that Russia's ability to produce the intercontinental ballistic missile surpasses our own. We recently discovered to our surprise that Russia's air force is equal to our own in quality and superior in numbers, in all types of aircraft.

These factors show that Mr. Khrushchev's statement is not idle talk, but that the Russian's long-range plan is no different than it ever was; ultimate domination and conquest of the world as set forth in the writings of Marx, Lenin, and Stalin. However, it would appear that the Russians have come to believe, in this day of atomic warfare, that there is an easier way, a bloodless way, to finally prevail, and indeed this is a great new danger to America in view of the switch in Soviet policy to sweetness and light.

We who love America and the liberty and freedom which we enjoy under our system of free competitive enterprise, must react vigorously to all phases of the communistic threat to all that we hold dear. The education of our present and future generations to provide ourselves with the trained manpower America needs is one of the most important steps.

We must recognize that this is not only a way to achieve the sinews of modern wars, but it is also the best way to guarantee the continued expansion of our own present high standard of living and to feed, clothe, house, and equip an ever-growing population.

To accomplish the rapid expansion which we must have in these fields, America must aggressively move ahead in the increasingly complex field of education.

Much of what we hope to accomplish in improving our educational system and in increasing our lagging supply of trained minds can be accomplished through the Federal aid to school construction, which I hope the Congress will pass during this session. But much is constitutionally reserved to State action.

Another easing of this critical shortage which we face will come through the improvements which the States will be able to make in their curriculum through additional facilities, larger teaching staffs, and courses which they can support as a result of this program.

This is a part of a long-term program, and it will be a long time before it is felt. We hope that this program will have effect soon enough to help our beloved country win this new war of technology, but we must be sure, we must have more, a program which will have quicker results.

I have introduced a bill today which I hope will make available to our country skilled technicians, scientists, and engineers in fields which are in critical supply, and vital to the defense of our country.

This will be accomplished by authorizing the Secretary of Defense to expend $10 million per year to award scholarships and graduate fellowships for scientific study or scientific work in the mathematical, physical, biological, engineering, and other sciences at accredited nonprofit American or nonprofit foreign institutions of higher education. Such selections are to be on the basis of ability.

Now, let us analyze this. The program will do a number of things to furnish a supply of technicians in branches of science most needed for defense at an early date, in time to help our country to win this new cold war. It will furnish much of the supply of teachers which must train our youth in a time of rapidly expanding population.

I want everyone to know that this is not a philanthropic venture, except insofar as it contributes to the defense of our America. In addition to furnishing at least two-thousand-five-hundred-odd fellowships and graduate scholarships, it will permit a number of graduate students and research scientists to study problems and conduct research vital to the defense of the United States.

The research which will result in fields needed by our national defense would cost 5 to 10 times as much if the country had to hire the scientists required to carry out an equivalent program. A large part of the study and research conducted under this program will, of course, be done at American universities, where those directing it will have access to the best men in their fields. Our Government will thereby purchase the services, facilities, and assistance of the best minds in their respective fields at a small part of the real cost.

I hope that the Congress will bear in mind that there is ample precedent for the proposals contained in this bill. Its forerunners are the National Science Foundation, the Fulbright Scholarships, and the research conducted under the Atomic Energy Act. I hope that the Congress will give my bill the early and favorable consideration required by a situation of grave concern to our country.

TOGETHERNESS—A GREAT NEW FORCE IN AMERICA

Mr. HOSMER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include certain quotations and extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOSMER. Mr. Speaker, I would like to read into the RECORD an advertisement run by the Hecht Co. on Saturday last in the Washington Post.

It bears the headline "The Greatest Force in the World Today Is Togetherness" and it also carries a message from Adm. Arthur W. Radford, Chairman of the Joint Chiefs of Staff, who writes:

On Armed Forces Day, 1956, soldiers, sailors, airmen, and marines are teamed together, at home and overseas, building security with freedom. Our lives are richer with the knowledge that hard work and dedication to duty are in the best security interests of our Nation. Together we guard our country and our way of life. Together, let all Americans renew this day our pledges to our country and to the principles which made it great. Signed: Arthur Radford.

To which the Hecht Co. adds a message urging all America to team up with our servicemen in supporting peace for our Nation, and notes that the entire advertisement is published as "a public service in the interests of Togetherness, McCall's wonderful word for work and responsibilities shared."

Frankly, I have been watching with warm pride the way the word "Togetherness"—as chiefly publicized by McCall's, the magazine of Togetherness—has captured our Nation. A month ago, the Gold Star Mothers, for example, gave their first Distinguished Service Citation to McCall's for its Togetherness program which, to quote—

Has emerged as the dominant inspirational force in American life today and has brought national attention to the fact that America's future, as always, is as strong as its family ties.

I noticed, too, that the Togetherness program also won the Freedoms Foundation award—the first magazine campaign to do so. That eminent board of judges called Togetherness "the most consequential word to American family life today."

What is Togetherness, and why has it special significance to the Congress of the United States?

Otis Lee Wiese, editor and publisher of McCall's, speaking at a Togetherness awards luncheon here in Washington recently, defined Togetherness as the trend toward closer family relationships that is the hope of our time. Never before have there been so many families, so many children in families, so many self-owned homes. And families today are traveling together, playing together, working together, praying together, despite the minority statistics that would seem to indicate that our moral and ethical standards are slipping. In my native State, California, this happy, home-centered pattern of living is particularly obvious. But it also exists throughout the rest of the country.

Mr. George H. Allen, of the McCall's organization, was telling me the other day of the tremendous way Togetherness has swept the Nation. Outstanding stores in practically every State use it in their institutional advertising. But its import goes beyond the commercial. Educators, civic leaders, even the clergy from the pulpits of the Nation, refer to Togetherness constantly. Sometimes its connotation is enlarged from just family Togetherness to encompass partnership on all levels—as in the dramatic armed services advertisement highlighting the Togetherness today in our fighting forces.

The very institution of Congress, after all, is the epitome of Togetherness, in which States and political parties must come together for the common good.

But it is still the concept of family Togetherness which for me, as a Representative of the great family State of California, has deepest meaning. For no other country besides America is so blessed, not only with prosperity and products, but with the emotional and social enlightenment to foster this step forward in the living and dignity of man.

I think the story of Togetherness and its national acceptance has a message for every legislator. And I think McCall's magazine is to be commended for discovering and using a theme that melds commercial impact with such far-reaching civic and social overtones.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. THORNBERRY (at the request of Mr. IKARD) for an indefinite period, on account of illness.

Mr. WRIGHT, for May 21, 22, and 23, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House following the legislative program and any special orders heretofore entered, was granted to:

Mr. BAILEY for 20 minutes on Thursday next.

Mr. JONAS, on today, for 10 minutes, and on June 6 for 30 minutes.

Mr. KNOX for 10 minutes today.

Mr. LANHAM for 45 minutes tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. PRIEST and to include a letter from the Attorney General addressed to the Speaker.

Mr. RABAUT.

Mr. MORRISON.

Mr. AYRES.

Mr. BAILEY (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. ALGER in two instances and to include certain speeches.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker pro tempore:

H. R. 7030. An act to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER pro tempore announced his signature to an enrolled bill and joint resolution of the Senate of the following title:

S. 3254. An act to authorize the county of Custer, State of Montana, to convey certain lands to the United States.

S. J. Res. 166. Joint resolution to designate the dam and reservoir to be constructed on the lower Cumberland River, Ky., as Barkley Dam and Lake Barkley, respectively.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On May 17, 1956:

H. R. 6137. An act for the relief of Herman Floyd Williams, Bettie J. Williams, and Alan G. Segers; and

H. R. 10004. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

On May 18, 1956:

H. R. 7186. An act to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry.

On May 21, 1956:

H. R. 7030. An act to amend and extend the Sugar Act of 1948, as amended, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 39 minutes p. m.) the House adjourned until tomorrow, Tuesday, May 22, 1956, at 12 o'clock noon.

MOTION TO DISCHARGE COMMITTEE

MAY 21, 1956.

TO THE CLERK OF THE HOUSE OF REPRESENTATIVES

Pursuant to clause 4 of rule XXVII, I, Hon. WRIGHT PATMAN, move to discharge the Committee on Rules from the consideration of the resolution, House Resolution 414, entitled "A resolution providing for the consideration of H. R. 11, a bill to reaffirm the national public policy and purposes of Congress in the laws against unlawful restraints and monopolies, and for other purposes," which was referred to said committee February 28, 1956, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Wright Patman.
2. Hugh D. Scott, Jr.
3. Paul Cunningham.
4. Usher L. Burdick.
5. Samuel N. Friedel.
6. Cecil R. King.
7. Eugene J. McCarthy.
8. George M. Rhodes.
9. Henry S. Reuss.
10. William A. Barrett.
11. James E. Van Zandt.
12. Thomas E. Morgan.
13. James G. Polk.
14. Augustine B. Kelley.
15. Thomas S. Gordon.
16. Edward A. Garmatz.
17. Lee Metcalf.
18. William L. Dawson.
19. Clement J. Zablocki.
20. Earl Chudoff.
21. Robert C. Byrd.
22. Cleveland M. Bailey.
23. Harley O. Staggers.
24. Edward P. Boland.
25. Gordon L. McDonough.
26. A. S. J. Carnahan.
27. Leroy Johnson.
28. Clyde Doyle.
29. George H. Christopher.

30. Robert T. Ashmore.
31. James Roosevelt.
32. Harlan Hagen.
33. John J. Flynt, Jr.
34. Byron G. Rogers.
35. Jim Wright.
36. Eugene Siler.
37. George S. Long.
38. Thomas J. Lane.
39. Henderson Lanham.
40. James C. Davis.
41. Lester Johnson.
42. Michael J. Kirwan.
43. John E. Moss, Jr.
44. B. F. Sisk.
45. Iris F. Blitch.
46. M. G. Burnside.
47. Kenneth J. Gray.
48. Joe L. Evins.
49. James T. Patterson.
50. Wayne L. Hays.
51. Melvin Price.
52. Thomas J. Dodd.
53. Joel T. Broyhill.
54. Don Hayworth.
55. A. M. Fernandez.
56. Don Magnuson.
57. Roy W. Wier.
58. Ross Bass.
59. William T. Granahan.
60. Elmer J. Holland.
61. Walter Rogers.
62. Chester E. Merrow.
63. Louis C. Rabaut.
64. Perkins Bass.
65. Winfield K. Denton.
66. Hugh J. Addonizio.
67. Martha W. Griffiths.
68. James A. Byrne.
69. John Dowdy.
70. Edith Green.
71. Morgan M. Moulder.
72. Pat Jennings.
73. Elizabeth Kee.
74. Charles A. Boyle.
75. Ed Edmondson.
76. Tom Steed.
77. Fred Marshall.
78. Charles A. Vanik.
79. John Bell Williams.
80. Philip J. Philbin.
81. Harold D. Donohue.
82. Richard Bolling.
83. Wayne N. Aspinall.
84. Daniel J. Flood.
85. Chet Holifield.
86. Lester Holtzman.
87. A. S. Herlong.
88. W. J. Bryan Dorn.
89. R. W. Hoffman.
90. Thomas J. O'Brien.
91. James B. Bowler.
92. John J. Dempsey.
93. Barrett O'Hara.
94. Charles E. Bennett.
95. James G. Fulton.
96. George P. Miller.
97. Earl Wilson.
98. Clark W. Thompson.
99. John Lesinski.
100. Harry R. Sheppard.
101. Victor Wickersham.
102. Sidney R. Yates.
103. William J. Green, Jr.
104. J. W. Trimble.
105. Carl Albert.
106. Michael A. Feighan.
107. Clair Engle.
108. Frank M. Karsten.
109. Robert L. F. Sikes.
110. H. R. Gross.
111. Leonore K. Sullivan.
112. Thomas Ludlow Ashley.
113. Homer Thornberry.
114. Frank Ikard.
115. Herman P. Eberharter.
116. Ray J. Madden.
117. L. Mendel Rivers.
118. James J. Murray.
119. Howard H. Baker.
120. Charles B. Deane.
121. Frank Thompson, Jr.
122. James H. Morrison.
123. Charles M. Teague.
124. Albert W. Cretella.
125. E. Keith Thomson.
126. Orbin Fjare.
127. Gordon Canfield.
128. Jackson B. Chase.
129. John Jarman.
130. Alvin E. O'Konski.
131. Dean P. Taylor.
132. Robert D. Harrison.
133. Thor C. Tollefson.
134. Gracie Pfost.
135. Arthur Winstead.
136. E. C. Gathings.
137. Richard E. Lankford.
138. James A. Haley.
139. J. Percy Priest.
140. Clifford Davis.
141. John C. Watts.
142. A. L. Miller.
143. Stewart Udall.
144. Gardner N. Withrow.
145. Robert H. Mollohan.
146. Brent Spence.
147. Hamer H. Budge.
148. Walt Horan.
149. Carl L. Durham.
150. Leo W. O'Brien.
151. Aime J. Forand.
152. Charles S. Gubser.
153. Carroll Kearns.
154. Albert P. Morano.
155. Carl D. Perkins.
156. J. Edgar Chenoweth.
157. John J. Riley.
158. Antoni N. Sadlak.
159. Horace Seely-Brown, Jr.
160. John A. Blatnik.
161. T. A. Thompson.
162. John C. Kluczynski.
163. W. F. Norrell
164. Wilbur D. Mills.
165. Oren Harris.
166. Brooks Hays.
167. Coya Knutson.
168. John F. Shelley.
169. Harris B. McDowell, Jr.
170. Albert Thomas.
171. William H. Natcher.
172. Francis E. Dorn.
173. Otto E. Passman.
174. E. P. Radwan.
175. Thaddeus M. Machrowicz.
176. Carl Elliott.
177. Robert E. Jones.
178. Adam C. Powell, Jr.
179. Edith Nourse Rogers.
180. Kenneth A. Roberts.
181. Albert Rains.
182. Robert J. Corbett.
183. Bruce Alger.
184. John J. Bell.
185. H. Carl Andersen.
186. Torbert H. Macdonald.
187. W. M. Abbitt.
188. Paul G. Rogers.
189. Frank M. Clark.
190. F. Ertel Carlyle.
191. William G. Cramer.
192. Harold O. Lovre.
193. E. Y. Berry.
194. R. B. Chiperfield.
195. Harold D. Cooley.
196. Alvin R. Bush.
197. Phil Weaver.
198. Charles R. Jonas.
199. John E. Fogarty.
200. James G. Donovan.
201. Thomas M. Pelly.
202. William M. Tuck.
203. George Huddleston, Jr.
204. Carl Vinson.
205. Prince H. Preston.
206. Gordon H. Scherer.
207. J. L. Pilcher.
208. Frank T. Bow.
209. A. D. Baumhart, Jr.
210. Paul F. Schenck.
211. William E. Minshall.
212. Frank W. Boykin.
213. Sam Coon
214. Paul Brown.
215. Joe M. Kilgore.
216. J. T. Rutherford.
217. Herbert C. Bonner.
218. Martin Dies.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1863. A communication from the President of the United States, transmitting proposed supplemental appropriations of $1,250,000 for the fiscal year 1956 and $250,000 for the fiscal year 1957 for the Department of Agriculture (H. Doc. No. 407); to the Committee on Appropriations and ordered to be printed.

1864. A communication from the President of the United States, transmitting an amendment to the budget for the fiscal year 1957 in the mount of $100,000 for the House of Representatives (H. Doc. No. 408); to the Committee on Appropriations and ordered to be printed.

1865. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation entitled "A bill to amend the Agricultural Trade Development and Assistance Act of 1954, as amended, so as to increase the amount authorized to be appropriated for purposes of title I of the act, and for other purposes"; to the Committee on Agriculture.

1866. A letter from the Assistant Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to amend the National Security Act of 1947, as amended, to establish in the Department of Defense an Office of Under Secretary of Defense for International Security Affairs, and for other purposes"; to the Committee on Armed Services.

1867. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to validate certain payments in settlement of unused accrued leave heretofore or hereafter made to certain members of the Army and the Air Force, and for other purposes"; to the Committee on Armed Services.

1868. A letter from the Assistant Secretary of Defense, transmitting a monthly report on military prime contracts with business firms for work in the United States, pursuant to section 6 of Public Law 268,

84th Congress, which amended section 211 of the Small Business Act of 1953; to the Committee on Banking and Currency.

1869. A letter from the Secretary, Department of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to establish a teaching hospital for Howard University, to transfer Freedman's Hospital to the university, and for other purposes"; to the Committee on Education and Labor.

1870. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Army industrial fund, Diamond Ordnance Fuze Laboratories, Ordnance Corps, Department of the Army, for the period September 27, 1953, to June 30, 1955; to the Committee on Government Operations.

1871. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of March 31, 1956, pursuant to section 5 (e) of the Communications Act as amended July 16, 1952, by Public Law 554; to the Committee on Interstate and Foreign Commerce.

1872. A letter from the Secretary of Commerce, transmitting the quarterly report of the Maritime Administration of this Department on the activities and transactions of the Administration for the period from January 1, 1956, through March 31, 1956, pursuant to section 13 of the Merchant Ship Sales Act of 1946; to the Committee on Merchant Marine and Fisheries.

1873. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to extend the existing application of the Temporary Promotion Act of 1941, as amended, to the Coast Guard, and for other purposes"; to the Committee on Merchant Marine and Fisheries.

1874. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 1, 1956, submitting a report, together with accompanying papers and an illustration, on a review of reports on Black Vermillion River at Frankfort, Kans., requested by a resolution of the Committee on Public Works, House of Representatives, adopted September 29, 1949 (H. Doc. No. 409); to the Committee on Public Works, and ordered to be printed with one illustration.

1875. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

1876. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

1877. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress, amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1878. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1879. A letter from the Commissioner, Immigration and Naturalization Service, United States Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

1880. A letter from the Acting Chairman, United States Atomic Energy Commission, transmitting a draft of proposed legislation entitled "A bill to amend Public Law 506, 84th Congress, authorizing appropriations to the Atomic Energy Commission for acquisition or condemnation of real property or any facilities, or for plant or facility acquisition, construction, or expansion, and for other purposes"; to the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON: Committee on Appropriations. H. R. 11319. A bill making appropriations for the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 2181). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. House Joint Resolution 511. Joint resolution granting the consent of Congress to the States of New York, New Jersey, and Connecticut to confer certain additional powers upon the interstate sanitation commission, established by said States pursuant to Public Resolution 62, 74th Congress, August 27, 1935; with amendment (Rept. No. 2182). Referred to the House Calendar.

Mr. CARLYLE: Committee on Interstate and Foreign Commerce. H. R. 9592. A bill to amend section 403 (b) of the Civil Aeronautics Act of 1938 so as to permit air carriers and foreign air carriers, subject to certain conditions, to grant reduced-rate transportation to ministers of religion; without amendment (Rept. No. 2183). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRIEST: Committee on Interstate and Foreign Commerce. S. 849. An act to provide assistance to certain non-Federal institutions for construction of facilities for research in crippling and killing diseases such as cancer, heart disease, poliomyelitis, nervous disorders, mental illness, arthritis and rheumatism, blindness, cerebral palsy, tuberculosis, multiple sclerosis, epilepsy, cystic fibrosis, and muscular dystrophy, and for other purposes; with amendment (Rept. No. 2184). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7552. A bill to amend sections 220 and 221 (d) of the Hawaiian Homes Commission Act, 1920; with amendment (Rept. No. 2185). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7887. A bill to authorize the Commissioner of Public Lands to sell public lands under certain circumstances without public auction; with amendment (Rept. No. 2186). Referred to the Committee of the Whole House on the State of the Union.

Mr. DONOHUE: Committee on the Judiciary. H. R. 627. A bill to provide means of further securing and protecting the civil rights of persons within the jurisdiction of the United States; with amendment (Rept. No. 2187). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALTER: Committee on Un-American Activities. Report entitled "The Great Pretense, a Symposium on Anti-Stalinism and the 20th Congress of the Soviet Communist Party"; without amendment (Rept. No. 2189). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. H. R. 9540. A bill to extend and strengthen the Water Pollution Control Act; with amendment (Rept. No. 2190). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 7890. A bill to authorize the commissioner of public lands to sell public lands located at Kaneohe Bay, Oahu, to certain persons; with amendment (Rept. No. 2188). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON:

H. R. 11319. A bill making appropriations for the Tennessee Valley Authority, certain agencies of the Department of the Interior, and civil functions administered by the Department of the Army, for the fiscal year ending June 30, 1957, and for other purposes.

By Mr. ABERNETHY:

H. R. 11320. A bill to amend certain laws effecting the control of narcotics in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. MILLER of Nebraska:

H. R. 11321. A bill to amend certain laws effecting the control of narcotics in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. ANFUSO:

H. R. 11322. A bill to provide that the next cruiser commissioned in the United States Navy shall be named the *Brooklyn*; to the Committee on Armed Services.

By Mr. BATES:

H. R. 11323. A bill to provide for the modification of the existing project for Salem Harbor, Mass.; to the Committee on Public Works.

H. R. 11324. A bill to establish a sound and comprehensive national policy with respect to the development, conservation for preservation, management and use of fisheries resources, to create and prescribe the functions of the United States Fisheries Division of the Department of the Interior, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BERRY:

H. R. 11325. A bill to authorize the Secretary of the Interior to donate to Indians certain federally owned personal property no longer required by the Department of the

Interior or other Federal agencies; to the Committee on Interior and Insular Affairs.

By Mr. BONNER:

H. R. 11326. A bill to implement a treaty and agreement with the Republic of Panama by transferring certain property to the Republic of Panama, and adjusting the fiscal obligations of the Panama Canal Company; to the Committee on Merchant Marine and Fisheries.

H. R. 11327. A bill to implement a treaty and agreement with the Republic of Panama by amending the Classification Act of 1949, as amended; to the Committee on Post Office and Civil Service.

By Mr. CELLER:

H. R. 11328. A bill to provide that the next cruiser commissioned in the United States Navy shall be named the *Brooklyn;* to the Committee on Armed Services.

By Mr. CHATHAM:

H. R. 11329. A bill to provide a soil-bank program for farmers who grow flue-cured tobacco; to the Committee on Agriculture.

By Mr. DINGELL:

H. R. 11330. A bill to authorize the Secretary of Defense to grant scholarships and fellowships in scientific fields to promote the defense and security of the United States; to the Committee on Armed Services.

By Mrs. GREEN of Oregon:

H. R. 11331. A bill to provide financial assistance for the rehabilitation of orchards destroyed or damaged by natural disaster; to the Committee on Agriculture.

By Mrs. KELLY of New York:

H. R. 11332. A bill to provide that the next cruiser commissioned in the United States Navy shall be named the *Brooklyn;* to the Committee on Armed Services.

By Mr. KEOGH:

H. R. 11333. A bill to provide that the next cruiser commissioned in the United States Navy shall be named the *Brooklyn;* to the Committee on Armed Services.

By Mr. PELLY:

H. R. 11334. A bill to provide certain increases in annuity for retired employees under the Civil Service Retirement Act of May 29, 1930, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. REECE of Tennessee:

H. R. 11335. A bill authorizing the transfer of certain property of the Veterans' Administration (in Johnson City, Tenn.) to Johnson City National Farm Loan Association and the East Tennessee Production Credit Association, local units of the Farm Credit Administration; to the Committee on Veterans' Affairs.

By Mr. ROONEY:

H. R. 11336. A bill to provide that the next cruiser commissioned in the United States Navy shall be named the *Brooklyn;* to the Committee on Armed Services.

By Mr. SIMPSON of Pennsylvania:

H. R. 11337. A bill relating to the applicability of section 164 (d) of the Internal Revenue Code of 1954 to taxes on real property sold before the date of the enactment of such code pursuant to a contract of sale entered into before January 1, 1954; to the Committee on Ways and Means.

By Mr. THOMPSON of New Jersey:

H. R. 11338. A bill to provide for the relocation of the National Training School for Boys, and for other purposes; to the Committee on the Judiciary.

H. R. 11339. A bill to promote the foreign policy of the United States by amending the United States Information and Educational Exchange Act of 1948 (Public Law 402, 80th Cong.); to the Committee on Foreign Affairs.

By Mr. UDALL:

H. R. 11340. A bill to extend for an additional 6 years the authority to make, guarantee, and insure loans under title III of the Servicemen's Readjustment Act of 1944, as amended; to the Committee on Veterans' Affairs.

By Mr. WALTER:

H. R. 11341. A bill to amend title 18, United States Code, to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities; to the Committee on the Judiciary.

By Mr. KING of California:

H. R. 11342. A bill to establish a sound and comprehensive national policy with respect to fisheries; to strengthen the fisheries segment of the national economy; to establish within the Department of the Interior a Fisheries Division; to create and prescribe the functions of the United States Fisheries Commission; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WILSON of California:

H. R. 11343. A bill to establish a sound and comprehensive national policy with respect to fisheries; to strengthen the fisheries segment of the national economy; to establish within the Department of the Interior a Fisheries Division; to create and prescribe the functions of the United States Fisheries Commission; and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mrs. CHURCH:

H. Con. Res. 240. Concurrent resolution for the establishment of a joint congressional committee to review the policies and operations of foreign aid; to the Committee on Rules.

By Mr. HARRISON of Virginia:

H. Con. Res. 241. Concurrent resolution for the establishment of a joint congressional committee to review the policies and operations of foreign aid; to the Committee on Rules.

By Mr. ZABLOCKI:

H. Con. Res. 242. Concurrent resolution providing for 10,000 additional copies of the report entitled "Special Study Mission to the Middle East, South and Southeast Asia, and the Western Pacific"; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Michigan, memorializing the President and the Congress of the United States with reference to House Resolution No. 40, relative to the centennial of the birth of Booker T. Washington; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT of Michigan:

H. R. 11344. A bill for the relief of Mrs. Margaret Schmalz; to the Committee on the Judiciary.

By Mr. BUCKLEY:

H. R. 11345. A bill for the relief of Peter Walsh; to the Committee on the Judiciary.

By Mr. DORN of South Carolina:

H. R. 11346. A bill for the relief of Camillus Bothwell Jeter; to the Committee on Agriculture.

By Mr. GAMBLE:

H. R. 11347. A bill for the relief of John M. Basjah; to the Committee on the Judiciary.

By Mr. HUDDLESTON:

H. R. 11348. A bill for the relief of White River Distributors, Inc., and certain other creditors of the Westmoreland Manganese Corp.; to the Committee in the Judiciary.

By Mr. JOHNSON of California:

H. R. 11349. A bill for the relief of Sylvia Kazandjian; to the Committee on the Judiciary.

H. R. 11350. A bill for the relief of Mohomad Akbar Khan (also known as Mohamed Akbar Khan and Muhamad Akbar Khan); to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 11351. A bill for the relief of Maria Angela La Faso; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 11352. A bill for the relief of Sgt. Mario Grassi; to the Committee on the Judiciary.

By Mr. WEAVER:

H. R. 11353. A bill for the relief of John Nicholas Christodoulias; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 11354. A bill for the relief of Armando Dumas Guillen; to the Committee on the Judiciary.

H. R. 11355. A bill for the relief of Ramon Rodriguez; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1056. By Mr. BUSH: Petition of A. B. Lupold and 48 other residents of Lycoming County, Pa., urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1057. Also, petition of Local No. 411, IATSE, Moving Picture Machine Operators, Williamsport, Pa., protesting the continuance of the 20-percent amusement tax imposed upon the entertainment industry, and urging its repeal; to the Committee on Ways and Means.

1058. By Mr. JENKINS: Petition of 45 veterans of Fairfield County, Ohio, addressed to the President and Congress of the United States, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1059. Also, petition of 45 veterans of Coolville, Frost, Little Hocking, and Tuppers Plains, Ohio, addressed to the President and Congress of the United States, urging immediate enactment of a separate and liberal pension program for veterans of World War I and their widows and orphans; to the Committee on Veterans' Affairs.

1060. By Mr. SHORT: Petition of James Hogg and many other citizens of Springfield, Mo., urging the passage of the Siler bill; to the Committee on Interstate and Foreign Commerce.

1061. Also, petition of J. D. Horton and other citizens of Lawrence County, Mo., urging that the Townsend plan be enacted into law; to the Committee on Ways and Means.

1062. By the SPEAKER: Petition of the executive director, the Congress of Freedom, Inc., Omaha, Nebr., requesting Congress to undertake a full-scale public inquiry into the techniques and operations of the well-established pressure patterns designed and employed for the paralysis of anti-Communist activities in the Congress of the United States, etc.; to the Committee on Un-American Activities.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

QUARTERLY REPORTS

The following reports for the fourth calendar quarter of 1955 were received after January 20, 1956, too late to be included in the published reports for that quarter:

A. Active-Retired Lighthouse Service Employees Association, Post Office Box 2169, South Portland, Maine.
D. (6) $148. E. (9) $362.21.

A. American Coal Sales Association, 1625 I Street NW., Washington, D. C.

A. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $9,708.99. E. (9) $7,708.99.

A. AFL–CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $8,584.41. E. (9) $7,702.85.

A. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $11,830.66. E. (9) $9,230.66.

A. American Humane Association, 896 Pennsylvania Street, Denver, Colo.
D. (6) $900. E. (9) $212.70.

A. American Legion, 700 North Pennsylvania Avenue, Indianapolis, Ind.
D. (6) $251.42. E. (9) $25,165.89.

A. American Library Association, 50 East Huron Street, Chicago, Ill.
D. (6) $140. E. (9) $4,787.12.

A. American Merchant Marine Institute, Inc., 11 Broadway, New York, N. Y.
E. (9) $9,229.71.

A. American Veterans Committee, Inc., 1830 Jefferson Place NW., Washington, D. C.
D. (6) $6,348.15. E. (9) $2,345.21.

A. AMVETS, 1710 Rhode Island Avenue NW., Washington, D. C.
E. (9) $1,467.50.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
E. (9) $981.10.

A. American Vocational Association, Inc., 1010 Vermont Avenue NW., Washington, D. C.

A. Associated Third Class Mail Users, 1406 G Street NW., Washington, D. C.
D. (6) $100. E. (9) $4,283.36.

A. Gibbs L. Baker, 917 15th Street NW., Washington, D. C.
B. Mastercraft Linen Fabrics Corp., 1071 Sixth Avenue, New York, N. Y.; Frederick J. Fawcett, Inc., 129 South Street, Boston, Mass.; Hughes Fawcett, Inc., 115 Franklin Street, New York, N. Y.
E. (9) $27.38.

A. William J. Barnhard, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treatex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co., 2 Pine Street, San Francisco, Calif.

A. George L. Bell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $625.

A. Mrs. Rachel S. Bell, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.

A. Hudson Biery, 1012 Federal Reserve Bank Building, Cincinnati, Ohio.
B. Ohio Valley Improvement Association, Inc., 1012 Federal Reserve Bank Building, Cincinnati, Ohio.

A. Kenneth M. Birkhead, 1830 Jefferson Place, Washington, D. C.
B. American Veterans Committee, Inc., 1830 Jefferson Place NW., Washington, D. C.
D. (6) $1,346.10. E. (9) $185.90.

A. Warren B. Bledsoe, 1040 Warner Building, Washington, D. C.
B. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $405. E. (9) $13.

A. John J. Boland, 70 Pine Street, New York, N. Y.
B. Merrill Lynch, Pierce, Fenner & Beane, 70 Pine Street, New York, N. Y.
D. (6) $500. E. (9) $60.

A. Paul H. Bolton, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Association of Wholesalers, 1001 Connecticut Avenue NW., Washington,

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A. Boykin & DeFrancis, Shoreham Building, Washington, D. C.
B. Studiengesellschaft fur Privatrechtliche Auslandsinteressen E. V., Contrescarpe 46, Bremen, Germany.
D. (6) $2,000. E. (9) $492.40.

A. James M. Brewbaker, 1010 Vermont Avenue NW., Washington, D. C.
B. National Association of Manufacturers, 2 East 48th Street, New York City, N. Y.

A. Homer L. Brinkley, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farm Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. Brotherhood of Locomotive Engineers, 1118 Engineers Building, Cleveland, Ohio.

A. J. Olney Brott, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $437.50.

A. Mrs. Rollin Brown, 700 North Rush Street, Chicago, Ill.

A. Bulgarian Claims Committee, 24 Beekman Street, New York City, N. Y.
E. (9) $30.

A. Sherman E. Burt, 1625 I Street NW., Washington, D. C.
B. American Coal Sales Association, 1625 I Street NW., Washington D. C.
E. (9) $800.

A. Julian W. Caplan, 1028 Connecticut Avenue NW., Washington D. C.
B. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

A. James K. Carr, 2101 K Street, Sacramento, Calif.
B. Sacramento Municipal Utility District, 2101 K Street, Sacramento, Calif.
D. (6) $459.67. E. (9) $141.21.

A. Ralph H. Case, 889 National Press Building, Washington, D. C.
B. Sioux Tribe of Indians, Cheyenne River Reservation, Lower Brule Reservation, and Crow Creek Reservation, S. Dak.; also Standing Rock Reservation, North and South Dakota.
D. (6) $1,450.

A. Justice M. Chambers, 2521 Connecticut Avenue NW., Washington, D. C.
B. M. Golodetz & Co., 120 Wall Street, New York, N. Y.
D. (6) $3,817.

A. Mrs. Theodore S. Chapman, 1734 N Street NW., Washington, D. C.
B. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Chapman & Wolfsohn, 923 Pennsylvania Building, Washington, D. C.
B. Union Nacional de Productores de Azucar, S. A. de C. V., Balderas 36, Primer Piso, Mexico, D. F.

A. Citizens Committee on Natural Resources, 2140 P Street NW., Washington, D. C.
D. (6) $850. E. (9) $900.98.

A. Stewart N. Clarkson, 420 Lexington Avenue, New York, N. Y.
B. Mica Fabricators Association, 420 Lexington Avenue, New York, N. Y.
E. (9) $74.35.

A. Warren A. Clohisy, 1500 Massachusetts Avenue NW., Washington, D. C.
B. Mail Order Association of America, 1500 Massachusetts Avenue NW., Washington, D. C.

A. Harry W. Colmery, National Bank of Topeka Buliding, Topeka, Kans.
B. Occidental Life Insurance Co., Los Angeles, Calif.

A. Harry W. Colmery, National Bank of Topeka Building, Topeka, Kans.
B. Transamerica Corp., 4 Columbus Avenue, San Francisco, Calif.

A. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
E. (9) $459.

A. Committee for Collective Security, 90 John Street, New York City, N. Y.
D. (6) $255. E. (9) $217.05.

A. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $1,004,216.50. E. (9) $5,196.43.

A. Cooperative Health Federation of America, 343 South Dearborn Street, Chicago, Ill.
D. (6) $300. E. (9) $217.

A. Conference of American Small Business Organizations, Inc., 407 South Dearborn Street, Chicago, Ill.
D. (6) $6,894.50. E. (9) $7,736.62.

A. Bernard J. Conway, 222 East Superior Street, Chicago, Ill.
B. American Dental Association, 222 East Superior Street, Chicago, Ill.
D. (6) $2,625. E. (9) $2,625.

A. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.
B. Fred Smith & Co., Inc., 588 Fifth Avenue, New York, N. Y.

A. Council of State Chambers of Commerce, 1025 Connecticut Avenue, Washington, D. C.
D. (6) $12,497.01. E. (9) $16,096.80.

A. Leo J. Crowley, 540 Equitable Building, Denver, Colo.
B. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
E. (9) $459.

A. Waters S. Davis, Jr., League City, Tex.
B. National Association of Soil Conservation Districts, League City, Tex.

A. S. P. Deas, 520 National Bank of Commerce Building, New Orleans, La.
B. Southern Pine Industry Committee.
E. (9) $330.89.

A. Ralph B. Dewey, 1625 K Street NW., Washington, D. C.
B. Pacific American Steamship Association, 16 California Street, San Francisco, Calif.
D. (6) $2,500. E. (9) $498.66.

A. William C. Doherty, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $1,500.

A. Fayette B. Dow, Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, Munsey Building, Washington, D. C.

A. John W. Edelman, 811 Warner Building, Washington, D. C.
B. Textile Workers Union of America, 99 University Place, New York, N. Y.
D. (6) $2,066.51. E. (9) $480.02.

A. Clyde T. Ellis, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $4,980.11.

A. Otis H. Ellis, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Oil Jobbers Council, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $2,000.

A. John W. Emeigh, 1040 Warner Building, Washington, D. C.
B. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $405. E. (9) $12.

A. David W. Evans and Associates, Phillips Petroleum Building, Salt Lake City, Utah.
B. Upper Colorado River Grass Roots, Inc., Grand Junction, Colo.
D. (6) $4,523.97. E. (9) $8,754.41.

A. Mrs. Albert E. Farwell, Box 188, Route 2, Vienna, Va.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Nolen J. Fuqua, Duncan, Okla.
B. National Association of Soil Conservation Districts, League City, Tex.
E. (9) $755.49.

A. Wallace H. Fulton, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc., 1625 K Street NW., Washington, D. C.
D. (6) $625.

A. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Stanley Gewirtz, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
E. (9) $90.

A. Cassius B. Gravitt, Jr., 1110 F Street NW., Washington, D. C.
B. National League of Postmasters, 1110 F Street NW., Washington, D. C.
D. (6) $1,700.

A. Mrs. Edward R. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. The National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Carroll A. Gunderson, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $490. E. (9) $50.

A. Carl O. Gustafson, 588 Fifth Avenue, New York, N. Y.
B. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.
D. (6) $500. E. (9) $7,081.71.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. AFL–CIO Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $1,560. E. (9) $93.62.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $825. E. (9) $696.85.

A. W. F. Hall, Sparta, Ga.
B. National Association of Soil Conservation Districts, League City, Tex.

A. L. James Harmanson, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farm Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. Mrs. A. Paul Hartz, Box 228, Waverly, Va.
B. General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. American Wood Fabric Institute, 1145 19th Street NW., Washington, D. C.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. Hardwood Plywood Institute, 600 South Michigan Avenue, Chicago, Ill.

A. Robert N. Hawes and John A. Gosnell, 1145 19th Street NW., Washington, D. C.
B. United States Plywood Corp., 55 West 44th Street, New York, N. Y.

A. Kit H. Haynes, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farm Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. F. Cleveland Hedrick, Jr., 1001 Connecticut Avenue NW., Washington, D. C.
B. Bridgeport Brass Co., Bridgeport, Conn.

A. George R. Heidrich, Charles Town, W. Va.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Joseph D. Henderson, 431 Balter Building, New Orleans, La.
B. American Association of Small Business, 431 Balter Building, New Orleans, La.
D. (6) $1,500.

A. Laurance G. Henderson, 1138 Pennsylvania Building, Washington, D. C.
B. North American Airlines, Burbank, Calif.
D. (6) $3,900. E. (9) $1,350.

A. John R. Holden, 1710 Rhode Island Avenue NW., Washington, D. C.
B. AMVETS, 1710 Rhode Island Avenue NW., Washington, D. C.
D. (6) $937.50. E. (9) $75.

A. Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. The Toilet Goods Association, Inc., 1270 Avenue of the Americas, New York, N. Y.
D. (6) $3,800. E. (9) $211.17.

A. Housewives United, 2915 Foxhall Road NW., Washington, D. C.
D. (6) $24.

A. Robert E. Howe, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $4,802.

A. International Association of Machinists, Machinists Building, Washington, D. C.
D. (6) $2,150. E. (9) $2,150.

A. International Council for Exceptional Children.

A. Lyle W. Jones, 705 Warner Building, Washington, D. C.
B. The United States Potters Association, East Liverpool, Ohio.
D. (6) $2,500. E. (9) $276.56.

A. Jerome J. Keating, 100 Indiana Avenue NW., Washington, D. C.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $1,374.

A. Rowland F. Kirks, 1800 H Street NW., Washington, D. C.
B. National Automobile Dealers Association, 1800 H Street NW., Washington, D. C.
D. (6) $4,038. E. (9) $597.78.

A. J. M. DeW. (Jack) Kyle II, Post Office Box 1520, Washington, D. C.
D. (6) $400.12. E. (9) $638.48.

A. Legislative Committee of the Committee for a National Trade Policy, Inc., 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $100. E. (9) $862.50.

A. John W. Lindsey, 1625 K Street NW., Washington, D. C.
B. National Association of Securities Dealers, Inc., 1625 K Street NW., Washington, D. C.
D. (6) $375.

A. Norman M. Littell and Charles J. Alexander, 1826 Jefferson Place NW., Washington, D. C.
B. The Navajo Tribe of Indians, Window Rock, Ariz.
D. (6) $4,250. E. (9) $10.

A. Powers Luse, 4303 Indianola Avenue, Columbus, Ohio.
D. (6) $1,899.05. E. (9) $1,849.01.

A. John J. Lyons, 3133 Connecticut Avenue NW., Washington, D. C.
B. Patent Equity Association, Inc., 540 West 58th Street, New York, N. Y.
D. (6) $600. E. (9) $588.01.

A. George McLain, 1031 South Grand Avenue, Los Angeles, Calif.
B. National Institute of Social Welfare, 1031 South Grand Avenue, Los Angeles, Calif.

A. Robert H. McNeill, 815 15th Street NW., Washington, D. C.
B. Beaufort Fisheries, Inc., Beaufort, N. C.

A. MacLeish, Spray, Price & Underwood, 134 South LaSalle Street, Chicago, Ill.
B. National Committee for Insurance Taxation, 221 North LaSalle Street, Chicago, Ill.
E. (9) $319.93.

A. James Mark, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $3,802.

A. Merchants National Bank and Trust Company of Syracuse, 216 South Warren Street, Syracuse, N. Y.

A. Mica Fabricators Association, 420 Lexington Avenue, New York, N. Y.
E. (9) $156.70.

A. M. D. Mobley, 1010 Vermont Avenue NW., Washington, D. C.
B. American Vocational Association, Inc.

A. Donald Montgomery, 734 15th Street NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural, Implement Workers of America, Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,960. E. (9) $233.49.

A. Monument Builders of America, Inc., 20 East Jackson Boulevard, Chicago, Ill.
D. (6) $1,872. E. (9) $2,253.62.

A. Walter H. Moorman, 4650 East-West Highway, Bethesda, Md.
B. The Maryland Railroad Association, care of E. H. Burgess, 2 North Charles Street, Baltimore, Md.
D. (6) $2,500. E. (9) $73.76.

A. Howard E. Munro, 901 Massachusetts Avenue NW., Washington, D. C.
B. Central Labor Union and Metal Trades Council of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.
E. (9) $28.56.

A. John H. Myers, 1224 Cleveland Street, Wilmette, Ill.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $115,134.56. E. (9) $3,651.

A. National Association of Real Estate Boards, Its Public Relations Department and Its Realtors Washington Committee, 22 West Monroe Street, Chicago, Ill., and 1737 K Street NW., Washington, D. C.
D. (6) $61,753.46. E. (9) $37,204.03.

A. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $875.98. E. (9) $906.69.

A. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
D. (6) $9,319. E. (9) $14,069.16.

A. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. National Cotton Compress & Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. National Council Against Conscription, 104 C Street NE., Washington, D. C.
D. (6) $2,858.54. E. (9) $1,418.60.

A. National Council of Farm Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. National Council of Salesmen's Organizations, Inc., 80 West 40th Street, New York, N. Y.
D. (6) $662. E. (9) $375.

A. National Federation of Business and Professional Women's Clubs, Inc., 1790 Broadway, New York, N. Y.
D. (6) $482.09. E. (9) $1,233.16.

A. National Federation of Independent Business, Inc., 740 Washington Building, Washington, D. C.
D. (6) $7,394.17. E. (9) $7,394.17.

A. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $14.091.50. E. (9) $11,424.65.

A. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

A. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $15,683.83. E. (9) $15,683.83.

A. National Rural Letter Carriers' Association, 1040 Warner Building, Washington, D. C.
D. (6) $5,067.87. E. (9) $8,126.62.

A. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.
D. (6) $5,246.52. E. (9) $8,814.24.

A. George R. Nelson, Machinists Building, Washington, D. C.
B. International Association of Machinists, Machinists Building, Washington, D. C.
D. (6) $900.

A. Christian P. Norgord, 1617 Rhode Island Avenue NW., Washington, D. C.
B. The American Humane Association, Denver, Colo.
D. (6) $900. E. (9) $212.70.

A. Graeme O'Geran, 131 Orvilton Drive, Dewitt, N. Y.
B. The Merchants National Bank & Trust Company of Syracuse, 216 South Warren Street, Syracuse, N. Y.

A. Sam O'Neal, 211 National Press Building, Washington, D. C.
B. Power Distributors Information Committee of Tennessee Valley Public Power Association, Sixth and Cherry Streets, Chattanooga, Tenn.
D. (6) $1,875. E. (9) $160.

A. Charles A. Parker, 1346 Connecticut Avenue NW., Washington, D. C.
B. National Aviation Trades Association, 1346 Connecticut Avenue NW., Washington, D. C.

A. George F. Parrish, Post Office Box 7, Charleston, W. Va.
B. West Virginia Railroad Association, Post Office Box 7, Charleston, W. Va.
D. (6) $4,000.03.

A. Pennsylvania-Ohio-New York Committee on Low Niagara-St. Lawrence Power, North Baltimore, Ohio.
D. (6) $1,899.05. E. (9) $1,849.01.

A. Peoples Lobby, Emory Speer Avant, 1337 21st Street NW, Washington, D. C.
D. (6) $398. E. (9) $150.

A. Philco Corp., Tioga and C Streets, Philadelphia, Pa.

A. Stanley Rector, Washington Hotel, Washington, D. C.
B. Unemployment Benefit Advisors, Inc.
D. (6) $1,000.

A. John J. Riggle, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farm Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. Edward O. Rodgers, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $500.

A. Robert A. Saltzstein, 777 14th Street NW., Washington, D. C.
B. Smaller Magazines Postal Committee, 654 Madison Avenue, New York, N. Y.
D. (6) $497.43. E. (9) $66.33.

A. Stuart T. Saunders, 108 North Jefferson Street, Roanoke, Va.
B. Norfolk & Western Railway Co., 108 North Jefferson Street, Roanoke, Va.

A. James J. Saxon, 730 15th Street NW., Washington, D. C.
B. American Bankers' Association, 12 East 36th Street, New York, N. Y.
D. (6) $344.

A. Rosario Scibilia, 378 Avenue T, Brooklyn, N. Y.
B. Catholic War Veterans of the United States of America, 1012 14th Street NW., Washington, D. C.
E. (9) $325.50.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. Carpet Institute, Empire State Building, New York, N. Y.
D. (6) $3,000. E. (9) $51.05.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. Mobile Homes Manufacturers' Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,249.98. E. (9) $156.80.

A. Selvage & Lee, 1625 I Street NW., Washington, D. C.
B. New York Coffee and Sugar Exchange, 113 Pearl Street, New York, N. Y.
D. (6) $3,000. E. (9) $32.05.

A. James R. Sharp, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co., 2 Pine Street, San Francisco, Calif.

A. Sharp and Bogan, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co., 2 Pine Street, San Francisco, Calif.

A. Sher, Oppenheimer & Harris, 1026 Woodward Building, Washington, D. C.
B. A. S. Aloe Co., St. Louis, Mo.

A. Richard L. Shook, 1026 16th Street NW., Washington, D. C.
B. Brown & Williamson Tobacco Corp., 1600 West Hill Street, Louisville, Ky.
E. (9) $9.

A. Paul Sifton, 734 15th Street NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural Implement Workers of America.
D. (6) $1,890. E. (9) $66.58.

A. Fred Smith & Co., Inc., 588 Fifth Avenue, New York, N. Y.
B. Edward Mallinckrodt, Jr., 16 West Moreland Place, St. Louis, Mo.
D. (6) $3,204.28.

A. Dr. Spencer M. Smith, Jr., 1709 Glebe Road, Arlington, Va.
B. Citizens Committee on Natural Resources, 2140 P Street NW., Washington, D. C.
D. (6) $800.

A. Leland Glen Snarr, 2576 Redondo Avenue, Salt Lake City, Utah.
B. David W. Evans & Associates Advertising Agency, Phillips Petroleum Building, Salt Lake City, Utah.
D. (6) $1,500.

A. Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.
D. (6) $4,198.76. E. (9) $4,223.11.

A. Mrs. Alexander Stewart, 214 Second Street NE., Washington, D. C.
B. Women's International League for Peace and Freedom, 214 Second Street NE., Washington, D. C .
D. (6) $12,706.93. E. (9) $12,869.67.

A. Mrs. Joseph Mills Stoll, 4001 61st Street, Brookmont, Washington, D. C.
B. Volunteer Worker for Spokesmen for Children, Inc., 19 East 92d Street, New York, N. Y.
E. (9) $71.18.

A. Surrey, Karasik, Gould & Efron, Woodward Building, Washington, D. C.
B. Comision de Defensa del Azucar y Fomento de la Cana, Ciudad Trujillo, Dominican Republic.

A. Charles P. Taft, 1025 Connecticut Avenue NW., Washington, D. C.
B. Legislative Committee of the Committee for a National Trade Policy, 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $237.50.

A. Dwight D. Taylor, Jr., 918 16th Street NW., Washington, D. C.
B. American Airlines, Inc., 918 16th Street NW., Washington, D. C.

A. Ruth H. Tegtmeyer, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 6 North Michigan Avenue, Chicago, Ill.

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.
B. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. United States Citizens Association, Box 354, Balboa, C. Z.
D. (6) $963. E. (9) $1,575.63.

A. Upper Colorado River Grass Roots, Inc., Grand Junction, Colo.
D. (6) $4,643. E. (9) $4,523.97.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. Philco Corp., Tioga and C Streets, Philadelphia, Pa.

A. Bernard Weitzer, 1712 New Hampshire Avenue NW., Washington, D. C.
B. Jewish War Veterans of the United States of America, 1712 New Hampshire Avenue NW., Washington, D. C.
D. (6) $2,499.96. E. (9) $273.05.

A. Richard H. Wels, 551 Fifth Avenue, New York, N. Y.
B. Bowling Proprietors Association of America, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. William E. Welsh, 897 National Press Building, Washington, D. C.
B. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $3,249.99. E. (9) $1,888.91.

A. John J. Wicker, Jr., 501 Mutual Building, Richmond, Va.
B. Mutual Insurance Committee on Federal Taxation, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,971.77. E. (9) $1,971.77.

A. Kenneth Williamson, Mills Building, Washington, D. C.
B. American Hospital Association, 18 East Division Street, Chicago, Ill.
D. (6) $2,568.87. E. (9) $645.72.

A. Howard Zahniser, 6222 43d Avenue, Hyattsville, Md.
B. Council of Conservationists, 588 Fifth Avenue, New York, N. Y.

QUARTERLY REPORTS

The following quarterly reports were submitted for the third calendar quarter 1955:

(NOTE.—The form used for reports is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

File two copies with the Secretary of the Senate and file three copies with the Clerk of the House of Representatives.
This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.
Place an "X" below the appropriate letter or figure in the box at the right of the "Report" heading below:
"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.
"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____	REPORT PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT	P	QUARTER 1st	2d	3d	4th
		(Mark one square only)				

NOTE ON ITEM "A".—(a) In General: This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee," state in Item "B" the name, address, and nature of business of the "employer." (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee.")
(ii) "Employer".—To file as an "employer," write "None" as answer to Item "B."
(b) Separate Reports.—An agent or employee should not attempt to combine his Report with the employer's Report.
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING.—(1) State name, address, and nature of business; (2) if this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers; except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—Section 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place ☐ an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed, in connection with legislative interests, set forth: (a) description; (b) quantity distributed; (c) date of distribution; (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. *If* this is a "Preliminary" Report (Registration) rather than a Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. *If this is a "Quarterly" Report, disregard this Item "C 4" and fill out Items "D" and "E" on the back of this page.* Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.

AFFIDAVIT

[Omitted in printing]

PAGE 1

NOTE ON ITEM "D."—(a) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302 (a) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN EMPLOYER.—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(c) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE.—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been under Item "B" on page 1 of this report.

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $_____Dues and assessments
2. $_____Gifts of money or anything of value.
3. $_____Printed or duplicated matter received as a gift
4. $_____Receipts from sale of printed or duplicated matter
5. $_____Received for services (e. g., salary, fee, etc.)
6. $_____TOTAL for this Quarter (Add items "1" through "5")
7. $_____Received during previous Quarters of calendar year
8. $_____TOTAL from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302 (a).

9. $_____TOTAL now owed to others on account of loans
10. $_____Borrowed from others during this Quarter
11. $_____Repaid to others during the Quarter.
12. $_____"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more (from Jan. 1 through this Quarter)

13. Have there been such contributors?
Please answer "yes" or "no": _____

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through _____, 19____)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N. Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	TOTAL

NOTE ON ITEM "E."—(a) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302 (b) of the Lobbying Act.

(b) IF THIS REPORT IS FOR AN AGENT OR EMPLOYEE. In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6"), and travel, food, lodging, and entertainment (Item "E 7").

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Expenditures (other than loans)

1. $_____Public relations and advertising services
2. $_____Wages, salaries, fees, commissions (other than item "1")
3. $_____Gifts or contributions made during Quarter
4. $_____Printed or duplicated matter, including distribution cost
5. $_____Office overhead (rent, supplies, utilities, etc.)
6. $_____Telephone and telegraph
7. $_____Travel, food, lodging, and entertainment
8. $_____All other expenditures
9. $_____TOTAL for this Quarter (Add "1" through "8")
10. $_____Expended during previous Quarters of calendar year
11. $_____TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302 (b).

12. $_____TOTAL now owed to person filing
13. $_____Lent to others during this Quarter
14. $_____Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More
In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7–11: Roe Printing Co., 3214 Bank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7–15, 8–15, 9–15: Britten & Blatten, 3127 Gremlin Bldg., Washington, D. C.—Public relations service at $800.00 per month.
$4,150.00	TOTAL

A. Claris Adams, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $378.39.

A. J. Carson Adkerson, 976 National Press Building, Washington, D. C.
E. (9) $41.47.

A. Arthur F. Aebersold, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $1,493.04.

A. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
D. (6) $4,367.72. E. (9) $4,367.72.

A. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $10,708.06. E. (9) $10,708.06.

A. W. L. Allen, 8605 Cameron Street, Silver Spring, Md.
B. The Commercial Telegraphers' Union, 8605 Cameron Street, Silver Spring, Md.

A. William B. Allen, 917 15th Street NW., Washington, D. C.
B. United Rubber, Cork, Linoleum and Plastic Workers of America, High at Mill Street, Akron, Ohio.
D. (6) $1,690. E. (9) $300.05.

A. Thomas H. Alphin, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $875. E. (9) $78.65.

A. The American Association of Port Authorities, 919 11th Street NW., Washington, D. C.

A. American Bottlers of Carbonated Beverages, 1128 16th Street NW., Washington, D. C.
D. (6) $2,001.68. E. (9) $1,998.15.

A. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N. C.
D. (6) $4,276.55. E. (9) $4,276.55.

A. American Farm Bureau Federation, Merchandise Mart Plaza, Chicago, Ill., and 425 13th Street NW., Washington, D. C.
D. (6) $89,465. E. (9) $30,121.

A. American Federation of Labor and Congress of Industrial Organizations, AFL–CIO Building, Washington, D. C.
E. (9) $34,306.75.

A. American Federation of Musicians, 570 Lexington Avenue, New York, N. Y.
E. (9) $18,852.08.

A. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
E. (9) $419.79.

A. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $165,833.43.

A. The American Legion, National Headquarters, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $56,843.37. E. (9) $26,594.11.

A. American Library Association, 50 East Huron Street, Chicago, Ill.
D. (6) $3,002.92. E. (9) $4,269.40.

A. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $610.69. E. (9) $610.69.

A. American Medical Association, 535 Dearborn Street, Chicago, Ill.
D. (6) $25,000. E. (9) $11,646.87.

A. American Merchant Marine Institute, Inc., 11 Broadway, New York, N. Y.
E. (9) $7,999.70.

A. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $73,316.82. E. (9) $8,711.01.

A. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
D. (6) $476,218.66. E. (9) $2,776.70.

A. The American Optometric Association, Inc., Development Fund (Legislative), 8001 Jenkins Arcade, Pittsburgh, Pa.
D. (6) $3,013.74. E. (9) $2,986.81.

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $1,526.23. E. (9) $1,526.23.

A. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.

A. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C., and 52 Vanderbilt Avenue, New York, N. Y.
D. (6) $1,543.23. E. (9) $1,685.55.

A. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $39,396. E. (9) $15,866.

A. American Pulpwood Association, 220 East 42d Street, New York, N. Y.
E. (9) $357.

A. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $37,427.71. E. (9) $16,637.15.

A. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,107.04. E. (9) $2,107.04.

A. American Sugar Beet Industry Policy Committee, 500 Sugar Building, Denver, Colo.
D. (6) $150. E. (9) $1,349.

A. American Tariff League, Inc., 19 West 44th Street, New York, N. Y.

A. American Textile Machinery Association, 60 Batterymarch Street, Boston, Mass.
D. (6) $195.12.

A. American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
D. (6) $17,000. E. (9) $14.847.58.

A. AMVETS, 1710 Rhode Island Avenue NW., Washington, D. C.
E. (9) $1,467.50.

A. American Veterinary Medical Association, 600 South Michigan Avenue, Chicago, Ill.
E. (9) $1,104.29.

A. American Vocational Association, Inc., 1010 Vermont Avenue NW., Washington, D. C.

A. American Warehousemen's Association, 222 West Adams Street, Chicago, Ill.

A. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
D. (6) $8,660.21. E. (9) $15,919.24.

A. America's Wage Earners' Protective Conference, 815 15th Street NW., Washington, D. C.
D. (6) $2,760. E. (9) $2,661.92.

A. Samuel W. Anderson, 1700 K Street NW., Washington, D. C.
B. American Watch Association, Inc., 1700 K Street NW., Washington, D. C.
D. (6) $6,249.99.

A. John R. Arant, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,125. E. (9) $57.85.

A. Hector M. Aring, 826 Woodward Building, Washington, D. C.
B. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
D. (6) $1,250.

A. Arkansas Railroad Committee, 1115 Boyle Building, Little Rock, Ark.
B. Class 1 railroads operating in the State of Arkansas.
D. (6) $3,750. E. (9) $2,111.09.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Committee for Hometown Television, Inc., Box 9140, Bridgeport, Conn.
D. (6) $300. E. (9) $28.93.

A. Arnold, Fortas & Porter, 1229 19th Street NW., Washington, D. C.
B. Simon & Schuster, 630 Fifth Avenue, New York, N. Y.
D. (6) $1,000.

A. W. C. Arnold, 200 Colman Building, Seattle, Wash.
B. Alaska Salmon Industry, Inc., 200 Colman Building, Seattle, Wash.

A. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Associated Third Class Mail Users, 1406 G Street NW., Washington, D. C.
D. (6) $25,751.58. E. (9) $9,913.90.

A. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.
D. (6) $1,500. E. (9) $1,500.

A. Association of American Railroads, 929 Transportation Building, Washington, D. C.
D. (6) $46,402.59. E. (9) $46,402.59.

A. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. Association of Casualty & Surety Companies, 60 John Street, New York, N. Y.
D. (6) $1,878.93. E. (9) $1,878.93.

A. Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $3,345.63. E. (9) $3,345.63.

A. Edward Atkins, 51 East 42d Street, New York, N. Y.
B. National Association of Shoe Chain Stores, Inc., 51 East 42d Street, New York, N. Y.
D. (6) $250. E. (9) $250.

A. Charles E. Babcock, Route 4, Box 126, Vienna, Va.
B. Junior Order United American Mechanics, 3827 North Broad Street, Philadelphia, Pa.
D. (6) $150. E. (9) $35.35.

A. George P. Baker, 808 Memorial Drive, Cambridge, Mass.
B. Transportation Association of America.

A. John A. Baker, 1404 New York Avenue NW., Washington, D. C.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $2,400. E. (9) $146.95.

A. George W. Ball, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. J. H. Ballew, Nashville, Tenn.
B. Southern States Industrial Council, Nashville, Tenn.
D. (6) $2,250.

A. Hartman Barber, 1015 Vine Street, Cincinnati, Ohio.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employes, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $2,028.24. E. (9) $690.47.

A. Carlisle Bargeron and Associates, 614 Sheraton Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $781. E. (9) $1,211.

A. Robert C. Barnard, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Arthur R. Barnett, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $948.75. E. (9) $240.71.

A. James M. Barnes, 1025 Connecticut Avenue NW., Washington, D. C.
B. Reciprocal Inter-Insurers Federal Tax Committee, United Artists Building, Detroit, Mich.
D. (6) $3,000.

A. Irvin L. Barney, 401 Third Street NW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $2,625.

A. William J. Barnhard, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; and Grace & Co. (West Coast), 2 Pine Street, San Francisco, Calif.

A. Burton N. Behling, 814 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $107. E. (9) $10.

A. J. A. Beirne, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

A. Julia D. Bennett, Hotel Congressional, Washington, D. C.
B. American Library Association, 50 East Huron Street, Chicago, Ill.
E. (9) $1,765.51.

A. Ernest H. Benson, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $4,500.

A. Berge, Fox & Arent, 1002 Ring Building, Washington, D. C.
B. Linen Supply Institute of Greater Washington, 2400 16th Street NW., Washington, D. C.
E. (9) $101.49.

A. Berge, Fox & Arent, 1002 Ring Building, Washington, D. C.
B. The G. B. Macke Corp, 212 H Street NW., Washington, D. C.; Automatic Canteen Company of America, Merchandising Mart Plaza, Chicago, Ill.; National Automatic Merchandising Association, 7 South Dearborn Street, Chicago, Ill.
E. (9) $20.

A. Tell Berna, 2071 East 102d Street, Cleveland, Ohio.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. J. Raymond Berry, 85 John Street, New York, N. Y.
B. National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $960. E. (9) $1,535.82.

A. Helen Berthelot, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
E. (9) $2,450.44.

A. Andrew J. Biemiller, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,899. E. (9) $378.

A. Walter J. Bierwagen, 900 F Street NW., Washington, D. C.
B. Division 689, Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, 900 F Street NW., Washington, D. C.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y., and 839 Shoreham Building, Washington, D. C.
B. American Institute of Marine Underwriters, Association of Marine Underwriters of the United States, American Cargo War Risk Reinsurance Exchange, American Marine Hull Insurance Syndicate.
E. (9) $60.

A. Robert J. Bird, 731 Washington Building, Washington, D. C.
B. Massachusetts Protective Association, Worcester, Mass.

A. Robert J. Bird, 731 Washington Building, Washington, D. C.
B. Paul Revere Life Insurance Co., Worcester, Mass.

A. Henry Bison, Jr., 917 15th Street NW., Washington, D. C.
B. National Association of Retail Grocers, 360 North Michigan Avenue, Chicago, Ill.
D. (6) $1,000. E. (9) $233.70.

A. John H. Bivins, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $925. E. (9) $610.05.

A. James C. Black, 1625 K Street NW., Washington, D. C.
B. Republic Steel Corp., Republic Building, Cleveland, Ohio.
D. (6) $600. E. (9) $500.

A. Thomas D. Blake, 4664 Reservoir Road NW., Washington, D. C.
B. United States-Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $2,550. E. (9) $15.

A. William Rhea Blake, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $615.39. E. (9) $308.06.

A. Henry W. Blalock, Sr., 1303 New Hampshire Avenue NW., Washington, D. C.
B. Central Electric Power Cooperative, Jefferson City, Mo.; Northwest Electric Power Cooperative, Cameron, Mo.; Western Farmers Electric Cooperative, Anadarko, Okla.
D. (6) $250.

A. Charles B. Blankenship, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $2,609.53. E. (9) $2,609.53.

A. Charles J. Bloch, 520 First National Bank Building, Macon, Ga.
B. Pacific National Fire Insurance Co., San Francisco, Calif.
E. (9) $1,133.26.

A. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.

A. Hyman Bookbinder, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,124.98. E. (9) $306.

A. Borax Cartel Story, Inc., 132 Third Street SE., Washington, D. C.

A. Joseph L. Borda, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers of the U. S. A.

A. Lyle H. Boren, Seminole, Okla.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $2,620.64.

A. Robert T. Borth, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Ave., New York, N. Y.
D. (6) $375. E. (9) $399.87.

A. Ray B. Bowden, 600 Folger Building, 725 15th Street NW., Washington, D. C.
B. Grain and Feed Dealers National Association, 100 Merchants' Exchange Building, St. Louis, Mo.
D. (6) $39.

A. Charles M. Boyer, 2517 Connecticut Avenue NW., Washington, D. C.
B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.

A. William E. Boyle, Providence, R. I.
B. The New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.
D. (6) $120. E. (9) $80.

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.
B. International Union of United Brewery, Flour, Cereal, Soft Drink and Distillery

Workers of America, 2347 Vine Street, Cincinnati, Ohio.
E. (9) $332.80.

A. Harold P. Braman, 18th and M Streets NW., Washington, D. C.
B. National Savings and Loan League, 18th and M Streets NW., Washington, D. C.
D. (6) $450.

A. Harry R. Brashear, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Frank P. Brennan, Avoca, Iowa.
B. Iowa Power & Light Co., Des Moines, Iowa.

A. Homer L. Brinkley, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $6,499.97. E. (9) $180.45.

A. Clark L. Brody, 4000 North Grand River Avenue, Lansing, Mich.
B. Michigan Farm Bureau, 4000 North Grand River Avenue, Lansing, Mich.
D. (6) $484.62. E. (9) $27.04.

A. W. S. Bromley, 220 East 42d Street, New York, N. Y.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Milton E. Brooding, 215 Fremont Street, San Francisco, Calif.
B. California Packing Corp., 215 Fremont Street, San Francisco, Calif.
D. (6) $1,000.

A. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $5,928.78. E. (9) $5,928.78.

A. J. Olney Brott, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $437.50. E. (9) $7.25.

A. C. R. Brown, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $1,728.40.

A. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $4,250. E. (9) $4,137.56.

A. Paul W. Brown, 925 South Homan Avenue, Chicago, Ill.
B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

A. Russell B. Brown, 1110 Ring Building, Washington, D. C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.
E. (9) $16.05.

A. Thad H. Brown, Jr., 1771 N Street NW., Washington, D. C.
B. National Association of Radio & Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. Toby E. G. Brunner, 815 15th Street NW., Washington, D. C.
B. Council for Improved United States-Japanese Trade Relations, 815 15th Street NW., Washington, D. C.
D. (6) $750.

A. Carl S. Buchanan, 404 Hollister Building, Lansing, Mich.
B. Michigan Motor Bus Association.

A. George S. Buck, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $168.75.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
D. (6) $1,350. E. (9) $26.30.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Ship Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.
D. (6) $1,350.

A. Henry H. Buckman, 54 Buckman Building, Jacksonville, Fla.
B. The Vulcan Detinning Co., Sewaren, N. J.

A. Bulgarian Claims Committee, 24 Beekman Street, New York, N. Y.
E. (9) $30.

A. George J. Burger, 250 West 57th Street, New York, N. Y., and Washington Building, Washington, D. C.
B. Burger Tire Consultant Service, 250 West 57th Street, New York, N. Y., and National Federation of Independent Business, 740 Washington Building, Washington, D. C.

A. Donald T. Burke, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $172. E. (9) $35.09.

A. Thomas H. Burke, 718 Jackson Place NW., Washington, D. C.
B. International Union United Automobile, Aircraft and Agricultural Implement Workers of America, 8000 East Jefferson Avenue, Detroit, Mich., and 718 Jackson Place NW., Washington, D. C.
D. (6) $995.67. E. (9) $640.69.

A. Burley and Dark Leaf Tobacco Export Association, Post Office Box 860, Lexington, Ky.
D. (6) $6,696.95. E. (9) $6,252.26.

A. George B. Burnham, 132 Third Street SE., Washington, D. C.
B. Numerous stockholders of the Burnham Chemical Co., 132 Third Street SE., Washington, D. C.
D. (6) $25. E. (9) $25.

A. F. Hugh Burns, 821 Cafritz Building, Washington, D. C.
B. Great Lakes-St. Lawrence Association, 821 Cafritz Building, Washington, D. C.
D. (6) $2,550. E. (9) $506.50.

A. Bernard N. Burnstine, 900 F Street NW., Washington, D. C.
B. Jewelry Industry Tax Committee, Inc., 50 Broadway, New York, N. Y.

A. Orrin A. Burrows, 1200 15th Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 1200 15th Street NW., Washington, D. C.
D. (6) $2,875.03.

A. Sherman E. Burt, 1625 I Street NW., Washington, D. C.
B. American Coal Sales Association, 1625 I Street NW., Washington, D. C.

A. Charles C. Butler, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $266.66. E. (9) $3.39.

A. Lawrence V. Byrnes, 401 Third Avenue NW., Washington, D. C.
B. Brotherhood of Locomotive Engineers, B. of L. E. Building, Cleveland, Ohio.
D. (6) $3,313.50.

A. C. G. Caffrey, 1145 19th Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, Inc., 1501 Johnston Building, Charlotte, N. C.
D. (6) $760.20. E. (9) $16.

A. Leonard J. Calhoun, Washington Building, Washington, D. C.
B. Public Information Committee of the Cotton Industries, Washington Building, Washington, D. C.
D. (6) $3,600.

A. Carl C. Campbell, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $46.02.

A. James A. Campbell, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $2,307.66. E. (9) $230.77.

A. Daniel W. Cannon, 303 World Center Building, Washington, D. C.
B. Bituminous Coal Operators' Association, 303 World Center Building, Washington, D. C.
E. (9) $24.50.

A. John L. Carey, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
D. (6) $1,000. E. (9) $100.

A. James K. Carr, 2101 K Street, Sacramento, Calif.
B. Sacramento Municipal Utility District, 2101 K Street, Sacramento, Calif.
D. (6) $448.23. E. (9) $62.02.

A. Robert S. Carr, 1220 Pennsylvania Building, Washington, D. C.
B. Hiram Walker & Sons, Inc., Penobscot Building, Detroit, Mich.

A. T. C. Carroll, 12050 Woodward Avenue, Detroit, Mich.

A. Henderson H. Carson, 600 First National Bank, Canton, Ohio and 744 Pennsylvania Building, Washington, D. C.
B. East Ohio Gas Co., 1405 East Sixth Street, Cleveland, Ohio.
D. (6) $2,000. E. (9) $1,300.

A. Albert E. Carter, 1026 16th Street NW., Washington, D. C.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $3,000. E. (9) $1,285.97.

A. Chauncey P. Carter, Jr., 800 World Center Building, Washington, D. C.
B. Automatic Phonograph Manufacturers Association, 1603 Orrington Avenue, Evanston, Ill.

A. Clarence B. Carter, P. O. Box 798, New Haven, Conn.
B. Railroad Pension Conference, P. O. Box 798, New Haven, Conn.

A. William L. Carter, 1012 14th Street NW., Washington, D. C.
B. The National Tire Dealers & Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $115. E. (9) $14.30.

A. Ralph H. Case, 889 National Press Building, Washington, D. C.
B. Sioux Tribe of Indians, Lower Brule Reservation and Crow Creek Reservation, S. Dak.; also Standing Rock Reservation, N. and S. Dak.

A. Paul M. Castiglioni, 412 Fifth Street NW., Washington, D. C.
B. National Federation of Post Office Motor Vehicle Employees, 412 Fifth Street NW., Washington, D. C.
D. (6) $499.98. E. (9) $549.71.

A. Benjamin F. Castle, 1145 19th Street NW., Washington, D. C.
B. Milk Industry Foundation, 1145 19th Street NW., Washington, D. C.

A. Larry Cates, 861 National Press Building, Washington, D. C.
B. Clarence N. Sayen, president, Air Line Pilots Association, 55th Street and Cicero Avenue, Chicago, Ill.
D. (6) $2,368.12.

A. Francis R. Cawley, 1101 Vermont Avenue NW., Washington, D. C.
B. Magazine Publishers Association, Inc., 232 Madison Avenue, New York, N. Y.
D. (6) $910.00. E. (9) $336.41.

A. Central Labor Union, Metal Trades Council of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.
D. (6) $2,137.20. E. (9) $2,799.11.

A. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C.

A. Justice M. Chambers, 2521 Connecticut Avenue NW., Washington, D. C.
B. M. Golodetz & Co., 120 Wall Street, New York, N. Y.
D. (6) $2,500.

A. The Christian Amendment Movement, 804 Penn Avenue, Pittsburgh, Pa.
D. (6) $4,251.62. E. (9) $3,807.45.

A. Alex. M. Clark, 715 Indiana Building, Indianapolis, Ind.
B. Joint Committee of Consumers and Small Producers of Natural Gas, Washington Hotel, Washington, D. C.
D. (6) $5,500.

A. Earl W. Clark, 132 Third Street SE., Washington, D. C.
B. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $825. E. (9) $83.12.

A. Omer W. Clark, 1701 18th Street NW., Washington, D. C.
B. Disabled American Veterans, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) 2,769.24.

A. Robert M. Clark, 525 Shoreham Building, Washington, D. C.
B. The Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.
D. (6) $5,025.

A. Clear Channel Broadcasting Service, 532 Shoreham Building, Washington, D. C.

A. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
B. The National Cuban Sugar Mills Owners Association, Habana, Cuba, and the Cuban Sugar Cane Growers Association, Habana, Cuba.
E. (9) $553.98.

A. Clarence E. Cleveland, Montpelier, Vt.
B. Vermont State Railroads Association, Montpelier, Vt.
D. (6) $45.27. E. (9) $55.83.

A. Clay L. Cochran, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $137.50.

A. Clarence F. Cockrell, 501 Patrick Street, Portsmouth, Va.
B. Active-Retired Lighthouse Service Employees Association, P. O. Box 2169, South Portland, Maine.
D. (6) $60. E. (9) $125.67.

A. Coles & Goertner, 813 Washington Building, Washington, D. C.
B. The American Tramp Shipowners Association, Inc., 11 Broadway, New York, N. Y.
D. (6) $10,000. E. (9) $231.63.

A. Don C. Collins, Kit Carson, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.

A. The Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
E. (9) $669.57.

A. Colorado River Association, 306 West Third Street, Los Angeles, Calif.
E. (9) $29,942.51.

A. Committee for Broadening Commercial Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
E. (9) $5,593.82.

A. Committee on Laws, National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $345. E. (9) $9,150.48.

A. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.
D. (6) $1,205. E. (9) $17,671.28.

A. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.
D. (6) $1,278,433.97. E. (9) $5,059.97.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Amana Refrigeration, Inc., Amana, Iowa.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Anne Arundel County and Prince Georges County, Md.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. General Counsel for Independent Advisory Committee to the Trucking Industry, Inc.

A. Arthur D. Condon, 1000 Vermont Avenue NW., Washington, D. C.
B. Salt Producers Association, 726 La Salle-Wacker Building, Chicago, Ill.

A. Lawrence R. Condon, 165 Broadway, New York, N. Y.
B. Estate of Mary Clark DeBrabant and Katherine C. Williams, 120 Broadway, New York, N. Y.

A. John C. Cone, 315 15th Street NW., Washington, D. C.
B. Pan American World Airways System, 815 15th Street NW., Washington, D. C.

A. Conference for Inland Waterways Dry-Bulk Regulation, Transportation Building, Washington, D. C.
E. (9) $61.05.

A. Conference of Local Airlines, 800 World Center Building, Washington, D. C.

A. Julian D. Conover, Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $2,499.99. E. (9) $48.04.

A. J. Robert Conroy, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $747.99. E. (9) $10.50.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. National Coal Association, 15th and H Streets NW., Washington, D. C.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. Nationwide Trailer Rental System, 512 South Market Street, Wichita, Kans.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. New York Stock Exchange, 11 Wall Street, New York, N. Y.

A. J. Milton Cooper, 1100 Bowen Building, Washington, D. C.
B. R. J. Reynolds Tobacco Co., Winston-Salem, N. C.

A. Wilmer A. Cooper, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,437.51. E. (9) $236.23.

A. Cordage Legislative Committee, 350 Madison Avenue, New York, N. Y.
D. (6) $150. E. (9) $649.59.

A. John M. Costello, 3434 Porter Street NW., Washington, D. C.
B. American League for an Undivided Ireland, care of Charles T. Rice, 122 East 42d Street, New York City, N. Y.

A. Edward J. Coughlin, 900 F Street NW., Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D. C.
D. (6) $195. E. (9) $20.

A. Council for Improved United States-Japanese Trade Relations, 815 15th Street NW., Washington, D. C.
D. (6) $9,600. E. (9) $7,317.49.

A. Council of Local Gas Companies, 724 14th Street NW., Washington, D. C., and 176 Remsen Street, Brooklyn, N. Y.
D. (6) $37,567.43. E. (9) $21,288.11.

A. Council of Mechanical Specialty Contracting Industries, Inc., 610 Ring Building, Washington, D. C.
D. (6) $15,832.04. E. (9) $11,647.52.

A. Edsall Lee Couplin, 441 East Jefferson Avenue, Detroit, Mich.
B. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.
D. (6) $75. E. (9) $26.50

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Chicago & North Western Railway System, 400 West Madison Street, Chicago, Ill.
E. (9) $36.54.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Club Managers Association of America, 408 Olive Street, St. Louis, Mo.
E. (9) $29.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Committee on Joint Resolution 1955 Legislature, Post Office Box 3170, Honolulu, T. H.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Embassy of Denmark, 2374 Massachusetts Avenue NW., Washington, D. C.
E. (9) $288.39.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Hudson Bay Mining & Smelting Co., Ltd., et al.
E. (9) $6.82.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. National Machine Tool Builders' Association, 2071 East 102d Street, Cleveland, Ohio.

A. Covington & Burling, 701 Union Trust Building, Washington, D. C.
B. Transamerica Corp., 4 Columbus Avenue, San Francisco, Calif.
D. (6) $3,000. E. (9) $782.12.

A. Cox, Langford, Stoddard & Cutler, 1625 I Street NW., Washington, D. C.
B. Estate of Joseph Ross, in care of Poses, Katcher & Driesen, 295 Madison Avenue, New York, N. Y.
D. (6) $250.

A. A. M. Crawford, 718 Title and Trust Building, Phoenix, Ariz.
B. Southern Pacific Co., 65 Market Street, San Francisco, Calif., and the Atchison, Topeka & Santa Fe Railway, 121 East Sixth Street, Los Angeles, Calif.
D. (6) $375. E. (9) $322.75.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $119,426.05. E. (9) $560.

A. Robert A. Crichton, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan, Avenue, Chicago, Ill.
D. (6) $191.70.

A. Edward B. Crosland, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $4,375.

A. Leo J. Crowley, 540 Equitable Building, Denver, Colo.
B. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.
D. (6) $669.57. E. (9) $669.57.

A. John C. Cuneo, Post Office Box 1054, Modesto, Calif.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
D. (6) $2,182.55. E. (9) $1,480.44.

A. Ralph E. Curtiss, 917 15th Street NW., Washington, D. C.
B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.
D. (6) $525.

A. Bernard Cushman, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South La Salle Street, Chicago, Ill.

A. R. Ammi Cutter, 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
D. (6) $250. E. (9) $27.45.

A. R. Harvey Dastrup, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,406.25. E. (9) $36.23.

A. Joan David, 4737 36th Street NW., Washington, D. C.
B. Mail Order Association of America, 1500 Massachusetts Avenue NW., Washington, D. C.

A. Joan David, 4737 36th Street NW., Washington, D. C.
B. National Committee on Parcel Post Size and Weight Limitations, 1145 19th Street NW., Washington, D. C.

A. Aled P. Davies, 59 East Van Buren Street, Chicago, Ill.
B. American Meat Institute, 59 East Van Buren Street, Chicago, Ill.
D. (6) $917.48. E. (9) $927.12.

A. Bertram G. Davis, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $1,590.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Chicago Bridge & Iron Co., 1305 West 105th Street, Chicago, Ill.
D. (6) $250.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Clearing Industrial District, Inc., 38 South Dearborn Street, Chicago, Ill.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Trustees under the will of Thomas C. Dennehy, deceased, care of the Northern Trust Co., 50 South La Salle Street, Chicago, Ill.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. Ontario Land Co., 807 Lonsdale Building, Duluth, Minn.
E. (9) $393.14.

A. Charles W. Davis, 1 North La Salle Street, Chicago, Ill.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
D. (6) $5,600. E. (9) $1,170.57.

A. Sherlock Davis, 910 17th Street NW., Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.

A. Waters S. Davis, Jr., League City, Tex.
B. National Association of Soil Conservation Districts, League City, Tex.

A. Donald S. Dawson, 731 Washington Building, Washington, D. C.
B. Schenley Industries, Inc., Empire State Building, New York, N. Y.
D. (6) $5,000. E. (9) $43.26.

A. Tony T. Dechant, 1575 Sherman Street, Denver, Colo.
B. Farmers' Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $750. E. (9) $298.76.

A. Richard A. Dell, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $787.50.

A. Casimir deRham, Jr., 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Mary S. Deuel, 3026 Cambridge Place NW., Washington, D. C.
B. Washington Home Rule Committee, Inc., 1728 L Street NW., Washington, D. C.

A. R. T. DeVaney, 1918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D .C.

A. Cecil B. Dickson, 1600 I Street NW., Washington, D. C.
B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D. C.
D. (6) $3,900. E. (9) $1,300.

A. George J. Dietz, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $875. E. (9) $23.61.

A. Timothy V. A. Dillon, 1001 15th Street NW., Washington, D. C.
B. Sacramento-Yolo Port District, 312 Court House, Sacramento, Calif.
D. (6) $2,826.25. E. (9) $201.25.

A. Disabled American Veterans, National Headquarters, 5555 Ridge Avenue, Cincinnati, Ohio.
E. (9) $2,769.24.

A. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
E. (9) $2,762.

A. District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C.
D. (6) $400.50. E. (9) $400.50.

A. District Lodge No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $14,359.88. E. (9) $13,862.55.

A. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
E. (9) $12,442.42.

A. Division 689, Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, 900 F Street NW., Washington, D. C.
E. (9) $1,599.98.

A. James L. Donnelly, 39 South La Salle Street, Chicago, Ill.
B. Illinois Manufacturers' Association, 39 South La Salle Street, Chicago, Ill.
E. (9) $325.29.

A. Robert F. Donoghue, 236 Wyatt Building, Washington, D. C.
B. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
D. (6) $1,625.

A. Thomas J. Donovan, 155 East 44th Street, New York, N. Y.

A. J. Dewey Dorsett, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $118.75.

A. C. L. Dorson, 900 F Street NW., Washington, D. C.
B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., Washington, D. C.
D. (6) $1,582.59. E. (9) $39.25.

A. Robert E. Dougherty, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
D. (6) $2,500. E. (9) $18.35.

A. James W. Douthat, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Fayette B. Dow, Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, Munsey Building, Washington, D. C.

A. M. J. Dowd, El Centro, Calif.
B. Imperial Irrigation District, El Centro, Calif.

A. W. A. Dozier, Jr., 17 Molton Street, Montgomery, Ala.
B. Medical Association of the State of Alabama, State Office Building, Montgomery, Ala.
D. (6) $1,800. E. (9) $225.

A. Ben DuBois, Sauk Centre, Minn.
B. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $3,000.

A. Stephen M. DuBrul, 11–134 General Motors Building, Detroit, Mich.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. J. B. Dunkerley, 12 East 36th Street, New York, N. Y.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $462.50. E. (9) $135.

A. Read P. Dunn, Jr., 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $232.50.

A. William M. Dunn, 1808 Adams Mill Road NW., Washington, D. C.
B. Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.

A. Henry I. Dworshak, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,125. E. (9) $22.90.

A. Joseph L. Dwyer, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $3,276. E. (9) $599.34.

A. Eastern Meat Packers Association, Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $3.12. E. (9) $28.70.

A. John W. Edelman, 811 Warner Building, Washington, D. C.
B. Textile Workers Union of America, 99 University Place, New York, N. Y.
D (6) $2,203.49. E. (9) $453.56.

A. Bernard H. Ehrlich, 1002 Ring Building, Washington, D. C.
B. National Association and Council of Business Schools, Homer Building, Washington, D. C.

A. John Doyle Elliott, 1420 New York Avenue NW., Washington, D. C.
B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.
D. (6) $950.

A. Clyde T. Ellis, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $4,801.35.

A. Otis H. Ellis, 1001 Connecticut Avenue NW., Washington, D. C.
B. National Oil Jobbers Council, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $4,000.

A. Newell W. Ellison, 701 Union Trust Building, Washington, D. C.
B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.
D. (6) $4,750.

A. John H. Else, 302 Ring Building, Washington, D. C.
B. National Retail Lumber Dealers Association, 302 Ring Building, Washington, D. C.
D. (6) $3,300. E. (9) $220.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Department of Water and Power of the City of Los Angeles, 207 South Broadway, Los Angeles, Calif.
D. (6) $1,500.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. East Bay Municipal Utility District, 512 16th Street, Oakland, Calif.
D. (6) $2,100.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Imperial Irrigation District, El Centro, Calif.
D. (6) $2,100.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Six Agency Committee and Colorado River Board of California, 909 South Broadway, Los Angeles, Calif.
D. (6) $8,295. E. (9) $79.39.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Water Project Authority of the State of California, Sacramento, Calif.
D. (6) $2,250.

A. Ely, McCarty & Duncan, 1200 Tower Building, Washington, D. C.
B. Water Resources Board of the State of California, Sacramento, Calif.

A. Robert B. Ely, 1600 Arch Street, Philadelphia, Pa.
B. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.

A. Emergency Conservation Committee, 767 Lexington Avenue, New York, N. Y.
D. (6) $10,126. E. (9) $10,320.03.

A. K. Blyth Emmons, 925 15th Street NW., Washington, D. C.
B. National Small Business Men's Association, Inc., 2834 Central Street, Evanston, Ill.
D. (6) $2,700. E. (9) $251.45.

A. Myles W. English, 966 National Press Building, Washington, D. C.
B. National Highway Users Conference, Inc., 966 National Press Building, Washington, D. C.

A. The Ethanol Institute, 624 Associates Building, South Bend, Ind.
E. (9) $862.29.

A. Walter M. Evans, 512 Travelers Building, Richmond, Va.
B. Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va.
E. (9) $640.58.

A. Charles J. Fain, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $275.

A. Edward Falck & Co., 1625 I Street NW., Washington, D. C.
B. Gas distribution companies.
D. (6) $6,343.75. E. (9) $2,916.49.

A. Farmers Educational and Cooperative Union of America, 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
D. (6) $104,109.61. E. (9) $27,598.09.

A. Mrs. Albert E. Farwell, Box 188, Route 2, Vienna, Va.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Joseph G. Feeney, 5508 Montgomery Street, Chevy Chase, Md.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $3,000. E. (9) $150.

A. Harold E. Fellows, 1771 N Street NW., Washington, D. C.
B. National Association of Radio & Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. John A. Ferguson, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $3,750.

A. Josiah Ferris, 510 Union Trust Building, Washington, D. C.
B. American Sugarcane League, New Orleans, La.; United States Sugar Corp., Clewiston, Fla.; Fellsmere Sugar Producers Association, Fellsmere, Fla.; and Okeelanta Sugar Refinery, Inc., South Bay, Fla.
D. (6) $8,353.59. E. (9) $2,203.59.

A. Maurice W. Fillius, 703 National Press Building, Washington, D. C.
B. Kasser Distillers Products Corp., Philadelphia, Pa.
E. (9) $9.26.

A. Bernard M. Fitzgerald, 1625 I Street NW., Washington, D. C.
B. National Association of Electric Companies, Ring Building, Washington, D. C.
D. (6) $337.50.

A. Stephen Fitzgerald & Co., Inc., 575 Madison Avenue, New York, N. Y.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Berchmans T. Fitzpatrick, 1101 Vermont Avenue NW., Washington, D. C.
B. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
D. (6) $4,100. E. (9) $609.

A. Norman A. Flaningam, 425 13th Street NW., Washington, D. C.
B. Consolidated Natural Gas Co., 30 Rockefeller Plaza, New York, N. Y.
D. (6) $400. E. (9) $73.12.

A. Roger Fleming, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,555.55. E. (9) $69.30.

A. John F. Floberg, 800 World Center Building, Washington, D. C.
B. Automatic Phonograph Manufacturers Association, 1603 Orrington Avenue, Evanston, Ill.

A. John F. Floberg, 800 World Center Building, Washington, D. C.
B. Conference of Local Airlines, 800 World Center Building, Washington, D. C.

A. Florida Citrus Mutual, Lakeland, Fla.
E. (9) $1,788.29.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.
E. (9) $1,376.30.

A. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $4,750. E. (9) $3,186.95.

A. Mrs. J. A. Ford, 404 Evans Building, Washington, D. C.
B. Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio.

A. Forest Farmers Association, box 7284, Station C, Atlanta, Ga.
E. (9) $352.91.

A. James W. Foristel, 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $712.50. E. (9) $19.70.

A. J. Carter Fort, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $1,261.63. E. (9) $3.

A. Ronald J. Foulis, 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone and Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,250.

A. Fowler, Leva, Hawes & Symington, 1701 K Street NW., Washington, D. C.
B. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
E. (9) $13.08.

A. L. S. Franklin, 2309 Pine Croft Road, Greensboro, N. C.
D. (6) $835. E. (9) $835.

A. Robert W. Frase, 812 17th Street NW., Washington, D. C.
B. American Book Publishers Council, Inc., 2 West 46th Street, New York, N. Y.
D. (6) $1,095. E. (9) $827.65.

A. Robert W. Frase, 812 17th Street NW., Washington, D. C.
B. National Postal Committee for Books, 2 West 46th Street, New York, N. Y.
D. (6) $1,825. E. (9) $1,389.55.

A. George H. Frates, 1163 National Press Building, Washington, D. C.
B. National Association of Retail Druggists.
D. (6) $3,900. E. (9) $1,124.

A. C. H. Frazier, 724 14th Street NW., Washington, D. C., and 1401 Arch Street, Philadelphia, Pa.
B. Council of Local Gas Companies, 724 14th Street NW., Washington, D. C.

A. Walter Freedman, 829 Washington Building, Washington, D. C.
B. Patchogue-Plymouth Mills Corp., 295 Fifth Avenue, New York, N. Y.
E. (9) $22.34.

A. Philip P. Friedlander, Jr., 1012 14th Street NW., Washington, D. C.
B. National Tire Dealers and Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $250. E. (9) $40.

A. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $27,385.59. E. (9) $19,476.81.

A. George Milan Fuller, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers of the U. S. A., 918 16th Street NW., Washington, D. C.

A. Nolen J. Fuqua, Duncan, Okla.
B. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $185.24. E. (9) $185.24.

A. Lawrence H. Gall, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $1,450.

A. M. J. Galvin, 207 Union Depot Building, St. Paul, Minn.
B. Minnesota Railroads.
D. (6) $500. E. (9) $602.77.

A. Earl H. Gammons, 1735 DeSales Street NW., Washington, D. C.
E. (9) $40.50.

A. Marion R. Garstang, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $200. E. (9) $6.85.

A. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.
D. (6) $3,568.17. E. (9) $1,000.

A. Gus F. Geissler, 1575 Sherman Street, Denver, Colo.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $750. E. (9) $312.85.

A. General Gas Committee, 1625 K Street NW., Washington, D. C.
D. (6) $11,910. E. (9) $24,740.

A. J. M. George, 165 Center Street, Winona, Minn.
B. The Inter-State Manufacturers Association, 163–165 Center Street, Winona, Minn.
D. (6) $1,500.

A. J. M. George, H. K. Brehmer, and C. S. McMahon, 165 Center Street, Winona, Minn.
B. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $3,000.

A. Leo E. George, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $3,000.

A. Earnest Giddings, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $1,509.38. E. (9) $183.60.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio.
B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
D. (6) $3,050. E. (9) $710.16.

A. Leif Gilstad, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Hugh V. Gittinger, Jr., 1000 Vermont Avenue NW., Washington, D. C.
B. Washington Real Estate Board, Inc., 1000 Vermont Avenue NW., Washington, D. C.

A. Henry W. Goodall, 28 East Jackson Boulevard, Chicago, Ill.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $1,875.

A. Nathaniel H. Goodrich, 1625 I Street NW., Washington, D. C.
B. American Jewish Committee, 386 Fourth Avenue, New York, N. Y.
D. (6) $162.49.

A. John A. Gosnell, 1145 19th Street NW., Washington, D. C.
B. Adhesives Manufacturers' Association of America, 441 Lexington Avenue, New York, N. Y.
D. (6) $625. E. (9) $40.

A. Lawrence L. Gourley, 1757 K Street NW., Washington, D. C.
B. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.
D. (6) $375.

A. Government Employes' Council, AFL-CIO, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $5,357.53. E. (9) $4,798.69.

A. Grain and Feed Dealers National Association, 100 Merchants Exchange, St. Louis, Mo.
E. (9) $65.

A. Grand Lodge of the Brotherhood of Locomotive Firemen and Enginemen, 318–418 Keith Building, Cleveland, Ohio.
D. (6) $18,379.90. E. (9) $7,619.05.

A. Robert A. Grant, 624 Associates Building, South Bend, Ind.
B. The Ethanol Institute, 624 Associates Building, South Bend, Ind.
D. (6) $300. E. (9) $862.29.

A. Mrs. Edward R. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Mrs. Virginia M. Gray, 3501 Williamsburg Lane NW., Washington, D. C.
B. Citizens Committee for UNICEF, 132 Third Street SE., Washington, D. C.
D. (6) $80. E. (9) $11.95.

A. Ernest W. Greene, 723 Investment Building, Washington, D. C.
B. Hawaiian Sugar Planters' Association, post office box 2450, Honolulu, T. H.

A. Francis T. Greene, 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
D. (6) $2,187.50. E. (9) $276.31.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.
B. National Coal Association, 15th and H Streets NW., Washington, D. C.
D. (6) $1,875.

A. Jerry N. Griffin, 731 Washington Building, Washington, D. C.
B. Schenley Industries, Inc., Empire State Building, New York, N. Y.
D. (6) $2,500.

A. Weston B. Grimes, 436 Bowen Building, Washington, D. C.
B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.
D. (6) $6,000.

A. I. J. Gromfine, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South La Salle Street, Chicago, Ill.

A. Carroll A. Gunderson, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $490. E. (9) $52.

A. John J. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,519.96. E. (9) $320.89.

A. Mrs. Violet M. Gunther, 1341 Connecticut Avenue NW., Washington, D. C.
B. Americans for Democratic Action, 1341 Connecticut Avenue NW., Washington, D. C.
D. (6) $1,669.98. E. (9) $193.44.

A. Frank E. Haas, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.
D. (6) $377.92. E. (9) $347.07.

A. Hal H. Hale, 423 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $1,671.87. E. (9) $61.17.

A. Hugh F. Hall, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $1,083.31. E. (9) $25.45.

A. Radford Hall, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $2,499.99. E. (9) $1,167.57.

A. E. C. Hallbeck, 711 14th Street NW., Washington, D. C.
B. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $3,354.12. E. (9) $156.90.

A. Joseph J. Hammer, 26 Broadway, New York, N. Y.
B. Socony Mobil Oil Co., Inc., 26 Broadway, New York, N. Y.
D. (6) $1,706.55. E. (9) $581.55.

A. Harold F. Hammond, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. William A. Hanscom, 1126 16th Street NW., Washington, D. C.
B. Oil, Chemical, and Atomic Workers International Union, AFL–CIO, 1840 California Street, Denver, Colo.
D. (6) $2,055. E. (9) $180.

A. Murray Hanson, 425 13th Street NW., Washington, D. C.
B. Investment Bankers Association of America, 425 13th Street NW., Washington, D. C.
D. (6) $600. E. (9) $1,212.88.

A. Eugene J. Hardy, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. Ralph W. Hardy, 1735 De Sales Street NW., Washington, D. C.
B. Columbia Broadcasting System, Inc., 485 Madison Avenue, New York, N. Y.

A. L. James Harmanson, Jr., 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $3,066.62. E. (9) $192.97.

A. Winder R. Harris, 441 Washington Building, Washington, D. C.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. T. Wade Harrison, room 812, Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $1,750. E. (9) $15.52.

A. Merwin K. Hart, 7501 Empire State Building, New York, N. Y.
B. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.
D. (6) $100.

A. Stephen H. Hart, 520 Equitable Building, Denver, Colo.
B. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $1,616.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. American Wood Fabric Institute, 1145 19th Street NW., Washington, D. C.
D. (6) $450. E. (9) $10.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. Hardwood Plywood Institute, 600 South Michigan Avenue, Chicago, Ill.
D. (6) $600. E. (9) $25.

A. Robert N. Hawes, 601 Associations Building, Washington, D. C.
B. U. S. Plywood Corp., 55 West 44th Street, New York, N. Y.
D. (6) $150.

A. Paul M. Hawkins, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $3,750. E. (9) $10.65.

A. Kit H. Haynes, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $2,650. E. (9) $165.60.

A. Joseph H. Hays, 280 Union Station Building, Chicago, Ill.
B. The Association of Western Railways, 474 Union Station Building, Chicago, Ill.

A. John C. Hazen, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (9) $12.55.

A. Patrick B. Healy, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $300. E. (9) $14.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N. Y., and 132 Third Street SE., Washington, D. C.
B. American Parents Committee, Inc., 132 Third Street SE., Washington, D. C.

A. Robert B. Heiney, 1133 20th Street NW., Washington, D. C.
B. National Canners' Association, 1133 20th Street NW., Washington, D. C.
D. (6) $875. E. (9) $93.05.

A. Kenneth G. Heisler, 907 Ring Building, Washington, D. C.
B. National Savings and Loan League, 907 Ring Building, Washington, D. C.
D. (6) $400.

A. William B. Henderson, 925 15th Street NW., Washington, D. C.
B. Parcel Post Association, 925 15th Street NW., Washington, D. C.
D. (6) $2,872. E. (9) $2,893.

A. Maurice G. Herndon, 1002 Washington Loan & Trust Building, Washington, D. C.
B. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y., and 1002 Washington Loan & Trust Building, Washington, D. C.
D. (6) $304. E. (9) $304.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. Boston Wool Trade Association, 263 Summer Street, Boston, Mass.
D. (6) $600. E. (9) $27.46.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. National Association of Hot House Vegetable Growers, Post Office Box 659, Terre Haute, Ind.

A. Clinton M. Hester, 426 Shoreham Building, Washington, D. C.
B. United States Brewers' Foundation, 535 Fifth Avenue, New York, N. Y.
D. (6) $5,000. E. (9) $1,013.29.

A. Robert C. Hibben, 1105 Barr Building, Washington, D. C.
B. International Association of Ice Cream Manufacturers.
E. (9) $718.80.

A. W. J. Hickey, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $196.88.

A. W. E. Himsworth, 724 14th Street NW., Washington, D. C., and 176 Remsen Street, Brooklyn, N. Y.
B. Council of Local Gas Companies, 724 14th Street NW., Washington, D. C.

A. Ray C. Hinman, 26 Broadway, New York, N. Y.
B. Socony Mobil Oil Co., Inc., 26 Broadway, New York, N. Y.
D. (6) $1,325.35. E. (9) $75.35.

A. L. S. Hitchner, 1145 19th Street NW., Washington, D. C.
B. National Agricultural Chemicals Association, 1145 19th Street NW., Washington, D. C.

A. Claude E. Hobbs, 1625 I Street NW., Washington, D. C.
B. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
D. (6) $1,250.

A. Frank N. Hoffman, 1001 Connecticut Avenue NW., Washington, D. C.
B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.
D. (6) $3,000. E. (9) $3,200.

A. John R. Holden, 1710 Rhode Island Avenue NW., Washington, D. C.
B. AMVETS, 1710 Rhode Island Avenue NW., Washington, D. C.
D. (6) $937.50. E. (9) $75.

A. Charles Holloway, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $228.75.

A. Fuller Holloway, 1000 Shoreham Building, Washington, D. C.
B. The Toilet Goods Association, Inc., 1270 Avenue of the Americas, New York, N. Y.
D. (6) $5,000.

A. J. M. Hood, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $300.

A. Victor Hood, 4200 Clagett Road, Hyattsville, Md.
B. Journeymen Barbers and Hairdressers International Union, 1141 North Delaware, Indianapolis, Ind.
D. (6) $2,561.86. E. (9) $796.36.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. Chicago Bridge & Iron Co., 1305 West 105th Street, Chicago, Ill.
D. (6) $250.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. Estate of Thomas C. Dennehy, deceased, 50 South La Salle Street, Chicago, Ill.

A. Samuel H. Horne, Munsey Building, Washington, D. C.
B. The Singer Manufacturing Co., 149 Broadway, New York, N. Y.
D. (6) $5,600. E. (9) $1,170.57.

A. Donald E. Horton, 222 East Adams Street, Chicago, Ill.
B. American Warehousemen's Association.

A. Harold A. Houser, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $1,500.

A. Vernon F. Hovey, 101 Nott Terrace, Schenectady, N. Y.
B. National Dairy Products Corp., 260 Madison Avenue, New York, N. Y.
D. (6) $3,000. E. (9) $236.78.

A. S. H. Howard, 1414 Evergreen Avenue, Pittsburgh, Pa.
B. Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.
D. (6) $600.

A. Robert E. Howe, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $4,796.

A. William T. Huff, 806 Connecticut Avenue NW., Washington, D. C.
B. Trans World Airlines, 10 Richards Road, Kansas City, Mo.
D. (6) $2,580. E. (9) $287.30.

A. Raymond E. Hughes, 85 John Street, New York, N. Y.
B. National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $30. E. (9) $74.66.

A. C. E. Huntley, 2000 Massachusetts Avenue NW., Washington, D. C.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.
D. (6) $275.

A. W. C. Hushing, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $3,302. E. (9) $420.

A. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
E. (9) $2,260.86.

A. Independent Advisory Committee to the Trucking Industry, Inc., 1000 Vermont Avenue NW., Washington, D. C.

A. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $86,870. E. (9) $12,441.22.

A. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $90,720.07. E. (9) $7,575.

A. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D. C.
D. (6) $300. E. (9) $2,868.97.

A. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.
E. (9) $410.42.

A. International Trade Section, New York Board of Trade, Inc., 291 Broadway, New York, N. Y.
D. (6) $600. E. (9) $148.22.

A. Interstate Manufacturers Association, 163-165 Center Street, Winona, Minn.
D. (6) $3,000. E. (9) $25.70.

A. Robert C. Jackson, 1145 19th Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, 1501 Johnston Building, Charlotte, N. C.
D. (6) $1,218.75. E. (9) $162.43.

A. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
D. (6) $375. E. (9) $300.

A. Ray L. Jenkins, 541 Washington Building, Washington, D. C.
B. Societe Internationale Pour Participatione Industrielles et Commerciales, S. A. Peter Merianstr 19, Basle, Switzerland.

A. William T. Jobe, 810 18th Street NW., Washington, D. C.
B. National Association of Ice Industries, 810 18th Street NW., Washington, D. C.

A. Peter Dierks Joers, Mountain Pine, Ark.
B. Dierks Forests, Inc., 1006 Grand Avenue, Kansas City, Mo.

A. Johns-Manville Corp., 22 East 40th Street, New York, N. Y.
E. (9) $1,250.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio.
B. Lake Carriers' Association, 305 Rockefeller Building, Cleveland, Ohio.
D. (6) $120. E. (9) $135.39.

A. J. P. Johnson, 17 Varick Street, New York, N. Y.
B. National Association of Refrigerated Warehouses, Inc., Tower Building, Washington, D. C.

A. Reuben L. Johnson, Jr.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,615.68. E. (9) $55.82.

A. W. D. Johnson, 401 Third Street NW., Washington, D. C.
B. Order of Railway Conductors and Brakemen, O. R. C. and B. Building, Cedar Rapids, Iowa.

A. Joint Committee of Consumers and Small Producers of Natural Gas, Washington Hotel, Washington, D. C.
D. (6) $37,686. E. (9) $37,686.

A. L. Dan Jones, 1110 Ring Building, Washington, D. C.
B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.
E. (9) $15.75.

A. Lyle W. Jones, 705 Warner Building, Washington, D. C.
B. The United States Potters Association, East Liverpool, Ohio.
D. (6) $2,500. E. (9) $548.34.

A. Phillip E. Jones, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.
D. (6) $675.

A. Rowland Jones, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $3,000. E. (9) $202.68.

A. Journeymen Barbers and Hairdressers International Union, 1141 North Delaware, Indianapolis, Ind.
E. (9) $2,561.86.

A. Orrin G. Judd, 655 Madison Avenue, New York, N. Y.
B. Dr. Ching-Lin Hsia and wife, Wai Tsung Hsia, 21 Park Place, Great Neck, N. Y.
D. (6) $750. E. (9) $2.44.

A. Robert I. Kabat, 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $95.87.

A. David K. Kadane, 250 Old Country Road, Mineola, N. Y.
B. Long Island Lighting Co., 250 Old Country Road, Mineola, N. Y.
E. (9) $378.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $3,000. E. (9) $943.92.

A. John E. Kane, 1625 K Street NW., Washington, D. C.
B. District of Columbia Petroleum Industries Committee.
D. (6) $300. E. (9) $100.50.

A. Arthur C. Keefer, 900 F Street NW., Washington, D. C.
B. War Department Beneficial Association, United States Department of Labor Beneficial Association, and United States Departments of Commerce and Justice Beneficial Association, Washington, D. C.
D. (6) $12,500.

A. James C. Kelley, 1900 Arch Street, Philadelphia, Pa.
B. American Machine Tool Distributors' Association, 1900 Arch Street, Philadelphia, Pa.

A. Joseph Duff Kelly, 30 Broad Street, New York, N. Y.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.
E. (9) $34.29.

A. James P. Kem, 1625 K Street NW., Washington, D. C.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $2,500.

A. Elizabeth A. Kendall, 2310 Connecticut Avenue, Washington, D. C.
E. (9) $15.

A. I. L. Kenen, 1737 H Street NW., Washington, D. C.
B. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
D. (6) $2,999.99. E. (9) $673.38.

A. William J. Kennard, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $625. E. (9) $82.95.

A. Harold L. Kennedy, 203 Commonwealth Building, Washington, D. C.
B. The Ohio Oil Co., Findlay, Ohio.
D. (6) $500. E. (9) $237.50.

A. Miles D. Kennedy, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $3,100. E. (9) $92.09.

A. Ronald M. Ketcham, Post Office Box 351, Los Angeles, Calif.
B. Southern California Edison Co., Post Office Box 351, Los Angeles, Calif.
D. (6) $445.40. E. (9) $938.02.

A. Omar B. Ketchum, 1000 Vermont Avenue NW., Washington, D. C.
B. Veterans of Foreign Wars of the United States.
D. (6) $3,150. E. (9) $293.

A. Jeff Kibre, 1341 G Street NW., Washington, D. C.
B. International Longshoremen's and Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.
D. (6) $654.72. E. (9) $692.63.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. Eastern Meat Packers Association, Inc., Hotel Statler, New York, N. Y., and 740 11th Street NW., Washington, D. C.
D. (6) $875.01. E. (9) $148.14.

A. John A. Killick, 740 11th Street NW., Washington, D. C.
B. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $127.50. E. (9) $56.17.

A. Kenneth L. Kimble, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $150.

A. King, Noble & Sonosky, 1028 Connecticut Avenue NW., Washington, D. C.

A. Thomas R. Kingsley, 16th and P Streets NW., Washington, D. C.
B. Movers Conference of America, 16th and P Streets NW., Washington, D. C.

A. Bill Kirchner, Sauk Centre, Minn.
B. Independent Bankers Association, Sauk Centre, Minn.
D. (6) $2,250.

A. Clifton Kirkpatrick, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $390. E. (9) $36.43.

A. Rowland F. Kirks, 2000 K Street NW., Washington, D. C.
B. National Automobile Dealers Association, 2000 K Street NW., Washington, D. C.
D. (6) $4,038. E. (9) $1,156.23.

A. W. H. Kittrell, 207 Commercial Building, Dallas, Tex.
B. West Central Texas Oil and Gas Association, 503 F. & M. Bank Building, Abilene, Tex.
D. (6) $21,374.19. E. (9) $3,986.86.

A. Clarence C. Klocksin, 2623 North Van Dorn Street, Alexandria, Va.
B. The National Board of Fire Underwriters, 85 John Street, New York, N. Y.
D. (6) $6,000. E. (9) $300.

A. Burt L. Knowles, Munsey Building, Washington, D. C.
B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.

A. Robert M. Koch, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institution, Inc., 619 F. Street NW., Washington, D. C.
E. (9) $45.

A. Robert M. Koch, 619 F Street NW., Washington, D. C.
B. National Crushed Limestone Institution, Inc., 619 F Street NW., Washington, D. C.
E. (9) $15.

A. Georgia Koonce, 1031 South Grand Avenue, Los Angeles, Calif.
B. National Institute of Social Welfare, 1031 South Grand Avenue, Los Angeles, Calif.
D. (6) $900. E. (9) $910.

A. Kreeger, Ragland & Shapiro, Investment Building, Washington, D. C.
B. Alden Lown, receiver of the joint venture of Barrett & Hilp, McDonald & Rutherford, 600 Montgomery Street, San Francisco, Calif.

A. Herman C. Kruse, 245 Market Street, San Francisco, Calif.
B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.
D. (6) $2,932.19. E. (9) $3,737.09.

A. Frank W. Kuehl, 1523 L Street, Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $575. E. (6) $54.95.

A. Catherine G. Kuhne, Dupont Circle Building, Washington, D. C.
B. National Federation of Business and Professional Women's Clubs, Inc., Dupont Circle Building, Washington, D. C.

A. Labor-Management Maritime Committee, 132 Third Street SE., Washington, D. C.
D. (6) $4,605. E. (9) $4,656.67.

A. Harold M. LaFont, 419 Skaggs Building, Plainview, Tex.
B. Grain Sorghums Producers' Association, Box 77, Bushland, Tex.
D. (6) $1,000. E. (9) $1,351.53.

A. Lake Carriers' Association, 905 Rockefeller Building, Cleveland, Ohio.

A. James W. Lamberton, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. A. M. Lampley, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio.
D. (6) $2,750.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. American Fair Trade Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $249.96.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. National Patent Council, Inc., 1434 West 11th Avenue, Gary, Ind.
D. (6) $999.96.

A. Fritz G. Lanham, 2737 Devonshire Place NW., Washington, D. C.
B. Trinity Improvement Association, Inc., 718 Insurance Building, Fort Worth, Tex.
D. (6) $1,275.

A. William C. Lantaff, 916 Du Pont Building, Miami, Fla.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $2,187.50. E. (9) $746.96.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. Eastern Meat Packers' Association, Inc., Statler Hotel, New York, N. Y.
D. (6) $1,500. E. (9) $3,013.32.

A. La Roe, Winn & Moerman, 743 Investment Building, Washington, D. C.
B. The National Independent Meat Packers' Association, 740 11th Street NW., Washington, D. C.
D. (6) $3,750. E. (9) $3,196.54.

A. John V. Lawrence, 1424 16th Street NW., Washington, D. C.
B. American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $8,749.98. E. (9) $2.40.

A. Randall J. LeBoeuf, Jr., 15 Broad Street, New York, N. Y.
B. Consolidated Edison Company of New York, Inc., 4 Irving Place, New York, N. Y.
E. (9) $183.48.

A. Robert F. Lederer, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $75.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
D. (6) $4,500. E. (9) $4,092.76.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.
B. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $1,500. E. (9) $67.18.

A. James R. Lee, 1426 G Street NW., Washington, D. C.
B. Water Heater Division, Gas Appliance Manufacturers Association, 60 East 42d Street, New York, N. Y.
D. (6) $1,000. E. (10) $183.46.

A. Legislative Committee of Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. Legislative Council, National Antidumping Committee, Inc., 1101 Vermont Avenue NW., Washington, D. C.

A. Artemas C. Leslie, 17th and Pennsylvania Avenue NW., Washington, D. C.
B. Blue Cross Commission of the American Hospital Association, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $1,875.

A. Hal Leyshon, 292 Madison Avenue, New York, N. Y.
B. American Federation of Musicians, 570 Lexington Avenue, New York, N. Y.
D. (6) $4,998.98. E. (9) $9,589.51.

A. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y., and 1701 K Street, Washington, D. C.
D. (6) $5,096.05. E. (9) $5,096.05.

A. Leo F. Lightner, 717 National Press Building, Washington, D. C.
B. Engineers and Scientists of America, Munsey Building, Washington, D. C.

A. L. Blaine Liljenquist, 917 15th Street NW., Washington, D. C.
B. Western States Meat Packers Association, Inc., 604 Madison Street, San Francisco, Calif.
D. (6) $3,000. E. (9) $65.95.

A. Leo Lipson, 224 Southern Building, Washington, D. C.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Robert W. Lishman, 412 Washington Building, Washington, D. C.

A. Robert G. Litschert, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $628.13. E. (9) $233.13.

A. Walter J. Little, 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $5,588.67. E. (9) $2,681.68.

A. John M. Littlepage, 15th and K Streets NW., Washington, D. C.
B. The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y.

A. Gordon C. Locke, 418 Munsey Building, Washington, D. C.
B. Committee for Pipe Line Companies, 35 East Wacker Drive, Chicago, Ill.
D. (6) $5,750.

A. Charles E. Lofgren, 522 Rhode Island Avenue NE., Washington, D. C.
B. Fleet Reserve Association, 522 Rhode Island Avenue NE., Washington, D. C.
D. (6) $2,000.

A. Benjamin H. Long, 2746 Penobscot Building, Detroit, Mich.
B. Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $2,150. E. (9) $710.75.

A. Leonard Lopez, 1029 Vermont Avenue NW., Washington, D. C.
B. District No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $1,749.93. E. (9) $15.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. Agency of Canadian Car & Foundry Co., Ltd., 30 Broadway, New York, N. Y.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. Standard Oil Company of New Jersey, 30 Rockefeller Plaza, New York, N. Y.

A. Lord, Day & Lord, 25 Broadway, New York, N. Y., and 500 Wyatt Building, Washington, D. C.
B. S. A. Healy Co., 61 Westchester Avenue, White Plains, N. Y.

A. Joe T. Lovett, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $500. E. (9) $0.80.

A. Otto Lowe, Cape Charles, Va.
B. National Canners Association, 1133 20th Street, Washington, D. C.
D. (6) $750.

A. Lowenstein, Pitcher, Spence, Hotchkiss, Amann & Parr, 25 Broad Street, New York, N. Y.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Sydney Lubarr, 9202 Chanute Drive, Bethesda, Md.
B. American Zionist Committee for Public Affairs, 1737 H Street NW., Washington, D. C.
D. (6) $625. E. (9) $106.20.

D. (6) $625. E. (9) $106.20.
nue NW., Washington, D. C.
B. Acacia Mutual Life Insurance Co., Washington, D. C.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. American Finance Conference, 176 West Adams Street, Chicago, Ill.
D. (6) $1,250.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Mobile Homes Manufacturers Association, 20 North Wacker Drive, Chicago, Ill.
D. (6) $1,000.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. State Loan & Finance Corp., 1200 18th Street NW., Washington, D. C.
D. (6) $300.

A. Scott W. Lucas, 1025 Connecticut Avenue NW., Washington, D. C.
B. Adolph von Zedlitz, 60 Sutton Place South, New York, N. Y.

A. John C. Lynn, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,781.21. E. (9) $59.73.

A. A. E. Lyon, 401 Third Street NW., Washington, D. C.
B. Railway Labor Executives' Association.
D. (6) $750.

A. LeRoy E. Lyon, Jr., 530 West Sixth Street, Los Angeles, Calif.
B. California Railroad Association, 215 Market Street, San Francisco, Calif.
D. (6) $1,791.67. E. (9) $509.46.

A. John J. Lyons, 3133 Connecticut Avenue NW., Washington, D. C.
B. Patent Equity Association, Inc., 540 West 58th Street, New York, N. Y.
D. (6) $3,500. E. (9) $511.50.

A. Avery McBee, 610 Shoreham Building, Washington, D. C.
B. Hill and Knowlton, Inc.

A. Robert J. McBride, 1424 16th Street NW., Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $1,033.33.

A. John A. McCart, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $1,712.28. E. (9) $29.20.

A. Frank J. McCarthy, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., Suburban Station Building, Philadelphia, Pa.

A. J. L. McCaskill, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $575. E. (9) $162.72.

A. Angus McDonald.
B. Farmers Educational and Cooperative Union of America, 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,550.97. E. (9) $263.30.

A. Joseph T. McDonnell, 425 13th Street NW., Washington, D. C.
B. Alaska Juneau Goldmining Co., 425 Crocker Building, San Francisco, Calif.
D. (6) $1,000.

A. Joseph T. McDonnell, 425 13th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Joseph T. McDonnell, 425 13th Street NW., Washington, D. C.
B. Transportes Maritimeo Mexicanos, S. A., Avenue Insurgentes No. 452, Mexico City, D. T.
D. (6) $1,200. E. (9) $32.36.

A. McDonnell and Slattery, 425 13th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Joseph A. McElwain, 500 Main Street, Deer Lodge, Mont.
B. The Montana Power Co., Butte, Mont.
D. (6) $781.25. E. (9) $1,069.98.

A. A. J. McFarland, 126 North Eighth Street, Sterling, Kans.
B. The Christian Amendment Movement, 804 Pennsylvania Avenue, Pittsburgh, Pa.
D. (6) $225. E. (9) $250.

A. Thomas Edward McGrath, 4012 14th Street NW., Washington, D. C.
B. Taxpayers, U. S. A., 4012 14th Street NW., Washington, D. C.

A. J. V. McLaughlin, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $6,875. E. (9) $386.38.

A. W. H. McMains, 1132 Pennsylvania Building, Washington, D. C.
B. Distilled Spirits Institute, 1132 Pennsylvania Building, Washington, D. C.

A. Clarence M. McMillan, 1424 K Street NW., Washington, D. C.
B. National Candy Wholesalers Association, 1424 K Street NW., Washington, D. C.

A. Ralph J. McNair, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $709.75.

A. William P. MacCracken, Jr., 1152 National Press Building, Washington, D. C.
B. American Optometric Association, 8001 Jenkins Arcade, Pittsburgh, Pa.
D. (6) $2,925. E. (9) $28.23.

A. William P. McCracken, Jr., 1152 National Press Building, Washington, D. C.
B. Frankel Brothers, 521 Fifth Avenue, New York, N. Y.
E. (9) $1.75.

A. John G. Macfarlan, Washington, D. C.
B. Railway Express Agency, Second and I Streets NE., Washington, D. C.
D. (6) $151.25. E. (9) $17.20.

A. James E. Mack, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Confectioners' Association, 221 North La Salle Street, Chicago, Ill.
D. (6) $3,000.

A. Maclay, Morgan & Williams, 76 Beaver Street, New York, N. Y.
B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. W. Bruce Macnamee, 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C., and 11 Broadway, New York, N. Y.
D. (6) $989.75. E. (9) $496.43.

A. James B. Madaris, 401 Third Street NW., Washington, D. C.
B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.
D. (6) $437.50.

A. William J. Mahon, 1 Broadway, New York, N. Y.
B. Associated Railroads of New York State.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Business Publications, Inc., 1413 K Street NW., Washington, D. C.
D. (6) $600.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. National Coal Association, Southern Building, Washington, D. C.
D. (6) $2,600. E. (9) $212.40.

A. Carter Manasco, 4201 Chesterbrook Road, Falls Church, Va.
B. Southern Pine Industry Committee, P. O. Box 1170, New Orleans, La.
D. (6) $375.

A. James D. Mann, 714 Sheraton Building, Washington, D. C.
B. Private Truck Council of America, Inc., 714 Sheraton Building, Washington, D. C.

A. Manufacturing Chemists' Association, Inc., 1625 I Street NW., Washington, D. C.
D. (6) $2,375. E. (9) $2,375.

A. Olya Margolin, 1637 Massachusetts Avenue NW., Washington, D. C.
B. National Council of Jewish Women, Inc., 1 West 47th Street, New York, N. Y.
D. (6) $1,625.78. E. (9) $93.60.

A. James Mark, Jr., 1435 K Street NW., Washington, D. C.
B. United Mine Workers of America, 900 15th Street NW., Washington, D. C.
D. (6) $3,796.

A. Rodney W. Markley, Jr., Wyatt Building, Washington, D. C.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $1,000. E. (9) $296.

A. Winston W. Marsh, 1012 14th Street NW., Washington, D. C.
B. National Tire Dealers and Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $1,000. E. (9) $17.70.

A. Fred T. Marshall, 1112–18 19th Street NW., Washington, D. C.
B. The B. F. Goodrich Co., 500 South Main Street, Akron, Ohio.

A. Edwin G. Martin, 717 National Press Building, Washington, D. C.
B. Kasser Distillers Products Corp., Philadelphia, Pa.
E. (9) $11.

A. John M. Martin, Jr., 1712 G Street NW., Washington, D. C.
B. American Automobile Association, 1712 G Street NW., Washington, D. C.

A. Mike M. Masaoka, 1217 Hurley-Wright Building, Washington, D. C.
B. Committee on Japanese American Evacuation Claims, 12427 Milton Street, Los Angeles, Calif.

A. Mike M. Masaoka, 1217 Hurley-Wright Building, Washington, D. C.
B. Japanese American Citizens League, 1759 Sutter Street, San Francisco, Calif.
E. (9) $80.

A. Walter J. Mason, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,899. E. (9) $372.

A. P. H. Mathews, 929 Transportation Building, Washington, D. C.
B. Association of American Railroads, Transportation Building, Washington, D. C.
D. (6) $4,993.96. E. (9) $1,059.61.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D. C.
B. National Association of Waste Material Dealers, Inc., 271 Madison Avenue, New York, N. Y.
D. (6) $150. E. (9) $16.38.

A. Cyrus H. Maxwell, M. D., 1523 L Street NW., Washington, D. C.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $675. E. (9) $105.55.

A. Medical Association of the State of Alabama, State Office Building, Montgomery, Ala.
E. (9) $2,025.

A. The Medical Society of the District of Columbia, 1718 M Street NW., Washington, D. C.

A. Kenneth A. Meiklejohn, 1822 Jefferson Place NW., Washington, D. C.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N. Y.
D. (6) $1,152.

A. Kenneth A. Meiklejohn, 1822 Jefferson Place NW., Washington, D. C.
B. Retail, Wholesale and Department Store Union, 132 West 43d Street, New York, N. Y.
D. (6) $450.

A. The Merchants National Bank and Trust Company of Syracuse, 216 South Warren Street, Syracuse, N. Y.

A. James Messer, Jr., 404 Midyette-Moor Building, Tallahassee, Fla.
B. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla.
D. (6) $1,875.

A. J. T. Metcalf, 1002 L. & N. Building, Louisville, Ky.
E. (9) $170.68.

A. James G. Michaux, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $179.66.

A. Michigan Hospital Service, 441 East Jefferson Avenue, Detroit, Mich.

A. Clarence R. Miles, 1615 H Street NW., Washington, D. C.
B. Chamber of Commerce of the U. S. A.

A. Milk Industry Foundation, 1145 19th Street NW., Washington, D. C.

A. Charles C. Miller, 1346 Connecticut Avenue NW., Washington, D. C.
B. The Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y.
D. (6) $174.99. E. (9) $25.01.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. The Blue Cross Commission, 425 North Michigan Avenue, Chicago, Ill.
D. (6) $350. E. (9) $27.36.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. Estate of Josephine S. Bogert, care of Charles M. Kritzman, 37 Wall Street, New York, N. Y.
D. (6) $2,500.

A. Miller & Chevalier, 1001 Connecticut Avenue, Washington, D. C.
B. Kensington Co. (G. T. Forbes and Theodore M. Jacobs), San Diego, Calif.
D. (6) $3,500.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Dallas (Tex.) Chamber of Commerce.
D. (6) $1,500.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Intracoastal Canal Association of Louisiana and Texas, 1028 Electric Building, Houston, Tex.
D. (6) $1,500.

A. Dale Miller, Mayflower Hotel, Washington, D. C.
B. Texas Gulf Sulphur Co., Newgulf, Tex., and New York, N. Y.
D. (6) $2,250.

A. Edwin Reid Miller, 1004 Farnam Street, Omaha, Nebr.
B. Nebraska Railroads Legislative Committee, 1004 Farnam Street, Omaha, Nebr.
D. (6) $2,226. E. (9) $131.53.

A. Seymour S. Mintz, 810 Colorado Building, Washington, D. C.
B. Republic Steel Corp., Cleveland, Ohio.
E. (9) $11.59.

A. Seymour S. Mintz, William T. Plumb, Jr., and Robert K. Eifler, 810 Colorado Building, Washington, D. C.
B. John H. Davis, Harriett O. Davis, Harry Handley Cloutier, Elinor S. Cloutier, Estate of Henri M. Cloutier, deceased, Harry M. Cloutier, executor, and Margaret S. Cloutier, Seattle, Wash.

A. Seymour S. Mintz, William T. Plumb, Jr., Robert K. Eifler, and Richard A. Mullens, 810 Colorado Building, Washington, D. C.
B. Hughes Tool Co., Houston, Tex.

A. Clarence Mitchell, 100 Massachusetts Avenue NW., Washington, D. C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.
D. (6) $2,000.

A. M. D. Mobley, 1010 Vermont Avenue NW., Washington, D. C.
B. American Vocational Association, Inc.

A. Harry L. Moffett, 1102 Ring Building, Washington, D. C.
B. American Mining Congress, Ring Building, Washington, D. C.
D. (6) $1,350. E. (9) $9.30.

A. George W. Morgan, 76 Beaver Street, New York, N. Y.
B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. F. E. Mollin, 801 East 17th Avenue, Denver, Colo.
B. American National Cattlemen's Association, 801 East 17th Avenue, Denver, Colo.
D. (6) $4,400. E. (9) $427.57.

A. Donald Montgomery, 777 14th Street, Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $2,300. E. (9) $368.24.

A. Donald Montgomery, 718 Jackson Place NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural Implement Workers of America, Solidarity House, 8000 East Jefferson Avenue, Detroit, Mich.
D. (6) $1,720. E. (9) $683.33.

A. Monument Builders of America, Inc., 20 East Jackson Boulevard, Chicago, Ill.
D. (6) $1,872. E. (9) $2,253.62.

A. Walter H. Moorman, 4650 East-West Highway, Bethesda, Md.
B. The Maryland Railroad Association, care of E. H. Burgess, 2 North Charles Street, Baltimore, Md.
D. (6) $2,500.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. Robert A. Drum, Metz Brewing Co., Omaha, Nebr.
D. (6) $3,595.48. E. (9) $55.44.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. Ford Motor Co., 3000 Schaefer Road, Dearborn, Mich.
E. (9) $3.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. Group Health Dental Insurance, Inc., 120 Wall Street, New York, N. Y.
E. (9) $2.87.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. Salyer Water District, Post Office Box 488, Corcoran, Calif.
E. (9) $43.33.

A. Morison, Murphy, Clapp & Abrams, Pennsylvania Building, Washington, D. C.
B. The Sperry & Hutchinson Co., 114 Fifth Avenue, New York, N. Y.
D. (6) $3,255. E. (9) $157.60.

A. Morris Plan Corporation of America, 103 Park Avenue, New York, N. Y.
E. (9) $3,783.79.

A. Giles Morrow, 1111 E Street NW., Washington, D. C.
D. (6) $4,375.03. E. (9) $121.30.

A. Harold G. Mosier, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.
D. (6) $3,750. E. (9) $589.50.

A. William J. Mougey, 802 Cafritz Building, Washington, D. C.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

A. Movers' Conference of America, 16th and P Streets NW., Washington, D. C.
D. (6) $625.25. E. (9) $625.25.

A. Fisher Muldrow, Post Office Box 983, Oklahoma City, Okla.
B. Associated Motor Carriers of Oklahoma, Inc., Box 983, Oklahoma City, Okla.
D. (6) $1,000. E. (9) $2,426.26.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Paper & Pulp Association, 122 East 42d Street, New York, N. Y.

A. T. H. Mullen, 711 14th Street NW., Washington, D. C.
B. American Pulpwood Association, 220 East 42d Street, New York, N. Y.

A. Howard E. Munro, 901 Massachusetts Avenue NW., Washington, D. C.
B. Central Labor Union and Metal Trades Council of the Panama Canal Zone, Post Office Box 471, Balboa Heights, C. Z.
D. (6) $1,300. E. (9) $1,226.08.

A. Walter J. Munro, Hotel Washington, Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. Dr. Emmett J. Murphy, 5737 13th Street NW., Washington, D. C.
B. National Chiropractic Insurance Co., National Building, Webster City, Iowa.
D. (6) $300. E. (9) $300.

A. Ray Murphy, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $118.75.

A. Music Publishers' Association of the United States, 47 West 63d Street, New York, N. Y.
D. (6) $500. E. (9) $59.48.

A. Francis J. Myers, 2026 Land Title Building, Philadelphia, Pa.
B. Transamerica Corp., San Francisco, Calif.
E. (9) $474.70.

A. J. Walter Myers, Jr., Post Office Box 7284, Station C, Atlanta, Ga.
B. Forest Farmers Association Cooperative, Post Office Box 7284, Station C, Atlanta, Ga.
E. (9) $352.91.

A. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
D. (6) $2,166.93. E. (9) $2,166.93.

A. National Association and Council of Business Schools, 601 13th Street NW., Washington, D. C.

A. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.
D. (6) $14,193.75. E. (9) $211.20.

A. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $63,546.34. E. (9) $17,574.69.

A. National Association of Frozen Food Packers, 1415 K Street NW., Washington, D. C.

A. National Association of Insurance Agents, 96 Fulton Street, New York, N. Y.
D. (6) $3,148.25. E. (9) $4,816.89.

A. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.
D. (6) $214.58. E. (9) $214.58.

A. National Association of Refrigerated Warehouses, Inc., 1210 Tower Building, Washington, D. C.

A. National Association of Retired Civil Employees, 1625 Connecticut Avenue NW., Washington, D. C.
D. (6) $750. E. (9) $750.

A. National Association of Soil Conservation Districts, League City, Tex.
D. (6) $1,820.80. E. (9) $392.62.

A. National Association of Travel Organizations, 1424 K Street NW., Washington, D. C.
D. (6) $11,874.15. E. (9) $682.50.

A. National Canners Association, 1133 20th Street NW., Washington, D. C.
D. (6) $279,104.40. E. (9) $2,115.19.

A. National Coal Association, 802 Southern Building, Washington, D. C.

A. National Committee on Parcel Post Size and Weight Limitations, 1625 I Street NW., Washington, D. C.
D. (6) $2,350. E. (9) $961.76.

A. National Committee of Shippers and Receivers, 100 West 31st Street, New York, N. Y.
E. (9) $129.88.

A. National Conference for Repeal of Taxes on Transportation, care of D. G. Ward, Mathieson Building, Baltimore, Md.
E. (9) $27.70.

A. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $5,905.93. E. (9) $5,905.93.

A. National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill.

A. National Council for Export Credits, 291 Broadway, New York, N. Y.

A. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.
D. (6) $17,155. E. (9) $4,790.

A. National Crushed Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
D. (6) $646.49. E. (9) $646.49.

A. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.
D. (6) $964.95. E. (9) $883.48.

A. National Electrical Contractors Association, Inc., 1200 18th Street NW., Washington, D. C.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N. Y.
D. (6) $43.11. E. (9) $43.11.

A. National Federation of Post Office Clerks, 711 14th Street NW., Washington, D. C.
D. (6) $167,690.20. E. (9) $12,148.94.

A. National Federation of Post Office Motor Vehicle Employees, 412 Fifth Street NW., Washington, D. C.
D. (6) $15,045.84. E. (9) $1,727.45.

A. National Food Brokers Association, 827 Munsey Building, Washington, D. C.
D. (6) $1,764.62. E. (9) $1,764.62.

A. National Housing Conference, Inc., 1025 Connecticut Avenue NW., Washington, D. C.
D. (6) $22,175.57. E. (9) $17,823.23.

A. The National Independent Meat Packers Association, 740 11th Street NW., Washington, D. C.
D. (6) $1,469.75. E. (9) $1,190,71.

A. National Live Stock Tax Committee, 801 East 17th Avenue, Denver, Colo.
D. (6) $1,616.

A. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
D. (6) $1,280.11. E. (9) $1,218.47.

A. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $4,082.79. E. (9) $4,082.79.

A. National Postal Transport Association, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $46,111.60. E. (9) $3,167.05.

A. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $10,179.97. E. (9) $14,365.93.

A. National Rehabilitation Association, 1025 Vermont Avenue NW., Washington, D. C.
D. (6) $1,658.21. E. (9) $590.

A. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
D. (6) $4,125. E. (9) $4,242.03.

A. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.
D. (6) $17,347.49. E. (9) $6,128.52.

A. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $15,550.21. E. (9) $15,550.21.

A. National Savings & Loan League, 907 Ring Building, Washington, D. C.
D. (6) $259,693.89. E. (9) $1,156.75.

A. National Small Business Men's Association, 2834 Central Street, Evanston, Ill.
D. (6) $5,000. E. (9) $4,985.14.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D. C.
D. (6) $158,537.75. E. (9) $1,438.36.

A. The National Tire Dealers & Retreaders Association, Inc., 1012 14th Street NW., Washington, D. C.
D. (6) $2,210.28. E. (9) $2,210.28.

A. The National Women's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.
D. (6) $2,382.15. E. (9) $3,000.58.

A. Nation-Wide Committee of Industry, Agriculture and Labor on Import-Export Policy, 815 15th Street NW., Washington, D. C.
D. (6) $4,275. E. (9) $10,073.87.

A. William S. Neal, 918 16th Street NW., Washington, D. C.
B. National Association of Manufacturers, 918 16th Street NW., Washington, D. C.

A. A. Z. Nelson, 1319 18th Street NW., Washington, D. C.
B. National Lumber Manufacturers Association, 1319 18th Street NW., Washington, D. C.
E. (9) $15.55.

A. George S. Newcomer, 1000 Maryland Trust Building, Baltimore, Md.
B. The Peoples Water Service Co., 1607 Mercantile Trust Building, Baltimore, Md.

A. Blake T. Newton, Jr., 195 Broadway, New York, N. Y., and 1001 Connecticut Avenue NW., Washington, D. C.
B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.
D. (6) $2,937.49.

A. New York and New Jersey Dry Dock Association, 161 William Street, New York, N. Y.
D. (6) $4,250. E. (9) $723.86.

A. New York Stock Exchange, 11 Wall Street, New York, N. Y.
E. (9) $3,000.

A. Russ Nixon, 930 F Street NW., Washington, D. C.
B. United Electrical, Radio, and Machine Workers of America, 11 East 51st Street, New York, N. Y.
D. (6) $1,170. E. (9) $260.

A. Nordlinger, Riegelman, Benetar & Charney, 420 Lexington Avenue, New York, N. Y.
B. Wei-Kuan Chang and wife, Su Chen Wei Chang, 825 West End Avenue, New York, N. Y.
E. (9) $5.18.

A. O. L. Norman, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $727.50. E. (9) $49.18.

A. Robert H. North, 1105 Barr Building, Washington, D. C.
B. International Association of Ice Cream Manufacturers.

A. Harry E. Northam, 185 North Wabash Avenue, Chicago, Ill.
B. Association of American Physicians and Surgeons, Inc., 185 North Wabash Avenue, Chicago, Ill.

A. Northern Hemlock & Hardwood Manufacturers Association, Washington Building, Oshkosh, Wis.
D. (6) $100.

A. E. M. Norton, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $300. E. (9) $125.

A. Charles E. Noyes, 270 Madison Avenue, New York, N. Y.
B. American Institute of Accountants, 270 Madison Avenue, New York, N. Y.
D. (6) $1,000. E. (9) $95.77.

A. John Lord O'Brien, 701 Union Trust Building, Washington, D. C.
B. Theodore Roosevelt Association, 28 East 20th Street, New York, N. Y.
D. (6) $4,750.

A. Gerald H. O'Brien, 1757 K Street NW., Washington, D. C.
B. Los Angeles Chamber of Commerce, 1151 South Broadway, Los Angeles, Calif.
D. (6) $2,500. E. (9) $2,500.

A. E. H. O'Connor, 176 West Adams Street, Chicago, Ill.
B. Insurance Economics Society of America, 176 West Adams Street, Chicago, Ill.
D. (6) $28,314.12.

A. Herbert R. O'Conor, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C. and 11 Broadway, New York, N. Y.

A. Herbert R. O'Conor, Jr., 10 Light Street, Baltimore, Md.
B. National Automobile Dealers Association, 2060 K Street NW., Washington, D. C.
D. (6) $625. E. (9) $184.45.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. Comite de Productores de Azucar, Antonio Mira Quesada 376, Of. 504, Lima, Peru.
D. (6) $15,000. E. (9) $237.55.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.
B. National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y.
D. (6) $2,500. E. (9) $138.64.

A. Graeme O'Geran, 131 Orvilton Drive, Dewitt, N. Y.
B. The Merchants National Bank and Trust Company of Syracuse, 216 South Warren Street, Syracuse, N. Y.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio.
E. (9) $3,760.16.

A. Alvin E. Oliver, 600 Folger Building, Washington, D. C.
B. Grain and Feed Dealers National Association, 100 Merchants' Exchange Building, St. Louis, Mo.
D. (6) $23.08. E. (9) $2.

A. E. L. Oliver, 1001 Connecticut Avenue NW., Washington, D. C.
B. Labor Bureau of Middle West, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South LaSalle Street, Chicago, Ill.

A. Fred N. Oliver, 110 East 42d Street, New York, N. Y., and Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.

A. Robert Oliver, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $3,345.46.

A. Clarence H. Olson, 1608 K Street NW., Washington, D. C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $2,370. E. (9) $39.05.

A. Samuel Omasta, 619 F Street NW., Washington, D. C.
B. National Agricultural Limestone Institute, Inc., 619 F Street NW., Washington, D. C.
E. (9) $15.

A. Order of Railway Conductors and Brakemen, O. R. C. & B. Building, Cedar Rapids, Iowa.
E. (9) $4,022.31.

A. Morris E. Osburn, Central Trust Building, Jefferson City, Mo.
B. Missouri Railroad Committee.
E. (9) $928.58.

A. Thomas R. Owens, 917 15th Street NW., Washington, D. C.
B. United Rubber, Cork, Linoleum, and Plastic Workers of America, High at Mill Street, Akron, Ohio.
D. (6) $1,690. E. (9) $445.50.

A. Mrs. Theodor Oxholm, 19 East 92d Street, New York, N. Y.
E. (9) $74.51.

A. Pacific American Tankship Association, 25 California Street, San Francisco, Calif.
D. (6) $200. E. (9) $1,625.

A. Lovell H. Parker, 611 Colorado Building, Washington, D. C.
D. (6) $1,500.

A. A. Lee Parsons, 1145 19th Street NW., Washington, D. C.
B. American Cotton Manufacturers Institute, 1501 Johnston Building, Charlotte, N. C.
D. (6) $300. E. (9) $50.24.

A. R. L. Patterson, Oxford, Kans.
B. National Association of Wheat Growers, Dodge City, Kans.
E. (9) $1,121.

A. James G. Patton, 1575 Sherman Street, Denver, Colo.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1575 Sherman Street, Denver, Colo., and 1404 New York Avenue NW., Washington, D. C.
D. (6) $1,250. E. (9) $1,401.96.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. N. R. Caine & Co., 40 Exchange Place, New York, N. Y.
D. (6) $15,000. E. (9) $129.20.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. S. Gumbel Realty & Security Co., Inc., New Orleans, La.
E. (9) $23.84.

A. Paul, Weiss, Rifkind, Wharton & Garrison, 1614 I Street NW., Washington, D. C.
B. National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
E. (9) $63.81.

A. Albert A. Payne, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
D. (6) $1,916.66. E. (9) $169.76.

A. Peoples Water Service Co., 1607 Mercantile Trust Building, Baltimore, Md.
E. (9) $1.35.

A. Hugh Peterson.
B. Georgia Power Co., 75 Marietta Street, Altanta, Ga.
D. (6) $3,750.

A. Hugh Peterson.
B. United States Cane Sugar Refiners Association, 1001 Connecticut Avenue NW., Washington, D. C.
D. (6) $3,000.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.
B. Howard L. Shannon, acting trustee for Color Legislative Fund, Lakeland, Fla.
D. (6) $4.73. E. (9) $174.46.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.
B. Florida Citrus Mutual (Legislative Fund), Lakeland, Fla.
D. (6) $1,700. E. (9) $88.29.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.
B. People's Lobby, Inc., 1337 21st Street NW., Washington, D. C.
D. (6) $500. E. (9) $13.08.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.
B. Tomoka Land Co., Sebring, Fla.

A. J. Hardin Peterson, 208 South Tennessee, Lakeland, Fla.
B. West Coast Inland Navigation District, Court House, Bradenton, Fla.
D. (6) $600. E. (9) $35.23.

A. J. E. Phillips, 225 Bush Street, San Francisco, Calif.
B. Standard Oil Company of California, 225 Bush Street, San Francisco, Calif.
D. (6) $500. E. (9) $400.

A. Albert T. Pierson, 54 Meadow Street, New Haven, Conn.
B. The New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.
D. (6) $213.66. E. (9) $269.85.

A. Albert Pike, Jr., 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $125. E. (9) $53.54.

A. Piper & Marbury, 1000 Maryland Trust Building, Baltimore, Md.
B. The People's Water Service Co., 1607 Mercantile Trust Building, Baltimore, Md.
E. (9) $8.66.

A. Walter C. Ploeser, 50 South Bemiston Avenue, Clayton, St. Louis, Mo.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
E. (9) $1,005.46.

A. J. Francis Pohlhaus, 100 Massachusetts Avenue NW., Washington, D. C.
B. National Association for the Advancement of Colored People, 20 West 40th Street, New York, N. Y.
D. (6) $1,300. E. (9) $5.

A. Poole, Shroyer & Denbo, 1625 K Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.
B. Sunkist Growers, Inc., and California Walnut Growers Association, Los Angeles, Calif.; Northwest Nut Growers, Portland, Oreg.; and California Almond Growers Exchange, Sacramento, Calif.
D. (6) $565.16. E. (9) $22.83.

A. Frank M. Porter, 50 West 50th Street, New York, N. Y.
B. American Petroleum Institute, 50 West 50th Street, New York, N. Y.
D. (6) $625. E. (9) $100.

A. Nelson J. Post, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $200. E. (9) $384.73.

A. Homer V. Prater, 900 F Street NW., Washington, D. C.
B. American Federation of Government Employees, 900 F Street NW., Washington, D. C.
D. (6) $1,662.72.

A. William H. Press, 1616 K Street NW., Washington, D. C.
B. Washington Board of Trade, 1616 K Street NW., Washington, D. C.
D. (6) $4,500.

A. Allen Pretzman, 50 West Broad Street, Columbus, Ohio.
B. Scioto-Sandusky Conservancy District, 50 West Broad Street, Columbus, Ohio.

A. Harry E. Proctor, 1110 Investment Building, Washington, D. C.
B. National Association of Mutual Savings Banks, 60 East 42d Street, New York, N. Y.
D. (6) $157.50. E. (9) $22.05.

A. Public Information Committee of the Cotton Industries, 410 Washington Building, Washington, D. C.

A. Ganson Purcell, 910 17th Street NW., Washington, D. C.
B. Insular Lumber Co., 1406 Locust Street, Philadelphia, Pa.
D. (6) $2,500. E. (9) $19.04.

A. Purcell & Nelson, 910 17th Street NW., Washington, D. C.
B. Devalin Corp., 120 Wall Street, New York, N. Y.
E. (9) $287.24.

A. Purcell & Nelson, 910 17th Street NW., Washington, D. C.
B. Little & Christman, 120 Wall Street, New York, N. Y.
D. (6) $2,500. E. (9) $242.95.

A. Alexander Purdon, 1701 K Street NW., Washington, D. C.
B. Committee of American Steamship Lines, 1701 K Street NW., Washington, D. C.
D. (6) $843.75. E. (9) $303.73.

A. Edmund R. Purves, 1735 New York Avenue NW., Washington, D. C.
B. American Institute of Architects, 1735 New York Avenue NW., Washington, D. C.
D. (6) $200. E. (9) $290.

A. C. J. Putt, 920 Jackson Street, Topeka, Kans.
B. The Atchison, Topeka, and Santa Fe Railway Co., 920 Jackson Street, Topeka, Kans.
E. (9) $170.82.

A. F. Miles Radigan, 3601 Wisconsin Avenue NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Alex Radin, 1757 K Street NW., Washington, D. C.
B. American Public Power Association, 1757 K Street NW., Washington, D. C.
D. (6) $2,925.

A. Mrs. Richard G. Radue, 3406 Quebec Street NW., Washington, D. C.
B. National Congress of Parents and Teachers, 700 North Rush Street, Chicago, Ill.

A. Railroad Pension Conference, Post Office Box 798, New Haven, Conn.
E. (9) $120.53.

A. Railway Labor Executives' Association, 401 Third Street NW., Washington, D. C.

A. Dewitt C. Ramsey, 610 Shoreham Building, Washington, D. C.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

A. Sydney C. Reagan, 3537 Haynie Avenue, Dallas, Tex.
B. Southwestern Peanut Shellers Association, Post Office Box 48, Durant, Okla.
D. (6) $150. E. (9) $1.25.

A. Otie M. Reed, 1107 19th Street NW., Washington, D. C.
B. The Joint Committee of the National Creameries Association and the American Butter Institute, 1107 19th Street NW., Washington, D. C.
D. (6) $1,875. E. (9) $2,369.18.

A. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $5,043.65. E. (9) $5,043.65.

A. James Francis Reilly, 1625 K Street NW., Washington, D. C.
B. Potomac Electric Power Co., 929 E Street NW., Washington, D. C.
D. (6) $5,000. E. (9) $220.

A. Reserve Officers Association of the U. S., 2517 Connecticut Avenue NW., Washington, D. C.

A. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $39,200.49.

A. Retirement Federation of Civil Service Employees of the U. S. Government, 900 F Street NW., Washington, D. C.
D. (6) $6,164.25. E. (9) $8,459.71.

A. John Arthur Reynolds, 653 Cortland Avenue, Fresno, Calif.
B. Western Cotton Grower's Association of California, 2201 F Street, Bakersfield, Calif.
D. (6) $333.65.

A. Hubert M. Rhodes, 740 11th Street NW., Washington, D. C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $550. E. (9) $10.

A. Thomas E. Rhodes, Southern Building, Washington, D. C.
B. P. F. Claveau, Post Office Box 1958, Anchorage, Alaska.

A. Arthur Rhorer, Peoples Building, Middlesborough, Ky.
B. Miss Marie B. Kraus, 2500 Calvert Street NW., Washington, D. C.
D. (6) $2,500.

A. Roland Rice, 618 Perpetual Building, Washington, D. C.
B. Regular Common Carrier Conference of American Trucking Associations, Inc., 1424 16th Street NW., Washington, D. C.
D. (6) $300.

A. Siert F. Riepma, Munsey Building, Washington, D. C.
B. National Association of Margarine Manufacturers, Munsey Building, Washington, D. C.

A. John J. Riggle, 744 Jackson Place NW., Washington, D. C.
B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

A. C. E. Rightor, 3300 Rolling Road, Chevy Chase, Md.
B. Committee for Study of Revenue Bond Financing, 30 Broad Street, New York, N. Y.
D. (6) $2,250. E. (9) $414.38.

A. George D. Riley, 901 Massachusetts Avenue NW., Washington, D. C.
B. American Federation of Labor and Congress of Industrial Organizations, 901 Massachusetts Avenue NW., Washington, D. C.
D. (6) $2,899. E. (9) $450.

A. John J. Riley, 1128 16th Street NW., Washington, D. C.
B. American Bottlers of Carbonated Beverages, 1128 16th Street NW., Washington, D. C.
D. (6) $839.40.

A. H. J. Ripp, 811 North 22d Street, Milwaukee, Wis.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers and Station Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (5) $820. E. (9) $659.82.

A. E. W. Rising, 1215 16th Street NW., Washington, D. C.
B. Western Beet Growers Association, Post Office Box 742, Great Falls, Mont.
D. (6) $300. E. (9) $237.03.

A. Paul H. Robbins, 2029 K Street NW., Washington, D. C.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D. C.
D. (6) $250.

A. Frank L. Roberts, 1700 K Street NW., Washington, D. C.
B. Chrysler Corp., 341 Massachusetts Avenue, Detroit. Mich.
D. (6) $350. E. (9) $100.

A. Charles A. Robinson, Jr., 1303 New Hampshire Avenue NW., Washington, D. C.
B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.
D. (6) $90.75.

A. Edward O. Rodgers, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $1,250. E. (9) $741.47.

A. Frank W. Rogers, 1701 K Street NW., Washington, D. C.
B. Western Oil & Gas Association, 510 West Sixth Street, Los Angeles, Calif.
D. (6) $3,750.

A. Watson Rogers, 827 Munsey Building, Washington, D. C.
B. National Food Brokers Association, 827 Munsey Building, Washington, D. C.
D. (6) $1,000.

A. George B. Roscoe, 1200 18th Street NW., Washington, D. C.
B. National Electrical Contractors Association, 1200 18th Street NW., Washington, D. C.

A. James F. Rowan, 16th and P Streets NW., Washington, D. C.
B. Movers Conference of America, 16th and P Streets NW., Washington, D. C.
D. (6) $93.75.

A. Roland H. Rowe, 400 Investment Building, Washington, D. C.
B. United States Wholesale Grocers' Association, 400 Investment Building, Washington, D. C.

A. Albert R. Russell, 1918 North Parkway, Memphis, Tenn.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $450. E. (9) $195.06.

A. Francis M. Russell, 1625 K Street NW., Washington, D. C.
B. National Broadcasting Co., Inc., 1625 K Street NW., Washington, D. C.

A. Horace Russell, 221 North LaSalle Street, Chicago, Ill.
B. United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill.
D. (6) $4,375. E. (9) $196.68.

A. M. O. Ryan, 777 14th Street NW., Washington, D. C.
B. American Hotel Association, 221 West 57th Street, New York, N. Y.
D. (6) $3,750. E. (9) $441.16.

A. William H. Ryan, 1029 Vermont Avenue NW., Washington, D. C.
B. District Lodge No. 44, International Association of Machinists, 1029 Vermont Avenue NW., Washington, D. C.
D. (6) $2,249.91. E. (9) $60.

A. Robert A. Saltzstein, 511 Wyatt Building, Washington, D. C.
B. Smaller Magazines Postal Committee, 654 Madison Avenue, New York, N. Y.
D. (6) $1,250.01. E. (9) $201.34.

A. Kimball Sanborn, 705 Transportation Building, Washington, D. C.
B. Association of American Railroads, 705 Transportation Building, Washington, D. C.

A. L. R. Sanford, 21 West Street, New York, N. Y.
B. Shipbuilders Council of America, 21 West Street, New York, N. Y.

A. Harrison Sasscer, 1201 16th Street NW., Washington, D. C.
B. Division of Legislation and Federal Relations of the National Education Association of the United States, 1201 16th Street NW., Washington, D. C.
D. (6) $191.25.

A. Satterlee, Warfield & Stephens, 460 Park Avenue, New York, N. Y.
B. American Nurses' Association, 2 Park Avenue, New York, N. Y.
D. (6) $3,900. E. (9) $148.

A. O. H. Saunders, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $1,200.

A. James J. Saxon, 730 15th Street NW., Washington, D. C.
B. American Bankers Association, 12 East 36th Street, New York, N. Y.
D. (6) $344.

A. Henry P. Schmidt, 77 Lincoln Street, Jersey City, N. J.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station

Employees, 1015 Vine Street, Cincinnati, Ohio.
D. (6) $720.

A. Schoene & Kramer, 1625 K Street NW., Washington, D. C.
B. Railway Labor Executives' Association, 401 Third Street NW., Washington, D. C.
E. (9) $17.88.

A. Jack Garrett Scott, 839 17th Street NW., Washington, D. C.
B. National Association of Motor Bus Operators.

A. Mildred Scott, 1370 National Press Building, Washington, D. C.
B. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.

A. W. J. Sears, 1346 Connecticut Avenue NW., Washington, D. C.
B. The Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y.
E. (9) $100.

A. Hollis M. Seavey, 532 Shoreham Building, Washington, D. C.
B. Clear Channel Broadcasting Service, 532 Shoreman Building, Washington, D. C.

A. Harry See, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.
E. (9) $6.10.

A. Howard L. Shannon, acting trustee for Color Legislative Fund, Lakeland, Fla.
D. (6) $12.58. E. (9) $139.16.

A. Alvin Shapiro, 1701 K Street NW., Washington, D. C.
B. American Merchant Marine Institute, Inc., 1701 K Street NW., Washington, D. C. and 11 Broadway, New York, N. Y.
D. (6) $375. E. (9) $55.15.

A. Sharp & Bogan, 1010 Vermont Avenue, NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co. (west coast), 2 Pine Street, San Francisco, Calif.
E. (9) $134.54.

A. James R. Sharp, 1108 16th Street NW., Washington, D. C.
B. Elof Hansson, Inc., 225 East 42d Street, New York, N. Y.; Johaneson, Wales & Sparre, Inc., 250 Park Avenue, New York, N. Y.; Treetex Corp., 347 Madison Avenue, New York, N. Y.; Grace & Co. (west coast), 2 Pine Street, San Francisco, Calif.

A. A. Manning Shaw, 1625 I Street NW., Washington, D. C.
B. Brown, Lund & Fitzgerald, 1625 I Street NW., Washington, D. C.
D. (6) $2,582.49.

A. Leander I. Shelley, 30 Broad Street, New York, N. Y.
B. American Association of Port Authorities, Washington, D. C., and Airport Operators Council, Washington, D. C.
D. (6) $625. E. (9) $161.90.

A. Bruce E. Shepherd, 488 Madison Avenue, New York, N. Y.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $131.25.

A. Manly Sheppard, 1001 15th Street NW., Washington, D. C.
B. Passaic Valley Sewerage Commission, 24 Branford Place, Newark, N. J.
E. (9) $8.

A. Robert H. Shields, 920 Tower Building, Washington, D. C.
B. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.
D. (6) $1,500.

A. The Ship Canal Authority of the State of Florida, 720 Florida Title Building, Jacksonville, Fla.
E. (9) $1,350.

A. Robert L. Shortle, 801 International Building, New Orleans, La.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $2,000.

A. Charles B. Shuman, Merchandise Mart Plaza, Chicago, Ill.
B. American Farm Bureau Federation.
D. (6) $1,250.

A. Paul Sifton, 718 Jackson Place NW., Washington, D. C.
B. United Automobile, Aircraft, Agricultural Implement Workers of America.
D. (6) $1,680. E. (9) $1,427.80.

A. Six Agency Committee, 909 South Broadway, Los Angeles, Calif.
D. (6) $10,000. E. (9) $6,469.39.

A. Stephen Sliphor, 812 Pennsylvania Building, Washington, D. C.
B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
D. (6) $2,000. E. (9) $26.

A. Smaller Magazines Postal Committee, Post Office Box 975, New Canaan, Conn.
D. (6) $3,948.50. E. (9) $3,344.69.

A. T. W. Smiley, 1040 La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
D. (6) $600. E. (9) $749.18.

A. Dudley Smith, 732 Shoreham Building, Washington, D. C.
B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.
D. (6) $4,250.

A. James R. Smith, 719 Omaha National Bank Building, Omaha, Nebr.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $2,666.67. E. (9) $980.23.

A. Lloyd W. Smith, 416 Shoreham Building, Washington, D. C.
B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill., and Great Northern Railway Co., 175 East Fourth Street, St. Paul, Minn.
D. (6) $3,897.

A. Purcell L. Smith, 5053 Loughboro Road NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.

A. Wallace M. Smith, Pennsylvania Building, Washington, D. C.
B. American Mutual Alliance, 20 Wacker Drive, Chicago, Ill.

A. Edward F. Snyder, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation, 104 C Street NE., Washington, D. C.
D. (6) $1,375. E. (9) $167.11.

A. J. D. Snyder, 10401 La Salle Hotel, Chicago, Ill.
B. Illinois Railroad Association, 33 South Clark Street, Chicago, Ill.
D. (6) $825. E. (9) $86.68.

A. J. Taylor Soop, 401 Third Street NW., Washington, D. C.
B. International Brotherhood of Electrical Workers, 330 South Wells Street, Chicago, Ill.
D. (6) $661.50.

A. Southern States Industrial Council, 1103 Stahlman Building, Nashville, Tenn.
D. (6) $53,424.20. E. (9) $26.583.12.

A. Lyndon Spencer, 305 Rockefeller Building, Cleveland, Ohio.
B. Lake Carriers Association, 305 Rockefeller Building, Cleveland, Ohio.
D. (6) $78. E. (9) $36.94.

A. Spokesmen for Children, Inc., 19 East 92d Street, New York, N. Y.
D. (6) $1,148.83. E. (9) $507.15.

A. Thomas G. Stack, 1104 West 104th Place, Chicago, Ill.
B. National Railroad Pension Forum, Inc., 1104 West 104th Place, Chicago, Ill.
D. (6) $1,800. E. (9) $4,363.48.

A. Howard M. Starling, 837 Washington Building, Washington, D. C.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
D. (6) $150. E. (9) $15.50.

A. Samuel Elliot Stavisky, 9307 Singleton Drive, Bethesda, Md.
B. Asociacion de Colonos de Cuba, Agramonte 465, Habana, Cuba, and Asociacion Nacional de Hacendados de Cuba, Agramonte 465, Habana, Cuba.
E. (9) $459.

A. Nell F. Stephens, Post Office Box 6234, Northwest Station, Washington, D. C.

A. Russell M. Stephens, 900 F Street NW., Washington, D. C.
B. American Federation of Technical Engineers, 900 F Street NW., Washington, D. C.
D. (6) $240. E. (9) $20.

A. William T. Stephens, 700 Washington Building, Washington, D. C.
B. American Utility Trailer Rental Association, 700 Washington Building, Washington, D. C.

A. William T. Stephens, 700 Washington Building, Washington, D. C.
B. Chicago Rental Trailer Association, Chicago, Ill.

A. William T. Stephens, 700 Washington Building, Washington, D. C.
B. Nationwide Trailer Rental System, 519 South Broadway, Wichita, Kans.

A. Herman Sternstein, 1001 Connecticut Avenue NW., Washington, D. C.
B. O. David Zimring, 1001 Connecticut Avenue NW., Washington, D. C., and 11 South LaSalle Street, Chicago, Ill.

A. Charles T. Stewart, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
D. (6) $1,375. E. (9) $238.96.

A. Erskine Stewart, 711 14th Street NW., Washington, D. C.
B. National Retail Dry Goods Association, 100 West 31st Street, New York, N. Y.
E. (9) $1.25.

A. Nelson A. Stitt, 815 15th Street NW., Washington, D. C.
B. Council for Improved United States-Japanese Trade Relations, 815 15th Street NW., Washington, D. C.
D. (6) $1,380.

A. Edwin L. Stoll, 1737 K Street NW., Washington, D. C.
B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.
D. (6) $2,962.20. E. (9) $87.20.

A. W. S. Story, 1729 H Street NW., Washington, D. C.
B. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D. C.
D. (6) $300. E. (9) $11.35.

A. Sterling F. Stoudenmire, Jr., 61 St. Joseph Street, Mobile, Ala.
B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.
D. (6) $1,000.

A. American Federation of the Physically Handicapped, Inc., 1370 National Press Building, Washington, D. C.
E. (9) $50.

A. O. R. Strackbein, as executive secretary of America's Wage Earners' Protective Conference, 915 15th Street NW., Washington, D. C.
D. (6) $2,631.92.

A. O. R. Strackbein, 815 15th Street NW., Washington, D. C.
B. International Allied Printing Trades Association, Post Office Box 728, Indianapolis, Ind.
D. (6) $625.

A. O. R. Strackbein, as chairman for the Nationwide Committee of Industry, Agriculture, and Labor on Import-Export Policy, 815 15th Street NW., Washington, D. C.
D. (6) $3,875.

A. Arthur Sturgis, Jr., 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $625. E. (9) $4.

A. J. E. Sturrock, Post Office Box 2084, Capitol Station, Austin, Tex.
B. Texas Water Conservation Association, Post Office Box 2084, Capitol Station, Austin, Tex.
D. (6) $1,800. E. (9) $962.26.

A. Frank L. Sundstrom, 350 Fifth Avenue, New York, N. Y.
B. Schenley Industries, Inc., 350 Fifth Avenue, New York City, N. Y.

A. Noble J. Swearingen, 1790 Broadway, New York, N. Y.
B. National Tuberculosis Association, 1790 Broadway, New York, N. Y.
D. (6) $553.59. E. (9) $401.26.

A. Glenn J. Talbott, 1575 Sherman Street, Denver, Colo.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $1,120. E. (9) $143.

A. Barrett Godwin Tawresey, 1600 Arch Street, Philadelphia, Pa.
B. Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.

A. Dwight D. Taylor, Jr., 918 16th Street NW., Washington, D. C.
B. American Airlines, Inc., 918 16th Street NW., Washington, D. C.
D. (6) $2,500. E. (9) $400.

A. Edward D. Taylor, 777 14th Street NW., Washington, D. C.
B. Office Equipment Manufacturers Institute, 777 14th Street NW., Washington, D. C.

A. Tyre Taylor, 917 15th Street NW., Washington, D. C.
B. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.
D. (6) $3,000. E. (9) $295.54.

A. Miss Ruth Tegtmeyer, 1001 Connecticut Avenue NW., Washington, D. C.
B. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Texas Water Conservation Association, 207 West 15th, Austin, Tex.
D. (6) $5,405. E. (9) $6,227.46.

A. J. Woodrow Thomas, 806 Connecticut Avenue NW., Washington, D. C.
B. Trans World Airlines, Inc., 10 Richards Road, Kansas City, Mo.
D. (6) $1,500. E. (9) $230.95.

A. Oliver A. Thomas, 43 Sierra Street, Reno, Nev.
B. Nevada Railroad Association, 43 Sierra Street, Reno, Nev.
D. (6) $1,050. E. (9) $494.02.

A. W. M. Thomas, 1028 Connecticut Avenue NW., Washington, D. C.
B. National Postal Transport Association, 1028 Connecticut Avenue NW., Washington, D. C.
D. (6) $3,000.

A. Chester C. Thompson, 1319 F Street NW., Washington, D. C.
B. The American Waterways Operators, Inc., 1319 F Street NW., Washington, D. C.
D. (6) $6,500. E. (9) $1,778.33.

A. Julia C. Thompson, 711 14th Street NW., Washington, D. C.
B. American Nurses' Association, Inc., 2 Park Avenue, New York, N. Y.
D. (6) $1,476.90.

A. Eugene M. Thoré, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $1,745.63. E. (9) $16.78.

A. G. D. Tilghman, 1604 K Street NW., Washington, D. C.
B. Disabled Officers Association, 1604 K Street NW., Washington, D. C.
D. (6) $2,750. E. (9) $12.

A. E. W. Tinker, 122 East 42d Street, New York, N. Y.
B. American Paper and Pulp Association, 122 East 42d Street, New York, N. Y.

A. William H. Tinney, 1223 Pennsylvania Building, Washington, D. C.
B. The Pennsylvania Railroad Co., Suburban Station Building, Philadelphia, Pa.

A. S. G. Tipton, 1107 16th Street NW., Washington, D. C.
B. Air Transport Association of America, 1107 16th Street NW., Washington, D. C.
D. (6) $508.41. E. (9) $16.

A. M. S. Tisdale, 4200 Cathedral Avenue, Washington, D. C.
B. Armed Services Committee, Chamber of Commerce, Vallejo, Solano County, Calif.
D. (6) $295. E. (9) $367.09.

A. H. Willis Tobler, 1731 I Street NW., Washington, D. C.
B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.
D. (6) $2,418.75. E. (9) $133.46.

A. John H. Todd, 1085 Shrine Building, Memphis, Tenn.
B. National Cotton Compress and Cotton Warehouse Association, 1085 Shrine Building, Memphis, Tenn.

A. Tomoka Land Co., Sebring, Fla.

A. Touche, Niven, Bailey & Smart, 208 South La Salle Street, Chicago, Ill.
B. The National Committee for Insurance Taxation, 221 North La Salle Street, Chicago, Ill.
E. (9) $497.51.

A. Harry L. Towe, 241 Main Street, Hackensack, N. J.
B. Associated Railroads of New Jersey, Pennsylvania Station, New York, N. Y.
D. (6) $3,000. E. (9) $507.61.

A. F. Gerald Toye, 777 14th Street NW., Washington, D. C.
B. General Electric Co., 570 Lexington Avenue, New York, N. Y.
D. (6) $625. E. (9) $105.50.

A. Transportation Association of America, 1001 Connecticut Avenue NW., Washington, D. C.

A. Matt Triggs, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,215.59. E. (9) $92.32.

A. Paul T. Truitt, 1700 K Street NW., Washington, D. C.
B. National Plant Food Institute, 1700 K Street NW., Washington, D. C.

A. Harold J. Turner, Henry Building, Portland, Oreg.
B. Spokane, Portland & Seattle Railway Co., Southern Pacific Co., Union Pacific Railroad Co., Henry Building, Portland, Oreg.

A. William S. Tyson, 821 15th Street NW., Washington, D. C.
B. Local No. 30, Canal Zone Pilots, National Organization of Masters, Mates and Pilots of America, Post Office Box 493, Balboa, C. Z.
D. (6) $4,000. E. (9) $88.34.

A. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La.
E. (9) $796.66.

A. United States Beet Sugar Association, 920 Tower Building, Washington, D. C.

A. United States Citizens Association, Canal Zone, Box 354, Balboa, C. Z.
D. (6) $100.85. E. (9) $1,292.19.

A. United States Cuban Sugar Council, 910 17th Street NW., Washington, D. C.
D. (6) $79,361.15. E. (9) $21,848.07.

A. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.
E. (9) $16,627.07.

A. R. G. Van Buskirk, 535 North Dearborn Street, Chicago, Ill.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.
D. (6) $1,250.

A. Vegetable Growers Association of America, Inc., 17th and Pennsylvania Avenue NW., Washington, D. C.
E. (9) $70.49.

A. Richard E. Vernor, 1701 K Street NW., Washington, D. C.
B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.
D. (6) $41.60.

A. R. K. Vinson, 1346 Connecticut Avenue NW., Washington, D. C.
B. Machinery Dealers National Association, 1346 Connecticut Avenue NW., Washington, D. C.

A. Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va.
E. (8) $3,003.37.

A. Stanley W. Vogt, 1575 Sherman Street, Denver, Colo.
B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1404 New York Avenue NW., Washington, D. C., and 1575 Sherman Street, Denver, Colo.
D. (6) $1,315.68. E. (9) $177.51.

A. Vulcan Detinning Co., Sewaren, N. J.

A. Paul H. Walker, 1701 K Street NW., Washington, D. C.
B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.
D. (6) $150.

A. Claude R. Wallace, 1453 Harvard Street NW., Washington, D. C.

A. Woollen H. Walshe, 2800 Woodley Road NW., Washington, D. C.
B. Standard Oil Company of California, 1700 K Street NW., Washington, D. C.
D. (6) $480.99. E. (9) $388.31.

A. Stephen M. Walter, 1200 18th Street NW., Washington, D. C.
B. National Association of Electric Companies, 1200 18th Street NW., Washington, D. C.
D. (6) $1,075.50. E. (9) $71.11.

A. Thomas G. Walters, 100 Indiana Avenue NW., Washington, D. C.
B. Government Employees' Council, AFL-CIO, 100 Indiana Avenue NW., Washington, D. C.
D. (6) $2,625.

A. P. K. Ward, 8 East Market Street, Indianapolis, Ind.
B. Joint Committee of Consumers and Small Producers of Natural Gas, Washington Hotel, Washington, D. C.
D. (6) $4,000.

A. Quaife M. Ward, 1145 19th Street NW., Washington, D. C.
B. American Retail Federation, 1145 19th Street NW., Washington, D. C.
D. (6) $1,000. E. (9) $14.90.

A. William C. Warren, 116th Street and Amsterdam Avenue, New York, N. Y.
B. Webb & Knapp, Inc., 383 Madison Avenue, New York, N. Y.
E. (9) $135.

A. Washington Board of Trade, 1616 K Street NW., Washington, D. C.

A. Washington Home Rule Committee, Inc., 1728 L Street NW., Washington, D. C.
D. (6) $1,545.50. E. (9) $3,035.97.

A. Washington Real Estate Board, Inc., 312 Wire Building, Washington, D. C.

A. Vincent T. Wasielewski, 1771 N Street NW., Washington, D. C.
B. National Association of Radio and Television Broadcasters, 1771 N Street NW., Washington, D. C.

A. Waterways Council Opposed to Regulation Extension, 21 West Street, New York, N. Y.
D. (6) $1,472.50. E. (9) $1,025.22.

A. J. R. Watson, 1 I. C. Railroad Passenger Station, Jackson, Miss.
B. Mississippi Railroad Association, 1 I. C. Railroad Passenger Station, Jackson, Mich.

A. Watters & Donovan, 161 William Street, New York, N. Y.
B. New York & New Jersey Dry Dock Association, 161 William Street, New York City.
D. (6) $3,750.

A. Weaver & Glassie, 1225 19th Street NW., Washington, D. C.
B. National Electrical Contractors Association and the Council of Mechanical Specialty Contracting Industries, Inc., Ring Building, Washington, D. C.
D. (6) $9,000. E. (9) $1,176.61.

A. William H. Webb, 1720 M Street NW., Washington, D. C.
B. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.
D. (6) $1,256.80. E. (9) $1,064.24.

A. E. E. Webster, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich.
D. (6) $1,265.90.

A. Wei-Kuan Chang and Su Chen Wei Chang (wife), 825 West End Avenue, New York, N. Y.

A. Wayne M. Weishaar, 1115 17th Street NW., Washington, D. C.
B. Aeronautical Training Society, 1115 17th Street NW., Washington, D. C.
D. (6) $3,300. E. (9) $1.95.

A. Bernard Weitzer, 1712 New Hampshire Avenue NW., Washington, D. C.
B. Jewish War Veterans of the United States of America, 1712 New Hampshire Avenue NW., Washington, D. C.
D. (6) $2,499.96. E. (9) $378.93.

A. William E. Welsh, 897 National Press Building, Washington, D. C.
B. National Reclamation Association, 897 National Press Building, Washington, D. C.
D. (6) $3,750. E. (9) $257.83.

A. West Coast Inland Navigation District, Court House, Bradenton, Fla.
E. (9) $635.23.

A. Western Cotton Growers Association of California, 2201 F Street, Bakersfield, Calif.
D. (6) $4,066.79. E. (9) $1,425.99.

A. Robert V. Westfall, 401 Third Street NW., Washington, D. C.
B. Brotherhood of Railroad Trainmen.

A. George Y. Wheeler II, 1625 K Street NW., Washington, D. C.
B. Radio Corporation of America, 1625 K Street NW., Washington, D. C.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Montana Power Co., Electric Building, Butte, Mont.
D. (6) $2,100. E. (9) $1.25.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg.
D. (6) $2,100. E. (9) $1.25.

A. Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Washington Water Power Co., Spokane, Wash.
D. (6) $2,100. E. (9) $1.25.

A. Richard P. White, 635 Southern Building, Washington, D. C.
B. American Association of Nurserymen, Inc., 635 Southern Building, Washington, D. C.
D. (6) $3,375. E. (9) $110.65.

A. H. Leigh Whitelaw, 60 East 42d Street, New York, N. Y.
B. Gas Appliance Manufacturers Association, Inc., 60 East 42d Street, New York, N. Y.

A. Louis E. Whyte, 918 16th Street NW., Washington, D. C.
B. Independent Natural Gas Association of America, 918 16th Street NW., Washington, D. C.
D. (6) $750.

A. Herbert P. Wilkins, 53 State Street, Boston, Mass.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.

A. Albert E. Wilkinson, 417 Investment Building, Washington, D. C.
B. The Anaconda Co., 616 Hennessy Building, Butte, Mont.
D. (6) $2,250. E. (9) 330.33.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Arapahoe Tribe of Indians, Wind River Reservation, Fort Washakie, Wyo.
E. (9) $5.70.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. The Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $1.50.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Klamath Indian Tribe, Klamath Agency, Oreg.
E. (9) $8.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Menominee Tribe of Indians, Menominee Indian Agency, Keshena, Wis.
E. (9) $53.74.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Spokane Indian Tribe, Wellpinit, Wash.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Quinaielt Indian Tribe, Taholah, Wash.
E. (9) $2.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Ute Indian Tribe of the Uintah and Ouray Reservation, Fort Duchesne, Utah.
E. (9) $2.

A. Wilkinson, Cragun, Barker & Hawkins, 744 Jackson Place NW., Washington, D. C.
B. Ute Indian Tribe of Uintah and Ouray Reservation, et al.
E. (9) $195.84.

A. Franz O. Willenbucher, 1616 I Street NW., Washington, D. C.
B. Retired Officers Association, 1616 I Street NW., Washington, D. C.
D. (6) $2,100.

A. Leon W. Williams, 2 Gouverneur Place, Bronx, N. Y.
D. (6) $2. E. (9) $26.28.

A. Hugh S. Williamson, 1016 16th Street NW., Washington, D. C.
B. Association of American Ship Owners, 76 Beaver Street, New York, N. Y.

A. John C. Williamson, 1737 K Street NW., Washington, D. C.
B. Realtors' Washington Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.
D. (6) $3,200. E. (9) $569.84.

A. C. Raymond Wilson, 104 C Street NE., Washington, D. C.
B. Friends Committee on National Legislation. 104 C Street NE., Washington, D. C.
D. (6) $1,950. E. (9) $275.88.

A. Everett B. Wilson, Jr., 732 Shoreham Building, Washington, D. C.
B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.
D. (6) $2,500.

A. W. E. Wilson, 1525 Fairfield Avenue, Shreveport, La.
B. Union Producing Co., 1525 Fairfield Avenue, Shreveport, La., and United Gas Pipe Line Co., 1525 Fairfield Avenue, Shreveport, La.
D. (6) $450. E. (9) $346.66.

A. Everett T. Winter, 1978 Railway Exchange Building, St. Louis, Mo.
B. Mississippi Valley Association, 1978 Railway Exchange Building, St. Louis, Mo.
D. (6) $3,750. E. (9) $900.10.

A. Theodore Wiprud, 1718 M Street NW., Washington, D. C.
B. The Medical Society of the District of Columbia. 1718 M Street NW., Washington, D. C.

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
B. Committee for Broadening Commercial Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
D. (6) $4,000. E. (9) $4,021.95.

A. Wood, King & Dawson, 48 Wall Street, New York, N. Y.
B. Committee for Broadening Bank Participation in Public Financing, 50 South La Salle Street, Chicago, Ill.
D. (6) $4,000. E. (9) $4,021.95.

A. Walter F. Woodul, 818 Chronicle Building, Houston, Tex.
B. Angelina & Neches River Railroad Co., Keltys, Tex., et al.
D. (6) $6,076.69. E. (9) $1,324.23.

A. Walter F. Woodul, 818 Chronicle Building, Houston, Tex.
B. Humble Oil & Refining Co., Houston, Tex.
D. (6) $1,526.15. E. (9) $1,317.55.

A. Albert Young Woodward, 1625 I Street NW., Washington, D. C.
B. Signal Oil & Gas Co., 811 West Seventh Street, Los Angeles, Calif.
E. (9) $3,034.27.

A. Frank K. Woolley, 425 13th Street NW., Washington, D. C.
B. American Farm Bureau Federation, 2300 Merchandise Mart, Chicago, Ill.
D. (6) $2,468.70. E. (9) $148.19.

A. Edward W. Wootton, 1100 National Press Building, Washington, D. C.
B. Wine Institute, 717 Market Street, San Francisco, Calif.

A. Donald A. Young.
B. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C.

A. J. Banks Young, 1832 M Street NW., Washington, D. C.
B. National Cotton Council of America, Post Office Box 9905, Memphis, Tenn.
D. (6) $1,560.

A. O. David Zimring, 11 South La Salle Street, Chicago, Ill., and 1001 Connecticut Avenue NW., Washington, D. C.
B. Amalgamated Association of Street, Electric Railway, and Motor Coach Employees of America, et al.

A. Edgar A. Zingman, 300 Marion E. Taylor Building, Louisville, Ky.
B. Cleary, Gottlieb, Friendly & Ball, 224 Southern Building, Washington, D. C.
E. (9) $129.52.

REGISTRATIONS

The following registrations were submitted for the first calendar quarter of 1956:

(NOTE.—The form used for registration is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE TWO COPIES WITH THE SECRETARY OF THE SENATE AND FILE THREE COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of the pages should be "4," "4," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_____	REPORT PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT	QUARTER			
		P	1st	2d	3d	4th
		(Mark one square only)			

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:
(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)
(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".
(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:
(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.
(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:
1. State name, address, and nature of business.

2. If this Report is for an Employer, list names or agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (a) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (b) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(a) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302 (e).
(b) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).
(c) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, place an "X" in the box at the left, so that this Office will no longer expect to receive Reports. ☐

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (a) Short titles of statutes and bills; (b) House and Senate numbers of bills, where known; (c) citations of statutes, where known; (d) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (a) Description, (b) quantity distributed; (c) date of distribution, (d) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed).

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C 4" and fill out items "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a Quarterly" Report.

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EXTENSIONS OF REMARKS

How About Foreign Aid

EXTENSION OF REMARKS
OF
HON. BRUCE ALGER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 21, 1956

Mr. ALGER. Mr. Speaker, foreign aid—Mutual Security Act—has totaled approximately $55 billion since World War II; $38 billion in economic help and technical assistance; $17 billion in military aid. This is $330 per person or about $250 million for Dallas County's share. Just the interest on the foreign aid part of our national debt equals $10 per person every year in this country. Add to this our civilian and military payrolls in foreign countries, plus the huge equipment transfers at war's end. Now we are asked for an additional $4.9 billion foreign aid this year.

Congress always approves foreign aid, but with increasing doubt. The foreign-aid program keeps growing since we are told that "backward countries may be saved from communism" and aid is a military necessity in winning the cold war. Examples of waste, questionable economic practices, and glaring human errors are numerous. We know that some countries which have received aid are not less anti-American, and that Communist influence in others is as strong as ever. We wonder if, since our dollar gifts do not win friends, will Russia's "gifts" win friends for them? We know that $6.5 billion to $9 billion is still unexpended from earlier congressional appropriations and is yet to be spent. We also know that aid given to Britain—$10.5 billion—was partially used to reduce their taxes, that Denmark reduced her national debt. Mainly, the ever-present thought is to combat communism with our gifts.

The Communist appeal is obviously not to impoverished areas or "empty stomachs" alone. For example, France—$10 billion aid to date—grows more communistic, with one quarter the total vote now Communist. Communism seems to appeal to those oppressed individuals who through a sense of futility, frustration or isolation seek asylum in a movement which will give them the answers and tell them what to do. If so, the outlay of United States money will not win people away from communism.

The Communist aid technique is a constant sales effort through propaganda to, one, discredit the United States with claims of Western imperialism—even as Russia is the world's most imperialistic nation; and two, to stress Russia's desire for peace and world brotherhood of socialist nations who through socialism will raise the world's living standards to undreamed of heights. This political propaganda is behind all offers of "aid" so that even military aid is clothed in the guise of peaceful, brotherly economic help.

United States freely gives, while Russia sells. We reason that "economic collapse is the prelude to communist expansion," and wholeheartedly offer help. Example, United States gift of wheat to India in 1951 saved India from Russia. Since 1949 we have given $500 million to India and 750,000 tons of steel free. Russia offers to sell 1 million tons and is praised even as we are criticized. Is this winning friends?

Burma and Indonesia will not accept United States aid but appreciate Russia's offer to sell machinery and technical aid for rice. So Russia gains prestige by selling; we lose by giving. Could it be people dislike handouts? Can we gain by permitting countries to pit the West against the East to get more aid from either or both? Another comparison shows the intangible nature of United States aid, such as funds for technical assistance, salaries and help in agriculture, additional public health, sanitation, and others. Russia, however, deals in tangibles with propaganda value—street pavement, storage depots, silos, pipelines; again United States loses. In short, the United States has lacked over the years a consistent philosophy or "sales pitch" representing our true greatness and generosity as against Russia's false claims of brotherhood and peace.

Our errors, now recognized, have included instances where we have subsidized allies who then ship goods to Russia—machine tools, and so forth—defeating our own policy of not shipping to Russia. Our aid builds foreign productive capacity and these businesses then take our markets. The deficit financing of our aid weakens our own economy. Too quickly have projects been undertaken without proper planning, to our later sorrow. Here are some specific examples, according to the audit report to Congress by the Comptroller General: In Iran the water drainage plant for sanitation was built but lost effectiveness because water still flowed through open gutters instead of pipes. The Fars Cement Plant was built, only to find a lack of raw material—limestone—needed to operate the plant. A cotton mill was built but available electric power was insufficient to run it. The Kerman Sugar Refinery site was selected but was subject to flooding, without accessible roads, and a supply of water. The rural community development project No. 64 involving schools, sanitation, water, irrigation, and farm tools was found too advanced for the long-term breaking down of the federal system of land tenure, precluding rapid or large-scale accomplishment—personnel was lacking and training programs far too slow.

The report on Pakistan calls attention to the "lagging program" where the 1952 and 1953 United States funds have not yet been used.

Afghanistan provides possibly the best example of all, namely the Helman Valley irrigation project. The Afghanistan Government secured $40 million from the United States Export-Import Bank which willingly advanced the money. The plant was built by an American firm which did a fine job. When finished—it was found there were no engineers capable of operating the project, no trained personnel. The natives did not know how to use the water to till their soil. They flooded their lands and then became nomads in disappointment. The Afghanistan Government did not get the revenues anticipated, and the yearly cost of $8 million was one-third of the government's entire budget, with not enough money in sight except the credit which Russia offered. So the Afghanistan Government was unhappy and blamed the Bank, the construction company, and the United States Government. None of the four agencies that participated had the final responsibility. The Afghanistan Government overestimated its ability and was encouraged by us. The construction company was responsible only for construction; the Export-Import Bank evaluated only the loan itself; the United States Embassy and a small staff found the project outside its realm. The United States had gotten deeply involved and had to go on. The net outcome—unhappiness all the way around. Lessons to be learned include: the need for prior study and evaluation, not haste, in government planning; that nations, peoples and customs differ, and must be handled differently, not all being ready for the economic development we anticipate or offer to them; United States prestige is always at stake and suffers; that United States has much to learn about helping others.

Other conclusions and questions that come to mind are these: Dollars alone or programs for underdeveloped countries do not make friends but can often alienate. Money alone does not assure our success against communism. The so-called military and economic help become confused and mistaken one for the other because United States policy has not been consistent. Competitive aid with Russia and other nations can only defeat itself without a consistent motivating philosophy displayed. With $6.5 to $9 billion on hand, why allocate more at this time? Since foreign aid, like foreign policy, should be flexible, is the commitment of expenditure for dams and other lengthy projects a flexible program? Most obviously the United States has not been a "good salesman" of our policy. Finally, the subject of foreign aid is so complex and the cost so great that great care and study is necessary on the part of us all. Certainly a Congressman must think long and hard—and may include a prayer or two—before casting a vote to appropriate more money and to extend aid over longer terms in the face of our previous experiences. Now let us weigh the facts, and soberly, without political distortion, chart the practical course of United States enlightened self-interest.

Michigan Week

EXTENSION OF REMARKS
OF
HON. LOUIS C. RABAUT
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Monday, May 21, 1956

Mr. RABAUT. Mr. Speaker, this is Michigan Week—the time of year when the residents of the Wolverine State pause to ponder the benefits and pleasures they have derived from Michigan.

We in Michigan have so much for which to be grateful and proud. Our State is world famous for the contributions it has made to mechanical progress and nationally famous for its social advancements. Our city of Detroit is largely responsible for the 56 million motor vehicles on our Nation's highways; our laws protecting the workingman and his family have been an inspiration and challenge to other States with large working forces.

Each year, thousands of Americans travel many miles to visit our vast woodlands and glacier-formed lakes. Our fishing and outdoor sports facilities are unsurpassed.

In addition to the privileges offered to the visitor, Michigan is rightly proud of the opportunities it has afforded its own citizens. Michigan is most famous for its manufacturing; 10,000 factories give us the highest national income average derived from manufacturing. The No. 1 industry is, of course, the automobile. In addition, countless allied and subordinate businesses supply the auto industry with necessary parts and services.

We are a great agricultural area as well as an industrial giant. Our State is the foremost producer of such foodstuffs as celery, cherries, strawberries, navy beans, and cantaloups, to mention just a few. Previously, I touched on a phase of our natural resources in connection with outdoor sports. However, the quality of our other resources is well known.

We have the largest deposit of native copper in the world, the largest forest acreage in the country, and one of the largest iron-ore producing regions in the world.

We in Michigan are inclined occasionally to look back with pride at our many achievements; however, we are primarily a forward-looking people. Our State has had a glorious past, but anticipates an even greater future. The St. Lawrence seaway will radically change the complexion of Michigan as inland ports are opened to world commerce. The completion of the new bridge uniting our two peninsulas will allow our citizens to become even better acquainted with each other. Automation, if pursued in a sensible and just fashion, with an adjusted workweek, will provide our working force more leisure without a decrease in pay.

Michigan in the past has been called the hub of the arsenal of democracy. She will not be found wanting in the future.

Promote Milk Consumption

EXTENSION OF REMARKS
OF
HON. WILLIAM H. AYRES
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Monday, May 21, 1956

Mr. AYRES. Mr. Speaker, milk production exceeded consumption in the United States in 1955 by approximately 4,600,000,000 pounds, or almost 4 percent of the total production. These 4,600,000,000 pounds of milk were manufactured into butter, cheese, and powdered milk, and as such made up a large part of the dairy purchases by the Commodity Credit Corporation.

Every effort must be made to increase consumption of manufactured dairy products. More effort must also be made to increase the consumption of fluid milk. The fluid milk marketing areas have increased their production far in excess of fluid milk demands for class I milk. This has resulted in dumping large amounts of milk from the Federal and State order areas into competition with areas of our Nation producing manufactured dairy products. This depresses the cheese, butter, and powdered milk market. More fluid milk can and must be moved into consumption.

Today I wish to compliment a group for their help in promoting milk consumption. In 1955 the major manufacturers of the chocolate ingredients used in cholocate milk and chocolate milk drinks formed the Chocolate Milk Research Foundation. Its specific aims are to inform the public of the healthful and nutritious values of chocolate milk; to study its markets; to encourage its use; and to aid in the alleviation of the national milk surplus through increased uses of chocolate milk.

Chocolate milk can play a major role in moving fluid milk into consumption. Scientific research has demonstrated that chocolate milk is a decided stimulant to total milk sales and consumption. Whenever chocolate milk is available—in stores, restaurants, home delivery—total milk use increases. It has been definitely proved that consumers do not purchase chocolate milk as a substitute for their usual white milk ration, but rather as an addition.

An extensive series of studies was conducted at the Universities of Wisconsin and Illinois by the National Dairy Council for the Chocolate Ingredient Manufacturers on the per capita milk consumption of families, students, and factory workers in nearby medium sized cities. It was found that families which had regular deliveries of chocolate milk used an average of 21.72 percent more milk than those families which used only white milk.

A similar test was made at a university dining hall. For a 4-week control period only white milk was served; during the next control period both white and chocolate milk were offered. Results showed that during the final period, when students were offered the choice, total milk consumption jumped 12.7 percent.

A careful check of milk-vending machines in four factories indicated that 16.6 percent less milk was sold when chocolate milk was withdrawn from the dispensers. Interviews with factory workers indicated that more than half of the chocolate-milk drinkers would change to nonmilk beverages if chocolate milk were not available.

According to the surveys made, children and teen-agers comprise the largest group of milk drinkers in the United States today and the purpose of the special school milk program, with an appropriation of $75 million, is to make more milk available to a greater number of children and at the same time alleviate the national milk surplus which otherwise is converted into byproducts and stored in our Government warehouses. Chocolate milk can play an important role in this program.

Regulations of the Department of Agriculture, governing the operation of the special school milk program, provide for the reimbursement of whole milk, including flavored whole milk, meeting applicable State standards of butterfat content and sanitation. In schools serving chocolate milk, along with white, dairymen are pledged to deliver chocolate milk which meets the State's butterfat standard.

In one large city in Ohio—Toledo—vending machines for both white and chocolate milk were installed in the schools. Milk sales increased over 100 percent. Where children were offered a choice, the consumption of both white and chocolate milk went up. And children, who ordinarily were not milk drinkers, consumed large amounts of energy-giving chocolate milk, thereby increasing the total milk sales. And the more milk sold, white or chocolate, the larger the subsidy to the schools as provided by the school milk program.

In other words, schools which serve chocolate milk along with white increase milk consumption, improve the health of their children, enlarge their school milk budget, cut down on taxes spent buying up surplus milk, make the farmers happier and keep the cows contented.

West Virginia Honors a Statesman—Remarks of Hon. Robert C. Byrd Before the West Virginia Society Honoring the Memory of the Late Senator Harley M. Kilgore

EXTENSION OF REMARKS
OF
HON. CLEVELAND M. BAILEY
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 21, 1956

Mr. BAILEY. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I wish to have included the following tribute to the late Senator Harley M. Kilgore of West Virginia delivered by my colleague the Honorable ROBERT C. BYRD before the West Virginia Society on the occasion of their

paying tribute in absentia to a great statesman:

My fellow West Virginians:

"Near a shady wall a rose once grew,
Budded and blossomed in God's free light,
Watered and fed by the morning dew,
Shedding its sweetness day and night.

"As it grew and blossomed fair and tall,
Slowly rising to loftier height,
It came to a crevice in the wall,
Through which there shone a beam of light.

"Onward it crept with added strength,
With never a thought of fear or pride.
It followed the light through the crevice's length
And unfolded itself on the other side.

"The light, the dew, the broadening view
Were found the same as they were before;
And it lost itself in beauties new,
Breathing its fragrance more and more.

"Shall claim of death cause us to grieve,
And make our courage faint or fall?
Nay! Let us faith and hope receive;
The rose still grows beyond the wall.

"Scattering fragrance far and wide,
Just as it did in days of yore,
Just as it did on the other side,
Just as it will for evermore."

Tonight we honor the life and memory of one of West Virginia's greatest men. The late Hon. Harley M. Kilgore was born in Harrison County and reared in Marion County. He was a graduate of the West Virginia University law school, and he moved to Beckley in 1915 and established a law practice. There he married Lois Lilly. He served in the United States Army during and after the First World War. He was elected Judge of the Criminal Court in Raleigh County, and he served 8 years in this office until he was elected to the United States Senate in 1940. Senator Kilgore served with distinction in the United States Senate, and he became known, respected, and loved, not only by his fellow Americans but also by the people of many nations.

The scriptures say, "A man that hath friends must show himself friendly." Harley Kilgore had a multitude of friends. Someone has said, "There can be no true greatness without humility." Harley Kilgore possessed this virtue. In him the elements of love and humility and kindness and brilliance were so mixed that it truly can be said: Here was a man. "When comes such another?"

He was the kind of man Emerson had in mind when he wrote:

"Not gold, but only men, can make
A nation great and strong,
Men, who for truth and honor's sake,
Stand fast and suffer long.

"Brave men who work when other men sleep,
Who dare while others fly,
They build a nation's pillars deep,
And lift them to the sky."

I am told that Benjamin Franklin's favorite scriptural quotation was a passage from Proverbs: "Sees thou a man diligent in his business? He shall stand before kings." Harley Kilgore was diligent in his business, and he walked with kings and presidents and the great men of the earth; yet, he never lost the common touch, and perhaps it was this that so endeared him to the people of our own State. They thought of him as a true son of the mountains; one who had breathed the fresh air of liberty one who had traced the greatness of his Creator in the stars of West Virginia heavens; one who had known the pain and sweat of honest toil; one who had experienced the joys, the sorrows and the sufferings that crowd the common way of life.

It is not the privilege of every man to build for himself a great shaft of granite or to engrave his name upon a plate of bronze, but it is within the power of each of us to so live as to plant an everblooming flower within the bosom of all whom we meet. Harley Kilgore so lived, and the fragrance of the flower of his life will never cease to shed itself within the lives of those who knew him. It was Tennyson who said, "I am a part of all that I have met." Each of us is a part of Harley Kilgore.

He seemed to be dedicated to the task of serving others, and this could well have been the secret of his greatness.

" 'How far away is the temple of fame?'
Said a youth at the dawn of the day;
He toiled and dreamed of a deathless name,
And the hours went by, and the evening came,
Leaving him feeble, and old, and lame,
To plod on his cheerless way.

" 'How far away is the temple of good?'
Said a youth at the dawn of the day;
And he strove in the spirit of brotherhood
To help and succor as best he could,
The poor and unfortunate multitude,
In their hard and dreary way.

"He was careless alike of praise and blame,
But after his work was done,
An angel of glory from heaven came,
And wrote on high his immortal name,
To proclaim this truth that the temple of fame,
And the temple of good are one.

"For this is the lesson that history
Has taught since the world began;
That those whose memories never die,
But shine like stars in the human sky,
And brighter grow as the years roll by,
Are men who live for man."

Several months ago the West Virginia Society decided to honor Senator Harley M. Kilgore as West Virginia's most outstanding, most noteworthy, most derserving son of the year, and so it was planned to present him with a token of appreciation and esteem upon this occasion. But the Creator and Giver of life altered these plans, and so this evening we pay tribute to one who is no longer with us but the memory of whom will always live in our hearts. His companion is with us, and so we have chosen to present to her that which we had intended to give to him. With Mrs. Kilgore here tonight are her son and daughter and Senator Kilgore's sister. We are happy that all of them could be present.

As I prepare to present the plaque to Mrs. Kilgore, may I say to this audience that Senator Kilgore was my neighbor. Raleigh County was our home. I had an opportunity to observe his life, and mine has been enriched thereby.

"The roses red upon my neighbor's vine
Are owned by him, but they are also mine.
His was the cost, and his the labor too,
But mine, as well as his, the Joy—their loveliness to view.

"They bloom for me, and are for me as fair
As for the man who gives them all his care.
Thus I am rich because a good man grew
A rose-clad vine for all his neighbors' view.

"I know from this that others plant for me,
That what they own, my joy may also be.
So why be selfish, when so much that's fine,
Was grown for me upon Harley Kilgore's vine."

Mrs. Kilgore, we were proud of your husband, and we are proud of you and your family. I know that I speak the thoughts of every person present. On behalf of the West Virginia Society, I present you with this plaque as a token of the love and the pride possessed by all West Virginians whose hearts have been warmed and made glad by the services of your illustrious husband. May you cherish it forever, and may it not only recall to your memory the many good things he did for all of us but also may it constantly remind you of the way we feel toward West Virginia's great statesman and great son.

Amendments to the Slot Machine Act

EXTENSION OF REMARKS
OF
HON. J. PERCY PRIEST
OF TENNESSEE
IN THE HOUSE OF REPRESENTATIVES
Monday, May 21, 1956

Mr. PRIEST. Mr. Speaker, at the request of the Department of Justice, I introduced on May 16, 1956, H. R. 11256, a bill to amend section 3 of the Slot Machine Act. The letter from the Attorney General to the Speaker of the House of Representatives, requesting introduction of the bill, and giving the reasons for the request, is as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., January 10, 1956.

The SPEAKER,
House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: Experience acquired by the Department of Justice in the administration and enforcement of the act of January 2, 1951, commonly known as the Slot Machine Act, coupled with the decision of the Supreme Court in *United States* v. *Five Gambling Devices* (346 U. S. 441 (1953)), indicates a need for some major revisions of the act both in form and in substance. Accordingly, the attached draft legislation is submitted for your consideration and introduction in the House of Representatives.

Section 3 of the Slot Machine Act now requires every manufacturer of and dealer in gambling devices to register with the Attorney General upon entering such business and to reregister annually thereafter. It also requires such persons to file monthly reports with the Attorney General, indicating in such reports an inventory and record of all sales and deliveries of gambling devices. The section further requires that the component parts of gambling devices shall be separately marked and numbered if sold or shipped in unassembled form.

In providing for the registration and filing of required information, the section directs that information be supplied as to business places "in such district," and sales and deliveries "in the district." The quoted language was inadvertently retained in the legislation after the Congress had decided to substitute the Attorney General for the then Collector of Internal Revenue as the official with whom the required information was to be filed. However, two of the Justices of the Supreme Court, in the case above cited, found the section void and unenforceable because of the vagueness and the uncertainty of the quoted language. The bill would eliminate this language.

In the same case, three of the five Justices constituting the majority of the Court held that the registration and report provisions of the act, insofar as they undertook to regulate purely intrastate transactions which do not directly affect interstate commerce, went beyond the commerce power of Congress. As proposed to be amended, the language "every person manufacturing, repairing or reconditioning any gambling device who buys or receives such device knowing that it has been transported in interstate or foreign commerce, or who sells, ships, or delivers in interstate or foreign commerce, or sells, ships, or delivers knowing it will be introduced into interstate or foreign commerce, any gambling device, and every other

person who buys or receive any gambling device knowing that it has been transported in interstate or foreign commerce, or who sells, ships, or delivers in interstate or foreign commerce, or sells, ships, or delivers knowing it will be introduced into interstate or foreign commerce, any gambling device, shall register" will clarify the matter by making quite clear who must register, and will effectuate the view expressed in the case that only those whose activities directly affect interstate commerce should be required to do so.

Another major change which the bill will accomplish will be to eliminate the present filing requirements. Rather, persons subject to the registration provision of the act will be required to maintain inventories of essential information. These inventories will reflect not only sales and transfers in intrastate commerce, or in interstate or foreign commerce, but also the acquisition, possession, ownership, or custody of gambling devices. The registrants will also be required to maintain records of the numbers placed on their devices in accordance with the amended section 3. This bill also takes a more realistic view of the difficulties involved in the numbering process than does existing law and does not require small component parts to be separately numbered.

Two other major changes include (1) provision for the inspection of the required records by personnel of the FBI and (2) an immunity provision applicable to those who maintain records in compliance with the act. With respect to the FBI inspection the bill will authorize Federal district courts to compel the production of requested records. Finally, the bill continues and clarifies the provision of the present law which declares it unlawful to sell, deliver, or ship any unmarked or unnumbered gambling device or to manufacture, recondition, repair, sell, deliver or ship any gambling device without complying with the registration requirements. It differs from and enlarges the present prohibitions in that it would make it unlawful for a person to possess any gambling devices if, being required to do so, such person has failed to register or to maintain the required records. This will permit enforcement personnel to pursue forfeiture processes without waiting for a sale or delivery in an appropriate case.

The Department of Justice is of the view that this legislation will materially strengthen and clarify the Slot Machine Act and will be of genuine help in the enforcement and the administration of that law. Its prompt introduction and enactment are urged.

The Bureau of the Budget has advised that there is no objection to the submission of this recommendation.

Sincerely,

HERBERT BROWNELL, Jr.,
Attorney General.

The United States Must Import Products From Other Countries if We Are To Export Our Farm Surpluses

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EXTENSION OF REMARKS
OF
HON. JAMES H. MORRISON
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 21, 1956

Mr. MORRISON. Mr. Speaker, the Members of this Chamber will recall that on April 27, 1956, Secretary of Commerce Sinclair Weeks published a list of approximately 700 items, approved by our Government, which may now be shipped to any Soviet bloc country without license or restriction.

Carefully tucked away in this list of what Mr. Weeks described as a roster of peaceful goods were three products—watches, watch movements, and watch parts. And I am sure that many of my colleagues must have opened their eyes in astonishment when they saw this portion of the list. It represents a very curious postscript on a very important trade action which our Government took nearly 2 years ago.

In July of 1954, President Eisenhower, on the advice of the Office of Defense Mobilization and many of his Cabinet officers, adopted a decision to increase our tariffs on Swiss watches by nearly 50 percent.

Watches, as you no doubt realize, are the chief commodity in Switzerland's trade with the United States, and the sales of watches enable Switzerland to buy between 150 and 190 millions of dollars of American goods each year.

For instance, my own State of Louisiana shipped more than $2 million worth of rice, cotton, furs, and chemicals to Switzerland during 1954. The States of the South and the Southwest sold more than $40 million worth of their products to Switzerland in the same year. American cotton, fruit, tobacco, and vegetables alone amounted to more than $22 million of sales to Switzerland.

Because of the present situation of mounting agricultural surpluses and falling farmer incomes, farmers in Louisiana and everywhere else in the United States have become increasingly interested in preserving and improving every opportunity to export American cotton, wheat, rice, corn and other products. They know how important is the role of two-way foreign trade in helping to enrich and stabilize the agricultural economy of our country.

When the President's decision to restrict watch trade with the Swiss was announced, these farmers knew that, by raising barriers to Swiss watch trade with us, our Government was quite probably shrinking the market for American farm products in Switzerland.

But the farmers of America loyally restrained their immediate criticism and protest over President Eisenhower's action on Swiss watches. Why? Because they were told by nearly every important officer in the President's official entourage that the restrictive action on Swiss sales to the United States was undertaken only as a vital measure to protect an American industry whose product had been declared essential to defense by the Office of Defense Mobilization.

I have now checked back over that famous watch report made by the Office of Defense Mobilization. And I have found that among the most strident and partisan advocates of protection for the American watch industry, and restrictions on Swiss imports, were our Secretary of Commerce, Mr. Sinclair Weeks, and his Department of Commerce representatives.

In one portion of this report, even after the Department of Defense had expressed serious doubt that the American watch companies represented unique or irreplaceable portions of our defense production, the Department of Commerce countered by finding still further reasons to favor the American companies' claim that they were "essential to defense".

The Department of Commerce reported to the ODM that the defense effort during World War II was hampered by serious shortages of watches for nurses, miners and railroad workers. It urged that on this basis the American companies be protected from competition so that they could produce at least 3 million watches a year.

For anyone who can read, it was clear that the Department of Commerce was arguing in 1954 that watches and watch movements are strategic goods needed by any country to wage war.

To say the least it is utterly amusing, therefore, to find the same Department of Commerce asserting in 1956 that watches and watch movements belong on a roster of "peaceful goods", which may be exported to the Soviet bloc countries without restriction.

If watches were needed to help us conduct war in 1941–1945, why should they not be helpful for the Soviet to conduct war tomorrow?

Are there no nurses, no miners, no railroad workers in Russia? I think the answer to this ridiculous inconsistency and confusion in our policy is that Mr. Sinclair Weeks must have changed his mind since 1954. Or perhaps he did not really believe that watches were necessary to conduct war in 1954, and was acting to favor the many influential protectionists who were bringing enormous pressure to bear on our Government at that time.

In 1956, it is highly conceivable that the same people who wanted him to shut off Swiss watch trade with the United States, were now urging him to permit them to resume trade with the Soviet bloc countries. After all there has been an alarming drop of hundreds of millions of dollars in the value of American products sold to these countries, and there must have been an accompanying loss of profit for many American exporters.

I see no reason to raise any objections to American shipments of watches and watch movements to foreign countries. However, I see sufficient reason to urge that Secretary of Commerce Sinclair Weeks immediately take action to rectify the absurd inconsistency and contradictions of his Department and his policies.

It is obvious that watches cannot be, at one and the same time, both peaceful goods and essential to the conduct of war.

If they are peaceful goods then it is incumbent upon the Secretary of Commerce to announce that he has withdrawn his decisions and recommendations to the ODM in 1954. I think the facts of the situation require that the Secretary take this action, and I can assure him that a clarification which will clear away the confusion over the defense essentiality of watches will be hailed by all friends of trade, both in the United States and in the democratic world.

To persist in stubbornly maintaining the defense essentiality of watches, after

his action of April 27, will only lay Secretary of Commerce Weeks open to criticism both from trade interests in the United States and from our democratic partners.

Need for Strengthening United States Airpower

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, May 21, 1956

Mr. WILEY. Mr. President, it was my privilege to speak to the Arnold Air Society at the University of Wisconsin in Madison on Saturday night last, on the subject of the necessity for strengthening United States air power. I ask unanimous consent that a copy of my address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SENATOR WILEY URGES STRENGTHENING UNITED STATES AIR MUSCLE—SAYS ANY MORE UNDERESTIMATING OF RED STRENGTH COULD BE "SUICIDAL"—URGES MORE UNITED STATES REENLISTMENT INDUCEMENTS.

It is a privilege to be your guest tonight. You will have an even greater privilege—of serving in the United States Air Force.

Today, we pay tribute to you and all other patriots who defend America.

KREMLIN RESPECTS UNITED STATES MUSCLE

We pay tribute by the great Armed Forces Day parade which we have been privileged to witness. We pay tribute by our words of sincere praise for America's sentinels.

But most important of all, we pay tribute in action—by vowing to take constructive steps—to put still more "muscle" into the United States Air Force, into the crucial guided missile program, and into all other essential military arms. Why? So as to assure America's invincibility and to deter global war.

The Soviet Union, despite showy signs to the contrary, is still unfortunately bent on world conquest. The Kremlin still respects "muscle" on its opponents arms; not flabby fat, not apathy, not empty bragging on any American's part, but strong, well-trained, defensive, "muscle."

We don't get muscle without exercise, without training, without self-dedication.

That is what you of the Air Force Reserve Officers Training Corps have been learning, and it is what all Americans must relearn. In this dangerous Jet-Atomic Age, softness of mind or body can be suicide. We must be strong, vigilant.

A GREAT AMERICAN—"HAP" ARNOLD

As you so well know, the Arnold Air Society perpetuates in honor of the immortal name of "Hap" Arnold, one of the greatest, strongest airmen of all times.

He was an air officer who learned to fly from the Wright brothers, who picked up from Billy Mitchell's dying hands the torch of a dynamic Air Force. He carried the torch aloft into the "wild blue yonder" with the winged squadrons which played so magnificent a role in winning World War II.

In but a few years, we had built the insignificant airpower that we had before 1941—into the most powerful air force in the world—an armada of 2½ million men and 75,000 planes. That was an "impossible job," but it was done.

And it was done under the command of your namesake, Gen. Hap Arnold.

As he said, "The difficult, we do easily. The impossible takes a little longer."

This time, thank goodness, we recognized our potential enemy much sooner. And after a postwar relapse, we wisely began steps to rebuild our shrunken airpower.

THE NEED FOR SPLIT-SECOND REACTION

We are all aware that with the growth of flight radius and the rise in air speed—better than 1,400 miles per hour—we shall not again have much warning of actual outbreak of hostilities.

That is why our air strength is built into an instantaneous machine which must start without delay.

Our superb SAC, or Strategic Air Command, is poised, as you know, to go off at the flash of a signal.

Ready are the long range and medium bombers. Ready are the atomic-H-bombs. Ready are the skilled air crews. Waiting for a signal—we hope will never have to be flashed from headquarters; a signal that a potential enemy has actually started hostilities.

Then SAC stings back with fatal destructive power.

Our U. S. A. has never begun a war. And it does not intend to.

But it is ready with an all-powerful threat of awesome retaliation which our potential enemies fear.

Besides this retaliation, we have the defense of our far-flung Navy, with its own airpower afloat on the big flattops.

And our Army and Marine Corps are dispersed strategically to block attack upon the free world.

Similarly and most important, our missiles and interceptors are set up to defend our continental United States.

THE COMPONENTS OF AIR MIGHT

As you are so well aware, airpower includes, of course, the aircraft, and their weapons, and the men who fly and service them.

Airpower also means the indispensable bases—at home and abroad—from which the aircraft are launched on their missions.

And back of the bases and aircraft is the vast complicated industrial organization of human skills and of raw materials.

Through a kind of magic formula, there emerges the intricate airplanes, with automatic fire control systems, atomic-H-bombs and rockets.

And back of this production is the long research and development process. It conceives, designs, builds and tests all the things which go into their super-modern airplanes.

Air power also includes civil aviation which furnishes ready additional sources of planes, skills and fields.

"Air power," to quote Arnold again, "will always be the business of every American citizen."

MADISON JUST HOURS, SOON MINUTES AWAY FROM MOSCOW

In this shrunken world, it is now possible to fly from Moscow to Madison, or Madison to Moscow in a jet bomber in less than 9 hours; and from or to Siberia in less than 5 hours.

Soon, the long-range rocket will again shrink bomb transportation time between these spots and only to a matter of minutes.

These facts have utterly changed our concept of international relations. Gone—as dead as the dodo or the dinosaur—is the obsolete concept of isolation.

AIR POWER BACKS UP UNITED STATES DIPLOMACY

Technically speaking, General Arnold defined air power this way. He said:

"Air power includes a nation's ability to deliver cargo, people, destructive missiles and war-making potential through the air to a desired destination to accomplish a desired purpose."

American air power is not an offensive threat to anyone. But it is ready to back up our American Foreign Service and our economic and technical aid group in their front-line responsibility of strengthening our relations with other governments and with other people.

Here, at home in our domestic affairs we have put away our "six shooters." We face no major threat to domestic tranquillity. But, out in the cold international scene in this world where Korea was attacked and split asunder, where Vietnam was assaulted and divided, where fires rage in North Africa and potentially again in the Middle East, we face a grim challenge from international communism.

We are still so threatened with brutal Red disregard of right, honor and security; we are faced with so serious a threat of potential death and destruction of ourselves and of all that is dear to us, that we must keep up our guard. That means an attitude of vigilance. And it means appropriations for vigilance. False economy would not make sense. A second best air force is no good. Underestimating our enemy could be a catastrophe, perhaps sheer suicide.

We must maintain our air power supreme and ready to retaliate with efficiency at all times.

AIRPOWER IS PEACE POWER

We must and shall only use it to defend the peace of the world.

And so our airpower is, in reality, peace power.

Our statesmen—inside and outside NATO—must continue to be able to negotiate from positions of strength; from positions, not only of moral strength, but also of physical military strength, so as to assure respect for our statements, and to back them up, if need be.

SOVIET DISARMAMENT THUS FAR A SHAM

Unilateral disarmament would be the height of stupidity on our part, and that is why our alert President will never risk it. The Reds, for all their propaganda fanfare of reduction of conventional ground and sea forces, have not reduced by one iota, their all-out preparations in the crucial air arm—by piloted and pilotless aircraft.

They are putting away their obsolete "bean shooters," so they can step up their production of superdeadly missiles and H-bombs.

I do not mean that the recent ferment inside the top echelons of the Kremlin is without any meaning save as propaganda.

Obviously, there is a reappraisal going on, and a new phase of the struggle for power inside the Kremlin.

But while the Soviets so obviously continue to seek to conquer the world, their sham and showy efforts of so-called disarmament—their sirupy words of friendship—must not lull us to sleep.

IS KHRUSHCHEVISM ANY BETTER THAN STALINISM?

Joe Stalin is dead. Stalinism, as such, may be dead or dying.

But the Reds can "tell it to the Marines," or to the Army or the Air Force, if they think we naively believe that Khrushchevism is innocent or harmless.

Therefore, 365 days a year, we will continue to combat Red subversion at home and abroad.

And we will do so with the marvelous aid of the men with the honored, winged emblem, and with their hard-working ground crews.

They are called not simply to carry weapons of death, but, as well, the sinews of life.

INSPIRING EXAMPLES OF PEACEFUL AIRPOWER

Illustrations of peaceful use of airpower abound. There was the unforgettable Berlin airlift which fed and saved the liberty-loving Germans of West Berlin, who had been blockaded by the ruthless Communists.

There was the Moslem airlift to Mecca, which was appreciated as a friendly act to overcome a transportation problem encountered by devout pilgrims.

There has been the "Kinderlift" when Berlin children have been brought out by air for a few weeks' vacation and recreation in Western Germany.

And the Air Force has cooperated with her sister services on land and sea in a long series of disaster relief and rescue operations. These have covered flood relief in England, the Netherlands, Germany, Italy, and Pakistan, and earthquake relief in Greece and Turkey.

WE ARE PROUD OF OUR OVERSEAS FORCES

And that brings us to this point.

We can indeed be proud of the behavior and the accomplishments of our men stationed throughout the world.

Our American airmen, our sailors and ground forces have recognized the delicate nature of our overseas position—being stationed in other sovereign peoples' territories.

Of course, every once in a while, you hear some criticism of the conduct of some GI in a foreign land. But I say to you that there has never been a people whose overseas boys have behaved more admirably, more thoughtfully, more generously than have the Armed Forces of the United States stationed abroad. Despite the occasional, isolated incidents and mishaps, we have a right to hold our head high over the general conduct of our boys overseas. And we can thank the top command of our services, as well as the officers down the line, and the GI's themselves, for that inspiring record.

Even before the United States of America dispatches a fighter or bomber wing to a foreign base, the ground must have been prepared—in spirit and in letter—money must have been spent there first. Runways, shops, and hangars must have been built. Barracks and hospitals, chapels and commissaries—in fact the living needs the size of an American town must have been provided—for our own men.

And our airmen abroad are genuine ambassadors of good will, who are representative of all that is fine in American life. Although the United States Air Force is a new service, it has a record of devotion to duty and of accomplishment which makes it worthy of representing America abroad, along with our Army, Navy, and Foreign Service.

SOVIETS MAKING SPECTACULAR AIR PROGRESS

Now, what about our airmen's equipment? Are we losing the competitive race with the Reds?

As we are all aware, the newspapers, radio and television have recently been full of conflicting testimony of both sides of this crucial question: "Are we now still ahead of the Soviet Union in air power, or are the Reds already ahead of us?"

Gen. Curtiss LeMay has given the very disturbing but factual testimony that only 78 B–52 bombers have been produced, of which only 31 were accepted. On the other hand, it is estimated that the Reds have approximately 100 intercontinental jet bombers, which are equivalent to our B–52's.

While it is agreed that we are thus behind the Soviet Union in the long-range bomber, it is universally agreed that we are far ahead in medium range jet bombers—our B–47's. These medium bombers require, however, overseas bases, or refueling in air.

And there have been other comparisons—many of them disturbing comparisons—as regards our own versus Soviet production, in interceptor planes and in other categories of aircraft and missiles.

It is not my intention at the present time to try to evaluate the conflicting testimony—the defense of our supremacy by Secretary of Defense Wilson, and Admiral Radford, on one hand, or assertions by some Senators and others to the contrary.

The Soviets have, by everyone's opinion, made spectacular progress. And the very fact that there is now such strong dispute—the very fact that there is controversy as to who is ahead, the very fact that many people believe that by 1960, the Soviet Union may surpass us in many crucial respects—these facts make it absolutely necessary that we constantly re-evaluate the adequacy of our own forces, and that we appropriate every dime necessary for our survival.

DECISIVE BATTLES WOULD BE FOUGHT IN AIR

President Eisenhower has, of course, rightfully stressed that we cannot look exclusively at any one weapon and ignore other weapons and forces.

At the same time, it is quite clear that if World War III ever comes, (and we pray God that it will not come) the decisive battles will be fought in the air. And in the air, the decisive weapon may be pilotless aircraft, the guided missile and the intercontinental ballistic missile.

THREE CONDITIONS WE MUST NOT TOLERATE

Under these circumstances, it would be absolute folly to allow certain conditions to continue:

1. It would be absolute folly to fail to take steps to widen our inadequate reservoir of scientists, engineers and technicians.

2. It would be absolute folly to continue to allow conditions to exist which discourage our most skilled technicians in the Air Force and in other services from reenlisting.

Our country is each year losing literally billions of dollars in trained manpower, as our experienced airmen and as our mechanics quit in droves when their enlistment period is up. These men would be glad to continue to serve, if we gave them the minimal encouragement in adequate salary and benefits—for themselves and for their families.

3. It would be absolute folly to permit needless duplication of effort and confusion among the services in the guided missile or any similar advanced weapon field.

It is one thing to have a spirit of healthy competition; it is another thing to have each service "stepping over the other services' feet," retracing perhaps, the same steps which the other services may long since have gone through, and failing to benefit from the other services' latest research and findings.

I hope that recent Pentagon changes will at long last bring smooth coordination and teamwork. The air will be the crucial battlefield.

And I hope there will be universal recognition among our people of this and other "facts of life" in today's danger-strewn world.

NIKES AT MILWAUKEE, JETS IN NORTHERN MICHIGAN

A year ago, last November, steps were begun to surround Milwaukee with Nike sites. Milwaukee is, of course, our State's greatest manufacturing center and therefore, the most likely target in the State.

In northern Michigan, one of the greatest interceptor fields in all the world is now being built, with the idea that if the Russian bombers come, they can first be intercepted by Air Force fighters.

If the Russian bombers should get past the fighters and the guided Nikes, then it is goodbye Milwaukee and vast adjacent areas. Most of Wisconsin would be on the firing line in the next war, if hostilities should break out.

SAC, TAC, CADC

Fortunately, in the Strategic Air Command, we have the ability to destroy an enemy's war-making capacity and his will to fight.

In the Tactical Air Command, we have a highly mobile light bomber and fighter bomber force that can destroy enemy troop concentrations and lines of communication and can employ atomic weapons.

In the Continental Air Defense Command, we have a constantly increasing capability to detect, intercept, and destroy invading bomber aircraft before they reach our vital target centers.

Behind the radar network, our manned interceptors, such as those here at Truax Field, are ready for instant action against an aggressor.

THE GREAT VALUE OF TRUAX FIELD

Truax, as we all know, is an immensely important base and is rapidly expanding. There exists, however, a requirement for 523 family housing units, and construction of these has already been approved. The feasibility of extending the runways is under study. The Air Force expects Truax Field to be a permanent-type base for a long time to come.

General Mitchell Field, at Milwaukee, has an Air Reserve fighter bomber wing. Also an Air National Guard fighter interceptor wing. More space and equipment are needed. The Air Force has an approved construction program to provide during the next 2 years adequate facilities for the Air Reserve unit.

The field's location near the concentration of reservists in Milwaukee helps assure the permanence of this field.

As I'm sure you are aware, a new base is being constructed in an area generally to the south of Kansasville. Acquisition of land has begun and construction should start this summer. It should be completed in about a year and a half. At that time, about 150 officers, 1,225 airmen, and 250 civilians will be assigned to the base. The estimated annual base payroll will be about $5 million. Additional expenditures for base services, supplies, utilities, etc., are estimated to run up toward $1½ million per year. The location of this base in Racine and Kenosha Counties will result in tremendous financial benefits for that area and for the whole State. And the jets to be stationed at the base will provide protection of immeasurable value to the State of Wisconsin and the Nation as a whole.

Of course, we might have hoped that it would not be necessary to disturb the tranquil scene of our countrysides with roaring military jets. But we would far rather suffer such little inconvenience and disturbance as arises than risk national extinction.

CONCLUSION

The overall United States Air Force numbers more than 930,000 uniformed personnel, employs about 300,000 civilian employees with over 800,000 dependents. This represents a potent influence in our domestic life—and an influence for good.

Whether or not you make the Air Force your life-long career, as General Arnold made it his, you will find positions of importance and responsibility in the years that lie ahead. Chosen men like yourself are educated to be leaders and, whether in the Air Force or in civilian life, you have the opportunity to be leaders who understand and appreciate air power.

Wisconsin is proud of you and wishes you well.

As the Air Force says—

"In space so vast
It ends where no one knows,
Our giant birds seem gnats
As distance grows.
We measure flight
In miles and speed and men
And quality of craft—
But mostly men."

Address of Hon. Barry Goldwater, of Arizona, in Dallas, Tex., May 16, 1956

EXTENSION OF REMARKS
OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 21, 1956

Mr. ALGER. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include the speech delivered by the Honorable BARRY GOLDWATER, Senator from Arizona, in Dallas, Tex., May 16, before a large group of the people of Dallas County. It is my hope that my colleagues will find great merit in the principles and the reasoning of Senator GOLDWATER presenting his views. I was particularly impressed with his remark about the common man philosophy which is so antithetical to the American's creed and beliefs as expressed in the Declaration of Independence and our Constitution:

It's a pleasure, as a Republican, to come to Texas without fear of being horsewhipped. Of course, I realize that, like the fellow who passed up filet of skunk, the "name of the animal" still bothers a lot of folks; but as long as we are together on the fundamental ideals of American Government I'm not too concerned about party labels.

I am glad, though, to see signs of the development of a two-party system in Texas. We went along for too many years in Arizona under the delusion that only Democrats were entitled to hold public office; but now, having experienced success in recent elections, Arizona Republicans no longer hide beneath the cloak of defeatism.

When the voters of this district elected BRUCE ALGER to Congress, they opened the way for the release of the fundamental Texas philosophy of conservative, free enterprise government. Not only did they send to Washington a man of the highest caliber and character, they also said to the Republican Party: "We are tired of New Deal socialism in America. The leaders of the pseudoliberal Democrat Party of today can't, or won't, save our liberty. Here's BRUCE ALGER to help Republicans do the job for Texas and America."

Believe me when I say that Texas can be proud of this decision. Your confidence in BRUCE ALGER has been fully justified. You can do no better than to continue his service for you in Washington.

BRUCE has one quality above all others, which authenticates him as a Texan—he brags. He brags about Texas—its traditions, its institutions, its opportunities—and I suggest that this is a trait which could well be developed to a greater extent by all Americans with respect to those principles of freedom which have enabled us to build on this continent the most perfect form of government yet devised.

There is something going on in Texas today, however, which leads me to believe that you people aren't going to be content with boasting the wonders of your State. In fact, when someone told me the story the other day about the fellow from Texas who was struck by lightning while he was swearing, I replied that there was nothing so strange about that. Indeed, it would only be unusual if lightning should strike a Texan when he wasn't swearing.

The truth of the matter is that people in Texas aren't the only ones cussing these days. In Arizona, folks have been swearing pretty lustily for 6 years or more. It has done them some good, but they still aren't satisfied; and if I know Arizonans they'll right on swearing, just like Texans, until the efforts of the self-styled, pseudoliberals to substitute their socialistic pipedreams for our proven system of constitutional, free enterprise government are effectively and completely combated.

Despite what might be said by your philosophical critics, you Texans aren't really moss-backed reactionaries. This kind of epithet is invariably hurled at men and women who believe in liberty and who want to preserve the creeds and institutions which created that liberty. It represents the only ammunition of the sordid crowd of New Dealers who have been trying for years to convince our citizens that we have reached the zenith of freedom's promise and must now revert to an antiquated theory of slavery and regimenation.

This attitude, of course, they advance in the name of liberalism; but I suggest that it is the New Dealers who are the true reactionaries—the revolutionists—who want to take America back down the jagged road to tyranny, who want to take from us the liberty for which we and our ancestors have fought and bled.

Texans brag because they know that there are no commen men in their midst—that, in fact, there is no such thing as a common man in America.

Texans recognize the wide diversities our country has in races, nationalities, religions, occupations, and income levels.

Texans believe in treating our citizens as individuals, with sacred rights and freedoms, and opportunities greater than anywhere else in the world.

They do not subscribe to the collectivist theory that Americans—or Texans—are cast from a common mold.

The preachers and prophets of gloom in our country—the New Deal revolutionists—have long leaned heavily, in the name of liberalism, upon the theme of the common man.

They have employed the tyrant's tactic of division and disunity by appealing to the lingering prejudices of a system of ranks and class which pure freedom does not recognize. When they speak, they speak not to all Americans as Americans, but rather they set labor against management, farmer against worker, black against white, Jew against gentile, Catholic against Protestant, rich against poor.

In other words, they classify Americans according to race, color, religion, and occupation, and they say to each group that they are the common men who are being oppressed by the privileged few.

This privileged few, of course, in the eyes of the Socialist-minded, pseudoliberal, is anyone who has enjoyed a measure of success and prosperity that is greater than that of the particular group to whom he is speaking.

For many years, the Democrat Party has applied this strategy. It has portrayed itself as the people's party, while Republicans have been described as the party of the special interests—in other words, the common man in opposition to the privileged few.

This claim is utterly false, but the self-styled liberals who have, unfortunately, gained control of the mechanism of the Democrat Party, have pressed it so boldly, for so long, and in so many forms that they have achieved for it a substantial measure of popular acceptance.

It is a flagrant example of the big lie in politics.

No major party could function successfully in a country of the size and diversity of the United States if it served only the common man or the privileged few.

It is one of the virtues of our nationwide two-party system that the voters may switch from one major party to the other and find each one an adequate instrument to serve the Nation as a whole.

If this were not true, our political system would soon degenerate into a multiplicity of small special interest parties not capable of governing.

The very health and vigor of our two-party system—each one drawing strength from all four corners of the Republic—belies the Democrat Party claim.

These statements by so-called liberals who have corrupted the traditional Democrat Party philosophy are so absurd that I often wonder just how stupid they think the American people are.

In his acceptance speech before the Democrat National Convention on July 15, 1948, Harry Truman said, for an example:

"The people know that the Democratic Party is the people's party and the Republican Party is the party of special privilege."

He said further, at that same time, "The Republican Party favors the privileged few and not the common, everyday man."

Adlai Stevenson, in a speech at Chicago on November 19, 1955, said:

"In whatever direction we look—tax policy, resources policy, credit policy or what not—we see the sharp outlines of what can only be described as special interest government in Washington, something we haven't seen since Republicans were there last."

Another instance of this pseudoliberal, common-man approach to Democrat partisanship may be found in the Report on Congress issued by the CIO in September 1954. This report says, on page 20:

"The question is not whether there will be any tax relief, but who will get it. The Democrats wanted it for the people. The Republicans wanted it for the upper brackets and the corporations."

As recently as April of this year, according to a story which appeared in the Washington Evening Star on the 13th of last month, Democrat Senator SAM ERVIN, of North Carolina, said:

"The Republicans believe in government for a few elite; the Democrats believe in a government serving all the people."

The big lie marches on.

One reason behind the Democrat Party claim that it is the party of the common man is the fact that for years it has labored hard to mold the American people into common men.

Secretary of Labor James P. Mitchell called attention to this tendency of the Democrats to turn our people into common men in an address at Flint, Mich., on January 20, 1956, when he said:

"The keepers of this doctrine were interested not in individual men but in collective man, massed man. For them social problems were quite simple. One merely had to determine what was good for collective man and then shove it down his throat like castor oil. The Government was of the people, for the people, but by the social planners."

Dr. James B. Conant, former president of Harvard University, put his finger on the source of the doctrine of massed man when he wrote:

"The Soviets seek uniformity and strict adherence to the creed of Marxism-Leninism."

In that creed man is nothing as an individual. He exists only as an unidentifiable atom in a collective mass; and men and mass exist only for the state.

Recent history shows the many steps through which the Democrats, who were in control of government, deprived our people of their individuality.

Democrats centralized the government of everyday affairs in Washington, leaving less and less for people to do in their home States and localities. They handed out billions in relief, grants, and aids from Washington, making people dependent upon the Great White Father at the Nation's Capital.

Through social security, they reduced the individuality of persons to numbers in electronic computing machines. They forced men into unions to bargain collectively.

By raising great citizen armies to fight in foreign wars, they put the GI stamp of uniformity on every mother's son. By spawning Government housing developments they scattered clusters of identical brick and frame boxes from one end of the country to the other.

The list of laws, acts, and regulations which systematically robbed people of their individuality and piled them up in collective masses could be extended a mile long.

No one can deny that the Democrats intended to do good by these operations. No criticism need be leveled against relief programs, social security, collective bargaining, and public housing. Yet, it cannot be denied that an inescapable and most harmful byproduct of such operations has been the weakening of individual personality and self-reliance.

The Democratic Party has done its utmost to pour our people into the mold of common men and to deal with them in the mass. This is the basis of their political philosophy and voting appeals.

While they have had some measure of success, especially where our technical progress has emphasized collective or mass action, this success has been superficial because deep down our people are proud and jealous of their individuality. They resent being compressed into the mold of the common man.

Behind the mass production and the collective this and that, our people still have wide diversities and at heart remain individualists. This is clear when we examine some of the deep-seated diversities in American life.

Where Democrats are sincere in making the claim to be the party of the common man, as some of them undoubtedly are, they see the forest and not the trees. They look at the material uniformities in American life—the same trains, hotels, restaurants, cooking, and newspapers—and quickly come to the conclusion that all our people, too, are of a common mold.

What they fail to see is that this conformity is merely an expression of our technical, material progress. They fail to understand, or deliberately close their eyes to the fact that beneath the common material veneer is a people still highly individual in talents, aspirations, and with the intense desire to fulfill their individual personalities.

Again, in his address at Flint, Mich., in January of this year, Secretary of Labor James P. Mitchell declared:

"We were told for some years that Government was supposed to minister to the common man. This doctrine of the common man was as singularly unfree a doctrine as we have ever witnessed in this country. The idea that we are all alike, a common mass. the products of some sort of biological punch press, seeking the same end, through the same means, with the same ideas, desires, and needs, is indeed a devastating one."

A similar view is expressed by James B. Conant in his latest book The Citadel of Learning, where he says: "We in the free world, through our schools, colleges, and universities, seek to perpetuate that tradition of Western culture which emphasizes diversity, controversy, and tolerance."

So where are we to find the common man the Democrats are always talking about?

Is he of the Anglo-Saxon, Scandinavian, Germanic, Latin, Slavic, Celtic, or the score of other races which make up our population?

Is he English, Irish, Scotch, German, French, Italian, Norwegian, Swedish, Czech, Polish, or among any of the other three score and more nationalities which people the United States?

Do we find that our common man is a Catholic, Methodist, Unitarian, Presbyterian, Baptist, Jew, or any of the other hundreds of religious sects which flourish among our people?

Is he the business executive, the local banker, the city or rural lawyer, the office clerk, the shop manager or foreman, the factory worker, the school principal, the teacher, the corner grocer and his wife, the chain-store manager, the garage owner or mechanic, the department-store clerk, the Army officer or private, the housewife, or in any of the other thousands of occupations which make up our working population?

We have over 65 million employed persons in all occupations today. Where is the common man in this total?

Is he the worker in manufacturing who numbers only 15 million of our nonagricultural employed; or the 1 million engaged in mining; or the 2 million doing construction work; or the 4 million engaged in transportation; or the 9½ million who work in wholesale and retail trade; or the million and three-quarters who handle finance, insurance, and real estate; or the 5 million engaged in service industries; or the 5½ million people who work in Federal, State, and local government?

Is the common man to be found among our 8 million farmers? Is he the soft or hard winter wheat farmer, the cotton farmer, the rice farmer, the truck gardener, the cattle rancher, the cattle feeder, the peanut grower, the dairy farmer, the sheep raiser, the poultry and egg producer, or among the hundreds of other farm producers in our vast land?

Does he come from the 7.6 percent of consumer units who have a family personal income of $1,000 per year or under; or the 15.1 percent whose income ranges from one to two thousand dollars; or the 18.9 percent with income from two to three thousand dollars; or the 19.3 percent with income from three to four thousand dollars; or the 12.8 percent with income from four to five thousand dollars; or the 14.8 percent whose income is from five thousand to seventy-five hundred dollars; or the 4.8 percent with incomes between seventy-five hundred and ten thousand dollars; or the final 4.5 percent who have incomes of $10,000 and over?

What do these facts show?

They show one thing above all else: That there is no such thing as a common man in the United States.

Every man and woman is an individual, with talents, interests, needs, hopes and dreams of his or her own. Each person seeks freedom to live his own life, to develop his own personality, and a fair opportunity to get ahead in the game of life on his own merits.

When young we dream of making a professional career, starting a small business, operating a farm, owning our own home, establishing a family, and building a competence for old age.

America is the land which urges us to "hitch our wagon to a star," to plan and to build on the rich foundations of our freedom and the heritage of those who came before us and provided for us, and for the generations of Americans yet to come, the opportunities we have had, as well as inspiration to move ahead to yet undiscovered frontiers in this sanctuary of freedom.

Democrat Party leaders who make the claim that theirs is the party of the common man are well aware that ours is a Nation of great diversities, and that there are no common men in our midst.

Still, they do not hesitate to develop and inflame class distinctions in their aim to separate a few of our people from all the others.

One doesn't have to think hard to find the reasons for such Democrat trickery. One reason, is that the Democrats have been running the Government on the doctrine of the collective man, massed man.

A second reason lies in the field of raw politics.

Political history shows that Democrat Party leaders will make any claim and follow any line which promises them the votes to gain control of the country and remain in power.

They have shrewdly calculated where the bulk of votes lies and they make their appeals accordingly. That is why they label Republicans as the party of the "rich," the "bankers," "big business," and the "privileged few." They know that such labels carry an unpleasant, even sinister implication; and that few votes can be had from those sources.

They label their own party the party of the common man, the average man, and include among these the farmer, the laboring man, the white-collar worker, and the small-business man because such labels sound wholesome and the bulk of votes can be drawn from those sources.

It apparrently does not trouble Democrats in the least that this deliberate inflaming of class distinctions can do great harm to the peace and unity of the Nation.

It apparently does not bother them to malign good men and women among our people.

Their consciences seem not to trouble them when it is pointed out that their party, too, has its share of millionaires, its quota of advisers from banks and big business, and a very sorry record of favors to the privileged few. It doesn't seem to bother them, either, that a great many of the things they have done with professed intentions to help the so-called little man have resulted in great harm to the bulk of our people.

In using the inflammatory phrases of class distinction, they have had but one thought in mind—to get in power and stay there.

We are reminded in the third chapter of the First Epistle General of John that "Whosoever hateth his brother is a murderer."

Isn't this, after all, the end result of these pseudoliberal, common-man appeals?

They are attempts to instill fear in the minds of our citizens—fear of one another, fear of those who are different, fear of the self-reliance which is the keystone of liberty.

What has happened to the faith of our fathers?

America was not made free by hate. Humanity does not move forward in a climate of fear.

America has grown great because its citizens have trusted wholeheartedly in God, in our country, and in each other.

If the deceit of this new New Deal-Liberal dogma of the common man is perpetuated, freedom's call will go unanswered, opportunities will go unfulfilled, and competence for the future will be destroyed.

We cannot continue to reap the blessings of liberty by incubating cowards. We cannot carry on America's tradition of strength and leadership by stifling ambition, curbing incentive, and abandoning faith.

We need—desperately need—the uncommon men of our Nation. We need the courage and unquenched spirit of adventure which inspired the freedom of these United States.

We need to remind ourselves and each other that the Federal Government doesn't give us anything that it does not first take from us, so let's stop looking to Washington for the blessings of life and start doing more for ourselves.

Let's encourage in all Americans the devotion and optimism that characterizes Texans so that throughout this Republic men and women will proudly boast that in the United States we have "the biggest, the most, and the best."

You who are gathered here tonight know this to be true, and you are dedicated, through the Republican Party and your love of freedom, to the task of assuring that it will always be so.